

Human Resources

Summary

Why the topic is material	<p>In the Daigas Group Corporate Principles, the Group declares its aim to create value primarily for customers, as well as for society, shareholders, and employees. Based on the belief that human capital is a source of value creation, the Group aims to be a company where employees can achieve personal growth through their work.</p> <p>Based on the notion that creating a comfortable work environment that takes into consideration the health and safety of our employees is the foundation of all our operations, we are working to prevent occupational accidents and promote health and wellness of our employees.</p> <p>We respect the individuality and self-reliance of all employees and actively promote diversity, equal opportunity, and inclusion so that they can take on challenging and rewarding work. We position employee engagement, development of employee skills, and diversity & inclusion as material issues.</p>
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	Items to be addressed	Specific initiatives								
Human resources management	<ul style="list-style-type: none"> Retention of necessary personnel to respond to the evolution of our business portfolio Maximization of the entire Group's performance by assigning the right people to the right jobs Revitalization of individuals by increasing job satisfaction <p>Materiality Employee engagement</p>	<p>Policy and promotion system</p> <p>We are engaged in various initiatives to improve employee satisfaction and the Group's entire performance in a rapidly changing business environment with increasingly diversified employees' work perspectives.</p> <p>The personnel system of the Osaka Gas helps all employees understand their roles and expectations through meetings with their supervisors, who serve as personnel development advisors, and allows employees to choose their own career course to pursue.</p> <p>Moreover, we have established the Daigas Group Safety and Health Council to discuss measures for and share information on occupational accident prevention and health maintenance and enhancement.</p> <p>Each year, we measure employee engagement through the Attitude Survey of Daigas Group employees, reflecting the results in each policy.</p>								
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<p>Initiatives undertaken in FY2023.3</p> <ul style="list-style-type: none"> Strengthened recruitment of highly specialized human resources and established a multi-track career path system by offering new career paths Introduced a talent management system Continued to implement improvements to the workplace environment to make it more comfortable to work in 										
Human resources development	<ul style="list-style-type: none"> Revision of the specifics of the training contents in light of the employees' desired level of growth and the personnel profile Implementation of DX human resources education <p>Materiality Development of employee skills</p>	<p>Policy and promotion system</p> <p>The Daigas Group's Long-Term Management Vision 2030 lists the promotion of work style reform and development of human resources as important goals. We consider it vital to develop personnel who are capable of working actively in a rapidly changing business environment, and to that end, we offer a range of training and educational programs aimed at developing individual capabilities.</p> <p>Osaka Gas offers a wide range of training programs for all positions and job descriptions, in addition to the training system for each career course. These include training programs by level along with self-directed training.</p>								
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<p>Initiatives undertaken in FY2023.3</p> <ul style="list-style-type: none"> Periodically conducted follow-ups and assessments through meetings between employees and their supervisors based on Management by Objectives (MBO) approach Developed each individual's spontaneous desire and motivation for growth and formulated a future career plan 										

	Items to be addressed	Specific initiatives		
Diversity and Inclusion	For empowerment of female employees: <ul style="list-style-type: none"> • Implementation of career education (including balancing of work and childcare) • Creation of an environment where life events do not disrupt a career • Enhancement of recruitment activities for female students Materiality Diversity and Inclusion	Policy and promotion system We take action across the organization in line with the UN Global Compact, related laws, and the Daigas Group Diversity Promotion Policy to make improvements in recruitment, human resources development and the workplace environment, led by the dedicated division for diversity promotion.		
		<table border="1"> <tr> <th>KPIs based on the materiality</th> <th>FY2023.3 results</th> </tr> <tr> <td> Percentage of women among: <ul style="list-style-type: none"> • Executives/Directors • Newly promoted to middle management positions • New recruits for career-track positions </td> <td> <ul style="list-style-type: none"> • Percentage of women among Executives/Directors: 13.3%/10.0% (Results after the Annual Meeting of Shareholders held in June 2023: 26.7%/20.0%) • Percentage of women among all career-track employees promoted to middle management positions: 14.3% • Percentage of women among new recruits for career-track positions: 28.1% </td> </tr> </table> Initiatives undertaken in FY2023.3 <ul style="list-style-type: none"> • Implemented self-motivated career development through the mentoring program • Strengthened cooperation between those engaged in employee development (supervisor, HR departments in the organization and head office), using meeting sheets from pregnancy to return to work • Held information sessions that introduce a range of actual career paths to clarify how employees can play active roles after joining the company 	KPIs based on the materiality	FY2023.3 results
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Work-life management	<ul style="list-style-type: none"> • Implementation of measures for supporting employees balancing work and life • Efforts to improve productivity and reduce working hours • Support for community activities involvement 	Policy and promotion system We aim to create a corporate culture in which employees can maximize their abilities by striking a balance between rewarding work and fulfilling personal lives and involvement with society. Furthermore, labor and management are working together to realize a work-life balance by systemizing support measures needed by employees at each life stage and creating a workplace environment that facilitates the use of such measures. We are working on work-style reform while considering measures to promote highly productive and creative work styles through corporate committees called the Efficient Work Styles Committee and the DX Committee.		
Labor safety and health	<ul style="list-style-type: none"> • Continued implementation of measures to prevent occupational accidents • Practical implementation of Kenko Keiei* • Continued support for labor health and safety management at group companies *The term "Kenko Keiei®" is a registered trademark of Non-profit Organization Kenkokeiei.	Policy and promotion system In March 2021, we established the Daigas Group Declaration of Health and Productivity Management by summarizing our attitude toward Kenko Keiei (health and productivity management), which was indicated in the Daigas Group Corporate Principles, the Daigas Group Charter of Business Conduct, and the Daigas Group Code of Business Conduct. We also established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to live healthy lifestyles. In addition, in order to create a workplace where employees can work safely, based on the idea that ensuring safety and maintaining and improving physical and mental well-being are key to all operations, we declared in the Daigas Group Code of Business Conduct that we will prevent occupational accidents and promote fitness.		
		Initiatives undertaken in FY2023.3 <ul style="list-style-type: none"> • Continued implementation of measures to prevent occupational accidents: Continued implementation of safe driving education and heat stroke countermeasures • Practical implementation of Kenko Keiei: Health promotion activities based on the Daigas Group Action Guidelines "7 Rules for Being Healthy" • Implementation of health-related training: 9% of employees participated • Continued support for labor health and safety management at group companies: Once a year each group company prepares a safety and health action plan. Conducted a survey on the status of labor health and safety management in conjunction with the submission of the action plan. 13,715 employees from 34 companies (total of Osaka Gas and affiliated companies) received regular health checkups at the Osaka Gas Health Development Center. 		
Communication between employees and company	<ul style="list-style-type: none"> • Continuing to set up opportunities for direct dialog between Osaka Gas President and group employees • Maintaining and strengthening sound and good labor-management relations to resolve issues • Continued implementation of the in-house award system 	Policy and promotion system The Daigas Group believes that it is important for employees and the company to work together to realize the healthy growth of each group company with a sense of mutual trust and tension. To this end, we promote communication between employees and the company by opinion exchanges at informal meetings between the labor union and management and various study committee meetings, as well as workplace visits by the President of Osaka Gas to group companies and organizations.		
		Initiatives undertaken in FY2023.3 <ul style="list-style-type: none"> • Continuing to set up opportunities for direct dialog between Osaka Gas President and group employees: 11 times provided • Maintaining and strengthening sound and good labor-management relations to resolve issues: 9 work councils held • Continued implementation of the in-house award system: President's Award granted once 		

Human Resources Management

Principle and Outline

To achieve its sustainable growth, the Daigas Group is working to maximize the value of each and every employee by hiring and fostering human resources who will continue to create value, creating an organizational culture that accepts diverse values and encourages challenges, and ensuring safety and maintaining and improving the health of its employees. We will continue to contribute to solving social issues, promote diverse and creative work styles, and work even more actively to create a rewarding and comfortable work environment.

Furthermore, based on the idea that it is important to create disruptive innovation in order to enhance our corporate value over the medium to long term and the driving force for such innovation is a combination of diverse individuals, we promote diversity, equal opportunity and inclusion and actively incorporate diversity in terms of experience, sensitivity and values into our organization. We have traditionally been helping female, elderly, disabled and non-Japanese workers play an active role and making considerations to ensure that they are not disadvantaged because of their minority status. We will develop an environment for them to further demonstrate their abilities.

Efforts to Assign the Right People to the Right Jobs

The Daigas Group aims to implement business portfolio management based on the three pillars of “Domestic Energy Business,” “International Energy Business,” and “Life & Business Solutions Business.” To maximize performance by ensuring the quality and quantity of personnel to that end and by empowerment of diverse human resources based on the principle of assigning the right people to the right jobs, we work to hire and foster human resources who can flexibly respond to changes in the business environment and highly specialized human resources. In particular, we secure human resources while expanding mid-career recruitment to meet the growing need for highly specialized human resources to realize our management strategies, which include initiatives to achieve carbon neutrality, accelerate international energy business expansion, and transform through DX. Recognizing the importance of sustainable organizational management in achieving our management strategies for the future, we will work to secure personnel in a planned manner and appoint personnel with an awareness of human resource development.

Introduction of Talent Management System

Osaka Gas considered the introduction of a talent management system and has begun using the system on a trial basis since FY2022.3.

The job fields are classified into a total of 18 areas, including international business, electricity business, and financial operations. We reorganized the duties experienced by the target employees by linking them to their respective job fields, and we consolidated the experience of each member within the company.

By organizing these job requirements and consolidating human resource information to form foundations, and by matching the organized job requirements with human resource information, such as personal characteristics and transfer experience, we aim to maximize performance through the appointment of the right persons in the right positions and the empowerment of diverse human resources.

Furthermore, we will formulate a succession plan mainly for management posts, aiming to achieve sustainable performance as an organization.

Efforts to Maintain and Improve Employee Engagement

In FY2022.3, we reviewed the content of the attitude survey, which was conventionally conducted at Osaka Gas, and designed and conducted the new Employee Attitude Survey so as to grasp employee engagement across the group. In a survey conducted in FY2023.3, 5,769 employees at Osaka Gas responded, and the response rate was 92.5%. At affiliated companies, 7,305 employees responded, and the response rate was 89.9%. Four indicators were used as evaluation indicators: “overall satisfaction,” which indicates the current level of satisfaction with the company, “loyalty,” which indicates the level of dedication to the company, “intention to continue working,” which indicates the intention to continue working for the company, and “recommendation intention,” which indicates the degree to which employees recommend the company to their friends and acquaintances. It was confirmed that the levels at Osaka Gas and its affiliated companies were higher than those in general. We analyze the results of the Employee Attitude Survey by age bracket, organization, etc., and implement measures to address identified issues.

Data on Osaka Gas Workforce

The number of employees at Osaka Gas as of the end of March 2023 was 1,163 (male: 895/ female: 268). For recruitment, a joint recruitment seminar is held by Daigas Group companies. In FY2023.3, ten companies participated in the seminar, where approximately 320 students were provided explanations on the businesses of each group company and the type of personnel that they are looking for. Furthermore, in FY2023.3, we provided approximately 500 students with internship opportunities to gain work experience. The number of employees who joined the company through mid-career recruitment was 29. (The ratio of those hired through mid-career recruitment to full-time workers was 16.7%.) We are also actively hiring locally at our overseas affiliates.

Human Resources Development

Principle and Outline

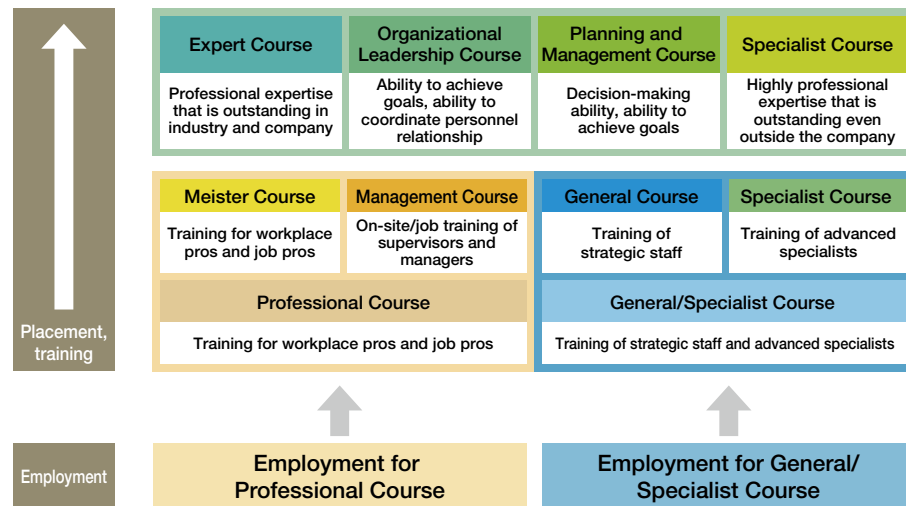
The Daigas Group aims to become a group of companies at which all employees can find personal growth through their work. We have introduced a career-course-specific human resources systems designed to respect and put to full use the individuality and autonomy of employees, and we have been conducting a wide range of training. Overseas business training is also provided to develop personnel who can play an active role globally. Furthermore, we have introduced an employee evaluation system that is highly objective based on the Management by Objectives (MBO) method, as well as a system that allows employees to take on the challenge of voluntary career development.

Personnel System

Personnel system to develop human resources according to their roles

For the steady growth and development of the company, Osaka Gas has introduced a career-course-specific personnel system in which roles and expectations are clearly defined for all employees and employees are appropriately employed, fostered, evaluated and assigned according to each role. Under this personnel system, employees themselves conduct course registration.

Outline of the Personnel System



Training System

Career-course-specific training

To enable employees to play an active role in their respective courses, we systematize training and conduct training sessions in a planned manner to have participants acquire abilities required for each career course.

Meister Course

This course is designed to foster business professionals who achieve high performance through their extensive business experience and outstanding skills and who contribute to business performance by passing on their skills and know-how. Employees systematically acquire required skills and know-how according to the nature of their work at the human resource development center established at each business unit.

Management Course

This course is designed to develop future managers and supervisors who will manage operations based on their wealth of work experience and leadership skills and to promote organizational vitality and the development of subordinates. Selective training sessions and other programs are provided to enhance management and leadership skills.

General Course

This course is designed to develop human resources who will lead an organization based on a wide range of work experience, including management, while taking on staff duties, such as strategic planning for the business unit and the Daigas Group as a whole. We have an in-house business school for learning the knowledge and skills that form the basis of strategic planning, such as logical thinking, marketing, accounting and finance.

Specialist Course

This course is designed to foster specialists who will draft strategies for the business unit and the Daigas Group with a high level of expertise to help with decision-making and realization of such strategies. In addition to the in-house business school for the General Course, we provide in-house study sessions, etc. to learn advanced expertise in each business field.

Training for all job levels

Training for young employees

Osaka Gas positions the first three years after employees join the company as a period for nurturing young employees and encourages them to form their foundations as members of society.

After acquiring basic conduct and attitudes as a member of society through introductory training at the time of employment, each employee receives follow-up training every year to enhance the abilities required at each stage of growth. For the same period, an instructor assigned to each newly hired employee provides guidance on work to promote further growth.



Training for young employees

Training system for the Daigas Group

To enhance the Daigas Group's human resource development support measures, we offer systematized training programs that are highly requested by group companies. In addition to programs for all job levels, the system is designed to encourage self-directed career development and personal growth by providing self-development support programs.

Outline of the Training System for Daigas Group

Executives	Newly appointed director training	Online study courses	Challenge seminars (self-directed training)	Accounting and financial affairs seminars
	Management seminars Purpose: To improve managerial skills and build sympathetic qualities			
Managers	Enlightenment program for manager candidates Purpose: To raise self-awareness regarding the skills and qualities needed for organizational management and to foster the desire to develop one's own abilities			
	Mid-level leadership program Purpose: To develop the core leaders of the organization			
	Training for managers			
Mid-level employees	Self-discovery training Purpose: To raise self-awareness regarding the skills and qualities needed for workplace management and to foster the desire to develop one's own abilities			
	Managerial skills booster program Purpose: To develop in managerial candidates an understanding of managerial skills and aid in their acquisition			
Junior/new employees	Mid-career training			
	Newly appointed instructor training			
	Newly hired employee training			

Training to develop human resources leading overseas operation

Overseas business training systems

In order to develop a large number of human resources who can play an active role in overseas business, we send personnel appointed by each organization to carry out overseas business to a short-term intensive overseas business training curriculum conducted overseas or in an environment in Japan close to an overseas environment.

[Specific curriculum examples]

Overseas Trainee System (a system under which employees are assigned to affiliated companies under the Energy Resources & International Business Unit or overseas research institutes as trainees for a certain period of time), short-term overseas language training, etc.

Studying-abroad program

We send employees to study at overseas universities in order to have them foster a sense of globalization and acquire management literacy.

Language learning support system

We have a support system for employees to learn English in order to nurture human resources who can play an active role both in Japan and abroad.



Our employee who experiences working overseas under the Trainee System (second from right)

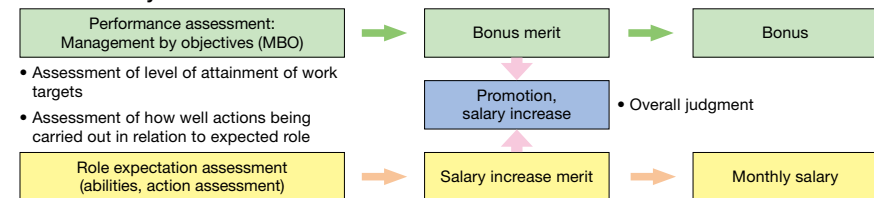
Employee Performance Evaluation and Interviews

Aiming for evaluations that lead to growth

Osaka Gas is using two evaluation indicators, performance evaluation, which measures the degree of performance based on the Management by Objectives (MBO) method, and role expectation evaluation, which evaluates the level of performance of daily activities. While enhancing opportunities for meetings between supervisors and subordinates, we clarify each employee's strengths and areas for improvement, and supervisors give appropriate advice, leading to each employee's skill development.

In performance evaluation, in which employees set their own goals, we encourage them to take on even more aggressive challenges by appropriately evaluating not only results but also processes in the course of work.

Evaluation System



Compliance set as a personnel evaluation item

Since FY2009.3, we have set compliance initiatives as one of the evaluation items in the role expectation evaluation. This promotes compliance with laws and regulations and ethical standards.

Furthering Employees' Careers at Osaka Gas

Creating a system that encourages employees to take on challenges on their own initiative

Osaka Gas provides an opportunity for all employees to have a self-observation interview once a year, in which each employee reflects on the satisfaction and performance of his or her current job, proactively draws up desired mid- to long-term career plans, and expresses his or her desired career path, etc. By taking into consideration the opinions and wishes of each employee obtained through these interviews, we are able to make decisions on assignments and other matters, thereby raising awareness of the need for employees to shape their careers on their own.

We have a Challenge System in place that allows employees to choose the work that they are interested in or want to do from among internally advertised jobs, encouraging employees to seek career development on their own accord. A total of more than 280 employees have been reassigned through this system since FY1989.3, when it was launched.

Support for self-development

[Encouraging self-development](#)

We offer Challenge Seminar Training Courses (approximately 100 courses per year) for all Daigas Group employees, allowing them to acquire advanced business skills at their discretion. In addition, to improve the skills of employees, we encourage them to take various correspondence training and education courses by subsidizing a portion of the fees for these courses.

Skill development support

[Aiming to improve field operations skills](#)

In order to provide safe and reliable products and services to our customers, the Daigas Group provides technical training for employees in the management of LNG terminal facilities, gas supply pipe installation and safety inspections, and equipment installation and repair.

Diversity & Inclusion

Principle and Outline Daigas Group Diversity Promotion Policy

As a way of enhancing its corporate value, the Daigas Group believes that it is essential for the Group to promote diversity in its corporate membership and corporate structure whereby employees can maximize their potential, irrespective of gender, age, nationality or physical disability. Recognizing that it is necessary for the Group to foster a corporate culture, the Group has adopted the Daigas Group Diversity Promotion Policy aiming for people with diverse personality and talent are respected, accepted, they can feel rewarded and fulfilled through their work.

Supporting a More Active Role for Female Employees

As the working population is expected to decline in Japan, Osaka Gas believes it important to accept diverse values and has been striving to create a work environment where female employees can exercise their abilities and play active roles. With their aptitude and wishes taken into account, female employees have been displaying their abilities in various fields. Under the Daigas Group Diversity Promotion Policy, we have set numerical targets of increasing the percentage of women on the board and in executive positions to 20% or higher, respectively, and the percentage of women among career-track employees promoted to middle management positions*1 to 30% or higher by FY2031.3 and of maintaining the percentage of women among career-track hires at 30% or higher, and we will promote various initiatives and enhance various systems. We have made various efforts to achieve a healthy work-life balance and taken measures for career development. These endeavors have led to a steady increase in the percentage of women in middle management positions. Osaka Gas has won the “Eruboshi” (highest level) certification from the Minister of Health, Labor and Welfare as an excellent company in terms of the status of women’s participation and advancement in accordance with the Act on the Promotion of Women’s Participation and Advancement in the Workplace. In FY2022.3, Osaka Gas was also selected for the Nadeshiko Brand by the Tokyo Stock Exchange (TSE) and the Ministry of Economy, Trade and Industry as one of the TSE-listed companies which actively promote the utilization of female human resources, including the development of an environment where women can continue to work.

Osaka Gas has also been selected as a constituent of the MSCI Japan Empowering Women Index (WIN), an ESG investment index for Japanese stocks adopted by the Government Pension Investment Fund (GPIF). In FY2019.3, Osaka Gas became the first gas provider to receive gold in the PRIDE Index, Japan’s first index introduced by a volunteering group called “work with Pride” to evaluate corporate efforts to support inclusiveness of LGBT employees and other sexual minorities.

*1 Percentage of women among all career-track employees promoted to middle management positions:

The percentage of women promoted to middle management positions among career-track employees promoted to managerial positions in that fiscal year (including loan employees)

Change in the percentage of women in managerial positions (Osaka Gas)*2

The target of 5% or more for the percentage of women in managerial positions was attained by FY2021.3

*2 Percentage of women in manager positions or higher (non-consolidated)

	FY2005.3	FY2016.3	FY2017.3	FY2018.3	FY2019.3	FY2020.3	FY2021.3
Percentage of female employees in management positions	0.3	2.3	2.7	3.8	3.4	3.5	5.0

• In FY2022.3, a new indicator was set to attain “30% or more for the percentage of women among employees promoted to managerial positions by FY2031.3 (managerial positions changed to “managerial positions or equivalent,” including Osaka Gas’s loaned employees).”

	FY2022.3	FY2023.3
Percentage of women among all employees promoted to managerial positions*3	6.3	14.3
Percentage of female employees in managerial positions*4	4.2	4.5s

*3 The percentage of women promoted to managerial positions among career-track employees promoted to managerial positions in that fiscal year (including loan employees)

*4 For the percentage of female employees in managerial positions, the target was changed from female employees on a non-consolidated basis to all employees, including loan employees.



Gold in the PRIDE Index



Nadeshiko Brand

2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

MSCI Japan Empowering
Women Index (WIN)



Osaka Gas acquires
Eruboshi certification
(third stage,
which is the highest)

■ Main Actions Taken in FY2023.3

	Specific initiatives in FY2023.3	
Recruitment	Holding of diversity seminars to introduce female employees' career paths and workplace environments where they are playing an active role; Holding seminars for science-major female students	
	Website	Posting of articles about career plans pursued by female workers
Development of human resources	Transfer and appointment	Transfer and appointment based on individual development plans suited to each employee
	Career education	Mentor system (mentoring program)*
		Career-design seminars Roundtable talks between female workers on careers (strengthen connections with internal role models)
		Interviews with young workers during their training period (young workers when they are employed/after assignment/after three years)
		Dispatch of employees to an external organization that supports the empowerment of women, the "Japan Institute for Women's Empowerment & Diversity Management"
Training for supervisor	Training for newly appointed and existing managers/supervisors	
	Holding of a Diversity Promotion Forum (lecture by knowledgeable person and workshop)	
	Attendance of supervisors in various training programs for women	
Work environment	Childcare (Men are also eligible.)	Holding child-rearing luncheon meetings (job networking event)
		Holding forums for employees raising children and their supervisors
		Offering intranet networking opportunities for workers on leave and returners
		Holding roundtable talks for people taking childcare leave
		Holding seminars on balancing work and childcare for men (Diversity West Japan Study Group)
	Corporate culture	Provision of information through continued distribution of e-mail news and in-house web magazines
Continued implementation of measures to promote efficient working		

* Mentor system (mentoring program): A program that provides female employees before and after life events and before management with the opportunity to receive direct guidance from experienced mentors to foster networking and career awareness.

Holding of Diversity Training for Newly Appointed Managers/Supervisors

Osaka Gas conducts diversity training as part of training for newly appointed managers/supervisors.

■ Number of Participants in Training for Newly Appointed Managers/Supervisors

	FY2019.3	FY2020.3	FY2021.3	FY2022.3	FY2023.3
Group	171	156	176	163	149
Osaka Gas	98	77	46	36	10

■ Number of Participants in Mentoring Program

	FY2019.3	FY2020.3	FY2021.3	FY2022.3	FY2023.3
Osaka Gas	22	12	17	19	16

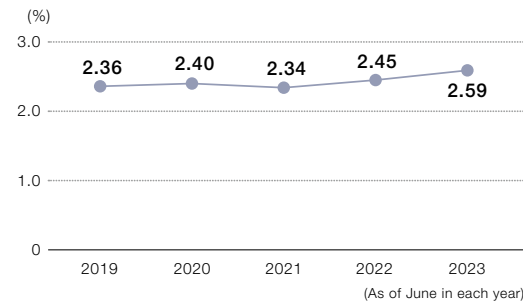
*Osaka Gas and consolidated companies

Creating a Work Environment for the Disabled

Hiring the disabled

Osaka Gas does all it can to hire disabled persons and creates a work environment conducive to the talents of each individual. As a result of these efforts, disabled persons accounted for 2.59% of our workforce as of June 2023, well above the legal minimum of 2.3%. Of the 37 Group companies subjected to the law, 20 companies including Osaka Gas have achieved the legal minimum.

■ Percentage Rate of Disabled Employees (Osaka Gas)



Creating a Work Environment for Seniors

Creating a work environment for seniors

Osaka Gas has implemented a reemployment scheme to rehire employees who have reached mandatory retirement age, under which applicants are placed in jobs that match their skills and preferences. All Daigas Group companies have similar reemployment programs.

Post-retirement support

In order to meet the diversifying needs of second life, at Osaka Gas, the Career Development Project Team conducts career guidance (training) and career development interviews for employees at the ages of 45 and 53.

This training offers the employees briefings on circumstances inside and outside the company as well as various support systems, and through closer examinations of their work histories and group discussions, the employees are encouraged to seek out career paths that are consistent with their values and motivation and to develop their own career plans. After the training, each employee will fill out a career track questionnaire and then attend a one-on-one interview with an in-house career counselor to discuss their career aspirations and growth plans. About 270 employees received career development interviews in FY2023.3.

When employees reach the age of 54, they are invited to attend a “Nice Life Seminar” with their spouse. They are briefed about various systems that may affect their post-retirement life plans.

Work-Life Balance

Principle and Outline

Osaka Gas aims to create a corporate culture in which employees can maximize their abilities by striking a balance between rewarding work and fulfilling personal lives and involvement with society. Furthermore, labor and management are working together to realize a work-life balance by systemizing support measures needed by employees at each life stage and creating a workplace environment that facilitates the use of such measures.

By researching strategies to encourage an innovative and productive work style inside the cross-company Efficient Work Styles Committee and the DX Committee, the Company is aiming to change the way people work.

Support for Male Employees to Participate in Childcare

Osaka Gas encourages male employees to take one month of childcare leave. In addition to solving social issues such as the declining birthrate and creating a society in which both men and women can play an active role, taking childcare leave is expected to improve the work-life balance of employees raising children, thereby increasing their job satisfaction and productivity, and creating innovation from a new perspective through the experience of childcare, which is different from their work duties. Based on this concept, in addition to childcare leave, we have introduced a system that allows employees to flexibly take leave and according to their work and family needs, including “Hagakumi Leave”*, and the utilization rate of such leave system was 87.8% in FY2023.3. In addition, we are striving to create an environment that facilitates the use of the system by sending out messages from management, preparing guidebooks, and sharing examples of cases where employees have used the system.

*Hagakumi leave: A unique paid leave for childcare purposes that can be taken for five days within six months of the birth of a child.

Support for Balancing Work and Nursing Care by Improving the Systems and the Workplace Environment

Osaka Gas offers various systems to support a balance between work and nursing care. For employees who need to take leave to care for family members, we have established systems that allow employees to take more leave than legally required, including a nursing care leave system that allows employees to take a total of 366 days of leave per family member who needs care and a system of shorter working hours for nursing care that allows employees to work up to 3 hours less per day for a total of 1,096 days in addition to the leave period.

Helping Employees Balance Work and Medical Treatment

In April 2021, Osaka Gas introduced a system of shorter working hours to support employees in balancing work and medical treatment, mainly for employees requiring cancer and dialysis treatment. Normally, employees use paid leave, half-day paid leave, flextime, etc. when going to the hospital for treatment of illnesses, etc. However, in some cases where long-term continuous treatment is required, paid leave, etc. may not be sufficient. In response to such a situation, we introduced a system of shorter working hours for the purpose of outpatient treatment that allows employees to apply to shorten their working day.

Efforts to Improve Productivity and Reduce Working Hours

Osaka Gas promotes efficient work styles to improve productivity with the objectives of increasing employee value by realizing work-life balance, creating a culture to promote diversity, and preventing health problems caused by overwork. Aiming to reduce total annual working hours, we have been implementing the following initiatives one by one since FY2010.3.

- Promote paperless office by digitizing internal documents (e.g., use of a projector in principle for internal meetings and discussions).
- Improve efficiency of meeting management (e.g., distribution of meeting materials in advance and sharing of meeting minutes via electronic bulletin board, etc.)
- Create a work environment that encourages creativity through office layout changes (e.g., free-address office space with no fixed seating for employees).
- Visualize data, such as actual overtime work hours, and streamline operations using IT (e.g., information sharing via internal portal site, work support via smartphone, and automation of operations using RPA).

As part of our efforts to promote telecommuting, which leads to flexible work styles, we have established satellite offices where employees can work in an office other than their own regular office to improve productivity by reducing commuting and travel time and concentrating work in a remote office. Furthermore, we offer our employees diverse and flexible work options that are not limited to working in our offices by all employees eligible for telecommuting and introducing a web conferencing system that allows employees to participate using smartphones and other devices.

In addition, we have formulated the Code of Conduct for Efficient Work Styles, a set of specific action standards that supervisors, subordinates, and related personnel should be aware of and implement from the perspective of increasing work efficiency and saving labor and of promoting further productivity improvement by practicing actions in line with the standards.

In April 2023, we introduced a system that allows employees to take paid leave by the hour, creating a more flexible work environment.



Satellite office set up in Grand Front Osaka, located near Osaka Station

Supporting Employees' Participation in Society through a Juror Leave System, etc.

Prior to the implementation of the juror system in Japan in May 2009, Osaka Gas established a juror leave system that allows employees to take paid leave for the required number of days when they are selected as a juror or prosecution councilor in FY2009.3 to support employees' participation in society.

Volunteer Leave System/Community Leave System

Osaka Gas has introduced various systems for employees to participate in company-approved volunteer and social contribution activities. Under the volunteer leave system, each employee is treated as being on leave during the period of an activity and is provided with special treatment regarding their work period and salary. The community leave system is a system to support employees' involvement in the community, under which they can take special leave.

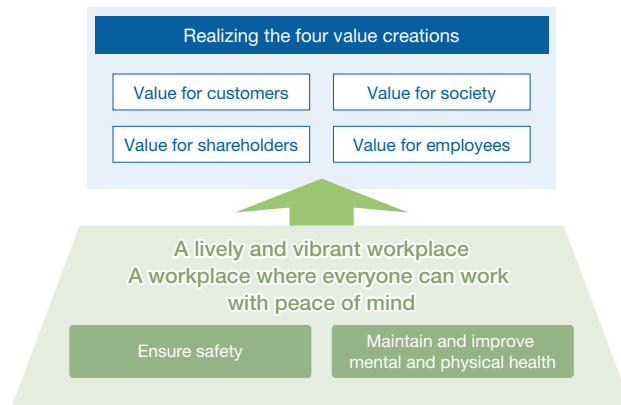
Occupational Health and Safety

Principle and Outline

Convinced that ensuring employees' safety and maintaining/improving their physical and mental well-being are keys to all its operations, the Daigas Group has been undertaking efforts to prevent employees from developing health problems and support their medical treatment. Positioning health promotion as a priority management policy, we established the Osaka Gas Health Development Center in 1975. Since then, we have been implementing various measures to promote the health of employees, including providing regular health checkups and individual health guidance by medical professionals to all employees, including those of Group companies.

Today, in the era of the 100-year life, being healthy throughout a lifetime is of great importance not only to employees but also to society. Based on this idea, in March 2021 we established the "Daigas Group Declaration of Health and Productivity Management" by summarizing our attitude toward Kenko Keiei* (health and productivity management), which was indicated in the Daigas Group Corporate Principles, Daigas Group Charter of Business Conduct, and Daigas Group Code of Business Conduct. We also established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to live healthy life styles.

*The term "Kenko Keiei®" is a registered trademark of Non-profit Organization Kenkokeiei.



Daigas Group Declaration of Health and Productivity Management

The Daigas Group believes that we can create value that meets the expectations of customers, society, shareholders and employees by ensuring that our employees stay healthy both mentally and physically, and fully exercise their abilities, individuality and initiative, thereby remaining motivated and satisfied with their jobs.

The Daigas group will work as one to maintain and improve the health of employees and create a vibrant workplace filled with people who are mentally and physically energetic, with the aim of becoming a corporate group that powers continuous advancement in customer and business life.

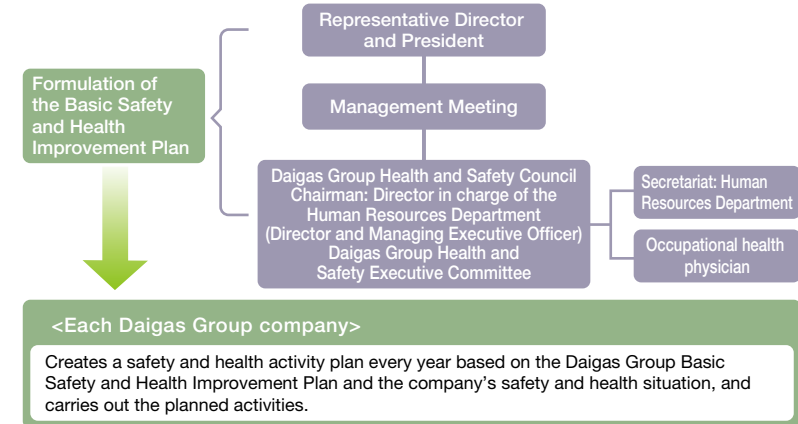
Safety and Health Management Promotion System

In accordance with the Daigas Group Code of Business Conduct, Osaka Gas not only complies with relevant laws and ordinances but also has established its original rules, including the Daigas Group Safety & Health Promotion Regulations and the Osaka Gas Safety & Health Management Regulations. In this way, Osaka Gas works with its Group companies and partner companies to improve the levels of workers' safety and health.

The Daigas Group Safety and Health Council, chaired by an officer in charge of the Human Resources Department at Osaka Gas (Director and Managing Executive Officer), deliberates the Daigas Group's safety and health basic policy and submits deliberation proposals to the Management Meeting. After deliberation by the Management Meeting, the decision is made by the Representative Director and President of Osaka Gas.

The Daigas Group Safety and Health Council also discusses measures for and shares information about occupational accident prevention and health maintenance and enhancement of employees.

Daigas Group Safety and Health Promotion System



Preventing Injury in the Workplace

Promoting safety and health management activities based on OSHMS

Osaka Gas has been systematically and meticulously undertaking activities aimed at preventing workplace accidents with establishing the “Osaka Gas Health and Safety Action Plan” based on the Occupational Safety and Health Management System (OSHMS), which was established by the Minister of Health, Labour and Welfare. Based on the Plan, each organization of Osaka Gas is working on reducing the number of incidents leading to absence from work due to workplace accidents to zero. The Plan, consisting of three priority themes—prevention of transportation-related accidents, prevention of general work accidents, and prevention of accidents through collaboration with business partners—is designed to enhance the level of workplace safety by implementing improvement measures under the PDCA (plan-do-check-action) cycle.

Each Daigas Group company is working on establishing the PDCA cycle to improve safety and health-enhancement activities in accordance with each company's safety and health situation while maintaining the current safety and sanitary management system and in line with the Daigas Group's Basic Safety and Health Improvement Plan (FY2022.3-FY2024.3).

Goals for FY2023.3

Items		Goals for FY2023.3
Accident causing absence (Osaka Gas, other party)		0
Accident causing no absence	Osaka Gas	Negligence 0
	Other party	0

Efforts of the health and safety committee to improve health and safety

The Health and Safety Committee holds a meeting once a month at the head office and each district office (workplace), attended by representatives of the company and labor union, industrial physicians. The Health and Safety Committee investigates and deliberates on measures that should serve as the basis for preventing employee hazards and health problems (measures to eliminate the causes of occupational accidents and prevent their reoccurrence, etc.), thereby striving to ensure that the opinions of employees are well reflected when implementing measures and policies related to employee health and safety.

“Accident Indices” for Evaluating Safety Activities

If an industrial accident occurs at Osaka Gas, the Company division concerned investigates and identifies the cause and takes measures to prevent a reoccurrence. The case is shared company-wide through a portal or other means, to ensure that similar accidents will not occur.

To assess safety activities at each workplace, we also use the “Accident Indices,” which uses a unique formula to calculate the degree of the accident in terms of seriousness and impact. The “Accident Indices” was created to establish a common, company-wide standard for labor accidents in all business segments, from gas processing and supply to sales.

Also, we honor organizations that meet their prescribed accident index targets to recognize their efforts as well as to raise awareness.

Daigas Group’s Safety Education Efforts “Safe Driving Education”

The Daigas Group and its partners use a large fleet of vehicles in their work. We implement unique measures to ensure that all our vehicle operators master reliable driving skills and improve their driving manners so that everyone in the community can trust the Daigas Group’s commitment to safe driving.

The Safe Driving Training Center run by Osaka Gas offers safe driving education with a focus on practical training, and we are seeking to extend safe driving practices throughout the Daigas Group to improve safety across the Group as a whole. In FY2023.3, a total of 3,710 employees from 46 companies, including Osaka Gas, took part in this safe driving program. The intranet and email are used to share and disseminate information across the Group as a whole to reduce accidents.



Class at an on-site driver training center

Education for foremen and health and safety managers

In accordance with Article 60 of the Industrial Safety and Health Act, we conduct safety and health education for those who are newly charged as foremen (first line supervisors) or others to directly guide or supervise workers in operations, by inviting a lecturer from the Japan Industrial Safety & Health Association. The Daigas Group holds training sessions five times a year for newly appointed managers who need foreman education. Approximately 160 people take the training.



Class at an on-site safety and health education

Competency improvement education for foremen and health and safety managers

According to the Guidelines for Promotion of Safety and Health Education issued by the Ministry of Health, Labour and Welfare, employers are required to provide education according to the competency improvement education for foremen and other workers approximately every five years, or when there is a major change in machinery and equipment.

Based on this, since FY2023.3, the Daigas Group has been providing the competency improvement education four times a year for those who have completed the education for foremen or the education for health and safety managers and are still leading their subordinates as foremen, with approximately 50 employees having taken the education.

Joint Safety Activities With Partners

Osaka Gas works closely with affiliates and partners at the sites of gas business activities. In particular, we strive to boost the level of safety by working closely with our partners through the Health and Safety Promotion Council to exchange safety-related information and hold a range of training and safety activities.

The Council, with 74 member companies, primarily in the manufacturing sector, promotes voluntary safety and health activities, with the goal of zero lost-time injury. As a key activity, the Council has designated a disaster prevention month in both the first half and second half of the year, during which we conduct safety patrols jointly with them. It also issues a Safety & Health Monthly Report that provides useful information on company efforts in preventing workplace accidents and promoting employee health.

At piping works, we work with partner companies in organizing exercise sessions to enhance physical performance and prevent accidents involving older workers falling from, or tipping over, stepladders.



Safety patrol with partner (Implemented a small number of people while taking measure against COVID-19 in the second half in FY2023.3)



Safety & Health Monthly Report

Prevention of General Work Accidents

Heat stroke prevention measures

Osaka Gas has introduced work clothes with built-in fans as part of measures to improve the working environment and prevent heat stroke in the summer with extreme heat (except for workers handling raw gas because fans are not explosion proof). In FY2019.3 we started considering the introduction of fan-equipped work clothes and conducted research using monitors to assess the required quantity and needs. The fan-equipped work clothes are made using a fabric suitable for fitting fans while following the design of the current ones. Also, the fan-equipped work clothes allow the use of a full harness safety belt, which has been mandatory from January 2022 due to a revision of the Industrial Safety and Health Act.



Fan-equipped work clothes

Prevention of fall accidents

Fall accidents occur frequently nationwide, accounting for one-quarter of industrial accidents.

Osaka Gas strives to prevent fall accidents by introducing health-enhancement physical training to workplaces and giving laptop tote bags to employees.

Older workers have come to constitute a larger portion of the entire working population at the Daigas Group, resulting in an increase in the number of accidents involving workers on duty, including stumbling. In FY2018.3, we introduced health-enhancement physical training company-wide. We have changed the conventional exercise program centered on stretching to health-enhancement physical training that strengthens muscles and the body trunk, including squats and standing on one leg.

In 2019, an employee slipped down the stairs with a laptop in his hands. A similar accident occurred in FY2018.3, too. To address this matter, we have been promoting company-wide measures to prevent similar accidents.

To avoid a similar accident, you should not walk around the office (especially up and down the stairs) while holding an open laptop in your hands. So, we encourage employees to carry laptops and documents in bags to keep both hands open while walking.

Moreover, to promote the habit above, we have provided laptop-carrying bags to organizations upon request.

We have also created a poster encouraging employees to keep both hands open while walking and sent it to each and every organization.



Scene of squat exercises, part of a health-enhancement physical training program being conducted before the start of the day



Introduction of laptop tote bags



Enlightenment poster

Maintaining and Improving Health

Regular health checkups and health guidance

Osaka Gas holds regular health checkups as required by law, and all employees expected to take them had planned checkups at the Daigas Group Health Development Center within the Human Resources Department.

The Center also offers health checkups and health counseling services to employees of affiliates. In FY2023.3, 13,715 employees of 34 companies (the total number from Osaka Gas and its affiliates) received health checkups at the Center.



Health checkup at the Daigas Group Health Development Center

	Daigas Group Health Development Center	In general
Health checkups	Half a day	About half a day
Explanation of health checkup results	On the day	Later date
Judgement of work classification	On the day	Later date
Health promotion class	On the day Advice on health promotion Special health guidance (in the first session)	Later date
Interviews with people experiencing a high level of stress	On the day To be conducted after evaluating the stress level through a prior medical questionnaire (Stress checks specified by law are conducted separately.)	No
Reservation for thorough examination	On the day Medical staff make reservations on the spot (legally mandated item).	To be made by oneself

Prevention and control related to global health issues

The Daigas Group has set forth “Providing safe and secure workplace” and “Ensuring safety of products and services” in the Daigas Group Code of Business Conduct, and it has established a system to provide health care against infectious diseases beyond the legal requirements.

In accordance with legal requirements, we provide employees with an opportunity for regular health checkups (once a year), including chest x-ray examinations for early detection of pneumonia, pulmonary tuberculosis, lung cancer, and other diseases.

Furthermore, based on advice and warnings on COVID-19 and other risks issued by the Ministry of Foreign Affairs and the World Health Organization (WHO), the Group takes measures such as alerting employees and setting up a task force.

Efforts related to the Action Guidelines “7 Rules for Being Healthy”

Promotion of measures to prevent lifestyle-related diseases

We will increase the number of employees working to improve their lifestyle habits by carrying out specific activities in line with the Action Guidelines “7 Rules for Being Healthy.”

In FY2023.3, the Healthy 7 Olympics (no smoking category) was held as in FY2022.3, and seminars on each of the Healthy 7 categories were also held to encourage employees to actively engage in Healthy 7 activities.

Furthermore, to enhance awareness among young employees of their risks of future high blood pressure and excess blood glucose, we analyze the results of their latest health checkups and create a health condition sheet and distribute it to each employee to provide advice to young employees on how to maintain and promote their health. The sheet shows each employee his/her probability of developing lifestyle-related diseases within seven years and a comparison with the average probability for all employees who underwent the checkup.

We are working on enhancing employees’ consciousness toward health from an early life stage, with the aim of reducing their risks of contracting lifestyle-related diseases in the future.

Healthy 7 Lifestyle Habit Monitoring Indicator: Total of Osaka Gas, Network Companies, and Three Core Energy Business Companies

Unit: %	Obesity rate (men)	Breakfast skipping	Exercise at least twice a week	Drinking 360 ml or more	Smoking rate (men)	Smoking rate (women)	Rest from sleep
FY2023.3	33.5	22.5	26.6	23.6	23.9	2.2	69.2
FY2022.3	34.2	21.5	25.7	19.8	24.7	2.1	70.7
National data*	33.0	3.1 (Reference)	28.7	27.9	27.1	7.6	78.3

- * The figures shown for indicators other than obesity rate and smoking rate are the total of men and women.
- Breakfast skipping: Percentage of respondents who answered they skip breakfast three or more times a week (Nationwide: Percentage of respondents who answered they do not eat breakfast [reference])
- Exercise at least twice a week: Percentage of respondents who answered they exercise at least 30 minutes a day at least two days a week
- Drinking 360 ml or more: Percentage of respondents who answered that the amount of alcohol consumed on a drinking day is 360 ml or more
- Rest from sleep: Percentage of respondents who answered they get enough or moderate rest from sleep

* From the National Health and Nutrition Survey (Ministry of Health, Labour and Welfare, 2019 [data on sleep from the 2018 Survey])

Other results

▶ Information on other health results, such as the Healthy 7 Olympics participation rate.

Promotion of Measures to Enhance Mental Health

The Daigas Group implements various measures to enhance mental health in order to promote early detection and prevention of mental disorders.

- We conduct a group analysis of stress checks and provide feedback to the general affairs department of the organization to promote improvement of the working environment in the organization. Depending on the issues, the medical staff will conduct detailed group analysis of stress checks and provide feedback to the head of the organization and exchange views on how to create a better workplace. In this way, the general affairs department of each organization and the Health Development Center are working together to improve the working environment.
- For mental health measures for younger employees, we conduct a health questionnaire for new employees. For employees in their second year of work, we conduct a stress questionnaire and individual interviews at the time of a health checkup. Based on the results, we take appropriate measures in cooperation with their supervisors.
- For managers/supervisors, we provide mental health training centered on case studies.



Interview with employees in their second year of work regarding stress



Mental health training for managers and supervisors

Helping employees manage and maintain their health

Medical staff hired by the Daigas Group visit its business offices to provide health education to employees. This measure is designed to create a working environment that ensures workers' health and comfort, and encourages them to work on enhancing their health on their own.

We are providing employees with health management information via the Health Development Center website.

To help employees relieve shoulder stiffness and backache and avoid a lack of exercise, we have created a video titled "Easy Workout and Exercise," which introduces a workout and exercise that can be easily done even during remote work. Employees exercise while watching the video before meetings or when they are waiting their turn during health checkups.

■ Trainings by Occupational Safety and Health Staff (FY2023.3)

No. of such events held	No. of participants	Description
14	766	Measures for mental health, back pain, women's health, etc.



Easy and quick exercise

Measures against Infectious Diseases

In late January 2020, when the spread of COVID-19 infection was confirmed overseas, Osaka Gas started the implementation of various infection preventive measures against COVID-19, based on its Business Continuity Plan in Response to COVID-19 Pandemic.

With the change of COVID-19 to a Category V Infectious Disease on May 8, 2023, we lifted the alert; however, we will continue to respond according to the situation to ensure the safety of our employees and the stable and appropriate supply of gas and electricity to our customers.

Osaka Gas Selected as a 2023 Health & Productivity Stock Selection Brand for the First Time

In March 2023, Osaka Gas was selected as one of the brands in the 2023 Health & Productivity Stock Selection Brand program, jointly administered by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

The Health & Productivity Stock Selection is a program to promote enterprises' initiatives for Kenko Keiei,* or health and productivity management, by selecting outstanding listed enterprises engaging in a health and productivity management program, in which enterprises focus on and strategically carry out efforts with regard to their employees' and other workers' health from a management perspective, and introducing them as attractive enterprises to investors who are focused on improving corporate value from a long-term perspective.

As well as the Daigas Group Declaration of Health and Productivity Management, we established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to have healthy lifestyles, aiming to improve their lifestyles through health promotion activities based on the rules. In recognition of these initiatives, we have been selected.

*The term "Kenko Keiei" is a registered trademark of Non-profit Organization KenkoKeiei.



Communication Between Employees and Company

Principle and Outline

The Daigas Group believes that it is important for employees and the company to work together to realize the healthy growth of each group company with a sense of mutual trust and tension. To this end, we promote communication between employees and the company by opinion exchanges at informal meetings between the labor union and management and various study committee meetings, as well as workplace visits by the President of Osaka Gas to group companies and its organizations.

Labor-Management Relations

Cooperation between labor and management to resolve issues

Osaka Gas has adopted a union shop system, in which all employees, except those in management positions, are members of a labor union, pursuing sound and good labor-management relations. The Osaka Gas Workers Union consists of approximately 4,100 members, including those temporarily transferred to affiliated companies, etc. The workers union and management exchange opinions at informal meetings and various study committees on overall corporate activities, including actions regarding various management issues, as well as changes in working conditions. We strive to build, maintain and strengthen sound and good labor-management relations based on mutual understanding and trust.

Company Award System

President's Award to boost employee morale

Osaka Gas presents the President's Award every year to honor employees who have made significant contributions to the company's activities to boost employee morale. Awards are presented to regular and contract employees at Osaka Gas and employees of affiliated companies for their outstanding achievements in business operations and contributions to the environment, the community, and other aspects of society, passing on skills, the safety field, etc.