

Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains

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Ministry of Economy, Trade and Industry

This document is a provisional English translation of Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains (“the Reference Material”). The Reference Material in Japanese are the original, and the English translation is for information only. If there is any discrepancy between the Japanese original and this English translation, the Japanese will prevail.

The Reference Material is intended to provide examples of methods for business efforts to respect human rights and does not require business enterprises to act exactly as described in these materials. It does not imply that following only the Reference Materials is sufficient.

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(Attachment 1) Reference Documents

- (a) Human rights issues by sector
- (b) Human rights issues by product (covering forced labour and child labour)
- (c) Human rights issues by region (child labour)
- (d) Examples of adverse human rights impacts

(Attachment 2) Worksheet templates for identification and assessment of adverse impacts

Step 1: Identification of business fields with material risks

Step 2: Identification of the processes where adverse impacts arise (or may arise)

Step 3: Assessment of the business enterprise's involvement in adverse impacts and prioritization of adverse impacts

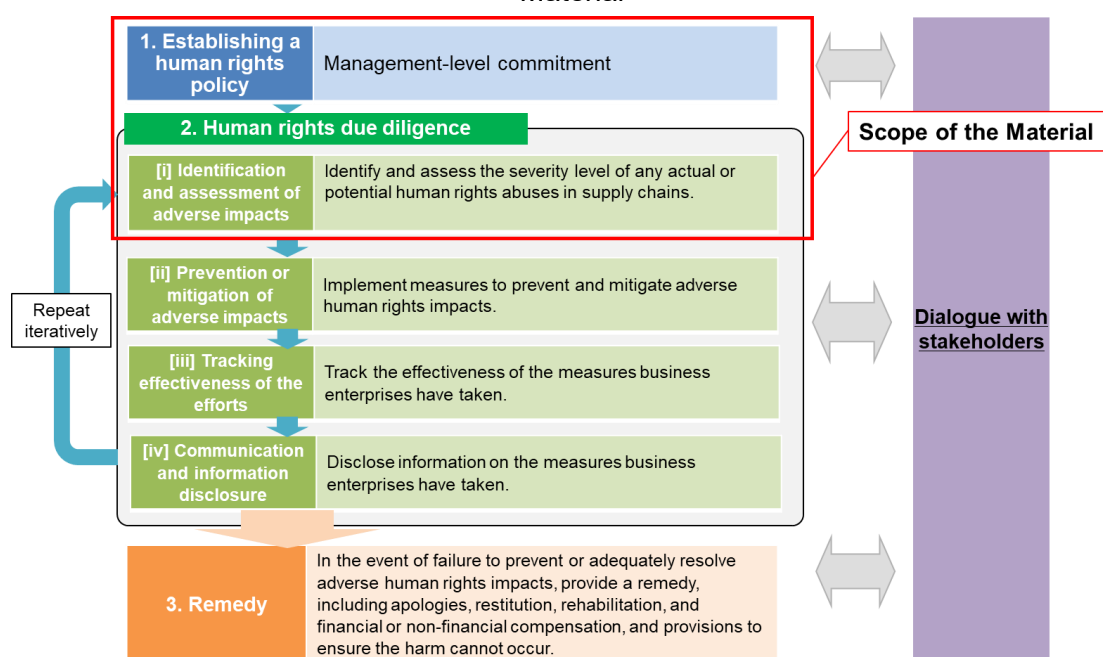
Chapter 1 Nature of the Reference Material

To help deepen business enterprises' understanding and promote their efforts by explaining the activities that business enterprises are requested to undertake to respect human rights, in a concrete and easy-to-understand manner, which is tailored to the actual situation of business enterprises engaging in business activities in Japan, the Japanese government released the “Guidelines on Respecting Human Rights in Responsible Supply Chains” (hereinafter referred to as the “Guidelines”)¹ in September 2022.

Going forward, it is expected that the Guidelines will be utilized by many business enterprises, and that their efforts will make progress. However, it may be difficult for business enterprises that will initiate their efforts to respect human rights, especially small and medium-sized business enterprises to visualize what they should do at the practical level.

For this reason, as shown in Figure 1, the Reference Material **provides examples of points to consider and the implementation flow for “establishing a human rights policy,” which business enterprises should do first and for “identifying and assessing adverse human rights impacts,” which is the first step in “human rights due diligence”** (hereinafter referred to as “human rights DD”).

Figure 1: Overview of efforts to respect human rights and scope of coverage of the Reference Material



Of course, there is no correct answer for efforts to respect human rights, and each business enterprise needs to seriously consider appropriate efforts in light of its situation and other factors. For this reason, **the Reference Material is not intended to require business enterprises to act as described in the Reference Material, nor to imply that business efforts following only the Reference Material is sufficient.** Business enterprises using the Reference Material should seek appropriate efforts that they can perform from the perspective of respect for human rights while they refer to the Reference Material.

¹ https://www.meti.go.jp/english/press/2022/0913_001.html

Keeping the above points in mind, we hope that the Reference Material will be used by many business enterprises, and that it will encourage their efforts.

Chapter 2 Establishing a human rights policy

The Guidelines describe the **requirements for a human rights policy** (Guidelines 3) and **points for consideration when and after establishing a human rights policy** (Guidelines 3.1 and 3.2). For a business enterprise that is planning to establish a human rights policy,² the general flow of establishing the policy could be as follows.

Moreover, it should be noted that **establishing and publishing a human rights policy is not the end of the process: business enterprises should embed their human rights policy throughout the business enterprise and implement the human rights policy concretely in their efforts** (Guidelines 3.2).

Process	Point
① Understand the current status of your company	➤ Confirmation of adverse human rights impacts ³ in which your company may be involved, by collecting knowledge from various departments within the company and through dialogues and discussions with stakeholders, etc. (Guidelines 3.1)
② Preparation of draft human rights policy	➤ While also taking into account the above, consider the items that should be listed (<u>See below</u>)
③ Management approval	➤ Approval by the most senior level of the business enterprise (e.g., board of directors ⁴) (Guidelines 3)
④ Publication, dissemination, etc.	➤ Public disclosure, including posting on the company's website (Guidelines 3.1) ➤ Dissemination to employees, business partners, and other relevant parties (Guidelines 3.1)

Regarding the contents of the human rights policy, the Guidelines specify that: “It stipulates the business enterprise’s human rights expectations of personnel, business partners, and other parties directly linked to its operations, products, or services” (Guidelines 3). In addition to this point, this chapter provides below **examples of components that could be included** in the human rights.

Of course, since a business enterprise is expected to **establish its own human rights policy based on** its **management policy** (Guidelines 3.1), it is necessary to go through sufficient internal discussions and examinations from the perspectives including how their management philosophy and human rights policy relate to each other. Also, since the content of adverse human rights impacts in which a business enterprise may be involved varies from

² Note that, although a human rights policy does not necessarily have to be a stand-alone document; but it may be a document that substantially fulfills the requirements of a human rights policy (Guidelines, footnote 41), the Reference Material is intended for a case in which a human rights policy is prepared as a stand-alone document.

³ For the sake of clarity, the Japanese word “*Jinkenhenofunoeikyo*” in the Guidelines is sometimes referred to as “*Jinkenshingairisuku*.” The word “*Jinkenshingairisuku*” includes both actual human rights impacts that arise and potential human rights impacts that may arise.

⁴ The policy may be established through approval by a voluntary meeting body, such as a management committee or a sustainability committee, both of which include the business enterprise’s top management. They are not a statutory body including a board of directors.

enterprise to enterprise, as a result, the content and style of each business enterprise's human rights policy may differ.⁵

For this reason, the examples of components below do not intend to require business enterprises to establish a human rights policy precisely as mentioned, nor to imply that a human rights policy containing components listed in this section is sufficient (however, “3. Stipulating expectations” below is a requirement for a human rights policy, as described in Guidelines 3). A business enterprise needs to seriously consider what components are necessary in light of its own situations and other factors.⁶ This is the same as the nature of the Reference Material as a whole.

< Examples of components that can be included in a human rights policy >

1. Nature of the policy

- The nature of a human rights policy may not be clear, especially to employees and others in a business enterprise that is just beginning to establish one. Therefore, in order to clarify what kind of document a human rights policy is for your company, you may want to state its nature in the human rights policy.
- As an example of the above point, a human rights policy expresses the basic idea of a business enterprise concerning overall efforts to respect human rights (Guidelines 3.1), and is closely related to the management philosophy and code of conduct, etc., that define the business enterprise's ideal stance. As a result, examining the relationship between these important documents in the business enterprise's management and the human rights policy and ensuring consistency between the two will clarify their human rights policy's nature within the business enterprise and lead to institutionalizing the human rights policy within the business enterprise (Guidelines 3.1). Therefore, the relationship between the management philosophy, code of conduct, etc., and the human rights policy may be described.

2. Coverage of the policy

- A business enterprise needs to respect human rights through its business activities, and in general, a human rights policy, unlike general internal rules, is considered to apply not only to the business enterprise itself, but also to other business enterprises over which the company has a controlling interest. On the other hand, in some cases, it may be possible, for example, for a particular business enterprise within a group to establish an additional human rights policy for itself, separate from the human rights policy applicable to the group companies.

⁵ It is expected that a human rights policy will be prepared in accordance with international standards, and it is not intended that any kind of content is acceptable.

⁶ As a document by an international organization that describes, among other things, how a business enterprise establishes and implements a human rights policy, “A Guide for Business: How to Develop a Human Rights Policy” by the Office of the United Nations High Commissioner for Human Rights (OHCHR), et al., (<https://www.ohchr.org/sites/default/files/Documents/Issues/Business/guide-business-hr-policy.pdf>) is a reference.

- Considering the above, the scope of application of the human rights policy may be clarified. If the enterprise's own human rights policy is to be applied to group companies, it may be desirable to clarify the definition of "group companies."

3. Stipulating expectations

- **Cooperation by related parties, including business partners, is essential for implementing a human rights policy**, and the human rights policy **should stipulate its expectations of respect for human rights with regard to related parties** such as employees and business partners (Guidelines 3).
- For example, the business enterprise may state that it expects its business partners who may be directly related to its operations/products/services to respect human rights. Also, it may explicitly state that the business enterprise expects understanding and support for its human rights policy.

4. Expressing a commitment to respect internationally recognized human rights

- **From the perspective of clarifying the business enterprise's commitment to fulfilling its responsibility to respect human rights and gaining the understanding of internal and external stakeholders**, a commitment to respect internationally recognized human rights may be expressed.
- First, "internationally recognized human rights" that business enterprises have a responsibility to respect include, at a minimum, **those expressed in the International Bill of Human Rights⁷ and the principles concerning fundamental rights as stated in the "ILO Declaration on Fundamental Principles and Rights at Work."**⁸ (Guidelines 2.1.2.1). Therefore, it is **important to include a statement indicating support, respect, etc., for these documents** to express the above commitment.
- In addition, since the UN Guiding Principles, OECD Guidelines for Multinational Enterprises and other international documents refer to the responsibility of business enterprises to respect human rights, **indicating support for these international documents may be included in a human rights policy**.
- **In addition to the above, the business enterprise may also state its support for international documents that are particularly relevant to its activities**. It should be **noted that support for such international documents should be stated only after deepening understanding of their contents in advance, and that after establishing a human rights policy, it is necessary to take appropriate actions as a business enterprise that has expressed such support**.

⁷ The International Bill of Human Rights refers to the "Universal Declaration of Human Rights (UDHR)" (https://www.mofa.go.jp/policy/human/univers_dec.html), the "International Covenant on Civil and Political Rights" (https://www.mofa.go.jp/policy/human/cove_civil/cove_civil.html), and the "International Covenant on Economic, Social and Cultural Rights" (https://www.mofa.go.jp/policy/human/cove_econo/cove_econo.html), which are key documents that codified the UDHR.

⁸ It refers to the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment (<https://www.ilo.org/declaration/lang--en/index.htm>).

5. Responsibility to respect human rights and legal compliance

- Regardless of whether or not they are internationally recognized human rights, business enterprises should not infringe on the rights and freedoms guaranteed by the laws and regulations of each country and **should comply with such laws and regulations** (Guidelines 2.1.2.1). On the other hand, since business enterprises are required to respect “internationally recognized human rights,” compliance with national laws and regulations does not necessarily imply that the corporate responsibility to respect human rights has been satisfied. For example, **if the laws and regulations or enforcement of a country do not appropriately protect internationally recognized human rights, business enterprises will need to seek ways to respect internationally recognized human rights to the greatest extent possible** (Guidelines 2.1.2.1).
- These details may be restated in a human rights policy from the perspective of clarifying the business enterprise’s stance toward respect for human rights.

6. Business enterprise’s priority issues

- Since the type of human rights on which adverse impacts may occur and the severity of the assumed adverse impacts, etc. vary among each business enterprise, in establishing a human rights policy, **it is necessary to start with identifying the human rights on which the business enterprise may have impacts** (Guidelines 3.1).⁹
- **A business enterprise** may **recognize stakeholders¹⁰ and their human rights where more severe human rights abuses may occur in their supply chains, etc., and focus their efforts specifically on them**, and may include them in the business enterprise’s human rights policy as priority issues.
- It **is important to periodically review the priority issues for the business enterprise, as they may change** due to changes in the business enterprise’s business, social conditions, and other factors.

7. How to implement human rights efforts

- **Establishing and publishing a human rights policy is not the end of the process. A business enterprise should embed its human rights policy throughout the**

⁹ It is expected that established human rights policies will reflect more actual conditions if, when considering the above, knowledge is collected from each internal department (e.g., marketing, human resources, legal affairs/compliance, procurement, manufacturing, business planning, and research and development) and dialogues and discussions are held with stakeholders familiar with the business enterprise’s industry, circumstances of raw materials to be procured, and countries from which raw materials are procured, etc. (e.g., labour unions/worker representatives, NGOs, employers organizations, and industry organizations) (Guidelines 3.1).

¹⁰ Individuals who are often vulnerable (e.g., foreigners, women, children, persons with disabilities, indigenous peoples, and ethnic or racial, religious and linguistic minorities) are more vulnerable to more severe adverse human rights impacts, and special attention should be paid to the adverse human rights impacts to these individuals. Note that one person may have intersectional attributes (e.g., a foreign woman), which can further increase their vulnerability (Guidelines 4.1.2.2).

business enterprise and implement the human rights policy concretely in its efforts. (Guidelines 3.2). Therefore, **the business enterprise may describe how it will fulfill its commitment (human rights policy)**.

- Specifically, for example, the human rights policy may include a policy on the implementation of human rights DD and remedies, and on the implementation of dialogue with stakeholders. Also, staff positions responsible for overseeing the implementation of the human rights policy may be assigned, and such staff positions and the nature of their responsibilities may be stated in the human rights policy.

Chapter 3 Identification and assessment of adverse human rights impacts

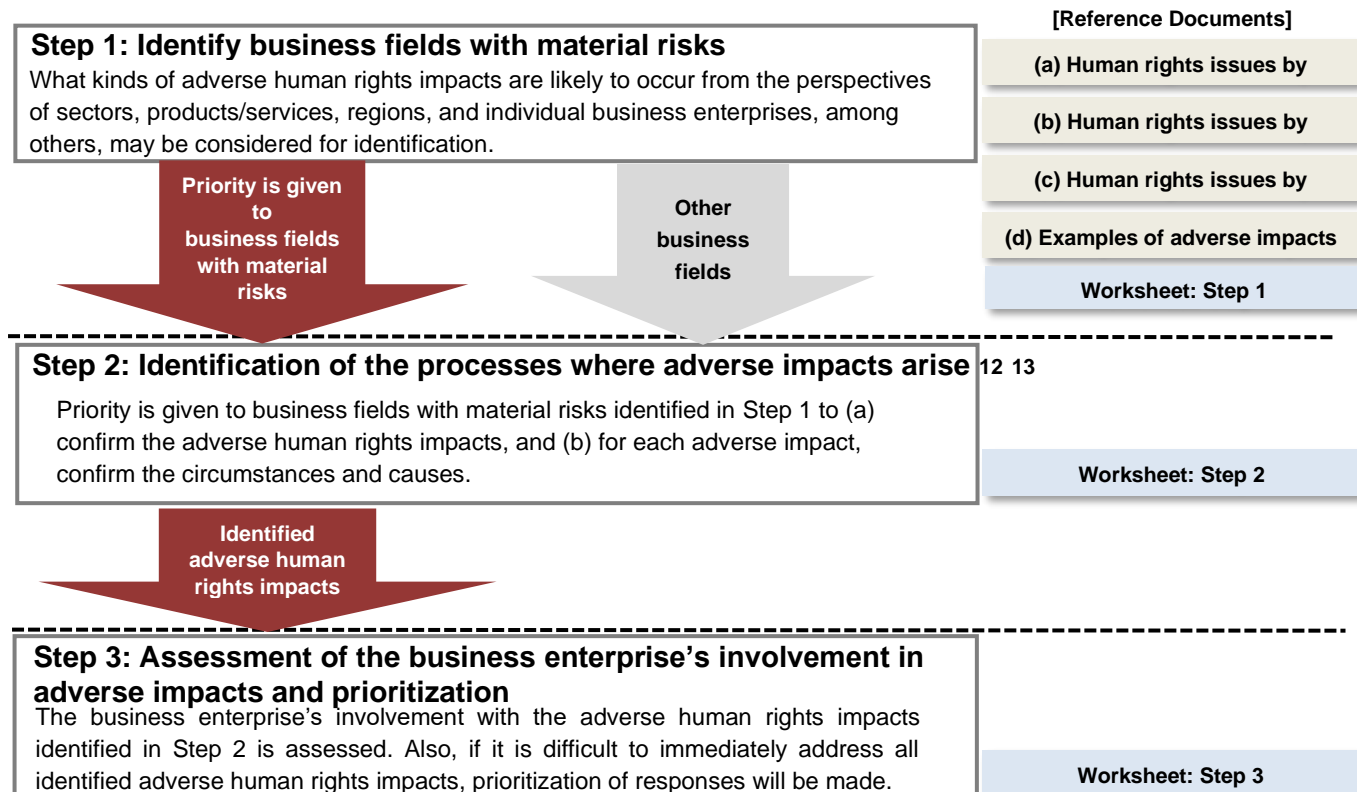
As a first step in human rights DD, business enterprises should identify and assess adverse human rights impacts in which they are involved or could be involved. Specifically, the business enterprise will **identify human rights adverse impacts (including both actual and potential adverse human rights impacts) at the business enterprise, group companies, suppliers, etc.**¹¹, and **assess** the identified human rights adverse impacts (Guidelines 4.1).

This chapter describes the contents of the steps in identifying and assessing adverse human rights impacts, together with reference documents (Attachment 1) and worksheets (Attachment 2), to provide examples of approaches that may be taken, mainly targeting business enterprises, including many small and medium-sized enterprises, that have not previously conducted human rights DD.

This chapter, as well as the nature of the Reference Material as a whole, **does not intend to require business enterprises to implement the identification and assessment process precisely as mentioned, nor to imply that conducting the process as explained is sufficient. Business enterprises need to consider what kinds of efforts will be appropriate in terms of respecting human rights considering their circumstances and other factors.** Figure 2 provides a picture of each of the steps described in this chapter. Note that it is important to implement each step in this chapter, prevent or mitigate adverse human rights impacts, track the effectiveness of the efforts, and finally disclose what process has been followed as human rights DD (Guidelines 4.4).

¹¹ Suppliers, etc., are business enterprises in supply chains and other business partners (Guidelines 1.3).

Figure 2: How to proceed with identification and assessment of adverse human rights impacts



Note that even in the middle of the identification and assessment process, if, for example, a clearly severe adverse human rights impact is identified and it is assumed that it will be difficult to recover from the damage unless immediate preventive or mitigating measures are taken, it goes without saying that it is necessary to immediately address the adverse impact. In addition, **dialogues with stakeholders¹⁴ are important** in all processes of identifying and assessing adverse human rights impacts (Guidelines 2.2.3).

¹² As described in Step 1, Step 2 is to be implemented with priority given to the business fields that pose more material risks from among the business fields in which the business enterprise is doing business, with the ultimate goal of implementing efforts to respect human rights in all business fields.

¹³ Business enterprises with limited business fields, particularly small business enterprises may start with Step 2.

¹⁴ Examples of stakeholders are business partners, employees of the business enterprise, group companies and business partners, labour unions, worker representatives, consumers, as well as NGOs, such as civil society organizations and other entities, industry organizations, human rights defenders, nearby residents, indigenous people, investors and shareholders, national governments, local governments, and other organizations (Guidelines 2.1.2.3).

Step 1: Identification of business fields with material risks (Guidelines 4.1.1(a))

The first step in the process of identifying and assessing adverse human rights impacts may be **to identify the business fields where material risks exist** from among the business enterprise's operations. At this time, while exchanging opinions with relevant internal departments (e.g., marketing, human resources, legal affairs/compliance, procurement, manufacturing, business planning, and research and development) and external experts, etc., the business enterprise may check what adverse human rights impacts have been pointed out from the perspective of sectors, products/services, regions and individual business enterprises, as shown below.

Then, **the steps from Step 2 onward will be implemented, with priority given to the business fields that pose more material risks** from among the business fields in which the business enterprise is doing business.

Examples of risk perspectives	Examples of points to check	References ¹⁵
Sector risks	For the business enterprise's sector, products/services, or the region in which the company and its business partners operate, check <u>what kinds of adverse human rights impacts have been identified</u> from the viewpoint of the type, severity level, and likelihood of adverse human rights impacts.	Reference Documents (a) Human rights issues by sector
Products/services risks		Reference Documents (b) Human rights issues by product
Geographic risks		Reference Documents (c) Human rights issues by region
Business enterprise-level risks	Check business enterprise-level conditions, <u>such as whether the business enterprise, group companies, suppliers, etc., have ever been identified as having problems with the business enterprise's governance system or with adverse human rights impacts</u>	Various news reports Internal materials (including information received through grievance mechanisms)

For Step 1, the following materials can be used as a reference. (Reference Documents are available in English, but the Worksheet is available only in Japanese.)

Worksheet: Identification and Assessment of Adverse Impacts (Step (1))

Reference Documents(d)

Examples of adverse human rights

¹⁵ These are examples only, and a business enterprise is expected to consider the necessary materials based on its sector, products/services, region, business partners, and other business enterprises. Note that while there are various adverse human rights impacts, Reference Documents (b) deals with forced labour and child labour, and Reference Documents (c) deals with child labour.

Note that when performing this step, **it is desirable to know what kind of suppliers, etc., exist in relation to the products/services provided by the business enterprise.** On the other hand, there may be cases where it is difficult to identify all suppliers, etc., in practice. **In such cases, it is even more important to strive to understand the adverse human rights impacts occurring at suppliers and other entities with poor traceability** through dialogues with wide-ranging stakeholders and the establishment and operation of appropriate grievance mechanisms, or in cooperation with stakeholders and industry associations. It is also desirable **to be able to explain externally the reasons the suppliers' traceability is limited.** (Please refer to Q6 in the Guidelines Q&A).

Step 2: Identification of the processes where adverse impacts arise (Guidelines 4.1.1(b))

For business fields with material risks,¹⁶ **(i) identify the adverse human rights impacts**. Then, **(ii) for each identified adverse impacts, confirm the circumstances and causes**. When confirming these, the following methods may be used.

Examples of methods	Examples of points to check
<ul style="list-style-type: none"> Confirmation and investigation based on internal materials (including information received through grievance mechanisms) 	<ul style="list-style-type: none"> Investigate whether information on adverse human rights impacts received through grievance mechanisms and information on past occurrences of adverse human rights impacts occurring at suppliers and others are kept in internal records to confirm the status of such adverse impacts and to check for situations where similar adverse impacts recur.¹⁷ Check contracts and other documents to see if there are arrangements with business partners to prevent adverse human rights impacts.
<ul style="list-style-type: none"> Questionnaire survey to business enterprises (management and supervisors) 	<ul style="list-style-type: none"> Send questionnaires to suppliers, etc., and review the returned responses. As an example of above, items such as questions to check the system of efforts to respect human rights at business partners, etc. (e.g., mechanisms for preventing or mitigating adverse human rights impacts, or for providing remediation), and items to check whether adverse human rights impacts are occurring, may be included.¹⁸
<ul style="list-style-type: none"> Questionnaires and interviews with employees 	<ul style="list-style-type: none"> Confirm with employees whether there are actual adverse human rights impacts inside or outside the business enterprise. If adverse human rights impacts are identified from the questionnaire, conducting interviews with the employees, etc., involved may be considered.
<ul style="list-style-type: none"> On-site investigation and visits 	<ul style="list-style-type: none"> A typical example of points to check includes local employees' working environment (i.e., whether a safe and healthy work environment is provided).
<ul style="list-style-type: none"> Dialogues with stakeholders 	<ul style="list-style-type: none"> Hear about concerns through dialogue with stakeholders familiar with the business enterprise's industry, circumstances of raw materials to be procured, and countries from which raw materials are procured, etc. Hear about the situation of damage and the adverse human rights impacts from stakeholders who are subject to adverse human rights impacts.

For Step 2, the following materials in Japanese can be used as a reference. (Reference

¹⁶ As shown in "Figure 2. How to proceed with identification and assessment of adverse human rights impacts" above, Step 2 is to be implemented with priority given to business fields with more material risks, with the ultimate goal of implementing efforts to respect human rights in all business fields.

¹⁷ Note that even in the middle of the identification and assessment process, if, for example, a clearly severe adverse human rights impact is identified and it is assumed that it will be difficult to recover from the damage unless immediate preventive or mitigating measures are taken, it is necessary to immediately address the adverse impact, as described on page 10.

¹⁸ The content of specific questions may be considered based on the circumstances and conditions of the industry to which the business enterprise belongs. Several industry associations have developed examples of questionnaires for their industries and made them available to the public.

Documents are available in English, but the Worksheet is available only in Japanese.)

Worksheet: Identification and Assessment of Adverse Human Rights Impacts (Step (2))

What method is appropriate is judged based on the type, etc., of the information to be collected (Guidelines 4.1.2.3). Also, it should be noted that document inspection, such as internal materials and questionnaires, is limited in what they can confirm, and that the answers to the questionnaires may not be consistent with objective facts.

Note that, given the large number of adverse human rights impacts that could be an issue in the business activities, it may be difficult to try to perfectly identify the process of occurrence of all adverse human rights impacts. Rather, in trying to be accurate in collecting information, severe human rights impacts may actually occur before prevention or mitigation is implemented. Therefore, it is important to be flexible in tentatively prioritizing Step 3 based on the initial investigation in Step 2 and proceeding to prevent or mitigate the adverse human rights impacts (if new events are identified, the prioritization will be changed as necessary).

Step 3: Assessment of the business enterprise's involvement in adverse human rights impacts and prioritization (Guidelines 4.1.1(c) and (d))

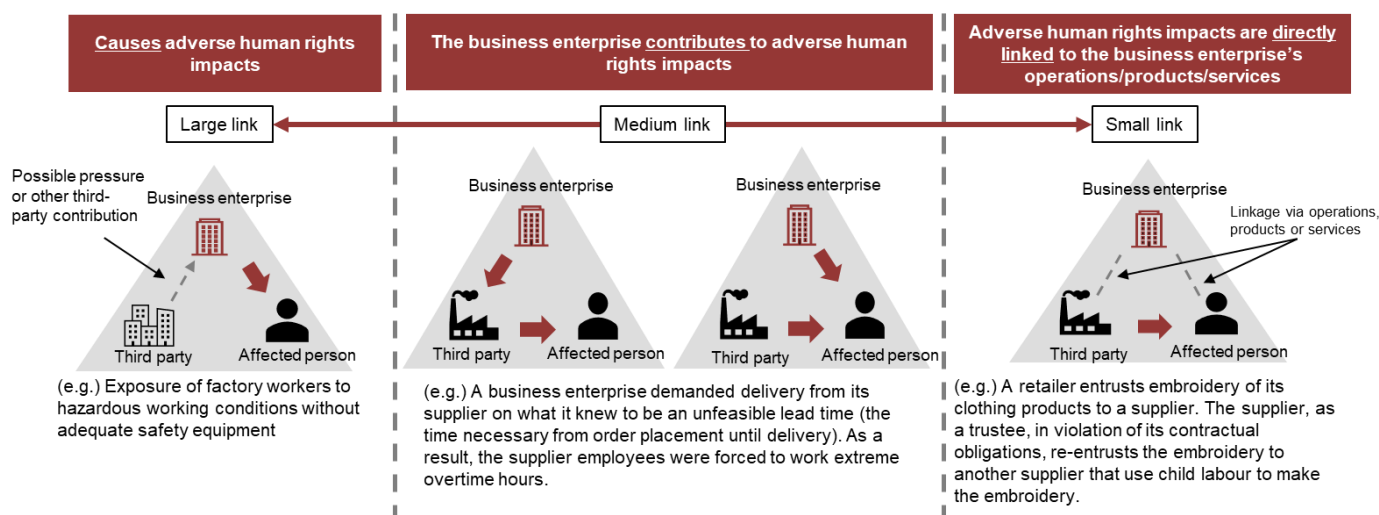
I. Assessment of the business enterprise's involvement in adverse human rights impacts

Assess your business enterprise's involvement with the adverse human rights impacts identified in Step 2, i.e., whether those adverse impacts fall under (i) through (iii) in the table below.¹⁹

	Assessment of involvement	Required response
(i)	<u>Does the company cause adverse human rights impacts?</u>	<u>Measures to prevent or mitigate the adverse human rights impacts</u> are necessary
(ii)	<u>Does the company contribute to adverse human rights impacts?</u>	
(iii)	<u>Are adverse human rights impacts directly linked to the business enterprise's operations/products/services?</u>	<u>Make efforts to prevent or mitigate adverse human rights impacts by using its leverage</u> on the business enterprises that cause or contribute to the adverse impacts

Note that illustrations of (i) through (iii) in the table above are shown in Figure 3.

Figure 3: Types of adverse human rights impacts²⁰



¹⁹ For the distinction between whether a case falls into the category of a “contributing” case or a “directly linked” case, please refer to Guidelines Q&A No. 13.

²⁰ Figure 3 is based on “The Corporate Responsibility to Respect Human Rights: An Interpretative Guide” (https://www.ohchr.org/sites/default/files/Documents/publications/hr.puB.12.2_en.pdf).

II. Prioritization

If it is difficult to immediately address all identified adverse human rights impacts, consider prioritizing them as described in (i) and (ii) below²¹ (Guidelines 4.1.3.1).

If the examination of (i) and (ii) below reveals the existence of adverse human rights impacts of equal priority, then prioritization of responses as described in (iii) below may be considered (Guidelines 4.1.3.1).

Prioritization	Details to consider
(i)	<u>Assess the severity level of adverse human rights impacts and address them from those with the highest severity level first.</u> The severity level is assessed from three perspectives (scale, scope, and irremediability). See Figure 4 for details on these perspectives.
(ii)	<u>If there are multiple potential cases with equal severity levels, address them from the one with the highest likelihood²² of occurrence.</u>
(iii)	If there are multiple cases with an equal severity level and likelihood of occurrence, priority may be given to addressing adverse human rights impacts that the business enterprise is causing or contributing to within itself and the business partners with which it has direct contractual relationships. ²³

For Step 3, the following materials in Japanese can be used as a reference.

Worksheet: Identification and Assessment of Adverse Human Rights Impacts (Step 3)

²¹In determining prioritization, it is quite possible that different assessors may have different assessments, and it may seem to be difficult to make a strictly objective and accurate judgment. On the other hand, it is important to ensure that assessments do not differ greatly even if the assessor changes. For example, it may be possible to consider within the business enterprise the general framework of what cases should be judged as falling under the high, medium, and low grades in “Figure 4: Examples of prioritization criteria.”

²² In the Reference Material, the Japanese word “*Gaizensei*” in the Guidelines is referred to the word “*Hasseikanousei*.”

²³ In cases where multiple cases have equal severity levels and likelihood of occurrence, it also becomes necessary to extend actions to address adverse impacts at indirect business partners and impacts only directly linked to its operations, etc. (Guidelines 2.2.4).

Figure 4: Examples of prioritization criteria²⁴

Severity Most important factors	Scale (Equates to the gravity or seriousness of the impact)	High	The abuse involves severe impact on the physical, mental, and/or emotional well-being of a person and/or communities; the target community is considered especially vulnerable.
		Medium	The abuse involves a moderate impact on the physical, mental and/or emotional well-being of people and/or communities.
		Low	The abuse does not have a long-term or substantive effect on the victims' lives and do not target vulnerable populations.
	Scope (Refers to the number of people impacted)	High	A large number of people are affected, which might include the workforce, families, or workers, and surrounding communities.
		Medium	A moderately large number of people impacted.
		Low	A small number of people impacted.
	Irremediability (Refers to any limit in the ability to restore those affected back to a situation at least the same as, or equivalent to, their situation before the adverse impact)	High	Unless action is taken immediately, the impact of human rights abuses can never be remedied.
		Medium	Unless action is taken soon, the impact of human rights abuses will not likely be remedied.
		Low	Action not required immediately to remedy the human rights abuse in full.
Likelihood		High	The event has occurred in the operation (or in the sector) several times per year, and will very likely occur again.
		Medium	The event has occurred in the operation several times, and has occurred in the industry in the past.
		Low	The event has never occurred in the operation, but it is possible that it has occurred in the industry in the past.

²⁴ Figure 4 is prepared by tabulating the contents of the UNDP (United Nations Development Programme) "Training Facilitation Guide: Human Rights Due Diligence" (<https://www.undp.org/publications/human-rights-due-diligence-training-facilitation-guide>). Note that in accordance with the terminology used in the UNDP's Guide, the Japanese word "Kyusaikonnando" in the Guidelines is referred to as "Zeseifunousei" in Figure 4.

The Ministry of Economy, Trade and Industry prepared the Reference Material (including attachment materials) based on materials provided by Owls Consulting Group, Inc.