

People who Support the Future of CTC

The source of CTC Group's strength lies in its people. Human capital forms the core of intellectual capital management.

We aim to bring out the potential of each individual, exploring work styles and creating systems tailored to personal circumstances.

Here, we introduce our human capital initiatives, according to the voices of CTC employees.

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Chapter_03

“Young Employee Roundtable Discussion” Supporting the Future of CTC

“Human resources” is the most important form of capital at CTC.

Our young employees are injecting dynamism to achieve further corporate growth, as we take on challenges into unprecedented territories.

Why are they working at CTC? What feelings do they harbor? And how do they envision the future?

We present a collection of the authentic opinions from our young employees who are supporting the future of CTC.

Roundtable discussion participants
From left

Digital Services Group
Engineer

Yurika Matsukawa
(Entered as new graduate in FY2020)

Telecommunication Group
Engineer

Takuya Kamiwaki
(Entered as new graduate in FY2021)

Regional and Social Infrastructure Group
Sales Representative

Minami Oshima
(Entered as new graduate in FY2020)



Q1 Why did you choose to work at CTC?

Let's first hear from the two engineers.

Kamiwaki: I decided on CTC because it is involved in a wide range of industries, and there was the possibility for discovering what I was really seeking while working. CTC has a high name recognition, and provides excellent benefits and peace of mind, but the biggest deciding factor was its “people.” At the time, I was struggling with job hunting during the COVID-19 pandemic, but the human resources staff were very generous in following up with me and handled every small detail in a sincere manner, so I realized that CTC would be a good fit for me.

Matsukawa: My interest in CTC began in a similar way to yours, Mr. Kamiwaki. The fact that the company operates a broad range of businesses and is involved in so many types of infrastructure that are indispensable to our daily lives was a major factor. Now that I am working with a wide variety of clients, I am actually very glad to have joined the company.

How about you, Ms. Oshima in sales?

Oshima: It was the “people” whom I would be working with that I focused on the most from the beginning of my job searching. When I took part in the internship at CTC, everyone there was so kind. I felt that I could trust them, because they answered any questions I had so honestly, both good and bad.

Kamiwaki: The people you work with are definitely important. Ever since I started working here, none of the people I met left an unfavorable impression on me. I feel that given that we all chose the same company, we are a group of people with similar values and ways of thinking .

Matsukawa: I always had the impression that IT companies were very serious, but CTC was bright and friendly, which was against my expectations. Even after joining the company, my impression is that there are many active people with great communication skills, both in sales and engineering roles.

Oshima: Before joining CTC, there was a little apprehensive feeling because I had little experience talking to frontline employees, but I found that everyone was actually very kind and friendly. Of course, we maintain a professional relationship at work, but they are very frank when we go out for drinks or other events. Any questions that I may have, I feel free to ask any questions, and everyone replies so politely. My seniors all help me out, especially when I had just joined CTC.



Q2 Did you notice any difference from before and after you joined?

Kamiwaki: I thought that I would have fewer opportunities to study once I entered the workforce, but after joining CTC, I have had ample opportunities to learn more about IT technologies and to obtain certifications. I am actually studying more now than when I was a student. Initially, I thought that studying when young was the norm, but many employees study continuously, regardless of their age or position, and I was particularly surprised to see veteran employees studying even more than their younger colleagues.

Matsukawa: Everyone certainly studies a lot. The IT industry is constantly evolving in terms of information and technology, so there is so much to study to ensure you are not left behind. I actually feel that learning is part of the job. CTC provides an environment that supports self-led learning, including technology seminars, career training, and support for obtaining certifications. Witnessing my seniors learning hard inspires me to work hard as well, and sometimes my supervisor also lets me know: “This external seminar would be useful for your current work.”

Oshima: Sales representative also need to broaden their knowledge of the customer’s industry and their understanding of that particular company in order to come up with the optimum proposals. This is why it is essential to learn about the history and trends of the customer and their industry. I also make sure to attend training sessions and seminars on cultivating a business mindset and sales skills. The fact that CTC comprises a group of people who are eager to grow is likely one of its strengths.



Kamiyacho Office



Q3 What is “rewarding” about your job at CTC?

Oshima: CTC has a culture of embracing challenges. I was in charge of sales for infrastructure system implementation projects for existing customers, but now I am taking on the new challenge of developing new business. I realize that I need to take a different approach than before, and feel that building a relationship of trust is the most important aspect. By understanding what customers are looking for and communicating with them, we are slowly but surely building positive relationship. This hard work has definitely been worth it, and I hope to continue such efforts going forward. Sales representative have many opportunities to interact directly with customers, it is rewarding to receive so many words of appreciation. I now realize that a simple “thank you” has the immense power to make people smile.

Kamiwaki: There are so many opportunities to take on challenges. CTC has an on-the-job training (OJT) system where senior employees support new employees as trainers during their first three years. At the end of my trainer period, I started working independently, and was soon given the position of project manager. My department gives a lot of discretion to each employee, allowing us to grow tremendously, and I find it rewarding to be entrusted with tasks. I am currently in charge of Wi-Fi systems, and was overjoyed when the system under my supervision was installed at one of my regular stores.

Matsukawa: I am in charge of infrastructure systems, so my work is generally behind the scenes. However, I find it rewarding to work with clients from well-known clients from various industries. I feel that the diversity of our customers’ industries and the variety of IT technologies we handle provide us with the opportunities to gain experience and grow. Our engineers frequently engage with internal stakeholders, as well as customers and vendors, requiring excellent communication skills and teamwork. It is rewarding when everyone works together toward the same goal, and the project is successfully completed.



Q4 From your feedback, it sounds like everyone finds CTC a great place to work at.

Matsukawa: CTC has recently developed a number of measures to promote new approaches to work, under the slogan “Upgrade the CTC Workstyle.” It offers a wide variety of programs aimed at achieving a work-life balance, such as remote work, staggered shifts, and morning shifts, and many employees are taking advantage of these programs. I actually use the program myself, and they makes working feel better because it is easy to take time off. Another motivating factor was the move to our new, clean office in Kamiyacho in 2021.

Kamiwaki: I can choose between working remotely or coming into the office depending on the work situation, and I find this approach the the most convenient. I personally recommend cottages for workcations. The project members and I rent a cottage in Karuizawa together, where we work during office hours, and relax and get to know each other better in the evening. Karuizawa is a place rich in nature that differs from day-to-day life, which led to a different sense of motivation and communication than usual.

Oshima: When it comes to the working environment, CTC is also committed to promoting diversity and provides a comprehensive range of services for supporting women’s careers. CTC provides an excellent childcare and nursing care system and a flexible approach to work styles, and this environment enables employees to balance work and private life while continuing to work with peace of mind. I think the best thing about CTC is that the work atmosphere allows everyone to work energetically.

Q5 What challenges would you like to take on in the future?

Matsukawa: My team handles everything from proposals to construction, and the projects I am involved in are primarily team-based. Therefore, I have never had the opportunity to lead a project from start to finish by myself. I would like to take on a leadership role and be responsible for the entire process. Currently, I am focusing on my immediate tasks, so I do not have a clear vision of my career five or ten years from now.

I suppose that there are opportunities for engineers to work on projects that leverage AI to solve social issues and promote Green Transformation (GX) at CTC. I would like to continue gaining diverse experiences and decide whether I would like to pursue a management position or a specialist role in the future.

Kamiwaki: I do not yet have a clear plan for my future. This is because I am satisfied with my current work. CTC has a career development support system that supports each individual in building their career independently. Looking ahead, I would like to take on challenges on a larger scale and hone my areas of expertise to become someone who can be trusted with larger responsibilities. The first step will be continuing to improve myself and continue growing.

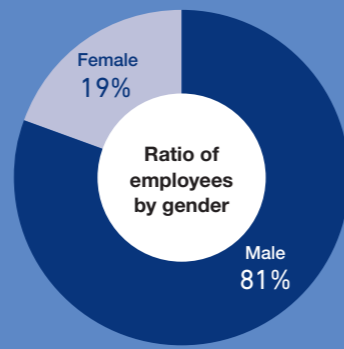
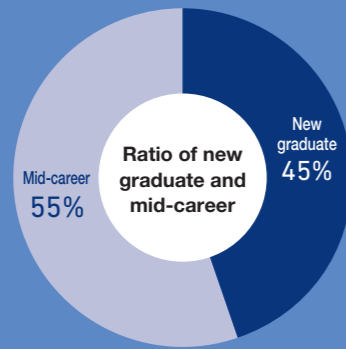
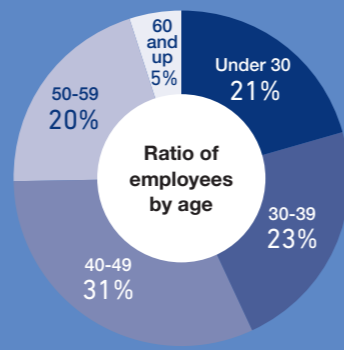
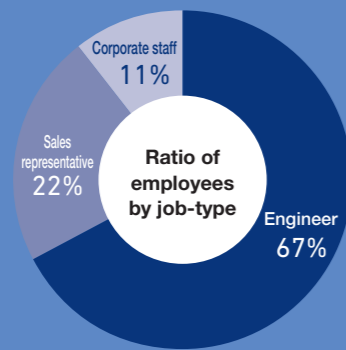
Oshima: I have recently identified a challenge I would like to pursue, and I am exploring ways to make it a reality by consulting with my supervisors and researching the necessary qualifications. Since CTC encourages its staff to take on challenges, I am motivated to push myself to reach my full potential.

Basic Data

OVERVIEW

As of the end of FY2023
(CTC non-consolidated figures)

CTC requires a diverse workforce with a wide range of knowledge and experience to deliver optimal solutions by combining world-class IT services, and provide full-stack services to customers across various industries. "Thus," we have developed a talent portfolio to place the right people in the right roles and strengthened recruitment efforts to achieve our management strategy. Additionally, we are fostering a workplace that respects individual.



New graduate starting salary
(Joining in fiscal 2024)

Master's degree
¥315,100

University and specialized technical college graduate
¥295,500

Technical college graduate
¥273,100

Average annual salary
(at the end of fiscal 2023)
¥10,765,554

Average ratio of annual leave taken



Average monthly overtime hours per employee



Average years worked



Related engagement score

I am respected as an individual in the workplace **71%**

The figures for employee distribution by job type, age group, and gender ratio, as well as average ratio of annual leave taken and average monthly overtime hours per employee are the number of employees. Figures for recruitment and average years worked pertain to employees originally hired by CTC.

CTC implements a human resource strategy that encourages the autonomous growth of each employee in conjunction with its management strategy. Viewing diversity and human resource development as foundations for enhancing corporate value, we are working to create a corporate culture and systems that flexibly adapt to changes in society and the times, in order to be a company where employees can experience personal growth.

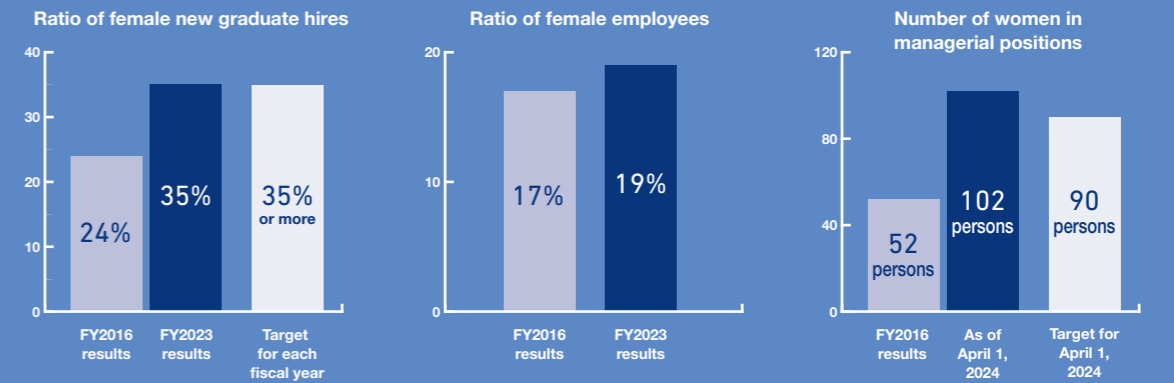
Basic Policy on Diversity

CTC respects all employees, regardless of age, gender identity, sexual orientation, nationality, disability and other attributes, and strives to instill diversity based on its belief that the creation of new solutions and excellent services is enabled by a workplace environment that motivates all employees to work and permits employees with a variety of characteristics to cooperate in diverse work styles while taking on new challenges and achieving self-actualization.

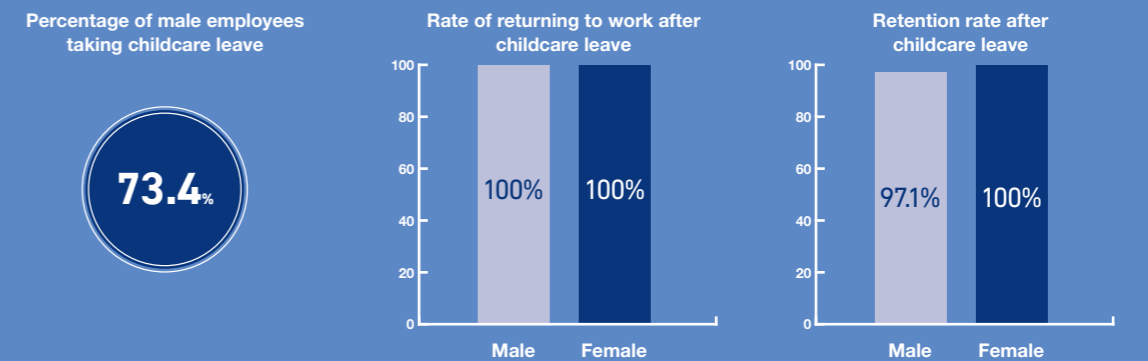
"Career Sponsorship Program", a year-round career support for women's empowerment

The Career Sponsorship Program (CSP) is an initiative where general manager serving as career sponsors to support the careers of female managers and candidates for management positions. The program provides opportunities for building networks and a comfortable environment for discussing career matters with sponsors.

Data on promoting women's Participation & advancement



Data on childcare leave



Diversity, Equity and Inclusion (DE&I) initiatives



"Eruboshi" certification

Based on the Act on the Promotion of Women's Active Engagement in Professional Life, CTC achieved the Level 3 certification for meeting the criteria set by Japan's Ministry of Health, Labour and Welfare, signifying excellence in promoting women's advancement.



Next Generation Certification Mark "Kurumin"

CTC received the Kurumin mark in recognition of our efforts and achievements in developing an action plan for childcare support based on the Act on Advancement of Measures to Support Raising Next-Generation Children.



PRIDE Index 2023 Gold

CTC received the highest Gold rating in the PRIDE Index, an evaluation established by the voluntary organization "work with Pride" evaluate workplace initiatives related to LGBTQ+.

Figures for recruitment and managerial positions pertain to employees originally hired by CTC. The rate of male employees taking childcare leave and other relevant figures are calculated based on the regulations pursuant to the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members.

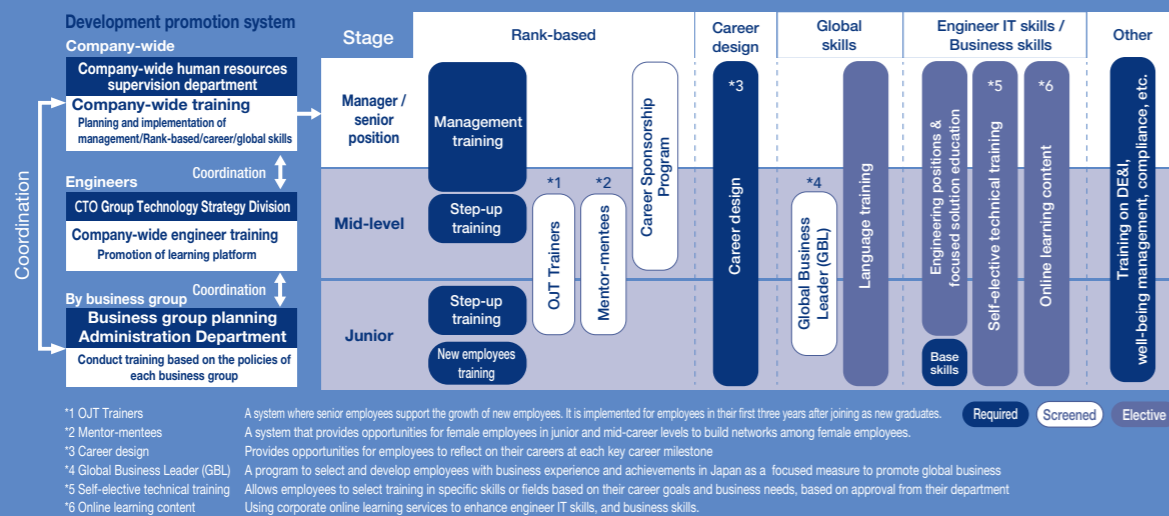
Career and Human Resources Development

To enable employees to work with pride and a sense of purpose, it is essential to create an environment where each person can continue to work by leveraging their strengths and values. CTC has established an integrated approach based on our career and human resource development policies, combining training, interviews, and systems. We are advancing initiatives that cohesively connect each system.

CTC Career and Human Resources Development Policy

CTC offers various training programs to support employees' self-directed learning. Additionally, CTC supports proactive career development through career development support systems, career consulting, etc.

FY2024 company-wide training structure



Skill development support for employees

To encourage skill enhancement and upgrading expertise, we offer a certification reward program, that provides incentives for employees to obtain any of 135 designated advanced certifications. This program supports each employee's professional growth and self-directed development.

- Purpose**
- To encourage and reward employees for their motivation to obtain certifications as part of their skill development and self-improvement
 - To promote employee development and enhance professional expertise by designating certifications necessary to the company as eligible for rewards

Human resources who continue to take on challenges

Employees who embrace new challenges and changes, continuously strive to solve customer and societal issues, and embody "Challenging Tomorrow's Changes," are one of our most vital assets.

Number of certified vendor specialists As of September 2024

13,000 or more

Annually average training hours per person FY2023

77 hours

Main vendor certifications As of September 2024

<p>AWS Certified Solutions Architect - Professional AWS Certified DevOps Engineer - Professional AWS Certified Security - Specialty and other specialized certifications</p>	<p>Microsoft 365 Certified (Administrator Expert, Azure Solutions Architect Expert, Azure Virtual Desktop Specialty, DevOps Engineer Expert)</p>
<p>Cisco CCIE Cisco CCNP Cisco DevNet Professional</p>	<p>Oracle Cloud Infrastructure Certified Architect Professional Oracle Cloud Database Migration and Integration Certified Professional Oracle Autonomous Database Cloud Certified Professional</p>

etc.



Career development support system

This system encourages self-directed, proactive career development by facilitating dialogue and sharing on career-related topics (experience, strengths and weaknesses, aptitudes, hopes, aspirations, etc.) between supervisors and subordinates. Employees fill out a special form and hold an annual meeting with their supervisors.



Open communication through 1-on-1 meetings

To support growth through continuous dialogue between supervisors and subordinates, we conduct regular 1-on-1 sessions throughout the company to foster quality communication within the organization.



Enhancement of career consultation system

Career consultations are available at any time to those who wish to use them. Qualified career consultants within CTC guide employees through career reflection and self and environmental analysis to help them set goals and a vision for their future, thereby supporting autonomous and proactive career decision-making.



Diverse merit systems

A job-based element was added to the appointment of "Specialist" roles that require advanced skills and expertise, and an absolute evaluation based on individual behavior level was introduced. To provide merit-based advancement opportunities not tied to years of experience, an accelerated promotions (grade skipping) system for progressing from general to specialist roles have been established. These diverse meritocratic systems help boost employee motivation and ambition for career advancement.



In-house job posting system

Launched in 2022 and based on CTC's culture of "Challenge," this system provides an environment where employees can take initiative in exploring new career paths and areas of interest. It supports employees in pursuing new opportunities and fostering individual growth, thereby creating vitality and innovation throughout the company.

Related engagement score

In my team, questions can be asked freely, failures are accepted, and issues can be pointed out

71%

The people I work with collaborate with me to get the job done.

81%

I have been given the discretion necessary to carry out my responsibilities

71%

CTC Learning Platform

In May 2023, we launched the "CTC Learning Platform", a framework designed to promote learning and support the growth of CTC employees. CTC engineers are uniquely categorized into 17 categories and 37 types of roles. Skill target levels are set for each model career path, allowing employees to identify the skills they need for their desired career path and enhance lacking skills through a wide range of educational content and personalized learning plans.

Educational contents

- Over 15,000 training and eLearning courses
- CTC's project management training based on large-scale project knowledge
- Role-specific education programs for positions like data scientists and IT architects
- Courses on cutting-edge technologies such as generative AI and quantum computing

And many more contents available

Work-Style System

At CTC, under “Upgrade the CTC Work-style,” we are advancing various initiatives based on the following concepts:

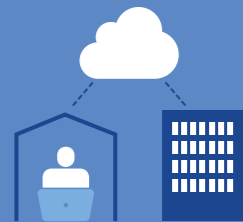
- Respect the diversity of individuals and create an environment where everyone can challenge themselves and achieve self-fulfillment.
- In the era of the 100-year lifespan, use the power of digital technology to realize a fulfilling way of working and living.
- Encourage autonomy and growth, and help each individual achieve maximum performance.

CTC aims to build a workplace where diverse personalities come together in various work styles to take on new challenges.

A “Work-Style System” Emphasizing Employee Autonomy and Collaboration

CTC aims to create a workplace where each individual can work efficiently and effectively.

Teleworking



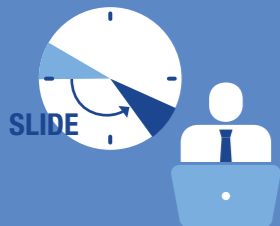
Employees can work from home or designated offsite offices within commuting range of their main office. Additionally, CTC allows for ancillary work to be performed outside when away from the office.

Morning work



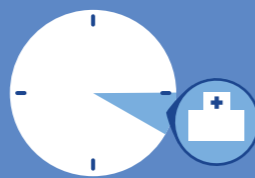
To limit overtime during nights and holidays, early morning work shifts are encouraged as needed. This approach promotes well-being by allowing employees to use their leisure time for sports, hobbies, or family activities.

Staggered working hours



Employees can adjust their start time in 30-minute increments between 5:00 a.m. and 11:30 a.m., working a full-time schedule of 7.5 hours (excluding breaks).

Hourly paid leave



Up to five days (40 hours) of annual paid leave can be taken in one-hour increments. This can be used for situations like medical appointments, picking up or dropping off children, or handling sudden personal matters as needed.

Promotion of annual paid leave



CTC encourages employees to plan and take annual paid leave throughout the year. This includes taking consecutive days off during summer and winter, “commemorative leave” for birthdays or anniversaries, and “sandwich leave” for days between public holidays and weekends.

A New Work-style to Support Employee Self-Fulfillment

“Upgrade the CTC Work-style”

We are promoting an environment where employees can work with purpose, efficiency, and effectiveness in a way that feels authentic to them.

Long-term leave system (sabbatical leave)



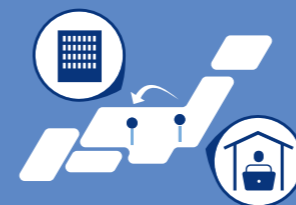
Employees with three or more years of service are eligible for long-term leave of up to one year. This leave can be used for purposes such as studying abroad, pursuing academic studies or certifications (recurrent education), engaging in social contribution activities through volunteering or pro bono work, or caring for family members.

Extension of stay during business trips (bleisure)



Employees are permitted to extend their stay before or after business trips by taking paid leave or using holidays, allowing extra time at the business location or surrounding areas.

Easing of relocation and single expatriate assignment through teleworking



Employees may be assigned to other locations without the need to physically relocate when work can be managed through telework and business trips. For example, a Tokyo-based employee could be assigned to a department in Osaka.

Cottages for workcations



Located in the serene Nakakaruzawa area and surrounded by lush forests, these cottages serve as venues for team building and networking among employees. They also promote taking paid leave, stress relief, and mental and physical rejuvenation, and are widely used by CTC employees.

Post-retirement Employment System

In April 2024, we revised our Post-retirement Employment System. To better support senior employees in contributing meaningfully, the system offers three courses, with clearly defined roles and compensation levels. Roles equivalent to those of full-time employees are assigned in consideration of the skills, expertise, and aptitudes of reemployed contract employees, and compensation levels are raised to boost motivation and strengthen the company’s human resources. Additionally, this system applies not only to retired employees of CTC but also to contract employees newly hired through career recruitment. By welcoming skilled personnel who wish to continue demonstrating their abilities regardless of age, we further enhance diversity and strengthen human capital.



P. 63 CAO Talking Session “3 Roles post-retirement”

CAO Talking Session

CTC has set “Cultivate Human Capital to Support the Future” as one of its materialities (key issues), and has also positioned human capital (human resources) as the core capital in the “CTC 5.0 (Intellectual Capital Management)” management system that the CTC Group Medium-term Management Plan aims to achieve. We discussed current circumstances and challenges with four key personnel and the COO in charge of the “Human Capital Management and General Affairs Division,” which is engaged in a broad range of human resources management, such as securing and cultivating human resources aligned with management strategies and assigning them to the right places.

Basic Concept of Human Resource Management Aligned with Management Strategies



— First, tell us about the structure of the Human Capital Management and General Affairs Division.

Hirayama: The Human Capital Management and General Affairs Division comprises three departments: “Human Resources Strategy Department,” “Human Capital Management Department” and “General Affairs Department.” Until two years ago, the division operated with two departments, the Human Capital Management Department and the General Affairs Department.

At that time, the Human Capital Management Department had around 60 employees, and it also supervised a group company that provided shared services for operations of the CTC Group, including general affairs and human resources, which made it a considerable size with some 200 employees in total. To implement measures quickly while identifying frontline needs, the Human Capital Management Department was separated into two departments: the “Human Resources Strategy Department” and the “Human Capital Management Department.”

The Human Resources Strategy Department is responsible for securing and cultivating human resources, supporting the career development of individual employees, and supervising the rotation of employees, while the Human Capital Management Department covers human resources systems, labor and work practices, and health management as systems for supporting those initiatives rolled on. Although the departments have been separated in terms of functionality, both departments continue to work together.

The General Affairs Department is also responsible for maintaining the office environment to suit changes in work styles and managing fixed assets and important documents.

Shimizu: I think that in order for the company to be about sustainable growth, it is important to create an environment and culture where each and every employee are able to maximize their individual strengths and skills, take on challenges in new areas, and continue to grow. To achieve this, we naturally need to have a human resources system that enables employees to work in a highly motivated and rewarding manner, and a work style allowing them to contribute in their own way, and a foundation for good health are also essential, which is why we are practicing “well-being management.”^{*1}

Tomimoto: Of the people, things, and money handled by the company, the General Affairs Department is mainly in charge of things. Specifically, the department is in charge of document management and business continuity planning while also managing CTC’s fixed assets and office facilities. When it comes to human resource management, we are creating a work environment where each employee is able to work comfortably and put in their maximum performance. The department assists employees in boosting their work efficiency by developing secure and efficient document management systems, and also maintains and improves business continuity planning to ensure ensuring business continuity in the event that natural disasters such as earthquakes strike.

*1 Well-Being Management

CTC is promoting well-being management based on its “Well-Being Declaration.”

CTC Well-Being Declaration

At CTC, well-being management is a key human resource strategy. We place top priority on the physical, mental, and social health and well-being of all employees. The well-being of employees is fundamental to putting our slogan, “Challenging Tomorrow’s Changes” into practice and achieving sustainable growth. Fostering employees’ motivation to work is essential to this endeavor. By helping our employees and their families to maintain good physical and mental health into the future and put them in position to strive for self-fulfillment through their work, we can be confident of CTC’s survival and growth 100 years from now. We hereby declare our commitment to CTC Well-Being for the well-being of our employees and their families into the future.



Discussion participants
From left

Hiroaki Tomimoto
General Manager, General Affairs Department and CEO Office

Satoko Ozawa
General Manager, Human Capital Strategy Department

Shinichi Hirayama
Managing Executive Officer
CAO, COO, Corporate Planning Group

Hiroyuki Okumura
Executive Officer
General Manager, Human Capital Management and General Affairs Division

Taiji Shimizu
General Manager, Human Capital Management Department

— General Manager Okumura, the Human Capital Management and General Affairs Division, you oversee the Human Resources Strategy Department as well as the “Human Capital Management Department” and “General Affairs Department.”

Okumura: The Human Capital Management and General Affairs Division oversees three departments and also supervises the group companies CTC Business Service Corporation (hereafter, “CTCBS”) and CTC HINARI Corporation (hereafter, “HINARI”). CTCBS is the shared services company that Mr. Hirayama mentioned earlier, and HINARI is a special-purpose subsidiary that provides employment and opportunities for people with a range of disabilities.

After joining CTC and gaining experience in personnel affairs, my work has involved planning management for business groups, investor relations, public relations, and sustainability—in April of this year I was assigned the position of General Manager of the Human Capital Management and General Affairs Division. When thinking about how to link the company’s management strategy with Human Capital Strategies going forward, I would like to apply my experience and knowledge outside of the field of personnel affairs.

— What are some points that you have worked on so far after separating the functions of the Human Capital Management Department?

Ozawa: The year after separating the Human Capital Management Department, the recruitment activities that we had previously conducted with one team were divided into two separate teams—one for new graduates and the other for mid-career hires. This is because the purpose and methods of recruitment differ for new graduates and mid-career hires, and the expectations and views that applicants have of our company also differ.

Until three years ago, I had personally been in charge of human resources for the business group for five years, and at the time I was aware of the issue of being unable to meet frontline hiring needs. The first step was creating a system that enables recruitment activities that meet frontline needs to be conducted in a timely manner for mid-career hires. For hiring new graduates, we have now prepared a system for quickly implementing measures to respond to the changing trends and needs of students. I think that our hiring capabilities have improved compared to the past, given the strong performance of the company and how this is reflected in annual salary. We currently recruit around 300 of each type of hire annually.

Personally, I find it rewarding to think about ways of securing the right staff who are capable of frontline work. I am sometimes asked by applicants what types of people play key roles at the company, and the characteristics that all the interviewers, who are frontline general managers, mention is that people who are successful are those who are willing to go above and beyond and actively take on challenges, rather than those who take a passive approach and only complete the tasks given to them. I believe this is exactly what our corporate identity “Challenging Tomorrow’s Changes” embodies.

Okumura: After securing the right human resources, they then need to be trained to ensure they are able to play an active role on the frontline. Given that the skills required in each department are different, each frontline website needs to consider what type of experience and training they can provide to ensure the human resources are successful. In this light, the human resource functions of each business group also need to be enhanced. The Human Resources Strategy Department needs to develop company-wide rules and guidelines, and continue advancing them in concert with frontline strategies. We must work together and coordinate efforts with those frontline strategies in terms of recruitment, training and rotation.



Hiroyuki Okumura
Executive Officer
General Manager, Human Capital Management and General Affairs Division



Satoko Ozawa
General Manager,
Human Capital Strategy Department



Shinichi Hirayama
Managing Executive Officer
CAO, COO, Corporate Planning Group

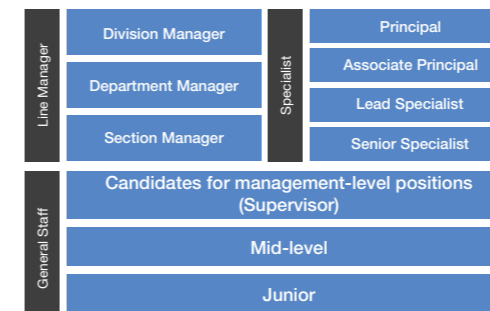
— The Human Capital Management Department incorporated a job-based component into the multiple career path personnel system in FY2023.

Shimizu: As touched on earlier, I am always thinking about creating a system where people can grow, take on challenges, and be active in their own way by working at CTC. With this in mind, we fine-tuned the concept and revised the new human resources system.

We have introduced a multiple career path personnel system² offering two career Candidates for management-level positions: “Line managers” who are the heads of organizations, and “Specialists” who have advanced skills and expertise. We have now incorporated a job-based component for “Specialists.” This is a system that quantitatively measures the size of a job or expected role, ranks the role itself as a specialist, and assigns personnel to it. Instead of requiring employees to possess similar skills and abilities, we would like to ensure that human resources with their own specialized fortes and expertise are able to maximize their skills, know-how, and will—we would like to assess their diverse roles fairly to ensure an intense cycle of human resource development. In essence, this means that we have developed an environment where people are able to play a key role based on their capabilities, regardless of their age or number of years of experience, as long as they are able to take on that role.

Job descriptions are also disclosed to the entire company, including the human resources assigned to the job. We hope to link this to a greater level of collaboration beyond certain organizations than ever before. I also hope that this environment will serve as a “guide” showing young employees the skills and experience they should be acquiring from the perspective of a single employee, and encourage them to change their attitude toward their own careers.

***2 Multiple career path personnel system**



Ozawa: In terms of employee motivation, the Human Resources Strategy Department conducts a company-wide engagement survey four times a year for monitoring employee awareness related to “job satisfaction” and “comfortability at workplace” from fixed perspectives. Scores relating to communication between supervisors and subordinates improved before and after the human resources system was revised, and we view this as the fruits of the new measures being applied. Naturally, there are problems should be resolved remain, so we are aiming to enhance engagement by gaining an understanding of the issues and implementing effective measures.

Okumura: We have established “grade skipping” for specialist positions and changed the assessment system for all employees from relative assessments to absolute assessments as the prerequisite for promotion. Yet the system we established needs to be operated properly, and the assessor also needs to be questioned. As such, this also requires human resources development, which will come back as an issue for the Human Resources Strategy Department. And so the two departments will be focusing efforts to approach this together.

Hirayama: This new human resources system is only in its second year of implementation, and is still on the way to being perfected.

To entice human resources skilled in cutting-edge technologies such as AI and security to join us from outside, young candidates need to be provided with a high level of compensation, regardless of their age, to successfully hire them. To achieve this, we need to create an environment internally that treats skilled young employees. The job-based system focuses on whether employees have the skills and abilities for performing the required job, regardless of age. The key to the future of personnel will be how to use this system to recruit skilled human resources, and how to assign, select, and rotate the right people to the right places throughout the company.

Those who truly fine-tune their skills are certain to be given a role where they can maximize their capabilities. That is the real source of our competitiveness.



Taiji Shimizu
General Manager, Human Capital Management Department



Hiroaki Tomimoto
General Manager, General Affairs Department and Secretary

— The problem of a shortage of engineers is becoming more evident in the IT industry. It seems that CTC has implemented systems for actively promoting senior employees.

Shimizu: In April 2024, we also revised the “Post-retirement Employment System.” We offer a re-hiring system that is available after employees reach the retirement age of 60. The new rehiring system is designed to ensure that even after retirement, motivated and skilled employees are assigned and treated at the same level as regular employees.

More specifically, we have established three courses: a “Highly skilled professional” where employees can contribute to the company by applying their high level of expertise; a “Specific field professional” where employees can demonstrate performance in practical tasks; and a “Limited responsibility” with a reduced amount of tasks and workloads. The roles and compensation levels have been set with the aim of providing an environment where a diverse workforce can play an active role.³

In addition to retired employees, The Post-retirement Employment System is also available to new mid-career hires aged 60 years or older. We believe it is very important for CTC to create an environment where retired employees can continue to harness their past experiences and remain highly motivated.

*3 Roles post-retirement



— Employee motivation seems to be greatly influenced by the working environment. What areas are the General Affairs Department currently focusing on?

Tomimoto: Our primary focus at the General Affairs Department is to update offices to meet changes in work styles. Offices in the past were designed with a priority on how efficiently people could be positioned. In my opinion, think the way offices were set up used to have less of a direct impact on hiring or employee motivation. However, offices and working environments play a major role for securing human resources today.

Ozawa: When it comes to securing human resources, I think the office environment is one factor that applicants look at before joining a company.

Tomimoto: We took the opportunity of relocating our head office to Kamiyacho in 2021 to incorporate a new office design, which was recognized with the “New Office Promotion Award” in the 35th Nikkei New Office Award. However, I view offices as living organisms. Without constantly updating the office, it may soon be left behind, and this could result in a decline in employee engagement.

We are trying out new attempts at our offices mainly based on hot-desking throughout the entire building, but the work style of employees is changing on a daily basis, and as such issues arising around the office are also constantly changing. We need to continue thinking about what a worker-friendly office environment encompasses for employees, with examples including creating spaces suitable for holding online meetings and installing portable monitors.



Kamiyacho Office

Okumura: The hot-desking approach has meant that team members find it difficult to be seated together, which makes communications difficult, and some employees prefer to work remotely or hold meetings online. We need to make further efforts to increasing the level of communication for such hybrid work styles that combine working at the office and working remotely.

Tomimoto: The offices are a place where employees work, so we need to listen more closely to what our employees are seeking, even though the appearance of offices is important. I hope to visit the offices and conduct interviews, observe the circumstances there more closely, and create an environment that best suits the circumstances, as well as contribute to boosting employee engagement.

Hirayama: Even as remote working increases in popularity and hot-desking becomes more available at offices, the importance of Face-to-face communication remains unchanged. Working remotely may not be an issue for team members who have worked together for a long time, but when new employees join a team, younger employees are being trained, or employees take on new business challenges, there is nothing that beats Face-to-face communication. Each organization will have to be keenly aware of the circumstances related to its members and businesses, and make efforts to boost the accuracy of businesses with measures such as having employees work at the office on the same days.

Achieving this requires “autonomy and collaboration.” This means that employees need to be properly self-disciplined, while also recognizing that they are working as part of a team. Without these two factors, work will actually end up being inefficient.

— How about initiatives related to Diversity Equity & Inclusion (DE&I)?

Ozawa: From the perspective of diversity, our employees comprise of around half mid-career hires and half new graduates. Efforts we have been implementing from the past for empowering female employees have seen an increase in the number of female managers, one of the indicators of empowerment, but there is still some way to go. Given the low numbers of female employees in their 30s and 40s who are potential candidates for management positions, from FY2024 we are in the process of actively seeking female mid-career hires who are able to take on the next round of management positions candidates. We are also working to facilitate understanding of LGBTQ challenges, by establishing rules and regulations that apply to same-sex partners regarding marriage leave, bereavement leave, congratulatory and condolence allowances, and various other allowances for job transfers and transfers away from family, as well as establishing consultation services and holding lectures inviting those involved in LGBTQ affairs.

Another initiative for diversity is employing of people with disabilities at HINARI.

Okumura: HINARI employs 178 people (including 123 employees with disabilities* as of April 1, 2024). They are involved in providing massages for CTC Group employees, cleaning offices, running the HINARI CAFE⁴, and working at contract farmers. Job categories have also been expanded in recent years, and they are also involved in disassembling PCs for recycling and creating digital content.

Hirayama: As a special-purpose subsidiary, we would like to create an environment where people with disabilities are able to work together with everyone in categories as close as possible to our core businesses, in addition to securing their job opportunities and positions for work there. To this end, HINARI is currently coordinating efforts with specialized agencies to increase its experience and knowledge in hiring and retention support in the IT field.

Each person works in their own unique way, and this includes people with disabilities. We hope to work together with them while ensuring an understanding of their characteristics. Given that every person is different, not only in terms of disabilities, We would like to create an atmosphere of mutual trust while maintaining a proper understanding of this fact. This is the essence of diversity.

Okumura: Together with recognizing diversity and allowing each employee to blossom and put in their best effort, we must not forget about sharing our values.

I think that the IT we deliver to society can be harnessed for both good and bad, so we need to maintain high ethical standards and common values. This approach is expressed in the CTC Group Corporate Philosophy. We also need to respect the values toward taking challenges as embodied by CTC’s corporate identity “Challenging Tomorrow’s Changes.” I think that respect for diversity and common values are crucial for human resource strategies.

— A new medium-term management plan has started.

Hirayama: In our medium-term management plan, we have set out our concept of “into unprecedented territories.” The way I read it, this represents the potential for the future. I think that harnessing the capabilities of anticipated advanced technologies and solutions to serve our customers, society and the community is the potential that we possess, and makes up the potential for the future. It is our human resources who will be implementing this, and our human resources are our assets. The mission of the Human Capital Management and General Affairs Division to determine how to boost the motivation of these human resources to ensure performance.

I think that the technological capabilities utilized by our employees will contribute to society and lead us to our future potential.



HINARI CAFE

*4 HINARI was established in 2010. Based in Tokyo, Hamamatsu, and other locations, employees with disabilities continue taking on the challenge of applying their abilities in full with the assistance of job supporters. In 2022, HINARI CAFE opened on the 16th floor of the Kamiyacho Head Office, HINARI CAFE staff members serve coffee and other beverages to CTC Group employees. Ever since, staff and CTC Group employees chatting and laughing together has become a common sight. In September 2024, HINARI CAFE Azabu opened on the 2nd floor of the Azabu District General Branch Office in Minato Ward. Services are also available to customers from outside the company. HINARI embodies the “DE&I” keyword for new societies.