KYUDEN GROUP
ESG DATA BOOK
2023

KYUDEN GROUP
Enlighten Our Future

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. 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 2022 through March 31 2023 (also includes some information outside of the target period)

Issue Date

July 2023

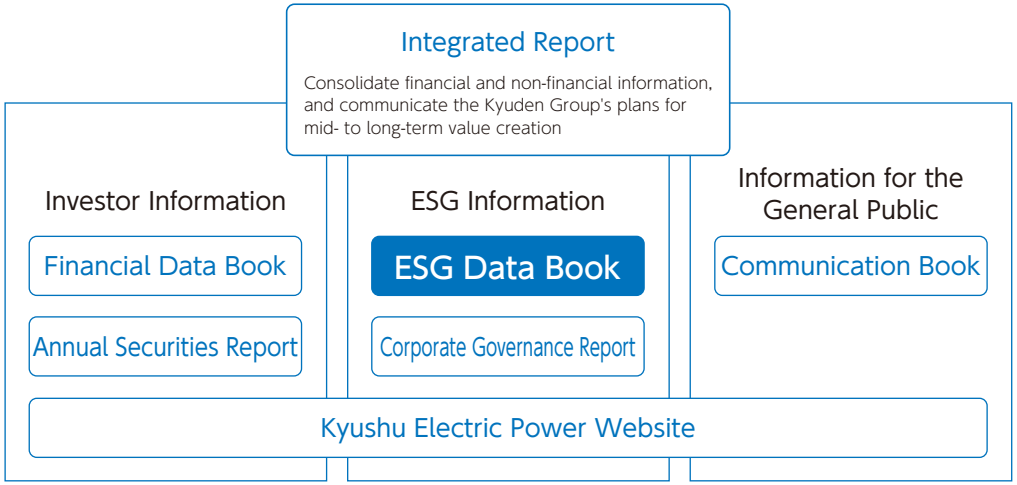
Guidelines Consulted

GRI Standards and others

Independent Practitioner's Assurance

The ESG data (supply chain GHG emissions, ratio of female managers, male childcare leave, and gender pay gap) included in this databook have received an Independent Practitioner's Assurance from Deloitte Tohmatsu Sustainability Co., Ltd. The data that have been assured are indicated with the following mark: (☑)

Information Disclosure System



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

Contents

Introduction

Policy and System for Promoting the Kyuden Group's Mission and Sustainability

●The Kyuden Group's Mission

Enlighten Our Future

Towards a comfortable and environment-friendly lifestyle today and for generations to come.

Based on the Kyuden Group's Mission, which takes "Enlighten Our Future" as its slogan, we conduct business activities that align with our raison d'etre of providing customers with affordable, high-quality energy.
As the foundation of our business activities, we not only give consideration to the impact on society, but go further to promote sustainability initiatives that contribute to the region and society as a whole, aiming to realize the Kyuden Group's Mission while growing along with the region and society.

●Kyuden Group Sustainability Policy

As a corporate group that creates the future from Kyushu, we will contribute to a sustainable society and enhance our corporate value, by creating both social value and economic value through our businesses.

- We remain unwavering in our mission to support people's lives and the economy by providing energy and we will continue to work together with local communities to resolve social issues through our business activities.
- We will cultivate strong relationships of trust with our stakeholders through responsible engagement.
- We will take on the challenge of solving global social issues and contribute to the achievement of the SDGs.

Established: December 1, 2021

●Kyuden Group Corporate Conduct Code

We aim for sustainable development together with the region and society, and to be a company that is trusted by our customers, local communities, shareholders, investors, supply chain partners and employees, as we consider trust to be the foundation of our business and the source of our growth.
In order to strengthen our relations of trust with our stakeholders, we will thoroughly implement sustainability management that creates both social value and economic value through our businesses, while maintaining a high level of sensitivity to changes in social conditions. We base our business activities, both in and outside of Japan, on the following principles:

1 **Enhancement of Customer Satisfaction**
We strive to enhance customer satisfaction by improving our corporate activities and providing valuable products and services which meet the demands of our customers in a safe and reliable way.

2 **Pursuit of Safety and Security**
We place top priority on safety and security in our corporate activities. We thoroughly implement safety measures at all of our facilities, provide detailed explanations of these measures to the local community. We also ensure the occupational health and safety of our employees.

3 **Environmentally-Friendly Corporate Activities**
We contribute to the realization of a sustainable society by developing initiatives for the conservation of the global environment and coexistence with regional environments.

4 **Sincere and Fair Operations**
We ensure transparency in all of our business activities, engage in fair and free competition, conduct appropriate transactions and responsible procurement, maintain sound relationships with political and governmental authorities, and operate our business in a sincere and fair manner.

5 **Sincere Communication with Stakeholders**
In addition to promptly disclosing information to the public, we engage in constructive dialogue with a wide range of stakeholders, including our customers and local communities, taking their opinions seriously and applying them to our business operations.

6 **Coexistence with Local Communities**
Through our business activities and social contribution activities, we strive to realize mutual growth with local communities and contribute to solving social problems.

7 **Respect for Human Rights**
We regard internationally recognized human rights as universal values and respect them in all of our business activities. Together with our supply chain, we prevent and mitigate negative impact on human rights that may occur through our business activities.

8 **Creating a Rewarding Workplace**
We actively develop and utilize talents based on fair evaluations of our employees and promote a working style that respects diversity so that every person can work to their fullest extent in good health.

9 **Crisis Management**
We thoroughly implement organizational crisis management in preparation for various crises such as natural disasters, terrorist attacks, and cyberattacks that threaten the lives of citizens and corporate activities. In addition, we will resolutely confront antisocial forces.

10 **Compliance with Laws and Regulations**
We ensure compliance with law and regulations. Furthermore, we pledge not to be involved in any acts that impose losses or trouble upon society.

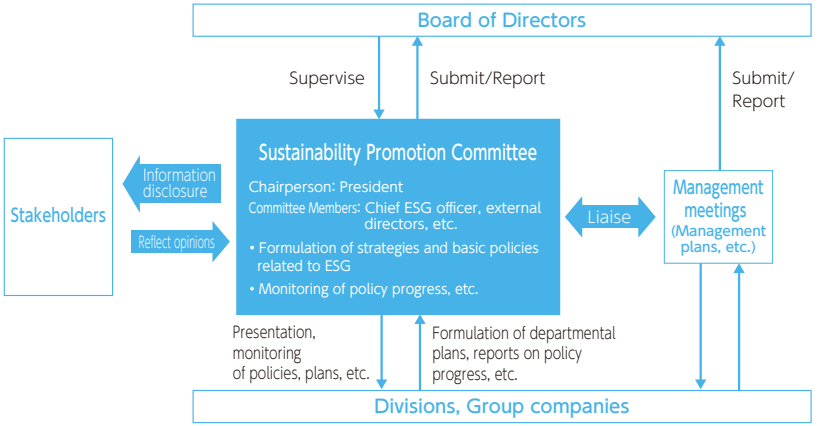
11 **Realization of the Spirit of this Code and Responsibilities of Top Management**
Top management recognizes the realization of the spirit of this Code as its mission, and take the initiative in ensuring that the spirit is thoroughly understood within the company and that an effective system is in place. We also encourage our supply chain members to realize the spirit of this Code. In the event of a violation of this Code, all departments will work together to resolve the problem, investigate the cause, take immediate countermeasures to prevent recurrence, and take strict disciplinary action against any violators, including top management.

Established: July 1, 2006
Revised: April 28, 2022

●Sustainability Management Promotion System

To strengthen its efforts to address ESG (environment, society, and governance) issues such as carbon neutrality, we established the Sustainability Promotion Committee in July 2021. We also appointed a Chief ESG officer and established a new department dedicated to ESG promotion within the Corporate Strategy Division, in order to set up a promotion system for implementing sustainability management. Under this system, we will promote efforts to use our business activities to simultaneously create both social value and economic value.

■Structure and Management System



Overview of Sustainability Promotion Committee

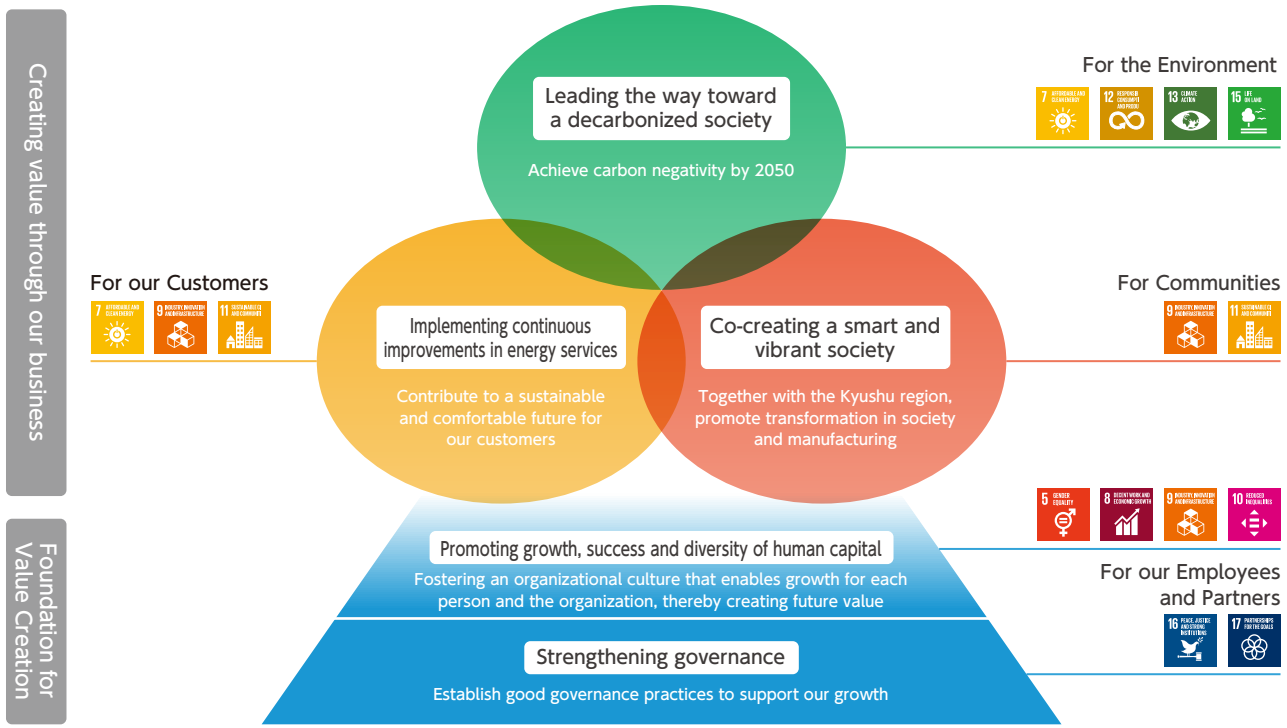
Sustainability Promotion Committee	
Purpose	To deliberate and coordinate ESG strategies and policies for the Kyuden Group, and to oversee and promote executive management in order to bring about a sustainable society
Positioning	Deliberative body tied to the Board of Directors (reporting to and receiving direction from the Board of Directors)
Structure	Chairperson: President Vice-chairperson: Chief ESG officer Committee members: External directors, executive directors of relevant divisions, etc. Secretary: Directors of Corporate Strategy 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
Frequency	Twice yearly in principle (in April and November), and additionally as necessary
Sessions Convened and Issues	April 2022 ・Discussed formulation of basic sustainability policies — Identifying Materiality — Revision of the Kyuden Group CSR Charter ・Discussed Medium-term ESG Promotion Plan for FY2022 ・Discussed policy for issuing the *Integrated Report FY2022* October 2022 ・Discussed progress of the Medium-term ESG Promotion Plan for FY2022 ・Discussed measures toward obtaining SBT certification ・Discussed commitment to respect human rights and strengthening of initiatives

Materiality

●Basic Concept

The Kyuden Group is promoting sustainability management that simultaneously creates social value and economic value through its business activities. In April 2022, we identified key management issues as materiality to realize this goal. Through these materiality initiatives, we will contribute to a sustainable society and create medium- and long-term growth for our company. In addition, we will continuously review materiality based on social conditions and the business environment.

●Materiality and Key Issues



Materiality	Ideal state	Key issue
Leading the way toward a decarbonized society	Achieve carbon negativity by 2050	・Carbon reduction and decarbonization of power sources (by positioning renewable energy as a main power source, operating nuclear power in a safe and stable manner, supplying energy overseas) ・Promotion of electrification ・Promotion of energy-saving measures ・Reduction of the environmental impact ・Providing recommendations for and participating in energy policy
Implementing continuous improvements in energy services	Contribute to a sustainable and comfortable future for our customers	・Stable supply of electricity ・Low-cost energy ・Provision of solutions based around energy services
Co-creating a smart and vibrant society	Together with the Kyushu region, promote transformation in society and manufacturing	・Realization of a smart society ・Regional vitalization (regional and local development) ・Creation of safe, secure and comfortable urban areas

Materiality	Ideal state	Key issue
Promoting growth, success and diversity of human capital	Fostering an organizational culture that enables growth for each person and the organization, thereby creating future value	・Respecting human rights ・Promotion of value co-creation and innovation ・Promotion of diversity and inclusion ・Prioritizing safety and health ・Securing and developing strategic human capital ・Promotion of digital transformation (transformation of business structure, processes, etc.)
Strengthening governance	Establish good governance practices to support our growth	・Improvement of effectiveness of corporate governance ・Strengthening of risk management system ・Thorough compliance ・Strengthening of supply chain management ・Thorough information security ・Enhancement of stakeholder engagement (building trust with our stakeholders) ・Improvement and strengthening of financial position

●Identifying Materiality

STEP 1 Identifying Key Issues

In order to identify key issues for achieving sustainability for both society and the company, we identified both "social issues" such as the SDGs and the growth strategies of the government and Kyushu, as well as "specific issues of the Kyuden Group" such as the realization of the Kyuden Group Management Vision.

Social issues
- ☐ SDGs
- ☐ Global standards (GRI, SASB, ISO 26000)
- ☐ Governmental and Kyushu growth strategies and others

Issues impacting the Kyuden Group
- ☐ Kyuden Group Management Vision 2030
- ☐ Kyuden Group Carbon Neutral Vision 2050
- ☐ Kyuden Group financial goals (FY2025) and others

STEP 2 Assessment of Issues

The issues identified in Step 1 were assessed on two axes: economic value (importance to the Kyuden Group) and social value (importance to society).

Assessment of Economic Value

We broke down drivers of economic value into the following three categories.

(1) Those that maximize short-term opportunities
(2) Those that expand medium- and long-term growth
(3) Those that minimize risk

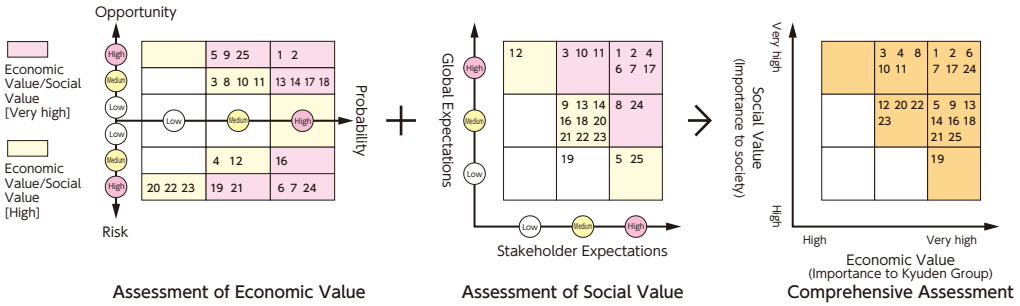
Based on this, we assessed risks and opportunities from a short-, medium-, and long-term perspective, quantitatively calculated financial impact, and made a final judgment on the three levels: high, medium, or low. We also took into account the probability of the three levels to assess their importance.

Assessment of Social Value

In addition to "Ⅰ: Expectations from a global perspective," we also conducted assessment by including "Ⅱ: Expectations from stakeholders," which we collected from customers, local communities, investors, and others through our business activities, in order to take into account the perspective required of a market-oriented and community-rooted company. After quantifying (scoring) each of them, we finally judged and rated their importance on three levels: high, medium, or low.

*Initially, only Ⅰ was assessed, but after going through the process of Step 4, Ⅱ was added to the new assessment axis and re-assessed

Comprehensive Assessment
Those issues that have very high economic and social value were evaluated as being highly important



Assessment of Economic Value | Assessment of Social Value | Comprehensive Assessment

Issues Identified

1 Carbon reduction and decarbonization of power sources (making renewable energy the main source of power, safe and stable operation of nuclear power plants, overseas business, etc.) 2 Promotion of electrification 3 Promotion of energy-saving measures 4 Reduction of the environmental impact 5 Providing recommendations for and participating in energy policy 6 Stable supply of electricity 7 Low-cost energy supply 8 Provision of solutions based around energy services 9 Realization of a smart society 10 Regional vitalization (Regional and local development) 11 Creation of safe, secure and comfortable urban areas 12 Respecting human rights 13 Promotion of value co-creation and innovation 14 Promotion of diversity and inclusion 15 Securing and developing human capital 16 Prioritizing safety and health 17 Securing and developing strategic human capital 18 Promotion of digital transformation (transformation of business structure, processes, etc.) 19 Improvement of effectiveness of corporate governance 20 Strengthening of risk management system 21 Thorough compliance 22 Strengthening of supply chain management 23 Thorough information security 24 Enhancement of stakeholder engagement (building trust with our stakeholders) 25 Improvement and strengthening of financial position

STEP 3 Formulating Materiality Proposal

Issues assessed as highly important in Step 2 were identified as key issues, categorized as shown on the right, discussed by the Sustainability Promotion Committee, and organized into materiality proposals.

- Leading the way toward a decarbonized society
- Implementing continuous improvements in energy services
- Co-creating a smart and vibrant society
- Promoting diversity and inclusion
- Strengthening governance

STEP 4 Validating Materiality Proposals

We exchanged views with our group companies and external experts familiar with stakeholder perspectives regarding the materiality proposals in Step 3 and identification process. Furthermore, based on the opinions we received, we improved the assessment method for the issues and had another discussion with all directors. Based on these discussions, the materiality proposal "Promoting Diversity and Inclusion" was revised to "Promoting Growth, Success, and Diversity of Human Capital."

■External Experts We Held Discussions With

*Organization/Title are at the time of the meetings

Organization/Title	Name	Organization/Title	Name
Director of Business Development Division, Kyushu Economic Research Center	Hideyuki Okano	Executive Fellow and General Manager, Research Institute of Capital Formation, Development Bank of Japan	Keisuke Takegahara
Representative Director, Biznet Corporation	Yuriko Hisadome		
Representative Director, Psy's Learning	Machiko Takami	Professor, Graduate School of Management, Tokyo University of Science	Masayoshi Miyanaga

STEP 5 Identifying Materiality

Based on the results of Step 4, the Sustainability Promotion Committee discussed the final materiality proposals after re-evaluation of Step 2, and then the proposals were approved by the Board of Directors.
The Board of Directors deliberates on whether it is necessary to review materiality every year, taking into consideration changes in social conditions and the Kyuden Group's business situation.

- Leading the way toward a decarbonized society
- Implementing continuous improvements in energy services
- Co-creating a smart and vibrant society
- Promoting growth, success and diversity of human capital
- Strengthening governance

Materiality Initiatives (Medium-term ESG Promoting Plan)

To resolve materiality, we have formulated mid-term and annual targets and action plans, and the Sustainability Promotion Committee and the Board of Directors monitor their implementation. Through these efforts, we will contribute to a sustainable society and ensure medium- and long-term growth for the Kyuden Group.

Leading the way toward a decarbonized society: Achieve carbon negativity by 2050

Target for 2050: Achieve net zero GHG emissions throughout the supply chain and contribute to GHG emission reductions throughout society by contributing to achieving 100% electrification of residential and commercial sectors in Kyushu.

Materiality	Key Issue	Issue	Medium-term Targets (Items for which no year is specified are FY2030 targets)	FY2023 Targets	Major Action Plans	Impact (1)	Impact (2)	Impact (3)	Reference: FY2022 Results	Scope of performance aggregation
Leading the way toward a decarbonized society	Carbon reduction and decarbonization of power sources	Shifting our main power source to renewable energy	Steady development of renewable energy — Development volume of renewable energy (Worldwide): 5 GW	・New development volume: 136 MW ・Finalized development projects: 3.16 GW	[Japan] ・Ensure start to operation of ongoing projects ・Examine development of solar power generation systems at the sites of old plants. [Overseas] ・Examine investment in renewable energy development companies as development platforms ・Promote joint development with Group companies	○	○ ○ ○		・New development volume: 58 MW ・Finalized development projects: 3.02 GW	—
		Maximum utilization of nuclear power generation	Continuation of safe and stable operation of nuclear power stations — Zero unplanned outages	・Zero unplanned outages ・Improvement of utilization rate — Shortened regular inspection periods, etc.	・Faithfully conduct daily inspections, periodic operator's inspections, etc. ・Continuation of "polite dialogue" and "active dissemination of information" concerning nuclear power business	○ ○			Zero unplanned outages	—
		Carbon reduction for thermal power generation	・Act on Rationalizing Energy Use Achievement of benchmark indicators — A indicator: 1.0 or higher — B indicator: 44.3% or higher — Coal only indicator: 43.0% or higher ・Development of hydrogen (1%) and ammonia (20%) mixed-combustion technologies	・A indicator: 0.95 or higher ・B indicator: 41.44% or higher ・Coal only indicator: 41.15% or higher ・Study and examination of hydrogen and ammonia mixed-combustion technologies	・Implement performance management for units and systematic repair and improvement work at each power station ・Establish a system with power stations or manufacturers, identify issues and conduct feasibility studies and examinations	○	○ ○		・A indicator: 0.98 ・B indicator: 42.83% ・Coal only indicator: 41.56%	*2
		Advancing transmission and distribution network	Technological research and development for more sophisticated network operation ahead of an increase in the adoption of renewable energy	Responding to difficulties in maintaining proper voltage and developing systems to maximize the use of facility capacity	・Verify optimal control of multiple voltage regulators on the same distribution line ・Develop a grid congestion management system for early interconnection of renewable energy and maximum utilization of transmission capacity (basic design)		○ ○		Start of operation of economic output control system	—
	Promotion of electrification	Household/ Commercial	Contribute to improved electrification rates in Kyushu — Household: 70% (1.5 TWh of incremental increases in electricity volume) — Commercial: 60% (1.6 TWh of incremental increases in electricity volume)	Steady implementation of electrification sales activities to achieve improved electrification rate by 2030	・Expand mass PR using TV commercials and online advertisements ・Expand and enhance physical contact points (holding events, etc.) and digital contact points (strengthening online presence) to expand customer contact points ・Promote electrification through individualized proposals to medical, welfare, school lunch centers, etc. ・Proactively introduce all-electrification in real estate development projects	○ ○ ○ ○			Incremental increase in electricity volume — Household: 120 GWh — Commercial: 100 GWh	—
		Transportation	Electrification of company car fleet — Proportion: 100% are EVs *Excluding vehicles that cannot be converted into EVs	No. of EVs newly introduced: 200 Proportion of electric company car fleet: 25% (544 of 2,185)	Replace steadily with EVs according to plans	○			No. of EVs newly introduced: 95	*1
		Regional energy	Early creation of regional energy system business model to ensure optimal management and control of energy	・Steadily examine potential locations for demonstration	・Prepare for pilot tests and evaluation after system installation ・Examine potential locations for demonstration		○ ○		Undertake reviews and make proposals at candidate pilot test sites	—
	Providing recommendations for and participating in energy policy		Establishment of a system contributing to both decarbonization of power source and stable power supply	・Undertake review on the introduction of specific measures to meet necessary supply ・Undertake review on the direction of our power source portfolio for 2050	・Continue to appeal to the Japanese government regarding the design of the electricity trading market and other systems ・Study the direction of our power source portfolio to achieve decarbonization of power sources by 2050		○ ○		・Make steady appeals to the Japanese government ・Calculate and evaluate the supply-demand balance in 2030	—
	Promotion of energy-saving measures		Promotion of energy-saving measures to achieve carbon neutrality	Promotion of energy-saving diagnoses to reduce CO_2 and save costs in line with customers' needs	・Propose detailed energy-saving measures through measurement of energy usage and surveys on facility usage ・Introduce electricity and energy-saving methods through the website and workshops	○	○		No. of energy-saving measure proposals: 109	—
	Reduction of the environmental impact	Creation of a recycling-oriented society	・Recycling rate of waste other than coal ash: 98% or higher (Waste plastic 100%) ・Green procurement rate: 99% or higher (Office supplies)	・Recycling rate of waste other than coal ash: 98% or higher (Waste plastic 90%) ・Green procurement rate: 97% or higher (Office supplies)	・Improve operational efficiency and promote proper management through joint collection or utilization of electronic manifests ・Conduct pilot tests at model sites for advanced waste plastic recycling ・Conduct educational activities related to the promotion of green procurement	○		○ ○	・Waste other than coal ash: Expected to achieve ・Waste plastic: Expected to achieve ・Green procurement rate: 95%	*1
		Protection of regional environments	Water usage per employee: Less than the previous fiscal year every year	Water usage per employee: Less than the previous year (FY2022: 27 m³/person)	Ensure water-conservation-conscious behavior	○			Water usage per employee: 27 m³/employee	*1
		Collaborating with society (biodiversity conservation)	Minimal impact on ecosystems from our business activities	Acquisition of certification of company-owned forests as places that contribute to biodiversity conservation	・Ensure implementation of conservation measures in development and execution (construction and service) stages ・Acquire certification of company-owned forests as places that contribute to biodiversity conservation as recognized by the Japanese government ・Review of information disclosure in line with the TNFD Framework	○		○ ○	Appropriate environmental surveys of existing power supply sites	—
		Promotion of environmental management	Violations of laws: 0	Violations of laws: 0	Disseminate and share information on revisions of environmental laws and regulations in a timely and proper manner	○			Violations of laws: 0	—
	Others		Promotion of environment-related business	Establishment of a business model for woodland J-credit business	・Provide support to group companies for the self-sufficiency and expansion of the woodland J-credit business ・Provide ongoing coordination for the efficient and effective development and proposal of woodland-related services ・Gather a wide range of information on overseas woodland investment projects and undertake a cross-departmental review		○ ○ ○		Provide support to Hisayama Town, Kusu Town, and Kumamoto Prefecture (6 municipalities) for the creation of J-credit	—

Impact: (1) Maximize short-term opportunities (increase in profit), (2) Increase medium-term opportunity (improve growth rate (expected future growth)), (3) Reduce the risks (reduce capital cost)

Scope of performance aggregation: *1 Kyushu EP and Kyushu T&D *2 Kyushu EP on a non-consolidated basis

Implementing continuous improvements in energy services: Contribute to a sustainable and comfortable future for our customers
Co-creating a smart and vibrant society: Together with the Kyushu region, promote transformation in society and manufacturing
Promoting growth, success and diversity of human capital: Create future value by fostering an organizational culture in which people and organizations continue to grow

Targets for 2030: Employee engagement: employee satisfaction score 80%　Value added per capita: 1.5 times the FY2021 level

Materiality	Issue	Medium-term Targets (Items for which no year is specified are FY2030 targets)	FY2023 Targets	Major Action Plans	Impact (1)	Impact (2)	Impact (3)	Reference: FY2022 Results	Scope of performance aggregation
Implementing continuous improvements in energy servic	Stable supply of electricity	・Continuous stable supply — Average duration of power outages per household: Keep at a world-class level — No. of public accidents involving electric shocks: Zero ・Expansion of development overseas — Overseas equity output: 5 GW	・Power outage: 25.4 MWh or less (average of the past 5 years) ・No. of public accidents involving electric shocks: Zero ・Overseas equity output: 2.88 GW	・Ensure efficient patrols and inspections to reduce the amount of power outages, and maintenance through effective facility countermeasures, tree trimming, etc. ・Foster individual safety awareness and ensure safety behavior in cooperation with business partners to eliminate serious accidents ・Focus on development of projects that can be expected to contribute to profits at an early stage		○ ○ ○	○ ○	・No. of public accidents involving electric shocks: Zero ・Overseas equity output: Approx. 2.84 GW	—
	Low-cost energy supply	Industry-leading price competitiveness	Reduction of power generation costs	・Improve maintenance efficiency ・Expand procurement of low-quality coal and its procurement sources and examine blending businesses	○ ○			Reduction of power generation costs	—
	Provision of solutions based around energy services	Total amount of electricity sold: 120 TWh	Increase in sales by maximizing supply capacity	・Non-discriminatory wholesale sales both domestically and internationally ・Conduct sales to maximize profits within the scope of supply capacity	○ ○	○ ○		Total amount of electricity sold: 96 TWh (Electric power business in Japan)	—
Co-creating a smart and vibrant society	Realization of a smart society	Business model reform, business creation, etc.	・Create new businesses — Consideration of new businesses, new services, and collaboration with other companies: 10 — Creation of new businesses, new services, and collaboration with other companies: 2	— Promote co-creation and collaboration with startups and other companies from different industries (e.g., Kyuden Open Innovation Program "Inspiration and Co-Creation") — Create new businesses and services utilizing our strengths and resources (e.g., smart meter data analysis)	○ ○	○ ○	○ ○	—	—
	Regional vitalization (Regional and local development)	Sustainable development in the region and society — Creation of new industries and markets through projects to create industry	・Formulate a concrete business model — Set budget, area, collaborators, and other conditions ・Expand the scale and scope of business through collaboration with local communities	・Identify areas for implementation and collaborating companies ・Expand and create new businesses and services through collaboration with local communities (contribution to the expansion of the Group's overall profits)		○ ○		・Establish a joint implementation system with the Kyushu Economic Federation and define business areas ・Expand the scale and scope of projects through collaboration with local communities	—
	Creation of safe, secure and comfortable urban areas	Sustainable development in the region and society — Urban development projects in Kyushu area Participation: 10 (1 per year) or more projects (cumulative total to FY2030)	Participation in urban development projects in Kyushu area: 1 or more projects	Develop projects that contribute to increasing the number of visitors to Kyushu, revitalize local communities, create jobs and make safe and secure communities (expansion of offices and residents, urban development, operation of airports, etc.)	○	○		Participation in urban development projects in Kyushu area: 1 project	—
Promoting growth, success and diversity of human capital	Respecting human rights	Reducing the risk of serious human rights violations, including throughout the supply chain	Introduction of new and expanded initiatives (12 items) related to human rights due diligence and remedial measures	・Steadily promote human rights due diligence and remedial measures ・Implement systematic and effective inner branding in cooperation with related departments			○ ○	・Identification of significant human rights risks ・Establishment of Supplier Code of Conduct	—
	Promotion of value co-creation and innovation	Create new value by leveraging individual will — Number of commercializations: more than 30 (cumulative total to FY2030) — Number of proposals and entries: 10,000	・No. of participants in KYUDEN i-PROJECT: 100 participants/year ・No. of individual projects leading to commercialization, services, and final proposals: 3 or more projects/year	・Strengthen functions to create business ideas and develop projects ・Strengthen functions to accelerate growth of potential projects ・Create a foundation and culture that fosters innovation		○ ○ ○		・No. of participants in KYUDEN i-PROJECT: 169 participants/year ・No. of individual projects leading to commercialization, services, and final proposals: 2 projects/year	—
	Promotion of diversity and inclusion	Organization that makes the most of diversity of knowledge and experience — Female manager appointments: 30% or more (percentage of women appointed to section chief level or higher (excluding executives) — Management transformation training: All heads of organizations to attend (FY2025)	・No. of women newly appointed as managers or to top management positions in the organization (FY2019–2023): More than three times that of FY2009-2013 ・Male childcare leave: 100% ・Eruboshi certification	・Create an organizational culture that leverages and co-creates diversity of knowledge and experience ・Create a system that allows for flexible work styles		○ ○		・No. of new female managers appointed: 2.72 times increase (16 (49 cumulatively)) No. of women appointed to top management positions in the organization: 4 times increase (6 (28 cumulatively)) ・Male childcare leave: 80.6% ・Eruboshi certification	*1
	Prioritizing safety and health	・Zero serious occupational accidents including subcontractors and outsourcers ・Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program ・Overall health risk in stress check: 80 or less	・No. of serious accidents (employees): Zero ・Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program ・Overall health risk in stress check: 80 or less	・Thoroughly implement preventive measures focusing on serious accidents ・Promote health management based on the Kyushu EP Health Declaration			○ ○	・No. of serious accidents (employees): Zero ・Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program ・Overall health risk in stress check: 76	*1
	Securing and developing strategic human capital	・DX follower training: All employees to participate (FY2025) (Training to acquire basic knowledge and skills in digital transformation) ・DX specialist human resources training: Approx. 240 participants (FY2025)	・DX specialist human resources training: 200 participants (to be developed intensively in FY2023)	・In order to realize our business strategy, secure and develop human resources with diverse knowledge and experience, including highly specialized human capital and DX human capital ・Create a system that stimulates employee autonomy and makes the most of it ・Create an organizational culture that leverages and co-creates diversity of knowledge and experience		○ ○ ○		・DX specialist training participants: 36 ・DX literacy training participants: Approx. 9,000	*1
	Promotion of digital transformation (transformation of business structure, processes, etc.)	Profit generation effect of digital transformation: Approx. 40 billion yen (cumulative total to FY2030)	・Promotion of individual digital transformation plans: 50 cases ・Self-BI (Tableau) implementation and deployment: 50 cases	・Check the progress of the digital transformation plan of each department in charge, and provide appropriate advice and support for its implementation ・Provide support for further promotion of data utilization based on business unit needs		○ ○	○ ○	・Promotion of individual digital transformation plans: 50 cases ・Self-BI (Tableau) implementation and deployment: 30 cases	—

Impact: (1) Maximize short-term opportunities (increase in profit), (2) Increase medium-term opportunity (improve growth rate (expected future growth)), (3) Reduce the risks (reduce capital cost)　Scope of performance aggregation: *1 Kyushu EP and Kyushu T&D *2 Kyushu EP on a non-consolidated basis

Strengthening of governance: Establishment of governance to support growth

Materiality	Issue	Medium-term Targets (Items for which no year is specified are FY2030 targets)	FY2023 Targets	Major Action Plans	Impact (1)	Impact (2)	Impact (3)	Reference: FY2022 Results	Scope of performance aggregation
Strengthening Governance	Improvement of effectiveness of corporate governance	・Ensuring diversity and appropriate scale of the Board of Directors (ratio of external directors, etc.) ・Ensuring transparency and objectivity toward nomination and remuneration ・Enhancement of monitoring system	・Enhancement of the information we disclose relevant to corporate governance ・Improvement of the functioning of the Board of Directors	・Further delegate authority to persons responsible for business execution to accelerate decision-making ・Further invigorate discussions on management strategies and important issues for the entire group, etc. ・Verify the significance of policy shareholdings and take action to reduce the number of shares held			○ ○ ○	・Enhancement of the information we disclose relevant to corporate governance ・Revision of standards for Board of Directors meetings	*2
	Strengthening of risk management system	Improvement of the accuracy of risk management	Improvement of the accuracy of risk management	Clarify major risks, share risk awareness between senior management and executive officers, reflect risk countermeasures in the medium-term plan and implement proper monitoring			○	Conduct company-wide risk analysis, share awareness with senior management, and reflect risk countermeasures in the medium-term management plan	—
	Thorough compliance	・No. of serious compliance violations: Zero ・Creation of an organizational culture conducive to consultations	・No. of serious compliance violations: Zero ・Monitoring of the number of whistle-blowing and consultation cases	・Take appropriate measures to address the results of the Japan Fair Trade Commission investigation and inappropriate handling of customer information of new energy providers, etc., and take thorough measures to prevent recurrence ・Prevent compliance violations that could have a significant impact on management ・Establish a consultation desk for action regulations ・Communication of messages from senior management and enhancement of dialogue			○ ○ ○ ○	・No. of serious compliance violations: 3 ・Number of whistle-blowing and consultations: 30 (Number of consultations through compliance consultation desks and the Harassment Advice Counter of Kyushu EP and Kyushu T&D)	*1
	Strengthening of supply chain management	Raising supply chain awareness of ESG	Response rate to questionnaire survey on sustainability improvement initiatives for major business partners: 90% or higher	Promote initiatives to improve sustainability in the supply chain, including CN and human rights considerations, based on the Sustainable Procurement Guidelines		○		Establishment of Supplier Code of Conduct	*1
	Thorough information security	・Personal information leaks: Zero ・No. of serious data security breaches by cyber attacks: Zero ・No. of system failures that have a big impact on customers: Zero	・Personal information leaks: Zero ・No. of serious data security breaches by cyber attacks: Zero ・No. of system failures that have a big impact on customers: Zero	・Thoroughly implement measures to prevent recurrence in terms of awareness, education, systems, and business operations based on the cause of the information leakage incident ・Further strengthen the response toward security incidents ・Strengthen security measures throughout the supply chain, including business partners outside the Group ・Promote steady system development and operation in accordance with the division of responsibilities and roles between the business and IT departments		○ ○ ○	○ ○ ○	・Personal information leaks: 1 *Cases reported to the Personal Information Protection Committee in line with guidelines, rules and regulations from the regulatory authorities ・No. of serious data security breaches by cyber attacks: Zero ・No. of system failures that have a big impact on customers: Zero	*1
	Enhancement of stakeholder engagement (building trust with our stakeholders)	Improvement of stakeholder satisfaction — Improvement of trust in the Group — Improvement of customer satisfaction	・Level of trust in and satisfaction with the Kyuden Group — Trust: 59.1% or higher (over FY2021 results) — Satisfaction: 63.4% or higher (over FY2022 results) ・Improvement ratio in the questionnaire survey — Image of the Kyuden Group: 90% or more — Environmental conservation awareness: 90% or more	・Develop public relations and public hearing activities to enhance trust in the Kyuden Group — Promote dialogue with customers and other activities to regain their trust ・Enhance information dissemination to stakeholders to improve corporate value ・Promote collaborative activities in communities in line with the needs of each branch area and raise environmental awareness among the next generation through face-to-face and digital environmental education		○ ○ ○	○ ○	・Level of trust in and satisfaction with the Kyuden Group — Trust: 74.8% — Satisfaction: 63.4% ・Improvement ratio in the questionnaire survey — Environmental conservation awareness: 90.6% or more	—
	Improvement and strengthening of financial position	・Achievement of financial targets — Consolidated ordinary revenue: 125 billion yen or more (FY2025) Electric power business in Japan: 75 billion yen (FY2025) Growth business: 50 billion yen (FY2025) — Equity ratio: Approx. 20% (end of FY2025) ・Consolidated ROIC: 2.5% or more (FY2025)	・Achievement of financial targets — Consolidated ordinary revenue: 125 billion yen or more (FY2025) Electric power business in Japan: 75 billion yen (FY2025) Growth business: 50 billion yen (FY2025) — Equity ratio: Approx. 20% (end of FY2025) ・Consolidated ROIC: 2.5% or more (FY2025)	・Monitor the progress of plans, identify downside risks and examine their countermeasures to achieve financial targets and quickly restore the damaged financial base (reflect in the medium-term management plan) ・Improve profitability of growth investments by continuing to ensure thorough efficient electric business investment and steadily finding profitable projects ・Set and publish ROIC targets ・Implement PDCA based on ROIC targets (management through medium-term management plan and divisional overview reports) ・Conduct activities to promote understanding of capital efficiency and ROIC		○ ○ ○ ○ ○	○ ○ ○ ○ ○	・Consolidated ordinary revenue: -86.6 billion yen (-25.6 billion yen when impact of time lag is excluded) — Electric power business in Japan: -133.4 billion yen — Growth business: 47.4 billion yen — (consolidated elimination: -0.7 billion yen) ・Equity ratio: 12.2 % (10.4% when the hybrid bonds assigned equity credit excluded)	—
Promotion of sustainability management	Improvement of external assessment	・Top-level ESG rating in the energy sector	・Improvement of ESG rating ・Issuance of Integrated report	・Strengthen sustainability management to simultaneously pursue social and economic value — Strengthen the system to utilize non-financial and financial aspects as an integral part of management decision-making by quantifying the impact of ESG initiatives on corporate value (financial) and expanding ICP — Anticipate and respond to themes of increasing importance by global standards, such as TNFD and human capital, in order to expand future growth opportunities		○ ○		・Acquired SBT Initiative certification for greenhouse gas reduction targets (the first energy supplier in Japan to receive this certification) ・Rated by CPD as leaders in its Supplier Engagement Rating, the highest evaluation (the only energy supplier in Japan to receive this distinction in FY2022)	—
	Fostering awareness within the company	・Improvement of in-house awareness about sustainability management, ESG, etc. ・Improvement of employee pride and job satisfaction	・Penetration of materiality: 80% or more (FY2024)	・Foster awareness and momentum for sustainability management through employee-led projects or lectures to put initiatives into practice at each site		○		—	—

Impact: (1) Maximize short-term opportunities (increase in profit), (2) Increase medium-term opportunity (improve growth rate (expected future growth)), (3) Reduce the risks (reduce capital cost) Scope of performance aggregation: *1 Kyushu EP and Kyushu T&D *2 Kyushu EP on a non-consolidated basis

Environment

Climate Change

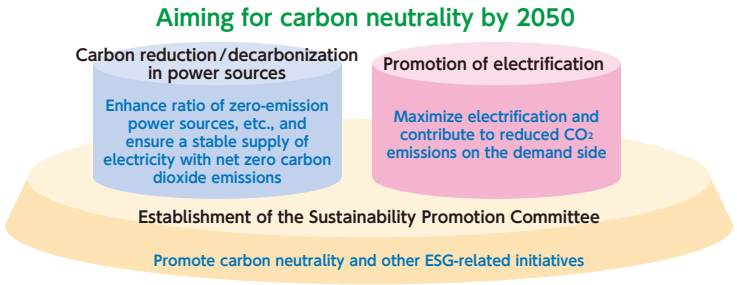
Policy and Approach

As global environmental issues increase in severity, at the Kyuden Group we have positioned response to climate change as a key management challenge (materiality: leading the way toward a decarbonized society), and are engaging in the necessary initiatives as a group.
In April 2021 we formulated the Kyuden Group Carbon Neutral Vision 2050 and declared our intention to achieve carbon neutrality by the year 2050. Further, in November, we put together the Action Plan to Achieve Carbon Neutrality, setting ourselves the ambitious target of going beyond net zero GHG emissions in our supply chain and becoming carbon negative as early as possible ahead of 2050 so that we can contribute to lower emissions across society. Meanwhile, we have also revised our management targets (environmental targets) for 2030, increasing them to a level that far exceeds the targets set by the government.
As a responsible energy provider, 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 initiatives to achieve carbon neutrality.

●Kyuden Group Carbon Neutral Vision 2050

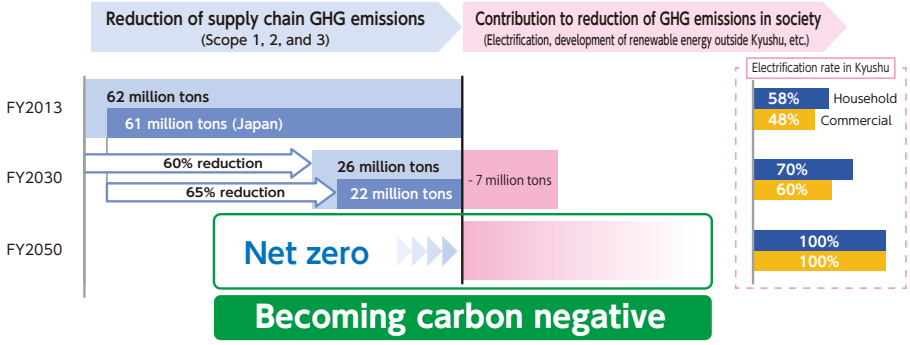
- We believe that efforts to tackle global warming are an opportunity for corporate growth, and so from here in Kyushu, we will aim to lead the decarbonization of energy in Japan.
- We will continue to engage in two key initiatives for both supply and demand: the decarbonization of our power sources and the promotion of electrification.

■Kyuden Group Carbon Neutral Vision 2050 Overview



●Goal for 2050

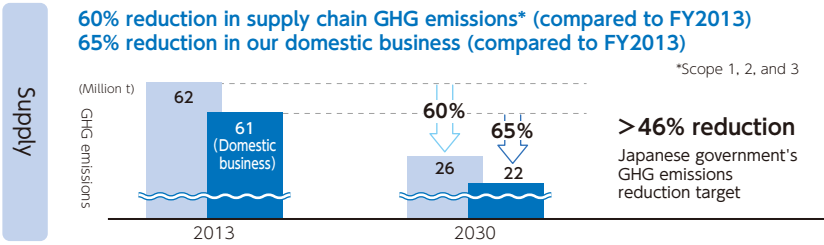
- Achieve net zero GHG emissions from our business activities throughout the supply chain
- Maximize electrification and contribute to reduced GHG emissions across society by providing a stable supply of environmentally friendly energy
- Become carbon negative as early as possible ahead of 2050 through the above initiatives

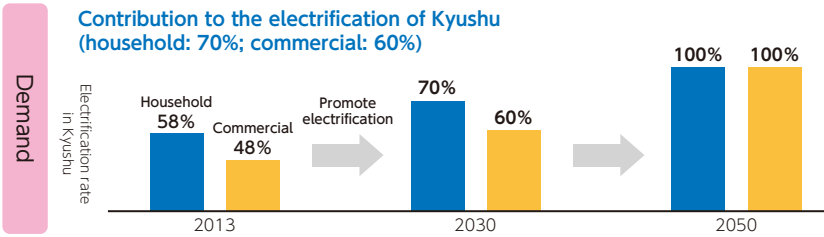


Emissions amount < Amount of emissions reduction contribution

●2030 Management Targets (Environmental Targets)

Having clarified the Group's goals for 2050, we have used a backcasting approach to formulate a set of management targets (environmental targets) for 2030.
Our target of a 65% reduction in supply chain GHG emissions (in our domestic business) far exceeds the government's target of 46% (compared to FY2013).

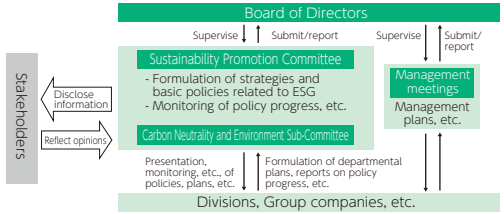




Promotion Framework

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.
We will continue to enhance and strengthen our processes for the assessment and management of climate change risks and opportunities, and look to link this to the sustainable growth and enhanced corporate value of the Kyuden Group.

■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

Management Targets and Progress

Item		Target (FY2030)	Progress (FY2022)
Management Targets	Supply chain GHG emissions*1 (Worldwide: Scope 1, 2, and 3)	60% reduction (Compared to FY2013)	26% reduction
	Supply chain GHG emissions*1 (Japan: Scope 1, 2, and 3)	65% reduction (Compared to FY2013)	28% reduction
	Contribution to improved electrification rate in Kyushu	Household: 70% Commercial: 60%	Household: 61%*2 Commercial: 48%*2 (FY2020)

*1 GHG emissions are based on market standards; domestic amounts have been calculated by taking away Scope 3 Category 15 from worldwide amounts (See page 71 for more details on calculation methods)
*2 Calculated in-house based on the Agency for Natural Resources and Energy's prefectural energy consumption statistics (provisional values)

Targets and Results

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of performance aggregation
Shifting our main power source to renewable energy	・New development volume: 136 MW ・Finalized development projects: 3.16 GW	・New development volume: 114 MW ・Finalized development projects: 3.23 GW	・New development volume: 58 MW ・Finalized development projects: 3.02 GW	—
Maximum utilization of nuclear power generation	・Zero unplanned outages ・Improvement of utilization rate — Shortened regular inspection periods, etc.	・Zero unplanned outages ・Improvement of utilization rate — Shortened regular inspection periods, etc.	Zero unplanned outages	—
Carbon reduction for thermal power generation	・A indicator: 0.95 or higher ・B indicator: 41.44% or higher ・Coal only indicator: 41.15% or higher ・Study and examination of hydrogen and ammonia mixed-combustion technologies	・A indicator: 0.99 or higher ・B indicator: 43.7% or higher ・Coal only indicator: 42.3% or higher ・Study and examination of hydrogen and ammonia mixed-combustion technologies	・A indicator: 0.98 ・B indicator: 42.83% ・Coal only indicator: 41.56%	*2
Advancing transmission and distribution network	Responding to difficulties in maintaining proper voltage and developing systems to maximize the use of facility capacity	Development of an economical renewable energy output control system	Start of operation of economic output control system	—
Household/ Commercial	Steady implementation of electrification sales activities to achieve improved electrification rate by 2030	Steady implementation of electrification sales activities to achieve improved electrification rate by 2030	Incremental increase in electricity volume — Household: 120 GWh — Commercial/ manufacturing: 110 GWh	—
Transportation	No. of EVs newly introduced: 200 Proportion of electric company car fleet: 25% (544 of 2,185)	No. of EVs newly introduced: 85 Proportion of electric company car fleet: 16% (344 of 2,185)	No. of EVs newly introduced: 95	*1
Regional energy	・Steadily examine potential locations for demonstration	・Implement needs assessments through interviews with local governments ・Steadily examine potential locations for demonstration	Undertake reviews and make proposals at candidate pilot test sites	—
Providing recommendations for and participating in energy policy	・Undertake review on the introduction of specific measures to meet necessary supply ・Undertake review on the direction of our power source portfolio for 2050	・Introduce specific measures to meet necessary supply ・Determine the direction of our power source portfolio for the mid-2030s	・Make steady appeals to the Japanese government ・Calculate and evaluate the supply-demand balance in 2030	—
Promotion of energy-saving measures	Promotion of energy-saving diagnoses to reduce CO_2 and save costs in line with customers' needs	Promotion of energy-saving diagnoses to reduce CO_2 and save costs in line with customers' needs	No. of energy-saving measure proposals: 109	—

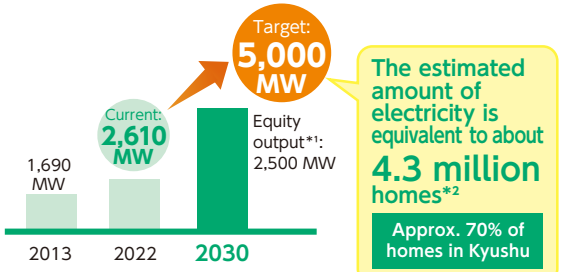
*1 Kyushu EP and Kyushu T&D *2 Kyushu EP

Initiatives

●Proactive Development of Renewable Energy

In Japan's 6th Basic Energy Plan, with its 3E + S policy as the main focus, the government has outlined its plan to prioritize maximum introduction of renewable energy to ensure it becomes the main source of power by 2050. By 2030, the government aims to have 36–38% 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.
In addition to the development of geothermal and hydroelectric power—two of our strengths—we will aim to increase use of offshore wind power and biomass power due to their huge potential, and move forward with efforts to make renewable energy our main source of power.

Renewable Energy Development Target



*1 Equity ratio times the facility output (development amount) in projects in which we have joined.
*2 Based on the calculation that homes use around 250 kWh of power each month.

Renewable Energy Development Achievements

(As of the end of FY2022; includes overseas)

Type	Output
Solar	Approx. 94 MW
Wind	Approx. 207 MW
Hydro	Approx. 1,295 MW
Geothermal	Approx. 554 MW
Biomass	Approx. 457 MW
Total	Approx. 2,610 MW

Reductions in CO_2 Emissions in FY2022 as a Result of Renewable Energy Development

Total: Approx. 1.95 million tons (equivalent to enough power for 500,000 homes)

Solar power generation
Approx. 30,000 tons
Omura Mega Solar Power Station Units 1-4 (Nagasaki Prefecture)
Capacity: 17.48 MW (Panel capacity: 20.35 MW)
Launch: March 2013

Wind power generation
Approx. 50,000 tons
Karatsu Chinzei Wind Farm (Saga Prefecture)
Capacity: 27.2 MW
Launch: November 2021

Hydroelectric power generation (excl. pumped storage)
Approx. 1,130,000 tons
Kamishiiba Power Station (Miyazaki Prefecture)
Capacity: 93.2 MW
Launch: May 1955

Geothermal power generation
Approx. 460,000 tons
Hatchobaru Power Station (Oita Prefecture)
Capacity: 110 MW (55 MW x 2)
Launch: June 1977

Biomass power generation
Approx. 280,000 tons
Shimonoseki Biomass Power Station (Yamaguchi Prefecture)
Capacity: 74.98 MW
Launch: February 2022

*Calculated using post-adjustment FY2021 CO_2 emissions factor: 0. 382 kg-CO_2/kWh

Geothermal power generation

Reductions in CO_2 emissions in FY2022 as a result of geothermal power generation: Approx. 460,000 tons

*Calculated using FY2021 CO_2 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.

We are currently engaged in geothermal development projects in the following areas.

In 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)
North of Mt. Sensui (Kokonoe, Kusu District, Oita Prefecture)

Outside Kyushu

Sarukuradake (Yanaizu, Kawanuma District, Fukushima Prefecture)

In the Eboshi area of Kirishima, we began preparations for the construction of a geothermal power plant in April 2022. 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.

■Geothermal Power Generation (As of March 31, 2023) (MW)

		Output
Existing facilities (Approx. 223 MW)	Otake	14.5
	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.


Hatchobaru Power Station


Yamagawa Binary Power Station


Spouting test at an exploration well to the south of Yamashita Lake

Hydroelectric power generation

Reductions in CO_2 emissions in FY2022 as a result of hydroelectric power generation: Approx. 1,130,000 tons

*Calculated using FY2021 CO_2 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 aging 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 Jikumaru Power Station (Bungo-Ono City, Oita Prefecture).

■Hydroelectric Power Generation (As of March 31, 2023) (MW)

		Output
Existing facilities*1	145 locations	1,295.111
Planned facilities (Approx. 3.2 MW)	Jikumaru*2	+1.1
	Chinda*2	+1.6
	Yoake*2	+0.5

*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 CO_2 emissions in FY2022 as a result of biomass power generation: Approx. 280,000 tons

*Calculated using FY2021 CO_2 emissions factor

Biomass power generation uses unused wood and other materials as fuel to create electricity and is a carbon-neutral* option that has no impact on CO_2 levels. We are currently engaged in biomass power development projects while checking whether the fuel has been produced in a sustainable manner.

In March 2023, operations commenced at the Ishikari Shinko Biomass Power Station, in which Kyuden Mirai Energy has invested.

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

■Biomass Power Generation (As of March 31, 2023) (MW)

			Main fuel	Output
Existing facilities (Approx. 457 MW)	Mono-fuel combustion using woody biomass	Nanatsujima Biomass Power*1	Palm kernel shells (PKS), wood pellets, and unused wood	49.0
		Buzen New Energy*1	Palm kernel shells (PKS) and wood pellets	74.95
		Fukuoka Wood Pellet Biomass*1	Unused materials and lumber scraps	5.7
		Soyano Wood Power*1	Unused materials and lumber scraps	14.5
		Kanda Biomass Energy*1	Wood pellets, palm kernel shells (PKS), and unused wood	74.95
		Okinawa Uruma New Energy*1	Palm kernel shells (PKS) and wood pellets	49.0
		Oita Biomass Energy*1	Palm kernel shells (PKS) and unused wood	22.0
		Shimonoseki Biomass Energy*1	Wood pellets	74.98
		Ishikari Bioenergy*1	Wood pellets, palm kernel shells (PKS)	51.5
	Other (incl. mixed combustion)	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)
Planned facilities (Approx. 136 MW)	Mono-fuel combustion using woody biomass	Hirohata Biomass Power Generation*1	Wood chips, unused wood, and palm kernel shells (PKS)	74.9
		Tahara Green Biomass*1	Wood pellets and other	50.0
	Other	Miyazaki Biomass Recycle*1,3	Chicken manure	11.35

*1 Developed by Group companies. *2 Mixed combustion at existing coal-fired thermal power stations.
*3 To ensure stable continuation of business, we have begun developing Unit 2 due to the aging of existing facilities

Wind power generation

Reductions in CO_2 emissions in FY2022: Approx. 50,000 tons

*Calculated using FY2021 CO_2 emissions factor

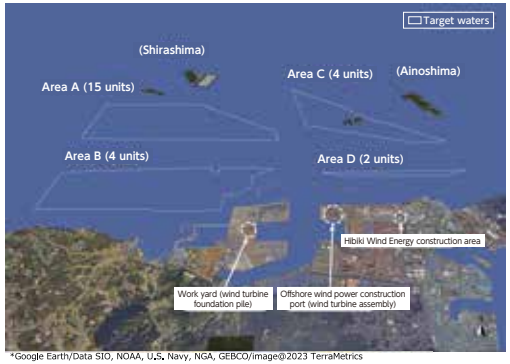
In promising locations that could facilitate long-term, economically efficient wind power generation, the Kyuden Group is working to develop wind power projects in harmony with surrounding environments. We are also actively working to use our accumulated technologies and expertise to increase introduction of both onshore wind power and offshore wind power, the latter of which is growing in popularity mainly in Europe.

Specifically, Kyuden Mirai Energy is moving forward with the Group's first large-scale offshore wind power project in the Hibiki-nada area of Kitakyushu City. Construction began in March 2023, and operations are expected to commence in FY2025. At 220,000 kW, the maximum output of the power generation facilities in this project greatly exceeds that of our existing wind power generation facilities. As such, this project is a major first step toward the Kyuden Group's goal of making renewable energy its main source of power.

■Wind Power Generation (As of March 31, 2023) (MW)

		Location	Output
Existing facilities (Approx. 207 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
	Karatsu/Chinzei*	Karatsu City, Saga Prefecture	27.2
	Other*	—	50.0
Planned facilities (Approx. 220 MW)	Offshore Hibiki-nada*	Kitakyushu City, Fukuoka Prefecture	220.0

*Developed by Group companies.



*Google Earth/Data SIO, NOAA, U.S. Navy, NGA, GEBCO/image©2023 TerraMetrics
Kitakyushu Hibiki-nada Offshore Wind Farm project area (to feature 25 wind turbines with a rated output of 9.6 MW)

Solar power generation

Reductions in CO_2 emissions in FY2022 as a result of solar power generation: Approx. 30,000 tons

*Calculated using FY2021 CO_2 emissions factor

We are currently working on mega solar power projects using the sites of old Kyushu Electric power stations, and purchasing power from expired feed-in tariff systems.
We are also introducing solar power generation facilities under the PPA model.*

*Under the PPA model, operators who own and manage solar power facilities install their power generation facilities within the grounds of their customers (companies, etc.) and supply them with electricity.


Omura Mega Solar Power Station

■Solar Power Generation (As of March 31, 2023) (MW)

		Output
Existing facilities (Approx. 94 MW)	Omuta Mega Solar*	1.99
	Omura Mega Solar*	17.48
	Sasebo Mega Solar*	10.0
	Solar power facilities installed in offices, etc.	Approx. 2.2
	Other mega solar power facilities*	Approx. 62.7
Planned facilities		Approx. 60.0

*Developed by Group companies.

Tidal Power Generation

Kyuden Mirai Energy is currently working on Japan's first 1,000 kW tidal power generation project off the coast of Goto City in Nagasaki Prefecture.
In March 2022, the project was selected to be part of METI's FY2022 Regional Decarbonization Model Project by Tidal Power Generation.
This current project is making use of the successes of Kyuden Mirai Energy's 500 kW tidal power generation project—which was undertaken in the same location until FY2021—and aims to create a business model for the implementation and commercialization of highly efficient tidal power generation technologies. The project is scheduled to run from FY2022 to FY2025.
As part of the demonstration project, Kyuden Mirai Energy is modifying a tidal power generator manufactured by Proteus Marine Renewables in the UK, boosting its output from 500 kW to 1,000 kW and interconnecting it to an actual power grid. Ultimately, the aim of the demonstration is to establish technologies that comply with Japan's environmental and technological standards, and to quickly implement domestic tidal power generation.

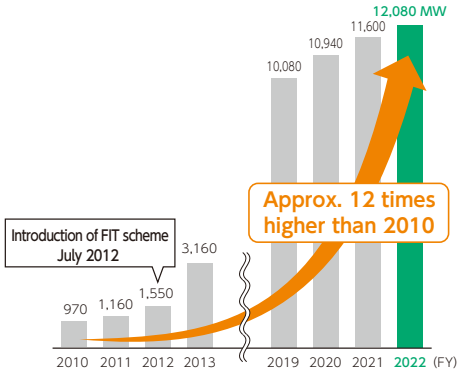

Tidal power generator

●Adoption of Renewable Energy

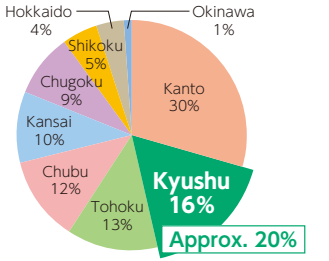
In Kyushu, implementation of renewable energy power generation facilities—particularly solar power—is progressing rapidly. At the Kyuden Group, we are working to maintain stable supplies of energy and ensure maximum adoption of renewable energy through the following initiatives:
• Flexible operation 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 December 31, 2022)



■Ratio of Solar and Wind Power Adoption in Japan*



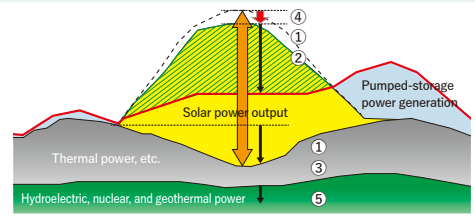
Note: FIT are not included.
*Agency for Natural Resources and Energy
Created based on data from the Feed-in Tariff Scheme Information Website (As of December 31, 2022).
Please note that totals may not add up due to rounding.

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 lowers the output of its thermal power stations to maximize utilization of solar power based on the Priority Electricity Supply Rules.*
When power supply still exceeds power demand, the company on occasion has no choice but to control output at solar power stations.
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

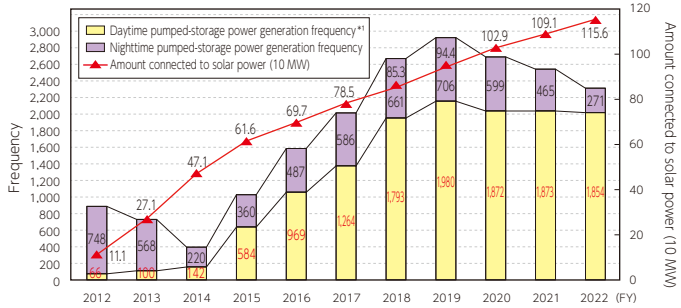


(1) Absorb surplus renewable energy from pumped-storage, control output of thermal power
(2) Transmit power outside of Kyushu via the Kanmon interconnection line
(3) Control output of biomass power
(4) Control output of solar and wind power
(5) Control output of hydroelectric, nuclear, and geothermal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

Utilization of Pumped-storage Power Generation

Kyushu Electric Power (Kyusyu EP) 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.

Utilization of High-capacity Storage Battery Systems

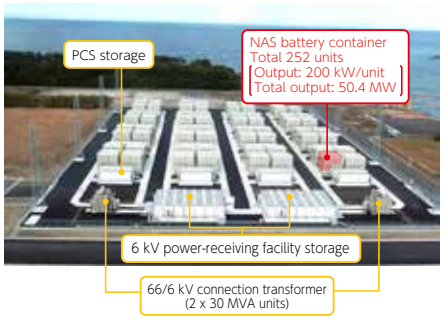
Placed in charge of a national project to demonstrate ways to improve supply and demand balance using a high-capacity storage battery system, Kyushu Transmission and Distribution (Kyushu T&D) has set up the Buzen Storage and Transformer Substation, which boasts a high-capacity storage battery system.
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 MW)
Power conditioner (PCS)	AC-DC converter
Connection transformer	Boost from 6 kV to 66 kV (2 x 30,000 kVA capacity units)

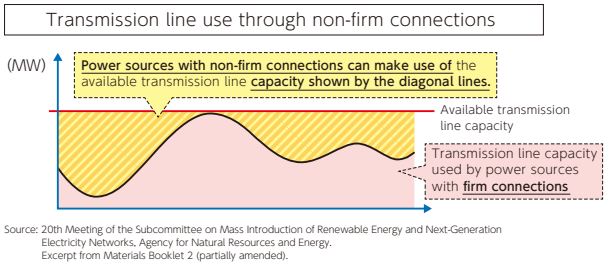
*Sodium (Na) and sulfur (S)

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.
In April 2023, the company extended this initiative to include local grids.
Looking ahead, through the Connect and Manage scheme, the company will work to make maximum use of its electricity networks.

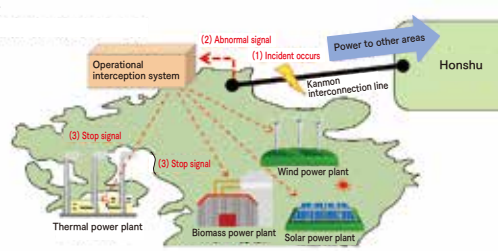


Source: 20th Meeting of the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks, Agency for Natural Resources and Energy.
Excerpt from Materials Booklet 2 (partially amended).

Technological Development Project to Reduce Renewable Energy Output Control

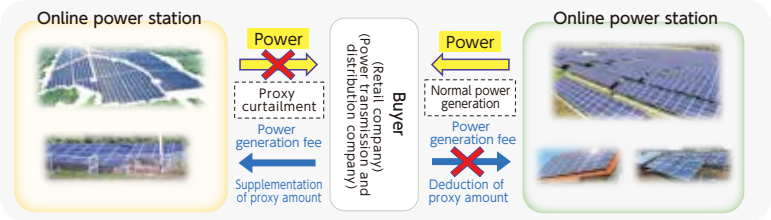
Kyushu T&D has taken on a national project for the development of technologies that can reduce output control of renewable energy. As such, it is currently building a transfer interception system that, in the event of an incident along the Kanmon interconnection line, can instantly suspend multiple power 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.

System Overview



Introduction of Online Proxy Curtailment (Economically Efficient Output Curtailment)

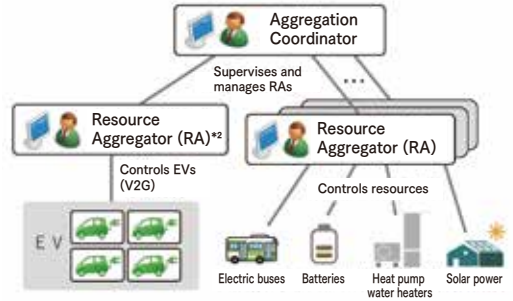
In December 2022, Kyushu Transmission and Distribution revised its output control method for solar power stations in mainland Kyushu to the online proxy curtailment method. This new method uses an online power station that can make actual, fine output adjustments to further reduce output.
Moving forward, in addition to precisely using this method to reduce overall output control, the company will continue to ensure further adoption of renewable energy.



Initiatives to Commercialize VPPs

With support from the government,*1 since FY2018 Kyushu EP has conducted demonstrations on how to adjust the balance between power supply and demand using electric vehicles (EVs).
The project is investigating whether diverse energy resources can be controlled under instruction from aggregators,*2 and whether EVs can be used to reduce output control in solar power generation. 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)



*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)?

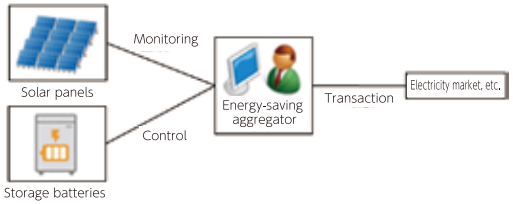
Providing functions much like a single power plant, virtual power plants facilitate the remote and integrated control of separate energy resources directly connected to the electricity grid.

Renewable Energy Aggregation Demonstration Project

With support from the government,* since FY2021 Kyushu EP has participated in a project to demonstrate renewable energy aggregation as an aggregator. In line with the feed-in premium system, which began in FY2022, the project is combining highly variable solar power generation with storage batteries to test ways to predict output volumes to ensure a balance between supply and demand, and to demonstrate the technologies required for resource control.

*Next-generation technology demonstration project using storage batteries and other decentralized energy resources (Ministry of Economy, Trade and Industry)

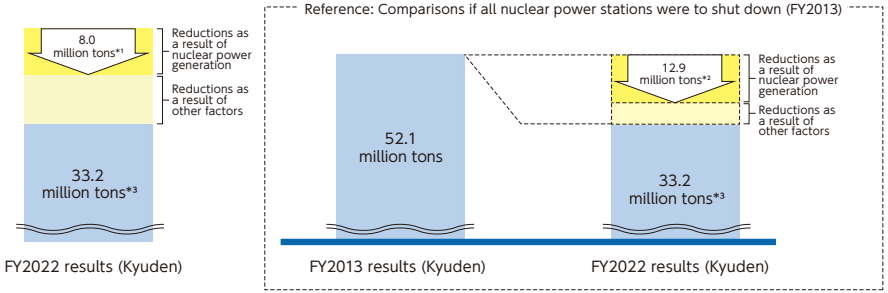
Project Overview



●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 Electric Power (Kyushu EP) is maximizing use of nuclear power generation as an option that does not produce CO_2 emissions.
In FY2022, reductions in CO_2 emissions as a result of nuclear power generation was estimated at being 8.0 million tons.

■Nuclear Power Generation by Kyushu EP and Its Effect on Reducing CO_2 Emissions

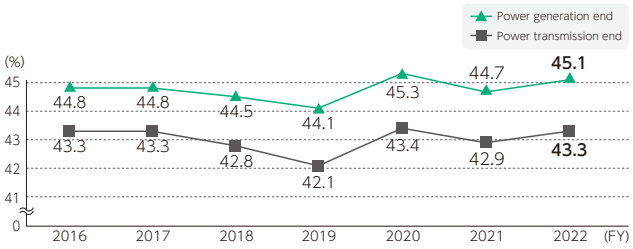


*1 Using FY2021 post-adjustment CO_2 emissions factor: 0.382 kg-CO_2/kWh
*2 Using FY2013 post-adjustment CO_2 emissions factor: 0.617 kg-CO_2/kWh
*3 FY2022 results are provisional; the government is set to announce definitive figures in December.

●Optimization of Thermal Power Generation

The Kyuden Group is working to maintain and improve overall thermal efficiency to reduce fuel consumption and CO_2 emissions.
In FY2022, Kyushu Electric Power's overall thermal efficiency improved 0.4% to 45.1% (at the power generation end) due to a higher utilization rate than the year before. Moving forward, the company will continue to aim for optimal thermal power generation through maximum use of its highly efficient thermal power generation plants.

■Overall Thermal Efficiency



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

Shin-Oita Power Station Grid 3 Axis 4
(LNG-fired thermal power)

●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.

●Creation of a Hydrogen and Ammonia Supply Chain

To prepare for the full-scale introduction of emissions-free hydrogen and ammonia combustion, we are working to quickly build a stable, economical supply chain covering everything from our upstream to downstream operations. To do so, we are building cooperative relationships and engaging in joint examinations with companies from various industries both inside and outside Japan.

●R&D on Hydrogen/Ammonia Fuel Technologies and CCUS Technologies

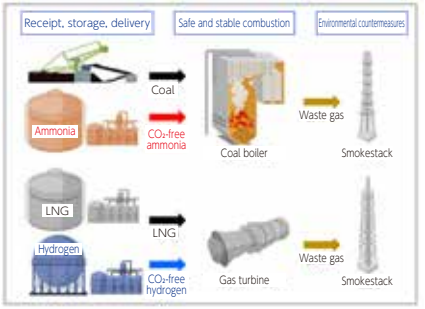
Technologies for hydrogen and ammonia fuel, both of which release zero CO_2 emissions when combusted, as well as CCUS technologies, which facilitate the separation, capture, use, and storage of CO_2, are essential for the decarbonization of thermal power generation. We are therefore investigating and researching technological trends and working to develop the necessary underlying technologies.

Initiatives to Establish Hydrogen and Ammonia Mixed-combustion Technologies

We are currently moving forward with the following initiatives to establish hydrogen (1%) and ammonia (20%) mixed-combustion technologies by 2030.

- Examination of equipment for receipt, storage, and delivery in line with fuel properties
- Implementation of tests for safe and stable combustion
- Examination of environmental countermeasures in line with fuel changes

One specific initiative in April 2023 was the trial of ammonia mixed combustion at Unit 1 of the Reihoku Power Station.



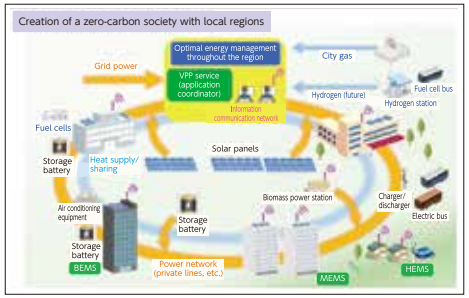
Initiatives To Establish Hydrogen Manufacturing Technologies

We are currently engaged in a joint technological development project with the University of Tokyo to increase the durability of and reduce costs related to electrolysis and hydrogen manufacturing equipment.

●Initiatives for the Creation of a Regional Energy System

Regional energy systems have the potential to greatly change the business models in our electricity business. As these energy systems are an area in which we can apply the strengths of the Kyuden Group, seeing them as a business opportunity, we are working with local governments and other related organizations to collect information and select locations for demonstrations. Specifically, we are planning a demonstration project through which we will aim to acquire the technological expertise required for these energy systems and examine locations to test the business model.

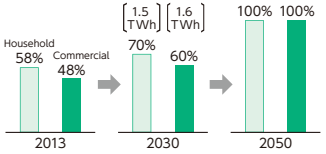
■Regional Energy System



●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 in our household, commercial, and industrial sectors, with a view to achieving a 100% electrification rate by 2050. In our household and commercial sectors, we will work to achieve a 70% and 60% electrification rate respectively by 2030. Ahead of this target, between 2021 and 2030 we will aim to increase electricity output by 1.5 billion kWh in our household sector and 1.6 billion kWh in our commercial sector.

■Contributions to Improved Electrification Rates in Kyushu

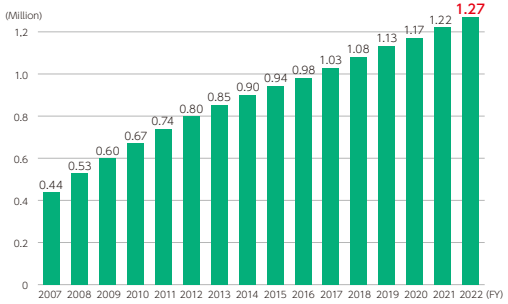


*Figures in brackets show total increase between 2021 and 2030.

Household sector

At the Kyuden Group, we aim to provide customers with comfortable, energy saving, and great value 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 Kitchen Studios throughout Kyushu and the All-Electric Car, a mobile marketing vehicle.
As of the end of FY2022, with a total of 1.27 million, approximately one in five homes in Kyushu is all-electric.

■Cumulative Number of All-electric Homes in Kyushu



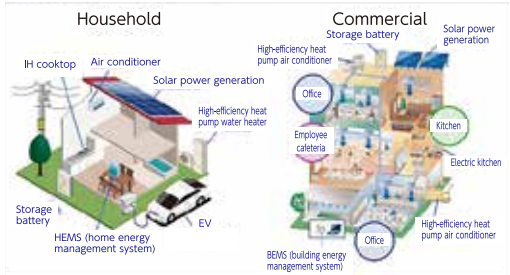
Commercial sector

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℃, and high temperature ranges of up to around 10,000℃.
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.

■All-electric Homes in 2050



Precute—A water preheating unit that utilizes a natural refrigerant heat pump

Together with Showa Manufacturing Co., Ltd., Kyushu Electric Power (Kyusyu EP) has developed a water preheating unit that utilizes a natural refrigerant heat pump (product name: Precute) to reduce the fuel used by steam boilers in food factories. Precute efficiently preheats the water supplied to steam boilers to both reduce the fuel they require and cut CO_2 emissions. Precute is easy to install in food factories that use many steam boilers, and widespread adoption of the product is expected to lead to huge reductions in CO_2 emissions.

Utilization of heat pumps in agriculture

Kyushu EP has for many years undertaken R&D on the electrification of agriculture. Since FY2020, the company has been researching technologies for the year-round use of heat pumps in Yatsushiro City, Kumamoto Prefecture—one of Japan's leading tomato-producing regions—to improve energy-saving performance and boost profitability. Specifically, the project is demonstrating ways to increase profits through use of nighttime air conditioning in summer and reduce operational costs for heating in the winter.

Use of heat pumps for tomato cultivation (joint research with JA Yatsushiro)

●Utilization and Promotion of EVs

Kyushu EP and Kyushu T&D are 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

Kyushu EP and Kyushu T&D have set itself the target of modifying our entire company car fleet* into electric vehicles by 2030. As of FY2022, we have a total of 95 EVs in our fleet.
*Excluding vehicles that cannot be converted into EVs.

EV Sharing Services

weev—An EV sharing service solely for use by condominium residents

Compared to residents of detached homes, the cost of car ownership for condominium residents is far higher due to parking fees. As such, there is a potential for high demand for car sharing services among condominium residents.
In response, Kyushu EP is proposing an EV sharing service within condominiums to offer residents a smarter, more convenient way to use EVs.

weev

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.

Car sharing stations on company-owned land

To create opportunities for customers to easily experience the convenience and comfort of EVs, Kyushu EP has partnered* with Nissan Motor Co., Ltd. to install EV sharing stations for the public to use at its Fukuoka and Oita branches.
*Using Nissan Motor's e-share mobi car sharing service

Initiatives for the new introduction of EVs through EV rental cars

Since February 2022, Kyushu EP, Nippon Rent-A-Car Service, Inc., Tokyo Century Corporation, and NIPPON CAR SOLUTIONS CO., LTD. have been working together on a new initiative for the EV sharing economy, examining the effectiveness of using EVs as company vehicles on weekdays and rental vehicles on weekends and public holidays. The four companies are also investigating ways to use EV batteries as mobile storage batteries and promote the effective use of renewable energy. The group is also examining new services in anticipation of the increasing use of EVs in the future.

EV Charging Service (PRiEV)

From the second half of FY2022, Kyushu Electric Power (Kyusyu EP) began offering condominium residents in the Tokyo metropolitan area and Fukuoka City an EV charging device for their own parking spaces. This new service aims to provide customers with a more comfortable, convenient EV charging environment.

Promoting Further Use of EV Taxis

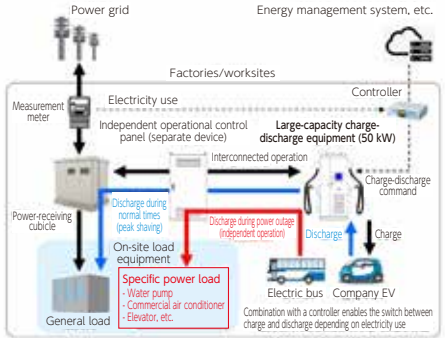
In January 2022, Kyushu EP, Daiichi Koutsu Sangyo Co., Ltd., and the Sumitomo Corporation Group tested the introduction of EV taxis and charging equipment at the Island City sales office of Daiichi Koutsu Sangyo, analyzing their economic efficiency, durability, and environmental friendliness, and examining the optimal charging and operational methods. Based on the results of this test, the three organizations will promote the spread of economically efficient, environmentally friendly EV taxis.

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 CO_2 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

Kyushu Electric Power, Kyuden Technosystems Corporation, and Kyuhen Co., Inc. have jointly developed a large-capacity charge-discharge system to be used on the grounds of companies and local governments that have introduced or are operating business-use EVs, such as electric buses. This new charge-discharge system boasts a range of outstanding features—it offers the highest discharge output in Japan at 45 kW (CHAdeMO certified), it can supply three-phase power load systems used in factories, and it can connect simultaneously to two EVs and alternately charge and discharge. The system can help promote use of EVs for multiple applications. For example, using them alongside energy management systems can help peak shaving at business facilities and provide emergency power for use during disasters, and reduce CO_2 emissions from business sites when used alongside solar power generation facilities. This new system is expected to significantly promote the spread of EVs and boost economic efficiency.



System operation illustration


Large-capacity charge-discharge equipment

●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

Among other new initiatives, in FY2022 we launched the Group's first power supply business in Africa in an area with no electricity, while in Southeast Asia we joined a renewable energy development project. In the future, while expanding our businesses into regions in Europe and Africa, we will continue with initiatives that contribute to decarbonization, such as high-efficiency thermal power projects and power transmission and distribution projects. In the future, while expanding our businesses into regions in Europe and Africa, we will continue with initiatives that contribute to decarbonization, such as high-efficiency thermal power projects and power transmission and distribution projects.
Moving forward, we will contribute to the creation of sustainable societies overseas through stable supplies of electricity and environmental countermeasures.


The Kyuden Group has invested in PetroGreen Energy Corporation,* which owns the Nabas Wind Power Station
*A renewable energy development company

Overseas Consulting

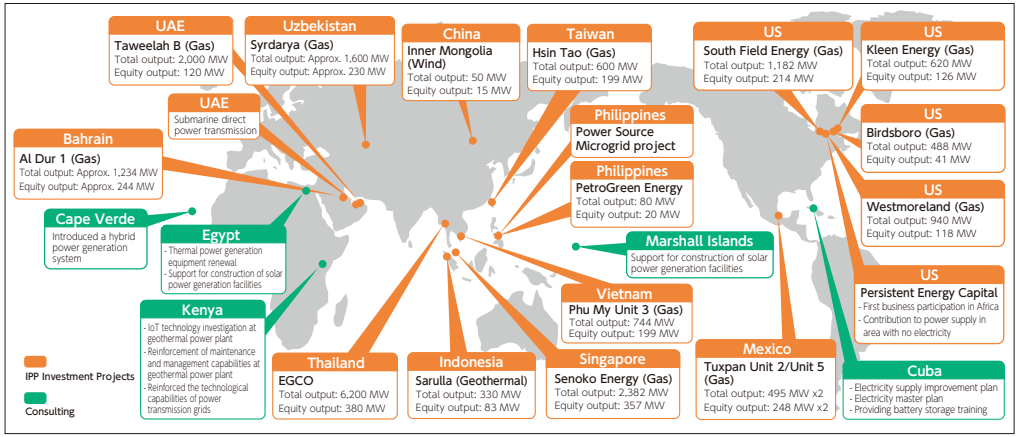
In FY2022, we continued with several projects that had carried over from the previous year: a project to introduce IoT technologies and reinforce operation, maintenance, and management at a geothermal power plant in Kenya; a project in Cuba to create an electricity master plan to stabilize electricity supplies using storage batteries and EMS, and to introduce renewable energy; and a project to reinforce the technological capabilities of power transmission grids in Kenya.
In these and other ways, we are utilizing the combined specialist expertise and technologies of our group to propose effective solutions for various nations.

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

■Major Initiatives in FY2022

IPP Investment Projects		
	US	Venture company (power supply and support for an area in Africa without electricity): Invested
	Philippines	Renewable energy development company: Invested
	Thailand/Vietnam, etc.	Renewable energy development company: Capital alliance
Overseas Consulting Projects		
	Kenya	Project to reinforce the technological capabilities of power transmission grids (The Kyuden Group, etc.) A project to reinforce operation, maintenance, and management of the Olkaria Geothermal Power Station through use of IoT technologies (Kyushu EP, Kyuden International, West Japan Engineering Consultants, Nishinippon Plant Engineering and Construction, Kyuden Sangyo, and others) Project to improve supply and management of steam in geothermal business (West Japan Engineering Consultants)
	Cape Verde	A project to introduce a hybrid power generation system (Kyushu EP, Kyuden International, West Japan Engineering Consultants, and others)
	Cuba	Formulate an electricity sector master plan (Kyushu EP, Kyuden International, West Japan Engineering Consultants, and others) Project for the Improvement of Power Supply in the Isle of Youth (Kyushu EP, West Japan Engineering Consultants, etc.) Providing battery storage training (The Kyuden Group, etc.)
	Egypt	Gas combined cycle thermal power rehabilitation (Kyuden International, and others) Hurghada Photovoltaic Power Plant Project (Kyushu EP, Kyuden International, West Japan Engineering Consultants, Nishinippon Plant Engineering and Construction, and others)
	Marshall Islands	Project for the Installation of Solar Electricity Generation System in Ebeye Island (Kyuden International, and others)

■Overseas Business Development (Recent Achievements)



*Information regarding IPP investment projects is current as of the end of FY2022; Information regarding overseas consulting shows major activities of recent years.

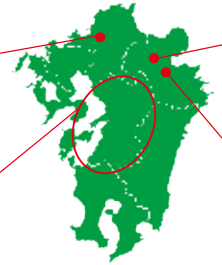
●Creating J-Credits through Use of Woodland Resources

The Kyuden Group is engaged in a project through which it supports the creation of J-Credits* using woodland owned by local governments and other organizations, while it also creates J-Credits from company-owned woodland.
We plan to use these J-Credits to offset CO_2 emissions from the Group's community relations activities and the production activities of local companies.

*A scheme whereby the government certifies the amount of CO_2 absorbed by woodland and the amount of CO_2 emissions reduced through use of renewable energy or energy-saving measures as credit, and through which this credit is traded

Hisayama Town, Fukuoka Prefecture	
Creation period (scheduled)	8 years (FY2021–2028)
Expected amount (total)	Approx. 1,500 t-CO_2
Of which already created	200 t-CO_2

Six entities in Kumamoto Prefecture (4 local governments, 2 private entities) (outsourced to a company in Kumamoto Prefecture)	
Creation period (scheduled)	8 years (FY2022/2023 onwards)
Expected amount (total)	Approx. 75,000 t-CO_2



Kusu Town, Oita Prefecture
Preparing for project registration (Scheduled to begin from FY2023 onwards)

Kyuden-owned woodland (Yufu City, Oita Prefecture, etc.)	
Creation period (scheduled)	16 years (FY2021–2036)
Expected amount (total)	Approx. 240,000 t-CO_2
Of which already created	Approx. 10,000 t-CO_2

The expected amount (total) is a current prediction; Details will be calculated when J-Credits are created.

●Participation in Climate Change-related Industry Organizations and Initiatives

Kyushu EP has positioned response to climate change as a key management challenge (materiality). To help tackle this challenge, we have joined and participated in several industry organizations and initiatives that are in line with our own ideas and course of action, and through them we are working to mitigate and adapt to climate change.

■Main Industry Organizations and Initiatives

Industry organization/Initiative	Activities/Our Stance
Task Force on Climate-Related Financial Disclosures (TCFD)	The TCFD was set up by the Financial Stability Board at the request of the G20 finance ministers and central bank governors. In June 2017, the TCFD announced its recommendations for the disclosure of information regarding the financial impact that climate-related risks and opportunities could have. We announced our support for the TCFD recommendations in July 2019, and have disclosed information based on these recommendations since 2020.
Keidanren Challenge Zero	This initiative was launched by Keidanren to achieve a decarbonized society, which is the long-term goal of the Paris Agreement. As part of the initiative, participating companies and organizations declare their commitment to taking on the challenge of achieving a decarbonized society through innovation, and announce the specific action they are going to take. We announced our participation in the initiative and registered our challenge projects in September 2020.
Science Based Targets Initiative (SBTi)	The SBTi is an international partnership between CDP, the United Nations Global Compact, the World Resources Institute, and the World Wide Fund for Nature. Science-based targets are GHG emissions reduction targets set by companies for between five and ten years in the future that are in line with the goals of the Paris Agreement—to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. In March 2023, we acquired SBTi certification for our Group GHG emissions reduction targets.
GX League	Launched by the Ministry of Economy, Trade and Industry, the GX League aims to develop collaboration between the Japanese government, universities and other educational institutions, financial institutions, and a group of corporations who are working quickly toward carbon neutrality and who are leading the green transformation of overall economic and social systems, including for stakeholders other than themselves. These players will work together to discuss the transformation of economic and social systems and the creation of new markets. We decided to join the GX League in April 2023.
Electric Power Council for a Low-Carbon Society	The Electric Power Council for a Low-Carbon Society aims to ensure that the global warming countermeasures implemented by the electric power industry are effective by encouraging and supporting member companies' efforts to implement the Council's carbon neutrality action plan. In doing so, the Council is promoting effective global warming countermeasures for the whole industry. In full support of its aims, we joined the Electric Power Council for a Low-Carbon Society in February 2016.

We have joined these industry organizations in light of their consistency with our business objectives, our areas of focus, and our business activities. In determining whether to continue our participation, we regularly examine the activities of the organization in question to ascertain whether there are any significant differences between their ideas and approaches and our own. (We decide whether or not to withdraw our participation when there are major differences and when membership is no longer necessary from a business perspective.)

●Promotion of Green Transition Finance

We are promoting green transition finance to help our wide-ranging stakeholders further understand our initiatives to achieve carbon neutrality by 2050—namely the decarbonization of our power sources and the promotion of electrification—and to diversify our sources of funding for these activities.
In FY2022 we became the first former general electricity company to issue a transition bond and the first to receive a transition loan through the government's interest subsidy system.
In these and other ways, we will continue to promote finance-oriented initiatives to achieve carbon neutrality.

■Kyushu Electric Power Transition Bond

No.	Date of issue	Issued amount	Period	Interest rate	Use of funds
1st	May 24, 2022	30 billion yen	5 years	0.350%	Development of the Hibiki Power Station (a state-of-the-art high-efficiency LNG-fired thermal power plant), new investments in the closure of existing thermal power plants, and refinancing of existing equipment
2nd		25 billion yen	10 years	0.644%	

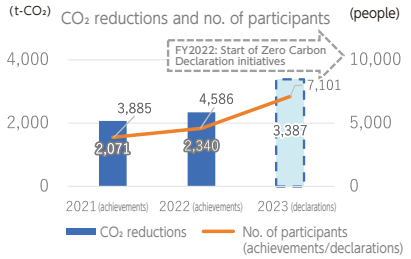
■Transition Loan (Use of funds not specified)

Loan start	Loan amount	Loan period	Features
November 2022	50 billion yen	10 years	・Use of the results-linked interest subsidy system based on the Act on Strengthening Industrial Competitiveness (the first in Japan) ・When specific environmental goals are met, interest is reduced by up to 0.2% using the interest subsidy

*Previous achievements relating to green transition finance can be found in the Financial Data Book

●Creation of Carbon Neutral Opportunities through the Zero Carbon Challenge Declaration

To achieve carbon neutrality in the Kyushu area, Kyuden Group employees have declared their ambition to implement further energy-saving and electrification efforts in the home under the slogan "Going beyond zero. Changing the future today."
The achievements and number of declarations are increasing each year, and in FY2023 7,101 Group employees have pledged to cut 33.87 million t-CO_2.*
Employee declarations are being widely communicated to our regions and communities through our website and social media channels.
*Equivalent to the CO_2 emissions of 1,236 households



●Receipt of the Encouragement Prize at the 19th LCA Japan Forum Awards

Kyushu EP received the Encouragement Prize at the 19th LCA (Life Cycle Assessment) Japan Forum Awards.
The LCA Japan Forum Awards recognize outstanding activities related to life cycle assessments and environmental efficiency. In doing so, the aim is to promote and establish use of LCA methods, pursue technological innovations that boost environmental efficiency, and ultimately develop domestic industries.
For this prize, we were highly rated for our activities as an energy infrastructure business—namely, for our significant reduction of basic emissions factors from 0.613 kg-CO_2/kWh (FY2013) to 0.305 kg-CO_2/kWh (FY2021), our drastic upwards revision of our 2030 milestone and final target values for 2050, and our ambitious, proactive approach to accelerating our LCA initiatives.

Yoshirou Uchimura, Senior Managing Executive Officer of the District Symbiosis Division, receiving the prize from Atsushi Inaba, Chairman of the LCA Japan Forum

Biodiversity

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 the protection of biodiversity and the prevention of deforestation.
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 CO_2 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

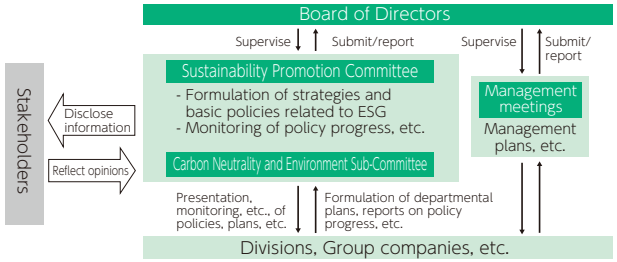
●Biodiversity Action Guidelines by the Japanese Electric Utility Industry (updated June 2020)

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

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of performance aggregation
Collaboration with society (biodiversity conservation)	Acquisition of certification of company-owned forests as places that contribute to biodiversity conservation	Minimize impact on ecosystems from our business activities	Appropriate environmental surveys of existing power supply sites	—

Initiatives

Based on our Environmental Action Policies, at the Kyuden Group we will contribute to the creation of a sustainable society through environmental activities while paying 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.

●Main Supply Chain Initiatives

At Kyushu EP and Kyushu T&D, to ensure the protection of biodiversity throughout our business activities, in addition to strictly complying with the laws and regulations in each country we conduct business, we gauge conditions in each supply chain and take measures to minimize impact on ecosystems.

Power Generation Initiatives

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.

Implementing 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	Goals, etc., of implementation	Management and conservation measures in line with assessment results
October 2020–June 2021	Kurokawa Power Station Unit 1 Comprehensive Refurbishment (Restoration) Plan (Aso District, Kumamoto Prefecture)	Hydroelectric power	Although this was a restoration project not subject to assessment as per the Environmental Impact Assessment Act, we conducted a voluntary environmental impact assessment to ensure appropriate environmental considerations and maximum reduction of impact on the surrounding environment	In consideration of the surrounding environment, we set up soundproof panels in areas near residences to minimize excess noise from construction machinery during construction
October 2020–November 2021	Chinda Power Plant Comprehensive Refurbishment Plan (Bungo-Ono City, Oita Prefecture)	Hydroelectric power	Although this was a small-scale development not subject to assessment as per the Environmental Impact Assessment Act, we conducted a voluntary environmental impact assessment in consideration of the surrounding environment	We set and managed independent wastewater quality standards in line with national environmental standards to monitor water quality (cloudiness) during construction
July 2021–March 2022	Shin-Yoron Power Station Unit 5 facility expansion plan (Yoron, Kagoshima Prefecture)	Internal combustion power	Although this was a small-scale development not subject to assessment as per the Environmental Impact Assessment Act, we conducted a voluntary environmental impact assessment in consideration of the surrounding environment	We decided on a mainly ivory color (milky white) for the additional building and smokestack to ensure harmony with the surrounding environment
July 2022–September 2022	Shin-Tanegashima Power Station Unit 6 facility expansion plan (Minamitane, Kagoshima Prefecture)	Internal combustion power	Although this was a small-scale development not subject to assessment as per the Environmental Impact Assessment Act, we conducted a voluntary environmental impact assessment in consideration of the surrounding environment	In consideration of the environment, we decided on a mainly ivory color (milky white) for the additional building and smokestack, and installed soundproofing panels in locations near homes
August 2022–February 2023	Shin-Iki Power Station Unit 5 facility expansion plan (Iki, Nagasaki Prefecture)	Internal combustion power	Although this was a small-scale development not subject to assessment as per the Environmental Impact Assessment Act, we conducted a voluntary environmental impact assessment in consideration of the surrounding environment	To ensure harmony with the surrounding environment, as the power station is within a national park, for the additional building and smokestack we selected colors that were in line with the criteria for special areas as per the Natural Parks Act

*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.

Environmental Conservation Measures

After a legally required environmental assessment (completed July 2016) as part of a plan to refurbish the Otake Power Station (geothermal), 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 (internal combustion), 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

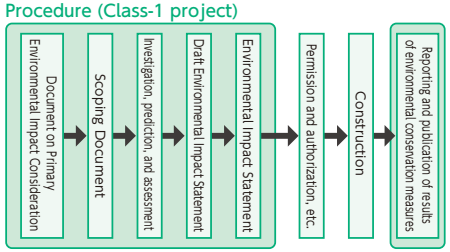
Reference: Procedure for legally required environmental assessments

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 50 MW	Output of more than 37.5 MW and less than 50 MW
Solar battery	Output of more than 40 MW	Output of more than 30 MW and less than 40 MW

Procedure (Class-1 project)



: Legal environmental assessment procedure

Power Transmission Initiatives

Implementing environmental impact assessments when constructing power transmission towers

Kyushu Transmission and Distribution inspects the impact that its construction of power transmission towers will have on surrounding ecosystems in advance, and ensures environmentally friendly construction work by implementing measures as necessary, such as protecting rare animals and plants.


Power transmission towers


Bird survey

Power Station Initiatives

Greening Measures at Power Stations

To protect natural environments at their power stations, Kyushu EP and Kyushu T&D maintain and manage a wide range of greenery on-site.

●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, 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 FY2022, we conducted a total of 38 Korabora-Q-den and Korabora-Q-den Eco activities, with approximately 2,000 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 our Korabora-Q-den cleaning activities, in FY2022 we collected **approximately 88 tons** of waste, equating to **around 2,000 45-liter waste bags**.


Releasing salmon fry (Iizuka Power Distribution Office)

●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 addition to lessons at nursery schools and elementary schools and experience-based educational programs in forests, we also held educational programs using digital technologies.
In FY2022, 22,050 individuals participated in these initiatives.

	Main activity name	Content	FY2022 figures	Photo of activity
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.	134 visits Approx. 6,900 participants	
Lessons	On-demand lessons	Students from elementary school to university are taught about the environment and energy, including topics such as climate change and how electricity is produced.	Approx. 460 lessons Approx. 13,530 participants	
Lessons	Environmental education using digital technologies	Using digital technologies we developed for use during the pandemic, such as VR and computer graphics, we are providing environmental education that simulates forest thinning, forest walks, and other forest activities, all while being in school.	23 lessons Approx. 650 participants	
Experiences	Kyuden Play Forest	Elementary school students are taught the importance of valuing the environment through experiential learning events at forests throughout the Kyushu region.	4 events Approx. 360 participants	
Experiences	Environmental education in forests	Aiming to teach the importance of valuing the environment, we are providing environmental education that combines forestry experiences with classes on the relationship between global warming and forests at the Kuju Kyuden Forest and the Isahaya Kyuden Future Forest.	11 events Approx. 610 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. Hiijidake. 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.
These activities have been led by the Kyuden Mirai Foundation since FY2016. The foundation is working to enhance its activities through various measures, such as training people who can lead future controlled burning activities.


Controlled burning of the Kuju Bogatsuru Marshlands


Activities to protect rare plants at the Kuju Bogatsuru Marshlands


Activities to protect the Kyushu azalea found on Mt. Hiijidake.

Kyuden Future Forest Project

Through the Kyuden Future Forest Project, we are working to create new forests to extend the environmental education and community interaction we conduct at the Kyushu EP owned Kuju Kyuden Forest (Oita Prefecture) to the rest of the Kyushu region. In FY2022, based on partnership agreements with Nagasaki Prefecture and Isahaya City, we began developing the Isahaya Kyuden Future Forest (Nagasaki Prefecture) on land owned by Isahaya City. In the same year, with the help of around 440 volunteers, including local elementary school students, other locals, and Kyuden Group employees, we planted approximately 3,600 saplings.


Partnership agreement ceremony for the Isahaya Kyuden Future Forest

Environmental Education Activities at the Kuju Kyuden Forest and the Isahaya Kyuden Future Forest

To heighten awareness of environmental conservation among children, and in turn promote future environmental conservation activities, we are hosting environmental education programs that combine various experiences—thinning, planting, observation, and woodworking—with classes on the relationship between global warming and forests. In FY2022, we hosted 11 classes and welcomed 614 participants. (Participants between FY2016–2021: Approx. 6,000)


Forest class


Forestry experience


Environmental education

Environmental Education Using Digital Technologies

With limitations on on-site environmental education due to the pandemic, we developed digital technologies for use during the pandemic, such as VR and computer graphics, to provide environmental education that simulates forest thinning, forest walks, and other forest activities, all while being in school. We have offered these lessons in schools since FY2021. In FY2022, we held 22 classes (656 participants), and will continue to extend these lessons across the Kyushu region.

Forest class

Forest thinning experience using VR

Grants for Activities That Teach Children the Importance of Nature

To support the healthy growth of children who will lead the future of Kyushu, we provide grants to NPOs and other organizations involved in activities to support the development of the next generation. In FY2022, we welcomed applications from organizations offering activities that teach children the importance of nature, and received 54 grant applications. After a selection process by a screening committee, we awarded grants to support 14 activities. For activities in FY2023, we have already decided on grants for 18 activities after receiving 49 applications.
We also aim to widely communicate the excellent work of each of our grant recipients by reporting on their activities. Details on these activities and the thoughts that go into them are posted on our Facebook page and other channels.

FY2022 Grant Recipients

Name of organization: Sasaguri Moridukuri-no-Kai (Fukuoka Prefecture)

Name of activity: Creation of forests for the future

Inviting local parents and children to Kinomi no Sato and Mori Mori Land in Sasaguri Town, this initiative creates opportunities for children to familiarize themselves with trees and learn about coexistence with nature.

Name of organization: Yattaro de Takashima (Nagasaki Prefecture)

Name of activity: Marine environment lessons and environmental protection workshops

Inviting local elementary and junior high school students to a beach in Takashima Town in Nagasaki City, this initiative teaches participants about marine environments and coral ecosystems that are easily impacted by changes in marine environments, as well as methods for the protection of marine environments.

Name of organization: Eco-mura Denshokan

Name of activity: Manufacturing workshops and environmental learning using natural materials

Inviting local elementary and junior high school students from Kumamoto Prefecture, this initiative teaches the importance of protecting and valuing nature through manufacturing workshops and eco-friendly activities using natural materials such as bamboo, and waste materials.

●Maintenance and Management of Company-owned Forests to Achieve Sustainability

Together with Kyushu Rinsan, Kyushu Electric Power (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-CO18956; 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), CO_2 absorption, and others—to contribute to the creation of a sustainable society.

In FY2022, environmentally friendly maintenance and management of company-owned forests led to the absorption and fixation of approximately 41,000 tons of CO_2. Approximately 10,000 tons of this is used for the creation of J-Credits.
We plan to create around 240,000 tons' worth of J-Credits by FY2036.

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

When converted to CO_2, the amount of carbon fixated in company-owned forests is thought to be around 1.329 million tons (as of March 31, 2023)

●Contribution to the 30by30 Target through Certified Conserved Areas

To play our part in achieving the global 30by30 target,*1 we have submitted an application to join the 30by30 Alliance for Biodiversity set up by Japan's Ministry of the Environment.
In FY2022, the biodiversity protection activities at our company-owned forests were rated highly, and as part of a trial scheme were certified as Conserved Areas.*2
In addition to working toward official certification in FY2023, we will continue with our various biodiversity protection and environmental activities to contribute to the achievement of a sustainable society.

*1 The 30by30 target is one of main targets of the Kunming-Montreal Global Biodiversity Framework, which was established at the Conference of the Parties to the UN Convention on Biological Diversity held in December 2022. It is a worldwide initiative that aims to designate 30% of both land and ocean as protected areas by 2030.
*2 A system whereby the Ministry of Environment certifies areas where private-sector companies are engaged in biodiversity protection initiatives. Trials and studies of the system began in FY2022, with official certification beginning in FY2023.

Environmental Conservation

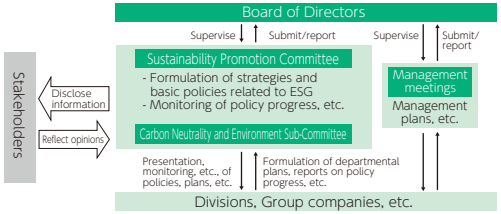
Policy and Approach

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



Sustainability Promotion Committee

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

Carbon Neutrality and Environment Sub-Committee

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

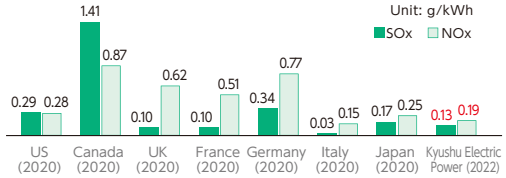
Initiatives

●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 we can from our emissions to play our part in preventing air pollution. Compared to leading nations, and even in Japan, the SOx and NOx emissions of Kyushu Electric Power per kWh of power generated are low.

Comparison of the SOx and NOx Emissions per kWh of Thermal Power Generated among Leading Nations

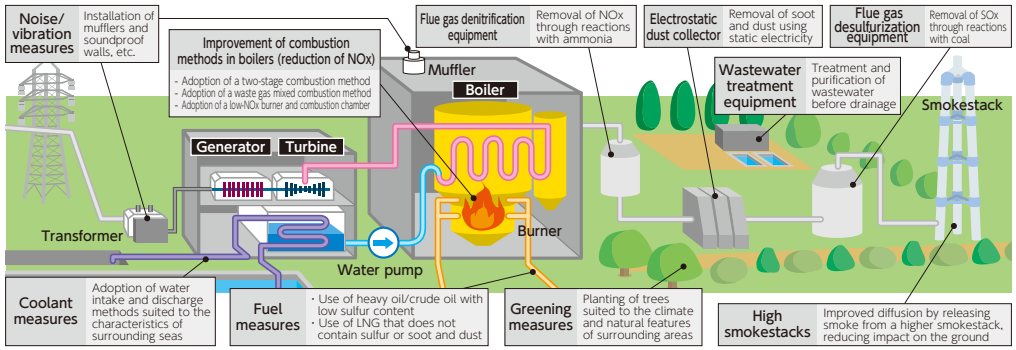


Source (Overseas/Japan): Energy and Environment 2022
(Federation of Electric Power Companies of Japan)

Overview of Air Pollution Countermeasures

Measures to reduce SOx	○ 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
Measures to reduce NOx	○ 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
Measures to reduce soot and dust	○ 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.

Resource Recycling

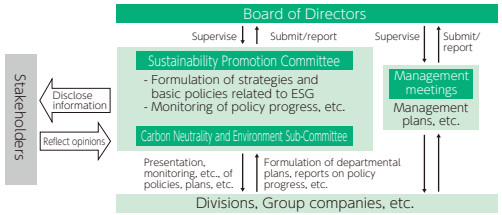
Policy and Approach

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.
As a measure to combat climate change and reduce our CO_2 emissions, in response to the recent global plastic pollution problem, we are moving forward with efforts to sophisticate our recycling of waste plastics that are generated through our business activities, shifting from the burning of plastics to material and chemical recycling. 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



■ Sustainability Promotion Committee

Structure	Chairperson: President Vice-chairperson: Chief ESG officer 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: Chief ESG officer 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

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of performance aggregation
Creation of a recycling-oriented society	• Recycling rate of waste other than coal ash: 98% or higher (Waste plastic 90%) • Green procurement rate: 97% or higher (Office supplies)	• Recycling rate of waste other than coal ash: 98% or higher (Waste plastic 90%) • Green procurement rate: 95% or higher (Office supplies)	• Waste other than coal ash: Expected to achieve • Waste plastic: Expected to achieve • Green procurement rate: Approx. 95%	*1

*1 Kyushu EP and Kyushu T&D

Initiatives

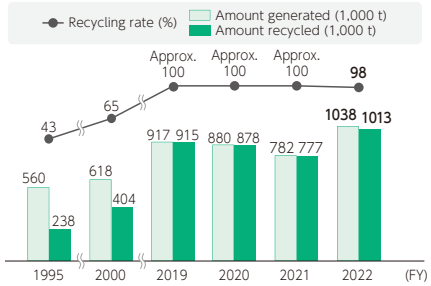
●Initiatives for a Recycling-oriented Society

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 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 T&D assesses whether our performance and quality meets the requirements for reuse. Equipment and materials that meet the requirements are then reused.

· 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.

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 PCB

Electronic equipment that use a high concentration of PCBs are systematically detoxified 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 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.

Circular Park Kyushu

On the grounds of the former Sendai Power Station (Kagoshima Prefecture), we are developing Circular Park Kyushu as a resource circulation hub, and are moving forward with preparations for a FY2024 launch.
At Circular Park Kyushu, in addition to recycling waste from Kyuden Group companies and local communities, we will also work to solve issues relating to resource circulation by using the relevant technologies and expertise of other companies and universities, and through demonstrations alongside Satsumasendai City. The ultimate aim is to extend these technologies across society and contribute to resource circulation and decarbonization in the Kyushu area.

[Efforts to Recycle Waste]

In FY2022, the Kyuden Group recycled 98% of the 1,040,000 tons of industrial waste it 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.

■ Amount of General Waste (Used Paper, etc.) Generated and Recycling Rates (FY2022)

	Amount generated (t)	Amount recycled (t)	Recycling rate (%)	Main uses
Used paper	810	808	100	Recycled paper
Shellfish	1,255	456	36	Subbase material
Dam driftwood	3,641	2,948	81	Alternative to straw litter

■ Amount of Toxic Waste (PCB Waste) Treated

Unit: tons

	FY2019	FY2020	FY2021	FY2022
High concentration	0.5	0.01	153.14	0.5
Low concentration	570.4	237.9	781.0	499.6
Total	570.9	237.9	934.1	500.1

Illustration

Water Resources

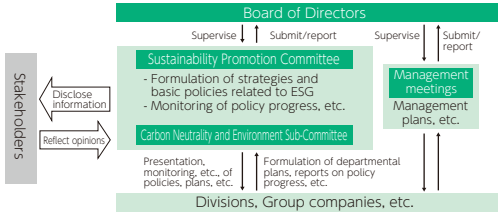
Policy and Approach

Water resources are fundamental to the Kyuden Group's business activities. At our hydroelectric power, thermal power and nuclear power plants, we use large amounts of water as coolants and for other uses.
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



■Sustainability Promotion Committee

Structure	Chairperson: President Vice-chairperson: Chief ESG officer 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: Chief ESG officer 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

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of performance aggregation
Protection of regional environments	Water usage per employee: Less than the previous year	Water usage per employee: Less than the previous year (FY2021: 24 m³/person)	Water usage per employee: 27 m³/person	*1

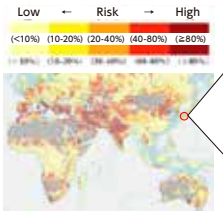
Scope of performance aggregation *1 The Kyuden Group

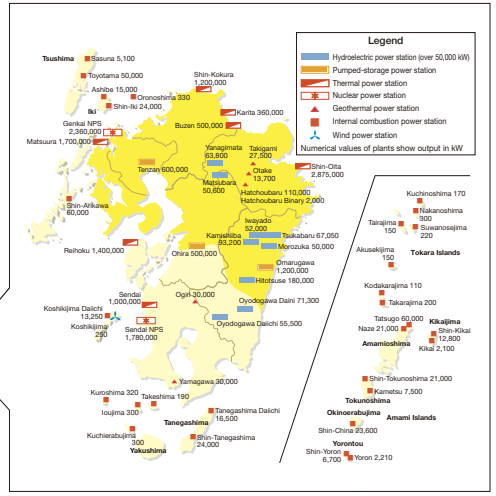
Initiatives

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

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.
Although water risks are low, 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.
To maintain the quality of the water required for power generation at our thermal power plants, we must take in a certain volume of water from locations outside the power plant. In addition to ensuring proper, daily management of this intake volume, we are also working to reduce our water intake by collecting and reusing the water used for power generation. Further, in the event of restrictions on water intake due to water shortages or other factors, we make every effort to ensure continued thermal power plant operations by ensuring effective use of water stored on-site, taking water-saving measures, and examining alternative intake methods. 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.





*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, 2022.

●Measures to Reduce Water Turbidity in the Hitotsuse River

Shortly after the launch of operations at the Hitotsuse Power Station in 1965, the long-term turbidity of the water around the Hitotsuse 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 Hitotsuse River Turbidity Reduction Plan was put together by the Hitotsuse 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 Hitotsuse River water turbidity measures

●Stakeholder Dialog

Based on environmental protection agreements, we provide reports to and exchange opinions with local governments and fishery cooperatives on the condition of the waters surrounding our power stations (status of water intake and discharge, etc.).

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

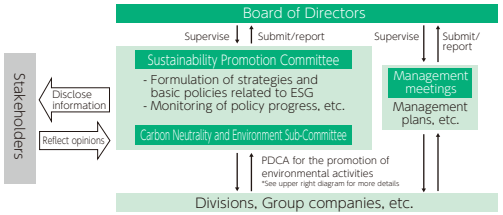
Medium-term ESG Promoting Plan and Environmental Action Plan

In addition to formulating the Medium-term ESG Promoting Plan to promote materiality initiatives, based on the Kyuden Group Environmental Charter, we formulate the Environmental Action Plan for activities not included in the Medium-term ESG Promoting Plan to ensure steady promotion of environmental management. The Environmental Action Plan comprises our Environmental Action Policies, targets, and specific action plans. We also set and announce our single-year and medium-term environmental targets.
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



■ Sustainability Promotion Committee

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

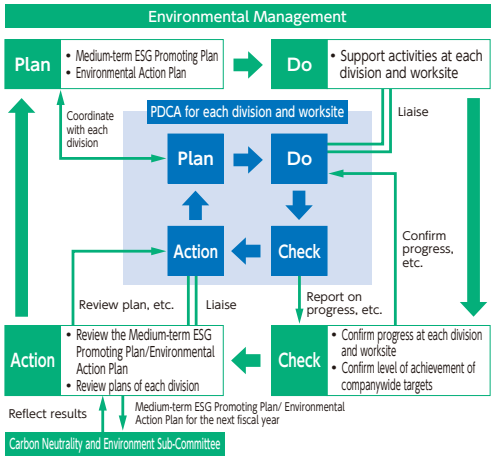
■ Carbon Neutrality and Environment Sub-Committee

Structure	Chairperson: Chief ESG officer 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

Environmental Management System

Since 1997, five of our model worksites have acquired ISO 14001, while our other worksites implement environmental activities based on systems that conform to ISO 14001 standards. We are currently building an Environmental Management System that incorporates ISO 14001 approaches, and are promoting environmental activities in an efficient, effective manner. Through this system, and guided by upper management, we formulate, implement, and conducts checks and reviews of the Medium-term ESG Promoting Plan, which outlines specific measures for steady implementation of environmental management, and the Environmental Action Plan.
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



Environmental Audits

Through the Internal Auditing Body, Kyushu EP and Kyushu T&D regularly conduct internal audits on the status of the PDCA cycle for the Group's Medium-term ESG Promoting Plan and Environmental Action Plan.
Further, Kyushu Electric Power's Environmental Division checks the level of establishment and operation of environmental management systems at each Group company, as well as their compliance with environmental laws and regulations.

Environmental Education

At the Kyuden Group we provide environmental education to the environmental management supervisors and those in charge of environmental operations at each worksite and Group company.
An overview of the educational program is provided below.

Host: Environmental Division, Kyuden Electric Power
Targets: Environmental management supervisors and those in charge of environmental operations at each worksite
Frequency: Annual
Content: Environment-related information from Japan and overseas, compliance, appropriate disposal of waste, etc.
Other: Participants undergo comprehension tests following their education

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

Thanks to thorough environmental education measures, in FY2022 there were zero violations of environmental laws or regulations.

Medium-term ESG Promoting Plan and Environmental Action Plan

Medium-term ESG Promoting Plan: Issues and Targets

Please see page 5 onwards for details on the Medium-term ESG Promoting Plan for materiality initiatives.

FY2023 Environmental Action Plan: Priority Initiatives and Targets

Our FY2023 Environmental Action Plan (excluding FY2023 Medium-term ESG Promoting Plan initiatives) is as below, and we are moving forward with activities to achieve our single-year and medium-term targets.

Priority initiatives		Targets		
		Medium to long term		Single year (FY2023) [FY2022 achievements]
Initiatives to address global environmental issue	Achievement of target for non-fossil power sources	More than 44% FY2030		42.9% (Before Non-Fossil Certificate transaction) 20.2% (After Non-Fossil Certificate transaction) Medium-term target [43.5% (Before Non-Fossil Certificate transaction) 20.5% (After Non-Fossil Certificate transaction)]
	Reduction in energy consumption intensity based on the Energy Conservation Law	−1% per year or higher (recent five-year average) [As a result of continuous energy-saving activities, we maintained an S Class rank (more than 1% reduction per year) in the Energy Saving Act's business operator class division evaluation system]		
	Enhancement of services that contribute to energy conservation and CO_2 emissions reduction, etc.	Provision of communication services using smart meters [We provided information on power meters from smart meters to HEMS equipment]		
		Examination of LNG bunkering business [We established an operating company with three other companies, and began the building of one LNG supply ship ahead of the start of operations in March 2024]		
		Overseas initiatives aimed at saving energy and CO_2 [We engaged in overseas consulting activities to promote implementation of renewable energy]		
	Electrification in each department (Transportation)	Commercialization of EV services		Expansion and promotion of services in line with success of EV sharing and charging services, and EV taxi services [We offered an EV sharing service solely for use by condominium residents and an EV charging service for housing complexes]
		Sales of EV charging equipment		Reinforcement of sales activities for local governments and corporations engaged in decarbonization efforts (Group companies) [We promoted sales of charging control devices for multiple EVs alongside regular charging devices]
		Introduction of EV charging equipment in our real estate development business		Activities to introduce EV charging equipment in line with customer needs for each business project [To cater to decarbonization trends, we installed EV charging equipment at new-build properties]
	Promotion of research and development of technologies that contribute to decarbonization of power sources	Development of technologies that contribute to decarbonization, such as those that can reduce CO_2 emissions at thermal power plants		Investigation and research on hydrogen/ammonia fuel technologies and CCUS technologies [We studied domestic and overseas technological development trends, and shared the results of a power development trend survey]
		Development of technologies to maximize use of recycled energy and stabilize power supplies		Development of a large, fixed energy storage system using used batteries [We began operations at the Omuta Power Storage Plant using used storage batteries]
Initiatives to create a recycling-oriented society	Proper management and disposal of industrial waste	Coal ash recycling rate: 100% [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 FY2022, we recycled 98% of coal ash]		
	Planned and proper disposal of PCB waste	High concentration	End of FY2022	Plan-based proper disposal [In addition to the appropriate management of waste, we continued with scheduled detoxification treatment in line with legal time periods]
		Trace	Disposal finished by the end of FY2025	
	Reduction in amount of copier paper purchased	Amount of copier paper purchased Less than the previous fiscal year every year [FY2021: 443 tons]		Less than previous fiscal year [376 tons]
Promoting environmental management	Developing specialized skills relating to the environment	• Zero violations (recommendations for improvement, orders, punishments) • Full and consistent compliance with agreements (except in irregular situations) [Prevent violations of environmental laws or regulations and environmental accidents in advance]		

Social

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, Nuclear Power 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

Issues	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of Performance Aggregation
Stable supply of electricity	• Power outage: 25.4 MWh or less (average of the past five years) • No. of public accidents involving electric shocks: Zero • Overseas equity output: 2.88 GW	• Average number and duration of power outages per household: Below the average for the past three years • No. of public accidents involving electric shocks: Zero • Overseas equity output: 3.13 GW	• No. of public accidents involving electric shocks: Zero • Overseas equity output: 2.84 GW	—
Low-cost energy supply	Reduction of power generation costs	Reduction of power generation costs	Reduction of power generation costs	—
Provision of solutions based around energy services	Increase in sales by maximizing supply capacity	Increase in sales by maximizing supply capacity	Total amount of electricity sold: 96 TWh (Electric power business in Japan)	—

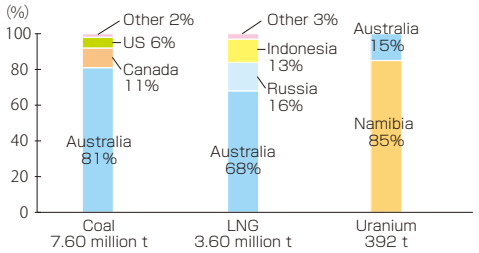
Initiatives

Fuel Procurement

Strengthening Fuel Procurement Capabilities

With fluctuations in the amount of electricity sold due to the progress of deregulation, fluctuations in fuel procurement as a result of the increased introduction of renewable energy sources whose generation is affected by weather conditions, and the increased risk of a decrease in fuel supply due to conditions at the source of supply, there is a need to enhance the stability and flexibility of fuel procurement.
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, thereby reducing procurement prices and increasing profits as a group by trading fuel flexibly and economically in response to fluctuations in power generation. In addition, we have established an LNG trading subsidiary and formed alliances with other companies in the field of fuel business development to further enhance the stability and flexibility of fuel procurement.

■Fuel Procurement Status (FY2022)



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.

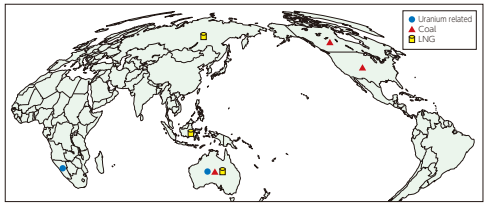
Establishment of LNG trading subsidiary
Kyushu EP established an LNG trading subsidiary in April 2022 to utilize its assets such as ships and storage terminals, as well as its trading know-how.
With global demand for LNG expected to increase in order to achieve a carbon neutral society, the subsidiary will contribute to a decarbonized society through the supply of LNG for new demand, and will also work to optimize supply and demand balance, such as LNG vessel allocation and volume adjustments.

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 uramium 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 (FY2022)

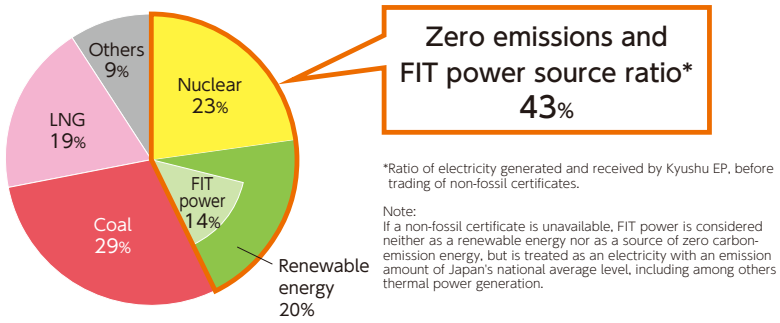
Power Generation

● 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 source composition
The following is the power source breakdown and status of use of non-fossil fuel energy certificates of Kyushu EP in FY2022.

■ Power source composition ratio (kWh)



*Ratio of electricity generated and received by Kyushu EP, before trading of non-fossil certificates.

Note:
If a non-fossil certificate is unavailable, FIT power is considered neither as a renewable energy nor as a source of zero carbon-emission energy, but is treated as an electricity with an emission amount of Japan's national average level, including among others thermal power generation.

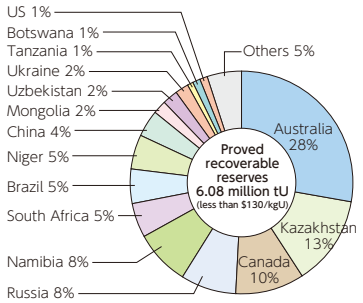
● Importance of Nuclear Power

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.

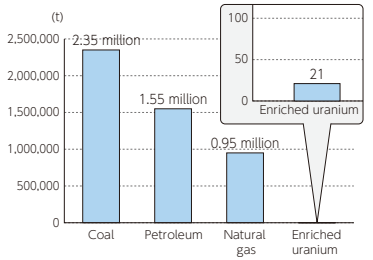
Response to global warming
During its power generation process, nuclear power is a power source that does not emit CO_2, a major cause of global warming, and thus plays an important role in addressing global warming.
Like nuclear power, solar power and wind power do not emit CO_2 during power generation, 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



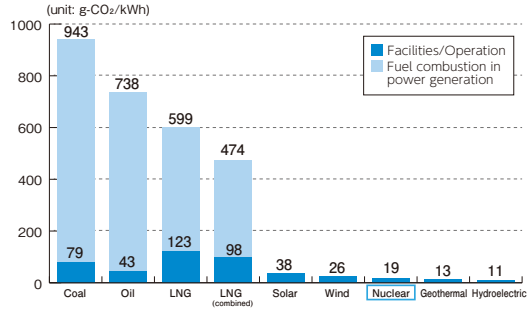
Source: Prepared based on a joint report by the Organization for Economic Cooperation & Development/Nuclear Energy Agency and the International Atomic Energy Agency (Jan. 2021).

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



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

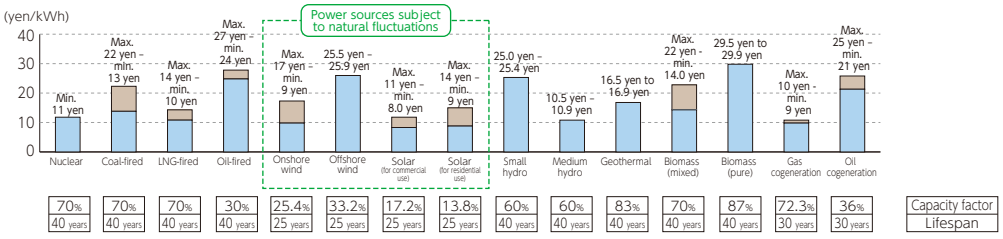
■ Life Cycle CO_2 Emissions of Each Power Source



*CO_2 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 the report for Verification of Power Generation Costs of the Advisory Committee on Energy and Natural Resources in September 2021, nuclear power generation is as economically efficient as other power sources.

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



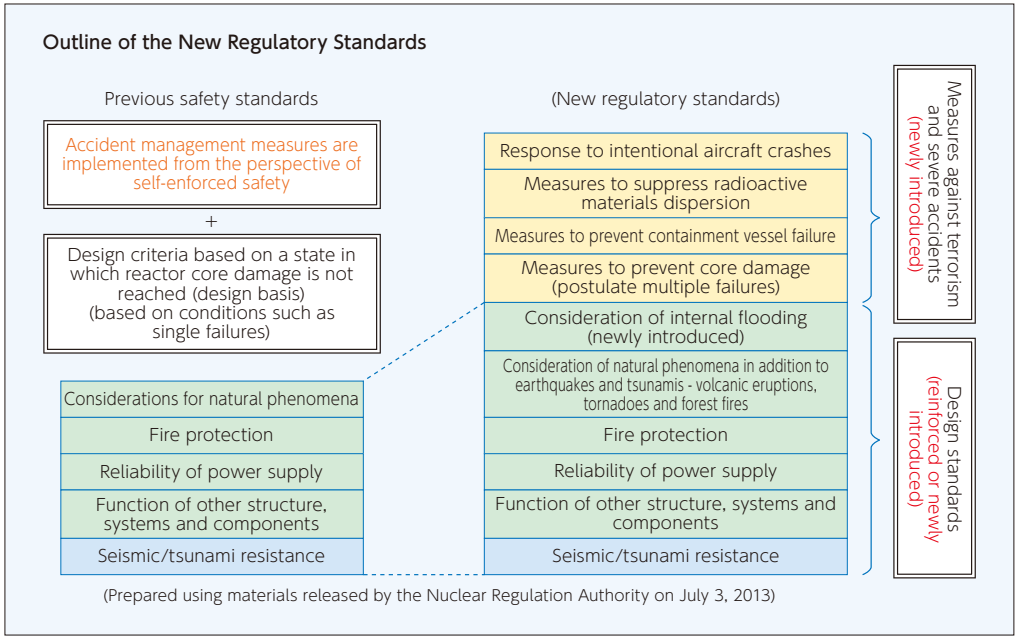
(Notes)
- The above calculations are used as reference data for discussions on energy policy that thinks ahead toward 2030, considering matters such as which power sources to focus policy on as based on the cost characteristics of each power source.
- The cost per kWh of constructing and operating new 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 1: Discussions Thus Far on Power Generation Cost Verification" (September 2021)

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

In July 2013, Kyushu Electric Power (Kyushu EP) 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



(Prepared using materials released by the Nuclear Regulation Authority on July 3, 2013)

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 spray pump
    (4) Seawater supply to the reactor auxiliary cooling system by a mobile large-capacity pump truck

(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

■ Large-capacity Air-Cooled Generator

■ Large-capacity Pumping Vehicle

■ Static Catalytic Hydrogen Recombination Device

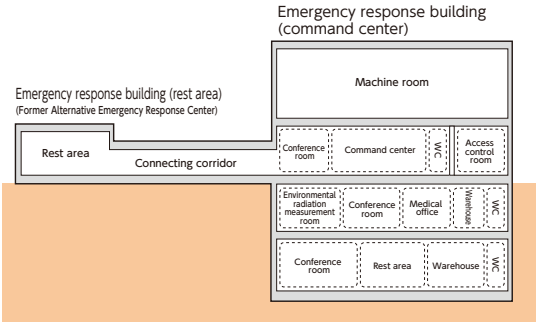
■ Water Discharge Cannon

(4) Base facilities for dealing with severe accidents

- Establishment of an emergency response center
  - Installation of an alternative emergency response center and emergency response building that meet the requirements of the new regulatory standards in terms of earthquake resistance, communication facilities, etc.
  - At Sendai Nuclear Power Station, the installation of an earthquake-resistant emergency response building (command center) with further improved functions has been completed and is now in operation, and work to connect the former alternative emergency response center and use it as a break room has been completed and it is now in operation. At the Genkai Nuclear Power Station, construction is underway to install an emergency response building while operating an alternative emergency response center. (As of the end of June 2023)

■ Alternative Emergency Response Center (Genkai)

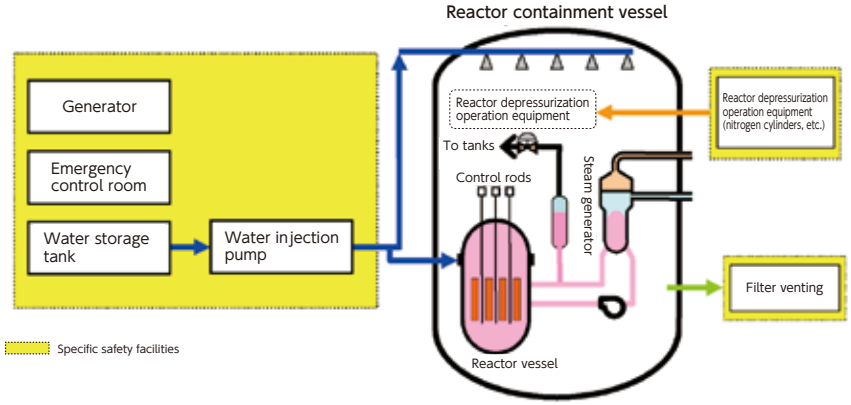
■ Emergency Response Building (Sendai)



Interior image of the completed Emergency Response Building (Sendai)

3. Specific safety facilities

- Establishment of facilities 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 crash with the reactor auxiliary building, etc.
  - Construction of the facilities at Sendai Nuclear Power Station and Genkai Nuclear Power Station has been completed and they are now in operation.



Overview diagram of specific safety facilities

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

Kyushu Electric Power's (Kyushu EP'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 emergency response center

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

Local governments formulate regional disaster 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 (employee training)

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 challenges we face at any given 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)

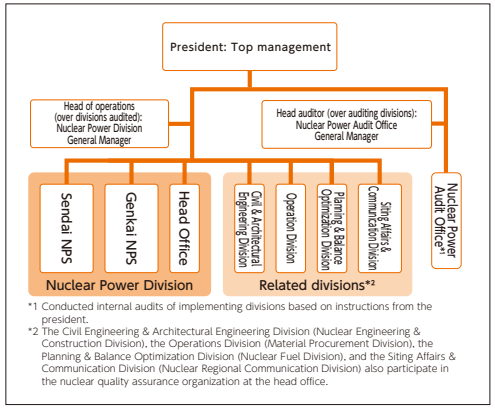

Implementation of employee training

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, 2023)



*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 Siting Affairs & Communication Division (Nuclear Regional Communication 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, a report including maintenance plans for inspection and repair of individual equipment at nuclear power stations is submitted to the government for confirmation after each periodic inspection.
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.

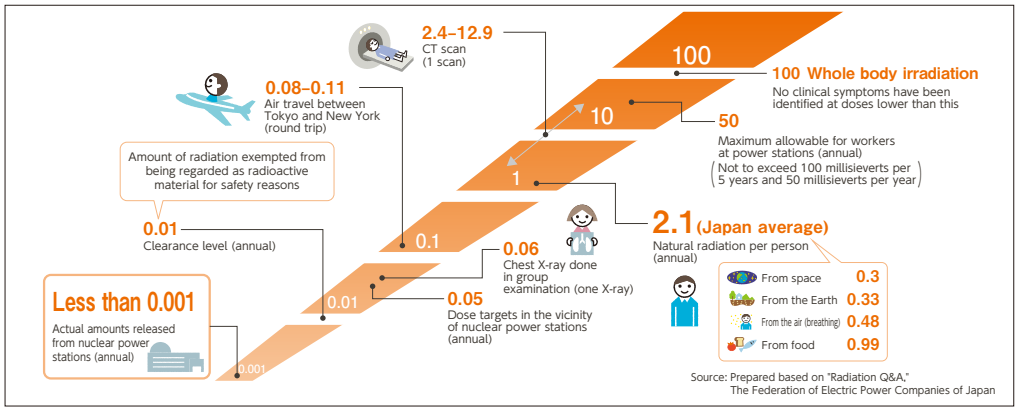
Radiation Control

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 FY2022, 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 FY2022)

Unit: Drums (200-liter drum equivalent)

	Amount stored in power plant	Amount transported out*
Genkai NPS	38,719 (38,310)	17,536 (15,816)
Sendai NPS	27,523 (27,767)	640 (640)
Total	66,242 (66,077)	18,176 (16,456)

Figures in parentheses indicate figures as of the end of FY2021.
*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 2022, a total of 187 units of vitrified waste from 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 Suttsu 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. 9 years for Unit 1 and 6 years for Unit 2) Unit 1: FY2017 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)				
Dismantling and removal of the reactor unit, etc.				
Removal of nuclear fuel materials from the fuel storage facilities in Units 1 and 2				Dismantling and removal of buildings, etc.
Decontamination				
Disposal of contaminated materials				

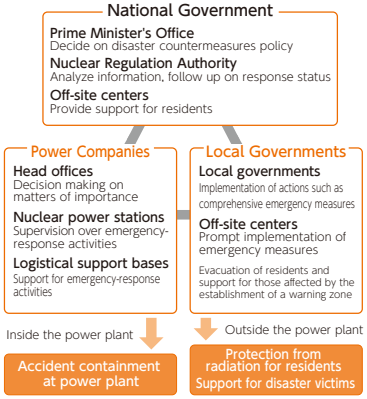
● Nuclear Emergency Preparedness System

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.
If such a nuclear emergency did occur, 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 drills based on the Nuclear Operator Emergency Action Plan. 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 disaster preparedness measures.

■ Major Enhancements in Disaster Preparedness Measures

- Establishment of an 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 in case of major accidents

■ Response System in the Event of a Nuclear Emergency



Nuclear Emergency Preparedness Drills

Kyushu Electric Power's (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 prefectural nuclear emergency drills, 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 drill simulating a major accident at Genkai Nuclear Power Station (October 2021)

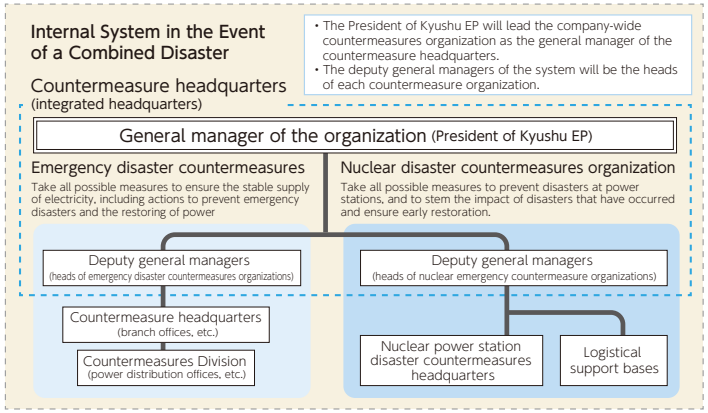
Initiatives to Pass on Technologies to Ensure the Continued Safe and Stable Operation of Nuclear Power Stations

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 assigned as nuclear power plant operators to acquire a broad knowledge of plant operation, facilities, and other matters needed for their work. Subsequently, those who are responsible for facility maintenance, radiation and nuclear fuel management, and other tasks are assigned to various departments so that they can quickly acquire the relevant 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

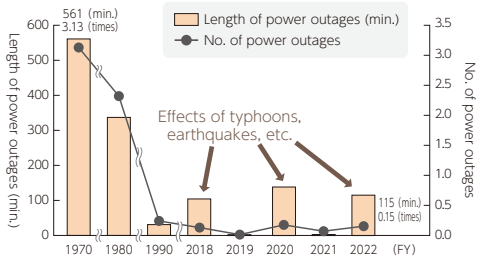
With regard to power distribution facilities, we are working toward the formation of efficient facilities from a long-term perspective by comprehensively taking into account trends in demand, supply reliability, safety and operational aspects of the facilities, and costs.
Kyushu Transmission and Distribution (Kyushu T&D) is working to build a transmission system to prevent widespread blackouts during the planned replacement of aging 500,000 V facilities. Construction of the 500,000 V Hyuga Trunk Cable Line (between Oita and Miyazaki prefectures) began in 2014 and was completed in June 2022.
In addition, in light of the progressive aging of facilities originally constructed to meet the growing demand for electric power that accompanied increased economic growth, we are also working to maintain stable facilities over the long term. To do so, we are carrying out priority inspections and repairs 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.), as well as undertaking systematic facility upgrades. We are also working to improve the accuracy of equipment life estimates through analysis of equipment deterioration data, etc., which is reflected in plans for the renewal of older equipment.

●Maintaining the Reliability of Supply

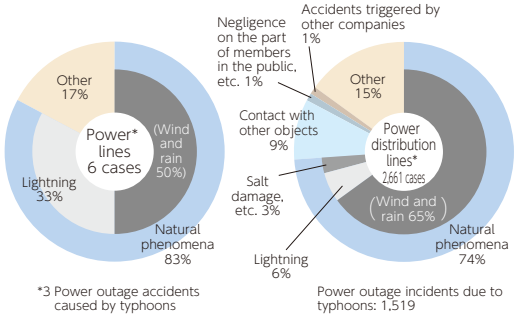
In order to deliver stable and high-quality electricity to customers and ensure their safety, Kyushu T&D makes a point of routinely conducting patrols, inspections and repairs of facilities, maintaining safe and efficient operations, and developing and improving construction methods.

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 performing 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 (FY2022)

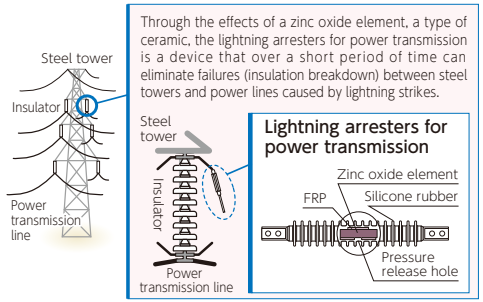


*3 Power outage accidents caused by typhoons

Power outage incidents due to typhoons: 1,519

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



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 portable 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

●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 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.


Installation of climbing prevention devices on power transmission towers

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

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.

PR poster for the prevention of public accidents involving electrical shocks (for businesses)


PR poster for the prevention of public accidents involving electrical shocks (for elementary and junior high school students)

Electricity guidebook

Number of Public Accidents Involving Electrical Shocks

FY	2018	2019	2020	2021	2022
No. of incidents	1	1	0	0	0

*Number of deaths and hospitalizations

Construction work that places the highest priority on ensuring the safety of customers

Since electric power facilities such as steel towers, utility poles, and power lines are installed close to the living environments of customers, Kyushu T&D has implemented various safety measures to ensure the safety of customers in the vicinity as the top priority during construction.

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 prevents 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 Transmission and Distribution (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.

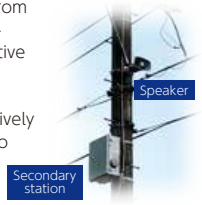
Before the removal of utility poles

After the removal of utility poles

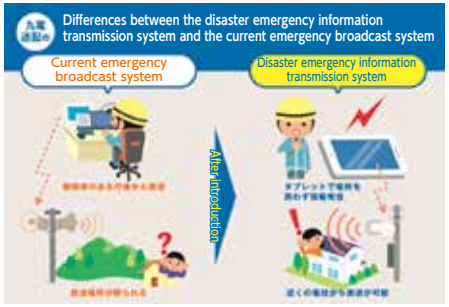
Disaster emergency information transmission system that utilizes utility poles

In order to address the issue of the current emergency broadcast system not fully reaching all areas, Kyushu T&D is working on a disaster emergency information transmission system that uses speakers attached to utility poles to deliver disaster preparedness information with clarity to residents.

Pilot testing of the system conducted from January 2020 in Toho Village, Asakura-gun, Fukuoka Prefecture obtained positive results. As such, we began full-scale introduction of the system in this same village in March 2022. We are now actively visiting many municipalities in Kyushu to propose introduction of the system.



System installed on a utility pole



Promotion of the acquisition of Disaster Prevention Expert certification

Kyushu EP and Kyushu T&D hold 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.

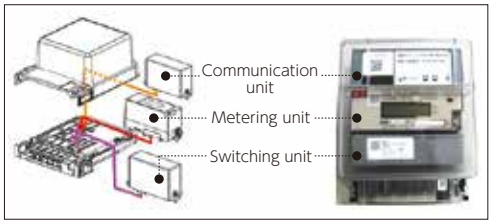
In addition, in order to develop local disaster preparedness leaders and strengthen the resilience of the region, we promote and support employees in the Miyazaki area in order to be certified as disaster prevention experts. (FY2021 results: 24 employees)

●Systematic Introduction of Smart Meters (unit meters)

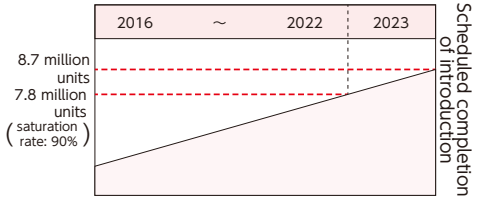
Kyushu T&D is in the process of introducing smart meters (unit meters) equipped with communication functions in order to improve the efficiency of business operations and customer service. As based on the government's policy of early introduction of smart meters in response to social needs, we will continue 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.

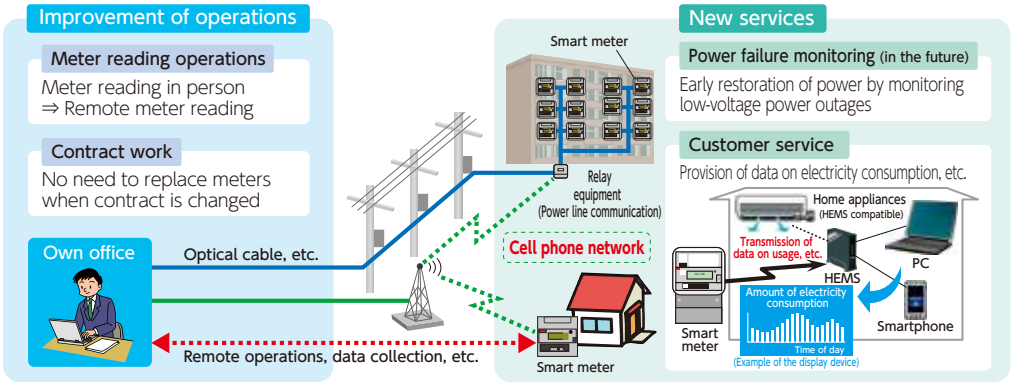
Smart Meter (unit meter)



Smart Meter Installation Plan



The Expected Benefits Once Smart Meters Are in Use



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

Kyuden Anshin Support

Kyushu EP provides eight support services to allow customers to lead comfortable and trouble-free (anshin) lives.

九電あんしんサポート

Kyuden Anshin Support

My house is getting old and I'm worried about sudden electrical and water problems...

Anshin in case of home equipment failure
Home support

With a flat rate for peace of mind, we accept repair requests 24 hours a day, 365 days a year for electrical problems such as light bulbs that do not light up, and water-related problems such as clogged or leaking water pipes.

The circuit breaker often trips! The power outlet isn't working! Who do I ask for assistance?

Anshin for anything electric
Electricity support

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.

I'm a first-time parent and don't have anybody nearby to ask for help.

Anshin for Mom and Dad
Child raising support

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.

Wondering if a parent living alone is feeling lonely...?

Anshin from afar
Parental support

On behalf of customers, we regularly check (by visiting or calling) on parents who live alone and let them know how they are doing.

I'm worried about a parent who lives alone···

Anshin all the time
Wellbeing support

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.

I'm too busy to get around to caring for the garden...

Anshin when you need a hand
Lifestyle support

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.

You might be concerned about there being garbage strewn around a vacant home (your parents' vacated house).

Anshin wherever home may be
Vacant home support

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.

My family's graves are located so far away that it's almost impossible to pay my respects···

Anshin for your family
Grave care support

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 by email with photos attached.

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 a campaign lottery in which customers can use their accumulated points to enter the drawing.

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)
- JAL Denki B
- Residential Lighting B
- Residential Lighting C
- Seasonal Lighting
- Time-specific Lighting
- Peak Shift Lighting
- JAL Denki C

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 *Only the years since Apr. 2016 shall count as the number of years of the contract.	Contract years x 10 picos (for each year)
Sign up at the Kirei Life Plus site for members *Registration of electricity contract information is required.	10 picos
Login to Kirei Life Plus members site	1 pico per month
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.

■ Online AD from August 2022 Calling for Lottery Applications

Plans available for households

To meet the needs of our customers, Kyushu EP also offers rate plans in partnership with other companies.

(Fukuoka SoftBank Hawks Support Plan)

In collaboration with Fukuoka SoftBank Hawks Corp., we offer the Club Hawks Membership Course, which allows customers to join the official Hawks fan club at a discount rate, and the Event Uniform Course, through which customers can receive a limited edition replica uniform distributed at event games.
(A monthly lottery is also held for plan subscribers to win attractive prizes, such as goods autographed by players and luxury tickets to games.)

(JAL Denki)

In cooperation with Japan Airlines Co., Ltd. we offer rate plans in the Kyushu area (provided by Kyushu EP) and Kanto area (provided by Kyuden Mirai Energy Co., Inc.) that allow customers to earn JAL miles in proportion to their monthly electricity bills.

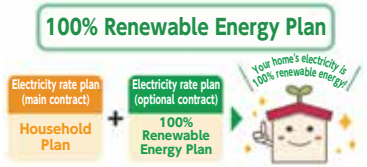
JALでんき

In addition, we offer Kyuden Group Matomete Anshin Wari, which allows customers who are currently using Kyushu EP's electricity to subscribe Kyuden Gas (provided by Kyushu EP) or BBIQ, BBIQ Lite and/or QTmobile (provided by QTnet, Inc.) at a discount. If customers consolidate all their subscriptions to the Kyuden Group, they can enjoy a great discount.

九電グループ まとめて あんしん割

Kyushu Electric Power (Kyushu EP) offers discount rate plans to solve regional and social issues in Kyushu and to meet customer needs.

In addition, we offer the 100% Renewable Energy Plan to meet the needs of customers who want to use renewable energy-derived electricity at home, as well as the Let's Grow the Forests of the Future Plan, in which customers can contribute to environmental conservation activities conducted by the Kyuden Mirai Foundation with a fixed monthly donation (300 yen).



Plans available for corporate customers

Kyushu EP offers three types of renewable energy and CO_2-free plans to corporate customers in order to meet their needs in full, taking into account the growing and diversifying needs of customers for renewable energy against the background of the recent acceleration of the global trend toward decarbonization and changes in the environment, such as the revision of the non-fossil value trading market

Renewable Energy ECO Kiwami	● Provides electricity from renewable energy sources (hydroelectric, geothermal, etc.) and renewable energy value, as well as further value by specifying the type of power source, etc. ● Contributes to the maintenance and expansion of renewable energy sources
Renewable Energy ECO Plus	● Provides additional renewable energy value to the electricity you are currently using ● Makes the introduction of renewable energy plans more accessible
CO_2 Reduction Plan	● Provides CO_2-free value added to your current electricity

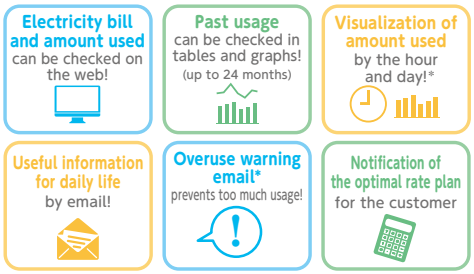
Kirei Life Plus members site

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.

■ Kirei Life Plus Logo

キレイライフプラス

■ Services Provided to Members of Kirei Life Plus



*Services for customers using a smart meter

Demand response service for households using the Kyuden eco app

Kyushu EP is working on a demand response (DR)* service for households that utilizes the smartphone app Kyuden eco/Kirei Life Plus.
The Kyuden eco app runs two kinds of challenges: the Energy-saving Challenge in summer and winter, when demand for electricity is high, to save electricity in the evenings when the supply from solar power generation is reduced, and the Use it, Save it, Eco Challenge to shift electricity use to spring and fall days when demand for electricity is low and the supply from solar power generation is likely to exceed the amount of electricity used.
Through these efforts, we will create a system that contributes to energy conservation and lower electricity rates for our customers, as well as the effective use of renewable energy.

Features of the Kyuden eco app

* An initiative to balance electricity supply and demand by having customers who subscribe to one of Kyushu EP's household electricity plans (with a smart meter installed) conserve electricity or create demand in response to offers from Kyushu EP.

Kyushu Electric Online Statement Service website

Kyushu EP offers the Kyushu Electric Online Statement Service, which allows low-voltage customers such as households to check their electricity and gas usage on the Internet. Customers can easily check their monthly electricity bill and usage volume via smartphone or PC, and will be notified by e-mail or other means of the finalized monthly statement to a maximum of five notifications.

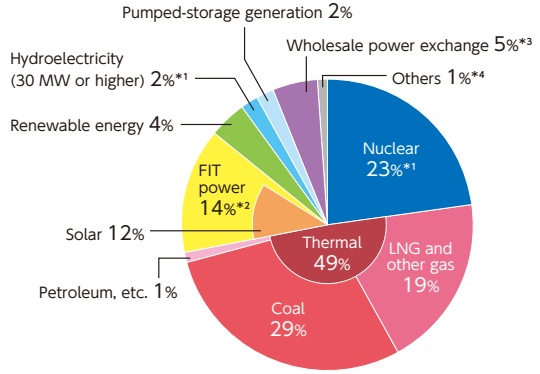
■ Kyushu Electic Online Statement Service, Featuring a Simple Layout and Large, Easy-to-read Text

Retail

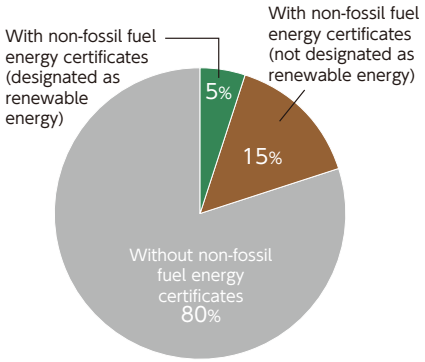
● Power source composition and use of non-fossil fuel energy certificates (retail supply)

The following is the power source breakdown and status of use of non-fossil fuel energy certificates of Kyushu EP in FY2022.

■ Power Sources in FY2022



■ Status of Use of Non-fossil Fuel Energy Certificates (FY2022 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 CO_2 zero-emission power source. As a result, the CO_2 emissions from this electricity are regarded as the same as the national average of CO_2 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 CO_2 zero-emission power source. As a result, the CO_2 emissions from this electricity are regarded as the same as the national average of CO_2 emissions from electricity, including that generated through sources such as thermal power.
*Subject to powers generated by solar, wind, hydroelectric (below 30 MW), geothermal, and biomass.
*3 Power procured from wholesale power exchanges
This electric power includes hydroelectric, thermal, nuclear, FIT, and renewable energy power.
*4 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 FY2022 corresponds to the amount of electricity generated from January to December 2022.

(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 CO_2 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 above.
- 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%.

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.
We entered into agreements with the 10th (March 2019) and 7th (February 2022) Regional Coast Guard Headquarters, which oversee the areas around southern and northern Kyushu respectively, regarding mutual cooperation in times of disaster. In the period up to the end of December 2021, we also signed a number of agreements with local governments in Kyushu (7 prefectures and 233 municipalities) to cooperate during a disaster.
In addition, we have entered into agreements for mutual cooperation with West Nippon Expressway Company Limited, Lawson, Inc. and Aeon Co., Ltd. for such purposes as ensuring access for emergency vehicles, diversification of procurement of relief supplies, and securing sites to serve as recovery centers. Furthermore, we formulated a disaster coordination plan with ten general power transmission and distribution companies, including Kyushu T&D, stipulating cooperation among general power transmission and distribution companies and related organizations.
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 with the 7th Regional Coast Guard

Training to be prepared for large-scale disasters

In order to be in a state of preparedness for possible disasters, Kyushu EP and Kyushu T&D conduct 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 related agencies, we participate in disaster drills organized by local governments jointly with the Japan Self-Defense Forces to conduct airlift drills of high-voltage generator vehicles, and with the Coast Guard Headquarters to conduct drills for loading personnel and equipment onto patrol vessels, etc., to ensure the prompt restoration of lifelines and maintenance of a mutually cooperative system.


Personnel and equipment loading training with the Japan Coast Guard Headquarters


High-voltage generator airlift training with the Japan Self-Defense Forces at Oyanohara Maneuver Area

Responding to large-scale disasters

In the event of large-scale disasters such as typhoons or torrential rain, Kyushu EP and Kyushu T&D have established a unified disaster response system, working together with partner companies and government agencies to resolve power outages and quickly disseminate information.
In September 2022, Typhoon No. 14 caused power outages to up to 350,000 households, mainly in southern Kyushu. We mobilized up to 5,900 employees, including those from northern Kyushu, which suffered relatively little damage, to dispatch support to the south, and worked closely with local governments to restore power as soon as possible.

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

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	• 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	• 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	West Nippon Expressway Company Limited	• 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
Jun. 2018	Lawson, Inc.	• Provision of relief supplies*1 • Provision of information on power outages in the affected areas, etc.*2
Mar. 2019	10th Regional Coast Guard Headquarters	• 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	• 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.	• 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
Feb. 2022	7th Regional Coast Guard Headquarters	• Transportation of recovery materials, equipment, and personnel*1 • Power source to the facilities and operation bases of the 7th Regional Coast Guard Headquarters*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 Towailet, a flush toilet with a 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.


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

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 helping to create a sustainable society by 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.
Kyushu EP and Kyushu T&D have established the Basic Policy for Procuring Materials, which is our basic approach to procurement, as well as the Sustainable Procurement Guidelines, a set of requests that we would like our business partners to observe and cooperate with in order to implement procurement activities based on the aforementioned policy. We will continue to promote understanding of these guidelines among all parties involved in our supply chain. In addition, we also plan to conduct in-house training to deepen understanding of the guidelines among employees.
In order to maintain our future efforts to create a sustainable society throughout the supply chain, we will revise these guidelines as necessary to reflect changes in social conditions and new findings.

Content of Basic Policy for Procuring Materials and Basic Policy for Fuel Procurement

1 **Open procurement**
We widely procure materials and fuel 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.
As part of our efforts to achieve this goal, we will work with our business partners to achieve carbon neutrality in our supply chain and promote "green procurement," a concept which prioritizes procuring environmentally friendly products and other items.

*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.

Basic Policy for Procuring Materials: Revised in December 2022
Basic Policy for Fuel Procurement: Revised in July 2021

Request to Business Partners

In order to promote sustainability throughout the supply chain, Kyushu EP and Kyushu T&D request the cooperation of its business partners in the following matters.

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

2 **Compliance with contracts and the execution of obligations in good faith**
- Compliance with contracts with our company and execution of the obligations contained therein in good faith

3 **Reduction of procurement costs and stable delivery**
- Activities contributing to the reduction of procurement costs, such as cooperative activities and VE proposals, and establishment of stable delivery and construction systems

4 **Human rights and labor**
- Prohibition of forced labor and child labor
- Prohibition of discrimination
- Consideration for working hours
- Prohibition of inhumane treatment, etc.

5 **Safety and health**
- Ensuring worker and public safety
- Ensuring health and safety at facilities
- Communication on health and safety, etc.

6 **Environment and biodiversity conservation**
- Reduction of energy consumption and greenhouse gas emissions
- Effective use of resources and proper management of waste, etc.

7 **Fair and equitable business dealings and ethics**
- Prevention of corrupt practices
- Cutting ties with antisocial forces
- Appropriate information disclosure
- Responsible mineral procurement, etc.

8 **Quality and safety**
- Ensuring product safety
- Provision of after-sales services and accurate information about products/services, etc.

9 **Information security**
- Protection against cyber-attacks
- Protection of personal information and prevention of leakage of confidential information

10 **Business continuity plan**
- Formulate a business continuity plan in preparation for large-scale natural disasters, etc.

11 **Establishment of management system**
- Supply chain management
- Establishment of complaint handling mechanisms, etc.

12 **Promotion of positive communication**
- Actively seek to obtain feedback, requests, suggestions, etc.

Promotion Framework

Responsible authorities: Operation Division and Planning & Balance Optimization Division, Kyushu Electric Power; Planning and General Affairs Division, Kyushu Transmission and Distribution

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Strengthening of supply chain management	Response rate to questionnaire survey on sustainability improvement initiatives for major business partners: 90% or higher	Establishment of Supplier Code of Conduct	Establishment of Supplier Code of Conduct	*1

*1 Kyushu EP and Kyushu T&D

Initiatives

Conducted Questionnaire Targeting Business Partners

We send information and hold briefing sessions, etc. for business partners as part of our efforts to raise awareness and deepen understanding of our Sustainable Procurement Guidelines, requesting their kind cooperation.
We also conduct questionnaires among our major business partners* on their sustainability initiatives, investigating the extent to which they are addressing social issues such as the SDGs and carbon neutrality. We share the results of questionnaires with our business partners through briefings and other opportunities after compiling examples of initiatives that help to improve sustainability.
*Business partners with whom we place a certain amount of orders, etc.

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

Kyushu EP and Kyushu T&D 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

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Realization of a smart society	・Create new businesses – Consideration of new businesses, new services, and collaborations with other companies: 10 – Creation of new businesses, new services, and collaborations with other companies: 2	–	–	–
Regional vitalization (regional and local development)	・Formulate a concrete business model – Set budget, area, collaborators, and other conditions ・Expand the scale and scope of business based on co-creation with local communities	・Construct industry-academia-government collaboration system and review/implement action plans ・Expand the scale and scope of business based on co-creation with local communities – Create individual services and combine them	・Establish a joint implementation system with Kyushu Economic Federation, and define business areas ・Expand the scale and scope of business based on co-creation with local communities	–
Creation of safe, secure and comfortable urban areas	Participation in urban development projects in Kyushu area: 1 or more projects	Participation in urban development projects in Kyushu area: 1 or more projects	Participation in urban development projects in Kyushu area: 1 or more projects	–

Initiatives

●Initiatives to resolve regional issues through collaboration between industry, academia, and government

Kyushu EP has concluded cooperative agreements with municipalities in Kyushu to promote the resolution of local issues and sustainable community development. For example, by utilizing the Kyuden Group's management resources, products, and services, we are working to develop a system for early recovery in the event of a disaster, provide necessary equipment and supplies for evacuation centers, promote industry by utilizing local tourism resources, and promote electrification to achieve zero carbon emissions.

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
FY2021	Togitsu Town (Nagasaki Prefecture), Higashisonogi Town (Nagasaki Prefecture), Satsumasendai City (Kagoshima Prefecture), Minamiaso Village (Kumamoto Prefecture), Ogori City, Sasaguri Town, Nagomi Town (Kumamoto Prefecture), Kamimine Town (Saga Prefecture), Fukutsu City, Chikugo City, Munakata City, Chikuzen Town, Fukuoka City, Okawa City, Shingu Town, Omuta City, Miyazaki Prefecture, Saga City (Saga Prefecture)
FY2022	Usa City (Oita Prefecture), Kitakyushu City, Kanoya City (Kagoshima Prefecture), Satsuma Town (Kagoshima Prefecture), Fukuoka Prefecture, Itoshima City, Nakatsu City (Oita Prefecture), Nagasaki City (Nagasaki Prefecture), Kashima City (Saga Prefecture), Tamana City (Kumamoto Prefecture), Sue Town, Oita City (Oita Prefecture), Saiki City (Oita Prefecture), Beppu City (Oita Prefecture), Shintomi Town (Miyazaki Prefecture), Gokase Town (Miyazaki Prefecture)

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

●Q-Den Nigiwai Startup Project

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

Product development utilizing specialties of Higashisonogi Town

Since December 2019, we have been collaborating with Higashisonogi Hitokotomono Foundation in the sale of products to increase the number of visitors to the area, and the operation of a community hub to create a population of people who relate to and settle in the region.
As part of the product sales business, we developed 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 Monaka, and Kujira Yaki, served from mobile vending trucks (CHANOKO). These products went on sale in February 2021.
In February 2022, we opened umino Wa, a community hub for exchanges between local residents and tourists. It houses Chanomiba CHANOKO, a café where visitors can relax and enjoy Sogicha, as well as other facilities to receive information about the region and support people moving in and starting their own businesses here.
We will continue to work together with local residents to revitalize Higashisonogi Town's community.


Kujira Monaka


Kujira Yaki


umino Wa, a community hub for local residents and tourists


Chanomiba CHANOKO, a café serving Sonogi tea

[Ainoshima Island, Shingu Town, Kasuya, Fukuoka Prefecture]

Product development to revitalize the fishing industry, a key industry in Ainoshima

In light of the shortage of people in the local community to work in the fishing industry, since November 2021, we have been working with our business partner and Shingu Town to create a connected and settled population by implementing measures in the following three areas: "industry creation," "encouraging people to settle on the island," and "daily life."
As for our efforts to contribute to creating industries, we have been developing a processed fish food business to expand the scale of the fishing industry, and since January 2023, have been manufacturing and selling such products as rod-shaped pressed sushi made from fresh fish from the Genkai Sea.
We will continue to work together with the people of Ainoshima and Shingu Town to develop new products and other efforts to revitalize the island.


"Umisachi-bo-zushi," rod-shaped pressed sushi, a local specialty which has been on sale since January 2023

●Revitalization of Primary Industries

Group company Nishimu Electronics Industries provides the MIHARAS IT sensor for agriculture, helping reduce the workload of farmers, etc.
In addition, Kyuden Sangyo 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.

こだわり九州 いいものめぐり

Kodawari Kyushu iimono meguri
Introducing outstanding products from all over Kyushu

●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 are conducting trials to establish year-round strawberry cultivation technology through integrated environmental control, utilizing the technical expertise we have cultivated in agricultural electrification.
The strawberries are sold at a local roadside station in Asakura City.
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, 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

Promotion of reQreate, a project for regional co-creation through digitalization

Kyushu EP is developing reQreate, a collaboration with municipalities and companies in Kyushu that are passionate about Kyushu and wish to see the region grow and prosper. We are developing and selling local specialties using attractive regional commercial products and disseminating regional traditions and culture both domestically and internationally to raise awareness of Kyushu, increase the number of visitors, and enhance Kyushu's attractiveness and connect it to the next generation.


Gluten-free curry


CHIKUGO FRUITS POPPiN', a new type of ice cream made with fruit from the Chikugo area

Revitalization of local communities through OKEIKO TOWN, a learning matching service

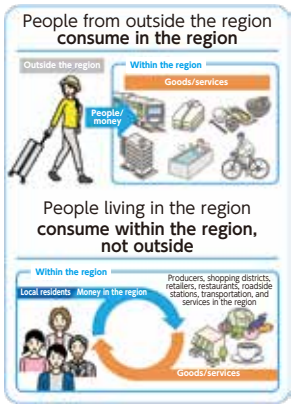
OKEIKO TOWN is an online learning matching service that pairs teachers who want to teach with students who want to learn. This service also connects teachers and students with people who want to provide a place for their pursuits. Launched in October 2020, the service currently offers 26 facilities for learning in Fukuoka, Saga, Nagasaki, and Oita prefectures, including facilities owned by Kyushu EP.
Since September 2022, we have been collaborating with cultural school operator Nishinippon Shimbun TNC Cultural Circle to expand business opportunities by offering online courses and collaborating with other learning-related businesses throughout Kyushu.
We will connect skilled people who want to teach, people who want to learn to improve their skills or participate in the community, and people who want to provide a place to increase their customer base, and will work to propose diverse work styles and revitalize local communities in order to realize a sustainable society.

おけいこタウン
OKEIKO TOWN

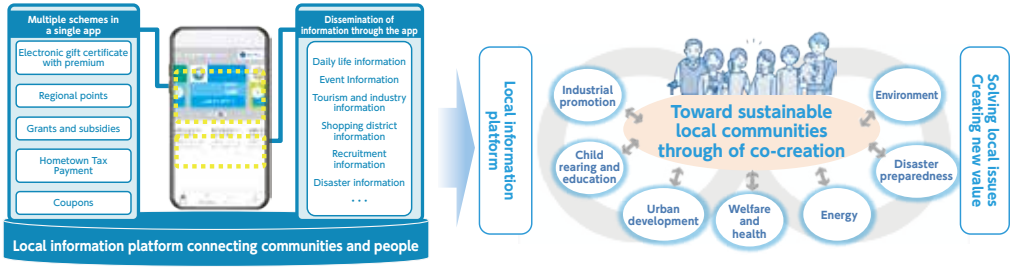
OKEIKO TOWN Search

Supporting regional economic revitalization by providing a local information platform

In May 2021, Kyushu EP established Machi no Wa Co., Ltd. with SBI Holdings, Inc. and The Chikuho Bank, Ltd. for the purpose of vigorously promoting regional development and community revitalization. This company provides electronic services for premium gift certificates to local governments and organizations. Based on this service, the company aims to serve as a regional platform that not only circulates local currency within the region but also brings in people and money from outside the region by issuing childcare benefits, tourism promotion coupons, and other digital local currencies according to the policies of each community.
In February 2023, Machi no Wa was selected for the Green Life Point project promoted by the Ministry of the Environment, and will contribute to the realization of carbon neutrality through such measures as awarding points via a local currency application for environmentally conscious behavior.
In the future, the company will work to build a sustainable ecosystem that contributes to solving regional issues and creating new value through co-creation with various players.



Machi no Wa's vision for local communities



●Urban Development Business

The Kyuden Group is involved in a wide range of urban development, real estate, and social infrastructure projects in Kyushu, other parts of Japan, and overseas.
We will actively participate in projects that make the most of our strengths as a group to accelerate growth and contribute to the ongoing development of communities and society through our business activities in terms of such things as increasing the number of visitors to the area, creating prosperity and employment, and ensuring the safety and security of the region.

Building a portfolio based on profitability and stability

Leveraging the Kyuden Group's corporate network, etc., in addition to the expansion of offices, residences, airports, etc., we will step up efforts in new revenue-generating businesses such as community development, logistics facilities, and overseas urban development. We will also engage in asset management activities to build a well-balanced portfolio.

High added-value urban development using energy and digital technology

We will contribute to the realization of a decarbonized society by promoting environmentally-friendly development, such as by improving energy-saving performance and reducing the amount of CO_2 emissions from energy use.
As a platform to support urban infrastructure, we will provide a variety of services in fields including energy, ICT, and area management.

Project to utilize the former Fukuoka City fruit and vegetable market site (LaLaport Fukuoka) (opened in April 2022)


Project to utilize the site of the former Niagemachi Elementary School in Oita City (scheduled to commence operations in April 2024)


Nagasaki Ekimae Denki Building (opened in August 2022; use of renewable energy-derived electricity throughout the building)


Logistics facility in Kiyama-cho, Saga Prefecture (scheduled to be completed in December 2023)


Logistics facility in Kasuya Town, Fukuoka Prefecture (Logiport Fukuoka Kasuya) (scheduled to be completed in August 2024)


New passenger terminal building at Kumamoto Airport (scheduled to open in March 2023)

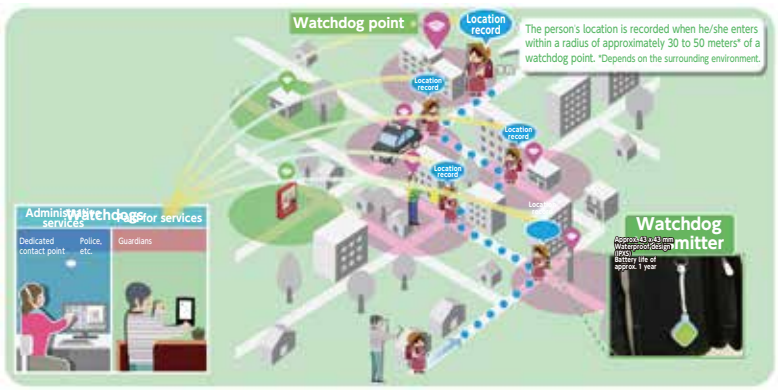

ESG-friendly multi-family housing property development in the Southern U.S. (participated in May 2022)

●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 Electric Power branches across Kyushu work with municipalities to match them with companies, and provide services to meet the needs of companies and other entities entering the Kyushu area. We also introduce products and services suitable for new factory and office construction and relocation by utilizing the Kyuden Group's products.
Kyushu Transmission and Distribution (Kyushu T&D) works closely with local governments to gather information on such things as industrial parks and idle land, while paying attention to regulations on business conduct, and reviews the outline of supply measures for early supply, and proposes candidate sites where early supply can be achieved.

●Provision of a Community Watchdog Service for Children and the Elderly That Makes Use of IoT Technology

Kyushu Transmission and Distribution (Kyushu T&D) is providing a new community watchdog service called Qottaby in Fukuoka City, Kasuya Town and Hisayama Town. This service allows guardians, the police, and other authorities to check the location of children and elderly people who carry a portable location transmitter. In these days when the eyes of the community are diminishing owing to such factors as the aging of crime prevention volunteers and the increase in dual-income households, this system will contribute to the creation of a safe and secure city through the use of information and communications technology.



●Kyuden Drone Services

Drone-based pesticide spraying service

As our customers in the agricultural sector age, we are helping them save labor by using drones to spray pesticides on their behalf.
Under this service, drones can be deployed to spray pesticides in a variety of locations, even in mountainous areas and narrow plots of cultivated land, with an application time of approximately 15 minutes per hectare and low flight altitude to minimize chemical drift (dispersal). The service has been used to spray rice, wheat, pine trees, fruit trees, and other crops.


Pesticide spraying drone


Contributing to the recovery of an entire area (approx. 20 ha) after three years of landslide damage by spraying pesticides with a drone

Forest resource visualization service

This is a field survey, analysis and assessment service for forest resources (timber volume) that combines drones (laser surveying) and AI (analysis and visualization of forest resources).
High-precision surveying by drone saves labor for surveying. In addition, topographical information is converted into a 3D model to support the design of forest road maintenance necessary for forest resource management.


Laser surveying drone


Laser point cloud data

●Medical Transport Doctor Heli

Nishi Nippon Airlines, 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.

Since 2021, we have been proposing to our customers a package of Kyuden Group products and services related to electrification, renewable energy, and energy conservation under the theme of "decarbonization (carbon neutrality)," an issue of growing social concern.

We provide optimal services that help efforts toward
decarbonization.

with キュー

In addition to decarbonization, WithQ offers a lineup of related products in four categories of high regional and social interest (disaster measures, heat wave countermeasures, information security, and the switch to LEDs), as well as customer-specific categories such as medical institutions, offices, and manufacturing sites, thereby providing optimal solutions to each customer's issues.

For more details, please search for WithQ. WithQ Search

●Stakeholder Engagement

The Kyuden Group is involved with various stakeholders in the course of its business activities.
In accordance with the Kyuden Group Corporate Conduct Code, we undertake a variety of communication activities throughout the Group's business activities to elicit the understanding and opinions of our stakeholders regarding our business activities and to build better relationships with them.

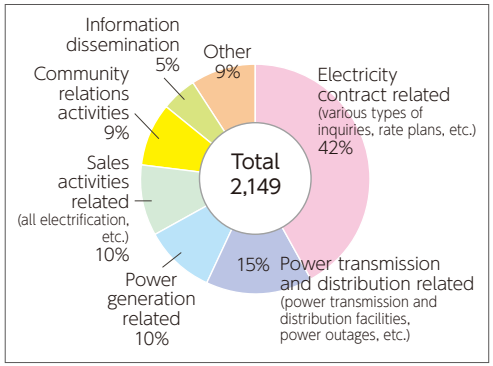
■Key Communication Opportunities with Stakeholders

Stakeholders	Main communication opportunities
Customers	• Listening to opinions at call centers, sales office counters, etc. • Daily sales activities
Communities	• 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	• 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)	• Business partner briefings • Support for business partners' efforts to promote sustainability management using opportunities at briefing sessions • Individual visits to business partners • Award ceremony for the Procurement Partner Award • Communication activities with business partners for cost reduction activities • Safety patrols and safety-related round-table discussions
Employees	• Employee satisfaction surveys • Labor-management round-table discussions • Dialogue between top management and employees • Communication through the company intranet 'Tsunagaru' site, etc.

●Business Operations That Respect the Opinions of Stakeholders

Kyushu EP and Kyushu T&D received approximately 2,000 items of feedback from stakeholders in FY2022 through day-to-day business activities, dialogue, and other sources.
We share stakeholder feedback across the entire group, including top management, through internal systems and other means. In addition, we initiate inter-departmental discussions on measures for improvement, reflecting the results in the operational plans of each division, branch, and office, etc. in a bid to improve our management. We will continue to listen carefully to the voices of our stakeholders and strive to respond promptly to their needs.

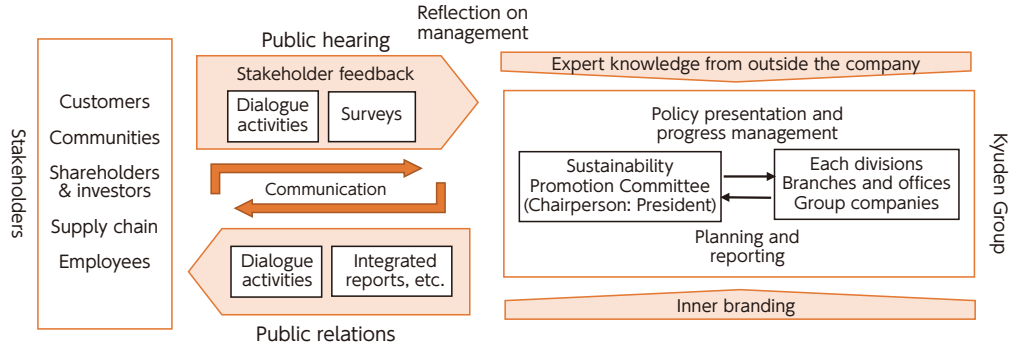
■Number of Cases/Breakdown of Stakeholder Feedback



■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.

■A Business Operation System That Respects the Opinions of Stakeholders



■Example of How We Have Reflected Stakeholder Feedback in Our Business Operations

Customer

I would like the details of my application, such as visiting time and contracted capacity after the change, etc., to be included in the confirmation email that I receive when I complete procedures or apply for a capacity change or something else online.

We have added the details of the application to the confirmation e-mail sent to customers when they complete the online procedures and application.

Promotion of Communication with Stakeholders

In order to explain our business activities and listen to customers' opinions and requests, Kyushu EP and Kyushu T&D promote 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. (FY2022: 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. (FY2022: 6 times)
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.


Kyuden open day

Using a variety of opportunities for communication

In addition to home visits, we also communicate with stakeholders using a variety of other opportunities, including on-demand lessons and facility tours. In Kagoshima, Kyushu Electric Power Eco Terrace has been established as a base for disseminating information on energy and the environment and for interacting with local residents, and various events are held there.
In addition to traditional face-to-face activities, we are also working to expand communication opportunities through the use of digital technology, such as online on-site classes and virtual power station tours using VR images, computer graphics, videos, etc.


Events at Kyushu Electric Power Eco Terrace (Kagoshima City)


Virtual power plant tours

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, participating in local sports events, and running a junior rugby academy for junior high school students.
The team is also actively involved in volunteer activities.


Tag rugby class


Junior rugby academy

Junior rugby academy
With the goal of developing the next generation of leaders through rugby, we aim to nurture players who can play an active role in society by not only teaching rugby skills, but also by incorporating training that utilizes our human resource development program to support the formation of well-rounded individuals.

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:

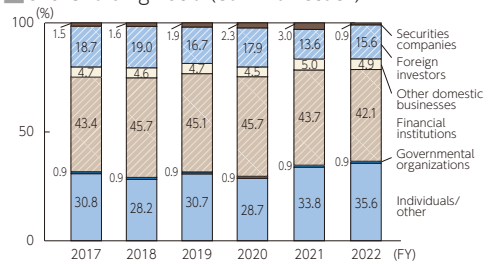
- Live streaming via the Internet
- Introduction of a system for exercising voting rights via the Internet and smartphones
- Improvement of the contents of convocation notices, business reports, and other related materials, and changes in design to make them easier to read
- Early posting of related materials on the website

Main IR Activities (FY2022)

Targets	Activities	Personnel	Frequency (per year)
Analysts/ Institutional investors	Business summary briefings by top management	Chief IR officer	Twice
	President's small meeting	Chief IR officer	Once
	ESG small meeting	Chief ESG officer	Once
	Dialogue between external directors and investors, etc.	External directors	Once
	Individual meetings with domestic and overseas institutional investors	Chief IR officer, directors, etc.	As needed
	Thematic business briefings/facility tours	Chief IR officer, heads of businesses, etc.	Once
	Posting of IR-related information on the website	—	As needed
Personal investors	Briefings for personal investors	Chief IR officer, directors, etc.	Twice
	Dissemination of information to shareholders and investors through various media	—	As needed

Note: Chief IR officer is the president or officers appointed by the president

Shareholding Ratio (common stock)



Video of the president's message to overseas investors on ESG management
(URL) https://www.kyuden.co.jp/english_company_esg_index.html

Video of Business Summary Briefing (web conference)
(URL) https://www.kyuden.co.jp/english_ir_library_results.html

●Active Disclosure and Dissemination of Information

Kyushu EP and Kyushu T&D believe that the trust of local communities and society is the greatest foundation of our business, and are working to build trust and enhance corporate value through two-way communication.

Basic stance on the disclosure of information

In order to gain the understanding and trust of our customers and local communities by increasing the transparency of our corporate activities, we have established the Disclosure Commitment, which outlines our basic stance on the disclosure of information.
Based on this commitment, 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: August 2022

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

	FY2020	FY2021	FY2022
Outage	5	8	5
Nuclear power	2	4	0
Facility problem	3	5	3
Other	9	2	4
Total	19	19	12

Main incidents in FY2022

- Outages attributable to human error
- Shin Oita Power Station No. 3 X 3 shutdown

On-site public viewing (periodic repair work at Kyushu EP's Reihoku Power Station)

Disclosure and dissemination of information through press conferences by the president, press releases, etc.

Kyushu EP and Kyushu T&D disclose and disseminate 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 Kyushu EP and Kyushu T&D.

Results of Press Releases and Other Initiatives Targeting the Media*

FY2022 results		
Press conferences by the president	6	• Financial results for FY2021 • 98th General Meeting of Stockholders, summer power saving, decision on personnel changes of officers • Start of review on development of Circular Park Kyushu, a resource-recycling base • Second quarter financial results • Third quarter financial results • Initiatives to prevent recurrence of inappropriate handling of new energy provider customer information, etc.
Press releases	336	—
Open days/ Tours/ Study sessions	133	• Opening of the Reihoku Thermal Power Line Replanting Site to the public • Opening of the Reihoku Power Plant Repair and Inspection Site to the public • Opening to the public of joint restoration training site by general transmission and distribution companies in the west area

*Total for Kyushu EP and Kyushu T&D
*Federation of Electric Power Companies press conferences have been omitted.

Press conference by the president of Kyushu Electric Power

Active dissemination of information through various media
Dissemination of information through the website

The Kyushu Electric Power (Kyushu EP) and Kyushu Transmission and Distribution (Kyushu T&D) websites provide information on their overall corporate activities in an easy-to-understand, prompt, and accurate manner so as to gain the understanding and trust of customers and local communities, and establish the Kyuden Group brand.
In addition to a complete renewal of the website in FY2021 to improve usability, in April 2023 we launched a service that accepts applications and inquiries regarding electricity contracts via chat through the Kyushu Electric website and official LINE account, thus further improving convenience.

Prompt dissemination of information on power outages

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 T&D website.
We also provide a service that uses LINE to transmit information on power outages, as well as a service that sends out information on power outages in the area of your choice via e-mail to customers who have registered in advance.
In the event of an emergency or disaster such as a typhoon, Kyushu EP and Kyushu T&D cooperate to promptly provide information on power outages on both companies' websites and official Twitter pages, as well as through media outlets.
In addition, 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 on the Kyuden website, and provide a service to deliver this information by e-mail to customers who have registered in advance.

Information on power outages on a normal day (Kyushu T&D website)

Information on power outages during emergencies (Kyushu T&D website)

Provision of information on electricity supply and demand

The Kyushu T&D website features Electricity Forecast, which provides timely information on the current status of electricity consumption, in addition to same-day, next-day, and weekly forecasts.
When the supply and demand of electricity comes under strain, information on the supply and demand situation and requests for cooperation in saving electricity will be promptly posted on the website and social media.

Power outage information during emergencies (Kyuden Group official Twitter)

Dissemination of information through TV commercials and online videos

We use TV commercials, online videos, newspaper ads, and other media to communicate our efforts to develop and introduce renewable energy sources to prevent global warming, as well as our various initiatives to ensure a stable supply of electric power. The TV commercials and online videos can be viewed on Kyushu EP's official YouTube (Kyuden Channel) and on Kyushu T&D's official YouTube channel. In addition, videos in which President Ikebe appears with employees to explain topics and other information about the Kyuden Group have been available on the Kyuden Channel since April 2023.

"All-out Effort for the Future (Renewable Energy)"


Letter to the Future (Power Transmission and Distribution)

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, Kyushu EP and Kyushu T&D work to provide timely updates on restoration efforts.


Introduction of "Korabora Q-den eco" project with local residents


Introduction of seasonal scenery in various parts of Kyushu


Introduction of restoration work after heavy rainfall in July 2020

Kyuden Group official Instagram account

Through our official Instagram account, we deliver photos that bring you closer to the Kyuden Group and Kyushu, with a focus on Kyushu's nature, landscapes and festivals, including such themes as night views and illuminated landscapes of Kyushu, landscapes where electricity is being generated and connected, and natural landscapes we want to protect in Kyushu.

Dissemination of information through the lifestyle information magazine Miraito

The Kyushu EP publishes a lifestyle information magazine called Miraito, which contains a variety of useful information for customers' comfortable and environmentally friendly lifestyles. (Distributed in some areas; also available on the Kyushu EP website. In addition, 360-degree videos and other video content linked to the magazine are posted on the Kyuden Channel.)

Disclosure and dissemination of nuclear power-related information and communication activities

In April 2017, The 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 that carefully address the concerns and doubts of 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 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 FY2022

1. Press conferences on nuclear power issues: 88

Subject	No. of conferences
Issues relating to regular inspections of nuclear power stations	14
Issues relating to efforts to confirm compliance with regulatory standards	10
Issues relating to decommissioning efforts	1
Issues relating to transporting new and spent fuel to and from nuclear power stations	5
Issues relating to litigations	9
Issues relating to COVID-19	47
Other (efforts to ensure safety, etc.)	2

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 FY2022, a total of approximately 34,000 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.

Satsumasendai Hanya Festival (Sendai Nuclear Power Station)

■Total Number of Festival Participants

FY2019	FY2020	FY2021	FY2022
Approx. 2,900	— *	Approx. 60	Approx. 400

*No participants in FY2020 due to the spread of COVID-19

Support activities in Kyushu

The Kyuden Group is working with local communities to create a society friendly to the elderly and children through various activities, such as food drives and providing places to hold children's cafeterias.

■Holding children's cafeterias (Fukuoka Branch)

We held a Kodomo Shokudo (children's cafeteria) along with a donation event for clothes and toys with local NPOs at Fukuoka Minami Sales Office's Kitchen Stadium.

■Food drive (Kumamoto Branch)

We delivered food, daily necessities, and school supplies collected from group company employees to a local food bank.

■Participation in an event at a children's cafeteria (Kagoshima Branch)

We participated in an event at a children's cafeteria in Kagoshima City, where children made their own chopsticks using wood from thinned forests.

Support for local sports events

Kyushu EP and Kyushu T&D support sports events for young people with an eye to creating bright and healthy communities by encouraging and improving the level of local sports activities.

Support for sports events in FY2022

10 business sites, 12 competitions, 6 events, total of about 2,900 general participants

Kyushu Electric Power Cup (Shimabara Sales Office)

Inspection of wiring in the homes of elderly people living alone

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.

Indoor wiring diagnosis (Kumage Distribution Office)

Cooperation with the Kodomo 110-ban

Kyushu EP and Kyushu T&D are working throughout Kyushu to create a crime-free environment for children by cooperating with Kodomo 110-ban, a scheme to protect children.

Community watchdog activities

Kyushu EP and Kyushu T&D are 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.
In FY2022, we made four 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."

FY2022 Total amount of donations 550 million yen	Contributions to relief projects as stipulated in local government ordinances	10 million yen
	Donations as part of community and social activities (see table on the right for details)	540 million yen

*Total for Kyushu EP and Kyushu T&D

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.

Presentation ceremony for a local organization (NPO Nichinan Kodomo Shokudo)

Support for the volunteer activities of employees

Kyushu EP and Kyushu T&D are 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 (540 million yen)

Field	Percentage (%)
Medical care and health	92.9
Environmental conservation	3.4
Science and education	1.3
Regional development	1.2
International exchanges	0.5
Preservation of historic sites and traditional culture	0.2
Other (social welfare, sports, etc.)	0.5

Recipients of collected donations (FY2022)

Postcards
- No. of postcards collected: 2,592 (equivalent to around 136,000 yen)
- Recipient: NPO Nichinan Kodomo Shokudo

Used stamps
- Amount collected: Approx. 39 kg
- Recipient: Council of Social Welfare

Foreign currency
- Amount collected: Approx. 6 kg
- Recipient: Japan Committee for UNICEF

■Volunteer Leave System and Awards for Contributions to the Local Community

Fiscal year	FY2019	FY2020	FY2021	FY2022
No. of days of volunteer leave taken (days)	224	117	66	70
Awards for contributions to the local community (persons)	28	28	11	18

DX

Policy and Approach

The Kyuden Group views the essence of digital transformation (DX) as "corporate transformation." With this in mind, we aim to increase profits, create new businesses, improve productivity, and strengthen our business infrastructure by making full use of digital technology and data to fundamentally reform our services, business models, and business processes, while also seeking to transform our people, organizational climate, and culture.
In addition, we will formulate a DX Vision describing what we aim to achieve through digital transformation, as well as a DX Roadmap, which is a basic plan for promoting digital transformation. By clarifying and sharing basic concepts and other information, we will unify the awareness and will of the Group and ensure that we achieve our goals and contribute to the fulfillment of the Kyuden Group Management Vision 2030.

Promotion Framework

In order to further accelerate radical reform of operations and the development of new businesses with digital technology as the starting point, we appointed a Chief DX Officer and established the DX Promotion Division on July 1, 2022.
The DX Promotion Division and each business division and group company will work together to create new businesses and reform operations using digital technology, thereby enhancing the corporate value of the Kyuden Group and leading to sustainable growth.

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Promotion of digital transformation (transformation of business structure and processes, etc.)	• Promotion of individual digital transformation plans: 50 cases • Self-BI (Tableau) implementation and deployment: 50 cases	—	• Promotion of individual digital transformation plans: 50 cases • Self-BI (Tableau) implementation and deployment: 30 cases	—

Initiatives

●Business Reforms

In order to achieve business reforms utilizing digital technology, we have established eight themes and 18 measures, including "automation and centralization of field operations," "reform of common operations," and "realization of data-based decision making," and are promoting these initiatives.
We have designated the head of each business division as a "business reform leader," under whose leadership the business divisions, DX Promotion Division, and Information and Communication Division cooperate with each other to promote initiatives.

●ICT Infrastructure Reforms

In order to implement structural reforms to our ICT infrastructure, we have set eight themes and 23 measures, including "establishment of a simplified development infrastructure for in-house system development," "construction of a data utilization infrastructure," and "expansion of virtualization infrastructure and external cloud services," and are promoting efforts in these areas.
Since structural reforms to our ICT infrastructure are an important element in supporting our digital transformation, we will promptly implement the following policies in order to achieve our vision:
・An infrastructure that can be utilized across divisions and groups
・A infrastructure that is highly scalable and can reduce operation and maintenance costs
・Development standards and an operation system that promote efficient development and utilization of ICT infrastructure

●Aggressive DX

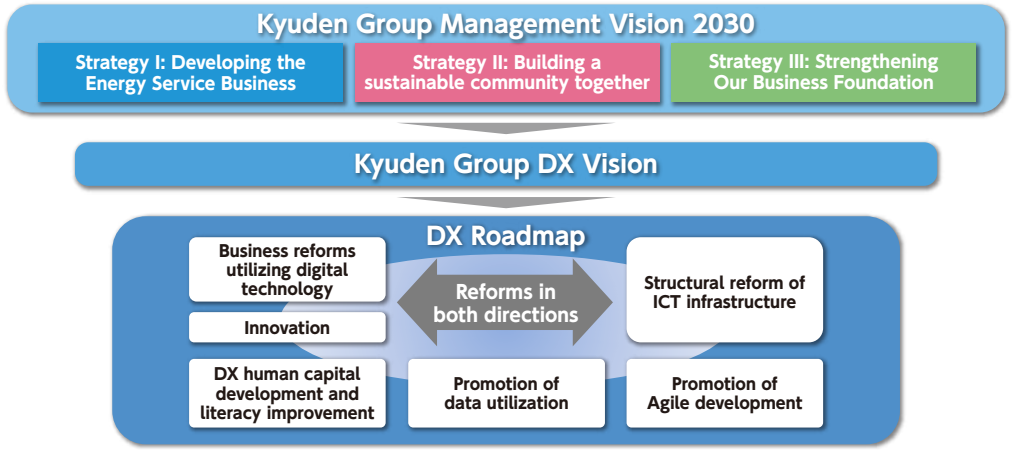
We are considering initiatives to improve the value of our products and services and to fundamentally reform our customer contact points and business models through the use of digital technology. Specifically, we are taking on the challenge of creating a variety of new businesses that will lead to new value and solutions to social issues, such as the provision of services based on data analysis platforms for smart meters and other devices. In addition, we are also working on collaborations with other companies that combine the digital technology and business ideas of startup companies with the resources of the Kyuden Group.

●Promotion of Data Utilization

We focus on the three areas of data utilization support and awareness, data management, and data governance so as to achieve data-driven corporate activities, improve productivity, and reform business. In order to spread and promote the use of data, we will focus on self-BI (visualization and simple analysis) and advanced analysis (forecasting and optimization), while developing a well-balanced data use environment that is both secure and highly convenient so that each and every employee can use data autonomously.

●Promotion of Agile Development

Agile development is a method of development that enables a flexible response to changes in the business environment by implementing functions little by little in a short development cycle. In our current system development, we are actively selecting and promoting Agile development while confirming its applicability.
Since cooperation between users and developers is essential in promoting Agile development, we will provide a selection of Agile training programs and share in-house practical examples and know-how to all parties concerned, including each business division, in order to increase momentum for its application.

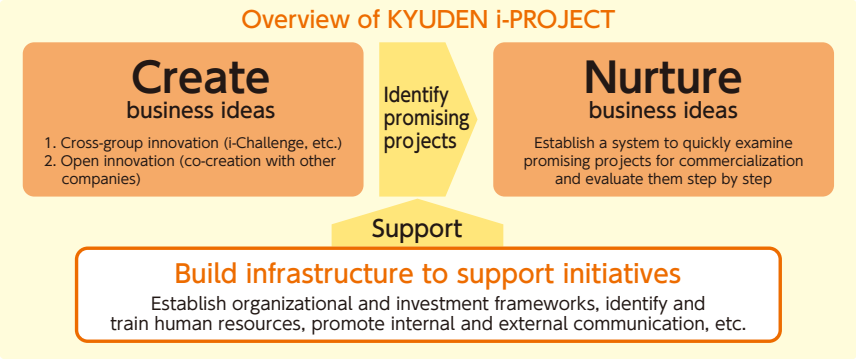


Promote DX by advancing business reforms, innovation and ICT infrastructure structural reforms, supported by human capital development, data utilization promotion, and the promotion of Agile development

Innovation

Policy and Approach

KYUDEN i-PROJECT was launched in January 2017 to promote innovation throughout the Kyuden Group.
Through innovation initiatives in Kyushu, the base of the Kyuden Group, we aim to contribute to our customers' comfortable and environmentally friendly daily lives and to change the world by creating businesses and services from Kyushu that we can be proud of.



Promotion Framework

KYUDEN i-PROJECT is under the direct control of the president to ensure prompt and flexible decision-making that goes beyond conventional organizational and operational frameworks.
When considering commercialization and service development, venture capitalists, university professors and other specialists serve as advisors, and the opinions of outside experts are also taken into consideration.

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Promotion of value co-creation and innovation	• Number of participants in KYUDEN i-PROJECT: 100 participants/year • Number of individual projects leading to commercialization, services, and final proposals: 3 or more projects/year	• Number of participants in KYUDEN i-PROJECT: 100 participants/year • Number of individual projects leading to commercialization, services, and final proposals: 3 or more projects/year	• Number of participants in KYUDEN i-PROJECT: 169 participants • Number of individual projects leading to commercialization, services, and final proposals: 2 projects	–

Initiatives

●i-Challenge, a Project to Create Business Ideas

We have held i-Challenge every year since FY2017, with the seventh event scheduled to be held this year. Under this project, we recruit people and teams who have enthusiasm and interest in innovation from across the Kyuden Group, and create promising business ideas through the combination of a "nurturing phase" involving workshops and mentoring by outside experts, and a "selection phase" involving presentations. To date, about 500 business ideas have been proposed, and about 800 members have participated in this event.

●Kyuden Open Innovation Program 2023: Inspiration and Co-Creation

The Kyuden Group is engaged in an open innovation program that aims to create new businesses by combining creative and innovative business ideas from outside companies and other entities with the group's management resources.
This program is a continuation of the Inspiration and Co-Creation program launched in 2022 targeting information and telecommunications assets, and will be implemented in the civil engineering and construction fields in FY2023.
In April 2023, the program called for business ideas that utilize our assets and significantly update existing operations in the civil engineering and construction fields, and plans to award prizes for excellence after selection by November 2023.
We will consider collaborating with the award-winning companies to create new businesses and undertake other ventures.

Major Commercialization Projects Born from KYUDEN i-PROJECT

weev
An EV sharing service exclusively for condominium residents. Provides residents with a safe, convenient, and comfortable EV car life.

PRiEV
An EV charging service for condominiums. Provides a comfortable EV charging environment by equipping each section of the parking lot with EV charging facilities exclusively for individuals.

Lithium-ion battery pack manufacturing and sales business
A business that manufactures and sells battery packs for industrial machinery using EV lithium-ion batteries, utilizing the battery control and monitoring technology, etc. owned by Kyushu Electric Power.

PDLOOK
A service that measures and diagnoses the health of the private-use on-site cables of special high-voltage and high-voltage operators without interruption and without stopping their business activities, and monitors and diagnoses trends for signs of abnormalities that are useful for maintenance management.

Mirai salmon
An onshore salmon farm constructed on the site of the Buzen Power Station (Buzen City, Fukuoka Prefecture). The farm will contribute to the stable supply of safe and reliable marine products in Japan.

Okeiko Town
A lesson matching platform that connects people who want to teach and people who want to learn.

Human Resource Development

Policy and Approach

Kyushu EP and Kyushu T&D have 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.

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of Performance Aggregation
Securing and developing strategic human capital	• DX specialist human resources training: 200 participants (to be developed intensively in FY2023)	Securing and developing highly specialized and DX human resources	DX specialist training participants: 36	*1

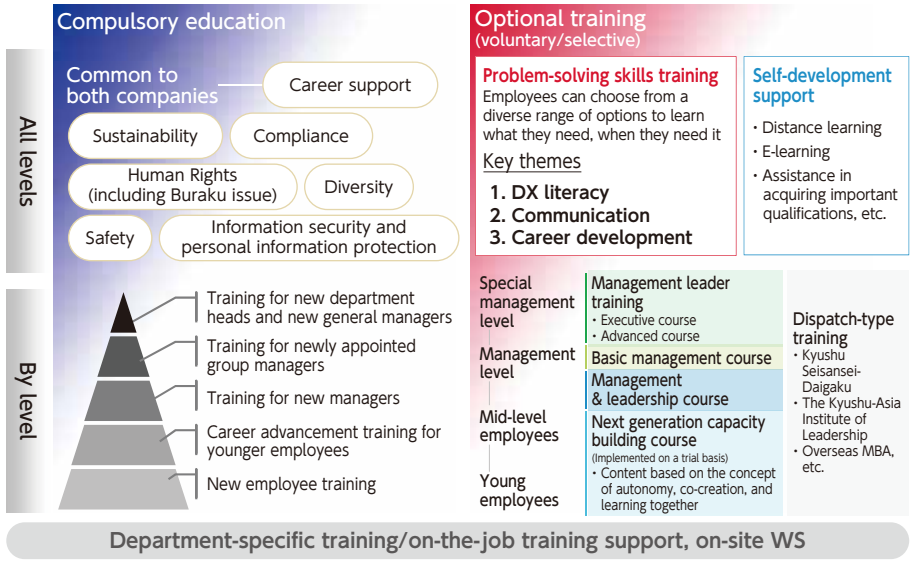
*1 Kyushu EP and Kyushu T&D

Initiatives

Outline of the Education Program

We will position the development of abilities common to everyone at Kyushu EP and Kyushu T&D and specific abilities expected of employees at each stage of their careers as compulsory education, through which we will seek to form the foundations of individuals and organizations. In addition, we will support the autonomous learning and growth of individuals and develop a systematic and diverse program to realize organizational management that leverages diversity and facilitates co-creation, leading to the evolution of individuals and the organization.

Education System



On-the-job training (OJT)

Management leader training (selected)
A program to acquire the transformational leadership required of managers through dialogue with outside experts, exercises, and practice in the workplace. Conducted to cultivate in management candidates the mindset, perspectives, and decision-making framework required of managers, going beyond the scope of operations of individual departments.

Basic management course (open application/recommendation)
Conducted to acquire and strengthen the basic knowledge and skills necessary for autonomous business operations based on managerial thinking.

Initiatives to Maintain and Pass on Technical Skills

Kyushu EP and Kyushu T&D implement 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 (Kyushu EP)	Thermal Power Division	• 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	• Initiatives to improve onsite and management skills through onsite-focused education • Initiatives for practical education and training using dam operation simulators, etc.
	Nuclear Power Division	• 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	• 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	• 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	• 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 in evaluations

Kyushu EP and Kyushu T&D assess employee performance not only on the basis of performance (results), but also on the basis of their attitude toward challenges, awareness of compliance, and the process of efforts they have demonstrated in the course of performing their work.

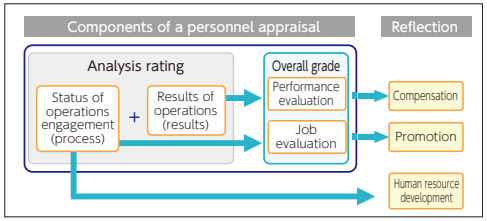
Of particular note, general employees are informed at the beginning of each fiscal year of the expectations in their work performance that will be used as the baseline of their evaluation.

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.

In addition, from the viewpoint of enhancing the objectivity and acceptability of personnel evaluations, we have introduced a 360-degree evaluation system that supplements the supervisor's evaluation by collecting facts on the employee's behavior and other information from various aspects.

How Personnel Appraisals Work



Average Number of Training Hours per Employee

Item	FY2022
Average number of training hours per employee	51.0 hrs
Education and training expenses per employee	67,000 yen

*Excludes employees on leave (excluding those on leave)

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, Kyushu EP and Kyushu T&D have 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, such as by presenting them with awards for their outstanding efforts.

In addition, in FY2021, we introduced various systems with the aim of supporting employees' independent challenges and growth, such as allowing them to pursue side jobs outside the company or concurrent jobs within the company. By doing so, we are working to create an environment where people with diverse experiences can play an active role, thus accelerating the growth and evolution of both our human resources and the group.

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 point 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	• 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	• 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) • Employment of highly specialized personnel

Development of Human Resources to Promote the Kyuden Group's DX

To fulfill the Kyuden Group Management Vision 2030, we are promoting a range of initiatives to bring about a digital transformation (DX), including the use of ICT to improve the efficiency and sophistication of our operations.

In order to further accelerate radical reform of operations and development of new businesses with digital as the starting point, in FY2022, we implemented DX Specialist Human Resources Training aimed at developing human resources who will lead the Kyuden Group's digital transformation, and DX Literacy Improvement Training aimed at helping all employees develop a DX mindset.

In FY2023, we will incorporate practical training in such areas as data analysis, visualization, and report writing into the DX Specialist Human Resources Training program. In addition, we will conduct training for all employees to acquire basic knowledge and skills, and develop human capital who will proactively engage in DX at their workplaces by FY2025. Furthermore, we will introduce a reverse mentoring system in which young employees train managers, in order to promote understanding of digital knowledge.

Group-wide Human Resource Development

Aiming for the integrated development of the Kyuden Group, Kyushu EP will continue to systematically implement joint group education and training as the Kyuden Group Mirai-Juku by grasping the needs of group companies in order to develop effective education and training programs that will lead to the improvement of the Group's overall capabilities.

Data on Employees (Kyushu EP and Kyushu T&D*)

*Figures for 2019 are for Kyushu Electric Power (Kyushu EP).
In April 2020, Kyushu EP's power transmission and distribution business was split off as Kyushu Transmission and Distribution (Kyushu T&D) but for the purpose of comparison, here each year's figures are for both companies

Basic Employee Data (end of fiscal year)

	2020	2021	2022
No. of employees (employees + career-track employees)	12,717	12,543	12,339
Male	11,660 (91.7%)	11,481 (91.5%)	11,267 (91.3%)
Female	1,057 (8.3%)	1,062 (8.5%)	1,072 (8.7%)
No. of people in management*1	4,667	4,664	4,655
Male	4,544 (97.4%)	4,537 (97.3%)	4,519 (97.1%)
Female	123 (2.6%)	127 (2.7%)	136 (2.9%)
Number hired (FY)	305	274	265
Male	248 (81.3%)	230 (83.9%)	217 (81.9%)
Female	57 (18.7%)	44 (16.1%)	48 (18.1%)
Average age	44.2	44.4	44.5
Male	44.7	44.9	45.1
Female	38.3	38.4	38.3
Average years of continuous employment	24.2	24.4	24.5
Male	24.8	25.0	25.1
Female	17.8	17.8	17.6
No. of labor union members*2 Ratio of labor union members to total employees	8,568 (67.4%)	8,368 (66.7%)	6,722 (54.5%)

*1 Employees in section chief level or higher (excluding executives)
*2 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)

	2019	2020	2021	2022
No. of employees who left the company (including retirees, deceased persons, etc.)	421	479	503	551
No. of employees who retired for personal reasons (indicated again)	96	94	125	114
No. of employees at beginning of term	12,890	12,761	12,551	12,315
Attrition rate	0.74%	0.74%	1.00%	0.93%

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

	2020	2021	2022
No. of contract employees	273	305	215
No. of temporary employees	558	527	395

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

	Heads of organizations			Important employees (indicated again)		
	2020	2021	2022	2020	2021	2022
Male	1,301	1,276	1,056	90	91	92
Female	20	22	13	2	1	2
Total	1,321	1,298	1,069	92	92	94

Gender pay gap (FY2022)

	Regular employees	Non-regular employees	All employees
Kyushu EP	67.2%	43.5%	61.7%
Kyushu T&D	64.7%	54.7%	45.8%

*The ratio of average annual wages of women to average annual wages of men is calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
*Wages include standard wages, overtime allowances, bonuses, etc., and exclude retirement allowances, commuting expenses, etc. However, in the case of post-retirement rehired workers, bonuses paid based on service prior to retirement are not included.
*Calculated based on the average number of employees on the first day of each month. However, unpaid employees and employees on childcare leave or nursing care leave are not included. Personnel on secondment are calculated as the number of employees at the originating company.
*For details on the factors behind the above difference, please refer to the Database of Companies that Promote Active Roles for Women in the Workplace.

Data on Employees (Kyushu EP)

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

	FY2022
Male	6,416 (86.5%)
Female	999 (13.5%)
Total	7,415

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

	FY2022		
Age	Male	Female	Total
20s and under	894 (13.9%)	320 (32.0%)	1,214
30s	1,105 (17.2%)	224 (22.4%)	1,329
40s	1,855 (28.9%)	226 (22.6%)	2,081
50s	2,335 (36.4%)	212 (21.2%)	2,547
60s and over	227 (3.5%)	17 (1.7%)	244
Total	6,416	999	7,415
Average age	43.7		
Average years of service	23.4		

Managers (end of fiscal year)

	FY2022
Male	2,959 (95.8%)
Female	130 (4.2%)
Total	3,089

*Managerial positions refer to section chief level or higher (excluding executives)

Leavers (fiscal year)

	FY2022
Male	69 (1.05%)
Female	24 (2.34%)
Total	93 (1.22%)

*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)

	FY2022
Contract employees	173
Male	72
Female	101
Temporary employees	246
Total	419

Labor Union Members (end of fiscal year)

	FY2022
No. of employees	7,415
No. of union members	4,480
Membership rate	60.4%

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, religion 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

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of Performance Aggregation
Promotion of diversity and inclusion	• No. of women newly appointed as managers or to top management positions in the organization (FY2019–2023): More than 3 times FY2009–2013 levels • Male childcare leave: 100% • Eruboshi certification	No. of women newly appointed as managers or to top management positions in the organization (FY2019–2023): More than 3 times FY2009–2013 levels	• No. of new female managers appointed: 2.72 times (16 (49 cumulatively)) No. of women appointed to top management positions in the organization: 4 times (6 (28 cumulatively)) • Male childcare leave: 80.6% • Eruboshi certification	*1

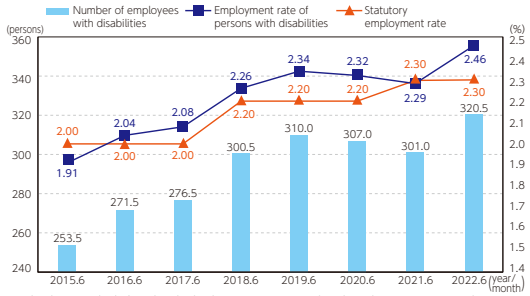
*1 Kyushu EP and Kyushu T&D

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.
In particular, in addition to its existing subtitling business, Q-CAP, a special subsidiary, is working to expand job opportunities for people with disabilities by developing business support services.
As of June 2022, the employment rate of persons with disabilities was 2.46%, 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 Greater Success for Seniors

Kyushu EP and Kyushu T&D have established systems to motivate and enable employees aged 60 and over, who are valuable human resources with a wealth of experience and advanced knowledge and skills, to play an even more active role in the company. These include the Career Employee Program, a system for rehiring employees who have reached the mandatory retirement age, as well as the Career Bank Program, a system for commissioning work based on the wishes of retired employees.
In addition, we provide a wide range of support for those aspiring to a second career, such as the introduction of the Side Job System, which allows employees to pursue side jobs outside the company, as well as a Reemployment Support Course and transfer preparation leave program.
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.

Creation of an Environment to Allow Senior Workers to Flourish

Career Employee Program
Target: Employees up to 65 years of age who have reached retirement age
Objective: To create an environment for continued employment through post-retirement reemployment

Career Bank Program
Target: Retirees, voluntary retirees over 50 years of age, etc.
Objective: To improve the working environment in the form of outsourcing

Side Job System
Target: Employees 57 years of age and older; career employees 62 years of age and younger
Objective: To support employees in pursuing a second career by allowing them to work for other companies or start their own businesses while working for our company

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

●Promoting the Empowerment of Women

Kyushu EP and Kyushu T&D are 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 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	●Message from the president
	●Utilization of internal communication (TV)
	●Disseminating information through the company Intranet "Tri-net" ・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 ・Conducting trainings to explain the promotion of diversity to management ・Exchanging opinions with executives at regional branches
Creating better career paths for women	●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	●Hosting work-family life balance support seminars and fatherhood classes ●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

Establishment of Workplace Environments

Policy and Approach

Kyushu EP and Kyushu T&D are 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 going increases in operational efficiency; and the fostering of a corporate culture that encourages employees to take on new challenges.

Promotion Framework

Kyushu EP and Kyushu T&D are continuously promoting reforms while management discusses and evaluates the content and status of efforts to reform work styles.

Initiatives

Promotion of Work Style Reform

- Work reforms
  - ・Streamline work and reduce overtime through a fundamental review of existing operations
  - ・Promote business reforms to improve efficiency and productivity by disseminating the Key Rules of Work, group-wide common rules on how work should be performed, and by sharing examples of good practice
  - ・Promote business reforms through digital transformation
- Promotion of remote work and development of work systems
  - ・Implement "hybrid work" that effectively combines remote and in-company work
  - ・Further develop and establish remote work, introduce a super-flex system,* and expand satellite offices to realize flexible work styles that are not restricted by time and place
  - ・Introduction of full remote working (main office workplaces)

  *Flexible work system with no core hours
- Reform of awareness and organizational climate
  - ・Foster awareness for productivity improvement and effective management skills through training for managers, etc.
  - ・Generate awareness of remote harassment prevention and other issues through training for all employees


Satellite office


Key Rules of Work

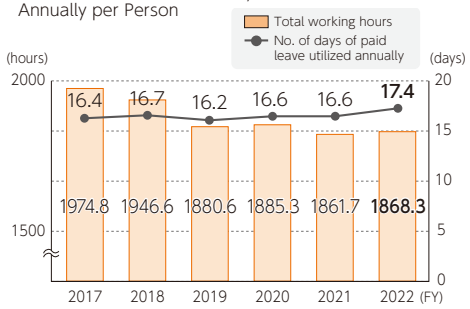
Major revisions to systems that contribute to flexible work styles, etc.

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)
Apr. 2021	Expansion of telework (expansion of applicable workplaces, elimination of restrictions on working hours, etc.)
Dec. 2022	Introduction of full remote working (main office workplaces)
Apr. 2022	Introduction of super-flex system

Enhancing of Work-life Balance

To enhance employee work-life balance, Kyushu EP and Kyushu T&D are 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.

■Total Hours Worked and Days of Paid Leave Utilized Annually per Person



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, Kyushu EP and Kyushu T&D are 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	Special leave
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): 61 (13) → 68 (11) → 73 (26) → 279 (225) (2019–2022 (FY)) Ratio of male childcare leave (%)*1: 3.7 → 3.5 → 8.3 → 80.6 (2019–2022 (FY))	**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. Changes in the number of users (persons): 98 (0) → 127 (1) → 130 (1) → 162 (7) (2019–2022 (FY))	**Nursing leave** 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) Changes in the number of users (persons): 345 (236) → 299 (211) → 323 (222) → 351 (241) (2019–2022 (FY))
Family care support	**Applicable period** Up to a total of two years (730 days) for the same care recipient Changes in the number of users (persons): 4 (1) → 3 (0) → 1 (1) → 3 (3) (2019–2022 (FY))	**Applicable period** Until family care is no longer necessary Changes in the number of users (persons): 2 (0) → 2 (1) → 7 (1) → 6 (1) (2019–2022)	**Family care leave** 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) Changes in the number of users (persons): 169 (145) → 185 (156) → 157 (133) → 179 (155) (2019–2022 (FY))

*The figure in parentheses once again indicates male employees who utilized the program.
*1 The proportion of male workers who took childcare leave in all male workers whose spouses delivered babies is calculated based on the provisions of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labour No. 25 of 1991). In FY2022, the spousal maternity leave system was abolished and childcare leave was made partially paid.

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, Kyushu EP and Kyushu T&D* have 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."

*At the time the plan was created, Kyushu EP only

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)

7th Action Plan

■Plan period
April 1, 2021 – March 31, 2025
(The 10 year period as stipulated by law is divided into two- to five-year plan periods.)

■Targets for the action plan indicators
- Percentage of male and female employees taking childcare leave: 100%
- Developing flexible work opportunities for employees raising children, increasing awareness

Promotion of Men Taking Part in Childcare

Kyushu EP and Kyushu T&D have adopted the slogan "IkuQ: over 2 weeks" to encourage male employees to take at least two weeks off to focus on childcare, with the aim of strengthening family ties and improving personal growth, time management skills, and new ideas through childcare experiences.
We aim to achieve a 100% male employee utilization rate for childcare leave in FY2023 by making childcare leave partially paid, issuing a unique paternity handbook (PAPANOTE) that includes tips on being a good father, and implementing other measures to promote the utilization of childcare leave.

Promoting male participation in childcare through "IkuQ: over 2 weeks"

Male employees are encouraged to take at least two weeks of childcare leave to devote themselves to childcare.

Main content

- Partial paid childcare leave
  - Paid childcare leave period of 10 business days (until the child reaches 1 year of age)
- Inform employees about the childcare leave system and confirm their intention to take leave through interviews with their managers
  - Meetings with department heads to inform employees about the childcare leave system and confirm their intention to take leave
- Distribution of the paternity handbook PAPANOTE
  - Distribute pamphlets containing information on the childcare leave system
- Sending of Hello Baby Cards
  - Send an original message card from the president to employees who have had a child
- Establishment of a consultation desk
  - Establishment of a consultation desk to provide consultations on the childcare leave system and its use
- Provide training on promoting the use of childcare leave
  - Hold training programs to foster a workplace culture that encourages employees to take childcare leave and managers to give them leave
- Provide examples of employees who have taken childcare leave
  - Introduce comments from male employees who took childcare leave and their superiors on the company intranet Tri-net
- Message from senior management
  - Senior management sends out a message encouraging employees to take childcare leave



Screen shot of in-house intranet Tri-net


PAPANOTE paternity handbook


Roundtable discussion on men's participation in childcare

KAZ website

Initiatives to Reflect the Voices of Employees

Kyushu EP and Kyushu T&D hold 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.
The percentage of satisfied employees in the FY2022 Employee Satisfaction Survey was 80.4%.

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 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.

Initiatives Related to Employee Welfare

Kyushu EP and Kyushu T&D offer a cafeteria plan that allows employees to choose the options they need at each life stage of their long corporate careers, as well as a stock investment plan for employees to help them build up their finances.

Safety and Health

Safety

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 not only complying with laws and regulations and labor agreements, but also proactively 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 defines priority items to be implemented, such as the promotion of safety activities focused on serious disasters and the fostering of a safety culture. Based on the principles of the Occupational Safety Management System, we are working to improve the level of safety by formulating goals and activity plans for each item. This involves 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 within the group accident case studies and measures to prevent a recurrence.

●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 consisted 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.
The contents of the Safe Conduct Charter were deliberated and established by the Corporate Management Committee. We will work to ensure that not only companies in the Kyuden Group, but also our contractors and subcontractors understand the content of the Charter by incorporating it into their contractual compliance requirements, and will endeavor to put it into practice on a permanent basis throughout our entire business. 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.

Promotion Framework

The Kyushu Electric Power (Kyushu EP) Safety Promotion Committee and the Group Safety Promotion Subcommittee, in which executives in charge of safety at group companies participate, work together to create a group-wide safety promotion system.
Under this safety promotion system, each and every employee, including those at group companies, strives to foster a culture and climate in which safety is a top priority.

■ The Kyuden Group Safety Promotion System

Targets

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of Performance Aggregation
Prioritizing safety and health	• No. of major accidents (employees): Zero	• No. of major accidents (employees): Zero	• No. of major accidents (employees): Zero	*1

*1 Kyushu EP and Kyushu T&D

Initiatives

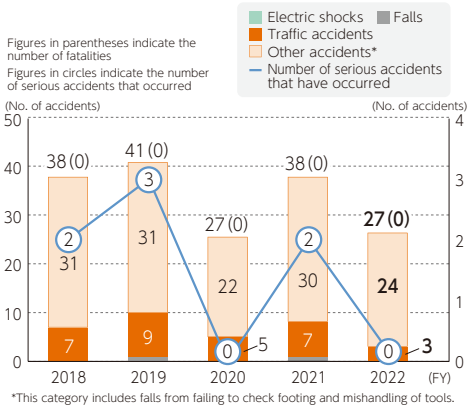
Group-wide Safety Initiatives

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 opened the Anzen Mirai Kan as a safety education facility for the Kyuden Group. We will use this facility to further raise mindfulness toward safety on the part of each and every employee.

Initiatives to Eliminate All Major Accidents

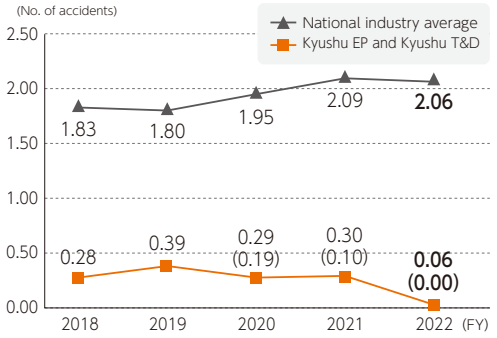
In order to thoroughly enact safe practices onsite as we work toward the goal of "zero serious accidents," we are promoting proactive serious-accident prevention measures such as risk assessment, implementing measures to prevent the recurrence of accidents by digging deeper into the root causes after the occurrence of the accident, and monitoring the status of implementation of these initiatives.
In addition, we are providing education on the Industrial and Health Act and related regulations from the perspective of compliance, safety education by job level, and safety education for the prevention of occupational accidents among senior employees.

Work-related Accidents at Kyushu EP and Kyushu T&D



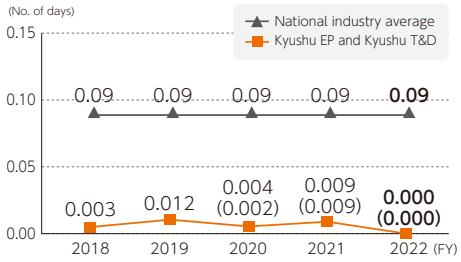
*This category includes falls from failing to check footing and mishandling of tools.

On-the-job Accident Rate*



*Number of accidents per 1,000,000 working hours
Note: Figures in parentheses for FY2022 are non-consolidated figures for Kyushu Electric Power.

Labor Accident Severity* (degree of business impact)



*Days of labor lost due to labor accidents per 1,000 hours worked
Note: Figures in parentheses for FY2022 are non-consolidated figures for Kyushu Electric Power.

Safety Education Record (FY2022)

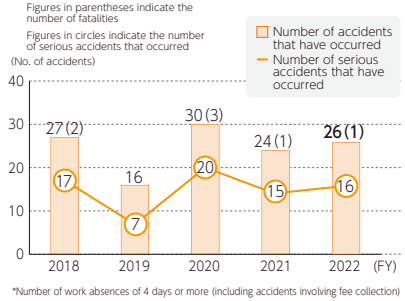
Education subjects		Number of attendees
Statutory education	When hired (new employees)	252
	Foreman	1,233
	Safety manager	57
	Total	1,542
Training by level	Safety training for general employees	794
	Safety training for management	466
	Total	1,260

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 are working to raise safety awareness by sharing basic information on how to eliminate the four major types of serious accidents (electric shocks, falls, getting caught in machinery, and accidents related to heavy machinery), checking the status of safety management at work sites through safety patrols and diagnoses by safety consultants, and engaging in direct dialogue with workers at work sites.

Safety Patrols by Occupational Safety Consultants

Contractor and Subcontractor Accidents*



*Number of work absences of 4 days or more (including accidents involving fee collection)

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.

Promoting Various Safety and Health Policies through Labor-Management Cooperation

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, in which representatives from the company and workers investigate 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 step up patrols and the monitoring of operating conditions.
- ○ Establishment of a reliable communication system in case of trouble, and early restoration of operations by the manufacturer and group companies in unison in the event of a problem

Early Detection of Equipment Abnormalities through Patrols

Checking instruments by pointing and calling

Checking for abnormal sounds with a stethoscope

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

Saigou Dam (before retrofitting)

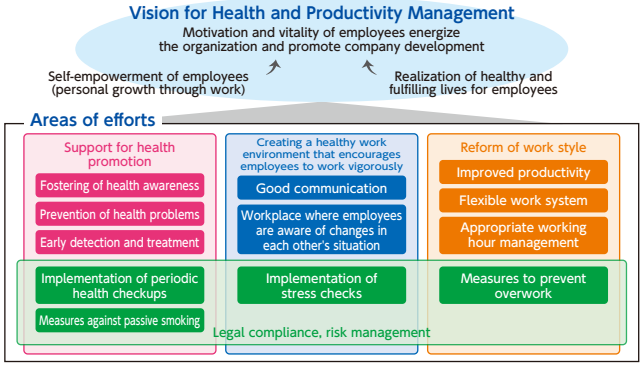
Saigou Dam (after retrofitting)

Health

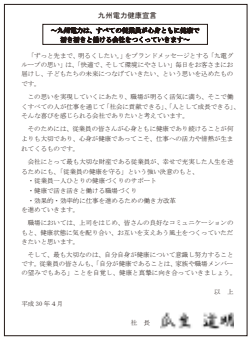
Policy and Approach

As our employees are the very foundation of all business operations, Kyushu EP and Kyushu T&D aim to increase our ambition and vitality through the Health and Productivity Management®* initiative 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.
*Health and Productivity Management® is a registered trademark of Nonprofit Organization Kenkokeiei.

Conceptual Diagram



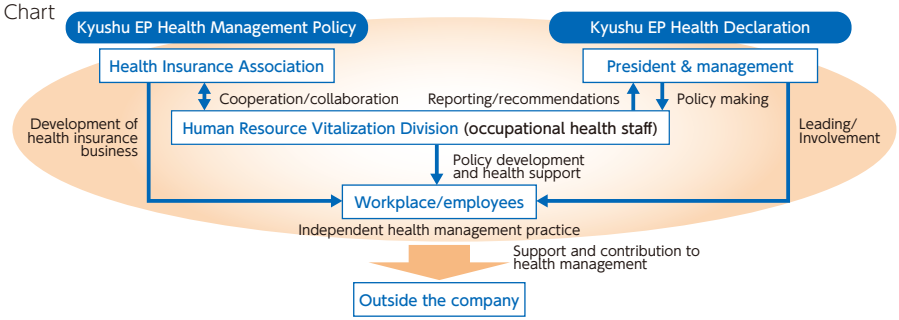
Kyushu Electric Power Health Declaration



Initiatives

Industrial health staff (industrial physicians and public health nurses) play a central role in various Health and Productivity Management initiatives in cooperation with the Human Resource Vitalization Division, workplaces, and Kyushu EP Health Insurance Association.
In addition, as part of our efforts to promote Health and Productivity Management, we regularly report to management on the physical and mental health of our employees.

Structure Chart



Targets

Issue	FY2023 Targets	FY2022 Targets	FY2022 Results	Scope of Performance Aggregation
Prioritizing safety and health	• Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program • Overall health risk in stress check: 80 or less	• Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program	• Continuous approval under the Certified Health & Productivity Management Outstanding Organizations Recognition Program • Overall health risk in stress check: 76	*1

*1 Kyushu EP and Kyushu T&D

Initiatives

●Physical Health

(1) Efforts to raise awareness and lead to concrete actions to improve lifestyle and exercise habits
- Top management driving Health and Productivity Management through internal broadcasts of messages from the president, etc.
- Information on smoking cessation, women's health, and other topics to raise health awareness provided in the company newsletter
- Physical fitness test sessions and various health classes held to raise awareness of lifestyle improvement, as well as advice from public health nurses and other healthcare professionals to promote good health
- Efforts to encourage employees to take regular exercise through group-wide walking campaigns and other activities in which employees can participate with their colleagues in the workplace

(2) Measures to prevent passive smoking and help employees quit smoking
- In principle, smoking is prohibited indoors, and smoking rooms that do not meet legal standards are abolished
- Support to quit smoking by public health nurses, etc.

Indicators Related to Health Management

	Periodic health checkups	Regular exercise	Smoking Rate	Alcohol consumption
Physical	Percentage of respondents who received a medical checkup 100.0% (2020) 100.0% (2021) 100.0% (2022)	Percentage of respondents who answered that they get regular exercise 20.1% (2020) 20.4% (2021) 21.2% (2022)	Percentage of respondents who answered in the medical interview that they smoke 26.7% (2020) 24.1% (2021) 23.8% (2022)	Percentage of respondents who take more than 360 ml of alcohol per day on average 9.4% (2020) 8.8% (2021) 4.6% (2022)

PR through In-house Newsletters

Efforts to encourage employees to take regular exercise (group-wide walking campaigns)

PR for health promotion by management (the president undergoing a physical fitness test)

●Mental Health

(1) Group-wide collective stress check
- Set a period of time and conduct stress checks simultaneously throughout group companies to ascertain the stress levels of employees and workplaces.

(2) Stress reduction activities based on stress check results
- Implement self-care based on the results of stress checks.
- Discuss strengths and weaknesses of the workplace based on the results of stress checks at each workplace, and implement measures to improve the workplace environment with the participation of all employees.

	Stress check	
	Inspection rate	Overall health risk
Mental	94.5% (2020) 94.8% (2021) 94.8% (2022)	100 (national average) 79 (2020) 78 (2021) 76 (2022) *100 or less is good (better than national average)

●Selected under the Certified Health & Productivity Management Outstanding Organizations Recognition Program

In March 2023, we were selected under the Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category) for the sixth consecutive year in recognition of our efforts to support the health of employees.

2023 健康経営優良法人 Health and productivity ホワイト500

●COVID-19 Countermeasures

We have established and implemented basic measures to prevent the spread of COVID-19 and other infectious diseases. In addition, to prevent the spread of COVID-19 specifically, workplace vaccinations have been administered to employees, including at group companies and subcontractors.

Human Rights

The Kyuden Group respects international norms such as the United Nations Guiding Principles on Business and Human Rights, and is committed to respecting the human rights of all stakeholders in the Group's business activities.

Policy and Approach

Kyuden Group Human Rights Policy

Based on the Kyuden Group's Mission, which takes "Enlighten Our Future" as its slogan, we will contribute to a sustainable society and enhance the corporate value of the Kyuden Group by promoting business activities that respect human rights, as well as preventing and mitigating negative impacts on human rights that may occur in connection with our business activities.

1. Commitment to Respect for Human Rights
   The Kyuden Group complies with the laws and regulations of each country and region in which it operates, supports and respects international norms on human rights, including the United Nations Guiding Principles on Business and Human Rights, and fulfills its responsibility to respect human rights in all its business activities.

2. Scope of Application
   This Policy applies to all officers and employees of the Kyuden Group.
   We also request that everyone in our supply chain understand and support this policy.

3. Human Rights Due Diligence
   We shall establish a human rights due diligence mechanism to identify and assess the negative impact of our business activities on human rights, and shall take measures to prevent and mitigate such risks, and ensure that these measures are thoroughly implemented.

4. Corrective and Remedial Measures for Human Rights Violations
   If any business activity of the Kyuden Group causes or contributes to a negative impact on human rights, we shall promptly identify the impact and establish a system to take corrective and remedial measures.

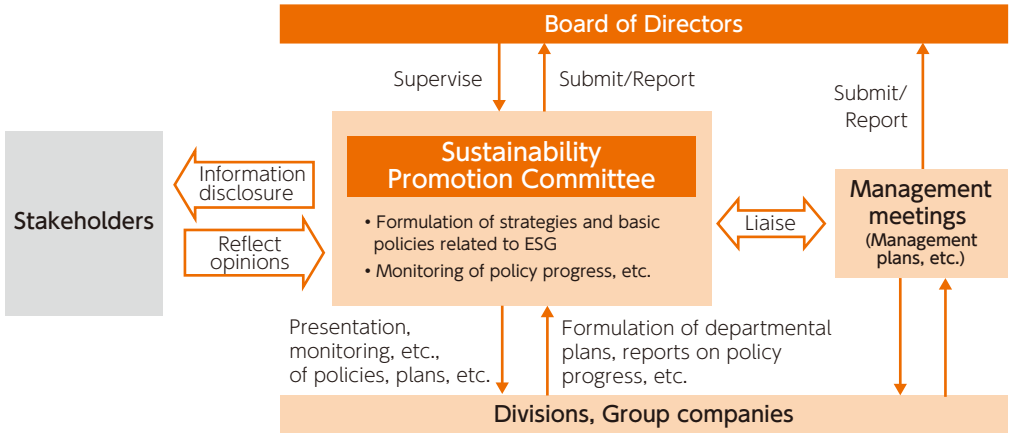
5. Dialogues and Discussions with Stakeholders
   We shall continuously hold dialogues and discussions with stakeholders on the impact of our business activities on human rights, and strive to improve and enhance our efforts.

6. Education and Awareness among Officers and Employees
   We shall conduct the necessary education and awareness activities to ensure that officers and employees understand this Policy and conduct appropriate business activities in accordance with this Policy.

7. Disclosure of Information
   We shall disclose appropriate information on the status of our efforts to respect human rights in accordance with this Policy.

Promotion Framework

This Human Rights Policy, measures taken based on this Policy and the state of progress of this measures, and other important matters are discussed by the Sustainability Promotion Committee, which is chaired by the President and supervised by the Board of Directors.
Each division and group company implements initiatives based on discussions by the Sustainability Promotion Committee and the Board of Directors.



Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of Performance Aggregation
Respecting human rights	Introduction of new and expanded initiatives (12 items) related to human rights due diligence and remedial measures	Establishment of Supplier Code of Conduct	• Identification of significant human rights risks • Establishment of Supplier Code of Conduct	-

Initiatives

●Due Diligence to the Protection of Human Rights

The Kyuden Group has established a system of human rights due diligence (hereafter referred to as "human rights DD*") and implements initiatives related to respect for human rights, while continuously improving these initiatives.

*Human rights DD: A series of actions taken by a company to identify, prevent and mitigate negative impacts on human rights through its business activities and explain how it has addressed them

Overview of human rights initiatives

Three actions	Specific initiatives
Commitment through Policy	**Formulation of Human Rights Policy** • Formulation of the Kyuden Group Human Rights Policy
Implementation of human rights DD	**Assessment of impact on human rights** • Assessment of negative human rights impacts through business activities • Identification of significant human rights risks **Consideration and implementation of countermeasures** • Confirmation, evaluation, and improvement of existing measures • Review and implementation of additional measures • Education, training, etc. **Disclosure of information to external parties** • Disclosure of information on website, in integrated report, etc. **Monitoring (follow-up surveys)** • Improvement and understanding of the status of efforts on a regular basis
Development of remedial measures for human rights violations	**Establishment of mechanisms to deal with grievances** • Establishment of internal and external consultation services

Identification of significant human rights risks

We identified and evaluated human rights risks that could occur through the business activities of the Kyuden Group, and identified five significant human rights risks that should be addressed on a priority basis.

Significant human rights risks	Overview of human rights risks
Discrimination (including gender gap)	• Discrimination on the basis of gender, sexual orientation, gender identity, age, generation, disability, the Buraku issue, nationality, religion, employment status, etc.
Accidents caused by products/services (e.g., deaths resulting from public accidents involving electric shocks)	• Harm to consumers' mental and physical health due to defects in products and services
Environmental pollution and destruction	• Leakage of radioactive materials due to nuclear power plant accidents, etc. • Environmental destruction due to construction of power plants, etc. • Air and soil pollution, water pollution, and deforestation due to business activities
Inappropriate restrictions on the rights of local communities	• Inappropriate processes in facility formation, etc., resulting in adverse effects on local communities and forced relocations • Damage to the livelihood of local residents due to nuclear power plant accidents, etc. • Large-scale power outages • Violation of indigenous peoples' rights
Harassment	• Power harassment, sexual harassment, maternity harassment, paternity harassment, care harassment, etc.

Other human rights risks identified

Identified human rights risks	Overview of human rights risks
Obstruction of occupational health and safety	• Industrial accidents in bad working environment • Disregard of poor working conditions
Non-compliance with labor agreements	• Non-payment of wages and accident compensation • Forced long working hours • Non-compliance with equal work and equal wages
Unjustifiable coercion of employees	• Forced labor • Unjustified forced transfers • Involvement in human trafficking
Infringement of the right to collective bargaining, etc.	• Infringement of the three labor rights • Unfair treatment in connection with union activities • Infringement of freedom of association
Discriminatory working conditions for foreign workers	• Discriminatory treatment of foreign workers in terms of wages, etc., on the basis of their status as a non-Japanese worker
Child labor	• Employment of children who are younger than the age stipulated by law
Leakage of personal information	• Leakage of personal information of employees and customers
Lack of information disclosure	• Insufficient or no appropriate information disclosure
Inadequate whistle-blowing hotlines	• Insufficient and dysfunctional whistle-blowing hotlines
Inadequate corporate consultation services	• Insufficient and dysfunctional corporate consultation services
Acceleration of global warming	• Increase in extreme weather events and intensification of disasters., etc. due to excessive greenhouse gas emissions from business activities (health hazards due to heat waves, etc., poverty and hunger due to reduced food resources, etc., reduced habitable land due to rising sea levels, etc.)
Infringement of intellectual property rights	• Infringement of intellectual property rights • Non-payment of compensation for employee inventions
Offering of bribes	• Impeding the provision of appropriate public services by providing undue benefits to public institutions, etc.
Oversight of human rights violations in the supply chain	• Failure to request corrective measures from companies complicit in human rights abuses • Continuing to do business with companies complicit in human rights abuses

Process for identifying significant human rights risks

Identification of human rights risks

(1) Identify general human rights risks that companies should be aware of based on the Ministry of Justice's guidelines*
(2) In order to identify a wide range of human rights risks specific to the Kyuden Group, also refer to global risks by industry and stakeholder feedback received directly at Kyuden
(3) Organize the human rights risks identified in (1) and (2) so that they are at a level that facilitates consideration of specific countermeasures

*Human Rights Bureau, Ministry of Justice: "Business and Human Rights: What Companies Need to Do Now" (Japanese only)

Assessment of human rights risks

• Evaluate the identified human rights risks on the two axes of "severity" and "likelihood of occurrence" based on guidelines about human rights established by Keidanren, Japanese Business Federation, etc.
• Based on the evaluation results, identify significant human rights risks (draft)

Exchanging of opinions internally and externally

• Deliberate on significant human rights risks (draft) at the Sustainability Promotion Committee
• After reflecting the results of the above deliberations, exchange opinions with Kyuden Group employees and external experts

Identification of significant human rights risks

• After reflecting the content of the exchange of opinions, a subcommittee under the Sustainability Promotion Committee conducts a more specialized investigation and identifies the risks as significant human rights risks based on the chairperson's decision

Overall picture of human rights DD efforts
In each process of human rights DD, we are expanding specific efforts with reference to the UN Guiding Principles and various guidelines.

Actions required of companies in each process of human rights DD		Our main initiatives
Identification and assessment of negative impacts	Identify negative human rights impacts (human rights risks) that may be caused through the company's operations, and analyze and evaluate their impact and significance	• Analysis and assessment of human rights risks • Identification of significant human rights risks
Prevention and mitigation of negative impacts	Prevent and mitigate human rights risks by raising awareness through education and training, developing internal environments and systems, and managing supply chains, etc.	**Improvement of internal environment/systems** • Management of measures to address significant human rights risks incorporated into the Medium-term Management Plan to promote sustainability management • Reflection in action guidelines, etc. **Education and training** • Education and training to cultivate awareness of human rights **Supply chain management** • Establishment of sustainable procurement guidelines • Implementation of questionnaires among business partners
Evaluating the effectiveness of initiatives	Conduct monitoring (follow-up surveys), including exchanges of opinions with stakeholders, to ascertain the effectiveness of human rights initiatives and promote continuous improvement	• Management of significant human rights risks • Monitoring using various questionnaires and results of evaluations by ESG rating agencies, etc.
Explanation and disclosure of information	Disclose information on corporate human rights initiatives through reports and other means, and provide explanations to stakeholders	• Enhancement of information provided by the company's own media • Utilization of opportunities for dialogue with investors and shareholders to disseminate information

Remedial Measures

The Kyuden Group has established a contact point to receive reports and consultations from all stakeholders, including those concerning human rights issues.
If it becomes clear that the Kyuden Group's business activities are causing or contributing to negative impacts on human rights, we will work to correct and remedy the situation.

- **Officers, employees, and business partners of the Kyuden Group:** Establishment of compliance consultation desks
- **All stakeholders:** Publication of an email contact point on the website

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 FY2022

Type of training		Results
Kyushu EP Kyushu T&D	In-house training	10,316 participants
	Outside training	139 participants
Group companies		43 companies 9,881 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.

	FY2019	FY2020	FY2021	FY2022
Actual use of the Harassment Advice Counter	9	5	7	6

Governance

Corporate Governance

Policy and Approach

At Kyushu Electric Power (Kyushu EP), 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. In addition, 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 continue to enhance our corporate governance to achieve sustainable growth and enhance medium- to long-term corporate value.

Promotion Framework

Basic Internal Control Policy

Established: July 2006
Revised: March 2023

1. Framework which ensures that the execution of duties by directors comply with laws and regulations
- The Board of Directors deliberates and decides on matters considered important from a management perspective and supervises the execution of duties by directors and executive officers.
- One third of directors or more are external directors.
- Nominations of candidates for directors and decisions on compensation and other matters are based on deliberations at committees, which are chaired by an external director and composed of a majority of external directors.
- Establishment of the Compliance Committee.
- The Kyuden Group Corporate Conduct Code, Board of Directors will lead the way in implementing the Kyuden Group Corporate Conduct Code, Compliance Action Guidelines, and the code of behavior toward securing energy neutrality for general power transmission and distribution companies.
- The Group shall refuse any unwarranted demands and disassociate from anti-social bodies.
- Recommendations and advice given by the Audit & Supervisory Committee or its members in regards to the execution of duties by directors or executive officers are respected fully.

2. Framework for the storage and management of information related to the execution of duties by directors
- Ensure appropriate storage and management of information and information security.

3. Framework for risk management
- Appropriate response to major risks that affect the running of the company, as well as risks relating to individual projects or other matters.
- Sharing of information, clarification of response systems, and appropriate measures by related divisions and departments for risks involving multiple divisions and significant risks that may become material.
- Efforts are made to fully grasp a wide range of risks regarding nuclear power, utilizing external knowledge and options and continual minimization of these risks by sharing information.
- A crisis management framework for emergency disasters, situations that may cause loss of trust from society, and any other events that may have a significant impact on corporate management or on society.

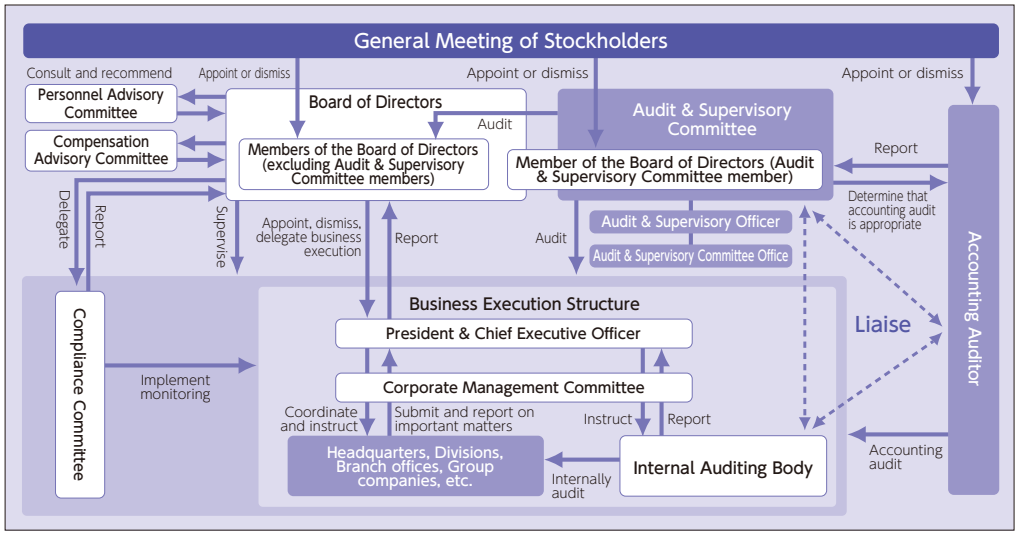
4. Framework to ensure the efficiency of the execution of duties by directors
- Appropriate and efficient business execution system and clarification of responsibilities and authority.

5. Framework to ensure compliance with laws and regulations in the execution of duties by employees
- Adherence to corporate ethics, as well as laws and regulations, is promoted via the Compliance Committee.
- The Kyuden Group Corporate Conduct Code, Compliance Action Guidelines, and the code of behavior toward securing energy neutrality for general power transmission and distribution companies have filtered through the company and become entrenched.
- Financial reports are trustworthy.
- A framework is in place for the internal auditing of the execution of duties and other matters, and that oversees the quality assurance of nuclear power.

6. Framework to ensure the compliance of business operations in the corporate group
- Throughout the Group, management issues are addressed, compliance is promoted, and close information sharing is ensured.

7. Framework to ensure the effectiveness of the execution of duties by the Audit & Supervisory Committee
- 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.
- Ensuring the independence of Audit & Supervisory Committee staff from directors.
- Ensuring a framework for reporting, including Group companies, to the Audit & Supervisory Committee.
- A framework is in place to ensure the effectiveness of other audits.

■Corporate Governance Structure (as of July 2023)



We have established a basic policy of internal controls to ensure the appropriateness of operations throughout the company and strive to continuously improve the systems.
- 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 (for nuclear energy, a separate dedicated internal audit organization has been established).

With an eye on encouraging debate and improving management oversight functions, the articles of incorporation stipulate that the Board of Directors consists of no more than 19 directors (including no more than 5 Audit & Supervisory Committee members).
Internal directors are elected based on a comprehensive consideration of their personalities, insights, ethical viewpoints, backgrounds, and abilities.
External directors, who comprise at least one-third of the entire Board of Directors, are elected based on their extensive experience and insight in corporate management and specialized fields, as well as their ability to meet the criteria for maintaining their independence.
The composition of the board ensures an appropriate size and diversity—in terms of gender (with three female directors), nationality, professional experience, age, and other factors—as well as a balance of overall business fields.

Overview of Internal Organizations at Kyushu Electric Power (Kyushu EP)

Organization	Roles	Members (As of March 31, 2022)	Meeting Frequency, etc.
Board of Directors	• Decides on important corporate management matters • Supervises performance of duties	• 15 members of the Board of Directors in total (including 5 external members)	In principle once a month (23 times in FY2022)
Corporate Management Committee	• Consultation on matters that require prior consultation before it goes for a decision to the Board of Directors • Makes important decisions on business execution	• President, vice president, senior managing executive officers, and others 14–24 members (of which 10 members attended in response to agenda items) *In addition to the above, 2 external directors attended	In principle once a week (34 times in FY2022)
Audit & Supervisory Committee	• 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 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	• 4 Audit & Supervisory Committee members in total (including 3 external Audit & Supervisory Committee members) *The Audit & Supervisory Committee Office, which has 11 members, was established to assist the Audit & Supervisory Committee members and Audit & Supervisory Officer as a specialist organizational body	In principle once a month (22 times in FY2022)
Internal Auditing Body	• 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	• 19 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 Advisory Committee (which acts as a discretionary nominating committee)
The committee discusses the selection of director candidates (including the selection of executive directors and representative directors) and the appointment of executive officers. The committee reports to the Board of Directors. In FY2022, the committee met two times, with all members in attendance.

Remuneration Advisory Committee (which acts as a discretionary remuneration committee)
The committee discusses the decision-making policy and individual remuneration standards for directors (excluding Audit & Supervisory Committee members), executive officers and corporate officers. The committee reports to the Board of Directors. In FY2022, the committee met two times, with all committee members in attendance.

Committee	Total	Internal directors	External directors	Chairperson
Personnel Advisory Committee	4	1	3	External director
Remuneration Advisory Committee	4	1	3	External director

Director Remuneration (for more details, please refer to our Corporate Governance Report)

Individual compensation for directors (excluding those who are members of the Audit and Supervisory Committee) consists of both basic renumeration and performance-linked renumeration. Performance-linked remuneration is based on performance indicators given as financial targets in the Kyuden Group Management Vision, including consolidated ordinary revenue, as well as GHG emission reduction targets toward carbon neutrality, and dividends for shareholders. In light of their duties, performance-linked remuneration is not applied to external directors, and consists of basic remuneration only.
The amount of compensation is determined within the total amount and maximum number of shares set at the General Meeting of Stockholders, which is based on the deliberations by the Compensation Advisory Committee, which is chaired by an external director and the majority consists of external directors.
In addition, Audit & Supervisory Committee members are present at the Compensation Advisory Committee meetings to ensure the appropriateness of the committee's discussions.

Type of remuneration				Summary	Weighting	Payment
Basic remuneration	Fixed (monthly salary)		Cash	Determined according to responsibilities	62–76%	Once a month Fixed period
Performance-linked remuneration*1	Variable	Short-term (bonuses)	Cash	Between 0% and 120% of a standard amount determined according to responsibilities is linked to the degree of achievement of performance indicators (consolidated ordinary revenue targets outlined in the Kyuden Group Management Vision)	12–19%	Once a year Fixed period
		Medium- to long-term (stock-based)	Stock*2	Around 20% of a standard number of points determined according to responsibilities is linked to the degree of achievement of performance indicators (consolidated ordinary revenue targets outlined in the Kyuden Group Management Vision and GHG emission reduction targets toward carbon neutrality)*3	12–19%	On stepping down

*1 In determining the amount of performance-linked remuneration, where necessary, the Compensation Advisory Committee deliberates on adjusted evaluations, taking on board factors such as the dividend situation
*2 As income tax is levied when stock is provided, a pecuniary amount equivalent to the amount of tax is also provided
*3 Each reference period is three fiscal years, and evaluations are based on the final day of each reference period

Basic Remuneration [monetary awards and monthly salary] (FY2022)

Directors (excl. Audit & Supervisory Committee members)	12	380 million yen
Directors (Audit & Supervisory Committee members)	6	78 million yen
Total	18 (6 external)	458 million yen (60 million to external directors)

Performance-linked Remuneration [monetary awards and short-term-performance-linked bonuses] (FY2022)

Directors (excl. Audit & Supervisory Committee members)	9	0 yen

Performance-linked Remuneration [non-monetary awards and medium- to long-term-performance-linked, stock-based compensation] (FY2022)

Directors (excl. Audit & Supervisory Committee members)	9	61 million yen

Kyuden Share Ownership Guidelines

We have formulated the Kyuden Share Ownership Guidelines, which sets share ownership targets for each rank of director or executive officer with the aim of sharing value with shareholders.

Targets

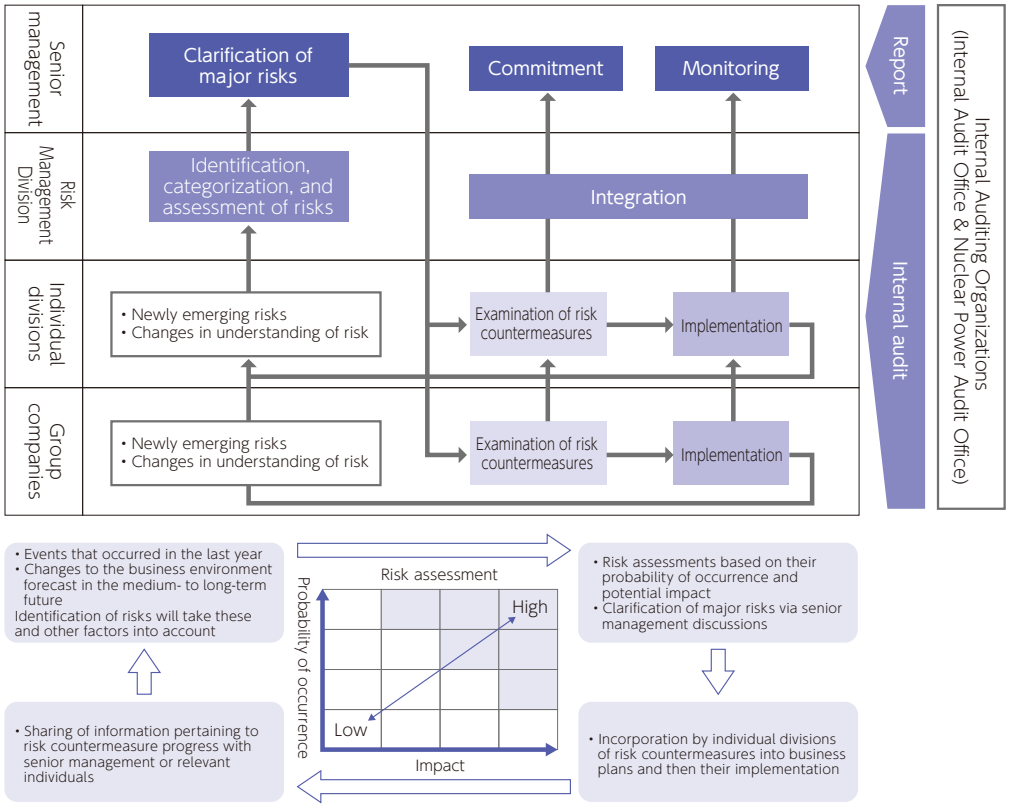
Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Improvement of effectiveness of corporate governance	• Improve corporate governance disclosure • Enhance functions of the Board of Directors	Improve corporate governance disclosure	• Improved corporate governance disclosure • Reformed standards for the agenda of the Board of Directors	*2

*2 Kyushu EP

Risk Management

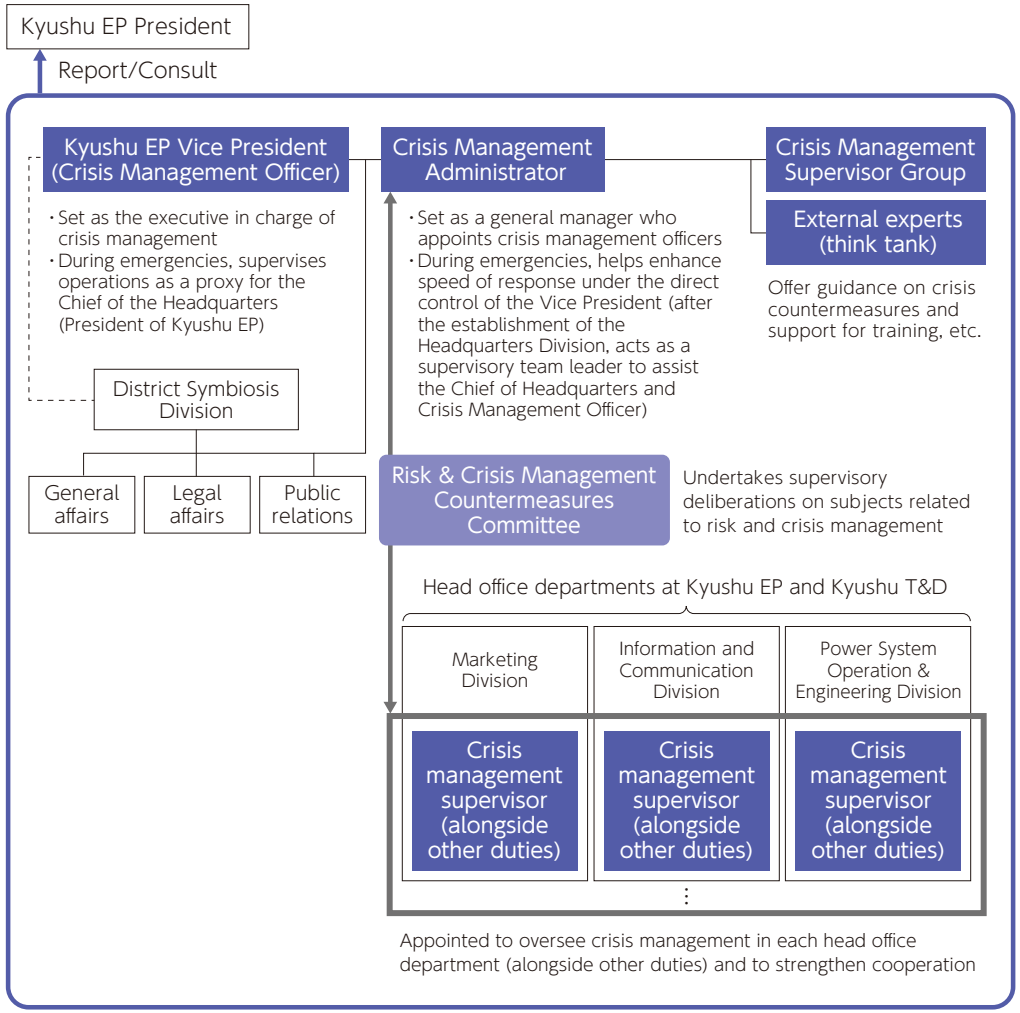
To manage risk, Kyushu Electric Power (Kyushu EP) annually identifies, categorizes and assesses risks based on its risk management rules, clarifying Company-wide and division-specific threats that could affect Kyuden Group management. Each division and business office produces contingency plans to appropriately manage 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.
In order to ensure the appropriateness of risk management in this way, our internal auditing organizations hold a neutral position with regard to business execution, and audit the implementation of risk management by individual divisions and group companies.

Risk Management Processes



Establishment of a Crisis Management Framework

The risks facing the Kyuden Group are diversifying and becoming more complicated, and they develop at an unprecedented scale and speed. In such circumstances, to prepare for a variety of crises, we have established a crisis management framework and are working hard to minimize the impact if they do come to pass. Specifically, a Crisis Management Officer (Kyushu EP's Vice President) and Crisis Management Administrator have been appointed, as well as crisis management supervisors in each head office department at both Kyushu EP and Kyushu T&D, and we aim to share information and provide mutual assistance if a crisis does occur.
Moreover, in order to continuously enhance and strengthen our crisis management functions, we have established the Risk & Crisis Management Countermeasures Committee and constructed a support system that utilizes the specialist and pioneering expertise of external experts.



Business Risks Announced by Kyushu EP (as of June 2023)

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 increases and economic trends Intensification of competition due to the full deregulation of the retail electricity sector Trends in fuel market and wholesale electricity transactions	Provide competitive products and services Secure supply capacity and minimize costs
Other businesses (Overseas business, etc.)	Country risks Intensification of competition Institutional changes Fluctuations in prices of commodities, interest rates, and exchange rates	Assess potential profitability and risk Establish a risk management framework Optimize our business portfolio Reduce costs Work on new technologies
Status of the situation surrounding nuclear power		
Stable operation of nuclear power	Restrictions on 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 Change to procurement criteria (supply-demand crunch)	Diversify procurement sources and ensure we remain flexible Make use of foreign exchange forwards and fuel price swaps
Interest rate fluctuations	Macro-economic situation	Raise capital through long-term loans with fixed interest
Prices of wholesale electricity transactions	Dramatic price increases due to changes in supply and demand Increase in market-related expenses for purchasing energy efficiency	Optimize our energy source portfolio Make use of derivatives trading
Changes in systems related to the power industry		
	System changes related to government energy policies Development of electricity markets and rules	Gather data on system design and respond appropriately
Climate change		
	Environmental restrictions Procurement needs from decarbonized power sources Changes in actions by investors concerning ESG Insufficient efforts or disclosure	Promote electrification and low- or zero-carbon energy sources Establish an ESG promotion framework Disclosure of information on low/decarbonization efforts (e.g., information disclosure and communication based on TCFD recommendations)
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.)	Personal injury such as electric shock Large-scale or long-term blackouts	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 Compliance breaches	Implement thorough measures to ensure compliance with laws and regulations (training, corporate culture, systems) Establish a compliance promotion framework
Lack of human resources and skills	Inability to secure and train human resources or outflow 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	

Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Strengthening of the risk management system	Improve the accuracy of risk management	Improve the accuracy of risk management	Carried out Group-wide risk analysis, shared awareness with senior management, and reflected risk countermeasures in the medium-term plan	—

Information Security

Policy and Approach

Kyushu Electric Power (Kyushu EP) has established a basic policy regarding information security and protection of personal information, and is working to ensure that all executives and employees are fully aware of this policy and that they are able to appropriately protect personal information. We are striving to ensure appropriate information security and protection of personal information.

Basic Policy on Information Security

Established: July 2006
Revised: April 2020

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 reoccurrences. Finally, we pledge to disclose any new information related to such incidents swiftly.

Basic Policy on the Protection of Personal Information

Established: July 2006
Revised: April 2020

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 personal 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, personal information.

3. 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 personal information. When obtaining personal information, we will either disclose the usage purpose in advance, or we will notify the person as soon as possible after it has been collected.

(2) Acquisition and Handling
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)*2 we will confirm this information. Furthermore, when this information is no longer necessary, the personal ID number will be promptly discarded or deleted.

(3) Providing Information to Third Parties
Except for the following cases, personal data*1 will not be provided to third parties. Excluding cases where stipulated by law, the personal ID number will not be provided to third parties.
- When we have consent.
- When obtaining consent is difficult, and where necessary to protect the person's 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 the person's consent risks causing trouble for those tasked with performing the relevant duties.
- When providing personal information in accordance with business succession procedures.
- When providing personal information within the scope deemed necessary for the achievement of usage purposes.
- When sharing 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 a person regarding 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.

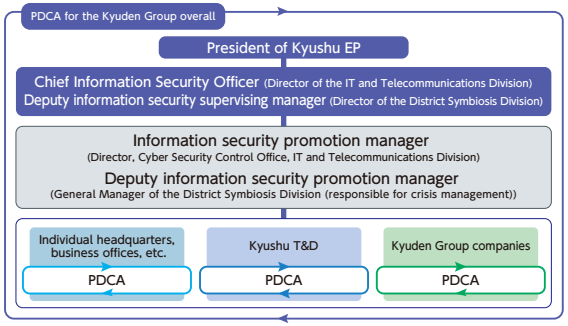
5. In cases where major complaints have been made against top management, while trying to solve them by ourselves, in the process of investigating the cause, corrective measures will be taken immediately. While striving to prevent a relapse, we will promptly and accurately make this information available 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)

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 Chief Information Security Officer. 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

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Ensuring information security	• Personal information leaks: Zero • No. of serious data security breaches by cyber attacks: Zero* • No. of system failures that have a big impact on customers: Zero	• Personal information leaks: Zero • No. of serious data security breaches by cyber attacks: Zero* • No. of system failures that have a big impact on customers: Zero	• Personal information leaks: 1 (Reports to the Personal Information Protection Committee in line with that committee's instructions and with laws and regulations) • No. of serious data security breaches by cyber attacks: Zero* • No. of system failures that have a big impact on customers: Zero	*1

*1 Kyushu EP and Kyushu T&D
*Information security incidents resulting from cyber attacks that have a major impact on business operations or society, such as by halting electricity supplies or causing the leak of large amounts of personal information.

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.

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.

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.

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.

● Protecting Personal Information

For personal information, we have put in place various internal regulations and manage the information appropriately within the scope of specific usage goals. However, in FY2022, it became clear that customer information had been viewed and handled improperly, and this was reported to the Personal Information Protection Committee. Going forward, to ensure that this cannot happen again, we investigated the causes and implemented thorough measures to prevent a reoccurrence. We will continue to work toward appropriate and strict management for personal information, in accordance with relevant laws and regulations.

● 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.

Compliance

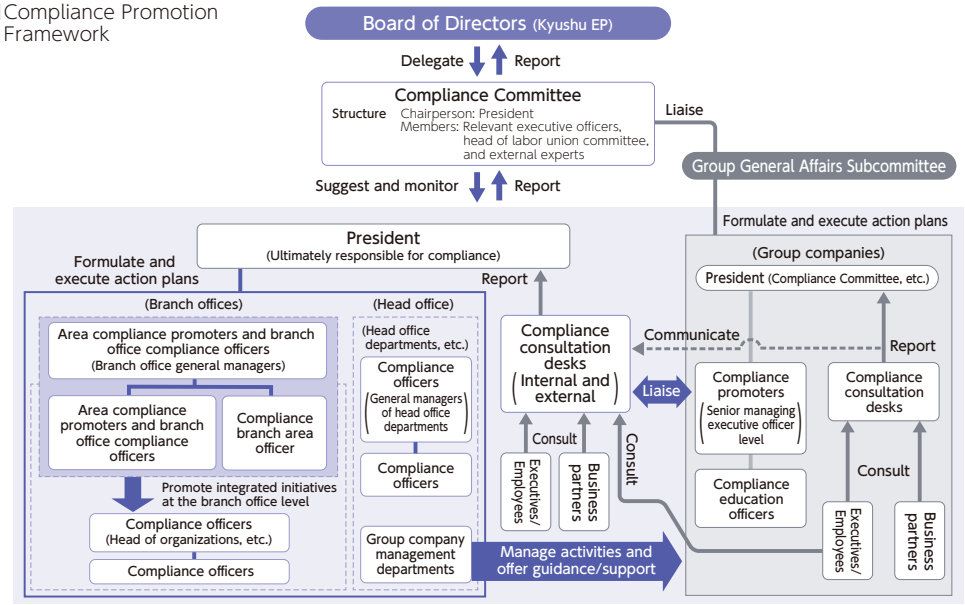
Policy and Approach

Recognizing that the Kyuden Group cannot continue without the trust of everyone in society, Kyushu Electric Power (Kyushu EP) aims to ensure that every employee does their job in a sincere and fair manner, and to this end is promoting compliance-focused management. Taking into account the administrative measures put in place by the Japan Fair Trade Commission in FY2022 and the improper handling of information belonging to customers and others, we are enacting measures to prevent reoccurrence and starting again with business activities that prioritize compliance—something we are doing as a united Group.

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



• 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 (FY2022)

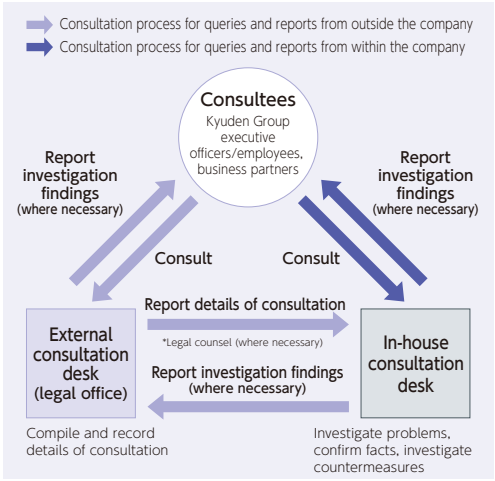
- Operational status at different sites
- Operational status of the compliance consultation desks
- Causes and countermeasures related to compliance breaches

Compliance Committee

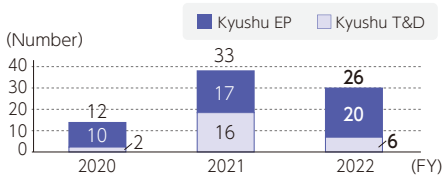
• Compliance Consultation Desks

We established compliance consultation desks in both Kyushu EP and Kyushu T&D 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 laws and 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 FY2022 there were 26 consultations or notifications. In response, desk staff carried out necessary surveys and investigated measures to prevent recurrence as appropriate.

■Compliance Consultation Desks



■Number of Consultations and Notifications



Targets

Issue	FY2023 Target	FY2022 Target	FY2022 Results	Scope of performance aggregation
Thorough compliance	• No. of serious compliance violations: Zero • Monitor no. of whistleblowing reports/consultations	No. of serious compliance violations: Zero	• No. of serious compliance violations: 3 • No. of whistleblowing reports/consultations: 30 (received by the Kyushu EP and Kyushu T&D compliance consultation desks and harassment advice counters	*1

*1 Kyushu EP and Kyushu T&D

Initiatives

Commitments by Top Management

Kyushu Electric Power (Kyushu EP) has always promoted compliance management throughout the Group and the Compliance Committee, positioned under the Board of Directors, is at the heart of its efforts.
In June 2020, President Ikebe pledged to all members of society that "we will conduct our business activities with the highest priority on compliance under all circumstances." (Available on our website)

Thoroughly Implementing Compliance-focused Management (excerpt)

To me, the fundamental spirit behind compliance is one of not inconveniencing others, not adversely affecting society, and not behaving unjustly. It is the duty of Kyuden Group top management to put this spirit into practice, and to spread it throughout the entire group. Then, whatever happens, we will have compliance as our highest priority in all of our business activities. We must remain aware that actions which break with compliance could lose us all the trust we have built up with society in an instant. My solemn promise to you all is that the Kyuden Group will be ceaseless in its firm promotion of initiatives aimed at thoroughly implementing compliance focused management.

June 2020

Kazuhiro Ikebe
Member of the Board of Directors,
President & Chief Executive Officer
Kyushu Electric Power Company, Incorporated

池辺 和弘

Initiatives toward Preventing Bribery and Other Corruption

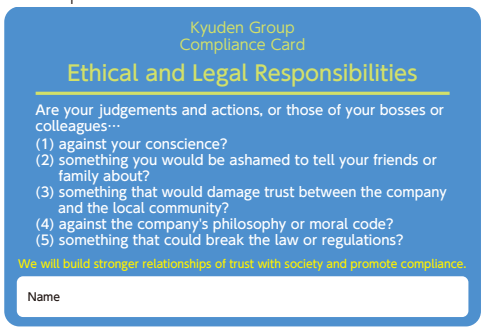
We have set down in our action guidelines that we will not do anything to gain or provide unfair profit, nor do anything dishonest that would go against our corporate ethics, in our dealings with customers, business partners, members of the local community, or anyone else. We are committed to thorough compliance.
In our efforts to expand our businesses overseas, we also stipulated that we will not act in any way that could be construed as illegal entertaining or bribing of foreign government officials. We will conduct our business appropriately. In addition, those who work overseas in relevant departments or group companies receive training on points to remember about bribery and corruption before they go. 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 and the accompanying Compliance Action Manual, 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.

Compliance Card



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: April 2023

Examples of Some Items from Our Compliance Action Manual

- Protection of customers' trade secrets
- Prevention of bribery, including monetary gifts to politicians or civil servants
- Prevention of inappropriate expenses used as contributions or donations
- Prevention of disclosure/leak of confidential information (both while in the job and after leaving the Group)
- Avoidance of conflict of interest between private dealings and those of the Group

Revised: April 2023

• 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.

• 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 FY2022, 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 2022
  (Group companies)
  October 2022
  (Kyushu EP and Kyushu T&D)
- Respondents: 25,617 (response rate of approx. 93%)
- 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?

etc.

▼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 early spot 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.

• 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.

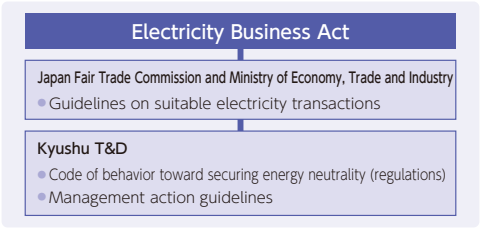
• Accurately grasping amendments to laws and regulations
We have introduced systems from outside the company to allow us to receive amendment information not only concerning laws, but also for ordinances and regulations from seven of Kyushu's prefectural governments, and from ordinance-designated cities.

• Legal consultations
The Legal Division provides employees with advice and support on legal queries and issues that arise during employees' duties, by offering consultations via telephone, in person, or through their dedicated e-mail 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.

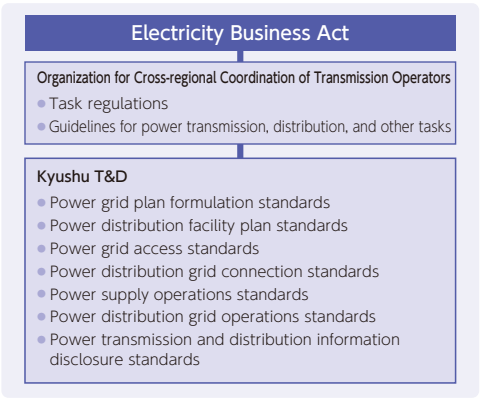
Main consultation subjects
- Examining contracts
- Protection of personal information
- New businesses
- Intellectual property

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



Performance Data

Climate Change

Kyuden Group Power Facility Capacities by Power Source (Domestic)

		Unit	FY2019	FY2020	FY2021	FY2022
Thermal power	Coal	MW	3,460	3,460	3,460	3,460
	LNG and other gas		4,625	4,655	4,075	4,075
	Petroleum		1,900	1,895	867	863
Nuclear power			4,140	4,140	4,140	4,140
Renewable energy	Geothermal		218	223	223	223
	Hydro		1,282	1,287	1,287	1,295
	Biomass		165	185	406	457
	Wind		65	129	207	207
	Solar		88	89	94	94
Pumped storage			2,300	2,300	2,300	2,300

Overall Thermal Efficiency

	Unit	FY2019	FY2020	FY2021	FY2022
Power generation end	%	44.1	45.3	44.7	45.1
Power transmission end		42.1	43.4	42.9	43.3

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

Transmission/Distribution Loss Rates

	Unit	FY2019	FY2020	FY2021	FY2022
Low voltage	%	8.2	8.1	8.2	8.6
High voltage		3.0	3.0	3.1	3.2
Extra high voltage		1.3	1.3	1.3	1.3

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

	Unit	FY2019	FY2020	FY2021	FY2022
Scope 1	10,000 t- CO_2				
Total		1,904 (51.4%)	2,211 (51.0%)	1,749 (42.8%)	2,369 (51.2%)
Scope 2					
Total (Market-based)		0.008 (0.0%)	0.005 (0.0%)	0.005 (0.0%)	0.005 (0.0%)
Total (Location-based)		0.008 (0.0%)	0.005 (0.0%)	0.005 (0.0%)	0.005 (0.0%)
Scope 3					
Total		1,799 (48.6%)	2,127 (49.0%)	2,339 (57.2%)	2,260 (48.8%)
Category 1		33 (0.9%)	29 (0.7%)	34 (0.8%)	30 (0.6%)
Category 2		126 (3.4%)	105 (2.4%)	90 (2.2%)	87 (1.9%)
Category 3		1,445 (39.0%)	1,771 (40.8%)	1,963 (48.0%)	1,851 (40.0%)
Category 4		0.1 (0.0%)	0.1 (0.0%)	0.1 (0.0%)	0.1 (0.0%)
Category 5		3 (0.0%)	3 (0.0%)	2 (0.0%)	3 (0.1%)
Category 6		0.2 (0.0%)	0.2 (0.0%)	0.2 (0.0%)	0.2 (0.0%)
Category 7		0.7 (0.0%)	0.7 (0.0%)	0.7 (0.0%)	0.7 (0.0%)
Category 11		111 (3.0%)	109 (2.5%)	116 (2.8%)	119 (2.6%)
Category 15		80 (2.2%)	110 (2.5%)	132 (3.2%)	169 (3.6%)
Scope 1, 2, 3					
Total (Market-based)		3,703	4,338	4,088	4,629
Total (Location-based)		3,703	4,338	4,088	4,629

Scope 1
- CO_2

Emissions from fuel consumption (calculated based on the Report Regarding CO_2 Emissions from Energy Usage [Global Warming Countermeasures Act: Item 1, Paragraph 2, Article 21]) and own logistics transport
- SF_6

(Natural leakage + emissions from equipment inspection + emissions from equipment removal + emissions from malfunctions + other emissions [repair work, etc.]) x 22,800 (Global warming coefficient)
- N_2O

(Emissions from fuel usage + emissions from treatment of factory wastewater + emissions from treatment of human waste, etc.) x 298 (Global warming coefficient)
- CH_4

(Emissions from fuel usage + emissions from treatment of factory wastewater + emissions from treatment of human waste, etc.) x 25 (Global warming coefficient)
- HFC

HFC consumption x HFC global warming coefficient

Scope 2

As CO_2 emissions from self-consumption of energy are included in Scope 1, emissions from electricity usage at offices located in regions supplied by other electric power companies are calculated based on the following:
Market-based: Electricity purchased in regions supplied by other electric power companies x emissions factor of each electricity provider (post-adjustment)
Location-based: Electricity purchased in regions supplied by other electric power companies x average emissions factor for all power sources

Scope 3
- Category 1

Emissions from the purchase of goods (except capital investment) are calculated based on the sum of the following: goods costs by category x emissions factor*1 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*1
- Category 3

Emissions (direct) from fuel combustion equivalent to electricity purchased from other electric power companies are calculated based on the sum of the following: purchased electricity (by type of power source) x emissions factor (by fuel type, by electricity provider, or by average emissions factor for all power sources)
Emissions (indirect) from owned or other electric power companies' plants (except from fuel combustion) are calculated*3,4 based on the sum of the following: generated electricity (by type of power source) x average lifecycle CO_2 emissions*2 (by power source)
- Category 4

Emissions from distribution (transport, cargo handling, and storage) are calculated based on the following: fuel usage (crude oil equivalent) by trucks (used for materials and equipment) x emissions factor*1
- Category 5

Emissions from waste transportation and waste disposal are calculated based on the sum of the following: disposal volume of industrial waste (by category) x emissions factor*1
- Category 6

Emissions from employee business trips are calculated based on the following: number of employees x emissions factor*1
- 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*1
- Category 8

Included in Scope 1 and 2 emissions
- Category11

Emissions from the gas sales business (except wholesale sales) are calculated*5 based on the sum of the following: gas payouts (except wholesale sales) x (unit calorific value x emissions factor x CO_2 conversion factor)*1
- Category 15

Emissions from overseas power generation projects (except PPA projects) are calculated based on the sum of the following: fuel usage by type of power source (except PPA projects) x equity ratio x emissions factor*1

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 2.5; March 2023, Ministry of the Environment and Ministry of Economy, Trade and Industry)" outlined in the Act on Promotion of Global Warming Countermeasures (referred to above as the "Global Warming Countermeasures Act").

*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 3.3; March 2023, Ministry of the Environment and Ministry of Economy, Trade and Industry)."
*2 Calculations are based on LC-CO_2 emissions (per unit) of each power generation technology (excl. from fuel combustion) outlined in the "Comprehensive Assessment of Life Cycle CO_2 Emissions from Power Generation Technologies in Japan" in the CRIEPI Report Y06 (July 2016). For the unknown power sources, calculations are based on the coefficient for fuel procurement from "Policy on Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain."
*3 In order to prevent double counting, the amount of electricity purchased from the Japan Electric Power Exchange (JEPX) through indirect auctions was deducted from the amount of electricity purchased from JEPX since FY2022.
*4 FY2021 results have been amended due to the corrections of misreporting of CO_2 emissions data from other power generation companies to our company.
*5 Newly calculated from FY2021. (Not included in the Management Target boundaries.)
Scope: Kyushu EP and consolidated subsidiaries (excluding those with extremely low emissions)

CO_2 Emissions by Kyushu Electric Power (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Electricity sales volume	100 GWh	695	684	736	733
CO_2 emissions (basic emissions)	10,000 t-CO_2	2,390	2,500	2,180	2,920
CO_2 emissions (post-adjustment emissions)		2,570	3,280	2,810	3,320
CO_2 emissions per electricity sales volume (basic emissions factors)	kg-CO_2/kWh	0.344	0.365	0.296	0.399
CO_2 emissions per electricity sales volume (post-adjustment emissions factors)		0.370	0.479	0.382	0.453

Post-adjustments
Adjustments in line with CO_2 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 FY2018 onwards due to the government's revision of guidelines relating to CO_2 emissions, which excluded electricity supplied to remote islands (excluding the Goto Islands in Nagasaki Prefecture, which are connected to mainland Japan).

*FY2022 results are provisional; the government is set to announce definitive figures in December.

Emissions and Filled Volumes

	Unit	FY2019	FY2020	FY2021	FY2022
SF_6 (Sulphur Hexafluoride) Emissions*1	10,000 t-CO_2	3.4	3.3	5.1	3.6
N_2O (Nitrogen Dioxide) Emissions*2		4.2	4.3	3.3	4.2
HFC (Hydrofluorocarbon) Emissions*3		0.09	0.12	0.18	0.12
Specified CFC (chlorofluorocarbon) Filled Volumes and Emissions	t (kg)	0.0 / 0.0 (22) / (0)	0.0 / 0.0 (20) / (0)	0.0 / 0.0 (15) / (0.0)	0.0 / 0.0 (15) / (0.0)

*1 The weight of SF_6 gas has been converted to the weight of CO_2 using the global warming potential of SF_6 (22,800).
*2 The weight of N_2O gas has been converted to the weight of CO_2 using the global warming potential of N_2O (298).
*3 The weight of HFC gases have been converted to the weight of CO_2 using the global warming potential of HFCs (12–14,800).

SF_6 recovery rate

Inspection	99.4%
Removal	99.5%

Group Company GHG Emissions

	Unit	FY2019	FY2020	FY2021	FY2022
CO_2 (carbon dioxide)	kt-CO_2	175.6	186.9	261.6	221.0
CH_4 (methane)		0	0.1	0.2	0.1
N_2O (nitrogen dioxide)		0	0	0	—
HFC (hydrofluorocarbons)		0	0	0	0.6
PFC (perfluorocarbons)		—	—	—	—
SF_6 (sulphur hexafluoride)		0	0	0	—
Total		175.6	187.1	261.8	221.7

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

CO_2
Excludes CO_2 from electricity sales to other electricity companies, etc. (emissions from combustion of power generation fuel)
FY2021 figures have been calculated based on the FY2020 CO_2 emissions factor (post-adjustment) per electricity sales volume
FY2022 figures have been calculated based on the FY2021 CO_2 emissions factor (post-adjustment) per electricity sales volume

Group Company GHG Emissions Breakdown

	Source of emissions	Unit	FY2022
CO_2 (carbon dioxide)	Purchased electricity	kt-CO_2	199.8
	Own logistics fuel		14.8
	Air conditioning/industrial fuel		3.6
	Heat (steam, etc.)		2.7
	Total		221.0
CH_4 (methane)	Equipment inspections/facilities, etc.		0.1
	Fuel combustion		0.0
	Total		0.1
N_2O (nitrogen dioxide)	Fuel combustion		—
HFC (hydrofluorocarbons)	Equipment inspections/facilities, etc.		0.6
PFC (perfluorocarbons)	No corresponding equipment		—
SF_6 (sulphur hexafluoride)	Wholly recovered during inspections		—
Total			221.7

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

Group Company GHG Emission Reductions

		Calculation overview	Unit	FY2022
Natural energy	Solar power generation	Calculated using power generated from Group companies' solar power facilities	kt-CO_2	0.2
Use of unused energy	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		5.5
	Cryogenic power generation	Calculated using power generated from cryogenic power generation		—
Equipment inspections	SF_6 recovery	Calculated using cases where filled volumes are not recovered from equipment during inspections as a baseline		—
Total				5.7

Specific CFCs, etc., Owned by Group Companies

		Unit	FY2019		FY2020		FY2021		FY2022	
			No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
CFC	Owned volume	tons	6	7.4	6	5.9	6	5.0	6	5.0
	Emissions			0.0		0.2		0.0		0.0
HCFC	Owned volume		21	45.4	19	84.0	20	84.1	18	87.0
	Emissions			0.2		0.4		1.4		2.7
Halon	Owned volume		8	4.8	8	4.9	7	4.5	6	4.3
	Emissions			0.0		0.0		0.0		0.0
Ozone-depleting substance emissions		ODP t	0		0.3		0.1		0.1	

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

Biodiversity

Energy and Environment Education

	Unit	FY2019	FY2020	FY2021	FY2022
No. of Eco-Mother activities	No.	Approx. 200	Approx. 110	Approx. 110	Approx. 130
No. of on-demand lessons		Approx. 440	Approx. 190	Approx. 290	Approx. 460
Energy and environment education that uses digital contents (indicated again)		—	—	15	23
No. of environmental education events at the Kuju Kyuden Forest		28	3	2	11

Amount of CO_2 Absorbed and Fixated at Company-owned Forests

	Unit	FY2019	FY2020	FY2021	FY2022
Amount of CO_2 Absorbed and Fixated at Company-owned Forests	10,000 t-CO_2	129.5	130.5	130.8	132.9

*Excluding amount (approx. 10,000 tons) of J Credits expected to be created (FY2021).
*Calculated based on actual values from forest survey using Greenhouse Gas Inventory Office of Japan calculation methods
Includes 41,000 tons of CO_2 absorbed by the yearly growth (including those cut down).

Environmental Conservation

Kyushu Electric Power's PRTR Investigations

Index no.	Chemical substance	Main uses/ generated facilities	Unit	FY2019			FY2020			FY2021			FY2022		
				Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount transferred	Amount handled	Amount released	Amount handled
33	Asbestos	Insulating agent	kg	2,000	0	2,000	2,700	0	2,700	787	0	787	1,932	0	1,932
53	Ethylbenzene	Coating and stain-proofing material for power generation facilities		3,800	3,800	0	4,400	4,400	0	2,139	2,139	0	3,695	3,695	0
71	Ferric chloride	Wastewater treatment agent		35,000	0	0	36,900	0	0	36,895	0	0	46,580	0	0
80	Xylene	Coating for power generation facilities		5,600	5,600	0	6,100	6,100	0	2,811	2,811	0	4,909	4,906	0
164	2,2-Dichloro-1, 1,1-trifluoroethane	Refrigerant for air conditioners		1,000	0	0	—	—	—	—	—	—	—	—	—
211	Dibromotetra-fluoroethane	Fire retardant		2,600	330	2,200	—	—	—	—	—	—	—	—	—
240	Styrene	Coating		—	—	—	—	—	—	1,700	1,700	0	1,300	1,300	0
300	Toluene	Power generation boiler		8,100	8,100	0	7,300	7,200	0	5,759	5,747	0	8,040	8,033	0
333	Hydrazine	Water supply treatment agent		19,900	0.4	0	16,100	0.8	0	17,679	0.9	0	14,493	0.4	0
405	Boron compounds	Reactivity control material/ analytical reagent		3,000	0	0	1,400	6	0	—	—	—	1,354	0	0
438	Methyl-naphthalene	Diesel power generator		470,750	2,348	122	468,400	2,300	45	511,704	2,545	107	552,680	2,773	159

*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

Thermal power plant name (fuel type)	Unit	FY2019		FY2020		FY2021		FY2022	
		SOx	NOx	SOx	NOx	SOx	NOx	SOx	NOx
Shin-Kokura (LNG)	tons	0	21	0	29	0	29	0	37
Karita (Coal, heavy oil/crude oil)		49	154	40	98	18	69	10	59
Buzen (Heavy oil/ crude oil)		0	0	0	0	0	0	0	1
Matsuura (Coal)		1,578	1,652	1,571	1,961	1,080	1,358	1,726	2,216
Shin-Oita (LNG)		0	820	0	1,393	0	1,438	0	1,826
Reihoku (Coal)		1,922	2,295	2,921	2,600	2,648	2,466	2,882	2,631
Sendai (Heavy oil/ crude oil)		0	0	0	0	0	0	0	0
Total		3,549	4,941	4,532	6,081	3,747	5,358	4,619	6,771

*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 (SO_2) and sulfur trioxide (SO_3)
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 (NO_2). 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

	Unit	FY2019	FY2020	FY2021	FY2022
SOx	g/kWh	0.15	0.14	0.14	0.13
NOx		0.20	0.18	0.20	0.19

Main Uses of Asbestos at Our Buildings and Facilities

As of March 31, 2022

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.	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.
	Sound-proofing material	Transformer soundproofing material (Transformer facilities, hydroelectric power generation facilities)	84 transformers	
	Asbestos cement pipe	Underground pipeline material (Transmission and distribution facilities)	Line length: Approx. 180 km	
	Insulation materials	Power generation facilities (Nuclear power generation facilities, thermal power facilities)	Approx. 58,000 m³	
	Sealant/ joint sheets	Power generation facilities (Nuclear power generation facilities, thermal power facilities)	Approx. 480,000	
	Shock-absorbing material	Suspension-type insulators (Transmission facilities)	Approx. 1.407 million suspension-type insulators (Asbestos-containing products are used as shock-absorbing material in insulators, but not on the porcelain insulator surface)	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.
	Thickening agent	Overhead power lines (Transmission facilities)	Line rust prevention: Line length approx. 84.8 km	The asbestos is part of the anti-rust grease, and is in no danger of dispersal. As such, we are currently using repair work and other occasions as opportunities to replace them with asbestos-free options.

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

Amount of PRTR-designated Chemical Substances Handled by Group Companies

	Unit	FY2019		FY2020		FY2021		FY2022	
		No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
Amount handled	tons	8	33.6	7	30.9	7	31.4	6	30.1
Amount released (into the air)			12.8		14.0		15.6		14.3
Amount transferred			41.9		34.1		56.8		74.5

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

Index no.	Chemical substance	Main uses	Unit	FY2022		
				Amount handled	Amount released (into the air)	Amount transferred
1	Water-soluble zinc compounds	Plating	tons	1.60	0.07	74.41
53	Ethylbenzene	Coating		3.76	3.76	0.00
80	Xylene	Coating		5.50	5.50	0.00
300	Toluene	Coating		4.93	4.93	0.00
305	Lead compounds	Plating		3.36	0.00	0.11
333	Hydrazine	Water treatment agent		1.52	0.00	0.00
438	Methylnaphthalene	A-type heavy oil		9.38	0.05	0.00

Group Companies' Air Pollutant Emissions

	Unit	FY2019		FY2020		FY2021		FY2022	
		No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
SOx emissions	kilo tons	4	1.7	6	1.8	6	2.9	6	2.8
NOx emissions			1.9		1.9		2.0		1.8

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

Resource Recycling

Amount of Industrial Waste Generated and Recycling Rates by Type

		Main uses		Unit	FY2019	FY2020	FY2021	FY2022
Coal ash		Cement raw material Concrete mixture	Amount generated	tons	752,110	743,955	631,432	850,696
			Amount recycled		752,110	743,955	629,743	830,029
			Recycling rate	%	100	100	100	98
Other industrial waste	Heavy crude oil ash	Vanadium recovery	Amount generated	tons	7	0	0	0
			Amount recycled		7	0	0	0
			Recycling rate	%	100	–	–	–
	Gypsum	Cement raw material	Amount generated	tons	134,065	105,265	117,357	155,673
			Amount recycled		134,065	105,082	117,357	155,673
			Recycling rate	%	100	100	100	100
	Sludge	Cement raw material	Amount generated	tons	2,891	2,859	3,726	3,627
			Amount recycled		993	886	483	619
			Recycling rate	%	34	31	13	17
	Waste oil	Fuel oil	Amount generated	tons	2,266	2,837	2,353	2,336
			Amount recycled		2,250	2,817	2,326	1,900
			Recycling rate	%	99	99	99	81
	Waste plastic	Fuel additive	Amount generated	tons	254	415	254	373
			Amount recycled		249	237	170	242
			Recycling rate	%	98	57	67	65
	Scrap metal	Metals	Amount generated	tons	13,462	14,656	15,595	16,475
			Amount recycled		13,456	14,616	15,518	16,448
			Recycling rate	%	100	100	100	100
	Waste concrete poles	Subbase and aggregate material	Amount generated	tons	11,198	9,713	10,207	8,036
			Amount recycled		11,198	9,713	10,207	8,036
			Recycling rate	%	100	100	100	100
	Glass and ceramic waste	Glass product materials	Amount generated	tons	151	55	26	35
			Amount recycled		151	52	25	34
			Recycling rate	%	100	94	94	99
	Industrial waste requiring special treatment	Metals	Amount generated	tons	573	238	1,031	472
			Amount recycled		525	231	936	403
			Recycling rate	%	92	97	91	85
	Other	Fuel additive	Amount generated	tons	189	184	136	211
			Amount recycled		142	149	81	191
			Recycling rate	%	75	81	60	91
	Subtotal		Amount generated	tons	165,056	136,222	150,686	187,238
			Amount recycled		163,036	133,782	147,103	183,546
			Recycling rate	%	98.8	98.2	97.6	98
Total industrial waste			Amount generated	tons	917,166	880,177	782,307	1,037,934
			Amount recycled		915,146	877,737	776,846	1,013,576
			Recycling rate	%	Approx. 100	Approx. 100	Approx. 100	98

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

Industrial waste requiring special treatment
Applies to sludge, waste asbestos, waste oil, and waste acids and alkalis that are proscribed as industrial waste requiring special treatment under the Waste Management and Public Cleansing Act as they have the potential to harm people's health or living environments.

Amount of Toxic Waste (PCB Waste) Treated

	Unit	FY2019	FY2020	FY2021	FY2022
High concentration	tons	0.5	0.01	153.14	0.50
Low concentration		570.4	237.9	781.0	499.6
Total		570.9	237.9	934.1	500.1

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

	Main uses		Unit	FY2019	FY2020	FY2021	FY2022
Used paper	Recycled paper	Amount generated	tons	1,054	966	985	810
		Amount recycled		1,047	960	979	808
		Recycling rate	%	99	99	99	100
Shellfish	Subbase and aggregate material	Amount generated	tons	317	878	1,352	1,255
		Amount recycled		73	286	434	456
		Recycling rate	%	23	33	32	36
Dam driftwood	Alternative to straw litter	Amount generated	tons	2,551	2,490	2,189	3,641
		Amount recycled		2,551	2,464	2,172	2,948
		Recycling rate	%	100	99	99	81

Amount of Used Paper Collection

	Main uses	Unit	FY2019	FY2020	FY2021	FY2022
Newspapers	Paper (copy paper, catalog paper, etc.) and newspapers	tons	54	56	55	52
Magazines	Cardboard material and paper string		18	15	15	11
Cardboard	Cardboard material		58	62	65	58
Confidential documents	Paper (copy paper, catalog paper, etc.), toilet paper, and cardboard material		778	781	783	616
Other	Paper (copy paper, catalog paper, etc.), toilet paper, cardboard material, and paper string		140	46	60	72
Total			1,047	960	979	808

*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

	Unit	FY2019	FY2020	FY2021	FY2022
Amount of Copy Paper Purchased	tons	554	513	443	376

Waste Generated at Group Companies

		Unit	FY2019		FY2020		FY2021		FY2022	
			No. of companies	Total	No. of companies	Total	No. of companies	Total	No. of companies	Total
Industrial waste	Amount generated	kt	40	139.0	37	162.2	35	171.0	36	181.8
	Recycling rate	%		94		93		95		95
Used paper	Amount generated	kt	42	1.0	41	0.8	34	0.9	35	0.9
	Recycling rate	%		94		92		89		94

Amount of Industrial Waste Generated and Recycling Rates by Type at Group Companies

		Unit	FY2022
Combustion residue (coal ash and others)	Amount generated	kt	7.3
	Amount recycled		6.8
	Recycling rate	%	94
Sludge	Amount generated	kt	11.6
	Amount recycled		11.4
	Recycling rate	%	98
Waste plastics	Amount generated	kt	1.1
	Amount recycled		0.8
	Recycling rate	%	74
Waste oil	Amount generated	kt	0.8
	Amount recycled		0.8
	Recycling rate	%	96
Scrap metal	Amount generated	kt	7.5
	Amount recycled		7.4
	Recycling rate	%	99
Glass and ceramic waste	Amount generated	kt	3.0
	Amount recycled		2.2
	Recycling rate	%	74
Construction waste	Amount generated	kt	7.1
	Amount recycled		6.6
	Recycling rate	%	93
Soot and dust	Amount generated	kt	132.3
	Amount recycled		132.3
	Recycling rate	%	100
Industrial waste requiring special treatment	Amount generated	kt	2.0
	Amount recycled		0.5
	Recycling rate	%	24
Other industrial waste (waste alkali, wood scraps, etc.)	Amount generated	kt	9.1
	Amount recycled		4.6
	Recycling rate	%	51
Total	Amount generated	kt	181.8
	Amount recycled		173.6
	Recycling rate	%	95

Water Resources

Amount of Service Water Usage

	Unit	FY2019	FY2020	FY2021	FY2022
Amount of Service Water Usage	m³/person	28	27	24	27

*Calculation methods changed from FY2022

Amount of Water Usage (for Power Generation) and Wastewater at Thermal, Nuclear, and Internal Combustion Power Plants (FY2022)

		Unit	FY2022	
			Water for power generation	Wastewater
Thermal power	Shin-Kokura (incl. Buzen)	10,000 t	28	10
	Karita		32	5
	Matsuura		205	60
	Shin-Oita		58	49
	Reihoku		185	64
Nuclear power	Genkai		59	28
	Sendai		37	32
Internal combustion power			4	—
Total			609	257

*Please note that totals may not add up due to rounding.
*All wastewater is discharged into the sea.

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.

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

	Unit	FY2019	FY2020	FY2021	FY2022
Water Usage (for Power Generation)	10,000 t	601	614	524	609
Wastewater		258	262	236	257

*All wastewater is discharged into the sea.

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.

Environmental Management

Environmental Load Reduction in Business Operations

Expected Reductions		Unit	FY2022
CO_2 reduction amount	Power generation and power purchasing	10,000 t-CO_2	1,558
SF_6 recovery amount		10,000 t-CO_2	28
SOx reduction amount		10,000 t	6.8
NOx reduction amount		10,000 t	2.6
Actual Reduction Amount		**Unit**	**FY2022**
Recycled industrial waste		10,000 t	101
Low-level radioactive waste reduction (200 L drum equivalent)		drums	3,840
Recycled paper		t	808
Recycled water/rainwater utilization		10,000 t	4.5

CO_2 reduction amount
Nuclear power generation (at the generation end) x CO_2 emissions divided by electricity sales volume (after adjustment)
+ hydroelectric power generation (at the transmission end) x CO_2 emissions divided by electricity sales volume (after adjustment)
+ geothermal power generation (at the transmission end) x CO_2 emissions divided by electricity sales volume (after adjustment)
+ new energy generation (at the transmission end) x CO_2 emissions divided by electricity sales volume (after adjustment)
+ power generated at transmission end x (FY2013 transmission and distribution loss ratio − FY2022 transmission and distribution loss ratio) x CO_2 emissions divided by electricity sales (after adjustment)
+ in-house thermal power generation (excl. internal combustion) x (FY2022 in-house steam power gross generating efficiency [power generation end] ÷ (FY2013 in-house steam power gross generating efficiency [power generation end] − 1) x CO_2 emissions divided by electricity sales volume (after adjustment)
+ CO_2 reductions from CO_2 emissions credits
*Reduction due to power generation and purchasing: Calculated using CO_2 emissions (post-adjustment) per electricity sales volume for Kyushu EP in FY2021, 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.

SF_6 recovery amount
(SF_6 handled − SF_6 released) x 22,800 (Global warming potential)
*Calculated using baseline which assumes SF_6 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 x 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

Control CO_2 Emissions by Introducing Fuel-Efficient Vehicles and Eco-Driving

	Unit	FY2019	FY2020	FY2021	FY2022
Electric vehicles introduced (total)	vehicles	192	199	259	349

*Total for EVs and PHVs

Changes in CO_2, SOx, NOx Environmental Efficiency (Electricity Sales Volume Standard)

	FY2019	FY2020	FY2021	FY2022
CO_2	98.3	76.1	93.1	78.7
SOx	235.3	214.2	256.6	227.3
NOx	163.7	153.9	169.3	159.0

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

*Calculated with FY1995 as 100.

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

	FY2019	FY2020	FY2021	FY2022
Changes in Industrial Waste Environmental Efficiency (Electricity Sales Volume Standard)	134.5	145.2	51.7	11.0

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

*Calculated with FY2008 as 100.

Environmental Breaches

	Unit	FY2019	FY2020	FY2021	FY2022
No. of breaches of laws or regulations	No.	0	0	1	0
Amount of fines or penalties related to the above	yen	0	0	0	0
Environmental liabilities recorded as unpaid at year-end	yen	0	0	0	0

Economic Effects of Environmental

Classification of environmental activities		Main activities	Unit	Economic Effects			
				FY2019	FY2020	FY2021	FY2022
Resource circulation	Waste measures	Sale of disused valuables	100 million yen	3.4	3.6	11.9	13.9
	Waste reduction	Reduction of processing costs such as final disposal by recycling		79.4	73.2	64.8	85.3
		Total		82.8	76.8	76.7	99.2

Effects of Environmental Activities

Classification	Item		Unit	Effects of Environmental Activities			
				FY2019	FY2020	FY2021	FY2022
Global environmental preservation	Suppression of GHG emissions	Nuclear Power Generation	10,000 t-CO_2	1,038	802	1,589	800
		New energy power generation/purchase		399	484	606	490
		Hydroelectric/ Geothermal		254	199	247	198
		Improved thermal efficiency		29	59	44	62
		Utilization of Kyoto mechanism, etc.		0	0	0	0
		SF_6 Emission reduction		25	18	19	28
	SOx reduction amount		kt	55	63	51	68
	NOx reduction amount			17	23	24	26
	Soot and Dust reduction amount			37	91	54	63
Resource circulation	Industrial Waste	Amount recycled	kt	915	878	777	1,014
		Appropriate disposal amount		2	2	5	24
	General Waste	Amount recycled		5	4	4	4
		Appropriate disposal amount		1	1	1	2
	Low-level radioactive waste reduction (200 L drum equivalent)		drums	3,392	4,226	3,279	3,840
	Spent nuclear fuel amount		quantity	4,486	4,710	4,742	4,946

Scope of aggregation: Kyushu EP and Kyushu T&D

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 FY2013 value (in line with national GHG reduction targets, in 2020, the base year was changed from FY1990 to FY2013)

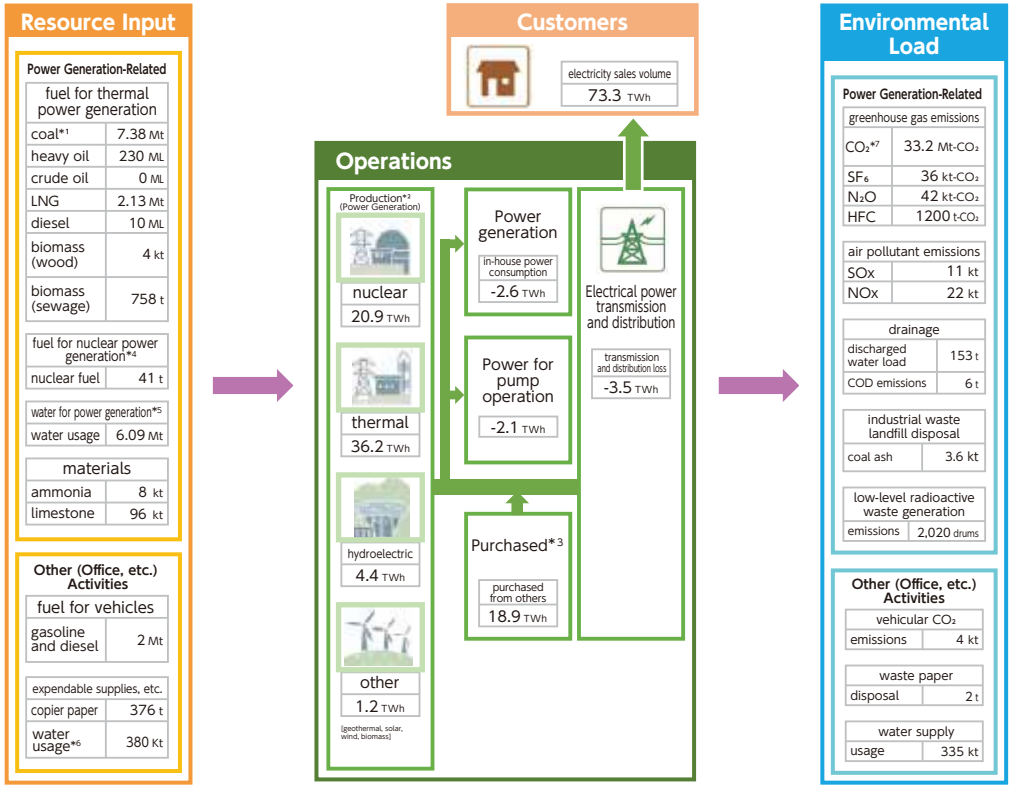
SF_6 Emission reduction
Convert the amount recovered during inspection/removal to CO_2 weight using the SF_6 GWP (22,800 [23,900 until FY2014])

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

Spent nuclear fuel amount
Includes fuel to be reused
*FY2018 CO_2 emissions was used to calculate the CO_2 emission control effect per electric energy.

Environmental Loads Resulting from Business Operations (FY2022)



*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 CO_2 from In-house power consumption and purchasing power from other companies.

Greenhouse gas emissions

・CO_2
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 CO_2 emissions − CO_2 emission credit amortization + fixed price purchase adjusted CO_2 emissions.

・From in-house power consumption
In-house power consumption x CO_2 emissions per electricity sales volume (post-adjustment)

・SF_6
Emissions (Natural leakage+At the time of Equipment inspection, Equipment removal, Trouble, Repair work, etc.) x 22,800 [GWP]

・N_2O
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

・SOx/NOx
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 CO_2 emissions
Fuel consumption of general vehicles and special vehicles x unit calorific value x CO_2 emission factor + Electric vehicle charging power x CO_2 emissions per electricity sales volume (post-adjustment)

Waste paper disposal
Amount generated − Amount of recycle

Water supply usage
Purchased amount of tap water

Amount of Raw Materials Used

		Unit	FY2019	FY2020	FY2021	FY2022
Amount of energy consumed (crude oil equivalent)		10,000 kL	622	769	612	822
For thermal power generation	Coal	10,000 t	659	687	532	738
	Heavy oil	10,000 kL	22	22	23	23
	Crude oil	10,000 kL	0	0	0	0
	LNG	10,000 t	107	198	160	213
	Diesel	10,000 kL	2.2	1.2	0.4	0.1
	Biomass (wood)	10,000 t	0.5	0.4	0.4	0.4
	Biomass (sewage)	t	820	825	788	758
For nuclear power generation	Nuclear fuel	t	81	58	82	41
Water for power generation	Water usage	10,000 t	601	614	524	609
Materials	Ammonia	10,000 t	0.6	0.8	0.6	0.8
	Limestone	10,000 t	9.8	9.1	7.5	9.6

Fossil fuel consumption (crude oil equivalent)

Group Company Main Achievements (Summary)

			Unit	Results			
				FY2019	FY2020	FY2021	FY2022
Initiatives to Address Global Environmental Issues	Office power	Usage	GWh	22.2	19.5	23.0	24.1
		Usage per unit area	kWh/m²	83.4	71.7	80.2	83.7
	Private logistics transportation (excluding special vehicles)	Low-emission vehicle introduction ratio	%	73.2	66.4	72.5	73.8
		Fuel consumption rate (fuel efficiency)	km/L	11.8	12.1	11.9	12.2
	SF_6 recovery rate	During machine maintenance	%	99.5	99.6	99.6	No records
		During machine removal	%	100	No records	No records	No records
	Recovery implementation rate during machine maintenance for fluorocarbons subject to regulation		%	96	92	86	94
	Copier paper usage		million sheets	130	106	101	101
	Water supply	Usage	kt	127	152	144	143
		Per person	m³/person	10.8	13	10.7	10.8
Initiatives to Establish a Recycling Society	Recycling rate	Industrial Waste	%	94	93	95	95
		Coal ash	%	100	100	100	100
		Other	%	87	87	90	81
		Waste paper	%	94	92	89	94
	Green procurement rate		%	86	75	79	80
Protecting environments in local communities	SOx emissions per quantity of thermal power generated		g/kWh	0.18	0	0.31	0.29
	NOx emissions per quantity of thermal power generated		g/kWh	0.18	0	0.19	0.16

Low-emission vehicle introduction ratio
Percentage of Electric vehicles (including plugin hybrid vehicles), hybrid vehicles and fuel-efficient vehicles

No records
Those what 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	FY2019		FY2020		FY2021		FY2022	
				No. of companies	Amount used	No. of companies	Amount used	No. of companies	Amount used	No. of companies	Amount used
Electricity	Office		GWh	38	22.2	35	19.5	35	23.0	34	24.2
	Factories, etc.		GWh	30	385.4	32	422.0	28	477.6	28	511.5
Fuel	Vehicles, etc.	Petrol, etc.	ML	42	6.2	42	4.2	38	4.2	37	4.4
	For air conditioning		ML	7	0.1	9	0.2	8	0.2	9	0.1
	For industrial use*	A-type heavy oil	ML	10	0.8	11	0.8	9	0.6	10	0.6
		LNG/LPG	kt	6	1.1	6	0.9	4	0.7	4	0.1
Heat	Steam, etc.		TJ	2	33.0	4	39.9	3	39.3	4	44.8

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

Group Company Low-emission Vehicle Introduction Rate (excl. Special Vehicles)

		Unit	FY2019	FY2020	FY2021	FY2022
Low-emission vehicle introduction rate	No. of vehicles	No.	3,484	3,542	3,469	3,470
	No. of low emission vehicles		2,550	2,352	2,514	2,559
	Low-emission vehicle introduction rate	%	73.2	66.4	72.5	73.7

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

Stable Supply

Nuclear Power Station Utilization Rate (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Nuclear power station utilization rate	%	82.0	62.4*1	91.4	57.7 *2

*1 Decreased due to a halt in regular inspections in conjunction with installation work for Specific Safety Facilities at Sendai Units 1 and 2, etc.
*2 Decreased due to a halt in regular inspections in conjunction with installation work for Specific Safety Facilities at Genkai Units 3 and 4, etc.
(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.

Cumulative Low-level Radioactive Waste Stores (Kyushu EP)

		Unit	FY2019	FY2020	FY2021	FY2022
Amount stored in power plant	Genkai NPS	drums (200-liter drum equivalent)	38,418	38,148	38,310	38,719
	Sendai NPS		27,303	27,873	27,767	27,523
	Total		65,721	66,021	66,077	66,242
Amount transported out*	Genkai NPS		1,720	1,720	1,384	1,720
	Sendai NPS		0	0	0	0
	Total		1,720	1,720	1,384	1,720

*Amount transported out to the Low-Level Radioactive Waste Disposal Center

Community

Donations

	Unit	FY2019	FY2020	FY2021	FY2022
Contributions to relief projects as stipulated in local government ordinances	100 million yen	0.2	0.2	0.2	0.1
Donations as part of community and social activities		6.1	8.2	13.3	5.4
Total		6.3	8.4	13.5	5.5

*Total for Kyushu EP and Kyushu T&D

Volunteer Leave (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of days of volunteer leave taken	days	224	117	66	70

Awards for Contributions to the Local Community (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of awards for contributions to the local community	persons	28	28	11	18

Human Resource Development

Training Hours

	Unit	FY2019	FY2020	FY2021	FY2022
Average number of training hours per employee	hrs	—	21.8	76.4	51.0

*Training hours for FY2020 do not include education and training by department other than new employee education.

No. of Employees (Employees + Career-track Employees) (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	persons	11,791 (91.9)	11,660 (91.7)	11,481 (91.5)	11,267 (91.3)
Female		1,038 (8.1)	1,057 (8.3)	1,062 (8.5)	1,072 (8.7)
Total		12,829	12,717	12,543	12,339

*Figures in parentheses indicate percentages

No. of People in Management (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	persons	4,567 (97.5)	4,544 (97.4)	4.537 (97.3)	4,519 (97.1)
Female		117 (2.5)	123 (2.6)	127 (2.7)	136 (2.9)
Total		4,684	4,667	4,664	4,655

*Figures in parentheses indicate percentages
*Managerial positions refer to section chief level or higher (excluding executives)

Number Hired (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	persons	219 (84.6)	248 (81.3)	230 (83.9)	217 (81.9)
Female		40 (15.4)	57 (18.7)	44 (16.1)	48 (18.1)
Total		259	305	274	265

*Figures in parentheses indicate percentages

Attrition Rate (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of employees who left the company (including retirees)	persons	421	479	503	551
No. of employees who retired for personal reasons		96	94	125	114
No. of employees at beginning of term		12,890	12,761	12,551	12,315
Attrition rate	%	0.74	0.74	1.00	0.93

*Attrition rate = employees who left for personal reasons/employees at the beginning of the term x 100 (%)

Average Age (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	age	44.5	44.7	44.9	45.1
Female		38.4	38.3	38.4	38.3
Overall average		44.0	44.2	44.4	44.5

Average Years of Continuous Employment (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	years	24.7	24.8	25.0	25.1
Female		18.1	17.8	17.8	17.6
Overall average		24.2	24.2	24.4	24.5

No. of Labor Union Members (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of labor union members	persons	8,820 (68.8)	8,568 (67.4)	8,368 (66.7)	6,722 (54.5)

*Figures in parentheses indicate percentage of total employees
*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%.

Contract Employees and Temporary Staff (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Contract employees	persons	164	273	305	215
Temporary staff		645	558	527	395

Heads of Organizations and Important Employees including Managers (Kyushu EP and Kyushu T&D)

		Unit	FY2019	FY2020	FY2021	FY2022
Heads of organizations	Male	persons	1,309	1,301	1,276	1,056
	Female		19	20	22	13
	Total		1,328	1,321	1,298	1,069
Important employees (indicated again)	Male		97	90	91	92
	Female		3	2	1	2
	Total		100	92	92	94

Full-time Employees by Gender (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	persons	—	6,590 (86.9)	6,489 (86.7)	6,416 (86.5)
Female		—	994 (13.1)	994 (13.3)	999 (13.5)
Total		—	7,584	7,483	7,415

*Figures in parentheses indicate percentages
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

Full-time Employees by Age (Kyushu EP)

		Unit	FY2019	FY2020	FY2021	FY2022
20s and under	Male	persons	—	964 (14.6)	924 (14.2)	894 (13.9)
	Female		—	323 (32.5)	326 (32.8)	320 (32.0)
	Total		—	1,287	1,250	1,214
30s	Male		—	998 (15.1)	1,051 (16.2)	1,105 (17.2)
	Female		—	217 (21.8)	210 (21.1)	224 (22.4)
	Total		—	1,215	1,261	1,329
40s	Male		—	2,158 (32.7)	1,991 (30.7)	1,855 (28.9)
	Female		—	208 (20.9)	216 (21.7)	226 (22.6)
	Total		—	2,366	2,207	2,081
50s	Male		—	2,308 (35.0)	2,396 (36.9)	2,335 (36.4)
	Female		—	236 (23.7)	233 (23.4)	212 (21.2)
	Total		—	2,544	2,629	2,547
60s and over	Male		—	162 (2.5)	127 (2.0)	227 (3.5)
	Female		—	10 (1.0)	9 (0.9)	17 (1.7)
	Total		—	172	136	244
Total			—	7,584	7,483	7,415

*Excludes executive officers and directors
*Figures in parentheses indicate percentages
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

Managers (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Male	persons	—	2,947 (96.2)	2,959 (96.1)	2,959 (95.8)
Female		—	116 (3.8)	120 (3.9)	130 (4.2)
Total		—	3,063	3,079	3,089

*Figures in parentheses indicate percentages
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward
*Managerial positions refer to section chief level or higher (excluding executives)

Leavers (for personal reasons)

		Unit	FY2019	FY2020	FY2021	FY2022
Male (Attrition rate)	Kyushu EP	persons (%)	—	50 (0.75)	61 (0.92)	69 (1.05)
	Kyushu EP and Kyushu T&D			73 (0.63)	97 (0.85)	89 (0.79)
Female (Attrition rate)	Kyushu EP		—	20 (1.96)	28 (2.73)	24 (2.34)
	Kyushu EP and Kyushu T&D			21 (1.93)	28 (2.57)	25 (2.29)
Total (Attrition rate)	Kyushu EP		—	70 (0.91)	89 (1.16)	93 (1.22)
	Kyushu EP and Kyushu T&D			94 (0.74)	125 (1.00)	114 (0.93)

*Excludes executive officers and directors
*Figures in parentheses indicate percentages
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

Average Age (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Overall average	age	—	43.4	43.6	43.7

*Excludes executive officers and directors
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

Average Years of Service (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
Overall average	years	—	21.2	23.3	23.4

*Excludes executive officers and directors
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

No. of Labor Union Members (Kyushu EP)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of labor union members	persons	—	5,181 (68.3)	5,031 (67.2)	4,480 (60.4)

*Excludes executive officers and directors
*Figures in parentheses indicate percentages
*Due to the splitting up of the company in April 2020, data is only given for FY2020 onward

Diversity

Employment Rate of Persons with Disabilities

	Unit	FY2019	FY2020	FY2021	FY2022
Employment rate of persons with disabilities	%	2.34 (310.0)	2.32 (307.0)	2.29 (301.0)	2.46 (320.5)

*Under the special rule for related subsidiaries, Q-CAP and Kyushu Transmission and Distribution (Kyushu T&D) are subject to lump-sum accounting.
*Figures in parentheses indicate the number of employees with disabilities

Establishment of Workplace Environments

Total Actual Working Hours (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Total hours worked per person	hrs	1880.6	1885.3	1861.7	1868.3

No. of Days of Paid Leave Utilized Annually (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of days of paid leave utilized annually per person	days	16.2	16.6	16.6	17.4

Childcare, Nursing, and Family Care Support (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. utilizing childcare leave	persons	61 (13)	68 (11)	73 (26)	279 (225)
Ratio of male childcare leave*1	%	3.7	3.5	8.3	80.6
No. working shortened hours for childcare	persons	98 (0)	127 (1)	130 (1)	162 (7)
No. utilizing nursing time off		345 (236)	299 (211)	323 (222)	351 (241)
No. utilizing family care leave		4 (1)	3 (0)	1 (1)	3 (3)
No. working shortened hours for family care		2 (0)	2 (1)	7 (1)	6 (1)
No. utilizing family care time off		169 (145)	185 (156)	157 (133)	179 (155)

*Figures in parentheses indicate male employees
*1 The proportion of male employees who took childcare leave in all male employees whose spouses delivered babies is calculated based on the provisions of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labour No. 25 of 1991). In FY2022, the spousal maternity leave system was abolished and childcare leave was made partially paid.

Safety and Health

Work-related Accidents (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Electric shocks	No.	0	0	0	0
Falls		1	0	1	0
Traffic accidents		9	5	7	3
Other accidents		31	22	30	24
Total		41 (0)	27 (0)	38 (0)	27 (0)
Major accidents		3	0	2	0

*Figures in parentheses indicate those who lost their lives
*Other accidents include falls from failing to check footing and mishandling of tools

On-the-job Accident Rate (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Number of accidents per 1 million working hours	No.	0.39	0.29 (0.19)	0.30 (0.10)	0.06 (0.00)

*Figures in parentheses are non-consolidated figures for Kyushu Electric Power (Kyushu EP)

Labor Accident Severity (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
Labor accident severity	days	0.012	0.004 (0.002)	0.009 (0.009)	0.000 (0.000)

*Days of labor lost due to labor accidents per 1,000 hours worked
*Figures in parentheses are non-consolidated figures for Kyushu EP

No. of Employees Receiving Safety Education (Kyushu EP and Kyushu T&D)

		Unit	FY2019	FY2020	FY2021	FY2022
Statutory education	When hired (new employees)	persons	248	295	290	252
	Foreman		1,849	457	1,196	1,233
	Safety manager		39	87	52	57
	Total		2,136	839	1,538	1,542
Training by level	Safety training for general employees		911	177	2,098	794
	Safety training for management		355	308	461	466
	Total		1,266	485	2,559	1,260

■Contractor and Subcontractor Accidents

	Unit	FY2019	FY2020	FY2021	FY2022
No. of accidents that have occurred	No.	16 (0)	30 (3)	24 (1)	26 (1)
No. of serious accidents that have occurred		7	20	15	16

*Figures in parentheses indicate those who lost their lives
*Number of work absences of 4 days or more (including accidents involving fee collection)

Human Rights

■Human Rights Education Activities

		Unit	FY2019	FY2020	FY2021	FY2022
Kyushu EP Kyushu T&D	In-house training	participants	11,660	12,498	12,215	10,316
	Outside training		456	167	210	139
Group companies			7,852 (44)	7,304 (43)	6,073 (43)	9,881 (43)

■Actual Use of the Harassment Advice Counter

	Unit	FY2019	FY2020	FY2021	FY2022
Actual use of the counter	No.	9	5	7	6

■No. of Cases of Serious Human Rights Violations (Kyushu EP and Kyushu T&D)

	Unit	FY2019	FY2020	FY2021	FY2022
No. of cases of serious human rights violations	No.	0	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.

Corporate Governance

Director Remuneration (excl. Audit & Supervisory Committee Members)

	Unit	FY2020	FY2021	FY2022
Basic Remuneration (pecuniary awards and monthly salary)	million yen	378 (14)	372 (14)	380 (12)
Performance-linked Remuneration (pecuniary awards and short-term-performance-linked bonuses)		50 (9)	43 (9)	0 (9)
Performance-linked Remuneration (non-pecuniary awards and medium- to long-term-performance-linked, stock-based compensation)		82 (9)	53 (9)	61 (9)

*Figures in parentheses indicate no. receiving
*Performance-linked remuneration is based on performance indicators given as financial targets in the Kyuden Group Management Vision, including consolidated ordinary revenue, GHG emission reduction targets toward carbon neutrality, and dividends for shareholders.

Director Remuneration (Audit & Supervisory Committee Members)

	Unit	FY2020	FY2021	FY2022
Basic Remuneration (pecuniary awards and monthly salary)	million yen	87 (7)	77 (5)	78 (6)

*Figures in parentheses indicate no. receiving

Board of Directors, Audit & Supervisory Committee, and Corporate Management Committee

		Unit	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023
Board of Directors	Directors	persons	16 (2)	15 (3)	15 (3)	15 (3)
	External directors		5 (2)	5 (3)	5 (3)	5 (3)
Audit & Supervisory Committee	Directors		5	4	4	4
	External directors		3 (1)	3 (2)	3 (2)	3 (2)
Corporate Management Committee	President		1	1	1	1
	Vice President		3	3	2	3
	Senior Managing Executive Officers		10	8	6	12*4
	Managing Executive Officers		6*1	4*2	9*3	0
	Executive Officers, etc.		4*1	7*2	5*3	8*4

*Figures in parentheses indicate female members
*1 Six managing executive officers and executive officers attended in response to agenda items
*2 Attended in response to agenda items
*3 Nine managing executive officers and executive officers attended in response to agenda items
*4 Ten senior managing executive officers and executive officers attended in response to agenda items

Compliance

No. of Consultations and Notifications Received by the Compliance Consultation Desks

		Unit	FY2020	FY2021	FY2022
Kyushu EP	Matters concerning the actions of officers/employees	No.	8	14	9
	Matters concerning business operation and handling		2	3	11
Kyushu T&D	Matters concerning the actions of officers/employees		1	14	5
	Matters concerning business operation and handling		1	2	1

*The privacy of users of the compliance consultation desks is firmly protected by laws, regulations, and company regulations and users will not be penalized or disadvantaged in any way for the nature of their consultation or notification.
*The desks accept consultations or notifications by such methods as phone, email, letter, and face-to-face. Emails are accepted 24 hours a day.

Independent Practitioner's Assurance

Deloitte.
デロイト トーマツ
（TRANSLATION）

Independent Practitioner's Assurance Report

July 26, 2023

Mr. Kazuhiro Ikebe,
President and Chief Executive Officer,
Kyushu Electric Power Company, Incorporated

Tomoharu Hase
Representative Director
Deloitte Tohmatsu Sustainability Co., Ltd.
3-2-3, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the ESG data indicated with ✉ for the year ended March 31, 2023 (the "ESG Information") included in the "KYUDEN GROUP ESG DATA BOOK 2023" (the "Report") of Kyushu Electric Power Company, Incorporated (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the ESG Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the ESG information included in the Report). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the ESG Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and *the Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the ESG Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

Member of
Deloitte Touche Tohmatsu Limited

KYUDEN GROUP

Enlighten Our Future

1-82 Watanabe-dori 2-chome, Chuo-ku, Fukuoka, 810-8720, Japan

ESG Promotion Group, Corporate Strategy Division, Kyushu Electric Power Company, Incorporated

Tel: +81-92-984-4313