

I . Co-create Value for a Sustainable Future

Achieving a Low Carbon/Carbon Neutral Society

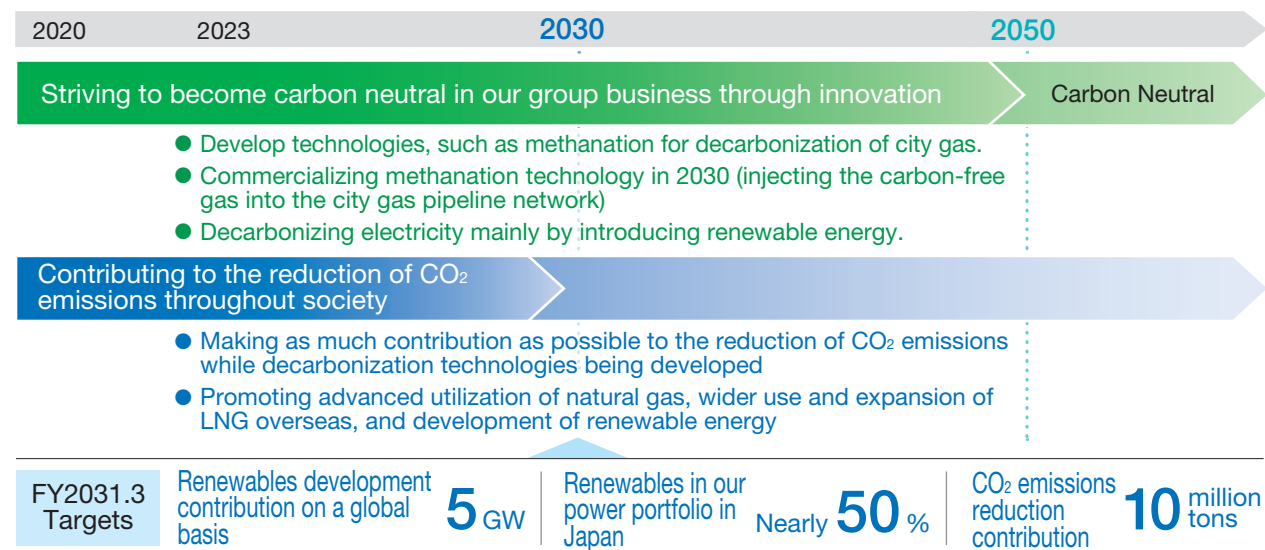


What We Aim to Be

As our contribution to achieving a low carbon / carbon neutral society, we strive to become carbon neutral by 2050 through decarbonization of our gas and electricity and through contribution to the reduction of CO₂ emissions.

Aiming to Become Carbon Neutral by 2050

The Daigas Group aims to become carbon neutral by 2050. We plan to reach the goal through decarbonization of our gas and electricity by introducing methanation to generate gas with renewable energy and hydrogen and by increasing the share of renewables in its power generation portfolio. In the meantime, the Daigas Group set the following targets for 2030 as the milestones for the Group's contribution to the reduction of CO₂ emissions throughout society.



Daigas Group
Strengths of the Daigas Group

Know-how of developing and operating renewable power sources

Expertise of fuel conversion to natural gas for in-house power generators and heat consuming facilities

Experience in procuring competitively priced LNG and developing shale gas

Accumulated knowledge of methanation technology

Materiality

Climate Change

Indicators and FY2022.3 Results

CO₂ emissions across the Group ▶ **26.79 million tons**

We are actively promoting a range of activities, including the reduction of CO₂ emissions during liquified natural gas (LNG) transportation, city gas production, and power generation, the company-wide roll-out of various energy-saving initiatives in offices, and the ongoing verification of energy use data. CO₂ emissions across the Group in FY2022.3 were 26.79 million tons.

Percentage of renewables in our power generation portfolio in Japan ▶ **8.1 %**

Renewables development contribution on a global basis ▶ **1.398 GW**

We are pursuing the spread of renewable power sources such as wind, solar and biomass, with renewables accounting for 8.1% of our power generation portfolio in FY2022.3. Renewables development contribution was 1.398 GW.

CO₂ emissions reduction contribution (compared to FY2017.3) ▶ **3.36 million tons**

We have taken several initiatives, which included cryogenic power generation at our LNG terminals, the introduction of renewable energy sources in Japan and high-efficiency thermal power generation in both Japan and abroad, the introduction of fuel cells and gas-powered air conditioning and high-efficiency hot-water heaters at customer sites, and conversion to the use of natural gas as a fuel in Japan and abroad. These efforts have resulted in a CO₂ emissions reduction contribution of 3.36 million tons in FY2022.3.

Achieving a Low Carbon / Carbon Neutral Society

Initiatives to Achieve Carbon Neutrality

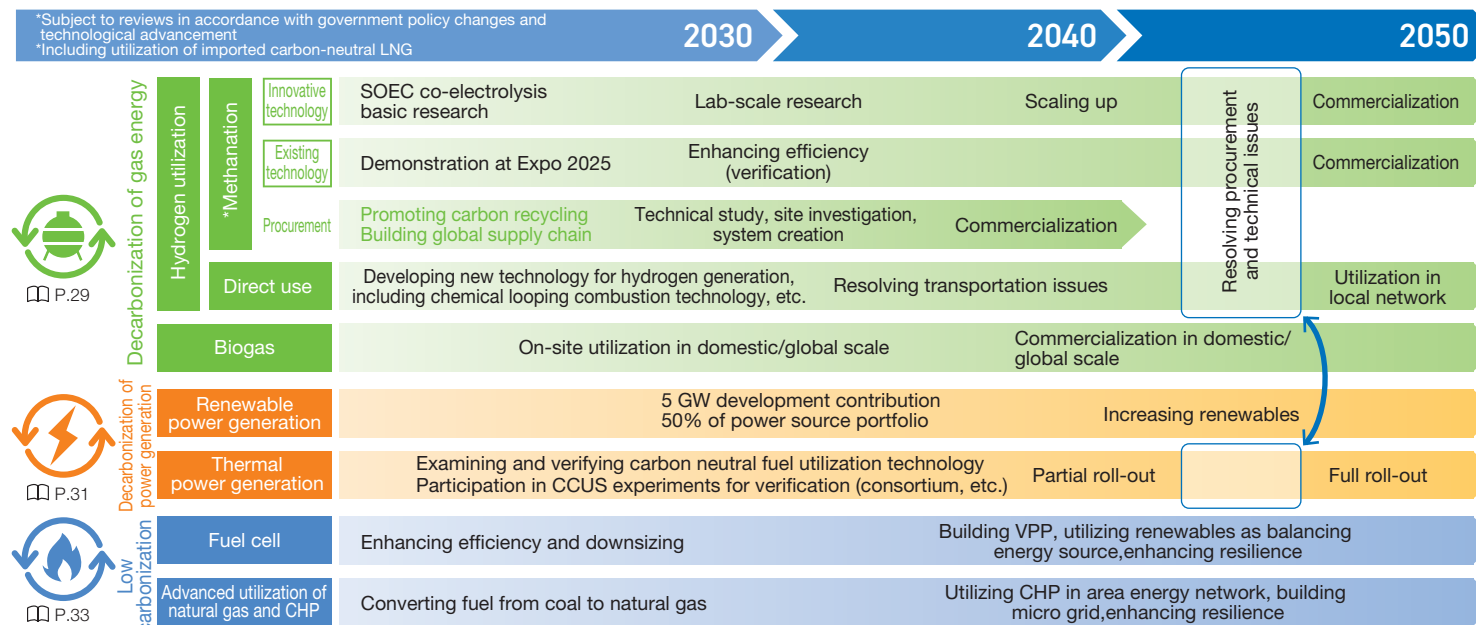
The Daigas Group aims to become carbon neutral by 2050 through the decarbonization of city gas through innovations such as methanation and the decarbonization of electricity by increasing the share of renewables in its power generation portfolio.

In addition, because initiatives for the steady reduction of CO₂ emissions will be essential in the intervening years, we will pursue contributions to society-wide CO₂ emission reduction efforts.

As a way of indicating our initiatives for the realization of a carbon neutral society, we announced our Carbon Neutral Vision in 2021.

Road Map to Carbon Neutrality

We aim to achieve our carbon neutrality goal through our ongoing initiatives including methanation R&D and renewable power generation capacity development and other activities as shown in the road map below.



*Methanation

Methanation is a technology that synthesizes methane, the main component of city gas, from hydrogen and CO₂. Synthetic methane has the advantage of being able to use existing city gas infrastructure and gas appliances without changing them, and it can also be deployed in areas where electrification is difficult. Also, by recycling CO₂ and combining it with hydrogen derived from renewable energies, it will be able to contribute to the carbon neutralization of city gas in the future.

In the Green Growth Strategy and Sixth Strategic Energy Plan announced by the Ministry of Economy, Trade and Industry in collaboration with other relevant ministries and agencies, a target of injecting synthetic methane by 1% into existing infrastructure by 2030 was declared.

Initiatives to Achieve Carbon Neutrality



Decarbonization of Gas Energy

For the social implementation of methanation technology, the Daigas Group is engaged in a variety of activities aimed at introducing synthetic methane equivalent to 1%*¹ of gas sales by Osaka Gas in 2030. These activities include research and development and building global supply chains. SOEC methanation technology is an innovative technology that offers energy efficiency well in excess of conventional processes by making effective use of waste heat. We will develop the elemental technology and conduct small-scale experiments with the aim of establishing this technology in 2030. This technological development has been selected as a Green Innovation Fund project. We are also conducting research and development into biomethanation technology, in which our fermentation technology is used to convert biogas, derived from sewage sludge and other sources, and hydrogen into methane. In addition, INPEX Corporation and we will conduct a demonstration experiment of the production of synthetic methane from CO₂ collected from INPEX Nagoaka Field Office from the second half of FY2025.3 into FY2026.3. The methanation facility to be developed in this project will have a production capacity of approximately 400 normal cubic meters per hour, making it one of the largest scale operations of its kind in the world.*²

*1 Approximately 60 million m³ (based on city gas sales volumes in FY2021.3) *2 As of October 15, 2021

■ Progress of major initiatives from FY2022.3

				Plan and details of initiatives		Period	Main operators	
Decarbonization of gas energy	Hydrogen utilization	Methanation	Innovative technology	SOEC methanation* ¹	SOEC methanation has been adopted by the Green Innovation Fund project (NEDO* ² project)	<ul style="list-style-type: none">• Plan to develop SOEC electrolysis equipment and gas synthesis reaction control technology, optimize overall process, and develop technology for effective use of waste heat	From FY2023.3 to FY2031.3	Osaka Gas National Institute of Advanced Industrial Science and Technology Toshiba Energy Systems & Solutions Corporation
				Biomethanation	Commence small-scale experiment of biomethanation using biogas generated at sewage treatment plant (MLIT applied research)	<ul style="list-style-type: none">• Produce synthetic methane from CO₂ and H₂ using bioreaction• Plan to Conduct an experiment to increase output volume of biogas using lactic acid, which is a decomposition product of waste bioplastics	From 1st half of FY2023.3 to March 2024 (scheduled)	Osaka Gas Kyoto University NJS CO., LTD. Osaka City
					Commence methanation demonstration experiment (Ministry of Environment project) using hydrogen derived from renewable energies and biogas derived from kitchen waste	<ul style="list-style-type: none">• Use renewables-derived hydrogen and biogas generated by methane fermentation of kitchen waste to produce synthetic methane and use it in city gas appliances• Use methanation technology of both Sabatier methanation and biomethanation, with a production capacity of 5-7 Nm³/h of synthetic methane.• Conduct second half of demonstration experiment at Expo 2025	From FY2023.3 to FY2026.3 (From FY2023.3 to FY2025.3, trial will be conducted inside Osaka Waste Management Authority Maishima Incineration Plant in Konohana Ward, Osaka Prefecture. Equipment will be relocated to Expo 2025 site in FY2025.3)	Osaka Gas Hitachi Zosen Corporation Osaka City Japan Association for the 2025 World Exposition
			Existing technology	Sabatier methanation* ³	Commence one of the world's largest Sabatier methanation technology development projects (NEDO project) jointly with INPEX Corporation 📖 P.55	<ul style="list-style-type: none">• At INPEX Nagoaka Field Office (Nagoaka City, Niigata Prefecture), produce synthetic methane from CO₂ captured on site and inject it into INPEX's city gas pipeline• Synthetic methane production capacity of 400 Nm³/h• Plan to create basic design of commercial-scale methanation facilities (10,000 Nm³/h / 60,000 Nm³/h) and assess their business potential	From 2nd half of FY2022.3 to Mar. 31, FY2026	INPEX Corporation Osaka Gas Nagoya University (Tokai National Higher Education and Research System)

*1 Use of SOEC equipment to electrolyze water and CO₂ into hydrogen and CO using renewable energy, etc., and then synthesize methane by catalytic reaction.

*2 New Energy and Industrial Technology Development Organization

*3 CO₂ conversion by catalytic reaction with hydrogen derived from renewable energy, etc. to synthesize methane.

Initiatives to Achieve Carbon Neutrality

Overseas, we are conducting feasibility studies on methanation projects in Australia and other regions and examining these projects with a view to building a supply chain for synthetic methane. In addition, to examine the potential for the use of synthetic methane in Asia, we are conducting a feasibility study on the methanation business in Singapore.

Further, besides synthetic methane, we are pursuing a variety of initiatives aimed at the decarbonization of gas energy. These include the technical study related to the production and transportation of green hydrogen in Australia and elsewhere, the technology development of small engine system using ammonia as fuel, and a study on the utilization of biomethane in Indonesia.



			Plan and details of initiatives	Period	Main operators	
Decarbonization of gas energy	Methanation	Building global supply chain	Commence a feasibility study on a methanation project in Singapore 📄 P.60	<ul style="list-style-type: none">• Conduct site selection and investigation for methanation equipment in Singapore, technical study• Examine CO₂ and hydrogen supply and transportation methods	Scheduled for completion in 2022	Osaka Gas Singapore Pte. Ltd. City Energy Pte. Ltd. City-OG Gas Energy Services Pte. Ltd. Local companies in Singapore
			Commence joint study on decarbonization projects in wide-ranging areas, including methanation, hydrogen and CCUS, with Shell	<ul style="list-style-type: none">• Commence feasibility studies in wide-ranging areas, including methanation, hydrogen, biomethane, and CO₂ capture, utilization, and storage (CCUS), for the realization of a carbon neutral society• In the methanation area, reach agreement for a tripartite joint study including TOKYO GAS	Agreed to proceed with joint study in June 2022	Osaka Gas Shell Eastern Petroleum Pte. Ltd. Tokyo Gas Co., Ltd. (methanation area)
			Commence joint study on Australian methanation business 📄 P.60	<ul style="list-style-type: none">• Conduct site selection and investigation for methanation experiment equipment, technical study• Examine CO₂ and hydrogen supply methods and synthetic methane transportation and sales methods• Examine business model for the domestic market in Australia and export markets, economical evaluation, etc.	2022 - 2023 (scheduled)	Osaka Gas Australia Pty. Ltd. ATCO Australia Pty. Ltd.
	Hydrogen utilization	Direct use	Conclude joint development agreement for green hydrogen production project in Australia 📄 P.60	<ul style="list-style-type: none">• Produce green hydrogen*¹ using water collected from the atmosphere and off-grid solar power• Examine to supply green hydrogen to power stations in Australia and export to overseas markets	Aim to build hydrogen production plant before end of 2023	Osaka Gas Aqua Aerem Pty. Ltd.
			Participate in a feasibility study on green hydrogen hub project in Australia	<ul style="list-style-type: none">• Aim to produce green hydrogen and supply it to operators in Australia, as well as export it to overseas markets• Examine construction of production and distribution facilities for green hydrogen and synthetic methane, etc.• Conduct demand survey and economical evaluation, etc. jointly with partners	Scheduled for completion in 2022	Osaka Gas Australia Pty. Ltd. AGL Energy Limited INPEX Corporation, Adbri, Brickworks, Flinders Ports, SK ecoplant, Spark Renewables, Fortescue Future Industries
			Conclude memorandum of understanding on supply of liquid hydrogen to Singapore’s Keppel DC	<ul style="list-style-type: none">• Conclude memorandum of understanding to study the technical and commercial feasibility of a long-term, stable supply chain of sustainable liquid hydrogen (LH₂) from Western Australia to Singapore and Japan	Concluded basic MOU in December 2021	Osaka Gas Singapore Pte. Ltd. City-OG Gas Energy Services Pte. Ltd. Woodside Energy Ltd. Keppel Data Centres Holding Pte. Ltd. City Energy Pte. Ltd.
			Commence joint examination in hydrogen areas with ITOCHU Corporation and Nel ASA	<ul style="list-style-type: none">• Explore and progress hydrogen-related businesses and jointly assess and examine business opportunities of individual projects	Commenced examination in October 2021	ITOCHU Corporation Nel ASA Osaka Gas (joint evaluation and study)
			Use of ammonia	Commence technological development and demonstration of small engine system for ammonia fuel (Ministry of Environment project)	<ul style="list-style-type: none">• Establish elemental technology for ammonia engine• Demonstrate properties of engine system• Conduct operational demonstration of engine equipped with actual machine	From FY2022.3 to end of FY2023.3
	Use of biogas		Conclude agreement for joint study on the utilization of biomethane in Indonesia	Conclude agreement for joint study on the utilization of biomethane* ² derived from palm oil mill effluent in Indonesia	Concluded agreement for joint study in April 2022	Osaka Gas PT Pertamina, Indonesia INPEX Corporation JGC Holdings Corporation

*1 Hydrogen produced by using renewable energy, etc. without emitting CO₂ in the production process

*2 A biofuel with a higher methane concentration produced by refining biogas (main components are methane and CO₂) resulting from anaerobic fermentation of organic waste derived from living organisms; widely considered as an alternative fuel to natural gas due to properties that are very similar to fossil fuel-based natural gas.

Initiatives to Achieve Carbon Neutrality



Decarbonization of Power Generation

The Daigas Group is accelerating multiple projects in Japan and overseas to contribute to renewables development.

In FY2022.3, we conducted an environmental assessment of offshore wind power generation projects in Japan, as well as collaborating with other operators and investing in solar power generation projects in Japan and overseas.

Issuance of 1st Transition Bonds (44th unsecured corporate bonds)

Osaka Gas issued transition bonds* with an issue amount of 10 billion yen on June 2, 2022.

The procured funds will be put to use in renewable energy business and projects that contribute to fuel conversion at customer facilities to natural gas.

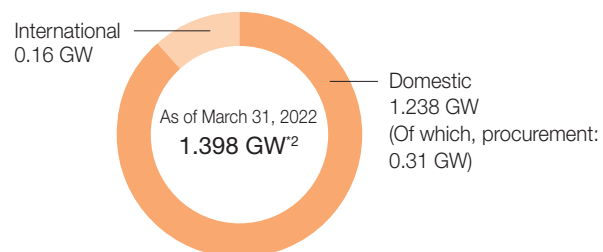
*Transition bond: Corporate bonds issued for the purpose of using the funds from them for initiatives that are in line with the company's long-term transition strategies to reduce greenhouse gas emissions

■ Progress of major initiatives from FY2022.3

		Plan and details of initiatives	Period	Main operators	
Decarbonization of power generation	Renewable power generation	Acquire and commence commercial operation of Brighter Future Solar Farm (U.S.A.) □□ P.61	Power generation capacity: 15.7 MW	Acquired September 2021 Commercial operation commenced January 2022	Osaka Gas USA Corporation Mitsubishi Heavy Industries America, Inc. Oriden LLC
		Commence commercial operation of Shiribetsu Wind Power Plant	Power generation capacity: 27 MW	Commercial operation commenced September 2021	Daigas Gas and Power Solution Co., Ltd.
		Acquisition of onshore wind power plant in Yokohama Town, Aomori Prefecture	Power generation capacity: 43.2 MW	Acquired July 2021 Commercial operation scheduled to commence April 2023	Osaka Gas Tokyu Land Corporation Development Bank of Japan Inc. GK Yokohama Town Wind Power
	Thermal power generation	Examine study/development of offshore CCS project in Australia	Jointly examine the development of offshore CO ₂ capture and storage (CCS) hub project, deepC Store	Commenced examination in June 2021	Osaka Gas Osaka Gas Australia Pty. Ltd. JX Nippon Oil & Gas Exploration Corporation Toho Gas Co., Ltd. Commonwealth Scientific and Industrial Research Organisation (CSIRO; Australia) Kyushu Electric Power Company, Incorporated Mitsui O.S.K. Lines, Ltd. Tokyo Gas Australia Pty. Ltd. Technip Energies N.V. Add Energy Group
Issuance of Transition Bonds		As part of our efforts to procure the necessary funds for our initiatives toward carbon neutrality in 2050, we have formulated a Green/Transition Finance Framework. We have obtained a “Second-Party Opinion” from DNV Business Assurance Japan K.K., a third party reviewer, regarding the compliance with various principles, etc. pertaining to transition finance under the framework. The bonds were selected as a “Model Example for the 2021 Climate Transition Finance Model Projects” by the Ministry of Economy, Trade and Industry. [Purpose of Use of funds] ● Renewable energy business ● Projects that contribute to fuel conversion at customer facilities to natural gas		Issue date: June 2, 2022 Issue amount: 10 billion yen	[Target projects for use of funds] ● Inami Wind Power Plant ● Noheji Mutsu Bay Wind Farm ● Yokohama Town Wind Power Plant ● Daigas Oita Mirai Solar Power Plant ● Natural gas supply business in Shikokuchuo City, Ehime Prefecture

Initiatives to Achieve Carbon Neutrality

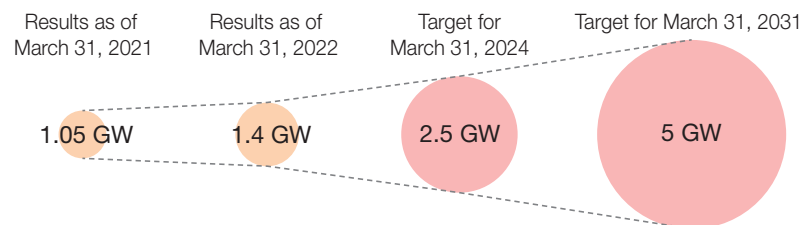
Renewables development contribution*1



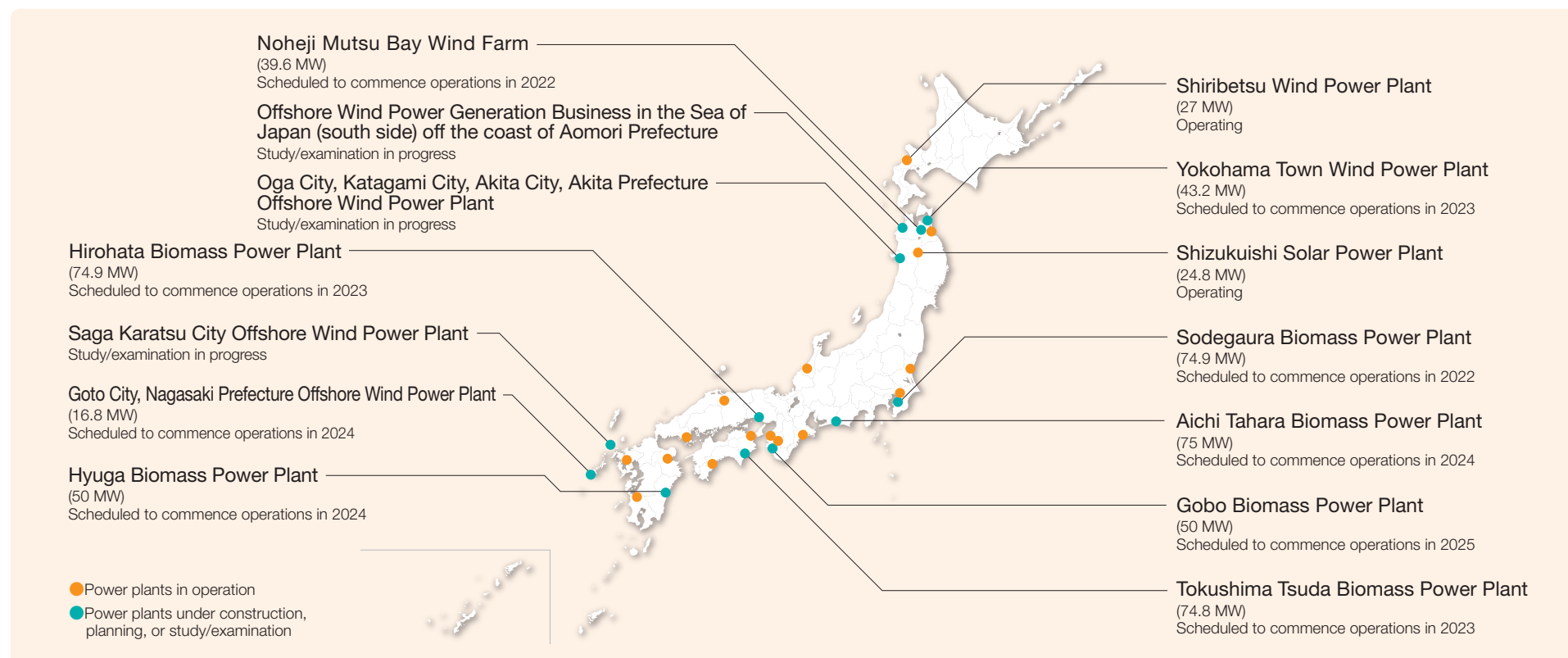
*1 Including power projects which are eligible for the feed-in tariff (FIT) scheme

*2 Including power projects under construction and for which decisions have been made

Renewables development contribution - targets and results



Main renewable energy sources (most recent major projects)



Initiatives to Achieve Carbon Neutrality

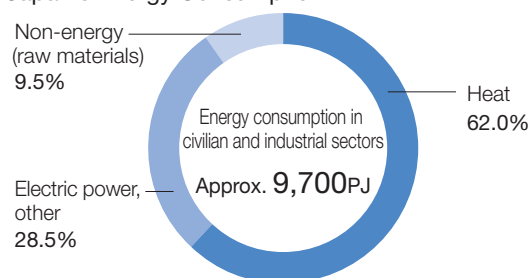


Low carbonization

Heat demand accounts for approximately 60% of energy consumed in Japan's civilian and industrial sectors. In the industrial sector in particular, there is demand for high temperatures that are difficult to accommodate with electrification.

To achieve its Carbon Neutral Vision 2050, the Daigas Group is proceeding with low carbonization during the transitional phase, including the low carbonization of heat demand through fuel conversion to natural gas and the advanced utilization of natural gas through the implementation

■ Japan's Energy Consumption



[Source] Produced by The Japan Gas Association based on the Energy White Paper 2020

of cogeneration.

In October 2021, Daigas Energy Co., Ltd. realized the reduction of CO₂ emissions from the lime firing kiln*¹ at the Mishima Mill of Daio Paper Corporation in Shikokuchuo City, Ehime Prefecture by co-firing natural gas and heavy oil in the equipment. By also switching fuel for the mill's paper machines to natural gas, the mill's CO₂ emissions are expected to be reduced by about 22,000 tons per year (lime firing kiln: approximately 19,000 tons per year; paper machines: approximately 3,000 tons per year).

In November 2021, Daigas Energy Co., Ltd. began retrofit of a coal-fired power plant at the Iwakuni Production Center (Iwakuni City, Yamaguchi Prefecture) of Toyobo Co., Ltd. with a thermal power plant fueled by natural gas and RPF.*² The new power plant, which is scheduled to commence operation in October 2023, will reduce CO₂ emissions by about 80,000 tons per year.

With the recent global progress in the introduction of

*¹ Equipment for firing lime used in the kraft pulp manufacturing process to reuse it

*² RPF stands for "refuse derived paper and plastic densified fuel." It is a solid fuel made mainly from used paper and waste plastics.

renewable energy, functions to stabilize the supply-demand balance have taken on increasing importance in order to respond the volatile renewable output, which often fluctuates depending on weather conditions.

Through our wholly owned subsidiary, Osaka Gas UK, Ltd., Osaka Gas signed an agreement to underwrite a capital increase of Jedlix B.V., a startup that operates electricity balancing*³ services business in Europe. In doing so, we have participated in Europe's balancing market,*⁴ which is one of the most highly developed in the world.

In Japan, we are engaged in a verification project to build a VPP*⁵ using the residential fuel cell system, ENE-FARM, as well as demand response services*⁶ using cogeneration systems targeting commercial and industrial customers.

*³ The power grid balancing needs to be constantly maintained by matching the power supply to demand through electricity charging and discharging in order to avoid causing blackouts and damaging infrastructures.

*⁴ The balancing market provides power grid operators with electricity reserves necessary to match the power supply to demand or maintain the grid frequency stabilization. Power grid operators issue grid balancing orders to electricity generators and aggregators, who receive fees for the services.

*⁵ A virtual power plant is a power supply service which aggregates and controls the capacities of decentralized power generating units as a single power plant by utilizing IT.

*⁶ A demand response service is a power supply service which contributes to grid stabilization by aggregating the capacities of decentralized power generating units.

■ Progress of major initiatives from FY2022.3

		Plan and details of initiatives	Period	Main operators	
Low carbonization	Fuel cell	Invest in Jedlix B.V., an EV balancing service platform developer in Europe □ P.61	Participate in Europe's balancing market, one of the most highly developed in the world	Signed agreement to underwrite capital increase in November 2021	Osaka Gas UK, Ltd. Jedlix B.V.
		Launch verification project of virtual power plant (VPP) using residential fuel cell ENE-FARM type S (Subsidized by Ministry of Economy, Trade and Industry)	Remotely control approximately 500 ENE-FARM Type S units for: (1) Verification of technology for balancing capacity for stabilization of power grid (2) Verification of technology for control of output in line with grid supply-demand status	June 2022 - February 2023 (scheduled)	Osaka Gas Eneres Co., Ltd.
	Advanced utilization of natural gas and CHP	Contribute to CO ₂ emissions reductions by co-firing natural gas and heavy oil in lime firing kiln at Mishima Mill of Daio Paper Corporation	<ul style="list-style-type: none">• Reduce CO₂ emissions by co-firing natural gas and heavy oil in lime firing kiln installed at Mishima Mill of Daio Paper Corporation• Contribute to reduction of CO₂ emissions by approximately 22,000 tons per year (lime firing kiln: approximately 19,000 tons per year; paper machines: approximately 3,000 tons per year)	Announced in October 2021	Daigas Energy Co., Ltd.
		Commence construction of low-carbon power plant fueled by natural gas and RPF at Iwakuni Production Center of Toyobo Co., Ltd.	<ul style="list-style-type: none">• Began construction for an upgrade of coal-fired power plant to a thermal power plant fueled by natural gas and RPF• Reduce CO₂ emissions by approximately 80,000 tons per year	Construction commenced in November 2021 Scheduled to commence operations in October 2023	Daigas Energy Co., Ltd.

I . Co-create Value for a Sustainable Future

Establishing Lifestyles and Businesses Adjusted to the New Normal

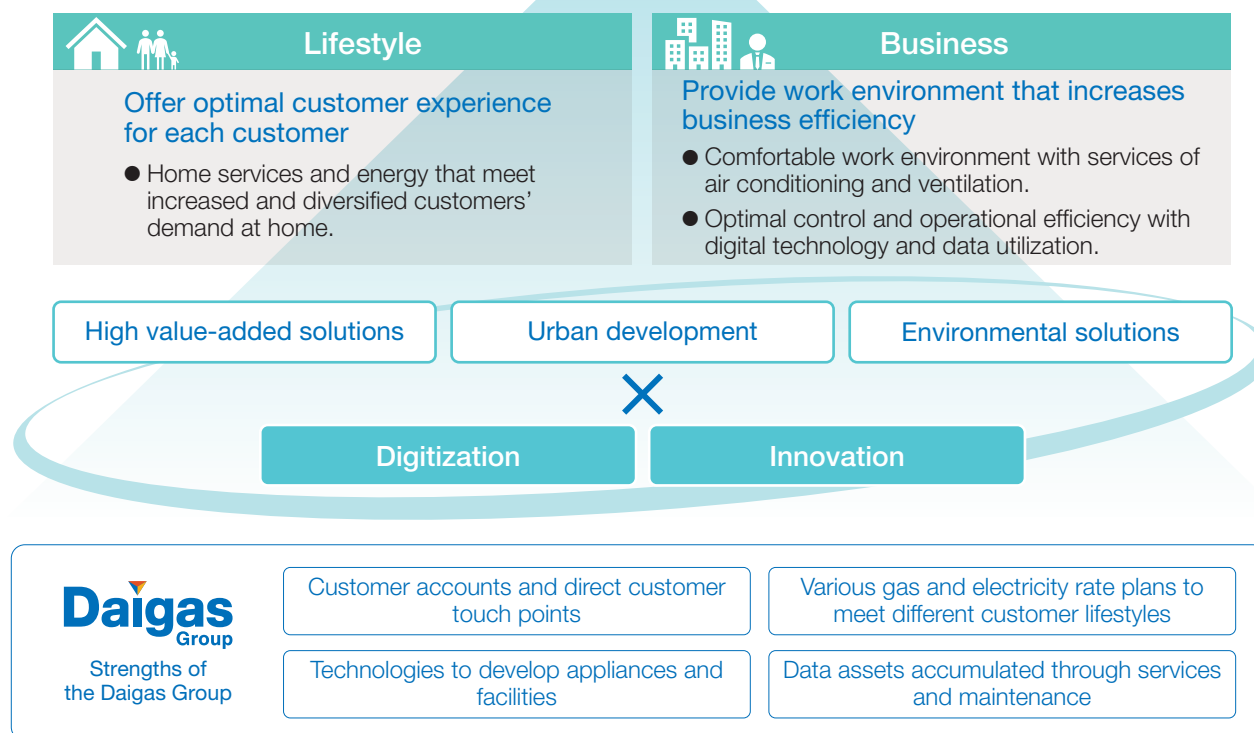


What We Aim to Be

We globally provide services as optimal solutions to each customer's adjustment of their lifestyles and businesses to the new normal.

Provide solutions globally

Achieve 10 million customer accounts



Materiality

Maintain and Expand Customer Base / Improvement of Customer Satisfaction and Quality of Services

Indicators and FY2022.3 Results

Number of customer accounts ► **9.81 million**

The Daigas Group's business started more than 100 years ago from lighting (gas lamps). We have been expanding the applications of gas ever since to kitchens, hot-water supply, heating, and power generation, responding to various requests from customers. In addition, we have broadened the scope of our business to include industrial gas, real estate, telecommunications, new materials, and life-related fields, based on the relationships with a large number of customers. The Group's corporate purpose is to strive to make a multitude of customers' businesses and lifestyles better.

Setting the number of customer accounts, which means the number of contracts for gas and power supply, safety and warranty services, etc. as the indicator, we are working to establish their lifestyles and businesses adjusted to the new normal.

In FY2022.3, the Daigas Group focused on expanding its range of rate plans and its services related to household affairs and residential facilities, such as the Style Plans and With Plans, thereby offering value-added products and services that suit to customers' lifestyles and needs.

In the international energy business, we increased the number of new contracts through cooperation with local partner companies. Such new service development and alliance expansion resulted in 9.81 million customer accounts.

Customer satisfaction rate ▶ 92%

For our customers to be able to use our products and services more safely and comfortably, the Daigas Group strives to ensure security and improve service quality. We also consider it important to appropriately provide information on safe use.

Since FY1989.3, Osaka Gas has conducted Customer Satisfaction Survey to improve customer satisfaction. The survey covers five areas of operation that have direct interaction with customers (opening gas valves, appliance repairs, appliance sales with installation, periodic safety inspections [gas facility surveys], and telephone support [customer center]). After each interaction, customers evaluate their levels of satisfaction in the survey, and the results are aggregated. Overall satisfaction represents the percentage of evaluations in the highest two ranks of a six-rank scale regarding customer satisfaction levels.

To achieve higher service standards, we have created a shared manual for each area of operation. We also raise awareness through training for managers and employees in charge.

We received 27,350 survey responses in FY2022.3, and the overall satisfaction level for the five areas of operation stood at 92%. We conducted an additional trial survey to collect feedback from a wider range of customers and increase response rates.

To ensure safety under the continued impact of COVID-19, we obtained prior approval when visiting customers and working in their homes. In addition, our employees visiting customers took thorough precautionary measures, including checking the body temperature on arrival at the office, gargling, hand washing, and mask wearing.

Based on customer feedback, we will continue to offer services from the customer's perspective.

Main Initiatives

Development as an Energy and Services Marketer

We offer services and solutions to customers in response to diversified needs and the advancement of digital technologies.

Solutions for Residential Customers

- Expand value-added services and rate plans
- Offer services optimized for each customer combining electricity, ENE-FARM, IoT services, Sumikata Service, renovation, etc.
- Use digital technologies to offer solutions and diversify approaches

Solutions for Commercial and Industrial Customers

- Provide total energy solutions combining gas and electricity with water treatment, ventilation, air conditioning, IoT/ICT services, maintenance, etc.; promote new electricity businesses, including VPP
- Replace coal and heavy oil power generation, provide proposals on carbon-neutral LNG and city gas*, spread gas air conditioning and cogeneration
- Strengthen proposals on renewable energy products by expanding D-Lineup*

*City gas with CO₂ offset by CO₂ credits

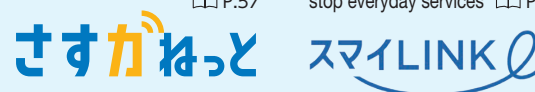
*Services based on Decarbonization, Decentralization, and Digitalization

■ Service via internet

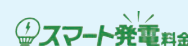
□ P.57

■ Digital platform offering one-stop everyday services

□ P.57



■ A wide variety of rate plans and value-added plans



New, economical gas rate menu for customers who use various Osaka Gas services and equipment such as electricity, telecommunications, ENE-FARM, gas clothes dryers.

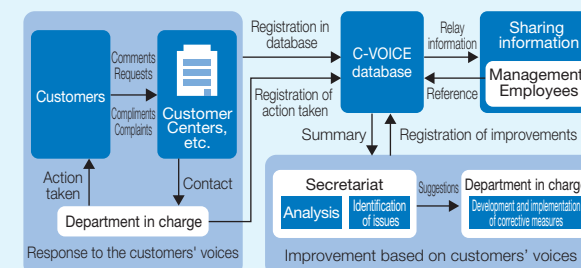
Incorporating Customer Opinions

Sharing Customer Opinions throughout Company

Osaka Gas has established a database system called "C-VOICE" to share customer opinions and demands among all employees. The company has reflected such customer voices in its business operations, product development and service quality.

Customer voices reaching the Company daily, including both positive and negative comments, are sorted out by the end of each day and filed into the "C-VOICE" system, to be shared later with all management and employees. In particular, with regard to complaints, we try to share not only the factual process and the status of our response to customers, but also measures to prevent recurrence and improve our systems.

■ Overview of C-VOICE



Examples of Product Development and Improvement in Service Quality Based on Customers Comments

At Osaka Gas, we work to develop various products and improve the quality of services based on comments from our customers. In FY2022.3, we mainly improved systems for digital contact points (our website, My Osaka Gas, etc.).

Our efforts to improve our products and services are reported to our customers. Our website introduces various examples of improvements with the aim of attracting more comments from customers.

I . Co-create Value for a Sustainable Future

Enhancing Resilience of Customers and Society



What We Aim to Be

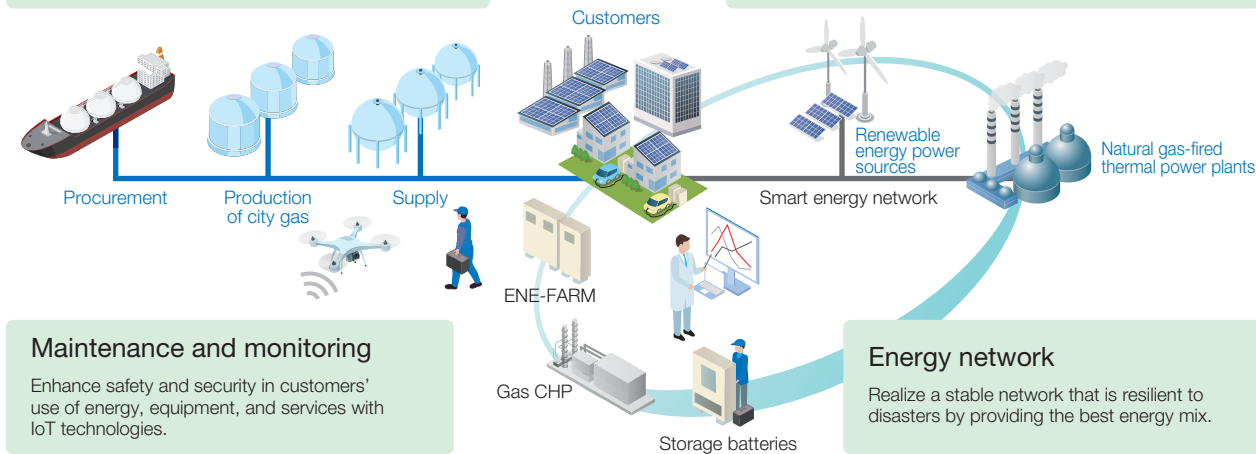
We aim to enhance energy resilience for customers and society by reinforcing gas supply chain infrastructure for stable supply and expanding energy network combined with distributed power sources.

Gas supply chain

Ensure stable LNG procurement, energy security and stable supply, early recovery from natural disasters while preventing secondary disasters.

Electricity supply chain

Build a robust power source portfolio through diversification of power sources and capacity expansion of renewable energy and other sources.



Maintenance and monitoring

Enhance safety and security in customers' use of energy, equipment, and services with IoT technologies.

Energy network

Realize a stable network that is resilient to disasters by providing the best energy mix.

Taking measures against infectious diseases such as COVID-19



Strengths of the Daigas Group

Secure and stable energy supply & capability to respond to disasters

The achievements of operation in remote facility management by utilizing IoT

Use of natural gas-fired thermal power sources, renewable energy sources, and decentralized power sources

Materiality

Customer Health and Safety/
Stable Supply of Services

Indicators and FY2022.3 Results

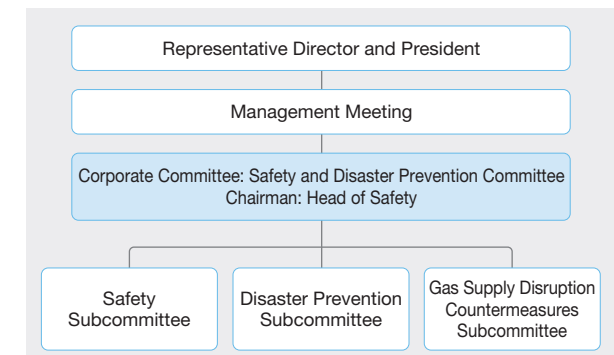
Number of serious accidents
► Zero serious accidents

The Daigas Group has set the targets of continued zero serious accidents and 10 million or more customer accounts. As a corporate group that aims to enhance the resilience of customers and society, ensuring the safety of city gas, gas production and power generation facilities is our top priority. We therefore consider it important to work toward better safety and create a system prepared for contingencies, such as accidents and disasters.

We achieved continued zero serious accidents for FY2022.3 by carrying out quality control of city gas in production facilities and safety inspection of gas pipelines and supply facilities in the supply business. The procedures were conducted based on guidelines in accordance with laws and regulations as well as in-house rules.

In FY2023.3, we established the Safety and Disaster Prevention Committee as a corporate committee, in order to create a structure that can exercise governance across the company on a daily basis, as well as to unify the management of events related to safety, disaster prevention, and stable gas supply and promote measures against them.

■ Established the Safety and Disaster Prevention Committee in FY2023.3



Build resilient energy supply facilities ► Ratio of strengthening of earthquake resistance: Approx. 89% Number of block division of supply network: 709 blocks

For stable gas supply, we consider it important to strive to conduct scheduled facility updates, extend the pipeline network, and take disaster prevention measures, thereby strengthening the base for better supply stability.

Based on the Gas Safety Enhancement Plan by the Ministry of Economy, Trade and Industry, we have been working to increase the ratio of strengthening of earthquake resistance, which is the percentage of earthquake-resistant pipelines. We have also been dividing supply blocks into smaller

segments to minimize the scope of emergency gas suspension (measures to prevent secondary disasters).

We believe that we can improve energy resilience by enhancing earthquake resistance as precautionary measures, as well as by minimizing earthquake damage and achieving early recovery.

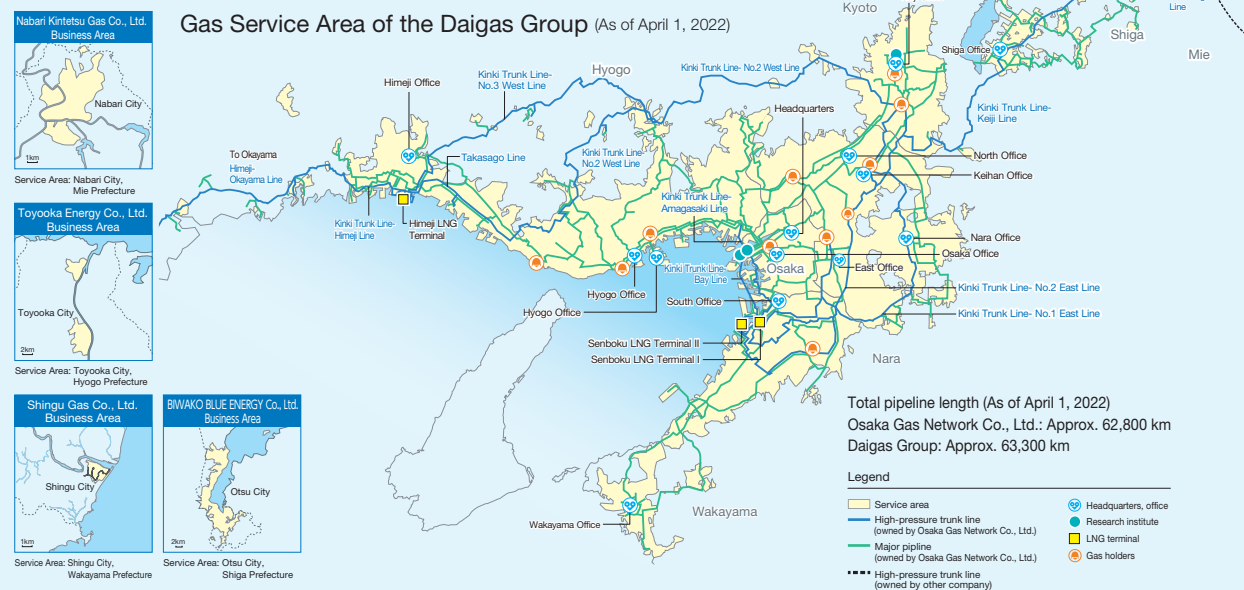
For FY2022.3, the ratio of strengthening of earthquake resistance was approximately 89%. The number of supply blocks reached 709 due to subdividing them.

Main Initiatives

Supply Systems for Safe and Secure Use

The Daigas Group systematically extends and expands the gas pipeline network for wider use and expansion of city gas and improved capacity for stable supply.

In addition, we operate 24 hours a day to monitor and control the status of gas supply in an integrated manner and are ready to promptly respond and dispatch staff upon receiving reports from customers.



Progress of Earthquake Countermeasures after the Great Hanshin Earthquake

Focus	Main earthquake countermeasures	Before Great Hanshin Earthquake (January 1995)	Present (April 2022)
Strengthen information gathering function	Install additional seismometers	Installed at 34 locations	Installed at approx. 3,300 locations
	Introduce earthquake damage prediction system	—	Introduced at the Central Control Office, Supply Control Department (head office, back-up center) and 5 areas
Establish supply suspension system	Subdivide supply blocks into smaller segments	55 middle blocks	87 middle blocks 709 little blocks
	Introduce supply suspension equipment	Remote suspension equipment only for super blocks (dividing the supply area into 8)	Remote suspension equipment at approx. 3,600 locations; Earthquake-sensitive automatic suspension equipment at approx. 3,000 locations
Strengthen emergency communications	Strengthen wireless systems	—	Head office and back-up center serve as two hubs; 6 portable satellite communications facilities
Other	Ratio of strengthening of earthquake resistance	Percentage of earthquake resistant pipes: 68%	Percentage of earthquake resistant pipes: Approx. 89%
	Promote widespread use of polyethylene (PE) pipes	PE pipeline length: Approx. 1,200 km	PE pipes used for basically all new low-pressure pipelines; PE pipeline length: Approx. 17,600 km
	Back up important online information	—	Back-up center opened