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**CSR in the Global Era**  
**- Meet the expectations of an ever-changing society**  
**and enhance competitiveness -**

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- Keizai Doyukai has played an integral role in the dissemination and promotion of CSR in Japan ever since it issued the “Market Evolution and CSR Management” in March 2003, which explains the theory and practice of CSR.
- More than eight years since then, Japanese companies that strive to accelerate globalization to branch out into rapidly growing emerging markets and are facing at an urgent need of corporate transformation toward stronger international competitiveness.
- The key to securing stronger competitiveness is to transform the current management style into high-value added and highly efficient management styles. It is a management approach that strives to create new value and business models needed by society, while highly efficient management strives to generate profits in a proficient manner without sacrificing the company’s position as a corporate citizen.
- CSR is an indispensable factor in these management styles; therefore, it is crucial to have a better understanding of CSR trends that continue to evolve on a global basis.
- In response to such a social context, this proposal aims to clarify the essentials of ever-evolving CSR in the globalized world and to present specific actions for promoting CSR as a core management practice.
- The Committee defines the essentials of CSR in the global age as follows:
  1. Implementing CSR means to acutely detect changing social trend, identify social issues, prioritize management issues for a company, and

accordingly address them to bring solutions. CSR is the key, crucial knowledge all the corporate managers and employees should have in this globalized world.

2. CSR constitutes the core of management and can bring sustainable, synergetic development of companies and society. In other words, CSR contributes not only to the sustainable development of society, but also to the sustainable value-creation and enhancement of competitiveness by companies. In this sense, the economic aspect and the social and human aspects of corporate activities are not two separate factors that can be prioritized, but rather an inseparable part of such activities.
  3. CSR can be achieved when top management makes a clear commitment and when every manager and employee, with keen awareness and responsibility as a member of society, implements the responsibility. Companies can acquire stronger competitiveness by incorporating diverse values that exist in society and by meeting the expectations and needs of society by leveraging the power of diversity.
- The Committee declares specific actions toward the promotion of CSR as follows:

**<Declaration 1>**

Promote high-value added management, highly efficient management, and the development of human resources with CSR at the core of these activities:

- ✓ Incorporate the needs of society and create a new business model.
- ✓ Promote highly efficient management that focuses on harmony with society.
- ✓ Develop global leaders who can lead and leverage diverse individuals.
- ✓ Foster innovative people who will lead the creation of a business model.

**<Declaration 2>**

Implement CSR through all core businesses.

- ✓ Identify social issues for which each company can make full use of its own management resources and strengths.
- ✓ Implement CSR while consulting the interests of stakeholders.
- ✓ Promote information disclosure and practice highly transparent management

- ✓ Recognize the gap between the expectations of society and the company's CSR activities
- ✓ Put CSR at the core of corporate management and firmly establish the PDCA cycle.

**<Declaration 3>**

Promote CSR activities in collaboration with local people and community.

- ✓ Companies should conduct CSR activities with the involvement of local people.
- ✓ Companies should understand and support NPOs and social entrepreneurs as they have an integral role in society.
- ✓ Managers should strive to encourage employees to participate in community activities and to raise their awareness that they should work for the social good.

- Future Challenge: People constitute the core of any company, and each individual embodies CSR. When promoting CSR, therefore, it is essential to raise individual awareness of social responsibility (individual social responsibility).