



Case Study

ENCOURAGING A HEALTHY WORK-LIFE-BALANCE CULTURE AMONG THE WORKFORCE

Working culture in Japan

According to 2020 data from openwork (a Japanese Glassdoor equivalent), the average amount of overtime in Japan in the latter half of 2020 was around 24 hours per month or one hour of overtime every day. At a typical Japanese company, a new employee starts at 10 vacation days per year. From that point, the number of paid leave days slowly increases each year. Most companies cap at 20 days, but this is only the legally required minimum. Depending on the company, it's possible to receive more paid leave.

However, the problem is that Japanese workers only take around half of their vacation. Part of this is due to Japan not having a concept of sick leave. Many people save at least a few vacation days for when they must call in sick. Another part is group pressure – feeling like you can't just take time off for yourself when everyone else is busy.

This all resulted in a constant shrinking of Japan's population: If people are too busy with work, they have no time to raise a family. Since 2005, Japan's population began to decrease, with the number of deaths exceeding the number of births, and a rapidly falling birth-rate.

Average amount of overtime hours
(according to openwork)



Source: OpenWork



The Tanaka Group is a leading company in the fields of precious metals that has been operating for over 130 years. The company is accredited as a Good Delivery Referee for gold and silver by The London Bullion Market Association (LBMA) and also appointed as a Good Delivery Referee by London Platinum and Palladium Market (LPPM).

Tanaka's precious metals activities include industrial products, assets, and jewellery. In the area of PGMs, the company supplies platinum devices for glass melting, sputtering targets for hard-disks, and ultra-fine wires for sensors and medical uses, as well as platinum bullion and jewellery.

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Hence, the Japanese government took action to address the work-life-balance by passing a law in 2018 aimed at reducing overtime work, introducing flex-time systems and equal pay for equal work, which came into full effect in 2019.

Making work-life-balance a priority at Tanaka

At Tanaka, the management believes that physical and mental health are a foundation for creating wisdom and ingenuity to keep evolving the work style reforms based on productivity improvement irrespective of job category or position. The Group is committed to promoting the development of a working environment where employees can balance work and family care.

In April 2019, the Japanese Act on the Arrangement of Related Acts to Promote Work Style Reform came into power, which requires companies to have their employees take five or more days of paid holidays per year. Tanaka introduced the rule across the Group already in fiscal year 2018, one year ahead of the requirement. In fiscal year 2020, all employees who are required to take five or more annual paid holidays in a year achieved the target.

Tanaka issued a “Healthy Company Declaration” in December 2018 and acquired the respective Silver Certifications for both 2019 and 2020 fiscal years. The company has also been selected under the 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program which is designed by the Ministry of Economy, Trade and Industry (METI) of Japan.

In addition, the company took initiatives to reduce long working hours such as the introduction of no overtime day. A monthly overtime cap is set in each department to reduce long working hours.

Balance between childcare, nursing care, and work

Companies of the Tanaka Precious Metals Group have been certified as childcare support companies by the Minister of Health, Labor and Welfare. The certification is granted when a company that



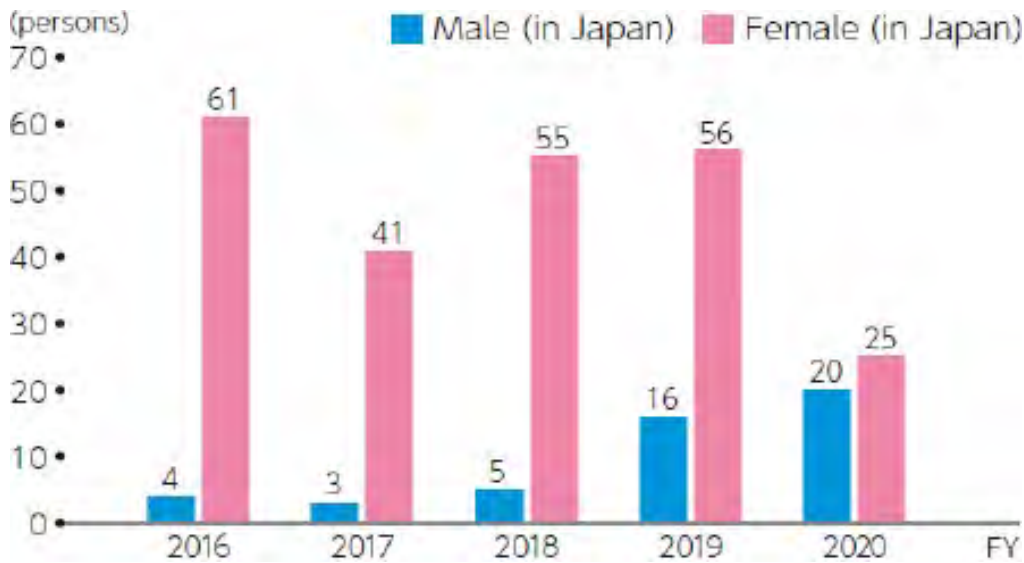
Kurumin certification

has developed an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children achieves the goals set under the plan and satisfies certain criteria.

Tanaka has some systems in place to support employees raising children that exceed legal requirements, including special paid holidays for employees whose spouses gave birth (three days), childcare leave until the child reaches the age of 18 months or up to two years when certain criteria are met (can you add some information on this?). Employees may also use the reduced working hours system (six or five hours per day) until the child becomes a second-grade elementary school student. The company has also implemented a short working hour system for pregnant female employees to allow them to avoid crowded transportation services and heavy traffic on the way to work. Employees are also entitled to take sick/injured childcare leave for up to five days per child in a year or for up to ten days if they have two or more children, until the child becomes a secondary-grade elementary school student.



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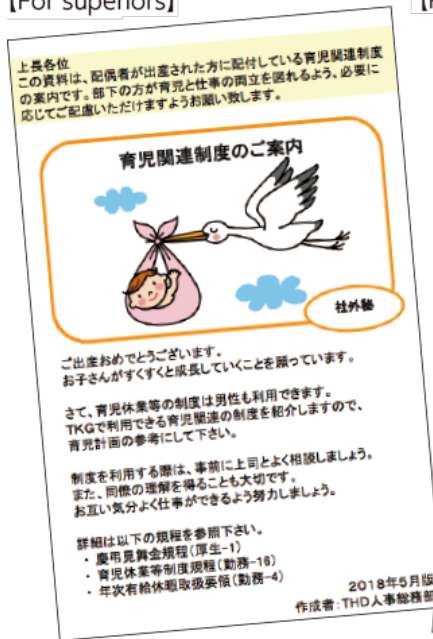
Number of employees who took childcare leave

Another focus of Tanaka's engagement in promoting work-life-balance is to enhance internal communications and awareness about the availability of such programs. To support spreading the information, leaflets are being distributed both to male workers whose spouses gave birth as well as to superiors, including a booklet distributed during manager trainings. The number of male employees taking childcare leave has been on an upward trend since fiscal year 2016. With 20 male employees tak-

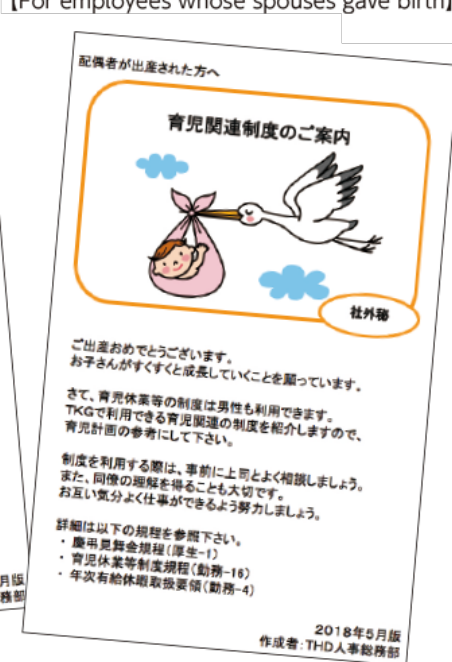
ing childcare leave in fiscal year 2020, which was a record high, the effects of Tanaka's efforts are gradually becoming apparent.

To assist employees with nursing care responsibilities, Tanaka has a program in place which allows for a leave of 365 days for each family member in need of nursing care. Alternatively, employees can benefit from the reduced working hour system for nursing care for up to three years per family member in need of nursing care.

[For superiors]



[For employees whose spouses gave birth]



The leaflet for superiors mentions that they should encourage employees to use the program at their request