

Value Creation Process

Toho Gas Group Medium-Term Management Plan **P15 - 16**

Grow with Energy — Go beyond Energy

Under the spirit of "Customer First," which has been cultivated since its foundation, the Toho Gas Group aims to support customers' lives and the manufacturing activities of companies operating in the region through energy supply, and to contribute to regional development and the creation of a low-carbon society.



Reinforcing the business foundation of the Toho Gas Group

INPUT

(as of March 31, 2020)

Procurement of energy resources

LNG procurement: Approx. **3** million tons from **6** countries

Stable gas supply infrastructure

City gas works: **3** works and a calorific value adjustment center

Pipeline length: Approx. **30,000** km

LPG supply network:
Meiko LPG Terminal (secondary terminal)
25 gas-filling and delivery bases

Power-generation facilities:
Yokkaichi Works – solar power plants (5 locations)

City gas service area

54 cities, **21** towns and **1** village in three prefectures of the Tokai region

Human resources

Number of employees: **6,198**



City gas business



Procurement of energy resources

Production

Distribution

Sales



LPG business



Electricity business

Group businesses and new businesses

Corporate governance **P55 - 56**

OUTPUT

(FY2019)

City gas	Sales volume 3.79 billion m ³	Number of customers *Number of gas meters installed 2.51 million
LPG	Sales volume 486 thousand tons	Number of customers *Including subcontracted deliveries 589 thousand
Electricity	Sales volume 0.99 billion kWh	Number of customers 335 thousand

Operating Cash Flow **68.3** billion yen

ROA **2.9** %

Safety

P18, P21 - 22

Local communities

P47 - 48

Environment

P37 - 46

Expected Changes in the External Environment

Chances and risks associated with energy liberalization

Promotion of the further reduction of carbon emissions

Rapid advancement and social penetration of digital technology

Depopulation, aging and diversification of values

OUTCOME

Value provided to stakeholders

Customers **P17 - 26**

| Safety and security

| Supporting lives and manufacturing



Local communities **P37 - 48**

| Contributing to the creation of a low-carbon society

| Social contribution activities



Shareholders and investors **P49 - 50**

| Corporate value enhancement

| Stable return to shareholders

Partner companies **P45**

| Fair and unbiased transactions

| Collaboration with subcontractors



Employees **P51 - 54**

| Respect human rights

| Pleasant working environment



Sustainable Development Goals (SDGs)



The SDGs are 17 goals with 169 targets set to achieve a sustainable society.

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