Mainstreaming the SDGs in Business: Actions by Companies and Organisations in Japan

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SDG SURVEY 2018: BASIC FACTS

✔ Questionnaire Survey
  • Asked knowledge about SDGs, progress and issues on SDG implementation
  • Targeted 287 GCNJ member companies and organisations (as for 2018.9.1)
  • Response rate: 62.7% (180 member companies and organisations)

✔ Interview:
  • A total of 7 C-level executives who responded were interviewed

Sales of respondent companies:
- 100 billion yen+: 67%
- 25-100 billion yen: 9%
- 2.5-15 billion yen: 9%
- less than 2.5 billion yen: 10%
- Not applicable: 5%

Markets of respondent companies:
- Local: 72%
- National: 18%
- Regional: 3%
- Global: 7%

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Response</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>134</td>
<td>64.1%</td>
</tr>
<tr>
<td>2016</td>
<td>147</td>
<td>63.1%</td>
</tr>
<tr>
<td>2017</td>
<td>163</td>
<td>64.2%</td>
</tr>
<tr>
<td>2018</td>
<td>180</td>
<td>62.7%</td>
</tr>
</tbody>
</table>
SDG SURVEY 2018: AWARENESS ON SDGs

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well-known by CSR divisions/officers</td>
<td>61%</td>
<td>84%</td>
<td>86%</td>
<td>84%</td>
</tr>
<tr>
<td>Well-known by top management</td>
<td>20%</td>
<td>28%</td>
<td>36%</td>
<td>59%</td>
</tr>
<tr>
<td>Well-known by middle management</td>
<td>4%</td>
<td>5%</td>
<td>9%</td>
<td>18%</td>
</tr>
<tr>
<td>Well-known among employees</td>
<td>N/A</td>
<td>N/A</td>
<td>8%</td>
<td>17%</td>
</tr>
<tr>
<td>Well-known across affiliated companies and other stakeholders</td>
<td>N/A</td>
<td>3%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Do not know</td>
<td>15%</td>
<td>12%</td>
<td>7%</td>
<td>3%</td>
</tr>
</tbody>
</table>

- Improvements in awareness among top management
- The level of understanding at the middle management level doubled.
Increasing effort overall

Common activities: training courses, promotion via online, and management training, etc.

Sumitomo Chemical’s efforts towards the “sustainable trees” serves as a valuable reference for some companies

### SDG SURVEY 2018: AWARENESS-RAISING ACTIVITIES ON THE SDGs

<table>
<thead>
<tr>
<th>Activity</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training course (including e-Learning)</td>
<td>24%</td>
<td>31%</td>
<td>39%</td>
</tr>
<tr>
<td>Via internet</td>
<td>24%</td>
<td>31%</td>
<td>44%</td>
</tr>
<tr>
<td>Via internal company newsletter</td>
<td>28%</td>
<td>40%</td>
<td>52%</td>
</tr>
<tr>
<td>Via official website homepage introduction</td>
<td>27%</td>
<td>40%</td>
<td>56%</td>
</tr>
<tr>
<td>Establishment of CSR division</td>
<td>1%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Induction for new employees</td>
<td>-</td>
<td>23%</td>
<td>8%</td>
</tr>
<tr>
<td>Management training</td>
<td>-</td>
<td>15%</td>
<td>24%</td>
</tr>
<tr>
<td>Tying up with performance evaluations</td>
<td>-</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Commitment to uphold the SDGs in Code of Conduct</td>
<td>-</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Commitment to uphold the SDGs in corporate management policies briefing session</td>
<td>-</td>
<td>17%</td>
<td>32%</td>
</tr>
<tr>
<td>Distribution of SDG lapel pins and/or other goods to employees</td>
<td>-</td>
<td>-</td>
<td>27%</td>
</tr>
<tr>
<td>SDG poster and/or other communications materials</td>
<td>-</td>
<td>-</td>
<td>10%</td>
</tr>
<tr>
<td>Others</td>
<td>20%</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>N/A</td>
<td>31%</td>
<td>15%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Companies which indicated that they were on step 1 declined, showing steady progress on SDGs-related initiatives.

A majority of companies indicated that the analysis of the business opportunities and risks throughout the entire value chain was beneficial.

Major achievements include integrating the SDGs into the companies’ medium and long-term management plan, recognizing the importance of formulating human rights policies, identifying the most relevant SDGs and setting targets and KPIs, etc.
Three necessary elements for SDGs implementation by a corporation

Corporate Activities
- Core business: **Featured in last year’s report**
- Other activities: CSR, philanthropic activities, collaboration with NGOs etc.

Corporate Management
- **Labor/employment: diversity and inclusion, flexible workstyle, gender equality**
- Environment: Energy efficiency, Env’t management, pollution prevention, green procurement etc.

Compliance on **labor, employment**, tax payment, environment, competition etc.

- Latest report focused on labor/employment aspects
- Most relevant goals: SDG 5 (gender equality and women’s empowerment), SDG 8 (decent work), and SDG 10 (addressing inequality)
Results of responses to WEPs Gender Gap Analysis Tool and interviews

- Laws and rules are in place, but not operationalized fully
- Unconscious biases
- Initiatives at work are more common than those in communities and market
- Leading companies advancing diversity management designate promotion of gender equality as a part of diversity promotion to bring about innovation to contribute to achieving SDGs.
  - Through repeated messages and workshops
  - Understanding of promotion of gender equality
INTEGRATING THE SDGs INTO CORPORATE REPORTING: A PRACTICAL GUIDE

✔ Published jointly by UNGC and GRI in August, 2018.
✔ Japanese translated version published in January 2019 by GCNJ and IGES
✔ Building on earlier work, in particular the SDG Compass developed by the UNGC, GRI and the World Business Council for Sustainable Development (WBCSD), this guide aims at helping businesses move beyond the current trend of simply mapping activities and programs against the SDGs to driving change.
✔ Assists in integrating the SDGs into reporting processes, particularly those based on the GRI Sustainability
  ✔ Step 1: Define priority SDG targets
  ✔ Step 2: Measure and analyze
  ✔ Step 3. Report, integrate and implement change


Other publications in the “BUSINESS REPORTING ON THE SDGS” series include:
- “An Analysis of the Goals and Targets” (Japanese translated version available)
- “In Focus: Addressing Investor Needs in Business Reporting on the SDGs”