

# Respect for Human Rights

---

Respect for Human Rights ..... 255



Fundamental CSR  
**Respect for Human Rights**

## Why is it Important ?

A manufacturer doing business worldwide can negatively impact human rights in numerous ways; for example, by emitting exhaust and wastewater from factories that pollutes the air and public waterways, harms the health of humans, and destroys natural ecosystems, or by working with suppliers who employ child labor or forced labor.

Multinational companies must therefore abide by global standards, such as the United Nations' "Guiding Principles for Business and Human Rights," in protecting and respecting human rights throughout the entire supply chain.

## DAIKIN'S POLICY

Based on the laws and regulations of each country and region, the Daikin Group shows respect for basic human rights in accordance with international norms.

The Daikin Group takes part in the United Nations Global Compact for aligning operations to universally accepted principles on issues such as human rights and labor standards. Our Group Conduct Guidelines state our policies for respect for individual human rights, diverse values, and ways of looking at work, and our policy of no child labor or forced labor.



### > Respect for Human Rights

Based on the laws of countries and regions around the world, the Daikin Group shows respect for basic human rights in accordance with international norms.



■ **Policy and Management Structure**

**Respecting Human Rights in Action Guidelines Based on the U.N. Global Compact**

Based on the laws of countries and regions around the world, the Daikin Group shows respect for basic human rights in accordance with all international norms.

The Daikin Group takes part in the United Nations Global Compact for aligning operations to universally accepted principles on issues such as human rights and labor standards. Our Group Conduct Guidelines state our policies for respect for individual human rights, diverse values, and ways of looking at work, and our policy of no child labor or forced labor.

The Group Conduct Guidelines were revised to create the Compliance Action Guidelines, which detail the laws and regulations that Daikin Industries, Ltd. and the Daikin Group in Japan must follow.

Based on the Group Conduct Guidelines, the Handbook for Corporate Ethics for each major overseas group company was revised to ensure thorough respect for human rights in the workplace.

In fiscal 2015, we intend to create a publication called Supply Chain CSR Promotion Guidelines, which will cover issues such as respect for human rights throughout the supply chain.

> [See Participation in the Global Compact](#) (Page 43)

■ **Examples of How Business May Affect Human Rights**

<p><b>Plant and site construction</b></p>	<ul style="list-style-type: none"> <li>• Construction of large-scale sites may affect the local environment and cause harm to local residents.</li> </ul>
<p><b>Procurement</b></p>	<ul style="list-style-type: none"> <li>• Suppliers may be suspected of involvement in child labor or forced labor.</li> <li>• Suppliers must prove they are not using conflict minerals from the Democratic Republic of the Congo or surrounding countries.</li> </ul>
<p><b>Manufacturing</b></p>	<ul style="list-style-type: none"> <li>• Overseas subsidiaries may make employees work longer hours than allowed under labor laws or may pay them less than the minimum wage.</li> <li>• Exhaust gas and wastewater from plants may cause air and water pollution, which may result in harming the health of local residents.</li> </ul>
<p><b>Sales</b></p>	<ul style="list-style-type: none"> <li>• Users may improperly use Daikin products, which may result in infringement of the human rights of local residents.</li> </ul>

## ■ Respecting Human Rights

### Confirming Action through Self Assessments

The Daikin Group clearly specifies respect for human rights in the workplace through its Group Conduct Guidelines, a compilation of laws and actions to be followed that is part of the Handbook for Corporate Ethics. To ensure that there is no infringement on human rights, the Daikin Group's annual compliance-focused self assessments include human rights criteria.

Each Daikin overseas group company has its own Handbook for Corporate Ethics, created based on the Group Conduct Guidelines, that is the basis for thorough action toward respecting human rights.

We also take part in Global Compact Network Japan, where we learn from each other's actions and experts in order to raise the level of our own human rights efforts.

In fiscal 2016, we are planning to release a publication titled Supply Chain CSR Promotion Guidelines, which will include the topic of respect for human rights in the supply chain.

## ■ Human Rights Education

### Raising Human Rights Awareness through Periodic Education Sessions and Assessments

Daikin Industries, Ltd. conducts human rights education and awareness sessions with the goal of creating a workplace free of discrimination and where all people are respected.

Daikin Industries, Ltd. strives to raise awareness of human rights through annual human rights training held for job descriptions including all officers, as well as new employees and newly appointed managers and mid-level employees including those in Daikin affiliates. It also runs a series on human rights in its in-house magazine. Daikin America, Inc. has all employees join in annual courses that are focused on building a workplace of mutual respect among all employees.

## ■ Preventing Harassment

### Educating Managers on Sexual and Power Harassment

The Compliance Action Guidelines promote respect for human rights and diversity and compliance with labor laws in the workplace. It is our policy to respect human rights by building a fair, bright, and positive workplace that is free of sexual harassment and power harassment.