

5 Highly Transparent and Open Business Activities

Efforts to promote understanding about energy

We are actively working to help our stakeholders deepen their understanding about energy by, for example, conducting power plant tours and “on-site” classes as well as through the production of public relations tools.

Since November 2017, we have been utilizing virtual reality in our power plant tours to enable participants to visually experience the insides of reactor pressure vessel buildings and other places. We are also undertaking new efforts, including the public opening of the Keage Power Station, which has historical value as the first commercial hydroelectric power plant in Japan.

In addition, we are actively conducting “on-site” classes in which our employees visit elementary and junior high schools as lecturers to convey the importance of energy to the children who will be responsible for the future.

With manga artist Hiroshi Kinoshita and Kyoto Seika University, we have jointly produced manga booklets that present energy issues with humorous illustrations as a public relations tool with the goal of having even more people take an interest in energy.

Through various opportunities, we will continue striving to use diverse methods for unfolding efforts to promote understanding about energy among our stakeholders.



Nuclear power plant tour using virtual reality



Keage Power Station, open to the public from March 2018

Disclosing information on our nuclear power stations

We utilize our website, newspaper advertising, and other means to disseminate information concerning our initiatives to enhance safety and reliability at our nuclear power plants.

In the *Echizen Wakasa no Fureai* local community magazine, we provide information related to nuclear power and the region to citizens of Fukui Prefecture.

We remain committed to proactively releasing information through a variety of means to restore public trust in nuclear power generation.



Echizen Wakasa no Fureai

Internal communication

We are striving to invigorate communication among employees, workplaces and group companies by sharing information that is important for management and that is related to our businesses. We do this so that each individual employee can receive the trust of stakeholders through face-to-face communication.

Our in-house newsletter, *The Kansai Denryoku Shimbun* (first published in 1959), offers a variety of detailed management and other information, with in-depth special features on particularly important subjects. In addition, we utilize our in-house TV and our in-house web portal to share information about our management plans and other topics.

CSR Action Principles

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Strict Enforcement of Compliance

In all aspects of its business activities, the Kansai Electric Power Group will comply with all laws and regulations, internal rules and business ethics and will ensure strict enforcement of compliance as the basis of our management. The Group as a whole will build the structure that should ensure these actual practices and will strive to maintain and improve its structure.



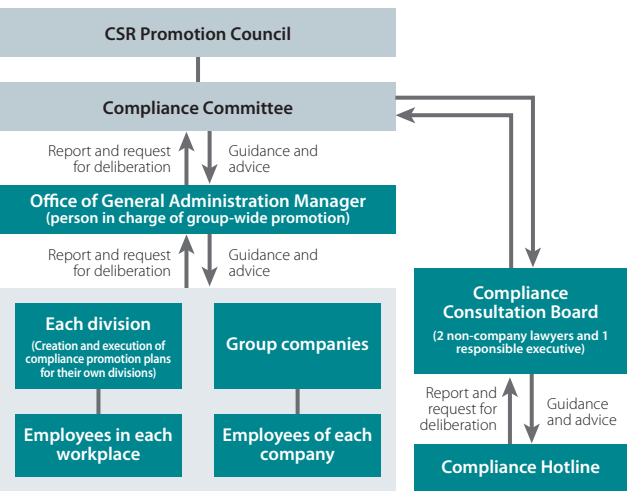
Promoting compliance activities with the entire group

Promoting compliance activities

In our corporate group, the Office of General Administration (legal), acting as our compliance headquarters, oversees compliance promotion for the entire group with guidance from the Compliance Committee, which is chaired by our company president.

All divisions in our company and all of our group companies are promoting compliance independently, with their individual “compliance promotion plans” established by themselves according to the characteristics of their own businesses and work duties, utilizing the PDCA cycles under the leadership of their division heads, company presidents and others.

Kansai Electric Power Group Compliance System



Efforts to promote compliance

For fiscal 2018, we have raised two fundamental policies for compliance promotion: “compliance promotion with increased sensitivity to cope with new business domains and dramatically changing business environments” and “reinforcement of awareness and behavior for strict observation of laws and rules in the development of each business.” Moreover, we have selected four major themes for compliance promotion that we should think about and pursue as a whole corporate group. They are “thoroughness in the practice of fair competition,” “thoroughness in appropriate behavior in cooperative industry relationships,” “thoroughness in the execution of appropriate business management,” and “thoroughness of conduct that demonstrates understanding of good social sense during and outside work.”

Keeping in mind these fundamental policies and major themes, as a group-wide efforts, we will keep expressing our attitude toward thoroughness in compliance by messages from our top management, as well as conducting lectures related to the major themes, continuous information distribution via e-mail magazines and others. Through such efforts, we will cultivate the awareness of all group employees continuously.

Results of questionnaire given to all employees on CSR (executed November 2017)

Are you acting with awareness of compliance on a daily basis? (responses from just our company)

“Yes.”

95.3%

6 Strict Enforcement of Compliance

Promoting compliance independently according to the characteristics of each division and group company

Promoting compliance in each company division and group company

By having each division and group company actively facilitate the functioning of PDCA cycles and promote compliance, we seek to have the idea that “compliance is a foundation of business” permeate and become established throughout the entire group.

Specifically, each division has created their own “compliance promotion plans” and is striving to implement, evaluate and improve their promotion efforts. When doing so, they are considering the company’s fundamental policies and major themes, the business and work characteristics of their divisions, and compliance risks that could occur in the future along with changes in the business environment, unacceptable incidents that occurred in the past both inside and outside the company, and other factors.

Furthermore, considering our fundamental policies and major themes, each of our group companies is independently promoting compliance based on the characteristics and sizes of their businesses, as well as other real conditions.

Supporting the efforts of each division and group company

In addition to guiding the promotion efforts of the group as a whole, our compliance headquarters is supporting the efforts of each division and group company.

For example, through the Compliance Manual, the headquarters specifically explains requirements based on laws, in-house rules, corporate ethics and other factors to which all executives and employees of our corporate group must comply or exercise caution. In addition, with a focus on content related to major themes, it develops educational discussion materials to contribute to the efforts of every division and group company and also conducts information exchanges related to compliance.



Compliance information exchange meeting for group companies

Global compliance efforts

In the “Establishment of new pillars for growth” of our Medium-term Management Plan, one of the pillars presented is “the dramatic growth of international businesses,” and our corporate group will continue to proactively develop international business in the future.

While pursuing this goal, we believe that we must also further deepen our compliance practices overseas in following local laws and rules and responding to the demands of societies, for example. Specifically, we will keep our minds on achieving thorough compliance as we continue striving to expand our businesses overseas. For example, we are clarifying matters to be observed strictly and prohibited acts, including exchanges of gifts and business entertainment conducted with improper intentions, by establishing in-house rules related to preventing the bribery of foreign civil servants and others. We are also undertaking training, awareness-raising and other efforts with the theme of preventing foreign corruption in our divisions and group companies that conduct business overseas and other international transactions.

Compliance Hotline

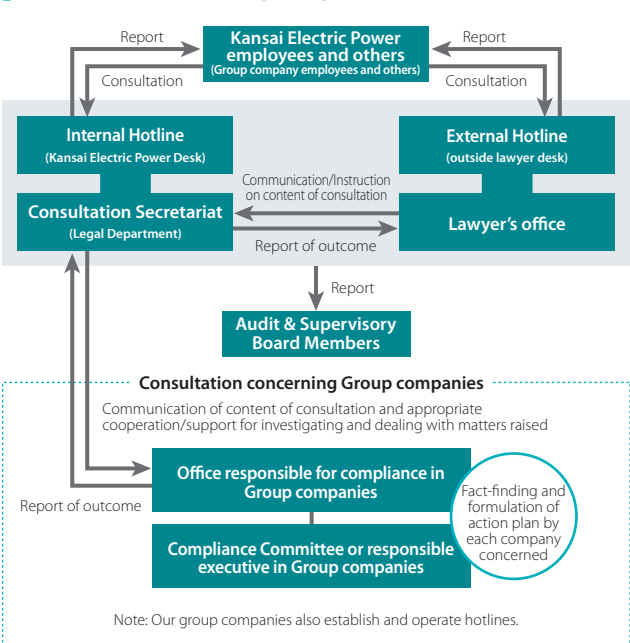
The Compliance Hotline established by our company receives consultations when people have doubts related to compliance about their workplaces or work tasks, including various types of legal violations and improper work conduct at its workplace. This hotline is available not only to employees of our group companies but also to our contractors. This system enables us to collect a wider range of risk information. We are working to create an improved environment offering a more approachable service that can accept anonymous consultations and that allocates female consultants, for example. In addition, the Hotline provides compliance consultations to resolve problems after investigating the facts, if necessary.

No serious violations have been confirmed from consultations with the Compliance Hotline.

Number of cases handled by the Compliance Hotline

Fiscal 2016 74
Fiscal 2017 67

Kansai Electric Power Group Compliance Hotline

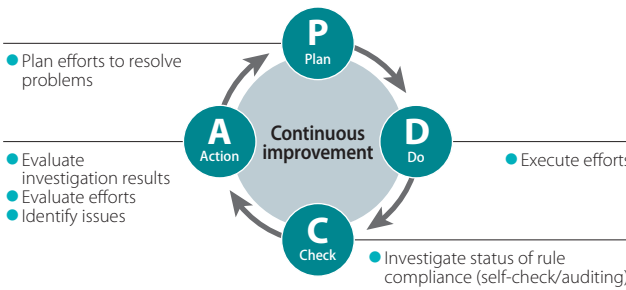


Information security initiatives

Policies

We believe that one duty of our company is to steadily advance information security efforts to ensure the safe and stable supply of power and to protect the customer information that we possess. While further strengthening countermeasures against cyber attacks, which have been growing in threat in recent years, we will continue promoting information security management based on PDCA cycles.

Information security PDCA cycle



Efforts for cyber security measures

As a major infrastructure operator in the electrical power business, we recognize that cyber attacks are one great threat and are undertaking a variety of measures in accordance with related laws, in-house regulations and other rules. We are continuing efforts to prepare for the occurrence of cyber attacks, including the incorporation of new technological countermeasures, trainings to respond to incidents resulting from hypothetical cyber attacks, as well as training related to cyber attacks and practice with targeted threat emails for employees.

Moreover, since cyber attack methods are evolving daily, we are building cyber security measures based on the latest information. For example, through the activities of the Japan Electricity Information Sharing and Analysis Center, which is an organization that undertakes the sharing and analysis of cyber attack information among electric power businesses, we are gathering information about cyber attacks that occur outside our company and the latest security information.

Furthermore, since cyber security threats to control systems have increased in recent years, we are working to strengthen risk countermeasures and have built a control security management promotion system comprised of our Information Security Office and our engineering divisions that manage control systems.

Initiatives for protecting personal information

We are strictly following internal rules related to personal information protection that we prepared based on the Personal Information Protection Law and various other laws and guidelines. An incident in which a DVD containing customer information was lost occurred in April 2017. In order to prevent the same kind of incident from ever occurring again, we will continue to spread and deepen understanding of the management of external storage media that contain personal information and pursue strict information management.

Furthermore, considering the implementation of the General Data Protection Regulation (GDPR) in the EU in May 2018, we have established rules for handling personal information within the EU region.

Information security promotion system for the entire group

In our corporate information security promotion system, we have a Chief Information Security Officer (CISO) and deploy Information Security Managers to promote efforts in each workplace.

In addition, our group companies are undertaking independent efforts based on the Kansai Electric Power Group Information Security Guidelines, which are the information security guidelines for the entire group. With this and other guidance and support from our company, we are raising the security level of the entire group.

Number of information security training participants (conducted February–March 2018)

18,846

Information security promotion system

