



In February 2018, current ITO EN, Ltd. corporate advisor and CSR expert Hidemitsu Sasaya (photo center) visited Epson to discuss corporate social responsibility initiatives and the SDGs Partnership Award. Following a long career in government, Mr. Sasaya joined green tea giant ITO EN, where he managed the CSR Promotion Department and was largely responsible for ITO EN winning the SDGs Partnership Award (Special Prize) at the inaugural Japan SDGs Awards, in 2017. He met with Seiko Epson's Masayuki Kawana (right) and Akira Mihara (left), director and general manager, respectively, of the CSR Management Office.

Kawana: Epson has identified and prioritized CSR topics in a materiality matrix called "Key CSR Themes." Each of these has been linked to one or more of the SDGs. In the future we will specify how our business operations will contribute to the SDGs.

Sasaya: I suggest considering how the PaperLab dry process office papermaking system and high-capacity ink tank inkjet printers will change the world as one of Epson's contributions. You might also want to refer to "SDG Industry Matrix," an industry-by-industry guide with examples and ideas for corporate action related to the SDGs, and consider how Epson can use its technology to contribute to the world.

Kawana: Epson and other Japanese companies are engaging in some excellent initiatives for the world but, unlike their European and American counterparts, have not been able to adequately publicize these efforts.

Sasaya: There has been an increase recently in voluntary, self-directed initiatives. For example, under the rules of the Corporate Governance Code, companies are required to either comply with the code or explain why they do not comply with it. European and American companies are used to this. I think the time has come for Japanese companies to get accustomed to this rule, as well. The concept of sanpouyoshi, wherein both buyer and seller are satisfied and can contribute to society, is firmly rooted in Japanese business culture, but need to announce it externally.

Kawana: We are being asked to disclose more information about our activities when doing business in Europe and for ESG investment research purposes.

Sasaya: Investors are also asking that we show that we are systematically building SDGs into our CSR and CSV programs. For this reason, it is important to show a total strategy as a package and tell a story about value creation. After identifying what kind of information society expects you to disclose, it would be a good idea to decide on the topics you will cover in your report and the information you will disclose. In ITO EN's 2017 integrated report, we described our ESG/SDG system and value creation model particularly with ESG investors in mind. And ITO EN also publishes an easy-to-read communications booklet, as a reference material, titled "Seven

Stories of Green Tea" for a wide audience, including both employees and others who play a part in the green tea story. This booklet has also been very well received.

Kawana: ITO EN was one of only four private companies to receive the SDGs Partnership Award (Special Prize) last year at the inaugural Japan SDGs Awards. What were some of the key points in your SDG initiatives?

Sasaya: Company SDG initiatives are evaluated on the basis of five criteria.

1. Universality: Can the activities serve as a model for others? Are the initiatives pervasive and are they applicable?
2. Inclusiveness: Do the initiatives take into consideration all people, leaving no one behind?
3. Participation: Are a lot of different people involved, and is what they are doing innovative?
4. Integration: Are economic, environment, and social issues integrated?
5. Transparency and accountability: Is the content of initiatives periodically checked and are the findings made public?

All five of these criteria must clearly be met.

ITO EN has linked the SDGs to initiatives throughout the value chain "from tea plantations to used tea leaves": that is, from procurement and manufacturing to product planning, marketing, and sales.

I heard that there were 280 applications for the FY2017 SDGs Award. Since then, activities by companies and other groups to achieve SDGs have expanded. Companies are linking their business activities to SDGs and stepping up their efforts. I think that 2018 is going to be the base year for SDG implementation. Also, the procurement and operating rules for the 2020 Tokyo Olympics and Paralympics are aligned with the SDGs, and this framework is likely to become an ingrained standard. The Olympics will give Japan a chance to showcase Japanese technology and some of the things that are good about our country. Epson's PaperLab and linehead inkjet printers are creative solutions produced by years of development and effort. They are prime examples of technologies that will help to build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation (SDG 9).



Epson will exchange ideas with more leaders in the field of SDGs to gather ideas to improve our activities.

Hidemitsu Sasaya

CSR/SDG consultant / ITO EN, Ltd. Corporate advisor / Director, Japan Society for Business Ethics / Director, Society of Global Business / Director, Sustainability Forum Japan

Profile

Graduate of Tokyo University, where he studied Law 1977: Joined what is now Japan's Ministry of Agriculture, Forestry and Fisheries. Dispatched as a trainee abroad in France. Assigned to the Ministry of Foreign Affairs (where he served as First Secretary of the US Embassy in Japan). Deputy Director-General, Japanese Ministry of Environment. Deputy Director-General, Ministry of Agriculture, Forestry and Fisheries. Bureau Chief, Kanto Regional Forest Office. 2008: Joined ITO EN. Served as a director from 2010-2014. 2014-4/2018: Managing Executive Officer and Manager of the CSR Promotion Department. 5/2018: ITO EN corporate advisor.