

CSR

The Osaka Gas Group CSR Charter and the Osaka Gas Group Code of Conduct were stipulated to support the sustainable development of the Osaka Gas Group as it fulfills its corporate social responsibility (CSR). Moreover, CSR indicators have been created to facilitate the visualization of progress made in our CSR efforts.

The Company has set up the CSR Promotion Council under the president to plan, report, and discuss CSR-related activities among directors and members of management. The Company has also established the CSR Committee under the CSR Executive, who oversees the CSR activities of the Group; these comprise leaders of organizational units to coordinate and promote CSR in a cross-organizational manner.



► For information on organization, please refer to pages 44 and 45.

Osaka Gas Group CSR Indicators

CSR Charter	New Indicators (2013.3–2014.3)	2014.3 Result
I Creating value for customers	Customer satisfaction level Seven Customer Service Duties Overall satisfaction rate: 85% or more 82% or more in all satisfaction rates	Customer satisfaction level Seven Customer Service Duties Overall satisfaction rate: 91.0% Achieved over 82% in all satisfaction rates
II Harmonizing with the environment and contributing to realizing a sustainable society	Environmental Management Indicator Environmental Management Efficiency: 68 yen / 1,000 m ³ or less	Environmental Management Indicator Environmental Management Efficiency: 60 yen / 1,000 m ³
III Being a good corporate citizen contributing to society	Number of contacts and communication events Number of events held (on-site dietary and energy/environment seminars, etc.): 1,000 Number of contacts (visitors to permanent facilities including Gas Science Museum): 70,000 or more Social contribution activities Number of activities implemented: 600 or more	Number of contacts and communication events Number of communication events held: 2,068 Visitors to permanent facilities: 70,087 Social contribution activities Number of activities implemented: 692
IV Complying with laws and regulations and respect for human rights	Compliance awareness survey scores (Individual) Level of understanding of the Code of Conduct: Higher than the previous year (Organization) Degree of penetration of compliance: Higher than the previous year Percentage of employees receiving compliance training: 100%	Compliance awareness survey scores (Individual) Level of understanding of the Code of Conduct: Higher than the previous year ► 73.8% (Up 2.4p) (Organization) Degree of penetration of compliance: Higher than the previous year ► 86.0% (Up 3.2p) Percentage of employees receiving compliance training: 100%
V Management policy for human growth	Employee opinion survey Maintaining sufficient levels in job satisfaction and sense of attachment to the company	Employee opinion survey Survey yet to be conducted as of the end of March 2014 (Next survey scheduled for the fiscal year ending March 31, 2015)

The Osaka Gas Group Code of Conduct — Our Pledge

- 1 Respect human rights and create a pleasant and secure work environment.
- 2 Comply with laws and regulations and perform work in accordance with common sense.
- 3 In global business activities, respect country and regional laws as well as international standards such as those related to human rights.
- 4 Consideration for the environment
- 5 Comply with fair trade and competitive practices.
- 6 Provide safe and high-quality products and services at reasonable prices and work to enhance customer satisfaction.
- 7 In interactions with associates and business partners, abide by a good code of conduct.
- 8 Properly recognize the value and importance of information and handle and disclose it fairly.
- 9 Prohibit association with anti-social elements.
- 10 Use proper tax and accounting practices.

Osaka Gas Group Policy to Promote Diversity

The Osaka Gas Group plans to implement activities in supporting females, the elderly, physically challenged, foreign nationals and LGBTs. Consideration will be given to building a workplace environment that enables employees to achieve higher career objectives. Minority workers should not be disadvantaged. As a touchstone for promoting diversity, Osaka Gas seeks to provide its female employees with greater professional opportunities. Of all new recruits with professional qualifications, the Company is looking to ensure that at least 30% are females and that 5% of middle management are women by 2020.

In addition, Osaka Gas was selected as a "Fiscal 2013 Nadeshiko Brand" stock.



"Nadeshiko Brand" stock is a designation given by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange to enterprises listed on the First Section of the Tokyo Stock Exchange that are exceptional in encouraging women's success in the workplace. Candidates are scored based on two factors: 1) career support for women, as indicated by the ratio of women in management positions, and 2) support for work-family balance, such as the ratio of male employees that take time off to rear their children. The candidates are further screened based on their financial performance using return on equity (ROE) and other indicators.

Environmental Action Targets

The Osaka Gas Group has drawn up and is using environment action targets as indicators to assess progress in environmental management in a continuous, integrated manner.

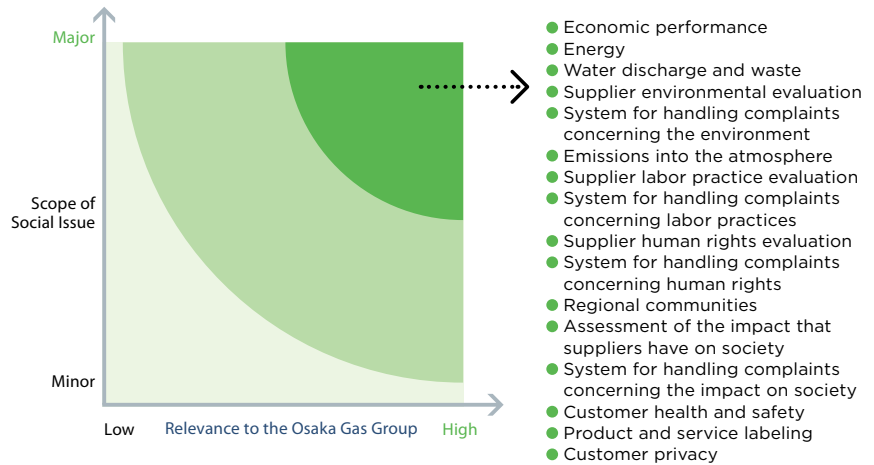
Area	Indicator		2014.3 Target*	2014.3 Result
Integrated indicator	Environmental management efficiency	Environmental impact of gas business per gas sold (Monetary value (yen) of GHG, excavated soil, waste, NOx, COD, chemical substances, water consumption / gas sold (1,000 m ³))	68 or less (-26%)	60
Low-carbon society	City Gas business	LNG terminals (CO ₂ emissions per 1 million m ³ of gas sold) (t-CO ₂ /1 million m ³)	12.3 or less (-5%)	10.1
		Office buildings (CO ₂ emissions per 1,000 m ² floor space) (t-CO ₂ /1,000 m ²)	75.9 or less (-6%)	66.3
	Group companies' businesses	Electricity business (including from renewable energy sources) (CO ₂ emissions per electricity generated)	Fiscal year ending March 31, 2021 (15% decrease compared with the fiscal year ended March 31, 2009)	-31%
		Other businesses (CO ₂ emissions per sales) (t-CO ₂ /10 million yen)	10.3 or less (-3%)	8.7
Resource recycling	City Gas business	Industrial waste from LNG terminals (final disposal rate)	0%	1.0%
		Industrial waste from offices (final disposal rate)	2% or less	1.2%
		General waste from LNG terminals and offices (final disposal rate)	5% or less	2.8%
		Excavated soil (final disposal rate)	Approx. 2%	1.2%
		Polyethylene (PE) pipes (recycle rate)	100%	100%
		Gas meters (reuse rates)	97% or more	99.3%
	Group companies (core affiliates)	Industrial waste/general waste (final disposal rate)	9% or less	9.5%

* Target data for the end of the fiscal year under review in parentheses is the percentage increase or decrease compared with the fiscal year ended March 31, 2009. However, targets for Group companies' businesses (other businesses) data is the percentage increase or decrease compared with the fiscal year ended March 31, 2010.

Fourth Edition of GRI Guidelines Addressing G4 Guidelines

Osaka Gas is stepping up its efforts in information disclosure based on the fourth edition of the GRI Guidelines, which was issued by the Global Reporting Initiative in May 2013. In the fiscal year ended March 31, 2014, the Osaka Gas Group identified important CSR issues ("Materiality") to address while consulting with a number of external experts.

Priority CSR Issues for the Osaka Gas Group (Materiality)



Inclusion in SRI Indices

As of March 31, 2014, Osaka Gas was included in the following socially responsible investment (SRI) indices.



Dow Jones Sustainability Indexes



Ethibel Excellence Index



FTSE4Good Index Series



MSCI ESG Indexes



ECPI® Indices



MS-SRI

