Recognizing Impacts in the Value Chain and CSR Efforts

The Daigas Group procures natural gas, which is an environmentally-friendly and stable energy source, from overseas suppliers, and provides gas to about 5.579 million customers and electricity to about 945,000 customers, both mainly in the Kansai Region. The Group ensures the safety of customers and gives them peace of mind by procuring natural gas in a stable manner and building a solid security and accident-prevention system.

The Daigas Group procures natural gas, which is an environmentally-friendly and stable energy source, from overseas suppliers, and provides gas to about 5.579 million customers and electricity to about 945,000 customers, both mainly in the Kansai Region. The Group ensures the safety of customers and gives them peace of mind by procuring natural gas in a stable manner and building a solid security and accident-prevention system.
### Pursued Through Value Chain

Major Issues to Be Tackled and Its KPIs to Be Materiality and CSR Indicators (See P25–26)

#### LNG Value Chain

- Business partners
- Safety, sanitary conditions and human rights of workers
- Environmental nuisance and troubles caused during operations of LNG tankers
- Emissions of greenhouse gases (GHG) associated with drilling of gas resources
- Energy consumption involved in drilling of gas resources

**LNG**

We are striving to establish a system to procure wholesale trade at reasonable prices and in a stable manner.

#### Electricity Value Chain

- Business partners
- Safety in the vicinity of LNG electric power plants
- Recognizing the risks and opportunities of climate change
- Generation-related problems involved in operations of LNG tankers

**Electricity**

Drilling and Processing

- **8 countries**
- **Approx. 9,419,000 tons/year**

Global environment

- Global environment
- Global environment

**Drilling**

- Employees
- Improvement of the work environment
- Worker training/education and improving the work environment

**Processing**

- Customers
- Employees
- Local communities
- Employees

- **Number of LNG terminals**
- Imported LNG for city gas, power generation, and gas cogeneration systems
- LNG terminals are a vital component of the LNG business.

### CSR Efforts throughout the Value Chain

- Achieving lower greenhouse gas emissions by using natural gas efficiently and raising the proportion of renewable energy sources used
- Minimizing the impact of disasters on energy infrastructure and contributing to resilience in urban development
- Achieving gender equality, creating rewarding jobs, and promoting employee health and safety

---

**CSR Indicators under each Daigas Group CSR Charter**

<table>
<thead>
<tr>
<th>Charter</th>
<th>Customer Satisfaction Survey: Seven Customer Service Duties</th>
<th>Environmental Management Indicator</th>
<th>Communication events / Social contribution activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charter I</td>
<td>Scores on Compliance Awareness / Percentage of Employees Receiving the “Compliance Training”</td>
<td>Employee Attitude Survey</td>
<td></td>
</tr>
</tbody>
</table>

**GRI Standards Items Identified as Materiality**

- [416] Customer Health and Safety
- [405] Energy / Emissions
- [404] Training and Education
- [405] Diversity and Equal Opportunity
- [417] Local Communities
- [416] Customer Privacy
- [416] Supplier Assessment
- [405] Economic Performance

(As of March 31, 2019)