

[English Translation - Originally Issued in the Japanese Language]

Special Note: This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Security Identification Code: 9531

June 5, 2023

(Commencement date of electronic provision: May 25, 2023)

Dear Shareholders:

NOTICE OF CONVOCATION OF THE 223rd ANNUAL SHAREHOLDERS MEETING

We hereby would like to inform you of the 223rd Annual Shareholders Meeting of Tokyo Gas Co., Ltd. (hereinafter, 'the Company') to be held as described below.

In convening this Annual Shareholders Meeting, the Company has adopted the electronic provision of information contained in the reference materials for the Meeting, and has posted the matters subject to electronic provision on the following website on the internet.

Company website:

www.tokyo-gas.co.jp/en/IR/stock/shm_j.html



If you decide not to attend the Annual Shareholders Meeting in person, you may exercise your voting rights in advance via the internet or in writing. In such case, we respectfully ask you to do so by 5:30 p.m. on Wednesday, June 28, 2023, by referring to the instructions in the 'Exercise of Voting Rights' on the following page after reading the 'REFERENCE MATERIALS FOR THE SHAREHOLDERS MEETING' on the following pages or contained in the matters subject to electronic provision.

Sincerely yours,

UCHIDA Takashi

Director

TOKYO GAS CO., LTD.

5-20, Kaigan 1-chome, Minato-ku, Tokyo

1. Date and Hour: 10 a.m., Thursday, June 29, 2023 (the reception starts at 9 a.m.)
2. Place: Tokyo Gas Building 2F
5-20, Kaigan 1-chome, Minato-ku, Tokyo
3. Agenda:
 - (1) Matters to report:
'Business Report,' 'Consolidated Financial Statements,' 'Non-Consolidated Financial Statements,' 'Independent Auditor's Report' and 'Audit Report' by the Audit Committee on the Consolidated Financial Statements for the 223rd fiscal year (from April 1, 2022 to March 31, 2023)
 - (2) Matters to resolve:
Proposal: Election of Nine (9) Directors

* In addition to the above website, the matters subject to electronic provision are also posted on the Tokyo Stock Exchange (TSE) website. Please access the TSE website (Listed Company Search), enter 'Tokyo Gas' in the issue name (company name) box or '9531' in the securities code box, and select 'Basic information' and 'Documents for public inspection/PR information' to find the information.

TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

4. Process for Tokyo Gas' Annual Shareholders Meeting

■ Until the day of the Annual Shareholders Meeting

STEP 1

Watch the video of our business report

Please access the following URL or QR code and enter your ID/PW to watch the video.

Distribution period: Tuesday, June 6, 2023 to Monday, July 31, 2023

URL: [REDACTED]

ID: [REDACTED]

Password: [REDACTED]

*Points to note when watching the video - P.7

STEP 2

Prepare to attend the meeting in person/exercise voting rights

• If you are attending the meeting in person
Prepare the CARD FOR EXERCISE OF VOTING RIGHTS and this Notice of Convocation.

• If you are not attending the meeting in person:
Exercise voting rights in advance

* The term 'QR Code' is a registered trademark of DENSO WAVE INCORPORATED.

■ On and after the day of the Annual Shareholders Meeting

STEP 3

Attend the meeting/watch the video of the meeting

• If you are attending the meeting in person:

Date and hour: 10 a.m., Thursday, June 29, 2023 (the reception starts at 9 a.m.)

Place: Tokyo Gas Building 2F

5-20, Kaigan 1-chome, Minato-ku, Tokyo

• If you are not attending the meeting in person (Watch the video of the meeting)
Please access the following URL or QR code and enter your ID/PW to watch the video.

Distribution period: Tuesday, June 30, 2023 to Monday, July 31, 2023

URL: [REDACTED]

ID: [REDACTED]

Password: [REDACTED]

* The video will be partially edited to protect the privacy of shareholders who attend the meeting.

* Points to note when watching the video - P.7

* The term 'QR Code' is a registered trademark of DENSO WAVE INCORPORATED.

STEP 4

Check voting results of the meeting

Please access the following URL or QR code to view the 'Notice of Resolution at the 223rd Annual Shareholders Meeting' and the 'Extraordinary Report on Results of Resolutions.'

URL: https://www.tokyo-gas.co.jp/en/IR/stock/shm_j.html



5. Exercise of Voting Rights:

- (1) When attending the meeting
Please bring the enclosed CARD FOR EXERCISE OF VOTING RIGHTS on the day of the meeting and present it to the receptionist.

- (2) When not attending the meeting
 - 1) When exercising voting rights by mail
Please indicate on the enclosed CARD FOR EXERCISE OF VOTING RIGHTS your approval or disapproval for each proposal and post it.
Deadline: CARD FOR EXERCISE OF VOTING RIGHTS must be posted for it to be delivered by 5:30 p.m. on Wednesday, June 28, 2023.
[Handling of voting rights]
Where there is no indication of approval or disapproval for a proposal, the voting right will be deemed to be exercised to approve for the resolutions in question.

 - 2) Exercise of voting rights via the internet and other methods
Please read 'Instructions for Exercising Voting Rights via the internet and other methods' starting from the following page and enter your approval or disapproval for the proposals and submit them by 5:30 p.m. on Wednesday, June 28, 2023.

- (3) Duplication of votes
If duplicated votes are exercised both in writing and via the internet and other methods, the vote that arrives later shall be deemed valid.
If both of the duplicated votes arrive on the same date, the vote exercised via the internet and other methods shall be deemed valid.

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- Note 1: For shareholders attending the Annual Shareholders Meeting, please do not mail the enclosed CARD FOR EXERCISE OF VOTING RIGHTS, but instead bring it to the meeting and present it at the reception desk upon arrival.
- Note 2: Based on the Company's Articles of Incorporation, you can delegate voting rights to only one proxy who is one of the shareholders holding voting rights. If a proxy will attend the meeting, please present the document certifying authority of such proxy, and your and the proxy's CARD FOR EXERCISE OF VOTING RIGHTS at the reception desk.
- Note 3: The following items are not stated in the paper copy to be sent to shareholders who have requested it, pursuant to laws and regulations and the provisions of the Company's Articles of Incorporation.
- (1) 'Basic Policy on Development of Internal Control System and Overview of Operational Status of the System' of Business Report
 - (2) 'Consolidated Statement of Changes in Equity' and 'Notes to the Consolidated Financial Statements'
 - (3) 'Non-Consolidated Statement of Changes in Equity' and 'Notes to the Non-Consolidated Financial Statements'
- (1), (2) and (3) are included in the documents audited by the Audit Committee in preparing the audit report and (2) and (3) are included in the documents audited by the accounting auditor in preparing the independent auditor's report.
- Note 4: At this Annual Shareholders Meeting, the Company will send the paper copy to be sent to shareholders who have requested it pursuant to laws and regulations and the provisions of the Company's Articles of Incorporation to all shareholders.
- Note 5: If any revisions are made to the matters subject to electronic provision, the revisions will be posted on the relevant websites.
- Note 6: Based on environmental consideration, the 'Notice of Resolution' will be issued electronically. The notice will be posted on the Company's website as below following the Annual Shareholders Meeting.

[Company's website: https://www.tokyo-gas.co.jp/en/IR/stock/shm_j.html]
Access the website using the URL above or search "Tokyo Gas shareholders meeting" on the web.



Instructions for Exercising Voting Rights via the internet and other methods

■ Method 1 'Smart Voting' method using a smartphone to scan the QR Code

You can log in without having to enter your voting code and password.

1 Scan the QR Code that is shown on the bottom right of the CARD FOR EXERCISE OF VOTING RIGHTS.

* The term 'QR Code' is a registered trademark of DENSO WAVE INCORPORATED.

2 Enter your approval or disapproval for each proposal by following the instructions shown on screen.

You can only exercise your voting rights through 'Smart Voting' once. If you wish to change the details of a vote you have exercised, please access the desktop version of the web-site, enter your voting code and password, and re-exercise your voting rights.

* Re-scanning the QR Code will redirect you to the desktop version of the web-site.

■ Method 2 Voting by entering your voting code and password

WEB-SITE FOR EXERCISE OF VOTING RIGHTS: <https://www.web54.net>

1 Go to the WEB-SITE FOR EXERCISE OF VOTING RIGHTS. Click "次へすすむ(Next)"

2 Enter the 'voting code' shown in the CARD FOR EXERCISE OF VOTING RIGHTS. Click "ログイン (Log in)"

3 Enter the 'password' shown in the CARD FOR EXERCISE OF VOTING RIGHTS. Click "登録 (Register)"

4 Enter your approval or disapproval for each proposal by following the instructions shown on screen.

* Please exercise your voting rights via the internet by **5:30 p.m. on Wednesday, June 28, 2023**, the day before the Annual Shareholders Meeting.

If you exercise your voting rights more than once via the internet, the vote exercised last shall be deemed valid.

* Telecommunication charges (telephone fees) may be required in some cases. Please note that such charges will be borne by the shareholders.

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| If you are not sure how to operate your PC or other device to exercise your voting rights: | Dedicated telephone line of the Stock Transfer Agency Department 'Web Support,' Sumitomo Mitsui Trust Bank, Limited Telephone number in Japan: 0120-652-031 (9 a.m. to 9 p.m.) |
| Cases other than the above: | Stock Transfer Agency Department 'Clerical Center,' Sumitomo Mitsui Trust Bank, Limited Telephone number in Japan: 0120-782-031 (9 a.m. to 5 p.m. every day except Saturdays, Sundays and national holidays) |

Institutional investors may use the Electronic Voting Platform for Institutional Investors operated by ICJ Inc.

6. Precautions for the Annual Shareholders Meeting:

Requests to shareholders

- Please consider the COVID-19 situation and your own health condition on the day of the Meeting when deciding whether to attend the Meeting in person.
- If you are not attending the Meeting, please exercise your voting rights in advance in writing or via the internet. Please watch the video of the Meeting, which we plan to distribute on the day after the Meeting.

Requests to shareholders coming to the venue

- We ask that shareholders make their own decision on whether to wear a mask when attending the Meeting.
- We may measure the temperature of individuals after checking body temperatures with thermography near the entrance of the venue.
Please note that we may ask you to not enter or to leave the venue if you have a fever or appear to be unwell.
- There may be fewer seats available than usual to ensure space between seats. Please note that you may be denied admission if the number of attendees exceeds the number of seats available.
- Alcohol disinfectant will be provided at the venue for anyone who wishes to use it.

Changes to our response policy immediately before the Annual Shareholders Meeting

- If there is a change in the above content due to changes in the spread of COVID-19, notice will be made on our website below. Please check in advance if you are planning to visit the venue.

[Company's website: https://www.tokyo-gas.co.jp/IR/english/stock/shm_e.html]
Use the URL above or search "Tokyo Gas shareholders meeting" on the web.



7. Points to Note When Watching the Video

- If your device remembers your ID and password, you will not need to reenter your ID and password to watch the video when accessing on a second or subsequent occasion.
- There is a limit to the number of people that can watch the video at the same time. If you are unable to watch the video, please try again at a different time.
- Depending on your device, network environment or other conditions, you may not be able to watch the video.
- The images and audio may be distorted by your communication environment or other conditions.
- Please refrain from sharing the video's URL with third parties or recording or publishing, etc., the video.
- Note that shareholders are responsible for any communication charges incurred when watching the video.

[English Translation Originally Issued in the Japanese Language]

REFERENCE MATERIALS FOR THE SHAREHOLDERS MEETING

Proposals and References

Proposal: Election of Nine (9) Directors

The term of office of all the current nine (9) Directors ends at the conclusion of this Annual Shareholders Meeting. Therefore, we hereby propose the election of nine (9) Directors. The nominees for Directors are as follows.

| No. | Name | Current position and areas of responsibility in the Company | Note | Attendance to the Board of Directors meetings (FY2022) |
|-----|--------------------|--|---|--|
| 1 | UCHIDA Takashi | Director Compensation Committee Member | Reelection | 100% (13 / 13) |
| 2 | SASAYAMA Shinichi | Representative Corporate Executive Officer and President | Newly nominated | - |
| 3 | HIGO Takashi | - | Newly nominated | - |
| 4 | TAKAMI Kazunori | Director Chairperson of the Compensation Committee Nominating Committee Member | Reelection Outside Independent | 100% (13 / 13) |
| 5 | EDAHIRO Junko | Director Nominating Committee Member Compensation Committee Member | Reelection Outside Independent | 100% (13 / 13) |
| 6 | INDO Mami | Director Chairperson of the Audit Committee | Reelection Outside Independent | 100% (13 / 13) |
| 7 | ONO Hiromichi | Director Audit Committee Member | Reelection Outside Independent | 100% (13 / 13) |
| 8 | SEKIGUCHI Hiroyuki | Director Audit Committee Member | Reelection Outside Independent | 100% (11 / 11) |
| 9 | TANNOWA Tsutomu | - | Newly nominated Outside Independent | - |

- Notes:
1. Mr. UCHIDA Takashi retired as the Representative Corporate Executive Officer and President as of March 31, 2023.
 2. Mr. HIGO Takashi retired as Senior Managing Executive Officer as of March 31, 2023.
 3. As for Mr. SEKIGUCHI Hiroyuki, the status after the assumption of office on June 29, 2022 is stated.
 4. There is no special interest between the nominees for Directors and the Company. In addition, there are no transactions exceeding the limits stipulated in the Company's Independence Standards for Outside Directors (see page 21) between the nominees for Outside Directors and the Company.
 5. The Company has entered into agreements with each Outside Director to limit their liability under Article 423, paragraph 1 of the Companies Act to the amount provided for in Article 425, paragraph 1 of the same Act on the condition that they execute their duties in good faith and without gross negligence. If they are reelected, the Company plans to renew the aforementioned agreement with them. If the election of Mr. TANNOWA Tsutomu is approved, the Company plans to enter into the same agreement with him.
 6. The Company has entered into indemnity agreements with each Director and each Corporate Executive Officer provided for in Article 430-2, paragraph 1 of the Companies Act. Under the agreements, the Company indemnifies each Director and each Corporate Executive Officer for the expenses provided for in item 1 and the losses provided for in item 2 of Article 430-2, paragraph 1, to the extent provided for in laws and regulations, on the condition that there is no malicious intent or gross negligence in the execution of their duties. If each Director is reelected, the Company plans to renew the aforementioned agreement with them. If the election of Mr. SASAYAMA Shinichi, Mr. HIGO Takashi, and Mr. TANNOWA Tsutomu are approved, the Company plans to enter into the same agreements with them.
 7. The Company has entered into a directors and officers liability insurance (D&O insurance) agreement with an insurance company, with each Director and each Corporate Executive Officer included as insured persons, as stipulated in Article 430-3, paragraph 1 of the Companies Act. The D&O insurance agreement covers damages and litigation expenses

incurred by the insured person due to claims for damages made as a result of action taken by the insured person based mainly on the position of the officer, etc. of the company (including omissions), and the Company fully bears the insurance premiums of the insured person. However, there are certain exemptions; for example, claims for damage arising from criminal acts of the insured, and claims for damage arising from acts committed by the insured with the insured's knowledge that such acts are in violation of laws and regulations shall not be covered. If the election of each Director candidate is approved, the Company plans to enter into the same agreement with each candidate included as an insured person.

8. The career summaries of the respective candidates are current as of the preparation of this REFERENCE MATERIALS FOR THE SHAREHOLDERS MEETING (May 17, 2023).

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|--|--|---|---|-------|------|--------------------|-------|------|---|-------|------|---|-------|------|--|------|------|--|-------|------|---|-------|------|---|-------|------|------------------------------------|------|------|--|-------|------|---|-------|------|-----------------------------|
| Candidate No. 1 | UCHIDA Takashi | Date of birth April 17, 1956 | Number of the Company's shares held 26,000 Number of shares to be granted based on the trust-type share-based compensation plan 13,615 Attendance during FY2022 Board of Directors meetings:100% (13 / 13) Compensation Committee meetings:100% (4 / 4) Tenure as Director 8 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Reelection | <p>Career Summary</p> <table border="0"> <tr> <td>April</td> <td>1979</td> <td>Joined the Company</td> </tr> <tr> <td>April</td> <td>2010</td> <td>Executive Officer and General Manager of Corporate Planning Dept.</td> </tr> <tr> <td>April</td> <td>2012</td> <td>Senior Executive Officer and in charge of Personnel Dept., Secretary Dept., Compliance Dept. and Internal Audit Dept.</td> </tr> <tr> <td>April</td> <td>2013</td> <td>Senior Executive Officer and Chief Executive of Energy Resources Business Div.</td> </tr> <tr> <td>June</td> <td>2015</td> <td>Director, Senior Executive Officer and Chief Executive of Energy Resources Business Div.</td> </tr> <tr> <td>April</td> <td>2016</td> <td>Representative Director, Executive Vice President and Chief Executive of Residential Sales and Service Div.</td> </tr> <tr> <td>April</td> <td>2017</td> <td>Representative Director, Executive Vice President and Chief Executive of Residential Service Div.</td> </tr> <tr> <td>April</td> <td>2018</td> <td>Representative Director, President</td> </tr> <tr> <td>June</td> <td>2021</td> <td>Director, Representative Corporate Executive Officer and President</td> </tr> <tr> <td>April</td> <td>2022</td> <td>Director, Representative Corporate Executive Officer, President and CEO</td> </tr> <tr> <td>April</td> <td>2023</td> <td>Director (Current position)</td> </tr> </table> <p>[Important concurrent posts] None</p> | | | April | 1979 | Joined the Company | April | 2010 | Executive Officer and General Manager of Corporate Planning Dept. | April | 2012 | Senior Executive Officer and in charge of Personnel Dept., Secretary Dept., Compliance Dept. and Internal Audit Dept. | April | 2013 | Senior Executive Officer and Chief Executive of Energy Resources Business Div. | June | 2015 | Director, Senior Executive Officer and Chief Executive of Energy Resources Business Div. | April | 2016 | Representative Director, Executive Vice President and Chief Executive of Residential Sales and Service Div. | April | 2017 | Representative Director, Executive Vice President and Chief Executive of Residential Service Div. | April | 2018 | Representative Director, President | June | 2021 | Director, Representative Corporate Executive Officer and President | April | 2022 | Director, Representative Corporate Executive Officer, President and CEO | April | 2023 | Director (Current position) |
| April | 1979 | Joined the Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2010 | Executive Officer and General Manager of Corporate Planning Dept. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2012 | Senior Executive Officer and in charge of Personnel Dept., Secretary Dept., Compliance Dept. and Internal Audit Dept. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2013 | Senior Executive Officer and Chief Executive of Energy Resources Business Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2015 | Director, Senior Executive Officer and Chief Executive of Energy Resources Business Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2016 | Representative Director, Executive Vice President and Chief Executive of Residential Sales and Service Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2017 | Representative Director, Executive Vice President and Chief Executive of Residential Service Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2018 | Representative Director, President | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2021 | Director, Representative Corporate Executive Officer and President | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2022 | Director, Representative Corporate Executive Officer, President and CEO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2023 | Director (Current position) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><Reason for nomination as Director> Mr. UCHIDA Takashi has experience mainly in operations related to corporate planning, and energy resources & global business. As the Representative Corporate Executive Officer and President until March 2023, he engaged in efforts for a smooth transition of the management structure and achieve further growth amid changes in the environment surrounding the Company, including the full deregulation of the electric power and gas retail markets, legal separation of the Pipeline Network Division, and transition to a new Group management structure.</p> <p><Roles played at the Board of Director> During the term of office as the Representative Corporate Executive Officer and President, as a Director who also serves as an Corporate Executive Officer, Mr. UCHIDA organically connected the Corporate Executive Officers and the Board of Directors, including by providing appropriate and timely explanations of the status of business execution to the Board of Directors to enable it to provide appropriate supervision. Currently, as a Director, he works to improve the effectiveness of the Board of Directors by utilizing his experiences.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|--|--|---|--|-------|------|--------------------|-------|------|---|-------|------|---|-------|------|---|-------|------|--|------|------|---|------|------|--|-------|------|--|-------|------|--|
| Candidate No. 2 | SASAYAMA Shinichi | Date of birth June 11, 1962 | Number of the Company's shares held 13,700 Number of shares to be granted based on the trust-type share-based compensation plan 6,077 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Newly nominated | <p>Career Summary</p> <table border="0"> <tr> <td style="padding-right: 20px;">April</td> <td style="padding-right: 20px;">1986</td> <td>Joined the Company</td> </tr> <tr> <td>April</td> <td>2016</td> <td>Executive Officer and General Manager of Corporate Planning Dept.</td> </tr> <tr> <td>April</td> <td>2018</td> <td>Senior Executive Officer and Chief Executive of Digital Innovation Div. and in charge of Corporate Planning Dept.</td> </tr> <tr> <td>April</td> <td>2019</td> <td>Senior Executive Officer and Chief Executive of Digital Innovation Div. and in charge of Corporate Planning Dept. and Business Transformation Project Dept.</td> </tr> <tr> <td>April</td> <td>2020</td> <td>Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div.</td> </tr> <tr> <td>June</td> <td>2020</td> <td>Director and Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div.</td> </tr> <tr> <td>June</td> <td>2021</td> <td>Senior Managing Corporate Executive Officer and Chief Executive of Asset Optimization & Trading Div.</td> </tr> <tr> <td>April</td> <td>2022</td> <td>Representative Corporate Executive Officer, Vice President and CSO</td> </tr> <tr> <td>April</td> <td>2023</td> <td>Representative Corporate Executive Officer, President and CEO (Current position)</td> </tr> </table> <p>[Important concurrent posts] None</p> | | | April | 1986 | Joined the Company | April | 2016 | Executive Officer and General Manager of Corporate Planning Dept. | April | 2018 | Senior Executive Officer and Chief Executive of Digital Innovation Div. and in charge of Corporate Planning Dept. | April | 2019 | Senior Executive Officer and Chief Executive of Digital Innovation Div. and in charge of Corporate Planning Dept. and Business Transformation Project Dept. | April | 2020 | Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div. | June | 2020 | Director and Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div. | June | 2021 | Senior Managing Corporate Executive Officer and Chief Executive of Asset Optimization & Trading Div. | April | 2022 | Representative Corporate Executive Officer, Vice President and CSO | April | 2023 | Representative Corporate Executive Officer, President and CEO (Current position) |
| April | 1986 | Joined the Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2016 | Executive Officer and General Manager of Corporate Planning Dept. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2018 | Senior Executive Officer and Chief Executive of Digital Innovation Div. and in charge of Corporate Planning Dept. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| April | 2020 | Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2020 | Director and Senior Managing Executive Officer and Chief Executive of Asset Optimization & Trading Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2021 | Senior Managing Corporate Executive Officer and Chief Executive of Asset Optimization & Trading Div. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2022 | Representative Corporate Executive Officer, Vice President and CSO | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2023 | Representative Corporate Executive Officer, President and CEO (Current position) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><Reason for nomination as Director> Mr. SASAYAMA Shinichi has experience mainly in operations related to corporate planning, electric power and DX. In recent years, he has promoted the Group's new challenges, including the formulation of the Group's management vision (Compass 2030), efforts to strengthen the energy trading business, and the development of the renewable energy business. We propose that Mr. SASAYAMA be elected as Director, as he currently serves as Representative Corporate Executive Officer and President, and leads the entire Company toward the realization of the FY2023-2025 Medium-term Management Plan.</p> <p><Reasons for appointment as the Representative Corporate Executive Officer and President> We have appointed Mr. SASAYAMA as Representative Corporate Executive Officer and President because he is the most qualified person to head the company in the period of change when it is necessary to take up further challenges and make a leap forward in order to steadily implement the FY2023-2025 Medium-term Management Plan and ensure the sustainable growth of the Group, amid significant changes in the external environment.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|--|--|---|---|-------|------|--------------------|-------|------|----------------------------------|-------|------|--|-------|------|---|-------|------|--|-------|------|--|-------|------|---|-------|------|---------|
| Candidate No. 3 | HIGO Takashi | Date of birth January 23, 1963 | Number of the Company's shares held 7,700 Number of shares to be granted based on the trust-type share-based compensation plan 2,369 | | | | | | | | | | | | | | | | | | | | | | | | |
| Newly nominated | <p>Career Summary</p> <table border="0"> <tr> <td style="padding-right: 20px;">April</td> <td style="padding-right: 20px;">1986</td> <td>Joined the Company</td> </tr> <tr> <td>April</td> <td>2015</td> <td>General Manager of Finance Dept.</td> </tr> <tr> <td>April</td> <td>2017</td> <td>Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div.</td> </tr> <tr> <td>April</td> <td>2018</td> <td>Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div., and Representative Director and President of Tokyo LNG Tanker Co., Ltd.</td> </tr> <tr> <td>April</td> <td>2019</td> <td>Senior Executive Officer, and Representative Director and President of Tokyo Gas Engineering Solutions Corporation</td> </tr> <tr> <td>April</td> <td>2021</td> <td>Senior Executive Officer and Chief Executive of Energy Solution Div.</td> </tr> <tr> <td>April</td> <td>2022</td> <td>Senior Managing Executive Officer and in charge of Secretary Dept., General Administration Dept., Corporate Communications Dept., Sustainability Dept. and Internal Audit Dept.</td> </tr> <tr> <td>March</td> <td>2023</td> <td>Retired</td> </tr> </table> <p>[[Important concurrent posts] None</p> | | | April | 1986 | Joined the Company | April | 2015 | General Manager of Finance Dept. | April | 2017 | Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div. | April | 2018 | Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div., and Representative Director and President of Tokyo LNG Tanker Co., Ltd. | April | 2019 | Senior Executive Officer, and Representative Director and President of Tokyo Gas Engineering Solutions Corporation | April | 2021 | Senior Executive Officer and Chief Executive of Energy Solution Div. | April | 2022 | Senior Managing Executive Officer and in charge of Secretary Dept., General Administration Dept., Corporate Communications Dept., Sustainability Dept. and Internal Audit Dept. | March | 2023 | Retired |
| April | 1986 | Joined the Company | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2015 | General Manager of Finance Dept. | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2017 | Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div. | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2018 | Executive Officer and General Manager of Gas Resources Dept., Gas Resources & Energy Production Div., and Representative Director and President of Tokyo LNG Tanker Co., Ltd. | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2019 | Senior Executive Officer, and Representative Director and President of Tokyo Gas Engineering Solutions Corporation | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2021 | Senior Executive Officer and Chief Executive of Energy Solution Div. | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2022 | Senior Managing Executive Officer and in charge of Secretary Dept., General Administration Dept., Corporate Communications Dept., Sustainability Dept. and Internal Audit Dept. | | | | | | | | | | | | | | | | | | | | | | | | | |
| March | 2023 | Retired | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><Reason for nomination as Director> Mr. HIGO Takashi has experience mainly in operations related to finance, energy resources, corporate planning, and sales. He has engaged in efforts to strengthen the Company's financial constitution as well as to enhance communication with customers, shareholders, and investors. We propose that Mr. HIGO be elected as Director as he has been dedicated to ensuring the soundness of management in recent years as the Executive Officer in charge of the Secretary Dept., General Administration Dept., Corporate Communications Dept., Sustainability Dept. and Internal Audit Dept.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|---|-----------------|--|---|
| Candidate No. 4 | TAKAMI Kazunori | Date of birth June 12, 1954 | Number of the Company's shares held 1,400 |
| | | | Number of shares to be granted based on the trust-type share-based compensation plan 850 |
| | | | Attendance during FY2022 Board of Directors meetings:100% (13 / 13) Nominating Committee meetings:100% (9 / 9) Compensation Committee meetings:100% (4 / 4) |
| | | | Tenure as Outside Director 4 years |
| Reelection Outside Independent | Career Summary | | |
| | April | 1978 | Joined Matsushita Electric Industrial Co., Ltd. (Current Panasonic Holdings Corporation) |
| | December | 1998 | General Manager of Corporate Planning Office of Electric Appliances and Housing Facility Company of Matsushita Electric Industrial Co., Ltd. (Current Panasonic Holdings Corporation) |
| | June | 2004 | Director of Corporate National Marketing Div. of Matsushita Electric Industrial Co., Ltd. (Current Panasonic Holdings Corporation) |
| | April | 2009 | Managing Executive Officer, President of Home Appliances Company of Panasonic Corporation |
| | April | 2012 | Representative Director, Senior Managing Executive Officer and President of Appliances Company of Panasonic Corporation |
| | April | 2015 | Representative Director, Executive Vice President and in charge of Japan region, Customer Satisfaction, and Design of Panasonic Corporation |
| | June | 2015 | Outside Director of Tokyo FM Broadcasting Co., Ltd. (Current position) |
| | June | 2017 | Corporate Advisor of Panasonic Corporation (Retired in March 2018) |
| | June | 2018 | Outside Director of Nojima Corporation (Current position) |
| | March | 2019 | Outside Director of FUJITA KANKO INC. (Current position) |
| | June | 2019 | Outside Director of the Company (Current position) |
| | | [Important concurrent posts] Outside Director of Tokyo FM Broadcasting Co., Ltd. Outside Director of Nojima Corporation Outside Director of FUJITA KANKO INC. | |
| <Reason for nomination as Outside Director> Mr. TAKAMI Kazunori's management capabilities, based on his broad view and in-depth knowledge he has acquired as an executive in the electrical industry, especially the consumer-oriented marketing sense developed in the home electronics business, are very useful in the promotion and supervision of the management strategy in which the Company aims for. For these reasons, we propose that Mr. TAKAMI Kazunori be reelected as Outside Director. The Company has designated Mr. TAKAMI as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submitted notifications to that effect to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange). | | | |

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|---|---|--|---|
| Candidate No. 5 | EDAHIRO Junko | Date of birth November 23, 1962 | Number of the Company's shares held 700 |
| | | | Number of shares to be granted based on the trust-type share-based compensation plan 850 |
| | | | Attendance during FY2022 Board of Directors meetings:100% (13 / 13) Nominating Committee meetings:100% (8 / 8) Audit Committee meetings:100% (4 / 4) Compensation Committee meetings:100% (2 / 2) (Note) |
| | | | Tenure as Outside Director 4 years |
| Reelection Outside Independent | Career Summary | | |
| | July | 1993 | Interpreter and translator |
| | October | 1998 | Environmental journalist |
| | July | 2002 | CEO of EcoNetworks Co. (Retired in July 2005) |
| | August | 2002 | Joint Chief Executive of Japan for Sustainability (NGO) |
| | April | 2003 | Representative Director of Edahiroba Inc. (Current e's Inc.) (Current position) |
| | April | 2005 | Representative Director and Chairperson of Change Agent Inc. |
| | May | 2006 | Director and Chairperson of Change Agent Inc. (Current position) |
| | August | 2010 | Chief Executive of Japan for Sustainability (NGO) (Retired in July 2018) |
| | September | 2014 | Professor of Department of Environmental Management, Faculty of Environmental Studies of Tokyo City University (Retired in March 2018) |
| | August | 2018 | Professor of Shizenkan University Graduate School of Leadership & Innovation (Current position) |
| | June | 2019 | Outside Director of the Company (Current position) |
| | October | 2019 | Representative Director of Shimokawa Seeds K.K. (Retired in September 2022) |
| | September | 2020 | Representative Director of mirai-sozo.work (Current position) |
| August | 2022 | Chief Director of Blue Carbon Network (Current position) | |
| | [Important concurrent posts] Representative Director of e's Inc. Director and Chairperson of Change Agent Inc. Professor of Shizenkan University Graduate School of Leadership & Innovation Representative Director of mirai-sozo.work Chief Director of Blue Carbon Network | | |
| <Reason for nomination as Outside Director> Ms. EDAHIRO Junko's advanced knowledge and ability to disseminate information on energy and sustainability, which she has acquired as a journalist and creator, as well as her abundant local practical experience, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Ms. EDAHIRO Junko be reelected as Outside Director. The Company has designated Ms. EDAHIRO as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submitted notification to that effect to listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange). | | | |

Note: Ms. EDAHIRO served as an Audit Committee Member until the conclusion of the 222nd Annual Shareholders Meeting held on June 29, 2022, and was appointed as a Nominating Committee Member and Compensation Committee Member at the Board of Directors meeting held after the Annual Shareholders Meeting.

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|--|--|-----------------------------------|--|
| Candidate No. 6 | INDO Mami | Date of birth November 6, 1962 | Number of the Company's shares held 900 Number of shares to be granted based on the trust-type share-based compensation plan 850 Attendance during FY2022 Board of Directors meetings:100% (13 / 13) Audit Committee meetings:100% (14 / 14) Tenure as Outside Director 3 years |
| Reelection Outside Independent | Career Summary April 1985 Joined Daiwa Securities Co. Ltd. April 2009 Senior Managing Director and General Manager of Consulting Div. of Daiwa Institute of Research Ltd. April 2013 Executive Managing Director and Deputy General Manager of Investigation Div. of Daiwa Institute of Research Ltd. April 2016 Senior Managing Director of the Institute of Daiwa Institute of Research Ltd. (Retired in December 2016) December 2016 Commissioner of Securities and Exchange Surveillance Commission (Retired in December 2019) June 2020 Audit & Supervisory Board Member (External) of Ajinomoto Co., Inc. June 2020 Outside Audit & Supervisory Board Member of AIG Japan Holdings KK June 2020 Outside Director of the Company (Current position) June 2021 Outside Director of Fujitec Co., Ltd. (Retired in February 2023) June 2021 Outside Director of Ajinomoto Co., Inc. (Current position) June 2021 Outside Director of AIG Japan Holdings KK (Current position) [Important concurrent posts] Outside Director of Ajinomoto Co., Inc. Outside Director of AIG Japan Holdings KK | | |
| <Reason for nomination as Outside Director> Ms. INDO Mami's various advanced management analysis and guidance capabilities she acquired as an analyst and advisor in the finance field, as well as her management sense from a risk perspective developed through the experience in a monitoring body, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Ms. INDO Mami be reelected as Outside Director. The Company has designated Ms. INDO as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submitted notifications to that effect to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange). | | | |

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|--|--|---|---|-------|------|----------------------------|------|------|---|------|------|---|--|--|---|-------|------|---|------|------|---|------|------|---|------|------|--|
| Candidate No. 7 | ONO Hiromichi | Date of birth August 11, 1956 | <p>Number of the Company's shares held 0</p> <p>Number of shares to be granted based on the trust-type share-based compensation plan 850</p> <p>Attendance during FY2022 Board of Directors meetings:100% (13 / 13) Audit Committee meetings:100% (14 / 14)</p> <p>Tenure as Outside Director 2 years</p> <p>* Prior to the transition to a Company with Three Committees (Nominating, Audit and Compensation), he served as an Audit & Supervisory Board Member for one year</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| Reelection Outside Independent | <p>Career Summary</p> <table border="0"> <tr> <td style="padding-right: 20px;">April</td> <td style="padding-right: 20px;">1979</td> <td>Joined Ajinomoto Co., Inc.</td> </tr> <tr> <td>June</td> <td>2007</td> <td>Corporate Executive Officer and General Manager of Finance Dept. of Ajinomoto Co., Inc.</td> </tr> <tr> <td>June</td> <td>2011</td> <td>Member of the Board & Corporate Vice President (In charge of finance and purchasing) (Retired in June 2017)</td> </tr> <tr> <td></td> <td></td> <td>Director of Japan Investor Relations Association (Retired in June 2017)</td> </tr> <tr> <td>April</td> <td>2013</td> <td>Member of the Investment Committee of Government Pension Investment Fund (Retired in June 2017)</td> </tr> <tr> <td>June</td> <td>2019</td> <td>Outside Director of Mebuki Financial Group, Inc. (Current position)</td> </tr> <tr> <td>June</td> <td>2020</td> <td>Outside Audit & Supervisory Board Member of the Company</td> </tr> <tr> <td>June</td> <td>2021</td> <td>Outside Director of the Company (Current position)</td> </tr> </table> <p>[Important concurrent posts] Outside Director of Mebuki Financial Group, Inc.</p> | | | April | 1979 | Joined Ajinomoto Co., Inc. | June | 2007 | Corporate Executive Officer and General Manager of Finance Dept. of Ajinomoto Co., Inc. | June | 2011 | Member of the Board & Corporate Vice President (In charge of finance and purchasing) (Retired in June 2017) | | | Director of Japan Investor Relations Association (Retired in June 2017) | April | 2013 | Member of the Investment Committee of Government Pension Investment Fund (Retired in June 2017) | June | 2019 | Outside Director of Mebuki Financial Group, Inc. (Current position) | June | 2020 | Outside Audit & Supervisory Board Member of the Company | June | 2021 | Outside Director of the Company (Current position) |
| April | 1979 | Joined Ajinomoto Co., Inc. | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2007 | Corporate Executive Officer and General Manager of Finance Dept. of Ajinomoto Co., Inc. | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2011 | Member of the Board & Corporate Vice President (In charge of finance and purchasing) (Retired in June 2017) | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Director of Japan Investor Relations Association (Retired in June 2017) | | | | | | | | | | | | | | | | | | | | | | | | | |
| April | 2013 | Member of the Investment Committee of Government Pension Investment Fund (Retired in June 2017) | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2019 | Outside Director of Mebuki Financial Group, Inc. (Current position) | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2020 | Outside Audit & Supervisory Board Member of the Company | | | | | | | | | | | | | | | | | | | | | | | | | |
| June | 2021 | Outside Director of the Company (Current position) | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><Reason for nomination as Outside Director> Mr. ONO Hiromichi's management capabilities, based on the broad view and in-depth knowledge he developed as an executive in the food industry, especially his management sense from a group and a risk perspective developed in the finance division, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Mr. ONO Hiromichi be reelected as Outside Director. The Company has designated Mr. ONO as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submitted notifications to that effect to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|---|--|-----------------------------------|---|
| Candidate No. 8 | SEKIGUCHI Hiroyuki | Date of birth January 15, 1957 | Number of the Company's shares held 0 Number of shares to be granted based on the trust-type share-based compensation plan 364 Attendance during FY2022 Board of Directors meetings:100% (11 / 11) Audit Committee meetings:100% (10 / 10) Tenure as Outside Director 1 year |
| Reelection Outside Independent | Career Summary April 1979 Joined Japan Broadcasting Corporation August 1987 Reporter in the Economics Section, News Department of Japan Broadcasting Corporation (responsible for covering the Ministry of Transport, Ministry of Finance, Ministry of International Trade and Industry, distribution companies, trading companies, the Bank of Japan, the finance sector, etc.) June 1998 Economics Section Deskman, News Department of Japan Broadcasting Corporation June 2001 'Economics Front Line' Newscaster, News Commentator, General Broadcasting Administration of Japan Broadcasting Corporation April 2004 'Business Compass' Newscaster of Japan Broadcasting Corporation June 2007 Chief News Commentator of Japan Broadcasting Corporation June 2014 News Commentator Vice-chairperson of Japan Broadcasting Corporation April 2017 'Ohayo Nippon/Oha Biz' Newscaster of Japan Broadcasting Corporation (responsible for corporate strategy, energy affairs, green innovation, corporate governance, growth strategy, industrial policy, etc.) January 2022 Retired from Japan Broadcasting Corporation June 2022 Outside Director of the Company (Current position) [Important concurrent posts] None | | |
| <Reason for nomination as Outside Director> Mr. SEKIGUCHI Hiroyuki's keen eye for energy, sustainability and the overall economy, profound insight to get to the core of an issue, and the ability to explain from the audience's perspective, which he has acquired as a network reporter and commentator, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Mr. SEKIGUCHI Hiroyuki be reelected as Outside Director. While he does not have prior experience with company management, for the above reasons, we have deemed him capable of appropriately carrying out the duties of an Outside Director. The Company has designated Mr. SEKIGUCHI as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submitted notifications to that effect to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange). | | | |

| Candidate No. 9 | TANNOWA Tsutomu | Date of birth October 26, 1951 | Number of the Company's shares held 0 Number of shares to be granted based on the trust-type share-based compensation plan - |
|---|---|-----------------------------------|---|
| Newly nominated Outside Independent | <p>Career Summary</p> <p>April 1976 Joined Mitsui Toatsu Chemicals, Inc. (Current Mitsui Chemicals, Inc.)</p> <p>June 2005 General Manager of Industrial Chemicals Div., Basic Chemicals Group of Mitsui Chemicals, Inc.</p> <p>June 2006 Senior Director, General Manager of Industrial Chemicals Div., Basic Chemicals Group of Mitsui Chemicals, Inc.</p> <p>April 2007 Executive Officer, General Manager of Human Resources & Employee Relations Div. of Mitsui Chemicals, Inc.</p> <p>April 2010 Managing Executive Officer, Business Sector President of Basic Chemicals Business Sector of Mitsui Chemicals, Inc.</p> <p>April 2012 Managing Executive Officer, in charge of Petrochemicals Business Sector, Basic Chemicals Business Sector, Urethanes Business Sector, Functional Polymetric Materials Business Sector, Functional Chemicals Business Sector, and Branches of Mitsui Chemicals, Inc.</p> <p>June 2012 Member of the Board, Managing Executive Officer, in charge of Petrochemicals Business Sector, Basic Chemicals Business Sector, Urethanes Business Sector, Functional Polymetric Materials Business Sector, Functional Chemicals Business Sector, and Branches of Mitsui Chemicals, Inc.</p> <p>April 2013 Member of the Board, Senior Managing Executive Officer, in charge of Functional Chemicals Business Sector, Functional Polymetric Materials Business Sector, Urethanes Business Sector, Basic Chemicals Business Sector, Petrochemicals Business Sector, Mitsui Chemicals Tohcello, Inc., and Branches of Mitsui Chemicals, Inc.</p> <p>April 2014 Representative Director, Member of the Board, President & CEO of Mitsui Chemicals, Inc.</p> <p>April 2020 Representative Director, Member of the Board, Chairman of Mitsui Chemicals, Inc.</p> <p>June 2022 Outside Director of KDDI CORPORATION (Current position)</p> <p>April 2023 Chairman of the Board of Mitsui Chemicals, Inc. (Current position)</p> <p>[Important concurrent posts] Chairman of the Board of Mitsui Chemicals, Inc. Outside Director of KDDI CORPORATION</p> | | |
| <p><Reason for nomination as Outside Director> Mr. TANNOWA Tsutomu's management abilities based on his broad view and in-depth knowledge he has acquired as a corporate executive of a chemicals manufacturer, and knowledge on governance, especially his business sense from a risk perspective developed through management reforms and business restructuring, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Mr. TANNOWA Tsutomu be elected as Outside Director. The Company plans to designate Mr. TANNOWA as an 'Independent Officer' (Independent Director), who is not at risk of any conflict of interest with general shareholders, and submit notifications to that effect to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange).</p> | | | |

[Reference]

Approach to the Company's Board of Directors

■ Transition to a Company with Three Committees (Nominating, Audit and Compensation)

- For over 130 years, since its foundation in 1885, the Company has engaged in city gas business, primarily in the Tokyo area. However, the world is entering an era of dramatic changes to the energy field; therefore, based on 'Compass 2030,' our plan for 2030 and beyond, we must accelerate our efforts to expand our business domains and transform our business structure from now on.
- We believe that driving management reforms will be essential to these tremendous transformation, the largest since the Company was established. For this reason, in June 2021 we made a transition to a Company with Three Committees (Nominating, Audit and Compensation).

■ Composition of the Board of Directors

- As a Company with Three Committees (Nominating, Audit and Compensation), in order for the Board of Directors to perform supervisory functions more effectively, we set the Representative Corporate Executive Officer, President and CEO as the only Director who concurrently serves as a Corporate Executive Officer, and by clearly separating the executive function and the supervisory function, we achieve disciplined management.
- On that basis, for the purpose of placing diverse and objective supervision at the center of the operation of the Board of Directors, about two-thirds (2/3) of the board consist of Outside Directors.

■ Skills and Roles Demanded of Directors

- The following have been designated as skills that all Directors are to possess: "knowledge to deepen corporate management", "a mind that leads to corporate transformation", and "ability to raise questions to identify corporate issues".
- Outside Directors are required to have skills necessary for supervision toward achievement of the Group's management vision "Compass 2030" and skills which supplement the knowledge and experience of internal Directors and Corporate Executive Officers.
- All internal Directors, except for the Representative Corporate Executive Officer, are non-executive, and take on the role of providing proposals and information in a timely and appropriate manner in order to ensure the effectiveness of the Board of Directors.

[Reference]

■ Outside Director Candidate Skill Matrix

The skill matrix below indicates the skills of each Outside Director candidate (up to four skills per candidate) and details regarding each skill.

| | (1) Energy | (2) Sustain- ability | (3) Digital/ Technology | (4) Marketing/ Project develop- ment | (5) Group management/ Governance | (6) Global business | (7) M&A/ business restructuring | (8) Communica- tions | (9) Finance/ Accounting | (10) Risk management |
|-----------------------|---------------|----------------------------|-------------------------------|---|---|---------------------------|--|----------------------------|-------------------------------|----------------------------|
| TAKAMI Kazunori | | | ○ | ○ | ○ | | ○ | | | |
| EDAHIRO Junko | ○ | ○ | | | | ○ | | ○ | | |
| INDO Mami | | | | | ○ | | ○ | | ○ | ○ |
| ONO Hiromichi | | | | | ○ | | ○ | | ○ | ○ |
| SEKIGUCHI Hiroyuki | ○ | ○ | | | | ○ | | ○ | | |
| TANNOWA Tsutomu | | ○ | | ○ | | | ○ | | | ○ |

(1) Energy
(2) Sustainability

Supervise the responsible transition to a Net-Zero society based on medium- and long-term energy and environmental trends in Japan and overseas

(3) Digital/Technology

Supervise the provision of solutions leveraging digital technologies in order to transition to a Net-Zero society and establish a value co-creation ecosystem

(4) Marketing/Project development

Supervise the migration from the city gas business focused exclusively on the Tokyo area to one that involves multiple businesses and decentralized management by transforming the LNG value chain

(5) Group management/Governance

Supervise the business administration that manages multiple businesses while balancing autonomy and overall optimization, and the management and operation of personnel and organizations

(6) Global business

Supervise transformation of the Company's business structure as a global, total energy company, development and implementation of strategies, and enhancement of the Company's discernment capabilities and risk management

(7) M&A/business restructuring

Supervise efforts to integrate and concentrate businesses, from a multitude of angles, with the aim of achieving non-continuous, speedy growth, both in Japan and overseas

(8) Communications

Supervise timely, high-impact communications based on close public hearing activities with stakeholders

(9) Finance/Accounting
(10) Risk management

In conducting the above business field expansion and M&A activities, supervise financial discipline and investment strategies based on risk balances that differ from those in the past, while at the same time supervising internal controls and risk management

[Reference]

Independence Standards for Outside Directors

TOKYO GAS CO., LTD.

The Company shall judge Outside Directors stipulated in the Companies Act to be independent if they do not fall under any of the categories numbered (1) to (10) below in conformity with the independence standards of the stock exchanges on which the Company is listed.

- (1) Executive of a parent company or a fellow subsidiary company of the Company
- (2) Executive of a subsidiary of the Company
- (3) Major shareholder holding 10% or more of the Company's total shares outstanding (includes executives of a corporation, etc.)
- (4) Major client or supplier of the Company whose transactions account for 2% or more of consolidated net sales (parties that are major clients or suppliers of the Company, or parties for whom the Company is a major client or supplier [includes executives of a corporation, etc.]
- (5) Accounting Auditor or corporate attorney of the Company
- (6) Individual that fell under any of categories (1) to (5) within the previous three years
- (7) Executive of an organization receiving a large amount of donation from the Company (equal to or more than the greater of an annual average of ¥10 million or 30% of the organization's total average annual costs over the previous three business years)
- (8) Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property-related benefits from the Company besides remuneration as an Officer (over the previous three business years, for an individual, an average of ¥10 million or more annually and for a corporation, etc., 2% or more of the corporation's consolidated net sales)
- (9) Close relative of (1) to (8) (within the second degree of kinship)
- (10) Individual serving as officer (inside director, inside audit & supervisory board member, executive, or executive officer) at a corporate group in which an Officer (Inside Director, Inside Audit & Supervisory Board Member, Corporate Executive Officer, or Executive Officer) of the Tokyo Gas Group serves as outside officer

Business Report

1. Matters Concerning Current State of Group Operations

(1) Main Business Activities (As of March 31, 2023)

| Business segment | Main business activities |
|-------------------|--|
| Energy Solution | Production and sales of city gas, LNG sales, trading, electric power, engineering solutions (engineering, energy services, etc.), etc. |
| Network | Transmission service of city gas, etc. |
| Overseas Business | Offshore resource development and investment, energy supply, etc. |
| Urban Development | Real estate development and leasing, etc. |

Note: The Company changed its reporting segments from April 1, 2022. Details are described in '1) Overview of business results for the fiscal year under review' below.

(2) Business Conditions and Results

1) Overview of business results for the fiscal year under review

During the fiscal year under review, Japan's economy has been recovering moderately, reflecting a recovery trend in consumer spending and capital investment, although some weakness in exports and production remained. Moving forward, further economic recovery is expected owing to benefits from various policies as the society deals with COVID-19. Nonetheless, the outlook of the economy remains unclear due to factors such as recent price hikes, supply constraints, and fluctuations in the financial and capital markets.

Against this economic backdrop, competition among energy companies and even across industry boundaries is intensifying in the energy industry, due to the full deregulation of the gas retail market in April 2017, following the full deregulation of the electric power retail market in April 2016. In addition, the environment surrounding the energy business has changed drastically as decarbonization has become a global trend. Amid these changes, the Tokyo Gas Group has proactively implemented a variety of measures to increase the added value it delivers to customers in Japan and overseas by becoming a comprehensive energy business and globalizing its operations, so that customers will continue to choose the Tokyo Gas Group.

In November 2021, the Company formulated Compass Action, a detailed roadmap for achieving the Group's management vision, Compass 2030, and on April 1, 2022, transitioned to a holding company structure to build a system that will embody this vision. In light of this, the Company has trimmed down the number of reporting segments to four, the 'Energy Solution,' 'Network,' 'Overseas Business,' and 'Urban Development' segments, starting in FY2022, in comparison with its previous five reporting segments, which were 'Gas,' 'Electric Power,' 'Overseas,' 'Energy-related,' and 'Real Estate.'

In the Energy Solution segment in the fiscal year under review, city gas sales volume decreased year-on-year reflecting a decline in residential and commercial demand mainly due to high temperatures. In electric power sales, sales volume increased due the rise in the number of retail sales, despite the impact of a decline in demand by customers staying at home. In addition, in wholesale sales, there was an uptick in sales volume owing to an increase in demand at wholesale customers.

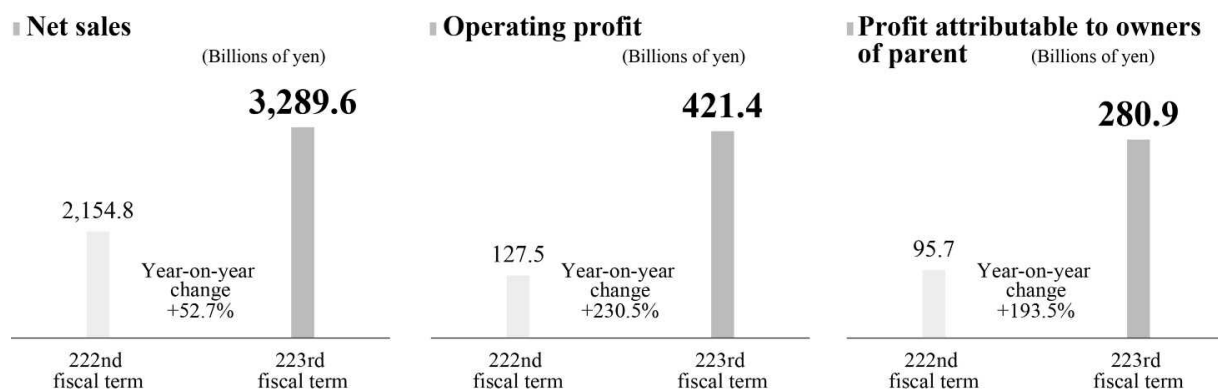
In the Network segment, consignment revenue was impacted by high temperatures during the winter months. In the Overseas Business segment, the balance of income and expenses improved primarily reflecting a hike in selling prices chiefly in the LNG business in Australia and North America owing to impact from soaring market prices globally, and as the yen depreciations in value against the US dollar. In the Urban Development segment, there was sizeable improvement in room occupancy rates in the hotel business.

In light of such economic conditions and environmental changes, consolidated net sales increased by 52.7% year on year to ¥3,289,634 million, and operating expenses increased by 41.5% year on year to ¥2,868,157 million.

As a result of the above, operating profit increased by 230.5% year on year to ¥421,477 million, and ordinary profit increased by 199.6% year on year to ¥408,846 million. As a result of the recording of gain on sales of investment securities of ¥3,795 million and gain on sale of businesses of ¥3,506 million under extraordinary income, and impairment loss of the Energy Solution segment of ¥4,093 million, loss on valuation of investment securities of ¥2,420 million and loss on valuation of long-term loans receivable

of ¥2,154 million under extraordinary losses and the recording of income taxes, profit attributable to owners of parent increased by 193.5% year on year to ¥280,916 million.

As it is difficult to prepare information on net sales and profit amounts for the new reporting segments for the previous fiscal year, the total of net sales and segment profit for 'Energy Solution' and 'Network' is calculated as an approximate total and presented as reference information.



2) Points of comparison with the previous fiscal year

| | | |
|-----------------------------------|-------------------|--|
| Net sales | +¥1,134.8 billion | ■ Increase in net sales of 'Energy Solution' due to an increase in the unit price as a result of resource cost adjustments, etc. |
| Operating expenses | +¥840.8 billion | ■ Increase in raw material costs of 'Energy Solution' due to the effect of a rise in crude oil prices, etc. |
| Non-operating income and expenses | ¥(21.5) billion | ■ Foreign exchange losses: ¥(9.5) billion; share of loss of entities accounted for using equity method: ¥(8.1) billion, etc. |
| Extraordinary income and losses | ¥(1.4) billion | <ul style="list-style-type: none"> ■ (Fiscal year under review) <ul style="list-style-type: none"> Gain on sales of investment securities: +¥3.7 billion Gain on sale of businesses: +¥3.5 billion Impairment loss: ¥(4.0) billion Loss on valuation of investment securities: ¥(2.4) billion Loss on valuation of long-term loans receivable: ¥(2.1) billion ■ (Previous fiscal year) <ul style="list-style-type: none"> Gain on sales of investment securities: +¥4.1 billion Gain on sales of non-current assets: +¥2.2 billion Impairment loss: ¥(3.7) billion Loss on valuation of investment securities: ¥(2.4) billion |

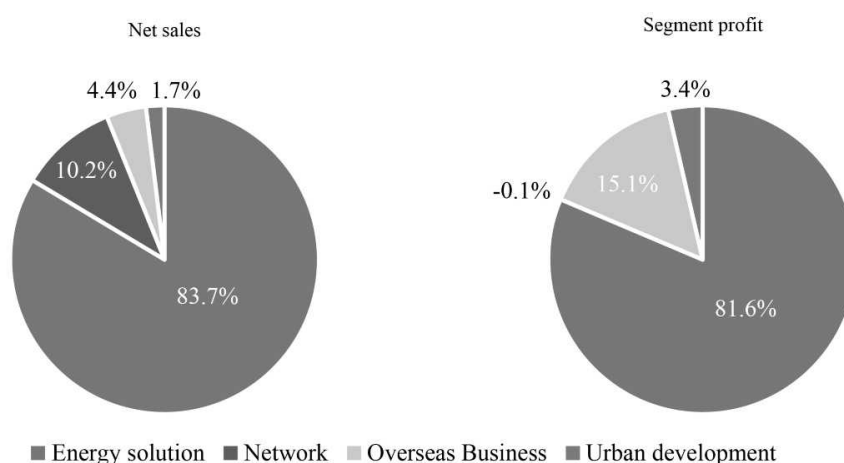
3) Overview of results by segment

(Billions of yen)

| | Net sales* ⁵ | | | | Segment profit (operating profit + equity income and losses) | | | |
|---|-------------------------|-------------------|---------|------|--|-------------------|---------|-------|
| | 223rd fiscal term | 222nd fiscal term | Changes | % | 223rd fiscal term | 222nd fiscal term | Changes | % |
| Energy Solution* ¹ (including equity income and losses) | 3,031.1 | - | - | - | 365.9 | - | - | - |
| Gas (excluding Network)* ² | 1,974.4 | - | - | - | 294.0 | - | - | - |
| Electric Power | 855.9 | 467.4 | 388.5 | 83.1 | 50.9 | 11.2 | 39.7 | 351.7 |
| Network | 370.3 | - | - | - | (0.3) | - | - | - |
| Energy Solution and Network total* ³ | 3,401.5 | 2,083.9 | 1,317.6 | 63.2 | 365.6 | 133.8 | 231.8 | 173.1 |
| Overseas Business | 159.9 | 85.8 | 74.1 | 86.2 | 67.9 | 26.5 | 41.4 | 156.1 |
| (Equity income and losses) | - | - | - | - | (5.1) | 2.7 | (7.8) | - |
| Urban Development (including equity income and losses) | 62.6 | 57.9 | 4.7 | 8.1 | 15.1 | 13.2 | 1.9 | 14.2 |
| Adjustments* ⁴ | (334.5) | (72.8) | (261.7) | - | (31.7) | (42.4) | 10.7 | - |
| Segment total | 3,289.6 | 2,154.8 | 1,134.8 | 52.7 | 417.0 | 131.2 | 285.8 | 217.7 |
| (Equity income and losses) | - | - | - | - | (4.4) | 3.7 | (8.1) | - |

- Notes:
1. Includes 'city gas (excluding Network),' 'LPG,' 'industrial gas,' 'LNG sales,' 'trading,' 'electric power,' 'engineering solutions,' 'gas equipment,' 'construction,' 'credit,' 'information processing service,' 'shipping,' etc.
 2. Includes 'city gas (excluding Network),' 'LNG sales,' and 'trading.'
 3. As it is not possible to calculate the 222nd fiscal term results for 'Energy Solution' and 'Network', the total of net sales and segment profit for 'Energy Solution' and 'Network' combined is calculated as an approximate total and presented as reference information.
 4. The main component of adjustments to segment profit is company-wide expenses not allocated to each segment. Adjustments to segment profit for the 223rd fiscal term results are allocated directly to each segment for the corresponding portion of company-wide expenses. For the 222nd fiscal term results, only the portion that can be allocated is allocated.
 5. Net sales by segment include internal transactions between business units.

Segment composition ratio



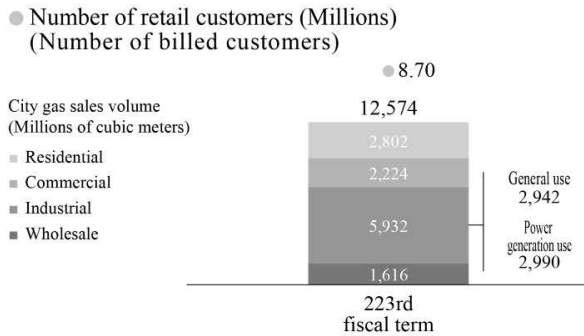
* The segment composition ratio is calculated by excluding adjustments.

Energy Solution Production and sales of city gas, LNG sales, trading, electric power, engineering solutions (engineering, energy services, etc.), etc.

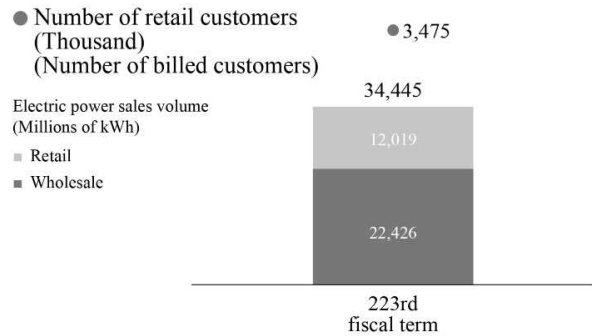
Net sales (Billions of yen)
3,031.1

Segment profit (Billions of yen)
365.9

【City gas sales volume and customer numbers】



【Electric power sales volume and customer numbers】



[Main reasons for changes in city gas sales volume]

| | |
|---------------------------------|---|
| Residential | Decrease in demand mainly due to high temperatures |
| Commercial | Decrease in demand mainly due to high temperatures |
| Industrial | Decrease in customer operations |
| Supplies to other gas utilities | Decrease in customer operations |

[Main reasons for changes in electric power sales volume]

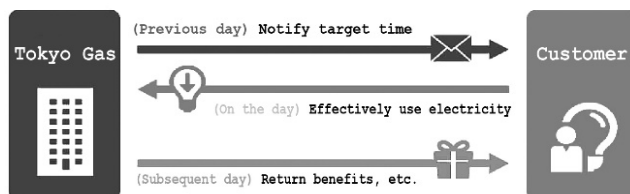
| | |
|-----------|---------------------------------------|
| Retail | Increase in customer numbers |
| Wholesale | Increase in wholesale customer demand |

TOPICS

Reached approximately 3 million electric power contracts and launch of Demand Response services in earnest

We reached 3 million* electric power contracts in April 2022. Commemorating this occasion of reaching 3 million contracts, we have responsibly implemented our initiatives as a first step to solve social issues, including the realization of a decarbonized society. From July 2022, we have launched in earnest new services aimed at stabilizing power supply and reducing CO₂ emissions through 'behavioral' Demand Response with which customers voluntarily save power usage when power supply becomes tight. More than 280,000 customers participated in this initiative in the winter of FY2022, saving approximately 3.9 million kWh of electricity.

* Number of customers to which Tokyo Gas is supplying electric power



Network Transmission service of city gas, etc.

| | |
|---|--|
| Net sales (Billions of yen) 370.3 | Segment profit (Billions of yen) (0.3) |
|---|--|

TOPICS

Conducting FY2022 Tokyo Gas Group Comprehensive Disaster Drill

On July 14, 2022, the Company and Tokyo Gas Network Co., Ltd. conducted a comprehensive disaster drill with Group companies to simulate a large-scale earthquake in the Tokyo metropolitan area.

Comprehensive disaster drills have been conducted since 1983 with the aim of strengthening the Tokyo Gas Group's disaster response capabilities. This time, approximately 20,000 Tokyo Gas Group employees, including those from partner companies, as well as related organizations and other infrastructure companies, participated to confirm and verify disaster response linked under a holding group structure. During the drill, information was linked using the Tokyo Metropolitan Government Disaster Information System*1.

The drill focused on the initial response phase up to about 24 hours after the earthquake to enhance disaster resilience, and was conducted as a blind drill*2 with no scenario prepared in advance.

The Tokyo Gas Group will continue to promote disaster countermeasures including those for earthquakes to realize a resilient and safe energy supply.

*1 A system that enables the Tokyo Metropolitan Government to quickly collect and utilize information on damage, etc. in the event of a disaster, and to carry out appropriate disaster countermeasures

*2 A drill in which each team of the emergency response headquarters responds to a disaster situation that is announced on the day of the drill, without preparing a scenario in advance, in accordance with the procedures.

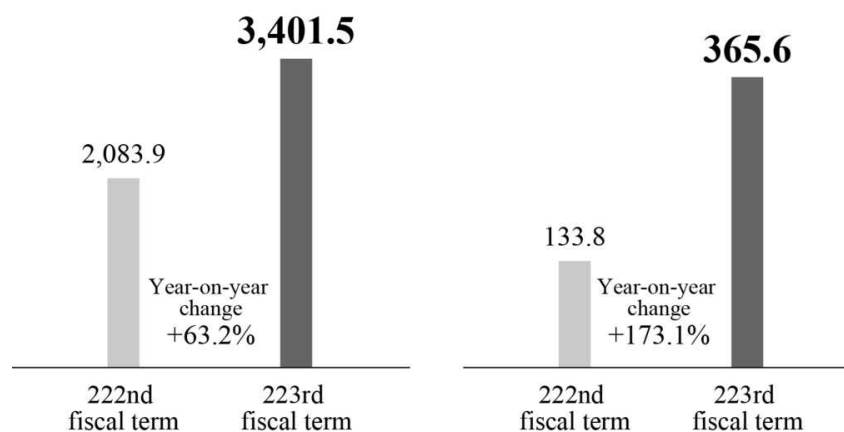
<Reference> 'Energy Solution' + 'Network'

Net sales

Segment profit

'Energy Solution' + 'Network'
(Billions of yen)

'Energy Solution' + 'Network'
(Billions of yen)



As it is not possible to calculate the 222nd fiscal term results for 'Energy Solution' and 'Network', the total of net sales and segment profit for 'Energy Solution' and 'Network' combined is calculated as an approximate total and presented as reference information.

(3) Group Capital Expenditures

Total capital expenditures for this fiscal year amounted to ¥213,233 million.

The total length of the gas pipeline network was extended by 440 kilometers during this fiscal year, to 66,002 kilometers as of March 31, 2023.

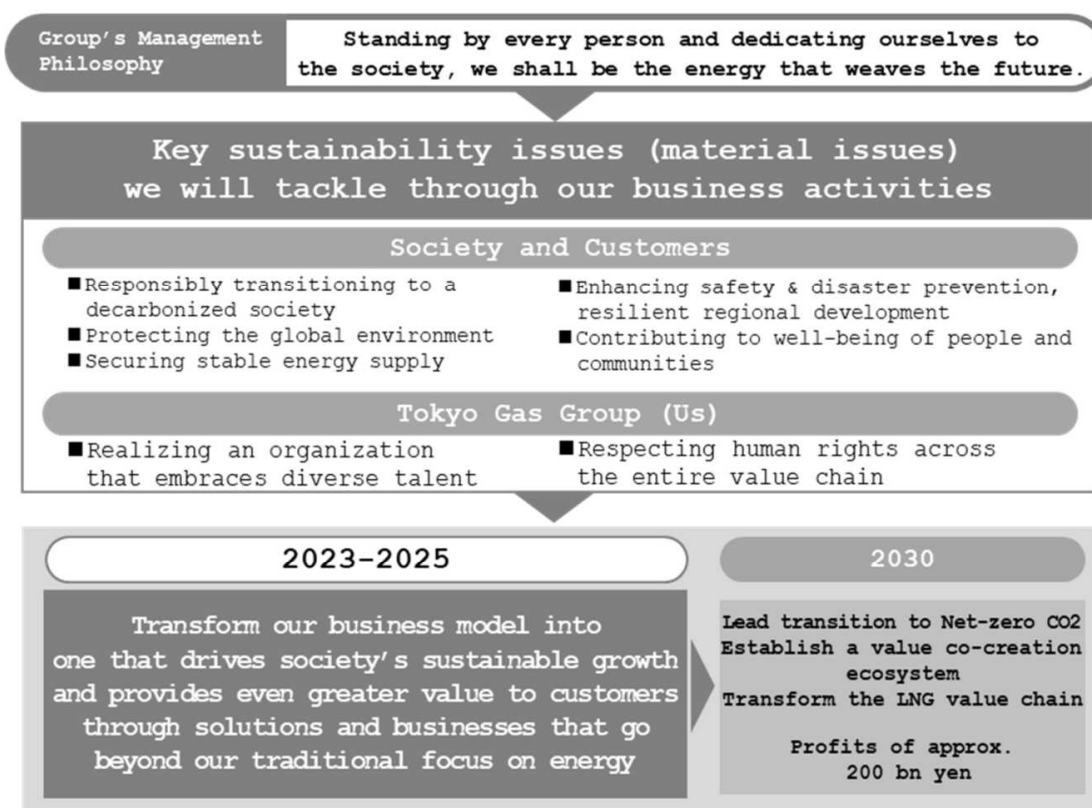
(4) Group Financing Activities

In this fiscal year, the Company raised funds totaling ¥105,300 million through issuing the 1st and 2nd subordinated bonds and obtaining loans payable. Balance of consolidated interest-bearing liabilities increased by ¥42,644 million compared with the previous year-end, to ¥1,263,233 million.

(5) Prospective Challenges
 ‘Compass Transformation 23-25’ Tokyo Gas Group Medium-term Management Plan for FY2023-2025
 (announced in February 2023)

Actions for
 FY2023-25

- We will responsibly lead the transition to a decarbonized society by progressively launching new businesses for renewable energy (offshore wind power, etc.), e-methane*, hydrogen, etc., while maintaining the stable supply of energy.
- We will lay the foundation for the full rollout of our Solutions business by accelerating the Group-wide implementation of digital transformation initiatives in collaboration with pioneering companies, and building a platform that fuses strengths in face-to-face engagement and digital technologies.
- We will establish a flexible corporate culture that is resilient to change by strengthening the competitiveness of the internal companies and major business subsidiaries under our holdings-type group structure, and exercising human capital management in ways that provide a real sense of our growth, both as individuals and as a Group.



* Methane synthesized from non-fossil fuel energy raw materials (green hydrogen, etc.)

1. The 3 Core Strategies for FY2023-2025

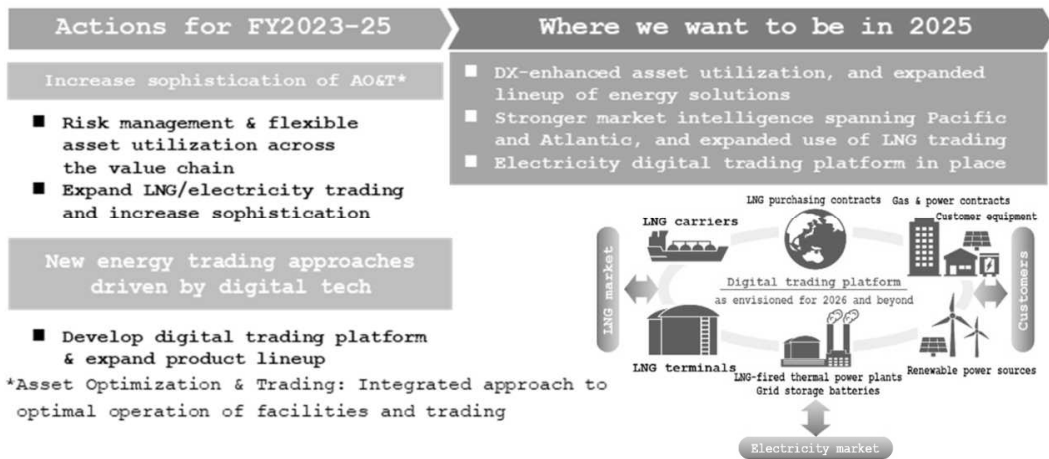
- We, the Tokyo Gas Group, are positioning FY2023-2025 as a time to transform our business model into one that contributes to a sustainable society and provides value to customers through solutions and businesses that go beyond our traditional focus on energy. To do this, we will execute the following three core strategies that center on green transformation (GX), digital transformation (DX), and customer experience (CX).
- As we implement our strategies, we will swiftly and flexibly address energy market volatility and uncertainties by strengthening our business portfolio management in terms of profitability, growth potential, and stability, and by accelerating the shift of management resources to new growth areas.

(1) Achieve both stable energy supply & decarbonization

Commercialize and monetize the business in decarbonization area, while continuing to stably supply energy

Leveraging value chain flexibility to address market volatility and maintain stable supply

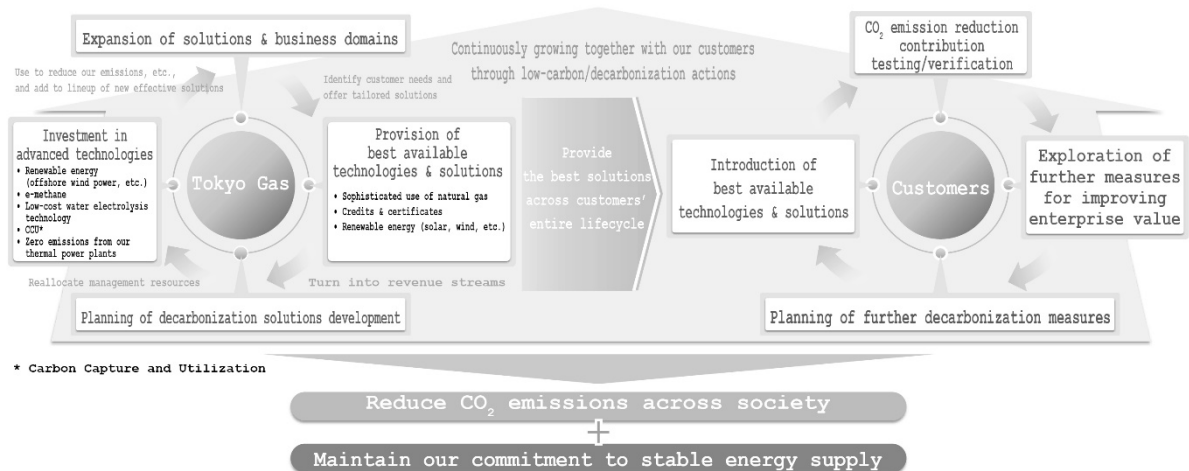
- We will respond to the increased volatility of energy markets through asset formation/operation **aligned with markets promising new growth (balancing capacity, environmental value, etc.)**. We will also construct a digital trading platform that will better enable us to provide a stable, environmentally responsible, and flexible supply of energy that serves customer needs.



Responsibly leading the transition

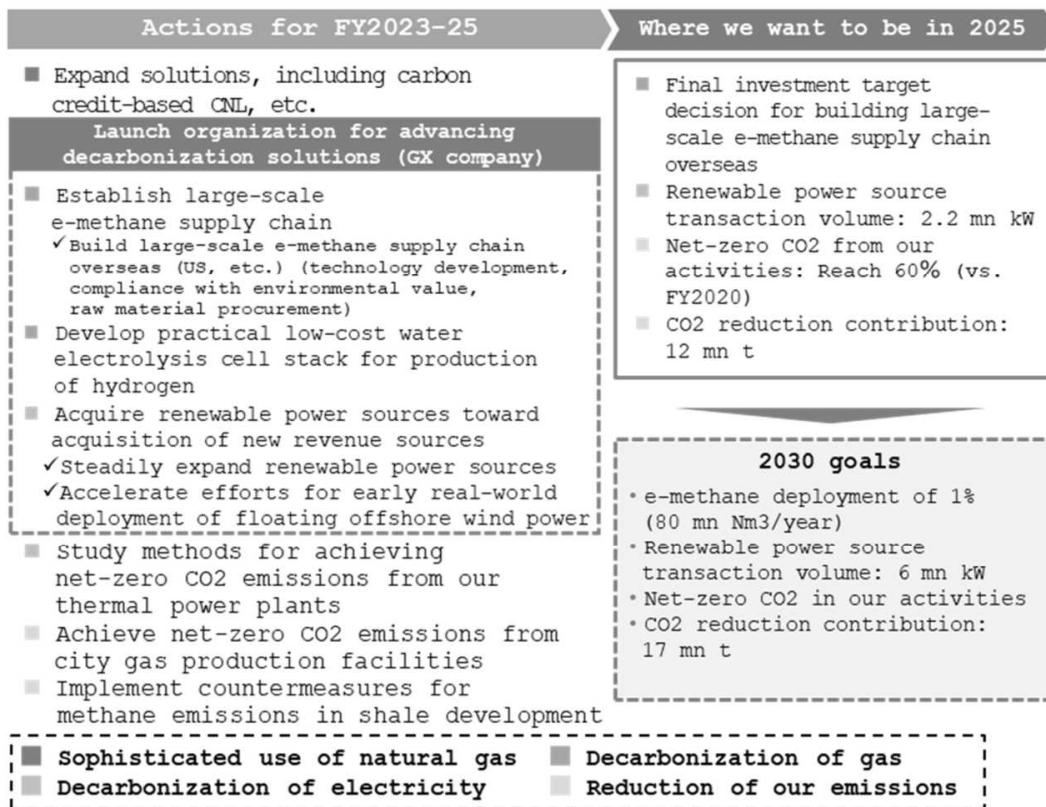
- While promoting the sophisticated use of LNG in Japan and overseas as a means of reducing CO₂ emissions, we will use the resulting earnings to invest in advanced fields of decarbonization — renewable energy (especially offshore wind power and other expansive markets), e-methane, hydrogen, and more — and progressively turn those investments into businesses. We will also support both the decarbonization and economic growth of society by establishing a virtuous circle of sustainable growth for our customers and our Group whereby we strive not only to reduce our own emissions but also provide customers with optimal solutions tailored to their needs.

Virtuous circle of low-carbon/decarbonization actions and growth



Developing technologies for decarbonizing gas & electricity

- We will proactively decarbonize the biggest area of energy demand — heat supply — by **strengthening and expanding our e-methane initiatives, progressing from small-scale demonstration tests to the construction of a large-scale supply chain**. In the electric power market, we will implement not only solar/biomass power initiatives, but also **projects for increasing scale and lowering costs in offshore wind power**, working together with the national government to achieve Japan’s GX at an early stage.

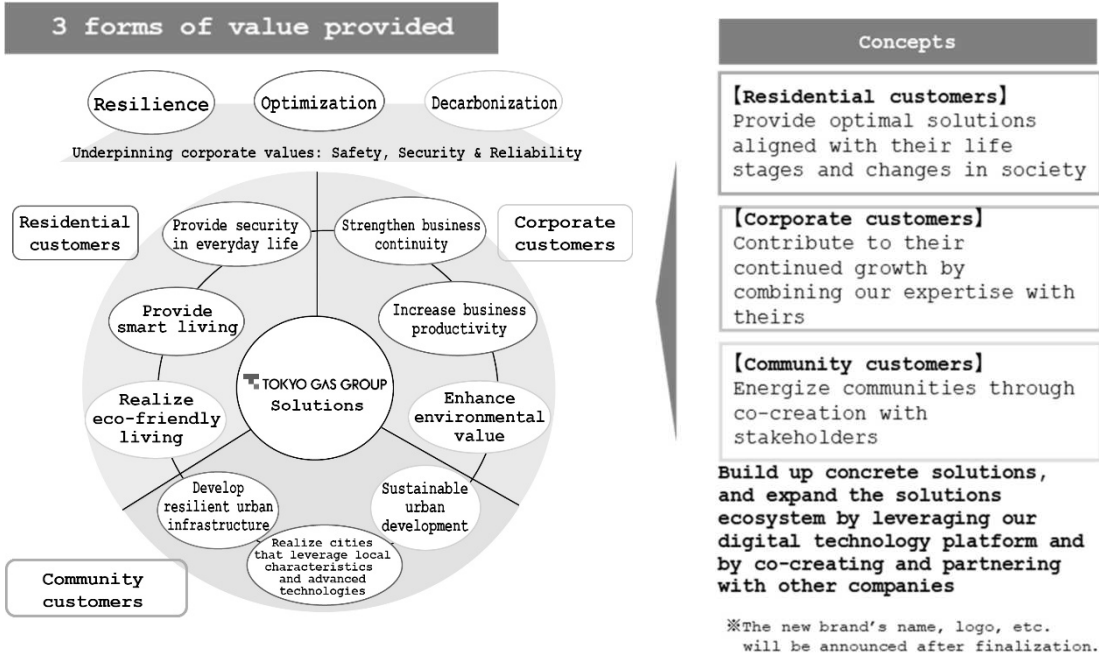


(2) Fully roll out Solutions business

Develop Solution business as a center next to Energy business, by integrating solutions which incorporate GX & DX

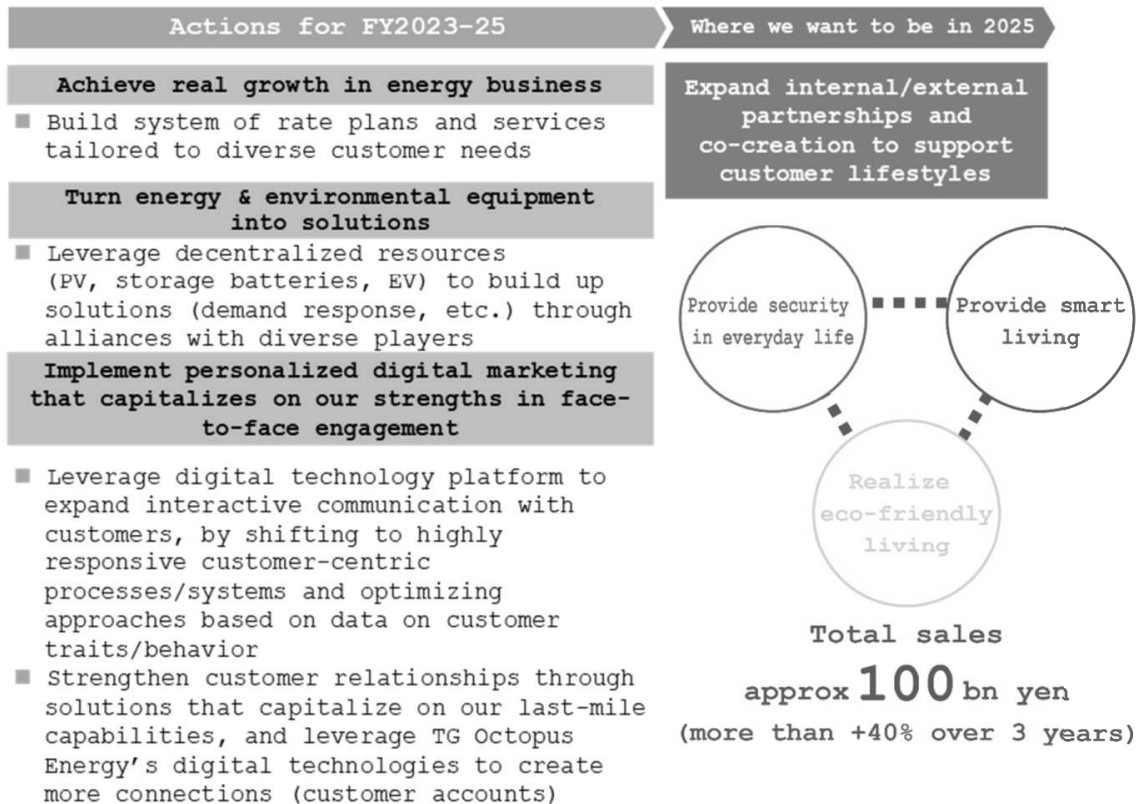
Building an integrated business brand & expand lineup of solutions

- **Redefining the value we provide customers as resilience, optimization, and decarbonization**, we will build a new brand that integrates solutions offering that value, and we will provide our **residential, corporate, and community** customers with a lineup of solutions they can easily understand and use.



Strengthening customer communication through our strengths in face-to-face engagement and through digital technologies

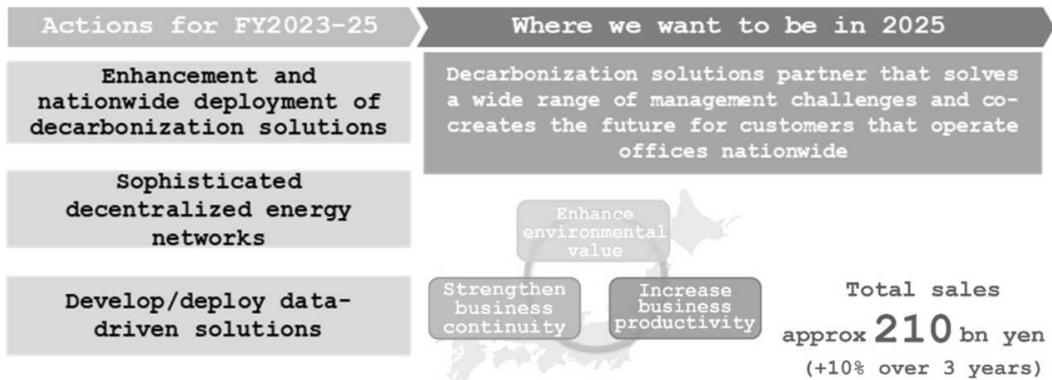
- We will **strengthen customer communication using advanced digital technologies** supplied by Octopus Energy, etc., with the aim of **further consolidating the customer relationships we have built up through face-to-face engagement.**



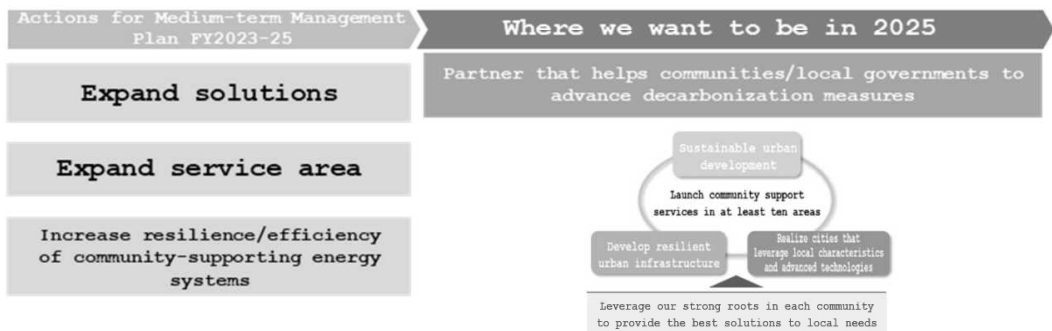
Co-creating value with communities by providing them with optimized solutions that leverage our strong root in the community

- We will help customers and communities to overcome the challenges they face by providing them with optimized combinations of all sorts of environmental solutions (ranging from energy conservation to advanced decarbonization technology) that we and our alliance partners have to offer. In addition, we will support the realization of sustainable communities by promoting ESG-oriented real estate development and urban development with a growing range of solutions, service areas, and business fields.

Solve the management challenges of customers nationwide



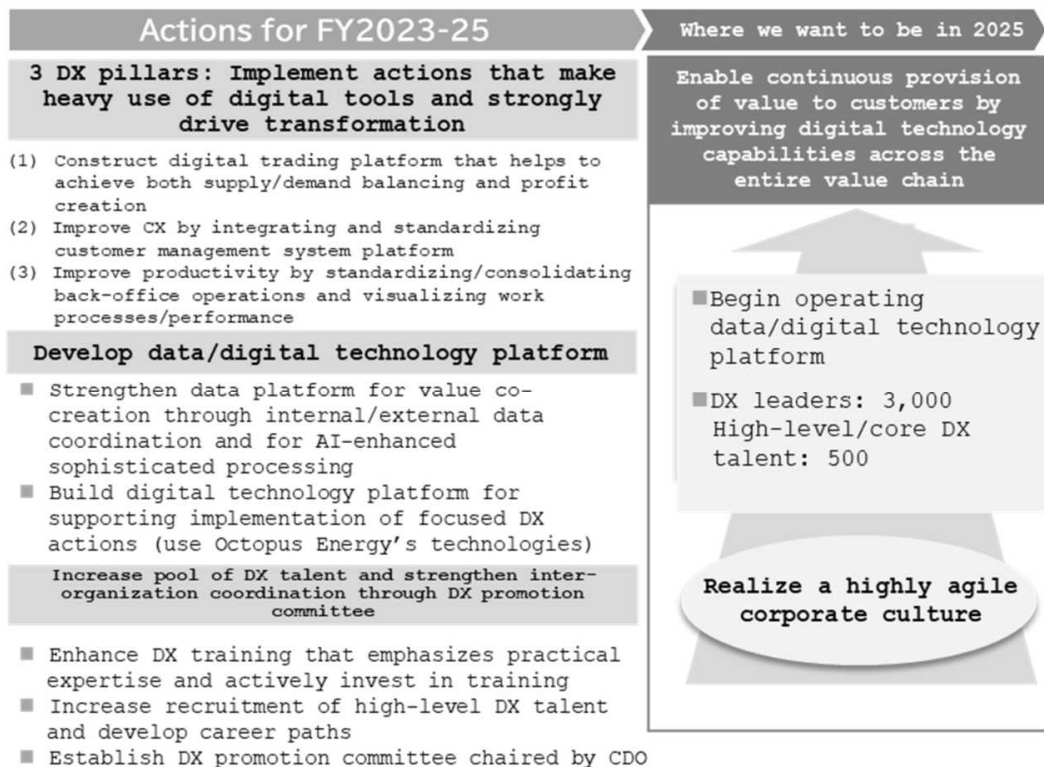
Solve community challenges



- (3) Realize a flexible corporate culture resilient to change
 Increase resilience to uncertainty by transforming our business model through DX, in addition to exercising human capital management and implementing financial strategy.

Implementing 3 key DX actions

- We will implement the following actions (1) through (3) as 3 key DX actions for evolving our systems and work processes in ways that leverage the advantages of digital technologies and incorporate insights from pioneering businesses, while developing a data/digital technology platform underpinning DX, and expanding training and recruitment of DX talent.



Exercising human capital management

- We will **take a strategic approach to talent recruitment, placement, training, and reskilling, and develop systems that enable diverse talent to play active roles across our Group** with the aim of enabling our internal companies and key business subsidiaries to carry out impactful work in their respective markets and increase their earning power. Through these actions, we will exercise human capital management in ways that **provide a real sense of our growth, both as individuals and as a Group.**

| Actions for FY2023-25 | Where we want to be in 2025 |
|--|---|
| <p>Strategic talent placement</p> <p>Strengthen ability to address talent shifts and business changes</p> <ul style="list-style-type: none"> ■ Alignment of HR planning, optimal placement, and reskilling (skills/competencies for contributing to DX and business development in decarbonization, overseas operations, etc.) with management strategy ■ Acquisition of high-level specialists and talent system development, including through M&A | <p>Promoting self-learning</p> <p>Reskilling/retraining participation rate: 100%^{※3}</p> |
| <p>Turning diversity into a strength</p> <p>Knowledge/experience diversity, equity, and inclusion^{※1}</p> <ul style="list-style-type: none"> ■ Promote utilization of women and young employees (increase placement in positions of responsibility, promote childcare leave for men use femtech^{※2} to enhance understanding) and workstyles not constrained by time/place ■ Actively recruit experienced people globally and increase their placement in positions of responsibility | <p>Promoting childcare leave taking by men & utilization of women</p> <p>Men's childcare leave-taking (1 mth) rate: 100% (double in 3 years)^{※4}</p> <p>Steadily increase female representation in management (at least +15% over 3 years)</p> |
| <p>Growing by taking on challenges</p> <p>Promote professional talent growth/challenge-taking and self-led career formation</p> <ul style="list-style-type: none"> ■ Provide opportunities to build career/skills in ways reflecting employee aptitude and will, using talent management systems and data ■ Encourage employees to personally explore opportunities by promoting/expanding side jobs, internal recruitment, and internal entrepreneurialism | <p>Improving engagement</p> <p>Regularly measure engagement indicators and reflect results in improvement measures</p> |

※1 A culture where diverse people can exercise their talents to the fullest, respect one another, and engage in friendly rivalry, leading to the creation of new value.

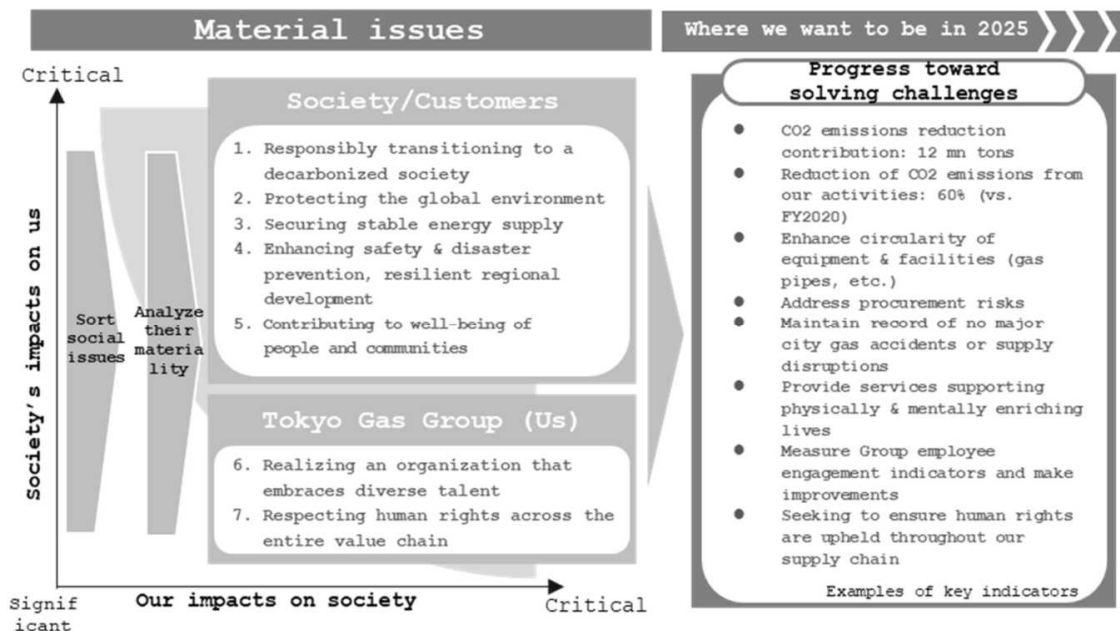
※2 A set of tools for helping women to deal with female health challenges (menstruation, childbirth, etc.).

※3 Rate of participation in training and certification programs, etc. for acquiring/refreshing skills (including reskilling).

※4 The estimated rate of childcare leave-taking by eligible men (excluding special leave) for FY2022 is approx. 50%.

Focusing management to realize a sustainable society through our business value chain

- Redefine our set of material issues by reviewing the important social issues that need to be addressed, based on the impacts that society and our Group have on each other; manage the material issues based on indicators
- Take on the challenge of solving social issues through our business activities, and actively discuss with our stakeholders



* Please see the Integrated Report (https://www.tokyo-gas.co.jp/en/IR/library/anurp_j.html) and the Sustainability Report (<https://www.tokyo-gas.co.jp/sustainability/download/index.html?wovn=en>) for more information on the Group's initiatives.

Strengthening our financial base

- We will strengthen our business portfolio management to pursue growth investments while maintaining financial soundness, and to realize sustainable growth and improvement of our enterprise value.

| Actions for FY2023-25 | | Where we want to be in 2025 | | |
|------------------------------------|---|---|-------------------------|-------------|
| Cash inflows | Create stable cash inflows ■ Maximize earning power of internal companies & major business subsidiaries by having them stand on their own feet ■ Create operating cash flows that exceed the preceding medium-term management plan (FY2020-2022) | Quantitative indicators | Now (FY2020-22 average) | FY2025 |
| | | Segment profits*1 (operating profit + equity income) | 130 bn yen | 150 bn yen |
| Soundness & efficiency | Maintain a lean & resilient balance sheet that supports growth investment ■ Ensure financial soundness through investment discipline mindful of credit ratings and through cash flow management ■ Improve asset efficiency by investing in and selling assets based on their earning power | ROA*1 | 3.0% | approx. 4% |
| | | ROE*1 | 7.3% | approx. 8% |
| Enterprise value growth investment | Pursue business management aimed at increasing enterprise value ■ Manage asset efficiency based on expected returns of each segment ■ Engage in sophisticated investment capacity management by refining cash flow forecasts ■ Accelerate decarbonization investment through quantitative assessment of environmental value | D/E ratio | 0.91 | approx. 0.9 |
| | | *1 Profits after revision of sliding time lag effects | | |

| | | | |
|---------------------|--|---|--|
| Shareholder returns | Total return ratio of approx. 40% (general goal for each fiscal year) To be applied starting with fiscal year-end dividends for year ending March 31, 2024 | | |
| | Policy | ■ Acquisition of treasury stock for retirement will be considered as one way of providing shareholder return in addition to dividends and aims for total return ratio (ratio of dividends on current consolidated net income and acquisition of own shares) will be around 40% in each fiscal year. ■ With regard to dividends, we will continue to provide stable dividends and will gradually increase dividends in accordance with growth while comprehensively taking into consideration the profit level over the medium- to long-term. | |

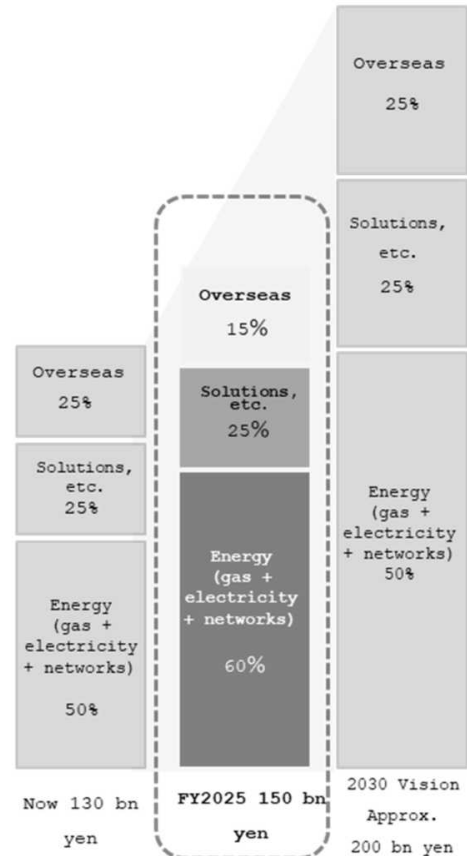
2. Major Indicators

| Financial & Environmental Indicators | | Now (FY2020-22 average) | FY2025 |
|--------------------------------------|---|-------------------------------|--------------------------|
| Financial | Segment profits* ¹ (operating profit + equity income) | 130 bn yen | 150 bn yen |
| | ROA* ¹ | 3.0% | approx. 4% |
| | ROE* ¹ | 7.3% | approx. 8% |
| | D/E ratio | 0.91 | approx. 0.9 |
| Environmental | CO2 reduction contribution | 6 mn tons* ² | 12 mn tons* ³ |

| Cash Flow & Investment Plan | | FY2020-22 (estimated) | FY2023-25 |
|---|--|--------------------------|-------------------------|
| Cumulative operating cash flow (Profit attributable to owners of parent + depreciation) | | 960 bn yen | 1,100 bn yen |
| Investments | Growth investments (portion for decarbonization-related investments) | 530 bn yen (190 bn yen) | 650 bn yen (230 bn yen) |
| | Infrastructure investments | 370 bn yen | 350 bn yen |
| | Total (3 years) | 900 bn yen | 1,000 bn yen |

*1 Profits after revision of sliding time lag effects *2 Average for FY2020-21, Japan only
*3 Includes overseas

Business portfolio composition: Operating profit + equity income



■ Q&A

• Key issues in sustainability (Materiality)

Q1 Please explain the idea behind setting key issues in sustainability (Materiality) as a precondition for strategy.

In light of changes in the business environment surrounding the Group, we have newly established Materiality in the belief that it is necessary to clarify, both internally and externally, the social issues that the Group should address through its business activities over the medium to long term. In order to steadily reflect this Materiality in our strategies and initiatives, we are considering it in conjunction with our Medium-term Management Plan. The Company published this Materiality along with the Medium-term Management plan, positioning it as the precondition to the core ideas expressed in the plan.

• Achieving a balance between a stable supply of energy and decarbonization

Q2 How do you plan to achieve both a stable supply of energy and decarbonization?

We aim to achieve both a stable supply of energy and decarbonization by providing optimal energy solutions to our customers, combining the value of LNG's ability to provide a stable supply and to flexibly balance supply and demand, the decarbonization value of renewable energy, and the decentralized value of distributed resources, using the power of digital technology.

Q3 What is the progress of the overseas renewable energy business and what is the outlook for the Overseas Business in the future?

In addition to engaging in the construction and operation of a large-scale solar power plant in Texas, United States, we are promoting renewable energy development in the Nordic countries, including Denmark, through collaboration with EWII S/I in Northern Europe. We are also exploring opportunities for renewable energy development in other areas. Going forward, we will accelerate the replacement of assets, promotion of collaboration among businesses, and investments that will contribute to future earnings, aiming to expand our earnings base in all areas, and contribute to regional development and decarbonization by developing energy businesses corresponding to each market.

Q4 What is e-methane? How will you promote the adoption of e-methane?

E-methane is methane produced by synthesizing green hydrogen and other carbon-free hydrogen produced from renewable energy sources with carbon dioxide (CO₂), which is normally emitted into the atmosphere. Because CO₂ is captured and reused, there is no increase in atmospheric CO₂ emissions, and existing gas and LNG infrastructure can be used as is, we consider e-methane as a realistic solution for decarbonizing city gas. We will work together with industry, government, and academia to develop and demonstrate technologies related to e-methane and to establish a supply chain for imports from overseas, with the aim of achieving a 1% introduction of e-methane by 2030.

• Full-scale roll-out of solutions

Q5 What does establishment of the integrated business brand entail?

In addition to the corporate values of 'Safety, Security, and Reliability' that we have cultivated over the years, we will formulate a business brand that incorporates the three values which are 'Resilience, Optimization, and Decarbonization', as stated in our Medium-term Management Plan. We will provide and expand specific solution menus based on this concept.

■ Q&A

• Full-scale roll-out of solutions

Q6 What is the outlook for the gas business and electric power business?

Despite uncertainties in the energy environment, we will continue to thoroughly improve our business efficiency, and provide solutions including gas and electric power for the stable supply of energy and decarbonization through the combination of digital solutions, in order to meet the expectations of the society and our customers.

• Realize a flexible corporate culture resilient to change

Q7 What is the idea behind exercising human capital management?

The Tokyo Gas Group has developed its human resources strategy based on the belief that the people are the source of corporate vitality. By carrying on this philosophy and by setting forth the exercise of human capital management, we have clarified in our new Group Management Philosophy that it is the Group's employees who shall take on the main roles to be fulfilled by the Tokyo Gas Group. In doing so, we aim to become a corporate group where each and every Group employee can experience growth, along with the growth of the Tokyo Gas Group itself.

Q8 What type of investments, including new businesses, will be made in the future?

In the decarbonization field, including renewable energy, we will engage in proactive growth investments within a certain discipline. In infrastructure investments, we will invest in infrastructure that contributes to a stable supply of energy and in systems for DX implementation throughout the Group.

Q9 One year has passed since the transition to a holdings type group structure. Please tell us about the results and future direction.

As a result of the transition, we have expanded the authority of the Group's internal companies and core business subsidiaries, enabling these entities to execute business decisions in a flexible and independent manner. In addition, we are increasing initiatives that lead to synergies and efficiency improvements from a Group-wide perspective in areas such as compliance, legal affairs, human resource utilization, and accounting governance. We will continue to enhance our customer service and the services we provide to customers through prompt decision-making and actions by the internal companies and core business subsidiaries, while ensuring an appropriate governance system.

• Others

Q10 Please explain the reason for the revisions to the Shareholder-Return Policy (effective from the year-end dividend for the fiscal year ending March 31, 2024) and the impact on dividends.

The reason for this revision is to maintain a sound financial position while prioritizing the allocation of funds to areas related to net zero CO₂ emission, with the aim of contributing to a decarbonized society and realizing the sustainable development of the Group. With regard to dividends, we will continue to provide stable dividends and will gradually increase dividends in accordance with growth while comprehensively taking into consideration the profit level over the medium- to long-term.

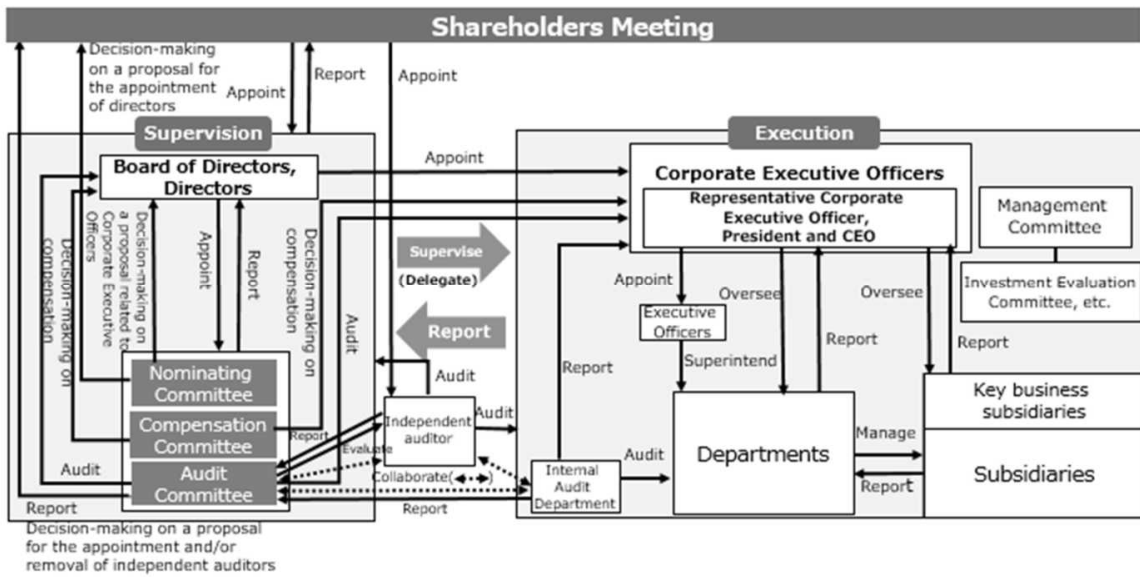
Corporate Governance (As of March 31, 2023)

As part of our most radical transformation since our foundation and based on our understanding that a management reform is imperative, we have transitioned to a Company with Three Committees (Nominating, Audit and Compensation) as approved at the 221st Annual Shareholders Meeting, in an effort to strengthen our corporate governance.

The two primary bodies, namely the Board of Directors and the executive structure, will complement each other by clarifying their roles and responsibilities under a certain degree of tension, with the aim of achieving sustainable growth and increasing corporate value over the medium to long term.

The Board of Directors examines and discusses issues from a broader perspective, taking a comprehensive view of the entire management, and focuses on monitoring based on reports from Corporate Executive Officers, while enhancing the decision-making process for matters to be resolved.

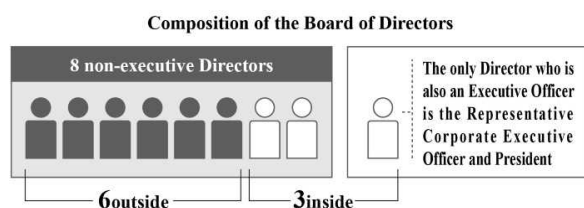
The executive structure facilitates prompt and appropriate decision-making and business execution through examination and discussion from a deeper perspective, with an awareness of Group management.



Board of Directors (Meetings held 13 times in FY2022)

The Board of Directors, which is held once a month in principle, shall make decisions on management plans and policies and other important management matters of the Company in accordance with the Regulations of the Board of Directors, laws and regulations and the Articles of Incorporation, etc. The authority to make decisions related to business execution has been substantially delegated to the Corporate Executive Officer and President, bringing speed to management and enhancing corporate value through monitoring from a comprehensive view of overall management. Currently, the Company's Board of Directors consists of nine (9) members, including six (6) independent Outside Directors.

In FY2022, on the occasion of formulating the Tokyo Gas Group Medium-term Management Plan for FY2023-2025, each Director engaged in constructive discussions from diverse perspectives based on reports from Corporate Executive Officers on each business strategy (LNG business, overseas business, electric power business, etc.), decarbonization strategy, group human resources reforms, financial strategy, and other issues.



Expanding ratio of Outside Directors

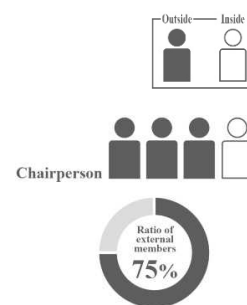


Nominating Committee (Meetings held 9 times in FY2022)

The Nominating Committee mainly determines the contents of proposals to be submitted to the shareholders meetings concerning the appointment and dismissal of Directors and the contents of proposals to be submitted to the Board of Directors concerning the appointment and dismissal of Corporate Executive Officers.

[Specific activities]

Appointment of candidates for Directors, including newly nominated Outside Directors, and appointment of candidates for Representative Corporate Executive Officer and President, etc.

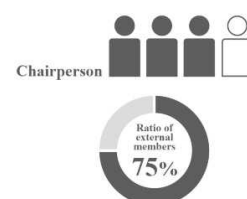


Audit Committee (Meetings held 14 times in FY2022)

The Audit Committee audits the execution of duties by Directors and Corporate Executive Officers and determines the contents of audit reports. The Committee also determines the contents of proposals concerning the appointment, dismissal, or refusal of reappointment of independent auditors, among others.

[Specific activities]

Formulation of audit plans for the Audit Committee, audits of the status of establishment and operation of internal control systems, etc., and collaboration with the Internal Audit Division, accounting auditor, and Audit & Supervisory Board Members of subsidiaries, etc.

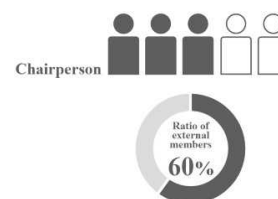


Compensation Committee (Meetings held 4 times in FY2022)

The Compensation Committee determines the policy on compensation, etc., for each individual Director and Corporate Executive Officer as well as determines the details of compensation, etc., for each Director and Corporate Executive Officer based on the policy, among others.

[Specific activities]

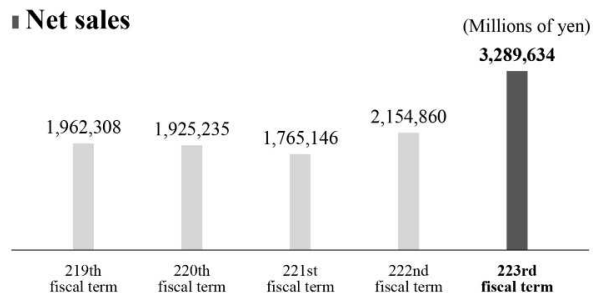
Performance evaluation for FY2021, formulation of performance evaluation indicators for FY2022, etc.



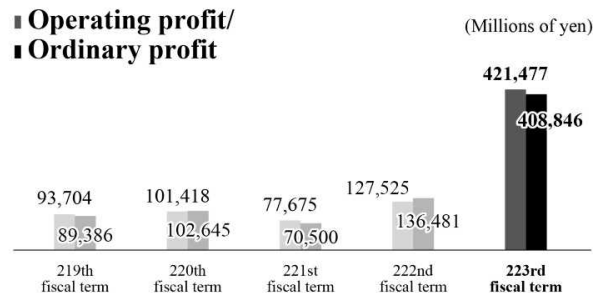
(6) Changes in Status of Assets and Profit and Loss

| Categories (FY ended March 31) | 219th fiscal term (2019) | 220th fiscal term (2020) | 221st fiscal term (2021) | 222nd fiscal term (2022) | 223rd fiscal term (2023) |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Net sales (Millions of yen) | 1,962,308 | 1,925,235 | 1,765,146 | 2,154,860 | 3,289,634 |
| Operating profit (Millions of yen) | 93,704 | 101,418 | 77,675 | 127,525 | 421,477 |
| Ordinary profit (Millions of yen) | 89,386 | 102,645 | 70,500 | 136,481 | 408,846 |
| Profit attributable to owners of parent (Millions of yen) | 84,555 | 43,293 | 49,505 | 95,702 | 280,916 |
| Profit per share (Yen) | 187.60 | 97.86 | 112.26 | 217.67 | 646.99 |
| Total assets (Millions of yen) | 2,428,149 | 2,539,919 | 2,738,348 | 3,187,627 | 3,581,425 |
| Total net assets (Millions of yen) | 1,171,345 | 1,159,138 | 1,178,271 | 1,281,150 | 1,589,301 |
| Net assets per share (Yen) | 2,575.99 | 2,602.53 | 2,616.37 | 2,847.88 | 3,595.60 |

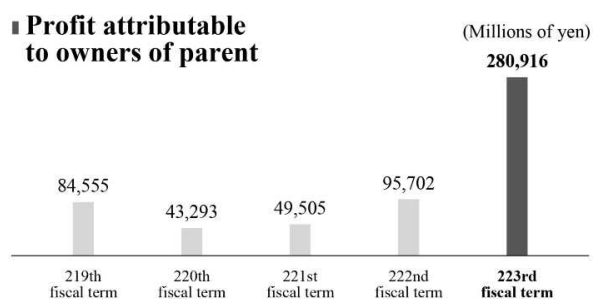
■ Net sales



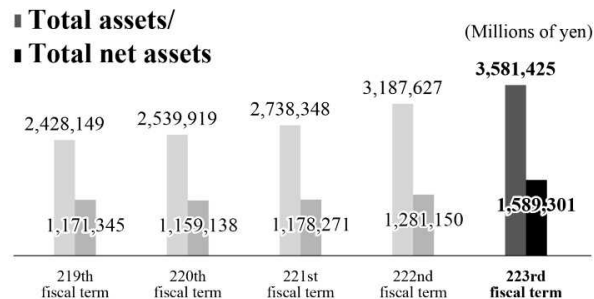
■ Operating profit/
■ Ordinary profit



■ Profit attributable
to owners of parent



■ Total assets/
■ Total net assets



(7) Status of Principal Subsidiaries

| Name of the company | The stated capital | Holding ratio of voting rights (%) | Main business activities |
|---|------------------------|------------------------------------|---|
| Tokyo Gas America Ltd. | US\$1,910,332 thousand | 100.00 | LNG upstream businesses, etc. in the Americas |
| TOKYO GAS AUSTRALIA PTY LTD. | US\$1,137,593 thousand | 100.00 | LNG upstream businesses, etc. in Australia |
| TG Natural Resources LLC | US\$493,348 thousand | 78.89 | Gas development and production operations in East Texas and North Louisiana |
| TG Aktina Holdings LLC | US\$457,000 thousand | 100.00 | Construction, operation, management and power supply of solar power plants |
| Tokyo Gas United Kingdom Ltd. | £229,594 thousand | 100.00 | Investment in energy-related businesses in Europe |
| Tokyo Gas Asia Pte. Ltd. | S\$327,968 thousand | 100.00 | LNG middle and downstream businesses in Southeast Asia |
| Tokyo Gas Real Estate Co., Ltd. | ¥11,894 million | 100.00 | Real estate development, leasing, management and brokerage |
| Tokyo Gas Network Co., Ltd. | ¥10,000 million | 100.00 | Gas pipeline business and incidental businesses |
| Tokyo Gas Engineering Solutions Corporation | ¥10,000 million | 100.00 | Energy service and comprehensive engineering service business |
| Tokyo Gas International Holdings B.V. | EURO 54,734 thousand | 100.00 | Overseas investment project |
| Ohgishima Power Co., Ltd. | ¥5,350 million | 75.00 | Operation and management of power station |
| Nagano Toshi Gas Inc. | ¥3,800 million | 89.22 | City gas business |
| Prominet Power Co., Ltd. | ¥3,488 million | 100.00 | Construction, operation and management of renewable energy power stations, and sale and supply of electricity |
| Tokyo LNG Tanker Co., Ltd. | ¥1,200 million | 100.00 | Leasing of tankers delivering LNG/LPG and overseas shipping business |
| Capty Co., Ltd. | ¥1,000 million | 100.00 | Design and construction of gas pipelines, water supply and sewage pipes, air-conditioning systems |
| Tokyo Gas Chemicals Co., Ltd. | ¥1,000 million | 100.00 | Sale of industrial gases and chemicals |
| Tokyo Gas Lease Co., Ltd. | ¥450 million | 100.00 | Credit administration and leasing in connection with gas appliances and construction |
| TOKYO GAS i NET CORP. | ¥400 million | 100.00 | Information processing service business |
| TG PLUS Co., Ltd. | ¥60 million | 100.00 | Procurement and sale of LPG |
| Nijio Co., Ltd. | ¥47 million | 100.00 | Wholesale of electricity |
| TG Global Trading Co., Ltd. | ¥10 million | 100.00 | LNG trading business |
| Gunmaannaka solar power LLC | ¥1 million | 100.00 | Construction, operation and management of solar power plants and sale and supply of electricity |
| Ichihara Yawatafuto Biomass Power GK | ¥100,000 | 100.00 | Biomass power generation business |
| Fushiki Manyofuto Biomass Power GK | ¥100,000 | 100.00 | Biomass power generation business |

Note: The number of consolidated subsidiaries and equity-method associates including the above 24 principal subsidiaries were 117 companies.

- (8) Status of Reorganization, such as Business Assignment and Corporate Separation by Absorption or Corporate Separation by Incorporation

The Company succeeded its gas pipeline business to Tokyo Gas Network Co., Ltd. by an absorption-type company split on April 1, 2022.

- (9) Main Business Offices and Factories (As of March 31, 2023)

1) Major bases of the Group

| | |
|---|--|
| Tokyo Gas Co., Ltd. (The Company) | Head Office (Minato-ku, Tokyo) |
| LNG Terminals | Negishi LNG Terminal (Yokohama, Kanagawa) Sodegaura LNG Terminal (Sodegaura, Chiba) Ohgishima LNG Terminal (Yokohama, Kanagawa) Hitachi LNG Terminal (Hitachi, Ibaraki) |
| Tokyo Gas Network Co., Ltd. | Head Office (Minato-ku, Tokyo) |
| Pipeline Regional Office | Chuo Pipeline Regional Office (Minato-ku, Tokyo) Seibu Pipeline Regional Office (Setagaya-ku, Tokyo) Tobu Pipeline Regional Office (Arakawa-ku, Tokyo) Hokubu Pipeline Regional Office (Kita-ku, Tokyo) Kanagawa Pipeline Regional Office (Yokohama, Kanagawa) |
| Tokyo Gas Engineering Solutions Corporation | Head Office (Minato-ku, Tokyo) |
| Tokyo Gas Real Estate Co., Ltd. | Head Office (Minato-ku, Tokyo) |

2) Principal subsidiaries

| Name | Location of Head Office | Name | Location of Head Office |
|---|-----------------------------------|--------------------------------------|-------------------------|
| Tokyo Gas America Ltd. | Houston, United States of America | Prominet Power Co., Ltd. | Minato-ku, Tokyo |
| TOKYO GAS AUSTRALIA PTY LTD | Perth, Australia | Tokyo LNG Tanker Co., Ltd. | Minato-ku, Tokyo |
| TG Natural Resources LLC | Houston, United States of America | Capy Co., Ltd. | Sumida-ku, Tokyo |
| TG Aktina Holdings LLC | Houston, United States of America | Tokyo Gas Chemicals Co., Ltd. | Minato-ku, Tokyo |
| Tokyo Gas United Kingdom Ltd. | London, United Kingdom | Tokyo Gas Lease Co., Ltd. | Shinjuku-ku, Tokyo |
| Tokyo Gas Asia Pte. Ltd. | Singapore | TOKYO GAS i NET CORP. | Minato-ku, Tokyo |
| Tokyo Gas Real Estate Co., Ltd. | Minato-ku, Tokyo | TG PLUS Co., Ltd. | Minato-ku, Tokyo |
| Tokyo Gas Network Co., Ltd. | Minato-ku, Tokyo | Nijio Co., Ltd. | Minato-ku, Tokyo |
| Tokyo Gas Engineering Solutions Corporation | Minato-ku, Tokyo | TG Global Trading Co., Ltd. | Minato-ku, Tokyo |
| Tokyo Gas International Holdings B.V. | Amsterdam, Netherlands | Gunmaannaka solar power LLC | Minato-ku, Tokyo |
| Ohgishima Power Co., Ltd. | Yokohama, Kanagawa | Ichihara Yawatafuto Biomass Power GK | Minato-ku, Tokyo |
| Nagano Toshi Gas Inc. | Nagano, Nagano | Fushiki Manyofuto Biomass Power GK | Takaoka, Toyama |

(10) Status of Employees (As of March 31, 2023)

1) Number of employees in the Group

| Business segment | Number of employees (Change from previous year) |
|-------------------|--|
| Energy Solution | 8,372 |
| Network | 5,548 |
| Overseas Business | 361 |
| Urban Development | 878 |
| Corporate | 804 |
| Total | 15,963 (-734) |

- Notes:
- 'Number of employees' refers to permanent full-time staff, includes employees seconded to the Company, and does not include employees seconded to other companies and temporary staff.
 - 'Corporate' refers to general administration departments.
 - Due to the change to new business segments from the fiscal year under review, the change from previous year is not shown for each segment.
 - Based on the 'Cabinet Office Order to Partially Amend the Cabinet Office Order on Disclosure of Corporate Affairs and the Cabinet Office Order on Disclosure of Information on Regulated Securities' promulgated and enforced on January 31, 2023, we plan to disclose the ratio of female managers, the ratio of male employees taking childcare leave, and the gender wage gap in the annual securities report for the fiscal year ended March 31, 2023 (223rd fiscal term).

2) Number of employees in the Company

| Number of employees (Change from previous year) | Average age (Years) | Average service years |
|--|---------------------|--------------------------|
| 3,060 (-2,898) | 43.1 | 18.1 |

- Notes:
1. 'Number of employees' refers to permanent full-time employees and employees seconded to the Company, and does not include employees seconded to other companies and temporary staff.
 2. 'Average age' and 'Average service years' do not include those of employees seconded to the Company.
 3. The number of employees decreased significantly from the end of the previous fiscal year, mainly due to an increase in the number of employees seconded to other companies as a result of organizational changes.

(11) Major Creditors and Balance of Borrowings (As of March 31, 2023)

| Creditor | Balance of borrowings (Millions of yen) |
|--|--|
| Syndicated Loan | 163,951 |
| Shinkin Central Bank | 46,000 |
| Mizuho Bank, Ltd. | 44,850 |
| Sumitomo Mitsui Banking Corporation | 43,800 |
| Sumitomo Mitsui Trust Bank, Limited | 34,273 |
| The Norinchukin Bank | 28,000 |
| Meiji Yasuda Life Insurance Company | 28,000 |
| Japan Bank for International Cooperation | 23,156 |
| The Dai-ichi Life Insurance Company, Limited | 18,500 |
| MUFG Bank, Ltd. | 17,952 |

- Note: Syndicated loan consists of a joint-financing instrument of ¥10,000 million with Mizuho Bank, Ltd. as a manager, a joint-financing instrument of ¥29,147 million with JP Morgan Chase Bank, N.A. as a manager, a joint-financing instrument of ¥24,293 million with Sumitomo Mitsui Trust Bank, Limited as a manager, joint-financing instruments of ¥34,200 million and ¥2,812 million with The Chiba Bank, Ltd. as a manager, and a subordinated joint-financing instrument of ¥63,500 million with MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation as managers.

2. Matters Related to Shares of the Company (As of March 31, 2023)

- (1) Aggregate number of authorized shares
Common share: 1,300,000,000 shares
- (2) Aggregate number of shares issued
Common share: 434,875,059 shares
- (3) Share trade unit
100 shares
- (4) Number of shareholders
108,345
- (5) Major shareholders

| Name of shareholders | Number of shares held (Thousand shares) | Percentage of share ownership (%) |
|--|--|--------------------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 70,909 | 16.35 |
| Nippon Life Insurance Company | 31,296 | 7.22 |
| Custody Bank of Japan, Ltd. (Trust Account) | 25,692 | 5.92 |
| Tokyo Gas Group Employees Shareholding Association | 8,849 | 2.04 |
| STATE STREET BANK WEST CLIENT-TREATY 505234 | 8,336 | 1.92 |
| Fukoku Mutual Life Insurance Company | 7,472 | 1.72 |
| Mizuho Trust & Banking Co., Ltd. Retirement Benefits Trust (Dai-ichi Life Insurance Account) | 7,098 | 1.64 |
| STATE STREET BANK AND TRUST COMPANY 505103 | 5,962 | 1.38 |
| JP MORGAN CHASE BANK 385781 | 5,479 | 1.26 |
| SSBTC CLIENT OMNIBUS ACCOUNT | 5,184 | 1.20 |

- Notes: 1. Percentage of share ownership is calculated by the number of shares excluding treasury share (1,236,705 shares).
2. 218,500 of the shares held by Custody Bank of Japan, Ltd. (Trust Account) include the trust assets of the trust for delivering shares to officers of the Company.

- (6) Shares issued to officers as compensation for the execution of their duties during the fiscal year under review
The Company has introduced a stock compensation system using the trust to provide an incentive for enhancing the Company's medium- and long-term corporate value.
During the fiscal year under review, the Company granted 2,100 shares to one (1) Corporate Executive Officer who retired at the end of the previous fiscal year and 400 shares to one (1) Outside Director who retired during the fiscal year under review as compensation for the execution of their duties.
- (7) Other principal items regarding shares
1) Retirement of treasury shares
Common share: 6,121,500 shares
Total value of shares retired: ¥15,885,537,360
2) Shares owned by the Company as of the balance sheet date
Common share: 1,236,705 shares

3. Matters Related to Share Option in Kind (As of March 31, 2023)
There are no items to report.

4. Matters Related to Officers of the Company

(1) Name, etc. of Directors and Corporate Executive Officers (As of March 31, 2023)

1) Directors

| Name | Position | Areas of responsibility in the Company | Important concurrent posts |
|--------------------|------------------------------------|--|---|
| HIROSE Michiaki | Director and Chairman of the Board | Nominating Committee Member, Compensation Committee Member | |
| UCHIDA Takashi | Director | Compensation Committee Member | |
| NAKAJIMA Isao | Director | Audit Committee Member | |
| SAITO Hitoshi | Director (Outside) | Chairperson of the Nominating Committee, Compensation Committee Member | Outside Director of GLOBESHIP Corporation Outside Director of Paramount Group, Inc. |
| TAKAMI Kazunori | Director (Outside) | Chairperson of the Compensation Committee, Nominating Committee Member | Outside Director of Tokyo FM Broadcasting Co., Ltd. Outside Director of Nojima Corporation Outside Director of FUJITA KANKO INC. |
| EDAHIRO Junko | Director (Outside) | Nominating Committee Member, Compensation Committee Member | Representative Director of e's Inc. Director and Chairperson of Change Agent Inc. Professor of Shizenkan University Graduate School of Leadership & Innovation Representative Director of mirai-sozo.work Chief Director of Blue Carbon Network |
| INDO Mami | Director (Outside) | Chairperson of the Audit Committee | Outside Director of Ajinomoto Co., Inc. Outside Director of AIG Japan Holdings KK |
| ONO Hiromichi | Director (Outside) | Audit Committee Member | Outside Director of Mebuki Financial Group, Inc. |
| SEKIGUCHI Hiroyuki | Director (Outside) | Audit Committee Member | |

2) Corporate Executive Officers

| Name | Position | Areas of responsibility in the Company |
|--------------------|--|---|
| UCHIDA Takashi | Representative Corporate Executive Officer and President | CEO (Chief Executive Officer) |
| SAWADA Satoru | Representative Corporate Executive Officer, Vice President | Chief Executive of Customer & Business Solution Company |
| SASAYAMA Shinichi | Representative Corporate Executive Officer, Vice President | CSO (Chief Strategy Officer) |
| KASUTANI Toshihide | Senior Managing Corporate Executive Officer | Chief Executive of Global Business Company |

- Notes:
- To enhance the effectiveness of audits, the Company has selected Mr. NAKAJIMA Isao, who has abundant business experience at the Company, as a standing Audit Committee Member.
 - Directors NAKAJIMA Isao and ONO Hiromichi have considerable knowledge in finance and accounting.
 - None of Corporate Executive Officers have important concurrent posts.
 - Representative Corporate Executive Officer and President UCHIDA Takashi retired as Representative Corporate Executive Officer and President on March 31, 2023.
 - Representative Corporate Executive Officer, Vice President SAWADA Satoru retired as Representative Corporate Executive Officer, Vice President on March 31, 2023.
 - Representative Corporate Executive Officer, Vice President SASAYAMA Shinichi was appointed as Representative Corporate Executive Officer and President on April 1, 2023.
 - Senior Managing Corporate Executive Officer KASUTANI Toshihide was appointed as Representative Corporate Executive Officer, Vice President on April 1, 2023.
 - On April 1, 2023, Mr. KIMOTO Kentaro was appointed as Representative Corporate Executive Officer, Vice President, and his area of responsibility became CTO (Chief Technology Officer), Chief Executive of Green Transformation Company.
 - On April 1, 2023, Mr. OGAWA Shinsuke was appointed as Representative Corporate Executive Officer, Vice President, and his area of responsibility became Chief Executive of Customer & Business Solution Company.
 - The Company has entered into agreements with each Outside Director to limit their liability under Article 423, paragraph 1 of the Companies Act to the amount provided for in Article 425, paragraph 1 of the same Act on the condition that they execute their duties in good faith and without gross negligence.
 - The Company has entered into indemnity agreements with each Director and Corporate Executive Officer provided for in Article 430-2, paragraph 1 of the Companies Act. Under the agreements, the Company indemnifies each Director and Corporate Executive Officer for the expenses provided for in item 1 and the losses provided for in item 2 of Article 430-2, paragraph 1, to the extent provided for in laws and regulations, on the condition that there is no malicious intent or gross negligence in the execution of their duties.
 - The Company has entered into a directors and officers liability insurance (D&O insurance) agreement with an insurance company, with each Director, Corporate Executive Officer, Executive Officer, and outside dispatched officer* included as an insured person, as stipulated in Article 430-3, paragraph 1 of the Companies Act. The D&O insurance agreement covers damages and litigation expenses incurred by the insured person due to claims for damages made as a result of action taken by the insured person based mainly on the position of the officer, etc. of the company (including omissions), and the Company fully pays the insurance premiums of the insured person. However, there are certain exclusions such as claims for damages arising from criminal acts of the insured, claims for damages arising from acts committed by the insured with the insured's knowledge that such acts are in violation of laws and regulations.
* Persons who are seconded from or concurrently serve as outside directors, audit & supervisory board members, or executive officers of subsidiaries or investee companies, etc., and who meet certain requirements
 - There is no special relationship between the Company and the entities where the Company's officers hold important concurrent positions.

(2) Total Value of Remuneration for Directors and Corporate Executive Officers

| Category | Total value of remuneration, etc. (Millions of yen) | Total value of remuneration, etc. by type (Millions of yen) | | | Number of payees (people) |
|--|---|---|---|--|---------------------------|
| | | Fixed remuneration | Incentive remuneration | | |
| | | Basic compensation | Bonuses (Performance-linked remuneration) | Stock compensation (Non-monetary remuneration) | |
| Directors (of which, Outside Directors) | 216 (78) | 192 (72) | - (-) | 24 (6) | 9 (7) |
| Corporate Executive Officers | 264 | 174 | 52 | 38 | 4 |

- Notes:
- The remuneration, etc. of Directors includes one (1) Outside Director who retired upon the conclusion of the 222nd Annual Shareholders Meeting.
 - The remuneration, etc. of one (1) Corporate Executive Officer who concurrently serves as a Director is stated in the remuneration, etc. of Corporate Executive Officers.
 - The amount of stock compensation presented is the amount expensed between April 1, 2022 and March 31, 2023.
 - The above amounts less than one million yen are rounded down.

(3) Basic Policy on Officer Remuneration

The Company has resolved the following 'Basic Policy on Officer Remuneration' at the meeting of the Compensation Committee held on June 29, 2021.

The Company, as a Company with Three Committees (Nominating, Audit and Compensation), shall establish a Compensation Committee pursuant to the Companies Act, elect the chairperson from among the Outside Directors and determine the remuneration of each individual officer (Directors and Corporate Executive Officers) while ensuring objectivity and transparency.

(1) Role and remuneration of officers

The role expected of officers is to seek to enhance short-term, medium- and long-term corporate value and remuneration shall serve as an effective incentive for them to perform that role.

(2) Level of remuneration

The level of remuneration shall be appropriate to the role, responsibility and performance of the officer, taking into account factors such as changes in the business environment and remuneration levels at other companies based on surveys by external specialized organizations.

(3) Composition of annual compensation

Annual compensation is comprised of fixed remuneration (basic compensation) and incentive remuneration (bonus and stock compensation).

1) Basic compensation: A fixed amount determined by each position and title that is paid monthly.

2) Bonus: Paid once a year as a short-term incentive remuneration, applying the evaluation of the relevant person's performance during a specific period using financial performance indicators and non-financial performance indicators to the standard amounts for each position and title. The relevant indicators are evaluated and selected annually.

3) Stock compensation: As a non-monetary medium- and long-term incentive remuneration, points are granted in accordance with the standard amounts determined by each position and title, and such points are exchanged with shares at the time of resignation.

Remuneration of Directors shall be comprised of basic compensation and stock compensation, and remuneration of Corporate Executive Officers (including persons concurrently serving as Directors) shall be comprised of basic compensation, bonus and stock compensation.

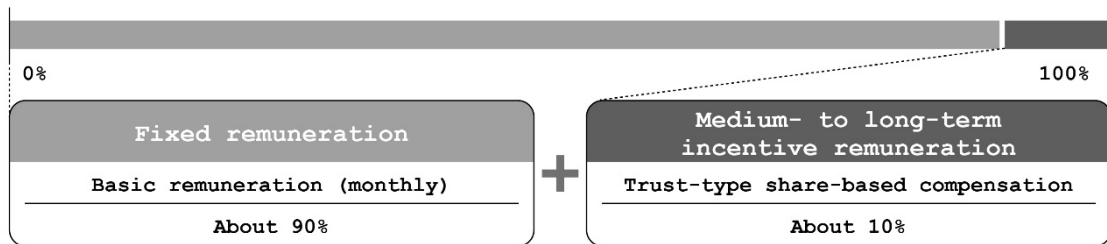
The composition ratio of remuneration shall be approximately 90% basic compensation and approximately 10% stock compensation for Directors, and 65 to 70% basic compensation, 15 to 20% bonus and 10 to 20% stock compensation for Corporate Executive Officers (including persons concurrently serving as Directors)

Remuneration, etc. for individual Directors and Corporate Executive Officers for FY2022 was resolved following deliberations at the meeting of the Compensation Committee and paid based on the aforementioned 'Basic Policy on Officer Remuneration.' Bonuses were resolved following deliberations at the meeting of the Compensation Committee and paid based on the progress of achievement of targets for performance evaluation indicators for FY2021.

[Reference]

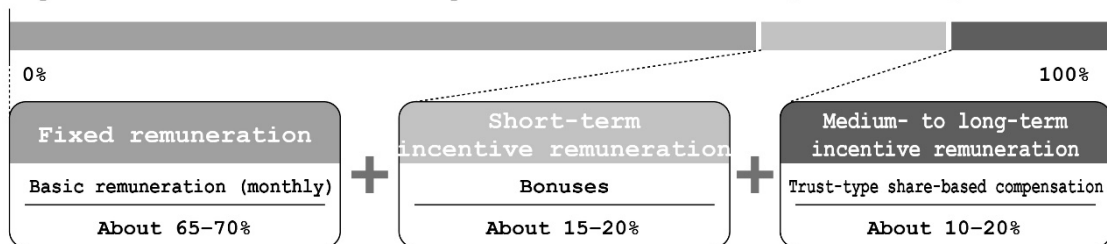
- Composition of remuneration for non-executive directors (internal and outside)

Composition of remuneration for directors (illustration)



- Remuneration structure of Corporate Executive Officers (including those who concurrently serve as directors)

Composition of remuneration for Corporate Executive Officers (illustration)



(4) Matters Related to Performance-linked Remuneration

Bonuses that reflect the progress of achievement of performance evaluation indicators are paid to Corporate Executive Officers (including persons concurrently serving as Directors) as performance-linked remuneration. The Compensation Committee resolved on the adoption of the performance evaluation indicators for FY2021* based on their linkage with the Priority Management Indicators set in the Management Plan. The Compensation Committee will review the performance evaluation indicators each fiscal year.

The amount of bonus payments is determined by quantitatively and qualitatively evaluating and reflecting the progress of the term performance in relation to the performance evaluation indicators for each post.

| | |
|--|--|
| * Performance evaluation indicators for FY2021 | |
| Financial indicators: | Incentives for achieving targets: ‘Consolidated profit’ and ‘Operating profit + Equity method profit’ |
| Non-financial indicators: | ESG-related indicators: ‘[E] Contribution to CO ₂ emission reduction,’ ‘[E] Renewable energy power sources transaction volume’ and ‘[S] Diversity of human capital’ Indicators for expansion of each business: ‘Natural gas transaction volume,’ ‘Transport volume’ and ‘Number of customer accounts (increase)’ |

Regarding results of indicators for FY2021, financial indicators of ‘Consolidated profit’ and ‘Operating profit + Equity method profit’ were ¥88.7 billion and ¥121.5 billion, respectively. Achievement rates were 171% and 140%, respectively, exceeding the targets. Of the six non-financial indicators, ‘Diversity of human capital,’ ‘Natural gas transaction volume,’ ‘Transport volume’ and ‘Number of customer accounts (increase)’ exceeded the targets.

(5) Matters Related to Non-monetary Remuneration

The Company pays stock compensation to Directors and Corporate Executive Officers as medium- to long-term incentive remuneration. Specifically, the Company has introduced the trust-type share-based compensation plan in which points are granted according to the standard amount set for each post and the Company’s shares are delivered according to the number of points at the time of retirement.

(6) Matters Related to Outside Officers

| Name of Outside Directors | Attendance (◎ indicates Chairperson) | Status of major activities |
|---------------------------|---|--|
| SAITO Hitoshi | Board of Directors 100% (13 / 13) ◎Nominating Committee 100% (9 / 9) Compensation Committee 100% (4 / 4) | Given his management capabilities, based on the broad outlook and in-depth knowledge he developed as an executive in the real estate industry, and especially the global business sense he acquired in overseas businesses, Mr. SAITO provides the Company with a wide variety of opinions on its management operations. He also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. In addition, he serves as the Chairperson of the Nominating Committee and Compensation Committee Member, and is working to improve the effectiveness of each committee by examining the appointment and selection of Directors and Representative Corporate Executive Officers, and by examining and deciding the remuneration system for Corporate Executive Officers, etc. |
| TAKAMI Kazunori | Board of Directors 100% (13 / 13) Nominating Committee 100% (9 / 9) ◎Compensation Committee 100% (4 / 4) | Given his management capabilities, based on the broad outlook and in-depth knowledge he developed as an executive in the electrical industry, and especially the consumer-oriented marketing sense he acquired in the appliance business, Mr. TAKAMI provides the Company with a wide variety of opinions on its management operations. He also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. In addition, he serves as the Chairperson of the Compensation Committee and Nominating Committee Member, and is working to improve the effectiveness of each committee by examining and deciding the remuneration system for Corporate Executive Officers, etc., and by examining the appointment and selection of Directors and Representative Corporate Executive Officers. |
| EDAHIRO Junko | Board of Directors 100% (13 / 13) Nominating Committee 100% (8 / 8) Audit Committee 100% (4 / 4) Compensation Committee 100% (2 / 2) | Given her in-depth knowledge regarding energy and sustainability, communication abilities, extensive regional practical experience, and high-level insight, which she developed as a journalist and creator, Ms. EDAHIRO provides the Company with a wide variety of opinions on its management operations. She also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. Until the conclusion of the 222nd Annual Shareholders Meeting held on June 29, 2022, she served as Audit Committee Member and audited the establishment and operation status of our internal control systems. After her appointment as Nominating Committee Member and Compensation Committee Member at the Board of Directors meeting held after the Annual Shareholders Meeting, she has been working to improve the effectiveness of each committee by examining the appointment and selection of Directors and Representative Corporate Executive Officers, and by examining and deciding the remuneration system for Corporate Executive Officers, etc. |

| Name of Outside Directors | Attendance (◎ indicates Chairperson) | Status of major activities |
|---------------------------|--|---|
| INDO Mami | Board of Directors 100% (13 / 13) ◎Audit Committee 100% (14 / 14) | Given her advanced and diverse management analysis and instruction capabilities she developed as an analyst and advisor in the finance sector, and her management sensibilities from the risk perspective and in-depth knowledge nurtured by her experience in a surveillance agency, Ms. INDO provides the Company with a wide variety of opinions on its management operations. She also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. In addition, she serves as the Chairperson of the Audit Committee, and is working to improve the effectiveness of the committee by auditing the establishment and operation status of our internal control systems. |
| ONO Hiromichi | Board of Directors 100% (13 / 13) Audit Committee 100% (14 / 14) | Given his management capabilities, based on the broad outlook he developed as an executive in the food industry, and especially his management sensibilities from the group and risk perspectives he nurtured at a finance division, Mr. ONO provides the Company with a wide variety of opinions on its management operations. He also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. In addition, he serves as Audit Committee Member, and is working to improve the effectiveness of the committee by auditing the establishment and operation status of our internal control systems. |
| SEKIGUCHI Hiroyuki | Board of Directors 100% (11 / 11) Audit Committee 100% (10 / 10) | Given his keen eyes for energy, sustainability, and the economy in general, deep insight into the essentials, the ability to explain matters from the viewpoint of viewers, and in-depth knowledge, all of which he developed as a broadcast reporter and news commentator, Mr. SEKIGUCHI provides the Company with a wide variety of opinions on its management operations. He also monitors the performance of duties by Corporate Executive Officers, etc. from an independent viewpoint, contributing to enhancing the rationality and objectivity of deliberations and decisions made in the Company's business operations and at the Board of Directors. In addition, he serves as Audit Committee Member, and is working to improve the effectiveness of the committee by auditing the establishment and operation status of our internal control systems. |

- Notes:
1. The Company designates respective Outside Directors as the 'Independent Officers,' who will not have conflicting interests with general shareholders, and notified them to the listing stock exchanges (Tokyo Stock Exchange and Nagoya Stock Exchange).
 2. The status of Mr. SEKIGUCHI Hiroyuki after his appointment on June 29, 2022 is shown.

5. Matters Related to Accounting Auditor (Independent Auditor)

(1) Name of Accounting Auditor
KPMG AZSA LLC

(2) Value of Remuneration of Accounting Auditor for this Business Year under Review

(Millions of yen)

| Category | Compensation for audit services | Compensation for non-audit services |
|---------------------------|---------------------------------|-------------------------------------|
| The Company | 122 | 2 |
| Consolidated subsidiaries | 174 | 8 |
| Total | 297 | 11 |

- Notes:
- The auditing contract between the Company and the Accounting Auditor makes no distinction between auditing services based on the Companies Act and auditing services based on the Financial Instruments and Exchange Act. Since no real distinction can be made in practice, the amount of the Company's compensation for auditing services also includes payments for auditing services based on the Financial Instruments and Exchange Act, etc.
 - The Audit Committee discussed the amount of remuneration by taking into account, for example, the details of the audit plan prepared by the Accounting Auditor with respect to the Company's accounting audit, the basis of calculating remuneration and the past audit results, and then reached an agreement in accordance with Article 399, Paragraphs 1 and 4 of the Companies Act.
 - Of the principal subsidiaries of the Company, Tokyo Gas America Ltd., TOKYO GAS AUSTRALIA PTY LTD, TG Natural Resources LLC, TG Aktina Holdings LLC, Tokyo Gas United Kingdom Ltd., Tokyo Gas Asia Pte. Ltd. and Tokyo Gas International Holdings B.V. are audited by auditing firms other than the Accounting Auditor of the Company.
 - In addition to the above, the Company paid an additional ¥2 million in August 2022 for compensation for audit services for the previous fiscal year.
 - The above amounts less than one million yen are rounded down.

(3) The Contents of Non-Audit Services

The Company commissions the Accounting Auditor to provide services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services) such as services for drafting of comfort letters relating to issuance of unsecured bonds.

(4) Policy on Determination to Dismiss or Refrain from Reappointing the Accounting Auditor

The Audit Committee dismisses the Accounting Auditor with the consent of all the Audit Committee Members if the Accounting Auditor is found to fall under any of the items of Article 340, Paragraph 1 of the Companies Act. In that case, the fact that the Accounting Auditor was dismissed and the reason for the dismissal are reported at the first Shareholders Meeting convened after the dismissal of the Accounting Auditor.

In addition, the Audit Committee comprehensively evaluates the independence, expertise, quality control, etc. of the Accounting Auditor. If it is deemed necessary, such as when it is deemed difficult for the Accounting Auditor to perform its duties appropriately, the Audit Committee determines the content of the proposal for the dismissal or non-reappointment of the Accounting Auditor to be submitted to the Shareholders Meeting.

6. Shareholder-Return Policy

(1) Policies to be applied from the results of FY2023

At the meeting of its Board of Directors held on February 22, 2023, the Company approved the 'Shareholder-Return Policy' as follows.

Acquisition of treasury stock for retirement will be considered as one way of providing shareholder return in addition to dividends, and aims for total return ratio (ratio of dividends on current consolidated net income and acquisition of own shares) will be around 40% in each fiscal year.

With regard to dividends, we will continue to provide stable dividends and will gradually increase dividends in accordance with growth while comprehensively taking into consideration the profit level over the medium- to long-term

(2) Policies to be applied until the results of FY2022

Distributable income will be applied to the improvement of customer services and to the achievement of a sustainable society, and also distributed to shareholders in a timely and appropriate manner.

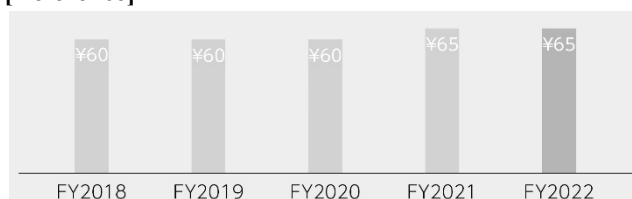
Acquisition of treasury stock for retirement will be considered as one way of providing shareholder return in addition to dividends, and targets for total return ratio (ratio of dividends on current consolidated net income and acquisition of own shares) will be approximately 50% in each fiscal year up through FY 2022.

With regard to dividends, we will continue to provide stable dividends and will gradually increase dividends in accordance with growth while comprehensively taking into consideration the profit level over the medium- to long-term.

Based on the aforementioned policy, the Company decided to pay the year-end dividend of ¥32.5 per share for the business year under review, in accordance with a resolution of the meeting of the Board of Directors held on April 26, 2023. The effective date and payment commencement date shall be June 6, 2023. Together with the dividend of ¥32.5 at the end of the second quarter, the total dividend to be paid during the year is ¥65 per share. In addition, at the same meeting of the Board of Directors of April 26, 2023, a resolution was made for the Company to acquire shares of the Company with a ceiling of up to 53 million shares or ¥113.0 billion.

Based on the resolution of the 221st Annual Shareholders Meeting held on June 29, 2021, the Company stipulates in its Articles of Incorporation that matters such as the payment of dividends from surplus may be carried out by a resolution of the meeting of the Board of Directors.

[Reference]



<FY2022 Target> Approx. 50%

<FY2022 Result> 50.3% (estimated)

$$\text{Gross distribution propensity} = \frac{(\text{Total dividends}) + (\text{Acquisition of own shares})}{\text{Consolidated profit}}$$

7. Basic Policy on Control of a Joint-Stock Corporation

The Company passed at the meeting of its Board of Directors held on March 23, 2022, a resolution on amendment of the 'Basic Policy on Control of a Joint-Stock Corporation' as follows:

The Company, as a listed company, expects it could be posed by any party attempting to acquire a massive quantity of its shares or making a buyoff proposal, but whether to accept it should ultimately be determined by the intent of the entire body of the Company's shareholders. By looking at their purpose, method and others, however, the Company considers some of these massive share-purchasing attempts could damage its corporate value and joint interests of its shareholders, and would find them to be inappropriate. In making this judgment, the Company would carefully examine impacts the relevant act of purchasing or buyoff proposal might have on the Company's corporate value and joint interests of shareholders on the basis of the relevant purchaser's actual business operations, future business plans, past investment behavior, etc.

The Company considers 'increasing corporate value' is the most effective defensive measure against an act of inappropriate massive share-purchasing. At this particular time, no specific threat to the Company is being posed by buyoff, and the Company does not currently intend to have any specific predetermined measures (the so-called 'poison pills') in place. However, the Company does intend to constantly watch the conditions of the trading of its shares and will take immediate countermeasures as deemed appropriate if any party is found to be attempting to acquire a massive quantity of its shares.

[English Translation of Financial Statements Originally Issued in the Japanese Language]

Consolidated Financial Statements

Consolidated Balance Sheet

As of March 31, 2023

(Millions of yen)

| <u>ASSETS</u> | |
|--|------------------|
| Current Assets..... | 1,217,914 |
| Cash and deposits | 453,502 |
| Notes and accounts receivable-trade, and contract assets | 446,061 |
| Lease receivables and investments in leases | 17,125 |
| Securities | 10 |
| Merchandise and finished goods | 6,030 |
| Work in process | 15,653 |
| Raw materials and supplies | 135,769 |
| Other current assets | 145,882 |
| Allowance for doubtful accounts..... | (2,122) |
| Non-current Assets | 2,363,511 |
| Property, plant and equipment | 1,582,904 |
| Buildings and structures | 346,262 |
| Machinery, equipment and vehicles | 921,572 |
| Tools, furniture and fixtures | 10,714 |
| Land..... | 197,245 |
| Leased assets | 8,231 |
| Construction in progress..... | 98,878 |
| Intangible assets..... | 314,533 |
| Goodwill..... | 6,410 |
| Other intangible assets..... | 308,122 |
| Investments and other assets | 466,073 |
| Investment securities | 278,497 |
| Long-term loans receivable | 56,550 |
| Retirement benefit asset | 8,809 |
| Deferred tax assets..... | 32,849 |
| Other investments | 93,649 |
| Allowance for doubtful accounts..... | (4,283) |
| <u>Total Assets.....</u> | <u>3,581,425</u> |

(Millions of yen)

| LIABILITIES AND NET ASSETS | |
|--|------------------|
| LIABILITIES | |
| Current Liabilities..... | 606,158 |
| Notes and accounts payable-trade | 63,845 |
| Short-term borrowings..... | 6,674 |
| Current portion of bonds payable | 20,000 |
| Current portion of long-term borrowings | 59,973 |
| Income taxes payable | 118,636 |
| Other current liabilities..... | 337,028 |
| Non-current Liabilities | 1,385,965 |
| Bonds payable | 548,976 |
| Long-term borrowings..... | 607,262 |
| Deferred tax liabilities | 33,901 |
| Retirement benefit liability..... | 64,570 |
| Provision for share awards for directors (and other officers)..... | 183 |
| Provision for gas holder repairs..... | 3,444 |
| Provision for safety measures..... | 527 |
| Provision for contract loss in regards to appliance warranties | 5,176 |
| Provision for point program | 654 |
| Asset retirement obligations | 27,559 |
| Other noncurrent liabilities..... | 93,709 |
| Total Liabilities..... | 1,992,124 |
| NET ASSETS | |
| Shareholders' Equity..... | 1,449,094 |
| Share capital | 141,844 |
| Retained earnings | 1,310,908 |
| Treasury shares | (3,658) |
| Accumulated Other Comprehensive Income..... | 109,309 |
| Valuation difference on available-for-sale securities..... | 30,954 |
| Deferred gains or losses on hedges | (9,626) |
| Foreign currency translation adjustment | 86,226 |
| Remeasurements of defined benefit plans | 1,754 |
| Non-controlling interests | 30,896 |
| Total Net Assets..... | 1,589,301 |
| Total Liabilities and Net Assets | 3,581,425 |

Consolidated Statement of Income
From April 1, 2022 to March 31, 2023

| | (Millions of yen) |
|---|-------------------|
| Net sales..... | 3,289,634 |
| Cost of sales..... | 2,596,462 |
| [Gross profit] | [693,172] |
| Selling, general and administrative expenses..... | 271,695 |
| [Operating profit]..... | [421,477] |
| Non-operating income | 28,500 |
| Interest income | 2,463 |
| Dividend income | 2,797 |
| Foreign exchange gains | 5,089 |
| Gain on derivatives..... | 6,639 |
| Miscellaneous income | 11,510 |
| Non-operating expenses | 41,130 |
| Interest expenses..... | 15,138 |
| Share of loss of entities accounted for using equity method | 4,450 |
| Loss on derivatives | 10,308 |
| Miscellaneous expenses..... | 11,233 |
| [Ordinary profit] | [408,846] |
| Extraordinary income | 7,301 |
| Gain on sales of investment securities..... | 3,795 |
| Gain on sales of businesses | 3,506 |
| Extraordinary losses | 8,669 |
| Impairment losses | 4,093 |
| Loss on valuation of investment securities..... | 2,420 |
| Loss on valuation of long-term loans receivable..... | 2,154 |
| [Profit before income taxes] | [407,479] |
| Income taxes - current | 122,208 |
| Income taxes - deferred | 3,748 |
| Profit..... | 281,522 |
| Profit attributable to non-controlling interests | 605 |
| Profit attributable to owners of parent..... | 280,916 |

[English Translation of Financial Statements Originally Issued in the Japanese Language]

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet

As of March 31, 2023

(Millions of yen)

| <u>ASSETS</u> | |
|---|------------------|
| Current Assets..... | 967,788 |
| Cash and deposits | 308,643 |
| Notes receivable - trade | 1,147 |
| Accounts receivable - trade | 391,305 |
| Work in process | 10,799 |
| Raw materials and supplies | 110,205 |
| Prepaid expenses | 1,414 |
| Other current assets | 145,746 |
| Allowance for doubtful accounts..... | (1,473) |
| Non-current Assets | 1,728,291 |
| Property, plant and equipment..... | 239,642 |
| Buildings..... | 14,677 |
| Structures..... | 43,403 |
| Machinery and equipment | 65,576 |
| Tools, furniture and fixtures | 5,626 |
| Land..... | 104,327 |
| Construction in progress..... | 6,029 |
| Other property, plant and equipment | 2 |
| Intangible assets..... | 105,607 |
| Software..... | 96,471 |
| Goodwill | 887 |
| Other intangible assets..... | 8,248 |
| Investments and other assets | 1,383,041 |
| Investment securities | 49,948 |
| Shares of subsidiaries and associates | 647,502 |
| Long-term loans receivable | 627,777 |
| Deferred tax assets..... | 25,724 |
| Other investments | 38,190 |
| Allowance for doubtful accounts..... | (6,101) |
| <u>Total Assets.....</u> | <u>2,696,080</u> |

(Millions of yen)

| LIABILITIES AND NET ASSETS | |
|--|------------------|
| LIABILITIES | |
| Current Liabilities..... | 655,898 |
| Accounts payable - trade | 42,051 |
| Short-term borrowings..... | 208,059 |
| Accounts payable - other | 42,777 |
| Accrued expenses | 138,223 |
| Income taxes payable | 97,904 |
| Contract liabilities | 8,744 |
| Advances received..... | 10,933 |
| Deposits received..... | 11,233 |
| Unearned revenue | 1,100 |
| Other | 94,870 |
| Non-current Liabilities | 1,048,417 |
| Bonds payable | 544,799 |
| Long-term borrowings..... | 425,202 |
| Provision for retirement benefits | 58,633 |
| Provision for share awards for directors (and other officers)..... | 183 |
| Provision for contract loss in regards to appliance warranties | 5,176 |
| Provision for point program | 603 |
| Other noncurrent liabilities..... | 13,819 |
| Total Liabilities..... | 1,704,315 |
| NET ASSETS | |
| Shareholders' Equity..... | 976,972 |
| Share capital | 141,844 |
| Share capital | 141,844 |
| Capital surplus | 2,065 |
| Legal capital surplus..... | 2,065 |
| Retained earnings | 836,720 |
| Legal retained earnings..... | 35,454 |
| Other retained earnings..... | 801,266 |
| Reserve for advanced depreciation of non-current assets | 4,216 |
| Reserve for overseas investment loss | 210 |
| Reserve for adjustment of cost fluctuations | 141,000 |
| General reserve..... | 339,000 |
| Retained earnings brought forward | 316,839 |
| Treasury shares | (3,658) |
| Treasury shares | (3,658) |
| Valuation and Translation Adjustments | 14,792 |
| Valuation difference on available-for-sale securities..... | 18,072 |
| Valuation difference on available-for-sale securities..... | 18,072 |
| Deferred gains or losses on hedges | (3,279) |
| Deferred gains or losses on hedges | (3,279) |
| Total Net Assets..... | 991,764 |
| Total Liabilities and Net Assets..... | 2,696,080 |

Non-Consolidated Statement of Income

From April 1, 2022 to March 31, 2023

| | (Millions of yen) |
|--|-------------------|
| Net sales..... | 2,999,878 |
| Cost of sales..... | 2,508,130 |
| [Gross profit] | [491,747] |
| Selling, general and administrative expenses..... | 190,321 |
| [Operating profit]..... | [301,426] |
| Non-operating income | 20,958 |
| Interest and dividend income..... | 15,167 |
| Miscellaneous income | 5,790 |
| Non-operating expenses | 18,763 |
| Interest expenses..... | 3,295 |
| Interest on bonds..... | 5,563 |
| Foreign exchange losses..... | 4,799 |
| Miscellaneous expenses..... | 5,104 |
| [Ordinary profit] | [303,621] |
| Extraordinary income | 2,670 |
| Gain on sales of investment securities..... | 2,670 |
| Extraordinary losses | 14,068 |
| Impairment losses..... | 2,114 |
| Loss on valuation of shares of subsidiaries and associates | 11,953 |
| [Profit before income taxes] | [292,222] |
| Income taxes - current | 98,574 |
| Income taxes - deferred | (11,523) |
| Profit..... | 205,171 |

Independent Auditor's Report

May 12, 2023

To the Board of Directors of Tokyo Gas Co., Ltd.:

KPMG AZSA LLC
Tokyo Office, Japan

Michitaka Shishido
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Toshiyuki Tamura
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Naoya Aizawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the related notes of Tokyo Gas Co., Ltd. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”), as at March 31, 2023 and for the year from April 1, 2022 to March 31, 2023 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the

basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

Independent Auditor's Report

May 12, 2023

To the Board of Directors of Tokyo Gas Co., Ltd.:

KPMG AZSA LLC
Tokyo Office, Japan

Partner
Michitaka Shishido
Designated Limited Liability
Engagement Partner
Certified Public Accountant

Partner
Toshiyuki Tamura
Designated Limited Liability
Engagement Partner
Certified Public Accountant

Partner
Naoya Aizawa
Designated Limited Liability
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in equity and the related notes, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of Tokyo Gas Co., Ltd. (“the Company”) as at March 31, 2023 and for the year from April 1, 2022 to March 31, 2023 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities

under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements

regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

AUDIT REPORT

The Audit Committee have audited the execution of duties by Directors and Corporate Executive Officers for the 223rd business year from April 1, 2022 to March 31, 2023. We hereby report on our audit method and results as follows:

1. Method and Contents of Audit

With respect to the contents of the internal control system (the system pursuant to the content of the resolutions by the Board of Directors on the items prescribed in Article 416, Paragraph 1, Item 1 (ii) and (v) of the Companies Act and the system put in place by the said resolutions), the Audit Committee debriefed Directors, Corporate Executive Officers and employees, etc. on the status of the establishment and management of the corporate structure and system, requested explanations as needed, and executed its audits with the method described below.

- 1) In accordance with the audit policy, audit plan, audit standard and distribution of duties established by the Audit Committee and by maintaining coordination with the Company's Internal Audit Division, the Audit Committee Members attended important meetings, debriefed Directors, Corporate Executive Officers and other attendees on matters regarding the execution of their duties, requested explanations as needed and inspected important decision-making documents, while also examining the status of business operations and properties at the head office and main business units. With respect to the subsidiaries, the Audit Committee Members received reports of operations as necessary by maintaining proper communication with subsidiaries Directors, Audit & Supervisory Board Members, etc.

With respect to internal control covering financial reporting, the Audit Committee debriefed the Corporate Executive Officers, etc. and KPMG AZSA LLC on evaluation of the said internal control and status of audit and requested explanations as needed.

- 2) The Audit Committee discussed the opinions regarding the 'Basic Policy on Control of a Joint-Stock Corporation' (basic policies provided for in Article 118, Item 3 (a) of the 'Enforcement Regulations of the Companies Act') stated in the Business Report based on deliberations for the decision on the policy at meetings of the Board of Directors.
- 3) Audit Committee Members and the Audit Committee audited whether or not the Independent Auditors had maintained their independent positions and had conducted appropriate audits, debriefed Independent Auditors on the status of execution of their duties, and requested explanations as needed. In addition, Audit Committee Members and the Audit Committee were informed by Independent Auditors that they were developing the 'structure and system to ensure that their duties would be executed in a proper manner' (items prescribed in Article 131 of the 'Company Calculation Regulations') in accordance with 'Quality Control Standard for Auditing' (by Business Accounting Council dated October 28, 2005), and requested explanations as needed.

Based on the aforementioned methods, Audit Committee Members and the Audit Committee examined the Company's Business Report and its supporting schedules, Financial Statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and the notes to the non-consolidated financial statements), their supporting schedules, and Consolidated Financial Statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and the notes to the consolidated financial statements) for the business year under review.

2. Results of Audit

- (1) Results of audit of Business Report, etc.

- 1) The Business Report and its supporting schedules present fairly the status of the Company in conformity with the relevant acts and the Articles of Incorporation.
- 2) No misconduct or material fact running counter to the relevant acts or the Articles of Incorporation has been found in respect of execution of duties by Directors and Corporate Executive Officers.
- 3) The contents of the Board of Directors' resolution on the internal control system are fair and reasonable. The descriptions in the Business Report and execution of duties by Directors and Corporate Executive Officers related to the said internal control system, including the internal control covering financial reporting, have no specific problems which have to be pointed out.

- 4) The contents of ‘Basic Policy on Control of a Joint-Stock Corporation’ described on the Business Report has no specific problems which have to be pointed out.
- (2) Results of audit of financial statements and their supporting schedules
The audit methods adopted and the results of audit rendered by KPMG AZSA LLC, Independent Auditors, are fair and reasonable.
- (3) Results of audit of consolidated financial statements
The audit methods adopted and the results of audit rendered by KPMG AZSA LLC, Independent Auditors, are fair and reasonable.

The Audit Committee will continue to closely monitor measures by the Tokyo Gas Group in light of increasing uncertainty of its business environment due to internal situations, etc.

May 15, 2023

Tokyo Gas Co., Ltd. Audit Committee

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|--------------------|------------------------------------|
| INDO Mami | Chairperson of the Audit Committee |
| ONO Hiromichi | Audit Committee Member |
| SEKIGUCHI Hiroyuki | Audit Committee Member |
| NAKAJIMA Isao | Standing Audit Committee Member |

Note: Audit Committee Members INDO Mami, ONO Hiromichi and SEKIGUCHI Hiroyuki are Outside Directors stipulated in Article 2, Item 15, and Article 400, Paragraph 3 of the Companies Act.