

Kyuden Group ESG Data Book 2021

Editorial Policy

This Data Book is intended as a comprehensive and detailed report from both a quantitative and qualitative perspective. It has been issued in order to provide a deeper understanding of the ESG initiatives that the Kyuden Group is undertaking, and we have consulted international guidelines such as those of the GRI to arrange our ESG-related non-financial information according to each of the areas of Environment, Social, and Governance. Having linked them with financial information, we will report on particularly important initiatives and other information from the viewpoint of the Kyuden Group growth strategy in the Kyuden Group Integrated Report (scheduled to be issued in August 2021). As such, we urge readers to familiarize themselves with both this Data Book and the upcoming Integrated Report.

Scope of Reporting

Kyushu Electric Power Company, Incorporated and Group Companies

Reporting Period

April 1 2020 through March 31 2021 (also includes some information outside of the target period)

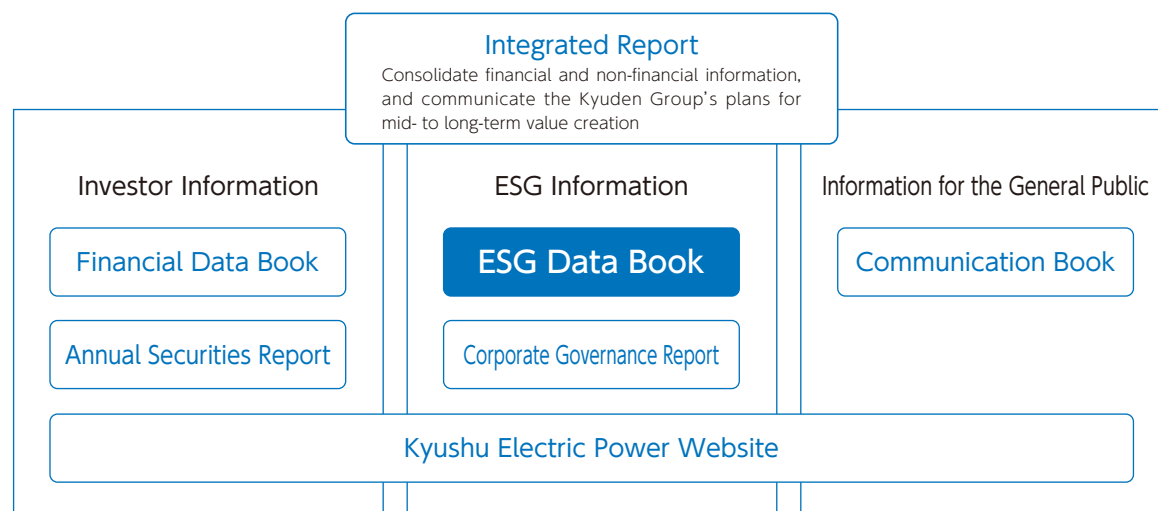
Issue Date

July 2021

Guidelines Consulted

GRI Standards and others

Information Disclosure System



*In FY2021, we will reorganize the Annual Report, Sustainability Report, and Environmental Report, which we have been issuing up to FY2020, into our Integrated Report and ESG Data Book

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Our Policy, Views, and System for Promoting Sustainability

Policy and Views

We at the Kyuden Group have been working toward the goal of improving and enriching our business activities. We hope to achieve this goal by collecting and analyzing opinions from CSR surveys targeted at the inhabitants of the regional areas of Japan and from a wide array of stakeholders, as well as through listening to the opinions of outside experts and through discussions by our CSR Promotion Committee led by our president.

In recent years as we head toward the realization of a sustainable society through initiatives such as the Promotion of Carbon Neutrality and Enhancement of Governance for the Board of Directors Supervisory Function, voices calling for the fulfillment of our business activities from the perspective of ESG have started to come from not only our stockholders and investors, but from a wide variety of stakeholders as well.

In order to accurately respond to these voices and to changes to the social landscape, we will continue to set up and improve the appropriate systems. As we do so, we will further accelerate the solution of regional and global issues through our business activities, which will help us realize society's goal of sustainability.

Kyuden Group CSR Charter

Kyuden Group, Kyushu Electric Power Group Members, aims for sustainable development with communities. We endeavor to gain credibility from our customers, communities, our shareholders and investors, our partners in our supply chains, and our employees. To build up strong relations of trust, we ensure rigorous CSR management at home and abroad. In execution of such management, we commit ourselves to be highly sensible to social environments. We fulfill our requirements that lead to issue resolution in communities and engage in solicitous manner on social impacts. Details are:

- 1 **Enhancement of Customer Satisfaction**
We enhance customer satisfaction by providing worthwhile products and services safely and securely to answer the tasks and needs from customers. In doing so, we encourage operational reforms such as technical innovations, structural renovation and production method remedies.
- 2 **Safety and Security**
We place top priority on the safety and security in our corporate activities by taking safety measures in all of our facilities. We also keep our working environment safe and provide thorough explanations to local residents.
- 3 **Environmentally-Friendly Actions**
We take the initiatives in global environment preservation and thereby contribute to sustainable society through taking harmonious steps with regional environment.
- 4 **Fair and Faithful Operations**
We conduct fair business operations by ensuring transparency in our business activities. We practice appropriate transactions under fair and free competitions and ensure compliance of supply chain products. We maintain healthy and balanced relations with government and administrative organizations.
- 5 **Sincere Communications**
We disclose information promptly and conduct various interactive communication activities with customers and communities. Opinions and voices are reflected to our overall operations.
- 6 **Coexistence with Communities**
We contribute to issue resolution in communities and target mutual development through our corporate activities and other social action programs.
- 7 **Respect of Human Rights, Workplace Environment Upgrade**
Human rights of all persons involved are respected in our business operations. We also actively develop and employ human resources based on fair evaluations. We promote diversity working atmosphere so that every person can work to the fullest extent in good health condition.
- 8 **Risk Management**
Risk management is fully implemented to tackle against any threats to civil life and corporate activities such as natural disasters, terrorist attacks or cyberattacks. We declare that we definitely confront antisocial forces.
- 9 **Legal Compliance**
We ensure compliance with law and regulations. We pledge not to get involved in any acts that cause damage on society or inflicts inconveniences on any parties.
- 10 **Charter Spirit and Top Management's Responsibilities**
Top management is fully responsible for materializing the spirit of this Charter. Management officers also take effective measures for fully in-house execution and encourage supply chain partners to do so. In case of any violations of this Charter, we take immediate actions to resolve the problems and take countermeasures to prevent recurrence of similar issues. We are also determined to take strict disciplinary actions against violators including top management.

Established: January 2005
Revised: July 2021

Setup of Our Promotion System (July 2021)

◇ Sustainability Promotion Committee

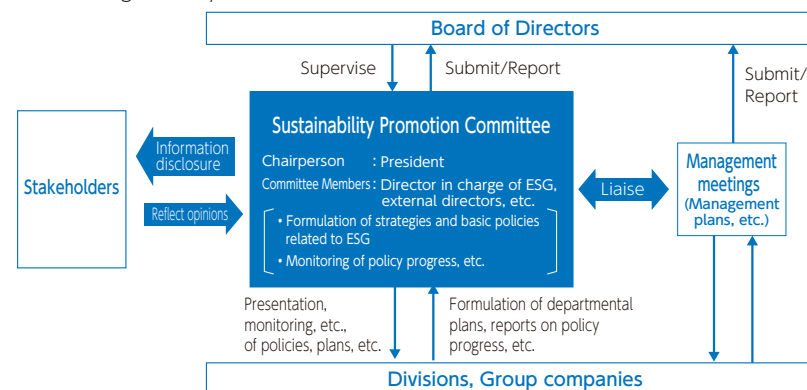
The Kyuden Group has been engaged in promoting a more sustainable society, with our efforts focused on our CSR Promotion Committee, with the President of the Kyushu Electric Power as its Chairperson. Through this committee, we have been able to promote a style of CSR management that can respond to the hopes and demands of a wide array of our stakeholders.

In July of 2021, we took another look at our existing CSR Promotion Committee so that we could more strongly promote our overall ESG (environment, society, and governance) initiatives such as making our Kyuden Group Carbon Neutral Vision 2050 into reality. To that end, we reworked the CSR Promotion Committee into a Sustainability Promotion Committee, a committee structure that reports its deliberations to and receive guidance from our Board of Directors.

In addition, we made improvements to our internal promotion system by establishing a Director in Charge of ESG, and we set up a new Supervisory Group in our Corporate Strategy Division that is responsible for Kyuden Group ESG promotion.

In this way, we are promoting more initiatives than ever that can incorporate ESG viewpoints into our management and business activities, and which lead to increased corporate value and sustainable growth for the Kyuden Group.

■ Structure and Management System



Overview of Sustainability Promotion Committee (with changes from previous CSR Promotion Committee)

	Sustainability Promotion Committee	CSR Promotion Committee
Purpose	To deliberate and coordinate ESG strategies and policies for the Kyuden Group, and to oversee and promote executive management in order to bring about a sustainable society	To deliberate and coordinate matters related to corporate social responsibility (issuing basic policies, action plans, and reports)
Positioning	Deliberative body tied to the Board of Directors (reporting to and receiving direction from the Board of Directors)	Deliberative body not tied to the Board of Directors
Structure	Chairperson: President Vice-chairperson: Director in charge of ESG Committee members: External directors, executive directors of relevant divisions, etc. Secretary: Directors of Corporate Strategy Division	Chairperson: President Vice-chairperson: Director in charge of CSR Committee members: Executive directors of relevant divisions, etc. Secretary: Director of the District Symbiosis Division
Sub-committees and sectional groups, etc.	Establish sectional groups under committees that carry out the various deliberative and coordination activities intended to improve the effectiveness of the ESG strategies	Established the Environmental Committee under the Promotion Committee to deliberate and coordinate on matters related to environmental activity strategies
Frequency	Twice yearly in principle (in April and November), and additionally as necessary	Ordinary sessions convened in April and November

Identifying Major CSR Challenges (Materiality) (2019)

International awareness of global-scale social problems is growing rapidly, as reflected in the growing adoption of the Sustainable Development Goals (SDGs) set forth by the UN, as well as the spread of ESG investment activities. In this environment, enterprises are also strongly expected to play a role in solving problems.

With awareness of this management environment, the Kyuden Group has identified 14 major CSR challenges for which stakeholder expectations are particularly high. Going forward, the Kyuden Group will work actively to address these major CSR challenges.

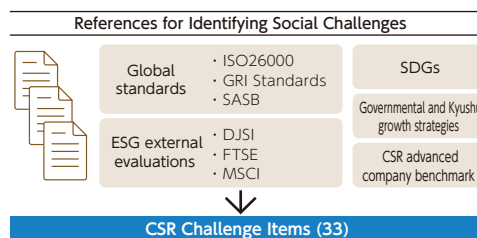
Formulation Process, Major CSR Challenges



STEP 1 Identifying Social Challenges (CSR Challenge Selection)

The process of identifying social challenges took items given importance by global CSR standards as its foundation and included reference to the SDGs and to ESG external evaluations, as well as to growth strategies formulated by the national government and Kyushu administrative entities. This yielded a list of challenges for further consideration.

To set the identified social challenges at a level easy to connect to future concrete initiatives in the Kyuden Group, we organized them into 33 CSR Challenges.



STEP 2 Prioritizing CSR Challenge Items

We then formed a draft list of Major CSR Challenges by giving the CSR Challenge Items in Step 1 a relative evaluation along two axes, Stakeholder Expectations vs. Importance to the Kyuden Group. In making selections, we gave deliberate priority to Stakeholder Expectations. For example, items that were high in terms of Stakeholder Expectations were included in the list even when Importance to the Kyuden Group was relatively low.

In addition, we solicited opinions within the Kyuden Group regarding the draft list of Major CSR Challenges and reflected these in results, to make them highly effective items that will lead to concrete efforts in the future.

Perspectives for Evaluation

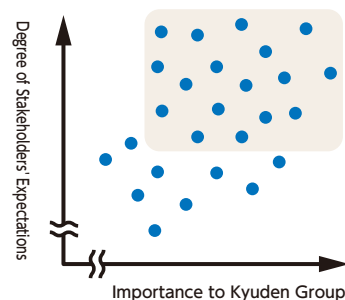
Degree of Stakeholders' Expectations

- Level of expectations toward the electric power industry (emphasis on evaluation points for the electric power industry in ESG investing)
- Level of expectations toward companies with roots in the Kyushu region (emphasis on key issues in Kyushu's growth strategies)
- Level of expectations placed directly on the Kyuden Group (emphasis on items for which expectations are high in terms of dialogue with customers, points of contact in work, etc.)

Importance to Kyuden Group

- Degree of relatedness to the Kyuden Group Management Vision
- Size of risks arising if Challenge Items are not addressed
- Size of growth potential (i.e., opportunity) of markets related to Challenge Items

Plotting the Major CSR Challenge proposals



STEP 3 Verifying Appropriateness (Discussions with Experts)

Based on the Major CSR Challenges selected in Step 2, we held discussions with external experts to obtain opinions from the standpoint of their specialist knowledge. The results of these discussions were used to help draw up a draft list of 14 Major CSR Challenges.

Organization/Title	Name	Organization/Title	Name
Director of Business Development Division, Kyushu Economic Research Center Director, BIZCOLI Hall	Hideyuki Okano	Representative, Biznet Corporation External Director, Aeon Kyushu Co., Ltd.	Yuriko Hisadome
Representative Director, Psy's Learning Chairman, GEWEL	Machiko Takami	Sustainability & CSR Director, Mitsubishi Corporation	Takehiro Fujimura
Deputy Chief Research Officer, Chief Manager of Sustainability Management Office, Corporate Planning & Coordination Department, Development Bank of Japan	Keisuke Takegahara	Fellow, Chuo Graduate School of Strategic Management, Chuo University Supervising Lecturer, Japan Management Association	Etsuhiro Hosoda

Principal Opinions Received

■ Formulation Process, Major CSR Challenges

- Using global standards, opinions sent directly to the Kyuden Group, and other references, a wide range of social challenges were identified, and all areas were covered
- Objective materials were used to determine Stakeholder Expectations, and the results were deemed appropriate

■ Efforts to Address Challenges

- It is important to solve Major Challenges through active efforts of the unified Kyuden Group based firmly on its management strategy, including its management vision
- It is vital that efforts to solve regional challenges be adapted to the characteristics of each locality

■ Items Selected for Major CSR Challenges

- Items like "promote local industry" and "expand the number of visitors to Kyushu" conveyed the message that the Kyuden Group wants to grow along with Kyushu by invigorating its economy
- The list of items is a good representation of the Kyuden Group's culture

■ Message to Society

- The Major Challenges represent a commitment by the Kyuden Group. It is important that they follow through on this commitment to be better regarded by society, and their active messaging is encouraging.
- Demonstrating how the Group's efforts to solve the Major Challenges will tend to deliver value for society will facilitate communication with society

STEP 4 Identification of Major CSR Challenges (Review and Approval by Deliberative Bodies)

The draft list of Major CSR Challenges selected in Step 3 was reviewed for appropriateness by the CSR Promotion Committee* (chaired by the president and composed of senior management of Kyushu Electric Power), and 14 Major CSR Challenges, given below, were selected.

*Renamed in July 2021 as the Sustainability Promotion Committee

Kyuden Group Major CSR Challenges

	Theme	Major CSR Challenges	Main related SDGs
Environment	Global environment Lessen the risks of climate change and protect the bountiful planet.	Reduce CO ₂ emissions	7, 13, 14, 15, 17
		Develop/adopt renewable energy	7, 13, 14, 15, 17
		Preserve biodiversity	14, 15, 17
Social	Economic foundation Support people's lifestyles and the economy with energy infrastructure.	Provide energy reliably	7, 13, 14, 15, 17
		Operate nuclear power stations safely and reliably	7, 13, 14, 15, 17
		Create urban development for safe, strong neighborhoods	11, 13, 14, 15, 17
	Local community Together with residents of the region, we will energize local communities.	Meet customer needs and challenges with energy services	7, 13, 14, 15, 17
		Promote local industry and create jobs	8, 9, 10, 11, 12, 13, 14, 15, 17
		Expand the number of visitors to Kyushu	8, 9, 10, 11, 12, 13, 14, 15, 17
Governance	Organizations/human resources Urge employees to take on challenges, and strengthen organizational foundations.	Help create a society that is equally welcoming for the elderly and children	8, 9, 10, 11, 12, 13, 14, 15, 17
		Create innovation	8, 9, 10, 11, 12, 13, 14, 15, 17
		Develop personnel	8, 9, 10, 11, 12, 13, 14, 15, 17
		Create work-friendly environments	8, 9, 10, 11, 12, 13, 14, 15, 17
		Ensure effective corporate governance	8, 9, 10, 11, 12, 13, 14, 15, 17

The list of challenges will be reviewed as required in light of changes in social trends and the operating environment, among others.

Initiatives toward Major CSR Challenges (Materiality)

	Major CSR Challenges	FY2020 KPI	Targets	FY2020 results	FY2021 KPI	Targets	
u (Environment)	Global Environment	Reduce CO ₂ emissions	CO ₂ emissions reduction (Kyushu region, compared to FY2013 levels)	26,000,000 [tons, FY2030]	19,300,000 tons* *Amount denotes only that from our retail and supply business.	CO ₂ emissions reduction (Kyushu region, compared to FY2013 levels)	26,000,000 [tons, FY2030]
		Develop/adopt renewable energy	Development volume of renewable energy:	5 GW [FY2030]	Approx. 2.3 GW	Development volume of renewable energy:	5 GW [FY2030]
		Preserve biodiversity	Percentage of environmental education participants whose awareness of environment and energy-related issues improved	80% or above	96%	Percentage of environmental education participants whose awareness of environment and energy-related issues improved	More than 90% (Activities using new methods: More than 80%)
Percentage of environmental activities as part of Korabora-Q-den, an initiative that promotes collaboration with local communities	70% or above		92%	Percentage of environmental activities as part of Korabora-Q-den, an initiative that promotes collaboration with local communities	Above performance for previous fiscal year		
n (Social)	Economic foundation	Provide energy reliably	Maintain supply reliability	—	Annual power outages per customer household (frequency): 0.21 Annual power outages per customer household (time): 139 mins.	Maintain supply reliability	—
		Operate nuclear power stations safely and reliably	Completion date of the Sendai Nuclear Power Station's Specific Safety Facilities	December 2020 (Unit 1) January 2021 (Unit 2)	November 11, 2020 (Unit 1) December 16, 2020 (Unit 2)	Genkai spent fuel storage measures (re-racking)	Phase 1: Construction scheduled to be completed [Phase 2: Scheduled for completion in FY2022] [Phase 3: Scheduled for completion in FY2024]
			No. of major facility incidents	0	0	No. of major facility incidents	0
		Meet customer needs and challenges with energy services	Customer feedback that led to improved tasks	Reflect customer feedback in business operations (no set quantitative target)	61	Customer feedback that led to improved tasks	Reflect customer feedback in business operations (no set quantitative target)
Local community	Promote local industry and create jobs	No. of projects commercialized in the Q-Den Nigiwai Startup Project	2	1	No. of projects commercialized in the Q-Den Nigiwai Startup Project	1	
	Expand the number of visitors to Kyushu	Support for local organizations working to foster the next generation (no. of subsidized organizations)	23 organizations	23 organizations	Introduction and expansion of IoT-based child protection program	1 local government	
Human resources/Organizations	Create innovation	No. of participants in KYUDEN i-PROJECT	100	160	No. of participants in KYUDEN i-PROJECT	100	
		Commercialization and service creation No. of individual projects leading to final proposals	3~5	1	Commercialization and service creation No. of individual projects leading to final proposals	3 or more	
	Develop personnel	(1) No. of new female managers appointed (2) No. of women appointed to top management positions in the organization	FY2019-FY2023: increase by three times in each year compared to FY2009-FY2013 (1. 54, 2. 21 or more)	(1)18 (2)13	(1) No. of new female managers appointed (2) No. of women appointed to top management positions in the organization	FY2019-FY2023: increase by three times in each year compared to FY2009-FY2013 (1. 54, 2. 21 or more)	
		Employment rate of persons with disabilities	2.3%	2.32%	Employment rate of persons with disabilities	2.3%	
	Create work-friendly environments	Total actual working hours	Reduce as much as possible	vs. FY2019 an increase of +4.7 hours (FY2020) *Increase due to the increase in prescribed working days for the year (+3 days)	Overtime working hours	Reduce as much as possible	
Rate of completion of a telework-ready environment		Increase the rate of completion of a telework-ready environment	Expand workplaces covered (expanded to the entire company as of Apr. 1, 2021)	Finished expansion to the entire company on April 1, 2021 so no target set	—		
No. of major accidents (employees)		0	0	No. of major accidents (employees)	0		
Ensure effective corporate governance	Business summary briefing	2	2	Business summary briefing	2		
	Briefings for personal investors	Approx. 5	1 *Briefings conventionally held separately at multiple locations were amalgamated into one online briefing	Briefings for personal investors	1 or more		
—	No. of serious compliance violations	0	0	No. of serious compliance violations	0		

Climate Change

Policy and Approach

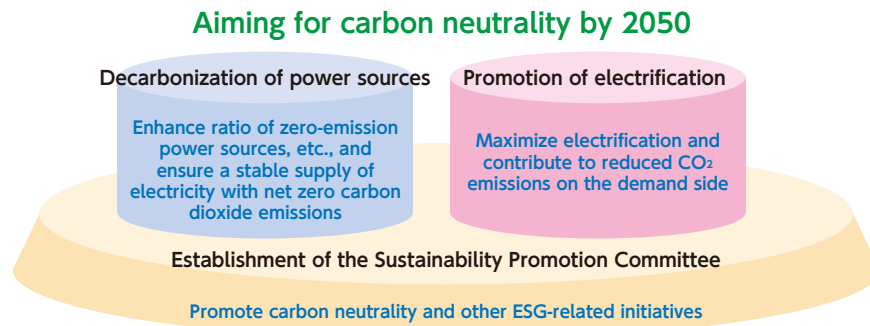
In recent years, the rising severity of natural disasters—a phenomenon attributed to global warming—has become increasingly problematic. As a result, with the adoption of the SDGs and the Paris Agreement, efforts to reduce CO₂ emissions, the main contributor to global warming, have been gaining momentum. Elsewhere, major nations have announced specific targets aimed at achieving carbon neutrality, and in these and other ways, international society is accelerating initiatives aimed at achieving low-carbon and decarbonized communities. As a responsible energy provider, at the Kyuden Group, in line with the basic viewpoint of Japan's national energy policy—3E + S (energy security, economic efficiency, environmental consideration + safety)—we are proactively engaging in groupwide initiatives to achieve carbon neutrality.

Initiatives to Achieve Carbon Neutrality by 2050

Since the announcement of the Kyuden Group Management Vision 2030 in June 2019, we have worked to achieve a low-carbon, sustainable society, approaching the challenge from both the supply and demand side. Specifically, through increased use of renewable energy and nuclear power, we have sought to decarbonize our power sources and promote electrification. To accelerate these efforts, in April 2021 we formulated the Kyuden Group Carbon Neutral Vision 2050, declaring our intention to achieve carbon neutrality by the year 2050. We believe that efforts to tackle global warming are an opportunity for corporate growth, and so from here in Kyushu, we will aim to lead the decarbonization of energy in Japan.

*Scenario analysis results based on the TCFD recommendations framework are scheduled to be published in our Integrated Report (scheduled for publication in August 2021).

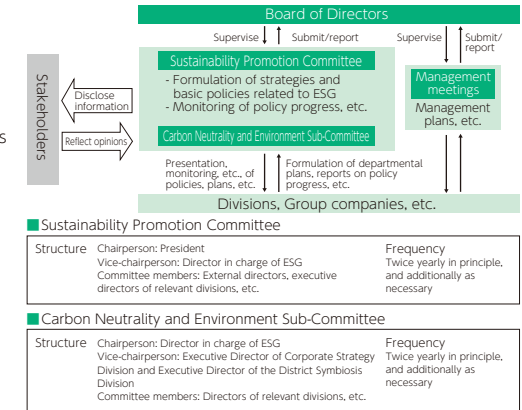
Kyuden Group Carbon Neutral Vision 2050 Overview



Promotion Framework

To promote carbon neutrality and other ESG-related initiatives, in July 2021 we set up the Sustainability Promotion Committee, which is chaired by the president. In addition to the formulation of strategies and basic policies related to ESG (identification of major challenges), discussions on specific measures, and management of policy progress, the Committee is also tasked with discussing and supervising strategies and risks related to climate change. The Committee meets more than twice yearly, and the results of their discussions are reported without delay to the Board of Directors. The Board of Directors supervises all activities related to ESG. Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a more specialized standpoint, this Sub-Committee discusses all matters related to environmental issues, including carbon neutrality. Through platforms such as these, we have been able to improve and reinforce our assessment and management of climate change risks and opportunities, and we will look to link this to the sustainable growth and enhanced corporate value of the Kyuden Group.

Kyuden Group Environmental Management and Promotion Framework



Targets

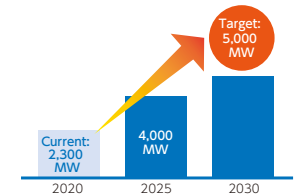
Reductions in CO₂ Emissions (Reduction target: 26 million tons)

The medium-term target of Japan's current 5th Basic Energy Plan is to reduce CO₂ emissions by 26% by 2030 (compared to 2013). In Kyushu, this is equivalent to a reduction of 38 million tons. At the Kyuden Group, we will work to contribute to 70% of this target and achieve a reduction of 26 million tons*.

*CO₂ emissions targets for FY2030 may be revised in line with future basic energy plans.

Development of Renewable Energy (Development target: 5,000 MW [FY2030])

In addition to the development of geothermal and hydroelectric power, two of our strengths, we will promote the development of biomass power, as well as offshore wind power, an area in which there is huge potential.



Reduction of CO₂ Emissions Factor

Single-year target (FY2021)
0.288kg-CO₂/kWh (Before Non-Fossil Certificate transaction)
(0.435kg-CO₂/kWh [After Non-Fossil Certificate transaction])**

Item	Target	Progress
(Reductions in CO ₂ Emissions) CO ₂ emissions reduction (in Kyushu, compared to FY2013)	26 million tons (FY2030)	19.3 million tons** (FY2020)
(Reductions in CO ₂ Emissions) CO ₂ emissions factor	0.288kg-CO ₂ /kWh (Before Non-Fossil Certificate transaction) (0.435kg-CO ₂ /kWh [After Non-Fossil Certificate transaction])** (FY2021)	0.479kg-CO ₂ /kWh (post-adjustment)** (FY2020)
(Reductions in CO ₂ Emissions) Renewable energy development	5,000 MW (FY2030)	Approx. 2,300 MW (as of the end of FY2020)

**1 Amount denotes only that from our retail and supply business.

**2 Calculated based on the medium-term non-fossil power source target (revised target) outlined in the Act on Sophisticated Methods of Energy Supply Structures (the government is scheduled to give official notice of medium-term targets in August).

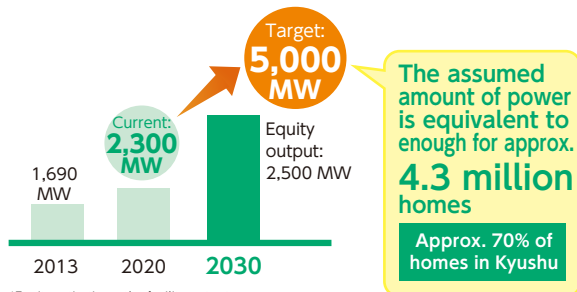
**3 Figures are provisional; the government is set to announce definitive figures in December.

Initiatives

Proactive Development of Renewable Energy

In Japan's 5th Basic Energy Plan, the government has positioned renewable energy as an important low-carbon domestic energy source. By 2030, the government aims to have 22-24% of its energy coming from renewable sources. At the Kyuden Group, too, we are proactively developing carbon-free renewable energy, and have set ourselves the target of developing 5,000 MW of renewable energy by 2030. As we work toward this target, in addition to the development of geothermal and hydroelectric power—two of our strengths—we will promote the development of biomass power, as well as offshore wind power, an area in which there is huge potential.

Renewable Energy Development Target



*Equity ratio times the facility output (development amount) in projects in which we have joined.

*Based on the calculation that homes use around 250 kWh of power each month.

Renewable Energy Development Progress

(As of the end of FY2020; includes overseas)

Type	Kyuden Group's development of renewable energy
Solar	Approx. 94 MW
Wind	Approx. 179 MW
Hydro	Approx. 1,287 MW
Geothermal	Approx. 553 MW
Biomass	Approx. 185 MW
Total	Approx. 2,300 MW

Reductions in CO₂ Emissions in FY2020 as a Result of Renewable Energy Development
Total: **Approx. 1.73 million tons** (equivalent to enough power for 400,000 homes)

<p>Solar power generation Approx. 30,000 tons</p> <p>Omura Mega Solar Power Station Units 1-4 (Nagasaki Prefecture) Capacity: 17.48 MW (Panel capacity: 20.35 MW) Launch: March 2013</p>	<p>Wind power generation Approx. 30,000 tons</p> <p>Nagashima Wind Power Station (Kagoshima Prefecture) Capacity: 50.4 MW Launch: October 2008</p>	<p>Hydroelectric power generation (excl. pumped storage) Approx. 1,170,000 tons</p> <p>Kamishiiba Power Station (Miyazaki Prefecture) Capacity: 93.2 MW Launch: May 1955</p>
<p>Geothermal power generation Approx. 410,000 tons</p> <p>Hatchobaru Power Station (Oita Prefecture) Capacity: 110 MW (55 MW x 2) Launch: June 1977</p>	<p>Biomass power generation Approx. 90,000 tons</p> <p>Miyazaki Biomass Recycling Power Station (Miyazaki Prefecture) Capacity: 11.35 MW Launch: May 2005</p>	

*Using FY2019 post-adjustment CO₂ emissions factor: 0.370 kg-CO₂/kWh

Geothermal power generation
Reductions in CO₂ emissions in FY2020 as a result of geothermal power generation: **Approx. 410,000 tons**

*Calculated using FY2019 CO₂ emissions factor

The Kyuden Group has long been engaged in the development of geothermal power. We currently own around 40% of all the geothermal power generation facilities in Japan, including the Hatchobaru Power Station, which is one of the largest of its kind in the country. Using our accumulated technological capabilities, we are currently investigating areas in Kyushu, the rest of Japan, and overseas that might have an abundance of geothermal resources, and while considering a comprehensive range of factors, such as technology, economic efficiency, and location, we are working to develop new geothermal power projects in harmony with our local communities. Elsewhere, due to its ageing facilities, we upgraded the power generation equipment at the Otake Power Station in Kokonoe, Oita Prefecture—which began operations in 1967 as Japan's first commercial geothermal power plant—and recommenced operations in October 2020.

Geothermal Power Generation (As of March 31, 2021) (MW)

		Output
Existing facilities (Approx. 223 MW)	Otake	13.7**
	Hatchobaru	110.0
	Yamagawa	30.0
	Ogiri	30.0
	Takigami	27.5
	Hatchobaru Binary	2.0
	Sugawara Binary*1	5.0
	Yamagawa Binary*1	4.99

*1 Developed and operated by Group companies.
*2 Planned increase to 14.5 MW after grid connection work in FY2022.

Further, in our efforts to develop new projects, we are also investigating geothermal resources in the following areas:

Inside Kyushu
Eboshi, Kirishima (Kirishima City, Kagoshima Prefecture)
South of Yamashita Lake* (Kokonoe, Kusu District, Yufu City, Oita Prefecture)
East of Mt. Waita (Kokonoe, Kusu District, Oita Prefecture)
Minamiaso (Minamiaso, Aso District, Kumamoto Prefecture)
Outside Kyushu
Sarukuradake (Yanaizu, Kawanuma District, Fukushima Prefecture)
To the south of Yamashita Lake and the east of Mt. Waita, based on the results of our investigations, we are drilling a geothermal exploration well in an environmentally friendly manner.

We are also engaged in binary geothermal power generation at our Hatchobaru, Sugawara (both in Kokonoe, Kusu District, Oita Prefecture), and Yamagawa (Ibusuki City, Kagoshima Prefecture) binary power stations. Binary power generation makes use of comparatively low-temperature steam and hot water—which couldn't be used in previous geothermal systems—to heat and evaporate pentane and power the turbines using the steam generated. Pentane is used as it has a lower boiling point than water.

*Joint investigation with Kyushu Rinsan Co., Ltd., Kyushu Highlands Development Co., Ltd., and The Idemitsu Kosan Co., Ltd.



Hydroelectric power generation
Reductions in CO₂ emissions in FY2020 as a result of hydroelectric power generation: **Approx. 1,170,000 tons**

*Calculated using FY2019 CO₂ emissions factor

Considering a comprehensive range of factors such as technology, economic efficiency, and location, we are working to develop hydroelectric power projects with our Group companies while ensuring harmony with our local communities. Specifically, we are looking at new developments that effectively utilize unused energy, and the renewal of our existing but ageing hydroelectric power plants. In May 2020, we commenced operations at our Tsukabaru Power Station in Morotsuka, Higashiusuki District, Miyazaki Prefecture. Elsewhere, we are moving forward with investigations and construction work at our Shin-Takeda Power Station (Takeda City, Oita Prefecture) and Jikumaru Power Station (Bungo-Ono City, Oita Prefecture).

Hydroelectric Power Generation (As of March 31, 2021) (MW)

		Output
Existing facilities*1	144 locations	1,286.811
Planned facilities (Approx. 9.4 MW)	Shin-Takeda	+8.3
	Jikumaru*2	+1.1

*1 General hydroelectric power facilities (Excl. pumped storage; incl. those developed by Group companies).
*2 Increased output due to renewal of existing power generation facilities.

Biomass power generation

Reductions in CO₂ emissions in FY2020 as a result of biomass power generation: **Approx. 90,000 tons**

*Calculated using FY2019 CO₂ emissions factor

Biomass power generation uses the heat generated from the combustion of wood, combustible waste, and other materials to create electricity, and is a carbon-neutral* option that has no impact on CO₂ levels. In addition to biomass power development by our Group companies, we are working to spread and promote use of biomass power by purchasing electricity from power generation companies.

*The carbon dioxide released when combusting biomass fuel is carbon dioxide that had previously been absorbed by the biomass materials (plants). As such, with zero net change between emission and absorption, biomass fuel is considered carbon neutral.

■ Biomass Power Generation (As of March 31, 2021) (MW)

		Main fuel	Output
Existing facilities (Approx. 185 MW)	Miyazaki Biomass Recycle* ¹	Chicken manure	11.35
	Fukuoka Clean Energy* ¹	General waste	29.2
	Reihoku* ²	Wood chips	(Max of 1% of weight ratio combusted)
	Matsuura* ²	Sewage sludge	(Approx. 800 t/year)
	Nanatsujima Biomass Power* ³	Palm kernel shells (PKS), wood pellets, and others	49.0
	Buzen New Energy* ³	Palm kernel shells (PKS) and wood pellets	74.95
	Fukuoka Wood Pellet Biomass* ¹	Unused materials and lumber scraps	5.7
Planned facilities (Approx. 347 MW)	Soyano Wood Power* ³	Unused materials and lumber scraps	14.5
	Kanda Biomass Energy* ³	Palm kernel shells (PKS), wood pellets, and others	74.95
	Okinawa Uruma New Energy* ³	Palm kernel shells (PKS) and wood pellets	49.0
	Shimonoseki Biomass Energy* ¹	Wood pellets	74.98
	Hirohata Biomass Power Generation* ³	Palm kernel shells (PKS) and wood chips	74.9
	Oita Biomass Energy* ³	Palm kernel shells (PKS) and unused wood	22.0
	Ishikari Bioenergy* ³	Palm kernel shells (PKS) and wood pellets	51.5

*¹ Developed by Group companies.

*² Mixed combustion at existing coal-fired thermal power stations.

*³ Developed by special-purpose companies in which Group companies have invested.

Wind power generation

Reductions in CO₂ emissions in FY2020: **Approx. 30,000 tons**

*Calculated using FY2019 CO₂ emissions factor

In promising locations that could facilitate long-term, economically efficient wind power generation, our Group companies (Kyuden Mirai Energy, etc.) are working to develop wind power projects in harmony with surrounding environments.

The Kushima Wind Power Station, built by Kushima Windhill Co., Ltd. in Kushima City, Miyazaki Prefecture, and the largest of its kind in Kyushu, began operations in October 2020. We are moving forward with efforts to expand offshore wind power, as shown by Kyuden Mirai Energy's* work to commercialize an offshore wind farm in the Hibiki-nada district of Kitakyushu City.

*In April 2019, Kyuden Mirai Energy signed a cooperative agreement with the German energy company E.ON (currently RWE Renewables) to jointly examine fixed-bottom offshore wind power projects in Japan. Together, they are examining the potential for offshore wind power generation in Kyushu and other areas.



Nagashima Wind Power Station

■ Wind Power Generation (As of March 31, 2021) (MW)

		Location	Output
Existing facilities (Approx. 129 MW)	Koshikijima	Satsumasendai City, Kagoshima Prefecture	0.25
	Nagashima*	Nagashima, Kagoshima Prefecture	50.4
	Amami Oshima*	Amami City, Kagoshima Prefecture	1.99
	Washiodake*	Sasebo City, Nagasaki Prefecture	12.0
	Kushima*	Kushima City, Miyazaki Prefecture	64.8
Planned facilities (Approx. 27 MW)	Karatsu/Chinzei*	Karatsu City, Saga Prefecture	27.2

*Developed by Group companies.

■ Kushima Wind Power Station Overview

Name	Kushima Wind Power Station
Scale of development	64.8 MW
Planned location	Along ridgeline between Honjo and Toi in Kushima City
Main processes	Environmental impact assessment: 2013-2015 Construction: 2016-2020 Launch: October 2020

Solar power generation

Reductions in CO₂ emissions in FY2020 as a result of solar power generation: **Approx. 30,000 tons**

*Calculated using FY2019 CO₂ emissions factor

Using the sites of old Kyushu Electric power stations, our Group companies (Kyuden Mirai Energy, etc.) are engaged in mega solar power businesses. To date, we have developed around 89 MW of solar power.



Omura Mega Solar Power Station

■ Solar Power Generation (As of March 31, 2021)

		Output
Existing facilities (Approx. 89 MW)	Omura Mega Solar*	1.99 MX
	Omura Mega Solar*	17.48 MX
	Sasebo Mega Solar*	10.0 MX
	Solar power facilities installed in offices, etc.	Approx. 2.2 MW
	Other mega solar power facilities	Approx. 57.6 MW
Planned facilities (Approx. 69 MW)		Approx. 60.0 MW

*Developed by Group companies.

● Initiatives to Commercialize Tidal Power Generation Technologies

Atlantis Operations (UK) Limited (AOUK), a wholly owned subsidiary of Simec Atlantis Energy (SAE), is engaged in the world's first project to develop a commercial tidal power generation business. Our Group company, Kyuden Mirai Energy, is working with AOUK in a project led by the Ministry of the Environment to commercialize tidal power generation technology. Specifically, Kyuden Mirai Energy has been tasked with building the demonstration equipment, and is currently trialing Japan's first 500 kW tidal power plant using SAE's power generator just off the coast of Goto City in Nagasaki Prefecture.

Through this project, we are aiming to develop and trial tidal power generation equipment ideally suited to the seas of Japan, with maximum potential for implementation, and with little impact on the environment. In doing so, we will work to increase amounts of renewable energy and reduce energy-derived CO₂ emissions. Further, to establish technologies and systems adapted to the seas of Japan, and to quickly commercialize tidal power and other ocean energy, we will make maximum use of the learnings from this demonstration, as well as the abundant tidal power generation experience of SAE and other companies in Europe, to promote the expansion of tidal power generation businesses in Japan.



Source: SIMEC ATLANTIS ENERGY

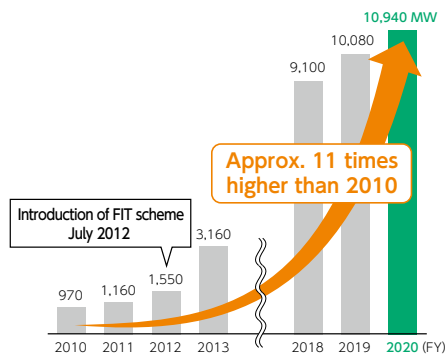
●Adoption of Renewable Energy

In Kyushu, implementation of renewable energy power generation facilities—particularly solar power—is progressing rapidly. At the Kyuden Group, we are working to maintain stable supplies of energy and ensure maximum adoption of renewable energy through the following initiatives:

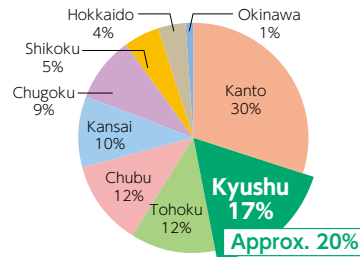
- Flexible operation of thermal power generation facilities (output control, etc.)*
- Utilization of pumped-storage power stations and high-capacity storage batteries*
- Utilization of free grid capacity* (Japanese Connect and Manage scheme)

*Kyushu Transmission and Distribution (Kyushu T&D) initiatives

■ Grid-connected Solar and Wind Power in the Kyushu Area (As of March 31, 2021)



■ Ratio of Solar and Wind Power Adoption in Japan*



Note: Does not include non-FIT facilities.

*Agency for Natural Resources and Energy
Created based on data from the Feed-in Tariff Scheme Information Website (updated May 14, 2021) (As of December 31, 2020).
Please note that totals may not add up due to rounding.

Controlling Output at Thermal Power Stations

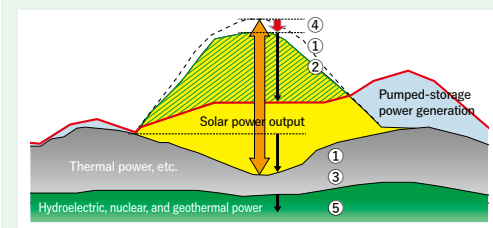
In spring, autumn, and other periods when demand for power is comparatively low, and when long days mean high output from solar power generation, power supply can exceed power demand.

When cases like this arise, Kyushu T&D controls the output of its thermal power stations to maximize utilization of solar power. When power supply still exceeds power demand, the company on occasion has no choice but to control output at solar power stations based on the Priority Electricity Supply Rules.*

The rule functions as a safety valve for solar power generation—where output volumes can fluctuate greatly—and in turn contributes to increased grid connections.

*The rules comprise conditions and procedures for maintaining a balance between power supply and demand. The rules were put together by the Organization for Cross-regional Coordination of Transmission Operators, Japan.

Priority Electricity Supply Rules

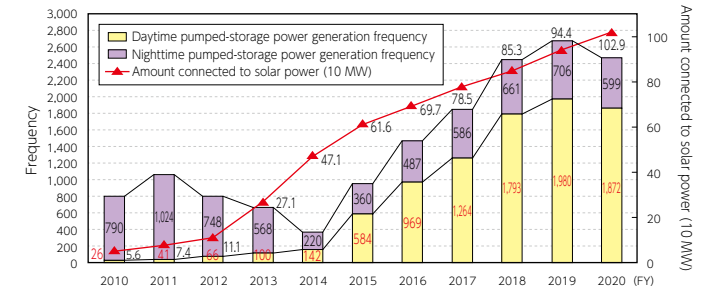


- 1) Absorb surplus renewable energy from pumped-storage, control output of thermal power
- 2) Transmit power outside of Kyushu via the Kanmon interconnection line
- 3) Control output of biomass power
- 4) Control output of solar and wind power
- 5) Control output of hydroelectric, nuclear, and geothermal power

Utilization of Pumped-storage Power Generation

Kyushu Electric Power uses pumped-storage power generation to supply power during periods of peak demand. In recent years, it has used solar power in the daytime to pump water and generate power for lighting in the morning and nighttime. In this way, the company is engaged in efforts to maximize adoption of renewable energy.

■ Pumped-storage Power Generation Frequency (Daytime/Nighttime)



*1 Daytime pumped-storage power generation: Calculated based on the no. of start-stops between 8:00-17:00 until FY2017. Revised to 7:00-17:00 in FY2018 in line with daylight hours.
*2 Amount connected to solar power as of the end of March 31, 2021.

Utilization of High-capacity Storage Battery Systems

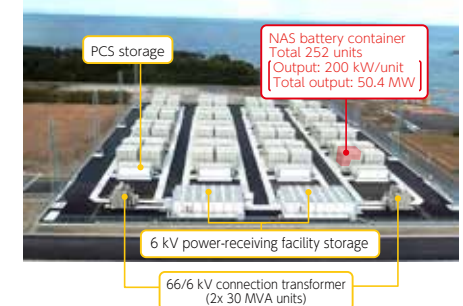
Placed in charge of a national project to demonstrate ways to improve supply and demand balance using a high-capacity storage battery system, Kyushu T&D has set up the Buzen Storage and Transformer Substation, which boasts one of the largest high-capacity storage battery systems in the world. Utilizing the expertise and technologies gained from this demonstration, the company hopes to ensure efficient operation of this system to cater to fluctuating volumes of solar and wind power, improve supply and demand balance, and in turn ensure maximum adoption of renewable energy.

■ Facility Overview

Name	Function/Specifications
NAS battery*	Output: 50 MW (Capacity: 300 MWh)
Power conditioner (PCS)	AC-DC converter
Connection transformer	Boost from 6 kV to 66 kV (2x 30,000 kVA capacity units)

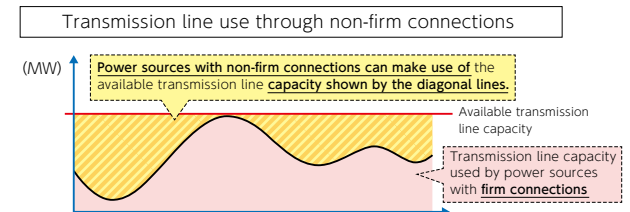
*Sodium (Na) and sulfur (S)

■ Buzen Storage and Transformer Substation



Japanese Connect and Manage scheme

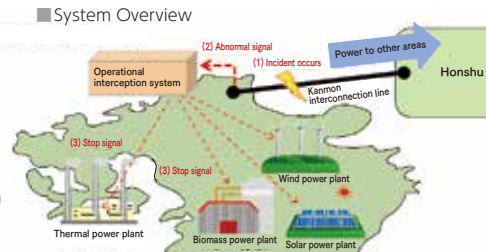
Kyushu T&D is engaged in efforts to introduce the Japanese Connect and Manage scheme to ensure maximum amounts of renewable energy can be connected to power grids. In January 2021, the company began taking orders for non-firm connections to its central grids. Non-firm connections generate power when there is available capacity in transmission and distribution facilities, and control power generation when there isn't enough capacity. Looking ahead, through the Connect and Manage scheme, the company will work to make maximum use of its electricity networks.



Source: 20th Meeting of the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks, Agency for Natural Resources and Energy. Excerpt from Materials Booklet 2 (partially amended).

Technological Development Project to Reduce Renewable Energy Output Control

Kyushu Transmission and Distribution (Kyushu T&D) has taken on a national project for the development of technologies that can reduce output control of renewable energy. As such, it is currently building a transfer interception system that, in the event of an incident along the Kanmon interconnection line, can instantly suspend multiple power stations to maintain the supply and demand balance in Kyushu. This transfer interception system has enabled a maximum of 300 MW of additional renewable energy to be transmitted from Kyushu to other areas via the Kanmon interconnection line, and has been confirmed as an effective means of reducing output control of renewable energy. Looking ahead, Kyushu T&D will use the expertise and technologies gained from this demonstration to work toward maximum adoption of renewable energy.

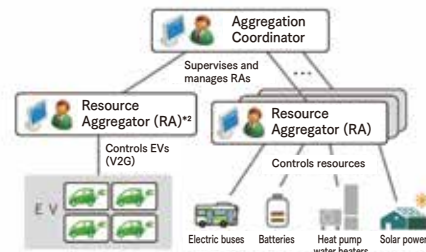


VPP Demonstration

With support from the government*1, since FY2018, Kyushu Electric Power (Kyushu EP) has been conducting demonstrations on how to adjust the balance between power supply and demand using electric vehicles (EVs). As part of these demonstrations, the company has been examining ways to use EVs to reduce output control in solar power generation. In FY2020, in addition to electric cars, the company conducted control demonstrations on a wide range of energy sources, such as electric buses, stationary storage batteries, and heat pump water heaters. Moving forward, the company will use the expertise gained from these demonstrations to examine the potential for commercialization.

*1 VPP construction project utilizing consumers' energy resources (Ministry of Economy, Trade and Industry)

VPP Demonstration Project (FY2020)



*2 Aggregator: Businesses, etc., that work between power companies and consumers to accurately adjust consumer demand volumes in order to maintain the balance between power supply and demand.

Demonstration Facilities



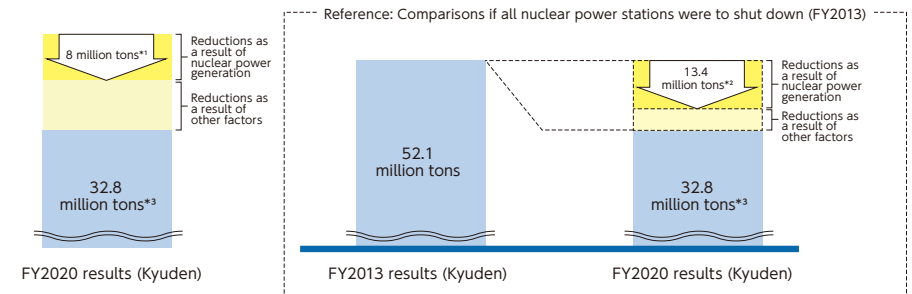
What is a VPP (virtual power plant)?

Providing functions much like a single power plant, virtual power plants facilitate the remote and integrated control of separate energy resources directly connected to the electricity grid.

Utilization of Nuclear Power Generation

In its Basic Energy Plan, the Japanese government has positioned nuclear power as an "important baseload power source," and has announced its plans to generate 20–22% of its energy from nuclear power by FY2030. While considering long-term energy security and response to global environmental problems, and with safety as the utmost priority, Kyushu EP is maximizing use of nuclear power generation as an option that does not produce CO₂ emissions. In FY2020, reductions in CO₂ emissions as a result of nuclear power generation was estimated at being 8 million tons.

Nuclear Power Generation by Kyushu EP and Its Effect on Reducing CO₂ Emissions

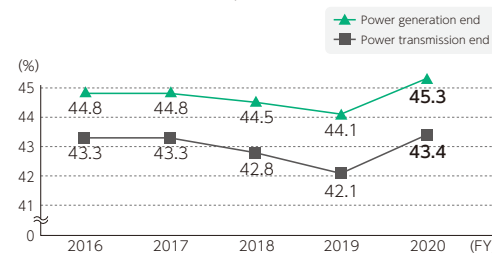


*1 Using FY2019 post-adjustment CO₂ emissions factor: 0.370 kg-CO₂/kWh
 *2 Using FY2013 post-adjustment CO₂ emissions factor: 0.617 kg-CO₂/kWh
 *3 FY2020 results are provisional; the government is set to announce definitive figures in December.

Optimization of Thermal Power Generation

The Kyuden Group is working to maintain and improve overall thermal efficiency to reduce fuel consumption and CO₂ emissions. Through operation of Matsuura Power Station Unit 2—which launched in December 2019—and other highly efficient coal-fired and LNG thermal power stations, Kyushu EP has improved its thermal efficiency by 1.2% to 45.3%. Moving forward, the company will continue to engage in efforts to optimize its thermal power generation.

Overall Thermal Efficiency



*Thermal efficiency has been calculated based on lower heating values.



Matsuura Power Station Unit 2 (to the front of the photo) began operations on December 20, 2019

Mixed Biomass Combustion at Thermal Power Stations

Kyushu EP is working to reduce carbon emissions at its coal-fired thermal power stations through use of carbon-neutral, unused domestic energy. Between FY2010 and FY2014, the company conducted a mixed combustion demonstration project at its Reihoku Power Station in Kumamoto Prefecture using woody biomass (offcuts and other unused forest resources), and has continued operations using woody biomass since FY2015. Further, together with the Electric Power Development Company and other organizations, Kyushu EP is taking part in a Kumamoto City-led project to transform sewage sludge into solid fuel. It has been manufacturing the fuel since FY2013, and using it for mixed combustion with coal at its own Matsuura Power Station and the J-Power Matsuura Power Station.

Development of a New Mixed Biomass Fuel to Reduce CO₂ Emissions

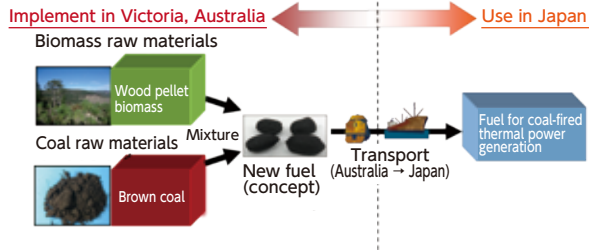
With support from the government*1, since October 2018, Kyushu Electric Power (Kyushu EP) has been working with Nippon Steel Engineering Co., Ltd. to develop a new mixed fuel using brown coal*2 and woody biomass. In October 2020, both companies began looking at the feasibility and commercial potential of this new fuel prior to conducting demonstrations and further research.

Not only is this new fuel expected to lead to reduced CO₂ emissions at Japan's coal-fired thermal power plants, it will also help to increase fuel resources.

*1 Project commissioned by the New Energy and Industrial Technology Development Organization (NEDO).

*2 The lowest grade of coal; it has a high moisture content and is high in impurities.

Overview of R&D



Brown coal mining in Victoria



Promotion of Electrification

As decarbonization efforts gain momentum in light of the government's declaration to become carbon neutral by 2050, the Kyuden Group is engaged in its own carbon neutral initiatives. Specifically, we are accelerating electrification initiatives at our household, commercial, and industrial sectors, with a view to achieving a 100% electrification rate in our household and commercial sectors by 2050.

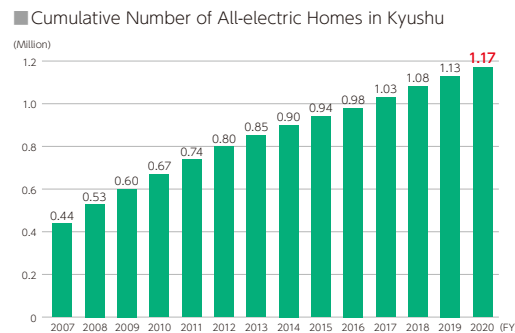
Household sector

At the Kyuden Group, we aim to provide customers with comfortable, environmentally friendly, economically efficient, and safe lifestyles. To do so, we are promoting all-electric lifestyles mainly through highly efficient EcoCute water heaters and IH cooktops. In turn, we hope to increase customer satisfaction while ensuring environmentally friendly activity.

Elsewhere, Kyuden Home Advisors are engaged in activities to promote all-electric lifestyles through Kyuden e-Smile, an experiential home reform showroom, and the All-Electric Car, a mobile marketing vehicle.

In light of the pandemic, we are also hosting non-contact events, such as live-stream IH cooking demonstrations and other online video content, so that customers can participate with peace of mind.

As of March 31, 2021, with a total of 1.17 million, approximately one in five homes in Kyushu is all-electric.



Commercial sector

Based on the operational status of customers' existing air conditioning and water heating facilities, as well as their energy usage, we are proposing optimal, high efficiency heat pump systems. We are promoting electric facilities in other ways, too: for kitchen facilities, we are hosting online electric kitchen seminars and posting online videos that communicate the usability and hygiene of electric kitchens, and showcasing a range of other benefits they bring, such as economic efficiency.

Industrial sector

Here we are promoting electrification in heating in a wide range of temperature zones, from low temperature ranges of up to 100°C, and high temperature ranges of up to around 10,000°C.

For low temperature ranges, we are conveying the economic benefits of high efficiency heat pumps. For high temperature ranges, in which heat pump technology cannot be applied, we are proposing excellent electric systems that enhance productivity and quality through resistance heating, induction heating, and other electric technologies.

Utilization and Promotion of EVs

The Kyuden Group is working to modify our entire company car fleet into electric vehicles by FY2030. We are also working with other companies to promote EV sharing and to install EV charging points in apartment buildings and offices. In this way, we are coming together to promote the use of EVs widely throughout society.

Shifting to an All-electric Company Car Fleet

The Kyuden Group has set itself the target of modifying our entire company car fleet* into electric vehicles by FY2030. As of FY2020, we have a total of 14 EVs in our fleet.

*Excluding vehicles that cannot be converted into EVs.

Installation of EV Sharing Stations

To create opportunities for customers to casually experience the convenience and comfort of EVs, Kyushu EP has teamed up* with Nissan Motor Corporation to set up EV sharing stations at its Fukuoka and Oita branches for customers to use.

*The scheme makes use of Nissan's e-share mobi EV sharing service.



Launch of an EV Sharing Service

With the recent spread of the sharing economy, people are beginning to see cars as a form of transportation to use rather than to own. Particularly for those in apartments, parking fees can lead to high ownership costs, and it is thought that car sharing needs are growing.

To respond to these needs, and to provide reliable, convenient, reasonable car services to apartment residents, in December 2020, Kyushu EP launched its weev car sharing service, utilizing the Tesla Model 3 and Nissan Leaf.



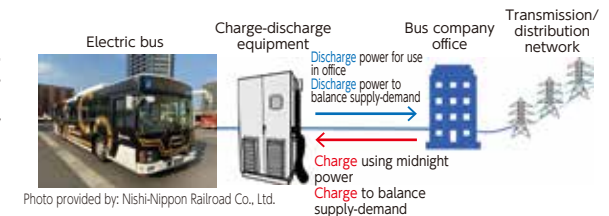
- Smarter car lifestyles made possible with weev
- ◆ Safe: Only available to other condominium residents.
 - ◆ Convenient: Close to your condominium.
 - ◆ Affordable: Only pay for what you use, no ongoing fees.

Promoting Use of Electric Buses

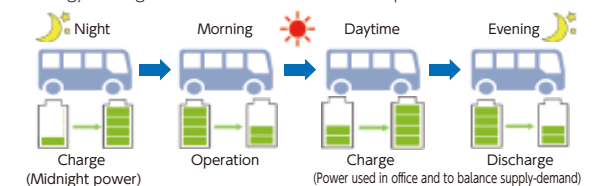
Since February 2018, the Kyuden Group has been working on a project led by the Ministry of the Environment to develop technologies for a large electric vehicle system that could help to expand use of electric buses and trucks. Specifically, we have engaged in industry-academia-government collaboration (particularly with Kumamoto University) to promote use of electric buses with zero gas emissions, low CO₂ emissions, and with low fuel consumption on local bus routes, which are a key means of transportation in local communities. Our Group company Kyuden Technosystems is helping to install high-speed charging points and analyze demonstration data.

Development of Large-capacity Charge-discharge Equipment for Large Vehicles

Between July 2020 and February 2021, Kyushu EP, Nishi-Nippon Railroad, and Kyuden Technosystems conducted demonstrations on how to use electric buses in operation at the Nishitetsu Bus Island City Office to balance power supply and demand using large-capacity charge-discharge equipment. Aiming to commercialize the charge-discharge equipment, in FY2021, the three companies will work on making product improvements, such as reducing costs and making it more compact.



Energy Management based on Electric Bus Operation Schedules



Contributing to the Creation of Sustainable Societies Overseas

Utilizing the advanced technological capabilities and expertise we have accumulated through our electricity business in Japan, at the Kyuden Group we are engaged in IPP investment projects and consulting activities in predominantly Asia and the US.

IPP Investment Projects
In FY2020, we reinforced our project development and operational structure through the acquisition of Thermochem, Inc. a US-based company providing geothermal technology services. Looking ahead, we will work to grow our network into regions including Europe and Africa, and look to expand our business domains to include transmission, distribution, and others.

Moving forward, we will continue contributing to the creation of sustainable societies overseas through stable supplies of electricity and environmental countermeasures.

Overseas Consulting

In FY2020, we continued with a number of projects that had carried over from the previous year: a project to introduce IoT technologies and reinforce operation, maintenance, and management at a geothermal power plant in Kenya; a project in Cuba to create an electricity master plan to stabilize electricity supplies using storage batteries and EMS, and to introduce renewable energy; and a number of microgrid demonstrations in various island countries. In these and other ways, we are utilizing the combined specialist expertise and technologies of our group to propose effective solutions for various nations. As the COVID-19 pandemic has made it difficult to conduct overseas investigations and enable foreign partners to come to Japan and visit our facilities, we are promoting global activities through remote, video-based training sessions.



Sarulla Geothermal IPP Project



Kyuden International Corporation (<https://www.kyuden-intl.co.jp/en/>)

Major Initiatives in FY2020

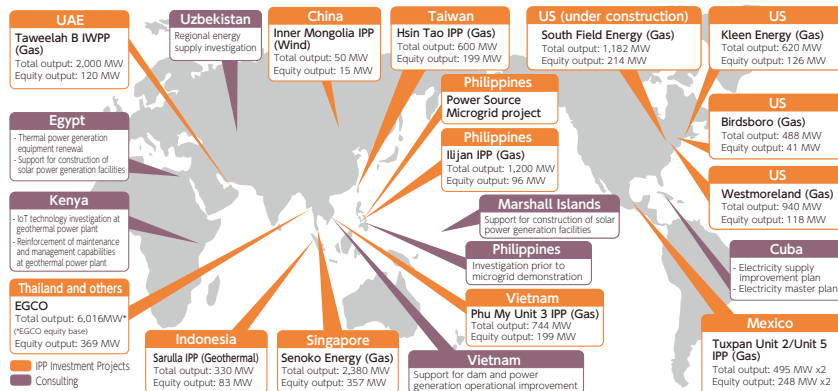
IPP Investment Projects

- US Investment in Enernet Global Inc. (US)
- US Acquisition of Thermochem, Inc. and Thermochem Indonesia Inc.

Overseas Consulting

- Kenya A project to reinforce operation, maintenance, and management of the Olkaria Geothermal Power Station through use of IoT technologies (Kyushu Electric Power (Kyushu EP), West Japan Engineering Consultants, Kyuden International, Nishinippon Plant Engineering and Construction, Kyuden Sanyo, and others)
- IoT technology investigation aimed at reinforcing operation and management capabilities at the Olkaria Geothermal Power Station (Kyushu EP, West Japan Engineering Consultants, Kyuden International and Nishinippon Plant Engineering and Construction)
- Cuba A project to formulate an electricity sector master plan to develop renewable energy (Kyushu EP, West Japan Engineering Consultants, Kyuden International, Kyushu Transmission and Distribution (Kyushu T&D), and others)
- Egypt Support for equipment upgrades and renewals at a gas-fired thermal power plant (Kyuden International, West Japan Engineering Consultants, and others)
- Philippines Investigations prior to a microgrid demonstration on Batan Island (Kyushu T&D, Kyuden International, and others)
- Cape Verde A project to introduce a hybrid power generation system (Kyushu T&D, Kyuden International, West Japan Engineering Consultants, and others)
- Vietnam Support for dam and power generation operational improvement (Kyuden Innovatech Vietnam)

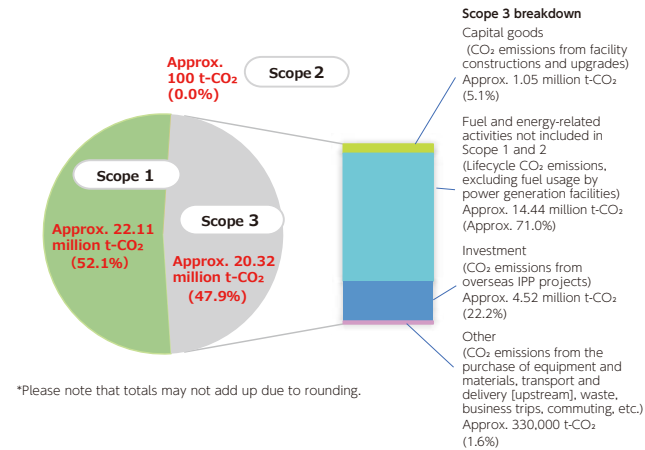
Overseas Business Development (Recent Achievements)



*Information regarding IPP investment projects is current as of the end of FY2020; information regarding overseas consulting shows major activities of recent years.

Other Related Data

Supply Chain GHG Emissions (Scope 1, 2, and 3) (FY2020)



*Please note that totals may not add up due to rounding.

Calculations are based on the "Calculation, Reporting and Publication System for Greenhouse Gas Emissions" and the "Basic Guidelines for Calculating Supply Chain Greenhouse Gas Emissions (Ver 2.3; December 2017, Ministry of the Environment and Ministry of Economy, Trade and Industry)" outlined in the Act on Promotion of Global Warming Countermeasures.

*1 Calculations are based on the emissions factor (emissions per unit) outlined in the "Policy on Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver 3.1; March 2021, Ministry of the Environment and Ministry of Economy, Trade and Industry)."
*2 Calculations are based on LC-CO₂ emissions (per unit) of each power generation technology (excl. from fuel combustion) outlined in the "Comprehensive Assessment of Life Cycle CO₂ Emissions from Power Generation Technologies in Japan" in the CRIEPI Report Y06 (July 2016).

Unit: 10,000 t-CO₂

	FY2018	FY2019	FY2020
Scope 1	1,756 (69.2%)	1,904 (50.8%)	2,211 (52.1%)
Scope 2	0.01 (0.0%)	0.01 (0.0%)	0.01 (0.0%)
Scope 3	783 (30.8%)	1,843 (49.2%)	2,032 (47.9%)
Category 1	34 (4.3%)	33 (1.8%)	29 (1.4%)
Category 2	107 (13.6%)	126 (6.9%)	105 (5.1%)
Category 3	310 (39.5%)	1,292 (70.1%)	1,444 (71.0%)
Category 4	0.1 (0.0%)	0.1 (0.0%)	0.1 (0.0%)
Category 5	2 (0.3%)	3 (0.2%)	3 (0.1%)
Category 6	0.2 (0.0%)	0.2 (0.0%)	0.2 (0.0%)
Category 7	0.6 (0.1%)	0.7 (0.0%)	0.7 (0.0%)
Category 15	330 (42.1%)	388 (21.1%)	452 (22.2%)
Total	2,539	3,747	4,243

Scope 1
• CO₂

Emissions from fuel consumption (calculated based on the Report Regarding CO₂ Emissions from Energy Usage [Global Warming Act: Item 1, Paragraph 2, Article 21]) and own logistics transport

• SF₆
(Natural leakage + emissions from equipment inspection + emissions from equipment removal + emissions from malfunctions + other emissions [repair work, etc.] x 22,800 (Global warming potential)

• N₂O
(Emissions from fuel usage + emissions from treatment of factory wastewater + emissions from treatment of human waste, etc.) x 298 (Global warming potential)

• CH₄
(Emissions from fuel usage + emissions from treatment of factory wastewater + emissions from treatment of human waste, etc.) x 25 (Global warming potential)

• HFC
HFC consumption x HFC global warming potential

Scope 2

As CO₂ emissions from self-consumption of energy are included in Scope 1, emissions from electricity usage at offices in other electricity supply regions are calculated based on the following: electricity purchased from other electricity supply regions x emissions factor of each electricity provider (post-adjustment)

Scope 3

• Category 1

Emissions from the purchase of goods (excl. capital investment) are calculated based on the sum of the following: goods costs by category x emissions factor by category*

• Category 2

Emissions from capital investment in the electricity business are calculated based on the following: capital investment costs (electricity business) x emissions factor*

• Category 3

Emissions (direct) from fuel combustion from electricity purchased from other companies are calculated based on the sum of the following: purchased electricity (by power source) x emissions factor (by fuel type, by electricity provider, or by national average)

Emissions (indirect) from owned or other power plants (excl. from fuel combustion) are calculated based on the sum of the following: generated electricity (by power source) x average lifecycle CO₂ emissions (by power source)*2

*As calculations of the underlined emissions have been included/added since FY2019, emissions have greatly increased in comparison to FY2018.

• Category 4

Emissions from logistics services (transport, handling, storage) are calculated based on the following: fuel usage (crude oil equivalent) by trucks (materials and equipment) x emissions factor**

• Category 5

Emissions from the transport and treatment of in-house waste are calculated based on the sum of the following: treatment volume of industrial waste (by category) x emissions factor**

• Category 6

Emissions from employee business trips are calculated based on the following: number of employees x emissions factor**

• Category 7

Emissions from employee commutes to offices are calculated based on the sum of the following: commuting costs (by commuting method) x emissions factor**

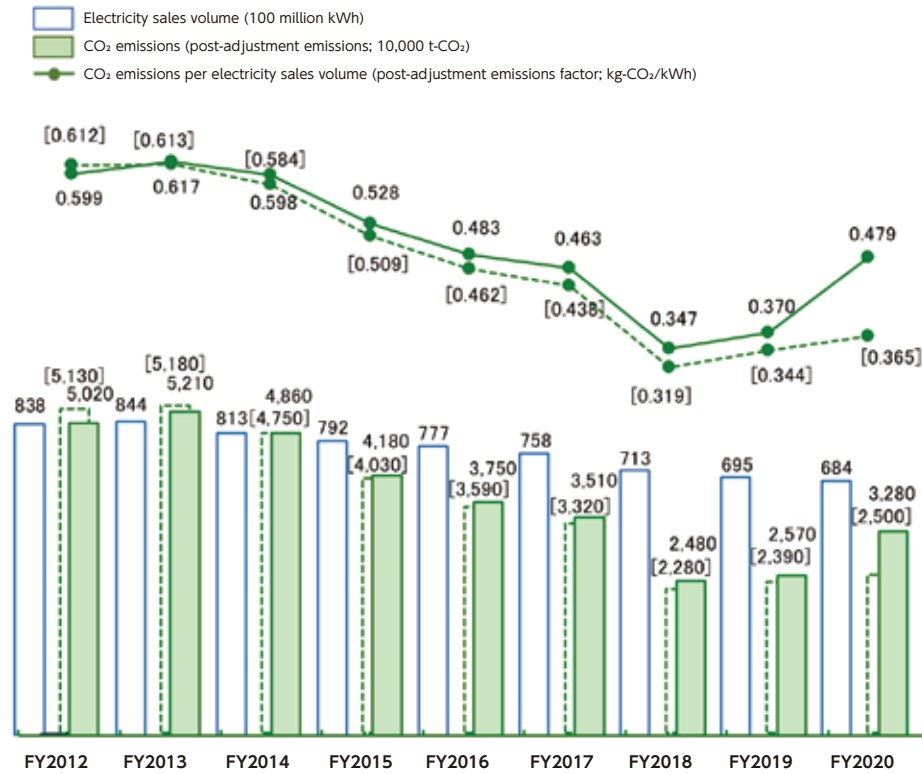
• Category 8

Included in Scope 1 and 2 emissions

• Category 15

CO₂ emissions from power generation projects overseas are calculated based on the sum of the following: fuel usage (by power source) x investment ratio x emissions factor**

■ CO₂ Emissions by Kyushu Electric Power (Kyushu EP)



Figures in [] are actual emissions volumes (basic emissions volumes) and emission factors

Post-adjustments

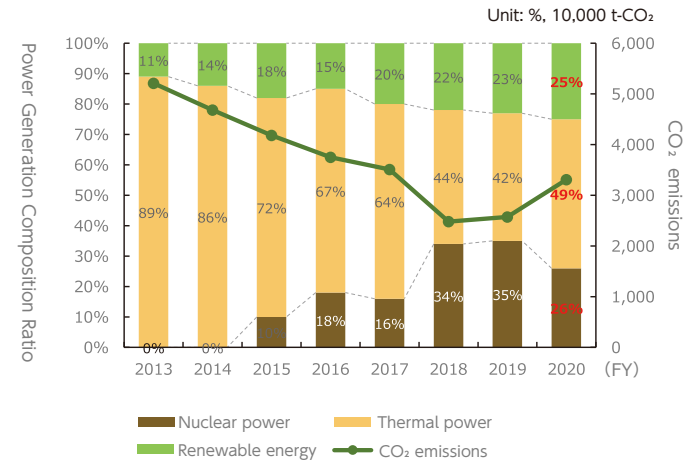
Adjustments in line with CO₂ emissions credits and feed-in-tariff schemes

*Calculations are based on the government's announcement regarding "Calculations and announcements pertaining to basic emissions factors and post-adjustment emissions factors for each electricity business" in line with the Act on Promotion of Global Warming Countermeasures (including electricity purchased from other companies).

Electricity sales volumes differ from FY2016 onwards due to the government's revision of guidelines relating to CO₂ emissions, which excluded electricity supplied to remote islands (excluding the Goto Islands in Nagasaki Prefecture, which are connected to mainland Japan).

*FY2020 results are provisional; the government is set to announce definitive figures in December.

■ Power Generation Composition Ratio and CO₂ Emissions



*Total amounts include power transmission from in-house sources and power purchased and received from other companies.

*Power received from other companies excludes that from unspecified fuel types. Note that this composition ratio differs from the composition ratio for electricity sales volumes.

*Renewable energy breakdown
Hydroelectric power (more than 30 MW): 4%
FIT electricity: 16%
Renewable energy (excl. FIT electricity): 5%

FIT electricity refers to electricity purchased by Kyushu EP as part of the FIT scheme

*A national scheme whereby electricity from renewable sources is purchased at a fixed rate by electricity companies.

*Renewable energy (excl. FIT electricity) includes hydroelectric power (up to 30 MW), solar power, wind power, biomass power, and geothermal power.

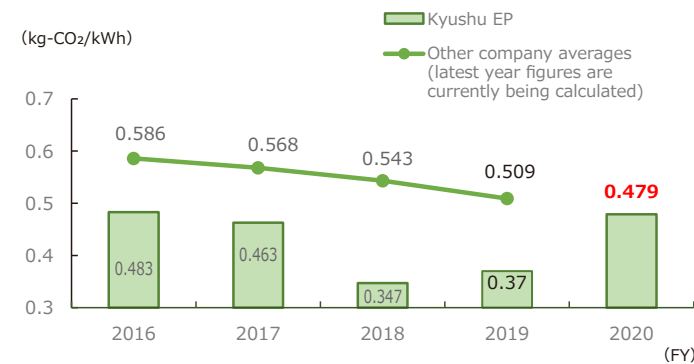
■ Reductions in CO₂ Emissions from Nuclear, Solar, and Wind Power, and Site Area Comparison (Equivalent to 1,000 MW)

	Nuclear power generation	Solar power generation	Wind power generation
Reductions in CO ₂ emissions	Approx. 2.27 million t-CO ₂	Approx. 450,000 t-CO ₂ → Approx. 1/5 of nuclear power generation	Approx. 650,000 t-CO ₂ → Approx. 1/4 of nuclear power generation
Site area	0.6 km ² → Approx. 9 Fukuoka PayPay Domes	Approx. 58 km ² → Approx. 97x larger than nuclear power generation site area → Approx. 830 Fukuoka PayPay Domes	Approx. 214 km ² → Approx. 350x larger than nuclear power generation site area → Approx. 3,060 Fukuoka PayPay Domes

Source: Information on site areas has been taken from the "FY2015 Environmental Plan for Electricity Businesses" formulated by the Federation of Electric Power Companies.

*Calculated based on FY2019 CO₂ emissions factor.

■ CO₂ Emissions per Electricity Sales Volume and Comparisons with Other Company Averages

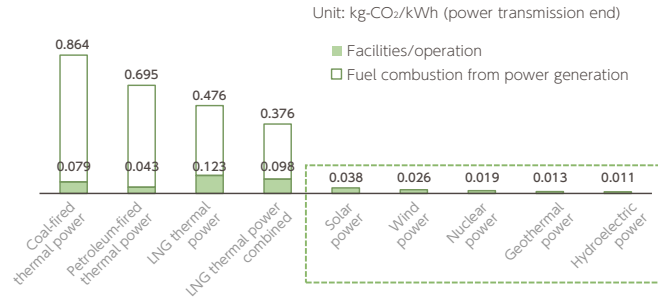


*Simple average (post-adjustment) of nine former general electricity companies (excl. Kyushu EP)

*FY2020 results are provisional; the government is set to announce definitive figures in December.

Reference: Japan's Lifecycle CO₂ Emissions by Power Source

Source: Central Research Institute of Electric Power Industry report



Kyushu Electric Power Facility Capacities by Power Source

Power Source	No. of facilities	Output
Hydroelectric power	138	3,580 MW
Thermal power	7	9,615 MW
Geothermal power (incl. binary)	6	213 MW
Nuclear power	2	4,140 MW
Total	153	17,548 MW

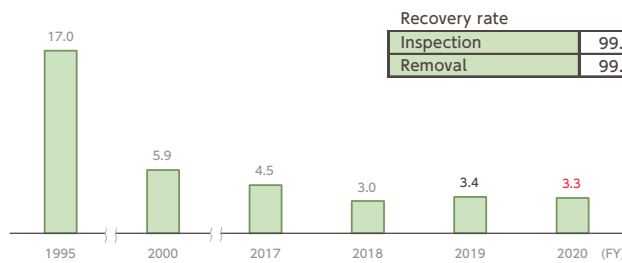
*Current as of March 31, 2021: Figures exclude those of facilities owned by Kyushu Transmission and Distribution.

*The entire facility capacity cannot be used for electricity supply. Actual supply capacity is measured after deducting power consumed by idle facilities or facilities under repair, as well as power consumed by in-house facilities.

*Please note that the facility capacity total may not add up due to rounding.

SF₆ (Sulphur Hexafluoride) Emissions

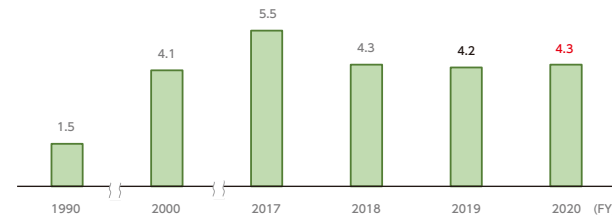
Unit: 10,000 t-CO₂



*10,000 t-CO₂: The weight of SF₆ gas has been converted to the weight of CO₂ using the global warming potential of SF₆ (22,800 [23,400 until FY2014]).

N₂O (Nitrogen Dioxide) Emissions

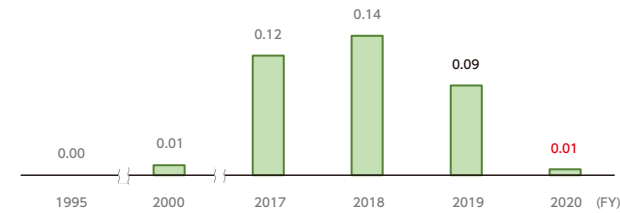
Unit: 10,000 t-CO₂



*10,000 t-CO₂: The weight of N₂O gas has been converted to the weight of CO₂ using the global warming potential of N₂O (298 [310 until FY2014]).

HFC (Hydrofluorocarbon) Emissions

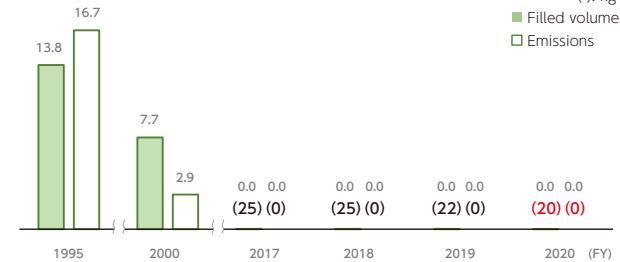
Unit: 10,000 t-CO₂



*10,000 t-CO₂: The weight of HFC gases has been converted to the weight of CO₂ using the global warming potential of HFCs (12-14,800 [140-11,700 until FY2014]).

Specified CFC (chlorofluorocarbon) Filled Volumes and Emissions

Unit: t (): kg



Group Company Environmental Achievements

Group Company GHG Emissions

Unit: 1,000 t-CO₂

	FY2017	FY2018	FY2019	FY2020
CO ₂ (carbon dioxide)	143	279.6	175.6	186.9.6
CH ₄ (methane)	0.2	0	0	0.1
N ₂ O (nitrogen dioxide)	0	0	0	0
HFC (hydrofluorocarbons)	0	70.9	0	0
PFC (perfluorocarbons)	-	-	-	-
SF ₆ (sulphur hexafluoride)	0	0	0	0
Total	143.2	350.6	175.6	187.1

*Please note that totals may not match due to rounding.

CO₂

- Excludes CO₂ from electricity sales to other electricity companies, etc. (emissions from combustion of power generation fuel)

- FY2020 figures have been calculated based on the FY2019 CO₂ emissions factor (post-adjustment) per electricity sales volume

Group Company GHG Emissions Breakdown (FY2020)

Unit: 1,000 t-CO₂

	Source of emissions	Emissions	Total
CO ₂ (carbon dioxide)	Purchased electricity	163.4	186.9
	Own logistics fuel	15.0	
	Air conditioning/industrial fuel	6.2	
	Heat (steam, etc.)	2.4	
CH ₄ (methane)	Equipment inspections/facilities, etc.	0.1	0.1
	Fuel combustion	0.0	
N ₂ O (nitrogen dioxide)	Fuel combustion	0.0	0.0
HFC (hydrofluorocarbons)	Equipment inspections/facilities, etc.	0.0	0.0
PFC (perfluorocarbons)	No corresponding equipment	-	-
SF ₆ (sulphur hexafluoride)	Wholly recovered during inspections	0.0	0.0
Total			187.1

*Please note that totals may not match due to rounding.

Group Company GHG Emission Reductions (FY2020)

Unit: 1,000 t-CO₂

	Item	Calculation overview	FY2020
Natural energy	Solar power generation	Calculated using power generated from Group companies' solar power facilities	8.4
	Geothermal heat supply	Calculated using cases where effective use of unused energy (such as seawater and building waste heat) is substituted using natural gas and other fossil fuels	5.7
Use of unused energy	Cryogenic power generation	Calculated using power generated from cryogenic power generation	0
	SF ₆ recovery	Calculated using cases where filled volumes are not recovered from equipment during inspections as a baseline	4.6
Total			18.7

Specific CFCs, etc., Owned by Group Companies

Unit: t

		FY2018		FY2019		FY2020	
		No. of companies	Total	No. of companies	Total	No. of companies	Total
CFC	Owned volume	5	7.0	6	7.4	6	5.9
	Emissions		0.0		0.0		0.2
HCFC	Owned volume	20	64.0	21	45.4	19	84.0
	Emissions		0.5		0.2		0.4
Halon	Owned volume	8	4.8	8	4.8	8	4.9
	Emissions		0.0		0.0		0.0
Ozone-depleting substance emissions			0.0		0.0		0.3

Ozone-depleting substance emissions
Converted to CFC-11 mass equivalent using the ozone depletion potential of each fluorocarbon.

Unit: ODP t

Biodiversity Conservation

Policy and Approach

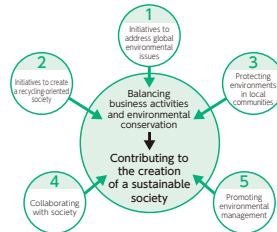
At the Kyuden Group, based on our Environmental Action Policies, we aim to contribute to the creation of a sustainable society through environmental activities that pay due consideration to biodiversity. Further, in line with the Biodiversity Action Guidelines by the Japanese Electric Utility Industry (created by the Federation of Electric Power Companies of Japan), we are committed to continued activities aimed at biodiversity conservation.

Environmental Action Policies and Biodiversity

Through wide-ranging environmental activities across the supply chain, we are engaged in activities that aim to conserve biodiversity. Specifically, as part of our **initiatives to address global environmental issues**, we are working to reduce CO₂ emissions in order to achieve a low-carbon, decarbonized society; **to create a recycling-oriented society**, we are targeting zero emissions from waste; **to protect environments in local communities**, we are engaged in environmental conservation at our power stations, efforts to create environmentally friendly facilities, and proper management of company-owned forests; **to collaborate with society**, we are involved in community-wide environmental conservation activities*; **and to promote environmental management**, we are working to improve employees' environmental awareness.

*Since 2000, we have been involved in controlled burning and other environmental conservation activities at the Kuju Bogatsuru Marshlands, which is home to numerous rare ecosystems. In 2005, the Kuju Bogatsuru Marshlands were listed as part of the Ramsar Convention.

Environmental Action Policies



Biodiversity Action Guidelines by the Japanese Electric Utility Industry (updated June 2020)

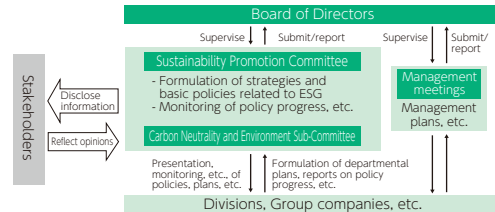
The Biodiversity Action Guidelines by the Japanese Electric Utility Industry were put together by the Federation of Electric Power Companies of Japan, which includes Kyushu Electric Power. The guidelines describe how biodiversity is a prerequisite for sustainability as an electricity business, and as a member of both international and local societies. The guidelines also outline how it is the duty of electricity businesses to contribute to sustainability, to proactively promote business activities that contribute to biodiversity, and in turn create a sustainable society.

Promotion Framework

Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a specialized standpoint, this Sub-Committee discusses all matters related to environmental issues.

The Sub-Committee also conducts management reviews of efforts to protect biodiversity, and is continuously involved in work to protect natural environments and provide environmental education.

Kyuden Group Environmental Management and Promotion Framework



Sustainability Promotion Committee		
Structure	Chairperson: President Vice-chairperson: Director in charge of ESG Committee members: External directors, executive directors of relevant divisions, etc.	Frequency Twice yearly in principle, and additionally as necessary

Carbon Neutrality and Environment Sub-Committee		
Structure	Chairperson: Director in charge of ESG Vice-chairperson: Executive Director of Corporate Strategy Division and Executive Director of the District Symbiosis Division Committee members: Directors of relevant divisions, etc.	Frequency Twice yearly in principle, and additionally as necessary

Targets

Item	Targets	Achievements
Biodiversity conservation Percentage of environmental education participants whose awareness of environment and energy-related issues improved	More than 80% (FY2020)	96% (FY2020)
Biodiversity conservation Percentage of environmental activities as part of Korabora-Q-den, an initiative that promotes collaboration with local communities	More than 70% (FY2020)	92% (FY2020)

Initiatives

Environmental Conservation Activities

At the Kyuden Group, in collaboration with NPOs and other local citizens, we are rolling out Korabora-Q-den* activities across the Kyushu region, aiming to find solutions to local issues.

*Korabora is formed from the Japanese renderings of the words "collaboration" and "volunteer."



As part of these activities, since FY2019, we have engaged in environment-oriented Korabora-Q-den Eco initiatives, aiming to, among other, protect biodiversity and preserve natural landscapes. Through these activities, we are working with locals across the Kyushu region to protect the environment.

In FY2020, despite the postponement of numerous activities due to the COVID-19 pandemic, we conducted a total of 25 Korabora-Q-den and Korabora-Q-den Eco activities, with approximately 1,900 individuals taking part.

In addition to the above, we also conduct cleaning activities across the Kyushu region, such as the cleaning of castle walls and shrine gates using vehicle-mounted elevated work platforms.

Through these cleaning activities, in FY2020 we collected **approximately 38 tons** of waste, equating to **around 2,800 45-liter waste bags**.

Environment and Energy Education

Predominantly for the younger generation, we offer the Kyuden Future School as a platform for individuals to learn about and experience environment- and energy-related issues. In FY2020, despite restrictions on conventional, face-to-face activities brought on by the pandemic, with thorough infection prevention measures in place, we were able to welcome around 12,000 participants through online and other channels.

Looking ahead, in addition to face-to-face activities, we will make use of digital technologies to enhance our educational programs.



	Main activity name	Content	FY2020 figures	Photo
Lessons	Eco-Mother activities	Mothers well-versed in environmental issues visit nursery schools across the Kyushu region, teaching children about the importance of environmental friendliness through paper puppet plays and other activities.	Approx. 110 visits Approx. 5,500 participants	
	On-demand lessons	Kyuden Group employees visit schools and other educational institutions to teach students about the environment and energy, including topics such as climate change and how electricity is produced.	Approx. 190 lessons Approx. 6,100 participants	
Experiences	Kyuden Play Forest	Children are taught the importance of valuing the environment through experiential learning events at company-owned forests throughout the Kyushu region.	1 event Approx. 200 participants	

●Environmental Activities Led by the Kyuden Mirai Foundation

Environmental Conservation Activities at the Kuju Bogatsuru Marshlands

Located in the west of Oita Prefecture, the Kuju Bogatsuru Marshlands are approximately 53 hectares of high-altitude marshlands surrounded by the Kuju mountain range. They are home to rare ecosystems because of the diverse geological and topographical features of the land.

To protect the natural environment of the marshlands, Kyushu Electric Power (Kyushu EP) works with the Ministry of the Environment, Taketa City, the Kuju Nature Preservation Society, and other local organizations. Together, they conduct controlled burning, activities to protect rare plants, and activities to protect the Kyushu azalea found on the adjacent, company-owned Mt. Hijiidake. As a result, in 2005, the Kuju Bogatsuru Marshlands were listed as part of the Ramsar Convention, an initiative that aims to protect wetlands of international importance.

In addition to promoting voluntary participation by its employees in various environmental conservation activities, Kyushu EP has collaborated with Kyuden Sangyo to produce and sell Reflash Water, a sports drink that displays the Kuju Bogatsuru Marshlands on its label. Part of the proceeds from the sale of the sports drink are donated to organizations protecting the marshlands, and in these and other ways, Kyuden Group companies are constantly working together with the local region to support environmental conservation.

These activities have been led by the Kyuden Mirai Foundation since FY2016. Currently, the foundation is working to enhance its activities through various measures, such as training people who can lead future controlled burning activities.

Environmental Education Using Company-owned Forests

Using the rich nature of Kyushu EP's Kuju Kyuden Forest—located near Yamashita Lake in Yufu City, Oita Prefecture—the Kyuden Mirai Foundation is working with Kyushu Rinsan to host experiential environmental education events. Although the majority of planned events were suspended in FY2020 due to the COVID-19 pandemic, a total of 246 individuals were able to participate in three events. (Total no. of participants in FY2016–FY2020: Approx. 6,000)

These activities aim to heighten awareness of environmental conservation among children, and in turn promote future environmental conservation activities in the Kyushu region. The programs combine lessons about the current state of global warming and the role of forests with forestry experiences, forest observation, and woodworking classes.

Environmental education activities at the Kuju Kyuden Forest



Forestry experience



Forest observation



Woodworking class

●Sustainability Activities Using Company-owned Forests

Together with Kyushu Rinsan, Kyushu EP is engaged in the maintenance and management (a cycle of planting, trimming, planting, etc.) of 4,447 hectares of company-owned forests mainly in Oita Prefecture.

Forests owned by Kyushu EP date back to 1919, when the company's predecessor Kyushu Hydroelectricity sought to secure a stable source of water for its hydroelectric power generation. It thus took to nurturing forests along mountain ridges in Kyushu, which at the time were plain, open fields. The year 2019 marked 100 years since the forest development began.

In 2005, the Kyuden Group was the first electric power company in Japan to acquire FSC® Certification (FSC-C018956; Forest Stewardship Council®; headquarters in Germany) for its environmentally friendly forest management. In these and other ways, the Kyuden Group has received wide acclaim for its forest management activities.

Looking ahead, Kyushu EP will work to maintain and improve the beneficial functions of forests—watershed protection (a mechanism whereby forests retain water to regulate river volumes), CO₂ absorption, and others—to contribute to the creation of a sustainable society.

■CO₂ Absorption and Fixation at Company-owned Forests

Environmentally friendly maintenance and management of company-owned forests leads to the absorption and fixation of approximately 25,000 tons of CO₂ per year. This is equivalent to the annual CO₂ emissions of approximately 6,000 homes.

A company-owned forest by Yamashita Lake in Yufu City, Oita Prefecture



When converted to CO₂, the amount of carbon fixated in company-owned forests is thought to be around 1.295 million tons (as of March 31, 2020)

●Environmental Considerations When Building Facilities

When building facilities, the Kyuden Group undertakes appropriate environmental assessments based on facility and regional characteristics. In addition to environmental friendliness, these efforts aim to ensure harmony with surrounding environments.

Environmental Impact Assessments

Based on the Environmental Impact Assessment Act, to protect surrounding environments when building power stations and other facilities, we carry out investigations on the natural environment (air, water quality, organisms, etc.), and predict and assess the impact that buildings and facility operations will have on the surrounding environment in advance. Based on these results, we take the necessary measures to ensure environmental conservation.

■Recent Voluntary* Environmental Assessments

Period	Site name	Power generation method
May 2018–June 2019	Shin-Taketa Power Station New construction plan (Taketa City, Oita Prefecture)	Hydroelectric power
June 2019–March 2020	Shin-Tanegashima Power Station Unit 5 facility expansion plan (Minamitane, Kagoshima Prefecture)	Internal combustion power
2021 (scheduled)	Shin-Yoron Power Station Unit 5 facility expansion plan (Yoron, Kagoshima Prefecture)	Internal combustion power
2022 (scheduled)	Shin-Iki Power Station Unit 5 facility expansion plan (Iki, Nagasaki Prefecture)	Internal combustion power

*Voluntary assessment of facilities aimed at environmental conservation. Said facilities do not fall under the scale of facilities that require assessment in line with the Environmental Impact Assessment Act and local environmental impact assessment ordinances.



Investigating surrounding organisms

■Environmental Conservation Measures

After a legally required environmental assessment (completed July 2016) as part of a plan to refurbish the Otake Power Station, we discovered the presence of globe thistle and other rare plants. Following consultations with experts, the decision was made to relocate the plants. Following their relocation, we regularly monitored their growth to confirm they were flowering. Elsewhere, following a voluntary environmental assessment (completed March 2017) as part of our plans to expand Unit 7 at our Shin-China Power Station, we discovered the presence of a *Coenobita* hermit crab, which is a designated natural monument animal of Japan. Again, we consulted with experts, and determined to relocate the hermit crabs outside the site grounds.



Investigating water quality

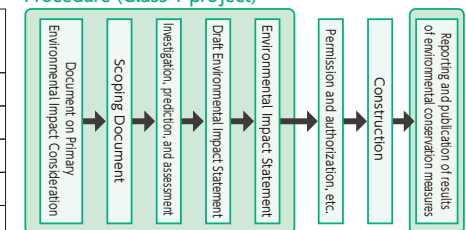
Reference: Procedure for legally required environmental assessments

Based on the Environmental Impact Assessment Act (general rules) and the Electricity Business Act (procedures unique to power plants), environmental assessments must be conducted for power plants that fall under the following scales.

Business scales subject to assessment

	Class-1 project Environmental assessments are required	Class-2 project Individual decisions made as to whether environmental assessments are required
Hydroelectric power	Output of more than 30 MW	Output of more than 22.5 MW and less than 30 MW
Thermal power	Output of more than 150 MW	Output of more than 112.5 MW and less than 150 MW
Geothermal power	Output of more than 10 MW	Output of more than 7.5 MW and less than 10 MW
Nuclear power	All nuclear power facilities	—
Wind power	Output of more than 10 MW	Output of more than 7.5 MW and less than 10 MW
Solar battery	Output of more than 40 MW	Output of more than 30 MW and less than 40 MW

Procedure (Class-1 project)



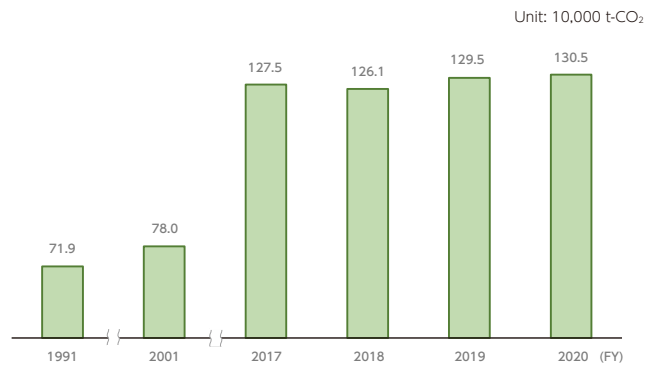
Legend: Legal environmental assessment procedure

Other Related Data

Energy and Environment Education

	FY2017	FY2018	FY2019	FY2020
No. of Eco-Mother activities	200	Approx. 200	Approx. 200	Approx. 110
No. of on-demand lessons	529	Approx. 560	Approx. 440	Approx. 190
No. of environmental education events at the Kuju Kyuden Forest	24	22	28	3

Amount of CO₂ Absorbed and Fixated at Company-owned Forests



*Calculated based on actual values from forest survey using Greenhouse Gas Inventory Office of Japan calculation methods

*Up until FY2001, trees less than 15 years old are not included in CO₂ absorption calculations

*Data represents fixed volumes of CO₂ at the end of each fiscal year, and includes past felled trees.

Pollution Prevention

Policy and Approach

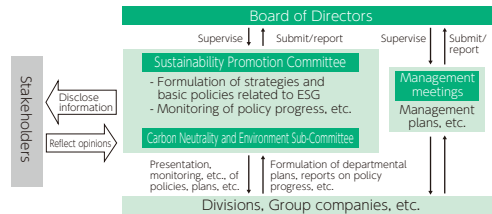
In the operation of our power plants and other facilities, we ensure thorough compliance with laws and ordinances, as well as the environmental conservation agreements we have concluded with our local governments. We also monitor our waste gas, wastewater, and other emissions, and report the results to our local governments to maintain strict management of our surrounding environments.

Further, based on the relevant laws and ordinances, we undertake appropriate management of the chemical substances handled at our power plants and other facilities.

Promotion Framework

Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a specialized standpoint, this Sub-Committee discusses all matters related to environmental issues. The Sub-Committee also conducts management reviews of strategies and risks regarding pollution prevention, and is continuously involved in work to prevent air and water pollution.

Kyuden Group Environmental Management and Promotion Framework



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Carbon Neutrality and Environment Sub-Committee		
Structure	Chairperson: Director in charge of ESG Vice-chairperson: Executive Director of Corporate Strategy Division and Executive Director of the District Symbiosis Division Committee members: Directors of relevant divisions, etc.	Frequency Twice yearly in principle, and additionally as necessary

Targets

Item	Targets
Steady implementation of measures to reduce SOx and NOx	<ul style="list-style-type: none"> Comply with agreement standards for each power plant Ensure appropriate operation and management of desulfurization/denitrification equipment and wastewater treatment facilities
Steady implementation of measures to preserve water quality	

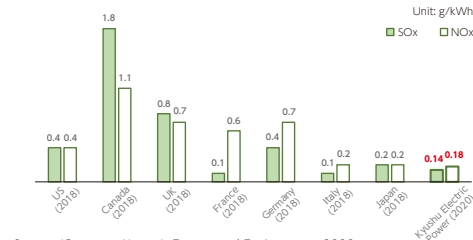
Initiatives

Protecting Environments in Local Communities

Air Pollution Countermeasures

Although sulfur oxides (SOx) and nitrogen oxides (NOx) are emitted at our thermal power plants, through use of flue gas desulfurization/denitrification equipment, we work to remove as much as we can from our emissions to play our part in preventing air pollution. Thanks to highly efficient operations and other efforts at our thermal power plants, emissions in FY2020 were on par with the previous year.

Global SOx and NOx Emissions per kWh of Thermal Power Generated

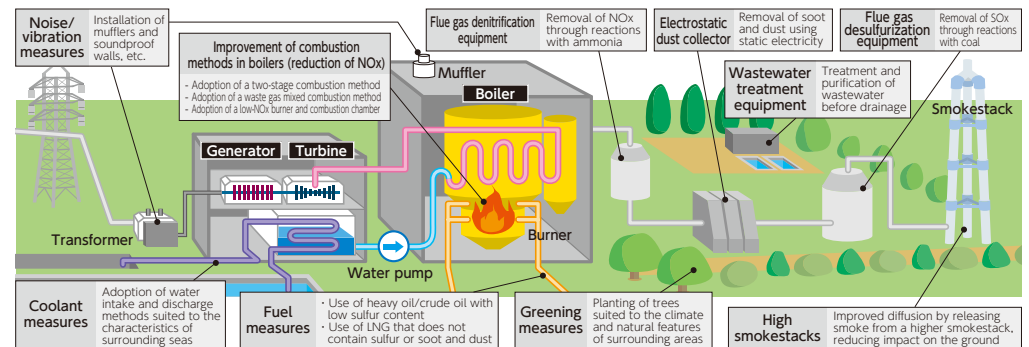


Source (Overseas/Japan): Energy and Environment 2020 (Federation of Electric Power Companies of Japan)

Overview of Air Pollution Countermeasures

Measures to reduce SOx	Measures to reduce NOx	Measures to reduce soot and dust
<ul style="list-style-type: none"> Use of heavy oil/crude oil with low sulfur content Use of LNG that does not contain sulfur Installation of desulfurization equipment to remove SOx from waste gas Adoption of an in-furnace desulfurization system to remove SOx from inside boilers 	<ul style="list-style-type: none"> Improvement of combustion methods in boilers, etc. Adoption of a two-stage combustion method Adoption of a waste gas mixed combustion method Adoption of a low-NOx burner and combustion chamber Installation of denitrification equipment to remove NOx from waste gas 	<ul style="list-style-type: none"> Use of LNG that does not generate soot or dust Installation of a high-performance dust collector to remove soot and dust from waste gas

Environmental Conservation Measures at Thermal Power Plants



Management of Chemical Substances

The chemical substances handled at power plants and other facilities operated by us are appropriately managed based on the relevant laws and ordinances.

Asbestos

In line with relevant laws and ordinances, we have carried out the necessary work for sprayed asbestos, and for all locations in which asbestos was used, measures have been taken to prevent dispersal.

For products that contain asbestos, we use regular inspections and repair work as opportunities to replace them with asbestos-free options. Further, when dismantling buildings and facilities, we enforce measures to prevent asbestos dispersal in line with laws and ordinances, and ensure appropriate disassembly, transport, and disposal.

PRTR system*

As part of the PRTR system, we investigate and record the released and transferred amount of designated chemical substances based on the annual volume we handle. In addition to submitting reports to the government, we also voluntarily announce our results to the public.

*A system whereby businesses record the amount of designated chemical substances that are released outside their worksite either through emissions or waste. Businesses must then submit reports to the national government via their respective prefectures. Based on the data and estimations provided by each business, the national government then calculates and announces the total amounts released and transferred.

Other Related Data

Kyushu Electric Power's PRTR Investigations

Unit: kg

Index no.	Chemical substance	Main uses/generated facilities	FY2017			FY2018			FY2019			FY2020		
			Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount transferred
33	Asbestos	Insulating agent	860	0	860	-	-	-	2,000	0	2,000	2,700	0	2,700
53	Ethylbenzene	Coating and stain-proofing material for power generation facilities	1,100	1,100	0	1,500	1,500	0	3,800	3,800	0	4,400	4,400	0
71	Ferric chloride	Wastewater treatment agent	27,000	0	0	33,000	0	0	35,000	0	0	36,900	0	0
80	Xylene	Coating for power generation facilities	2,000	2,000	0	3,500	3,500	0	5,600	5,600	0	6,100	6,100	0
164	2,2-Dichloro-1,1,1-trifluoroethane	Refrigerant for air conditioners	-	-	-	-	-	-	1,000	0	0	-	-	-
211	Dibromotetrafluoroethane	Fire retardant	-	-	-	-	-	-	2,600	330	2,200	-	-	-
240	Styrene	Coating	-	-	-	1,400	1,400	0	-	-	-	-	-	-
300	Toluene	Power generation boiler	4,800	4,800	0	4,000	4,000	0	8,100	8,100	0	7,300	7,200	-
333	Hydrazine	Water supply treatment agent	11,700	0.9	0	21,800	0.9	0	19,900	0.4	0	16,100	0.8	-
382	Bromotrifluoromethane	Fire retardant	-	-	-	3,000	3,000	0	-	-	-	-	-	-
405	Boron compounds	Reactivity control material/analytical reagent	3,200	0	0	-	-	-	3,000	0	0	1,400	6	0
438	Methyl-naphthalene	Diesel power generator	542,400	2,719	70	464,800	2,320	0	470,750	2,348	122	468,400	2,300	45

*Totals for Class I Designated Chemical Substances of which more than 1 ton is handled per year at each worksite (more than 0.5 tons for Class 1 Specific Designated Chemical Substances) (Totals for legally required reported values).

PRTR
Pollutant Release Transfer Register

SOx and NOx Emissions by Thermal Power Plant

Unit: tons

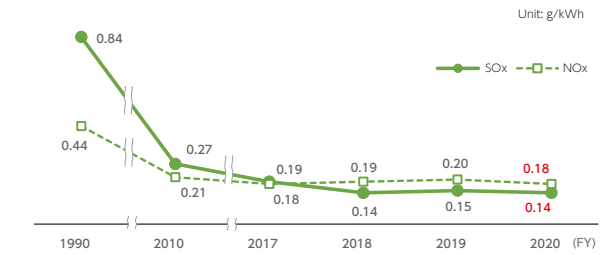
Thermal power plant name (fuel type)	FY2017		FY2018		FY2019		FY2020	
	SOx	NOx	SOx	NOx	SOx	NOx	SOx	NOx
Shin-Kokura (LNG)	0	249	0	71	0	21	0	29
Karita (Coal, heavy oil/crude oil)	79	426	102	309	49	154	40	98
Buzen (Heavy oil/crude oil)	1,713	945	36	26	0	0	0	0
Matsura (Coal)	1,397	887	1,294	1,062	1,578	1,652	1,571	1,961
Ainoura (Heavy oil/crude oil)	118	66	-	-	-	-	-	-
Shin-Oita (LNG)	0	2,001	0	1,280	0	820	0	1,393
Reihoku (Coal)	3,427	2,900	2,207	2,243	1,922	2,295	2,921	2,600
Sendai (Heavy oil/crude oil)	1,789	503	46	17	0	0	0	0
Total	8,522	7,976	3,686	5,008	3,549	4,941	4,532	6,081

*Excludes internal combustion thermal power plants.
*Please note that totals may not add up due to rounding.

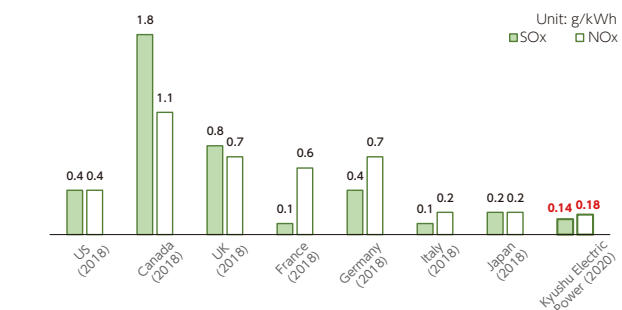
SOx
Generic term for sulfur oxides, and includes sulfur dioxide (SO₂) and sulfur trioxide (SO₃). Sulfur oxides are generated when fossil fuels such as coal and petroleum are combusted, and the sulfur content in the fuel oxidizes. Sulfur oxides cause air pollution and acid rain.

NOx
Generic term for nitrogen oxides, and includes nitrogen oxide (NO) and nitrogen dioxide (NO₂). Nitrogen oxides are generated when nitrogen-containing fuel is combusted, and when nitrogen in the air is oxidized during combustion. Nitrogen oxides cause air pollution and acid rain.

SOx and NOx Emissions per kWh of Thermal Power Generated



Global SOx and NOx Emissions per kWh of Thermal Power Generated



Source (Overseas/Japan): Energy and Environment 2020 (Federation of Electric Power Companies of Japan)

Main Uses of Asbestos at Our Buildings and Facilities

As of March 31, 2021

Use	Location used	Current status (usage, etc.)	Notes (response, etc.)	
Sprayed asbestos	Used in soundproofing material, insulation material, and fireproofing material in certain walls and ceilings in equipment rooms and transformer rooms, etc.,	Measures to prevent dispersal complete in all locations	For buildings where dispersal prevention work is complete and that require regular inspection, conditions are checked every year.	
Asbestos-containing products	Building material	Used in fireproof boards and flooring, etc., in buildings	Estimated to be included in some construction materials used up until August 2006. Asbestos-containing products have not been used since.	
	Soundproofing material	Transformer soundproofing material (Transformer facilities, hydroelectric power generation facilities)	86 transformers	
	Asbestos cement pipe	Underground pipeline material (Transmission and distribution facilities)	Line length: Approx. 180 km	As these are molded articles that are not in danger of dispersing asbestos in their normal state, we are currently using repair work and other occasions as opportunities to replace them with asbestos-free options.
	Insulation materials	Power generation facilities (Nuclear power generation facilities, thermal power facilities)	Approx. 59,000 m ³	
	Sealant/joint sheets	Power generation facilities (Nuclear power generation facilities, thermal power facilities)	Approx. 490,000	As these are molded articles, and as the asbestos is contained inside the insulator itself, they are in no danger of dispersing asbestos in their normal state. As such, we are currently using repair work and other occasions as opportunities to replace them with asbestos-free options.
	Shock-absorbing material	Suspension-type insulators (Transmission facilities)	Approx. 1,421 million suspension-type insulators (Asbestos-containing products are used as shock-absorbing material in insulators, but not on the porcelain insulator surface)	
Thickening agent	Overhead power lines (Transmission facilities)	Line rust prevention: Line length approx. 86.8 km		

*Thermal power facilities include geothermal and internal combustion power generation facilities

● Group Company Environmental Achievements

■ Amount of PRTR-designated Chemical Substances Handled by Group Companies

Unit: tons

	FY2017		FY2018		FY2019		FY2020	
	No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
Amount handled		29.0		41		33.6		30.9
Amount released (into the air)	8	7.9	8	13.6	8	12.8	7	14.0
Amount transferred		115.4		58.1		41.9		34.1

PRTR

Pollutant Release Transfer Register

*Totals for Class I Designated Chemical Substances of which more than 1 ton is handled per year at each worksite (more than 0.5 tons for Class 1 Specific Designated Chemical Substances) (Totals for legally required reported values).

■ Group Companies' PRTR Investigations (FY2020)

Unit: tons

Index no.	Chemical substance	Main uses	Amount handled	Amount released (into the air)	Amount transferred
1	Water-soluble zinc compounds	Plating	0.90	0.08	34.04
53	Ethylbenzene	Coating	3.74	3.74	0.00
80	Xylene	Coating	5.67	5.67	0.00
300	Toluene	Coating	4.41	4.41	0.00
305	Lead compounds	Plating	3.13	0.00	0.09
333	Hydrazine	Water treatment agent	2.76	0.00	0.00
438	Methylnaphthalene	A-type heavy oil	10.30	0.05	0.00

*Please note that totals may not add up due to rounding.

■ Group Companies' Air Pollutant Emissions

Unit: 1,000 tons

	FY2017		FY2018		FY2019		FY2020	
	No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
SOx emissions	4	4.2	4	3.6	4	1.7	6	1.8
NOx emissions		2.9		2.4		1.9		1.9

*Totals of SOx and NOx emissions at companies where measurement of flue gas is legally required.

Resource Recycling

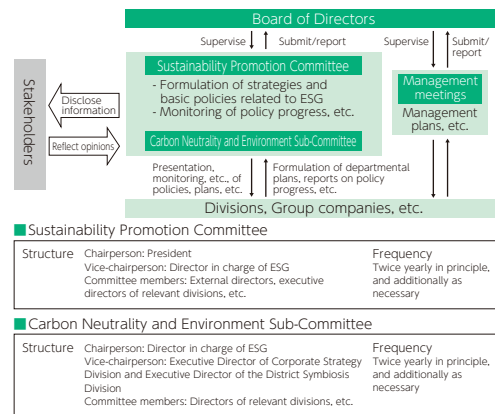
Policy and Approach

In line with the Kyuden Group Environmental Charter, at the Kyuden Group we are working to create a recycling-oriented society. To do so, we conduct zero-emissions-from-waste activities that promote the 3Rs (reduce, reuse, and recycle), as well as green procurement activities that aim to ensure the procurement of environmentally friendly products and materials. We are also engaged in gradual efforts to complete disposal of PCB waste within the legal time period.

Promotion Framework

Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a specialized standpoint, this Sub-Committee discusses all matters related to environmental issues. The Sub-Committee also conducts management reviews of strategies and risks regarding resource recycling, and is continuously involved in work to ensure thorough and appropriate management of industrial waste.

Kyuden Group Environmental Management and Promotion Framework



Targets

Item	Targets	Achievements
Appropriate management and disposal of industrial waste	Coal ash recycling rate: 100% Recycling rate of waste other than coal ash: 98%	Coal ash recycling rate: 100% Recycling rate of waste other than coal ash: 98%
Scheduled and appropriate disposal of PCB waste	Appropriate disposal based on schedule	Disposed of as per schedule (Waste treated in FY2020: 237.9 tons)

Initiatives

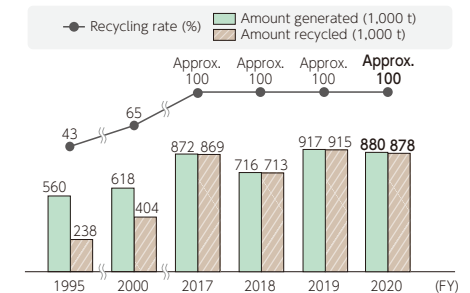
● Initiatives for a Recycling-oriented Society

Zero-emissions-from-waste Activities

Industrial waste

Industrial waste generated by the Kyuden Group includes byproducts of thermal power generation (coal ash and gypsum) and materials removed and generated from construction work. In addition to ensuring appropriate management and disposal of this industrial waste, we also practice the 3Rs—reduce, reuse, and recycle.

■ Amount of Industrial Waste Generated and Recycling Rates



[Efforts to Reduce Waste]

At power plants operated by Kyushu Electric Power (Kyushu EP), we undertake careful maintenance and risk management of power generation facilities. Through the formulation and implementation of appropriate construction plans in line with the above, we are working to reduce the amount of waste we generate.

[Efforts to Reuse Waste]

For power equipment and materials that are removed during power distribution work, Kyushu Transmission and Distribution assesses whether our performance and quality meets the requirements for reuse. Equipment and materials that meet the requirements are then reused.

[Efforts to Recycle Waste]

In FY2020, the Kyuden Group recycled nearly all of the 880,000 tons of industrial waste we generated. As a result of its unique properties, all coal ash—which accounts for the majority of this industrial waste—is effectively used as a raw material in the creation of cement.

General waste

General waste generated by Kyushu EP includes used paper and dam driftwood. In addition to appropriate management and disposal of this waste, the company practices the 3Rs.

■ Amount of General Waste (Used Paper, etc.) Generated and Recycling Rates (FY2020)

	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Main uses
Used paper	966	960	99	Recycled paper
Dam driftwood	2,490	2,464	99	Alternative to straw litter

Green Procurement

At the Kyuden Group, in FY2002 we introduced a Green Procurement System that aims to ensure we only purchase environmentally friendly products and materials. And so, through collaboration with our clients, we are making every effort to procure environmentally friendly products and materials.

Appropriate Management of Polychlorinated Biphenyls (PCBs)

For the electronic equipment we own that use a high concentration of PCBs, we undertake scheduled detoxification treatment at Japan Environmental Storage & Safety Corporation's PCB waste treatment facilities. Further, for electronic equipment that uses only a small amount of PCB pollutant, we undertake scheduled detoxification treatment at certified disposal companies. Until its disposal, PCB waste is strictly stored and managed in line with the Waste Management and Public Cleansing Law and others.

■ Amount of Toxic Waste (PCB Waste) Treated

Unit: tons

	FY2017	FY2018	FY2019	FY2020
High concentration	2.9	0.9	0.5	0.01
Low concentration	422.0	399.9	570.4	237.9
Total	424.9	400.8	570.9	237.9

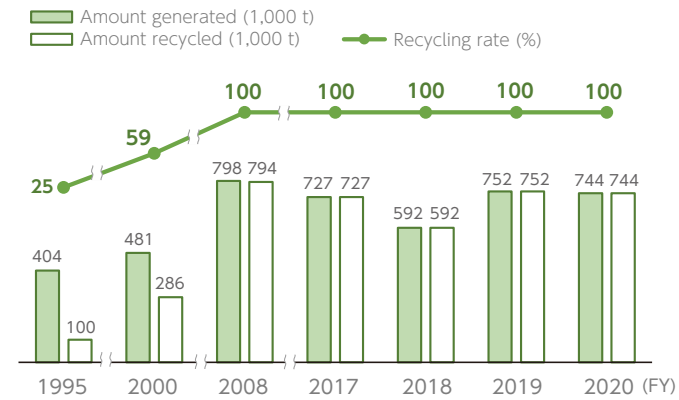
Other Related Data

■ Amount of Industrial Waste Generated and Recycling Rates by Type

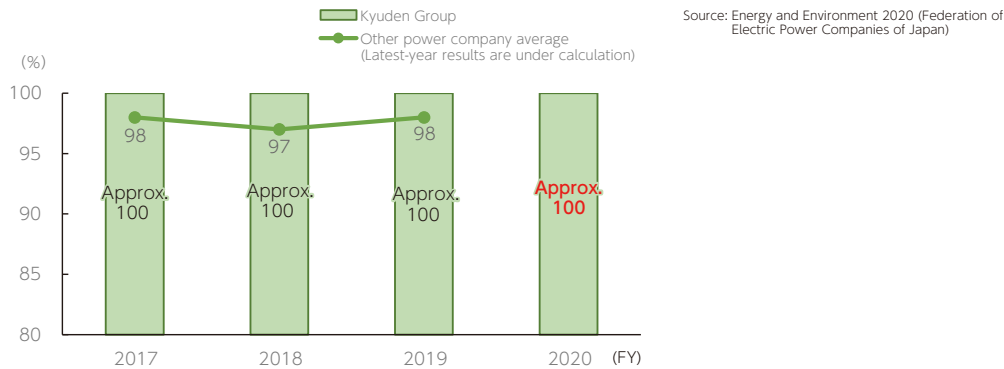
	Main uses	FY2017			FY2018			FY2019			FY2020			
		Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	
Coal ash	Cement raw material Concrete mixture	726,672	726,672	100	592,308	592,308	100	752,110	752,110	100	743,955	743,955	100	
Other industrial waste	Heavy crude oil ash Vanadium recovery	219	219	100	32	32	100	7	7	100	0	0	-	
	Gypsum	Cement raw material	108,220	108,220	100	87,138	87,138	100	134,065	134,065	100	105,265	105,082	100
	Sludge	Cement raw material	4,097	1,790	44	5,346	2,691	50	2,891	993	34	2,859	886	31
	Waste oil	Fuel oil	1,818	1,806	99	2,669	2,655	99	2,266	2,250	99	2,837	2,817	99
	Waste plastic	Fuel additive	299	275	92	292	261	89	254	249	98	415	237	57
	Scrap metal	Metals	18,013	17,893	99	17,403	17,377	100	13,462	13,456	100	14,656	14,616	100
	Waste concrete poles	Subbase and aggregate material	11,845	11,845	100	9,537	9,537	100	11,198	11,198	100	9,713	9,713	100
	Glass and ceramic waste	Glass product materials	114	82	72	244	238	97	151	151	100	55	52	94
	Industrial waste requiring special treatment	Cement raw material	492	414	84	446	392	88	573	525	92	238	231	97
	Other	Fuel additive	140	140	100	109	91	83	189	142	75	184	149	81
Subtotal		145,257	142,684	98.2	123,217	120,412	97.7	165,056	163,036	98.8	136,222	133,782	98.2	
Total industrial waste		871,928	869,293	Approx.100	715,525	712,720	Approx.100	917,166	915,146	Approx.100	880,177	877,737	Approx.100	

*Please note that totals may not add up due to rounding.

■ Amount of Coal Ash Generated and Recycling Rates



■ Industrial Waste Recycling Rates and Comparisons with Other Power Companies



■ Amount of General Waste (Used Paper, etc.) Generated and Recycling Rates

	Main uses	FY2017			FY2018			FY2019			FY2020		
		Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Amount generated (t)	Amount recycled (t)	Recycling rate (%)
Used paper	Recycled paper	1,153	1,153	100	870	867	100	1,054	1,047	99	966	960	99
Dam driftwood	Alternative to straw litter	704	697	99	2,263	2,259	100	2,551	2,551	100	2,490	2,464	99

■ Used Paper Collection

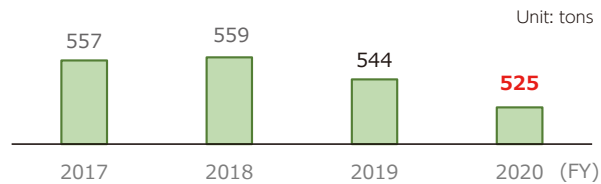
	Main uses	FY2017	FY2018	FY2019	FY2020
		Amount collected (t)	Amount collected (t)	Amount collected (t)	Amount collected (t)
Newspapers	Paper (copy paper, catalog paper, etc.) and newspapers	71	58	54	56
Magazines	Cardboard material and paper string	23	17	18	15
Cardboard	Cardboard material	62	42	58	62
Confidential documents	Paper (copy paper, catalog paper, etc.), toilet paper, and cardboard material	876	647	778	781
Other	Paper (copy paper, catalog paper, etc.), toilet paper, cardboard material, and paper string	121	103	140	46
Total		1,153	867	1,047	960

*Please note that totals may not add up due to rounding.

Newspapers
Includes magazine and cardboard collection amounts at some worksites

Other
Copy paper and envelopes, etc.

■ Amount of Copy Paper Purchased



● Group Company Environmental Achievements

■ Amount of Industrial Waste Generated and Recycling Rates by Type at Group Companies (FY2020)

Type of industrial waste	Amount generated 1,000 t	Amount recycled 1,000 t	Recycling rate %
Combustion residue (coal ash and others)	6.8	6.7	98
Sludge	9.6	9.3	97
Waste plastics	0.9	0.7	75
Waste oil	0.9	0.8	94
Scrap metal	2.1	2.1	97
Glass and ceramic waste	3.4	3.3	96
Construction waste	5.1	4.1	80
Soot and dust	120.6	120.6	100
Industrial waste requiring special treatment	6.1	0.6	9
Other industrial waste (waste alkali, wood scraps, etc.)	6.7	3.7	55
Total	162.2	151.7	94

*Please note that totals may not add up due to rounding

■ Waste Generated at Group Companies

		Unit	FY2017		FY2018		FY2019		FY2020	
			No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
Industrial waste	Amount generated	1,000 t	38	136.8	41	144.248	40.0	139	37	162.2
	Recycling rate	%		93		92		94		93
Used paper	Amount generated	1,000 t	46	1.0	49	1.1	42.0	1	41	0.8
	Recycling rate	%		93		94		94		92

Water Resources

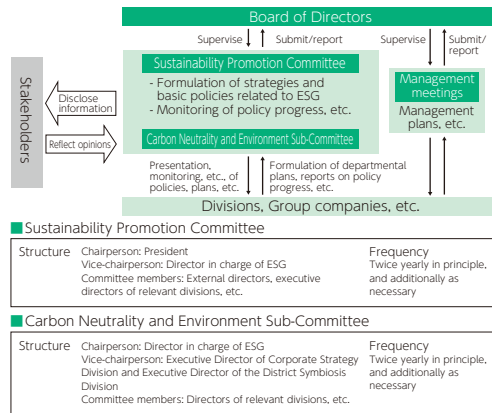
Policy and Approach

Water resources are fundamental to the Kyuden Group's business activities. At our thermal power and nuclear power plants, we use large amounts of water as coolants and for other uses. As such, limitations on water supplies due to droughts or other issues are expected to have huge impacts on the Group's businesses. As a business that uses water resources, we will continue to comply with permitted amounts of water intake based on relevant laws and ordinances, and are working to reduce the amount of water we consume by, for example, recirculating water at our power plants. Further, each of our worksites and Group companies is engaged in water-saving efforts at their offices to reduce the total amount of water consumed.

Promotion Framework

Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a specialized standpoint, this Sub-Committee discusses all matters related to environmental issues. The Sub-Committee also conducts management reviews of strategies and risks regarding water resources, and is continuously involved in work to reduce the amount of water we consume.

Kyuden Group Environmental Management and Promotion Framework



Targets

Item	Target	Achievement
Reduction in use of service water	Maximum reduction	Equivalent to the previous fiscal year*

*We engaged in efforts to reduce use of water for daily use at our offices.

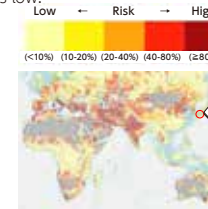
Initiatives

The industrial water used at our power plants is taken, within the scope of water intake limitations, from rivers and other sources. Elsewhere, we are working to reduce the amount of new water supplies by recirculating water during power generation shutdowns and normal operation. We also use seawater as indirect cooling water for our power generation facilities, and ensure appropriate management by monitoring temperature differences and other factors in the water we intake and discharge.

Water Risk Assessments

Water resources are essential for the power generation businesses of the Kyuden Group, and as such we conduct the following risk management activities.

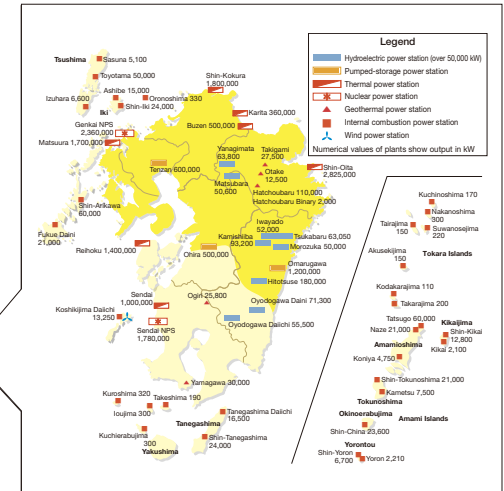
In the hydroelectric power generation businesses, we discharge the necessary amount of water to maintain the river environment downstream from the dams and weirs of our hydroelectric power plants. In addition, when drawing water from rivers for our power generation, we ensure strict compliance with permitted amounts of water intake based on relevant laws and ordinances. Further, when river levels are predicted to rise due to heavy rainfall, we discharge water from our dams in advance based on flood control agreements we have concluded with national and local governments. In this way, we also play a key role in regional disaster prevention by reducing damage from heavy rain. In our thermal power generation businesses, we are working to reduce water intake volumes by collecting and reusing the water required for power generation. Moreover, both our thermal power and nuclear power generation facilities use seawater as indirect cooling water, and so we continuously monitor water temperature differences and other factors. We have also determined the current and future level of water stress in regions in which our facilities are located using the WRI Aqueduct (3.0) tool, which is used to specify water-related risks. According to the Baseline Water Stress results, in the Kyushu region where Kyushu Electric Power (Kyushu EP) operates power plants using freshwater and seawater, at most, the water stress level is Low-Medium. As such, it is thought that the frequency of water-related risks such as droughts is low.



*Created by the Kyuden Group based on Aqueduct Water Risk Atlas/Baseline/Water Stress (current as of July 31, 2020).

Source: <https://www.wri.org/aqueduct>

*Kyuden Group facilities shown on the map are current as of March 31, 2020.



Violations of Laws and Ordinances Related to Water Intake and Quality

In FY2020, there were no violations of laws and ordinances related to water intake and quality.

Measures to Reduce Water Turbidity in the Hitsutsue River

Shortly after the launch of operations at the Hitsutsue Power Station in 1965, the long-term turbidity of the water around the Hitsutsue Dam increased, negatively impacting downstream irrigation, fishing, and the landscape. In response, in 1974 Kyushu EP installed a selective water intake facility, and has gone on to introduce various other countermeasures.

However, due to successive large-scale typhoons in 2004 and 2005, long-term turbidity that exceeded 100 days was seen for two consecutive years. The year 2005 was particularly bad, with water turbidity continuing for nearly eight months.

In 2008, the Hitsutsue River Turbidity Reduction Plan was put together by the Hitsutsue River System Turbidity Countermeasure Committee (currently the Evaluation Committee), comprising Miyazaki Prefecture, municipalities along the river basin, academics, and Kyushu EP. Currently, all parties concerned are working to reduce long-term water turbidity while monitoring mid- and downstream river environments.

To ensure that information on the river can be communicated to those living near the river basin in real time, we have built a river basin monitoring system that has gone on to receive a high number of views.

Looking forward, we will continue working with Miyazaki Prefecture and other concerned parties to implement thorough turbidity reduction measures.



Information on Hitsutsue River water turbidity measures

Other Related Data

■ Amount of Water Usage (for Power Generation) and Wastewater at Thermal, Nuclear, and Internal Combustion Power Plants (FY2020)

Unit: 10,000 t

Power plant		Water for power generation	Wastewater
Thermal power	Shin-Kokura (incl. Buzen)	34	17
	Karita	37	8
	Matsuura	182	64
	Ainoura	0	0
	Shin-Oita	64	49
	Reihoku	178	53
	Sendai	12	6
Nuclear power	Genkai	59	29
	Sendai	43	36
Internal combustion power		4	—
Total		614	262

Water for power generation
Amount of water from external input (city water, well water, etc.) minus water for daily use. Does not include seawater used as cooling water or water recirculated at each power plant.

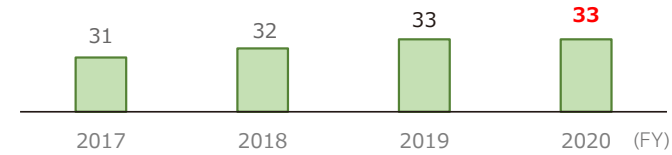
Wastewater
The amount of wastewater appropriately treated at the wastewater treatment facilities inside each power plant.

*Please note that totals may not add up due to rounding.

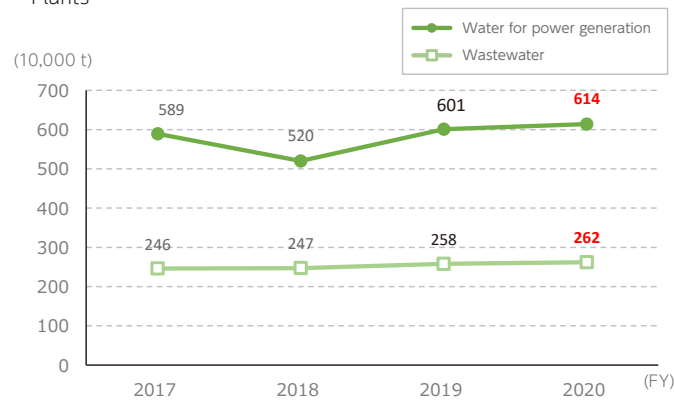
*All wastewater is discharged into the sea.

■ Amount of Service Water Usage

Unit: m³/person



■ Trends in Amount of Water Usage (for Power Generation) and Wastewater at Thermal, Nuclear, and Internal Combustion Power Plants



Water for power generation
Amount of water from external input (city water, well water, etc.) minus water for daily use. Does not include seawater used as cooling water or water recirculated at each power plant.

*Figures up until FY2018 exclude those of internal combustion power plants.

Wastewater
The amount of wastewater appropriately treated at the wastewater treatment facilities inside each power plant.

*Figures exclude those of internal combustion power plants.

Environmental Management

Policy and Approach

The Kyuden Group recognizes, as a corporate group whose operations impact the environment, that we need to demonstrate a sincere commitment to caring for the environment.

That is why environmental preservation is a key business focus and why environmental management is promoted across all of our operations, ensuring that the growth of our business does not come at the expense of the environment. And, in order to concretely express our attitude towards, and guiding principles for, environmental action, we have established the Kyuden Group Environmental Charter.

Kyuden Group Environmental Charter —A Commitment to Environmentally-Friendly Corporate Activity—

The Kyuden Group develops globally-focused initiatives geared towards protecting the earth's environment and cultivating harmonious local coexistence in order to achieve a more sustainable society.

1. We seek appropriate responses to global environmental challenges and to make effective use of resources so that our business activities will contribute to a better future.
2. We strive for harmonious coexistence with society by engaging in activities which will enrich local environments.
3. We work to raise environmental awareness and to become a corporate group that earns the trust of its customers.
4. We are proactive about disclosing environmental information and facilitating communication with the community.

Revised June 2018

Environmental action policies

Based on the Kyuden Group Environmental Charter, our basic policy for the medium-to-long term is aimed at steadily implementing environmental management to balance business operations and environmental preservation, and is made up of five basic pillars: initiatives to address global environmental issues, initiatives to establish a recycling society, local environment preservation, collaborating with communities, and promoting environmental management. In accordance with this policy, we will contribute to the realization of a sustainable society through our environmental activities, while always taking biodiversity into account.

■ The Five Pillars of Our Environmental Action Policies



Environmental Action Plan

Based on the Kyuden Group Environmental Charter, each fiscal year we formulate a Kyuden Group Environmental Action Plan to ensure steady promotion of environmental management. The Kyuden Group Environmental Action Plan comprises our Environmental Action Policies, Environmental Targets, and specific action plans. We also identify priority issues, and in addition to incorporating them into the medium-term management plans of each division, we set and announce targets for each fiscal year, as well as the medium to long term.

Further, through analysis, assessment, and reviews of our environmental activities based on the PDCA cycle, we are working to improve and enhance our environmental initiatives.

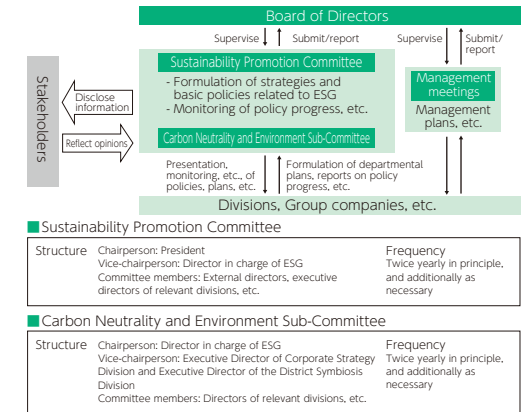
Promotion Framework

To promote carbon neutrality and other ESG-related initiatives, in July 2021 we set up the Sustainability Promotion Committee, which is chaired by the president. In addition to the formulation of strategies and basic policies related to ESG (identification of major challenges), discussions on specific measures, and management of policy progress, the Committee is also tasked with discussing and supervising strategies and risks related to climate change. The Committee meets more than twice yearly, and the results of their discussions are reported without delay to the Board of Directors. The Board of Directors supervises all activities related to ESG.

Underneath the Sustainability Promotion Committee is the Carbon Neutrality and Environment Sub-Committee. From a more specialized standpoint, this Sub-Committee discusses all matters related to environmental issues, including carbon neutrality.

The Sub-Committee also conducts management reviews of environmental management, and reflects the results of its discussions into our Environmental Management System.

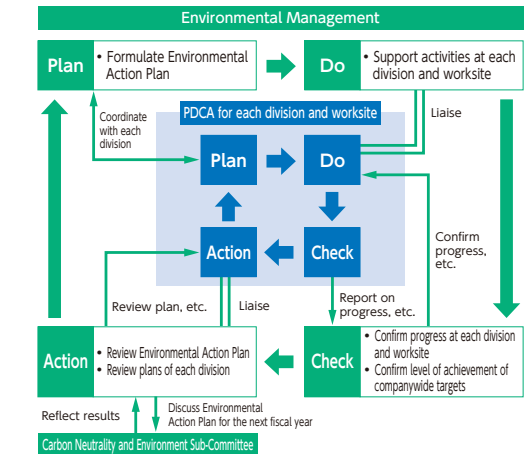
■ Kyuden Group Environmental Management and Promotion Framework



Environmental Management System

Since 1997, five of our model worksites have acquired ISO14001, while our other worksites implement environmental activities based on systems that conform to ISO14001 standards. We are currently building an Environmental Management System that incorporates ISO14001 approaches, and are promoting environmental activities in an efficient, effective manner. Through this system, and guided by upper management, we formulate, implement, and conduct checks and reviews of the Kyuden Group Environmental Action Plan, which outlines specific measures for steady implementation of environmental management. And, through continuous management reviews at the Carbon Neutrality and Environment Sub-Committee, and in turn steady rotation of the PDCA cycle, we are engaged in constant improvement efforts.

■ Kyuden Group Environmental Management System



Full Commitment to Preventing Violations of Environmental Laws or Regulations and Environmental Accidents

As a result of thorough environmental education and other measures, in FY2020 there were no violations of environmental laws or regulations or environmental accidents.

Environmental Targets and Results

Environmental Targets and Results of Kyushu Electric Power (Kyushu EP) (FY2020)

In FY2020, we made steady progress with initiatives aimed at achieving fiscal year and medium- to long-term targets.

Priority initiatives		Environmental targets		FY2020 results		
		Medium–long-term	Single fiscal year (FY2020)			
1 Initiatives to address global environmental issues	Results	Reduction of CO ₂ emissions factor		Target of the Electric Power Council for a Low Carbon Society About 0.37kg-CO ₂ /kWh* ¹ (FY2030)	<ul style="list-style-type: none"> Through proactive development of renewable energy, continued safe, stable operation of our nuclear power plants, and other efforts to reduce our CO₂ emissions factor, our CO₂ emissions factor in FY2020 was 0.479 kg-CO₂/kWh.** 	
		Supply side	Maintenance and improvement of thermal power operational efficiency		Achievement of benchmark indicators in the Energy Conservation Law A indicator: 1.0 or higher B indicator: 44.3% or higher (FY2030)	<ul style="list-style-type: none"> Promotion of various initiatives to achieve the medium- to long-term targets (FY2030) of the Energy Conservation Law and the Act on Sophisticated Methods of Energy Supply Structures As a result of operating high-efficiency coal-fired/LNG thermal power plants (including Matsuura Power Station Unit 2, which began operations in December 2019), our thermal efficiency (transmission end) in FY2020 increased 0.8% over the previous fiscal year to 41.1%. At Specific Safety Facilities, we responded appropriately to conformity assessments, and ensured steady implementation of preparatory and building construction work. In this way, we continued with efforts to ensure safe, stable operation of our nuclear power plants. We renewed the power generation facilities at Otake Power Station—Japan’s first commercial geothermal power plant—and began operations in October 2020. Operations also began at Kushima Wind Power Station (Kushima City, Miyazaki Prefecture; operated by our Group company Kushima Windhill Co., Ltd.) in October 2020. In these and other ways, we worked together as a Group to proactively develop renewable energy.
	Non-fossil power source ratio		Achievement of target for non-fossil power sources (including nuclear power and renewable energy)		Targets in the Act on Sophisticated Methods of Energy Supply Structures 44% or higher (FY2030)	
			Amount of renewable energy developed		5 million kW (FY2030)	
	Initiatives	Energy-saving	Reduction in energy consumption intensity based on the Energy Conservation Law		-1% per year or higher (recent five-year average)	<ul style="list-style-type: none"> As a result of continuous energy-saving activities, our average energy consumption per unit across the five years FY2016–FY2020 maintained an S Class rank (more than 1% reduction per year) in the Energy Saving Act’s business operator class division evaluation system. As shown by our proactive examinations and overseas consulting activities regarding LNG bunkering—an effective means of reducing carbon in shipping fuel—we worked to examine and provide services that help to save energy and CO₂.
			Enhancement of services that contribute to energy conservation and CO ₂ emissions reduction, etc.		Steady implementation of measures aimed at enhancing services that help conserve energy, reduce CO ₂ , etc.	
		Use side	Promotion of electrification		Steady implementation of measures to drive electrification, such as the promotion of all-electric homes	<ul style="list-style-type: none"> We promoted activities to popularize all-electric lifestyles, such as through the All-Electric Car mobile marketing vehicle. In addition, in line with COVID-19 restrictions, we hosted non-contact events, such as live-stream IH cooking demonstrations and other online video content, so that customers could participate with peace of mind. The Kyuden Group newly introduced 14 EVs into our company fleet. In addition, we also worked with other companies to promote EV sharing and to install EV charging points in apartment buildings and offices.
			Popularization of EVs		Kyuden Group Wholly electric company car fleet by FY2030 (excl. vehicles that cannot be converted into EVs) Examination and implementation of measures to popularize and expand use of EVs Kyuden Group 9% of company car fleet is electric (cumulative)	
		Research and development of technologies that contribute to a low-carbon society		Steady research and technological development		<ul style="list-style-type: none"> We engaged in the research and development of technologies that contribute to a low-carbon society. Specifically, among others, we developed large-capacity charge-discharge equipment for large vehicles, examined how to reuse used lithium-ion car batteries in large, fixed energy storage systems, and developed a new mixed biomass fuel.
	2 Initiatives to create a recycling-oriented society	Results	Economic efficiency (sale of unneeded items with value, etc.)		7.2 billion yen or more	<ul style="list-style-type: none"> As a result of sales of disused valuables and byproducts from our power generation business, as well as efforts to cut costs by reducing volumes of waste, our economic efficiency in FY2020 was calculated at approx. 7.7 billion yen. Further, at 145%, environmental efficiency exceeded our target.
Environmental efficiency (electricity sales ÷ amount of industrial waste landfill disposal)			110 or higher	110 or higher		
Initiatives		Proper management and disposal of industrial waste		Coal ash recycling rate: 100% Recycling rate other than coal ash: 98%		<ul style="list-style-type: none"> In line with an in-house manual, as a result of appropriate management, treatment, and implementation of the 3Rs with regards to industrial waste, in FY2020, we recycled 100% of coal ash, and approx. 98% of industrial waste other than coal ash, exceeding the targets for both. In addition to the appropriate management of PCB waste, we continued with scheduled detoxification treatment in line with legal time periods.
		Planned and proper disposal of PCB waste		High concentration Disposal finished by statutory disposal deadlines Trace Disposal finished by the end of FY2025	Plan-based proper disposal	
4 Collaborating with society	Initiatives	Enhancement of Korabora-Q-den Eco activities		Percentage of environmental activities as part of Korabora-Q-den: More than 70%	<ul style="list-style-type: none"> After receiving advice from head office on methods to incorporate environmental elements, and on how to discover environmental value, environmental activities accounted for 92% of the total. 	
		Enhancement of Q-den Mirai School activities - Kyuden Play Forest/On-demand lessons - Kiju Kyuden Forest/Eco-Mother activities		Percentage of environmental education participants whose awareness of environment and energy-related issues improved: More than 80%	<ul style="list-style-type: none"> Following efforts to increase the number of participants at each event, expand our lineup of programs, create new educational materials, and others aimed at enhancing each activity and improving participants’ awareness of the environment and energy, the percentage of participants whose awareness of environment and energy-related issues improved was 96%. 	
		Enhancement of communications regarding Korabora-Q-den Eco and Q-den Mirai School activities		Proactive communication of information regarding environment- and energy-related education	<ul style="list-style-type: none"> Although the number of events fell due to impacts from COVID-19, we used Facebook and other means to engage in proactive communication. 	
5 Promoting environmental management	Initiatives	Efforts to improve outside evaluation in terms of the environment		Acquisition of high evaluation (“Management” level or higher) in CDP	<ul style="list-style-type: none"> To ensure effective information disclosure and to contribute to improved outside evaluation, we worked to increase the scope of publication of our environmental data. Our CDP score was “Awareness.” 	
		Full commitment to preventing violations of environmental laws or regulations and environmental accidents		<ul style="list-style-type: none"> Zero violations (recommendations for improvement, orders, punishments) Full and consistent compliance with agreements (except in irregular situations) 	<ul style="list-style-type: none"> Thanks in part to in-house training on the environment, in FY2020 there were no violations of environmental laws, regulations, or agreements, or environmental accidents. 	
		Developing specialized skills relating to the environment		Bolstering of training for improving employee understanding		<ul style="list-style-type: none"> We hosted training programs for environmental management supervisors and those in charge of environmental operations at each worksite.

Note: Of the five pillars of our Environmental Action Policies, “(3) Protect environments in local communities” comprises only regular and daily management, and so priority issues have not been identified.

*1 The aim is to achieve this target through the cooperation of the member companies of the Electric Power Council for a Low Carbon Society.

** FY2020 results are provisional; the government is set to announce definitive figures in December.

Kyushu Electric Power (Kyushu EP) Environmental Targets (FY2021)

In FY2021, too, we will promote initiatives aimed at achieving fiscal year and medium- to long-term targets.

Priority initiatives		Environmental targets				
		Medium-long-term	Single fiscal year (FY2021)			
1 Initiatives to address global environmental issue	Results	Reduction of CO ₂ emissions factor		Target of the Electric Power Council for a Low Carbon Society About 0.37kg-CO ₂ /kWh*1 (FY2030)	0.288-CO ₂ /kWh (Before Non-Fossil Certificate transaction) (0.435kg-CO ₂ /kWh (After Non-Fossil Certificate transaction))	
		Supply side	Maintenance and improvement of thermal power operational efficiency		Achievement of benchmark indicators in the Energy Conservation Law A indicator: 1.0 or higher B indicator: 44.3% or higher (FY2030)	A indicator: 0.997 B indicator: 43.8%
	Achievement of target for non-fossil power sources (including nuclear power and renewable energy)		Non-fossil power source ratio	Targets in the Act on Sophisticated Methods of Energy Supply Structures 44% or higher (FY2030)	51.4% (Before Non-Fossil Certificate transaction) 19.11% (After Non-Fossil Certificate transaction)*1 Medium-term target	
			Amount of renewable energy developed	5 million kW (FY2030)	Domestic Steady implementation of renewable energy development plans (+250 MW) Overseas Steady implementation of renewable energy development plans	
	Initiatives	Energy-saving	Reduction in energy consumption intensity based on the Energy Conservation Law		-1% per year or higher (recent five-year average)	
			Enhancement of services that contribute to energy conservation and CO ₂ emissions reduction, etc.		(1) Provision of communication services using smart meters (2) Implementation of energy-saving diagnosis activities (3) Examination of LNG bunkering business (4) Overseas initiatives aimed at saving energy and CO ₂	
		Use side	Promotion of electrification		Steady implementation of measures to drive electrification, such as the promotion of all-electric homes	
			Electrification	Popularization of EVs		Kyuden Group Wholly electric company car fleet by FY2030 (excl. vehicles that cannot be converted into EVs) Kyuden Group Introduce 43 EVs 11% of company car fleet is electric (cumulative) (241 of a possible 2,195)
				Research and development of technologies that contribute to a low-carbon society		(1) Commercialization of EV services (2) Sales of EV charging equipment (3) Introduction of EV charging equipment in our real estate development business (1) Examination of EV services (2) Reinforcement of product introduction capabilities in new sales channels (construction hardware stores, electric hardware stores, etc.) (Group Companies) (3) Activities to introduce EV charging equipment in line with customer needs for each business project (1) Development of compact, low-cost large-capacity charge-discharge devices for large vehicles (2) Feasibility assessments aimed at commercializing new mixed biomass fuel (3) Development of a large, fixed energy storage system using used batteries
	2 Initiatives to create a requirements-oriented society	Results	Economic efficiency (sale of unneeded items with value, etc.)		7.2 billion yen or more	7.2 billion yen or more
Environmental efficiency (electricity sales ÷ amount of industrial waste landfill disposal)			110 or higher	110 or higher		
Initiatives		Proper management and disposal of industrial waste		Coal ash recycling rate: 100% Recycling rate other than coal ash: 98%		
		Planned and proper disposal of PCB waste	High concentration	Disposal finished by statutory disposal deadlines	Plan-based proper disposal	
			Trace	Disposal finished by the end of FY2025		
4 Collaborating with society	Initiatives	Environmental conservation	Enhancement of Korabora-Q-den Eco activities	Percentage of environmental activities as part of Korabora-Q-den: More than the previous fiscal year (92%) (FY2021)		
		Environmental and energy education	Enhancement of Q-den Mirai School activities - Kyuden Play Forest/On-demand lessons - Kiju Kyuden Forest/Eco-Mother activities	Percentage of environmental education participants whose awareness of environment and energy-related issues improves: More than 90% (FY2021) (Activities using new methods: More than 80%)		
		Communications	Enhancement of communications regarding Korabora-Q-den Eco and Q-den Mirai School activities	Proactive communication of information regarding environment- and energy-related education		
5 Promoting environmental management	Initiatives	Efforts to improve outside evaluation in terms of the environment		Improve outside evaluations of ESG activities (CDP, DJSI, MSCI, FTSE, etc.)		
		Full commitment to preventing violations of environmental laws or regulations and environmental accidents		• Zero violations (recommendations for improvement, orders, punishments) • Full and consistent compliance with agreements (except in irregular situations)		
		Developing specialized skills relating to the environment		Bolstering of training for improving employee understanding		

Note: Of the five pillars of our Environmental Action Policies, "(3) Protect environments in local communities" comprises only regular and daily management, and so priority issues have not been identified.
*1 The aim is to achieve this target through the cooperation of the member companies of the Electric Power Council for a Low Carbon Society.
*2 Forecast figures; the government is set to announce official figures in August.

Other Related Data

■ Environmental Load Reduction in Business Operations

Expected Reductions			
CO ₂ reduction amount	Power generation and power purchasing	1,551	10,000 t-CO ₂
SF ₆ recovery amount		18	10,000 t-CO ₂
SOx reduction amount		6.3	10,000 t
NOx reduction amount		2.3	10,000 t
Actual Reduction Amount			
Recycled industrial waste		87.8	10,000 t
Low-level radioactive waste reduction (200 L drum equivalent)		4,226	drums
Recycled paper		960	t
Recycled water/rainwater utilization		4.3	10,000 t

CO₂ reduction amount
Nuclear power generation (at the generation end) x CO₂ emissions divided by electricity sales volume (after adjustment)
+ hydroelectric power generation (at the transmission end) x CO₂ emissions divided by electricity sales volume (after adjustment)
+ geothermal power generation (at the transmission end) x CO₂ emissions divided by electricity sales volume (after adjustment)
+ new energy generation (at the transmission end) x CO₂ emissions divided by electricity sales volume (after adjustment)
+ power generated at transmission end x (FY2013 transmission and distribution loss ratio - FY2020 transmission and distribution loss ratio) x CO₂ emissions divided by electricity sales (after adjustment)
+ in-house thermal power generation (excl. internal combustion) x (FY2013 in-house steam power gross generating efficiency [power generation end] ÷ (FY2013 in-house steam power gross generating efficiency [power generation end] - 1) x CO₂ emissions divided by electricity sales volume (after adjustment)

+ CO₂ reductions from CO₂ emissions credits
*Reduction due to power generation and purchasing: Calculated using CO₂ emissions (post-adjustment) per electricity sales volume for Kyushu EP in FY2019, comparing against a baseline which assumes all power is produced via renewable energy (excluding pumping for hydroelectric).
*Facilities efficiency improvement: Calculated using thermal efficiency and power transmission/distribution loss rate for FY2013 as a baseline.

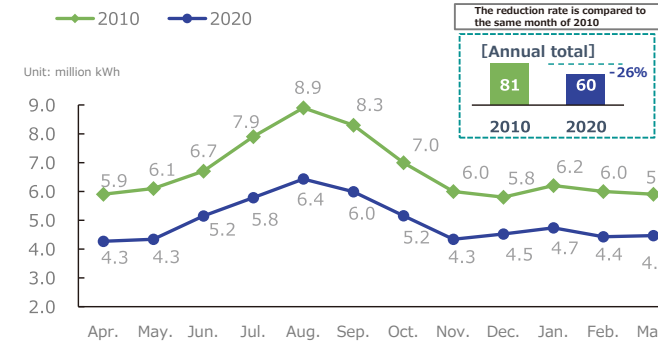
SF₆ recovery amount
(SF₆ handled - SF₆ released) x 22,800 (Global warming potential)
*Calculated using baseline which assumes SF6 is not recovered from machinery into which it is injected during inspection and removal.
SOx reduction amount
(Amount of sulfur in fuel x fuel consumed ÷ 64 ÷ 32) - SOx emissions + (SOx emissions - (SOx emissions x reported amount of sulfur in fuel ÷ amount of sulfur in fuel))

*Calculated using a baseline which assumes no flue gas treatment and no use of low sulfur fuel at power plants.
NOx reduction amount
NOx emissions ÷ (1 - denitrification efficiency x treated volume) - NOx emissions
*Calculated using a baseline which assumes no denitrification is performed at power plants.

Recycled industrial waste
Amount of industrial waste generated and recycled.
Low-level radioactive waste generation
The reduction in volume achieved by incinerating, compressing or otherwise disposing of the low-level radioactive waste generated is converted into an equivalent number of 200 L drums.
Recycled paper
In addition to copier paper, includes newspapers, magazines, cardboard, confidential documents, etc.
Recycled water/rainwater utilization
Recycled water (purchased + treated water) + rainwater utilization

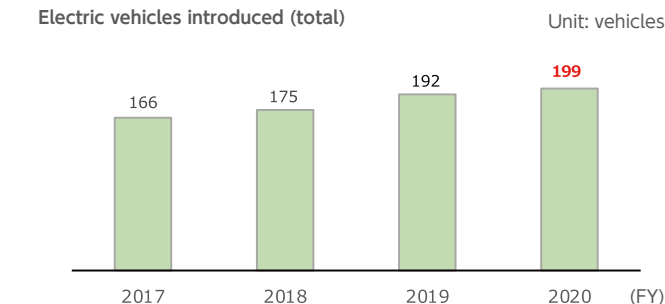
*Total for EVs and PHVs

■ Reduction Results of Office Power Consumption



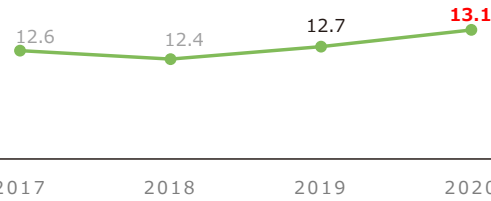
*Excludes worksites where it is difficult to gauge office-only power consumption, such as power plants and research labs.

■ Control CO₂ Emissions by Introducing Fuel-Efficient Vehicles and Eco-Driving

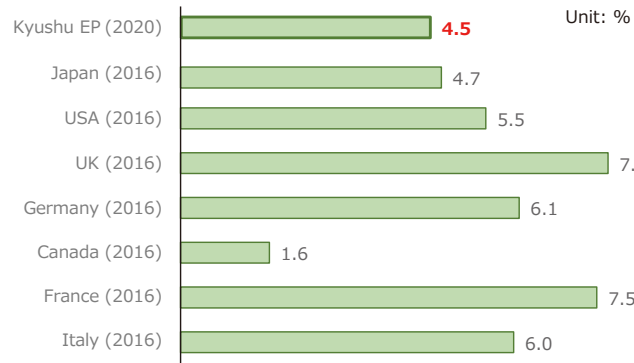


■ General-Purpose Vehicle Fuel Consumption Rate

Unit: km/L



■ Country Comparison for Transmission/Distribution Loss Rates



Source: Overseas electric power industry statistics 2018 (JAPAN ELECTRIC POWER INFORMATION CENTER, INC.)

*FY2020 at Kyushu Electric Power (Kyushu EP) includes losses inside substations (changed in April 2020 due to separation of the transmission and distribution division).

■ Number of Qualifiers (2017-2020)

Unit: people

Qualification	No. of qualifiers			
	FY2017	FY2018	FY2019	FY2020
Qualified Person for Energy Management	740	723	706	706
Energy Manager for Type 2 Designated Energy Management Factory	52	51	47	49
Pollution control managers (including pollution prevention chief managers)	718	704	684	677
Waste treatment facility technology managers	179	169	158	149
Specially-controlled industrial waste management officers	585	544	535	509

■ Number of Serious Environmental Compliance Violations and Fines Paid

Item	Targets	Achievements			
		2017	2018	2019	2020
No. of Serious Environmental Compliance Violations	0	0	0	0	0
Fines Paid	0	0	0	0	0

■ Economic Effects of Environmental

Scope of aggregation: Kyushu EP
Unit: 100 million yen

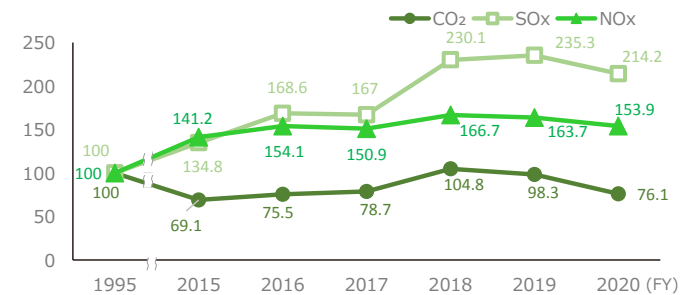
Classification of environmental activities	Main activities	Economic Effects		
		FY2019	FY2020	
Resource circulation	Waste measures	Sale of disused valuables	3.4	3.6
	Waste reduction	Reduction of processing costs such as final disposal by recycling	79.4	73.2
Total			82.8	76.8

■ Effects of Environmental Activities

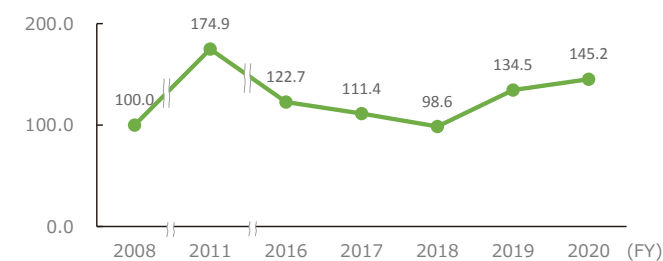
Scope of aggregation: Kyushu EP

Classification	Item (unit)		Effects of Environmental Activities		
			FY2019	FY2020	
Global environmental preservation	Suppression of GHG emissions	Nuclear Power Generation	(10 thousand t-CO ₂)	1,038	802
		New energy power generation / purchase		399	484
		Hydroelectric / Geothermal		254	199
		Improved thermal efficiency		29	59
		Utilization of Kyoto mechanism, etc.		0	0
		SF ₆ Emission reduction		25	18
Global environmental preservation	SOx reduction amount		(1,000 t)	55	63
		NOx reduction amount		17	23
		Soot and Dust reduction amount		37	91
Resource circulation	Industrial Waste	Amount recycled	(1,000 t)	915	878
		Appropriate disposal amount		2	2
	General Waste	Amount recycled		5	4
		Appropriate disposal amount		1	1
	Low-level radioactive waste reduction (200 L drum equivalent)		(drums)	3,392	4,226
Spent nuclear fuel amount		(quantity)	4,486	4,710	

■ Changes in CO₂, SOx, NOx Environmental Efficiency (Electricity Sales Volume Standard)



■ Changes in Industrial Waste Environmental Efficiency (Electricity Sales Volume Standard)



*Totals may not match due to the effects of rounding.

Nuclear Power Generation
Estimated assuming that the amount of power generated by nuclear power was covered by the average of all our power sources

New energy power generation / purchase, Hydroelectric / Geothermal
Estimated assuming that the amount of electricity generated by renewable energy (hydropower excluding power for pump operation) is covered by the average of all of our power sources

Improved thermal efficiency, Reduction of transmission and distribution loss

Calculated based on 2013 value (in line with national GHG reduction targets, in FY2020, the base year was changed from FY1990 to FY2013)

SF₆ Emission reduction

Convert the amount recovered during inspection / removal to CO₂ weight using the SF₆ GWP (22,800 (23,900 until FY2014))

SOx, NOx, and soot reduction amount

Calculated based on the difference from the actual emission amount, using the emission amount (estimated value) when no measures are implemented as the baseline.

General Waste
Amount of waste paper, dam driftwood, and shellfish in general waste* generated in-house

*Waste other than that which is defined by law as industrial waste.

Spent nuclear fuel amount
Includes fuel to be reused

*FY2018 CO₂ emissions was used to calculate the CO₂ emission control effect per electric energy.

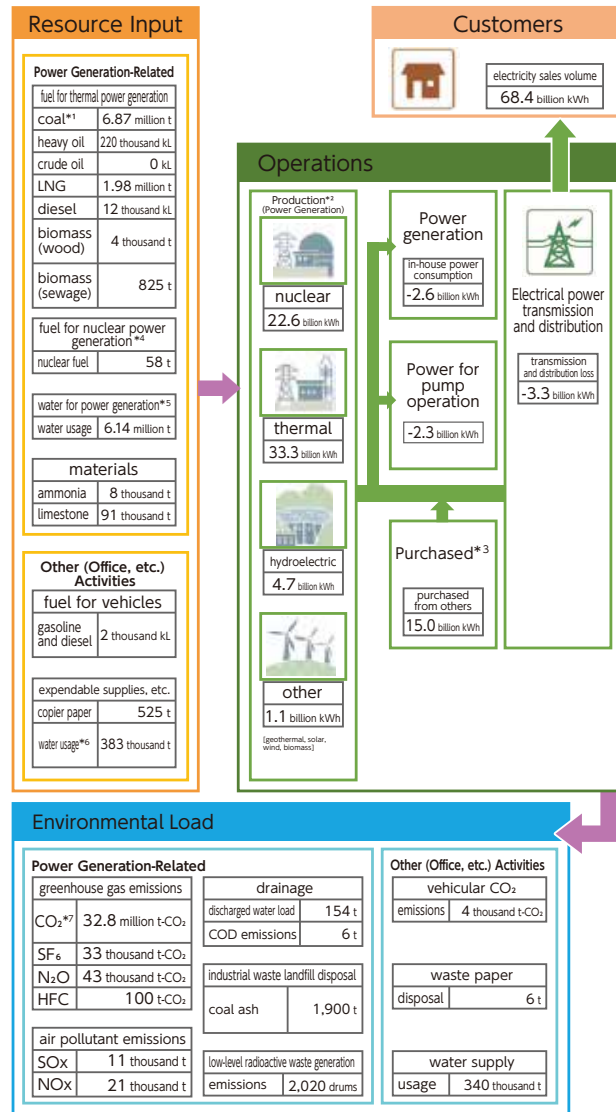
$$\text{Environmental efficiency} = \frac{\text{Product/service value}}{\text{[Electricity sales volume] (kWh)}} \div \frac{\text{Environmental load (t)}}{\text{[Electricity sales volume] (kWh)}}$$

*Calculated with FY1995 as 100.

$$\text{Environmental efficiency} = \frac{\text{Product/service value}}{\text{[Electricity sales volume] (kWh)}} \div \frac{\text{Environmental load (t)}}{\text{[Electricity sales volume] (kWh)}}$$

*Calculated with FY2008 as 100.

● Environmental Loads Resulting from Business Operations (FY2020)



Greenhouse gas emissions

• CO₂
 Calculated based on "Calculation and publication of basic emission factors and adjusted emission factors for each electric power company" (including the amount of electricity purchased by other companies), which is a document announced by the government based on the Act on Promotion of Global Warming Countermeasure.
 Post adjustment = unadjusted CO₂ emissions – CO₂ emission credit amortization + fixed price purchase adjusted CO₂ emissions.

• from in-house power consumption
 In-house power consumption x CO₂ emissions per electricity sales volume (post-adjustment)

• SF₆
 Emissions (Natural leakage + At the time of Equipment inspection, Equipment removal, Trouble, Repair work, etc.) x 22.80[GWP]

• N₂O
 Emissions (Fuel use, Factory wastewater treatment, Treatment of human waste, etc.) x 298[GWP]

• HFC
 Consumption of each HFC x corresponding GWP

Air pollutant emissions
 • SO_x/NO_x
 The total value of each Thermal power (including internal-combustion power) *total exhaust gas amount x concentration in exhaust gas* converted by weight for each power plant.

Discharged water load
 Total value of wastewater x weighting coefficient of each water pollutant (our original coefficient) x total of average concentration of each water pollutant at the time of discharge (discharge).
 *Total value (Thermal/Geothermal/NPS) converted to the equivalent of COD (Chemical Oxygen Demand) weight.

COD emissions
 Total value of wastewater x average COD concentration at the time of discharge (emission)
 *Total value (Thermal/Geothermal/NPS) of COD (Chemical Oxygen Demand) contained in wastewater treated by wastewater treatment equipment

Industrial waste landfill disposal
 External landfill disposal amount + Internal landfill disposal amount

Low-level radioactive waste generation
 Amount generated (200 L drum equivalent) – Amount of reduction* (200 L drum equivalent)
 *The value of the amount of low-level radioactive waste generation by incineration, compression, etc. converted to a 200 L drum.

Vehicular CO₂ emissions
 Fuel consumption of general vehicles and special vehicles x unit calorific value x CO₂ emission factor + Electric vehicle charging power x CO₂ emissions per electricity sales volume (post-adjustment)

Waste paper disposal
 Amount generated – Amount of recycle

Water supply usage
 Purchased amount of tap water

*1 Based on wet coal.
 *2 Amount of power generated by the company's own facilities.
 *3 "Purchased, etc." in corporate operations includes FIT purchased power and power used for sending and receiving interchange power to or from other companies.
 *4 Uranium and plutonium allowance (converted from calorific value)
 *5 Does not include seawater used as cooling water.
 *6 Includes recycled water/rainwater utilization.
 *7 Includes CO₂ from In-house power consumption and purchasing power from other companies.

■ Amount of Raw Materials Used

	Unit	FY2017	FY2018	FY2019	FY2020	
Total amount of energy used (crude oil equivalent)*1	10,000 kL	1,016	653	622	769	
For thermal power generation	Coal	10,000 t	598	498	659	687
	Heavy oil	10,000 kL	60	22	22	22
	Crude oil	10,000 kL	15	0	0	0
	LNG	10,000 t	373	191	107	198
	Diesel	10,000 kL	1.9	1.5	2.2	1.2
	Biomass (wood)	10,000 t	0.7	0.5	0.5	0.4
For nuclear power generation*2	Biomass (sewage)	t	716	659	820	825
	Nuclear fuel	t	35	85	81	58
Water for power generation	10,000 t	589	520	601	614	
Materials*2	Ammonia	10,000 t	0.8	0.6	0.6	0.8
	Limestone	10,000 t	12.2	9.4	9.8	9.1

*1 Values reported to the government based on the Act on Rationalizing Energy Use.

*2 Only for Kyushu Electric Power.

Group Company Environmental Achievements

Main Achievements (Summary)

Item	Unit	Results				
		FY2017	FY2018	FY2019	FY2020	
Office power	Usage	1 million kWh	24	23.7	22.2	19.5
	Usage per unit area	kWh/m ²	91.2	89	83.4	71.7
Private logistics transportation (excluding special vehicles)	Low-emission vehicle introduction ratio	%	69.5	71	73.2	66.4
	Fuel consumption rate (fuel efficiency)	km/ℓ	11.2	11.9	11.8	12.1
SF ₆ recovery rate	During machine maintenance	%	100	100	99.5	99.6
	During machine removal	%	100	100	100	No records
Recovery implementation rate during machine maintenance for fluorocarbons subject to regulation		%	100	100	96	92
Copier paper usage		Million sheets	134	134	130	106
Water supply	Usage	1,000 t	144	139	127	152
	Per person	m ³ /person	12.5	12	10.8	13
Recycling rate	Industrial Waste	%	93	92	94	93
	Coal ash	%	100	100	100	100
	other	%	75	69	87	87
Waste paper		%	94	94	94	92
Green procurement rate		%	86	82	86	75
Protecting the environment in local communities	SOx emissions per quantity of thermal power generated	g/kWh	0.41	0.38	0.18	0
	NOx emissions per quantity of thermal power generated	g/kWh	0.26	0.24	0.18	0

Low-emission vehicle introduction ratio

Percentage of Electric vehicles (including plugin hybrid vehicles), hybrid vehicles and fuel-efficient vehicles

No records

Those who own the equipment but do not have a record of inspection or removal of the equipment

Copier paper usage

A4 size conversion number

Green procurement rate

The scope of procurement is office supplies (paper, stationery) and other products deemed to have a low environmental impact

Group Company Energy Usage by Type

Unit	FY2017		FY2018		FY2019		FY2020				
	No. of companies	Amount used	No. of companies	Amount used	No. of companies	Amount used	No. of companies	Amount used			
Electricity	Office	1 million kWh	41	24.0	43	23.7	38	22.2	35	19.5	
	Factories, etc.	1 million kWh	32	227.3	33	526.4	30	385.4	32	422.0	
Fuel	Vehicles, etc.	Petrol, etc.	1,000 kL	45	7.0	45	6.4	42	6.2	42	4.2
	For air conditioning		1,000 kL	9	0.2	9	0.2	7	0.1	9	0.2
	For industrial use*	A-type heavy oil	1,000 kL	10	0.8	8	0.8	10	0.8	11	0.8
		LNG/LPG	1,000 t	6	1.1	8	1.1	6	1.1	6	0.9
Heat	Steam, etc.	1 million MJ	3	45.1	3	41.1	2	33.0	4	39.9	

*Excludes electricity sold to other power companies, etc. (for power generation)

Electricity Used per Unit Area at Group Company Offices

	FY2017	FY2018	FY2019	FY2020
Electricity used 1 million kWh	24.0	23.7	22.2	19.5
Floor area 1,000 m ²	263.5	265.8	266.5	272.0
Per unit kWh/m ²	91.2	89.0	83.4	71.7

Group Company Low-Emission Vehicle Introduction Rate and Fuel Consumption Rate (Excluding Special Vehicles)

	Low-emission vehicle introduction rate			Fuel consumption rate		
	No. of vehicles	No. of low-emission vehicles	Low-emission vehicle introduction rate	Distance travelled	Petrol/diesel	Fuel consumption
	No.	No.	%	1 million km	1,000 kL	km/ℓ
FY2017	3,364	2,337	69.5	35.5	3.1	11.2
FY2018	3,451	2,451	71.0	36.1	3.1	11.9
FY2019	3,484	2,550	73.2	34.3	3.0	11.8
FY2020	3,542	2,352	66.4	33.6	2.8	12.1

Special vehicles

Special vehicles refer to trucks, special motor vehicles, and special-purpose cars, etc.

Low-emission vehicle introduction rate

Percentage of electric vehicles (including plugin hybrid vehicles), hybrid vehicles and fuel-efficient vehicles

Human Rights

Policy and Approach

In order to respect human rights and contribute to the creation of a comfortable and affluent society, the Kyuden Group CSR Charter sets forth the core principle of respect for human rights* and the creation of worker friendly workplaces that enable diverse human resources to maximize their talents. The entire Kyuden Group is working as one to raise awareness of the importance of respecting human rights.

*Internationally recognized human rights are defined as those that should be protected as a matter of course, such as the four areas of core labor standards (recognition of freedom of association and the right to collective bargaining, prohibition of forced labor, prohibition of child labor, and elimination of discrimination) described in the Universal Declaration of Human Rights, the International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work of the International Labor Organization.

Kyuden Group CSR Charter

The Kyuden Group aims for sustainable development with communities. We endeavor to earn the trust of our customers, communities, our shareholders and investors, our supply chain partners, and our employees. To build up strong relations of trust, we ensure rigorous CSR management at home and abroad. In the execution of such management, we commit ourselves to be highly sensitive to the social environment. We carry out our responsibilities in order to resolve issues in communities, and are actively concerned with our social impact. The details are as follows.

Extract:

7. Respect for Human Rights and Creating a Rewarding Workplace Environment

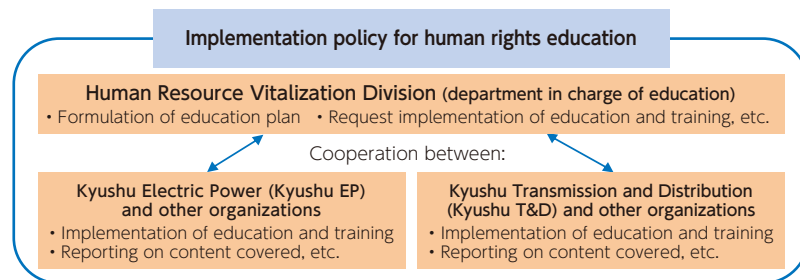
We respect the human rights of all those involved in our business operations. We also actively develop and employ human resources based on fair evaluations, and promote diversity in our working environment so that every person can work to their fullest extent in good health.

Established: January 2005

Revised: July 2021

Promotion Framework

The Kyuden Group promotes education, training and activities to heighten awareness based on our implementation policy for human rights education in cooperation with the Human Resource Vitalization Division, the department in charge of education, as well as other organizations.



Targets

In accordance with our implementation policy for human rights education we strive to have each employee attend at least one internal or external training course per fiscal year.

Subject	Target	Results
Attend internal and external training sessions on human rights and anti-discrimination issues	At least once per person per fiscal year	Number of training sessions per person 1.25 sessions (FY2020) (attended by 12,665 individuals)

Initiatives

● Due Diligence to the Protection of Human Rights

In order to appropriately address human rights issues within the scope of our business activities, we are implementing various initiatives to identify, prevent, and mitigate such issues.

■ Main Initiatives Taken to Address Human Rights Issues

Stakeholders	Main initiatives
Employees	<ul style="list-style-type: none"> Provide consultation services through the Harassment Advice Counter. Hold seminars on the roles sought in members of management for individuals such as directors and general managers of head office departments. Assign all employees the task of making a self-declaration toward the elimination of any and all harassment by raising awareness and applying that awareness to the taking of action. Implement various education and training programs that contribute to raising awareness of and respect for human rights. Conduct awareness-raising activities by sending out related literature during Human Rights Week. Provide to Group companies training materials pertaining to human rights.
Business partners	<ul style="list-style-type: none"> Use a questionnaire administered to business partners in order to gain an understanding of the status of efforts to address human rights issues, and share instances of best practices.

● Conduct Human Rights Education

In order to respect human rights and contribute to the creation of a comfortable and affluent society, the entire Kyuden Group is working as one to raise awareness of respect for human rights.

Having established the implementation policy for human rights education we are conducting education and awareness-raising activities based on the recognition that an accurate understanding of human rights and subsequent actions on the part of employees will lead to the creation of an affable workplace in which human rights are respected.

■ Results of Education and Awareness-raising Activities in FY2020

Type of training		Results
Kyushu EP Kyushu T&D	In-house training	12,498 participants
	Outside training	167 participants
Group companies		43 companies 7,304 participants

● Harassment Response

Harassment, as typified by sexual harassment and power harassment, is not only a serious affront to the dignity of the victim that prevents the individual from exercising their abilities, but it is also an important problem for the company as it disrupts order in the workplace and the smooth execution of work. It is an important problem that affects the company's social reputation and is not to be tolerated.

For this reason, we are working to raise employee awareness through education and training, the distribution of pamphlets, and other means, as well as to thoroughly work toward the prevention of harassment by making available internal and external consultation services pertaining to harassment.

In response to the request for consultation regarding harassment, the company confirms the pertinent facts with the individual concerned and the relevant parties, and based on the confirmed facts, takes appropriate measures such as corrective action and measures to prevent recurrence.

■ Actual Use of the Harassment Advice Counter

	FY2018	FY2019	FY2020
Actual use of the Harassment Advice Counter	8	9	5

Other Related Data

	FY2018	FY2019	FY2020
No. of cases of serious human rights violations*	0	0	0

*Particularly serious cases of discrimination on the basis of race, ethnicity, gender, religion, nationality, etc., as well as child labor, forced labor, human trafficking, violation of workers' right to organize, etc., which this company has announced or has been recognized by a final court decision or other process as being the responsibility of this company.

Safety Promotion

Policy and Approach

Based on the basic and absolute concept that "safety is prioritized over all else," we have established our Safety and Health Management Policy with the aim of ensuring the safety of our employees, as well as checking the safety management status of contractors and subcontractors and providing them with thorough guidance about ways in which they can improve. The Safety and Health Management Policy calls for activities such as the promotion of safety activities focused on serious disasters and the fostering of a safety culture. With these and based on the principles of the Occupational Safety Management System, we are working to improve the level of safety by implementing a PDCA cycle, which consists of planning, doing, checking, and taking action. In the event of an accident, we investigate the causes of the accident at the relevant business site and take measures to prevent recurrence through bodies such as accident prevention review meetings and the Safety & Health Committee. We also strive to prevent similar accidents from occurring by sharing accident case studies and recurrence prevention information on the company-wide portal site.

Promotion Framework

Under the collaborative and group-wide safety promotion system consisting of the Kyushu Electric Power (Kyushu EP) Safety Promotion Committee of Kyushu EP and Kyushu Transmission and Distribution (Kyushu T&D) and the Group Safety Promotion Subcommittee taken part in by the safety officers of Group companies, each and every employee is working via initiatives based on the Kyuden Group Safe Conduct Charter to foster a climate and culture in which safety is given maximum priority.

■ Kyushu EP Safety Promotion System



● Promotion of Safety Initiatives Based on the Kyuden Group Safe Conduct Charter

Based on the goal of facilitating awareness of and subsequent action taken that are consistent with the Kyuden Group Safe Conduct Charter that sets forth the safety goals aimed for by and basic safety policies of the Kyuden Group, we are promoting initiatives related to safety as the foundation of management. We share the content of the Safe Conduct Charter with others, including our affiliate companies, and strive to put it into practice on a permanent basis. We also strive to make the Kyuden Group an entity that can continue to pass on for generations to come a corporate culture that prioritizes safety that has been integrated into the DNA of the organization.

Kyuden Group

Kyuden Group Safe Conduct Charter

The Kyuden Group aims to protect the safety of all people involved in our business, and to connect that safety to further security and trust.

From the standpoints of occupational safety and equipment security, we will enforce the following five actions aimed at corporate activities that place the highest priority on safety, the foundation of our management.

1. Creation and evolution of safety
2. Incorporation of opinions and sharing information
3. Creation of open and friendly environments
4. Self-improvement
5. Transmission of company DNA

Workplaces

Kyuden Group's Promise of Safety

We will continue to keep our workplaces safe and secure enough so that the family members of our employees feel peace of mind in seeing off Kyuden employees departing for work each day.

To this end, each and every individual is consistently mindful of and practices safety with strong determination and unwavering teamwork.

Individuals

The three articles of safe conduct for each employee

1. Learn and practice: Learn the very essence of safe conduct and practice it assuredly.
2. Notice: Listen to the voices of the community and fellow workers, discuss, and notice the potential for new dangers.
3. Evolve: Facilitate the evolution of safe conduct that is informed by what is noticed.

Targets

Article	Target	Performance
No. of major accidents*1 (employees)	0 ² (0) (FY2020)	0 ² (0) (FY2020)

*1 The following are considered accidents.

- Fatalities
- Accidents resulting in absence from work for 30 days or more
- Accidents that cause injuries resulting in a permanent incapacity to work (disability degree 1 to 3)
- Disasters that lead to injuries of three or more people from the same accident
- Electrical shocks and falls (0 cases) (FY2020)

*2 Figures for the Kyuden Group

Note: Figures in parentheses are non-consolidated figures for Kyushu EP.

Initiatives

Group-wide Safety Initiatives

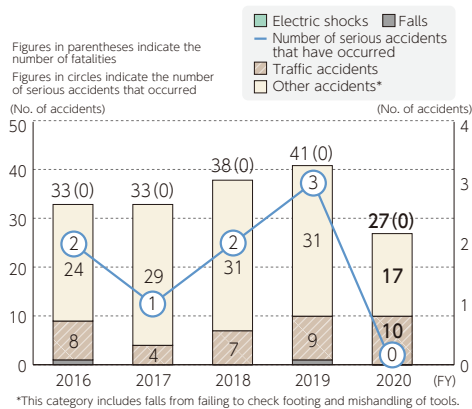
At the Kyuden Group Safety Convention, lectures are offered by outside experts to encourage strong determination on the part of top management and front-line managers, who are the key players in promoting safety, and to provide an opportunity to drive further safety efforts. In addition, activities to foster a culture of safety, such as encouraging autonomous safety activities at each workplace through the Kyuden Group Safety Initiative Commendation Program, are promoted. In addition, as we seek to eradicate serious accidents, we are implementing group-wide efforts through safety activities that focus on serious accidents and the sharing of accident and disaster prevention measures. In April 2023, we will open the Kyuden Group Safety Education Center (tentative name) to make efforts at further raising mindfulness toward safety on the part of each and every employee of the Group companies.

Initiatives to Eliminate All Major Accidents

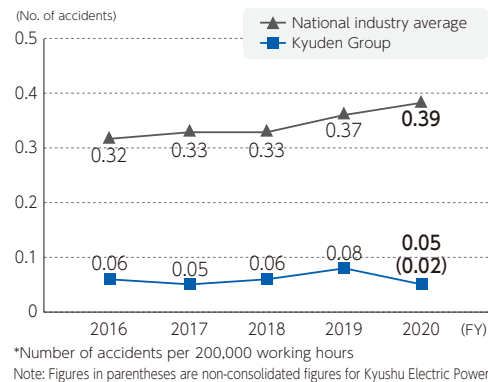
In order to thoroughly enact safe practices onsite as we work toward the goal of "zero serious accidents," we are promoting proactive serious-accident prevention measures such as risk assessment, implementing measures to prevent the recurrence of accidents by digging deeper into the root causes after the occurrence of the accident, and monitoring the status of implementation of these initiatives.

In addition, we are providing education on occupational health and safety laws and regulations from the perspective of compliance, safety education by job level, and risk experience training to enhance risk sensitivity.

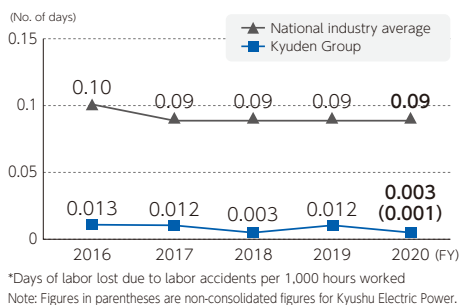
Work-related Accidents at the Kyuden Group



On-the-job Accident Rate*



Labor Accident Severity* (degree of business impact)



Safety Education Record (FY2020)

Education subjects		Number of attendees
Statutory education	When hired (new employees)	295
	Foreman	457
	Safety manager	87
	Total	839
Training by level	Safety training for general employees	177
	Safety training for management	308
	Total	485

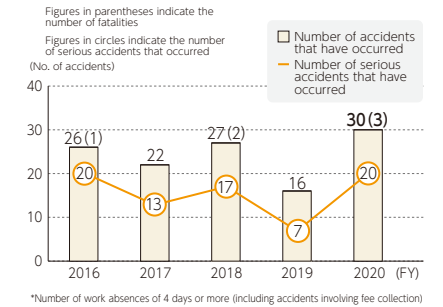
Promoting Safety Activities with Contractors and Subcontractors

In cooperation with contractors and subcontractors, we are promoting safety activities that focus on the kind of accidents that occur more frequently in order to ensure thorough safety practices. Specifically, we share the Kyuden Group Safe Conduct Charter and other relevant information at safety discussion meetings and in dialogue activities. We are also checking the status of safety management at work sites through safety patrols and diagnoses by safety consultants.

Safety Patrols by Occupational Safety Consultants



Contractor and Subcontractor Accidents*



Safety Training for New Employees

We provide new employees with safety education at the time of hiring in accordance with the Industrial Safety and Health Act, with the aim of building awareness of safety and learning basic operations. In addition, in the training of each engineering department, the knowledge and skills necessary for safe work are acquired by employees through lectures attended and practical training. Throughout the entire training period, new employees also engage in activities such as hazard prediction activities and near-miss experiences to foster safety awareness and make them aware that safety is prioritized over all else.

Health and Safety Committee Meetings

In addition to the Workplace Safety & Health Committee, which is required by law to be established at workplaces with 50 or more employees, a unique initiative of ours is the establishment of a Safety & Health Promotion Council at workplaces with less than 50 employees to investigate into and deliberate on important matters such as basic measures to prevent danger and health hazards to employees. In addition, as a forum for labor and management to regularly discuss matters and policies related to safety and health throughout the entire company and in branch areas, we have established a Central Safety & Health Committee at the head office and an Area Safety & Health Committee at each branch. Labor and management are working in lockstep to promote various safety and health measures.

Ensuring Safety at Facilities

Initiatives for the stable operation of thermal power plants

As the introduction of renewable energy continues to progress—and especially as there is a rapid increase in the number of solar power sources going online—thermal power plants are playing a major role to make adjustments for supply and demand to ensure a stable supply of electricity.

- For this reason, Kyushu Electric Power (Kyushu EP) places the utmost importance on safety to prevent accidents from occurring, and is taking all possible measures to ensure stable operations through the following measures.
 - Inspections and repairs are performed on weekends and national holidays (year-end and New Year holidays, the Golden Week holiday, etc.), when power demand is low.
 - Early detection of equipment abnormalities through employees and subcontractors working together to set up patrols and the monitoring of operating conditions.
 - Responding to problems at any time of the day or night to facilitate early recovery.

Early Detection of Equipment Abnormalities through Patrols



Safety measure initiatives at hydroelectric power plants

Record rainfall caused by Typhoon Nabi in 2005 led to serious mudslide disasters along the Mimikawa River (Miyazaki Prefecture) due to causes such as mountain landslides and the worst flooding in history. Because of this, we are engaged in various collaborative efforts with all parties involved in the river region, from mountainous areas to the rivers and coasts, to ensure the safety and security of the local community and coexistence between humans and all other living things there. (Mimikawa River Integrated Sediment Management Plan, formulated by Miyazaki Prefecture in 2011) Amid these developments, Kyushu EP retrofitted dams to lower the water level in reservoirs during floods, and started sediment sluicing operations at dams in FY2017 to use the force of water to allow sediment to flow downstream. This is expected to improve flood safety upstream from dams and to improve the river environment downstream from dams.

Retrofitting Dams to Allow Sediment Flow Downstream



Diversity

Policy and Approach

On the path to creating a firmer business foundation, the Kyuden Group is working to create a workplace culture that emphasizes diversity.

By maximizing the strengths, individuality, and abilities of each and every employee, **regardless of gender, age, nationality, creed or any other differences**, we will strive to increase our corporate value. In this process, we will also strive to realize "Kyuden Group: Creating the future, starting from Kyushu" by providing a workplace that is welcoming to diverse human resources, individuals who feel growth and meaningfulness in their work.

Promotion Framework

The Diversity Promotion Group of the Human Resource Vitalization Division of the Business Solutions Headquarters serves as the secretariat, and works in cooperation with the personnel and labor related groups of each branch to promote diversity in unison with management.

Targets

Subject	Target	Results
No. of new female managers appointed*1	More than three times the percentage during FY2009-2013 (54 employees) (FY2019-2023)	18 employees (FY2019-2020)
No. of women appointed to top management positions in the organization*1	More than three times the percentage during FY2009-2013 (total of 21 employees) (FY2019-2023)	15 employees (FY2019-2020)
Employment rate of persons with disabilities	2.3%	2.32%*2 (FY2020)

*1 Kyushu Electric Power (Kyushu EP) and Kyushu Transmission & Distribution (Kyushu T&D)
*2 Kyushu EP, Kyushu T&D and Q-CAP Co., Ltd. (a special subsidiary)

Initiatives

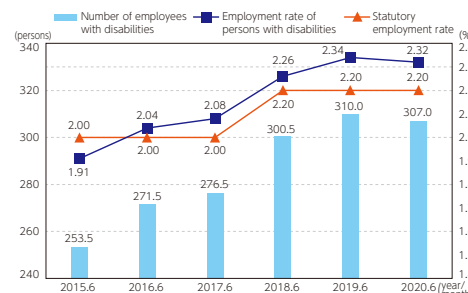
Promotion of the Employment of Persons with Disabilities

The Kyuden Group is striving to promote the employment of persons with disabilities in order to contribute to the creation of a society where they can play an active role in their community and in society.

Of particular note, in addition to the subtitled business, Q-CAP Co., Ltd. a special subsidiary, launched a business support enterprise in FY2019 to expand the scope of work for persons with disabilities.

As of June 2020, the employment rate of persons with disabilities was 2.32%, and in order to maintain and in fact increase the number of persons with disabilities above the legally mandated employment rate, we will continue to systematically hire such individuals by implementing a special selection process for regular hiring periods.

Number and Employment Rate of Employees with Disabilities



*Under the special rule for related subsidiaries, Q-CAP Co., Ltd. and Kyushu Transmission and Distribution, are subject to lump-sum accounting.

Promoting the Empowerment of Women

The Kyuden Group is rolling out comprehensive initiatives to support better career development for women, and to raise awareness and foster a corporate culture that supports these initiatives, with the aim of creating corporate culture brimming with vitality and a workplace, where each and every employee, regardless of gender, age, etc., can work with satisfaction and fulfillment.

In addition, we have introduced a system to rehire employees who have resigned due to personal circumstances, and a leave-of-absence system for those who will be accompanying their spouse on a job transfer, in an effort to enhance the working environment so that employees can continue to work after marriage or childbirth. In relation to the Act on Promotion of the Women's Participation and Advancement in the Workplace, we have formulated the second phase of our action plan (FY2019 to 2023) and are engaged in further efforts to improve the situation of women in the process of developing their career.

Action Plan to Promote Active Roles for Women

Plan period

April 1, 2019 – March 31, 2024

Targets

During the five-year period until FY2023 (FY2019-2023), we are aiming to at least triple each of (1) the number of appointments of women to managerial positions and (2) the number of appointments to women in top management positions in the organization, relative to the period five years prior to the introduction of the action plan (FY2009-2013).

Main initiatives over the next five years

▶ Enhance measures to support women building their future careers

- Planned development, transfers, and assignments that take into account life-changing events such as marriage, childbirth, and childcare
- Support for subordinate management development from a long-term career development perspective
- Support for career development according to the development stage (younger, mid-career, childcare stages)

▶ Training and promoting women to lead the organization

- Planned development, transfers, and assignments to continuously develop management skills
- Offer seminars to cultivate managerial perspectives and awareness
- Provide opportunities to cultivate the perspective of prospective management candidates of tomorrow

▶ Further enhancement of a working environment in which both men and women can continue their career with assurance even while taking on the tasks of housework and childcare

- Enhance the working environment so that employees can concentrate on their work while taking on the tasks of housework and childcare
- Enhance the working environment so that employees can continue to work even after marriage or childbirth
- Offer new seminars to support men's participation in housework and childcare, and provide related information on role models, etc.

Eruboshi Certification under the Act on Promotion of Women's Participation and Advancement in the Workplace

The Minister of Health, Labour and Welfare granted recognition to our company in July 2016, and to our group company Kyuden Sangyo Co., Inc. in February 2018, as companies that excel in the implementation of initiatives for promoting active participation by women.

Eruboshi certification mark ▶



■ Promoting the Empowerment of Women

Raising awareness, fostering workplace culture	<ul style="list-style-type: none"> ● Message from the president
	<ul style="list-style-type: none"> ● Utilization of internal communication (TV)
	<ul style="list-style-type: none"> ● Disseminating information through the company Intranet "Tri-net" <ul style="list-style-type: none"> • Introducing senior female employees as role models • Introducing initiatives implemented within the company • Introducing information from outside the company and information on seminars ● Getting the management involved <ul style="list-style-type: none"> • Conducting meetings to explain the promotion of diversity to management • Exchanging opinions with executives at regional branches
Creating better career paths for women	<ul style="list-style-type: none"> ● Expanding the choice of roles for women ● Offering round-table discussions and career development seminars for female employees ● Publication of career development support materials and individual consultation
Supporting the balancing of work and family life	<ul style="list-style-type: none"> ● Hosting work-family life balance support seminars ● Creating and distributing a work and child-rearing or nursing care support guide ● Making available a workplace environment in which both men and women can continue their careers with assurance even while taking on the tasks of housework and childcare

Use of "Tri-Net" for Diversity Promotion

To press forward from the perspective of attitude and organizational climate reform to promote diversity, we have established the "Tri-Net" intranet as a place for open communication in which all employees can participate, and as a venue for the continuous dissemination of information on diversity promotion and work-life balance.

Main contents

- Message from management
- Featured examples of the diverse ways in which employees are active
- Topics related to diversity promotion inside and outside of the company
- Featured initiatives that promote diversity, such as lectures and round-table discussions
- Discussion board on diversity promotion and work-life balance (for a free exchange of opinions)



The "Tri-Net" format

● Promoting Greater Success for Seniors

The Kyuden Group is working to enhance our re-employment programs. One such example is the introduction of the Career Employee Program in FY2015, a system that enables employees aged 60 and over, who are valuable human resources with a wealth of experience and advanced knowledge and skills, to ambitiously play an even more active role.

In addition, we are providing a wide range of programs in support of our older employees, such as a career bank program in which work assignments are made based on the wishes of retiring employees. Also available are a re-employment support course and transfer preparation leave program to support work by seniors outside the Company, a Leave-of-absence for Career Change Preparation System, and the Side Job System to support the realization of a second career in new fields outside the company.

Going forward, we will continue to consider measures to enhance senior employment, including expanding the scope of activities, and conduct initiatives for raising employment awareness.

■ Initiatives for Raising Employment Awareness

Career design training

Target: Employees aged 53 to 55

Objective: Create opportunities for becoming more concretely aware of one's own future, enhancing one's future work life and thinking about post-retirement paths

Preparation training for post-career-track employees

Target: Employees aged 59 (employees wishing to utilize the program)

Objective: Become prepared, mentally and otherwise, to change one's awareness with the change in role that comes with being a career employee and to willingly work in harmony with regular, pre-retirement employees

Career development consultation

Target: Employees

Objective: To confer with a career consultant to clarify the individual's perspective on career planning by becoming cognizant of their own aptitude, abilities and interests

Establishment of Workplace Environments

Policy and Approach

The Kyuden Group is coming together to promote work style reform aimed at creation of environments where employees can actively engage in their jobs; enhancement of labor efficiency through thoroughgoing increases in operational efficiency; and the fostering of a corporate culture that encourages employees to take on new challenges.

In addition, in order to improve the vitality and productivity of our employees, we are promoting health and productivity management* under the Kyushu Electric Power (Kyushu EP) Health Declaration to enable our employees to continue to work with vigor and vitality.

*Health and productivity management® is a registered trademark of the NPO Kenko Keiei Kenkyukai.

Promotion Framework

The Kyuden Group has taken up work style reform as one of the themes addressed by the Business Management Committee, where the management team discusses management issues. The Committee is continuously promoting work style reform by deliberating on the initiatives taken and assessing the status of implementation.

Targets

Subject	Target	Results
Reduction of total actual working hours	Reduce as much as possible	vs. FY2019 an increase of +4.7 hours (FY2020) *Increase due to the increase in prescribed working days for the year (+3 days)
Increase the rate of completion of a telework-ready environment	Improve as much as possible	Expand workplaces covered (FY2020) *Already expanded to the entire company as of Apr. 1, 2021

Initiatives

● Promotion of Work Style Reform

To improve employee productivity, the Kyuden Group is promoting work style reforms by integrating into a single approach work reforms, improvement of work systems and environments, and attitude and management reforms.

1. Work reforms
 - Promote operational reforms to improve efficiency and productivity by putting into practice rules shared company-wide on how to proceed with work and sharing best practices
2. Improvement of work systems and environments
 - To promote flexible work styles through means such as remote work and put into place work systems and platforms for operations (satellite offices, etc.)
3. Attitude and management reform
 - Raising awareness and improving effective management skills to increase productivity

■ Major Revisions to Work Systems in Recent Years

Sep. 2019	Expansion of staggered work hours system for employees living apart from family (time shifts added)
Apr. 2020	Introduction of intervals between work hours (secure at least 10 hours in principle)
Jul. 2020	Introduction of staggered work hours system for better work-life balance
Aug. 2020	Introduction of a system for flexible use of breaks (lunch break shift)
Jan. 2021	Expansion of the number of workplaces where flexible working hours are applied
Apr. 2021	Expansion of telework (expansion of applicable workplaces, elimination of restrictions on working hours, etc.)



Collaboration Area (IT & Telecommunications Division)



Satellite office (Kitakyushu Branch)

● Health and Productivity Management

As our employees are the very foundation of all business operations, the Kyuden Group aims to increase our ambition and vitality through the promotion of health management initiatives and work style reforms so that their power revitalizes the organization and achieve lasting corporate development.

In 2018, we established the Kyushu EP Health Declaration and Kyushu EP Health Management Policy, and based on our strong resolve to protect the health of our employees, we are working to support the health of each and every employee, create a workplace where employees can work with health and vitality, and reform work styles to promote effective and efficient work.

In recognition of our efforts to support the health of our employees, in March 2021 the Kyuden Group was certified as an excellent corporation under the Certified Health & Productivity Management Organization Recognition Program (White 500) for the fourth consecutive year.

The industrial health staff (industrial physicians and public health nurses) has been the center of a collaborative effort along with the Human Resource Vitalization Division, and the Kyushu EP Health Insurance Association to promote health management.

In addition, we are promoting health management by periodically reporting to management on matters such as the physical and mental health of our employees.



The Certified Health & Productivity Management Outstanding Organizations Recognition Program

The program in which the Ministry of Economy, Trade and Industry and The Nippon Kenko Kaigi jointly recognize corporations that are practicing particularly good health management.

● Specific Initiatives to Promote Employee Health

- All employees confer with public health nurses on the basis of the results of regular health checkups
 - Not only is health guidance provided to those who need to improve their lifestyles, but advice is also provided to healthy employees as tailored to their individual situation.
- Initiatives oriented toward discussions and improvements at each workplace as based on stress-check results
 - Based on the results of stress checks at each workplace, there is discussion about the strengths and weaknesses of the workplace and implement initiatives to improve the workplace environment with the participation of all employees.
- Follow up on employees who have been transferred or assigned new duties through consolidated cooperation between workplaces and occupational health staff
 - Respond to employees who show signs of mental health problems through the mutual sharing of information between workplace managers and public health nurses.
- Initiatives to raise awareness and take concrete actions to improve lifestyle and exercise habits
 - Offering of various health classes to raise awareness of the need to improve lifestyle habits.
 - Implementing of initiatives to promote exercise habits, such as a company-wide walking campaign in which employees can participate with colleagues.
- Measures to prevent passive smoking as based on the Revised Health Promotion Act
 - In principle, smoking is not allowed indoors, smoking rooms that do not meet legal standards are removed, and support for smoking cessation is provided by public health nurses, among others.

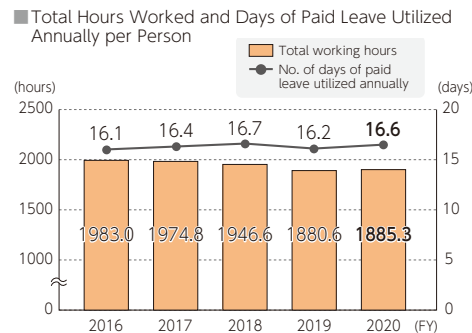


A health class

● Enhancing of Work-life Balance

To enhance employee work-life balance, the Kyuden Group is promoting the use of flex time and other flexible work schemes, making efforts to raise labor productivity through workstyle reform, implementing no overtime days and encouraging employees to use their annual paid leave. In these and other ways, we are working to reduce employees' total working hours.

In addition, we are strictly managing hours worked by monitoring employees' computer use to promote their mental and physical health and ensure compliance with relevant labor laws.



● Support for Employees to Better Balance Their Career with Their Home Life

As part of the process of developing an environment in which diverse human resources can play an active role at work, the Kyuden Group is promoting the creation of a workplace environment in which employees can better balance their work and family life.

We will continue to improve our systems to flexibly accommodate the child and family member care needs of employees.

■ Childcare and Nursing Care Support Programs: Overview and Results

Program	Leave of absence	Shortened working hours	Spousal maternity leave	Nursing leave (for care of children)	Family care leave (for care of other family members)
Childcare support	Applicable period Until the end of the April after the child reaches the age of two Changes in the number of users (persons) 33(2) (2018), 61(13) (2019), 68(11) (2020)	Applicable period Until the end of the child's third year of elementary school. However, if school childcare is not available upon request (after applied for), the program is available for use until the end of the child's sixth year of elementary school. Hours that can be shortened • Time it is possible to shorten per single day: 30 mins, 1 hr, 1.5 hrs, 2 hrs, 2.5 hrs, or 3 hrs • The start and end times can be set in 10-min increments Others Can be used in conjunction with flextime work	Five days granted if spouse gives birth (*available to male employees only)	For the purpose of caring for an ill or injured child no further in school than the third year of elementary school, five days are granted per year per child, and 10 days are granted per year for two or more children (may be taken in half-day units)	—
	Rate of return to work (%) 100 (2018), 100 (2019), 100 (2020)	Changes in the number of users (persons) 100(0) (2018), 98(0) (2019), 127(1) (2020)	Changes in the number of users (persons) 238 (2018), 251 (2019), 233 (2020)	Changes in the number of users (persons) 293(189) (2018), 345(236) (2019), 299(211) (2020)	—
Family care support	Applicable period Up to a total of two years (730 days) for the same care recipient	Applicable period Until family care is no longer necessary Hours that can be shortened • Time it is possible to shorten per single day: 30 mins, 1 hr, 1.5 hrs, 2 hrs, 2.5 hrs, or 3 hrs Changes in the number of users (persons) 2(1) (2018), 2(0) (2019), 2(1) (2020)	—	—	For the family in need of nursing care, five days are granted per year per family member, and 10 days for two or more family members (may be taken in half-day units) Users in FY2020 185 employees (156 employees)
	Changes in the number of users (persons) 3(1) (2018), 4(1) (2019), 3(0) (2020)	—	—	—	—

*The figure in parentheses once again indicates male employees who utilized the program.

● Promoting the Action Plan to Support the Raising of the Next Generation

Based on the idea that each individual needs to recognize the necessity of supporting the raising of the next generation and to foster a workplace culture that makes it easier for employees of either gender to raise children, the Kyuden Group has formulated the 7th action plan based on these ideas and have been promoting initiatives to create a child raising friendly work environment.

We were certified as a "general business that meets child-friendly workplace standards" in FY2015 as well as in FY2013 and received the next generation support certification mark "Kurumin."



Certification mark from the minister of health, labour and welfare based on the "Law for Measures to Support the Development of Next Generation" (Nickname: Kurumin)

● Promotion of Men Taking Part in Childcare

With the aim of furthering the creation of an environment in which both men and women can continue to be active in the workplace while taking on the tasks of housework and childcare, in December 2020 we published the leaflet "Promotion of Men Taking Part in Childcare." While providing more information on balancing career and family, the leaflet also features the Childcare Leave Program and the highlights of a roundtable discussion by male employees who have actually taken childcare leave. The leaflet encourages extensive utilization of the program not only by the employees concerned but also by the rest of employees as well.



● Initiatives to Reflect the Voices of Employees

The Kyuden Group holds dialogues with employees (personnel and labor discussions) in order to increase their understanding and acceptance of personnel and labor policies. We also conduct employee satisfaction surveys to ascertain employee evaluations of morale, personnel and labor policies, compliance, and other issues. We are implementing initiatives to reflect in our policies the feedback received in these surveys.

● Labor-management Relations

Based on the recognition of labor unions as business partners who work toward the common goal of ensuring the very existence and development of the company, we strive to maintain a relationship that is sound and favorable. In order to maintain and build on this kind of relationship, we hold various meetings such as the Labor-Management Management Committee, the Management Expert Committee, and the Labor-Management Roundtable to maintain close communication and share information on a daily basis.



A labor-management roundtable meeting

● Employment Support by Group Companies

Kyuden Business Front Co., Ltd. has been commissioned by Fukuoka City to provide employment consultation services. Dedicated career consultants support those looking for work opportunities by providing individual consultations, job introductions, and seminars to support job hunting activities. Consultations are available for individuals that include general job seekers, people currently with jobs, and students. Consultants will ask extensively about the preferred work style and then offer advice on what to do. By utilizing their know-how cultivated through dispatching and placement services, they hope to put a smile on the faces of and give joy to people seeking work as well as to companies seeking people.

Human Resource Development

Policy and Approach

The Kyuden Group has formulated educational policies and plans based on the Kyushu Electric Power (Kyushu EP) Education Charter, which serves as a guideline for employee education. The aim is to promote employee growth toward the human resource model to which we aspire.

We are also engaged in initiatives to develop human resources with the aim of strengthening the Group's overall capabilities through the joint implementation of training for the entire Group and the effective use of training facilities.

Kyushu EP Education Charter

Based on the belief that human resources are our most important asset and the driver for improving our corporate value, Kyushu EP pledges to promote employee education by ensuring that management and indeed all employees will understand and share this charter.

1. Purpose of Education

The purpose of education is to promote the personal and professional growth of each and every employee for the development of the company and self-realization of the individual through their own work.

2. Basic Position on Education

Based on the principle that ideal learning takes place when both the learner and teacher work in harmony, our education assumes a desire for self-betterment on the part of each employee and the will to develop on the part of the company and those in managerial positions.

3. Educational Content

Education shall consist of character development and other components that build mindfulness, as well as training to acquire the knowledge and skills necessary for performing jobs.

4. Education Promotion System

Education shall be based on education in the workplace, with the Human Resources Revitalization Division responsible for facilitating the acquisition of character development and abilities commonly acquired by all employees. Each individual department will promote the mastery of its own specialized knowledge and skills.

5. Employee Commitment

Employees shall always be conscious of their role as a Kyushu EP employee and embrace the desire to improve as such, while striving for self-improvement and mutual improvement.

6. Training Responsibilities of the Management Team, Managers, and Non-managerial Employees

The management team, managers, and non-managerial employees shall recognize that the development of ensuing cohorts is an important responsibility, and shall always apply themselves to the education of others with both compassion and high expectations.

7. Assessment and Utilization of Educational Performance

The company shall fairly assess the results of education and work toward the further growth of employees and the development of the company via opportunities for employees to demonstrate what they have learned.

8. Promotion of Group-wide Education

Working toward integrated development of the Group, the company will strive to educate all members of the Kyuden Group through means such as the sharing of educational opportunities.

Established in Oct. 2007
Revised in Apr. 2020

Our Vision of the Human Resources We Strive to Be

With an aim to realizing the Kyuden Group's Mission, there are five values we hold dear in our aim to be employees who work hard and grow, as we individually increase our capacity to perform our jobs and contribute to the organization.

The Five Values We Hold Dear

• Respect for others

Respect individuality and have compassion for individuals from all walks of life.

• Value ethics

Hold yourself to the highest standards in doing due diligence to meet the expectations of society.

• Adherence to our mission

Fulfill your responsibility as the member of a team committed to the betterment of society.

• Serve the customer

Serving the customer is always the starting point of everything we do.

• Challenge yourself to be better

Envision the ideal and apply your desire to improve to take on the challenge of making that happen.

The Ability to Independently Perform Your Duties

• Thinking

Picture a desirable outcome, identify the essence of what it will take to realize that, and create the steps to achieve it. (Conceptual, analytical, and planning skills)

• Taking action

Possess expertise, the skills to communicate with others while building relationships of trust, make optimal choices, and achieve goals. (The ability to take action, make the right choices, better communication skills, better expertise, better skills)

Ability to Contribute to the Organization

• Wield the passion to lead and nurture subordinates and junior employees.

(Leadership and development skills)

• Motivate team members and lead the entire team.

(Leadership)

• Respect team members and support team management.

(Teamwork skills)

• Influence others by earning their trust and respect.

(An individual who wins the respect of others)

Established in Apr. 2011
Revised in Apr. 2020

Promotion Framework

Based on the Kyushu EP Education Charter, which is the guideline for employee education, the fundamental of education is workplace education. The Human Resource Vitalization Division is promoting character building and the acquisition abilities that all employees are equipped with, while each department is taking the lead in promoting departmental expertise and skills.

Target

As we strive for further evolution of the Kyuden Group, in order to foster a professional team with an open mindset, as stated in the Kyuden Group Management Vision 2030, we are engaged in the promotion of diversity and focus on the following areas of importance.

Priorities

1. Foster an Open Mindset

- Broaden your horizons and think outside the box.
- Develop the ability to see from the perspective of others.

2. Professional Development

(1) Improvement of individual abilities

- Develop a commitment to professionalism.
- Continue to better yourself by envisioning what you want to be.
- Improve so that you have the mindset and capability that are sought in order to build expertise, pass on skills, and fulfill the company's social responsibility.

(2) Improve your capabilities that will enhance the performance of the organization as a whole

- Create an atmosphere conducive to improving the quality of rapport between colleagues.
- Create an environment that breeds innovation through cooperative learning.
- Enhance management skills and develop leadership.

Initiatives

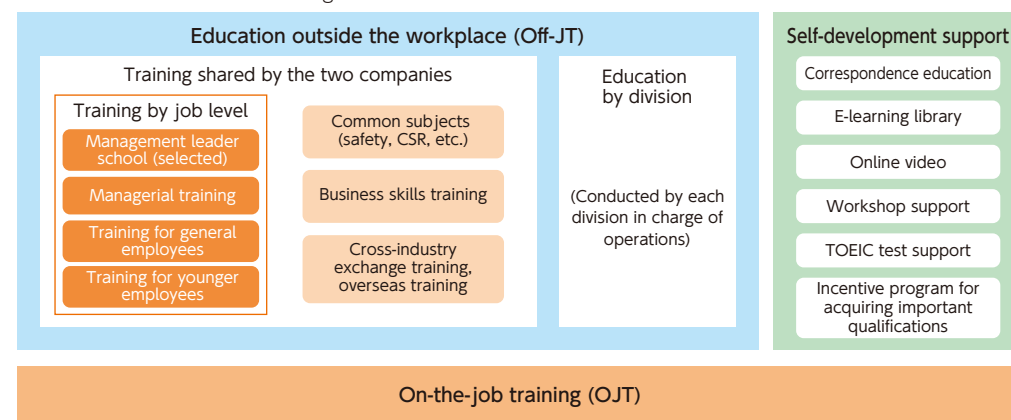
● Outline of the Education Program

Our education and training system is based on three pillars: education on the job, education outside the workplace, and support for self-development.

In terms of education outside the workplace, we provide training for employees to learn about their expected roles at each level and encourage them to take action, training to acquire the knowledge, skills, and techniques required for departmental operations, and training to acquire business skills and expand their perspectives.

As for self-development, we support active learning by providing a wide range of programs that encourage each and every employee to learn independently.

■ Overview of the Education Program



Initiatives

● Initiatives to Maintain and Pass on Technical Skills

The Kyuden Group implements initiatives* to improve the knowledge and skills of employees in each department to acquire the technology and skills they need to perform their jobs. In addition, for mid-career hires and employees whose duties have changed significantly due to changes such as transfers, we provide appropriate follow-up at each workplace to ensure the prompt acquisition of skills and competencies.

*Initiatives that enable employees to acquire the necessary knowledge and skills in a step-by-step manner, based on clearly defined benchmarks and period for achieving competency in being able to perform their work.

■ Overview of Each Department's Initiatives to Ensure Acquisition of Skills and Competencies

Kyushu Electric Power	Thermal Power Division	<ul style="list-style-type: none"> Implementation of education tailored to the level of growth of each individual, as based on the educational plan Initiatives to familiarize employees with the necessary operations of the Thermal Power Division and to work toward mastery of highly specialized knowledge and skills Initiatives to develop human resources who can play an active role in a wide range of fields and respond flexibly to changes in the business environment
	Civil & Architectural Engineering Division	<ul style="list-style-type: none"> Initiatives to improve onsite and management skills through onsite-focused education Initiatives for practical education and training with the use of dam operation training facilities
	Nuclear Power Division	<ul style="list-style-type: none"> Initiatives for the acquisition of a wide range of knowledge on matters such as plant operation and equipment Initiatives for the prompt acquisition of expertise on matters such as facility maintenance and management, radiation and nuclear fuel management Initiatives for practical education and training through the effective utilization of operation simulators and maintenance training facilities available at the Power Plant Training Center, as well as at various external training facilities and training programs
	Information & Communications Division	<ul style="list-style-type: none"> Initiatives to maintain and pass on the information and communication technologies necessary for the betterment and greater efficiency of the electric power business Initiatives to improve technological capabilities for the future promotion of digitalization, such as in drones, security, IoT, and AI
Kyushu Transmission and Distribution	Transmission & Substation Division Power System Operation & Engineering Division	<ul style="list-style-type: none"> Initiatives to maintain and pass on maintenance technology through the development and operation of a cooperative system with a group company (Kyuden High Tech Co., Ltd.)
	Distribution Division	<ul style="list-style-type: none"> Initiatives to improve skills for restoring power distribution facilities through means such as periodic power distribution work technical training

● Periodical Personnel Appraisal and Feedback for Growth

Nuanced assessment of individual performance and reflection of it in the evaluation

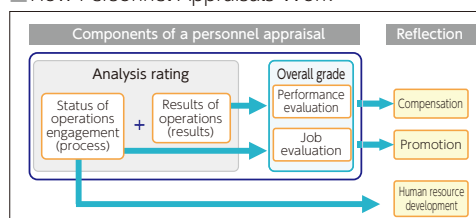
The Kyuden Group assesses employee performance not only on the basis of performance (results), but also on the basis of their attitude toward challenges and the process of efforts they have demonstrated in the course of performing their work.

Of particular note, general employees are informed at the beginning of each fiscal year of the expectations in their work performance that will be used as the baseline of their evaluation.

The results of the analysis conducted at the time of the evaluation of general employees are also applied to training and guidance in order to further develop human resources.

In addition, for non-managerial employees, who account for about 60% of the total number of employees, we conduct "Step Up Interviews" in which superiors and subordinates discuss matters such as strengths, areas for improvement, and future career plans, based on their engagement in operations over the prior year. Mutual perceptions are shared with the aim of stimulating the subordinates' motivation and leading to planned daily development and guidance. This is one instance of a system (Step Up Support System) we have established that links the results of analysis (matters such as the work performance of each employee) that serve as the baseline for personnel appraisals and the further growth of employees.

■ How Personnel Appraisals Work



● Average Number of Training Hours per Employee

Unit: hours/person

Item	FY2020
Average number of training hours per employee	21.8

*Training hours are calculated for company-wide standardized education and do not include education and training by department other than new employee education.
*Includes employees who are currently employed.

● Secure and Develop Human Resources Who Can Contribute to the Realization of the Management Vision

As we move toward the realization of Kyuden Group Management Vision 2030, it is necessary for each and every employee to see change as an opportunity and respond appropriately. To this end, the Kyuden Group has defined actions that warrant particular attention to engaging in as "Actions Required of Each Individual to Realize the Management Vision." We are promoting efforts to put these actions into practice and, from the perspective of creating an environment in which human resources with diverse experience can play an active role, we have introduced various programs that include the pursuing of a side business.

Actions Sought in Each and Every Employee to Realize the Management Vision

Open up: Open up your mind and open up a whole new world

The values and needs of the world are constantly changing, and technology is constantly advancing. We need to be sensitive to and anticipate these changes and progress, and to apply them to our work.

Each of us should always ask ourselves if our current way of working is indeed the best way. In addition, we should broaden our perspectives to include other industries and fields, while valuing different opinions and ways of thinking as we evolve our technologies and services to meet the needs of society and our customers.

Speed up & step up to the challenge: Continue to step up to challenges with speed and passion

In order to respond to the desires of our customers in a timely manner, it is important that we act quickly and not miss any opportunity. By taking action first and foremost, new insights will emerge and bring with them a changing landscape that comes into view. We are not afraid to take risks when taking steps toward the future with passion and courage.

The challenges and efforts we make are the fuel that will propel us into the future.

Learning: The Joy of Learning and Growing Forever

The world never stops moving forward. At the same time, we can continue to grow by learning, regardless of our age or station in life.

In order to be the professionals who can meet the expectations of our customers, we must always maintain the desire to learn and continue to refine our knowledge and skills through our practices on the job.

■ Initiatives to Secure and Develop Human Resources Who Can Contribute to the Realization of the Management Vision

Support for employees who autonomously take on challenges	<ul style="list-style-type: none"> In-house recruitment and Job Challenge Program Human resource bank systems Introduction of side jobs outside the company and concurrent jobs within the company Leave of absence for privately funded study abroad, etc.
Onboarding of human resources with diverse experience	<ul style="list-style-type: none"> Open recruitment (recruitment of people with experience working outside the company) Job return recruitment (rehiring of former employees who had switched to a different employer) Comeback recruitment (rehiring of employees who retired due to reasons such as childcare or nursing care) Utilization of human resources outside the company (side jobs and concurrent jobs)

● Group-Wide Human Resource Development

Aiming for the integrated development of the Kyuden Group, Kyushu Electric Power holds the Kyuden Group Education Conference every year in order to develop effective education and training programs that will lead to the improvement of the Group's overall capabilities. In FY2020, 35 educators from 33 group companies participated in the meeting and discussed the educational measures needed in the future through group discussions. Based on our grasp of the needs of each company, in FY2021 we will systematically implement joint group education and training as the Kyuden Group Mirai-Juku.

Data on Employees (excluding executive officers and board members) (Kyuden Group)

■ Basic Employee Data (end of fiscal year)

	2018	2019	2020
No. of employees (employees + career-track employees)	12,947	12,829	12,717
Male	11,904 (91.9%)	11,791 (91.9%)	11,660 (91.7%)
Female	1,043 (8.1%)	1,038 (8.1%)	1,057 (8.3%)
No. of people in management	4,651	4,684	4,667
Male	4,543 (97.7%)	4,567 (97.5%)	4,544 (97.4%)
Female	108 (2.3%)	117 (2.5%)	123 (2.6%)
Number hired (FY)	281	259	305
Male	227 (80.8%)	219 (84.6%)	248 (81.3%)
Female	54 (19.2%)	40 (15.4%)	57 (18.7%)
Average age	43.8	44.0	44.2
Male	44.3	44.5	44.7
Female	38.3	38.4	38.3
Average years of continuous employment	24.0	24.2	24.2
Male	24.5	24.7	24.8
Female	18.2	18.1	17.8
No. of labor union members* ¹ Ratio of labor union members to total employees	9,125 (70.5%)	8,820 (68.8%)	8,568 (67.4%)

*1 The number of persons covered by the collective agreement. Based on the union store agreement, all employees (excluding special managers, etc.) are members of the labor union, and the labor union membership rate of the relevant employees is 100%.

■ Attrition Rate (employees who left for personal reasons/employees at the beginning of the term x 100) (each year)

	2018	2019	2020
No. of employees who left the company (including retirees)	404	421	478
No. of employees who retired for personal reasons (indicated again)	96	96	94
No. of employees at beginning of term	13,053	12,890	12,761
Attrition rate	0.74%	0.74%	0.74%

■ Contract Employees and Temporary Staff (end of each fiscal year)

	2018	2019	2020
No. of contract employees	29	164	273
No. of temporary employees	606	645	558

■ Heads of Organizations and Important Employees including Managers (end of each fiscal year)

	Heads of organizations			Important employees (indicated again)		
	2018	2019	2020	2018	2019	2020
Male	1,328	1,309	1,383	97	97	90
Female	18	19	20	1	3	2
Total	1,346	1,328	1,403	98	100	92

Data on Employees (excluding executive officers and directors) (Kyushu Electric Power)

■ Full-time Employees by Gender (end of fiscal year)

FY2020	
Male	6,590 (86.9%)
Female	994 (13.1%)
Total	7,584

■ Full-time Employees by Age (end of fiscal year)

FY2020			
Age	Male	Female	Total
20s and under	964 (14.6%)	323 (32.5%)	1,287
30s	998 (15.1%)	217 (21.8%)	1,215
40s	2,158 (32.7%)	208 (20.9%)	2,366
50s	2,308 (35.0%)	236 (23.7%)	2,544
60s and over	162 (2.5%)	10 (1.0%)	172
Total	6,590	994	7,584
Average age	43.4		
Average years of service	21.2		

■ Managers (end of fiscal year)

FY2020	
Male	2,947 (96.2%)
Female	116 (3.8%)
Total	3,063

■ Leavers (fiscal year)

FY2020	
Male	50 (0.75%)
Female	20 (1.96%)
Total	70 (0.91%)

The figures in parentheses represent the ratio of the number of leavers to the number of full-time employees of each gender.

■ Temporary and Contract Employees (end of fiscal year)

FY2020	
Contract employees	245
Male	61
Female	184
Temporary employees	249
Total	494

■ Labor Union Members (end of fiscal year)

FY2020	
No. of employees	7,584
No. of union members	5,181
Membership rate	68.3%

Stable Supply

Policy and Approach

Our mission and prime social responsibility in the electric power business is to provide safe, dependable and efficient supplies of electricity to our customers. To this end, we accommodate trends in electricity demand through efficient use of our facilities, while taking steps to reduce outages, optimally operating and managing those facilities and swiftly restoring power after disasters. These efforts have enabled us to raise our supply reliability standards while continuing to ensure universal service.

Promotion Framework

Process	Managing offices
Fuel procurement	Planning & Balance Optimization Division, Kyushu Electric Power (Kyushu EP)
Power generation	Hydro Power Division, Thermal Power Division, Nuclear Power Division, Kyushu EP
Power transmission and distribution	Distribution Division, Power System Operation & Engineering Division, Transmission & Substation Division, Power Contract Division, Kyushu Transmission and Distribution
Retail	Marketing Division, Kyushu EP

Targets

Item	Targets	Results
Safe and stable operation of nuclear power stations Number of severe accidents*	0 cases (FY2020)	0 cases (FY2020)
Safe and stable operation of nuclear power stations Completion date of the Sendai Nuclear Power Station's Specific Safety Facilities	Dec. 2020 [Unit 1] (FY2020) Jan. 2021 [Unit 2] (FY2020)	Nov. 11, 2020 [Unit 1] (FY2020) Dec. 16, 2020 [Unit 2] (FY2020)
Safe and stable operation of nuclear power stations Genkai spent fuel storage measures (re-racking)	Phase 1: Construction scheduled for completion in FY2021 Phase 2: Construction scheduled for completion in FY2022 Phase 3: Construction scheduled for completion in FY2024	—
Stable supply of electric power Maintain supply reliability	—	Number of power outages per customer household: 0.21 (FY2020)
	—	Length of power outages per customer household: 139 min. (FY2020)

*Includes the following numbers.
 · Number of occurrences of events that are level 1, 2, 3 or higher on the IAEA's International Nuclear Event Scale (INES)
 · Number of occurrences of events that are level 3 or higher on the IAEA's International Nuclear Event Scale (INES)

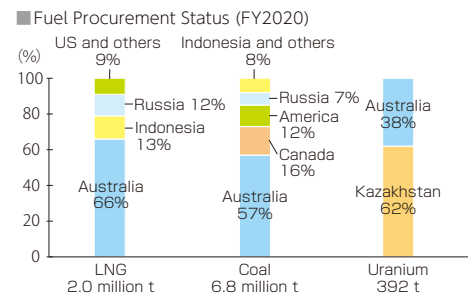
Initiatives

Fuel Procurement

● Strengthening Fuel Procurement Capabilities

With the increasing risk of fluctuations in the amount of electricity sold due to the further liberalization and the expansion of the introduction of renewable energy, there is a need to be more competitive in fuel procurement and to upgrade our supply-demand adjustment functions. To this end, Kyushu EP is actively involved in all areas of the entire fuel value chain, from the development and production of fuel resources (upstream interests) to procurement, transportation, trading, receiving, storage, consumption and sales. By doing so, in addition to reducing procurement prices, we are also further strengthening our flexibility, and we are implementing and considering alliances with other companies in the fields of fuel trading and fuel business development. In addition, we are striving to increase profits as a group by enhancing our volume-adjustment capability through means such as fuel trading, as well enhancing our supply-demand adjustment capability through integrated operation with electronic transactions.

Reference 1: Involvement in the fuel value chain (actual results)



Acquisition of upstream interests

In order to secure a stable supply of fuel over the long term, Kyushu EP has been continuously acquiring upstream interests, including participation in a new uranium mine development and production project in the Republic of Kazakhstan since 2007, a new uranium enrichment plant project in France in 2010, and a new LNG development and production project in Australia in 2011.

Involvement in fuel transportation

In LNG transportation, we are striving to reduce transportation costs through the thorough management of and maximized use of the LNG carrier (Pacific Enlighten) owned by Kyushu EP. In coal transportation, we ensure

economic efficiency and stable and flexible procurement by appropriately combining multi-year contracts, one-year contracts, and spot contracts, while taking into account market trends in transportation rates.

Reference 2: Alliances with other companies

Fuel trading field

• We aim to optimize supply and demand operations and reduce procurement costs by responding flexibly to changes in demand through collaborations with other LNG buyers.

Fuel business field

• In response to the global trend toward stricter environmental regulations, we are striving toward the realization of a low-carbon society through the commercialization of LNG fuel supply to ships (LNG bunkering), as LNG has a low environmental impact, for which demand is expected to increase.

Participation in a uranium mining project (Sep. 2007) (Republic of Kazakhstan)

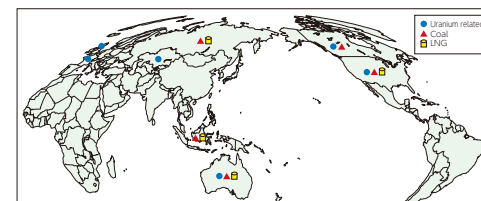
- Name of mine: Kharassan uranium mine
- Production volume (at time of full production): 5,000 t (MTU/year)
- Priority right to offtake: 50 t (MTU/year)

Participation in a uranium enrichment plant project (Nov. 2010) (France)

- Plant name: Georges Bess II Plant
- Production volume: 7,500 t (tSWU) per year

Participation in an LNG project (Sep. 2011) (Australia)

- Project name: Wheatstone Project
- Production volume: 8.9 million t per year
- Total offtake: 0.83 million t per year (amount of offtake based on this interest acquisition deal: 0.13 million t per year; long-term offtake contract: 0.70 million t per year)



▲ Major overseas suppliers of fuel (FY2020)

Power Generation

Basic Considerations for Power Development Projects

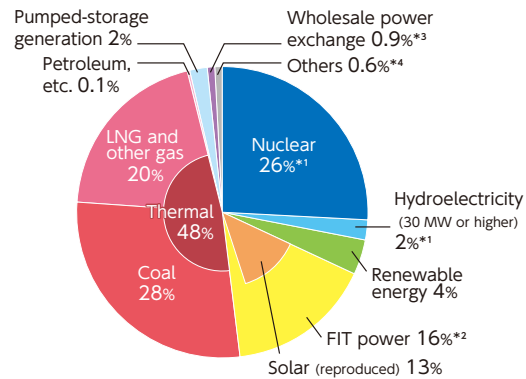
From our perspective on what is needed for the long-term stability of energy as well as the appropriate countermeasures for global warming, Kyushu Electric Power (Kyushu EP) is engaged in the promotion of nuclear power that can be secured safely and assuredly, the aggressive development and introduction of renewable energy such as geothermal and hydro power, and the facilitation of higher efficiency thermal power.

Regarding plans for future power supply development, we will strive to secure power sources that are both competitive and stable, while also consider a balanced power supply development plan based on matters such as trends in the national energy policy.

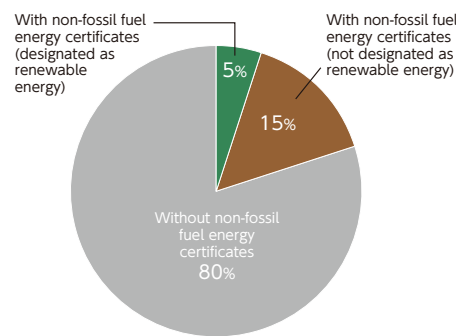
Power supply composition and use of non-fossil fuel energy certificates (retail supply)

The following is the power source breakdown and status of use of non-fossil fuel energy certificates of Kyushu EP in FY2020.

Power Sources in FY2020



Status of Use of Non-fossil Fuel Energy Certificates (FY2020 actual results)*5



- *1 Non-fossil power sources including renewable energy
The portion of this electric power that does not use non-fossil fuel energy certificates does not have any value as a renewable energy source or as a CO₂ zero-emission power source. As a result, the CO₂ emissions from this electricity are regarded as the same as the national average of CO₂ emissions from electricity, including that which is generated through sources such as thermal power.
- *2 Feed-in tariff (FIT) system for renewable energy
Kyushu EP's electricity procurement costs are partially financed by a surcharge on all electricity users, including non-customers.
The portion of this electric power that does not use non-fossil fuel energy certificates does not have any value as a renewable energy source or as a CO₂ zero-emission power source. As a result, the CO₂ emissions from this electricity are regarded as the same as the national average of CO₂ emissions from electricity, including that generated through sources such as thermal power.
- *3 Subject to powers generated by solar, wind, hydroelectric (below 30 MW), geothermal, and biomass.
- *4 Power procured from wholesale power exchanges
This electric power includes hydroelectric, thermal, nuclear, FIT, and renewable energy power.
- *5 Others
Includes power procured from other companies for which the power station cannot be specified.
- *5 The usage of non-fossil fuel energy certificates in FY2020 corresponds to the amount of electricity generated from January to December 2020, but since trading of non-FIT non-fossil fuel energy certificates started from April 2020, the amount of electricity sold is calculated by multiplying it by 9/12, as in the calculation of the Act on Sophisticated Methods of Energy Supply Structures.

- (Notes)
- Kyushu EP sells to some customers a renewable energy menu based on the use of 100% hydroelectric and geothermal power sources, as well as a de-facto CO₂ free menu based on the use of non-fossil fuel certificates. The power source composition and use of non-fossil fuel certificates for all other menus are shown on the left.
 - Calculated and announced based on "The Guidelines Concerning the Management of the Electricity Retail Business" by the Ministry of Economy, Trade and Industry.
 - Calculated on the basis of power generated by Kyushu EP and volume of power purchased from other companies (excluding remote islands).
 - Kyushu EP seeks to increase the percentage of non-fossil electricity through the purchase of non-fossil fuel energy certificates.
 - Due to rounding of figures, the total may not add up to 100%.

Importance of Nuclear Power

Nuclear power is positioned as an "important base-load power source" in the government's Strategic Energy Plan, and the "Long-term Energy Supply and Demand Outlook" indicates that nuclear power will account for 20-22% of the power supply in FY2030. Kyushu EP believes that nuclear power that is safely secured will continue to be important due to its comprehensive superiority in terms of ensuring energy security and as a global warming countermeasure.

Stable supply of fuel

Since the availability of uranium, the fuel for nuclear power generation, tends not to be limited to only certain regions, unlike oil and natural gas, there is easy access to it, thereby enabling a stable supply of it from the viewpoint of securing resources.

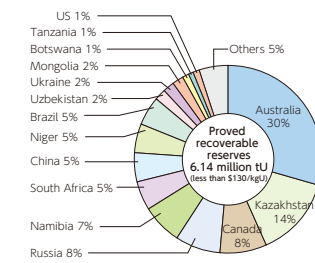
In addition, uranium can be used to generate electricity in smaller quantities than petroleum and other fossil fuels since it can be transported and stored easily.

Response to global warming

During its power generation process, nuclear power is a power source that does not emit CO₂, a major cause of global warming, and thus plays an important role in addressing global warming.

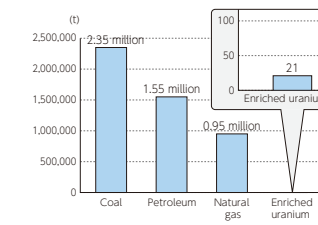
Like nuclear power, solar power and wind power do not emit CO₂ during power generation, but there are some challenges faced, such as low utilization rates due to the fact that they are affected by variables in the natural environment.

World Reserves of Uranium Resources



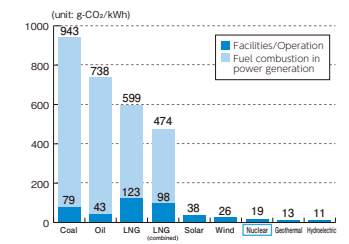
Source: Prepared based on a joint report by the Organization for Economic Cooperation & Development/Nuclear Energy Agency and the International Atomic Energy Agency (Dec. 2018).

Fuel Required to Operate a 1 million kW Power Plant for One Year



Source: Prepared based on "Graphical Flip-chart of Nuclear & Energy Related Topics 2016" by Federation of Electric Power Companies of Japan

Life Cycle CO₂ Emissions of Each Power Source



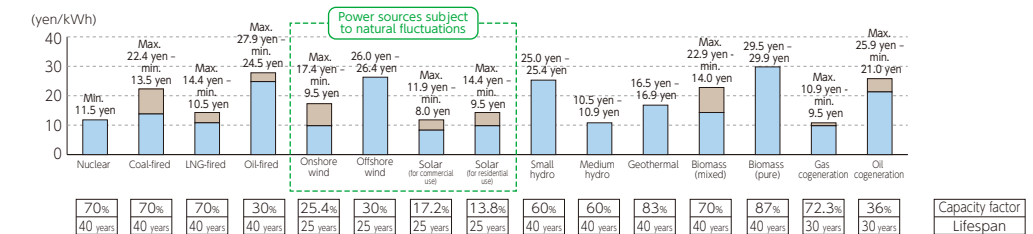
*CO₂ emissions are calculated for not only the combustion of fuels for power generation, but also for all phases in which energy is consumed: from the mining of raw materials to the construction of power generation facilities, fuel transportation, refining, operations and maintenance, etc.
Source: Prepared based on a report by the Central Research Institute of Electric Power Industry

Economic efficiency

Compared to thermal power generation that uses fossil fuels, nuclear power generation is characterized by the low percentage of the fuel cost in the total cost of power generation, making it less susceptible to fluctuations in fuel prices. It also plays an important role in ensuring a stable supply of electricity, as once it starts generating electricity, it can do so for a long period of time without being affected by weather conditions or time of day.

According to materials published by the Working Group for Verification of Power Generation Costs of the Advisory Committee on Energy and Natural Resources in July 2021, nuclear power generation is as economically efficient as other power sources.

Power Generation Cost per kWh (results of 2030 model plant simulation)



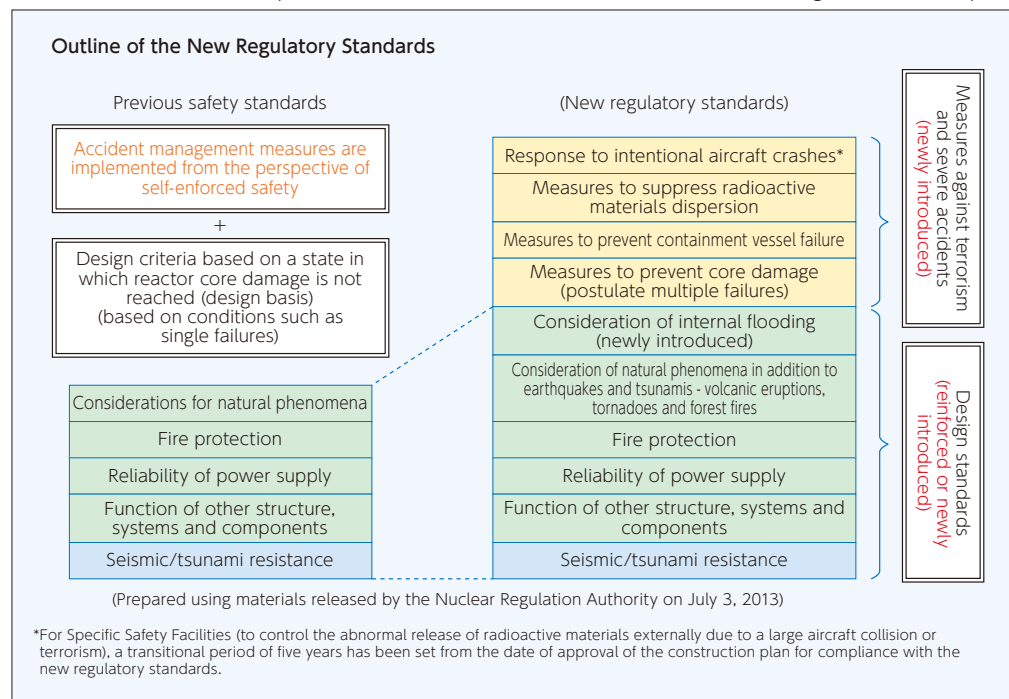
- (Notes)
- The above calculations are used as reference data for discussions on energy policy that thinks ahead toward 2030, considering matters such as which power sources to focus policy on as based on the cost characteristics of each power source.
 - The cost per kWh of constructing and operating new power generation facilities on vacant land in 2030 is a mechanical calculation based on certain assumptions, and is not the cost of operating existing power generation facilities.
 - The results regarding costs in 2030 could change if there are changes to the assumptions on which the calculations are based, such as the outlook for fuel costs, the lifespan and capacity factor of the facilities, and the amount of solar power introduced.
 - When actually constructing power generation facilities, operators will make comprehensive decisions, taking into account not only the power generation costs shown here, but also the different conditions at each location.
 - Power generation costs for power sources subject to changes in the natural environment (i.e., solar and wind) do not take into account the costs of integrating them into the power system that accompany the massive introduction of such power (i.e., costs entailed by lowered efficiency in thermal power generation and the use of pumped water) and the risk of less-common events such as cloudy weather or no wind for certain periods of time.
- Source: Prepared based on the Power Generation Cost Verification Working Group, Strategic Policy Committee of the Advisory Committee for Natural Resources and Energy, "Material 2: Discussions Thus Far on Power Generation Cost Verification" (July 12, 2021)

● Confirmation of Compliance with the New Regulatory Standards for Nuclear Power Generation

In July 2013, Kyushu Electric Power submitted an application to the government to confirm about whether Sendai Nuclear Power Station Units 1 and 2 and Genkai Nuclear Power Station Units 3 and 4 are compliant with the new regulatory standards.

Sendai Nuclear Power Station Units 1 and 2 were confirmed to be in compliance with the new regulatory standards by the government in FY2015, and Genkai Nuclear Power Station Units 3 and 4 were confirmed to be in compliance with the new regulatory standards in FY2018.

■ Overview Draft New Safety Standards for Nuclear Power Stations of the Nuclear Regulation Authority



● Further Improvement of the Safety and Reliability of Nuclear Power Generation

In order to prevent the simultaneous loss of safety functions in nuclear power stations due to common causes such as earthquakes and tsunamis, the new regulatory standards have more stringent design criteria for seismic and tsunami resistance performance, reliability of power sources, and cooling systems. In addition, countermeasures against severe accidents have also been sought in order to deal with situations that exceed the conditions on which the design was based.

1. Reinforced and newly introduced design standards

(1) Earthquakes

- It was confirmed that the site is not located on an active fault.
- Formulation of basic earthquake ground motions
 - 1) Consideration of active faults in the vicinity of the power plant: 540 Gals (Sendai, Genkai)
 - 2) Consideration of earthquakes in area south of Rumoi-shicho in Hokkaido: 620 Gals (Sendai, Genkai)

(2) Tsunamis

- Based on standard tsunamis, the projected height of tsunamis that could reach power stations: 6 m above sea level (Sendai), 6 m above sea level (Genkai)
- It was confirmed that the heights of the sites where the main facilities of the power stations are located are sufficiently higher than the height of tsunamis. Site height: approx. 13 m above sea level (Sendai), approx. 11 m above sea level (Genkai)

(3) Natural phenomena, volcanoes, tornadoes, etc.

- The possibility of a catastrophic eruption of the caldera during the operation of the power plant is assessed to be very low. (Volcanic activity is monitored.)
- Even in the case of volcanic ash fall (thickness: 15 cm in Sendai, 10 cm in Genkai), it was assessed that there would be no impact on safety-critical buildings or equipment.
- In the event of a tornado with a maximum wind speed of 100 m/sec, materials and equipment will be securely tied down and stored in vaults to prevent the occurrence of flying debris (taking into account that the largest tornado ever recorded in Japan had a maximum wind speed of 92 m/sec).

■ Storage facilities for materials and equipment (Genkai)



(4) Fire and overflow

- Installation of automatic fire extinguishing systems and fireproof bulkheads, etc.
- Installation of weirs and watertight doors to protect against water overflow caused by broken tanks and pipes

■ Water overflow countermeasures (watertight door)



■ Automatic fire extinguishing system (halon fire extinguishing systems)



2. Severe accident countermeasures

(1) Measures to prevent reactor core damage

- Diversification of power supply methods
 - Installation of equipment such as large-capacity air-cooled generators to prepare for situations in which external power sources and permanent emergency power sources are lost.
 - Diversification of cooling methods for nuclear reactors
 - Deployment of equipment such as portable pumps in addition to the permanently installed pumps
- (1) Water injection into the reactor and steam generator by portable injection pump
 - (2) Water injection into the reactor by a permanently-placed electric injection pump
 - (3) Water injection into the reactor by a containment splay pump
 - (4) Seawater supply to the reactor auxiliary cooling system by a mobile large-capacity pump truck

Large-capacity Air-Cooled Generator



Large-capacity Pumping Vehicle



Static Catalytic Hydrogen Recombination Device



Water Discharge Cannon



(2) Measures to prevent containment vessel failure

- Diversification of cooling methods for containment vessels
 - Deployment of equipment such as portable pumps in addition to the permanently installed pumps
- (1) Containment vessel sprayed with a permanently-placed electric injection pump
 - (2) Containment vessel sprayed with a portable injection pump
 - (3) Supply seawater to the containment recirculation unit*1 with a mobile large-capacity pump truck
- Measures to reduce hydrogen concentration
 - In order to prevent hydrogen explosions, equipment has been installed to reduce the concentration of hydrogen when hydrogen is generated in the containment vessel.
- (4) Static catalytic hydrogen recombination system*2
 - (5) Electric hydrogen combustion device*3

*1 A device that cools the air in the containment vessel by exchanging heat with cooling water.

*2 A device that uses a catalyst that causes hydrogen and oxygen to react to produce water.

*3 A device that forcibly combusts hydrogen into water using an electric heater.

(3) Controlling the diffusion of radioactive substances

- Deployment of mobile large-capacity pumping vehicles and water cannons to discharge water at damaged areas, such as that of containment vessels, as well as silt fences (underwater curtains) to prevent the spread of radioactive substances into the ocean

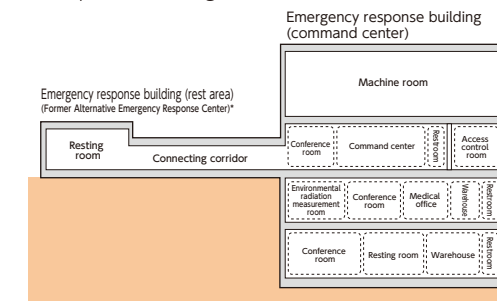
(4) Base facilities for dealing with severe accidents

- Establishment of an emergency response center
 - Installation of an alternative emergency response center that meets the requirements of the new regulatory standards in terms of earthquake resistance, communication facilities, etc.
 - In the Sendai and Genkai Nuclear Power Stations, installation work is underway for an emergency response building with an earthquake-resistant structure that will further improve functionality. (As of the end of May 2021)

Alternative Emergency Response Center (Genkai)



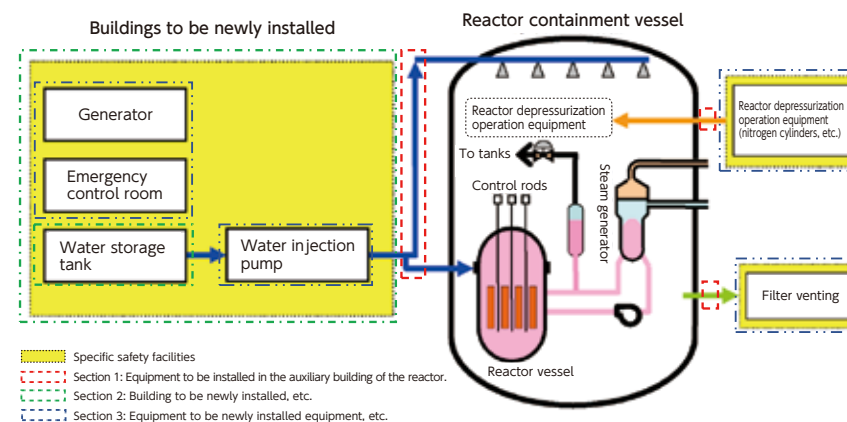
Project Rendering of the Completed Emergency Response Building (Sendai)



*After the emergency response building (command center) is established, the alternative emergency response center will be connected to the emergency response building (command center) by a connecting corridor and used as a resting room for emergency response personnel.

3. Specific safety facilities

- Establishment of facilities with functions that prevent damage to the reactor containment vessel in the event that reactor cooling functions are lost and the reactor core is seriously damaged, due to acts of terrorism such as intentional aircraft collision with the reactor auxiliary building, etc.
- Construction of the Sendai Nuclear Power Station has been completed and operations have begun. As for the Genkai Nuclear Power Station, the government's review response has been completed and construction work is underway. (As of the end of May 2021)



Overview diagram of specific safety facilities

● The Securing of Various Kinds of Training for Personnel to Respond to Severe Accidents

Kyushu Electric Power's Sendai Nuclear Power Station Units 1 and 2, as well as Genkai Nuclear Power Station Units 3 and 4 have secured 52 personnel to respond to severe accidents and other incidents in or near the power stations, so that they can respond promptly after work hours or on holidays in the event of a major accident. These 52 personnel are regularly trained according to their roles so that they can respond quickly and assuredly to severe accidents.

■ Status of Training to Respond to Severe Accidents at Nuclear Power Stations

Power supply training



Connecting high-voltage generator truck power cables



Power supply by high-voltage generator truck (nighttime)



Transport of power cables

Drill for cooling water supply



Placement of mobile large-capacity pump truck



Transport and placement of hoses (nighttime)



Installation of a submerged pump for drawing seawater

Training for radioactive material diffusion control



Placement of water cannon



Water discharge by water cannon

Fire extinguishing drills (dedicated firefighting unit)



Training for the possibility of forest fires around the site

Debris removal training



Removal of debris by heavy machinery

Operation training for emergencies



Operation using a simulator

Nuclear emergency preparedness drills



Drills at the alternative emergency response center

● Support for the Evacuation of Residents in the Event of a Nuclear Emergency

Local governments formulate regional disaster preparedness plans and evacuation plans related to nuclear emergency preparedness, and we fulfill our role as a business operator in response to requests from the Regional Nuclear Emergency Preparedness Council, which provides support for the specific implementation and upgrading of these plans. In addition to the initiatives requested by the Regional Nuclear Emergency Preparedness Council, we are also promoting our own voluntary initiatives that will lead to the further safety and security of residents.

■ Main Initiatives Pertaining to the Support of Nuclear Emergency Preparedness

- Securing of welfare vehicles, buses, and drivers, etc., which are in short supply as means of evacuation for people in need of assistance in areas considered Precautionary Action Zones (PAZ) or equivalent to PAZ
- Personnel and equipment support for inspection and decontamination, as well as for monitoring in times of emergency
- Support for the stockpiling of daily necessities (food, bedding, etc.) at radiation protection facilities and evacuation centers
- Fuel supply support to off-site centers, radiation protection facilities, and monitoring posts
- Additional deployment of welfare vehicles to local governments inside of Urgent Protective action planning Zones (UPZ)
- Support for improvement of places such as access roads to evacuation roads in areas considered PAZ or equivalent to PAZ
- Improvement of employees' evacuation support skills, including the acquisition of basic knowledge on mobility assistance (offering of employee education)

Based on the conviction that our nuclear emergency preparedness should come under constant review, we will continue to actively participate in the Regional Nuclear Emergency Preparedness Council and strive to continuously improve our initiatives that are based on the findings gained during nuclear emergency preparedness drills organized by the national and local governments, as well as the host of issues that emerge from time to time.



Welfare vehicle (stretcher compatible)



Welfare vehicle (wheelchair compatible)



Inspection and decontamination during evacuations



Fuel supply support for monitoring post



Support for improvement of access roads, etc. (placement of covers on gutters)



Implementation of employee training

● Safety Management System

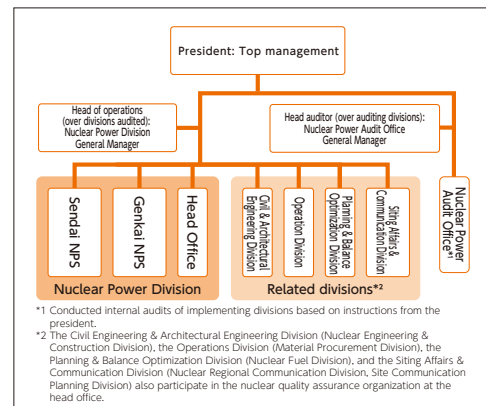
Quality Assurance Activities

Kyushu Electric Power (Kyushu EP) is working to maintain and improve the safety and reliability of nuclear power stations by accurately implementing safety activities based on the quality management system for nuclear safety headed by the president and steadily making continuous improvements, including risk management to prevent abnormalities.

Fostering a culture of safety

We are continuously working to foster and maintain a corporate culture in which each employee can raise awareness of various risks of nuclear power, ask what can be done to improve safety, and demonstrate leadership to improve performance.

■ Quality Assurance System (as of March 31, 2021)



*1 Conducted internal audits of implementing divisions based on instructions from the president.
 *2 The Civil Engineering & Architectural Engineering Division (Nuclear Engineering & Construction Division), the Operations Division (Material Procurement Division), the Planning & Balance Optimization Division (Nuclear Fuel Division), and the Site Affairs & Communication Division (Nuclear Regional Communication Division, Site Communication Planning Division) also participate in the nuclear quality assurance organization at the head office.

● Maintenance and Management of Nuclear Power Generation Facilities

In order to ensure the safety and reliability of our nuclear power stations, we steadily conduct maintenance and management activities for facilities that adequately fulfill the requirements of laws, regulations, and private-sector standards, and maintain and manage facilities and equipment so that they are ready to perform their prescribed functions.

In addition, maintenance plans for inspection and the repair of individual equipment of nuclear power stations are submitted to the government for confirmation at each operation cycle. Further, we are continuously making efforts at improving maintenance by enhancing our maintenance programs, which includes the introduction of new maintenance technologies. Along with this, we are making active use of support from outside the company, through means such as seminars offered by the World Association of Nuclear Operators (WANO) and the Japan Nuclear Safety Institute (JANSI) to make further improvements to the safety and reliability of our nuclear power plants.



Periodic inspection

● Establishment of the Nuclear Safety and Reliability Improvement Committee

In April 2020, we established the Nuclear Safety and Reliability Improvement Committee, which is composed of external experts, as a mechanism to obtain opinions from a third-party perspective on efforts to improve the safety and reliability of nuclear power.

Based on the Committee's recommendations, we are working to further improve the safety of nuclear power.

● Radiation Control

Protection of workers from radiation

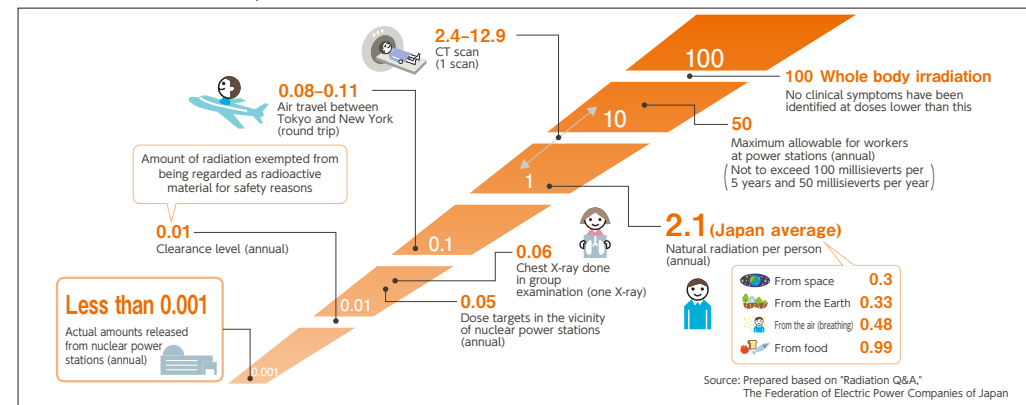
In order to minimize to the extent possible radiation doses to those who work with radiation, at Kyushu EP's nuclear power stations we have installed equipment to shield them from radiation while working or have the work done by remote control or even automated. The actual exposure dose received by radiation workers was 0.3 millisieverts on average in FY2020, which is far below the legal dose limit.*

*Annual limit for workers at power stations and other facilities: 100 millisieverts per five years and not exceeding 50 millisieverts per year.

Environmental radiation control around nuclear power stations

We continuously monitor and measure radiation levels in the vicinity of nuclear power stations, and disclose that data in real time on the website of Kyushu EP. In addition, we regularly measure the radioactivity contained in environmental samples such as soil, seawater, crops, and marine products, and to date, there has been no identification of any environmental impact due to the operation of our nuclear power stations. The radiation dose received by people in the vicinity of the nuclear power plant is less than 0.001 millisieverts per year, which is far below the legal dose limit of 1 millisievert per year and the target value of 0.05 millisieverts per year set by the former Japanese Nuclear Safety Commission.

■ Radiation Levels in Daily Life (unit: millisievert)



Source: Prepared based on "Radiation Q&A," The Federation of Electric Power Companies of Japan

● Management and Disposal of Radioactive Waste

Kyushu EP appropriately manages radioactive waste at nuclear power stations and strives to continuously improve radioactive waste management operations by periodically reviewing the regulatory documents that stipulate management matters.

Low-level radioactive waste

Waste from nuclear power stations that contains radioactive substances is classified and managed as "low-level radioactive waste." After the waste is treated, the drums in which it is stored in the power station are transported to the Japan Nuclear Fuel Limited (JNFL) Low-Level Radioactive Waste Disposal Center (Rokkasho Village, Aomori Prefecture) for burial and management to ensure that the waste no longer has any impact on the environments in which people live.

■ Cumulative Volume of Stored Radioactive Solid Waste (as of the end of FY2020) Unit: Drums (200-liter drum equivalent)

	Amount stored in power plant	Amount transported*
Genkai NPS	38,148 (38,418)	14,432 (12,712)
Sendai NPS	27,873 (27,303)	640 (640)
Total	66,021 (65,721)	15,072 (13,352)

Figures in parentheses indicate figures as of the end of FY2019.
 *Amount transported out to the Low-Level Radioactive Waste Disposal Center.

■ Treatment Methods for Low-level Radioactive Waste

State	Treatment methods
Gaseous	(1) Attenuation of radioactivity
	(2) Measure radioactivity to confirm safety
	(3) Release into the atmosphere
Liquid	(1) Separate concentrated water from distilled water in the treatment equipment
	(2) Concentrated water is solidified with cement or asphalt, packed in drums, and stored in the solid waste storage room at the power station
	(3) Distilled water is discharged into the sea after its radioactivity is measured and safety confirmed
Solid	(1) The volume is reduced by incineration or compression
	(2) Waste is packed in drums and stored in the solid waste storage room of the power station

High-level radioactive waste

High-level radioactive liquid waste generated during the reprocessing of spent fuel is melted with glass materials and solidified in a stainless steel container. This is called "high-level radioactive waste (vitrified waste)." Since this waste remains highly radioactive for a very long time, it is cooled and stored for 30 to 50 years at places such as JNFL's High-level Radioactive Waste Storage Center (Rokkasho Village, Aomori Prefecture) before ultimately being safely disposed of in a stable geological formation more than 300 meters underground. As of the end of 2020, a total of 187 units of vitrified waste from Kyushu Electric Power (Kyushu EP) has been accepted by the Center. As for the location of the final disposal site of high-level radioactive waste, the government is aiming to conduct site selection surveys in multiple regions. The organization taking the lead in this project is the Nuclear Waste Management Organization of Japan (NUMO), a corporation licensed by the Ministry of Economy, Trade and Industry (METI). Since November 2020, NUMO has been conducting a literature survey in Suttso and Kamoenai in Hokkaido, which is the first step of a phased investigation for the selection of a disposal site (a literature survey, a preliminary investigation, and a detailed investigation). As a generator of high-level radioactive waste, Kyushu EP is working with the national government and NUMO to provide easy-to-understand information and engage in dialogue with local residents, including local governments, to deepen their interest in and understanding of the project to determine the site of final disposal.

Decommissioning of Genkai Nuclear Power Station Units 1 and 2

The decommissioning of Unit 1 is now underway following the process of terminating operation on April. 27, 2015, gaining approval by the government of the decommissioning plan on April. 19, 2017, and receiving prior consent for decommissioning from the local community on July. 12, 2017. Operation of Unit 2 was terminated on April. 9, 2019, the decommissioning plan was approved by the government on March. 18, 2020, the prior consent for decommissioning was obtained from the local community on June 8, 2020, and decommissioning is now in progress. Throughout the decommissioning process, we will continue to give top priority to safety.

Decommissioning Process of Genkai Nuclear Power Station Units 1 and 2

	Decommissioning decision dates	Decommissioning dates	Dates of approval of decommissioning plan
Genkai Unit 1	Mar. 18, 2015	Apr. 27, 2015	Apr. 19, 2017 (change approved on Mar. 18, 2020)
Genkai Unit 2	Feb. 13, 2019	Apr. 9, 2019	Mar. 18, 2020

Decommissioning Process Unit 1 and Unit 2	Dismantling work preparation period (approx. 10 years for Unit 1 and 5 years for Unit 2) Unit 1: FY2016 (after approval) to FY2025 Unit 2: FY2020 to FY2025	Atomic furnace peripheral equipment, etc. dismantling and removal period (about 15 years) FY2026 to FY2040	Atomic furnaces, etc. dismantling and removal period (7 years) FY2041 to FY2047	Dismantling and removal of buildings, etc. period (7 years) FY2048 to FY2054
	Approval of decommissioning plan			
	Dismantling and removal of uncontaminated facilities			
	Survey of contamination status			
	Dismantling of low-contaminated equipment			
	Decay of radioactivity in the main body of the reactor unit (safe storage)			
	Removal of nuclear fuel materials from the fuel storage facilities in Units 1 and 2		Dismantling and removal of the reactor unit, etc.	
	Dismantling and removal of buildings, etc.			
	Decontamination			
	Disposal of contaminated materials			

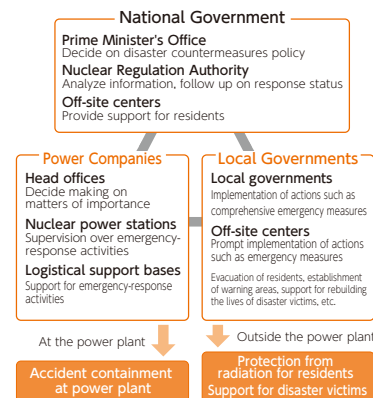
Nuclear Emergency Preparedness System

Kyushu EP is formulating the Nuclear Operator Emergency Action Plan, which stipulates objectives such as the operations necessary to prevent the occurrence and minimize the scope of a nuclear emergency and to restore operations. As we continue formulation of the Plan while remaining consistent with the regional disaster preparedness plans of the relevant local governments, we are working to bolster our disaster preparedness measures. Should there happen to be a nuclear emergency, we will do our utmost to minimize the impact of the accident by promptly reporting and contacting in manner that aids the evacuation of local residents, and by working in cooperation with the National Emergency Response Center. We will also monitor the areas around the power station. In addition, we have enhanced the effectiveness of our disaster-response and emergency-response capabilities by conducting on-site drills. We have also participated in the nuclear emergency drills held by the prefectural government every year to confirm the effectiveness of our nuclear emergency preparedness organization and mastery of the disaster preparedness measures.

Major Enhancements in Disaster Preparedness Measures

- Establishment of an alternative emergency response center at the nuclear power stations and a Nuclear Facility Emergency Response Center at the head office; establishment of a system for cooperation with the disaster countermeasures headquarters of the national government and relevant local governments
- Establishment of logistical support bases to support emergency-response activities
- Implementation of nuclear emergency preparedness drills to be ready for the possibility of severe accidents occurring

Response System in the Event of a Nuclear Emergency



Nuclear Emergency Preparedness Drills

Kyushu EP's nuclear power stations have taken all possible safety measures to prevent radiation-caused disasters in the surrounding areas. However, in order to respond quickly in the event of a disaster, the national government, local governments, and business operators have each established disaster preparedness plans in accordance with the Act on Special Measures Concerning Nuclear Emergency Preparedness and the Basic Act on Disaster Management, and are working to improve their disaster preparedness systems even during times of normal operations. Kyushu EP participates in nuclear emergency drills in Saga and Kagoshima prefectures, and conducts drills based on the Nuclear Operator Emergency Action Plan. During this process, we have established an offsite emergency response center at the head office and power plants, and confirmed that we are capable of taking appropriate measures such as reporting and communicating, emergency monitoring, and evacuating of people in need of assistance.



In-house nuclear emergency preparedness drills in order to be ready for the possibility of any major accident occurring at the Sendai Nuclear Power Station (October 2019)

Initiatives to Pass on Technologies to Ensure the Continued Safe and Stable Operation of Nuclear Power Stations

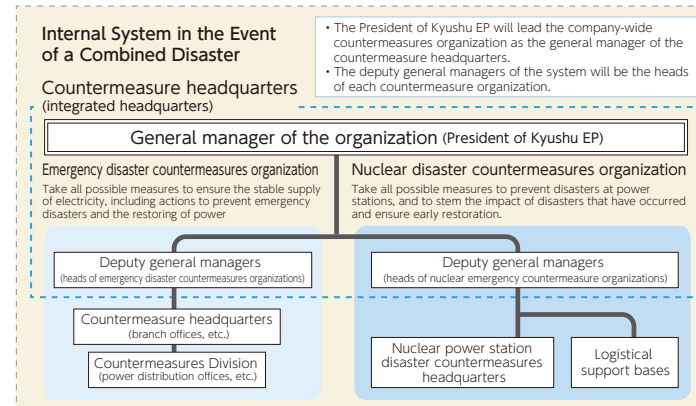
In order to continue to operate nuclear power plants in a safe and stable matter, it is important for employees to maintain and pass on to other colleagues their technical skills. Kyushu EP is engaged in initiatives that make it possible for employees to maintain and pass on the technical skills that are the very core of on-the-job training in power plant operations and maintenance. After joining the company, employees are basically assigned to the Operation Section of one of our nuclear power plants, where they are given expansive training on what it takes to operate a plant and what facilities are involved. Those not trained as operators are assigned to various sections that are responsible for matters such as facility maintenance and radiation and nuclear fuel management, so that they can quickly acquire expertise. In addition, the operation simulators and maintenance training facilities available at the Genkai and Sendai Nuclear Power Station training centers are effectively utilized to provide practical education and training.



Simulator room at the Genkai Nuclear Power Station Training Center

Responding to combined disasters

Kyushu EP has established an internal system to ensure that in the event of a natural disaster (earthquake, tsunami, etc.) and a nuclear emergency occurring simultaneously (i.e., a combined disaster), the emergency disaster response organization and the nuclear emergency response organization can be integrated into a single countermeasures headquarters in cooperation with Kyushu Transmission and Distribution. Through actions such as company-wide drills, we will examine and improve the effectiveness of the response system and the division of roles in the event of a combined disaster in order to enhance our response capabilities.



Company-wide drills

Power Transmission and Distribution

Steady Promotion of the Construction of a Transmission System and Systematic Renewal of Facilities

With regard to power distribution facilities, we are working toward the formation of efficient facilities from a long-term perspective by comprehensively taking into account trends in demand, supply reliability, safety and operational aspects of the facilities, and costs.

Kyushu Transmission and Distribution (Kyushu T&D) is working to build a transmission system to prevent widespread blackouts during the planned replacement of aging 500,000 V facilities, and is currently forging ahead with the construction of the 500,000 V Hyuga Trunk Cable Line (between Oita and Miyazaki prefectures).

In light of the progressive aging of facilities originally constructed to meet the growing demand for electric power that accompanied increased economic growth, these facilities need to be kept stable over the long term. So priority is given to the inspection and repair of aged transmission facilities (steel towers, electric wires, etc.), substation facilities (transformers, circuit breakers, etc.), and distribution facilities (utility poles, electric wires, pole top transformers, etc.). In addition, we are also engaged in initiatives to systematically update the facilities.

We are also actively working to improve the accuracy of equipment life estimates that are based on the results of analysis of equipment failure and degradation data, which is reflected in the renewal plans for older equipment.

Maintaining and Improving the Reliability of Supply

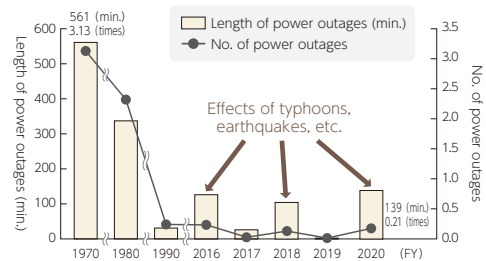
In order to deliver stable and high-quality electricity to customers and ensure their safety, Kyushu T&D makes a point of routinely conducting patrols, inspections and repairs of facilities, maintaining safe and efficient operations, and developing and improving construction methods.

Prevention of power outage accidents

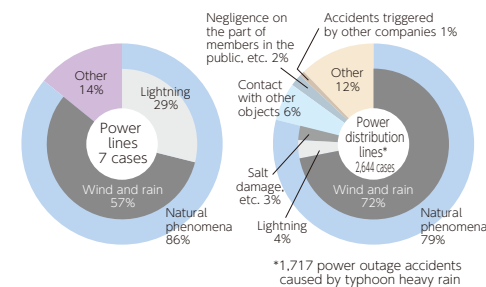
In order to prevent power outage accidents on power transmission and distribution lines, we are working to identify dangerous areas in advance and implement countermeasures in ways such as stepping up facility patrols and preventing birds and animals from nesting. In addition, we continuously work to prevent power outage accidents and damage to equipment caused by trees coming into contact with power lines by taking actions such as surveying the distance between power lines and trees and cutting down trees. These are actions taken after securing the understanding and cooperation of the relevant parties.

In addition, we are working to strengthen our facilities to reduce power outage accidents caused by natural disasters such as lightning and typhoons. We also conduct maintenance work that meticulously takes into account the condition of the facilities.

Number and Length of Power Outages per Customer Household



Breakdown of Power Outage Incidents (FY2020)



Enhancement of operation and management

Divisions that operates the power system

These divisions monitor power quality such as frequency and voltage as well as grid reliability, and control our equipment with a 24-hour system. During normal operations, depending on the status of facilities and how electricity is being used, these divisions perform shutdown adjustments of power supply operations and the power system, as well as handle grid switching. In the event of a power outage, we take prompt and appropriate measures to minimize the scope of the outage and shorten the duration of the outage through ways such as automatically disconnecting the point of accident from the power system and supplying power via another route.

Divisions that build and manage power generation and transmission facilities

Through the use of IT systems, we have developed a database for the centralized management of all information on facilities and operations. There is also an "equipment record" for each individual piece of equipment—not unlike the patient records kept by hospitals—that enables us to accomplish things such as identifying signs of possible abnormalities at an early stage and spotting and analyzing deterioration trends.

Power distribution divisions

We are striving to maintain the reliability of the supply of electricity by improving our operations by means such as the early detection of accident causes through the analysis of changes in the electrical current at the time of the accident, as well as the use of mobile devices in disaster situations to gain a prompt grasp of the situation and work toward recovery. In addition, we are working to minimize the impact on customers by using generator vehicles and other means to conduct power distribution operations that are free of power outages.



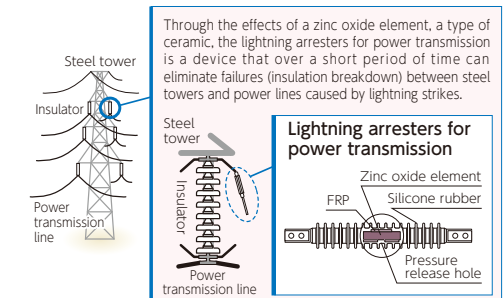
High-voltage generator vehicles

Measures to reduce instantaneous voltage drop (momentary voltage drop)

When lightning strikes a power line, the power line is instantly disconnected from the power system to prevent the blackout area from expanding. Over a very short period of time (in most cases, 50 to 200 milliseconds), the voltage of the power system drops (momentary voltage drop), mainly on the power lines that have been struck by lightning. Though the momentary drop in voltage has little effect on the use of things such as home appliances, some equipment that is sensitive to voltage drops may stop working or malfunction.

This phenomenon can be mitigated by reinforcing equipment and speeding up the removal of faults (e.g. by installing lightning arresters for power transmission current limiting arcing horns, etc.), as well as by customers taking vigilant actions to protect themselves (e.g. by installing uninterruptible power sources, etc.).

Lightning Arresters for Power Transmission



Promotion of Safe and Disaster-resistant Urban Development

Prevention of public accidents involving electrical shocks

During the PR period (twice a year in the spring and winter) and the Electric Safety Month (in the summer), Kyushu Transmission and Distribution (Kyushu T&D) conducts PR activities and requests cooperation from organizations such as civil engineering, construction and crane companies, elementary and junior high schools, boards of education, local governments, police stations, and fire stations to prevent public accidents involving electrical shocks. In addition, we are strengthening our safety measures by implementing equipment-related measures to prevent public accidents involving electrical shocks that are caused by contact with power equipment.

Furthermore, we distribute various pamphlets to customers and use our website to provide information on the safe use of electricity.

Examples of Equipment-related Measures to Prevent Public Accidents Involving Electrical Shocks

- Tower climbing prevention devices, external fences, and warning signs are installed to deter tower climbing and intrusion into power stations and substations.
- Warning signs are installed at river crossings and other necessary locations to prevent contact with power lines by heavy machinery such as cranes and fishing rods.

Number of Public Accidents Involving Electrical Shocks

FY	2016	2017	2018	2019	2020
No. of incidents	1	3	1	1	0

*Number of deaths and hospitalizations



Installation of climbing prevention devices on power transmission towers



Construction industry-targeted pamphlet for the prevention of public accidents involving electrical shocks



PR poster for the prevention of public accidents involving electrical shocks



"How You Can Benefit from Knowing More about Electricity" (Distributed at Kyushu Electric Power)



Electricity guidebook



Website

Home > For your home > Electric safety

Specific Safety Measures

- People are instructed to not enter work areas through means such as the placement of signs and assignment of staff.
- Installation of barricades
- Installation of nets to prevent objects from falling



Use of fall prevention nets during work on power lines

Safety inspection on electrical equipment in the homes of customers

Inspection committee members from the Kyushu Electrical Safety Inspection Association and the electrical work industry association of each prefecture, commissioned by Kyushu T&D visit customers' homes to conduct inspections on the safety of electrical equipment (once every four years).

During the safety inspection, efforts are made to ensure the safe use of electricity by conducting leakage inspections, checking for loose screws in distribution boards, and having a look at the earthquake-detection breaker* that informs customers for the prevention of electrical fires.

*Breaker that automatically shuts off electricity when it detects an earthquake.



Inspection of distribution boards

Promotion of power distribution without the use of utility poles

In light of the increasing severity of disasters in recent years, Kyushu T&D has been promoting the removal of utility poles and lines from major roads (such as emergency transportation roads designated by the government) to prevent the hindering of recovery activities by fallen poles.



Before the removal of utility poles



After the removal of utility poles

Disaster Prevention Information Transmission Project that utilizes utility poles

In order address the issue of the current emergency broadcast system not fully reaching all areas, Kyushu T&D is working on the Disaster Emergency Information Transmission Project, which uses speakers attached to utility poles to deliver disaster preparedness information with aural clarity to residents. Pilot testing of the project, which has been underway since January 2020 in Tomine Village, Asakura-gun, Fukuoka Prefecture, has attracted interest from other local governments and so we will continue to expand the scope of the areas serviced.



Promotion of the acquisition of Disaster Prevention Expert certification

The Kyuden Group holds information sessions on the operation of disaster preparedness equipment and materials for all employees who have moved to the Miyazaki area, which is a region that is expected to suffer significant damage in the event of a Nankai Trough earthquake.

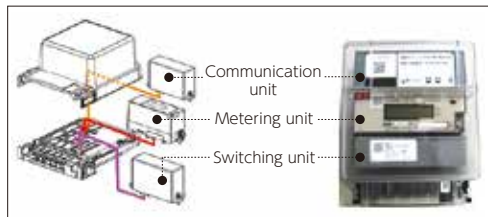
In addition, in order to develop local disaster preparedness leaders and strengthen the resilience of the region, we promote and support employees in the Miyazaki area in order to be certified as disaster prevention experts. (FY2020 results: 22 employees)

● Systematic Introduction of Smart Meters (unit meters)

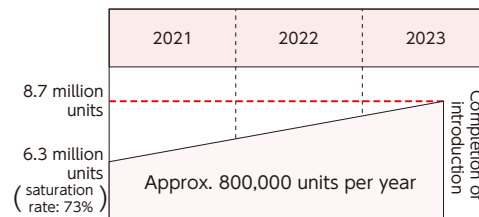
Kyushu Transmission and Distribution has started to introduce smart meters (unit meters) equipped with communication functions in order to improve the efficiency of business operations and customer service. As based on the government's policy of early introduction of smart meters in response to social needs, we will continue to introduce smart meters in a systematic manner.

With the increasing popularization of smart meters, we will work to improve efficiency through the remote reading of electricity usage and elimination of the need for meter replacement work when changing contracts, as well as by providing customers with data on electricity usage and other information, and to identify the extent of incidents such as low-voltage power outages and to ensure early recovery.

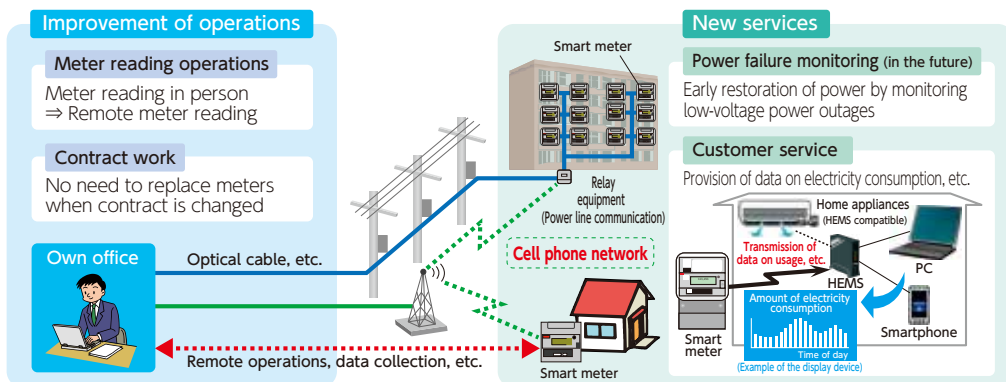
■ Smart Meter (unit meter)



■ Smart Meter Installation Plan



■ The Expected Benefits Once Smart Meters Are in Use



Retail

● Rates and Services Provided According to Social Conditions and Customer Needs

• Plans available for households

Kyushu Electric Power (Kyushu EP) offers discount rate plans for families with babies and for people who have relocated to the Kyushu region. Through such plans, we hope to contribute to the solution of social issues as the region is faced with a declining population, in which the number of seniors is projected to increase and the number of children to decrease. And for people who want to have an eco-friendly lifestyle, there is also a green energy plan that comes from 100% renewable resources, which has an additional benefit because of its certified environmental value.

• Plans available for corporate customers

In September 2018, we established the Renewable Energy ECO Plan, a rate plan for corporate customers that incorporates the environmental value of electricity from renewable energy sources (hydroelectric and geothermal), which Kyushu EP has been actively promoting, in order to support customers' environmental management initiatives.

• Pilot testing of demand response (DR) services for households in collaboration with other companies

Since February 2021, we have been collaborating with SB Power Corp. to offer pilot testing of a DR service that makes use of the smartphone app Kyuden eco/Kirei Life Plus. By optimizing the supply-demand balance using DR (demand response), we aim to create a system that will save energy and lower electricity rates for customers and contribute to reduced supply costs for and effective use of renewable energy by Kyushu EP.

• Price plans that can be selected according to customers' lifestyles and daily routines

Kyushu EP offers a variety of rate plans to suit the diversifying lifestyles and daily routines of customers. The Smart Family Plan for residential customers is available with an optional two-year contract discount (-777 yen/year), which offers savings regardless of the amount of usage. It is possible to compare how rates differ by the plan selected by using the Rate Plan Comparison Simulator on the Kyushu EP website.

Kyuden Anshin Support

Kyushu Electric Power (Kyushu EP) provides services that support people with their daily troubles. By providing these services we aim to help customers to solve common, everyday problems and to contribute to the realization of customers' comfortable and trouble-free (*anshin*) lives.



<p>The circuit breaker often trips! The power outlet isn't working! Who do I ask for assistance?</p> <p>(Anshin) for anything electric Electricity support</p> <p>This is a one-stop service to deal with electricity problems such as a circuit breaker that often trips or an outlet that has stopped working.</p>	<p>I'm a first-time parent and don't have anybody nearby to ask for help.</p> <p>(Anshin) for Mom and Dad Child raising support</p> <p>We provide useful information for parenting, such as things you might want to know about baby food and allergies. We offer support for your child's dietary and intellectual education through the offering of events such as parent-child cooking and crafts.</p>	<p>I'm worried about my child having to live alone for the first time...</p> <p>(Anshin) when something goes wrong Everyday problems support</p> <p>We are available 24 hours a day, 365 days a year to respond to sudden problems, such as lost keys and clogged plumbing.</p>
<p>Wondering if a parent living alone is feeling lonely...?</p> <p>(Anshin) from afar Parental support</p> <p>We regularly visit (or call) parents who live alone and ask how they are doing. If we are unable to contact them, we actually pay a visit if so requested by the customer.</p>	<p>I'm worried about a parent who lives alone...</p> <p>(Anshin) all the time Wellbeing support</p> <p>We can watch over your parent by monitoring their daily electricity usage. If, for example, they would normally be using electricity after getting up in the morning but there has been no increase in the amount of electricity used, you will be informed that there could be something wrong.</p>	<p>I'm too busy to get around to caring for the garden...</p> <p>(Anshin) when you need a hand Lifestyle support</p> <p>We will help you solve your problems faced in daily tasks such as pruning plants in the garden and weeding, and help with the housework.</p>
<p>You might be concerned about there being garbage strewn around a vacant home (your parents' vacated house).</p> <p>(Anshin) wherever home may be Vacant home support</p> <p>We will visit your vacant home (a home owned by your parents or you) and check on its condition. Simple cleaning will be done and you will be informed about the state of the place by email with photos attached.</p>	<p>My family's graves are located so far away that it's almost impossible to pay my respects...</p> <p>(Anshin) for your family Grave upkeep support</p> <p>A simple cleaning of the graves is done on behalf of the customer. Flowers and incense will be placed at the graves. You will be informed about the state by email with photos attached.</p>	

Point service Q-PICO

We offer a point service called Q-PICO to Kyushu EP customers.

No application is required and points can be accumulated at many different times (see the table on the right). We hold events in which prizes can be won by lottery, depending on the number of points accumulated.

Points awarded

Plan	Points awarded
Monthly for all customers	1 pico
Every 100 kWh of monthly usage	1 pico
New contract with Kyushu EP	100 picos
Continuation of contract with Kyushu EP <small>*Only the years since Apr. 2016 shall count as the number of years of the contract.</small>	Contract years x 10 picos (for each year)
Sign up at the Kirei Life Plus site for members <small>*Registration of electricity contract information is required.</small>	10 picos
Sign up for Meter Read Online	1 pico per month
Set contract that includes Kyuden Gas	2 pico per month

You can also accrue points through other campaigns and events designated by Kyushu EP.

Eligible customers

Customers who are currently on any of the following rate plans (Not applicable to customers whose service is contracted under the General Provisions for Remote Island Service)

- Smart Family Plan
- Denka de Naito Select
- Smart Business Plan
- Smart Family Plan (set that includes gas)
- Smart Business Plan (set that includes gas)
- Residential Lighting B
- Residential Lighting C
- Seasonal Lighting
- Time-specific Lighting
- Peak Shift Lighting

The home-targeted brand Kirei Life Plus

Based on our belief that it would be important to collect and respond to the various feedback offered by customers regarding electricity and energy, in January 2016, Kyushu EP launched Kirei Life Plus as a home-targeted brand to connect customers with the company.

Our Kirei Life Plus commitment
For the daily lives of customers; We would like to make sure that cleanliness is what we add to customer's lifestyles, as typified by descriptions such as "comfortable and clean," "eco-friendly and clean," "economical and clean," and "safe and clean."

Kirei Life Plus Logo



Services Provided to Members of Kirei Life Plus

<p>Electricity bill and amount used can be checked on the web!</p>	<p>Past usage can be checked in tables and graphs! (up to 24 months)</p>	<p>Visualization of amount used by the hour and day!*</p>
<p>Useful information for daily life by email!</p>	<p>Overuse warning email* prevents too much usage!</p>	<p>Notification of the optimal rate plan for the customer</p>

*Services for customers using a smart meter

Kirei Life Plus members site

Kyushu EP provides Kirei Life Plus members with convenient services such as being able to check the electricity charge and usage, energy saving ranking to compare one's usage with other households, notification of the optimal rate plans, and the smart meter-triggered email notification about overuse.

The host of other services for which information is provided include "All Electric," "Kyuden Gas," and "Kyuden Anshin Support." In addition, we provide timely local information such as "Kyushu Tips," which features our information on excursions and other topics that our employees report on by tapping into our network of sales offices throughout Kyushu.

Response to Large-scale Disasters

*The Kyuden Group will respond in cooperation with others.

Improvement of Disaster Response Capabilities

Strengthened disaster response system

The Kyuden Group is stepping up cooperation with related organizations to ensure rapid recovery in the event of a disaster.

In August 2013, we entered into an agreement with Japan Ground Self-Defense Force for the airlift of vehicles for power distribution and restoration in the event of a disaster. In April 2017, we entered into an agreement with Japan Maritime Self-Defense Force to secure access routes from the sea in the event of a land route disruption.

In addition, in March 2019, we entered into an agreement with the 10th Regional Coast Guard Headquarters regarding mutual cooperation in times of disaster. In July 2020, 10 general power transmission and distribution companies, including Kyushu Transmission and Distribution formulated a disaster coordination plan stipulating cooperation among general power transmission and distribution companies and related organizations.

Furthermore, in order to further strengthen cooperation with prefectures and municipalities in the Kyushu area, we are working to establish agreements for cooperation in times of disaster.

We will continue to improve our ability to respond to large-scale disasters by developing a response system for early recovery in the event of a disaster.



Agreement finalization ceremony



Loading of equipment and materials onto the 10th Regional District patrol vessel Satsuma

Training to be prepared for large-scale disasters

In order to be in a state of preparedness for possible disasters, the Kyuden Group conducts emergency drills for large-scale disasters during the month of July prior to the typhoon season. We do this so that we can accomplish objectives such as confirming the chain of command and division of roles, making sure that we can provide prompt and accurate information internally and externally, and maintaining our ability to respond to the needs of customers.

In addition, based on cooperation agreements with relevant organizations, we participate in disaster-preparedness drills held by local governments jointly with the Self-Defense Forces to ensure the prompt restoration of lifelines in the event that areas with power outages are isolated.



High-voltage generator airlift training with the Self-Defense Forces at Fukuoka Prefecture disaster drills

Responding to large-scale disasters

In the event of large-scale disasters such as typhoons or torrential rain, the Kyuden Group has established a unified disaster response system, working together with partner companies and government agencies to resolve power outages and quickly disseminate information. In September 2020, Typhoon No. 10 caused power outages in as many as 480,000 homes, mainly in Nagasaki and Kagoshima prefectures. We mobilized a total of about 7,300 personnel from various prefectures in Kyushu, including individuals from partner companies, to work on the early restoration of power, with the cooperation of local governments and the Self-Defense Forces.



Stepping up cooperation with other companies to support affected areas in times of disaster

In the event of a large-scale disaster, Kyuden Group, in addition to offering response for the restoration of electric power, engages in activities to support affected areas in cooperation with other companies.

In May 2019, Kyushu Electric Power (Kyushu EP) entered into an agreement about coordination in the event of a disaster with the NTT DOCOMO Kyushu Branch Office (referred to herein as DOCOMO). Based on the agreement, DOCOMO would deploy DOCOMO's disaster-ready chargers (multi-chargers*) at 50 of Kyushu EP's sales offices by FY2019, and will cooperate with DOCOMO in providing services to support disaster-stricken areas in the event of a disaster.

*Compact, lightweight, and easy-to-carry chargers for charging smartphones and cell phones



Installation of multi-chargers at sales offices

In December 2019, we entered into an "Agreement Concerning Mutual Support During a Disaster" with Aeon Co., Ltd.

Under this agreement, in the event of a large-scale disaster, Aeon will provide relief supplies and lend us space to set up recovery bases. In addition, the Kyuden Group will supply electricity to temporary evacuation sites set up by Aeon based on requests from local governments to the extent possible, taking into consideration the extent of damage to and restoration status of each facility.

This is how we will strive to smoothly enact support activities in the event of a large-scale disaster and thereby make further contributions to the local community, while continuing to fulfill our social responsibility as a lifeline that supports the lives of customers in the community.

Agreements Entered into with Related Organizations for the Purpose of Disaster Response (list of major agreements)

Date of agreement	Agreement partner	Main details
Aug. 2013	Japan Ground Self-Defense Force	<ul style="list-style-type: none"> Transportation of recovery materials and equipment, personnel, and disaster recovery vehicles*1 Power supply to Self-Defense Forces' bases of operations, etc.*2 Mutual use of heliports*3
Apr. 2017	Japan Maritime Self-Defense Force	<ul style="list-style-type: none"> Transportation of recovery materials and equipment, personnel, and disaster recovery vehicles*1 Power supply to Self-Defense Forces' bases of operations, etc.*2 Mutual use of off-site take-off and landing areas*3
Jun. 2018	Lawson, Inc.	<ul style="list-style-type: none"> Provision of relief supplies*1 Provision of information on power outages in the affected areas, etc.*2
Jun. 2018	West Nippon Expressway Company Limited	<ul style="list-style-type: none"> Provision of service areas and parking areas that serve as bases for emergency vehicle traffic and disaster relief*1 Provision of road damage information*2
Mar. 2019	10th Regional Coast Guard Headquarters	<ul style="list-style-type: none"> Transportation of recovery materials, equipment, and personnel*1 Power supply to the facilities and operation bases of the 10th Regional Coast Guard Headquarters*2
May 2019	NTT DOCOMO, Inc. Kyushu Branch Office	<ul style="list-style-type: none"> Deployment of disaster-responsive chargers (multi-chargers) at 50 sales offices and provision of services for times of disaster*3
Dec. 2019	Aeon Co., Ltd.	<ul style="list-style-type: none"> Provision of relief supplies and rental space for setting up recovery centers*1 Supply of electricity to Aeon facilities designated by the local government*2

*1 Partners' areas of cooperation

*2 Our areas of cooperation

*3 Areas of mutual cooperation

Supporting the recovery of disaster-stricken areas with flush toilets with a fully self-contained treatment system

Group company Nishimu Electronics Industries Co., Ltd. provides the Towaillet, a flush toilet with a fully self-contained treatment system.

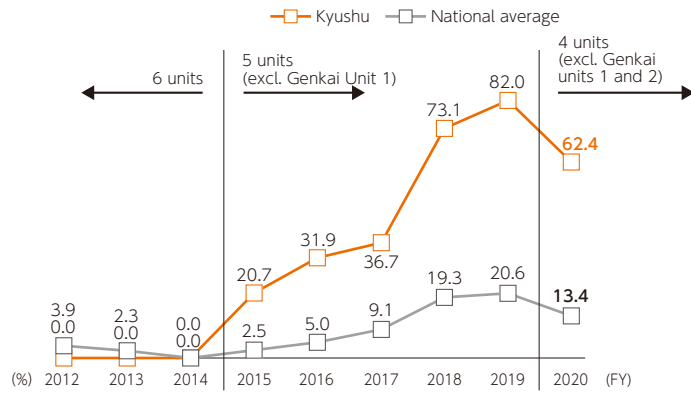
Since it does not require lifelines such as water or electricity and its key feature is that it can be used simply by setting it up anywhere. It was made available by rental to support the recovery of the affected areas during the heavy rains in Northern Kyushu in 2017, the heavy rains in Western Japan in July 2018, the heavy rains in Northern Kyushu in 2019, and the heavy rains in July 2020.



Towaillet units set up for use in the affected area during the July 2020 torrential rains.

Other Related Data

● Nuclear Power Station Utilization Rate



■ Amounts of Radioactive Solid Waste, Accumulated Emissions, and Cumulative Amounts Stored at Nuclear Power Stations (as of the end of each fiscal year)

Unit: Drums (200-liter drum equivalent)

	2017				2018				2019				2020			
	Accumulated generation	Accumulated emissions	Quantity stored Inside the NPS	Quantity stored Carry-out amount	Accumulated generation	Accumulated emissions	Quantity stored Inside the NPS	Quantity stored Carry-out amount	Accumulated generation	Accumulated emissions	Quantity stored Inside the NPS	Quantity stored Carry-out amount	Accumulated generation	Accumulated emissions	Quantity stored Inside the NPS	Quantity stored Carry-out amount
Genkai NPS	225	0	40,907	9,144	-1,651	1,848	39,256	10,992	-838	1,720	38,418	12,712	-270	1,720	38,148	14,432
Sendai NPS	-208	0	24,614	320	1,661	320	26,275	640	1,028	0	27,303	640	570	0	27,303	640
Total	17	0	65,521	9,464	10	2,168	65,531	11,632	190	1,720	65,721	13,352	300	1,720	66,021	15,072

*The accumulated generation and accumulated emissions are the quantity of the volume generated minus the amount of reduced volume in the plant.

Supply Chain

Policy and Approach

In order to provide products and services of value to our customers, it is necessary to procure safe and high-quality materials and equipment in an economical and stable manner. In the process of procurement, we recognize the importance of fulfilling our corporate social responsibility in the related supply chain (a series of processes from raw material procurement to manufacturing, transportation, maintenance, operation, and disposal), including compliance with laws and regulations (such as the prohibition of child labor and forced labor) and consideration for the environment. In light of this, the Kyuden Group has established the Basic Policy for Procuring Materials under the Kyushu Group CSR Charter. We believe that the understanding and cooperation of our business partners is indispensable for us to thoroughly implement procurement activities based on these policies. As such, we are striving to build strong partnerships with our business partners through activities aimed at promoting understanding of our policies.

Basic Policy for Procuring Materials

1 Open procurement

We widely procure materials that meet the operational needs of our business and are favorable in terms of quality, price and delivery conditions from domestic and overseas suppliers.

2 Fair and equitable business activities

We conduct fair and equitable business activities with respect to our business partners in all our procurement activities. This includes an equitable selection of suppliers based on rational and fair valuation, comprehensively taking into consideration a variety of factors such as: quality, technical capabilities, price, operational and financial conditions, punctual and reliable delivery, after-sales service, compatibility with existing facilities, environmentally-friendly practices, and actions for continual improvement.

3 Compliance with laws, ordinances and social norms

We not only respect human rights but also comply with domestic and international laws and ordinances and their spirit, as well as social norms, in all of our procurement activities. We expect the same level of compliance from our suppliers.

4 Disassociation with anti-social forces

We will cease relations with any anti-social forces that represent a serious threat to the order and security of our civil life. We expect the same level of compliance from our suppliers.

5 Environmental considerations

We undertake procurement activities while giving consideration to environmental conservation and the effective utilization of resources. One of the corporate practices we have established for these purposes is the promotion of "green procurement," which prioritizes the procurement of eco-friendly products and, with the cooperation of our suppliers, contributes to the creation of a recycling society.

*The underlined section is not contained in the Basic Policy for Procuring Fuel.

6 Safety assurance

We require that our suppliers implement appropriate safety and health management procedures in order to prioritize the safety of the general public and workers. In this way, with the cooperation of our suppliers, we can ensure safety and prevent accidents.

7 Thorough information security and protecting personal information

We properly manage and protect, in cooperation with our suppliers, confidential and personal information obtained through business transactions pertaining to both parties.

8 Compliance with contracts and observing contracts in good faith

We observe contracts concerning business transactions and fulfill contractual obligations in good faith while requiring the same of our suppliers.

9 Promotion of communication to establish mutual trust

We aim to establish mutual trust through transparent procurement, the promotion of good communication and sound, reasonable relationships with our suppliers.

10 Creation of new value

We encourage our suppliers to be sincerely devoted to the creation of new value and we respect them as our business partners. We aim for mutual prosperity with our business partners by pursuing appropriate quality and prices.

11 Contribution to society and regional communities

We believe it is important to contribute, through our procurement activities, to the development of the regions in which we are based and society in general as a "good corporate citizen" along with our business partners.

Established: July 2008

Revised: April 2020

Request to Business Partners

In order to conduct fair procurement activities based on mutual trust with all parties involved in business transactions, the Kyuden Group requests the cooperation of business partners and other related parties in the entire supply chain (suppliers, subcontractors, outsourcers, etc.) in regard to the following 10 items.

1 Compliance with laws and social norms

- Compliance with relevant domestic and international laws and regulations and their spirit, as well as social norms

*Laws and regulations and social norms include not only civil law, commercial law, antitrust law, laws related to intellectual property, etc., but also laws and regulations and social norms related to labor, basic human rights, and other important issues that should be observed in the course of fulfilling social responsibilities.

2 Rejection of relations with antisocial forces

- Rejection of relations with antisocial forces that threaten the order and safety of civic life

3 Compliance with contracts and the execution of obligations in good faith

- Compliance with contracts and execution of the obligations contained therein in good faith

4 Consideration for the environment

- Compliance with environmental laws and regulations (Waste Management and Public Cleansing Act, Construction Material Recycling Act, etc.)
- Efforts to improve the environmental performance of products (energy conservation, recycling, long life, waste reduction, etc.)
- Promotion of environmentally friendly business activities (green procurement, etc.)

5 Assurance of safety

- Compliance with safety-related laws and regulations
- Assurance of public safety
- Assurance of work procedures and environments that prioritize safety

6 Thorough enforcement of information security

- Compliance with the Act on the Protection of Personal Information
- Strict management and protection of management and technical information obtained in the course of business activities

7 Stable delivery

- Establishment of a stable delivery and execution system

8 Superior after-sales services

- Cooperation with maintenance
- Appropriate support and warranty against defects
- Assurance of response capabilities and quick response in case of emergency

9 Pursuit of reasonable prices and maintenance/improvement of quality and technical capabilities

- Further efforts to ensure reasonable prices
- Continuing efforts to maintain and improve quality and technological capabilities

10 Promotion of positive communication

- Actively seek to obtain feedback, requests, suggestions, etc.

Promotion Framework

Responsible authorities: Operation Division, Kyushu Electric Power

Targets

Item	Targets	Results
Conducted CSR questionnaire targeting business partners	Once (FY2020)	Once (FY2020)

Initiatives

Conducted Questionnaire Targeting Business Partners

We send information and visit business partners as part of our efforts to raise awareness and deepen understanding of our Basic Policy for Procuring Materials, requesting their kind cooperation. In addition, we conduct a questionnaire survey on CSR among our major business partners every year, and provide them with information and proposals to solve their needs and problems.

Community

Policy and Approach

The Kyuden Group has developed alongside Kyushu as a company rooted in the region. Based on the belief that the sustainable development of the region is essential for the continuation of our business, we will help create sustainable communities by working to solve local social issues in cooperation with residents, municipalities, academic research institutes, and local companies.

Basic Policy for Community and Social Coexistence

The Kyuden Group will actively promote activities in harmony with local communities and society as a good corporate citizen based on the following principles, with the aim of realizing a comfortable and affluent region that enjoys continual growth.

- 1 In the fields of regional development, culture and the arts, sports, academia and education, social welfare, health and medical care, international exchanges, and environmental conservation, we will work to create an attractive region and nurture the next generation, as well as to solve issues facing communities and society.
- 2 We will make effective use of our business resources.
- 3 By disclosing the details of our activities and communicating with our stakeholders, we will reflect their opinions in our activities and promote collaboration with local communities and society.
- 4 We will support the community activities that our employees engage in as citizens.

Established: April 2006
Revised: April 2020

Promotion Framework

Responsible authorities: District Symbiosis Division, Kyushu Electric Power (Kyushu EP)
Planning & General Affairs Division, Kyushu Transmission and Distribution (Kyushu T&D)

Targets

Item	Targets	Results
No. of participants in KYUDEN i-PROJECT	100	160
Commercialization and service creation No. of individual projects leading to final proposals	3 to 5	1
No. of projects commercialized in the Q-Den Nigiwai Startup Project* (Promotion of local industries, job creation, and increasing no. of visitors to the Kyushu region)	2	1
Support for local organizations working to foster the next generation (no. of subsidized organizations) (Contribution to a society friendly to the elderly and children)	23	20

*Efforts to solve local issues in collaboration with local residents by building a sustainable business model

Initiatives

● Establishing a Model for Regional Revitalization through Collaboration between Industry, Academia, and Government

Kyushu EP has concluded comprehensive cooperation agreements with municipalities, academic research institutes, and other organizations regarding safe and secure community development and vibrant and attractive community development, and is promoting solutions to each region's problems and sustainable community development. Specifically, by utilizing the Kyuden Group's management resources, products, and services, we are working to improve systems for early recovery in the event of a disaster and strengthen the functions of evacuation centers, including the necessary equipment and supplies; to promote industry by utilizing the region's tourism resources; and to create learning and communication opportunities for residents. Through initiatives based on these agreements, we will contribute to solving social issues and achieving sustainable development in the Kyushu region.

Status of conclusion of comprehensive cooperation agreements (municipalities)

Period of agreement	Signed by
FY2018	Hisayama Town
FY2019	Kumamoto Pref., Aira City (Kagoshima Pref.), Kasuya Town, Asakura City
FY2020	Ukiha City, Yame City, Yanagawa City, Dazaifu City, Shime Town, Tsushima City (Nagasaki Pref.), Nakagawa City, Kurate Town

*Municipalities not indicated by a prefecture name are located in Fukuoka Prefecture.



● Promoting Innovation

In January 2017, we launched the KYUDEN i-PROJECT to promote innovation throughout the Kyuden Group and create new businesses and services.

In Kyushu, the bedrock of the Kyuden Group, we will help to create comfortable and environmentally friendly lives for our customers by solving the issues of customers and society through our innovations.

We will also aim to create world-class businesses and services from Kyushu that will change the world.

Innovation across the group • Creation of innovation across the Kyuden Group

In FY2017, we held i-Challenge, a business idea creation project.

From across the Kyuden Group, we recruited people and teams who have enthusiasm and interest in innovation, and sought to generate promising ideas through the combination of a "nurturing phase" involving workshops and mentoring by outside experts, and a "selection phase" involving presentations.



i-Challenge

Co-creation with other companies (open innovation)

By collaborating with outside parties, we will share not only the resources of the Kyuden Group but also the technologies, know-how, and ideas of others to co-create new businesses and services.

• Salmon farming on a land-based aquaculture farms

Kyushu EP, in cooperation with NICHIMO Co., Ltd., Nishinippon Plant Engineering and Construction Co., Ltd., and Idouchi Salmon Farm Co., Ltd., is working on the commercialization of an onshore salmon farm using the site of Kyuden's Buzen Power Station (Buzen City, Fukuoka Prefecture).

The land-based salmon farm that we are considering constructing is expected to be the largest in Kyushu, with an annual production capacity of approximately 300 tons. Through this venture, we aim to contribute to the stable supply of marine products in Japan.



"Mirai salmon" raised in a fish farm

Main commercialization projects born from the KYUDEN i-PROJECT

Hydroelectric power operation improvement project by Kyuden Innovatech Vietnam, a local corporation in Vietnam



Kyuden Drone Services, which offers drone-based aerial video capture, video editing, 3D image creation, and other services



Okeiko Town, a marketplace for matching students with teachers or tutors



● Q-Den Nigiwai Startup Project

Kyushu Electric Power (Kyushu EP) launched the Q-Den Nigiwai Startup Project in July 2019, which aims to solve local issues by building sustainable business models in collaboration with local communities.

With the aim of revitalizing the region in a sustainable manner, this project will focus on the themes of "increasing the number of visitors to the area," "creating a population of people who relate to and settle in the region," and "promoting local industry." We will work together with local residents to plan and jointly undertake businesses that solve issues related to the sustainability of the region.

We recruited for local organizations to become project partners, and are currently working on the project in two locations. In October 2020, we established the Kyuden Nigiwai Startup Company, a general incorporated association that will serve as the business entity for the project.

Introduction of two sites

Higashisonogi Town, Nagasaki Prefecture

In December 2019, we began discussions with Higashisonogi Hitokotomono Foundation, our partner in this venture, and decided to commercialize the project in November 2020. The project will include the sale of products to increase the number of visitors to the area, and the development of a community hub to create a population of people who relate to and settle in the region.

In February 2021, as part of the product sales business, we developed and started selling a brand of Sonogi tea, a specialty green tea of Higashisonogi Town. The town has a strong association with whales, so we also developed whale-themed Japanese sweets: a new local delicacy called Kujira Monoka, and Kujira Yaki, served from mobile vending trucks.

We will continue to promote the charms of Higashisonogi Town through the sale of these products, and to work with the local community on projects that will lead to the revitalization of the region, such as the development and operation of the community hub, which will open in the winter of 2021.

Higashisonogi Town, famous for its Sonogi tea



Aijima, Shingu Town, Kasuya, Fukuoka Prefecture

In light of the area's declining and aging population, we aim to encourage people to relocate and settle in the area through the operation of community and accommodation facilities utilizing vacant houses and land.

Aijima, a popular island home to many cats



● Revitalization of Primary Industries

Group company Nishimu Electronics Industries, Co., Ltd. provides the MIHARAS IT sensor for agriculture, helping reduce the workload of farmers, etc.

In addition, Kyuden Sangyo Co., Inc. operates an online shopping site called Kodawari Kyushu iimono meguri, which introduces outstanding products from all over Kyushu and supports the promotion of local products.



Kodawari Kyushu iimono meguri
Introducing outstanding products
from all over Kyushu

Kodawari Kyushu iimono meguri

● Demonstration of Strawberry Cultivation to Promote the Spread of Smart Agriculture

The Research Institute of Kyushu EP is engaged in research aimed at promoting the spread of smart agriculture, which will lead to labor-saving and productivity improvements in agriculture. As part of this research, in August 2019 we established the Kamidera Strawberry Farm, a farming facility to test our smart agriculture systems, in Asakura City, Fukuoka Prefecture.

Here, we have been cultivating popular varieties such as Sagahonoka by utilizing our pool of technologies and know-how related to agricultural electrification, hydroponics, etc. We started selling these strawberries at a local roadside station in Asakura City in December 2019, and at a department store in Fukuoka City (for a limited time) in April 2021.

We hope that the results of our tests will help to improve the productivity of farmers and revitalize primary industries in Kyushu.



Inside a strawberry greenhouse



Strawberries on sale at a Michi-no-Eki, a roadside rest area

● Promotion of Tourism and Revitalization of the Region by Utilizing Local Resources

Kyushu EP is taking a variety of initiatives to contribute to the promotion of tourism and revitalization of the region by utilizing local resources.

Infrastructure tourism using electric power infrastructure (dams, power stations, etc.)

Until FY2019, we offered tours that packaged visits to local landmarks and tourist facilities with guided tours of electric power facilities normally closed to the public and programs to experience simulated facility inspections. In addition, we also issued a series of collectible dam cards and other products in cooperation with tourist facilities, etc., which proved very popular.

In FY2020, in light of the COVID-19 pandemic, in-person tours were cancelled and online remote tours were offered instead.



Dam card



Visitors walking along the inspection walkway of Kamishiiba Dam, Miyazaki Prefecture

Establishment of a consortium with municipalities, local companies, etc.

In July 2020, we established a consortium (Kyushu Tourism Promotion Consortium) with municipalities and local companies in southern Fukuoka and northern Kumamoto prefectures. Through this consortium, we are developing itineraries, experiences, and local products that focus on the inherent charms of Kyushu, as well as using ICT to disseminate information and provide services.

Support for the introduction of electronic gift certificates and local currency platforms

Since FY2019, we have been collaborating with SBI Holdings, Inc. and The Chikuho Bank, Ltd.* to provide an information platform for digitizing premium gift certificates with the aim of revitalizing local economies and communities by circulating currency within the region. In FY2020, we introduced this platform in five areas, including Ukiha City, Fukuoka Prefecture.

*In May 2021, a new joint venture company (Machi no Wa Co., Ltd.) was established with the aim of further strengthening collaboration between the three companies and vigorously promoting regional development and revitalization while utilizing knowledge gained from past initiatives.

● Urban Development and Real Estate Business, Social Infrastructure Business

The Kyuden Group will actively participate in projects that make the most of its strengths as a group to accelerate growth and contribute to the development of communities and society through its business activities.

Urban development and real estate business

We are engaged in a wide range of urban development and real estate businesses in Japan and overseas, with a focus on Kyushu.

In the future, in addition to expanding existing businesses such as offices and residences, we will also intensify our efforts to undertake the overall development of fields such as urban development and mixed-use development, and to cultivate new profitable businesses in areas such as industrial real estate, including logistics facilities where there is the potential for synergy with the electric power industry.

Along with Kyushu, we will promote the expansion of our business activities to other areas of Japan and overseas.



Development of an office building in Chuo Ward, Fukuoka City (to be completed in spring 2022)



Project to utilize the former Fukuoka City fruit and vegetable market site (to open in spring 2022)



Project to develop a public facility complex on the site of the former Oita City Niagemachi Elementary School (to open in spring 2024)



Logistics facility business in Fukuyama City, Hiroshima Prefecture (acquired in March 2021)



Development of rental housing complex in Atlanta, U.S.A. (completed in May 2021)

Social infrastructure business

Kyushu Electric Power (Kyushu EP) and other companies jointly acquired the rights to operate Fukuoka Airport (private operation began in April 2019), Kumamoto Airport (private operation began in April 2020), and Hiroshima Airport (private operation began in July 2021) through a public selection process.

We will steadily move forward with the operation of these three airports, and will also consider expanding into other fields of social infrastructure.

We will help to achieve a decarbonized society by promoting development that is friendly to the environment, including the promotion of electrification, improved energy efficiency, and effective use of renewable energy.

As a platform to support urban infrastructure, we will provide a variety of services including energy, ICT, and area management.



Kumamoto Airport new terminal building (to open in spring 2023)

● Attracting Companies to Kyushu

The Kyuden Group is actively working to attract companies from outside the Kyushu region by utilizing its network spanning throughout Kyushu.

Kyushu EP has branches located in each prefecture of Kyushu that work together with municipalities to support the expansion of companies into Kyushu. In particular, we use Kyuden Group products to introduce ideal products and services for when companies construct new factories and offices or relocate.

Kyushu Transmission and Distribution provides support to companies expanding into Kyushu by offering various consultations relating to the supply of electricity at industrial parks and other matters.

The Kyuden Group will continue to promote activities to attract companies to Kyushu by utilizing our strengths in cooperation with municipalities and other related organizations.



● Activities to Help Raise the Next Generation

The environment in which children are brought up in Japan is changing drastically due to the country's declining birthrate and aging population, the growing strain on family life, and the weakening of community ties. In order to support the healthy growth of the children who will be the future of Kyushu, the Kyuden Mirai Foundation provides grants to NPOs and other organizations involved in activities to support the development of the next generation. In FY2020, we received 102 grant applications, and after a selection process by a screening committee, we awarded grants to support 23 activities.

We also aim to publicize the wonderful activities of each of our grant recipients by covering their activities and introducing their activities and the aspirations behind these on the Kyuden Mirai Foundation's Facebook page, etc.

Kinds of activities we support

• Support activities for children

Activities aimed at nurturing children's social skills, cooperativeness, and moral compass through hands-on experience.

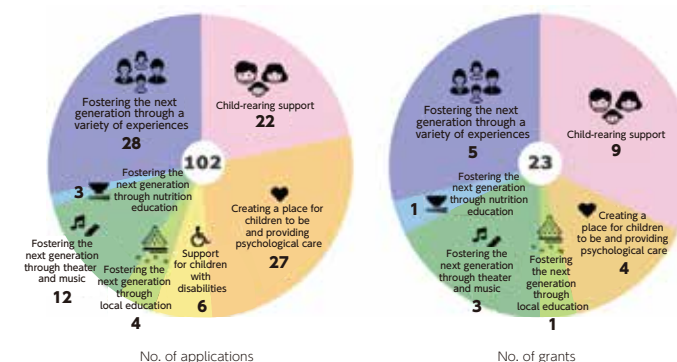
• Support activities for households raising children

Activities aimed at alleviating the difficult circumstances surrounding households raising children, such as increasing pressure on family time and non-regular employment, and the weakening of community ties



Application flyer

FY2020 applications and grants by activity field



Grantees for FY2020



Organization: NPO Ichigo Ichie—Asuka's Family
Name of Activity: Laugh and be Cheerful Project by a Red-Nose Clown, an Emissary of Laughter

A red-nosed clown visits hospitals to bring smiles and laughter to children undergoing long-term treatment, as well as to train and raise awareness of clowns.



Organization: Re-area
Name of Activity: Disaster Preparedness Camp for Children in Disaster-hit Regions

This project aims to raise awareness of disaster preparedness and develop the next generation's ability to live and support themselves through a two-day/one-night disaster preparedness camp that simulates the disruption of lifelines during a disaster.

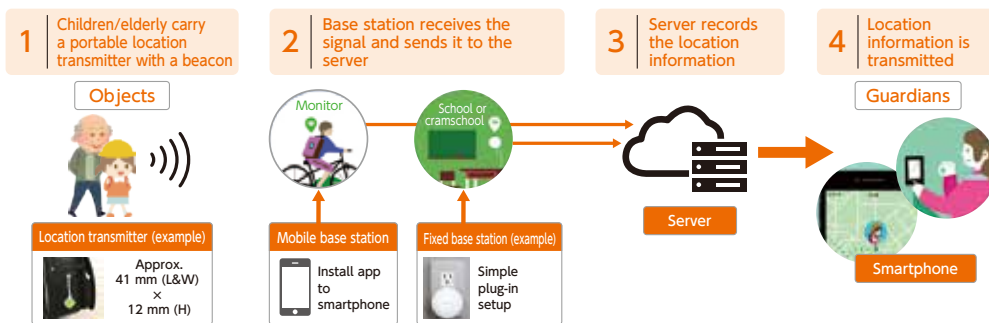


Organization: Minami-Aso, the Land of Picture Books
Name of Activity: Child-rearing Plaza in the House of Picture Books

A place where parents and children can gather and make friends through picture book readings and workshops.

● Provision of a Community Watchdog Service for Children and the Elderly That Makes Use of IoT Technology

Kyushu Transmission and Distribution is providing a new community watchdog service called Qottaby in Fukuoka City, Kasuya Town and Hisayama Town. This service, born from the Kyuden Group's innovation project the KYUDEN i-PROJECT, allows parents and guardians to check the location of elementary school children and elderly people who carry a portable location transmitter equipped with a beacon (radio wave transmitter) using their smartphones.



● Medical Transport Doctor Heli

Nishi Nippon Airlines Co., Ltd., a group company, is participating in the medical helicopter business Doctor Heli in five prefectures in Kyushu (Fukuoka, Saga, Oita, Kumamoto, and Miyazaki) by utilizing its strengths cultivated in the helicopter business. Based on requests for dispatch from fire departments, etc., these helicopters provide support for life-saving medical care by promptly sending doctors to patients in need of critical assistance.



Doctor Heli

● Helping Solve Regional and Social Issues through the Kyuden Group's Diverse Products and Services

Since February 2019, we have been selling the Kyuden Group's various products and services to municipalities and companies under the WithQ brand. WithQ offers a wide range of products in four categories of high interest to local communities and society, including disaster measures and heatstroke measures, and supports responses to various risks caused by the increasing frequency and severity of natural disasters along with the increasing complexity of information security measures.



<p>Disaster measures</p> <p>Watt Satt charger that charges phones with rainwater or seawater (Kyuden Sangyo Co. Inc.)</p>	<p>Heatstroke measures</p> <p>Thermal insulation sheets (top heat barrier) that reduce heat from rooftops by approx. 90% during hot summer hours (Kyuden Technosystems Corporation)</p>
<p>Information security</p> <p>QT PRO Managed Security Service that protects data from cyber attacks (QTnet, Inc.)</p>	<p>Switch to LED</p> <p>Proposing optimal lighting and switching lighting fixtures to LED (Seishin Corporation)</p>

In addition, since 2020, we have offered a new lineup of related products by customer segment, including medical institutions, offices, and manufacturing sites, enabling us to come up with optimal proposals that solve the specific issues facing each customer.

▼ The three customer categories handled by WithQ

<p>Medical institutions</p>	<p>Offices</p>	<p>Manufacturing sites</p>
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● These products are only a part of the WithQ lineup. For more details, please search for WithQ.

● Stakeholder Engagement

The Kyuden Group is involved with various stakeholders in the course of its business activities. We undertake a variety of communication activities to elicit the understanding and opinions of our stakeholders regarding our business activities and to build better relationships with them.



■ Key Communication Opportunities with Stakeholders

Stakeholders	Main communication opportunities
Customers	<ul style="list-style-type: none"> Listening to opinions at call centers, sales office counters, etc. Daily sales activities
Communities	<ul style="list-style-type: none"> Various community contribution activities and activities to solve community issues Dialogue meetings with local customers Communication activities with people in areas around power stations and throughout Kyushu Communication activities with municipalities
Shareholders and investors	<ul style="list-style-type: none"> General Meeting of Shareholders Business summary briefings for institutional investors Briefings for personal investors Individual visits to domestic and overseas institutional investors
Supply chain (business partners)	<ul style="list-style-type: none"> Business partner briefings Support for business partners' CSR promotion using opportunities at briefing sessions Individual visits to business partners
Employees	<ul style="list-style-type: none"> Employee satisfaction surveys Labor-management round-table discussions Dialogue between top management and employees Communication through the company intranet "Tsunagaru' site," etc.

● Promotion of Communication with Stakeholders

In order to explain the group's business activities and listen to customers' opinions and requests, the Kyuden Group promotes face-to-face dialogue with local residents and customers using various communication opportunities, such as home visits and dialogue meetings.

In addition, we are making proactive efforts to further promote our activities, such as by preparing original explanatory materials for local customers and forming a dialogue promotion team. (FY2020: Communication with approximately 30,000 people)



Home visit



Dialogue meeting with customers

Kyuden open days

In order to express our gratitude to our local customers for their continued patronage, we hold Kyuden open days at our business sites throughout Kyushu, where people can enjoy various events. In addition to events related to electricity, such as the chance to ride on an aerial work platform and an IH cooking experience, other fun activities include rugby classes and a drone test flight. In FY2020, the number of participating locations and the content of events were scaled down in order to prevent the spread of COVID-19.



Kyuden open day

Using a variety of opportunities for communication

In addition to home visits, we also communicate with customers using a variety of other opportunities, including on-demand lessons and facility tours. Along with traditional face-to-face activities, we are also working to expand communication opportunities using digital technology, such as on-demand lessons and power station tours.



Facility tour



On-demand lesson

Community contribution activities by Kyushu Electric Power Kyuden Voltex, our rugby club

Kyuden Voltex works to encourage young people to keep healthy and promotes sports in local communities by holding tag rugby classes in cooperation with elementary schools throughout Kyushu, and by participating in local sports events. The team is also actively involved in volunteer activities such as disaster recovery efforts.



Tag rugby class



Volunteer activity

● Communication That Reflects the Needs of Shareholders and Investors

Kyushu Electric Power established the IR basic policy so as to build relationships of trust and increase satisfaction by enhancing two-way communication with shareholders and investors. This policy forms the backbone of our various IR activities.

Utilizing the Internet, teleconferences, and other media, we are actively working to enhance communication through such means as business summary briefings led by executives, briefings on businesses and ESG that are of high interest to investors, and other individual activities to facilitate dialogue. Opinions and requests received from shareholders and investors are periodically reported to the Board of Directors for internal feedback, and are reflected in the group's management.

Furthermore, we strive to actively disseminate information in an easy-to-understand manner by disclosing materials from briefings, IR tools, financial information, stock information, and other information on our website.

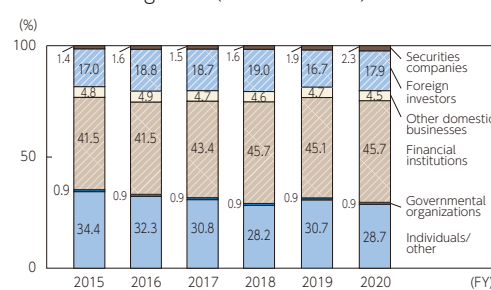
What is more, at the General Meeting of Shareholders, we strive to manage the proceedings in ways that make it easy to participate in and understand from the viewpoint of shareholders, including:

- Live streaming via the Internet
- Introduction of a system for exercising voting rights via the Internet and smartphones
- Improvement of the contents of convocation notices, business reports, and other related materials, and changes in design to make them easier to read
- Placement of convocation notices on the website prior to their dispatch

■ Main IR Activities (FY2020)

Target	Content
Analysts/ Institutional investors	<ul style="list-style-type: none"> • Semi-annual business summary briefings by top management • Thematic business briefings and ESG briefings • Meetings with domestic and overseas institutional investors • Posting of IR-related information on the website
Personal investors	<ul style="list-style-type: none"> • Briefings for personal investors • Dissemination of information to shareholders and investors through various media

■ Shareholding Ratio (common stock)



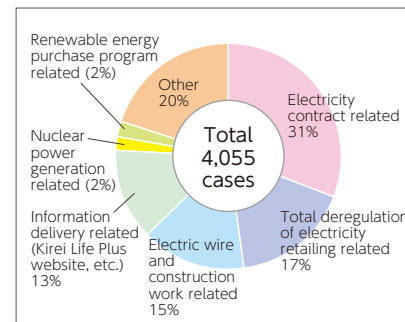
● Business Operations That Respect Customers' Opinions

The Kyuden Group received approximately 4,000 items of feedback from customers in FY2020 through day-to-day business activities, dialogue with customers, and other sources.

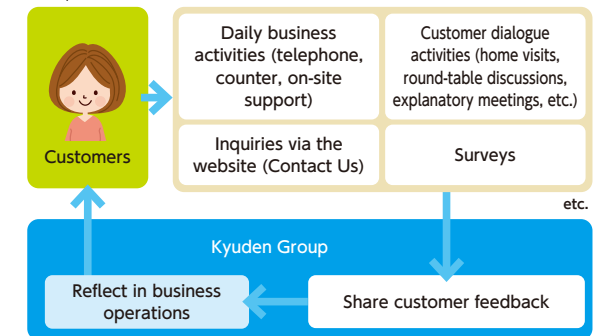
We share customer feedback across the entire group, including top management, initiating inter-departmental discussions on measures for improvement, and reflecting the results in our business operations.

We will continue to listen carefully to the voices of our customers and strive to respond promptly to their needs.

■ Number of Cases/Breakdown of Customer Feedback



■ A business Management System That Values Customer Opinions

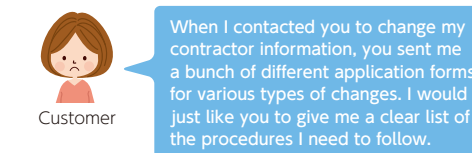


■ Examples of How We Listen to and Respond to Customer Feedback Featured on Our Website

We post examples of how we have used customer feedback to improve our business operations on our website. We will continue to post such information as needed.



■ Example of How We Have Reflected Customer Feedback in Our Business Operations



We created a page that provides a summary of the procedures for change of name on various contracts.



Business summary briefing (online conference)



Briefing for personal investors (webcast)

● Active Disclosure and Dissemination of Information

Basic stance on the disclosure of information

The Kyuden Group has established the Disclosure Commitment. This provides an overview of our basic stance on the disclosure of information so as to gain the understanding and trust of our customers and local communities by increasing the transparency of our corporate activities.

Based on this stance, we proactively disclose and disseminate information on all aspects of our corporate activities, including management information, problems at power stations, safety measures at nuclear power stations, and corporate PR. To do so, we utilize various media, such as press releases, websites, social media, and pamphlets.

■ Disclosure Commitment

1. We will proactively disclose information to customers.
2. We will disclose information in an easy-to-understand, prompt, and accurate manner from the customer's point of view.
3. We will identify customers' information needs at every opportunity.
4. We will always examine information ourselves to ensure that there are no gaps in awareness or perception between us and our customers.

Established: April 1999
Revised: April 2020

Joint efforts by the Kyuden Group to promote the disclosure of information

The Kyuden Group works to actively disclose and disseminate information, and have established systems for the disclosure of information, including the appointment of information disclosure officers at their head offices and other organizations. We are also striving to promptly and accurately disclose information on events that affect customers and society, such as the occurrence of accidents, as well as on violations of laws and regulations and acts that violate corporate ethics. Furthermore, the Kyuden Group is united in its efforts to promote the disclosure of information. In addition to making press announcements in cooperation with group companies, we raise awareness of the importance of disclosing information and share information when we hold liaison meetings for the entire Kyuden Group.

■ Results of Information Disclosure on Outage and Facility Problems

	FY2018	FY2019	FY2020
Outage	8	7	5
Nuclear power	2	1	2
Facility problem	7	2	3
Other	3	2	9
Total	20	12	19

Main contents in FY2020

- Outage attributable to human error
- Fire at Unit 3 of the Genkai Nuclear Power Station



On-site disclosure by a group company (large tidal current generator at Kyuden Mirai Energy)

Disclosure and dissemination of information through press conferences by the president, press releases, etc.

The Kyuden Group discloses and disseminates information through press conferences by the president, press releases, and other means in order to promote understanding of our corporate activities.

Along with using charts and graphs to make press conferences easier to understand, we also hold open days, tours, study sessions, and other events for the media to ensure accurate reporting on the business operations of the Kyuden Group.

■ Results of Press Releases and Other Initiatives Targeting the Media*

FY2020 results		
Press conferences by the president	3	<ul style="list-style-type: none"> • Financial Results for FY2019, partial revision of the company's organization • The 96th General Meeting of Shareholders, executive appointments • Financial results for the second quarter of FY2020
Press releases	296	—
Open days/Tours/Study sessions	91	<ul style="list-style-type: none"> • Briefing on safety measures at Sendai Nuclear Power Station • Open day for the start of construction of the detour road at Sendai Nuclear Power Station • Open day for a multi-purpose AI camera demonstration experiment • Study session on the electricity trading market

*Total for the Kyuden Group



Press conference by the president

Active dissemination of information through various media

• Dissemination of information through the website

The Kyushu Electric Power (Kyushu EP) website provides information on its overall corporate activities in an easy-to-understand, prompt, and accurate manner so as to gain the understanding and trust of its customers and local communities.

In particular, we actively provide information on our corporate philosophy, management policies, ESG initiatives, and other matters aimed at establishing the Kyuden Group brand, giving our stakeholders a sense of how the Kyuden Group is an indispensable part of the community and society.

In June 2021, we redesigned the top page of the website to make it more user-friendly, allowing us to provide frequently-accessed information on power outages, electricity rates, IR, and other things in a more accessible format, and improve usability by organizing information by category.



• Prompt dissemination of information on power outages, etc.

In the event of a power outage, we respond to customer inquiries by phone and chat, and promptly post information on the power outage areas, date and time of restoration of power, cause of power outage, etc. on the Kyushu Transmission and Distribution (Kyushu T&D) website.

In the event of an emergency or disaster such as a typhoon, the power outage area may extend over a wide area, so the Kyuden Group cooperates to promptly provide information on power outages through the media, the websites of both companies, and the official Twitter account of the Kyuden Group.

On the Kyushu T&D website, we have a one-minute video on what to do when the electricity goes out in your home. On the Kyushu EP website, in the event of an earthquake of intensity 4 or higher on the Japanese seismic scale in Kyushu, we will promptly post information on the operational status of our nuclear power stations.

We also provide a service to deliver this information by e-mail to the cell phones and PCs of customers who have registered in advance.

Information on power outages during emergencies (Kyushu T&D website)



• Electricity Forecast, providing information on electricity supply and demand

The Kyushu T&D website features Electricity Forecast, which provides easy-to-understand information on the supply and demand situation of electricity.

In addition to forecasts for the day, the next day, and the week, Electricity Forecast provides timely information on the current status of electricity use and other information.



• Power outage information during emergencies (Kyuden Group official Twitter)



• **Dissemination of information through TV commercials and online videos**

We broadcast and distribute TV commercials and online videos that convey the corporate stance and various initiatives of the Kyuden Group, including the development and introduction of renewable energy and efforts to prevent global warming. The videos are also available on the Kyushu Electric Power (Kyushu EP) official YouTube channel (KyudenChannel).



All-out Effort for the Future (Renewable Energy)



CO2 Reduction through Electrification

• **Dissemination of information via social media**

Kyushu EP official Facebook page

The official Facebook page provides information on the Kyuden Group's volunteer activities in the community, useful information for daily life, and other information on our various initiatives, giving people a better understanding of who we are and what we do.

In the event of a typhoon or other emergency, the Kyuden Group works to provide timely updates on restoration efforts.



Introduction of restoration work after heavy rainfall in July 2020



Introduction of "Korabora Q-den eco" project with local residents



Introduction of seasonal scenery in various parts of Kyushu

[Kyuden Group Facebook](#) [Search](#)

Kyuden Group official Instagram account

Through our official Instagram account, we deliver photos that bring you closer to the Kyuden Group under the themes of night views and illuminated landscapes of Kyushu, landscapes where electricity is being generated and connected, and nature and landscapes of Kyushu.

[Kyuden Group Instagram](#) [Search](#)



• **Dissemination of information through the lifestyle information magazine Miraito**

The Kyuden Group publishes a lifestyle information magazine called Miraito, which contains a variety of useful information for customers' daily lives, including advice on how to save energy and housework tips. (Distributed in some areas; also available on the Kyushu EP website)

[Kyuden Group Miraito](#) [Search](#)



Disclosure and dissemination of nuclear power-related information and communication activities

In April 2017, Kyushu EP established the Siting Affairs & Communication Division to further improve the transparency of its nuclear power business by proactively disclosing information based on customer feedback, and conducting thorough company-wide communication activities to reassure people in the Kyushu region.

• **Disclosure and dissemination of nuclear power-related information**

Through press releases and our website, we promptly and accurately disclose and disseminate information on our measures to confirm compliance with the new regulatory standards for nuclear power stations, and on the operational status of the Genkai and Sendai nuclear power stations.

• **Communication with the local community**

In order to reassure the local community that nuclear power generation is safe and reliable, we believe it is of the utmost importance to engage in dialogue based on the concept of risk communication, share the feedback we receive within the company, including the management, and build a relationship of trust.

To this end, throughout the company, we strive to disseminate easy-to-understand information on our efforts to improve the safety and reliability of our power stations and other activities, making use of various opportunities to ensure mutual communication with the community, such as home visits and on-site tours.

Nuclear Power Information Disclosure in FY2020

1. Press conferences on nuclear power issues: 74

Subject	No. of conferences
Issues relating to regular inspections of nuclear power stations	10
Issues relating to efforts to confirm compliance with regulatory standards	18
Issues relating to decommissioning efforts	5
Issues relating to transporting new and spent fuel to and from nuclear power stations	2
Issues relating to litigations	8
Issues relating to COVID-19	21
Other (efforts to ensure safety, etc.)	10

2. Content posted on website of Kyushu EP

- Overview of nuclear power stations
- Operational and regular inspections at nuclear power stations
- Problems at nuclear power stations
- Real-time data (on output and radiation)
- Efforts to ensure the safety of nuclear power stations
- Nuclear power information (announcements)

3. Nuclear information booths

At nuclear information booths located in such places Genkai Energy Park and Sendai Nuclear Power Station Exhibition Hall, we make a variety of information on Kyushu EP's nuclear power stations available to the public.

Examples of available information

- Public notices concerning Kyushu EP
- Applications for permission to install (modify) a nuclear reactor
- Periodic safety review reports
- Evaluation reports on aging technology
- Data on nuclear power stations
- Disaster prevention work plans for nuclear power operators
- Safety agreements
- Trouble reports
- Safety regulations for nuclear reactor facilities
- Seismic safety evaluation results

● Community and Social Contribution Activities

Activities rooted in the region

In order to fulfill its roles as a member of the local community and enhance communication with local residents, the Kyuden Group actively participates in local events and works to build safe and secure communities. In FY2020, a total of approximately 18,600 employees participated in community and social activities.

• Participation in local festivals

Various offices and group companies participate in and help run local festivals to revitalize the local community and deepen ties with local residents.



Hakata Dontaku Port Festival (Fukuoka Branch Office)

• Support for local sports events

The Kyuden Group supports sports events for young people with an eye to creating bright and healthy communities by encouraging and improving the level of local sports activities. In FY2020, the scale of this initiative was reduced in response to the spread of COVID-19.

Support for sports events in FY2020

4 business sites, 4 competitions, 4 events, total of about 540 general participants



Kyuden Cup Baseball Tournament in Kumamoto Prefecture Kirei Life Plus Tournament (Kumamoto Branch)

■ Total Number of Festival Participants

FY2017	FY2018	FY2019	FY2020
Approx. 2,700	Approx. 3,400	Approx. 2,900	—*

*No participants in FY2020 due to the spread of COVID-19

• Development of activities to expand the circle of mutual support with local residents

Ashita Project

—Helping each other in the spirit of tomorrow—

As the effects of COVID-19 continue to be felt, the Kyuden Group is promoting the Ashita Project, initiatives to expand the circle of mutual support for various issues in the community.



■ Support for flower growers

In light of the decline in demand for cut flowers, we have been holding the Flower ♡ Friday campaign to support flower growers by purchasing flowers on Fridays and people can enjoy the weekend with flowers.



■ Helping in the medical field

In response to the decrease in the number of blood donors, our employees are cooperating with the campaign to donate blood, and we are donating stockpiled masks to the medical field where the situation continues to be difficult.



■ Donating food and other items

We donate food and other daily necessities collected from employees to NPOs and other organizations to help those in need.

• Inspection of wiring in the homes of elderly people living alone, etc.

Kyushu Transmission and Distribution conducts wiring inspections in the homes of elderly people living alone and at facilities housing important cultural properties in collaboration with local social welfare councils, electrician cooperatives, boards of education, and other organizations throughout Kyushu.

• Cooperation with the Kodomo 110-ban

The Kyuden Group is working throughout Kyushu to create a crime-free environment for children by cooperating with Kodomo 110-ban, a scheme to protect children.



Kodomo 110-ban



Vehicle with Kodomo 110-ban sticker

• Community watchdog activities

The Kyuden Group is cooperating in community watchdog and crime prevention activities through agreements and memorandums of understanding with municipalities and related organizations, taking advantage of their community-based business structure (participation in 147 networks).

In FY2020, we made six calls throughout Kyushu in the course of these activities.

Contributing to the community and society through donations

We are committed to appropriate donations as part of our social contribution activities that lead to the development of local communities, based on the idea that "the Kyuden Group cannot develop without the development of Kyushu"

FY2020 Total amount of donations	Contributions to relief projects as stipulated in local government ordinances	20 million yen
	Donations as part of community and social activities (see table on the right for details)	820 million yen
840 million yen		

*Total for the Kyuden Group

Collection volunteer activities

Every year, we conduct volunteer collection activities in cooperation with group companies to collect such things as postcards (containing written errors or unused), used stamps, and foreign currencies. The collected items are donated to local NPOs, volunteer groups, and other organizations working to solve community and social issues.



Items donated to a local organization (Yamaga Shimin Kabuki no Kai) (Stamps worth around 141,000 yen)

Support for the volunteer activities of employees

The Kyuden Group is creating an environment that helps employees get actively involved in volunteer activities by offering a volunteer leave system (seven days per year), subsidies for volunteer activities, and information on in-house bulletin boards.

In addition, the scope of awards for contributions to the local community, presented to employees who have made steady contributions to local communities over a long period of time, have been expanded in FY2015 to include a wide variety of short-term volunteer activities.

• Illegal dumping patrols

We are cooperating in environmental beautification activities through the conclusion of agreements with a total of 47 municipalities to provide information on cases of illegal dumping of waste that our employees spot while out in the field, etc.

■ Breakdown of Donations for Community and Social Activities (820 million yen)

Field	Percentage (%)
Medical care and health	85.9
Regional development	4.6
Environmental conservation	3.3
Support for disaster-affected areas	2.4
Support for the next generation	2.3
Science and education	1.0
International exchanges	0.2
Other (social welfare, sports, etc.)	0.3

Recipients of collected donations (FY2020)

Postcards

● No. of postcards collected: 2,683 (equivalent to around 141,000 yen)

● Recipient: Yamaga Shimin Kabuki no Kai

Used stamps

● Amount collected: Approx. 30 kg (equivalent to approx. 15,000 yen)

● Recipient: Volunteer Center, Fukuoka City Social Welfare Council

Foreign currency

● Recipient: Japan Committee for UNICEF

■ Volunteer Leave System and Awards for Contributions to the Local Community

Fiscal year	FY2017	FY2018	FY2019	FY2020
No. of days of volunteer leave taken (days)	379	225	224	117
Awards for contributions to the local community (persons)	28	39	28	28

Corporate Governance

Policy and Approach

At Kyushu Electric Power, we aim to generate sustainable value for all shareholders in keeping with the Kyuden Group's Mission by engaging in operations that are socially meaningful from a long-term perspective. It is a top management priority to strengthen corporate governance to ensure that we do so properly. Our operating environment is changing rapidly. We believe that strengthened governance and accelerated decision-making are essential if we are to respond to these changes more flexibly and dynamically. To that end, we have adopted an Audit & Supervisory Committee model. Going forward, we will endeavor to enhance our corporate governance to achieve sustainable growth and enhance medium- to long-term corporate value.

Promotion Framework

Basic Internal Control Policy

1. Framework to ensure compliance with laws and regulations by directors in the execution of their professional duties

- The Board of Directors deliberates and decides on matters considered important from a management perspective and provides oversight for the execution by directors and executive officers of their professional duties.
- One third of directors or more are external directors.
- Decisions on who is put forward as a candidate to become a director, as well as on remuneration and other matters, take on board the deliberations of other committees. These committees will be made up mostly by external directors and will be chaired by one.
- Directors, executive officers, and employees promote compliance.
- There is absolutely no complicity with demands from antisocial forces.
- Recommendations and advice given by the Audit & Supervisory Committee or its members in regards to the execution by directors or executive officers of their professional duties are respected fully.

2. Framework for the storage and management of information pertaining to the execution by directors of their professional duties

- The information storage and management system and the information itself are secure.

3. Framework for risk management

- Responses to major risks that affect the running of the company, as well as risks relating to individual projects, etc., are appropriate.
- The system used by relevant divisions to share information about, or respond to, risks that affect multiple divisions or major risks that may become apparent is clearly defined. Also, that appropriate responses are undertaken.
- Efforts are made to fully grasp a wide range of risks, utilizing outside knowledge and opinions, and that the continual minimization of risks related to nuclear power is promoted via information sharing.
- A crisis management framework is in place to combat emergencies and incidents, a loss of trust from society, or any other occurrence that would have a major impact on corporate management or on society.

4. Framework to ensure the efficiency of the execution by directors of their professional duties

- A framework is in place so that the execution of professional duties is suitable and efficient. Also, that directors' responsibilities and authority are clearly defined.

5. Framework to ensure compliance with laws and regulations by employees in the execution of their professional duties

- Adherence to corporate ethics, as well as laws and regulations, is promoted via the Compliance Committee.
- The CSR Charter and action guidelines, the model for all business activities, filter through the company and become entrenched.
- Financial reports are trustworthy.
- A framework is in place for the internal auditing of the execution of professional duties and other matters, and that oversees the quality assurance of our nuclear power, etc.

6. Framework to ensure the compliance of work duties carried out in the corporate group

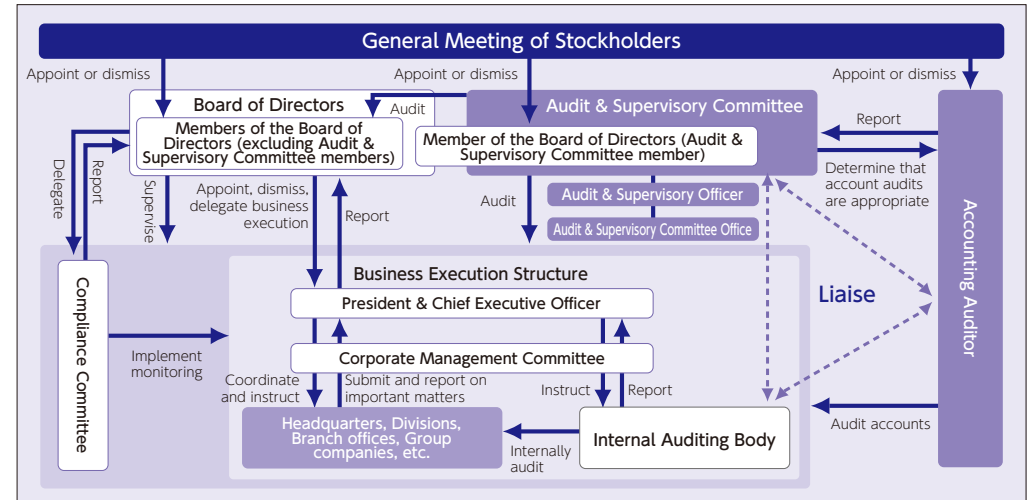
- Throughout the group, management issues are responded to, compliance is promoted, and that there is close information sharing.

7. Framework to ensure the effectiveness of the execution by the Audit & Supervisory Committee of its professional duties

- There is an Audit & Supervisory Officer to assist the Audit & Supervisory Committee as well as an Audit & Supervisory Committee Office to act as a specialist organizational body.
- Audit & Supervisory Committee staff are independent from directors.
- There is a framework for reporting, including from group companies, to the Audit & Supervisory Committee.
- A framework is in place to ensure the effectiveness of other auditing.

Established: July 2006
Revised: April 2021

■ Corporate Governance Structure (as of July 2021)



We have established a basic internal control policy to ensure that our organization is equipped for appropriate corporate operation, and are engaged in an ongoing effort to enhance that organization.

- Strengthen oversight functions through the appointment of highly independent, full-time external directors, who will comprise at least one third of the total number of directors
- Ensure efficient operation of the Audit & Supervisory Committee through close coordination with our internal audit structure
- Clarify the role of directors and executive officers in oversight and execution
- Strict compliance
- Enhancement of a consistently neutral internal audit structure (separate, specialized audit structure established for the nuclear power)

With an eye on encouraging debate and improving oversight functions, we have set the composition of the Board of Directors at 19 or fewer members (of whom 5 or fewer are Audit & Supervisory Committee members) in the articles of incorporation. The composition of the board takes all of our business fields into consideration and includes directors who have come up from among the ranks of the company and who have differing specialisms and careers, and external directors with a wealth of experience and insights on running a business and other specialist fields. We ensure that the member count of the board is appropriate as well as that diversity is well served by nominating individuals who fully meet our standards for independence and by including at least three female directors, among other policies.

■ Overview of Internal Organizations at Kyushu Electric Power (Kyushu EP)

Organization	Roles	Members (As of March 31, 2021)	Meeting Frequency, etc.
Board of Directors	<ul style="list-style-type: none"> Decides on important corporate management matters Supervises performance of duties 	<ul style="list-style-type: none"> 15 members of the Board of Directors in total (including 5 external members of the Board of Directors) 	Once monthly, in principle (19 times in FY2020)
Corporate Management Committee	<ul style="list-style-type: none"> Considers matters that were decided by the Board of Directors in advance Makes important decisions on business execution 	<ul style="list-style-type: none"> President, vice president, senior managing executive officers, managing executive officers, and others 12–23 members (11 members attended in response to agenda items) <p><small>*In addition to the above, 2 external directors attended</small></p>	Once weekly, in principle (35 times in FY2020)
Audit & Supervisory Committee	<ul style="list-style-type: none"> Performs audits relating to general status of members of the Board of Directors' performance of duties ➔ Attends Board of Directors and other important meetings ➔ Receives reports from executive divisions, consolidated subsidiaries, and others ➔ Performs business site inspections ➔ Deliberates and decides on important matters related to audits stipulated by laws and regulations and the articles of incorporation 	<ul style="list-style-type: none"> 4 Audit & Supervisory Committee members in total (including 3 external Audit & Supervisory Committee members) <p><small>*The Audit & Supervisory Committee Office, which has 8 members, was established to assist the Audit & Supervisory Committee members and Audit & Supervisory Officer as a specialist organizational body</small></p>	Once monthly, in principle (14 times in FY2020)
Internal Auditing Body	<ul style="list-style-type: none"> Audits observance of laws, regulations, and so forth at company divisions, business sites and group companies as well as auditing the status of business execution Audits quality assurance systems in place to monitor safety initiatives and the status of operations based on these 	<ul style="list-style-type: none"> 18 Internal Audit Office members 10 Nuclear Power Audit Office members 	*Held constantly as part of duties

■ Committees That Fulfill the Roles of Nominating Committee and Remuneration Investigation Committee at Kyushu EP

Personnel Committee (which acts as a nominating committee)

The Personnel Committee responds to questions regarding candidates to become directors (including those considered for selection as directors with attendant roles or as representative director) or president, or other executive officers, and where necessary carries out discussions and reports on its findings.

In FY2020, the committee met twice, and all committee members were in attendance.

Compensation Committee (which acts as a remuneration investigation committee)

The Compensation Committee responds to questions regarding the design of the remuneration system offered to directors (excluding Audit & Supervisory Committee members) and the President or their specific compensation packages, and where necessary carries out discussions and reports on its findings.

In FY2020, the committee met three times, and all committee members were in attendance.

Committee	Total	Internal directors	External directors	Chairperson
Personnel Committee	4	1	3	External director
Compensation Committee	4	1	3	External director

■ Director Remuneration (for more details, please refer to our Corporate Governance Report)

The compensation given to individual directors (excluding directors who are also Audit & Supervisory Committee members) comprises both basic remuneration and performance-linked remuneration. Compensation for external directors reflects their duties, and consists of basic remuneration only.

The amount of compensation is set by the Board of Directors, which takes the findings of the Compensation Committee—a committee made up mostly by external directors and chaired by one—into consideration, and falls within the limits set at the General Meeting of Stockholders.

Furthermore, Audit & Supervisory Committee members also sit on the Compensation Committee and ensure that its deliberations are appropriate.

■ Basic Remuneration (pecuniary awards and monthly salary)

Directors (excl. Audit & Supervisory Committee members)	14	378 million yen
Directors (Audit & Supervisory Committee members)	7	87 million yen
Total	21 (8 external)	466 million yen (60 million to external directors)

■ Performance-linked Remuneration (pecuniary awards and short-term-performance-linked bonuses)

Directors (excl. Audit & Supervisory Committee members)	9	50 million yen
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■ Performance-linked Remuneration (non-pecuniary awards and medium- to long-term-performance-linked, stock-based compensation)

Directors (excl. Audit & Supervisory Committee members)	9	82 million yen
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Other Related Data

■ Board of Directors, Audit & Supervisory Committee, and Corporate Management Committee

Members (female members)

		As of March 31, 2019	As of March 31, 2020	As of March 31, 2021
Board of Directors	Directors	19 (2)	16 (2)	15 (3)
	External directors	5 (2)	5 (2)	5 (3)
Audit & Supervisory Committee	Directors	5	5	4
	External directors	3 (1)	3 (1)	3 (2)
Corporate Management Committee	President	1	1	1
	Vice President	4	3	3
	Senior Managing Executive Officers	6	10	8
	Managing Executive Officers	8* ¹	6* ²	4* ³
	Executive Officers, etc.	5* ¹	4* ²	7* ³

*¹ Of whom 7 attended in response to agenda items

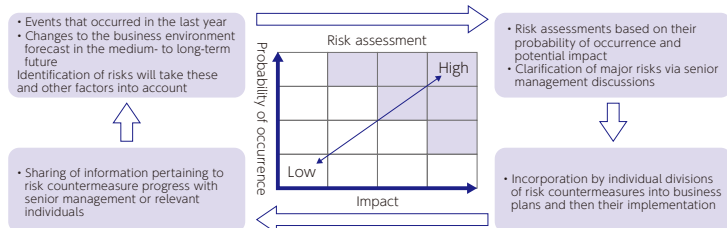
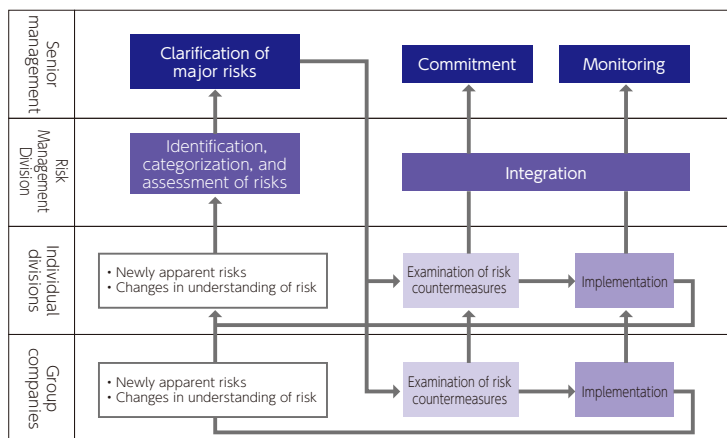
*² Of whom 6 attended in response to agenda items

*³ Attended in response to agenda items

Risk Management

To manage risk, Kyushu Electric Power (Kyushu EP) regularly identifies, categorizes and assesses risks based on its risk management rules, clarifying Company-wide and division-specific threats that could affect Kyuden Group management. Each division and business office produces contingency plans to appropriately manage clear major risks. With regard to risks that relate to multiple departments and risks for which concerns of manifestation are high, we share information among related departments, clarify response structures and address these risks appropriately. For nuclear power in particular, we take external knowledge and opinions into consideration as we work to identify a broad range of risks, share this information with members of the Board of Directors and executive officers, and address the risks thoroughly and on an ongoing basis. In addition, to respond rapidly and appropriately to emergencies and disasters, we have established rules, in advance, covering response structures and procedures, and we conduct regular drills.

Risk Management Processes



Business Risks Announced by Kyushu EP (as of June 2021)

Main risks that have the potential to affect the Kyuden Group's business performance, financial situation, etc., include, but are not limited to, the following.

Risk	Details	Countermeasures
Changes in the competitive environment		
Domestic power business	Impact of temperature rises and economic trends Intensification of competition due to the full deregulation of the retail electricity sector Trends in wholesale electricity transactions	Provide competitive products and services Expand sales in new regions Create demand for electricity in the region
Other Businesses (Overseas Business, etc.)	Country risks Intensification of competition	Assess potential profitability and risk Establish a risk management framework Optimize our business portfolio
Status of the situation surrounding nuclear power		
Stable operation of nuclear power	Cessation of operations due to new regulatory standards Successful litigation against nuclear power	Respond to new regulatory standards (bolster safety) Implement appropriate countermeasures to such litigation
Atomic Fuel Cycle and Back-end of Nuclear Operations	Uncertainty accompanying extremely long-term projects	Alleviate impact through government measures
Fluctuations in market prices		
Fluctuations in fuel costs	Changing conditions in the international fuel markets and fluctuations in foreign exchange rates Changes in procurement conditions (difficulties meeting demand) Losses due to LNG resale	Diversify procurement sources and ensure we remain flexible Make use of foreign exchange forwards and fuel price swaps Create fuel demand (to reduce the risk of surpluses)
Interest rate fluctuations	Outstanding interest-bearing liabilities	Raise long-term capital with fixed interest
Prices of wholesale electricity transactions	Dramatic price increases due to changes in supply and demand	Optimize our energy source portfolio
Changes in systems related to the power industry		
	System change and amendments to the Strategic Energy Plan Development of electricity markets and rules	Gather data on system design and respond appropriately
Climate Change		
	Rise in capital investment and expenses due to reviews of regulations aimed at reducing or eliminating carbon-based energy sources Changes in actions by investors concerning ESG Loss in reputation due to insufficient efforts or disclosure	Promote electrification and low- or zero-carbon energy sources Establish an ESG promotion framework Disclose information regarding our efforts to reduce or eliminate carbon-based energy sources (disclose information—including declarations that are in accordance with the Task Force on Climate-related Financial Disclosures (TCFD)—and hold discussions, etc.)
Facility accidents/failures and system failures		
	Large-scale natural disasters Aging and breakdown of equipment System failure Cyber-attacks	Formulate business continuity plans Cooperate with relevant organizations and local governments Carry out priority inspections and repairs, improve maintenance efforts, etc. Constantly monitor system operations and update systematically Maintain and improve our information security level
Operational risks		
Inadequate business (employee accidents, etc.)	Incidents involving static electricity, etc., that results in injury or death Large-scale or long-term blackouts Loss of trust from customers or society Expenses relating to post-incident response	Establish detailed plans in advance and put in place a work task management framework Conduct job training and drills Put in place an in-house safety promotion framework
Violation of laws and regulations	Legal breaches resulting from insufficient understanding of laws and regulations Violations of compliance policy	Thoroughly implement compliance to laws and regulations Establish a compliance promotion framework
Infectious disease outbreaks	Impediments to business continuity Difficulties maintaining supply chains	Formulate business continuity plans
Lack of human resources and skills	Inability to secure and train human resources or exodus of existing personnel	Systematically hire human resources Train personnel to cultivate improved human resources Put in place better working environments
Other risks		
	Impairment of fixed assets Reduction of deferred tax assets	

Information Security

Policy and Approach

Kyushu Electric Power (Kyushu EP) has set down its fundamental approach to information security and the protection of personal information and is working to ensure that this approach is cemented among executive officers and employees. We also strive to maintain an appropriate level of information security and to protect personal information.

Basic Policy on Information Security

At Kyushu EP and Kyushu Transmission and Distribution (Kyushu T&D) (hereafter "The Two Companies"), in order to continue functioning as a business that provides energy services, we realize that maintaining information security throughout our group is of the utmost importance, and under the guidance of the president of Kyushu EP as CEO, we strive to protect and maintain information security, not only within The Two Companies, but throughout our group as well as together with business partners.

Compliance

We pledge to observe laws and ordinances related to information security, other social norms as well as related regulations stipulated by The Two Companies.

Taking countermeasures

To promote the appropriate management and use of information assets, we secure the necessary management resources and carry out organizational, human resource, physical, and technical measures. By doing so, we prevent data leaks, such as through loss or theft, and respond appropriately to such threats as internal fraud or cyber-attacks.

Periodic review and reforms

While continuing to implement risk management, we pledge to make periodic reviews and make improvements when necessary.

Responding to new threats

We pledge to take swift action to counter against the latest threats.

Education and training

In order to continue protecting against information security-related incidents, we conduct educational workshops for our employees as well as drills that simulate information security-related incidents.

Responding to incidents

In the event of an incident related to information security, as well as attempting to prevent damage from spreading further through a swift initial response, we investigate the cause as well as plan countermeasures to prevent recurrences. Finally, we pledge to disclose any new information related to such incidents swiftly.

Established: July 2006
Revised: April 2020

Basic Policy on the Protection of Personal Information

At Kyushu EP and Kyushu T&D (hereafter "The Two Companies"), we recognize the importance of the rights and interests of our customers, so in order to handle your information appropriately,*1 we have established a Basic Policy on the Protection of Personal Information, which is disseminated to executive officers and employees of The Two Companies, ensuring appropriate protection of personal information.

1. Laws and guidelines regarding personal information, other social norms, and The Two Companies' rules and regulations regarding the protection and management of personal information, as well as other regulations, will be strictly observed.

2. Based on our Basic Policy Regarding Information Security, while managing personal information in an appropriate manner, we will carry out safety measures to manage the risk of unauthorized access or damage to, as well as leakage or loss of, your personal information.

3. Your personal information will be handled in the following ways.

(1) Disclosure, Notification, and Specification of the Purpose of Use Will Be Made

We will concretely specify, as much as possible, the usage purpose of your personal information. When obtaining your personal information, we will either disclose the usage purpose in advance, or we will notify you as soon as possible after it has been collected.

(2) Acquisition and Handling

Your personal information will be acquired through proper means and it will be used for a specific purpose. However, when we receive an individual's personal ID number (My Number)** we will confirm this information with you. Furthermore, when this information is no longer necessary, your personal ID number will be promptly discarded or deleted.

(3) Providing Information to Third Parties

Except for the following cases, your personal data*1 will not be provided to third parties. Excluding cases where stipulated by law, your personal ID number will not be provided to third parties.

- When we have your consent.
- When obtaining your consent is difficult, and where necessary to protect your life, body or property.
- When cooperation with national organizations or local public entities,

or the people entrusted with carrying out their duties, as specified by the pertinent laws and regulations, is deemed necessary, but obtaining your consent risks causing trouble for those tasked with performing the relevant duties.

- When providing your personal information in accordance with business succession procedures.
 - When providing your personal information within the scope deemed necessary for the achievement of usage purposes.
 - When sharing your personal information with a third party is accepted on the basis of other laws and regulations.
- (4) Dealing with Notification and Disclosure Requests
Whether it is regarding purpose of use; data disclosure, revision, addition, or deletion; stopping usage, erasure, or stopping information sharing with third parties, when we receive a request from you regarding your personal data in our possession,*1 as a rule, we aim to respond to it without delay.
- 4. We will make regular reviews to our system, and will strive for improvements in how we protect personal data.**
- 5. In cases where major complaints have been made against top management, while trying to solve them by ourselves, in the process of investigating the cause, corrective measures will be taken immediately. While striving to prevent a relapse, we will promptly and accurately make this information available to the public. In addition, we will also establish a system to deal with complaints regarding our handling of personal information in a rapid and appropriate manner.**

*1 As defined by the Act on the Protection of Personal Information (Act No. 57, enacted 2003)

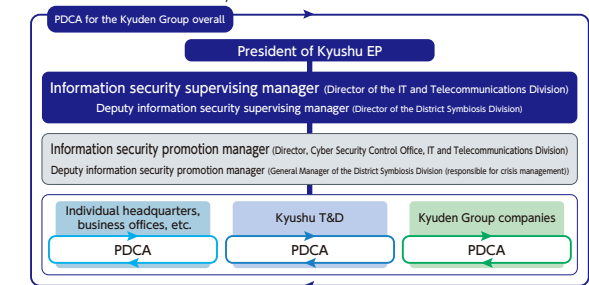
*2 Refers to an individual's personal ID number (known in Japan as My Number) stipulated in the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures (Act No. 27, enacted 2013)

Established: July 2006
Revised: April 2020

Promotion Framework

Kyushu EP has created a framework under which the president is ultimately responsible and where the Director of the IT and Telecommunications Division acts as information security supervising manager. The Cyber Security Control Office, which forms part of the framework, is at the heart of the group-wide efforts to promote the security PDCA cycle, and is working to guarantee information security.

Information Security Promotion Structure



Targets

Information security incidents resulting from cyber-attacks*: 0

In the past three years, Kyushu EP has not had any major information security incidents resulting from cyber-attacks. We continue to work to ensure that doesn't change.

*Incidents such as a cessation in electricity supply or leak of large amounts of personal information that have a major impact on society or on the running of the company

Initiatives

Information Security Measures

To ensure that no information security incidents occur, we are implementing multi-faceted initiatives that include organizational, human resource, physical, and technical measures. These efforts have our Cyber Security Control Office at their heart, and involve cooperation between those responsible for information security at each of our sites, including those of group companies.

Organizational measures

Under the framework detailed above, we are promoting the use of the PDCA cycle throughout the entire group, checking on the progress being made by information security efforts at each workplace, and making continuous improvements.

Physical measures

As well as introducing security gates and electronic locks, we are implementing necessary measures at facilities to control who can enter our buildings and offices.

Human resources measures

All employees undergo information security training and drills related to targeted cyber-attacks via email. Through these and other types of training, we are raising awareness and understanding of information security and improving employees' ability to respond.

Technical measures

To prepare for cyber-attacks, which are always becoming more advanced, we are constantly strengthening our security countermeasures, through such means as utilizing antivirus software or introducing security firewalls.

Individual Number (Social Security and Tax Number) System

In accordance with the goals and requirements of relevant laws and regulations, we make sure to confirm individuals' identities when we are required to confirm their individual number which was introduced by the Japanese government in order to enhance social security and improve public convenience. Where its use is no longer necessary, we handle it appropriately, such as by promptly disposing of or deleting the information. Moreover, when a customer contracts with us for electricity, we do not require them to provide us with their individual number.

Preventing Information Leaks or Recurrences

During FY2020, there was one case where many customers' personal information was unfortunately leaked, and this was due to an error in work practices and a lack of confirmation.

We have taken the circumstances that led to this error extremely seriously, and to implement fully measures to prevent a recurrence of data being leaked, we carry out surveys regarding the individual facts and investigate and enforce measures so that it cannot happen again. We will do our utmost to manage personal information in a suitable manner.

Compliance

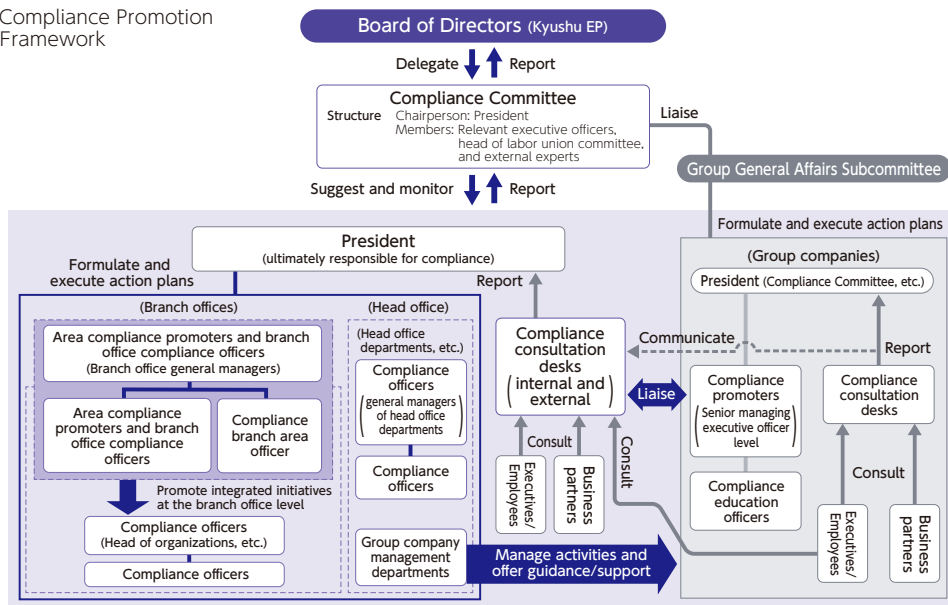
Policy and Approach

For Kyushu Electric Power (Kyushu EP), the trust of society is the very foundation of our business activities and so we believe that it is vital that business operations are highly transparent, honest and fair. This has led us to work to ensure that every employee is well aware of compliance, and to endeavor to prioritize compliance, including efforts to prevent bribery or other corruption, in our business activities.

Promotion Framework

At Kyushu EP, under the Compliance Committee, which is delegated to and overseen by the Board of Directors, we have set the heads of different organizations as compliance officers who formulate and implement action plans. We have also prepared a framework involving elements such as the establishment of consultation desks both within and outside the company. In these ways, we are promoting compliance, including corruption prevention. For group companies, we have a Group General Affairs Subcommittee, which includes members from each company. The subcommittee shares information relating to compliance and acts as a forum where members can exchange ideas. As well as promoting a group-wide, unified approach, the subcommittee clearly defines the roles of the management departments that guide and support the group companies, and strengthens the Kyuden Group's compliance promotion framework.

Compliance Promotion Framework



Targets

Major compliance breaches*: 0

As of March 31, 2021, Kyushu EP has not had any major compliance breaches in the past five years (FY2016-20).

*Breaches of laws or regulations deemed to have a major impact on society (incl. bribery or other corruption).

Compliance Committee

We established a Compliance Committee, which is chaired by the president. In addition to periodically making suggestions and monitoring compliance, the committee is able to solicit advice from external experts should a scandal with a major social impact on the company occur.

Compliance Committee suggestions are also shared with group companies to reflect group-wide initiatives.

Compliance Committee Framework

Compliance Committee	Roles	Regarding compliance: - Proposes and deliberates policies, measures, etc. - Monitors implementation Able to receive suggestions from its external experts should a scandal occur that has a major social impact
	Structure	Chairperson: president Members: External experts (3) Head of labor union committee Relevant executive officers
	Frequency	Twice a year, in principle

Major Items for Deliberation/reporting by the Compliance Committee (FY2020)

- Issues and future initiatives in compliance promotion
- Operational status of the compliance consultation desks



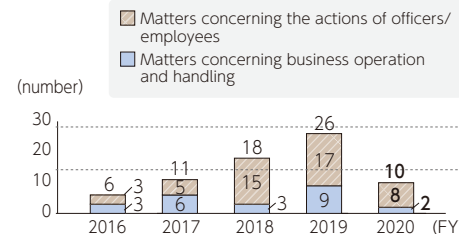
Compliance Committee

Compliance Consultation Desks

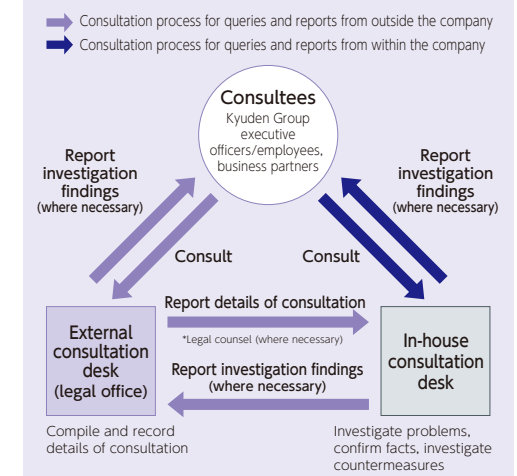
We established compliance consultation desks with the aim of preventing actions that breach either laws and regulations or our corporate ethics, or aiding in their early discovery. Kyuden Group executive officers, employees, or business partners (including contractors) who have doubts about the running of the business or actions of employees are able to consult the desks. We also established desks in legal offices outside the company, ensuring that a framework is in place to accept consultations.

The privacy of users of the compliance consultation desks is firmly protected by company regulations and users will not be penalized or disadvantaged in any way for the nature of their consultation or notification. In our corporate literature, on our intranet, and through other means we called on people to use the desks, and in FY2020 there were 10 consultations or notifications. In response, desk staff carried out necessary surveys and investigated measures to prevent recurrence as appropriate.

Number of Consultations and Notifications



Compliance Consultation Desks



Initiatives

● Commitments by Top Management

Kyushu Electric Power (Kyushu EP) continues to promote group-wide compliance-focused management and the Compliance Committee, positioned under the Board of Directors, is at the heart of its efforts. In June 2020, President Ikebe pledged that come whatever may, compliance would be at the forefront of the company's business activities. This is our promise to society. (Available to view on the website)



● Initiatives toward Preventing Bribery and Other Corruption

We have set down in our action guidelines that we will not do anything to gain or provide unfair profit, nor do anything dishonest that would go against our corporate ethics, in our dealings with customers, business partners, members of the local community, or anyone else. We strive to fully implement compliance. In our efforts to expand our businesses overseas, too, we will not act in any way that could be construed as illegal entertaining or bribing of foreign government officials and we have defined appropriate activities. Those who work overseas in relevant departments or group companies receive training on points to remember about bribery and corruption before they go, and we also carry out periodic checks.

● Activities to Raise Awareness of Compliance

To further raise employee awareness of the need for compliance and corruption prevention, we are undertaking a range of initiatives, one of which is compliance-specific training.

● Compliance Action Guidelines

All executive officers and employees are made aware of the Compliance Action Guidelines, which give specific details on points to remember when interacting with customers or stakeholders such as shareholders or investors, as well as on standards of behavior to follow when making difficult decisions. All employees also carry a Compliance Card, a card that features the standards of behavior outlined in the Compliance Action Guidelines, providing a quick reference for employees when they are faced by such dilemmas.

● Raising employee awareness through training

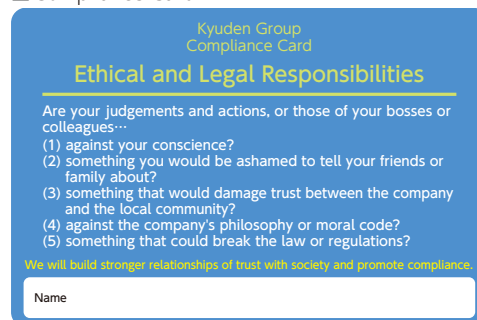
We are implementing workplace training through exchanges of ideas that look at case studies that employees can relate to so that all employees can think about compliance for themselves and tie it into their own daily actions. Furthermore, we have set a compliance officer for each of our branch offices where we are also promoting training. Our level-based training for new employees, new managers and others are designed to help employees gain the knowledge they need depending on their age and rank. Through these and other training methods we aim to educate employees and make them more aware of compliance issues. We also provide training and other materials to group companies to support employee training.

■ Examples of Some of Our Compliance Action Guidelines

- Construct relationships of trust with customers
- Guarantee safety and maintain the stable supply of electricity and quality
- Create positive relationships with business partners
- Maintain fair and competitive relationships with business rivals
- Implement strict procedures for applying for and reporting approval

Revised: June 2020

■ Compliance Card



● Compliance awareness survey

To be able to evaluate the extent to which awareness of compliance has filtered through the company or that our efforts have been successful, we periodically conduct a compliance awareness survey with Kyuden Group employees. While the survey found that awareness of compliance is high across the board, there is room for improvement in raising awareness and in some aspects of our initiatives. We are making use of the survey's findings to continuously improve our efforts, such as by offering feedback to each of our sites or group companies, and reflecting issues unearthed at each of the sites in measures.

● Information sharing via the company intranet

Compranet is a place to share information relating to compliance on the company intranet. Compranet can be viewed from anywhere in the group, and provides not only information on our compliance initiatives, but also a range of contents that can be used for workplace discussions or study seminars. In FY2020, Compranet featured case studies about scandals at other companies as well as other teaching materials.

■ Examples of Information Found on Compranet

- Explanations of legal terminology and case studies of legal queries
- Different kinds of training materials
- Case studies of successful compliance initiatives
- News of amendments to laws and regulations or about court findings

■ Compliance Awareness Survey

- Survey period: June to August 2020 (Group companies) October to November 2020 (Kyushu EP and Kyushu T&D)
- Respondents: 25,956 (response rate of approx. 91%)
- Main questions included:
 - Is your company actively working toward compliance?
 - Is your company free of power and sexual harassment?
 - Do you rapidly report issues?
 - Are relationships with business partners fair and above board?

▼ Compranet



● Fair Business Management

Initiatives aimed at preventing scandals and legal or regulatory breaches

In order to prevent scandals, or legal breaches resulting from insufficient awareness or understanding of laws and regulations, we are working to provide the entire group with legal support.

• Preventing scandals

We ask employees to look at their own attitudes, words, and actions, and also at their workplace cultures, to check that they don't harbor the seeds of potential scandals. These and other initiatives work to raise employee sensitivity to such matters.

To relate the fact that scandals can lead to a loss of trust and brand reputation for the entire group, each of the headquarters and other relevant parts of the organization are responsible for managing and guiding group company efforts. By avoiding or minimizing compliance risks group-wide, we endeavor to prevent scandals.

• Legal consultations

The Legal Division fields legal queries or issues that arise during employees' duties via telephone, face-to-face interview, or through their dedicated email address. As well as offering advice, it is able to provide a full range of support. For matters that require a particularly high degree of specialism, we consult with lawyers or other sources where necessary and work to ensure our compliance with laws and regulations.

Main consultation subjects

- Examining contracts
- Protection of personal information
- New businesses
- Intellectual property

• Providing information on laws and regulations to group companies

We provide each group company with legal guides and self-assessment checklists and we encourage them to make full use of the materials to prevent legal breaches. In FY2020, we revised the checklist to add questions, including about cases studies of trouble with labor laws and amendments to the law governing temporary workers, and distributed copies of it to each of the group companies.

• Accurately grasping amendments to laws and regulations

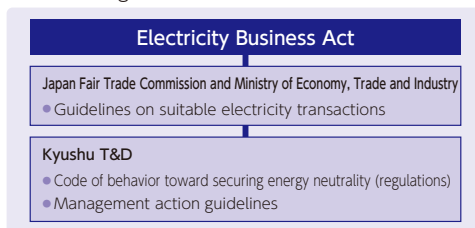
We have introduced systems from outside the company to allow us to receive amendment information not only concerning laws, but also for ordinances and regulations from seven of Kyushu's prefectural governments, and from ordinance-designated cities.

Ensuring fairness and transparency for power transmission and distribution network use

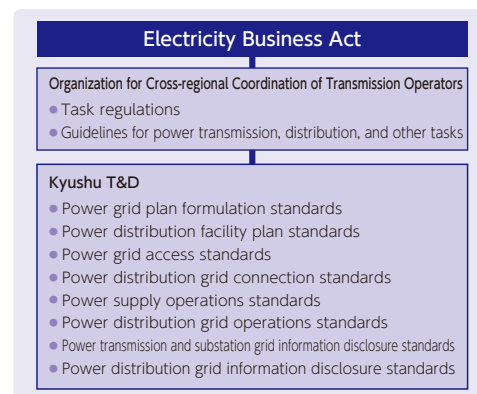
In order to ensure that power transmission and distribution network use is fair and transparent, we have established action regulations and rules and regulations governing network use, to which our actions strictly adhere.

Going forward, we will continue to comply with rules and regulations, strive to maintain fairness and transparency, and conduct thorough information management. Moreover, you can see the code of conduct regarding the behavior regulation of Kyushu Transmission and Distribution (Kyushu T&D) on the company website.
https://www.kyuden.co.jp/td_service_wheeling_rule-document_rule.html

■ Action Regulations



■ Network Use





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