

II – 2 Establishing a Recycling-Based Society

1 Measures for Green Procurement

1 Basic policies of green procurement

Kyushu Electric Power promotes green procurement under its Green Procurement Policy for the creation of a recycling-based society.

- Under the green procurement system, the company takes into account environmental aspects in addition to practical considerations of price, quality and delivery time when purchasing products. It aims to promote the procurement of eco-friendly products under collaborative partnership with suppliers, thereby strengthening relations with the suppliers in the field of environmental activities, toward the creation of a recycling-based society.

Policies of Green Procurement

Kyushu Electric Power recognizes its task of contributing to the creation of a recycling-based society, and endeavors to mitigate environmental load in all business activities including the procurement of products with the cooperation of all the suppliers of Kyushu Electric Power.

- Upon procurement, each employee takes responsibility and reviews the necessity of the products.
- Kyushu Electric Power actively promotes this system, which encourages the purchase of environmentally friendly products.

March 8, 2002

2 Green procurement guidelines

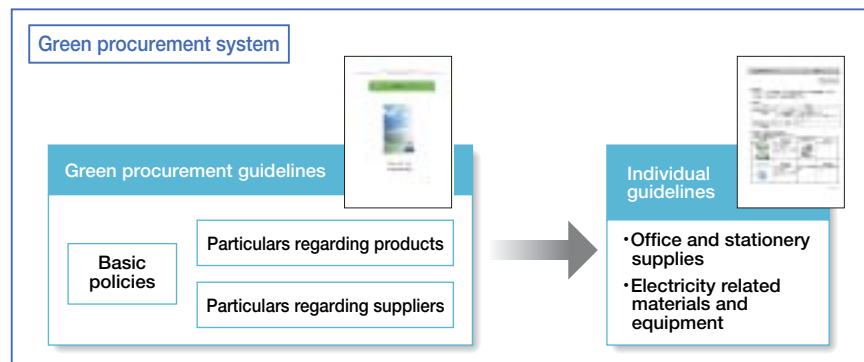
Particulars regarding products

◇ Office and stationery supplies (goods on the market)

- The company selectively purchases office and stationery supplies with the EcoMark or other socially recognized environmental labeling.
- Individual guidelines for items and judgment criteria are set for products purchased, according to their categories.

◇ Electricity related material and equipment (inclusive of construction work and services)

- The company welcomes information and proposals on environmentally friendly products from suppliers. The information and proposals are evaluated based on the degree of contribution to environmental load reduction in their total life cycles. Products and ideas judged to be based on environmental considerations are favorably reviewed for procurement.



■ Items and focal points for electricity related materials and equipment evaluation

Items	Focal points
Resource saving	<ul style="list-style-type: none"> ○ Product weight and size is reduced ○ Recyclable parts and resources are used ○ Product life cycle is lengthened
Energy saving	<ul style="list-style-type: none"> ○ Energy consumption is reduced
Recycling	<ul style="list-style-type: none"> ○ Products are collected and recycled ○ Repairing and exchange of parts can be done easily ○ Enables products to be easily dismantled and sorted
Chemical substances	<ul style="list-style-type: none"> ○ Regulated/restricted substances are not used ○ Use of hazardous substances is inhibited/abolished
Packing material	<ul style="list-style-type: none"> ○ Use of packing material is reduced ○ Packing material is collected, reused or recycled
Display	<ul style="list-style-type: none"> ○ Materials are displayed in not easily erasable way where possible
Information disclosure	<ul style="list-style-type: none"> ○ Environmental information regarding products is disclosed

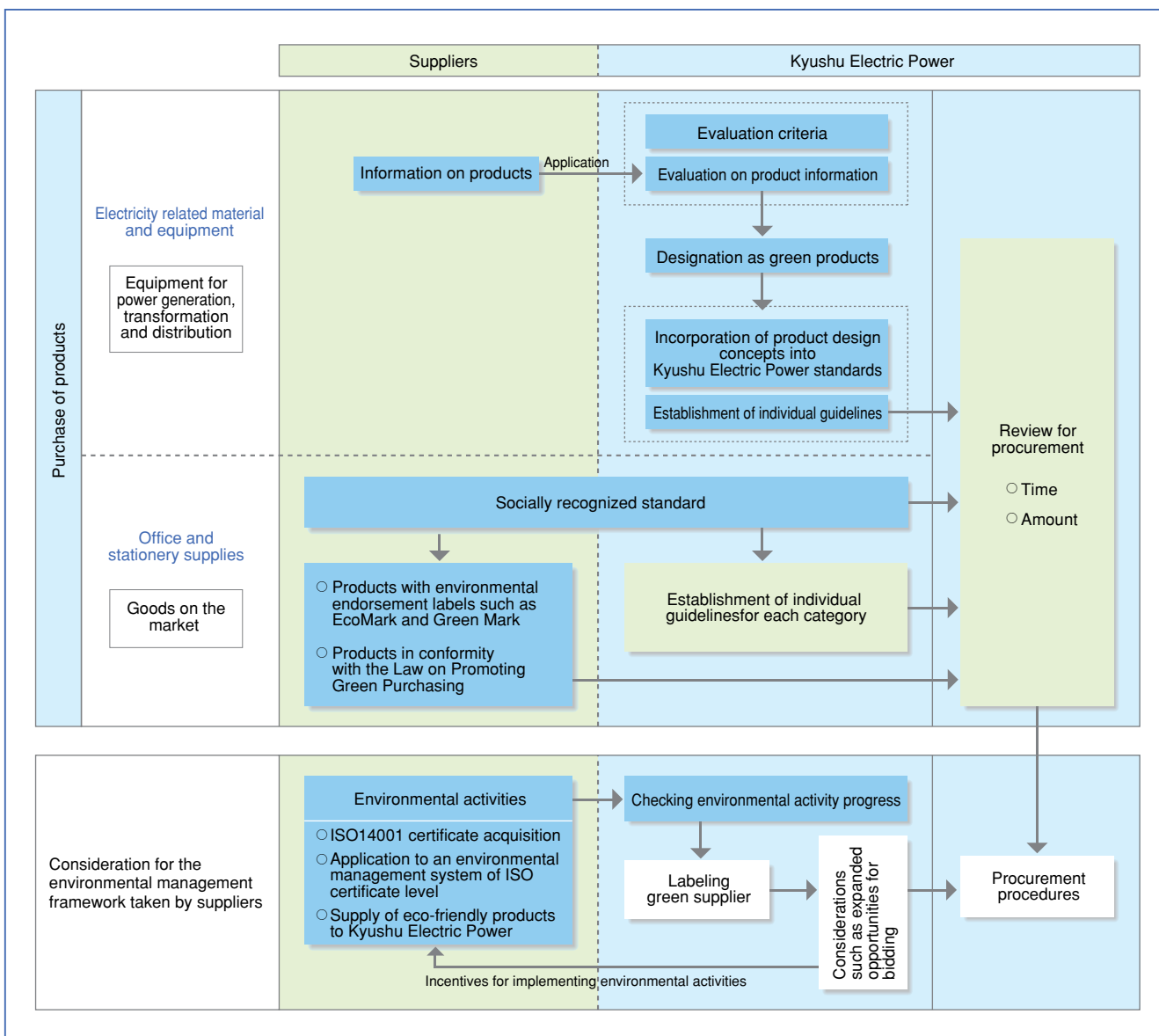
Particulars regarding suppliers

- Kyushu Electric Power requests its suppliers to make self-evaluations on their progress in environmental activities and submit reports on the subject.
- Based on the information submitted, Kyushu Electric Power checks the environmental activity status of these suppliers. When a supplier is judged to be active in implementation, the company designates the supplier to be a Kyushu Electric Pow-

er 'green supplier', and makes an announcement with prior consent. (21 green suppliers at the end of March 2003)

- For those designated as green suppliers, special consideration is made after a certain time from the start of the green procurement system operation, such as expanded estimation opportunities.

3 Flow of green procurement



For inquiries on the green procurement system:

Purchase Planning & International Procurement Group, Materials and Fuels Dept.,
 Kyushu Electric Power Co., Inc.
 Phone: 81-92-726-1645