

GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

To: Osaka Gas Co., Ltd.



Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) was engaged by Osaka Gas Co., Ltd. (Osaka Gas) to conduct independent verification of the greenhouse gas (GHG) emissions reported in Daigas Group CSR Report 2018 for the period of April 1, 2017 through March 31, 2018.

1. Scope of Verification

Osaka Gas requested Bureau Veritas to verify, to a limited level of assurance, the accuracy of the following GHG information:

- 1) Scope 1 and Scope 2 GHG emissions:
 - GHG emissions through business operations of Osaka Gas and its 57 consolidated subsidiaries
- 2) Categories 1, 2, 3, 4, 5, 6, 7, 9, 11, 12, 13 and 14 of Scope 3 GHG emissions accounted and reported in line with the GHG Protocol's 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard' within the boundaries defined by Osaka Gas for each category.

2. Methodology

Bureau Veritas conducted the verification in accordance with the requirements of the international standard 'ISO 14064-3(2006): Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions'.

As part of Bureau Veritas' assurance, the following activities were undertaken:

- Interviews with relevant personnel of Osaka Gas responsible for the identification and calculation of GHG emissions;
- Review of Osaka Gas's information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of source data to check accuracy of quantified GHG emissions.

3. Conclusion

Based on the verification work and processes followed, there is no evidence to suggest that the GHG emissions assertion shown below:

- are not materially correct and are not a fair representation of the GHG emissions, as per the scope of work;
- are not prepared in accordance with the methodology for calculating GHG emissions established and implemented by Osaka Gas.

Verified greenhouse gas emissions		
Scope 1	Scope 2	Scope 3
4,888 kt-CO ₂ e	185 kt-CO ₂ e (market-based) 270 kt-CO ₂ e (*1)	31,471 kt-CO ₂ e

(*1) This figure shows CO₂ emissions calculated using the average electricity emission factor of thermal power plants.

The breakdown of Scope 3 emissions are as follows.

Category	t-CO ₂ e	Category	t-CO ₂ e	Category	t-CO ₂ e
1	552,547	6	2,364	13	387,830
2	250,204	7	8,483	14	97,709
3	5,370,828	9	101		
4	17,187	11	24,725,918		
5	57,798	12	76		

[Statement of independence, impartiality and competence]

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services. No member of the verification team has a business relationship with Osaka Gas, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes.