Basic Stance on Respecting for Human Rights

The Tokyo Gas Group recognizes respect for human rights as a prerequisite for all Group business operations toward achieving sustainable development in an increasingly global society. We consequently established Tokyo Gas Group Human Rights Policy in April 2018 based on the United Nations Guiding Principles on Business and Human Rights and other global standards to guide Tokyo Gas Group, comprising Tokyo Gas Co., Ltd. and its consolidated subsidiaries, in promoting human rights and fulfilling our obligations.

Initiatives on Respecting Human Rights

Tokyo Gas Group Our Code of Conduct, which sets forth the standards of conduct for all employees, includes a pledge to respect human rights. Starting with the creation of vibrant workplaces that promote human rights, we provide training at each location to raise awareness and take action with a focus on respect for human rights, including international human rights issues. The code of conduct also includes a pledge to respect clients and suppliers as business partners and to conduct business in good faith.

We continuously ensure that our Purchasing Guidelines for Suppliers are thoroughly understood and followed and that subcontractors involved in our business with corporate partners also comply with them.

In addition, we implement human rights due diligence and steadfastly ensure respect for the human rights of diverse stakeholders throughout our business activities.

Tokyo Gas Group Human Rights Policy

Approved by the Board of Directors of Tokyo Gas Co., Ltd.,
on February 23, 2018.

Introduction

The Tokyo Gas Group (Tokyo Gas Co., Ltd. and its consolidated subsidiaries) strives to fulfill its public mission and social responsibilities through its energy business, with the belief that creating a society that respects human rights is essential. We are aware that respecting human rights therefore becomes a prerequisite for all our business activities.

We established the Tokyo Gas Group Human Rights Policy (hereafter “the Policy”) based on the United Nations (UN) Guiding Principles on Business and Human Rights to guide our Group-wide efforts to promote human rights and fulfill our obligations. The Policy is directly linked to the Group’s Management Philosophy and Corporate Action Philosophy and was determined with the approval of the Board of Directors of Tokyo Gas Co., Ltd. to stand as our public commitment to respect human rights.

1. Our Commitment to Respect Human Rights

The Tokyo Gas Group upholds and respects international norms on human rights, including the UN International Bill of Human Rights, which stipulates the basic human rights of all persons, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. Moreover, we strive to implement the UN Guiding Principles on Business and Human Rights in our daily operations. We comply with all applicable laws and regulations in each country and region in which we operate. Where we face conflicting internationally recognized standards of human rights and national or regional laws and regulations, we seek ways to honor the principles of international norms on human rights.
2. Scope of the Policy
The Policy applies to all officers and employees of the Tokyo Gas Group (Tokyo Gas Co., Ltd. and its consolidated subsidiaries).

3. Respect for Human Rights in Our Value Chain
3-1 We will seek to prevent or mitigate adverse impacts on human rights caused by stakeholders throughout our value chain, encompassing all processes involved in our business activities.
3-2 We respect our employees and those with whom we work, and we create a healthy and inclusive working environment.
3-3 We will sincerely deal with customers and strive to ensure safety and improve quality.
3-4 We will pay due respect to human rights in our business relationships. Where our business partners or entities in our value chain are causing or contributing to adverse impacts on human rights that are directly linked to our operations, products, or services, we will require the relevant entities to respect human rights and avoid infringing upon such rights.
3-5 We will seek to understand how our business activities may impact local communities and strive to cooperate with local communities.

4. Human Rights Due Diligence
We will identify and assess any actual or potential adverse human rights impacts and take action to prevent or mitigate human rights risks through an ongoing effort to develop and exercise due diligence to ensure respect for human rights.

5. Relief and Remediation
Where we confirm that we have caused or contributed to adverse human rights impacts, we will provide relief and remediation through legitimate processes.

6. Dialogue and Consultation
We are committed to engaging in dialogue and consultation with relevant stakeholders on measures for addressing potential and actual human rights impacts.

7. Human Rights Education
We will provide appropriate education and develop human rights awareness to ensure that the Policy is understood and embedded throughout our business activities so as to be effectively implemented.

8. Information Disclosure
We will disclose information on our human rights initiatives through various means, including our corporate website and CSR report.

Signing of the UN Global Compact
Tokyo Gas signed the UN Global Compact in March 2016 to demonstrate its commitment to protecting and respecting human rights and labor standards.
Human Rights Due Diligence

Why Is this Materiality?

- Human rights awareness provides the foundation for employees to achieve their full potential and for strengthening relationships with stakeholders.

- Additional efforts to address human rights concerns are essential for implementing our GPS2020 management plan.

FY2017 Results and Evaluation

Criteria for evaluating KPIs

- Target achieved (100% or above)
- Target not achieved but improved from the previous fiscal year
- Target not achieved

Note: Qualitative indicators with no evaluation axis are assessed on the basis of whether progress has been made since the previous fiscal year.

<table>
<thead>
<tr>
<th>Target (CSR KPIs)</th>
<th>FY2017 Results</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of human rights compliance management</td>
<td>■ We held various training with level-specific training at its core, with 17,070 participants, to ensure that every Tokyo Gas Group employee respect human rights and to create a vibrant workplace.</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>■ Initial training for human rights promotion leaders and booster training for leaders were conducted at each workplace, with 353 participants.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>■ Addressed 104 cases through internal and external consultation desks set up to provide support for communication and human rights issues in the workplace.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>■ Held a workshop on persons with disabilities to address key human rights issues in March, with 350 participants.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>■ Established Tokyo Gas Group Human Rights Policy, which came into effect in April 2018, to define the respect for human rights required of a global company.</td>
<td>✓</td>
</tr>
</tbody>
</table>

Key Initiatives for FY2018 and Beyond

We reviewed the Tokyo Gas Group’s key CSR activities and materiality in fiscal 2017. Please visit the related link to view the latest information on our materiality and CSR KPIs.

Link
- Identifying New Materiality
As an energy company, the Tokyo Gas Group is committed to engaging in responsible business activities and respecting the human rights of all people, including its employees. For us promoting human rights starts with the establishment of fair human resource selection procedures and the creation of a vibrant workplace, and we are pursuing various measures as a group to achieve these goals. In addition, we will continue to address human rights issues such as the promotion of diversity and prevention of harassment toward advancing our medium-term management plan GPS2020.

Human Rights Promotion System

System for Raising Awareness
The Tokyo Gas Group has set up the 16-member Central Human Rights Promotional Committee chaired by the chief compliance officer and consisting mainly of the general managers responsible for personnel matters in each department. The committee meets once a year for a central human rights promotional meeting to confirm the Group's overall understanding of human rights issues, results of training, and action plans for raising awareness for the next fiscal year. Subcommittees called District Human Rights Promotional Meetings, chaired by the general managers responsible for personnel matters in each department, are established under the committee, and district secretariats and human rights promotion leaders organize human rights training and related activities in each workplace.

Since 1995 we have trained 15 cohorts of human rights promotion leaders to lead efforts in each workplace to create a vibrant workplace, and 225 leaders, including those at subsidiaries, have served as instructors during workplace workshops and as advisors for consultation desks on human rights.

Training Topics for Human Rights Promotion Leaders
- The relationship between CSR and human rights
- Reasons why businesses take action on human rights
- Action taken by Tokyo Gas on human rights
- Exploring Dowa* issues
- Discrimination awareness
The international community and human rights
Various human rights issues (women, children, older people, people with disabilities, foreign nationals in Japan, LGBT issues, etc.)
Harassment issues (sexual harassment, workplace bullying, alcohol-related harassment, etc.)
Mental health in the workplace
Communication skills (anger management and assertive communication)
Fieldwork in various locations (National Hansen’s Disease Museum, History Museum of J-Koreans, etc.)
Counseling practice

*Owing to forms of discrimination rooted in social structures that developed over the history of Japanese society, some segments of the Japanese population have been forced over the years to endure a lower status economically, socially and culturally and remain subject to various types of discrimination in their daily lives to this day.

Initiatives on Human Rights Due Diligence
The Tokyo Gas Group strives to practice human rights due diligence in order to identify, prevent and mitigate human rights issues that arise along our value chain.
We have consistently engaged in the following major actions and will continue to strengthen our efforts in accordance with Tokyo Gas Group Human Rights Policy, formulated in February 2018.

Major Actions on Human Rights Issues

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Major Actions</th>
</tr>
</thead>
</table>
| Employees         | ● Address human rights issues through the consultation desks  
                    ● Conduct training for human rights promotion leaders who serve as lecturers in human rights workshops and advisors to those seeking consultation  
                    ● Organize seminars for raising human rights awareness toward creating a vibrant workplace  
                    ● Conduct compliance surveys to identify potential risks  
                    ● Engage in occupational safety and health activities for the prevention of issues associated with working environments |
| Business partners | Monitor the status of response to human rights issues at business partners based on CSR surveys.  |
| Customers         | Monitor the status of personal information management.                                                                                       |

Consultation Desks for Human Rights Issues
Consultation desks have been established both inside the Company in the Compliance Department and outside the Company at a comprehensive consultation service to handle workplace issues on communication and compliance, including human rights. In fiscal 2017, we received 104 consultations, which were addressed appropriately depending on content. First and foremost, we seek to protect the person who is seeking consultation from being placed at a disadvantage. And we address issues through face-to-face consultations whenever possible in an effort to help create a safe and secure working environment by collaborating with employees.

Training System

Tokyo Gas provides training for employees with the objective of creating a vibrant workplace. Through training we seek to understand the latest trends in human rights surrounding companies and to sharpen our sensitivity by learning about the significance of supply chain management as a social responsibility required of a global company as well as human rights issues, including the Dowa issue, harassment and communication in the workplace.
We have adopted a participatory approach in many of our training programs to encourage participants to develop a personal awareness of issues. For example, we compiled workplace situations that make employees uneasy from a human rights perspective. These case studies are used as learning material in our level-specific training. In addition, we try to make our training as
realistic as possible by having participants take a personal interest in a case study and discuss it with each other.

Human Rights Awareness Training in FY2017*

<table>
<thead>
<tr>
<th>Type</th>
<th>Outline</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)Level-specific training</td>
<td>Four levels of training provided: upon entry to the company, during the third year, and during qualification promotions (two levels)</td>
<td>1,527</td>
</tr>
<tr>
<td>(2)Workplace workshops</td>
<td>Practical training on topics selected by each workplace</td>
<td>15,543</td>
</tr>
<tr>
<td>(3)Training programs and follow-up for human rights promotion leaders</td>
<td>First-time leader training (one year) and follow-up training for current leaders</td>
<td>353</td>
</tr>
<tr>
<td>(4)Human rights presentation</td>
<td>Presentations for middle management by outside speakers</td>
<td>350</td>
</tr>
</tbody>
</table>

*Training sessions with 20 participants were also given by instructors dispatched on request by government authorities.

Level-specific human rights awareness training

Respecting Human Rights throughout the Supply Chain

As part of our initiatives for respecting human rights throughout our supply chain in Japan and abroad, we present our suppliers with the Purchasing Guidelines for Suppliers and engage in management activities such as CSR surveys. With respect to the Tokyo Gas Group employees, we seek to ensure understanding of these guidelines and stringent adherence to Tokyo Gas Group Our Code of Conduct. Furthermore, we monitor the status of response to human rights issues by conducting surveys of suppliers.

Link
▶ Supply Chain Management

Human Rights Lectures

In March 2018, we held a human rights lecture on workplace tips for creating an inclusive society alongside people with disabilities. The lecture was attended by 350 participants, including members of the Central Human Rights Promotional Committee and human resources staff of Tokyo Gas, human rights education staff at subsidiaries, managers and heads of general administration departments of LIFEVAL companies, managers of Tokyo Gas Merchandisers Organization (TOMOS) members, and human rights promotion leaders.
Initiatives for Human Rights Week

During Human Rights Week from December 4 to 10, we collect slogans for raising human rights awareness from employees and their families. In fiscal 2017, we received 11,317 entries, and posters of the best entries were displayed at each office.