

# Major ESG Ratings

## ■ Inclusion in Socially Responsible Investment (SRI) Indices

The Tokyo Gas Group is recognized for the overall high quality and balance of its approach to CSR and environmental, social, and governance (ESG) issues, and it has been included in the following SRI indices (as of July 31, 2018).

<p>FTSE4Good Global Index</p>  <p>FTSE4Good</p>	<ul style="list-style-type: none"> <li>• The FTSE4Good Global Index is a series of stock indices developed by FTSE Russell, a subsidiary of the London Stock Exchange Group. They assess corporate sustainability based on environmental, social, and governance performance and are used by investors as a key benchmark for determining which companies to invest in.</li> <li>• The FTSE Blossom Japan Index provides investors with a means of identifying Japanese companies that meet high environmental, social, and governance standards and is designed to minimize industry bias. In July 2017, the Government Pension Investment Fund of Japan (GPIF), the world's largest institutional investor, began using this index to track investments.</li> </ul>
<p>FTSE Blossom Japan Index</p>  <p>FTSE Blossom Japan</p>	<p><b>Note:</b> FTSE Blossom Japan Index</p> <p>"FTSE Russell" (a registered trademark of FTSE International Limited and Frank Russell Company) hereby certifies that Tokyo Gas Co., Ltd. has been found, as a result of third-party investigation, to meet the requirements for inclusion in the FTSE Blossom Japan Index and has been made a constituent of the Index. The FTSE Blossom Japan Index was developed by FTSE Russell and is designed to measure the performance of Japanese companies that meet high environmental, social, and governance (ESG) standards. The FTSE Blossom Japan Index is widely used for developing and assessing sustainable investment funds and other financial products.</p> <p>Link</p> <p>▶ <a href="#">FTSE Blossom Japan Index</a></p>
<p>MSCI Global Sustainability Indexes</p> 	<p>Tokyo Gas has been included in the following stock indices of top environmental, social, and governance performers developed by Morgan Stanley Capital Investment (MSCI) of the U.S.</p> <ul style="list-style-type: none"> <li>• MSCI Global Sustainability Indexes Leading stock indices of companies selected for their outstanding environmental, social, and governance performance.</li> <li>• MSCI Japan ESG Select Leaders Index This index is based on a parent index of the top 500 stocks by market capitalization in the MSCI Japan IMI index of large, mid- and small-cap securities in Japan, and it consists of companies that are rated relatively high in their industries for environmental, social, and governance performance.</li> </ul>
<p>MSCI Japan ESG Select Leaders Index</p> 	

<p>MSCI Japan Empowering Women Index [WIN]</p> 	<ul style="list-style-type: none"> <li>• MSCI Japan Empowering Women Index (WIN) This index is composed of companies that are selected from each industry for their high gender diversity scores.</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>• The MSCI Japan ESG Select Leaders Index and the MSCI Japan Empowering Women Index were adopted by GPIF in July 2017 as benchmarks for their investment strategy.</li> <li>• MSCI ESG Indexes</li> </ul> <p>THE INCLUSION OF Tokyo Gas Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Tokyo Gas Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.</p>
<p>STOXX Global ESG Leaders Index</p> 	<p>STOXX Global ESG Leaders Index is an index provided by STOXX of Switzerland, a subsidiary of Deutsche Börse AG. Based on the results of research by Sustainalytics, a Dutch SRI research and analysis provider, it is composed of companies selected for their outstanding action on the environment, society, and governance.</p>
<p>ETHIBEL Sustainability Index (EXCELLENCE Global)</p> 	<ul style="list-style-type: none"> <li>• Compiled by Forum Ethibel, a Belgian NPO and SRI promoter, the ETHIBEL Sustainability Index (EXCELLENCE Global) investment register consists of companies that exhibit strong environmental, social, and governance performance.</li> <li>• The ETHIBEL Investment Register (EXCELLENCE) is an investment universe comprised of companies that exhibit high standards of corporate social responsibility.</li> </ul>
<p>ETHIBEL Investment Register (EXCELLENCE)</p> 	
<p>Morningstar Socially Responsible Investment Index (MS-SRI)</p> 	<p>The Morningstar Socially Responsible Investment Index is an index of stock prices for listed companies in Japan that have been selected by Morningstar Japan K.K. for their outstanding social performance. It is the first index of its kind in Japan.</p>
<p>Certified Health &amp; Productivity Management Organization "White 500" (large enterprises category)</p> 	<p>The Certified Health &amp; Productivity Management Organization is a recognition given to large enterprises as well as small and medium-sized enterprises that practice particularly excellent health management in terms of initiatives addressing local health needs and health improvement initiatives spearheaded by Nippon Kenko Kaigi. Japan's Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi have been jointly certifying companies since fiscal 2016 with the goal of expanding corporate health management practices.</p>
<p>Nadeshiko Brand</p> 	<p>Nadeshiko Brands are companies selected jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange for actively promoting the use of female human resources (including the development of conditions that allow women to stay employed). They are selected in each industry from among companies listed on the Tokyo Stock Exchange First Section.</p>
<p>SNAM Sustainability Index</p>	<p>The SNAM Sustainability Index is based on corporate environmental, social, and governance performance data gathered through corporate research executed by Sompo Risk Management &amp; Health Care Inc. and IntegreX Inc. It is managed</p>



by Sampo Japan Nipponkoa Asset Management Co., Ltd.

## ■ CSR Ratings

The Tokyo Gas Group has been awarded the following ratings by third-party rating bodies.

<p><b>FY2017 CDP (Carbon Disclosure Project)</b> Performance: A- (on an eight-grade scale from A to D-)</p>	<p>Through the Carbon Disclosure Project, institutional investors call on corporations to disclose their strategies on climate change and actual emissions of greenhouse gases. It is operated by CDP, an international NPO. Scores for companies' responses are published globally and serve as an important metric of corporate value.</p>
<p><b>12th Toyo Keizai CSR Ranking</b> 24th out of 1,165 companies (Score: 547.8 out of 600)</p>	<p>This survey is conducted by Toyo Keizai Inc. with the goal of identifying companies that are trusted by a wide range of stakeholders for their CSR and financial performance. It covers Japanese enterprises, which are assessed according to both CSR criteria (in the fields of human resource use, the environment, corporate governance, and social performance) and financial criteria.</p>
<p><b>2016 Channel NewsAsia Sustainability Ranking</b> 74th out 100 companies</p> 	<p>This is a ranking of the top 100 Asian sustainability performers, jointly selected from an ESG perspective by Singapore TV broadcaster Channel NewsAsia, top Asian CSR consultancy CSR Asia, and leading ESG rating company Sustainalytics.</p>

## ■ Information Disclosure through Communication Efforts

The Tokyo Gas Group has received the following recognition with regard to its disclosure of information concerning communication.

<p><b>2017 Securities Analysts' Award for Excellence in Corporate Disclosure</b> Electric Power/Gas Industry Division  Excellence in Corporate Disclosure</p>	<p>Tokyo Gas was recognized for serving as a model to other companies in promoting disclosure, based on its efforts to consistently disclose quantitative information of interest to investors and provide useful information through its annual reports and other channels as well as clear policy on shareholder returns (6th time in a row and 11th overall).</p>
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