

Environment

Summary


Why the topic is material	<p>Contributing to regional and global environmental conservation is a pivotal mission of the Daigas Group, which conducts business mainly in the field of energy. Being seriously aware of the close linkage between all its activities and the environment, the Daigas Group will respond to environmental issues, including climate change, develop and promote innovative technologies, address the most critical challenge of working out low-carbon/carbon-neutral energy solutions, and achieve more efficient use of energy, raw materials, and other resources.</p> <p>In March 2017, the Daigas Group unveiled Long-Term Management Vision 2030, which shows the Group's vision for FY2031, and Medium-Term Management Plan 2020. Under these, we have devoted active efforts to helping increase the use of natural gas, developing and facilitating more widespread use of highly efficient equipment, including fuel cells, offering customers proposals for the use of energy-saving products and services, and introducing renewable energy.</p> <p>The Daigas Group announced the Daigas Group Carbon Neutral Vision in January 2021, and Medium-Term Management Plan 2023 in March of the same year. Thus, the Group indicated its aim to become carbon neutral by 2050 by decarbonizing the raw materials of city gas through methanation* using renewable energy and hydrogen and by decarbonizing power sources through introduction of renewable energy, in addition to conventional efforts to expand the use of natural gas.</p> <p>In March 2023, we announced the Daigas Group Energy Transition 2030 (ET2030), in which we presented to our stakeholders the overall picture of the transition path toward low-carbon/carbon-neutral energy solutions and the Group's specific initiatives and solutions for our customers toward 2030.</p> <p>We have positioned climate change as one of our material issues.</p> <p>* A technology for synthesizing methane, which is the main component of city gas, from hydrogen and carbon dioxide (CO₂)</p>
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Specific initiatives

Policy and promotion system

To achieve our medium- to long-term vision, measures, and targets in the environmental field and in line with the Daigas Group Environmental Policy and other bylaws, important environmental matters are monitored by the Environment Subcommittee and the ESG Committee, reported to and deliberated by the ESG Council (Management Meeting), and submitted to the Board of Directors.

	Items to be addressed	Specific initiatives	
Environmental management/ Environmental targets	<ul style="list-style-type: none"> Strengthening environmental governance Maintenance and continuation of the environmental management system Follow-up and raising awareness toward achievement of environmental targets Enhancing environmental compliance 	Initiatives undertaken in FY2023.3 <ul style="list-style-type: none"> Continued operation of the environmental management system Monitored the environmental impacts in the value chain Developed environmental human resources through e-learning (5,704 people) 	
Climate change measures/ Disclosure based on the TCFD Recommendations	<ul style="list-style-type: none"> Carbon neutrality Reduction of CO₂ emissions from the Group's own business activities Reduction of CO₂ emissions from customers' activities and their value chains Contribution to CO₂ emissions reduction in society as a whole <p>Materiality Climate change</p>	Environmental targets KPIs based on the materiality	FY2023.3 results
		CO ₂ emissions of the Daigas Group	25.98 million t 25.05 million t *Emissions in domestic supply chain (Scopes 1, 2 and 3)
		Percentage of renewables in our power generation portfolio in Japan	13.0%
		Contribution to developing renewables capacity on a global basis	2.11 GW
		Avoided emissions (Baseline: FY2017.3)	3.86 million t
		Initiatives undertaken in FY2023.3 <ul style="list-style-type: none"> Operating LNG carriers efficiently and increasing the use of low-emission vehicles Accelerating low-carbon/carbon-neutral solutions by using natural gas and facilitating more widespread use of highly energy-efficient and high-value-added equipment Providing environmental value by disseminating high-quality solutions in the fields of information, real estate, and materials 	

	Items to be addressed	Specific initiatives
<p>Contributing to creating a resource recycling society</p>	<ul style="list-style-type: none"> • Promoting 3R efforts in business activities • Promoting 3R efforts in the value chain • Plastic resource recycling activities • Response to water risks • Chemical substance management in business activities 	<p>Environmental targets (every year until FY2031.3)</p> <ul style="list-style-type: none"> • Osaka Gas (including Network Company and core energy business companies) (1) Final disposal rate of industrial and general waste: 2% or less, (2) Final disposal rate of soil excavated during piping works: 1% or less, (3) PE pipe recycling rate: 100%, (4) Gas meter reuse rate: 98% or more • Affiliates (1) Final disposal rate of industrial and general waste: 4% or less • Promoting 3R efforts concerning used equipment collected from customers or business activities <hr/> <p>Initiatives undertaken in FY2023.3</p> <ul style="list-style-type: none"> • Osaka Gas (including Network Company and core energy business companies) (1) Final disposal rate of industrial and general waste: 1.0%, (2) Final disposal rate of soil excavated during piping works: 0.1%, (3) PE pipe recycling rate: 100%, (4) Gas meter reuse rate: 98.7% • Affiliates (1) Final disposal rate of industrial and general waste: 3.6% • Water usage reduced through water saving in operations • Response to CDP
<p>Biodiversity</p>	<ul style="list-style-type: none"> • Promoting ecosystem conservation efforts • Efforts to minimize impact on natural capital 	<p>Environmental targets (every year until FY2031.3)</p> <ul style="list-style-type: none"> • Paying due attention to biodiversity in business activities in line with the Daigas Group Biodiversity Promotion Policy <hr/> <p>Initiatives undertaken in FY2023.3</p> <p>Continued efforts to avoid or reduce impacts on biodiversity in the value chain</p> <ul style="list-style-type: none"> • Management of ballast water • Conservation of native seeds, seedlings, and rare species • Utilization of native seeds and seedlings in urban development business • Reduced excavated soil due to non-excavating method • Education and training on biodiversity provided for local communities and customers
<p>Development of environmental technology</p>	<ul style="list-style-type: none"> • Contribution to carbon neutrality • Utilization of unused energy 	<p>Environmental targets (every year until FY2031.3)</p> <p>Facilitating the development of technologies that will contribute to realizing a low-carbon or decarbonized society and provide a strong business foundation</p> <hr/> <p>Initiatives undertaken in FY2023.3</p> <ul style="list-style-type: none"> • Promotion of development of methanation technology, etc. • Promotion of development of hydrogen/ammonia combustion technology, etc. • Sale of radiative cooling materials
<p>Green procurement and purchase Please see  P.89</p>	<ul style="list-style-type: none"> • Promotion of green procurement and purchase 	<p>Environmental targets (every year until FY2031.3)</p> <p>Promoting green purchase, the Green Partner Initiative,* etc. in cooperation with business partners *A system for evaluating proactive environmental initiatives such as building an environmental management system and obtaining certification</p> <hr/> <p>Initiatives undertaken in FY2023.3</p> <ul style="list-style-type: none"> • 85 suppliers registered with the Green Partner Initiative