

TOKYO GAS GROUP

# Sustainability

## FACT BOOK 2024



### Tokyo Gas Group Sustainability Fact Book 2024

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Be an Energy Driver

# About This Factbook

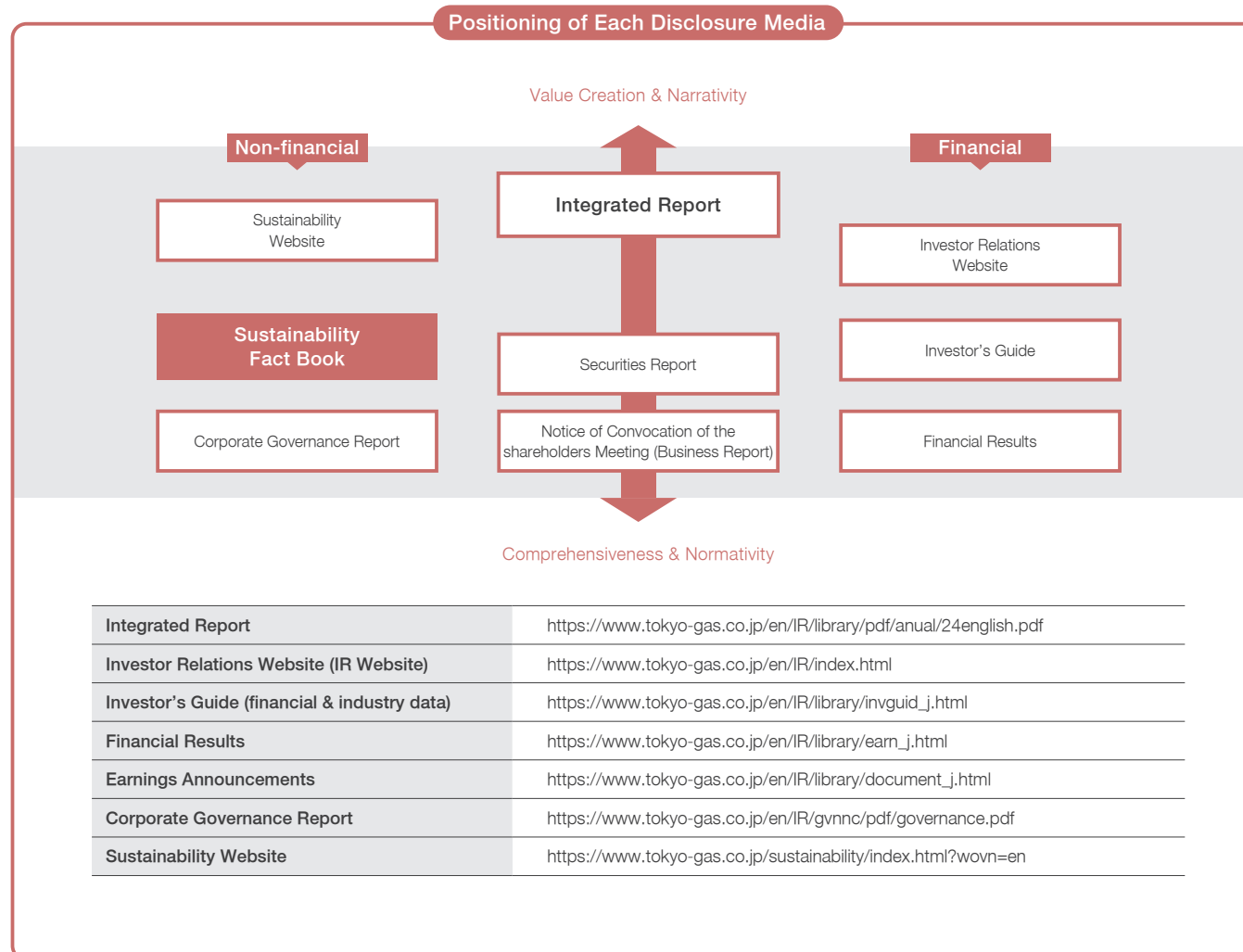
## Basic Policy

The Tokyo Gas Group contributes to the achievement of a sustainable society by creating social and financial value from the solution of social issues through its business activities, and by engaging in enduring corporate management. We offer the Tokyo Gas Sustainability Factbook to our stakeholders in the hope that it will aid their understanding of this vision and commitment.

<b>Period</b>	This Factbook contains material primarily from FY2023 (April 1, 2023 to March 31, 2024), with some additional information from other fiscal years.
<b>Scope</b>	The information herein is mainly for Tokyo Gas Co., Ltd. and its subsidiaries, with some information on Tokyo Gas LIFEVAL and partner companies also included in certain sections.
<b>Date of Publication</b>	November 8, 2024 (previous: October 2023; next: October 2025[tentative])
<b>Referenced Guidelines</b>	<ul style="list-style-type: none"> <li>■ GRI Sustainability Reporting Standards</li> <li>■ Japanese Standards Association, ISO26000:2010</li> <li>■ Ministry of the Environment of Japan, Environmental Reporting Guidelines 2018</li> <li>■ SASB Standards</li> </ul>
<b>Third-party Assurance</b>	<p>Some of the environmental and social performance data provided in this Factbook have been third-party assured by KPMG AZSA Sustainability Co., Ltd. (a member of the KPMG Japan group) to enhance the credibility of the data.</p> <p> <b>Third-Party Independent Assurance Report</b></p>

## Positioning of Each Disclosure Media

Tokyo Gas discloses both financial and non-financial information on Tokyo Gas Group activities. This Sustainability Factbook comprehensively reports ESG-related information, including numerical data.



# The Tokyo Gas Group's Sustainability

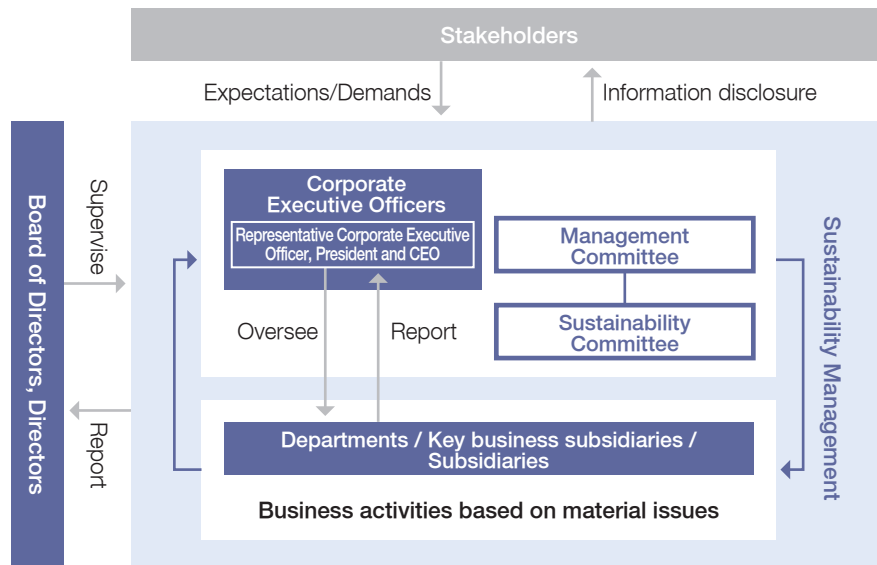
## Basic Approach to Promoting Sustainability

In order to embody the management philosophy of the Tokyo Gas Group, "Standing by every person and dedicating ourselves to the society, we shall be the energy that weaves the future," we have defined material issues (key sustainability issues) and we will tackle them through our business activities. In this way, we strive to create both social and economic value.

## Sustainability promotion system

Together with promoting business activities based on material issues in each organization of the Tokyo Gas Group, a Management Committee and a Sustainability Committee chaired by the President are utilized to promote sustainability management in the Group as a whole. Further, important matters are reported to the Board of Directors.

### Sustainability Promotion System



### FY2023 Sustainability Committee Meetings Outline

Meetings held	Main topics
<b>3 occasions</b> ( Jun. 14, 2023 ) ( Nov. 27, 2023 ) ( Feb. 13, 2024 )	<ul style="list-style-type: none"> <li>■ Permeation and establishment of sustainability awareness</li> <li>■ Enhancement of sustainability management</li> <li>■ Promoting understanding of decarbonization initiatives</li> <li>■ Trends and the Group's actions regarding more sophisticated use of resources</li> <li>■ Efforts to achieve net-zero emissions of CO<sub>2</sub> from our activities</li> <li>■ Respecting human rights in our supply chain</li> <li>■ Changing trends surrounding climate change and issues related to the environment</li> </ul>

# 01

## The Tokyo Gas Group's Sustainability

Stakeholder Engagement




































Participation in External Initiatives

# The Tokyo Gas Group's Sustainability

## Material Issues (Key Sustainability Issues)

The Tokyo Gas Group has defined seven material issues we aim to resolve through business activities over the medium-to long-term.

Material issues (From FY2023 onward)

Material issues	Aim	Related SDGs
 <b>1. Responsibly transitioning to a decarbonized society</b>	Strive to make sophisticated use of natural gas and to decarbonize gas and electricity, and contribute to the transition of a carbon neutral society. In this process, achieve a responsible transition that does not place an excessive burden on the economy, stability in supply, employment, and other aspects of society.	   
 <b>2. Protecting the global environment</b>	As a company engaged in business activities that use the planet's resources, we will conserve the environment in our business activity areas, and strive to enhance the sophistication of our resource utilization with an awareness of the balance with economic viability.	   
 <b>3. Securing stable energy supply</b>	Achieve stable energy supply even in a business environment that is becoming more complicated due to heightening geopolitical risks, etc.	  
 <b>4. Enhancing safety &amp; disaster prevention, resilient regional development</b>	So that our customers can use energy safely and securely even in the event of an earthquake, typhoon, flooding, or any other natural disaster, we will undertake urban planning that is resilient to disasters.	   
 <b>5. Contributing to the well-being of people and communities</b>	We will continue to contribute to building a society in which people live healthy lives that are physically and mentally fulfilling in revitalized, vibrant communities.	   
 <b>6. Realizing an organization that embraces diverse talent</b>	In order to implement human capital management that enables a range of human resources to autonomously grow and shine while enabling each and every employee and the company to really feel growth, we will encourage diversity, equity, and inclusion.	    
 <b>7. Respecting human rights across the entire value chain</b>	As a company, we will respect the human rights of everyone involved in the supply chain, and will contribute to a society in which all people are assured of the safety of their lives and freedom and can pursue happiness.	   

# 01

## The Tokyo Gas Group's Sustainability

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 [The Definition Process \(Integrated Report\)](#)

# The Tokyo Gas Group's Sustainability

## Main Targets/Indicators and Results for Material Issues

Material issues	Aim	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Responsibly transitioning to a decarbonized society	Strive to make sophisticated use of natural gas and to decarbonize gas and electricity, and contribute to the transition of a carbon neutral society.	• CO <sub>2</sub> reduction contribution (12 mn tons)	• CO <sub>2</sub> Reduction Contribution ▶ 9.52 mn tons
		• Renewable power source transaction volume (2.2 mn kW)	• Renewable power source transaction volume ▶ 1.342 mn kW
		• Net-zero CO <sub>2</sub> from our activities (Achieve 60% compared to FY2020)	• Net-zero CO <sub>2</sub> from our activities (Achieved 31% compared to FY2020)
		• Promotion of large-scale methanation overseas	• Sempra Infrastructure participated in the planning of business development with us in the USA, and we established a subsidiary there • Examined business viability in Australia and Abu Dhabi with our local partners
Protecting the global environment	We will conserve the environment in our business activity areas, and strive to enhance the sophistication of our resource utilization with an awareness of the balance with economic viability.	• Sophistication of resource utilization for gas facilities and gas meters	• Recycling of gas facilities (used gas pipes, gas appliances, etc.) • Reuse and recycling of gas meters
		• Promote biodiversity conservation	• Investigated and grasped the impact of our business activities, and promoted biodiversity conservation • Carried out planned management of company-owned forests, and conservation and monitoring of rare plants and animals in owned land • Promoted environmental conservation activities of the local community, through the "Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project"
Securing stable energy supply	Achieve stable energy supply even in a business environment that is becoming more complicated due to heightening geopolitical risks, etc.	• Major city gas accidents or supply disruptions (Zero incidents) • Address procurement risks	• Major city gas accidents or supply disruptions ▶ (3 incidents) • Continuously implemented diversification of LNG procurement sources and schemes, strengthened trading and management capabilities, and reinforced power sources such as renewable energy
Enhancing safety & disaster prevention, resilient regional development	We promote disaster-resilient community development to ensure that our customers can use energy safely and securely.	• Rate of participation in Supply Command Center's emergency response training (maintain 100%)	• Rate of participation in emergency response training ▶ 100%
		• Continue subdivision of disaster prevention blocks to contribute to minimizing supply outage areas in the event of a large-scale earthquake	• Subdivided disaster prevention blocks from 324 to 327
		• Promote the introduction of resilient energy systems	• Promoted the installation of energy systems to regional disaster base facilities

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### The Tokyo Gas Group's Sustainability

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Participation in External Initiatives

# The Tokyo Gas Group's Sustainability

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### The Tokyo Gas Group's Sustainability

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Material issues	Aim	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Contributing to well-being of people and communities	We will contribute to realizing a fulfilling lifestyle both mentally and physically, and revitalizing local communities.	<ul style="list-style-type: none"> <li>Provide services supporting physically &amp; mentally enriching lives</li> </ul>	<ul style="list-style-type: none"> <li>Promotion of the Kiyohara Industrial Park Smart Energy Network Project</li> <li>Expansion of IGNITURE Solar's deployment area</li> </ul>
		<ul style="list-style-type: none"> <li>Promote regional and municipal collaboration on carbon-neutral cities</li> </ul>	<ul style="list-style-type: none"> <li>No. of partnership agreements concluded with local authorities: 31 (Total no. concluded to date: 54)<sup>*1</sup></li> <li>"SustainNudge Education" (reducing household CO<sub>2</sub> emissions through school education): Started fee-charging education aimed at local governments. Students at four schools in Hadano City and three schools in Akishima City attended lessons (this had the effect of reducing CO<sub>2</sub> emissions by a total of 119.3 tons)<sup>*1</sup></li> </ul>
Realizing an organization that embraces diverse talent	We will conduct human capital management that enables each and every employee and the company to really feel growth.	<ul style="list-style-type: none"> <li>Ratio of women in management (11%)<sup>*2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Ratio of women in management ▶ 11.3%<sup>*2,3</sup></li> </ul>
		<ul style="list-style-type: none"> <li>Men's childcare leave taking rate (100%) and of taking leave for at least one month within total (100%)<sup>*2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Men's childcare leave taking rate ▶ 74.1%</li> <li>Percentage of taking leave for at least one month within total ▶ 86.5%<sup>*2</sup></li> </ul>
		<ul style="list-style-type: none"> <li>Reskilling/retraining participation rate (100%)<sup>*2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Reskilling/retraining participation rate ▶ 45%<sup>*2</sup></li> </ul>
		<ul style="list-style-type: none"> <li>Improve Group employee engagement indicators<sup>*2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Positive response rate for motivation to contribute: 89.8%<sup>*2</sup></li> </ul>
Respecting human rights across the entire value chain	We will respect the human rights of all people involved in the entire supply chain, and continue to contribute to a society in which all people can pursue happiness.	<ul style="list-style-type: none"> <li>Promote human rights throughout the entire supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Conducted human rights due diligence</li> <li>Announced purchasing guidelines to key business partners (approx. 1,500 companies), and conducted business partner surveys (approx. 400 companies)</li> <li>Conducted employee education concerning human rights across the entire supply chain</li> </ul>

\*1 Includes joint proposals with gas companies to which we conduct wholesale sales. \*2 Targets/Results for Tokyo Gas. \*3 Results are as of Apr. 1, 2024.

# Stakeholder Engagement

## Basic Policy

The Tokyo Gas Group engages with diverse stakeholders in the conduct of its business activities. Based on our Group's Management Philosophy and Tokyo Gas Group: Our Code of Conduct, all Group officers and employees seek to develop sound relationships with stakeholders and to work toward achieving a sustainable society.

## Engagement with Stakeholders

In order to maximize the value created through the business activities of the Tokyo Gas Group, we engage with our stakeholders through bilateral communication and work to understand the expectations placed on us, what stakeholders think of us, and the role we need to fulfill. To undertake engagement, we identify stakeholders as any organization or individual that has any stake in the Tokyo Gas Group's decision making or business activities. The department or base with the closest relation to each stakeholder will act as the point of contact or party with responsibility for the relevant stakeholder, and We then go about engaging them employing the best method in consideration of the expectations, relationship, and locality of the stakeholder. The results of engagement are shared within the Tokyo Gas Group as necessary in order to improve our business activities.

Main Stakeholders	Main Expectations and Requests	Main Communication Methods
Customers	Provision of solutions for the creation of value in the form of energy security, decarbonization, optimization, and resilience	Opportunities for customer interaction in security activities and product sales etc., calls to Customer Center, website
Shareholders and Investors	Increase of corporate value, fair shareholder returns, timely and appropriate disclosure	General Shareholders Meetings, financial results briefings, IR events and one-on-one meetings, IR Web site
Local communities	Solving local issues, including carbon neutrality	Community opinion soliciting and PR, activities supporting school education, volunteer activities
National/Local Governments	Proper tax payment, compliance with laws and ordinances, and cooperation with public policies to solve issues faced by society, etc.	Participation in policy boards, etc., participation in business and industry associations, dialogue with local governments
Suppliers	Fair and equitable business transactions, respect for human rights, and development of better partnerships	Briefings for suppliers, supplier surveys
NPOs & NGOs	Environmental protection and social contribution activities, collaboration for solving social challenges	Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project activities and exchanges of opinions
Universities and Research Institutions	Joint research for creating innovation	Diverse forms of joint research and information exchange
Group Employees	Human resources development, promotion of diversity, equity & inclusion, occupational health and safety	Direct dialogue with the president, various employee surveys, labor-management consultations

### Exchanging opinions with NGOs

Tokyo Gas held an exchange of opinions with five environmental NGOs in November 2023. On the day, we provided an explanation concerning the progress of the Tokyo Gas Group's actions toward achieving net zero CO<sub>2</sub> emissions and enhancement of our information disclosure, and we engaged in a lively discussions with the environmental NGOs. We believe that actions based on the views of our stakeholders regarding our work toward sustainability are very important, and we shall continue to undertake bilateral communication with environmental NGOs and other parties.



01

The Tokyo Gas Group's  
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Participation in  
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# Participation in External Initiatives

## UN Global Compact

The UN Global Compact comprises ten principles to be observed by enterprises and organizations in the four fields of human rights, labor, environment, and anti-corruption. Tokyo Gas announced its support of the UN Global Compact in March 2016 as a responsible member of international community promoting sustainability from a global perspective.



[The Ten Principles of the UN Global Compact](#)

## Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are 17 international goals toward achieving a sustainable world by 2030. They were presented in "Transforming Our World: The 2030 Agenda for Sustainable Development," which was adopted at the September 2015 UN Summit. The Tokyo Gas Group contributes to the achievement of the SDGs by seeking to resolve social issues through its business activities.



## Task Force on Climate-related Financial Disclosures (TCFD)

Climate-related risks and opportunities could significantly affect many companies' financial positions and destabilize their financial conditions. In order to reduce such risk, in response to the request from the G20, the Financial Stability Board (FSB) established the Task Force on Climate-related Financial Disclosure (TCFD) in December 2015, and the TCFD released its recommendations in June 2017. We regard the TCFD as an effective framework for promoting information disclosure and dialogue with stakeholders on climate-related issues. We therefore signed the statement of support for the TCFD in May 2019. We have been disclosing information in line with the TCFD since FY2020, and will continue appropriately disclosing information regarding the impacts of climate change on our Group business activities, and our efforts to deal with those impacts.



[Disclosure Based on TCFD Recommendations \(Integrated Report\)](#)

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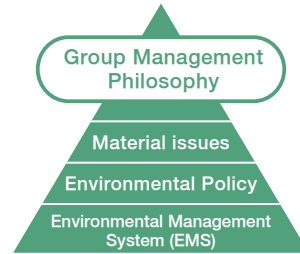
# Environmental Governance

## Basic Policy

In its Group Management Philosophy, the Tokyo Gas Group sets out responding to climate change and conservation of the global environment as key issues (hereinafter, “material issues”) and has defined specific actions and targets for these material issues in order to work, under the leadership of top management, toward the achievement of an environmentally friendly society.

The “Environmental Policy,” which serves as the basis for the environmental activities of our group’s employees, has been formulated and implemented since June 2000. In April 2016, the contents of the policy were revised after deliberations at a committee supporting rational decision making by Corporate Executive Officers. This was done to address our response to environmental issues in accordance with global standards, in light of high expectations from society.

In April 2024, we put together the new Tokyo Gas Group Environmental Policy, and under our structure for environmental governance, which includes an Environmental Management System (EMS), we will continuously work to reduce the environmental impact of our business activities.



### Environmental Policy

Established June 2000 Revised April 2016 Revised in April 2024

The Tokyo Gas Group, guided by the Group’s Management Philosophy, will cherish the Earth’s irreplaceable nature and contribute to the realization of a sustainable society by proactively protecting the regional and global environments across the entire value chain, in collaboration with communities, suppliers, relevant organizations, and other stakeholders.

#### 1 Transition to a Decarbonized Society

We will strive to address the climate change mitigation/adaptation and to realize a decarbonized society by making efficient use of energy, maximizing the use of existing technologies that support the reduction of GHG emissions, pursuing the innovation necessary for the transition to decarbonization, and deploying those innovations in the real world.

#### 2 Contribution to a Sound Material-Cycle Society

We will contribute to the realization of a sound material-cycle society that responsibly uses our world’s limited resources by reducing the amount consumed, utilizing recyclable resources, reducing the waste generated, and reusing/recycling resources.

#### 3 Conservation of Biodiversity

We recognize the preciousness of nature’s bounty and aspire to pass it on to future generations. Accordingly, we will work to protect biodiversity by monitoring our business activities’ current and future impacts on biodiversity, striving to ameliorate and prevent negative impacts, and promoting the sustainable use of ecological services.

#### 4 Reduction of Environmental Impact

We will endeavor to prevent pollution and reduce our environmental impact by properly managing air pollutants, hazardous substances/waste, effluents, etc.

### 5 Environmental Governance

We will comply with environmental laws, ordinances, and agreements and otherwise fulfill our social responsibilities in line with global standards by providing our employees with proper training for raising their environmental awareness and by ensuring the efficient operation of our environmental management systems. We will also promote dialogue with diverse stakeholders from the local level to the international community by properly assessing our environmental performances and reporting them regularly, as part of our ongoing commitment to protecting the environment.

Material Issue Targets and Outcomes (FY 2023)

## Promotion System

Our Group has established a Sustainability Committee, which is chaired by the President, convened three times in FY2023. The committee shares information and insights on the Group’s medium- and long-term environmental issues and plays a leading role in the Group’s environmental management. The outcomes of these meetings are reported to the Board of Directors as needed.

Sustainability promotion system

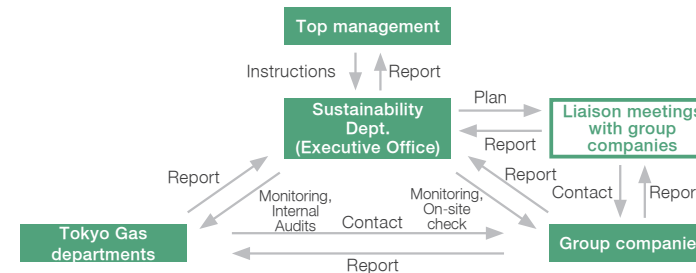
## Actions

### Environmental Management System

In FY2005, our Group began engaging in environmental management under the leadership of top management using a newly established ISO 14001-compliant environmental management system. In FY2020, we leveraged that experience to launch our own environmental management system, TG-EMS. Since FY2023, 23 group companies including Nagano Toshi Gas and 37 dealerships have been using this system. We implement PDCA cycles under TG-EMS to drive our actions for complying with environmental laws and responding to the environmental challenges our Group faces.

### Environmental governance structure

To strengthen our Group’s environmental governance, we have constructed the system outlined below to support the operation of an EMS at each Group company that is tailored to their circumstances and characteristics.



# 02

## Environmental Governance

Climate Change

Resource Recycling

Biodiversity

Water Security

## Environmental Governance

### Internal Audit, etc.

In FY2023 we conducted internal audits and other assessments at Tokyo Gas, Group companies, and other organizations (65 workplaces) in accordance with our plan. These assessments confirmed that all organizations were compliant with environmental laws and regulations and that our Group's EMSs operated properly.

### Enterprise Risk Management

Our Group have established an enterprise risk management (ERM) system and explicitly defined serious risks related to climate change within our Risk Management Regulations. Also, the Risk Management Committee, which was established with the aim of improving the management level of the ERM system, checks progress regarding the establishment and operational status of the ERM system, including periodic risk assessments. It also reports to and receives approval from a management committee. We implement a broad range of specific initiatives pertaining to climate change, including efforts for remaining compliant with environmental laws and regulations.

 [Risk Management System \(Integrated Report\)](#)

### Management of Chemical Substances, Hazardous Waste, and Pollutants

Our Group properly manages the chemical substances, hazardous waste, and pollutants handled in its business operations in accordance with environmental laws and regulations, with the aim of reducing any contaminating effects on the environment.

#### ► Compliance with PRTR Act and Other Laws and Regulations

Our places of business (filling stations, LNG terminals, etc.) that use Class I Designated Chemical Substances file the reports required by the PRTR Act<sup>1</sup>.

(Unit: kg)

Business location	Purpose of use	Number	Substance name (Class I Designated Chemical Substances)	Emissions	Movement
Filling stations (3)	Fuel supply to company vehicles	80	Xylene	0.5	0
		300	Toluene	2.8	0
		392	N-hexane	6.9	0
		731	N-heptane	0.6	0
LNG terminals, etc. (5)	Addition of odorant to city gas	631	Cyclohexene <sup>2</sup>	0.3	4.1
		747	2-methylpropane-2-thiol <sup>2</sup>	0.1	2.0

<sup>1</sup> PRTR Act: Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof.

<sup>2</sup> Cyclohexene, 2-methylpropane-2-thiol: These are odorant components added to Class I Designated Chemical Substances in FY2023.

#### ► Anti-VOC Measures

As part of our effort to reduce volatile organic compounds (VOCs), which are released during the painting of gas holders and other gas facilities, we have shifted to a painting method that achieves lower VOC emissions by utilizing a weaker paint solvent, among other measures.

#### ► PCB Waste Management

Regarding polychlorinated biphenyl (PCB) waste, the disposal of waste with high PCB concentrations (over 5,000 mg/kg) is completed. We will continue to properly store our waste with low PCB concentrations (over 0.5 but below 5,000 mg/kg) and complete its disposal by the deadline specified by the aforementioned act (March 31, 2027).

#### ► Measures to Address Fluorocarbons

We carry out inspections and other procedures for Class I Specified Products (commercial air conditioners, refrigerators and freezers) that are required by the Act on Rational Use and Appropriate Management of Fluorocarbons.

Also, we are advancing the installation of electric chillers that use low GWP<sup>3</sup> fluorocarbons.

In FY2023 Tokyo Gas and its subsidiaries did not have any fluorocarbon leaks requiring reporting to the competent ministers (leaks of 1,000 t-CO<sub>2e</sub> or greater).

We also did not have any operations involving fluorocarbon filling/recovery as a Class I fluorocarbon filling and recovery operator, or involving fluorocarbon destruction, etc.

#### Reference: Estimated leakage as a fluorocarbon manager

##### Tokyo Gas (FY2023)

(Unit: t-CO<sub>2e</sub>)

Type	Estimated leakage
HCFC	20.1
HFC	49.0
Total	69.1

<sup>3</sup>GWP: Global warming potential, a rating that indicates the greenhouse effect of a substance as a factor of the greenhouse effect of CO<sub>2</sub>.

#### ► NOx and SOx Measures

As for nitrogen oxides (NOx) and sulfur oxides (SOx) released by our business operations, essentially no SOx are released from city gas or natural gas combustion. We comply with environmental laws by properly monitoring NOx emissions at our offices with soot/smoke-producing facilities through measuring devices and periodic analyses, and by setting voluntary emission ceilings for keeping our emissions below the regulatory thresholds (Air Pollution Control Act, local ordinances/agreements, etc.). We also continuously strive to reduce emissions through actions such as improvement of combustion processes.

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### Environmental Governance

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## Environmental Governance

### ► Combating Soil Pollution

Since FY1999, we have been conducting soil tests and groundwater surveys on land owned by Tokyo Gas, such as former plant sites, with potential soil pollution. When contaminants were found, we proactively disclosed information through reports to the relevant authorities, briefings for nearby residents, press releases, and other channels, and took measures to contain the contamination. Depending on specific circumstances, we have paved over or excavated and removed contaminated soil to prevent its dispersal. Also, we have installed impermeable walls or pumped out contaminated underground water to prevent it from spreading. We continue to control soil pollution, reporting excavation work to authorities and conducting surveys in accordance with the Soil Contamination Countermeasures Act and relevant ordinances. Furthermore, we ensure that contaminated dirt is not dispersed and that excavated soil is handled properly. With the revision of the act in April 2010, we have taken action to address soil pollution caused by natural factors or landfill with the same commitment as legally mandated interventions for pollution associated with our business operations.

### ► Emergency Response to Environmental Accidents (at the unit level)

Our operating sites that handle substances specified by environmental laws and regulations have established emergency response procedures, external reporting and internal call trees, and other measures for responding to accidents involving leaks of those substances.

### Education and Awareness-raising

#### ► Environmental Education for Group Employees

Our Group's system of environmental education for employees comprises: (1) training for new employees to learn about the environmental activities they should practice as soon as they start work, (2) Group-wide training for deepening the basic understanding of environmental issues as well as our Group's environmental initiatives, and (3) EMS training to build the knowledge necessary for environmental management and enhance expertise as leaders and responsible staff at each workplace.

We encourage employees to learn at their convenience through the corporate intranet about climate change-related issues and developments in and out of the company and considerations for handling waste.

#### Main Environmental Education Programs in FY2023

Program	Target	Month held	Number of participants
EMS promoter training	Newly appointed TG-EMS promoters	May	68
Training on environmental laws and regulation	EMS coordinators responsible for environmental legal affairs or practical duties	June	395
Environmental education	All employees	Sep & Feb	8,407

### Compliance with Environmental Laws

As in the previous year, the Tokyo Gas Group was not involved in any accidents that significantly impacted the environment nor was it cited for any violations of environmental laws or regulations in FY2023. Furthermore, the Group was not subjected to any environment-related fines or penalties.

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### Environmental Governance

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# Climate Change

## Basic Policy

With our business activities premised on S+3E (safety, energy security, economic efficiency, environment), as one of its main strategies the Tokyo Gas Group is working to achieve, as an energy business group that supports society, a decarbonized society without compromising stable supply over the medium to long term. We recognize responding to climate change as a key sustainability issue to be tackled through business activities and define a responsible transition to a decarbonized society as one of our material issues, and we are working to minimize CO<sub>2</sub> emissions not only in our own business activities but also at customer sites where such emissions are the highest in the LNG value chain.

During the transition, we will contribute to reducing CO<sub>2</sub> emissions in Japan and overseas by making advanced use of natural gas, the fossil fuel with the lowest CO<sub>2</sub> emissions, at customer sites. We will do this by fuel switching to natural gas, installing high-efficiency equipment, enhancing the sophistication of smart energy networks, expanding the use of carbon-offset LNG, and implementing carbon capture/ use and CCUS technologies.

At the same time, we are utilizing renewable energy and actively developing new technologies for e-methane, hydrogen, bioenergy, and other sources of energy to make them available in society. These actions rest on a commitment to maintain the stable supply of energy and will enable us to responsibly lead the transition to a decarbonized society. In order to make progress and manage our actions to contribute to reducing CO<sub>2</sub> emissions on a group-wide basis in the period of transition, across our global business activities as a whole, the Tokyo Gas Group has set a goal of a reduction of 17 million tons as our CO<sub>2</sub> reduction contribution by 2030.

In our own business activities, we undertake energy conservation through the use of energy-saving equipment and by taking a thorough approach to operational management. We are now stepping up our efforts to achieve net-zero CO<sub>2</sub> emissions from the buildings we use, our city gas production facilities, our city gas supply facilities, and our corporate vehicles by 2030.

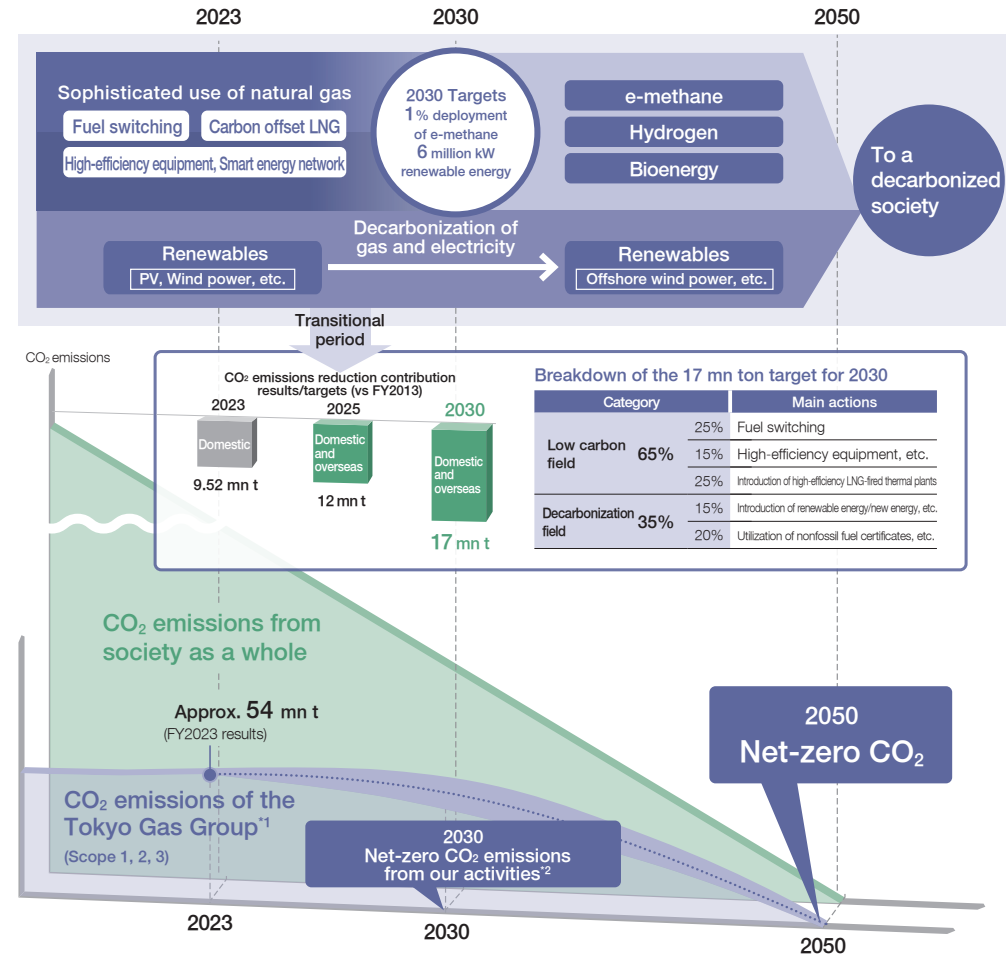
### Towards Carbon Neutrality by 2050

The Tokyo Gas Group sets out the achievement of net zero CO<sub>2</sub> emissions by 2050 in its Compass 2030 group management vision. In preparation for achieving net-zero CO<sub>2</sub> emissions, we formulated in March 2024 the Tokyo Gas Group Carbon Neutrality Roadmap 2050 as a specific guide for reaching our 2040 and 2050 goals.

From 2030 onward, we will continue to help reduce CO<sub>2</sub> emissions across society through actions such as steadily expanding the use of e-methane and renewable energy. In addition, we will do our utmost in working to save energy, reduce CO<sub>2</sub> emissions, and decarbonize gas and electricity while utilizing offsetting based on carbon credits for any residual carbon in our business in order to achieve net-zero CO<sub>2</sub> emissions (in Scope 1, 2, and 3) by 2050.

[WEB](#) [Special Feature 1 The Challenge of a Carbon Neutral Society \(Integrated Report\)](#)

[WEB](#) [Tokyo Gas Group Carbon Neutrality Roadmap 2050](#)



<sup>1</sup> Including the amount of absorption (CCUS and forests) and offsetting by carbon credits  
<sup>2</sup> CO<sub>2</sub> emissions from city gas production facilities, buildings we use, and corporate vehicles

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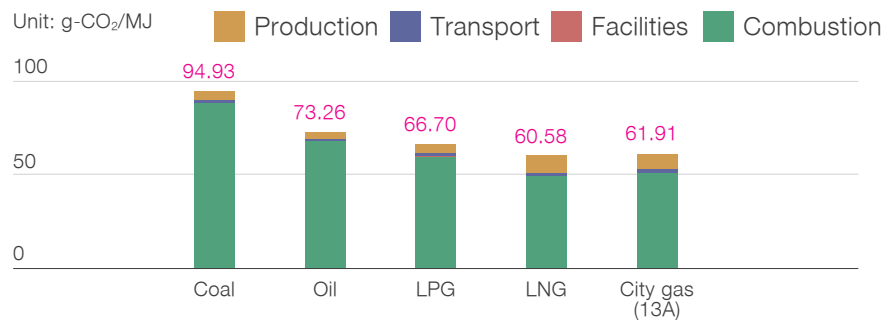
Water Security

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### Reference: Environmental Advantages of Natural Gas in Terms of Life Cycle CO<sub>2</sub> Emissions

Regarding greenhouse gas emissions from fossil fuels, it is important to evaluate not only emissions during combustion but also emissions at each stage of its life cycle, from extracting to processing and transportation. From the comprehensive perspective, natural gas generates the lowest CO<sub>2</sub> emissions of any fossil fuel.

### Environmental Advantages of Natural Gas in Terms of Life Cycle CO<sub>2</sub> Emissions



Source: "Future Forecast for Life Cycle Greenhouse Gas Emissions of LNG and City Gas 13A" (Japan Society of Energy and Resources, presentation report 28 (2), 51–56, 2007)  
The life cycle greenhouse gas emissions of city gas (13A) announced by the Japan Gas Association in April 2024 are 60.60g-CO<sub>2</sub>/MJ.

### Our Contributions and Stakeholder Engagement in Climate Change Policies

One of the environmental goals that we have established under our environmental policies is to cultivate sound stakeholder relationships regarding the environment. Through our engagement with government policymakers, industry groups, and other stakeholders, we collaborate in efforts for solving climate change challenges and respond appropriately to situations where our policies diverge from the standpoints of other stakeholders.

#### ► Participation in the Japan Gas Association's Carbon Neutral Challenge 2050

The Japan Gas Association is a group of city gas companies that seeks to promote the sound growth of city gas utilities and to contribute to society by expanding the use of natural gas, ensuring the safe and stable supply of energy, and addressing environmental challenges. The JGA has formulated "Carbon Neutral Challenge 2050" to clearly define its commitment to achieving carbon neutrality and established the Carbon Neutral Committee as an organization for advancing carbon neutrality measures. As a member of the association, Tokyo Gas actively contributed to the drafting of Carbon Neutral Challenge 2050. Also, the President of Tokyo Gas serves as the chair of the Carbon Neutral Committee, overseeing action plan progress tracking, exchanges of opinions on initiatives, discussions of specific proposals, and other matters for realizing Carbon Neutral Challenge 2050. Through our participation, we are promoting carbon neutrality across the industry.

#### ► Participation in Keidanren Carbon Neutrality Action Plan (formerly Commitment to a Low Carbon Society)

Keidanren (Japan Business Federation) is independently and actively carrying out initiatives for reducing greenhouse gas emissions in industries and companies. It has also formulated the Keidanren Carbon Neutrality Action Plan to spell out priority goals for working toward carbon neutrality in 2050, in response to the international community's rising expectations in this area in recent years. These actions have become a key pillar for the business world's role in the Plan for Global Warming Countermeasures and other plans established by the Japanese government. Tokyo Gas, as a member of industry groups taking part in the Keidanren Carbon Neutrality Action Plan — namely, the Japan Gas Association and the Electric Power Council for a Low Carbon Society — is advancing efforts to reduce greenhouse gas emissions and achieve other progress toward the goals set by each industry's plans.

#### Support for Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Information Disclosure

Climate-related risks and opportunities could significantly affect many companies' financial positions and destabilize their financial conditions. In order to reduce such risk, in response to the request from the G20, the Financial Stability Board (FSB) established the Task Force on Climate-related Financial Disclosure (TCFD) in December 2015, and the TCFD released its recommendations in June 2017. We regard the TCFD as an effective framework for promoting information disclosure and dialogue with stakeholders on climate-related issues. We therefore signed the statement of support for the TCFD in May 2019. In FY2020, we began disclosing information on the impact of climate change on the Group's business activities and the measures we are taking.

 [Disclosure Based on TCFD Recommendations \(Integrated Report\)](#)

#### Certification as an Eco-First company

In April 2024, Japan's Minister of the Environment certified Tokyo Gas as a company that undertakes progressive, original, and industry-leading business activities in the environment field. Certified companies promise to undertake their own action regarding environmental conservation, including measures against global warming and measures for waste and recycling, and there are great expectations on them as leading environmental companies in each industry. This certification was given in recognition of the Tokyo Gas Group's progressive attributes, originality, and its ripple effect in the following four fields: CO<sub>2</sub> emission reduction, green finance, reducing negative impact on water, air or soil, and environmental education.

With our Compass 2030 management vision that was unveiled in 2019, the Tokyo Gas Group became the first energy company to announce its intention of taking on the challenge of achieving net-zero CO<sub>2</sub>. Compass Action, which was unveiled in 2021, sets out the aim of a responsible transition, and we are working towards carbon neutrality for gas and electricity by reducing CO<sub>2</sub> emissions through advanced use of natural gas, expanded use of renewable energy, and the introduction of e-methane and other sources of energy. In March 2024, we unveiled the Tokyo Gas Group Carbon Neutrality Roadmap 2050 as a concrete way forward to achieve this goal by 2050. Through our business activities, we contribute to the preservation of biodiversity and other such elements of the global environment, and as a corporate group rooted in the community, we contribute to the revitalization of communities and regions through promoting environmental awareness, providing environmental education, and engaging in other actions.

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## Promotion System

Regarding the system, please refer to the sustainability promotion system.



## Targets and Outcomes

### Material issues

Material issues	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Responsibly transitioning to a decarbonized society	<ul style="list-style-type: none"> <li>CO<sub>2</sub> reduction contribution (12 mn t)</li> <li>Renewable power source transaction volume (2.2 mn kW)</li> <li>Net-zero CO<sub>2</sub> emissions from our activities* (Achieve 60% vs. FY2020)</li> <li>Promotion of large-scale methanation overseas</li> </ul>	<ul style="list-style-type: none"> <li>CO<sub>2</sub> Reduction Contribution: 9.52 mn t</li> <li>Renewable power source transaction volume: 1,342 mn kW</li> <li>Net-zero CO<sub>2</sub> from our activities Achieved 31% vs FY2020</li> <li>Sempra Infrastructure participated in the business development with us in the USA, and we established a subsidiary there. We examined business viability in Australia and Abu Dhabi with our local partners.</li> </ul>

\*CO<sub>2</sub> emissions from buildings we use, city gas production facilities, city gas supply facilities, and corporate vehicles

### Medium- to Long-Term Goals (2030 & 2050)

We have set the following indicators and targets for advancing and managing our initiatives for helping realize a decarbonized society, including contributing to CO<sub>2</sub> emissions reduction across society and reducing our Group's CO<sub>2</sub> emissions (Scope 1, 2, 3).

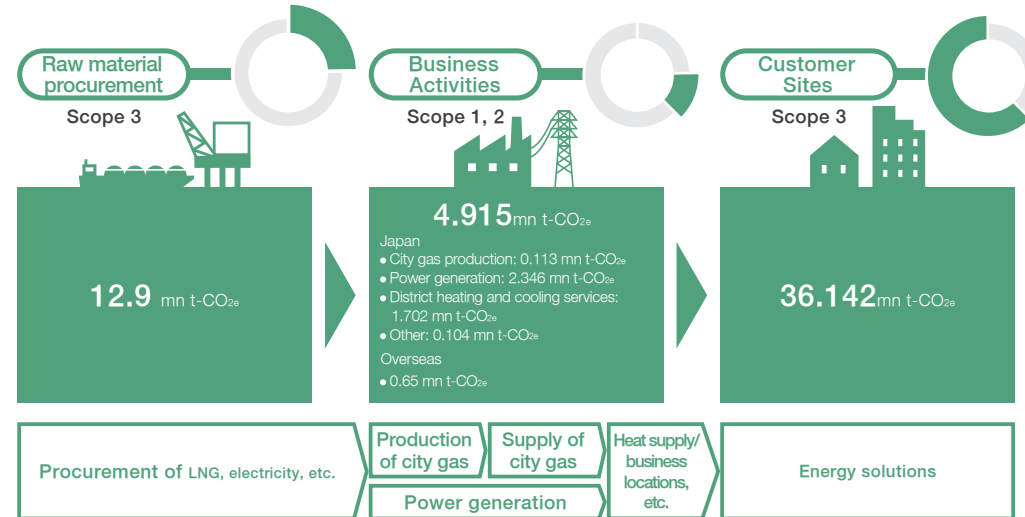
Indicator	Target	
	2030	2050
CO <sub>2</sub> reduction contribution (VS FY2013)	17 mn t	
GHG emissions (Scope 1, 2, 3)		Net-zero CO <sub>2</sub>
Net-zero CO <sub>2</sub> emissions from our activities	100% achieved	
Renewable power source transaction volume	6 mn kW	
Natural gas transaction volume	20 mn t	
e-methane introduction volume	1% (80 mn Nm <sup>3</sup> /year)	

Disclosure Based on TCFD Recommendations (Integrated Report)

## Tokyo Gas Group's Greenhouse Gas Emissions (FY2023)

Tokyo Gas Group-wide greenhouse gas emissions (FY2023)  
(Scope 3 total reflects only key categories; for details, see ESG Data.)

54.192mn t-CO<sub>2</sub>e



### Actions

- Monitoring of greenhouse gas emitted during production, liquefaction, and transport by sea
- Introduction of higher efficiency LNG carriers

### Actions

- Improvement in energy intensity at LNG terminals, district heating and cooling services, and business offices
- Promotion of high-efficiency natural gas fired power plants and renewable energy in the electric power business
- Improvement of energy efficiency of business office facilities/operations

### Actions

- Fuel switching to natural gas, adoption of gas cogeneration systems, smart city development
- Increase provision of carbon offset LNG
- Expanded use of renewable power sources
- Transition to large-scale & high-efficiency methanation and commercial use
- Establish practical, affordable hydrogen production technologies

\*Scope 1: Business's own direct emissions of greenhouse gases  
Scope 2: Indirect emissions from consumption of electricity, heat, and steam supplied by others  
Scope 3: Indirect emissions other than covered in Scope 1 or 2 (emissions by other parties involved with the activities of a business)

ESG Data

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## Actions

Climate Change Mitigation and Adaption

### Reduction of CO<sub>2</sub> Emissions in Raw Material Procurement and Business Operations

#### ▶ Raw material procurement

We are working to identify the impact on the global warming of the LNG we procure, liquefaction terminals, and other LNG operations. We are also improving the efficiency of maritime transport operations by introducing highly efficient LNG carriers and by swapping the LNG we procure from the US with the LNG that a European partner procures from projects offering shorter routes to Japan.

#### ▶ City Gas Production and Supply

In the manufacturing of city gas, we are working on further energy-saving measures that include using LNG cold energy, operational improvements, and the use of high-efficiency devices.

Energy loss is also extremely low in city gas supply because the gas is transmitted directly through pipelines to consumption areas.

Methane emissions released by our business operations mainly come from city gas production and gas pipeline construction work. We are firmly committed to reducing these emissions, including recovering and cutting the amount of sampling gas used in analysis of produced gas, preventing venting during the startup and shutdown of calorific value adjustment systems, and planning pressure reductions to curb methane emissions during pipeline construction work.

#### ▶ Electric Power Business

All Tokyo Gas Group thermal power plants are highly energy-efficient natural gas-fueled power plants. Generating electricity at highly efficient power plants in place of conventional thermal power plants helps reduce CO<sub>2</sub> emissions.

Moreover, the Tokyo Gas Group has been involved in solar power, onshore wind power, and biomass power generation both domestically and internationally, and is actively supplying power derived from renewable energy sources. In addition to our ongoing efforts to further develop and procure renewable power sources in collaboration with business partners, we will become more actively involved in offshore wind power, which has strong growth potential.

#### ▶ District heating and cooling

We operate district heating and cooling services, including small-scale heat supply, in some 40 districts. We supply steam and hot/cold water produced by natural gas-powered gas cogeneration systems, absorption chillers and boilers. We seek to enhance energy efficiency by fine-tuning operations and working to achieve even higher efficiency with our equipment. Additionally, our group is operating a "VPP" (Virtual Power Plant) system that automatically controls solar power generation equipment and storage batteries installed at our business locations, as well as large-scale gas cogeneration systems at regional heating and cooling centers. By combining these with highly accurate power generation and building electricity load forecasts, we aim to accelerate the adoption of renewable energy sources in urban areas, where such implementation is typically challenging, and to maximize their utilization value.

#### ▶ Business Offices

Energy-saving efforts at our Hamamatsucho Head Office Building started as early as 1984 with the introduction of gas cogeneration. In FY2008, we upgraded the system to the best available technology, which has been contributing to significant energy savings and reductions in the greenhouse gas emissions from our business activities. Our group is also working towards achieving net-zero CO<sub>2</sub> emissions from our company-owned buildings by 2030, in addition to replacing aging buildings with energy-efficient and environmentally friendly ones. We also strive to conserve energy through operational improvements. Each of our buildings has an energy-saving committee that discusses and promotes activities for encouraging each of our employees to promote energy-saving activities. In addition, we run energy conservation campaigns in the summer and winter, when power use peaks. We further promote energy savings by switching to more efficient lighting equipment at our offices and facilities, such as LED and high frequency-ballast fluorescent lights. We are also working to achieve net zero CO<sub>2</sub> emissions by offsetting energy use with non-fossil fuel certificates.

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### ▶ Initiatives for net-zero CO<sub>2</sub> from our activities

The Tokyo Gas Group has already worked hard to reduce the CO<sub>2</sub> emissions from its activities by thoroughly implementing energy-saving practices and adopting high-efficiency equipment. We are now stepping up our efforts to achieve net-zero CO<sub>2</sub> emissions from the buildings we use, our city gas production facilities, our city gas supply facilities, and our corporate vehicles by FY2030.

In specific terms, our main initiatives include utilizing non-fossil fuel certificates for the energy we use, switching to carbon offset LNG, and introducing low-emission corporate vehicles (hybrid vehicles, fuel cell vehicles, and electric vehicles). At the same time, we are proactively introducing products whose sales we plan to expand in the future (offsite corporate PPA, EV services\*, etc.) at our own facilities.

In FY2022, the first year of this initiative, we completed this process for our headquarters building and used nonfossil fuel certificates (electricity) to offset the emissions of the electricity powering the other buildings we use and some of our city gas production facilities. As a result, in FY2023, we attained 31% of our net-zero CO<sub>2</sub> goal (baseline: FY2020). In August 2024, we also started receiving electricity on the basis of an offsite corporate PPA at our headquarters building.

\*EVrest EV charging service, Charge Planner EV introduction support service for companies and local government

### Implementation status of initiatives for net-zero CO<sub>2</sub> from our activities (as of August 2024)

Use of company buildings, etc.		City gas manufacturing facilities	Company vehicles
<p>Tokyo Gas HQ building</p> <ul style="list-style-type: none"> <li>CO<sub>2</sub> offsetting for all energy used through the utilization of nonfossil fuel certificates (for electricity), carbon offset city gas (gas), and J-Credits (heat sharing from district heating and cooling)</li> <li>Start of corporate PPA-based electricity acceptance</li> </ul>	<p>Other buildings used by Tokyo Gas</p> <p>For some of the buildings owned by Tokyo Gas Real Estate Co., Ltd, CO<sub>2</sub> offsetting for electricity used by utilizing nonfossil fuel certificates (electricity)</p>	<p>Hitachi LNG terminal, Ogishima LNG terminal</p> <p>CO<sub>2</sub> offsetting (system power) for electricity used by utilizing nonfossil fuel certificates (electricity)</p>	<p>Some company vehicles owned by Tokyo Gas Network Co., Ltd. and Sodegaura LNG terminal</p> <p>Introduction of EV chargers and charger management systems based on the Charge Planner EV introduction support service for companies and local authorities</p>

### ▶ Natural Disaster Response Adaption Measures

Climate change-induced disasters, such as typhoons, localized torrential downpours, and storm surges, may damage city gas production facilities and delay or halt LNG transport. Based on emergency scenarios, we have established disaster countermeasures at production, supply and other facilities, and formulated business continuity plans (BCPs) to prepare for serious accidents, large-scale power outages, outbreaks of disease, and other contingencies that may be caused by a major typhoon or other natural disaster. In addition, we believe that diversifying the suppliers of the LNG used to produce city gas will help minimize the risk of supply chain disruption when any single source is affected by a natural disaster.

### ▶ Reducing CO<sub>2</sub> Emissions with Our Stakeholders

We carry out diverse initiatives with stakeholders, including forest preservation activities at the Tokyo Gas Forest and environmental/social contributions under the Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project. We are also developing technologies that make use of biomass. In addition to the utilization technologies we have developed so far for co-combusting city gas and biogas, we are also advancing our research on technologies to extract biogas more cost-effectively and efficiently through methane fermentation of food waste and other materials. Furthermore, we are working on technologies to remove impurities from the generated biogas and convert it into higher-quality gas. Our goal is to expand and promote the use of biomass.

### Contribution to CO<sub>2</sub> Emission Reduction at Customer Sites

#### ▶ Residential Sector

We promote the wider adoption of our highly efficient Eco-JOES water heaters, ENE-FARM residential fuel cells, and hybrid water heaters that use gas and electricity to efficiently heat water. To our customers, we also offer the “Sasutena Denki” electricity rate plan, which is considered to have virtually zero CO<sub>2</sub> emissions\*. For photovoltaic power generation, we offer the IGNITURE Solar service that can be used for a reasonable monthly fee and a service to purchase surplus electrical power after the end of the Feed-in Tariff (FIT) scheme. We are promoting further energy-saving actions in the residential sector through the demand response program “IGNITURE Smart Action” and proposing energy-efficient lifestyles.

\*The power source for Sasutena Denki is LNG-fired thermal plants. This means that by Tokyo Gas purchasing the nonfossil fuel certificates that are given the environmental value offered by solar power, wind power, and other forms of renewable energy, CO<sub>2</sub> emissions become net zero.

•Depending on the status of the nonfossil fuel certificates market, CO<sub>2</sub> emissions may not reach net zero in some cases.

#### ▶ Commercial Sector

We help commercial sector customers to advance their decarbonization efforts through support that takes a hierarchical approach to energy saving, renewable energy use, and offsetting, and achieves stable energy supply at affordable costs. For example, we contribute to energy saving and CO<sub>2</sub> emissions reduction by promoting the adoption of air conditioners such as highly efficient gas heat pumps (GHPs), the Natural Chiller gas-absorption chilling system, which utilizes the heat of water vaporization, and the Smart Multi and Smart Mix Chiller systems, which use gas and electricity in an optimum combination. We also offer an operational support service that helps customers to run their equipment with less energy and optimized control.

We also provide medical centers and other facilities across Japan with energy services built around gas cogeneration systems, answering their need to improve their energy resilience while reducing their CO<sub>2</sub> emissions.

In addition to promoting the adoption of energy-efficient systems, we are pursuing diverse initiatives for spreading the use of renewable energy and achieving CO<sub>2</sub> emission reductions through offsetting and other approaches. This is how we help customers to pursue decarbonization while meeting their various needs such as maintaining affordable and stable access to energy.

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### ▶ Industrial Sector

We are helping to achieve tremendous CO<sub>2</sub> emissions reductions in the industrial sector through fuel switching to natural gas and replacement of existing systems with the highly efficient industrial furnace burner Regenerative Burner System and highly efficient steam boilers. We further respond to customer needs for solutions that lower their energy use, CO<sub>2</sub> emissions, and costs by developing and deploying gas cogeneration systems (a type of decentralized energy system) and providing energy services.

In addition, we are decarbonizing heating by applying our natural gas technologies to hydrogen combustion in a collaboration with Noritake Co., Ltd. to commercialize the world's first hydrogen combustion-type continuous combustion furnace for making lithium-ion battery (LiB) electrode materials. This system decarbonizes the extremely energy-intensive process of LiB electrode material production. Other efforts for advancing decarbonization include jointly developing solutions for diverse areas, such as a hydrogen-fired gas turbine cogeneration system reheating burner with Sunray Reinetsu Co., Ltd., a hydrogen combustion-type burner for generating hot air with Heat Energy Tech Co., Ltd., a hydrogen-fired burner for use at asphalt plants with Nikko Co., Ltd., and a hydrogen combustion-capable hydrogen burner with built-in waste heat recovery device with Shoei Co., Ltd.

### ▶ Smart Energy Networks

We help customers to lower their energy use, CO<sub>2</sub> emissions, and costs by providing them with services such as Owl net, which visualizes energy use at manufacturing plants, and remotely monitors and optimally controls the plant equipment, as well as plusC, which visualizes the energy use of commercial buildings. Our support for urban development includes utilizing gas cogeneration system-driven decentralized energy systems and local renewable and untapped energy sources to build networks that link heating, electricity, and information. It also includes expanding the creation of smart energy networks that leverage state-of-the-art information and communication technologies to optimally manage the area's heating/power supply and demand. This approach not only promotes the reduction of energy use and CO<sub>2</sub> emissions across the area, but also improves the city's energy resilience, creates value added, and contributes to the achievement of the SDGs. Smart energy networks are already operating in the northern district adjacent to the East Exit of Tamachi Station, Toyosu Wharf District, Kiyohara Industrial Park, Nihonbashi Smart Energy Project, Toyosu Smart Energy Project, Kagoshima City's Kirameki Terrace, and Yaesu Smart Energy Project, among other locations. Also, our Advanced Smart Energy Network, which further increases the value of smart energy by leveraging renewable energy use, CCU and other decarbonization technologies, and virtual power plants (VPPs) which utilize decentralized energy systems, will contribute to the realization of a carbon-neutral society and sustainable urban development in the years to come.

### ▶ Support for Introducing Renewable Energy

We operate the power purchase agreement (PPA)-based photovoltaic power generation service Solar Advance across Japan. We offer tailored solutions that maximize efficient use of renewable energy and thus enhance its utility value, such as self-wheeling through the control technologies we developed in our Energy Services business, a corporate PPA scheme combining lithium ion storage batteries with our strengths as an electricity retailer, and an asset/technical management optimization service provided through A&Tm Corporation, a joint venture established with Tokyo Century Corporation and Kyocera Communications Systems Co., Ltd.

Moreover, we support biomass power plant owners with construction and design O&M services that leverage engineering solutions based on the user insights we have gained from power plant operation.

### ▶ ESG-driven approach to real estate

In our rental housing brand "LATIERRA," we are undertaking environmentally conscious initiatives such as using our Group's "Sasutena Denki," electricity rate plan, which is considered to have virtually zero CO<sub>2</sub> emissions in the common spaces of all buildings. Further, "LATIERRA" is promoting development aimed at achieving a decarbonized society by working in cooperation with the Group's other businesses and initiatives. For example, "LATIERRA" utilizes Tokyo Gas Group's group housing-oriented service for recharging EVs, "EVrest," and the small size emergency-use power generator "G-sketto."

### ▶ Innovation aimed at decarbonization

Various technological developments are being advanced in preparation for decarbonization; however, at present, it is still unclear which technologies will be popular and see its use expanded.

Under these circumstances, the Tokyo Gas Group, while retaining multiple options, will flexibly conduct real-world implementation of innovations in accordance with circumstances and from a perspective based on the S+3E concept (safety, energy security, economic efficiency, and environment), and aim to maximize the social value of decarbonization technology.

- Methanation

Methane is the main constituent of city gas. As part of our efforts to help realize Net-Zero CO<sub>2</sub>, we are working to commercialize a methanation process for producing synthetic methane (e-methane) from hydrogen and CO<sub>2</sub>, with the hydrogen being manufactured using renewable power. In FY 2021, we launched a small-scale methanation verification project at one of our sites, and are using e-methane produced by this project in a regional collaboration test with the City of Yokohama. Also, we are developing an innovative methanation technology for realizing even more efficient, cost-competitive e-methane production, with funding from the Green Innovation Fund. Further, we are also working towards the introduction of overseas-produced biomethane, which is expected to achieve similar CO<sub>2</sub> emission reduction effects as e-methane even before 2030, can be procured at an early stage, and utilize existing infrastructure.

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As part of our drive to realize real-world deployment of e-methane, we have set a target of adopting e-methane on a level equivalent to 1% of our city gas sales in 2030. To accomplish this, we are pursuing institutional actions involving support measures and environmental value, procuring raw materials, and developing engineering solutions for achieving large-scale production. For example, we are working together with a trading company and energy firms to carry out feasibility studies and a project for constructing a supply chain for importing e-methane mass-produced at sites in the US and other regions outside Japan. In addition, we are exploring opportunities with partners for local production/local consumption of e-methane in Japan.

- Development of Low-cost Water Electrolysis Technologies

Hydrogen is well-suited for storage and transport. Like renewable energy, it promises to be a key area of decarbonization technology, serving to complement the role of renewables. We are currently pursuing technological development toward the low-cost manufacture of a PEM water electrolysis cell stack that will be used to cheaply produce hydrogen using renewable power. This project combines the technologies we have cultivated in introducing the world's first residential fuel cell with a high-speed printing technology of SCREEN Holdings Co., Ltd., a world-class producer of semiconductor devices. We are seeking to contribute to the direct use of hydrogen in the future and to reduce the cost of procuring hydrogen as a raw material for e-methane.

- Establishing Infrastructure for Hydrogen Supply

In order to respond to the demands of society and customers regarding energy decarbonization, in the area of gaseous energy decarbonization the direct supply of hydrogen is also an effective method. We construct and operate hydrogen stations to popularize fuel cell mobility, and help establish the infrastructure for supplying hydrogen. Toyosu Hydrogen Station, which was jointly built with Japan H2 Mobility, LLC (JHyM), supplies customers with carbon neutral hydrogen produced onsite using carbon offset LNG and renewable green electricity. We are endeavoring to expand the use of onsite hydrogen. This includes supplying hydrogen to urban blocks using a hydrogen-only pipeline for the first time in Japan at Harumi Flag, and offering different options for hydrogen supply to suit customer needs and the energy use environment. In the future we will utilize the know-how gained in our demonstration projects to provide comprehensive hydrogen supply solutions.

### ► Popularization of Natural Gas Vehicles

We have been working on popularizing the use of natural gas vehicles (NGVs), which feature low CO<sub>2</sub> emissions. NGVs, fueled by natural gas instead of diesel or gasoline, emit only small amounts of nitrogen oxides (NOx) and release virtually no black smoke, particulate matter (PM) or sulfur oxides (SOx), which are known to cause respiratory diseases such as asthma. They release about 10% to 20% less CO<sub>2</sub> emissions than gasoline vehicles and are recognized as eco-friendly vehicles. The transportation sector currently depends on petroleum for its heavy fuel needs. The adoption of natural gas as a fuel in this sector will diversify its fuel sources, and thus help to improve Japan's energy security. Moreover, nearly all the gas supplied by natural gas stations is compressed at medium pressure, and the gas pipelines are designed to fully withstand earthquakes on par with the Great East Japan Earthquake. As a result, natural gas can continue to be supplied as vehicle fuel following a disaster, and thus greatly contributes to the resilience of the transportation and distribution sectors.

### ► Realization of decarbonization through “SustainNudge Education”

Tokyo Gas has started a new educational program called “SustainNudge Education” as a decarbonization initiative achieved through school education. “SustainNudge Education” is based on an element of behavioral science called nudge theory, which nudges people toward behaving well. In the four years up to and including FY2020, ten thousand children received this education, and it was proven quantitatively and qualitatively for the first time in Japan that as a result of the education, CO<sub>2</sub> emissions were reduced by 5.1%.

Our Regional Co-creation Company (CP) has concluded comprehensive cooperation agreements aimed at achieving decarbonization with local governments. As part of these agreements, in FY2023, local governments introduced the SustainNudge program to a total of four public elementary and junior high schools in Hadano City, Kanagawa Prefecture, and a total of three public elementary schools in Akishima City, Tokyo Metropolis. The Group will promote decarbonization activities by continuing to conduct “SustainNudge Education.”

### ► Use of Carbon Credits

In addition to helping customers adopt energy-saving and renewable energy solutions, we offer carbon offset city gas that uses carbon offsetting credits as one option for serving their heating needs. We will further reduce CO<sub>2</sub> emissions across society by working to expand carbon credit-based carbon offset city gas and other solutions that form part of our strategy for making sophisticated use of natural gas during the transition to Net-Zero CO<sub>2</sub>.

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## Basic Policy

The Tokyo Gas Group believes that in aiming to contribute to a “Sound Material-Cycle Society” (a Japanese term for a recycling-oriented society), it is important to endeavor to use limited resources carefully, reduce the amount used, and use recyclable resources, and also to reduce the amount of waste generated and reuse/recycle resources (the 3Rs principle).

Therefore, we have ranked preservation of the global environment as one of our material issues, and based on the Environmental Policy, we are working in cooperation with customers and other companies to promote resource recycling.

Specifically, we seek to maintain or raise recycling rates for industrial waste products, reduce the amount of soil excavated during gas pipeline construction, reuse old gas meters, and recycle used gas pipes, incorporating resource recycling into every stage of our business activities.

## Promotion System

Regarding the system, please refer to the sustainability promotion system.



## Targets and Outcomes

Material issues (From FY2023 onward)

Material issues	Main targets and indicators (FY2025)	Main results for FY2023
Protecting the global environment	<ul style="list-style-type: none"> <li>■ Sophistication of resource utilization for gas facilities and gas meters</li> </ul>	<ul style="list-style-type: none"> <li>• Recycling of gas facilities (used gas piping, gas appliances, etc.)</li> <li>• Reuse and recycling of gas meters</li> </ul>

## Actions

### Actions taken in Business Activities (Promoting the 3Rs)

#### ▶ Reduce

Construction of underground gas pipes entails excavating roads and refilling the gaps with pit sand. Reducing the use of pit sand mitigates the impact on ecosystems and lowers CO<sub>2</sub> emissions generated by the vehicles transporting sand to construction sites. The Tokyo Gas Group strives to reduce the volume of excavated soil and the use of pit sand by measures such as laying pipes in narrow, shallower-than-usual trenches and by using the non-open-cut construction method, in which gas pipes are laid without making cuts in roads.

To reduce the use of pit sand further, we are pursuing 3R efforts such as increasing the use of excavated soil (reuse), improved soil, recycled road surface materials (recycle), and Eco-balls (reduce, reuse) for refill work.

#### ▶ Reuse

Since gas meters were first introduced, in the area of reusing gas meters we have led other gas service companies and companies in other industries.

Gas meters at customer sites are normally replaced within their 10-year certified life. However, we reuse some gas meters after replacing consumable parts and recalibrating them (use for up to 30 years is planned).

Further, the reused gas meters are not disposed of as is, but are recycled through our own channel and reused as material for new products.

#### ▶ Recycle

Of the used gas piping recovered during gas pipeline installation work (cut-off pieces, dug-up piping), among the used gas pipes (cut ends and dug-up pipes) generated, PE pipes\* are recycled 100% as plastic materials, and steel pipes and cast iron pipes are recycled 100% as metal materials every year.

\* PE pipes have been in widespread use since the Great Hanshin-Awaji Earthquake of 1995 because of their earthquake resilience and corrosion-resistant properties.

#### ▶ Maintaining and improving the recycling rate for industrial waste

A certain amount of waste (industrial waste) that arises as a result of our business activities is appropriately disposed of in accordance with the Waste Management Act, the Construction Material Recycling Act, the Act on Recycling of Specified Home Appliances, and so on.

Further, we check recycling rates, final disposal rates, and so on with intermediate waste processing companies, and endeavor to maintain and improve recycling rates.

As a result, our recycling rate for FY2023 was 81%.

#### ▶ System for Collecting and Recycling Waste such as Used Gas Appliances

We collect used gas appliances and waste resulting from work done at customer sites, such as gas equipment replacement/installation and home renovation. Since August 1994, we have been operating our own System for Collecting and Recycling Waste, which offers the combined benefits of reducing environmental impact and cutting costs. This system involves delivering gas appliances, parts, and piping materials to partner companies while collecting waste at the same time.

#### Collaborating with Other Companies to Reduce Pollution, Waste, and Resource Consumption

We are undertaking a project with J&T Recycling Corporation and the JR East Group for generating electricity using food waste.

This project generates power using methane gas produced by microbial fermentation of food waste collected from businesses in Miyagi Prefecture and surrounding prefectures.

In addition to making effective use of food waste, this initiative is expected to achieve an annual greenhouse gas emissions reduction equivalent to approximately 3,000 t-CO<sub>2</sub>.

#### Reference: Example of Recycling that Received a Minister of Economy, Trade and Industry Prize

At the Group's Tokyo Gas Yokohamachuo Energy Co., Ltd, we collected used gas boilers, disassembled them by hand, and sorted the parts into 16 different item groups. As a result, we improved the metal product recycling rate, and also achieved a reduction in the amount of energy consumed, compared to disassembling using machines.

In FY2023, we disassembled 6,203 used gas boilers, and recycled 212 tons of metal.

Further, this initiative was recognized in Japan, and in October 2023 we received a3Rs (Reduce, Reuse, and Recycle) Promotion Merit Award from the Minister of Economy, Trade and Industry.

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# Biodiversity

## Basic Policy

The Tokyo Gas Group believes that in order to conserve biodiversity, it is important to properly understand the impact of business activities on biodiversity, to mitigate and prevent negative impacts, and to promote sustainable use of ecological services.

Therefore, we have ranked preservation of the global environment as one of our material issues, and based on the Environmental Policy, we are endeavoring to reduce biodiversity risks in our value chains and to carry out biodiversity conservation activities in cooperation with regional communities.

In addition, Tokyo Gas is a promotion partner of the "Declaration of Biodiversity by Keidanren (Japan Business Federation)" initiative, and participates in the 30by30 Alliance spearheaded by the Ministry of the Environment.

## Promotion System

Regarding the system, please refer to the sustainability promotion system.



## Targets and Outcomes

### Material issues (From FY2023 onward)

Material issues	Main targets and indicators (FY2025)	Main results for FY2023
Protecting the global environment	<ul style="list-style-type: none"> <li>Promote biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>Investigated and grasped the impact of our business activities, and promoted biodiversity conservation</li> <li>Carried out planned management of company-owned forests, and conservation and monitoring of rare plants and animals in owned land</li> <li>Promoted environmental conservation activities of the local community, through the "Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project"</li> </ul>

## Actions

### Efforts to reduce biodiversity risks in the value chain

In each business field, we are promoting efforts to properly understand risks and reduce the risks.

Business fields	Risks	Actions for reducing risk
Raw material procurement	Loss of ecosystem in area surrounding gas fields	<ul style="list-style-type: none"> <li>Confirmation of how suppliers are showing consideration for biodiversity in their development of gas fields (environmental impact assessment, etc.)</li> </ul>
Raw material transport	Disturbance of ecosystem by alien species	<ul style="list-style-type: none"> <li>Management of ballast water when operating Group-owned/managed vessels</li> </ul>
<ul style="list-style-type: none"> <li>City gas production</li> <li>LNG-fired power generation</li> <li>Renewables</li> </ul>	<ul style="list-style-type: none"> <li>Impacts on ecosystems during land alteration, operation, and fuel procurement</li> <li>Use of water in business activities</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impact assessment</li> <li>Operations management (agreements with local governments, compliance with laws and regulations, etc.)</li> <li>Formulation of a business continuity plan (BCP)</li> <li>Sustainable raw material procurement</li> <li>Strive to reduce amounts of water used and taken, effluent management</li> </ul>
Supply	Loss of ecosystem due to extraction of pit sand	<ul style="list-style-type: none"> <li>Control discharge of excavated materials in work for laying gas pipes</li> </ul>

### Raw material procurement

Our LNG suppliers implement measures to conserve biodiversity around their LNG projects, including afforestation projects and efforts to protect endangered species, forests, and marine ecosystems.

For example, in our LNG project in Malaysia, we installed 1,500 artificial reef balls in a national park. It was subsequently confirmed that sea turtles last seen along the park's coast in 2010 have been returning since 2015 to lay eggs.

In America, in our LNG projects in the USA, we are cooperating with those concerned to protect habitats of wild animals and restore beaches and wetlands along the coast.

Further, utilizing the dredged soil which results from regular dredging along shipping operation waterways, we have created a brackish wetland for wild animals and marine life.

### Raw material transport

Organisms in the ballast water<sup>\*</sup> of carriers are discharged outside their natural habitat when the ballast water is discharged, so environmental problems including ecosystem damage are surfacing.

Although we had already taken some steps, such as exchanging ballast water on the high seas, we have also installed ballast water treatment equipment on LNG vessels that we own and manage to reduce the impact on ecosystems under the International Convention for the Control and Management of Ships' Ballast Water adopted by the International Maritime Organization (IMO), which came into effect in September 2017. We finished installing treatment equipment on all (100% of) our carriers in April 2024.

<sup>\*</sup>Water that is poured into the ballast water tank as a weight in order to keep the vessel stable.

### City gas production

At LNG terminals, as well as conducting the necessary environmental assessments during construction, we enter into agreements concerning pollution and afforestation with the local governments located there.

Further, during operation we set management standards concerning atmospheric pollution, water contamination, and the like, and conduct operation without adversely impacting the local natural capital.

### Supply

When laying gas pipes, we strive to reduce the ecosystem impact by using approaches that minimize the amount of soil excavated and pit sand used as backfill, such as laying pipes in trenches that are shallower and narrower than customary, or by using non-open-cut construction, which avoids making cuts in roads.

【Reference】Sodegaura LNG Terminal Certified as "Nationally Certified Sustainably Managed Natural Sites" by the Ministry of the Environment  
In October 2024, the Sodegaura LNG Terminal was certified as a "Nationally Certified Sustainably Managed Natural Sites" by the Ministry of the Environment. This certification is a result of our participation in the 30by30 Alliance since 2021 and our implementation of appropriate green space management and monitoring of rare plants based on the management plan. Our group will continue to engage in efforts to conserve biodiversity.

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## Risk evaluation based on TNFD recommendations

In response to the increase in importance of natural capital and biodiversity conservation in international society, the Taskforce on Nature-related Financial Disclosures (TNFD) announced its recommendations in September 2023. The TNFD aims to prevent loss of biodiversity and achieve nature-positive outcomes which cause a turnaround to a path to restoration of biodiversity.

At the Tokyo Gas Group, based on the TNFD recommendations, we utilized the “LEAP approach” and experimentally assessed risks associated with natural capital in our Group’s value chains.

Further, in order to guarantee the objectivity of these evaluations, we conducted them based on the viewpoints of outside experts.

LEAP approach steps (Experimentally assessed areas are outlined in red. Opportunities were not assessed.)

Locate Discoveries when interfacing with nature	Evaluate Evaluation of dependencies and impact	Assess Evaluations of important risks and opportunities	Prepare Preparation of response and reports
L1 Confirmation of business models and value chains	E1 Identification of related natural capital, ecological services and effect factors	A1 Identification of risk and opportunities	P1 Strategy and allocation of resources
L2 Screening of dependencies and impact	E2 Identification of dependencies and impact	A2 Improvement to existing risk reduction methods and risk and opportunity management methods	P2 Measurement of performance
L3 Interface with nature	E3 Analysis of dependencies	A3 Measurement and prioritization of risks and opportunities	P3 Report
L4 Identification of priority regions	E4 Evaluation of impact material issues	A4 Evaluation of risk and opportunity material issues	P4 Disclosure

## Assessment of dependencies, impacts, and risks on nature in the value chain

In order to properly understand the extent of the dependencies and impacts on nature in each business field, ENCORE<sup>\*</sup> was used to assess nature-related dependencies, impacts, and risks in the value chain.

As a result, it was found that business fields such as raw materials procurement and shale business have a high degree of dependency and impact. However, we are managing our businesses in a manner that incorporates risk countermeasures, such as environmental impact assessments and operation management, and an outside specialist evaluated the risks as being kept to within a certain level.

\* ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): A tool which allows financial institutions to properly understand the extent of the dependencies and impacts of companies on nature.

## Detailed assessment of our USA shale business

Of our business fields with a large dependency and impact on nature, we carried out a detailed survey on the USA shale business, which we directly operate.

Firstly, referring to the TNFD’s sector guidance, risk definitions related to the World Economic Forum’s guide to nature capital management, and the like, we identified major risks (related to wind/water-related disasters, water resources, water contamination, and policy and compensation) in the Group’s business bases (the states of Texas and Louisiana in the USA), and used multiple assessment tools to assess nature-related risks.

The result revealed that, in drainage areas containing business bases and some of their downstream areas, there was potential water stress to the Ramsar Convention-registered wetlands and sites and to domestic water dams and reservoirs. However, we are conducting our businesses in a manner that incorporates risk countermeasures such as operation management (use of non-drinking water), regulation compliance, BCP formulation, and so on, and an outside expert assessed the possibility of the four major risks actualizing in the short-term as low.

Reference: Assessment tools (carried out on 15 drainage basins with our business bases)

### (1) Aqueduct

It assesses water stress caused by water consumption during hydraulic fracturing by checking usable and renewable surface water and the like.

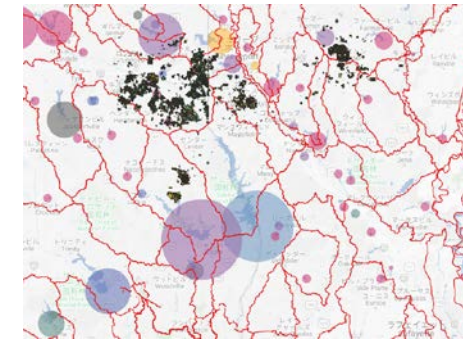
### (2) IBAT

It checks the impact of chemical substance leakage and the like on ecosystems by looking at important aquatic ecosystems, wetlands registered under the Ramsar Convention and the like.

### (3) The Water Desk

It checks the risk of contamination to domestic and commercial water in the surroundings through chemical substance leakage or the like by identifying agricultural water and domestic/commercial water reservoirs.

Legend : Circles indicate dams, water reservoirs and water reserves.



## Reference: Actions conscious of the transition to nature-positive outcomes

Together with continuing current risk countermeasures in our value chains, we will also promote actions which are conscious of the transition to nature-positive outcomes.

### Biodiversity conservation activities in the “Tokyo Gas Forest”

The Group owns a 194 ha company forest called “Tokyo Gas Forest” in Nagano Prefecture. Together with conducting appropriate forest management based on a forest management plan, we also conduct conservation of the forest’s rare plants and animals.

Since 2007, we have conducted forest monitoring surveys, and these have so far confirmed a total of 677 species living in the forest.

### Environmental/local contribution activities in the “Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project”

In the Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project, we collaborate with local NPOs, local governments, and other stakeholders to engage in environmental protection activities. In particular, the eelgrass bed restoration activities which we have been engaged in continuously from 2017 not only contribute to biodiversity conservation by providing feeding grounds and habitats for fish and shellfish; they also contribute to CO<sub>2</sub> absorption and fixation.

These activities were mentioned in the Japanese Ministry of the Environment’s collection of Japan’s blue carbon initiatives as being an example of activities that improved regional relationships such as those between administrations, NPOs, and the like through seaweed bed restoration.

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## Basic Policy

Based on the perspective of reducing environmental impacts, the Tokyo Gas Group is striving to reduce water usage and amounts of water taken, and is conducting water-related management such as effluent management. Also, we conduct water stress and risk assessments at our major sites in Japan and overseas, as well as implementing measures to address water-related disasters.

## Promotion System

Regarding the system, please refer to the sustainability promotion system.



## Actions

### Water Management and Planning for Reducing Water Use/Intake, Effluents, etc.

We are striving to use water resources sustainably by monitoring the volume of water used in our Group-wide business activities, taking action to reduce water usage, and appropriately managing effluents. We rigorously measure the quantity of tap water, industrial water, and other water we use, and regularly monitor usage to ensure that water is not being wasted. Our management of pollutants in effluents released by our specified workplaces subject to the Water Pollution Prevention Act, ordinances, and other regulations includes chemical oxygen demand (COD)\* testing and is carried out in compliance with environmental laws and regulations.

\* Chemical oxygen demand (COD): A measure of the amount of oxygen required to chemically break down pollutants in effluents. It is used as an indicator of pollutant concentration.

### Reporting on Water Resource Usage, Management, and Planning

The total quantity of freshwater (tap water, industrial water and well water) used by all Tokyo Gas Group companies in FY2023 has stayed about the same since it increased as a result of the launch of new plants in FY2022. As part of our efforts for reducing our Group's water consumption/intake, we are working to reduce the amount of industrial water use at LNG terminal, for district heating and cooling, and in power plant manufacturing process through such means as optimizing boiler operation, reducing steam loss, and replacing chillers with more efficient electric turbo types. Through these actions, we are endeavoring to recover and reuse water as much as possible within processes, and reduce the amount of water consumption. To reduce our use of tap water at offices and similar facilities, we are increasing our use of recycled water, installing water-saving toilets, and encouraging employees to conserve water. Regarding effluents, we measure them, and also, in order to comply with the Water Pollution Prevention Act and other laws, we manage water quality through the use of indicators, such as pH, COD, and nitrogen and phosphorus concentrations, in accordance with national laws and regulations, local government ordinances, agreements and other rules.

We use seawater mainly at LNG terminals and power plants as a heat source and then discharge the entire amount back to the sea with the constituents as they originally were, without impacting ecosystems.



### Water Stress/Risk Studies and Engagement

For the three years from FY2016 through FY2018, we combined the use of international indicators such as the WRI Aqueduct and the WWF-DEG Water Risk Filter to conduct comprehensive assessments and analyses on current risks at our key operating centers in Japan and abroad, such as water demand, flooding, public health, and biodiversity as well as future risks, including the impact of climate change and securing water resources. The results showed that there are no major water stress or risk issues at LNG supply source projects or the Group's key operating centers in Japan and abroad.

In FY2019, we began using RepRisk to gauge the water risks and other ESG risks of our overseas projects. RepRisk is a database used by the Government Pension Investment Fund (GPIF) and other institutions to set ESG investment indices. This service employs AI to automatically collect ESG data on past projects, and expert analysts score the ESG risks. Through this service, we determined that there were no major water stress or risk issues in our overseas projects in FY2023.

Going forward, we will continue addressing any risks that may be identified in the future through remedial actions driven by engagement with the risk-affected site. As part of our supply chain engagement, we are also working to identify any potential risks at our domestic suppliers by conducting a questionnaire that includes questions on their efforts to reduce water use.

### Water-related Disaster Preparedness

To ensure stable energy supply, we have taken steps to protect production, supply, and other vital facilities from flooding associated with climate change, such as typhoons, localized torrential downpours, and storm surges, as part of our overall actions against natural disasters and climate change. Our efforts for protecting production facilities at our four LNG terminals in the Tokyo Bay area and on the coast of Ibaraki Prefecture have included elevating electrical systems and other key equipment to heights greater than the predicted maximum tsunami height, as well as making areas watertight. Our operational preparedness actions include formulation of a business continuity plan for preventing suspension of supply in water-related disasters, and implementation of measures for sustaining city gas production based on the plan.

Our supply-related preparedness actions include subdividing areas with risk of liquefaction or tsunami damage into blocs to prevent damage from affecting a wide area.

### Collaboration with Other Companies in Reducing Water Consumption

We work together with other companies and our customers to reduce water consumption. For example, we make effective use of heated cooling water exiting from the power generation systems at some customer plants where we have installed LNG satellite terminals. This water is used as a heat source for the vaporizer that regasifies the LNG stored on site for supplying natural gas to the customer. As this process restores the water to its normal temperature, the water can then be reused to cool the power generation systems. The recirculation of water means that no tap water or industrial water needs to be used for regasification. By collaborating with customers in this way, we are able to reduce water consumption. In addition, the water treatment consultation services we provide to customers and other clients offer energy-saving solutions that include ways to lower water consumption. We are also achieving tremendous reductions in water consumption and effluent output through actions such as improving the water reclamation rate of water purification systems with reverse osmosis membranes, and decreasing the amount of supplemental water used in cooling towers.

### Compliance with Water-related Regulatory Standards

As in previous years, the Tokyo Gas Group had no violations of water-related regulatory standards in FY2023. Furthermore, the Group was not subjected to any water resource-related fines or penalties.

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## Securing stable energy supply

### Basic Policy

As a company that has played a key role in supplying Japan with energy in the Tokyo metropolitan area and other regions, we continue striving to maintain access to affordable and reliable energy with a firm commitment to the principle of S+3E: safety, energy security, economic efficiency, and environment.

### Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Securing stable energy supply	<ul style="list-style-type: none"> <li>■ Major city gas accidents or supply disruptions (Zero incidents)</li> <li>■ Address procurement risks</li> </ul>	<ul style="list-style-type: none"> <li>• Major city gas accidents or supply disruptions: 3 incidents</li> <li>• Continuously implemented diversification of LNG procurement sources and schemes, strengthened trading and management capabilities, and reinforced power sources such as renewable energy</li> </ul>

### Actions

#### Stable Procurement of LNG

We endeavor to minimize procurement risks by diversifying our sources. Also, we have worked to increase the flexibility of procurement by diversifying the contract terms and conditions, such as by linking contracts to not only oil price indices, but also US natural gas prices, and by freeing contracts from destination restrictions. Moreover, we are pursuing strategic partnerships for building up an LNG network that links the Asian, North American, and European markets, with the aim of streamlining LNG transport, lowering costs, and enhancing contract flexibility. These efforts enable us to flexibly and stably procure LNG at affordable prices.

#### Stable Production of City Gas

We have realized stable production of city gas by adopting highly reliable facilities and incorporating dual redundancy in the key systems at our four LNG terminals: the three Tokyo Bay area terminals (Negishi, Sodegaura, and Ohgishima) and the Hitachi LNG Terminal. With this network, the four terminals back each other up, thus enabling us to continue stably supplying city gas even if one of the terminals experiences a power outage or other disruption.

Also, to maintain the high quality of the city gas we supply to our customers, our daily operations include carrying out the legally required periodic measurements of the calorific value, combustibility, and other characteristics of the gas, continuous monitoring to further improve quality, and maintenance and management of equipment through periodic repairs, daily inspections, and other actions.

#### Stable Supply of City Gas Tokyo Gas Network Co., Ltd.

##### ▶ Pipeline Network Development

We are continuing to develop our gas pipeline network to further enhance our ability to stably supply gas, including by networking our LNG terminals with high-pressure pipelines and by constructing medium- and low-pressure pipelines in the high demand northern Kanto Region. Going forward towards 2030, we will work to strengthen the resilience of the natural gas infrastructure in the Tokyo metropolitan area through stronger cooperation with local governments and other infrastructure companies.

##### ▶ Remote Monitoring of City Gas Production/Supply Facilities

The Supply Command Center monitors and controls our city gas production and supply facilities in the Tokyo metropolitan area 24 hours a day, 365 days a year using a highly reliable dedicated wireless transmission network.

#### Ensuring the Stability of Power Sources

We are establishing an optimal power source portfolio that combines our own power sources with power purchased from other companies. We are able to realize the stable supply of power thanks largely to the following policies in our construction of natural gas-fired power plants: (1) locating the plants close to demand areas, (2) using high-efficiency power generators to reduce the load on the environment, and (3) locating power plants near our LNG terminals to achieve efficient and stable management maximizing synergies. Leveraging our many years of experience in power plant management, we monitor our Group's power plant operations and carry out daily and periodic inspections at them to continue stably supplying electricity.

## 03

### Securing stable energy supply

Safety and Disaster Preparedness

Establishment of Relationships with Communities

Human Rights

Human Resource Management and Development

Diversity, Equity & Inclusion (DEI)

Labor Practices

Occupational Health and Safety

# Safety and Disaster Preparedness

## Basic Policy

Securing customer safety is our fundamental mission as an energy company. To ensure that customers can count on having safe access to gas 24 hours a day, 365 days a year, we firmly implement earthquake disaster countermeasures under the three pillars of prevention, emergency, and recovery, and if a disaster occurs, we work to minimize the impact on customers. We have also developed a full system for minimizing the impact of storm and flood damage on customers.

## Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Enhancing safety & disaster prevention, resilient regional development	<ul style="list-style-type: none"> <li>■ Rate of participation in Supply Command Center's emergency response training (maintain 100%)</li> <li>■ Continue subdivision of disaster prevention blocks to contribute to minimizing supply outage areas in the event of a large-scale earthquake</li> <li>■ Promote the introduction of resilient energy systems</li> </ul>	<ul style="list-style-type: none"> <li>• Rate of participation in emergency response training: 100%</li> <li>• Subdivided disaster prevention blocks from 324 to 327</li> <li>• Promoted the installation of energy systems to regional disaster base facilities</li> </ul>

## Actions

### Earthquake Disaster Countermeasures Tokyo Gas Network Co., Ltd.

#### ▶ Prevention Measures

In order to ensure strong earthquake resistance of our gas production and supply systems, we reinforce LNG tanks, gas holders, gas pipelines, and other facilities themselves, and implement multiple layers of safety measures. Our main facilities are designed to withstand earthquakes as powerful as the 7.3-magnitude Great Hanshin-Awaji Earthquake in 1995 and the 9.0-magnitude Great East Japan Earthquake in 2011.

#### ▶ Emergency Measures

We promptly shut off gas supply during major earthquakes in order to prevent secondary disasters. Our gas meters for homes are equipped with safety devices that automatically shut off the gas supply to each home or building when they detect earthquakes measuring 5 or greater on the Japanese seismic scale. Also, all the approximately 4,000 district pressure regulators in our supply area are equipped with seismometers so that gas supply can be locally shut off in each district affected when a major earthquake is detected. Moreover, customer inconvenience is minimized by the division of the gas pipeline network into small blocks so that supply to unaffected areas can continue uninterrupted.

#### ▶ Recovery Measures

Tokyo Gas strives to restore gas supply as soon as possible by making full use of IT systems and cooperating with other gas utilities nationwide. Immediately after an earthquake occurs, our earthquake disaster prevention system SUPREME collects data from all district pressure regulators and rapidly determines the optimal recovery method. Furthermore, since FY 2014, we have been using a system for remotely operating district pressure regulators toward realizing same-day gas supply restoration in areas with no earthquake damage. In addition, we are able to provide emergency supply of gas to hospitals and other critical facilities that require rapid restoration of supply, using mobile gas equipment to provide gas as a relief measure until normal supply is recovered.

### Storm and Flood Damage Countermeasures Tokyo Gas Network Co., Ltd.

Our gas supply facilities have an airtight design that impedes water intrusion, and our district pressure regulators do not require electrical power to operate. Because of this, gas supply is, in principle, maintained even in the event of floods or power outages. Whenever a major typhoon or other large storm is forecast to approach our supply area, we set up a response formation in advance. If an emergency occurs or is expected to occur, we swiftly respond as needed, including by escalating the response level.

### Preparing for Major Disasters Tokyo Gas Network Co., Ltd.

We have formulated business continuity plans for emergencies. We regularly review all of our more than 600 operational procedures to prioritize our disaster response actions, so that we can efficiently shut off gas supply to prevent secondary disasters while continuing to safely supply less affected areas. When the gas supply to an area is interrupted, we promptly suspend nonessential operations to reallocate their personnel to recovery operations, and take other company-wide actions to restore service as quickly as possible. We also take action to further develop diverse disaster responses systems. For example, we run an emergency dispatch system 24 hours a day, 365 days a year in order to prevent accidents stemming from gas leaks and similar contingencies, conduct an annual comprehensive disaster prevention training exercise designed to enhance disaster response capabilities, and maintain stores of equipment and materials needed for recovery measures.

### Disaster-resilient Urban Design

As part of its ESG-driven approach to real estate development, Tokyo Gas Real Estate Co., Ltd. engages in urban development aimed at strengthening disaster resilience. As flood damage countermeasures in areas identified by hazard maps as having a high risk of flooding, the company designs new buildings to be flood-resistant by installing safety features such as flood barriers and backflow prevention valves during construction. Large office buildings are equipped with emergency power generation facilities that immediately go into operation and maintain the power supply when the regular power service is disrupted by extraneous contingencies such as fires, earthquakes, typhoons, or power plant accidents. In addition, seismic damping/control features are built into skyscrapers to minimize damage from swaying caused by major earthquakes, so that occupants can enjoy a safe and reassuring environment. The company has also established a system at Shinjuku Park Tower and msh Tamachi Station Tower N to provide refuge to commuters who are unable to safely return home following a major disaster, in coordination with local authorities.

# 03

Securing stable energy supply

## Safety and Disaster Preparedness

Establishment of Relationships with Communities

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Human Resource Management and Development

Diversity, Equity & Inclusion (DEI)

Labor Practices

Occupational Health and Safety

## Establishment of Relationships with Communities

### Basic Policy

As a locally rooted energy company, the Tokyo Gas Group has grown in tandem with the community. We will leverage the trust we have gained as a public utility provider and our strong local presence, to provide sustainable solutions for resilient and attractive community development. In order to offer appropriate solutions to the interests and needs of the local community, we will promote value co-creation through communication with stakeholders such as municipalities, local residents, and local businesses. Moving forward, we will continue to work on addressing local issues, including carbon neutrality.

### Social Contribution Guidelines

In order to carry out social contribution activities, we have established the Social Contribution Guidelines based on the Group's Management Philosophy and business domains. The three priority areas in these guidelines are aligned with goals outlined in our business strategy, particularly "Disaster-resilient lifestyles and urban design", "Net-zero CO<sub>2</sub>" and "Resolving problems in daily life and businesses".

#### Social Contribution Guidelines

##### Basic Policy

At the Tokyo Gas Group, we aim at the realization of a sustainable society where diverse people can live comfortable and fulfilling lives. To those ends, we work together with local communities to resolve social issues and pursue activities that can only be implemented by the Tokyo Gas Group as a company that people continue to trust and choose.

##### Three Priority Areas

- 1 Building lifestyles and communities that are safe and secure
- 2 Building lifestyles and a society that are environmentally friendly
- 3 Building an enriched culture of everyday life

### System for the Establishment of Relationships with Communities

In order to develop and grow together with local communities and promptly respond to the decarbonization needs of local governments, we have established the Regional Co-creation Company in October 2023. Through effective communication with local governments, local residents and businesses, leveraging our strong local engagement, we will provide one-stop solutions to contribute to the resolution of regional issues such as decarbonization.

### Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Contributing to well-being of people and communities	<ul style="list-style-type: none"> <li>■ Promote regional and municipal collaboration on carbon-neutral cities</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnership agreements concluded with local authorities: 31 (Total no. concluded to date: 54)<sup>*1</sup></li> <li>• "SustainNudge Education" (reducing household CO<sub>2</sub> emissions through school education): Started fee-charging education aimed at local governments. Students at four schools in Hadano City and three schools in Akishima City attended lessons (this had the effect of reducing CO<sub>2</sub> emissions by a total of 119.3 tons)<sup>*1</sup></li> </ul>

\*1 Includes joint proposals with gas companies to which we conduct wholesale sales.

### Actions

#### Initiatives towards the Decarbonization of Communities

Aiming to become a partner in promoting local government policies, we have been promoting the signing of comprehensive partnership agreements since 2021. As of the end of March 2024, we have signed the Comprehensive Partnership Agreement for Carbon Neutral City Development with 54 local governments. After signing the agreement, we promote concrete initiatives through collaboration with local governments, moving from identifying specific regional issues to considering and implementing countermeasures. By offering solutions that give consideration not only to environmental consciousness but also to resilience improvement and regional revitalization, we are aiming to start regional and community projects in over 10 areas by 2025.

#### School Education Support Activities

We teach children about the importance of energy and the environment, cultivate their zest for life, which is the goal of school education, and support their personal growth.

##### ▶ Workshops for Teachers

For teachers, we hold workshops that incorporate facility tours and group work to provide them with information about the relations between city gas and other energy sources and environmental issues that they can use in their own lesson plans. We held 12 workshops in FY2023 with 360 teachers participating.

##### ▶ Classes in Schools

Our employees have been visiting schools to teach classes since 2002. Classes are offered on topics such as "The Journey of Gas to Your Home", "Keep Gas Safe & Secure: Disaster Preparedness", "Fuel Cells", "Eco-Cooking" and the SDGs. The videos of these classes are posted on our website. In FY2023, 549 such classes were held for 14,366 pupils.

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## Establishment of Relationships with Communities

### Contributing to Local Economies and Employment

We strive to contribute to the local economies of our overseas operating sites and offices by proactively hiring local talent. We currently employ more than 200 personnel recruited locally, and expect this number to grow in the coming years. We also contribute to local communities by providing them with a stable supply of energy.

### Identifying the Interests of Local Communities

We receive feedback from community members via phone and the Internet. In addition, our local branches and offices listen to and communicate with a broad spectrum of local stakeholders, including local governments and residents. Before undertaking major projects such as gasworks construction and power plant construction, we hold briefings and dialogues with local governments and residents.

### Support for Community Service and Volunteer Activities by Employees

#### ▶ Environmental Conservation

We engage in biodiversity conservation and carry out diverse initiatives with stakeholders through forest preservation activities that started in 2005 at the Tokyo Gas Forest and environmental/social contributions under the Mori Sato Umi Tsunagu (Connecting Forests, Villages and Ocean) Project that started in 2017.

#### ▶ Collecting Spoiled Postcards and Used Stamps

The Tokyo Gas Group began collecting spoiled postcards from FY2003 and used stamps and cards from FY2007. The spoiled postcards, which are redeemed for money, are donated to the Darunee Scholarship Fund administered by EDF-Japan, which supports the education of disadvantaged children in Vietnam, Thailand, Myanmar, Laos, and Cambodia through international one-on-one educational sponsoring. The used stamps and cards are donated to the Minato Council of Social Welfare for redemption into money that is used to promote welfare and volunteer activities in local communities.

#### ▶ Community Service Leave Program

As a mechanism to facilitate employee volunteerism, Tokyo Gas has a program that enables personnel to take short-term or long-term leave for community service.

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# Human Rights

## Basic Policy

The Tokyo Gas Group recognizes respect for human rights as a prerequisite for all its business activities. This is why we endorse “respecting human rights across the entire value chain” as one of our material issues. We implement Groupwide initiatives on respect for human rights and continuously work to promote respect for the human rights of the diverse stakeholders involved in all processes of our business activities.

### Accession to the UN global compact

We declared our support for the UN Global Compact in March 2016 to demonstrate our commitment to protecting human rights and respecting the rights of workers.

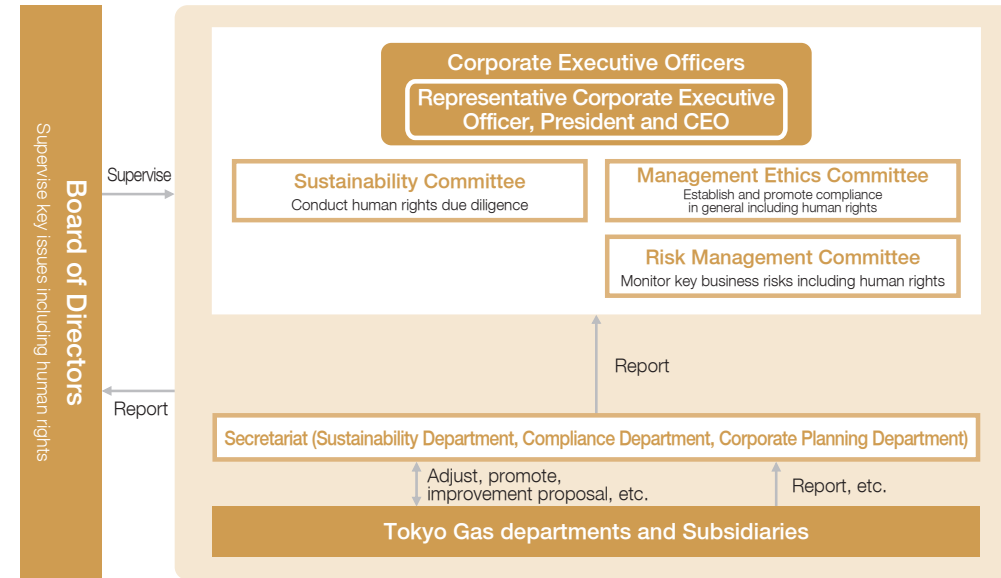
### The Tokyo Gas Group Human Rights Policy

We established the Tokyo Gas Group Human Rights Policy, which applies to all executives and employees in the group, in 2018 (revised in 2022) to promote initiatives for the respect of human rights throughout the group and to fulfill our public mission and social responsibilities. In this basic policy, we lay out our commitment to promoting and respecting human rights: upholding and respecting international norms including the UN International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy; practicing the UN Guiding Principles on Business and Human Rights; and providing remedy and rectification in cases where it becomes clear that the Tokyo Gas Group has caused or contributed to adverse impacts on human rights (human rights due diligence). This basic policy has been established with the approval of the Board of Directors.

 [Tokyo Gas Group Human Rights Policy](#)

## Promotion System

The promotion of human rights initiatives is carried out through collaboration among the Sustainability Department, Compliance Department, and Corporate Planning Department. Various committees work together to promote the respect for human rights. For example, the Sustainability Committee, chaired by the President, reports on the implementation status of human rights due diligence and future measures, the Management Ethics Committee ensures the establishment and promotion of compliance in general, the Risk Management Committee, chaired by the executive responsible for the Corporate Planning Department, monitors the risk management situation of the Group. Further, important matters are reported to the Board of Directors.



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## Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Respecting human rights across the entire value chain	<ul style="list-style-type: none"> <li>■ Promote human rights throughout the entire supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Conducted human rights due diligence</li> <li>• Announced purchasing guidelines to key business partners (approx. 1,500 companies), and conducted business partner surveys (approx. 400 companies)</li> <li>• Conducted employee education concerning human rights across the entire supply chain</li> </ul>

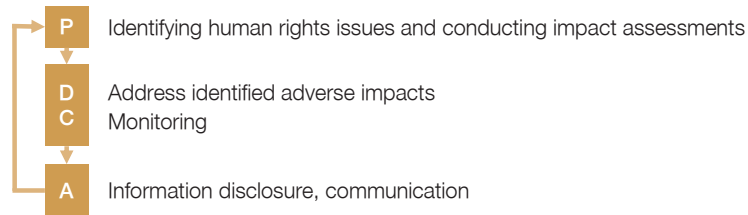
# Human Rights

## Actions

### Initiatives on Human Rights Due Diligence

In accordance with the UN Guiding Principles on Business and Human Rights and the Tokyo Gas Group Human Rights Policy, we believe that it is important to establish a human rights due diligence mechanism, identify issues, assess impacts and implement appropriate measures, not only within the Group but also for our business partners and other stakeholders affected by our business activities. Further, by establishing a consultation desk as a remedy mechanism and providing appropriate consultation, we are taking action towards the realization of a sustainable business that respects human rights.

### Human rights due diligence mechanism



### ▶ Identifying human rights issues and conducting impact assessments

Based on the unique circumstances of the Group, we conduct a risk assessment considering potential human rights violations and their severity from the perspectives of the related stakeholders, those being executives, employees, suppliers, customers, and the local community. Through this process, we identify important human rights issues that the Group should address. We strive to enhance effectiveness by considering the importance and priority through discussions within the Group based on external trends, internal investigations, as well as dialogues with experts. This includes identifying potential risks through compliance awareness surveys targeting our group employees, understanding and analyzing the content of consultations received by our compliance consultation desk, and ensuring effective measures are taken.

For FY2023, we have identified “forced labor and child labor related to the renewable energies business in Japan and overseas” and “forced labor of overseas workers in gasworks construction, etc. in Japan” as highly urgent and likelihood human rights risks.

In FY2024, we added further potential human rights risks to our list, including “violations of human rights of indigenous people and local residents in natural gas procurement, renewable energy business, and credits generation business” and “human rights violations through the use of AI,” among other risks. We will assess the actual situation and develop appropriate measures in relation to these businesses activities.

Human rights issues		Business domain	Human rights risks involved in the Group's business
1	Long working hours, wages		
2	Occupational Health and Safety	General	<ul style="list-style-type: none"> <li>Occupational accidents to foreign, temporary and parttime employees</li> </ul>
3	Child labor	Gasworks construction, Renewables, Credits	<ul style="list-style-type: none"> <li>Forced labor and child labor in businesses associated with the procurement of raw materials for renewable energy and credits generation</li> <li>Forced labor of foreign resident workers (including foreign technical interns)</li> </ul>
4	Forced labor		
5	Discrimination and Harassment	General	<ul style="list-style-type: none"> <li>Discrimination and harassment against workers</li> </ul>
6	Infringement of the freedom of association and the right for collective bargaining		
7	Environmental pollution and biodiversity degradation	Natural gas procurement, Renewables, Credits	<ul style="list-style-type: none"> <li>Environmental pollution, seizure of lands, and complicity in oppressing residents in communities where the renewable energy and credits generation businesses are conducted</li> </ul>
8	Seizure of lands		
9	Complicity in oppressing local communities		
10	Infringement of rights through use of technology	General	<ul style="list-style-type: none"> <li>Human rights risks involved in use of generative AI</li> </ul>
11	Corruption and violations of laws concerning human rights		
12	Contribution to war effort, provision of services in war		

### ▶ Address identified adverse impacts

In FY2023, we focused on understanding the actual situation and addressing two identified human rights issues to prevent and mitigate risks.

For the issue of “forced labor and child labor related to the renewable energies business in Japan and overseas,” we recognized the risks in the supply chains of fuel and solar panel manufacturing as human rights risks. As a response, we have confirmed that we obtain third-party certifications which include human rights criteria, for the procurement of biomass fuel materials. Additionally, we have ensured that our suppliers of solar panels confirm the absence of human rights issues during the manufacturing stage.

With regard to the “forced labor of overseas workers in gasworks construction, etc. in Japan,” we conducted surveys on the actual employment conditions of foreign workers with our gasworks construction suppliers and confirmed that there are no significant problems. We have also developed guidelines for foreign technical trainees and actively promote the monitoring of their situation to ensure respect for human rights.

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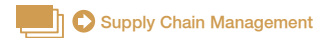
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### ► Monitoring (Initiatives related to respecting human rights with our business partners)

In FY2023, we disseminated the Purchasing Guidelines for Suppliers to approximately 1,500 main business partners, to enhance cooperation through our supply chain. In addition, we conducted supplier surveys to approximately 400 companies and confirmed that there are no issues with human rights or the employment environment.

In FY2024, we will conduct explanatory sessions to disseminate the Guidelines for Sustainable Procurement, which were revised in March 2024 to have their sustainability elements reinforced. We will also expand the scope of supplier surveys to include all major trading partners, aiming to enhance our understanding and analysis of procurement practices and provide feedback on the results. Additionally, we will emphasize two-way communication to strengthen our relationship with suppliers.



### ► Education and Awareness-raising

The Tokyo Gas Group conducts training sessions for Group employees. This is aimed at helping them to individually reflect the principles of the Tokyo Gas Group Human Rights Policy and Tokyo Gas Group: Our Code of Conduct in concrete actions. Through activities such as level-specific compliance training, workplace study groups, compliance lectures, and DEI (diversity, equity and inclusion) seminars, we encourage employees to understand the latest trends in human rights surrounding businesses, respect for human rights in the supply chain, and various human rights issues, including assimilation (dowa) issues\*, LGBTQ, harassment, and communications in the workplace, and we work to sharpen their personal sensitivity to human rights.

\* Owing to forms of discrimination rooted in social structures that developed in Japanese society in the past, some segments of the population have been forced to endure a lower economic, social, and cultural status and remain subject to various types of discrimination in their daily lives.

### ► Remediation via Grievance Mechanism

Efforts are underway to equip our Customer Center and online consultation desk, which serves as an interface for external stakeholders, with processes for handling consultations and inquiries on human rights issues. Also, consultation desks that deal with compliance, including human rights-related ones, have been established at each Group company and outside the Group at a law office and a comprehensive consultation service provider.

Further, starting in 2024, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) and newly set up a supply chain help desk using the Engagement and Remedy Platform operated by JaCER. This platform creates a fair engagement and remedy process while protecting the anonymity of the whistleblower and ensuring the confidentiality of what they report. It provides expert support for its member companies to handle human rights troubles.

In cases where it is determined that our business activities have caused or facilitated human rights violations, we will take appropriate measures to rectify and provide remedies. In handling these matters, we prioritize the protection of the reporters and take care to ensure that they do not suffer any disadvantages. We support the creation of a working environment where the reporters can feel safe and secure.



### Tokyo Gas Group internal human rights awareness initiatives

The Tokyo Gas Group has established a Central Human Rights Promotion Committee, which is chaired by the executive responsible for compliance and consists of related business department heads and major business subsidiaries' personnel affairs officers, among others. The committee confirms the Group's overall understanding of human rights issues, the outcomes of training, and action plans for raising awareness. We have also established at each division a District Human Rights Promotion Meeting chaired by the division's head or the major business subsidiary's personnel affairs officer. The secretariat for each of these organizations leads the local human rights training and related activities. Group-wide initiatives for promoting human rights awareness are overseen by the Compliance Department, whose responsibilities include supporting activities such as in-house education and consultation desk operation.

#### Human Rights Awareness Promotion System



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# Human Resource Management and Development

## Basic Policy

### Basic Policy on Personnel Affairs

Tokyo Gas develops its personnel affairs measures with the understanding that people are the source of corporate vitality and that the company cannot grow without the personal growth of our employees. We strengthen human resources through hiring and training and prepare a work environment where employees with different values can fully manifest their abilities to create and provide diverse value for customers and boost competitiveness. Tokyo Gas uses a completely performance-based compensation system. We aim to boost employee motivation and satisfaction through compensation that rewards results, and to become an organization that is lively and dynamic.

### Basic Policy on Human Resources Development

At Tokyo Gas, we value each employee's personal vision and growth, and the company strives to support their development accordingly. We believe that people grow through their work, and that personal skills evolve best not through training regimens imposed by the company but through opportunities where growth is driven by the employee's own motivation to advance. We take a tripartite approach to skills development: on-the-job training serves as the core method. This is complemented with off-the-job training to develop the investigative mindset that the employees have acquired and to respond to their willingness to grow further. Finally, there is the employee's own self-improvement efforts. In this way, we strive to equip our employees with the specialized skills needed in their field, and with general skills such as management and basic business competencies. Our aim is to cultivate human resources who can boldly take on challenges and get the job done even when faced with unfamiliar hurdles and various difficulties, and who can produce results by embracing diversity and collaborating with their colleagues.

## Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets)	Main results for FY2023
Realizing an organization that embraces diverse talent	<ul style="list-style-type: none"> <li>■ Reskilling/retraining participation rate (100%)<sup>*1</sup></li> <li>■ Improve Group employee engagement indicators<sup>*1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Reskilling/retraining participation rate: 45%<sup>*1</sup></li> <li>• Positive response rate for motivation to contribute: 89.8%<sup>*1</sup></li> </ul>

<sup>\*1</sup> Targets and Outcomes for Tokyo Gas.

## Actions

### Evaluation System

We have adopted a system that ensures each employee understands the company and division goals, as well as their own roles and responsibilities, and that sets individual performance goals and evaluates goal achievement and contribution to the organization to determine appropriate compensation. Further, since April 2024, we have introduced a Tokyo Gas OKR for employees at the management level. We have made efforts to enhance incentives for executives who lead the organization to set more ambitious and stretching goals that contribute to greater achievements and growth. In addition to this, we have reformed the evaluation items for the "360 degree evaluations" (behavioral assessments from superiors, colleagues, and subordinates) and devised a mechanism to determine if the employee in question is fulfilling that which is expected from their role and responsibility as described in the Group's Management Philosophy. This is how we make multifaceted evaluations of our employees.

### Human Resources Training

In order to support the growth, challenges, and self-directed career development of professional talents, we conduct various training programs for talent development, including job rotations, 1-on-1 meetings with supervisors, development of young talents, management training, and career development support, which are implemented company-wide. In recent years, we have particularly focused on encouraging employees to continue learning on their own. We have enhanced training and self-development support programs that employees can voluntarily apply for. We have also expanded the vacation system that can be used for self-development and increased the company's financial support for such activities.

### Examples of FY2023 Training Programs

Training	Objectives & Content
Practical Learning	Training program aimed at strengthening skills that are particularly crucial for the company's growth and fostering leadership, with the goal of applying and transforming behaviors in the workplace
My Selection	System in which the company provides financial assistance for external training and distance learning with the aim of enabling employees to learn various skills that they individually require
Online Learning	Program where employees utilize online learning videos to acquire various skills that they individually require
Study Abroad System	Program for study abroad at graduate schools or other institutions to enable employees to broaden their views, gain business knowledge, and develop networks of contacts
Career Design	Program for enabling employees to actively plan their career development, based on an accurate understanding of their selves
Level-specific Programs	Program to acquire the required skills and mindset for each hierarchical level, such as Three-year Common Training Program for Young Employees, Staff Support Skills Improvement Program, and Program for Recent Promotions
Common Business Skills Training	Training in key skill areas essential for business development going forward, such as accounting, DX, etc.

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# Human Resource Management and Development

## Development of Human Resources at Group Companies

The Tokyo Gas Group conducts training for subsidiaries to reinforce the development of human resources and advance networking at Group companies.

### FY2023 Training Programs for Tokyo Gas Group Companies

Training	Objectives & Content
Training for Newly Appointed Directors	Training for newly appointed directors to help them acquire the required knowledge to understand the importance of corporate governance for the Tokyo Gas Group
Reform Implementation Leader Training	Training for managers so they can learn the leadership skills for driving the organization forward, with the aim of facilitating the self-development of their management abilities and business perspective through examination of their own challenges
Training for Newly Appointed Managers	Training for enabling managers to acquire performance assessment and staff training skills and learn about diversity management, so as to gain fundamental management knowledge and recognize their roles as managers

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## Diversity, Equity & Inclusion (DEI)

### Basic Policy

The Tokyo Gas Group promotes workplace DEI to be a corporate group where all employees respect one another's visible and invisible differences, improve themselves through friendly rivalry, and continue to create value with customers, society, and business partners. To achieve this, we focus on i) supporting diverse work styles and improving productivity and ii) encouraging the active involvement of female employees.

#### ▶ Supporting Diverse Work Styles and Improving Productivity

We aim to be an organization where employees show mutual respect for diverse work styles while enhancing productivity.

#### ▶ Encouraging Active Involvement of Female Employees

Our promotion of DEI begins with promoting the professional careers of women. Going forward, we will continue to actively promote the advancement of women.

### DEI Promotion System

In addition to discussions on DEI at the Board of Directors and the Management Committee, the Compensation Committee and the Management Committee are monitoring and supervising targets, outcomes and initiatives related to diversity and advancing the active involvement of female employees. In addition to appointing CHRO and DEI promotion officers and given them responsibility for human resources strategy, a task force that is specifically tasked with integrating DEI promotion system into the company's management is organized in the Personnel Department.

### Targets and Outcomes

Material Issue	Main targets and indicators (FY2025 numerical targets) <sup>*1</sup>	Main results for FY2023 <sup>*1</sup>
Realizing an organization that embraces diverse talent	<ul style="list-style-type: none"> <li>■ Ratio of women in management (11%)</li> <li>■ Men's childcare leave taking rate (100%) and of taking leave for at least one month within total (100%)</li> </ul>	<ul style="list-style-type: none"> <li>• Ratio of women in management: 11.3%<sup>*2</sup></li> <li>• Men's childcare leave taking rate: 74.1%, Percentage of taking leave for at least one month within total: 86.5%</li> </ul>

\*1 Targets and Outcomes for Tokyo Gas.

\*2 Results are as of Apr. 1, 2024.

### Actions

#### Promotion of active involvement of women

A pivotal element of our efforts to leverage diverse talent is further advancing the roles of female employees through the ongoing implementation of the women's empowerment action plan we formulated in FY2021.

We carry out various Group-wide initiatives to cultivate the employee awareness and organizational culture essential to women's empowerment, including holding career development seminars for female employees and their supervisors. Group companies also run their own sets of programs for helping personnel to balance work and family responsibilities. This support includes childcare leave, shorter work hours for parents of small children, leave for employees who need to accompany their spouse on an overseas assignment, and programs for returning workers who resigned in order to tend to a life event. We empower women through other forms of support as well, including a mentoring program, actions on health issues specific to women, and provision of uniforms and equipment designed to better accommodate women (such as lightweight designs).

#### Support for Balancing Work with Childcare and Nursing Care

We provide systems for childcare leave, shorter work hours for parents of small children, and nursing care leave that exceed statutory requirements to give greater flexibility. We also offer systems that allow employees to take leaves of absence for fertility treatment, to attend events at their children's and grandchildren's schools, and to provide nursing care for family members. These systems are widely used by employees. We have introduced other arrangements to further increase the options for employee work styles, including leaves to allow employees to accompany spouses working overseas and various systems offering shorter work hours for employees receiving medical treatment.

#### Support for Childcare by Male Employees

We believe that the active participation of male employees in childcare is incredibly important in realizing a flexible corporate culture resilient to change, having employees that work with vitality and improving results in work. Heretofore, Tokyo Gas has promoted the taking of childcare leave by holding seminars for male employees in the childcare period and for their supervisors and, from FY2023, newly establishing a system that provides financial assistance to employees taking childcare leave. We provide male employees with a five-day special leave after their spouse gives birth. In FY2023, 100% of the eligible employees made use of this leave, and the ratio of men taking childcare leave rose from 16% in FY2021 to 74%.

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## Diversity, Equity & Inclusion (DEI)

### Supporting Career Development for Employees in their 50s

Since 2016, Tokyo Gas has run the Grand Career Support System to provide detailed support for developing the careers of employees who are in their 50s. This initiative seeks to raise their motivation and performance by clarifying the work they can contribute to through training, one-on-one meetings with supervisors, and interviews with career consultants in the Personnel Department.

### Employment of Persons with Disabilities

At Tokyo Gas, persons with disabilities are actively engaged at each workplace. Working through our Liaison Committee to Promote Employment of Disabled People, we strive to foster understanding for creating more opportunities for persons with disabilities so they can succeed professionally, and continue to develop safer, more accessible working environments. We opened a farm in 2018 to provide a safe and vibrant workplace for persons with intellectual and mental disabilities. Additionally, we hold training and seminars, and disseminate information during the national Disabled Person's Week (December 3 to 9) so that employees can garner a deeper understanding of the disabled colleagues they work with.

### Initiatives Addressing LGBTQ Discrimination

Tokyo Gas Group explicitly prohibits discrimination and harassment on the grounds of sexual orientation or gender identity. Our commitment to creating a sound working environment includes operating consultation desks for issues related to compliance and communications in the workplace. Further, partners of employees in a same-sex marriage can enjoy the same level of corporate welfare support given to spouses. We also organize human rights training and talks by outside lecturers on LGBTQ themes.

### Recruiting Diverse Talent

When recruiting new talent, Tokyo Gas assesses each candidate mainly on the basis of their character and capabilities, without regard for gender, nationality, or other such distinctions. In the hiring of recent graduates, we seek out people with diverse values and experiences through our traditional hiring practices but also target data scientists and digital engineers who can help advance our digital transformation. We also actively recruit professionals who can function as the expert talent needed to successfully run the many different business operations envisaged by Management Vision Compass 2030.

We use our recruitment website and events to communicate information on our corporate programs supporting the utilization of diverse talent and flexible work styles. The aim of this is to give candidates with diverse values the confidence to apply for job opportunities at our organization.

### Education and Awareness-raising

We hold various seminars and other activities to further enhance the diversity awareness and behavior of Group employees. In FY2023, we held a Childcare Leave Preparation Seminar for Males and a Femtech Experience Seminar. Additionally, we have established a challenge and diversity portal site and we are disseminating information related to DEI in an easy-to-understand manner through videos and other means.

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# Labor Practices

## Basic Policy

We have prescribed in Tokyo Gas Group: Our Code of Conduct that we will respect human rights, prohibit child labor and forced labor, and not discriminate or harass anyone on the basis of race, nation, religion, gender, age, origin, nationality, disability, education, social status, sexual orientation, gender identity, or other such grounds. In addition, our executives and managers pledge to lead from the front and constantly conduct business in compliance with laws, internal rules and regulations, and socially accepted rules. We have also developed our labor standards in line with the Code, comply with labor-related laws and regulations, respect the rights of employees, and carry out various initiatives for this purpose. Our commitment to protecting workers' rights includes complying with minimum wage requirements, taking into account living wage considerations, and in relation to equal pay for equal work, we have established a pay structure based on role qualifications that makes no distinction between genders. In addition to complying with laws concerning working hours, we proactively make efforts to reduce excessive working hours and to lead a shift to work styles more attentive to the value of time, positioning these endeavors as key challenges requiring the involvement of management.

### Accession to the UN global compact

The Tokyo Gas Group declared its support for the UN Global Compact in March 2016 to demonstrate its full commitment to protecting human rights, respecting the rights of workers, preserving the global environment, and working against corruption. We support these fundamental principles on labor: freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, and the elimination of discrimination in respect of employment and occupation.

## Actions

### Remediating/reducing Excessive Working Hours

In addition to complying with laws concerning working hours, we implement a wide range of initiatives to remediate/reduce excessive working hours and to strengthen our competitiveness through the development of work environments supportive of diverse work styles and through improvement of employee productivity. Our aim here is to enable each and every employee to work vibrantly and enjoy greater job satisfaction and personal growth. For example, Tokyo Gas has introduced various systems, such as a flex-time system, hour-based annual paid leave, and teleworking, to provide employees with wider work style options and enhance their productivity. We also monitor the working hours of employees on a daily basis, and if an employee is found to have accumulated a certain hours of overtime, we review the situation and make recommendations on possible adjustments to prevent excessive working hours.

### Building Positive Labor-Management Relations

Our labor agreements affirm, and prescribe respect for the basic rights of unionized labor, namely, the rights to organize, bargain collectively, and act collectively. Our labor union operates under a union shop system. All employees except for those in management are members of the Tokyo Gas Labor Union based on a union shop agreement<sup>\*1</sup> and therefore the labor union participation rate of subject employees is 100%. The company and the union build up sound and amicable labor-management relations based on mutual understanding and trust, and engage in frank exchanges of opinions regarding management issues and working conditions such as workplace safety and wages through regular labor-management discussions. The company and the union also form and abide by minimum wage agreements designed to support a living wage. At our overseas sites, we observe the local laws and regulations, and respect workers' rights.

\*1 Union shop agreement: A labor agreement under which workers employed by the company must join a certain labor union within a certain period of time.

### Addressing Labor Issues in the Supply Chain

In order to protect the rights of workers in the supply chain, we have requested our business partners to adhere to our Sustainable Procurement Guidelines. Specifically, this includes ensuring adequate payment of wages, managing working hours, granting holidays, prohibiting all forms of discrimination, forced labor and child labor in the workplace, and respecting workers' rights including freedom of association and collective bargaining.

### Education and Awareness-raising

In order to encourage each Group employee to put into practice labor standards stated in our code of conduct, we provide them with copies of Tokyo Gas Group: Our Code of Conduct, and regularly carry out educational and awareness-raising activities. We have also prepared an English version of Tokyo Gas Group: Our Code of Conduct and distribute copies at our overseas sites.

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# Occupational Health and Safety

## Basic Policy

### Basic Principles

Occupational health and safety, which protects workers' lives and wellbeing, is the foundation of a company's existence and a fundamental corporate social responsibility. The Tokyo Gas Group believes that the "safety, security, and reliability" that we advocate for our customers as our corporate brand can only be accepted when we consistently secure our own occupational health and safety, and we view this as the most important corporate management issue.

The Tokyo Gas Group places the highest priority on ensuring health and safety. We enforce compliance, including adherence to all related laws and regulations, and make every effort to eliminate the risk of occupational accidents and to ensure a high level of health and safety toward becoming a company that excels in health and safety.

### Basic Policy

To put its Basic Principles into practice, the Tokyo Gas Group takes concerted action to promote health and safety in line with policies presented by workplace leaders in each organization based on the Tokyo Gas Group's Group-wide Policy. This policy, which is revised every year, applies to all members of our Group, including subsidiaries and contract employees.

### FY2024 Tokyo Gas Group's Policy on Health and Safety Activities

All employees, from top management down, will actively promote health and safety activities to safeguard the health and safety of each individual.

#### 1 Compliance

Remaining mindful of our public mission and social responsibilities, we will rigorously comply with laws and regulations, including the Industrial Safety and Health Act and the Road Traffic Act, and with our rules concerning health and safety, work procedures, etc.

#### 2 PDCA cycle for eliminating occupational accidents

We will strive to eliminate occupational accidents by thoroughly implementing a PDCA cycle on our health and safety initiatives to maintain and improve our health and safety standards.

#### 3 Full workplace involvement

As part of our firm commitment to our corporate brand of "Safety, Security, and Reliability," the entire staff of every workplace will endeavor to prevent occupational accidents under the leadership of their workplace leader.

#### 4 Advancing Health & Productivity Management

We work towards the attainment of H&PM KPIs and achieve "Physical health," "Mental health," and "Self-management." We are aiming at sustainably increasing our corporate value by having physically and mentally healthy employees fully exercise their talents.

#### 5 Group-wide collaboration

The Tokyo Gas Group's companies will collaborate with one another in matters such as compliance measures, issue sharing, and training so that each can more smoothly and thoroughly implement its own health and safety initiatives.

## Structure for Promoting Occupational Health and Safety

The Tokyo Gas Group has established a Central Safety and Health Committee, which is chaired by the Executive Responsible for Personnel Department. To advance the safety, health, and wellbeing of Group employees, the Committee drafts health and safety activities policies, examines measures to prevent accidents and disasters and measures to promote mental and physical health, and works to instill these policies. The matters examined by this committee are reported to the Board of Directors, as necessary, for deliberations and decisions.

As a means of locally promoting safety, health, and wellbeing, we have also established Regional Office Safety and Health Committees at each regional office so the staff can directly plan and manage health and safety programs for their workplace.

### Health and Safety Management Structure



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# Occupational Health and Safety

## Targets and Outcomes

### No. of serious occupational accidents

Target	Outcomes (FY2023)
Zero serious occupational accidents	0 serious occupational accidents

### Lost time injury frequency rate

	FY2021	FY2022	FY2023
TOKYO GAS	0.52	0.00	0.26
Industry average (electricity, gas, heat, water) <sup>1</sup>	0.67	0.62	0.57

### Severity rate

	FY2021	FY2022	FY2023
TOKYO GAS	0.01	0.00	0.00
Industry average (electricity, gas, heat, water) <sup>1</sup>	0.01	0.01	0.01

<sup>1</sup> Ministry of Health, Labour and Welfare, "Overview of Survey on Industrial Accidents in 2023 (survey on establishments with 100 or more regular employees and survey on general construction)"

### H&PM KPIs

		Targets (FY2025)	Outcomes (FY2023)
KPIs for fundamental health management	Health checkup participation	100%	100%
	Stress check participation	90% or higher	94%
KPIs for H&PM	Physical health KPIs	Healthy BMI rate <sup>**2</sup>	Male / Female 70% or higher Male: 63% Female: 67%
		Smoking rate	Less than 20% 23%
	Mental health KPI	Rate of high-stress employees	Improvement over preceding year 5.6% (FY2022: 5.8%)
	Self-management KPI	Active users of health app <sup>*3</sup>	30% or higher 22.8%

<sup>\*2</sup> BMI of at least 18.5 but less than 25    <sup>\*3</sup> App opened at least once a day

## Actions

### Occupational Accident Prevention

#### ▶ Occupational Health and Safety Management System

Tokyo Gas manages occupational health and safety through a company-wide occupational health and safety management system (hereinafter referred to as OSHMS) to reinforce the everyday health and safety activities undertaken by each workplace. All workplaces proactively implement health and safety activities that reflect their particular circumstances, and we continuously raise our health and safety standards by following a PDCA cycle for all related activities. Using a common framework throughout the Group for health and safety activities facilitates periodic confirmation and checks of the management system. We will continue to strengthen our occupational health and safety management system to prevent occupational accidents.

#### ▶ Risk Assessment

Tokyo Gas conducts risk assessment according to occupational health and safety laws and OSHMS to quantify potential accident risks and take action to reduce or eliminate them.

The risk assessments we carry out when reviewing new investment proposals for both domestic and overseas projects include risk assessment regarding occupational health and safety, among other labor issues.

#### ▶ Chemical Substance Management

To manage chemical substances at each of our business locations, we have appointed "chemical substance managers" and "personal protective equipment supervisors" who engage in the appropriate implementation of chemical substance risk assessments and work to prevent accidents that would affect employee health or that would result in fire or explosion.

### Advancing Health & Productivity Management

Tokyo Gas believes that physical and mental health is vital to having each and every one of our employees maximize their abilities, which is why we believe that health and productivity management is the foundation of human capital management. We communicate this stance on employee health to internal and external stakeholders through our "H&PM Declaration." In addition, we have set important elements that make contributions to employee health as H&PM KPIs, and we have drafted an H&PM strategy map to push for substantive behavioral change in each and every employee. We ensure that all employees undergo health examinations which are a prerequisite for health management. We carry out various initiatives focused on building mental and physical health that are led by occupational physicians, public health nurses, and other occupational health staff, including health examination follow-ups, in-person guidance for employees who work long hours, establishment of physical/mental health consultation desks, and mental health support measures. We have expanded the number of items covered by health checkups, implemented activities to increase the ratio of female employees receiving cancer screenings, and collaborate with labor unions and the Tokyo Gas Health Association in implementing kenko keiei (health & productivity management: H&PM)<sup>\*4</sup>. These initiatives have been evaluated, and we have been recognized in the Excellent Health Management Company 2024 (Large corporation category, White 500 companies) certification scheme that is run by the Minister of Economy, Trade and Industry and the Nippon Kenko Kaigi.

<sup>\*4</sup> Kenko keiei (health & productivity management) is a registered trademark of the NPO Kenko Keiei Kenkyukai.



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## Occupational Health and Safety

### Health Support for Employees Posted Overseas and Employees on Business Trips Overseas

Tokyo Gas offers health management support to employees posted or sent on business trips abroad, whose number has been growing with the expansion of our overseas business. We conduct a full implementation of statutory health checkups before, during, and after posting; enact measures to prevent infectious diseases according to the location of posting, such as preventative education and the recommendation of vaccinations; and engage in ongoing health consultations for employees and their families.

### Labor-Management Talks on Occupational Health and Safety

As part of regular talks between corporate management and the labor union, opinions are exchanged regarding working conditions, including workplace safety and health. With regard to overseas sites, we observe the local laws and regulations, and respect workers' rights.

### Education and Awareness-raising

Our regular training in occupational health and safety aimed at employees includes the training for newly appointed safety administrators required by law, yearly training for new employees related to health, safety and having a safety mindset and yearly health and safety training for newly appointed managers.

### Safety Program for Contractors Tokyo Gas Network Co., Ltd.

Tokyo Gas Network Co., Ltd. provides introductory education to contractors who will seek certification related to gasworks construction. The lessons cover the fundamentals of city gas and pipeline construction, as well as topics such as the importance of health and safety, and accident occurrence/prevention.

Also, to ensure safety in gasworks construction, the basic agreements with contractors include clauses on compliance with safety policies, etc. For example, contractors performing gasworks construction are required to comply with the safety rules, construction standards, and other guidelines set by Tokyo Gas Network Co., Ltd.

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# Compliance

## Basic Policy

The Tokyo Gas Group aspires to be a business enterprise that people will continue to trust and make their first choice, and we do this by ensuring all management and employee decisions and actions are rooted in legal compliance, high ethical standards, and public expectations. To this end, the Group promotes compliance in accordance with its code of conduct that details our initiatives towards corporate ethics, such as complying with

laws, engaging in fair business dealings, protecting human rights and protecting the global environment.

### Code of Conduct

Tokyo Gas Group Our Code of Conduct sets forth the values and standards of conduct for everyone who works at the Tokyo Gas Group. The code, originally put into practice in FY2004, was extensively revised in FY2017 to incorporate international standards such as ISO 26000, the Olympic Charter, legal amendments, and other key developments. An English version

was also created so that the code can be fully shared across our global organization. We continuously strive to instill our employees with thorough awareness and understanding of the code through all-hands workplace discussions and level-specific compliance training provided at hiring and major promotions. The code is reviewed every year to examine the validity and appropriateness of its content and to make any changes that may be needed.

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## Tokyo Gas Group Our Code of Conduct

### Purpose and vision

1. Tokyo Gas Group Our Code of Conduct sets forth the values and standards of judgment that everyone who works in the Group is expected to share and follow in order to implement our Group's Management Philosophy and ensure a focus on compliance in business.
2. By following this Code of Conduct, we will contribute to the creation of an affluent society through the Tokyo Gas Group's growth and development as a corporate group that people will continue to trust and make their first choice.

### 1 We will constantly think and act responsibly as individual members of the Tokyo Gas Group so that people will continue to trust our group and make it their first choice.

#### (1) Continual innovation

- 1 We will pursue continual innovation, unfettered by convention and ever sensitive to the expectations of customers, shareholders, and society.
- 2 We will create the maximum outputs working in partnership with one another, while being fully aware of our individual roles and responsibilities and committed to self-improvement.

#### (2) Doing more for the customer

We will put the customer at the heart of everything we do.

#### (3) Everyone is a brand builder

Day in and day out, we will strive to build the Safety, Security, and Reliability that underpin the Tokyo Gas Group's brand value.

### 2 We will constantly conduct business in a clearcut and fair manner.

#### (1) Legal compliance

- 1 We will constantly conduct business in compliance with laws, internal rules and regulations, and socially accepted rules.
- 2 We will act swiftly to resolve issues where infringements of laws, internal rules and regulations, or socially accepted rules have occurred or may occur.

#### (2) Separation of professional and private spheres

- 1 We will not use our professional position for personal gain.
- 2 We will not use company property for private purposes.

#### (3) Active disclosure of information

We will enhance the transparency of business activities and actively and promptly disclose accurate information to customers, shareholders, communities, and other stakeholders in order to earn their trust.

#### (4) Firm stance against antisocial forces

- 1 We will stand firm against illegal and improper demands made by sokaiya racketeers, organized crime groups, and other antisocial forces.
- 2 We will not, under any pretext, give benefits to or otherwise accommodate the demands or interests of antisocial forces.

### 3 We will deal with customers, business partners, shareholders, and all our stakeholders sincerely and equitably.

#### 3-1 Customers

##### (1) Satisfaction beyond expectations

- 1 We will provide high value-added products and services that customers will make their first choice.

- 2 We will always put ourselves in the customer's shoes in order to deliver the best possible work that exceeds customer expectations.
- 3 In the event of a customer complaint or accident, we will respond swiftly and in good faith to prevent a recurrence.

#### 3-2 Business partners

##### (1) Fair business dealings

- 1 We will respect business clients and suppliers as business partners and do business with them in good faith.
- 2 We will comply with the Antimonopoly Act and other applicable laws and ordinances, and will practice fair dealings in accordance with the principles of free competition.
- 3 We will not exploit our position or authority to obtain undue benefit or make unreasonable demands.

##### (2) Maintenance of proper relations

- 1 We will always be conscious of social points of view in our interactions with business partners, and will never commit any act that might cause misunderstandings or distrust from inside and outside the company.
- 2 We will maintain fair relations and do nothing questionable under applicable national and local laws and ordinances in our dealings with government and other public officials and employees.

##### (3) Understanding and observance of the Sustainable Procurement Guidelines

We will promote understanding and observance of the Sustainable Procurement Guidelines throughout the entire supply chain to achieve a sustainable society by involving all of our business partners.

#### 3-3 Shareholders

We will facilitate the appropriate exercise of shareholders' rights through fair, timely, and appropriate disclosure and constructive dialogue.

# Compliance

## Tokyo Gas Group Our Code of Conduct

### 4 We will respect diversity and individuality among our colleagues and create an inclusive working environment.

#### (1) Respect for human rights

- 1 We will respect human rights, prohibit child labor and forced labor, and not discriminate or harass anyone on the basis of race, nation, religion, gender, age, origin, nationality, disability, education, social status, sexual orientation, gender identity, or other such grounds.
- 2 We will respect one another's positions and treat everyone equally, irrespective of form of employment, gender, title, or any other differences.
- 3 We will not commit sexual harassment, workplace bullying, pregnancy discrimination and other types of harassment, discrimination against employees who take family care leave, or any other acts that infringe the dignity of the individual. We will also not condone such acts.

#### (2) Attainment of excellent record of occupational health and safety

We will enforce compliance, including adherence to all related laws and regulations, and make every effort to eliminate the risks of disasters and accidents in order to establish an excellent health and safety.

#### (3) Creation of a cheerful workplace

We will create a lively workplace where everyone can realize their full potential and individual differences are respected. We will create an open workplace where everyone can share necessary information and engage in free expression and discussion.

#### (4) Promotion of diversity, equity & inclusion

We will accept one another's values and various work styles, and get the best from our own knowledge, abilities, and experience. We will also all work to raise productivity and meet the diversifying needs of society.

### 5 We will act for the protection of the global environment.

#### (1) Promotion of environmental protection

In line with our Environmental Policy, we will actively promote the protection of regional and global environments and make contributions to the realization of a sustainable society.

### 6 We will contribute to local communities and society as a good corporate citizen.

- 1 We will respect and contribute to local communities, building trust with them through active dialogue and cooperation, and making effective use of our business resources.

- 2 We will contribute to local communities as good citizens, recognizing that we ourselves are all members of communities.

### 7 We will handle information appropriately.

#### (1) Prevention of information leaks

We will properly handle confidential information obtained in the course of business and will not divulge such information during or after our employment at the Tokyo Gas Group.

#### (2) Compliance with the Act on the Protection of Personal Information

- 1 We will obtain and manage the personal information of customers, employees, and others by appropriate methods and use such information only insofar as permitted for legitimate purposes.
- 2 We will not disclose personal information to third parties except when permitted by law.

#### (3) Appropriate use of information systems

We will use information systems, including email systems and the Internet, in accordance with strict rules on proper use. Company information systems will not be used for non-business purposes.

#### (4) Respect for intellectual property

We will respect patents, trademarks, copyrights, and other intellectual property rights, protect and use rights held by our company, and not infringe the rights of others.

### 8 While conducting business globally, we will not only comply with national and local laws and regulations and respect international standards on human rights and similar issues, but also engage in business activities in a manner that is sensitive to different cultures, customs, and stakeholders' concerns.

### 9 We will act with integrity and decency as members of society, and maintain high ethical standards in our private lives.

In our private lives, we will comply with all applicable domestic and foreign laws and regulations, be aware of changes in the social environment, and always be mindful of how we should behave as a model citizen.

#### (1) Compliance with regulations on insider trading

We will not engage in insider trading, such as the purchase or sale of shares and other such transactions, using information obtained in relation to business. We will not communicate information or recommend transactions to other parties to enable them to make a profit or avoid a loss.

#### (2) Prohibition of annoying or disturbing behavior

In our private lives, we will not injure or deceive others, commit indecent acts, or engage in any other annoying or disturbing behavior.

#### (3) Responsible drinking and compliance with traffic rules (including not driving under the influence of alcohol)

We will be careful to drink responsibly and not to cause trouble while under the influence of alcohol. We will never drive under the influence of alcohol, will always stop anyone who attempts to drive while drunk, will not encourage anyone who is driving a vehicle to drink, and will not provide a vehicle to anyone who has been drinking. We will also obey all other traffic rules.

#### (4) Prohibition of possession and use of illegal drugs

We will not possess or use illegal drugs, and we will not be involved in any way in their manufacture, sale, distribution, or other such acts.

#### (5) Prohibition of gambling

We will never engage in any acts of gambling, including the betting of even small amounts of money on golf, mahjong, or sporting events.

#### (6) Compliance with rules on use of social media

If communicating information via social media, we will not commit any act, even when off duty, that might harm the reputation or property of the company.

#### (7) Compliance with other laws, regulations, social norms, and standards of ethical conduct, and prohibition of acts that are against to public decency

### 10 If we transgress this Code of Conduct or learn of a transgression, we will immediately report the matter to our workplace and rectify it.

### 11 Executives and managers will take the lead and take action themselves.

#### (1) Awareness of position and conduct as executives and managers

- 1 Executives and managers will lead by example in complying with this Code of Conduct and encourage understanding and practice of the same throughout the workplace.
- 2 Executives and managers will take the lead in working to resolve any problem that may arise and ensure organization-wide action to prevent a reoccurrence.
- 3 Executives will take strict action (including against themselves) where necessary.

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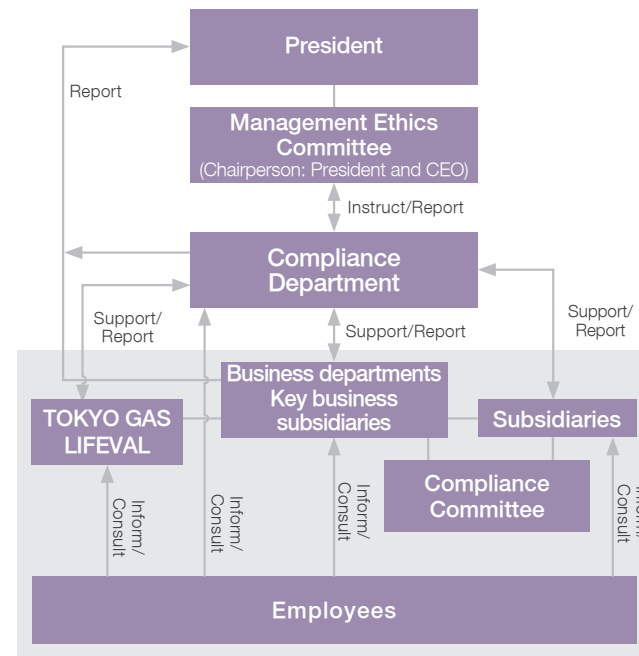
# Compliance

## Compliance Promotion Structure

The Management Ethics Committee, chaired by the president, meets annually to confirm matters such as the handling of inquiries and consultation by the compliance consultation desks and the degree to which compliance has taken root in the Group, and to deliberate on the Compliance Promotion Action Plan. We have also established Compliance Committees in all business departments, major business subsidiaries, and other subsidiaries to consistently and proactively engage in initiatives for promoting compliance.

Over 400 management-level personnel have been appointed as compliance managers and compliance promoters at each workplace to lead in promoting concrete compliance activities, and regular training sessions are conducted for them.

### Compliance Structure



## Actions

### Compliance Awareness Surveys and Internal Audits

We regularly conduct surveys of Tokyo Gas Group officers and employees to monitor the effectiveness of compliance promotion activities. In FY2023, we surveyed the officers/employees regarding the following points.

- ▶ Workplace compliance activities
- ▶ Personal compliance awareness and conduct
- ▶ Workplace communication
- ▶ Consultation desk system

In the FY2023 survey, Tokyo Gas, its major business subsidiaries and other subsidiaries all maintained high average scores of at least 3.4 points on a 4-point scale. As a reference for future improvement, we offered feedback on the survey results, Group-wide challenges, and challenges specific to each company.

As part of its duties, the Internal Audit Dept regularly conducts internal audits to identify and gauge potential risks in business department operations with respect to compliance with laws, regulations, corporate ethics, and social norms.

### Compliance Consultation Desks (Whistleblower Program)

The Tokyo Gas Group has set up consultation desks at all Group companies and outside the Group at a law firm and a general consultation service company. All individuals working at the Tokyo Gas Group, including officers and regular/temporary staff members, can directly contact these desks by phone, email, and other means whenever they feel uncomfortable raising a matter within their organization. Consultation is provided regarding conduct in Group operations that is suspected of violating laws, regulations, internal rules, or Tokyo Gas Group Our Code of Conduct, and issues concerning matters such as human rights (e.g., harassment by a higher-up) and workplace communication. A dedicated consultation desk for consultations from overseas sites has also been established at a law firm well-versed in foreign laws. This desk coordinates its responses with the law firm and provides service in the local language of the overseas sites. These consultation systems serve as a Whistleblower Program, as stipulated in the Whistleblower Protection Act.

Under the operational guidelines of the consultation desks, the details of the consultation request or whistleblower complaint are investigated and reviewed by the Compliance Department and related departments, and advice and solutions are provided to the employees needing assistance. In FY2023, 104 consultations were provided and investigations and corrective actions were made for the matters raised. Persons seeking consultation can do so anonymously, and all consultations are treated in strict confidence to protect the consultees against any disadvantageous treatment for using the desks.

Independent advisory services have also been established at all major business subsidiaries, other subsidiaries, and Tokyo Gas LIFEVAL companies. Annual training sessions are held for the consultation desk staff at the Tokyo Gas Group to strengthen their ability to handle inquiries and consultations. In the level-specific compliance training provided at major promotions, managers are trained in how to respond to whistleblower reports.

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# Compliance

## Customer Center and Online Support

Our Customer Center phone service and online information service can be used by external stakeholders to receive compliance-related consultations or lodge whistleblower complaints.

## Education and Awareness-raising

In order to encourage all Group directors and employees to concretely apply our values and principles to their own situations, we familiarize everyone with Tokyo Gas Group Our Code of Conduct, and regularly carry out training and awareness-raising activities.

### ▶ Level-specific compliance training

This training is provided to employees at hiring, the third year of employment, and promotions (2 levels).

### ▶ Workplace Discussions

Training sessions led by compliance promoters and other personnel are held at the workplace level. Participants learn about the latest trends in corporate compliance and engage in discussion of how to put into action Tokyo Gas Group Our Code of Conduct so that they can identify concrete behaviors that should be practiced.

### ▶ Compliance Promoter Training

We strive to maintain and reinforce each workplace's ability to respond to compliance issues by providing compliance promoters with fundamental knowledge and information throughout the year, so that they can properly lead their workplace in the strengthening of organizational responsiveness, compliance with the Whistleblower Protection Act, and the like.

### ▶ Legal Training

Training is provided to improve employee understanding of laws, such as the Antimonopoly Act, the Act against Unjustifiable Premiums and Misleading Representations, and the Subcontract Proceeds Act, and we publish our internal rules, regulations and manuals on our intranet. This training provides practical information, including details on the purposes of various laws, and specific case studies released by organizations such as the Fair Trade Commission and the Consumer Affairs Agency.

### ▶ Sharing Information on Compliance

We are working to raise the standard of compliance by widely publicizing across the Tokyo Gas Group up-to-date information on the compliance risks associated with changes in the organization's business environment, including those associated with our evolution as an energy business, acceleration of our global business development, and the revision and stricter enforcement of prevailing legislation. Specifically, we regularly publish the "Compliance News" newsletter and distribute it to each workplace.

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# Anti-corruption

## Basic Policy

In Tokyo Gas Group Our Code of Conduct, we specify commitments such as prohibiting the private use of company property, complying with the Antimonopoly Act, maintaining fairness and decency in our relationships with suppliers, public officials, and government employees, complying with regulations against insider trading, and prohibiting corruption. In accordance with this code, we endeavor to prevent all forms of corruption and comply with the anti-bribery laws in each country and region, maintaining our commitment to preventing corruption and bribery

### Guidelines for Preventing Bribery of Foreign Public Officials

We formulated the Foreign Public Official Anti-Corruption and Bribery Guidelines in accordance with our Basic Policy on Overseas Business Promotion in order to outline specific actions necessary for maintaining appropriate relationships with foreign public officials as a means of safeguarding orderly competition.

The Guidelines contain stipulations concerning the following acts and prohibitions.

- ▶ **Prohibition of bribery of foreign public officials**
- ▶ **Prohibition of facilitation payment**
- ▶ **Prohibition of inappropriate hospitality, gifts, invitations, overseas donations, etc.**
- ▶ **Prohibition of bribery (other than foreign public officials)**
- ▶ **Transactions with third parties**
- ▶ **Relationships with partners of joint ventures, etc.**
- ▶ **Prevention of taking bribes**
- ▶ **Mergers and acquisitions**
- ▶ **Prohibition of fraudulent accounting**
- ▶ **Obligation to whistle-blow and cooperate with investigations**
- ▶ **Emergency response**
- ▶ **Disciplinary action**
- ▶ **Training and monitoring**

The Guidelines define bribery as any act intended to satisfy the personal desires of someone. They also indicate that

in all domestic and international transactions.

In line with the expansion in our overseas business, we have established the Basic Policy on Overseas Business Promotion, which includes pledges to maintain appropriate relationships with foreign public officials as a means of safeguarding orderly competition.

### Accession to the UN global compact

Tokyo Gas declared its support for the UN Global Compact in March 2016 to demonstrate its firm commitment to protecting human rights, respecting the rights of workers, preserving the global environment, and preventing corruption.

there are cases where items such as the following may be construed as bribes: money, gifts, entertainment, invitations to Japan nominally to tour a facility, donations, honoraria, job offers, and education. The Tokyo Gas Group takes a zero-tolerance stance on bribery.

The Guidelines also define facilitation payments as the provision of small cash payments or goods to foreign public officials in order to directly or indirectly facilitate an ordinary and non-discretionary administrative procedure, such as procedures for passing customs, inspections, or immigration, requesting visa issuance/extension, setting up water or phone service, or receiving police protection. Our Group's officers and employees are expressly prohibited from making facilitation payments, excluding cases deemed permissible under applicable laws and regulations.

In addition, the Guidelines prescribe procedures for the use of certain third parties to provide foreign public officials with entertainment, gifts, donations, or other items. Group officers and employees planning to provide such items to foreign public officials are required to record this intention in their function's administrative records, fill out the prescribed forms, and receive the approval of the local supervisor responsible for foreign corruption/bribery prevention. Whenever an agent, consultant, or other third party is to be hired for this purpose in countries with a high risk for bribery, the responsible Group officers or employees are required to take measures to prevent bribery by that third party, such as by conducting due diligence in the hiring process and including an anti-bribery clause in the service agreement.

## Operating Structure for Preventing Corruption and Bribery

The executive in charge from the Legal Department is responsible for overseeing corruption and bribery prevention overseas. Supervisors responsible for implementing measures to prevent corruption and bribery overseas are appointed in every department and company of the Group that is subject to the guidelines to take responsibility for the approval of hospitality, gifts, donations, and the like, confirmation of the findings of due diligence when appointing third parties, approval of entry into contracts, and other matters. The Legal Department decides on specific measures for implementing the guidelines.

## Actions

### Education and Awareness-raising

The Tokyo Gas Group educates its employees on Tokyo Gas Group Our Code of Conduct, and posts its rules against insider trading on the intranet to familiarize employees with them. Also, we ran an e-learning course on the Antimonopoly Act for all employees in FY2023.

In addition, we have disseminated the full text of Guidelines for Preventing Bribery of Foreign Public Officials to employees by posting them on the intranet. We regularly provide training on those guidelines to employees primarily involved in business overseas. We have produced an English version of the guidelines for locally hired employees overseas and have distributed the English edition of Tokyo Gas Group Our Code of Conduct. We have also established a system to enable Group employees working overseas to report concerns and seek advice. We implement PDCA cycles to ensure that corruption and bribery is being prevented by monitoring the situation through internal audits and other means to confirm that the procedures established by the guidelines are being followed.

### Consultation Services

The Tokyo Gas Group has set up consultation desks at all Group companies and outside the Group at a law firm and general consultation service company to provide consultation on suspected violations of Tokyo Gas Group Our Code of Conduct and other guidelines, including suspected acts of corruption/bribery. All individuals working at the Tokyo Gas Group, including officers and regular/temporary staff members, can directly contact these desks by phone, email, and other means.

 Compliance Consultation Desks (Whistleblower Program)

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# Tax Compliance

## Basic Policy

The Tokyo Gas Group Our Code of Conduct pledges that we will strive to ensure that our operations always comply with laws, ordinances, internal regulations and rules, and social norms, and that our global businesses will respect local laws and international norms, with our executives and managers taking the lead in these efforts. Regarding tax compliance, the Tokyo Gas Group recognizes its responsibility to contribute to the sustainable growth of local societies and economies by ensuring tax transparency, aligning tax payments in accordance with the revenue generated from its business activities. We are committed to strictly complying with the tax law, engage in tax fairness in all operating countries, and paying appropriate share of taxes in accordance with the governing laws and regulations.

## Tax Governance System and Risk Management

Tokyo Gas has established a system whereby the Accounting Department manages our tax-related matters under the oversight of the executive responsible for accounting. Critical matters are reported to the Board of Directors and the Management Committee. To facilitate the appropriate discharge of our tax obligations, we have also set up a system enabling all departments to consult with the Accounting Department regarding tax processes, and we provide employees with tax education through e-learning and other channels. With regard to tax risk management, we identify tax risks in business projects above a certain threshold before they are launched by requiring the risk information to be reported to the Accounting Department in advance. In addition, the Internal Audit Department conducts internal accounting audits that include review of tax compliance.

We further strive to reduce tax risk by determining the country or region of incorporation for subsidiary establishment based on business objectives, and by following the OECD's guidelines for transfer pricing when carrying out international transactions among our Group companies. Moreover, our overseas subsidiaries enlist the support of external experts to properly comply with the local tax system.

## Relations with Tax Authorities

Tokyo Gas endeavors to reduce the tax risk by consulting in advance with the tax authorities when necessary. We also build trust with the tax authorities by interacting with them in good faith and by disclosing required information in a timely and appropriate manner.

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# Cybersecurity

## Basic Policy

The Tokyo Gas Group has positioned cybersecurity as a management priority out of the belief that it is integral to the fulfillment of our social responsibility as an infrastructure provider. Our management leads efforts to ensure the security of the information systems that handle customer and other data and the control systems for gas production/supply, power generation, and other facilities. Through these efforts we strive to protect the customer information assets under our stewardship and to maintain the stable supply and safety of energy services. Furthermore, we implement measures for preventing cybersecurity incidents and carry out management-involved training sessions and other actions for readying ourselves to respond to a potential intrusion.

In addition, we are seeking to further strengthen our cybersecurity through a PDCA cycle that adapts to recent advances in digital technologies, the growing threat of cyberattacks, and other changes in the cybersecurity landscape.

## Cybersecurity Response System

We manage cyberattack risks through efforts informed by the Ministry of Economy, Trade and Industry's Cybersecurity Management Guidelines. These actions are led by our Cybersecurity Subcommittee, which reports to the Risk Management Committee and provides integrated risk management for both information and control systems. The subcommittee regularly updates the Risk Management Committee on the state of cybersecurity measures. In addition, all Tokyo Gas business departments and the subsidiaries and some 300 partner companies that support our Group operations strive together to ensure cybersecurity. This concerted effort develops the information security promotion system and control system management system needed to prevent cybersecurity incidents and minimize the damage and other impacts of incidents that do occur.

## Actions

### Measures for Ensuring Cybersecurity

We take a comprehensive approach to cybersecurity that combines technical measures such as those for preventing system intrusions, personnel measures such as an annual employee training session, and organizational measures such as establishment of security response formations and the holding of cyberattack response training. In addition, we are taking action to strengthen risk management across our supply chain, including subsidiaries, business partners, and suppliers, and bolster security measures in response to the increase in remote work and meetings.

### Information Security Audits & Self-Inspection of Control Systems

Our Group regularly conducts internal security audits of the information systems used for customer management, etc. and the control systems of equipment used for gas production/supply, power generation, etc. Because of the high risk for cyberattacks on Internet-connected systems accessible to unspecified users, we not only conduct internal audits of those systems but also periodically subject them to vulnerability assessments performed by external experts.

# 04

Compliance

Anti-corruption

Tax Compliance

**Cybersecurity**

Protection of Personal Information

Supply Chain Management

# Protection of Personal Information

## Basic Policy

We recognize that properly protecting and handling personal information is at the foundation of our business activities and a vital social responsibility. To fulfill this responsibility, we have established the Policy on Protection of Personal Information for guiding our best efforts to protect personal information. This policy sets rules for compliance with personal information-related laws and regulations, proper acquisition and use of personal information, proper information management, and provision of personal information to third parties. It also calls for us to promptly respond, within reasonable limits, to people's requests for disclosure, correction, etc. of their personal information.

Tokyo Gas Group Our Code of Conduct includes a section on "Compliance with the Act on the Protection of Personal Information," which requires Group employees to comply with that Act and properly handle all personal information in their possession.

## System for Promoting Protection of Personal Information

Our Group retains and utilizes a massive volume of personal information, including information on customers. Accordingly, we have established a Group-wide system for promoting the

protection of personal information even before the Act on the Protection of Personal Information took full effect on April 1, 2005.

### System for Promoting Protection of Personal Information

	Responsible for	Major Duties
<b>Personal Information Protection Chief Oversight Officer</b>	Executive responsible for the department in charge of personal data protection	Creation, implementation, maintenance, improvement, etc. of measures for the protection of personal information
<b>Personal information protection Management officers</b>	Department heads	Creation, implementation, maintenance, improvement, etc. of measures for the protection of personal information in the relevant department
<b>Personal information protection Executive officers</b>	General managers	Awareness raising, education, and other related matters concerning the protection of personal information
<b>Personal information protection Promotion managers</b>	Group managers	Appropriate management, etc. of personal information at workplaces

## Actions

### Formulation of Response Plan

We have formulated and disseminated across our Group a plan for responding to personal information-related incidents. The plan specifies the actions that employees should take upon discovering that personal information may have been lost, leaked, or otherwise exposed, as well as the processes for investigating and ascertaining the facts of the incident, establishing an emergency response team, confirming the facts of the leak, and developing and implementing actions in response.

### Monitoring

We carry out self-assessments for monitoring whether personal information is being managed properly. Also, our Internal Audit Department regularly performs audits to monitor compliance with the laws concerning protection of personal information and related laws, regulations, and guidelines, as well as our Policy on Protection of Personal Information and internal rules.

### Education and Awareness-raising

We have established internal rules based on the requirements set forth by the Act on the Protection of Personal Information. In addition, we make available to all Group employees a pamphlet explaining the practical aspects of personal information protection in order to increase their awareness by promoting thorough understanding of legal requirements and other matters.

In order to constantly maintain firm awareness of the importance of personal information protection, we run an annual e-learning course for all employees to educate them on protection of personal information.

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# Supply Chain Management

## Basic Policy

The Tokyo Gas Group believes that it must fulfill its social responsibility in cooperation with business partners, rather than doing so on its own when delivering products and services to customers. Tokyo Gas Group Our Code of Conduct includes guidelines on our transactions and relationships with business partners, and we strive to ensure awareness of and compliance with those guidelines. We have also established the Basic Policy on Sustainable Procurement to provide a specific code of conduct for realizing highly transparent, fair, and equitable transactions with our business partners, and we endeavor to cultivate trusting relationships with them based on those standards. We promote Green Purchasing practices in our procurement of goods and services so as to reduce environmental impact across our supply chain.

 [Basic Policy on Sustainable Procurement](#)

## Actions

### Promotion of Green Purchasing

To reduce environmental impact across our supply chain, the Tokyo Gas Group will promote Green Purchasing in accordance with the Green Purchasing Promotion Guidelines and by adopting the perspective of environmental consciousness, in addition to common criteria such as cost, quality, and terms of delivery, when procuring and purchasing construction work, services, raw materials, manufactured goods, and components.

### Sharing Our Standards of Conduct with Suppliers

We share our Sustainable Procurement Guidelines and Green Purchasing Promotion Guidelines with our suppliers and ask them to abide by those standards, which cover matters such as legal compliance, protection of the environment, labor, safety, respect for human rights, and consideration for local communities. As part of our annual supplier surveys, we present the Sustainable Procurement Guidelines to major Tokyo Gas suppliers so that we can clearly communicate our expectations for their understanding and cooperation. Group companies also carry out their own efforts to ensure awareness of those Guidelines among their major suppliers. Also, whenever we purchase from a supplier or contract them to perform construction or other jobs, we present our Environmental Common Specifications to the supplier and ask them to follow those specifications for legal compliance, reduction of environmental impacts, consideration for occupational health and safety, and other requirements.

 [Sustainable Procurement Guidelines](#)

### CSR Survey of Suppliers

As part of our annual supplier survey, we review the status of social responsibility efforts at each company. We have been providing feedback across the board to encourage two-way communication and strengthen cooperation with the Sustainable Procurement Guidelines. In FY2023, we conducted a wide-ranging survey asking 392 companies to provide information on their policies and codes of conduct for promoting CSR. We received responses from 338 (86.2%) of them. We compiled and analyzed their responses and confirmed specific points directly with them as needed. None of the suppliers demonstrated any serious risks such as legal violations.

### Overview of Survey

Categories	Typical Questions
1. CSR management and compliance	Establishment of codes of conduct on CSR
2. Risk management	Formulation of business continuity plan (BCP)
3. Product quality and safety	Establishment of policies on product quality and safety
4. Human rights and working conditions	Establishment of codes of conduct on human rights and working conditions
5. Occupational safety, hygiene and health	Establishment of codes of conduct on occupational safety, hygiene and health
6. Environment	Creation of environmental policy, efforts on conservation of resources
7. Supply chain	Creation of policies on the supply chain

### Education and Awareness-raising

In order to promote sustainable procurement practices, we provide training for procurement officers, a basic course for all employees, voluntary study sessions led by procurement officers, and other educational opportunities.

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# Environmental Data

## Feedstock and Sales Volume

### ► Feedstock and Sales Volume

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
City gas feedstock <sup>*1</sup>	Feedstock LNG	Thousand tons	10,388	10,352	9,855	9,282	<b>8,496</b>
	Feedstock LPG	Thousand tons	474	457	537	827	<b>753</b>
Production	City gas sales <sup>*2</sup>	Million m <sup>3</sup>	13,855	12,786	13,010	11,972	<b>10,686</b>
	Heat sales <sup>*3</sup>	TJ	3,749	3,863	3,558	3,854	<b>4,064</b>
	Power sales <sup>*4</sup>	Billion kWh	20.6	24.8	28.3	34.4	<b>25.5</b>

\*1: For city gas production by the Tokyo Gas Group.

\*2: Volume of gas sales including supply to other gas utilities and excluding sales for internal Group use.

\*3: Includes sales volume from LNG terminals, in addition to district heating and cooling centers and spot heat supply. Also includes intra-group supply.

\*4: Volume of sales of all electric power, including power purchased for business use from other companies and the market as well as Group power stations.

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### Environmental Data

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# Environmental Data

## Energy

### ▶ Energy consumption<sup>\*1, 2, 3</sup>

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Energy consumption<sup>*4</sup></b>	TJ	73,018	76,965	61,907	90,752	<b>84,825</b>
City gas production	TJ	3,815	3,699	3,655	3,569	<b>3,082</b>
District heating and cooling centers, etc.	TJ	5,916	6,656	6,617	31,584	<b>33,657</b>
Power generation	TJ	61,321	64,725	49,648	53,563	<b>46,098</b>
Business offices, etc.	TJ	1,389	1,270	1,367	1,169	<b>1,093</b>
Other	TJ	1,193	1,158	1,104	1,294	<b>1,316</b>
Vehicles <sup>*5</sup>	TJ	117	132	104	86	<b>76</b>
(Tokyo Gas Co., Ltd.)	TJ	5,629	5,433	5,457	5,042	<b>4,467</b>
<b>Electric power<sup>*5</sup></b>	MWh	528,464	482,773	490,303	613,440	<b>646,504</b>
City gas production	MWh	324,660	293,255	294,701	285,443	<b>271,458</b>
District heating and cooling centers, etc.	MWh	83,433	76,539	77,499	186,367	<b>218,433</b>
Power generation	MWh	9,311	8,767	2,199	5,332	<b>7,529</b>
Business offices, etc.	MWh	45,336	42,074	46,477	52,477	<b>53,302</b>
Other	MWh	95,591	91,036	90,525	108,055	<b>124,434</b>
(Tokyo Gas Co., Ltd.)	MWh	380,112	345,017	349,921	343,292	<b>330,448</b>
<b>City gas</b>	Thousand m <sup>3</sup>	1,503,916	1,601,355	1,265,918	1,826,142	<b>1,672,208</b>
City gas production	Thousand m <sup>3</sup>	14,930	19,163	17,878	17,986	<b>16,360</b>
District heating and cooling centers, etc.	Thousand m <sup>3</sup>	109,419	127,798	126,876	605,491	<b>619,444</b>
Power generation	Thousand m <sup>3</sup>	1,360,735	1,436,492	1,102,808	1,188,992	<b>1,022,794</b>
Business offices, etc.	Thousand m <sup>3</sup>	17,965	16,303	17,540	11,732	<b>11,660</b>
Other	Thousand m <sup>3</sup>	867	1,599	816	1,942	<b>1,950</b>
(Tokyo Gas Co., Ltd.)	Thousand m <sup>3</sup>	38,814	42,288	41,988	34,985	<b>33,146</b>
<b>Heat<sup>*5</sup></b>	TJ	34	31	33	56	<b>76</b>
District heating and cooling centers, etc.	TJ	119	105	106	65	<b>66</b>
Business offices, etc.	TJ	96	88	87	90	<b>90</b>
Other	TJ	164	146	135	108	<b>129</b>
(Tokyo Gas Co., Ltd.)	TJ	105	95	94	94	<b>95</b>
<b>Other fuels</b>	TJ	8	9	8	2	<b>1</b>
City gas production	TJ	0	0	1	1	<b>0</b>
Business offices, etc.	TJ	4	3	2	0	<b>1</b>
Other	TJ	4	5	5	1	<b>0</b>
(Tokyo Gas Co., Ltd.)	TJ	5	4	3	1	<b>1</b>
<b>Vehicles</b>	TJ	117	132	104	86	<b>76</b>
(Tokyo Gas Co., Ltd.)	TJ	46	51	42	7	<b>7</b>

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\*1 Totals for Tokyo Gas Co., Ltd. and its consolidated subsidiaries in Japan.

\*2 "Business offices, etc." lists the Company's non-consolidated energy use, less the amounts for city gas production and district heating and cooling centers, etc. "Other" lists the data for other Group companies, less the amounts for district heating and cooling centers, etc. and power generation.

\*3 Some variance in the data listed under different categories may exist since the data has been processed to properly assess the changes in energy intensity for each business activity (such as by reflecting the amounts of other companies commissioned to do processing at city gas production).

\*4 Excludes double counting by intra-group supply of heat and electricity.

\*5 Excludes double counting by intra-group supply.

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### Environmental Data

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# Environmental Data

## Atmospheric Emissions

### Greenhouse gas emissions

[Reference section of Securities Report](#)

- Method of calculation: The greenhouse gas emissions for the Tokyo Gas Group were calculated with reference to the GHG Protocol.
- Boundary of calculation: Based on the GHG Protocol's Operational Control Approach, totals for domestic and overseas consolidated subsidiaries of the Tokyo Gas Group (based on a quantitative perspective with some overseas subsidiaries excluded)

Third-party Assured

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Total of Scope 1 + 2 (Domestic and overseas) <sup>9,10</sup>	Thousand t-CO <sub>2e</sub>	3,706	4,136	3,275	4,654	4,915
Scope 1 (Domestic and overseas)	Thousand t-CO <sub>2e</sub>	3,467	3,927	3,071	<sup>*20</sup> 4,394	4,675
Scope 2 (Domestic and overseas) <sup>11</sup>	Thousand t-CO <sub>2e</sub>	239	209	205	<sup>*20</sup> 260	240
Total of Scope 1 + 2 (Domestic) <sup>6</sup>	Thousand t-CO <sub>2e</sub>	3,706	3,900	3,126	4,574	4,265
Scope 1	Thousand t-CO <sub>2e</sub>	3,467	3,691	2,922	<sup>*20</sup> 4,324	4,043
Scope 2 <sup>1</sup>	Thousand t-CO <sub>2e</sub>	239	209	205	<sup>*20</sup> 250	222
CO <sub>2</sub> <sup>2,4,6</sup>	Thousand t-CO <sub>2e</sub>	3,698	3,893	3,119	4,565	4,257
City gas production	Thousand t-CO <sub>2e</sub>	177	168	164	150	113
District heating and cooling centers, etc.	Thousand t-CO <sub>2e</sub>	294	330	327	1,587	1,702
Power generation	Thousand t-CO <sub>2e</sub>	3,120	3,293	2,526	2,726	2,346
Business offices, etc. <sup>3</sup>	Thousand t-CO <sub>2e</sub>	67	60	64	47	37
Other <sup>3</sup>	Thousand t-CO <sub>2e</sub>	61	59	55	67	54
Vehicles	Thousand t-CO <sub>2e</sub>	8	9	7	6	5
(Tokyo Gas Co., Ltd.)	Thousand t-CO <sub>2e</sub>	266	252	250	212	171
CH <sub>4</sub> <sup>5</sup>	Thousand t-CO <sub>2e</sub>	8	7	7	11	8
Total of Scope 1 + 2 (Overseas) <sup>17</sup>	Thousand t-CO <sub>2e</sub>	-	236	<sup>*8</sup> 149	80	650
Scope 1	Thousand t-CO <sub>2e</sub>	-	-	149	70	632
Scope 2 <sup>1</sup>	Thousand t-CO <sub>2e</sub>	-	-	-	10	18
CO <sub>2</sub>	Thousand t-CO <sub>2e</sub>	-	-	-	-	650
Natural gas business	Thousand t-CO <sub>2e</sub>	-	-	-	-	621
Energy services	Thousand t-CO <sub>2e</sub>	-	-	-	-	29

\*1 Scope 2 emissions are calculated based on the Market-Based Method. Adjusted emission factor for each power company is applied.

\*2 Excludes double counting by intra-group supply.

\*3 "Business offices, etc." lists the Company's non-consolidated energy use and CO<sub>2</sub> emissions, less the amounts for city gas production and district heating and cooling centers, etc. "Other" lists the data for other Group companies, less the amounts for district heating and cooling centers, etc. and power generation.

\*4 Some variance in the data listed under different categories may exist since the data has been processed to properly assess the changes in energy intensity for each business activity (such as by reflecting the amounts of other companies commissioned to do processing at city gas production).

\*5 CH<sub>4</sub> (methane) emissions were converted to CO<sub>2</sub> emissions using the following Global warming potential

- Prior to FY2022: 25

- FY2023: 28

\* The global warming potential stipulated in the Revised Act on Promotion of Global Warming Countermeasures, put into effect April 1, 2024, and the IPCC Fifth Assessment Report (AR5).

\*6 As of FY2022, this includes energy services, due to a calculation method revision made based on the GHG Protocol. Energy services are services supplying customers with electricity, heating/cooling, gas, and other utilities under a scheme in which we install Group-owned equipment such as gas cogeneration systems at the customers' sites and provide integrated service including operational monitoring, fuel procurement, and other needs.

\*7 Overseas Scope 1+2 emissions for FY2020 and FY2021 represent TG Natural Resources LLC only, while those for FY2022 and FY2023 also include TGES America Ltd. Further, data for TG Natural Resources LLC includes annual emissions for Rockcliff Energy II LLC, which was acquired at the end of December 2023. TG Natural Resource's data cover the year from January to December; TGES America's data cover the year from April to the following March.

\*8 FY2021 results represent only the Scope 1 emissions of TG Natural Resources LLC.

\*9 - We have chosen not to disclose CO<sub>2</sub> emissions resulting from biomass combustion due to difficulties in calculating them for this period.

- N<sub>2</sub>O and CH<sub>4</sub> emissions resulting from biomass combustion are not included in Scope 1 for this period due to difficulties in calculating them.

\*10 Besides the greenhouse gases in the table on the left, we have included estimated leakage amounts of fluorocarbons as a type of greenhouse gas separately on page 10.

■ \*Notes 11 to 13 are for Scope 3 on page 50.

\*11 GHG emissions resulting from the extraction, liquefaction, and transportation by sea of procured LNG from FY2019 to FY2022 are calculated using the method below and entirely included in Category 1.

- Calculation method

Amount of LNG procured (t) × Unit calorific value (GJ/t) × (Emissions intensity for extraction, liquefaction, and transportation by sea) (t-CO<sub>2e</sub>/GJ)

- Unit calorific value

The unit calorific value (54.6GJ/t) for liquefied natural gas published in the Act on Promotion of Global Warming Countermeasures was used.

Extraction: 0.80 g-CO<sub>2</sub>/MJ; Liquefaction: 6.77 g-CO<sub>2</sub>/MJ; Transportation by sea: 1.48 g-CO<sub>2</sub>/MJ, based on gross calorific value

Source: City Gas Life Cycle Assessment (published July 2020), Japan Gas Association website.

- Methane's global warming potential (CH<sub>4</sub>, GWP = 25 (AR4 basis)) was also taken into account for the emissions intensities deriving from extraction and liquefaction.

\*12 As of FY2022, in addition to LNG procurement, this includes emissions resulting from LPG procurement and electric power procurement, due to a calculation method revision made based on the GHG Protocol. The value used for electricity is the sum of emissions from power plants in which the Group holds a stake (excluding consolidated subsidiaries) and from power plants from which the Group purchases all electricity generated, plus the emissions of electricity purchased on the market. This is included in Category 1 for FY2022.

\*13 GHG emissions resulting from products sold were calculated using the method below.

(i) CO<sub>2</sub> emissions resulting from sales of city gas:

Assuming that all city gas sold was supplied to purchasers as low-pressure gas and combusted, calculation was performed using the method below.

City gas sales volume (m<sup>3</sup>) × city gas emissions intensity (low-pressure basis) (t-CO<sub>2</sub>/m<sup>3</sup>)

(ii) CO<sub>2</sub> emissions resulting from power plants:

CO<sub>2</sub> emissions resulting from power generation at power plants in which the Group holds a stake (excluding consolidated subsidiaries) and power plants from which the Group purchases all electricity generated were calculated using the method below.

Amount of power generated (kWh) × Power plant emissions intensity (t-CO<sub>2</sub>/kWh)

(iii) CO<sub>2</sub> emissions resulting from LNG sales:

Assuming that all LNG sold was combusted at purchaser sites, calculation was performed using the method below. LNG sales volume (t) × LNG emissions intensity (t-CO<sub>2</sub>/t)

- Calculation scope for each FY:

FY2019, FY2021: Calculated including only (i) above.

FY2020: Calculated including (i) and (ii) above.

FY2022, FY2023: Calculated including (i) and (iii) above (Segments corresponding to (ii) is included in "Category 1: Purchased goods and services" for FY2022 and in "Category 3: Fuel/energy-related activities not included in Scope 1 or 2" for FY2023).

- Emissions intensity

City gas (low-pressure basis): 2.21 kg-CO<sub>2</sub>/m<sup>3</sup> (value released by Tokyo Gas)

LNG: 2.79 t-CO<sub>2</sub>/t (FY2023), 2.70 t-CO<sub>2</sub>/t (FY2022) (value given in the Act on Promotion of Global Warming Countermeasures)

Power generation emissions intensity: Power plant primary data

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Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Scope 3 total	Thousand t-CO <sub>2e</sub>	32,656	34,536	34,392	<sup>*20</sup> 54,543	<b>49,277</b>
① Purchased goods and services	Thousand t-CO <sub>2e</sub>	<sup>*11</sup> 6,536	<sup>*11</sup> 6,225	<sup>*11</sup> 6,229	<sup>*11,12</sup> 15,967	<sup>*16</sup> 4,507
② Capital goods	Thousand t-CO <sub>2e</sub>	-	-	-	699	<b>226</b>
③ Fuel/energy-related activities not included in Scope 1, 2	Thousand t-CO <sub>2e</sub>	-	-	-	<sup>*12</sup> -	<sup>*17</sup> 7,647
④ Upstream transportation and distribution	Thousand t-CO <sub>2e</sub>	<sup>*11</sup> -	<sup>*11</sup> -	<sup>*11</sup> -	<sup>*11</sup> -	<sup>*18</sup> 746
⑤ Waste generated in operations	Thousand t-CO <sub>2e</sub>	-	-	5	3	<b>3</b>
⑥ Business travel	Thousand t-CO <sub>2e</sub>	-	-	2	2	<b>2</b>
⑦ Employee commuting	Thousand t-CO <sub>2e</sub>	-	-	3	4	<b>4</b>
⑧ Upstream leased assets	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
⑨ Downstream transportation and distribution	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
⑩ Processing of products sold	Thousand t-CO <sub>2e</sub>	-	-	<sup>*14</sup> 2,957	-	-
⑪ Use of products sold	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
(Domestic) <sup>*13</sup>	Thousand t-CO <sub>2e</sub>	26,120	28,311	25,196	<sup>*20</sup> 30,845	<b>28,978</b>
(Overseas)	Thousand t-CO <sub>2e</sub>	-	-	-	<sup>*15</sup> 7,021	<sup>*15</sup> 7,164
⑫ End-of-life treatment of sold products	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
⑬ Downstream leased assets	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
⑭ Franchises	Thousand t-CO <sub>2e</sub>	-	-	-	-	-
⑮ Investments	Thousand t-CO <sub>2e</sub>	-	-	-	-	-

\*LNG raw material procurement 5,456 Thousand t-CO<sub>2e</sub> Third-party Assured <sup>\*19</sup>

<sup>\*14</sup> Sum of emissions from power plants in which the Group holds a stake (excluding consolidated subsidiaries) and from power plants from which the Group purchases all electricity generated. Included in "Category 1: Purchased goods and services" from FY2022 onward.

<sup>\*15</sup> GHG emissions resulting from products sold were calculated using the method below.

Assuming that all LNG sold by TG Natural Resources LLC was combusted at purchaser sites, calculation was performed using the method below.

- Calculation method: LNG sales volume (t) × LNG emissions intensity (t-CO<sub>2</sub>/t)

- Emissions intensity: 53.6 kg-CO<sub>2</sub>/mmBtu (CO<sub>2</sub> emission factor for natural gas as defined by the US Environmental Protection Agency's (EPA's) Emission Factors for Greenhouse Gas Inventories)

- Note that the emissions from product sales for Rockcliff Energy II LLC, which was acquired at the end of December 2023, was not included as there was no sales performance data for the 2023.

<sup>\*16</sup> GHG emissions resulting from the extraction and liquefaction of procured LNG were calculated using the method below.

(i) CO<sub>2</sub> emissions from domestic imports:

- Calculation method: Amount of LNG procured (t) (excluding the amount of LNG transferred through trading) × Unit calorific value (GJ/t) × (Emissions intensity for extraction and liquefaction) (t-CO<sub>2e</sub>/GJ)

- Unit calorific value: The unit calorific value for liquefied natural gas published in the Act on Promotion of Global Warming Countermeasures (54.7 GJ/t) was used.

- Emissions intensity

Extraction: 0.82 g-CO<sub>2</sub>/MJ; Liquefaction: 6.81 g-CO<sub>2</sub>/MJ, based on gross calorific value

Source: City Gas Life Cycle Assessment (published April 2024), Japan Gas Association website.

- Methane's global warming potential (CH<sub>4</sub> GWP = 28 (AR5 basis)) was also taken into account for the emissions intensities deriving from extraction and liquefaction.

(ii) CO<sub>2</sub> emissions resulting from extraction of natural gas procured from other companies by TG Natural Resources LLC.

- Calculation method: Amount of LNG procured (t) × CO<sub>2</sub> emissions intensity from TG Natural Resources LLC's own wells

<sup>\*17</sup> GHG emissions resulting from electric power procurement were calculated using the method below.

(i) The upstream emissions of our own power plants accounted for in Scope 1 and 2, the power plants in which Group holds a stake (excluding consolidated subsidiaries), as well as the upstream and operational GHG emissions of the power plants from which Group receive the entire output of generated electricity.

(i)-1 Upstream CO<sub>2</sub> emissions:

- Calculation method: Of the LNG procured, the fuel for power generation (tolling) (t) × (Emissions intensity of extraction, liquefaction, and transportation by sea) (t-CO<sub>2e</sub>/t)

- Unit calorific value: The unit calorific value for liquefied natural gas published in the Act on Promotion of Global Warming Countermeasures (54.7 GJ/t) was used.

- Emissions intensity: Extraction: 0.82 g CO<sub>2</sub>/MJ; Liquefaction: 6.81 g CO<sub>2</sub>/MJ; Transportation by sea: 1.48 g CO<sub>2</sub>/MJ, based on gross calorific value

Source: City Gas Life Cycle Assessment (published April 2024), Japan Gas Association website.

- Methane's global warming potential (CH<sub>4</sub> GWP = 28 (AR5 basis)) was also taken into account for the emissions intensities deriving from extraction and liquefaction.

(i)-2 CO<sub>2</sub> emissions during power generation:

- Calculation method: Amount of power generated (kWh) × Power plant emissions intensity (t-CO<sub>2</sub>/kWh) (Power plant FY2023 primary data)

(ii) Upstream GHG emissions and GHG emissions during power generation from electricity procured from the market:

(ii)-1 Upstream CO<sub>2</sub> emissions:

- Calculation method: Amount of electricity procured from the market (kWh) × CO<sub>2</sub> emissions intensity (kg CO<sub>2</sub>/kWh)

- Emissions intensity: 0.0682 (kg CO<sub>2</sub>/kWh) (Emissions intensity database (SC-DB ver. 3.4) of the Ministry of the Environment, Japan)

(ii)-2 CO<sub>2</sub> emissions during power generation:

- Calculation method: Data reported in accordance with the Act on Promotion of Global Warming Countermeasures was used

(iii) Scope 2 upstream GHG emissions for the Tokyo Gas Group:

- Calculation method: Amount of electricity obtained by deducting the amount of electricity purchased within the Tokyo Gas Group from the Tokyo Gas Group's Scope 2 emissions × CO<sub>2</sub> emissions intensity (kg CO<sub>2</sub>/kWh)

- Emissions intensity: 0.0682 (kg CO<sub>2</sub>/kWh) (Emissions intensity database (SC-DB ver. 3.4) of the Ministry of the Environment, Japan)

<sup>\*18</sup> GHG emissions resulting from transportation were calculated using the method below.

(i) LNG procurement transport CO<sub>2</sub> emissions:

- Calculation method: Of the LNG procured, the fuel portion for city gas (t) × (Emissions intensity of transportation by sea) (t-CO<sub>2e</sub>/t)

- Unit calorific value: The unit calorific value for liquefied natural gas published in the Act on Promotion of Global Warming Countermeasures (54.7 GJ/t) was used.

- Emissions intensity: Transportation by sea: 1.48 g CO<sub>2</sub>/MJ, based on gross calorific value

Source: City Gas Life Cycle Assessment (published April 2024), Japan Gas Association website.

(ii) CO<sub>2</sub> emissions reported as a designated freighter of the Energy Efficiency Act

<sup>\*19</sup> CO<sub>2</sub> emissions from domestic imports (Category 1, 3, 4):

- Calculation method: Amount of LNG procured (t) (excluding the amount of LNG transferred through trading) × Unit calorific value (GJ/t) × (Emissions intensity for extraction and liquefaction, and transportation by sea) (t-CO<sub>2e</sub>/GJ)

- Unit calorific value: The unit calorific value for liquefied natural gas published in the Act on Promotion of Global Warming Countermeasures (54.7 GJ/t) was used.

- Emissions intensity

Extraction: 0.82 g-CO<sub>2</sub>/MJ; Liquefaction: 6.81 g-CO<sub>2</sub>/MJ Sea transport: 1.48 g-CO<sub>2</sub>/MJ, based on gross calorific value

Source: City Gas Life Cycle Assessment (published April 2024), Japan Gas Association website.

- Methane's global warming potential (CH<sub>4</sub> GWP = 28 (AR5 basis)) was also taken into account for the emissions intensities deriving from extraction and liquefaction.

<sup>\*20</sup> Errors found in FY2022 are corrected.

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## Conversion Factor, etc.

### ▶ CO<sub>2</sub> Emission Factor

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023	
City gas (Tokyo Gas 13A) <sup>*1</sup>		kg-CO <sub>2</sub> /m <sup>3</sup>	2.21					
Purchased electricity <sup>*2</sup>		kg-CO <sub>2</sub> /kWh	Emission factor published for each electricity utility based on ministerial orders under the Act on Promotion of Global Warming Countermeasures.					
Heat <sup>*3</sup>	Steam (excluding industrial use), hot water, cold water	kg-CO <sub>2</sub> /MJ	0.057				0.053	
	Industrial steam	kg-CO <sub>2</sub> /MJ	0.060				0.065	
Other fuels <sup>*3</sup>	Heavy oil A	kg-CO <sub>2</sub> /L	2.71				2.75	
	Diesel	kg-CO <sub>2</sub> /L	2.58				2.62	
	Kerosene	kg-CO <sub>2</sub> /L	2.49				2.50	
	Gasoline	kg-CO <sub>2</sub> /L	2.32				2.29	
	LPG	kg-CO <sub>2</sub> /kg	3.00				2.99	
	LNG	kg-CO <sub>2</sub> /L	2.70				2.79	

\*1 Calculated based on the typical composition of city gas (type 13A) supplied by Tokyo Gas (15°C, gauge pressure of 2 kPa).

\*2 The adjusted emission factors are used.

\*3 Calculated using the unit calorific value released in accordance with the ministerial ordinance stipulated by the Act on Promotion of Global Warming Countermeasures, and multiplying this amount by the carbon emission factor per unit calorific value and by 44/12.

### ▶ Unit Calorific Value

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
City gas (Tokyo Gas 13A) <sup>*4</sup>		MJ/m <sup>3</sup> N	45.00				
Purchased electricity <sup>*5,6</sup>	Daytime electricity	MJ/kWh	9.97				8.64
	Nighttime electricity	MJ/kWh	9.28				8.64
	Other than general electricity utilities	MJ/kWh	9.76				8.64
Heat <sup>*5</sup>	Steam (excluding industrial use), hot water, cold water	MJ/MJ	1.36				1.19
	Industrial steam	MJ/MJ	1.02				1.17
Other fuels <sup>*5</sup>	Heavy oil A	MJ/L	39.1				38.9
	Diesel	MJ/L	37.7				38.0
	Kerosene	MJ/L	36.7				36.5
	Gasoline	MJ/L	34.6				33.4
	LPG	MJ/kg	50.8				50.1
	LNG	MJ/kg	54.6				54.7

\*4 City gas calorific value of Tokyo Gas (0°C, 1 atmospheric pressure).

\*5 Act on the Rational Use of Energy (Energy Efficiency Act; currently the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy).

\*6 In calorific value conversion for "District heating and cooling centers, etc." and "Business offices, etc.," the daytime electricity coefficient was applied to all electricity purchased from general electricity utilities.

### Amount of Thermal Power Generation Varies According to Electricity Usage

In Japan, the electricity supplied by electric utilities is generated primarily by thermal power, nuclear power and hydroelectric power plants. Nuclear power plants operate at full capacity except when undergoing a routine inspection, while the annual power output of hydroelectric power plants is determined by the amount of rainfall. The electricity supply is adjusted by operations at thermal power plants. Therefore, in terms of total annual output, it is most likely to be thermal power generation that is cut when electricity use is reduced through energy-saving measures.

 [The Greenhouse Gas Protocol](#)

(Guidelines for Quantifying GHG Reductions from Grid-Connected Electricity Projects)

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## Water

### Water Withdrawal (water consumption)

#### ▶ Water Withdrawal (water consumption)<sup>\*1</sup>

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Water Withdrawal (water consumption) Group total</b>	Thousand m <sup>3</sup>	690,950	661,816	679,501	633,359	<b>619,989</b>
<b>Tap water, industrial water and well water Group total</b>	Thousand m <sup>3</sup>	4,600	4,422	3,334	4,708	<b>5,113</b>
City gas production	Thousand m <sup>3</sup>	981	959	975	867	<b>877</b>
District heating and cooling centers, etc.	Thousand m <sup>3</sup>	1,716	1,582	1,539	1,700	<b>1,900</b>
Power generation	Thousand m <sup>3</sup>	1,135	1,263	216	1,368	<b>1,622</b>
Business offices, etc.	Thousand m <sup>3</sup>	507	400	409	544	<b>411</b>
Other	Thousand m <sup>3</sup>	261	217	195	228	<b>302</b>
(Tokyo Gas Co., Ltd.)	Thousand m <sup>3</sup>	1,580	1,448	1,473	1,459	<b>1,343</b>
<b>Seawater</b>	Thousand m <sup>3</sup>	686,350	657,384	676,167	628,651	<b>614,876</b>
City gas production	Thousand m <sup>3</sup>	686,350	657,384	676,167	628,651	<b>602,345</b>
Other	Thousand m <sup>3</sup>	-	-	-	-	<sup>*2</sup> 12,531

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\*1 Totals for Tokyo Gas Co., Ltd. and its consolidated subsidiaries in Japan.

\*2 Newly included from this period due to the inclusion of the Niihama LNG terminal in the calculation.

### Water discharge

#### ▶ Water Discharge<sup>\*3</sup>

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Water discharge</b>	Thousand m <sup>3</sup>	687,365	658,427	676,921	629,629	<b>615,761</b>
<b>Water discharge<sup>*4</sup> Group total</b>	Thousand m <sup>3</sup>	1,015	1,033	754	978	<b>885</b>
City gas production	Thousand m <sup>3</sup>	300	285	261	251	<b>208</b>
District heating and cooling centers, etc.	Thousand m <sup>3</sup>	387	379	346	325	<b>377</b>
Power generation	Thousand m <sup>3</sup>	328	369	146	402	<b>300</b>
(Tokyo Gas Co., Ltd.)	Thousand m <sup>3</sup>	335	327	289	265	<b>227</b>
<b>Seawater<sup>*5</sup></b>	Thousand m <sup>3</sup>	686,350	657,384	676,167	628,651	<b>614,876</b>
City gas production	Thousand m <sup>3</sup>	686,350	657,384	676,167	628,651	<b>602,345</b>
Other	Thousand m <sup>3</sup>	-	-	-	-	<sup>*2</sup> 12,531

\*3 Calculated for Tokyo Gas and its domestic consolidated subsidiaries, but excluding Tokyo Gas business offices, etc. and other Group companies.

\*4 Data are for effluent discharges from effluent treatment facilities and sewage discharges.

\*5 Due to the inability to measure seawater effluent accurately, it is calculated as equivalent to seawater consumption.

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## Waste

### Industrial Waste<sup>\*1</sup>

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Industrial Waste <sup>*2</sup> Group total	Amount generated	t	146,243	143,176	133,481	74,730 <sup>*3</sup>	20,369 <sup>*3</sup>
	Amount recycled	t	141,204	139,945	130,260	70,071 <sup>*3</sup>	16,521 <sup>*3</sup>
	Landfill	t	1,702	1,655	2,316	4,030 <sup>*4</sup>	2,931
	Recycling rate	%	97	98	98	94	81
	Landfill rate	%	1.2	1.2	1.7	5.4	14
Tokyo Gas Co., Ltd.	Amount generated	t	4,924	3,697	3,499	1,534	1,687
	Amount recycled	t	3,464	2,777	2,787	1,140	1,198
	Landfill	t	508	471	437	142	211
	Recycling rate	%	70	75	75	74	71
	Landfill rate	%	10	13	12	9	12.5

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\*1 Totals for Tokyo Gas Co., Ltd. and its consolidated subsidiaries in Japan.

\*2 Including construction work at our subsidiaries and customers of our subcontractors.

\*3 The decreases in amount generated and amount recycled were primarily due to the FY2022 transfer of the pipeline business from Capty Co., Ltd. (now called Capty Solutions Co., Ltd.) to the non-Group company Nippon Steel Pipeline & Engineering Co., Ltd.

\*4 The increase in amount placed in landfill is due to ash from the Fushiki Manyoutou Biomass Power Plant, which went into operation in FY2022.

### By-products from Gas Pipeline Construction

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023	
Gas pipe <sup>*5</sup>	Polyethylene pipe	Amount recovered	t	253	265	254	268	271
	Polyethylene pipe	Amount recycled	t	253	265	254	268	271
	Polyethylene pipe	Recycling rate	%	100	100	100	100	100

\*5 TOKYO GAS NETWORK Co., Ltd.

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## Employment

### ▶ Number of Regular Employees by Gender<sup>\*1, 2, 3</sup>

		Unit	FY2021	FY2022	FY2023
Consolidated	Male	Number of persons (%)	11,375 (80.4)	10,884 (79.9)	<b>10,484</b> <b>(79.1)</b>
	Female		2,766 (19.6)	2,733 (20.1)	<b>2,767</b> <b>(20.9)</b>
	Total		14,141	13,617	<b>13,251</b>
Non-consolidated	Male		6,194 (83.2)	6,053 (82.9)	<b>6,011</b> <b>(82.8)</b>
	Female		1,253 (16.8)	1,248 (17.1)	<b>1,248</b> <b>(17.2)</b>
	Total		7,447	7,301	<b>7,259</b>

\*1 Data are as of the end of March of each fiscal year.

\*2 Non-consolidated data exclude personnel on loan to Tokyo Gas from other organizations and include personnel on loan from Tokyo Gas to other organizations (hereafter, "registered personnel").

\*3 Consolidated data exclude personnel on loan to Tokyo Gas and its subsidiaries from other organizations and include personnel on loan from Tokyo Gas and its subsidiaries to other organizations (hereafter, "registered personnel").

### ▶ Hiring of New Graduates<sup>\*1, 2, 3</sup>

		Unit	FY2022	FY2023	FY2024
Consolidated	Male	Number of persons (%)	299 (71.4)	267 (69.0)	<b>263</b> <b>(69.8)</b>
	Female		120 (28.6)	120 (31.0)	<b>114</b> <b>(30.2)</b>
	Total		419	387	<b>377</b>
Non-consolidated	Male		102 (78.5)	105 (73.9)	<b>84</b> <b>(70.6)</b>
	Female		28 (21.5)	37 (26.1)	<b>35</b> <b>(29.4)</b>
	Total		130	142	<b>119</b>

\*1 Data are as of April 1 of each fiscal year.

\*2 Non-consolidated data are for Tokyo Gas employees (registered personnel).

\*3 Consolidated data are for Tokyo Gas employees and its subsidiary employees for which data are available (registered personnel).

### ▶ Number of Managers<sup>\*1, 2, 3, 4</sup>

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		Unit	FY2022	FY2023	FY2024
Consolidated	Male	Number of persons (%)	3,290 (90.2)	3,193 (89.6)	<b>2,989</b> <b>(88.5)</b>
	Female		359 (9.8)	370 (10.4)	<b>390</b> <b>(11.5)</b>
	Total		3,649	3,563	<b>3,379</b>
Non-consolidated	Male		2,574 (90.5)	2,534 (90.2)	<b>2,247</b> <b>(88.7)</b>
	Female		271 (9.5)	276 (9.8)	<b>286</b> <b>(11.3)</b>
	Total		2,845	2,810	<b>2,533</b>

\*1 Data are as of April 1 of each fiscal year.

\*2 Managers refers to employees who hold the post of section head or above, or who, regardless of job title or group member makeup, have a supervisory position or equivalent status. Executives are not included.

\*3 Non-consolidated data are for Tokyo Gas employees (registered personnel).

\*4 Consolidated data are for Tokyo Gas employees and its subsidiary employees (registered personnel).

### ▶ Hiring of Experienced Personnel<sup>\*1, 2, 3</sup>

		Unit	FY2021	FY2022	FY2023
Consolidated	Male	Number of persons (%)	93 (58.5)	135 (60.3)	<b>238</b> <b>(64.0)</b>
	Female		66 (41.5)	89 (39.7)	<b>134</b> <b>(36.0)</b>
	Total		159	224	<b>372</b>
Non-consolidated	Male		21 (80.8)	29 (93.5)	<b>54</b> <b>(94.7)</b>
	Female		5 (19.2)	2 (6.5)	<b>3</b> <b>(5.3)</b>
	Total		26	31	<b>57</b>

\*1 Data includes contract employees who became regular employees.

\*2 Non-consolidated data are for Tokyo Gas employees (registered personnel).

\*3 Consolidated data are for Tokyo Gas employees and its subsidiary employees for which data are available (registered personnel).

### ▶ Average Length of Employment by Gender<sup>\*1, 2, 3</sup>

		Unit	FY2021	FY2022	FY2023
Consolidated	Male	Years	17.5	16.7	<b>16.1</b>
	Female		13.8	14.0	<b>13.6</b>
	Total		16.8	16.2	<b>15.6</b>
Non-consolidated	Male		20.3	20.2	<b>19.4</b>
	Female		17.8	18.9	<b>18.0</b>
	Total		19.9	20.0	<b>19.2</b>

\*1 Data are as of the end of March of each fiscal year.

\*2 Non-consolidated data are for Tokyo Gas employees (registered personnel).

\*3 Consolidated data are for Tokyo Gas employees and its subsidiary employees for which data are available (registered personnel).

### ▶ Number of Employees Leaving the Company<sup>\*1, 2, 3</sup>

		Unit	FY2021	FY2022	FY2023
Consolidated	Male (Percentage of employees leaving the company)	Number of persons (%)	274 (2.4)	261 (2.3)	<b>259</b> <b>(2.5)</b>
	Female (Percentage of employees leaving the company)	Number of persons (%)	126 (4.4)	125 (4.5)	<b>93</b> <b>(3.4)</b>
	Total (Percentage of employees leaving the company)	Number of persons (%)	400 (2.8)	386 (2.8)	<b>352</b> <b>(2.7)</b>
Non-consolidated	Male (Percentage of employees leaving the company)	Number of persons (%)	66 (1.0)	80 (1.3)	<b>70</b> <b>(1.1)</b>
	Female (Percentage of employees leaving the company)	Number of persons (%)	12 (0.9)	21 (1.6)	<b>16</b> <b>(1.3)</b>
	Total (Percentage of employees leaving the company)	Number of persons (%)	78 (1.0)	101 (1.3)	<b>86</b> <b>(1.2)</b>

\*1 Non-consolidated data are for Tokyo Gas employees (registered personnel).

\*2 Consolidated data are for Tokyo Gas employees and its subsidiary employees for which data are available (registered personnel).

\*3 The percentage of people leaving the company is calculated as follows: Number of regular employees leaving for personal reasons (as of March 31 of each fiscal year) / Number of regular employees (as of April 1 of each fiscal year).

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### ▶ Number of Contract and Temporary Employees<sup>\*1, 2</sup>

	Unit	FY2022	FY2023	FY2024
Contract employees	Number of persons (%)	1,044	985	717
Temporary employees		748	702	709
Total (Percentage of contract and temporary employees)		1,792 (19.2)	1,687 (18.5)	1,426 (18.0)

\*1 Data are as of April 1 of each fiscal year.

\*2 Data are for Tokyo Gas.

### ▶ Number of Employees with Disabilities<sup>\*1, 2, 3</sup>

	Unit	June 2022	June 2023	June 2024
Number of employees with disabilities	Number of persons	169	171	131
Percentage of total employees	%	2.64	2.72	2.46

\*1 Figures are as of the first day of the month shown for each fiscal year.

\*2 Number of employees with disabilities is total enrollment (headcount) of regular and contract employees at Tokyo Gas.

\*3 Percentage of total employees is as reported to the Ministry of Health, Labour and Welfare in the report on employment status of disabled workers.

### ▶ Reemployment after Mandatory Retirement<sup>\*1</sup>

	Unit	FY2021	FY2022	FY2023
Total number of retired employees <sup>*2</sup>	Number of persons (%)	170	200	142
Number of reemployed <sup>*3</sup>		155	179	120
(Percentage of reemployed)		(91.2)	(89.5)	(84.5)

\*1 Data are for Tokyo Gas employees (registered personnel).

\*2 Number of employees who left the company at the mandatory retirement age of 60.

\*3 Number of people rehired by Tokyo Gas or its subsidiaries after mandatory retirement.

### ▶ Number of Employees with Right to Collective Bargaining (Employees Excluding Management)<sup>\*1, 2</sup>

	Unit	FY2021	FY2022	FY2023
Number of employees	Number of persons	6,780	6,641	6,620

\*1 Data are as of the end of March of each fiscal year.

\*2 Data are for Tokyo Gas employees (registered personnel).

## Human Resource Development

### ▶ Average Annual Training Hours<sup>\*1, 2</sup>

	Unit	FY2021	FY2022	FY2023
Average annual training hours	Hours/person	12.3	12.2	7.2 <sup>*3</sup>

\*1 Data are for Tokyo Gas employees (registered personnel).

\*2 Data on training provided by the Personnel Department (excludes training provided independently by other departments).

\*3 Starting in FY2023, the responsibility for some training programs was transferred from the Personnel Dept. to other departments.

## Use of Employee Programs

### ▶ Number of Employees Using Childcare/Nursing Care Leave and Balancing Work Related Programs (consolidated)<sup>\*1</sup>

Programs	Item	Unit	FY2021		FY2022		FY2023	
			Male	Female	Male	Female	Male	Female
Childcare leave	Number of users Number of persons		63	196	181	200	291	192
Shorter hours for childcare			35	366	36	354	57	392
Nursing care leave			3	10	4	9	3	11
Shorter hours for nursing care			0	4	4	5	3	11

\*1 Data are for Tokyo Gas employees and its subsidiary employees for which data are available (registered personnel).

### ▶ Major Programs and Number of Users (non-consolidated)<sup>\*1, 2</sup>

Programs	Outline	Item	Unit	FY2021		FY2022		FY2023	
				Male	Female	Male	Female	Male	Female
Childcare leave	<b>Until the end of April immediately following the child's 3rd birthday (employees are allowed to change the scheduled date of reinstatement if they are unable to enroll their child in a nursery school)</b>	Number of users	Number of persons	38	92	120	104	200	106
		Percentage returning to work <sup>*3</sup>	%	100	100	100	100	100	100
Shorter hours for childcare	Flexitime for childcare is available during pregnancy and <b>until the child completes the 6th grade</b>	Number of users	Number of persons	26	209	31	210	46	222
Nursing care leave	<b>Up to 3 years</b> for one care receiver within the second degree of kinship	Number of users	Number of persons	2	3	2	5	2	2
Shorter hours for nursing care	Flexitime for nursing care is available for <b>up to 5 years</b> per care receiver who is a relative within the second degree of kinship	Number of users	Number of persons	0	1	1	2	0	4
Maternity leave	By employee application, <b>six weeks before birth and eight weeks after birth</b>	Number of users	Number of persons	-	45	-	60	-	59
Spousal maternity leave	<b>Five days</b> within 180 days after spouse gives birth	Number of users	Number of persons	227		261		271	
Child nursing leave	<b>Ten days</b> in cases where the child suffers injury or illness and requires care, or for the child to receive vaccinations or health examinations, until the child completes the third grade	Number of users	Number of persons	0	1	4	4	13	5
Community service leave	Up to 5 days of volunteer service within 1 year	Cumulative number of users	Number of persons	10		9		8	
Career reflection program	Employees who reach the ages of 30, 35, 40 and 50 are granted commemorative gifts and special leave (paid)	Number of users	Number of persons	787		803		868	
Leave to accompany partner	Up to 3 years for employees accompanying a spouse posted overseas	Number of users	Number of persons	9		13		13	
Life design support leave	Up to one year for employees undergoing fertility treatment	Number of users	Number of persons	-	3	-	0	-	0

\*1 Data are for Tokyo Gas employees (registered personnel).

\*2 Items in bold are company programs that go beyond regulatory requirements.

\*3 Percentage of employees who returned to work at the company after completing childcare leaves for each fiscal year.

# Social Data

## Occupational Health and Safety

### ► Overview of Accidents and Injuries<sup>\*1</sup>

	Unit	FY2021	FY2022	FY2023
Occupational accident fatalities	Number of persons	0	0	0
Work-related injuries	Cases	8	0	4
Lost worktime injury frequency rate <sup>2,4</sup>	-	0.52	0.00	0.26
Severity rate <sup>3,4,5</sup>	-	0.010	0.000	0.001

\*1 Data are for regular employees (registered personnel) and contract employees of Tokyo Gas.

\*2 Lost worktime injury frequency rate per 1 million total actual working hours.

\*3 Number of workdays lost as a result of accidents/injuries per 1,000 total actual working hours.

\*4 Includes work-related traffic accidents. Commuting accidents are not included.

\*5 Lost workdays are counted based on standards placed by the Japanese Ministry of Health, Labour and Welfare.

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### ► Implementation of Occupational Health and Safety Education Programs<sup>\*1</sup>

Programs	Unit	FY2021	FY2022	FY2023
Level-specific training on health and safety and on safety planning	Training for new employees	137	130	142
	Health and safety training for new managers	226	249	275

\*1 Data are for Tokyo Gas employees (registered personnel).

### ► Health Indexes<sup>\*1</sup>

	Unit	FY2021	FY2022	FY2023	
Participation in regular health examinations	%	100	100	100	
Participation in stress checks	%	73.7	88.0	94.0	
Participation in health initiative <sup>2</sup>	Number of persons	1,247	4,497	4,964	
Average overtime work	Hours/Person-month	18.7	17.9	17.6	
No. of days annual paid leave taken	Days/person	17.9	21.2	18.2	
Smoking	Male	%	28.9	28.2	27.5
	Female	%	4.8	5.0	4.9

\*1 Data are for Tokyo Gas employees (registered personnel).

\*2 Number of participants in walking campaign that has them individually compete for most steps walked in a 2-month period.

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### Human rights and Compliance

#### ▶ Participants in Training on Human Rights and Compliance<sup>\*1</sup>

	Overview	Unit	FY2021	FY2022	FY2023
Level-specific compliance training	Training upon entering the company, during the third year, and during qualification promotions (two levels)	Number of persons	1,238	1,074	1,150
Workplace discussions	Workplace-level trainings on topics selected and shared Group-wide		21,956	21,191	20,667
Compliance promoter training	Training provided multiple times during the year to impart compliance-related information for properly managing the workplace		-	321	470
Compliance consultation desk staff training	Training for enabling prompt escalation and strengthening risk response		73	57	91
Compliance lectures <sup>*2</sup>	Topics are compliance-related issues for which the Group needs to raise the compliance awareness of each employee		1,147	2,085	3,753

\*1 Data are for the Tokyo Gas Group.

\*2 FY2021: Number of viewers of three lectures. FY2022, FY2023: Number of lecture video playbacks.

#### ▶ Number of Cases Handled by Consultation Desks<sup>\*1</sup>

Consultation Topics	Unit	FY2021	FY2022	FY2023
Interpersonal relations and harassment	Number of cases	60	47	52
Benefits and working hours		24	29	13
Internal regulations		25	10	9
Laws, regulations, and other matters		7	4	4
Other		4	14	26
Total		120	104	104

\*1 Data are for the Tokyo Gas Group consultation desk (excluding each Group company's own consultation desk).

## 05

Environmental Data

Social Data

Governance Data

# Third-Party Independent Assurance Report

## Third-Party Independent Assurance

Some social and environmental data provided in this PDF version of Tokyo Gas Group Sustainability Factbook have been independently assured by a third party, namely KPMG AZSA Sustainability Co., Ltd. (a member of the KPMG Japan group), to enhance their credibility.

\*The applicable items are indicated by "Third-party assured" next to them.

## Independent Assurance Report

To the Director, Representative Corporate Executive Officer, President and CEO of Tokyo Gas Co., Ltd.

We were engaged by Tokyo Gas Co., Ltd. (the "Company") to undertake a limited assurance engagement of the environmental and social performance indicators marked with "Third-party Assured" (the "Indicators") for the period from April 1, 2023 to March 31, 2024 (except for the "Number of Managers", which is as of April 1, 2024) included in its Tokyo Gas Group Sustainability Fact Book 2024 (the "Factbook") for the fiscal year ended March 31, 2024.

### The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Factbook.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' and the 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements' issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Factbook, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company's responsible personnel to obtain an understanding of its policy for preparing the Factbook and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and recalculating the Indicators.
- Visiting Niihama LNG Co., Ltd. selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

### Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Factbook are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Factbook.

### Our Independence and Quality Management

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/ Kazuhiko Saito

Kazuhiko Saito, Partner, Representative Director  
KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan  
October 21, 2024

Notes to the Reader of Independent Assurance Report:

This is a copy of the Independent Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.

06

Third-Party  
Independent  
Assurance Report

# Key ESG Ratings

## Inclusion in ESG Indexes

The Tokyo Gas Group has been included in the following ESG indexes (as of July 2024).

### FTSE4Good Index Series

A series of indexes developed by FTSE Russell, a subsidiary of the London Stock Exchange Group. These indexes assess companies based on their ESG performance; companies that meet certain criteria are included in the indexes.



FTSE4Good

 [FTSE4Good Index Series](#)

### FTSE Blossom Japan Index

This index is comprised of Japanese companies that meet high ESG standards. It is constructed so that the industry weights align with the Japanese equity market. Since 2017, the Government Pension Investment Fund of Japan (GPIF) has tracked its investments with this index.



FTSE Blossom  
Japan

### FTSE Blossom Japan Sector Relative Index

This index is comprised of Japanese companies that meet high ESG standards. It includes assessment of environmental impact and management practices regarding climate change risks and opportunities. Since 2022, the GPIF has tracked its investments with this index.



FTSE Blossom  
Japan Sector  
Relative Index

 [FTSE Blossom Japan Index Series](#)

### MSCI ESG Leaders Indexes<sup>\*1</sup>

Indexes developed by MSCI Inc. of the U.S. These indexes assess companies based on their ESG performance; companies that meet certain criteria are included in the indexes.



### MSCI Japan ESG Select Leaders Index<sup>\*1</sup>

This index is comprised of Japanese companies that meet high ESG standards. The constituents are selected for having relatively high ESG ratings within their industries. Since 2024, the GPIF has tracked its investments with this index.

2024 CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX

### MSCI Japan Empowering Women Index (WIN)<sup>\*1</sup>

This index is comprised of Japanese companies with high scores on gender diversity, based on women's empowerment data. Since 2017, the GPIF has tracked its investments with this index.

2024 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

### Morningstar Japan ex-REIT Gender Diversity Tilt Index

This index was developed by Morningstar. Based on the gender quality score from Equileap, it focuses on companies that excel in gender diversity initiatives. The index categorizes companies into five groups based on their scores, and Tokyo Gas is positioned in Group 1, the top tier.



### SOMPO Sustainability Index

This index is managed by SOMPO Asset Management Co., Ltd. It is comprised of companies rated by Sampo Risk Management Inc. as having met specific ESG standards.



07

Key ESG Ratings

\*1: THE INCLUSION OF Tokyo Gas Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Tokyo Gas Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

# Key ESG Ratings

## External Sustainability Ratings

The Tokyo Gas Group has received the following external ratings of its sustainability performance (as of October 2024).

### CDP

CDP is a UK-based NPO that collaborates with institutional investors to operate an international framework asking companies to disclose information on their climate change and water risk initiatives. The initiatives are scored on a scale from A to D-, and the results serve as an important index of corporate environmental efforts. Tokyo Gas received an A- rating in the climate change category for FY2023.



### Eco-First Company

The program in which the Minister of the Environment certifies companies that undertake advanced, unique, and industry-leading business activities in the field of environment. Tokyo Gas is certified as an Eco-First Company in recognition of its advancements, uniqueness, and ripple effects in four areas; transitioning to a decarbonized society, environmental finance, coexistence with nature, and promotion of environmental education.



### Nationally Certified Sustainably Managed Natural Sites

This is a system in which the Ministry of the Environment recognizes areas where biodiversity conservation is being achieved, aiming to meet the international goal of conserving biodiversity (30by30).

In October 2024, the Sodegaura LNG Terminal became the first site within our company group to receive this recognition.



### 2024 Certified Health & Productivity Management Outstanding Organizations Recognition Program

This is a certification program jointly run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. It honors large enterprises and SMEs that conduct particularly outstanding health management based on efforts addressing regional health issues and Nippon Kenko Kaigi's health promotion efforts. Tokyo Gas has been certified as a White 500 company, which represents the top-performing corporations among those certified in the Large Corporation category. Additionally, Tokyo Gas i Net Corp., Tokyo Gas Customer Support Co., Ltd., and Capty Solutions Co., Ltd. have also received certification in the Large Corporation category, while Tokyo Gas Lease Co., Ltd. has been certified in the SME category.



### FY2023 Nadeshiko Brands

Under this initiative, the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange jointly select companies that are outstanding in terms of encouraging women's success in the workplace. Candidates are evaluated for linkage of women's empowerment measures with their management strategy. This year marks the selection of Tokyo Gas as a Nadeshiko Brand for the second year in a row, and the seventh time in total.



### "Eruboshi" Certification

Enterprises with superior efforts for the advancement of female employees are certified by the Minister of Health, Labour and Welfare under a system based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace. There are three levels of certification, and both Tokyo Gas and Tokyo Gas Customer Support Co., Ltd. are certified at the highest level.



### "Kurumin" Certification

This certification system is based on the Act on Advancement of Measures to Support Raising Next-Generation Children. Companies that actively support employees in their parenting duties are certified by the Minister of Health, Labour and Welfare. Currently, Tokyo Gas, Tokyo Gas Customer Support Co., Ltd., and Tokyo Gas Real Estate Co., Ltd. are listed in this index.



# GRI Sustainability Reporting Standards Index

The Tokyo Gas Group Sustainability Fact Book refers to the Standard.

## GR12: General Disclosures 2021

Disclosure		Disclosure Pages
<b>1. The organization and its reporting practices</b>		
2-1	Organizational details	 Profile  Locations
	Entities included in the organization's sustainability reporting	 Major Group Companies
2-3	Reporting period, frequency and contact point	 About This Factbook  Contact Us
	Restatements of information	–
2-5	External assurance	 Third-Party Independent Assurance Report
<b>2. Activities and workers</b>		
2-6	Activities, value chain and other business relationships	 About Us  Supply Chain Management
	Employees	 Social Data
2-8	Workers who are not employees	 Social Data
<b>3. Governance</b>		
2-9	Governance structure and composition	 Integrated Report (Corporate Governance)  The Tokyo Gas Group's Sustainability  Corporate Governance Report

Disclosure		Disclosure Pages
2-10	Nomination and selection of the highest governance body	 Corporate Governance Report  Independence Standards for Outside Directors
	Chair of the highest governance body	 Corporate Governance Report
2-12	Role of the highest governance body in overseeing the management of impacts	 Sustainability promotion system
		 Stakeholder Engagement
		 Integrated Report (Corporate Governance)  Integrated Report (Risk Management System)
2-13	Delegation of responsibility for managing impacts	 Sustainability promotion system
2-14	Role of the highest governance body in sustainability reporting	 Sustainability promotion system  Material Issues
2-15	Conflicts of interest	 Corporate Governance Report
2-16	Communication of critical concerns	 Integrated Report (Corporate Governance)
		 Compliance
2-17	Collective knowledge of the highest governance body	 Integrated Report (Corporate Governance)  Sustainability promotion system
2-18	Evaluation of the performance of the highest governance body	 Integrated Report (Corporate Governance)
		 Sustainability promotion system
2-19	Remuneration policies	 Integrated Report (Officer Remuneration System)
2-20	Process to determine remuneration	 Integrated Report (Officer Remuneration System)
2-21	Annual total compensation ratio	–

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


# GRI Sustainability Reporting Standards Index

## GRI2: General Disclosures 2021

Disclosure	Disclosure Pages
<b>4. Strategy, policies and practices</b>	
2-22	Statement on sustainable development strategy   Integrated Report (CEO's Message)
2-23	Policy commitments   Group's Management Philosophy
	  Environmental Policy
	  Human rights policy
	  Tokyo Gas Group's Policy on Health and Safety Activities
	  Guidelines for Preventing Bribery of Foreign Public Officials
2-24	Embedding policy commitments   Basic Policy on Sustainable Procurement
	  The Tokyo Gas Group's Sustainability
	  Environmental Governance
	  Human Rights
	  Occupational Health and Safety
	  Anti-corruption
2-25	Processes to remediate negative impacts   Supply Chain Management
	  Sustainability promotion system
2-26	Mechanisms for seeking advice and raising concerns   Human Rights
	  Purchasing Inquiries
2-27	Compliance with laws and regulations No violation cases
	No violations of laws and regulations

Disclosure	Disclosure Pages
2-28	Membership associations UN Global Compact KEIDANREN (Japan Business Federation) The Japan Gas Association The Electric Power Council for a Low Carbon Society (ELCS) Keidanren Committee on Nature Conservation The Tokyo Chamber of Commerce and Industry (TCCI) DOYUKAI (Japan Association of Corporate Executives) The Japanese Para-Sports Association
<b>5. Stakeholder Engagement</b>	
2-29	Approach to stakeholder engagement   Basic Approach to Promoting Sustainability   Stakeholder Engagement
2-30	Collective bargaining agreements   Building Positive Labor-Management Relations

## GRI3: Material Topics 2021

Disclosure	Disclosure Pages
<b>Disclosures on material topics</b>	
3-1	Process to determine material topics   Integrated Report (Process for defining material issues)   About This Factbook
	3-2
3-3	Management of material topics   Material issues
	  The Tokyo Gas Group's Sustainability
	  Integrated Report (Risk Management System)
	  Sustainability promotion system

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## GRI11: Oil and Gas Sector 2021

Disclosure		Disclosure Pages
11-1	GHG emissions	<ul style="list-style-type: none"> <li>Material issues</li> <li>Environmental Data</li> </ul>
11-2	Climate adaptation, resilience, and transition	<ul style="list-style-type: none"> <li>Material issues</li> <li>Sustainability promotion system</li> <li>Integrated Report (Special Feature The Challenge for a Carbon Neutral Society)</li> <li>Integrated Report (Special Feature IGNITURE: Creating the Future)</li> <li>Integrated Report (Disclosure based on TCFD recommendations)</li> <li>Integrated Report (Corporate Governance)</li> <li>Climate Change Actions</li> <li>Climate Change Targets and Outcomes</li> <li>Environmental Data</li> <li>Climate Change Our Contributions and Stakeholder Engagement in Climate Change Policies</li> </ul>
11-3	Air emissions	<ul style="list-style-type: none"> <li>Environmental Governance Management of Chemical Substances, Hazardous Waste, and Pollutants</li> </ul>
11-4	Biodiversity	<ul style="list-style-type: none"> <li>Biodiversity</li> </ul>
11-5	Waste	<ul style="list-style-type: none"> <li>Resource Recycling Targets and Outcomes</li> <li>Environmental Data Waste</li> </ul>
11-6	Water and effluents	<ul style="list-style-type: none"> <li>Water Security</li> <li>Environmental Data Water</li> </ul>
11-7	Closure and rehabilitation	–
11-8	Asset integrity and critical incident management	<ul style="list-style-type: none"> <li>Securing stable energy supply Targets and Outcomes</li> </ul>
11-9	Occupational health and safety	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>
11-10	Employment practices	<ul style="list-style-type: none"> <li>Human Resource Management and Development Targets and Outcomes</li> <li>Social Data Employment</li> </ul>

Disclosure		Disclosure Pages
11-11	Non-discrimination and equal opportunity	<ul style="list-style-type: none"> <li>Diversity, Equity &amp; Inclusion (DEI) Targets and Outcomes</li> <li>Social Data Employment</li> </ul>
11-12	Forced labor and modern slavery	<ul style="list-style-type: none"> <li>Human Rights Initiatives on Human Rights Due Diligence</li> <li>Supply Chain Management Sharing Our Standards of Conduct with Suppliers</li> </ul>
11-13	Freedom of association and collective bargaining	<ul style="list-style-type: none"> <li>Labor Practices</li> <li>Human Rights</li> <li>Supply Chain Management</li> </ul>
11-14	Economic impacts	<ul style="list-style-type: none"> <li>Securing stable energy supply</li> <li>Safety and Disaster Preparedness</li> <li>Establishment of Relationships with Communities</li> <li>Environmental Governance Enterprise Risk Management</li> <li>Biodiversity</li> </ul>
11-15	Local communities	<ul style="list-style-type: none"> <li>Stakeholder Engagement</li> <li>Establishment of Relationships with Communities</li> </ul>
11-16	Land and resource rights	<ul style="list-style-type: none"> <li>Human Rights Initiatives on Human Rights Due Diligence</li> </ul>
11-17	Rights of indigenous peoples	<ul style="list-style-type: none"> <li>Human Rights Initiatives on Human Rights Due Diligence</li> </ul>
11-18	Conflict and security	–
11-19	Anti-competitive behavior	<ul style="list-style-type: none"> <li>Compliance</li> <li>Supply Chain Management</li> </ul>
11-20	Anti-corruption	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Supply Chain Management</li> </ul>
11-21	Payments to governments	<ul style="list-style-type: none"> <li>Tax Compliance</li> </ul>
11-22	Public policy	<ul style="list-style-type: none"> <li>Climate Change Our Contributions and Stakeholder Engagement in Climate Change Policies</li> </ul>

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## GRI200: Economic topics

Disclosure		Disclosure Pages
<b>201: Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	Financial Results
201-2	Financial implications and other risks and opportunities due to climate change	Environmental Governance Enterprise Risk Management
		Integrated Report (Disclosure based on TCFD recommendations)
		Integrated Report (Risk Management System)
201-3	Defined benefit plan obligations and other retirement plans	–
201-4	Financial assistance received from government	–
<b>202: Market Presence 2016</b>		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	–
202-2	Proportion of senior management hired from the local community	–
<b>203: Indirect Economic Impacts 2016</b>		
203-1	Infrastructure investments and services supported	Securing stable energy supply
		Safety and Disaster Preparedness
		Establishment of Relationships with Communities
203-2	Significant indirect economic impacts	–
<b>204: Procurement Practices 2016</b>		
204-1	Proportion of spending on local suppliers	–
<b>205: Anti-corruption 2016</b>		
205-1	Operations assessed for risks related to corruption	Compliance
205-2	Communication and training about anti-corruption policies and procedures	Compliance
205-3	Confirmed incidents of corruption and actions taken	No incidents

Disclosure		Disclosure Pages
<b>206: Anti-competitive Behavior 2016</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions
<b>207: Tax 2019</b>		
207-1	Approach to tax	Tax Compliance
207-2	Tax governance, control, and risk management	Tax Compliance
207-3	Stakeholder engagement and management of concerns related to tax	Tax Compliance
207-4	Country-by-country reporting	–

## GRI300: Environmental topics

Disclosure		Disclosure Pages
<b>301: Materials 2016</b>		
301-1	Materials used by weight or volume	Environmental Data Feedstock and Sales Volume
301-2	Recycled input materials used	Actions taken in Business Activities (Promoting the 3Rs)
301-3	Reclaimed products and their packaging materials	Collaborating with Other Companies to Reduce Pollution, Waste, and Resource Consumption
		Environmental Data Waste
<b>302: Energy 2016</b>		
302-1	Energy consumption within the organization	Environmental Data Energy
302-2	Energy consumption outside of the organization	Environmental Data Energy
302-3	Energy intensity	Climate Change Targets and Outcomes
		Environmental Data Energy
302-4	Reduction of energy consumption	Climate Change Targets and Outcomes
		Environmental Data Energy

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## GRI300: Environmental topics

Disclosure	Disclosure Pages
302-5 Reductions in energy requirements of products and services	<ul style="list-style-type: none"> <li>☞ Contribution to CO<sub>2</sub> Emission Reduction at Customer Sites</li> <li>☞ Environmental Data Energy</li> </ul>
<b>303: Water and Effluents 2018</b>	
303-1 Interactions with water as a shared resource	☞ Water Security
303-2 Management of water discharge related impacts	☞ Water Security
303-3 Water withdrawal	☞ Environmental Data Water
303-4 Water discharge	☞ Environmental Data Water
303-5 Water consumption	<ul style="list-style-type: none"> <li>☞ Water Security</li> <li>☞ Environmental Data Water</li> </ul>
<b>304: Biodiversity 2016</b>	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	☞ Biodiversity Actions
304-2 Significant impacts of activities, products and services on biodiversity	☞ Biodiversity Actions
304-3 Habitats protected or restored	☞ Biodiversity Actions
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	<ul style="list-style-type: none"> <li>☞ Efforts to reduce biodiversity risks in the value chain</li> <li>☞ Reference: Actions conscious of the transition to nature-positive outcomes</li> </ul>
<b>305: Emissions 2016</b>	
305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>☞ Climate Change</li> <li>☞ Environmental Data Atmospheric Emissions</li> </ul>
305-2 Energy indirect (Scope 2) GHG	<ul style="list-style-type: none"> <li>☞ Climate Change</li> <li>☞ Environmental Data Atmospheric Emissions</li> </ul>

Disclosure	Disclosure Pages
305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> <li>☞ Climate Change</li> <li>☞ Environmental Data Atmospheric Emissions</li> </ul>
305-4 GHG emissions intensity	<ul style="list-style-type: none"> <li>☞ Climate Change Targets and Outcomes</li> <li>☞ Environmental Data Conversion Factor, etc.</li> </ul>
305-5 Reduction of GHG emissions	<ul style="list-style-type: none"> <li>☞ Climate Change Targets and Outcomes</li> <li>☞ Environmental Data Atmospheric Emissions</li> </ul>
305-6 Emissions of ozone-depleting substances (ODS)	☞ Management of Chemical Substances, Hazardous Waste, and Pollutants
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	☞ Management of Chemical Substances, Hazardous Waste, and Pollutants
<b>306: Waste 2020</b>	
306-1 Waste generation and significant waste-related impacts	☞ Resource Recycling Targets and Outcomes
306-2 Management of significant waste-related impacts	☞ Actions taken in Business Activities (Promoting the 3Rs)
306-3 Waste generated	☞ Environmental Data Waste
306-4 Waste diverted from disposal	☞ Environmental Data Waste
306-5 Waste directed to disposal	☞ Environmental Data Waste
<b>308: Supplier Environmental Assessment 2016</b>	
308-1 New suppliers that were screened using environmental criteria	-
308-2 Negative environmental impacts in the supply chain and actions taken	☞ Supply Chain Management

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## GRI400: Social topics

Disclosure	Disclosure Pages
<b>401: Employment 2016</b>	
401-1 New employee hires and employee turnover	Social Data Employment
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity, Equity & Inclusion (DEI) Social Data Employment
401-3 Parental leave	Social Data Use of Employee Programs
<b>402: Labor/Management Relations 2016</b>	
402-1 Minimum notice periods regarding operational changes	–
<b>403: Occupational Health and Safety 2018</b>	
403-1 Occupational health and safety management system	Occupational Accident Prevention
403-2 Hazard identification, risk assessment, and incident investigation	Occupational Accident Prevention
403-3 Occupational health services	Occupational Accident Prevention
403-4 Worker participation, consultation, and communication on occupational health and safety	Structure for Promoting Occupational Health and Safety
	Labor-Management Talks on Occupational Health and Safety
403-5 Worker training on occupational health and safety	Education and Awareness-raising
	Social Data Implementation of Occupational Health and Safety Education Programs
403-6 Promotion of worker health	Advancing Health & Productivity Management
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Accident Prevention
403-8 Workers covered by an occupational health and safety management system	–
403-9 Work-related injuries	Social Data Overview of Accidents and Injuries
403-10 Work-related ill health	–

Disclosure	Disclosure Pages
<b>404: Training and Education 2016</b>	
404-1 Average hours of training per year per employee	Social Data Human Resource Development
404-2 Programs for upgrading employee skills and transition assistance programs	Human Resource Management and Development
	Diversity, Equity & Inclusion (DEI)
404-3 Percentage of employees receiving regular performance and career development reviews	–
<b>405: Diversity and Equal Opportunity 2016</b>	
405-1 Diversity of governance bodies and employees	Social Data Employment
405-2 Ratio of basic salary and remuneration of women to men	–
<b>406: Non-discrimination 2016</b>	
406-1 Incidents of discrimination and corrective actions taken	Human Rights
<b>407: Freedom of Association and Collective Bargaining 2016</b>	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights
	Labor Practices
	Supply Chain Management
<b>408: Child Labor 2016</b>	
408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights
	Addressing Labor Issues in the Supply Chain
	Supply Chain Management
<b>409: Forced or Compulsory Labor 2016</b>	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights
	Addressing Labor Issues in the Supply Chain
	Supply Chain Management

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## GRI400: Social topics

Disclosure		Disclosure Pages
<b>410: Security Practices 2016</b>		
410-1	Security personnel trained in human rights policies or procedures	–
<b>411: Rights of Indigenous Peoples 2016</b>		
411-1	Incidents of violations involving rights of indigenous peoples	  Human Rights Initiatives on Human Rights Due Diligence
<b>413: Local Communities 2016</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	  Establishment of Relationships with Communities
413-2	Operations with significant actual and potential negative impacts on local communities	  Environmental Governance   Biodiversity
<b>414: Supplier Social Assessment 2016</b>		
414-1	New suppliers that were screened using social criteria	–
414-2	Negative social impacts in the supply chain and actions taken	  Supply Chain Management
<b>415: Public Policy 2016</b>		
415-1	Political contributions	No political contributions
<b>416: Customer Health and Safety 2016</b>		
416-1	Assessment of the health and safety impacts of product and service categories	  Safety and Disaster Preparedness
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	–

Disclosure		Disclosure Pages
<b>417: Marketing and Labeling 2016</b>		
417-1	Requirements for product and service information and labeling	–
417-2	Incidents of non-compliance concerning product and service information and labeling	No violation cases
417-3	Incidents of non-compliance concerning marketing communications	No violation cases
<b>418: Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	–

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GRI Sustainability Reporting Standards Index

Global Compact Content Index

ISO 26000 Content Index

SASB Content Index

# Global Compact Content Index

The Ten Principles of the UN Global Compact		Disclosure Pages
Human Rights	<p><b>Principle One:</b> Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p><b>Principle Two:</b> Businesses should make sure that they are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>
		<ul style="list-style-type: none"> <li>Diversity, Equity &amp; Inclusion (DEI)</li> </ul>
		<ul style="list-style-type: none"> <li>Labor Practices</li> </ul>
		<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>
		<ul style="list-style-type: none"> <li>Compliance</li> </ul>
Labour	<p><b>Principle Three:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p><b>Principle Four:</b> Businesses should uphold the elimination of all forms of forced and compulsory labour.</p> <p><b>Principle Five:</b> Businesses should uphold the effective abolition of child labour.</p> <p><b>Principle Six:</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> <li>Supply Chain Management</li> </ul>
		<ul style="list-style-type: none"> <li>Human Rights</li> </ul>
		<ul style="list-style-type: none"> <li>Human Resource Management and Development</li> </ul>
		<ul style="list-style-type: none"> <li>Diversity, Equity &amp; Inclusion (DEI)</li> </ul>
		<ul style="list-style-type: none"> <li>Labor Practices</li> </ul>
		<ul style="list-style-type: none"> <li>Compliance</li> </ul>
Environment	<p><b>Principle Seven:</b> Businesses should support a precautionary approach to environmental challenges.</p> <p><b>Principle Eight:</b> Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p><b>Principle Nine:</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> <li>Supply Chain Management</li> </ul>
		<ul style="list-style-type: none"> <li>Environmental Governance</li> </ul>
		<ul style="list-style-type: none"> <li>Climate Change</li> </ul>
		<ul style="list-style-type: none"> <li>Resource Recycling</li> </ul>
		<ul style="list-style-type: none"> <li>Biodiversity</li> </ul>
Anti-Corruption	<p><b>Principle Ten:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> <li>Water Security</li> </ul>
		<ul style="list-style-type: none"> <li>Supply Chain Management</li> </ul>
		<ul style="list-style-type: none"> <li>Compliance</li> </ul>
		<ul style="list-style-type: none"> <li>Anti-corruption</li> </ul>
		<ul style="list-style-type: none"> <li>Supply Chain Management</li> </ul>

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ISO 26000 Content Index

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## ISO 26000 Content Index

ISO 26000		Disclosure Pages
Guidance on social responsibility core subjects	Issue	
<b>Organizational governance</b>	1 Organizational governance	Corporate Governance
<b>Human rights</b>	1 Due diligence 2 Human rights risk situations 3 Avoidance of complicity 4 Resolving grievances 5 Discrimination and vulnerable groups 6 Civil and political rights 7 Economic, social and cultural rights 8 Fundamental principles and rights at work	Human Rights
		Diversity, Equity & Inclusion (DEI)
		Labor Practices
		Occupational Health and Safety
		Compliance
		Supply Chain Management
		Human Rights
		Human Resource Management and Development
<b>Labour practices</b>	1 Employment and employment relationships 2 Conditions of work and social protection 3 Social dialogue 4 Health and safety at work 5 Human development and training in the workplace	Diversity, Equity & Inclusion (DEI)
		Labor Practices
		Compliance
		Supply Chain Management
		Environmental Governance
		Climate Change
<b>The environment</b>	1 Prevention of pollution 2 Sustainable resource use 3 Climate change mitigation and adaptation 4 Protection of the environment, biodiversity and restoration of natural habitats	Resource Recycling
		Biodiversity
		Water Security
		Supply Chain Management
		Compliance
		Anti-corruption
<b>Fair operating practices</b>	1 Anti-corruption 2 Responsible political involvement 3 Fair competition 4 Promoting social responsibility in the value chain 5 Respect for property rights	Supply Chain Management

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# SASB Content Index

## Gas Utilities & Distributors (IF-GU)

Topic	Accounting metric	Code	Disclosure Pages
Energy Affordability	Average retail gas rate for (1) residential	IF-GU-240a.1	—
	(2) commercial, (3) industrial customers, and (4) transportation services only		—
	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	IF-GU-240a.3	—
	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	IF-GU-240a.4	 Investors' Guide
End-Use Efficiency	Customer gas savings from efficiency measures by market	IF-GU-420a.2	The amount of gas saved by customers is not disclosed. Initiatives related to energy conservation measures are implemented.  Contribution to CO <sub>2</sub> Emission Reduction at Customer Sites
Integrity of Gas Delivery Infrastructure	Number of (1) reportable pipeline incidents	IF-GU-540a.1	 Main Targets/Indicators and Results for Material Issues
	Number of (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)		—
	Percentage of distribution pipeline that is (1) cast and/or wrought iron	IF-GU-540a.2	 Earthquake, typhoon, etc.
	(2) unprotected steel	—	—
	Percentage of gas (1) transmission and (2) distribution pipelines inspected	IF-GU-540a.3	—
	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	IF-GU-540a.4	 Securing stable energy supply  Safety and Disaster Preparedness
Activity Metric	Number of (1) residential customers served, (2) commercial customers served, and (3) industrial customers served	IF-GU-000.A	 Investors' Guide
	Amount of natural gas delivered to (1) residential customers, (2) commercial customers, and (3) industrial customers, and (4) transferred to a third party	IF-GU-000.B	 Investors' Guide
	Length of (1) gas transmission pipelines and (2) gas distribution pipelines	IF-GU-000.C	 Gas Service Restoration Map

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