

Promotion of Human Resource 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.

● FY2023 result

Engagement rating **BB**

* Results of engagement survey conducted by Link and Motivation Inc.

Human Resource Management

By hiring, developing, and deploying talent and ensuring fair and appropriate evaluation and treatment, we are promoting the success of talent who support our core businesses as well as talent with management skills and expertise to drive the transformation of business operations.

● Employment statistics^{*1}

		Men	Women
Number of employees ^{*2} (Persons)	Non-consolidated	945	194
	Consolidated	4,543	1,499
Average age (Age)		41.8	40.5
Average years of service (Years)		15.8	16.3
Number of new graduate hires ^{*3} (Persons)		63	31
Number of mid-career hires ^{*4} (Persons)		51	
Number of rehires ^{*5} (Persons)		84	
Voluntary turnover rate ^{*6}		1.72%	

^{*1} As of March 31, 2024. All figures except “Number of employees” are for non-consolidated employees.

^{*2} Full-time employees, not including seconded staff

^{*3} Those joining the Company in April 2024

^{*4} Actual figures for FY2023

^{*5} Includes part-time employees

^{*6} Actual figures for FY2023 (including seconded staff)

Human resource management promotion system

Under the direction of the executive officer in charge of human resources, the Personnel Department takes the lead in formulating management policies in line with business strategies, and works with other departments and affiliates in implementing various measures. Key issues are deliberated by the Management Committee and reported to the Board of Directors.

Hiring

Our aim is to hire people who can think and act for themselves and have qualities to shape the future. We make our hiring information public on our website and in hiring informational sessions, and all hiring is done with a fair and unbiased approach.

Human resource development programs

To respond flexibly to environmental changes, such as carbon neutrality and digital transformation (DX), and to foster human resources who can promote transformation, we develop the capabilities of our employees based on on-the-job training while effectively combining group training and self-development. We also provide expanded opportunities for challenge and growth through exchanges with other industries, such as joint training with other industries and placement at outside companies.

		Younger employees	Mid-level employees	Management level
Group training	Rank- and role-specific training	Rank-specific training for promoted employees, mid-level leader training, etc.		Training for employees promoted to management level, management training, etc.
	Selective training	Problem-solving training Cross-industry training ¹ DX training, etc.		Strategy workshops ²
	Career development and diversity	Career training for women, seminars prior to maternity and childcare leave		Diversity training
		Career training (for employees aged 50 or 55)		
Self-development		Obtaining official certification		
		Online training, outside training		
		Study abroad, internal certification testing, etc.	—	
On-the-job training		Development while on the job		

^{*1} Training to develop leadership and innovation abilities by interacting with people outside the Company from different industries

^{*2} Training to enhance management abilities by developing company growth strategies and preparing employees for future managerial positions



Cross-industry training

Promotion of Human Resource Policies – Strengthening Our Human Capital

Opportunities for transfers and career development

Employees are provided opportunities each year to discuss their career plan with their supervisor, and this is used to confirm transfers and for career development. Our aim is to place the right person in the right place so that employees can feel motivated and satisfied with their work.

We also support voluntary career development of employees such as through an internal recruitment program and study abroad program.

System	Overview
Internal recruitment	We recruit transfer employees mainly in strategic business fields such as new business and electric business. Transfer employees are determined through a selection process that includes interviews.
Studies at graduate schools in Japan and abroad	We offer outside positions so employees can gain advanced, specialized expertise, such as an MBA or business planning.
Language training	We provide online English language training and supplementary learning to develop future international employees.
Field work at overseas locations	To develop employees for international positions, we dispatch them to overseas offices and train them in business English as well as knowledge and skills required to live and work overseas.



Personnel treatment system

We have adopted a multi-track role grading system and performance management system to help foster diverse talent, nurture self-driven individuals, and reflect performance and results. By promoting personal growth through work and providing appropriate evaluation and feedback on performance, results, and the process involved, we are aiming to create a rewarding system that ensures satisfaction and accountability.

Diversity and Inclusion

We create an organizational culture to secure and foster diverse talent and deepen mutual understanding with the aim of revitalizing the organization, strengthening our competitiveness, and fostering innovation. In addition, we actively appoint women and career hires to managerial positions based on their aptitude and abilities.

Strengthening internal systems

To further enhance initiatives to promote diversity and inclusion, we created the D&I and Career Development Support Group in our Personnel Department. With the focus on the new group, we will implement more effective activities than before in promoting women, career hires, seniors, and people with disabilities, as well as providing career training for younger employees.

Creating an organizational culture to deepen mutual understanding

For diverse talent to fully demonstrate their individuality and abilities, it is essential to build an organization that fosters a high level of psychological safety as the foundation. We are implementing new initiatives such as hosting workshop-type training for management level based on psychological safety.

Advancement of women

To promote the advancement of women in the workplace, we are improving systems to strengthen hiring and work styles, and we are working to increase awareness of appointing women to managerial positions.

In terms of hiring, we are actively promoting the Company as a place where women can work comfortably and play an active role, such as by holding events for female students that are attended by female managerial staff. In FY2023, women made up 33.3% of hired general-career employees. In addition to creating systems for childcare leave and reduced working hours that go beyond legal requirements, we permit the use of accrued leave of absence (accumulated expired paid leave) for fertility treatment visits and gynecological checkups.

We also support career development for female employees through training for specific age groups preparing for life events and interactions with role models both inside and outside the Company.



Online seminar on maternity and childcare leave

● FY2025 target

Number of female managers **30** or more

● FY2023 result

Number of female managers **26**

(Percentage of female managers: 3.4%)
* As of March 31, 2023. Includes seconded staff.

Promotion of Human Resource Policies – Strengthening Our Human Capital

Obtained “Eruboshi” certification

In July 2021, Toho Gas was recognized by the Japanese government with Eruboshi certification for promoting efforts for female employees in accordance with the Act on Promotion of Women’s Participation and Advancement in the Workplace. The Company also received certification as an “Aichi Josei Kagayaki Company” in May 2023 for creating a workplace where women can shine.



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



Certified by Aichi Prefecture as an “Aichi Josei Kagayaki Company” for creating a workplace where women can shine.

Advancement of mid-career hires

To secure diverse personnel, we offer mid-career employment from various industries. We create synergy with existing employees to ensure placement and training that makes the most of their experience and expertise. In FY2023, we hired 51 mid-career hires, for a mid-career employment rate of 36.4%.

Opportunities for senior employees

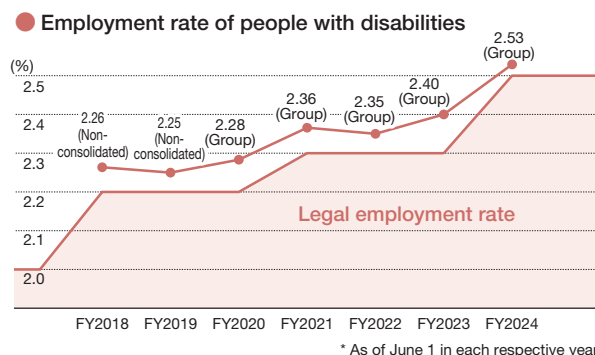
We rehired employees who have reached retirement age but still want to work. In FY2023, more than 70% of employees who have reached retirement age continued to work, demonstrating their technical capabilities, skills, expertise, and experience accumulated during their careers.

To enhance work motivation and performance for employees over 50, and to foster a gradual development of career awareness, we offer career development training for employees at age 50 as well as career seminars and one-on-one consultations for employees at age 55.

Opportunities for people with disabilities

We actively hire people with disabilities 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 employment rate for the entire Group and contributing to the local community.

As of June 2024, the Group’s employment rate of people with disabilities is 2.53%, which meets the legally mandated rate of 2.5%. These employees are active in a variety of work at numerous workplaces, and we will continue to expand workplace and occupational opportunities.



Toho Flower workplace

TOPICS

Winner at National Abilympics

A Toho Flower employee represented Aichi Prefecture at the 43rd National Abilympics held in fall 2023. The employee was awarded a silver medal in the Desktop Publishing Event for editing and assigning printed materials. The Abilympics are an annual competition in which people with disabilities compete using their skills developed in their daily work, and an international competition is scheduled for 2027.



Competing at the National Abilympics

Participating in daycare support services for children with disabilities

Daycare support services for children with disabilities provides rehabilitation (assistance in providing individualized programs and support to promote healthy growth and social participation) for children with developmental challenges before entering elementary school. Through this project, the Toho Gas Group will contribute to realizing a sustainable society by supporting rehabilitation centers in local communities as a life and business partner and by helping these children become independent.



Scheduled to open in Howa Seminar Plaza in Minato Ward, Nagoya

Promotion of Human Resource Policies – Strengthening Our Human Capital

Improving Ease of Work

We are working to create a comfortable workplace to ensure a balance and enrichment of work and life.

Promoting flexible work styles

To promote autonomous and efficient work, we introduced work time systems including flextime, a discretionary work system, and reduced working hours. In addition, to further enhance the flexibility of work styles, we are expanding telecommuting, such as working at home and satellite offices, as well as working online using web conferencing, internal business chats, and electronic approval to ensure smooth operations even when working remotely. Furthermore, starting in April 2023, we introduced a relaxed dress code with the aim of revitalizing communication within the Company and improving autonomy and initiative.

Support for balancing work with childcare, caregiving, and medical care

To support balancing work with childcare, caregiving, and medical care, we have established systems to offer leave, reduced working hours, and rehabilitation time-off as well as a service for consulting a specialist. We are also supporting a work-life balance for employees by introducing special paid leave for volunteer activities as well as a system to award employees for their social contributions to the local community.

● Number of employees newly receiving childcare and caregiving leave

	FY2019	FY2020	FY2021	FY2022	FY2023
Childcare leave	23 (2)	21 (5)	33 (15)	39 (25)	65 (51)
Reduced working hours for childcare	15 (2)	19 (1)	7	20 (2)	19 (1)
Caregiving leave	2	1	1	0	1 (1)
Reduced working hours for caregiving	0	2	1	1	0

* Totals for Toho Gas and Toho Gas Network. Figures in parentheses indicate the number of male employees.

● Percentage of male employees taking childcare leave

	FY2023 result	FY2024 target
Percentage of male employees who took childcare leave or leave for child care purposes	94.9%	100%

* Percentage of male employees with a newborn child who took childcare leave or leave for child care purposes. The percentage of employees who took childcare leave was 51.5%.

* Totals for Toho Gas and Toho Gas Network



Obtained the Platinum Kurumin certification

Toho Gas received Kurumin Mark certification from the Ministry of Health, Labour and Welfare in 2018 for its efforts to support childcare. In 2023, we received Platinum Kurumin certification as a company that supports childcare at a high standard.

Improved productivity

We are promoting the creation of a comfortable working environment and improving work efficiency by incorporating digital tools such as robotic process automation (RPA) and chatbots for internal inquiries, as well as reviewing business processes.

To help prevent long working hours, we comply with the Agreement on Off-hours Work and Work on Days Off (Saburoku Kyotei - “36 Agreement”) and regularly hold labor-management committee meetings on working hours and work styles to ensure proper management of working hours while reviewing work practices. We have also established a consultation service on working hours for both labor and management to handle individual consultations and inquiries.

● Main work-life balancing support systems (As of July 2024)

Area	System	Description
Childcare	Childcare Leave	Available up to two years in total and up to three separate times, from pregnancy until the child reaches three years old
	Postnatal Paternity Leave	Available up to four weeks and up to two separate times until the infant is eight weeks old
	Reduced Working Hours for Childcare	Reduced work hours from pregnancy until the child enters fourth grade (April 30), or until the child finishes sixth grade if the child has a developmental or physical disability. Reduced work hours up to two hours per day until the child finishes first grade, and up to one hour per day thereafter, in 30-minute increments.
	Prenatal and Postnatal Leave	As a general rule, six weeks before birth and eight weeks after birth
	Spouse Maternity Leave	Available up to two days within two months after spouse gives birth
	Child Nursing Care Leave	Available until the child enters fourth grade (April 30), or until the child finishes sixth grade if the child has a developmental or physical disability
Caregiving	Caregiving Leave	Available up to one year and up to three separate times per person requiring caregiving
	Reduced Working Hours for Caregiving	Available up to five years and up to three separate times per person requiring caregiving Reduced work hours up to two hours per day in 30-minute increments
	Caregiving Consultation Service	External caregiving consultation service by telephone or email
Other	Flextime	Available without a fixed period (except in certain workplaces)
	Wellness Leave	Available for up to three consecutive paid leave days
	Volunteer Leave	Available as special paid leave for up to five days a year
	Local Community Contribution Award System	Promotes participation in community activities by awarding employees for their long-term contributions.

Promotion of Human Resource Policies

Preventing harassment

To prevent harassment, including power harassment and sexual harassment, we educate managers, distribute guidelines, and hold workplace discussions. We have also established a dedicated consultation service for employees dealing with harassment concerns.

Company employment regulations prohibit harassment and specify that disciplinary action be taken for violators.

Labor-management relations focusing on communication

We have adopted a union shop system in which all employees except for managers belong to the Toho Gas Labor Union. We emphasize communication with the labor union and hold regular labor-management council meetings and management meetings to maintain a healthy and favorable labor-management relation and working environment as well as to facilitate mutual understanding.

Compliance with labor-related laws and regulations

The Toho Gas Group strives to comply with labor-related laws and regulations including the Labor Standards Act.

No major violations to the labor-related laws and regulations occurred in FY2023. We will continue to monitor legal revisions and other trends and respond appropriately.

Occupational Health and Safety Initiatives

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.

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.

Promoting occupational health and safety

The Central Safety and Health Board chaired by the President meets twice a year to ensure thorough management of company-wide health and safety efforts and encourage a healthy lifestyle. Meetings include deliberation of three-year and annual action plans, including analysis of previous results, and the results are reported to the Board of Directors and the Management Committee.

We have established Safety and Health Boards at individual business locations, as well as Business-location Safety and Health Boards—all under the Central Safety and Health Board—and we are working together to develop safety and health activities as a company. At least half of the members of the Safety and Health Boards are recommended by the labor union, and activities are based on the participation of employees.

In addition, we are working to prevent work accidents throughout the Group such as by organizing the

Health and Safety Council that includes partner companies, providing education and awareness of safety and quality, and conducting on-site patrols.

We are also working on activities headed by the health and safety promoters at each workplace to encourage healthy lifestyles, promote the health of employees through walking events and other activities, and stimulate communication in the workplace.

● System for promoting occupational health and safety activities

