

Summary of the Survey on Corporate Philanthropic Activities in Fiscal 2014

October 20, 2015
Keidanren
1% (One-Percent) Club

About the Survey

1. Survey content
 - I. Survey of Expenditure for Corporate Philanthropic Activities
 - II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities (Conducted every three years)
 - III. Survey of Activities Related to Reconstruction after the Great East Japan Earthquake
2. Survey period
May to August 2015
3. Survey target audience
Member companies of Keidanren and corporate members of the 1% Club: Total of 1,352 companies
4. Number of respondents
 - I. Survey of Expenditure for Corporate Philanthropic Activities: 357 companies and groups
(26.4% response ratio) (incorporates responses from approx. 12,500 companies, if consolidated companies are included)
 - II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities : 378 companies and groups
(28.0% response ratio)
 - III. Survey of Activities Related to Reconstruction after the Great East Japan Earthquake
Companies reporting whether they were engaged in such activities: 378 companies (28.0% response ratio)
Companies submitting descriptions of an activity: 241 companies (17.8% response ratio)

Introduction

The Keidanren Committee on Corporate Behavior & Social Responsibility and the 1% (One-Percent) Club have conducted an annual survey among their member companies every fiscal year since 1991, analyzing the trends in corporate philanthropic activities and studying the results in order to further promote such activities.

In addition to the annual Survey of Expenditure for Corporate Philanthropic Activities, this fiscal year we also conducted the Survey of Arrangements and Awareness of Corporate Philanthropic Activities, which is undertaken every three years, and a special Survey on Activities Related to Reconstruction after the Great East Japan Earthquake. More than 370 companies and groups responded to the surveys, and Keidanren wishes to express its sincere gratitude to those companies for having provided detailed data.

The amount of expenditure for corporate philanthropic activities averaged 490 million yen per company in fiscal 2014. This represents an increase for the second consecutive year. Expenditure has only exceeded this level twice in the past: in fiscal 2011, after the Great East Japan Earthquake occurred, and in fiscal 1991, during the “bubble economy.” The survey found that expenditure related to the Great East Japan Earthquake averaged 25 million yen per company and totaled 9 billion yen for all respondents, indicating that many companies continue to support the disaster-stricken areas.

There was a discernible trend toward various arrangements for promoting corporate philanthropic activities becoming more firmly established. The proportion of companies supporting volunteer and philanthropic activities by their employees is rising steadily, and has reached 80 percent. Heading the list of specific methods for delivering such support were introduction of volunteer leave and award systems and provision of volunteer activity opportunities and information. Financial support in the form of paying volunteer insurance premiums and introduction of systems to provide goods for activities are on the rise.

The number of employees actually using volunteer leave climbed to around 6,700 at 166 companies, suggesting that greater interest in volunteer activities sparked by the earthquake is continuing.

Companies with connections to nonprofit organizations (NPOs) remain at a high level of around 80 percent. In particular, the proportion of companies conducting collaborative projects is steadily increasing. The top considerations when cooperating with NPOs were agreement with the company’s basic policies and priority fields, transparency of operation, and empathy with the NPO’s mission.

As the introduction of arrangements to support corporate philanthropic activities progresses to some extent, the main future issues cited were promoting employee understanding and social participation, top management understanding and leadership, and strategic positioning within corporate management.

Around 70 percent of respondents reported that they are engaging in reconstruction initiatives related to the Great East Japan Earthquake, a similar level to last year. More than four years on from the disaster, support activities are continuing, with a focus on communities, education, training the next generation, industrial revitalization, and job creation. The survey recorded 241 specific examples of such activities, and we hope these will provide useful reference material.

Based on the results of this survey, the Keidanren Committee on Corporate Behavior & Social Responsibility and the 1% (One-Percent) Club will continue to discuss the various issues surrounding corporate philanthropic activities in greater depth. We hope that these survey results will help companies to position their corporate philanthropic activities strategically within their corporate management.

October 20, 2015

Masatoshi Sato

Chair, Committee on Corporate Behavior & Social Responsibility

Keidanren

Chair, 1% (One-Percent) Club

Senji Miyake

Chair, Committee on Corporate Behavior & Social Responsibility

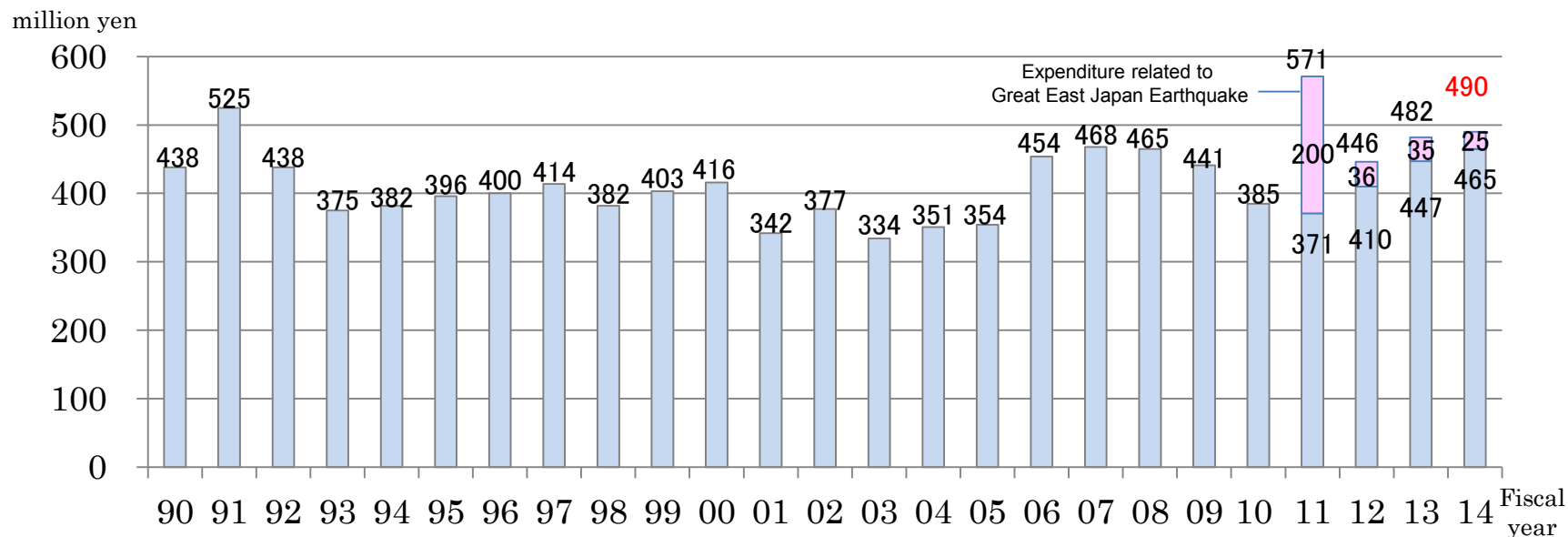
Keidanren

I. Survey of Expenditure for Corporate Philanthropic Activities

1. Fiscal 2014 expenditure for corporate philanthropic activities

- Total expenditure was ¥175.1 billion, or ¥166.1 billion excluding spending related to the Great East Japan Earthquake (¥9.0 billion).
- Average expenditure per company was ¥490 million (up 1.7% year-on-year), or ¥465 million (up 4.0%) excluding spending related to the Great East Japan Earthquake (¥25 million).
- Examining changes at the 298 companies that responded to both the 2013 and the 2014 fiscal year surveys, average expenditure per company was ¥530 million (down 0.4%), or ¥503 million (up 2.4%) excluding expenditure related to the Great East Japan Earthquake (¥26 million). *Since numbers are rounded, figures may not tally.
- Average expenditure per company in 2014 was on the level of that before the Lehman crisis.
- There was continuous expenditure related to the Great East Japan Earthquake.

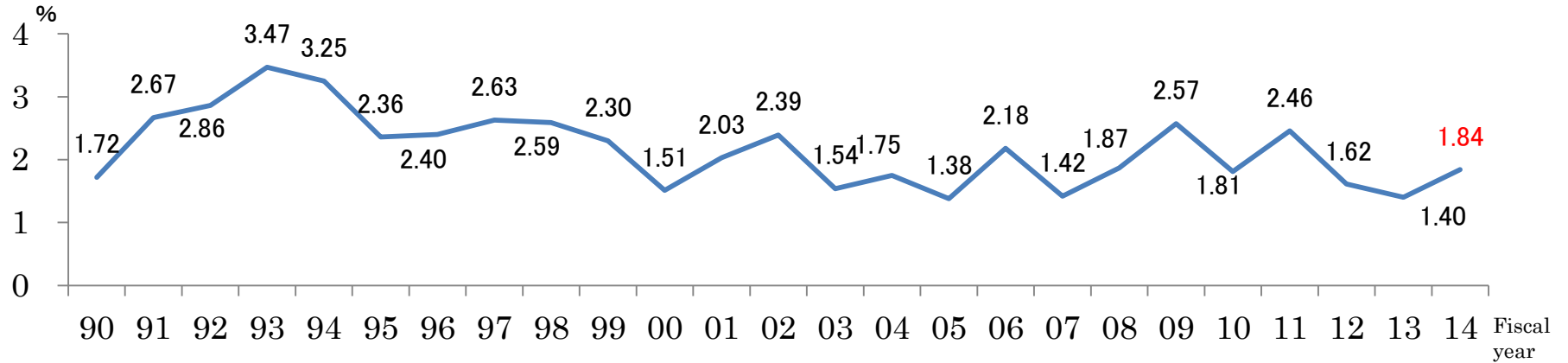
Trends in expenditure for corporate philanthropic activities (average per company)



I. Survey of Expenditure for Corporate Philanthropic Activities

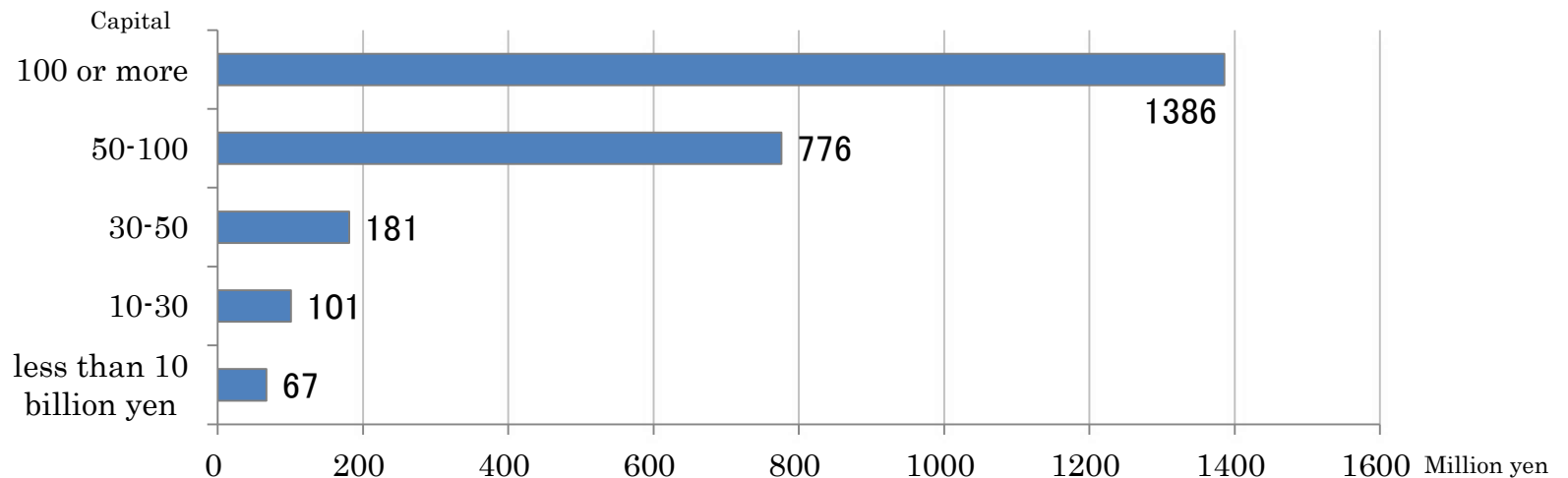
2. Corporate philanthropic expenditure as a percentage of ordinary profit

Trends in corporate philanthropic expenditure as a percentage of ordinary profit (average per company)



3. Corporate philanthropic expenditure by capitalization bracket

Expenditure by capitalization bracket (average per company)



I. Survey of Expenditure for Corporate Philanthropic Activities

4. Corporate philanthropic expenditure by field

“Education, including social education” attracted the most spending of any field, as last fiscal year.

Trends in corporate philanthropic expenditure as a percentage of total expenditure by field

	Percentage (estimate)			
	(Note: Numbers in parentheses signify ranking.)			
	Fiscal 2012	Fiscal 2013	Fiscal 2014	
1. Education, including social education	(1) 17.7%	(1) 19.5%	15.5%	
2. Academic and research programs	(3) 12.3%	(2) 14.5%	13.8%	
3. Health, medicine, and sports	(4) 11.0%	(3) 11.7%	13.5%	
4. Culture and the arts	(2) 12.8%	(4) 10.7%	13.1%	
5. Local community activities	(7) 8.1%	(6) 8.1%	9.3%	
6. Assistance to disaster-stricken areas	(6) 9.4%	(5) 8.8%	7.3%	
7. The environment	(5) 10.6%	(7) 6.5%	7.3%	
8. Social welfare and social inclusion	(8) 5.8%	(8) 5.3%	5.6%	
9. International exchange and cooperation	(9) 2.0%	(9) 1.8%	2.5%	
10. Capacity building for NPOs/NGOs	(10) 0.9%	(11) 0.7%	1.1%	
11. Political donations	(12) 0.7%	(10) 0.9%	1.1%	
12. Creating jobs, promoting skills development, and providing assistance in employment	(11) 0.8%	(12) 0.6%	0.8%	
13. Community disaster-prevention and crime prevention	(13) 0.5%	(13) 0.4%	0.6%	
14. Human rights and human security	(14) 0.2%	(14) 0.1%	0.3%	
15. Others	7.3%	10.2%	8.3%	

I. Survey of Expenditure for Corporate Philanthropic Activities

5. Itemized breakdown of average expenditure per company

Itemized breakdown of expenditure for corporate philanthropic activities per company

Corporate philanthropic expenditure: ¥490 million per company	Donations	¥343 million (70%)	Monetary donations	¥266 million (54%)
	Company-organized and collaborative programs	¥112 million (23%)	Donations in kind	¥14 million (3%)
	Assistance to disaster-stricken areas	¥30 million (6%)	Giving access to facilities	¥12 million (2%)
	Others, no specific category	¥5 million (1%)	Dispatch of personnel	¥30 million (6%)
			Others	¥21 million (4%)
			Related to Great East Japan Earthquake	¥25 million (5%)
			Other disasters	¥4 million (1%)

Notes 1. Amount for each item: Expenditure for each item/Number of respondent companies (357)

2. Since numbers are rounded, totals may not tally.

6. Corporate expenditure on assistance to disaster-stricken areas in fiscal 2014

Expenditure totaled ¥10.5 billion, of which ¥9.0 billion was for assistance related to the Great East Japan Earthquake.

Breakdown of corporate expenditure on assistance to disaster-stricken areas in fiscal 2014

	Expenditure on assistance to disaster-stricken areas (contributed by companies)			(Reference) Expenditure on assistance to disaster-stricken areas contributed by employees, consumers/customers, etc. ¹		
	Expenditure (Total)	Expenditure related to Great East Japan Earthquake	Expenditure related to other disasters	Expenditure (Total)	Expenditure related to Great East Japan Earthquake	Expenditure related to other disasters
Expenditure	¥10.5 billion	¥9.0 billion	¥1.5 billion	¥0.6 billion	¥0.3 billion	¥0.3 billion
Number of companies providing assistance	255	207	165	97	69	60

Notes: 1. Amounts from donations solicited by companies from employees, consumers, etc. via fund-raising among employees and in stores.

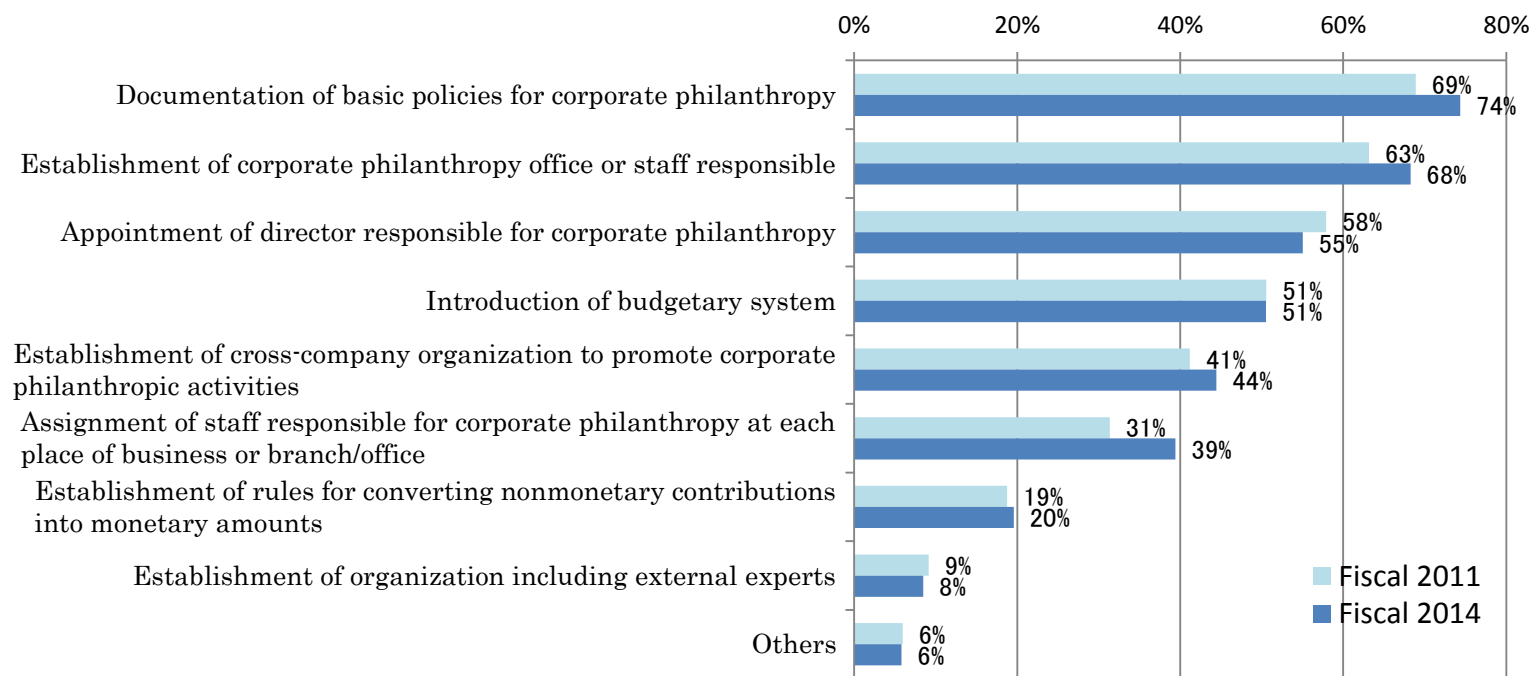
2. Since numbers are rounded, totals may not tally.

II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

1. State of introduction of in-house arrangements to promote corporate philanthropic activities

- Widespread and well-established systems include “Documentation of basic policies,” “Establishment of corporate philanthropy office or responsible staff,” “Appointment of officer responsible.”
- The average number of staff in stand-alone corporate philanthropy offices was 5.5 per company.
- The average number of workplace corporate philanthropy contact persons was 36.3 per company.

**State of introduction of in-house arrangements to promote corporate philanthropic activities
(Multiple responses)**

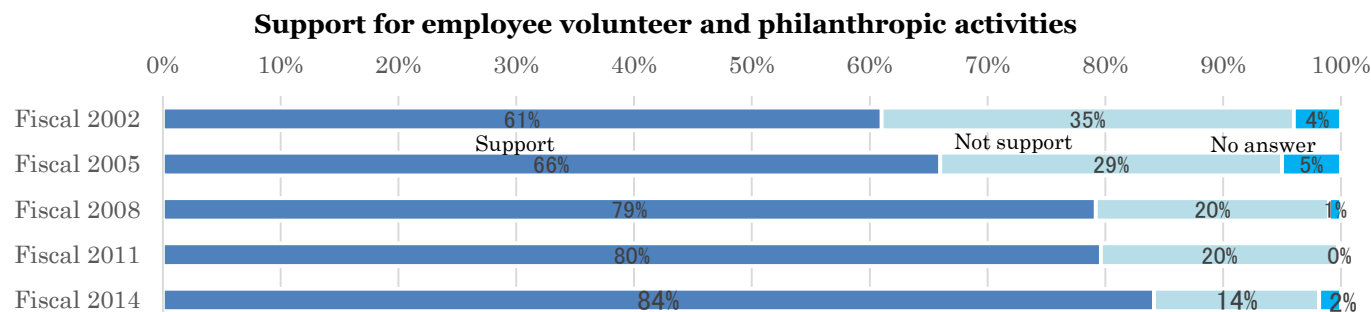


Note: Percentages were calculated as follows: Number of respondents per item/Total number of survey respondents (378)

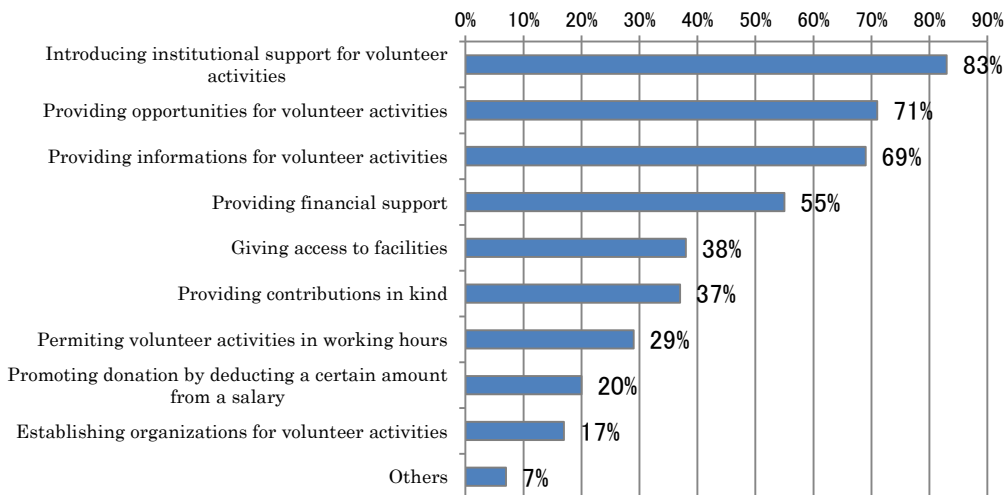
II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

2. Support for employee volunteer and philanthropic activities

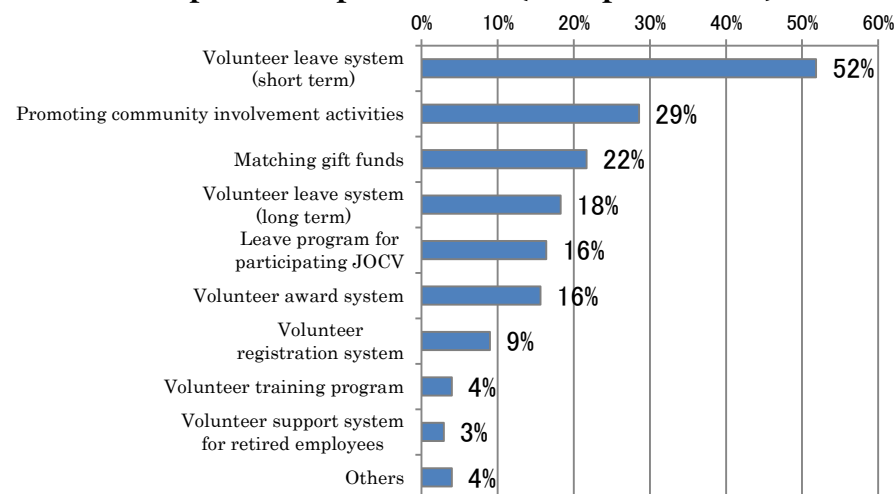
- 318 companies (84% of respondents) supported employee volunteer and philanthropic activities.
- The top reasons for such support were “Contributing to maintenance and development of the local community” (89% of companies supporting employee volunteer and philanthropic activities), “Enhancing the public image of the company” (50%), and “Maintaining employee pride in the company” (43%).



Contents of tangible support (Multiple answers)



Corporate's institutional support for employee's philanthropic activities (Multiple answers)



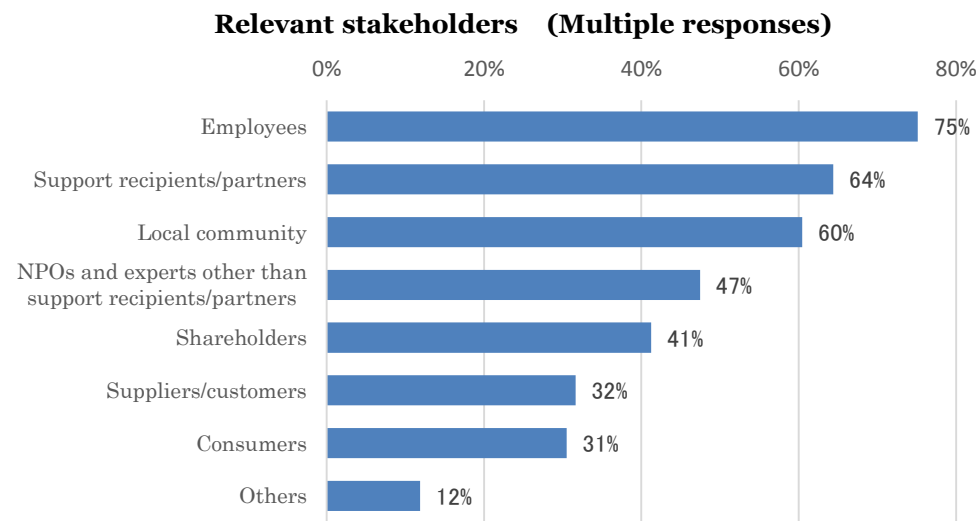
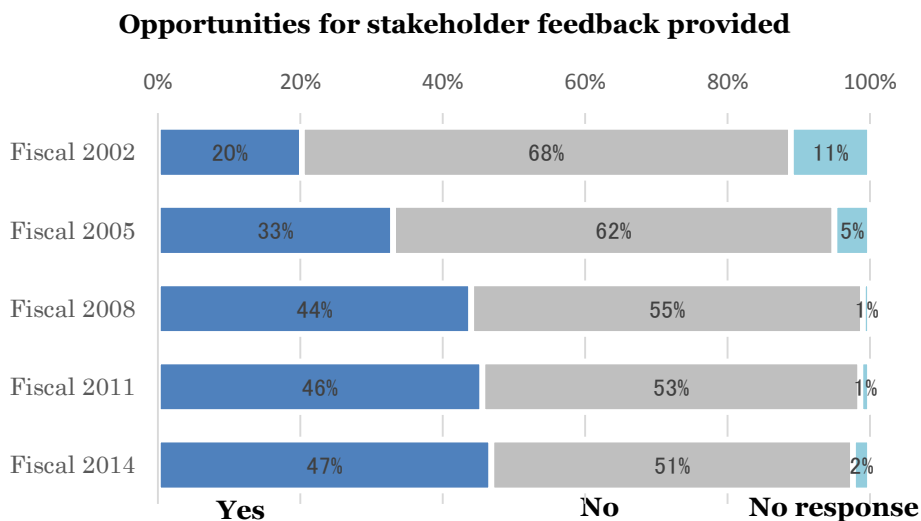
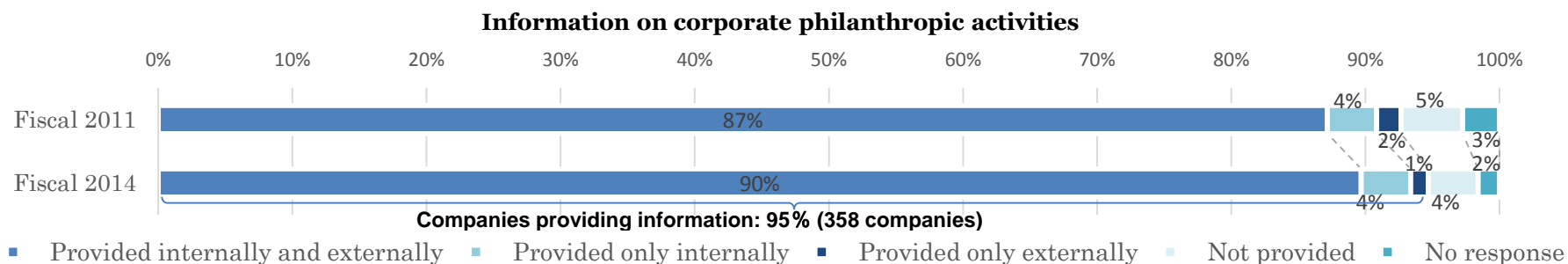
Note: Percentages were calculated as follows: Number of respondents per item/Number of companies which support employee volunteer and philanthropic activities (318)

Note: Percentages were calculated as follows: Number of respondents per item/Total number of survey respondents (378)

II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

3. Information/communication relating to corporate philanthropic activities (1)

- More than 90% of companies provided information on corporate philanthropic activities.
- Use of the Internet to provide information is well established, with e-mail and intranet being used for internal communication, and corporate websites being used for external communication.
- The proportion of companies providing stakeholders with opportunities to express their views on corporate philanthropic activities has more than doubled in the last decade.



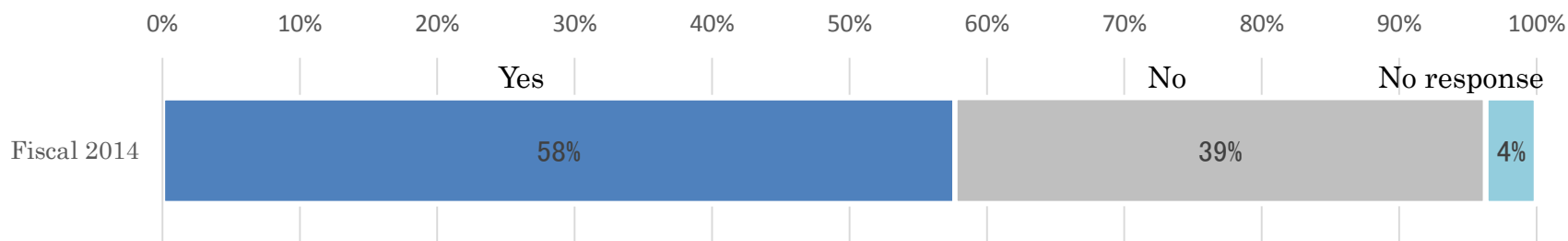
Note: Percentages were calculated as follows: Number of respondents per item / Total number of survey respondents (378)

II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

3. Information/communication relating to corporate philanthropic activities (2)

- 58% of companies thought information on corporate philanthropic activities should be actively used for advertising and publicity purposes, and 39% thought it should not.
- Reasons given for why it should be actively used were “Enhancing the corporate brand” (47%) and “Corporate accountability” (22%). Companies that thought such information should not be actively used for advertising and publicity had strong concerns that “The purpose of corporate philanthropic activities would be misunderstood” (52%).

Should information on corporate philanthropic activities be actively used for advertising and publicity?

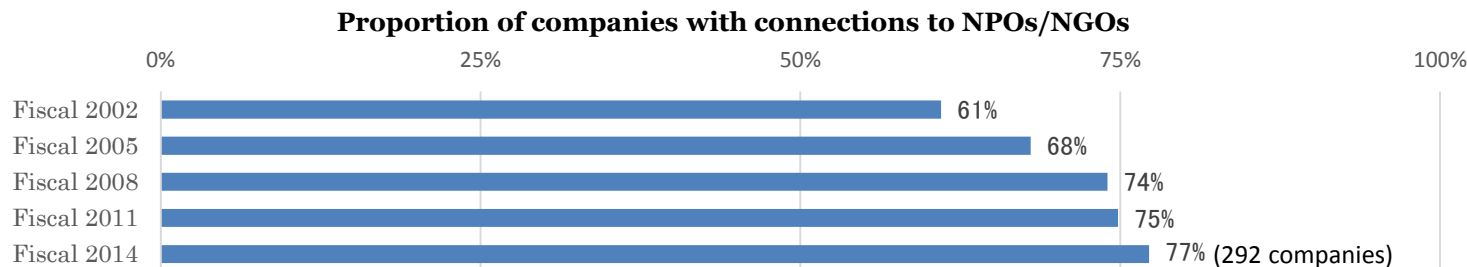


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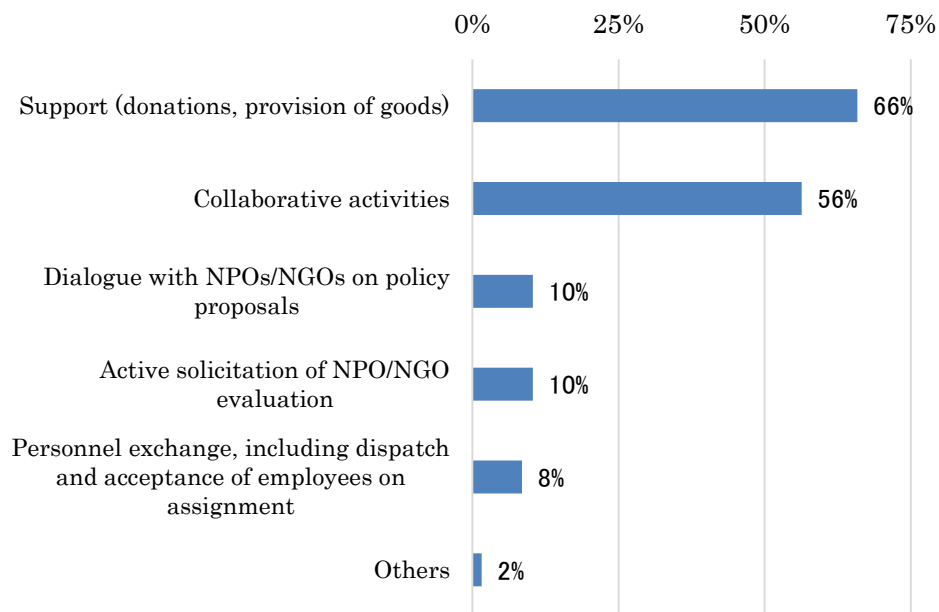
II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

4. Cooperation between companies and NPOs

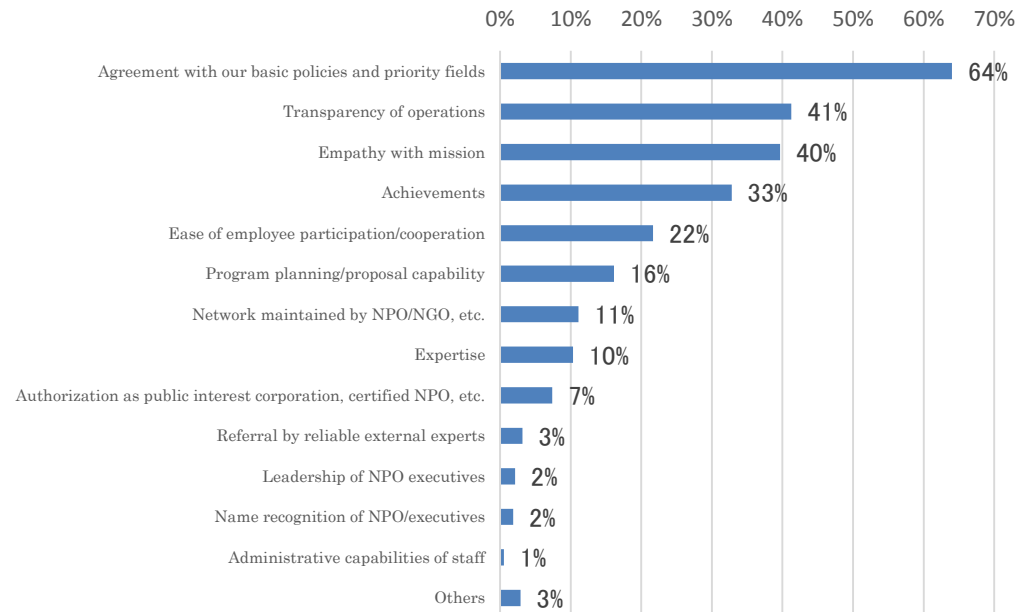
- The proportion of companies with connections to NPOs/NGOs remains at a high level (77%).
- A key consideration when cooperating with NPOs/NGOs is “Agreement with our basic policies and priority fields.”



Specific relationship (Multiple answers)



Key considerations when cooperating with NPOs/NGOs (Up to 3 answers)

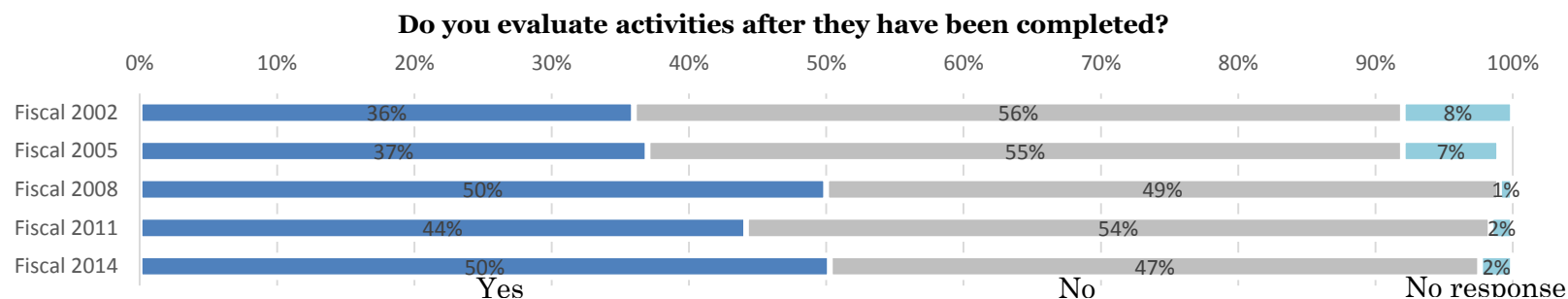


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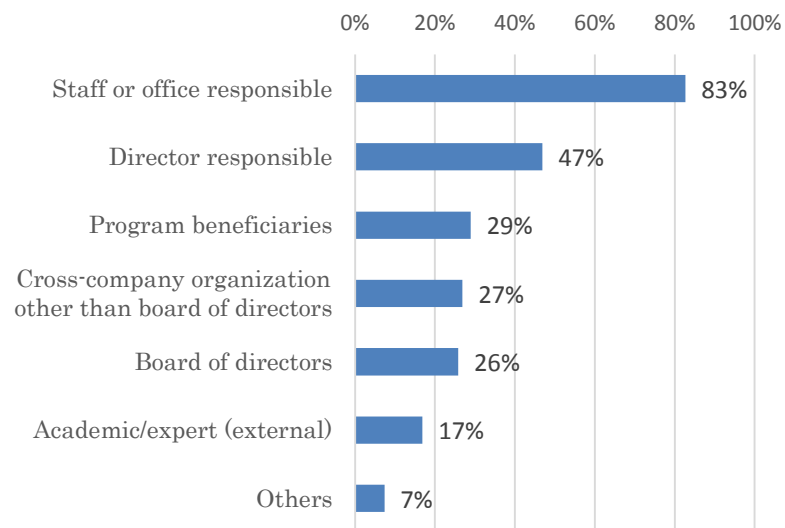
II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

5. Evaluation of corporate philanthropic activities

- Half of companies evaluate activities after they have been conducted.
- Compared to the previous survey, more companies have introduced external evaluation by program beneficiaries and academics/experts.

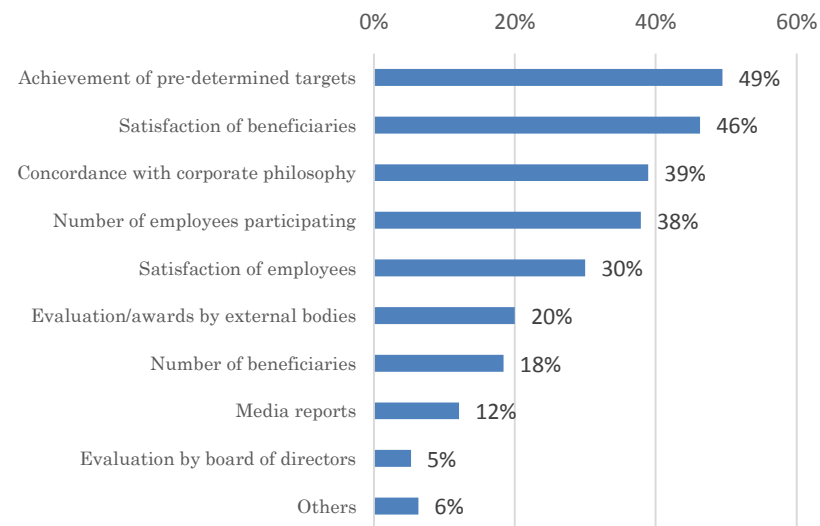


Activity evaluators (Multiple answers)



Note: Percentages were calculated as follows: number of respondents per item/number of companies conducting evaluations (190)

Evaluation criteria (Up to 3 answers)



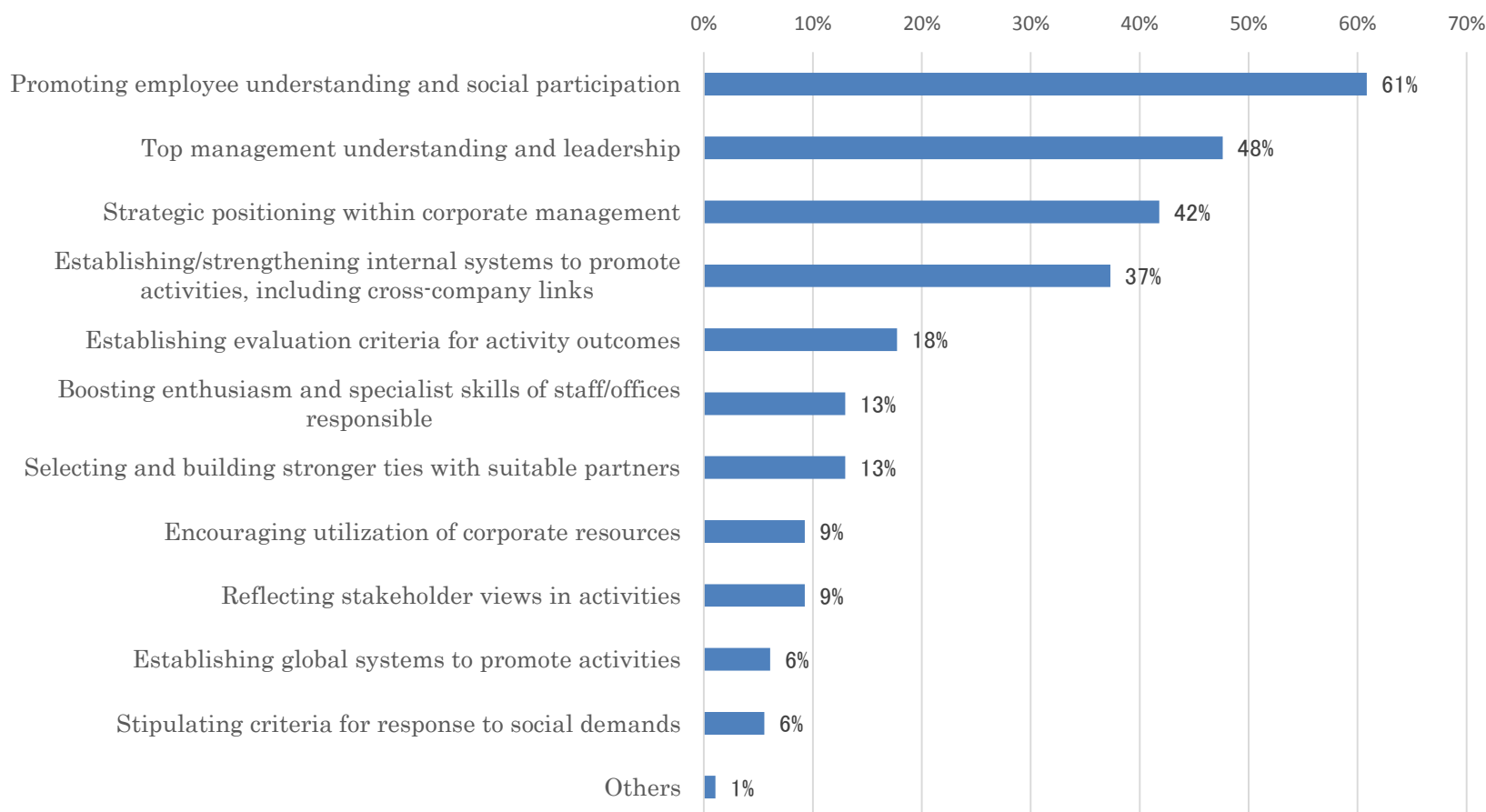
Note: Percentages were calculated as follows: number of respondents per item/number of companies conducting evaluations (190)

II. Survey of Arrangements and Awareness of Corporate Philanthropic Activities

6. Future issues

Although systems are becoming well-established as mentioned, future concerns focus on ensuring they spread throughout organizations, and include “Promoting employee understanding and social participation,” “Top management understanding and leadership,” and “Strategic positioning within corporate management.”

Key issues for furthering corporate philanthropy activities (Up to 3 answers)



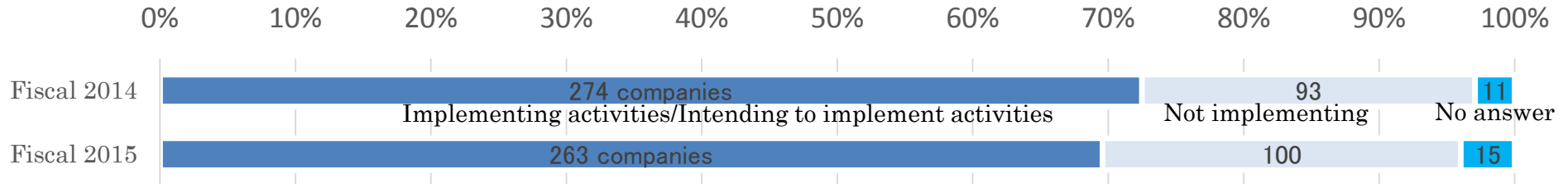
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III. Survey of Activities Related to Reconstruction after the Great East Japan Earthquake

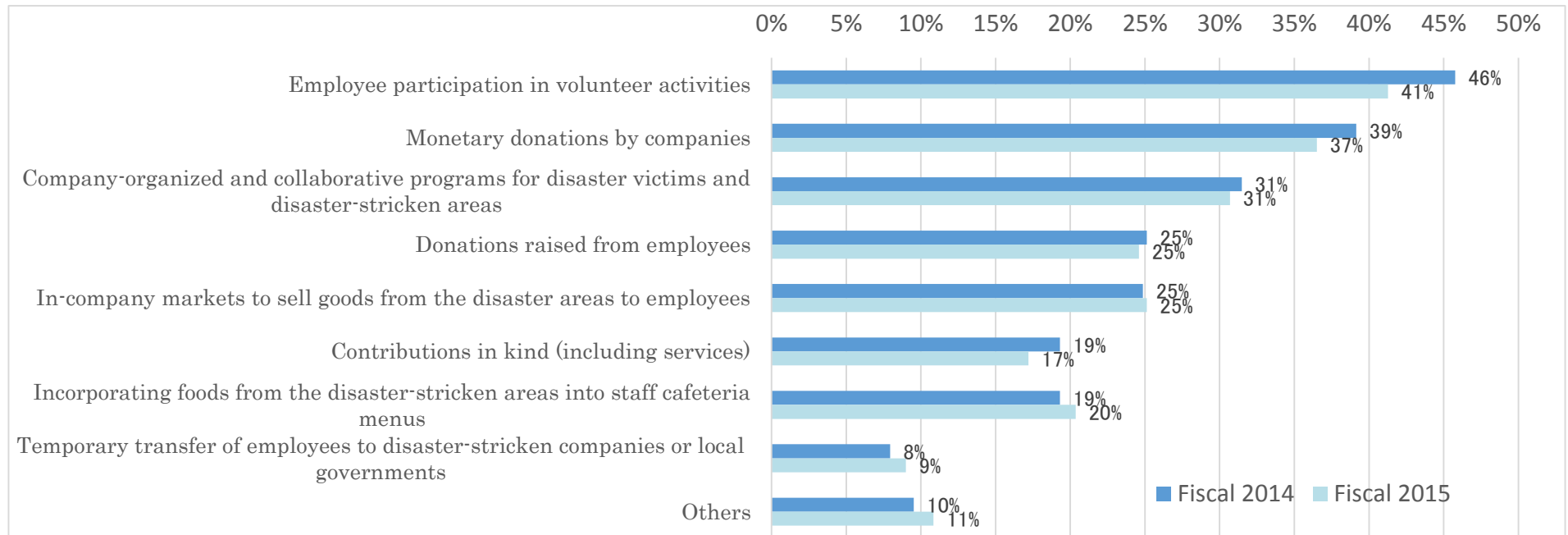
1. Activities related to reconstruction after the Great East Japan Earthquake

About 70% of the 378 companies that responded to the survey reported that they are engaged in activities to support reconstruction after the Great East Japan Earthquake.

Number of companies supporting reconstruction (fiscal 2014 and 2015)



Corporate support for reconstruction (fiscal 2014 and 2015)



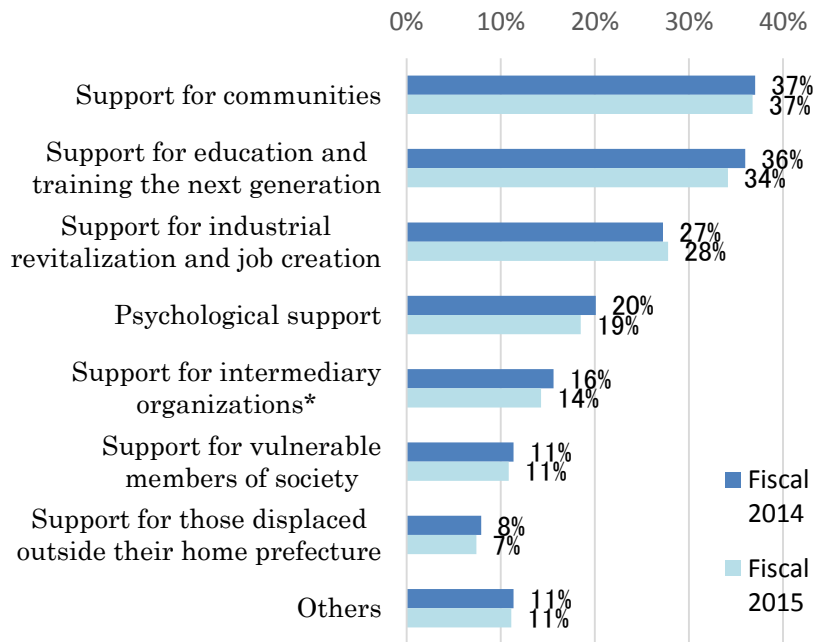
Note: Percentages were calculated as follows: Number of respondents per item/Total number of survey respondents (378)

III. Survey of Activities Related to Reconstruction after the Great East Japan Earthquake

2. Reconstruction support activities: fields, donee organizations, and partners

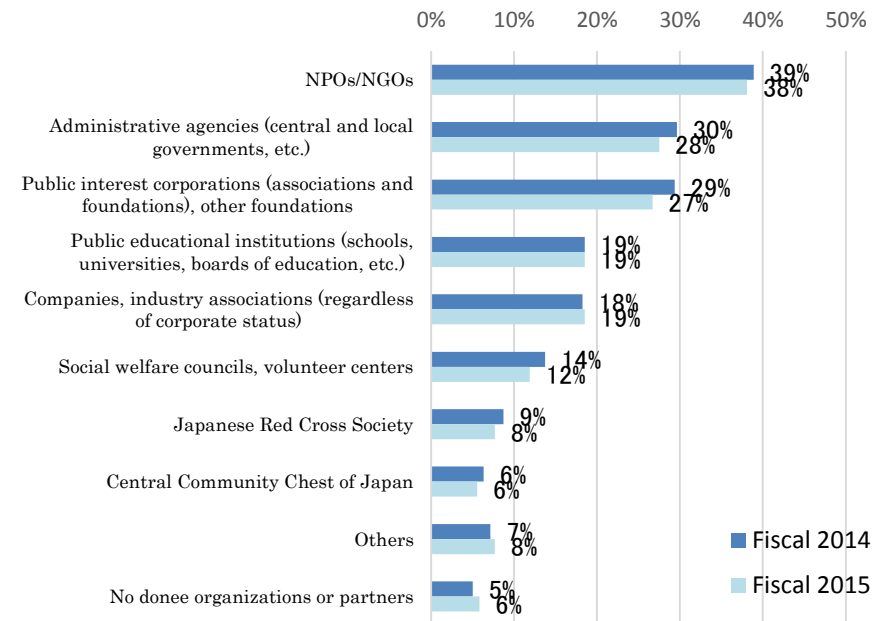
- The main activities related to reconstruction were “Support for communities,” “Support for education and training the next generation,” and “Support for industrial revitalization and job creation.”
- Cooperative activities were chiefly undertaken with NPOs/NGOs, administrative agencies, and public interest corporations.

Fields of reconstruction support activities



*Intermediary organizations include administrative agencies, companies, and organizations that support the work of NPOs, etc.

Donee organizations and partners for reconstruction support activities



Note: Percentages were calculated as follows: Number of respondents per item/Total number of survey respondents (378)

3. Specific activities

Descriptions of a total of 241 specific activities were submitted.