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Tokyo Gas Group Management Vision

Compass2030

Providing energy and solutions to the future of our life, society and the earth

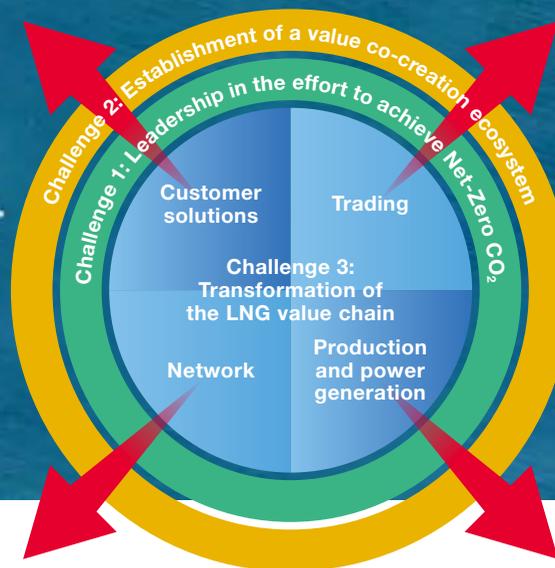


Our goal will be a business group which continues to create value together with our customers, business partners and society as a whole while becoming a leader in the future energy systems.

Tokyo Gas has pioneered the era of natural gas for half a century since introducing and spreading the use of LNG in Japan. We are now in the opening phase of another new era of transformation for Japan—an era of great changes such as associated with decarbonization, digitalization, changing and diversifying customer values, and regulatory liberalization in the energy market. The years up to around 2030 will be a period that questions how energy and energy-handling companies should be. On November 27, 2019 we therefore formulated a management vision Compass2030, to function as a direction-indicating guide that can show us which roads to follow in this uncertain era, looking ahead over the next half century.

Compass2030

Three challenges for achieving the Vision



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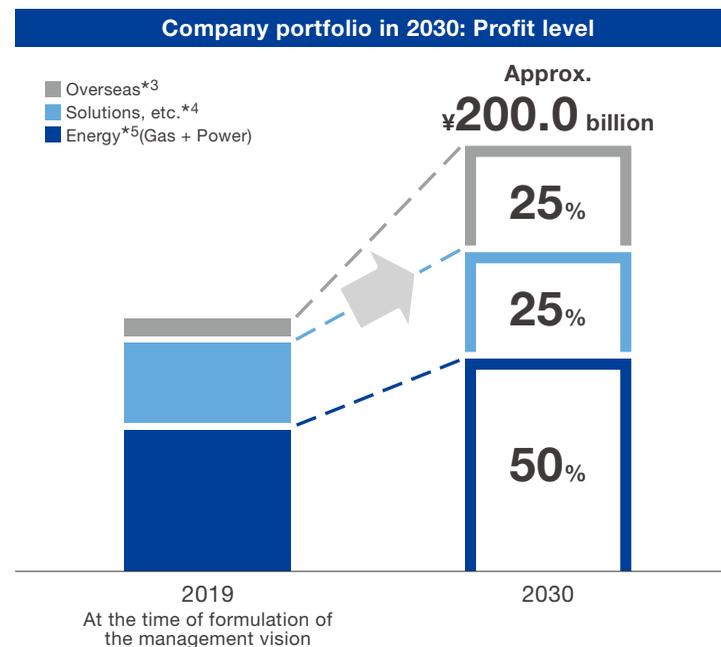
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Management guidelines and key figures		
	FY2021 results	2030
Profit level	¥121.5 billion	Approx. ¥200.0 billion
Contribution to CO ₂ emission reductions (base year: FY2013)	5.39 million tons	17.00 million tons*1
Renewable energy transaction volume (FY-end)	1,498 million kW	6.00 million kW*2
No. of customer accounts (FY-end)	12.48 million	20.00 million
Natural gas transaction volume (FY)	19.18 million tons	20.00 million tons



*1: The Compass2030 initial target: 10 million tons (Japan only) *2: The Compass2030 initial target: 5 million kW *3: Overseas: All overseas businesses
 *4: Solutions, etc.: Energy-related, real estate, other *5: Energy: Gas and electricity business in Japan

For achieving the Vision

Our strategy

(Compass action)

Three challenges for achieving the Vision

1

Lead transition to
Net-Zero CO₂



2

Establish a value
co-creation ecosystem



3

Transform the
LNG value chain



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Challenges to accelerate for achieving the Vision

Responsibly lead the transition with gaseous & renewable energy

Accelerate value co-creation via digitalization and reinforced face-to-face engagement

Improve each business's earning power and resilience to change

Compass Action (Actions for achieving the Vision: 2020-2030)

Transform into the top leader at the forefront of the transition

Create value chain for carbon-neutral methane

Create renewable energy value chain leveraging our Group's unique strengths

Transform into the energy market's digital marketing front runner

Evolve into the No. 1 player in customer satisfaction through value co-creation at the last-mile*1

Transform into a provider of solutions for community challenges

Transform into corporate culture that enhances the earning power of each business

Shift to a human resources system that encourages pursuit of challenges in ways that leverage diversity

Pivot to a financial strategy that promotes growth investing

Medium-term Management Plan (FY2020-2022) based on the Vision

Key Strategies

Evolution of customer solutions

Expansion of LNG business

Acceleration of overseas business

Shaping of Net-Zero CO₂

Strengthening of business foundation

Implementation of cost structure reform

Continuation of DX *2

Establishment of flexible organization towards changes

KPI



No. of customer accounts



Natural gas transaction volume



Segment profit from Overseas Business



Contribution to CO₂ emission reductions



Renewable energy transaction volume



Cost structure reform

Progress of the Medium-term Management Plan and KPIs [▶ P.23](#)

*1: Last mile: Site operations that require human intermediation in the final process of the value chain

*2: DX: Digital transformation. The use of data and digital technologies to transform products, services and business models based on customer and societal needs, and also transform work operations themselves as well as organizations, processes, and corporate culture and climate.

Tokyo Gas will invest in growth areas while ensuring asset efficiency and financial soundness

We have increased sales and profits by better procurement of raw materials and expansion of overseas business

In FY2021 (ended March 31, 2022), the business environment was severe especially due to rising raw material costs. However, we made fastidious adjustments in supply and demand conditions of LNG, such as improving the accuracy of demand forecasts and utilizing the flexibility of the assets we hold, and we were able to control to a high degree the procurement of LNG in the spot market where prices were rising. As raw material prices and demand are fluctuating more dramatically at this time, management of these risks has become a major issue. We believe that we benefited from our procurement portfolio being centered on long-term contracts and through our efforts of the past few years to improve the optimizing of operations through supply and demand adjustments, and this has led to the superiority of raw material procurement.

In the overseas segment, rising resource prices led to higher profits from the upstream business in Australia and also to higher profits from the shale gas business in North America due to a company that became a consolidated subsidiary in the 3Q of FY2020. This resulted in a significantly high increase of 625.2% in profits over the previous fiscal year.

Consequent to these results, our profits and revenues in FY2021 increased from the previous fiscal year and from the initial plan.

We will consolidate efforts for success of the Medium-term Management Plan, including optimization of LNG supply and demand, and implement cost structure reforms, to achieve our profit targets

In FY2022, the final year of the three-year Medium-term Management Plan, our latest plan of 143.5 billion yen in

segment profit (operating profit + equity method profit) exceeds the target in our Mid-term Management Plan. We know that we are facing similar challenges as in the previous year, such as the rise in crude oil and LNG prices caused by the destabilization of the international situation. However, we believe that our profit forecast is sufficiently achievable, given that the efforts over the Medium-term Management Plan period such as optimization of LNG supply and demand as well as cost structure reforms are already bearing fruit.

As a driving factor behind the profit increase, our initial forecast of 25.3 billion yen in segment profit for the Electric Power Business exceeds its profit level of the past few years, due mainly to an increase in wholesale electricity sales volume. The Overseas Business is also expected to increase profit to 37.4 billion yen, with a contribution by an increase in profit from the upstream business in Australia, mainly due to the rise in crude oil prices.

On the other hand, ROE and ROA—the financial indicators set forth in our Medium-term Management Plan, are currently expected to be below our targets. The main reason for this is the increased size of the assets that have been driven by aggressive business investments over the past few years. As we aim to balance profit growth and asset efficiency improvement, we will introduce new management controls at each of our internal companies and business corporations under the holdings type group structure, which was launched in April. In FY2022 we will start using an advanced Profit/Loss (P/L) management approach designed to improve the earning power of companies and business corporations. From the next fiscal year onwards, we intend to develop this into a Balance Sheet (B/S) management arrangement and aim for each company and business corporation to improve asset efficiency through changing the makeup of its own business assets and other means.



Managing Executive Officer and CFO

SATO Hirofumi

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By 2030, we will invest approximately 2 trillion yen in decarbonization and other growth to raise profits to approximately 200 billion yen

Compass Action, which is a detailed roadmap for achieving Compass2030, states the plan calls for investing around 2 trillion yen in growth areas by 2030, including approximately 700 billion yen in the decarbonization area, such as for renewable energy and hydrogen-related technology development. In order to carry out these investments, we must simultaneously address many challenges, including the financial arrangements, ensuring financial soundness, and improving asset and capital efficiency.

Above all, we need to increase operating cash flow, or in other words, earning power. It is essential to nurture businesses to compensate for the decrease in gas sales profits caused by liberalization, and we have made many strategic moves to achieve this. For example, one move was to enable the Electric Power Business to reach 30 billion kWh in electricity sales volume and 3 million in the number of retail customers. The Overseas Business and the Urban Development Business have also grown to

become profit pillars. In addition, the Network Business, which was spun off in April this year, is expected to make more bold efforts than ever to improve work efficiency via DX and to review operations in line with the changing times, thereby enhancing its earning power. Based on these initiatives, we will add investment opportunities that early contribute to profitability, and aim to achieve the 200 billion yen profit target for 2030.

Some of the investment capital will be externally financed. In recent years, we have been actively making use of low interest rates but as interest rates have shifted to a rising phase, we need to devise various new measures. We intend to try new methods such as the further utilization of transition bonds, which was first issued in March of this year, and the liquidation of assets to ensure financial soundness and improve asset efficiency.

We aim to improve corporate value over the medium to long term by allocating 10% of the return to investment in the decarbonization area

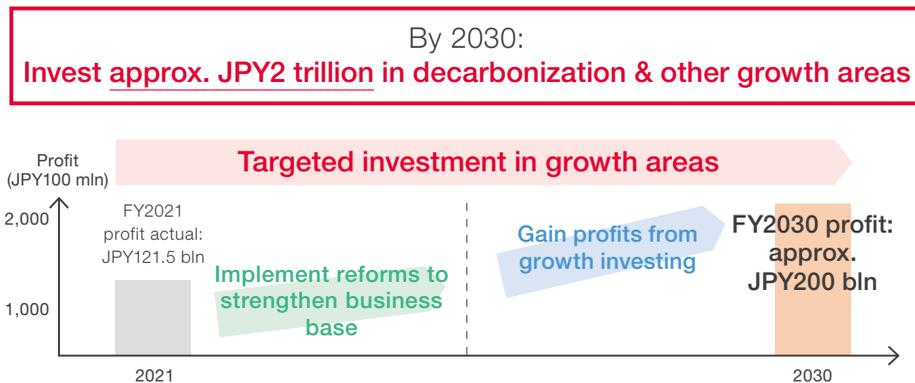
In response to the Japanese government’s 2050 Carbon Neutral Declaration in October 2020, we decided to make

our target year of achieving Net-Zero CO₂ earlier, to 2050. In line with this, we have revised our shareholder return policy and have lowered our target for total return ratio from 60% to 50%. The reduction of 10% will be used as quickly as possible as a source for investment in hydrogen and methanation. We are committed to sustainable development by contributing to the realization of a decarbonized society, and to rewarding our shareholders through the improvement of medium- to long-term corporate value. We will continue our efforts to gain the understanding of our shareholders.

Going forward, various SDGs beyond the prevention of global warming need to be addressed but what we think critically important is to align these with the sustainable development and corporate value improvement of the Tokyo Gas Group. We will further strengthen the disclosure of non-financial information through integrated reports, etc., so that our efforts and corporate value will be properly evaluated.

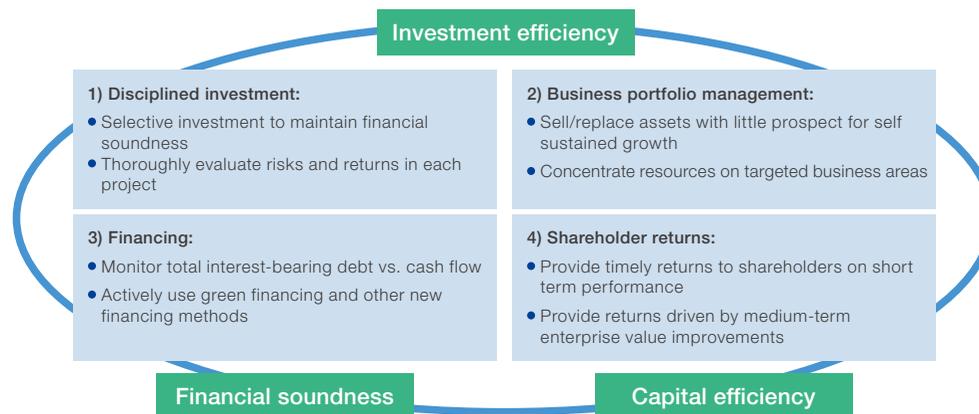
Targeted investment in growth areas

- Shift investment to decarbonization & other growth areas, and place capital aggressively
(early investments in decarbonization + active investment in other growth areas)
- Strengthen business platform by implementing reforms in first half of 2020s, achieve profit growth from investments in the second half



Financial strategy supporting investment

- Support growth investing by enhancing investment/capital efficiency and by employing effective cash flow management to secure sufficient investment capital



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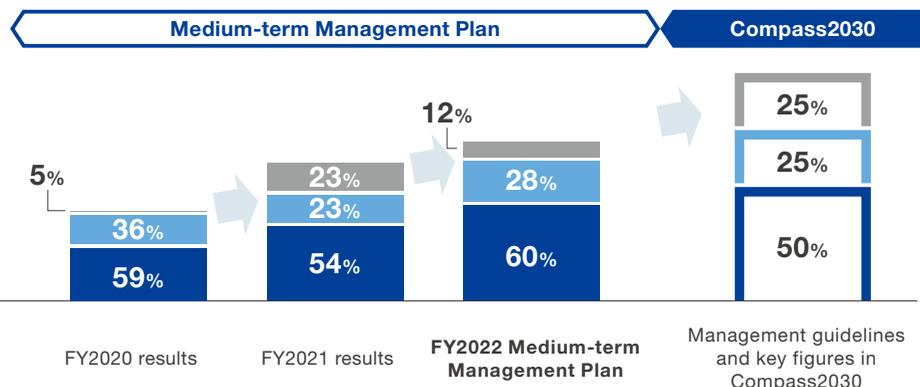
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Progress of the Medium-term Management Plan and KPIs

Project portfolio composition: Operating profits + equity method income

- Overseas*1
- Solutions, etc.*2
- Energy*3 (gas + electricity)



Reason for setting this KPI

No. of customer accounts	This KPI has been set as an indicator to measure the effects of our efforts to maximize our customer base at an early stage in order to ensure stable profit in the gas/electricity/service business.
Natural gas transaction volume	This KPI has been set as an indicator to quantify the expansion of business with LNG as a commodity, including LNG trading and the overseas LNG business, in addition to domestic gas sales.
Segment profit from Overseas Business	This KPI has been set as an indicator to measure the growth of our overseas business, which drives future profit, toward its target.
Contribution to CO ₂ emission reductions	This KPI has been set as an indicator to continuously measure outcomes from CO ₂ emissions reduction contributions, including those from customers, through expanded effective use of natural gas, increases in the scale of use of renewable energy, etc.
Renewable energy transaction volume	This KPI has been set as an indicator to quantify the increased use of renewable energy power sources and business expansion.
Cost structure reform	This KPI has been set as an indicator to measure the effects of our efforts to drastically review operations and their structure, which create resources for growth to be allocated to immediate profit contribution and key strategies.

	FY2020 results	FY2021 results	FY2022 Medium-term Management Plan	Management guidelines and key figures in Compass2030
KGI				
Operating profits + equity method income	¥79.1 billion	¥121.5 billion	¥140.0 billion	Approx. ¥200.0 billion
Financial indicators				
ROA	1.9%	3.0%	Approx.4%	
ROE	4.3%	7.5%	Approx.8%	
D/E ratio	0.92	0.99	Approx.0.9	
KPI				
No. of customer accounts (as of the end of FY)	12.31 million	12.48 million	14.8 million	20 million
Natural gas transaction volume (per FY)	18.20 million tons	19.18 million tons	17.0 million tons	20 million tons
Segment profit from Overseas Business (per FY)	¥3.8 billion	¥28.2 billion	¥16.0 billion	—
Contribution to CO ₂ emission reductions (as compared to FY2013 levels)	6.68 million tons	5.39 million tons	6.5 million tons	17 million tons*4
Renewable energy transaction volume (as of the end of FY)	1.383 million kW	1.498 million kW	2.0 million kW	6 million kW*5
Cost structure reform (compared to FY2019)	-¥12.0 billion reduction	-¥21.0 billion reduction	-¥30.0 billion reduction	—

*1 Overseas: All overseas business *2 Solutions, etc.: Energy-related, real estate, other *3 Energy: Gas and electricity business in Japan *4: The Compass2030 initial target: 10 million tons (Japan only) *5: The Compass2030 initial target: 5 million kW

Results to date of the Medium-term Management Plan

Medium-term Management Plan	Press release month and year	Progress in Key Strategies and Enhancement of Business Base
Key Strategy (1) Evolution of customer solutions	April 2020	Established Ekimachi Energy Create Co.,Ltd. with East Japan Railway Company
	June 2020	Tokyo Gas venture Sumilena Co.,Ltd. initiated fixed monthly fees for appliance rental
	Oct. 2020	Launched the "Hinatao Solar" solar energy service for condominiums and buildings
	Dec. 2020	Formed a strategic alliance with Octopus Energy Group Limited (U.K.) and established TG Octopus Energy Co., Ltd. (February 2021)
	April 2021	Established Tokyo Gas Nomura Real Estate Energy Co.,Ltd., for supplying energy to the Shibaura 1-Chome Project
	May 2021	Launched "Tokyo Gas Housecleaning" service
	July 2021	Reached a basic agreement with JT Group to take over its software business, which holds the top share of its market segment in Japan
	Nov. 2021	Launched "EVrest" EV charging service for housing complexes
	Nov. 2021	Signed a business alliance agreement with The Kansai Electric Power Co., Inc. for VPP business using decentralized energy resources
	Feb. 2022	Full-scale entry into plumbing-related repair! Launched high-quality, reasonable-price "Tokyo Gas Repair Service"
Key Strategy (2) Expansion of LNG business	June 2020	Receiving the First Commingling LNG Cargo at Hatsukaichi LNG Terminal
	Sep. 2020	Establishment of the "TG Global Trading"
	Mar. 2022	Started the supply of LNG from the Niihama LNG terminal
Key Strategy (3) Acceleration of overseas business	May 2020	Tokyo Gas Invests in Principle Power, A Leading Floating Wind Power Technology Company
	July 2020	Tokyo Gas Acquires Oil and Gas Assets in Louisiana Through Castleton Resources and Takes Majority Interest in Castleton Resources
	July 2020	Establishment of a Subsidiary in the United States and the Acquisition of a 500MW Solar Power Project (Aktina)
	Oct. 2020	Signing of a Joint Cooperation Agreement with First Gen to Pursue Construction and Operation of Interim Offshore LNG Terminal in the Philippines
	Nov. 2020	Investment in gas distribution company in Indonesia
	Aug. 2021	The Aktina Solar Power Project in the U.S. began partial operation (150 MW)
	Sep. 2021	Tokyo Gas to divest its share in MT Falcon Holdings
	Oct. 2021	Establishment of the Joint Venture with the PTT Group Company -Promotion of Decarbonization through On-site Energy Service Business including Improving Efficiency Technology Solutions and Fuel Supply in Thailand -
	Jan. 2022	Establishment of a subsidiary in Denmark and joint development of renewable energy in the Nordics through business collaboration with EWII S/I

Medium-term Management Plan	Press release month and year	Progress in Key Strategies and Enhancement of Business Base
Key Strategy (4) Shaping of Net-Zero CO₂	Aug. 2020	Tokyo Gas acquisition of wood pellet biomass power generation facilities in Toyama and Chiba Prefecture
	Nov. 2020	Tokyo Gas to Join Joint Venture for Offshore Wind Projects in Japan (Chiba Offshore Wind Inc.)
	Mar. 2021	Establishment of a Carbon Neutral LNG Buyers Alliance
	April 2021	Acceleration of the Development of Kashima Port Offshore Wind Project
	May 2021	Tokyo Gas and SCREEN Agree to Jointly Develop a Water Electrolysis Cell Stack for Low-cost Green Hydrogen Production
	June 2021	Launched "Sasutena Denki," an electricity rate plan with 100% real renewable energy
	July 2021	Launch of Commercial Solar Power Operations Begins in Iwakuni, Yamaguchi Prefecture
	July 2021	World's 1st! Commence Manufacturing of CO ₂ -absorbing Concrete that Uses Exhaust Gas Emitted During the Use of Cit Gas Devices
	July 2021	Commencing hydrogen demonstration experiment using megawatt-class water electrolyser
	Sep. 2021	Produced Japan's first potassium carbonate using CO ₂ from city gas devices
	Oct. 2021	Introduced carbon-neutral city gas in Tokyo's Marunouchi district, as the largest project of its kind in Japan
	Oct. 2021	Jointly implemented the Sakaide biomass power generation project
	Nov. 2021	Started feasibility study toward creation of carbon-neutral methane supply chain with Petronas, Sumitomo Corporation and Mitsubishi Corporation
	Jan. 2022	Tokyo Gas selected as the prospective recipient in NEDO's Green Innovation Fund Project / Offshore Wind Power Cost Reduction Project (for the development of low-cost technology for manufacturing and installing floating foundations)
	Key Strategy (5) Strengthening of business base: Implementation of cost structure reform; DX; and Establishment of a flexible organization	Mar. 2022
Mar. 2022		Participated in the dedicated biomass combustion power generation project in Sendai City, Miyagi Pref
April 2022		Tokyo Gas selected as the prospective recipient in NEDO's Green Innovation Fund Project / Development of Fuel Manufacturing Technology using CO ₂ etc. (for innovative technology for synthetic methane)
June 2022		MOU Signed with Shell for Joint Exploration of Decarbonization Accelerate various types of decarbonization solutions, including synthetic gas, hydrogen, and CCUS
June 2021		Transition to a Company with a Nominating Committee, etc
April 2022	Announcement of Group's Management Philosophy	
April 2022	Tokyo Gas Network Co., Ltd. began business operation	

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Challenge 1 Lead transition to Net-Zero CO₂

Compass Action

Responsibly lead the transition with gaseous and renewable energy

Parallel with the strengthening trend toward carbon neutrality, expectations are increasing for LNG and natural gas as a promising transitional energy. As a leading company responsible for the stable supply of energy, the Tokyo Gas Group recognizes that its social mission is to meet the expectations and to lead transition to a carbon-neutral society with a down-to-earth sense of reality.

Taking advantage of our Group's strengths in dealing with multiple transitional methods and in the Group's solution capability on both the supply side and the demand side, we are determined to responsibly lead the transition with gaseous and renewable energy.

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Two perspectives toward transition to Net-Zero CO₂

Contribute to CO₂ emissions reduction of society as a whole.

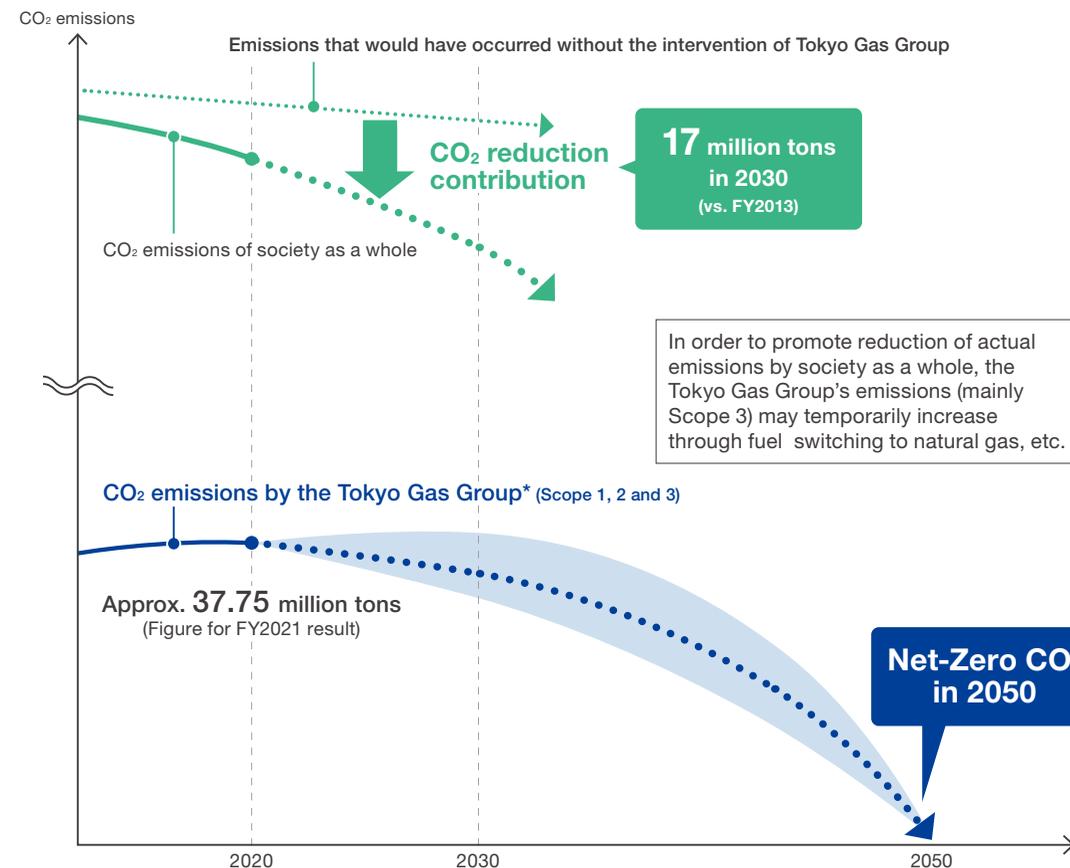
By expanding low-carbon or decarbonized products and services, we will achieve CO₂ reduction contribution of 17 million tons by 2030 (vs. FY 2013)

Reduce CO₂ emissions of the Tokyo Gas Group

We will achieve Net-Zero CO₂ in 2050. And we will achieve Net-Zero in-house emissions by 2030.

We promote a transition that maintains the stable supply of energy while remaining both environmentally and economically sound.

Goals for 2030 and 2050: Conceptual diagram



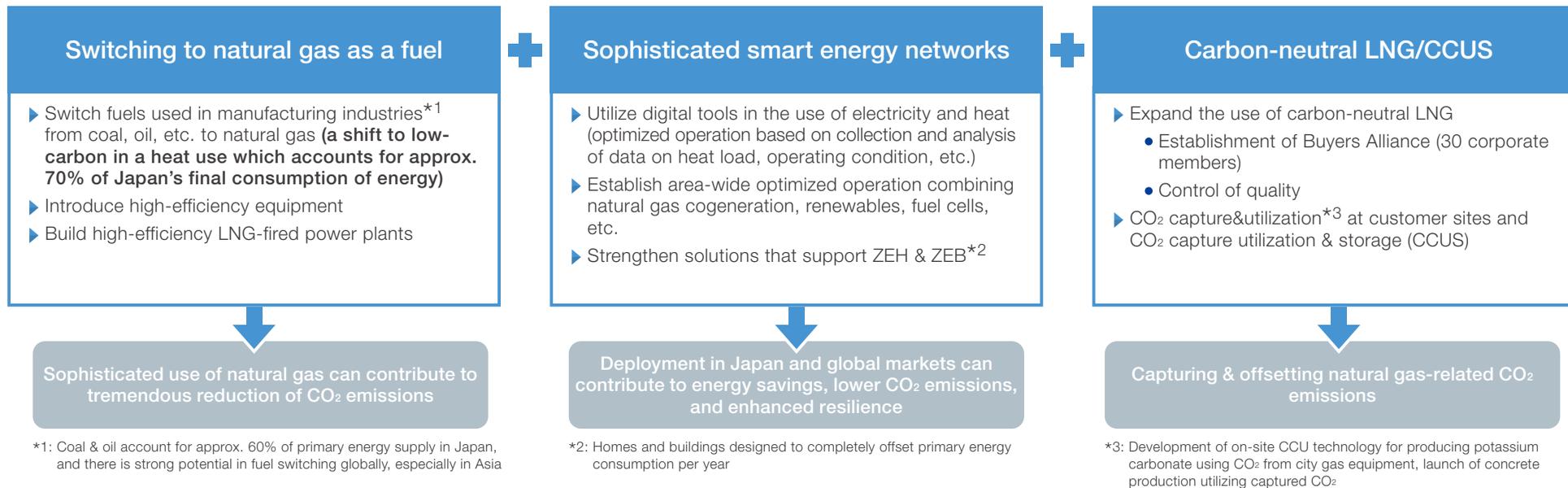
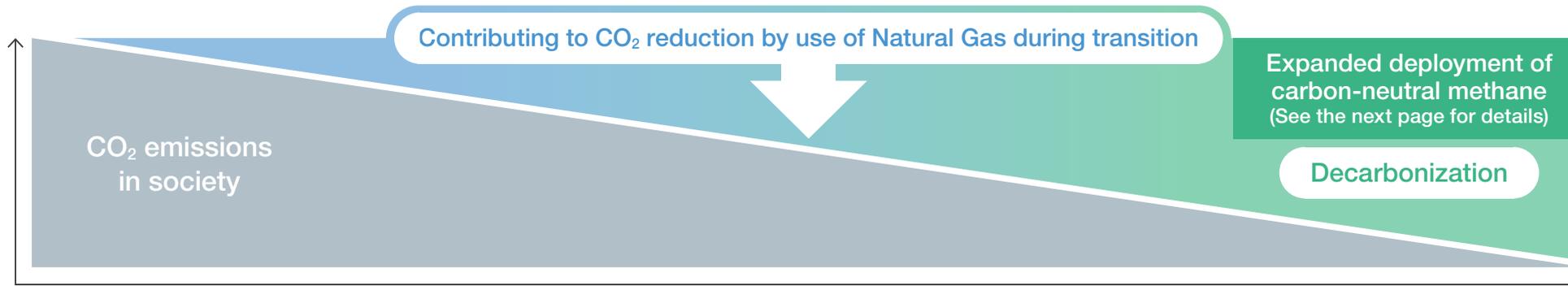
* Including the amount of absorption (CCUS and forests) and offsetting by carbon credits.

Compass Action Responsibly lead the transition

Sophisticated use of natural gas: Transitioning from low-carbon to decarbonized

- During the transitional period, we will contribute to **reduce CO₂ emissions at domestic & overseas customer sites** by promoting **fuel switching, smart city development, carbon-neutral LNG, and CCUS**
- We will firmly lead the transition while **containing the social costs of low carbon and decarbonization**, responsibly ensuring the stable supply of energy.

Our Group's strengths: A proven track record in using natural gas for low-carbon solutions and know-how in optimal energy management

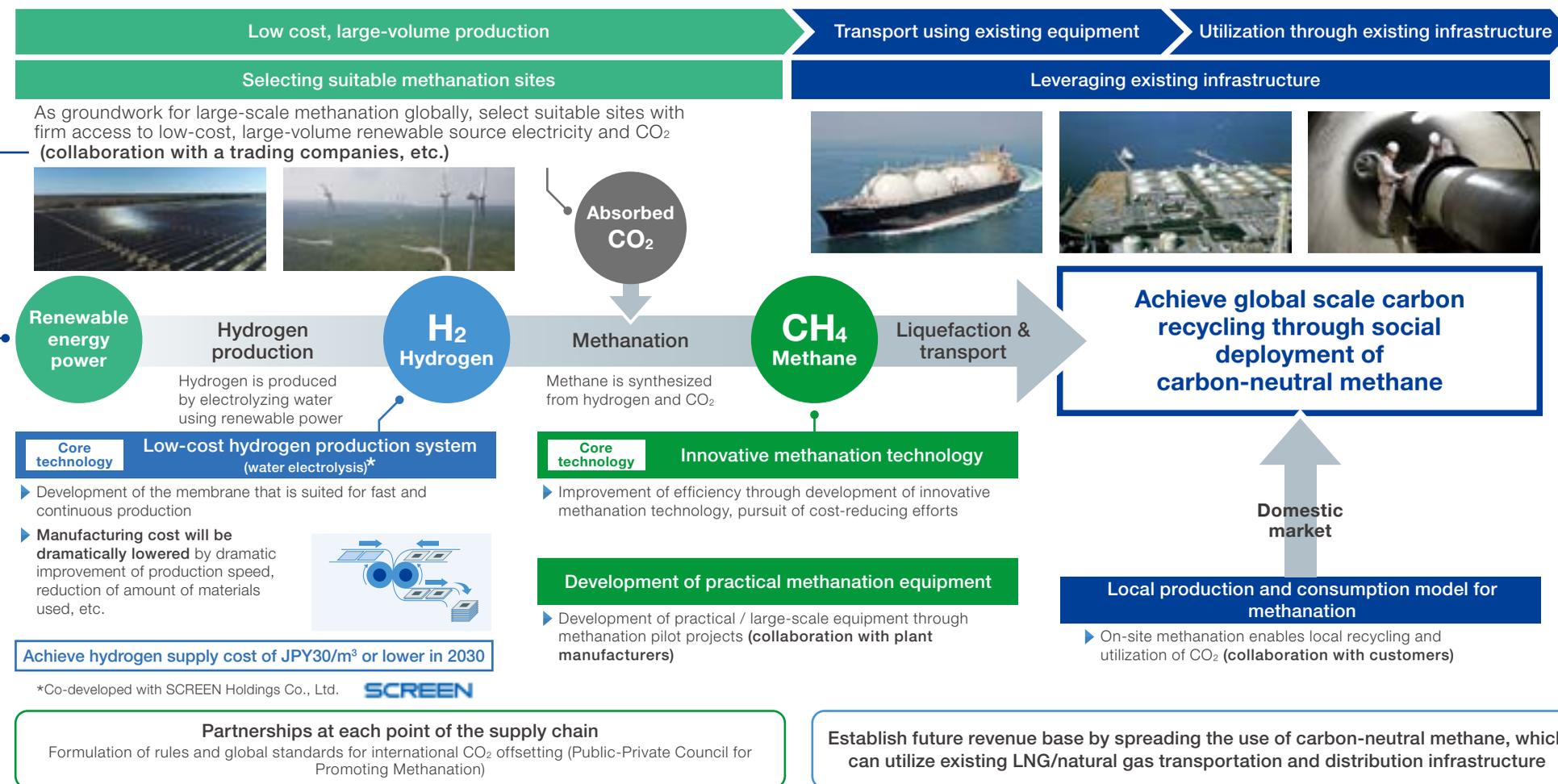


Compass Action Responsibly lead the transition

Decarbonizing gas: Building a carbon-neutral methane value chain

- We will establish our own core technologies in methanation & hydrogen production as part of our efforts toward decarbonization of gaseous energy
- We will build a carbon-neutral methane value chain to realize deployment in future society through coordination with public-private alliances and global players

Our Group's strengths: Hydrogen production expertise gained from fuel cell development, etc., and Japan's foremost gaseous energy supply infrastructure



Compass Action Responsibly lead the transition

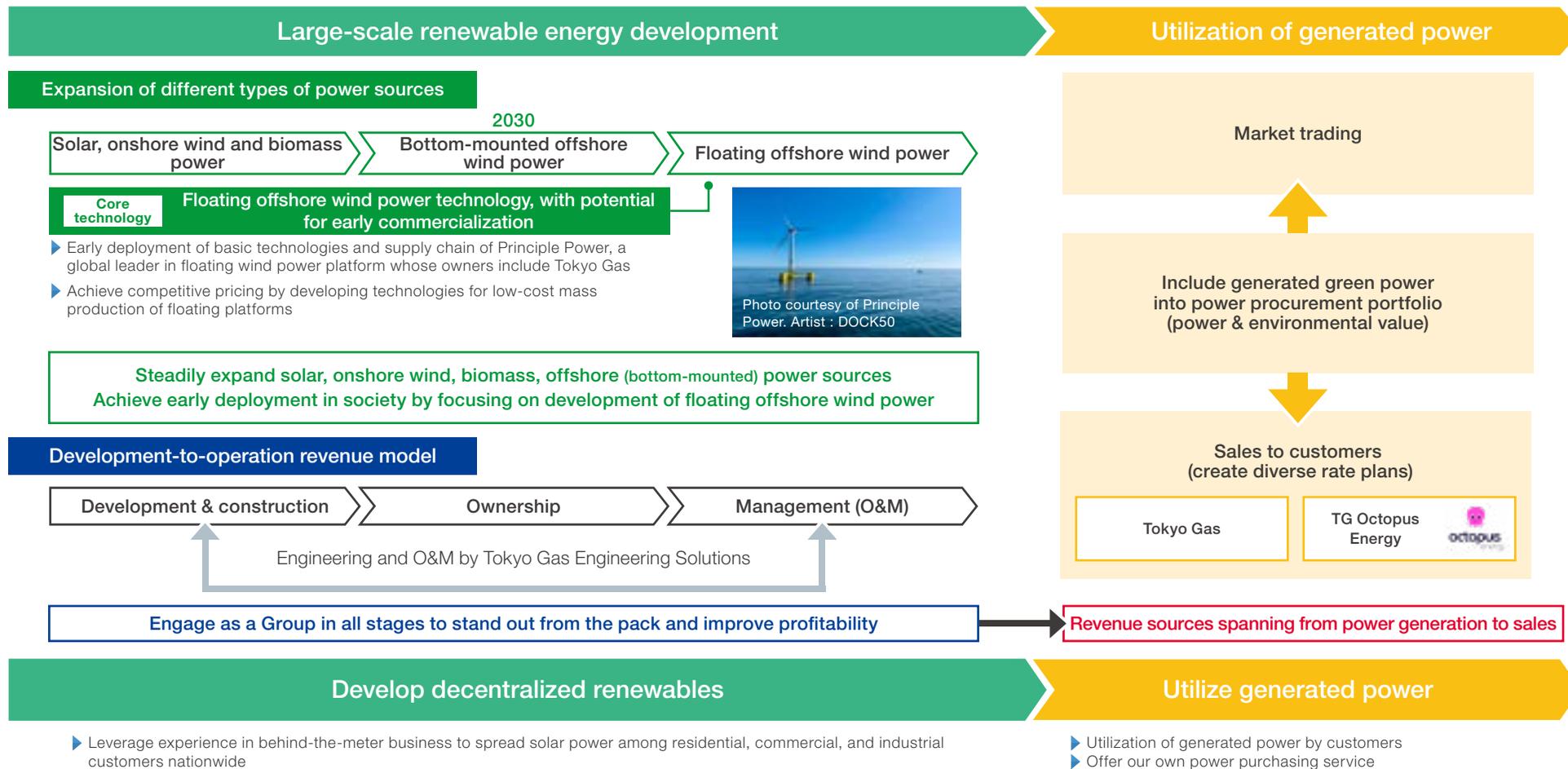
Decarbonizing electricity: Building a renewable energy value chain

● We will **build a renewable energy value chain leveraging our Group's unique strengths** by engaging in a full spectrum of renewable power business from development of renewable power projects to operation and maintenance(O&M) and to the retailing of the generated green power

● We will **expand renewable power source transaction volume in Japan and global markets beyond our original vision (5 GW* ▶ 6 GW)**, while maintaining profitability

*Compass2030's original target

– **Our Group's strengths: Stable long-term operation of power generation infrastructure, O&M capabilities, customer base** –



Challenge 2 Value co-creation via digital & face-to-face engagement

Compass Action

Digital & face-to-face solutions

In order to meet the diverse needs of society, communities and customers in the context of the trend of emphasizing ESG and SDGs, and the coexisting needs of digital and face-to-face preferences, the Tokyo Gas Group will “accelerate value co-creation via digitalization and reinforced face-to-face engagement,” taking advantage of the Group’s strong bonds with customers and communities and of its large customer base.

In addition to selling gas and electricity, we intend to evolve into a corporate group that solves customer business and lifestyle challenges and provides valuable energy and services nationwide and globally.

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Digital transformation & strengthening of last-mile services (B2C)

● We will expand areas of value provision to customers by leveraging digital marketing and enhance lineup of last-mile services

Our Group's strengths: Digital expertise of Octopus Energy, last-mile solution capabilities, channel networks of LIFEVAL, etc.

Digital transformation of B2C marketing

Launch of Octopus Energy services (Nov. 2021)

Founded energy retailing joint venture (TG Octopus Energy) as a new brand, under a **strategic partnership with Octopus Energy**,* a fast-growing company in the UK's energy market

*The company acquired over 3 million customers in just 6 years in the UK's highly competitive electric power market



Diverse electricity rate plans

- ▶ Broaden range of rate plan choices, including renewable-based, time-based, market price-linked, commercial (low-voltage power), and other plans



Digital marketing, CRM*

- ▶ Digital communication focused on customer engagement, active social listening and customer support leveraging social media
- ▶ Acceleration of marketing cycle and expansion of satisfied customer base by offering one-to-one services tailored to customer lifestyles and values

*Customer relationship management



Nationwide deployment

- ▶ Phased expansion of sales areas, with **nationwide deployment** by first half of FY2022

Increasing customer satisfaction and creating shared value by offering personalized energy services

Expansion of B2C last-mile services

Full entry into plumbing repairs & housecleaning business

Expand services supported by strengths in last-mile service



Sophisticated operations (call taking, troubleshooting, inventory management, solution proposal)



Providing value through combinations of services

Stress-free

Home equipment

- Special support for gas equipment
- Plumbing & air conditioning repairs
- "Zuttomo Solar," "Anshin W Denchi" (solar power + storage batteries) etc.

Housework support

Monitoring

- Housecleaning
- Residential monitoring service
- Vacant home management services
- Elderly care support, etc.

Reliable



Nationwide deployment

- ▶ Phased expansion of sales areas through alliances, etc., with eye on nationwide deployment

Contributing to specific lifestyle needs and social challenges quickly, conveniently, reliably and affordably

Web Site

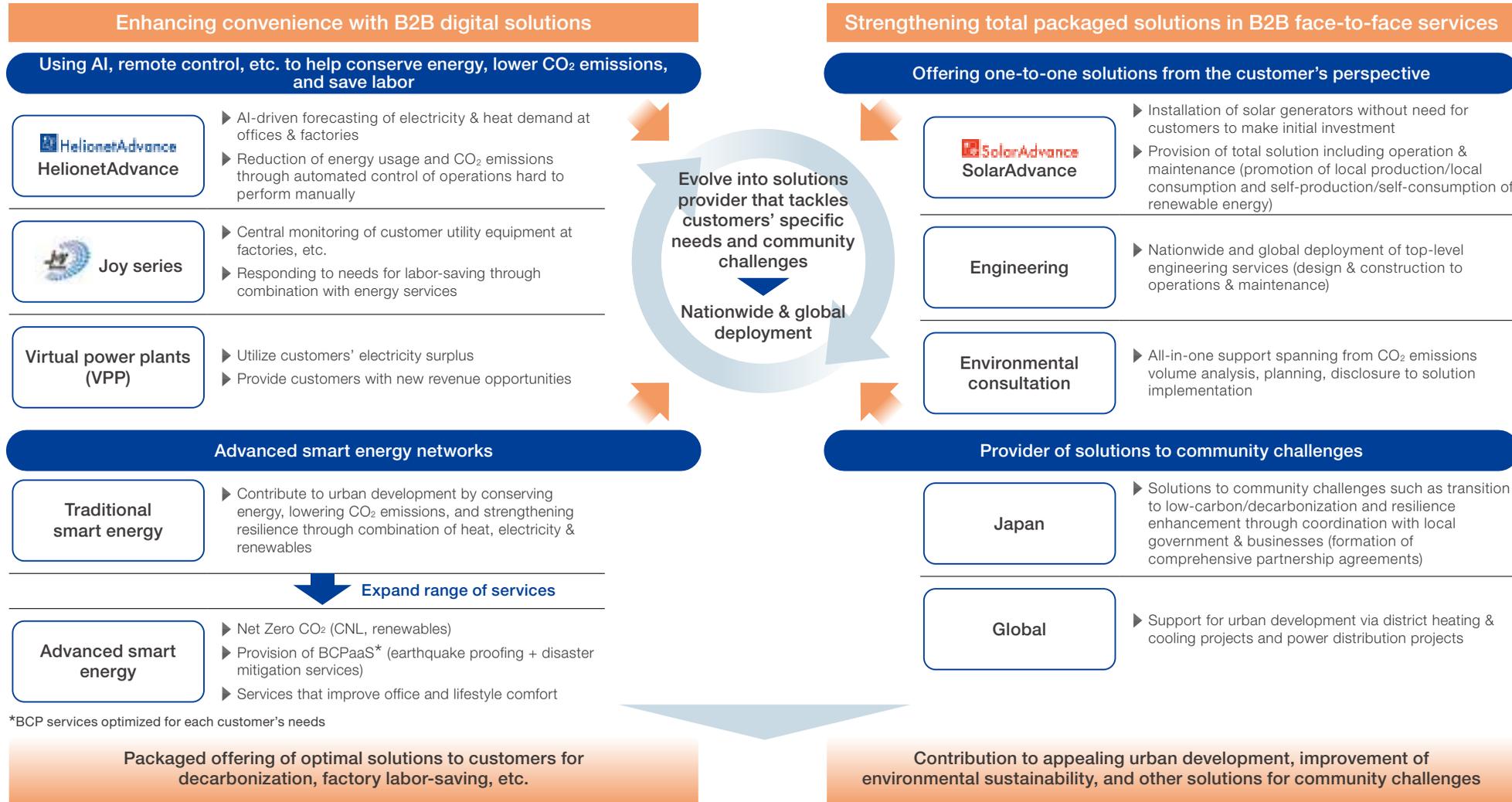
- Investor Relations Website
- Investors' Guide (Financial Data and Industry Data)
- Financial Results Presentation Materials
- Financial Results Bulletin
- Corporate Governance Report
- Sustainability Report

Compass Action Value co-creation via digital & face-to-face engagement

Digital & face-to-face solutions (B2B)

● We will nationwide & globally provide packaged solutions that enhance customer convenience, community growth and shift to low-carbon and decarbonization

Our Group's strengths: Remote monitoring & control technologies that use AI, etc., ability and experience in providing solutions, from proposal to implementation & facility management



*BCP services optimized for each customer's needs

Compass Action

Improvement of each business's earning power and resilience to change

For realizing our vision, the Tokyo Gas Group will change its business structure and business base with the determination to reinvent itself, and will transform itself so as to possess corporate culture within which each business enhances its earnings power in the market.

In order to turn the progress of energy liberalization and the increase in market volatility into business opportunities, we will transform our business structure from earning at the end of the LNG value chain into a business structure that positions each function of the value chain as a business, to be engaged with customers and market, and enhance its earning power.

Group human resources reforms

Cost structure reforms & DX

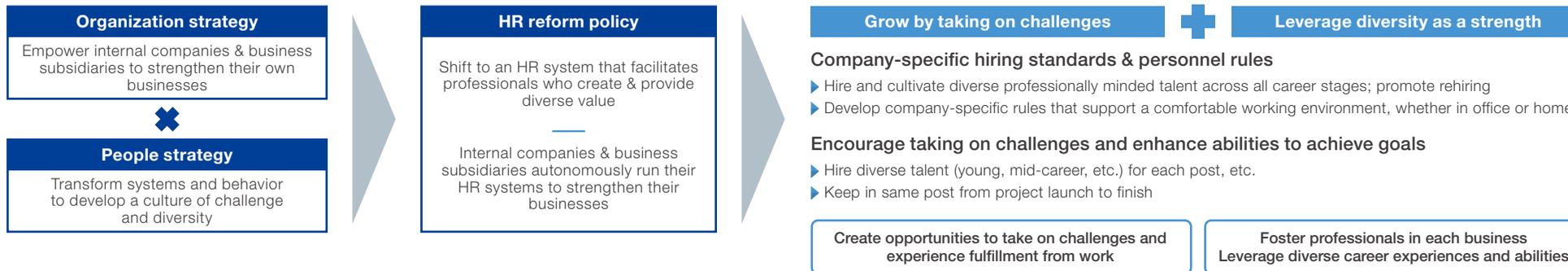
Transitioning to a holdings-type group structure

Targeted investment in growth areas [CFO's message](#) [▶ P.22](#)

Financial strategy supporting investment [CFO's message](#) [▶ P.22](#)

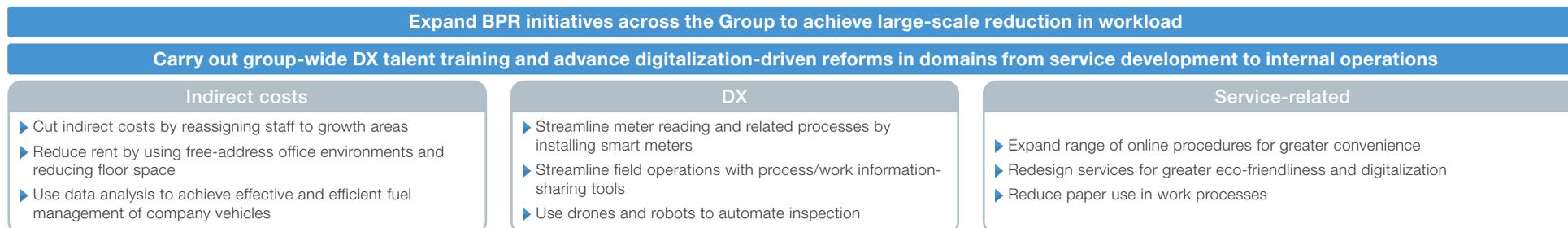
Group human resources reforms

In conjunction with the shift to a holdings group type structure, we will **transform human resources system to one that encourages challenge and diversity**, so as to strengthen our internal companies and business subsidiaries



Cost structure reforms & DX

Strengthen competitiveness by implementing effective **cost structure reforms, business process re-engineering (BPR), DX** and other approaches



Introduction

CEO's Message

How We Create Value

Compass2030

Overall Strategy

CFO's Message

Progress of the Medium-term Management Plan and KPIs

Challenge 1: Leadership in the effort to achieve Net-Zero CO₂

Challenge 2: Establishment a value co-creation ecosystem

Challenge 3: Transformation of the LNG value chain

Invisible Assets

Information Disclosure Based on TCFD Recommendations

Corporate Governance

Business Overview

Financial Data

Web Site

Investor Relations Website

Investors' Guide (Financial Data and Industry Data)

Financial Results Presentation Materials

Financial Results Bulletin

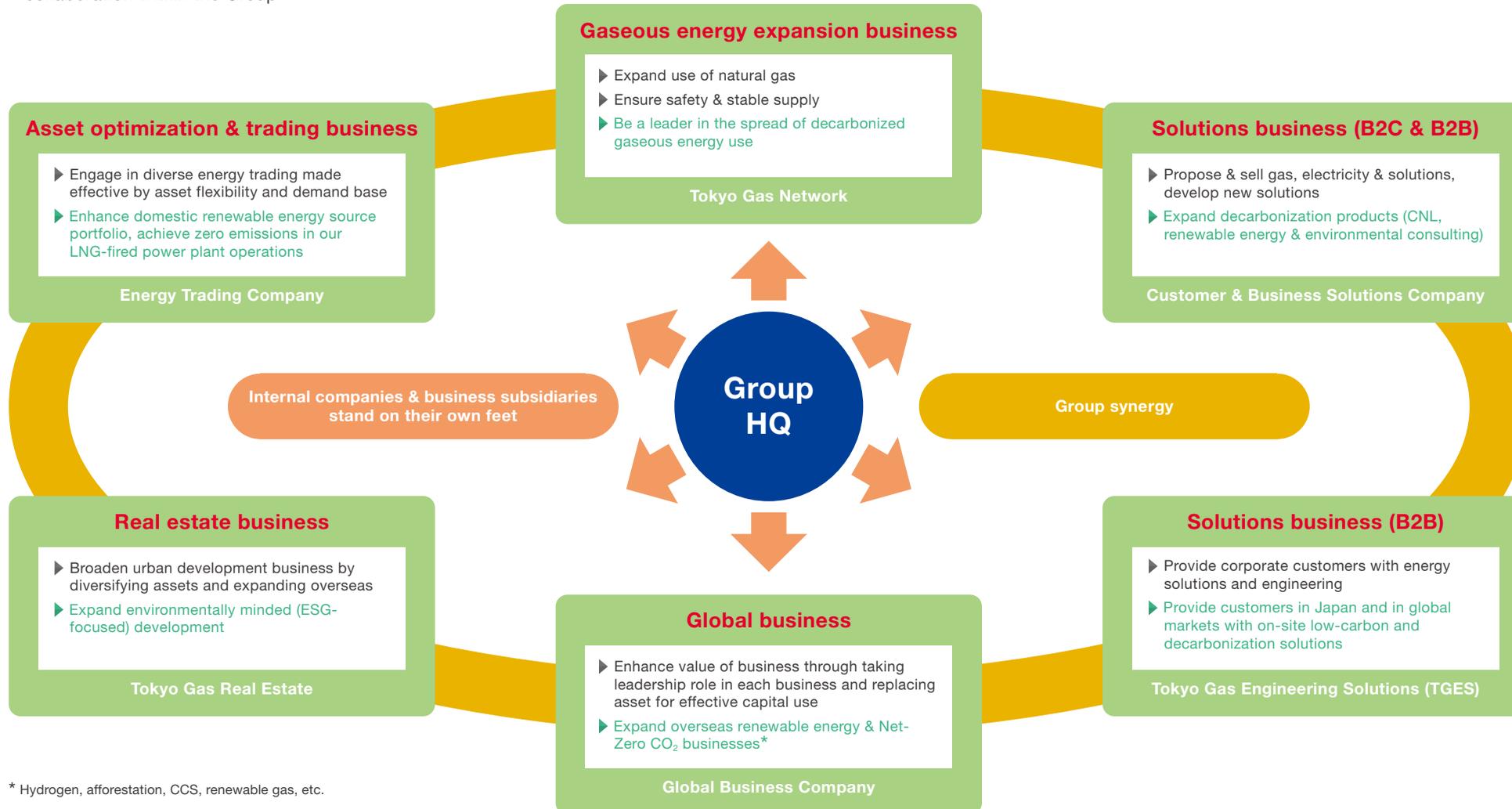
Corporate Governance Report

Sustainability Report

Compass Action Improve each business's earning power and resilience to change

Transitioning to a holdings type group structure

- We will **transition to a group structure** where internal companies (quasi branch companies) and business subsidiaries will stand on their own feet and independently grow as they engage with their markets and customers
- The **internal companies and business subsidiaries will be given greater discretion** in order to realize agile decision-making, and we will **pursue group synergy** through collaboration within the Group



* Hydrogen, afforestation, CCS, renewable gas, etc.