

# sustainable japan

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## Challenging spirit and teamwork keep ANA flying high

### Unraveling Japanese companies

**HIROKO NAKATA**  
CONTRIBUTING WRITER

How a company survives a crisis affects its future resilience. For All Nippon Airways, its biggest crisis came from the global pandemic. Due to the unprecedented threat, the tourism and hospitality industries all but shut down. ANA's business suffered like others, but what made it different was that then-CEO Shinya Katanozaka declared that it would not lay off staff members.

"It was probably the most serious crisis in our history," Chikako Miyata, executive vice president and chief sustainability officer for ANA Holdings Inc., said in a recent interview, part of a monthly series by Naonori Kimura, a partner for the consulting firm Industrial Growth Platform Inc. "As an airline group, the staff has always been the major source of our corporate strength. On top of that, since our staff held on during the pandemic, we once again felt the preciousness of our human resources when we recovered."

The pandemic broke out in early 2020 and immediately hit services that gather people together — airlines, hotels, restau-

rants and cafes. ANA announced its sales had plunged to almost one-third from the previous year and it logged a group net loss of ¥404.62 billion (\$2.6 billion) for the business year to March 2021, sharply reversing the ¥27.66 billion net profit for the previous year.

The company decided, however, not to resort to massive layoffs, unlike many other aviation companies. Instead, it took cost-cutting measures such as reducing personnel costs by lowering management salaries, suspending bonuses and asking other companies to take temporary transfers so that those people could come back later. As a result, more than 2,000 employees were reportedly sent to other companies, including the high-end supermarket chain Seijo Ishii and the home appliance retailer Nojima Corp. Most of them later returned to ANA, letting it avoid being short-staffed during the post-pandemic recovery.

Miyata said the pandemic reminded the airliner of its history and how it had been founded — "the challenging spirit at the time of our foundation and our history of returning to the Japanese skies as a private aviation company" in the postwar era.

The company started out in 1952 as Japan Helicopter and Aeroplane Transports Co., founded as the country's first private aviation company after World



**Chikako Miyata, executive president and chief sustainability officer at ANA Holdings**  
HIROMICHI MATONO

War II disrupted air transportation. It began with two helicopters and initial capital of ¥150 million.

ANA gives human-related issues, including human capital, DEI (diversity, equity and inclusion) and human rights, priority because it believes that individual power and teamwork together create corporate values.

In addition to its original challenging spirit, ANA has created an organizational structure that encourages workers to try new ventures. Part of this system is to encourage progressive leaders, mainly in their 30s and 40s to propose reforms and enhance worker engagement. "We are on the way to creating a new system where we cultivate leadership that tries things different from traditional ways," Miyata said.

Another part of the system is recruitment within the company. Staff mem-

bers have the opportunity to apply to posts in other departments. For example, Miyata herself entered the company as a cabin attendant and later shifted to work on the ground and climbed the corporate ladder.

### Decarbonization is central

In the area of sustainability, the aviation industry is often mentioned as a hard-to-abate sector, but one measure that can reduce carbon emissions is using sustainable aviation fuel (SAF). This low-carbon alternative to fossil-based jet fuel is mainly made from feedstock including vegetable oil and waste cooking oil. "Unlike automobiles, aircraft and ships encounter difficulties in terms of electrification, making reliance on fuels indispensable," Miyata continued. "The key is how much SAF we can use."

Miyata said the biggest issue for SAF

is the cost — two to 10 times higher than conventional jet fuels. To bring that down, it is necessary to promote the advantages of SAF and stimulate demand while encouraging companies to create supply chains that can produce the fuel domestically.

In October 2021, ANA launched a new program, SAF Flight Initiative: For the Next Generation, aiming to reduce carbon emissions in air transportation by using SAF. ANA says that companies contracting with it for airfreight or business trips can receive carbon-reduction certificates approved by a third-party organization when they pay part of the SAF costs through the program. This effort contributes to carbon reduction throughout the companies' value chains.

Also in 2022, ANA set up an alliance, Act for Sky, with industrial builder JGC Holdings Corp., energy company Revo International Inc. — both of which produce SAF — and Japan Airlines. They aim to commercialize and expand the use of domestically produced SAF.

While promoting the benefits from SAF and urging the government to support its domestic production, ANA also is reducing carbon emissions through switching to energy-saving aircraft. According to Miyata, about 80% of its airliners have already been replaced by such craft and it aims to raise that above 90% in 2030. ANA pilots also try to manage their flight paths and engine operations in ways that reduce carbon emissions, she said.

At the end of the interview, Miyata pointed out that what is key in sustainability management is being able to handle short- and long-term strategies at the same time. "For sustainability, we need to think about our policy for the next several decades. But we will make business strategies for the next several years. The most important thing is to manage the different time spans at the same time," she said.

**NAONORI KIMURA**  
INDUSTRIAL GROWTH PLATFORM INC. (IGPI) PARTNER



The COVID-19 pandemic limited transportation and hit ANA as the biggest threat and challenge in its history. But at the

same time, the crisis helped the airline group build a solid basis for the future by reminding it of its foundational spirit, asking itself what was the significance of its existence and letting it learn anew the importance of human resources.

As Miyata pointed out, ANA's strength comes from people, demonstrated in its employees' loyalty and teamwork, the core part of the airline business. Its management strategies also support this strength, as its value creation starts with human capital.

I can see the airline's determination to prepare for the future. ANA aims to achieve its mission through its endless efforts in a sector requiring perfect security and safety while establishing a positive and future-oriented management vision, "Uniting the World in Wonder," which helps it stay close to its customers.

It seems to me that ANA can realize its vision, based on a team spirit that has become stronger after enduring the pandemic.

Also, I believe the airline will contribute to borderless collaboration that realizes a wealthier and more sustainable society as well as the creation of revolutionary ideas by providing opportunities for people's transportation and networking.



**Miyata says the global pandemic "was probably the most serious crisis" in the company's history.**  
HIROMICHI MATONO

## Charity dinner for Noto's recovery

### Destination Restaurants

**TAEKO TERAO**  
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A charity dinner for the recovery of the Noto Peninsula, prepared by four chefs who have been honored by The Japan Times' Destination Restaurants, was held on Sept. 27 at the A-Brand Hotel in the Hokkaido town of Yoichi.

At the suggestion of Hiroto Murai, owner of the Yoichi restaurant-inn Yoichi Sagra, chefs Kazuhiro Inoue of Restaurant Uozen in Niigata Prefecture, Kanji Kobayashi of Villa Aida in Wakayama Prefecture and Toru Kawashima of the 2024 Destination Restaurant, Ipponsugi Kawashima in Nanao, Ishikawa Prefecture — who was impacted by the Jan. 1 Noto earthquake — gathered and created a splendid meal for 40 guests. Chef Toshiya Ikehata of the restaurant L'Atelier de Noto in Wajima, Ishikawa Prefecture, which

was damaged in the quake, had planned to participate but could not because he had been engaged in distributing meals in the area and was affected by torrential rains that struck Noto just before the event.

The dinner's eight courses, from appetizers to desserts, were created collaboratively using ingredients that each chef brought from his home region. Guests were truly delighted by the flavors of unique dishes that conveyed a feeling of the connections among regions and among people. These included "ikura rice," combining the first crop of rice from Nanao in Ishikawa Prefecture with salmon roe from Yoichi, and a contemporary take on niku jaga (stewed meat and potatoes) made with Noto beef that was sent by chef Ikehata.

Also participating were producers from five popular Hokkaido wineries, who

answered guests' questions while serving them five rare types of wine with the meal. Bruce Gutlove of 10R Winery in Iwamizawa said: "Even though this is the busy grape harvest season, I came here because I support chef Murai's wish to help Noto. The foundation of being human is helping one another. I'd like to be useful in some way through wine."

At the end of the event, each chef gave a speech.

Kawashima said, "We haven't been able to operate our restaurant since the Jan. 1 earthquake, and when chefs aren't making food, they don't really feel that they're living. At one time I actually suffered from burnout syndrome, but today I'm very happy to have a chance to create dishes. Seeing our guests' faces has given me energy." His words were met with warm applause, and the event closed on an uplifting note.



**From left: Kazuhiro Inoue of Restaurant Uozen, Toru Kawashima of Ipponsugi Kawashima, Hiroto Murai of Yoichi Sagra and Kanji Kobayashi of Villa Aida.** TAKAO OHTA



**Wines produced by (from left) 10R Winery, Yamada-do, Domaine Mont, Noborijozo and Domaine Takahiko. These five Hokkaido wineries, which are driving forces on Japan's wine scene, took part in the event.** TAKAO OHTA



Destination Restaurants 2024 AUTHENTIC JAPAN SELECTION



## Benesse provides all-round support for well-being

### Mission: Sustainability

**OSAMU INOUE**  
RENEWALS

It is difficult to summarize in one word Benesse Holdings Inc.'s business, which accompanies people through all phases of their lives, from conception to old age. The company traces its origin to the founding of the Fukutake Publishing Co. in 1955. It initially published educational materials and student pocketbooks for junior high school students, then expanded its business to include practice exams. Its Shinken Zemi correspondence courses for primary and high school students drove rapid growth for the company, whose mainstay businesses today include print and digital media on pregnancy and childbirth, plus providing nursing care for the elderly.

What ties these businesses together is the corporate philosophy of "Benesse = well-being" from the Latin *bene* (well) and *esse* (being). One may describe Benesse as a well-being company rather than an education-service company.

"For about 30 years since we adopted this word as our company name, every one of our employees has continued to think about what 'living well' means for our customers, who span from little children to the elderly, and what we should do to create a future in which people can live better lives," said Keiko Toyozumi, a Benesse executive officer who also serves as vice general manager of the corporate communications division.

### 'Eco-first' company

In April 2024, Benesse Corp., one of its main operating companies, was recognized by the Ministry of the Environment as an "eco-first" company. Benesse Corp. works to reduce environmental impacts, aiming to reduce Scope 1 and 2 direct and indirect greenhouse gas emissions by 100% from the fiscal 2018 level by fiscal 2041, and Scope 3 other indirect emissions by 39.4% by fiscal 2050.

One of the initiatives unique to Benesse is its digitalization strategy for products and services. In 2014, it introduced digital courses to the Shinken Zemi correspondence courses. Primary and junior high users of the digital materials increased to about 70% three years later. In fiscal 2023, the company also successfully halved the amount of paper consumed from the level in 2014. Benesse's

paper usage decreased 10.9% from a year earlier to the 34,088 tons in fiscal 2023. The company also began in November 2022 to use biomaterials for the plastic envelopes used in direct mail, despite increasing costs.

### Reusing and recycling

Benesse also puts effort into reusing and recycling teaching materials. In 2023, it began reusing tablet devices for digital teaching materials, and has recovered more than 70,000 such devices and reused about 26,000 after refurbishing them (as of Aug. 31). By reusing the tablets, the company can reduce the usage of such resources as oil, the raw material for plastics, and rare metals used in circuit boards, as well as reduce CO2 emissions from production processes. Benesse estimates that reusing a device cuts annual CO2 emissions by 42.5 to 46.5 kilograms.

In the Kodomo Challenge correspondence course for preschoolers, it launched in 2010 the Kurukuru Recycling program for plastic, wood and fabric educational toys that it distributes as educational materials, setting up collection boxes at venues of concerts and other events. By the end of fiscal 2023, it had collected a total of about 171 tons. Collected materials are recycled into oil to be used as an energy source.

"Parents have told us that it's great for their children's education," Toyozumi said, adding that the recycling program can also be a catalyst for children's greater awareness and behavioral changes.

### Environmental education

Benesse also launched the Oyako Mirai (parent-child future) project in 2008, marking the 20th anniversary of the launch of Kodomo Challenge. Under this project, which aims to provide parents and their children the opportunity to think together about the importance of the environment, the company has introduced wide-ranging content and initiatives related to environmental education through learning materials and events, making use of its popular cartoon character Shimajiro.

Toyozumi said that at the time of the launch, some people were skeptical of the effectiveness of this project. "But many young parents and guardians have high awareness on the future of the environment," she said. "So we continued the project, hoping they would understand our



**A set of Kodomo Challenge correspondence course educational materials with a tablet.** BENESSE

thinking." Today, environmental education is becoming the pillar that represents Benesse, which has enhanced its offerings for preschoolers through wide-ranging media, including a TV program for preschoolers (now called "Shimajiro no Wow!") that received international recognition as the best preschool program in the Asian Television Awards.

The Summer Challenge: Nationwide Primary School Students' "Future" Creation Competition is an annual event Benesse has held since 2004. It invites primary school students to submit works including research reports and paintings and gives the best ones awards. In 2008, an environmental category was added in connection with the Oyako Mirai Project. The total number of essays, research reports, paintings and other works has reached more than 1 million.

Benesse is working to reduce its environmental impact by reforming its core business. At the same time it is actively involved in environmental education for children.

Toyozumi said: "Since I became an officer in charge of sustainability, I have grown more and more convinced that the type of education that only helps improve school grades is not enough to help maintain our society." Benesse has the potential to bring about significant changes in society as a whole, starting with environmental education. Expectations are high for the "well-being company."

Scan the QR code to read the full version of Benesse's article. This story was published on Oct. 25 at the Sustainable Japan Magazine.

