

**Tokyo Gas executes a Master Agreement with Shell Eastern Trading (Pte) Ltd.
for the supply of carbon neutral LNG**

Tokyo Gas Co., Ltd. (President: Takashi Uchida; “Tokyo Gas”) and Shell Eastern Trading (Pte) Ltd. have been engaging in joint discussions and as a result, for the first time in Japan, Tokyo Gas has decided to receive the supply of carbon neutral liquefied natural gas (LNG).

Under this Master Agreement, with regard to this supply of carbon neutral LNG, Shell’s carbon credits will be used to compensate the full carbon dioxide (CO₂) emissions generated – from exploring for and producing the natural gas to use by the final consumer. The carbon credits are purchased by Shell from a global portfolio of nature-based projects, and each carbon credit is subject to a third-party verification process.

By receiving the supply of carbon neutral LNG, Tokyo Gas will reinforce its effort toward low carbon society as well as providing a new low carbon product to our customers.

Tokyo Gas received Japan’s first-ever LNG cargo on November 4th 1969 and this year marks the 50th anniversary. Tokyo Gas Group will continue to provide stable and safe source of energy to all our customers.

Commenting on the Master Agreement, Kentaro Kimoto, Tokyo Gas’s Managing Executive Officer said:

“In addition to the widespread expansion of natural gas with its character of having the least CO₂ emission among fossil fuels, we will continue our effort to realize the low carbon society as well as providing a new value to our customers by introducing carbon neutral LNG as a new effort. We are very pleased to work on new initiative together with Shell who are focused in their efforts to provide more and cleaner energy.”

Commenting on the Master Agreement, Slavko Preocanin, Shell LNG Marketing & Trading’s Vice President said:

“Carbon neutral LNG cargoes are another choice we are offering our customers, as they seek to address their CO₂ emissions today. In turn, they are then able to offer the same to their customers who increasingly want to reduce the net carbon footprint of their energy use. This deal will set the ground for us to further develop this offering and we are pleased to be able to make this pioneering first step possible for our valued partner Tokyo Gas.”

[Outline of Shell Eastern Trading (Pte) Ltd.]

Establishment:	May 1989
Head office:	Singapore
Shareholder:	Shell Eastern Petroleum (Pte) Ltd. Shell Petroleum N.V.

[Enquiries]

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