

**Notice regarding Warning from the Japan Fair Trade Commission**

On April 13, 2021, the Japan Fair Trade Commission (JFTC) conducted on-site inspections of Toho Gas Co., Ltd. (President: Nobuyuki Masuda) on suspicion of violating the “Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act)” in the low voltage power, residential city gas in the Chubu area and Electricity after the expiration of the purchase period under the feed-in tariff for renewable energy (“Residential matter”) . We have been fully cooperating with the investigations conducted by JFTC after the inspections.

Today, we have received a Warning from JFTC in accordance with the Antimonopoly Act regarding Residential matter, as we have engaged in conduct that may violate the provisions of Article 3 of the Antimonopoly Act.

In addition, on October 5, 2021, JFTC conducted on-site inspections of us on suspicion of violating the Antimonopoly Act in the extra-high voltage power, high voltage power and large scale city gas user, etc (“Non-Residential matter”) . We have been fully cooperating with the investigations conducted by JFTC after the inspections.

Today, JFTC announced that it has found a violation of the provisions of Article 3 of the Antimonopoly Act in connection with Non-Residential matter. We did not receive any Surcharge Payment Order or Cease and Desist Order because we had ceased the suspected activities prior to the on-site inspection and had applied to JFTC for application of the surcharge reduction and exemption system, which was approved by the Commission.

We would like to express our sincere apologies to our customers and all other stakeholders for any concerns this matter may have caused.

We take this incident very seriously and will work to regain the trust of our customers and all other stakeholders through further efforts to comply with laws and regulations and to prevent recurrence.

Furthermore, in order to clarify the responsibility for both cases, the following representative directors will voluntarily return some of their compensation.

- Yoshiro Tominari (Representative Director, Chairman) Monthly compensation 30% 6 months
- Nobuyuki Masuda (Representative Director, President) Monthly compensation 30% 3 months

In addition to the above, parties involved in both cases will be dealt with strictly in accordance with internal regulations.