

## CHAPTER 03

# Foundation Supporting the Realization of Our Vision

This section introduces sustainability initiatives forming the foundation of Toho Gas Group sustainable growth from the perspectives of the environment, society, and governance.



## Toho Gas Group Sustainability Policy

The Toho Gas Group Sustainability Policy defines our approach to achieving Group sustainability. Through business activities, including the stable supply of environmentally friendly energy, the Group will contribute to the realization of a sustainable society alongside our stakeholders.

We contribute to a better future through the optimal provision of diverse kinds of energy and the creation of new value for lives and businesses, thus promoting development alongside the region.

We contribute to the reduction of environmental impact, including the reduction of greenhouse gas emissions.

We promote business activities with respect for human rights and strive to prevent and mitigate adverse human rights impacts.

By enhancing a comfortable working environment that respects health and safety, and by fostering challenges and actions, we stimulate the growth of our organization and human resources.

We strive to enhance systems for conducting our business properly and efficiently and promote business activities with integrity, in compliance with laws and the spirit of the law.

### Materiality and related SDGs

|   |                                                                   |                                                                                                                                                                                                                                                                                                       |                                     |
|---|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| 1 | Promote carbon neutrality                                         | 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION                                                                                                                                                                    | P.31–P.34<br>P.39–P.44<br>P.57–P.59 |
| 2 | Provide various kinds of energy and services                      | 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES                                                                                                                                                                                       | P.25–P.38                           |
| 3 | Supply energy in a safe, secure, and stable manner                | 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION                                                                                                                                                                    | P.25–P.30                           |
| 4 | Contribute to the community by resolving social issues            | 4 QUALITY EDUCATION, 6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 14 LIFE BELOW WATER, 15 LIFE ON LAND, 17 PARTNERSHIPS FOR THE GOALS | P.35–P.38<br>P.57–P.66              |
| 5 | Enhance work satisfaction and ease of work, and promote diversity | 3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES                                                                                                                                                                      | P.45–P.54                           |
| 6 | Strengthen compliance and governance                              | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS                                                                                                                                                                                                                                                             | P.57–P.76                           |

### Sustainability Promotion System

Board of Directors

Management Committee

Sustainability Committee

Deliberates, discusses, and monitors the direction, targets, and measures of sustainability initiatives

Chair:

Executive in charge of the Sustainability Promotion Department

Members:

Department heads, directors of major subsidiaries, etc.

Secretariat  
(Sustainability Promotion Department)

Environment Subcommittee  
Social Subcommittee

Toho Gas departments and subsidiaries

# Environmental Management

## Basic Concept

We set Environmental Action Principles and Environmental Action Guidelines to help the realization of a sustainable society, including carbon neutrality. Having set environmental action goals, we are engaging in a wide range of environmental actions, including global warming countermeasures, resource recycling, and making environmental and social contributions in cooperation with the region. Furthermore, in addition to engaging in compliance with environmental laws and environmental education by constructing Environmental Management Systems, we are managing the progress of initiatives through a PDCA cycle.

## Environmental Action Principles

The Environmental Action Principles (established in 1993; latest revision in 2022) are regarded as Toho Gas's business policy.

### Environmental Action Principles

#### Basic Policy

Toho Gas and its Group companies recognize the importance of preserving the environment on a regional and global basis. The Group contributes to the realization of a sustainable society through the resolution of social issues relating to the environment.

#### Principles

- Principle 1** The Group will contribute to reducing the environmental impacts of its business on customers and society as a whole.
- Principle 2** The Group will reduce the impacts of its business activities on the overall environment.
- Principle 3** The Group will contribute to environmental preservation in collaboration with local communities and the global community.
- Principle 4** The Group will promote technological development related to the environment.

## Environmental Action Guidelines

Our Environmental Action Guidelines, established in 2011 and most recently updated in 2022, outline the concept and action details of the environmental activities implemented by the Group.

### Environmental Action Guidelines

#### Global Warming Countermeasures

The Group aims to achieve carbon neutrality in the entire supply chain through the expansion, highly efficient use, and high-degree application of environmentally friendly energy, including natural gas, and the utilization of renewable energy and the decarbonization of gas itself.

#### Resource Recycling

The Group will promote the effective use of resources in each stage of business activities and reduce, reuse, and recycle waste to minimize external emissions.

#### Biodiversity Conservation

The Group recognizes the importance of biodiversity, which is the foundation of society and the economy, and will work to grasp and analyze the impact of business activities on biodiversity as well as promoting biodiversity-friendly activities.

#### Environmental and Social Contributions

The Group will contribute to the resolution of social issues by participating in environmental activities/projects in collaboration with local communities and society at large.

#### Technology Development

The Group will promote technology development toward realizing carbon neutrality, such as the highly efficient and high-degree application of energy, the use of hydrogen and renewable energy, the capture and separation of CO<sub>2</sub>, and methanation.

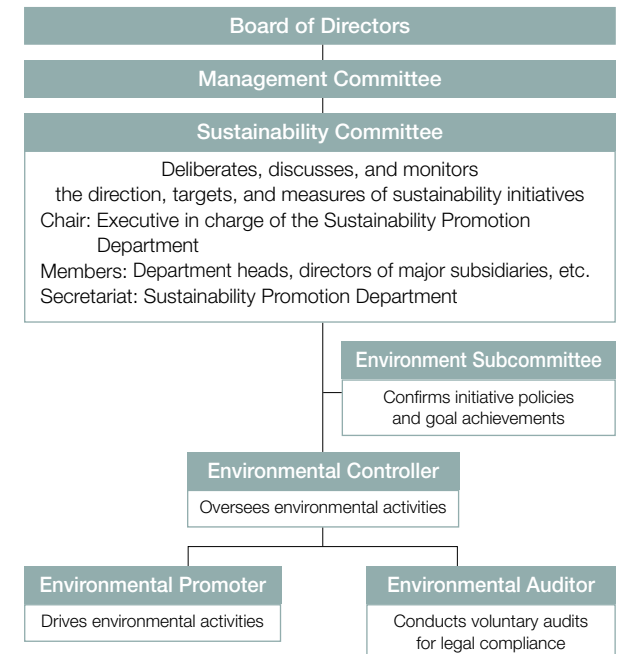
#### Environmental Management

Recognizing the impact of its business activities on the overall environment, the Group will rigorously enforce environmental management and develop human resources who are environmentally conscious and can act on their own initiative. We comply with the demands of laws, ordinances, and agreements relating to the environment.

## Environmental Management System

The Sustainability Committee, comprising Toho Gas and major affiliates, deliberates, discusses, and monitors the direction, targets, and various measures of key environmental activities to reduce the Group's environmental impact and comply with environmental laws and regulations. The Environment Subcommittee confirms the policies of initiatives for environmental action goals and the achievements of each department. In addition, each department and affiliate has specific roles to promote environmental activities, including an "environmental promoter" responsible for driving specific activities, an "environmental auditor" responsible for voluntary audits for compliance with environmental laws and regulations, and an "environmental controller" responsible for overseeing these roles.

### Environmental Management Organizational Structure



## Environmental Management

### ● Environmental Action Goals (FY2022–FY2025)

We set environmental action goals for FY2022–FY2025 as shown in the table below, and are promoting initiatives to achieve them. Our performance in FY2024 is also shown in the table.

Regarding our targeted reductions of CO<sub>2</sub> emissions intensity in business activities, reductions improved 2.2% year on year although the target was not achieved during the target period due to the impact of worsening emissions intensity in FY2022. We will continue to improve emissions intensity through comprehensive energy conservation measures. Progress remains steady on all other target items.

| Type                                   |                                | Goal                                                                                                                                                                                           | FY2025 target value                                        | FY2024 results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Environmental impact reduction         | Global warming countermeasures | Contribution to CO <sub>2</sub> reduction volume                                                                                                                                               | 1 million t compared with FY2020 levels                    | 550 thousand t                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                        |                                | Volume of renewable energy sources handled                                                                                                                                                     | 250 thousand kW                                            | 146 thousand kW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                        |                                | Reduction of CO <sub>2</sub> emissions intensity in business activities                                                                                                                        | CO <sub>2</sub> emissions intensity: −2%/year              | −2.2% YoY <sup>*1</sup> (total for FY2022–FY2024: +1.4%/year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                        | Resource recycling             | Zero emissions of industrial waste at city gas plants                                                                                                                                          | Maintain current level (final disposal rate of 1% or less) | Final disposal rate of 0.73% (total for FY2022–FY2024)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                        |                                | Recycling rate of waste generated from gas pipeline construction                                                                                                                               | 99% or more                                                | 99.4%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                        |                                | Promotion of the 3Rs in business activities                                                                                                                                                    |                                                            |  Initiatives related to resource recycling<br>For details, please refer to our website.<br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p60.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p60.pdf</a><br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_circular-economy.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_circular-economy.pdf</a>   |
| Biodiversity conservation              |                                | Reduction of use of natural sand and crushed rock in gas pipeline construction                                                                                                                 | 15% or less compared to conventional construction methods  | 11.8% compared to conventional construction methods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                        |                                | Contribution to maintaining and restoring biodiversity through business activities and regional activities, conserving <i>satoyama</i> <sup>*2</sup> and forests, and protecting local species |                                                            |  Initiatives related to biodiversity<br>For details, please refer to our website.<br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p61-62.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p61-62.pdf</a><br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_biodiversity.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_biodiversity.pdf</a>         |
| Environmental and social contributions |                                | Environmental contribution activities in collaboration with local communities, and contribution to resolving regional and social issues                                                        |                                                            |  Initiatives related to environmental and social contributions<br>For details, please refer to our website.<br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/social/pdf/2025toho_tougou_en_p65.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/social/pdf/2025toho_tougou_en_p65.pdf</a><br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_coexistence.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_coexistence.pdf</a> |
| Technology development                 |                                | Promotion of technology development for advanced use of energy and carbon neutrality                                                                                                           |                                                            |  Initiatives related to technology development<br>For details, please refer to our website.<br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p39-42.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/environment/pdf/2025toho_tougou_en_p39-42.pdf</a><br><a href="https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_carbon.pdf">https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_carbon.pdf</a>           |

\*1 CO<sub>2</sub> emissions intensity calculation conditions for city gas emissions (temperature and pressure revisions) have been standardized in line with FY2024 conditions to calculate the rate of change from the previous fiscal year.

\*2 Traditional agricultural area located near the foothills of mountains and forests


 Initiatives related to environmental management  
 For details, please refer to our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_e-management.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_e-management.pdf)

## Global Warming Countermeasures

### Basic Concept

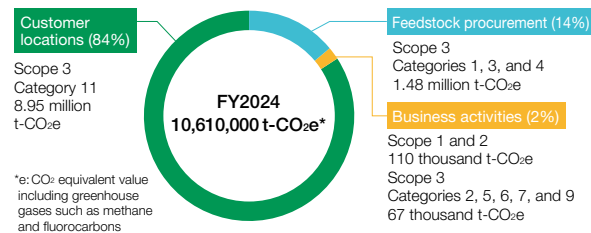
Global warming countermeasures are an important management issue for the Toho Gas Group. As an energy business operator, we are implementing countermeasures against global warming taking into consideration the value chain.

Toho Gas not only aims to reduce its own CO<sub>2</sub> emissions factor but also sets environmental action goals aimed at restraining CO<sub>2</sub> emissions at customer locations. We promote a wide range of initiatives, including supplying environmentally friendly energy, facilitating the switchover from other fuels to natural gas or LPG, and promoting the adoption of advanced and highly efficient devices such as fuel cells. We also foster the utilization of renewable energy and other resources in collaboration with local communities, as well as pursuing technological development and testing such technologies as methanation and CO<sub>2</sub> capture, utilization, and storage, all in the pursuit of achieving carbon neutrality by 2050.

### ● Environmental Impact of Value Chain

Throughout the entire value chain, environmental impacts such as CO<sub>2</sub> and other greenhouse gas emissions occur in business activities, including the production and supply of city gas, LPG,

### Greenhouse Gas Emissions in the Value Chain



and electricity, as well as at every level of feedstock procurement and at customer locations.

In the gas business, much of the greenhouse gas emissions are accounted for by customer locations, and the Group is working on reducing these. We are also working to identify the status of greenhouse gas emissions in feedstock procurement and evaluate the impact on the environment. Regarding our business activities, we are reducing greenhouse gas emissions by improving energy use efficiency and energy conservation efforts.

### ● Global Warming Countermeasures at Customer Locations

We are promoting initiatives to contribute to CO<sub>2</sub> reduction through our business activities.

#### ● Switching to Natural Gas

Natural gas is an environmentally friendly energy that, compared to other hydrocarbon fuels, produces less CO<sub>2</sub> and NO<sub>x</sub>, and zero SO<sub>x</sub>, when combusted. By switching the fuel used at customer sites from oil and other fuels to natural gas, we are contributing to the reduced emissions of greenhouse gases and air pollutants.

#### ● Expanded Use of High-Efficiency Gas Equipment and Systems

In addition to switching fuels, we are introducing high-performance burners to facilities at customer locations to further reduce CO<sub>2</sub> emissions.

We are also promoting the expanded use of energy-efficient equipment and systems, such as the ENE FARM residential fuel cell system as well as gas cogeneration systems, high-efficiency boilers, and gas heat pump air-conditioning for commercial use.

### ● Reduction of CO<sub>2</sub> Emissions in Business Activities

As an energy operator, we promote energy conservation initiatives in all aspects of our business activities.

We invest in energy-saving equipment and conduct thorough operational management in each business field.

#### ● Initiatives at City Gas Plants

At city gas plants, we use a highly energy-efficient method to produce gas by vaporizing liquefied natural gas (LNG) at around -160°C through heat exchange with seawater.

Furthermore, we make efficient use of the cold energy of LNG for cryogenic power generation, manufacturing dry ice and liquid nitrogen at adjacent plants, as well as equipment used to reliquefy boil-off gas (BOG) produced in LNG tanks.

We are also working to further reduce energy consumption, such as by utilizing pipelines and other equipment built for mutual backup and inventory adjustment between plants to adjust the amount of gas sent between plants. Through these efforts, we are reviewing operational methods to optimize the overall operational efficiency at all LNG plants.

Initiatives related to global warming countermeasures  
For details, please refer to our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_global-warming.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_global-warming.pdf)



Gas engine cogeneration system



Flow-through boiler

# Resource Recycling

## Basic Concept

Based on the Environmental Action Principles and Environmental Action Guidelines, Toho Gas Group has set Environmental Action Goals in the area of resource recycling, and is promoting the 3Rs (reduce, reuse, and recycle) toward the reduced consumption of natural resources and the effective use of recycled resources through efforts that include zero emissions from industrial waste at city gas plants, recycling the waste generated from gas pipeline work, and the promotion of paperless business.

## Initiatives to Reduce Waste and Resource Consumption in Our Business Activities

### Working to Achieve Zero Emissions of Industrial Waste at City Gas Plants

Since FY2008, we have been working to achieve zero emissions of industrial waste at city gas plants and reduce the final disposal rate of industrial waste. Our environmental action goal is to achieve a final disposal rate of 1% or less, and we are continuing to work toward that goal.

Regarding waste from plants, the recycling of sludge and mixed waste has been a concern, and these account for 80% of our final disposal volume. To handle sludge generated at seawater intake ports, we turned to graded recycling, which separates the sludge into slurry, sand, silt, and clay depending on the grain size, and remixes them to create a stable fluidization treatment soil. In this way, we have improved the recycling rate of sludge. In terms of mixed waste, we carefully sort and separate materials, thereby enhancing the recycling rate.

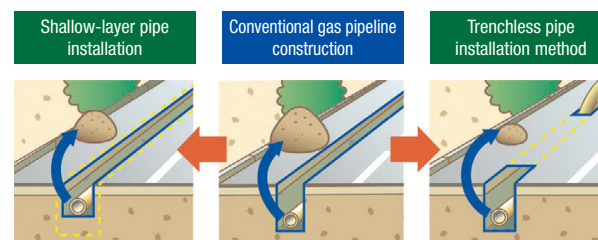
Through these initiatives, we have reduced the final disposal rate of industrial waste, aiming to achieve zero emissions for the entire period of the environmental action goal.

### Recycling Industrial Waste and Reducing Natural Sand in Gas Pipeline Construction

Gas pipeline construction generates industrial waste such as asphalt and concrete blocks classified as rubble and used polyethylene pipes classified as waste plastic. Asphalt and concrete blocks are recycled into an asphalt mixture (paving material) and crushed stone, while used polyethylene pipes are recycled into raw materials for components that protect gas pipes. Through this resource recycling process, we have achieved a 99.4% resource recovery rate for industrial waste generated from gas pipeline construction.

Additionally, to reduce the amount of asphalt and concrete blocks and excavated soil generated during pipeline construction, we introduced shallow-layer pipe installation,<sup>\*1</sup> the trenchless pipe installation method,<sup>\*2</sup> and the repair and rehabilitation method,<sup>\*3</sup> and we promoted the use of temporary filling material<sup>\*4</sup> in work requiring re-excavation. As a result, in FY2024, we were able to reduce the amount of excavated soil by 25% compared to conventional construction methods.

We also processed excavated soil at a soil improvement center and reused it as backfill material for gas pipeline construction, resulting in a 72% reduction in external discharge of excavated soil compared to traditional methods. Furthermore, by combining the excavated soil with reused crushed stone as backfill material, we were able to reduce the amount of natural sand and crushed stone used in gas pipeline construction by 11.8% compared to conventional methods.



By reducing the extraction of new sand and crushed stone, we are lowering our impact on the environment.



Trenchless pipe installation method

<sup>\*1</sup> This refers to burying a gas pipeline in a roadway at approximately half the conventional depth.

<sup>\*2</sup> This method involves drilling at both ends of the construction area and pulling the gas pipeline underground.

<sup>\*3</sup> The method of repairing a gas pipe from the inside

<sup>\*4</sup> Polyethylene ball material used as temporary backfill


Initiatives related to resource recycling  
For details, please refer to our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_circular-economy.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_circular-economy.pdf)

## Biodiversity — Responding to TNFD Recommendations

### Basic Approach

To conserve biodiversity, we are making efforts to ascertain the impact of our business activities on biodiversity and ameliorate any negative impacts. By promoting biodiversity initiatives across the entire Group, we aim to create a nature-positive society, as outlined in the Kunming-Montreal Global Biodiversity Framework.

To achieve this, we identify and evaluate points of contact with nature, and in promoting initiatives and establishing systems, we utilize the framework provided by the Taskforce on Nature-related Financial Disclosures (TNFD) and organize nature-related initiatives and analysis results in accordance with TNFD disclosure requirements.

In ascertaining our points of contact with nature, determining our dependence and impact on nature, and identifying risks and opportunities related to nature, we conducted analysis based on the LEAP approach\*<sup>1</sup> provided by the TNFD.

\*<sup>1</sup> The LEAP approach is an analytical methodology developed by the TNFD to evaluate and implement corporate activities related to nature, including identifying points of contact between corporate activities and nature, as well as nature-related dependencies, impacts, risks, and opportunities, and the setting of targets. LEAP is an acronym for Locate, Evaluate, Assess, and Prepare.

### Governance

Biodiversity-related initiatives are managed and monitored in the same way as our disclosure efforts regarding climate change based on TCFD recommendations. The Group has also established a Sustainability Policy, based on which we strive to understand the impact of our business activities on local natural environments and promote activities that take biodiversity into consideration.

### Analysis Using the LEAP Approach

To more comprehensively evaluate the relationship between our business and nature—taking into account the scale of our business, and dependency and impact on nature—the LEAP approach scope of analysis covers direct operations and upstream supply chain investments in the Group's mainstay gas business, and direct operations only in other businesses.

In analysis conducted in FY2024, we analyzed items related to "Locate" (discovering points of contact with nature) and "Evaluate" (diagnosing dependencies and impacts) under the LEAP approach.



In FY2024, our analysis only focused on Locate and Evaluate.

### Dependence and Impact on Nature

Using ENCORE,\*<sup>2</sup> one of the analysis tools recommended by the TNFD, we analyzed the relationship between the target business, ecosystem services, and natural capital from the perspectives of potential dependence and impact on nature, obtaining the results shown in the table on the upper right.

Based on the ENCORE analysis results, we published a heat map on our website summarizing the dependencies and impacts between the target business and nature.

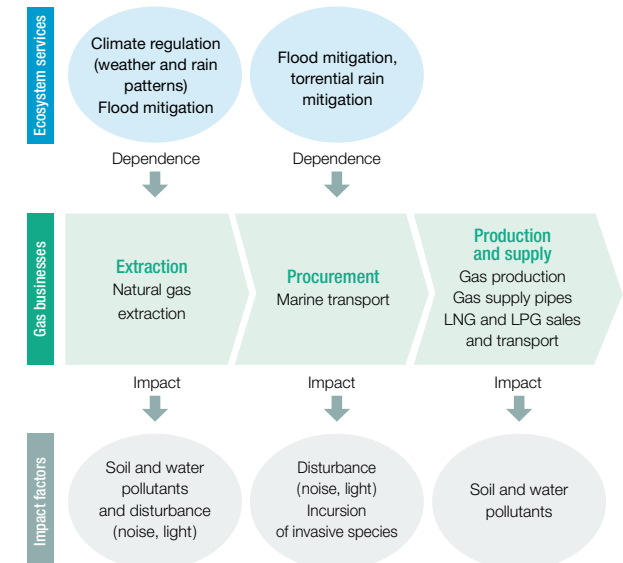
\*<sup>2</sup> ENCORE is a tool supporting the understanding of nature-related dependencies and impacts jointly developed by the United Nations Environment Programme Finance Initiative and other organizations. Based on the International Standard Industrial Classification of All Economic Activities, ENCORE assesses the expected dependence and impact on nature of each economic activity.

Heat Map Showing the Interdependence and Impact of Our Business on Nature  
For details, please visit our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_heat-map.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_heat-map.pdf)

### Relationship Between Target Business, Ecosystem Services, and Natural Capital

| Business                          | Dependence and impact on nature                                                                                                                                                                                                                                                           |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gas Businesses<br>(including LPG) | There is a strong possibility of soil and water pollution during the natural gas extraction and urban gas manufacturing processes, as well as of impacts on native species from ballast water during the transport of natural gas. See the figure below for details on each supply chain. |
| Electricity<br>Businesses         | There is a strong possibility that greenhouse gas emissions from gas-fired, wind, and solar power generation will have an impact on climate regulation functions.                                                                                                                         |
| Heat Supply<br>Business           | There is a strong possibility of significant impact from greenhouse gas emissions from the manufacturing processes for steam, cold and hot water, etc.                                                                                                                                    |

### Dependence and Impact on Nature for Each Supply Chain in the Gas Business



## Biodiversity — Responding to TNFD Recommendations

### Identifying Areas Requiring Caution

To understand the relationship between the Group's operating bases and core business investment destinations and the surrounding natural environment, we identified areas requiring caution within the Group using various tools recommended by the TNFD as evaluation criteria.

Analytical tools used to identify areas of concern included Integrated Biodiversity Assessment Tool (IBAT) and Global Forest Watch for assessing biodiversity importance, Aqueduct for assessing water stress, and GLOBIOweb for assessing ecosystem integrity.

As a result of the analysis, 32 sites in Japan and overseas were identified as areas of concern due to their proximity to natural parks and wildlife protection areas.

### Initiatives Going Forward

We will continue to contribute to biodiversity conservation while initiating the "Assess" and "Prepare" steps of the LEAP approach as we strive to proactively disclose information. In particular, with regard to FY2024 analysis results, we will conduct a more detailed evaluation of our risks and opportunities analyses and consider countermeasures, targets, and indicators.

### Initiatives Contributing to Biodiversity Conservation

#### Creating Biotopes

In 2000, we established a biotope at the Chita-Midorihamma Works and have strived to preserve the ecosystem by cultivating rare and endemic species, while also asking specialists to conduct surveys of animal and plant species. Additionally, biotopes were created at the Gas Energy Exhibition Hall in 2010 and at Minato AQUUS in 2018, where they are being used for the conservation of local endemic species and environmental education.



Chita-Midorihamma Works Biotope

#### Participation in the Inochi wo Tsunagu Project

The Inochi wo Tsunagu ("Connecting Life") Project is driven by a student executive committee that brings together multiple companies, government agencies, experts, and NPOs in the Chita Peninsula coastal area to create and preserve ecosystems in corporate green spaces and foster students as future leaders in building a sustainable society.

We actively participate in this project, working with neighboring companies to create green spaces and biotopes, eradicate invasive species, and conduct monitoring surveys of wildlife with local companies.

The Chita Peninsula Greenbelt (a group of corporate green spaces along the coast of the Chita Peninsula), where this project is being implemented, was designated as a Nature Coexistence Site for the first half of 2023 by the Ministry of the Environment. We will continue to collaborate with various companies with the aim of enhancing biodiversity on the Chita Peninsula.



Chita Peninsula Greenbelt



Initiatives related to biodiversity  
For details, please refer to our website.

[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_biodiversity.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_biodiversity.pdf)

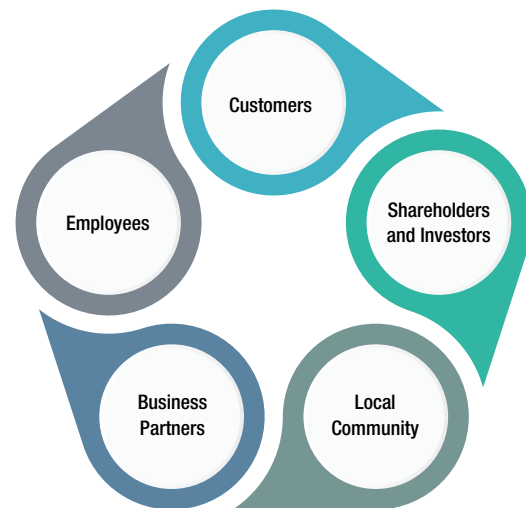
## Value Provided to Stakeholders

### Basic Concept

We conduct business activities that place importance on relationships with our stakeholders.

As stated in our corporate mission, the Toho Gas Group cherishes the bonds of trust it has forged with society, and remains dedicated to the creation of a rich and fulfilling life and the development of attractive and vital communities. We aim to further enhance corporate value by incorporating stakeholder opinions and requests into our corporate activities through ongoing dialogues.

### Toho Gas Group Stakeholders



### ● Efforts to Increase Customer Satisfaction

#### ● Improving Customer Satisfaction

The Customer Satisfaction Promotion Steering Committee, departmental customer satisfaction organizations, affiliates, sales outlets, and gas construction companies work together to improve the quality and services of operations in accordance with the basic policy for customer satisfaction activities determined by the Customer Satisfaction Promotion Meeting, which is comprised of officers and department heads. Customer feedback is shared with relevant divisions as valuable management resources, leading to prompt measures and business improvements. In addition, the results of customer satisfaction surveys are reported to relevant divisions to further improve customer service.

#### ● Improving Our Customer Support Center

Our customer support center not only receives calls but also provides support via our website and automated voice guidance for increased customer convenience.



| Stakeholders               | Value creation                                                                                                                                                                                                                                                                                                             | Communication method (initiative details)                                                                                                                                                                                                                                                                 | Related information       |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Customers                  | Through safe and secure energy supplies, we aim to realize comfortable and prosperous lifestyles for our customers through a variety of services that support their daily lives.                                                                                                                                           | <ul style="list-style-type: none"> <li>● Daily sales activities</li> <li>● Improving our customer support center (customer feedback)</li> <li>● Members websites (Club TOHOGAS and TOHOBIZNEX)</li> </ul>                                                                                                 | P.25–P.30                 |
| Shareholders and Investors | We aim to enhance corporate value over the medium to long term by providing stable dividends and shareholder benefits through sustainable growth and profit expansion. We will build relationships of trust with shareholders and investors through highly transparent information disclosure and proactive IR activities. | <ul style="list-style-type: none"> <li>● Annual Shareholders Meeting</li> <li>● Financial results briefings</li> <li>● Facility tours for individual investors</li> <li>● Interviews with institutional investors</li> </ul>                                                                              | P.64                      |
| Local Community            | In addition to contributing to stable energy supplies and decarbonization, we aim to realize a sustainable society through businesses that support regional revitalization and facilitate comfortable, secure lifestyles.                                                                                                  | <ul style="list-style-type: none"> <li>● SDGs-related outreach classes</li> <li>● Lectures on biodiversity and biotopes (Nagoya Open University of the Environment)</li> <li>● Environmental education at the Gas Energy Exhibition Hall</li> <li>● Activities to protect children and seniors</li> </ul> | P.61–P.62<br>P.65         |
| Business Partners          | We will build growth-oriented partnerships that aim for mutual growth and development through fair transactions, and create sustainable value alongside business partners through the sharing of technologies and know-how as well as the creation of new business opportunities.                                          | <ul style="list-style-type: none"> <li>● Business partner CSR questionnaire surveys</li> <li>● CSR Procurement Guidelines</li> <li>● Establishment of a consultation desk</li> </ul>                                                                                                                      | P.66<br>P.74              |
| Employees                  | We will contribute to a sense of fulfillment in employees' careers and lives through the provision of rewarding work environments, growth opportunities, and comprehensive employee benefits.                                                                                                                              | <ul style="list-style-type: none"> <li>● Engagement survey</li> <li>● Establishment of a consultation desk</li> <li>● Promotion of safety and health</li> <li>● Meetings for the exchange of opinions with management (business site visits)</li> </ul>                                                   | P.45–P.54<br>P.66<br>P.74 |

## 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

During the Medium-Term Management Plan period (FY2025–FY2027), we aim to achieve profit growth and progressive increases in dividend distributions. We will also continue to repurchase shares with the aim of optimizing our capital structure, targeting ¥400.0 billion by the end of FY2027.

In April 2024, we disclosed the “Action to Implement Management that is Conscious of Cost of Capital and Stock Price,” and set the goal of providing additional shareholder returns to optimize equity capital over the near term. In the new Medium-Term Management Plan announced in March 2025, we outlined a time frame for optimizing shareholders’ equity, as summarized above, while aiming for progressive dividend increases.

#### Shareholder Benefit Program

We introduced a shareholder benefit program to show our appreciation for the ongoing support and understanding of our shareholders, and to encourage more people to hold our shares for the long term. Our shareholder benefits are based on a point system according to the number of shares held and the length of time they have been held. Points can be exchanged for catalog products, donated to social contribution programs, or used to pay gas and electricity bills from Toho Gas.

 Shareholder benefit program (Japanese only)  
For details, please visit our website.  
<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 at the 154th Annual Shareholders Meeting, we answered questions from shareholders in attendance as well as those submitted in advance. We make efforts to disclose information from meetings on our website, including informational videos and an overview of answers to questions submitted in advance.

#### 154th Annual Shareholders Meeting

(June 25, 2025)

Shareholders in attendance **137** Percentage of voting rights exercised **85.4%**



Annual Shareholders Meeting

#### Communication with Individual Investors

We hope to receive long-term support from as many individual shareholders as possible. In FY2024, we communicated directly with individual shareholders through facility tours and IR briefings, and also held online briefings and made videos of those briefings available for later viewing. In the future, we will continue to provide opportunities to communicate with our shareholders to ensure a better understanding of the Company.

#### Communication with Institutional Investors

Toho Gas holds quarterly financial results briefings for institutional investors and securities analysts, while also proactively engaging in individual meetings. In addition, to ensure a better understanding of the Company, we provide regular investor relations activities for financial institutions that are our bond investors. We share feedback and requests from investor relations activities within the Company such as through the Management Committee to help enhance corporate value.

#### FY2024 Results

Financial results briefings **4** (quarterly)

Individual meetings Approx. **100** in total

 Shareholder and investor information (IR)  
For details, please visit our website.  
<https://www.tohogas.co.jp/lang-n/en/corporate/>

## Contribution to the Local Community

### Basic Concept

The Toho Gas Group is advancing efforts to contribute to a sustainable society, addressing diverse regional needs and challenges such as carbon neutrality and enhanced resilience. We are deepening our collaboration with municipalities and other public entities, primarily in the three-prefecture Tokai region (Aichi, Gifu, and Mie), further strengthening our engagement with customers and striving to co-create new value. By addressing the emerging challenges in the region, we aim to contribute to achieving prosperity within the region.

### ● Collaborating with Local Governments in Promoting Solutions for Social Issues

We are deepening cooperation with local governments in various aspects, such as supporting carbon neutrality efforts and creating initiatives for new regional electric power companies, thereby contributing to creating more attractive communities (commenced collaborative agreements with local governments on 19 projects).

### Examples of Efforts to Coexist with Local Communities

| Activity                                   | Social issue                                                                                                                                             | Activity overview                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Carbon credit creation</b>              | Promoting the use of carbon credits to achieve carbon neutrality                                                                                         | Using ENE FARM and solar power generation system residential fuel cells installed in homes with subsidies from local governments, we compile the amount of CO <sub>2</sub> reduced in the home, convert it to J-Credits, and use them in the local government area to promote local production and local distribution of environmental value and contribute to realizing carbon neutrality in the region.                                                                  |
| <b>Regional new power generation</b>       | Promoting local production (or sourcing) and consumption of energy, local economic circulation, and decarbonization                                      | We have established new regional power companies with local governments and other organizations in an effort to supply electricity generated from local power sources such as waste-to-energy to public facilities, thereby promoting carbon neutrality in the region and contributing to local production and local distribution of energy. Moving forward, we will also contribute to regional revitalization such as by donating business profits to local governments. |
| <b>Next-generation education</b>           | Creating educational opportunities for children to promote environmentally conscious behavioral changes                                                  | In collaboration with local governments with which we have entered into cooperation agreements or registered as SDGs partners, we are working to raise awareness of the SDGs through environmental and energy education, as well as events for children who will lead the next generation.                                                                                                                                                                                 |
| <b>School club activity reform support</b> | Providing support for retaining instructors and streamlining operations in preparation for the transition of school club activities to local communities | As part of the "Toho Gas Tsunagutech" solution service for local governments, we aim to reduce the administrative burden on local governments through the introduction of more efficient systems, while utilizing corporate personnel as external instructors for school club activities.                                                                                                                                                                                  |
| <b>Child development support</b>           | Creating opportunities to utilize child development support facilities and providing high-quality education for children with developmental challenges   | We established Flower Kids Nobiruko child development support facility to nurture children's emotions and social skills through creative activities and life experiences tailored to their individual traits and personalities.                                                                                                                                                                                                                                            |

### Establishment of Corporate Venture Capital (CVC) Fund

We established the CVC "Shin Infrastructure Fund" with the aim of creating businesses through collaborations with start-ups that have innovative technologies and ideas.

Through fund management in four key areas—agriculture and food, wellness and well-being, real estate, and tourism—we will contribute to the creation of new businesses and the development of local communities.



Initiatives related to local community contribution  
For details, please visit our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_coexistence.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_coexistence.pdf)

## Initiatives Focused on Respect for Human Rights

### Basic Concept

We believe that protecting the dignity and respecting the rights of all stakeholders in our business activities is essential both to the development of a sustainable society and to our own parallel development as a sustainable business. Acting on this belief, we have established a Toho Gas Group Human Rights Policy in accordance with internationally accepted criteria, such as the United Nations Guiding Principles on Business and Human Rights. In this way, we show our commitment to contributing to the development of a sustainable society by conducting our business activities while respecting the human rights of our employees, customers, business partners, local communities, and all other stakeholders.

Toho Gas has signed and endorsed the Ten Principles of the United Nations Global Compact in the four areas of human rights, labor, environment, and anti-corruption, and is a member of the UN Global Compact.



### Human Rights Policy

We established the Toho Gas Group Human Rights Policy and are committed to preventing and mitigating adverse impacts on human rights by enhancing employee awareness of human rights while promoting efforts to prevent discrimination and harassment.

Toho Gas Group Human Rights Policy  
For details, please visit our website.  
<https://www.tohogas.co.jp/lang/en/approach/eco/social/hrp/>

### Promotion Framework

The Sustainability Committee, comprising Toho Gas and its major affiliates, discusses, reviews, and monitors the progress of human rights policy formulation and revision, human rights due diligence action plans, and their implementation. This status is then reported to the Management Committee, and important matters are brought to the Board of Directors.

### Human Rights Due Diligence

Based on the Toho Gas Group Human Rights Policy, we established a human rights due diligence system to identify, prevent, and mitigate adverse human rights impacts (human rights risks) that must be taken into consideration when conducting business, and we are promoting initiatives aimed at fostering respect for human rights.

We identify human rights risks through interviews with internal stakeholders and external experts, and assess their importance based on two criteria—severity and likelihood of occurrence. As a result, we identified occupational health and safety, human rights violations in the supply chain, privacy violations, and discrimination as significant human rights risks.

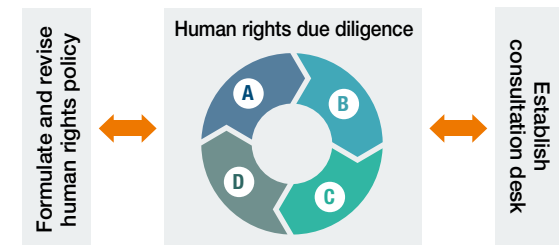
In FY2024, we selected privacy violations and discrimination from among the identified significant human rights risks, and worked to prevent and mitigate these risks by conducting internal environment inspections, promoting human rights awareness (e-learning), and providing compliance training, among other initiatives, while also pursuing such efforts throughout the supply chain.

### Human Rights Initiatives in the Supply Chain

We established the Toho Gas Group CSR Procurement Guidelines based on the Toho Gas Group CSR Procurement Policy to promote efforts to respect human rights together with our business partners. In FY2024, we conducted questionnaire surveys of our major business partners to check the status of initiatives focused on respect for human rights, such as prohibition of forced labor, child labor, and discrimination. No business partners were identified as posing significant human rights risks based on the survey results.

Toho Gas Group CSR Procurement Guidelines  
For details, please visit our website.  
<https://www.tohogas.co.jp/lang/en/approach/eco/social/sce/>

### Overview of Initiatives



### Details of Human Rights Due Diligence

- A Assessment of human rights risk**
  - Identify and assess negative human rights impacts of business activities
  - Identify significant human rights risks
- B Prevention and remediation**
  - Inspect human rights risks and implement measures
  - Provide training on business and human rights, LGBTQ, and compliance
- C Monitoring**
  - Conduct employee questionnaire surveys
  - Conduct business partner questionnaire surveys
- D Public information disclosure**
  - Disclose information in Integrated Reports and on our websites

### Consultation Service

We established the Compliance Consultation Service both internally and outside the Company at a lawyer's office to allow direct consultation of issues including human rights in person, by email, or by phone. This service is available not only to Group employees, including dispatched staff, but also to retired employees and business partners as well.

## Messages from the Outside Directors

### Expectations for Medium-Term Management Plan 2025–2027

The strengths of the Toho Gas Group are a track record of fulfilling its responsibility to provide stable energy supplies for over 100 years and the trust it has earned from stakeholders. As a gas company, the Group has amassed knowledge and refined technologies with a sense of mission focused on serving local communities. Over the past decade, the Toho Gas Group has implemented structural changes as part of its efforts to transform its business in response to the deregulation of the electricity and gas industries. The number of customers in the electric power business is growing year by year.

In response to this trend, the Company's newly announced Medium-Term Management Plan 2025–2027 conveys its sense of mission and desire to contribute to society as a comprehensive energy company. While promoting gas business advances and higher efficiency, we will continue proactively investing resources in the electric power business and overseas operations with a focus on profitability. In this way, Toho Gas will demonstrate its determination to enhance competitiveness and transform the Company into a driving force for next-generation growth, which I find very encouraging.

Looking back on the past 10 years of transformations, Toho Gas Group employees have taken on new challenges and gained a sense of fulfillment from on-site work, further strengthening their desire to take on social issues. There is an increasing number of young employees who are studying with the aim of working overseas in the future. I hope the Company further strengthens the mechanisms linking human resource strategies leveraging employee aspirations with business strategies during the Medium-Term Management Plan period.

Among business strategies, the achievement of carbon neutrality presents a particularly daunting challenge. Under the Medium-Term Management Plan, this challenge is positioned as the Toho Gas Group's mission, and we are committed to responsibly accelerating efforts toward this end. As an energy company, it is our mission to contribute to the future of humanity, and we hope you will continue to have high expectations for the Toho Gas Group as we move forward and take on these difficult challenges.



**We will proactively make proposals enabling employees to continue working with enthusiasm regardless of gender or position.**

**Michiyo Hamada**

Outside Director

### The Role of Outside Directors in Enhancing Toho Gas Group Corporate Value

Outside directors join the Board of Directors as trustees appointed by shareholders and are responsible for supervising the execution of duties by the representative director and other members of the senior management team. Having been involved in research and education related to corporate law for many years, I will fulfill my role as an outside director while maintaining an awareness of these principles.

The authority granted to the representative director of a company is enormous, and in practice, its exercise involves a considerable degree of discretion in exercising those powers. Outside directors and Audit & Supervisory Board Members must evaluate, from an independent and objective standpoint, whether the representative director and other senior management team members are exercising this discretion appropriately and legally, and whether they are achieving steady progress toward enhancing the Company's long-term corporate value. Furthermore, without appropriate proposals in response to these issues, we are unlikely to achieve sound corporate development.

As an outside director of an energy company, I intend to closely monitor investment plans for renewable energy and energy-saving technologies, as well as responses to climate change and the formulation and progress of decarbonization roadmaps. As a specialist in corporate law, I will also offer useful opinions on matters such as legal compliance, the implementation of M&As, and alliance strategies for new businesses. Furthermore, my wish is that the Toho Gas Group become an organization where women and men work together to raise healthy children, with each employee able to fully utilize their abilities for the benefit of the Company and society. We will proactively make proposals enabling employees to continue working with enthusiasm regardless of gender or position.

We are very encouraged by the growing number of investors who are making investment decisions based on non-financial information such as ESG. Since its founding, the Toho Gas Group has emphasized that coexistence and mutual prosperity of customers, shareholders, and employees are essential as it strives to contribute to society. As an outside director, I sincerely hope that our long-term shareholders will continue to support these values.

*message*

## Messages from the Outside Directors

### Expectations for Medium-Term Management Plan 2025–2027

The Toho Gas Group announced its Group Vision in 2022 and formulated Medium-Term Management Plan 2022–2025 (previous plan) as the first step toward realizing that vision. Accordingly, we have steadily promoted efforts focused on the four themes of promoting carbon neutrality, evolving as an energy operator, creating diverse value, and contributing to the SDGs. As the second step toward realizing the Group's vision for the mid-2030s, we launched Medium-Term Management Plan 2025–2027 (new plan).

Under the new plan, in light of experiences gained in the first step, and amid changes in the Toho Gas Group's business environment, to achieve the sustainable enhancement of corporate value, we must accelerate the transformation of our business structure, and the plan sets forth specific numerical plans for management indicators, as well as financial, business, and human resource strategies. Additionally, each individual plan clearly states what to do, how to proceed, and what results to achieve based on specific targets, making each plan extremely easy to understand. Furthermore, action plans associated with business strategies promoted in the first step have been organized into indicators, items, and target values as materiality, resulting in a very comprehensive plan.

I think it is extremely commendable that in the new plan, the Toho Gas Group has formulated an excellent means of helping investors and employees understand the overall vision of what the Company aims to become and how it plans to achieve this vision going forward. The strength of the Toho Gas Group lies in the fact that this management foundation has been passed down from generation to generation. All that remains is for all employees to work together and achieve the targets set out in the plan. I expect each and every employee to be fully aware of their role and fully leverage their capabilities. As an outside director, I will leverage my own experience and knowledge and contribute to Toho Gas Group growth.



**We will engage in ongoing discussions to ensure that activities aimed at achieving the Company's targets are carried out efficiently.**

**Taku Oshima**

Outside Director

*message*

### The Role of Outside Directors in Enhancing Toho Gas Group Corporate Value

The Toho Gas Group's management structure consists of executive officers who execute business operations, a Board of Directors that oversees the execution of business operations, and Audit & Supervisory Board Members who audit the status of management. Our role as outside directors is to utilize our respective expertise and experience to support the Company's sustainable growth based on sound management policies. In my case, I want to contribute in any way I can to promoting technological developments and improvement activities, drawing on the knowledge I have cultivated as an engineer and my management experience as president and chairman of a company.

As mentioned above, the Toho Gas Group has set four themes for realizing the Group Vision in the mid-2030s and has been making efforts to forge a path to new growth by shifting management resources from core businesses to strategic businesses. Now, in the second step—the new plan—specific measures and target values are outlined for each strategy, making for an extremely comprehensive plan.

To ensure their efficacy, it is important that these plans are incorporated into the activities of each employee, and I hope to see everyone in the Company work together to achieve this. In particular, we are focusing on the development of carbon-neutral technologies that will contribute to future energy demand. The 7th Strategic Energy Plan was approved by the Cabinet of Japan in February 2025, and decarbonization efforts in countries throughout the world are evolving year by year. At this stage, we are still in the technical demonstration phase, but my hope is for remaining issues to be overcome one by one to establish technologies that will lead to future applications.

Going forward, at Board of Directors' meetings, we will accurately monitor the progress of these important issues and engage in ongoing discussions to ensure that activities aimed at achieving the Company's targets are carried out efficiently.

## Messages from the Outside Directors

### Expectations for Medium-Term Management Plan 2025–2027

The Toho Gas Group Vision is to become a reliable energy operator in the region, and the first step in this direction—Medium-Term Management Plan 2022–2025—shifted management resources from the core city gas and LPG businesses to strategic businesses such as electricity, overseas operations, and energy services, achieving steady growth as an energy provider. The business environment surrounding the Toho Gas Group is changing rapidly and becoming increasingly complex, with conditions remaining uncertain due to protracted conflicts between Russia and Ukraine and in the Middle East, tariff measures, and rising materials prices. Given this environment, we recognize that in the second step—Medium-Term Management Plan 2025–2027—we must further improve current profit levels while also preparing the way for the creation of new pillars of growth. To ensure a safe, secure, stable, and affordable energy supply, we must strengthen LNG procurement capabilities, optimize our power supply portfolio, and reduce risks while further accelerating our participation in the power generation business. Carbon neutrality is also a pressing need for businesses in this area. I look forward to seeing steady progress toward the establishment of domestic and international supply chains for e-methane and hydrogen, the development of renewable energy, and the securing of coordination capabilities, leading to the achievement of carbon neutrality by 2050.

The strengths of the Toho Gas Group are its ability to generate stable cash flows from core businesses, its ability to meet the diverse needs of local communities, its many points of contact with customers through which it can ascertain their concerns, and its ability to create diverse value and expand business domains through proposal-based sales. To leverage these strengths and take on new challenges, the Company must utilize existing assets as well as collaborate with start-ups through open innovation activities and promote new urban development that will benefit future generations, and I am extremely enthusiastic about these activities. Continuing to take on challenges



**We will strive to foster an organizational culture that believes in and supports its members and continues to take on challenges in areas outside the scope of existing business.**

**Isao Nakanishi**

Outside Director

and contributing to a sustainable society is what makes the Toho Gas Group great, and I believe this is the value we can provide in this regard. I will continue making every effort to help create a bright and happy future.

### The Role of Outside Directors in Enhancing Toho Gas Group Corporate Value

My career began in the technical department of an automobile company, where I was involved in product planning and vehicle testing. I then spent many years working in new business development, promoting projects for a wide range of customers in the energy, agri-bio, marine, aerospace, and healthcare fields. I also have experience in promoting business from a customer-oriented approach.

I have taken on a variety of challenges and experienced many failures, and I want to share the many lessons learned from those experiences. In these uncertain times, when there seems to be no right answers, I will do my utmost to foster an organizational culture where we believe in and support each other, say “thank you” to each other, and continue to challenge ourselves in fields beyond the scope of existing business. The Toho Gas Group will continue to prioritize safety, security, and stable supplies so that customers can use energy with peace of mind. In the core city gas and LPG businesses, we will strive to improve efficiency and profitability, thereby enhancing the stability of our revenue base. Furthermore, to make these businesses the driving force behind profit growth for the next generation, we will work to expand the scale of strategic businesses, including the electricity business, overseas business, and community-based value creation business, and enhance competitiveness to increase profit levels.

I will continue contributing to Toho Gas Group management, leveraging my experience and knowledge to the best of my ability to realize a sustainable and bright future.

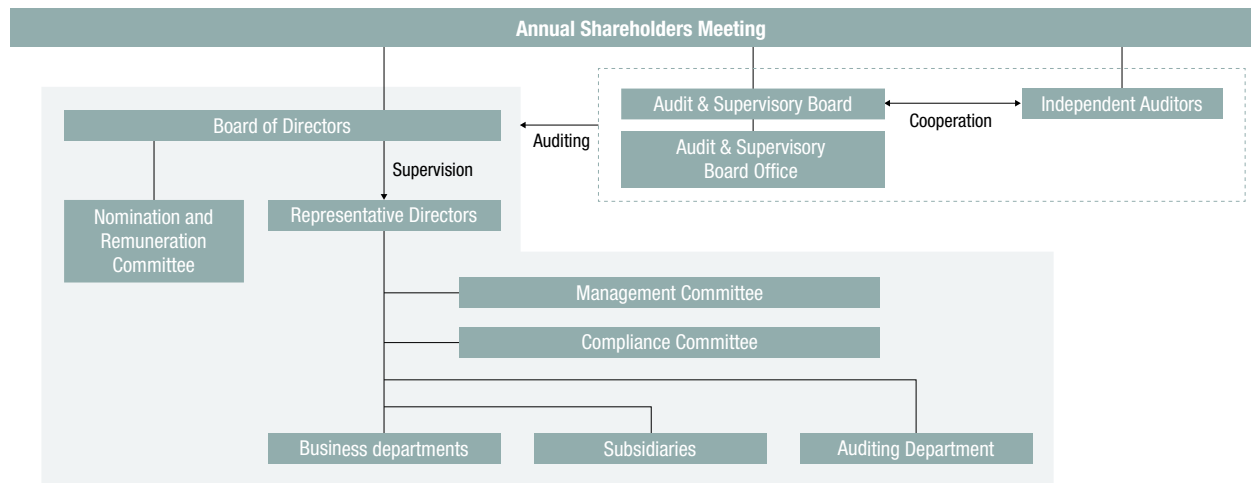
*message*

## Corporate Governance

### Basic Concept

In accordance with the Toho Gas Group corporate mission, we are committed to the development of a sustainable society by providing a stable supply of environmentally superior energy and the 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 Organizational Chart



### 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 (FY2024)          |                 |
|---------------------------------------------------|-------------------|------------------------------|-----------------|
|                                                   |                   | 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       | Hidetaka Takeuchi | 2/2 <sup>*1</sup>            | 100%            |
| Director, Senior Managing Executive Officer       | Satoshi Yamazaki  | 12/12                        | 100%            |
| Director, Senior Managing Executive Officer       | Shinsuke Kagami   | 12/12                        | 100%            |
| Director, Managing Executive Officer              | Katsuhiko Kozawa  | 10/10 <sup>*2</sup>          | 100%            |
| Outside Director                                  | Tetsuo Hattori    | 2/2 <sup>*1</sup>            | 100%            |
| Outside Director                                  | Michiyo Hamada    | 12/12                        | 100%            |
| Outside Director                                  | Taku Oshima       | 12/12                        | 100%            |
| Outside Director                                  | Isao Nakanishi    | 10/10 <sup>*2</sup>          | 100%            |

\*1 Retired as Director at the 153rd Annual Shareholders Meeting held on June 25, 2024  
\*2 Appointed as Director at the 153rd Annual Shareholders Meeting held on June 25, 2024

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.

### 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 (FY2024)                                         | 12     |
| Number of Audit & Supervisory Board meetings (FY2024)                                   | 12     |
| Term of office of Directors                                                             | 1 year |

## 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 Board of Directors' meetings, 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.

#### Audit & Supervisory Board Members

| Position                                   | Name              | Attendance (FY2024)          |                 |                                    |                 |
|--------------------------------------------|-------------------|------------------------------|-----------------|------------------------------------|-----------------|
|                                            |                   | Board of Directors' meetings | Attendance rate | Audit & Supervisory Board meetings | Attendance rate |
| Full-time Audit & Supervisory Board Member | Mitsuhiro Kodama  | 2/2 <sup>*1</sup>            | 100%            | 2/2 <sup>*1</sup>                  | 100%            |
| Full-time Audit & Supervisory Board Member | Hidetaka Takeuchi | 10/10 <sup>*2</sup>          | 100%            | 10/10 <sup>*2</sup>                | 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  | 12/12                        | 100%            | 12/12                              | 100%            |

<sup>\*1</sup> Resigned as Audit & Supervisory Board Member at the 153rd Annual Shareholders Meeting held on June 25, 2024

<sup>\*2</sup> Appointed as Audit & Supervisory Board Member at the 153rd Annual Shareholders Meeting held on June 25, 2024. Attended Board of Directors' meetings in April and May 2024 as a Director

### ● 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 (FY2024)

| Position                                 | Name             | Reason for selection                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outside Director                         | 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.                                                                                                                                                                                                                    |
|                                          | Isao Nakanishi   | He will be able to provide valuable opinions on management in general based upon his deep insight and abundant experience as a corporate manager, having held various positions at the Toyota Motor Corporation, including General Manager of the New Business Planning Department. He currently serves as Toyota's Chief Officer of the Business Development Group. |
| Outside Audit & Supervisory Board Member | 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 the Effectiveness of the 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 entity 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. Furthermore, in July 2025, the policy regarding remuneration payment ratios for Directors (excluding Outside Directors) was revised to approximately 60% fixed remuneration, 20–25% performance-linked remuneration, and 15–20% transfer-restricted stock-based remuneration.

Fixed remuneration and performance-linked remuneration are set by resolution of the Board of Directors in consultation with 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 Medium-Term Management Plan 2022–2025 (previous plan) and includes financial metrics such as consolidated ordinary income and 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. Additionally, in FY2026, we will change the basis for calculating items (consolidated ordinary income, consolidated ROE, and ESG indicators) targeted under Medium-Term Management Plan 2025–2027 (new plan).

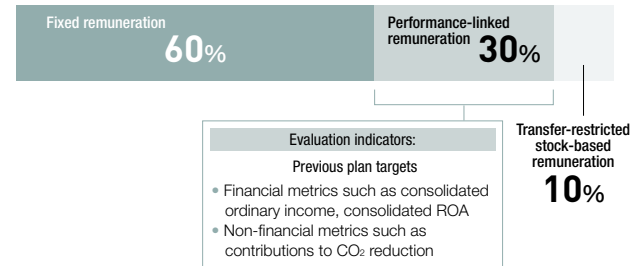
Transfer-restricted stock-based remuneration aims to further promote shared value with stockholders and enhance the motivation of Directors to contribute to the Company's medium-to long-term value growth. Transfer-restricted stock-based remuneration is set by resolution of the Board of Directors in consultation with 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<br>(monetary remuneration) | Performance-linked remuneration<br>(monetary remuneration) | Transfer-restricted stock-based remuneration<br>(non-monetary remuneration) |
|-------------------|-----------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------|
| Internal Director | ○                                             | ○                                                          | ○                                                                           |
| Outside Director  | ○                                             | —                                                          | —                                                                           |

### Internal Director Remuneration Ratio (FY2024 Reference)



### ● 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 upon deliberation by the Nomination and Remuneration Committee. Judgments are based on comprehensive consideration of individual performance of duties (violation of laws and regulations, dereliction of duties, and other reasonable grounds for dismissal) and the Company's business status.

### Amount of Remuneration, etc., for Directors and Audit & Supervisory Board Members in the 154th Term (FY2024)\*1

| Position                                                                                   | Total remuneration<br>(million yen) | Total remuneration by type (million yen) |                                   |                                                | Number of applicable officers |
|--------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------|-----------------------------------|------------------------------------------------|-------------------------------|
|                                                                                            |                                     | Fixed remuneration                       | Performance-linked remuneration*2 | Transfer-restricted stock-based remuneration*3 |                               |
| Directors<br>(excluding Outside Directors)                                                 | 270                                 | 146                                      | 98                                | 25                                             | 7                             |
| Audit & Supervisory Board Members<br>(excluding Outside Audit & Supervisory Board Members) | 46                                  | 46                                       | —                                 | —                                              | 3                             |
| Outside Directors                                                                          | 29                                  | 29                                       | —                                 | —                                              | 4                             |
| Outside Audit & Supervisory Board Members                                                  | 29                                  | 29                                       | —                                 | —                                              | 3                             |

\*1 Includes remuneration and other payments for two Directors who retired, and one Audit & Supervisory Board Member who stepped down, at the 153rd Annual Shareholders Meeting held on June 25, 2024

\*2 Performance-linked remuneration is provided to Directors (excluding Outside Directors) and calculated on the basis of targets set in the previous plan (consolidated ordinary income, consolidated ROA, and ESG indicators), with the level of achievement in the previous fiscal year reflected in the amount of remuneration. Furthermore, consolidated ordinary income in the previous fiscal year was ¥40.7 billion, ROA was 3.8%, and ESG indicators reflected the status of contributions to CO<sub>2</sub> reductions and other environmental targets. Additionally, from FY2026 onwards, we plan to change the basis for calculating the items targeted in the new plan (consolidated ordinary income, consolidated ROE, and ESG indicators).

\*3 To further promote shared value with stockholders and enhance the motivation of Directors to contribute to the medium- to long-term enhancement of corporate value, restricted stock is allocated as non-monetary remuneration to Directors (excluding Outside Directors). Furthermore, the restricted transfer period shall be from the date of issuance of the restricted stock to the date on which the Director or Executive Officer retires from any position at the Company.

## Internal Controls

### Basic Concept

The Toho Gas Group's 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 a 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<br>(Conformity of Board of Directors' execution of duties with laws and ordinances, and its effectiveness) | 3 Compliance system                       |
| 2 Risk management system                                                                                                                                       | 4 Subsidiaries business management system |
|                                                                                                                                                                | 5 Audit system                            |

### Risk Management Flow

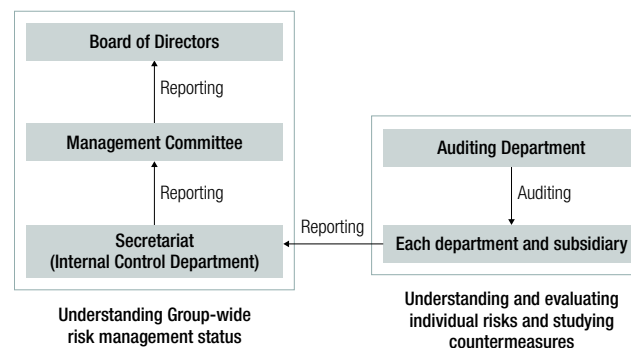


### Risk Management

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



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

- Fluctuations in demand
- Fluctuations in feedstock prices
- Fluctuations in electricity procurement prices
- Fluctuations in interest rates, etc.
- Changes in energy policies, laws and regulations, systems, etc.
- Natural disasters
- Disruptions in feedstock procurement
- Disruptions in production and supply
- Disruptions in information systems
- Problems with gas appliances and facilities
- Problems with the quality of products, services, etc.
- Delays in the delivery of goods, materials, equipment, etc.
- Changes in the investment environment
- Noncompliance issues
- Data leaks
- Outbreaks of infectious disease



Internal control initiatives  
For details, please visit our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_internal-control.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_internal-control.pdf)

# 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.

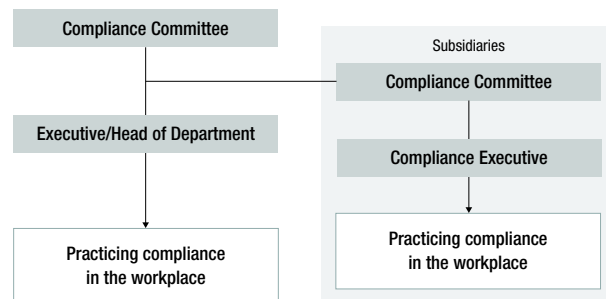
On March 4, 2024, the Company received a warning from the Japan Fair Trade Commission due to violation or potential violation of the Antimonopoly Act in relation to the supply of low voltage power, residential city gas. On July 26, 2024, the Minister of Economy, Trade and Industry issued an order to improve business practices under the Gas Business Act, and the Electricity and Gas Market Surveillance Commission issued guidance for improved business practices along with a warning. In response, we formulated a business improvement plan that was submitted to the Minister of Economy, Trade and Industry on August 23, 2024. We take this matter very seriously and are implementing measures to prevent a recurrence of such activity as part of our business improvement plan.

## ● 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 submits reports on such information 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 prevention, 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 receive 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 FY2024, there were 47 consultations.

### ● 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.

 Compliance policies  
Compliance initiatives  
For details, please visit our website.  
[https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho\\_web\\_en\\_compliance.pdf](https://www.tohogas.co.jp/lang/en/approach/eco/pdf/2025toho_web_en_compliance.pdf)

## Directors and Audit & Supervisory Board Members (As of June 30, 2025)



**Nobuyuki Masuda**  
Representative Director,  
Chairman

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  
Apr. 2025 Representative Director, Chairman (current position)



**Satoshi Yamazaki**  
Representative Director,  
President

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  
Apr. 2025 Representative Director, President (current position)



**Shinsuke Kagami**  
Representative Director,  
Executive Vice President

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  
Apr. 2025 Representative Director, Executive Vice President (current position)



**Katsuhiko Kozawa**  
Director,  
Senior 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  
Apr. 2025 Director, Senior Managing Executive Officer (current position)



**Takeo Haigo**  
Director,  
Senior Managing Executive Officer

Apr. 1989 Joined the Company  
Jun. 2016 General Manager of Mikawa Headquarters  
Jun. 2018 General Manager of Personnel Dept.  
Jun. 2020 Executive Officer, General Manager of Personnel Dept.  
Apr. 2023 Managing Executive Officer, President of TOHO GAS Information System Co., Ltd.  
Apr. 2025 Senior Managing Executive Officer  
Jun. 2025 Director, Senior Managing Executive Officer (current position)



**Tsutomu Maeda**  
Director,  
Senior Managing Executive Officer

Apr. 1991 Joined the Company  
Jun. 2016 General Manager of City Energy Sales Dept.  
Jun. 2020 Executive Officer, General Manager of Corporate Planning Dept.  
Apr. 2023 Managing Executive Officer  
Apr. 2025 Senior Managing Executive Officer  
Jun. 2025 Director, Senior Managing Executive Officer (current position)



**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)

## Directors and Audit & Supervisory Board Members (As of June 30, 2025)



**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)



**Takashi Suzuki**  
Audit &  
Supervisory Board Member

Apr. 1990 Joined the Company  
Apr. 2018 General Manager of Business Development Dept.  
Jun. 2020 General Manager of Internal Control Dept.  
Apr. 2022 General Manager of Auditing Dept.  
Apr. 2024 Project Leader, Finance Dept.  
Jun. 2025 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, Outside Audit & Supervisory Board Member of Toho Gas (current position)  
Jun. 2024 Director, JP Ikigai Shinko Zaidan (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 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.  
Jun. 2023 Outside Audit & Supervisory Board Member of Toho Gas (current position)  
Apr. 2025 Advisor, MUFG Bank, Ltd. (current position)

### Officer 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 possess deep insight, and takes into consideration the agility of decision-making. Additionally, to ensure Directors and Audit & Supervisory Board Members have the skills necessary to contribute to the sustainable growth of the Company and medium- to long-term enhancement of corporate value, as well as to appropriately disclose the combination of skills possessed by each Director and Audit & Supervisory Board Member, we created a skills matrix that was disclosed upon resolution by the Board of Directors.

| 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 |
|----------------------------------------------|------------------------------------------|----------------------|-------------------------|------------------------------------------------------|-----|-------------------|---------------------------------------------|------------------------------------------------|---------------------------|
| <b>Directors</b>                             |                                          |                      |                         |                                                      |     |                   |                                             |                                                |                           |
| Nobuyuki Masuda                              | ●                                        |                      |                         |                                                      | ●   | ●                 | ●                                           | ●                                              |                           |
| Satoshi Yamazaki                             | ●                                        | ●                    |                         | ●                                                    |     | ●                 |                                             |                                                | ●                         |
| Shinsuke Kagami                              | ●                                        |                      |                         |                                                      |     | ●                 | ●                                           | ●                                              | ●                         |
| Katsuhiko Kozawa                             | ●                                        | ●                    |                         |                                                      | ●   | ●                 | ●                                           |                                                |                           |
| Takeo Haigo                                  | ●                                        |                      | ●                       | ●                                                    |     | ●                 | ●                                           |                                                |                           |
| Tsutomu Maeda                                | ●                                        |                      |                         |                                                      |     | ●                 | ●                                           | ●                                              | ●                         |
| Michiyo Hamada                               |                                          |                      | ●                       |                                                      | ●   |                   |                                             |                                                | ●                         |
| Taku Oshima                                  | ●                                        |                      |                         |                                                      |     |                   | ●                                           |                                                | ●                         |
| Isao Nakanishi                               |                                          |                      |                         |                                                      | ●   |                   | ●                                           |                                                | ●                         |
| <b>Audit &amp; Supervisory Board Members</b> |                                          |                      |                         |                                                      |     |                   |                                             |                                                |                           |
| Hidetaka Takeuchi                            | ●                                        | ●                    | ●                       | ●                                                    |     | ●                 |                                             |                                                |                           |
| Takashi Suzuki                               | ●                                        | ●                    | ●                       |                                                      |     |                   |                                             |                                                | ●                         |
| Norikazu Koyama                              |                                          |                      | ●                       | ●                                                    | ●   |                   |                                             |                                                |                           |
| Keiko Ikeda                                  | ●                                        |                      | ●                       |                                                      | ●   |                   |                                             |                                                |                           |
| Akihiko Nakamura                             | ●                                        | ●                    |                         | ●                                                    |     |                   |                                             |                                                |                           |