Overview of CSR Management

Basic Policy on CSR

Tokyo Gas Group believes that the foundation of its CSR lies in achieving its public mission and fulfilling its social responsibilities by conducting daily business activities in accordance with its Management Philosophy and Corporate Action Philosophy.

We are committed to being a corporate group that contributes to the sustainable development of society, and that continues to grow and be trusted by customers, shareholders, and society on a permanent basis as we meet the demands and expectations of society in Japan and abroad by steadfastly tackling the challenges faced by society through our business activities.

The Tokyo Gas Group believes that promoting CSR is synonymous with practicing its Management Philosophy and Corporate Action Philosophy and intends to contribute to society through its daily business activities, thereby achieving its public mission and fulfilling its social responsibilities as an energy company.

CSR Promotion System

Tokyo Gas established a CSR promotion system in October 2004 by setting up a CSR Promotion Committee chaired by an executive officer responsible for CSR. In December of the same year, the committee was reorganized into the Corporate Communications Promotion Committee under the CSR Section of the Corporate Communications Department.

The committee, which is responsible for promoting CSR management, consists of a chairperson and 18 general managers drawn from associated departments. It discusses and shares information on important CSR matters throughout the Group, including the revision of key CSR activities, identification of materiality in light of internal and external changes, and the status of CSR efforts. Committee proceedings are reported to the Corporate Executive Meeting and the Board of Directors for deliberation and authorization as necessary.

CSR Management PDCA Cycle

We maintain a keen awareness of the evolving demands and expectations of society to discern the materiality of our CSR activities. In accordance with the direction of our business strategy, we set CSR KPIs and pursue them in the course of our business operations.

**PDCA Cycle**

- Plan
  - Identify materiality and set CSR KPIs
  - Formulate an annual plan in a meeting of the Corporate Communications Promotion Committee

- Do
  - The Tokyo Gas Group in Action:
  - Training and other activities for bolstering CSR awareness
  - Engagement with stakeholders

- Check
  - Monitor indicators and analyze results
  - Internal assessment and analyze activities
  - Conduct a stakeholder dialogue and analyze results

- Act
  - Extract issues and problems and incorporate them in the plan for the next fiscal year
  - Share information among Tokyo Gas Group companies and departments
  - Review the organizational system and rules

**Social Demands and Expectations**

**Promotion and Reinforcement of Corporate Governance**

**Contribution to the Sustainable Development Society**

- Energy solutions
- Promotion and supply of energy
- CO₂ emissions and transport of LPG
- Safety and product quality
- Responsible and sustainable operation
- Upstream and downstream business activities
- Internal management system

**Recent CSR Activities**

- Tokyo 2020 Olympic and Paralympic Dept.
- Compliance Dept.
- Internal Audit Dept.
- General Administration Dept.
- Corporate Communications Dept.
- Corporate Planning & Engineering Dept.
- Compliance Dept.
- Investment and Finance Dept.
- Environmental Affairs Dept.
- Accountants

**Promotion of Compliance**

- Respect for Human Rights
- Contribution to Local Communities
- Contribution to the Environment
- Enhancement of Energy Security
- CSR at the Tokyo Gas Group

**Departmental missions**

- 1. We will continue to grow while maintaining awareness of our company’s public mission and social responsibilities.
- 2. We will provide quality products and services, and always endeavor to improve customer satisfaction.
- 3. We will hold ourselves to high ethical standards, and fairly and transparently conduct corporate activities, while observing both the letter and the spirit of related laws and ordinances.
- 4. We will contribute to resolving global environmental problems as a leader in environmental management.
- 5. We will retain keen awareness of our obligations to be a good corporate citizen and work towards the betterment of society by contributing to community activities.
- 6. We will pursue continual innovation to promote a cost-effective business approach that is both flexible and resilient.
- 7. We will aspire to build organizations that are based upon the full exercise of and respect for the talents, desires, and creativity of each and every employee.

**Promotion System**

Management Philosophy

Corporate Action Philosophy

Challenge 2020 Vision

Medium-term management plan GPS2020

Promotion of CSR

Departmental missions

Individual employees’ daily business activities

As a leading energy company with focus on natural gas business, the Tokyo Gas Group shall actively contribute to create a pleasant lifestyle and environmentally friendly society, maintain and enhance its trust from our customers, shareholders, and society.

*1 A global framework for attaining sustainable growth that consists of 10 principles in the four areas of human rights, labor, environment, and anti-corruption.

*2 17 goals and 168 targets to be met by 2030, adopted at the UN Sustainable Development Summit in September 2015.

CSR at the Tokyo Gas Group

**CSR Promotion System**

- Gas Resources & Energy Production Div.
- Pipeline Network Div.
- Regional Sales and Service Div.
- Energy Solution Div.
- Renewable Energy Div.
- Digital Innovation Div.
- Corporate Planning Dept.
- Finance Management Dept.
- Accounting Dept.
- General Administration Dept.
- Corporate Communications Dept.
- Compliance Dept.

**Management Philosophy**

- The Tokyo Gas Group’s Vision of CSR Management

The Tokyo Gas Group strive to achieve its public mission and fulfill its social responsibilities through its daily business activities, thereby achieving its public mission and fulfilling its social responsibilities as an energy company.