

sustainable japan

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Nomura Real Estate builds connections for the future

Unraveling Japanese companies

HIROKO NAKATA
CONTRIBUTING WRITER

The office window looks out over Tokyo Bay and the recently redeveloped districts of Harumi and Toyosu. To the right is the Odaiba bayfront skyline and the Rainbow Bridge connecting it to the center of the capital. If one is lucky, one may even spot a luxury cruise ship arriving at or departing from Hinode Pier down below.

A bayfront hub

This is where Nomura Real Estate Holdings Inc. relocated its headquarters to last year from its 48-year-old landmark tower in Shinjuku Ward as part of a project to build a commercial and community hub in the redeveloping bayfront area and to enhance its human resource capabilities at the new working space.

The office occupies several floors of a 230-meter-tall building called Blue Front Shibaura Tower S that was completed in February last year; a twin tower is scheduled to open in fiscal 2030. The decadelong project aims to develop a large community and a transportation node for Tokyo's busiest area and nearby bay area with the involvement of local stakehold-

ers. Alongside other local cruise routes, the company in 2024 introduced Blue Ferry, a water transportation service for commuters between Hinode in Shibaura and Harumi, where the Tokyo 2020 Olympic and Paralympic Village's large-scale housing is now residential. The upper floors of the office building house the Fairmont Tokyo hotel, a European luxury brand under Accor, while other areas feature shops, restaurants and public community spaces.

"In a sense, this is a grand experimental project for our group," said Makoto Haga, executive vice president of Nomura Real Estate Holdings, in a recent interview, part of a monthly series by Naonori Kimura, a partner for the consulting firm Industrial Growth Platform Inc.

Rethinking the workplace

One of the major changes from the previous headquarters of Nomura Real Estate Holdings, one of the country's five largest land developers, is that the offices housing itself and its group companies have no walls between them, encouraging collaboration and synergy. The new headquarters also has no fixed rooms for executives. There are free-address lounges without cubicles, allowing workers to sit wherever they want and giving executives easier access to staff than before.

In the former headquarters, about 3,400



Executive Vice President Makoto Haga HIROMICHI MATONO

workers from multiple sections and companies were widely separated from each other on different floors. Haga said walls and cubicles can hinder communication among workers and their engagement with the company. "The key factor in supporting a diverse workplace is how much a company can enhance opportunities for workers' communication," he said. The lounges are arranged to facilitate interactions, featuring round sofas and movable shelves that help guide the movement of people.

The idea of workplace reforms emerged when the COVID-19 pandemic sparked transitions to remote work around the world. That experience reaffirmed for top management the significance of face-to-face communications, yet also the convenience of online operations in emergencies. "We have realized that in-person interactions foster worker creativity and lead to valuable services," Haga said. Such creativity and value-added services will be the key to the real estate company's future competitiveness, he added.

The building also has spaces for meeting

customers that hopefully can foster more creative ideas than conventional meeting rooms.

Expanding the value

Developing additional value for real estate assets has become increasingly important for real estate companies, which aim to not only earn rent but to also improve the assets' value, Haga said.

"Real estate companies manage a significant amount of assets, which make profits independently over time," he continued. "But we are focusing on what we can add beyond the assets' growth. ... As we reflect on our own values and what we can create in addition to asset value, we see the need to highlight customer happiness and fulfillment."

One project that has achieved this goal is Nomura's direct operation of hotels under the Nohga brand in Tokyo's Ueno and Akihabara districts and Kyoto's Kiyomizu district. Targeting overseas tourists who are intrigued by local lifestyles, these hotels provide plans to experience tra-

ditional craft arts, taste local specialties and alcohol, and take part in tours of local museums, arts and historical sites.

Nomura Real Estate also aims to reinforce its historical strength in housing, which differentiates it from other major developers that have grown through large-scale commercial and business complexes, Haga said. Last year it established the group's 2030 vision as "Be a 'life & time developer,' as never seen before — becoming a group that maximizes happiness and abundance."

Nomura has launched projects to create communities involving housing and related complexes, for example, in Funabashi in Chiba Prefecture, Hiyoshi in Kanagawa Prefecture and Kameido in Tokyo's Koto Ward. The Funabashi project, a 17-hectare redevelopment completed in 2014, created about 1,500 houses together with commercial, medical and nursing facilities, five parks and green areas. In 2016, the project gained the French government's EcoQuartier label recognizing sustainable and socially diverse urban development — a first for a project outside of France.

Seeking ways to contribute to the reduction of carbon emissions, as the real estate sector is one of the most active emitters, Nomura Real Estate decided in 2022 to own a forest in western Tokyo's Okutama district for 30 years to manage the woods and help revive forestry in the mountainous region, supporting a lumber supply chain and the forestry cycle.

The group is cutting down aging trees, which absorb less carbon than young ones, planting new ones and using the lumber in some of its construction projects. At the same time, it is helping to conserve the forest's biodiversity by nourishing the soil and protecting water resources. The Nomura group conducts forest tours for employees to help them learn about conservation and experiencing logging.

NAONORI KIMURA
INDUSTRIAL GROWTH PLATFORM
INC. (IGPI) PARTNER



The corporate philosophy of Nomura Real Estate Holdings, "New Value, Real Value," is a declaration to embed the intention of passing value on to future generations into management. Recognizing the turning point from an era of owning real estate to one of utilizing and creating value, the company is steering away from expanding its balance sheet. Instead, it is shifting toward a market-driven model that accumulates value for customers and workers. This is not only a tactic to strengthen profitability, but also a management decision to evolve into a lean business entity capable of generating sustainable value even after shedding the "armor" of assets. By circulating assets and honing operational capabilities in offices, residences and hotels, the company is expanding the market-driven approach cultivated in its condominium sales business. This operational strength is the source of enhancing capital efficiency and social value. Organizational reforms symbolized by initiatives such as the Mori wo Tsunagu (meaning "integrate forests") project in Okutama and the relocation of the headquarters are not minor measures. Rather, the company is attempting to redesign its connections with society, seeing the reforms as investments in the future, not costs. By reconstructing capital policy, business strategy and human resource development, the company's endeavor holds potential to redefine the sustainable value-creation model in the real estate industry.



"In a sense, this is a grand experimental project for our group," Haga said. HIROMICHI MATONO

Atomusu Award honors women innovating at family businesses

Event coverage

EMI MAEDA
CONTRIBUTING WRITER

The Atomusu Award 2026 ceremony was held at NN Shibuya Crossroads in Tokyo on Feb. 15, honoring female business leaders and successors whose dedication to employees, families and local communities extends beyond measurable sales figures. Selected from 31 applicants, five finalists shared their visions for their family enterprises and presented practical examples of their management initiatives.

Japan's small and medium-size enterprises, which account for 99.7% of all businesses, now stand at a turning point. Women make up just 8.6% of business leaders, and disparities in opportunity and support that are rooted in gender bias are said to remain deeply entrenched.

In her opening remarks, Noriko Uchiyama, representative director of the Association of Co-development of Women's Business Succession of Japan, the organizer of the award, said, "These long-standing values may be depriving capable individuals of valuable opportunities and, as a result, weakening regional economies by hindering the advancement of women."

Speaking as a premium sponsor, Minako Suematsu, representative director of Jinseki International School and president of The Japan Times, noted that women face distinct challenges in business succession and that current support systems remain insufficient. She praised Uchiyama's efforts to bring these issues to light and connect them to practical solutions.

The grand prize was awarded to Mitsue Nishi of Gems Co. Ltd., a jewelry maker and wholesaler based in Kofu, Yamanashi Prefecture. Under her father, a charismatic master craftsman, employees often appeared intimidated, and the company had posted consecutive losses. Confronted with both the management challenges and her father's commanding leadership style, Nishi had resolved never to take over the business. However, when he fell ill and asked for her help, she decided to assume leadership.

Viewing the company with fresh eyes, Nishi discovered skilled artisans devoted to their craft. Lacking technical expertise,

she prioritized dialogue with employees, introducing weekly reflection sessions that encouraged employees to articulate their goals and insights. Over time, a shared sense of purpose began to take root within the organization. Sales doubled and net profit tripled.

Beyond all this, Nishi said she hopes "to build a society in which each individual life is valued, and where love, gratitude and joy circulate."

The Family Business Award, which recognizes management that cherishes family bonds and carries forward the aspirations of previous generations into the future, was presented to Chisato Kumakura of Hanasho Co. Ltd., a long-established maker and retailer of *Edo kiriko* glassware.

Kumakura was not a craftsperson herself and had originally served in a supporting role to her younger brother, who had been expected to take over the business. However, she unexpectedly found herself assuming leadership of the company.

"I had only ever been in a supporting role, as had many of the staff around me, and I felt we were not suited to become leaders on our own," she said. "That's when I proposed that we move forward together as 'Team Third Generation.'"

Kumakura added that she believes this team-based organizational structure could become one model for succession among small and medium-size enterprises in the years ahead.

The Sustainability Award, which recognizes efforts to foster sustainable local cycles and distinctive management styles, was presented to Marie Oguma of Heisei Jyutaku Co. Ltd., a company engaged in real estate and hotel management in Tokyo's Ikebukuro area.

Love hotels — short-stay hotels primarily designed to offer privacy for couples — have long carried a certain stigma. However, Oguma has sought to reframe them as part of urban culture, working to transform them into spaces for dialogue and engagement.

She has also organized the Ikebukuro Love Hotel Conference, where experts discuss topics such as sex education and "femtech." Through these initiatives, she has worked to make visible issues that are often treated as taboo, creating opportunities for local communities to reflect and



Award recipients and participants at the event pose for a commemorative photo. ATOMUSU AWARD

engage together.

The Well-Being Award, which recognizes management that prioritizes the happiness of those around the organization, was presented to Ryoko Shimano. Born into the family that runs Shimano Landscaping Co. Ltd., she inherited its ethos and, as a registered dietician, founded Higashimatsuyama Fore, where she has put into practice a regional circulation model that connects greenery, food and people.

At the heart of Higashimatsuyama Fore are colleagues from her previous career at Shimano Landscaping. Together, they have created a cycle in which each generation nurtures the next.

The Women Power Award, which recognizes efforts to leverage women's strengths in advancing family businesses, was presented to Miki Wakabayashi of CER Co. Ltd., which specializes in cleaning restaurant equipment.

After facing illness and a management crisis, Wakabayashi moved to strengthen internal controls and establish clearer management guidelines. The judges highly commended her ability to transform hardship into learning and to reassess the company from a broader, more strategic perspective.

Uchiyama concluded: "Japan's new dawn begins with women who inherit their family businesses. I sincerely hope that these successors will become lights that illuminate the future of their regions."

Aiming to highlight issues related to a sustainable society, The Japan Times gave its support to this event by writing an article about it.



Art of barrel-brewed soy sauce revived for future generations

Sustainable Japan Award: Satoyama Excellence Award

EMI MAEDA
CONTRIBUTING WRITER

On the island of Shodoshima in western Japan's Kagawa Prefecture stands Yamaroku Shoyu, a small soy sauce brewery with a history of more than a century that is one of the few still brewing *shōyu* in traditional wooden barrels, known as *kioko*.

UNESCO recognized traditional Japanese cuisine, or *washoku*, as an Intangible Cultural Heritage in 2013. Soy sauce — a cornerstone of that tradition — was once brewed entirely in wooden barrels.

Although the soy sauce industry remains Japan's largest user of wooden barrels, *kioko shōyu* accounts for only about 1% of total production.

This decline reflects a postwar shift in which rapid economic growth placed efficiency and cost reduction above tradition, and stainless steel and plastic tanks replaced wooden barrels as the industry standard.

"Our mission is to preserve authentic *kioko shōyu* for our children and grandchildren, and to pass it on to future generations. That is our management philosophy — and what I hope to accomplish in my lifetime," said Yasuo Yamamoto, president of Yamaroku Shoyu, which received the Excellence Award in the satoyama category of The Japan Times' Sustainable Japan Award 2025.

Within its traditional *kura* — a centuries-old wooden storehouse used for fermentation — yeast and lactic acid bacteria inhabit



An activity at February's wooden barrel fermentation culture summit on Shodoshima. YAMAROKU SHOYU

the beams, earthen walls and floors, forming a microbial ecosystem unique to the brewery. This invisible community shapes the depth, aroma and character of the finished soy sauce.

"Each brewery, each wooden barrel produces a flavor that cannot be replicated elsewhere," Yamamoto said.

Wooden barrels can last for over a century, and as production of *kioko shōyu* has declined, the demand for coopers — the craftsmen who build and maintain them — has diminished significantly.

In 2009, Yamamoto placed an order for new wooden barrels with what was then the last remaining cooperage in Osaka. What he learned underscored the gravity of the situation: It was the first order for new wooden soy sauce barrels that the workshop had received since World War II. The cooperage's 78-year-old master craftsman warned that it could not continue making soy sauce barrels indefinitely. "You will need to repair your own," he told Yamamoto.

With the prospect of coopers abandoning their trade becoming increasingly real, Yamamoto launched the *Kioko Craftsmen Revival Project*, an initiative aimed at preserving and passing on the skills required to build and maintain traditional wooden barrels.

When the remaining master cooper retired, the specialized techniques required to construct the soy sauce barrels could be lost altogether and wooden barrels would eventually vanish from the production of soy sauce across Japan. Yamamoto began learning the craft of barrel-making, stepping directly into the effort to preserve the skills.

The unusual situation of a soy sauce producer constructing its own barrels drew media attention, and Yamaroku Shoyu's sales increased. Yet Yamamoto soon recognized a deeper structural issue.

"If our *kioko shōyu* alone continues to sell well, we will only be placing a greater burden on future generations," he said. "With the market share for *kioko shōyu* at just 1%, even if our company grows, there still won't be enough work for coopers."

Yamamoto therefore shifted his thinking. Rather than competing for a share of the existing market, he set a goal of expanding it.

He began reaching out to breweries across Japan that continue to brew soy



Yamaroku Shoyu staff lift cedar barrels used for soy sauce. YAMAROKU SHOYU

sauce in wooden barrels, launching an initiative to build barrels together each year. By encouraging mutual improvement, he believes, the collective value of *kioko shōyu* can rise, expanding the market and creating stable work for coopers.

At the same time, Yamamoto is seeking to elevate the presence of *kioko shōyu* in global markets. Overseas, soy sauce is often regarded simply as a mass-produced industrial condiment. He instead positions *kioko shōyu* alongside wine or whiskey as an artisanal fermented and aged product shaped by time, materials and craftsmanship.

There are multiple varieties of soy sauce, differing in color, aroma and suitability for particular dishes. Yamamoto compares them to wine — lighter styles pairing delicately and darker varieties complementing richer foods — to convey the complexity and individuality of *kioko shōyu*.

Today, a consortium of 28 companies promotes *kioko shōyu* internationally, aiming to raise domestic production to 2% and establish a 1% presence in global markets.

"The one thing that must never change is the wooden barrel," Yamamoto said. "This is about asking what we can do for the next generation. The results may only become visible after I am gone, but that, in itself, is where the romance lies."

The Sustainable Japan Award commends individuals, companies and organizations who have made advances in sustainable efforts. To learn more, scan the QR code or visit <https://sustainable.japantimes.com/sjaward2025>

