N°6 JANUARY/FEBRUARY 2024

The Sustainable Gastronomy in Society [SGS] Newsletter JAPAN-EUROPE FORUM

H A P P Y N E W Y E A R 2 0 2 4

Effectively addressing new horizons, creating crosspartnerships, and reinforcing projects together in 2024





The best is yet to come...

Introduction

DITORIAI

Considering the Noto Peninsula Earthquake in the sixth year of Reiwa, we express our deepest condolences to those who lost their lives and extend heartfelt sympathy to all those affected, as well as their families and loved ones. Additionally, we extend profound respect to those tirelessly contributing to the relief of victims and the support for the reconstruction of the affected areas. Our prayers go out for the safety of the people in the disasterstricken regions and for a swift recovery.

Over the past few months, SGS has actively strengthened initiatives for new community-level communication. As part of these efforts, we successfully organized an online forum focusing on Toyama Prefecture and Hiroshima Prefecture. Through this platform, we would like to sincerely thank the Ministry of Agriculture, Forestry and Fisheries, local authorities, and the community for their collaboration. We consider it a great honor that, through this collaboration, SGS has been able to deepen its engagement with the local community. Our platform for dialogue and exchange is entering its second year this March. This year, we are currently preparing to host a forum on-site, and we look forward to providing detailed information about the upcoming forum scheduled for the first quarter shortly.

In this January issue, we introduce the collaborative efforts with our French startup partner, Carbon Map, involving the Index Solution, to our over 500 SGS Newsletter readers. We are excited to share details about this ongoing initiative.

Additionally, we focus on Nature Positive* and include an analysis aimed at creating and developing successful businesses. We hope you enjoy the content, and we would be delighted to hear your thoughts and ideas. SGS eagerly awaits feedback from all of you.

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Annual Engagement Platform Forum

Report on the November and December 2023

(ZOOM Online, YouTube Livestream)





1st Cluster – TOYAMA

November 29, 2023 1:00 PM - 5:00 PM

[Program]

Facilitator: Mr. Kei Sakaguchi (SGS Board Member, Representative of the Economic Development Organization of Virginia in Japan)

▼ 13:00-13:15 Opening

- Speaker: Mr. Herve Couraye (SGS Board Representative)

- Video Message: Mr. Hachiro Nitta (Governor of Toyama Prefecture)

▼ 13:15- Keynote Speech 1

[Enjoying Local Food and Medicine in Toyama]

- Speaker: Mr. Sadanobu Kagamimori (Honorary Professor, University of Toyama, Former Dean of the Medical School, Former Vice President of the University of Toyama)

▼ 14:10- Keynote Speech 2

[The Allure of Gastronomy: The Evolution of Toyama's Food Culture] - Speakers:

- Mr. Eiji Taniguchi: Owner Chef, L'evo

- Mr. Hozumi Tanaka: Owner Chef, Himawari Shokudo
- Mr. Kentaro Mura: Owner Chef, Ebitei Bettei

▼ 15:20- Panel Discussion

【The Power of Geographical Indications (GI): Potential in Toyama Prefecture】

- Speakers:

- Mr. Akihiro Ishibashi: Regional Councilor, Ministry of Agriculture, Forestry, and Fisheries Hokuriku Regional Agricultural Administration Office

- Mr. Shinji Nishizuka: Chairman, Himiinazumi Ume Production Cooperative

- Mr. Toshikazu Fujii: President, Toyama Hoshigaki Shipment Cooperative Association

▼ 16:20-16:30 Closing

- Speaker: Mr. Kei Sakaguchi (SGS Board Member, Representative of the Economic Development Organization of Virginia in Japan)



(Governor Nitta from 'SGS Forum in Toyama')



(From "SGS Forum in Toyama")



2nd Cluster – HIROSHIMA

December 19, 2023 1:00 PM - 5:00 PM

[Program]

Facilitator: Mr. Kei Sakaguchi (SGS Board Member, Representative of the Economic Development Organization of Virginia in Japan)

- ▼ 13:00-13:15 Opening
- Speaker: Mr. Herve Couraye (SGS Board Representative)

▼ 13:20- Keynote Speech 1

[Sustainable Gastronomy and Food System in Hiroshima Prefecture: Benefits and Future Prospects]

- Speaker: Ms. Masumi Shintani (President and CEO, Kunihiro Co., Ltd.)

▼ 14:00- Keynote Speech 2

[The Power of Geographical Indications (GI): Potential in Hiroshima Prefecture]

- Speakers:

- Mr. Makoto Osawa: SGS Advisor, Executive Advisor, The Norinchukin Bank

- Mr. Toru Koga: Deputy Director-General, Chugoku-Shikoku Regional Agricultural Administration Office, Ministry of Agriculture, Forestry and Fisheries

- Mr. Hisayasu Uda: Director, Livestock Division, Agriculture, Forestry and Fisheries Bureau, Hiroshima Prefecture

- Mr. Nobumine Fujinaga: Chief of Agriculture Promotion Section, Planning and Promotion Department, Shobara City

▼ 15:40- Panel Discussion

[Sustainable Food Culture and Regional Promotion]

- Speakers:

- Mr. Shotaro Yamabe: Chief Producer, Hiroshima Prefecture Tourism Federation

- Mr. Yuya Miyata: Executive Officer, Head of International Business Division, Otafuku Sauce Co., Ltd.

▼ 16:20-16:30 Closing

- Speaker: Mr. Kei Sakaguchi (SGS Board Member, Representative of the Economic Development Organization of Virginia in Japan)



(From "SGS Forum in Hiroshima")





(From "SGS Forum in Hiroshima")

THE ANALYSIS

" Moving Beyond Net Zero to Nature Positive "

By SGS' team



Credit: UN Climate Change - Kiara Worth

The UN Climate Change Conference – COP28 held in United Arab Emirates (UAE) in December 2023 closed with a signal that Nature is also at the heart of the COP' agenda, on thematic focus on creating nature-positive cities, protecting and restoring marine and ecosystems. The good news is that it supports the December, 2022, Kunming-Montreal Global Biodiversity Framework (GBF) which was adopted by 195 countries.

As a result, the GBF established 23 targets, including those focused on the protection of freshwater and other ecosystems and the disclosure of biodiversity impacts by companies. It is clear that the private sector will play a vital role in achieving the targets set. This means working to become nature positive by ensuring that the sum of an organization's actions and impacts on nature will contribute to the reversal of the global decline in biodiversity by 2030.

In the first part of this New year' days, as one explores the streets and shrines of Tokyo and beyond, from the carefully protected thousand years old temple gardens to the spectacle of framed nature, we believe that the Japanese resiliency and relationship to nature as his role to play. It is important to consider how the human relationship with nature may culturally be expressed through material culture and the management of nature. The economic value produced by biodiversity is more than \$150 trillion annually, nearly twice the world's GDP. But national ecosystems don't simply underpin our economic well-being, they provide the water we drink, the food we eat, the air we breathe, and the stable climate needed for human development.

It is intriguing that the shift towards Nature Positive not only has a significant impact on nature itself but also compels industries heavily dependent on nature to actively engage in initiatives for the environment. These industries encompass agriculture, energy, forestry, food and fisheries, manufacturing, retail, pharmaceuticals, and more. Therefore, we believe it is crucial to enhance our commitment to sustainability to harmonize with nature and create a future filled with rich experiences and the 'radiance of life. President Takeshi Niinami (Suntory Holdings) has recently stated, "As a company sustained by the gifts of nature and water, we must be leaders in the field".

This statement proposes ambitious goals, clearly outlines various benefits of Nature Positive, and provides valuable insights for leaders across various sectors when presenting beneficial business cases for action.

Point I -

Nature positive is central to business resilience.

Taking action for nature reduces the risks that companies face.

- First, it lowers the risk of being unable to obtain the natural resources or assets on which the company depends. For example, poor soils give poor yields and it's a business risk.
- Second, it lowers the risk of misalignments between companies and their stakeholders. We noticed from SGS forum in Toyama that pharmaceutical companies rely on natural diversity to create medicines and compounds while sourcing chemical compounds in ways that place less stress on the environment in nature.

Therefore, companies that assess their nature risks, and dependencies better understand how nature contributes to their businesses and can position themselves to protect the resources that are essential to their operations. We believe in this nature and business winwin as protecting nature makes business more resilient and helps to ensure the ongoing supply of raw materials needed for manufacturing and delivering the products that customers rely on.

Point II -

The Business Case for Focusing on Nature.

Nature positive approach can add substance to ESG as a growth opportunity as the ESG-related assets in the capital markets are projected to rise globally by 2025; sustainability-linked loans and financing will provide a boost to global GDP and create new jobs.

Nature-positive can also generate demand side opportunities as we see that nature consciousness increases, and more persons and more customers are likely to pay a premium for nature-positive products and services. In B2C, some customers favor consumer goods companies and products that are climate-friendly, and the same advantage is likely to accrue to first movers on nature (our insights from Europe).

Nature positive can enhance employer brands as clearly companies with net zero strategies and those acting to tackle or promote climate change are more successful at attracting and retaining talent. There is a massive skills gap in the biodiversity area, as we showcased in a previous newsletter while introducing our partner AXA Climate School, therefore companies that act early to establish a nature-positive reputation will gain an advantaged position in the talent market as they seek to recruit and develop skilled nature teams. THE SUSTAINABLE GASTRONOMY IN SOCIETY Newsletter



Introducing our Action Plan:

To answer the call to action embodied in the nature positive, we at SGS, want to establish a clear initiative for our organization' nature ambition. Net zero has been a galvanizing goal for addressing climate change, companies need a similar clarity and a focal point of action for achieving nature positive ambition. It is interesting to note that leaders that we interviewed in Japan support the ambition of nature positive, but their initiatives are at different levels of maturity, and they are also responding in different ways: some are seeking an active role in defining standards, others are waiting for a consensus to emerge.

But nature is not like climate change, it is more complex. Nature as a concept needs that complexity to ensure that when companies are taking action, they are taking meaningful actions on concrete dimensions of nature. The various elements of nature, the diversity of natural ecosystems, and the many different ways these ecosystems support economic activity make it challenging to define what it means for companies.

In light of these circumstances, SGS is introducing a valuable framework by our partner, CarbonMaps, to assess the impact that businesses have on nature. This framework aggregates diverse data on key indicators such as greenhouse gas emissions, water resources, land use, water consumption, air pollution, and animal welfare. It provides a useful framework for businesses to evaluate their various impacts on the natural world. The science-driven platform offer a simple, auditable accounting index based on widely accepted scientific models, enabling a comprehensive understanding of product-level environmental footprints.

Point I -

Identify hotspots within the supply chain, improve the footprint of the corporate and use it to drive sustainability goals forward.



THE SUSTAINABLE GASTRONOMY IN SOCIETY Newsletter



Introducing Index pilot-project

Point II -

Harness environmental accounting that provides consistency, comparability, and transparency and positions as an industry benchmark.



Point III -

Utilize scientifically backed, auditable data to establish a robust foundation that safeguards business from future regulatory changes.

