[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, 2024
(Commencement date of electronic provision: May 24, 2024)

Dear Shareholders:

NOTICE OF CONVOCATION OF THE 224th ANNUAL SHAREHOLDERS MEETING

We hereby would like to inform you of the 224th 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 26, 2024, 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,
SASAYAMA Shinichi
Director
Representative Corporate Executive Officer, President and CEO
TOKYO GAS CO., LTD.
5-20, Kaigan 1-chome, Minato-ku, Tokyo

1. Date and Hour: 10 a.m., Thursday, June 27, 2024 (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 224th fiscal year (from April 1, 2023 to March 31, 2024)
   (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

Notice: Subtitled videos are also available for viewing for those with hearing impairments.

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

Distribution period: Thursday, June 6, 2024 to Wednesday, July 31, 2024
URL: https://bit.ly/49bD8UN
ID: Shareholder number (9 digits)
Password: Zip code* (7 digits without a hyphen)

* Zip code of the shareholder's address to which this booklet is to be mailed
(For those who have changed their address after April 2024, the zip code before the change)
* Points to note when watching the video - P.8
* The term 'QR Code' is a registered trademark of DENSO WAVE INCORPORATED.

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 - P.4
Deadline: 5:30 p.m. on Wednesday, June 26, 2024

* When you attend the meeting, please do not return the enclosed CARD FOR EXERCISE OF VOTING RIGHTS but submit it to the receptionist at the meeting.

■ 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 27, 2024 (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)
Notice: Subtitled videos are also available for viewing from Wednesday, July 3, 2024 for those with hearing impairments.

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

Distribution period: Friday, June 28, 2024 to Wednesday, July 31, 2024
URL: https://bit.ly/3IUyAaD
ID: Shareholder number (9 digits)
Password: Zip code* (7 digits without a hyphen)

* Zip code of the shareholder's address to which this booklet is to be mailed
(For those who have changed their address after April 2024, the zip code before the change)
* The video will be partially edited to protect the privacy of shareholders who attend the meeting.
* Points to note when watching the video - P.8
* 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 224th Annual Shareholders Meeting’ and the ‘Extraordinary Report on Results of Resolutions.’

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

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

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 26, 2024.

[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 26, 2024.

(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.

(4) Delegation of voting rights

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.

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Note 1: 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 2: If any revisions are made to the matters subject to electronic provision, the revisions will be posted on the relevant websites.

Note 3: 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.

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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 26, 2024**, 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.

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 coming to the venue

- We ask that shareholders make their own decision on whether to wear a mask when attending the Meeting.
- 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 available at the venue, and may be used if necessary.

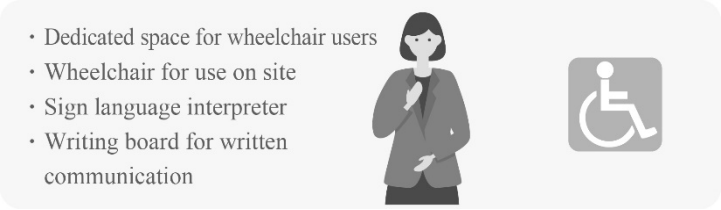
Changes to our response policy immediately before the Annual Shareholders Meeting

- If there is a change in the above content due to changes in the spread of COVID-19 etc., 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. To Shareholders with Disabilities

· We have made the following preparations at the venue, so please do not hesitate to speak to our staff if you require assistance.



· We provide subtitles for both the videos broadcasted at the venue and the video for the meeting scheduled to be distributed from Wednesday, July 3, 2024.

8. 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, the images and audio may be distorted or you may not be able to watch the video.
· 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 (FY2023)
1	UCHIDA Takashi	Director, Chairperson of the Board Nominating Committee Member Compensation Committee Member	Reelection	100% (12 / 12)
2	SASAYAMA Shinichi	Director Compensation Committee Member Representative Corporate Executive Officer, President and CEO	Reelection	100% (10 / 10)
3	HIGO Takashi	Director Audit Committee Member	Reelection	100% (10 / 10)
4	INDO Mami	Director Chairperson of the Audit Committee	Reelection Outside Independent	91% (11 / 12)
5	ONO Hiromichi	Director Audit Committee Member	Reelection Outside Independent	100% (12 / 12)
6	SEKIGUCHI Hiroyuki	Director Audit Committee Member	Reelection Outside Independent	100% (12 / 12)
7	TANNOWA Tsutomu	Director Chairperson of the Nominating Committee Compensation Committee Member	Reelection Outside Independent	100% (10 / 10)
8	YAMAMURA Masayuki	-	Newly nominated Outside Independent	-
9	YOSHITAKA Mari	-	Newly nominated Outside Independent	-

Notes:
1. As for Mr. SASAYAMA Shinichi, Mr. HIGO Takashi and Mr. TANNOWA Tsutomu, the status after the assumption of office on June 29, 2023 is stated.
2. 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 22) between the nominees for Outside Directors and the Company.
3. 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. YAMAMURA Masayuki and Ms. YOSHITAKA Mari are approved, the Company plans to enter into the same agreement with them.
4. 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. YAMAMURA Masayuki and Ms. YOSHITAKA Mari are approved, the Company plans to enter into the same agreements with them.

5. 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.
6. The career summaries of the respective candidates are current as of the preparation of this REFERENCE MATERIALS FOR THE SHAREHOLDERS MEETING (May 17, 2024).
7. If each Director candidate is elected, the percentage of women on the Board of Directors will be 22.2% (2/9).

Candidate No. 1	UCHIDA Takashi	Date of birth April 17, 1956 68 years old	Number of the Company's shares held 26,800 Number of shares to be granted based on the trust-type share-based compensation plan 18,865 Attendance during FY2023 Board of Directors meetings:100% (12 / 12) Nominating Committee meetings:100% (6 / 6) Compensation Committee meetings:100% (6 / 6) Tenure as Director 9 years

Reelection

Career Summary

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
June	2023	Director, Chairperson of the Board (Current position)

[Important concurrent posts]
None

<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. We propose that Mr. UCHIDA Takashi be reelected as Director, as he currently serves as Director, Chairperson of the Board and has been promoting the enhancement of corporate governance.

<Roles played at the Board of Director>
Through his experience as the Representative Corporate Executive Officer, President and CEO, Mr. UCHIDA has in-depth knowledge about all areas of management, appropriately issues proposals to the Board of Directors as the non-executive Chairman of the Board, and manages Board meetings in such a way as to enhance its supervisory functions.

Candidate No. 2	SASAYAMA Shinichi	Date of birth June 11, 1962 61 years old	Number of the Company's shares held 15,600 Number of shares to be granted based on the trust-type share-based compensation plan 14,221 Attendance during FY2023 Board of Directors meetings:100% (10 / 10) Compensation Committee meetings:100% (4 / 4) (Note: The status after assumption of office on June 29, 2023 is stated.) Tenure as Director 1 year

Reelection

Career Summary

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
June	2023	Director, Representative Corporate Executive Officer, President and CEO (Current position)

[Important concurrent posts]
None

<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 reelected 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.

<Reasons for appointment as the Representative Corporate Executive Officer, President and CEO>
We have reappointed Mr. SASAYAMA as Representative Corporate Executive Officer, President and CEO 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.

<Roles played at the Board of Director>
As Executive Officer and Director, Mr. SASAYAMA strongly promotes the Company's group management vision. He organically connects the Executive Officers and the Board of Directors, by providing appropriate and timely explanations of the status of business execution so that the Board of Directors can appropriately supervise.

Candidate No. 3	HIGO Takashi	Date of birth January 23, 1963 61 years old	Number of the Company's shares held 9,600 Number of shares to be granted based on the trust-type share-based compensation plan 2,334 Attendance during FY2023 Board of Directors meetings:100% (10 / 10) Audit Committee meetings:100% (10 / 10) (Note: The status after assumption of office on June 29, 2023 is stated.) Tenure as Director 1 year

Reelection

Career Summary

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
June	2023	Director (Current position)

[Important concurrent posts]
None

<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 reelected as Director, as he currently serves as a standing Audit Committee Member and is responsible for audit to ensure management legality and soundness.

<Roles played at the Board of Director>
Mr. HIGO strives to provide information to the Board of Directors and the Audit Committee as a standing Audit Committee Member, and seeks to improve their effectiveness. Also, by attending the Management Committee, etc., he follows information regarding internal risk and other issues, and assumes a role in auditing the operation of the internal control system to ensure that it is appropriate.

Candidate No. 4	INDO Mami	Date of birth November 6, 1962 61 years old	Number of the Company's shares held 1,300 Number of shares to be granted based on the trust-type share-based compensation plan 1,481 Attendance during FY2023 Board of Directors meetings:91% (11 / 12) Audit Committee meetings:100% (14 / 14) Tenure as Outside Director 4 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)
June	2023	Outside Director of Mitsui Fudosan Co., Ltd. (Current position)

[Important concurrent posts]
Outside Director of Ajinomoto Co., Inc.
Outside Director of AIG Japan Holdings KK
Outside Director of Mitsui Fudosan Co., Ltd.

<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).

Candidate No. 5	ONO Hiromichi	Date of birth August 11, 1956 67 years old	Number of the Company's shares held 0 Number of shares to be granted based on the trust-type share-based compensation plan 1,481 Attendance during FY2023 Board of Directors meetings:100% (12 / 12) Audit Committee meetings:100% (14 / 14) Tenure as Outside Director 3 years (Note: 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)

Reelection

Outside

Independent

Career Summary

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) of Ajinomoto Co., Inc. (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 (Current position)

[Important concurrent posts]
Outside Director of Mebuki Financial Group, Inc.

<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).

Candidate No. 6	SEKIGUCHI Hiroyuki	Date of birth January 15, 1957 67 years old	Number of the Company's shares held 0 Number of shares to be granted based on the trust-type share-based compensation plan 995 Attendance during FY2023 Board of Directors meetings:100% (12 / 12) Audit Committee meetings:100% (14 / 14) Tenure as Outside Director 2 years

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. 7	TANNOWA Tsutomu	Date of birth October 26, 1951 72 years old	Number of the Company's shares held 0 Number of shares to be granted based on the trust-type share-based compensation plan 510 Attendance during FY2023 Board of Directors meetings:100% (10 / 10) Nominating Committee meetings:100% (6 / 6) Compensation Committee meetings:100% (4 / 4) (Note: The status after assumption of office on June 29, 2023 is stated.) Tenure as Outside Director 1 year

Reelection

Outside

Independent

Career Summary

April	1976	Joined Mitsui Toatsu Chemicals, Inc. (Current Mitsui Chemicals, Inc.)
June	2005	General Manager of Industrial Chemicals Div., Basic Chemicals Group of Mitsui Chemicals, Inc.
June	2006	Senior Director, General Manager of Industrial Chemicals Div., Basic Chemicals Group of Mitsui Chemicals, Inc.
April	2007	Executive Officer, General Manager of Human Resources & Employee Relations Div. of Mitsui Chemicals, Inc.
April	2010	Managing Executive Officer, Business Sector President of Basic Chemicals Business Sector of Mitsui Chemicals, Inc.
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.
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.
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.
April	2014	Representative Director, Member of the Board, President & CEO of Mitsui Chemicals, Inc.
April	2020	Representative Director, Member of the Board, Chairman of Mitsui Chemicals, Inc.
June	2022	Outside Director of KDDI CORPORATION (Current position)
April	2023	Chairman of the Board of Mitsui Chemicals, Inc. (Current position)
June	2023	Outside Director of the Company (Current position)

[Important concurrent posts]
Chairman of the Board of Mitsui Chemicals, Inc.
Outside Director of KDDI CORPORATION

<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 reelected as Outside Director. The Company has designated 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).

Candidate No. 8	YAMAMURA Masayuki	Date of birth March 30, 1953 71 years old	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

Career Summary

April	1978	Joined Nippon Telegraph and Telephone Public Corporation
January	1999	General Manager of First Division, Holding Company Transition Headquarters of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
July	1999	General Manager of First Division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
June	2005	Director, General Manager of Tokyo Branch of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
June	2008	Executive Vice President, General Manager of Tokyo Branch of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
June	2009	Executive Vice President, Senior Executive Manager of Network Business Headquarters, General Manager of Office of Network Security of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
May	2011	Executive Vice President, Senior Executive Manager of Network Business Headquarters of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
June	2012	Representative Director, President of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
June	2018	Counselor to the President of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION (Current position)
June	2019	Outside Director of Fuyo General Lease Co., Ltd. (Current position)
April	2020	Chairman of THE TELECOMMUNICATIONS ASSOCIATION (TTA) (Current position)

[Important concurrent posts]
Outside Director of Fuyo General Lease Co., Ltd.
Chairman of THE TELECOMMUNICATIONS ASSOCIATION (TTA)

<Reason for nomination as Outside Director>
Mr. YAMAMURA Masayuki's management abilities based on his broad view and in-depth knowledge he has acquired as a corporate executive of an infrastructure company, extensive experience in organizational and business restructuring and M&A, especially his broad knowledge and skills in digital and marketing, which the Company aims to strengthen, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Mr. YAMAMURA be elected as Outside Director. The Company plans to designate Mr. YAMAMURA 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).

Candidate No. 9	YOSHITAKA Mari	Date of birth September 21, 1962 61 years old	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

Career Summary

April	1985	Joined A.S.T. Corporation (currently Tata Consultancy Services Japan, Ltd.) (Left in April 1987)
May	1987	Joined Brown Brothers Harriman & Co. (Left in December 1993)
May	1998	Joined Nikko Salomon Smith Barney Limited (currently Citigroup Global Markets Japan Inc.) (Left in July 2000)
August	2000	Joined Tokyo-Mitsubishi Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.) (Left in April 2020)
April	2009	Part-time Lecturer of Graduate School of Media and Governance of Keio University (Retired in March 2024)
April	2016	Part-time Lecturer of School of Human Welfare Studies of Kwansei Gakuin University (Retired in March 2022)
May	2020	Joined Mitsubishi UFJ Research and Consulting Co., Ltd. Fellow (Sustainability), General Manager of Sustainable Management Support Office, Social Impact Partnership Dept., Research & Innovation Division (Current position)
September	2021	Representative Director of General Incorporated Association Virtue Design (Current position)
April	2022	Visiting Professor of College of Arts and Sciences of The University of Tokyo (Current position)
April	2024	Guest Professor (Part-time) of Keio University (Current position)

[Important concurrent posts]
Fellow (Sustainability), General Manager of Sustainable Management Support Office, Social Impact Partnership Dept., Research & Innovation Division of Mitsubishi UFJ Research and Consulting Co., Ltd.
Representative Director of General Incorporated Association Virtue Design

<Reason for nomination as Outside Director>
Ms. YOSHITAKA Mari's in-depth knowledge regarding environmental business and sustainable finance, communication abilities she has acquired as a consultant in the environmental and financial fields, especially her extensive domestic and international experience in decarbonization-related businesses, which the Company aims to expand, are very useful in the promotion and supervision of the management strategy which the Company aims for. For these reasons, we propose that Ms. YOSHITAKA be elected as Outside Director. While she does not have prior experience with company management, for the above reasons, we have deemed her capable of appropriately carrying out the duties of an Outside Director. The Company plans to designate Ms. YOSHITAKA 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).

[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
INDO Mami					○		○		○	○
ONO Hiromichi					○		○		○	○
SEKIGUCHI Hiroyuki	○	○				○		○		
TANNOWA Tsutomu		○		○			○			○
YAMAMURA Masayuki			○	○	○		○			
YOSHITAKA Mari	○	○				○		○		

(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

[English Translation of Business Report Originally Issued in Japanese Language]

Business Report

1. Matters Concerning Current State of Group Operations

(1) Main Business Activities (As of March 31, 2024)

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
Overseas Business	Offshore resource development and investment, energy supply, etc.
Urban Development	Real estate development and leasing, etc.

(2) Business Conditions and Results

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

In the fiscal year under review, Japan's economy has been recovering gradually, reflecting a recovery trend in capital investment, although some weakness in consumer spending and exports remained, and is expected to continue its gradual recovery owing to benefits from various policies under the improving employment and income environment. Nonetheless, the outlook of the economy requires close monitoring due to factors such as recent price hikes, the situation surrounding Ukraine and the Middle East region, and fluctuations in the financial and capital markets.

Whereas, the environment surrounding the Group is changing dramatically, with decarbonization and digitalization becoming global trends. Regarding decarbonization, the development of environment for Green Transformation (GX) investment by the public and private sectors is progressing, and related innovations are entering the social implementation stage. As for digitalization, the use of AI and other technologies for business is rapidly advancing. Along with these social changes, customers' values are diversifying, and we are entering an era in which providing products and services in the same way as before will not be sufficient to meet customers' needs.

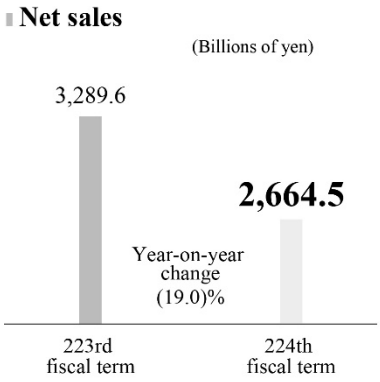
Amid such changes in the business environment, the Company has been working on various measures based on three main strategies ((1) Achieve both stable energy supply & decarbonization, (2) Fully roll out Solutions business, and (3) Realize a flexible corporate culture resilient to change) focusing on Green Transformation (GX), Digital Transformation (DX), and Customer Communication Transformation (CX), as the first year of implementation of the Tokyo Gas Group's FY2023-2025 Medium-term Management Plan "Compass Transformation 23-25."

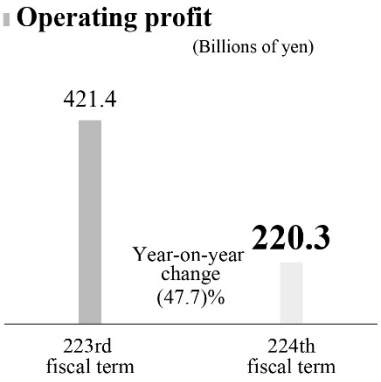
In the Energy Solution segment in the fiscal year under review, city gas retail sales volume to industrial customers decreased year-on-year reflecting a decline in demand for power generation. In electric power sales, sales volume increased due to the rise in the number of sales, whereas, in wholesale sales, sales volume decreased owing to a decrease in demand at wholesale customers.

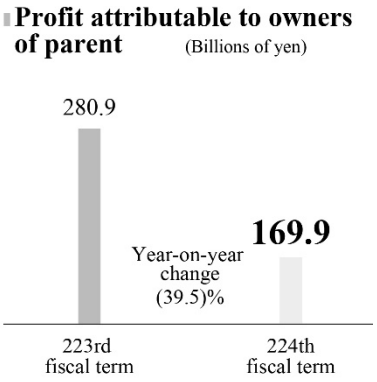
In the Network segment, third-party access revenue deteriorated due to the impact of high temperatures. In the Overseas Business segment, the balance of profits and losses deteriorated, primarily due to falling sales prices. In the Urban Development segment, there was an increase in real estate sales revenue.

Reflecting these economic conditions and environmental changes in the business climate, consolidated net sales decreased by 19.0% year on year to ¥2,664.5 billion, and operating expenses decreased by 14.8% year on year to ¥2,444.2 billion.

As a result of the above, operating profit decreased by 47.7% year on year to ¥220.3 billion, and ordinary profit decreased by 44.2% year on year to ¥228.1 billion. As a result of the recording of gain on sales of investment securities of ¥25,100 million and gain on valuation of long-term loans receivable of ¥2,200 million under extraordinary income alongside impairment loss of ¥3,400 million under extraordinary losses and the recording of income taxes, profit attributable to owners of parent decreased by 39.5% year on year to ¥169,900 million. Profit per share decreased by ¥235.11 to ¥411.88.







2) Points of comparison with the previous fiscal year

Net sales	¥(625.1) billion	■ Decrease in net sales of 'Energy Solution' due to a decrease in the unit price as a result of resource cost adjustments, etc.
Operating expenses	¥(424.0) billion	■ Decrease in raw material costs of 'Energy Solution' due to the effect of a fall in crude oil prices, etc.
Non-operating income and expenses	+¥20.4 billion	■ Foreign exchange gains: +¥8.3 billion; share of profit of entities accounted for using equity method: +¥7.4 billion, etc.
Extraordinary income and losses	+¥25.2 billion	■ (Fiscal year under review) Gain on sales of investment securities: +¥25.1 billion Gain on valuation of long-term loans receivable: +¥2.2 billion Impairment loss: ¥(3.4) billion ■ (Previous fiscal year) 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

3) Overview of results by segment

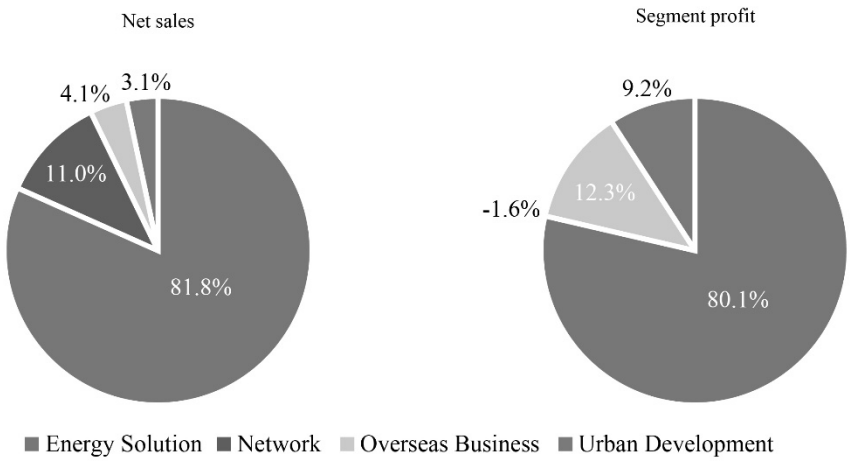
(Billions of yen)

	Net sales				Segment profit (operating profit + equity income and losses)			
	224th fiscal term	223rd fiscal term	Changes	%	224th fiscal term	223rd fiscal term	Changes	%
Energy Solution (including equity income and losses)	2,422.8	3,062.5	(639.7)	(20.9)	200.8	362.4	(161.6)	(44.6)
Gas	1,701.4	2,149.6	(448.2)	(20.8)	147.2	289.4	(142.2)	(49.2)
Electric Power	632.8	856.3	(223.5)	(26.1)	35.2	50.9	(15.7)	(30.9)
Network	326.4	336.8	(10.4)	(3.1)	(3.9)	5.9	(9.8)	-
Overseas Business	120.0	159.9	(39.9)	(24.9)	30.8	67.9	(37.1)	(54.6)
(Equity income and losses)	-	-	-	-	1.0	(5.1)	6.1	-
Urban Development (including equity income and losses)	91.1	62.6	28.5	45.4	22.9	15.1	7.8	51.2
Adjustments	(295.9)	(332.3)	36.4	-	(27.2)	(34.5)	7.3	-
Segment total	2,664.5	3,289.6	(625.1)	(19.0)	223.3	417.0	(193.7)	(46.4)
(Equity income and losses)	-	-	-	-	3.0	(4.4)	7.4	-

Notes:
1. Net sales by segment include intersegment transactions.
2. "Energy Solution" includes city gas, LNG sales, trading, electric power and engineering solutions.
3. "Gas" includes city gas, LNG sales, trading.
4. The main component of adjustments to segment profit is company-wide expenses not allocated to each segment.

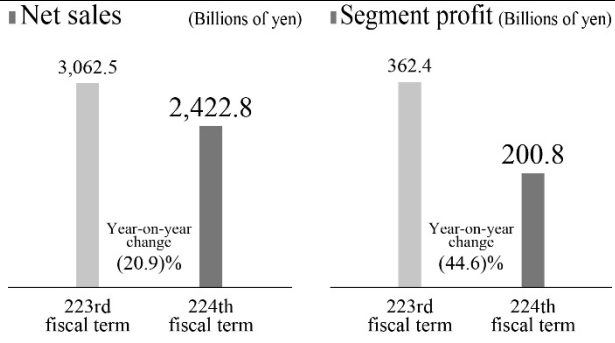
ue to a review of our system for providing services to regional administrations and local governments, we have transferred some of the businesses previously included in the Network segment to the Energy Solutions segment or the corporate business, effective from the consolidated fiscal year under review. Note that the segment information for the previous consolidated fiscal year is presented based on the reporting segment classification after the above segment changes.

Segment composition ratio



* The segment composition ratio is calculated by excluding adjustments.

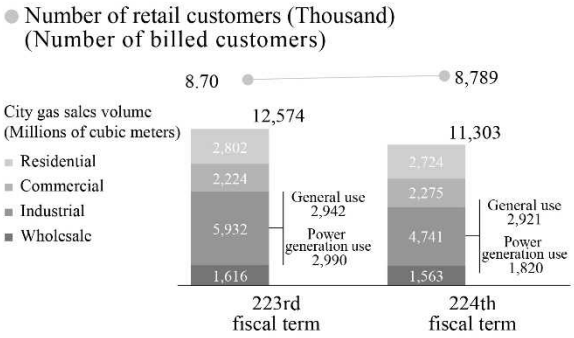
Energy Solution　　Production and sales of city gas, LNG sales, trading, electric power, engineering solutions (engineering, energy services, etc.), etc.



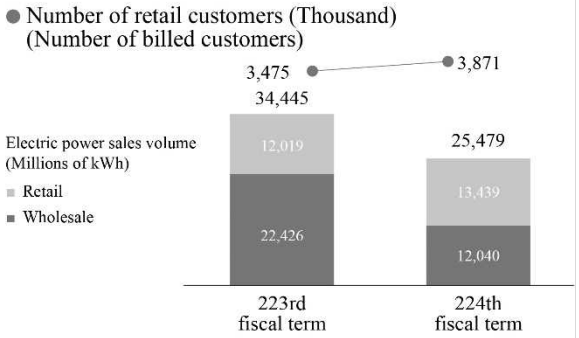
Net sales decreased 20.9% year on year to ¥2,422,800 million due to falling unit sales prices of gas as a result of resource cost adjustments and a decrease in electric power sales volume, etc.

Segment profit decreased 44.6% year on year to ¥200,800 million.

【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 for heated water mainly due to high temperatures
Commercial	Increase in demand for air conditioning 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	Decrease in wholesale customer demand

TOPICS

Investment Decision-Making Concerning the LNG-fired Thermal Power Generation Business in Anticipation of the Realization of Carbon Neutrality

On July 21, 2023, the Company made an investment decision based on its plans to commercialize the LNG-fired thermal power station (the "Business") in Sodegaura City, Chiba Prefecture.

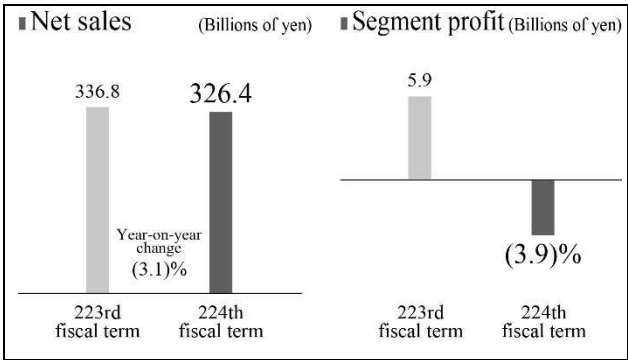
In the Business, in anticipation of the use of hydrogen in the future, the Company is scheduled to introduce a cutting-edge 1.95 million kW high-efficiency, gas turbine combined cycle power generator capable of hydrogen co-firing, and plans to launch operations successively starting from FY2029[*1].

In the Group's Management Vision, "Compass 2030," the Company sets forth "Challenge of achieving Net-Zero CO_2 emissions." In a step toward attaining this goal, we are targeting a renewable power source transaction volume of 6 million kW. In addition to a stable supply of energy, we aim to responsibly lead a transition using gaseous bodies and renewable energy through the enhancement of gas-fired power generation owing to its adjustment capability essential for the introduction of renewable energy to contribute to the "realization of a decarbonized society" along with our customers.

*1 The establishment of a hydrogen supply network is the prerequisite for hydrogen co-firing

Rendering of the completed project

Network Transmission service of city gas, etc.



Net sales decreased 3.1% year on year to ¥326,400 million, mainly due to a decrease in third-party access revenue caused by high temperatures.

Segment profit decreased by ¥9,800 million to loss of ¥3,900 million, compared with profit of ¥5,900 million in the previous fiscal year.

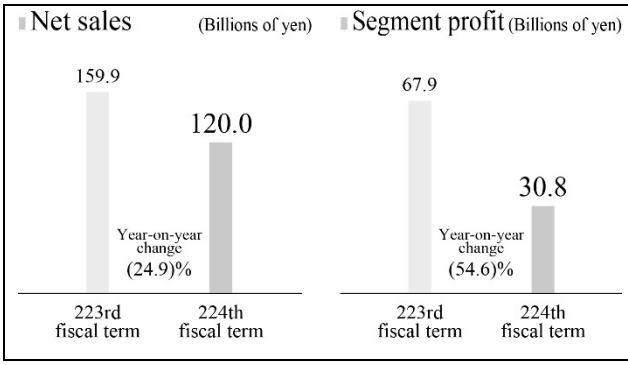
TOPICS

Comprehensive Collaborative Agreement between Bureau of Waterworks Tokyo Metropolitan Government and Tokyo Gas Network Co., Ltd.

Bureau of Waterworks Tokyo Metropolitan Government and Tokyo Gas Network Co., Ltd., a wholly owned subsidiary of the Company, concluded a comprehensive collaboration agreement ("the Agreement") on July 11, 2023.
Through the Agreement, we are working on collaboration in a broad range of areas, including ICT utilization and DX promotion, on-site work efficiency, disaster response, and human resource development.
In recent years, the need to prepare for large-scale natural disasters such as windstorms, floods, and earthquakes directly under the Tokyo metropolitan area, as well as the expected labor shortage due to the future population decline, have led to the conclusion of the Agreement, with the emphasis on improving operational efficiency through the utilization of digital technology. The Agreement aims to contribute to society and develop infrastructure business by sharing insights and know-how and cooperating with each other to solve these issues.

Signing Ceremony for the Comprehensive Collaborative Agreement
From left: SAWADA Satoshi, President of Tokyo Gas Network Co., Ltd.; NISHIYAMA Tomoyuki, Director General of the Tokyo Waterworks Bureau

Overseas Business　　Offshore resource development and investment, energy supply, etc.



Net sales decreased 24.9% year on year to ¥120,000 million, due to falling sales unit prices in the LNG business in Australia and North America.

Segment profit decreased 54.6% year on year to ¥30,800 million.

TOPICS

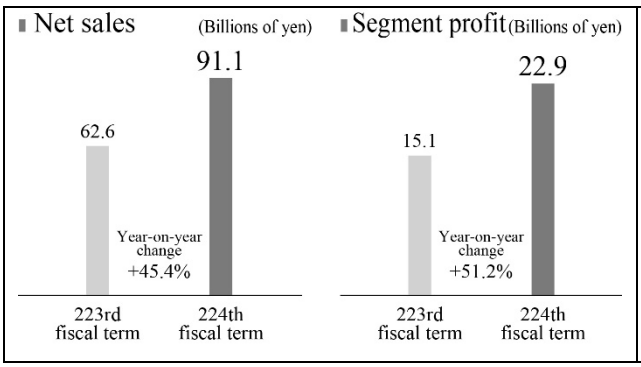
Acquisition of all shares of Rockcliff Energy II LLC, a natural gas development and production company in Texas and Louisiana, U.S.

The Company acquired all shares of Rockcliff Energy II LLC*, through TG Natural Resources LLC Group, which became its subsidiary on December 28, 2023 (local time). Rockcliff Energy II LLC, a portfolio company of Quantum Energy Partners, is engaged in gas development and production business in Texas, U.S. TG Natural Resources LLC Group, a Texas-based gas development and production company is a portfolio company of Tokyo Gas America Ltd., a wholly owned subsidiary of the Company.
With demand for natural gas expected to increase including the construction of new LNG export terminals in U.S., "Compass Transformation 23-25", the Company's Medium-term Management Plan for FY 2023-2025, states that Tokyo Gas Group will expand its shale gas business in North America and expects to establish a base for stable overseas earnings through the share acquisition.

*Rockcliff Energy II LLC changed its name to TGNR Intermediate Holdings LLC effective April 1, 2024.

Shale gas development sites in which we participate

Urban Development　　Real estate development and leasing, etc.



Net sales increased 45.4% year on year to ¥91,100 million mainly due to an increase in real estate sales revenue

Segment profit increased 51.2% year on year to ¥22,900 million.

TOPICS

"Start of operation of Tokyo Gas Real Estate Private REIT Inc."

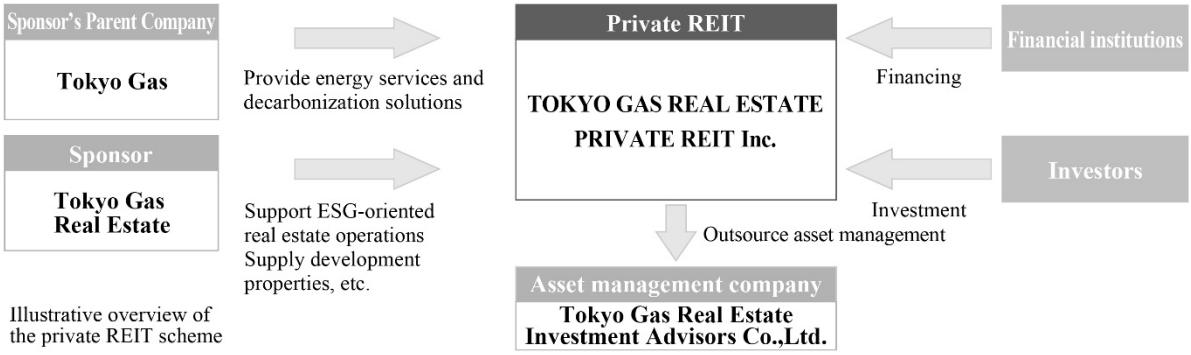
Contributing to sustainable urban development through ESG value co-creation through private REITs～

Tokyo Gas Real Estate Co., Ltd., a wholly owned subsidiary of the Company, established "Tokyo Gas Real Estate Private REIT Inc." ("the Private REIT"), a private REIT that aims to co-create ESG value, and started its operation on March 1, 2024. We aim to increase the scale of assets under management, currently approximately ¥20 billion, to more than ¥50 billion in 2025.

The main concept of the Private REIT is to co-create ESG value with investors* by investing in rental residential and office properties in the Tokyo area. We aim to maximize investor value through the Tokyo Gas Group as a whole by developing and managing ESG-oriented real estate, such as improving the environmental and disaster prevention features of properties and providing decarbonization solutions.

* Investors: Tokyo Gas Real Estate Co., Ltd., the sponsor, has invested in the Private REIT as part of its efforts to support the growth of private REITs.

Diagram of the Private REIT scheme



Illustrative overview of the private REIT scheme

(3) Group Capital Expenditures

Total capital expenditures for this fiscal year amounted to ¥205,206 million.

The total length of the gas pipeline network was extended by 431 kilometers during this fiscal year, to 66,433 kilometers as of March 31, 2024.

(4) Group Financing Activities

In this fiscal year, the Company raised funds totaling ¥50,000 million through issuing the 73rd and 74th straight bonds and obtaining loans payable. Balance of consolidated interest-bearing liabilities increased by ¥177,937 million compared with the previous year-end, to ¥1,441,170 million.

(5) Prospective Challenges

We will steadily execute the three core strategies ("(1) Achieve both stable energy supply & decarbonization," "(2) Fully roll out Solutions business," and "(3) Realization of a flexible corporate structure that is resilient to change") defined in the 'Compass Transformation 23-25' Tokyo Gas Group Medium-term Management Plan for FY2023-2025 (announced in February 2023).

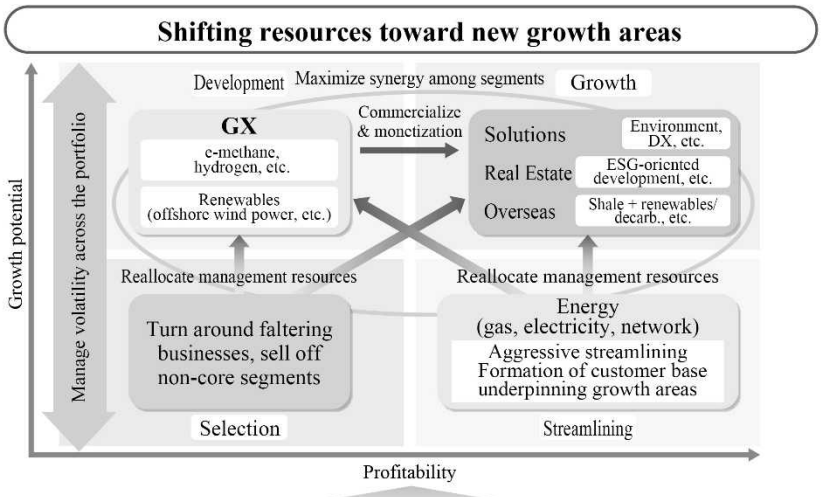
Please refer to the following pages (pages 33 to 42) for the initiatives of the three core strategies for the fiscal year under review.

Please refer to page 43 for the FY2023 results of key figures in the FY2023-2025 Mid-Term Management Plan.

Strengthening our business portfolio management

As we execute the core strategies, we will strengthen our business portfolio management in terms of "profitability," "growth potential," and "stability" (announced in February 2023).

From FY2023, we established a WACC (Weighted Average Cost Capital) for each internal company and business subsidiary and started periodic reviews to ensure that ROA (Return On Assets) is at an appropriate level compared to the WACC. Through the reviews, we will accelerate the profitability improvement of existing businesses including divestitures, and the shifting of resources to growth areas.



Portfolio Management Initiatives

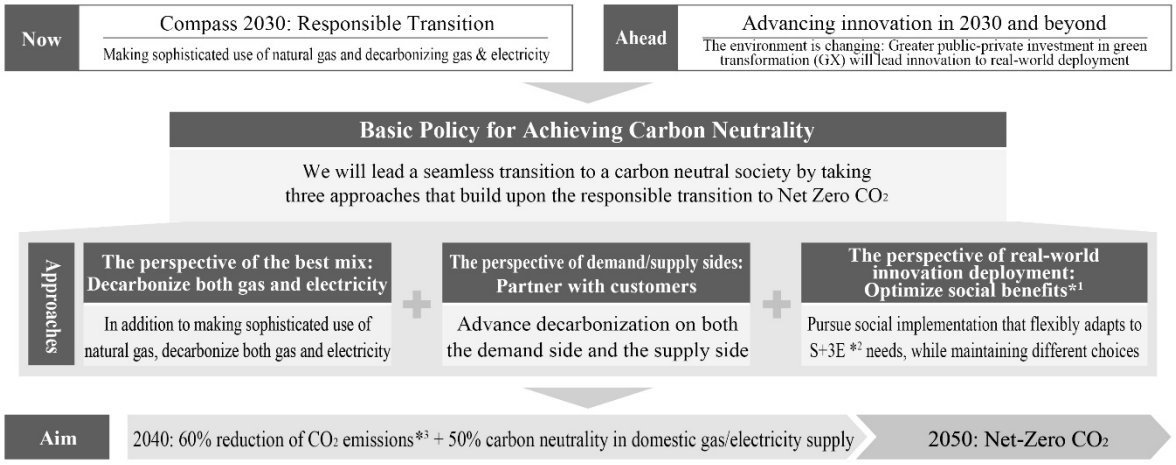
❶ Maximize links & synergy among established segments	● Address market volatility with integrated approach to supply/demand ● Strengthen inter-segment collaboration in Japan and abroad ● Provide solutions combining diverse products and applications, and engage in ESG-oriented real estate development
❷ Achieve medium- and long-term growth	● Answer society's growing demand for decarbonization by investing in renewables & methanation, and by expanding decentralized solutions
❸ Business exit & divestment guided by best owner perspective	● Drive the reallocation of resources through process of selection(identify core vs. non-core segments, analyze life cycles)

1. Achieve both stable energy supply & decarbonization

Publication of Carbon Neutrality Roadmap

We released **"Tokyo Gas Group Carbon Neutrality Roadmap 2050 – A detailed roadmap for realizing a carbon-neutral society" in March 2024.** We will lead a seamless transition to a carbon-neutral society by taking three approaches that build upon the responsible transition to Net Zero CO_2.

Basic Policy for Achieving Carbon Neutrality



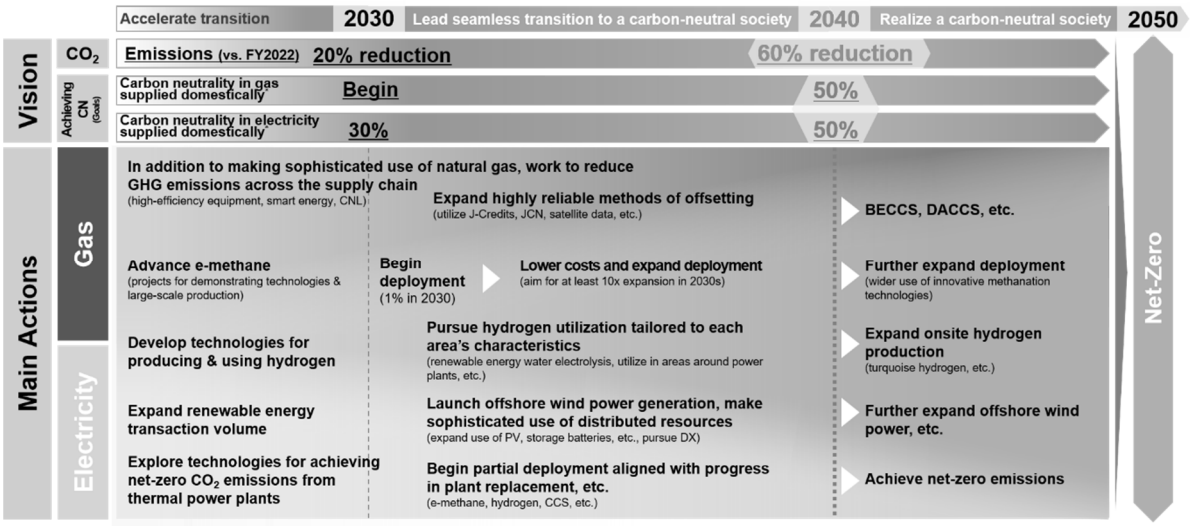
*1 Social benefits: Includes provision of value beyond energy, such as cost improvements, stronger resilience, and greater comfort.

*2 S+3E: Basic policy of Japan's core energy policy to simultaneously achieve "Energy Security," "Economic Efficiency," and "Environmental Suitability" on the overarching premise of "Safety."

*3 Greenhouse gas emissions of the entire supply chain (including upstream) associated with our supply of energy (gas & electricity) to domestic users, in CO_2 equivalents. The reduction rate is indicated as a comparison to the FY 2022 and it aligns maintaining consistency with the level of reduction if progress continues thereafter, in accordance with the NDC's objective of achieving a 46 % reduction by FY 2030 (vs FY 2013).

Carbon Neutrality Roadmap 2050

In the 2020s, we are laying the groundwork for decarbonizing gas and electricity while pursuing further efforts for making **sophisticated use of natural gas**. **In the 2030s, we will deploy decarbonization technologies in the real world and expand them**. We will seek to achieve **a 60 % reduction in CO_2 emissions and 50% carbon neutrality in both gas and electricity** by 2040. Subsequently, we will further increase those improvements to achieve carbon neutrality by 2050.



*1 Through future revisions, we will upgrade the roadmap into a comprehensive plan covering both Japan and overseas.

*2 GHG: Greenhouse gases

*3 BECCS: Bioenergy with Carbon Capture and Storage, a technology for capturing and storing CO_2 generated in biomass combustion

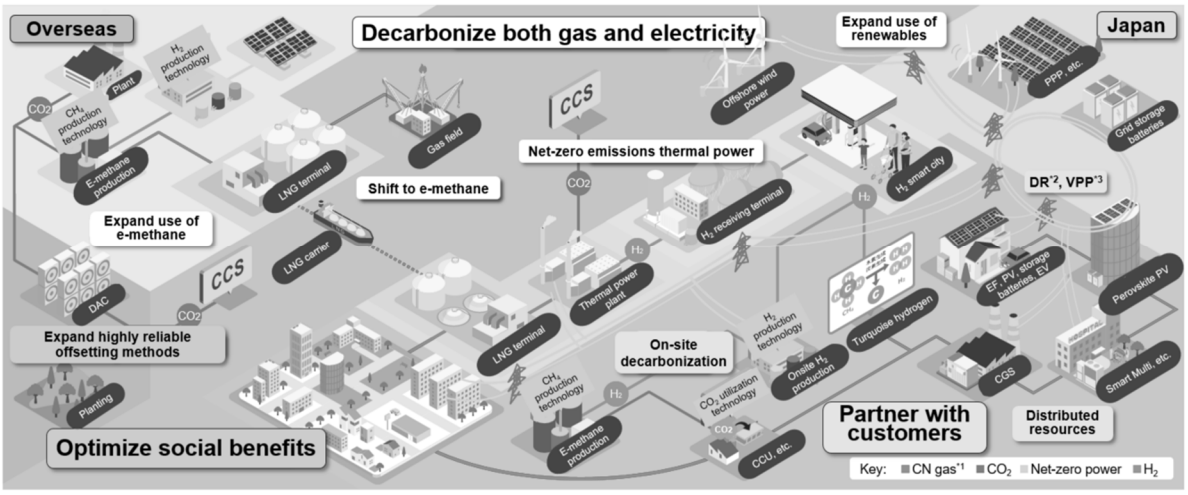
*4 DACCS: Direct Air Capture with Carbon Storage, a technology for direct capture and storage of CO_2 in the atmosphere

*5 Onsite hydrogen production: Hydrogen and its production method obtained by thermal decomposition of methane in city gas. A feature of this method is that, because it separates the methane into hydrogen and solid carbon, there are no CO_2 emissions.

*6 CN: Abbreviation for Carbon Neutral

Reference: Tokyo Gas Group's Vision for a Carbon-neutral Society in 2050

- Value for society: **Realize optimal decarbonization in terms of S+3E**. Also **optimize social value**, including by utilizing existing facilities.
- Value for customers: Realize **the best mix of solutions suited to customer needs, in terms of electricity/gas and demand side/supply side**.



*1 CN gas: Carbon-neutral gas; term for city gas made carbon neutral through use of e-methane, biogas, carbon-offset LNG, etc.

*2 Demand Response: Scheme that supports stable supply by leveling electricity demand/supply through customer efforts to conserve energy

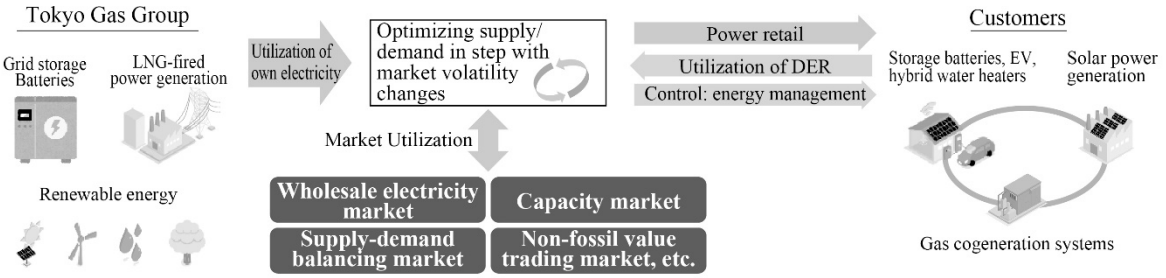
*3 Virtual Power Plant: System for managing/controlling energy resources not directly connected to the grid in a way that provides functions similar to a power plant

Sophistication of AO&T

In order to respond to increasing energy market volatility, we will promote the grid storage battery business as well as consolidation of various resources, including the battery energy storage system in customers' premises, and the optimal operation of supply and demand. as an asset formation initiative aligned with markets promising new growth (balancing capacity, environmental value, etc.). In addition, we have started to introduce a distributed energy resource (DER) operation and management system, "KrakenFlex" (announced in October 2023). We will continue to respond to market volatility by leveraging the flexibility of our own assets throughout the value chain to achieve a higher level of AO&T* by combining our own gas, electricity, and environmental value supply and balancing capabilities with our customers' demand and distributed resources.

*Asset Optimization & Trading: Integrated operation of facility optimization and trading

The Aim of Digital Trading Platforms in the Electric Power Sector

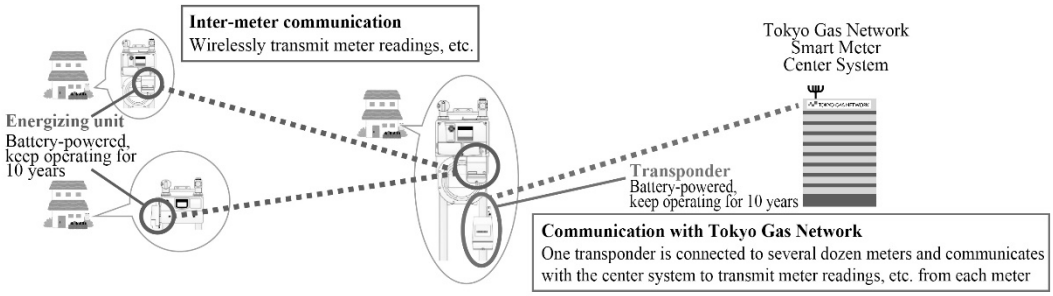


Reference Release: Full-scale Entry into the Battery Energy Storage Business (Released on April 24, 2024, in Japanese only)

Network business sophistication and value expansion through DX

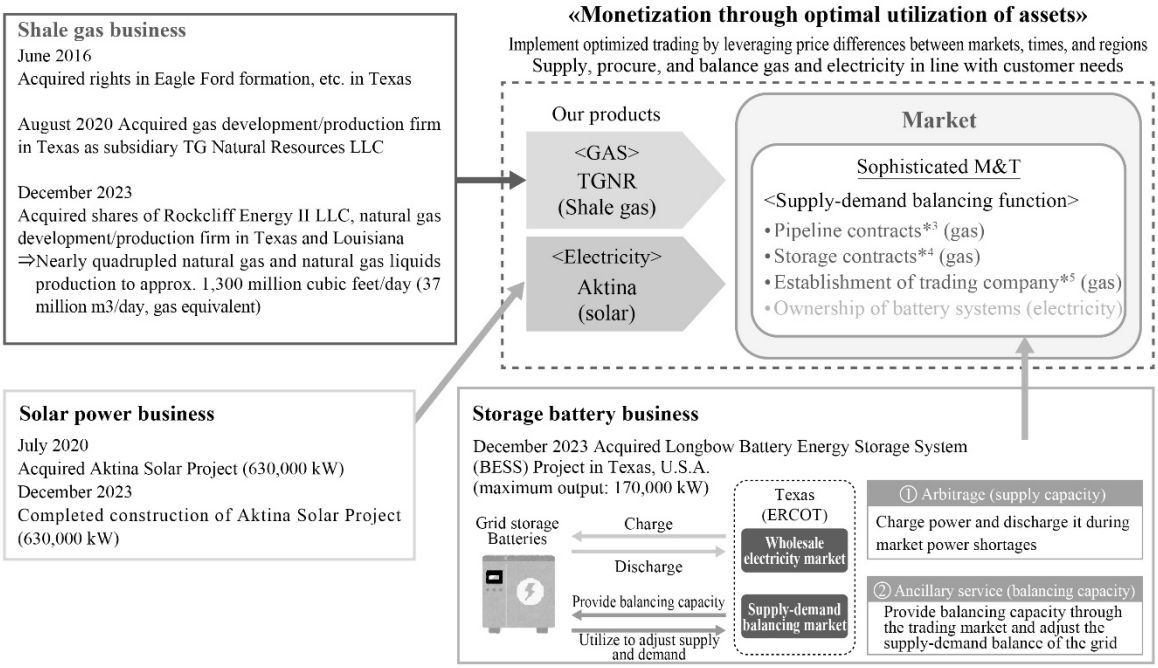
We have started to introduce city gas smart meters in the entire supply area from January 2024, with the aim of completing the introduction in the early 2030s (announced in December 2023). Smart meters enable "remote meter reading," "remote operation," and "remote data collection" by adding wireless functions to conventional gas meters. The introduction of this system will enable automatic meter reading without the need for a meter reading staff to enter the premises, and will also contribute to further strengthening safety and resilience in the event of an emergency or disaster by remotely opening and closing the gas valve.

Smart Meter Communication Mechanism



Restructuring of the Overseas Business portfolio

We are restructuring the Overseas Business portfolio to realize business profit of ¥50 billion by 2030. While we have divested our natural gas-fired combined cycle power generations business in Mexico[*1] and LNG projects in Australia [*2], we are making North America our focus region for investment for the time being. In North America, we will focus on "linking our shale gas, renewable energy, and other businesses to increase their synergies," and establish marketing and trading (M&T) functions.



*1 Tokyo Gas to divest its share of MT Falcon Holdings (News Release published on September 16, 2021)

*2 Notice of transfer of shares in five Australian project holding companies of one of our subsidiaries (transfer of consolidated subsidiaries) (News Release published on October 7, 2022)

*3 Utilize pipeline contracts to sell produced and procured gas at the highest price point

*4 Storage during the low gas price period (summer) and dispatch during the high gas price period (winter)

*5 Establishment of Subsidiaries and Acquisition of Interest in Gas M&T Company in North America (News Release published on February 6, 2024)

2. Fully roll out Solutions business

Launch of Solutions business brand IGNITURE

In November 2023, we launched “IGNITURE,” a business brand that provides new solutions incorporating Green Transformation (GX) and Digital Transformation (DX) etc. to families, corporations, and communities.

Based on the three forms of value (decarbonization, optimization, and resilience) that we have incorporated into “IGNITURE,” we will seek to realize sales ¥310 billion by FY2025 with new solutions to be developed, as well as existing solutions, and to make solutions the core business alongside gas and electric power.

The presentation for announcing the launch of IGNITURE

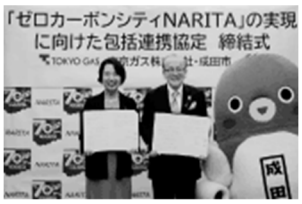
COLUMN - Intentions behind the word IGNITURE

IGNITURE combines the words “Ignite” and “Future.” It represents the Tokyo Gas Group’s determination to provide advanced and diverse solutions that will drive the creation of the future, beyond the energy field, with energy (gas) as the origin for us.

The symbol mark expresses the origin for the Tokyo Gas by accenting the “G” and the image of the growth that IGNITURE will bring to the future through its shape that expands from the “G.”

Promoting solutions to local issues through urban development initiatives to achieve carbon neutrality

We have established the Regional Co-creation Company as a new organization (announced in August 2023), which is in charge of marketing to customers in local communities, such as providing public hearing and relations services and decarbonization solutions to local administrations and governments, and wholesale supply to neighboring gas companies. As part of these efforts, we will sign “comprehensive partnership agreement for carbon-neutral urban development” with each local government.



The signing ceremony of the comprehensive partnership agreement with Narita City
From left: KONISHI Masako, Senior Executive Officer of Tokyo Gas; KOIZUMI Kazunari, Mayor of Narita City

Expanding ESG-focused and cyclical real estate development

By expanding solutions, business areas, and sectors, we will also promote ESG-focused real estate development and urban development, aiming to realize sustainable communities. The Company has promoted ESG-focused real estate development by realizing stable growth through a long-term holding development model and providing solutions that leverage Group synergies, including optimal energy management, environmental products, and BCP support.

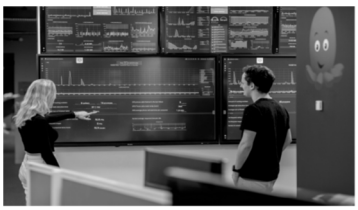
As part of future efforts to promote “ESG-focused Real Estate Development” aiming for establishing a recycling-oriented development model, we will make Spring Investment Co., Ltd., a real estate asset management company, into a wholly owned subsidiary and launch Tokyo Gas Real Estate Investment Advisors Co., Ltd. (announced in April 2023) to establish a private REIT aiming for long-term stable management with ESG value as its concept (announced in April 2024. For details, please refer to TOPICS on page 28).

Example of incorporated property: LATIERRA Itabashi

3. Realize a flexible corporate culture resilient to change

DX promotion for value enhancement of value chain

We will start to introduce “Kraken,” a customer service system developed by Octopus Energy Ltd in the U.K. based on advanced digital technology, to further improve the customer experience (CX).



Octopus Energy

COLUMN

Kraken is a customer service system that can centrally manage various customer communication information including inquiries, applications, and fee information, as well as customer contract information.

We are making improvements on a daily basis with its high scalability, flexibility, and ability to change specifications in a shorter period of time. In addition, its high connectivity also enables us to expand customer service functions by linking with other companies' SaaS (Software as a Service).

Exercising human capital management

We practice human capital management to ensure that employee of the Tokyo Gas Group and the Tokyo Gas Group can realize growth, and promote DE&I (Diversity, Equity, and Inclusion) to create an organization where a diverse range of human resources can demonstrate their abilities and play an active role. We have positioned women’s activities as the beginning of this process. In FY2023, we held a career development support event with female executives and the FemTech seminar to share the awareness that women -specific health issues should be addressed as an organization.

As a result of our various efforts, we were selected as a “Nadeshiko Brand” in 2023 by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a company which is outstanding in terms of encouraging women’s empowerment in the workplace (For the second consecutive year and the seventh time).

We will continue our efforts to realize an organization where diverse human resources can play active roles.

FemTech seminar

Selected as “Nadeshiko Brand” in 2023

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

The Tokyo Gas Group will identify key sustainability issues (materiality issues) and address them through its business activities in order to embody the Group's management philosophy: “Standing by every person and dedicating ourselves to the society, we shall be energy that weave the future.” In this way, we will realize the creation of both social and economic value.

Materiality issues (from FY2023)

1	Responsibly transitioning to a decarbonized society	4	Enhancing safety & disaster prevention, resilient regional development	6	Realizing an organization that embraces diverse talent
2	Protecting the global environment	5	Contributing to well-being of people and communities	7	Respecting human rights across the entire value chain
3	Securing stable energy supply				

<TOPICS> Responding to Climate Change - Disclosure based on TCFD* recommendations

As a group of energy companies that supports society, the Tokyo Gas Group is undertaking initiatives to realize a decarbonized society without compromising stable supply from the present to the medium to long term, even amid uncertainties surrounding energy such as geopolitical risks. Having endorsed the TCFD Recommendations in May 2019, we disclose information based on those recommendations.

* Task Force on Climate-Related Financial Disclosures

Governance

■ Supervision by the Board of Directors

The Board of Directors makes important decisions on management plans, management policies, and other important management decisions for the Company (e.g., the materiality issues set based on climate-related risks and opportunities is resolved together with the mid-term management plan).

In addition, the Board of Directors regularly receive reports from the Corporate Executive Officers on the Priority Management Indicators (e.g., the amount of CO_2 reduction contribution and new development of renewable power sources) related to climate change response in the management plan, and monitor the progress of these indicators.

Example: the agenda of the Board of Directors meetings related to climate change in FY2023

- Tokyo Gas Group Carbon Neutrality Roadmap 2050
- Status of sustainability management initiatives
- Enhanced disclosure of non-financial information in the Integrated Report
- Status of carbon-neutral technology development

■ The Role of the Executive Structure

The Management Committee and the Sustainability Committee discuss and coordinate on matters related to climate change response, and report the key issues to the Board of Directors (see previous section).

The Sustainability Committee, chaired by the Corporate Executive Officer and President, is held three times a year to provide updates on changes in the circumstances surrounding climate change, evaluate and monitor indicators related to climate change response, and consider and adjust the direction of the entire group.

Strategy

Taking into account the environment surrounding our business, we have identified and organized the possible risks and opportunities shown in the table below. We are reviewing our business strategy based on these risks and opportunities. In the 2020s, concurrently with the sophisticated use of natural gas that we have promoted to date, we will prepare for the decarbonization of gas and electricity. After 2030, we will contribute to the reduction of CO_2 emissions in society as a whole by implementing and expanding decarbonization technologies and achieve net zero CO_2 emissions (Scope 1, 2, and 3) for our group in 2050.

Category		Factors		Business impact	
Transition	Policy	Introduction of carbon pricing		Risks	Increased costs for city gas and thermal power generation projects
	Market	Supply	Expansion of non-fossil energy	Risks	Decrease in sales of city gas and thermal power
				Opportunities	Expansion of development of renewable power sources and increase in sales volume
			Expansion of needs for natural gas as transition energy	Risks	Soaring LNG prices
				Opportunities	Increase in city gas and natural gas sales volume due to progress in fuel switching
		Demand	Change in energy consumption structure	Risks	Decrease in city gas sales volume due to progress in energy conservation and electrification
				Opportunities	Expanding demand for services that utilize decentralized resources (renewable energy, storage batteries, demand response)
	Technology	Advancement of decarbonization technologies such as renewable energy, e-methane, hydrogen and CCUS		Risks	Decrease in sales of city gas and thermal power
				Opportunities	Profit expansion through renewable energy, e-methane, hydrogen, and CCUS
	Reputation	Focus on low carbon and decarbonization in investment standards		Risks	Decrease in financing capacity of fossil fuel-related businesses
				Opportunities	Increase in financing capacity of decarbonization-related businesses
Physical	Acute	Extreme weather intensification		Risks	Increased costs for measures against wind and flood damage, risk of shutdown of operations if production equipment is damaged
				Opportunities	Expansion of decentralized energy due to disaster prevention and resilience needs

Risk management

Under the Risk Management Policy, we identify and prioritize specific risks for each division and subsidiary for the entire Group's business each fiscal year, and the Management Committee defines the "material risks." Climate change-related risks have also been identified as a material risk and integrated into the Enterprise Risk Management (ERM) system. In addition, the Risk Management Committee periodically checks the status of the development and operation of the ERM system.

Indicators and targets

To realize a decarbonized society, we have set indicators and targets to contribute to reducing CO_2 emissions for society as a whole and to promote progress and management of initiatives, such as reducing the Group's CO_2 emissions (Scope 1, 2, and 3) (main indicators and targets below).

Indicators	CO_2 reduction contribution (vs. FY2013)	Targets	2025: 12 million tons, 2030: 17 million tons
	Net-zero CO_2 emissions from our activities (vs. FY2020)		2025: 60% achieved, 2030: 100% achieved
	Renewable energy transaction volume		2025: 2.2 million kW, 2030: 6 million kW
	GHG emissions (Scope 1, 2, 3)		2050: Net-zero

Strengthening our financial base

.

Key figures

		FY2025	FY2024 Forecast	FY2023 Results	Reference
Segment profits *1		**¥150.0 billion**	¥120.8 billion	¥223.3 billion	
ROA *1		**approx. 4%**	2.1%	4.5%	Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)
ROE *1		**approx. 8%**	4.7%	10.4%	Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)
D/E ratio	Factoring in hybrid bonds/loans *2	**approx. 0.9**	0.82 0.78	0.85 0.81	
CO2 reduction contribution *3		**12.00 million tons**	11.50 million tons	9.52 million tons	
operating cash flow		**¥1.1 trillion (FY23-FY25)**	¥336.0 billion	¥382.2 billion	Net profit + Depreciation (including depreciation of long-term prepaid expenses)
Investments	**Growth investments** portion for decarbonization-related investments	**¥650.0 billion** ¥230.0 billion **(FY23-FY25)**	¥268.7 billion ¥17.3 billion	¥380.1 billion ¥70.3 billion	
	Infrastructure investments	**¥350.0 billion (FY23-FY25)**	¥128.6 billion	¥100.8 billion	
	Consolidated adjustment	-	(¥6.9 billion)	(¥5.0 billion)	
	Total	**¥1.0 trillion (FY23-FY25)**	¥390.5 billion	¥480.4 billion	before offset

*1 Profits after revision of sliding time lag effects

*2 Based on expected equity credit ratio of 50% for issued hybrid bonds and hybrid loans.

*3 Includes overseas

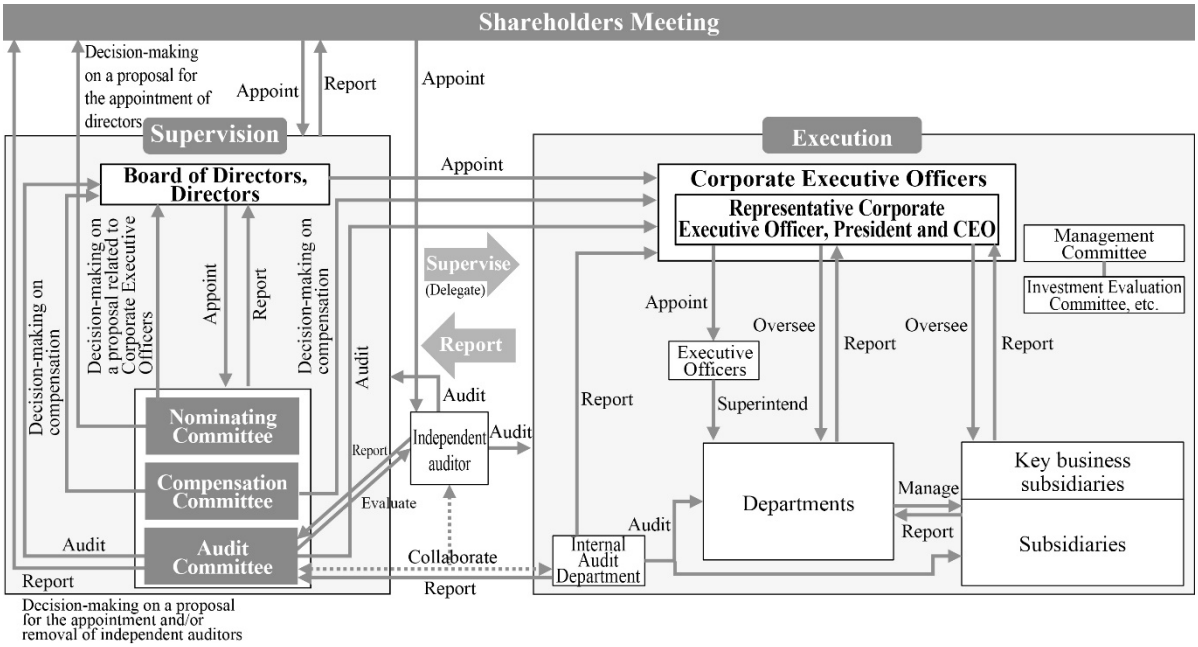
Corporate Governance (As of March 31, 2024)

We have transitioned to a Company with Three Committees (Nominating, Audit and Compensation) in June 2021 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.

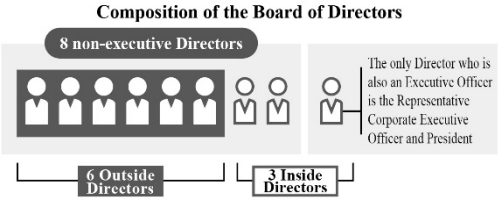
The Board of Directors examines and discusses issues from a broader perspective, taking a comprehensive view of the entire management, and focuses on monitoring based on reports from Corporate Executive Officers, while enhancing the decision-making process for matters to be resolved.

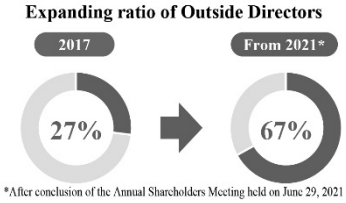
The executive structure facilitates prompt and appropriate decision-making and business execution through examination and discussion from a deeper perspective, with an awareness of Group management.



Board of Directors

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 (12 meetings held in FY2023). For the purpose of placing diverse and objective supervision at the center of the operation of the Board of Directors, the Company's Board of Directors currently consists of nine (9) members, including six (6) independent Outside Directors.





In order to further enhance the effectiveness of the Board of Directors, a questionnaire-based self-evaluation by each director and third-party evaluation are conducted annually, and the entire Board of Directors discusses initiatives to be further improved in the future. In FY2023, based on the results of the Board of Directors' effectiveness evaluation, the Board of Directors prepared an annual schedule of Board of Directors' agenda items and more systematically monitored the progress of the Tokyo Gas Group's FY2023-2025 Medium-term Management Plan, and discussed the Tokyo Gas Group Carbon Neutrality Roadmap 2050 and other issues, looking ahead to 2030 from a long-term perspective. In addition, the Board of Directors initiated off-site meetings for eight non-executive directors to deepen their business understanding outside of the Board of Directors, and conducted overview briefings and site tours of each business.

Off-site Meeting: Discussion with Tokyo Gas Lifeval (Tokyo Gas Next one)

Nominating Committee (Meetings held 6 times in FY2023)

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 newly nominated Outside Directors based on the skill matrix, and appointment of candidates for Representative Corporate Executive Officer and President, etc.

Audit Committee (Meetings held 14 times in FY2023)

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.

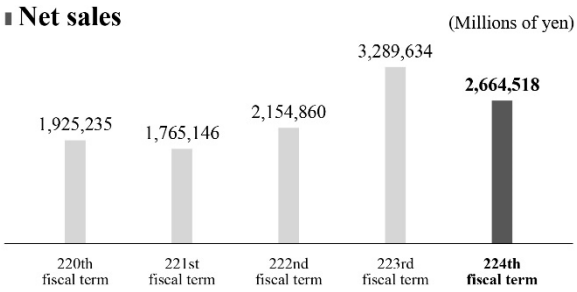
Compensation Committee (Meetings held 6 times in FY2023)

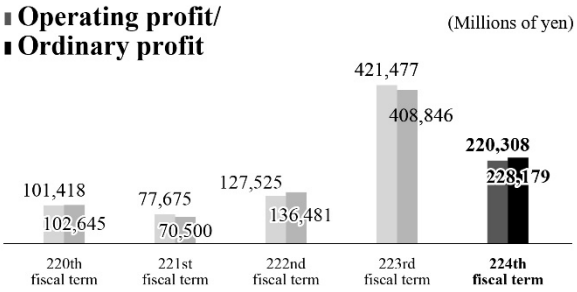
The Compensation Committee determines the policy on compensation, etc., for each individual Director and Corporate Executive Officer as well as determines the details of compensation, etc., for each Director and Corporate Executive Officer based on the policy, among others.

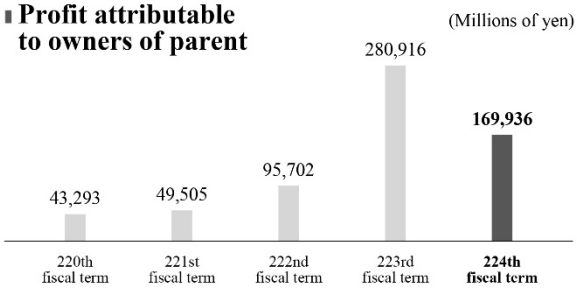
[Specific activities]
Performance evaluation for FY2022, formulation of performance evaluation indicators for FY2023, and consideration of remuneration levels and composition ratios, etc.

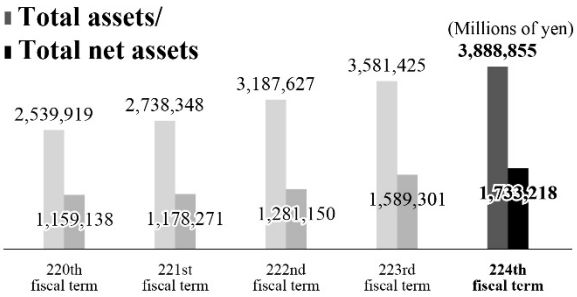
(6) Changes in Status of Assets and Profit and Loss

Categories (FY ended March 31)	220th fiscal term (2020)	221st fiscal term (2021)	222nd fiscal term (2022)	223rd fiscal term (2023)	224th fiscal term (2024)
Net sales (Millions of yen)	1,925,235	1,765,146	2,154,860	3,289,634	2,664,518
Operating profit (Millions of yen)	101,418	77,675	127,525	421,477	220,308
Ordinary profit (Millions of yen)	102,645	70,500	136,481	408,846	228,179
Profit attributable to owners of parent (Millions of yen)	43,293	49,505	95,702	280,916	169,936
Profit per share (Yen)	97.86	112.26	217.67	646.99	411.88
Total assets (Millions of yen)	2,539,919	2,738,348	3,187,627	3,581,425	3,888,855
Total net assets (Millions of yen)	1,159,138	1,178,271	1,281,150	1,589,301	1,733,218
Net assets per share (Yen)	2,602.53	2,616.37	2,847.88	3,595.60	4,249.83









(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$3,454,032 thousand	100.00	LNG upstream businesses, etc. in the Americas
TG Natural Resources LLC	US$1,993,348 thousand	93.15	Gas development and production operations in Texas and Louisiana
TOKYO GAS AUSTRALIA PTY LTD	US$1,137,593 thousand	100.00	LNG upstream businesses, etc. in Australia
Rockcliff Energy II LLC	US$1,096,590 thousand	93.15	Gas development and production operations in Texas and Louisiana
TOKYO GAS UNITED KINGDOM LTD.	£468,940 thousand	100.00	Investment in energy-related businesses in Europe
TG Aktina Holdings LLC	US$457,000 thousand	100.00	Construction, operation, management and power supply of solar power plants
TOKYO GAS ASIA PTE. LTD.	S$327,968 thousand	100.00	LNG middle and downstream businesses in Southeast Asia
Tokyo Gas Engineering Solutions Corporation	¥14,000 million	100.00	Energy service and comprehensive engineering service business
Tokyo Gas Real Estate Co., Ltd.	¥11,894 million	100.00	Real estate development, leasing, management and brokerage
Niihama LNG Co., Ltd.	¥10,697 million	50.10	Gas contract processing, LNG terminal operations and maintenance, gas/LNG sales
Tokyo Gas Network Co., Ltd.	¥10,000 million	100.00	Gas pipeline business and incidental businesses
Tokyo Gas International Holdings B.V.	€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 Solutions Co., Ltd.	¥1,000 million	100.00	Design and construction of 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
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	Operation and management of solar power plants 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

Notes: 1. The number of consolidated subsidiaries and equity-method associates including the above 25 principal subsidiaries were 127 companies.
2. Rockcliff Energy II LLC changed its name to TGNR Intermediate Holdings LLC effective April 1, 2024.

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

The Company acquired all shares of Rockcliff Energy II LLC*, through TG Natural Resources LLC Group, which became its subsidiary on December 28, 2023 (local time). Rockcliff Energy II LLC, a portfolio company of Quantum Energy Partners, is engaged in gas development and production business in Texas, U.S. TG Natural Resources LLC Group, a Texas-based gas development and production company is a portfolio company of Tokyo Gas America Ltd., a wholly owned subsidiary of the Company.

*Rockcliff Energy II LLC changed its name to TGNR Intermediate Holdings LLC effective April 1, 2024.

(9) Main Business Offices and Factories (As of March 31, 2024)

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	Nagano Toshi Gas Inc.	Nagano, Nagano
TG Natural Resources LLC	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
Rockcliff Energy II LLC	Houston, United States of America	Capty Solutions Co., Ltd.	Kawasaki, Kanagawa
TOKYO GAS UNITED KINGDOM LTD.	London, United Kingdom	Tokyo Gas Chemicals Co., Ltd.	Minato-ku, Tokyo
TG Aktina Holdings LLC	Houston, United States of America	Tokyo Gas Lease Co., Ltd.	Shinjuku-ku, Tokyo
TOKYO GAS ASIA PTE. LTD.	Singapore	TOKYO GAS i NET CORP.	Minato-ku, Tokyo
Tokyo Gas Engineering Solutions Corporation	Minato-ku, Tokyo	Nijio Co., Ltd.	Minato-ku, Tokyo
Tokyo Gas Real Estate Co., Ltd.	Minato-ku, Tokyo	TG Global Trading Co., Ltd.	Minato-ku, Tokyo
Niihama LNG Co., Ltd.	Niihama, Ehime	Gunmaannaka solar power LLC	Minato-ku, Tokyo
Tokyo Gas Network Co., Ltd.	Minato-ku, Tokyo	Ichihara Yawatafuto Biomass Power GK	Minato-ku, Tokyo
Tokyo Gas International Holdings B.V.	Amsterdam, Netherlands	Fushiki Manyofuto Biomass Power GK	Takaoka, Toyama
Ohgishima Power Co., Ltd.	Yokohama, Kanagawa	–	–

(10) Status of Employees (As of March 31, 2024)

1) Number of employees in the Group

Business segment	Number of employees (Change from previous year)	
Energy Solution	9,522	(309)
Network	3,974	(-734)
Overseas Business	443	(83)
Urban Development	909	(31)
Corporate	656	(-148)
Total	15,504	(-459)

Notes:
1. '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.
2. 'Corporate' refers to general administration departments.
3. Although some business segments were reorganized in October 2023, changes from the end of the previous fiscal year are based on comparison with the figures at the end of the previous fiscal year before the reorganization.

2) Number of employees in the Company

Number of employees (Change from previous year)	Average age (Years)	Average service years
3,190 (130)	43.5	18.8

Notes: 1. '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.
2. 'Average age' and 'Average service years' do not include those of employees seconded to the Company.

(11) Major Creditors and Balance of Borrowings (As of March 31, 2024)

Creditor	Balance of borrowings (Millions of yen)
Syndicated Loan	242,110
Shinkin Central Bank	46,000
Sumitomo Mitsui Banking Corporation	34,800
Sumitomo Mitsui Trust Bank, Limited	29,673
The Norinchukin Bank	28,000
Resona Bank, Limited	26,000
Mizuho Bank, Ltd.	24,850
Meiji Yasuda Life Insurance Company	24,000
The Dai-ichi Life Insurance Company, Limited	18,500
MUFG Bank, Ltd.	17,521

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 ¥103,960 million with JP Morgan Chase Bank, N.A. as a manager, a joint-financing instrument of ¥23,677 million with Sumitomo Mitsui Trust Bank, Limited as a manager, joint-financing instruments of ¥40,972 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, 2024)

(1) Aggregate number of authorized shares

Common share: 1,300,000,000 shares

(2) Aggregate number of shares issued — Common share: 400,452,159 shares

(3) Share trade unit — 100 shares

(4) Number of shareholders — 98,778

(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)	62,977	15.78
Nippon Life Insurance Company	31,296	7.84
Custody Bank of Japan, Ltd. (Trust Account)	19,055	4.77
STATE STREET BANK WEST CLIENT-TREATY 505234	9,184	2.30
Tokyo Gas Group Employees Shareholding Association	8,132	2.04
Mizuho Trust & Banking Co., Ltd. Retirement Benefits Trust (Dai-ichi Life Insurance Account)	7,098	1.78
SSBTC CLIENT OMNIBUS ACCOUNT	6,029	1.51
JPMorgan Chase & Co.	5,961	1.49
STATE STREET BANK AND TRUST COMPANY 505103	5,399	1.35
JP MORGAN CHASE BANK 385781	5,019	1.26

Notes: 1. Percentage of share ownership is calculated by the number of shares excluding treasury share (1,251,576 shares).
2. 184,800 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 4,800 shares to one (1) Corporate Executive Officer who retired at the end of the previous fiscal year and 13,000 shares to three (3) Directors who retired during the fiscal year under review (700 shares to one (1) Outside Director) as compensation for the execution of their duties.

(7) Other principal items regarding shares

1) Retirement of treasury shares

Common share: 34,422,900 shares

Total value of shares retired: ¥112,178,379,207

2) Shares owned by the Company as of the balance sheet date

Common share: 1,251,576 shares

3. Matters Related to Share Option in Kind (As of March 31, 2024)

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, 2024)

1) Directors

Name	Position	Areas of responsibility in the Company	Important concurrent posts
UCHIDA Takashi	Director and Chairperson of the Board	Nominating Committee Member, Compensation Committee Member	
SASAYAMA Shinichi	Director	Compensation Committee Member	
HIGO Takashi	Director	Audit Committee Member	
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 Outside Director of Mitsui Fudosan Co., Ltd.
ONO Hiromichi	Director (Outside)	Audit Committee Member	Outside Director of Mebuki Financial Group, Inc.
SEKIGUCHI Hiroyuki	Director (Outside)	Audit Committee Member	
TANNOWA Tsutomu	Director (Outside)	Chairperson of the Nominating Committee, Compensation Committee Member	Chairman of the Board of Mitsui Chemicals, Inc. Outside Director of KDDI CORPORATION

2) Corporate Executive Officers

Name	Position	Areas of responsibility in the Company
SASAYAMA Shinichi	Representative Corporate Executive Officer, President and CEO	CEO (Chief Executive Officer)
KASUTANI Toshihide	Representative Corporate Executive Officer, Vice President	Chief Executive of Global Business Company
KIMOTO Kentaro	Representative Corporate Executive Officer, Vice President	CTO (Chief Technology Officer), Chief Executive of Green Transformation Company
OGAWA Shinsuke	Representative Corporate Executive Officer, Vice President	Chief Executive of Customer & Business Solution Company

Notes:
1. To enhance the effectiveness of audits, the Company has selected a standing Audit Committee Member.
2. Directors HIGO Takashi and ONO Hiromichi have considerable knowledge in finance and accounting.
3. None of Corporate Executive Officers have important concurrent posts.
4. 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.
5. 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.
6. The Company has entered into a directors and officers liability insurance (D&O insurance) agreement with an insurance company, with the following (1) through (3), 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.
   (1) Officer (Director, Corporate Executive Officer) and Executive Officer of the Company
   (2) Officers (Director, Corporate Executive Officer, Audit & Supervisory Board Member) or Executive Officer at subsidiaries designated by the Company, who are dispatched or seconded from the Company.
   (3) Officers (Director, Corporate Executive Officer, Audit & Supervisory Board Member) or Executive Officer at entities other than the Company and its subsidiaries, who are dispatched or seconded from the Company or subsidiaries designated by the Company.
7. 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 (Monthly)	Bonuses (Performance-linked remuneration)	Stock compensation (Non-monetary remuneration)	
Directors (of which, Outside Directors)	234 (82)	206 (74)	- (-)	27 (7)	11 (7)
Corporate Executive Officers	278	180	55	43	4

Notes:
1. The remuneration, etc. of Directors includes three (3) Directors (including one (1) Outside Director) who retired upon the conclusion of the 223rd Annual Shareholders Meeting.
2. 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.
3. The amount of bonus is the amount to be paid.
4. The amount of stock compensation presented is the amount expensed between April 1, 2023 and March 31, 2024.
5. 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.

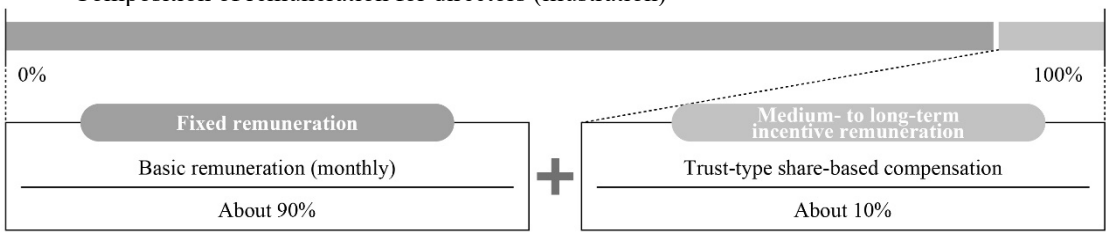
The composition ratio of remuneration shall be approximately 90% basic compensation and approximately 10% stock compensation for Directors, and 65 to 70% basic compensation, 15 to 20% bonus and 10 to 20% stock compensation for Corporate Executive Officers (including persons concurrently serving as Directors)

Remuneration, etc. for individual Directors and Corporate Executive Officers for FY2023 was resolved following deliberations at the meeting of the Compensation Committee and paid based on the aforementioned 'Basic Policy on Officer Remuneration.' Bonuses will be 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 FY2023.

[Reference]

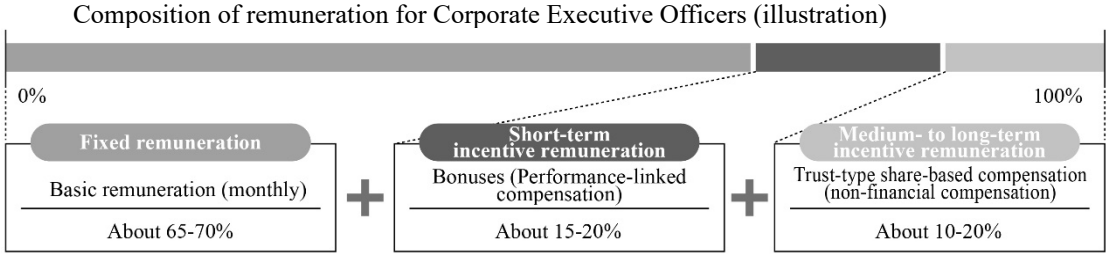
・ Composition of remuneration for non-executive directors (internal and outside)

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 FY2023* 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 FY2023

Financial Indicators	Consolidated profit	Profitability
	Operating profit + Equity method profit	
	Number of gas and electric power accounts increased	Growth
	Solution sales	
	FY2030 overseas operating income contribution increased	
Non-Financial Indicators	New development of domestic renewable energy sources New development of overseas renewable energy sources	
	Contribution to CO_2 emission reduction	ESG
	Net zero CO_2 emissions from own activities	
	Improvement of the Group employee engagement	

In terms of results of indicators for FY2023, financial indicators of 'Consolidated profit' which are profitability indicators and 'Operating profit + Equity method profit' were ¥169.9 billion and ¥223.3 billion, respectively. Achievement rates were 170% and 144%, respectively, exceeding the targets.

The achievement rates for the growth indicators of 'Number of gas and electric power accounts increased,' and 'FY2030 overseas operating income contribution increased' as well as the ESG-related indicators of 'Net zero CO_2 emissions from own activities' and 'Improvement of the Group employee engagement' were 200%, 986%, 103%, and 100%, respectively, exceeding the targets.

Of the growth-related indicators, the achievement rates of 'Solution sales,' 'New development of renewable energy sources,' and of the ESG-related indicators, 'Contribution to CO_2 reduction' were 98%, 95%, and 91%, respectively, below 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 / Attendance (◎ indicates Chairperson)	Status of major activities
TAKAMI Kazunori Board of Directors 100% (12 / 12) Nominating Committee 100% (6 / 6) ◎Compensation Committee 100% (6 / 6)	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% (12 / 12) Nominating Committee 100% (6 / 6) Compensation Committee 100% (6 / 6)	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. In addition, she serves as Nominating Committee Member and Compensation Committee Member and 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.
INDO Mami Board of Directors 91% (11 / 12) ◎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.

Name / Attendance (◎ indicates Chairperson)	Status of major activities
ONO Hiromichi Board of Directors 100% (12 / 12) 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% (12 / 12) Audit Committee 100% (14 / 14)	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.
TANNOWA Tsutomu Board of Directors 100% (10/ 10) ◎Nominating Committee 100% (6 / 6) Compensation Committee 100% (4 / 4)	Given his 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, Mr. TANNOWA provides the Company with a wide variety of opinions on its management operations. 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 Chairperson of the Nominating Committee and Compensation Committee Member and 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.

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. TANNOWA Tsutomu after his appointment on June 29, 2023 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	135	2
Consolidated subsidiaries	181	8
Total	316	11

Notes:
1. 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.
2. 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.
3. Of the principal subsidiaries of the Company, Tokyo Gas America Ltd., TG Natural Resources LLC, TOKYO GAS AUSTRALIA PTY LTD, Rockcliff Energy II LLC, TOKYO GAS UNITED KINGDOM LTD., TG Aktina Holdings LLC, 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.
*Rockcliff Energy II LLC changed its name to TGNR Intermediate Holdings LLC effective April 1, 2024.
4. In addition to the above, the Company's consolidated subsidiaries paid an extra 2 million yen in the fiscal year under review in compensation for audit certification services provided in the previous fiscal year.
5. 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.

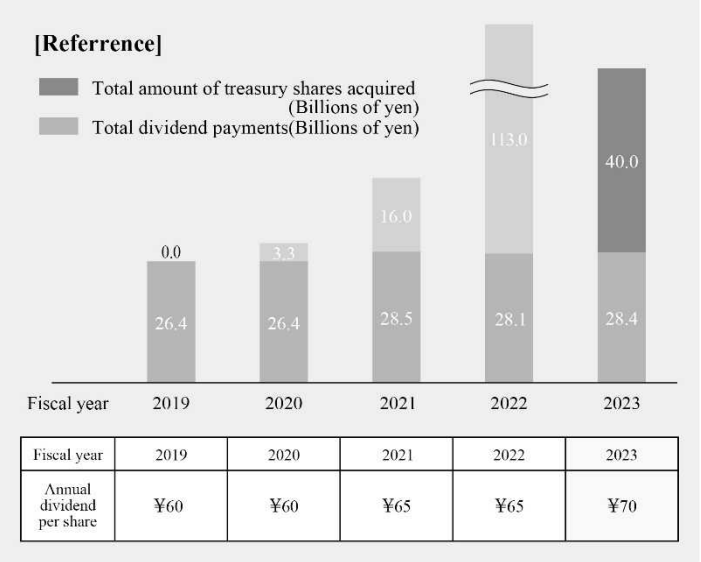
6. Shareholder-Return Policy

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.

Based on the aforementioned policy, the Company decided to pay the year-end dividend of ¥37.5 per share for the business year under review, in accordance with a resolution of the meeting of the Board of Directors held on April 25, 2024. The effective date and payment commencement date shall be June 6, 2024. Together with the dividend of ¥32.5 at the end of the second quarter, the total dividend to be paid during the year is ¥70 per share. In addition, at the same meeting of the Board of Directors of April 25, 2024, a resolution was made for the Company to acquire shares of the Company with a ceiling of up to 17 million shares or ¥40.0 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]



Fiscal year	2019	2020	2021	2022	2023
Annual dividend per share	¥60	¥60	¥65	¥65	¥70

<FY2023 Target> Approx. 40%
<FY2023 Result> 40.3% (estimated)

$$\text{Total return ratio} = \frac{\text{(Total dividends) ¥28.4 billion} + \text{(Acquisition of own shares) ¥40.0 billion}}{\text{Consolidated profit ¥169.9 billion}}$$

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, 2024

(Millions of yen)

ASSETS	
Current Assets	1,303,945
Cash and deposits	363,945
Notes and accounts receivable-trade, and contract assets	454,276
Lease receivables and investments in leases	18,334
Merchandise and finished goods	34,476
Work in process	13,249
Raw materials and supplies	89,810
Other current assets	331,570
Allowance for doubtful accounts	(1,718)
Non-current Assets	2,584,910
Property, plant and equipment	1,445,585
Buildings and structures	318,445
Machinery, equipment and vehicles	828,076
Tools, furniture and fixtures	9,883
Land	180,647
Leased assets	7,553
Construction in progress	100,979
Intangible assets	681,637
Goodwill	5,524
Mining rights	526,319
Other intangible assets	149,793
Investments and other assets	457,687
Investment securities	293,923
Long-term loans receivable	16,767
Retirement benefit asset	19,457
Deferred tax assets	19,841
Other investments	110,053
Allowance for doubtful accounts	(2,355)
Total Assets	3,888,855

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	669,997
Notes and accounts payable-trade	96,013
Short-term borrowings	9,421
Current portion of bonds payable	20,000
Current portion of long-term borrowings	44,577
Income taxes payable	38,695
Other current liabilities	461,289
Non-current Liabilities	1,485,639
Bonds payable	638,660
Long-term borrowings	631,683
Deferred tax liabilities	46,512
Retirement benefit liability	62,908
Provision for share awards for directors (and other officers)	254
Provision for gas holder repairs	3,247
Provision for safety measures	422
Provision for contract loss in regards to appliance warranties	4,327
Provision for point program	503
Asset retirement obligations	19,959
Other noncurrent liabilities	77,158
Total Liabilities	2,155,636
NET ASSETS	
Shareholders' Equity	1,481,841
Share capital	141,844
Capital surplus	4,109
Retained earnings	1,340,347
Treasury shares	(4,459)
Accumulated Other Comprehensive Income	213,906
Valuation difference on available-for-sale securities	59,727
Deferred gains or losses on hedges	31,322
Foreign currency translation adjustment	115,170
Remeasurements of defined benefit plans	7,685
Non-controlling interests	37,471
Total Net Assets	1,733,218
Total Liabilities and Net Assets	3,888,855

Consolidated Statement of Income

From April 1, 2023 to March 31, 2024

	(Millions of yen)
Net sales	2,664,518
Cost of sales	2,189,255
[Gross profit]	[475,262]
Selling, general and administrative expenses	254,954
[Operating profit]	[220,308]
Non-operating income	43,131
Interest income	8,228
Dividend income	1,518
Share of profit of entities accounted for using equity method	3,061
Foreign exchange gains	13,341
Miscellaneous income	16,982
Non-operating expenses	35,260
Interest expenses	19,008
Loss on derivatives	4,165
Miscellaneous expenses	12,086
[Ordinary profit]	[228,179]
Extraordinary income	27,389
Gain on sales of investment securities	25,131
Gain on valuation of long-term loans receivable	2,258
Extraordinary losses	3,478
Impairment losses	3,478
[Profit before income taxes]	[252,089]
Income taxes - current	78,475
Income taxes - deferred	3,470
Profit	170,144
Profit attributable to non-controlling interests	207
Profit attributable to owners of parent	169,936

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

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet

As of March 31, 2024

(Millions of yen)

ASSETS	
Current Assets	741,408
Cash and deposits	42,840
Notes receivable - trade	965
Accounts receivable - trade	350,684
Work in process	6,895
Raw materials and supplies	70,878
Prepaid expenses	1,522
Other current assets	269,958
Allowance for doubtful accounts	(2,336)
Non-current Assets	1,956,732
Property, plant and equipment	234,953
Buildings	14,659
Structures	41,439
Machinery and equipment	55,450
Tools, furniture and fixtures	5,213
Land	104,327
Construction in progress	13,820
Other property, plant and equipment	43
Intangible assets	96,684
Software	86,198
Goodwill	811
Other intangible assets	9,674
Investments and other assets	1,625,094
Investment securities	53,525
Shares of subsidiaries and associates	929,203
Long-term loans receivable	596,352
Deferred tax assets	21,201
Other investments	33,903
Allowance for doubtful accounts	(9,093)
Total Assets	2,698,141

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	695,607
Accounts payable - trade	60,717
Short-term borrowings	222,713
Accounts payable - other	46,646
Accrued expenses	144,029
Income taxes payable	2,317
Contract liabilities	5,925
Advances received	6,025
Deposits received	5,722
Unearned revenue	1,221
Other	200,288
Non-current Liabilities	1,022,452
Bonds payable	544,799
Long-term borrowings	412,860
Provision for retirement benefits	57,764
Provision for share awards for directors (and other officers)	254
Provision for contract loss in regards to appliance warranties	4,327
Provision for point program	480
Other noncurrent liabilities	1,966
Total Liabilities	1,718,059
NET ASSETS	
Shareholders' Equity	960,762
Share capital	141,844
Share capital	141,844
Capital surplus	2,065
Legal capital surplus	2,065
Retained earnings	821,312
Legal retained earnings	35,454
Other retained earnings	785,857
Reserve for advanced depreciation of non-current assets	4,216
Reserve for adjustment of cost fluctuations	141,000
General reserve	339,000
Retained earnings brought forward	301,641
Treasury shares	(4,459)
Treasury shares	(4,459)
Valuation and Translation Adjustments	19,318
Valuation difference on available-for-sale securities	23,029
Valuation difference on available-for-sale securities	23,029
Deferred gains or losses on hedges	(3,710)
Deferred gains or losses on hedges	(3,710)
Total Net Assets	980,081
Total Liabilities and Net Assets	2,698,141

Non-Consolidated Statement of Income

From April 1, 2023 to March 31, 2024

	(Millions of yen)
Net sales	2,376,447
Cost of sales	2,061,584
[Gross profit]	[314,863]
Selling, general and administrative expenses	188,604
[Operating profit]	[126,258]
Non-operating income	50,164
Interest and dividend income	39,837
Miscellaneous income	10,327
Non-operating expenses	20,847
Interest expenses	4,143
Interest on bonds	5,557
Provision of allowance for doubtful accounts	7,661
Miscellaneous expenses	3,484
[Ordinary profit]	[155,575]
Extraordinary income	4,557
Gain on sales of investment securities	2,499
Gain on extinguishment of tie-in shares	2,058
[Profit before income taxes]	[160,133]
Income taxes - current	33,212
Income taxes - deferred	2,620
Profit	124,300

Independent Auditor's Report

May 13, 2024

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

Shingo Iwamiya
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, 2024 and for the year from April 1, 2023 to March 31, 2024 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, actions taken to eliminate threats or safeguards applied.

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 13, 2024

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

Shingo Iwamiya
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 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, 2024 and for the year from April 1, 2023 to March 31, 2024 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, actions taken to eliminate threats or safeguards applied.

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.

[English Translation of the Audit Committee's Audit Report Originally Issued in the Japanese Language]

AUDIT REPORT

The Audit Committee have audited the execution of duties by Directors and Corporate Executive Officers for the 224th business year from April 1, 2023 to March 31, 2024. 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 while utilizing means including communication via telephone and the Internet, 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 of 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 (including the status of response to the 'Code of Ethics' (provision of non-assurance services and fee-related information, etc.) of the Japanese Institute of Certified Public Accountants). 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), and requested explanations as needed. Furthermore, in regard to key audit matters, in addition to holding discussions with the Independent Auditors, Audit Committee Members and the Audit Committee debriefed Independent Auditors on the implementation status of their audits, 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, 2024

Tokyo Gas Co., Ltd. Audit Committee

INDO Mami	Chairperson of the Audit Committee
ONO Hiromichi	Audit Committee Member
SEKIGUCHI Hiroyuki	Audit Committee Member
HIGO Takashi	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.