

Satoyama & ESG Awards

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Recipients recognized for sustainable contributions

The Japan Times Satoyama and ESG consortiums hosted an inaugural awards ceremony on Friday at Tokyo Midtown to recognize seven parties for their activities and contributions in their respective fields.

Satoyama refers to rural mountains and forests tended by residents for the sake of the sustainable use of existing natural resources. A similar concept in relation to the ocean is known as *satoumi*.

ESG stands for "environmental, social and governance." These factors are increasingly considered essential for corporate management and activities as investors place more importance on this nonfinancial information.

The Japan Times launched both consortiums in 2018 to help disseminate information of engaging parties in English through covering their activities and organizing symposiums among other supportive measures.

The Japan Times Satoyama & ESG Awards were established with the aim of showcasing successful undertakings of organizations and creating opportunities for exchanges among relevant parties.

Satoyama category

In the satoyama field, the Grand Prize was awarded to Kenya Katayama, mayor of the Hokkaido town of Niseko, while Chika Tsubouchi, CEO of Ghibli-Sendanmaru, as well as nonprofit Urushi Next, received the Excellence Award. Tottori Prefecture was presented the Special Award.

The judges for this category were Kosuke Motani, chief senior economist at the Japan Research Institute Ltd.; Takashi Mitachi, senior adviser of Boston Consulting Group K.K.; and Kyosuke Inoue, executive pro-

ducer at public broadcaster NHK.

As mayor, Katayama is in his third term since first being elected in 2009. He has worked on various initiatives to boost tourism and strengthen the agricultural sector.

Niseko is internationally famous as a resort town with a variety of options for summer and winter sports, but the town is also known as the first municipality in the country in 2001 to implement a basic ordinance for a municipal government. It also enacted a landscape ordinance in 2004 to promote development in harmony with the environment and landscape.

The judges highly praised Katayama and the town's position to retain and pass on the spirit of protecting and nurturing Niseko's grand landscape.

Tsubouchi has been leading a group of fishing fleets based in Hagi, Yamaguchi Prefecture, since 2011, binding together the local fishermen.

The organization promotes the so-called sixth industry — the combination of the primary industry with processing and retailing. In 2014, Tsubouchi established Ghibli, a company that provides consultation to other fishing fleets and fishers across Japan. It also engages in tourism and the pearl jewelry business to rejuvenate the fishing industry.

Tsubouchi's commitment to lead the fishing fleet and establish new routes of selling fish directly to restaurants and individual customers was highly praised by the judges, in addition to her efforts to preserve marine resources and promote tourism.

Based in Morioka, Urushi Next is headed by President Koji Shibata. It aims to create a society that recognizes the value of *urushi* (lacquer) and works on the protection, cul-

tivation and utilization of lacquer, around 98 percent of which used domestically is imported from abroad.

To increase the country's self-sufficiency ratio in *urushi* production, Urushi Next engages in growing seedlings, planting trees and developing new products using lacquer.

The scope of its activities, from increasing and utilizing *urushi* to passing on its culture, is "unprecedented," according to the judges, who praised its efforts in transforming *urushi* production and preserving the tradition.

Led by Gov. Shinji Hirai, Tottori Prefecture is proactive in supporting the agricultural and forestry industry in hilly and mountainous areas, and has actively provided information on vacant properties in its municipalities through a specific system and its website.

Besides these initiatives, the judges cited the prefecture's proactive dissemination of information in English; its efforts include providing grants for translation expenses to eateries.

ESG category

In the ESG field, the Government Pension Investment Fund (GPIF) was chosen as the Grand Prize winner, while Marui Group Co. and FP Corp. (FPCO) received the Excellence Award.

The judges were Michiyo Morisawa, Japan head of the Principles for Responsible Investment (PRI) and CDP (formerly the Carbon Disclosure Project); Takatoshi Kato, adviser of the Japan Center for International Finance; Ken Shibusawa, chairman of Commons Asset Management Inc.; and Naonori Kimura, partner and managing director at Industrial Growth Platform Inc. GPIF is the world's largest pension fund



Winners and officials at The Japan Times Satoyama & ESG Awards 2019 ceremony in Tokyo on Friday. YOSHIKI MIURA

led by President Norihiro Takahashi. It has played a key role in promoting ESG investment in Japan after it signed the PRI in 2015 — a global initiative to advance responsible investment.

The judges said the organization has prompted information disclosure among companies and encouraged active communication between investors and firms. They also noted that GPIF's initiatives have "contributed to the improvement of sustainability and in value for the capital market," and "led the rapid expansion of ESG investment in Japan."

Marui Group was recognized by the

judges as "a model company" for implementing ESG elements in its management.

The major retail chain headed by President Hiroshi Aoi incorporates "inclusion" into the core of its daily business operation and future business strategy. It promotes a forward-looking Co-Creation Sustainability Management, which incorporates the environment, resolution of social issues and efforts on governance.

The judges described the company's direction to realize an inclusive society through co-creation with stakeholders as being unique and clear-cut.

Leading food tray container manufac-

turer FPCO has been incorporating ESG efforts into its core business and daily operation for more than 25 years.

In 1990, the company started a system of collecting used food trays and using the recycled materials to create environmentally friendly products.

"The firm has succeeded in establishing its own collection networks across the country and helped spread environmentally friendly recycling efforts," the judges said.

On the social front, the company led by President Morimasa Sato has engaged in promoting the employment of workers with disabilities, an effort that started in 1986.

the japan times

SATOYAMA & ESG AWARDS 2019

Satoyama: Grand Prize winner

NAME: KENYA KATAYAMA
TITLE: MAYOR OF NISEKO, HOKKAIDO

Thank you very much for selecting the town of Niseko for the Grand Prize in the *satoyama* category in the inaugural Japan Times Satoyama & ESG Awards.

Niseko in Hokkaido has previously received the designations of an "Environmental Model City" and a "SDGs Future City" from the national government.



The town is constantly striving to serve as a resort region that is at harmony with the beautiful natural scenery that surrounds us.

We are looking forward to welcoming many guests to our town, Niseko.
URL: <https://www.town.niseko.lg.jp/>



People cut grass around the historical Arishima Irrigation Channel in Niseko, Hokkaido. TOWN OF NISEKO



People can learn about the Government Pension Investment Fund, including its performance, at its website (<https://www.gpif.go.jp/en/>).



Chika Tsubouchi (front, center) leads groups of fishing fleets. GHIBLI



People sow *urushi* (lacquer tree) seeds as part of Urushi Next's efforts. URUSHI NEXT



Ties with Fujiya Co. saw the launch of Tottori Wagyu Daisen Fujiya Shinsaibashi Honten. MARUI GROUP CO.



Individuals who gave input on Hakata Marui in Fukuoka. MARUI GROUP CO.



Workers with disabilities sort food trays at one of FP Corp.'s plants. FP CORP.

Satoyama: Excellence Award winner

NAME: CHIKA TSUBOUCHI
TITLE: CEO, GHIBLI-SENDANMARU



receiving this kind of award, so we are very surprised, but also honored to receive this

amazing prize.

We sincerely appreciate everyone who has supported us and engaged with us for these 10 years.

We strongly feel an era has arrived at last when people have come to focus on the marine environment across the world, especially the plastic issue.

Our company Ghibli is determined to continue activities to encourage as many people as possible to turn their eyes to the oceanic environment and deepen their understanding.

Thank you very much again.
URL: <http://sendanmaru.com/>

Satoyama: Excellence Award winner

NAME: URUSHI NEXT

Japanese people have long collected *urushi* (lacquer) sap, utilizing it for eating utensils, architecture, Buddhist statues and artisanry, among a variety of other things. There used to be many *satoyama* environments with *urushi* trees across the country, but many have disappeared due to increased use of synthetic material and an influx of cheaper foreign lacquer. Naturally made *urushi* is a risk-free and environmentally friendly material.

In a time when the global community is faced with the necessity of solving a wide range of issues, including those of plastics, Urushi Next is working on efforts to produce more *urushi* and further utilize it, drawing attention to the substance.

We are determined to further promote *satoyama* capitalism with a dream of *satoyama* featuring *urushi* saving Japan and the world.

URL: <https://www.urushinext.org/>



Satoyama: Special Award winner

NAME: TOTTORI PREFECTURE

Tottori is the least-populated prefecture in Japan, but it is blessed with abundant nature, such as the country's renowned Tottori Sand Dunes. Residents have striven to rejuvenate local *satoyama* areas and their environments by taking advantage of the prefecture's small size, which enables its residents to take action quickly and effectively.

Some of the delectable specialties produced out of these efforts are Tottori Wagyu beef, which won in the beef cattle category of a national competition. Crabs are another resource, with Tottori having the largest

landing volume nationwide. Tottori considers itself a food capital.

Tottori still retains what the country has nurtured and handed down over generations. Please pay a visit to the prefecture to encounter and discover authentic Japan.

I express my appreciation for receiving the honorable *satoyama* award.

URL: <https://www.pref.tottori.lg.jp/>

Tottori Gov. Shinji Hirai contributed this message.



ESG: Grand Prize winner

NAME: GOVERNMENT PENSION INVESTMENT FUND

We are greatly honored to receive the inaugural Japan Times Satoyama & ESG Awards in the ESG (environmental, social and governance) category.

The Government Pension Investment Fund is committed to ESG activities, which we hope will contribute to the sustainability of the capital market, and further to the stability of the public pension system.

Without the support and understanding from various stakeholders, including the pension beneficiaries, portfolio companies and the asset management industry, it would not have been possible to continue our activities. It will be a long journey, but better capitalizing on this opportunity, we will continue to strive for a sustainable society.

URL: <https://www.gpif.go.jp/en/>



ESG: Excellence Award winner

NAME: MARUI GROUP CO.

Marui Group Co. promotes what we call Co-Creation Sustainability Management. With this policy, we aim to bring about an inclusive and flourishing society where all people can experience happiness.

One example of this initiative can be observed at Hakata Marui opened in 2016, which houses eating establishments on its first and second floors, with inclusiveness in mind. This floor layout enables many more customers to visit this location. It was realized through the co-creation efforts with more than 15,000 of our customers.

Another collaboration with our customers led us to create what are dubbed Rakuchin Kirei Shoes, featuring a total of 16 sizes, from 19.5 to 27 centimeters, covering women's shoe sizes. This brand has sold more than 4 million pairs.

We are determined to increase our corporate value through expanding happiness for all, including future generations, with business based on co-creation.

URL: <https://www.0101marui.co.jp/en/>



ESG: Excellence Award winner

NAME: FP CORP.

We started our system of collecting used trays in 1990 at storefronts of six supermarkets. Thanks to the increasing understanding and cooperation of consumers, the number of collection locations for this initiative has grown to more than 9,200. We can say this has gained a foothold as a social infrastructure that is part of recycling efforts in each region.

We'd like to let more consumers know that plastic food trays and bottles that

can be recycled and reused are valuable resources. We also accelerate efforts on our "Tray to Tray" and "Bottle to Tray" circular recycling programs and employment of workers with disabilities.

FP Corp. aims to realize recycle-oriented communities and a sustainable society.

URL: <https://www.fpc.jp/en.html>

