

# Third-Party Opinion

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Specified non-profit organization  
Junkan Workers Club



## Junkan Workers Club:

This is a civic group whose main purpose is to (1) discuss from a global point of view, the ideal figure of a circulation-based society, which is to have harmony with the natural ecosystem that should be handed down to our next generations, and (2) research, support, and implement any efforts to form a circulation-based society by local citizens, businesses, and public administrations.

URL: <http://www.nord-ise.com/junkan/>

Generally, Corporate Social Responsibility (CSR) reports are evaluated, based on how well they cover the range of entities that should be included in the report. At the same time, I think it is important to determine whether a CSR report has been improved year by year to meet the needs of society. It is necessary, however, to keep perusing CSR reports from the same organization for several years to be able to make such a decision. In practice, this viewpoint is not considered as part of the criteria for commendations of CSR reports.

Fortunately, I've read and appraised your CSR reports since 2007 and talked with your representatives every year; so I know your CSR reports have become better and better. In the meanwhile, you have made great efforts to improve your CSR report and reflected our dialogues to your editorial policy. I highly appreciate gradual improvements you have made in both report content and quality. The 2010 report is no exception.

Above all, the good points about the 2010 CSR report include: 1) using a website in tandem with the print version of the CSR report; 2) descriptions taking social issues into consideration; and 3) a comment of the chairman of the your CSR committee.

Regarding point 1, the descriptions of corporate policies, guidelines and schemes took up much space previously. To devote limited space to activity reports, these topics have been moved to the website. The cornerstone of the CSR report should be descriptions of CSR activities that an organization has carried out over the report period; thus I think use of the website was a wise decision. The 2010 CSR report still does have some things left to be desired. I'd like to recommend that the principle of the plan-do-check-act (PDCA) cycle be applied to the next CSR report to describe the results of activities; issues that have emerged; and action plans for the next year to solve these issues.

Point 2 is a significant viewpoint today as corporate social responsibility is being redefined as a commitment to addressing social issues through core businesses. This is reflected to the Special Feature and the explanation of your three business units in a manner that does not smack of advertisement and befits a CSR report.

Point 3 is an obvious expectation, but in reality, not many CSR reports contain a comment of the CSR committee representative. I found the comment on page 8 of much use to understand the whole CSR report. My suggestion here is to focus on a summation of your activities, however.

There are many other points that require improvements. The first and foremost is a description that is appropriate to a global company whose overseas sales account for 73% and overseas employees make up 53% of the total workforce. Although, from 2009 on, your CSR report has contained information related to overseas CSR activities such as CSR pervasiveness, use of chemical substances, compliance with product legislation and the human resource development policy, I am of the opinion that its coverage is not still sufficient.

To elevate your CSR report to a new level, it is essential to establish a system for collecting global information and set both domestic and international goals. I suggest considering the environment, labor accidents and personnel issues at first. Also, issues concerning working environments and conditions are emerging at overseas factories. To avoid or resolve such issues, Japanese companies, one after another, have been investigating the working environments at their overseas facilities. I have so far seen descriptions of such investigations in CSR reports from sports equipment and game console manufacturers, but I'd like to note that other business organizations will be expected to address such issues in the future.

## In Response to the Third-Party Opinion

On the TOPCON GROUP CSR report, Mr. Yamaguchi made an essential comments and suggestions each time from the viewpoint of a third party.

The third-party opinion is like a report card with an account of how well or badly we have engaged in stakeholder dialogues and helps us review our performance of CSR management. Fortunately, the comments of Mr. Yamaguchi were much the same as my recognition of the issues TOP-

CON is facing. I interpret his comments as milestones along a road that will lead to an elevated level of CSR management. I will take them as an encouragement for us to proceed with confidence.

TOPCON CSR Committee  
Hiromasa Miyawaki, Chairman