

Materiality Indicators and Targets

We have developed indicators for materiality that are more strongly associated with management approaches. We will thus drive the co-creation of value for a sustainable future, strengthening of human capital, and evolution of the business foundation.

Key issues (materiality)	ESG indicators	FY2027.3 targets	FY2031.3 targets	Contribution to SDGs
Provide carbon neutral energy	Avoided emissions*1	7 million tons/year	10 million tons/year	
	Renewable energy development contribution	4 GW	5 GW	
	Percentage of renewables in our power generation portfolio in Japan	Approx. 30%	Approx. 50%	
	CO ₂ emissions of Daigas Group	—	-5 million tons in Japan (compared to FY2018.3)	
	CO ₂ emissions reduction in the Group company offices and vehicles	67%	100%	
	Promotion of e-methane practical application	Final investment decisions in e-methane supply chain PJ	1% e-methane in gas grid	
	Promotion of methanation technology development	Transition to the second phase of SOEC GI funds business	Establishing a pilot-scale (400 Nm ³ /h class) SOEC technology	
Enhance the resilience of customers and society	Number of serious accidents and serious energy supply disruptions caused by the company	Zero	Zero	
	Establishment of resilient facilities	Implementation of measures for disaster prevention and aging pipes		
Co-create advanced, diverse solutions that meet customer values	Customer accounts	10.9 million accounts	11.5 million accounts	
	Customer satisfaction rate	90%	—	
	Creation of innovation	Creation of new business and services		
Create a work environment where employees and the company resonate and enhance each other	Percentage of women in members newly promoted to middle management positions	20% or higher	30% or higher	
	Percentage of women in new recruits for career-track positions	30% or higher	30% or higher	
	Work engagement score*2	50 or more	50 or more	
	Total number of new graduates and mid-career hires	Cumulative total of 3 years: 330 people		
	Reserve ratio of next-generation management personnel	250%	—	
Maintain and improve the soundness and flexibility of management foundation	Ratio of female directors	25% or higher	30% or higher	
	Number of serious violations of laws and regulations	Zero	Zero	
	Recruitment of DX core staff	300 employees	—	
	Respect for human rights	Implementation of human rights initiatives within the Daigas Group and throughout the supply chain		
	Contribution to local communities	Engagement with local communities		
	Sustainable growth of LBS Business	Implementation of unique ESG initiatives in LBS Business		

*1 Calculate the estimated effect of CO₂ emissions reduction in one year of the target FY by introducing high efficiency facilities and low carbon energy, etc. to customer side and the company's business activities in and after FY2018.3.

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