

CO₂ Emissions Data in FYE 03/26

CO₂ emissions

As a company responsible for the last mile of energy distribution, NICIGAS is working towards realizing a decarbonized society. CO₂ emissions from the value chain of NICIGAS in FYE 03/26 were 2,900 thousand t-CO₂, which marked a slight increase YoY due to the steady growth in the number of customers and Electricity sales volume. Simultaneously, we are actively implementing measures to reduce CO₂ emissions through the use of non-fossil energy sources for power sources and the widespread adoption of energy-efficient gas equipment.

Moving forward, while expanding its customer base and driving business growth, we will contribute to the stabilization of power grids and mitigation of natural disaster risks through the proposals for energy-saving and high-efficiency energy solutions that transcend the boundaries of electricity and gas. Furthermore, NICIGAS takes concrete action toward realizing decarbonized society, which is defined as NICIGAS Group's core materiality. We aim to achieve net zero by 2050 by optimizing energy use at our customers' sites and expanding initiative through local communities.

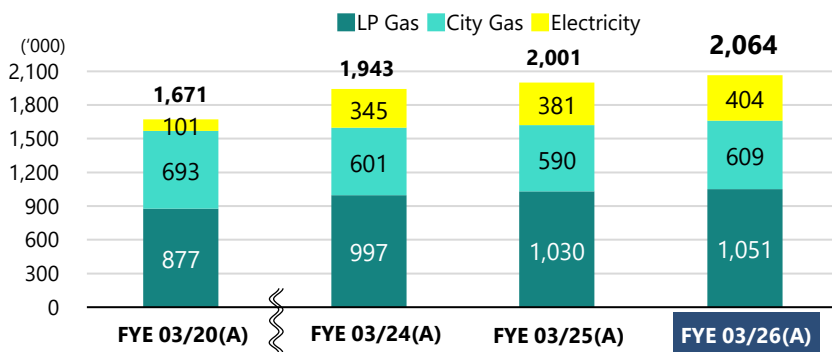
Thousand t-CO ₂	FYE 03/20	FYE 03/24	FYE 03/25	FYE 03/26
Total CO₂ emissions	2,434	2,905	2,826	2,900
Scope1	14	13	14	14★
Scope2 (Market-Based)*	3	2	2	2★
Scope2 (Location-Based)*	3	2	2	2
Scope3	2,417	2,890	2,810	2,884★
Category 1	449	426	421	421★
Category 2	18	11	16	14★
Category 3	187	775	718	794★
Category 11	1,764	1,678	1,656	1,654★

*Scope 2(Market-Based): emissions calculated based on emission factor of NICIGAS' contracted power company

*Scope 2(Location-Based): emissions calculated based on the mean national emission factor

The indicators with a ★ in CO₂ emissions and CO₂ emissions per household have been assured by KPMG AZSA Sustainability Co., Ltd., an independent assurance provider. The "Independent Assurance Report" is included in P.2.

◆Trend of customer number



CO₂ emissions per household

NICIGAS sets to halve CO₂ emissions per household by FYE 03/31. CO₂ emissions per household indicates the progress of the NICIGAS management strategy of providing solutions for optimal energy usage, which also links to the increase of corporate value.

In FYE 03/26, CO₂ emissions per household remained on par with FYE 03/25 at 2.7 t-CO₂. This represents a significant decrease compared to the 4.3 t-CO₂ in FYE 03/20 (the target base year). The progress rate toward the target for FYE 03/31 is approx. 80% due to the steady expansion in sales of energy-efficient gas equipment such as hybrid water heaters.

We will continue to digitally connect the sold solution equipment in order to control supply and demand. By optimizing our customers' energy use, who subscribe our Electricity and Gas bundling plan, we aim to reduce CO₂ emissions per household.

t-CO ₂	FYE 03/20	FYE 03/24	FYE 03/25	FYE 03/26	FYE 03/31
CO₂ emissions per household when using gas (LP Gas) and Electricity provided by NICIGAS	4.3	3.1	2.7	2.7★	2.3

Boundary for Total CO₂ emissions and CO₂ emissions per household (companies included in the accounting)

- Nippon Gas Co., Ltd.
- Energy Sola Platforms Co., Ltd.
- Kumono Ucyusen Co., Ltd.
- Enatra Co., Ltd.
- Nihongas Koji Co., Ltd.

◆The calculation criteria

• Scope 1: The CO₂ emission factors and unit heat values stipulated in the Act on Promotion of Global Warming Countermeasures are used.

• Scope 2 (Market-Based): The emission factors for each electric power provider (basic emission factor) published by Japan's Ministry of the Environment are used.

• Scope 2 (Location-Based): The emission factor for the national average emissions published by Japan's Ministry of the Environment is used.

• Scope 3: The emission factors are cited either from the Act on Promotion of Global Warming Countermeasures or "the Emission factor database for calculating organizational GHG emissions throughout the supply chain (v3.6)" issued by Japan's Ministry of the Environment. The emission factors for purchased fuels to calculate Category 3 emissions are cited from IDEA v2.3, published by the National Institute of Advanced Industrial Science and Technology (AIST) and Sustainable Management Promotion Organization (SuMPO)

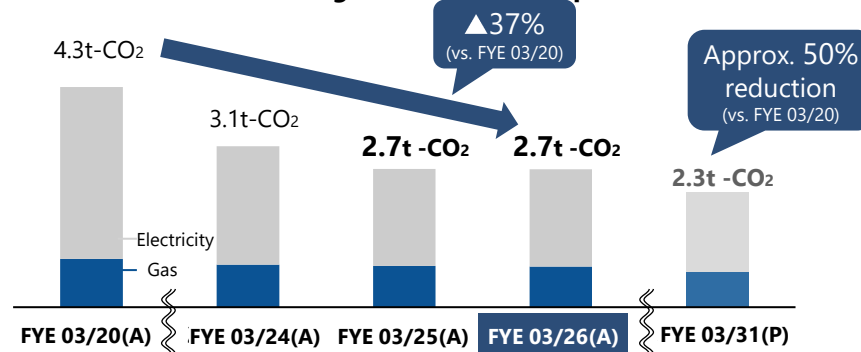
• CO₂ emissions per household when using gas (LP Gas) and Electricity provided by NICIGAS

- CO₂ emissions per household from LP Gas: (LP Gas sales volume × LP Gas CO₂ emission factor)/number of LP Gas customers

- CO₂ emissions per household from Electricity: (Electricity sales volume × Electricity CO₂ emission factor)/number of Electricity customers.

• GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

◆ CO₂ emissions reduction target: CO₂ emissions per household



CO₂ Emissions Data in FYE 03/26

Independent Assurance Report

Independent Practitioner's Limited Assurance Report

To the Representative Director, Chief Executive Officer of Nippon Gas Co., Ltd.

Conclusion

We have performed a limited assurance engagement on whether selected environmental indicators (the "subject matter information" or the "SMI") presented in Nippon Gas Co., Ltd.'s (the "Company") CO₂ Emissions Data in FYE 03/26 (the "Report") for the year ended March 31, 2026 have been prepared in accordance with the criteria (the "Criteria"), which are established by the Company and are explained on page 1 of the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol "★".

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's SMI for the year ended March 31, 2026 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as "other information"). We have read the other information but have not performed any procedures with respect to the other information. We do not express any form of conclusions thereon.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and
- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in "◆The calculation criteria" to the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Management.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- performing a site visit at Chiba plant of Energy Sola Platforms Co., Ltd. which was determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

/s/ Yuji Moribe
Yuji Moribe, Engagement Partner
KPMG AZSA Sustainability Co., Ltd.
Tokyo Office, Japan
July 31, 2026

The above is an electronic version of the items described in the assurance report, the originals of which are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd., respectively. Indicators with a ★ have been assured by KPMG AZSA Sustainability Co., Ltd., an independent assurance provider.

<Indicators subject to third-party assurance>

- Scope1: Use of gas delivery vehicles and sales vehicles / NICIGAS' gas consumption
- Scope2 (Market-Based): NICIGAS' electricity consumption
- Scope3 (Emissions in each Category of 1,2,3,11 and the total emissions of the four Categories):
Extension of City Gas pipelines / Energy procurement / Customers' gas consumption
- CO₂ emissions per household when using gas (LP Gas) and Electricity provided by NICIGAS