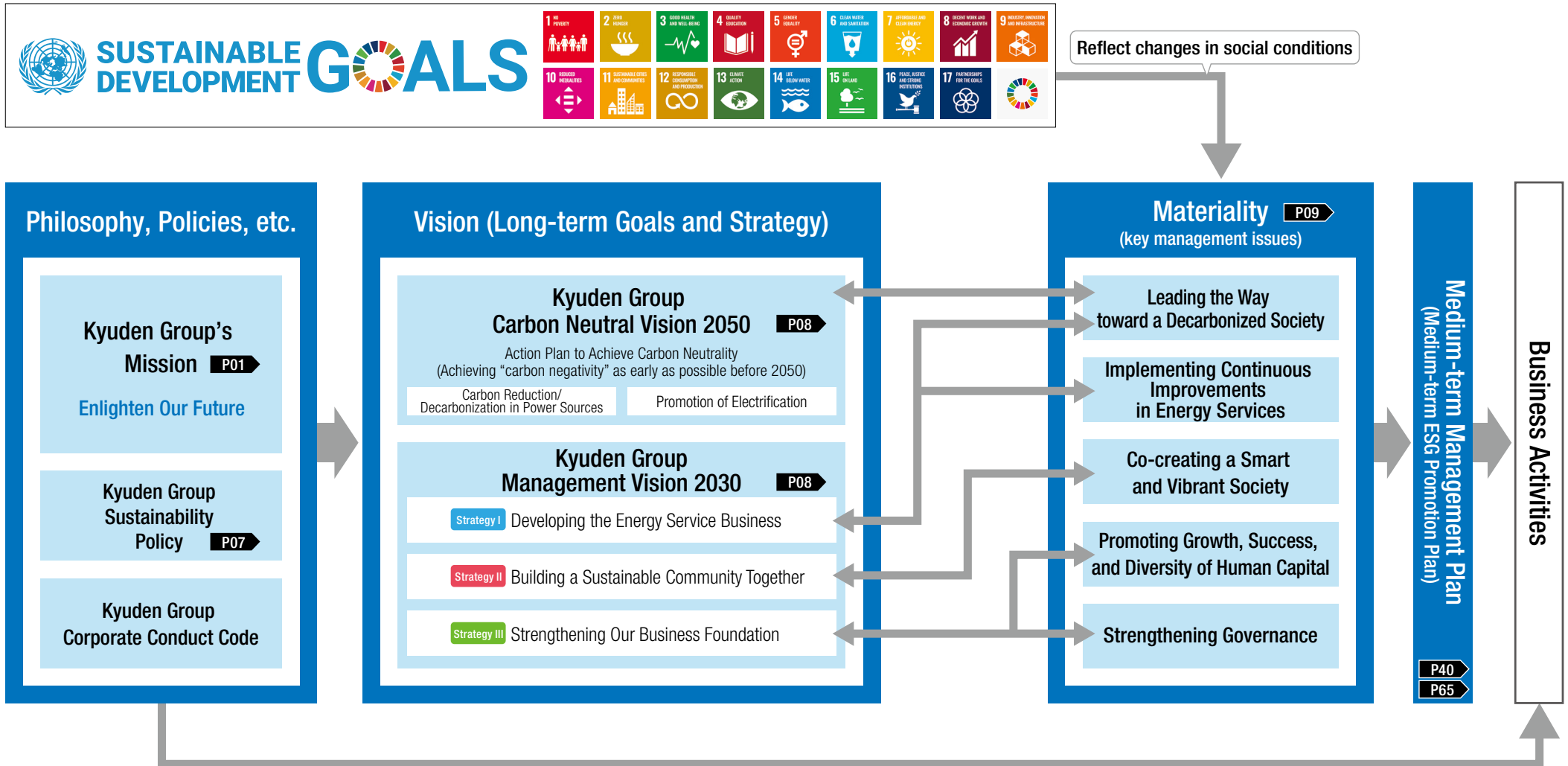


Promotion of Sustainability Management

Based on the Kyuden Group's Mission, which is 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 have identified key management issues (materiality) to realize these goals, and have incorporated efforts to resolve these issues into a specific action plan as a medium-term ESG promotion plan to ensure the steady implementation of efforts.



Sustainability Policy

The Kyuden Group has 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 and regional issues through our businesses, thereby realizing the Kyuden Group’s Mission and developing together with local communities.

Kyuden Group Sustainability Policy (Established in December 2021)

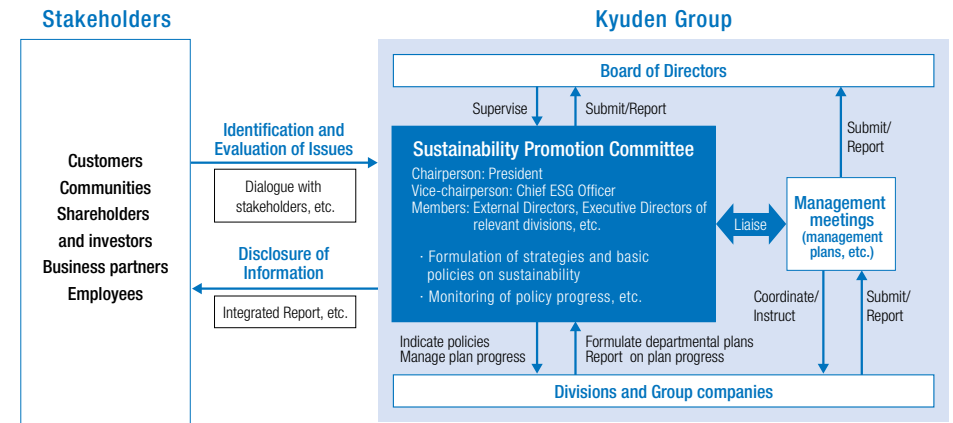
As a corporate group that creates the future from Kyushu, we will contribute to a sustainable society and enhance our corporate value, by creating both “social value” and “economic value” through our businesses.

- 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 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.

Promotion System

The Kyuden Group has established the Sustainability Promotion Committee to actively promote carbon neutrality and other environmental, social, and governance (ESG) initiatives. The Committee is chaired by the President, and its members include external directors and executive directors of relevant divisions. In addition to establishing strategies and policies concerning all aspects of sustainability, the Committee deliberates on and supervises the progress of implementing strategies and measures concerning key sustainability issues, such as climate change and human capital.

The Committee meets at least twice yearly, and the results of their discussions are reported without delay to the Board of Directors, which supervises all sustainability-related activities.



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) based on risks and opportunities for 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 has broken 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. (Refer to **P27-38** for efforts aimed at improving the corporate value of each business)

- 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)

