

Special Feature 2

IGNITURE: Creating the Future

Launch of IGNITURE The New Solution Brand

In November 2023, the Tokyo Gas Group launched the business brand IGNITURE to provide new solutions. The Tokyo Gas Group has many strengths that it has built up over the years, including know-how for the development of decarbonization technology, the construction and management of renewable energy facilities, optimization and stable supply of energy, and infrastructure construction, operation, and management. Upon the launch of IGNITURE, we defined the value for provision as decarbonization, optimization, and resilience from the perspectives of whether we could leverage these strengths and whether or not there is any social value. In the development of IGNITURE going forward, we will fuse our real-world strengths that include the trust placed in us as a public utility company and our network of more than 10 million customers with advanced technologies in areas such as GX and DX. By doing this, we go beyond the boundaries of the energy sector and provide households, companies, regions, and communities solutions that form the driving force for building the future.

IGNITURE

IGNITURE is a portmanteau of the words ignite and future. With energy as a starting point, IGNITURE represents the Tokyo Gas Group's determination to go beyond the boundaries of energy and provide advanced and diverse solutions that form the driving force to create the future.

Establishing the 3rd Business Pillar, Aiming for Sales of ¥310 bn

The Tokyo Gas Group has provided a range of services thus far, but in order to establish solutions as a pillar of our business after gas and electricity, we need to go beyond the boundaries of energy and provide new value through solutions. To create value as a solution provider even without the signboard of a "gas company", it is our intention to build our business brand and provide attractive solutions, and by doing so, scale up our business. In scaling up our business, as well as ensuring ease of understanding for customers by setting out all solutions in a structured way on the basis of a defined direction, it is necessary to prevent duplication of solutions within the group and dilution of resources, and to work toward efficient and effective business development. IGNITURE will steadily enhance and expand its solutions that lead to value in decarbonization, optimization, and resilience, and will aim for sales of 310 billion yen in combination with existing solutions by FY2025.





Resolving Societal and Customer Challenges with Solutions Incorporating GX and DX

We will solve the challenges faced by customer companies through solutions that incorporate GX and DX that go beyond the boundaries of energy sector, and contribute to sustainable and smart business operation.

CASE 1 Optimum control of heat source systems utilizing AI

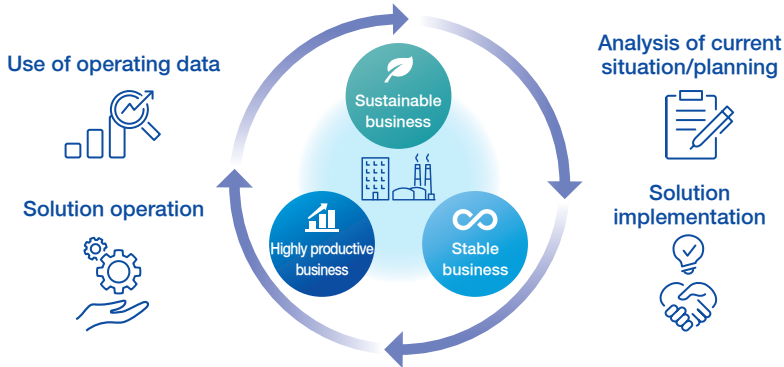
We are working on the development of solutions for automatic optimized control of whole heat source systems by combining the JoyWatcherSuite, an integrated facility monitoring and data collection system for factories, with heat source control AI. This solution is characterized by the fact that it leverages the energy management knowledge of the Tokyo Gas Group and the equipment control AI development capabilities of AISing Ltd., our partner company, to enable a high energy-saving effect through optimization of the entire heat source systems rather than individual devices. Utilizing the data gathered with JoyWatcherSuite, for which 33,000 licenses have been sold, we are aiming to develop general purpose AI that can be used by customers in a wide variety of industries and of different sizes. We are currently undertaking verification at our own facilities, and are aiming to roll it out for corporate customers from FY2024.

Optimized control that leverages AI makes energy saving, decarbonization, cost saving, and labor saving possible. We are aiming to deliver this to SME customers in future by holding down implementation and running costs, and thus to contribute to the decarbonization of Japan. We believe that this will also lead to improved resilience through the roll out of new solutions that include early fault detection and lifespan prediction that utilize AI.

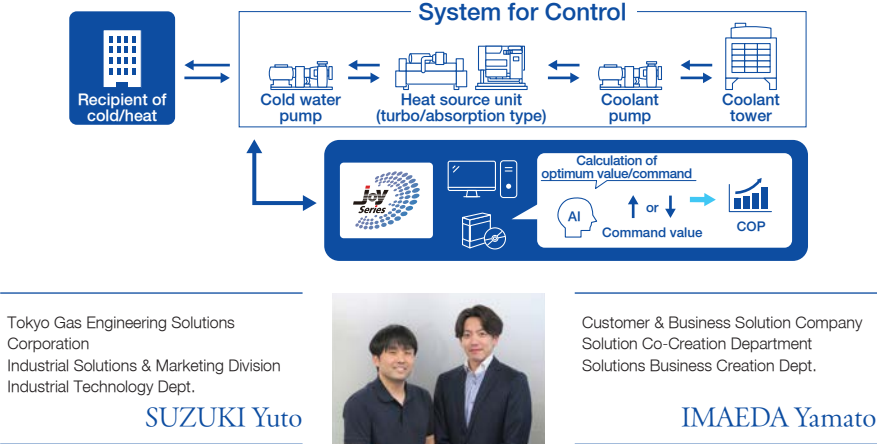
CASE 2 Joint investigation into purely domestically produced e-methane at Oji Paper in Tomakomai

We have commenced a joint investigation toward the production of e-methane using green hydrogen from renewable energy and recovered CO₂ at the Tomakomai mill of Oji Paper Co., Ltd.

We will work with the Oji Group, which aims for net-zero carbon under its Environmental Vision 2050, to conduct an investigation into the production of e-methane on-site and its effective utilization in the local community, in order to contribute to the realization of a smart and sustainable society.



Optimum control of heat source systems utilizing AI



CASE 3 Support for creation of CO₂ reduction roadmap and solutions provided to Juntendo

We supported Juntendo, a school corporation aiming to balance medical function maintenance with carbon neutrality, in creating a CO₂ reduction roadmap. The roadmap includes our group's energy-saving and renewable energy solutions tailored to each facility. Carbon offset city gas and self-consumption photovoltaic power systems have been introduced as concrete solutions, and we will continue to contribute to resolving management challenges of Juntendo going forward.

Introduction

Group Management Philosophy At a Glance
The History of the Tokyo Gas Group
Business Overview
Business Areas

CEO's Message

CEO's Message

How We Create Value

Value Creation Story
Special Feature 1 The Challenge for a Carbon Neutral Society
Special Feature 2 IGNITURE: Creating the Future
Solutions for Companies
Solutions for Households
Solutions for Regions/Communities

Management Plan / Strategy

Management Vision / Action
Internal Company / Operating Company Strategy
Human Resources Strategy
Financial Strategy CFO's Message
Sustainability Strategy

Corporate Governance

Structure and Policy
Officer Remuneration System
Internal Control / Compliance / Risk Management
Dialogues with Shareholders and Investors
Message from Outside Director
List of Executives

Financial / Non-financial Data

Financial Data
Non-financial Data



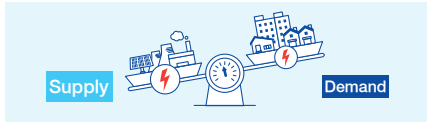
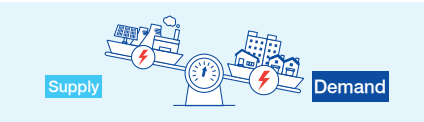
Contributing to Balancing Electricity Supply and Demand through IGNITURE Storage Batteries

In April 2024, we started offering IGNITURE storage batteries as a solution for households. The batteries we are offering are equipped with a demand and response control function to contribute to the stabilization of electricity supply and the spread of renewable energy. While the widespread use of renewable energy is required in terms of achieving decarbonization, the key challenge is ensuring a stable electricity supply due to the inherent variability of renewable energy generation. IGNITURE storage batteries contribute to the effective use of renewable energy and the stable supply of electricity by enabling Tokyo Gas to remotely control their charging and discharging according to the balance of supply and demand of electricity. In addition to the innate value of storage batteries, such as preparing for power outages and reducing electricity costs, they are a solution that offers value to both customers and society with their ability to coordinate the balance of electrical supply and demand based on remote control.

Aiming to be a market leader in the storage battery market, we have commercialized this solution ahead of other companies. Due to the lack of established regulations in utilizing customer facilities for power stabilization, we are actively engaging in discussion with electric distributors. Meanwhile, by leveraging the early-mover advantage, we will deepen communication with customers, enhance services and plans, and continuously challenge the expansion of value provision to ensure we remain a provider of choice.

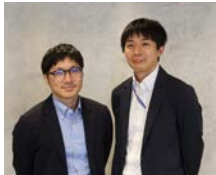
Remote control of IGNITURE storage batteries

When electricity is lacking in an area (discharge) When there is excess electricity in an area (charge)



Customer & Business Solution Company
Behind The Meter Solutions Project Dept.

ISHIGURO Hiroki



Customer & Business Solution Company
Behind The Meter Solutions Project Dept.

SEITA Taisho

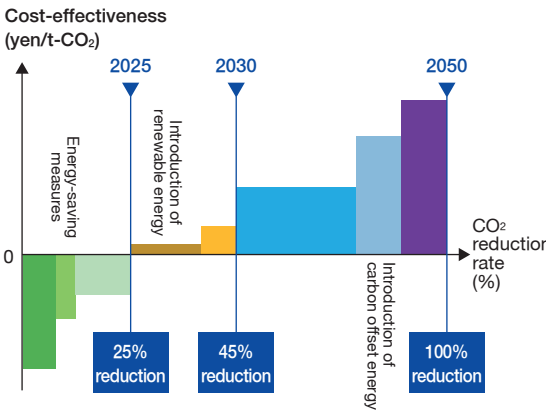


Planning CO₂ Reductions with Carbon Neutrality Chart

In October 2023, the Regional Co-creation Company was established to contribute to finding solutions for decarbonization and other such issues faced by regional communities, and to develop alongside regions and local communities as a policy promotion partner for local governments. One solution for this is the carbon neutrality chart. This solution provides support for the formulation of a local authority's roadmap for reducing CO₂ emissions, by clarifying the priority of various measures through the visualization of CO₂ emission reduction effects and cost-effectiveness. This service was first made use of by a public facility in Chofu City in the Tokyo metropolitan area, and it is currently being utilized in considerations for the implementation of decarbonization measures.

As well as the capability to make proposals for comprehensive solutions including electricity and heat and to provide support for creating plans, the Tokyo Gas Group's strengths also include the practical ability to deliver specific services, in addition to the local engagement that we have nurtured over the years. Going forward, we aim to roll out carbon neutrality charts to multiple local authorities. Furthermore, working alongside local authorities, we will also consider contributions to not only public facilities but also private companies and residents, and thus expand solution business for resolving decarbonization and other issues faced by local communities.

Carbon neutrality chart (example)



Regional Co-creation Company
Carbon Neutral Cities Promotion Dept.

CHINO Shogo



Regional Co-creation Company
Carbon Neutral Cities Promotion Dept.

MIYOSHI Tomonori