





Shizuoka Gas Group Integrated Report

SHIZUOKA GAS GROUP REPORT 2025

Emerging Aspirations for an Exciting Future

Surging passion, a brighter tomorrow.

SHIZGAS
SHIZUOKA GAS GROUP









Surging passion, a brighter tomorrow.

We, Shizuoka Gas Group,
are committed to creating
moments of wonder.
Hopes bubbling within you will
inspire our next challenge.
For a more comfortable life.
For a cleaner society.
For a brighter, richer world.
Together, we strive
to bring your hopes to life
and create a brighter future.

01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Group Corporate Philosophy

We pursue a prosperous and sustainable future through the collective strengths of our energy experts.

The significance of the role we play in society has remained unchanged since our founding.
That significance lies in serving local communities.

While continuing to evolve ourselves, we will respond to the expectations and demands of a rapidly changing society with our comprehensive groupwide capabilities centered on energy.

We will capitalize on diversity, come up with new ideas, develop our technologies and combine our strengths with partners sharing the same aspirations as we seek to build a fulfilling and sustainable future.







01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability



Shizuoka Gas Group's History and DNA



The Shizuoka Gas Group (the "Group") was founded in 1910 on the basis of its predecessors' strong aspiration to deliver a rich and cultural lifestyle to Shizuoka.
The gas business began by lighting streets with gas lamps. Not only serving as energy supporting more comfortable lives in households, gas has expanded its applications to energy for cities and for production at factories. In the meantime, the raw material for city gas changed from coal to oil and to natural gas.
In response to changes in society and the environment, the Group has expanded its business domains. In this process of growth, we faced several challenges and hardships. In each of these situations, we worked as one to address them with untiring efforts and initiative.
This history has nurtured our can-do spirit, which is part of our corporate DNA.
In an era of unprecedented change, the Group will carry on its development on the basis of the spirit that has been passed down from our predecessors.

1910

Shizuoka Gas is founded.

(Paid-in capital: 0.5 million yen)



Gas lamps lit at Fudanotsuji (currently in Gofukucho, Aoi-ku in Shizuoka City) in the early days after foundation

1965

A high-pressure continuous gasification plant completed in 1973 in the Shizuoka Works

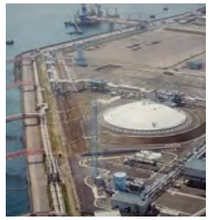


The coal-based raw material is replaced with an oil-based alternative.

1996

LNG imports begin.

Shimizu LNG Sodeshi Terminal comes into operation.



Tank No. 1 at Shimizu LNG Sodeshi Terminal is completed.

2004

Thirteen years of gas appliance modification for at least 400,000 customers come to an end.



The process of switchover to higher-calorific natural gas is finished.

2015

Shizuoka Gas participates in a wholesale electric power generation project in Thailand as its first case of overseas business expansion.

The Shizuhama Trunkline, a high-pressure trunk pipeline that extends to Hamamatsu, comes into full service.



A natural gas-fired power plant operated by Eastern Power and Electric Company Limited

2016

Shizuoka Gas & Power's Fuji Power Plant with gas engine power generation equipment



Shizuoka Gas launches electric power retail and power generation business.

2022

Supply of carbon offset city gas commences.



Carbon dioxide (CO_2) generated from all processes from natural gas mining to burning is offset by carbon credits.

01
Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050

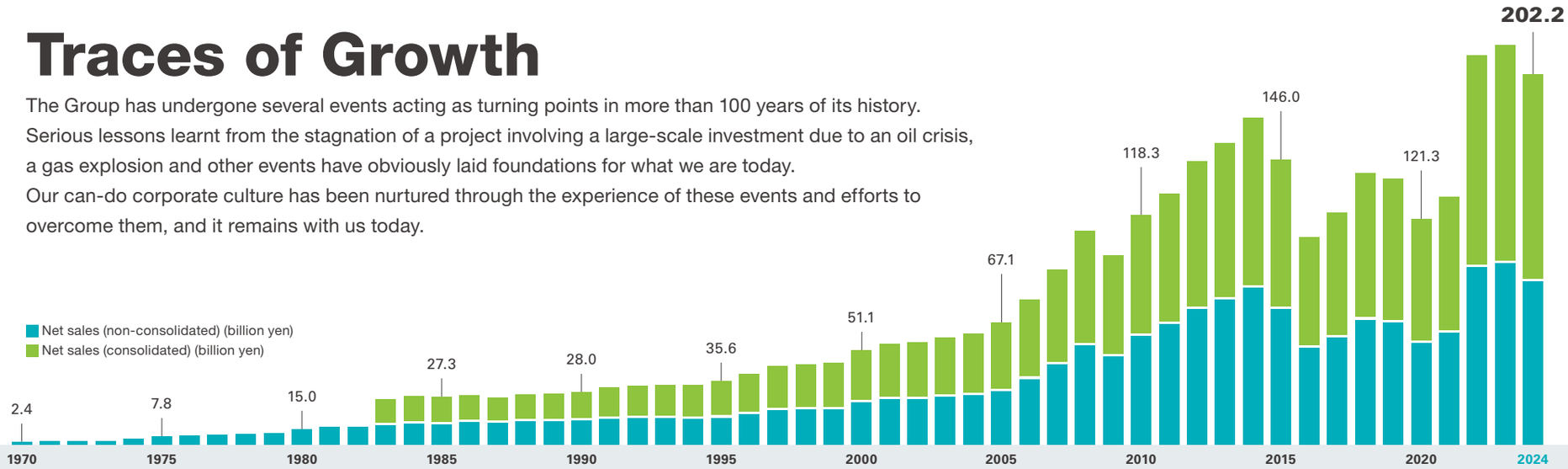


Sustainability



Traces of Growth

The Group has undergone several events acting as turning points in more than 100 years of its history.
Serious lessons learnt from the stagnation of a project involving a large-scale investment due to an oil crisis, a gas explosion and other events have obviously laid foundations for what we are today.
Our can-do corporate culture has been nurtured through the experience of these events and efforts to overcome them, and it remains with us today.



1970 Adversity



A downturn of the industrial gas project in Fuji City for reason of an oil crisis

Fuji City was troubled with serious issues of water and air pollution. To address air pollution, we invested a large amount in installing an industrial pipeline to the Fuji district for supply to industrial customers.
In the course of the project, an oil crisis broke out and triggered a sharp rise in the prices of raw materials and construction materials. As a result, the number of customers to whom industrial gas would be supplied after completion of the pipeline fell to almost zero.

1980 Lesson



Explosions in an underground mall close to Shizuoka Station

On August 16, 1980, which was the Saturday after the Yomiseichi event in the O-Bon festival season, gas explosions occurred in an underground mall near Shizuoka Station. This was a catastrophic incident that left 15 dead and 223 injured. The incident was caused by ignition of methane gas that accumulated in an underground spring water tank. It led to rising safety awareness and a sense of crisis management in the Group.

1990 Breakthrough



Groupwide efforts towards a dream of introducing natural gas

Natural gas is a source of energy with smaller emissions of CO_2, nitrogen oxides and substances other than coal and oil. The Japanese government defined natural gas in the 1980s as a principal source of energy for the country. After overcoming several challenges, the Group accepted natural gas at the Sodeshi Terminal for the first time in 1996. This terminal had a sufficient water depth to handle large LNG vessels. The industrial pipeline installed earlier in the Fuji district was effectively utilized. That sharply increased the city gas sales volume to mainly meet industrial demand.

2000 Leap



A wide-area supply system established in response to rising demand for natural gas

In response to growing demand for natural gas inside and outside Shizuoka Prefecture and seeking to improve supply stability in the event of a disaster, the Group extended the natural gas pipeline towards the Sea of Japan side and towards Hamamatsu to establish a wide-area natural gas supply network system. That increased wholesale customers outside the Group and led to expansion of natural gas users and to stable supply.

01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



At a Glance

The Shizuoka Gas Group 2030 Vision (hereinafter referred to as "the Group 2030 Vision") envisions local co-creation. To realize this vision, we will seek to achieve continued growth in the gas business, to cultivate and explore new business domains such as electric power, renewable energy, life and engineering services as well as overseas operations with a view to further growth, and to create fulfilling and sustainable regional communities.

Established
1910

City gas sales volume
1,582 million m³*

City gas retail customers
326 thousand*

LPG gas retail customers
82 thousand*

Electric power retail customers
97 thousand*

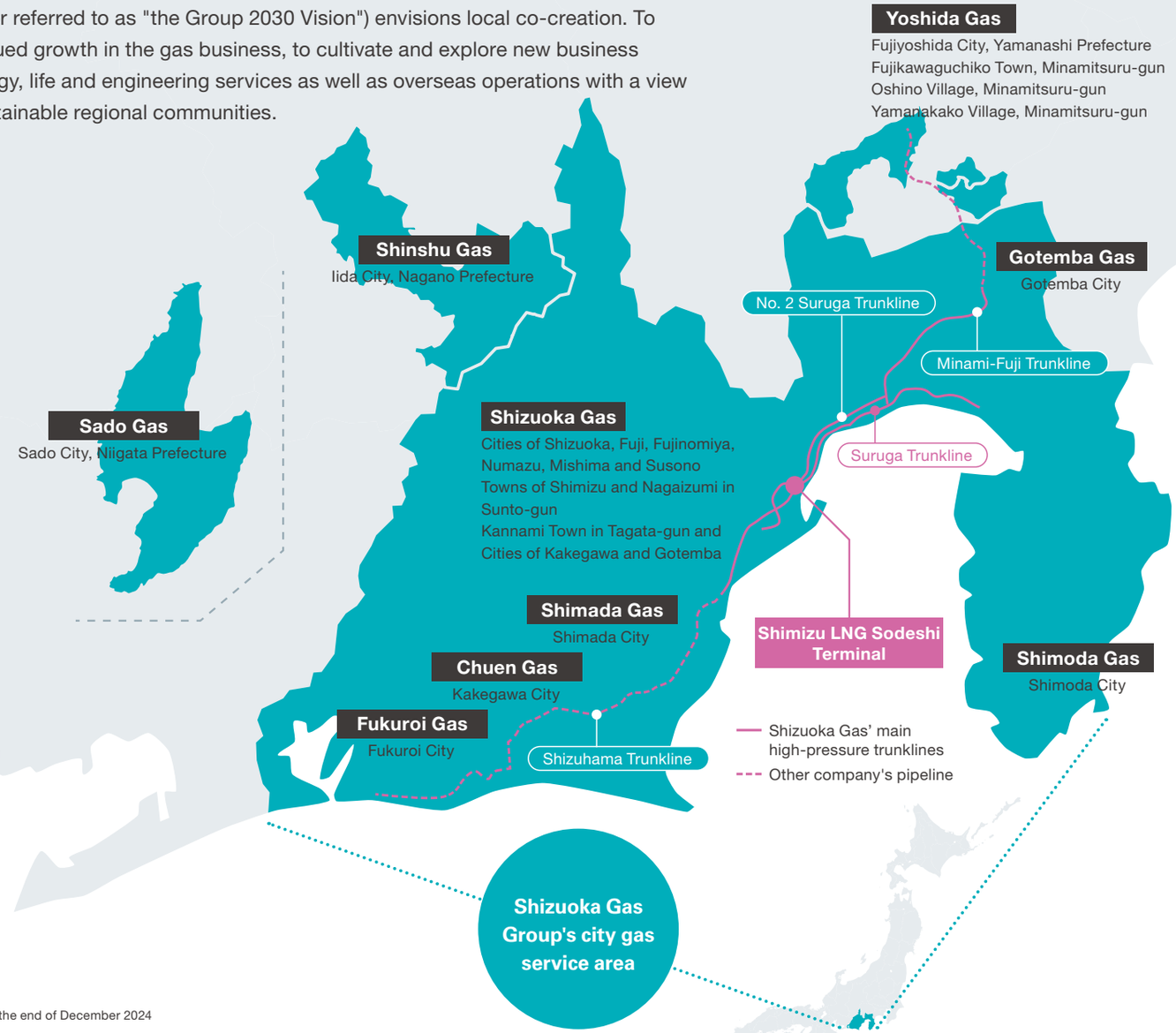
Renewable energy supply development capacity
34 thousand kW*

Overseas business operated in
6 countries
● U.S. ● India ● Indonesia
● Singapore ● Thailand ● Vietnam

Consolidated number of employees
1,466*

Net sales
202.2 billion yen*

Ordinary profit
13.0 billion yen*



* As of the end of December 2024

01
Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



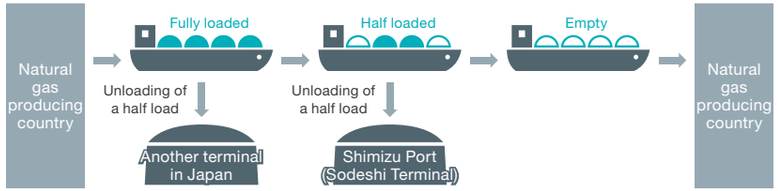
A History of Doing the Unprecedented

With a view to business expansion and realization of a carbon neutral society, we have always sought to do the unprecedented, achieving some world firsts and Japan firsts in the process. Our can-do spirit of pursuing untiring companywide initiatives to overcome challenges is shared among every single staff member in the Group that aims to construct fulfilling and sustainable communities in the future.

Two-port unloading — June 1996

A world first in LNG transportation **Two-port unloading**

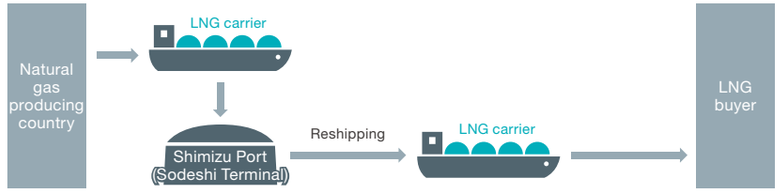
Two-port unloading means that LNG fully loaded on an LNG carrier is unloaded separately at two ports. In the early days of acceptance of LNG carriers, it was implemented for the purpose of ensuring that tanks maintain a high operation ratio.
While there was a method for two-port unloading of oil from vessels, there was no precedent of two-port unloading of LNG. After consulting with the Regional Coast Guard Headquarters and other parties on safe ship operation and hull security, we carried out the world's first two-port unloading of LNG.



LNG sales using reloading facilities — April 2016

The second case in Japan **Installation of LNG reloading facilities**

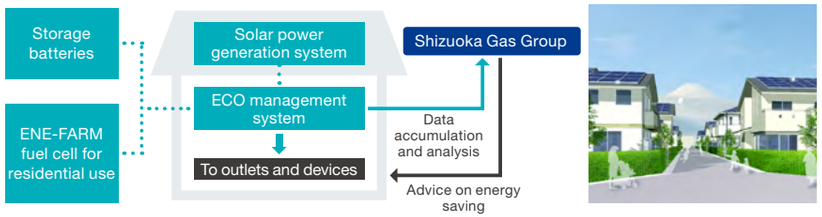
Amid a global increase in the volatility of LNG transactions, we installed reloading facilities at the Sodeshi Terminal in April 2016 for the purpose of lowering the raw material procurement price. The facilities are designed to reload LNG once received into the storage tank onto an LNG carrier. In February 2017, we sold LNG with the use of the reloading facilities at the Sodeshi Terminal.



Eco Life Square Mishima Kiyozumi — March 2011

First in Japan **Sales of residential houses equipped with fuel cells, solar cells and storage batteries**
CO_2 emissions trading in the household sector

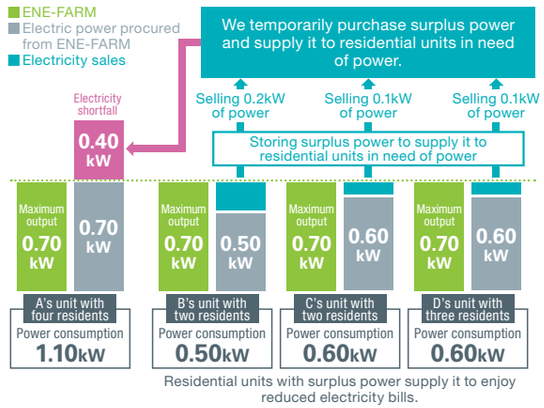
As part of our 100th anniversary projects, we constructed 22 residential houses on land lots for sale in the low-carbon town of Eco Life Square Mishima Kiyozumi in Mishima City. Every house was equipped with the ENE-FARM fuel cell and the solar cell panel for residential use. In addition, storage batteries were introduced to some houses to establish a model of local production and consumption of energy.



Development and construction of the T-Grid System of power interchange within an apartment complex — March 2018

First in Japan **Introduction of the T-Grid System to Chalier Nagaizumi Grand Marks**

Jointly developed and constructed with Panasonic Corporation and in cooperation with Toray Construction Co., Ltd., this system combines collective power reception and ENE-FARM units to achieve a 30% reduction in CO_2 through the interchange of power within an apartment complex. Residential buildings with this system consume 21% less energy than buildings where general electric power and gas are consumed.



01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Shizuoka Gas Group
Integrated Report

SHIZUOKA GAS GROUP REPORT 2025

Editorial Policy

Upon Publication

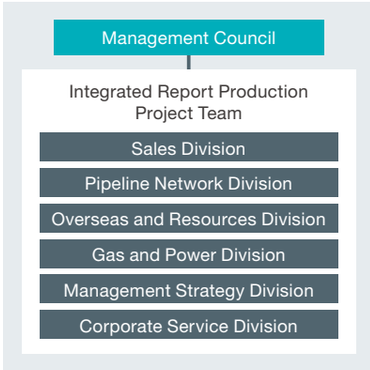
We have now published our first integrated report.
The Group 2030 Vision cannot be achieved without the support and trust of local communities and broader society.
We ask ourselves what we should be aiming to do and how we should work towards doing it.
We are aware that it is important to inform stakeholders of our business activities, our values and our stances and to be more closely engaged in dialogue with them.

We define this report as a tool for engagement that will initiate such dialogues.
Paying attention to the connection between financial and non-financial information, we have designed this report to refer to the Group's strengths and to the background of the initiatives we are pursuing to provide greater insight into the Group.

For the purpose of production, employees gathered from multiple departments to form a project team.
After producing a rough draft, the team held discussions with the president and other members of management. With the cooperation of the entire company, it was able to complete this report.

We look forward to receiving your comments and feedback after you read this report. We will use your feedback to produce future features and other content.
We thank you for continuing to support the Group today and in the future.

Structure for Production



Referenced guidelines
IFRS Foundation: International Integrated Reporting Framework

Ministry of Economy, Trade and Industry: Guidance for Collaborative Value Creation

Scope of reporting
Organizations within the scope of reporting: Shizuoka Gas Co., Ltd. and other companies in the Shizuoka Gas Group

Reporting period
January 1, 2024 to December 31, 2024
* Some activities outside the reporting period are included.

Note on forward-looking statements

Forward-looking information stated in this report, such as financial forecasts, plans, strategies and policies, is based on information available and assumptions at the time of production and involves risks and uncertainties. Actual results may differ materially from these forward-looking statements due to changes in economic trends and business conditions and other factors.
Please use the forward-looking formation for reference only and make investment and other decisions at your own risk.

01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

☰ CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability



Contents

01 INTRODUCTION | P01-07

01 Who We Are
02 Group Corporate Philosophy
03 Shizuoka Gas Group's History and DNA
04 Traces of Growth
05 At a Glance
06 A History of Doing the Unprecedented
07 Editorial Policy

02 TOP MESSAGE | P09-14

03 SPECIAL FEATURE | P15

15 Special Feature
Participation in U.S. Shale Gas Development Project

04 HOW WE CREATE VALUE | P16-17

16 Value Creation Process

05 OUR VISION | P18-23

18 OUR VISION
19 Business Environment Analysis
20 Shizuoka Gas Group 2030 Vision
21 Desired Business Portfolio and Numerical Targets for 2030
22 Shizuoka Gas Group Carbon Neutral Vision 2050

06 OUR STRATEGY | P24-59

24 OUR STRATEGY
25 Medium-Term Management Plan
27 Financial Strategy
31 Strategies for Individual Businesses
31 Gas and LPG Business
33 Electricity and Renewable Energy Business
35 Lifestyle Services and Engineering Services Business
37 Overseas Business
39 New Challenges (New Businesses)
41 Sustainability Strategy
42 Material Issues
44 TCFD
47 Contributing to Local Communities
50 Initiatives to Ensure Respect for Human Rights
51 Human Resources Strategy
52 Message from the Officer in Charge of Human Resources
53 1 Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges
54 2 Provide programs and an environment to maximize the potential of employees
57 3 Construct a human resources portfolio for business reforms
59 Brand Strategy

07 CORPORATE GOVERNANCE | P61-72

61 Executives and Officers
62 Operating Officers
63 Corporate governance
66 Message from an Outside Director
69 Risk Management
70 Compliance
71 Major Financial and Non-Financial Data
72 Corporate Profile



01

Who We Are
Group Corporate Philosophy
Shizuoka Gas Group's History and DNA
Traces of Growth
At a Glance
A History of Doing the Unprecedented
Editorial Policy
Contents

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability





TOP MESSAGE

It is time to make proactive investment in growth areas and to begin building the future of the Shizuoka Gas Group

Yoshitake Matsumoto
Representative Director and
President (COO)

The strengths and weaknesses of the Group that I was able to clearly see from the top position

I became president in January 2024 and so this is my second year as a president. Prior to assuming this post, I was involved in management as General Manager of the Management Strategy Division. Looking back at my past career, I gained extensive experience in sales, planning and business development duties under the job rotation system. Particularly impressive was the period when I was involved in cultivating industrial city gas customers as a salesperson. At that time, we made proposals for the introduction of equipment and energy services in addition to gas supply. I had a hands-on feeling that we were at a turning point in the energy business.

Now having taken on the heavy responsibilities as president, I realize that the Shizuoka Gas Group has been moving forward in step with local communities. As such, I am more determined than ever to turn the Group into an entity that will better serve society. I feel that my own career growth was supported by past presidents and senior personnel and that, since I was first appointed to the post of manager, I developed with the help of subordinates working with me at different

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group
Carbon Neutral Vision 2050


Sustainability


times. Today, as president, I am committed to working hard for every single employee and to helping increase their happiness.

We tend to notice new things after a change in position. While renewing my awareness of our strengths, I now see some challenges facing the energy industry and signs of future change more clearly. Since our founding in 1910, we have achieved growth on the basis of the city gas business. Now signs of change in this growth are emerging. Today, we are proactively working on new businesses as we seek to expand the scope of our operations. Supporting these efforts is quite simply the strength of employees and the organization. I realize the importance of fostering the mindset for taking on challenges positively in addition to skills for creating new value. Since I became president, I have been focusing my efforts on organizational development and personnel cultivation.

A renewed passion behind the Group Corporate Philosophy, inspired by changes in society

In January 2025, the Group announced its new Group Corporate Philosophy, which reads, "We pursue a prosperous and sustainable future through the collective strengths of our energy experts."

Our former Corporate Philosophy of "contribute to the development of local communities" communicated a value that still remains important to us. I believe that contributing to communities forms part of the Group's significance in society. On the other hand, this philosophy was devised in the 1970s after the period of Japan's rapid economic growth. It was the time of the oil crises and pollution issues, when more than anything else demand focus on the supply of clean gas at a low price.

More than 50 years later, the social circumstances and values have changed massively. When I asked myself what we are here for, I strongly realized that we need to build a sustainable future with an eye to making gas and electricity carbon neutral and achieving a circular economy centering on our core energy business.

This is the aspiration embodied in the new Corporate Philosophy. Based on this philosophy, we will combine the Group's overall strengths to take firm steps towards the realization of the Group 2030 Vision.

Visiting worksites and engaging in more dialogues with employees to spread the new Group Corporate Philosophy

Not many days have passed since our new Corporate Philosophy was announced. We have many things to do for familiarizing all the employees with it. My belief is that familiarization in its true sense means enabling every single employee to understand the meaning and learn to think about what roles they can play in consideration of their own career visions.

For this purpose, we are actively providing opportunities for dialogues, including town hall meetings and one-on-one meetings at each division or department. In town hall meetings in particular, I believe it is important that all officers, including me, to share the role of visiting each Group company and branch, and to directly listen to the opinions of employees.

On-site dialogues like these give us very significant discoveries. We are beginning to see changes in the mindset of our employees, and increasingly feel that they are approaching challenges with a positive attitude. Instilling a philosophy or fostering a mindset is not something that we can achieve overnight. Consequently, we will continue making steady steps forward through persistent dialogues.

Moving from strengthening the trust in our brand to expanding business domains as we make steady progress towards the Group 2030 Vision

Formulated in 2021, the Group 2030 Vision divides the roadmap to 2030 into three phases, and determines priority measures for each phase. The priority measure in the first phase from 2022 to 2024 is strengthening of our trusted brand. It is followed by an expansion of business domains for the 2025-2027 phase and then by practicing co-creation with new connections for the 2028-2030 phase. We will thus seek to attain the vision in a step-by-step manner.

During the first three years we spent strengthening trust in our brand, we focused on building closer relationships with local communities. I feel that an

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability





increase in trust in the Group is manifesting in a number of different ways, and it is one of the results of our efforts. For example, in October, 2024, Shizuoka Gas Living Co., Ltd., a company in our Group, acquired shares of Sweets Investment, Inc., a company engaged in the purchase and resale of vacant houses. I understand that the increase in inquiries we receive on M&A and business succession could be a result of the relationships of trust we have built with local communities.

Meanwhile, we have accepted employees of companies joining the Group through M&A as new colleagues in a natural way. We have received comments of support and appreciation for this stance. Today, we are increasingly consulted by financial institutions and local businesses about alliances and business succession, rather than us reaching out to them.

In parallel with the spread of trust from outside, positive changes are being generated inside the Company. Although our employee turnover rate was originally lower than that of other companies, in the past some employees did decide to leave us, feeling unsure about their own growth in the Group.

However, in the past three years, our turnover rate among young workers with three years or less of service stands at 4.3%, which is lower than that of our competitors. The number of those leaving the company because of a lack of opportunities for growth are clearly decreasing. I feel that this change is a sign that our initiatives to strengthen our trusted brand is gradually bearing fruit.

Making positive investments in growth fields to expand our business domains.

The first three years during which we worked to build greater trust in our brand have come to an end, and we entered the second phase for expansion of business domains in 2025. In this current three-year period, we are moving into the final phase towards 2030, looking to build on the solid foundations represented by the brand power we have accumulated and practicing co-creation with new connections.

The city gas business is now entering a period of maturity. Even in this situation, we will continue to seek potential for growth through digital transformation, business process reforms and alliances with other companies. Meanwhile, we will concentrate our management resources on growth areas with a view to sustaining our growth in the future. The phase of strategically allocating human, financial and other resources in pursuit of multi-faceted growth has begun in earnest.

We are placing a particular focus on three specific growth areas. The first is the electricity and renewable energy business. This includes solar power generation. The second is overseas business, mainly in Southeast Asia, South Asia and North America. And the third is the area of housing or real estate. We have a plan to invest at least 70% of the total investment budget of 93 billion yen for 2025-2027

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group
Carbon Neutral Vision 2050


Sustainability


into growing domains, including these three. We will continue to make proactive investments for growth.

In the past, we did invest in growth areas, but in fact these investments were made chiefly in relatively small projects. The Company continued to seek overseas business expansion, among other initiatives, before I became president. At that time, social circumstances were very turbulent, and with the COVID-19 pandemic in particular, the Company had to postpone large-scale investments in overseas expansion and other initiatives. As a consequent, net assets were accumulated on the balance sheet. I believe that now is the time to utilize our accumulated management resources to achieve future growth.

Building an overseas presence for new growth

Among the three growth areas we are focusing on, the overseas business has already shown tangible progress. One example is the solar power generation project in Vietnam, a final agreement for which was reached in November 2024. Under the agreement, we were to acquire a 25% stake in My son-Hoan Loc Viet Solar Energy JSC, an affiliate of renewable energy developer Hoan Loc Viet Joint Stock Company. This would mark our first participation in a solar power generation project in Vietnam.



A solar power plant of My Son–Hoan Loc Viet Solar Energy JSC

In February 2025, we signed a basic agreement on the acquisition of interests in a shale gas development project in the United States with TG Eagle Ford Resources LP (hereinafter "TGER"), a wholly owned subsidiary of Tokyo Gas America Ltd., a U.S.-based corporation in the Tokyo Gas Group. P15

The target for development includes the Eagle Ford formation and other areas in the south of Texas. We are set to acquire all interests* owned by TGER as part of the interests jointly owned with other companies. This was the Group's first operation in North America and signaled the start of its foray into the upstream area of natural gas, a new area for us, namely the processes of exploration, development and production.

Starting with this new initiative outside Japan, we will continue to widen the range of our business and proactively seek out opportunities for growth around the world.

Enhancing the governance structure to increase investments through proper due diligence

In overseas business expansion, we will make investments on an unprecedented scale. I believe that a certain scale of investment is a necessary decision that our Group should make for future growth. Given the Group's financial foundations, we are receiving more and more inquiries on larger projects than we did in the past. From the perspective of efficiency as well, an increase in the scale of investment is indispensable to future growth.

To ensure that we make the right decisions on these investments, it is vital that we bolster our system of governance. In particular, the role of the Board of Directors is now more important than ever. The Board of Directors deals with investment projects that exceed a certain size as matters requiring its resolution. Outside the Board of Directors, we will give prior explanations and interim reports to outside officers to share information more quickly and thoroughly and thereby ensure proper judgments.

Of course, a mere increase of the amount of investment will not in itself lead to an expansion of growth areas. Here as well, the strength of our human resources and organization is key. In particular, right now we do not have enough people with experience in business development and investment in new areas. I see this as one

* The acquisition was complete as of the end of May 2025.

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability



of the issues we will need to tackle. Going forward, we will recruit people who are ready to perform at a high level, with an eye to accepting outside personnel. We will also pursue initiatives, such as developing personnel within the Company, to improve the basic level of our entire organization.

The need to picture a new business portfolio in an attempt to achieve carbon neutrality

In tandem with the Group 2030 Vision, we are working on the 2050 Carbon Neutral Vision from a long-term perspective. This vision aims for carbon neutrality together with customers and local communities through three pillars of promoting advanced and economical energy utilization at customer sites and region-wide, carbon neutral gas/electricity, and CO_2 absorption and utilization. It also aims to apply the know-how to overseas operations in Southeast Asia and elsewhere. While it sets a final goal for 2050, it also stipulates an interim goal of serving to reduce CO_2 emissions by 2 million tons by 2030 as a milestone on the way to the final goal. P22

This vision was established in 2021. At that time, all of society are making a major shift towards decarbonization. Our policy was in line with that trend. The mainstream approach was to take advantage of carbon credits to offset emissions and to seek carbon neutrality.

However, the global situation changed dramatically. For instance, war broke out in Ukraine, and energy supply became unstable. It is difficult to meet all demand with renewable energy alone. The continued use of natural gas is now seen as a realistic option.

In response to the changing circumstances, we are restructuring our business portfolio with a focus on advanced use of energy while considering the possibilities of alternative approaches. These alternative approaches include the expansion of renewable energy in Japan and possible business expansion outside Japan. We are seeking courses of action for achieving both solutions to local issues and a global-scale contribution.

A management approach that is conscious of the cost of capital and stock price

Amid significant changes in the circumstances surrounding businesses, we need to execute our plans for the future while keeping an eye on current business conditions to maintain our sound management structure. For example, tariffs are an issue at present. We are studying what impacts they will have on our business. Not only tariffs but also changes in social situations and in the real economy have implications for corporate activities and we always need to confront them.

The point is how we should understand these changes and how we should respond to them. Our industrial city gas customers include a large number of manufacturers that are susceptible to changes around the world, such as those operating overseas and automobile manufacturers. If the tariffs shrink their production activities, their city gas consumption will decrease and it may have a negative impact on our financial results. On the other hand, given the changing business environment, more companies are likely to review their business and asset composition. That may bring us more opportunities to restructure the business portfolio through M&A and other means.

In any case, it is an important prerequisite to take a close look at the current state calmly and to practice management that is conscious of the cost of capital and the share price. We have already begun actions in this regard. We are working to expand our business with the use of our Group's overall strengths, principally in energy. Our current price book-value ratio (PBR) is below 1. In consideration of our responsibility as an energy supplier for maintaining a stable supply and reasonable prices, we have some difficulty in improving PBR, but we understand that it is an issue that we should address.

Looking at the components of the PBR, the price earnings ratio (PER) is below the average in the Tokyo Stock Exchange's Prime Market (17.0 as of December 2024). Return on equity (ROE) is still at 7.8%. The equity ratio of 69.4% is at a healthy level, but from a different perspective, it suggests that we are not taking full advantage of financial leverage.

The PER cannot be improved without accurately communicating the corporate value through active investor relations activities and without accumulating positive results through investment. For the ROE, it is necessary to achieve profit growth and to increase financial efficiency with the use of funds for investment. In both cases, I believe that the quality of investment and abilities to take action are vital.

Shizuoka Gas Group 2030 Vision

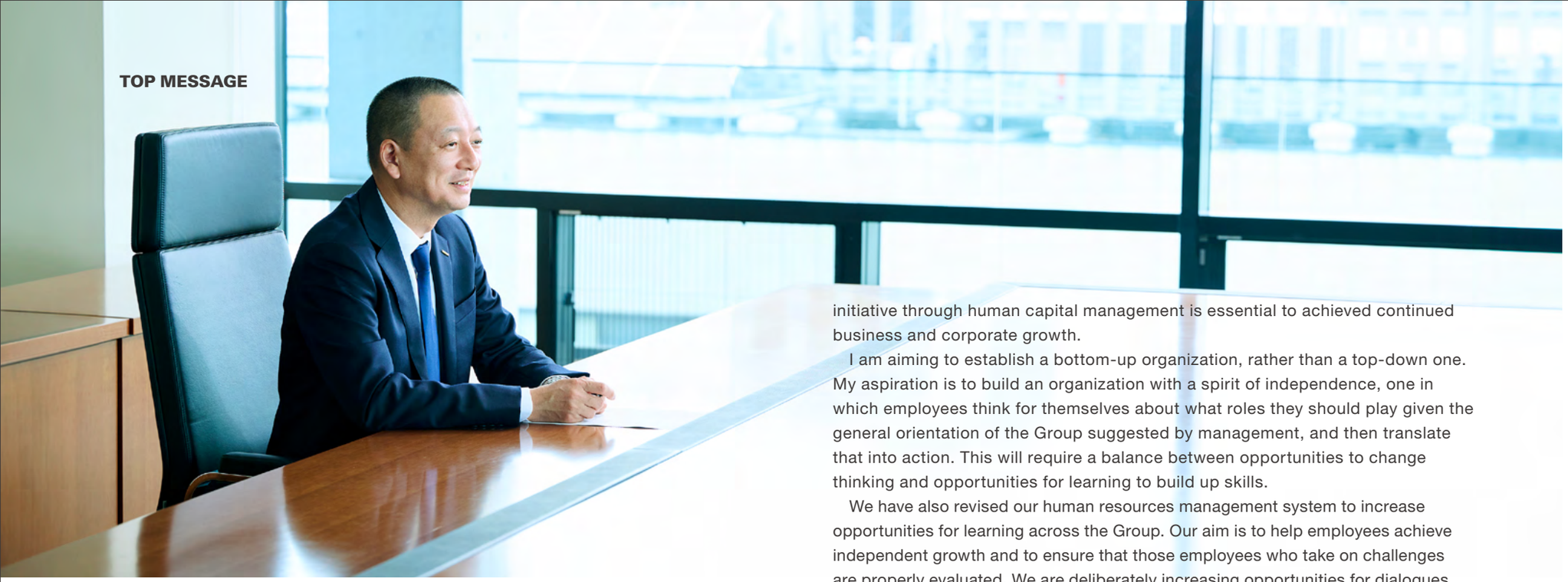


Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability





Investments aimed at growing profit will not only increase capital efficiency, it will also lead to returns for shareholders. For FY2024, we increased per share annual dividends, which comprise interim and year-end dividends, by 25 yen year on year to 40 yen. We anticipated revenue growth in the existing businesses and growth arising from M&A and achieved the dividend target for 2030 ahead of schedule. In addition, we changed our dividend policy of paying stable dividends in principle. We have adopted a new policy of continuously paying progressive dividends. We will go on seeking continuous shareholder returns in line with the growth of our business.

From a top-down organization to a bottom-up one

The Group believes that all of its initiatives are based on its human and organizational strengths. A mechanism that supports personal development and initiative through human capital management is essential to achieved continued business and corporate growth.

I am aiming to establish a bottom-up organization, rather than a top-down one. My aspiration is to build an organization with a spirit of independence, one in which employees think for themselves about what roles they should play given the general orientation of the Group suggested by management, and then translate that into action. This will require a balance between opportunities to change thinking and opportunities for learning to build up skills.

We have also revised our human resources management system to increase opportunities for learning across the Group. Our aim is to help employees achieve independent growth and to ensure that those employees who take on challenges are properly evaluated. We are deliberately increasing opportunities for dialogues with employees, such as town hall meetings and one-on-one meetings. I feel that my assumption of the post of president was of great significance in the sense that it gave me an opportunity to directly deliver the message that the Company was changing.

The Group has a tradition of job rotation, according to which people perform many different duties beyond organizational and functional boundaries. In the future, I will use this system more actively to cultivate multi-skilled human resources. Even in the energy business domain where advanced expertise is needed, future growth requires that we broaden the range of talent with diversity that matches the times. We will nurture both expertise and diversity to steadily cultivate people who will support the future of the Group.

All of these initiatives are designed to realize the newly announced Corporate Philosophy. We remain united in continuing to take on new challenges. We would grateful if our stakeholders keep offering us their encouragement and support. Please keep your eyes on the future of the Shizuoka Gas Group.

Yoshitake Matsumoto
Representative Director and President (COO)

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group
Carbon Neutral Vision 2050


Sustainability


Special Feature

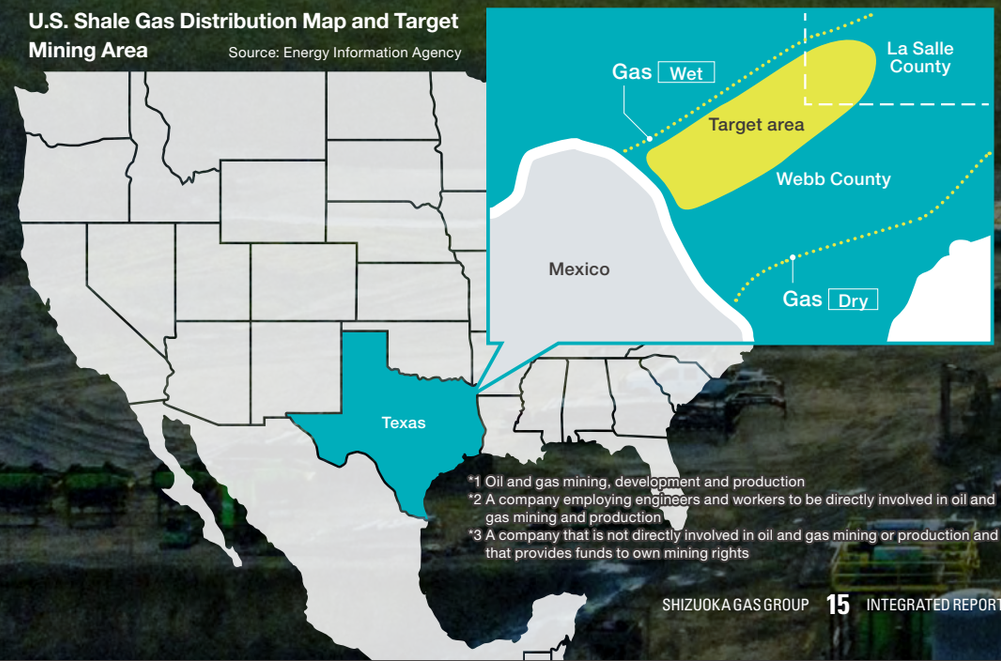
Participation in U.S. Shale Gas Development Project

—The Shizuoka Gas Group's first operation in the upstream field in North America—

In May 2025, the Shizuoka Gas Group acquired interests in the shale gas development project in the Eagle Ford formation and other areas in the counties of Webb and La Salle in the south of Texas in the United States through SHIZUOKA GAS AMERICA Co., a U.S.-based subsidiary of SHIZUOKA GAS CO., LTD.
It is the first case of the Group's participation in a project in North America and of its operation in the upstream field of natural gas*1.
The interests are jointly owned mainly by the Group, the Lewis Energy Group as operator*2, and BPX Energy Inc. as non-operator*3. The portion of interests acquired by the Group accounts for 25% of the total interests owned by the three parties.
Shale gas production associated with the Group subsidiary's interests is expected to reach around 400,000 tons per year (on 20-year average) in LNG equivalent. The product will be sold to the U.S. market.
Using this project as a footing, the Group will consider further expanding its business in the United States.

U.S. Shale Gas Distribution Map and Target Mining Area

Source: Energy Information Agency



*1 Oil and gas mining, development and production
*2 A company employing engineers and workers to be directly involved in oil and gas mining and production
*3 A company that is not directly involved in oil and gas mining or production and that provides funds to own mining rights

03

Special Feature
Participation in U.S. Shale Gas Development Project

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Value Creation Process

The Group will aim to achieve the Group 2030 Vision and to build a fulfilling and sustainable future through business activities that capitalize on its accumulated strengths in accordance with the Group Corporate Philosophy.

Meaning of our existence | Group Corporate Philosophy | **We pursue a prosperous and sustainable future through the collective strengths of our energy experts.**

Value creation originates from the philosophy.

Identify risks and opportunities

Opportunities

- Increase in LNG demand around the word in the period of transition to carbon neutrality
- Population growth in Asia and the trend towards CO_2 reduction
- Expansion of the renewable energy market
- Increase in opportunities for growth outside Japan
- New services based on digital transformation with the use of customer base

Risks

- Decrease in competitiveness due to delays in actions for carbon neutrality
- Difficulties in raw material procurement and price inflation due to geopolitical risks
- Increase in damage to infrastructure due to the intensification of natural disasters
- Contraction of regional demand resulting from a declining population in Japan
- Changes in environmental regulations and energy policies
- Loss of opportunities due to delay in actions for digitalization and digital transformation

Materiality ▸P42

Develop strategies through various analyses

Strategies for realizing the vision

Financial Strategy ▸P27
Appropriate capital allocation and high capital efficiency

Business Strategy ▸P31
Growth in non-gas areas and outside Japan

Sustainability Strategy ▸P41
Leading the region in initiatives for carbon neutrality (co-creation)

Human Resources Strategy ▸P51
Improvement in consideration and diversity

Brand Strategy ▸P59
Evolve into a company trying to create excitement

Key words behind the strategies
1. Diversification of business portfolio
2. Advancement for carbon neutrality
3. Local co-creation

Improve the risk management system

Update strategies through constructive dialogues with stakeholders

Introduce into businesses strengths accumulated through strategies based on integrated concepts

The Group's management resources (accumulated strengths)

Human assets
Professionals supporting energy infrastructure

Physical assets
Infrastructure equipment for wide-area supply

Organizational assets
Corporate culture that encourages attempts

Customer assets
Relationships of trust with customers that enable the last mile

Financial assets
Surplus investment capacity based on robust financial foundations

Assets not recorded in financial statements

Assets recorded in financial statements

▸P17

Accumulate strengths

Value chain and business model

Energy value chain

From gas fields around the world to the Shimizu Port
Raw material procurement

Handling both gas and electricity
Production and supply of energy

For businesses and for households
Energy sales solutions

Gas/LPG
- City gas sales volume1,582 million m^3
- LPG sales volume 55 thousand tons

Electricity and renewable energy
- Electric power retail customers 97 thousand
- Output of renewable energy power sources developed 34 thousand kW

Lifestyle service
- Lifestyle service orders 109 thousand

Engineering service
- Capacity of cogeneration systems (hereinafter "cogeneration") in operation 201 MW (for commercial/industrial use)

Overseas
- Investment in the biogas business in India
- Investment in the solar power generation business in Vietnam

Continue to create value for bringing the Group closer to the vision

Value produced by the business

Social value

- Stable and safe supply of energy
  The ratio of durable pipeline reaches 99% (non-consolidated)
- Contribution to low carbon society
  Amount of contribution to CO_2 reduction: 117,000 tons (in cumulative total since 2021)
- Investment in emerging countries and provision of energy technologies
- Improved employee satisfaction
  Engagement index: 69% (non-consolidated)
- Hiring of diverse personnel
  Ratio of mid-career hires: 23% (non-consolidated)
- Acceleration of women's active participation
  Ratio of female managers: 11.1% (non-consolidated)

Economic value

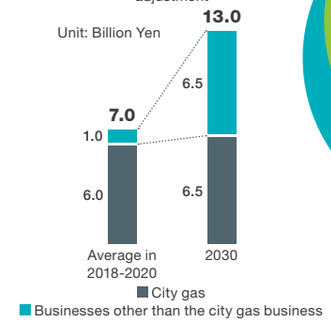
Net sales: 202.2 billion yen
Ordinary profit: 13.0 billion yen
Total amount of dividends: 3.0 billion yen
TSR: 125% ROE: 7.8%

Current business portfolio composition

City gas	51%
LPG	3%
Electricity and renewable energy	37%
Lifestyle service and engineering service	9%

Consolidated ordinary profit*

* Ordinary profit after slide time lag adjustment



Shizuoka Gas Group 2030 Vision

A Cycle of New Value Creation Alongside Local Communities

▸P20

*The figures stated in "Value chain and business model" and in "Value produced by the business" are correct as of the end of December 2024.

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Accumulated Assets (Strengths)

Transform invisible assets into visible ones.

To expand visible assets, it is necessary to develop a corporate culture and to form a team in which members share the same aspiration. This means, in other words, expanding organizational assets. When people empathizing with the same idea gather and work together in a lively manner, we will be able to offer great value to customers. This is an expansion of human assets. As a result of that, we will have more customers, which means namely that customer assets will expand. We will earn more sales and we can invest in equipment and technologies. We believe that the expansion of invisible assets leads to the expansion of corporate value as explained above. We therefore focus on invisible assets in executing our management.

Invisible assets as key to value creation

We have built up our strengths as assets for more than 100 years through numerous initiatives. We have worked to bolster not only visible assets, which are recorded in financial statements, but also invisible assets that are not seen in financial statements. They are important to increase visible assets. We organize human assets, customer assets, and other invisible assets as organizational assets, which mean assets relevant to the entire organization.

Assets not recorded in financial statements

Assets recorded in financial statements

* An agreement signed for mutual supply in case of emergency

Human assets

Employees with high levels of expertise related to energy

A cumulative total of 493 holders of class-A chief gas engineer licenses, chief electricity engineer licenses, energy manager licenses and class-A high pressure gas production safety technical manager licenses

* The figure reflects those employed as of the end of December 2024.

Number of group employees

1,466

A low turnover rate

4.1%
(non-consolidated)

Readiness for digital transformation

IT passport holders
510

Physical assets (infrastructure)

Shimizu LNG Sodeshi Terminal, which is capable of handling large LNG vessels

Storage capacity: 337,000 kL

Wide-area pipelines

Pipeline connections to the western part of Shizuoka Prefecture and to the Kanto-Koshinetsu region*
(Tokyo-Niigata-Shizuoka)

Power generation capacity of the Fuji Power Plant

32 thousand kW

Total extension of gas pipelines

4,618 km
(non-consolidated)

Renewable energy supply development capacity

34 thousand kW

Organizational assets

Invisible assets excluding personnel and customers

A sense of mission to maintain the social infrastructure constructed through more than 100 years of history

Established: 1910

A can-do spirit to try the unprecedented

Pursuing world-first and Japan-first initiatives

The Group's overall strengths to address all processes from discovery to solution of local issues

Number of Group companies: 29

Building relationships with local governments as a company supporting the local infrastructure

Agreements signed with 21 local governments

A culture of praising initiatives and achievements

An award program by the president and senior general managers of divisions

Numbers of accounts

City gas	LPG	Electricity
327 thousand units	82 thousand units	97 thousand

Customer assets

Total assets

170.2 billion yen

Net assets

125.5 billion yen

Equity ratio

69.4%

Strong financial base

Ratings
R&I AA- S&P A

Financial assets

* The figures shown above are correct as of the end of December 2024. Those without the term of "non-consolidated" are on a groupwide basis.

OUR VISION

What we seek to be in the future

Amid the major changes in the business circumstances surrounding the Group, in August 2021 we announced our Carbon Neutral Vision 2050 aimed at achieving carbon neutrality in 2050. This was followed by our December 2021 announcement of the Group 2030 Vision, which lays out our management policies and initiatives to be implemented up to 2030. In view of the significant changes in society, we will move forward together with stakeholders towards the realization of a sustainable society and the continued development of local communities.

Contents

18 OUR VISION
19 Business Environment Analysis
20 Shizuoka Gas Group 2030 Vision
21 Desired Business Portfolio and Numerical Targets for 2030
22 Shizuoka Gas Group Carbon Neutral Vision 2050









Business Environment Analysis

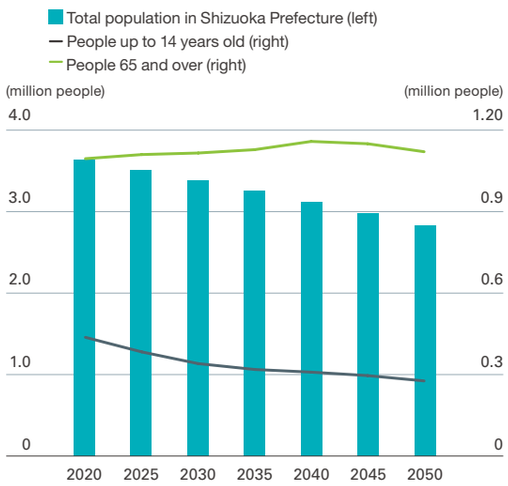
The outlook for the business circumstances surrounding the Group remains uncertain. Our analyses have led us to project that the decrease of the population, falling birthrates, the aging of the population, the transition to carbon neutrality and the progress of digitalization will be major trends.

Population decline/ Falling birthrate and aging population

In Japan, it is expected that the growth of the demand for gas will slow due to the aging and decrease of the population and the falling birthrate.*1 Nearly 50% of the businesses in Shizuoka Prefecture lack successors.*2 The aging of business managers will continue to slowly increase the latent demand for M&A transactions for business succession purposes.

However, we expect economic growth overseas, mainly in Southeast Asia and in India, and energy demand is forecasted to grow*3 in the future.

In Shizuoka Prefecture, the population is aging and decreasing, and the birthrate is falling.



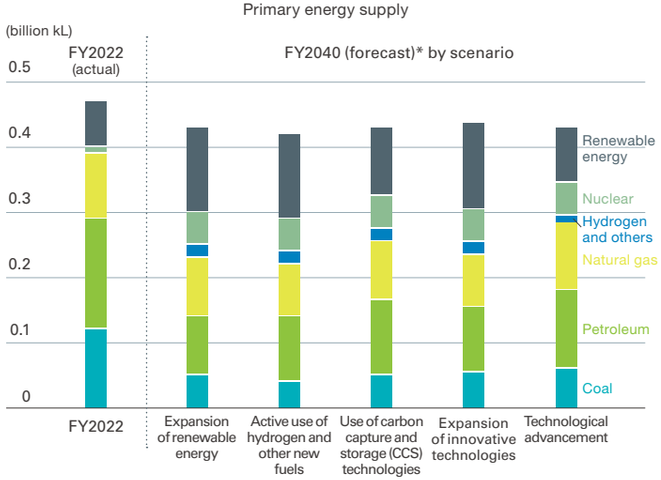
Achieving carbon neutrality

The Japanese government's 7th Strategic Energy Plan*4 defines natural gas as a key energy source not only in the transitional period but after the achievement of carbon neutrality as well. Demand for natural gas will continue to exist due to the transition of fuels away from coal and oil following the introduction of higher efficiency gas systems.

Demand for electricity is expected to increase due to the construction and expansion of data centers and semiconductor plants.*5 The progress in the introduction of solar, wind, biomass and other sources of renewable energy is expected to continue. On the other hand, as the progress in the development of power sources continues, prediction error and the fluctuation of the renewable energy power production volume increases. It is believed that it will be necessary to secure greater capacity to facilitate electricity supply adjustments. In other words, more electricity will be needed for supply-demand adjustments.

Natural gas will remain a key source of energy in FY2040.

Primary energy supply



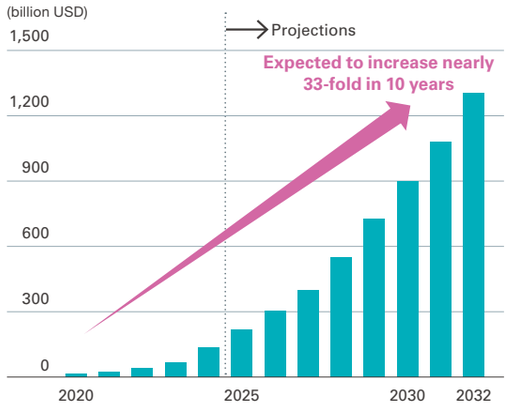
Digitalization

Generative AI*6 and other digital technology innovations facilitate the reform of the structure of industry and bring about new fields of competition beyond the conventional boundaries between industries. It is expected that the fusion of diverse digital technologies will accelerate business model transformation and innovation.

To transform trends in technological innovation into a sustained competitive advantage, it is essential to strategically secure and cultivate personnel with advanced digital skills. In addition, another significant management challenge is the strengthening of our security system that is prepared for cyberattacks which are increasingly advanced and sophisticated.

The generative IT market is expanding at an accelerating rate.

Global generative AI market forecast



*1 National Institute of Population and Social Security Research, Regional Population Projections for Japan 2023
*2 Teikoku Databank, Ltd., Survey on Percentage of Businesses without Successors in Shizuoka Prefecture (2024)
*3 International Energy Agency, Southeast Asia Energy Outlook 2024
*4 Ministry of Economy, Trade and Industry, The 7th Strategic Energy Plan
*5 Organization for Cross-regional Coordination of Transmission Operators, Japan, FY2025 Electricity Demand Forecast for the Entire Nation and Each Regional Service Area
*6 Ministry of Internal Affairs and Communications, "History of development of technologies and effects on economy and society" citing data from Statista (Bloomberg) in Outline of the 2024 White Paper on Information and Communications in Japan







Shizuoka Gas Group 2030 Vision

With a view toward the achievement of our corporate mission, to help solve local issues and establish sustainable local communities, we formulated and established the Group 2030 Vision which was announced in December 2021.

The goal of the Group 2030 Vision is to establish a society in which local customers and businesses are interconnected and collaborate to combine their individual strengths to generate a cycle of new value creation and realize local co-creation.

The local co-creation that the Group envisions is characterized by the construction of a collaboration platform that links the different data possessed by local communities and businesses, local governments and other organizations effectively using this platform to establish various services and create new value. In addition, we seeks to help establish a society where the members of local communities participate in value creation and where everyone can enjoy the new value that is created.

2022-2024
Strengthening our Trusted Brand
Create the value and services that local residents require and enhance the Group's brand

2025-2027
Expanding business domains
Tackle local issues while expanding business domains

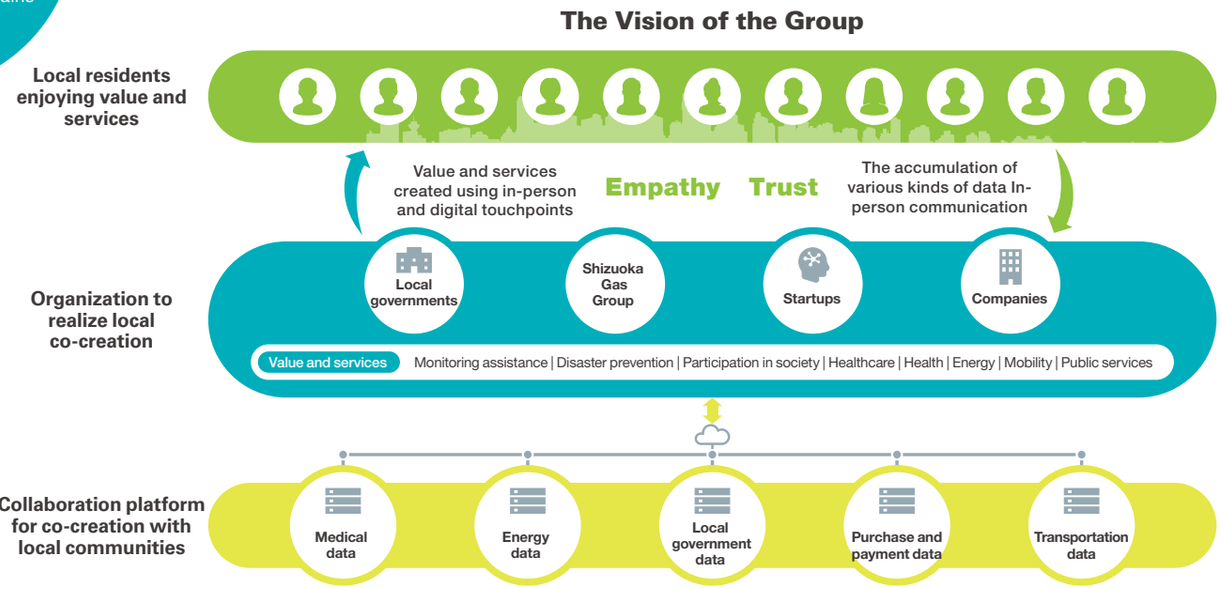
2028-2030
Practicing Co-Creation with New Connections
Create new value and services in collaboration with businesses, local governments and other entities

2030-
Toward the Realization of Local Co-Creation
Create new value and improve the quality of life through local collaboration

2050
Towards the Realization of Sustainable and Livable Communities
Establish sustainable and livable communities aligned with local characteristics after the realization of local co-creation

Shizuoka Gas Group 2030 Vision
A Cycle of New Value Creation Alongside Local Communities

The Vision of the Group

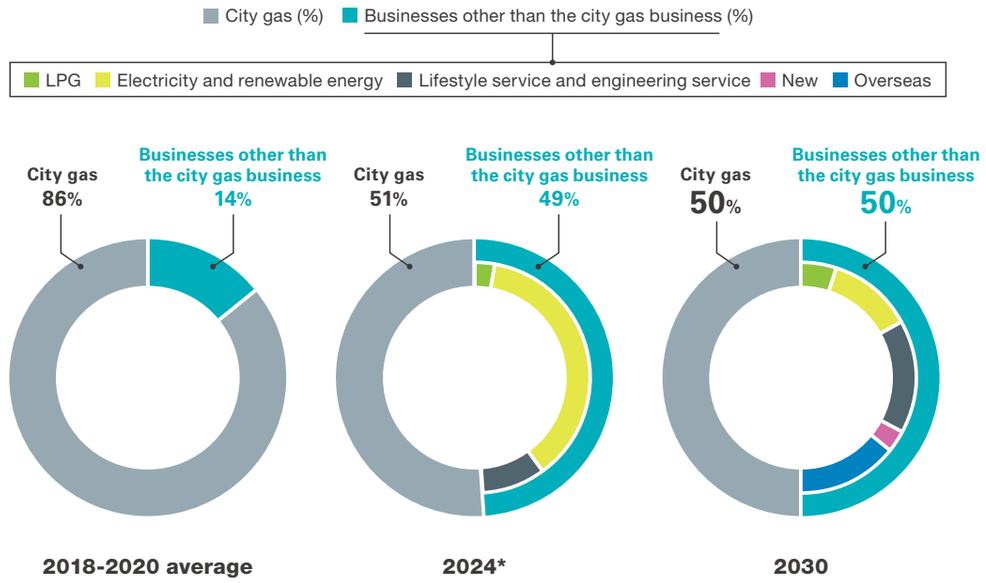


Shizuoka Gas Group 2030 Vision
https://ir.shizuokagas.co.jp/en/company/Strategy.html

Desired Business Portfolio and Numerical Targets for 2030

We aim to establish new growth businesses while achieving the continued growth of the city gas business to ensure that our growing businesses contribute as much to consolidated ordinary profit as the city gas business.

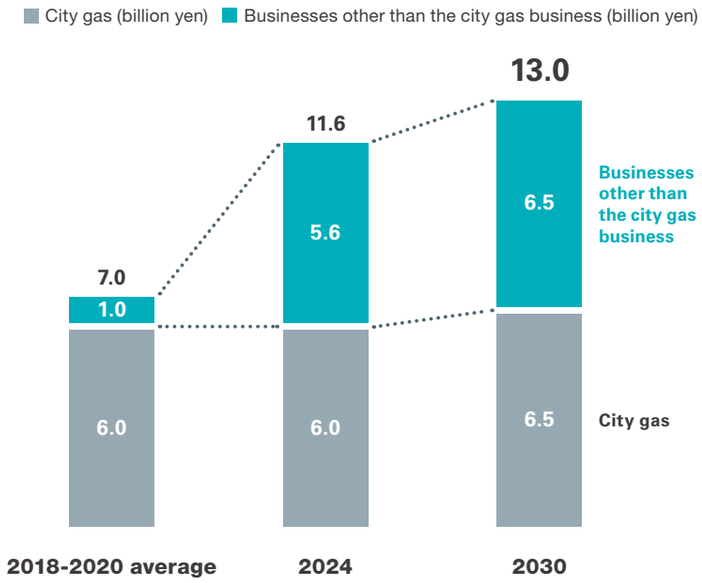
Business portfolio



*The electricity and renewable energy businesses are a high percentage of the business portfolio in 2024 mainly due to an increase in transactions after entering the supply-demand adjustment market.

Ordinary profit (consolidated)*

*Ordinary profit after slide time lag adjustment



While seeking to achieve the continued growth of the city gas business, we will establish new growth businesses, such as the electricity business, the renewable energy business centered on solar and biomass power generation, and overseas businesses operated in Southeast Asia and in India. To support these discrete businesses, we will work intensively on collaborations with other companies, the development of human resources and organizations, digital transformation and other initiatives.

Alliances with other companies, governments, academic and other organizations, capital partnerships, mergers and acquisitions are among the particularly effective methods of accelerating any business, regardless of its industry. We will actively implement these measures while persistently seeking synergy with existing businesses and carrying out post-merger integration (PMI) measures.

Through these activities, we will apply our management resources including human resources and the cash created from the city gas business to the growing sectors of electricity, renewable energy and overseas operations to lay a foundation for our future growth and reform existing fields of business to achieve greater efficiency and faster growth.







Shizuoka Gas Group Carbon Neutral Vision 2050

Shizuoka Gas Group Carbon Neutral Vision 2050
https://ir.shizuokagas.co.jp/en/company/Strategy2050.html

In view of society increasingly demanding global warming control measures in Japan and around the world, we established our Carbon Neutral Vision 2050, which we announced in August 2021. It outlines the Group's medium- and long-term direction and initiatives. Taking advantage of the rich natural environment and well-developed industrial infrastructure in Shizuoka Prefecture, where we operate our core business, we will strive to achieve carbon neutrality in 2050 together with customers and local communities. We will also share our expertise with people around the world, mainly in Southeast Asia, and help solve the problems that individual regions are facing.

What we wish to achieve by 2050

Construction of a smart energy network that uses digital technologies to control local distributed energy systems with a view toward the optimization of four energy sources (city gas, LPG, electricity and hydrogen)

Based on this, we have set three pillars for the achievement of carbon neutrality.

1. **Share information about advanced and economical energy utilization with customers at their sites and throughout entire regions**
2. **Achieve carbon neutral gas and electricity**
3. **CO_2 absorption and utilization**

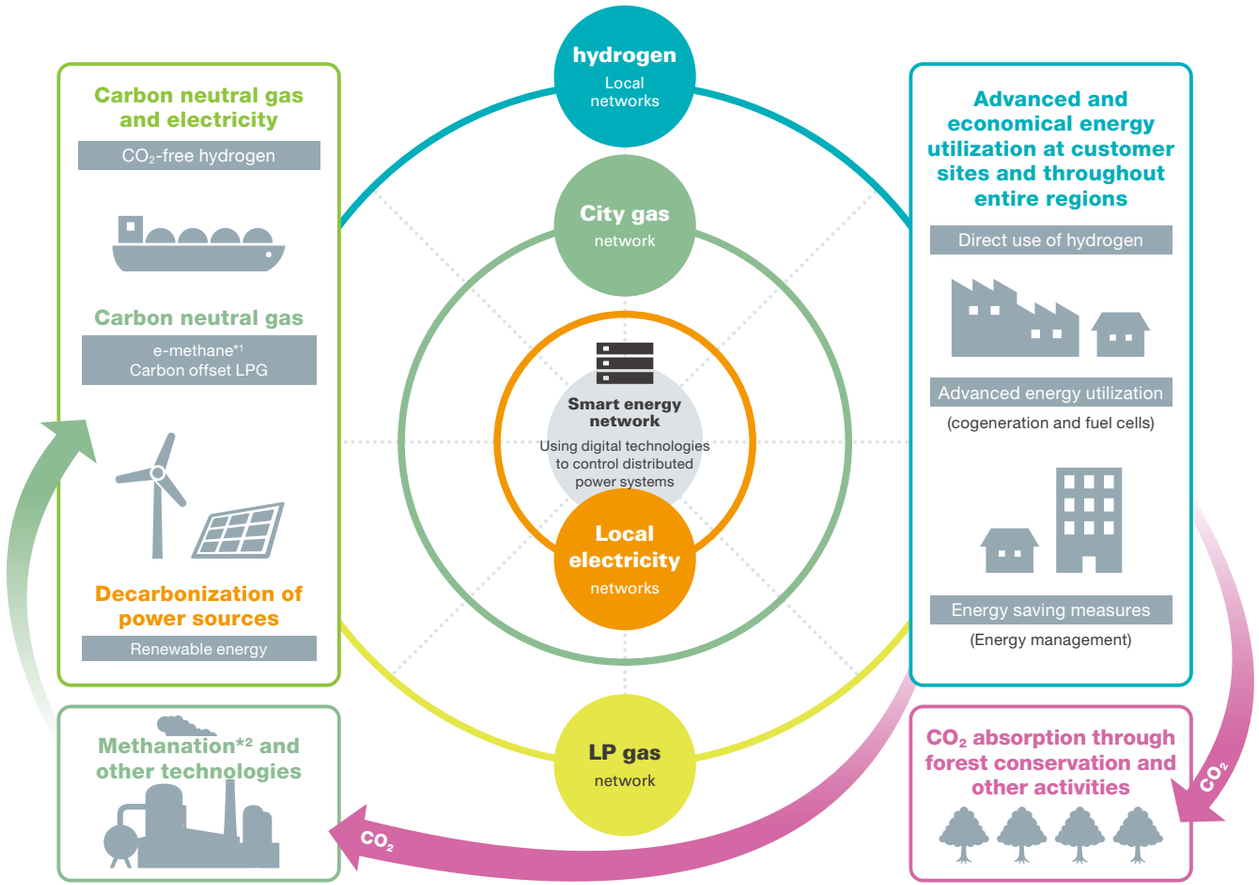
What we wish to achieve by 2030

During the transitional period up to the practical implementation of innovative technologies, it is vital that we strongly reduce CO_2 emissions. To reach the 2 million tons goal for the amount we contribute to CO_2 emissions reductions by 2030, we will carry out the initiatives below.

1. **Encourage the shift to natural gas and the advanced and economical use of energy and construct a model for the local production of energy for local consumption**
2. **Develop renewable energy and procure carbon offset city gas and LP gas**
3. **Capture and use CO_2 at the sites of customers and other parties and facilitate CO_2 absorption through forest conservation and other activities**

The Group's energy businesses in 2050

Optimization of four energy sources



*1 Synthetic methane produced from green hydrogen and other non-fossil energy sources
*2 The process of synthesizing methane from hydrogen and CO_2. Methane is a key raw material for city gas.

05

OUR VISION
Business Environment Analysis
Shizuoka Gas Group 2030 Vision
Desired Business Portfolio and Numerical Targets for 2030
Shizuoka Gas Group Carbon Neutral Vision 2050
CONTENTS

Shizuoka Gas Group 2030 Vision



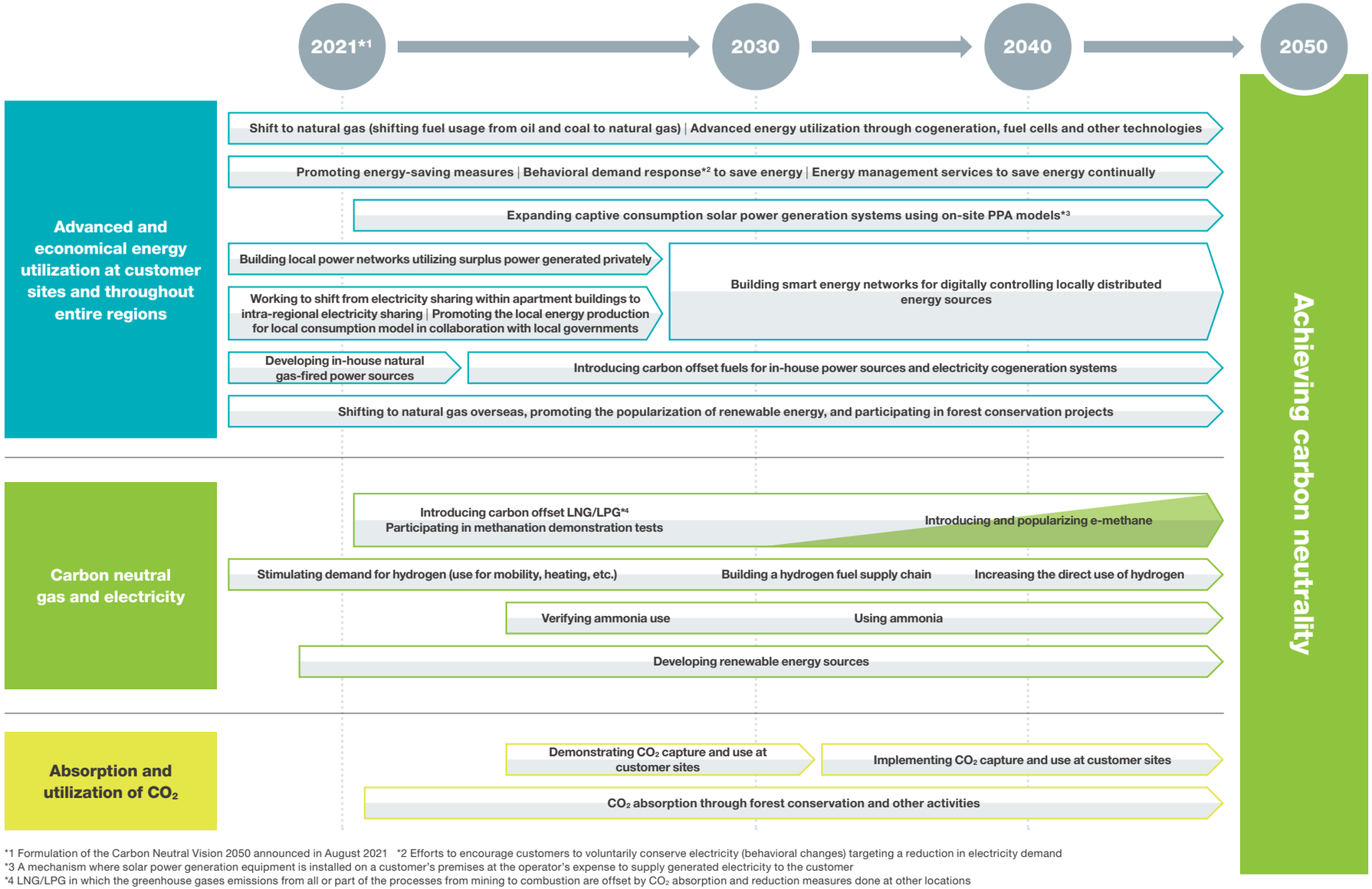
Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Roadmap to Carbon Neutrality



*1 Formulation of the Carbon Neutral Vision 2050 announced in August 2021 *2 Efforts to encourage customers to voluntarily conserve electricity (behavioral changes) targeting a reduction in electricity demand
*3 A mechanism where solar power generation equipment is installed on a customer's premises at the operator's expense to supply generated electricity to the customer
*4 LNG/LPG in which the greenhouse gases emissions from all or part of the processes from mining to combustion are offset by CO_2 absorption and reduction measures done at other locations

05
OUR VISION
Business Environment Analysis
Shizuoka Gas Group 2030 Vision
Desired Business Portfolio and Numerical Targets for 2030
Shizuoka Gas Group Carbon Neutral Vision 2050
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability





OUR STRATEGY

Our strategy for realizing our vision

To realize the Group 2030 Vision, it is important that we build a strategic business portfolio in view of the changes of the times and continuously strengthen our management base, in addition to the implementation of each business. To achieve this, our vision defines financial affairs, business, sustainability, human resources and our brand as principal strategic areas to facilitate the Group's implementation of initiatives in these areas.

Contents

24 Our Strategy

25 Medium-Term Management Plan

27 Financial Strategy

31 Strategies for Individual Businesses

31 Gas and LPG Business

33 Electricity and Renewable Energy Business

35 Lifestyle Services and Engineering Services Business

37 Overseas Business

39 New Challenges (New Businesses)

41 Sustainability Strategy

42 Material Issues

44 TCFD

47 Contributing to Local Communities

50 Initiatives to Ensure Respect for Human Rights

51 Human Resources Strategy

52 Message from the Officer in Charge of Human Resources

53 1 Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges

54 2 Provide programs and an environment to maximize the potential of employees

57 3 Construct a human resources portfolio for business reforms

59 Brand Strategy

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Medium-Term Management Plan

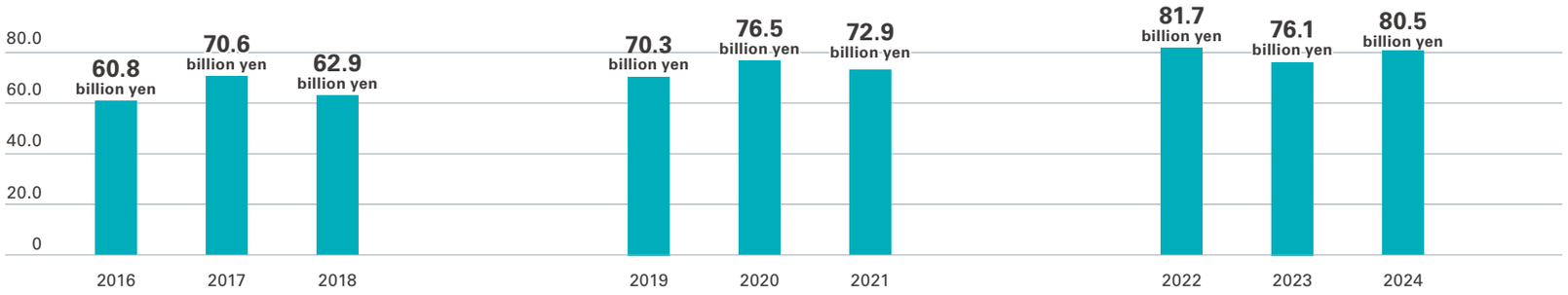
OUR STRATEGY

Past Strategies and Results

For many years, the Group has been centered on the city gas business. Since the full deregulation of the retail electricity market, we have been expanding our electricity and renewable energy businesses as a general energy operator that lives with local communities. Without being confined to gas and electricity services, we are also working to expand services for people's lives to fulfill their needs regarding their lifestyles as well as the needs of society. With a view toward expanding our business domains in the future, we will actively invest and seek business alliances in both existing and new businesses.

	2016–2018	2019–2021	2022–2024
	Establishment of the electricity business and expansion of the core business	**Strengthening of the electricity business and creation of growth businesses**	**Enhancement of the resilience of local communities and establishment of foundations for the expansion of business domains**
Ordinary profit (consolidated)*	**9.8** billion yen (2018)	**16.0** billion yen* (2021)	**11.6** billion yen (2024)
	*Ordinary profit after slide time lag adjustment	*Due to efforts to procure LNG through long-term contracts and reduce LNG procurement on the spot market where prices are inflated	
Achievements	■ Start of electricity sales under the SHIZGAS Denki brand ■ New launch of six different lifestyle services including the Suguikune on-call service and the Sonae-areba-urei-nashi warranty extension service for gas appliances ■ LNG sales using the reshipping equipment at Shimizu LNG Sodeshi Terminal ■ Establishment of a subsidiary in Singapore to further lower LNG procurement prices ■ Participation in the natural gas supply business in Indonesia	■ The number of SHIZGAS Denki subscribers exceeds 50,000. ■ Expansion of the gas-electricity combined service discount ■ Launch of new services in the area of renewable energy for residential use (purchase of surplus power and installation of solar power generation systems at no initial cost) ■ Roll out of nine new lifestyle service options ■ Decision to participate in a biomass power generation project made ■ Participation in natural gas supply businesses in Thailand and in India	■ Completion of anti-quake reinforcement work for Shimizu LNG Sodeshi Terminal ■ Completion of the extension of Shizuoka Gas & Power's Fuji Power Plant ■ Conclusion of groupwide collaboration agreements with the governments of two prefectures, 14 cities, four towns and one village ■ Decision to participate in a grid storage battery project made ■ Two housing-related companies acquired to expand the housing business ■ Enhancement of compliance based on lessons learned from the failure to remove disused pipes

Market capitalization



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability

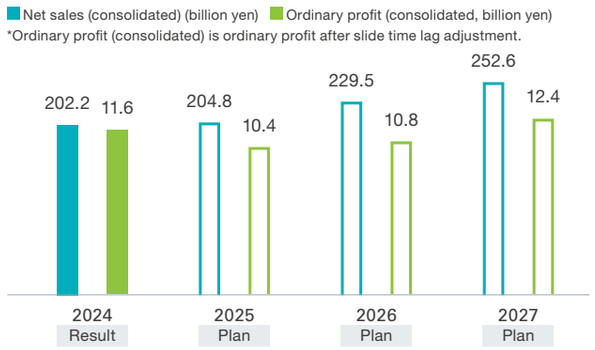


From Strengthening our Trusted Brand to the Expansion of Business Domains

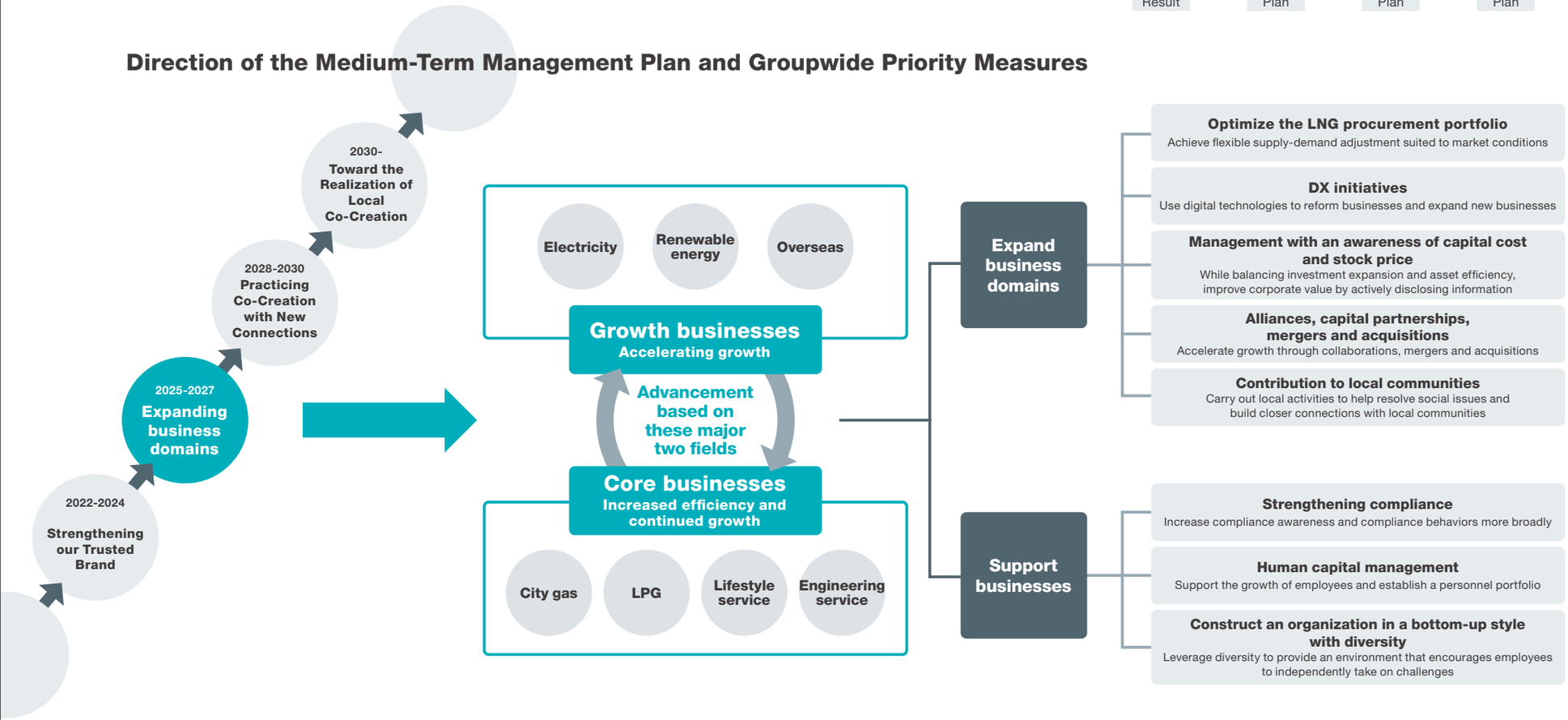
We have determined that the three-year period of 2025-2027 will be the period for fully implementing our Expansion of Business Domains, the step after Strengthening our Trusted Brand, to practice the local co-creation stated in the Group 2030 Vision.

Our core business is maturing, and in it, there are still a large number of areas where growth can be achieved through digital transformation, the reform of processes, collaboration with other companies and other methods. We will seek to both increase efficiency and continue to grow.

Growth businesses will be sources of profit in the future. In them, we will introduce human, monetary and other management resources more actively and increase our collaboration with strategic partners to accelerate their growth.



Direction of the Medium-Term Management Plan and Groupwide Priority Measures



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability





Yasumasa Suguro
Operating Officer, Senior General Manager of Management Strategy Division, and General Manager of Management Planning Department

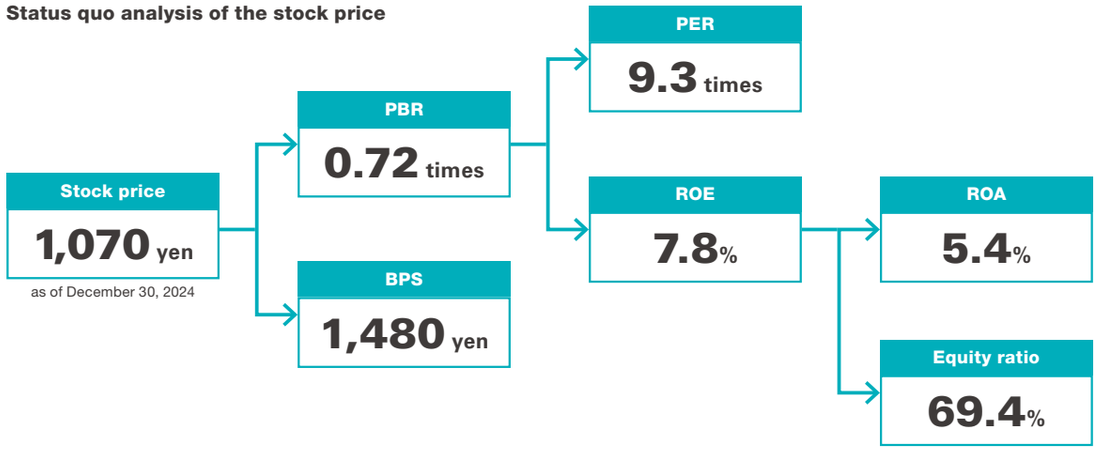
Financial Strategy

OUR STRATEGY

Actions to implement management with awareness of cost of capital and the stock price

Cost of capital management begins with an analysis of the status quo. Since the Group was founded in 1910, we have been working to expand our business centered on the city gas business and other energy supply businesses for more than 100 years. In recent years, however, business environment has been increasingly adverse due to the progress of actions towards the achievement of carbon neutrality by 2050 and competition beyond sectoral and regional boundaries. In this environment, our current price-to-book value ratio (PBR) is below 1. Two indicators that constituting the PBR, specifically, the price to earnings ratio (PER) and return on equity (ROE), have both been consistently low. We need to work to increase both of them. In addition, our equity ratio, which is a component of ROE, is high. This suggests that our financial position is strong, but also that our financial leverage is poor. This is why our understanding is that we should achieve a proper financial balance with a view toward increasing return on assets (ROA).

Status quo analysis of the stock price



PBR Price-to-book value ratio BPS Book-value Per Share PER Price-earnings ratio ROE Return on equity ROA Return on assets

Note: Individual indicators are calculated using the consolidated financial results for FY2024 announced on February 12, 2025.

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



1 Direction of Cost of Capital Management

In our cost of capital management, we will aim to increase the PBR and our corporate value. To do so, we will step up our initiatives to increase efficiency and profitability and enhance our dialogue with the markets so that we meet the expectations of our shareholders and investors. Specifically, we will start by proactively expanding from our conventional business domains centered on energy into lifestyle services, engineering services, renewable energy, overseas business and other domains to achieve growth and increase profit in all of our businesses. We will also concentrate management resources and select where we apply them to optimize our financial balance while increasing investment efficiency, instead of thoughtlessly investing. We will steadily and proactively invest to achieve our profit targets and future growth, and we will clearly present the Group's growth strategy to shareholders and investors to increase our PER.

PBR (Price-to-book value ratio) = **ROE** (Return on equity) × **PER** (Price-earnings ratio)

Issues		Response
ROE	Growth of the individual businesses within the Group	01 Achieve the Group 2030 Vision*
ROE	Optimization of the Group's financial balance	02 Proactively invest for future growth
ROE	Increase of capital efficiency	03 Increase ROA and capital efficiency
		04 Enhance dialogue with shareholders and investors
PER	Valuation by the stock market	05 Enhance shareholder returns

*The Shizuoka Gas Group 2030 Vision
https://ir.shizuokagas.co.jp/en/company/Strategy.html

2 Policy on Initiatives to Increase Corporate Value

Specific actions regarding cost of capital management include the five initiatives mentioned below for increasing profitability and efficiency, achieving an ROE of 8% or higher, increasing the market's valuation of the Group (indicated by the PER) and increasing our corporate value.

Initiatives to Increase Corporate Value

01 Achieve the Group 2030 Vision
We will steadily implement our business plan to achieve the 13 billion yen consolidated ordinary profit target set in the Group 2030 Vision as quickly as possible.

02 Proactively invest for future growth
We will proactively invest in the expansion of our business domains and the growth of our business, and we will concurrently optimize our financial balance.

03 Increase ROA and capital efficiency
We will set return on invested capital (ROIC) targets for each business and manage progress to increase capital efficiency and profitability.
We will reduce cross-shareholdings, dispose of idle assets and conduct other measures to appropriate gains on the sale of assets for investments in growth.

04 Enhance dialogue with shareholders and investors
We will proactively provide information, including non-financial data, and engage in dialogue to facilitate our use of feedback from shareholders and investors in the management of our businesses.

05 Enhance shareholder returns
In view of the requests made by the capital market and our capital composition, we will increase dividends and other forms of shareholder return.

06
OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



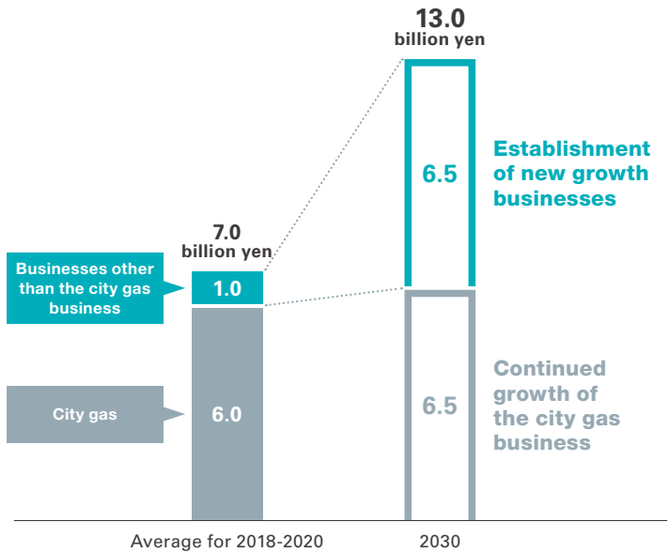
Sustainability



01 Initiatives to Increase Corporate Value — Achieve the Group 2030 Vision

Formulated in December 2021, the Group 2030 Vision set the goal of realizing co-creation with local organizations. It presents the vision that we will pursue, initiatives and numerical targets. The consolidated ordinary profit target for 2030 is 13 billion yen. To achieve it as quickly as possible, we will concentrate our management resources to aid individual divisions in the steady implementation of their own business plans. When we achieve an ordinary profit of 13 billion yen after accomplishing our business plans, the Group's profit margin in the city gas business will be around 50%. In addition to the growth of profit, we will have a robust structure with revenue pillars other than the city gas business, which has traditionally been our core pillar.

Consolidated ordinary profit under the Group 2030 Vision

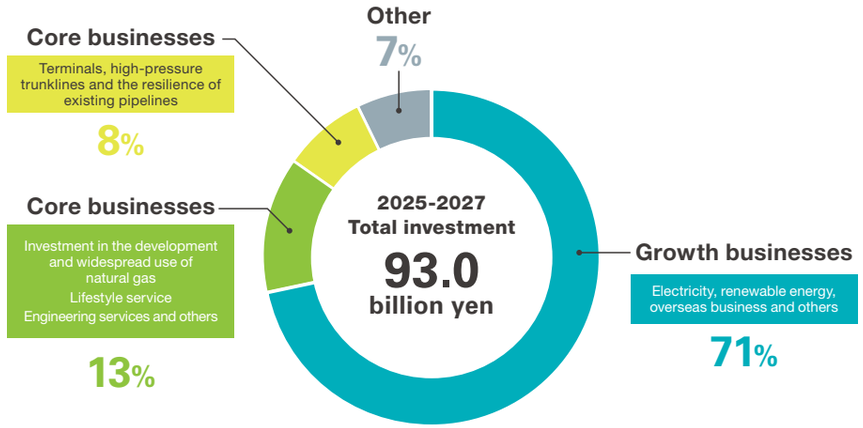


02 Initiatives to Increase Corporate Value — Proactively invest for future growth

With an eye toward future growth, we will proactively invest in the expansion of our business domains. Our investments will be divided into three categories according to the details of the specific investment. The first category is growth businesses (electricity, renewable energy, overseas business and others), the second is core business (investments in the widespread development and use of natural gas, lifestyle services, engineering services and others), and the third is core business (terminals, high-pressure trunklines and the resilience of existing pipelines). Investments are managed based on their category. Looking at these categories, we will accelerate our investment in growth businesses (electricity, renewable energy, overseas business and others) to expand our business domains and increase revenue. In line with the progress of investments, we will procure funds from appropriate outside sources to improve the equity ratio and achieve an appropriate financial balance.

Continued investment in core business and acceleration of investment for growth

Further accelerate investment in electricity, renewable energy, overseas and other growth businesses.
Continue investment in sales activities to expand our core business.



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



03 Initiatives to Increase Corporate Value — Increase ROA and capital efficiency

To increase ROA and capital efficiency, we will set target ROICs for our discrete businesses and manage their progress. Specifically, we will introduce the concept of ROIC trees and combine specific measures for increasing ROIC with working-level activities within the individual divisions to efficiently and effectively increase corporate value.

The divisions will separately conduct activities leveraging the characteristics of their businesses to increase their earning strength in view of asset efficiency.

From the perspective of capital efficiency, we will review cross-shareholdings to reduce them and dispose of idle and other assets to contract our assets. In addition, we will maximize our use of group finance measures, such as our cash management system,* and overdraft and other contracts with outside financial institutions to minimize the working funds on hand and use surplus funds to invest in growth.

*A system for efficiently managing funds within the Group

Businesses subject to management with ROIC

- City gas business
- LPG business
- Electricity business
- Lifestyle services business
- Engineering services business
- Overseas business
- Renewable energy business

04 Initiatives to Increase Corporate Value — Enhance dialogue with shareholders and investors

We will use many different methods to communicate more information, including non-financial data, and to more actively engage in dialogue with shareholders and investors.

We will use the feedback we receive from shareholders and investors in the management of our businesses.

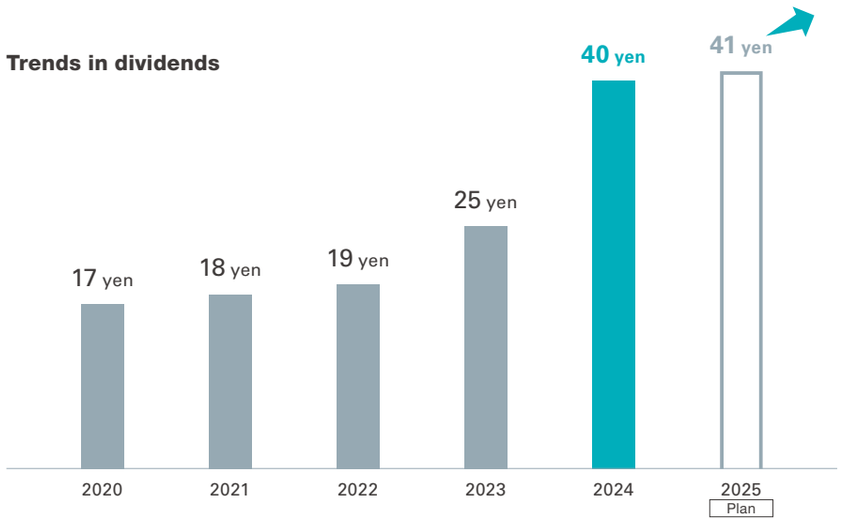


Announcement of financial results for FY2024

05 Initiatives to Increase Corporate Value — Enhance shareholder returns

To increase shareholder return, we have changed our dividend policy twice in the past few years. The most recent change was made in February 2025, when we replaced the previous wording, “continuation of stable dividends,” with “progressive dividends.” One reason for the change was that a review of our dividend records found that we had already been paying progressive dividends. Another was to clarify that we would not change this policy in the future but continue it, without reducing dividends. Previously, we changed the dividend policy in February 2024. At that time, we added a payout ratio target of 30% to clarify our policy regarding profit allocation by indicating the target level for our payout ratio. As a result of these revisions, our shareholder return policy expressly states that we will pay progressive dividends with a payout ratio of 30%. We will continue to increase shareholder returns in the form of special benefits for shareholders and dividends in consideration of the requests of shareholders and investors and our capital composition. In so doing, we will endeavor to increase our corporate value.

Trends in dividends



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Strategies for Individual Businesses

OUR STRATEGY

With a view toward the realization of local co-creation activities and sustainable and livable communities as stated in the Group 2030 Vision, the Group is pursuing strategic initiatives in each of its five defined pillars: its gas and LPG business, electricity and renewable energy business, lifestyle services and engineering services business, overseas business and new challenges (new businesses).

Strategies for Individual Businesses

Gas and LPG Business

Putting safety and security first, we will endeavor to ensure security and to diversify our raw materials suppliers and methods of supply-demand adjustment to achieve stable supply. In addition, we will work to make natural gas more widely used and to expand our customer base. We will also encourage advanced and economical energy utilization in a bid to accelerate decarbonization and progress towards carbon neutrality together with customers.

What We Aim to Achieve by 2030

Accelerate the fuel transition and the advanced utilization of energy

We will continue to invest in resilient gas manufacturing and supply equipment to achieve security and establish an LNG procurement portfolio able to handle future uncertainties including price fluctuation risks in the LNG market and the fluctuation of demand for city gas. We will work to make city gas more widely used and to expand our customer base. Additionally, we will propose decarbonization measures implemented by transitioning to new fuels and high efficiency air conditioning and cogeneration systems to achieve the advanced and economical utilization of energy. We will also visualize energy consumption and greenhouse gas (GHG) emissions and sell carbon offset city gas. Through all these actions, we will help customers achieve carbon neutrality. In the LPG business, we will step up our efforts to gain customers in the detached housing area and transactions to acquire dealers and expand our business.

Use of city gas and LPG	2024 results	2030 (vision)
Households using city gas (consolidated)	326 thousand units	318 thousand units
City gas sales volume (consolidated)	1,582 million m³	1,618 million m³
Households using LPG (consolidated)	82 thousand units	128 thousand units
LPG sales volume (consolidated)	55 thousand tons	70 thousand tons

Strategies and measures

Advancement for carbon neutrality

For residential use

Fuel conversion
- Step up sales activities in areas served by affiliated companies

Reenforce ENE-FARM sales activities
- Increase proposal activities during both the new construction and renovation of buildings

For commercial or industrial use

Fuel conversion
- Switch from coal, heavy oil and other fuels to natural gas to reduce carbon emissions

Encourage the advanced and economical utilization of energy
- Propose high efficiency air conditioning and cogeneration systems

Help customers with actions to achieve carbon neutrality
- Provide carbon offset city gas and GHG emissions calculation tools and consider conducting hydrogen-related verification and others

Technology development

Develop methanation technologies together with industry associations, academic institutions and others

Safety and security

Diversify the Group's raw materials suppliers and supply-demand adjustment methods to increase supply stability

Continue to invest in resilient gas manufacturing and supply equipment

Reduce the LNG purchase price
- Revise prices in long-term contracts (in collaboration with Singapore-based SHIZUOKA GAS TRADING PTE. LTD.)

Help solve issues facing regional LPG dealers

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Past Achievements

Raw material procurement

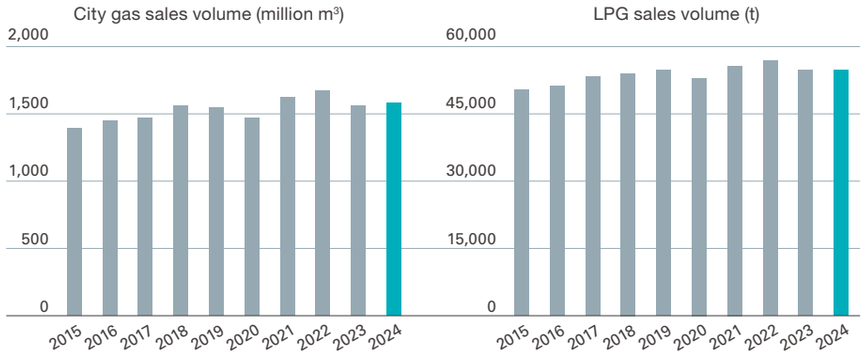
Since we introduced LNG as a raw material of city gas in 1996, we have sought an optimal raw material procurement portfolio, mainly by procuring LNG from many different suppliers and revising prices in long-term contracts. To adapt to the LNG supply-demand situation and market conditions which change every day, we swiftly and flexibly optimize our supply-demand balance through the activities of SHIZUOKA GAS TRADING PTE. LTD., a subsidiary in Singapore, and the utilization of LNG reshipping equipment and other equipment at Shimizu LNG Sodeshi Terminal.



Supplier countries and procurement volumes in FY2024 (metric tons)

Malaysia	Australia	Papua New Guinea	Oman	Total procurement volume
649,530	260,786	210,473	60,255	**1,181,044**

City gas and LPG sales volume trends (in the past ten years)

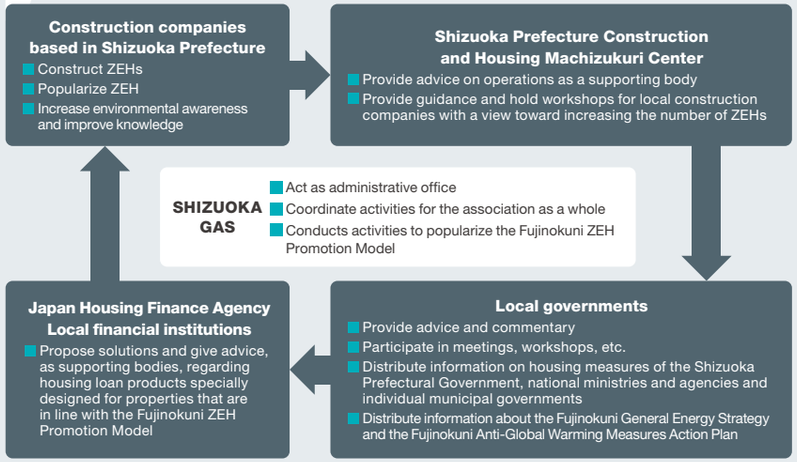


SHIZUOKA Kankyo Mirai-no-Kai

Following the 2050 Carbon Neutral Declaration in October 2020, we jointly established the Shizuoka Kankyo Mirai-no-Kai with construction companies based in Shizuoka Prefecture in July 2021.

SHIZUOKA GAS Co., Ltd., acts as an administrative office for the association, which has four objectives below. We contribute to the achievement of these objectives.

- **Increase the environmental awareness of construction companies in Shizuoka Prefecture**
- **Improve and share knowledge about the future of the environment**
- **In the areas of energy and the economy, encourage production in Shizuoka for consumption in Shizuoka**
- **Increase the percentage of houses in Shizuoka Prefecture that are net zero energy houses (ZEHs)**







Workshops and tours are held to achieve the objectives of the SHIZUOKA Kankyo Mirai-no-Kai.

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Strategies for Individual Businesses

Electricity and Renewable Energy Business

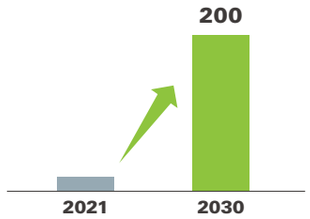
The Group launched its electricity business under the concept of the local production and consumption of electricity. We operate an electricity retail business that stably supplies electricity to customers. We will develop renewable energy and other sources of electricity in Japan and achieve the local production of electricity for local consumption using local resources to achieve carbon neutrality.

What We Aim to Achieve by 2030

Achieve a total capacity of 200,000 kW of developed renewable sources of electricity as of the end of 2030

We will develop renewable sources of energy with a focus on solar and biomass power generation to achieve the targeted 200,000 kW capacity by the end of 2030. We will actively develop renewable sources of energy using local resources, such as agricultural solar power generation systems installed on abandoned farmland or on farmland that is being farmed and biomass power generation systems using unused materials.

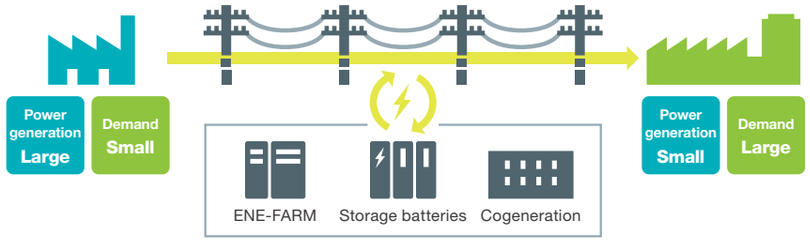
Developed renewable energy capacity (thousand kW)



Initiatives for the local production and consumption of electricity

We will make good use of the power generated at the Fuji Power Plant and the surplus power generated independently at local factories. We will also carry out initiatives including the maximal introduction of renewable energy by using storage batteries and connecting to distributed power sources and the improvement of the resilience of the power supply chain to reinforce the local production and consumption of electricity.

Power sharing via transmission networks to maximize renewable energy



Strategies and measures

Towards a total developed renewable energy capacity of 200,000 kW

- Accelerate development without depending on the FIT scheme assuming that solar power generation systems will be included in our in-house sources of electricity.
- Develop sources of renewable energy through co-creation activities with local organizations and people using local unused biomass, biogas and other sources of energy
- Work to develop wind, small hydroelectric and other sources of renewable energy
- Increase the adjustment capacity of our in-house power generation equipment, storage batteries and other equipment to smooth the output fluctuations of renewable sources of energy



A high voltage solar power plant in the northern Kanto region (began operating in July 2024)

Towards the local production and consumption of electricity

- Increase the introduction of cogeneration systems, ENE-FARM, solar cells, storage batteries, electric vehicles and other energy resources to customers
- Ensure sufficient adjustment capacity using the Fuji Power Plant, storage batteries for power grids, storage batteries for solar power systems and other in-house assets
- Manage energy to maximize the use of this equipment in line with the local power supply and demand situation
- Expand demand response services that encourage customers to change their behaviors



Shizuoka Gas & Power's Fuji Power Plant

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



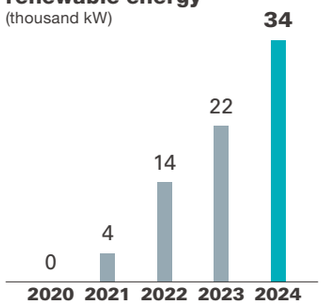
Past Achievements

Development of Renewable Energy Power Sources

We began to develop solar power plants in 2020. In the following year, we invested in Chokaiminami Biomass Power Co., Ltd., our first participation in the biomass power generation business. In 2023, our agricultural solar power plant began operating in Fukuroi City. In 2024, our biomass power plant using 100% made-in-Japan materials began operating in the same city. As of the end of 2024, our total solar and biomass power generation capacity is 34,000 kW.

Development of sources of renewable energy

(thousand kW)





Fukuroi City Okazaki Agricultural Solar Power Plant (Shizuoka Prefecture) (Opened in May 2023)



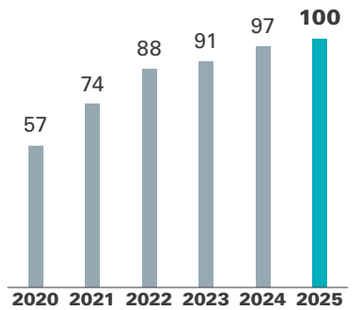
Enshu Forest Energy Power Plant (Shizuoka Prefecture) (Operation commenced in November 2024)

Electricity Retail

Following the full liberalization of the electricity retail market in April 2016, we began retailing electricity under the SHIZGAS Denki brand. We have since steadily increased the number of people subscribed to it. We carried out initiatives including ①encouraging the local production and consumption of energy using surplus power from local cogeneration systems, ②encouraging effective power consumption through energy efficiency checks, demand response services and other activities, and ③selling zero-CO_2-emissions power. As a result, the number of households using Shizgas Denki exceeded 100,000 in April 2025.

Electricity retail business trend

Households using Shizgas Denki (in thousands)



* The 2025 figure is as of the end of April 2025.

Introduction of Storage Batteries for Power Grids

Amid the acceleration of the introduction of solar, wind and other renewable electricity generation equipment towards the realization of a carbon-neutral society, storage batteries for power grids are of increasing significance as a source of capacity for power supply-demand adjustments, given that the volume of renewable electricity generated varies significantly depending on the weather. The Group decided to launch a power grid storage battery business to increase its own adjustment capacity and help stably supply electricity and continuously increase the popularity of renewable energy. We were selected as an operator entitled to FY2024 subsidies for projects expanding the introduction of renewable energy and supporting the introduction of storage batteries for power grids and other power storage systems. We are working to start in FY2025 work on the installation of storage batteries for power grids on the premises of our Shizuoka branch (in Ikeda, Suruga-ku, Shizuoka City) with the goal of beginning operations in FY2027.



Outline of the storage batteries to be installed	Location	28 Ikeda, Suruga-ku, Shizuoka City, Shizuoka Prefecture (on the premises of the Shizuoka branch of SHIZUOKA GAS Co., Ltd.)
	Storage battery type	Lithium ion batteries
	Output	13,000 kW
	Capacity	46,900kWh

01 INTRODUCTION
02 TOP MESSAGE
03 SPECIAL FEATURE
04 HOW WE CREATE VALUE
05 OUR VISION
06 OUR STRATEGY
07 CORPORATE GOVERNANCE

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Strategies for Individual Businesses

Lifestyle Services and Engineering Services Business

People working in the lifestyle services and engineering services business regularly visit customers to listen to their problems and offer services and solutions in line with their needs. Taking advantage of the in-person touchpoints of locally based services and digital touchpoints based on information technologies, we will work to expand our business domains based on our expertise mainly in the field of energy.

What We Aim to Achieve by 2030

Lifestyle service

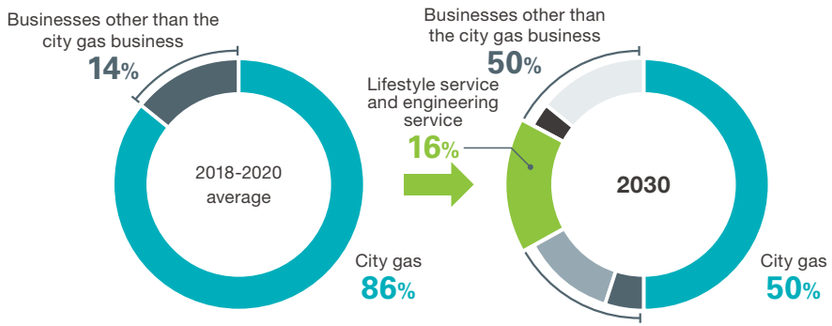
With a view toward maximizing customer experience value, we will accumulate and analyze customer data and provide services in line with the needs of individual customers and their life stages using in-person and digital touchpoints. In addition to our mainstay services related to housing equipment, we will cultivate new business domains that will support the comfort of people and their achievement of fulfilling lives through mergers, acquisitions, business partnership and other methods to improve customers' quality of life.

Engineering service

Based on the trust we've earned from customers through our existing businesses, we will expand cogeneration and IoT-based energy services to push ahead with energy saving and the reduction of CO_2 emissions.

We will also actively address the expansion of our business domains, including the maintenance of solar power generation systems. With our engineering services that resolve customers' problems, we will help them with the continued growth of their businesses.

Business portfolio (on an ordinary profit basis)



Strategies and measures

Expansion of the housing business

- **Focus on the growth of the housing domain (renovation, new houses, real estate, home appliances and housing equipment), which is the mainstay area of the lifestyle services business**
- **In the field of housing, carry out initiatives to widen the array of products and services meeting the needs of customers, such as short-term one-day renovation services while cultivating personnel to improve the quality of proposals presented to customers, aiming to expand service areas and to conduct visiting sales through outside channels, with a view toward the continued growth of revenue**
- **Additionally, engage in M&A transitions to respond better to customers' housing needs, including real estate and new house needs, and to propose solutions in line with the lifecycles of their housing.**



We offer a lifestyle service platform to our customers and accumulate and analyze data using our findings from in-person touchpoints.

Carbon neutrality initiatives to expand business

We will earn the trust of customers by ensuring the stable supply of natural gas and LPG through our existing business involving plant and piping work, fuel transition work and the maintenance and replacement of equipment. In parallel with this, we will implement the three initiatives below to expand our business.

Energy services

Provide one-stop services covering engineering, procurement and construction (EPC), operation and maintenance (O&M) and financing for cogeneration systems, boilers and other equipment.

Increase the efficiency of entire facilities and plant equipment and support the reduction of energy usage and labor

Work not only on the energy-saving capabilities of standalone equipment but also the improvement of efficiency and the reduction of energy usage and labor throughout facilities or for specific factory equipment, including utility and production equipment, using IoT, digital transformation and other technologies.

Contribute to the stable utilization of renewable energy

Ensure solar, biomass and other power generation equipment can be used stably for the long term through EPC and O&M services Operate a solar panel recycling business to help establish a circular society

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Past Achievements

Lifestyle service

We have endeavored to enhance our lifestyle services to increase convenience and provide comfortable living environments. In addition to energy-based services, we offer renovation and other services related to housing equipment to customers who do not use city gas. To be chosen by customers in the future, we will continue to improve our services to increase customer satisfaction and create new value.



The free house checkup clarifies the current state of houses.



The e-Paint painting service with a long-term warranty



Purchasing products made in Shizuoka Prefecture at low prices helps reduce food loss.

Engineering service

We leveraged our engineering strengths to support gas-related infrastructure such as gas manufacturing plants, gas pipelines and LPG supply equipment and help ensure the stable supply of energy. Regarding energy consumption, we propose high value-added energy services including the introduction of cogeneration systems and high-efficiency air conditioners and energy saving checkups to enhance efficiency and encourage advanced energy utilization.


Gas engine installation ①


Gas engine installation ②


Trial operation of the gas engine

Special Feature

Lifestyle service

Acquisition of two companies that have strengths in the areas of real estate, new houses and the resale of existing houses to meet housing needs

The Group acquired the companies to meet customers' wide-ranging housing needs. We will provide better services closely connected to the lifecycles of our customers' houses, ranging from leasing services to real estate, new houses, renovation and the resale of empty and other houses.

2022

新築 リフォーム 不動産 株式会社 甲静ハウジング

Kousei Housing Co., Ltd.
A partner in housing that serves customers close to it with the motto, "After building rather than before building."

2024

あなたの空き家を資産にかえる 空き家買取専科

Sweets Investment Co., Ltd.
An operator dedicated to purchasing empty houses, renovating them and reselling them for their use by the next generation

Engineering service

Replacing TENTOK CORPORATION's cogeneration system through our energy service

TENTOK CORPORATION is a large customer of ours that introduced a cogeneration system through our energy services in 2004.

TENTOK CORPORATION regarded the system as key equipment in its production activities, and it praised the structure of the Group's business. It decided to replace the system through our energy services. We will continue to propose energy services that can address problems that our customers are facing, such as the labor shortage and issues regarding large capital investments. The Group will expand its energy services with a view toward realizing the Group 2030 Vision.



The head office of TENTOK CORPORATION

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Strategies for Individual Businesses

Overseas Business

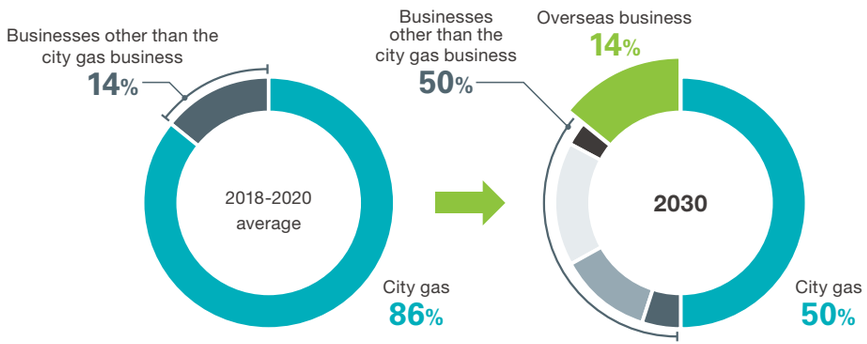
We will expand natural gas-related, renewable energy and similar businesses chiefly in Southeast Asia and South Asia, where energy demand is expected to grow at remarkable rates, to support economic growth and the realization of a low-carbon society. In addition to its core business in Japan, the Group will establish its overseas business as a pillar of continued growth to construct a more robust and sustainable global energy supply system.

What We Aim to Achieve by 2030

Establish the overseas business as a new growth engine and develop it into a major source of revenue

The Group will work to expand not only its business in Japan, which is our core business, but also energy and other businesses outside the country to achieve medium- and long-term growth. We will work mainly in Asian countries where energy demand is projected to surge following their economic and population growth in the future and take advantage of the technologies and expertise cultivated in the Group's gas businesses in Japan to push forward with advanced energy utilization and achieve the expansion of our business. In the current environment, lower-carbon energy is in demand around the world, and we will develop renewable energy businesses suited to the characteristics of individual regions outside Japan to help achieve sustainable regional communities aiming to achieve the continued growth of our business. Outside Japan as well, we will establish a track record in energy supply and carbon reduction. In doing this, we will expand our business domains and develop our overseas business into a revenue pillar.

Business portfolio (on an ordinary profit basis)



Strategies and measures

Actively leverage partnerships to develop businesses and expand business areas

Effectively use overseas business bases and build closer partnerships to develop businesses

With a view toward the growth of the overseas business, we established local subsidiaries in India and in the United States to set up bases for activities. Through these activities we are flexibly developing businesses in each business area. Since the early stages of our overseas expansion, we have been working to form partnerships with local companies. We will operate energy businesses that are aligned with local needs to achieve the continued expansion of our business.

Provide sales and engineering support to aid business operations

We have set up sales and engineering support teams to apply our strong technologies in the popularization of natural gas in the overseas business. We will provide our partner companies with sales and engineering support to accelerate the growth of business and achieve a sustained increase of revenue.

Steadily invest in recurring revenue businesses and develop value chain businesses with high growth potential

We will steadily invest in the power generation business we are already participating in and other recurring revenue businesses to stabilize revenue. In addition, we will construct a natural gas value chain business that is expected to have high growth potential. We will establish a business portfolio that is both stable and profitable.

Accumulate and utilize know-how in the overseas business to expand business

We will accumulate know-how by gaining experience in independent power producer (IPP) businesses and renewable energy businesses outside Japan, in addition to our strong natural gas-related businesses. We will actively leverage this know-how to increase the efficiency of business development and horizontally apply it in other businesses the Group is engaged in.

Work to expand business areas

We are convinced that steadily establishing a track record and knowledge in overseas businesses and accelerating our establishment and strengthening of relationships with business partners will create new businesses and business opportunities in new areas. When we are presented with these opportunities, we will actively work to further expand our business areas.

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision
Shizuoka Gas Group Carbon Neutral Vision 2050
Sustainability

Past Achievements

Indonesia 2017-

Embarking on business in Indonesia, we formed a business alliance with and invested in PT Mitra Energi Persada (MEP), a local company engaged in the expansion of sales of industrial gas mainly in South Sumatra.

Thailand 2021-

We jointly established VNET SG Power (VSP) with local company VNET Power to enter the business of generating solar power for universities.

We jointly established Thai-Japan Gas Network Company Limited (TJN) with local company Scan Inter, launching an industrial natural gas distribution business.

India 2021-

We invested in local company IRM Energy Limited (IRM) to form a business alliance in the natural gas distribution business, mainly for industrial use.

To participate in the biogas business, we invested in Farm Gas Private Limited, which produces and sells biogas in India.

We established a local subsidiary named SHIZUOKA GAS INDIA PRIVATE LIMITED.

Vietnam 2024-

We participated in a business operating a 50 MW-class mega solar power plant, through the investment in My son-Hoan Loc Viet Solar Energy JSC, a local company engaged in the management and operation of a solar power plant.

United States 2025-

We acquired an interest in the shale gas development project in the Eagle Ford Formation and other areas in the U.S. State of Texas to take part in the upstream portion of the natural gas business in North America.

We established a local subsidiary named SHIZUOKA GAS AMERICA CO.



Indonesia
Natural gas distribution business:
Business alliance with MEP since 2017



Thailand
Solar power generation business:
VSP established in 2021



Thailand
Natural gas and LNG distribution business:
TJN established in 2021



India
Natural gas distribution business:
Business alliance with IRM since 2021

SPECIAL

Participation in Solar Power Generation Business in Vietnam November 2024

By investing in My son-Hoan Loc Viet Solar Energy JSC, an affiliate of Vietnam-based Hoan Loc Viet Joint Stock Company (HLV), we began participating in a mega solar power generation business at the Myson Power Plant in the Vietnamese province of Ninh Thuan, which has a capacity of approximate 50 MW. Demand for electricity is rising in Vietnam as it is growing economically. Power generation infrastructure construction has not kept up with the increase in demand and the chronic shortage of electricity is a problem that society is facing. In alliance with HLV, we will work to resolve the power shortage and develop renewable energy in Vietnam to help the country continue its economic growth.



The Myson Power Plant



The contract signing ceremony with HLV

Establishment of Subsidiary in India December 2024

To accelerate the actions to address the increasing demand for energy and reduce carbon emissions as the economy and population of India grow, we established a local subsidiary named SHIZUOKA GAS INDIA PRIVATE LIMITED.

We will more flexibly and promptly cultivate energy businesses and build closer relationships with the local companies we invest in to facilitate the broader use of natural gas and renewable energy.



Employees of SHIZUOKA GAS INDIA

01 INTRODUCTION
02 TOP MESSAGE
03 SPECIAL FEATURE
04 HOW WE CREATE VALUE
05 OUR VISION
06 OUR STRATEGY
07 CORPORATE GOVERNANCE

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Strategies for Individual Businesses

New Challenges (New Businesses)

We will contribute to the establishment of sustainable local communities by developing future-oriented new businesses using our own assets to solve issues faced by local communities or using advanced technologies.

What We Aim to Achieve by 2030

Utilizing our assets to create new growth businesses

Through dialogue with local stakeholders, we will focus on currently emerging local issues with the goal of creating new growth businesses that will help resolve local issues by considering the possibilities of using our assets to engage in co-creation with local stakeholders.

Create new businesses based on utilizing advanced technologies and social issues looking ten years into the future

From a long-term perspective, we will search for digital technologies and other advanced seeds of businesses that will help resolve issues that are possibly impacting local communities and broader society with the goal of creating the beginnings of new businesses that will help realize sustainable local communities.



An exchange meeting for young staff members of The Shizuoka Bank, Ltd, SHIZUOKA GAS Co., Ltd. and HIRAC FUND (Money Forward Venture Partners, Inc.) was held.

Strategies and measures

Using our assets

We will pay attention to currently emerging problems facing local communities and broader society and consider potential ways to utilize our own assets as detailed below.

- **Utilization of tangible and intangible assets including LNG terminals, pipeline network infrastructure and expertise in the maintenance and management of these facilities**
- **Utilization of the customer base that we have cultivated (in-person touchpoints)**



Remote monitoring system for major gas pipelines



Routine visit

Developing new businesses to resolve future issues that local communities and broader society will face

We will leverage venture capital investments to gather information about advanced technologies and business models and gain deeper knowledge about the implementation of new businesses by sending personnel to companies we have invested in. We will do this to develop in-house personnel and to construct a structure for the development of new businesses. In addition, we will search actively for start-ups that are highly aligned with the Group's businesses and strive to quickly develop new businesses in collaboration with them.

HIRAC FUND　INCUBATEFUND　DUAL BRIDGE CAPITAL

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Past Achievements

Participation in Water Mains Project in Shizuoka City

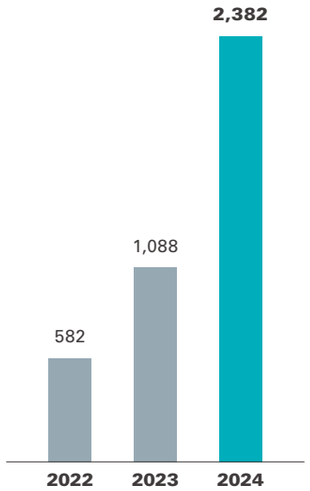
Water pipes were rapidly installed in and after the period pf rapid economic growth in Japan from the 1950s to the 1970s. They are now being replaced with new pipes, but the decrease in work capacity due to the aging of the population and the labor shortage is apparent. The gap between the workforce in the waterworks industry and the volume of work orders planned by the government is expected to expand every year.

In response to this issue impacting local communities, we have been submitting bids on projects to replace the aging water mains in Shizuoka City since May 2021. As of the end of 2024, we have implemented eight projects.

Utilizing the underground pipe installation capabilities the Group has cultivated in its gas business, we will share our work technologies with water suppliers to improve underground pipe installation technologies.

Through our involvement in these projects, we will help strengthen local utility supply lines and build disaster-resilient communities together with local stakeholders.

Cumulative total length of the aging water mains that have been replaced (m)







Above
Internal safety patrol

Below
Replacement of a water main

Trial Implementation of Land-Based Aquaculture

With an eye toward operating a business related to the future of our food supply system that will help resolve the protein crisis, we have been conducting land-based aquaculture on a trial basis since June 2024.

Important in controlling water temperatures, the introduction of energy-saving technologies is one key factor to the success of land-based aquaculture businesses. Using the know-how we have accumulated as an energy operator, we will work to stably produce cultured fish at a low price and construct a supply system.

This is the first time in Shizuoka Prefecture that a standardized small-sized distributed closed circulation-type land-based aquaculture system has been installed. Currently, we are culturing a hybrid species known in Japan as kuetama and Caulerpa lentillifera algae (commonly known as umibudo in Japan). It is expected that shipping will begin around summer 2025.

In this trial, we will supply cultured fish to local supermarkets and restaurants to understand local needs and problems with operations in order to explore the possibility of expanding the business in the future.



Release of young kuetama fish



Young kuetama fish

Characteristics of land-based aquaculture

It is easier to control the culturing environment such as the water temperature, the oxygen level and the pH level than in sea surface aquaculture, in which marine products are cultured in cages in the sea.

This closed-circulation system* is characterized by its filtering, sterilization and circulation of the water it reuses. The risk of parasites and disease-causing germs is low. The system effectively uses water resources and controls environmental impact, so it can safely and stably produce marine products.

*A land-based aquaculture system provided by ARK Inc. that requires no complicated construction or work. It can be installed in a space that is approximately 10m².

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability





SUSTAINABILITY

Contents

41 **Sustainability strategy**
42 Material Issues
44 TCFD
47 Contributing to Local Communities
50 Initiatives to Ensure Respect for Human Rights

Sustainability Strategy

OUR STRATEGY

Basic Policy

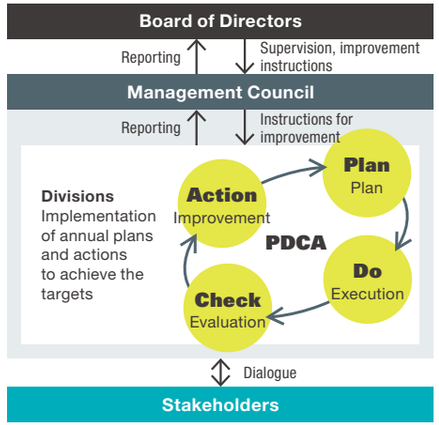
We, the Shizuoka Gas Group, have been conducting various business activities since our foundation in 1910 to help conserve the global environment and develop local communities. We will continue to practice our corporate philosophy, "We pursue a prosperous and sustainable future through the collective strengths of our energy experts." In doing this, we will help realize a sustainable society as we aim to continually increase our corporate value.



- We conduct business activities working closely with customers and local communities to resolve social issues.
- We manage our company in a fair and transparent way to ensure that we remain a company that is trusted by society and its stakeholders.
- We engage in a dialogue with our stakeholders to work with them to realize a sustainable society.

Implementation Structure

The Group has established the Management Council, which is composed of operating officers. It discusses and make decisions regarding the management of the Group as a whole. Its deliberations facilitate our continuous implementation of sustainability initiatives. To support these initiatives, the Board of Directors receives reports on the initiatives and their progress and discusses how to improve the effectiveness of the initiatives. Individual divisions learn from the comments they receive via the dialogue with stakeholders, and they use this in the implementation of the PDCA cycle as they strive to fulfill their targets for the fiscal year.



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



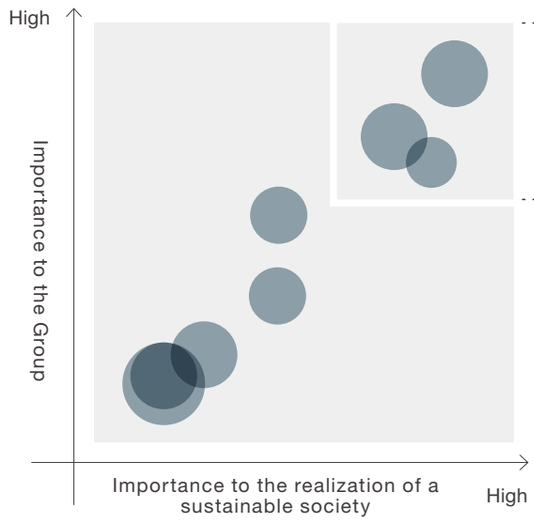
Material Issues

Perspective for the Identification of Material Issues

The Group identifies material issues based on its basic policy to help realize a sustainable society through its business activities.

We consider the Corporate Philosophy, the Vision, the announced priority SDGs and the ESG indicators

We consider the close relationship between the material issues of the Group and the material issues of society for the realization of a sustainable society



The Group's Identified Material Issues

	Material issues		Initiatives	Closely related SDGs (addressed through initiatives)
E	Climate change	Contribution to the global environment	Efforts to achieve carbon neutrality	7, 9, 11, 12, 13
S	Safety and security of stakeholders Stable supply of energy Increase in local value Supply chain management Diversity & inclusion Employee health Employee engagement	Contribution to local communities and society	Safe, secure and stable supply of energy	7, 9, 11, 12, 13
			Creation and increase of local value	3, 8, 11, 12, 17
			Fair and appropriate transactions	8, 12, 17
			Initiatives to promote diversity	5, 8
			The physical and mental health of employees	3, 8
G	Governance and compliance	Sound corporate management	The strengthening of governance and the enhancement of compliance	5, 8, 17

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Achievements and Targets Regarding Material Issues

Material Issues	Key Initiatives	Achievements of FY2024 initiatives	Targets of FY2025 initiatives
Initiatives to achieve carbon neutrality	Reducing CO_2 emissions	CO_2 emissions reduction: a total of 117,000 tons (since 2021)	CO_2 emissions reduction: a total of 231,000 tons (since 2021)
	Customers' reduction of CO_2 emissions ■ Shift to natural gas ■ Acceleration of energy conservation ■ Advanced energy utilization ■ Carbon neutral gas	■ Amount of natural gas used after the fuel transition: 18.79 million m^3 (since 2021) ■ Amount of carbon offset city gas supplied: 10.88 million m^3 ■ Capacity of installed cogeneration systems: a total of 250,000 kW ■ ENE-FARM fuel cell units for residential use in operation: a total of 6,963 units ■ Number of customers the Miraeco Project has helped reduce CO_2 emissions: a total of 26,163 customers	■ Amount of natural gas used after the fuel transition: 44.58 million m^3 (since 2021) ■ Expand the supply of carbon offset city gas ■ Increase the number of cogeneration systems installed ■ Increase the popularization of ENE-FARM fuel cell units for residential use ■ Number of customers the Miraeco Project has helped reduce CO_2 emissions: a total of 34,143 customers
	Developing renewable energy sources	■ Capacity of the developed renewable energy power sources: a total of 34,000 kW	■ Capacity of the developed renewable energy power sources: a total of 70,000 kW
Safe, secure and stable supply of energy	Safety and security initiatives at Shimizu LNG Sodeshi Terminal (manufacturing base)	■ Introduction of cameras and explosion-proof smartphones to manage plants using digital technologies ■ Joint drill conducted with fire departments and LNG cargo handling operators to improve people's ability to handle emergency situations ■ Handing down of technologies for maintaining the terminal to new employees in parallel with labor reduction and streamlining activities	■ Enhance plant management using digital technologies and hand down the technologies to new employees ■ Conduct disaster drills that assume emergency systems will be used and emergency organizations will be activated ■ Continue to reduce labor and streamline terminal maintenance operations
Creation and increase of local value	Initiatives for creating a future for local communities together with local stakeholders	■ Expansion of the scope of welfare activities (activities to increase awareness of the Help Mark, and activities to expose children with disabilities or illnesses to art) ■ Start of activities to support parent-teacher associations (PTAs) (Mt. Fuji Philharmonic Orchestra outreach concerts and Azul Claro sports classes for children) ■ Number of volunteer activities employees participated in: 2,774 (up 151% year on year), total hours spent on activities: 10,911 hours (up 119% year on year) ■ Education of the next generation (classes on energy and the environment, nature observation classes, disaster prevention workshops, vocational experience events, etc.): 123 events held with 4,556 participants ■ Start of land-based aquaculture on a trial basis with the goal of solving local food issues	■ Expand local contribution activities ■ Make employee participation in local contribution activities a more entrenched part of the culture of the Group ■ Continue to develop the next generation of local human resources ■ Increase collaboration with local governments and companies and reinforce initiatives for solving local problems
Fair and appropriate transactions	CSR procurement	■ Implementation of a survey of 45 suppliers	■ PDCA initiatives based on the results of the survey of suppliers ■ Initiatives to increase suppliers' understanding of fair and proper transactions
Initiatives to promote diversity	Personnel development and cultivation	■ Personnel development and recruitment linked to the management strategy ■ Expansion of training (training for specific age groups, career design training, training for cultivating personnel for digital transformation, training for applicants) ■ Joint training with other companies based in Shizuoka Prefecture	■ Carry out personnel development and recruitment activities linked to the management strategy ■ Implement a re-skilling program for all age groups ■ Increase the number of training opportunities in collaboration with outside companies ■ Increase and improve measures to support employees' independent development of their careers ■ Improve one-on-one coaching skills and step up one-on-one coaching initiatives ■ Develop organizations throughout the entire Group
The physical and mental health of employees	Initiatives for employees' mental and physical health	■ Selection under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (in the large enterprise category) for the third consecutive year ■ Organization of six events to improve employees' dietary lifestyles (with 400 participants) and five events to encourage employees to exercise regularly (with 130 participants) to improve employees' health	■ Implementation of health measures based on the health improvement strategy to remain selected under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program ■ Establishment of a structure for promoting health and continuing efforts to improve employees' health
The strengthening of governance and the enhancement of compliance	Construction of a robust governance structure	■ Appointment of four independent outside directors (of a total of seven directors) ■ Enrichment of discussions that aid realization of the medium- and long-term vision to increase the effectiveness of the Board of Directors ■ Formulation of a human rights policy	■ Continue improvement initiatives aimed at increasing the effectiveness of the Board of Directors ■ Provide training to increase the entire Group's awareness of corporate governance ■ Carry out human rights due diligence ■ Review the companywide risk management structure to enhance risk management
	Promotion of compliance	■ Implementation of compliance training for specific job ranks, such as officers, managers and new employees ■ Publicity activities via the Intranet and distribution of information cards and other activities to make all employees more aware of the compliance helpdesk better known and the provision of an e-learning program for all employees ■ Implementation of compliance awareness surveys and establishment of PDCA initiatives based on the results of the surveys ■ Holding of compliance meetings within individual departments and workshops for the presidents and compliance personnel of group companies with a view toward enhancing the compliance of the Group as a whole.	■ Improve training for specific job ranks (in terms of the number of classes and the expansion of the targeted personnel) ■ Improve the e-learning training program to increase employees' understanding of laws, regulations and internal rules ■ Increase employees' awareness of the compliance helpdesk and encourage their use of it ■ Implementation of compliance awareness surveys and establishment of PDCA initiatives based on the results of the surveys ■ Hold compliance meetings within individual departments and also trans-departmental compliance meetings ■ Organize group company liaison meetings to improve their compliance

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



TCFD

The Group expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in March 2023 and it joined the TCFD Consortium.

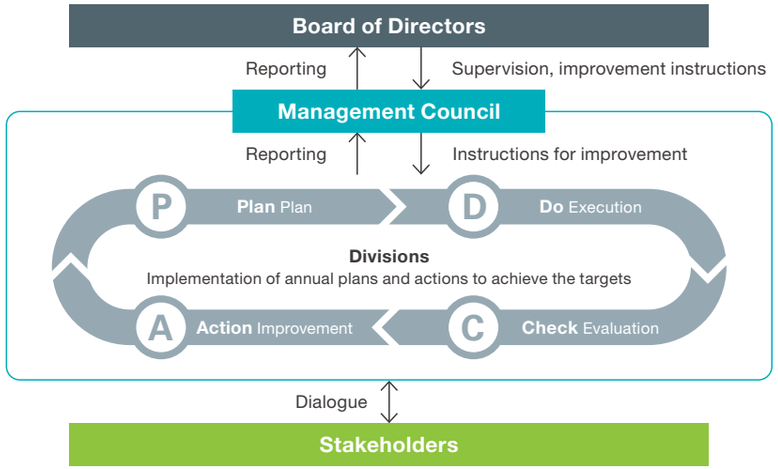
Governance

We understand that responding to climate change is one of our most important management issues. The issue is regularly discussed by the Group's Management Council, which is mainly composed of full-time directors and operating officers. The Management Council discusses important matters related to the management of the Group as a whole, business risks and opportunities related to climate change, and measures to address these risks and opportunities. The Board of Directors also discusses and makes decisions on significant matters related to the Group's responses to climate change as appropriate, as mentioned above.

Following these discussions and decisions, individual operating divisions implement a PDCA cycle and act to achieve targets in their efforts to increase the sustainability of the Group, including its responses to climate change.

The individual operating divisions deliver at least one report a year on their initiatives and their progress in them to the Management Council and the Board of Directors to facilitate the discussion of the effectiveness of their initiatives and to enhance them.

Implementation Structure



Strategy

We perform scenario analyses to identify medium- and long-term risks and opportunities that impact our business and the degree of resilience of our strategy.

The scope of our scenario analyses is all of our businesses. We study two scenarios in two time frames, specifically, the short- to medium-term up to 2030 and the medium- to long-term up to 2050. In one scenario, global measures to address climate change successfully limit the temperature rise to less than 2°C and GHG emission regulations and other factors result in the materialization of transition risks. In the other scenario, measures to address climate change remain insufficient and the temperature increases to 4°C above the pre-industrial level. In this scenario, physical risks materialize due to the increasing number of abnormal weather events.

The Management Council and then the Board of Directors deliberated the issues, and then we formulated the Shizuoka Gas Group 2030 Vision and the Shizuoka Gas Group Carbon Neutral Vision 2050 which were announced in 2021.

Referenced scenarios

	Risk/Opportunity	4°C scenario	Below 2°C scenario
Transition	International Energy Agency (IEA) World Energy Outlook 2022	STEPS Scenario	**NZE Scenario** **APS Scenario**
Physical	Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report IPCC 6th Assessment Report Sea Level Projections	**SSP5-8.5 scenario (SSP5, RCP8.5)**	SSP1-2.6 scenario (SSP1, RCP2.6) SSP1-1.9 scenario (SSP1, RCP1.9)

Bold text denotes the major items considered during the scenario analysis.







TCFD

Strategy Risks, opportunities and response measures

Climate change risks and opportunities

Bold text indicates risks and opportunities that have a major financial impact.

Major emerging risks and opportunities and external conditions in these scenarios					Impact on business	Time span: Short to medium term	Time span: Medium to long term
Risks	Below 2°C	Transition	Regulations	Introduction of carbon taxes or fossil fuel regulations	**Heavier burdens on natural gas users including SHIZUOKA GAS and customers and lower demand for gas following the progress in the shift to electricity**	●	●
			Technology	Decarbonization of natural gas	**Decline in competitiveness due to delayed or failed introduction of gas decarbonization technologies**	●	●
				Advancement of renewable energy technologies	**Lower demand for gas following the progress in the shift to electricity**	●	●
				Progress in the integration of energy and digital technologies	Lower demand for energy due to higher energy efficiency	●	●
			Market	Changes in global natural gas and energy markets	Higher procurement prices due to a decrease in the supply of LNG following a decline in upstream businesses	●	
			Reputation	External evaluations	The evaluation of the Group worsens, and the Group has greater difficulty procuring funds due to delays in its decarbonization initiatives	●	●
	4°C	Physical		Increasingly intense weather disasters	Stagnation of manufacturing and supply capacity and increase of the expenses for handling natural disasters	●	●
Opportunities	Below 2°C	Transition	Regulations	Introduction of carbon taxes or fossil fuel regulations	**A shift from oil and coal to natural gas and the more widespread use of renewable energy**	●	
					Increased demand for e-methane		●
			Technology	Decarbonization of natural gas	**Introduction of carbon offset LNG and LPG, methanation and progress in the development of carbon dioxide capture and utilization (CCU) technologies**	●	
					Introduction and broader utilization of e-methane (hydrogen, ammonia and other fuels are also considered.)		●
				Advancement of renewable energy technologies	**Expansion of the renewable energy**	●	●
				Progress in the integration of energy and digital technologies	Expansion of business associated with smart energy networks	●	●
			Market	Changes in global natural gas and energy markets	Increased demand for natural gas and renewable energy mainly in Southeast Asia	●	
			Reputation	External evaluations	The evaluation of the Group improves, and it is easier for the Group to procure funds due its decarbonization initiatives	●	●
	4°C	Physical		Increasingly intense weather disasters	Increased demand for distributed energy systems and the popularization of smart energy networks	●	●

Main response measures to address climate change risks and opportunities

Major emerging risks and opportunities and external conditions in these scenarios		Main response measures
Below 2°C	Transition risks and opportunities	■ Diversification of LNG suppliers to achieve stable procurement ■ Acceleration of the shift to natural gas and advanced energy utilization ■ Introduction of carbon offset LNG and LPG Introduced for the first time in 2021. The supply of carbon offset city gas started in 2022 ■ Introducing and popularizing e-methane ■ Development of renewable energy power sources (to achieve a capacity of 200,000 kW in 2030) Participation in biomass power generation businesses and development of solar power generation equipment Investment and participation in Chokaiminami Biomass Power Co., Ltd. in 2021 Investment and participation in Tahara Biomass Power Plant LLC in 2022 ■ Construction and expansion of smart energy networks The T-Grid System to facilitate apartment complexes sharing electricity developed in 2019 Trial operation in the verification project for the V2G business using electric vehicles started in 2020 S&F Local Management Consolidated Company established in 2022 (The construction of a local micro-grid for sharing electricity was considered.) ■ Participation in forest conservation projects in Japan and abroad Memorandum of understanding regarding carbon credit acquisition signed with Hartree Partners in 2022 ■ Use of plentiful forestry resources to absorb CO_2 and create value in the form of CO_2 reduction credits ■ Shift to natural gas and widespread use of renewable energy outside Japan Participation in a solar power generation business in Thailand and investment and participation in a natural gas supply operator in 2021 Participation in a natural gas supply business in India
4°C	Physical risks and opportunities	■ Implementation of measures to increase the resilience of equipment ■ Continuation of disaster response drills ■ Construction and operation of smart energy networks

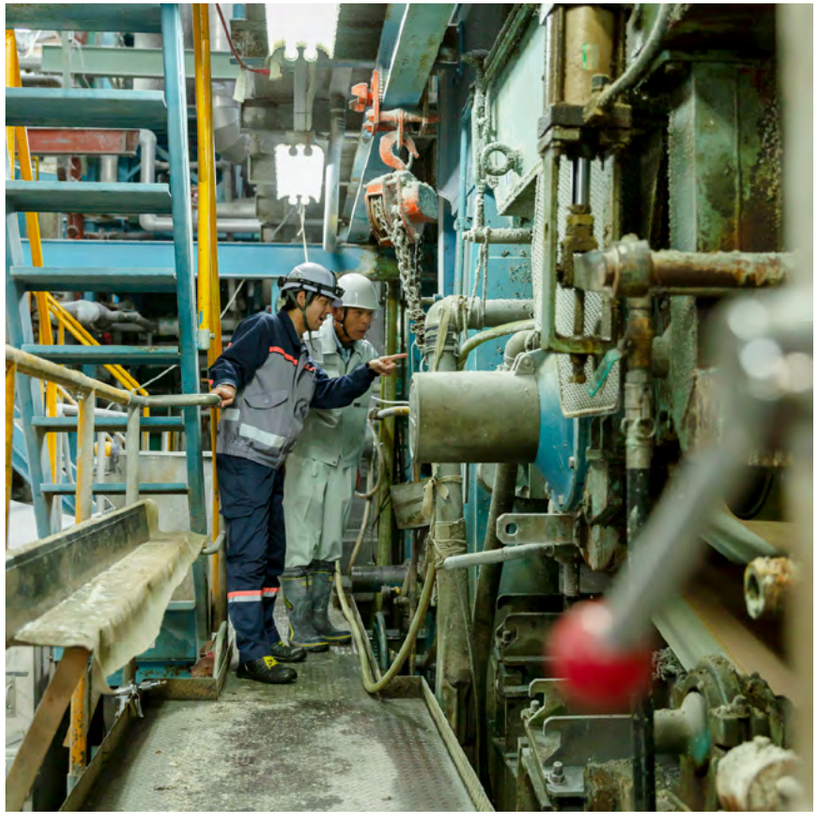






Risk Management

We create medium- and long-term response plans to address risks and opportunities that we believe may have a particularly large impact on the Group's business activities. They are discussed by the Management Council and reported to the Board of Directors. We continually review these plans to manage them properly.



Indicators and Targets

The reduction of CO_2 emissions is a significant challenge that we are facing, as our businesses are centered on our supplying fossil fuels. The Group will strive to use e-methane, hydrogen, ammonia and other fuels and to develop renewable sources of energy to achieve carbon neutrality in 2050. During the transitional period until e-methane and other innovative technologies can be used practically, we will accelerate the shift to natural gas, conserve energy and take other actions to reduce the CO_2 emissions from our activities by 2 million tons by 2030.

In addition, we will establish new growth businesses outside the city gas business in pursuit of continued growth.

Category	Targets
Carbon neutrality target	Achievement of carbon neutrality in 2050
CO_2 reduction targets	Reduce the CO_2 emissions from our activities by 2 million tons*1 by 2030. **Shizuoka Gas Group Carbon Neutral Vision 2050**
Renewable energy source development target	200,000 kW*2 by 2030
Business portfolio	**Shizuoka Gas Group 2030 Vision**

Shizuoka Gas Group Carbon Neutral Vision 2050
https://ir.shizuokagas.co.jp/en/company/Strategy2050.html

Shizuoka Gas Group 2030 Vision
https://ir.shizuokagas.co.jp/en/company/Strategy.html

*1 Amount the Group's business activities contribute to the reduction of CO_2 emissions in and after 2021
*2 Including feed-in tariff (FIT) power sources and procurement







Contributing to Local Communities

Reasons for Our Local Contribution Activities

As a company that stands with local communities, we will not only run our businesses but also conduct activities to solve social issues and energize local communities. We will listen to local communities and work hard together with them on activities in three pillar areas: community development, the environment, safety and security, and culture and sports. In doing this, we will develop the next generation of human resources. Our employees voluntarily participate in local activities to increase their sensitivity to social issues and their awareness of ways to contribute locally.

	Expansion and encouragement of local contribution activities Encouragement of local contribution activities that employees participate in		Continued development of the next generation of local human resources
KPI	Number of volunteer activities conducted by employees	Hours spent on these activities (cumulative total)	Education of the next generation (education on energy and the environment, nature observation classes, disaster prevention workshops, vocational experience events, etc.)
Result	2,774	10,911 hours	Number of events held: 123 Number of participants: 4,556

Initiatives in 2024

Community development: Creating a better future for local communities



Participation in volunteer activities

We are involved in a wide variety of volunteer activities, including the operation of local festivals and events and assistance in the preparation of event venues.



Organization of vocational experience opportunities, tours and career education

We provide vocational experience opportunities such as gas pipe repairs and career education to local elementary and junior high schoolchildren. We are also actively providing worksite tours to international students.



Activities to distribute products from welfare facilities

We hold events to internally sell products produced at welfare facilities. In 2024, four of the facilities supplied products for events that attracted a large number of employees.

The environment, safety and security: Accelerating the conservation of the local environment and reinforcing safety and security



Tree-planting and forest conservation activities in the Shizgas-no-Mori forest

The approximately 15 ha Shizgas-no-Mori forest is located at the foot of Mount Fuji. In it, our employees conduct tree-planting and forest conservation activities, and we hold forest classes for local residents.



Activities to conserve the local environment

Before work and on days off, we participate in local activities such as trash picking, the cleaning of road mirrors, the installation of flower beds in parks and beach cleanups.



Activities to prevent damage incurred due to special fraud

We distribute flyers and call attention to the problem when visiting customers in collaboration with the Shizuoka Prefectural Police. In 2024, We received a letter of appreciation from the Shizuoka Prefectural Police Headquarters for the activities.

Culture and Sports: Cultivating a sound mind and a fit body



SHIZUOKA GAS Presents the Granship and Mt. Fuji Philharmonic Orchestra New Year Concert

We support the activities of Mt. Fuji Philharmonic Orchestra, a local professional orchestra. We have been participating in the organization of its new year concert each year since 2003 to aid the development of the arts and culture.



Organization of baseball classes

As part of our support for sports club activities and the improvement of the sporting skills of junior athletes, we organize baseball classes. In 2024, we held two classes that nearly 90 elementary and junior high schoolchildren participated in.



Organization of table tennis events for citizens

Every year, we hold a table tennis event that is open to everyone. The Shizuoka Jade, the local professional table tennis team, participate in these events. The 2024 event attracted around 250 participants from 7 to 79 years old from inside and outside Shizuoka Prefecture.





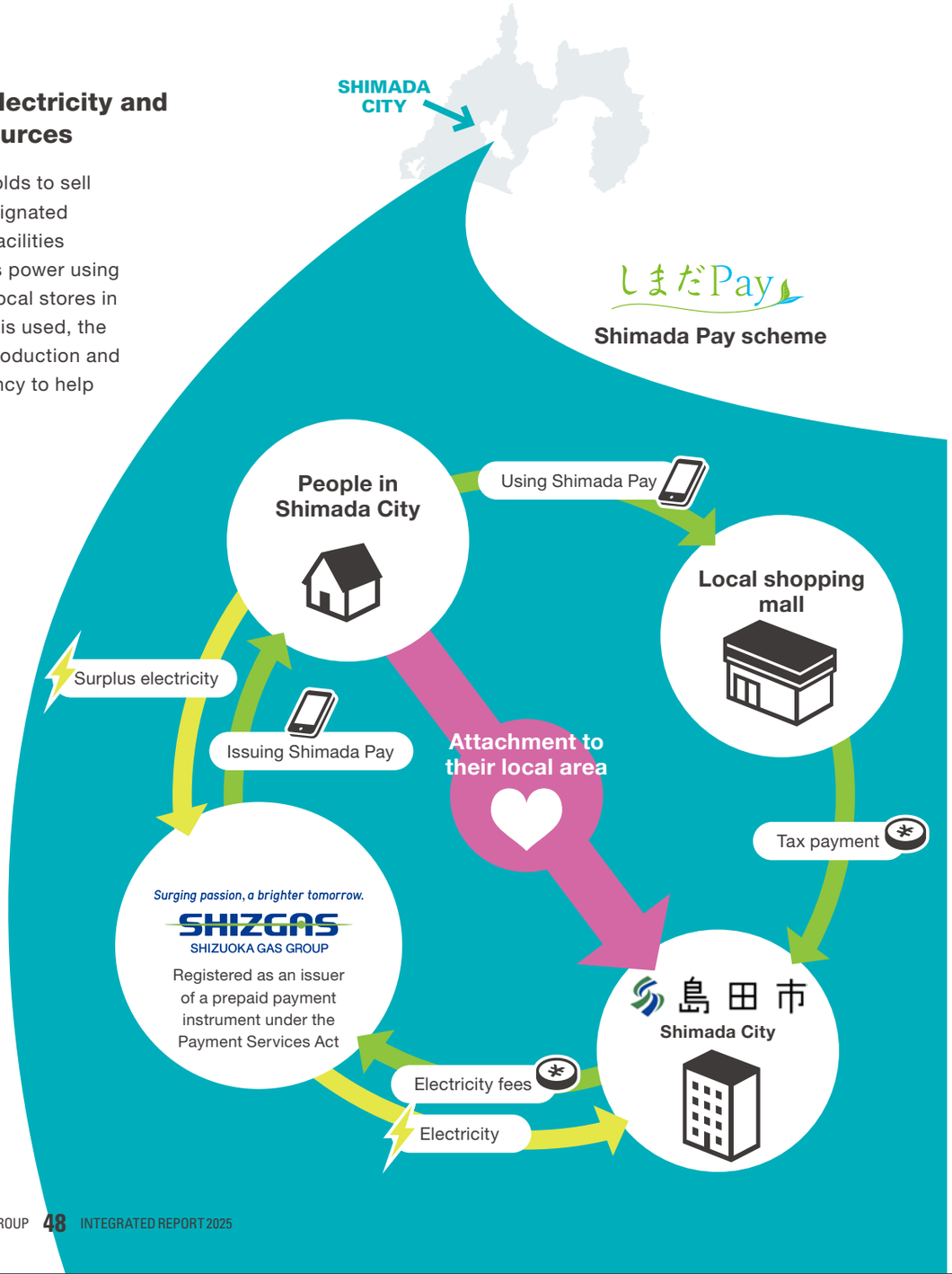


Initiatives for the Local Production and Consumption of Electricity and the Facilitation of the Local Circulation of Economic Resources

In Shimada City, we are already operating a service that enables general households to sell surplus electricity their solar panels generate (hereinafter "surplus power") to designated recipients. Currently, surplus power is supplied virtually as renewable energy to facilities owned by the Shimada City Government. Customers can pay to purchase surplus power using Shimada Pay, a local digital currency accepted at drugstores and other specific local stores in Shimada City. Because the service allows people to decide where surplus power is used, the service increases their attachment to their local area and encourages the local production and consumption of electricity. It also spurs consumption using the community currency to help revitalize the local economy.



	Number of users	Number of member companies	Value of the community currency issued	Value of the community currency used
Result April to December 2024	57	19	Approx. 770,000 yen	Approx. 220,000 yen



06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Stable supply of energy

The Stable Supply of Energy Is a Responsibility That Companies Supporting the Energy Industry Have

In response to the recent increase in the number of severe disasters, we are implementing measures to increase the resilience of gas production and gas pipeline facilities and improving our emergency-response skills as we strive to ensure safety and a stable supply of energy.

We do business mainly in Shizuoka Prefecture, an area which is considered to be high-risk in terms of earthquakes. We have finished work to install earthquake-resistant gas manufacturing equipment in preparation for the strongest earthquakes that can be predicted. A very high percentage of our gas pipelines are already earthquake resistant.

Safety and security initiatives

Implementing measures to steadily increase resilience and ensure the stable supply of energy in response to the intensification of natural disasters and the anticipated major Nankai Trough earthquake

Manufacturing base

With a view to continuing to have a safe and stable supply of energy, we carried out work to increase the resilience of our manufacturing base with the goal of shortening the period before gas manufacturing could be resumed after an earthquake in accordance with the latest earthquake forecasts.



Quake-resistant design assuming a high degree of seismic activity

Ground level raised to ensure safety in the event of a tsunami of an estimated maximum height of approximately 5 m above sea level

Soil improvement to prevent ground liquefaction
More than 6,300 sand compaction piles

Gas pipelines and equipment

To increase safety and security, we installed a robust earthquake-resistant pipeline network and hired and developed skilled personnel to improve the resilience of our gas pipelines and equipment.



Percentage of gas pipes that are earthquake resistant
99% (Japan national average: 92%)
Total length: Approx. 4,600 km
(non-consolidated)

Percentage of gas meters that are microcomputer gas meters
99% (non-consolidated)

Number of gas equipment inspections per year
100,000 (non-consolidated)

Number of personnel that have the skills to handle gas leaks
Approx. **150** (non-consolidated)

Hours we are ready to receive reports of gas leaks and deploy personnel
24 hours a day, 365 days a year

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Initiatives to Ensure Respect for Human Rights

The Group understands that respecting the human rights of all stakeholders, including employees, is a fundamental and essential part of our contributions to the realization of a sustainable society. Accordingly, we support international human rights standards including the Universal Declaration of Human Rights, the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work and its follow-ups. In accordance with the United Nations' Guiding Principles on Business and Human Rights, we have formulated the Shizuoka Gas Group Human Rights Policy guidelines for the Group's initiatives for human rights. Through measures like these, we are working to make sure that the human rights of all of the stakeholders concerned with the Group's business activities are respected.

Human Rights Policy

In December 2024, we established the Shizuoka Gas Group Human Rights Policy. It applies to all the Group's officers and employees, including regular employees, contract employees and temporary staff members. It is required that the Group's business partners and other parties concerned support this policy and collaborate with us in the initiatives for ensuring that human rights are respected.

Respect for Human Rights in the Supply Chain

In our Basic Policy on Procurement Activities and our CSR Procurement Guidelines, we ask that our business partners implement initiatives to ensure that human rights are respected, mainly the human rights of their employees.

CSR Procurement Guidelines (excerpt)

3. Human rights and labor	Business partners shall comply with laws and regulations concerning respecting human rights and their employment environment and implement initiatives related to these matters.

Specific initiatives include the following.

- Business partners shall ensure they do not discriminate against, abuse, unreasonably coerce or harass people due to their nationality, race, gender, religion or any other status.
- Business partners shall consider employees' health and safety and implement necessary measures.
- Business partners shall manage working hours appropriately.
- Business partners shall respect employees' freedom of association, their right to collectively bargain and their right to participate in labor-management negotiations.
- Business partners shall protect workers' rights and pay wages that are higher than the legal minimum.
- Business partners shall prohibit child labor and forced labor and never permit anyone to work illegally.

Human Rights Due Diligence

We perform human rights due diligence, and we have established a mechanism for identifying and studying human rights risks that may arise from our business activities to prevent or correct them.

Details of human rights due diligence

Assessment and review of the effectiveness of initiatives

- Review of all initiatives
- Incorporation of the results of reviews of initiatives into the activities in the following year

Identification and study of human rights risks

- Identification of human rights risks through compliance surveys and CSR procurement surveys
- Interview of relevant divisions

Information disclosure

- Disclosure of initiatives on websites or by other means

Implementation of measures to prevent or mitigate risks

- Discussion of response actions with relevant divisions
- Provision of helpdesk for inquiries regarding compliance or human rights (for relief measures)
- Thorough training of employees







HUMAN CAPITAL STRATEGY

We have positioned our human resources strategy as a principal strategy for the realization of the Group 2030 Vision. People move any business forward. They are also the key to its success. On the basis of this idea, we will carry out initiatives in line with the management issues and with our ever-changing business portfolio.

Human Resources Strategy

OUR STRATEGY

Contents

51 **Human Resources Strategy**
52 Message from the Officer in Charge of Human Resources
53 1 Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges
54 2 Provide programs and an environment to maximize the potential of employees
57 3 Construct a human resources portfolio for business reforms









Message from the Shizuoka Gas Group Officer in Charge of Human Resources

Realizing the ideal for the Shizuoka Gas Group's human resources



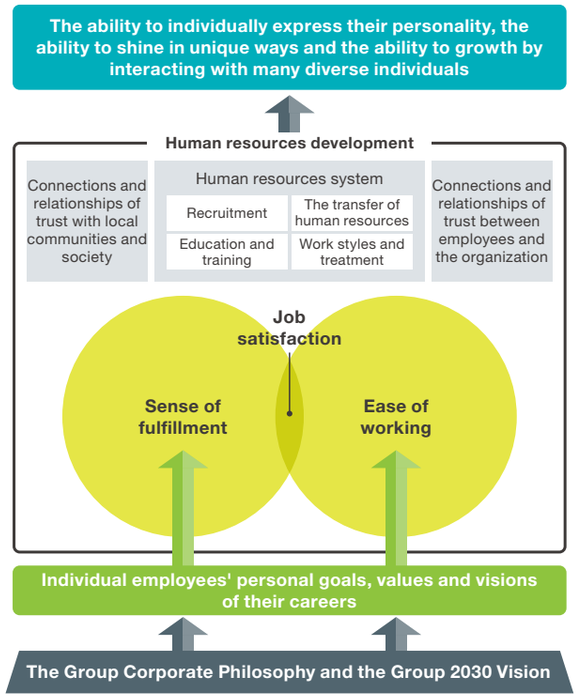
Takeyasu Sugiyama
Director, Senior Operating Officer and Senior General Manager of Corporate Services Division

People are the force driving the realization of our corporate philosophy and management vision. The qualities the Group has stated it desires in its human resources are the ability to individually express their personality, the ability to shine in unique ways and the ability to growth by interacting with many diverse individuals. We believe that both the company and its human resources will improve their ability to continuously increase the Group's corporate value by untiringly and constantly working to fill the gaps between their desired state and their current one.

To reach the desired state, every single employee in the Group should have a vision of their career that is in line with their personal goals and values, and then do their duties and develop with a view toward reaching their vision. It is vital that they grow independently in this way. Their independent development of their careers in accordance with their vision of their careers, which are different for everyone, will help improve their skills and knowledge and the diversity of their thinking. It will enable them to proactively take on challenges to achieve their desired state. I feel this will lead to innovation and the reform of our business and organization.

Our corporate human resources development system is a significant part of our support for employees' independent career development activities. This human resources development system is not limited to on- and off-the-job training and other forms of training. It includes the human resources system in a broad sense, including the recruitment of employees, the transfer and reassignment of employees, work style and personnel treatment programs, relationships between employees, between employees and the organization and between employees, local communities and society. We will work to increase employees' job satisfaction by effectively connecting these human resources development programs. We will also establish an environment that enables employees to fully display their potential to reinforce the organization, which is the integration of the strengths of individuals and the synergy between them.

Qualities that it is desired that Shizuoka Gas Group employees have



The three pillars of the human resources strategy under the Group 2030 Vision

1 **Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges**
P53

2 **Provide programs and an environment to maximize the potential of employees**
P54

3 **Construct a human resources portfolio for business reforms**
P57

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Human Resources Strategy

We will help every single employee independently develop their career with a view toward securing Group employees that have the qualities we desire. We will create workplace environments and programs with a sense of fulfillment and make working easier to ensure employees have job satisfaction. We will also strive to build a diverse organization managed in a bottom-up style. We will reinforce the strengths of the organization, which is the integration of the strengths of individuals and the synergy between them.

1 Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges

We will reform both the organization and our human resources portfolio as we strive to forge a culture where employees act independently and proactively take on challenges.

KPI		2023	2024	2030
	Alignment with the mission and the vision	67	69	83*
	Culture of taking on challenges	54	58	78*

Since 2023, we have been conducting a monthly engagement survey to visualize the state of the organization. Among the items in the survey, the items above are key performance indicators (KPIs) for 1. Cultivate human resources aligned with the Group 2030 Vision and a mindset of proactively taking on challenges.

*Average score of the top 20% of the companies of a similar size

Transformation into an organization managed in a bottom-up style

We will transform into an organization managed in a bottom-up style to improve employees' alignment with the corporate philosophy and the management vision and to help facilitate their continuing to take on challenges.

Improve and advance one-on-one meetings

We introduced one-on-one meetings in 2017 and we have been holding them on a weekly basis since 2024. We will increase the quantity of dialogs between superiors and subordinates to build relationships of trust and to bolster a psychological sense of security. For enhancing the quality of such meetings, we have so far given coaching skills training to 350 human resources at management positions. We also organize workshops for team members to help them learn about the objectives and significance of one-on-one meetings and a desirable stance towards them.

Organize townhall meetings

Since 2024, our operating officers have been visiting separate worksites to hold round table meetings with all employees working for the Group. Every employee joins such a meeting at least once a year. Dialogs with members of the management team boost their understanding of the corporate philosophy and the management vision and strengthen the relationships between those at different ranks as well as between those at the same level in the organization.



One-on-one meetings



Townhall meetings

Transformation of human resources into people who proactively move towards what they wish to be like

We have developed a program that urges employees to establish their own visions of their careers and that helps them gain experience in many different areas, not limited to their duties within their departments, in a self-directed manner. We encourage their transformation into people who proactively move towards what they wish to be like.

In-house recruitment system
A program under which a department seeking human resources solicits applications and employees voluntarily apply for positions

In-house internship program
A program that allows employees interested in duties outside their department to do these duties for a short period of time

Career development leave program
A program that allows employees to take a leave of absence for a maximum of two years to dedicate their efforts to activities that will lead to the development of their careers, such as academic studies in their country or overseas, the acquisition of qualifications and participation in local contribution activities

Outside side job program
A program that allows employees to take a second job outside the Group

In-house side job program
A program in which a department facing an issue that needs to be resolved launches a project, and interested employees can apply to resolve the issues using their skills and knowledge

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



2 Provide programs and an environment to maximize the potential of employees

The abilities of individual employees are a source of continued value enhancement. We will work actively to create programs and an environment that will maximize the potential of our employees.

KPI	2023	2024	2030
Sense of fulfillment	63	66	81*
Offering of career opportunities	64	66	87*

Since 2023, we have been conducting a monthly engagement survey to visualize the state of the organization. Among the items in the survey, the items above are key performance indicators (KPIs) for 2. Provide programs and an environment to maximize the potential of employees.

*Average score of the top 20% of the companies of a similar size

Programs for reforming work styles and the human resources treatment system to pave the way toward employees developing their careers in line with their motivation and skills

We introduced a mission grade system in 2016, Since then, our treatment of employees has been in line with their roles and not their age, duration of service or personal attributes. In this era of rapid change, it is important for our employees to take the initiative and proactively take on challenges to expand the Group's business domains with a view toward the realization of the Group 2030 Vision. Accordingly, we believe it is important to establish a system under which the company helps employees independently develop their own abilities through the performance of their duties and self-development activities to achieve their aspirations, and we revised our work style and human resources treatment programs.

The goal of this revision was roughly to achieve the four purposes below.

1. **Increase employees' hopes regarding their career improvement activities and their feelings regarding their own growth**
2. **Continually increase employees' sense of security and ease of work**
3. **Respond to the aging of the Group's human resources**
4. **Make programs consistent with the management strategy which is oriented towards the expansion of the Group's business domains**

In addition to the revision of the work style and human resources treatment programs, we will implement human resources development schemes in an integrated manner to maximize their effect. These schemes include the active promotion of employees to more challenging roles in line with their motivation and capabilities, supporting the diversification of employees' skills, experience and career paths through the transfer of human resources, and the expansion of training opportunities.

Purpose	Details of the program revisions
1 Increase employees' hopes regarding the improvement of their careers and their feelings regarding their own growth	**Clarifying roles** ■ Creating maps of the duties of individual departments that associate duties and roles **More closely connecting duties and wages** ■ Establishing a roles-based wage system with a wider range of compensation
2 Constantly increase employees' feeling of security and ease of working	**Increase base wages** ■ Adjust the balance between base wages and bonuses **Supporting employees continuing their careers** ■ Introduce a program that enables employees that accompany their spouse who is transferred to a distant location to take a maximum of three years of leave
3 Respond to the aging of the Group's human resources	**Introduce a selectable retirement age program** ■ Replace the program that fixed the retirement age at 60 with a new program that allows individual employees to select their own retirement age between 60 and 65 years of age.
4 Make the programs consistent with the management strategy oriented towards the expansion of the Group's business domains	**Provide incentives to people working in demanding work categories** ■ Work done by employees is divided into three categories: work to expand the Group's business domains, work to expand the Group's customer base and services, and work to operate corporations, manage business and increase efficiency. A new system for determining wages based on performance and varying depending on the work category has been introduced.

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



2 Provide programs and an environment to maximize the potential of employees

Promotion of Health Improvement Activities

The Group's corporate philosophy is "We pursue a prosperous and sustainable future through the collective strengths of our energy experts." This cannot be achieved if the Group's employees are not mentally and physically healthy. The business environment surrounding the Group is drastically changing due to the aging of the population, the decline of the birth rate, the intensification of natural disasters and global events.
From sustainable development goals (SDGs), carbon neutrality and other perspectives, businesses must realize a sustainable society while balancing the environment and the economy.
Even amid the increasing uncertainty, to achieve the continued growth of local communities and the Group for a brighter future, we ensure that every single employee will be healthy, fulfilled and happy and that they work on innovative tasks that support local communities.

Vision

The Group sees employees' mental and physical health as its greatest assets and aim for a state in which every employee is happy and in good health so that they are able to work energetically and fully display their potential. The President Operating Officer (COO) announced this policy as the Group's Heath Declaration.

Heath-related indicators and final targets

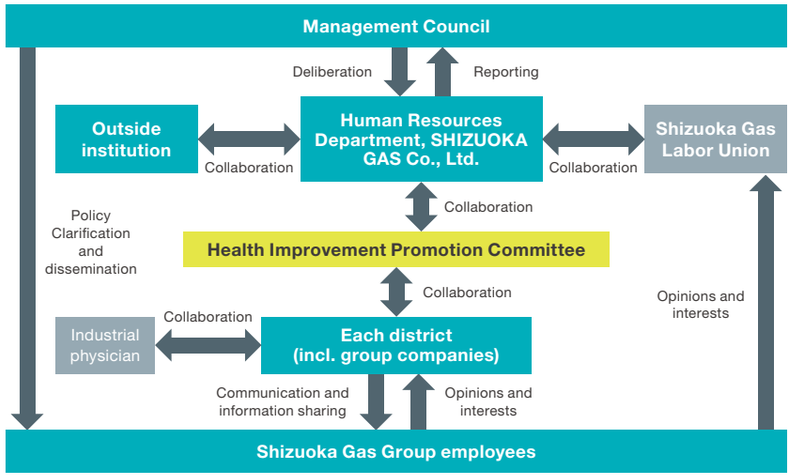
Indicators of health-related final targets		2030 targets
Improve health checkup results (blood pressure, blood lipid level, obesity and blood sugar level)	Percentage of employees facing obesity-related health risks	less than 10%
	Percentage of employees facing blood pressure-related health risks	less than 10%
	Percentage of employees facing blood sugar-related health risks	less than 10%
	Percentage of employees facing blood lipid-related health risks	less than 10%
Reduce absenteeism	Absenteeism*1	Less than 1%
Reduce presenteeism	Presenteeism*2	10% or less
Improve work engagement	Work engagement (vigor)*3	4 points or higher
	Work engagement (dedication)*3	4 points or higher
	Work engagement (absorption)*3	4 points or higher

*1 State of not being able to work due to lateness and leaving early because of mental and physical issues, or being absent and taking time off so that working becomes difficult
*2 A state in which an employee, who is at work, performs poorly due to mental or physical health problems
*3 Measured on a seven-level scale (from 0 to 6) in line with the Utrecht Work Engagement Scale

Implementation Structure

The Group has established a structure for promoting health improvement activities. It is headed by the President Operating Officer (COO) who is also the Chief Health Officer (CHO), and it is centered on the Health Improvement Promotion Committee. In accordance with the Health Declaration announced by the CHO, we are working to ensure that employees are healthy and create a stress-free and rewarding workplace atmosphere.

Structure for promoting health improvement activities



06
OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



2 Provide programs and an environment to maximize the potential of employees

Specific initiatives

- Financial support for re-examinations after health checkups
- Uterine and breast cancer tests for women 30 years of age and older
- Tumor marker PSA test for men 40 years of age and older
- Internal recreation activities with diet and exercise-based themes
- Incentives granted for the acquisition of Class-I and -II Mental Health Management Certificates
- Mental health training for all employees
- Smoking cessation program for applicants
- Group influenza vaccination (free of charge)
- Introduction of a community environment for solving health issues and life stage problems peculiar to women
- Seminars to help all employees achieve a healthy balance between work and nursing care




Health improvement events Left: A walking event Right: A futsal event

Nineteen companies in the Shizuoka Gas Group were recognized in the Ministry of Economy, Trade and Industry's 2025 Outstanding Organizations of KENKO Investment for Health program in appreciation of their distinguished health management practices.

Support for Balance between Work and Childcare or Nursing Care

We are implementing various initiatives to help employees handle their jobs and caring for children or other family members with peace of mind by not only designing programs but also promoting the establishment of a corporate culture and workplace environment that help employees balance work and their providing care to others.

Childcare

- After an employee reports that they or their spouse is pregnant, a meeting is held for the employee to discuss their work-life balance with their supervisor.
- Mori-no-Hoikuen nursery facilities inside offices and plants
- Work-life balance programs (e.g., shortened working hours to enable employees to care for children, exemption from overtime work) are available to employees until their child enters junior high school.
- Points of contact for inquiries for people inside and outside the company
- Roundtable talks for employees who are raising children
- Childcare seminars
- The encouragement of flexible work styles including flextime and working from home
- Enhancement of the leaves of absence available to employees so they can care for their children (leave supporting employees providing nursing care and other care for sick or injured children)

We have received Platinum Kurumin certification from the Minister of Health, Labour and Welfare for our positive initiatives to support employees balancing work and childcare.



A roundtable talk for employees who are raising children

Nursing care

- Points of contact for inquiries for people inside and outside the company
- Distribution of handbooks on balancing between work and the provision of nursing care
- Messages written by the officer in charge of initiatives
- Seminars to improve people's knowledge about nursing care and balancing work and the provision of nursing care
- Extension of nursing care leave (to 186 days)
- Encouragement of flexible work styles including flextime, working from home and shortened working hours
- Enhancement of the leaves of absence available for nursing care (leave to support the provision of nursing care)

06
OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



3 Construct a human resources portfolio for business reforms

We seek to establish a human resources portfolio that will enable us to reform our business by increasing the diversity of our employees and recruiting diverse employees.

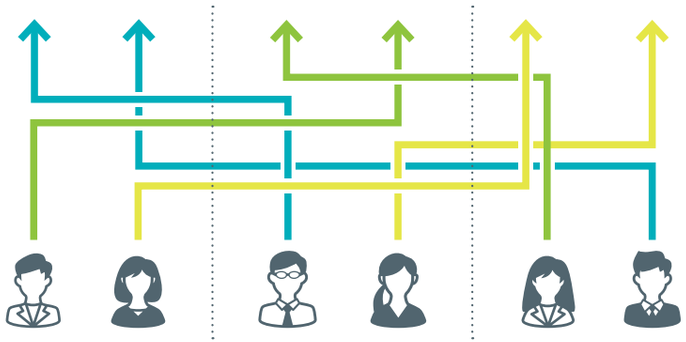
Increasing Employee Diversity

We will create workplaces where diverse human resources can play an active role in the Group and carry out initiatives to help employees diversify their skills, knowledge and perspectives.

Job rotation

Targets **Systematically transfer roughly 25% of employees to new positions (a ten-percentage-point increase from 2024)**

Job rotation enables employees to gain work experience in areas other than their areas of specialization. We will accordingly enable them to expand their skills, knowledge and perspectives.



Promoting Women's Participation and Advancement

Targets **Achieve 12% or more managers being women by the end of March 2026**

In addition to training aimed at developing women managers, since 2024, we have been holding regular one-on-one meetings with current and prospective women managers. In these meetings, officers serve as mentors to provide women with support for the development of their careers.

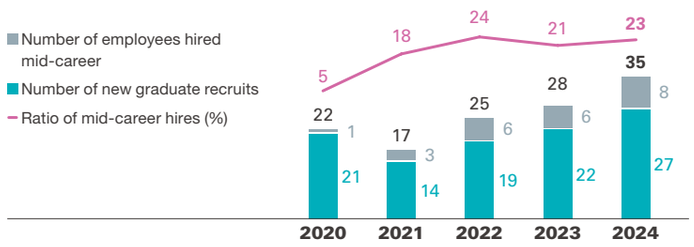
Targets **Achieve 50% or more eligible male employees taking childcare leave by the end of March 2026**

After learning that the spouse of a male employee is pregnant, the male employee has a meeting with his supervisor. During the meeting, the supervisor gathers information about the considerations the male employees is seeking to achieve a healthy balance between work and caring for his children. A plan for the employee's childcare leave is created.

KPI	2022	2023	2024	2026
Percentage of managers that are women	6.9%	9.8%	11.1%	12%
Percentage of eligible male employees taking childcare leave	32%	71.4%	85.0%	50%
		Achieved	Achieved	

Hiring of diverse personnel

We actively recruit professionals with skills, knowledge and expertise that the Group's current human resources do not possess. We secure human resources to reform and expand the Group's business. In addition, we have been hiring more human resources in the middle of their careers for main career-track positions in recent years to incorporate people with a wide variety of values and perspectives into the Group. Currently, to achieve diversity, our rough target is to have 20% or more of our employees be employees who were recruited mid-career. Through activities like this, we are striving to hire diverse human resources.



06
OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability

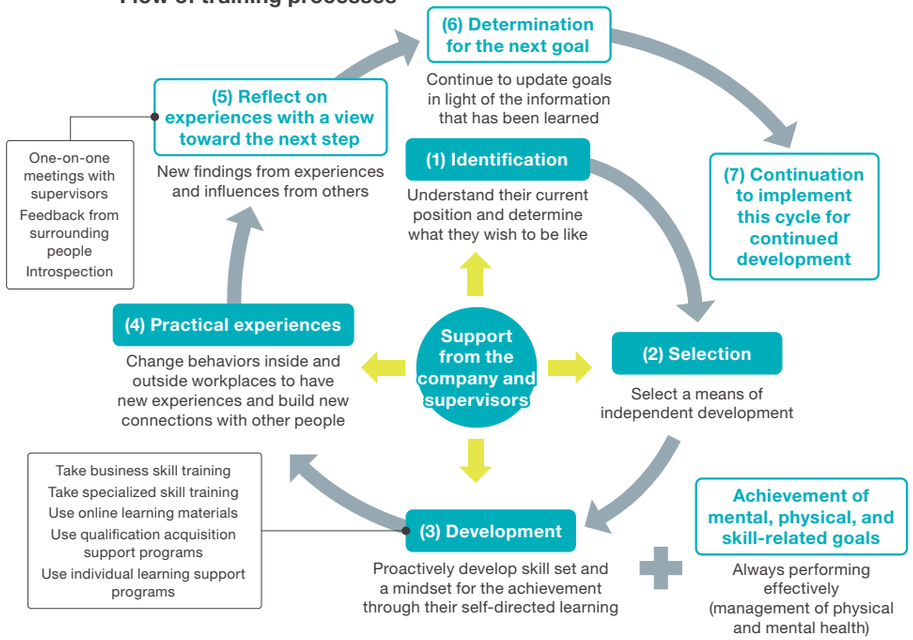


Development of Training Programs that Help Employees Grow Independently

To encourage our employees to achieve their aspirations, we support employees in their independent career development efforts and work to create a wide variety of opportunities for them to learn and continuously grow.

1 Supporting self-directed career development for employees

Flow of training processes



Specific initiatives

Career design training for different age groups
Mindset training to enable employees in different age groups to achieve their aspirations

Career design support training for managers
Developing skills for working together with and supporting team members (subordinates) in the realization of their visions of their careers

Career counseling
The Human Resources Department discusses issues with employees in their fourth, seventh and 13th years of service and when they are 50 and 55 years of age to encourage them to independently develop their careers.

One-on-one coaching program
This program enables people to develop their communication skills to help team members (subordinates) grow and develop their careers.

2 Creating educational and growth opportunities



Purpose-specific programs

- Training for employees based on the year they entered the company (from new recruits to employees in their fifth year of service)
- Training for (newly appointed and current) managers
- Training for employees that have been promoted
- On-the-job training and mentor programs
- Training through external dispatches

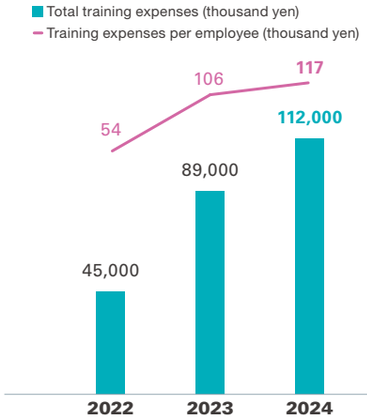


Optional programs

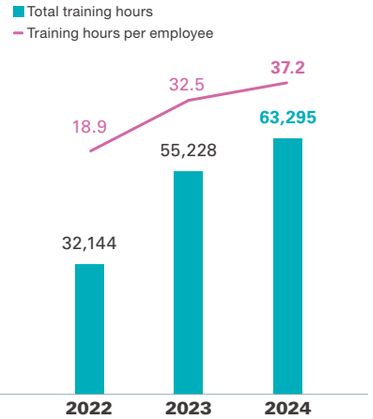
We provide business skill training to employees applying for the program. Employees choose to participate in the programs and study proactively.

Presentation, writing, other language, resilience, anger management, financial affairs and accounting, document preparation, and other skills

Training expenses



Training hours









Brand Strategy

OUR STRATEGY

The new Corporate Philosophy the Group established in January 2025 is "We pursue a prosperous and sustainable future through the collective strengths of our energy experts." In line with this Corporate Philosophy, we established a Corporate Brand Strategy Project Team to demonstrate the Group's positions and the value it offers to our stakeholders both inside and outside the Group, and it studied the brand strategy of the Group. Based on the new Corporate Philosophy and the Group 2030 Vision, we established a basic concept of the Shizuoka Gas Group's brand in consideration of the vision of the Group discussed by the project team. In June 2025, we officially announced the Shizuoka Gas Group's brand slogan and brand message which were established based on this basic concept.

Basic Shizuoka Gas Group brand concept

To achieve people's aspirations for a heart-warming future, the Shizuoka Gas Group will continue to maintain its relationships with all of its stakeholders by sharing passion with them and it will continue to challenge for the creation for waku-waku (excitement).

Since 1910, our endeavors have been centered on the gas business. We now deliver energy to more than 450,000 customers.

The world is now heading towards carbon neutrality.

Competition goes beyond the boundaries of business categories and regions, and it is increasingly intense. The environment surrounding the Group has changed significantly, and so have people's desires.

- The desire for services that solve problems and improve quality of life
- The desire for solutions to environmental issues and a carbon neutral society
- The desire to solve local issues and have a prosperous and sustainable future

Since our foundation, we have preserved the spirit and the dedication to safety and security that our Group's employees have. We will shape and respond to issues and people's thoughts to build a heart-warming future.

However, the Shizuoka Gas Group cannot do this alone.

It requires the help of the customers and business partners that already have relationships with the Shizuoka Gas Group, and the help of all of the other stakeholders, including businesses, governments and universities.

We will address our stakeholders sincerely and share our feelings with them to build relationships. We will work with them to address issues, and we will never stop creating new value to increase people's hopes.

This position will encourage our stakeholders to have confidence in us and excite people.

The Shizuoka Gas Group will continue its endeavors as a company that creates waku-waku with all its stakeholders to respond to people's wishes for a fulfilling, sustainable and heart-warming future.

06

OUR STRATEGY
Medium-Term Management Plan
Financial Strategy
Strategies for Individual Businesses
Gas and LPG Business
Electricity and Renewable Energy Business
Lifestyle Services and Engineering Services Business
Overseas Business
New Challenges (New Businesses)
Sustainability Strategy
Material Issues
TCFD
Contributing to Local Communities
Initiatives to Ensure Respect for Human Rights
Human Resources Strategy
Message from the Officer in Charge of Human Resources
Strategy 1 Strategy 2 Strategy 3
Brand Strategy
CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group
Carbon Neutral Vision 2050



Sustainability



Brand slogan

Surging passion, a brighter tomorrow.

**We, Shizuoka Gas Group, are committed to creating moments of wonder.
Hopes bubbling within you will inspire our next challenge.
For a more comfortable life.
For a cleaner society.
For a brighter, richer world.
Together, we strive to bring your hopes to life and create a brighter future.**

Objective of the expression → Surging passion

Hinting at the creation of something from nothing

Surging passion represents a state in which a series of new and potential value is created and where wishes and ideas are powerfully created.

- A latent longing that all stakeholders have in their mind for a fulfilling, sustainable and heart-warming future
- A latent eagerness the Group's human resources have in their mind to work to establish a heart-warming future in collaboration with all stakeholders

Cycle

Objective of the expression → A brighter tomorrow

An image for the expansion from one to ten

A brighter tomorrow describes a state in which people are filled with energetic hope because of the Shizuoka Gas Group's initiatives that involve energy and the eagerness of its employees.

- The quality of life in the future due to the improvements made possible by the Group's activities
- The hopes of all of the Group's stakeholders
- A corporate culture of continuing to take on challenges
- Trust and close relationships the Group has cultivated with all stakeholders

Branding Initiatives to publicize the brand

Internal branding initiatives

Provide opportunities to think about the brand

Organized brand briefings and roundtable talks and increase awareness of the brand using in-house newsletters and other media

Display posters in the facilities of all the Group companies

Display posters about the corporate brand in the facilities of all the Group companies

Insert a page about the corporate brand into the employee handbook

Produce a brand page and distribute a handbook that every employee in the Group will carry with them (the Data Book) that includes this brand page.

External branding initiatives

Launch a brand website

Publish the brand slogan and message as well as key visuals

Produce and broadcast various commercials

Use TV commercials, digital signage and other advertising media to broadly increase brand recognition

Use social media to broadly increase brand recognition

Post videos and other content on social media and organize campaigns, etc.







Executives and Operating Officers

Director



Hiroyuki Kishida 1

Representative Director and Chairman (CEO)

He has mainly been engaged in planning operations, served as President for six years from January 2018 until December 2023, and has served as Chair of the Board of Directors since January 2024.



Yoshitake Matsumoto 2

Representative Director and President (COO)

He was mainly engaged in sales and planning operations before becoming Chief Operating Officer (COO) in January 2024. He leads the whole company towards the realization of the Group 2030 Vision.



Takeyasu Sugiyama 3

Director, Senior Operating Officer and Senior General Manager of Corporate Services Division

He has mainly been engaged in sales and human resources operations, and serves as Senior Operating Officer and Senior General Manager of the Corporate Services Division and is responsible for the entire head office division of the Group.



Katsunori Nakanishi 4

Outside Director

He provides appropriate advice to the general management as an outside Director of the Company, based on the wealth of experience and high level of insight he has fostered as a manager of a financial institution.



Hajime Hirano 5

Outside Director

He provides appropriate advice to the general management as an outside Director of the Company, based on the wealth of experience he has fostered as a Chief Operating Officer and an Audit & Supervisory Board Member of a leading trading company and his high level of insight into the energy business.



Koichi Maruno 6

Outside Director

With a wealth of experience as a manager of a life insurance company and high-level insight based on his expertise in finance and accounting, he has been providing appropriate advice on the overall management of the Company.



Rie Hirakawa 7

Outside Director

She has the ability to drive many reforms in the private sector and in educational administration as well as experience and high-level insight that she has developed in the area of corporate management. As an outside Director, she has been providing appropriate advice on the overall management of the Company.

Auditor



Mitsunobu Kosugi 8

Full-time auditor

He has mainly been engaged in planning operations, served as Director for eight years from March 2016 until March 2024, and has served as Full-time auditor since March 2024.



Yoshiaki Yatsu 9

Outside Auditor

He has extensive experience developed over many years of working as a certified public accountant and expertise in finance and accounting. As an outside Auditor, he has been providing appropriate advice on the overall management of the Company.



Hidefumi Kobayashi 10

Outside Auditor

As an outside Auditor of the Company, he appropriately provides advice regarding the general management of the Company based on a wealth of experience and high-level insight that he has developed as a manager of a financial institution and in the areas of international finance and accounting.



Takahiro Shibagaki 11

Outside Auditor

He possesses a wealth of experience and high-level insight as a manager of a life insurance company and in the areas of finance and accounting. As an outside Auditor of the Company, he appropriately provides advice on the overall management of the Company.

Skill Matrix of Executives and Officers

*The table below does not indicate all the areas of expertise and experience that individual executives and officers have.

	1	2	3	4	5	6	7	8	9	10	11
Business Management	■	■		■		■	■				■
Legal Affairs and Risk Management	■		■	■	■	■		■	■	■	
Finance and Accounting	■	■		■		■		■	■	■	■
Human Resources and Organization Development			■	■			■	■			
Region and Regional Economy Knowledge	■	■	■	■				■	■		
Energy Business	■	■	■		■			■			
Global Business		■		■	■	■	■			■	
Sales and Marketing	■	■	■		■		■				■

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile
CONTENTS

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group Carbon Neutral Vision 2050


Sustainability


Operating Officers



1 Yoshitake Matsumoto
Representative Director and President

2 Takeyasu Sugiyama
Director, Senior Operating Officer and Senior General Manager of Corporate Services Division

3 Hirotaka Kaneda
Senior Operating Officer and Senior General Manager of Gas & Power Division

4 Haruo Ito
Senior Operating Officer and Representative Director and President, Shizuoka Gas Energy Inc.

5 Takayasu Naito
Senior Operating Officer and Senior General Manager of Sales Division

6 Mitsuru Uchida
Senior Operating Officer, Senior General Manager of Gas Transmission Pipeline Division and in charge of Safety Promotion Office

7 Akira Tsuji
Operating Officer and Senior General Manager of Overseas & Resource Division

8 Yasumasa Suguro
Operating Officer, Senior General Manager of Management Strategy Division, and General Manager of Management Planning Department

9 Rikiya Kato
Operating Officer, Deputy Senior General Manager of Sales Division, and General Manager of Lifestyle Design Department of the Company

10 Tetsuji Nagura
Operating Officer, Deputy General Manager of Gas Transmission Pipeline Division, and General Manager of Gas Pipeline and Adoption Promotion Department







Corporate Governance

Basic approach

In accordance with our Corporate Philosophy, "We pursue a prosperous and sustainable future through the collective strengths of our energy experts," we work to increase the use of natural gas and to provide customers with optimal solutions and other services to support local development and environmental conservation activities. Based on this, we will clarify employer's roles regarding the supervision of management and the execution of business and ensure the effectiveness of our corporate governance to fulfill our responsibilities to our shareholders, customers, local communities, business partners, employees and other stakeholders.

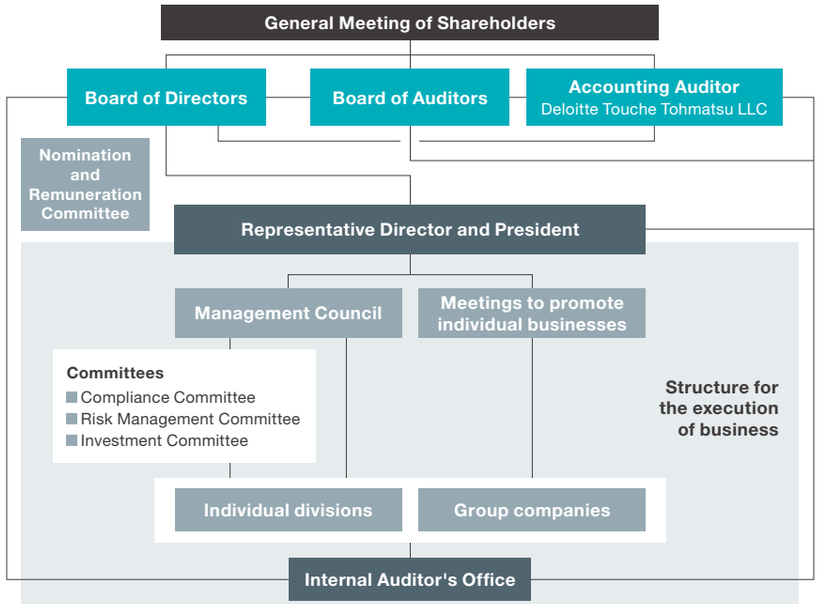
Our basic corporate governance policy, titled Corporate Governance Guidelines, is published on our website.

Organizational form	Company with a board of corporate auditors
Maximum number of directors stipulated in the Articles of Incorporation	7
Term of office of directors stipulated in the Articles of Incorporation	1 year
Chair of the Board of Directors	Chairperson (except where the Chairperson is also the President)
Number of directors	7
Appointment of outside directors	Appointed
Number of outside directors	4
Number of outside directors designated as independent officers	4

Corporate Governance Structure

We have a Board of Directors that makes important management decisions and supervises the execution of business. As a company with a board of corporate auditors, our auditors who are independent from the Board of Directors and our Board of Auditors audit the directors' execution of business and other matters. In view of the importance of the functions and roles of the outside directors and outside auditors, we have four outside directors and three outside auditors so that we can establish a governance structure that is highly objective and transparent.

Regarding our structure for the execution of business, we established the Management Council which is headed by the Representative Director and Chief Operating Officer (COO) and other committees to ensure decision-making is appropriate and swift throughout the Group. We provide reports on the status of each committee to the Board of Directors to ensure the Group's corporate governance is effective.



07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Composition and Roles of the Board of Directors

There are seven members of the Board of Directors, including four outside directors. In addition to regular meetings, the Board of Directors holds extraordinary meetings as appropriate. Chaired by the Chairperson (the CEO), the Board of Directors makes decisions regarding the company and supervises the Directors' execution of their duties. It also makes decisions regarding important matters that impact the entire Group.

Activities of Board of Directors

The Board of Directors held nine meetings in FY2024. It made decisions on important business matters in accordance with laws, regulations, the Articles of Incorporation, the rules for the Board of Directors and other rules.

Specific items it discussed in FY2024 include the Group's management plan, key personnel affairs, matters related to important investments, assets and finance, and reports regarding the execution of business.

Attendance at Board of Directors meetings

		Attendance	Attendance rate
Representative Director and Chairman (CEO)	**Hiroyuki Kishida**	9 of 9 meetings	100%
Representative Director	**Yoshitake Matsumoto**	8 of 8 meetings (see note)	100%
Director	**Hiroshi Tonoya**	9 of 9 meetings	100%
Director	**Mitsunobu Kosugi**	1 of 1 meeting (see note)	100%
Director	**Masakazu Endo**	1 of 1 meeting (see note)	100%
Outside Director	**Juichi Nozue**	1 of 1 meeting (see note)	100%
Outside Director	**Katsunori Nakanishi**	9 of 9 meetings	100%
Outside Director	**Yuriko Kato**	8 of 9 meetings	89%
Outside Director	**Hajime Hirano**	9 of 9 meetings	100%
Outside Director	**Koichi Maruno**	9 of 9 meetings	100%

Note: At the 176th Annual General Meeting of Shareholders on March 27, 2024, Mitsunobu Kosugi, Masakazu Endo and Juichi Nozue retired as directors and Yoshitake Matsumoto was elected as a director.

07
Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile
CONTENTS

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group Carbon Neutral Vision 2050


Sustainability


Composition and Roles of the Board of Auditors

The Board of Auditors determines policies, plans and other matters regarding audits. It receives reports on the implementation and results of audits from individual auditors. It also receives reports on directors, people in equivalent positions and the corporate auditor's performance of their duties from these people, and it requests explanations from them as necessary.

There are four members of the Board of Auditors, including three outside auditors. Auditors perform audits in accordance with the audit plans and they attend meetings of the Board of Directors. They also attend important meetings regarding the execution of business to audit directors' execution of business.

Activities of the Board of Auditors

The Board of Auditors held 10 meetings in FY2024. Major items on which resolutions were passed include an audit plan, an audit report, consent to a proposal for the election of auditors, an evaluation of the corporate auditor and whether or not the corporate auditor should be reappointed, and approval of the remuneration paid to the corporate auditor.

Attendance at Board of Auditors meetings

		Attendance	Attendance rate
Full-time auditor	**Koji Iida**	2 of 2 meetings (see note)	100%
Full-time auditor	**Mitsunobu Kosugi**	8 of 8 meetings (see note)	100%
Outside Auditor	**Yoshiaki Yatsu**	10 of 10 meetings	100%
Outside Auditor	**Hidefumi Kobayashi**	9 of 10 meetings	90%
Outside Auditor	**Takahiro Shibagaki**	10 of 10 meetings	100%

Note: At the 176th Annual General Meeting of Shareholders on March 27, 2024, Koji Iida retired as auditor and Mitsunobu Kosugi was elected as an auditor.

Composition and Activities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of two outside members and one inside member. It is chaired by the Chairperson (CEO). It deliberates matters regarding the election and dismissal of directors and operating officers as well as their remuneration and similar issues submitted to the committee by any of the representative directors, to ensure even more transparency in management.

In FY2024, it held three meetings to discuss matters concerning the structure of the executives and officers and their remuneration.

Attendance at Nomination and Remuneration Committee meetings

		Attendance	Attendance rate
Chair	**Hiroyuki Kishida**	3 of 3 meetings	100%
Member	**Yoshitake Matsumoto**	1 of 1 meeting (see note)	100%
Member	**Juichi Nozue**	1 of 1 meeting (see note)	100%
Member	**Katsunori Nakanishi**	3 of 3 meetings	100%
Member	**Koichi Maruno**	3 of 3 meetings	100%

Note: The attendance figures of Yoshitake Matsumoto and Juichi Nozue reflect their attendance before their retirement as committee members on March 24, 2024.

Structure for the Execution of Business

We have established operating officer structure to strengthen Group's functions for the execution of business to clarify responsibilities. Operating officers are to execute the business that they are in charge of in accordance with the plan for the execution of business determined by the Board of Directors. In addition, the Management Council, which consists of standing directors, operating officers and presidents of major subsidiaries, meets weekly, in principle, to discuss material matters concerning the management of the Group. To advance individual businesses, the people in the divisions and group companies who are responsible for the execution of business and members of the Management Council meet regularly to ensure that decision making is appropriate and to enhance the monitoring and supervisory functions of the Group.

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability





Message from an Outside Director

Sharing aspirations with local communities to picture a future for the Group

Katsunori Nakanishi
Outside Director

The Creation of New Value by Sharing the Aspirations of Local Communities in the Energy Domain

Under the Group 2030 Vision, the Group is carrying out multi-faceted reforms to create new value from the three perspectives of safety and security, the realization of carbon neutrality and the improvement of quality of life (QOL). The common thread running through all of these initiatives is a focus on local communities. Rather than the Group acting unilaterally to change society through energy we provide, we seek to engage in a dialogue with local communities to act and grow together. This co-creation represents the future that the Group aims to achieve.

To build this future, we must handle the changes in the environment surrounding the Group. The change to the new administration in the U.S. and the change of its policies had a significant impact on global energy and environmental policies. The future remains uncertain. In this situation, the question is how we will develop to be in alignment with the values of local communities in our core area of competence, energy.

Pursuing the Evolution and the Increase of the Sophistication of the Decision-Making Processes of the Group to Transition from Form to Substance

In order to ensure that the Group and local communities are in alignment, it is necessary to strengthen the corporate governance that supports the Group. This is closely associated with our policy of expanding our businesses other than the gas business so that they are 50% of the Group's consolidated ordinary profit. This policy is stated in the Group 2030 Vision. This cannot be achieved by extending our current approach. Momentum is building for a departure from conventional practices.

Previously, the Board of Directors had a tendency to dance around issues without making progress. Today, it pays close attention to the precision and speed of its decision-making. This change suggests a transition away from conventional practices has begun. Further, if we are able to conduct meetings with a focus on the reporting and discussion of issues, the quality of our discussions and decision-making will improve. As an outside director, I will work to propel this transformation to prevent it from being a flash in the pan.

Local Co-Creation Activities as Optimal Sustainability Solutions

I was in the world of finance for a long time. From my perspective, the need to establish credibility is a common thread between energy and finance. Credibility is established through interactions. It is based on the relationships between companies and local communities that are in alignment with each other. That is why I believe that companies that do not engage in activities to co-create value with local communities are not sustainable.

Local communities are not simply the local communities in Shizuoka, our home. They include comminutes in Vietnam, where we operate a renewable energy business, in India, where we are working to expand our business, and in the other regions where we operate. We will build relationships based on shared values in all of the regions the Group is involved in and increase people's trust in us to achieve mutual growth. I believe that efforts like these to build relationships will accumulate, giving us the strength to support local co-creation activities, and leading to continuous growth. I am dedicated to the realization of this future.

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Internal Control System

Basic Policy

The Group is working to improve its corporate governance and take strict actions to ensure compliance so that it can live up to the trust that its stakeholders have in it, achieve continued growth and increase its corporate value. Specific measures to achieve this include the establishment of an internal control system and the continued improvement of the system that ensures the internal control system will always be effective.

Basic policy for the establishment of the internal control system

1. A framework for ensuring that the directors are in compliance with laws, regulations, and the Articles of Incorporation in the execution of their duties
2. A framework for the management and storage of information about the directors' execution of their duties
3. Rules and other frameworks for the management of risks related to losses
4. A framework for ensuring that directors efficiently execute their duties
5. A framework for ensuring that employees are in compliance with laws, regulations, and the Articles of Incorporation in the execution of their duties
6. A framework for ensuring the appropriateness of the operations of the corporate group which consists of SHIZUOKA GAS Co., Ltd. and its subsidiaries
7. Matters related to employees that assist auditors in their duties when auditors have requested the appointment of these employees, and matters related to ensuring these employees' independence from directors and the effectiveness of the instructions given to these employees
8. A framework for directors and employees reporting matters to auditors
   A framework for the reporting of other matters to auditors
9. Other frameworks for ensuring the effectiveness of the audits performed by auditors
10. A framework for the elimination of antisocial forces
11. A framework for ensuring appropriateness of financial reporting

Remuneration of Executives and Officers

At the meeting of the Board of Directors on February 10, 2021, the Board of Directors passed a resolution regarding the policy for determining the details of the remuneration paid to individual directors and other matters. Prior to the Board of Directors passing the resolution, we submitted a proposed resolution to the Nomination and Remuneration Committee and received a report from the committee.

Basic policy on director remuneration

We make sure that the remuneration paid to our directors is at a level that is appropriate in light of their duties and position and that it functions effectively as an incentive to maximize our corporate value in the short, medium and long term. The remuneration consists of base remuneration, which is fixed, performance-linked remuneration and stock remuneration. The remuneration paid to outside directors consists of base remuneration only.

Ratio of base remuneration to performance-linked remuneration to stock remuneration

The ratio of base remuneration, performance-linked remuneration, and stock remuneration for the individual directors is determined by the representative directors after deliberation by the Nomination and Remuneration Committee, in comprehensive consideration of their position and duties and generally in accordance with the principle that the percentage of incentive remuneration, which comprises performance-linked remuneration and restricted stock remuneration, increases as the position of the director is higher.

Process for determining the structure and amount of remuneration

The structure and the specific amount of remuneration are discussed by the Nomination and Remuneration Committee and determined by the Board of Directors within the limits adopted by resolution at the General Meeting of Shareholders. In FY2024, the Nomination and Remuneration Committee met three times. The limit on director remuneration was set at 300 million yen per year by a resolution at the 159th Annual General Meeting of Shareholders on March 29, 2007. At that time, we had nine directors. The limit applies to the remuneration paid to directors including the restricted stock remuneration approved by a resolution at the 173rd Annual General Meeting of Shareholders on March 26, 2021.

Remuneration for auditors

We make sure that the remuneration paid to auditors is appropriate in light of their duties. It is composed of base remuneration only. The amount is determined by the Board of Auditors within the limit approved by a resolution at a General Meeting of Shareholders. The limit on auditor remuneration was set at 5 million yen per month by a resolution at the 151st Annual General Meeting of Shareholders on March 30, 1999. At that time, we had three auditors.

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group Carbon Neutral Vision 2050


Sustainability


Communication with Shareholders and Investors

General Meeting of Shareholders

We define general meetings of shareholders as key opportunities to engage in dialogue with shareholders. The General Meeting of Shareholders for the fiscal year ended December 31, 2024 took place at Hotel Associa Shizuoka on March 26, 2025. 86 shareholders participated in the meeting. They had a large number of questions and comments. In the future, we will manage our corporation referencing the feedback we have received.

Shareholder returns

We will continually increase shareholder return by, in principle, paying progressive dividends in consideration of the overall financial results and dividends on equity (DOE), which is calculated by multiplying return on equity (ROE) by the payout ratio, while investing in future growth and securing retained earnings to improve our financial position with a view toward the maximization of our corporate value over the long term. We have set a payout ratio target of 30%.

Shareholder benefits

We offer shareholder benefits in the form of shareholder benefit points to our shareholders that hold at least three trading units, or 300 shares, in proportion to the number of shares they own and the period of ownership. The points offered may be exchanged for regional Shizuoka Prefecture specialties or donated to public interest organizations. We also implement a program to provide preferential treatment to long-term shareholders to encourage many shareholders to own our shares for the long term.

Facility tours for shareholders

As a locally based energy operator, we hope to enjoy the long-term support of many people, not only customers but also shareholders. In June 2024, we organized a shareholder tour of our Fuji Branch and of Shizuoka Gas & Power's Fuji Power Plant. It attracted participants from both inside and outside Shizuoka Prefecture. They viewed the equipment in the power plant and a Fuji Branch hot-desking office. In November 2024, we organized a tour of Shimizu LNG Sodeshi Terminal. We will continue to hold facility tours like these on a regular basis as opportunities to communicate with shareholders.





Dialogue with institutional investors

We hold quarterly financial results briefings for institutional investors and analysts. In addition, we carry out regular investor relations (IR) activities and actively hold meetings with individual investors to increase people's understanding of the Group. Regarding financial institutions, we conduct IR activities to increase their understanding of us. In FY2024, we organized two financial results briefings, a total of approximately 20 events including financial result briefings which are held twice a year, and meetings with individual investors. We share the comments and requests we receive through these IR activities throughout the Group through the meetings of the Management Council and other opportunities and use them to increase our corporate value.

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Risk Management

Basic approach

The senior general managers of the divisions controlling businesses are responsible for the risks arising from the implementation of the individual businesses they are in charge of. The senior general managers and officers of SHIZUOKA GAS Co., Ltd. manage risks that span areas such as management, compliance, safety and system security. To complement and strengthen the above framework, and to identify and analyze risks regarding the management of the Group to ensure the Group can appropriately respond to them, we established the Risk Management Committee in January 2025. Since then, it has been working to build and operate a risk management structure for the entire Group.

Risk Management Committee

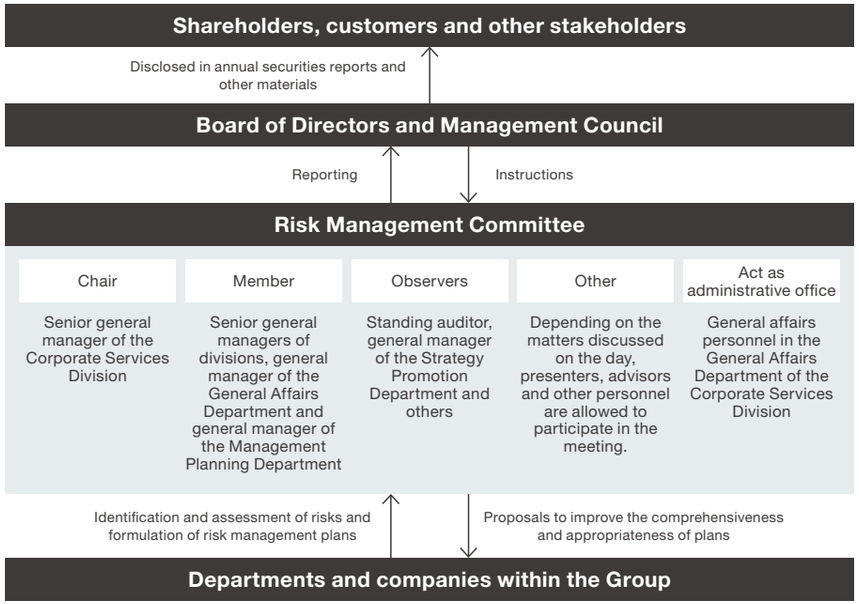
Chaired by the senior general manager of the Corporate Services Division, the Risk Management Committee consists of senior general managers from each division, the general manager of the General Affairs Department and the general manager of the Management Planning Department. In principle, it meets twice a year. It regularly reviews and selects material risks. To facilitate the efficient and effective management of risks, it also discusses preventive maintenance plans to address material risks that may affect the results of our business and our financial position and makes reports on these activities. The Risk Management Committee verifies that risks that emerge from changes in the business environment are being properly addressed, evaluates the effectiveness of groupwide responses to risks and provides instructions regarding necessary corrective measures.

Investment Committee

The Investment Committee qualitatively and quantitatively understands the risks involved in investments and derivative transactions (hereinafter "investment risks") that may adversely impact the results of the Group's business or its financial position, studies methods for minimizing investment risks and quickly and appropriately responds to risk to minimize damage and losses to the extent possible. Chaired by the senior general manager of the Management Strategy Division, the committee is composed of the senior general manager of the Corporate Services Division, the general manager of the General Affairs Department and the general manager of the Management Planning Department. It meets when its chair deems it to be necessary to hold a meeting to discuss any single contract or transaction with an investment risk of 100 million yen or more, in principle.

Risk Management System

We have established a risk management system which enables consistent risk management and quick identification of latent risks so that they can be handled swiftly. Every fiscal year, we review our risks, formulate a risk management plan and review the progress of the plan. The details of the above are discussed by the Risk Management Committee and during other meetings to facilitate the PDCA cycle.



07
Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile
CONTENTS

Shizuoka Gas Group 2030 Vision


Shizuoka Gas Group Carbon Neutral Vision 2050

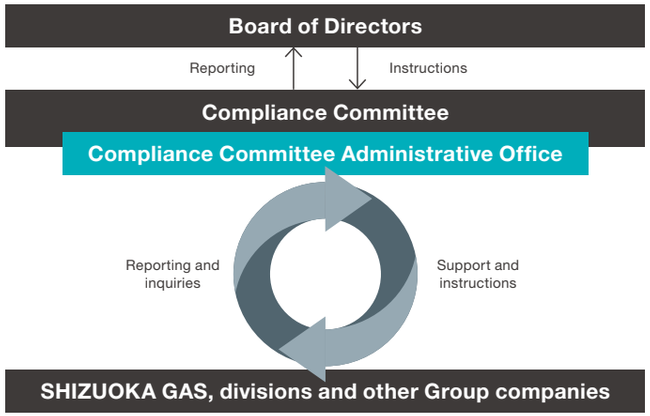

Sustainability


Compliance

Basic approach

The Group has defined compliance as an important management issue. The values and standards the Group's employees share are outlined in the Shizuoka Gas Group Code of Conduct, and through its implementation we aim to be a corporate group that continues to be trusted and selected by local communities, and that will continue to grow and develop together with them.

Compliance Promotion Structure



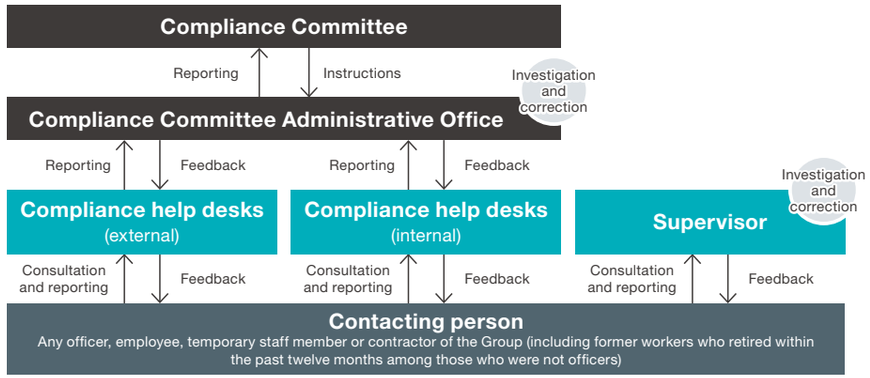
We have established the Compliance Committee which is chaired by the President. In principle, it meets twice a year. The principal roles of the committee are as stated on the right.

- Basic plans, fiscal year plans and implementation plans related to compliance within the Group
- Provision of compliance help desk services and response to inquiries
- Instructions regarding measures to prevent the recurrence of compliance violations
- Compliance training

Actions to Prevent Compliance Violations and Discover Them at an Early Stage

To prevent compliance violations and discover them at an early stage, we have set up internal and external compliance help desks. Any officer, employee, temporary staff member or contractor of the Group (including former workers who retired within the past twelve months, but excluding those who were officers) is able to notify the compliance help desks of issues or inquire at the help desks about any issues.

When a help desk receives an inquiry, we swiftly investigate the facts of the matter. If any unlawful or similar conduct is confirmed, we implement the necessary corrective and recurrence prevention measures. In addition, we strictly control the information provided by people contacting any of the help desks, and we prohibit their disadvantageous treatment.



Compliance Promotion Initiatives

Training for specific job ranks

We provide training separately for specific job ranks, such as officers, managers and employees. The goals of these training programs are to ensure that the people participating in the training programs will strictly observe laws, regulations and internal rules and to enable the participants to understand the importance of working on compliance.

Compliance Month

We have chosen October as Compliance Month. During October, we distribute a message from the President to all employees in the Group, conduct a compliance awareness survey, and organize compliance meetings to increase awareness of compliance.







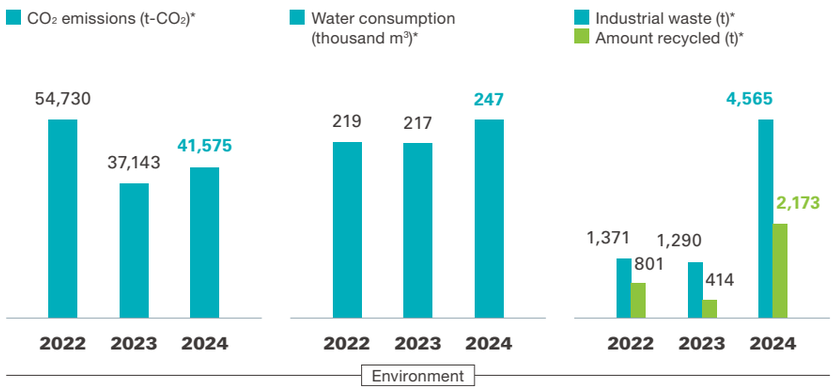
Major Financial and Non-Financial Data

Financial Data (Consolidated)

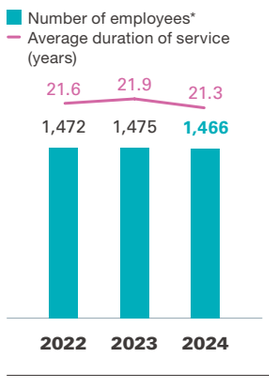
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Major financial information	Net sales	million yen	146,058	108,554	122,027	143,199	141,544	121,320	132,988	207,325	214,004	**202,237**
	Operating profit		11,563	10,228	7,711	4,869	7,852	6,828	4,989	8,629	18,340	**10,302**
	Ordinary profit		12,056	10,731	8,341	5,589	8,537	7,391	6,474	9,491	20,064	**13,083**
	Profit attributable to owners of parent		7,638	6,724	4,985	3,290	5,519	3,709	4,115	5,975	14,107	**8,776**
	Shareholders' equity		65,223	70,563	75,459	75,669	80,382	82,073	86,308	92,847	107,359	**118,113**
	Total assets		115,466	110,938	109,229	113,454	115,027	118,177	123,996	159,497	154,709	**170,202**
	Interest-bearing debt		18,961	14,789	11,702	9,879	8,216	6,085	6,625	32,177	18,313	**18,890**
	Cash flows from operating activities		30,845	16,697	10,746	11,885	21,921	20,303	(6,909)	4,116	37,755	**10,977**
	Cash flows from investing activities		(9,253)	(8,956)	(6,596)	(5,334)	(5,825)	(8,428)	(9,797)	(14,074)	(14,123)	**(8,675)**
	Cash flows from financing activities		(12,010)	(6,185)	(5,450)	(4,239)	(4,002)	(4,490)	(1,412)	23,552	(15,909)	**(1,855)**
	Free cash flow		21,591	7,741	4,149	6,550	16,095	11,875	(16,706)	(9,958)	23,632	**2,301**
Per share information	EPS (earnings per share)	yen	103.60	91.16	67.56	44.58	74.62	50.09	55.55	80.60	190.19	**116.98**
	Book value per share (BPS)		884.63	956.52	1,022.66	1,024.71	1,086.11	1,108.38	1,164.72	1,252.17	1,447.28	**1,569.41**
	Dividends		12.00	13.00	14.00	15.00	16.00	17.00	18.00	19.00	25.00	**40.00**
Major indicators	ROE	%	12.2	9.9	6.8	4.4	7.1	4.6	4.9	6.7	14.1	**7.8**
	ROA		6.5	5.9	4.5	3.0	4.8	3.2	3.4	4.2	9.0	**5.4**
	Equity ratio		56.5	63.6	69.1	66.7	69.9	69.4	69.6	58.2	69.4	**69.4**
	Dividend payout ratio		11.6	14.3	20.7	33.6	21.4	33.9	32.4	23.5	13.1	**34.2**
	DOE		1.4	1.4	1.4	1.5	1.5	1.6	1.6	1.6	1.9	**2.7**

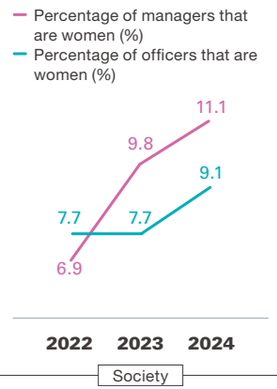
Non-financial Data

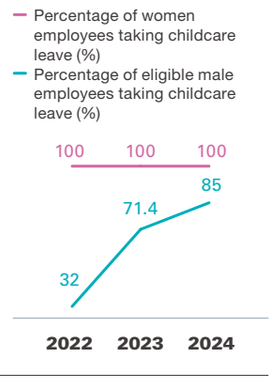
Figures marked with asterisks (*) are data about the Shizuoka Gas Group. Figures without asterisks are data about SHIZUOKA GAS Co., Ltd.



Environment







Society

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



Corporate Profile



Company Name

SHIZUOKA GAS CO., LTD.

Established

April 16, 1910

Representative Director and President (COO)

Yoshitake Matsumoto

Capital

¥6,279 million

Head Office

1-5-38 Yahata, Suruga-ku, Shizuoka-shi, Shizuoka, 422-8688

Lines of business

Production, supply and sale of City gas
Sale of LP gas
Power generation and sale of electricity
Reconstruction work, sale of gas appliances and gas-related construction

Group Companies

Japan

Shimizu LNG Co., Ltd.
Production and sale of gas

Yoshida Gas Co., Ltd. Yamanashi
Gas business

Chuen Gas Co., Ltd.
Gas business

Fukuroi Gas Co., Ltd.
Gas business

Gotemba Gas Co., Ltd.
Gas business

Shimada Gas Co., Ltd.
Gas business

Shimoda Gas Co., Ltd.
Gas business

Shinshu Gas Co., Ltd. Nagano
Gas business

Sado Gas Co., Ltd. Niigata
Gas business

Shizuoka Gas Energy Co., Ltd.
LP gas business

Shizuoka Gas & Power Co., Ltd.
Power generation and sale and purchase of electricity

Shizuoka Gas Living Co., Ltd.
Renovation business and other businesses

Shizuoka Gas Engineering Co., Ltd.
Gas and air conditioning systems construction and other businesses

Shizuoka Gas Credit Co., Ltd.
Leasing business

Shizuoka Gas Service Co., Ltd.
LPG and LNG conveyance

Shizuoka Gas System Solution Co., Ltd.
Information processing and systems development

Shizuoka Gas Insurance Service Co., Ltd.
Insurance agency business

Enarea Shizuoka Co., Ltd.
Sale of gas appliances and home remodeling

Enarea Tobu Co., Ltd.
Sale of gas appliances and home remodeling

Thai ST Energy Investment Company, Ltd.
Holding of shares of a company supplying industrial natural gas in Thailand

Oigax Limited
LP gas business

Kousei Housing Co., Ltd.
New housing, renovation, and real estate businesses

S&F Local Management Consolidated Co.
Power generation using solar power generation equipment and sale of electricity

SGI Maintenance Co., Ltd.
Maintenance, management and repair of solar power generation equipment

Sweets Investment Co., Ltd.
Purchase, renovation and sale of existing houses and development of residential real estate for sale

Fuji Koatsu Co.,Ltd.
Container inspections, design and construction of high-pressure gas plants and other businesses

Overseas

SHIZUOKA GAS TRADING PTE. LTD. Singapore
LNG Trading's front office operations and other businesses

SHIZUOKA GAS INDIA PRIVATE LIMITED India
Implementation of a city gas business, renewable energy development businesses and other businesses

SHIZUOKA GAS AMERICA Co. U.S.
Shale gas business

(As of May 31, 2025)

07

Executives and Operating Officers
Operating Officers
Corporate Governance
Message from an Outside Director
Risk Management
Compliance
Major Financial and Non-Financial Data
Corporate Profile

CONTENTS

Shizuoka Gas Group 2030 Vision



Shizuoka Gas Group Carbon Neutral Vision 2050



Sustainability



SHIZUOKA GAS GROUP REPORT 2025

SHIZUOKA GAS CO., LTD.
1-5-38 Yahata, Suruga-ku, Shizuoka-shi, Shizuoka, 422-8688

https://ir.shizuokagas.co.jp/en/Top.html
(Investor Relations Website)

Surging passion, a brighter tomorrow.

SHIZGAS
SHIZUOKA GAS GROUP