



このまち思いエネルギー。

広島ガス

Corporate Social Responsibility Report

Hiroshima Gas  
CSR Report  
2022

Digest

Creating a sustainable society  
with our hands...





# Flow of delivering natural gas to our customers

## City gas supply flowchart

**Raw material procurement and transport**

**City gas production**

Natural gas is extracted overseas, cooled to approximately  $-160^{\circ}\text{C}$ , liquefied, and then imported as LNG (liquefied natural gas).



Bintulu facilities in Malaysia

[Natural gas extraction] [LNG transport ship]

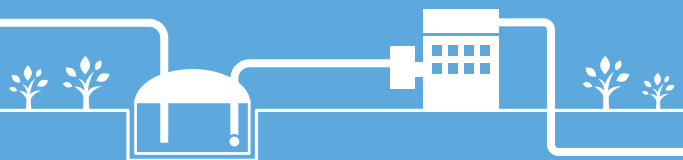


LNG is placed into storage tanks and vaporized according to demand. It then undergoes calorific value adjustment and is supplied as city gas.



Hatsukaichi LNG terminal

[In-pit method LNG storage tank] [LNG vaporizer]



## Supply area and organization

(As of March 31, 2022)

### Supply area (7 cities and 4 towns within Hiroshima prefecture)

Hiroshima, Kure, Onomichi, Mihara, Hatsukaichi, Higashi-hiroshima, Fukuyama, Aki-gun Kaita-cho / Saka-cho / Fuchu-cho / Kumano-cho

Number of customers

**416,000**

### Hiroshima district

Number of customers

**353,000**



Head office



Kabe facilities



Higashi-hiroshima plant



Kaita facilities



Hatsukaichi LNG terminal

### Kure district

Number of customers

**46,000**



Kure branch



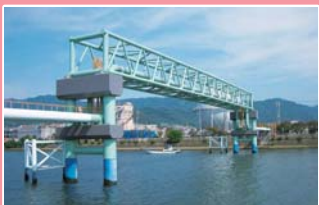
Kumaon facilities

Hiroshima Gas makes sure its energy supply system is stable and secure so that all of its customers can always use natural gas in a safe manner.

City gas supply

Delivery to customers

Gas is supplied to customers through 5,252km of underground piping (supply and service pipelines).



Gas pipe bridges

[Gas holder]



The gas that we supply can be used in a variety of applications.



Factories, etc.

[Industrial use]



Hotels, buildings, schools, etc.

[Commercial use]



Kitchens, hot water supply, etc.

[Residential use]



Natural gas is an environmentally friendly type of energy!



LNG tanker trucks

Wholesale supply

(Hiroshima Gas)

Wholesale supply utilizing equipment from Setouchi Pipeline Co., Ltd., a consolidated subsidiary



Mizushima station (Setouchi Pipeline Co., Ltd.)



Mizushima LNG terminal (Mizushima LNG Co., Ltd.)



Bingo plant

Hiroshima prefecture

Okayama prefecture

Fukuyama Gas Co., Ltd.

Mizushima station  
Mizushima LNG terminal

Bingo plant

Onomichi branch

Energy plays an important part in every part of our lives.



Onomichi/Mihara district

Number of customers  
**17,000**



Onomichi branch

Legend

Supply area (Hiroshima district)		Gas holder	
Supply area (Kure district)		Gas production plant	
Supply area (Onomichi/Mihara district)		Head office/Branch/Facilities	
Pipeline (Hiroshima Gas)		Proposed pipeline	
		Pipeline (Setouchi Pipeline)	

# Hiroshima Gas Group 2030 Vision

Slogan for Hiroshima Gas Group 2030 Vision

**Sending moving messages that make us happy**

## Three Basic Values Our Slogan Represents

- 1 The Hiroshima Gas Group grows with the community
- 2 Energy that truly benefits communities
- 3 To pursue inspiration and send moving messages that we can share with the entire community

## Basic Policies for 2030 Vision

- |   |   |
|---|---|
| 1 Pursuit of inspiration through our operational policies | 2 Pursuit of inspiration through our energy service     |
| 3 Pursuit of inspiration through peace of mind            | 4 Pursuit of inspiration through connection with others |

## Declaration of the Sustainable Development Goals set by Hiroshima Gas Group for the benefit of communities

### Declaration of the Sustainable Development Goals set by Hiroshima Gas Group for the benefit of communities: Taking action to create a brighter future

Based on our management philosophy of "striving to be a company trusted by the community", Hiroshima Gas Group seeks to implement viable corporate governance and work toward the Sustainable Development Goals proposed by the United Nations in order to contribute to building a sustainable society under the company slogan of "energy that truly benefits communities".

October 30, 2020 Hiroshima Gas Group



Poster for "Declaration of the Sustainable Development Goals set by Hiroshima Gas Group for the benefit of communities"

## Efforts by Hiroshima Gas Group to achieve carbon neutrality by 2050

### Efforts by Hiroshima Gas Group to achieve carbon neutrality by 2050

- 1 Until 2030, we will steadily promote the reduction of CO<sub>2</sub> emissions in our business activities and at our customers' sites, focusing on the various ESG-related project efforts we have implemented thus far to reduce our environmental impact.
- 2 In the future, we will engage in the "decarbonization of the gas itself" through the use of methanation and hydrogen, as well as decarbonization of power sources, aiming for carbon neutrality by 2050.

### Targets for FY2030

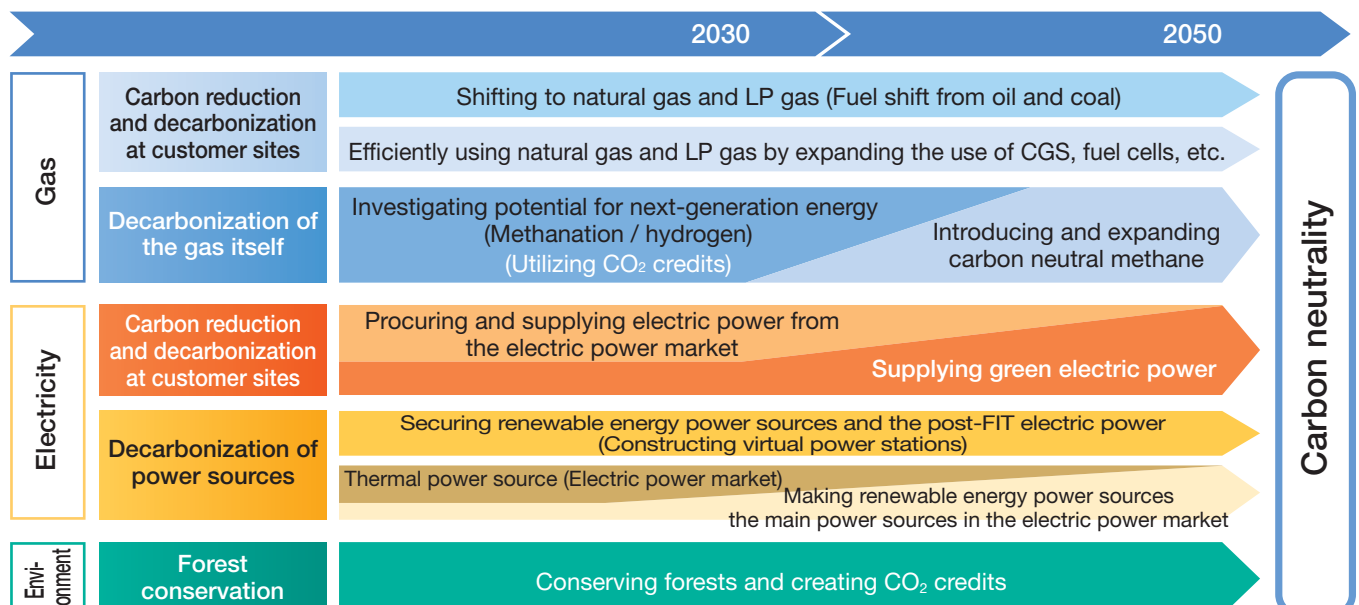
Contribution to CO <sub>2</sub> emission reductions	300,000 tons/year*1
Volume of renewable energy power sources handled	60,000 kW*2
CO <sub>2</sub> emissions at Hiroshima Gas offices and production plants	50% decrease from FY2013*3

\*1: Contribution to CO<sub>2</sub> emission reductions by Hiroshima Gas and its customer sites as of FY2030 (from FY2021)

\*2: Includes power sources applicable for a feed-in tariff (FIT) such as solar power, wind power, and biomass.

\*3: Included in contribution to CO<sub>2</sub> emission reductions of 300,000 tons/year

### Roadmap to carbon neutrality by 2050

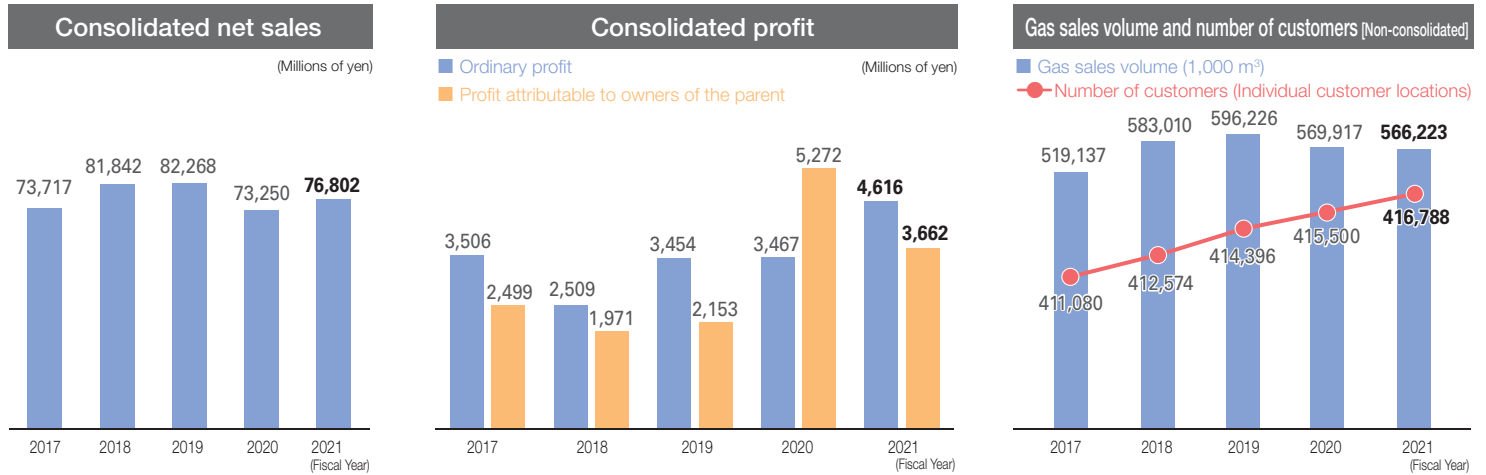


Carbon neutrality



### Company performance information

First increase in revenue in two years and third consecutive year of increase in ordinary profit. Sixth consecutive year of increase in the number of customers.



### Business activities

#### LNG procurement and production

In order to respond to fluctuations in demand for LNG (liquefied natural gas), the raw material for city gas, we are striving to diversify our suppliers and ensure stable procurement. City gas is produced at the Hatsukaichi LNG terminal, the Bingo plant, and the Higashi-hiroshima plant. LNG reception and the entire gas production process at these locations are tightly controlled via the central control room.



LNG ship docking at our Hatsukaichi LNG terminal



Central control room

#### Supply and distribution plants

We are promoting the construction of new gas pipelines and systematic maintenance and management. In addition, we have established a system to ensure the stable delivery of city gas, including a 24-hour response and dispatch system for emergency situations.



Security command center



Emergency vehicles

#### Business

City gas is used for a variety of purposes, including residential, commercial, and industrial use, and we are proposing ways to expand and efficiently use natural gas. We also conduct inspections and public awareness activities to ensure safe and secure gas use.



City gas proposals to customers



Safety inspection of gas equipment



Gas Safety Guidebook

A comprehensive system has been put into place to ensure that gas is used in a safe and secure manner.



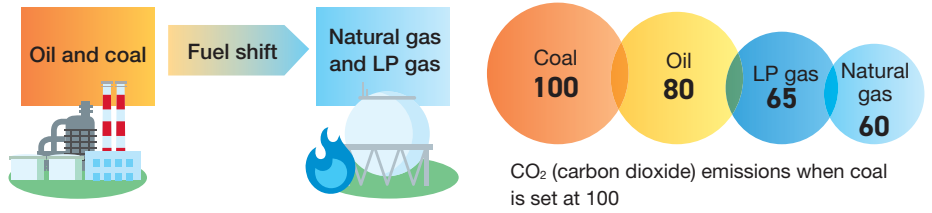
# Environment

## Promoting fuel shifts to and efficient use of natural gas and LP gas, expanded use of renewable energy, and forest conservation to achieve carbon neutrality by 2050

### Shifting to natural gas and LP gas

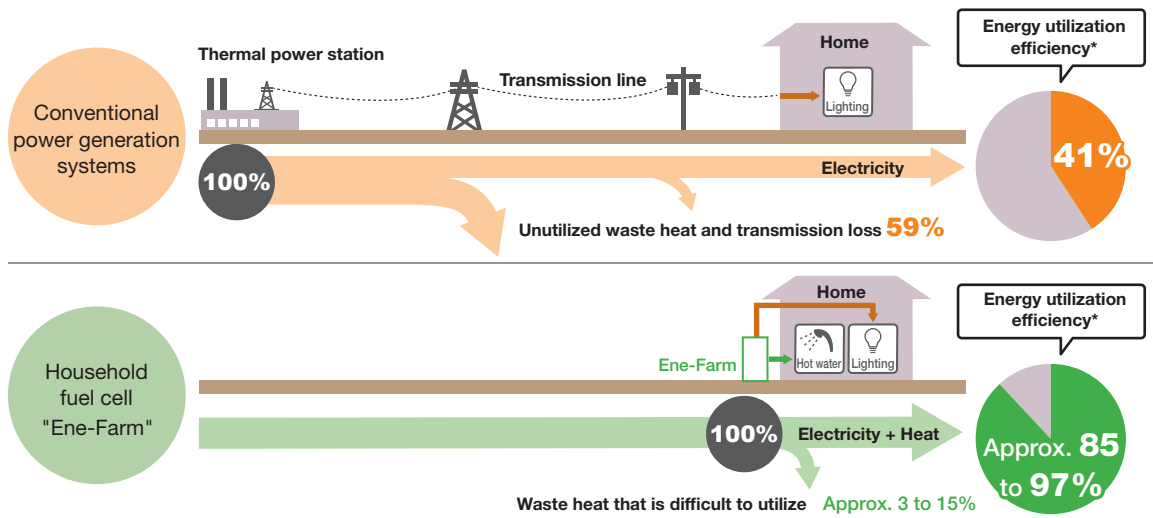
Compared to oil and coal, natural gas and LP gas are environmentally-friendly and clean energy sources that emit less CO<sub>2</sub> and toxic substances during combustion. By shifting fuels from oil and coal to natural gas and LP gas, we will contribute to CO<sub>2</sub> emission reductions at our customers' sites.

[Potential for CO<sub>2</sub> reductions through shift from oil and coal to natural gas and LP gas]



### Efficiently using natural gas and LP gas

Gas cogeneration systems use natural gas to generate electricity and, at the same time, utilize the heat generated for hot water supply and air conditioning to efficiently use energy. We are promoting the efficient use of energy by, for example, promoting the spread of the household fuel cell "Ene-Farm".



Ene-Farm type S

\* Based on LHV (Lower Heating Value: Calorific value not including latent heat of vaporization of water vapor generated during fuel combustion) criteria.

Source: The Japan Gas Association

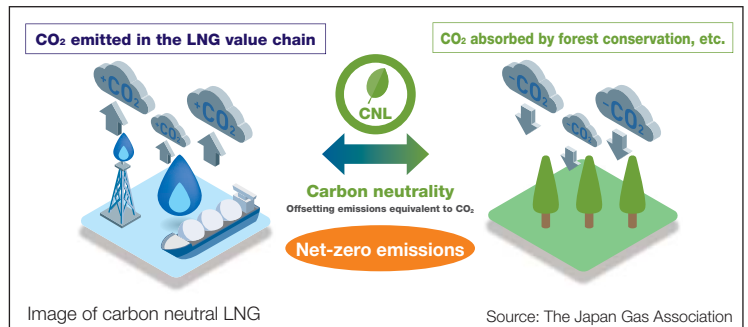
\* Calculated using Ene-Farm manufacturer published values.

\* "Ene-Farm" is a registered trademark of Tokyo Gas Co., Ltd., Osaka Gas Co., Ltd., and ENEOS Corporation.

### Introducing carbon neutral LNG

Carbon neutral LNG ("CNLNG") is LNG that uses CO<sub>2</sub> credits\* to offset the CO<sub>2</sub> generated in the process from the extraction of natural gas to its combustion at the customer's site. We have started selling CNLNG to customers as carbon neutral city gas in April 2022.

\* Expresses the amount of CO<sub>2</sub> emissions reduced or absorbed through forest conservation, the introduction of renewable energy, and the like exchanged between the government and corporations.



### Expanded utilization of renewable energy

We are contributing to the realization of carbon neutrality by promoting efforts to spread the use of renewable energy sources such as biomass, solar power, and small-scale hydropower.



Kaita Power Station (biomass generation)



Hiroshima Gas Shiwahori Power Station (small-scale hydropower generation)



Hiroshima Gas Forest for the Benefit of Communities

### Forest conservation activities

We promote forest conservation activities to reduce CO<sub>2</sub> emissions, revitalize hilly and mountainous regions by promoting forestry, and contribute to the conservation of the local environment.



# Society

## Working with the local community to promote efforts for the realization of a sustainable society

### Relationship with local communities

As a company that has a strong relationship rooted in the local area, Hiroshima Gas conducts a wide range of social contribution activities centered on the four areas of promotion of arts and culture, promotion of community, promotion of sport, and educational support (commitment to the next generation of education).

#### Promotion of arts and culture, and promotion of community

The 35th Hiroshima Symphony Orchestra Concert Live-streamed on the Internet with no audience



Concert stage with no audience

#### Promotion of sport

Hiroshima Gas Badminton Club



Badminton training session

#### Educational support (Commitment to the next generation of education)

As part of our efforts to contribute to local communities, we cooperate with government agencies, education committees, schools, businesses, and other organizations with the aim of actively developing next-generation education programs.

We offer a variety of next-generation educational programs primarily for elementary and junior high school students.

[Energy and environmental education] Science shows, Technical Research Institute science experiment lessons

[Disaster prevention education] Lifeline disaster prevention classes

[Fire education] Fire education classes

[Food education] Eco-cooking\* classes, tasting classes

Note: \*Eco-cooking\* is a registered trademark of Tokyo Gas Co., Ltd.



Lifeline disaster prevention class



Next-generation educational programs pamphlet

### Aiming for a comfortable work environment

#### Efforts for workstyle reform

With regard to workstyle reform, we are promoting activities centered on three efforts: ① Reducing total working hours, ② Establishing an environment with diverse and flexible work styles, and ③ Promoting activities of diverse human resources (promoting women's activities).

##### ① Reducing total working hours

###### ▶ Company-wide "leaving work on time" day

- We set days when employees are encouraged to leave the workplace on time without working overtime.

###### ▶ "Let's come late or go home early" day

- We set days when employees are encouraged to arrive late or leave early by utilizing flexible working hours, etc.

##### ② Establishing an environment with diverse and flexible work styles

###### ▶ Flexible working hours system

- A system in which total working hours are managed on a monthly basis without fixing the prescribed daily working hours.
- Giving each employee discretionary control over their own working hours allows for more efficient work.

###### ▶ Shorter flexible working hours for childcare

- As part of childcare support measures for employees, four types of work patterns with shorter working hours per day have been set to support employees balancing work and childcare.

Change in the number of employees using shorter flexible working hours system for childcare	FY2017	FY2018	FY2019	FY2020	FY2021
Number of employees using shorter flexible working hours for childcare (persons)	12	13	17	17	21

###### ▶ Introducing telecommuting work system (January 2021)

- We promote flexible workstyles by introducing the three measures of "telecommuting", "satellite office work", and "mobile work" with the aim of not only supporting new workstyles but also of establishing a business continuity system in the event of an emergency.

##### ③ Promoting activities of diverse human resources (promoting women's activities)

###### ▶ Ensuring at least 30% of all newly hired employees are women

###### ▶ Expanding the scope of women's positions to all divisions and groups

[Change in the number of employees using the childcare leave system and return-to-work rate]

Category	FY2017	FY2018	FY2019	FY2020	FY2021
Employees using the childcare leave system (persons)	5	4	8	8	6
Return-to-work rate of employees using the childcare leave system (%)	100	100	100	100	100

#### Employee voices ▶ Taking childcare leave

I took approximately two weeks of childcare leave when my second child was born. After the birth, my wife, who was staying in the hospital, and I discussed how to care for our first son. We considered relying on my parents, but we decided to do everything we could to handle the situation ourselves first. So, I took childcare leave. The people at my workplace easily agreed, which let me take childcare with peace of mind. I am grateful for that.



Hatsukaichi LNG terminal  
Ryo Hyakuda

I used to share housework and childcare with my wife, but having also taken on her duties during my childcare leave, I learned firsthand how hard she works on a day-to-day basis. I was also glad to have more precious opportunities to spend time with my children. For example, I got to see a different side of my first son at preschool events that I had not been able to participate in very often.

## Management philosophy

### Striving to be a company trusted by the community

Based on our management philosophy that aims to create a company that is trusted by the local community, Hiroshima Gas wishes to continue carrying out business activities emphasizing on the stable supply of energy and ensuring the safety of all as our corporate social responsibility.



Hiroshima Gas Head Office Area

Head office address: 2-7-1, Minamimachi, Minami-ku, Hiroshima TEL 082-251-2176

Established: October 1909

Capital: 5.225 billion yen

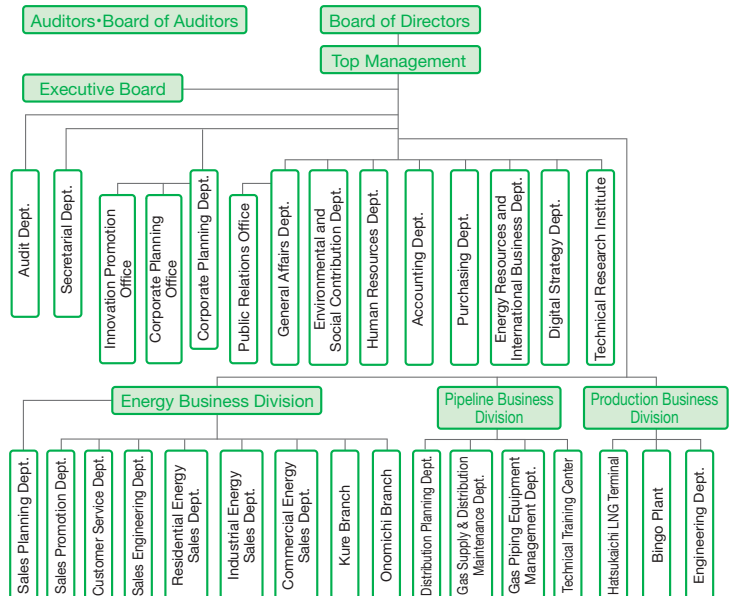
Number of employees: 681

Business field: ① Gas business  
② Sales of gas appliances  
③ Sales of liquefied natural gas

(As of March 31, 2022)

## Organizational chart

(As of July 1, 2022)



## Regional service representatives

### Gaslife

Business hours: 9:00am to 5:30pm (Monday to Saturday)

1 Gaslife Hiroshima	1-30, Minamitakeya-cho, Naka-ku, Hiroshima
2 Gaslife Aki	3-1-14, Funakoshiminami, Aki-ku, Hiroshima
3 Gaslife Itsukaichi	2-7-43, Kairoen, Saeki-ku, Hiroshima
4 Gaslife Gion	5-13-1, Nishihara, Asaminami-ku, Hiroshima
5 Gaslife Kure	1-6-16, Chuo, Kure
6 Gaslife Onomichi	3-2, Tenma-cho, Onomichi
7 Gaslife Kabe	9-13-7, Kameyama, Asakita-ku, Hiroshima
8 Gaslife Saijo	4-38, Saijogojo-cho, Higashi-hiroshima

### Showroom

Experience the latest gas equipment and the sheer warmth provided by gas.

#### Examples of exhibition equipment

- Household fuel cell (Ene-Farm)
- Floor heating and bathroom heater comparison rooms
- Try it! Kitchen activities (Kitchen comparison)



Gastopia Center  
1-30, Minamitakeya-cho, Naka-ku, Hiroshima  
TEL: 082-240-8888



Gastopia Itsukaichi  
2-7-43, Kairoen, Saeki-ku, Hiroshima  
TEL: 082-923-5678



Gastopia Gion  
5-13-1, Nishihara, Asaminami-ku, Hiroshima  
TEL: 082-850-3506



Gastopia Aki  
3-1-14, Funakoshiminami, Aki-ku, Hiroshima  
TEL: 082-821-1130



Gastopia Kure  
1-6-16, Chuo, Kure  
TEL: 0823-22-1262



Gastopia Onomichi  
3-2, Tenma-cho, Onomichi  
TEL: 0848-22-2161

## 0570-550-720

\* If you cannot use the Navi-Dial service (e.g., if you are using an IP phone or calling from abroad), please dial 082-240-8891.

[Reception hours] Monday to Saturday (national holidays excluded) from 9:00am to 7:00pm  
[Closed] Sundays, national holidays, year-end and New Year holidays (December 31 to January 4)

All Gaslife stores

## Overview of main subsidiaries

(As of March 31, 2022)

### Hiroshima Gas Propane Co., Ltd.

•Capital: 300 million yen •Established: March 1969 •Sales: 12,237 million yen •Number of employees: 101

### Hiroshima Gas Techno-Service Co., Ltd.

•Capital: 80 million yen •Established: June 1998 •Sales: 9,848 million yen •Number of employees: 211

### Hiroshima Gasmate Co., Ltd.

•Capital: 20 million yen •Established: April 1975 •Sales: 923 million yen •Number of employees: 154

### Hiroshima Gaslife Co., Ltd.

•Capital: 15 million yen •Established: June 2018 •Sales: 2,982 million yen •Number of employees: 157

### Be-Smile Co., Ltd.

•Capital: 75 million yen •Established: June 2001 •Sales: 186 million yen •Number of employees: 23

### Setouchi Pipeline Co., Ltd.

•Capital: 150 million yen •Established: May 2003 •Sales: 1,160 million yen •Number of employees: 13

### HG LNG SHIPPING CORPORATION

•Capital: 1 million yen •Established: February 2005 •Sales: 2,353 million yen

## Hiroshima Gas Co., Ltd.

2-7-1, Minamimachi, Minami-ku, Hiroshima 734-8555  
Public Relations Office, General Affairs Dept.: 082-252-3000 (Direct line)

## Hiroshima Gas Website

[https://www.hiroshima-gas.co.jp/english/index\\_e.htm](https://www.hiroshima-gas.co.jp/english/index_e.htm)

