#### **Support for Foreign Companies** 5



We can help you navigate a new business environment, discover endless opportunities and let your business thrive in Sapporo. Our wide ranging service includes visa application support, office and accommodation search and business matching with leading local companies, designed to drive innovation and growth - free of charge.

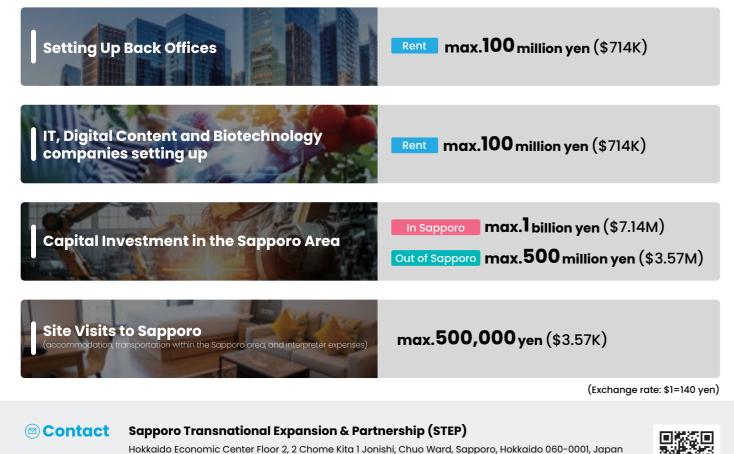
### What We Can Do For You

We offer a wide range of hands-on customized services, free of charge, for any business stage you are in.



## **Subsidies for Corporate Installations**

Various assistance programs are available to help you expand your business in Sapporo.



Step up to Sapporo **Business at its peak** 



Opening Hours: 9:00 to 17:00 JST (Except weekends and public holidays) No parking is available. Please use public transportation. Email: info@sapporo-step.global



# **1** Where is Sapporo?

Sapporo is the capital city of Hokkaido, Japan's northernmost island. The city has a comprehensive air, sea, and land transportation network. The New Chitose Airport is 37 minutes by JR train from Sapporo. Sapporo is about one hour by car to the Tomakomai Port, an international hub port,

# One of the Leading Markets in Japan

Japan is a huge market, with fourth largest economic scale in the world. Sapporo is the fifth most populous city in Japan. 48% of Hokkaido's population is concentrated in Sapporo, forming a metropolitan area of 2.5 million people



#### **Marine Transportation**

Sapporo is surrounded by hub ports with excellent access, such as Muroran Port and Tomakomai Port, which are international hub ports, and Ishikari Bay New Port and Otaru Port, which were selected as hub ports on the Sea of Japan side.



#### The Most Attractive City in Japan

Sapporo is regarded as the most attractive city in Japan. The city has well-developed urban functions, yet is rich in nature and has delicious food. These are Sapporo's selling points.

#### **SAPPORO** Business at its peak

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Population of Sappord		
1	Tokyo	9.73 million
2	Yokohama	3.77 million
3	Osaka	2.75 million
4	Nagoya	2.33 million
6	Sapporo	1.97 million
	[Source] No	ational Census 2020

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#### GDP **20** Trillion Yen **/ 8** th in Japan

(14 Million Dollars for Hokkaido region) (as of 2019)

#### International Flights

Direct international flights are increasing, especially to Asia.

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(as of June 2023) Tokyo Haneda airport is approx. 1.5 hours away. 55 daily flights, the most frequent in Japan

Kyoto

Municipal Attractiveness Ranking



**1** Sapporo / 63.9pt

/ 59.5pt Hakodate / 58.7pt

[Source] "Regional Brand Survey 2022" Brand F

# Industry

Sapporo is actively trying to attract advanced foreign industries to the city, focusing on the renewable energy, semiconductor, and IT fields as strategic priorities.

The wider Hokkaido region has the highest potential for renewable energy in Japan. A national initiative aims to establish the region as a hub for renewable energy within Japan. Designated by the government, Sapporo aims to attract funds, talent, and knowledge related to green industries from around the world, as a global financial center.

#### **Strategic Industries**



#### IT

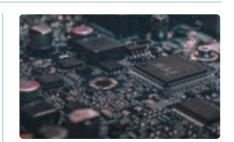
Sapporo is one of the nation's leading IT industry clusters, attracting numerous venture companies and IT companies.

The city promotes initiatives aimed at creating innovation and building an ecosystem through the use of advanced technologies such as AI and integrating them with other fields, in collaboration with industry, academia and government.



#### Environment & Energy

Hokkaido possesses Japan' s highest potential for renewable energy, and aims to reach its goal of carbon neutrality by 2050. Sapporo is taking a proactive approach to decarbonization, balancing efforts to achieve net-zero and economic activities in order to build a green industrial supply chain as a sustainable city.



#### Semiconductor

Rapidus Corporation in Chitose City plan to produce next-generation semiconductors of 2-nanometer from 2027. They have entered into a joint development partnership with IBM. Their production is expected attract many semiconductor-related companies

Due to the concentration of universities and enterprises, many design companies for advanced semiconductor are based in Sapporo.

### Startups

Sapporo is focusing on creating and fostering startup companies. The city established the "STARTUP HOKKAIDO Executive Committee", the public-private-academic consortium, to promote support for startups through an all-Hokkaido structure. The committee will focus on three industrial fields; Primary Industry and Food, Space Industry, and Environment & Energy, that leverage Hokkaido's unique strengths.

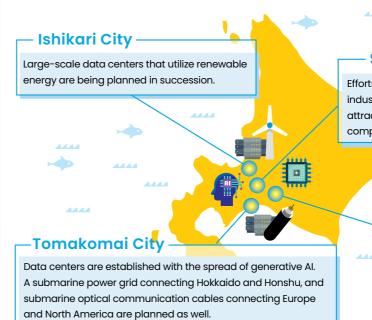


**All-Hokkaido Organization** Support for startups





#### **Overview of the Industries**



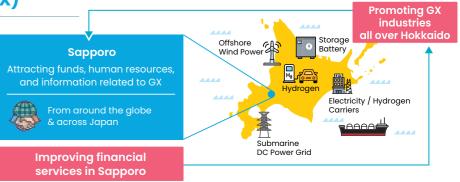
### Well-developed Educational and Research Institutions

Universities with high technological capabilities are working together to promote industry-academia-government collaboration and joint research. Every year, a large number of highly-skilled human resources are produced from the universities and technical colleges in Hokkaido.



#### Special Zone for Financial and Asset Management Businesses specialized in Green Transformation (GX)

Our vision to utilize the policies of National Strategic Special Zone & Special Zone for GX, financial and asset management businesses





for Asia and beyond.

#### **SAPPORO** Business at its peak

#### **Sapporo City**

Efforts are being made to form a semiconductor and digital technology industry cluster, particularly by leveraging Sapporo's strengths and attracting semiconductor design companies and Al-related companies to the city.

#### **Chitose City**

Rapidus Corporation is constructing its factory for the development and production of next-generation 2nm semiconductors. Its pilot line is scheduled for operation in 2025, and its mass production is scheduled to start in 2027.



# To become the Japan's renewable energy hub and the financial center

\* Green transformation (GX): transition from a carbon-based economy to a renewable energy-based economy.



# 3 Affordable Costs

Despite being a large city, business costs are lower than in other metropolitan areas, allowing for cost-efficient business.

### **Office Rents**

Japanese office rents are relatively low compared to rents in other countries.

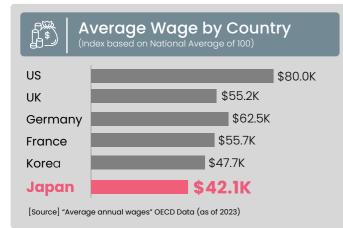
Rents in Sapporo are lower than in other cities in Japan, and about half of those in Tokyo.

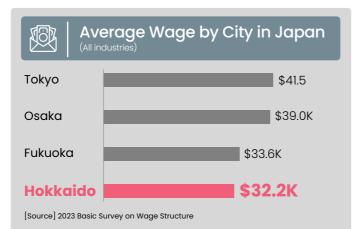
A wide variety of office space is available, including Business Continuity Plan (BCP)-compliant buildings and buildings directly connected to the underground pedestrian walkway.

## Average Wage

Average wages in Japan are lower than in other countries,

making it possible to secure good human resources at a reasonable cost.





Office Rent per Square Meter

\$60

\$39

"Premium office Rent Tracker 2022" JLL "Office Market" Sanko Estate Corporation

\$33

Hong Kong (Central)

New York (Mid Town)

London (West End)

Tokyo

Osaka

Sapporo

(as of October 2022)

(Exchange rate: \$1=140 yen)

\$232

\$197

\$163

# 4 High Availability of Human Resources



Half of Hokkaido's higher education institutions are concentrated in the Sapporo area, resulting in an abundance of excellent human resources. The high preference for local employment and a low ratio of job offers to applicants makes it easy to attract skilled employees.

Strong Local Employment
Strong Local Employment Orientation

"I want to work locally!" People in Hokkaido have a strong preference for local employment. However, in reality, there are many whose wishes are not being fulfilled, and this gap is a potential for recruitment.

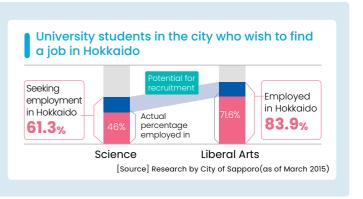


48% of Hokkaido's population is concentrated in Sapporo, forming a metropolitan area of 2.5 million.

Population and working-age population of Sapporo Metropolitan area



[Source] 2020 National Census, Statistics Bureau, Ministry of Internal Affairs and Communications



# Clustering of Educational

Half of Hokkaido's higher education institutions are concentrated in the Sapporo Metropolitan area.

