

**Exchanges at Goldman Sachs
The Evolution of LGBTQ+ Rights in Japan:
A Conversation With GS Advocates**

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Jake Siewert: This is Exchanges at Goldman Sachs where we discuss developments currently shaping markets, industries, and the global economy. I'm Jake Siewert, global head of corporate communications here at the firm, and for today's episode I'm delighted to welcome colleagues from our Tokyo office. We're going to have a different kind of podcast. We're going to be talking about the significance of a recent court ruling that backed same-sex marriages in Japan and the broader evolution of LGBTQ+ rights in Japan and across all of Asia.

To do that, I'm joined by three of my colleagues from the Tokyo office. My guests are Hiroki Inaba, who is a VP in the legal department and head of the Tokyo LGBTQ+ Network. Also by Masa Yanagisawa, who is the head of prime services at the firm in Japan and also Co-COO of the firm's APAC Asia-Pacific LGBTQ+ Council. And finally, last but not least, Akiko Koda, who has been an active ally of the LGBTQ+ community in Tokyo and in Asia and also runs HCM, which is HR in many people's parlance, and the executive office for Japan for Goldman. She's also co-head of the federation there. So Hiroki, Masa and Akiko, thank you very much for joining us today and welcome to the program.

Speaker: Thank you.

Speaker: Thank you for having us.

Akiko Koda: Thank you.

Jake Siewert: All right. So Japan remains really the only G7 country that has not traditionally recognized same-sex relationships, but that may be changing given last month's court decision which said that Japan's failure to recognize same-sex marriage is unconstitutional. Masa, let's start with you. What is the legal significance, the practical significance of that ruling?

Masa Yanagisawa: It was a milestone event for Japan in every

aspect. For LGBT community of course but for the Japanese history as well. It's been, I have to say, slow up here when it comes to recognizing the relationship or recognizing the LGBT community. But with this new court ruling, now the diet members have started to discuss about this issue which is needed to legalize marriage in Japan.

Also on the back of this court decision, now the newspapers, TV shows, all of the media have started to talk about this issue which had been lacking in the Japanese community. And I'm very hopeful that we've moved the needle.

Jake Siewert: Great. So Masa, let's stick with you for a moment. Share your personal story of how you came out and how that's gone at Goldman and elsewhere.

Masa Yanagisawa: Yeah, I actually came out at my previous firm, like, nearly 10 years ago when I realized that they offer housing benefits to the legally recognized couples only. And I thought that initially, oh, well, the LGBT issue is not commonly talked in Japan yet so maybe I should give up. But at the same time, I also felt that the benefit is a part of my salary and I shouldn't actually give up. I'm working hard enough at the bank and probably I should get an equal benefit.

So I came out to the HR at the time, and I asked that we need to actually change the policy. Quite luckily, we had good industry colleagues, including Goldman Sachs, basically give us some guidance of what they have done in the past in this space in Japan, and we implemented the policy at the firm as well. So that was a great experience for me. I learned a lot from the process. But because I actually spent five years in the UK when I was in my 20s and London had changed a lot over that five years time, I was quite hopeful Japan could also change as well.

And since I came out in 2012, many things have changed in Japan, too. And this marriage equality court decision is just one of them.

Jake Siewert: Well, it is probably one of the most significant cultural changes in my adult life in the United States as well if you think back to just 10-20 years ago. Hiroki, you joined the firm a long time ago in 2002. Only came out in 2015. What prompted you to make that decision and do it at that point in time?

Hiroki Inaba: Sure. When I started my career in 1990s, I

started with a Japanese bank, there was no role model at work in Japan. There was actually no one at work in Japan as far as I knew. And if you turned the TV, you saw gay people rarely on the screen. And on the occasion you saw them, they're the subject of ridicule, a joke. So prejudice was everywhere both at work as it was in society. So coming out at work essentially meant career suicide or killing your career back then. So it's natural I was in the closet.

I joined Goldman in 2002, but I had no intention to change it and to come out at work. So then what changed me, I think Goldman pushed my back. Goldman in Japan started promoting LGBTQ+ inclusion at work intensively back in 2009, but I was still skeptical at first. I thought this would end soon, but it didn't. It became more and more active year by year. And in 2015, when I came out, there was a firm-sponsored volunteering event--mentoring for LGBTQ students. I wanted to participate, but it was difficult without coming out. You can imagine how difficult it would be to be a mentor for LGBTQ students while you are hiding that you are a gay person. So I decided to come out to participate in this event.

Also, my manager back then pushed my back as well. Inspired by the firm's initiative, he became such an ally. I remember he often talked about what he discovered while he attended a firm-sponsored event for him. And I wanted to let him know that a gay person, although in the closet, was sitting beside him and listening to his story. So he was one of the reasons that I came out.

Also, the Japanese society started to change just before I came out in May. Shibuya City, which is one of the cities in Tokyo, I actually lived next to Shibuya. Shibuya passed the ordinance recognizing same-sex partners. I have heard the wave of the change just started to arrive in Japan, and I wanted to participate in the wave. All those reasons plus other reasons pushed me to come out.

Jake Siewert: All right. So Masa, back to you. You mentioned you lived in London, traveled extensively. Talk about how the landscape for LGBTQ+ community has evolved in Japan over the years and how does it compare with some of the other countries you've worked in and traveled in?

Masa Yanagisawa: Yeah, I think the change is significant. Just to give you the number, around 2010, the Pride Parade in Tokyo only had a couple of thousand participants. I remember that in

2012, when I participated for the first time, that GS was one of the few companies who actually had a company flag and logo everywhere and they walked with the company T-shirts. I actually met Akiko Koda at the [UNINTEL]. When I actually met Akiko for the first time, it was actually on the street in Shibuya, and we talked about how Japan can actually change and how the corporate can drive the change as well.

Since then, it's just so -- it's amazing, I have to say. You know, it used to be the LGBT was not a common word in Japan. We needed to explain what the L stands for. But now the people understand that, and the people are talking about the challenges the community faces.

I think what is quite interesting is that over the last few years obviously the legalizing marriage have been the global phenomena. Starting from Europe, it went to the US and now the Taiwan and the other APAC countries or regions have been promoting this equality. And that is absolutely powerful for Japanese change as well. I'm sure that we talked about the business case for this data, but this global change has been pushing the global Japanese corporations like Sony and Panasonic. And this has been the great powerful voice for within the Japanese community this a time for us to change.

Jake Siewert: Fascinating. So the debate over same-sex marriages was in full swing as far back in the US and Europe in the 1990s, as Masa mentioned. And it's really only come to the forefront in Asia in recent years as you've all described. Akiko, how do you think corporate Japan's attitudes towards diversity inclusion are changing?

Akiko Koda: So when we discuss diversity and inclusion in Japan, the first thing people will think of is gender issues. So just taking a step back, Japan legalized the equal employment law for men and women in 1985. So this was the dawn of the gender issue to be brought to the front.

And over the past 30-plus years, inclusion of women has become a much more major topic in the workplace and society. We've also seen that with Prime Minister Shinzo Abe, our former prime minister, introducing Womenomics into the Japan's economic policies in 2013.

On the other hand, when you look at LGBTQ+ issues, this has only been more discussed publicly in the corporate place over the past 10 years. As Hiroki mentioned, a lot of LGBTQ+ issues were

more things you saw on TV, not something you saw in the workplace. So it's interesting, as Masa has said, that with the time evolving we are seeing much stride and I think that we are making much progress.

I think similar to gender issues, the real inclusion is going to take much more time, but I think the acknowledgment and awareness phase has really come forward. As Hiroki had mentioned, Tokyo and other local municipals are starting to acknowledge same-sex partnerships. And we are also starting to see some Japanese corporates including equal benefits for employees in same-sex relationships as well.

It's really interesting because if you ask somebody in the younger generation, they will say that they know of an LGBTQ+ friend, which is very different from the older generation who might not be aware of any and not really aware of some of the issues in the LGBTQ+ community. A recent survey by Dentsu, which is one of our largest advertising companies in Japan, has shown that nearly 80% of people aged between 20 and 59 approved of same-sex marriage. So it shows that there is a shift in sentiment to really allow people to be more open, to come out, and to be their true selves.

Jake Siewert: All right. So Masa and Hiroki, you both played leadership roles in campaigning for LGBTQ+ rights and marriage equality both inside and outside of the firm. Describe a little bit your personal motivations for getting involved and what you've been able to achieve. Hiroki, I'll start with you.

Hiroki Inaba: My biggest achievement or I would say Goldman Sachs LGBTQ community's biggest achievement is to have Masa with us Goldman now. Masa is one of the most famous and respected out and open business leaders in Japan. It is great to see that Goldman attracted such an outstanding leader in the community.

Outside of Goldman, I organized NPO of business lawyers supporting LGBTQ+ community in Japan together with my former manager. There are four major business law firms in Japan, and all of them joined this NPO. I'm proud that not only human rights lawyers but also most of the business lawyers in Japan support marriage equality thanks to the activity of this NPO. I received 2017 Outstanding International Corporate Council Award from American Bar Association for my work on organizing this NPO.

As to my personal motivation, it is fascinating to be part of

the change with society, especially when you are or you feel you are contributing something to the change. I think this is my motivation.

Masa Yanagisawa: So for me the motivation is actually about myself to start with. I just wanted to be myself at work, and it was difficult. So when I thought what would be the best way to learn about the experience of the other firms, let's create an NGO and discuss about the workplace issue. That's how I started the forum called Work with Pride with a few friends. We basically introduced the work-based forum to discuss this agenda but also in 2017 introduced the Equality Index, which is basically recognizing the corporations vote for this LGBT equality. When we started in 2017, only 87 Japanese companies had recognized as the best place to work. Goldman is one of them and has been one of them since the launch.

In 2020, that's the year the number was 183. And that number includes traditional Japanese corporates like Panasonic and Sony, not just like Goldman Sachs. And this actually showed a significant change we made in the past few years. And with this NGO, I have been getting amazing opportunity to discuss about this issue with the corporate executives as well as the political community leaders as well.

I think what has been quite interesting to me is that this community work has a great feedback into my work as well. They often give me the perspective about how we should think about the community. They often give me the ideas on how Japan actually has changed in the overall context, not just on the LGBT issues. And that has greatly contributed to my work to think about how we should be strategic about the business in Japan.

Jake Siewert: So Masa, you wrote an op-ed for *Nikkei Asia* about the need for Japan to recognize the constitutionality of same-sex marriage. And you talked about the freedom of marriage not only as a human rights issue but as a positive driver for business. Describe how legalizing same-sex marriage in Japan would be good for business. I mean, we're somewhat familiar with those arguments here in the US, but explain how it would work in the Japanese context.

Masa Yanagisawa: Yeah, absolutely. I think probably the most important thing is that the people are expected to maximize their ability at work without hiding their sexual orientation or gender identity, it's very hard to do that. So I guess just to

repeat my point, just to be myself at work, this equality is one of the most important agenda to make it happen. And marriage equality could be a driver for that, particularly in the cases like in the Japanese corporations we talked about our partners' lives. We talked about the weekend activities. And people often assume that you have a wife rather than a husband if you are a man. And they actually take it for granted for everyday conversation.

So having the concept of the marriage equality in the workplace, this obviously changed the whole dynamics of the conversation. And it changed that issue into a more inclusive way. And that will obviously impact on the creativity and innovation at work.

Also, I will say that at this stage GS offers equal benefits to the employees. And often we need to create a unique system given that there is no national coverage for some of the benefits like insurance as well as [UNINTEL]. And if the company wants to introduce the unique system, it's their cost. We strongly want to urge the company to have the national system that would make much more easier for the Japanese corporates to adapt equal policies.

Jake Siewert: So our former chairman and CEO Lloyd Blankfein was the first Fortune 500 leader to publicly support the cause of marriage equality in the United States back in 2012. Akiko, how do you think the financial services industry, which is fairly conservative everywhere but especially in Asia, has changed? And what are companies doing to create a more inclusive environment for the reasons Masa described?

Akiko Koda: So recently, the American Chambers of Commerce in Japan published a statement endorsed by 61 organizations here, including ourselves, citing that the disparity in legal rights makes Japan a less attractive option for LGBTQ+ couples compared to many other companies. And I think the business case for us and for a lot of the companies is really the war for talent. We want to retain and attract the best talent. And as you have more people who are comfortable to be themselves, there is a linkage of performance and being out. And so we want to make sure that we are magnets to attract the best talent, recognizing the equality that we have.

I think also for the broader industry we have LGBT finance that's established amongst the global investment banks and accounting firms. And we continue to work together to share best practices. Also we march in the Rainbow Pride Parade together in

Japan to really raise awareness of LGBTQ+ issues. And really across industry, we really want to increase more inclusivity in the society overall. And we're quite happy with the achievements we've made over the past years.

I think interestingly amongst the Japanese financial service companies, the insurance companies saw the business case in diversity and in LGBTQ+ inclusion very early on as they learned and saw how the US insurance companies were treating same-sex couples in insurance policies and benefits. And so I think they were the most advanced in recognizing from a business case, which I think has been a major step forward, and hopefully we'll continue to see more Japanese companies taking the same step as this issue and awareness continues to be much more acknowledged.

Jake Siewert: Yeah, it's so interesting you say that. You know, you don't think of financial services and insurance industry as being pioneers in the space, but it's amazing the role they played. Akiko, talk a little bit about how GS Tokyo, the office here, what we've done to attract and retain LGBTQ+ professionals in the war for talent.

Akiko Koda: So in terms of our employee benefits, Goldman Sachs Tokyo has all benefits available equally to same- and opposite-sex marriages, such as insurance coverage, marriage leave, adoption leave, fertility treatments, which is not entirely common in Japan yet. We also have employee resource groups. So we have our LGBTQ+ Network led by Hiroki in Japan and also for Asia Pacific for Masa. The network itself is very active and visible. And we also have allies across the entire firm.

I have a huge flag of LGBTQ Ally in my office. Also, a lot of our employees have stickers and tents on their desks to show their support. We also have managing directors serving as allies to the LGBTQ+ community, and they in each of their divisions continue to increase awareness and promote some of the trainings and activities that we host internally.

The visibility of support is really important to embrace the inclusiveness and to really cultivate that environment. Also, in Pride Month, which we celebrate in November, we have a Pink Friday where globally but also in Japan all of our employees come either in a pink T-shirt that the firm has or in their favorite outfit in pink to really celebrate Pride.

We also, in Tokyo, hold a career forum specifically for LGBTQ+ students, discussing our firm, culture, benefits, and also

answer any questions they may have as they start their job search. Some of the questions start really as: Should I be out? Should I stay quiet? How do I ask the benefits of what companies have when I'm looking for a job search? For transgender it's even more challenging because we've had questions: Should I come as a male? Should I come as a female? Should I go with my birth gender, or should I go with who I self-identify as? It's very challenging as a student to really understand what is accepted in the corporate. So we also have conducted a number of firm-sponsored volunteer activities to really help to coach and also do prep questioning so that we train, we give them mock interviews in advance to help them get prepared for interviews into the workplace.

Jake Siewert: All right. So finally, and this is a question for all of you, what are your outlooks for the prospects of Japan actually legalizing same-sex marriages? There's the first step obviously with the court ruling, but are you hopeful that we'll make more progress? I'll start with Hiroki.

Hiroki Inaba: I think not allowing same-sex marriage is a symbol of discrimination and prejudice against LGBTQ+ community. I wouldn't say legalizing same-sex marriage would solve all the discrimination in Japan, but this would be a great step toward it.

Jake Siewert: All right, Masa, how about you?

Masa Yanagisawa: After the court decision, I got so many emails and phone calls from my colleagues, from my clients, the partners in the firm. You know, it's just amazing. And that includes some of the people who looked a bit conservative, not interested in this type of topic, never talked about this in the workplace. But they say, like, you know, "I'm really happy with the decision. I'm really keen to be involved in it." That's just so amazing, and I was just so grateful with that. I was just convinced that we just move forward here, and I'm very, very hopeful for that outlook.

Jake Siewert: All right, and Akiko, how about you?

Akiko Koda: I am hopeful as well. I think the time is ripe. Japan has been an active proponent talking about the United Nations Sustainable Development Goals. And as corporate Japan continues to really push for the SDGs, really I think that we are moving forward to becoming a much more inclusive society not only for gender issues but also for LGBTQ+ and much more

broadly. I am very hopeful, and I do hope that we make a major stride forward.

Jake Siewert: All right. Well, I certainly hope you're all right. And thank you all for joining us today and for speaking so personally and bluntly about your hopes and fears and for all the work you've done. And thank you again for doing it in English. Had we done it in Japanese, I think my questions would have been pretty elementary. So thanks for joining us today, Hiroki, Masa, and Akiko.

Akiko Koda: Thank you.

Speaker: Thank you.

Speaker: Thank you.

Akiko Koda: Thank you for having us.

Jake Siewert: All right. Well, that was terrific. That concludes this episode of Exchanges at Goldman Sachs. Thank you very much for listening. And if you enjoyed this show, we hope you subscribe on Apple Podcasts and leave a rating or a comment. And please tune in later in the week for our markets update where leaders around the firm provide a quick take on the latest in markets. This podcast was recorded on Thursday, April 8th, 2021, and technically on April 9th, 2021, in Japan. So thanks for listening.

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