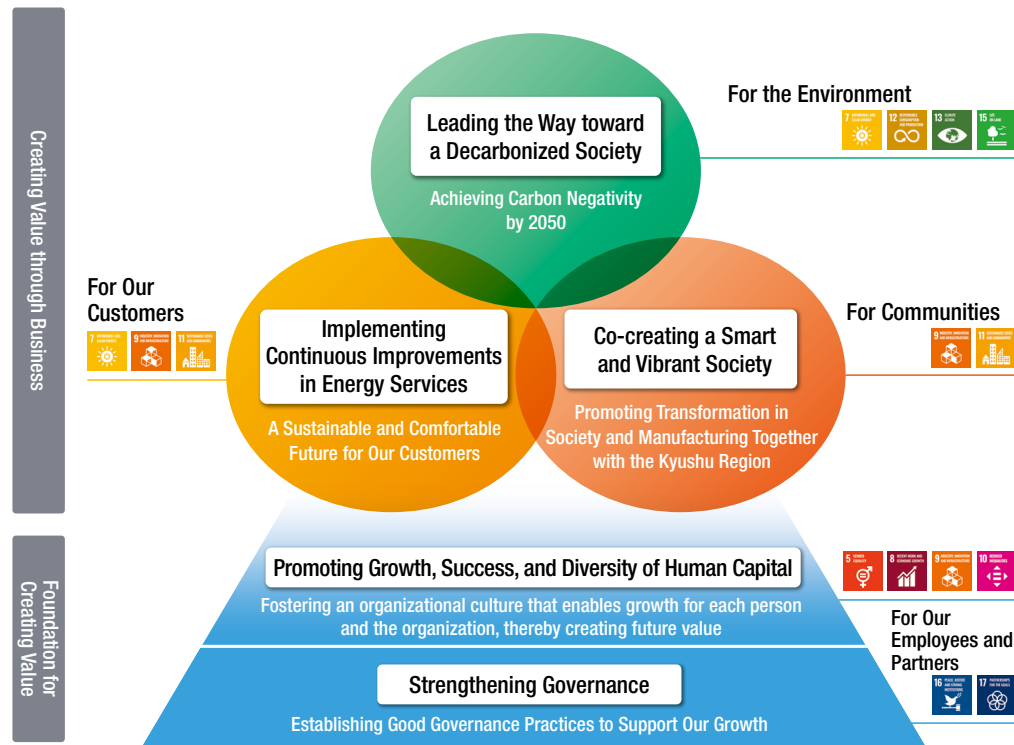


Materiality

In April 2022, the Kyuden Group identified key management issues for realizing sustainability management that simultaneously creates “social value” and “economic value” through its businesses as materiality. We are continually revising materiality in light of changes in social conditions and the business environment. In April 2023, we partially revised our ideal state and key issues pertaining to materiality.

For details on the process of identifying materiality, please visit the following page:
https://www.kyuden.co.jp/english_index.html Home > For investors > Information on our Sustainability initiatives > [Materiality](#)

Materiality and key issues



Revisions to ideal state and key issues (April 2023)

- Reorganized ideal state and related key issues of the Group's human capital strategy after multiple deliberations by senior management
- Set key issues pertaining to DX as part of materiality for “Creating Value through Business” and “A Foundation for Creating Value” in light of the increasing importance of DX from both perspectives of transformation in society and manufacturing, and transformation of business composition and work processes (Specific revisions are listed in blue in the below table)

Materiality	Ideal State	Key Issues
Leading the Way toward a Decarbonized Society	Achieving Carbon Negativity by 2050	<ul style="list-style-type: none"> Lowering the Carbon Intensity of and Decarbonizing Energy Sources (development of renewable energy as a primary power source, safe and stable nuclear power operation, overseas business, etc.) Promotion of Electrification Promotion of Energy Conservation Reduction of Environmental Impact Energy Policy Recommendations and Involvement
Implementing Continuous Improvements in Energy Services	Contributing to a Sustainable and Comfortable Future for Our Customers	<ul style="list-style-type: none"> Stable Supply of Energy Affordable Energy Solutions Based Around Energy Services
Co-creating a Smart and Vibrant Society	Promoting Transformation in Society and Manufacturing Together with the Kyushu Region	<ul style="list-style-type: none"> Realizing a Smart Society Regional Vitalization Creating Safe, Secure and Comfortable Spaces to Live
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	<ul style="list-style-type: none"> Respect for Human Rights Promotion of Value Co-Creation and Innovation Promotion of Diversity and Inclusion Prioritization of Health and Safety Securing and Developing Human Capital Promotion of (DX) Digital Transformation (business framework and process transformation, etc.)
Strengthening Governance	Establishing Good Governance Practices to Support Our Growth	<ul style="list-style-type: none"> Improving Effectiveness of Corporate Governance Strengthening Risk Management System Ensuring Compliance Strengthening Supply Chain Management Ensuring Information Security Enhancing Stakeholder Engagement (building trust with stakeholders, etc.) Improving and Strengthening our Financial Structure