

Hiroshima Gas CSR Report

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Corporate Social Responsibility Report

2024 Digest

Creating a sustainable society with our hands...

הנה מידר ורחיב

Flow of delivering natural gas to our customers

City gas supply flowchart



Supply area and organization



Hatsukaichi LNG terminal

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.

Digest





Materiality of the Hiroshima Gas Group (Key Issues)

Based on our management philosophy of "striving to be a company trusted by the community," the Hiroshima Gas Group has specified our materiality (key issues) for the realization of a sustainable society. The indicators and goals corresponding to our materiality are linked to our 2030 Vision and FY2024 Mid-Term Management Plan.



Efforts by Hiroshima Gas Group to achieve carbon neutrality by 2050

- 1 Until 2030, we will steadily promote the reduction of CO₂ 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 CO2 emission reductions	Volume of renewable energy power sources handled	CO_2 emissions at Hiroshima Gas offices and production plants		
300,000 tons/year*1	60,000 kW ^{*2}	50% decrease from FY2013'3		
Contribution to COs amission raduations by Hirashima Case and its austamor sites as of EV2020 (from EV2021)				

*1: Contribution to CO₂ 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.

2. Included in contribution to CO₂ emission reductions of 300,000 tons/year

Roadmap to carbon neutrality by 2050



* Synthetic methane produced using non-fossil energy sources, such as green hydrogen, as raw materials

Management

Reforming and strengthening the business base for the safe and stable supply of energy and improved corporate value

Company performance information

First decrease in revenue in three years and first decrease in ordinary profit in five years. Eight consecutive year of increase in the number of customers.



Business activities

LNG procurement and production

In order to provide a stable supply of city gas, we are striving to diversify our suppliers and ensure stable procurement of LNG (liquefied natural gas), the raw material for city gas.

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

Emergency vehicles

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

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



Environment

Reducing environmental burdens at customer sites and in business activities as well as contributing to the local environment to achieve carbon neutrality by 2050

Shifting fuel 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_2 and toxic substances during combustion. By shifting fuels from oil and coal to natural gas and LP gas, we will contribute to CO_2 emission reductions at our customers' sites.



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."



* 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.

Participation in a methanation demonstration project using local raw materials

Hiroshima Gas is participating as a co-implementer of the "Demonstration of a Model of Regional Methanation with Local Production and Consumption Aimed at Cost Reduction through Utilization of Local Resources" with Saibu Gas as the representative company. Our company is implementing this demonstration project as a study of a local production and consumption model in the Chugoku region with the goal of reducing e-methane production costs and providing environmental value through methanation that makes effective usage of excess electricity from renewable energy, a local resource, and byproduct hydrogen and unused CO₂ generated by neighboring plants.

Sales of green electric power

From January 2024, we started sales of green electric power primarily to residential customers who use gas of Hiroshima Gas and the Hiroshima Gas Group. By adding environmental value

derived from renewable energy and providing electricity with net-zero CO_2 emissions, we are contributing to the betterment of the environment together with our customers.



Expanded utilization of renewable energy

By promoting efforts to spread the use of renewable energy sources such as biomass generation, solar power generation, and small-scale hydropower generation, we strive to not only reduce CO_2 emissions but also to conserve the environment, revitalize the local economy, and more.



Kaita Power Station (Biomass generation)

Forest conservation activities

In addition to absorbing and storing CO_2 and preventing landslide disasters through forest conservation activities as well as revitalizing hilly and mountainous regions by promoting forestry, we also contribute to the conservation of the local environment through the conservation of biodiversity and the like.



Higashi-Onomichi Solar Power Station



Tree-planting event at "Hiroshima Gas Jinsekikogen Forest (Mt. Ishiya) for the Benefit of Communities"

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

Contributing to the development of local communities

As a company that has a strong relationship rooted in the local area, we promote partnerships with local communities and conduct 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

Society

Hiroshima Symphony Orchestra Concerts



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 lessons [Disaster prevention education] Lifeline disaster prevention classes, Hiroshima Gas disaster prevention classes [Food education] Eco-cooking classes* * "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 work style reform

With regard to work style 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.

C "Let's come late" and "let's go home early" days

• 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

• Giving each employee discretionary control over their own working hours allows for more efficient work.

Shorter flexible working hours for childcare or long-term caregiving

As part of childcare and long-term caregiving 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 or long-term caregiving.

[Change in the number of employees using shorter flexible working hours system for childcare]

Category Fiscal Year	2019	2020	2021	2022	2023
Number of employees using shorter flexible working hours for childcare (persons)	17	17	21	20	19

Telecommuting work system

 We promote flexible work styles by utilizing the three measures of "telecommuting," "satellite office work," and "mobile work."

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

- Ensuring at least 30% of all hired individuals are women
- Ratio of hired individuals that are women: 41.2% (FY2023)

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

Appointing women to management positions

• Ratio of management staff that are women: 5.3% (FY2023)

[Change in the number of employees using the childcare leave system and return-to-work rate]						
Category	Fiscal Year	2019	2020	2021	2022	2023
Childcare	Persons using the system	8	8	6	14	22
leave system	Return-to- work rate (%)	100	100	100	100	100

Acquired "Kurumin certification" In August 2022, Hiroshima Gas acquired "Kurumin certification," meaning the Minister of Health, Labour and Welfare has certified us as a company that supports childcare

Employee voices Taking childcare leave

I took "post-childbirth paternity leave (childcare leave at the time of childbirth)" for about two weeks when my wife, who works at the same company as me, gave birth to our first child, so that I could support her upon returning home from the hospital. As it was not a hometown birth, my wife was very happy that I could take leave and handle the housework, allowing us to get through the post-childbirth period together,



Yodai Yamada

and I was also very happy to have time to spend with my newborn child. I am also very thankful to everyone at my workplace who gave me their full support.

My wife and I both have now returned to work where we are working in a well-structured and efficient manner in order to balance our careers and child raising, as we hope to continue to be able to spend precious time together as a family.

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.

	Head office address:	2-7-1, Minamimachi, Minami-ku, Hiroshima TEL 082-251-2176
	Established:	October 1909
	Capital:	5.268 billion yen
	Number of employees:	686
	Business field	I: 1 Gas business
		2 Sales of gas appliances
		gas
Hirophima Cas Hoad Office Area		(As of Marsh 01, 000)



Regional service representatives

© Gaslife	Business hours: 9:00am to 5:30pm (Monday to Saturda
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
Z Gaslife Kabe	9-13-7, Kameyama, Asakita-ku, Hiroshima
8 Gaslife Saijo	4-38, Saijogojo-cho, Higashi-hiroshima

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)

Overview of main subsidiaries

Hiroshima Gas Propane Co., Ltd.

·Capital: 300 million yen ·Established: March 1969 ·Sales: 13,114 million yen ·Number of employees: 106

Hiroshima Gas Techno-Service Co., Ltd.

·Capital: 80 million yen ·Established: June 1998 ·Sales: 9,232 million yen ·Number of employees: 208

Hiroshima Gasmate Co., Ltd.

·Capital: 20 million yen •Established: April 1975 •Sales: 932 million yen •Number of employees: 156

Hiroshima Gaslife Co., Ltd.

•Capital: 15 million yen •Established: June 2018 •Sales: 3,801 million yen •Number of employees: 170

Be-Smile Co., Ltd.

All Gaslife

stores

·Capital: 75 million yen ·Established: June 2001 ·Sales: 209 million yen ·Number of employees: 27

Setouchi Pipeline Co., Ltd.

·Capital: 150 million yen ·Established: May 2003 ·Sales: 1,169 million yen ·Number of employees: 11

HG LNG Shipping Corporation

·Capital: 1 million yen •Established: February 2005 •Sales: 2,164 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) https://www.hiroshima-gas.co.jp/english/index_e.htm

O Showroom

Experience the latest gas equipment and the sheer warmness 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 Gion 5-13-1, Nishihara, Asaminami-ku, Hiroshima TEL: 082-850-3506



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



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



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



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

