

# I. Promotion of Environmental Management



Kyushu Electric Power is aware that dealing with environmental problems is a fundamental precondition of its own existence and business activities. In doing so, the company will execute corporate activities that contribute to a sound environment while satisfying the social commitments expected of a corporation. For this purpose, Kyushu Electric Power Company shall promote environmental management that will enable both conservation of the environment and growth of the corporation. The environmental activities are implemented based on the annual Environment Action Plan; and the results are publicized in the “Environment Action Report”. This issue of the Report summarizes the environmental activities conducted in accordance with the Fiscal 2001 Environment Action Plan (formulated in March 2001) as well as their results and developments.

## 1 Environmental Management Framework

### (1) Environmental policy

Kyushu Electric Power has established the Kyushu Electric Power Environment Charter to define the stance and the direction of environmental activities to be pursued. The Kyushu Electric Power Group Environment Philosophy has also been developed for Group companies to set forth principles of their commitment to environmental activities, as well as the Kyushu Electric Power Group Environment Policy, which sets out specific guidelines for implementing environmental activities. Kyushu Electric Power shall actively implement environmental activities based on these policies to ensure outstanding environmental management.

### Corporate Philosophy

1. Kyushu Electric Power shall keep energy aglow forever.
2. Kyushu Electric Power shall maintain close contact with the community at all times and act in pursuit of valuable social goals.
3. Kyushu Electric Power shall create a dynamic corporate culture by being a step ahead of the times.

### Kyushu Electric Power Environment Charter

#### Towards an Environmentally Friendly Corporate Stance

1. The company shall, in all its corporate activities, recognize the importance of maintaining awareness of environmental conservation needs.

Kyushu Electric Power fully realizes that dealing with environmental problems is a fundamental precondition for its own existence and business activities.

2. In all its corporate activities, the company shall make concerted efforts to contribute to a sound environment.

Strive to prevent global warming and to conserve nature and the environment.

Actively implement environmental conservation programs that contribute to the community's well being.

Reduce waste output and encourage use of waste as a resource, thus promoting a recycling-based society.

3. The company shall, in all its corporate activities, promote the disclosure of environment-related information.

Promote ease of public access to business related environmental information and provide opportunities for communicating with many members of the general public.

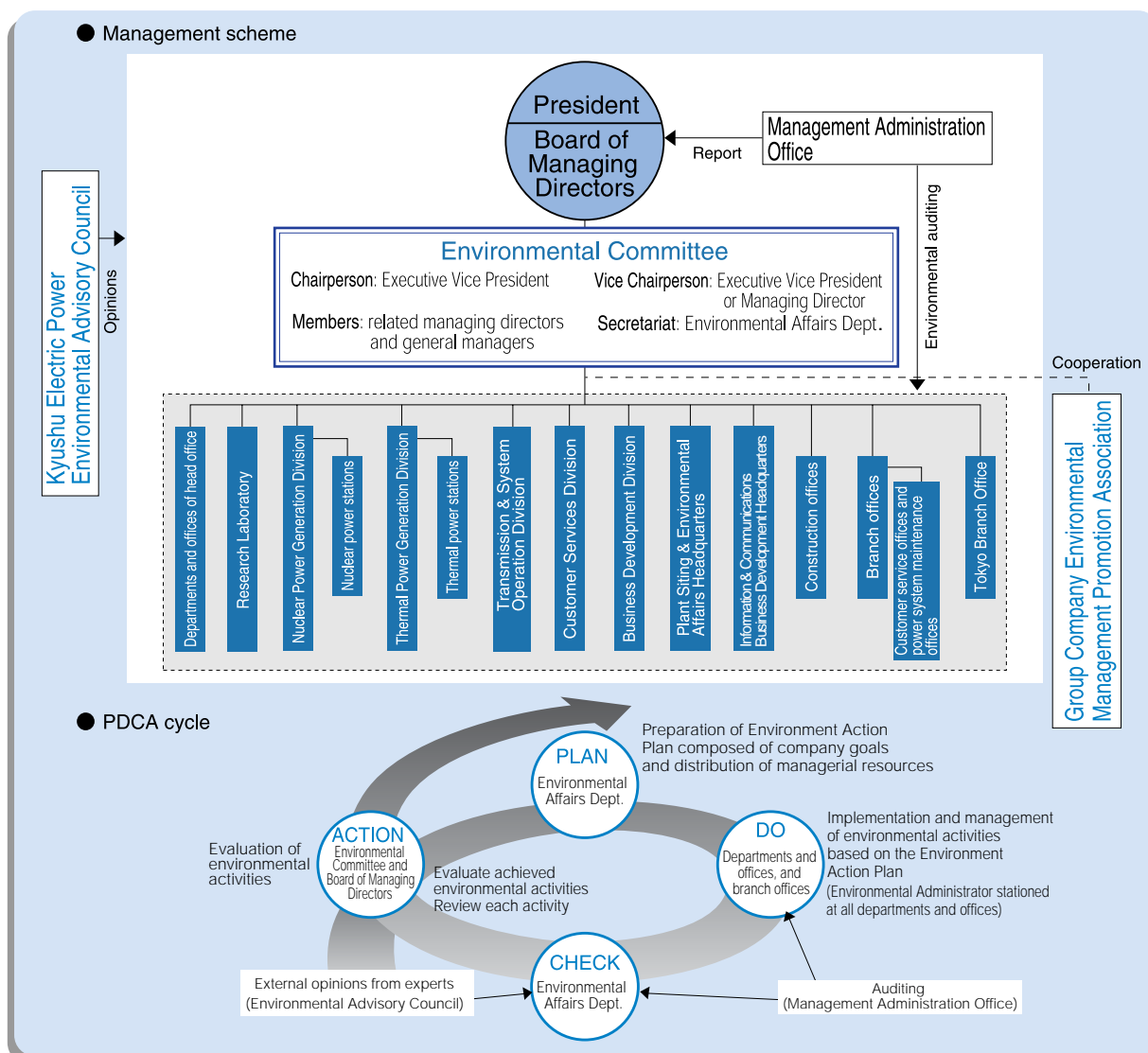
February 15, 2001

N.B. Please refer to Related Information 18.(p.46) for Kyushu Electric Power Group Environment Philosophy and Kyushu Electric Power Group Environment Policies.

## (2) Promotional scheme

Kyushu Electric Power has structured a company-wide scheme to promote the implementation of environmental management.

- An Environmental Committee has been established to better review the environment activity strategies of Kyushu Electric Power as a whole. The committee's agenda is authorized by the Board of Managing Directors, and will be adopted as the company's environmental management guidelines.
- The Kyushu Electric Power Environmental Advisory Council, composed of experts in various fields, has been established for external evaluation of our environmental activities.
- Internal evaluation is conducted by the Management Administration Office. We will ensure that the results of both internal and external evaluation be reflected in future activities. (See Related Information I4. (p.40) for more details.)
- Further, the Group Environmental Management Promotion Subcommittee of the Group Management Association (former Group Company Environmental Management Promotion Association, reorganized in May 2002) has been set up to promote the environmental management of the Kyushu Electric Group as a whole.
- The Subcommittee serves to discuss and draft common objectives for the Group, as well as action plans. (See Related Information I8. (pp.46-51) for more details.) Meanwhile, these activities are subject to evaluation by the Kyushu Electric Power Environmental Advisory Council.



### Environmental Committee

Kyushu Electric Power strongly promotes environmental management by building an environmentally conscious administrative system closely tied to company management.

The Environmental Committee discusses and drafts environmental activity strategies and environment action plans, such as the extent of managerial resources to be distributed to environmental management.

The Environmental Committee is chaired by the Executive Vice President and composed of related managing directors and general managers.

Matters deliberated by the Environmental Committee are first submitted to the Board of Managing Directors, then adopted within the business plans of each division, department and branch office, and implemented company-wide in the form of specific environmental activities.

Environmental Administrators (161 administrators as of July 2002) have been appointed for all departments and offices to supervise and fully enforce environmental activities.



Discussing comprehensive environmental strategies at the Environmental Committee

### Kyushu Electric Power Environmental Advisory Council

Kyushu Electric Power attaches great importance to external evaluation from experts in promoting environmental management.

The Kyushu Electric Environmental Advisory Council was established in April 2001 to evaluate the environmental management efforts of Kyushu Electric Power and the Group companies.

The council is composed of nine experts in various fields and from each prefecture in Kyushu.

The feedback for the 2nd Advisory Council is listed on p29.



Kyushu Electric Power Environmental Advisory Council (held on August 9, 2002)

### Environmental management system

Kyushu Electric Power aims to build a company-wide environmental management system (EMS) that is both efficient and effective.

ISO 14001 certification was acquired at the model office selected, taking into account the significantly different functions of our operational establishments, e.g. branch offices, power stations, power system maintenance offices and customer service offices.

An ISO-based system was applied to all thermal power stations by the end of fiscal 2001.

As for branch offices, customer service offices, power system maintenance offices and nuclear power stations, etc. an ISO-based system is planned to cover all sites by fiscal 2002 and 2003. (See Related Information I3. (pp.38-39) for more details.)



Audit of ISO certification at the Nagasaki Branch Office

#### ISO certification at selected model offices

Office	Certificate acquisition
Matsuura Thermal Power Station	July 1997
Sendai Nuclear Power Station	March 1999
Hitoyoshi Power System Maintenance Office	March 2001
Omarugawa Hydro Power Plant Construction Office	August 2001
Saga Customer Service Office	June 2002
Nagasaki Branch Office	July 2002

Matsuura Thermal Power Station was granted the first ISO14001 ever given to an electric power company in Japan.

### Conformity to environmental regulations

Kyushu Electric Power strictly conforms with environmental laws and ordinances, as well as agreements on environmental conservation concluded with related local governments.

The company has committed no breaches of environmental laws, and no failures have occurred in the last 5 years. Currently, no legal actions regarding environmental issues are being filed against Kyushu Electric Power.

### Emergency measures

Kyushu Electric Power prepares against emergencies such as facility failures and natural disasters by installing and upgrading facilities for disaster prevention, implementing adequate education and training for its staff, and preparing manuals that help responsible staff to better deal with their duties.

Power stations are under agreement to remain in close contact with their local governments.

Both the Genkai and Sendai Nuclear Power Stations have a nuclear power training center on their premises.

At both nuclear power training center, simulation equipment enables trainees to learn from a wide variety of potential dangers by simulating crises that have actually occurred, even outside Japan.

## (3) Fiscal 2002 Environment Action Plan

Activities carried out under the fiscal 2001 Environment Action Plan were reviewed in March 2002 based on the external and internal evaluations received. The fiscal 2002 Environment Action Plan is based on five core Environment Action Policies: a) promoting environmental management (new policy introduced in fiscal 2002); b) dealing with global environmental issues; c) establishing a recycling-based society; d) maintaining harmony with the local environment; and e) working with society. The Plan also formulates major environmental activity targets, and Kyushu Electric Power has made a company-wide commitment to spare no efforts in achieving these goals.

### Promoting Environmental Management

Establishment of an environmental management framework	apply the environmental management system company-wide, and promote environmental management among Kyushu Electric Power Group companies
Improvement of environmental efficiency	establish and implement an environmental accounting system that will eventually improve the management of the environment

### Dealing with global environmental issues

Greenhouse gas reduction	promotion of nuclear power generation; improvement of the efficiency of power generation facilities; measures for CO <sub>2</sub> emission reduction (e.g. building a framework within the company and implementing specific actions to meet targets); enforcement of SF <sub>6</sub> gas recovery; study of potentially effective Kyoto Mechanism practices.
New energy promotion	promotion of the Green Electric Power System; purchase of surplus power
Measures for energy conservation	promotion of heat storage systems and high-efficiency equipment; utilization of unused energy; improvement of corporate vehicles' fuel efficiency; further promotion of company-wide energy-saving activities

### Establishing a recycling-based society

Challenges towards zero-waste	zero-waste through promotion and adequate management of the "three R's" (reduce, reuse and recycle); productive use of waste products (e.g. coal ash) as a business; and promotion of various environmental projects among the Kyushu Electric Power Group companies
Promotion of green procurement	establishment of the green procurement system covering all materials and suppliers

### Maintaining harmony with the local environment

Environmental preservation for power stations and substations	environmental assessment; prevention of air, water and noise pollution; emission reduction of CFCs subject to regulations for ozone layer protection; environmental monitoring; radioactive waste management; chemical-substance controls
Harmony with the surrounding environment	greening of power stations; achievement of harmony with the surrounding environment upon facility design; response to emerging environmental risks such as soil contamination

### Working with society

Communication	organization of study tours and lectures; strengthening environmental promotion activities
Community activities	various environmental activities in collaboration with NGOs; promotion of the Kyushu Homeland Forestation Program; voluntary cleaning projects and others
International cooperation	exchanges with overseas utilities; implementation and support of overseas projects
Employee awareness enhancement	training; lectures; provision of environment related information