

Corporate Social Responsibility

# Highlight

## Economic Performance



**Asahi Breweries Ltd.**  
General Manager of Hakata Brewery  
**Norifumi Hidejima**

The Hakata Brewery of Asahi Breweries Ltd. in Fukuoka City manufactures beer products that are shipped to Yamaguchi and other regions in Kyushu. Thanks to the stable supply of electricity from Kyushu Electric Power Co., Inc., we can safely and smoothly manufacture and provide beer products to our customers. We sincerely appreciate your excellent service.

The goal of our management philosophy is to contribute to society through our products and corporate activities. In recent years, our philosophy has been reviewed not only from our perspective, but also from social, environmental and global points of view. As a beverage provider, we are responsible for recognizing alcohol-related problems. Through open communication with consumers, we are taking the initiative to create a safe and healthy drinking culture.

As it is difficult to acquire most of the raw materials used for making alcoholic beverages

domestically, we have no choice but to rely on imports from foreign countries. The stable procurement of safe raw materials requires not only financial investment, but also worthwhile contributions to the society. In fact, without such contributions, we could not begin to acquire the information necessary for importation. The very survival of a Japanese company lacking in domestic resources depends upon its reputation as a company that is 'valuable to the world.' Knowledge, technology and constant growth and improvement give Japanese companies an extra edge in global business.

As industrial consumers of electricity, we need to fulfill our mission by saving resources and using electricity more efficiently to help prevent global warming. We are also obligated to procure environmentally friendly resources, and to use electricity safely and avoid accidents or mishaps of any nature.

There is still plenty of room for improvement. If consumers learn how to use electricity properly and more efficiently, their knowledge will lead to your future growth. We value our relationship with you, and we sincerely seek your insights and advice.

### Reducing electricity rates (Featured topic 1)

As "the law concerning the saving and management of funds for the reprocessing of spent nuclear fuel of nuclear power generation" was enforced in October 2005, we cut our electricity rates in April 2006.

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### Declining income and profit for the first time in three years

Although scorching summer heat and a harsh winter increased the amount of electricity sold, consolidated Ordinary Income were 125.2 billion yen due to the reduction in electricity rates in January 2005.

We are committed to increasing profitability and efficiency and achieving our managerial goals.

After accelerating the process for announcing our financial results, we successfully released our financial statement for FY 2005 on April 27.

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### We promote the "Kirei Life"

With the key phrase, 'Kirei (Beautiful) Life', we encourage the spread of an All-electric housing.



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### Establishing the CSR Promotion Committee

We established the CSR Promotion Committee chaired by the president in order to actively promote all of our CSR activities.

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### Sustaining electric supply reliability

We established an air transportation technology for emergency vehicles used for the early recovery of electrical power during massive disasters. We also started supplying electricity from Kyushu to the Goto Islands in Nagasaki through undersea cables - the longest undersea cables in Japan, spanning 53 kilometers from end to end.

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## Environment Performance

Although energy supply companies face harsh circumstances amid the deregulation of electricity and skyrocketing oil prices, your company takes the initiative by reducing CO<sub>2</sub> emissions and industrial waste and supporting forestation projects and environmental education. You also promote environment management by using your own environmental accounting system. I am sure these efforts are highly valued. You will earn even higher marks by disclosing not only your achievements and results, but also the processes of your activities, including evaluations and discussions, to create a more holistic report that is easy to comprehend.

Given the future of global energy supply and demand, the pluthermal projects are essential. But it strikes me that your efforts in the technological development of biomass energy, which is expected to be a regionally distributed source of energy, and in the introduction of co-generation systems into large-scale commercial areas are unlikely to be enough. I also recommend that you adopt an environmental philosophy that prioritizes 'Refuse' (don't buy, don't bring in) rather than the 3R initiatives.

Considering the sustainable development, it is necessary for you to collaborate

with your stakeholders on ideas that include the environment, society, economy and all related elements. Returning valuable ideas to society created through such collaborations is critical for finding the best mix of energy sources in the future, and your joint efforts are sure to result in greater safety among consumers and society.

Finally, I found that your international contributions in the energy field, such as geothermal electric power development, are also valuable to Japan, especially as our national energy self-sufficiency rate is a very low 4%. I hope you strengthen such developments and make further global contributions to forestation projects and environmental education. I am sure that the Kyushu Electric Power Group has the strength and skills to successfully carry out these missions.



Faculty of education, Nagasaki University  
**Assistant professor**  
**Noboru Fujimoto**

### We continually strive to achieve better operation of our environmental management system (EMS)

We have started EMS Training to complement the ongoing support that the Environmental Affairs Department provides to business sites and offices.

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### We have reinforced our efforts to combat global warming

Starting from FY2006, we have established new environmental targets in four areas - e.g., in-house power consumption - in order to further boost our office energy and resource conservation activities. Kyushu Electric Power has also been a proud and active member of Team Minus 6%, the movement started by Global Warming Prevention Headquarters (headed by Prime Minister Junichi Koizumi) since June 2005.

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### We have begun cooperative collection of industrial waste

In a move aimed at more efficient and effective recycling and reduction of the volume of waste disposed of at landfills outside company premises, we have begun cooperative collection of industrial waste.

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### We have submitted our environmental impact assessment procedure for scrutiny

With a view to development of the upcoming nuclear power in the latter part of the next decade, we have conducted an environmental survey at the Sendai Nuclear Power Station, and submitted the resulting environmental impact assessment procedure to the national and pertinent local governments in August 2005.

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### Eco Mothers in each region conduct their own unique environmental PR activities.

In FY 2005, Eco Mothers performed 209 environment related picture card shows at kindergartens, nursery schools, and children's meetings.



Reading to children from illustrated stories about the environment

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### The Kyushu Homeland Forestation Program is underway all over Kyushu

The Kyushu Homeland Forestation Program, which aims to plant one million trees over 10 years starting from FY2001, has marked its sixth anniversary, and 540,000 trees have been planted so far.



A forestation program underway in the Sozu River source area of Hitoyoshi City. (Hitoyoshi City, Kumamoto Prefecture)

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# Highlight

## Social Performance



**Incorporated NPO  
Workshop "If"  
Director  
Kuniko Hoshiko**

### Customer satisfaction and smiles

What is 'happiness?' What does 'a satisfied life' mean? After experiencing dramatic economic growth and enjoying its accompanying abundance, we may have lost our sense of guilt over disposable materials as we seek only our own self-satisfaction. Yet at the same time, in an aging society with a declining birth rate and an increasing number of nuclear families, we may worry about child and family care, even as we explore new ways to find happiness.

We may ask ourselves: In a disaster, who would help me? Are electricity, water, food and other lifelines secured? In today's world, the invisible ties that bind people together are strengthening-though political indifference is growing, and values and needs are becoming ever more diversified. The capacity of governments and corporations to respond to the needs of ordinary citizens is attracting considerable attention.

The management principles of Kyushu Electric Power Co., Inc. include the 'Voice of the Customer,' a core compliance standard and a guideline for improving customer satisfaction

levels based on feedback from customers themselves. Providing a stable energy supply is to understand and respond to the various needs and demands of local citizens, employees and members of society.

But in an age when 'happiness' and 'satisfaction' are rarely one and the same, it becomes extremely difficult to respond to ever more diverse forms of both. I believe that product innovation, providing new value and consumer excitement, may be most desirable now.

When communicating with customers through something tangible like selling and delivering material goods, it is easy to measure a satisfaction level. But happiness and satisfaction brought about by electricity are difficult to measure. As using electricity is regarded to be an ordinary thing, it receives little appreciation and produces very little excitement among customers, even though power failure can lead to massive troubles. It is necessary to reconsider the levels and kinds of satisfaction and happiness the company can provide to consumers through electricity.

Recently, I found the expression of 'for the improvement of customer satisfaction' was replaced with 'for the customer's smile' in a sentence that describes the company's management style in the management principle of your company. I understand you are striving to be a company which meets expectations, trying to be reliable and create 'smiles' outside and inside the company. A fluorescent light is nice, but warm light from a bare light bulb should be also cherished. I hope you will continue to be such an amiable and friendly company.

### Enhancing the functions of our compliance response center

In addition to our current in-house compliance center, we started a service at a law firm outside the company in April 2005 for workers who need consultation. This external compliance center is easy to access and ensures privacy and confidentiality.

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### Establishing an information security system

We established a new management system, with the president in the position of general manager of information security, in order to guarantee the security of knowledge and information throughout the company.

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### Further promoting information disclosure

We actively promote information disclosure to secure the transparency of management by holding regular press conferences by the president and conducting various IR activities.

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### Developing several kinds of communication programs

We have developed various kinds of communication programs, such as an advisor system and a session with customers, in order to better incorporate the opinions and demands of our stakeholders into our business operations.



Kyushu Electric Power advisor session

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### Strengthening the support system for child and nursing care

Based on key points in the revised childcare and nursing-care leave law, we revised our system for child and nursing care and implemented a revised system in April 2005.

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### Increasing employment opportunities for the physically challenged ~Kyushu Captioning Co-Production Center Inc.~

We created a barrier-free TV broadcasting environment operated by and for the differently abled.

We employ the physically challenged workers and provide closed caption service.



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I sincerely respect you for accepting the challenge to publish a CSR report, and I think your first report is deeply meaningful for your company in its dedication to a service directly related to the public-interest: providing a stable supply of electricity.

Among the several efforts and activities introduced in this report, I am especially interested in human resource development. The skills of professional workers improve through training sessions based on the needs of each particular department or level. At the same time, sound professional ethics are desperately needed in a world where company values continue to

diversify. Whenever I see news about either corporate troubles or triumphs, it is very clear that the corporate culture created by working professionals with pride in their jobs is critical in determining overall corporate performance. The quality of corporate culture is difficult to measure in numbers, of course, but analyses and seminar programs that focus on corporate culture will be of great value to your company.



Ritsumeikan Asia Pacific University President  
**Cassim Monte**

### Enhancing worker capabilities

We promote human resource development by focusing on both a “willingness to nurture” on behalf of the company and workplace and a “willingness to improve” on behalf of the workers themselves. [Page 50](#)

### Ensuring safe and stable operation of nuclear power station

We secure the safe operations of our nuclear power stations by conducting numerous quality assurance and preventive maintenance engineering activities. [Page 51](#)

### Supporting local art and cultural activities

The Fureai Concert, sponsored by the Kyushu Electric Power Co. The Bunka no Mori Concert, sponsored by the Kyushu Electric Power Co.

We sponsor classical music performances by the Kyushu Symphony Orchestra in all prefectures of the Kyushu area to enhance life through art and culture. [Page 55](#)

Training and dispatching promising young craftsmen in Japan and overseas

We have a domestic and international training and dispatching system for promising young craftsmen to support the sharing of artistic techniques and skills, and to train successors in the traditional handicrafts of Kyushu. [Page 56](#)



### Making our rugby team a ‘symbol sports’

We have made our rugby team. Our symbol sports as we want it to be cherished not only by our employees, but also by the people in the community. [Page 57](#)



### Improving social welfare

We visit the houses of the elderly to check on the wiring and clean light fixtures and related equipment. We also contact social welfare facilities in regions where we operate our business. [Page 58](#)



### Promoting a pluthermal project (Featured Topic 2)

We obtained the understanding and consent of Saga prefecture and Genkai town regarding our pluthermal project at Genkai Nuclear Power Station Unit 3. [Page 61](#)

