

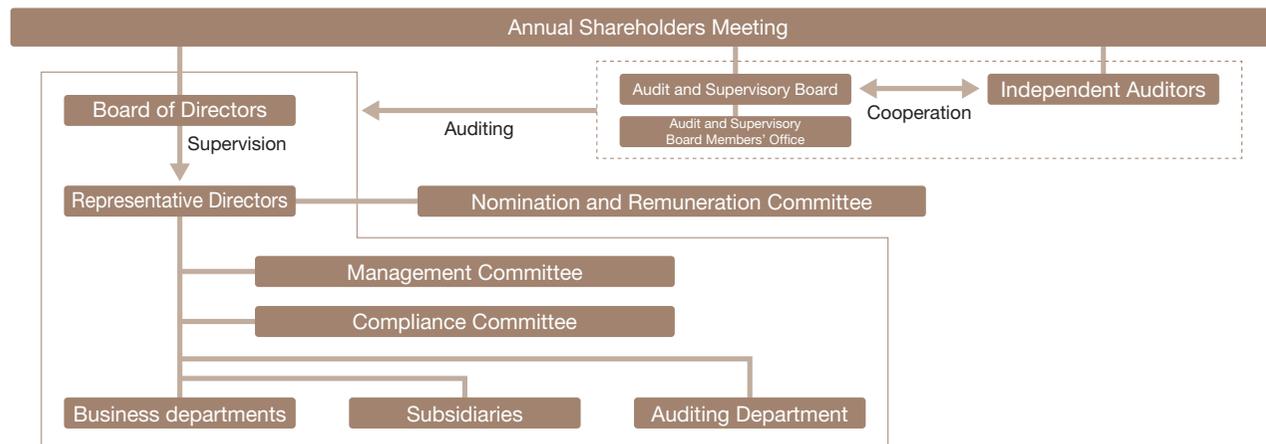
# Corporate Governance

## Basic Concept

The Toho Gas Group, in accordance with our corporate mission, is committed to the development of a sustainable society by providing a stable supply of environmentally superior energy and the co-creation of new value even while meeting the demands of a changing society through challenges such as decarbonization, digitalization, value diversification, and other issues. Thus, we continue to strengthen our corporate governance, thereby ensuring that we remain a corporate group that has earned the trust of our stakeholders.

## Corporate governance organization

### Corporate governance organizational chart



### Overview of Corporate Governance Structure

Number of Directors (Outside Directors)	9 (3)
Number of Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	5 (3)
Number of Board of Directors' meetings (FY2023)	12
Number of Audit & Supervisory Board meetings (FY2023)	12
Term of office of Directors	1 year

## Board of Directors and Management Committee

The Board of Directors comprises nine Directors, including three Outside Directors. In accordance with Board of Directors regulations, the Board of Directors meets every month to make decisions on important matters concerning the Group while supervising the execution of duties by the Directors and Executive Officers.

### Board of Directors

Position	Name	Attendance (FY2023)	
		Board of Directors' meetings	Attendance rate
Representative Director, Chairman	Yoshiro Tominari	12/12	100%
Representative Director, President	Nobuyuki Masuda	12/12	100%
Representative Director, Executive Vice President	Hidetoshi Kimura	12/12	100%
Director, Senior Managing Executive Officer	Satoshi Yamazaki	12/12	100%
Director, Senior Managing Executive Officer	Hidetaka Takeuchi	12/12	100%
Director, Managing Executive Officer	Shinsuke Kagami	12/12	100%
Outside Director	Tetsuo Hattori	12/12	100%
Outside Director	Michiyo Hamada	12/12	100%
Outside Director	Taku Oshima	12/12	100%

The Company has adopted the Executive Officer System to strengthen the function of executive operations and clarify responsibilities, and has established a Management Committee to deliberate on important management issues such as important policy measures of each department, in accordance with the basic policy set by the Board of Directors, and to regularly manage the progress of these measures. Various committees chaired by the President and executive officers identify cross-departmental issues and manage the progress of various activities, and the results are submitted to the Management Committee.

## Corporate Governance

### Audit & Supervisory Board

The Audit & Supervisory Board comprises five Audit & Supervisory Board Members, including three Outside Audit & Supervisory Board Members. The Audit & Supervisory Board Members audit the execution of duties by Directors by attending important meetings including the Board of Directors' meeting, reviewing important reports, and conducting business site audits. The members also attend monthly Audit & Supervisory Board meetings to share information.

An Audit & Supervisory Board Office has been established and is staffed by full-time employees to assist Audit & Supervisory Board Members in the execution of their duties.

#### ● List of Audit & Supervisory Board Members

Position	Name	Attendance Status (FY2023)			
		Board of Directors' meetings	Attendance rate	Audit & Supervisory Board meetings	Attendance rate
Full-time Audit & Supervisory Board Member	Mitsuhiro Kodama	12/12	100%	12/12	100%
Full-time Audit & Supervisory Board Member	Hiroaki Kato	12/12	100%	12/12	100%
Outside Audit & Supervisory Board Member	Norikazu Koyama	12/12	100%	12/12	100%
Outside Audit & Supervisory Board Member	Keiko Ikeda	12/12	100%	12/12	100%
Outside Audit & Supervisory Board Member	Akihiko Nakamura	11/12	92%	10/12	83%

### Outside Directors and Outside Audit & Supervisory Board Members

Outside Directors and Outside Audit & Supervisory Board Members are appointed to strengthen the supervisory and auditing functions of the Company and ensure fair and transparent management. It has been determined that there are no special interests between the Company and the three Outside Directors and three Outside Audit & Supervisory Board Members and no risk of a conflict of interest with general shareholders. As such, the Company has designated them as independent officers as defined by the securities exchange.

We believe that our system ensures objectivity and neutrality in the supervision of management through the supervisory functions of the Outside Directors and the auditing by Audit & Supervisory Board Members including Outside Audit & Supervisory Board Members.

#### ● Outside Directors and Outside Audit & Supervisory Board Members (FY2023)

	Name	Reason for selection
Outside Directors	Tetsuo Hattori	He will be able to provide valuable opinions on management in general based upon his deep insight and abundant experience as a corporate manager.
	Michiyo Hamada	She will be able to provide valuable opinions on management in general based upon her deep insight and abundant experience as a corporate legal scholar and member of the Japan Fair Trade Commission.
	Taku Oshima	He will be able to provide valuable opinions on management in general based upon his deep insight and abundant experience as a corporate manager.
Outside Audit & Supervisory Board Members	Norikazu Koyama	He will be able to provide valuable opinions on management in general based upon his deep insight and abundant experience in police administrative agencies.
	Keiko Ikeda	She will be able to provide valuable opinions on management in general with her deep insight based upon her specialized knowledge as a lawyer and abundant experience in legal affairs.
	Akihiko Nakamura	He will be able to provide valuable opinions on management in general based upon his deep insight and abundant experience as a corporate manager.

#### Evaluation of effectiveness of Board of Directors

Each year, we evaluate the effectiveness of the Board of Directors by surveying and interviewing all Directors and Audit & Supervisory Board Members based on size and composition, meeting management, roles and responsibilities, and information sharing and support systems. Based on the feedback received from the surveys, such as the need to provide opportunities to

share information, we are making improvements to strengthen information sharing and on-site inspections to support appropriate discussions and decision-making. Going forward, we will continue to make improvements to further enhance the effectiveness of the Board of Directors.

#### Director remuneration

Director remuneration is based on the roles and responsibilities of the Directors as well as corporate performance, and it is set at an appropriate amount taking into account compensation levels of employees and compensation levels at other companies.

Director remuneration consists of fixed remuneration (monetary remuneration), performance-linked remuneration (monetary remuneration), and transfer-restricted stock-based remuneration (non-monetary remuneration), and the payment ratio is set at 6:3:1, respectively, as a guideline. Outside Directors receive only fixed remuneration.

Fixed remuneration and performance-linked remuneration are set by resolution of the Board of Directors with advice from the Nomination and Remuneration Committee, which consists of a majority of Outside Directors, within the range of remuneration determined at the Annual Shareholders Meeting. Performance-linked remuneration is set based on targets from the Medium-Term Management Plan and includes financial metrics such as consolidated ROA and non-financial metrics (ESG indicators) such as contributions to CO<sub>2</sub> reduction. The level of achievement for each year is reflected in the remuneration.

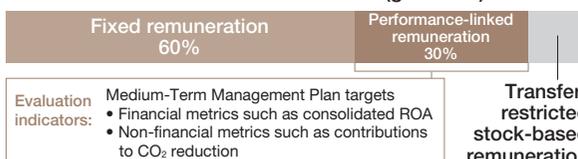
Transfer-restricted stock-based remuneration aims to further promote shared value with stockholders and enhance the motivation of Directors to contribute to the Company's medium- to long-term value growth. Transfer-restricted stock-based remuneration is set by resolution of the Board of Directors with advice from the Nomination and Remuneration Committee, within the range of compensation amount and number of shares in a framework that is separate from the aforementioned range of remuneration determined at the Annual Shareholders Meeting.

# Corporate Governance

## ● Director remuneration composition

	Fixed remuneration (monetary remuneration)	Performance-linked remuneration (monetary remuneration)	Transfer-restricted stock-based remuneration (non-monetary remuneration)
Internal Director	○	○	○
Outside Director	○	—	—

## ● Internal Director remuneration ratio (guideline)



## Selection and dismissal of senior management and nomination of Directors and Audit & Supervisory Board Members

The selection of senior management and the nomination of Directors and Audit & Supervisory Board Members are determined by resolution of the Board of Directors upon deliberation by the Nomination and Remuneration Committee, which consists of a majority of Outside Directors, comprehensively taking into account experience, insight, and personality as well as the abilities required for the position, such as the ability to view and understand overall management and the ability to identify essential issues and risks.

The dismissal of senior management is determined by resolution of the Board of Directors' meeting upon deliberation by the Nomination and Remuneration Committee when it is deemed that it is difficult to fulfill the required role.

## Skills matrix

The Company's Board of Directors consists of Internal Directors who are familiar with the operations of various departments and multiple Independent Outside Directors who have experience in various business sectors and industries and deep insight, and takes into consideration the agility of decision-making. The Board of Directors ensures that its Directors and Audit & Supervisory Board Members have the skills necessary for sustainable growth of the Company and medium- to long-term enhancement of corporate value.

## ● Amount of remuneration, etc. for Directors and Audit & Supervisory Board Members in the 153rd term (FY2023)

Position	Total remuneration (million yen)	Total remuneration by type (million yen)			Number of applicable officers
		Fixed remuneration	Performance-linked remuneration	Transfer-restricted stock-based remuneration	
Directors (excluding Outside Directors)	262	146	90	25	8
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	48	48	—	—	2
Outside Directors	29	29	—	—	3
Outside Audit & Supervisory Board Members	29	29	—	—	4

\*1 We provide performance-linked remuneration to Directors (excluding Outside Directors). Performance-linked remuneration is calculated based on targets from the Medium-Term Management Plan, such as ROA, and the level of achievement in the previous fiscal year is reflected in the remuneration. ROA in the previous fiscal year was 5.0%.

\*2 Restricted stock is allocated as non-monetary remuneration to Directors (excluding Outside Directors) with the aim to further promote shared value with stockholders and enhance the motivation of Directors to contribute to the Company's medium- to long-term value growth. The restricted transfer period shall be from the date of issuance of the restricted stock to the date that the Director or Executive Officer retires from any position at the Company.

## ● Skills matrix of Directors and Audit & Supervisory Board Members

	Name	Corporate management / Business strategy	Finance / Accounting	Legal /Risk management	Human resources / Labor / Human resource development	ESG	Sales / Marketing	Technology / Technological development / IT	Security / Disaster prevention / Stable supply	International Perspective
Directors	Yoshiro Tominari	●				●		●	●	●
	Nobuyuki Masuda	●				●	●	●	●	
	Hidetoshi Kimura	●	●	●		●				●
	Satoshi Yamazaki	●	●		●		●			●
	Shinsuke Kagami	●					●	●	●	●
	Katsuhiko Kozawa	●	●				●	●		
	Michiyo Hamada			●			●			●
	Taku Oshima	●						●		●
Audit & Supervisory Board Members	Isao Nakanishi					●		●		●
	Hidetaka Takeuchi	●	●	●	●		●			
	Hiroaki Kato		●	●		●	●			
	Norikazu Koyama			●	●	●				
	Keiko Ikeda	●		●		●				
Akihiko Nakamura	●	●			●					

\* Main expertise and experience of Directors and Audit & Supervisory Board Members

# Communication with Shareholders and Investors

## Basic Concept

We strive to disclose corporate and financial information promptly and appropriately, and to actively engage in communication with shareholders and investors, in order to deepen their understanding of the business and management policy of Toho Gas Group, and to win their long-term support.

## Shareholder Returns

### Shareholder Return Policy

The basic policy for dividend payouts is to implement a Return to Shareholders of 40-50% of net income in dividends in the medium-to-long term in line with the flexible purchase and retirement of treasury stock.

Based on the above policy, we have returned 40% to 50% of consolidated net income to shareholders over the medium to long term. Furthermore, we disclosed action to implement management that is conscious of cost of capital and stock price in April 2024. In addition to our conventional shareholder return policy, we will implement additional shareholder returns for the time being, aiming to optimize our equity capital.

The dividend for the fiscal year ended March 31, 2024 increased 10 yen from the previous year, bringing the full-year dividend to 70 yen. The full-year dividend for the fiscal year ending March 31, 2025 is expected to increase to 80 yen per share. We also announced a share buyback of up to 10 billion yen in March 2024.

### Shareholder Benefit Program

As a shareholder benefit, Toho Gas shareholders receive shareholder incentive points based on the number of shares and length of time the shares have been held. Shareholders can exchange these points for catalog items such as local gourmet food and delicacies and Toho Gas merchandise, donate the points to social contribution programs, or use them to pay gas and electricity bills from Toho Gas. To encourage more shareholders to retain their shares over the long term, we are expanding our shareholder benefits program, starting with those eligible as of March 31, 2024.



More information about our shareholder benefit program  
<https://www.tohogas.co.jp/corporate/ir/personal-investor/personal-investor-06/>

## Dialogue with Shareholders and Investors

### Annual Shareholders Meeting

The Annual Shareholders Meeting is an important opportunity to communicate with our shareholders, and we strive to respond to questions frankly and clearly to ensure a better understanding of the Company.

The location of the Annual Shareholders Meeting for the fiscal year ended March 31, 2024 was changed to Nagoya Civic Assembly Hall, where we answered questions from shareholders in attendance as well as those submitted in advance. We later disclosed information from the meeting on our website, including informational videos and an overview of answers to questions submitted in advance.

#### ● FY2023 Annual Shareholders Meeting

#### ● FY2023 Annual Shareholders Meeting (June 25, 2024)

Shareholders in attendance

**147**

Percentage of voting rights exercised

**84.6 %**



Annual Shareholders Meeting

### Communication with Individual Investors

As a community-based energy provider, Toho Gas seeks long-term support not only from its customers but also from its shareholders.

In FY2023, we conducted on-site facility tours of Chita-Midorihama Works for individual shareholders. We also provided direct in-person communication with shareholders as well as online briefings and streaming video. In the future, we will continue to provide opportunities to communicate with our shareholders to ensure a better understanding of the Company.



On-site tour of Chita-Midorihama Works (March 2024)

### Communication with Institutional Investors

Toho Gas holds quarterly financial results briefings for institutional investors and securities analysts. We also hold individual meetings with the aim of sustainable growth of the Company and medium- to long-term enhancement of corporate value. In addition, to ensure a better understanding of the Company, we provide regular investor relations activities for financial institutions that are our bond investors.

During FY2023, we held four financial results briefings and a total of about 100 individual meetings. We share feedback and requests from these investor relations activities within the Company such as through the Management Committee to help enhance corporate value.

#### ● FY2023 results

Financial results briefings  
**4** (quarterly)

Individual meetings  
 About **100** in total



Investor relations information

<https://www.tohogas.co.jp/lang-n/en/corporate/>

# Internal Controls

## Basic Concept (Establishment of Internal Control System)

Toho Gas Group Board of Directors resolved to establish a system (internal control system) to ensure the appropriateness and effectiveness of business operations and based on this resolution, we strive to strengthen risk management and ensure thorough compliance.

We review the internal control system as necessary based on changes in the business environment and other factors and confirm the status of its implementation at the Board of Directors Meeting each fiscal year. Details of the resolution and an outline of the status of its implementation over the past fiscal year are disclosed in our “Business Report.”

## Resolution of the Board of Directors on the Internal Control System

- 1 Board of Directors system for execution of duties (Conformity of Board of Directors execution of duties with laws and ordinances, and its effectiveness)
- 2 Risk management system
- 3 Compliance system
- 4 Subsidiaries business management system
- 5 Audit system

## Operation of the Internal Control System

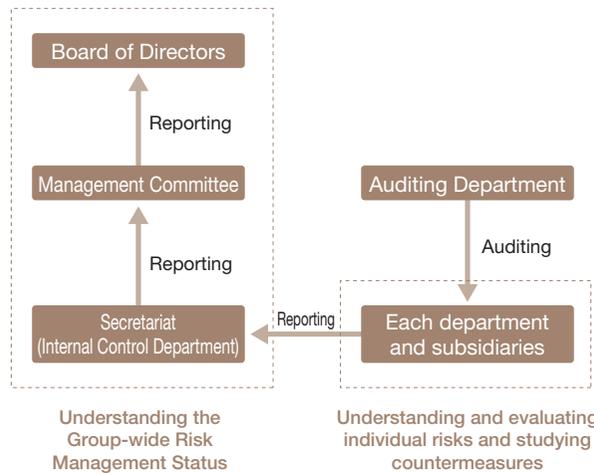
### Risk management

#### Risk management system

In accordance with our risk management rules, we work to systematically reduce risks by determining responsible departments for each risk, and the risk management status of the Group is deliberated each year by the Management Committee and reported to the Board of Directors. Climate change, human rights, and other ESG-related risks are included in risk management.

Committees promote risk mitigation measures for cross-departmental issues, and the progress and issues are then reported to the Management Committee. In addition, we are strengthening and improving measures for critical management issues, such as reviewing them from the perspective of risk management.

#### Risk management system



#### Risk management flow



#### Major Risks That Could Affect the Group's Business

1. Fluctuations in demand
2. Fluctuations in feedstock prices
3. Fluctuations in electricity procurement prices
4. Fluctuations in interest rates, etc.
5. Changes in energy policies, laws and regulations, systems, etc.
6. Natural disasters
7. Disruptions in feedstock procurement
8. Disruptions in production and supply
9. Disruptions in information systems
10. Problems with gas appliances and facilities
11. Problems with the quality of products, services, etc.
12. Delays in the delivery of goods, materials, equipment, etc.
13. Changes in the investment environment
14. Noncompliance issues
15. Data leaks
16. Outbreaks of infectious disease

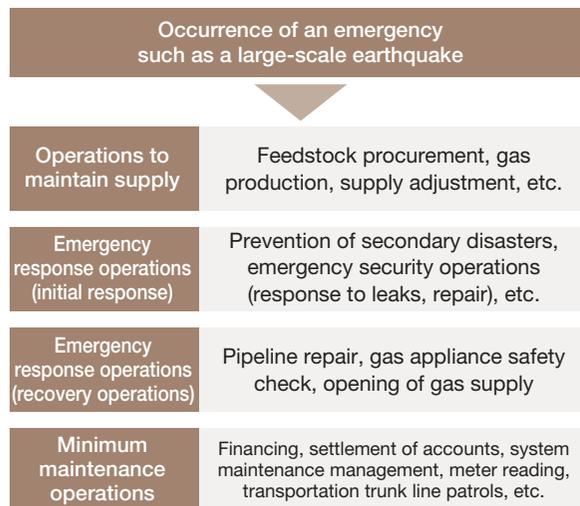
## Internal Controls

### Disaster preparedness and business continuity

To ensure the supply of city gas, which is essential for daily life, to our customers, we have established a management system in case of emergencies, formulated a business continuity plan (BCP), continuously conduct drills in preparation for a large-scale disaster, and strengthen cooperation with affiliates and cooperating companies.

In our BCP, we establish guidelines and measures for responding to a large-scale earthquake, with the aim of working to ensure the safety of our customers by preventing secondary disasters due to gas leaks and achieving early recovery by securing personnel, goods, materials, and equipment necessary for recovery in areas where gas supply has been interrupted. In addition, we are organizing measures to secure essential supplies, such as equipment, materials, and food as well as measures to secure facilities in advance.

● Business operations during emergencies



### Management of Subsidiaries

We support the development and operation of internal control systems at affiliates in order to strengthen internal control throughout the Group.

Subsidiaries make decisions and report important matters to the Board of Directors in accordance with each company's Board of Directors regulations.

In addition, Toho Gas receives regular reports from major subsidiaries regarding their annual plans, financial results, operations, and activities related to internal control, in accordance with the Regulations for Management of Subsidiaries.

### Information Management and Information Security Measures

Reports (approval documents) and minutes from important meetings are stored and managed with retention periods set according to their level of importance, in accordance with document management regulations. In addition, we regularly conduct self-audits of document management and monitor the status of information storage and management.

To ensure proper cyber security, our Cyber Security Committee provides company-wide control and discusses strengthening security measures. Furthermore, we work to raise security awareness among Group employees through targeted email training and online security education, and we continuously conduct drills to prepare for incidents. In FY2023, we established a cyber security strengthening month focusing on drills and raising awareness.

### Internal Auditing

#### Compliance with the Financial Instruments and Exchange Law

In response to the Internal Control Reporting System for Financial Reporting under the Financial Instruments and Exchange Law, relevant departments and subsidiaries conduct self-assessments to ensure that internal rules and checks are properly established and implemented. The Auditing Department performs further assessments before undergoing an external audit by an auditing firm. Through this process, we confirmed that Toho Gas Group's internal controls over financial reporting were effective in FY2023, and an internal control report was submitted to the Financial Services Agency.

#### Internal auditing

In accordance with our audit plan, the Auditing Department audits Toho Gas and its subsidiaries to ensure that business operations are conducted properly and efficiently. The audit results, including any advice, are then reported promptly to the President and Audit & Supervisory Board Members.

# Compliance

## Basic Concept

For the Toho Gas Group, compliance includes complying with laws and internal regulations, while acting in accordance with social norms and ethics, and meeting the expectations of customers and society. By ensuring thorough implementation of the Corporate Code of Ethical Conduct and the Compliance Code of Conduct, each of our employees strives to live up to the trust of customers.

On March 4, 2024, we received a warning from the Japan Fair Trade Commission regarding electricity and gas transactions in violation of the Antimonopoly Act. To prevent the recurrence of a similar incident, we will further strengthen compliance with laws and regulations and thoroughly implement measures to comply with the Antimonopoly Act. We will use this as a new starting point for the Group, as we aim to foster a corporate culture that prioritizes compliance with laws and regulations.

## Corporate Code of Ethical Conduct (Excerpt)

The Toho Gas Group aims to keep the trust of its customers, shareholders, local communities, business partners, and other stakeholders, and we comply with both the letter and spirit of the law while respecting social norms and ethics to conduct honest and fair business activities, thereby contributing to the local community. We also disclose information in a timely and appropriate manner and promote proactive dialogue with relevant parties while striving for mutual coexistence and prosperity.

## Compliance Code of Conduct (Excerpt from “Establishing a Relationship of Trust with Society”)

### Social contribution activities

We actively contribute to projects that support regional development as a company closely connected with the local community. We also support social contribution activities such as volunteer activities involving our employees.

### Initiatives against anti-social forces

We sever all ties with anti-social forces that threaten public order and safety and disrupt healthy business activities, and firmly reject demands made by such forces.

### Association with related parties and anti-corruption initiatives

We will not provide entertainment or gifts to related parties that may distort the fairness of business operations, such as actions aimed at obtaining or maintaining undue benefits or preferential treatment, or that exceed socially accepted standards.

We do not permit exchanges with public officials, including foreign public officials, that go against the spirit of the National Public Service Ethics Act, Unfair Competition Prevention Act (Prohibition against the Provision of Wrongful Gains to Foreign Public Officials), or relevant laws and regulations of other countries. This also applies to exchanges with people treated as public officials and officers of organizations subject to regulations concerning bribery and corruption under special laws.

## Measures to Comply with the Antimonopoly Act

### Renewing corporate culture

- Issuing a message from the top management
- Declaration of compliance with Antimonopoly Act
- Submission of a written pledge
- Establishment of internal leniency system and strengthening of internal reporting system
- Prevention of long-term retention of personnel

### Establishing and implementing pre-approval and post-reporting system for contact with competitors

- Establishment and implementation of pre-approval and post-reporting system for contact with competitors
- Monitoring of contact opportunities

### Expanding internal education, etc. regarding Antimonopoly Act

- Implementation of multi-layered and focused education on Antimonopoly Act
- Strengthening of legal consultation functions such as for the Antimonopoly Act

### Auditing implementation of Antimonopoly Act compliance measures and verifying their effectiveness, and imposing severe penalties for new violations

- Strengthening of auditing functions, including external audits by third parties
- Regular verification of the effectiveness of Antimonopoly Act compliance measures
- Severe penalties for new violations, etc.

# Compliance

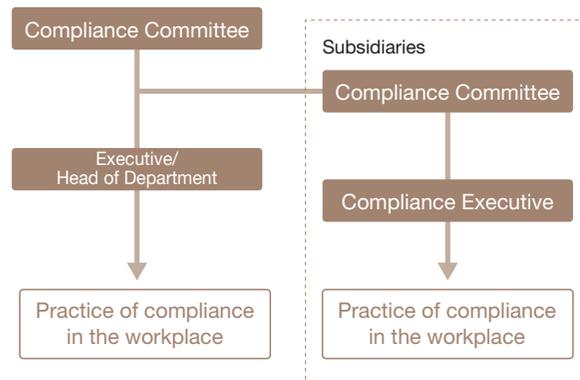
## Compliance Promotion System

### Compliance promotion system

The Compliance Committee, which is chaired by the President and includes executive officers and executive general managers, meets twice a year as a general rule to deliberate on compliance activity plans and results, and reports to the Board of Directors. General managers at each workplace are responsible for promoting compliance, and managers and section managers are responsible for promoting compliance activities.

As part of our system to ensure continuous oversight, each subsidiary has an appointed compliance officer and an established compliance committee.

#### ● Compliance Promotion System



## Compliance Activities

### Compliance Consultation Service (whistleblowing hotline)

The Toho Gas Group has established the Compliance Consultation Service both internally and outside the Company at a lawyer’s office to allow direct

consultation in person, by email, or by phone for various issues such as legal compliance, maintaining a healthy work environment including harassment, and fair business activities. This service is available not only to Group employees, including dispatched staff, but also to retired employees and business partners as well.

In accordance with rules for handling compliance consultation, we will promptly investigate the facts and circumstances regarding consultations we receive. If the investigation reveals a compliance violation, we will take the necessary corrective actions as well as measures to prevent a recurrence immediately. In addition, Compliance Consultation Service staff receives training to protect whistleblowers by ensuring their confidentiality and prevent retaliatory treatment.

All reported information is strictly managed, monitored by Audit & Supervisory Board Members, reported to management, and handled appropriately. In FY2023, there were 52 consultations.

### Education and awareness activities

We provide a wide variety of rank-specific compliance training. In FY2023, approximately 320 officers and management-level personnel attended two seminars on Antimonopoly Act compliance, some 300 management-level personnel attended a compliance seminar, about 70 managers at subsidiaries attended labor management training, and a total of approximately 18,000 employees participated in three online training sessions. We also hold compliance meetings at each workplace and regularly publish a compliance newsletter for all employees.

### Inspection and survey activities

We conduct regular inspections of all Group workplaces to ensure compliance with laws and regulations. Additionally, we conduct annual surveys for all Group employees to assess their awareness of compliance and workplace culture issues, and the results are reflected in our action plans. In FY2023, we received 6,701 survey responses for a response rate of 94%.

### Protection of personal information

To ensure safety management measures and appropriate handling of personal information, we have established a personal information protection policy, personal information protection rules, and other internal regulations and manuals based on the Act on the Protection of Personal Information and various guidelines.

As part of our framework to protect personal information, we established the Personal Information Protection Committee, which is chaired by the Personal Information Protection Manager, an executive officer appointed by the President, and includes protection supervisors responsible for customer, shareholder, and employee information. This committee deliberates on action plans, results, and other matters related to the protection of personal information.

We conduct regular self-audits on personal information management at all Group workplaces, and we work to ensure the security of our information systems such as by restricting access to personal information and preventing unauthorized access from the internet.

## Directors and Audit & Supervisory Board Members (As of June 30, 2024)

### Directors

#### Yoshiro Tominari

Representative Director, Chairman



Apr. 1981 Joined the Company  
 Jun. 2003 General Manager of Production Planning Dept.  
 Jun. 2006 General Manager of Corporate Planning Dept.  
 Jun. 2009 Executive Officer, General Manager of Corporate Planning Dept.  
 Jun. 2010 Executive Officer, Executive General Manager of Research & Development Division  
 Jun. 2011 Managing Executive Officer  
 Jun. 2012 Director, Managing Executive Officer  
 Jun. 2015 Director, Senior Managing Executive Officer  
 Jun. 2016 Representative Director, President  
 Jun. 2021 Representative Director, Chairman (current position)

#### Nobuyuki Masuda

Representative Director, President



Apr. 1986 Joined the Company  
 Jun. 2008 General Manager of Engineering Dept.  
 Oct. 2009 General Manager of Production Planning Dept.  
 Jun. 2014 General Manager of Distribution Planning & Management Dept.  
 Jun. 2015 Executive Officer, General Manager of Distribution Planning & Management Dept.  
 Jun. 2017 Executive Officer, Executive General Manager of Distribution Division  
 Jun. 2018 Managing Executive Officer  
 Jun. 2019 Director, Managing Executive Officer  
 Jun. 2020 Director, Senior Managing Executive Officer  
 Jun. 2021 Representative Director, President (current position)

#### Hidetoshi Kimura

Representative Director,  
Executive Vice President



Apr. 1982 Joined the Ministry of International Trade and Industry  
 Jul. 2011 Director-General of Chubu Bureau of Economy, Trade and Industry  
 Jun. 2014 Senior Executive Director of Japan Finance Corporation  
 Jan. 2019 Joined the Company  
 Apr. 2019 Executive Researcher  
 Jun. 2019 Managing Executive Officer  
 Jun. 2021 Director, Senior Managing Executive Officer  
 Apr. 2022 Representative Director, Executive Vice President (current position)  
 ● Assistant to President, In charge of Auditing Dept., Internal Control Dept, Purchasing Dept., and Power Business Promotion Dept.

#### Satoshi Yamazaki

Director,  
Senior Managing Executive Officer



Apr. 1986 Joined the Company  
 Jun. 2010 General Manager of West District Headquarters  
 Jun. 2012 General Manager of Finance Dept.  
 Jun. 2016 General Manager of Corporate Planning Dept. (Kikaku-bu)  
 Apr. 2017 General Manager of Corporate Planning Dept. (Keieikikaku-bu)  
 Jun. 2017 Executive Officer, General Manager of Corporate Planning Dept. (Keieikikaku-bu)  
 Apr. 2019 Executive Officer, General Manager of Corporate Planning Dept. (Kikaku-bu)  
 Jun. 2020 Managing Executive Officer  
 Jun. 2021 Director, Managing Executive Officer  
 Apr. 2022 Director, Senior Managing Executive Officer (current position)  
 ● In charge of Finance Dept., Personnel Dept., and General Affairs Dept.

#### Shinsuke Kagami

Director,  
Senior Managing Executive Officer



Apr. 1988 Joined the Company  
 Oct. 2009 General Manager of Engineering Dept.  
 Jun. 2014 General Manager of Production Planning Dept.  
 Jun. 2017 General Manager of Gas Resources Dept.  
 Jun. 2018 Executive Officer, General Manager of Gas Resources Dept.  
 Jun. 2020 Executive Officer, Executive General Manager of Product Division  
 Jun. 2021 Managing Executive Officer  
 Jun. 2023 Director, Managing Executive Officer  
 Apr. 2024 Director, Senior Managing Executive Officer (current position)  
 ● Executive General Manager of Sales Division, In charge of Site Development Dept.

#### Katsuhiko Kozawa

Director,  
Managing Executive Officer



Apr. 1989 Joined the Company  
 Jun. 2016 General Manager of Finance Dept.  
 Jun. 2020 Executive Officer, General Manager of Finance Dept.  
 Apr. 2023 Managing Executive Officer  
 Jun. 2024 Director, Managing Executive Officer (current position)  
 ● In charge of Corporate Planning Dept., Carbon Neutral Development Dept., Business Development Dept., and CSR Environment Dept.

## Directors and Audit & Supervisory Board Members (As of June 30, 2024)

### Michiyo Hamada

Outside Director



Apr. 1985 Professor, Nagoya University School of Law  
Apr. 1999 Professor, Graduate School of Law at Nagoya University  
Apr. 2008 Dean, Nagoya University Law School  
Apr. 2009 Professor Emeritus, Nagoya University (current position), Member of the Japan Fair Trade Commission (retired in March 2014)  
Jun. 2014 Outside Audit & Supervisory Board Member of Toho Gas  
Jun. 2020 Outside Director of Toho Gas (current position)

### Taku Oshima

Outside Director



Apr. 1980 Joined NGK Insulators, Ltd.  
Jun. 2007 Vice President of NGK Insulators, Ltd.  
Jun. 2011 Senior Vice President of NGK Insulators, Ltd.  
Jun. 2014 President of NGK Insulators, Ltd.  
Apr. 2021 Chairman of NGK Insulators, Ltd. (current position)  
Jun. 2021 Outside Director of Toho Gas (current position)

### Isao Nakanishi

Outside Director



Apr. 1992 Joined Toyota Motor Corporation  
Jan. 2016 General Manager of Planning Dept. of New Business Planning Div. of Toyota Motor Corporation, Representative of F-Grid Miyagi Ohira Limited Liability Partnership (retired in April 2023)  
Jan. 2018 General Manager of Energy Business Dept. of New Business Planning Div. of Toyota Motor Corporation  
Nov. 2019 Project General Manager belonging to New Business Planning Div. of Toyota Motor Corporation  
Jun. 2020 Representative of Toyota Green Energy Limited Liability Partnership (retired in March 2022)  
Jan. 2021 General Manager of New Business Planning Div. of Toyota Motor Corporation  
Apr. 2022 Chief Officer of Business Development Group and General Manager of New Business Planning Div. of Toyota Motor Corporation (current position)  
Jun. 2024 Outside Director of Toho Gas (current position)

### Audit & Supervisory Board Members

### Hidetaka Takeuchi

Audit & Supervisory Board Member



Apr. 1984 Joined the Company  
Jun. 2012 General Manager of East District Headquarters  
Jun. 2014 General Manager of Home Systems & Appliance Sales Dept.  
Jun. 2016 General Manager of General Affairs Dept.  
May 2018 General Manager of General Affairs Dept., Director and President of Toho Gas Living Co., Ltd.  
Jun. 2018 Executive Officer, Director and President of Toho Gas Living Co., Ltd.  
Jun. 2021 Managing Executive Officer of the Company  
Apr. 2023 Senior Managing Executive Officer  
Jun. 2023 Director, Senior Managing Executive Officer  
Apr. 2024 Director  
Jun. 2024 Full-time Audit & Supervisory Board Member (current position)

### Hiroaki Kato

Audit & Supervisory Board Member



Apr. 1984 Joined the Company  
Nov. 2011 General Manager of General Affairs Dept.  
Jun. 2013 General Manager of East Nagoya District Headquarters  
Jun. 2015 General Manager of Auditing Dept.  
Jun. 2019 Full-time Audit & Supervisory Board Member (current position)

### Norikazu Koyama

Outside Audit & Supervisory Board Member



Apr. 1980 Joined National Police Agency  
Aug. 2001 Chief, Tottori Prefectural Police Headquarters  
Aug. 2003 Director of Salary and Welfare Division, Commissioner General's Secretariat, National Police Agency  
Aug. 2005 Director, Community Safety Planning Division, Community Safety Bureau, National Police Agency  
Feb. 2007 Secretariat, Japan Police Personnel Mutual Aid Association Headquarters  
Aug. 2008 Chief, Aichi Prefectural Police Headquarters  
Jan. 2010 Vice President of National Police Academy and Councilor of Commissioner General's Secretariat of National Police Agency (in charge of Criminal Affairs Bureau)  
Jan. 2012 Director General of Chubu Regional Police Bureau  
Apr. 2013 Director General of Kanto Regional Police Bureau  
Sep. 2014 Councilor of Japan Police Personnel Cooperative  
Dec. 2014 Senior Director of Japan Police Personnel Cooperative  
Jun. 2017 Senior Director of Council for Public Policy (part-time; retired in June 2021), Outside Audit & Supervisory Board Member of Toho Gas (current position)

### Keiko Ikeda

Outside Audit & Supervisory Board Member



Apr. 1983 Registered Attorney  
Aug. 1986 Established Ikeda Law Office (current Ikeda Law & Patent Office)  
Jul. 2000 Registered Patent Attorney  
Apr. 2017 Chairperson of Aichi Bar Association (retired in March 2018)  
Apr. 2018 Chairperson of Chubu Federation of Bar Associations (retired in March 2019)  
Jun. 2020 Outside Audit & Supervisory Board Member of Toho Gas (current position)

### Akihiko Nakamura

Outside Audit & Supervisory Board Member



Apr. 1982 Joined the Tokai Bank, Ltd.  
Jun. 2009 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Executive Officer of Mitsubishi UFJ Financial Group, Inc. (retired in May 2010)  
May 2012 Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
May 2015 Managing Executive Officer of Mitsubishi UFJ Financial Group, Inc. (retired in May 2018)  
May 2016 Senior Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
Apr. 2018 Senior Managing Executive Officer of MUFG Bank, Ltd.  
May 2018 Deputy President of MUFG Bank, Ltd.  
Jun. 2018 Member of the Board of Directors, Deputy President of MUFG Bank, Ltd.  
Jun. 2022 Senior Advisor of MUFG Bank, Ltd. (current position)  
Jun. 2023 Outside Audit & Supervisory Board Member of Toho Gas (current position)

## Messages from the Outside Directors



### Message from the Newly Appointed Director



**Isao  
Nakanishi**  
Outside Director

#### **Toward the realization of a multi-pathway strategy as an energy provider**

The Toho Gas Group is committed to realizing carbon neutrality at our customer locations and across the entire supply chain by combining the three energy sources of gas, hydrogen, and electricity. An important perspective in achieving this multi-pathway approach lies in thinking about the future of energy.

Energy has always supported society and will continue to do so, and we believe our approach to energy will shape business activities in the Chubu region. Striving for a carbon neutral society is indispensable to protecting the global environment and ensuring resource sustainability. At the same time, it is critical that we guarantee economic and lifestyle security as well as energy security.

As an Outside Director, I am committed to working with everyone in the Toho Gas Group to think and take action in order to swiftly provide competitive energy to our customers.

## Messages from the Outside Directors

### Contributing to Strengthening Human Capital by Providing Recommendations Based on My Experience as an Educator



**Michiyo Hamada** Outside Director

#### Working toward carbon neutrality with our customers

A target of the Medium-Term Management Plan 2022–2025 was to increase the total number of city gas, LPG, and electricity customers to three million. I am pleased to say that we achieved this target at the end of FY2023.

Our plan also includes expanding our services that enrich lives and support business. By offering new innovative services, we have strengthened communication with our customers, who turn to us as a trusted partner not only in the gas business but also in the electricity and other businesses.

We also have high expectations for our CNxP

business, which offers engineering services for the commercial sector. This business provides a full package of services for customers who are looking to reduce their CO<sub>2</sub> emissions, such as by implementing CO<sub>2</sub> reduction measures, maintaining installed equipment, and running verification tests. In this way, we aim to achieve carbon neutrality together with our customers. We believe it is essential to hone our technical capabilities, gain the trust of our customers, and quickly put this business on track.

Regarding our efforts to promote carbon neutrality, we are taking a “do everything we can” approach. As an Outside Director, I will provide advice from an objective standpoint while checking the direction and results of each project to ensure that our efforts bear fruit.

#### Strengthening human capital for future growth

As human capital gains increasing attention, I will leverage my extensive experience in higher education to offer various recommendations to realize a workplace environment where employees feel motivated and can actively address social issues. We are actively involved in and contributing to employee reskilling and upskilling, expanding mid-career hires and internal recruitment, growing our internship program and job fair events, exchanging internal talent, ensuring the long-term success of seniors, and expanding hiring of people with disabilities.

Locally, the Toho Gas Group is a popular place of employment that attracts top talent. As such, we are convinced that the future of the Group can be greatly improved by encouraging all of our employees to hone their ambitions and abilities through their work and maximize their potential.

#### Regaining the trust of our stakeholders as an Outside Director

We take very seriously the impact of the recent inappropriate conduct of the antitrust matter, which has compromised the trust of our shareholders, investors, customers, and other stakeholders. To prevent a recurrence, we will work to ensure thorough compliance while leveraging the expertise of corporate lawyers and Japan Fair Trade Commission members to provide recommendations to the executive team.

As an Outside Director, I will make sincere efforts to reform our governance so that we may regain the trust of our stakeholders as soon as possible.

## Messages from the Outside Directors

### Developing Decarbonization Technology as the Core of the Group's Future



**Taku Oshima** Outside Director

#### Initiatives to promote carbon neutrality, an increasingly critical focus

The Toho Gas Group announced its new vision in FY2021, and the first step to achieving this vision was to formulate the Medium-Term Management Plan 2022–2025 and begin efforts toward the four objectives. Our first initiative to realizing this was the reorganization of the Sales Division and Technology Development Division. To ensure efficient business operations, we organized and analyzed the practical details and challenges, and strengthened the framework to enhance its effectiveness. With the framework now in place, we will leverage our full potential to achieve results.

The most important of the four objectives of the Medium-Term Management Plan is to promote carbon neutrality, which is fundamental for us as an energy provider. As part of this goal, we are making steady progress toward reducing carbon emissions and decarbonizing gas customer locations by developing various types of burners that enable switching from other fuel types and make advanced use of energy, and by expanding sales of carbon-offset LNG. We are proactively taking action to develop technologies to decarbonize gas itself. These include evaluation tests on CO<sub>2</sub> separation and capture technology as well as small-scale verification testing of methanation technology in Chita.

We are confident that, in the future, the technology that will lead to large-scale adoption of e-methane will become a key technology for gas providers. Let us work together as a company to make this a success and propel us forward to the next stage.

#### Leveraging my broad knowledge as an engineer and manager in making recommendations

Since joining NGK Insulators, Ltd. in 1980, I have worked hard mainly in the production technology sector, working overseas, developing new technologies, and launching new businesses. As president, I have worked to reform the work styles and strengthen corporate governance, and while currently serving as chairman of NGK Insulators, I am

extensively involved in corporate management and business activities as an outside director across various industries and as a chairperson of an economic organization.

Based on this experience, I have come to realize that the initial approach and method are crucial to accomplishing our goals. At the same time, for the company to achieve its ambitious goals, it is essential that we maximize the capabilities of our employees and place them in the right role.

Taking on the challenge of creating new businesses and expanding our overseas operations is critical for the Toho Gas Group to achieve further progress. By utilizing my experience in successfully launching new businesses, I am committed to helping the Group's efforts flourish.