

Materiality: Promoting Growth, Success, and Diversity of Human Capital

Promotion of Diversity and Inclusion

At the Kyuden Group, we are building a workplace culture that emphasizes diversity and inclusion in order to strengthen our business foundation.

We will strive to maximize the strengths, individuality, and abilities of each employee, regardless of gender, age, nationality, beliefs, or other traits, as much as possible and enhance corporate value, we aim to realize “Kyuden Group: creating the future, starting from Kyushu” by having diverse employees work in a comfortable, growing, and rewarding work environment.

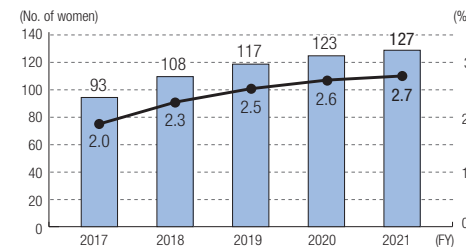
Main initiatives to promote diversity

Subject	Main initiatives
Support for active participation regardless of gender	<ul style="list-style-type: none"> Provide individual consultations and information to support career development for women Hold seminars for men and women on how to balance work and home life
Promotion of employment of people with disabilities	<ul style="list-style-type: none"> Expand subtitling and business-support business at Q-CAP, a special subsidiary Achieve an employment rate of 2.46%, which exceeds the legally mandated minimum employment rate of 2.30% (as of June 2022)
Support for active participation of senior employees	<ul style="list-style-type: none"> Improve environment for continued employment through reemployment after retirement under the Career Employee Program Establish work environment in the form of outsourced work through Career Bank Program

Targets and results of new female managers (Kyushu EP and Kyushu T&D)

Subject	Target	Results
No. of women newly appointed as managers	More than three-fold increase (54) between FY2009 and FY2013 (FY2019–FY2023) based on the above number of appointments, women hold at least 2.8% of managers	33 (FY2019–FY2021) currently women account for 2.7% of managers
No. of women appointed as top management positions in the organization	More than three-fold increase (cumulative 21) between FY2009 and FY2013 (FY2019–FY2023)	22 (FY2019–FY2021)

Number and percentage of female managers (Kyushu EP and Kyushu T&D)



Note1: Kyushu Electric Power is abbreviated as Kyushu EP.
Note2: Kyushu Transmission and Distribution is abbreviated as Kyushu T&D.

Acquiring Eruboshi and Kurumin certification

- We have been certified by the Minister of Health, Labour and Welfare as an “Eruboshi” company, which certifies that the company has implemented excellent measures to promote the advancement of women.
- We have acquired “Kurumin” certification, which is granted by the Minister of Health, Labor and Welfare based on the Next Generation Nurturing Support Measures Law to companies that meet certain standards.



VOICE Kyushu EP workplace climate that I see



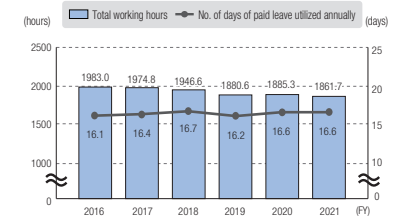
Leonie Habraken
Corporate Strategy Division,
ESG Promotion Group,
Kyushu Electric Power

I have been working at Kyushu Electric Power (Kyushu EP) now for almost four years in overseas business, fuel procurement, IR and ESG. When starting at the company I noticed that the reporting lines were a bit more rigid than I experienced in Europe. This being the case, communications within the teams are very open and I feel that suggestions can easily be raised. This flexible mindset, I think is fundamental to the strengthening of diversity within the company, as it is not just an agenda by corporate management but driven by the individuals themselves.

Promotion of Work Style Reforms

Kyushu EP and Kyushu T&D are uniting to implement work style reforms to create an environment in which employees can energetically work, increase labor productivity by raising the efficiency of fundamental operations, and transforming the corporate culture into one in which challenges can be taken.

Total hours worked and days of paid leave utilized annually per person



Main initiatives related to work style reforms

Work reforms	<ul style="list-style-type: none"> Streamline work by fundamentally revising existing operations, and eliminate overtime work Reform operations by spreading company-wide rules on and sharing good examples of conducting work Promote operational reforms through DX
Promotion of remote work and improvement of work systems	<ul style="list-style-type: none"> Conduct hybrid work that effectively combines remote and office work Realize flexible work styles regardless of time and place by further promoting and establishing remote work, introducing super-flex system*, expanding satellite offices, and undertaking other initiatives <p>*: Flexible work time without core time (plan to introduce in the future)</p>
Attitude and corporate culture reforms	<ul style="list-style-type: none"> Raise awareness of and effectively improve management skills to increase productivity through manager training, etc. Raise awareness of such issues as preventing remote harassment through training for all employees

Promotion of Men's Participation in Childcare

Kyushu EP and Kyushu T&D encourage male employees to take at least 2 weeks off to focus on childcare, with the aim of strengthening family ties and improving personal growth, time management skills, and new ideas through the experience of childcare. We aim to achieve a 100% male employee utilization rate for childcare leave in FY2023 by implementing various initiatives to promote the use of childcare leave, such as making part of the leave paid and issuing our own father-child record book (PAPANOTE) that contains information on such issues as mentally preparing oneself to be a good father.



Father-child record book PAPANOTE

Securing and Developing Human Capital

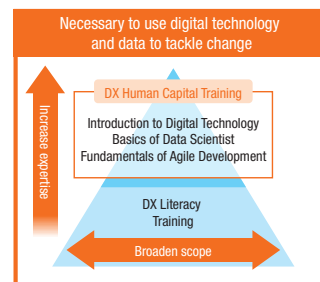
Kyushu Electric Power (Kyushu EP) and Kyushu Transmission and Distribution (Kyushu T&D) have formulated educational policies and plans based on the Kyushu EP Education Charter, which serves as a guideline for employee education. The aim is to promote employee growth toward the human resource model to which we aspire, and we work to develop human capital through various education and training. For the achievement of the Kyuden Group Management Vision 2030, we have defined actions that conscious particular attention to engaging in as “Actions Required of Each Individual to Realize the Management Vision.” We are promoting efforts to encourage employees to put such actions into practice, by presenting awards for their outstanding efforts. In addition to supporting employee-driven challenges and growth, we introduced, in FY2021, several systems, including one for side jobs and concurrent jobs in order to create an environment in which human capital with diverse experience can flourish and accelerate the growth of both employees and the organization.

■ Initiatives to secure and develop human capital who can contribute to the realization of the Management Vision

Support for employees who autonomously take on challenges	<ul style="list-style-type: none"> • In-house recruitment and Job Challenge Program • Human capital 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 and use of human resources with diverse experience	<ul style="list-style-type: none"> • Mid-career hiring (recruitment of highly-skilled and expert human capital, and people with experience at other companies) • Side jobs and concurrent jobs (introduction of side jobs outside the company and concurrent jobs within the company, and use of outside human resources) • Job return recruitment (rehiring of former employees who had switched to a different employer) and comeback recruitment (rehiring of employees who retired due to reasons such as childcare or nursing care) • Personnel exchanges with local governments and other entities

● Development of Human Capital to Promote DX

In addition to expanding and reinforcing employee training for acquiring DX-related knowledge and skills and conducting literacy education for all employees since April 2022 as one of our efforts to strengthen the system for promoting DX, we will offer around 3,500 employees specialized education to develop DX experts through the end of FY2026. At the same time, we will actively work to hire and collaborate with outside parties who possess specialized knowledge.



● Group-wide Human Capital Development

At Kyushu EP, we aim to achieve integrated growth of the Kyuden Group and hold an annual Kyuden Group Education Roundtable to expand effective training that increases the overall strength of the Group. In FY2021, 31 training staff from 31 Group companies took part in the roundtable and discussed on such issues as the orientation of human capital development and problems. While grasping the needs of each company, in FY2022, we will systematically conduct joint training through Kyuden Group Mirai School.

VOICE

Making use of the experience of working with Dazaifu City to confront the COVID-19 pandemic

I worked at Dazaifu City for two years as part of the personnel exchange program. Having been appointed the Tourism and Economy Department manager and director, I was involved in various activities through the Plum Project*, including revitalizing the local souvenir industry and economic measures to rebuild Dazaifu's tourism and economy which were negatively impacted by the COVID-19 pandemic. With the support of everyone in the city, I was able to fulfill my duties over two years. Applying that experience to employee education, including that for young employees, will help foster an open mindset required to achieve the Management Vision.

* Dazaifu Plum Project Promotion Business: A project possible because of deregulation related to historical sites that aims to increase the value of Dazaifu plums, promote them as a new local souvenir industry, and substantially increase tax revenue through hometown tax donation program and economic impact.



Masafumi Higashidani
Human Resource Vitalization Division, Education & Training Center
Education Plan Group, Kyushu Electric Power

Respect for Human Rights

Touting “respect for human rights* and the creation of fulfilling workplaces” in The Kyuden Group Corporate Code of Conduct, we not only work as a unified group to raise awareness of respect for human rights but have also expanded human rights due diligence-related initiatives in order to contribute to the creation of a pleasant, abundant society with respect for human rights.

* Internationally recognized human rights, such as items listed in the four fields (freedom of association, recognition of the right of collective bargaining, prohibition on forced labor, prohibition on child labor, and elimination of discrimination) and eight articles of core labor standards given in the Universal Declaration of Human Rights, International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work defined as standards that should naturally be adhered to.

■ Main initiatives taken to address human rights issues (human rights due diligence)

Stakeholders	Main initiatives
Employees	<ul style="list-style-type: none"> • Provide consultation services through the Harassment Advice Counter • Hold seminars for executives and general managers of head office on the roles expected of management • Implement various education and training programs that contribute to raising awareness of and respect for human rights • Provide Group companies with training materials about human rights
Business partners	<ul style="list-style-type: none"> • Understand the status of efforts to address human rights issues through questionnaires to business partners, and share instances of good practices.

● Conduct Human Rights Education

To contribute to the creation of a secure and comfortable society with respect for human rights, the Kyuden Group has united to heighten awareness of human rights.

We have formulated the implementation policy for human rights education and undertake education and awareness raising activities based on the idea that a correct understanding by employees of human rights and inclusion issues and correct conduct based on such understanding contributes to the creation of pleasant workplaces where human rights are respected.

■ FY2021 Results of human rights education and awareness-raising activities

Type of training	Results
Kyushu EP and Kyushu T&D	In-house training: 12,215 participants
	External training: 210 participants
Group companies	6,073 participants (from 43 companies)

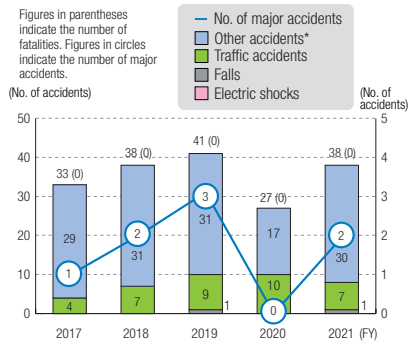
Prioritization of Health and Safety

Based on a recognition that safety takes precedence over all else, the Kyuden Group is promoting initiatives related to “safety as the foundation of our management,” using the Kyuden Group Safety Conduct Charter, which enunciates the basic policy, as the basis for awareness and action. As for health, we have formulated the Kyushu Electric Power (Kyushu EP) Health and Productivity Management Policy and promote initiatives so that employees can work with vigor.

Promotion of Initiatives to Eliminate All Major Accidents

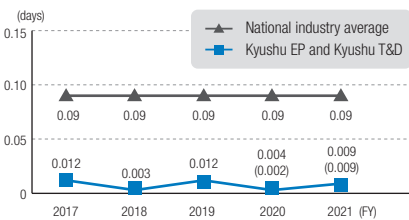
To thoroughly enact safe practices onsite as we work toward the goal of “zero serious accidents,” we are promoting proactive prevention measures such as risk assessment, implementing measures to prevent the recurrence of accidents by digging deeper into the root causes after the occurrence of an accident, and monitoring the status of implementation of these initiatives. Furthermore, we offer various types of education, including education related to work safety and health laws and regulations from a compliance perspective, level-specific safety education, and safety education to prevent work accidents among seniors. In April 2023, we will establish the Kyuden Group Safety Education Center (tentative name) to further improve safety awareness of each and every employee, including those of Group companies.

Work-related accidents at Kyushu EP and Kyushu T&D (by type of accident)



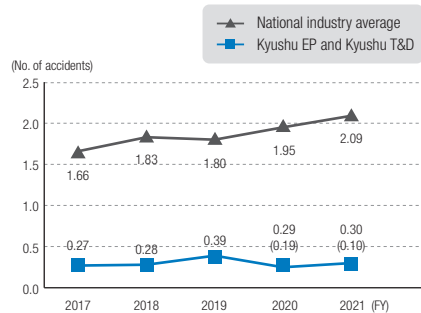
* Accidents caused by careless falls, trips, handling of tools, etc.

Labor accident severity* (degree of business impact)



* Days of labor lost due to accidents per 1,000 hours worked. Note: For FY2020 and after, figures in parentheses are for Kyushu EP only.

On-the-job accident rate*



* No. of accidents per million working hours. Note: For FY2020 and after, figures in parentheses are for Kyushu EP only.

Safety education record (Kyushu EP, Kyushu T&D, and some Group companies)

Education subject		Number of attendees (FY2021)
Statutory training	When hired (new employees)	290
	Foremen	1,196
	Safety managers	52
	total	1,538
Level-specific training	Safety training for regular employees	2,098
	Safety training for management	461
	total	2,559

Safety Management for Radiation Workers

In order to minimize possible radiation doses for those who work in radioactive environments, Kyushu EP has installed shielding equipment at its nuclear power stations or made changes such as enabling automation or remote operation. The actual exposure received by radiation workers was 0.3 millisieverts on average in FY2021, which was far below the legal dose limit.*

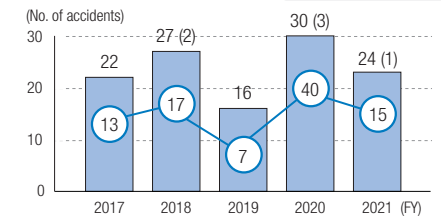
* Annual limit for workers at power stations and other facilities: 100 millisieverts per 5 years and not exceeding 50 millisieverts per year

Promoting Safety Activities with Contractors and Subcontractors

To ensure safe work practices, we are working with contractors and subcontractors to promote safety activities that focus on the most frequently occurring accidents. Specifically, we share basic items to eliminate the four types of serious accidents (electric shocks, falls, crushes, and heavy machinery-related accidents), check the state of safety management at worksites based on patrols, and diagnosis by consultations.

Contractor and subcontractor accidents* at Kyushu EP and Kyushu T&D

Figures in parentheses indicate the number of fatalities. Figures in circles indicate the number of serious accidents.

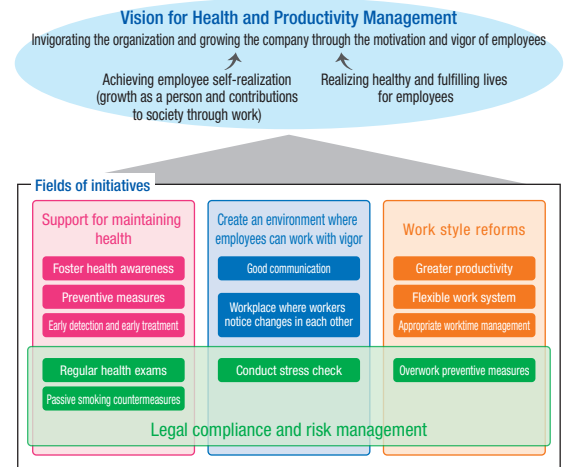


* Number of work absences of 4 days or more (including accidents involving free collection). Note: For FY2019 and before, figures are for Kyushu EP only.

Health and Productivity Management®

Kyushu EP and Kyushu Transmission & Distribution (Kyushu T&D) are enhancing health and productivity management. As our employees are the very foundation of business activities, we aim to increase their motivation and vitality and utilize their power to activate and permanently develop the company. In recognition of our efforts such as support for the health of our employees, in March 2022, Kyushu EP and Kyushu T&D were certified as an excellent corporation under the Certified Health & Productivity Management Outstanding Organization for the fifth consecutive year.

* Health and Productivity Management® is a registered trademark of NPO Kenkokeiei

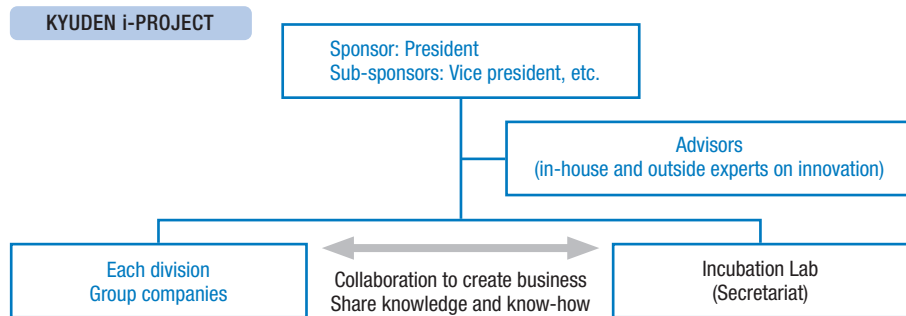


Promotion of Innovation

In Kyushu, the very foundation of the Kyuden Group, we aim to contribute to more comfortable and environmentally friendly lives of our customers through our efforts to generate innovation and to change the world through creation of world-class business and services in Kyushu. In order to realize this goal, we have launched the KYUDEN i-PROJECT in January 2017 and are working together to promote innovation.

KYUDEN i-PROJECT

The KYUDEN i-PROJECT is a project directly under the president in order to achieve prompt and flexible decision making without being bound by traditional organization and operation conduct. When examining the commercialization of businesses and services, we make use of venture capitalists, university professors, and other parties as advisors so that we can incorporate the opinions of outside experts.



Main initiatives to create innovation

<p>Project to create business ideas: i-Challenge</p>	<p>This is a project to create promising business ideas by recruiting people and teams with an interest in and passion for innovation from throughout the Kyuden Group, and combining a "nurturing phase" involving workshops and mentoring by outside experts, and a "selection phase" involving presentations. This has been held annually since FY2017, and there are more than 100 participants each year.</p>
<p>Kyushu Electric Power Open Innovation Program 2022: Inspiration and Co-Creation</p>	<p>This is an open innovation program to create new businesses by combining creative, innovative ideas of start-up companies and the management resources of the Kyuden Group. In January 2022, we launched Inspiration and Co-Creation, a program to create businesses by melding Kyuden Group information and telecommunications assets based on submitted themes for "business ideas that employs ICT." After receiving 100 ideas from start-up companies, major corporations, and individuals throughout Japan, the final selection was made in June, and there were seven winning projects. We will continue to work with the winning companies to create new businesses.</p>

Main commercialization projects born from KYUDEN i-PROJECT

weev

An EV sharing service for condominium residents. Provide residents with a safe, convenient, and comfortable EV life.



PRiEV

An EV charging service for condominiums. Install EV charging facilities for individuals in parking lots and provide a pleasant EV charging environment.



Production and sales of lithium-ion battery packs 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 soundness 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 contributes to a stable supply of marine products in Japan with a target production capacity of 3,000 tons annually.



Okeiko Town

A learning-matching platform that links people who want to teach with people who want to learn.



VOICE

"Improve the lives of customers" through innovation

I am in charge of developing new services for households. Formerly, I was involved in power transmission and distribution business operations related to operating systems in an environment with well-developed rules to provide a safe and reliable power supply. While developing new businesses, because I am creating something from scratch for which there is no correct answer, I am always confronting issues and difficulties and repeatedly doing things on a trial-and-error basis. I will continue to deeply think about customers' lives and take on this challenge of contributing to better daily lives for them.



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