

Contribution to the Local Communities

Basic Concept

The Toho Gas Group is advancing efforts to contribute to a sustainable society, addressing diverse regional needs and challenges such as carbon neutrality and enhanced resilience. We are deepening our collaboration with municipalities, primarily in the three-prefecture Tokai region (Aichi, Gifu, and Mie), strengthening our engagement with customers, and striving to co-create new value. By addressing the emerging challenges in the region, we aim to contribute to achieving prosperity within the region.

Initiatives for Coexistence with Local Communities

Signing Comprehensive Collaboration Agreements with Municipalities

To collaborate with municipalities on activities that contribute to solving such local issues as achieving carbon neutrality and educating the next generation, we have signed comprehensive collaboration agreements with the cities of Okazaki, Hashima, Chiryu, Kuwana, Anjo, and Miyoshi.

By leveraging the knowledge and expertise we have

Agreement partner	Agreement name	Date of signing
Okazaki City	Comprehensive Collaboration Agreement for the Promotion, Etc., of Carbon Neutrality	November 2022
Hashima City	Comprehensive Collaboration Agreement for Achieving a Zero Carbon City	January 2023
Chiryu City	Comprehensive Collaboration Agreement for Promoting SDGs	January 2023
Kuwana City	Comprehensive Collaboration Agreement for Achieving a Zero Carbon City	January 2023
Anjo City	Comprehensive Collaboration Agreement for the Promotion, Etc., of Carbon Neutrality	March 2023
Miyoshi City	Comprehensive Collaboration Agreement for Town Development	March 2023

accumulated, we will enhance initiatives that lead to coexistence with local communities through collaboration with municipalities, aiming to achieve a sustainable society.



Signing of the comprehensive collaboration agreement with Okazaki



Stage exhibition at an environmental awareness event held by Anjo City (an undertaking based on the comprehensive collaboration agreement)

TOPIC

Carbon Neutrality of Electricity and City Gas Used in Anjo City Public Facilities

Starting from April 2023, we have successively begun supplying CO₂-free electricity and carbon-neutral city gas produced at installations like Anjo City's Environmental Clean Center trash-disposal facility to such public facilities as city offices and elementary schools in Anjo.

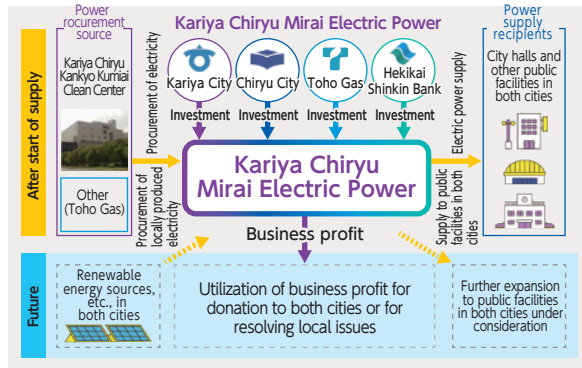
Adoption of Carbon-neutral City Gas in Miyoshi

Starting from April 2023, we have begun supplying carbon-neutral city gas to 20 facilities, including city offices, a municipal hospital, and all elementary and middle schools in Miyoshi City.

Regional Revitalization Through Regional New Power Generation

Toho Gas has jointly established regional new power companies with municipalities and other entities. These companies supply renewable energy generated within the community, such as from waste-to-energy, to public facilities, thereby promoting carbon neutrality in the region and contributing to locally produced and locally consumed energy. In FY2022, we established three new companies, expanding the total to five. In the future, through moves such as using business profits for reinvestment in further renewable energy proliferation and donations to the municipalities, we will contribute to regional revitalization.

Municipality	Power company name	Date of establishment
Matsusaka City	Matsusaka Shin-denryoku Co., Ltd.	November 2017
Okazaki City	Okazaki Sakura Electric Power Co., Inc.	March 2020
Suzuka City	Suzuka Green Energy Co., Ltd.	September 2022
Kariya City Chiryu City	Kariya Chiryu Mirai Electric Power Co., Ltd.	November 2022
Ichinomiya City	Ichinomya Mirai Energy Co., Ltd.	January 2023



Kariya Chiryu Mirai Electric Power business scheme

Basic Agreement on Technical Cooperation with Municipalities

To further collaborate with the Nagoya City Waterworks & Sewerage Bureau on facility and equipment maintenance and management as well as human-resource development, Toho Gas Network Co., Ltd. has signed a Basic Agreement on Technical Cooperation.

Given the common tasks related to maintenance of pipeline equipment and human-resource development, this collaboration aims to resolve issues quickly and enhance the efficiency of business operations through working together and cooperating in information exchange, joint inspections, and



Agreement signing ceremony (March 2023)

the like. Moving forward, we will continue to enhance safety measures, such as maintenance of gas equipment and emergency response, while further strengthening collaboration with relevant organizations, and we are working to continue providing safe and secure city gas usage to our customers.

Contributing to the Regional Community Through Minato AQLS

Minato AQLS is replete with water and greenery, and it creates a space that is harmonized with the environment, primarily for pedestrians to enjoy walking. Since its opening in September 2018, it has received many visitors. The development concept was "to be a town that fosters connections among people, the environment and the region" in order to resolve social issues in the region.

At Minato AQLS, we centrally manage the energy supply and demand within the area, and in FY2022, we achieved a 69% reduction in CO₂ emissions (compared to 1990 levels),

surpassing the initial target of 60%.

Also, condominiums that have obtained ZEH-M Oriented* certification were completed in March 2023. Similar to the existing 265 units, all 238 units have been equipped with Ene-Farm type S. They operate at full capacity 24 hours a day, and the surplus power generated is distributed to other facilities in the community through the Energy Center. As one decentralized power source, this contributes to localized energy production and consumption.

In the future, with Minato AQLS as a Decarbonization Leading Area designated by the Ministry of the Environment, in collaboration with the City of Nagoya, while continuing our efforts at Minato AQLS to maximize renewable energy and implement advanced technologies, we will work to address local challenges and become a model for decarbonization which contributes to regional revitalization that improves the region's appeal and enhances the quality of life for residents.

* "ZEH-M Oriented" refers to condominiums that reduce primary energy consumption by over 20% building-wide, including in shared areas.



Panoramic view of Minato AQLS



Decarbonization Leading Area Selection Certificate

Contribution to the Local Communities

Expansion of Green Curtain Activities

We have been working to expand energy-saving "green curtains" since FY2014 by making efforts to control rising temperatures in buildings using plants. In FY2022, we donated 500 bags containing seeds of the goya (bitter melon) and 728 goya (bitter melon) seedlings to the City of Nagoya, which were distributed to citizens at environmental events such as Environment Day Nagoya.



Certificate of appreciation presentation ceremony

Protection Activities for Children and the Elderly

To deter child victimization, we, along with our sales outlets and construction companies, engage in crime prevention activities for protecting children. We designate about 200 business locations as children's emergency shelters," where children who feel unsafe can seek protection. Additionally, we have affixed "Child Crime Prevention Patrol Support Vehicle" stickers to approximately 2,200 of the Group's vehicles.

Toho Gas and Toho Gas Customer Service Co., Ltd. also entered into an agreement with local governments to cooperate in protection activities for the elderly as we work together toward creating local communities where the elderly can live in security.

Education for the Next Generation

Activities Supporting Education in Schools

Toho Gas Network Co., Ltd. has conducted special classes to teach children who will lead the next generation about energy, the environment, and food.

In FY2022, we conducted programs such as "Let's Think! Energy and Disaster Prevention" and "Global Environment and Natural Gas" a total of 54 times in 24 schools. Starting from FY2023, we introduced a program called "Let's Make Roasted Sweet Potatoes" to experience energy-efficient cooking. We have also started engaging in collaborative activities with local groups and corporations.



Special class

Hosting EPOC Environmental Education Classes

We participate in the Environmental Partnership Organizing Club (EPOC), established primarily by members of the industrial sector in the Chubu region, and offer environmental education classes that help children perceive environmental issues as relevant to their daily lives.

In FY2022, we held 12 sessions of courses titled

"Learning Biodiversity through Biotope" and "Observation and Learning at the Exhibition Hall," engaging 343 elementary school students.



Environmental education class

Environmental and Energy Education at Gas Energy Exhibition Hall

At the Gas Energy Exhibition Hall managed by Toho Gas, provide interactive exhibitions and experiences on the theme of "global warming and energy" that give elementary and junior high school students opportunities to consider the importance of the environment.

We also hold an "Eco Class" every month, where activities include observing creatures in the biotope, creating art using recycled materials, and collaborating with local universities to teach ecosystem conservation through quiz-based sessions.



Eco Class held jointly with a local university



Contributions to the Community Through Culture and Sports

— Kokoro no Ki ("Tree of the Heart") Book Reviews

Since FY2001, we have held a book review contest for elementary and junior high school students to encourage their enjoyment of reading and to think about the relationship between people and nature.

In FY2022, we received 4,498 entries and presented 109 awards, including the Most Moving Award and the Toho Gas 100th Anniversary Special Award.



Award presentation

— Baseball Classes and Soft Tennis Classes

Toho Gas's soft tennis club holds tennis classes for elementary, junior high, and senior high school students at visited schools and elsewhere. In FY2022, team members acted as instructors at a Tennis Court Open Memorial Event held at Nanryo Junior High School in Tokoname City.

Our regulation baseball club also organizes baseball classes for local children. In FY2022, we held baseball classes for elementary school students and below at Minato

AQULS, where activities included strikeout practice and speed measurement with a radar gun, engaging around 200 participants.

We will continue contributing to the community through sports promotion activities.



Soft tennis class



Baseball class

— Toho Gas Pennant Boys' Baseball Tournament

To contribute to local sports promotion and the wholesome development of junior high school students, we have been collaborating with the Japan Boys League to host a boys' baseball tournament since FY1993. In FY2022, 29 teams participated, showcasing heated matches.



Youth Baseball Tournament



Promotion of Personnel Policies — Strengthening Our Human Capital

Basic Concept

Recognizing that people are the key to corporate growth, Toho Gas is making every effort to attract and develop a diverse range of human resources. Moving ever closer to the Toho Gas Group Vision of “what we aim to be in the mid-2030s,” we strive to enable our diverse workforce to achieve their full potential while maximizing their engagement through insightful human resource management that values diversity and inclusion in creating a safe, healthy, and comfortable workplace. Moreover, we are promoting personnel policies that emphasize respect for human rights and aim to eliminate discrimination based on race, gender, age, nationality, disability, or other attribute.

FY2022 Results
Engagement Rating BB

*Results of engagement survey by Link and Motivation Inc.

management-level employees designed to help them improve the output of the organizations they oversee.

		Young employees	Medium-ranked employees	Middle management
Collective training	Job/ Role-Based Training	Second year training, third year training, medium-ranked leader training, etc.		Labor management training, training for newly promoted supervisors, management training, and others
	Elective/ Optional Training	Business skill enhancement training, basic skills enhancement training, interactive training with other industries,*1 DX training, etc.		Strategy Workshops*2
	Career Formation/ Diversity	Career training for women, Seminar on childcare leave and maternity leave		Diversity training
		Career training (ages 30, 40 and 50)		
Self-development	Acquisition of official certification			
	Distance education and external training			
	External study abroad, internal certification examination, etc.		—	
OJT	On-the-Job training			

*1 We provide training to develop employees' abilities through interpersonal exchanges with external members from different industries on the themes of leadership and innovation.

*2 We provide training designed to help employees develop their management abilities by formulating corporate growth strategies, thereby nurturing candidates for future management positions.

Transfer and Career Formation

Each year, we provide opportunities for employees to talk with their supervisors about their career plan, and these are used to confirm desired transfers and for career formation. We aim to deploy the right people in the right place so that employees can feel motivation and a job satisfaction.

We also support self-starting career formation by employees through study abroad programs, an internal recruitment system, and the like.

Human Resource Management

The goal of Toho Gas human resource management is to recruit, train, and place employees through fair and appropriate evaluation of individual ability coupled with suitable conditions of employment, thereby supporting the activities of personnel who handle our core businesses, including those with specialized expertise and management skills that propel our endeavors through times of change.

Employment statistics

		Men	Women
Employee numbers (people)*2	Non-consolidated*1	1,312	326
	Consolidated	4,605	1,475
Average age (years old)		41.8	40.5
Average years of service (years)		16.4	17.4
Number of graduate recruits (people)*3		62	27
Number of mid-career recruits (people)*4		28	
Number of re-hires (people)*5		121	
Voluntary turnover rate (%)*6		1.77	

*1 Data as of the end of March 2023. All figures except “Number of employees” are for non-consolidated employees. *2 Fulltime employees, not including those on temporary assignment. *3 Number starting in April 2023 *4 FY2022 Results *5 Including part-time employees *6 Results for 2022, including those on temporary assignment

Human Resource Management Promotion Systems

Under the executive officer in charge of human resources, the Human Resource Department is taking the lead in implementing various policies in conjunction with departments and subsidiaries by enacting Management Policies that are in line with the Management Strategy. The key issues are deliberated by the Management Committee and reported to the Board of Directors.

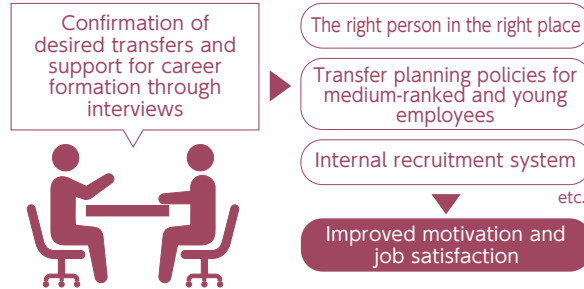
Recruitment

We aim to employ persons who think and act for themselves and have a grounding that enables them to open a path to the future. In hiring, we make recruitment information publicly available via such means as the company website and recruitment seminars, and practice fair and unbiased hiring.

Human Resource Development

In order to develop human resources capable of promoting change and dealing flexibly with decarbonization, digitalization, and other changing business conditions, we provide our employees with the opportunity to achieve their full potential through a variety of effectively linked training programs, starting with on-the-job training (OJT) for learning practicable workplace skills and followed by group instruction outside the workplace (OFF-JT) as well as personal development. During FY2022, we launched a new program for all

Systems	Overview
Internal Offering System for New Business Ideas	We solicit new business ideas from junior and mid-level employees. Employees whose ideas are accepted are then transferred to the division where the feasibility of the new business is being studied.
Studying at domestic and international universities	Employees are sent to acquire cutting-edge, specialized expertise in business administration (MBA), project management, and other subjects.
Overseas language study	Training future international employees by means of online English conversation and brushing-up classes.
Fieldwork in overseas locations	In order to train overseas personnel, employees are dispatched to overseas offices to acquire the business English skills, expertise and know-how that are required in other countries.



Personnel Remuneration System

We have adopted a “diversified mission-grading system,” a “target management system,” and a variety of other policies designed to help us achieve our stated targets of “active participation by diverse human resources,” “fostering of self-reliant human resources,” “merit-based recognition.” In addition to promoting personal growth in the workplace, our goal is to create job packages that inspire in our employees both a sense of satisfaction and the desire to achieve by providing them with suitable recognition of and feedback on their job performance.

Diversity and Inclusion

With the aims of revitalizing the organization, strengthening competitiveness, and creating innovation, we are working to build an organizational climate to secure and train diverse human resources and to deepen mutual understanding.

Also, we actively appoint women and mid-career employees to managerial positions according to the nature and capacity of the individual.

A corporate culture that deepens mutual understanding

In order to create a corporate culture that is accepting of the diversity of individual employees and to enable individuals to demonstrate their maximum potential, in addition to conducting seminars and workplace meetings to deepen awareness of the significance and aims of promoting diversity, we are developing “Kaeru (change) Meetings”* intended to resolve diversity issues in the workplace.

*“Kaeru Meeting / Change Meeting” refers to a meeting to set the targets (ideal image) for teams, to extract the issues toward achieving that target, and set proposed improvements. *Registered trademark of Work Life Balance Co., Ltd.

TOPIC Example of “Kaeru” Meeting/ Change Meeting Activities

To promote mutual understanding between members and communication, members create evaluation sheet for self and third-person evaluation between different pairs each month. This allows to increase interest in each other's work and improve teamwork.

We also offer opportunities for all members to communicate during evening assembly or chat room, enabling all members to communicate with each other despite if they are working from home or at the office.



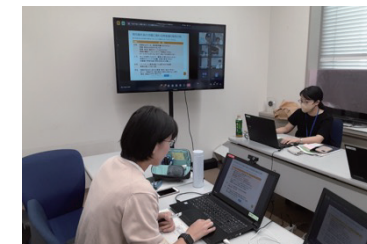
“Kaeru” Meeting/ Change Meeting Activities

Advancement by Women

In order to promote the advancement of women, we are enhancing the systems relating to better employment and working systems as well as increasing the awareness of employment in management positions.

In terms of employment, we are actively publicizing that the company is a place where women can work comfortably and play an active role, including holding events for female students that are attended by female managerial staff. During FY2022, 32.8% of recruits hired for career-track positions were women.

In addition to setting up systems for child rearing leave and part-time work that go beyond what is legally required, we permit the use of accrued leave of absence (accumulation of elapsed paid leave) for treatment at fertility clinics and for visits to hospital gynecological departments. Also, we support career planning for female employees through training for junior and mid-level employees and middle management as well as interaction with internal and external role models in order to promote the career development of female employees.



Online seminar on maternity and childcare leave (women's advancement)

●FY2025 Target	Number of women in management positions	30 or more
●FY2022 Results	Number of women in management positions (3.4% of management positions are held by women.)	26
*Results for 2022, including those on temporary assignment		

Promotion of Personnel Policies — Strengthening Our Human Capital

Receipt of "Eruboshi" Certification

In July 2021, Toho Gas was recognized by the Japanese government with Eruboshi Certification for its efforts to promote opportunities for women in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace. Later, in May 2023, we were also recognized by Aichi Prefecture with Aichi josei kagayaki kampani certification.



Recognized by the Ministry of Health, Labour and Welfare with Eruboshi certification for excellence in promoting women's participation and advancement in the workplace.



Recognized by Aichi Prefecture with Aichi josei kagayaki kampani certification as a company where women can shine.

Advancement of Mid-Career Employees

In order to secure diverse personnel, we offer mid-career employment from a wide range of occupations. We are creating synergy with existing employees by means of assignments and training that make the maximum use of experience and specialisms. 28 mid-career employees were hired in FY2022 (mid-career employment ratio of 25.5%).

Advancement by the Elderly

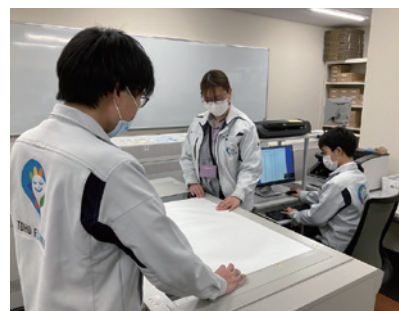
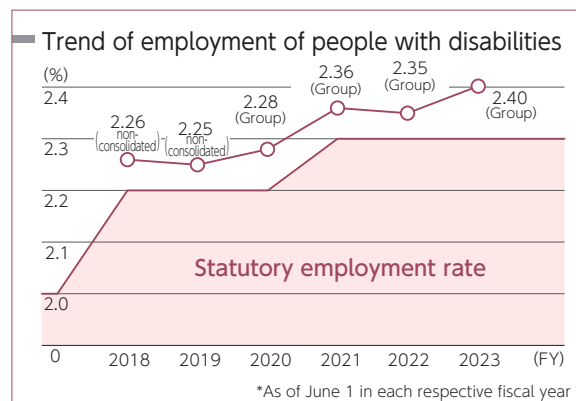
We rehire employees who reach retirement age but still wish to work. During FY2022, more than 80% of employees who reached retirement age continued to work, demonstrating the technology, skills, expertise, and experience they have developed during their careers.

To encourage work motivation and the ability to perform work roles by employees aged 50 years or older, we conduct career planning training for employees aged 50, and for employees at age 55, we hold career lectures and conduct individual interviews.

Advancement of Persons with Disabilities

We proactively hire people with disabilities in order to support their independence and social participation. In 2019, we established Toho Flower Co., Ltd. as a special subsidiary with the aim of achieving the legally mandated proportion of jobs for persons with disabilities for the Toho Gas Group overall and contributing to local communities.

As of June 2023, the Toho Gas Group's employment rate of people with disabilities is 2.40%, which meets the statutory employment rate of 2.3%. They are engaged in various work in a number of workplaces. We will continue to strive to expand workplace and occupational options.



Toho Flower worksite

Improve Ease of Work

We strive to establish a positive workplace environment in order to balance and enrich the work and lives of employees.

Promotion of Flexible Work Styles

To enable work to be accomplished autonomously and efficiently, we have introduced a work time system that includes a flextime system, a discretionary labor system, and reduced working hours.

To increase the flexibility of work styles even further, we are augmenting such teleworking systems and working from home and working at satellite offices, together promoting greater use of working online (web conferencing, internal business chats, electronic payment, and the like) so as to enable work styles while teleworking that are unchanged from on-site working.

Support for Compatibility with Child-rearing, Care-giving, Recuperation, Etc.

To support compatibility with child-rearing, care-giving, recuperation, and the like, we have introduced a leave system, shorter-hours working system, and rehab on-site working system, and additionally establishing a consultation service staffed by experts.

We have also introduced a special leave system for participation in volunteer activities and an award system for employees who make contributions to local communities. In these and other such ways, we support the work-life balance of our employees.

Newly granted recipients of childcare and caregiving leave

FY	(Number of persons)				
	2018	2019	2020	2021	2022
Childcare leave	17(1)	23(2)	21(5)	33(15)	39(25)
Shortened hours for childcare	12	15(2)	19(1)	7	20(2)
Caregiving leave	1(1)	2	1	1	0
Shortened hours for caregiving	1	0	2	1	1

*Figures in parenthesis indicate the number of male employees.

*Totals for Toho Gas and Toho Gas Network



Percentage of male employees utilizing childcare leave

	Results for FY2022	Targets for FY2023
Percentage of male employees who received childcare leave or special leave for childcare	96.5%	100%

*Percentage of male employees with newborn children who received childcare leave or special leave for childcare. The percentage of employees who took childcare leave was 29.4%.

*Totals for Toho Gas and Toho Gas Network



Acquisition of "Kurumin" Certification

Toho Gas was recognized in 2018 by the Ministry of Health, Labour and Welfare with Kurumin Mark certification as a company that supports childcare. In 2023, we were further recognized for achieving a high level of support for childcare with Platinum Kurumin certification.

Main Balancing Support Systems (as of July 2023)

Item	Systems	Details
Child-rearing	Child-rearing Leave System	Can be used maximum of three times separately with maximum of two years in total from pregnancy to until the child reaches three years old.
	Postnatal Paternity Leave	Postnatal paternity leave is available until the infant eight weeks old. Up to four weeks of total leave may be taken in as many as two installments.
	Shortened work hours for childcare	Shortened work hours for childcare are available starting during pregnancy and lasting until the end of April the year the child enters fourth grade. For children with developmental or physical disabilities, availability lasts until the end of sixth grade. Working hours may be shortened in 30 minute increments for as much as two hours per day until the child finishes first grade and by as much as one hour per day thereafter.
	Prenatal and postnatal leave	As a general rule, six weeks before birth and eight weeks after birth.
	Special Leave for Spouse	Can be used within two month after spouse giving birth, and up to two days.
	Child-care Leave	Can be used until end of April of the fourth grade elementary school year child (end of the sixth grade elementary school year if the child has a mental or physical disability).
Nursing-care	Nursing-care Leave System	Can be used three time separately up with maximum of one year in total per person that require nursing-care.
	Nursing-care Shorter-hours Working System	Shortened work hours for caregiving are available in up to three installments and within a limit of five years for each person requiring caregiving. Working hours may be shortened in 30 minute increments for within a limit of two hours per day.
	Nursing-care Consultation Contacts	Offers external service for consulting on nursing-care via telephone and email.
Other	Flex-time System	Can be used without limitation of duration (excluding some work sites).
	Fresh Up Annual Leave	Can be used to acquire paid leave three days in a row.
	Volunteer Leave	Can be used as special leave (paid) of maximum of five days per year.
	Local Community Contribution Award System	System that awards employees engaging in local community contribution for long time to promote participation in community activities.

Improvement of Productivity

We are promoting the use of digital tools, such as robotic process automation (RPA) and chatbots for internal inquiries, the improvement of work efficiency by reviewing business processes, the creation of a comfortable working environment, and the elimination of dress codes as part of our efforts to demonstrate our strengths and individuality.

To help prevent long working hours, we comply strictly with the Agreement on Off-hours Work and Work on Days Off (Saburoku Kyotei - "36 Agreement"), together with periodically convening a labor and management committee concerned with working hours and work styles, thereby devoting effort to appropriate working-time management and revision of work styles. We have

established working-time consultation services for both labor and management, and respond to individual consultations and inquiries.

Prevention of Harassment

To prevent harassment, including power harassment and sexual harassment, we conduct manager education and distribute guidelines, as well as engaging in such moves as holding workplace talks. We have also established a dedicated consultation service for employees troubled by harassment.

Harassment is stipulated to be prohibited behavior in our employment regulations, and disciplinary action for violators is provided for.

Labor Relations Emphasizing Communication

We have adopted a union shop system in which all employees except managers belong to the Toho Gas Labor Union. We emphasize communication with labor unions and regularly hold labor-management meetings and management consultations to facilitate mutual understanding to maintain healthy labor-management relations and sustain the working environment.

Compliance with Labor-related Laws and Regulations

The Toho Gas Group strives to comply with the Labor Standards Act and other labor-related laws and regulations. No major violations of labor-related laws and regulations occurred in FY2022. We will continue to monitor revisions to laws and other such trends, and promote appropriate responses.

Initiatives for Occupational Health and Safety

Basic Concept

Toho Gas believes that “ensuring the health and safety of workers is a cornerstone of fulfilling our social responsibility as a corporation” and makes every effort to ensure that our employees are able to enjoy a healthy, safe, and comfortable workplace. In addition to promoting health management, we strive to maintain an environment in which our employees will thrive over the long term.

Toho Gas Group Health and Safety Declaration

Toho Gas Group is working to evolve as an energy operator, to create diverse value in life and business and to promote solutions for social issues in order to contribute to a sustainable society.

It is our employees who support work and, therefore, ensuring the safety and health of our employees is the foundation for fulfilling our social responsibility as a corporation. We work to prevent occupational accidents, traffic accidents, and diseases so as to ensure the safety and health of our employees and create a comfortable working environment.

Occupational Health and Safety Promotion System

Twice a year, we hold Central Safety and Health Board meetings chaired by the president to enhance company-wide health and safety management and to promote health. The board deliberates on the three-year action plan and the action plans for each year, reflecting the results in subsequent plans and reporting their content to the Board of Directors.

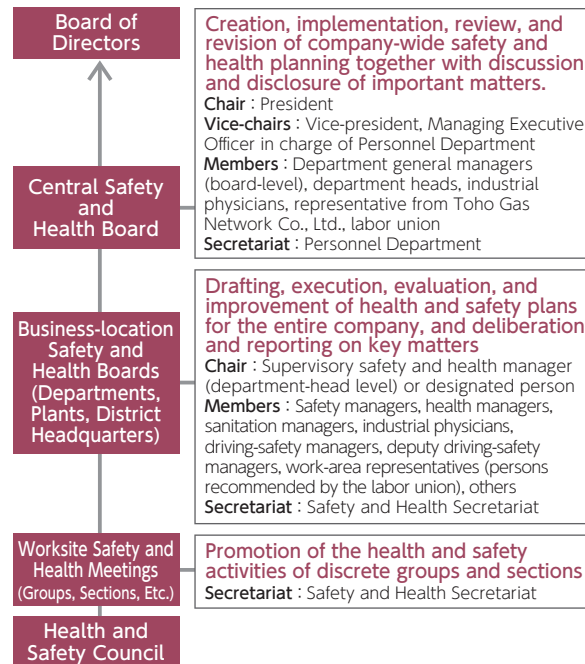
The Central Safety and Health Board also oversees the individual Safety and Health Boards and Workplace Safety and Health Councils that are in place at each company facility. These committees all work together to plan and implement company-wide health and safety activities. The Safety and Health Boards at each facility are structured so that at least half of its members are recommended by the labor union, so that our employees are active participants

in all health and safety activities.

We also organize health and safety councils that include the participation of our partner companies in educating and enhancing awareness of both safety and quality issues together with on-site patrols and other measures intended to prevent accidents in the workplace.

We also have appointed safety and health liaisons at

Occupational Safety and Health Management System

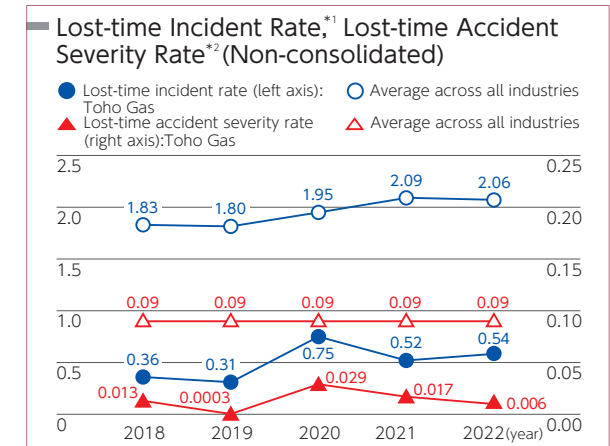


each facility, who lead efforts to promote individual wellness activities at work. Participation in walking challenges and other similar activities not only promotes health but also stimulates communication with coworkers.

Status of work-related injuries

The incidence of lost workdays during 2022 was lower than average for companies with at least 100 workers across all industries. There were two incidents that resulted in lost-time injuries and no incidents that resulted in non-lost-time injuries reported during 2022, a decrease of one incident compared to the previous year. One of these incidents involved falling on an icy road, and the other involved falling to the ground from a height of 40 cm while working at a customer’s home. Both incidents resulted in broken bones. In a typical year, fractures due to falls will account for 50% of all fractures.

In the aftermath of a workplace accident, we strive to prevent similar accidents by reporting on the accident, sharing information with all employees, and issuing an ad hoc newsletter via email.



*1 A safety indicator representing incidence of occupational accidents. Represents work stoppages caused by occupational accidents per 1,000,000 total work hours. Lost-time incident rate = (number of work stoppages) / (total work hours of workers) x 1,000,000

*2 A safety indicator representing the number of workdays lost caused by occupational accidents per 1,000 total work hours. Lost-time accident severity rate = (number of lost workdays) / (total work hours of workers) x 1,000

Group-wide Health and Safety Activities

We hold activities to share yearly health and safety policies and results of each company for mutual improvement.

In addition, we organize a Health and Safety Council including partner companies and make efforts to prevent work accidents throughout the Group by means and education and awareness of safety and quality and through on-site patrols, for example.

Occupational health and safety education and systems

Experiential Safety Training

We have established a training facility in the Head Office that showcases past cases of injury related to gas construction work and where risk can be experienced up close using dummies and the like. In an environment where safety is ensured, persons can actually experience for themselves such hazardous conditions as falls, fire, electrostatic discharge, and landslides, which leads to the prevention of workplace accidents due to a heightened sense of danger.



Training facility

Driver Certification System

We have established an in-house driving-license system for employees who drive company-owned vehicles. Drivers obtaining one for the first time start with entry-level training and ride-along testing and suitability testing must be conducted at the time of renewal every five years, which helps to prevent traffic accidents. In addition, driving recorders are installed in all vehicles,

with superiors and others conducting sampling reviews of recorded video and providing guidance.



During guidance

Health Management Promotion

The Group is working to support health and to create a safe and comfortable workplace where employees can play an active role for a long time.

Comprehensive Medical Checkups

We have been collaborating with a health insurance society to conduct comprehensive health checkups that include more periodic health-check items than those mandated by Industrial Safety and Health Act, such as stomach and dental examinations as well as one-on-one interviews, thereby making thoroughgoing efforts to promote health from a younger age, and in prevention of lifestyle-related diseases. Our aim is to achieve an annual rate of 100% for periodic health checkups, and each year we have been sustaining this 100% rate.

Health Consultation Contacts

We established telephone and email contact points for health consultations with industrial physicians and public-health nurses that take a wide range of inquiries regarding mental or physical problems either from employees themselves or from their superiors, and effort is made to improve health through early action.

Mental Health Measures

Mental health education tailored to an employee's job level is available for new employees, mid-level employees, and managers as a primary prevention measure, and support activities for workplace improvement are conducted every year based on the results of group analysis of stress checks.

We also have made mental health counseling by public health nurses available as needed during comprehensive health checkups. For those employees who have been on leave, we have a return-to-work support program, in which industrial physicians and public health nurses work together with workplace supervisors and the Human Resources Department to provide support for those returning to work.

Passive-smoke Measures

While a preliminary separation of smoking and non-smoking areas was completed in 2012 by constructing indoor smoking rooms, we are currently preparing to move all indoor smoking to outdoor areas as well as to implement new rules regarding smoking. In addition, we provide employees who wish to quit smoking with access to smoking cessation services from both in-house and online clinics.

Recognized As a "Certified Health & Productivity Management Outstanding Organization 2023 (White 500)"

In March 2023, Toho Gas was recognized jointly by the Ministry of Economy, Trade and Industry and the Japan Health Council a White 500 Outstanding Health & Productivity Management Organization for 2023 for the fourth consecutive year.



Initiatives for Respect of Human Rights

Basic Concept

We believe that protecting the dignity and respecting the rights of all stakeholders in our business activities is essential both to the development of a sustainable society and to our own parallel development as a sustainable business. Acting on this belief, we have established a Toho Gas Group Human Rights Policy in accordance with internationally accepted criteria, such as the United Nations Guiding Principles on Business and Human Rights. In this way, we show our commitment to contributing to the development of a sustainable society by conducting our business activities with respect for the human rights of our employees, customers, business partners, local communities, and all other stakeholders.

Toho Gas endorses and is a signatory to the Ten Principles of the United Nations Global Compact, through which we commit to meeting fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.



Toho Gas Group Human Rights Policy

Introduction

The Toho Gas Group establishes the "Toho Gas Group Human Rights Policy" (hereafter referred to as "this policy") and promotes initiatives for respecting human rights. This policy is based on the "Toho Gas Group Sustainability Policy" and was determined with the approval of the Board of Directors of Toho Gas Co., Ltd.

1. Our View on Respecting Human Rights

We support and respect international norms on human rights, including the United Nations "International Bill of Human Rights" and the International Labor Organization (ILO) "Declaration on Fundamental Principles and Rights at Work". We also strive to practice the United Nations "Guiding Principles on Business and Human Rights".

The officers and employees of the Toho Gas Group will promote initiatives for the respect for human rights based on this policy. We also expect our business partners to support this policy.

2. Applicable Laws

We will comply with the laws applicable in the countries and regions where we conduct our business activities. If there is a contradiction between internationally recognized human rights and the laws of each country and region, we will pursue ways to respect internationally recognized human rights standards.

3. Respecting Human Rights in Business Activities

In our business activities, we respect human rights and strive to prevent and mitigate adverse human rights impacts as follows:

3-1 We will respond sincerely to our customers and strive to ensure safety and to improve quality.

3-2 If the adverse human rights impacts by business partners or other stakeholders is directly related to the business, products, or services of the Toho Gas Group, we will request our business partners to prevent and mitigate such impact.

3-3 We will respect the human rights of employees and strive to enhance and sustain a healthy and comfortable workplace.

3-4 We will understand the impact of our business activities on the local area and strive for coexistence with the local community.

4. Human Rights Due Diligence

Through ongoing efforts to build and implement a system of human rights due diligence, we strive to identify and assess the adverse impacts of our business activities on human rights, and take measures to prevent or mitigate these risks.

5. Remediation

If it becomes clear that our business activities have adversely affected, or contributed to, human rights, we will strive for remediation through appropriate procedures.

6. Dialogue and Consultation

We will strive for dialogue and consultation to address potential and actual impact on human rights.

7. Education and Awareness

We will carry out ongoing education and awareness activities to deepen correct understanding and recognition of human rights.

8. Information Disclosure

We will disclose our efforts to respect human rights based on this policy through websites and other means.



Human rights initiatives

Toho Gas Group is committed to preventing and mitigating negative impact on human rights through programs that enhance our employees' awareness of human rights and promote the prevention of discrimination and harassment.

Major initiatives

	Description
Employees	<ul style="list-style-type: none"> Harassment awareness training Promoting Occupational Safety and Health Identifying latent risks through compliance awareness surveys Availability of counseling services
Business partners	<ul style="list-style-type: none"> Request for action on human rights in accordance with our Human Rights Policy Request for action on human rights in accordance with our CSR Procurement Policies and Guidelines
Our customers and their communities	<ul style="list-style-type: none"> Protection of our customers' personal information Promoting environmental countermeasures (global warming, recycling, etc.)

Supply chain initiatives

In cooperation with our business partners, we promote initiatives to respect human rights, including prohibitions against child labor, forced labor, and discrimination, in accordance with the Toho Gas Group CSR Procurement Policy and Guidelines.

Collaborating with our suppliers

<https://www.tohogas.co.jp/lang/en/approach/eco/social/sce/>

Toho Gas Group CSR Procurement Guidelines

1. Quality, Price, Delivery, and Maintenance Management, etc.

- (1) Quality and Safety:

We request that our business partners provide products and services that meet the quality and performance standards required by our group, which are maintained for a reasonable period of time, and that ensure safety in use and operation. We also request our business partners to strive to maintain and improve their technical level.
- (2) Price:

Considering specifications, quality, delivery, purchase quantity, and market price trends, we request our business partners to provide products and services at fair and reasonable prices.
- (3) Delivery:

In delivering products and services, we request our business partners to adhere to the delivery deadline and strive to maintain a stable supply.
- (4) Maintenance Management & After-sales Service :

We request our business partners to maintain a system that can promptly and accurately conduct inspections, maintenance, repairs, and responses to accidents and malfunctions, and that can quickly provide necessary parts and technical assistance.

2. Compliance

We request that our business partners comply with all relevant laws and regulations applicable in the countries and regions where business activities are conducted, and respect societal norms and ethics.

3. Information Security

We request that our business partners strictly manage and protect any personal or confidential information collected through procurement transactions, and use it within legally permitted bounds. We also request our business partners thoroughly to implement measures to prevent the misuse or leakage of information.

4. Environmental Consideration

We request our business partners to strive for environmental conservation and reduction of environmental impact. When procuring goods and services, we request for their cooperation in procurement that leads to a reduction in environmental impact, such as selecting products and services that have as little impact on the environment as possible.

5. Human Rights & Occupational Safety and Health

We request our business partners to deepen their understanding of the importance of respecting the human rights and occupational safety and health of people affected by business activities, including the prohibition of discrimination, forced labor, and child labor. We request our business partners to respect human rights and strive for proper labor management and the maintenance of a safe and healthy work environment.

6. Contribution to the Local Community

We request that our business partners consider the cultures and customs of the countries and regions where business activities are conducted, and strive to communicate with local communities.

7. Approach to Business Partners (Supply Chain Management)

We request that our business partners not only engage in CSR procurement but also encourage their own business partners to do the same.