



Toho Gas Group

Integrated Report

2026

CONTENTS

Introduction

Overview of Toho Gas Group

- 01 Contents
- 02 Editorial Policy / Disclosure Framework
- 03 Toho Gas Group's Universal Values / Philosophical Framework
- 04 History of Toho Gas Group
- 05 Toho Gas Group's Strengths
- 06 Current Position of Toho Gas Group



CHAPTER

01

Toho Gas Group's Ideal Positioning

- 08 Message from the President
- 11 Toho Gas Group's Ideal Positioning
- 12 Our Belief and Corporate Slogan
- 13 Materiality
- 15 Value Creation Process
- 17 Medium-Term Management Plan 2025–2027

CHAPTER

02

Strategies for Value Creation

- 20 Financial Strategy
- 24 Business Strategy
 - 25 City Gas Business (Energy x Lifestyle)
 - 26 City Gas Business (Energy x Engineering)
 - 27 Gas Pipeline Business
 - 28 LNG Procurement
 - 29 LP Gas Business
 - 30 Electricity Business
 - 31 Overseas Business
 - 32 Real Estate Business
 - 33 Carbon Neutrality
 - 34 DX and Technology Development Activities Supporting Business Strategy
- 35 Human Resource Strategy

CHAPTER

03

Foundation for Value Creation

- 38 Advancement of Sustainability Management Environment
- 39 Disclosure Based on TCFD and TNFD Recommendations
- Social
 - 43 Initiatives Focused on Respect for Human Rights
 - 44 Contributions to the Local Community
 - 46 Communication with Shareholders and Investors
- Governance
 - 47 Corporate Governance
 - 48 Internal Controls / Compliance
 - 49 Messages from the Outside Directors
 - 51 Directors and Audit & Supervisory Board Members

Data Section

Corporate Data

- 53 Financial and Non-Financial Highlights
- 55 Main Consolidated Financial Data
- 57 Evaluation and Commendation by External Organizations
- 58 Company Profile / Shareholder and Stock Information

Editorial Policy / Disclosure Framework

Editorial Policy

Editorial Policy

This year's integrated report has been compiled with a story-driven approach, outlining the path toward realizing the Toho Gas Group's ideal positioning. We present, in an integrated manner, both financial and non-financial information related to our value creation story and our medium- to long-term strategies. This includes the value creation process driven by the Group's strengths, as well as our business, financial, and human resource strategies aimed at enhancing corporate value, together with the elements of sustainability management that underpin them. Through this, we seek to convey the Group's potential for sustainable growth.

In addition, we have separately prepared the *Integrated Report Action Book*, which provides details of specific initiatives that complement the content of this report, as well as comprehensive sustainability-related data, thereby introducing the Group's diverse activities from multiple perspectives.

We will strive to further enhance the content of this series of disclosure materials, reflecting feedback from our stakeholders, so that these materials may serve as effective tools for communication.

Reporting Period

FY2025 (from April 1, 2025 to March 31, 2026), including some activities during FY2026

Scope of Report

As a general rule, Toho Gas Co., Ltd. and its consolidated subsidiaries and equity-method affiliates (as of March 31, 2026) are referred to as the "Toho Gas Group." For information related to specific parts of the Group, the relevant organization is specified in each year's report.

Forward-Looking Statements

Forward-looking statements in this report are projections based on information currently available and involve potential risks and uncertainties. Therefore, please be aware that the actual performance may differ from the forecasts in this report due to various factors.

Reference Guidelines

International Integrated Reporting Council (IIRC)
Framework Guidance for Integrated Corporate Disclosure
and Company-Investor Dialogue for Collaborative Value Creation 2.0
GRI Sustainability Reporting Standards ISO 26000
Environmental Reporting Guidelines (2018 version)
Task Force on Climate-related Financial Disclosures (TCFD) recommendations
Taskforce on Nature-related Financial Disclosures (TNFD) recommendations

Published by

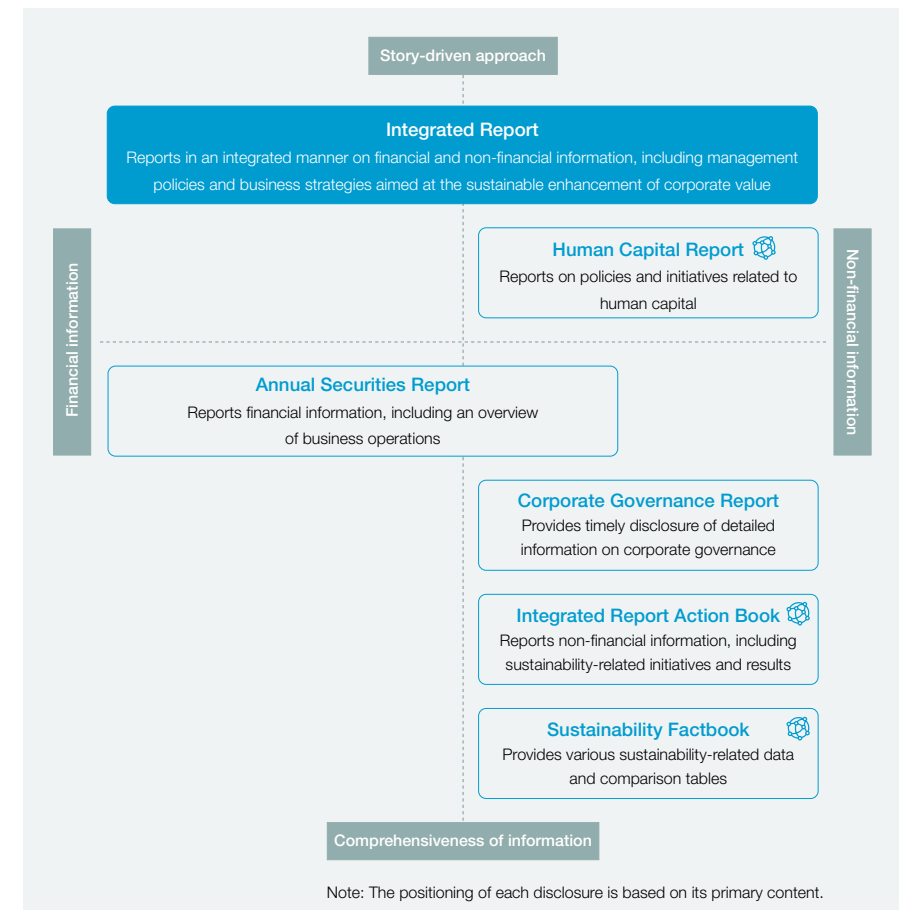
Sustainability Promotion
Department and Finance
Department

Published in

August 2026 (Next edition to be
published in August 2027)

Disclosure Framework

We have established an information disclosure framework tailored to the characteristics of each medium, centered on the integrated report, which provides comprehensive coverage of both financial and non-financial information. This framework also includes the Annual Securities Report, which communicates detailed financial data, and the Sustainability Factbook, which compiles data on ESG initiatives. Through this approach, we strive to provide transparent information to our stakeholders.



Toho Gas Group's Universal Values / Philosophical Framework

DNA

Toho Gas Group's DNA



First Toho Gas president, Sakura Okamoto

Trinity Spirit

Coexistence and mutual prosperity of customers, shareholders, and employees are essential.

The first president of Toho Gas, Sakura Okamoto, expanded the "Trinity Spirit" into a concept of public and social service, advocating greater coexistence and integration with local society. This spirit has been inherited as part of the Company's DNA, and we will continue to strengthen our ties with local communities and pursue benefits for a wide range of stakeholders, thereby achieving sustainable enhancement in corporate value.

Philosophical Framework



Corporate Mission

We, together with our Group companies, are dedicated to the creation of a rich and exciting life and the development of attractive and vital communities by setting our greatest value on the trust placed in us.

Management Policy

- Think and act on a customer-first basis
- Develop markets through foresight and technology
- Foster human resources by focusing on competence and ambition
- Pursue a flexible and vitalized organization
- Broaden our vision and expand our line of business

Employee Action Criteria

- Challenge and Innovation
- Sensitivity and Response
- Proficiency and Pride
- Activeness and Brightness
- Reliability and Honesty

History of Toho Gas Group

HISTORY

1922-

Toho Gas Founding

Japan's gas industry began in 1872 with the lighting of gas lamps in the Bashamichi area of Yokohama. In 1906, Nagoya Gas Co., Ltd. was founded as the seventh gas company in Japan. In 1922, Nagoya Gas merged with the gas business division that had been spun off from The Kansai Electric Power Company, Incorporated, creating Toho Gas Co., Ltd.



First Toho Gas president,
Sakura Okamoto

1959-

LP Gas Business

In 1959, Toho Liquefied Fuel Co., Ltd. (currently Toho Liquefied Gas Co., Ltd.) was established to promote the use of LP gas. We subsequently expanded the LP gas business, positioning it as a pillar alongside the city gas business.



Toho Liquefied Gas Co., Ltd.,
Meiko LPG Terminal

1977-

Introduction of LNG

In 1977, we introduced liquefied natural gas (LNG), which has the lowest CO₂ emissions of any fossil fuels, as a raw material for city gas. We are also diversifying procurement sources in preparation for geopolitical risks and other factors.



LNG conversion work near Nagoya Station

2009-

City Gas Circular Transportation Trunk Pipeline

In 2009, in an effort to improve city gas supply infrastructure, we completed a 117-km circular transportation trunk pipeline—a project that took 35 years from the start of construction. This has improved supply capacity and stability.



Circular transportation trunk pipeline
opening ceremony

2016-

Electricity Business

In 2016, we entered the retail electricity business in order to expand our business domain. We have expanded electricity sales while promoting the stable procurement of power and other efforts.



Yokkaichi Power Plant

2022-

Contribution Toward Low-Carbon and Decarbonization Efforts in Asia

In 2022, we entered the energy business in Asia. We have been expanding our operational footprint, and in January 2025, we established TOHO GAS SINGAPORE PTE. LTD., a local subsidiary in Singapore, thereby contributing to low-carbon and decarbonization efforts in each country.



TOHO GAS
SINGAPORE
office building



Toho Gas Group's Strengths

STRENGTHS

The Toho Gas Group has refined its strengths through a history of challenges and innovation.

By leveraging these unique strengths cultivated through more than 100 years of business operations, we aim to achieve the targets set forth in our medium-term management plans and realize Toho Gas Group Vision.

Strengths
cultivated through
more than 100
years of business
operations

Provision of Various Kinds of Energy

Based on regional needs, we provide a diverse energy mix, including city gas, liquefied petroleum gas (LPG), electricity, and hydrogen. We are promoting decarbonization and carbon neutrality from the ground up, while promoting the practical implementation of multiple solutions to ensure a smooth transition to a carbon-neutral society.

Related Indicators (FY2025 Results)

- City gas development volume: 30 million m³
- Electricity sales volume: 2.9 billion kWh
- Hydrogen sales volume: 60 t

Systems to Ensure Stable Supply

Built on advanced maintenance and safety technologies and a stable supply framework in collaboration with partner companies, we maintain robust local infrastructure.

- Earthquake resistance rate of main and branch pipes: 98.3%
- Number of blocks in supply area: 107 blocks

Technology Development and Solution Capabilities

We deliver optimal solutions through advanced technologies that address local challenges, including next-generation technologies such as methanation and the development of industrial and residential gas equipment.

- Avoided emissions: 757,000 tons
- Carbon neutrality rate of gas: 1.7%
- Sales of CNxP business: 10.9 billion yen

Business Foundation in the Region

Leveraging our community-rooted energy business and expertise cultivated through years of operation, we have built a solid foundation supporting local energy infrastructure.

- External sales of proprietary technologies: 6.2 billion yen
- Accumulation of automated business processes: 552 cases

Customer Engagement

Beyond energy supply, we maintain diverse and close relationships with customers through a wide range of services that address lifestyle and business needs.

- Number of energy customer accounts: 3.121 million
- Sales of lifestyle-related products and services: 16.6 billion yen

Trust from Communities and Customers

In addition to our long-standing track record of safe and reliable supply, we have built strong relationships of trust through environmental conservation and community engagement initiatives.

- Number of community activities: 322 cases
- Number of environmental conservation activities: 18 cases

Organizational Culture and Human Resources Supporting the Region

Our human resources—who inherit a strong sense of mission to support regional resilience through unwavering safety and reliability, as well as a “trinity spirit” of coexistence and mutual prosperity of customers, shareholders, and employees—are the driving force of value creation.

- Number of personnel promoting DX: 224 people
- Number of female managers: 49 people
- Rate of employees with disabilities: 2.55%

Current Position of Toho Gas Group

The Toho Gas Group is expanding its business scale and diversifying its operations on the foundation of a stable business base. Centered on energy supply, we are building a business structure that supports sustainable growth.

Businesses



This business supplies city gas to customers through our extensive underground pipeline network in Aichi, Gifu, and Mie prefectures. We procure raw material for city gas, and produce, supply, and sell city gas, as well as sell city gas appliances.



In addition to LPG and LPG appliance sales, we are engaged in LNG sales, the heat supply business, and the sale of coke and petroleum products. Furthermore, in response to the growing demand for hydrogen in recent years, we are working to build a foundation as a hydrogen supplier in the region.



We are expanding the electricity retail business as one of the diverse energy options we offer customers. We are expanding electricity services, including electricity rate plans that use renewable energy and on-site solar power generation services for corporate customers, while also working to reduce and eliminate carbon from power sources.



We are engaged in a wide range of businesses, including overseas development and investment in natural gas and other resources, real estate management and leasing, plant facility design and construction, and comprehensive utility services.



Numbers (FY2025 Results)

Number of customers*1



3.121 million

City gas sales (Japan)



City gas sales volume

Ranked 3rd*2 3.30 billion m³

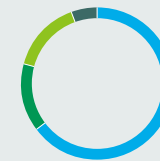
Electricity sales (Japan)



Electricity sales volume

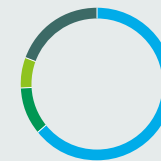
Ranked 16th*3 2.90 billion kWh

Net sales by segment



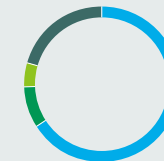
651.0 billion yen

Operating income by segment



31.7 billion yen

Total assets by segment



809.4 billion yen

● Gas ● LPG and Other Energies ● Electricity ● Other Businesses (including consolidation adjustments)

Number of employees (consolidated)*4



6,131

Consolidated subsidiaries*4



30

*1 Total number of city gas, LP gas, and electricity contracts at end-FY2025

*2 Ranking among deemed gas retailers. Calculated based on annual securities reports and other disclosures of each deemed gas retailer

*3 Ranking among retailers other than deemed retail electricity providers (new power producers and suppliers). Calculated based on the Agency for Natural Resources and Energy's "Electricity Survey Statistics" (electricity demand results)

*4 As of March 31, 2026

CHAPTER

01

Toho Gas Group's Ideal Positioning

The Toho Gas Group addresses the diverse needs and challenges of daily life, businesses, and local communities, and contributes to the realization of a sustainable society. This section introduces the Group's ideal positioning, the value creation process through which it leverages its strengths, and initiatives that are aimed at realizing this ideal positioning, including Medium-Term Management Plan 2025–2027.

Message from the President.....	08
Toho Gas Group's Ideal Positioning	11
Our Belief and Corporate Slogan	12
Materiality	13
Value Creation Process	15
Medium-Term Management Plan 2025–2027.....	17



The Toho Gas Group aims to contribute to local communities and the lives of people within them, and to become a trusted presence at the heart of the communities and customers it serves.

Satoshi Yamazaki

Representative Director,
President

Driving the Next Stage of Growth Through Business Structure Transformation

Since our founding more than 100 years ago, the Toho Gas Group has grown as an energy infrastructure provider, supported by a wide range of stakeholders. However, in recent years, the outlook for the energy sector has become extremely uncertain, due in part to heightened geopolitical risks globally. In addition, against the backdrop of major changes in social structures, including decarbonization and population decline, sustainable growth based solely on conventional approaches has become difficult to achieve.

Amid these conditions, in March 2025, the Group announced Medium-Term Management Plan 2025–2027 as the second step toward realizing the ideal positioning set forth in Toho Gas Group Vision. Even in a highly uncertain and rapidly changing environment, we will fulfill our social responsibility of ensuring a stable supply of energy while promoting business structure transformation to enhance corporate value.

Message from the President

Specifically, while making the most of the strengths we have cultivated to date, we will accelerate the reallocation of management resources and grow strategic businesses such as the electricity business and overseas business to a scale comparable to our core businesses, including the city gas and LP gas businesses.

Review of the First Year of Medium-Term Management Plan 2025–2027: Advancing Business Structure Transformation

In FY2025, the first year of Medium-Term Management Plan 2025–2027, the business environment remained uncertain due to factors including U.S. policy trends. Nevertheless, the Group fulfilled its mission of providing a safe, reliable, and stable energy supply in its core businesses, while steadily advancing the transformation of the business structure set out in the plan.

The number of customers in the energy business progressed steadily toward the targets of the plan, reaching 3.12 million. In strategic businesses that will drive future growth, the electricity business remained profitable for the second consecutive year, and we decided to invest in large-scale gas engine power generation facilities to strengthen earning capacity. In the overseas business, we steadily expanded business scale, including participation in renewable energy projects in Australia.

Accelerating Business Structure Transformation by Integrating Three Strategies

Although the business environment is expected to remain uncertain from FY2026 onward, the Group will integrate and advance the three strategies set out in Medium-Term Management Plan 2025–2027—business strategy, financial strategy, and human resource strategy—while enhancing its earning power and accelerating

business structure transformation.

Business Strategy: Promoting Core and Strategic Businesses in Tandem

As part of our business strategy, in our core city gas and LP gas businesses, we will provide a safe, reliable, and stable energy supply by maintaining a well-balanced raw material procurement portfolio that takes geopolitical risks into account, while ensuring robust supply and service systems. At the same time, by promoting the review of operational workflows through the use of advanced digital technologies such as generative AI, we will absorb increases in fixed costs associated with rising prices and maintain and strengthen the earnings base of our core businesses.

As for our strategic businesses that drive growth, in the electricity business, we are strengthening our sales capabilities through the expansion of electricity rate plans and services, as well as enhancing procurement capabilities by broadening our network of business partners, in addition to advancing the construction of large-scale in-house power sources. In our overseas business, we will strengthen our business promotion framework by leveraging established bases in the United States and Southeast Asia, while advancing the development of a business portfolio that covers all of our overseas operations.

We are also continuing our efforts toward achieving carbon neutrality. As outlined in the *Toho Gas Group 2050 Carbon Neutrality Initiatives*, updated in March 2026, we will focus first on reducing carbon emissions through the expanded use of natural gas, based on the “S+3E” approach, which aims to balance the three Es of energy security, economic efficiency, and environmental compatibility with safety as the major premise. Furthermore, with an eye to 2050, we will work to



achieve a carbon-neutral energy supply by introducing e-methane and biogas, utilizing hydrogen, creating carbon credits, and developing renewable energy, in combination with technologies such as CO₂ separation, capture, utilization, and storage.

Financial Strategy: Enhancing Earning Power and Improving Capital Efficiency

To sustainably enhance corporate value, improving capital efficiency is essential. In our financial strategy, we will first focus on strengthening cash flow generation in our core businesses. At the same time, we will secure funds through measures such as the sale of cross-shareholdings and accelerate investment in strategic businesses, which serve as the drivers of growth. In making these investments, we will enforce strict investment discipline and, post-investment, enhance earning capacity through monitoring based on return on invested capital (ROIC).

In addition, we will work to optimize shareholders' equity with the aim of achieving an appropriate capital structure. As part of this effort, and with a target equity level of 400 billion yen, we plan to implement shareholder returns exceeding a total payout ratio of 100 percent in fiscal 2026.

Message from the President

Through the steady execution of these initiatives, we aim to achieve the targets set out in Medium-Term Management Plan 2025–2027, namely, consolidated ordinary income of 30.0 billion yen and return on equity (ROE) that sustainably exceeds the cost of shareholders' equity.

Human Resource Strategy: The Source of Value Creation

We believe that people are the primary source of value creation and are the drivers of business structure transformation. As such, it is essential to create a virtuous cycle in which individual growth leads to organizational growth.

As specific initiatives, we are working to enhance employee engagement and create an environment in which everyone can fully demonstrate their capabilities and translate them into results and growth. We are expanding systems and fostering a supportive organizational culture from four perspectives: human resource management; diversity, equity, and inclusion; flexible working styles and productivity improvements; and safety and health management. In addition, to encourage employees to take on challenges to drive transformation and create a virtuous cycle of taking on challenges and achieving growth, we introduced a new human resource system in April 2026.

Further details on these initiatives are disclosed in our *Human Capital Report 2026* (Japanese only), published in March 2026.

Promoting Sustainability Management to Realize Sustainable Growth

The Toho Gas Group promotes sustainability management in order to contribute to the resolution of social issues through its business activities and to achieve sustainable growth together with its stakeholders. While

“sustainability management” may be a relatively new term, it is rooted in the enduring values advocated by our founder, namely, that customers, shareholders, and employees form a trinity, and that it is essential that all of the Company's stakeholders enjoy mutual prosperity. In this sense, sustainability management can be said to have been part of our approach since our founding.

In April 2026, we established the Sustainability Council directly under the Board of Directors to further advance sustainability management. From environmental, social, and governance (ESG) perspectives, we will promote both the realization of a sustainable society and the enhancement of corporate value.

From an environmental perspective, we will focus on expanding the use of natural gas and providing solutions that contribute to decarbonization, while accelerating various initiatives toward achieving a carbon-neutral energy supply.

Regarding efforts focused on society, we will continue to address social issues in local communities. Each of our employees is motivated by a strong desire to contribute to the community, and this commitment has become embedded in our organizational culture. By building on this culture, we will contribute to resolving social issues such as revitalizing and enhancing the resilience of local communities.

With regard to governance, we will continue to strengthen our systems and rules to ensure thorough compliance with laws and regulations, including the Antimonopoly Act. From a corporate governance standpoint, to further enhance management transparency and independence, the Group increased the number of outside directors in June 2026, bringing the proportion of outside directors on the Board to 40%. To remain a company that is truly trusted by our stakeholders, we will continue to ensure strict compliance and build a robust governance framework.

Remaining a Trusted Presence at the Heart of Local Communities

Although the Group's operating environment is characterized by uncertainty and structural change, the Group will continue to take on bold challenges, viewing these changes as an opportunity for further evolution. Leveraging the business foundation, technologies, and expertise cultivated over more than a century, we will transform our business structure with the aim of growing our strategic businesses to a scale comparable to our core businesses by the mid-2030s.

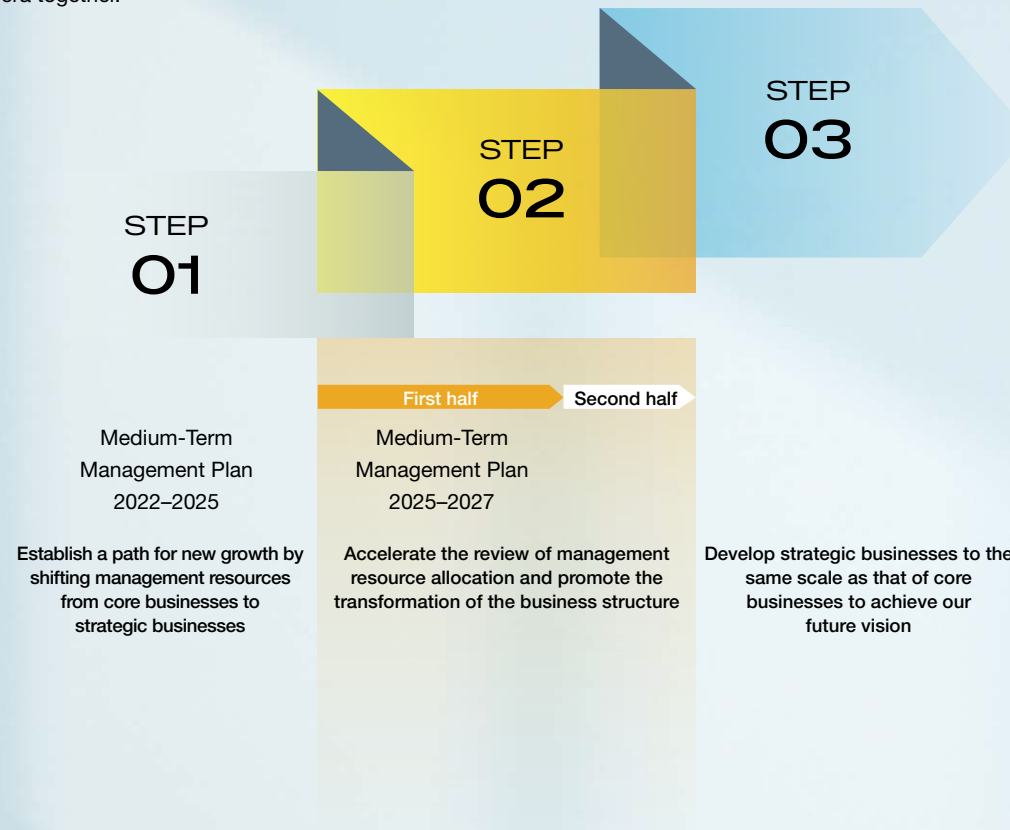
In addition, by building on the relationships of trust we have established with our stakeholders—shareholders and investors, customers, local communities, and employees—we will earnestly address the challenges facing local communities and businesses and continue to move forward as a corporate group that leads the realization of a sustainable society.

Guided by our corporate slogan, “Toward the Heart of the Future,” which expresses our commitment to remaining a trusted presence at the heart of local communities and among our customers, we will continue to take on new challenges. I look forward to your continued understanding and support for the Group.



Toho Gas Group's Ideal Positioning

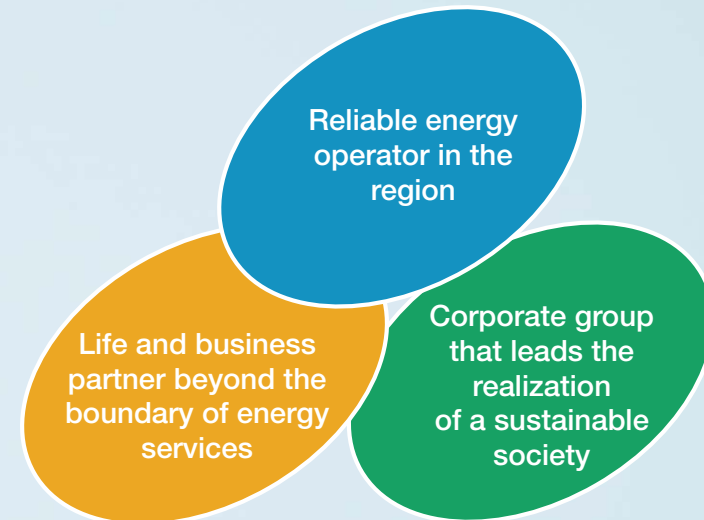
The Toho Gas Group celebrated its 100th anniversary in June 2022. The Group Vision announced at this turning point envisions what society will be like in 2050 and sets out the vision we aim to achieve by the mid-2030s, the halfway point of this journey, to enable all Group employees to share a common understanding in carving out a new era together.



Core businesses: Businesses that create cash flow as a long-term stable earnings base (e.g., city gas, LP gas)
Strategic businesses: Businesses that drive medium- to long-term growth (e.g., electricity, overseas operations, energy services)

Group Vision

Ideal Positioning in the Mid-2030s



Value Creation Initiatives to Realize the Group Vision (Materiality)

Promote carbon neutrality	Provide various kinds of energy and services	Supply energy in a safe, secure, and stable manner
Contribute to the community by resolving social issues	Enhance work satisfaction and ease of work, and promote diversity	Strengthen compliance and governance

Our Belief and Corporate Slogan

To realize Toho Gas Group Vision, we established Our Belief, which summarizes the principles cherished by the Group. We have also adopted the Corporate Slogan “Toward the Heart of the Future (Mirai no Mannakae)” to express the image of the Toho Gas Group as a company that provides new value beyond the boundaries of energy services.

Our Belief

To facilitate unwavering peace of mind and a vibrant future,
creating areas where everyone wants to live, starting with
your community.

Corporate Slogan

未来の、まんなかへ

(Mirai no Mannakae)

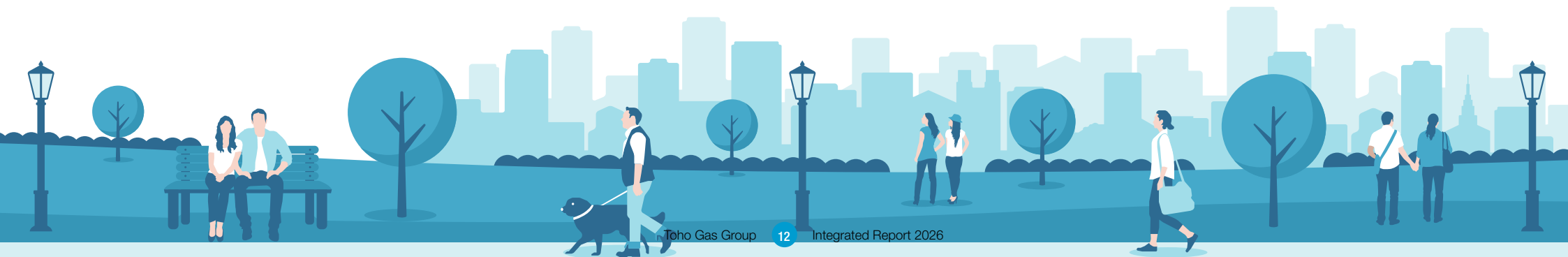
100 Years After Our Founding,
Our Challenge Begins in Your Community

Whether it be a community where
the Toho Gas Group has operated for many years
or a new community where we will build
new relationships, we want to make it
an attractive place to live.

Communities where life is colorful
and psychologically fulfilling
Communities where innovation and vitality abound
Communities that excite and inspire people's hearts
Sustainable communities where peace of mind
is maintained across generations

We will provide the energy and services desired by
our customers, and create communities comprising
the heart of Japan where everyone wants to live.

Toward the Heart of the Future
(Mirai no Mannakae)



Materiality

Utilizing the Global Reporting Initiative (GRI) Standards,* the international benchmark for sustainability information disclosure, we extract individual issues in line with the expectations of our stakeholders and Toho Gas Group Vision (hereinafter, "Group Vision"). The extracted issues are evaluated in terms of their social value and economic value, and after an exchange of opinions with the relevant agencies, materiality is identified by the Management Committee and Board of Directors. Main materiality targets are then linked to Medium-Term Management Plan 2025–2027.

* Standards for sustainability information disclosure published by the Global Reporting Initiative (GRI), an international NGO

Materiality Identification Process

STEP 1

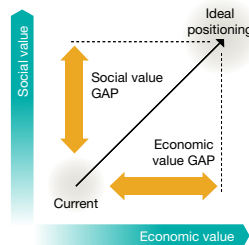
Extraction of Individual Issues

Based on issues considered in the process of formulating the Group Vision, evaluation criteria from ESG evaluation agencies, and stakeholder expectations, among other factors, 30 individual issues were extracted.

STEP 2

Organization and Evaluation of Extracted Individual Issues

Materiality candidates were examined in a workshop based on the individual issues extracted in Step 1. To realize a sustainable society and the new Group Vision, we mapped out individual issues along two axes based on their social value and economic value. Issues with common elements were then grouped together.



STEP 3

Materiality Identification

Discussions were held on the issues grouped in Step 2, which were organized into a draft materiality plan. Materiality was then identified by the Management Committee and Board of Directors.

Summary of Major Risks and Opportunities

Changes in the external environment	Major risks	Major opportunities	Materiality
Climate change (long term)	- Reduced demand for natural gas - Increases in gas and electricity sales prices due to carbon pricing, among other factors - Strengthening of laws and regulations	- Promotion and expansion of carbon-neutral energy sources such as e-methane, hydrogen, renewable electricity, and related businesses - Expansion of energy-saving equipment and promotion of advanced, highly efficient use - Growing need for decarbonization support	Promote carbon neutrality
Climate change (short term) Lifestyle and values diversification	- Loss of customers, loss of competitiveness - Lost business opportunities	- Growing importance of energy transition - Creation of new products and services in the lifestyle and business fields - Promotion of innovation	Provide various kinds of energy and services
Geopolitical risks Increasing natural disasters and other crises	- Difficulties in procuring energy - Rising energy, material, and equipment costs - Supply disruptions due to natural disasters such as storms and floods	- Improved regional sustainability and increased customer trust through manufacturing and supply facilities that are resilient to natural disasters - New demand growth	Supply energy in a safe, secure, and stable manner
Declining population due to low birth rates and aging Shrinking domestic market	- Shrinking of energy retail business - Labor shortages, declining vitality in rural areas	- Revitalization of local communities through resolution of local issues - Expansion of products and services that improve convenience and efficiency	Contribute to the community by resolving social issues
Changes in the labor environment Advances in digitalization	- Intensifying recruitment competition and increasing turnover rates - Mismatches between abilities/skills and work - Declining productivity and operational efficiency due to delays in DX promotion	- Promotion of innovation through diversification of human resources - Increased output through improved abilities and skills - Improved productivity and operational efficiency through DX promotion	Enhance work satisfaction and ease of work, and promote diversity
Increasing expectations for corporate social responsibility	- Loss of trust from customers, investors, and other stakeholders - Increased litigation risks and business continuity disruptions	—	Strengthen compliance and governance

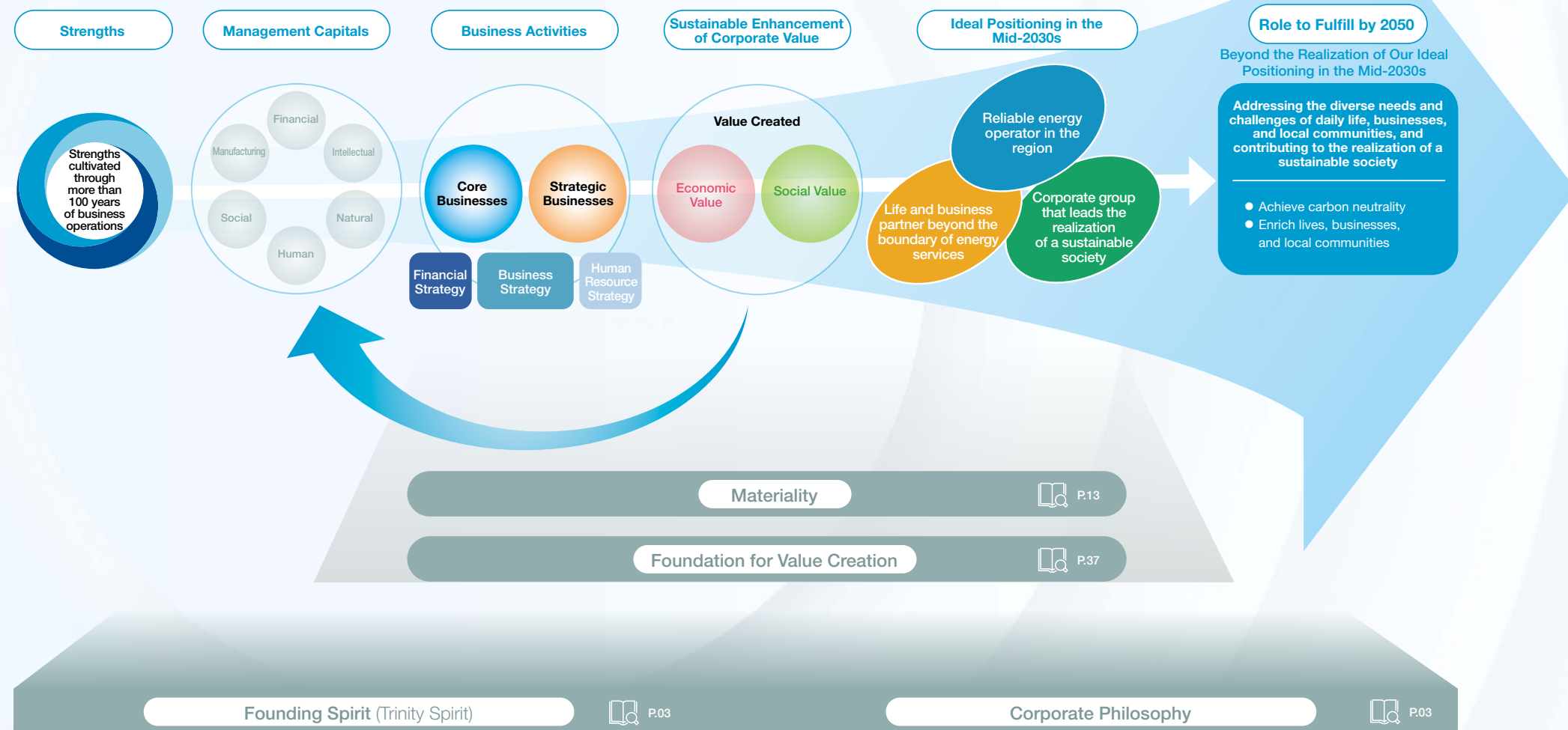
Materiality

Main Targets Related to Materiality

	Indicators and items	Targets	FY2025 results		
Promote carbon neutrality	Avoided emissions ^{*1}	3 million t [FY2030]	757,000 t	 P.30–P.31 P.33 P.39–P.40	*1 Avoided emissions through business activities (Cumulative value from FY2021; FY2020 = Base year for calculating reductions for each fiscal year) *2 Carbon neutrality rate to be achieved through various means *3 Including domestic and international renewable energy power source development and ownership, FIT (Feed-in Tariff) power sources, and procurement
	Carbon neutrality rate of gas ^{*2}	5% of gas sales volume [FY2030]	1.7%		
	Volume of e-methane introduced, etc.	1% of city gas sales volume [FY2030]	Trace amount (less than 0.01%)		
	Volume of renewable energy handled ^{*3}	500 MW [FY2030]	205,000 kW		
	Hydrogen sales volume	400 t [FY2027]	60 t		
	J-Credits generated	2,000 t-CO ₂ [Cumulative period planned] ^{*4}	29 t-CO ₂		
	Development of CO ₂ separation and the capture technology Cryo-Capture [®]	Social implementation [FY2030]	Progressing as planned		
Provide various kinds of energy and services	Number of energy customer accounts ^{*5}	3.14 million [FY2027]	3.121 million customers	 P.25–P.32	*4 Plan period: 2025–2027 *5 Total number of contracts for city gas, LP gas, and electricity *6 Total sales of gas appliances, renovations, etc. *7 Within Toho Gas Network Co., Ltd. supply area *8 Unit for suspending city gas supply in the event of a natural disaster or other emergency *9 Applies to Toho Gas Co., Ltd. and Group companies that conduct engagement surveys *10 Figures based on the revised human resource system implemented in April 2026. Applicable to employees of Toho Gas Co., Ltd.
	(of which) Number of LP gas customer accounts	650,000 [FY2027]	646,000 customers		
	City gas development volume	100 million m ³ [Cumulative period planned] ^{*4}	30 million m ³		
	Electricity sales volume	3 billion kWh [FY2027]	2.90 billion kWh		
	External sales of proprietary technologies	7 billion yen [FY2027]	6.2 billion yen		
	Sales of lifestyle-related products and services ^{*6}	20 billion yen [FY2027]	16.6 billion yen		
	Sales of CNxP business	13 billion yen [FY2027]	10.9 billion yen		
	Accumulation of automated business processes	700 cases [FY2027]	552 cases		
Supply energy in a safe, secure, and stable manner	Number of personnel promoting DX	200 people [FY2026]	224 people	 P.25–P.29	*11 Applies to Toho Gas Co., Ltd. *12 Applies to the entire Toho Gas Group
	Earthquake resistance rate of main and branch pipes ^{*7}	100% [FY2030]	98.3%		
Contribute to the community by resolving social issues	Number of blocks in supply area ^{*7, *8}	109 blocks [FY2027]	107 blocks	 P.41–P.46	*13 As of June 1, 2025 *14 Eligible employees are those who were employed by Toho Gas Co., Ltd. at the time of retirement. *15 Exceeds 100% due to difference in timing between childbirth and the taking of childcare leave
	Number of community activities	600 cases [Cumulative period planned] ^{*4}	322 cases		
Enhance work satisfaction and ease of work, and promote diversity	Engagement ^{*9}	Continuous improvement	Maintained the previous year's score (FY2024 and FY2025 score: BB)	 P.35–P.36	
	Number of female managers ^{*10}	50 people or more [FY2027]	49 people		
	Rate of female general employees hired ^{*11}	40% or more [Cumulative period planned] ^{*4}	28.7%		
	Rate of employees with disabilities ^{*12, *13}	2.7% or more [FY2027]	2.55%		
	Rate of rehired employees ^{*14}	80% or more [Cumulative period planned] ^{*4}	83.3%		
	Health and Productivity Management Certification	Continue obtaining White 500 certification ^{*12}	Certification obtained		
	Rate of taking parental leave ^{*11, *15}	100% [FY2027]	100% or higher		
Strengthen compliance and governance	Number of human rights violations	Zero [Period planned]	Zero cases of serious human rights violations	 P.39–P.52	
	Number of environmental conservation activities	50 cases [Cumulative period planned] ^{*4}	18 cases		
	Compliance	Share and spread compliance awareness and risk recognition throughout the organization	Conducted educational and awareness-raising activities in accordance with the compliance activity plan		

Value Creation Process

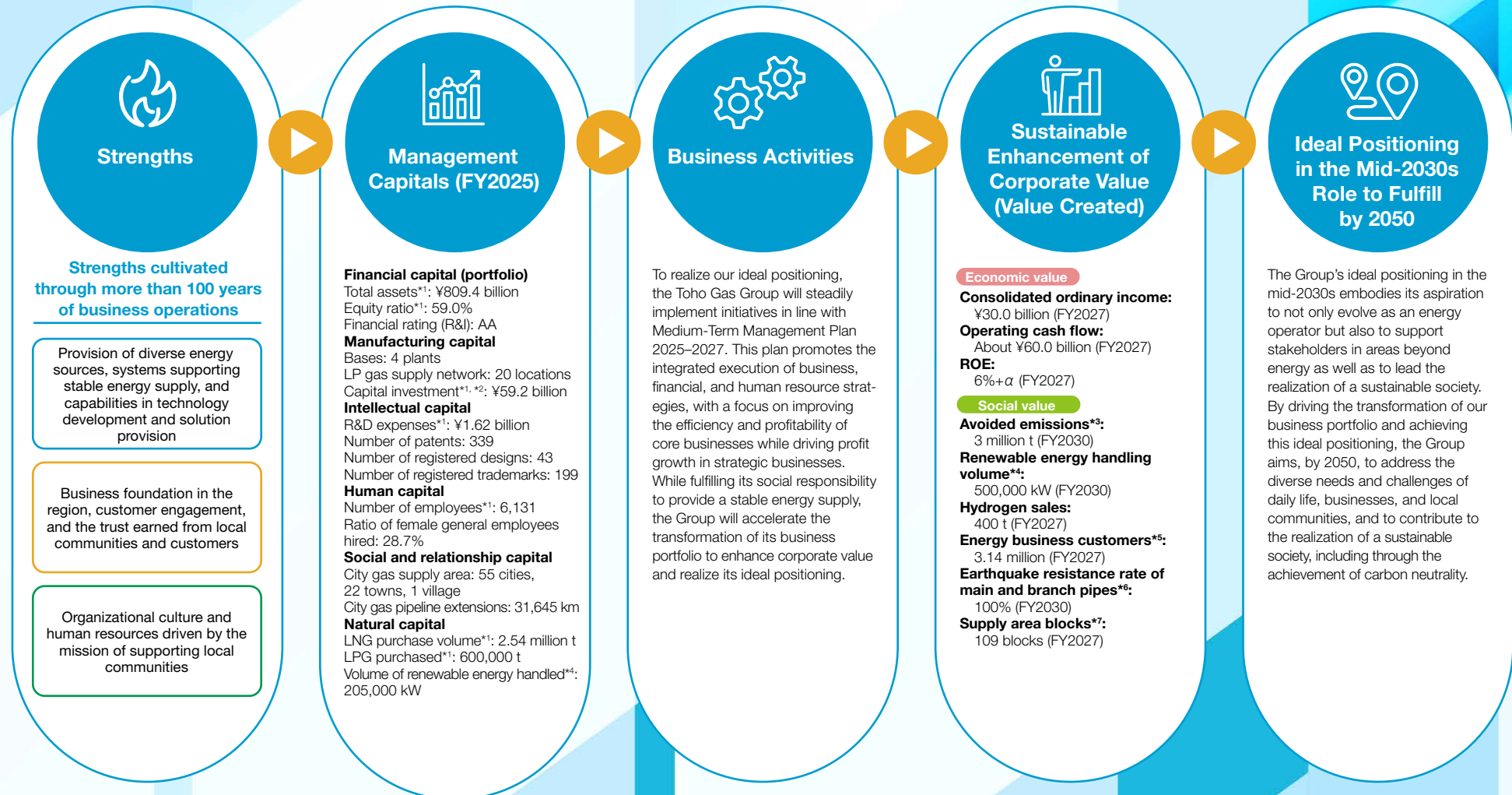
The Toho Gas Group uses its cultivated strengths and management capitals to realize the Group Vision, while accelerating the transformation of its business portfolio to enhance corporate value and realize its ideal positioning, thereby contributing to the development of a sustainable society.



Value Creation Process

Toho Gas Group's Value Creation Story

This section explains the various elements that comprise the Toho Gas Group's approach to value creation.



^{*1} Figures include consolidated subsidiaries (30 companies) ^{*2} Includes financing ^{*3} Contribution to CO₂ emissions reductions through business activities (Cumulative value from FY2021; FY2020 = Base year for calculating reductions for each fiscal year)

^{*4} Including domestic and international renewable energy power source development and ownership, FIT (Feed-in Tariff) power sources, and procurement ^{*5} Total number of contracts for city gas, LP gas, and electricity

^{*6} Within Toho Gas Network Co., Ltd. supply area ^{*7} Unit for suspending city gas supply in the event of a natural disaster or other emergency

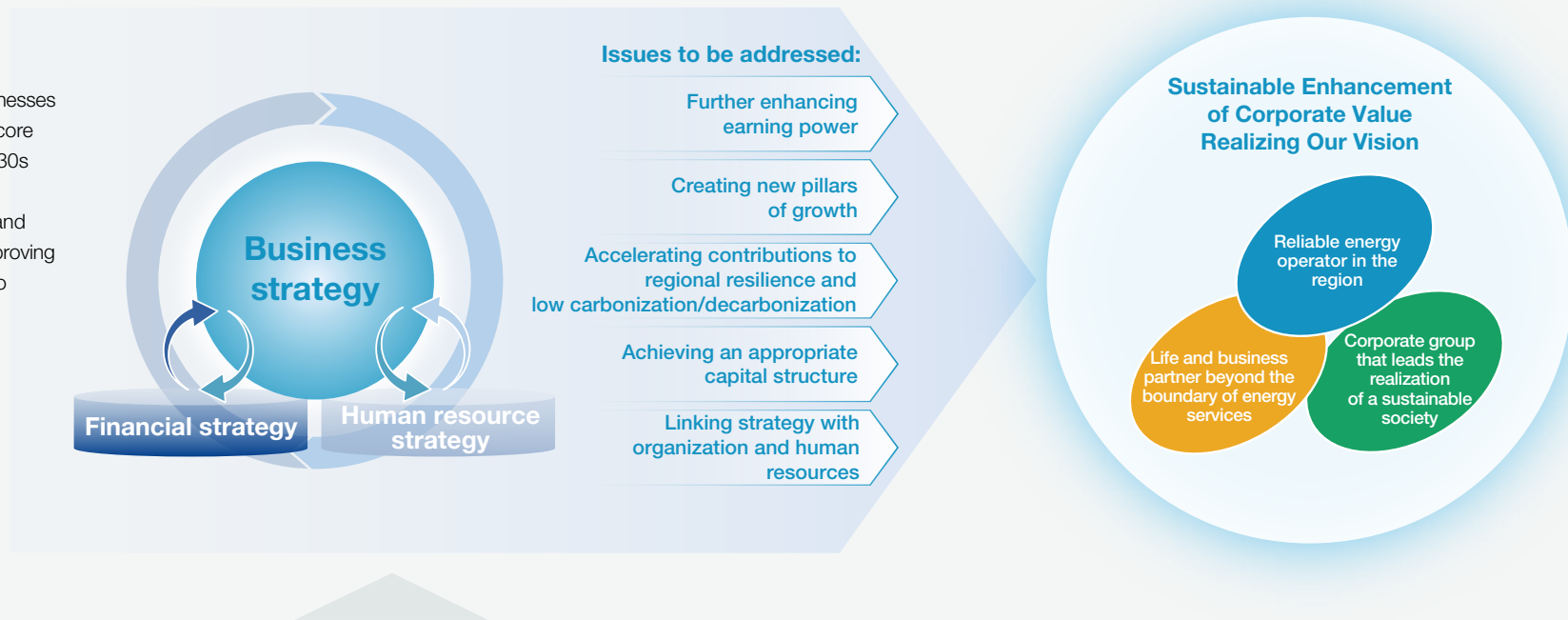
Medium-Term Management Plan 2025–2027

Medium-Term Management Plan 2025–2027 (Policy)

We will advance business, financial, and human resource strategies in an integrated manner to increase our earning power, while accelerating **business structure transformation** to “enhance corporate value” and “realize our vision.”

Business structure transformation details:

- Growing our strategic businesses to match the scale of our core businesses by the mid-2030s and realizing our vision
- Shifting human, material, and financial resources and improving their quality and quantity to achieve this goal



Surrounding Business Environment

Trends that have continued since the formulation of the Group Vision

Demand for sustainability

The 5 Ds surrounding energy*



Rising natural disaster and geopolitical risks

Current environmental changes

Changes in the economic environment

- Shift in monetary policies
- Fundamental price and wage increases
- Increasing demand for management that is conscious of cost of capital and stock price

* Trends involving the energy industry: Decarbonization, Depopulation, Deregulation, Digitalization, Decentralization

Medium-Term Management Plan 2025–2027

Accelerating Transformation Through Key Strategies

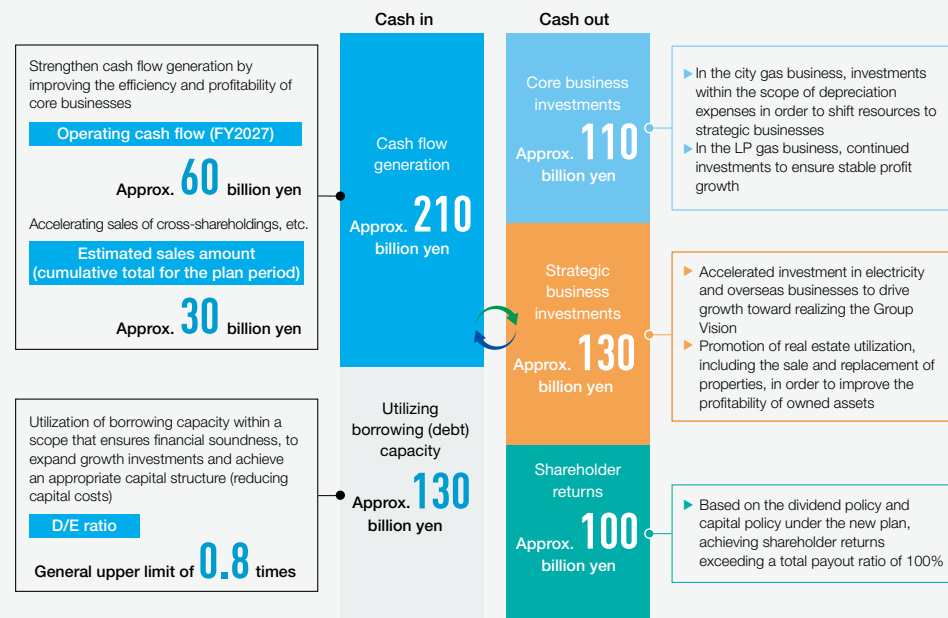
To maximize corporate value, we will steadily execute our financial, business, and human resource strategies under efficient capital allocation, while fulfilling our social responsibility to provide a stable energy supply.

Financial Strategy

📖 P.20

We will work to maximize corporate value through two complementary approaches: expanding profits through the transformation of our business portfolio and improving capital efficiency through the optimization of shareholders' equity.

Cash Allocation (Three-Year Cumulative Total Under the Plan)



Business Strategy

📖 P.24

Leveraging the strengths cultivated through our gas business, we will pursue four business strategy themes, including the generation of stable cash flow from core businesses, which serves as the starting point for the transformation of our business portfolio.

Four Business Strategy Themes



Human Resource Strategy

📖 P.35

We will support the growth of each employee, who serves as the driving force behind the enhancement of corporate value and the realization of our ideal positioning, while working to foster and enhance their individual potential and vitality.



CHAPTER

02

Strategies for Value Creation

To achieve sustainable growth of the Toho Gas Group, we are advancing our financial, business, and human capital strategies in an integrated manner.

Based on our value creation story, we are promoting specific initiatives to enhance corporate value and realize our ideal positioning, leveraging an optimal capital structure and the strengths of each business segment in a unified way.

Financial Strategy	20
Business Strategy	24
City Gas Business (Energy x Lifestyle)	25
City Gas Business (Energy x Engineering)	26
Gas Pipeline Business	27
LNG Procurement	28
LP Gas Business	29
Electricity Business	30
Overseas Business	31
Real Estate Business	32
Carbon Neutrality	33
DX and Technology Development Activities Supporting Business Strategy	34
Human Resource Strategy	35

Financial Strategy: Message from the Executive in Charge of Finance

We will work to maximize corporate value by using the steady progress of Medium-Term Management Plan 2025–2027 as a foundation, improving capital efficiency, and executing disciplined strategic business investments.



Summary of the First Year of Medium-Term Management Plan 2025–2027: Steady Profit Growth and Progress in Business Structure Transformation

Medium-Term Management Plan 2025–2027 represents the first half of the second phase toward realizing our ideal positioning in the mid-2030s, as set forth in Toho Gas Group Vision. Under the plan, we aim to further strengthen our core city gas and liquefied petroleum gas (LPG) businesses, while accelerating the focused allocation of management resources to strategic businesses such as the electricity and overseas businesses, thereby promoting business structure transformation.

In FY2025, the first year of the plan, we worked on enhancing efficiency and profitability in our core businesses, while also expanding earnings in our strategic businesses. The number of energy customers, which form the foundation of our operations, has grown at a pace exceeding our projections in the plan, driven primarily by the electricity business. We are making steady progress toward achieving the target of 3.14 million customers by the end of FY2027, as set out in the plan. In the electricity

business, one of our strategic businesses, we were able to expand profits through steady implementation of initiatives such as the expansion of our pricing plan options, which underpinned the expansion of our sales base, and diversification of procurement. Going forward, we will maintain a solid foundation in our core businesses while further increasing the profit levels of our strategic businesses.

Initiatives Aimed at Improving Shareholder Returns and Optimizing Equity Capital

Based on the policies set out in Medium-Term Management Plan 2025–2027 of executing progressive dividend increases in line with profit growth and optimizing equity capital (target of approximately 400 billion yen by the end of FY2027), we implemented shareholder returns in FY2025 at a level exceeding a total payout ratio of 100%. Regarding dividends, we achieved profits that exceeded the initial plan for FY2025 and accordingly increased dividends.

As for equity capital optimization, shareholders' equity has steadily moved toward optimal levels through shareholder returns.

However, equity capital at the end of FY2025 increased year on year due to higher cumulative other comprehensive income, reflecting external factors such as stock market rallies and yen depreciation. We will continue to pursue planned progress initiatives in accordance with Medium-Term Management Plan 2025–2027.

Asset Optimization and Effective Utilization: Accelerating the Sale of Cross-Shareholdings

We have set a target of completing the sale of approximately one-third of our cross-shareholdings as of the end of FY2023 by the end of FY2027. In FY2025, we executed sales totaling 10.0 billion yen; however, due to favorable stock market conditions, the market value of these holdings has increased significantly. In light of this situation, as well as the need to further accelerate investments and loans aimed at business structure transformation, we plan to ramp up the pace of sales even further in FY2026. Funds generated from these sales will be used as a source for strategic business investments and shareholder returns, thereby enhancing capital efficiency.

Financial Strategy: Message from the Executive in Charge of Finance

Embedding ROIC Management and Ensuring Disciplined Cash Allocation

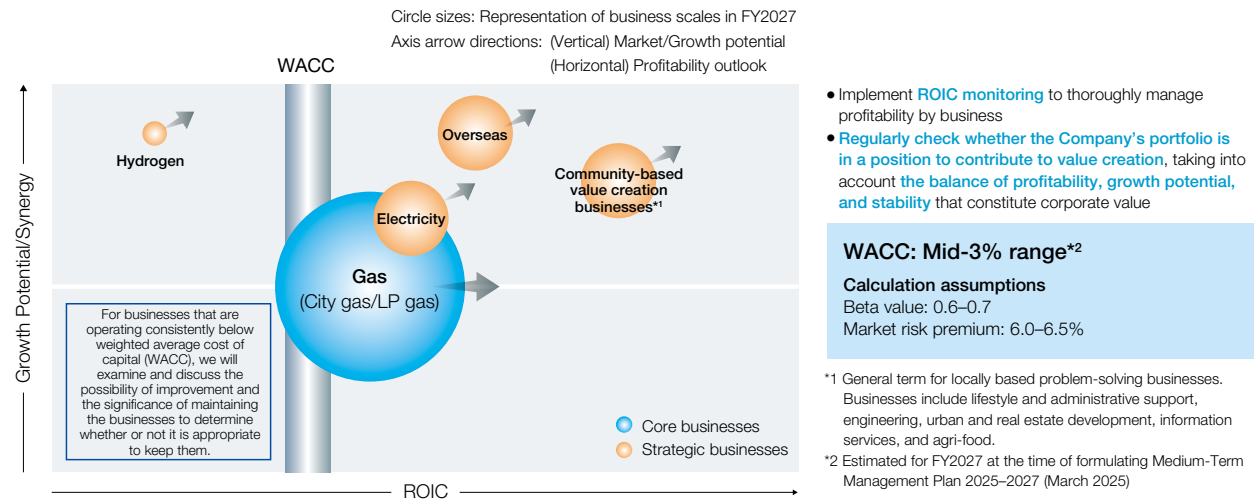
Enhancing corporate value requires the efficient allocation of management resources and the strengthening of earning power. From this perspective, we place importance on capital efficiency and continuously monitor return on invested capital (ROIC) by business and by company.

With respect to cash allocation, we will use cash inflows primarily generated from operating cash flow in our core businesses, as well as proceeds from the sale of cross-shareholdings, to ensure steady investment in core businesses while actively allocating funds to strategic business investments aimed at future revenue growth. At the same time, we will steadily execute shareholder returns. For funding shortfalls, we will utilize borrowing capacity as needed; however, with maintaining our credit ratings in mind, we will set an upper guideline of 0.8 times for the debt-to-equity ratio and promote disciplined financing within a range that ensures financial soundness.

In executing strategic business investments, we will thoroughly enforce investment discipline by carefully assessing changes in the business environment, such as rising equipment and material costs and higher interest rates. We will also set appropriate hurdle rates that reflect business risks and rigorously verify whether expected returns exceed the cost of capital. In FY2025, we prioritized such investment discipline and, as a result, postponed decision-making on certain projects to FY2026 or later, leading to investment and loan results falling short of the plan. However, our policy of expanding strategic business investments aimed at business structure transformation remains unchanged.

In addition, even after investments are executed, we will monitor profitability using ROIC and other indicators. For businesses that are expected to continue underperforming relative to weighted average cost of capital (WACC) with limited prospects for improvement, we will proceed with divestment or withdrawal as appropriate, thereby building an optimal business portfolio.

Ideal Business Portfolio in the Final Year of Medium-Term Management Plan 2025–2027



To Our Shareholders and Investors

We believe that the first year of Medium-Term Management Plan 2025–2027 has marked a solid start toward achieving our targets. Although geopolitical risks and other developments have recently emerged, we will continue to steadily implement the various initiatives set forth in the plan while responding flexibly to changes in the external environment.

To enable a broader range of investors to support our transformation and growth, we implemented a four-for-one stock split effective April 1, 2026, thereby improving the accessibility of our shares. In addition, we have expanded our shareholder benefit program to further enhance the appeal of our shares and encourage long-term ownership by a broader base of shareholders.

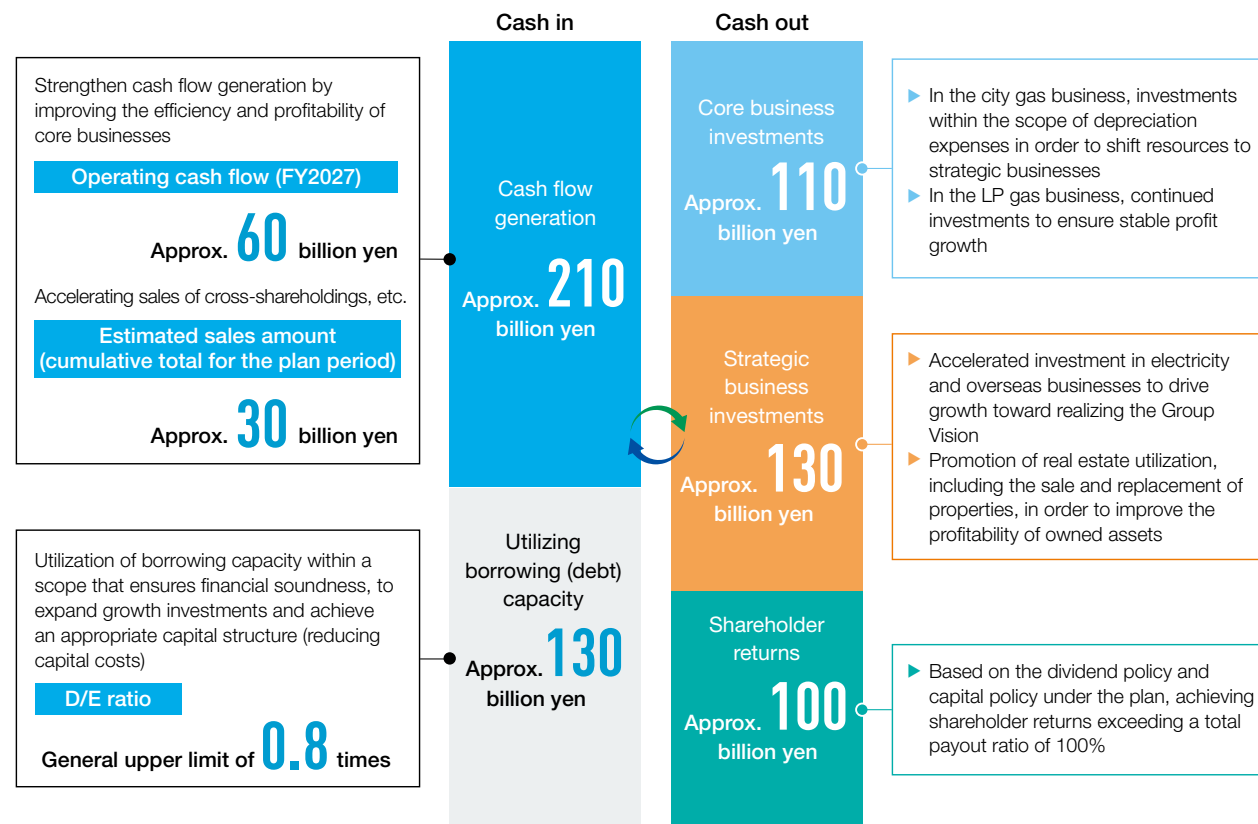
As we pursue business structure transformation and improvements in capital efficiency, we will place even greater emphasis on dialogue with our stakeholders. By incorporating the feedback

we receive into management policy, we will continue working to enhance corporate value.



Financial Strategy

Cash Allocation (Three-Year Cumulative Total of the Medium-Term Management Plan 2025–2027)



Investment and Financing Plan

Three-year cumulative total

240 billion yen

Core business investments **110** billion yen
Strategic business investments **130** billion yen

Breakdown of Investments and Financing Plan

Three-year cumulative total		FY2025 results	FY2026 plan
Core businesses	Subtotal	110 billion yen	31.4 billion yen
			37 billion yen
Strategic businesses	Subtotal	130 billion yen	27.7 billion yen
			50 billion yen
	Electricity business and renewable energy development	50 billion yen	11.4 billion yen
	Overseas business	40 billion yen	5.9 billion yen
	Community-based value creation businesses, etc.	40 billion yen	10.3 billion yen
			16 billion yen
Total		240 billion yen	59.2 billion yen
			87 billion yen

Overall Strategy and Numerical Plan

Profit and Profitability

Profit target

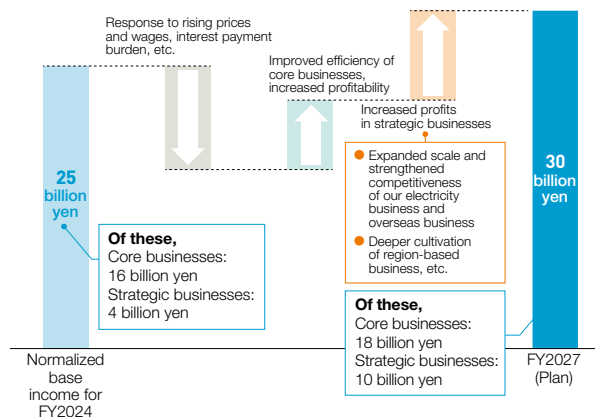
Consolidated
ordinary income

30

billion yen

FY2024 normalized
base income
+5 billion yen

Fluctuation in Consolidated Ordinary Income



Regarding ROE Level

- Based on the profit level, including gains on sales of cross-shareholdings (extraordinary gains), and the equity level, ROE for the final year of the new plan is expected to be 6% or higher.
- Aiming to further improve ROE after the plan period through sustainable profit growth centered on strategic businesses

ROE forecast for the final year of
Medium-Term Management Plan
2025–2027

6%+α

Cost of equity

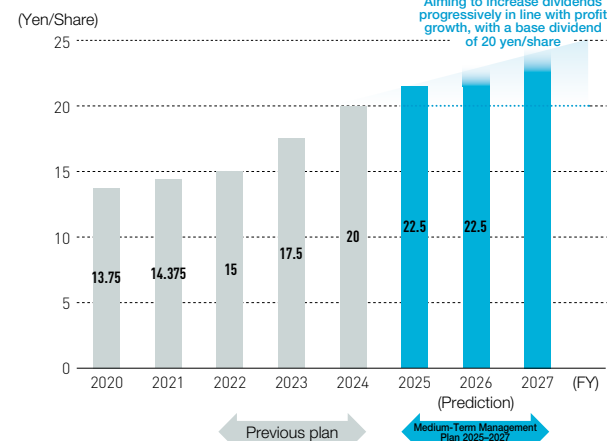
Approx. 5%

Shareholder Returns

Dividend policy during the plan

We aim to **increase dividends progressively** in line with profit growth.

Dividend Trend



Note: The above figures reflect the impact of the stock split conducted on April 1, 2026, at a ratio of four shares for each common share.

Capital Policy

Equity capital optimization

We will continue to repurchase shares as treasury stock and strive for optimization, aiming for

equity capital of **400** billion yen by the end of FY2027.

Sales of cross-shareholdings

We plan to complete the sale of approximately

one-third of our holdings*1 by the end of FY2027.

[Reference] Details of the Company's disclosure in April 2024: "Action to Implement Management that is Conscious of Cost of Capital and Stock Price"

The target level for equity capital set at approx. 350 billion yen to 400 billion yen*2

Approximately one-third of cross-shareholdings will be sold,*1 focusing on those with diminished significance.

*1 One-third of balance as of the end of FY2023. The balance is expected to be less than 20% of equity capital by the end of FY2027.

*2 This level was determined based on the necessity of ensuring safety, security, and stable supply, which is the mission of gas operators, and by taking into consideration risks of natural disasters such as large-scale earthquakes and geopolitical risks related to raw material procurement. There is a possibility the level may change depending on changes in the external environment and the quantity and nature of risks.

Business Strategy

To respond accurately to changes in the business environment and achieve sustainable growth and enhanced corporate value, the Toho Gas Group is advancing initiatives under four key themes.

Stable Cash Flow Generation from Core Businesses



Policy Behind Medium-Term Management Plan 2025–2027

To generate stable cash flows in our core businesses, which form the starting point of our business structure transformation, we will promote initiatives at each stage of the supply chain.

- City Gas Business (Energy x Lifestyle)  P.25
- City Gas Business (Energy x Engineering)  P.26
- Gas Pipeline Business  P.27
- LNG Procurement  P.28
- LPG Business  P.29

Nurturing the Driving Forces of Growth



Policy Behind Medium-Term Management Plan 2025–2027

We will leverage the strengths cultivated in our gas business, including our operational foundation, technology, and expertise, and will proactively allocate resources with a focus on profitability to make our electricity and overseas businesses primary drivers of future profit growth, pursuing both scale expansion and enhanced competitiveness in tandem.

- Electricity Business  P.30
- Overseas Business  P.31

Deeper Cultivation of Region-Based Businesses



Policy Behind Medium-Term Management Plan 2025–2027

We will strive for deeper cultivation of problem-solving businesses that lead to win-win relationships and harmonious coexistence with local communities, businesses, and local governments, focusing on areas related to energy. We also aim to expand our business domain through collaboration between companies across fields and industries.

- City Gas Business (Energy x Lifestyle)  P.25
- City Gas Business (Energy x Engineering)  P.26
- Real Estate Business  P.32

Mission and Responsibility Toward Carbon Neutrality



Policy Behind Medium-Term Management Plan 2025–2027

To reduce cumulative CO₂ emissions during the transition period, we will focus on promoting the use of natural gas and proposing solutions that contribute to low carbonization in the heating sector both domestically and overseas while accelerating our efforts to achieve carbon neutrality by 2050.

- Carbon Neutrality  P.33

Stable Cash Flow Generation from Core Businesses Deeper Cultivation of Region-Based Businesses

City Gas Business (Energy x Lifestyle)



We aim to achieve the targets set out in the Medium-Term Management Plan and realize Toho Gas Group Vision by being chosen by customers as a life solutions partner that goes beyond the boundary of energy services.

Wataru Morikawa

Executive Officer
Representative Director, President
Toho Gas Life Solutions Co., Ltd.

**Business Environment
(Risks and Opportunities)**

At present, the business environment of Toho Gas Life Solutions is uncertain, owing to a number of factors including a decline in housing starts, labor shortages, and rising materials and equipment costs due to the ongoing situation in the Middle East.

In the residential sector, competition with all-electric homes is expected to intensify due to the strengthening of energy efficiency standards for housing, starting in April 2027. On the other hand, interest in high-value-added products such as ENE-FARM, solar power generation, and storage batteries is expected to increase, which represents a significant opportunity for us. We will respond to customer needs through diverse sales methods, including initial cost-free schemes.

In addition, under conditions of chronic labor shortages, we are strengthening our sales capabilities by enhancing and accelerating

proposal capabilities through the use of digital technologies and improving efficiency through the introduction of construction management systems.

FY2025 in Review

FY2025 was the first year of Medium-Term Management Plan 2025–2027, and the energy business progressed largely according to plan. The number of customers for energy services such as city gas and electricity increased steadily to 3.12 million. In addition, the digital membership site Club TOHOGAS celebrated its 10th anniversary and has become a platform used by many customers. Membership in the Toho Gas Kurashi My Shop program, introduced in FY2025, exceeded 210,000 members. Through increased customer touchpoints created by these initiatives, we are disseminating a variety of information and expanding sales of lifestyle-related products such as home renovations.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

To ensure that we are able to respond to diverse customer lifestyle needs, we are working to expand gas rate options and provide new products and services in areas such as housing, food, and health. In digital channels, we will strengthen proposals tailored to customers' lifestyles by enhancing features such as Club TOHOGAS MALL.

In addition, we will contribute to the decarbonization of homes through the wider adoption of ENE-FARM, solar power generation, and storage batteries. At the same time, we will promote the appeal of floor heating and clothes dryers, which create comfortable living spaces, thereby striving to enhance customers' quality of life.

Through these initiatives, we aim to achieve the targets set forth in Medium-Term Management Plan 2025–2027 and realize the Group Vision by being chosen by customers as a life solutions partner that goes beyond the boundary of energy services.

Value Creation Initiatives**Toho Gas Kurashi My Shop Membership Program**

The Toho Gas Kurashi My Shop membership program allows customers to easily consult about issues in their daily lives. By registering their preferred shop from among Toho Gas Kurashi Shop locations as a consultation point, customers can receive various benefits when purchasing equipment or requesting repairs.

Membership has steadily increased, surpassing 210,000 members as of the end of February 2026. Using Kurashi My Shop as a touchpoint, we are able to understand customer needs and connect them to product proposals, making this an effective system for the Company as well. Benefits for households with children and movie-related perks have also been well received.

Going forward, we will further enhance these benefits in order to increase sign-ups and improve customer satisfaction.



Stable Cash Flow Generation from Core Businesses Deeper Cultivation of Region-Based Businesses

City Gas Business (Energy x Engineering)



We will create new value through diverse energy solutions and advanced, high-quality engineering, and contribute to solving challenges faced by our customers and society.

Katsuya Tamada

Executive Officer
Representative Director, President
Toho Gas Energy Engineering Co., Ltd.

**Business Environment
(Risks and Opportunities)**

Under the 7th Strategic Energy Plan approved by the Cabinet of Japan, natural gas has been redefined as an important energy source, even in a carbon-neutral future, and demand for fuel-switching to low-carbon city gas remains firm. Meanwhile, amid overseas developments such as regional conflicts, U.S. tariff policies, and overproduction in China, declining operating rates at plants in Japan have begun to emerge, raising concerns about the impact on customers' investment plans. At the same time, major companies in the region are steadily advancing initiatives toward carbon neutrality, which represents an irreversible trend.

Against this backdrop, customers are facing shortages of personnel responsible for energy and facility planning, as well as on-site management engineers. Toho Gas Energy Engineering addresses these challenges by providing an integrated offering of energy sales and advanced engineering, built on the strong relationships of trust we have cultivated with customers over many years. By creating demand starting from

consulting, we will link this to new growth opportunities and build a robust structure that supports the competitiveness of regional industries.

FY2025 in Review

In energy sales, we promoted fuel conversion to city gas, LNG sales in areas without pipeline infrastructure, advanced energy utilization through optimal control of cogeneration systems and other heat source equipment, and electricity sales tailored to customer needs, including solar power generation.

In the CNxP business,* we successfully captured the expansion of the air-conditioning market, driven by extreme heat and increased sales. A notable initiative was the introduction of the construction director system. By centralizing administrative operations and utilizing ICT, we established a framework that allows field engineers to focus on construction work, thereby enhancing competitiveness in both construction quality and productivity. In addition, we have gained customer confidence through our in-house operation and maintenance structure and expertise, commenced energy service for multiple projects, and further reinforced our stable business

foundation through projects including the provision of heat supply to The Landmark Nagoya Sakae.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

Medium-Term Management Plan 2025–2027 is progressing well. In terms of gas volume development, the steady acquisition of large-scale projects will bring us significantly closer to the target of 100 million m³, which is key to the achievement of the plan over the two-year period of FY2025 and FY2026. In the CNxP business as well, sales are expected to approach the target of 13.0 billion yen, essential to achieving the plan in FY2026.

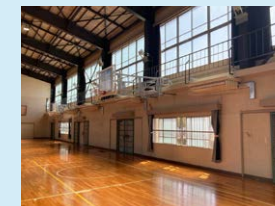
At the core of our future growth strategy is the evolution of our sales consulting capabilities through the combination of energy and engineering. Leveraging our strong network of partner companies, we will provide seamless support to customers from the planning stage of equipment installation through to maintenance, thereby promoting both the expansion of revenue from our core products and the development of markets for new products. By accelerating investment in technology and human resources, which form the foundation of our strategies, and establishing a virtuous cycle of recruitment, development, and retention, we aim to create new value and become a company that contributes to resolving customer and social issues through diverse energy solutions and advanced, high-quality engineering.

* CNxP business: A business that provides one-stop consulting, engineering, and other services for achieving carbon neutrality, supporting customers throughout their transition to low-carbon and decarbonized operations

Value Creation Initiatives**Creating a Comfortable Educational Environment Through Air-Conditioning Installation and Support of Municipal Business Continuity Plans**

Gas heat pump air-conditioning systems installed in gymnasiums and other facilities at 55 elementary and junior high schools in Toyota City, Aichi Prefecture, designed and constructed by Toho Gas Energy Engineering, have commenced operation. The introduction of these air-conditioning systems has created a safe, secure, and comfortable educational environment that protects students from extreme summer heat, while also strengthening the schools' function as evacuation shelters during disasters.

At schools designated as core evacuation shelters, the air-conditioning systems can continue operating for up to 72 hours following a disaster. Schools located within city gas supply areas are equipped with a fuel-switching system that enables transition between city gas and LP gas, as well as an independent power supply function. These features allow the continued use of air-conditioning, emergency power outlets, and lighting both inside and outside gymnasiums even during disasters, thereby contributing to the implementation of municipalities' business continuity plans. Going forward, we will continue to contribute to building the foundation of safe and secure communities through advanced technologies.



Stable Cash Flow Generation from Core Businesses

Gas Pipeline Business



As a community-based gas distribution operator, we are committed to expanding the use of city gas, ensuring a stable supply and maintaining safety and reliability. Through these efforts, we are working to address social issues and enhance resilience.

Yoshimitsu Shibata

Representative Director, President
Toho Gas Network Co., Ltd.

Business Environment
(Risks and Opportunities)

As a gas distribution operator rooted in local communities, Toho Gas Network delivers city gas to approximately 2.6 million customers across Aichi, Gifu, and Mie prefectures through a pipeline network spanning approximately 30,000 km.

In our business environment, while the importance of natural gas has been reaffirmed in the 7th Strategic Energy Plan, challenges such as rising prices for equipment and materials and increasingly severe labor shortages have also become more pronounced. In addition, following the revision of damage estimates for a Nankai Trough earthquake, conducted for the first time in 10 years, we must continue to strengthen our efforts to build resilience.

We regard growing expectations for natural gas as an opportunity and will continue to expand the adoption of city gas. At the same time, we will place the highest priority on ensuring a stable supply and maintaining safety and reliability, while promoting greater sophistication and efficiency in our operations. We will also strengthen safety measures for aging equipment

and enhance our disaster response capabilities. In addition, we will ensure that we have the organizational structure necessary to maintain and operate our supply facilities in sound condition, including during disasters and other emergencies.

FY2025 in Review

In supply base development, we proceeded with construction of the high-pressure Ichinomiya to Bisai Line and Nanbu Trunk Line Phase II as planned, which will lead to improved supply stability, and we also expanded our medium-pressure pipeline network, mainly in the Gifu and Mie areas, to expand our supply area.

To address aging pipelines, we effectively and efficiently implemented countermeasures by applying technologies such as AI-based gas pipeline deterioration forecasting and trenchless pipe installation methods. To bolster our disaster preparedness, we further subdivided supply blocks and conducted various drills based on scenarios including a Nankai Trough earthquake. We also strengthened cooperation with local governments and other infrastructure operators

to improve restoration and recovery capabilities.

In addition, we continued to steadily install residential smart meters, which were fully introduced in FY2024. Beyond facilitating remote meter reading, these smart meters will also contribute to enhanced safety by supporting functions such as the remote shut-off of gas supply in the event of a gas leak alarm.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

We will work to expand the adoption of city gas by accurately capturing demand for fuel conversions to natural gas and steadily developing our supply infrastructure.

We also recognize that personnel who support

on-site operations, including those at our partner contractors, are indispensable to further ensuring safety, peace of mind, and a stable supply. We will focus on securing such essential personnel and passing on advanced knowledge and skills, while also promoting the implementation of new technologies and digital transformation (DX) initiatives on-site to reduce labor requirements and improve operational efficiency.

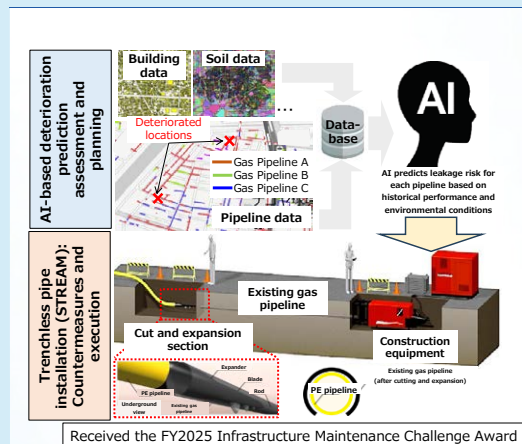
Furthermore, we will leverage the expertise and technologies developed through our pipeline business to expand our pipeline engineering services to other gas utilities and water utilities.

As a gas pipeline operator, we will continue to fulfill our social responsibilities while striving to achieve Medium-Term Management Plan 2025–2027 and realize Toho Gas Group Vision.

Value Creation Initiatives

Pursuing Smarter On-Site Operations

As a concrete example of efforts to enhance and streamline operations, we have applied an AI-based gas pipeline deterioration prediction technology, jointly developed with FRACTA JAPAN Inc., to aging pipeline replacement measures. The results have confirmed approximately twice the return on investment compared with the conventional method of replacing pipelines in order of installation age. In addition, further efficiency improvements are expected through the adoption of trenchless pipe installation technologies.



Stable Cash Flow Generation from Core Businesses

LNG Procurement



By maintaining and strengthening a supply framework that is not affected by changes in the external environment and by earning the trust of our customers, we will contribute to the stable growth of our core businesses.

Mitsunari Asai

General Manager, Gas Resources Department

**Business Environment
(Risks and Opportunities)**

The global LNG market remains unstable due to factors such as the ongoing situation in the Middle East. Under these circumstances, we maintain a well-balanced procurement portfolio, centered on regions across the Pacific Rim, such as Asia, North America and Australia. This serves as one of our key strengths, as it avoids excessive dependence on any single region with elevated geopolitical risk. Going forward, we will continue to maintain and strengthen a supply framework that is resilient to changes in the external environment and contribute to the stable growth of our core businesses by earning the trust of our customers.

FY2025 in Review

In FY2025, while closely monitoring international developments and market conditions in addition

to supply-demand conditions in the gas business, we worked to secure an overall balance between supply and demand. Specifically, aside from our conventional vessel scheduling adjustments, we carried out agile supply-demand balancing through LNG trading activities led by our Singapore subsidiary, which was established in January 2025.

We also advanced the diversification of our procurement regions. By commencing LNG imports under the LNG Canada Project, which began in 2025, we steadily expanded our sources of procurement to five countries, significantly enhancing supply stability. Although disruptions arose due to the deterioration of the situation in the Middle East, our gas supply operations remained unaffected.

Furthermore, we deepened collaboration with the national government and neighboring utility operators through information exchanges aimed

at ensuring a stable supply in the event of an emergency.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

Even amid rising geopolitical risks, our unwavering mission as a gas utility is to continue providing a stable energy supply. By building a procurement portfolio that is resilient to changes in the external environment and securing a reliable supply of raw materials through long-term contracts, we will contribute to the generation of

stable cash flow from our core businesses.

In addition, as an initiative that will enhance future procurement flexibility, an LNG carrier in which the Group has invested is scheduled for completion. By combining our owned assets, including this vessel, with our LNG procurement contracts and the capabilities of our Singapore subsidiary, we will expand LNG trading opportunities and strengthen both our supply-demand balancing capabilities and competitiveness. Through these efforts, we will build a resilient business foundation that is not easily affected by volatile market conditions.

Value Creation Initiatives**Participation in the LNG Value Chain and Development of Global Talent**

Rather than remaining simply a buyer of LNG, we are working to secure greater procurement flexibility and expand earnings through active participation across the entire LNG value chain, from upstream gas field development to midstream liquefaction processing and transportation. Specific examples include our upstream investment in the Ichthys LNG Project in Australia, our midstream investment in the LNG Canada Project in Canada, and our investment in LNG carriers.

By becoming a direct participant in these overseas projects, we not only generate stable business revenue but also gain early access to firsthand information, such as local operating conditions and future development plans, which we leverage in our procurement strategies. In addition, through on-site experience and project management activities overseas, we are fostering globally minded talent capable of taking a broad view of rapidly changing international markets. By building experience through these investment projects, we will further enhance our long-term stable supply framework while accelerating investment in the next generation of talent who will be responsible for future operations.

Stable Cash Flow Generation from Core Businesses

LP Gas Business



As a supplier of LP gas, which is designated as the “last resort” in the 7th Strategic Energy Plan, we will fulfill our responsibility to ensure a reliable energy supply.

Yoshihiro Furuyama

Representative Director, President
Toho Liquefied Gas Co., Ltd.

**Business Environment
(Risks and Opportunities)**

The Toho Liquefied Gas Group is responsible for the LP gas business, which, alongside the city gas business, is one of the core businesses of the Toho Gas Group. As such, it plays a leading role in expanding the Group's core businesses and strengthening earning capacity. Although the LP gas market, which is primarily operated by Toho Liquefied Gas, is not expected to experience significant expansion due to factors such as declining population and household numbers, we believe that considerable room remains for growth within the Toho Liquefied Gas Group. Specifically, we will seek to increase our market share in our core area of Aichi, Gifu, and Mie prefectures; expand into a wider geographic area that includes the Hokuriku region and Nagano, Shizuoka, and Shiga prefectures; and broaden our business activities in the industrial materials field. Our greatest strength in achieving this growth lies in our robust sales capabilities, which have enabled us to establish an overwhelming presence and expand our market share in the region, driven by a strong sense of mission to ensure safety, security, and

stable supply. We are also supported by a spirit of ambition that drives us to proactively develop demand across a wider geographical area.

FY2025 in Review

FY2025 was a year of significant change for the LP gas industry. The business environment was affected by factors including the introduction of a three-tier pricing system following amendments to and enforcement of ministerial ordinances under the Liquefied Petroleum Gas Act, changes in sales activities, reduced transport capacity resulting from the so-called 2024 logistics problem in Japan, and rising material and energy costs.

In addition, toward the end of FY2025 the LP gas procurement environment, which had remained relatively stable throughout the year, became increasingly uncertain. Growing navigational risks in the Strait of Hormuz heightened concerns over rising procurement costs and supply stability.

Against this backdrop, on the sales front, we increased both the number of customers and sales volumes compared with the previous fiscal year by expanding direct sales and wholesale demand development activities across a wide

area centered on the three Tokai prefectures, as well as by promoting mergers and acquisitions. On the supply front, we strengthened the operational foundation for stable LP gas supply by expanding our in-house delivery system using large tank trucks and promoting the use of low-power wide-area (LPWA)* technologies to improve the efficiency of loading and distribution operations.

* A wireless communications technology featuring low-power consumption and wide-area connectivity

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

In conducting our business activities, we remain committed to staying true to the fundamentals and steadily executing measures that need to be taken. Based on this approach, we will conduct appropriate sales activities in compliance with the revised Liquefied Petroleum Gas Act and fulfill our responsibilities as a supplier of LP gas, which has been designated as the “last resort” in the 7th Strategic Energy Plan.

In addition, we will continue to pursue low-cost and stable raw material procurement through the Meiko LPG Terminal, strengthen our loading and distribution infrastructure through alliances with other companies, and improve operational efficiency through the use of digital technologies.

Underpinning these efforts and the key to expanding our business is our investment in human resources, who support all of these business activities. Through a variety of initiatives, we will work to enhance employee engagement while actively promoting talent development that strengthens our organizational capabilities. We will also strive to foster an open and vibrant corporate culture in which employees can fully demonstrate their abilities and continue to take on new challenges with a positive mindset.

Value Creation Initiatives**Acquisition of Daimaru Co., Ltd. in Gifu Prefecture as a Subsidiary**

In April 2026, Daimaru Co., Ltd., an LP gas distributor based in Ogaki, Gifu Prefecture, joined the Toho Liquefied Gas Group. Deeply rooted in its local community, the company has strengths in home renovation, waterworks construction, and other high-level installation and maintenance services, as well as services that support people in their daily lives.

Through this acquisition, we have strengthened our ability to provide high-value-added services in the Seino region by offering one-stop solutions for a wide range of customer needs, from energy services to housing-related concerns. At a time when challenges such as a lack of successors are becoming increasingly serious across the industry, we believe our role is to be a partner that respects the history built by local distributors and carries their aspirations forward to the next generation. While capital alliances are one possible approach, we have also established a framework that allows us to begin with flexible forms of cooperation tailored to issues faced on-site, including sales support and technical assistance, to help ensure business continuity.

As the go-to partner for advice on safeguarding regional infrastructure for the long term, we will continue to work together with our partners to help realize a sustainable society and enhance the corporate value of the Group.

Nurturing the Driving Forces of Growth

Electricity Business



We will expand the electricity business into a core revenue pillar alongside the gas business.

Tsutomu Maeda

Director, Senior Managing Executive Officer
In charge of Power Business Promotion Department

**Business Environment
(Risks and Opportunities)**

The 7th Strategic Energy Plan incorporates not only energy security considerations but also growing electricity demand driven by the expansion of data centers and advances in AI. We view these developments, including progress toward carbon neutrality, as new growth opportunities and will respond to societal needs through the development of large-scale thermal power generation and renewable energy sources.

Meanwhile, uncertainty in the Middle East has led to surging fuel prices and electricity spot market prices, creating a challenging business environment. Even under such circumstances, we believe that providing customers with a stable supply of electricity at stable prices is a fundamental responsibility of an energy supplier. By enhancing our procurement capabilities and implementing other measures to address these challenges, we will strengthen customer trust while achieving both business growth and contributions to local communities.

FY2025 in Review

In FY2025, we made steady progress in both our procurement and sales efforts. On the procurement side, we worked to secure lower-cost electricity while expanding our network of suppliers. On the sales side, we promoted bundled offerings with city gas and LP gas and expanded our lineup of pricing plans, including the “Tokutoku Time Plan,” which is priced according to the time of day a certain service is used, to better meet customer needs. As a result, the number of electricity customers exceeded 700,000, making the business comparable in scale to the Group's LP gas business. Consequently, the electricity business remained profitable for a second consecutive year, following FY2024.

To support future growth, we also began developing services utilizing electric vehicles and battery storage systems through investments in start-ups. In addition, we continued preparations for the next generation of renewable energy development through initiatives such as demonstration projects for perovskite solar cells and

participation in the Floating Offshore Wind Technology Research Association (FLOWRA).

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

Building on the steady growth of the retail side of our electricity business, we will fully commence power generation operations with the start-up of a large-scale power plant in FY2030. Specifically, we are advancing the construction of Units 7 and 8 of the Chita Thermal Power Station as baseload power sources, together with a gas engine power plant that offers excellent supply-demand balancing capabilities. Through these initiatives, we will meet the growing societal need

for increased electricity supply while establishing a robust revenue base that is less susceptible to volatility in the electricity spot market.

At the same time, we will continue to develop renewable energy sources while responding flexibly to changes in the development environment in order to contribute to the realization of a carbon-neutral society.

Through these efforts, we will grow the electricity business into a core revenue pillar alongside the gas business.

Value Creation Initiatives**Construction of a Large-Scale Gas Engine Power Plant**

In April 2026, Toho Gas announced the construction of the Chubu region's first large-scale, 100 MW-class gas engine power plant. The project was awarded through Japan's Long-Term Decarbonized Power Source Auction scheme, which was established to secure decarbonized power generation capacity. The plant is scheduled to be built on the premises of the Chita Works of JFE Steel Corporation in Handa, Aichi Prefecture. Construction is set to begin in April 2027, with operations targeted to commence in fiscal 2030.

The facility will consist of 14 highly responsive gas engines. By controlling the number of operating units and their operating hours, the plant will be able to respond flexibly to fluctuations in power output caused by supply-demand balancing constraints associated with the expansion of renewable energy sources. Through these capabilities, the plant will contribute to the stability of the power grid while also helping to stabilize revenue in our electricity business.

Nurturing the Driving Forces of Growth

Overseas Business



We will unite as a group to develop our overseas business into a core revenue pillar and firmly advance the realization of Toho Gas Group Vision.

Mitsuhiro Otsu

Managing Executive Officer
In charge of Business Development Department

Business Environment (Risks and Opportunities)

The business environment in which we operate our overseas business is becoming increasingly complex, driven by factors such as global decarbonization initiatives, shifts in energy policies, and the volatile geopolitical situation in the Middle East. As a result, assessing future market growth is far from straightforward. However, we view these developments as a significant opportunity to leverage the expertise we have cultivated in energy utilization. In Southeast Asia, where growth is expected, and in North America and Australia, where investment opportunities are abundant, there is strong demand not only for further development of conventional electricity and gas businesses but also for a transition to biomethane and the adoption of renewable energy as part of decarbonization efforts. By accurately identifying changes in customer needs both in Japan and overseas, as well as broader decarbonization trends, we intend to expand our business domains overseas while creating new value as an energy provider. Drawing on the expertise gained through many years in the gas business and collaborating with trusted partners, we will pursue steady growth even in this uncertain business environment.

FY2025 in Review

In FY2025, we significantly strengthened the foundation of our overseas business, a key driver of future growth. Specifically, through an equity investment in YES Group (SA), an Australian renewable energy developer, we entered the solar power generation and energy storage markets. Separately, to accelerate business development in Asia, we will strengthen our local presence by opening offices in Vietnam and Indonesia, in addition to our existing operations in Singapore. Building on our existing industrial natural gas sales and renewable energy businesses, we are also exploring the commercialization of biogas projects based on local production (sourcing) and local distribution. In developed markets such as North America, we have also made steady progress in building a diversified portfolio through investments in renewable energy and hydrogen technologies. Leveraging the expertise we have cultivated across the entire natural gas value chain, we are applying our knowledge to assess individual project risks and propose fuel-switching solutions. As a result, we are steadily establishing a business foundation that will contribute to local demand creation and economic growth in the regions where we operate.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

Under Medium-Term Management Plan 2025–2027, the overseas energy business is positioned as a strategic business that will drive profit growth. While we will further accelerate the expansion of the business foundation we have built in Asian markets, the cornerstone of our strategy is to enhance business value through stronger collaboration with existing partners. While responding swiftly to changes in government policies and other external factors, we will promote low-carbon and decarbonization initiatives that address local needs by maintaining price competitiveness, diversifying procurement sources, and exploring new products such

as locally produced (sourced) and distributed biogas. At the same time, we regard North America and Australia, where investment opportunities are more abundant, as key regions for our next stage of growth. In these regions, we will pursue new business opportunities in the electricity and gas sectors and expand our operations by leveraging the strengths of the Toho Gas Group.

To drive these initiatives forward with conviction, we will focus on fostering a corporate culture that encourages taking on challenges and on developing global talent, thereby carrying out the transformation of our business structure. We will unite as a group to develop our overseas business into a core revenue pillar and firmly advance the realization of Toho Gas Group Vision.

Value Creation Initiatives

Entry into the Renewable Energy Market in Australia

In December 2025, Toho Gas invested in YES Group, a company that develops and operates renewable energy projects and conducts electricity retail operations across southeastern Australia, as well as in the business assets owned by the group. This investment marks our entry into Australia's renewable electricity market. YES Group has developed more than 100 solar power plants and battery storage facilities to date and possesses expertise across the entire value chain, from construction and operation management of these assets to electricity retail sales.

Through this investment, we will contribute to the expansion of infrastructure centered on solar power generation and battery storage systems being developed by YES Group. In addition, we will deepen our understanding of power markets and strengthen collaboration with local partners, thereby identifying new business opportunities and contributing to the region's low-carbon and decarbonization efforts.



YES Group solar power plant and battery storage facility currently under construction

Deeper Cultivation of Region-Based Businesses

Real Estate Business



As a core company responsible for the Real Estate Business, which has been positioned as a strategic business under Toho Gas Group Vision, we will continue to play a role in supporting the sustainable growth of the Toho Gas Group.

Takashi Fujii

Representative Director, President
Toho Gas Real Estate Development Co., Ltd.

**Business Environment
(Risks and Opportunities)**

Toho Gas Real Estate Development operates a broad range of businesses, primarily in the Nagoya area, including the operation and management of commercial and office buildings such as the Gas Building, rental apartments, sports facilities including an ice-skating rink, hotel and training facilities (for seminars), food and beverage businesses (restaurants and bakeries), and green-related services (landscape management and exterior works). Although the business environment remains challenging due to rising material and raw material costs, labor shortages, and increasing interest rates, we will leverage the expertise and community relationships cultivated over nearly 70 years since our founding in 1958. As a core company responsible for the Real Estate Business, which has been designated as a strategic business under Toho Gas Group Vision, we will pursue initiatives in the real estate business, facility business, green business, and lifestyle content business, thereby contributing to the sustainable growth of the Toho Gas Group.

FY2025 in Review

In the real estate business, as part of the development and utilization of real estate assets, we began construction of a condominium project jointly with Nomura Real Estate Development Co., Ltd. on the site of a former employee dormitory in Meito Ward, Nagoya. In addition, with a view toward future entry into the asset management business on our own, we invested in private funds and real estate investment trusts (REITs) and participated, together with a Japanese corporation, in a mixed-use development project in Australia.

In the facility business, which includes facility management, cleaning and security services, and building management, we worked to improve operational efficiency through initiatives such as unmanned operation of building management functions. We also focused on reducing equipment failure rates and maintenance costs while enhancing service quality. Together with the green business, we expanded direct sales activities targeting property owners to secure new orders from outside the Toho Gas Group.

In the lifestyle content business, including sports, seminars, and food-related operations, we

expanded fitness center space in response to growing membership. We also renovated the Howa Seminar Plaza in anticipation of increasing hotel accommodation demand. In addition, we undertook various initiatives, including hands-on experience programs, to further enhance customer satisfaction.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

Leveraging the strengths that come with being a part of the Toho Gas Group, we will enhance our presence in the region while pursuing stable and sustainable growth and contributing to the realization of a low-carbon society.

In the real estate business, in addition to increasing earnings from our core assets, including owned office buildings and rental housing through sound property management, we will examine and plan mixed-use developments utilizing properties we own, as well as community development projects centered on detached houses for sale. We will also closely monitor real estate market conditions while pursuing the acquisition of income-producing properties and participation in joint ventures for new projects.

In the facility business and green business, we will work to expand profits through greater operational efficiency while providing high-quality and competitive products and services and increasing the number of new contracts.

In the lifestyle content business, we will contribute to coexistence efforts with local communities as a member of the Group while striving to secure profitability. To ensure that customers can use our facilities with peace of

mind, we are preparing to apply for certification under Japan's disclosure and barring service (DBS) system in accordance with the Prevention of Sexual Violence Against Children Act. In addition, we will expand services for corporate and organizational customers and provide support for sports clubs and other activities.

All of our businesses contribute to the realization of a richer and more fulfilling lifestyle. By capitalizing on these characteristics, we will continue working to meet the expectations of local communities and our customers.

Value Creation Initiatives**Condominium development planned for construction (Artist's rendering)****Mixed-use facility in Rozelle Village, Australia (Artist's rendering)**

Mission and Responsibility Toward Carbon Neutrality

Carbon Neutrality



Together with the entire Group, and in partnership with local communities and customers, we will contribute to the realization of a carbon-neutral society and the further development of the Tokai region.

Takayuki Kurobe

Managing Executive Officer
In charge of Planning Department and
Carbon Neutral Development Department

**Business Environment
(Risks and Opportunities)**

Even amid growing uncertainty in the business environment, including the emergence of geopolitical risks and a slowdown in carbon-neutrality-related investments, our responsibility to contribute to the realization of a carbon-neutral society remains unchanged.

Under the 7th Strategic Energy Plan, natural gas continues to be positioned as an important energy source even in a carbon-neutral future, while e-methane is identified as a next-generation energy source. As a company serving the Tokai region, one of Japan's leading manufacturing hubs, we have a significant role to play. We also have a mission to expand the expertise and know-how cultivated through our work with customers into rapidly growing regions like Asia.

While steadily advancing initiatives that can be implemented in the near term, we will devote our full efforts to addressing various issues through technological development, cost reductions, and collaboration to establish environmental value frameworks and rules both in Japan and overseas.

FY2025 in Review

In light of changes in the business environment, we revised our *2050 Carbon Neutrality Initiatives* and presented an updated roadmap to meet the diverse needs of customers. This will be achieved by realizing the carbon neutrality of supplied energy through multiple means, based on the "S+3E" approach, which aims to balance the three Es of energy security, economic efficiency, and environmental compatibility with safety as the major premise.

At the same time, we worked to expand the adoption of natural gas, which contributes to near-term decarbonization efforts. We also participated in the Live Oak Project, an e-methane production initiative in the United States aimed at commencing operations in FY2030, and conducted a trial procurement of U.S.-sourced biogas. In addition, we advanced a range of initiatives in Japan and elsewhere overseas, including a joint demonstration project aimed at generating carbon credits through the use of the private-sector Joint Crediting Mechanism (JCM), demonstration testing of CO₂ separation and

capture technologies, and the commencement of operations at a biomass power generation facility.

We also established a new U.S. subsidiary and are promoting initiatives in the United States that contribute to the realization of a carbon-neutral society.

Business Strategies for Achieving Medium-Term Management Plan 2025–2027 and Realizing Toho Gas Group Vision

To realize a carbon-neutral society, it is essential to provide a diverse range of options tailored to the specific characteristics of each customer's business. To help reduce CO₂ emissions in the near term, we take a field-based approach to gain a thorough understanding of each customer's challenges and provide optimal solutions by leveraging our strengths in measurement and energy-saving technologies. At the same time, we are expanding our lineup of equipment and services.

In parallel, we are increasing the pace of project development both in Japan and overseas with a broad range of partners for the introduction of e-methane and biogas by fiscal 2030, one of the targets set forth in Medium-Term Management Plan 2025–2027. In addition, we are working with government bodies and industry organizations to establish frameworks for environmental value and enhance the recognition of these technologies.

Together with the entire Group, and in partnership with local communities and customers, we will contribute to the realization of a carbon-neutral society and the further development of the Tokai region.

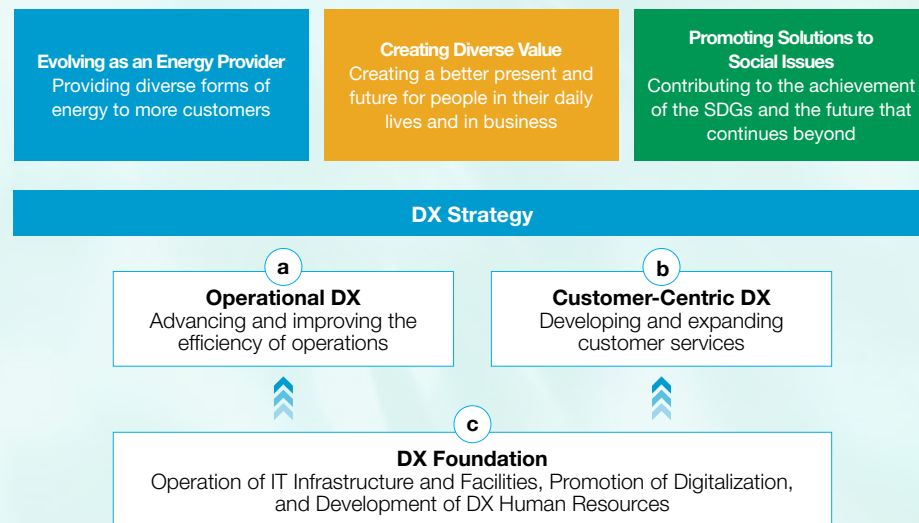
Value Creation Initiatives**Live Oak Project: e-methane
Production Initiative in the U.S.
State of Nebraska**

The Live Oak Project is an initiative to produce e-methane, a next-generation energy source, in the U.S. state of Nebraska, by synthesizing renewable energy-derived green hydrogen with biomass-derived CO₂ recovered from a bioethanol plant. Annual production capacity is expected to be approximately 75,000 tons. In December 2025, we entered into a joint development agreement with Osaka Gas Co., Ltd., ITOCHU Corporation, TotalEnergies, and Tree Energy Solutions (TES). The project aims to achieve the world's first commercial-scale production of e-methane and establish an international supply chain. Under a strong partnership framework, studies and preparations are being accelerated toward a final investment decision by FY2027 and the commencement of production and exports to Japan in FY2030.

DX and Technology Development Activities Supporting Business Strategy

DX Initiatives

To drive efforts focused on the themes set forth in Toho Gas Group Vision, namely, evolving as an energy provider, creating diverse value, and promoting solutions to social issues, we will promote digital transformation (DX) across the Group by leveraging digital technologies, led by the Digital Transformation Promotion Department of the Innovation Promotion Division.



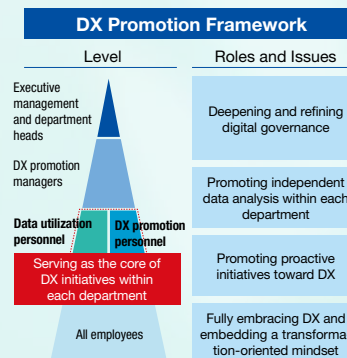
Human Resource Development and Training

We will enhance DX-related education so that all employees can proactively utilize IT and digital technologies in their work.

In addition, we will develop DX human resources who serve as the core of proactive DX promotion initiatives within each department across the Group and establish systems to support them.

Acquisition of DX Business Operator Certification

In June 2025, Toho Gas was certified as a DX Business Operator. By promoting digitalization and developing human resources well-versed in DX, we will promote DX in areas such as the development and expansion of customer services.



Technology Development Initiatives

The Group aims to contribute to a sustainable society, including the realization of carbon neutrality by addressing diverse needs and challenges related to daily life, communities, and business through technology development.

Core Businesses

We will promote technology development aimed at shifting to natural gas with a lower environmental impact and its advanced utilization, as well as initiatives that achieve both a stable gas supply and operational efficiency.

Strategic Businesses

We will engage in technology development aimed at realizing a circular economy, contributing to deeper cultivation of region-based businesses, as set forth in Medium-Term Management Plan 2025-2027.

Carbon Neutrality

We will contribute to regional decarbonization through CO₂ separation and recovery technologies that form the starting point for carbon recycling, e-methane demonstration projects, and initiatives that support the adoption of hydrogen.

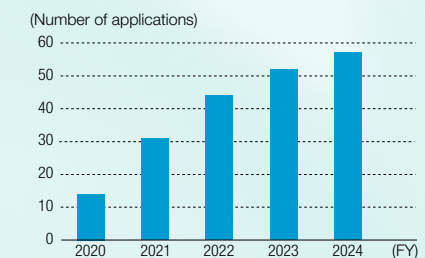
Intellectual Property Activities to Enhance the Value of Technology

As we advance our technology development initiatives, we continue to file patent applications on a steady basis. Going forward, we will continue promoting the use of IP Landscape^{*1} to acquire higher-quality intellectual property and secure a competitive advantage in technology.

^{*1} An initiative that utilizes analysis of intellectual property information in formulating corporate strategies

^{*2} The number of patent applications filed since FY2020 that have been published. Data for FY2025 and FY2026 is not presented because it includes patent applications that have been filed but not yet published.

Cumulative Number of Patent Applications^{*2}



Technical Communication for Social Implementation

To facilitate the social implementation of the outcomes of our technology development efforts, we are actively engaged in technical communication.

As one example, we have opened CaN-Lab, a visitor facility at the Technical Research Institute that introduces technology development initiatives, including those related to carbon neutrality, to stakeholders. Through visits to this facility, we deepen communication with customers and create opportunities for collaboration.



Technical Communications Facility, CaN-Lab

Human Resource Strategy



We will build an environment where diverse human resources can maximize their potential.

Tadamasa Morii

Executive Officer
General Manager of Personnel Department

Risks and Opportunities Related to Human Capital

To realize the business structure transformation set forth in Toho Gas Group Vision, it is essential to secure and empower diverse human resources in both the strengthening of our core businesses and the expansion of our strategic businesses.

Amid changes in the labor environment, securing talent is becoming increasingly challenging due to the declining working-age population associated with Japan's aging society and low birth rate. At the same time, greater labor mobility and the diversification of values present opportunities to welcome people with knowledge and experience in a wide range of fields and to generate new ideas. Based on this perspective, Medium-Term Management Plan 2025–2027 emphasizes alignment between business strategy and human resource strategy. We have identified four key human resource priorities: human resource management; diversity, equity, and inclusion (DE&I); flexible workstyles and productivity improvements; and safety and health management. Through these initiatives, we are advancing the development of an environment in which diverse employees can maximize their potential.

Human Resource Strategy for Enhancing Corporate Value

In response to changes in the labor environment and to help realize our ideal positioning, we revised our human resource system in April 2026 as part of our human resource management initiatives. Under the new system, we reviewed job grades to enable more flexible and earlier promotions, while also introducing a new framework that allows employees with advanced expertise in specific fields, such as DX and engineering, to fully leverage their specialized skills.

In implementing the new system, we aim to promote behavioral change among employees and create a virtuous cycle of pursuing challenges and growth through the linkage of human resource initiatives, including appropriate evaluation, optimal talent placement, and talent development, thereby achieving the sustainable enhancement of corporate value. In particular, we place importance on day-to-day interaction between supervisors and employees. By increasing the frequency of regular one-on-one meetings and providing evaluator training, we seek to promote dialogue that fosters mutual understanding and strengthens support for employee growth. In

addition, we have reorganized our human resource development framework, including qualification and training programs, and continue to support self-directed career development by expanding opportunities to take on challenges, such as our internal job posting system, studies at graduate schools in Japan and abroad, and overseas fieldwork initiatives.

Under our diversity, equity, and inclusion (DE&I) initiatives, we are working to secure and support the success of diverse human resources through measures that include promoting the recruitment and advancement of women and mid-career hires, supporting the balance between work and personal life, and expanding job opportunities for employees with disabilities.

We are also promoting flexible workstyles and productivity improvements through a two-pronged approach of expanding programs such as telework and hourly paid leave while also promoting digitalization to improve operational efficiency. Going forward, we will drive fundamental reviews of work processes through the use of generative AI and other technologies to accelerate value creation across the organization.

The effective execution of these initiatives requires the creation of a workplace where employees can work with confidence and peace of mind. To this end, we are also striving to build organizations that deepen mutual understanding, including by holding workplace meetings focused on the theme of psychological safety.

In the area of safety and health management, we are creating a workplace environment where employees can continue to work safely, comfortably, and with peace of mind over the long term by promoting Group-wide occupational safety and health activities and health and productivity management. Beginning in FY2026, we have

further strengthened our health and productivity management initiatives by expanding options for additional medical examinations and enhancing health-related measures through the introduction of an occupational health management system. As a result of these efforts, Toho Gas was recognized for the sixth time in total as a Certified Health & Productivity Management Outstanding Organization 2026 (White 500, Large Enterprise Category).

Value Creation Initiatives

Publication of Toho Gas Group Human Capital Report 2026

In March 2026, we published *Toho Gas Group Human Capital Report 2026* (Japanese only) to help customers and other stakeholders gain a deeper understanding of the Toho Gas Group's human capital management initiatives.

As the importance of human resources continues to increase as we aim to achieve the goals set forth in Toho Gas Group Vision, this report summarizes the Group's approach to people, various initiatives based on its human resource strategy, and related targets and performance results. To highlight specific initiatives, the report introduces the perspectives, work, and workstyles of a diverse range of employees through interviews and discussions with Toho Gas Group employees.



Human Resource Strategy

Human Resource Strategy Initiatives

Basic Concept

The source of the Toho Gas Group's sustainable growth lies in the challenges undertaken and growth achieved by each individual employee. To realize Toho Gas Group Vision, announced in March 2022, it is essential that we implement business structure transformation to enhance corporate value. We will therefore increase investment in human resources, who are the driving force behind this transformation, and develop talent capable of leading change by providing diverse opportunities for taking on challenges and achieving growth. At the same time, to create an environment in which every employee can fully demonstrate their capabilities, we are enhancing systems and fostering an organizational culture from four perspectives: human resource management; DE&I; flexible workstyles and productivity improvements; and safety and health management. Through efforts focused on these areas, we will continuously improve employee engagement and maximize individual motivation to take on challenges and pursue growth, thereby accelerating a virtuous cycle in which both our human resources and the Company grow together.

Human Resource Management

With the aim of realizing our desired human resource portfolio, we are promoting recruitment, personnel development, and fair and appropriate evaluation and compensation. Through these initiatives, we seek to nurture and secure talent that supports our core businesses, as well as talent with the management capabilities and expertise needed to lead businesses through periods of transformation.

- Systematically retain and develop human resources to strengthen on-site capabilities in core businesses
- Develop talent that drives transformation in strategic businesses and DX initiatives
- Appropriately evaluate diverse contributions, including enabling employees with advanced expertise and skills in specific fields to fully leverage their professional capabilities
- Develop future management talent through measures such as the early promotion of younger employees, enhanced job rotation in departments related to strategic businesses, and opportunities including secondments and studies at graduate schools in Japan and abroad

Safety and Health Management

Based on our belief that ensuring the safety and health of employees is the foundation on which our organization is built, we promote Group-wide initiatives to ensure the safety and health of our employees, while striving to create a safe and comfortable workplace in which they can thrive over the long term.

- Ensure employee safety and maintain health by preventing traffic and workplace accidents, conducting health checkups and stress checks, and introducing an occupational health system
- Enhance employee health and performance through health and productivity management initiatives, including mental health measures and lifestyle disease prevention programs
- Create a comfortable workplace environment through initiatives such as renovating cafeterias and meeting rooms and enhancing IT infrastructure



Diversity, Equity, and Inclusion

Recognizing that enhancing corporate value and achieving sustainable growth require people with diverse knowledge, experience, and values to exchange ideas and generate new perspectives, we are working to create an organizational culture that enables diverse talent to thrive through support tailored to individual characteristics and initiatives that promote mutual understanding.

- Strengthen the recruitment of women and mid-career hires and proactively appoint employees to management positions based on aptitude and ability
- Support long-term engagement of older employees through career development training, preference-based job matching, and compensation aligned with abilities and responsibilities
- Expand hiring and job opportunities for persons with disabilities and promote understanding through initiatives such as tours of our special subsidiary, Toho Flower
- Foster psychological safety through training programs and workplace meetings focused on this theme

Flexible Workstyles and Productivity Improvements

Through the development and enhancement of various programs that support flexible workstyles, including work-life balance initiatives, the establishment of work environments that enable employees to work regardless of location through tools such as web conferencing, and organizational and cultural initiatives including efforts to improve IT literacy, we are creating an environment in which each employee can work productively and with peace of mind.

- Increase flexibility in working hours and locations through initiatives such as a flextime system, hourly paid leave, and a telework program
- Expand measures to support balancing work with childcare and caregiving through leave programs, shortened working hours, and consultation services provided by specialists
- Respect individual workstyle preferences through initiatives such as a side-job program and a relaxed dress code
- Improve Group-wide productivity through the promotion of digitalization and support for corporate functions across Group companies



For details, please refer to *Toho Gas Group Human Capital Report 2026* (Japanese only).

https://www.tohogas.co.jp/corporate/eco/pdf/2025toho_social.pdf

CHAPTER

03

Foundation for Value Creation

To achieve the sustainable enhancement of the Toho Gas Group's corporate value, a robust management foundation is indispensable.

In this section, we introduce our initiatives in non-financial areas with a focus on environmental, social, and governance aspects, including reducing environmental impact, respecting human rights, and strengthening governance frameworks to enhance management transparency.

Advancement of Sustainability Management 38**Environment**

Disclosure Based on TCFD and
TNFD Recommendations 39

Social

Initiatives Focused on Respect for
Human Rights 43

Contributions to the Local Community 44

Communication with Shareholders
and Investors 46

Governance

Corporate Governance 47

Internal Controls / Compliance 48

Messages from the Outside Directors 49

Directors and Audit & Supervisory
Board Members 51

Advancement of Sustainability Management

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.

Toho Gas Group Sustainability Policy

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.

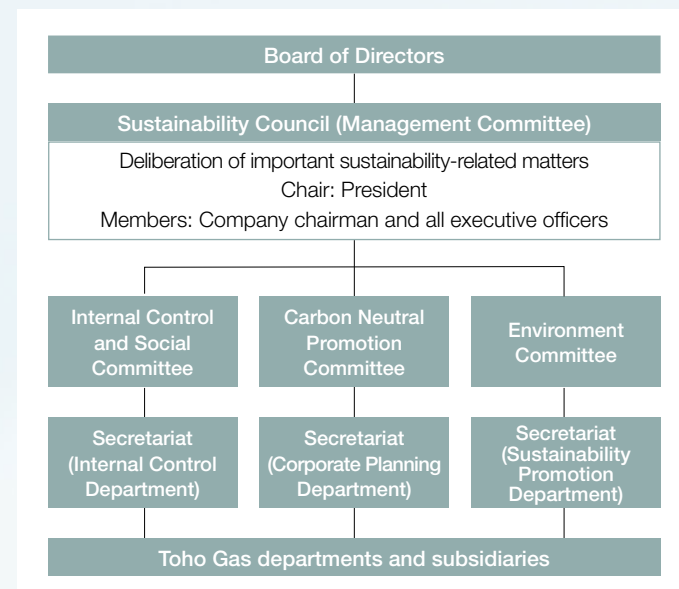
We contribute to the reduction of environmental impact, including the reduction of greenhouse gas emissions.

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

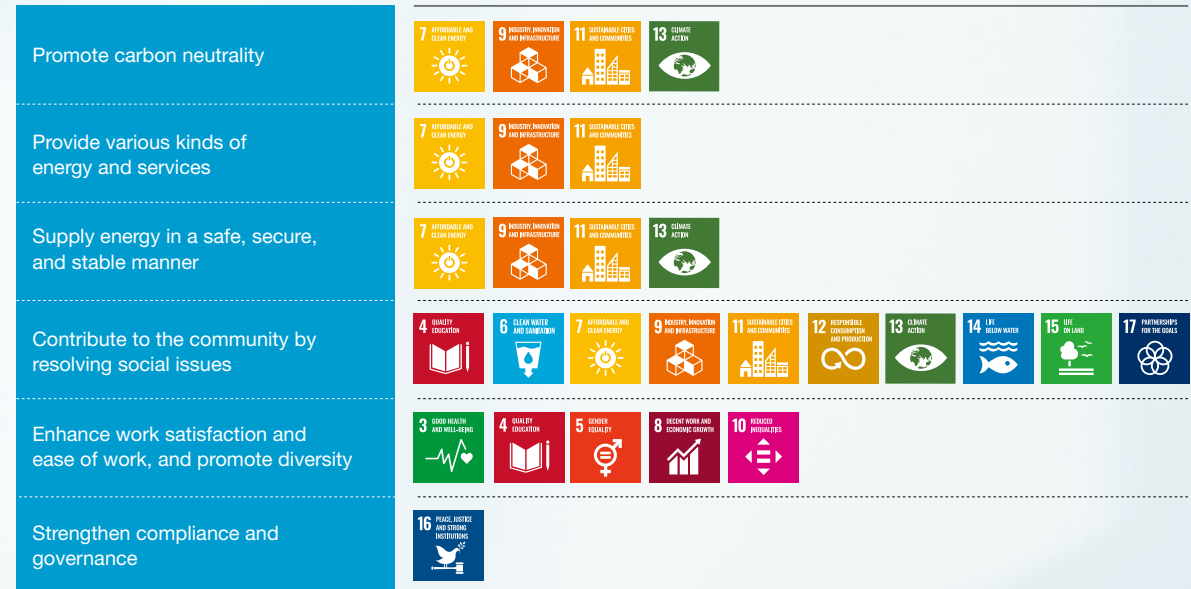
By enhancing a comfortable working environment that respects health and safety, and by fostering challenges and actions, we stimulate the growth of our organization and human resources.

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.

Sustainability Promotion System



Materiality and Related SDGs



Disclosure Based on TCFD and TNFD Recommendations

Basic Approach (TCFD and TNFD)

The Toho Gas Group recognizes addressing climate change and the conservation of natural capital as critical management issues. The Group's business activities and initiatives to pursue decarbonization are significantly affected by external factors such as changes in the climate and natural environment, future transition scenarios, and regulations. Therefore, appropriate assessment of the associated risks and opportunities is essential.

Based on this recognition, we provide disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which we endorsed in April 2020, and the Taskforce on Nature-related Financial Disclosures (TNFD). Under the TCFD framework, we organize information on the impacts of climate change on the Group's business activities and the measures we are taking in response to these impacts. Under the TNFD framework, we organize our analysis results in accordance with disclosure guidance, as well as our initiatives, based on the concept of double materiality.*

Going forward, we will strive to further integrate and enhance these disclosures. By appropriately assessing and disclosing impacts on the management environment from both financial and non-financial perspectives, we aim to contribute to the realization of a sustainable society and the sustainable enhancement of the Toho Gas Group's corporate value.

* Double materiality refers to the concept of identifying both the impacts of corporate activities on the environment and society (impact materiality) and the impacts of changes in the environment and society on a company's financial position and operating results (financial materiality) as material issues.

● Governance (TCFD and TNFD)

At the Toho Gas Group, important matters related to climate change and natural capital, including risks and opportunities, strategies, risk management, and metrics and targets, are submitted to the Board of Directors following deliberation by the Sustainability Council (Management Committee), which is chaired by the president and composed of executive officers. The Board of Directors then oversees the implementation of relevant measures.

In addition, as subordinate organizations of the Sustainability Council (Management Committee), the Carbon Neutral Promotion Committee and the Environment Committee have been established. Each of these committees is chaired by the president or a person designated by the president, and is composed of directors, executive officers, and department heads of the Company and its affiliated companies. These committees discuss themes related to climate change and natural capital.

The Board of Directors includes members with general expertise in environmental and social issues. Furthermore, with respect to the remuneration of internal directors, the level of achievement in each fiscal year regarding avoided emissions is reflected as a climate change and natural capital-related indicator.

● Risk Management (TCFD and TNFD)

With regard to risks and opportunities related to climate change and natural capital, the overall status and related assessments are submitted to the Board of Directors following deliberation by the Sustainability Council (Management Committee). Among these, risks related to climate change and natural capital are incorporated into the company-wide risk management system. In accordance with risk management rules, the Company identifies risk factors, examines countermeasures, and implements ongoing initiatives to mitigate risks. In particular, for climate change risks, the status of their progress and relevant assessments are submitted to the Board of Directors following deliberation by the Sustainability Council (Management Committee).

● Strategies (TCFD)

The Toho Gas Group has identified and evaluated future risks and opportunities related to climate change and strategies to address these matters, in line with TCFD recommendations.

In terms of scenario analyses, from external scenarios, we selected the 1.5°C scenario, in which temperature rise is limited to 1.5°C, and the 4°C scenario, in which low-carbon initiatives are not promoted, and implemented a cross-sectional scenario analysis for the year 2050.

Main External Scenarios Used in Scenario Analysis

International Energy Agency (IEA)

- World Energy Outlook: NZE, APS, STEPS
- Energy Technology Perspectives: B2DS and RTS

Intergovernmental Panel on Climate Change (IPCC)

- Fifth Assessment Report: RCP2.6 and RCP8.5

Based on the envisioned society in 2050 derived from these two selected scenarios, we identified risks and opportunities considering temporal axes such as short- to medium-term (through 2030) and medium- to long-term (through 2050) and assessed their impact. We are working on enhancing resilience to address both business risks and opportunities.

As a strategy toward meeting our goals for 2050, the *Toho Gas Group 2050 Carbon Neutrality Initiatives* was deliberated by the Management Committee and submitted to the Board of Directors, and was then updated and disclosed in March 2026. Regarding customer solutions, we will focus on expanding gas usage and fuel switching, supporting energy conservation and carbon neutrality, and enhancing our gas and electricity equipment and services. To decarbonize the energy we supply, we will accelerate the introduction of e-methane and biogas, initiatives involving J-Credits and private-sector Joint Crediting Mechanism (JCM) credits, hydrogen-related technology development and supply chain establishment, the practical application of CO₂ utilization and storage, and the expansion of renewable energy sources.

Environment Social Governance

Disclosure Based on TCFD and TNFD Recommendations

● Response to Risks and Opportunities (TCFD)

■ Risks with comparatively large financial impact ■ Opportunities with comparatively large financial impact

Scenarios and external environment				Short- to medium-term (present to 2030)	Medium- to long-term (2030 to 2050)
Major climate change-related risks	1.5°C scenario Transition risks	Technology	Progress of decarbonization innovation	Poor competitiveness due to delay in technological development	Further loss of competitiveness due to delay in technological development
			Carbon pricing	Increased sales prices of gas and electricity	Accelerated overseas relocation of domestic companies
		Regulation	Energy shift	Reduced amount of energy usage through energy conservation Shift to electrification starting from the ground up	Reduced amount of energy usage through energy conservation Shift to electrification in the thermal sector
			Change in customer preferences	Decreased thermal demand in the industrial sector Promotion of passenger car electrification Shift to electrification due to ZEH and ZEB (mainly new buildings)	Further decreases in thermal demand in the industrial sector Promotion of electrification of various passenger car models Shift to electrification due to ZEH and ZEB (new and existing buildings)
		Reputation	Assessment by investors	Lower assessment of companies that are unwilling to decarbonize	Even lower assessment of companies that are unwilling to decarbonize
	4°C scenario Physical risks	Acute	Increasing weather intensity	Gradual increase in the cost of countermeasures related to production and supply facilities Gradual increase in disaster recovery costs	Further increase in the cost of countermeasures related to production and supply facilities Further increase in disaster recovery costs
			Rising temperatures	Decreased demand for heating and hot water Strain on power transmission capacity at peak periods	Further decreased demand for heating and hot water Further strain on power transmission capacity at peak periods
		Chronic	Rising temperatures	Social implementation of decarbonization technology (e-methane, hydrogen, etc.) Expanded use of technology for energy conservation and advanced, high-efficiency energy utilization	Expanded use of decarbonization technology (e-methane, hydrogen, etc.) Further expanded use of technology for energy conservation and advanced, high-efficiency energy utilization
Major climate change-related opportunities	1.5°C scenario Transition risks	Technology	Progress of decarbonization innovation	Social implementation of decarbonization technology (e-methane, hydrogen, etc.) Expanded use of technology for energy conservation and advanced, high-efficiency energy utilization	Expanded use of decarbonization technology (e-methane, hydrogen, etc.) Further expanded use of technology for energy conservation and advanced, high-efficiency energy utilization
			Carbon pricing	Rising demand for gas and electricity (fuel conversion and advanced use)	Expanded use of carbon-neutral energy
		Regulation	Energy shift	Expanded use of renewable energy and storage batteries Expanded use of cogeneration	Further expanded use of renewable energy and storage batteries Expanded use of decarbonization technology
			Change in customer preferences	Growing need for decarbonization support Expanded use of fuel cell vehicles (passenger vehicles and fuel cell commercial vehicles) Growing need for optimal and advanced energy utilization	Further growing need for decarbonization support Expansion of fuel cell vehicle market (vehicle model expansion, port equipment) Expanded use and expansion of energy demand optimization systems
		Reputation	Assessment by investors	Higher assessment of companies that are proactive in decarbonization efforts	Even higher assessment of companies that are proactive in decarbonization efforts
	4°C scenario Physical risks	Acute	Increasing weather intensity	Growing need to introduce a highly resilient supply infrastructure and energy system	Further growing need to introduce a highly resilient supply infrastructure and energy system
			Rising temperatures	Rising demand for air-conditioning and growing need for high-efficiency HVAC systems Rising demand for products and services that reduce peak electricity usage	Further rising demand for air-conditioning and growing need for high-efficiency HVAC systems Further expanded use of products and services that reduce peak electricity usage
		Chronic	Rising temperatures	Higher assessment of companies that are proactive in decarbonization efforts	Even higher assessment of companies that are proactive in decarbonization efforts

Main responses to climate change		Main responses
1.5°C scenario Transition risks		Solutions for Customers ▪ Expanding commercial, industrial, and residential gas use ▪ Fuel switching to natural gas ▪ Promoting highly efficient use of energy, etc. ▪ Supporting carbon neutrality for commercial sectors "CNxP" ▪ Expanding service lineups for gas and electricity Decarbonizing Our Energy Supply ▪ Deployment of e-methane and biogas ▪ J-Credit initiatives ▪ Private sector JCM initiatives ▪ Technological development for hydrogen production and transportation ▪ Establishment of hydrogen supply chains ▪ Technological development of CO₂ separation and capture ▪ Practical application of various CO₂ use and storage methods ▪ Expanding renewable energy sources ▪ Joint development of zero-emission thermal power plants Other Initiatives ▪ Overseas carbon neutrality initiatives ▪ Cooperation with local governments and partners ▪ Cooperation with start-ups ⇒ We are striving to achieve carbon neutrality throughout the entire supply chain, including our customers' sites, by 2050.
		 Toho Gas Group 2050 Carbon Neutrality Initiatives https://www.tohogas.co.jp/lang/en/corporate/company-vision/pdf/carbon-neutrality-initiative.pdf
4°C scenario Physical risks		• Storm surge and flood countermeasures • Supply block subdivision • Expanded use of a highly resilient energy system • Proposals for energy conservation and advanced energy utilization • Peak shaving through aggregation and advanced utilization of city gas

● Metrics and Targets (TCFD)

The Toho Gas Group has established the following metrics and targets and manages progress accordingly.

Main Climate Change-Related Metrics and Targets

	Metrics and targets			
	2027	2030	2040	2050
Avoided emissions ^{*1, *3}	3 million t		5 million t	
Greenhouse gas emissions ^{*1, *3} (Scope 1 to 3)	~500,000 t		~3 million t	
Carbon-neutral gas ratio ^{*2, *3}	5%		40%	
Carbon-neutral electricity ratio ^{*2, *3}	25%		50%	
Volume of e-methane introduced ^{*4}	Full-scale introduction (1% or more)			
Hydrogen sales ^{*4}	400 t			
J-Credits generated ^{*4}	[2025–2027 cumulative total] 2,000 t-CO ₂			
Development of CO ₂ separation and the capture technology Cryo-Capture ^{®44}	Social implementation			
Sales of CN×P business ^{*4}	13 billion yen			

*1 FY2020 serves as the annual reduction baseline.

*2 Carbon neutrality rate to be achieved through various means

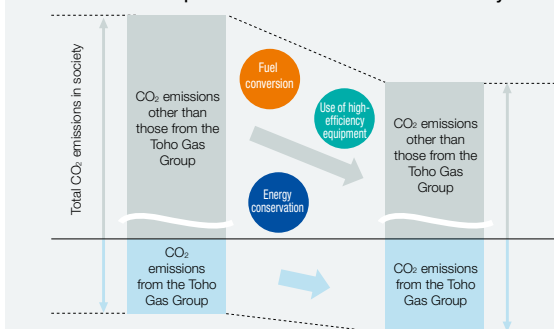
*3 Based on the 7th Strategic Energy Plan, this scenario assumes a range of uncertainty in the progress of carbon neutrality. The figures shown assume cases where technological breakthroughs are realized, significant cost reductions are achieved, and various innovative technologies are utilized to advance carbon neutrality. This assumption is based on information available at present and may be revised as appropriate in response to changes in the business environment, as it is significantly affected by external factors such as international conditions and regulatory developments.

*4 For details, please refer to the Toho Gas Group Medium-Term Management Plan 2025–2027, published on the Company's website.

Avoided Emissions

Avoided emissions are the quantified measure of how much Toho Gas products and services have contributed to reducing CO₂ emissions from others.

Calculated based on the "Guidelines for Calculating Avoided Emissions in the City Gas Industry" (Japan Gas Association)

How Toho Gas Group Affects Total CO₂ Emissions in Society

By transitioning from other fossil fuels to low-carbon city gas, CO₂ emissions from the Group increase, but CO₂ emissions from customers decrease.

Disclosure Based on TCFD and TNFD Recommendations

● Strategies (TNFD)

In line with TNFD recommendations, we have identified and assessed nature-related risks and opportunities, as well as the strategies to address them.

Based on the LEAP approach recommended by the TNFD, we have conducted identification, analysis, and evaluation of dependencies and impacts on nature, as well as the associated risks and opportunities.

The scope of analysis has been determined by taking into account the scale of business and the degree of dependencies and impacts on nature. We have conducted evaluations for the gas business (city gas and liquefied petroleum gas [LP gas]), the electricity business, and the heat supply business.

Note: For the city gas business, the entire value chain from raw material procurement (including investees) through to production and supply is evaluated. For the electricity business (wind, solar, thermal, and biomass power generation), LP gas business, and heat supply business, the evaluation covers the Company's direct operations and the operating sites of investees.

● Identifying Sensitive Locations (TNFD)

To understand the relationship between the Group's operating bases and investees associated with its main businesses and the surrounding natural environment, we identified sensitive locations within the Group using various tools.

Specifically, we used the Integrated Biodiversity Assessment Tool (IBAT) and Global Forest Watch for assessing biodiversity importance, Aqueduct for assessing water stress, and GLOBIO-web for assessing ecosystem integrity. As a result of the analysis, 33 sites in Japan and overseas were identified as sensitive locations due to their proximity to natural parks and wildlife protection areas.

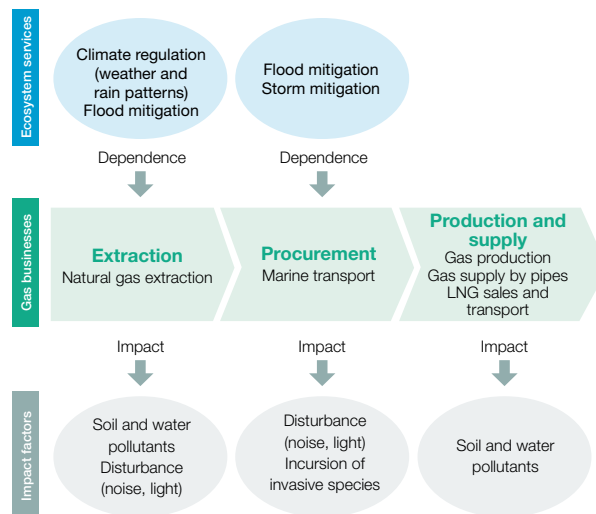
● Dependencies and Impacts on Nature (TNFD)

We identified dependencies and impacts on nature using ENCORE, and analyzed the relationships between the relevant businesses, ecosystem services, and natural capital.

Relationship Between Target Businesses, Ecosystem Services, and Natural Capital

Business	Dependencies and impacts
Gas Businesses (City Gas and LP Gas)	There is a strong possibility of soil and water pollution during natural gas extraction and city gas and LP gas manufacturing processes, as well as of impacts on native species from ballast water during the transport of natural gas. In addition, there may be a high degree of dependence on climate regulation and flood mitigation in extraction and procurement. See the figure below for details on dependencies and impacts on nature for each value chain in the city gas business.
Electricity Business	There is a strong possibility of impacts from greenhouse gas emissions in gas-fired power generation, and a high degree of dependence on climate regulation functions in wind and solar power generation.
Heat Supply Business	There is a strong possibility of significant impact from greenhouse gas emissions from the manufacturing processes for steam, cold and hot water, etc.

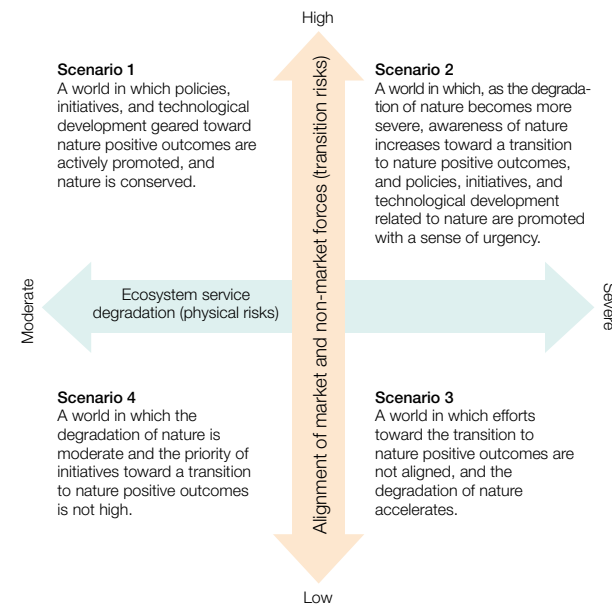
Dependencies and Impacts on Nature for Each Value Chain in the City Gas Business



● Scenario Analysis (TNFD)

We conducted a scenario analysis to analyze and identify business risks and opportunities related to dependencies and impacts on nature. In the scenario analysis, we used two critical uncertainties recommended by the TNFD: "ecosystem service degradation" (related to physical risks) and "alignment of market and non-market forces" (related to transition risks). Based on these two axes, four scenarios are established, and risks and opportunities under each scenario are identified.

Overview of Scenario Analysis



Disclosure Based on TCFD and TNFD Recommendations

● Risks, Opportunities, and Responses (TNFD)

Based on the identified priority areas, dependencies and impacts on nature, and the results of scenario analysis, we qualitatively assessed the likelihood of occurrence and financial impact of nature-related risks and opportunities under each scenario. We evaluated the likelihood of occurrence at three levels, high, medium, and low, across each temporal axis: short-term (present to 2030), medium-term (2030 to 2040), and long-term (2040 to 2050). We identified the timing at which likelihood first reached “medium” or “high” as the expected time of occurrence. We also evaluated financial impact at three levels, high, medium, and low, based on the impact on the Company if such risks or opportunities materialized under each scenario, and we identified those with “medium” or “high” financial impact as material risks and opportunities.

In the short term, we assessed transition risks, attributed to the electrification of heat sources, as having a high likelihood of occurrence. In the medium term, we assessed physical risks, such as natural disasters caused by environmental degradation, as having a high likelihood of occurrence. We identified the development of e-methane and zero-emission thermal power generation businesses as important opportunities, contributing to enhanced reputation in the short term and revenue growth in the medium to long term.

In response, we have implemented measures to mitigate risks and realize opportunities, and we will continue to strengthen risk management while advancing initiatives to expand business opportunities.

Nature-related Risks, Opportunities, and Main Responses

Classification			Overview of main nature-related risks and opportunities	Timing of occurrence	Financial impact	Current status of responses
Major risks	Physical risks	Gas	Decreased revenue due to suspension of operations at suppliers or production sites caused by storms and flooding	Medium term	High	• Diversification of LNG procurement sources • Promotion of safety and disaster prevention measures at production facilities
		Electricity	Loss of assets and decreased revenue due to suspension of operations at power generation facilities caused by storms, flooding, and landslides	Medium term	Medium	• Acquisition of power generation assets with natural disaster risks taken into account • Appropriate application and compliance with acquisition criteria
	Transition risks	Gas	Increased transportation costs due to tighter regulations on ballast water, etc., for transport vessels	Short term	Medium	• Installation of water treatment equipment compliant with international regulations • Incorporation of regulatory compliance clauses into procurement contracts
			Decreased revenue due to customers switching from city gas to electricity in response to environmental regulations	Short term	High	Promotion of low carbonization through expanded use of natural gas and carbon neutrality of supplied energy through multiple measures
		Electricity	Increased costs due to strengthened regulations related to land modification and waste	Medium term	Medium	Collection of regulatory information through industry associations and related business partners
			Decline in demand and occurrence of compensation costs due to reputational damage from ecosystem loss	Short term	Medium	Selection of facilities with appropriately assessed impacts on nature
Major opportunities	Gas	Gas	Improved social evaluation through progress in e-methane and biogas initiatives, reducing dependence on fossil fuels	Short term	High	• Promotion of surveys and development in North America and other regions for overseas procurement • Launch of e-methane production demonstration project in Japan
			Increased revenue opportunities through sales of e-methane and biogas	Medium term	High	
		Gas	Increased market value through improved social evaluation resulting from the introduction of carbon dioxide capture, utilization, and storage (CCUS)	Short term	Medium	• Development and demonstration of CO₂ capture technologies • Business feasibility studies for CO₂ utilization and storage
			Expansion of financing methods through sustainable finance	Medium term	Medium	Investment in carbon neutrality fields utilizing transition bonds issued in 2022
	Electricity	Electricity	Improved social evaluation through the development of nature-conscious renewable energy	Short term	Medium	Selection of facilities with appropriately assessed impacts on nature
			Increased revenue and improved social evaluation through increased demand driven by zero-emission thermal power generation	Medium term	High	Participation in thermal power generation with a view to co-firing hydrogen and e-methane

● Metrics and Targets (TNFD)

Based on the concept of double materiality, the Toho Gas Group identified managing the spill of pollutants into soil and water in the gas business (city gas and LP gas) and the electricity business (thermal power generation), where both the impact on nature and importance from a business perspective are high, as a key target. To prevent soil and water pollution, we have set a nature-related target of maintaining zero incidents of soil and water pollution per year and will manage progress accordingly.

Metrics and targets			Units	FY2025 results*
GHG emissions	Total GHG emissions (Scope 1, 2, and 3)		t-CO ₂ e	10,498,706 ^{*2}
Total spatial footprint	Total surface area managed by the organization		Thousand m ²	1,950 ^{*3}
Pollutants released into soil and water	Number of spill incidents ^{*4}		Incidents	0
Wastewater discharged	Wastewater volume	Total	Thousand m ³	212,642
		Discharge to sewer		291
		Discharge to rivers		108
		Discharge to oceans		212,243
	Pollutants	Chemical oxygen demand load	t	0
Waste generation and disposal	Amount of waste generated		t	30,086
	Amount of hazardous waste			20
	Amount reduced			2,984
	Amount for final disposal			847
	Amount recycled			26,255
Plastic pollution	Amount of plastics used in or sold as products		—	Not applicable ^{*5}
Non-GHG air pollutants	Emissions of non-GHG air pollutants by type	Nitrogen oxides	t	16
		Sulphur oxides		0
		Volatile organic compounds		0
Water withdrawal and water consumption from areas of water scarcity	Water withdrawal and water consumption from areas of water scarcity		—	Not applicable ^{*6}
Quantity of high-risk natural commodities ^{*7}	LNG		thousand t	2,535
	LPG			599

*1 Scope of results: The Company and consolidated subsidiaries in Japan

*2 Breakdown is provided in the Environmental Data section of *Sustainability Factbook 2026*.

*3 Breakdown is provided in Section 3 of the Securities Report (Japanese only), which covers the status of property, plant and equipment at major facilities.

*4 Number of reportable incidents under Article 14-2 of the Water Pollution Prevention Act

*5 Analysis covers products manufactured at the Company's own plants.

*6 Not applicable as the Company does not conduct business activities involving water withdrawal or discharge in water-stressed areas

*7 Raw materials deemed to have significant impacts on nature by the Science Based Targets Network

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 the 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.

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.



Promotion Framework

The Internal Control and Social Committee, which comprises members from the Company and its affiliated companies, deliberates on and confirms the formulation and revision of the Toho Gas Group Human Rights Policy, as well as the action plans and implementation status of human rights due diligence, and manages the progress thereof. These matters are submitted to the Board of Directors via the Sustainability Council (Management Committee).

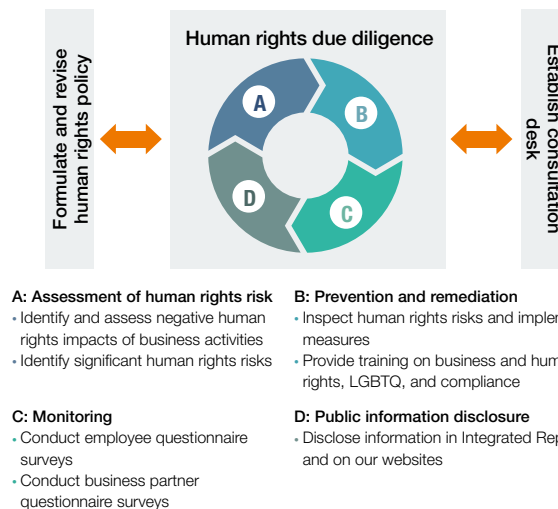
In addition, the Sustainability Promotion Department, Internal Control Department, and Personnel Department bear day-to-day responsibility for respect for human rights.

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 addition, we provide human rights training for all Toho Gas Group employees, which includes raising awareness of the Toho Gas Group Human Rights Policy. In FY2025, we conducted human rights training once in an e-learning format for all employees of the Group.

Overview of Initiatives



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 FY2025, as an initiative aimed at preventing and mitigating significant human rights risks, we conducted questionnaire surveys of our major business partners to check the status of their human rights initiatives, including measures to prohibit forced labor, discrimination, and child labor. No business partners were identified as posing significant human rights risks based on the survey results.



Consultation Service

We established the Compliance and Harassment 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.

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.



Our company is committed to upholding the Ten Principles of the United Nations Global Compact. Please refer to our **Communication on Progress**.

Contributions to the Local Community

Basic Concept

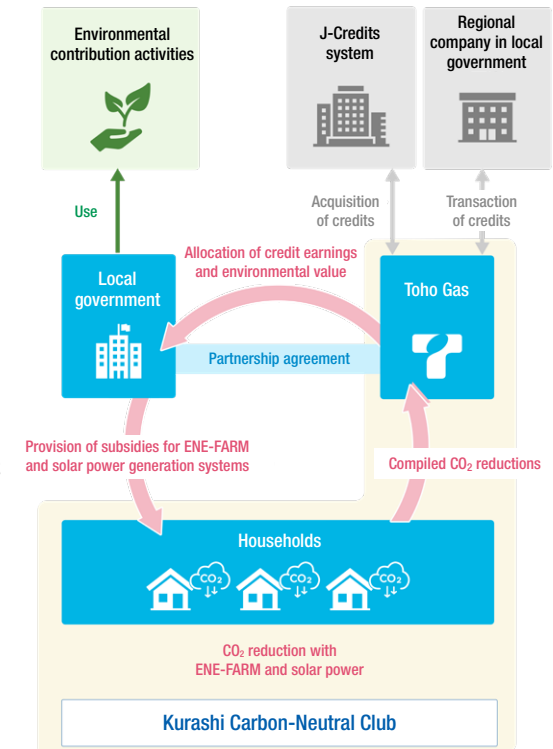
The Toho Gas Group is advancing efforts to contribute to a sustainable society, addressing diverse regional needs and challenges such as carbon neutrality and enhanced resilience. We are deepening our collaboration with local governments and other public entities, primarily in the three-prefecture Tokai 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.

● Efforts to Coexist with Local Communities

Activities	Social issues	Main initiatives and overview
Collaboration with local governments	Promoting carbon neutrality and a circular economy	We have established new regional electric 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 (sourcing) and local distribution of energy. Moving forward, we will also contribute to regional revitalization such as by donating business profits to local governments.
Initiatives to create safe and secure communities	Creating safe and secure communities and developing social infrastructure	To help prevent children from becoming victims of crime, we work with sales outlets and construction companies to conduct child safety and crime prevention activities. Our business sites serve as "Kodomo 110-ban no le" (child-safety refuge houses) to protect children who feel in danger. We also display "child crime prevention patrol vehicle" stickers on our vehicles.
Activities for community engagement	Fostering the healthy development of the next generation and revitalizing local communities	Our soft tennis club and baseball team hold clinics for local children, including visits to schools. In FY2025, we held 18 soft tennis clinics for approximately 900 students. Baseball clinics were conducted for approximately 800 children through events at preschools in the city of Nagoya and at our practice facilities. We will continue to actively contribute to local communities through sports promotion activities.
Educational and awareness activities for the next generation	Providing educational opportunities that encourage environmentally conscious behavior	In collaboration with local governments with which we have concluded partnership agreements or that are registered partners of the Sustainable Development Goals (SDGs) initiative, we provide environmental and energy education for children who will lead the next generation. We also participate in municipal events to raise awareness of the SDGs and related matters.
Activities to enhance natural capital	Environmental conservation aimed at biodiversity preservation and coexistence with nature	We have established "Toho Gas Forests" in three locations in the Tokai region: Seto, Mitake, and Odai. Group employees and members of the public participate in tree planting, thinning, clearing, and landscape maintenance activities. Some operations are outsourced to local forestry cooperatives, and we promote these activities with the cooperation of local communities.

● Other Initiatives: Creation and Utilization of Carbon Credits

In this initiative, we target ENE-FARM and solar power generation systems installed in households, which utilize local government subsidies. The resulting CO₂ reductions are converted into J-Credits and used within the region. Through this approach, we create a virtuous cycle between the environment and the economy within the region and contribute to achieving zero-carbon cities.



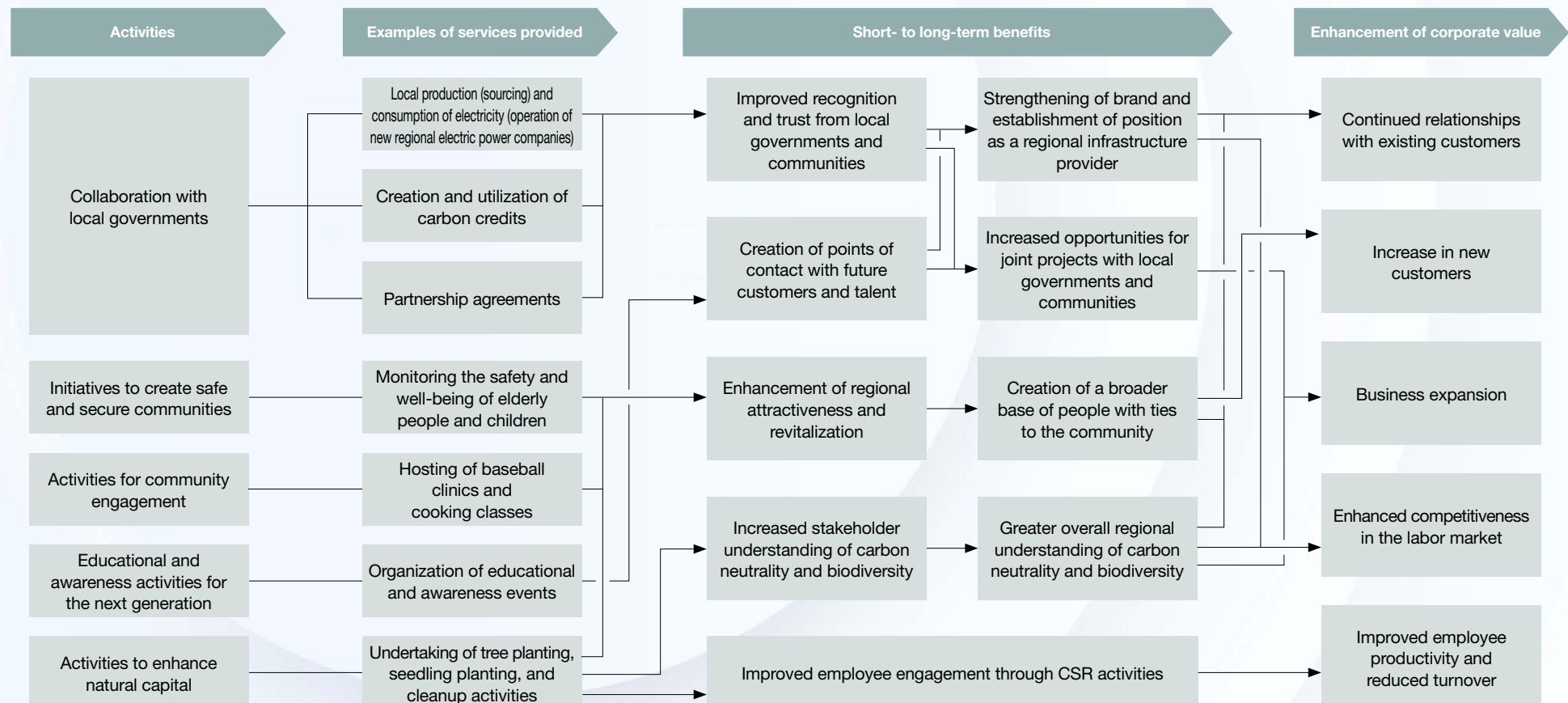
What is the Kurashi Carbon-Neutral Club?
This is an organization aimed at channeling household CO₂ reductions from ENE-FARM systems and solar power generation systems into regional climate change measures. Based on partnership agreements with local governments, Toho Gas serves as the secretariat for the organization.

Contributions to the Local Community

● Enhancement of Corporate Value

We have created a value relations diagram that maps out the relationship between initiatives for coexistence with local communities and the enhancement of corporate value and visualizes their effects. By providing an overall picture of how activities that support coexistence with local communities lead to the enhancement of corporate value and by showing the pathway through which the chain of value created by each initiative ultimately contributes to corporate value, we will steadily advance these initiatives while confirming the relationship between the activities that support coexistence with local communities and the enhancement of corporate value.

Value Relations Diagram



Note: The initiatives and arrows shown are illustrative examples only.

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 the 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 equity capital, targeting 400.0 billion yen 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. Based on this, in Medium-Term Management Plan 2025–2027, formulated in March 2025, we reiterated the above objectives, aiming to deliver profit growth and progressive dividend increases, while outlining a time frame for optimizing shareholders' equity and executing shareholder returns accordingly.

Shareholder Benefit Program

The Company has introduced a points-based shareholder benefit program that reflects the number of shares held and the holding period, with the aim of expressing gratitude for the continued support of its shareholders and encouraging more shareholders to hold the Company's shares over the long term. The points earned can be used not only to exchange for Company-related products, such as local specialties from the Tokai region, or to make donations to social contribution activities, but also to pay for the Company's gas and electricity charges—and the program has been well received.



Shareholder benefit program (Japanese only)

<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 directly with our shareholders, and at the 155th Annual Shareholders Meeting, we responded to valuable feedback and questions from shareholders in attendance as well as those submitted in advance. We strive to make disclosures available to those unable to attend by publishing information from meetings on our website, including informational videos and an overview of answers to questions submitted in advance.

155th Annual Shareholders Meeting

(June 25, 2026)

Shareholders in attendance	Percentage of voting rights exercised
119	86.4%



Annual Shareholders Meeting

Communication with Individual Investors

The Company aims to gain long-term support from a broader base of individual shareholders. In FY2025, in addition to hosting facility tours (five times), primarily at our own facilities, and holding IR briefings (five times) utilizing online and video streaming formats, we also provided opportunities for shareholders to engage in dialogue with company executives after the Annual Shareholders Meeting. Furthermore, the Company carried out a stock split on

April 1, 2026. By lowering the investment unit price, the Company has created an environment that is more accessible to a wider range of investors. Going forward, the Company will continue to strengthen communication through diverse channels to convey its appeal to as many people as possible.



Tour of the Chita-Midorihamma Works (salmon tank)

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 valuable feedback and evaluation gained through dialogue with the capital markets within the Company through the Management Committee and other forums to help enhance corporate value in a sustainable manner.

FY2025 Results

Financial results briefings **4** (quarterly)

Individual meetings Approx. **100** in total



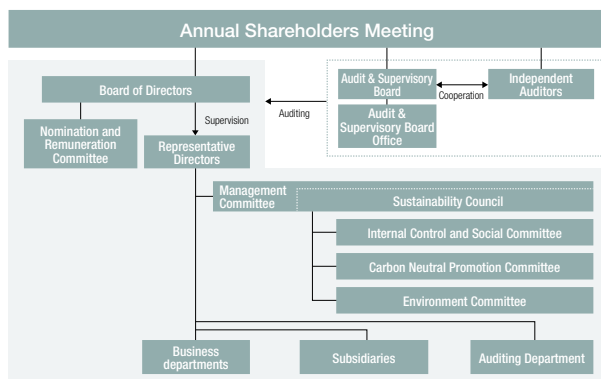
Shareholder and investor information (IR)

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

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 such challenges as achieving carbon neutrality, 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.



● Board of Directors

The Board of Directors comprises nine Directors, including three Outside Directors (effective June 2026, the Board will comprise 10 Directors, including four 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.

● 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 discussion 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 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). As a guideline, the remuneration payment ratio is set at 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, the majority of whose members are Outside Officers, within the range of remuneration determined at the Annual Shareholders Meeting. Performance-linked remuneration is set based on targets from Medium-Term Management Plan 2025–2027 and includes financial metrics such as consolidated ordinary income and consolidated ROE, and non-financial metrics (ESG indicators) such as avoided emissions. The level of achievement for each year is reflected in the remuneration. Transfer-restricted stock-based remuneration aims to further promote shared value with stockholders and enhance the motivation of Directors to contribute to the Company's medium- to long-term value growth. Transfer-restricted stock-based remuneration is set by resolution of the Board of Directors 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.

Board of Directors*1

Position	Name	Attendance	
		Board of Directors' meetings	Attendance rate
Representative Director, Chairman	Nobuyuki Masuda	12/12	100%
Representative Director, President	Satoshi Yamazaki	12/12	100%
Representative Director, Executive Vice President	Shinsuke Kagami	12/12	100%
Director, Senior Managing Executive Officer	Katsuhiko Kozawa	12/12	100%
Director, Senior Managing Executive Officer	Takeo Haigo	12/12	100%
Director, Senior Managing Executive Officer	Tsutomu Maeda	12/12	100%
Outside Director	Michiyo Hamada	12/12	100%
Outside Director	Taku Oshima	12/12	100%
Outside Director	Isao Nakanishi	12/12	100%

*1 Status from the conclusion of the 154th Annual Shareholders Meeting held on June 25, 2025, up to immediately before the 155th Annual Shareholders Meeting held on June 25, 2026

● Management Committee

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 forth 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.

● 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*2

Position	Name	Attendance			
		Board of Directors' meetings	Attendance rate	Audit & Supervisory Board meetings	Attendance rate
Full-time Audit & Supervisory Board Member	Hidetaka Takeuchi	12/12	100%	12/12	100%
Full-time Audit & Supervisory Board Member	Takashi Suzuki	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%

*2 Status from the conclusion of the 154th Annual Shareholders Meeting held on June 25, 2025, up to immediately before the 155th Annual Shareholders Meeting held on June 25, 2026

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 efficiency of business operations, and based on this resolution, we strive to strengthen risk management and ensure thorough compliance.

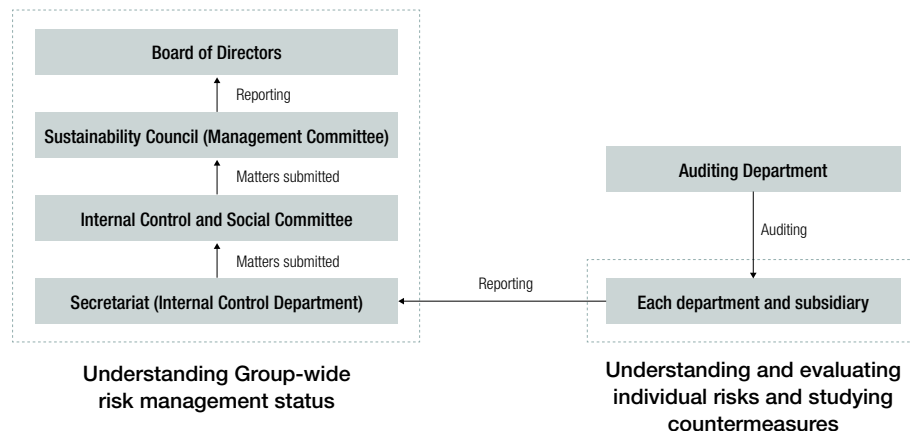
We review the internal control system as necessary based on changes in the business environment and other factors and confirm the status of its implementation at a Board of Directors' meeting each fiscal year. Details of the resolution and an outline of the status of its implementation over the past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

● 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 Sustainability Council (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



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 and society.

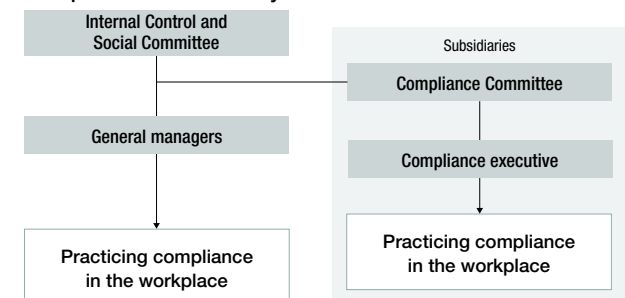
In March 2024, the Company received a warning from the Japan Fair Trade Commission under the Antimonopoly Act. In response, in July of the same year, the Minister of Economy, Trade and Industry issued an order to improve business practices under the Gas Business Act, and the Electricity and Gas Market Surveillance Commission issued guidance for improved business practices. In response, we formulated a business improvement plan that was submitted to the Minister of Economy, Trade and Industry in August 2024. We have been implementing the various measures set forth in the plan, including introducing a prior approval and after-the-event reporting system for interaction with competing companies, and conducting stratified and focused training. The status of these initiatives was reported to the Minister of Economy, Trade and Industry in August 2025. In the following month, we publicly announced that management will continue to take the lead in implementing these initiatives, and that the entire organization remains committed to preventing recurrence through ongoing efforts.

● Compliance Promotion System

The Internal Control and Social Committee, which is chaired by the Officer in charge of the Internal Control Department and consists of department heads and other members, 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 via the Sustainability Council (Management Committee). General managers of each department 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



Messages from the Outside Directors



I hope the Company will build on its track record in overseas energy projects and make further effective investments to drive earnings growth.

Taku Oshima

Outside Director

The Toho Gas Group marked its 100th anniversary in 2022. While envisioning the state of society in 2050, it defined its ideal positioning for the mid-2030s as an intermediate milestone and announced Toho Gas Group Vision. The Group is currently implementing Medium-Term Management Plan 2025–2027 as the second step toward achieving this vision.

The aim of this plan is to grow strategic businesses to a scale comparable to core businesses by the mid-2030s. It sets out specific numerical targets for key performance indicators and seeks to transform the business structure by promoting financial, business, and human resource strategies in an integrated manner. Among the various indicators presented, I believe one of the most important targets is the achievement of profit growth and increased profitability. The plan sets out to increase consolidated ordinary income from the current level of 25.0 billion yen (16.0 billion yen from core businesses and 4.0 billion yen from strategic businesses) to 30.0 billion yen by FY2027 (18.0 billion yen

and 10.0 billion yen, respectively). While this may look like a simple 20% increase in ordinary income, the real substance lies in the ambitious plan to expand strategic businesses 2.5 times, to 10.0 billion yen.

Growth initiatives include overseas energy projects and new projects in Japan centered on corporate venture capital.* In particular, I hope the Company will build on its track record in overseas energy projects and make further effective investments to drive earnings growth.

Another of the plan's pillars is the practical application of e-methane and biomethane, together with initiatives related to CO₂ separation, capture, utilization, and storage. In particular, e-methane is targeted to reach a 1% adoption rate by FY2030; with overseas projects also planned, I see this as a key technology for future carbon-neutral businesses. I also hope that these targets will be achieved through the collective expertise of those involved.

* Refers to investment activities undertaken by operating companies, using their own capital, to invest in start-ups, or to the organizational structures established for that purpose. By collaborating with start-ups, operating companies generate synergies and promote business growth.



Management that responds to environmental changes not passively but by making deliberate choices with conviction, and taking responsibility for the outcomes, is what carries corporate value forward into the future.

Isao Nakanishi

Outside Director

Toho Gas Group Vision expresses a commitment to grow together with local communities and society. I see this as a strong pledge that calls into question the very purpose of the Company's existence amid the irreversible global trend of energy transition. Medium-Term Management Plan 2025–2027 represents a period of moving from simply articulating this commitment to fully delivering on it, and the next three years will test both resolve and execution toward the future.

Amid rising geopolitical risks, including instability in the Middle East, which affect energy procurement and pricing, it is increasingly important to maintain the social mission of a stable supply while positioning the challenge of decarbonization as an opportunity for growth. I believe that the success of our sustainable growth hinges on a single question: whether we can evolve our comprehensive energy services centered on city gas, deeply address the realities of local communities and customers, and continuously transform into a company that remains the preferred choice on the front lines of value creation.

At the same time, it is essential to strengthen the management foundation through growth investments, human capital, and digital transformation (DX), and to further develop into a company capable of sustaining transformation. Management that responds to environmental changes not passively but by making deliberate choices with conviction, and taking responsibility for the outcomes, is what carries corporate value forward into the future.

As an outside director, I will continue to rigorously question whether management's direction is consistent with the Group's vision, whether discussions address fundamental issues, and whether they leverage the strengths of Toho Gas to generate strategic returns. At the same time, I aim to support bold initiatives, confront risks directly, and contribute to decision-making that supports long-term value creation. I will fulfill my responsibilities to help build a Toho Gas Group that continues to earn trust alongside local communities and that can be a source of pride for the next generation.

Messages from the Outside Directors



With a global perspective in mind, I hope that the Group will mobilize its collective strengths to achieve the targets of Medium-Term Management Plan 2025–2027 by leveraging its core capabilities and enhancing the appeal of its businesses.

Keiko Ikeda

Outside Director

This year marks the midpoint of Medium-Term Management Plan 2025–2027. I look forward to further deepening management's efforts to accelerate the transformation of the business structure aimed at enhancing corporate value and realizing the vision set out in the plan.

Toho Gas Group Vision, announced in 2022, sets forth three key themes: evolving as an energy operator, creating diverse value, and promoting solutions to social issues. In recent years, however, the business environment has been undergoing significant and rapid change, even in the short term, driven by factors such as climate change, geopolitical risks, shifts in business models due to rapid digitalization and DX, and the need to address labor shortages and increase workforce mobility. More timely and flexible decision-making in response to these changes is becoming increasingly important.

I expect the Group to steadily develop its gas, electricity, and hydrogen projects both in Japan and overseas, achieve its target profit

levels, and further enhance shareholder returns and capital policy initiatives. I also expect it to strengthen its organizational vitality and financial strength and, at the same time, building on the trust cultivated over more than a century since the Group's founding, steadily solidify the foundation for new businesses that will shape the future as a partner in both daily life and business rooted in local communities.

The Sustainability Council has also been established at an opportune time. The era of simultaneously pursuing sustainability transformation and green transformation, alongside enhancements in corporate value, is now clearly underway. With a global perspective in mind, I hope that the Group will mobilize its collective strengths to achieve the plan's targets by leveraging its core capabilities and enhancing the appeal of its businesses. As an outside director, I will continue to focus on providing oversight and advice in support of these initiatives.



I make it a constant practice to actively gather information and maintain close communication so that I can make the best possible decisions to enhance medium- to long-term corporate value in any situation.

Yumiko Miwa

Outside Director

Throughout my career, I have been involved in research and education, primarily in corporate governance, ESG investment, and engagement between institutional investors and companies as a professor in the School of Commerce at Meiji University. In addition, I have served as an outside officer at multiple listed companies, where I have been involved in management oversight from a capital markets perspective and engagement with institutional investors, and have provided advice on sustainability management and the enhancement of corporate value over the long term.

The energy industry is currently at a historic turning point, facing the dual challenge of responding to decarbonization while ensuring a stable supply of energy. Under these circumstances, I believe that governance at a gas company, which operates highly public infrastructure, requires above all a sound balance between meeting the expectations of shareholders and safeguarding the interests of diverse stakeholders, including employees, local communities, and customers.

I believe that the true value of an outside director is tested precisely in times of adversity, such as when responding to matters of misconduct, dealing with activist shareholders, or confronting unsolicited takeover proposals. I make it a constant practice to actively gather information and maintain close communication so that I can make the best possible decisions to enhance medium- to long-term corporate value in any situation.

I believe that my role as an outside director at the Company is to leverage my academic expertise and practical experience to support management's initiatives while providing effective oversight from a multifaceted perspective. In particular, I will work from an independent and objective standpoint to help integrate ESG and sustainability considerations, including the promotion of women's advancement, more deeply into management strategy so that the Toho Gas Group can fulfill its public duty while also improving corporate value.

Directors and Audit & Supervisory Board Members (As of June 30, 2026)

Directors



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)



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)



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)



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)



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)



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)



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)



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)



Keiko Ikeda
Outside Director

Apr. 1983 Registered Attorney
Aug. 1986 Established Ikeda Law Office (currently 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
Jun. 2026 Outside Director of Toho Gas (current position)



Yumiko Miwa
Outside Director

Apr. 1988 Joined Nomura Securities Co., Ltd.
Apr. 2000 Associate Professor, School of Commerce, Meiji University
Oct. 2005 Professor, School of Commerce, Meiji University (current position)
Jun. 2026 Outside Director of Toho Gas (current position)

Directors and Audit & Supervisory Board Members (As of June 30, 2026)

Audit & Supervisory Board Members



Hidetaka Takeuchi
Audit & Supervisory
Board Member

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



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 Full-time Audit & Supervisory Board Member (current position)



Norikazu Koyama
Outside Audit &
Supervisory Board
Member

Apr. 1980 Joined National Police Agency
Aug. 2001 Chief, Tottori Prefectural Police Headquarters
Aug. 2003 Director of Salary and Welfare Division, Commissioner General's Secretariat, National Police Agency
Aug. 2005 Director, Community Safety Planning Division, Community Safety Bureau, National Police Agency
Feb. 2007 Secretariat, Japan Police Personnel Mutual Aid Association Headquarters
Aug. 2008 Chief, Aichi Prefectural Police Headquarters
Jan. 2010 Vice President of National Police Academy and Councilor of Commissioner General's Secretariat of National Police Agency (in charge of Criminal Affairs Bureau)
Jan. 2012 Director General of Chubu Regional Police Bureau
Apr. 2013 Director General of Kanto Regional Police Bureau
Sep. 2014 Councilor of Japan Police Personnel Cooperative
Dec. 2014 Senior Director of Japan Police Personnel Cooperative
Jun. 2017 Senior Director of Council for Public Policy, Outside Audit & Supervisory Board Member of Toho Gas (current position)
Jun. 2024 Director, JP Ikigai Shinko Zaidan (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	Safety / Disaster prevention / Stable supply	International perspective
Directors									
Nobuyuki Masuda	●				●	●	●	●	
Satoshi Yamazaki	●	●		●		●			●
Shinsuke Kagami	●					●	●	●	●
Katsuhiko Kozawa	●	●			●	●	●		
Takeo Haigo	●	●	●	●		●			
Tsutomu Maeda	●					●	●	●	●
Taku Oshima	●						●		●
Isao Nakanishi					●		●		●
Keiko Ikeda	●		●		●				
Yumiko Miwa		●	●		●				
Audit & Supervisory Board Members									
Hidetaka Takeuchi	●	●	●	●		●			
Takashi Suzuki	●	●	●						●
Norikazu Koyama			●	●	●				
Akihiko Nakamura	●	●		●					
Junko Ueda			●		●				●



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)



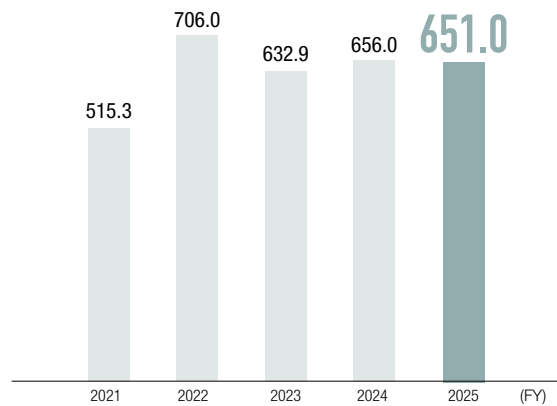
Junko Ueda
Outside Audit &
Supervisory Board
Member

Apr. 1998 Associate Professor, School of Life Studies, Sugiyama Jogakuen University
Jul. 2002 Professor, Department of Life Studies, Sugiyama Jogakuen University
Apr. 2003 Professor, School of Modern Management, Sugiyama Jogakuen University
Apr. 2007 Professor, Shizuoka University Graduate School of Law
Apr. 2010 Professor, Kyushu University Graduate School of Law
Apr. 2017 Professor, Aichi University Graduate School of Law (current position)
Apr. 2021 Dean, Aichi University Graduate School of Law (current position)
Jun. 2026 Outside Audit & Supervisory Board Member of Toho Gas (current position)

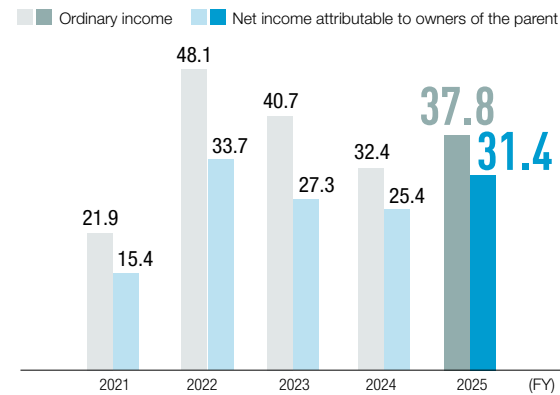
Financial and Non-Financial Highlights

Financial Information (Consolidated)

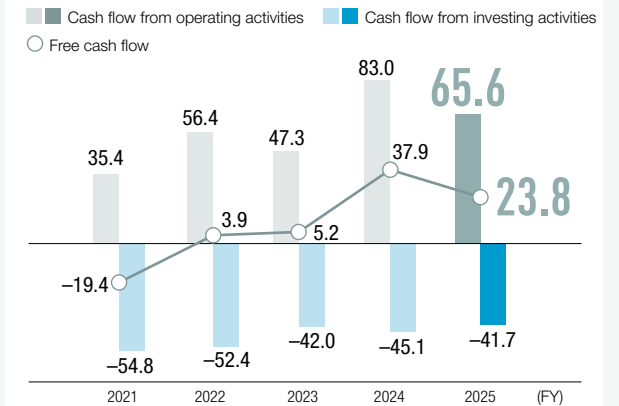
Net Sales (billion yen)



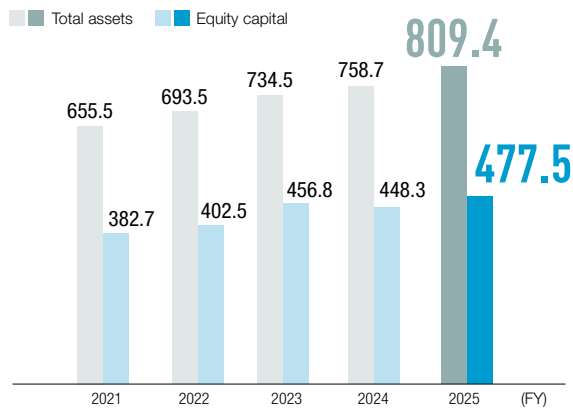
Ordinary Income and Net Income Attributable to Owners of the Parent (billion yen)



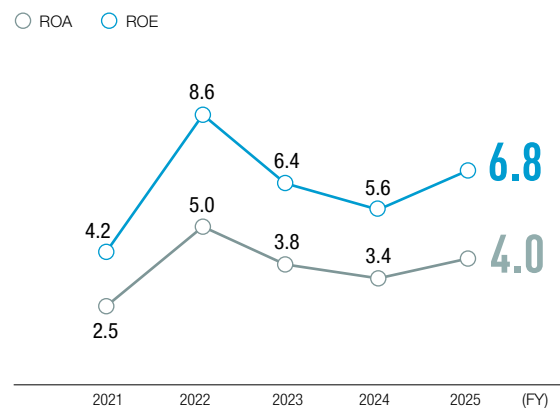
Cash Flow (billion yen)



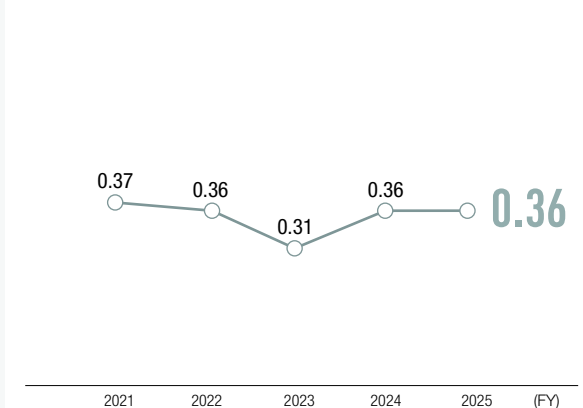
Total Assets and Equity Capital (billion yen)



ROA (Return on Assets) and ROE (Return on Equity) (%)



D/E Ratio (times)

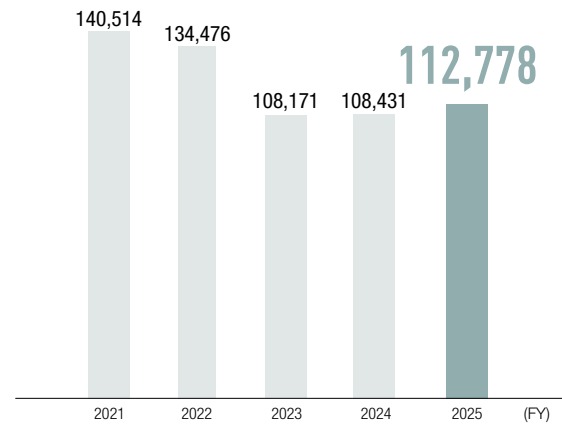


Financial and Non-Financial Highlights

Non-Financial Information

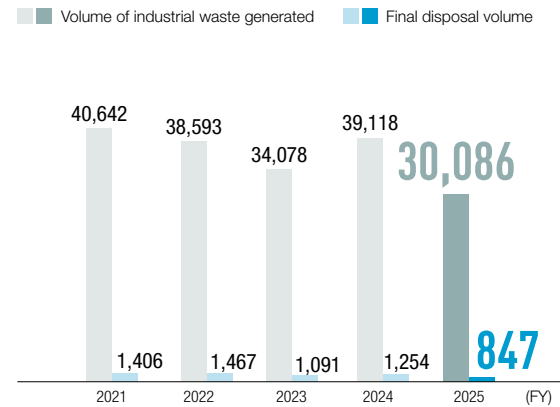
CO₂ Emissions from Energy Source (t-CO₂)

Consolidated



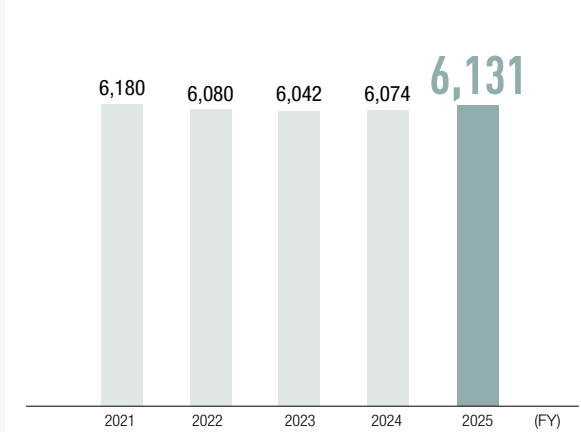
Volume of Industrial Waste Generated and Final Disposal Volume (t)

Consolidated

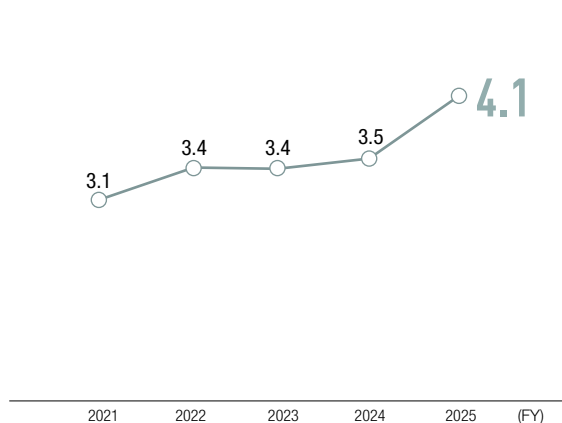


Number of Employees

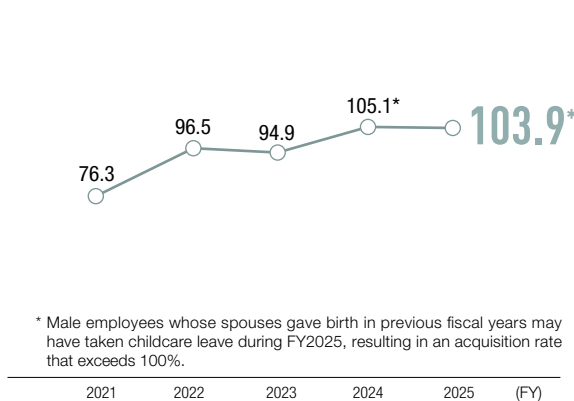
Consolidated



Percentage of Female Managers (%)

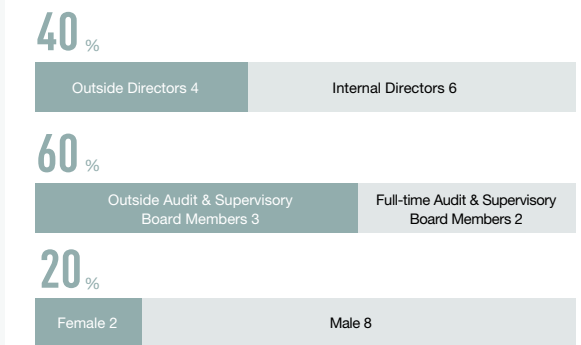


Percentage of Male Employees Who Took Childcare Leave or Leave for Childcare Purposes (%)



* Male employees whose spouses gave birth in previous fiscal years may have taken childcare leave during FY2025, resulting in an acquisition rate that exceeds 100%.

Ratio of Outside Directors, Ratio of Outside Audit & Supervisory Board Members, and Ratio of Female Directors (%)



As of June 30, 2026

Main Consolidated Financial Data (10 Years)

	FY2016	FY2017	FY2018	FY2019	FY2020
Net sales (million yen)	390,433	428,868	461,199	485,623	434,776
Operating income (million yen)	23,188	23,984	17,831	21,351	13,515
Ordinary income (million yen)	24,490	25,208	21,485	24,763	16,622
Net income attributable to owners of the parent (million yen)	17,749	18,022	14,820	16,266	8,592
Net cash provided by operating activities (million yen)	37,264	57,047	32,615	68,376	64,397
Free cash flow (million yen)	(20,703)	13,702	(7,396)	25,426	23,424
Total assets (million yen)	532,931	541,087	550,599	564,756	601,835
Equity capital (million yen)	306,801	326,279	327,339	322,768	359,492
ROA (%)	3.3	3.4	2.7	2.9	1.5
ROE (%)	6.0	5.7	4.5	5.0	2.5
Total asset turnover (times)	0.73	0.79	0.84	0.86	0.72
Equity ratio (%)	57.6	60.3	59.5	57.2	59.7
Interest-bearing debt (million yen)	114,954	112,199	127,298	128,495	129,922
D/E ratio (times)	0.37	0.34	0.39	0.40	0.36
EPS (yen)*1	41.22	42.32	34.84	38.41	20.34
BPS (yen)*1	716.25	767.07	769.59	764.11	851.08
PER (times)	23.87	19.32	35.66	31.90	83.94
PBR (times)	1.37	1.07	1.61	1.60	2.01
Number of issued shares at the end of the term (excluding treasury stock) (thousand shares)*1, *2	428,344	425,357	425,340	422,414	422,393
Dividend per share (yen)*1, *2	12.5	13.125	13.75	13.75	13.75
Investments and loans (million yen)*3	49,298	39,629	34,610	33,566	34,305
Depreciation and amortization (million yen)	35,482	35,973	36,075	37,557	37,463

*1 The above figures reflect the impact of the stock split conducted on April 1, 2026, at a ratio of four shares for each common share.

*2 Figures for the number of shares issued at fiscal year-end and for dividend per share are presented on a non-consolidated basis.

*3 Investments and loans only includes capital investment amounts up to FY2020.

Note: The financial figures in this section are based on the securities report but have not been audited by an auditing firm or other auditing bodies.

Main Consolidated Financial Data (10 Years)

FY2021	FY2022	FY2023	FY2024	FY2025	
515,313	706,073	632,985	656,010	651,085	Net sales (million yen)
17,858	43,743	33,597	30,887	31,784	Operating income (million yen)
21,912	48,171	40,797	32,412	37,879	Ordinary income (million yen)
15,459	33,721	27,304	25,454	31,449	Net income attributable to owners of the parent (million yen)
35,436	56,414	47,376	83,096	65,607	Net cash provided by operating activities (million yen)
(19,439)	3,979	5,298	37,931	23,830	Free cash flow (million yen)
655,593	693,519	734,524	758,765	809,459	Total assets (million yen)
382,751	402,502	456,852	448,394	477,519	Equity capital (million yen)
2.5	5.0	3.8	3.4	4.0	ROA (%)
4.2	8.6	6.4	5.6	6.8	ROE (%)
0.79	1.02	0.86	0.86	0.80	Total asset turnover (times)
58.4	58.0	62.2	59.1	59.0	Equity ratio (%)
140,830	146,683	140,522	160,883	172,910	Interest-bearing debt (million yen)
0.37	0.36	0.31	0.36	0.36	D/E ratio (times)
36.67	80.20	64.93	62.95	83.76	EPS (yen)*1
910.44	957.24	1,086.29	1,148.60	1,311.98	BPS (yen)*1
18.58	7.68	13.34	16.43	15.03	PER (times)
0.75	0.64	0.80	0.90	0.96	PBR (times)
420,403	420,481	420,563	390,383	363,968	Number of issued shares at the end of the term (excluding treasury stock) (thousand shares)*1, *2
14.375	15.0	17.5	20.0	22.5	Dividend per share (yen)*1, *2
60,381	60,196	49,862	61,006	59,289	Investments and loans (million yen)*3
36,510	36,268	38,467	38,580	38,605	Depreciation and amortization (million yen)

ROA = Net income attributable to owners of the parent/Total assets
(average during the term) × 100

ROE = Net income attributable to owners of the parent/Equity capital
(average during the term) × 100

Total asset turnover = Net sales/Total assets (end of the term)

Equity ratio = Equity capital/Total assets (end of the term) × 100

D/E ratio = Interest-bearing debt outstanding/Equity capital (end of the term)

EPS = Net income attributable to owners of the parent related to common shares/Average
number of common shares during the term

BPS = Total net assets at the end of the term related to common shares/Number of
issued common shares at the end of the term

PER = Stock price at the end of the term/Net income per share

PBR = Stock price at the end of the term/Net assets per share

Evaluation and Commendation by External Organizations

Major ESG Assessments from External Organizations (Toho Gas)

FTSE4Good Index Series 	Has been continuously selected as a constituent since 2022
FTSE JPX Blossom Japan Index 	Has been continuously selected as a constituent since 2022
FTSE JPX Blossom Japan Sector Relative Index 	Has been continuously selected as a constituent since 2022
MSCI Japan ESG Select Leaders Index ^{*1}	Has been continuously selected as a constituent since 2024
MSCI Japan Empowering Women Index (WIN) ^{*1}	Has been continuously selected as a constituent since 2017
Morningstar Japan ex-REIT Gender Diversity Tilt Index	Has been continuously selected as a constituent since 2023
S&P/JPX Carbon Efficient Index	Has been continuously selected as a constituent since 2018
SOMPO Sustainability Index	Has been continuously selected as a constituent since 2012
CDP Climate Change 2025	Toho Gas received an A- rank evaluation (8 ranks from A to D-).
Recognized by the Ministry of Economy, Trade and Industry as a DX-Certified Business Operator	Certified in 2025
Aichi Prefecture's "Aichi Josei Kagayaki Company"	Certified since 2023
Aichi Prefecture's "Aichi Biodiversity Company Certification"	Certified since 2022
Ministry of Health, Labour and Welfare "Eruboshi" Certification for superior companies that promote women's advancement	Certified since 2021
Recognized by the Ministry of Health, Labour and Welfare with Kurumin Mark certification as a company that supports childcare	Certified since 2018
Recognized by the Ministry of Health, Labour and Welfare with Platinum Kurumin Mark certification as a company that supports childcare	Certified since 2023
Ministry of Economy, Trade and Industry Certified Health & Productivity Management Outstanding Organization 2025 (White 500)—Large Enterprise Category ^{*2}	Certified in 2026 (6th time in total)
Childcare Support Company in Nagoya City	Certified since 2008
Energy Conservation Communication Ranking System city gas retailers FY2025	Received a full five-star rating
Energy Conservation Communication Ranking System electric power retailers FY2025	Received a full five-star rating
A Family-Friendly Company certified by Aichi Prefecture	Certified since 2004

^{*1} MSCI ESG Indexes: THE INCLUSION OF TOHO GAS Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF TOHO GAS Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

^{*2} Continuously certified as a Health & Productivity Management Outstanding Organization since 2020

Major External Awards (FY2025)

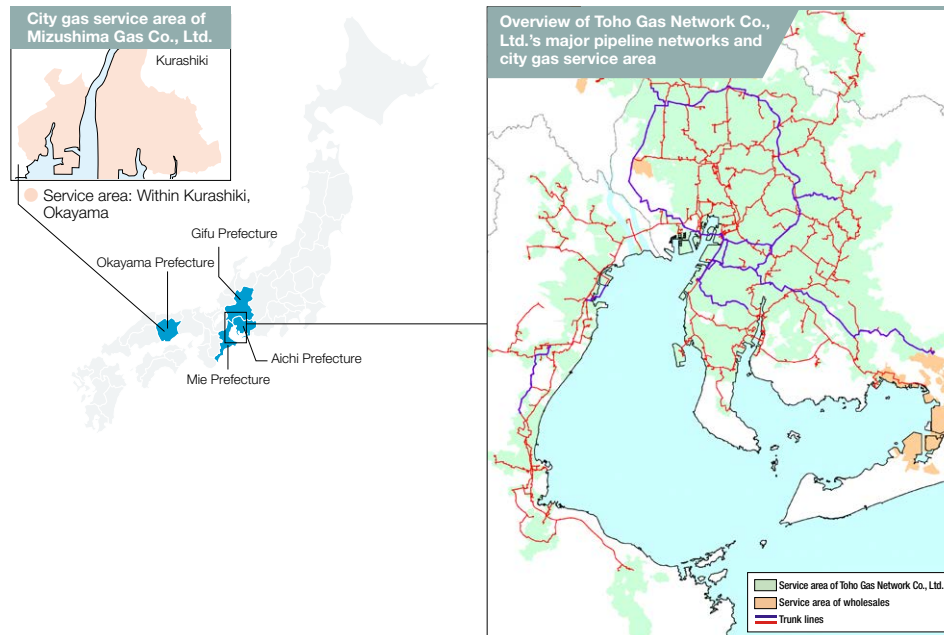
Award name	Main sponsor	Awarded for	Recipient
Infrastructure Maintenance Awards 2025 (Challenge Award)	Japan Society of Civil Engineers	Realization of strategic asset management for gas pipelines using AI-based deterioration prediction and trenchless construction methods	Toho Gas Network Co., Ltd.
AICHI Environmental Award 2026 (Gold Award)	Aichi Prefecture	Japan's first use of e-methane in pursuit of carbon neutrality in the city gas sector	Toho Gas Co., Ltd.
2025 New Energy Award New Energy Foundation Chairman's Award (Introduction Activities Category)	New Energy Foundation	Demonstration project for e-methane production utilizing CO ₂ derived from biogas in collaboration with Chita City	Toho Gas Co., Ltd.
24th (2025) Chubu Science and Technology Center Award (Promotion Award)	The Public Foundation of Chubu Science and Technology Center	Trenchless pipe replacement method (STREAM Method) for ductile iron gas pipes and related technologies	Toho Gas Network Co., Ltd. Kubota ChemiX Co., Ltd.
The Japan Gas Association 2025 Technology Award (Grand Prize)	The Japan Gas Association	Development of smart gas meters supporting digital transformation in the city gas business	Aichi Tokei Denki Co., Ltd. KANSAI GAS METER Co., Ltd. TAKENAKA SEISAKUSHO CO., LTD. TOYOGASMETER.CO., LTD. Yazaki Energy System Corporation Panasonic Corporation Toshiba Toko Meter Systems Co., Ltd. Fuji Electric Co., Ltd. NTT DOCOMO BUSINESS, Inc. SoftBank Corp. TOKYO GAS NETWORK Co., Ltd. Osaka Gas Network Co., Ltd. Toho Gas Network Co., Ltd.
		Development of next-generation "Governor Miharu" remote monitoring system	Toho Gas Network Co., Ltd. Aichi Tokei Denki Co., Ltd.
2025 Chubu Regional Invention Awards (Invention Incentive Award)	Japan Institute of Invention and Innovation	Meter piping unit	Toho Gas Network Co., Ltd. KOYO SANGYO CO., LTD.
		Remote monitoring system "Governor Miharu"	Toho Gas Network Co., Ltd. Aichi Tokei Denki Co., Ltd.
47th Aichi Skills Competition for Persons with Disabilities (Aichi Abilympics), Special Award (Governor's Award)	Aichi Branch, Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers, Aichi Prefecture	Desktop publishing category (Assignment: Promotional poster design for Mt. Fuji)	Toho Flower Co., Ltd.
2025 Aichi Invention Awards (Invention Incentive Award)	Aichi Institute of Invention and Innovation	Data processing method for governor monitoring devices	Toho Gas Network Co., Ltd. Aichi Tokei Denki Co., Ltd.

Company Profile / Shareholder and Stock Information

Company Profile (As of March 31, 2026)

Name	Toho Gas Co., Ltd.
Date established	June 26, 1922
Head office address	19-18, Sakurada-cho, Atsuta-ku, Nagoya, Aichi 456-8511, Japan
Main businesses	- Gas business - Heat supply business - Electricity business - Business related to renewable energy and hydrogen - Businesses related to the extraction and sale of energy resources such as natural gas
Capital	33,072 million yen
Number of employees	973 (6,131 consolidated)

Gas Supply Network



Stock Information (As of March 31, 2026)

Basic Information

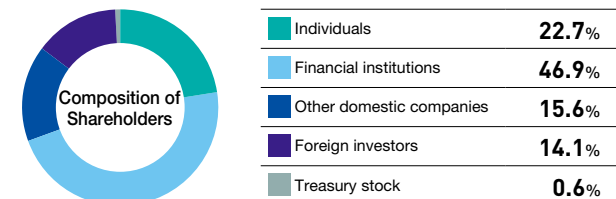
Securities code	9533
Fiscal year	April 1 to March 31 of the following year
Annual Shareholders Meeting	June of every year
Stock exchange listings	Tokyo Stock Exchange Prime Market, Nagoya Stock Exchange Premier Market
Administrator of shareholders' register and special account management information	Mitsubishi UFJ Trust and Banking Corporation
Contact information	Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation; 1-1 Nikko-cho, Fuchu-shi, Tokyo, Japan
Number of shares per unit	100 shares
Total number of shares authorized to be issued*1	160,000,000
Total number of shares issued*1	91,566,785 shares (including 574,655 treasury shares)
Number of shareholders	28,427 shareholders

Major Shareholders

Name of shareholder	Number of shares held (thousand)*1	Shareholding ratio (%)*2
The Master Trust Bank of Japan, Ltd. (Trust a/c)	9,729	10.69
Nippon Life Insurance Company	5,506	6.05
Sumitomo Mitsui Banking Corporation	3,304	3.63
MUFG Bank, Ltd.	2,872	3.15
Custody Bank of Japan, Ltd. (Trust a/c)	2,750	3.02
Toho Gas Group Employees Shareholding Association	2,051	2.25
Meiji Yasuda Life Insurance Company	1,841	2.02
Toho Gas Kyoei Shareholding Association	1,591	1.74
Kubota Corporation	1,439	1.58
The Ogaki Kyoritsu Bank, Ltd.	1,410	1.54

*1 The impact of the stock split conducted on April 1, 2026 has not been taken into account.

*2 The shareholding ratio is calculated after deducting treasury stock (574,655 shares).





TOHO GAS CO.,LTD.

19-18, Sakurada-cho, Atsuta-ku, Nagoya, Aichi 456-8511, Japan
<https://www.tohogas.co.jp/lang/en/>

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