

## 2 Compliance Management Promotion

### Situation surrounding Kyushu Electric Power

Kyushu Electric Power finds itself in an ever-changing financial situation as a result of many scandals involving companies. This has led to societal mistrust and severe competition in the power market. For Kyushu Electric Power to remain a company that is trusted by society and chosen by customers, it must focus more of its attention on conducting business activities that are fair and in conformity with corporate ethics.

### Establishment of Compliance Committee

In the context of this social state, Kyushu Electric Power established the Compliance Committee in October 2002 in order to create a corporate climate that corrects its own business operation by examining it based on common sense and through the eyes of citizens.

### What does compliance mean to us?

Our compliance management strategy aims to achieve a higher level of compliance in various aspects of our business. It is to help the company follow and observe rules, including laws and other agreements, as well as expectations that are reasonably imposed on us by society. Kyushu Electric Power aspires to exceed what is requested and expected of us through this system.

### Establishment of Compliance Guideline

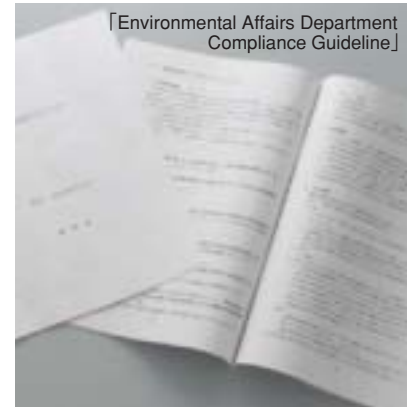
In December 2002, Kyushu Electric Power created the Compliance Guideline, which offers a general and comprehensive judgmental basis as to what each personnel member should and should not follow in his or her daily activities. With our Corporate Philosophy, Kyushu Electric Power Corporate Be-

havior Charter and this guideline, we hope to ensure compliance in all of our business activities.

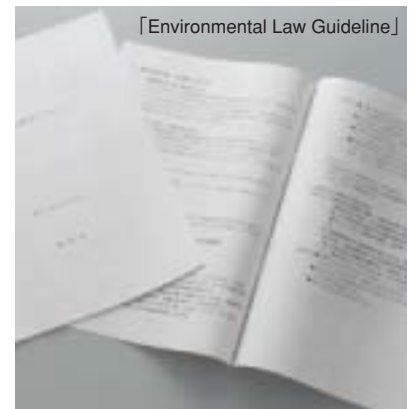
### Compliance with environmental management

Kyushu Electric Power also tries to achieve compliance with environmental activities. For example, rules for ensuring compliance are prepared through the application of the environmental management system for which company-wide developmental effort has been made since last fiscal year.

Similar effort is made in the Environmental Affairs Department, which has established the Environmental Affairs Department Compliance Guideline and Environmental Law Guideline, which conform to the company-wide Compliance Guideline. It also organizes compliance training in biannual environmental administrator conferences and department training (new personnel and managers), thus enhancing the compliance consciousness of those who are involved in environment-related duties.



Environmental Affairs Department Compliance Guideline established in March 2003 by Environmental Affairs Dept.



Environmental Law Guideline established in March 2003 by Environmental Affairs Dept.

