

## Third-Party Opinion



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### Career Summary

Graduated from the Faculty of Law at Kyoto University in 1971 and joined Matsushita Electric Industrial Co., Ltd. (now Panasonic Corporation). As the first head of the company's business ethics department and its risk management office, conducted initiatives related to CSR, compliance and risk management. Left the company in 2007 to serve as Professor at the Rikkyo University Graduate School of Business Design (2007 – 2012), after which he assumed his current position. Also holds positions as Trustee of the Association of Certified Business Ethics Expert JAPAN and Standing Director of the Business Ethics Research Center, and serves as Chair of the Compliance and Advisory Committee for the Ministry of Land, Infrastructure, Transport and Tourism (Kanto Regional Development Bureau)

The number of companies taking a proactive stance toward CSR has grown in Japan as well as throughout the world. I find slightly unfortunate, however, the tendency for companies to think of CSR as something separate from their businesses and an added activity. ISO 26000, the International Organization for Standardization's social responsibility standard, defines CSR as being something that "is integrated throughout the organization and practiced." True CSR is connected directly with management activities, and should play a central role in operational execution. Particularly for this reason, CSR activities that increase the sustainability of society should also enhance corporate sustainability.

From the Furukawa Electric Group Sustainability Report 2013, I get the sense that the Company is making a diligent effort to link CSR initiatives directly with its management activities and conduct such initiatives as part of its operations. The perspicuous wording of the message from the president expresses the Group's business and CSR directions based on deep insight into the operating environment and the current status and essence of the Group. In this message, the president indicates that through the Furukawa G Plan 2015, the medium-term management plan that the Group launched this year, the Group will make a steady effort to contribute to a sustainable society. For example, the president emphatically outlines the Group's aspiration to help resolve global-scale issues involving electricity and communications infrastructure and the automobile markets, as well as to develop new, next-generation businesses with an eye to environmental conservation. The special feature section introduces the groupwide orientation on initiatives to develop new, next-generation businesses such as high-capacity communications infrastructure. These fields are truly essential to the social infrastructure that supports a sustainable society.

Broadly divided into operations, management, the environment and sociality (centered mainly on involvement with stakeholders), this report comprehensively expresses policy -- organizational system -- specific initiatives. Furthermore, reporting is consistent. From my perspective, the most distinguishing characteristic of this report is its broad-based yet careful attention to diverse CSR issues, addressed systematically. Also, it is clear that Furukawa Electric is working to extend these efforts to Group companies. For example, looking at the targets and performance in the environmental report section, the tables there make it easy to see at a glance the state of Furukawa Electric's and its Group companies' initiatives on individual themes and their results. It would not be a stretch to say that the Group is making a concerted effort to review the status of themes that are particularly noteworthy.

There are other important facets of CSR in addition to a company's contribution to society. These include the innovations that a company generates in response to society's expectations. Improving or transforming its operations from a CSR perspective and initiatives will lead to the transformation of corporate culture. For example, enhancing communications with diverse stakeholders and strengthening cross-organizational monitoring is useful in a number of ways. It is important to make efforts to describe to various stakeholders in plain language and with clear images some of the Group's specialized technologies and products described in this report's special feature. This sort of approach may appear trivial, but it will lead to corporate culture that gives priority to complex thoughts and overall optimization. I look forward to seeing the Group's efforts toward tireless development through innovation arising from CSR perspectives and initiatives.