## Invisible Assets

# ESG initiatives

Environmental, Social, Governance

☐ Tokyo Gas Sustainability Report 2019 tokyo-gas.disclosure.site/en



### CSR priority issues (materialities) and contributing to the achievement of Sustainable Development Goals (SDGs)

CSR priority issues (materialities)		Materiality	
Strategy	Stable supply of energy both in Japan and overseas	☐ Stable supply of gas and electricity ☐ Stable procurement of raw materials	P25
		□ Construction of energy infrastructure in developing countries	P39
	Robust energy platform	☐ Safety and disaster prevention / readiness ☐ Sustainable urban development and comfortable lifestyles	P25
	Conversion of society overall to a low-carbon society through the supply of energy	<ul> <li>□ Measures against global warming</li> <li>□ Promoting recycling of resources</li> <li>□ Promoting conservation of biodiversity</li> </ul>	P05
Infrastructure		■ Creating an organization full of energy and vitality	P55
	_	■ Building good relationships with stakeholders	P31 P52
		Fulfilling our public duty as an energy company	P25
	Governance a	nd compliance	

Under the Basic Policy on CSR to tackle social challenges through our business activities, we seek to maintain the security and safety of people's lives by providing a stable supply of energy, which is the foundation of daily life and industry, and to play our part in building a sustainable society by supplying energy that excels in environmental consideration. As for promoting activities, we make assessment and improvement of targets that have been identified for each materiality, while making clear the relationship between materialities and SDGs to help achieve the SDGs through CSR management.



### **Environmental**

By developing and promoting widespread use of highefficiency equipment, and expanding use of distributed power generation systems, we reduced the amount of CO2 emissions by 4.52 million tons in fiscal 2018 in comparison with fiscal 2011.

Reduction in CO₂ emissions during consumption of city gas by customers 
€

4.52 million tons



110,000

units

**Cumulative sales of ENE-FARM** 

Concerning the residential fuel cell system ENE-FARM that helps enhance energy efficiency and reduce the amount of CO2 emissions, we as vendors reached 110,000 units in cumulative sales of ENE-FARM in December 2018.

Gas cogeneration system's power generation efficiency

By promoting development of high-efficiency gas cogeneration systems, we developed commercial-use fuel cells with power generation efficiency of 52% and total efficiency of 90%.









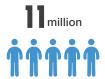
Leveraging our insights and technologies accumulated in from over 130 years of operations in the energy business, we focus on Sustainable Development Goals (SDGs) 7, 9, 11, and 13 and promote initiatives that contribute to solve social issues by engaging with our stakeholders.

# Social

As a general gas pipeline operator, we provide clean city gas to over 11 million customers via a gas pipeline network of over 60,000 km. We had no supply disruption arising from major accidents in fiscal 2018.

Number of customers

Supply disruption arising from major accidents





### Further promoting CSR management

Given heightened expectations and requests nowadays to companies to help realize sustainable society, we unified the Environmental Affairs Department and the CSR Room of the Corporate Communications Department and established the Sustainability Promotion Department in April 2019. In addition, we have reorganized the CSR Promotion Committee chaired by an officer in charge to a Sustainability Committee chaired by President, with the aim of further promoting CSR management.

#### CSR promotion organizational chart



### Governance

We made changes to further increase the proportion of outside members in our Board of Directors and Audit & Supervisory Board by reducing the number of inside members by three in comparison with the previous year (from 10 to 7) in fiscal 2018, and increasing the number of outside members by one (from 6 to 7) in fiscal 2019.

Corporate governance > P41

Changes to the makeup of our Board of Directors and Audit & Supervisory Board

