

Social

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Social

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Innovation Management Summary

Basic approach

The Daigas Group views technology as the foundation for its corporate competitiveness and views research and development as one of its most important strategies for differentiating itself from the competition. We also recognize that proactively leveraging digital technology for our business, creating innovative services, evolving data management, and reforming business processes will lead to improved business competitiveness.

While providing a stable supply of city gas in the Kansai region, the Group has expanded its business into peripheral areas and developed together with the region by working on research, development, and practical application of various new technologies that lead to comfortable lives and development of business for our customers.

To attain sustainable development and growth that address the needs of the environment and society, the Group will create new value and provide a wider range of services and new technologies to customers in collaboration with various stakeholders. In the Medium-Term Management Plan 2026, we have positioned maintaining and improving the soundness and flexibility of management foundation and co-creating advanced, diverse solutions that meet customer values as our material issues to accelerate initiatives.

Theme	Items to be addressed	Specific initiatives		
Promoting business transformation with DX ➡ P.80	<ul style="list-style-type: none">• New service development• Operational process innovation• DX promotion structure enhancement <hr/> <div>Materiality</div> Maintain and improve the soundness and flexibility of management foundation <hr/>	<div>Policy and promotion system</div> <p>We aim to become a “corporate group capable of keeping on changing” to continue providing value amid rapid change in society and the working environment as well as changes in customer values. We will proactively leverage digital technology, which is progressing rapidly, for our business and accelerate both value provision through new service creation and productivity improvement through operational process innovation.</p> <p>From April 2022, the DX Committee, a corporate committee, performs cross-organizational coordination and promotion of DX for the entire Daigas Group. Moreover, in April 2026 we established the AI Promotion Team within the DX Strategy Department to respond to the rapidly advancing use of AI.</p> <p>In FY2026, we promoted company-wide efforts for the creation of new services, and among others, we hosted “Daigas Group D-1 Grand Prix,” an internal event that aims to accelerate AI and DX initiatives.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">• Created new customer experience• Held “Daigas Group D-1 Grand Prix”• Worked on operational innovation by promoting the use of SaaS and generative AI• Developed DX human resources (DX core staff: 310 employees) <div>KPIs based on the materiality</div> <div>FY2026 materiality result</div> <table><tr><td>Recruitment of DX core staff</td><td>310 employees</td></tr></table> <hr/>	Recruitment of DX core staff	310 employees
Recruitment of DX core staff	310 employees			
Research and development/ intellectual property ➡ P.83	<ul style="list-style-type: none">• Research and development of technologies that contribute to achieving carbon neutrality• Technology development to ensure stable energy supply and safety• Research and development for the creation of new businesses• Securing and utilizing intellectual property rights <hr/>	<div>Policy and promotion system</div> <p>We aim to realize a carbon neutral society and promote research and development of technologies to ensure a stable energy supply and safety as well as to create new businesses. Based on the rules and regulations related to technological development, we make decisions on the implementation of technological development, allocate appropriate budgets according to the importance of the theme, and follow up on progress at the time of implementation.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">• Promoted research and development, including that of methanation, to achieve carbon neutrality• Continued to promote technological development to ensure and improve safety, and research and development to create new businesses• Secured and utilized intellectual property rights in conjunction with business and technology development strategies• Promoted the commercialization of natural material-derived ketone body OKETOA® and antimicrobial and antivirus agent TioClean®. <hr/>		
Creating new businesses ➡ P.84	<ul style="list-style-type: none">• Commercialization of the Daigas Group’s proprietary technologies• Development of new businesses through cooperation with diverse partners <hr/> <div>Materiality</div> Co-create advanced, diverse solutions that meet customer values <hr/>	<div>Policy and promotion system</div> <p>We will commercialize the Daigas Group’s proprietary technologies and seek to create new businesses by combining our strengths with other companies’ technologies and services. We thus aim to increase the Group’s earnings, and contribute to resolving social issues. Starting in FY2025, we further strengthened the new business creation functions of the Next-Generation Business HQ and worked to create new businesses through co-creation with various organizations and external stakeholders.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">• Promoted open innovation activities that actively integrate and utilize Osaka Gas’s technologies and needs and external parties’ technologies and ideas• Developed the AI-based composition estimation system to promote DX in the manufacturing industry• Created new businesses, such as those related to EVs, with partners <div>KPIs based on the materiality</div> <div>FY2026 materiality result</div> <table><tr><td>Creation of innovation</td><td>Social implementation of diverse new services in the digital, energy, and environment domains</td></tr></table>	Creation of innovation	Social implementation of diverse new services in the digital, energy, and environment domains
Creation of innovation	Social implementation of diverse new services in the digital, energy, and environment domains			

Promoting Business Transformation with DX

Principle and Outline

We aim to become a “corporate group capable of keeping on changing” to continue providing value amid rapid change in society and the working environment as well as changes in customer values. We will proactively leverage digital technology, which is progressing rapidly, for our business and accelerate innovative service creation, data management evolution, and operational process innovation.

We will change our business operations to enable them to respond rapidly and flexibly to any changes to enhance productivity dramatically to create value sustainably for realizing Medium-Term Management Plan 2026 and Long-Term Management Vision 2030.

In the new age in which both our customers and services rapidly change, we will aim for transformation of the business itself and for innovation as a corporate group that can keep on changing by revising constantly and flexibly our business model, operations, rules, and systems, which used to be taken for granted.

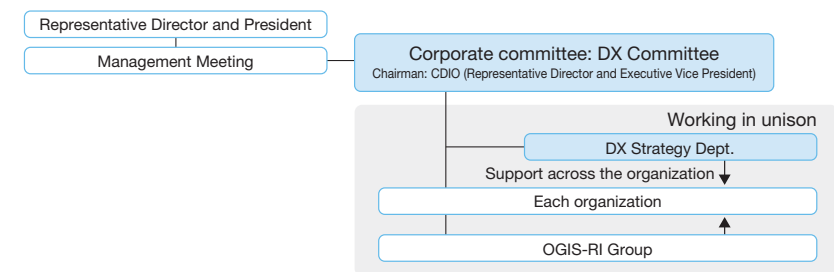
To make a major transformation to realize our vision, we will work on building a promotion system driven by top management, strengthening human resources development, demonstrating the comprehensive strength of the Daigas Group, including OGIS-RI Co.,Ltd., and building alliances with our partner companies.

DX Promotion System

In April 2026, to realize “what we aim to be,” accelerate business and system transformation, respond to rapid advancements in the use of AI, and ensure appropriate response to IT governance, we split off the DX Strategy Department from the Corporate Planning Headquarters and set up the AI Promotion Team within the DX Strategy Department. We also appointed a CDIO* (Representative Director and Executive Vice President) to further enhance our expertise in advancing DX and enable us to respond swiftly to changes in the external environment. We also established the DX Committee as a corporate committee to perform cross-organizational coordination and promotion of DX (business transformation utilizing digital technology) for the entire Daigas Group from the perspective of alignment with the business, IT and financial strategies, etc., and we aim to realize the group-wide vision and transform the business.

* Chief Digital & Information Officer

DX Promotion System



DX Strategy

1 New Service Development

We will provide 1-to-1 communication that proposes optimal services at optimal timings for customers, and maximize value in the energy value chain.

2 Operational Process Reform

By incorporating SaaS¹, generative AI, and other digital technologies into business operations, we will ensure greater operational efficiency and in turn make room for exploring new value and deepening our highly specialized operations. We are gradually incorporating AI into our call centers and other existing businesses and driving productivity improvements.

¹ SaaS: A service that allows users to use software via a network, such as the internet

3 DX Promotion Structure Enhancement

By strengthening our collaboration with OGIS-RI Co., Ltd., which is in charge of the IT solution business, as well as developing core DX personnel and reinforcing our organizational structure, we are promoting company-wide DX activities and fostering a culture of transformation.

What We Aim To Be “A Corporate Group Capable of Keeping on Changing” Daigas Group’s DX Strategy



² Daigas transformation: Reform of ways of work and how to proceed with tasks and creation of a work environment that enhances value for employees and the company

Key Initiatives

The Daigas Group is driving forward initiatives in line with its DX strategy. In order to promote employee understanding, the progress, results, etc. of specific initiatives are communicated through the internal portal website.

① New Service Development

Creation of new customer experience

We are moving forward with company-wide initiatives to promote new service development, including a project involving employees from residential business divisions, which perform customer-facing activities, the DX Strategy Department, which promotes DX, and OGIS-RI Co., Ltd. In FY2026, in addition to accelerating company-wide efforts to develop new services*, we also proceeded with initiatives to strengthen the LNG and power value chain.

Looking ahead, we will proceed with the creation of a mathematical optimization model and system development to maximize value.

* Please see P.85 for examples of FY2026 activities in the new service development.

② Operational Process Reform

Transforming employee experience through Daigas X (Daigas transformation)

Daigas X, in full-scale operation since FY2024, rolls out activities that aim to enable diverse human resources to take on challenges, keep learning, and grow, as well as to let us speedily explore and deepen our understanding of unprecedented changes. Discussions were also held in each organization on where they aim to be and what actions to take, in light of the situation of each organization and on the frontline. A total of 4,400 employees participated in the discussions. Information was shared on initiatives that are producing results, such as the utilization of IT tools to accumulate knowledge across organizational boundaries. Further, in FY2026, we held an internal event, “Daigas Group D-1 Grand Prix.” We received entries from around 780 groups across the Group, and the event included presentations on diverse initiatives including operational improvements using generative AI, DX achievements by graduates of our talent development programs, and operational reforms from each organization. The event helped to promote group-wide DX initiatives and the use of AI.



Scene from the D-1 Grand Prix

System reform

In addition to introducing SaaS, which contributes to operational efficiency improvement, we are moving forward with the introduction of generative AI environments where information security is guaranteed, as well as productivity improvement in our existing businesses through the use of autonomous AI. Moreover, in June 2026, we developed the WAAAP*, a proprietary AI-driven development platform designed to streamline the entire system development process from planning to development, testing and operation, and promote in-house production. As a result, we have confirmed reductions of up to approximately 60% in development time and up to approximately 70% in development costs.

In the future, we will extend the use of WAAAP beyond new system development to include the renewal of existing systems and business process automation, aiming to enhance and streamline operations across the Company.

* Whole AI Agentic Automated Platform

③ DX Promotion Structure Enhancement

Promotion structure that aims to integrate business with digital

In FY2026, we held lectures and dialogue sessions for management led by external speakers, and hosted training programs for managers. We also provided e-learning and other learning opportunities for all employees to enable them to recognize the risks of AI and ensure it can be used appropriately. We also enhanced the development of DX core staff, who play a core role in DX promotion. By implementing a development program that includes lectures, OJT, and feedback interviews and taking other measures, we have developed a total of approximately 310 DX core staff members as of March 2026. In addition, we offered a self-learning support program on DX for all employees, and approximately 700 employees took the program.

Furthermore, OGIS-RI Co., Ltd. offers DX Practical Training, which is a service where IT professionals work together with organizations to help resolve issues. More than 100 cases a year were submitted for consultation. There was a case where using IT tools in answering inquiries halved the hours spent on the task. The training also functions as an opportunity to gain experience on DX while implementing the transformation. With these initiatives, we aim to build a system where top-down and bottom-up approaches create synergy.

Development Program by Job Level

Job level	Development program
Management	<ul style="list-style-type: none"> Lectures by and dialogues with external experts (approx. 20 participants)
Managers	<ul style="list-style-type: none"> Rollout of videos and textbooks to gain basic knowledge, group training for part of managers
DX core staff	<ul style="list-style-type: none"> Development program including lectures, OJT, and interviews (developed a total of approx. 310 employees)
All employees	<ul style="list-style-type: none"> E-learning, courses for obtaining qualifications Share lectures for the management Offer a self-learning support program that mainly consists of online learning

Key Initiatives

Implementation of Grid Storage Battery Business That Incorporates Operational Optimization Logic

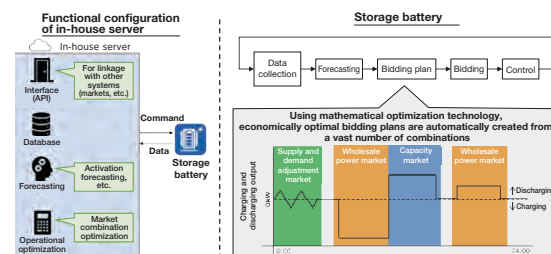
Osaka Gas launched its grid storage battery business in 2025 with Senri Grid Storage Co., Ltd., which it established jointly with ITOCHU Corporation and Tokyo Century Corporation.

As the introduction of renewable energy accelerates, storage batteries that can compensate for fluctuations in renewable energy output are becoming more important. This business involves installing grid storage batteries (rated output 11,000 kW, rated capacity 23,000 kWh) on vacant land of the Senri Supply Station owned by Osaka Gas Network Co., Ltd. Using the electricity trading expertise we have cultivated, we will make transactions with three electricity markets (the wholesale electricity market,¹ the balancing market,² and the capacity market³), thereby contributing to the stabilization of the grid.

The operation optimization logic that forms the core of our grid storage battery business incorporates bidding optimization and control optimization logic that we have developed using the mathematical analysis capabilities and systems development capabilities that we have cultivated over the years. This logic automatically calculates and makes plans for the timing and amount of charging and discharging in the wholesale electricity market using a mathematical programming optimization algorithm, and we have implemented the system on our in-house server that we built internally.

Moreover, in September 2025, we also introduced this control system and logic at the Takeo Grid Storage, a facility that we jointly invested in alongside Mizuho Leasing Company, Limited, JFE Engineering Corporation, and Kyushu Steel Corporation.

We will continue to apply the know-how gained from this project to storage batteries installed with renewable energy facilities, EV batteries, and storage batteries installed at customer's sites, with the aim of expanding the scale of the entire storage battery business.



1 A market operated by Japan Electric Power Exchange to trade electric energy (kWh)

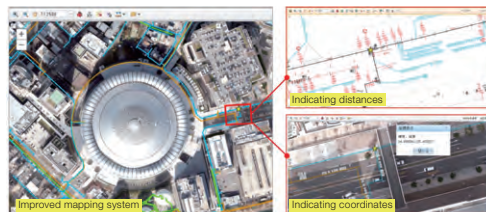
2 A market where general electricity transmission and distribution operators efficiently procure and operate the regulating reserve (ΔkW) for frequency regulation and supply and demand adjustment services through the market

3 A market for efficiently securing the overall supply capacity (kW) in Japan into the future

Digital Utilization in Gas Supply Equipment Management

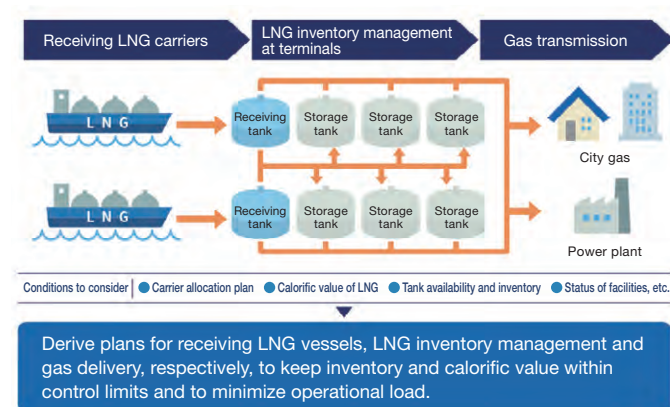
Since the gas supply business involves a great deal of on-site work, including gas pipe installation, maintenance and management, and safety monitoring, and involves an extremely large number of employees and partner companies, we are promoting the use of digital technology for the purpose of future efficient business operation, improvement of safety quality, and securing of technology and expertise.

We are operating a mapping system that displays and manages information on gas supply equipment on a map, including the location of approximately 60,000 km of gas pipes and the history of past gas works and works accepted from other companies, and using this information as the basis for various operations related to gas supply. By managing absolute coordinates based on latitude and longitude coordinates, we increased the accuracy of information on the location of gas pipes, which was previously handled based on relative distances to buildings and other structures.



DX in Gas Production Process—Optimization of LNG Tank Operation Planning

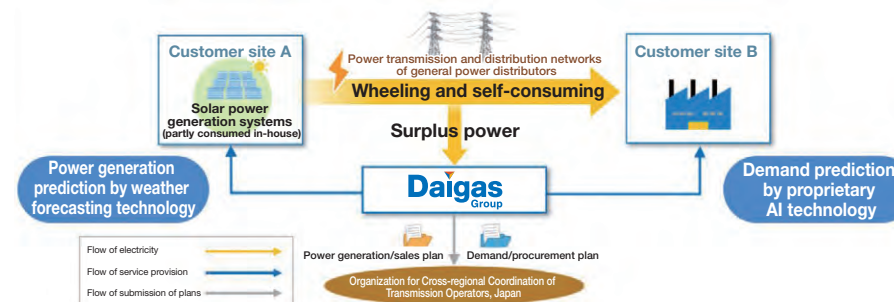
Once LNG is delivered to a manufacturing plant, it is stored in tanks and then delivered according to demand, which requires appropriate heating value management and inventory control. The formulation of the tank operation plan requires expertise of skilled personnel since complex equipment configurations, operational constraints, city gas demand and various other factors need to be considered. We are working to optimize tank operation planning, using this expertise and mathematical programming.



AI-Based Self-Wheeling Scheme for Renewable Electricity

—Implementation of supply and demand management service for self-wheeling, using a solar power generation system—

As one of our carbon neutralization solutions for corporate customers, we are proposing a new electricity scheme using renewable energy, which is greatly affected by weather conditions, by using the weather forecasting technology and AI developed independently by Osaka Gas for output and demand prediction to improve accuracy.



Research and Development/Intellectual Property

Principle and Outline

The Daigas Group consider research and development to be one of the most important growth strategies for the Group. In addition to ensuring and improving safety, we are conducting research and development aimed at improving operational efficiency and reducing equipment-related costs through the use of digital technology, improving customer convenience, and enhancing the sophistication of existing services. We are also engaged in research and development for the creation of new businesses and research and development that contributes to the realization of carbon neutrality.

Furthermore, we regard intellectual property rights as an important management resource and are actively working to secure and utilize the rights in conjunction with our business and technology development strategies. We are also actively working to promote comprehensive collaboration with universities to create innovation through industry-academia collaboration, and integrate and use the Group's proprietary technologies with those of external parties. By doing so, we are actively promoting "open innovation" activities aimed at accelerating and streamlining development and creating new technologies and products.

Reward System for Inventors

Osaka Gas has an invention achievement reward system in which inventors who have made significant contributions to its business are rewarded in order to motivate employees to invent and encourage intellectual property activities.

We disclose the results of the review of achievement rewards on the internal portal site, and respond to inquiries and opinions from employees regarding the results of the review, in an effort to operate the system in a fair and transparent manner.

Comprehensive Collaboration with Universities

Osaka Gas believes that it is important to innovate through industry-academia collaboration, and is therefore undertaking comprehensive collaborations with Kyoto University and the Research Center for Advanced Science and Technology, the University of Tokyo.

In March 2022, we concluded an organization-based¹ comprehensive collaboration agreement with Kyoto University aimed at building broader collaboration toward achieving carbon neutrality and training young researchers in the medium to long term. In the following year, we established an Industry-Academia Collaborative Research Department on Kyoto University's Katsura Campus as a hub for industry-academia collaborative research, which does basic research in fields such as methanation technology.

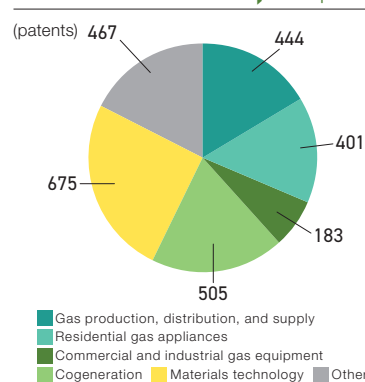
We have concluded a comprehensive collaboration agreement with the Research Center for Advanced Science and Technology, the University of Tokyo,² with the aim of solving social issues by creating research and development themes that we could not achieve alone, and by nurturing researchers and building networks through exchanges between the two parties.

¹ The purpose is to promote large-scale collaborative research. It is not limited to specific research fields or researchers, but rather aims to explore new themes of future social value and make new innovations from a variety of research fields, from the humanities and social sciences to the natural sciences.

² This is the newest attached research institute at the University of Tokyo. Since it was established in 1987, it has been conducting interdisciplinary research activities that transcend the boundaries between the humanities and sciences under six categories: materials, environment and energy, information, biomedical chemistry, barrier-free access, and social sciences.

■ Patent Portfolio by Business Type (Group)

Fiscal year ended March 31, 2026 **2,675** patents



Initiatives for Commercialization

Promoting the commercialization of natural material-derived ketone body OKETOA® by utilizing it for health foods, etc.

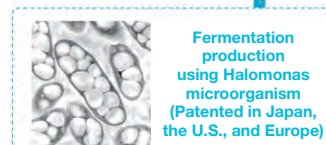
Taking advantage of its proprietary fermentation technology cultivated through biogas manufacturing and development and other businesses, Osaka Gas succeeded in mass-producing ketone body D-β-hydroxybutyric acid (D-BHB) by fermentation for the first time in the world. We worked on the manufacturing and achieved the commercialization of natural material-derived ketone body OKETOA®.

Ketone bodies are produced in the body as an energy source when sugar, utilized as an energy source in the body, becomes depleted (when carbohydrate intake is restricted).

Recently, D-BHB has been shown to be an alternative energy source to sugar and to elicit various physiological effects, and it is attracting attention around the world as a raw material for supplements, etc. We are promoting the use of D-BHB for a wide range of products, including cosmetic raw materials, health foods, and supplements.

■ Production flow of natural material-derived ketone body OKETOA®

Production method for natural material-derived OKETOA® D-BHB



Can be used in various product formats such as drinks, foods, and supplements



Promoting the commercialization of antimicrobial and antivirus agent TioClean®

By introducing additives to the Company's proprietary photocatalysts that take advantage of technology developed for solar power generation, we have succeeded in the development of antimicrobial and antivirus agent TioClean®, which demonstrate high antimicrobial and antivirus properties and are easy to use.

There is a demand for antimicrobial and antivirus agents that are highly transparent, well adhere to the base material, and demonstrate antimicrobial and antivirus properties in a wide range of environments. TioClean® offers all of these properties.

We will roll it out to be used for furniture and other home equipment and various equipment for public, medical, nursing care, and other facilities, where there is demand for antimicrobial and antivirus properties, as well as for medical equipment and hygiene products.

New Businesses Creation

Principle and Outline

The Daigas Group has expanded its business domains to the Urban Development Business, Materials Solutions Business, and Information Solutions Business by taking advantage of technologies and strengths nurtured in the energy business and creating products and services that help resolve issues customers are facing. We will continue to work on the creation of new businesses, aiming to facilitate the Group's sustainable growth and contribute to the resolution of social issues.

Open Innovation Activities



Open innovation refers to an efficient approach used to seek solutions outside the company to the problems that Osaka Gas is unable to solve independently, with the aim of creating new value. Osaka Gas has pioneered this approach since 2009. Our efforts have led to the building and expansion of a network of partnerships (Open Innovation Platform) with universities, public research institutes, small enterprises, large corporations, ventures and overseas companies.

To find outside partners to work with, we have revealed details of our technology to-do list, something we have rarely done in the past, in order to solicit promising technical ideas from outside parties. After we launched full-fledged open innovation activities in FY2010, we have achieved many matchmaking opportunities. Some cases have actually led to commercialization and practical applications.

For example, we are creating new value by combining our technologies and needs with external technologies and ideas, including gas pipe patrols using in-vehicle AI cameras to automatically identify construction sites, the use of drone technology for facility inspections, and the expansion of new businesses in the EV field.

The task ahead is to introduce some of the efficient technologies that we obtained externally, and together with our alliance partners, actively promote the creation of new R&D themes and creation of new businesses through the Open Innovation Platform.

Developing new EV-related businesses with partners

Expanding the use of EVs along with providing carbon neutral power sources is positioned as an effective means to achieve carbon neutrality by 2050. Against such backdrop, Osaka Gas is driving forward new initiatives, including capital and business alliances in the EV-related field with REXEV Co., Ltd., NEXT-e Solutions Inc., folofly Inc., and Terra Motors Corporation¹.

Specifically, we are considering business in a variety of fields through the alliance with these companies, such as utilizing EVs for the adjustment of power supply and demand and car sharing, converting mobility-derived reused storage batteries to grid storage batteries², utilizing commercial EVs in the car leasing business, and proposing and developing EV charging infrastructure.

In addition, one of our Group companies, Daigas Energy Co., Ltd., launched in November 2023 the D-Charge service, where the company provides EV charging solutions that combine the installation of EV chargers with energy management³ to commercial and industrial customers without any initial investment.

D-Charge offers both fast and regular chargers and meets the needs for base charging⁴ and destination charging⁵. In accordance with customer needs, the service can also incorporate D-Green⁶, which supplies electricity from 100% renewable energy sources.

¹ The company renamed to Terra Charge Corporation in February 2024.

² Grid-scale battery storage systems connected directly to the power grid to help stabilize the grid by storing surplus electricity and discharging it when needed.

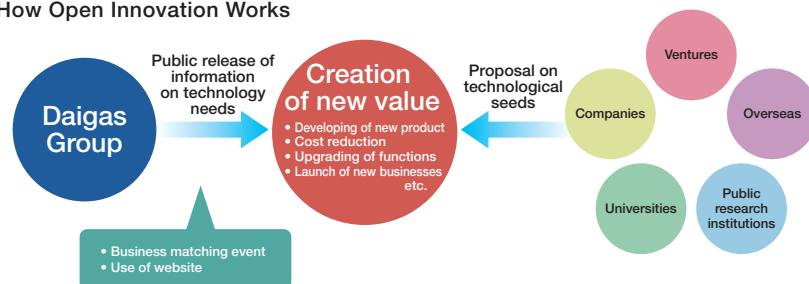
³ Cutting peak power use and shifting peak power loads to reduce the impact of EV charger use on power demand.

⁴ Charging at the base for the vehicle, such as home or company parking lots.

⁵ Charging at the destination, such as commercial facilities, while staying there.

⁶ Tariff for the supply of electricity from 100% renewable energy sources.

How Open Innovation Works



Developed the AI-based composition estimation system to promote DX in manufacturing industry

By combining AI with the near-infrared spectroscopy analysis technology* we have accumulated to date, we have developed the AI-based composition estimation system (the "system") to enable the stable manufacturing of high-quality products.

The manufacturing industry in Japan is facing increasingly severe labor shortages due to a declining population, as well as a lack of successors to skilled workers. The system, independently developed by the Company, quantifies the state of raw materials, manufactured products, and other items, understanding of which conventionally relied on workers' intuition and experience. By controlling production equipment based on this data, the system enables stable manufacturing of products. The system also facilitates the digital transformation for the frontlines of production by automating time-consuming and resource-intensive process management.

Moving forward, the system will be offered by Osaka Gas's two sales partners: NOMURA JIMUSHO, INC., a trading company that offers and proposes unique technologies, products, and services from around the world, and Fujiwara Techno-Art Co., Ltd., a brewing machinery manufacturer that focuses on fermentation and brewing technologies, including *koji* production, and has an impressive delivery track record in Japan and overseas.

We will continue to actively conclude sales partnership agreements with external partners who have expertise in different industries. By delivering our sensing technologies to as many sites as possible, we will roll out solutions that support DX and sustainable growth of Japan's manufacturing industries as a whole.

* A method of irradiating a target object with near-infrared light and identifying and quantifying its components based on the degree of light absorption

Creating new business related to carbon neutrality

Osaka Gas is promoting technology evaluation and project development in collaboration with overseas startups. In October 2024, we invested in Koloma, Inc. ("Koloma"), a U.S. startup engaged in the exploration, development, and production of natural hydrogen¹.

The widespread adoption and utilization of carbon-free hydrogen and its derivatives, such as e-methane and ammonia, are crucial for achieving carbon neutrality by 2050, a goal set by over 120 countries and regions worldwide.

Koloma aims to commercialize natural hydrogen using its own data. We will work with the company to promote the production and use of natural hydrogen, which is expected to be an inexpensive and clean source of hydrogen.

In addition, in November 2024, we invested in FPR Energy Limited ("FPR Energy"), an Australian startup engaged in the development of next generation concentrated solar thermal system (CST). Going forward, we will collaborate with FPR Energy to commercialize its technology and aim to contribute to the decarbonization of industrial heat demands. The CST system is being developed as a next-generation clean energy technology that efficiently converts sunlight into thermal energy for storage and supply, using a thermal medium that absorbs solar energy and stores it as heat, and the heat and steam generated from it can be used in various industrial and utility applications. FPR Energy was established in 2023 as a startup to implement the next generation of concentrating solar thermal technology developed at Australia's leading scientific research organization, the Commonwealth Scientific and Industrial Research Organization (CSIRO), into society. FPR Energy has already completed a 1 MWt² scale demonstration and plans to develop the technology and optimize the operating system to scale up to 50 MWt by the end of 2026.

1 Natural hydrogen is found in natural deposits (areas where specific resources or minerals are concentrated in underground rocks) located hundreds to thousands of meters underground. Its existence has been confirmed in various parts of the world, and development has been progressing in recent years, mainly in the United States and Australia. Some already established oil and natural gas drilling technologies can be used to extract natural hydrogen, and since greenhouse gas emissions from production are expected to be smaller, natural hydrogen, which is cost-effective and environmentally friendly, is expected to contribute to realizing a carbon-neutral society.

2 MWt stands for megawatt of thermal energy, which indicates the capacity to collect and store 3,600 MJ of thermal energy per hour.

Creation of Innovation (FY2026 Results)

The Daigas Group is working to commercialize technologies it has cultivated, and also aims to create new businesses by combining the technologies and services of other companies with the strengths of the Group.

Major social implementation examples

- Launched DaigasID to enable the use of the Daigas Group's various digital services through a single ID
- Launched a multiple moving quote service to enable users to compare and request quotes online from multiple moving companies
- Started offering home routers that enable easier Internet access without the need for installation work
- Developed the AI-based composition estimation system using sensing technologies (See the left column)
- Started a business for the creation and sale of credits generated from paddy fields under the Joint Crediting Mechanism (JCM) (□□ P.50)
- Established a control system for storage batteries (□□ P.82)

Social

Human Resources Strategy Summary

Basic approach

In the Daigas Group Corporate Principles, the Group declares its aim to create value primarily for customers, as well as for society, shareholders, and employees. Moreover, the Daigas Group Code of Business Conduct incorporates the 10 principles of the UN Global Compact and the content of ISO 26000. We develop our work environments in accordance with this Code and communicate it to all employees in Japan and overseas. Based on the belief that human capital is a source of value creation, the Group aims to be a company where employees can achieve personal growth through their work.

Moreover, based on the notion that creating comfortable work environment that takes into consideration the health and safety of employees is the foundation of all our operations, we are working to prevent occupational accidents and promote health and wellness of our employees. We also respect the individuality and self-reliance of all employees and actively promote diversity, equity, and inclusion so that they can take on challenging and rewarding work.

In the Medium-Term Management Plan 2026, the creation of an environment that enhances value for employees and the company has been positioned as one of our material issues to accelerate initiatives.

Theme	Items to be addressed	Specific initiatives										
Human resources management ➡ P.88 Human resources strategy targets ➡ P.89	<ul style="list-style-type: none">Retention of necessary personnel to respond to the evolution of our business portfolioMaximization of the entire Group's performance by assigning the right people to the right jobsRevitalization of individuals by increasing job satisfactionMaintenance and improvement of work engagement¹	<div>Policy and promotion system</div> <p>We are engaged in various initiatives to improve employee satisfaction and the Group's entire performance in a rapidly changing business environment with increasingly diversified employees' work perspectives. The personnel system of the Osaka Gas helps all employees understand their roles and expectations through meetings with their supervisors, who serve as personnel development advisors, and allows employees to choose their own career course to pursue. Each year, we measure employee engagement through the Attitude Survey of Daigas Group employees, reflecting the results in each policy.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">Strengthened recruitment of highly specialized human resources and established a multi-track career path system by offering new career pathsIntroduced a talent management systemContinued to implement improvements to the workplace environment to make it more comfortable to work in <table><tr><th>KPIs based on the materiality</th><th>FY2025 materiality result</th></tr><tr><td>Work engagement score²</td><td>52.8</td></tr><tr><td>Total number of new graduates and mid-career hires for career-track positions</td><td>250 people (cumulative total for FY2025 and FY2026)</td></tr><tr><td>Reserve ratio of next-generation management personnel</td><td>280%</td></tr></table> <p><small>1 Please refer to □□ P.16–P.18 for information on improving engagement through internal communication. 2 Deviation in work engagement results for companies using a survey provided by Advantage Risk Management Co., Ltd. Scores were compiled for Osaka Gas and its three core energy business companies (Osaka Gas Marketing Co., Ltd.; Daigas Energy Co., Ltd.; Daigas Gas and Power Solution Co., Ltd.), as well as Osaka Gas Network Co., Ltd.</small></p>	KPIs based on the materiality	FY2025 materiality result	Work engagement score ²	52.8	Total number of new graduates and mid-career hires for career-track positions	250 people (cumulative total for FY2025 and FY2026)	Reserve ratio of next-generation management personnel	280%		
	KPIs based on the materiality	FY2025 materiality result										
Work engagement score ²	52.8											
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Reserve ratio of next-generation management personnel	280%											
Human resources development ➡ P.90	<div>Materiality</div> <p>Create an environment that enhances value for employees and the company</p> <ul style="list-style-type: none">Revision of the specifics of the training contents in light of the employees' desired level of growth and the personnel profileImplementation of DX human resources education	<div>Policy and promotion system</div> <p>The Daigas Group's Long-Term Management Vision 2030 lists the promotion of work style reform and development of human resources as important goals. We consider it vital to develop personnel who are capable of working actively in a rapidly changing business environment, and to that end, we offer a range of training and educational programs aimed at developing individual capabilities. Osaka Gas offers a wide range of training programs for all positions and job descriptions, in addition to the training system for each career course. These include training programs by level along with self-directed training.</p> <table><tr><td>Human Resources Department</td><td>Leading the development of common elements across the company</td></tr><tr><td>Respective organizations</td><td>Leading the development of organization-specific elements (operational expertise, acquisition of qualifications, etc.)</td></tr><tr><td>Supervisor</td><td>Person responsible for development</td></tr><tr><td>Instructor for new employees</td><td>Person promoting the development of new employees' skills during their first three years of employment</td></tr><tr><td>General affairs of the each organization</td><td>Confirmation of the development status and support</td></tr></table> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">Common training hours to strengthen the management foundation (/person) 12.1 hoursPeriodically conducted follow-ups and assessments through meetings between employees and their supervisors based on Management by Objectives (MBO) approachDeveloped each individual's spontaneous desire and motivation for growth and formulated a future career plan	Human Resources Department	Leading the development of common elements across the company	Respective organizations	Leading the development of organization-specific elements (operational expertise, acquisition of qualifications, etc.)	Supervisor	Person responsible for development	Instructor for new employees	Person promoting the development of new employees' skills during their first three years of employment	General affairs of the each organization	Confirmation of the development status and support
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Instructor for new employees	Person promoting the development of new employees' skills during their first three years of employment											
General affairs of the each organization	Confirmation of the development status and support											

Theme	Items to be addressed	Specific initiatives								
DE&I (Diversity, Equity, and Inclusion) ➤ P.93	For empowerment of female employees: <ul style="list-style-type: none"> • Implementation of career education (including balancing of work and childcare) • Creation of an environment where life events do not disrupt a career • Enhancement of recruitment activities for female students <hr/> Materiality Create an environment that enhances value for employees and the company	Policy and promotion system We take action across the organization in line with the UN Global Compact, related laws, and the Daigas Group Diversity Promotion Policy to make improvements in recruitment, human resources development and the workplace environment, led by the dedicated division for diversity promotion. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Implemented self-motivated career development through the mentoring program • Strengthened cooperation between those engaged in employee development (supervisor, HR departments in the organization and head office), using meeting sheets from pregnancy to return to work • Held information sessions that introduce a range of actual career paths to clarify how employees can play active roles after joining the company <table> <tr> <th colspan="2">KPIs based on the materiality</th><th>FY2026 materiality result</th></tr> <tr> <td rowspan="2">Percentage of women among:</td><td>Newly promoted to middle management positions</td><td>17.4%</td></tr> <tr> <td>New recruits for career-track positions</td><td>31.5%</td></tr> </table>	KPIs based on the materiality		FY2026 materiality result	Percentage of women among:	Newly promoted to middle management positions	17.4%	New recruits for career-track positions	31.5%
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Percentage of women among:	Newly promoted to middle management positions	17.4%								
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Work-life balance ➤ P.96	<ul style="list-style-type: none"> • Implementation of measures for supporting employees balancing work and life • Efforts to improve productivity and reduce working hours • Support for community activities involvement 	Policy and promotion system We aim to create a corporate culture in which employees can maximize their abilities by striking a balance between rewarding work and fulfilling personal lives and involvement with society. Furthermore, labor and management are working together to realize a work-life balance by systemizing support measures needed by employees at each life stage and creating a workplace environment that facilitates the use of such measures. We are working on work-style reform while considering measures to promote highly productive and creative work styles through corporate committees including the DX Committee. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Promoted flexible work styles that are not bound by location or time through the use of telework, flexible work hours, and paid leave by hour • Implemented mindset-building programs to promote the penetration of systems that support balancing work with childcare 								
Labor safety and health ➤ P.98	<ul style="list-style-type: none"> • Continued implementation of measures to prevent occupational accidents • Practical implementation of Kenko Keiei* • Continued support for labor health and safety management at group companies <p>* The term "Kenko Keiei®" is a registered trademark of Non-profit Organization KenkoKeiei.</p>	Policy and promotion system In March 2021, we established the Daigas Group Declaration of Health and Productivity Management by summarizing our attitude toward Kenko Keiei (health and productivity management), which was indicated in the Daigas Group Corporate Principles, the Daigas Group Charter of Business Conduct, and the Daigas Group Code of Business Conduct. We also established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to live healthy lifestyles. In addition, in order to create a workplace where employees can work safely, based on the idea that ensuring safety and maintaining and improving physical and mental well-being are key to all operations, we declared in the Daigas Group Code of Business Conduct that we will prevent occupational accidents and promote fitness. Moreover, we have established the Daigas Group Safety and Health Council to discuss measures for and share information on occupational accident prevention and health maintenance and enhancement. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Continued implementation of measures to prevent occupational accidents: Continued implementation of safe driving education and heat stroke countermeasures • Practical implementation of Kenko Keiei: Health promotion activities based on the Daigas Group Action Guidelines "7 Rules for Being Healthy" • Implementation of health-related training: 25.4% of employees participated • Continued support for labor health and safety management at group companies: Once a year each group company prepares a safety and health action plan. Conducted a survey on the status of labor health and safety management in conjunction with the submission of the action plan. 14,293 employees from 33 companies (total of Osaka Gas and affiliated companies) received regular health checkups at the Osaka Gas Health Development Center. 								
Communication between employees and company ➤ P.103	<ul style="list-style-type: none"> • Continuing to set up opportunities for direct dialog between Osaka Gas President and group employees • Maintaining and strengthening sound and good labor-management relations to resolve issues • Continued implementation of the in-house award system 	Policy and promotion system The Daigas Group believes that it is important for employees and the company to work together to realize the healthy growth of each group company with a sense of mutual trust and tension. To this end, we promote communication between employees and the company by opinion exchanges at informal meetings between the labor union and management and various study committee meetings, as well as workplace visits by the President of Osaka Gas to group companies and organizations. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Continued to set up dialogue between Osaka Gas President and Group employees (town hall meetings, etc.): 5 times (dialogue with 190 employees) • Maintaining and strengthening sound and good labor-management relations to resolve issues: 4 work councils held • Continued implementation of the in-house annual award system: President's Award granted once 								

Human Resources Management

Principle and Outline

To achieve its sustainable growth, the Daigas Group is working to maximize the value of each and every employee by hiring and fostering human resources who will continue to create value, creating an organizational culture that accepts diverse values and encourages challenges, and ensuring safety and maintaining and improving the health of its employees. We will continue to contribute to solving social issues, promote diverse and creative work styles, and work even more actively to create a rewarding and comfortable work environment.

Furthermore, based on the idea that it is important to create disruptive innovation in order to enhance our corporate value over the medium to long term and the driving force for such innovation is a combination of diverse individuals, we are promoting diversity, equal opportunity and inclusion and actively incorporating diversity in terms of experience, sensitivity and values into our organization. We will develop an environment for them to further demonstrate their abilities.

Efforts to Assign the Right People to the Right Jobs

The Daigas Group aims to implement business portfolio management based on the three pillars of “Domestic Energy Business,” “International Energy Business,” and “Life & Business Solutions Business.” To maximize performance by ensuring the quality and quantity of personnel to that end and by empowerment of diverse human resources based on the principle of assigning the right people to the right jobs, we work to hire and foster human resources who can flexibly respond to changes in the business environment and highly specialized human resources. In particular, we secure human resources while expanding mid-career recruitment to meet the growing need for highly specialized human resources to realize our management strategies, which include initiatives to achieve carbon neutrality, accelerate international energy business expansion, and transform through DX. Recognizing the importance of sustainable organizational management in achieving our management strategies for the future, we will work to secure personnel in a planned manner and appoint personnel with an awareness of human resource development.

Introduction of Talent Management System

Osaka Gas considered the introduction of a talent management system and has begun using the system on a trial basis since FY2022. The job fields are classified into a total of 18 areas, including international business, electricity business, and financial operations. By organizing these job requirements and consolidating human resource information to form foundations, and by matching the organized job requirements with human resource information, such as personal characteristics and transfer experience, we aim to maximize performance through the appointment of the right persons in the right positions and the empowerment of diverse human resources.

Furthermore, we will formulate a succession plan for executives and managerial posts, aiming to achieve sustainable performance as an organization.

Efforts to Maintain and Improve Employee Engagement

Starting in FY2025, Osaka Gas has measured its work engagement score¹ and is working to maintain and improve this as a KPI. In a survey conducted in FY2026, 5,895 employees at Osaka Gas and affiliated companies² responded (including loaned employees), and the response rate was 91.9%. In order to manage employees while properly evaluating whether they are enthusiastic about their work, we measured engagement scores using multifaceted questions, and have confirmed that the scores of the Company and our affiliated companies are higher than the average among the general public. In addition, we conduct an “Employee Attitude Survey” to create an environment that enhances value for employees and the Company. In the FY2026 survey, 5,945 employees (including loaned employees) responded at the Company, for a response rate of 94.7%, and 8,342 employees at affiliated companies responded, for a response rate of 93.4%. We used the “overall satisfaction” score, which indicates current satisfaction with the Company, as a comprehensive evaluation index. With this survey, we confirmed that the level was higher than the average among the general public at the Company and affiliated companies. We analyze the survey results by age bracket, organization, etc., and implement measures to address identified issues.

¹ Deviation in work engagement results for companies using the Advantage Toughness Survey

² Scores were compiled for Osaka Gas and its three core energy business companies (Osaka Gas Marketing Co., Ltd.; Daigas Energy Co., Ltd.; Daigas Gas and Power Solution Co., Ltd.), as well as Osaka Gas Network Co., Ltd.

Data on Osaka Gas Workforce

The number of employees at Osaka Gas (Non-consolidated) as of the end of March 2026 was 1,314 (male: 1,009/female: 305). The number of employees who joined the company through mid-career recruitment was 63. (The ratio of those hired through mid-career recruitment to full-time workers was 46.3%.)

We are also actively hiring locally at our overseas affiliates.

Introduction and Enhancement of Personnel-related Systems to Encourage Employees to Tackle Challenges and Pursue Growth

In April 2025, we updated our personnel systems to further encourage employees to tackle challenges and pursue growth. Through a gradual increase in retirement age and reviews of our evaluation and wage systems, we are aiming to improve employees’ job satisfaction and drive sustainable growth.

Moreover, in October 2025, we newly introduced and enhanced our personnel-related systems primarily to promote employees’ early development, improve their motivation, encourage long-term contributions to company performance, and support childcare and nursing care. Specifically, we have enhanced opportunities for overseas experience, offered support for the acquisition of qualifications, established a recurrent leave system, and introduced measures for the development of prospective employees. In doing so, we have reinforced our career support and growth opportunities. We have also improved our leave and welfare programs, providing subsidies for nursery school fees, introducing four-day work weeks for employees providing nursing care, and offering leave for grandchild care and donor leave. In this way, we are providing lifestyle support to ensure employees have the peace of mind required to take on new challenges.

Moving forward, we will continue to improve our human resource initiatives to ensure a mutual relationship of growth between employees and the Company.

Human Resources Strategy Targets

The Daigas Group strongly recognizes the need to further strengthen human capital initiatives to achieve sustainable growth. We position “support employees to shine in their roles” as a human resource strategy, which is a key pillar in the management strategy in the Medium-Term Management Plan 2026 announced in March 2024. We will drive forward (1) talent acquisition and development, (2) strategic deployment of talent to align with job requirements, and (3) revitalization of individuals, with KPIs set in addition to materiality indicators.

We will acquire and develop enough talent to allow them to operate appropriately with sound room on their plates, and both secure the quantity and improve the quality.

We will promote the strategic deployment of talent to align with job requirements, such as expanding talent management to all employees, so that we are more likely to both deploy employees to serve the purpose of business operations and achieve higher levels of employee satisfaction.

We will work on the revitalization of individuals, where we achieve both the creation of an environment that makes employees feel more rewarded and motivated and the maximization of the overall output.

Materiality indicators
(key performance indicators)

Strategy to enhance employee success in their roles		Specific initiatives and KPI	FY2026 Results	FY2027 target
 Talent acquisition and development	Expansion of recruitment	Total number of new graduates and mid-career recruitments (career-track hires)	250 people (cumulative total for FY2025 and FY2026)	Cumulative total of 3 years: 330 people
		Mid-career hire ratio	46.3%	Approx. 30%
		Recruitment of recent graduates	In practice	In practice
		Ratio of female career-track employees	31.5%	30% or higher
	Enhancement of talent development	Development of an alumni network	33 people	More than 50 people
		Recruitment of DX core staff	310 employees	300 employees
		Common training hours to strengthen the management foundation (/person)	12.1 hours	15 hours
		Management training participation rate	97%	100%
		Extension of retirement age	Extension commenced	Phased extension planned to start in the current mid-term period
		Expanded to all employees	Applied to all employees	Applied to all employees
 Strategic deployment of talent to align with job requirements	Talent management	Reserve ratio of next-generation management personnel	280%	250% or higher
 Revitalization of individuals	Autonomous career development	Information disclosure and exchange at Career Portal (number of registered employees)	1,158 employees	More than 300 people
		Assignment of employees in light of their preferences	In practice	Continued implementation
	Provision of support for diverse ways of work	Ratio of female directors	26.7%	25% or higher
		Percentage of female employees promoted to managerial positions	17.4%	20% or higher
		Percentage of male employees who have taken childcare leave	98%	90% or higher
		Group company programs applied to LGBT partners	Applied	Put into practice
		Employment of people with disabilities and continuous support	In practice	Continued implementation
		Work engagement score*	52.8	50 or more

* Deviation in work engagement results for companies using the Advantage Toughness Survey

Human Resources Development

Principle and Outline

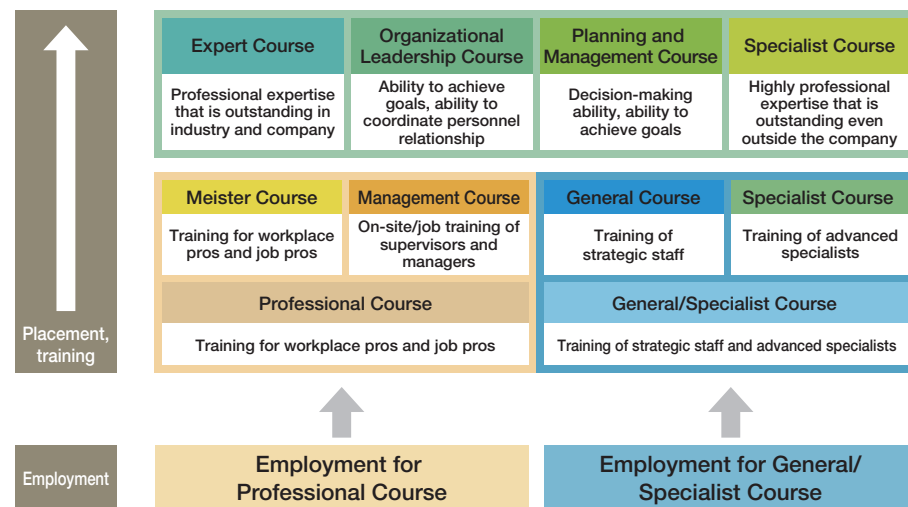
The Daigas Group aims to become a group of companies at which all employees can find personal growth through their work. We have introduced a career-course-specific human resources systems designed to respect and put to full use the individuality and autonomy of employees, and we have been conducting a wide range of training. Overseas business training is also provided to develop personnel who can play an active role globally. Furthermore, we have introduced an employee evaluation system that is highly objective based on the Management by Objectives (MBO) method, as well as a system that allows employees to take on the challenge of voluntary career development.

Personnel System

Personnel system to develop human resources according to their roles

For the steady growth and development of the company, Osaka Gas has introduced a career-course-specific personnel system in which roles and expectations are clearly defined for all employees and employees are appropriately employed, fostered, evaluated and assigned according to each role. Under this personnel system, employees themselves conduct course registration.

■ Outline of the Personnel System



Training System

Career-course-specific training

To enable employees to play an active role in their respective courses, Osaka Gas systematizes training and conducts training sessions in a planned manner to have participants acquire abilities required for each career course.

Meister Course

This course is designed to foster business professionals who achieve high performance through their extensive business experience and outstanding skills and who contribute to business performance by passing on their skills and know-how. Employees systematically acquire required skills and know-how according to the nature of their work at the human resource development center established at each business unit.

Management Course

This course is designed to develop future managers and supervisors who will manage operations based on their wealth of work experience and leadership skills and to promote organizational vitality and the development of subordinates. Selective training sessions and other programs are provided to enhance management and leadership skills.

General Course

This course is designed to develop human resources who will lead an organization based on a wide range of work experience, including management, while taking on staff duties, such as strategic planning for the business unit and the Daigas Group as a whole. We have an in-house business school for learning the knowledge and skills that form the basis of strategic planning, such as logical thinking, marketing, accounting and finance.

Specialist Course

This course is designed to foster specialists who will draft strategies for the business unit and the Daigas Group with a high level of expertise to help with decision-making and realization of such strategies. In addition to the in-house business school for the General Course, we provide in-house study sessions, etc. to learn advanced expertise in each business field.

Training for young employees

Osaka Gas positions the first three years after employees join the company as a period for nurturing young employees and encourages them to form their foundations as members of society.

After acquiring basic conduct and attitudes as a member of society through introductory training at the time of employment, each employee receives follow-up training every year to enhance the abilities required at each stage of growth. For the same period, an instructor assigned to each newly hired employee provides guidance on work to promote further growth.



Training for young employees

Training system for the Daigas Group

To enhance the Daigas Group's human resource development support measures, we offer systematized training programs that are highly requested by group companies. In addition to programs for all job levels, the system is designed to encourage self-directed career development and personal growth by providing self-development support programs.

Outline of the Training System for Daigas Group

Executives	Newly appointed director training	Online study courses	Challenge seminars (self-directed training)	Accounting and financial affairs seminars
	Management seminars Purpose: To improve managerial skills and build sympathetic qualities			
Managers	Enlightenment program for manager candidates Purpose: To raise self-awareness regarding the skills and qualities needed for organizational management and to foster the desire to develop one's own abilities			
	Mid-level leadership program Purpose: To develop the core leaders of the organization			
	Training for managers			
Mid-level employees	Self-discovery training Purpose: To raise self-awareness regarding the skills and qualities needed for workplace management and to foster the desire to develop one's own abilities			
	Managerial skills booster program Purpose: To develop in managerial candidates an understanding of managerial skills and aid in their acquisition			
	Newly appointed instructor training			
Junior/ new employees	Mid-career training			
	Newly hired employee training			

Developing Global Human Resources

To support the growth of its overseas businesses, Osaka Gas dispatches approximately 100 employees from Japan to local subsidiaries in approximately seven countries. We focus on developing leaders who can collaborate with local stakeholders and drive business from a global perspective.

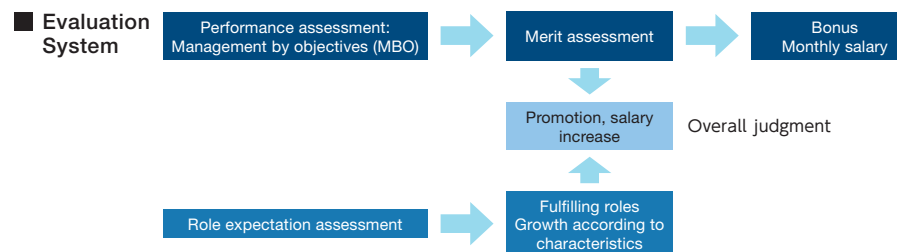
Since October 2025, we have offered internal internship programs with overseas placements, and "Yume-Deca Nation" programs to subsidize the costs for short-term overseas study programs and certification programs, providing employees with more opportunities for overseas experiences and supporting their acquisition of qualifications.

Employee Performance Evaluation and Interviews

Aiming for evaluations that lead to growth

Osaka Gas is using performance evaluation, which measures the degree of performance based on the Management by Objectives (MBO) method. Starting from FY2026, we have introduced a "performance-based pay" system in which remuneration fluctuates annually based on performance evaluations, creating a system that enables more appropriate and timely evaluation of outstanding contributions to business performance. While enhancing opportunities for meetings between supervisors and subordinates, we clarify each employee's strengths and areas for improvement, and supervisors give appropriate advice, leading to each employee's skill development.

In performance evaluation, in which employees set their own goals, we encourage them to take on even more aggressive challenges by appropriately evaluating not only results but also processes in the course of work.



Furthering Employees' Careers at Osaka Gas

Creating a system that encourages employees to take on challenges on their own initiative

Osaka Gas provides an opportunity for all employees to have a self-observation interview once a year, in which each employee reflects on the satisfaction and performance of his or her current job, proactively draws up desired mid- to long-term career plans, and expresses his or her desired career path, etc. By taking into consideration the opinions and wishes of each employee obtained through these interviews, we are able to make decisions on assignments and other matters, thereby raising awareness of the need for employees to shape their careers on their own.

We have a Challenge System in place that allows employees to choose the work that they are interested in or want to do from among internally advertised jobs, encouraging employees to seek career development on their own accord. A total of more than 280 employees have been reassigned through this system since FY1989, when it was launched.

Support for self-development

We offer Challenge Seminar Training Courses (approximately 100 courses per year) for all Daigas Group employees, allowing them to acquire advanced business skills at their discretion. In addition, to improve the skills of employees, we encourage them to take various correspondence training and education courses by subsidizing a portion of the fees for these courses. Also in October 2025, we enhanced our support for obtaining qualifications to promote long-term career development and self-development, and also introduced a recurrent leave system to enable employees to pursue studies for a specific period.

Supporting the improvement of field operations skills

In order to provide safe and reliable products and services to our customers, the Daigas Group provides technical training for employees in the management of LNG terminal facilities, gas supply pipe installation and safety inspections, and equipment installation and repair.

DE&I (Diversity, Equity, and Inclusion)

Principle and Outline ▶ Daigas Group Diversity Promotion Policy

To sustainably enhance corporate value amid the acceleration of working population decline and industrial structure changes in Japan, the Daigas Group believes that it is essential to promote diversity, equity, and inclusion (DE&I), where companies and organizations consist of members with diverse attributes who demonstrate their full potential. The Group established the Daigas Group Diversity Promotion Policy in 2014 and has been advancing various initiatives to materialize the policy.

To leverage each individual in a diverse workforce, including women, people with disabilities, senior employees, and LGBTQ employees, we are working on the creation of a flexible and comfortable workplace environment, support for career development, and creation of a workplace culture that takes advantage of diversity.

Supporting a More Active Role for Female Employees

Osaka Gas actively promotes initiatives that help female employees play a more active role. We believe that this is an important issue not only for us but in a wider society, and in promoting diversity, leads to the promotion of diverse ways of work and career support for employees with diverse backgrounds other than gender. Under the Daigas Group Diversity Promotion Policy, we have set numerical targets of increasing the percentage of women on the board and the percentage of women among career-track employees promoted to middle management positions* to 30% or higher, respectively, and of maintaining the percentage of women among career-track hires at 30% or higher by FY2031. We are advancing initiatives to create a more comfortable and rewarding workplace by enhancing various systems to improve work-life balance and taking measures to encourage career development in an environment where few role models exist. As a result of these endeavors, the percentage of women in managerial positions increased steadily. External awards Osaka Gas has won include the “Eruboshi” (highest level) certification from the Minister of Health, Labour and Welfare as an excellent company in terms of the status of women’s participation and advancement in accordance with the Act on the Promotion of Women’s Participation and Advancement in the Workplace. Osaka Gas was also selected for the “Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting” by the Tokyo Stock Exchange (TSE) and the Ministry of Economy, Trade and Industry as one of the TSE-listed companies which actively promote the utilization of female human resources, for two consecutive years from 2025.

Osaka Gas has also been selected as a constituent of the MSCI Japan Empowering Women Index (WIN), an ESG investment index for Japanese stocks adopted by the Government Pension Investment Fund (GPIF).



Next Nadeshiko:
Companies Supporting Dual
Careers and Co-parenting



Osaka Gas acquires
Eruboshi certification
(third stage, which is
the highest)

2026 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

MSCI Japan Empowering
Women Index

■ Osaka Gas's progress on empowerment of female employees

・We appointed our first female manager in 2004.

・In FY2022, a new indicator was set to attain “30% or higher for the percentage of women among employees promoted to managerial positions by FY2031.” We will work on initiatives to achieve the target.

	FY2022	FY2023	FY2024	FY2025	FY2026
Percentage of women among all employees promoted to managerial positions* (%)	6.3	14.3	15.9	18.2	17.4
Percentage of female employees in managerial positions (%)	4.2	4.5	4.9	5.1	5.5

* The percentage of women promoted to managerial positions among career-track employees promoted to managerial positions in that fiscal year (managerial positions changed to “managerial positions or equivalent,” including Osaka Gas’s loaned employees)

■ Main Actions Taken in FY2026

	Specific initiatives in FY2026	
Recruitment	Holding of diversity seminars to introduce the career paths and work environments of employees who balance work with life events	
	Website	Posting of articles about career plans pursued by female workers, introduction of diversity initiatives
Development of human resources	Transfer and appointment	Transfer and appointment based on individual development plans suited to each employee
	Career education	Mentor system (mentoring program)*
		Roundtable talks between female workers on careers (strengthen connections with internal role models)
		Interviews with young workers during their training period (young workers when they are employed/once every year from after assignment to the fourth year)
		Dispatch of employees to the Japan Institute for Women's Empowerment & Diversity Management, which is an organization that supports the empowerment of women; Women's Initiative for Leadership (WIL) organized by the Ministry of Economy, Trade and Industry; and other programs
	Training for supervisor	Diversity lectures in training for newly appointed and existing managers/supervisors
		Holding forums for employees raising children and their supervisors
		Attendance of supervisors in various training programs for women
Work environment	Childcare (Male employees are also eligible.)	Offering intranet networking opportunities for workers on leave and returners
		Holding roundtable talks for people taking childcare leave
		Holding seminars and roundtable talks on balancing work and childcare
	Corporate culture	Holding of a Diversity Promotion Forum (lecture by knowledgeable person and workshop)
		Provision of information through continued distribution of e-mail news and in-house web magazines
		Continued implementation of measures to promote efficient working

* Mentor system (mentoring program): A program that provides female employees before management with the opportunity to receive direct guidance from experienced mentors to foster networking and career awareness



Holding of Diversity Training for Newly Appointed Managers/Supervisors

Osaka Gas conducts diversity training as part of training for newly appointed managers/supervisors.

■ Number of Participants in Training for Newly Appointed Managers/Supervisors

	FY2022	FY2023	FY2024	FY2025	FY2026
Group*	163	149	153	145	166
Osaka Gas	36	10	9	11	12

* Osaka Gas and consolidated companies

■ Number of Participants in Mentoring Program

	FY2022	FY2023	FY2024	FY2025	FY2026
Osaka Gas	19	16	21	5*	6

* Previously we conducted this program for young female employees and management candidates. From FY2025, as there are no longer gender-based differences in the working environment for young people, this program is conducted only for candidates for management positions.

Promoting an Understanding of LGBTQ

As an LGBTQ-friendly company, Osaka Gas has created a positive workplace environment and promoted understanding among employees so that employees can be themselves and play a vibrant and active role regardless of gender identity or sexual orientation. From an early stage, we installed consultation desks, held lectures by experts and movie viewings, created manuals for allies*, distributed stickers, and took other measures. As a result, our efforts have been recognized by external entities. In FY2019, Osaka Gas became the first gas provider to receive gold in the PRIDE Index introduced by work with Pride. We continued to promote understanding after receiving the award, and rules have been amended to make de facto marriage and same sex partners eligible for internal systems in the same way as spouses from FY2025. This is intended to accept diverse family structures regardless of gender so that employees can continue working without undue worries.

* Allies are people who understand and support LGBTQs and other sexual minorities.
Osaka Gas's character "Enemaru" supporting LGBTQs



Osaka Gas mascot "Enemaru"
holding a rainbow flag

Creating a Work Environment for the Disabled

Hiring the disabled

Osaka Gas does all it can to hire disabled persons and creates a work environment conducive to the talents of each individual. As a result of these efforts, disabled persons accounted for 2.88% of our workforce as of June 2025, well above the legal minimum of 2.5%. Of the 36 Group companies subjected to the law, 23 companies including Osaka Gas have the legal minimum numbers of employees with disabilities.

Percentage Rate of Disabled Employees at Osaka Gas (as of June each year)				
2022	2023	2024	2025	2026
2.45%	2.59%	2.71%	2.88%	3.07%

Supporting Seniors to Play an Active Role

Osaka Gas is building an employment system that encourages the active engagement of senior workers, including gradually raising the retirement age to 65. In addition, we support employees' career development and growth regardless of age.

Extending the retirement age

Osaka Gas will gradually raise the retirement age to 65 starting in FY2026, and expects employees to continue working as full-time employees even after they turn 60 years old. We have also abolished the system of honorable retirement from executive roles at a uniform age and is promoting employees to higher positions based on their ability, including early promotion. We continue to apply a reemployment scheme to employees who have reached mandatory retirement age until FY2034, when the mandatory retirement age will reach 65. Daigas Group companies also have established employment systems up to the age of 65 that contribute to the active participation of senior human resources.

Career development support

In order to meet the diversifying needs of career development, at Osaka Gas, the Career Development Project Team conducts career guidance (training) and career development interviews for employees at the ages of 30, 40, 50, and 60.

This training offers the employees briefings on circumstances inside and outside the company as well as various support systems, and through closer examinations of their work histories and group discussions, the employees are encouraged to seek out career paths that are consistent with their values and motivation and to develop their own career plans. After the training, each employee will fill out a career design sheet and then attend a one-on-one interview with an in-house career counselor to discuss their career aspirations and growth plans. 341 employees received career development interviews in FY2026.

When employees reach the age of 55 they are invited to attend a "Nice Life Seminar" with their spouse. They are briefed about various systems that may affect their post-retirement life plans.

Work-Life Balance

Principle and Outline

Osaka Gas aims to create a corporate culture in which employees can maximize their abilities by striking a balance between rewarding work and fulfilling personal lives and involvement with society. Furthermore, labor and management are working together to realize a work-life balance by systemizing support measures needed by employees at each life stage and creating a workplace environment that facilitates the use of such measures.

By researching strategies to encourage an innovative and productive work style inside the cross-company Efficient Work Styles Committee and the DX Committee, the Company is aiming to change the way people work.

We are working on work-style reform while considering measures to promote highly productive and creative work styles through corporate committees including the DX Committee.

Support for Male Employees to Participate in Childcare

Osaka Gas encourages male employees to take one month of childcare leave. In addition to solving social issues such as the declining birthrate and creating a society in which both men and women can play an active role, taking childcare leave is expected to improve the work-life balance of employees raising children, thereby increasing their job satisfaction and productivity, and creating innovation from a new perspective through the experience of childcare, which is different from their work duties. Based on this concept, in addition to childcare leave, we have introduced a system that allows employees to flexibly take leave and according to their work and family needs, including “Hagukumi Leave”*, and the utilization rate of such leave system was 98% in FY2026. In addition, we are striving to create an environment that facilitates the use of the system by sending out messages from management, preparing guidebooks, and sharing examples of cases where employees have used the system.

* Hagukumi leave: A unique paid leave for childcare purposes that can be taken for five days within six months of the birth of a child.

Support for Balancing Work and Nursing Care by Improving the Systems and the Workplace Environment

Osaka Gas offers various systems to support a balance between work and nursing care. For employees who need to take leave to care for family members, we have established systems that allow employees to take more leave than legally required, including a nursing care leave system that allows employees to take a total of 366 days of leave per family member who needs care and a system of shorter working hours for nursing care that allows employees to work up to 3 hours less per day, or work one day less per week (four-day work weeks), for a total of 1,096 days in addition to the leave period.

Helping Employees Balance Work and Medical Treatment

In April 2021, Osaka Gas introduced a system of shorter working hours to support employees in balancing work and medical treatment, mainly for employees requiring cancer and dialysis treatment. Normally, employees use paid leave, half-day paid leave, flextime, etc. when going to the hospital for treatment of illnesses, etc. However, in some cases where long-term continuous treatment is required, paid leave, etc. may not be sufficient. In response to such a situation, we introduced a system of shorter working hours for the purpose of outpatient treatment that allows employees to apply to shorten their working day. In October 2025, we also introduced a leave program for infertility treatment.

Efforts to Improve Productivity and Curb Long Working Hours

Policy for initiatives

In addition to increasing employee value by realizing work-life balance and creating a culture to promote diversity, Osaka Gas is promoting efficient work styles to prevent health problems caused by overwork, and will continue with efforts to curb long working hours.

We have formulated the Code of Conduct for Efficient Work Styles, a set of standards that all personnel (supervisors, subordinates, etc.) should be aware of and implement in order to improve work efficiency and save labor.

Moreover, through the visualization of data on overtime work hours and monthly follow-ups, we aim to reduce overtime and prevent overwork.

And, by expanding options to work from our satellite offices or from home, we are enabling a diverse and flexible work styles.



Satellite office set up in Grand Front Osaka, located near Osaka Station

Main initiatives

Promotion of flexible work styles	<ul style="list-style-type: none"> Expansion of telecommuting (give flexibility in where to work by allowing employees to work from home or satellite offices) Introduction of hourly paid leave system
Promotion of operational process innovation by promoting DX	<ul style="list-style-type: none"> Company-wide rollout of groupware Streamlining of operations using IT (e.g., information sharing via internal portal site, work support via smartphone, and automation of operations and saving labor using RPA and AI)
Initiatives to curb long working hours and prevent overwork	<ul style="list-style-type: none"> Visualization of data, such as actual overtime work hours, and implementation of monthly follow-up Setting and promotion of a weekly “no overtime day,” and days to encourage the taking of paid leave Thorough implementation of rules to curb long working hours and prevent overwork (promoting initiatives aimed at reducing and optimizing total working hours, including in principle prohibiting overtime work after 8 p.m., prohibiting remaining on company premises between 8 p.m. and 7 a.m., in principle prohibiting sending emails at night (10 p.m.–7 a.m.) or on days off, and prohibiting meetings after 6 p.m.)

Supporting Employees' Participation in Society through a Juror Leave System, etc.

Prior to the implementation of the juror system in Japan in May 2009, Osaka Gas established a juror leave system that allows employees to take paid leave for the required number of days when they are selected as a juror or prosecution councilor in FY2009 to support employees' participation in society.

Volunteer Leave System/Community Leave System

Osaka Gas has introduced various systems for employees to participate in company-approved volunteer and social contribution activities. Under the volunteer leave system, each employee is treated as being on leave during the period of an activity and is provided with special treatment regarding their work period and salary. The community leave system is a system to support employees' involvement in the community, under which they can take special leave.

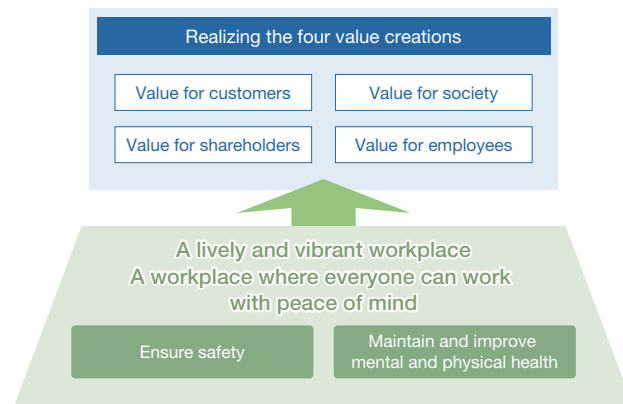
Occupational Health and Safety

Principle and Outline

Convinced that ensuring employees' safety and maintaining/improving their physical and mental well-being are keys to all its operations, the Daigas Group has been undertaking efforts to prevent employees from developing health problems and support their medical treatment. Positioning health promotion as a priority management policy, we established the Osaka Gas Health Development Center in 1975. Since then, we have been implementing various measures to promote the health of employees, including providing regular health checkups and individual health guidance by medical professionals to all employees, including those of Group companies.

Today, in the era of the 100-year life, being healthy throughout a lifetime is of great importance not only to employees but also to society. Based on this idea, in March 2021 we established the "Daigas Group Declaration of Health and Productivity Management" by summarizing our attitude toward Kenko Keiei* (health and productivity management), which was indicated in the Daigas Group Corporate Principles, Daigas Group Charter of Business Conduct, and Daigas Group Code of Business Conduct. We also established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to live healthy life styles.

* The term "Kenko Keiei®" is a registered trademark of Non-profit Organization Kenkokeiei.



Daigas Group Declaration of Health and Productivity Management

The Daigas Group believes that we can create value that meets the expectations of customers, society, shareholders and employees by ensuring that our employees stay healthy both mentally and physically, and fully exercise their abilities, individuality and initiative, thereby remaining motivated and satisfied with their jobs.

The Daigas group will work as one to maintain and improve the health of employees and create a vibrant workplace filled with people who are mentally and physically energetic, with the aim of becoming a corporate group that powers continuous advancement in customer and business life.

March 10, 2021
President, Osaka Gas Co., Ltd.

Safety and Health Management Promotion System

In accordance with the Daigas Group Code of Business Conduct, Osaka Gas not only complies with relevant laws and ordinances but also has established its original rules, including the Daigas Group Safety & Health Promotion Regulations and the Osaka Gas Safety & Health Management Regulations. The regulations stipulate that by managing occupational safety and health based on the Industrial Safety and Health Act, the Labor Standards Act, and other safety and health laws, we prevent occupational accidents and maintain and enhance the health of our employees, temporary employees, employees of partners, and others, as well as promote the creation of a comfortable workplace environment. In addition, we have established the Safety & Health Management Regulations and other regulations that cover the safety and health management structure, safety and health education, and the planning and promotion of safety and health measures, as well as work manuals to implement smooth safety and health management. In this way, we work with our Group companies, as well as partners and other partner companies, to improve the levels of workers' safety and health.

The Daigas Group Safety and Health Council, chaired by the Chief Human Resource Officer (CHRO) (Senior Executive Officer), deliberates the Daigas Group's safety and health basic policy and submits deliberation proposals to the Management Meeting. After deliberation by the Management Meeting, the decision is made by the Representative Director and President of Osaka Gas. In addition, information about safety and health is regularly reported to the Board of Directors, and the Board of Directors oversees safety and health-related initiatives. The Daigas Group Safety and Health Council also discusses measures for and shares information about occupational accident prevention and health maintenance and enhancement of employees.

Daigas Group Safety and Health Promotion System



Preventing Injury in the Workplace

Promoting safety and health management activities based on OSHMS

Osaka Gas has been systematically and meticulously undertaking activities aimed at preventing workplace accidents, based on the Guidelines for the Occupational Safety and Health Management System (OSHMS Guidelines)* established by the Ministry of Health, Labour and Welfare. Based on the Osaka Gas Health and Safety Action Plan, each organization of Osaka Gas is working on reducing the number of incidents leading to absence from work due to workplace accidents to zero. The Plan, consisting of three priority themes—prevention of transportation-related accidents, prevention of general work accidents, and prevention of accidents through collaboration with business partners—is designed to enhance the level of workplace safety by implementing improvement measures under the PDCA (plan-do-check-action) cycle.

Each Daigas Group company is working on establishing the PDCA cycle to improve safety and health-enhancement activities in accordance with each company's safety and health situation while maintaining the current safety and sanitary management system and in line with the Daigas Group's Basic Safety and Health Improvement Plan. Further, the Human Resources Department, serving as the secretariat, is responsible for checking on and assessing the implementation of these initiatives in each organization.

* The Ministry of Health, Labour and Welfare's guidelines conform to the OSHMS guidelines established by the International Labour Organization (ILO) (ILO-2001).

Goals for FY2025

Items		Goals for FY2026
Accident causing absence (Osaka Gas, other party)		0
Accident causing no absence	Osaka Gas	Negligence 0
	Other party	0

Occurrence of Injury in the Workplace

Items		FY2026 Results
Number of fatal accidents	Employees	0
	Partners	1

Countermeasures and preventive measures for occupational accidents that occurred in FY2026

Major occupational accidents	Countermeasures and preventive measures
Heat stroke	<ul style="list-style-type: none"> Heatstroke prevention measures and installation of first aid kits Installation of spot cooling devices and fans Use of workwear equipped with fans
Fall accidents	<ul style="list-style-type: none"> Conducting health exercises Conducting physical fitness tests (for seniors) Using laptop bags
Transportation-related accidents	<ul style="list-style-type: none"> Conducting commentary driving Conducting driving instruction using AI Using dashboard cameras

Efforts of the health and safety committee to improve health and safety

The Health and Safety Committee holds a meeting once a month at the head office and each district office (workplace), attended by representatives of the company and labor union,

industrial physicians. The Health and Safety Committee investigates and deliberates on measures that should serve as the basis for preventing employee hazards and health problems (measures to eliminate the causes of occupational accidents and prevent their reoccurrence, etc.), thereby striving to ensure that the opinions of employees are well reflected when implementing measures and policies related to employee health and safety.

“Accident Indices” for Evaluating Safety Activities

If an industrial accident occurs at Osaka Gas, the Company division concerned investigates and identifies the cause and takes measures to prevent a reoccurrence. The case is shared company-wide through a portal or other means, to ensure that similar accidents will not occur.

To assess safety activities at each workplace, we also use the “Accident Indices,” which uses a unique formula to calculate the degree of the accident in terms of seriousness and impact. The “Accident Indices” was created to establish a common, company-wide standard for labor accidents in all business segments, from gas processing and supply to sales.

Also, we honor organizations that meet their prescribed accident index targets to recognize their efforts as well as to raise awareness.

Daigas Group's Safety Education Efforts “Safe Driving Education”

The Daigas Group and its partners use a large fleet of vehicles in their work. We implement unique measures to ensure that all our vehicle operators master reliable driving skills and improve their driving manners so that everyone in the community can trust the Daigas Group's commitment to safe driving.

The Safe Driving Training Center run by Osaka Gas offers safe driving education with a focus on practical training, and we are seeking to extend safe driving practices throughout the Daigas Group to improve safety across the Group as a whole. In FY2026, a total of 4,167 employees from 50 companies, including Osaka Gas, took part in this safe driving program. The intranet and email are used to share and disseminate information across the Group as a whole to reduce accidents.



Class at an on-site driver training center

Education for foremen and health and safety managers

In accordance with Article 60 of the Industrial Safety and Health Act, we conduct safety and health education for those who are newly charged as foremen (first line supervisors) or others to directly guide or supervise workers in operations, by inviting a lecturer from the Japan Industrial Safety & Health Association. In FY2026, the Daigas Group held five training sessions, attended by approximately 184 newly appointed foremen and other personnel requiring such training.



Training for foremen and health and safety managers

Competency improvement education for foremen and health and safety managers

According to the Guidelines for Promotion of Safety and Health Education issued by the Ministry of Health, Labour and Welfare, employers are required to provide education according to the competency improvement education for foremen and other workers approximately every five years, or when there is a major change in machinery and equipment.

Based on this, the Daigas Group has been providing the competency improvement education twice a year since FY2024 for those who have completed the education for foremen or the education for health and safety managers and are still leading their subordinates as foremen, with approximately 50 employees having taken the education in FY2026.

Joint Safety Activities with Partners

Osaka Gas works closely with affiliates and others at the sites of gas business activities. In particular, we strive to boost the level of safety by working closely with our partners through the Health and Safety Promotion Council to exchange safety-related information and hold a range of training and safety activities.

The Council has 74 member companies*, primarily in the manufacturing sector. In accordance with the policy for ensuring the safety of workers including those from partners set forth in the Daigas Group Safety & Health Promotion Regulations, it promotes voluntary safety and health activities, with the goal of zero lost-time injury. Its main activities include the formulation and notification of safety management guidelines, as well as prior screening of partners based on their safety performance and risks.

In addition, the Council has designated a disaster prevention month in both the first half and second half of the year, during which we conduct safety patrols jointly with them. It also issues a Safety & Health Monthly Report that provides useful information on company efforts in preventing workplace accidents and promoting employee health.

At piping works, we work with partner companies in organizing exercise sessions to enhance physical performance and prevent accidents involving older workers falling from, or tipping over, stepladders.

* As of March 31, 2026



Safety patrol with partner companies



Safety & Health Monthly Report

Prevention of General Work Accidents

Heat stroke prevention measures

Osaka Gas has introduced work clothes with built-in fans as part of measures to improve the working environment and prevent heat stroke in the summer with extreme heat (except for workers handling raw gas because fans are not explosion proof). In FY2019 we started considering the introduction of fan-equipped work clothes and conducted research using monitors to assess the required quantity and needs. The fan-equipped work clothes are made using a fabric suitable for fitting fans while following the design of the current ones. Also, the fan-equipped work clothes allow the use of a full harness safety belt, which has been mandatory from January 2022 due to a revision of the Industrial Safety and Health Act.



Fan-equipped work clothes

Prevention of fall accidents

Fall accidents occur frequently nationwide, accounting for one-quarter of industrial accidents.

Osaka Gas strives to prevent fall accidents by introducing health-enhancement physical training to workplaces and giving laptop tote bags to employees.

Older workers have come to constitute a larger portion of the entire working population at the Daigas Group, resulting in an increase in the number of accidents involving workers on duty, including stumbling. In FY2018, we introduced health-enhancement physical training company-wide. We have changed the conventional exercise program centered on stretching to health-enhancement physical training that strengthens muscles and the body trunk, including squats and standing on one leg.

We have conducted physical fitness tests for senior employees since FY2025. This makes declines in physical fitness and muscle strength visible, in order to raise awareness and prevent falls by maintaining and improving leg muscle strength.

In 2019, an employee slipped down the stairs with a laptop in his hands. A similar accident occurred in FY2018, too. To address this matter, we have been promoting company-wide measures to prevent similar accidents.

To avoid a similar accident, you should not walk around the office (especially up and down the stairs) while holding an open laptop in your hands. So, we encourage employees to carry laptops and documents in bags to keep both hands open while walking.

Moreover, to promote the habit above, we have provided laptop-carrying bags to organizations upon request.

We have also created a poster encouraging employees to keep both hands open while walking and sent it to each and every organization.



Scene of a health-enhancement physical training program being conducted before the start of the day



Physical fitness test



Introduction of laptop tote bags



Enlightenment poster

Maintaining and Improving Health

Regular health checkups and health guidance

Osaka Gas holds regular health checkups as required by law, and all employees expected to take them had planned checkups at the Daigas Group Health Development Center within the Human Resources Department.

In FY2026, 14,293 employees of 33 companies (the total number from Osaka Gas and its affiliates) received health checkups at the Center.



Health checkup at the Daigas Group Health Development Center

	Daigas Group Health Development Center	In general
Health checkups	Half a day	About half a day
Explanation of health checkup results	On the day	Later date
Judgement of work classification	On the day	Later date
Health promotion class	On the day Advice on health promotion Special health guidance (in the first session)	Later date
Interviews with people experiencing a high level of stress	On the day To be conducted after evaluating the stress level through a prior medical questionnaire (Stress checks specified by law are conducted separately.)	No
Reservation for thorough examination	On the day Medical staff make reservations on the spot (legally mandated item).	To be made by oneself

Prevention and control related to global health issues

The Daigas Group has set forth “Providing safe and secure workplace” and “Ensuring safety of products and services” in the Daigas Group Code of Business Conduct, and it has established a system to provide health care against infectious diseases beyond the legal requirements.

In accordance with legal requirements, we provide employees with an opportunity for regular health checkups (once a year), including chest x-ray examinations for early detection of pneumonia, pulmonary tuberculosis, lung cancer, and other diseases.

Furthermore, based on advice and warnings on COVID-19 and other risks issued by the Ministry of Foreign Affairs and the World Health Organization (WHO), the Group takes measures such as alerting employees and setting up a task force.

Efforts related to the Action Guidelines

“7 Rules for Being Healthy”

Promotion of measures to prevent lifestyle-related diseases

We will increase the number of employees working to improve their lifestyle habits by carrying out specific activities in line with the Action Guidelines “7 Rules for Being Healthy (Healthy 7).”

In FY2026, we implemented three measures to encourage active rest. Namely, to encourage employees to take action, we gave employees a health app-based lifestyle improvement challenge, conducted events to help employees learn about the condition of their bodies through body composition and fatigue measurements, and distributed videos with health-related content. In addition, a walking event was held jointly with the Health Insurance Association. Approximately 5,900 employees from the Group participated in the event.

■ “Healthy 7” Lifestyle Habit Monitoring Indicator: Total of Osaka Gas, Osaka Gas Network, and Three Core Energy Business Companies

Unit: %	Rate of people maintaining an appropriate weight	Breakfast skipping	Exercise at least twice a week	Drinking 360 ml or more	At-risk drinker rate	Smoking rate	Rest from sleep
FY2026	64.0	21.7	27.3	—	14.6	20.0	68.0
FY2025	64.5	22.6	26.4	28.6	15.8	20.1	67.1
FY2024	64.5	22.3	27.4	26.8	—	20.6	68.2

- Rate of people maintaining an appropriate weight: Percentage of employees maintaining an appropriate weight (BMI of at least 18.5 and less than 25)
- Breakfast skipping: Percentage of respondents who answered they skip breakfast three or more times a week (Nationwide: Percentage of respondents who answered they do not eat breakfast [reference])
- Exercise at least twice a week: Percentage of respondents who answered they exercise at least 30 minutes a day at least two days a week
- Drinking 360 ml or more: Percentage of respondents who answered that the amount of alcohol consumed on a drinking day is 360 ml or more (FY2024, FY2025)
- At-risk drinker rate: Percentage of people whose daily pure alcohol intake (sake equivalent) is 40 g or more for men or 20 g or more for women, levels that increase the risk of noncommunicable diseases (NCDs) (FY2025 and FY2026)
- Rest from sleep: Percentage of respondents who answered they get enough or moderate rest from sleep

Promotion of Measures to Enhance Mental Health

The Daigas Group implements various measures to enhance mental health in order to promote early detection and prevention of mental disorders.

- We conduct a group analysis of stress checks and provide feedback to the general affairs department of the organization to promote improvement of the working environment in the organization. Depending on the issues, the medical staff will conduct detailed group analysis of stress checks and provide feedback to the head of the organization and exchange views on how to create a better workplace. In this way, the general affairs department of each organization and the Health Development Center are working together to improve the working environment.
- For mental health measures for younger employees, we conduct a health questionnaire for new employees. For employees in their second year of work, we conduct a stress questionnaire and individual interviews at the time of a health checkup. Based on the results, we take appropriate measures in cooperation with their supervisors.
- For managers/supervisors, we provide mental health training centered on case studies.



Interview with employees in their second year of work regarding stress



Mental health training for managers and supervisors

Helping employees manage and maintain their health

Medical staff hired by the Daigas Group visit its business offices to provide health education to employees. This measure is designed to create a working environment that ensures workers' health and comfort, and encourages them to work on enhancing their health on their own.

We are providing employees with health management information via the Health Development Center website.

To address lack of exercise among young employees and prevent senior employees from tipping over, we also provide physical fitness tests that allow employees to check their physical strength and prompt them to exercise.

Trainings by Occupational Safety and Health Staff (FY2026)

No. of such events held	No. of participants	Description
17	1,754	Mental health, physical fitness checks, advice, etc.



Physical fitness test

Promoting the Creation of a Healthy Workplace

We comply with the Labor Standards Act, the Industrial Safety and Health Act, and other laws and work on the creation of a comfortable work environment, so that employees can work safely and in good health. If there is a violation, improvements will be made promptly.

Serious violations of the Labor Standards Act

There were no such violations in FY2026.

Recognized as One of the “Outstanding Organizations of KENKO Investment for Health (Large Enterprise Category) - White 500” for Nine Consecutive Years

For nine consecutive years from 2018, Osaka Gas has been recognized as one of the Outstanding Organizations of KENKO Investment for Health (Large Enterprise Category) - White 500, jointly administered by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. As well as the Daigas Group Declaration of Health and Productivity Management, we established the Daigas Group Action Guidelines “7 Rules for Being Healthy” to encourage employees to have healthy lifestyles, aiming to improve their lifestyles through health promotion activities based on the rules. We have been certified in recognition of these initiatives. Moreover, Osaka Gas was selected under the KENKO Investment for Health Stock Selection in 2023, 2024, and 2025, jointly administered by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

* The term “Kenko Keiei®” is a registered trademark of Non-profit Organization Kenkokeiei.



Communication Between Employees and Company

Policy and Principle

The Daigas Group believes that it is important for employees and the company to work together to realize the healthy growth of each group company with a sense of mutual trust and tension. To this end, we promote communication between employees and the company by opinion exchanges at informal meetings between the labor union and management and various study committee meetings, as well as workplace visits by the President of Osaka Gas to group companies and its organizations.

Labor-Management Relations

Cooperation between labor and management to resolve issues

Osaka Gas has adopted a union shop system, in which all employees, except those in management positions, are members of a labor union, pursuing sound and good labor-management relations. The Osaka Gas Workers Union consists of approximately 4,000 members, including those temporarily transferred to affiliated companies, etc. The workers union and management exchange opinions at informal meetings and various study committees on overall corporate activities, including actions regarding various management issues, as well as changes in working conditions. We strive to build, maintain and strengthen sound and good labor-management relations based on mutual understanding and trust.

Company Award System

President's Award to boost employee morale

Osaka Gas presents the President's Award every year to honor employees who have made significant contributions to the company's activities to boost employee morale. Awards are presented to regular and contract employees at Osaka Gas and employees of affiliated companies for their outstanding achievements in business operations and contributions to the environment, the community, and other aspects of society, passing on skills, the safety field, etc.

Social

Human Rights Summary

Basic approach

The Daigas Group respects human rights as basic rights inherent to all. The Group supports the international standards on human rights and promotes activities and programs to protect the human rights of its stakeholders. We comply with the applicable laws and regulations of the countries and regions where we operate. In the Medium-Term Management Plan 2026, we have positioned maintaining and improving the soundness and flexibility of management foundation as one of our material issues and set respect for human rights as an indicator to accelerate initiatives.

Theme	Items to be addressed	Specific initiatives
Respect for human rights throughout the value chain ⇒ P.105 Human rights due diligence ⇒ P.106 Human rights awareness promotion ⇒ P.110	<ul style="list-style-type: none"> • Management regarding respect for human rights • Human rights due diligence • Encouragement of suppliers • Promoting human rights awareness activities for Daigas Group officers and employees <hr/> Materiality Maintain and improve the soundness and flexibility of management foundation	Policy and promotion system [Based on the Daigas Group Human Rights Policy, we support international human rights-related norms and comply with laws and regulations of the countries and regions where we operate, promoting activities and programs to protect the human rights of its stakeholders. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Informed our suppliers of our procurement policy and conducted a sustainability questionnaire • Provided human rights awareness training to Daigas Group officers and employees <div> KPIs based on the materiality Respect for human rights </div> <div> FY2026 materiality result Implemented human rights due diligence and identification of risks in each business </div>

Respect for Human Rights throughout the Value Chain

Policy and Principle

The Daigas Group supports and respects international standards for human rights, including the International Bill of Human Rights (Universal Declaration of Human Rights and the International Covenants on Human Rights) and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We also promote human rights initiatives in accordance with the UN Guiding Principles on Business and Human Rights, the UN Children's Rights and Business Principles, and other relevant principles.

Establishment of policies and regulations

The Daigas Group has stated that human rights are to be respected in the Daigas Group Charter of Business Conduct, which expresses the Daigas Group's corporate stance, and the Daigas Group Code of Business Conduct, which serves as a code of conduct for officers and employees. It also established the Daigas Group Human Rights Policy in April 2021 and have disseminated the policy since then. In addition to the Daigas Group Procurement Policy, which is aimed at respecting human rights throughout the supply chain, we have also established various regulations related to occupational health and safety, etc.

We identify and assess the negative impact of our business activities on human rights and take steps to prevent or mitigate such risks under the Daigas Group Human Rights Policy. The Daigas Group Code of Business Conduct, which incorporates the 10 principles of the UN Global Compact, contains "respecting human rights" and "providing safe and secure workplace" as the first and second items respectively. The Code eliminates discrimination and bans harassment against all stakeholders in all countries and regions.

We will also demand that our suppliers and other parties concerned respect human rights and not infringe on them.

Daigas Group Human Rights Policy



▶ Daigas Group Human Rights Policy

The Daigas Group established the Daigas Group Human Rights Policy in April 2021. This Policy is based on the Daigas Group Corporate Principles and the Daigas Group Charter of Business Conduct and has been approved by the Board of Directors of Osaka Gas.

Prohibition of child labor and forced labor

The Daigas Group conducts self-inspections using G-RIMS, a system for managing risks related to daily business activities, in each one of its organizations and affiliated companies to confirm that there are no labor issues such as child labor or forced labor. In order to prevent child labor, the Group thoroughly verifies the age of employees when they are hired. Furthermore, in order to prevent forced labor, the Group does not retain employees' passports or any other important documents that could restrict their freedom of movement.

Consideration for occupational safety and health

The Daigas Group not only complies with all applicable laws and regulations related to safety and health but also has established its original rules, including the Daigas Group Safety & Health Promotion Regulations. The Group has also established the Daigas Group Safety and Health Council to discuss and share information on measures to prevent occupational accidents and promote health maintenance, thereby working to improve the levels of workers' safety and health throughout the Group.

In March 2021, we issued the Daigas Group Declaration of Health and Productivity Management to summarize our stance toward health and productivity management, based on the

idea that ensuring safety and maintaining and improving physical and mental well-being are key to all operations.

Based on the Declaration of Health and Productivity Management, we also established the Daigas Group Action Guidelines "7 Rules for Being Healthy" to encourage employees to live healthy lifestyles, and we provide guidance to organizations and individuals at the Health Development Center, as well as lifestyle advice to employees at health checkups. Moreover, in response to requests from our suppliers, we regularly undergo SMETA audits (an audit scheme provided by Sedex) at our LNG terminals, and are ensuring respect for the human rights of our employees and workers at our contractors and improving their working environments.

Encouraging suppliers to comply with laws and regulations regarding human rights

To ensure respect for human rights throughout the supply chain, the Daigas Group strives to encourage its suppliers to understand the concept of human rights and follow international human rights standards through the Daigas Group Procurement Policy and the Daigas Group Procurement Policy for Suppliers.

From the end of FY2025, we started gradually requesting that business partners sign a "Memorandum on Human Rights Protection Initiatives," and are continuously raising awareness of human rights among our business partners in order to promote respect for human rights throughout our supply chain.

Major requests

Respect for Human Rights

Respect the human rights of all those involved in corporate activities according to international human rights standards, and prevent direct or indirect infringement of human rights, including discrimination, harassment, and other inhumane treatment, due to corporate activities throughout the supply chain.

Fair Working Conditions

Comply with international labor standards and related laws and ordinances to appropriately pay employees, manage their working hours, and give them days off; to prevent any kind of discrimination at the workplace, forced labor, or child labor; and to respect the rights of workers (including technical intern trainees, other workers from abroad and immigrant workers), such as the freedom of association and the right of collective bargaining.

Contribution to Environmental Conservation

Reduce the environmental burden of business operation and products and services. [Examples: Reduce greenhouse gas emissions by saving energy and using low-carbon and/or decarbonized energy; promote green purchasing; use resources (water resources, raw materials, etc.) in a sustainable way; promote resource recycling; prevent air, water and soil pollution; and conserve biodiversity]

Ethical Corporate Management

Respect free and fair competition and prevent misconduct.

Protect intellectual property rights; disclose information appropriately; maintain confidentiality; safeguard privacy, including that of personal information; procure minerals responsibly; conduct responsible marketing activities; and never have any relationships with antisocial groups.

Human Rights Due Diligence

Policy and Principle

In accordance with the United Nations Guiding Principles on Business and Human Rights, the Daigas Group is committed to establishing systems in order to respect the human rights of all people affected by the Group's business activities, and proactively disclose its initiatives in this area. We integrate the human rights due diligence system, established in accordance with the Daigas Group Human Rights Policy, into our business processes and conduct ongoing evaluations.

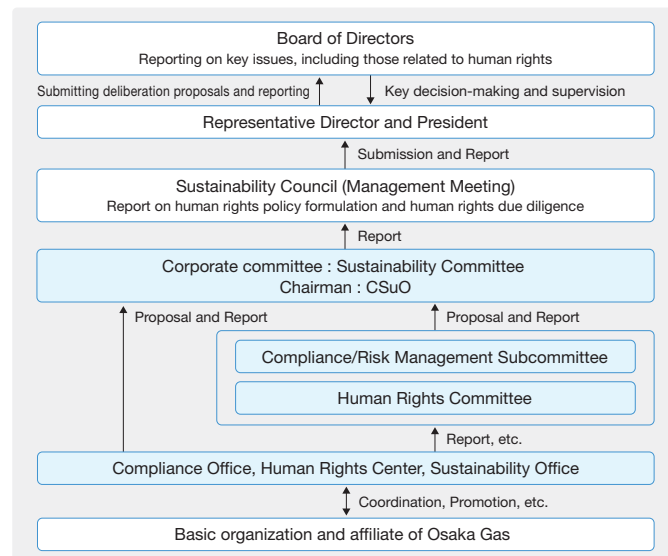
System for Carrying Out Human Rights Due Diligence

The Human Rights Center in the Human Resources Dept., Compliance Office and Internal Control Planning Team in the General Affairs Dept., and the Sustainability Office in the Corporate Strategy Dept. work together to promote human rights due diligence.

A member of the Human Rights Committee is appointed to each organization to be responsible for formulating plans, monitoring results, and overseeing implementation to prevent human rights violations. In addition, the Board of Directors, which makes decisions on and supervises matters involving human rights issues. At the Sustainability Council (Management Meeting), which is held three times a year, executives discuss activity plans and activity reports related to sustainability issues, including human rights issues, and submit reports to the Representative Director and President.

In addition, the Group also has the Sustainability Committee, chaired by the Chief Sustainability Officer (CSuO) (Senior Executive Officer), who supervises the Group's sustainability activities, and consisting of the heads of related organizations. The Sustainability Committee is held three times a year in principle for cross-organizational deliberation, coordination, and supervision of issues and planning, promotion related to human rights due diligence.

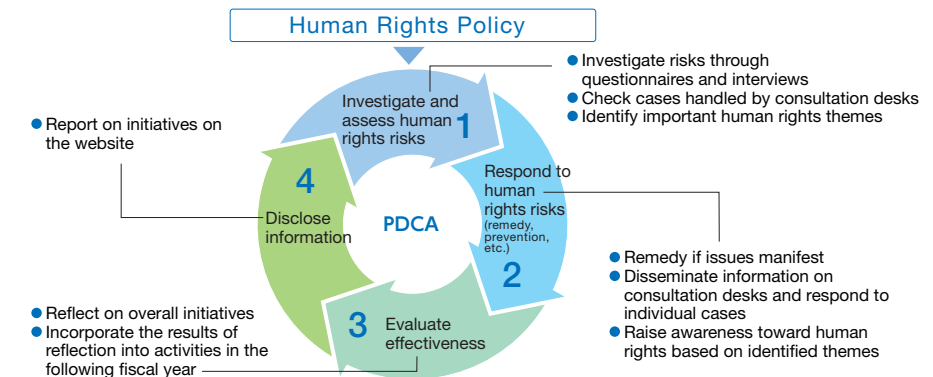
System for Carrying Out Human Rights Due Diligence



Human Rights Due Diligence Cycle

We have built a cycle in which human rights risks that may arise from our business activities are investigated and identified, the identified human rights risks are addressed through corrective and remedial measures, education and awareness-raising activities, etc., and the effectiveness of these measures are evaluated and linked to improved initiatives.

Human Rights Due Diligence Cycle



Results of Initiatives in FY2026 (Results of Human Rights Due Diligence)

Identification of key human rights risks (process)

By reference to the dual axes of the seriousness of each potential human rights infringement and the likelihood of it occurring, we identify key human rights risks that the Daigas Group needs to consider in the course of its business activities and establish a priority order for addressing them.

In FY2026, we continued to conduct checks through the “G-RIMS,” a self-inspection tool, a compliance survey of employees to see how well they understood compliance, and questionnaire surveys targeting major business partners of the Daigas Group. In addition to questionnaire surveys for our main suppliers, we also conducted on-site audits at our existing overseas sites.

The investigation results showed no serious risks related to human rights.

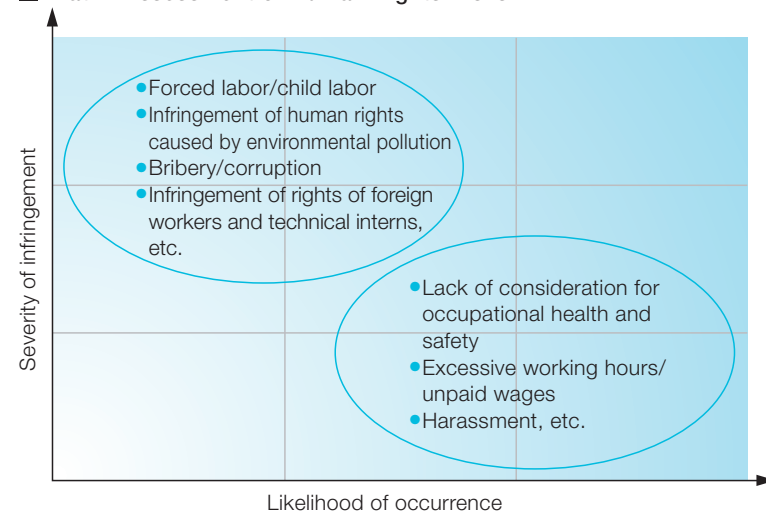
■ Identification Process

1. Confirm the likelihood of occurrence and seriousness of human rights infringements based on the results of the human rights risk investigation and human rights consultations.

2. Conduct a discussion among internal stakeholders and evaluate each item of human rights risks using the matrix shown in the figure below.

3. Consult with experts to identify the Group's significant human rights risks.

■ Matrix Assessment of Human Rights Risks



Identify important human rights themes (assessment)

Based on the FY2026 investigation results and discussions with experts, we identified important human rights themes that the Daigas Group should consider in the course of our business activities. As a result, no human rights violations in FY2026 that violated our Ethics code were identified. On the other hand, one supplier responded to the questionnaire that, although no human rights violations had occurred to date, there were management-related issues. In addition to interviewing the company about their risk-reduction initiatives, we also requested that corrective measures be implemented to address the relevant issues.

Among the human rights risks that may occur in the course of the Group's business activities, 14 items were identified as significant human rights risks (human rights risks with a relatively high likelihood of occurring). Such risks include forced labor, child labor, and bribery/corruption in the international business, and infringement of the rights of foreign workers or technical interns in the domestic business, in addition to lack of consideration for occupational health and safety, infringement of human rights caused by excessive working hours or unpaid wages, and harassment. We take various measures to prevent and mitigate these risks, under relevant policies and other systems.

As recommended by external experts in the previous fiscal year, we organized the human rights risks in each business across the value chain and created a human rights risk map. (□ P.108) In addition, during discussions with experts, recommendations were made regarding the importance of continuing to conduct surveys, investigations, and audits in areas identified as those with key human rights risks.

Going forward, we will continue to identify significant risks and review human rights issues through human rights risk assessments and dialogue with experts. We also assess human rights risks in new businesses. For example, we investigate the status of legal compliance concerning labor standards and health and safety as part of due diligence for M&A deals. We thus confirm that serious human rights risks do not exist in companies joining the Group.

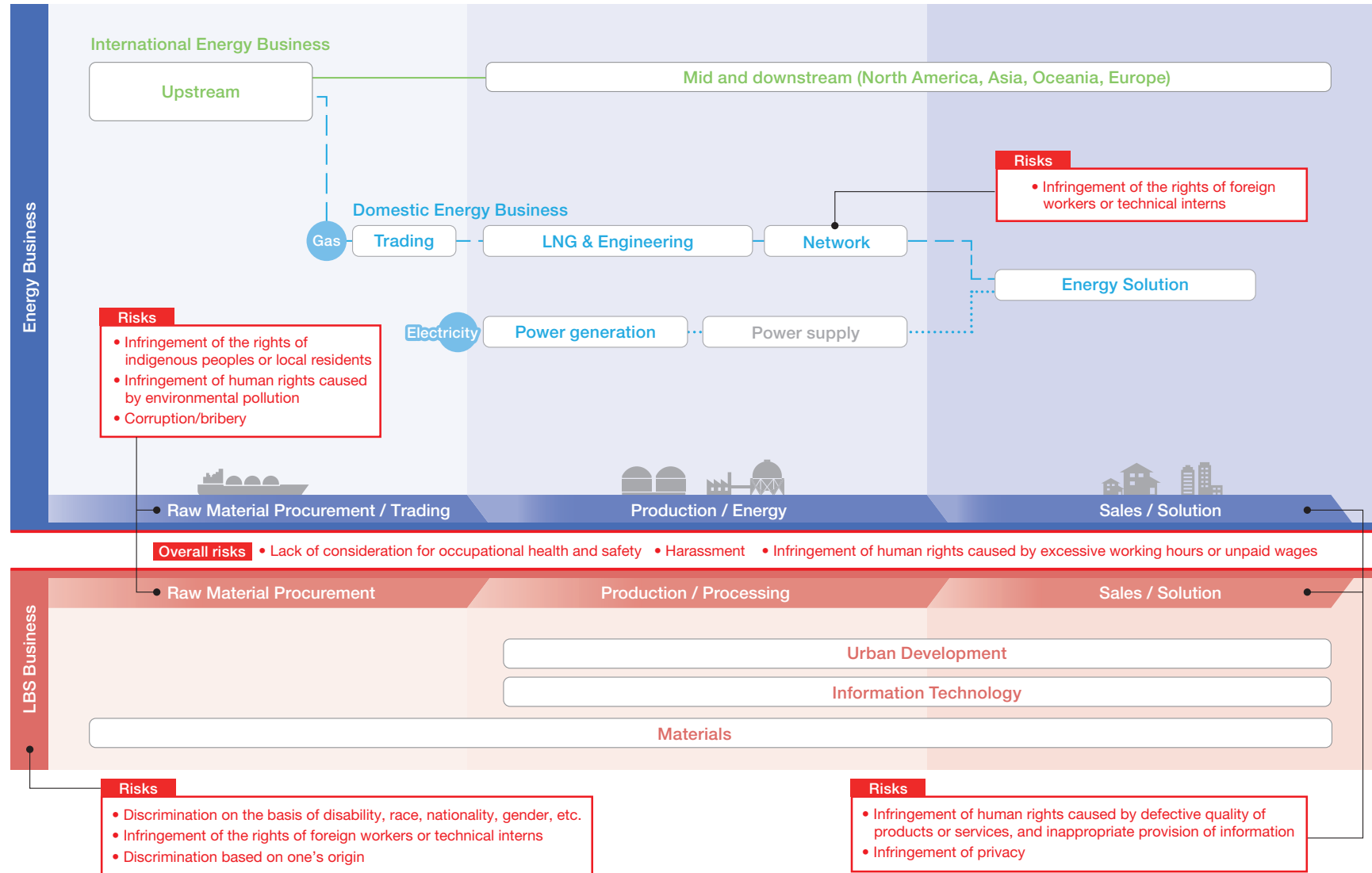
■ Identified Human Rights Themes and Classification of Entities of Rights

	Entity of rights				Relevant policy
	Group employees	Customers	Local residents and others	Suppliers	
Daigas Group's important human rights risks	Forced labor	● ¹		●	Daigas Group Human Rights Policy
	Child labor	● ¹		●	Daigas Group Human Rights Policy
	Lack of consideration for occupational health and safety	●		●	Occupational health and safety
	Infringement of human rights caused by excessive working hours or unpaid wages	●		●	Occupational health and safety
	Discrimination on the basis of disability, race, nationality, gender, etc.	●	●		Daigas Group Diversity Promotion Policy
	Discrimination based on one's origin	●	●		Daigas Group Human Rights Policy
	Harassment	●	●	●	Daigas Group Code of Business Conduct
	Infringement of the rights of foreign workers or technical interns	● ²		●	Daigas Group Human Rights Policy
	Infringement of rights to privacy	●	●	●	Initiatives to protect personal information
	Infringement of the rights of indigenous peoples or local residents		●		Daigas Group Code of Business Conduct
	Human rights problems caused by environmental pollution		●		Daigas Group Environmental Policy
	Defective quality of products or services, and inappropriate provision of information		●		Daigas Group Code of Business Conduct
	Bribery/corruption	● ¹	●	●	Daigas Group Code of Business Conduct
	Procurement of conflict minerals		●	●	Daigas Group Procurement Policy

1 Overseas subsidiaries, 2 Domestic subsidiaries

Identification of Key Human Rights Risks in Businesses

We have taken stock of the human rights risks to consider in each business domain taking into account their likelihood of occurrence and potential degree of impact. Following advice from external experts, we have identified and organized the risks of particular importance.



Stakeholder Engagement Program

Since FY2026, Osaka Gas has participated in the Stakeholder Engagement Program (Human Rights Due Diligence Workshop) hosted by Caux Round Table Japan. In this program, companies, NGOs, NPOs, academics, and other experts discuss human rights due diligence as required by the United Nations Guiding Principles on Business and Human Rights, to gain a deeper understanding of human rights issues.

Results of activities in FY2026

As part of the Stakeholder Engagement Program in FY2026, we participated in group work relating to important human rights issues in each industry. We will use the results from this meeting as a reference for the Group's human rights due diligence activities.

See here for meeting minutes of the Stakeholder Engagement Program in FY2026



Consultation Desks for Human Rights

The Daigas Group accepts consultations on human rights from not only employees but also customers, the local community, suppliers and all other stakeholders, and is careful to make sure that people who seek consultations do not suffer any disadvantages. Information on consultation desks is provided to employees through channels such as the intranet and posters and to external stakeholders via our website.

■ Consultation Desks

Employees	<ul style="list-style-type: none"> Human rights promoters are assigned to each organization, including key affiliated companies, as an initial point of contact. The Human Rights Center provides consultation services (for officers, employees, and temporary employees of all Group companies). The Compliance Desks accept requests for consultation and reports concerning compliance with laws, regulations, and internal rules (for officers, employees, and temporary employees of all Group companies).
Customers, local communities, etc.	<ul style="list-style-type: none"> Customer Centers accept inquiries.
Suppliers	<ul style="list-style-type: none"> Consultation and reports are accepted at the consultation/reporting desk on the website.



Human Rights Awareness Promotion

Principle and Outline

The Daigas Group holds that human rights ought to be accorded the maximum respect in all circumstances. All officers and employees must be keenly aware of this, and acquire and act on correct knowledge pertaining to human rights. In expanding its business globally, the Group pays careful attention to compliance with local and national laws and regulations, respect for human rights and other international norms, local culture and customs, and the interests of stakeholders. Accordingly, it offers human rights training and conducts educational activities aimed at improving awareness and instilling knowledge of human rights issues.

System for Promoting Human Rights Awareness

To promote human rights awareness throughout the Daigas Group, Osaka Gas has established a “Daigas Group Human Rights Committee” chaired by its Chief Human Resource Officer (CHRO) (Senior Executive Officer). This committee determines the activity policy with regard to human rights.

Based on this policy, the Human Resources Department’s “Human Rights Center” plans, formulates and administers numerous efforts and events such as human rights training for all job levels, human rights lectures, and human rights slogan contests, and offers cooperation and support to individual organizations. In FY2023, we have started training programs based on human rights themes identified as those which we should give consideration to in human rights due diligence. The top award-winning slogans are made into posters that are put up in offices to constantly remind employees of the importance of human rights.

As well, business units and major affiliates have their own “Human Rights Committee,” which relays company policies and human rights information to employees, encourages participation in outside lectures and the human rights slogan contest.

The “Daigas Group Human Rights Committee” also exchanges information and opinions with divisions in the Group, all in an effort to understand what must be done across the entire Group. Further, each business unit and major affiliate appoints a “Human Rights Awareness Promoter,” who is in charge of dealing with daily issues related to human rights.

The Daigas Group’s “Compliance Desks” and “Human Rights Center” also accept consultation and reports on all matters related to human rights.

In FY2025, we announced the “Daigas Group Basic Policy on Customer Harassment,” while also conducting training sessions for group employees and creating a response manual.

■ System for Promoting Human Rights Awareness

Daigas Group Human Rights Committee

Members: General Manager of the department in charge of general affairs in each organization, and Managers of the Sustainability Office and the Compliance Office

Daigas Group Human Rights Executive Board

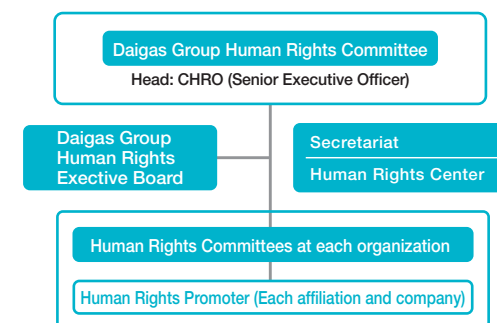
Members: Manager of the team in charge of general affairs at each organization, the Sustainability Office, and the Compliance Office

Human Rights Committees at each organization

Members: Persons in charge of general affairs, etc., including affiliated core energy business companies and related companies

Human Rights Promoters (at each organization)

Members: Persons in charge at each organization



Initiatives to Respect Human Rights for Suppliers

The Daigas Group sets up a section on human rights in its annual sustainability questionnaire for major suppliers. In FY2026, our overseas subsidiaries also conducted a questionnaire survey on addressing human rights targeting major suppliers and conducted on-site audits by adding the confirmation of human rights risks to the existing quality audit framework. The results confirmed that there were no problems with forced labor or child labor.

In addition, at the human rights lecture for organization heads and managers, which is held every year, in FY2026, we invited the participation of construction companies, service chain companies, and other partner companies, and approximately 40 people attended the lecture.

Please see [P.114](#) for more information on the details of the conducted sustainability questionnaire survey.

■ Survey on Human Rights Risks

	No. of companies surveyed	No. of companies which replied
Sustainability questionnaire	394	383
Questionnaire survey on addressing human rights, on-site audit	107	81 (of which 18 underwent on-site audits)

Implementation of Human Rights Training

Human rights training for all levels

The Daigas Group has human rights training for all job levels: officers, managers, and new recruits.

In the human rights training for new managers, participants learn about human rights issues that companies should consider. We have human rights lectures for division heads and managers led by outside experts.

Human rights training for all employees have been conducted mainly through video distribution since FY2023. In FY2026, the training was conducted under the theme of “Business and Human Rights: Companies Have a Responsibility to Respect Human Rights,” and approximately 17,800 employees across the Group participated in the training.

■ Group-wide Human Rights Training - Participants

Participants	Implementation period	No. of participants
Executives	October	28
Managers and leaders	May, June, November, December	200
Lecture for organization heads and managers	July	444
New employees	April	167
Mid-career hires	June, October, February	325
All employees	From October to December	About 17,800
Lecture for all employees	December	428
Others (HR Committee etc.)	Year around	265
Total		About 19,600

Training for human rights awareness leaders

In training for each division's human rights awareness leaders, participants take a variety of courses outside the company. In FY2026, a total of 168 took these courses.

■ Results of Participation in Courses outside the Company

Course name	No. of participants
Anti-discrimination and Human Rights Issues Awareness Raising (for Managers)	168
Human Rights and Anti-discrimination Awareness Raising	
Buraku Liberation/Human Rights Summer Course	
Buraku Liberation/University Human Rights Course	
Other	

Social

Supply Chain Management Summary

Basic approach

The Daigas Group could not conduct business without the cooperation not only of companies within the Group but also of its various stakeholders. We believe that it is necessary for the Group to control the social and environmental effects that are generated in the business processes in the most responsible manner and in close cooperation with our stakeholders.

Based on the Group's corporate motto, "Service First," we strive to procure responsibly in cooperation with our suppliers.

Theme	Items to be addressed	Specific initiatives
Supply chain management ➡ P.113	<ul style="list-style-type: none"> • Promoting understanding of the Daigas Group Procurement Policy among suppliers • Confirmation of the status of major suppliers' sustainable activities, etc. • Promotion of green purchasing 	Policy and promotion system <p>The Daigas Group is committed to fulfilling its social responsibility in close cooperation with suppliers in line with the Daigas Group Code of Business Conduct, revised in accordance with the United Nations Global Compact.</p> <p>The Daigas Group has formulated the Daigas Group Procurement Policy and has made it known to the Group's suppliers, together with the Daigas Group Procurement Policy for Suppliers.</p> <p>Each organization in charge of procuring particular materials is to fulfill its responsibility.</p> Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • We commenced business with 30 new suppliers for materials procurement and other related activities. All of these new business relationships were initiated in full compliance with our standards for environmental and social impact, human rights, and labor practices. • Implementing and promoting a system for disseminating the Daigas Group Procurement Policy and the Daigas Group Procurement Policy for Suppliers to our suppliers and confirming the status of their sustainable activities before proceeding with a business transaction • Conducting questionnaires for major suppliers to understand, evaluate, and analyze the status of their sustainable activities, etc. • Implementing and promoting the Green Partner Initiative, a system for evaluating the environmental initiatives of suppliers who are proactive in such efforts as building an environmental management system (EMS) and obtaining certification

Supply Chain Management

Policy and Principle

Our broad-based city gas value chain is built on the cooperation of various suppliers. Fulfilling our social responsibility by working with our suppliers in the value chain builds relationships of trust with our stakeholders and furthers the development of the entire value chain.

The Daigas Group is committed to fulfilling its social responsibility in close cooperation with suppliers in line with the Daigas Group Code of Business Conduct, revised in accordance with the United Nations Global Compact. The Daigas Group has formulated the Daigas Group Procurement Policy and has made it known to the Group's suppliers, together with the Daigas Group Procurement Policy for Suppliers.

Daigas Group Procurement Policy



▶ Daigas Group Procurement Policy

The Daigas Group aims to contribute to the development of a sustainable society and believes that environmental and social consideration is important in procurement. Based on this idea, the Group formulates its policy on the procurement of works, services, goods, products, parts, materials, etc. as follows:

1. Compliance

We will ensure that our procurement will be in compliance with laws and ordinances, based on common sense corporate practices following sound ethical views, and in full consideration of occupational health and safety, respect for human rights, including prohibition of discrimination, forced labor, and child labor, and the elimination of misconduct.

2. Open Trading

To procure high-quality, safe and economical materials, equipment and the like at appropriate timing, we will deal with not only domestic companies but also overseas companies.

3. Fair Dealing

We will fairly and justly select suppliers, vendors, contractors and others with whom we conduct business (collectively referred to as "Suppliers"), taking into comprehensive account such factors as their corporate soundness, financial condition, commitment to corporate social responsibility, safety management system, technical capabilities, the quality, prices,

and reliability of their products and services, the compatibility of their products and services with existing equipment, reliability in delivery, after-sales service, and economic rationality.

4. Contribution to Environmental Conservation

Based on the Daigas Group Environmental Policy, we aim to operate our business in harmony with the environment, including consideration of biodiversity. We will promote green purchasing* in consideration of the balance between economic conditions and the reduction of environmental burdens.

5. Trusting Relationship

We will build a solid relationship of trust with Suppliers and strive for mutual development through close communication and fair and just purchasing transactions with them. For more details, refer to the Daigas Group Procurement Policy for Suppliers, which the Group has formulated.

**Green purchasing" is purchasing in full consideration of the necessity of the purchase, taking into account not only quality and price but also the environment.

Daigas Group Procurement Policy for Suppliers (Excerpt)



▶ Daigas Group Procurement Policy for Suppliers

Respect for Human Rights

Respect the human rights of all those involved in corporate activities according to international human rights standards, and prevent the direct or indirect infringement of human rights, including discrimination, harassment, and other inhumane treatment, due to corporate activities throughout the supply chain.

Fair Working Conditions

Comply with international labor standards and related laws and ordinances to appropriately pay employees, manage their working hours, and give them days off; to prevent any kind of discrimination at the workplace, forced labor, or child labor; and to respect the rights of workers (including technical intern trainees and other workers from abroad, and immigrant workers), such as the freedom of association and the right of collective bargaining.

Contribution to Environmental Conservation

Reduce the environmental burden of business operation, and products and services. [Examples: Reduce greenhouse gas emissions by saving energy and using low- and/or zero-carbon energy; promote green purchasing; use resources (water resources, raw materials, etc.) in a sustainable way; promote resource recycling; prevent air, water and soil pollution; and conserve biodiversity]

Ethical Corporate Management

Respect free and fair competition and prevent misconduct. Protect intellectual property rights; disclose information appropriately; maintain confidentiality; safeguard privacy, including that of personal information; procure minerals responsibly; conduct responsible marketing activities; and never have any relationships with antisocial groups.

Responsible Procurement

Measures in material procurement

We have a system for explaining the Daigas Group Procurement Policy and the Daigas Group Procurement Policy for Suppliers to our suppliers and confirming the status of their sustainable activities before proceeding with a new business transaction in materials purchasing.

In addition, we conduct a questionnaire survey of major suppliers in materials purchasing to check their sustainability efforts. Furthermore, when the suppliers conduct business transactions with the Daigas Group, they are asked to observe the Green Purchasing Guidelines set by the Group, which are attached to the specifications for the transactions.

Sustainability activity survey of gas appliance makers and other suppliers conducted to promote information sharing on social and environmental issues to be tackled by companies

The Daigas Group conducts a questionnaire survey of major suppliers* on sustainable activities to provide a sense of security to customers when they choose the Daigas Group, as well as to take into account social and environment aspects in doing business. The survey is based on the Daigas Group Procurement Policy and the Daigas Group Procurement Policy for Suppliers. The survey was conducted of gas appliance makers and other suppliers to assess the status of their efforts for a total of 56 items on the eight themes of compliance, human rights, labor, occupational health and safety, product safety and quality, environmental conservation, ethics and prevention of corruption, and keeping track of the state of affairs at major suppliers. In addition, we conducted a survey of service chain partners and construction work contractors, to which the Group has entrusted gas business-related duties, and of LNG suppliers.

* Selected based on the degree of impact on our business, such as the transaction amount and whether or not Daigas Group brand products are handled

■ Survey on Sustainability Activities Conducted in FY2026

Companies covered by the survey	No. of companies surveyed	No. of companies which replied	Other efforts
Main suppliers	131	130	Green Partner Initiative
Pipe material suppliers	31	31	Green Partner Initiative
Gas appliance manufacturers	30	30	
Service companies, engineering firms	194	185	
LNG suppliers	8	7	

Results of the questionnaire surveys of suppliers

Questionnaire surveys of suppliers regarding sustainability activities for FY2026 found no violations in the environmental and social fields. For responses that raised concerns, we followed up individually from each responsible line to confirm that there were no problems with the actual state of activities.

We provided suppliers with feedback on good practices among respondent companies and comparisons between overall average values and the results of their own responses to encourage them to continue and improve their efforts.

Efforts to encourage the reduction of environmental burdens and results

We encourage major suppliers, etc. to reduce environmental burdens as part of our efforts to reduce environmental burdens in our supply chain. In addition to complying with environmental laws and regulations, we request them to monitor their CO₂ emissions and water usage, report the status of setting reduction targets, and take measures to reduce environmental burdens.



Promoting green purchasing in collaboration with suppliers and affiliates

Based on its Green Purchasing Guidelines (formulated in 2000, revised in 2022), Osaka Gas works with suppliers to promote Green Purchasing: prioritized procurement of biodiversity-friendly goods and construction work that have less impact on the environment. We actively use eco-friendly products, including Forest Stewardship Council-certified paper, LED lighting, and carbon offset products.

In 2005, we launched the “Green Partner Initiative” to evaluate environmental efforts by our main suppliers, including establishing an environmental management system (EMS) and obtaining an EMS certificate. Suppliers recognized as supporting the initiative have been registered as Green Partners.

The Green Partner Initiative was revised in FY2026, resulting in suppliers other than those previously covered now being covered by the initiative. As of March 31, 2026, 162 suppliers were registered as Green Partners. Affiliated companies are working to expand green purchasing under the Daigas Group Environmental Management System (OGEMS), our unique environmental management system.

Reducing environmental impact in the supply chain through more efficient delivery

Previously, some printed materials used by the Daigas Group were delivered by courier from printing companies. We reviewed part of this delivery flow and introduced a delivery method that makes effective use of available capacity on existing in-house delivery routes.

Through this initiative, we have optimized logistics costs and realized a reduction in environmental impact (an annual reduction of approximately 69 t of CO₂ emissions).

Participation in an initiative related to supply chains

Since FY2018, Osaka Gas has been participating in Sedex, which promotes the establishment of ethical supply chains, to respond to requests from suppliers. We regularly undergo SMETA audits (an audit scheme provided by Sedex) at our LNG terminals in an effort to respect the human rights of our employees and workers at our contractors and improve their working environments. In addition, we are also addressing impacts on natural environments, such as by protecting biodiversity and reducing atmospheric emissions.

Training for personnel in charge of purchasing

The Daigas Group conducts training for personnel in charge of purchasing once a year to improve awareness of compliance in purchasing and promote fair transactions.

In FY2026, in line with amendments to the Subcontract Act, we communicated basic knowledge to ensure appropriate transactions with small- and medium-sized contractors.

In addition, to build fair business relationships across the supply chain, we also discussed Japan's guidelines on price negotiation for the appropriate shifting of labor costs, as well as our approach to optimizing mold transactions. In doing so, we worked to promote understanding to build fair and sustainable relationships with our suppliers.

We also have e-learning courses for personnel in charge of purchasing available at all times.

Social

Customer Health and Safety Summary

Basic approach

The Daigas Group is committed to making a positive contribution to realizing a higher level of comfort of its customers and the development of their business activities by ensuring a stable supply of city gas, electricity, LPG, and other energy sources and the safety of city gas supply and equipment with an improved level of services for its customers. To realize this, we believe that it is important to improve energy resilience so that customers can use energy without worry. We strive to provide products and services with the highest priority on safety, aiming to become a corporate group that continues to evolve and grow with our customers.

In the Medium-Term Management Plan 2026, we have positioned enhancing the resilience of customers and society as one of our material issues.

Theme	Items to be addressed	Specific initiatives					
Customer health and safety ➡ P.116	<ul style="list-style-type: none">Ensuring continued stable procurement and safe supply of energyBuilding resilient facilitiesEmergency response system and anti-disaster measuresPassing on advanced knowledge and skills in safety and disaster preventionDisseminating information about safe use	<div>Policy and promotion system</div> <p>The Daigas Group is committed to ensuring the quality of city gas, our primary product, its stable supply, and the safety of our gas and power generation facilities—all by adhering to our “Security Rules.” From FY2023, based on legal separation, we established the “Safety and Disaster Prevention Committee” as a company-wide committee to centrally manage and promote measures for events related to safety, disaster prevention, and gas supply stability, with the aim of building a system that exercises governance across the company during normal times.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">Ensuring the safety of city gas, gas and power generation facilities, and continuing to maintain quality levelsStriving to systematically maintain a pipeline network to establish resilient facilitiesBuilding and implementing a system that allows for quick response to accidents and disasters, developing a Business Continuity Plan (BCP) to Take Effect During a Large-scale Disaster or Accident, and conducting drillsContinuing to develop human resources with advanced knowledge and skills related to safety and disaster prevention					
	<div>Materiality</div> Enhance the resilience of customers and society	<div>KPIs based on the materiality</div> <table><tr><td>Number of serious accidents and serious energy supply disruptions caused by the company</td></tr><tr><td>Building resilient facilities</td></tr></table>	Number of serious accidents and serious energy supply disruptions caused by the company	Building resilient facilities	<div>FY2026 materiality result</div> <table><tr><td>0</td></tr><tr><td>The percentage of earthquake-resistant facilities: approximately 90%, the number of earthquake blocks: 745 blocks</td></tr></table>	0	The percentage of earthquake-resistant facilities: approximately 90%, the number of earthquake blocks: 745 blocks
	Number of serious accidents and serious energy supply disruptions caused by the company						
Building resilient facilities							
0							
The percentage of earthquake-resistant facilities: approximately 90%, the number of earthquake blocks: 745 blocks							

Customer Health and Safety

Policy and Principle

The Daigas Group announced Long-Term Management Vision 2030 in March 2017 and Medium-Term Management Plan 2026 in March 2024. Ensuring the safety of city gas as well as gas and power generation facilities is of the utmost priority for the Daigas Group, which sets targets of continued zero serious accidents and serious energy supply disruptions caused by the company as well as 10.90 million and 11.50 million customer accounts in FY2027 and FY2031 respectively and aims to enhance the resilience of customers and society. To that end, we consider it important to work towards enhancing safety and improving preparedness for accidents and disasters.

The Daigas Group Code of Business Conduct, which sets forth the standards of conduct that our officers and employees must follow without fail, specifies “ensuring safety of products and services.” In order to ensure safety, we are committed to not only meeting legal standards but also pursuing safety from the perspective of customers in each of our operations.

Safety and Disaster Prevention Promotion Structure

We established the Safety and Disaster Prevention Committee as a corporate committee, which is a system built for ensuring governance across the company during normal times so as to centrally manage and promote measures for incidents related to safety, disaster prevention, and gas supply stability.

■ Safety and Disaster Prevention Promotion Structure



Formulation and Implementation of a Business Continuity Plan to Take Effect During a Large-scale Disaster and Accident

Based on the Basic Act on Disaster Management, the Daigas Group has established the “Disaster Management Operation Plan” that outlines the basics of disaster prevention, emergency response, and disaster recovery measures related to gas facilities. In July 2013, we formulated a Business Continuity Plan (BCP) to be implemented in the event of a large-scale disaster or accident. This BCP, which we have disseminated throughout our Group, outlines responses to identified risks.

It assumes a situation in which the Company and society at large are affected by an earthquake or tsunami resulting in a paralysis of various functions, or a functional failure due to problems with raw materials suppliers and our equipment, and identifies potential risks and outlines response measures. According to the terms of the “Act on Special Measures for Pandemic Influenza and New Infectious Diseases,” the Company shall respond promptly and accurately to the outbreak of a new strain of influenza or the like to prevent infection of employees and to protect public health. We have established the “Pandemic Influenza and New Infectious Diseases Preparedness Action Plan” in order to ensure the stable supply of gas in such a situation.

In principle, we review our BCP once a year, and we also make plans based on scenarios that assume risks that could affect the Company, conduct BCP training, earthquake drills, and provide education and training incorporating e-learning to promote employee understanding.

In the event of an earthquake, we must respond by upholding business continuity in parallel with implementation of disaster response operations, so clearly advanced disaster response capabilities are required as well. By simultaneously implementing earthquake drills and BCP training in FY2026, we were able to examine the issues of maintaining business continuity concurrently with disaster response operations, thus strengthening our overall disaster-response capabilities. Moreover, alongside risks associated with disasters and infectious diseases, the company-wide Risk Management Committee is responsible for the central management of ESG-related risks such as climate change and human rights risks. The Committee also reports and deliberates on* preventive maintenance plans and results for key risks.

* Please see P.147 for more information on the Risk Management Committee’s initiatives.



▶ Disaster management operation plan

Safety and Security Efforts in the Energy Business

Ensure stable procurement by diversifying sources of LNG imported by Osaka Gas

Natural gas resources—the source of city gas and fuels for power generation—are spread worldwide. Osaka Gas started importing LNG from Brunei in 1972 and has since diversified its procurement sources. In the past, the majority of our procurement contracts had prices linked to crude oil prices, but in 2019 we started to procure US-produced LNG from a natural gas liquification business in Texas, adding procurement contracts with prices linked to the Henry Hub prices, the index upon which the market price for natural gas futures is based in the United States. In 2025, we signed a procurement contract with the Emirate of Abu Dhabi in the UAE, with plans to start imports in the second half of the 2020s. Going forward, we will keep striving to procure more affordable LNG in a more stable manner by diversifying price indexes and procurement sources, enabling us to respond flexibly to rising geopolitical risks and changes in the international situation.

■ LNG Handled by Osaka Gas (Including Fuel Used for Power Generation and Wholesale)

(thousand ton)

Fiscal Year	24	25	26
Brunei	450	590	591
Malaysia	1,008	243	392
Australia	4,026	4,501	5,133
Russia	192	192	191
Oman	1,529	1,332	808
Papua New Guinea	1,940	1,820	1,867
USA	2,151	2,048	2,399
Others	189	458	1,022
Total	11,484	11,184	12,404

Safety measures at LNG terminals

Our system docks LNG tankers safely

At the Osaka Gas LNG terminals at Senboku and Himeji, we strive for complete safety on site and in the surrounding areas. This safety begins as soon as the tankers carrying LNG dock at dedicated piers at the LNG terminals.

The tankers bringing LNG from around the world are docked with the utmost concern for safety. Osaka Gas developed its own system specifically for safely docking tankers through a series of processes.

This system uses a GPS to monitor in real time the position of the tankers to an accuracy of 10 cm as they enter and leave the port, and dock and undock.

LNG tank safety measures

The LNG transported by tanker is fed into LNG tanks from the dock. To ensure a stable supply of city gas, our two LNG terminals have a total of 25 LNG tanks, including one of the world's largest land-based tanks.

Tanks are equipped with advanced earthquake-proof technology. Should there be a gas leak, the tanks have dikes to stop the LNG from flowing to the outside. And there are high-expansion foam discharge systems and water curtain facilities to contain any spilt LNG.



High-expansion foam discharge and water curtain facilities along the dike around an LNG tank

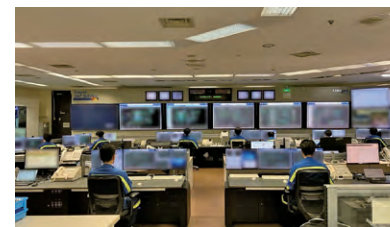
Odorization aids gas leak detection

At Osaka Gas's two LNG terminals, the LNG brought in by tankers at a temperature of -160°C is vaporized using the heat of sea water, then the heating value of the gas is adjusted before it is delivered to customers. Because natural gas is odorless, it is given a specific odor so that it can be detected in case of a gas leak.

Monitored 24 hours a day, 365 days a year

Central control rooms at LNG terminals carry out around-the-clock monitoring and operation of all processes from receipt of LNG, vaporizing of the gas, to delivery of the product.

These central control rooms also carry out monitoring and operation of all of the incident detectors and surveillance cameras so that problems are detected promptly and prevented from spreading. If an incident detector picks up a problem, an alarm is sounded in the central control room and staffs are on the scene immediately.



Central control room at an LNG terminal

Osaka Gas Network Co., Ltd. initiatives: Safety measures during supply

Monitoring and replacing gas pipes

City gas is delivered to customers via the gas pipeline network. Therefore, Osaka Gas Network Co., Ltd. recognizes that keeping the gas pipes safe is one of the most important matters and is constantly replacing old metal pipes with pipes made of polyethylene, which is highly durable and earthquake resistant.



Pipes made of polyethylene exhibit high flexibility

Building resilient facilities

To ensure stable city gas supply, we believe that it is important to renovate the processing facilities, build a gas pipeline network, and take disaster prevention measures in accordance with meticulously devised plans to strengthen our foundation to secure a higher level of stability in the gas supply.

Osaka Gas Network Co., Ltd. is working to improve the earthquake resistance of gas facilities as a preventive measure (promotion of the spread of earthquake-resistant facilities), including the introduction of highly earthquake-resistant gas pipes. We are refurbishing aged gas pipes and introducing such highly durable pipes according to the plan. We are actively proposing the repair of old buried gas pipes at customers' sites that pose a risk of corrosion. We completed measures for cast iron pipes (pipes requiring measures) ahead of schedule from FY2021 to FY2016, as well as measures for cast iron pipes (to be maintained and managed) in FY2025. We continue to implement measures for pipes for preventing corrosion and deterioration.

As part of emergency measures to prevent secondary disasters, we have established a gas shutoff system to prevent secondary disasters caused by gas leakage in the event of an earthquake or other disasters.

In accordance with the Ministry of Economy, Trade and Industry's "Gas Safety Upgrading Plan," we are working to increase the percentage of earthquake-resistant pipes, which indicates the ratio of earthquake-resistant pipes to the total, and to subdivide gas supply blocks to minimize the interruption of the gas in the emergency measure by the earthquake.

We believe that energy resilience can be improved by taking both measures: increasing earthquake resistance as a preventive measure against earthquakes and minimizing damage and achieving early restoration in the event of an earthquake.

Security measures to prevent accidents

Osaka Gas Network Co., Ltd. ensures that the following security measures are taken to prevent the occurrence of accidents including gas leaks.

1. Regular inspection of gas pipes along the pipelines to ensure there are no gas leaks
2. Inspection and repair of facilities including regulators, valves, and gas pipes on bridges
3. Meetings with contractors who are doing excavation work for water and sewage pipes, and electrical and phone lines near gas pipelines, as well as inspection of the work sites, before, during, and after the work



Regular inspection of gas pipes on bridges

Integrated system for monitoring and controlling the gas supply

Osaka Gas Network Co., Ltd. ensures a stable and safe supply of gas 24 hours a day, 365 days a year.

We have a gas supply monitoring and control system that keeps a constant watch on gas, from the LNG terminals to every corner of the pipeline network. The system constantly gathers data on gas pressure, flow volume, and irregularities from points around the gas pipeline network, providing integrated control through remote operation that controls production and supply and detects any problems.



Supply control and irregularity monitoring

Osaka Gas Network Co., Ltd. initiatives: Emergency response system and anti-disaster measures

Taking calls and responding all day, every day

It is particularly important to establish an initial response system in the event of accidents and natural disasters and act appropriately in response to such events.

Osaka Gas Network Co., Ltd. has established a unified security system covering the entire supply area. Under the system, if gas leakage occurs, the Central Control Room will take charge of all relevant duties, including receiving an accident report and dispatching security staff to the accident site. Specifically, the Central Control Room will order the dispatch of the emergency vehicle that can reach the accident site the fastest by taking various factors into consideration, such as availability of vehicles and their locations.

The Central Control Room accepts emergency reports, such as a gas leakage, around the clock via dedicated telephone lines set up in the Room. After an accident is reported, emergency staff will be sent to the site immediately and work in close collaboration with local police and fire departments.



Central Control Room (emergency call reception)

Initiatives for coordination with local governments in the event of a disaster

Osaka Gas Network Co., Ltd. has concluded agreements with local governments on coordination in the event of a major disaster or in other similar situations. The purpose of the agreements is to quickly stabilize people's lives by working together with local governments to restore gas supplies safely in the event of any major disaster. As of March 2026, the Company has concluded agreements with approximately 70 local governments within the supply area.

With this agreement, the company will deepen its cooperation with the government in normal times even more than before, and build a system for cooperation and collaboration in the event of a disaster.

Emergency response system and anti-disaster measures

Measures against possible large-scale earthquakes

Daigas Group has taken a range of measures for dealing with large earthquakes, including installing earthquake-resistant polyethylene pipes and intelligent meters that detect vibrations from the earthquake and shut off the gas supply and securing an emergency communications network. In addition, the Great Hanshin-Awaji Earthquake of 1995 has prompted us to step up these measures.

We have installed seismometers in the Group's service area, which allow us to quickly determine the seismic intensity and other information. The service area is divided into blocks. In the event of the detection of ground shaking that may cause damage to gas pipelines, to prevent secondary damage, gas supplies are shut off block by block. This is possible thanks to a system of automatic gas shutoff devices equipped with a seismoscope as well as remote gas shutoff devices that are activated by command from the Central Control Room. If the Central Control Room is physically damaged, the Central Control Subcenter set up with a similar function will take over its task.

We also make constant efforts to improve employees' ability to respond to emergencies, including conducting company-wide disaster drills and providing disaster prevention education through e-learning, in addition to taking physical countermeasures against earthquakes as described above.

In FY2026, as a disaster drill, we conducted an earthquake drill and business continuity plan (BCP) training simultaneously, continuing from the previous year, to identify issues arising and to verify countermeasures upon conducting disaster response and business continuity operations at the same time. In the drill based on a scenario in which an earthquake with a maximum seismic intensity of 7 occurs at 10 p.m. on a weekday, a task force headed by the President of Osaka Gas was formed at the Head Office, and approximately 2,000 employees of the Group took part. To further promote their understanding on how to respond to a disaster at night and thereby enhance their response capabilities, we confirmed disaster responses based on our disaster management operation plan and other rules in case of disaster situation.

■ Progress of Major Earthquake Countermeasures Since the Great Hanshin-Awaji Earthquake

Item	Major earthquake countermeasures	At the time of the Great Hanshin-Awaji Earthquake (January 1995)	Current situation (March 2026)
Strengthening information gathering functions	Addition of seismometers	Installed in 34 locations	<ul style="list-style-type: none"> Installed in approximately 3,300 locations
	Introduction of earthquake damage prediction system	—	<ul style="list-style-type: none"> Introduced at the head office, sub-centers, and five business units of Osaka Gas Network Co., Ltd.
Constructing supply stop system	Subdivision of supply blocks	55 middle blocks	<ul style="list-style-type: none"> 89 middle blocks 745 little blocks
	Introduction of supply cutoff devices	Only super blocks (supply areas divided into eight) were remotely controlled	<ul style="list-style-type: none"> Remote cut-off devices: Approx. 3,600 locations Seismic automatic cut-off devices: Approx. 3,000 locations
Strengthening emergency communication	Strengthening of wireless systems	—	<ul style="list-style-type: none"> Redundant wireless networks with the main bases being the head office and sub-centers 6 portable satellite communication devices
Other	Earthquake resistance rate	Percentage of earthquake-resistant pipes: 68%	<ul style="list-style-type: none"> Percentage of earthquake-resistant pipes: Approx. 90%
	Promotion of the use of polyethylene (PE) pipes	Approx. 1,200 km of PE pipes	<ul style="list-style-type: none"> In principle, all newly constructed low-pressure pipes are made of PE Approx. 19,400 km of PE pipes
	Backup of important online	—	<ul style="list-style-type: none"> Establishment of a backup center

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

Status of technology development and operation for disaster preparedness and recovery support

Various in-house organizations must work in close cooperation to restore gas supply suspended because of a disaster or accident. This requires that information on conditions at trouble spots be shared immediately.

Osaka Gas developed the "BRIDGE" disaster recovery support system to centrally manage real-time information from the onset of a disaster/accident through recovery, and put this system into operation in 2012. The system links up map information with customer information, making it possible to "visualize" recovery actions by centrally managing on-site progress and reducing the time needed to complete recovery work. In addition, the "OG-DRESS" mobile-based reporting system aimed at supporting disaster recovery has been established, enabling reporting on completion of recovery work via mobile phone. Based on such a system, we will make our response actions in the event of a disaster expeditious.

We developed the "Typhoon and Torrential Rainfall Information System," which provides centralized information on accumulated rainfall and landslide disasters during typhoons and torrential rainfall, and have been operating the system since 2015. We also built a system to grasp the risk of river flooding at an early stage and have operated it since 2021. If we identify a risk of inundation of gas supply facilities due to river flooding, we will establish an emergency system and take preventive measures for the facilities to ensure the safe supply of gas for our customers.

We have developed a "recovery visualization system" that provides easy-to-understand information on the restoration of gas service to customers living in areas where gas supply is cut off due to a major earthquake. In the event of a major earthquake, the top pages of websites of the Company and Osaka Gas Network Co., Ltd. switch to an emergency-use page that provides status updates on gas supply stoppage and restoration using this system.

The recovery visualization system has two types of browsing functions: a map on which the gas recovery status is shown color-coded by stage and a list that shows the gas recovery progress by area.

We will continue to work to improve our disaster prevention and mitigation measures against earthquakes and other natural disasters and to deliver city gas to our customers with greater safety and stability.

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

Passing on advanced knowledge and skills in safety and disaster prevention

Based on the belief that its greatest mission is to deliver gas safely and securely, the Daigas Group strives to nurture human resources with a high level of knowledge and skills in the areas of safety and disaster prevention.

The Technical Skill Development Center of Osaka Gas Network Co., Ltd. strives to develop human resources with advanced knowledge and skills through high-quality lectures, abundant DX materials (video, VR and eye tracking), etc., with the aim of preventing gas accidents and accidents resulting in injury or death. To convey the lessons learned from various past failures, we have also set up experiential-type training facilities that reproduce the circumstances at the time of these failures. Also, at the Human Resource Development Center of the Energy Solution Business Unit, we are working to enhance quality of customer-facing operations including the opening of gas lines and equipment repairs. Moreover, at the immersive training facility "Learning Center for Nurturing Safety," we opened in March 2025, we are using immersive videos to develop a safety-first mindset which is fundamental to employees' activities. Furthermore, Daigas Gas and Power Solution Co., Ltd. has opened an educational facility to learn from past accidents and trouble and pass on those lessons to the next generation. By using a VR projector to watch immersive accident reenactments, participants can experience the horror of accidents and learn more through exchange of opinions with other participants.

In order to further solidify "safety," we have established the Four Safety Principles as a universal code of conduct common to those involved in safety as part of their work. We aim to eliminate accidents and problems by adhering to these four principles, which are: adherence to rules, reliable communication, reconfirmation, and interruption at unexpected times. We will follow these provisions to help make ourselves continuously aware of our responsibility to customer safety.

Products and services ensure safe use by customers

Informing customers about safe use of gas appliance

To ensure that customers can use their gas appliances with peace of mind, we take every opportunity to talk to them about the safety of their appliances: during regular safety inspections, when providing a new gas service, and when conducting repairs.

The Osaka Gas website has a section with important announcements on gas appliances, where we talk about the proper use of gas appliances, and post prompt notices about product modifications or defects.

Developing and promoting the use of safer gas appliances

The Daigas Group strives to bring customers products and services that ensure the safe use of gas. In 1992 we developed an automatic shut-off device for gas stoves and in 1999 a small gas water boiler with interlock mechanism¹. To eradicate fires originating from gas stoves, since April 2008 all products have been equipped with an auto shut-off function to automatically turn off the gas when the user forgets to. We have been working to spread the use of this product, called the “Si” Sensor-Equipped Cooking Stove.

In 2019, we developed and launched a new safer and securer gas stove in cooperation with Paloma Co., Ltd. to reduce the risk of clothing catching fire² during cooking. The new gas stove is equipped with area sensors³, an industry-first technology. When a sleeve or other object comes close to the flame, the sensors detect it, lower the flame automatically, and sound a voice alert. The product obtained recommendation certification as a product with effective fire and disaster prevention functions from the Fire Equipment and Safety Center of Japan, the first time for a cooking device. Meanwhile, we would like to eradicate all old gas appliances that lack safety mechanisms. In particular, we visit customers who are still using old appliances that are not equipped with incomplete combustion prevention devices, such as small tankless gas water heaters and wire-mesh gas stoves, and recommend that customers upgrade to safer gas appliances.

The Group also provides gas alarm systems that warn residents of a gas leak or carbon monoxide and offers a range of safety-related services, including the dispatch of staff to a home when trouble is detected.

¹ Interlock mechanism: A device that stops the ignition process after the incomplete combustion prevention mechanism is triggered three times.

² Clothing catching fire: A sleeve, for example.

³ Area sensors: It is a registered trademark of our company.

■ Rate of Use of Water Heaters with an Incomplete Combustion Prevention Device and Gas Stoves with a Function of Automatically Turning off the Flame

	FY2022	FY2023	FY2024	FY2025	FY2026
Rate of use of water heaters with an incomplete combustion prevention device (%)	99.9%	99.9%	99.9%	99.9%	99.9%
Rate of use of gas stoves with a function of automatically turning off the flame (%)	96.3%	96.3%	96.6%	97.0%	97.0%

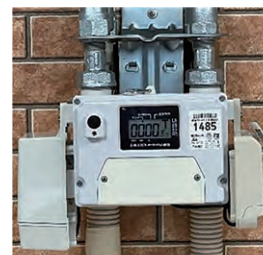
Launch of smart meter use for remote operations

Gas meters have widely been installed in customer's homes for residential use, and they play an important role in ensuring a stable supply of city gas and ensuring safety by measuring customers' gas usage and shutting off gas in emergencies.

In addition to functions found in conventional gas meters, smart meters also have communication functions, making it possible to install them for the purpose of remote meter reading, remote operation, and remote data collection. This reduces the burden of customers being present during meter readings and ensuring prompt assurance of safety.

Osaka Gas Network Co., Ltd. is using a smart meter system jointly developed with Tokyo Gas Network Co., Ltd. and Toho Gas Network Co., Ltd. to gradually begin operations such as remote meter reading via smart meters from May 2025. This will help solve future labor shortages by improving productivity and further improve safety and resilience.

We started installing smart meters within the service area in October 2023, with the aim of completing installation in all households by the early 2030s.



Smart meter with communication unit and repeater



Smart meter with communication unit



Conventional gas meter

Product Safety Voluntary Action Plan for residential gas appliances

The Daigas Group, as a distributor of residential gas appliances and a repair and installation business, strives to ensure the safety of residential gas appliances, acting according to the Product Safety Voluntary Action Plan, being based on a strong determination to continue to ensure that our customers enjoy safe, secure, and comfortable lives.



When problems occur

When there is a product accident or other problem with a gas appliance that it sold, installed, or repaired, the Daigas Group immediately informs the media and places notices in newspapers and on its website. At the same time, the Group proceeds with the inspection of the product in question and, if necessary, repairs it or replaces parts.

On April 15, 2025, we issued a press release titled “Request Regarding Use of Bathroom Heater/Dryers and Parts Installation Work,” set up a toll-free number, and posted the information on our website. At the same time, we sent out direct mail to affected customers to raise awareness and, from a safety perspective, requested that they suspend use of the relevant products except for ventilation purposes. We are also proceeding with inspections and free installations of control boards to prevent fires in the event of breakdowns due to aging.

Moving forward, we will continue to raise awareness among customers using affected products, conduct inspections, and install control boards to ensure safety.

Social

Customer Satisfaction Summary

Basic approach

With "Service First" as its corporate motto, the Daigas Group strives to ensure that customers can use its products and services in a safer and more convenient manner. To do so, we believe it is important to develop and provide services that meet customer needs, improve security and service quality, and appropriately provide customers with information regarding safety aspects of our products and services. To provide services in excess of customer expectations, we are listening to their voices through various contacts with them, with the aim of improving our products and services.

In the Medium-Term Management Plan 2026, we have positioned co-creating advanced, diverse solutions that meet customer values as one of our materiality.

Theme	Items to be addressed	Specific initiatives				
Proposing new value to customers ➡ P.122 Customer satisfaction ➡ P.123	<ul style="list-style-type: none">• Provision of diverse solutions beyond energy• Enhancement of pricing options in line with different needs• Maintenance and improvement of service levels by collecting and analyzing customer feedback and reflecting it in operations• Creation and sharing of manuals for each duty, aiming for higher level of service• Promotion of awareness-raising activities through training for managers and persons in charge	<div>Policy and promotion system</div> <p>The General Manager of the Energy Solution Business Unit plans the basic policy for customer satisfaction improvement activities in accordance with the “Customer Service Rules,” and the head of each organization in charge formulates and implements specific measures.</p> <div>Initiatives undertaken in FY2026</div> <ul style="list-style-type: none">• Developed new services to transform the customer experience• Proposed energy and living services to solve customers’ concerns• Conducting a questionnaire after completing a duty, analyzing and sharing it within the Company, and reflecting it in the improvements in duties• Introduced generative AI for customer feedback analysis system, and implemented an improvement cycle through rapid sharing of the feedback and highly precise cause verification				
	<div>Materiality</div> <p>Co-create advanced, diverse solutions that meet customer values</p>	<div>KPIs based on the materiality</div> <table><tr><td>Number of customer accounts</td><td>10.89 million accounts</td></tr><tr><td>Customer satisfaction rate</td><td>93%</td></tr></table> <div>Initiatives undertaken in FY2026</div>		Number of customer accounts	10.89 million accounts	Customer satisfaction rate
Number of customer accounts	10.89 million accounts					
Customer satisfaction rate	93%					

Customer Satisfaction

Principle and Outline

The Daigas Group believes that building various customer touchpoints through our gas and electricity services, as well as services that support lifestyles and businesses, serves as a critical platform for solving social issues and co-creating new value. In addition to co-creating advanced, diverse solutions that meet diversifying customer values and can solve global social issues, we are working to strengthen the relationships of trust with customers that are fundamental to these efforts.

Since FY1989, Osaka Gas has conducted the Customer Satisfaction Survey with the aim of improving customer satisfaction, which is a sign of the trust placed in us by customers. The survey covers five duties that directly deal with customers: opening of gas lines, repair of gas appliances, sales and installation of appliances, regular security patrols (gas facilities inspection), and response to telephone inquiries (at the customer centers). After completing each duty, we ask customers to provide their feedback in a questionnaire, and in FY2026, we received approximately 35,000 responses to the questionnaire.

The results of this survey are reflected in our efforts to improve daily operations and enhance CS awareness among the Group employees and Osaka Gas service chain employees.

The results of this survey are also reflected in KPIs based on material issues. We manage our progress toward achievement of our goals and redouble our efforts to achieve higher levels of customer satisfaction.

Proposing New Value

Diverse pricing options to meet the needs of society and our customers

The Daigas Group offers a range of electricity rate plans in line with customers' usage.

For individual customers, we offer various plans to meet different lifestyle needs, including the Gas-Toku Plans, in which customers can benefit from lower rates based on their gas appliances and gas usage, and the Style Plan E, which supplies customers with environmentally friendly electricity from effectively 100% renewable energy.

For corporate customers, Daigas Energy Co., Ltd., a wholly-owned subsidiary of Osaka Gas, acts as our agent in offering carbon-neutral city gas and the D-Green series of new electricity rate plans that supply electricity from 100% renewable energy sources.

Moving forward, we will continue to expand our range of optimal rate plans in line with the needs of society and our customers.

Proposing New Value

“Sumikata Services”: A range of home repair and other services to support comfortable, safe living

Osaka Gas provides a wide range of services under the umbrella of “Sumikata Services” for residential customers, which extend beyond gas and electricity, to support the comfort and safety of people's home living environments.

Sumikata Services include plumbing repair, air conditioning repair, home repair, house cleaning, and other services as part of “Kaketsuke Service,” which involves the dispatch of personnel to the customer's home. Other services include disaster-management and crime-prevention services covering gas alarms, fire alarms, home security, and more. For example, personnel from the Osaka Gas service chain, with expertise gained through the repair of gas equipment, quickly accept and respond to service requests to repair water-related problems in the kitchen, bath, sink area, or toilet.

In June 2020, we started providing services, such as housekeeping and garden tree care, in collaboration with Duskin Co., Ltd., and from October the same year, we began the provision of services to respond to trouble with PCs and IoT devices in partnership with Japan PC Service Co., Ltd.

Through Sumikata Services, we respond to a wide range of problems faced by our customers in collaboration with the Osaka Gas service chain and diverse alliance partners. The membership of the services currently exceeds 500,000.

Efforts to Improve Customer Satisfaction in Each Duty that Directly Deals with Customers

Prompt, precise phone service connects customers to the relevant company division

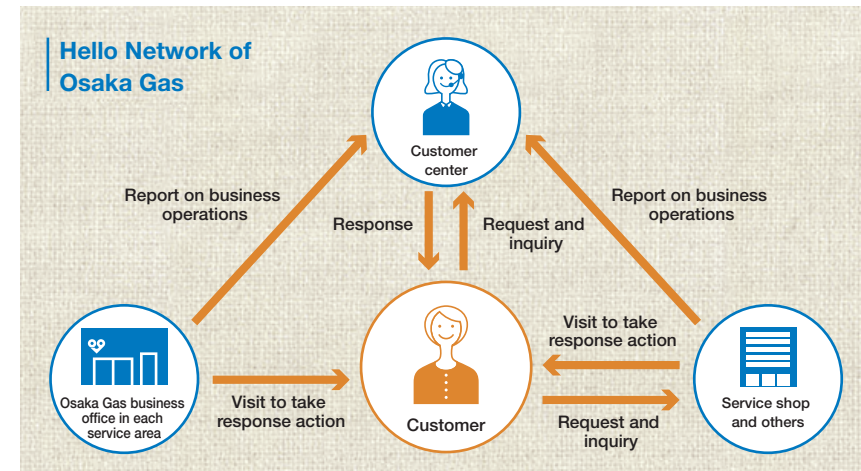
In 1985, Osaka Gas opened its “Customer Centers” as a one-stop service portal for customers with inquiries and applications for service. The center takes telephone inquiries on all matters relating to gas and electricity, such as starting and stopping a gas and electricity service, inquiries about gas and power bills, requests to change payment methods, and repair of gas appliances. On the Osaka Gas “Internet Reception” page, customers can easily apply for services related to moving to a new home, inquiries on gas bills, and changes in the day of equipment surveys. And for the hard of hearing, we have a facsimile service for handling inquiries. With our company-wide “Hello System,” applications and inquiries are relayed from the “Customer Centers” to the relevant Osaka Gas division to ensure that customers always get a prompt and appropriate response.

For the sake of greater customer convenience, we have been offering toll-free numbers and a phone service even on Sundays and holidays to take gas appliance repair requests 24 hours a day. Since April 2020, we have been using the Voice Digital Transformation (DX) Consulting Model* provided by NTT Communications Corporation to launch a reception service in which AI (artificial intelligence) automatically responds to customer calls by voice, and are gradually expanding the range of reception cases, such as accepting changes to payment methods.

Aiming to further improve service in additional ways, we will optimize the assignment of Customer Center operators and introduce an automated attendant system. We will also continue our efforts to further enhance our system for accepting requests, applications, etc. online.

* The Voice Digital Transformation (DX) Consulting Model is a solution that automates the entire process, from response at the contact center to clerical processing, by combining an interactive AI engine and application programming interface (API; a system for sharing the functions of software)

Hello Network of Osaka Gas



Opening of gas lines

The opening of gas lines is an essential process to ensure that customers can use gas safely when starting to use gas in a new location.

Staff visit at the date and time requested in advance and, with the customer present, check for gas leaks and the safety of the intake and exhaust equipment of gas appliances and provide safety guidance.

Applications to open gas lines can be made by phone through the Osaka Gas Customer Center or via our website. For customers who apply online, we have also started sending a confirmation email and a reminder email the day before that include a URL for a “Gas-Opening Video (Nukumori-san)” that explains the process for the day, the need for someone to be present, and other information. Moreover, in response to feedback from customers who have moved into new homes where they do not know how to use the installed gas appliances, we provide explanations on how to use gas water heaters and stoves. We have received positive feedback on these initiatives from many customers through questionnaires.

Repair of gas appliances

For the repair of gas appliances, we accept requests for repairs 24 hours a day, 365 days a year, and visit our customers' homes to repair their appliances. In addition to accepting requests by phone at Osaka Gas's customer center, we also accept them on our website, where customers can inquire about the details of their problems and receive advice on issues that can be resolved without our visit. Osaka Gas's service chain partners hold a large inventory of parts of hot water appliances, for which there are particularly many requests for repair, so that we can repair them on the day of our visit. As a result, the completion rate of repairs on the first visit reached 90% and the satisfaction rate for the number of days from acceptance to completion of repairs 98%, indicating that our repair speed is highly evaluated by our customers.

Online procedures

Recommended

It's easy online!
No need to wait for a call to be connected.

Gas/Electricity

Start using gas or electricity



Apply

Sales and installation of appliances

For the sales and installation of appliances, Osaka Gas's service chain partners, which operate in approximately 200 locations in the Kansai region, provide community-based services that can respond quickly and meticulously to customer requests. In order to help our customers live safe and comfortable lives through a wide range of operations, our experienced staff members provide various services, including proposals for appliances, quotations, contracts, installation, and after-sales service. We created a video explaining the details of installation work, based on the comments from customers who have signed a contract for purchasing a gas stove regarding advance explanations of the installation work, including “I would feel more secure if I knew the details of the work in advance.” We use this video at the time of sale or installation so that customers can see in advance what work will be performed on the day, and thus the appliance can be delivered with customers having a greater sense of security.

Regular security patrols

In regular security patrols, inspections of gas facilities for gas leaks and ventilation equipment (gas water heater/gas water boiler) are conducted at least once every four years* in accordance with the Gas Business Act to ensure safe and secure use of gas. The work on the day of the inspection is carried out by workers who have received appropriate technical training. In addition to the inspection items stipulated by law, we have set items for voluntary work, such as checking the ignition of some gas appliances and measuring the carbon monoxide concentration in the exhaust gas, in an effort to call attention to the safe use of gas. Additionally, as we require the customer's cooperation during the inspection, we mail a notice of the visit date in advance, and if the date is not convenient for the customer, we accept requests to change the visit date. In addition to applying by phone, we also make it possible to apply online in an effort to reduce the burden on our customers.

* Patrols are conducted at least once a year for specific underground malls and specific underground rooms.

Accuracy in Advertising

Ensuring complete accuracy and honesty in advertising based on the code of conduct

Advertising activities and product labeling are important means for many customers to accurately understand the products and services of Osaka Gas, and they are important factors for customers to make decisions when selecting products and services. Therefore, we strive to provide and display appropriate information about products and services based on “7. Complying with anti-monopoly laws and regulations, and conducting fair transactions,” and “10. Interacting with customers appropriately” in the Daigas Group Code of Business Conduct.

Responding to rising popularity and demand among our customers for environmentally friendly products, whenever the degree of energy-saving effects of a product is printed in our catalog, as a rule we ensure the accuracy by double-checking the manufacturer's claims of the product's performance data and confirming those numbers internally.

As for the safety of products and services offered by the Daigas Group, we are managing the development and quality control as well as appropriate labeling and information disclosure for all Osaka Gas brand products in line with the technological standards stipulated under the Gas Business Act and the Law Concerning the Securing of Safety and the Optimization of Transactions of Liquefied Petroleum Gas and guidelines set by the Japan Industrial Standards (JIS) and the Japan Gas Appliances Inspection Association (JIA), as well as in-house rules.

Introducing energy saving information and a safety guide on our website

The Daigas Group uses various media to provide customers with a wide variety of useful information for daily life regarding energy saving so that they can use energy efficiently. “Kurashi no Hinto Zukan” on the Osaka Gas Website contains a collection of hints regarding measures aimed at promoting energy saving at households and their expected benefits. Users of the website can access the content of a guidebook called “Anshin Guide,” detailing how to use gas safely, which they are to receive from Osaka Gas staffers visiting their homes for gas equipment surveys.

We have set up an online site called “Daigas STUDIO” to deepen people's knowledge of Osaka Gas and increase their favorability of our company. Users of the service can access the most updated information about the Daigas Group and relevant topics through the website, Facebook and X (formerly known as Twitter).

In addition, we share information about our initiatives toward carbon neutralization, which are of great importance to society, on our website “The Daigas Group's Challenge to Carbon Neutrality”.



Social

Community Summary

Basic approach

The Daigas Group operates a business that is rooted in and supported by local communities. We believe that our various contributions to local communities will lead to a virtuous cycle, leading to the development of both the Group and society.

The Group recognizes that it is important to proactively disclose information, enhance management transparency, and promote co-creation through constructive dialogue with a wide range of stakeholders for the public's better understanding of its corporate activities. In the Medium-Term Management Plan 2026, we have positioned maintaining and improving the soundness and flexibility of management foundation as one of our materiality. We set contribution to local communities as an indicator, and accelerate initiatives.

Theme	Items to be addressed	Specific initiatives
Co-creation activities with local communities ➡ P.127	<ul style="list-style-type: none"> • Community building • Recommendations to society through research activities • Partnerships with social service organizations • Contribution to next-generation education • Contribution to local communities through sports • Corporate volunteering activities under the Small Light Campaign 	Policy and promotion system <ul style="list-style-type: none"> • Leveraging networks with a wide range of stakeholders, including local governments, schools, and NPOs, to provide knowledge and programs aimed at resolving social issues • Promoting sound development of the next generation through the Group's energy and environmental education, disaster prevention, food education, sports menus, etc. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Participation in local governments' activities (i.e. community development planning) 50 cases • Community co-creation activities in collaboration with NPOs and other parties 169 times • Education for the next generation and community contribution activities through the "NOBY SPORTS CLUB" 2,158 times • Through the employee-led local contribution activities under the Small Light Campaign, providing support for children in need of social care and employment support for people with disabilities.
	Materiality Maintain and improve the soundness and flexibility of management foundation	KPIs based on the materiality Contribution to local communities FY2026 materiality result <ul style="list-style-type: none"> • Promoted the healthy development of the next generation through energy and environment education, disaster prevention education, the NOBY SPORTS CLUB, etc. • Provided support for children in need of social care and employment support for people with disabilities • Conducted community co-creation activities in collaboration with NPOs and other parties • Participated in local governments' activities (i.e. community development planning), etc.
Activities by public interest incorporated foundations ➡ P.131	<ul style="list-style-type: none"> • Assisting the elderly <ul style="list-style-type: none"> - The Osakagroup Welfare Foundation • Doing our part on the international scene <ul style="list-style-type: none"> - The Osaka Gas Foundation of International Cultural Exchange 	Policy and promotion system <ul style="list-style-type: none"> • The Foundation engages in activities to improve and enhance the welfare of the elderly by subsidizing local welfare activities for the elderly and surveys/research conducted by universities and medical institutions and by promoting health to help senior citizens maintain and improve their health. • The Foundation continues its activities to grant subsidies in the fields of education, academics, and science and technology in Southeast Asia, Oceania, South Asia, and Japan, with the aim of deepening international mutual understanding between Japan and these countries and contributing to international goodwill. Initiatives undertaken in FY2026 <ul style="list-style-type: none"> • Subsidy projects for welfare activities for the elderly and surveys/research: 60 subsidies for welfare of the elderly (7 million yen); 10 subsidies for surveys/research (7.57 million yen) • Health promotion projects aimed at helping senior citizens maintain and improve their health: 106 times, 6,380 participants • Subsidy projects for universities, students, etc. in Indonesia, Malaysia, East Timor, and Sri Lanka: Scholarships, grants for experimental research and educational equipment, short-term junior high school student exchanges between Malaysia and Japan, etc. (30.61 million yen)

Co-creation Activities with Local Communities

Principle and Outline

As a corporate group operating in a community-based manner, the Daigas Group believes that its good relationships with local communities is an indispensable foundation for its management. To help local residents better understand our business, we are proactively disclosing information and increasing the transparency of our company operations, as well as communicating with the general public. In addition, we will promote activities that are highly compatible with the Group's management strategy and that can contribute to coexistence with local communities. We have been making proposals for and cooperating in local governments' activities and working on joint efforts and activities with communities to create value in communities by taking full advantage of knowledge and resources which the Group has acquired through its business operations.

The details of the Daigas Group's initiatives are found on our social contribution website.



Examples of activities

Theme	Examples of activities	
Participation in local governments' activities (i.e. community development planning)	<ul style="list-style-type: none"> ● Support for SDGs promotion activities by local governments through proposals for community building 	<ul style="list-style-type: none"> ● Proposals for/participation in councils, committees, etc. organized by various organizations and local governments
Co-creation with local communities	<ul style="list-style-type: none"> ● Research activities with third parties to create attractive cities <ul style="list-style-type: none"> • Holding the Uemachi-Daichi past and present forum event • Production of Storytellers' Theater ● Collaborative activities with NPOs and social entrepreneurs <ul style="list-style-type: none"> • Communication related social issues through NPO for social designing • Supporting NPOs through Osaka Gas member's club ● Holding "Fureai Bazaar," etc. under the "Small Light Campaign" 	<ul style="list-style-type: none"> ● Support for activities by elderly people in collaboration with local governments, NPOs, etc. ● Supporting employee-led activities to build a well-being society <ul style="list-style-type: none"> • Holding "Talkin' About YOUTH" and "My Project Conference" • Holding "Social Design Day" ● Activities to revitalize communities in collaboration with local governments and third parties <ul style="list-style-type: none"> • Talkin' About activities • Histoire project
Other activities (next-generation education, consumer support, etc.)	<ul style="list-style-type: none"> ● Energy and environment education ● Disaster response education and fire education ● Food education ● Response to consumer groups and consumer centers 	<ul style="list-style-type: none"> ● NOBY SPORTS CLUB activities ● Lectures and presentations at universities ● Community clean-up by sports clubs ● Holding coaching sessions for baseball and track and field, etc.

Social contribution activity costs

FY2026: 275 million yen

Community Building

As an energy service provider, the Daigas Group is committed to environmental preservation with a great sense of mission. At the same time, we roll out businesses that are closely related to people's day-to-day lives and aim to coexist with local communities. We have identified "Provide carbon neutral energy" and "Enhance the resilience of customers and society" as part of our materiality. Through our business and social contribution activities, including cooperation and proposals on community development that takes into account the local environment and disaster prevention as well as health and other aspects of daily life, we are working on giving the public greater safety and security.

Recommendations to Society through Research Activities

The Research Institute for Culture, Energy and Life (CEL), the in-house research institute of the Daigas Group, was established in 1986 as one of the projects commemorating the 80th anniversary of the founding of Osaka Gas. We work on research, practice, and recommendations to analyze the social structure and solve problems in society with the aim of creating value in communities ((i) inheriting and improving the community's appeal and (ii) promoting a high-quality living environment).

It also makes good use of its findings in outside activities undertaken in cooperation with government agencies, business committees and NPOs.

In recent years, we have also been conducting research and surveys on employment for the elderly from the perspective of social welfare.

We advocate that active participation of senior citizens in society will be beneficial to not only themselves but also local communities, business operators, and local governments. We have been taking action with NPOs and other business partners while cooperating with administrative authorities, business operators, and other organizations.

In March 2024, we entered into an agreement with Osaka Prefecture to promote senior citizen's health, their employment to give them purpose in life, and other initiatives in the prefecture.

Partnerships with Social Service Organizations

Local communities face many social issues, and these issues are becoming more advanced and complex. The Daigas Group regards the practitioners of "My Project = Starting to Solve Social Issues by Considering Them as if They Were My Own" as future partners in livening up communities in the Kansai region. The Group disseminates their activities to society and aims to collaborate with various stakeholders.



Holding a Storytellers' Theater performance at Open House Osaka

Collaborative activities with NPOs, etc.

Osaka Gas Network Co., Ltd., which is one of the Daigas Group companies, has been operating the online magazine "My Pro Showcase Kansai" jointly with the NPO Greenz since 2013 to introduce regional projects undertaken by Kansai-based "social designers" and nonprofit organizations.

With the aim of cultivating the next generation of leaders tasked with solving social issues, we hold "Talkin' About YOUTH" (from 2023), an event for learning and connecting aimed at the U-35 generation. From FY2025, we also started holding "Social Design Day," for Daigas Group employees to work with local NPOs and other organizations and aim for a well-being society.

Outside Japan, Osaka Gas USA Corporation (OGUSA), which develops and invests in natural gas and power generation projects, etc. in the U.S., works on social contribution activities, including reforestation projects in public parks.



Efforts to realize an inclusive society

The Daigas Group member OGIS-RI Co., Ltd is running the Hajimaru-kun Personal Computer Donation Program.

This program is a social contribution activity that aims to contribute to the environment through the reuse of PCs, support the employment of people with disabilities through the outsourcing of PC refurbishment work and provide IT support to the recipients of the PCs. Since this program started in 2009, it has donated 5,589 PCs (as of March 31, 2026) to social welfare organizations. In FY2025, the 16th Daigas Group Hajimaru-kun Personal Computer Donation Program donated 180 "Hajimaru-kun PCs" to 107 welfare facilities in six prefectures in the Kansai region, Japan.



PC recycling work at a welfare workshop

Community contribution activities in collaboration with customers

Osaka Gas and Osaka Gas Marketing Co., Ltd. have been working with our customers to consider and support social issues in local communities through the implementation of "Social Design+," a project that supports social design leaders who are striving to solve social issues on the membership-based website "My Osaka Gas."



Contribution to Next-generation Education

Energy and environment education

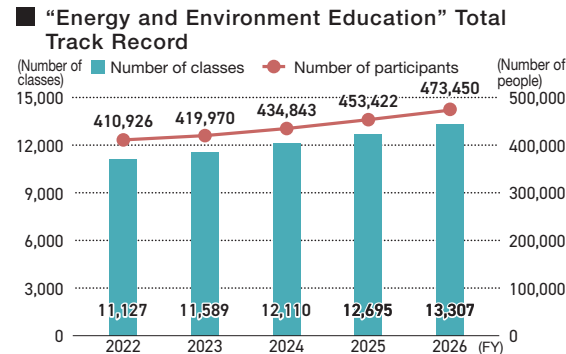
Since FY2007, the Daigas Group employees and alumni traveled to elementary, junior and senior high schools to teach lessons on energy and the environment in order to help children think about and understand increasingly important environmental issues. The Group's instructors offer two programs, including Eco-Cooking¹. To address the GIGA School Program² for elementary schools, in 2025, we began an online program using the Unko Drills series (a children's educational workbook series featuring poop-themed content), which are popular among elementary school students.

In addition, Osaka Gas runs the Gas Science Museum (located on the premises of the Senboku LNG Terminal) where visitors can learn about energy and the environment. In December 2022, its content was completely renewed to provide the latest information. The museum is also used by the general public for experimental learning programs at nearby elementary and junior high schools or local events.

In FY2026, the number of participants in energy and environment education was 20,028, and the number of times it was held was 612.

¹ Eco-Cooking is a registered trademark of Tokyo Gas Co., Ltd.

² A program promoted by the Ministry of Education, Culture, Sports, Science and Technology to create and use school environments, including ensuring 1 device for 1 student and a high-speed, high-capacity network, aiming at improving the quality of education and facilitating personalized and collaborative learning to bring out the best in every child.



Disaster response education

In response to the increased need for disaster response education following the Tohoku earthquake and tsunami of 2011, we created an original textbook for an upper elementary school on the theme of disaster response Lessons in Disaster Response that we distribute to local elementary schools. The textbook teaches children about natural disasters in Japan. While studying it, children take a workshop designed to impart useful knowledge about the changes that take place in people's lives when a disaster strikes. The textbook also contains a checklist of items to prepare and things to do at home to prepare for emergencies. Over a period of 11 years, the textbook has been used widely at junior high schools, high schools, and universities, as well as by local governments and local residents' associations. Over 320,000 textbooks in total have been distributed.



Left: Learning material for upper grades of elementary school (A4, 40 pages, full color)

Right: Teacher handbook (with worksheets and supplementary teaching materials for the class, A4, 40 pages, full color)



“Lessons in Disaster Response,” in which children learn in a workshop format how their lives can change during a disaster and useful knowledge for disaster preparedness

Contribution to Local Communities through Sports

NOBY T&F CLUB, a track club led by Nobuharu Asahara, a Daigas Group employee and Beijing Olympics medalist, aims for the sound development of the next generation and creation of a new community through athletics and track and field. In addition to focusing on fostering top athletes by leveraging the experience and leadership of former Olympians and Japanese national team members for world championships, the club also offers courses aimed at improving the health of seniors.

The training programs that have been held for more than 10 years and the instructional know-how are also used at municipal events or in school classes. Since 2025, we have operated a soccer school and contributed to local communities as the newly established NOBY SPORTS CLUB.



「NOBY SPORTS CLUB」training program

Social Contribution Activities through “FitDish” —A Regular Delivery Service for Refrigerated Pouched Dishes

To meet customers' diverse lifestyles and needs, in September 2023, Osaka Gas launched “FitDish,” a regular home delivery (subscription) service that combines “Automatic Diagnosis”¹ with refrigerated pouched dishes.

In developing this service, as part of our contribution to local communities, we donate² products that meet quality standards but that may be difficult to sell through normal channels due to being excess inventory or leftover stock to five organizations, including those that manage children's cafeterias, offer support for single parents, and operate food banks.

Through ongoing donations like these, we will contribute to resolving issues facing our local communities and work to reduce food waste in our business activities.

¹ A service that allows customers to input information such as family size, food preferences, and ingredients they do not want to receive, and have products that match their preferences delivered to their homes automatically

² Total donations up until May 2026: Approx. 166,600 packs



Regular dishes delivery service “FitDish”

Corporate Volunteering Activities under the Small Light Campaign

As a corporate group that works together with local communities, the Daigas Group has always actively participated in local activities. The Small Light Campaign was launched in 1981, the UN International Year of Disabled Persons, as the Daigas Group's company volunteer effort. Based on donations made by group employees, we provide support for children in need of social care, employment support for people with disabilities, support for disaster-stricken areas, and support for employees' volunteering activities.

We hold the Fureai bazaar, an initiative to support the employment of people with disabilities, in cooperation with many partners, while expanding the opportunities to hold the bazaar through collaboration within the Group.



The Midosuji Fureai bazaar

Fund management

The Small Light Campaign gathers funds through various activities, including charity calendar donations and proceeds from the Midosuji Fureai bazaar, a used book bazaar, as well as donations from workplace groups, individuals, and the Suzurankai (Osaka Gas alumni) — all managed as the Small Light Fund. The money is used to support the activities of the Small Light Campaign, to support recovery in disaster-hit areas, and to donate items for social welfare or educational purposes, such as wheelchairs and picture books, to all municipalities served by Osaka Gas.

To support areas affected by the 2024 Noto Peninsula Earthquake, we donated proceeds from the sales of second-hand books from the Midosuji Fureai bazaar to Osaka Voluntary Action Center.

The Fund's operating balance for FY2026 was 7,247 thousand yen in income and 7,366 thousand yen in expenditure.



A charity calendar for raising donations from Daigas Group employees, alumni, other relevant parties and customers

Social contribution activities by employees with the mindset of the Small Light Campaign

Business activities of the Daigas Group are closely tied to the daily lives of everyone in the community. Our employees contribute to local communities as members of the community, or "good corporate citizens."

In addition to donating blood, collecting unused postcards and used stamps, and donating proceeds from sales of used books, we continue to participate in volunteer activities to support a citizen marathon race aimed at supporting regional revitalization. Moreover, in 2025, we launched the Photo Cleaning Project to support disaster-affected areas, cleaning photos soiled with mud by flooding caused by torrential rain, typhoons, and other events in order to preserve the memories of those affected.

Furthermore, the Daigas Group Social Contribution Club, which donates welfare points granted to employees by the company to social service organizations, donated a total of 2,082 thousand yen to six organizations in FY2026, along with the best wishes of the employees.

By posting these activities on our Social Contribution Portal Website, we are encouraging active participation in community contribution activities.



The Social Contribution Portal Website: an in-house bulletin board that provides employees with information on volunteer activities, etc.



To support the Osaka Marathon 2025, 70 employees from 6 teams participated in the event as volunteers.



Employees participating in the Photo Cleaning Project, a support program for areas affected by natural disasters

Activities by Public Interest Incorporated Foundations

Principle and Outline

In order to further the welfare work that the Daigas Group has conducted as a company volunteer through the “Small Light Campaign,” which was started in 1981 (the UN International Year of Disabled Persons) in a more planned and ongoing manner, 362 companies including Osaka Gas and affiliate companies, the associations comprised of contracted companies providing sales of gas appliances and other services, pipe working joined together in October 1985 to establish and fund the Osaka Gas Group Welfare Foundation in honor of Osaka Gas’ 80th anniversary. The Foundation is involved in subsidizing local welfare activities for the elderly and surveys/research conducted by universities and medical institutions, and in promoting fitness efforts aimed at helping senior citizens maintain and improve their health.

In September 1992, the Osaka Gas International Exchange Foundation was founded and fully funded by Osaka Gas, and in October 2010 the Foundation was granted authorization by the Cabinet Office to transition into a public interest incorporated foundation. The Foundation now works to deepen mutual understanding with countries in Southeast Asia, Oceania, and South Asia, and to contribute to international goodwill.

Assisting the Elderly - The Osaka Gas Group Welfare Foundation

Set up in 1985 through the contribution of Daigas Group companies, the Osaka Gas Group Welfare Foundation operates in six prefectures of the Kansai region, mainly engaging in (1) funding welfare projects, (2) researching and surveying the elderly population and (3) supporting health-promotion projects to help maintain and improve the health of the elderly.

In FY2026, the Foundation provided 7.00 million yen in subsidies to 60 welfare projects for the elderly, and 7.57 million yen in subsidies to 10 investigation and research projects, and carried out 106 health-promotion projects involving 6,380 participants.



Health-promotion project: Gathering for health promotion



Grant Projects: Reports for each fiscal year

Results of each activity (cumulative total from FY1986-FY2026)

(1) Funding to Enhance the Welfare of the Elderly	3,228 cases	725 million yen
(2) Funding for Research and Surveys	694 cases	468 million yen
(3) Health-promotion project	6,413 times	458,510 participants

Distribution of “Health Seminar for the Elderly” on YouTube

In conjunction with the renewal of our website in FY2022, we have created the video content “Health Seminar for the Elderly” and have started distributing it on YouTube.

We will continue to annually distribute content that can be used for health promotion in the elderly.



Video content “Health Seminar for the Elderly”

Doing Our Part on the International Scene - The Osaka Gas Foundation of International Cultural Exchange

Deepening friendship and mutual understanding with countries in Southeast Asia, Oceania, and South Asia

The Osaka Gas Foundation of International Cultural Exchange provides aid services to promote mutual understanding with countries in Southeast Asia, Oceania, and South Asia, as well as contribute to international goodwill.

In FY2026, in addition to its ongoing support activities in Indonesia, including grants for educational equipment to elementary and junior high schools, scholarships for 285 students, research grants in the energy and environment fields for three universities, and a short-term training program in Japan for two graduate students, the Foundation provided emergency grants to areas affected by heavy rainfalls in Sumatra in November 2025, bringing its total grants to approximately 14.16 million yen. For Malaysia, the Foundation provided a total of 9.23 million yen in subsidies, such as English education assistance, experimental research grants, and scholarships to 12 university students. For East Timor, the Foundation provided a total of approximately 3.54 million yen in scholarships to 20 university and graduate students, and support for the resumption of Japanese language courses at a university.

The Foundation also started to offer two new grants: approximately 2.99 million yen for mutual short-term visits for junior high school students in Malaysia and Osaka, and approximately 1.88 million yen in research grants to a university in Sri Lanka.

In the 33 years since the establishment, the Foundation has provided subsidies totaling 670.21 million yen, scholarships to 11,485 students, and grants for 493 research themes. We will continue to launch new activities and expand the scope of support.



A research presentation at Wayamba University of Sri Lanka

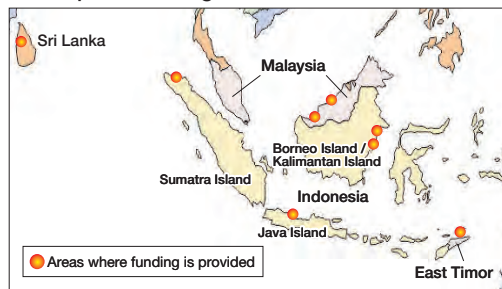


A presentation ceremony at the National University of Timor-Lorosa

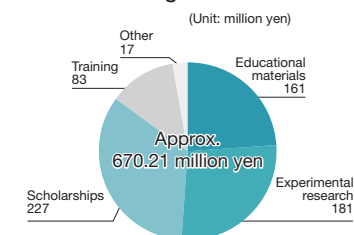


A scene from a mutual exchange between junior high school students from Malaysia and Japan

■ Scope of Funding



■ Total Assistance Provided from FY1993 through FY2026



The Osaka Gas Foundation of International Cultural Exchange

■ Grant Disbursement (single-year base)

(unit: thousand yen)

	FY2022	FY2023	FY2024	FY2025	FY2026
Educational materials	1,973	2,115	2,410	2,436	3,984
Experimental research	5,332	6,935	7,176	7,389	9,399
Scholarships	8,512	9,564	12,589	10,866	10,887
Training	313	3,281	3,331	3,429	6,337
Total	16,129	21,895	25,506	24,120	30,607