

# Pursuing Our Responsibilities to All Stakeholders

- ▶ Commitment to Good Corporate Citizenship
- ▶ Corporate Governance and Compliance
- ▶ Management Organization



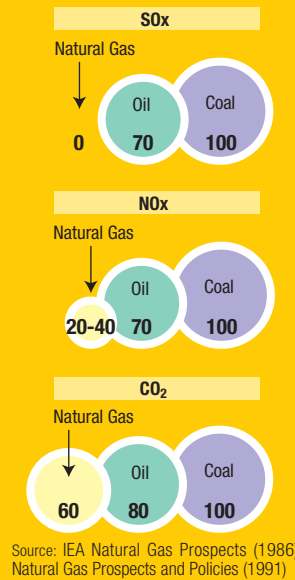
## COMMITMENT TO GOOD CORPORATE CITIZENSHIP

The Tokyo Gas Group is making an active contribution to more pleasant lifestyles and to the development of environment-friendly urban communities. The Group aims to achieve continuing growth and success in partnership with society, as a corporate group that earns and maintains the trust of all stakeholders through all of its business activities.

## Tokyo Gas and the Environment

### Clean Natural Gas as the Core of its Business

Compared with other fossil fuels, natural gas is a very clean form of energy with a low environmental impact. As a corporate group that has made this clean energy the core of its activities, the Tokyo Gas Group is determined to be a leader in the field of environmental management and is strongly committed to environmental protection through various aspects of its business. It is working to minimize environmental impact by using resources effectively and efficiently, by strengthening its environmental partnership with local communities, and by developing and rolling out innovative technologies that contribute to achieving higher standards of environmental protection.



COMMUNITY

■ Encouraging wider use of natural gas cogeneration and research and development of highly efficient gas appliances to help prevent global warming

■ Promoting the use of natural gas vehicles (NGVs) as a practical means of helping to prevent air pollution.  
[A total of 8,368 NGVs are in regular use in Tokyo Gas' service area as of March 2004.]



**A neighborhood bus**  
Thirteen buses powered by natural gas were introduced in Fuchu City, Tokyo in fiscal 2003.

■ Promoting an eco-lifestyle

- Issuing environmental reports
- Educational outreach centers
  - Energy & Earth Emporium
  - Gas Science Center
  - Gas Museum



"Gas Maru," Tokyo Gas' character for communication activities

- Pursuing initiatives aimed at acquiring ISO 14001 certification groupwide
- Educational programs to raise awareness of the environment through sessions and lectures
- Support for introduction of environmental management systems at Group companies
- Green purchasing

- Human rights education programs
- Corporate compliance training programs
- Programs for supporting child rearing (Parental leave, flexible work shifts, etc.)
- Programs for supporting the care of dependents (Long-term leave, etc.)
- Programs for supporting volunteer activities (holidays/leave for volunteer work, etc.)



### Eco-cooking®

The Eco-cooking program is designed to raise environmental awareness by offering food ideas from the perspective of an eco-lifestyle. The aim is to promote the concept of environment-friendly cooking process, including shopping and cleaning. The approach taken is to run Eco-cooking sessions, publish brochures and set up dedicated websites. Tokyo Gas plans to expand these activities with the cooperation of government agencies, schools and others.  
[About 40,000 participants have attended as of March 2004.]

## Tokyo Gas and Society

### Maintaining Public Confidence in the Tokyo Gas Group

Gas is an essential commodity for day-to-day living, and the most important responsibility for Tokyo Gas as a supplier of that commodity is to ensure reliability and safety. To fulfill that responsibility, Tokyo Gas is constantly working to secure reliable access to gas resources, and to maintain a full array of safety systems covering the process, delivery and use of natural gas. In addition to these efforts to maintain user confidence at all times, Tokyo Gas also has active programs of social contribution that build and maintain relationships of trust with communities and customers.

### Earthquake Precautions

Tokyo Gas has developed the world's most advanced real-time disaster prevention system. Known as SUPREME, the system works in conjunction with automatic shut-off and remote shut-off systems to provide 24-hour security. This technology can significantly mitigate the risk of secondary damage after earthquakes.



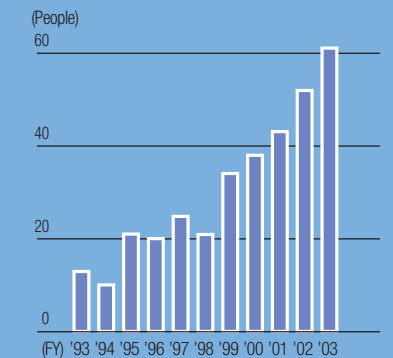
- Collaborating with local communities and organizations in exhibitions and events
- Supporting education on energy and the environment



### School Visits

Tokyo Gas presents educational programs about energy and the environment to elementary and junior high schools.  
[About 90,000 students have attended as of March 2004.]

### Number of employees taking parental leave



TOKYO GAS GROUP

Social responsibility investment (SRI) is growing in importance. Under SRI, investors and financial institutions make investment decisions based on not only a company's business results but also its social and environmental performance. Tokyo Gas is included in several SRI indexes/funds such as the Dow Jones Sustainability Index.

### SRI indexes that include Tokyo Gas

- Dow Jones Sustainability Index (DJSI)
- FTSE4Good
- Ethibel Sustainability Index
- MS-SRI



## CORPORATE GOVERNANCE AND COMPLIANCE

The value of the Tokyo Gas brand is the result of decades of effort to build a reputation for reliability, safety and trust. The Tokyo Gas Group is working to protect and enhance that reputation by reaching higher and strengthening corporate governance and compliance.

Corporate governance has been enhanced through the introduction, in June 2002, of a new board structure. The number of directors was substantially reduced and the term of service shortened. Outside directors were appointed to the board to provide closer supervision of management. Tokyo Gas also became the first company in the Japanese gas industry to introduce a corporate executive officer system to speed up decision-making and improve operational efficiency.

These structural changes will now form the basis for continuing efforts to revitalize the board of directors and ensure fair disclosure of information, while increasing management transparency.

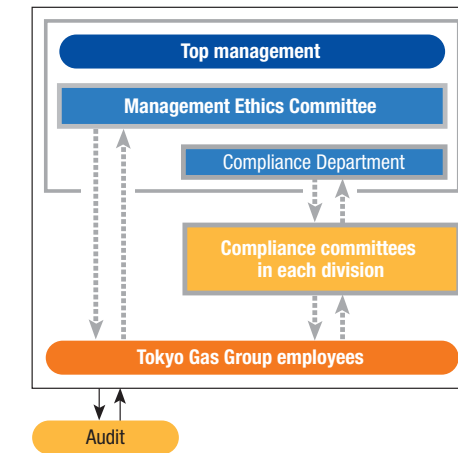
With regard to risk management, Tokyo Gas established a total management system for handling risks and formulated basic guidelines for groupwide implementation.

In keeping with its important role in society as a public utility, the Tokyo Gas Group already makes all possible efforts to ensure compliance with legal and social requirements. Tokyo Gas revised its code of conduct to ensure compliance at the individual employee level of the Group, by utilizing the new compliance promotion system established in the previous fiscal year. The new

code of conduct will be promoted throughout the Group as part of efforts to raise awareness of compliance.

Tokyo Gas is developing and introducing its own monitoring mechanisms to scrutinize the observance of compliance requirements on a continuing basis. Basic policies are to be determined by the Management Ethics Committee, and their implementation will be monitored by the Audit and Operational Enhancement Department. Problems identified through this process will then be addressed in forthcoming policies. Tokyo Gas has long enjoyed the confidence of customers and aims to maintain that reputation by applying this cyclical system throughout the Tokyo Gas Group.

### Tokyo Gas Group Compliance Management System



### Board of Directors



YUKIO SATO  
Outside Director

YURI KONNO  
Outside Director

YUZABURO MOGI  
Outside Director

HIDEHARU UEHARA  
Vice Chairman

KUNIO ANZAI  
Chairman

NORIO ICHINO  
President

MITSUMORI TORIHARA  
Executive Vice President

Chief Executive, Corporate  
Communication Div.;  
Compliance Dept.

SHIGERO KUSANO  
Executive Vice President

Chief Executive, Energy  
Sales and Service Div.;  
General Manager, Volume  
Sales Dept.

KOUYA KOBAYASHI  
Executive Vice President

Chief Executive,  
Energy Production Div.

TADAAKI MAEDA  
Senior Executive Officer

Chief Executive, Energy  
Resources Div.; Internal  
Audit Dept.

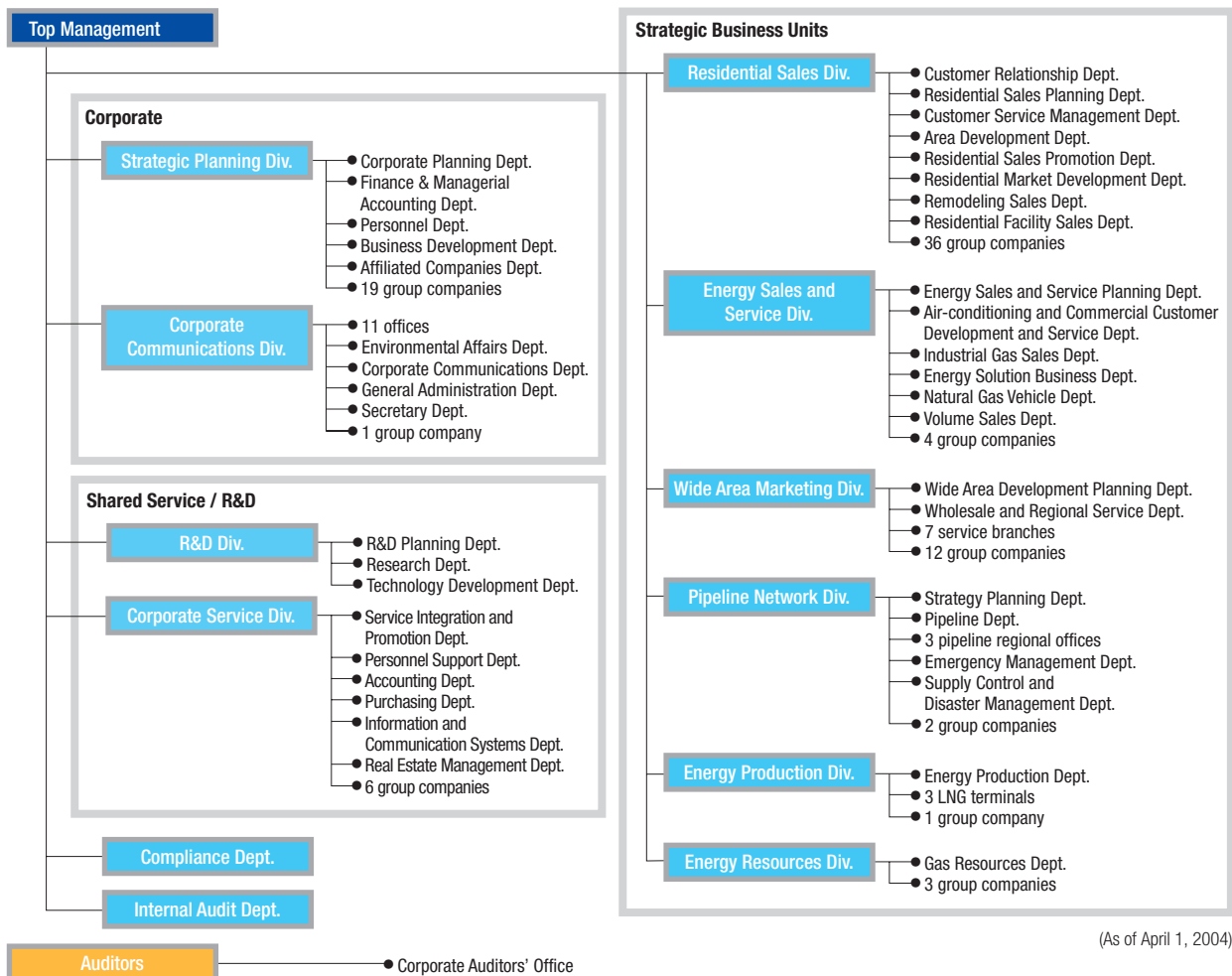
TAKASHI KUNITOMI  
Senior Executive Officer

Chief Executive,  
Residential Sales Div.

TSUYOSHI OKAMOTO  
Senior Executive Officer

Chief Executive,  
Strategic Planning Div.

## MANAGEMENT STRUCTURE



### Executive Officers and Corporate Auditors (As of June 29, 2004)

#### Executive Officers

<b>President</b>	Norio Ichino
<b>Executive Vice Presidents</b>	<p><b>Mitsunori Torihara</b> Chief Executive, Corporate Communication Div.; Compliance Dept.</p> <p><b>Shigero Kusano</b> Chief Executive, Energy Sales and Service Div.; General Manager, Volume Sales Dept.</p> <p><b>Kouya Kobayashi</b> Chief Executive, Energy Production Div.</p> <p><b>Masahiro Ishiguro</b> Chief Executive, Corporate Service Div.</p>
<b>Senior Executive Officers</b>	<p><b>Tadaaki Maeda</b> Chief Executive, Energy Resources Div.; Internal Audit Dept.</p> <p><b>Takashi Kunitomi</b> Chief Executive, Residential Sales Div.</p> <p><b>Tsuyoshi Okamoto</b> Chief Executive, Strategic Planning Div.</p> <p><b>Akira Habu</b> Managing Director, The Japan Gas Association</p> <p><b>Toshio Tezuka</b> Chief Executive, Wide Area Marketing Div.</p> <p><b>Masaki Sugiyama</b> Chief Executive, Pipeline Network Div.</p> <p><b>Shigeru Muraki</b> Chief Executive, R&amp;D Div.</p>

#### Executive Officers

<b>Tokio Imazawa</b> Coordinator, Energy Sales and Service Div.
<b>Seiichi Nakanishi</b> General Manager, Residential Sales Promotion Dept.
<b>Taiichi Okuzawa</b> General Manager, Kanagawa Branch
<b>Norikazu Hoshino</b> General Manager, Customer Relationship Dept.
<b>Tadashi Kaburagi</b> General Manager, Industrial Gas Sales Dept.
<b>Toshiyuki Kanisawa</b> General Manager, Corporate Planning Dept.
<b>Kunihiro Mori</b> General Manager, Energy Production Dept.
<b>Yasuhiro Hiruma</b> General Manager, Corporate Communications Dept.
<b>Tsutomu Oya</b> General Manager, Air-conditioning and Commercial Customer Development and Service Dept.
<b>Mikio Itazawa</b> General Manager, Pipeline Dept.
<b>Michiaki Hirose</b> General Manager, The Japan Gas Association

#### Corporate Auditors

<b>Standing Corporate Auditors</b>	Soichiro Akimoto Hiroshi Hirai
<b>Corporate Auditors</b>	Kazuo Nemoto Masayoshi Hanabusa