

Policies for coping with population aging: Potential of Health and Productivity Management

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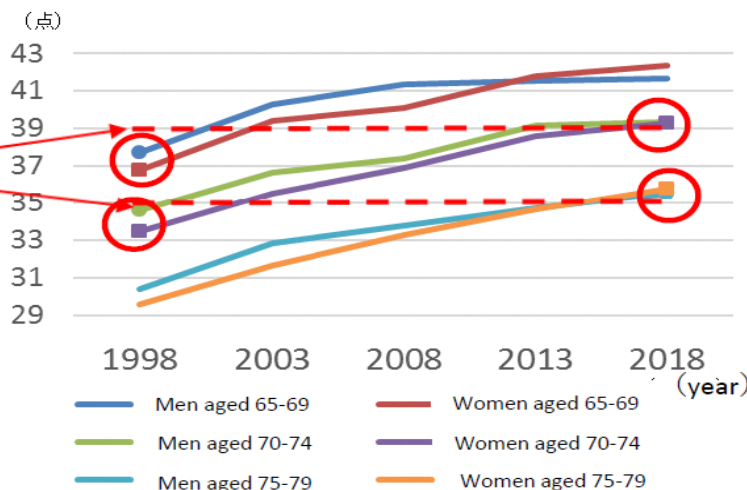
Commerce and Service Industry Policy Group

Ministry of Economy, Trade and Industry, Japan

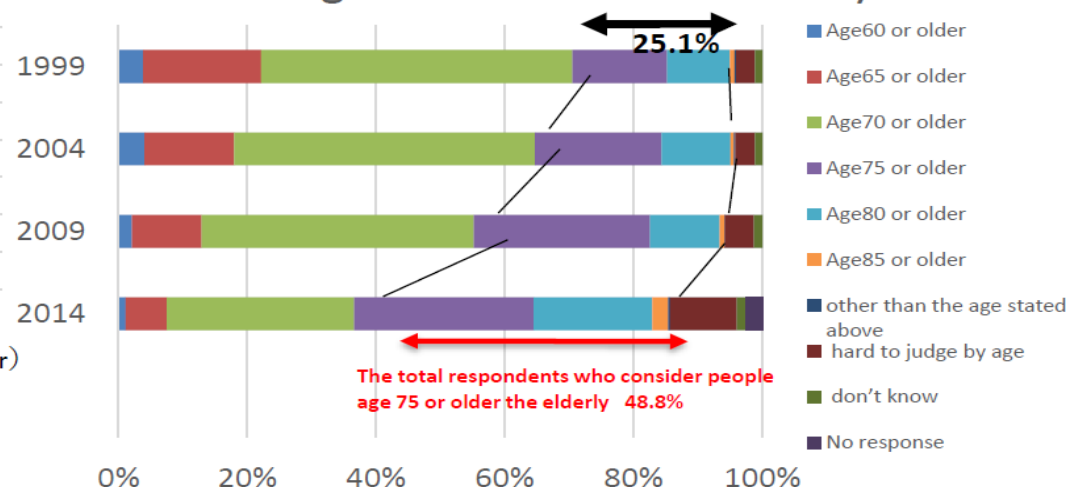
Future direction (1) Preparation for the era of 100-year life

Improved physical functions among the elderly and changing people's perceptions of 'elderly'

Total score on a new fitness test for older adults

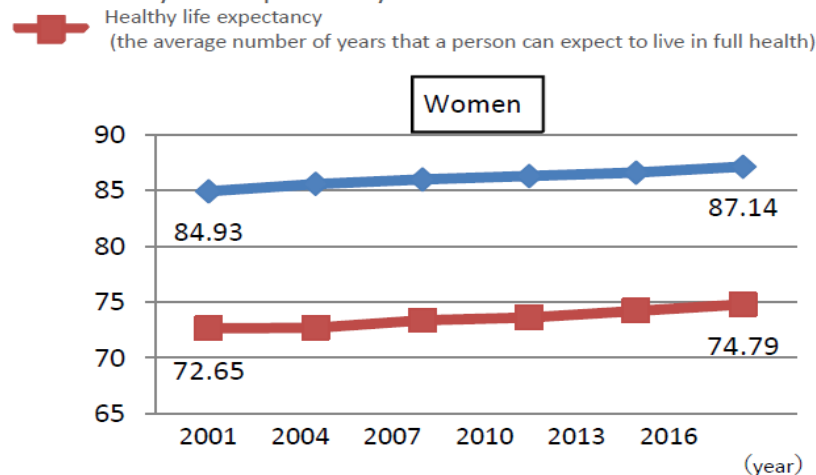
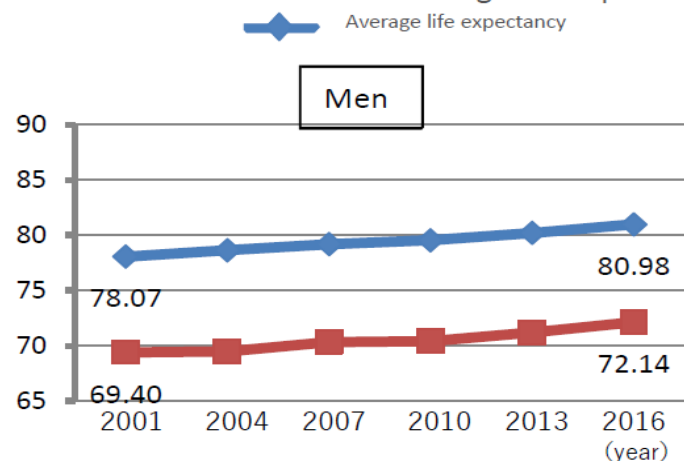


What age is considered as elderly?



Setting a goal of increasing healthy life expectancy by three years for both men and women by 2040

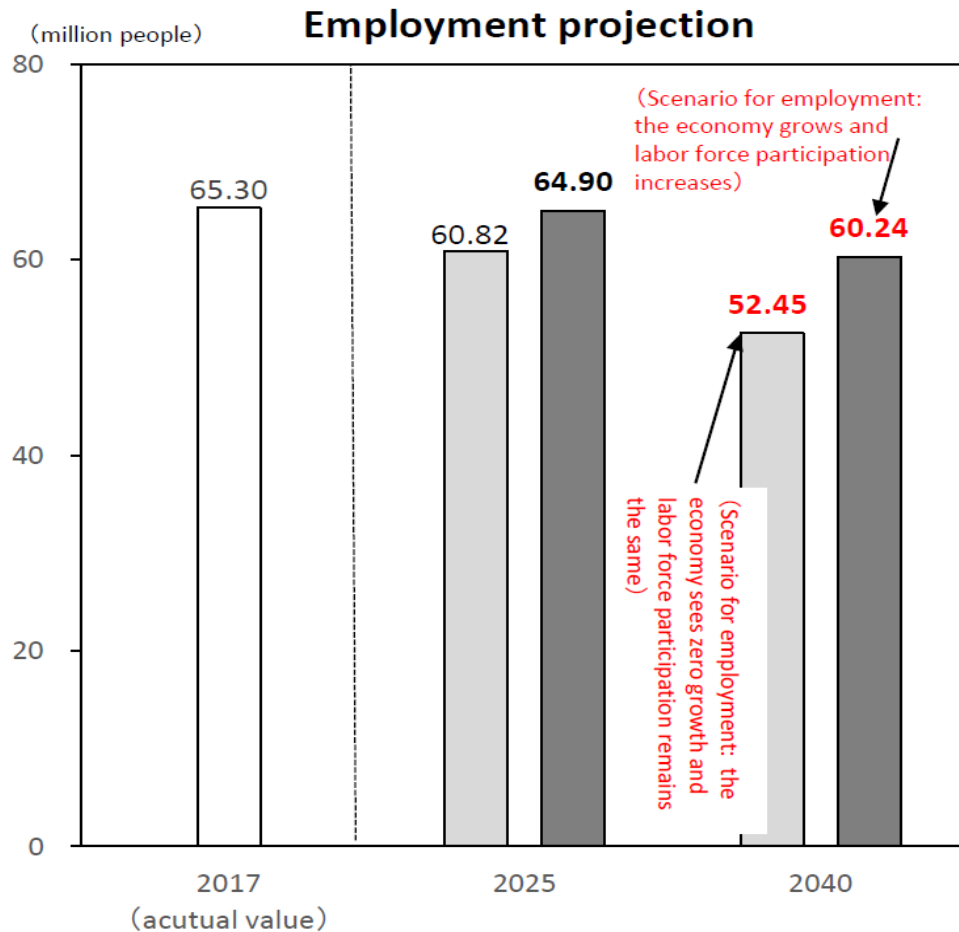
Average life expectancy and healthy life expectancy



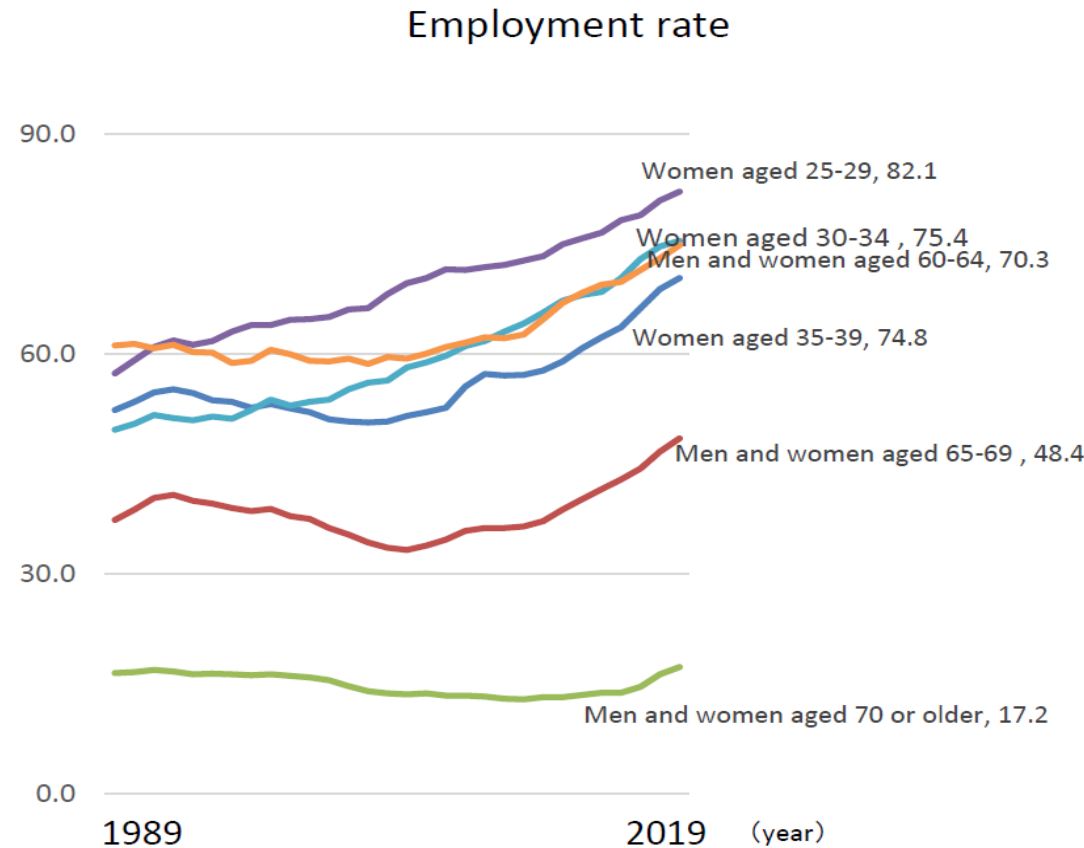
Future direction (2) Solutions for labor shortages and the shrinking population

The number of employed persons in 2040 will vary depending on economic growth and an improvement in labor force participation.

The 30 years of the Heisei Era (1989-2019) saw a significant rise in employment rates for women and elderly.



(note) The 2017 actual value is cited from the *Labour Force Survey* conducted by the Ministry of Internal Affairs and Communications, Statistics Bureau. Figures in 2020 and beyond are estimated by the Japan Institute for Labour Policy and Training.



Future direction (2) Solutions for labor shortages and the shrinking population

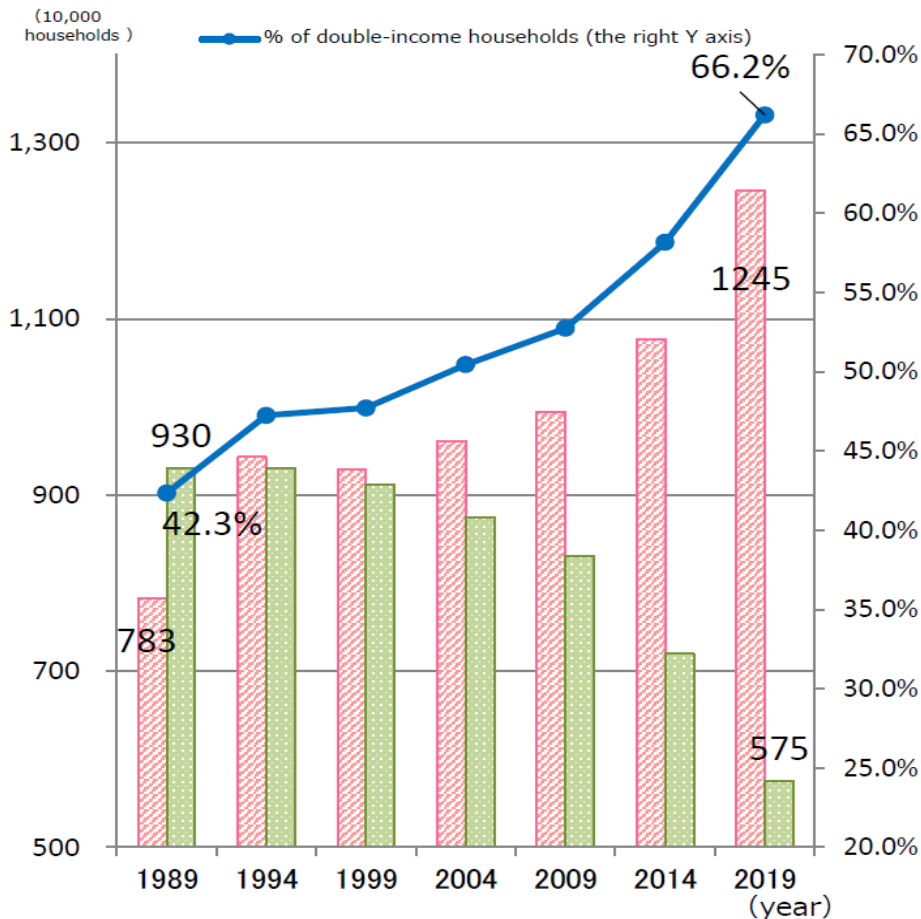
The number of dual-income households increased by about 1.6 times in the 30 years of the Heisei Era(1989-2019). Dual income households have become the norm.

Double-income households and families with full-time housewives

Double-income households

Families with full-time housewives

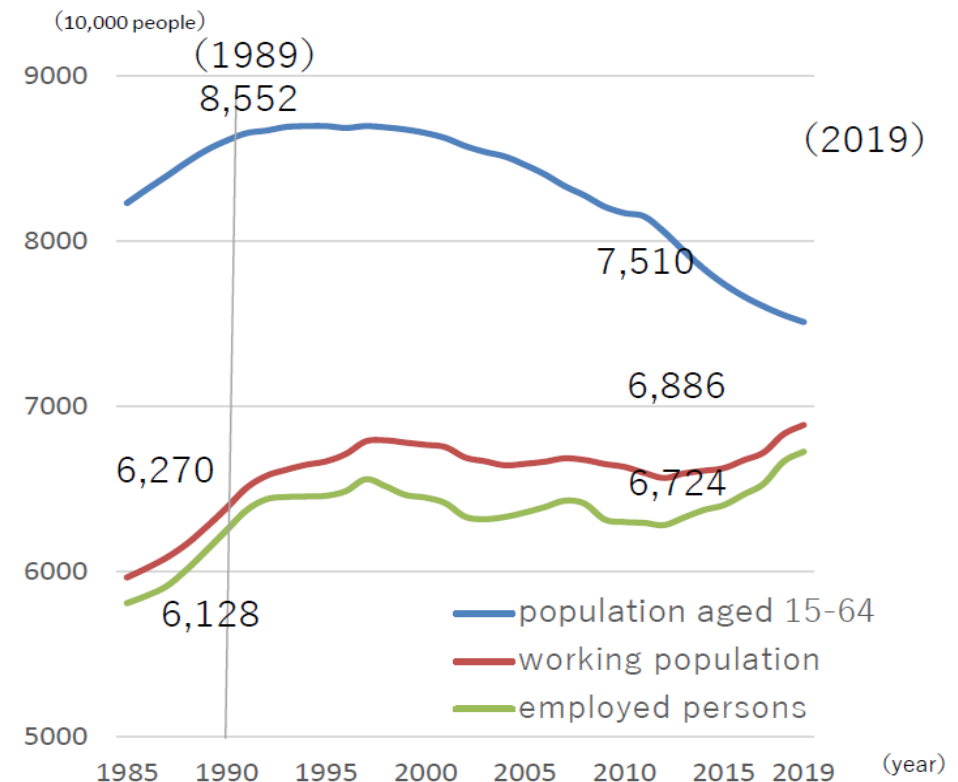
% of double-income households (the right Y axis)



(note) The share of double-income households is the number of dual-income households as a percentage of the total single-income households with a male income-earner and a full-time housewife.

Between 1989 and 2019, Japan maintained the numbers of people in the labor force and employed persons at the levels in the late 1990s despite the population decline.

Working population and the number of employed persons



What is Health and Productivity Management (H&PM) ?

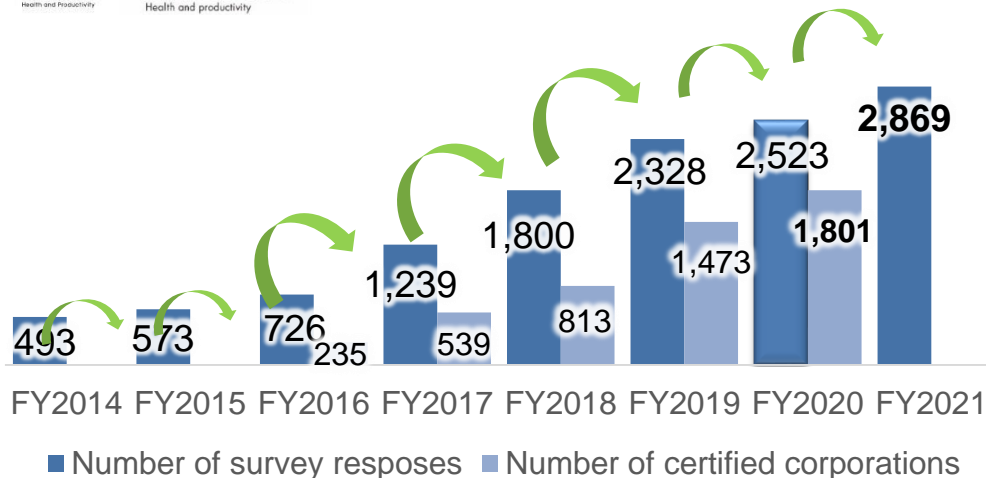
An approach to focus on health management of employees in their corporate strategy.

◆ Benefits of H&PM

1. Improving employees' health.
2. Enhancing corporate performances through employee's productivity improvement.
3. Boosting investment in prevention and health promotion market.



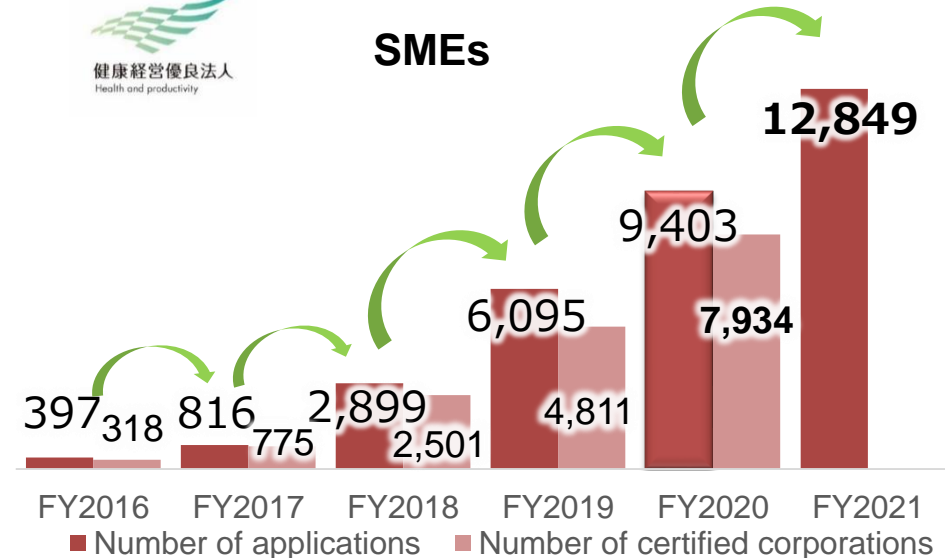
Large corporations



(As of November, 2021)



SMEs



Overview of H&PM Application

Evaluation Framework of H&PM Survey	
Four Criteria	Main contents <Examples>
1. Management philosophy	<ul style="list-style-type: none"> ➤ Commitment of top management
2. Organizational frameworks	<ul style="list-style-type: none"> ➤ Participation in the study of health measures by industrial physicians and public health nurses
3. Systems and measures	<ul style="list-style-type: none"> ➤ Identify employee health issues ➤ Conduct training to improve health literacy ➤ Measures: improve diet habit, promote exercise opportunities, respond to mental health disorders, and measures against passive smoking, etc.
4. Evaluations and improvements	<ul style="list-style-type: none"> ➤ Verification of the effects of the measures ➤ Improvement of measures based on the results

<Examples of measures>

Financial support for gym use



Provision of wearable devices



Health promotion seminars



Subsidies for medical checkups



H&PM Award 2021



➤ Currently, **85% of companies composing Nikkei 225 Stock Index** are the applicants for H&PM Certificate.

Disclosing the grade report of H&PM certificates

- METI started to disclose the grade report for top 500 companies H&PM certificate.
- **Total market capitalization** of 448 companies, which disclosed their grade report information, is 249 trillion yen (1/3 of the whole value of Japan's listed companies).

News Release



June 17, 2021

Evaluation Summaries for the 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category [White 500]) Have Been Published

- Promoting corporate disclosure of information on health and productivity management -

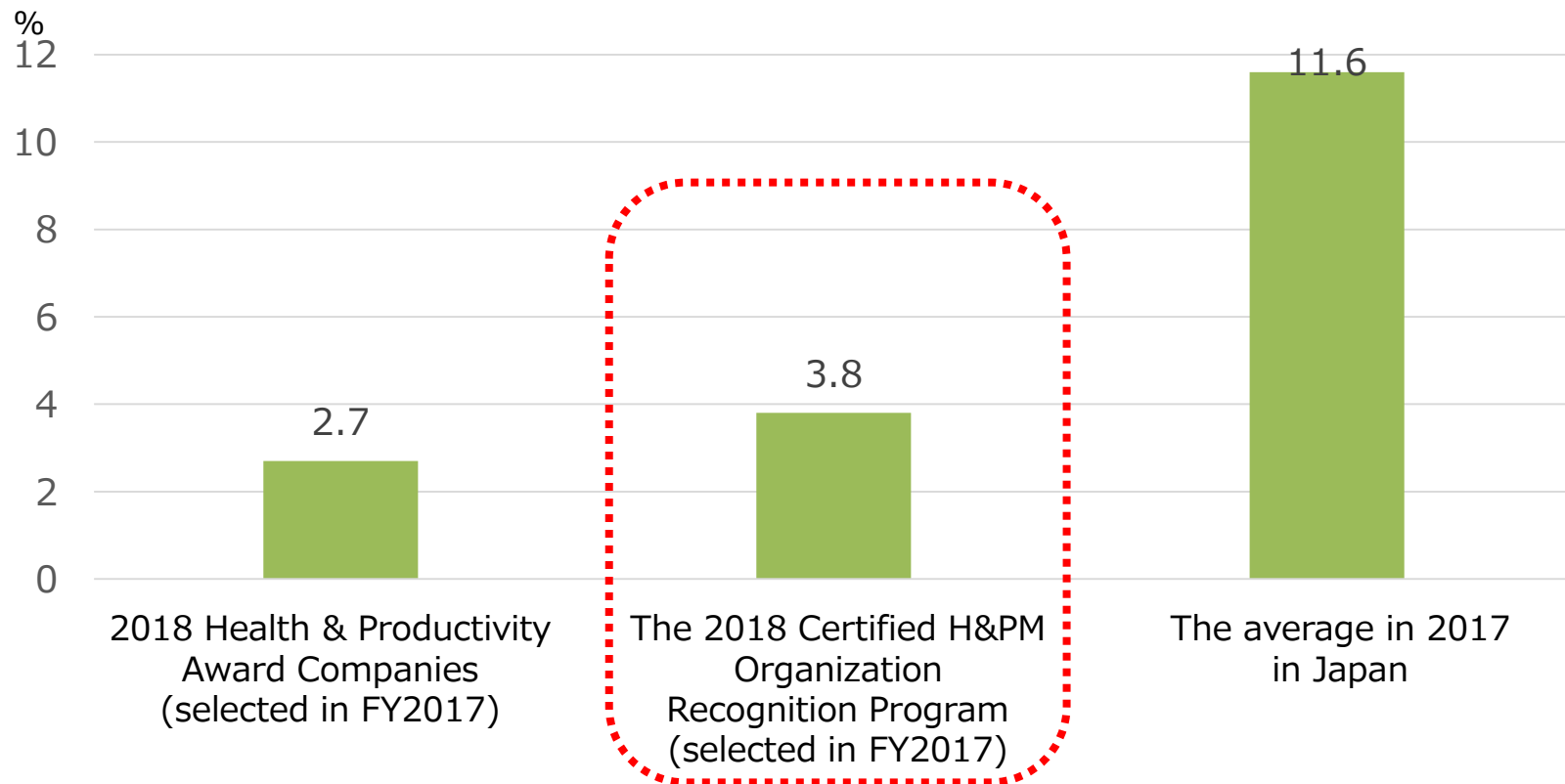
With the value of health being reaffirmed throughout society because of the COVID-19 pandemic, more and more companies, etc. are viewing their employees' health as an asset, and investing in it from a business-management perspective through health and productivity management. In recent years, institutional investors have also been evaluating companies' efforts toward health and productivity management from the standpoint of ESG, and it has become important for companies to disclose information on their health and productivity management in a form that can be used for comparisons.

Therefore, with the aim of highlighting the progress of each company's efforts, METI has published the evaluation summaries (feedback sheets) for the 441 enterprises that gave their consent out of all those involved in the 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category [White 500]).

	A	B	C	D	E	F	G	H	I	J
1	令和3年6月17日公表									
2	令和3年8月31日更新									
3	評価サマリー（フィードバックシート）No.1～No.448データ									
4	No.	管理番号	社名	所属業種名	総合評価 フラグ (10%刻 み)	順位フラ グ (100位 刻み)	総合評価	貴社側面1 評価	貴社側面2 評価	貴社側 評価
5				q2syoname	rank_main _f	rank_main _f2	sogo	score_sok u1	score_sok u2	score_ u3
114	109	1860	戸田建設株式会社	建設業		2	3	611.0	63.2	59.4
115	110	1861	株式会社熊谷組	建設業	1	2	625.2	65.2	61.4	6
116	111	1878	大東建託株式会社	建設業	1	1	645.9	68.3	62.8	6
117	112	1887	日本国土開発株式会社	建設業	1	1	657.0	69.9	66.0	6
118	113	1928	積水ハウス株式会社	建設業	1	2	623.8	65.6	60.1	6
119	114	1954	日本工営株式会社	サービス業	1	2	620.5	66.9	62.1	6
120	115	1979	株式会社大気社	建設業	2	4	604.5	61.9	60.1	6
121	116	2002	株式会社日清製粉グループ本社	食料品	1	3	615.0	60.2	62.6	6
122	117	2168	株式会社パンナグループ	サービス業	1	1	654.3	70.4	65.8	6
123	118	2201	森永製菓株式会社	食料品	1	3	615.6	63.6	63.4	6
124	119	2206	江崎グリコ株式会社	食料品	2	5	598.6	63.1	62.1	5
125	120	2267	株式会社ヤクルト本社	食料品	1	2	633.8	62.8	64.2	6
126	121	2378	株式会社ルネサンス	サービス業	2	3	612.1	64.9	58.6	5
127	122	2395	株式会社新日本科学	サービス業	1	2	628.7	63.4	64.6	6
128	123	2412	株式会社ベネフィット・ワン	サービス業	1	1	646.1	66.8	63.4	6
129	124	2432	株式会社ディー・エヌ・エー	サービス業	1	1	642.2	66.8	64.9	6
130	125	2471	株式会社エス・ブール	サービス業	1	1	646.4	67.9	65.1	6
131	126	2501	サッポロホールディングス株式会社	食料品	1	1	636.1	65.9	64.0	6
132	127	2502	アサヒグループホールディングス株式会社	食料品	1	1	659.9	67.8	66.0	6
133	128	2503	キリンホールディングス株式会社	食料品	1	2	625.8	63.6	62.8	6
134	129	2607	不二製油グループ本社株式会社	食料品	2	3	610.6	60.6	62.4	5
135	130	2651	株式会社ローソン	小売業	1	1	654.3	70.5	66.3	6
136	131	2768	双日株式会社	卸売業	1	1	642.8	68.8	60.3	6
137	132	2802	味の素株式会社	食料品	1	1	660.5	67.8	63.9	6
138	133	2810	ハウス食品グループ本社株式会社	食料品	1	2	624.2	65.2	59.1	6
139	134	2871	株式会社ニチレイ	食料品	1	1	661.1	70.3	64.9	6
140	135	2887	日本清酒株式会社	食料品	1	1	644.1	68.1	61.7	6

Employee turnover rates are lower in companies engaged in efforts to advance H&PM

Turnover rates of certification & qualification systems related to H&PM



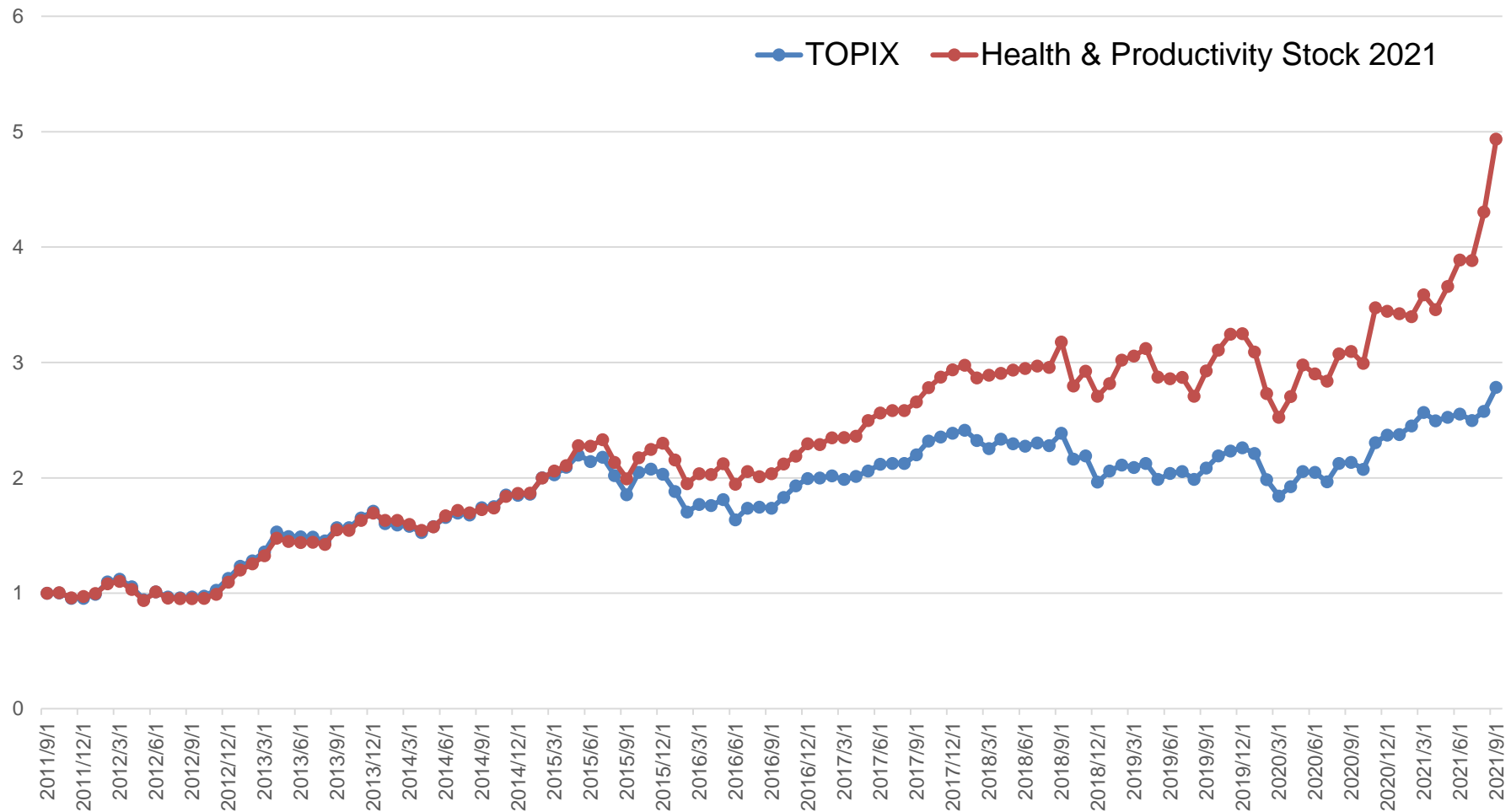
※離職率の全国平均は「厚生労働省 平成29 年雇用動向調査結果の概況」に基づく。(ただし健康経営度調査の回答範囲と異なる可能性がある)

※離職率=正社員における離職者数の設問/正社員数を各社ごと算出し、それぞれの企業群で平均値を算出

※ なお、離職率に関する設問は健康経営度調査の評価には含まれていない。

Greater performance by companies engaged in H&PM

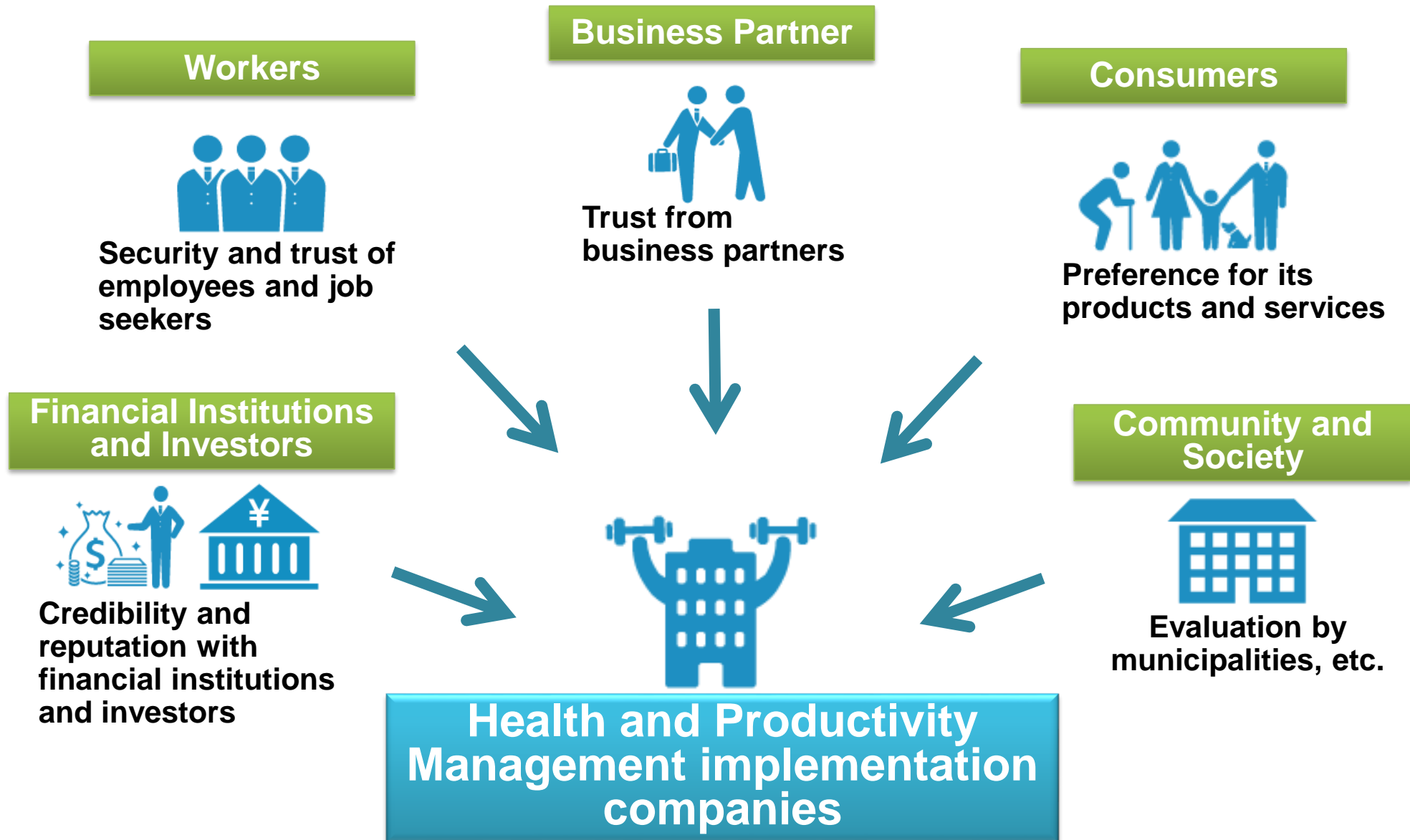
- The average stock price of the companies selected for the Health & Productivity Award Companies was compared against TOPIX over the ten years from September 2011 to September 2021.



* The index was created from these companies' closing prices as of the first day of each month until September 1, 2021, making the prices on September 1, 2011, the baseline (1.000).

* Four companies with no baseline data, such as newly listed companies, are excluded.

Benefits of Health and Productivity Management for Multiple Stakeholders



Health Investment as ESG investing

Environmental (E)



- climate change
- greenhouse gas (GHG) emissions
- resource depletion, including water
- waste and pollution
- deforestation

Social (S)



- working conditions, including slavery and child labour
- local communities, including indigenous communities
- conflict
- health and safety
- employee relations and diversity

Governance (G)



- executive pay
- bribery and corruption
- political lobbying and donations
- board diversity and structure
- tax strategy

(出所) UNPRI Webサイト



403: OCCUPATIONAL HEALTH AND SAFETY

GRI : Global Reporting Initiative

Disclosure 403-6

Promotion of worker health

Reporting requirements

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

- An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.
- A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.

Preferential treatment for companies engaged in health management

Preferential treatment provided:

➤ **By Local Governments** (number: about 20)

- Special points given for public works and bid review.
- Loans with low interest rates and guarantee rates

➤ **By Banks** (number: about 80)

- Provide loans at low interest rates
- Reduction or exemption of guarantee fees
- Premium discount for worker's accident insurance

OECD's research on workplace-based health interventions

OECD will collect information about workplace-based health interventions and analyze governments' policies and incentives to promote them in OECD countries. Also, information on disclosure programs on workplace health will be collected.



◆ Outline of the project

- The OECD Directorate for Employment, Labour and Social Affairs, Health Division will produce a report.
- Methodology
 - Desktop review and interview with experts from OECD countries.
 - International comparison data produced by the private sector such as Workforce Disclosure Initiative will be used.
- Analysis subject
 - The burden of disease in the workforce and reduced productivity due to NCDs and mental health issues
 - The potential of workplace-based interventions and evidences on the link healthier workforce-more productive workforce
 - Policies in place in Japan and a subset of other OECD countries that are commonly referred to as employers' health and wellbeing programs
 - Information on disclosure programs on workplace health by governments and ESG advocacy groups
 - Interventions that are most commonly implemented by large and medium-large employers
- Timeline
 - The report will be planned for release towards the end of Q3 of 2022, or early within Q4 of 2022.

4th Well Aging Society Summit (16th November)



International Forum on the Super Aging Challenge



Date: Tuesday 16th November

- ① **Opening Remarks**
Parliamentary Vice-Minister, METI
- ② **Keynote Speech**
"Recent Medical Situations and the Challenges "
President, Japan Medical Association
- ③ New Health Promotion with **Personal Health Record (PHR)**
- ④ **Health and Productivity Management: From the Perspective of ESG Investors**
- ⑤ Special Panel Discussion for **India and Japan** supported Digitalization in Hospital and Nursing Home
- ⑥ Risk Reduction of **Dementia** & Social Implementation
- ⑦ **Closing Session**
Lessons for Japan toward Global Healthy Aging

Opening speech

Investor's perspective on human capital management (Video Messages)

- by Priti SHOKEEN (Vice President & Director, TD Asset Management, ESG Research & Engagement)
- by James Coldwell (Head of Workforce Disclosure Initiative, ShareAction)

Panel discussion

- moderated by Mr. Masaru Arai (Chairman, Japan Sustainable Investment Forum)

"Health and Productivity Management" policy by the Japanese Government

- by Takuma INAMURA (METI, Healthcare Industry Division, Director)

Health and productivity management from a perspective of ESG investment

- by Wakaba KAWAI (Nomura Asset Management, Senior ESG Specialist)

A quantitative analysis on the outcome of Health and Productivity Management

- by Akemi HATANO (SBI Securities, Quantitative analyst)

Free discussion

Roundtable on Workplace Health Investment, METI

“Workplace Health Investment as a Corporate Strategy -Potential of Health and Productivity Management”

□ Opening speech by Minister of Economy, Trade and Industry, HAGIUDA Koichi,

- By strengthening the disclosure of such information, we're working to improve the environment so that all stakeholders, including local communities and investors, can evaluate health management initiatives of companies.
- Health and Productivity Management (H&PM) regards people as a source for a competitive advantage of business to promote health of the employees. Japan has been a pioneer in this field, and will continue to promote the benefits of health management to the world.



◆ NISHII Takaaki / Ajinomoto Co., Inc, Representative Executive Officer, President & CEO

- Propose to contribute in the supply chain. Spread H&PM upstream in the food supply chain in emerging countries.

◆ Boris Moutier / AXA, Japan and Asia Chief Investment Officer

- H&PM fits in with AXA's investment philosophy. We use "health" when selecting companies to invest in or exclude from investment. Workplace health investment is becoming more and more important in the “S” of ESG investment.



◆ Ulrik Vestergaard Knudsen / OECD, Deputy Secretary-General

- Working to improve the health of employees is a win-win-win, as it increases the productivity of the company and makes the employees happier and healthier.

High Level Sessions

□ Opening speech by Prime Minister, KISHIDA Fumio

- Japan is also determined to further improve the nutritional status of its people by promoting nutritional and environment-friendly dietary life, balanced diets, and health and productivity management, while also taking advantage of innovation, digitalization, and science and technology.

