

# Promotion of Sustainability Management

## ● Sustainability Policy

The Kyuden Group has long been promoting various initiatives to realize a sustainable society under the Kyuden Group's Mission of "Enlighten Our Future" which serves as our brand message.

In December 2021, we established the Kyuden Group Sustainability Policy to further clarify our stance of creating both "social value" and "economic value" through our businesses, contributing to a sustainable society, and enhancing the corporate value of the Kyuden Group.

Under this policy, we will contribute to solving social issues through our business, thereby realizing the Kyuden Group's Mission and developing together with local communities.

### Kyuden Group Sustainability Policy (Established in December 2021)

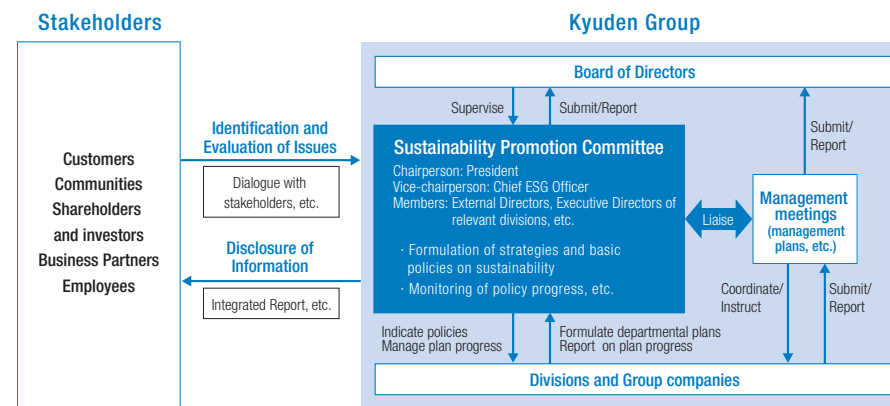
As a corporate group that creates the future from Kyushu, we will contribute to a sustainable society and enhance our corporate value, by creating both "social value" and "economic value" through our businesses.

- 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 solve 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.

## ● Promotion System

As climate change and other global social issues become increasingly serious, the Kyuden Group, as a responsible energy provider, believes that it is extremely important to actively contribute to solving these issues, and formulated the Kyuden Group Carbon Neutral Vision 2050 in April 2021. In order to be sure to realize the Vision and strengthen our efforts to address environmental, social, and governance (ESG) issues in general, we have also developed a system for sustainability management, including the establishment of the Sustainability Promotion Committee in July 2021.

Under this system, we will further accelerate our efforts to solve local and global social issues through our business activities, contribute to a sustainable society, and achieve medium- to long-term growth for the Kyuden Group.

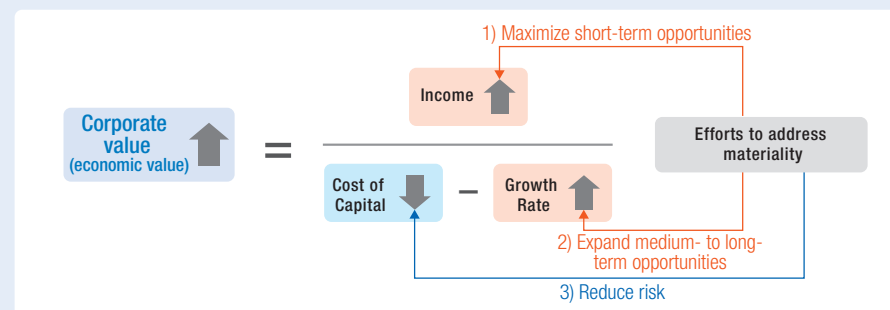


## Model for Enhancing Corporate Value through Sustainability Management

In order to sustainably enhance corporate value (economic value), it is extremely important to identify key management issues (materiality) that could become obstacles to future growth and strengthen efforts focused on these issues, with an eye on changes in social conditions and the business environment not only in the short term but also in the medium to long term.

To this end, the Kyuden Group breaks down the elements that lead to corporate value (economic value) into the following three categories, and promotes efforts to resolve materiality from the perspective of each category.

- 1) Maximize short-term opportunities (Increase profit)
- 2) Expand medium- to long-term opportunities (Increase growth rate (future growth expectations))
- 3) Reduce risk (Lower the cost of capital)



### ● System for Our Philosophy on Sustainability

Based on the Kyuden Group's Mission, the Group's Philosophy, and the Kyuden Group Sustainability Policy, we have established the "Management Vision 2030" and "Carbon Neutral Vision 2050" as our medium- to long-term goals and are promoting efforts to simultaneously create "social value" and "economic value."

Furthermore, we identify key management issues (materiality) to realize these goals, and incorporate efforts to resolve these issues into a specific action plan as a medium-term ESG promotion plan ( **P42-43** **P62** ) to ensure steady implementation of efforts.

