

Open for Business



The Economic Case for LGBTQ+ Inclusion in Japan

Economic Briefing



About Open for Business

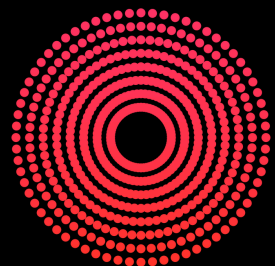
At Open for Business, we strengthen the economic case for inclusion and give leaders the evidence they need to boost business and economies and advance LGBTQ+ rights. We are a coalition of global businesses that believe in the economic case and in a world where LGBTQ+ people are treated fairly and equally.

Our regional programmes operate in Central and Eastern Europe, East Africa, and Southeast and East Asia. All our programmes start with us conducting research and developing an economic case for the LGBTQ+ inclusion report, looking at specific geographic economies. We work with Programme Advisory Boards made up of local leaders from business, civil society, and government to contextualise our evidence and findings and make them as impactful as possible. Most importantly, our programmes convene businesses, civil society, and government, building bridges with the economic case and ensuring the data is being used and operationalised throughout the regions where we work.

Open for Business advances the economic case for LGBTQ+ inclusion through strategic

engagement with influential global platforms and institutions. We present compelling evidence to decision-makers at organisations like the World Bank, World Trade Organization, European Union, World Economic Forum, and the World Business Council for Sustainable Development, exploring how LGBTQ+ inclusion drives economic growth and business success.

Through comprehensive research and strategic engagement programmes, we connect LGBTQ+ inclusion to fundamental economic drivers, including innovation capacity, entrepreneurial dynamism, and social mobility. Our research serves as a foundation to bring together senior leaders from business, government, and civil society, fostering meaningful dialogue and collaboration that positions inclusion as a cornerstone of economic prosperity. This research-driven approach enables us to build a robust economic case that resonates with global stakeholders and catalyses positive change.



open-for-business.org



@openforbusinesshq

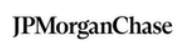


Open for Business



Coalition in Action

Open for Business is a **coalition** of **global businesses** who believe in a world where LGBTQ+ people are treated fairly and equally.



Contents

EXECUTIVE SUMMARY	05
THE SITUATION FOR LGBTQ+ PEOPLE IN JAPAN	08
ECONOMIC OPPORTUNITY: THE COST OF EXCLUSION	12
ECONOMIC PERFORMANCE AND TALENT: JAPAN'S COMPETITIVE POSITION	20
CONCLUSION	24
METHODOLOGY	25
GLOSSARY	28
BIBLIOGRAPHY	29

Acknowledgements

We are incredibly grateful for expert advice for this report from Japan's Programme Advisory Board:

Gon Matsunaka, Board Member of Marriage for All Japan

Jarrold Trusler, President of Dow Japan Group

Kaoru Okabayashi, Group manager of DE&I Group, Sustainability Strategy Acceleration Office, Corporate Transformation Acceleration Dpt., Shiseido

Naosuke Fujita, Co-founder of Lawyers for LGBTQ and Allies Network

Taro Tanaka, Global Legal Officer at LEDGE / Partner at Miura & Partners

Miguel A. Fuentes Carreño, PhD

Lead author

Zoë Schulz

Lead designer

Executive Summary

Japan has made significant progress on LGBTQ+ inclusion. Public support for marriage equality is now a clear majority, **nearly 93%** of Japan's population live in municipalities that adopt the partnership system,¹ and many of Japan's leading companies have introduced visible and ambitious inclusion measures. Yet national law and everyday workplace practice have not kept that pace.

Same-sex marriage is not recognised, national anti-discrimination protections are absent, and more than half of workplaces in the *Nijiiro 2026 Report* declared having no concrete LGBTQ+ measures in place.² The result is a growing gap between Japan's social and corporate progress, and the conditions many LGBTQ+ people continue to experience in their daily lives.

For Japan, closing that gap is an economic imperative. The country's population is projected **to fall from roughly 125 million in 2020 to under 87 million by 2070**, and the working-age share is already contracting.³ In this environment, Japan cannot afford to lose workers, skills or productivity through preventable ill-health, discrimination or exclusion. This brief quantifies that cost and sets out how inclusion can play a pivotal role in protecting Japan's competitive position.

LGBTQ+ exclusion may be costing Japan **¥6.04-16.42 trillion** each year.⁴ Open for Business estimates that LGBTQ+ exclusion costs the Japanese economy approximately **0.87% to 2.38% of GDP**, or **US\$37.3-101.5 billion**.

The estimate includes:

- **¥4.06-12.17 trillion** associated with the excess burden of depression, suicide and self-harm, cardiovascular disease and HIV/AIDS.
- **¥1.98-4.25 trillion** in lost earnings associated with the persistent LGBTQ+ wage gap.

These are not hypothetical future losses. They represent costs that Japan's economy, employers and public services are absorbing today.

LGBTQ+ EXCLUSION MAY BE COSTING JAPAN

¥6.04-16.42

TRILLION JPY / YEAR OR

0.87-2.38% of GDP

What this briefing finds

01

¥6.04–16.42tn

OR 0.87% TO 2.38% OF GDP
PER YEAR

Exclusion already carries a cost

Discrimination drives a measurable excess health burden in depression, suicide and self-harm, cardiovascular disease and HIV, along with a persistent wage gap.

02

14th → 55th

TALENT APPEAL VS
TALENT READINESS

Inclusion and talent move together

New Open for Business analysis finds that economies with stronger LGBTQ+ legal inclusion scores are associated with stronger talent competitiveness. For Japan, which **ranks 14th in the world on talent appeal** but **55th on talent readiness**,⁵ inclusion is a practical decision for making fuller use of the talent already in the market.

03

Higher

LIFE SATISFACTION WHERE
LEGAL INCLUSION IS STRONGER

Wellbeing is a productivity question

Stronger LGBTQ+ legal inclusion is associated internationally with higher life satisfaction. Japanese research also shows that supportive management and better employee mental health are linked to higher productivity, lower presenteeism (presenting themselves at work when ill) and reduced turnover.

For a workforce that is shrinking, protecting the wellbeing and full participation of every worker is an economic strategy, not a peripheral concern.

04

80% vs 55%TOP-CERTIFIED EMPLOYERS VS
EMPLOYEES WITH NO MEASURES**Leading companies have shown what is possible, but progress remains uneven.**

Japanese companies have shown that LGBTQ+ inclusion can move at scale, with **80% out of 931 enterprises** assessed by the PRIDE Index in 2025 getting the highest certification possible.

Yet, the next challenge is depth: **55% of employees** in a Japanese self-reported survey responded that their workplaces have no concrete LGBTQ+ measures in place.⁶ The next phase of progress must therefore extend beyond leading employers into traditional industries, local companies, smaller enterprises and supply chains.

Japan already has many of the foundations for further progress: strong public support, visible corporate leadership and growing legal momentum. Converting that progress into clearer protections and more consistent workplace practice would reduce avoidable economic losses, strengthen workforce participation and help Japan remain competitive as its population contracts. For Japan, LGBTQ+ inclusion is not simply a question of fairness. It is part of the country's economic resilience.

For Japan, LGBTQ+ inclusion is not simply a question of fairness. It is part of the country's economic resilience.



"Japan doesn't have workers to spare. With the population shrinking and the workforce already contracting, we can't afford to leave anyone's talent, health, or full participation on the table. This report shows what the costs are in real terms — and it makes clear that LGBTQ+ inclusion isn't a side issue from Japan's economic future, it's a part of how we protect and strengthen it."

Gon Matsunaka**Board Member of Marriage for All Japan****MARRIAGE FOR ALL JAPAN**

The situation for LGBTQ+ people in Japan

Japan presents a distinctive picture. Its corporate sector has moved visibly and at scale on LGBTQ+ inclusion, public opinion has shifted decisively, and the courts are now weighing the question of marriage equality. Yet national legal systems and everyday workplace practice have not kept pace with that social progress. The result is a widening gap between how Japan is changing and the legal frameworks within which people and companies still have to operate. Left unresolved, that gap creates measurable economic friction.

A legal framework in need of catching up with social progress

Same-sex marriage is not yet recognised under national law. In its place, a series of local partnership systems has spread rapidly. Since 2024, **nearly 93%** of Japan's population live in municipalities that adopt the partnership system.⁷ These certificates are an important signal of local goodwill, but they do not confer legal rights and are not a substitute for marriage: they do not confer inheritance rights, spousal medical decision-making, or the tax and social-security treatment that married couples rely on.

This creates concrete, practical friction. Same-sex partners can face uncertainty over hospital decision-making, end-of-life care, tenancy, and pension or survivor entitlements. For employers, it complicates the administration of spousal benefits, relocation, and family-leave policies, particularly for companies operating across multiple jurisdictions. The friction is operational as much as it is personal.

In March 2026 the Supreme Court's Grand Bench took up challenges on marriage equality, following a series of lower-court rulings that found the current situation incompatible with constitutional guarantees of equality and dignity.⁸ Whatever the outcome, the ruling is likely to be the beginning of a legislative conversation rather than its conclusion, and businesses planning ahead will want clarity, fairness and predictability in how any change is implemented.

Beyond marriage, national anti-discrimination protections covering sexual orientation and gender identity are absent, and employment protections are largely company-dependent rather than guaranteed in law.⁹ The 2023 Act on the Promotion of Public Understanding of the Diversity of Sexual Orientation and Gender Identity was a notable first step at the national level, to "promote understanding" as a public goal.¹⁰ Its effect, however, depends heavily on the implementation of the newly formulated plan, aimed at implementing the 2023 Act.

Almost 93% of population live in municipalities that adopt the partnership system⁷



The framework establishes expectations for the private sector, noting that unauthorized "outing" as a cause of significant emotional harm and workplace harassment and emphasizing the need for fair corporate recruitment practices. Supported by mandatory annual progress monitoring and a three-year review cycle, it creates a structured rhythm for government and business accountability.¹¹

Legal recognition for transgender people remains an area of particular sensitivity, with high procedural barriers and a recent rise in negative public discourse. For example, survey evidence shows public backing for transgender people using facilities matching their gender identity fell sharply between 2023 and 2025.¹² In 2023, the Supreme Court held the sterilisation requirement for legal gender recognition unconstitutional and invalid. This requirement no longer applies, but the statutory provision has not yet been repealed.¹³ This is one area where social progress has not been linear, and where careful, evidence-led engagement matters most.

Strong public support, more cautious national policy

Public opinion has moved ahead of national policy.

Public opinion has moved ahead of national policy. In Dentsu's 2026 attitudinal survey, **67%** supported the legalisation of same-sex marriage, and **82%** agreed that sexual diversity should be addressed in school education; notably, **83%** of non-LGBTQ+ respondents said marriage equality would have no effect on their own lives.¹⁴ Among working professionals the figures are higher still: in one workplace survey, **83%** supported marriage equality. In other words, support for inclusion is now a mainstream majority position.¹⁵

National policy has been more cautious, shaped by political party coalition dynamics and competing legislative priorities, with the current government emphasising economic strength as its central organising goal.¹⁶ This is precisely the gap that gives business a constructive role: where the public consensus is clear but national legal systems are slower to adjust, employers can reduce friction directly within their own companies.

67% support same-sex marriage legislation ¹⁴



82% agree that LGBTQ+ identities should be discussed in school ¹⁴



Corporate progress: visible, broad, and still maturing

Japan's corporate sector is one of the clearest success stories in the region. The PRIDE Index is run by the non-profit Work with Pride since 2016, with an evaluation framework for measuring corporate and organisational initiatives related to LGBTQ+ staff. It classifies initiatives that a company can have in five categories and gives them a final score that is divided into three tiers: Bronze, Silver and Gold. For 2025, it assessed **931 multinational and local enterprises** with headquarters in Japan, and the large majority of them at the top 'Gold' tier.¹⁷ Also, a campaign

**Marriage equality
had drawn the
public support of
around 707
transnational and
local Japanese
companies.**



for marriage equality had drawn the public support of around **707 transnational and local Japanese companies** as of July 7, 2026, spanning industries and company sizes.¹⁸ In 2025, 38 'Gold' tier companies were recognised as 'Rainbow' tier for cross-sector collective impact with other firms, non-profits, educational organisations or local government, not only supporting legislation for LGBTQ+ rights but also signalling that leading firms increasingly see inclusion as a shared, ecosystem-level project rather than an individual branding exercise.¹⁹

This progress is broad-based and led from the front by recognisable Japanese names across consumer goods, services and technology - among them, Japanese companies such as **Shiseido, Sekisui House, Sampo Japan, Panasonic Connect, Cheerio, Dentsu group, Family Mart** and **Meiji**. Encouragingly, the energy is concentrated where much of Japan's future growth lies: technology and the creative industries are setting the pace on inclusion, which positions inclusion as part of the country's most dynamic, forward-looking sectors rather than as a compliance burden.

The opportunity: turning commitment into consistent practice

With the Pride Index results showcasing the intentionality and improvement among Japanese companies towards inclusion, the challenge is less one of intent than of consistent implementation. Even after the 2023 Act on the Promotion of Public Understanding of the Diversity of Sexual Orientation and Gender Identity, Nijjiro Diversity's 2026 workplace white paper found that **55%** of surveyed employees self-report their workplaces having no concrete LGBTQ+ measures in place. Although there is an improvement on prior years, it is a sign of how much room remains.²⁰ The measures employees most want—including equal treatment of same-sex partners in benefits, explicit non-discrimination commitments, and practical support for transgender staff—are often the ones still missing.

Almost **a third (30%)** of professionals in a 2025 survey reported experiencing discrimination or bias at work based on sexual orientation, and **more than a fourth based on gender identity (27%)** most commonly relating to sexual orientation and gender identity.²¹ Also, only a third are comfortable sharing their gender identity and/or their sexual orientation at work.²²

55%

of surveyed employees self-report that their workplace has no concrete LGBTQ+ measures in place.

NIJIIRO DIVERSITY, 2026 WORKPLACE WHITE PAPER



30%

experienced discrimination or bias at work based on sexual orientation.



27%

experienced discrimination or bias at work based on gender identity.



1 in 3

are comfortable sharing their identity at work.



MOST WANTED, MOST OFTEN MISSING

- 01 Equal treatment of same-sex partners in employee benefits
- 02 Explicit non-discrimination commitments
- 03 Practical support for transgender employees

ECONOMIC OPPORTUNITY:

The cost of exclusion

When Open for Business first examined the economic case for inclusion in Japan in 2020, the argument rested largely on what cross-country correlations implied: that more inclusive economies tended to be more competitive, more resilient and more productive.²³ Six years on, both Japan and the evidence base have moved. Now, **nearly 93%** of Japan's population live in municipalities that adopt the partnership system; the Supreme Court's Grand Bench is weighing marriage equality; public support has become a mainstream majority; and **the PRIDE Index** has grown into a **near-thousand-organisation benchmark**. The method has moved too: this briefing no longer asks only what inclusion correlates with, but what exclusion costs, and the figure that follows is the result.

Exclusion is not a future risk to be hedged against, but a present cost Japan pays every year in avoidable ill-health and in under-utilised talent. In an economy where the workforce is contracting, those costs are felt more sharply than they would be elsewhere, because there is less slack to absorb them.

We estimate the total annual cost of LGBTQ+ exclusion to Japan at between **6.04 trillion JPY** and **16.42 trillion JPY** (**\$37.3 billion USD** and **\$101.5 billion USD**), roughly **0.87% to 2.38%** of Japan's annual GDP. The estimate combines a health-burden component, calculated using disability-adjusted life years (DALYs), and a productivity component, calculated from Japan's labour-force data and the documented wage gap.

THE TOTAL ESTIMATED ANNUAL COST OF LGBTQ+ EXCLUSION IN JAPAN

¥6.04–16.42

TRILLION

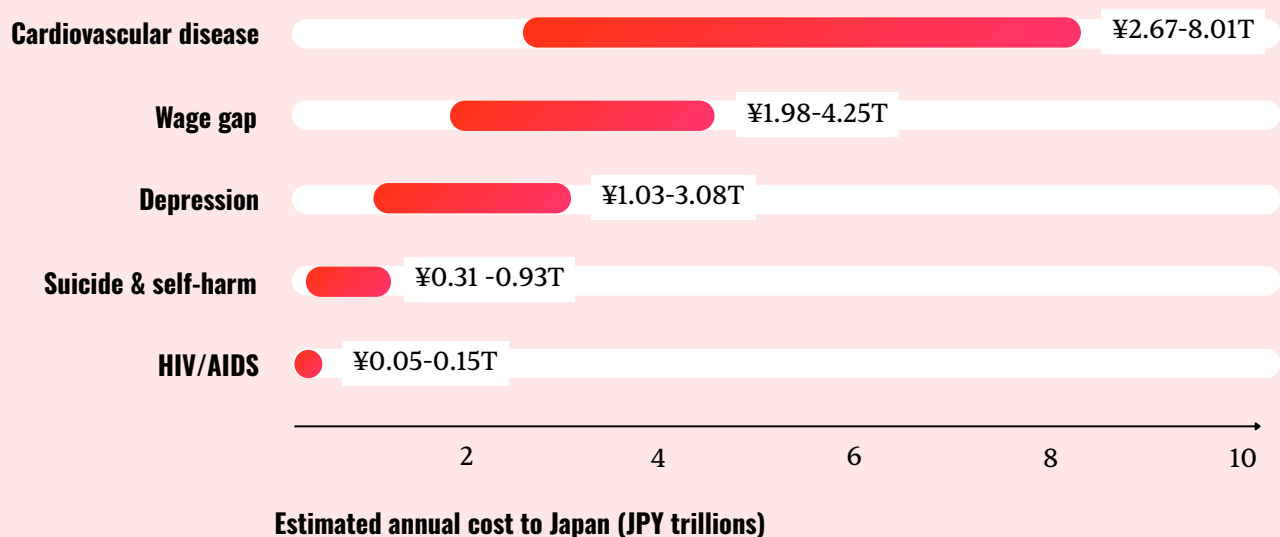
0.87%–2.38%
of Japan's GDP, every year

\$37.3–101.5bn
USD equivalent



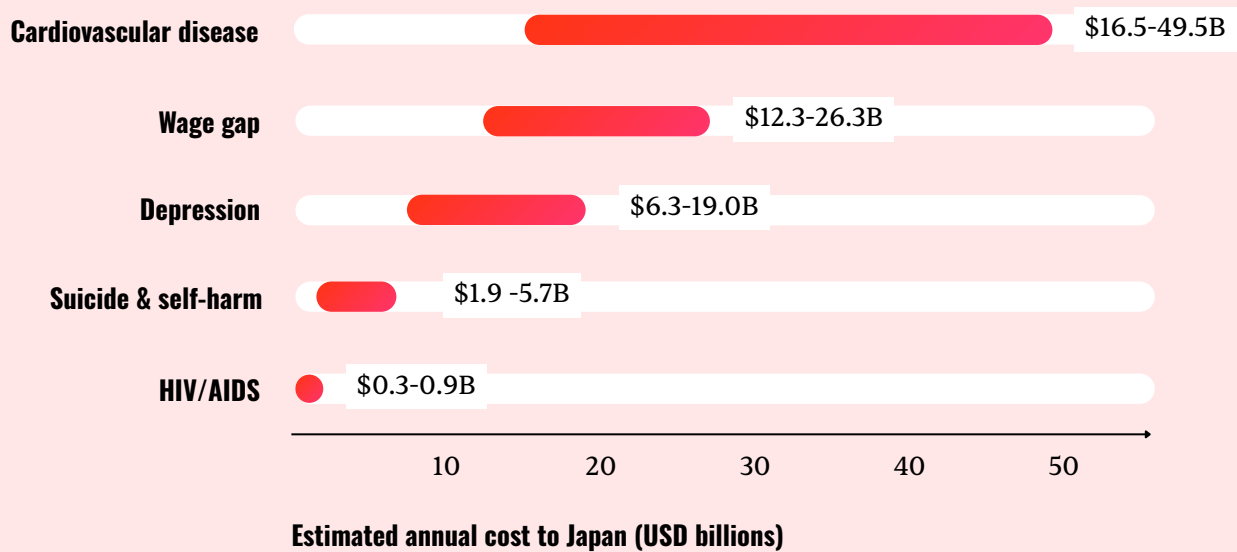
Figure 1 shows how the total breaks down. These numbers are deliberately conservative, meaning each rests on excess-burden attribution rather than total burden, and the low end of every range is reported alongside the high. Most importantly, they are current, not speculative. In other words, this is the loss the economy absorbs today. In a country with abundant labour, such losses might be treated as regrettable but manageable. In Japan's demographic context, where the working-age population is already contracting, the same losses become harder to absorb. That is the core of the economic argument: in a shrinking workforce, LGBTQ+ inclusion is not a marginal social gain, but a way to reduce avoidable loss and enable more people to contribute fully.

THE ANNUAL COST OF LGBTQ+ EXCLUSION IN JAPAN BY COMPONENT, 2026



Estimated annual cost of LGBTQ+ exclusion in Japan, by component (JPY ¥ trillions).

FIGURE 1A SHOWS HOW THE TOTAL BREAKS DOWN.

THE ANNUAL COST OF LGBTQ+ EXCLUSION IN JAPAN BY COMPONENT, 2026

Range reflects 1x-3x GDP-per-capita valuation of excess DALYs (health) and a 7-15% wage gap (productivity).

FIGURE 1B SHOWS HOW THE TOTAL BREAKS DOWN.

In a shrinking workforce, LGBTQ+ inclusion is not a marginal social gain, but a way to reduce avoidable loss and enable more people to contribute fully.

Cost breakdowns

How the health costs are calculated

The health estimates follow the DALY-based costing method Open for Business applies across its programmes, adapted to Japan and built to be conservative.²⁴ For each condition we isolate only the excess burden attributable to discrimination (the difference between the rate observed among LGBTQ+ people and the rate that would apply if they faced no elevated risk) and then value the resulting excess DALYs from Japan's national Global Burden of Disease totals.²⁵ Each DALY is valued at between **one and three times GDP per capita (5,776,260 JPY / 35,700 USD)**, giving a deliberately wide low-high range.²⁶

THREE PRINCIPLES KEEP OUR FIGURES ROBUST:

- 01** We use attribution fractions rather than claims of direct causation, crediting discrimination with only its estimated share of each disease burden.
- 02** We draw relative-risk multipliers from peer-reviewed and Japan-specific studies wherever possible.
- 03** Where a national figure is not available, we use the IHME Results Tool.²⁷

Depression

In direct mental-health-related costs, depression contributes the largest fraction. Drawing on Japanese sub-population studies, we estimate an excess depression prevalence of around **8 percentage points** among LGBTQ+ people relative to the general population.²⁸ Applied to Japan's LGBTQ+ population, this implies roughly one million excess cases and about **178,000 excess DALYs**, close to a quarter of the national depression burden, at **an annual cost of 1.03–3.08 trillion JPY (6.33–19.02 billion USD)**.

Japanese gay and bisexual men have been found to face adverse health outcomes, specifically depression, due to stigma and discrimination in the workplace. This diagnosis is associated with workplace harassment and fear of job loss. Among the causes the 2026 study found that are associated with the Japanese context include limited legal protections against sexual orientation-based discrimination, and limited anti-discrimination legislation.²⁹ This burden falls on workers Japan cannot afford to lose, where discrimination is a main driver and inclusion is a preventable measure against it.

1.03–3.08 trillion JPY

Estimated annual cost of depression for Japan's LGBTQ+ population.

HIV and AIDS

The HIV component is the smallest of the four health modules we analyse, and also the most narrowly defined. The estimate rests specifically on gay and bisexual men. Among newly reported HIV cases in Japan, men who have sex with men (MSM) account for an estimated **82%**, far above their share of the population, reflecting the way stigma suppresses testing and prevention.³⁰ The first study to measure HIV and STI prevalence among transgender and gender-diverse patients at a Japanese gender-affirming clinic found an overall **positivity rate of 6.2% among 275 people** screened, every one of whom was asymptomatic and therefore would not have presented for testing on symptoms alone.³¹

Open for Business calculation compares HIV prevalence among Japan's adult MSM population with the general-population rate and isolates only the difference, giving roughly **8,600 excess DALYs** and an annual cost of **¥49.66–148.99 billion (\$0.31–0.92 billion USD)**. Because the model is built on an MSM population base throughout, the figure should be read as a cost borne by gay and bisexual men.

Although Japan has seen a decrease in HIV and AIDS case reports since 2025, a considerable percentage of cases reported are related to AIDS. Patients in later stages of AIDS accounted for approximately **30% of all new reports** last year. There is also a stagnation in testing numbers at public health centres.³² Stigma continues to be a main challenge on both ends: : a social media study from 2011–2023 showed that **28.5% of HIV-related content** included stigmatising views on HIV,³³ and a study from 2022 showed that around **20% of surveyed healthcare providers in Japan**, who don't specialise in HIV, considered it acceptable to refuse medical care due to an HIV diagnosis.³⁴ In other words, we are seeing a large percentage of new cases obtaining late diagnoses, which evidence may argue is related to stigma among the general population and healthcare providers about addressing it.

The combination of delayed diagnosis, with ongoing attitudes of stigma, leads to compounded effects reflected in the labour force. A 2026 study shows that HIV diagnosis was associated with increased job separation risk in Japan, with a particularly acute effect on those with lower CD4 count, an AIDS diagnosis, and a delayed diagnosis.³⁵ Hospitalisation or extended medical leave can force a disclosure the employee never intended to make, at precisely the moment they are least able to absorb the consequences. Japanese survey evidence suggests how rarely that disclosure happens by choice: in a nationwide survey of people living with HIV, **4.6% had told a colleague** and **10.3% had told a manager**, while disclosure to trusted friends measurably reduced the psychological distress associated with experiencing discrimination.³⁶

Late diagnosis, delayed treatment and eventual job loss all begin upstream, in environments where testing feels risky, clinical settings feel unwelcoming, and disclosure carries an unpredictable cost. Currently, Japan has a gap in access to testing, explicit confidentiality practice, and healthcare services free of discrimination based on sexual orientation and gender identity. The cost of that gap is reflected in our calculations, with preventable outcomes if addressed.

49.66–148.99 billion JPY

Estimated annual cost of HIV for Japan's MSM population.

82% of HIV newly reported cases are MSM ³⁰



Only 10.3% disclosed HIV status to manager ³⁶



30% of cases last year were late stage ³²



Only 4.6% disclosed HIV status to colleagues ³⁶



28.5% of HIV-related content included stigmatising views ³³



20% of non-HIV healthcare providers think it's acceptable to refuse care due to HIV status ³⁴



Suicide and self-harm

Suicide is among the most serious costs because it is irreversible: each death is not only a tragedy, but is a permanent, complete loss of productive capacity. Japan records close to **19,600 suicides a year**.³⁷ The 2024 Writing Themselves In Japan (WTIJ) survey got **3,380 responses** from cisgender LGB+ people aged 15–25. Nearly **one in three (30.6%)** reported suicidal ideation in the past 12 months, and **8.3%** reported a suicide attempt.³⁸ Earlier Japanese surveys report ideation, attempt and self-harm rates among LGBTQ+ teenagers roughly three to four times those of general-population peers.³⁹

Among adults, the picture is different in scale but consistent in direction. A 2022 nationwide survey of **28,106 people** found adjusted suicidal-thought rates of **17.8%** among sexual and gender minority adults, against **13.8%** among cisgender heterosexual adults.⁴⁰ This matters for the workforce, because suicide in Japan is concentrated in working-age adults: people in their forties and fifties account for **around a third** of all deaths, while those aged **15–29** account for approximately **15%**.⁴¹

We model the burden using the available suicidality data, applying an age-differentiated multiplier: the youth-survey ratio to the 15–29 age band, and the nationwide adult ratio above it. On this basis, an estimated **5.4%** of Japan's annual self-harm burden is attributable to the excess risk borne by LGBTQ+ people. This equates to roughly 54,000 excess DALYs and an annual cost of **¥310–929 billion (\$1.9–5.7 billion USD)**, under a conservative reading.⁴²

The wider policy environment compounds the risk. The 2022 nationwide survey also found that residence in municipalities with same-sex partnership certificate schemes was not associated with better mental health among sexual and gender minority adults, and was in some cases associated with higher rates of suicidal thoughts. The authors argue that where social visibility increases without corresponding legal recognition and protection, minority stress may be amplified rather than relieved.⁴³ High expectations unmet by substantive reform can produce a specific form of institutional disappointment.

These findings are arguments for the importance of coherent, substantive progress rather than symbolic measures that leave structural inequalities unaddressed. Harassment and exclusion in educational and workplace settings are among the most common predictors of suicidal ideation identified in the Japanese evidence base. Persisting hostile or indifferent environments may be contributing to a measurable health burden with real workforce costs.

310–929 billion JPY

Estimated annual cost of suicides for Japan's LGBTQ+ population.

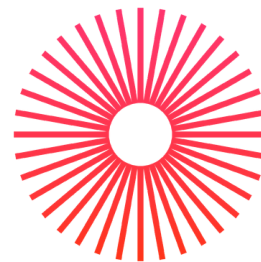
1/3 LGB+ young people reported suicidal ideation in the past 12 months³⁹



1/12 LGB+ young people reported a suicide attempt in the past 12 months³⁹



These rates are three to four times higher than those observed among peers in the general population³⁹



Cardiovascular disease: the minority-stress pathway

Sexual and gender minorities in Japan are more likely to have a history of ischemic heart disease and stroke, according to Japan-specific clinical evidence, implying a combined relative risk of around **3.2**.⁴⁴ We have calculated the economic cost of this. The cardiovascular component applies minority-stress theory, which holds that chronic exposure to stigma and concealment produces sustained physiological stress —cortisol dysregulation, hypertension, inflammation— that raises long-term cardiovascular risk.⁴⁵ Isolating the excess share of Japan's cardiovascular DALYs yields the single largest health-cost component, at **¥2.67–8.01 trillion (\$16.5–49.5 billion USD)** a year. This figure rests on the relative risks above and on the national DALY total.

The physiological pathway from social stress to cardiovascular disease is well-established. Repeated exposure to discrimination and the sustained effort of managing a concealed identity through masking or code-switching activate the body's stress response over extended periods,⁴⁶ producing elevated cortisol, higher blood pressure, and chronic low-grade inflammation, each of which independently raises the risk of arterial damage over time. Research on sexual minority adults has found that both external stressors, such as discrimination and victimisation, and internal ones, such as the internalisation of stigma as part of one's self-concept (internalised homophobia), are associated with deteriorating cardiovascular risk indicators.

The effects are cumulative, meaning it is not a one-time experience that drives the burden, but years of low-level physiological exposure that eventually translates into measurable clinical outcomes.⁴⁷ In this sense, cardiovascular disease is not simply a health problem that some LGBTQ+ individuals happen to face. Instead, it is a reasonably predictable consequence of environments that fail to provide the conditions for people to live openly and without fear.

Japan's own clinical evidence makes the connection concrete. A 2024 analysis using national survey data found that all sexual and gender minority groups showed significantly higher rates of both stroke and ischemic heart disease after controlling for standard risk factors including smoking, hypertension, diabetes, and cholesterol levels.⁴⁸ Stroke and ischemic heart disease together account for nearly one in five deaths in Japan, and they impose enormous costs in hospitalisation, long-term rehabilitation, and permanent loss of working capacity.⁴⁹ Transgender individuals faced the highest adjusted risk in the study, underscoring that the burden is not evenly distributed even within the LGBTQ+ population: those who navigate the greatest degree of social non-recognition carry the heaviest physiological load. For employers, this translates directly into workforce disruption—sudden incapacity, prolonged absence, and, at the extreme, the permanent loss of experienced workers at an age when their organizations can least afford it. These are costs that do not appear in diversity reports but are embedded in health insurance claims, productivity data, and pension liabilities that Japanese companies and the government already bear.

2.67–8.01 trillion JPY

Estimated annual cost of cardiovascular disease for Japan's LGBTQ+ population.

The productivity cost: a persistent wage gap

Alongside health, exclusion shows up in pay. Japan's total earned income is approximately **¥292.28 trillion (\$1.81 trillion USD)**,⁵⁰ the LGBTQ+ share of the workforce accounts for an estimated **¥28.35 trillion (\$175 billion USD)** of that (which represents **9.70% of Japan's total earned income**). Applying a documented LGBTQ+ pay gap of **7% to 15%** —a range bounded by recent OECD analysis —⁵¹ implies **¥1.98–4.25 trillion (\$12.3–26.3 billion USD)** in lost wages each year. This gap is corroborated by Japanese evidence of concentrated economic hardship, particularly among transgender workers, who are over-represented in non-regular employment and low income bands.⁵²

1.98–4.25 trillion JPY

Estimated annual cost of persistent wage gap for Japan's LGBTQ+ population.

ECONOMIC PERFORMANCE AND TALENT: Japan's competitive position

If the previous modelling measures the cost of exclusion, this chapter sets out the upside of inclusion: how it can strengthen Japan's ability to attract and keep talent, and to keep a constrained workforce healthy and productive. Japan holds genuine strengths; inclusion is a lever for protecting and extending them as competition for talent intensifies across East Asia and beyond.



Talent: making fuller use of the people Japan already has

Japan's talent position is a study in contrasts. On IMD's 2025 World Talent Ranking it places a strong **14th of 69 economies** for appeal —reflecting quality of life and competitive executive remuneration— but **only 55th for readiness**, being the availability of skilled labour and specialist finance skills among its weakest indicators.⁵³ In other words, Japan is an attractive place to work, but employers struggle to find and mobilise the skills they need. That is the gap inclusion can help close by making fuller use of the talent already in the domestic market.

Japan is an attractive place to work, but employers struggle to find and mobilise the skills they need.

This matters because the next generation of workers weighs inclusion heavily. **More than half** of prospective 2026 Japanese university graduates say they pay attention to a company's diversity and inclusion record,⁵⁴ **half of professionals** rated it as a key factor in choosing an employer in a 2024 survey,⁵⁵ and **83%** of Japanese firms in a 2025 survey said diversity and inclusion already plays a role in attracting talent.⁵⁶ For a shrinking labour pool, an employer or a country seen as exclusionary forfeits candidates it can't afford to lose. This loss is not only on LGBTQ+ workers, but the much larger group of younger workers and allies who treat inclusion as a baseline expectation.

The cross-country pattern reinforces the point. Using a harmonised panel that pairs a **0–41 legal-inclusion score** with IMD's Talent Index, more inclusive economies record higher talent scores on average (Figure 2). Japan sits low on legal inclusion but mid-range on talent, which is consistent with a country whose appeal is carrying it despite, rather than because of, its legal environment.

14th vs 55th

TALENT APPEAL VS TALENT READINESS

More than half of prospective university graduates say they pay attention to a company's diversity and inclusion record ⁵⁴



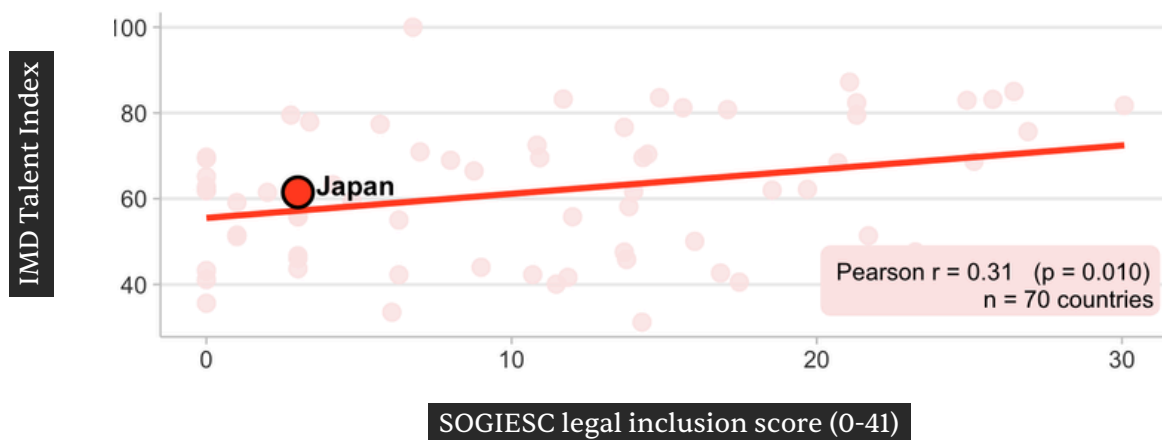
83% of Japanese firms said diversity and inclusion already plays a role in attracting talent ⁵⁶



Half of professionals rated it as a key factor in choosing an employer ⁵⁵



MORE INCLUSIVE COUNTRIES SCORE HIGHER TALENT ATTRACTION



Country averages, 2013-2025. Each point = one country

FIGURE 2. LEGAL INCLUSION AND TALENT COMPETITIVENESS ACROSS ECONOMIES, WITH JAPAN HIGHLIGHTED. POSITIVE ASSOCIATION ($R = 0.31$, $P = 0.010$).

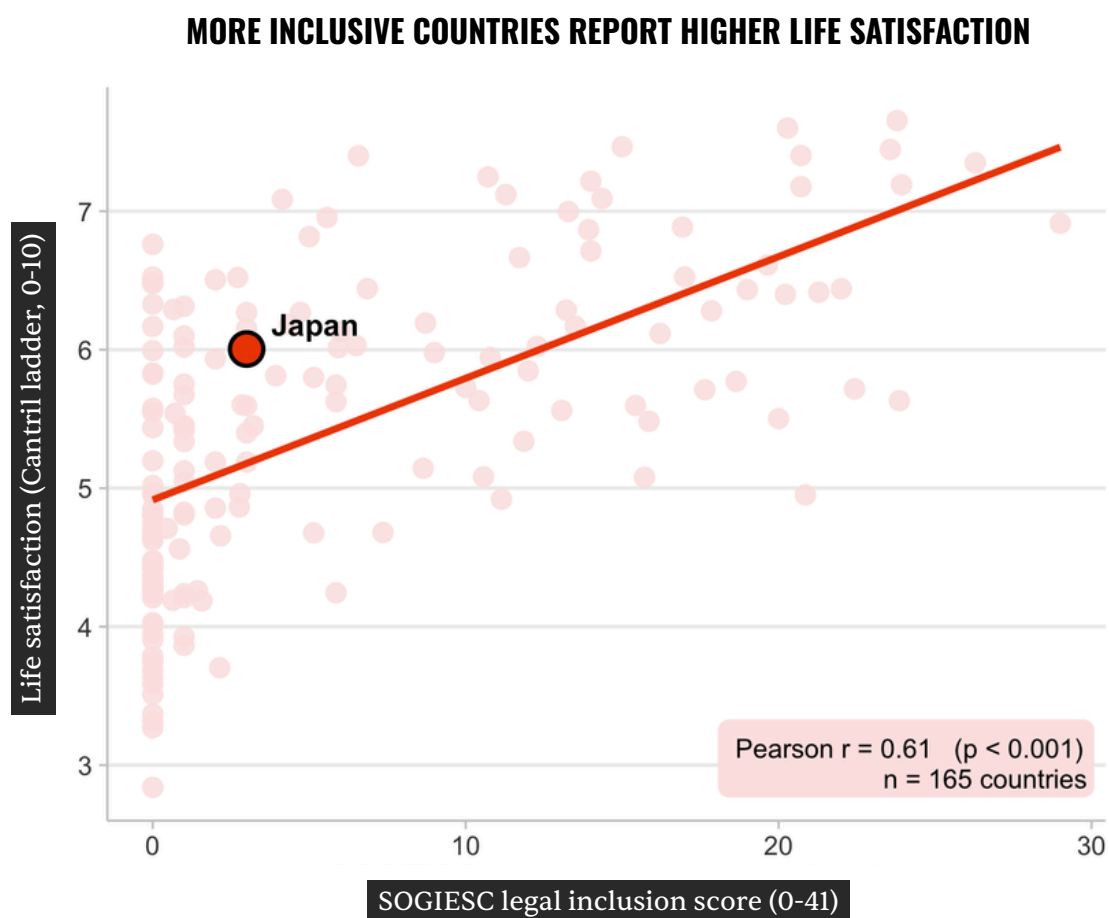
The relationship is an association, not proof of causation, and the argument is about clarity and fairness, not about prescribing immigration policy: a predictable, non-discriminatory environment helps Japanese employers retain and fully deploy domestic talent, while also keeping Japan competitive for the globally mobile specialists it chooses to attract. The point is to widen the effective talent pool, not to substitute one source of talent for another.

Wellbeing as a productivity strategy

When the workforce is shrinking, the health and wellbeing of every worker becomes a productivity variable to consider. The same minority stress that drives the health costs quantified earlier also shows up, day to day, as absence, reduced engagement and lost focus. That is how it becomes a continuous drag on output that compounds the costs of illness.

One way to see this pattern across countries is through life satisfaction. We looked at how people rate their own life on a **0-to-10 scale**, the same question asked every year in the World Happiness Report.⁵⁷ Countries with stronger legal protections for LGBTQ+ people report meaningfully higher scores on this measure (Figure 3).

When the workforce is shrinking, the health and wellbeing of every worker becomes a productivity variable to consider.



Country averages, 2011-2025

Each point = one country, unadjusted

**FIGURE 3. LEGAL INCLUSION AND LIFE SATISFACTION ACROSS ECONOMIES, 2011–2025
COUNTRY AVERAGES, WITH JAPAN HIGHLIGHTED.**

Japan's position on this chart is worth a closer look. With a legal inclusion **score of just 3**, Japan still reports life satisfaction slightly above what that score alone would predict. This briefing has already pointed to one plausible reason: Japanese business is moving faster than Japanese law. In 2025, **80% of the 931** companies assessed under the PRIDE Index earned its highest certification.⁵⁸ Voluntary leadership at that scale may well be doing work a legal score can't capture. If so, Japan has the opportunity to convert progress already under way into the same legal certainty that tracks with still further gains.

Because in Japan specifically, the link between life satisfaction and firm performance is already documented. Using two years of matched employer-employee panel data, Japanese economists found that supportive, competent management measurably improves workers' mental health, which in turn raises productivity and lowers presenteeism (presenting themselves at work when ill), while poor management raises the odds an employee quits.⁵⁹ A related study of Japanese firms' financial results from 2004 to 2014 found that companies with higher sick-leave or turnover rates linked to employee mental-health problems posted lower profit rates, even after accounting for other differences between firms. The effect was larger at firms with high fixed employment costs, which is a kind of long-term employment structure common across corporate Japan.⁶⁰

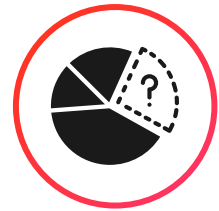
In an economy where letting a worker go, or replacing one, is costly and slow, protecting the wellbeing of the workforce serves as a lever particularly important for LGBTQ+ employees. The practical implication for Japanese employers is concrete: investments in psychological safety, supportive management and genuine non-discrimination protection are investments in the productivity of a workforce Japan cannot afford to lose.



CONCLUSION:

Inclusion as economic resilience

Japan does not need to be persuaded that inclusion matters; its public, its lower courts and many of its leading companies have already made positive shifts. The gap now lies between that momentum and the national laws and policies. That gap is not an abstract shortfall: this briefing estimates that it costs Japan **¥6.04-16.42 trillion (\$37.3-101.5 billion USD)** a year, through avoidable ill-health and under-used talent.



In a different demographic context, an economy might absorb such losses more easily. Japan's circumstances make them consequential. With the working-age population contracting, the efficient use of every worker, along with the protection of every worker's health and full participation, becomes a strategy for resilience. LGBTQ+ inclusion is therefore not a marginal social issue, but a practical economic strategy: one way to reduce avoidable loss in a labour market that cannot afford to under-use the people it already has.

The path forward plays to Japan's strengths. Public support provides the mandate. Leading companies provide the example and the reach. A Supreme Court ruling may provide the legal opening. The task for business and policy leaders is to convert that momentum into consistent, everyday practice, especially in the traditional industries, local, and smaller enterprises and supply chains where the opportunity is greatest. Inclusion is not a cost of doing business; it is part of how Japan protects workforce health, strengthens participation and stays competitive in the decades ahead.

Inclusion is not a cost of doing business; it is part of how Japan protects workforce health, strengthens participation and stays competitive in the decades ahead.

Methodology

This briefing draws on two distinct bodies of evidence. The first is a bottom-up costing of LGBTQ+ exclusion in Japan, built from national health and labour-market data. The second is a cross-country statistical analysis that places Japan within the wider international relationship between legal inclusion and two outcomes that matter for a contracting workforce: talent competitiveness, and life satisfaction.

Estimating the cost of exclusion

Health-burden costs (disability-adjusted life years)

Health costs are estimated using disability-adjusted life years (DALYs), following the costing method Open for Business applies across its regional programmes and adapting it to Japan. The estimate covers four conditions with a documented link to discrimination and minority stress: HIV/AIDS, depression, suicide and self-harm, and cardiovascular disease. For each condition we isolate only the excess burden attributable to discrimination, rather than the total disease burden, and value that excess against Japan's national totals.

Each module follows the same disaggregated chain, so every step can be verified independently. All sources are based on Japanese official government figures, Japanese-specific academic sources, or civil society reports.

Step	What is calculated	Basis
1	Population base	Japan's adult population (15+) was scaled by the relevant minority share (9.7% LGBTQ+ share of Dentsu 2023; MSM base for the HIV module).
2	General-population prevalence	The baseline rate of the condition in the whole population, from national health statistics (Japan's MHLW, and Japan's e-Stat) and the IHME Global Burden of Disease database.
3	Relative risk	A multiplier drawn from peer-reviewed and Japan-specific studies, applied to the baseline to obtain the minority-group rate.
4	Excess prevalence and excess cases	The minority-group rate minus the counterfactual (no-excess-risk) rate, multiplied by the population base. For suicide and self-harm the excess is instead derived as a population attributable fraction, $PAF = p(RR-1) / [1 + p(RR-1)]$. This sets the counterfactual at the non-LGBTQ+ rate rather than the crude national rate, which would otherwise count the LGBTQ+ share of the burden twice.
5	Share of national burden	Excess cases expressed as a proportion of the national total for that condition.
6	Excess DALYs	That proportion applied to Japan's national DALY total for the condition (IHME GBD 2023).
7	Economic value	Excess DALYs valued at one to three times GDP per capita (US\$35,700, IMF 2026), giving a deliberately wide low-high range.

Table M1. Disaggregated DALY-based costing chain, applied identically to each health module.

Three principles keep the figures conservative. First, we use attribution fractions rather than claims of direct causation, crediting discrimination with only its estimated share of each disease burden. Second, relative-risk multipliers are drawn from the strongest available evidence. For example, a combined cardiovascular relative risk of around 3.2 from Katagiri et al. (2024), and, for suicide and self-harm, two age-specific multipliers: 3.6 for ages 15–29, from the ReBit youth survey, and 1.29 for ages 30+, from Tatsuno et al., a nationwide survey of 28,106 adults. The youth multiplier is not applied above age 29, because no Japanese evidence supports it in that age range. Third, where a national figure is not yet available, it was verified through the IHME Results Tool. The cardiovascular module additionally applies minority-stress theory, attributing only the excess share of Japan’s cardiovascular DALYs to discrimination.

Productivity cost (the wage gap)

Productivity losses are modelled from Japan’s total earned income (approximately ¥292.3 trillion JPY), the estimated LGBTQ+ share of the workforce (9.7%, from Dentsu’s 2023 survey, held constant for comparability with the health modules), and a documented LGBTQ+ pay gap of 7% to 15%, a range bounded by OECD analysis. Every range reports its low end alongside its high, and each rests on excess-burden attribution rather than total burden.

Cross-country associations

Data and measures

The cross-country analyses use a harmonised panel of jurisdictions and years. Legal inclusion is measured with a 0–41 SOGIESC legal-inclusion score constructed by Open for Business from the ILGA World Database. This is paired with two outcome datasets: the IMD World Talent Ranking (Talent Index, 2013–2025); and life satisfaction on the 0–10 Cantril ladder (World Happiness Report / Gallup World Poll, via Our World in Data, 2011–2025). Japan is highlighted throughout; its inclusion score has stood at 3 since 2004.

Analytical approach

The associations reported here are bivariate and descriptive: they show that more inclusive economies tend to score better on talent and wellbeing. We do not make causal claims that legal inclusion alone causes those gains. Consistent with that, this briefing reports unadjusted associations and not multivariable models that add statistical controls.

Distribution checks (Shapiro–Wilk) show the inclusion score is strongly right-skewed, so we report Spearman’s rank correlation (ρ) alongside Pearson’s (r) throughout. Associations are examined at three levels: pooled across all country-years, between countries (using country means), and in the latest single-year cross-section (so that a relationship is not an artificial result of one level of aggregation). To test whether the pattern is ordered rather than merely monotonic, we group economies into four inclusion tiers (Minimal 0–1, Limited 2–9, Moderate 10–19, Advanced 20+) and compare outcomes across tiers with the Kruskal–Wallis test, reporting the epsilon-squared (ϵ^2) effect size.

The headline associations are consistent in direction: economies with stronger legal inclusion record higher talent competitiveness, and higher life satisfaction.

Outcome (country-level means)	Statistic	Coefficient	p-value	Sig.
IMD Talent Index	Pearson r	0.31	0.01	*
IMD Talent Index	Spearman ρ	0.3	0.011	*
Life satisfaction (Cantril ladder)	Pearson r	0.61	< 0.001	***
Life satisfaction (Cantril ladder)	Spearman ρ	0.66	< 0.001	***

Table M2. Between-country associations between SOGIESC legal inclusion and each outcome. Higher inclusion tracks higher talent, and higher life satisfaction. Coverage: up to 69 IMD-ranked economies (Talent), and 165 Gallup-ranked economies (Life satisfaction).

Life satisfaction holds at similar strength whether measured across pooled country-years, between countries, or in the 2025 cross-section (Table M3). In bivariate terms, each additional point on the 41-point inclusion scale is associated with roughly +0.07 to +0.09 ladder points across the full range.

Specification	Pearson r	Spearman ρ	p-value
Pooled country-years, 2011–2025 (n = 2,103; 165 economies)	0.58	0.65	< 0.001
Between-country means (n = 165)	0.61	0.66	< 0.001
2025 cross-section	0.59	0.67	< 0.001

Table M3. Legal inclusion and life satisfaction (Cantril ladder), correlations across specifications.

Stronger associations: an ordered, step-wise pattern

Beyond the simple correlations, life satisfaction improves step-wise as economies move up the inclusion tiers, and the differences across tiers are statistically significant with moderate-to-large effect sizes (Table M5). Life satisfaction rises monotonically from the Minimal to the Advanced tier. We did not include the Kruskal-Wallis results as a boxfigure, because it only shows Japan's absolute position inside a band. In other words, it can't show whether Japan is over- or under-performing relative to its own score.

Outcome (2025 cross-section)	H	p-value	ϵ^2
Life satisfaction (Cantril ladder)	57.9	< 0.001	0.38

Table M4. Kruskal-Wallis tests across four legal-inclusion tiers (Minimal 0–1, Limited 2–9, Moderate 10–19, Advanced 20+). ϵ^2 is the epsilon-squared effect size.

Legal-inclusion tier	Mean life-satisfaction ladder
Minimal (0–1)	4.89
Limited (2–9) — Japan sits here (score 3)	5.87
Moderate (10–19)	6.3
Advanced (20+)	6.64

Table M5. Mean life-satisfaction ladder by inclusion tier, 2025. Japan's own observed ladder score is 6.13, slightly above the average for its (Limited) tier, consistent with Japanese corporate leadership outpacing the legal score.

Glossary

AIDS	Acquired Immunodeficiency Syndrome
DALYs	Disability-Adjusted Life Years
GBD	Global Burden of Disease
GDP	Gross Domestic Product
IHME	Institute For Health Metrics and Evaluation
ILGA	International Lesbian, Gay, Bisexual, Trans and Intersex Association
IMD	International Institute for Management Development
HIV	Human Immunodeficiency Virus
LGBTQ+	Lesbian, Gay, Bisexual, Trans, Queer and others
MSM	Men who have Sex with Men
OECD	Organisation for Economic Co-operation and Development
STI	Sexually Transmitted Infection

Bibliography

1. Marriage for All Japan, "Municipalities That Have Introduced Partnership Systems," 2024, <https://www.marriageforall.jp/database/partnership/>.
2. NPO Nijiro Diversity, LGBTQ Work and Life in Japan [White Paper]. Living with Uncertainty (NPO Nijiro Diversity, 2026), <https://nijibridge.jp/wp-content/uploads/2026/02/nijiVOICE-whitepaper-2026.pdf>.
3. nippon.com, "Japan's Population Projected to Fall to 87 Million in 2070," Nippon.Com, May 12, 2023, <https://www.nippon.com/en/japan-data/h01664/>.
4. Exchange rate of ¥ 158.87 JPY per USD, June 29, 2026.
5. IMD Business School, "Talent Japan 2025," World Talent Ranking 2025, September 2, 2025, <https://www.imd.org/country-profile/talent-japan-2025/>.
6. NPO Nijiro Diversity, LGBTQ Work and Life in Japan [White Paper]. Living with Uncertainty (NPO Nijiro Diversity, 2026), <https://nijibridge.jp/wp-content/uploads/2026/02/nijiVOICE-whitepaper-2026.pdf>.
7. ILGA World Database, "LGBTI Rights in Japan," ILGA World Database, May 2026, <https://database.ilga.org/japan-lgbti>; Marriage for All Japan, "Municipalities That Have Introduced Partnership Systems," Marriage for All Japan, May 25, 2024, <https://www.marriageforall.jp/database/partnership/>.
8. NHK World, "Plaintiffs in Same-Sex Marriage Suits Submit Signatures to Japan's Top Court," NHK World, June 8, 2026, https://www3.nhk.or.jp/nhkworld/en/news/20260608_20/.
9. ILGA World Database, "LGBTI Rights in Japan," May 2026, <https://database.ilga.org/japan-lgbti>.
10. Act on the Promotion of Public Understanding of the Diversity of Sexual Orientation and Gender Identity (Japan, 2023).
11. Cabinet Office, "Basic Plan for Promoting Public Understanding of Diversity in Sexual Orientation and Gender Identity [性的指向及びジェンダーアイデンティティの多様性に関する国民の理解の増進に関する基本的な計画]," Government of Japan, Tokyo, June 16, 2026, <https://www8.cao.go.jp/rikaizoshin/kihon/index.html>.
12. Ipsos Japan, Transgender People's Use of Facilities Has Fallen by 21 Points in Just Two Years, According to Ipsos LGBT+ Pride Report. / トランスジェンダーの施設利用はわずか2年で支持21ポイント減、イブソスLGBT+プライドレポートを公開 (Ipsos Japan, 2025), <https://www.ipsos.com/ja-jp/ipsos-pride-survey-2025-japan>.
13. Committee on Gender Equality, "Regarding the Supreme Court Decision of October 25, 2023, Which Invalidated Some of the Requirements for Changing the Treatment of Gender [性別の取扱いの変更要件の一部を無効とした最高裁令和5年10月25日決定について]," Tokyo Bar Association, February 2025, <https://www.toben.or.jp/know/iinkai/seibyoudou/column/51025.html>; Supreme Court of Japan, "(Civil Case) Judgment on Article 3, Paragraph (1), Item (iv) of the Act on Special Cases in Handling Gender Status for Persons with Gender Identity Disorder and Article 13 of the Constitution," October 25, 2023, Minshu, vol. 77, no. 7, <https://www.courts.go.jp/english/judgments/search/1948/index.html>.
14. Dentsu Japan, "Dentsu Japan Conducts LGBTQ+ Survey 2026," 共同通信PRワイヤー, May 26, 2026, <https://kyodonewsprwire.jp/release/202605219466>.
15. Robert Walters Japan, "LGBTQ+ Diversity and Inclusion in the Workplace [LGBTQ+ 職場における多様性と包括性]." Press release, May 30, 2024. https://www.robertwalters.co.jp/content/dam/robert-walters-redesign/country/japan/files/press-release/PressRelease_0530_JP.pdf.
16. Erica Yokoyama and Yoshiaki Nohara, "Japan Unveils \$2.3 Trillion Investment Plan for next 14 Years," The Japan Times, June 24, 2026, <https://www.japantimes.co.jp/business/2026/06/24/economy/investment-plan-unveiled-14-years/>.
17. Work with Pride, PRIDE指標2025レポート (Work with Pride, 2025), <https://workwithpride.jp/wp/wp-content/uploads/2025/11/prideindex2025report.pdf>. 931 organisations were assessed in 2025 (968 in 2024), with 80% getting a golden-level certification.
18. Business for Marriage Equality, "Companies and Organizations Supporting Marriage Equality," Business for Marriage Equality, July 20, 2026, <https://bformarriageequality.net/>.
19. Work with Pride, PRIDE Index 2025: 38 organisations received the "Rainbow" recognition for cross-organisational collective impact.
20. NPO Nijiro Diversity, LGBTQ Work and Life in Japan [White Paper]. Living with Uncertainty (NPO Nijiro Diversity, 2026), <https://nijibridge.jp/wp-content/uploads/2026/02/nijiVOICE-whitepaper-2026.pdf>.
21. Robert Walters Japan, "Robert Walters Japan Survey Reveals Progress in Workplace Discrimination, yet Barriers Remain for Authentic Self-Expression at Work," Robert Walters, 2025, <https://www.robertwalters.co.jp/en/insights/news/blog/2025-6-27.html>.
22. Ibid.
23. Open for Business, The Economic and Business Case for Marriage Equality in Japan (Open for Business, 2020), <https://static1.squarespace.com/static/68556a4967988c67bc81dd79/t/68dae44d641366043ffea130/1762857507508/japan%2BMarriage%2BEquality-2020.pdf>.

24. DALYs are the Disability-Adjusted Life Years. They measure the global burden of disease, expressed as the number of years lost due to ill-health, disability, or early death. The Global Health Observatory, "Global Health Estimates: Leading Causes of DALYs," World Health Organization, Geneva, 2021, <https://www.who.int/data/gho/data/themes/mortality-and-global-health-estimates/global-health-estimates-leading-causes-of-dalys>; George Perlov et al., The Economic Case for LGBTQ+ Inclusion in Southeast Asia. Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam (Open for Business, 2024), <https://www.open-for-business.org/our-reports/the-economic-case-for-lgbtq-inclusion-in-southeast-asia-2024>.
25. Institute for Health Metrics and Evaluation, "Global Burden of Disease Results," Institute for Health Metrics and Evaluation, 2023, <https://vizhub.healthdata.org/gbd-results>.
26. IMF Datamapper, "GDP per Capita, Current Prices," International Monetary Fund, 2026, <https://www.imf.org/external/datamapper/NGDPDPC@WEQ>.
27. "GBD Results," Institute for Health Metrics and Evaluation (IHME), 2026, accessed June 10, 2026, <https://vizhub.healthdata.org/gbd-results/>.
28. Kazuhiko Ikeuchi et al., "Health and Social Inequities among Cisgender Gay and Bisexual Men in Japan: A Nationwide Cross-Sectional Study Using a Large-Scale Web-Based Survey," BMC Public Health 26 (January 2026): 573, <https://doi.org/10.1186/s12889-026-26209-7>; Niji Bridge, "メンタルヘルスが良くない人の割合が、LGBTは2倍以上高い," Niji Bridge, 2019, <https://nijibridge.jp/data/742/>.
29. Kazuhiko Ikeuchi et al., op. cit.
30. Japan Ministry of Health, Labour and Welfare, Comments by the Chair of the 166th AIDS Trends Committee. "Reiwa 7: Annual Number of Newly Reported HIV Infections and AIDS Cases (Preliminary Figures)" (Japan Ministry of Health, Labour and Welfare, 2026), https://api-net.jfap.or.jp/status/japan/data/2026/2603/20260326_coment.pdf.
31. Shin Ikebukuro et al., "Prevalence and Clinical Characteristics of HIV/Sexually Transmitted Infections among Transgender and Gender-Diverse Individuals Attending a Gender-Affirming Clinic in Japan: A Descriptive Clinical-Based Study," Journal of Infection and Chemotherapy 32, no. 6 (2026), <https://doi.org/10.1016/j.jiac.2026.102979>.
32. 166th AIDS Trends Committee, 2025 (Reiwa 7) Annual New Report Figures for HIV Cases and AIDS Patients (Preliminary Values (Japan Ministry of Health, Labour and Welfare, 2026), https://api-net.jfap.or.jp/status/japan/data/2026/2603/20260326_coment.pdf.
33. Yi Piao et al., "Stigma Attitudes Toward HIV/AIDS From 2011 Through 2023 in Japan: Retrospective Study in Japan," Journal of Medical Internet Research 27 (May 2025): e69696, <https://doi.org/10.2196/69696>.
34. Taketoshi Okita et al., "Attitudes of Japanese Physicians Not Specializing in Care toward People Living with HIV and Their Care," BMC Health Services Research 25, no. 1 (2025): 693, <https://doi.org/10.1186/s12913-025-12842-2>.
35. A low CD4 count indicates a weakened immune system and a higher risk for serious infections. In adults, a normal count is 500 to 1,500 cells/ μ L. Counts below 200 cells/ μ L meet the criteria for advanced HIV/AIDS and require immediate medical intervention to prevent opportunistic illnesses. Yuki Arisato et al., "Impact of HIV Diagnosis on Job Separation in Japanese Employed Men: A Retrospective Matched Cohort Study Using an Administrative Claims Database," BMC Public Health 26, no. 1 (2026): 1696, <https://doi.org/10.1186/s12889-026-27206-6>.
36. Takeshi Miwa et al., "Investigating the Moderating Effect of HIV Status Disclosure on the Link Between Discrimination Experience and Psychological Distress Among People Living with HIV in Japan Infected Through Sexual Contact," International Journal of Behavioral Medicine 32, no. 4 (2025): 608–18, <https://doi.org/10.1007/s12529-024-10304-3>.
37. Japan Ministry of Health, Labour and Welfare, "Vital Statistics Volume 1 5-36 Trends in Deaths and Percent Distribution from Suicide by Sex and External Causes," Portal Site of Official Statistics of Japan, Tokyo, 2025, https://www.e-stat.go.jp/en/stat-search/files?page=1&query=suicide&layout=dataset&stat_infid=000040316529.
38. Adam O. Hill et al., "High Suicidality Rates among LGB+ Youth in Japan: Demographic and Psychosocial Correlates," Journal of Affective Disorders 387 (October 2025): 119468, <https://doi.org/10.1016/j.jad.2025.119468>.
39. ReBit, "LGBTQの子ども若者、約5千名の調査公開】過去1年に、中高生の9割が学校で困難やハラスメントを経験し、うち64%は教職員が要因。10代の57%が自殺念慮を経験する等、喫緊な状況が明らかに。," PR Times, June 2, 2025, <https://prtimes.jp/main/html/rd/p/000000073.000047512.html>; Adam O. Hill et al., "High Suicidality Rates among LGB+ Youth in Japan: Demographic and Psychosocial Correlates," Journal of Affective Disorders 387 (October 2025): 119468, <https://doi.org/10.1016/j.jad.2025.119468>.
40. Yuki Tatsuno et al., Association between Same-Sex Partnership Certificate Schemes and Mental Health in Sexual and Gender Minority Adults: Nationwide Cross-Sectional Study in Japan, Public Health, May 19, 2026, <https://doi.org/10.1136/bmjopen-2025-106055>.
41. Naohiro Koenuma, "No. of Suicides in Japan in 2024 among 15-29-Year-Olds Exceeded 3,000 for 5th Straight Year," The Mainichi, October 28, 2025, <https://mainichi.jp/english/articles/20251027/p2a/00m/0na/005000c>.
42. Institute for Health Metrics and Evaluation, "Global Burden of Disease Results," Institute for Health Metrics and Evaluation, 2023, <https://vizhub.healthdata.org/gbd-results>. (Japan, self-harm, DALYs, 2023): 989,991 DALYs. Valuation applies 1 $\times$ and 3 $\times$ GDP per capita, at \$35,700 USD (International Monetary Fund, World Economic Outlook, 2026). JPY conversion at ¥158.87 = \$1 USD
43. Yuki Tatsuno et al., Association between Same-Sex Partnership Certificate Schemes and Mental Health in Sexual and Gender Minority Adults: Nationwide Cross-Sectional Study in Japan, BMJ Open, May 19, 2026, <https://doi.org/10.1136/bmjopen-2025-106055>.
44. Aomi Katagiri et al., "Stroke and Ischemic Heart Disease among LGBT Sexual and Gender Minorities in Japan," Journal of Public Health Sciences 3, no. 03 (2024): 159–72, <https://doi.org/10.56741/jphs.v3i03.728>.

45. Ethan H. Mereish and Carly M. Goldstein, "Minority Stress and Cardiovascular Disease Risk among Sexual Minorities: Mediating Effects of Sense of Mastery," *International Journal of Behavioral Medicine* 27, no. 6 (2020): 726–36, <https://doi.org/10.1007/s12529-020-09919-z>.
46. Code-switching is understood as the practice of altering one's speech, mannerisms, appearance, or behavior to hide queer identity and fit into heterosexual or cisgender norms. See: J. Nathan Higdon, "Code-Switching for Work Life Self-Preservation: A Study of the Role of Sexual Orientation Discrimination on Employee Job Behaviors and Outcomes" (PhD diss., Oklahoma State University, 2017), ProQuest (10275660), <https://www.proquest.com/openview/74d98ae63589bd765225f2b3dfdc677d/1?pq-origsite=gscholar&cbl=18750>.
47. Ethan H. Mereish and Carly M. Goldstein, "Minority Stress and Cardiovascular Disease Risk among Sexual Minorities: Mediating Effects of Sense of Mastery," *International Journal of Behavioral Medicine* 27, no. 6 (2020): 726–736, <https://doi.org/10.1007/s12529-020-09919-z>.
48. Aomi Katagiri, Yasuharu Tokuda, Kiyosu Taniguchi, Kenji Shibuya, and Takahiro Tabuchi, "Stroke and Ischemic Heart Disease among LGBT Sexual and Gender Minorities in Japan," *Journal of Public Health Sciences* 3, no. 3 (2024): 159–172, <https://doi.org/10.56741/jphs.v3i03.728>.
49. Shuhei Nomura et al., "Three Decades of Population Health Changes in Japan, 1990–2021: A Subnational Analysis for the Global Burden of Disease Study 2021," *The Lancet Public Health* 10, no. 4 (2025): e321–32, [https://doi.org/10.1016/S2468-2667\(25\)00044-1](https://doi.org/10.1016/S2468-2667(25)00044-1).
50. It is calculated by multiplying the working population by the average yearly income. e-Stat, "Labour Force Survey," Portal Site of Official Statistics of Japan, 2026, <https://www.e-stat.go.jp/en/dbview?sid=0003005798>; Wage.is, "Average Salary & Minimum Wage by Country 2026," Wage.Is, 2026, <https://wage.is/>.
51. OECD, *The Economic Case for Greater LGBTI+ Equality in the United States* (OECD Publishing, 2024), p. 98, <https://doi.org/10.1787/5adfe3a5-en>. Used to bound the LGBTQ+ pay gap at 7–15%.
52. NPO Nijiro Diversity, *LGBTQ Work and Life in Japan [White Paper]. Living with Uncertainty* (NPO Nijiro Diversity, 2026), <https://nijibridge.jp/wp-content/uploads/2026/02/nijiVOICE-whitepaper-2026.pdf>.
53. IMD Business School, "Talent Japan 2025," *World Talent Ranking 2025*, September 2, 2025, <https://www.imd.org/country-profile/talent-japan-2025/>.
54. In a survey from employment agent Gakujo Co., which gathered responses from around 280 students expected to graduate from university in spring 2026 in Japan, more than half of whom said they "pay attention" to a company's diversity and inclusion activities. A survey to 839 professionals from 20–60 years old from Robert Walters Japan also found that 50% of the respondents emphasized the importance of joining a company that values and acts on diversity and inclusion (Makoto Fukazu, "DEI Playing Role in Luring Talent, Say 83% of Japan Firms in Mainichi Survey," *Mainichi Daily News* (Tokyo), March 27, 2025, <https://mainichi.jp/english/articles/20250327/p2a/00m/0na/018000c>.
55. They sampled 839 professionals, from ages 20–60 years old. Robert Walters Japan, "Robert Walters Japan Survey Releases Survey Findings on LGBTQ+ Workplace Perspectives," Robert Walters, May 30, 2024, <https://www.robertwalters.co.jp/en/insights/news/blog/2024-05-30.html>.
56. Makoto Fukazu, op. cit.
57. "Data Page: Self-reported life satisfaction", part of the following publication: Esteban Ortiz-Ospina, Tuna Acisu, and Max Roser (2017) - "Happiness and Life Satisfaction". Data adapted from the Wellbeing Research Centre. Retrieved from <https://archive.ourworldindata.org/20260710-182139/grapher/happiness-cantril-ladder.html> (archived on July 10, 2026).
58. Work with Pride, *PRIDE指標2025レポート* (Work with Pride, 2025), <https://workwithpride.jp/wp/wp-content/uploads/2025/11/prideindex2025report.pdf>.
59. Sachiko Kuroda and Isamu Yamamoto, "Good Boss, Bad Boss, Workers' Mental Health and Productivity: Evidence from Japan", *Japan and the World Economy* 48 (December 2018): 106–18, <https://doi.org/10.1016/j.japwor.2018.08.002>.
60. Sachiko Kuroda and Isamu Yamamoto, "Does Mental Health Matter for Firm Performance? Evidence from Longitudinal Japanese Firm Data", *RIETI Discussion Paper 16-E-016* (Research Institute of Economy, Trade and Industry, 2016), <https://www.rieti.go.jp/jp/publications/dp/16e016.pdf>

Disclaimer

This report is prepared for information purposes only by Open for Business. While the report has been prepared based upon sources, information and systems believed to be reliable and accurate, they are provided on an “as-is” basis. The information contained in this report is intended as a guide only, and whilst believed to be correct at the date of publication, is not a substitute for appropriate legal or financial advice, detailed specific research or the exercise of professional judgment. The information contained in this report is proofread by Claude, based on original human-written text.

Open for Business, its coalition partners, the contribution authors to this report, or the members of the Open for Business Research Advisory Board have not, and will not, verify the information in this report, and in no event will they be liable for any decision made or action taken in reliance of the results obtained through the use of, or the information or data contained in, this report. Neither the authors nor any contributors to this report make any representation, expressed or implied, or accept any responsibility, with respect to the accuracy or completeness of the information in this report. The opinions expressed in this report are those of the editorial team and do not represent an official position of Open for Business or any of the companies supporting the coalition.

This disclaimer is governed by, and is to be interpreted in accordance with, the laws of England and Wales, and the English courts will have exclusive jurisdiction over any dispute arising out of or in connection with it.

Open for Business is the operating name of Open For Business Limited, a company limited by guarantee registered in England and Wales (No. 11717349) and a registered charity (No. 1184327).

Contact: info@open-for-business.org
Find out more: open-for-business.org

