Can you tell us about the selection of seven SDGs to contribute to?

The Daigas Group has selected seven SDGs that can make use of its strengths of the energy business, and announced its contribution in our CSR Report issued in 2017. We have been accelerating our engagement centered on SDGs Target 13 “Specific measures for climate change.”

Can you tell us about your contributions to the SDGs for the year?

In FY2019, there were several events that affected the Group’s actions, including a number of natural disasters, METI’s fifth Strategic Energy Plan and the 2018 United Nations Climate Change Conference (COP24).

What is your vision for the future of the company?

To contribute to Goal 13 of the SDGs, the Long-Term Management Vision established in FY2018 sets the target of reducing CO2 emissions by a total of 70 million tons by FY2031, in cooperation with customers. As we further analyze the risks and opportunities associated with climate change over the long term, it will be vital to draw up multiple scenarios that can respond to changes in the business environment.
Recommendations in disclosing information on climate understanding and acceptance in the search for better solutions.

The Group values active dialogue to be able to develop mutual understanding and acceptance in the search for better solutions. We are progressing steadily. For power companies, CO\textsubscript{2} emissions are being held below 70 million tonnes by 2030. It appears that these reductions tend to increase as the scale of their power generation business increases, but the Group is seeking to reduce CO\textsubscript{2} emissions throughout society by involving its customers in this effort. With regard to the reductions occurring outside the Group, careful disclosure is required, with consideration for a global approach as well.

In Japan, corporations have been achieving considerable progress with their CO\textsubscript{2} reduction efforts; moreover, it is expected that reduction initiatives in the consumer sector will bear fruit in the future. We therefore anticipate that the Daigas Group’s initiatives will encompass residential households. As well, the company’s investments in renewable energy projects such as biomass power generation are very attractive because the Daigas Group is developing as an energy services provider, not solely a gas services provider. It is important that the Daigas Group publish its future energy policy, while in line with any new national policies that are possibly implemented. In view of the impact of global trends, energy service providers are required to undertake risk analysis and information disclosure, so it is likely that this will be a point of interest in the future, including responses to scenario analysis as encouraged by TCFD recommendations.

It is people who move companies. At CSR seminars, lecturers and employees engage in a mutual exchange of opinions. Such mechanisms that encourage all employees to think more deeply about such issues are highly regarded. While it is important to become involved in large projects that create value, it is also important for employees to consider how their day-to-day work naturally relates to the social issues addressed in the SDGs. An ideal approach would be to return to the original concepts of the Daigas Group’s Corporate Principles and establish a link between contributing to the SDGs and creating social value. We believe that the Daigas Group has created a system for stacking the “Social Value of Daigas” on a daily basis by addressing materiality and KPIs with awareness of these issues in mind. Going forward, we expect public utilities will take the initiative and continue to play a leading role in society.

July 22, 2019

Katsuhiro Kokubu,
Director of IEMA; Professor, Graduate School of Business Administration, Kobe University

Eriko Nashioka,
Representative Director of IEMA, CPA

Evaluation and Opinion of CSR Management

As a third-party that has no business relationships with Osaka Gas, we are expressing our opinion to help enhance the reliability of the Daigas Group CSR Report 2019 by evaluating all the CSR initiatives mentioned in the report, excluding numerical information on the environment.

As an energy services provider, the Daigas Group is responsible for providing society with critical infrastructure. In FY2019, a series of earthquakes, typhoons, and other damaging events affecting the city gas service area necessitated a response to such disasters. It is highly evaluated and reassuring that the Daigas Group has established a visualization system incorporating advanced technologies such as social media and IoT while making use of its experience in order to inform its many customers of the status of recovery work without delay. It is hoped that your company will contribute to a society where we can lead better lives by protecting the infrastructure that forms a part of the foundation of our daily lives, using your own technologies in collaboration with those of other fields by making use of open innovation which welcomes a wide range of external voices.

Under the Long-Term Management Vision 2030 formulated to support the emergence of a low-carbon society, the Group has adopted the target of reducing its CO\textsubscript{2} emissions by 70 million tonnes by 2030. It appears that these reductions are progressing steadily. For power companies, CO\textsubscript{2} emissions tend to increase as the scale of their power generation business increases, but the Group is seeking to reduce CO\textsubscript{2} emissions throughout society by involving its customers in this effort. With regard to the reductions occurring outside the Group, careful disclosure is required, with consideration for a global approach as well.

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