

Annual Report for Fiscal 2025

(April 1, 2025 - March 31, 2026)

The High Pressure Gas Safety Institute of Japan (KHK)

1. Business Environment and Overview of Operations

Japan's economy continues to show a moderate recovery driven primarily by domestic demand, and the outlook for domestic capital investment remains favorable. However, risks of an economic downturn due to U.S. tariff measures set to take effect in March 2025 and concerns over domestic supply disruptions of fuel oil and petroleum products resulting from a deterioration in the Middle East situation toward the end of fiscal 2025 have recently materialized, making the situation remain uncertain.

On the other hand, regarding the promotion of GX (Green Transformation) toward carbon neutrality by 2050, eight certified supply business plans were approved during fiscal 2025 under the “Act on Promotion of Supply and Utilization of Low-Carbon Hydrogen and its Derivatives for Smooth Transition to a Decarbonized, Growth-Oriented Economic Structure (Hydrogen Society Promotion Act),” which was enacted in May 2024. The “Act on Carbon Dioxide Storage Business (CCS Business Act),” which was enacted in May 2024 alongside the Hydrogen Society Promotion Act, fully enforced in May 2026. Furthermore, with the emissions trading system set to begin full-scale operation in fiscal 2026, the business environment for achieving carbon neutrality is steadily taking shape.

Amid this business environment, KHK continued to steadily carry out its duties, including statutory training, legal qualifying examinations, equipment inspections, management system registration, the formulation and revision of technical standards, and investigations related to ministerial certification. Furthermore, in fiscal 2025, we formulated our Purpose, Missions, and Values (PMV) to reexamine KHK's significance of existence and determine how it would be lead as a flag-bearer of self-governing safety initiatives. We also implemented initiatives aimed at the societal deployment of hydrogen and CCS, including the establishment of “Standards for CCS Pipelines,” the collection and analysis of scientific data through demonstration tests to establish technical standards for large-scale liquefied hydrogen storage tanks, and the production of safety training library shot for liquefied hydrogen. Additionally, in response to Japan's GX Policy, KHK carried out initiatives such as those aimed at the full-scale launch of the greenhouse gas emissions trading system.

2. Overview of Financial Statements for Fiscal 2025

(1) Balance Sheet

	(As of March 31, 2026)	
	2025	2024
	Million Yen	Million Yen
Assets		
Current assets	2,875	3,324
Fixed assets	6,674	5,989
Tangible fixed assets	865	896
Intangible fixed assets	523	510
Investments	5,286	4,583
Total	9,548	9,312

	2025	2024
	Million Yen	Million Yen
Liabilities/Capital		
Current liabilities	1,307	1,261
Fixed liabilities	2,966	2,795
Reserve	5,255	5,189
Profit for the term	20	66
Total	9,548	9,312

(2) Statement of Profit and Loss

	(From April 1, 2025 to March 31, 2026)	
	2025	2024
	Million Yen	Million Yen
Expenditure		
Current expense	4,687	4,411
Operating expense	4,687	4,411
Current Earnings	23	68
Extraordinary loss	2	1
Corporate taxes, etc.	1	1
Profit for the term	21	67
Total	4,710	4,479

	2025	2024
	Million Yen	Million Yen
Income		
Ordinary income	4,710	4,479
Operating income	4,619	4,413
Non-operating income	91	66
Extraordinary income	0	0
Total	4,710	4,479

3. Overview of Each Activity

3-1. Inspection, Examination and Accreditation

(a) Pre-Assessment of Accredited Completion / Safety Inspection Executor

In accordance with the High Pressure Gas Safety Act (hereinafter referred to as “HPG Act”), KHK conducts preliminary investigation related to the Ministerial approval of accredited completion inspection executor and accredited safety inspection executor.

Accredited Class 1 high pressure gas producers by the Minister can replace completion inspections or safety inspections that are conducted by prefectural or municipal governments with self-inspections by the approved producers themselves.

When the self-inspections are conducted, the results shall be submitted to jurisdictional prefectural or municipal governments.

Number of Pre-assessments (Due to legal amendments, abolished in 2026)

	2025	2024
Accredited completion inspection executor and Accredited safety inspection executor	1	4
Super accredited completion inspection executor and Super accredited safety inspection executor	0	1

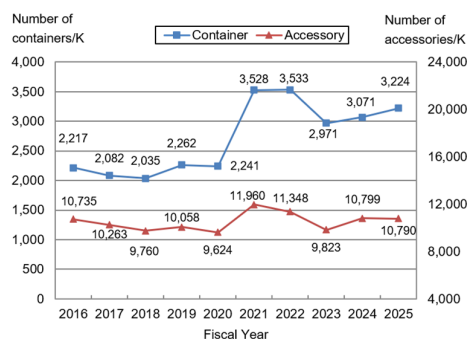
(b) Inspections for Pressure Equipment

The HPG Act stipulates that the person who has manufactured / imported a cylinder or accessory shall apply for the Cylinder / Accessory Inspection. We at KHK conduct these inspections.

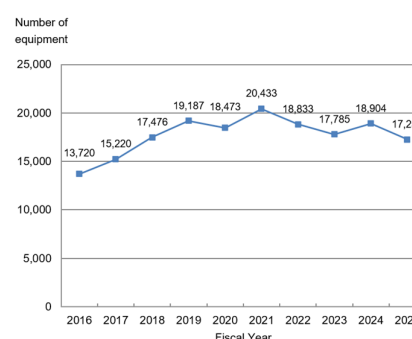
Moreover, any manufacturer of “Designated Equipment”—as defined by a ministerial ordinance as equipment for the production of high-pressure gas (including storage related to such production) for which design inspections, material quality inspections, or in-process inspections are particularly necessary to prevent explosions or other disasters involving high-pressure gas—must undergo a designated equipment inspection for each stage of the manufacturing process in accordance with the standards set forth in the ministerial ordinance. KHK undertakes mandatory inspections of such Designated Equipment at each manufacturing process.

In addition, KHK undertakes technical assessments in advance to obtain Ministerial special approval and also offers services for certification and examination as a part of its optional activities.

In fiscal 2025, the number of applications for inspection of cylinders increased by 5.0% and that of accessory equipment decreased by 0.1% compared to the previous fiscal year respectively. And the number of applications for inspection of Designated Equipment decreased by 8.7% compared to the previous fiscal year.



Number of Cylinder / Accessory Inspections



Number of Designated Equipment Inspections

- (c) Examination of Liquefied Petroleum Gas (hereinafter referred to as “LPG”) alarm, etc.

Number of Examinations

	2025	2024
LPG leak alarm and bulk gas leak sensor	2,235,816	2,352,577
LPG incomplete combustion alarm	18,780	20,360
LPG sensor	1,190	1,380

3-2. Education

(a) Seminars

During fiscal 2025, KHK held various seminars related to high pressure gas as below; on-site lectures corresponding to the needs of each business facility, safety seminars (such as basic lectures on high pressure gas and seminars on relevant regulations), seminars for high pressure gas safety executors (such as safety inspection seminars), and various seminars corresponding to the local needs.

(b) Publications

KHK publish and sell technical standard, as well as textbooks for studying for certification exams and training courses related to high-pressure gas safety. During fiscal 2025, KHK published a total of 142,644 copies of books.

3-3. Assessment and Registration System

(a) Assessment and Registration of Quality Management Systems

Since being accredited by the Japan Accreditation Board (JAB) as a quality management system certification body in 1994, the KHK ISO Registration Center evaluates quality management system for operators in accordance with the ISO 9000 series standards and manages registration and publication of registered organizations. In June 2000, the Center started evaluating and managing registration and publication of registered organizations of the medical device quality management systems, which requires highly technical knowledge among quality management system based on ISO 13485. As of the end of fiscal 2025, the number of registrations stands at 678.

(b) Assessment and Registration of Environmental Management Systems

For assessment and registration of environmental management systems (ISO 14001), the Center became a JAB-accredited certification body in 1996. As of the end of fiscal 2025, the number of registrations stands at 405.

(c) Assessment and Registration of Occupational Health and Safety Management Systems

In March 2000, the Center began evaluating and managing registration and publication of registers for organizations of occupational health and safety management systems based on OSHA 18001. In July 2018, the Center initiated management based on newly established ISO 45001. As of the end of fiscal 2025, the number of registrations stands at 32.

(d) Assessment and Registration of Food Safety Management Systems

Taking advantage of the framework of quality management, environmental management, and occupational and health management systems, the Center started managing registration and publication of registers of organizations based on ISO 22000 series as a JAB-accredited body in 2011. As of the end of fiscal 2025, the number of registrations based on ISO 22000 stands at 7.

3-4. Measures to Promote LPG Consumer Safety

The Liquefied Petroleum Gas Safety Commission operates with contributions from 17 LPG-related organizations, 4 related ministries/agencies, 2 consumer organizations and KHK. In partnership with the Gas Safety Office of Minister's Secretariat Industrial and Product Safety Policy Group, METI, the commission performed the following safety campaigns during fiscal 2025.

- **LPG Consumer Safety Campaign**
Prepared and distributed LPG safety guides and posters, and advertised in magazines, while provided assistance to safety activities undertaken by prefectural LPG associations.
- **LPG Consumer Safety Promotion Conference**
At the event, the commission offered commendations for LPG retailers and related operators including individuals with the 'Award of METI Minister's Secretariat, Director-General for Technology Policy Coordination and Industrial and Product Safety' 'KHK President's Award,' and 'Liquefied Petroleum Gas Safety Commission President's Award,' respectively.

3-5. Development and Issue of Technical Standards

To promote safety in activities involving high pressure gas production, sale, consumption, and transportation, KHK establishes technical standards such as KHK Standards (KHKS) as well as reviews existing standards.

Committee organizations undertaking the preparation of technical standards are as follows:

- a. Pressure Vessel Standards Committee
- b. Transportable Cylinder Standards Committee
- c. High Pressure Gas Standards Committee
- d. Refrigeration and Air-Conditioning Standards Committee
- e. LPG Standards Committee
- f. Fitness for Service Standards Committee
- g. Seismic Design Standards Committee
- h. Hydrogen and its derivatives Standards Committee

Each committee consists of committee members appointed from among experts who have relevant knowledge and experience in high pressure gas or LPG safety. In response to requests from the chairman of KHK, the Technical Committee decides basic policies for establishing the technical standards. The technical standards are then established by each standards committee section in accordance with the basic policies, and the development and issue procedures maintain fairness and openness as the fundamental rule.

During fiscal 2025, 2 standards were established and one standard was abolished. Additionally, 16 standards were revised.

3-6. Statutory Training

According to HPG Act, high pressure gas producers are required to establish a safety management team consisting of members with a designated high pressure gas production safety management certificate, depending on the type and scale of processing equipment and the type and volume of gas produced. To train certified personnel, KHK offers lectures on each certificate type, and retraining for existing members of safety management teams.

In addition, KHK also provides training courses for the following certificates: high pressure gas sales safety chiefs required at specified high pressure gas dealers, transportation supervisors required for transportation of specified amount of specified high pressure gas, and specific high pressure gas

operation safety chiefs required for storage and consumption of specified high pressure gas beyond the designated capacity.

As for the activities related to the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas (hereinafter referred to as “LPG Act”), KHK offers the following courses: training and retraining of LPG installation engineers for LPG piping facilities used for general consumption, retraining of retail operation chiefs, training and retraining of LPG filling operators, as well as training of safety operators and inspectors of facilities designed to consume LPG.

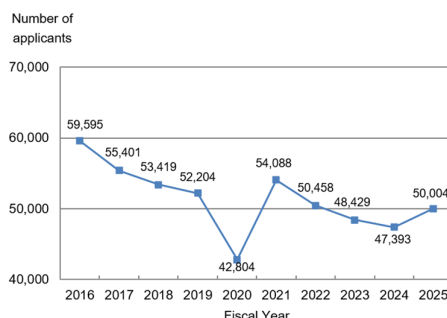
Number of Applicants for Statutory Training

	2025	2024
Qualification Training	42,547	39,661
Re-training (Compulsory training)	32,219	40,233
Total of Statutory training	74,766	79,894

3-7. National Qualification Examination

HPG Act and LPG Act stipulate that the Minister of Economy, Trade and Industry or prefectural governors must be responsible for conducting the high pressure gas production safety management examination, the high pressure gas sales safety chief examination, and the LPG installation engineer examination, depending on the classification of examinations.

However, the actual implementation of such examinations was transferred to KHK from the Minister of Economy, Trade and Industry and prefectural governors. The total number of applicants for such examinations in fiscal 2025 was 50,004, a 5.5% increase from the previous year's figure of 47,393.



Number of Applicants for National Qualification Examinations

3-8. Research & Development and Commissioned Studies

(a) The Research and Development Center

The Research and Development Center at KHK owns testing machines such as tensile / fatigue tests of materials, as well as hydraulic fatigue / explosion tests of pressure equipment including transportable cylinders, undertaking research and development to enhance high pressure gas safety. In addition, KHK are working on researches commissioned by the government and incorporated administrative agencies.

In fiscal 2025, the Center conducted 18 studies commissioned by private companies, etc.

(b) Commissioned Studies

KHK conducts research and other projects commissioned by the government and other entities.

In fiscal 2025, it undertook a total of 9 projects and conducted studies.

3-9. Collection and Offering of Information, Technical Exchanges

(a) Collection of Accident Information

Acting on a commission by METI, KHK compiles a database of high pressure gas and LPG-related accidents and conducts a statistical analysis.

(b) Organization of Various Conferences and Conventions

The notable conferences and conventions KHK organized during fiscal 2025 include the following:

- National Conference of High Pressure Gas Safety (Tokyo: October 2025)
The conference, which takes place every October, is organized as a part of the annual high pressure gas safety promotion week, hosted by METI in conjunction with KHK. Each year, top-rated plants of safety, persons who have rendered distinguished safety service and excellent production safety managers are awarded in honor of their continuing hard work, support, and resulting outcomes in preventing high pressure gas-related accidents.
- Seminar on Lessons from Accidents and Safety Management Technology
This seminar is held at the venue and made available on demand after the event.
 - ◆ Part of Safety Management Technology
(Tokyo: October 2025, On-demand: November–December 2025)
This seminar is for the accredited completion and safety inspection executors and the personnel of three management divisions (equipment, operation, and safety), including those at headquarters management level, of high pressure gas producers at industrial complexes, and it is organized to provide a place of information provision, information exchange, and discussions related to high pressure gas producing equipment, their operations, and safety management activities.
 - ◆ Part of Lessons from Accidents and Safety Measures
(Tokyo: October 2025, On-demand: November–December 2025)
The high pressure gas producers that actually caused accidents explained their experience and post-accident efforts on safety measures so that seminar participants could make use of the information that would be helpful for their future voluntary safety activities, including lessons from accidents and preventive measures.
- High Pressure Gas Equipment Manager Meeting (Tokyo: October 2025)
The meeting is organized annually for the purpose of informing high pressure gas equipment personnel (applicants for Designated Equipment Inspection) of questions and answers about material, design, welding, and structure-related issues in order to achieve consistent applications across varying issues.
- Hydrogen Seminar (On-demand: February–March 2026)
The seminar was organized to provide hydrogen-related people with a wide range of the latest trends in hydrogen, including institutional and technical aspects, in view of the realization of a hydrogen-based society.

(c) International Cooperation

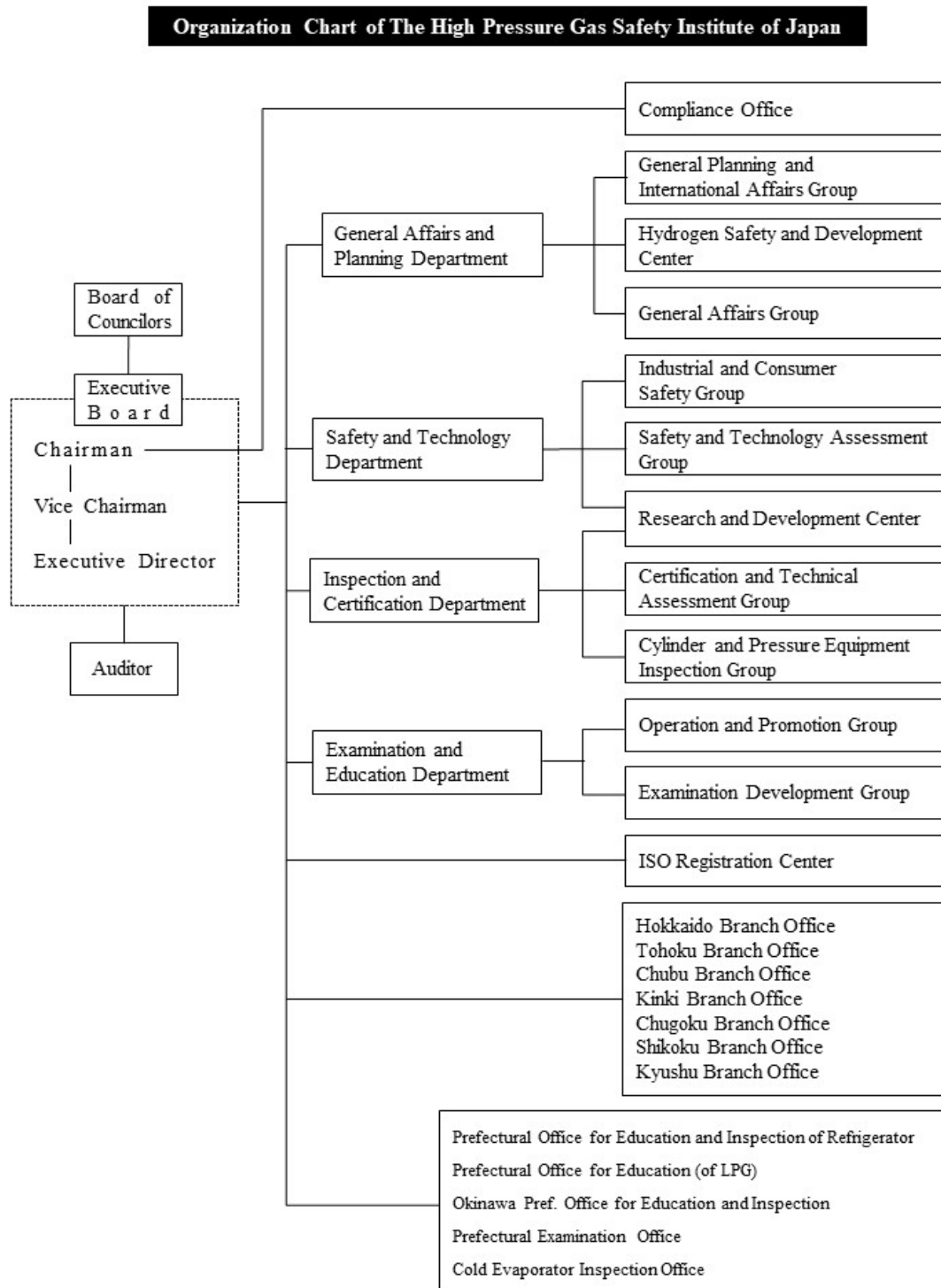
KHK participates as a delegate to online conferences organized by the American Society of Mechanical Engineers (ASME), and also has established good relations with Korea Gas Safety Corporation and Industrial Safety and Health Association of Taiwan.

Furthermore, in October 2025, we signed a memorandum of cooperation on sharing information regarding hydrogen safety and development toward social implementation of hydrogen with Joint Research Center (JRC) of the European Commission and held regular meetings.

4. Organization

4-1. Organization Chart

(January 1st, 2023)



4-2. Membership Status

Types	March 31, 2026	March 31, 2025
Companies	822	820
Organizations	189	189
Individuals	90	83
Supporters	37	35

Contact for inquiries related to this document

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