

【Provisional translation】

Opening speech by Minister of Economy, Trade and Industry,
Mr. HAGIUDA

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

I am HAGIUDA Koichi, the Minister of Economy, Trade and Industry. Thank you for participating in the Tokyo Nutrition for Growth Summit 2021, government sponsored event “Workplace Health Investment as a Corporate Strategy”.

This summit is an opportunity to bring together the wisdom of nations once every 4 years in order to solve the world's nutrition challenges. This year's event will also discuss the issue of overnutrition, which is a common problem worldwide and could lead to lifestyle related diseases such as diabetes. The event aims to communicate the importance of health initiatives in the workplace internationally, accelerate health investment, and increase corporate value.

The workplace is a place where adults spend most of their time. There are various health issues in the workplace, including lifestyle related diseases and mental health problems.

For example, according to an analysis by the OECD, the labor loss due to obesity related diseases such as diabetes is expected to be 1.6%, which is equivalent to the labor loss of 54 million people in Japan. This is an important issue that needs to be addressed seriously by both companies and governments.

In Japan, the term “Health and Productivity Management” is used to describe the strategic efforts of management to improve the physical and mental health of employees as part of investment in people. Companies that are engaged in Health and Productivity Management are expected not only to improve the health of their employees, but also to revitalize their organizations, improve their attractiveness, and even increase their corporate value. In fact, our ministry has certified excellent corporations for Health and Productivity Management as having a low employee turnover rate and stock price higher than the market average.

The number of these excellent corporations for Health and Productivity Management will reach 9735 in FY 20, a twenty fold increase from 553 in FY 16. In addition, more than 80% of Nikkei 225 companies have applied to become the excellent corporations for Health and Productivity Management, indicating that many leading companies regardless of the industry, are emphasizing investment in the health of their employees.

Ajinomoto, one of today's participants, is a pioneer in Health and Productivity Management in Japan, and Johnson and Johnson is a global company that has adopted employee health as its credo since 1943.

In Japan, there's a growing number of initiatives by various stakeholders to support the expansion of Health and Productivity Management. For example, financial institutions are offering low interest loans to certified companies, and local governments are giving them points embedding for public procurement.

Investors are also an important stakeholder for companies. Some institutional investors are using the status of corporate Health and Productivity Management practices in their investment decisions. Today, we will receive a message from AXA, an institutional investor with approximately 130 trillion yen in assets under management worldwide, on how investors evaluate corporate value enhancement through health investment.

Our ministry has started to disclose a database of corporate Health and Productivity Management initiatives this year. 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 and Productivity Management initiatives of companies.

KISHIDA administration has set forward the investment into people as the key to realizing new capitalism. Health and Productivity Management 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 and Productivity Management to the world.

I hope that today's discussion will bring many insights to people in Japan and abroad who are investing in health.

Thank you very much.