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To the press and whom it may concern

Ajinomoto Co., Inc.
SCSK Corporation
OMRON Corporation
Kirin Holdings Company, Limited
Shimadzu Corporation
JMDC Inc.
Nippon Life Insurance Company
Sumitomo Mitsui Banking Corporation

Launching Health & Productivity Management Alliance

Working to spread the concept of "Health & Productivity Management" and achieve fiscal soundness of health insurance societies

Ajinomoto Co., Inc. (President & Chief Executive Officer: Taro Fujie), SCSK Corporation (Representative Director, President and Chief Operating Officer: Takaaki Touma), OMRON Corporation (President and CEO: Yoshihito Yamada), Kirin Holdings Company, Limited (President & CEO: Yoshinori Isozaki), Shimadzu Corporation (President and CEO: Yasunori Yamamoto), JMDC Inc. (President and CEO: Yosuke Matsushima), Nippon Life Insurance Company (President: Hiroshi Shimizu), and Sumitomo Mitsui Banking Corporation (President and Chief Executive Officer: Makoto Takashima) (in kana order) announced today the establishment of the Health & Productivity Management Alliance (hereinafter, the "Alliance") in June 2023.

With it now possible for people to choose to work longer with the advent of the "era of the 100-year lifespan" in Japan, the industrial community is faced with the challenges of helping their employees promote health, achieving fiscal reform for their health insurance societies, and contributing to the government's campaign to curb health expenditure. Against this background, promoting "health and productivity management (H&PM)" has become one of the key agenda items for management in practicing "human capital management," an approach of perceiving employees as company assets, along with corporate productivity enhancement and streamlining of health expenditure. Promoting H&PM can also increase the competitiveness of the Japanese industry as a whole in the global arena. In an effort to address these social issues, eight Japanese companies from different sectors have rallied around the goal of realizing a well-being society and agreed to form the Alliance.

The objective of the Alliance is to "design a model for H&PM, co-create solutions to make it work, and implement them in the industrial world." As a way to achieve the objective, the wisdom of the companies practicing H&PM and those offering solutions will be consolidated. In more concrete terms, the Alliance will make the most of healthcare data to deal with the risks of employees contracting diseases whose aggravation can be predicted, such as cerebrovascular and cardiovascular diseases derived from lifestyle illness and mental health and kidney disorders. Member companies of the Alliance will also take the initiative in utilizing healthcare data to maintain and advance their employees' well-being and provide feedback, while at the same time installing their products and services for H&PM and endeavoring to develop and demonstrate those within the Alliance. Successful cases will be implemented as a model outside the Alliance as well, with the ultimate goal of implementing such products and services in Japan and overseas in cooperation with universities, research institutions, and government agencies.

[Challenges facing companies]

Now that it is no longer rare for one to live to be 100, Japanese industries need to address the three challenges below:

① Promotion of employees' health

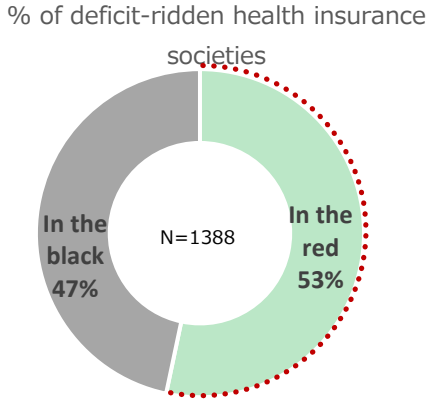
The number of hypertensive patients in Japan is estimated to be 43 million, of which 43%[*1] are untreated. According to the Ministry of Health, Labour and Welfare (MHLW), 10.1%[*2] of the business establishments reported that one or more of their employees took administrative leave or resigned due to mental health disorders between 2020 and 2021, which represents an increase of approximately one percentage point from the previous year. While Japanese society is beginning to allow people to work longer if they want to, many companies are confronted with such issues as rising health expenditures and their employees taking long administrative leave or resigning due to diseases whose risks can be predicted and prevented.

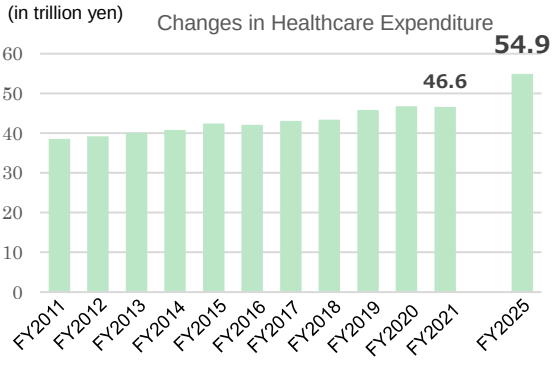
*1 Data: OMRON HEALTHCARE Co., Ltd.
*2 2021 Special Survey on Industrial Safety and Health, 2021, MHLW

② Achieving fiscal soundness of health insurance societies

According to the National Federation of Health Insurance Societies (KENPOREN), 740 (53%) out of 1,388 health insurance societies reported deficits in fiscal 2021, with the total deficits being estimated at 82.5 billion yen[*3] primarily owing to an increase in contributions to medical care for the elderly. When the premium rate exceeds the average premium rate of the Japan Health Insurance Association (Association Kempo) (10%), which is predominantly used by employees at small- and medium-sized enterprises, the benefit of having company-run health insurance societies is diminished. The premium rate of about 20% of the total (around 300 health insurance societies) is already either equivalent to or above 10%. This being the case, the fiscal position of health insurance societies is hardly sound.

*3 Prospects of Account Settlement of Health Insurance Associations, 2021





Numbers for FY2019-FY21 are on a budget basis.

③ Contribution to curbing health expenditure

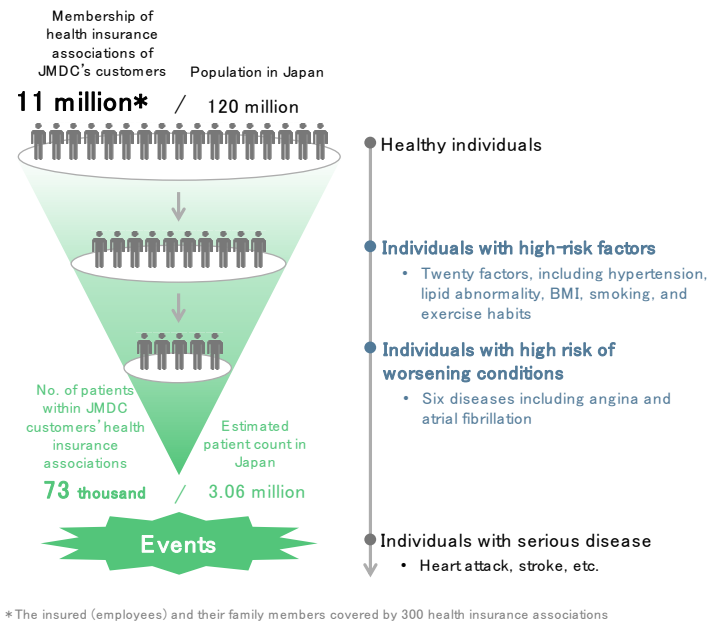
Health expenditure in Japan has been exposed to increasing financial stringency, with medical benefits expected to rise to approximately 55 trillion yen in 2025 from the current level of approximately 46 trillion yen[*4] in 2021. It is thus expected that working to restore the fiscal soundness of company-run health insurance societies will eventually cap the rapid increase in medical benefits from the government.

*4 Changes in Health Expenditure, Social Security, Etc. (Reference Material), Ministry of Finance

[H&PM utilizing healthcare data]

Based on healthcare data, individuals with high risks of cerebrovascular and cardiovascular diseases derived from lifestyle illness or kidney and mental health disorders are identified and given treatment for medical and economic benefits including the improvement of labor productivity. By using the data, it should be easier to approach individuals with risk factors or high risks, making it possible to reduce risks pertaining to extended administrative leave, resignation, and rising health expenditures.

According to JMDC's data, 80% of individuals getting health checkups have some sort of health issue. The Alliance will work to develop solutions needed to promote good health and prevent the worsening of diseases and implement them in society, while at the same time raising the level of practicing H&PM throughout the industrial community, with the aim of realizing a society where individuals may opt to have an extended career regardless of their age.



[Operation of the Alliance / Invitation of Participating Companies]

Target participation: 300 companies by the end of FY2023

Name	Health & Productivity Management Alliance
Establishment	June 2023 (subject to change)
Purpose	To design a model for H&PM, co-create solutions to make it work, and implement them in the industrial world
Main activities	1. To provide high-risk persons who might have to take administrative leave or resign due to serious diseases derived from lifestyle illness or mental health disorders with solutions in order to improve employees' health and organizations' productivity 2. To allow human resources departments and health insurance societies of participating companies to acquire the knowledge and know-how needed to utilize data so that they can draw up and implement measures that make the most of its value 3. To establish effective solutions by providing companies participating in the Alliance with products and services and verifying their effects 4. To create a model out of successful cases 1–3 above, standardize them, and share them broadly with companies outside the Alliance so that they can implement them, thus empowering the industrial

		community in Japan
Organizations and their roles	**Lead managing company**	Co-create outcomes from the Alliance by planning/operating the Alliance, practicing H&PM in-house, and providing solutions
	Managing companies	Co-create outcomes from the Alliance by practicing H&PM in-house or providing solutions
	Member companies	Promote H&PM by sharing model cases with the lead managing companies, managing companies, and other member companies
Action groups	**Planning Group**	Perform day-to-day business operations for the Steering Committee, which determines the operation policy of the Alliance, including planning and operation
	Practice Group	Co-create models and outcomes of H&PM with all participating companies practicing H&PM and sharing their initiatives
	Solution Group	Provide participating companies in the Alliance with solutions to verify their effects
Lead managing companies (8) (in *kana* order)		Ajinomoto Co., Inc., SCSK Corporation, OMRON Corporation, Kirin Holdings Company, Limited, Shimadzu Corporation, JMDC Inc., Nippon Life Insurance Company, Sumitomo Mitsui Banking Corporation
Eligibility		Enterprises (corporations), government agencies, academic institutions (universities and research laboratories), concerned bodies
Contact		About participation: alliance_info-JP-J@omron.com For the media: alliance_media-JP-J@omron.com URL: https://www.omron.com/alliance/

[Comments from the representatives of lead managing companies (in *kana* order)]

Taro Fujie, President & Chief Executive Officer, Ajinomoto Co., Ltd.

The aspiration (“purpose”) of Ajinomoto Co., Inc. is “to contribute to the well-being of people, society, and the earth with amino science.” I consider the Alliance to be an attempt to share this “purpose.” We have products and services that contribute to well-being in the three fields of diet, exercise, and sleep. We will help with the provision of solutions to participating companies in the fields of diet and healthcare in a bid to make Japan the “world’s number one country in workplace health.”

Takaaki Touma, President, SCSK Corporation

SCSK Corporation is a provider of IT services in which people play pivotal roles. Over the past decade, we have lived up to H&PM, which considers people—the driving force of growth—as capital and prioritizes employees’ health. In the Alliance, we hope to contribute to the creation of a template for H&PM based on the know-how and knowledge thus gained. I believe that the Alliance will catalyze a movement of H&PM as it taps into the collective wisdom of numerous companies.

Yoshihito Yamada, President and CEO, OMRON Corporation

In our long-term vision, “Shaping the Future 2030,” OMRON Corporation deliberately chose “extension of healthy life expectancies” as one of the social issues it addresses. Through the H&PM Alliance, we will work on maintaining and improving employees’ health and preventing of serious illness by combining medical data that JMDC Inc. possesses, such as medical prescriptions and medical examinations, with blood pressure, vital signs, and levels of physical activity data that we hold. By broadly sharing any findings with member companies, we aim to accelerate value creation by human resources and achieve sustainability of company-run health insurance societies.

Yoshinori Isozaki, President & CEO, Kirin Holdings Company, Limited

With the aim of becoming a global leader in CSV, the Kirin Group is expanding its Food and Beverages, Pharmaceuticals, and Health Science domains. The Alliance is important in that it sustainably enhances the “value of human resources” - the very source of companies’ competitive advantage - and we will further promote H&PM through our participation in the Alliance. By providing various ingredients and solutions, we will contribute to the achievement of joy and enriched lifestyles for each individual as we seek to “be a partner for a healthy and happy life in an age of longevity.”

Yasunori Yamamoto, President and CEO, Shimadzu Corporation

At Shimadzu Corporation, we established a new Management Principle, “Realizing our wishes for the well-being of mankind and the earth,” in 1992, thus pursuing both H&PM and businesses that concern human health. Our current focus is to establish diagnostic methods for presymptomatic illnesses, such as lifestyle diseases and mild disorders. The principle of the Alliance coincides with our initiatives for H&PM and business. I also believe that returning the benefits of our technologies, products, and services to our employees and family members, which form part of our H&PM programs, can contribute to the activities of the Alliance.

Yosuke Matsushima, President and CEO, JMDC Inc.

Guided by the corporate mission of “A healthy and prosperous life for all people” JMDC Inc. aims to realize a sustainable healthcare system as we address various current social issues in the fields of medical science and healthcare through the power of data and ICT. Through the Alliance, we will utilize the know-how and data that we

have gained together with over 300 health insurance societies to create data analysis methods and health improvement solutions that will hopefully set a standard for H&PM practices by companies, in collaboration with OMRON, with whom we signed a capital and business alliance, and other companies.

Hiroshi Shimizu, President, Nippon Life Insurance Company
As the “100-year life era” approaches, we have contributed to the creation of a society of health and longevity, one of the pillars of the current Mid-Term Management Plan. Accordingly, we are strengthening our healthcare services that “mitigate risks” on top of the provision of insurance that “cover for risks.” One such initiative is to provide the Nissay Health Promotion Consulting Service Wellness-Star☆ to groups, some solutions of which we provide in cooperation with OMRON. Through participation in the Alliance and discussions with other participating companies, we hope to create new value that we alone cannot realize and to contribute to the creation of a society of health and longevity where everyone leads a comfortable life with spiritual and material affluence.

Makoto Takashima, President and Chief Executive Officer, Sumitomo Mitsui Banking Corporation
With the aim of growing with every stakeholder in a sustainable manner to create a better future, we at Sumitomo Mitsui Banking Corporation identify the mental and physical health of every employee, who acts as the driving force in these challenges, as a managerial issue to which the management team commits itself. Under the leadership of the Chief Health Officer (CHO), a position assumed by the executive officer in charge of human resources, the Human Resources Department, the health care center, and health insurance societies have formed a working group to achieve this aim, but there is a natural limit to what a single company can do. We will strive to contribute to solving social issues by utilizing cross-sector collaboration to address the common challenge of practicing data-driven H&PM without being bound by conventional notions.

[The 11 participating companies] (in kana order)
ＳＭＢＣ Nikko Securities Inc.
KOA Corporation
TDK Corporation
Sumitomo Pharma Co., Ltd.
Nomura Securities Co., Ltd.
Nomura Research Institute, Ltd.
Mizuho Financial Group, Inc.
MITSUBA Corporation
Mitsubishi Research Institute, Inc.
MUFJ Bank, Ltd.
Mental Health Technologies Co., Ltd.

[Supporting scientists]
Dr. Yuji Furui, Project Professor
Dr. Hiroo Ide, Project Associate Professor
Healthcare Data Science Research Unit, Institute for Future Initiatives (IFI), The University of Tokyo

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