

# 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, Osaka Gas systematizes training and conducts 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

In order to develop a large number of human resources who can play an active role in overseas business, Osaka Gas sends 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.

We also send employees to study at overseas universities in order to have them foster a sense of globalization and acquire management literacy, as well as support language learning to develop personnel who can play an active role in Japan and overseas.

#### [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.



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

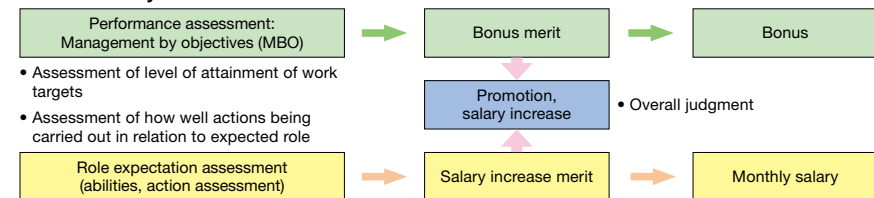
## Employee Performance Evaluation and Interviews

### 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

Osaka Gas has set attitudes toward compliance effort 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**

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.

### **Supporting the improvement of 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.