

Survey Results of Environmentally-friendly Corporate Behaviors

Ministry of the Environment has summarized results of “Survey on Environmentally-friendly Corporate Behaviors” for FY2008, which is an annual survey conducted since FY1991.

According to the survey results, the rate of companies publishing environmental reports is on the rise again. Companies working on environmental businesses and global warming preventive measures with policy formulation have also increased, showing progress of voluntary environmental efforts by companies.

Companies in favor or somewhat in favor of environmental tax introduction (39.3%) exceeded companies against or somewhat against its implementation (37.5%). As for the use of tax revenue, 76.1% replied that it should be used for global warming measures and investment in energy conservations. Also, companies in favor of domestic emission trading scheme or in favor depending on the content exceeded those not in favor of the scheme adoption.

Increasing number of companies is addressing conservation of biodiversity, although the percentage is still around 20%.

1. Details of survey

(1) Survey period

July 29, 2009 to August 20, 2009

(2) Object of survey

- 2,684 listed companies on the first and second sections of the Tokyo Stock Exchange, Osaka Securities Exchange, and Nagoya Stock Exchange
- 6,830 unlisted companies and business establishments with 500 or more employees
- total of 6,830 companies

(3) Number and rate of valid responses

- 1,227 (45.7%) listed companies on the first and second sections of the Tokyo Stock Exchange, Osaka Securities Exchange, and Nagoya Stock Exchange
- 1,801 (43.4%) unlisted companies and business establishments with 500 or more employees
- total of 3,028 (44.3%) companies

2. Overview of survey results

(1) Environmental efforts and approaches

Many companies (59.5%) disclosure information on global warming gas emissions

through Systems for Calculation, Reporting and Public Disclosure of Greenhouse Gas Emissions and environmental reports, while 40.5% of the respondents do not.

(2) Audit and certification of environmental management systems

Percentage of companies with ISO14001 certification decreased from the previous year. (listed companies 74.6%, unlisted companies 56.1%)

(3) Subsidiary company and business partner relations

When asked if companies instruct or ask subsidiaries to practice environmental activities in accordance with their own environmental policies, total of 65.0% replied that they do so to all their subsidiaries or to main subsidiaries.

Regarding green purchasing practices, 28.3% of the respondents said they make purchasing decisions following environmental guidelines, 8.8% use guidelines formulated by industry groups for purchasing decisions, 36.5% said that they don't use any guidelines but consider environmental impacts. All together, more than 70 % of respondents consider environmental impacts of products and services when making purchasing decisions.

(4) Environmental accounting

In regard to environmental accounting, 26.6% of the respondents said they have already adopted the practice, which is slightly lower than the previous year (27.0%), and 9.6% said they are considering adoption, which has also decreased from the previous year (12.2%).

(5) Environmental information disclosure and communication

The percentage of companies publishing environmental reports, which has once declined the previous year, have increased to 38.3%, which is higher than two years ago(37.8%).

(6) Environmental business

Regarding environmental business, 42.1% said they have implemented environmental business practices or provided environmental services and products, while 4.2% said they plan to expand into environmental businesses, and 16.6% said they wanted to do so in the future. These results show that more than 60% of the respondents are interested in environmental business, which is appreciably high degree of interest.

(7) Preventive measures on global warming

Regarding preventive measures on global warming, companies that said they have set policies and worked on preventive measures have increased to 57.4%, and

together with 31.3% that have taken measures without any policies, nearly 90% of the companies implement preventive measures on global warming.

Companies in favor or somewhat in favor of environmental tax introduction (39.3%) exceeded companies against or somewhat against its implementation (37.5%). As for the use of tax revenue, 76.1% replied that it should be used for global warming measures and investment in energy conservations.

Also, companies in favor of domestic emission trading scheme or in favor depending on the content totaled 37.5%, and have again exceeded those not in favor of the scheme adoption or not in favor depending on the content (23.8%).

Percentage of companies addressing carbon offset was 10%, showing that scheme is disseminated at a certain level.

(8) Biodiversity conservation

Regarding company attitudes toward preservation of biological diversity, 13.4% of the respondents said “this issue is closely related to business activity and is important”, and the figure increased from the previous year (13.0%).

As for efforts and activities on preservation of biological diversity, 18.5% of the respondents are engaged in preservation activities with 5.0% “with policies” and 13.5% “without any specific policies”, which increased from the previous year (16.7%).