

Biodiversity

Principle and Outline



▶ Daigas Group Biodiversity Policy

Believing that the many blessings of biodiversity are essential for the promotion of the Group's business, the Daigas Group in April 2010 established the "Osaka Gas Group Biodiversity Promotion Policy," which was revised to the Daigas Group Biodiversity Promotion Policy in March 2018. Subsequently, we made revisions to the Daigas Group Biodiversity Promotion Policy in April 2024 to clearly state that we will work to "understand our dependence and impact on biodiversity, as well as the risks and opportunities that come with them," and to "avoid or minimize our impact on biodiversity." Prior to the revisions, we referred to Japan's National Biodiversity Strategy 2023-2030 formulated based on the launch of the Taskforce on Nature-related Financial Disclosures (TNFD)* in June 2021 and Kunming-Montreal Global Biodiversity Framework, which was adopted at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) held in December 2022. The Group has begun to identify the relevance (dependencies/impacts) between nature and our business as recommended by the TNFD and to study our response, in line with the Policy. Through its business activities, the Group intends to offset its negative impacts on biodiversity and aims to build a nature-positive society.

* An international organization, originally conceived at the Annual Meeting of the World Economic Forum (known as the Davos Meeting) in 2019. It requires companies to disclose and act on their nature-related dependencies and impacts, and risks and opportunities.

Study for TNFD Response

The recognition that natural capital is in crisis has been shared globally, as it was reported at the World Economic Forum that more than half of the world's GDP has been potentially threatened by the loss of nature. In response to this situation, "nature positive," a global societal goal to halt the loss of nature and put it on a recovery track by 2030, and achieve a society in harmony with nature by 2050, was established. Recognizing that companies are required to make efforts to contribute to achieving that goal, the Daigas Group has implemented an analysis and assessment in line with the LEAP approach*, recommended by the TNFD, in studying nature-related dependencies, impacts, risks and opportunities.

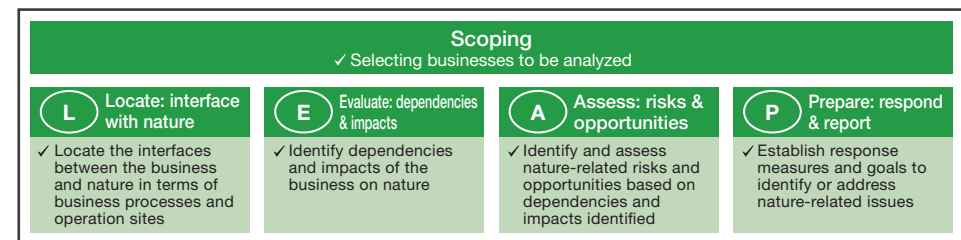
* A methodology developed by the TNFD to enable assessment of nature-related issues in corporate activities such as interfaces with nature, dependencies and impacts on nature, and nature-related risks and opportunities.

TNFD and LEAP approach

Taking into consideration the Group's business scale and the degree of its dependencies and impacts on biodiversity, we included the direct operations of the Group's domestic and international energy (LNG utilization) business in the scope of analysis under the LEAP approach. In the analysis, items related to Locate (interface with nature) and Evaluate (dependencies & impacts) were pilot tested within the scope of the LEAP approach. Following on from FY2025, in FY2026 we again conducted detailed analysis based on data obtained from the analysis results, and worked on initiatives related to our environmental targets.

As for governance, our biodiversity-related initiatives are managed and supervised under the same system as for climate change. Please see "Disclosure based on the TCFD Recommendations" (P.56) for details.

Pilot Test Process Using the LEAP Approach



* L (Locate) and E (Evaluate) processes were analyzed and assessed this time.

Analysis result 1 Dependencies and impacts on nature

Under the LEAP approach, we used ENCORE,* one of the analysis tools recommended by the TNFD, to analyze the ecosystem services of the business analyzed and their relationship to natural capital in terms of potential dependencies and impacts. We also created a heat map showing the dependencies and impacts relationship between the business analyzed and nature, based on the results of the ENCORE analysis.

As a result of the ENCORE analysis, in the nature impacts category, the impact on nature through GHG emissions was assessed as high, in common except for the storage process in the gas business. For the production process, the impact was assessed as high in the category of impacts on nature through input such as the use of terrestrial and freshwater biological systems.

In the category of dependencies on nature, it was assessed that the businesses analyzed were commonly dependent on the supply service of surface water and underground water. The transportation process was also assessed as being dependent on the climate control services through ocean currents and wind. The ENCORE data used in the analysis (as of April 2024) did not include the impacts by invasive species in the assessment metrics. However, we are aware of their impacts on nature in the Group's businesses, and will continue our existing initiatives.

* A tool jointly developed by UNEP-FI, UNEP-WCMC, and Global Canopy that can be used to identify the general dependencies and impacts of each business process relevant to a company.

Heat Map Showing Dependencies and Impacts of the Business on Nature¹

Business category		Dependencies on nature								
		Supply services		Adjustment and maintenance services						
Name of business	Category	Water		Removal/mitigation of hazardous substance		Atmosphere-related	Water-related		Land-related	Other
		Surface water	Underground water	Decomposition function	Filtration	Climate control	Water quality	Water flow maintenance	Slope stabilization and erosion control	Flood and storm prevention
Gas business	Transportation ²	H	H	—	—	VH	M	M	M	H
	Storage	—	—	—	—	VL	—	—	L	M
	Production	H	VH	M	M	M	H	—	M	H
	Supply	—	—	VL	VL	M	VL	VL	H	M
Electricity business	Power supply	VH	M	VL	L	VL	L	M	L	M

Business category		Impacts on nature									
		Input				Output					
Name of business	Category	Use of terrestrial ecosystems	Use of freshwater ecosystems	Use of marine ecosystems	Use of water	GHG emissions	Non-GHG air pollutants	Water pollutants	Soil contaminants	Solid wastes	Disturbance (disturbance to life)
Gas business	Transportation ²	H	VH	VH	—	VH	H	H	H	M	H
	Storage	H	—	—	—	—	—	L	L	—	—
	Production	VH	VH	VH	VH	VH	VH	H	H	H	H
	Supply	H	H	H	H	VH	M	H	H	M	—
Electricity business	Power supply	—	H	—	VH	VH	H	H	H	H	H

Analysis result 2 Interface with important areas in relation to natural capital

In addition to identifying dependencies and impacts on natural capital in the Group's businesses, we identified areas requiring attention² in the Group by using a tool¹ recommended as an assessment perspective in the TNFD, with the aim of understanding the relationship between the Group's operation sites and the surrounding natural environment.

The results of the analysis showed that five of our domestic and overseas sites (overseas offices and domestic LNG terminals and power plants) are located in protected areas and areas of biodiversity importance, and we have identified them as falling under areas requiring attention.

As for water stress assessment of our business sites, Osaka Gas has been compliant with CDP,³ a global environmental protection organization that evaluates environment-related strategies and initiatives of companies and other organizations, and we conducted water stress assessment using Aqueduct at our sites, including office sites not covered by the LEAP approach. As a result, business sites covered by the LEAP approach were not located in areas of high water stress. We found that several business sites not covered by the LEAP approach were located in areas of high water stress, mainly overseas sites. Since businesses at these sites do not use a large amount of freshwater, the Group considers them to be areas of low priority for response while identifying them as areas requiring attention.

Furthermore, we studied trends in the state of the natural environment at our business sites using Biodiversity Risk Filter of WWF, and found that tree cover is on a decreasing trend in the surrounding areas at our overseas sites. The study results suggested that the ecosystem condition tends to deteriorate in the surrounding area of sites in Japan. We will analyze these trends to see how they relate to our business and assess the effectiveness of environmental impact reduction measures through our various existing initiatives.

¹ Area where activities in the organization's direct operations (or in the entire value chain) interface with environments assessed as requiring attention based on each standard. Standards defined by the TNFD are "biodiversity importance," "ecosystem integrity," "water stress," and "importance of ecosystem services supply."

² We used four tools: IBAT (Integrated Biodiversity Assessment Tool), Global Forest Watch, BRF (Biodiversity Risk Filter), Aqueduct (WRI Aqueduct Water Risk Atlas and Tools). These tools help us to identify areas requiring attention.

³ Non-governmental organization (NPO) managed by UK charity. It runs the global information disclosure system for investors, companies, states, regions, and cities to manage their environmental impacts.

Relationship between the Daigas Group's Businesses and Nature Based on the LEAP Approach (Conceptual Diagram)



Ecosystem services we depend on

- Water resources
- Climate control functions
- Slope stabilization and erosion prevention functions
- Flood and storm prevention functions

Impact drivers on nature

- Use of terrestrial, marine, and freshwater ecosystems
- GHG and non-GHG emissions
- Water use
- Water pollution
- Soil contamination
- Solid wastes
- Disturbance
- Invasive species

VH	... Very High
H	... High
M	... Medium
L	... Low
VL	... Very Low
—	... Not Detected

¹ Created in April 2024 using ENCORE. A heat map is created for each business and supply chain (if multiple processes can be considered, the assessment with higher impact is adopted as the result.)

[Example of integration]: If there are two processes upstream of Business A, and L and VH are shown in impacts category A, then assessment is determined to be VH. Items that were assessed as ND in all categories of dependencies and impacts were excluded.

² Since the same process and assessment results apply to those for electricity business, they are omitted in its section.

FY2026 TNFD Initiatives

The Daigas Group is gradually proceeding with analysis and assessment in accordance with “Assess” (risks & opportunities) and “Prepare” (respond & report) of the LEAP approach based on “Locate” (interface with nature) and “Evaluate” (dependencies & impacts) obtained from the LEAP approach, as well as the business process specific to the Group’s business and the status of our initiatives.

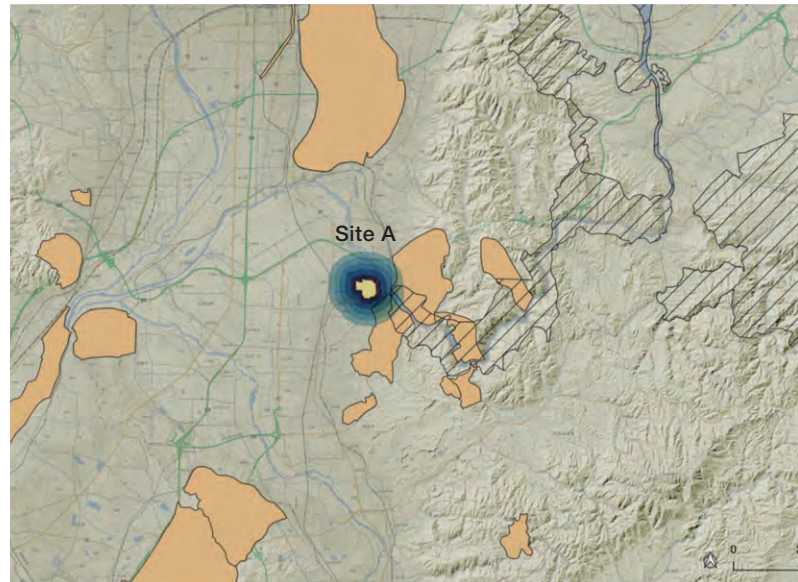
Of the five sites identified as areas requiring attention, following the analysis conducted in FY2025 on LNG terminals and power plants, in FY2026 we conducted detailed analysis of two existing power plants in collaboration with environmental impact assessment experts. As both of these sites are located in areas adjacent to Category IV and V protected areas of IUCN Protected Area Management Categories*, we used GIS software to collect information on the sites and their surrounding areas within a maximum radius of 1 km at 200 m intervals. Next, for protected areas that overlap or are adjacent to the Group’s sites, we confirmed the purpose of the protected areas designated by the government and the regulatory standards within the area. As the remaining one site is an office (tenant building), we believe the environmental impact risk from business activities is minimal. As a result of our analysis of all five sites identified as areas requiring attention, including the sites analyzed in the previous year, we confirmed that the Group’s business processes are conducted with appropriate preventative and response measures based on management plans formulated to monitor and manage biodiversity. We will continue engaging in initiatives to protect biodiversity and ensure proactive information disclosure.

* IUCN Protected Area Management Categories: These categories are developed by the International Union for Conservation of Nature (IUCN) to classify protected areas. They were developed as an international standard for regional classification aimed at preserving the natural environment, and are divided into seven categories based on conservation objectives and management policies.

■ Details of protected areas and responses to points of concern (FY2026)

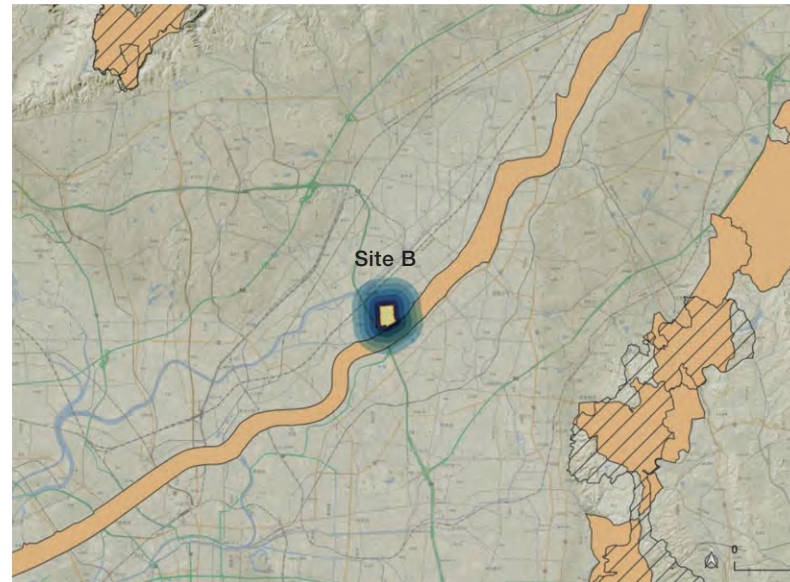
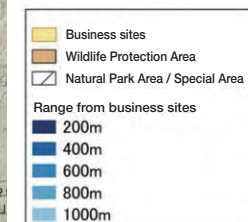
Sites	Protected Area Management Categories (IUCN)*	Matters related to the analysis target sites	Points of concern	Response to points of concern
A・B	Category IV: “Habitat/species management area” → Located within a 200 to 400 m radius of the site	Designated as a wildlife protection area (under the Wildlife Protection, Control, and Hunting Management Act).	<ul style="list-style-type: none"> ✓ Designated for the protection and propagation of natural wildlife. ✓ Capture of wildlife is prohibited within the designated areas. 	<ul style="list-style-type: none"> ✓ Direct relevance to business activities at the Group bases is considered low. ✓ We will continue to comply with environmental laws and regulations to ensure the sustainability of protected wildlife habitats.
A	Category V: “Landscape protection area” → Located within 600 m of the site	Designated as a special area within a natural park area (under the Natural Parks Act).	<ul style="list-style-type: none"> ✓ Certain activities require approval under the Natural Parks Act. 	<ul style="list-style-type: none"> ✓ Landscape protection areas do not directly overlap with business sites, and direct relevance to business activities at the Group bases is considered low. ✓ We will continue to comply with laws and regulations and ensure the protection of natural scenic areas.

■ Target sites and designated areas including protected areas (Site A)



(Site A)

(Site B)



Created by BO-GA Inc. by processing data from the National Land Numerical Information (Ministry of Land, Infrastructure, Transport and Tourism) for the Wildlife Protection Area and Natural Park Area/Special Area, with the background map from the Geospatial Information Authority of Japan (GSI).

Efforts Live Up to the Policy

The Daigas Group has been striving to conserve biodiversity through various measures, including protecting rare native plants growing on the LNG terminal sites, reusing soil excavated during gas piping works, building multi-level gardens at the experimental residential complex NEXT 21¹, and planting trees in Japan. Since we formulated the “Osaka Gas Group Biodiversity Promotion Policy” in April 2010 (revised to “Daigas Group Biodiversity Promotion Policy” in March, 2018), we have made positive efforts in line with this policy and also actively provided information thereon. Our efforts to conserve biodiversity, have been made under the guidance of government and research institutes, outside experts, and external consultants. Since 2003, Osaka Gas has been participating in the Keidanren Nature Conservation Council as a member company; we also participate in the Keidanren Initiative for Biodiversity Conservation to collaborate with stakeholders, including the government and regulatory bodies. Since FY2025, we have taken part in the “Nationally Certified Sustainably Managed Natural Site”² certification system run by the Ministry of the Environment as part of measures to achieve 30 by 30 (an international goal to effectively conserve at least 30% of land and ocean as healthy ecosystems by 2030). The Senboku LNG Terminal and the Himeji LNG Terminal were certified in the second half of FY2025 and in the first certification of FY2026, respectively. Based on its Green Purchasing Guidelines (formulated in 2000, revised in 2022), Osaka Gas works with business partners to promote green purchasing: prioritized procurement of biodiversity-friendly goods and construction works that have less impact on the environment.

In the Daigas Group, every new investment and development project, whether in Japan or abroad, follows an environmental impact assessment at the planning stage when required by law. We survey the water environment, animals, plants, ecosystems, etc. to assess the environmental impact, and take necessary measures with consideration for the function of the ecosystem network, such as using native species when planting, with the aim of realizing a sustainable society. We have set environmental targets in line with our environmental management system (EMS) and the Group Medium-Term Management Plan 2026, both of which are aimed at the complete implementation of the Daigas Group Environmental Policy. These environmental targets also include paying due consideration to biodiversity in business activities.

¹ Experimental Residential Complex “NEXT 21”

The “NEXT 21” was constructed in October 1993 by Osaka Gas, with the goal of demonstrating and proposing an ideal neo-futuristic urban multiple-unit housing from the perspectives of the environment, energy, and lifestyle. Based on themes set in accordance with historical context, with Group employees and their families actually living there, NEXT 21 is conducting various demonstrative experiments focused on energy saving and CO₂ reduction for the entire building, making green spaces and environmental symbiosis in urban areas, ideal forms of residence that reflect diverse lifestyles, and product development. Also, many proposals and presentations that may lead to ideal multiple-unit housing in the future have been made, and some of the proposals have been commercialized.

² Starting in FY2024, the Ministry of the Environment has designated areas where biodiversity is conserved through private initiatives or other means, as “Nationally Certified Sustainably Managed Natural Sites.” The “Act on Promoting Activities to Enhance Regional Biodiversity” (jointly administered by the Ministry of the Environment; the Ministry of Land, Infrastructure, Transport and Tourism; and the Ministry of Agriculture, Forestry and Fisheries), which legislates Nationally Certified Sustainably Managed Natural Sites, came into effect in April 2025. Since then, Nationally Certified Sustainably Managed Natural Sites have been certified under this Act.

Identification of impacts on biodiversity in the value chain and initiatives to reduce the impacts

In line with the Daigas Group Biodiversity Promotion Policy, we are committed to identifying biodiversity dependencies, impacts, and risks in the value chain. In our business activities, we promote initiatives to avoid or minimize impacts on biodiversity, while we are also promoting the creation of green spaces at each of our sites. Through these activities, we aim to build sustained trust in the Group, contribute to nature positive, and further enhance corporate value.

Business areas	Identification of impacts on biodiversity (risk)	Initiatives to reduce impacts
Transportation	<ul style="list-style-type: none"> Impact on biodiversity in LNG tanker transportation 	<ul style="list-style-type: none"> Appropriate response to the International Convention for the Control and Management of Ships' Ballast Water and Sediments
Gas production	<ul style="list-style-type: none"> Possibility for operational constraints due to tighter regulations related to environmental and ecosystem protection around LNG terminals 	<ul style="list-style-type: none"> Planting native seeds and seedlings and preserving rare species in green spaces Network formation with nature in local areas Continuation of protection activities for certification and maintenance of Nationally Certified Sustainably Managed Natural Sites
City gas supply	<ul style="list-style-type: none"> Impact on surrounding soil and ecosystems due to excavation and pit sand extraction associated with pipeline works Possibility for constraints on construction and increased costs due to tighter regulations 	<ul style="list-style-type: none"> Reduction in excavated soil and dependencies on natural resources (pit sand, etc.) through the use of Vermeer method Resilience against resource constraints and cost increases Recycling of excavated soil and road work waste
Urban development business	<ul style="list-style-type: none"> Business constraints due to tighter building regulations associated with the protection of green spaces and biodiversity Worsening living environments and lower property competitiveness due to deteriorating urban ecosystems and an urban heat island effect 	<ul style="list-style-type: none"> Creation of green spaces and use of native seeds and seedlings in the urban development business
Society / Customers	<ul style="list-style-type: none"> Slowdown in initiatives due to lower environmental awareness among the next generation (risks directly linked to business impacts are limited) 	<ul style="list-style-type: none"> Provision of information on measures taken at our showroom and LNG terminals Contribution to biodiversity education for the next generation

We promoted the following value chain initiatives in FY2026.

Transportation

We manage ballast of LNG tankers we use in accordance with regulations of the country where the port of call is located. In addition, our tankers are equipped with water-processing facilities that meet the conditions set under the International Convention for the Control and Management of Ships' Ballast Water and Sediments stipulated by the International Maritime Organization (enacted in September 2017). Through appropriate operation of the equipment, we have reduced the impact of ballast on ecosystems.

Gas production

At all the LNG terminals we hold (Senboku LNG Terminals I and II, Himeji LNG Terminal), green areas were managed in a way that contributes to biodiversity through native seeds and seedlings utilization, etc. In addition, biotopes were created, which also serve as refuge for rare species, and biodiversity monitoring studies were conducted at LNG terminals in collaboration with external experts.

City gas supply

The Daigas Group works to reduce the amount of excavated soil and waste asphalt generated as a result of gas pipe installation, which contributes to reduce impact on the ecosystem. Ways to achieve this include the Vermeer method, which requires soil excavation of only two points, and the shallow pipe installation method. In FY2026 these methods allowed us to reduce the amount of excavated soil and waste asphalt generated by approx. 372 thousand tons compared to what would have been generated using conventional methods. Our soil and asphalt recycling system promotes the reuse of waste asphalt and excavated soil as either recycled asphalt, regenerated roadbed material, or improved soil. These efforts allowed us to recycle 99.9% of material excavated during gas pipeline construction in FY2026 and send to final disposal approx. 400 tons.

* Since April 2022, the city gas supply business has been conducted by Osaka Gas Network Co., Ltd.

Business office / Customers

We have built approximately 100 m² of rice paddies and 12 m² of fields on the roofs of our facilities. We use them as spaces for communication with local residents, and conduct environmental education in collaboration with local educational institutions. In addition, our group company engaged in urban development business is promoting biodiversity-friendly planting and green space creation at its facilities and the condominiums it develops, creating comfortable urban spaces in which people and nature can coexist.

Certified as a “Nationally Certified Sustainably Managed Natural Site”

The Senboku LNG Terminal and Himeji LNG Terminal, both of which are key manufacturing sites for Osaka Gas, have been recognized as “Nationally Certified Sustainably Managed Natural Sites.”

The “Nationally Certified Sustainably Managed Natural Site” certification system is one initiative to achieve the international 30 by 30¹ target, and recognizes areas where biodiversity conservation efforts are being made through private initiatives or other means that meet certain government criteria. Moreover, of these “Nationally Certified Sustainably Managed Natural Sites,” the government registers areas that do not overlap with protected areas as OECM² in an international database. It has been newly determined that, from FY2026 onwards, these Nationally Certified Sustainably Managed Natural Sites would be certified under the Act on Promoting Activities to Enhance Regional Biodiversity (Act No. 18 of 2024), and the Himeji LNG Terminal was certified under the Act.

Since both terminals opened, we have promoted greening with native tree species that are highly compatible with local vegetation. At the Senboku LNG Terminal, since 2002 we have introduced locally grown seeds and seedlings³. The introduced seeds were cultivated by terminal staff from acorns and other seeds collected from nearby satoyama woodlands and planted in collaboration with local elementary schools. At the Himeji LNG Terminal, we have been cooperating with activities to preserve rare plants native to the area of the Nishi Harima, Hyogo Prefecture since 2002, and we have been preserving such rare species as the Platycodon or Japanese Bellflower in the biotope we established in FY2014. Through these activities, both terminals not only cultivate highly diverse vegetation, but also foster connections with the local community and serve as a venue for environmental education. We believe this certification recognizes these initiatives.

1 An international goal to effectively conserve at least 30% of land and ocean ecosystems as healthy ecosystems by 2030.

2 OECM (Other Effective Area-based Conservation Measures): Areas outside protected areas that contribute to biodiversity conservation.

3 Seedlings collected in nearby areas with a clear production process from seed collection.

Initiatives to Improve the Quality of Green Spaces

We are working to improve the quality of green spaces at our major LNG terminals (Senboku LNG Terminal and Himeji LNG Terminal). Since their inception, we have cultivated green spaces using tree species that are compatible with the local vegetation at the Senboku LNG Terminals. In recent years, the terminal has been cultivating highly diverse vegetation by forming green spaces using only locally-sourced seeds. We have conducted continuous monitoring of flora and fauna, recording the locations of birds, insects (butterflies), and vegetation in the cogon grass lands, as well as recording the presence or absence of invasive species. Monitoring activities have been conducted for 17 years up to FY2026. We do monitoring using a line census*, comparing trends in the species that appear each year and evaluating diversity in terms of butterflies. The monitoring results show that the number of confirmed species increased at the beginning of the initiative and has stabilized since then. Furthermore, the number of confirmed species since the stabilization has remained at a high level when compared to the figures for Hamadera Park, a nearby large green space (surveyed in 2014).

Since 2002, under the guidance of the Museum of Nature and Human Activities, Hyogo Prefecture, the Himeji LNG Terminal has been preserving rare plants native to the area of Nishi Harima, Hyogo Prefecture. We are currently growing rare plants including *Gardneria multifolia*

“CHITOSEKAZURA” and Red-root Lithospermum (both rated level 2 endangered on the Ministry of the Environment’s endangered species list). The biotope created in FY2014 reproduces satoyama woodlands, grasslands and marshes with plants originating from the area of Nishi Harima, preserving such rare species as the Platycodon or Japanese Bellflower.

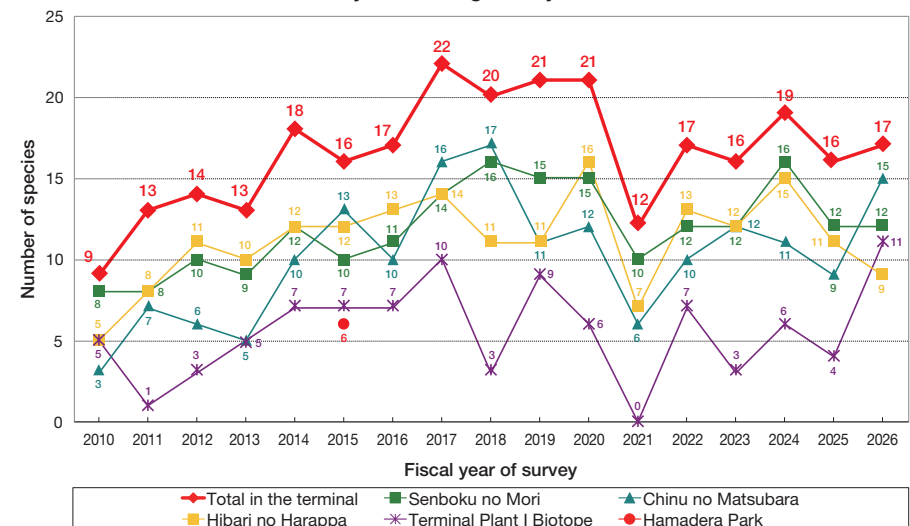
LNG terminals are required to form green areas by laws and regulations, and secure a certain amount of greenery. Both LNG terminals believe that the quality of greenery is important, and are striving for the preservation of biodiversity in the local communities by using seedlings of local origin. In addition, the number of insect and bird species visiting the two terminals has increased from when these efforts began in 2009 through to 2012, and we have maintained this increased number since then, which suggests that connections of ecosystems have been formed with the nearby green spaces. Going forward, we will continue to monitor these areas under the guidance and advice of experts.

* A method of surveying the number of confirmed species along a predetermined route.

■ Details of major initiatives

- Development and implementation of green space design and management plans that combine safe and secure business continuity with the creation of a diverse ecosystem
- Eradication of invasive species
- Conservation of rare species
- Experts conduct monitoring surveys of flora and fauna
- Communication with stakeholders

■ Senboku LNG Terminal butterfly monitoring survey results



Note 1: Although surveys have usually been conducted three times a year (spring, summer, and fall), in FY2021 they were conducted only twice a year (summer and fall).

In FY2021, the number of surveys was reduced due to COVID-19 countermeasures (restrictions on travel between prefectures and reduced contact by refraining from going out).

Note 2: The numbers for the Hamadera Park represent reference value based on data from 2014 as a representative green space in the region.

Systematic Implementation of Certification Systems

The Daigas Group participates in the 30 by 30 Alliance, and is actively engaged in participating in biodiversity-related certification programs and their systematic introduction.

■ Participation in and initiatives for biodiversity certification systems and the like

ABINC certification	FY2021 Scenes Tsukaguchi (Certification period: February 4, 2021 to February 3, 2024)	
Nationally Certified Sustainably Managed Natural Sites certification	FY2025 Senboku LNG Terminal FY2026 Himeji LNG Terminal (first certification of FY2026)	

Biodiversity Education for Children

A rice paddy of about 100 m² and a crop field of about 12 m² have been created on the rooftop of Osaka Gas's food and housing information center, "hu+g MUSEUM." Since FY2016, these fields have been used by local elementary schools for rice planting experiences as part of community and environmental communication and environmental education activities. Local elementary school students participated in these experiences again in FY2026, and about one month after rice planting, a nature observation event was held to observe the growth of the rice and the creatures living in the rice paddy. Elementary school students got a chance to see firsthand how the seedlings they planted were growing and the habitat of water fleas and dragonflies that had naturally flown in.

The program was planned and operated by hu+g MUSEUM staff and Daigas Group employee volunteers, who supported elementary school students' hands-on lessons on rice planting and harvesting, and have been engaged in maintenance of the rice paddy.



A scene of the rice planting experience
(left: Rice planting, right: Rice harvesting)

Creation of biodiversity habitats: Development of condominiums introducing the indigenous species in their gardens

Osaka Gas Urban Development Co., Ltd. is a real estate company and is engaged in the development and management of office buildings and condominiums/rented apartments. In addressing “co-existence with the environment,” one of its “five focuses” for urban and property development, Osaka Gas Urban Development Co., Ltd. is pursuing a planting plan that takes biodiversity into consideration.

The planting of native seedlings of “Chimakizasa,” a species of bamboo grass called Sasa, was introduced to the garden of The Urbanex Kyoto Matsugasaki, which was completed in March 2014. Chimakizasa has been recognized as an endangered plant in Kyoto City as a result of excessive eating by wild deer, whose population in the neighboring woodlands has been increasing in recent years. All of the 10 bamboo grass plants that were planted in the garden of The Urbanex Kyoto Matsugasaki were donated by the Chimakizasa revival committee, a local team formed to increase numbers of the plant, with members being mainly residents of Sakyo Ward, Kyoto City and researchers from Kyoto University.

At the “Urbanex Kobe Okurayama” completed in February 2016, Osaka Gas Urban Development has planted Japanese blue oaks, gooseneck loosestrife, and other local seeds/seedlings with support from the Museum of Nature and Human Activities, Hyogo. Signs describing plant names and their characteristics were also installed to help local residents learn about the importance of biodiversity. These combined efforts, including the active use of native seedlings, earned the 2016 Good Design Award.

Osaka Gas Urban Development Co., Ltd. has steadily increased the use of native seedlings in the planting of its properties, and has introduced them to 49 properties as of March 31, 2025. Osaka Gas Urban Development will continue to standardize biodiversity-friendly planting plans as specifications and work on such plans at the condominiums it develops.

As of March 31, 2026, 49 properties have introduced local biodiversity-friendly planting.
(including properties for sale and for rent)



Scenes Midosuji-Abiko
(Completed in January 2026)



Scenes Tennoji-Karasugatsuji
(Completed in March 2025)

The condominium “Scenes Kanzakigawa” won two awards at the Osaka Excellent Greenery Awards: the Osaka Prefectural Governor’s Award and the Biodiversity Award.

In February 2025, the new condominium “Scenes Kanzakigawa,” sold by Osaka Gas Urban Development Co., Ltd. in Yodogawa Ward, Osaka City, in collaboration with Sumitomo Realty & Development Co., Ltd., won the Osaka Prefectural Governor’s Award and the Biodiversity Award at the 18th Osaka Excellent Greenery Awards*.

The property has a massive green space measuring around 800 m², and we have made a planting plan to create a variety of seasonal scenery, with approximately 9,000 flowers and trees representing 30 species. As part of Osaka Gas Urban Development’s ongoing initiative to make a habitat with biodiversity, at this property we also place importance on the three elements of biodiversity: “genetic diversity,” “species diversity,” and “ecosystem diversity.” We have also planted great burnet and indigofera pseudotinctoria, which are native to the surrounding area.

These initiatives were recognized with this award.

*A system in Osaka Prefecture that recognizes building owners who have made particularly outstanding efforts to improve the urban environment and make cities more attractive.



Scenes Kanzakigawa

Appropriate Use and Discharge of Water Resources

Water is not a primary material among the products handled by the Daigas Group. We recognize that the use of water does not pose a major business risk for our Group. However, the Group controls water discharge after using drinking water, industrial-use water, groundwater and seawater. At power plants, core facilities for its electricity business, the Group uses industrial water as a coolant in a steam turbine condenser, and vaporizes it inside the cooling tower. Drinking water, industrial-use water and groundwater are also used at LNG terminals, power plants and offices, and discharged. Seawater is mainly used for vaporization of LNG at city gas plants and for cooling in steam turbine condensers at some power plants. We discharge the seawater to the sea without consuming it or affecting its composition. In discharging water, we have conducted water quality inspections in line with relevant laws, ordinances and agreements with local municipalities. We continued to comply with the effluent standards of the Water Pollution Prevention Act, etc. in FY2026, and there were no violations. The Group sees water as a limited natural resource. We will continue to use water adequately, control its discharge strictly, and promote water saving.

■ Amount of Water Intake in FY2026

General water, industrial water	13,561 thousand m ³
Underground water	3,556 thousand m ³
Seawater	533,677 thousand m ³

■ Amount of Water Discharge in FY2026

Sewer	1,504 thousand m ³
River	3,172 thousand m ³
Sea	535,997 thousand m ³

Collaboration with Other Companies to Reduce Water Usage

The Daigas Group is working together with business partners and customers to reduce water consumption.

Daigas Energy Co., Ltd., a Group company, uses its diverse technological capabilities in energy and equipment to propose water treatment solutions in line with customer needs, and makes energy-saving proposals including reducing water usage. For example, the company proposes the introduction of optimal water treatment programs for cooling water systems to conserve water, and the reduction of water and sewage volumes by treating industrial wastewater and reusing it as service water.

Biodiversity Risk Assessment

The Daigas Group, being aware of the environmental impact of its value chain, strives to minimize its impact on biodiversity and expand its contribution.

We conduct questionnaires regarding sustainability activities at our LNG suppliers to check on the status of their monitoring activities for local ecosystems and their efforts to conserve the biodiversity of local ecosystems.

In the Group, every new development project, whether in Japan or abroad, follows an environmental impact assessment at the planning stage when required by law. For example, in the process of constructing the Senboku Natural Gas Power Plant and the Himeji Natural Gas Power Plant, core facilities for the Group's electricity business, we conducted an environmental impact assessment in accordance with the Environmental Impact Assessment Act, and the review process has been completed. The assessment covered the construction work (the impact of transportation of construction materials, such as air pollution, noise, and vibration) and the presence and shared use of land and workpieces (the impact of ground modification and the facility's existence on local flora and fauna and the impact of exhaust gas and wastewater from the facility in operation on the quality of air and water). We also adopted environmental conservation measures against air pollution, noise, vibration, and wastewater, as well as measures to form green areas that foster biodiversity, in order to further reduce the environmental impact of the project.

Please see the following website for more information about the initiatives at the Himeji Natural Gas Power Plant.



▶ [Environmental Initiatives of Himeji Natural Gas Power Generation Co., Ltd.](#)