

30th September 2005

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Department of the Senate
Parliament House
Canberra ACT 2600

Dear Sir,

Re. Corporate Responsibility

On behalf of Fuji Xerox Australia Pty Limited we 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 freeway network. Fuji Xerox Australia Pty Limited has 1500 odd employees scattered across all states and generates revenues in excess of \$500m 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 core values three of which directly impinge on our commitment to Corporate Social Responsibility. The following is a summary of these core values as outlined in our shortly to be released first Sustainability Report.

- **Achieving Greater Success through Teaming – ‘We work together to succeed’**
Working together as teams is fundamental to our future in a world where customers seek solutions rather than products.
- **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.
- **Customer First – ‘We succeed by satisfying our customers’**
Customer satisfaction is our primary business value.
- **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.
- **Celebrating Success – ‘We celebrate our successes’**
With teams preeminently important, celebrating their success is our affirmation.
- **Continuous Improvement – ‘We continuously improve the way we work’**
The principles of quality are deeply entrenched in our business.

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 current 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 an extract from that report, Sustainability – Some Reflections, that provides some insight into our views on Sustainability as an imperative. This first Sustainability report will be formally released in the first week of November at which time we will forward a copy to the Committee as an appendix to this submission.

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 with our employees in recent years our first attempt at producing and widely distributing our Sustainability Report will take this commitment to a new level.

In respect of the current enquiry the particular recommendation we would make relates to the manner in which greater adoption of Corporate Social Responsibility (including reporting) principles could be achieved.

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.

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 Corporate Social Responsibility and 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 and to demonstrate good reporting practices across the administration.

We have in recent times been particularly promoting the need for government purchasing practices to take full account of environmental considerations relating to the acquisition of equipment and supplies. 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.

We believe that there may ultimately be some need for greater regulation to support Corporate Social Responsibility but at this stage little legislative or regulatory underpinning is required.

In particular we believe that Directors of Companies have sufficient power as currently specified in the Corporation Act to deal to the behavioural and reporting obligations that lie at the heart land of Corporate Social Responsibility and Sustainability. In respect of standards for reporting against Corporate Social Responsibility we believe the Global Reporting Initiative in its evolving format represents a sound standardised framework for such reporting.

We thank you for the opportunity to make this submission and look forward with interest to the recommendations that will flow from this enquiry. Our Submission has been reviewed by the board of Fuji Xerox Australia Pty Limited and can be regarded as our corporate position.

Your Faithfully



Andy Lambert
Acting Managing Director

cc Ramsay Moodie - Director Corporate affairs

Sustainability - Some Reflections

The use of the word “sustainable”, and reports in its name, have proliferated in the last ten years. Still there is confusion, both in respect of what it means and the roles we must all play to achieve this vision.

Originally referenced in the 1987 World Commission on Environment and Development report, “Our Common Future”, the concept is well defined in the 1998 sustainability text *Cannibals with Forks* as:

“the principle of ensuring our actions today do not hurt the range of economic, social and environment options open to future generations”.

The challenge, is the enormity of the task underpinning the achievement of this vision. Tasks for countries, world agencies, governments and people. Tasks essentially to repair the neglect of ages. To address global inequality and to bring back into viable equilibrium the progressive deterioration in the world’s natural environment. In short to ensure future generations have access to global resources and opportunity no less than that enjoyed by their forbearers.

The role of corporations in this task is enormously important. Firstly for the size of the impact that corporations or businesses have on the environment by way of their resource utilisation and emissions. Secondly for the fact that they control so much human endeavour, because they can direct it in a sustainability framework and can also, through their own good practices and aspirations, empower their employees with a sustainability vision.

Clearly as a corporation our primary obligation has to be to the environment both in terms of emissions and the efficacy of resource utilisation. Our second great challenge is to create a working entity that sits comfortably in a sustainable development committed society. A company that shares the values that its stakeholders require and aspire to, that is seen to be respectful in the broadest sense and an adder of value in the community in which it does business.

The directors of our parent company Fuji Xerox Company Limited have focussed on a simple phrase as a metaphor to capture the values we aspire to, as a business.

“Good Company - Strong, Kind and Interesting”

In doing that they have sought to condense the essence of business sustainability into three simple words. Strong in respect of profits and management, Kind in terms of our relationship with the environment and our stakeholders, Interesting in terms of the inspiration of the products and solutions we bring to market and the challenges we provide our employees.

Locally in Fuji Xerox Australia we have taken a more practical less esoteric view of our commitment to sustainability. We regard it as the framework that provides deeper meaning for all that we do as a business; that it provides a framework to meaningfully accommodate a jigsaw of principles, processes and business values that we have introduced pragmatically over an extended period of time. Individually these components have added value but it is only in viewing them as a whole that the synergies and complements between them are fully apparent.

Turning to the principle underlying our sustainability aspiration, the foundation of our commitment has always been our commitment to the protection of the environment. Through recycling, through remanufacturing, through waste minimization and through a well ordered approach to our environmental management system, these commitments have been well evident. Equally the work of our parent company in respect of a range of design for the

environment initiatives is evidence of this commitment in the group as a whole. We think that our protection of the environment is fundamental to having the trust of the communities in which we do business and a complement to our business raison detre.

The second leg of our vision of Sustainability relates to the importance of profits. Appropriate returns for those that risk their capital in our business and profits from which we can pay taxes to support the communities in which we do business. Underpinning profits is a range of practice including, sound leadership, good governance and quality processes. But profits themselves are not possible without customers and without product. The first is nurtured by our primary business value, our commitment to customer satisfaction above all other values, the second by the assurance of our parent to provide products designed to exceed the expectations of our customers. It is in support of these objective that we regularly seek frank customer feed back on product and services and provide a disciplined framework for receiving and resolving customer queries.

The other foundations of our sustainability vision are diverse and underpin factors mentioned above. A commitment to fair dealing and high ethical standards. A desire to allow our people to develop to their full potential, to nurture potential leaders, to train, to encourage, to fairly reward all within our workforce, and above all to promote effective teamwork. A commitment to exemplary citizenship, to be law abiding, to be engaged and supportive of civil society. A commitment to ensuring the health and safety of our staff and our customers. The maintenance of appropriate accreditations to ensure the integrity of processes in the business including the commitment to self inspection that such accreditations require and the continual striving for improvement in all we do.

These are the factors that support the vision as we see it. We are not perfect but we are committed to continuous improvement in all that we do. We welcome challenge, criticism or compliment, our desire is to be seen as a role model of sustainable business practice.