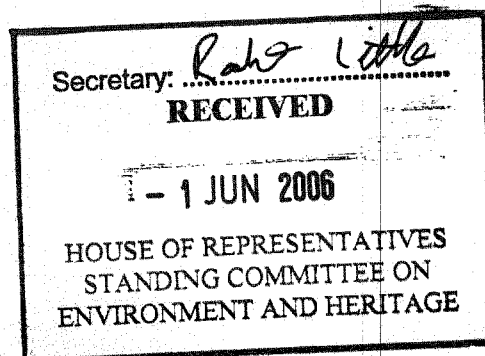


25<sup>th</sup> May 2006

The Secretary  
Environment and Heritage Committee  
House of Representatives  
Parliament House  
Canberra  
ACT 2600



Dear Secretary

**Sustainability Charter**

On behalf of Fuji Xerox Australia Pty Limited I would like to make a submission relating to the subject of the above enquiry.

By way of background Fuji Xerox Australia is a member of the global Fuji Xerox Company Limited/Xerox Corporation partnership. Our business centres on the management of documents and the heartland of our product offering is the multi-functional device (the copier, printer, scanner) that represents the on and off ramp to the digital world. Fuji Xerox Australia Pty Limited has 1500 odd employees across all states and generates revenues in excess of \$600m per annum. The products we supply cover a range from small desktop printers through the typical office multifunctional devices to top of the range production laser printers having a cost of around \$1million.

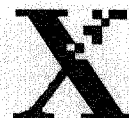
We have long held the principles of corporate citizenship as core values in our business. This has led us over time to assemble a table of values that we promulgate within the business three of which directly impinge on our commitment to sustainability principles. The following is a summary of these three core values as outlined in our Sustainability Report;

- **Ethics & Integrity – ‘We maintain the highest level of business ethics’**  
Fundamental to our ability to build trust relationships with all of our stakeholders whether they are customers, employees or community interest groups.
- **Environmental Responsibility – ‘We are committed to environmentally safe practices’**  
Our responsibility to the environment comes before any consideration of profit.
- **Corporate Citizenship – ‘We behave responsibly as corporate citizens’**  
Abiding by all laws, respecting the rights and interests of others, ensuring the safety of our employees and customers and providing growth for our employees lies at the heart of our value set.

Whilst we have publicly reported in the past in relation to some of our environmental achievements we have issued no other report on our operation in Australia. This has been rectified in the last year where we have moved forward to report more fully against a Sustainability vision using the Global Reporting Initiative as a template. I am enclosing a copy of that report which provides some insight into our views on Sustainability as an imperative. I am also enclosing a copy of the Sustainability Report of our parent company Fuji Xerox Company Limited that provides information that complements our local report.

**Fuji Xerox Australia Pty. Limited**

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We have watched with interest the evolution of the sustainable development agenda and the need for fuller accountability. This has led us to form strong views on the need for greater transparency of our organisation in dealing with our stakeholder groups. Whilst we have gone to some lengths in this regard in recent years with our employees and some customers our first attempt at producing and widely distributing a Sustainability Report takes this commitment to a new level.

In respect of the current enquiry the particular recommendation we would make relates to the need to have government agencies set the pace in respect of Sustainable Business practices generally but particularly in respect of best practice on environmental conservation, whether it be directly in the management of their business or through how they influence their suppliers. We believe a Sustainability Charter could play an important role in achieving that end.

As a supplier in the market we have been particularly impressed by the leadership actions of two or three corporations to which we supply product. In each case these corporations have pressed us through the supply cycle to meet their sustainable development criteria for suppliers. It is partly such demand and the need to provide more formal information to our employees and special interest group stakeholders that has led us to commit to the publication of a local Sustainability Report as a vehicle to bring together all of the elements that underpin our commitment to sustainability.

We strongly believe that such leadership action by purchasers across the economy is the most powerful way in a free enterprise economy to educate ourselves as a community on the sustainable development principles we have no option but to adopt. We also believe it is important that the government act as a pace setter in the promotion of Sustainability principles. In that regard we see enormous potential for government purchasing power to be used to drive suppliers, in a manner appropriate to their size, to a fuller compliance with such principles.

We have in recent times been promoting the need for government purchasing practices to take a fuller account of environmental considerations relating to the acquisition of equipment and supplies. In particular, for procurement areas within government to not only consider the environmental attributes of the products and services they purchase, but also the environmental credentials of the immediate supplier and the original manufacturer. We do this of course partly for our own advantage as we believe that we are leaders in the supply of product that has been designed with high regard for the environment. We are also however motivated by a desire to promote leadership behaviour in this arena as part of our commitment to a Sustainable Development vision.

It has always been our practice to include in tenders submitted to government agencies information in regard to the environmental attributes of our products. We have done this as we understand the Australian Government commitment is to be "at the forefront in environmental practice through buying goods and services that seek to minimise possible environmental impact". This has led us to emphasise the attributes of our products including

- the long standing compliance of our products that we supply in Australia with the European Union Rohns directive relating to the exclusion of hazardous substances from our products.
- the energy efficiency of our products and the enormous improvements we have been able to make in the efficiency of our latest products
- the fact that on expiry of it's useful life we have committed to take back all equipment we supply in order to strip it down and to recycle it in a manner that achieves a resource recovery of in excess of 99%.

In making such submissions to government agencies we have often been disappointed at the level of consideration given to environmental impacts in evaluating tender responses. We well remember a Canberra tender outcome debriefing meeting we attended in the last year where our question as to what extent environmental impact factors were considered in evaluating that particular tender evoked a response to the effect that "Environmental factors played no part in our consideration". We acknowledge that this may well constitute an extreme example, however our general view of government purchasing practice is that at both the state and federal level, in the majority of instances, environmental factors get little consideration and that price is the only determinant.

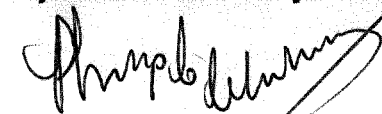
Returning to the example quoted, a response of the tenor outlined would not be conceivable from even the most errant agent of an organisation that had adopted in full heart, a Sustainability Charter. It is as a tool for use in the full hearted adoption of sustainability that we can envisage a Sustainability Charter might play an important role.

We believe leadership is a very important factor in taking Sustainability imperatives forward and that government and its agencies can play an important role in that regard. The existence of a Charter that government agencies can adopt as an element of their own commitment to Sustainability might constitute an important tool to facilitate their first steps in imputing Sustainability principle into their business. It would also be available for adoption by others but its primary benefit would be to provide a mechanism for moving the government and its agencies forward into a leadership/pacesetter position. We recommend that the adoption of the Sustainability Charter that the committee is working to develop should become a mandatory obligation for all government agencies regardless of size.

We also believe internal leadership has a vital role to play in ensuring the proper adoption of sustainability principles within an organisation. Sustainability must live within organisations and cannot be bolted onto them. To do this requires a full commitment from the Chief executive of an agency and the clear espousal of sustainability principles from the top. Having regard to this requirement we recommend that the committee endeavour to ensure that the adoption of the proposed Sustainability Charter by Government agencies should be mandatory and be specified as a specific element of the job of the Chief Executive of all government agencies within a short timeframe.

We thank you for the opportunity to make this submission and look forward with interest to the recommendations that will flow from this enquiry.

Yours faithfully  
**Fuji Xerox Australia Pty Limited**



**Philip C. Chambers**  
**Managing Director**