

Third Party Opinion



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After leaving the doctoral program at the Sophia University Graduate School of Economics, Professor Kozuma became a research assistant at the Nagoya Institute of Technology and attended the Limperg Instituut, the Inter-University Institute for Accounting and Auditing in the Netherlands, as a guest researcher. He became an associate professor at the University of Shizuoka, and then took up his current position as professor in the Faculty of Economics at Sophia University after first working as an associate professor. He has held successive positions as the chair or member of various CSR- or environment-related advisory panels, research societies, etc. for the Ministry of the Environment; the Ministry of Economy, Trade and Industry; the Ministry of Land, Infrastructure, Transport and Tourism; the Ministry of Agriculture, Forestry and Fisheries; the Cabinet Office; and the Japanese Institute of Certified Public Accountants. He specializes in non-financial reporting theory and environmental accounting theory. He has also served as Vice Chairman of the Japan Corporate Social Accounting and Reporting Association. His recently published works include Carbon Labelling for Visualizing CO2 Emissions (Chuokeizai-sha, Inc.) and Assurance on Environmental reports (Dobunkan Publishing Co., Ltd.).

1. Framing a medium- to long-term management plan

The Nomura Real Estate Group created a new medium- to long-term management plan in November, 2015 that lays out a vision for the Group as “the ideal to which we aspire.” The business environment will continue to change as we move closer to achieving a sustainable society. This is why our vision for the future (the ideal to which we aspire) encapsulates the strategies we will employ to accommodate this change, while establishing a clear mission focused on creating shared value with society.

If the companies of today are to achieve ongoing growth, they must establish business models adapted to a sustainable world. It is thus essential that business strategy reflect a regard for society and the environment, and that CSR management become a part of every business activity. The ideal set forth in the medium- to long-term management plan illuminates this path and is a singular vision for the future that represents a powerful commitment by the Nomura Real Estate Group. The smart community project discussed in this publication’s special feature is a shining example of the above-mentioned business model. Supported by the incentive of local currency points, the project marries energy-saving activities with efforts to stimulate the local economy.

2. Strengthening diversity initiatives

Since the establishment of the Diversity Promotion Committee in June, 2013, Nomura Real Estate Development has made steady progress in improving our diversity initiatives. The group conducted its second ever Employee Satisfaction Survey in fiscal 2014 followed by fiscal 2013 and revised nursing care and reemployment programs. Nomura Real Estate Development has also alleviated one area of concern by bringing the number of workers with disabilities to a level above the statutory employment rate. Additionally, every year sees more men take childcare leave, an indication that employees are feeling more comfortable in taking such leave. All of these efforts are highly commendable.

Diversity initiatives are a key issue concerning human resource development, a key theme of CSR management, and are an important pillar supporting long-term corporate growth. The company’s number of male and female employees is a key data point indicating workplace diversity. Including giving consideration to disclosing such information, I hope to see the company further strengthen and improve its diversity initiatives and continue to create diverse workplaces.

3. Challenges going forward

There is still much room for improvement in expanding and improving efforts to provide information stakeholders need to get a picture of the company’s overall CSR management situation. As an example, comparisons of results to targets—which show PDCA implementation—are data important to evaluating the quality of CSR management. The company has reported that such efforts are being made, but has disclosed very little in the way of result-to-target comparisons. Consequently, it is very difficult to evaluate the effectiveness of the company’s initiatives in this area as there is not sufficient information to determine whether CSR management is being systematically conducted at a companywide level. Looking at the entire value chain, although the company is now providing adequate information concerning its downstream initiatives, information is still lacking with respect to its entire supply chain. This includes risk assessments. To resolve these problems, it is advised that the principles of the Global Reporting Initiative’s G4 Sustainability Reporting Guidelines be promptly adopted.

Response to the Third Party Opinion

We thank Mr. Kozuma very much for his precise views and suggestions concerning initiatives needed to sustainably develop the Group's CSR activities.

In our ideal, which is discussed in our new Mid- to Long-term Business Plan formulated in November 2015, we indicate our resolve to create shared value with society. In order to achieve this ideal, a prime focus will be on furthering "CSR management fully coordinated with business strategy" and "diversity management" as has been indicated to us.

As we move forward, we will continue to fulfill the expectations of our stakeholders while working to earn their trust as we undertake CSR management that will improve corporate value and bring about a more sustainable society.

Yukoh Yoshida

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