



Materiality and Daigas Group Charter of Business Conduct

In light of the process to identify materiality, the Daigas Group has set forth “co-create value for a sustainable future” in its Medium-Term Management Plan, defining the pursuit of the creation of value for solving social issues alongside stakeholders as one of its key strategies.

Through unified management that integrates corporate principles, the Medium-Term Management Plan, materiality, and key performance indicators (KPIs), we will work to accelerate ESG management.

Charter of Business Conduct	Important issues (Materiality)	Value for a sustainable future	Initiatives to create value for a sustainable future	Indicators	Goals	Fiscal year to be achieved	FY2023.3 results	Contribution to SDGs
I	Maintain and expand customer base	Establishing lifestyles and businesses adjusted to the new normal	Maintain and expand customer base	Number of customer accounts	10 million or more	2031.3	10.02 million 📖 P.39	
	Improvement of customer satisfaction and quality of services		Enhance customer relationship management	Customer satisfaction rate	90%	2024.3	90% 📖 P.40	
	Customer health and safety GRI Standards: 416-1	Enhancing resilience of customers and society	Maintain safety and quality levels	Number of serious accidents	Continued zero serious accidents	2031.3	Zero serious accidents 📖 P.42	
	Stable supply of services		Strengthen resilience of energy supply	Build resilient energy supply facilities	Implementation of measures for disaster prevention and aging pipes	2031.3	Ratio of strengthening of earthquake resistance: about 89% Number of supply area subdivisions: 713 blocks 📖 P.42	
II	Contributing to the sustainability of the environment and society Climate change GRI Standards: 302-1 305-5	Achieving a low-carbon/ carbon-neutral society	Implement carbon-neutral measures	CO ₂ emissions of Daigas Group	Net zero emissions	2051.3	25.98 million tons 📖 P.32	
					27.02 million tons*1 (5 million tons reduction from FY2018.3)	2031.3	25.05 million tons*1 📖 P.32	
			Provide clean energy and expand renewable energy value chain	Percentage of renewables in our power generation portfolio in Japan*2	Nearly 50%	2031.3	13.0% 📖 P.32	
				Contribution to developing renewables capacity on a global basis*2	5 GW 2.5 GW	2031.3 2024.3	2.11 GW 📖 P.32	
			Promote advanced utilization of natural gas and environmental products	Avoided emissions (Baseline: FY2017.3)	10 million tons	2031.3	3.86 million tons 📖 P.32	
III	Engaging with and contributing to society Coexistence with local community GRI Standards: 413-1	Building foundations that support the realization of value for a sustainable future	Promote communication with local communities	Number of our participation in local governments' activities (i.e. community development planning)	14 cases	2024.3	38 cases 📖 P.56	
				Number of joint efforts with local communities	170 times	2024.3	326 times 📖 P.56	

*1 Emission throughout the domestic supply chain (Scope 1, 2 & 3) (New targets for FY2031.3 set in Energy Transition 2030) *2 Including power sources under the feed-in tariff (FIT) system.



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IV	Respecting human rights	Supply chain management GRI Standards: 308-1 414-1	Build a responsible supply chain	Appropriate new supplier ratio	100%	2024.3	100% P.57	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 11 SUSTAINABLE CITIES AND COMMUNITIES, 17 PARTNERSHIPS FOR THE GOALS
V	Complying with laws and regulations	Compliance GRI Standards: 307-1 418-1 419-1	Promote the Group's compliance	Number of serious violations of laws and regulations	Continued zero serious violation	2024.3	Zero serious violations of laws and regulations P.56	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
VI	Providing a work environment that supports employees' personal growth	Employee engagement	Create a workplace where employees can feel a sense of fulfillment	Attitude survey (Loyalty Score)	Maintained and improved employee engagement	2031.3	Four comprehensive indicators remained at appropriate levels P.54	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
		Development of employee skills GRI Standards: 404-1		Annual average hours of training per employee	Implementation of human resource development and work environment improvement	2031.3	26.3 hours/person Hours of e-Learning courses were taken*1 5.83 hours/person P.54	
		Diversity and inclusion GRI Standards: 405-1	Promote diversity and inclusion	① Percentage of female executives/Percentage of female Directors*2 ② Percentage of women in members newly promoted to middle management positions ③ Percentage of women in new recruits for career-track positions	① 20% or more for each category ② 30% or more ③ Continue 30% or more	2031.3	① 13.3%/10.0% ② 14.3% ③ 28.1% P.54	

*1 Includes some temporary employees and part-time workers. Covers e-learning programs on safety, information security, environment, digital transformation, etc. *2 Target for percentage of female Directors newly set in March 2023