

Medium-Term Management Plan 2022-2025

Looking back on the first two years, and key initiatives for FY2023

In the initial two years, we have steadily generated profits amid various changes in the environment, and we have taken action to lay the groundwork for new growth of the Company. In FY2024, we will continue to solidify our path for further growth, and come together as a group to address various management challenges.

| | Overview of initiatives during the first two years | Major initiatives for FY2023 |
|---------------------------------------|--|--|
| 1 Promote carbon neutrality | <ul style="list-style-type: none"> ● We promoted carbon emission reduction and decarbonization at customers' sites through fuel conversion for heat demand, advanced energy utilization proposals, and other efforts. ● We also began demonstration projects essential in building a supply chain, such as the development of e-methane production technology to decarbonize gas itself in the future as well as CO₂ separation, capture, storage, and utilization technologies, and we have been able to make steady progress toward their implementation into society. ● We are steadily advancing initiatives for hydrogen utilization as well as low-carbon and carbon-free electricity. | <ul style="list-style-type: none"> ● Expanded CNxP services (such as GreenConnex and other related services) ● Began examining overseas e-methane production (North America, Australia, etc.) ● Began feasibility study for building a CCS value chain ● Initiated demonstration testing of CO₂ separation and capture ● Began regional carbon recycling project using CO₂ concrete fixation technology ● Increased volume of renewable energy sources handled to 120,000 kW |
| 2 Evolve as an energy operator | <ul style="list-style-type: none"> ● In addition to maintaining a safe, secure, and stable energy supply, we have been working to increase our customer base, and we reached the target set in our Medium-Term Management Plan of 3 million total gas, LPG, and electricity customers. ● We are expanding our international energy business focusing primarily in Asia, with projects starting in Singapore and Vietnam. | <ul style="list-style-type: none"> ● Achieved 3 million energy customers (total number of city gas, LPG, and electricity contracts) ● Completion of construction of the high-pressure Nanbu Trunk Line (Phase One: Chita to Handa) ● Participated in international energy businesses (natural gas sales business in Singapore and solar power generation business in Vietnam) |
| 3 Create diverse value | <ul style="list-style-type: none"> ● We have developed products and services that are beneficial for life and business and reviewed our sales structure to create a one-stop system to provide diverse value to our customers. ● We utilize our assets and expertise and are proactively engaged in collaborating with startup companies, contributing to addressing social issues and promoting regional development while expanding our business areas. | <ul style="list-style-type: none"> ● Launched "Toho Gas Kurashi" brand ● Land-based farming of Chita Cool Salmon using LNG cold energy and its adoption as a hometown tax return gift ● Business partnership with Towing Ltd. for the development and production of high-performance biochar |
| 4 Contribute to the SDGs | <ul style="list-style-type: none"> ● We steadily promoted initiatives to contribute to addressing social issues in the region, such as by entering into comprehensive collaborative agreements with multiple local governments (cumulative total of eight local governments), establishing a regional new power company (cumulative total of five companies), and making biodiversity conservation efforts. ● We are improving diversity and inclusion as well as ease of work based on the Toho Gas Group Sustainability Policy and are also focusing on safety and health management. | <ul style="list-style-type: none"> ● Entered into comprehensive partnership agreements with local governments (Kota and Nagoya) ● Chita Peninsula Greenbelt acquired certification as a nature-friendly site ● Promoted flexible workstyles (relaxed the dress code) ● Supported balancing work and childcare (received Platinum Kurumin Certification) |