Fifteen Years of Progress: How Japanese Companies Embraced and then Mainstreamed Business and Human Rights

This essay is part of [Shift's series](#) marking the 15th anniversary of the UN Guiding Principles on Business and Human Rights.

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The UN Guiding Principles on Business and Human Rights (UNGPs, 2011) have recast the conversation in Japan about the responsibilities of businesses and financial institutions for impacts on people's human rights. They expanded how company responsibilities were understood, moving beyond a traditional narrow focus on employees to include other rightsholders across the full value chain. In 2022, government guidelines proved particularly catalytic in spreading awareness of the importance of implementing the UNGPs, helping to mainstream their uptake across the private sector. As one of the largest banks in Japan, Mizuho strives to meet the expectations set out in the UNGPs across our operations and value chain, including our client portfolio, and recognizes the real benefits for the bank of doing so.

The UN Guiding Principles raised the level of awareness in Japanese Companies

The past fifteen years have been transformational in how Japanese businesses approach human rights. At the time of the adoption of the UNGPs, most companies viewed human rights through the lens of employee management and compliance. The issues addressed were workplace harassment, working hours, and compliance around compensation—often as an extension of traditional corporate social responsibility (CSR)—rather than strategies related to core business activities.

Most companies referred only to domestic laws and regulations. A few companies went beyond this standard and considered the full supply chain, overseas contractors, and broader stakeholders such as local communities and customers as part of their sphere of human rights responsibilities.

Over time, companies with supply chains across jurisdictions and localities started recognizing the complexity of realities on the ground with issues ranging from occupational safety and health to land rights, child labor and gender discrimination. These risks are highly contextual yet interconnected across borders and sectors. This phenomenon was something I witnessed through my previous experience working in developing countries.

The UNGPs provided an invaluable framework for companies that decided to begin the journey to assess their human rights risk landscape. They established a common set of objectives for diverse actors to engage in constructive dialogue. They also set out clear expectations for governments and businesses: practical guidance to formulate policies, conduct human rights due diligence (HRDD), and implement grievance mechanisms. These elements helped companies move from ad hoc reactions to a more systematic approach to human rights.

In addition, new developments from the public policy side shaped momentum in Japan. As described by [Chihiro Tsukada in his essay in this series](#), the National Action Plan on Business and Human Rights (NAP) and related guidelines developed by the government on Respecting Human Rights in Responsible Supply Chains (2022) proved to be catalytic. The enabling environment encouraged companies to align with the UNGPs and to adopt human rights-respecting practices, with the emphasis on HRDD.

Consequently, an increasing number of Japanese companies now adopt comprehensive human rights management models. Examples include group-wide human rights policies, public commitments, structured risk and impact assessments, remedial actions, and enhanced grievance mechanisms. Such initiatives are no longer limited to a handful of "front-runner" companies but are mainstreamed across sectors and company sizes.

The expansion of the scope of stakeholder groups recognized as rights-holders is worth noting. Companies now extend their attention beyond employees to include business partners, suppliers, contractors, and local communities. For large, global companies, understanding human rights risks at overseas subsidiaries and partners has become a prerequisite for HRDD engagement throughout their supply chains.

Integrating Human Rights into Financial Activities

In addition to shifting real economy company responses, the UNGPs have reshaped how financial institutions understand and respond to impacts on people. The conversation has evolved from a narrow focus on employee management and compliance towards a more systematic approach that leverages the common framework provided by the UNGPs.

Notably, banks, insurance companies, and asset managers are taking steps to better understand human rights impacts linked to their financial activities. The UNGPs have helped clarify how financial institutions can address impacts linked to these activities. They have reinforced the important role banks can play in influencing how clients and investees prevent and address adverse impacts. For example, in high-risk areas—such as project financing, lending to infrastructure and the natural resources sector—financial institutions often seek to engage with project owners to ensure that projects do not trigger negative impacts on local communities, indigenous peoples, or migrant workers.

Similarly, asset managers treat human rights as a crucial theme within responsible investment and stewardship, engaging with investee companies and exercising voting rights to encourage better practices. Their aim is not limited to risk management; it is also to support resilient business models that link respect for human rights with long-term corporate value and social well-being.

This has, in turn, strengthened financial institutions' recognition of human rights considerations in financing and investment. By encouraging financial institutions to understand how the decisions of clients and investees affect people, and how they can use and build leverage to influence those decisions, the UNGPs have brought a critical lens into financing and investment decisions that had been missing. While their primary purpose is to improve outcomes for people, this perspective also enables financial institutions to better anticipate the operational, legal, regulatory and financial implications of human rights issues, supporting more resilient clients, portfolios and economies over the long term.

As a result of these developments, the "business and human rights" agenda in Japan has moved beyond its initial narrow field of focus and is now increasingly mainstreamed across Japanese business and financial sectors and often integrated into corporate management and financial decision-making. The UNGPs have played a crucial role in shaping this evolution.

Mizuho's Approach to Business and Human Rights

Mizuho's human rights commitment is to abide by the UNGPs. It has integrated these principles within the entire Group where possible. Previously, the bank focused primarily on in-house issues related to operations and employees—such as discrimination and harassment in the workplace and work-style challenges. However, in response to the evolving business environment and rising social expectations, we recognized that our approach should extend beyond our own organization to society at large and that a more comprehensive framework would be necessary.

This resulted in the development of a more holistic framework. Guided by the UNGPs and ISO 26000, we established Mizuho's Human Rights Policy in 2018 in line with international standards and applicable laws, and revised our Code of Conduct to clarify our commitment and expectations regarding Mizuho's officers and employees. We established these internal guidelines to ensure consistent decision-making across the entire organization.

To implement our commitments, we placed emphasis on robust organizational structure and governance. Our sustainability division, in collaboration with risk management and HR, develops policies, conducts HRDD, and communicates with stakeholders. Key issues are regularly discussed at the executive management level, ensuring human rights are integrated into strategic priorities, not siloed at the level of departments.

Relevant teams in head office now work horizontally to address human rights-related matters involving our clients, supported by established internal guidelines. Enhanced due diligence processes allow us to prioritize responses to serious or high-risk situations in a transparent and systematic manner.

Our HRDD framework includes screening for human rights incidents using external data, enabling appropriate responses to reported incidents. In addition, we introduced a new Procurement Policy in 2020, explicitly addressing human rights in outsourcing and purchasing activities, raising expectations for suppliers and partners, starting in Japan.

Transparency and accountability are central to our approach. In 2022, Mizuho's first Human Rights Report—the first such report by a Japanese bank—outlined our governance, policies, HRDD processes, and key focus areas. This report facilitates dialogue with stakeholders, including investors, clients, and civil society, soliciting external feedback for continuous improvement.

However, policies and systems are only enablers. Facilitating understanding of the matter and encouraging actions by each employee are key. We place great emphasis on training and professional development. In addition to requiring all employees to complete human rights training, we also offer tailor-made training for front-line staff who interact with our clients, including interactive sessions led by external experts and practitioners. Through these programs, we aim to foster a culture that considers human rights not merely as a compliance issue but as a core element of responsible business operations.

These initiatives—policy development, organizational arrangements, HRDD, disclosure, and capacity development—are mutually reinforcing pillars. Together they pave the way for preventing and mitigating negative impacts on people connected to our operations and value chain, starting from Japan. Our goal is to ensure that our human rights policy is not just a statement of intent but, where possible, is embedded in day-to-day decision-making, with continuous improvements.

Looking Ahead: Human Rights as a "Treasure Box" for Value Creation

Mizuho will continue to operate its human rights due diligence in line with the UNGPs and applicable law. We will periodically assess the effectiveness of our systems for early identification, assessment, and timely response to human rights incidents, learning and improving along the way. We also aim to ensure that grievance mechanisms for stakeholders, including our employees, customers, suppliers, and other parties, where reasonably possible, are accessible, trusted, and capable of providing appropriate remedies under the circumstances.

As a financial institution, we recognize the challenges in exercising meaningful leverage over clients' activities, especially when human rights issues arise at the far reaches of their supply chains or in overseas projects where direct relationships are limited. Identifying and determining effective and realistic measures in such situations will require continuous effort.

Importantly, we do not view "business and human rights" solely as risk management or a cost control measure. Rather, we see it as a "treasure box" of opportunities to co-create future social value. Engaging in discussions with clients allows us to support human rights and strengthen trust, resilience, and long-term sustainability. For Mizuho, which plays a pivotal role in shaping capital flows, this perspective is essential. There are both responsibility and opportunity aspects in this journey.

Respecting human rights is not a one-time activity but an ongoing journey, with new expectations, technologies, and realities evolving along the way. Continuous dialogue with diverse stakeholders, both inside and outside the organization, is essential. Listening and responding with both flexibility and integrity are key to the realization of our commitment.

As we mark the 15th anniversary of the UNGPs, I firmly believe that Mizuho's actions on human rights—anchored in Japan and informed by global standards—are part of collective efforts within Japan's financial sector and the broader business community. We will continue to strive, learn from experience, and work with others to ensure that business plays a constructive role in realizing the dignity and rights of all people.

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