

Kansai Electric Power Group ESG Report 2023

ESG Report 2023



ENVIRONMENT



SOCIAL



GOVERNANCE



Kansai Electric Power Group

power with heart

Message from our executive officer in charge of ESG reports



Makoto Araki

Representative Executive Officer,
Vice President

In March 2021, we formulated the Kansai Electric Power Group Management Philosophy Purpose & Values and we declared to the world how we would implement business activities that foster the Values of Fairness, Integrity, Inclusion, and Innovation to achieve our Purpose of Serving and Shaping the Vital Platform for a Sustainable Society—which we consider to be the overarching tenet that governs everything we do. We also developed the Kansai Electric Power Group Medium-term Management Plan (2021–2025)—an action plan for the next five years—that will act as a springboard to make us a corporate group that can provide various social infrastructure services. In addition, as a “leading company in zero-carbon energy,” we set up the Zero Carbon Vision 2050, so we can better handle global warming issues on a voluntary and proactive basis, followed by the Zero Carbon Roadmap, which provides a pathway toward the realization of the vision. Based on these policies, the focus will be on delivering safe, stable, environmentally friendly energy; providing new value to resolve societal issues; and establishing a solid foundation to support those goals. As well as achieving sustainable growth for the Group and helping to resolve global societal issues such as those addressed by the SDGs, we will help bring about a sustainable society. Going forward, we will push ahead with initiatives that respond to changes in the business environment and in stakeholder expectations and requests, and to help make society more sustainable. Equally, we will work proactively to provide information on those initiatives.

Editorial policies

► Positioning of ESG Report

This report brings together all ESG-related information disclosed in our Integrated Report, on websites, etc., as well as including content with additional details. With reference to the GRI standards and other ESG reporting guidelines, we have organized the content by item—Environment, Social and Governance—to make it easier to browse through the information. Please also refer to our Integrated Report for details on the Group’s growth strategy and important initiatives related to sustainability.

● Reference guidelines

GRI Sustainability Reporting Standards, Environmental Report Guidelines (2018 Edition), ISO 26000, SASB, etc.

● Place of publication

Sustainability and Quality Promotion Group,
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● Report publication date

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● Scope of report

Period covered: April 1, 2022 to March 31, 2023
(We also report on important information that may fall outside of the time frame above.)
Companies covered: The Kansai Electric Power Co., Inc., and Kansai Electric Power Group companies.
 (“The Company” refers to The Kansai Electric Power Co., Inc.)
Unless otherwise specified, figures given are a combined total for The Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc.

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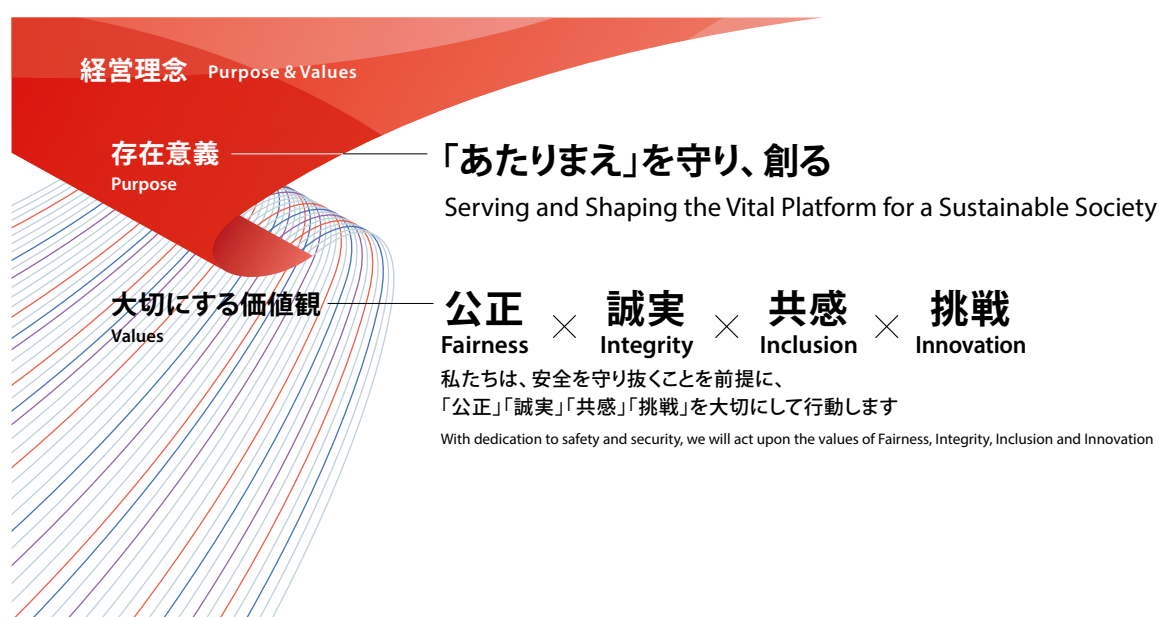
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Sustainability management

Under the ultimate overarching concept of the Kansai Electric Power Group Management Philosophy Purpose & Values, the Group has announced that it will carry out business activities that promote the Values of Fairness, Integrity, Inclusion, and Innovation to achieve its Purpose of Serving and Shaping the Vital Platform for a Sustainable Society for the benefit of its customers and society. We have set out specifically how we should act in accordance with this management philosophy in the Kansai Electric Power Group Code of Conduct. By having all Group employees base their actions on this code, the aim is to achieve both sustainable growth for the Group and to make society more sustainable.

▶ Kansai Electric Power Group Management Philosophy



▶ Kansai Electric Power Group Code of Conduct

● Basic view

The Kansai Electric Power Group Code of Conduct details specifically how our executives and employees should act, providing a foundation for decision-making in our business activities. This code is based on the Kansai Electric Power Group Management Philosophy and takes all in-house company rules as prerequisites.

The business activities of the Kansai Electric Power Group are supported by a variety of stakeholders, including customers, shareholders and investors, business partners, employees and other members of society. The trust we receive from these stakeholders is itself the foundation that allows us to continue fulfilling our duties and pursuing sustainable growth as the Kansai Electric Power Group.

We fulfill our duties as a member of society by acting in accordance with our Management Philosophy and always thinking about what it means to thoroughly implement compliance not only for laws and regulations, but also for the standards expected by modern society.

We want to make our various stakeholders have unshakable trust in us by responding sincerely to their expectations for our group business activities.

Based on this mindset, our executives and employees all work together and combine their individual capacities, enabling the Kansai Electric Power Group to contribute to the sustainable development of society.

1. Thorough compliance implementation

At the Kansai Electric Power Group, we practice thorough legal and ethical compliance as the foundation to all our business activities. Business results and activities are absolutely never prioritized above compliance. Moreover, anyone who raises questions or reports about issues related to compliance will not be treated unfairly in any way as a result.

Conduct standards for individuals

- Act sincerely with good sense and dignity as one member of the Kansai Electric Power Group.
- In the execution of business, abide by domestic and foreign laws and ordinances that restrict business along with other relevant legal restrictions as well as regulations established by the company and other in-house rules. Never undertake any behavior that is contrary to corporate ethics and accepted social norms.
- Ask yourself the following questions about your conduct.
 - Would the conduct go against your own conscience?
 - Could you speak proudly about the conduct to your family and other people important to you?
 - Could you confidently explain the conduct to customers and other people outside the company?
 - Do you think continuing conduct as you have in the past is fine? Are you assuming that conduct is correct?
 - Are you continuing conduct as before even though you have doubts or feelings of discomfort about it?

When you have doubts about something or feel it is strange, have courage and report to and consult with work superiors or a Compliance Hotline.

Note: In 2019, incidents were revealed in which executives and employees from our company received gifts and cash of significant value from a former deputy mayor of the town of Takahama in Fukui Prefecture and in which executives received problematic payments after retirement. These incidents caused great trouble and seriously betrayed the trust we received from our customers, members of society and our various stakeholders. This article takes this into consideration.

2. Fair business activities

At the Kansai Electric Power Group, we practice fair and free competition and conduct reasonable business transactions. We do not participate in bribery or other corrupt conduct with the goal of obtaining profits unfairly. Moreover, we promote responsible procurement with high levels of sustainability and transparency.

Conduct standards for individuals

- Provide services of higher value through fair competition.
- Comply with the Antimonopoly Act, the Electricity Business Act, and other laws and regulations regarding fair business activities, and make a clean break with rule violations.
- Do not provide or accept inappropriate gifts or entertainments.
- Do not do anything that presents advantages only to specific individuals or businesses.
- Maintain healthy relationships with politicians and government administrators.
- Resolutely refuse inappropriate demands from antisocial (criminal) forces and organizations. Respond to such demands with the fortitude of the organization rather than as an individual. Maintain no relations with such forces and organizations.

3. Appropriate information disclosure, management and discussion

At the Kansai Electric Power Group, we reflect the feedback of society in our business activities appropriately. In addition, we conduct open business activities with high transparency by further advancing suitable and timely information disclosure and transmission along with communication with members of society as we fulfill our explanatory duties to society with sincerity. Furthermore, we manage personal data along with other types of information appropriately.

Conduct standards for individuals

- Proactively communicate with members of society.
- Undertake efforts fairly when providing information to members of society and conducting activities to promote understanding of our business activities.
- Gather a wide range of opinions, desires and other feedback about our business activities from customers and members of society, share this data within the company and apply it to business improvement.
- Manage personal data, customer data, business secrets and similar information appropriately.
- Strictly handle records related to business.
- When problems arise in business operations, report on the facts quickly and accurately.

4. Respect for human rights and promotion of diversity

At the Kansai Electric Power Group, we recognize human rights as a universal value shared by global society. We support international standards related to human rights and respects them in all our business activities. In addition, as we advance diversity, we will continue seeking to realize ways of working and cultivating workplace environments that enable every person to work with peace of mind and exercise their abilities to their maximum potentials.

Conduct standards for individuals

- Respect the human rights of every individual involved in business activities and promote diversity.
 - Never say or do anything that is discriminatory, harassing, defamatory or taunting or that could otherwise cause another person to feel uncomfortable based on race, nationality, religion, gender, sexual orientation, sexual identity, social position, family background, occupation, disability or other personal trait. Moreover, do not sympathize with such words or behavior or allow them to pass.
 - Never be involved in any kind of forced labor or child labor.
 - Endeavor to create workplaces that make the most of diverse senses of value and that enable people to work with vigor and vitality.

5. Assurance of safety

Based on the Kansai Electric Power Group Code of Conduct for Safety, we will continue building an unwavering culture of safety.

Conduct standards for individuals

- Protect the safety of every person involved by making the assurance of safety the top priority in all activities.

Note: Taking to heart that safety is the foundation for all our business activities and the source of the trust that we earn, we established the Kansai Electric Power Group Code of Conduct for Safety based on numerous lessons learned from accidents and disasters, including the accident that occurred at Mihama Nuclear Power Station Unit 3 in August 2004. This article takes this into consideration.

6. Provision of products and services that customers choose

At the Kansai Electric Power Group, we strive to develop and improve products and services that customers choose through innovation and other efforts, and we contribute to resolving the issues of society.

Conduct standards for individuals

- With self-awareness and pride as a professional, always strive to improve service and respond to customer desires and feedback sincerely, rapidly and accurately, contributing to their satisfaction.
- In the execution of business activities, continuously improve work contents and rules to maintain and improve quality.
- In order to deliver new value to customers and society, advance innovation and seek cooperative creation with stakeholders.
- Endeavor to create and protect intellectual property, and utilize it effectively to develop and provide products and services that are useful to society.

7. Efforts toward the creation of an even better environment

At the Kansai Electric Power Group, we recognize the importance of working to respond to environmental issues ranging from climate change to the advancement of resource circulation and local environmental preservation. As a business with deep connections to the environment, we are striving to reduce the environmental impacts and risks that result from our business activities. Furthermore, we seek the creation of a better environment and actively contribute to the formation of a sustainable society by providing products and services with low environmental impacts.

Conduct standards for individuals

- Recognize the significance of environmental conservation, and thoroughly consider the impacts that our own work has on the environment.
- Practice conduct in our own work that considers the environment, including resource and energy conservation.

8. Problem-solving and development efforts for local communities

As a business that is very close to communities and daily life, we recognize that the advancement of the Kansai Electric Power Group is not possible without the sustainable development of local communities. With this understanding, as we cooperate with various stakeholders, we contribute positively to problem-solving and development in local communities through efforts to invigorate them and their economies. Furthermore, in our business activities overseas, we also contribute to the development of local communities as we consider their cultures and customs.

Conduct standards for individuals

- Cooperate with local communities that have stakes in our business activities, and contribute to solving their problems and invigorating them.
- In addition to listening for feedback from local communities, think about what you can put into practice yourself and participate actively in efforts that contribute to society.

9. Thorough risk management

The Kansai Electric Power Group is a business responsible for lifelines that are indispensable to society. We thoroughly implement systematic risk management in preparation for the occurrence of incidents, disasters and other events that threaten citizen lifestyles and corporate activities, and we make certain that products and services are provided safely and stably every day.

Conduct standards for individuals

- Through daily inspections and other efforts, identify factors that could lead to accidents, disasters and defects, and strive to prevent them.
- Prepare for natural disasters, military attacks, contagious disease spread, cyber attacks and other emergencies by anticipating them and conducting training, drills and other readiness practices.
- In the event that an accident, natural disaster or other emergency occurs, work diligently in cooperation with all employees to realize rapid recovery and otherwise respond. This includes conveying appropriate information to customers in society, coordinating inside and outside the company, and arranging aid supplies.

10. Executive responsibility and thorough implementation of this code

The President and all executives of the Kansai Electric Power Group, recognizing their responsibility to implement this code, seek to build effective governance and make it understood well throughout the Group. Moreover, should any incident occur that violates this code and causes a loss of trust from society, all executives will bear responsibility for responding. This includes taking the lead in resolving resulting problems, investigating the causes and preventing recurrence.

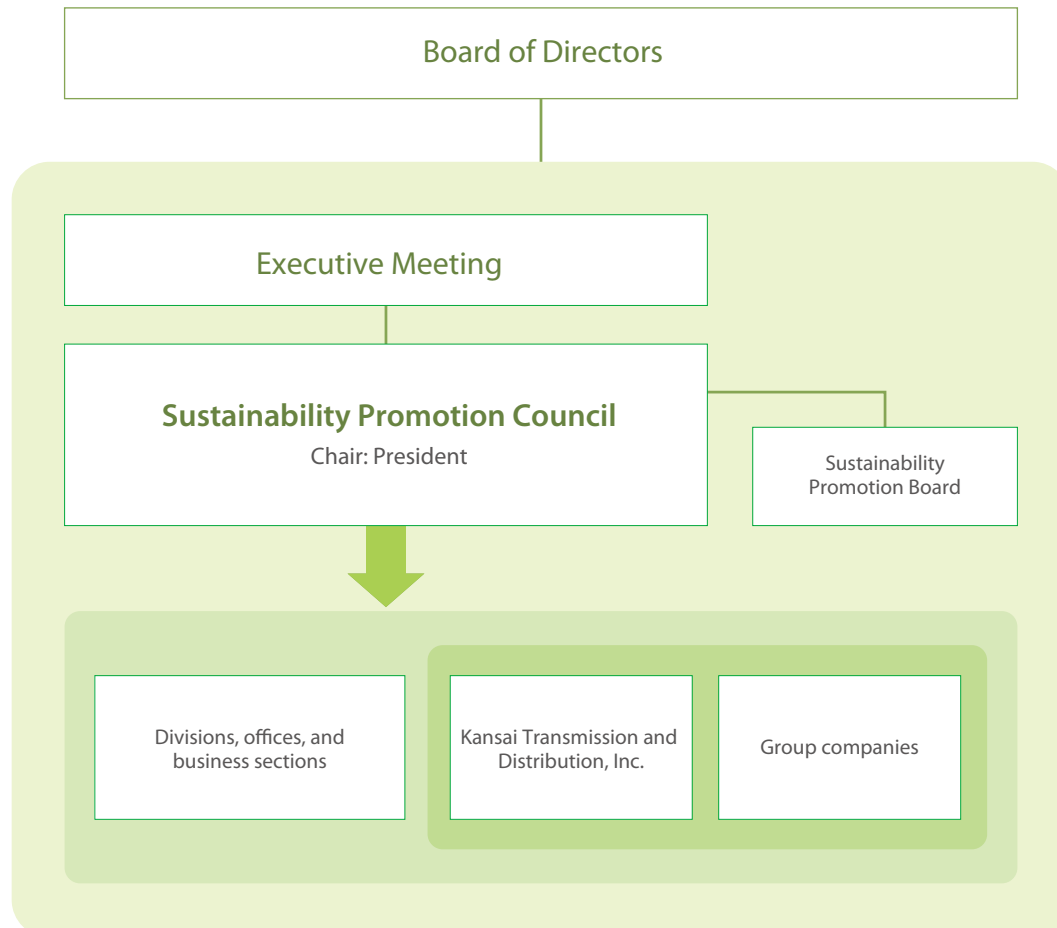
► Activities to implement the management philosophy and code of conduct

We have established an activity plan to spread awareness of the management philosophy as well as the code of conduct among all employees and to promote putting them into practice in daily tasks. Based on this plan, we are actively working on activities that include opinion exchanges between management and employees, varied types of training, workplace-specific discussions, distribution of email newsletters, and support activities for group companies. One aspect of the activities is the Conduct Cards, which list the Purpose & Values, Compliance Checklist, and Safe Action Declaration that we distribute to all employees to carry. The backs of the cards display each employee's personal conduct vows, and employees use these cards to check their conduct and goals in their own work. In fiscal 2022, looking back on the time when our management philosophy (Purpose & Values) was formulated, we added videos introducing the background and thoughts behind it. We also included explanatory materials on how it was written in English and discussion tools for "Innovation," among other "Values." All of this was undertaken in the interest of making our management philosophy easier to understand and put into practice.

► Sustainability promotion system

As a corporate group that aims to be of benefit to our customers and communities, we promote sustainability-focused initiatives to achieve growth and development for ourselves, but also to resolve global societal issues and so contribute to making society more sustainable. To further advance these initiatives, we have established the Sustainability Promotion Council, which is chaired by the President. In addition to formulating a series of comprehensive measures for the entire Group, the Sustainability Promotion Council establishes extensive initiatives that allow the Group to contribute to the sustainable development of society and deploys a range of concrete activities. Issues of a specialized nature are sent to committees such as the Sustainability Promotion Board for deliberation. The policies formulated by the Sustainability Promotion Council are communicated to each operating division and business location, which then develop their own activities accordingly.

Each group company also develops its own sustainability promotion activities independently, while staying in communication with the Kansai Electric Power Company.



► Materiality for the Kansai Electric Power Group (Important issues)

Aiming to achieve sustainable growth of our Group and also contribute to the sustainable development of society through the pursuit of SDGs and the resolution of other global issues, along with the formulation of our Medium-term Management Plan (2021-2025), we have identified the following 10 themes for the Group's materiality (important issues).

E

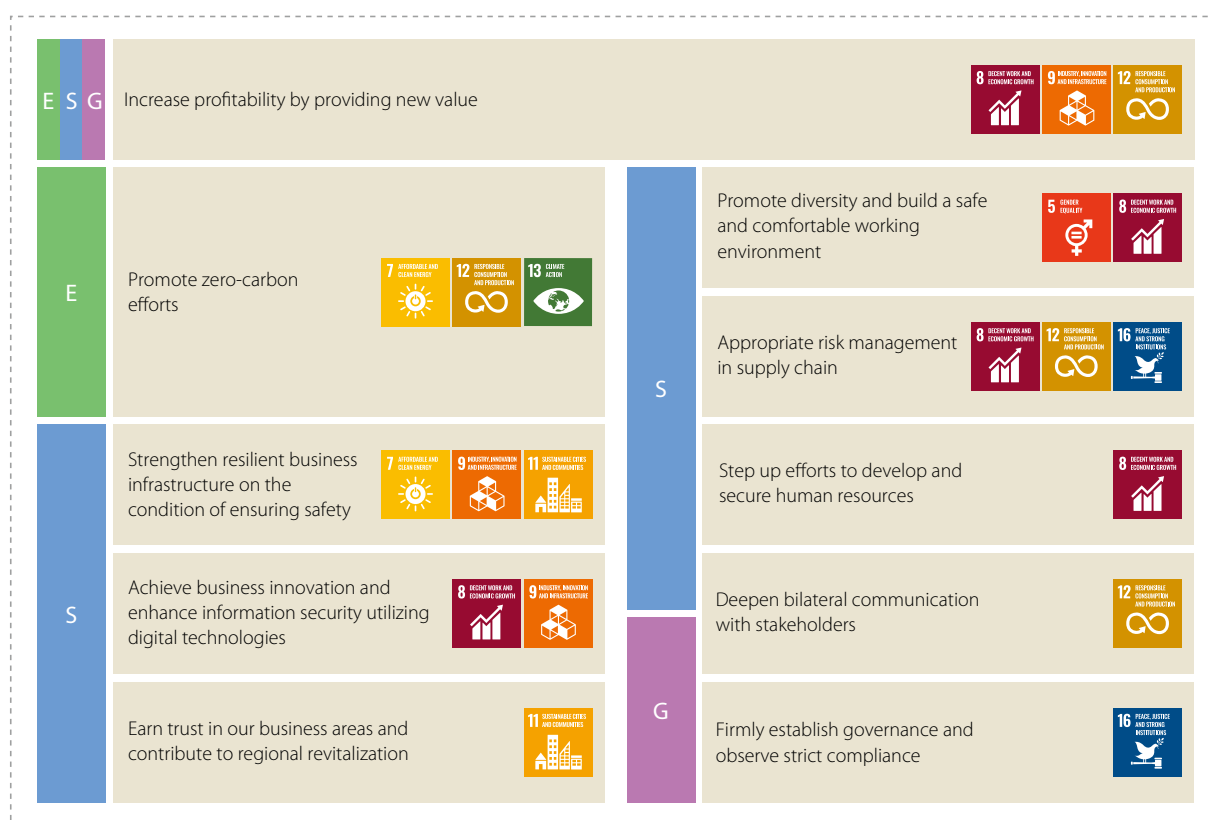
- Committed to realizing the Zero Carbon Vision 2050, the Kansai Electric Power Group is shifting to "zero-carbon power sources and optimal power grids for the introduction of low-carbon power sources," which include nuclear energy, renewable energy, and zero-carbon thermal power generation, to contribute to decarbonization.

S

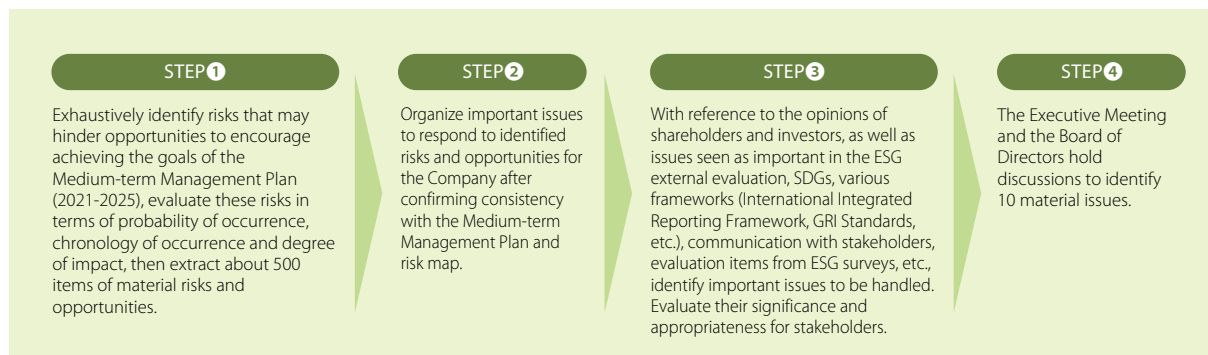
- We will speed up digitalization, innovation, and workstyle innovation; introduce reforms to make our corporate constitution more robust; and continue to provide new value to customers and society.

G

- We have positioned recovering trust as the basic premise of our business operations, and by establishing appropriate governance and furthering compliance, we are building a solid management foundation.



● Materiality identification process



We refer to the GRI standards (including aspects specific to power) as fundamental requirements that should be considered in reviews.

● Risks and opportunities of materiality (important issues)

| Materiality | | Risks | Opportunities |
|-------------|---|---|---|
| E | Increase profitability by providing new value | <ul style="list-style-type: none"> Reduced energy demand due to declining population Intensification of domestic retail power sales Reduced competitiveness of existing business models due to market entry by businesses from other industries Intensification of customer acquisition competition in the FTTH and mobile marketplaces Intensification of competition to acquire the excellent real estate properties in Japan Country and market risks related to overseas business expansion | <ul style="list-style-type: none"> Expanded business opportunities by the liberalization of electricity and gas markets (advancement into areas outside Kansai) Increased interest in energy due to advancements in energy conservation Changes in electricity usage patterns due to technological innovations Enhancement of sales channels with expanded alliances Expansion of domestic infrastructure business resulting from 5G popularization Business opportunities resulting from domestic social issues, including medicine, caregiving and the aging of society Business opportunities resulting from the diversification of needs, including decentralization |
| S | | | |
| G | | | |
| E | Promote zero-carbon efforts | <ul style="list-style-type: none"> Substantial revision of regulations and policies affecting existing businesses as a result of strengthening countermeasures for climate change issues | <ul style="list-style-type: none"> New revenue growth opportunities resulting from strengthening trends for ESG investment and decarbonization Expansion of renewable energy investment opportunities in Japan and abroad Revenue growth opportunities arising from establishing new markets Increased interest in energy due to advancements in energy conservation |
| S | Strengthen resilient business infrastructure on the condition of ensuring safety | <ul style="list-style-type: none"> Continued aging of power supply facilities Facility troubles caused by natural disasters, including abnormal weather phenomena caused by climate change, typhoons, torrential rains, earthquakes and tsunamis Unplanned shutdown of large-scale power sources, including nuclear power Interruption of stable power supply due to insufficient measures against cyber attacks and infectious diseases Tight supply-demand situation due to severe weather (intense heat and cold) | <ul style="list-style-type: none"> Trust earned from customers and society by strengthening resilient business foundations and resulting business opportunities |
| S | Achieve business innovation and enhance information security utilizing digital technologies | <ul style="list-style-type: none"> Interruption of stable power supply due to insufficient measures against cyber attacks Intensification of customer acquisition competition in the FTTH and mobile marketplaces Lost business opportunities due to slow business model reform and technological innovation as well as stagnation in expert personnel development | <ul style="list-style-type: none"> Changes in electricity usage patterns due to technological innovations Expansion of domestic infrastructure business resulting from 5G popularization Improved productivity and creation of new value through the utilization of digital technologies |
| S | Earn trust in our business areas and contribute to regional revitalization | <ul style="list-style-type: none"> Intensification of domestic retail power sales Country and market risks related to overseas business expansion Erosion of trust resulting from lack of communication with local communities | <ul style="list-style-type: none"> Business opportunities resulting from the diversification of needs, including decentralization Business opportunities resulting from increased overseas energy demand Expanded business opportunities by the liberalization of electricity and gas markets (advancement into areas outside Kansai) |
| S | Promote diversity and build a safe and comfortable working environment | <ul style="list-style-type: none"> Intensification of personnel hiring competition due to shrinking labor force Lost business opportunities due to slow business model reform and technological innovation as well as stagnation in expert personnel development | <ul style="list-style-type: none"> Creation of new value through the utilization of diverse personnel Increased productivity as a result of promoting workstyle innovation |
| S | Appropriate risk management in supply chain | <ul style="list-style-type: none"> Damage to corporate value due to safety issues or serious compliance violations including the supply chain | — |
| S | Step up efforts to develop and secure human resources | <ul style="list-style-type: none"> Intensification of personnel hiring competition due to shrinking labor force Lost business opportunities due to slow business model reform and technological innovation as well as stagnation in expert personnel development | <ul style="list-style-type: none"> Creation of new value through the utilization of diverse personnel Increased productivity as a result of promoting workstyle innovation |
| S | Deepen bilateral communication with stakeholders | <ul style="list-style-type: none"> Risk of failure in gaining the understanding of stakeholders due to insufficient information disclosure resulting from an unsatisfactory response to social demands such as ESG, etc. | <ul style="list-style-type: none"> Gain understanding of our business through timely and adequate information dissemination and communication with stakeholders. |
| G | | | |
| G | Firmly establish governance and observe strict compliance | <ul style="list-style-type: none"> Damage to corporate value due to safety issues or serious compliance violations including the supply chain | — |

● Objectives and results of materiality (important issues)

Of the initiatives for the identified materiality, we have extracted particularly important items to achieve the Medium-term Management Plan, with targets set as priorities.

| Materiality | Activities | FY 2022 objectives | FY 2022 results | FY 2023 objectives |
|---|---|---|---|---|
| Increase profitability by providing new value | Securing profitability | <ul style="list-style-type: none"> • Ordinary income "More than 100 billion yen averaged over three years (FY 2021–2023)" "More than 250 billion yen (FY 2025)" • FCF "Less than -50 billion yen averaged over three years (FY 2021–2023)" "More than 200 billion yen (FY 2025)" Register a surplus across total income booked between FY 2021 and FY 2025 • Equity Ratio "More than 20% (FY 2021–2023)" "More than 23% (FY 2025)" • ROA "More than 1.5% averaged over three years (FY 2021–2023)" "More than 3.5% (FY 2025)" | <ul style="list-style-type: none"> • Ordinary income "-6.6 billion yen" • FCF "-289.8 billion yen" • Equity Ratio "20.4%" • ROA "0.2%" | <ul style="list-style-type: none"> • Ordinary income "More than 100 billion yen averaged over three years (FY 2021–2023)" "More than 250 billion yen (FY 2025)" • FCF "Less than -50 billion yen averaged over three years (FY 2021–2023)" "More than 200 billion yen (FY 2025)" Register a surplus across total income booked between FY 2021 and FY 2025 • Equity Ratio "More than 20% (FY 2021–2023)" "More than 23% (FY 2025)" • ROA "More than 1.5% averaged over three years (FY 2021–2023)" "More than 3.5% (FY 2025)" |
| | | | | |
| Promote zero-carbon efforts | Advancement of efforts to control CO ₂ emissions | <ul style="list-style-type: none"> • Keep the top spot for the amount of zero-carbon power generation in Japan. • Halve CO₂ emissions associated with power generation in Japan in FY 2025 (compared to FY 2013). | <ul style="list-style-type: none"> • Retain the top spot for the amount of zero-carbon power generation in Japan (based on surveys and comparisons from the Survey of Electric Power Statistics). • Reduction of about 49% compared to FY 2013 | <ul style="list-style-type: none"> • Keep the top spot for the amount of zero-carbon power generation in Japan. • Halve CO₂ emissions associated with power generation in Japan in FY 2025 (compared to FY 2013). |
| | Further development and utilization of renewable energy sources | <ul style="list-style-type: none"> • Achieve 5 GW scale of new development and 9 GW scale of cumulative capacity by 2040. | <ul style="list-style-type: none"> • 3.92 GW*/9 GW or more (target) * The above figure is only for externally announced projects and includes power sources not under the jurisdiction of the Renewable Energy Division. | <ul style="list-style-type: none"> • Achieve 5 GW scale of new development and 9 GW scale of cumulative capacity by 2040. |
| | Maintain and improve thermal efficiency of thermal power plants | <ul style="list-style-type: none"> • Achieve benchmark indicators*. (A: 1.00, B: 44.3%) * Indicators based on the benchmark system of the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy | <ul style="list-style-type: none"> • Achieved benchmark indicators. (A: 1.00, B: 44.3%) | <ul style="list-style-type: none"> • Achieve benchmark indicators. (A: 1.00, B: 44.3%) |
| | Continuation of safe and stable operation of nuclear power plants | <ul style="list-style-type: none"> • Continue with safe and stable operation based on the operation plan. (Zero unplanned shutdown) | <ul style="list-style-type: none"> • One case of unplanned shutdown* occurred at Takahama Power Station Unit 4, but the reactor resumed power generation promptly after cause investigation and countermeasures were implemented. Safe and stable operation continued at other power stations. * Takahama Power Station Unit 4 reactor automatic shutdown (from January 30, 2023 to March 25, 2023) | <ul style="list-style-type: none"> • Continue with safe and stable operation based on the operation plan. (Number of unplanned shutdown "0," Nuclear power generated "45.3 billion kWh") |
| | Reducing transmission and distribution loss | <ul style="list-style-type: none"> • Maintain or reduce transmission and distribution loss. | <ul style="list-style-type: none"> • Transmission and distribution loss "5.10%" | — |
| | Efforts to introduce renewable energy and DER utilization in the grid network | — | — | <ul style="list-style-type: none"> • Promptly and smoothly promote grid interconnection and facility expansion that correspond to future renewable energy power potential. • Upgrade facilities and operations using IoT technology, etc. to introduce renewable energy and maximize DER utilization. |
| | Introduction of equipment for GHG emission reduction | — | — | <ul style="list-style-type: none"> • Number of GHG emission reduction equipment units installed Transformer with vegetable oil: 1 unit SF₆ alternative gas appliance: 1 unit |

| Materiality | Activities | FY 2022 objectives | FY 2022 results | FY 2023 objectives |
|---|--|---|---|---|
| Strengthen resilient business infrastructure on the condition of ensuring safety | Preparation for and handling of accidents and disasters | <ul style="list-style-type: none"> Conduct group-wide comprehensive emergency response drills. Active participation in disaster response training sponsored by external disaster response agencies Number of participants in education and lectures (preparation for nuclear power disasters) Number of drills and training | <ul style="list-style-type: none"> Number of participants in group-wide comprehensive emergency response drills "1,002" Participation in disaster response training sponsored by external disaster response agencies "41 sessions" (number of training sessions held) Number of participants in education and lectures "Approx. 5,300" Number of drills and training sessions "Approx. 7,100" | <ul style="list-style-type: none"> Conduct group-wide comprehensive emergency response drills, training, awareness raising, etc. Active participation in disaster response training sponsored by external disaster response agencies Evaluation of nuclear operator emergency response drills by the Secretariat of the Nuclear Regulation Authority: Grade A for all items |
| | Maintaining electric power quality | <ul style="list-style-type: none"> Average duration of power outage per household "Maintain the world's highest standards." "Appropriate implementation" of countermeasures against aging in replacement of utility poles and concrete poles | <ul style="list-style-type: none"> Annual duration of power outage per household: 7 minutes Replaced utility poles and concrete poles in a planned manner. (Countermeasures against aging) | <ul style="list-style-type: none"> Average duration of power outage per household "Maintain the world's highest standards." "Appropriate implementation of countermeasures against aging based on the business plan" (Replacement of 221 utility poles and 3,618 concrete poles) |
| | Ensuring public security at electrical power facilities | <ul style="list-style-type: none"> Number of injured ordinary citizens "0" | <ul style="list-style-type: none"> Number of injured ordinary citizens "6" | <ul style="list-style-type: none"> Number of injured ordinary citizens "0" |
| Achieve business innovation and enhance information security utilizing digital technologies | DX-based efforts to address management issues | <ul style="list-style-type: none"> Promotion of new value creation | <ul style="list-style-type: none"> Number of new value sources created "41" | <ul style="list-style-type: none"> DX-based efforts to address management issues [New] (Target: 25.2 billion yen in single-year benefits from DX) |
| | Information security management | <ul style="list-style-type: none"> Major information security incidents "0" | <ul style="list-style-type: none"> "1" incident (including Kansai Transmission and Distribution, Inc.) | <ul style="list-style-type: none"> Major information security incidents "0" |
| | DX personnel development | <ul style="list-style-type: none"> Promote DX personnel development through specialized training, etc. | <ul style="list-style-type: none"> Number of highly skilled DX personnel developing through secondment to K4 Digital Co., Ltd. "28" Number of division DX promoters through specialized training, etc. "1,190" | <ul style="list-style-type: none"> Formulate a DX personnel development strategy and implement systematic development. Develop 31 highly skilled DX personnel. Develop 1,800 division DX promoters. Raise the level of DX literacy through mandatory DX video training for all employees, etc. |
| Earn trust in our business areas and contribute to regional revitalization | Activities to contribute to local communities | <ul style="list-style-type: none"> Create and maintain demand in cooperation with local communities. | <ul style="list-style-type: none"> Number of sustainable community development plans realized "16" | <ul style="list-style-type: none"> Create and maintain demand in cooperation with local communities. |
| | Efforts to utilize customer feedback | <ul style="list-style-type: none"> Make efforts continuously. | <ul style="list-style-type: none"> Number of reform cases based on customer feedback "53" | <ul style="list-style-type: none"> Make efforts continuously. |
| | Improvement in customer relations quality | <ul style="list-style-type: none"> Customer satisfaction "90% or higher" | <ul style="list-style-type: none"> Customer satisfaction "92.7%" | — |
| Promote diversity and build a safe and comfortable working environment | Industrial accident status | <ul style="list-style-type: none"> Accident frequency rate "0" | <ul style="list-style-type: none"> Accident frequency rate "0.29" | <ul style="list-style-type: none"> Accident frequency rate "0" |
| | Promotion of diversity | <ul style="list-style-type: none"> Increase the ratios of female managers and female senior managers to "more than threefold those of FY 2018 (6.3% and 4.8%, respectively) by the end of FY 2030." Female employment ratios "40% or more for office jobs and 10% or more for technical jobs" Accelerate employment of persons with disabilities. | <ul style="list-style-type: none"> Ratio of female managers "3.2%", Ratio of female senior managers "2.7%" Female employment ratios "49% for office jobs and 14% for technical jobs" Employment rate of persons with disabilities "2.5%" | <ul style="list-style-type: none"> Increase the ratios of female managers and female senior managers to "more than threefold those of FY 2018 (6.3% and 4.8%, respectively) by the end of FY 2030." Female employment ratios "40% or more for office jobs and 10% or more for technical jobs" Accelerate employment of persons with disabilities |
| | Creation of workplaces where working is easy | <ul style="list-style-type: none"> Rate of paid leave utilization "90% or more" Total working hours "cut by 5% versus FY 2015, or 190 hours/year, which is equivalent to overtime working hours per person." Male employee childrearing leave utilization rate at "the same level as that of female employees" Average number of childrearing leave days taken by male employees "One month or more by FY 2025" Enhance employee turnover prevention measures. | <ul style="list-style-type: none"> Rate of paid leave utilization "99.4%" Overtime working hours per employee "250 hours/year" Male employee childrearing leave utilization rate "124%" Average number of childrearing leave days taken by male employees "14.5 days" Turnover rate "0.90%" | <ul style="list-style-type: none"> Rate of paid leave utilization "90% or more" Total working hours "cut by 5% versus FY 2015, or 190 hours/year, which is equivalent to overtime working hours per person." Male employee childrearing leave utilization rate at "the same level as that of female employees" Average number of childrearing leave days taken by male employees "One month or more by FY 2025" Enhance employee turnover prevention measures. |
| | Prevention of human rights violations in business activities | — | — | <ul style="list-style-type: none"> Number of human rights violations (serious human rights violations "0") |

| Materiality | Activities | FY 2022 objectives | FY 2022 results | FY 2023 objectives |
|---|---|---|--|--|
| Appropriate risk management in supply chain | Implementation of Basic Procurement Policy and promotion of its adoption by suppliers | <ul style="list-style-type: none"> Conduct a questionnaire survey for suppliers to promote their adoption of the Basic Procurement Policy. | <ul style="list-style-type: none"> Conducted a questionnaire survey for new suppliers regarding their procurement activities. Conducted a human rights due diligence fact-finding survey for major and new suppliers. | <ul style="list-style-type: none"> Conduct a questionnaire survey for suppliers to encourage permeation of the Basic Procurement Policy and the Declaration on Partnership Building. |
| Deepen bilateral communication with stakeholders | Timely and adequate information dissemination to shareholders/investors, and dialogue with them (including ESG) | <ul style="list-style-type: none"> Promote communication with stakeholders. Improve external evaluation of ESG. | <ul style="list-style-type: none"> Timely and adequate information dissemination through various types of media to shareholders (investors), and dialogue with them Enhanced disclosure content considering the opinions of shareholders (investors). Maintained the highest DJSI score among Japanese electric power companies. Improved CDP score. | <ul style="list-style-type: none"> Promote communication with stakeholders. Improve external evaluation of ESG. |
| Step up efforts to develop and secure human resources | Development of employee skills and abilities | <ul style="list-style-type: none"> Promotion of human resource development to endure in the highly competitive environment | <ul style="list-style-type: none"> Number of training participants "38,685" Total training cost "1,479 million yen" Time spent on training per employee "43.5 hours" Training cost per employee "85,400 yen" | <ul style="list-style-type: none"> Starting from FY 2023, the following KPIs will be set to review the actual situation. Evolution of diverse "individuals" and building an organization driven by diversity: "Growth oriented index," "Growth realization index," and "Diversity realization index" Building a work environment that supports diverse "individuals": "Satisfaction level with working environment" |
| | Strengthening of personnel hiring | <ul style="list-style-type: none"> Steady achievement of the recruitment plan "Number of planned new hires for FY 2023: 470 (New hires: 400, Mid-career recruits: 70)" Increase of mid-career recruitment | <ul style="list-style-type: none"> Number of new hires "484 (New hires: 414, Mid-career recruits: 70)" Mid-career recruiting plan "70 individuals" for FY 2023, "70" for FY 2024 | <ul style="list-style-type: none"> Number of planned new hires for FY 2024: "480 (New hires: 410, Mid-career recruits: 70)" |
| Firmly establish governance and observe strict compliance | Strict enforcement of compliance | <ul style="list-style-type: none"> Major social compliance violations "0" Major environmental compliance violations "0" | <ul style="list-style-type: none"> Major social compliance violations "4" Major environmental compliance violations "2" | <ul style="list-style-type: none"> Major social compliance violations "0" Major environmental compliance violations "0" |
| | Promote utilization of the Compliance Hotline | <ul style="list-style-type: none"> Compliance Hotline utilization status | <ul style="list-style-type: none"> Number of consultations accepted at Compliance Hotline "84". Of these, the number of major compliance violations "0" | <ul style="list-style-type: none"> Compliance Hotline utilization status |
| | Maintaining and strengthening governance system | <ul style="list-style-type: none"> Steady annual implementation of effectiveness evaluation of the Board of Directors, etc. and continuous improvement based on the evaluation results Checking the status of maintenance and operation of internal control systems | <ul style="list-style-type: none"> An effectiveness evaluation of the Board of Directors, etc. was implemented using a third-party organization. Based on the results, major future issues and direction for addressing these issues were reported to the Board of Directors. Appropriately implemented. See pages 104-113 of this Report for details. | <ul style="list-style-type: none"> Annual implementation of effectiveness evaluation of the Board of Directors, etc. and continuous improvement based on the evaluation results Attendance rate at the Board of Directors meetings "75% or more" |

See pages 33-34 of the Integrated Report for items extracted as particularly important to achieve the Medium-term Management Plan.



E

ENVIRONMENT

- ◆ Environmental Management
- ◆ Environmentally Friendly Business
- ◆ Climate Change
- ◆ Resource Circulation
- ◆ Pollution Prevention
- ◆ Efforts Toward Conserving Biodiversity
- ◆ Water Resources

Environmental Management

ENVIRONMENT



► Policy and Concept

● Environmental policy

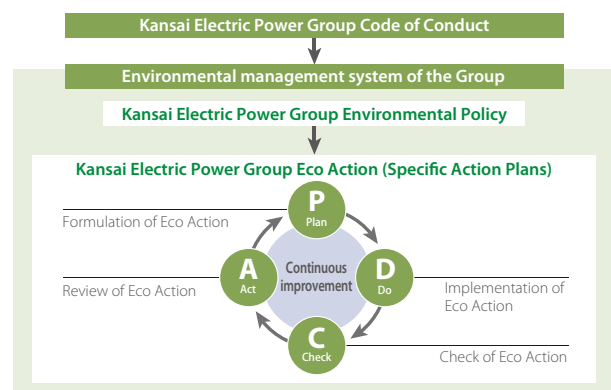
As a responsible energy business deeply involved with the environment, we recognize the importance of addressing various environmental issues, such as climate change, resource recycling promotion and local environmental conservation. We are also committed to reducing the environmental burden and risks related to our business activities in line with the Kansai Electric Power Group Code of Conduct, which aims to proactively contribute to building a better environment and a sustainable society by providing environmentally friendly products and services. Moreover, in line with our conduct standards for individuals, we fully recognize the significance of environmental conservation, pay due consideration to the environmental impact of our business operations and support environmentally friendly practices with an emphasis on resource and energy conservation.

The Kansai Electric Power Group Environmental Policy sets the direction of our medium- to long-term environmental management plans, featuring seven approaches to address climate change, each of which is being promoted. The Environmental Policy is subject to review and examination by the Sustainability Promotion Board as necessary, and the results of which are communicated to our employees as well as to employees of group companies.

● Environmental management system

Our Group has an environmental management system in place, incorporating the ISO 14001 guidelines, in order to promote measures for building a better environment and manage environmental risks. Our environmental management system, supervised by top management, is being upgraded through a continuous PDCA cycle—i.e., development of environmental policies; development, implementation, check and review of our Group's Eco Action (an action plan for environmental management); and management review by the Sustainability Promotion Board. Eco Action covers both our business activities and office activities while the latter concerns group-wide efforts to conserve resources and save energy.

◆ Environmental management system of the Kansai Electric Power Group (PDCA cycle)



● Kansai Electric Power Group Environmental Policy

1. Adhering to environmental laws, regulations and related rules

At the Kansai Electric Power Group, we adhere to laws, regulations and other rules related to the environment.

2. Responding to climate change

At the Kansai Electric Power Group, recognizing climate change as a key business challenge, we actively work to reduce greenhouse gas emissions. We pursue the goal of carbon neutrality throughout the entirety of our business activities and support our customers and society in achieving decarbonization by 2050. In addition, we also work to adapt in preparation for the harmful impacts of climate change.

3. Promoting resource circulation

At the Kansai Electric Power Group, recognizing that natural resources are limited, we advance efforts toward resource circulation in society as a whole. Our efforts include reducing natural resource consumption in our business activities, proactively promoting 3R (reduce, reuse, recycle) practices, and providing products and services that contribute to resource circulation.

4. Protecting local community environments

At the Kansai Electric Power Group, we seek to prevent environmental pollution while working to strictly manage and reduce toxic chemicals in our business activities in order to promote the environmental protection of local communities.

5. Conserving biodiversity

At the Kansai Electric Power Group, we recognize the importance of biodiversity. We properly assess, analyze and evaluate the impacts of our business activities and work to preserve biodiversity.

6. Promoting environmental communication

At the Kansai Electric Power Group, we work proactively to raise environmental awareness and disclose information related to the environment.

7. Continuously improving our environmental management systems

At the Kansai Electric Power Group, we seek to continuously improve our environmental management systems in order to increase our environmental performance.

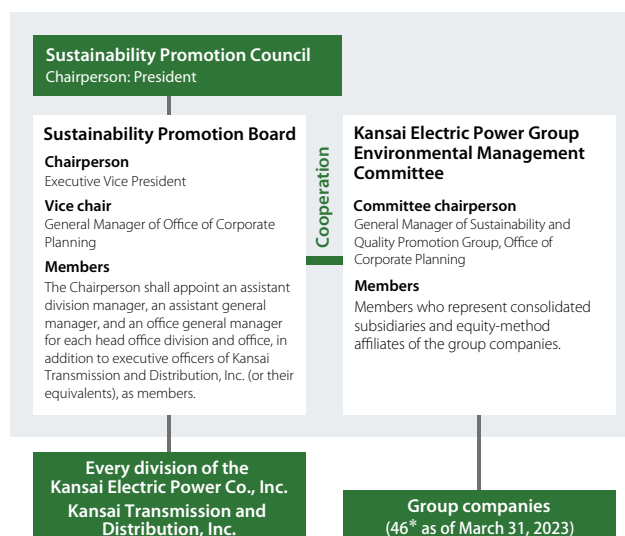


System

Environmental management efforts are ongoing, with the President (as Chief Environmental Management Officer) leading the environmental officers of each division and organization. Meanwhile, the Office of Corporate Planning and the Office of Energy and Environmental Planning are promoting corporate environmental management, utilizing their expertise in environmental issues while providing assistance and guidance to each division (support for independent environmental management).

The Sustainability Promotion Board, which is in principle held twice a year, reviews our environmental management system, the results of which are reflected in the system itself. At the same time, the Kansai Electric Power Group Environmental Management Committee, composed of representatives from consolidated subsidiaries and equity-method affiliates, usually holds an annual meeting to exchange information on issues concerning our Group's environmental management activities while cooperating as needed with the Sustainability Promotion Board.

◆ Environmental management promotion system of the Kansai Electric Power Group



* 46 companies, which are selected from 80 consolidated subsidiaries and 4 equity-method affiliates, excluding those that have low environmental impacts and Kansai Transmission and Distribution, Inc.

Goals

● Environmental Management System (list of Eco Action)

Kansai Electric Power Group Eco Action (results in fiscal 2022 and targets for fiscal 2023)

◆ Responding to climate change

| Item | FY 2022 | | FY 2023 |
|--|--|---|---|
| | Targets | Results | Targets |
| Advancing efforts to control CO ₂ emissions | <ul style="list-style-type: none"> Keep the top spot for the amount of zero-carbon power generation in Japan Halve CO₂ emissions associated with power generation in Japan in FY 2025 (compared to FY 2013) | <ul style="list-style-type: none"> We kept the top spot for the amount of zero-carbon power generation in Japan (based on surveys and comparisons made in the electric power statistics) Reduction of about 49% from fiscal 2013 levels of CO₂ emissions associated with power generation in Japan | Continued |
| Continuing safe and stable operation of nuclear power plants*1*4 | <ul style="list-style-type: none"> Continue safe and stable operation of nuclear power plants (Zero unplanned shutdowns) | <ul style="list-style-type: none"> We continued the safe and stable operations at running plants (One unplanned shutdown) | <ul style="list-style-type: none"> Continue safe and stable operation based on the operation plan (Zero unplanned shutdowns) (Nuclear power generated "45.3 billion kWh") |
| Further development and utilization of renewable energy*5 | <ul style="list-style-type: none"> Achieve 5 GW scale of new development and 9 GW scale of cumulative capacity in Japan by 2040 | <ul style="list-style-type: none"> Cumulative capacity of 3.92 GW (as of the end of FY 2022) (Capacity of facilities that have begun operation (completed construction): about 3.83 GW; Project underway: about 0.09 GW) | Continued |
| Maintaining and improving the thermal efficiency of thermal power plants*2*4 | <ul style="list-style-type: none"> Achieve benchmark indicators*2 (A: 1.00, B: 44.3%) | <ul style="list-style-type: none"> We achieved benchmark indicators | Continued |
| Reducing transmission and distribution loss*3 | <ul style="list-style-type: none"> Maintain or reduce transmission and distribution loss | <ul style="list-style-type: none"> 5.10% | [Revised items] <ul style="list-style-type: none"> Introduction of equipment for GHG emission reduction Efforts to introduce renewable energy and DER utilization in the grid network [Targets] <ul style="list-style-type: none"> Number of GHG emission reduction equipment units installed <ul style="list-style-type: none"> Transformer with vegetable oil: 1 unit SF₆ alternative gas appliance: 1 unit Promptly and smoothly promote grid interconnection and facility expansion that correspond to future renewable energy power potential. Upgrade facilities and operations using IoT technology, etc. to introduce renewable energy and maximize DER utilization. |
| Promoting use of innovative forms of energy among customers and communities*3 | <ul style="list-style-type: none"> Contribute to making energy use by customers and communities more sophisticated | <ul style="list-style-type: none"> Install smart meters at all customer locations as originally planned Number of smart meters installed (as of end March 2023) Kansai Transmission and Distribution's service area: 13.05 million units (100%*) * Excluding areas where replacement is not feasible | |
| Controlling SF ₆ emissions (calendar year basis) (gas recovery rate upon inspection/removal of equipment) | <ul style="list-style-type: none"> 97% (upon inspection) 99% (upon removal) | <ul style="list-style-type: none"> 99.6% (upon inspection) 99.4% (upon removal) | Continued |

*1 CO₂ emissions per unit power consumed (sold)

*2 Indicators based on the benchmark system of the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy

*3 Targets apply only to Kansai Transmission and Distribution, Inc.

*4 Targets apply only to the Company.

*5 Targets apply to the Company and group companies (excluding Kansai Transmission and Distribution, Inc.)



◆ Promoting resource circulation

| Item | FY 2022 | | FY 2023 |
|---|---------|---------|-----------|
| | Targets | Results | Targets |
| Maintaining industrial waste recycling rate | • 99.5% | • 99.8% | Continued |

• Waste plastic reduction program

Results in fiscal 2022 of waste plastic volume: About 247.8 tonnes by the Kansai Electric Power Company
About 1,619.8 tonnes by Kansai Transmission and Distribution

Targets for fiscal 2023: Reduce and recycle waste plastics to as great a degree as possible.

◆ Protecting local community environments

| Item | FY 2022 | | FY 2023 |
|--|--|---|--|
| | Targets | Results | Targets |
| Maintaining sulfur oxide (SOx) and nitrogen oxide (NOx) emission factors | SOx | Overall: 0.024 g/kWh Thermal: 0.045 g/kWh All agreed values were met | Continued |
| | NOx | Overall: 0.044 g/kWh Thermal: 0.082 g/kWh All agreed values were met | |
| Proper processing of PCB* ¹ wastes | • Proceed with certainty to achieve processing before the legal deadline | • Cumulative total amount of high-level PCB processed Large equipment: 5,422 units* ² | Continued |
| Proper handling of products containing asbestos | (New items effective FY 2023) | (New items effective FY 2023) | Proper control and processing in compliance with relevant laws and regulations |

*1 PCB: Poly chlorinated biphenyl, a compound widely used for transformer insulating oil, etc., because of its excellent electrical insulation properties. Being hazardous to ecological systems, however, PCB production/use is generally banned. High-level PCB is used deliberately while low-level PCB is accidentally mixed in.

*2 Number of high-voltage transformers, capacitors and other electrical equipment that were subcontracted to the Japan Environmental Storage & Safety Corporation (JESCO).

◆ Conserving biodiversity

| Item | FY 2022 | | FY 2023 |
|------------------------------|---|--|-----------|
| | Targets | Results | Targets |
| Conservation of biodiversity | • Consideration of biodiversity through business activities | • Field studies were conducted around the hydropower plant located near the Kiso River system in Nagano Prefecture, with a focus on the habitat and the growth environment for flora and fauna (Sep. 14-15, Oct. 12-14). | Continued |



◆ Office energy and resource conservation activities (group-wide items)



* Calculated for 36 consolidated subsidiaries (excluding Kansai Transmission and Distribution, Inc.) for which three-year data (FY 2020–2022) is available.

▶ Efforts

● Environmental compliance

Recognizing “strict enforcement of compliance” as part of materiality (important issues), our Group is committed to eliminating any major violations of environmental compliance.

Major violations of environmental compliance reported in fiscal 2020 to 2022 are summarized below.

◆ Major environmental compliance violations

| Item | Targets | Results | | |
|---|---------|---------|---------|---------|
| | | FY 2020 | FY 2021 | FY 2022 |
| Major environmental compliance violations | 0 | 1 | 4 | 2 |

• Major violations of environmental compliance occurred or reported in each fiscal year are included.

• “Major violations of environmental compliance” are defined as “violations that have impacted (or could impact) the surrounding environment and/or human health.”

• None of these major environmental compliance violations resulted in fines due to penalization.

Major violations of environmental compliance occurred or reported in fiscal 2022 are summarized below.

◆ Summary of major violations of environmental compliance

- Non-conformance to effluent standards set by the Water Pollution Control Law, etc. (discharge of muddy water into the surrounding area)
- Discharge of sodium hypochlorite into the sea

We are implementing efforts to identify root causes, review in-house rules (observance of relevant laws and regulations), and educate employees to prevent any recurrence of these violations.

In addition, details of these incidents are communicated company-wide and preventive measures are shared between all those concerned to prevent similar violations from taking place at other offices.



● Performance data

| Eco Action-related | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|------------------|--------------|-------------------------|-------------------------|--------------------|
| SF ₆ gas emissions | | t | 0.1 | 0.1 | 0.1 |
| | •Upon inspection | | 0.0 | 0.0 | 0.1 |
| | •Upon removal | | 0.1 | 0.0 | 0.0 |
| SF ₆ gas recovery rate | | | | | |
| | •Upon inspection | % | 99.6 | 98.3 | 99.6 |
| | •Upon removal | | 99.3 | 99.4 | 99.4 |
| Transmission and distribution loss rate*1*2 | | | | 5.1 | 5.3 |
| Number (cumulative total) and rate of smart meters installed*2 | | million % | About 12.25 About 93 | About 12.74 About 97 | About 13.05 100 |

*1 Transmission and distribution loss rates = (area transmission-end power – area consumption power (end use) – substation power) / area transmission-end power × 100 [%]
 "Area" in this case refers to the entire supply area of Kansai Transmission and Distribution, Inc.

*2 Figures representing Kansai Transmission and Distribution, Inc. only

| Office-related | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|---------------------------------------|--------------------------|---------|---------|---------|
| Energy and resource conservation (Office division) | Office electricity consumption*1 | GWh | 74 | 72 | 70 |
| | Office water consumption*1 | 1,000 m ³ | 388 | 392 | 386 |
| | Fuel efficiency of company vehicles | km/L | 9.68 | 9.52 | 9.36 |
| | Vehicle fuel consumption (gasoline) | 1,000 kL | 1.6 | 1.6 | 1.5 |
| | Vehicle fuel consumption (diesel oil) | | 0.8 | 0.8 | 0.8 |
| | Copy paper consumption | t | 662 | 521 | 490 |
| CO ₂ emissions resulting from office activities*2 | Office electricity | 10,000 t-CO ₂ | 2.6 | 2.2 | 2.9 |
| | Office water | | 0.01 | 0.01 | 0.01 |
| | Vehicle fuels | | 0.6 | 0.6 | 0.6 |

*1 The scope of this calculation was reviewed for the actual consumption amounts of office electricity and water.

*2 CO₂ emissions from office activities = amount of electricity consumption × adjusted emission factor
 CO₂ emissions from office water consumption = amount of office water consumption × emission factor
 CO₂ emissions from vehicle use = amount of vehicle fuel consumption × emission factor by type of fuel

| Material-related, revegetation rate | | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|---|---------|---------|---------|---------|
| Amount of limestone used*1 | | 1,000 t | 56 | 71 | 62 |
| Amount of ammonia used*1 | | | 8 | 7 | 8 |
| Revegetation rate*2 (end of fiscal year) | Thermal power plants*3 | % | 42 | 41 | 44 |
| | Nuclear power plants | | 67 | 66 | 66 |
| | Electric power offices (substations) | | 28 | 28 | 28 |

*1 Figures representing the Company only

*2 Revegetation rate = (business site revegetation area ÷ business site total area) × 100

*3 The method of calculating the area of forests was revised.

| Rates of conversion to underground transmission and distribution lines* | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|------|---------|---------|---------|
| Rate of conversion to underground transmission lines (end of fiscal year) | % | 17.6 | 17.6 | 17.6 |
| Rate of conversion to underground distribution lines (end of fiscal year) | | 10.4 | 10.4 | 10.4 |

* Figures representing Kansai Transmission and Distribution, Inc. only



● Environmental conservation cost

We practice and announce the results of environmental accounting for the Company and Kansai Transmission and Distribution, Inc. as well as those for our group companies, where the costs and effects of environmental conservation in our business activities are determined.

◆ FY 2022 assessment

We invested a total of about 8.3 billion yen in environmental conservation, a year-on-year increase of about 0.8 billion yen, while the total cost amounted to about 17.19 billion yen, a year-on-year increase of about 1.02 billion yen, due to a higher radioactive waste processing cost, etc.

◆ Environmental conservation costs (100 million yen)

| Category | Investment | | Expenses | | Major items |
|---|------------|-------------|----------|--------------|---|
| | FY 2021 | FY 2022 | FY 2021 | FY 2022 | |
| 1. Global environmental conservation costs (CO ₂ reductions, etc.) | 0.0 | 0.0 | 2.0 | 2.0 | SF ₆ gas recovery |
| 2. Local environmental conservation costs | 70 | 80 | 38.3 | 40.2 | — |
| (1) Measuring/monitoring environmental impact | 2.3 | 1.4 | 13.7 | 12.1 | Radiation control and measurement, air quality concentration measurement, marine area surveys |
| (2) Pollution control (air pollution, water contamination, oil leakage, etc.) | 68.2 | 78.1 | 18.2 | 21.6 | Air pollution control measures, water contamination prevention measures |
| (3) Nature conservation | 0 | 0 | 6.3 | 6.5 | Revegetation |
| 3. Costs to build a circular economy | 4.5 | 3.4 | 118.3 | 124.7 | — |
| (1) Industrial waste processing, recycling | 4.5 | 3.3 | 52.1 | 55.1 | Industrial waste processing, PCB processing |
| (2) General waste processing, recycling | 0 | 0 | 0.0 | 0.0 | Paper recycling |
| (3) Radioactive waste processing | 0 | 0 | 66.0 | 69.6 | Low-level radioactive waste processing |
| (4) Green purchasing | 0.0 | 0.0 | 0.0 | 0.0 | Research-related work |
| 4. Environmental management costs | 0 | 0 | 0.6 | 0.6 | Environmental reports |
| 5. R&D costs | 0 | 0 | 2.4 | 4.6 | Load leveling, environmental conservation, energy savings and recycling, natural energy |
| 6. Other costs | 0 | 0 | 0.2 | 0.2 | Research Center repairs |
| Total | 75.0 | 83.0 | 161.7 | 171.9 | — |
| Total capital investment during the period | 5,228 | 4,658 | — | — | — |
| Operating expenses during the period | — | — | 27,526 | 40,039 | — |

Note: Based on the Environmental Accounting Guidelines 2005 issued by the Ministry of the Environment.

Depreciation is not calculated into expenses.

Composite costs are tallied proportionally by one of three methods: (1) calculation of differences; (2) proportional division based on rational criteria; and (3) proportional division based on criteria of expediency.

Costs involved in generating nuclear power are calculated with the sum of individual measures to protect the environment taken as environmental conservation costs (radiation control and measurement, low-level radioactive waste processing, etc.).

Figures may not add up due to rounding off.



● Effects of environmental conservation

◆ FY 2022 assessment

Fiscal 2022 CO₂ emissions before adjustment increased from fiscal 2021 levels with nuclear power plants operating at lower rates. As a leading company in zero-carbon energy, we are committed to operating its nuclear power stations in a safe and stable manner while developing and promoting renewable energy.

SO_x and NO_x emission intensities improved as our coal-fired thermal power plants operated at lower rates, with lower emissions.

◆ Effects of environmental conservation

| Category | Item (unit) | | FY 2021 | FY 2022 |
|--------------------------------------|--|-----------------------------|---------|---------|
| 1. Global environmental conservation | CO ₂ emissions (before adjustment) | (10,000 t-CO ₂) | 3,011 | 4,012 |
| | CO ₂ emission intensity (before adjustment) | (kg-CO ₂ /kWh) | 0.299 | 0.360 |
| | CO ₂ emissions (after adjustment) | (10,000 t-CO ₂) | 3,107 | 4,689 |
| | CO ₂ emission intensity (after adjustment) | (kg-CO ₂ /kWh) | 0.309 | 0.420 |
| 2. Local environmental conservation | Air pollution control | | | |
| | SO _x emissions | (t) | 2,645 | 2,111 |
| | SO _x emission intensity | (g/kWh) | 0.054 | 0.045 |
| | NO _x emissions | (t) | 4,125 | 3,875 |
| | NO _x emission intensity | (g/kWh) | 0.084 | 0.082 |
| | Landscape integration | | | |
| 3. Building a circular economy | Revegetation area | (1,000 m ²) | 3,168 | 3,167 |
| | Industrial and other waste generated | (1,000 t) | 681 | 591 |
| | Recycling rate for industrial waste, etc. | (%) | 99.8 | 99.8 |
| | Low-level radioactive waste | (Rods) | -1,577 | -2,245 |

Note: CO₂ emissions: including from power supplied by other companies; CO₂ emissions and CO₂ emission intensity: the results for FY 2022 are provisional and the actual CO₂ emission factor will be officially announced by the government in accordance with the Law Concerning the Promotion of the Measures to Cope with Global Warming, etc.; CO₂ emission factor: by the amount of power sold (adjusted CO₂ emissions include environmental value adjustments under the surplus solar power purchasing system and the renewable energy feed-in tariff system in addition to deduction reflecting carbon credits); SO_x and NO_x emissions: only the Company's self-generated power; SO_x and NO_x emission factor: by the amount of power generated by thermal power plants of the Company; Low-level radioactive waste: Net generation (generated amount – reduced amount)

● Economic benefits from environmental conservation measures

◆ FY 2022 assessment

Economic benefits increased approximately 0.3 billion yen from the previous year due to an increase of gain on sale of disused articles, etc.

◆ Economic benefits from environmental conservation measures (100 million yen)

| Category | | FY 2021 | FY 2022 | Major items |
|--------------|--|---------|---------|--|
| Revenue | Operating revenues from recycling, etc. | 71.5 | 74.3 | Gain on sale of disused articles (recycling) |
| Cost savings | Cost savings from reuse, recycling, etc. | 0.1 | 0.5 | Cost savings from the purchase of recycled items |
| Total | | 71.6 | 74.7 | — |



● Environmental accounting (group companies)

◆ Environmental accounting of group companies

The environmental accounting applies to 18 group companies that participate in the Kansai Electric Power Group Environmental Management Committee (as of FY 2022).

◆ Environmental conservation costs (thousand yen)

| Category | Major items | Investment | | Expenses | |
|--|--|------------|---------|-----------|---------|
| | | FY 2021 | FY 2022 | FY 2021 | FY 2022 |
| Costs for pollution control | Air, water and soil pollution prevention | 15,706 | 8,952 | 54,634 | 36,992 |
| Costs for resource recycling | General and industrial waste processing and recycling | 0 | 0 | 1,086,113 | 549,639 |
| Costs for management activities | Environmental protection efforts, environmental education and related activities at business places and in their neighborhoods | 1,662 | 1,632 | 30,182 | 33,610 |
| Costs for community activities | Contributions to and support of environmental protection activities and environmental protection organizations outside the company | 0 | 0 | 0 | 0 |
| Costs for research and development | Research and development of products, for example, that contribute to environmental protection | 0 | 0 | 1,800 | 2,500 |
| Costs related to environmental damages | Natural restoration, damage compensation, etc. | 0 | 0 | 255 | 238 |
| Other costs | | — | — | 0 | 0 |
| Total | | 9,352 | 10,584 | 1,172,984 | 622,978 |

• Only group companies with proven track records that comprise the Kansai Electric Power Group Environmental Management Committee (excluding Kansai Transmission and Distribution, Inc.)

◆ Environmental conservation effects (physical effects)

| Category | Item (unit) | FY 2021 | FY 2022 |
|---|---|---------|---------|
| Global and local environmental conservation | CO ₂ emissions (10,000 t-CO ₂) | 16.8 | 9.9 |
| | SO _x emissions (t) | 0.4 | 0.4 |
| | NO _x emissions (t) | 59.1 | 42.9 |
| Environmental management | ISO or other external certifications (locations)* | 5 | 5 |
| Building a circular economy | Industrial waste generated (1,000 t) | 84.0 | 57.4 |

* Cumulative to end of fiscal year

• Only group companies with proven track records that comprise the Kansai Electric Power Group Environmental Management Committee (excluding Kansai Transmission and Distribution, Inc.)

◆ Economic benefits from environmental conservation measures (million yen)

| Category | Major items | FY 2021 | FY 2022 |
|--------------|--|---------|---------|
| Revenue | Operating revenues from recycling, etc. | 42.0 | 59.0 |
| Cost savings | Cost savings from reuse, recycling, etc. | 0.4 | 0.3 |
| Total | | 42.4 | 59.3 |

• Only group companies with proven track records that comprise the Kansai Electric Power Group Environmental Management Committee (excluding Kansai Transmission and Distribution, Inc.)



◆ Management of chemical substances (PRTR)

| Name of targeted chemical substance | Releases (t/year) | | |
|-------------------------------------|----------------------|-----------------------|-----------------------|
| | FY 2020 | FY 2021 | FY 2022 |
| Asbestos (specified) | 0.0 | 0.0 | 0.0 |
| | (0.0) | (0.0) | (0.0) |
| Ethylbenzene | 5.9 | 3.2 | 6.5 |
| | (5.9) | (3.2) | (6.5) |
| Ferric chloride | 0.0 | 0.0 | 0.0 |
| | (0.0) | (0.0) | (0.0) |
| Xylene | 9.1 | 3.7 | 7.4 |
| | (9.1) | (3.7) | (7.4) |
| Styrene | — | — | 1.2 |
| | (—) | (—) | (1.2) |
| Dioxins (specified) | 0.11 (mg-TEQ/year) | 0.061 (mg-TEQ/year) | 0.019 (mg-TEQ/year) |
| | (0.11 (mg-TEQ/year)) | (0.061 (mg-TEQ/year)) | (0.019 (mg-TEQ/year)) |
| 1,2,4-Trimethylbenzene | <0.1 | — | <0.1 |
| | (<0.1) | (—) | (<0.1) |
| Toluene | 5.0 | 3.6 | 4.7 |
| | (5.0) | (3.6) | (4.7) |
| Hydrazine | 0.0 | <0.1 | <0.1 |
| | (0.0) | (<0.1) | (<0.1) |
| n-Hexane | — | — | 0.2 |
| | (0.0) | (0.0) | (0.2) |
| Benzenes (specified) | <0.1 | 0.1 | 0.1 |
| | (<0.1) | (0.1) | (0.1) |
| Boron compound | 0.0 | — | 0.0 |
| | (0.0) | (—) | (0.0) |
| PCB | — | — | — |
| | (—) | (—) | (—) |
| Methylnaphthalene | 2.3 | 1.1 | 1.2 |
| | (2.3) | (1.1) | (1.2) |
| Bromotrifluoromethane | — | — | — |
| | (—) | (—) | (—) |
| Nonylphenoxyethanol | — | — | — |
| | (—) | (—) | (—) |
| Ethylenediaminetetraacetic acid | 0.0 | — | — |
| | (0.0) | (—) | (—) |
| Manganese and its compounds | — | 0.0 | — |
| | (—) | (0.0) | (—) |
| 2,6-Di-tert-butyl-p-cresol | (0.0) | (0.0) | (—) |
| Methanol | (—) | (—) | (—) |
| 4-Methyl-2-pentanone | (—) | (—) | (—) |
| Tetrachloroethylene | (—) | (—) | (—) |



| Name of targeted chemical substance | Transfers (t/year) | | |
|-------------------------------------|-----------------------|------------------------|-------------------------|
| | FY 2020 | FY 2021 | FY 2022 |
| Asbestos (specified) | 14 | 4.2 | 4.6 |
| | (14) | (4.2) | (4.6) |
| Ethylbenzene | 0.0 | 0.0 | <0.1 |
| | (0.0) | (0.0) | (<0.1) |
| Ferric chloride | 0.0 | 0.0 | 0.0 |
| | (0.0) | (0.0) | (0.0) |
| Xylene | 0.0 | 0.0 | <0.1 |
| | (0.0) | (0.0) | (<0.1) |
| Styrene | — | — | 0.0 |
| | (—) | (—) | (0.0) |
| Dioxins (specified) | 0.079 (mg-TEQ/year) | 0.0019 (mg-TEQ/year) | 0.00055 (mg-TEQ/year) |
| | (0.079 (mg-TEQ/year)) | (0.0019 (mg-TEQ/year)) | (0.00055 (mg-TEQ/year)) |
| 1,2,4-Trimethylbenzene | 0.0 | — | 0.0 |
| | (0.0) | (—) | (0.0) |
| Toluene | 0.0 | 0.0 | 0.1 |
| | (0.0) | (0.0) | (0.1) |
| Hydrazine | 0.0 | 6.3 | 2.8 |
| | (0.0) | (6.3) | (2.8) |
| n-Hexane | — | — | 0.0 |
| | (2.0) | (1.4) | (1.7) |
| Benzenes (specified) | 0.0 | 0.0 | 0.0 |
| | (0.0) | (0.0) | (0.0) |
| Boron compound | 6.9 | — | 0.0 |
| | (6.9) | (—) | (0.0) |
| PCB | — | — | — |
| | (—) | (—) | (—) |
| Methylnaphthalene | 0.0 | 0.0 | 0.0 |
| | (0.0) | (0.0) | (0.0) |
| Bromotrifluoromethane | — | — | — |
| | (—) | (—) | (—) |
| Nonylphenoxypolyoxyethanol | — | — | — |
| | (—) | (—) | (—) |
| Ethylenediaminetetraacetic acid | 0.0 | — | — |
| | (0.0) | (—) | (—) |
| Manganese and its compounds | — | 0.3 | — |
| | (—) | (0.3) | (—) |
| 2,6-Di-tert-butyl-p-cresol | <0.1 | <0.1 | <0.1 |
| Methanol | (—) | (—) | <0.1 |
| 4-Methyl-2-pentanone | (—) | (—) | <0.1 |
| Tetrachloroethylene | (—) | (—) | <0.1 |

Notes:

- The chart shows total values reported in compliance with the PRTR Law.
- "0" indicates no releases or transfers at targeted business sites.
- "<0.1" indicates less than 0.1 t/year releases, etc.
- "—" indicates no business sites targeted for totaling.
- Significant figures are displayed in two digits.
- The figures in parentheses include the results from the Company, Kansai Transmission and Distribution, Inc., and the majority of group companies.
- Reporting coverage is shown on page 26.



◆ Radioactive substances, radioactive waste (non-consolidated)

| Fiscal year | | | 2020 | 2021 | 2022 | Unit |
|---|--|----------------------------------|--------------------|--------------------|--------------------|----------------------------|
| Gaseous waste | Evaluated dose values for the public in the vicinity of power plants (inert gases) | Mihama Nuclear Power Station | N.D. | <0.001 | <0.001 | millisievert ^{*1} |
| | | Takahama Nuclear Power Station | N.D. | <0.001 | <0.001 | |
| | | Ohi Nuclear Power Station | N.D. | N.D. | N.D. | |
| | Evaluated dose values for the public in the vicinity of power plants (iodine) | Mihama Nuclear Power Station | N.D. | N.D. | N.D. | millisievert ^{*1} |
| | | Takahama Nuclear Power Station | N.D. | N.D. | N.D. | |
| | | Ohi Nuclear Power Station | N.D. | N.D. | N.D. | |
| Liquid waste | Evaluated dose values for the public in the vicinity of power plants | Mihama Nuclear Power Station | <0.001 | <0.001 | <0.001 | millisievert ^{*1} |
| | | Takahama Nuclear Power Station | <0.001 | <0.001 | <0.001 | |
| | | Ohi Nuclear Power Station | <0.001 | <0.001 | <0.001 | |
| Radioactive gaseous waste discharged (inert gas) | | Mihama Nuclear Power Station | N.D. | 500,000,000 | 170,000,000 | becquerel ^{*2} |
| | | Takahama Nuclear Power Station | N.D. | 747,000,000 | 89,000,000 | |
| | | Ohi Nuclear Power Station | N.D. | N.D. | N.D. | |
| Radioactive gaseous waste discharged (iodine) | | Mihama Nuclear Power Station | N.D. | N.D. | N.D. | becquerel ^{*2} |
| | | Takahama Nuclear Power Station | N.D. | N.D. | N.D. | |
| | | Ohi Nuclear Power Station | N.D. | N.D. | N.D. | |
| Radioactive liquid waste discharged (excluding tritium) | | Mihama Nuclear Power Station | N.D. | N.D. | N.D. | becquerel ^{*2} |
| | | Takahama Nuclear Power Station | N.D. | N.D. | N.D. | |
| | | Ohi Nuclear Power Station | N.D. | N.D. | N.D. | |
| Radioactive liquid waste (tritium) discharged | | Mihama Nuclear Power Station | 1,100,000,000,000 | 1,400,000,000,000 | 2,800,000,000,000 | becquerel ^{*2} |
| | | Takahama Nuclear Power Station | 23,000,000,000,000 | 20,000,000,000,000 | 26,000,000,000,000 | |
| | | Ohi Nuclear Power Station | 66,000,000,000,000 | 34,000,000,000,000 | 24,000,000,000,000 | |
| Radioactive solid waste generated (200-L drum equivalent) ^{*4} | | | 13,223 | 10,089 | 9,973 | Equivalent in drums |
| | | • Mihama Nuclear Power Station | 3,202 | 2,469 | 1,918 | |
| | | • Takahama Nuclear Power Station | 6,516 | 4,905 | 4,695 | |
| | | • Ohi Nuclear Power Station | 3,505 | 2,715 | 3,360 | |
| Radioactive solid waste reduced (200-L drum equivalent) ^{*5} | | | 11,189 | 11,666 | 12,218 | Equivalent in drums |
| | | • Mihama Nuclear Power Station | 2,409 | 2,196 | 2,195 | |
| | | • Takahama Nuclear Power Station | 5,715 | 5,451 | 6,336 | |
| | | • Ohi Nuclear Power Station | 3,065 | 4,019 | 3,687 | |
| Amount of solid radioactive waste generated – Amount of solid radioactive waste reduced (200-L drum equivalent) ^{*6} | | | 2,034 | -1,577 | -2,245 | Equivalent in drums |
| | | • Mihama Nuclear Power Station | 793 | 273 | -277 | |
| | | • Takahama Nuclear Power Station | 801 | -546 | -1,641 | |
| | | • Ohi Nuclear Power Station | 440 | -1,304 | -327 | |
| Cumulative amount of solid radioactive waste stored (200-L drum equivalent) ^{*7*8} | | | 102,853 | 101,276 | 99,031 | Equivalent in drums |
| | | • Mihama Nuclear Power Station | 27,938 | 28,211 | 27,934 | |
| | | • Takahama Nuclear Power Station | 45,689 | 45,143 | 43,501 | |
| | | • Ohi Nuclear Power Station | 29,226 | 27,922 | 27,596 | |

*1 Millisievert (effective dose): unit indicating the degree of radiation's effect on the human body

*2 Becquerel: unit of radioactivity (one becquerel is defined as one nucleus decaying per second, representing the rate at which radioactive material emits radiation.)

*3 Notes 4-7 are for the storage status at power plants.

*4 The amount of solid low-level radioactive waste produced in the fiscal year.

*5 The total of amount of solid waste with low-level radioactivity reduced through incineration, etc. and transported out of facilities in the fiscal year.

*6 The net increase of solid waste with low-level radioactivity calculated by deducting the amount reduced from the amount generated in the fiscal year.

*7 Cumulative amount of low-level solid radioactive waste

*8 Totals might not match due to rounding after conversion to drum equivalent

Notes:

• "N.D." in the table stands for "not detected" (below detection limits).

• Figures representing the Company only



◆ Environmental protection records at thermal power plants

| Item | | | | Sakaiko Power Station | Nanko Power Station | Miyazu Energy Research Center | Kansai International Airport Energy Center | Maizuru Power Station | Gobo Power Station | Himeji No. 1 Power Station 5, 6 U & GT 1, 2 U | Himeji No. 2 Power Station | Aioi Power Station | Ako Power Station | |
|--|-----------------------|----------------------------------|---|--|---------------------|-------------------------------|--|-----------------------|--------------------|---|----------------------------|--------------------|-------------------|---------|
| Main fuel | | | | LNG | LNG | Heavy/crude oil | Kerosene | Coal | Heavy/crude oil | LNG | LNG | LNG | Heavy/crude oil | |
| Air quality related | Sulfur oxides | Amount emitted hourly (m³N/h) | Air Pollution Control Law (total amount regulation) | 84 | 98 | 306*¹ | 13 | 515*¹ | 6,510*³ | 129 | 195 | 2,757*³ | 2,158*³ | |
| | | | Agreed value | — | — | 112 | — | 255 | 184 | — | — | 165 | 180 | |
| | | | Actual value | — | — | Stopped | — | 173 | 72 | — | — | 3 | 32 | |
| | | Amount emitted daily (t/d) | Agreed value | 10.1 | — | — | — | — | — | — | — | — | — | |
| | | | Actual value | — | — | — | — | — | — | — | — | — | — | |
| | | Amount emitted annually (t/y) | Agreed value | 940 | — | 492 × 10³m³N | — | 1,523 × 10³m³N | 970 × 10³m³N | — | — | 885 × 10³m³N | 650 × 10³m³N | |
| | Actual value | | — | — | Stopped | — | 815 × 10³m³N | 65.155 × 10³m³N | — | — | 0.528 × 10³m³N | 40.8 × 10³m³N | | |
| | Nitrogen oxides | Amount emitted hourly (m³N/h) | Air Pollution Control Law (total amount regulation) | 625 | 255 | — | — | — | — | — | — | — | — | |
| | | | Agreed value | — | — | 58 | — | 244 | 110 | 123.5 | 72 | 85 | 94 | |
| | | | Actual value | 41.4 | 31 | Stopped | — | 215 | 43 | 51 | 66 | 40 | 68 | |
| | | Amount emitted daily (t/d) | Agreed value | 7.7 | 1.8 | — | — | — | — | — | — | — | — | |
| | | | Actual value | 1.8 | 1.1 | — | — | — | — | — | — | — | — | |
| | | Amount emitted annually (t/y) | Agreed value | 1,420 | 400 | 244 × 10³m³N | — | 1,457 × 10³m³N | 560 × 10³m³N | 701 × 10³m³N | 505 × 10³m³N | 390 × 10³m³N | 340 × 10³m³N | |
| | Actual value | | 345 | 69 | Stopped | — | 1,169 × 10³m³N | 49.955 × 10³m³N | 71.526 × 10³m³N | 274 × 10³m³N | 18.453 × 10³m³N | 106.9 × 10³m³N | | |
| | Soot particles | Emission concentration (g/m³N) | Air Pollution Control Law | 0.04 | 0.03 | 0.05 | 0.05 | 0.1 | 0.07 | 0.05 | 0.05 | 0.07 | 0.05 | |
| | | | Agreed value | 0.02 | Not emitted | 0.014 | — | 0.009 | 0.01 | — | — | 0.015 | 0.015 | |
| | | | Actual value | <0.002 | <0.002 | Stopped | — | 0.007 | 0.004 | — | <0.002 | 0 | 0.005 | |
| | Water quality related | Hydrogen ion concentration index | | Water Pollution Control Law and ordinances | 5.8–8.6 | 5.0–9.0*² | 5.0–9.0 | — | 5.0–9.0 | — | 5.0–9.0 | 5.0–9.0 | 5.0–9.0 | 5.0–9.0 |
| | | | | Agreed value | — | — | 5.8–8.6 | — | 5.8–8.6 | 5.8–8.6 | 5.8–8.6 | 5.8–8.6 | 5.8–8.6 | 5.8–8.6 |
| | | | | Actual value | 8.0 | 7.8 | 6.0–7.6 | — | 6.6–8.1 | 6.2–7.8 | 6.8–7.7 | 7.1–7.7 | 6.6–7.5 | 6.2–7.4 |
| | | Chemical oxygen demand | Highest concentration (mg/L) | Water Pollution Control Law and ordinances | 12 | — | 160 | — | 160 | — | 70 | 70 | 70 | 70 |
| Agreed value | | | | — | — | 15 | — | 15 | 10 | 15 | 15 | 15 | 15 | |
| Actual value | | | | 2.1 | — | 7.7 | — | 7.2 | 6.7 | 2.7 | 5.6 | 3 | 1.6 | |
| Pollution load amount (kg/d) | | | Water Pollution Control Law and ordinances | 209.2 | — | — | — | — | — | 38.8 | 54.6 | 67.8 | 85.5 | |
| | | | Agreed value | — | — | 20.8 | — | 22 | 36.8 | 15.2 | 35 | 18 | 22.4 | |
| | | | Actual value | 7.46 | — | 0.2 | — | 6.90 | 18.9 | 2.7 | 9 | 3.2 | 2.5 | |
| Amount of suspended solids | | Highest concentration (mg/L) | Water Pollution Control Law and ordinances | 50 | 600*² | 200 | — | 200 | — | 90 | 90 | 90 | 90 | |
| | | | Agreed value | — | — | 20 | — | 15 | 20 | 20 | 20 | 20 | 20 | |
| | | | Actual value | <5 | <5 | 3 | — | 1 | 9.9 | 4 | <5 | 2 | 1.6 | |
| Amount of inclusion of n-hexane extractable substances | | Highest concentration (mg/L) | Water Pollution Control Law and ordinances | 2 | 4*² | 5 | — | 5 | — | 5 | 5 | 5 | 5 | |
| | | | Agreed value | — | — | 1 | — | 1 | 1 | 1 | 1 | 1 | 1 | |
| | | | Actual value | <1 | <1.0 | <0.6 | — | <1.0 | 0.3 | 0.2 | <1 | <0.1 | <0.5 | |

*1 Regulated value of Kyoto Prefecture ordinance execution rules to protect and nurture the environment

*2 Regulated value of Osaka City sewer ordinance execution rules

*3 Regulated K value

Notes:

• Agreed values include those from Aioi Biomass Power Station.

• Actual values refer exclusively to those from Aioi Power Station for the Air Pollution Control Law and include figures from Aioi Biomass Power Station for the Water Pollution Control Law.

• "<0.1" refers to a maximum concentration of less than 0.1 mg/L.

• Figures representing the Company only



▶ Reporting Coverage

● Reporting coverage of the Kansai Electric Power Co., Inc. and its 90 consolidated subsidiaries (as of the end of March 2023)

Specific data of environmental impact including electricity consumption in an office is grasped and reported in this report ⇒ **97.4%**

<Explanation>

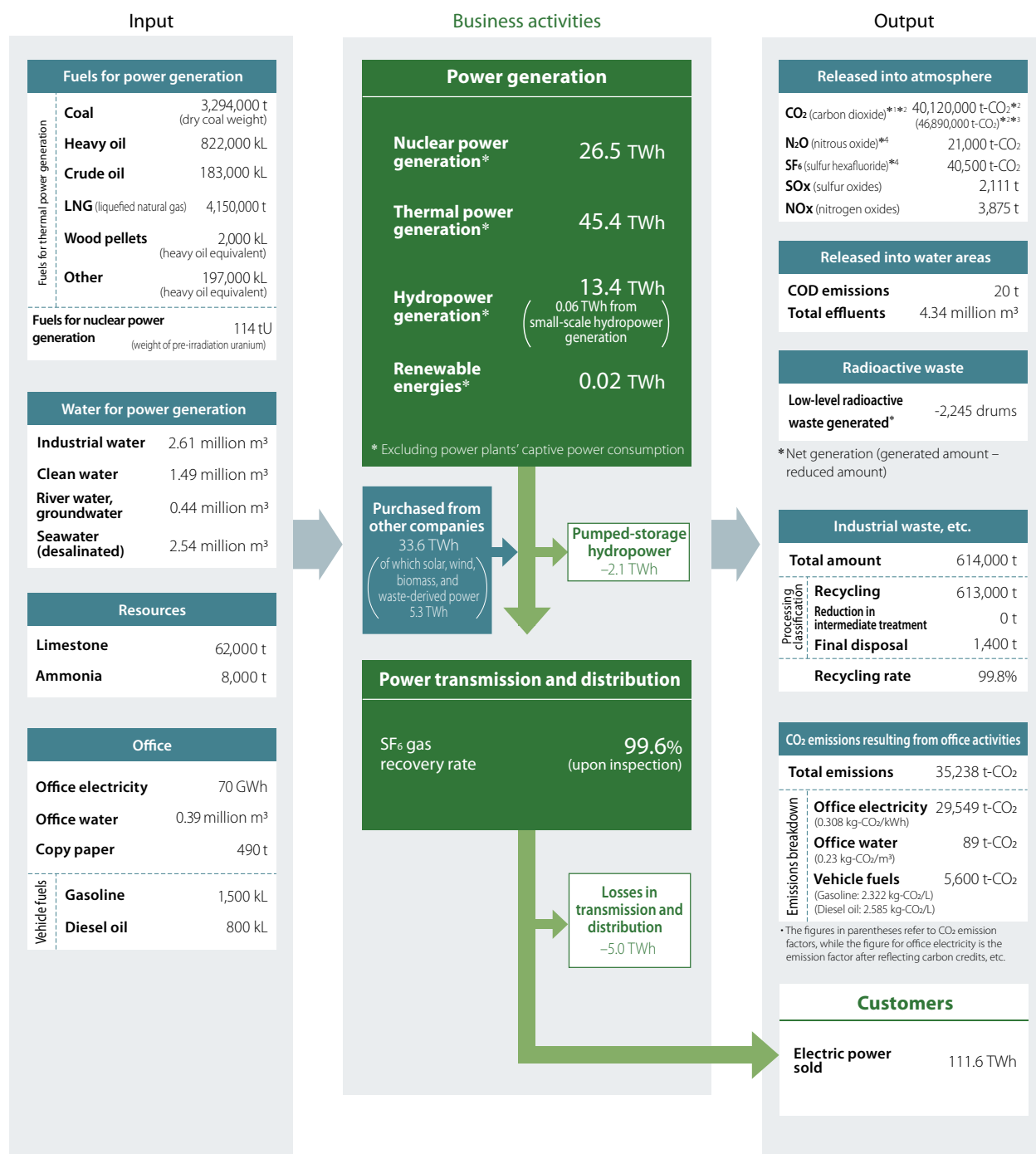
It represents the ratio of companies that are performing Eco Action among the Kansai Electric Power Co., Inc. and its 90 consolidated subsidiaries (ratio of sales).

◆ Calculation method

$$\frac{\left(\begin{array}{l} \text{Sales of the Kansai} \\ \text{Electric Power Co.,} \\ \text{Inc. in FY 2022} \end{array} \right) + \left(\begin{array}{l} \text{Sales of 37 consolidated subsidiaries in FY 2022} \\ \text{that are performing Eco Action as of the end of} \\ \text{March 2023} \end{array} \right)}{\left(\begin{array}{l} \text{Sales of the Kansai} \\ \text{Electric Power Co.,} \\ \text{Inc. in FY 2022} \end{array} \right) + \left(\begin{array}{l} \text{Sales of 90 consolidated} \\ \text{subsidiaries in FY 2022} \end{array} \right)}$$



◆ Status overview of our business activities and environmental load (FY 2022 results)



Note 1: Totals may not sum due to rounding.

Note 2: Thermal power generation figures do not include biomass power generation.

*1 Includes CO₂ originating from electricity purchased from other companies*2 The results for FY 2022 are provisional; the actual CO₂ emission factor will be officially announced by the government in accordance with the Law Concerning the Promotion of the Measures to Cope with Global Warming, etc.

*3 Emissions reflecting carbon credits, etc.

*4 CO₂ conversion

Environmentally Friendly Business

ENVIRONMENT



► Policy and Concept

● Further developing and leveraging renewable energy

Our Group, as a leading company in zero-carbon energy, is committed to proactively developing renewable energy based on its improved development promotion system, focusing on offshore wind power generation, which has great development potential. Through investment of a total 1 trillion yen in domestic projects, we aim to develop 5 GW scale of new development and to achieve 9 GW scale of cumulative capacity by 2040.

On the domestic front, for example, we focus on increasing hydropower output and developing solar power, onshore wind power, offshore wind power, biomass power, and geothermal power plants, and the total capacity of which stands at about 3.83 GW as of the end of March 2023.

We will continue to operate the existing power sources and develop new power sources to help customers and society achieve zero carbon.

► Goals

● Advancing efforts to control CO₂ emissions

- Keep the top spot for the amount of zero-carbon power generation in Japan
- Halve CO₂ emissions associated with power generation in Japan in FY 2025 (compared to FY 2013)

● Further development and utilization of renewable energy

- Achieve 5 GW scale of new development and 9 GW scale of cumulative capacity in Japan by 2040

► Efforts

● Status of domestic development in fiscal 2022

- In April 2022, the Group commenced commercial operation of the Fukushima Iwaki Biomass Power Plant. In addition, together with Mitsubishi HC Capital Energy Inc., we participated in a solar power project in Nishimuro-gun, Wakayama Prefecture. Furthermore, a consortium consisting of the Company, TODA Corporation, ENEOS Corporation, Osaka Gas Co., Ltd., INPEX Corporation, and Chubu Electric Power Co., Inc. was certified for the first time in Japan for public tender of exclusive occupancy and use for the offshore wind power plant to be constructed in the marine renewable energy power generation facility promotion zone off the coast of Goto City, Nagasaki Prefecture.
- Nagisoazuma Hydroelectric Power Station started commercial operation in July 2022, following the completion of new construction work started in August 2020.
- The Company, Marubeni Corporation, Obayashi Corporation, Tohoku Electric Power Co., Inc., Cosmo Eco Power Co., Ltd., Chubu Electric Power Co., Inc., The Akita Bank, Ltd., Ohmori Co., Ltd., Sawakigumi Co., Ltd., Kyowa Oil Co., Ltd., Kato Construction Co., Ltd., Kanpu Co., Ltd., and Sankyo Co., Ltd. jointly commenced commercial operations at the Noshiro Offshore Wind Farm in December 2022 and the Akita Offshore Wind Farm in January 2023.
- Banshu Mega Solar Power Plant, jointly funded by the Company and ENEOS Corporation, started commercial operation in January 2023.
- In February 2023, the Company started a business providing electricity along with environmental value by developing solar power generation technology for Panasonic Operational Excellence Co., Ltd. and Hydro Edge, one of our group companies, based on a corporate PPA.
- In March 2023, the Kansai Electric Power Group started commercial operation of Aioi Biomass Power Station.

◆ Our Group has 3.832 GW of share equivalent renewable energy capacity in operation inside Japan (as of the end of FY 2022)



● Status of international business efforts

Our Group is participating in 11 overseas renewable energy projects with total 1.088 GW*¹ share equivalent installed capacity. Of these projects, two offshore wind projects in the UK commenced commercial operation in April 2022 and one onshore wind project in Finland commenced commercial operation in June 2022. Currently, an onshore wind power project in Finland and an offshore wind power project in Germany are under construction for commercial operation. The San Roque Hydropower Project in the Philippines, recommended by the Department of Social Welfare and Development, was granted the ASEAN Outstanding Social Welfare and Development Award 2022*² for its contribution to environmental conservation and livelihood assistance in the local community.

*1 As of the end of April 2023, projects under development included.

*2 Sponsored and granted by ASEAN to recognize outstanding social welfare activities, etc.



Triton Knoll Offshore Wind Power Project in the UK



Tree-planting activities regularly performed at the San Roque Hydropower Project site

● Performance data

| Development and promotion of renewable energy in Japan | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|---|-----------|---------|---------|---------|
| Development and promotion of renewable energy | Projects that have begun operation (completed construction) | 10,000 kW | 345.7 | 356.1 | 383.2 |
| | Projects underway | | 34.9 | 30.0 | 8.8 |
| | Aggregate capacity | | 380.6 | 386.1 | 392.1 |
| | • Solar power generation | | 11.3 | 13.1 | 19.0 |
| | • Wind power generation | | 2.4 | 6.1 | 6.1 |
| | • Hydropower generation | | 341.2 | 341.4 | 341.4 |
| | • Biomass power generation | | 25.7 | 25.7 | 25.7 |
| | • Geothermal power generation | | 0.0 | 0.0 | 0.0 |

Notes:

- Components may not add to the total due to rounding of figures.
- Figures include results from the Company and group companies (excluding Kansai Transmission and Distribution, Inc.)

| Development and promotion of renewable energy outside Japan | | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|---|-----------|---------|---------|---------|
| Development and promotion of renewable energy | Projects that have begun operation (completed construction) | 10,000 kW | 68.4 | 68.4 | 94.8 |
| | Projects underway | | 26.4 | 40.5 | 14.0 |
| | Aggregate capacity | | 94.8 | 108.8 | 108.8 |
| | • Wind power generation | | 57.3 | 71.3 | 71.3 |
| | • Hydropower generation | | 37.5 | 37.5 | 37.5 |

Notes:

- Components may not add to the total due to rounding of figures.
- Figures include results from the Company and group companies (excluding Kansai Transmission and Distribution, Inc.)



Climate Change

ENVIRONMENT



► Policy and Concept

● Social background

Countries are carrying out actions against climate change aiming to achieve their greenhouse gas reduction targets under the Paris Agreement, which sets the framework for climate change mitigation. The Japanese government pledged in October 2020 to achieve carbon neutrality by 2050. Moreover, at the climate change summit in April 2021, it announced a greenhouse gas reduction target of 46% below fiscal 2013 levels by fiscal 2030.

<Addressing TCFD Recommendations>

In May 2019, our Company declared our support for the recommendations of the Task Force on Climate-related Financial Disclosures or TCFD*.

Recognizing the size of the impacts that our Group business activities have on the global environment, we declare our support for the TCFD Recommendations to “analyze and disclose business risks and opportunities originating in climate change over the medium and long terms in order to reduce risks of financial market destabilization.”

Refer to pages 41-48 of the Integrated Report for details about scenario analysis, etc.

* TCFD was established by the Financial Stability Board, which is an international agency that has central banks, financial regulatory authorities and other organizations from major countries as members. In total, 3741 organizations around the world, including financial institutions, businesses and governments, declared their support for the TCFD Recommendations as of August 31, 2022.

● Targets and efforts to achieve them

The Kansai Electric Power Group is committed to carbon neutrality by 2050 throughout the entirety of our business activities, including the power generation business, as declared in the Zero Carbon Vision 2050 and the Zero Carbon Roadmap, which provides a pathway to zero carbon. Specific measures to reduce CO₂ emissions include transforming renewable energy into the main power source, leveraging nuclear power to the fullest, achieving zero carbon in thermal power generation, using zero-carbon hydrogen, and optimizing power grids to support the measures for zero-carbon society. At the same time, we will provide various solutions (electrification, storage batteries, etc.) to help customers and society reduce their CO₂ emissions.

The Zero Carbon Roadmap, meanwhile, includes an interim target for fiscal 2030 toward the 2050 goal. Specifically, our voluntary measures aim to halve CO₂ emissions associated with power generation in fiscal 2025 compared to fiscal 2013 to maintain our status as front runners in reduction rates thereafter and to completely electrify over 5,000 vehicles owned by the Group. To better serve customers and society, moreover, we are committed to decreasing the CO₂ emission factor of electricity supplied to customers to industry-leading levels and providing customers and society with various services to help reduce CO₂ emissions by over 7 million tonnes.

We also aim to invest a total of as much as 1 trillion yen in renewable energy development in Japan by 2040, which translates into a newly installed capacity of 5 GW (compared to March 2019) and a cumulative installed capacity of approximately 9 GW. Furthermore, as a member of the Electric Power Council for a Low Carbon Society (ELCS), which was established by a consortium of electric companies including the Company, we are contributing to the ELCS initiatives as well by working on these Group endeavors.

► Goals

● Advancing efforts to control CO₂ emissions

- Keep the top spot for the amount of zero-carbon power generation in Japan
- Halve CO₂ emissions associated with power generation in Japan in FY 2025 (compared to FY 2013)

● Continuing safe and stable operation of nuclear power plants*¹

- Operation of nuclear power plants with top priority placed on safety

● Further development and utilization of renewable energy

- Achieve 5 GW scale of new development and 9 GW scale of cumulative capacity in Japan by 2040

● Maintaining and improving the thermal efficiency of thermal power plants*¹

- Achieve benchmark indicators*² (A: 1.00, B: 44.3%)

● Reducing transmission and distribution loss

- To be maintained and reduced

● Promoting use of innovative forms of energy among customers and communities

- Contribute to making energy use by customers and society more sophisticated

● Limiting SF₆ emissions (calendar year basis) (gas recovery rate upon inspection/removal of equipment)

- 97% (upon inspection)
- 99% (upon removal)

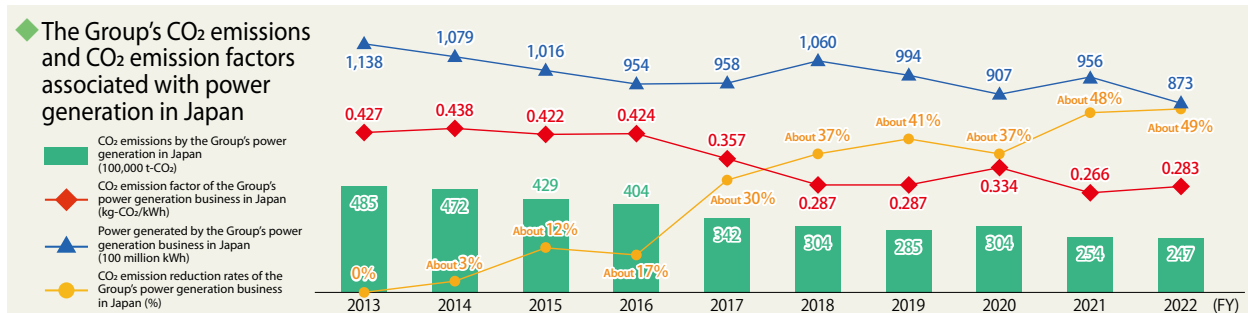
*¹ Targets and results apply only to the Company *² Indicators based on the benchmark system of the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy



Efforts

Our Group's CO₂ emissions associated with power generation in Japan

The Group's CO₂ emissions originating from its domestic power generation amounted to around 24.7 million tonnes in fiscal 2022; emissions have been on the decline since the benchmark year of 2013. As a leading company in zero-carbon energy, we are committed to safe, stable operation of nuclear power plants and development and promotion of renewable energy. These efforts have resulted in a 49% reduction in CO₂ emissions from the levels in 2013.



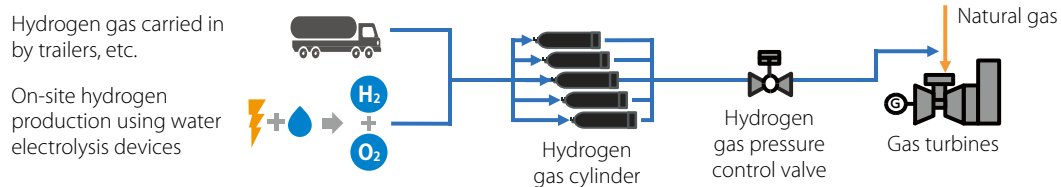
Continuing safe and stable operation of nuclear power plants

As a power source that emits no CO₂, nuclear power generation is key to tackling global warming. With the understanding of residents from relevant local communities, we ensure safe and stable operation of restarted plants, gearing up to resume operations of suspended plants that have been confirmed to be safe. Dealing appropriately with investigations conducted by the Nuclear Regulation Authority, we will continuously promote voluntary safety measures that go beyond regulatory requirements.

Acquiring knowledge on the introduction of hydrogen power generation Green Innovation Fund Project in the Himeji area

We have been working on feasibility studies since the adoption of the Green Innovation Fund Project*¹—Large-scale Hydrogen Supply Chain Development, which was offered by NEDO*² in August 2021. Going forward, after design and manufacture of the system, we will conduct demonstration of power generation by co-firing of hydrogen at the gas turbines installed at the Himeji No. 2 Power Station and aim to establish operational techniques that can be used for social implementation of hydrogen power generation.

Demonstration system process flow



Acquiring knowledge on the introduction of CCUS

CO₂ capture technology research

We are supporting NEDO's project at our Maizuru Power Station, where solid sorbent system CO₂ capture technology is being tested for treatment of coal-fired emissions*³. The commissioning run started in fiscal 2022 at testing facilities, with full-scale demonstrations scheduled in the second half of fiscal 2023. The solid sorbent system is potentially a great deal more energy efficient than its conventional counterparts in capturing CO₂ and is therefore considered promising next-generation capture technology.

Demonstrating CO₂ mass transport

We are supporting another project from NEDO, also at our Maizuru Power Station, where research, development, and demonstrations are underway for CO₂ mass transport*⁴. Specifically, the project, which involves CO₂ liquefaction at the shipping base, includes 1) R&D related to liquefied CO₂ marine transport technology, 2) demonstrations of 90,000 tonne scale liquefied CO₂ marine transport, and 3) marine transport feasibility studies for CCUS purposes. CO₂ marine transport demonstrations are scheduled to start in fiscal 2024.

*¹ The 2 trillion yen Green Innovation Fund, set up by the government for NEDO, aims to encourage innovation among companies to achieve carbon neutrality by 2050, subsidizing companies for up to 10 years.

*² New Energy and Industrial Technology Development Organization

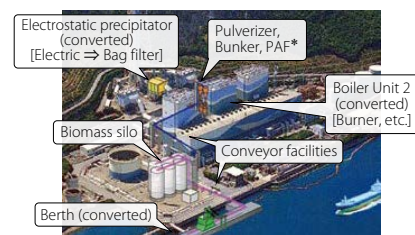
*³ Development of carbon recycling/next-generation thermal power generation technology / Research and development of CO₂ capture technology / Research on application of advanced CO₂ solid sorbents to treatment of coal-fired emissions

*⁴ CCUS R&D and demonstration project / Large-scale CCUS demonstration in Tomakomai / Demonstration of CO₂ transport / Technological development and demonstration of CO₂ marine transport



● Aioi Bioenergy in full-scale operation

We established Aioi Bioenergy Corporation, a joint venture with Mitsubishi Corporation Clean Energy Ltd., and started construction work at Aioi Power Station Unit 2 in Aioi City, Hyogo Prefecture in February 2022 to switch the fuel from heavy/crude oil to woody biomass and its full-scale operation started in March 2023. The fuel switch resulted in an output of 200,000 kW, one of the largest biomass exclusive firing thermal power generation capacities in Japan.



* A ventilator that feeds pulverized fuel to burners

● Encouraging efficient energy use

With the goals of realizing energy conservation, cost cutting and CO₂ reduction for our customers and society, we are offering high-efficiency systems that utilize renewable energy sources and heat pump technologies, as well as proposing effective operation procedures. We are also providing total support for energy management to customers and other members of society and undertaking activities that serve these purposes, including the services for visualizing energy use.

The solution offered to residential customers is "total electric conversion," which, through efficient use of energy, can make our lives more comfortable and convenient. Specific products and services include an energy-efficient hot water supply system (EcoCute), safe, comfortable and convenient electric appliances (IH cooking heaters, etc.), and power consumption visualization (Hapi e-Miruden). The internet-based service Hapi e-Miruden monitors the amount and rate of electricity and gas consumed. By entering data on utility costs the system can automatically indicate the total household CO₂ emissions while providing useful information, such as tips on energy conservation according to registered equipment or power consumption patterns.

We are providing total support for the energy management of our business customers. We offer proposals for energy systems that are optimized to their various needs, including making energy use more efficient, and explain how to operate these systems. We also work with other group companies to provide a range of services such as energy conservation diagnoses and energy management support appropriate to the customer's facility usage patterns. We remain committed to helping our customers minimize their energy consumption, achieve cost savings, and reduce their CO₂ emissions.

● Adoption of smart meters

Kansai Transmission and Distribution, Inc. has been systematically introducing smart meters. In addition to making amounts of electricity use visible to customers, installing smart meters contributes to the energy conservation of society as a whole, and enables formation of facilities efficiently according to the conditions of electricity use, among other benefits. Smart meters are installed at all special-high-voltage and high-voltage customers. For low-voltage customers, excluding those operating in areas where replacement is not feasible, smart meters were installed by the end of fiscal 2022.

● Group companies' renewable energy programs

Kanden Energy Solution Co., Inc. leverages its solar and wind power plants to decarbonize energy systems. Moreover, as a comprehensive energy business operator, we are promoting distributed renewable energy sources, storage batteries, and energy conservation, particularly by upgrading and standardizing energy management systems, thereby helping customers and society achieve zero-carbon emissions.

◆ Major achievements

Solar power generation

Arida Solar Power Station (Arida City, Wakayama Prefecture)

This station is the Group's largest solar power station with about 150,000 solar panels installed across a large area.



| | |
|------------------------------------|--|
| Power output | 29,700 kW |
| Generated energy | Approx. 31 GWh/annum (Equivalent to the annual consumption by 10,000 standard households) |
| CO ₂ emission reduction | Approx. 16,000 tonnes/annum* |
| Total site area | Approx. 45 ha |
| Commencement | October 2015 |

* The reduction in CO₂ emissions was a figure calculated upon commencement of operations.

Wind power generation

Awaji Wind Power Station (Awaji City, Hyogo Prefecture)

While harmonizing with the community, this station operates by utilizing the wind blowing through the hills in northern Awaji City.



| | |
|------------------------------------|---|
| Power output | 12,000 kW (6 turbines @2,000 kW) |
| Generated energy | Approx. 20 GWh/annum (Equivalent to the annual consumption by 6,500 standard households) |
| CO ₂ emission reduction | Approx. 7,000 tonnes/annum* |
| Commencement | December 2012 |

* The reduction in CO₂ emissions was a figure calculated upon commencement of operations.



● Performance data

| GHG emissions | | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|---|-----------------------------|----------------------|----------------------|------------|
| Direct greenhouse gas emissions (Scope 1)*1*2 | | 10,000 t-CO ₂ eq | 2,857.2 | 2,377.1 | 2,304.3*15 |
| | Energy-derived CO ₂ | | 2,850.3 | 2,370.4 | 2,297.6 |
| | Vehicle-emitted CO ₂ | | 0.6 | 0.6 | 0.6 |
| | Non-energy-derived CO ₂ | | 0.0 | 0.0 | 0.0 |
| | CH ₄ | | 0.0 | 0.0 | 0.0 |
| | N ₂ O | | 2.3 | 2.3 | 2.1 |
| | HFC | | 0.0 | 0.0 | 0.0 |
| | PFC | | 0.0 | 0.0 | 0.0 |
| | SF ₆ | | 4.0 | 3.8 | 4.0 |
| | NF ₃ | | 0.0 | 0.0 | 0.0 |
| | Indirect greenhouse gas emissions (Scope 2)*1*3 | | 0.6 | 0.5 | 0.5*15 |
| Other indirect greenhouse gas emissions (Scope 3)*1*4 | | | 2,409.9 | 1,924.2 | 3,126.1 |
| | Category 1*5*14 | | 266.6 (159.9) | 248.5 (143.4) | 255.0 |
| | Category 2*6*14 | | 166.7 (158.8) | 104.9 (99.9) | 101.7 |
| | Category 3*7*14 | | 1,549.8 (1,561.6) | 1,147.6 (1,151.2) | 2,353.5 |
| | Category 4*8 | | 0.0 | 0.0 | 0.0 |
| | Category 5*9 | | 1.0 | 1.1 | 1.0 |
| | Category 6*10 | | 0.2 | 0.2 | 0.2 |
| | Category 7*11 | | 0.6 | 0.6 | 0.6 |
| | Category 8*12 | | — | — | — |
| | Category 9*12 | | — | — | — |
| | Category 10*12 | | — | — | — |
| | Category 11*13*14 | | — | 421.4 (347.5) | 414.1 |
| | Category 12*12 | | — | — | — |
| | Category 13*12 | | — | — | — |
| | Category 14*12 | | — | — | — |
| | Category 15*12 | | — | — | — |

*1 The amount of greenhouse gases emitted in our entire supply chain is calculated in accordance with the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.5) issued by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.

*2 Direct GHG emissions (Scope 1) refer to emissions (energy-derived CO₂, SF₆ and N₂O emissions) reported by electric companies in line with the Law Concerning the Promotion of the Measures to Cope with Global Warming along with CO₂ emissions from transportation fuel use, which are excluded from the reporting obligations. SF₆ emissions, which are factored in, are based on calendar year.

*3 Indirect GHG emissions (Scope 2) include CO₂ emissions originating from electricity and heat purchased from other corporations, which should be reported by electric operators in line with the Law Concerning the Promotion of the Measures to Cope with Global Warming.

*4 Indirect emissions not covered by Scope 1 or Scope 2 (emissions from other corporations related to the business activities of the company concerned)

*5 Product/service price (purchased or obtained) × emission intensity + Total gas sales × emission intensity. Results from past years were reviewed with the revision of the interpretation of the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ministry of the Environment/Ministry of Economy, Trade and Industry).

*6 Capital goods price × emission intensity. Results from past years were reviewed with the revision of some calculation methods.

*7 Fuel and heat consumption × emission intensity + power purchased from other corporations × emission intensity + emissions derived from the production of power purchased from other corporations for sale to end users. Results from past years were reviewed with the revision of the interpretation of the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ministry of the Environment/Ministry of Economy, Trade and Industry).

*8 Fuel consumption × emission intensity

*9 Waste disposal volume × emission intensity + fuel consumption × emission intensity

*10 Number of employees × emission intensity

*11 (City classification-based) Σ (number of employees × operating days × emission intensity)

*12 Not applicable because of specific to our business

*13 Total gas sales × emission intensity. Results from past years were reviewed with revision of some calculation methods.

*14 Figures in parentheses were determined before revision of the calculation method.

*15 Given the third party assurance for figures shown on page 48 of the Kansai Electric Power Group Integrated Report 2023



| GHG emissions, including values from group companies*1 | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|----------------|-----------------------------|---------|---------|---------|
| Direct greenhouse gas emissions (Scope 1)*2*3 | | 10,000 t-CO ₂ eq | — | — | 2,304.8 |
| Indirect greenhouse gas emissions (Scope 2)*2*4 | | | — | — | 1.5 |
| Other indirect greenhouse gas emissions (Scope 3)*2*5 | | | — | — | 3,522.6 |
| | Category 1*6 | | — | — | 296.8 |
| | Category 2*7 | | — | — | 129.1 |
| | Category 3*8 | | — | — | 2,646.0 |
| | Category 4*9 | | — | — | 0.0 |
| | Category 5*10 | | — | — | 1.0 |
| | Category 6*11 | | — | — | 0.3 |
| | Category 7*12 | | — | — | 0.7 |
| | Category 8*16 | | — | — | — |
| | Category 9*16 | | — | — | — |
| | Category 10*16 | | — | — | — |
| | Category 11*13 | | — | — | 448.4 |
| | Category 12*14 | | — | — | 0.1 |
| | Category 13*15 | | — | — | 0.3 |
| | Category 14*16 | | — | — | — |
| | Category 15*16 | | — | — | — |

*1 Including the Company, Kansai Transmission and Distribution, Inc., Kanden Energy Solution Co., Inc., Kanden Realty & Development Co., Ltd., and OPTAGE Inc.

*2 The amount of greenhouse gases emitted in our entire supply chain is calculated in accordance with the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.5) issued by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.

*3 Direct GHG emissions (Scope 1) refer to emissions (energy-derived CO₂, SF₆ and N₂O emissions) reported by electric companies in line with the Law Concerning the Promotion of the Measures to Cope with Global Warming along with CO₂ emissions from transportation fuel use, which are excluded from the reporting obligations. SF₆ emissions, which are factored in, are based on calendar year.

*4 Indirect GHG emissions (Scope 2) include CO₂ emissions originating from electricity and heat purchased from other corporations, which should be reported by electric operators in line with the Law Concerning the Promotion of the Measures to Cope with Global Warming.

*5 Indirect emissions not covered by Scope 1 or Scope 2 (emissions from other corporations related to the business activities of the company concerned)

*6 Product/service price (purchased or obtained) × emission intensity

*7 Capital goods price × emission intensity

*8 Fuel and heat consumption × emission intensity + power purchased from other corporations × emission intensity + emissions derived from the production of power purchased from other corporations for sale to end users

*9 Fuel consumption × emission intensity

*10 Waste disposal volume × emission intensity + fuel consumption × emission intensity

*11 Number of employees × emission intensity

*12 (City classification-based) Σ (number of employees × operating days × emission intensity)

*13 Total gas sales × emission intensity + real estate sales × emission intensity × remaining statutory useful life + number of openings × emission life period × product power consumption per day × emission intensity

*14 Real estate sales × emission intensity + weight of products sold × emission intensity

*15 Energy consumption × emission intensity

*16 Not applicable because of specific to our business

*17 Figures including values representing the Company, Kansai Transmission and Distribution, Inc., and group companies

| Group's CO ₂ emissions and their factors associated with power generation in Japan | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|--------------------------|---------|---------|---------|
| CO ₂ emissions*1 | 10,000 t-CO ₂ | 3,040 | 2,540 | 2,470 |
| CO ₂ emission factor (at the generation end) (per power generation output)*2 | kg-CO ₂ /kWh | 0.334 | 0.266 | 0.283 |

*1 CO₂ emissions refer to those produced by fuel combustion at the Group's thermal power plants in Japan.

*2 CO₂ emission factor (at the generation end) corresponds CO₂ emissions per kWh of the Group's domestic power generation business.

• CO₂ emission factor (at the generation end) = CO₂ emissions of the Group's domestic power generation business ÷ amount of power generated



| CO ₂ emissions and retail emission factors of the Company | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|--------------------------|---------|---------|---------|
| CO ₂ emissions (before adjustment)* ¹ | 10,000 t-CO ₂ | 3,702 | 3,011 | 4,012 |
| CO ₂ emissions (after adjustment)* ² | | 3,583 | 3,106 | 4,689 |
| CO ₂ emission factor (energy used) (before adjustment) (per amount of electric power sold)* ³ | kg-CO ₂ /kWh | 0.362 | 0.299 | 0.360 |
| CO ₂ emission factor (energy used) (after adjustment) (per amount of electric power sold)* ³ | | 0.350 | 0.309 | 0.420 |

*1 CO₂ emissions refer to those produced by fuel combustion at the thermal power plants and include those for power purchased from other corporations.

*2 Adjusted CO₂ emissions refer to values adjusted according to FIT, non-FIT non-fossil fuel power source procurement, and certified emission reduction in Japan and abroad.

*3 CO₂ emission factor (energy used) corresponds CO₂ emissions per kWh of the Kansai Electric Power Co., Inc. electricity used.

• CO₂ emission factor (energy used) (before adjustment) = CO₂ emissions (before adjustment) ÷ amount of electric power sold

• CO₂ emission factor (energy used) (after adjustment) = CO₂ emissions (after adjustment) ÷ amount of electric power sold

*1,2,3 The results for FY 2022 are provisional; the actual CO₂ emission factor will be officially announced by the government in accordance with the Law Concerning the Promotion of the Measures to Cope with Global Warming, etc.

Note: Figures representing the Company only

| Greenhouse gases other than CO ₂ | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|-----------------------------|---------|---------|---------|
| N ₂ O (dinitrogen oxide)* ¹ | 10,000 t-CO ₂ eq | 2.3 | 2.3 | 2.1 |
| SF ₆ (sulfur hexafluoride)* ^{1*2} | | 4.0 | 3.9 | 4.0 |

*1 The results were first made public in fiscal 2010. CO₂ equivalent

*2 SF₆ emissions are based on the calendar year.

| Utilization rate of nuclear power facilities and net thermal efficiency of thermal power facilities | Unit | FY 2020 | FY 2021 | FY 2022 |
|---|------|---------|---------|---------|
| Utilization rate of nuclear power facilities* ¹ | % | 28.0 | 61.0 | 48.5 |
| Net thermal efficiency of thermal power facilities* ² | | 47.8 | 48.2 | 48.1 |

*1 Utilization rate of nuclear power facilities = amount of power generated ÷ (permitted output × calendar hours) × 100

*2 Net thermal efficiency of thermal power facilities = (amount of power transmitted × quantity of heat per kWh) ÷ total amount of input heat (lowest heat value standard) × 100

Note: Figures representing the Company only

| Energy consumption | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|--------------|---------------------------------|---------|---------|---------|
| Total energy consumption* ¹ | | 1,000 GJ | 494,045 | 380,842 | 370,022 |
| Thermal fuel consumption* ² | Coal | 1,000 t | 3,254 | 3,597 | 3,294 |
| | Heavy oil | 1,000 kL | 210 | 683 | 822 |
| | Crude oil | | 218 | 176 | 183 |
| | LNG | 1,000 t | 6,814 | 4,319 | 4,150 |
| | Wood pellets | 1,000 kL (heavy oil equivalent) | 4 | 3 | 2 |
| | Other | | 298 | 181 | 197 |
| Fuels for nuclear power generation (weight of pre-irradiation uranium)* ² | | tU | 77 | 30 | 114 |

*1 These figures are reported to the government in accordance with the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy. (Fossil fuel consumption, purchased electricity, and purchased heat)

*2 Figures representing the Company only



Resource Circulation

ENVIRONMENT



► Policy and Concept

In accordance with the aims stated in the Kansai Electric Power Group Environmental Policy, we are working actively to reduce emissions and recover resources. For industrial waste generated from our business activities, our Group is undertaking proactive 3R (Reduce, Reuse, Recycle) efforts with the goal of achieving zero emissions. For general waste such as copy paper and other office waste, we are also conducting 3R efforts with sorting as the foundation in each business place.

◆ <Kansai Electric Power Group Environmental Policy 3. Promoting resource circulation>

3. Promoting resource circulation

At the Kansai Electric Power Group, recognizing that natural resources are limited, we advance efforts toward resource circulation in society as a whole. Our efforts include reducing natural resource consumption in our business activities, proactively promoting 3R (reduce, reuse, recycle) practices, and providing products and services that contribute to resource circulation.

► Goals

Maintaining industrial waste recycling rate

99.5%

Efforts to reduce plastic waste

Minimize plastic waste and maximize recycling

► Efforts

● Efforts to achieve zero emissions

The principal types of industrial waste generated by our Group include coal ash from coal-fired thermal power plants and concrete pole fragments remaining from power grid construction. In order to achieve zero emissions, we set a target for our Group of “a 99.5% or higher recycling rate” for industrial waste, and we are advancing efforts that include recycling all coal ash as raw material for cement and paving material for roads, for example. We achieved a 99.8% recycling rate in fiscal 2022, which marks the 13th consecutive year that we have reached our target since fiscal 2010. We are also working to reduce and recycle general waste (copy paper, etc.) from our offices.

● Efforts to reduce plastic

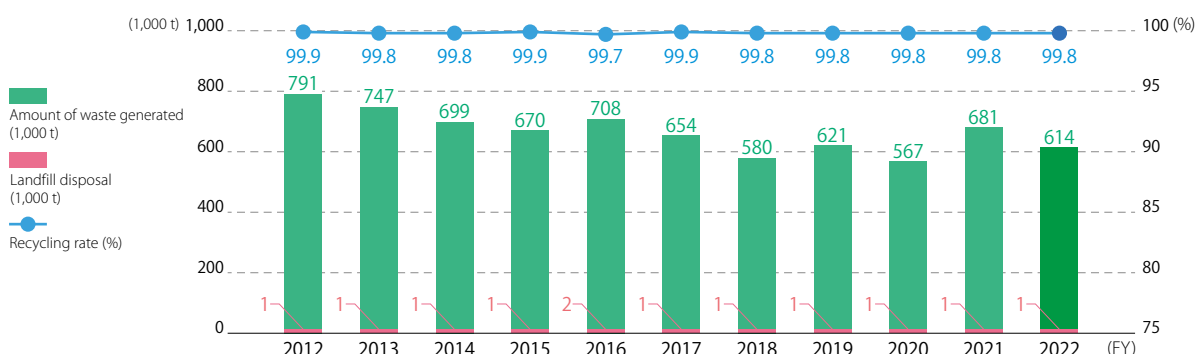
In compliance with the Plastic Resource Circulation Act, which took effect on April 1, 2022, we monitor the amount of industrial waste (including plastic-containing products) and set targets to reduce their amount for reduction purposes and for resource recycling. We also recycle plastic waste generated from facility operations and construction work, reduce the use of plastic bags at in-house shops in the head office, and encourage employees to bring their own reusable drink bottles. In addition, the head office launched a “horizontal recycling*” program in April 2023 to recycle plastic bottles collected from sections of its premises.

* Recycling where products are recycled to manufacture the same products

Results and targets based on the Plastic Resource Circulation Act

Results in fiscal 2022 of waste generated: 247.8 tonnes by Kansai Electric Power and 1,619.8 tonnes by Kansai Transmission and Distribution
Targets for fiscal 2023: Reduce and recycle waste plastics to as great a degree as possible.

◆ Changes in the amount of industrial waste generated and the recycling rates



Industrial waste recycling rate (%) = [(amount of industrial and other waste – amount of landfill disposal) ÷ (amount of industrial and other waste)] × 100



● Promoting green procurement

Our Group is working on green procurement to promote resource circulation in society.

◆ Green procurement concept

- (1) Given that all procured goods or all machines and methods used for construction have an environmental impact, wherever possible we will opt for environmentally friendly office supplies, materials, equipment and construction machines/methods.
- (2) The concept is to “rethink” whether goods to be purchased are necessary at all, “reduce” the amount of purchase as much as possible, “reuse” unnecessary goods at other locations (including extended use of purchased goods), “recycle” resources and “repair” things wherever possible.

● Performance data

| Waste-related ^{*1*2} | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|---------|---------|---------|---------|
| Amount of industrial and other waste | 1,000 t | 566.7 | 680.8 | 614.4 |
| | | (608.8) | (762.7) | (671.8) |
| • Soot particles (heavy/crude oil ash, coal ash, etc.) | | 381.2 | 447.3 | 383.6 |
| | | (381.4) | (447.4) | (383.7) |
| • Sludge (desulfogypsum, wastewater processing sludge, etc.) | | 91.3 | 129.5 | 131.4 |
| | | (97.5) | (163.7) | (135.8) |
| • Cinders | | 30.8 | 35.6 | 29.4 |
| | | (31.0) | (35.8) | (29.7) |
| • Demolition debris (waste concrete utility poles, etc.) | | 17.1 | 16.4 | 15.0 |
| | | (38.0) | (53.8) | (54.6) |
| • Metal scraps | | 26.6 | 24.5 | 24.5 |
| | | (28.7) | (25.5) | (25.5) |
| • Glass/ceramic scraps (thermal insulation scraps, insulator scraps, etc.) | | 2.1 | 2.9 | 2.5 |
| | | (4.0) | (5.6) | (7.2) |
| • Waste oil | | 4.5 | 3.4 | 3.0 |
| | | (4.9) | (3.8) | (3.4) |
| • Waste plastic | | 1.1 | 1.3 | 1.9 |
| | | (2.5) | (2.5) | (3.4) |
| • (Repeated) Ash and gypsum | | 498.6 | 608.7 | 537.1 |
| | | (499.0) | (609.0) | (537.9) |
| • Other | 1,000 t | 12.0 | 19.9 | 23.1 |
| | | (20.5) | (24.6) | (28.6) |
| (Repeated) Special controlled industrial waste | | 11.2 | 19.5 | 22.6 |
| | | (11.5) | (19.6) | (23.0) |
| Amount of industrial waste for landfill disposal | 1,000 t | 0.9 | 1.2 | 1.4 |
| | | (14.0) | (17.7) | (7.6) |
| • Glass/ceramic scraps (thermal insulation scraps, insulator scraps, etc.) | | 0.15 | 0.66 | 0.55 |
| | | (1.5) | (0.9) | (1.0) |
| • Sludge (wastewater processing sludge, etc.) | | 0.03 | 0.02 | 0.02 |
| | | (6.2) | (4.3) | (1.4) |
| • Demolition debris | | 0.00 | 0.02 | 0.00 |
| | | (0.4) | (6.4) | (0.5) |
| • Cinders | | 0.00 | 0.00 | 0.03 |
| | | (0.2) | (0.2) | (0.3) |
| • Waste plastic | | 0.08 | 0.35 | 0.29 |
| | | (0.4) | (1.5) | (0.7) |
| • Metal scraps | | 0.02 | 0.01 | 0.32 |
| | | (1.3) | (1.0) | (0.4) |
| • Other | 1,000 t | 0.61 | 0.16 | 0.16 |
| | | (3.99) | (3.12) | (3.36) |
| (Repeated) Total amount of disposal, excluding special controlled industrial waste | | 0.32 | 1.10 | 1.24 |
| | | (10.8) | (15.5) | (7.1) |
| Industrial waste recycling rate ^{*3} | % | 99.8 | 99.8 | 99.8 |
| | | (97.7) | (97.9) | (99.9) |
| Ash and gypsum waste recycling rate ^{*3} | | 100 | 100 | 100 |
| | | (99.9) | (99.9) | (99.9) |

*1 The totals may not match up due to rounding.

*2 The figures in parentheses include the results of group companies (excluding those of some group companies)

*3 Industrial waste recycling rate = [(amount of industrial and other waste – amount of landfill disposal) ÷ (amount of industrial and other waste)] × 100

Note: Reporting coverage is shown on page 26.



Pollution Prevention

ENVIRONMENT



► Policy and Concept

Steadily implementing local environmental protection measures, including preventing air and water pollution, dealing with asbestos issues and preserving biodiversity, we are also strictly managing chemical substances.

At our power plants, for instance, we undertake measures based on laws, local regulations, environmental protection agreements and other rules to reduce air pollution, water pollution, noise, vibrations, and other problems. In addition, we monitor and measure the air and ocean around our power plants and carefully evaluate the environmental effects of our operations on the regional environment to ensure that no problems occur.

◆ <Kansai Electric Power Group Environmental Policy 4. Protecting local community environments>

4. Protecting local community environments

At the Kansai Electric Power Group, we seek to prevent environmental pollution while working to strictly manage and reduce toxic chemicals in our business activities in order to promote the environmental protection of local communities.

► Goals

● Measures to prevent air pollution

◆ Maintaining current sulfur oxide (SOx) emissions per power output

Emission factor: Maintaining the world's lowest levels, Emissions: Complying with the standards as agreed for each power plant
Results: 0.024 g/kWh (consolidated), 0.045 g/kWh (thermal power generation), with all agreed standards met

◆ Maintaining current nitrogen oxide (NOx) emissions per power output

Emission factor: Maintaining the world's lowest levels, Emissions: Complying with the standards as agreed for each power plant
Results: 0.044 g/kWh (consolidated), 0.082 g/kWh (thermal power generation), with all agreed standards met

● Handling of chemical substances

◆ Proper handling of products containing asbestos

Proper control and processing in compliance with relevant laws and regulations

● Strict control and reduction of hazardous chemical substances

◆ Proper handling of products containing asbestos

Proper control and processing in compliance with relevant laws and regulations

◆ Proper processing of PCB waste

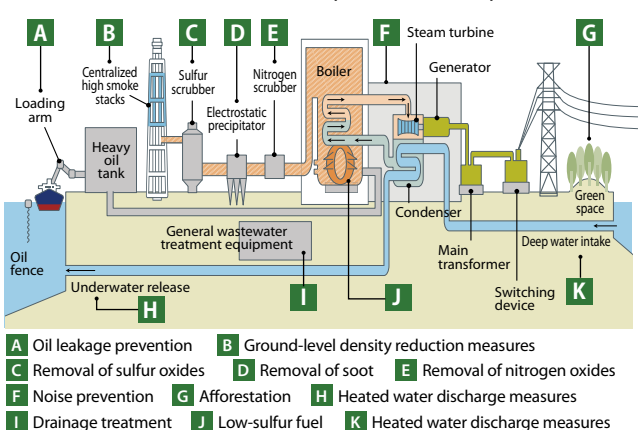
Proceed with certainty to achieve processing before the legal deadline.

► Efforts

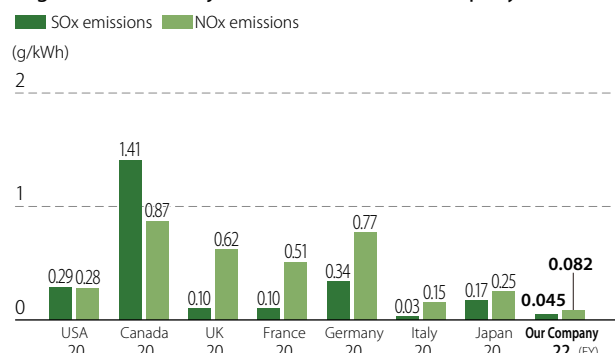
● Air pollution prevention measures (SOx, NOx, soot)

Our Company has implemented measures aimed at reducing the volume of SOx (sulfur oxides) emitted by our thermal power plants by using low-sulfur fuels, installing sulfur scrubbers, and other measures. To address the issue of NOx (nitrogen oxides), we are taking steps to lower emission levels, such as improving combustion methods and installing nitrogen scrubbers. As a result, our SOx and NOx emissions per unit of electric power generated are significantly lower than those of the major countries of Europe and North America, remaining among the lowest in the world. In addition, we have installed high-performance electrostatic precipitators that dramatically cut soot emissions.

◆ Environmental measures adopted at thermal power stations



◆ SOx and NOx emission factors for thermal power generation of major countries and our Company



Sources: OECD.Stat (OECD website) for emissions; World Energy Balances 2022 (IEA) for power generation output



● Handling chemicals

We regularly monitor the status of buildings and equipment that contain asbestos and systematically advance the removal of asbestos and replacement with non-asbestos products. At the same time, employees are trained to better understand the properties of asbestos. In these ways, we are managing asbestos suitably as we strictly abide by related laws, regulations and other rules. Moreover, in addition to abiding by the PRTR (Pollutant Release and Transfer Register) System, we are working actively to manage toxic chemicals strictly and to reduce them.

◆ Use of asbestos in buildings and facilities

| Items targeted | | Type of use | Present conditions (usage) |
|--|----------------------------|--|---|
| Blown-in materials containing asbestos | | Acoustic insulation, thermal insulation, and fireproofing materials in company buildings; acoustic insulation for transformers | <ul style="list-style-type: none"> Company buildings 229 buildings (about 4% of total) Acoustic insulation for transformers 14 units (about 0.5% of total) |
| Asbestos-containing products | Building materials | Fireproofing panels, roofing materials, flooring for buildings, etc. | <ul style="list-style-type: none"> Company buildings May be included in building materials used before August 2006 |
| | Asbestos-cement pipes | Duct wiring for underground wires (transmission, distribution, and communications facilities) | <ul style="list-style-type: none"> Transmission ducts Approx. 658 km (route length) (about 42% of total length) Distribution ducts Approx. 581.5 km (route length) (about 12% of total length) Communications ducts Transmission and distribution: Approx. 5.0 km (route length) (about 26% of total length) Renewable energy: Approx. 0.2 km (route length) (about 5% of total length) |
| | Thermal insulation | Power generation facilities (thermal power facilities, nuclear power facilities) | <ul style="list-style-type: none"> Remaining products containing asbestos Thermal power: Approx. 33,632 m³ (about 11% of total) Nuclear power: Approx. 1,910 m³ (about 20% of total) |
| | Sealing materials, gaskets | Power generation facilities (thermal power facilities, nuclear power facilities) | <ul style="list-style-type: none"> Sealing materials (remaining products containing asbestos) Thermal power: Approx. 26,000 (about 27% of total) Nuclear power: Approx. 4,800 (about 3% of total) Gaskets (remaining products containing asbestos) Thermal power: Approx. 3,500 (about 9% of total) Nuclear power: Approx. 9,000 (about 5% of total) |
| | Buffers | Suspension insulators for transmission facilities, etc. | <ul style="list-style-type: none"> Transmission facilities Approx. 570,000 (about 12% of total) Distribution facilities 2,988 (about 4% of total) |
| | Thickeners | Electric wire for overhead transmission lines; hydroelectric dams | <ul style="list-style-type: none"> Transmission facilities Approx. 225 km (route length) (about 2% of total length) Part of asphalt-surface impervious wall for dam structure 1 facility (Tataragi Dam) |
| | Insulation materials | Main motors and main circuit fuses of electric locomotives; water turbine generators; circuit breakers | <ul style="list-style-type: none"> Main motors: 4 locomotives (4 units/locomotive) Main circuit fuses: 4 locomotives (1 unit/locomotive) Water turbine generators (stators): 53 units Water turbine generators (rotors): 58 units Magnetic circuit breakers: 21 units |
| | | Molded case circuit breakers (MCCB) from the uninterruptible power-supply system for telecommunication; transformers; reactors | <ul style="list-style-type: none"> Transformers (Matsushita Battery Industrial) Reactors (Matsushita Battery Industrial) Wiring breakers (Fuji Electric) |
| | Friction materials | Winding machine brakes, etc. | <ul style="list-style-type: none"> Water turbine generator brakes: 19 units Crane brakes: 122 units Incline brakes: 1 unit Elevator brakes: 1 unit Gate winding machine brakes: 99 units Dust collector brakes: 9 units |
| | Insulators | Emergency power generators | <ul style="list-style-type: none"> Emergency power generators: 3 units |

Note: The figures in the table reflect the use of asbestos in buildings and facilities as of the end of March 2023.



● Safe, proper disposal of PCB

In line with relevant laws and regulations such as Law Concerning Special Measures Against PCB Waste, we have a program in place to dispose of all equipment containing PCB (transformers, capacitors, fluorescent ballasts, etc.) safely and properly according to their characteristics.

◆ Disposal of high-level PCB

Equipment containing PCB (transformers, capacitors, fluorescent ballasts, etc.) is investigated retrospectively, referring to information on high-level PCB provided by the government and electric manufacturers; high-level PCB, if identified, is disposed of by the Japan Environmental Storage & Safety Corporation (JESCO) in accordance with the national PCB Waste Treatment Basic Plan.

We are currently working to complete proper disposal of all high-level PCB waste located and stored through an on-going search before expiration of the deadline.

◆ Disposal of low-level PCB

We established the Recycling Center for Utility Pole Transformers in 2003 while soliciting consent from local residents and municipalities on disposal of low-level PCB; insulating oil and transformer cases contaminated with PCB were detoxified for recycling purposes, with treatment of these materials in storage completed by July 2015.

Meanwhile, equipment containing insulating oil (transformers in operation at power plants and substations, pole transformers in distribution facilities, etc.) is routinely inspected for maintenance purposes (regardless of the presence or absence of PCB) to ensure proper operation. Additionally, measures are in place in the event of the unplanned release of insulating oil due to natural disasters (typhoons, lightning strikes, etc.), where spillages are prevented and contamination is contained to minimize impacts on the environment.

Moreover, all equipment in operation is inspected for possible PCB contamination and properly treated according to its type, size and PCB levels, leveraging certified detoxifying business contractors authorized by the Minister of the Environment (Kanden Engineering Corporation's Solvent Cleansing Method, etc.), treatment facilities operating under license from prefectural governors, and the energized natural circulation washing technology in compliance with government procedures.

● Performance data

| Atmospheric emissions and drainage*1 | | Unit | FY 2020 | FY 2021 | FY 2022 | |
|---|--|---------|---------|---------|---------|-----|
| SOx emissions*2 | | t | 2,098 | 2,645 | 2,111 | |
| | | | (2,099) | (2,646) | (2,111) | |
| SOx emission intensity (at the generation end)*3 | | g/kWh | 0.023 | 0.027 | 0.024 | |
| SOx emission intensity (per thermal power output) (at the generation end)*4 | | | 0.033 | 0.054 | 0.045 | |
| NOx emissions*5 | | t | 4,551 | 4,125 | 3,875 | |
| | | | (4,607) | (4,184) | (3,918) | |
| NOx emission intensity (at the generation end)*6 | | g/kWh | 0.049 | 0.042 | 0.044 | |
| NOx emission intensity (per thermal power output) (at the generation end)*7 | | | 0.072 | 0.084 | 0.082 | |
| Ozone depletion emissions | | t-CO2 | 314 | 394 | 361 | |
| | | | HCFC | 263 | 72 | 234 |
| | | | Other | 577 | 466 | 126 |
| COD emissions*8 | | t | 23 | 23 | 20 | |
| | | | (23) | (23) | (20) | |
| Amount of PCB waste | | 1,000 t | 10.7 | 18.9 | 22.0 | |
| | | | (10.7) | (18.9) | (22.0) | |

*1 The figures in parentheses include the results of group companies (excluding those of some group companies)

*2 This is calculated from amounts of sulfur in fuel as well as SOx concentrations in gas emissions (measured values) and gas emission volumes. (Some previous fiscal year amounts were calculated from the amount removed by desulfurization equipment.)

*3 SOx emission intensity (at the generation end) = SOx emissions ÷ power output (at the generation end)

*4 SOx emission intensity (per thermal power output (at the generation end)) = SOx emissions ÷ thermal power output (at the generation end)

*5 This is calculated from SOx concentrations in gas emissions (measured values) and gas emission volumes.

*6 NOx emission intensity (at the generation end) = NOx emissions ÷ power output (at the generation end)

*7 NOx emission intensity (per thermal power output (at the generation end)) = NOx emissions ÷ thermal power output (at the generation end)

*8 This is calculated from analyzed wastewater concentration values.

Note: Reporting coverage is shown on page 26.



Efforts Toward Conserving Biodiversity

ENVIRONMENT



► Policy and Concept

In line with the Kansai Electric Power Group Environmental Policy, our Group recognizes the importance of biodiversity, working on conservation by properly understanding, analyzing and assessing the impact that our operations may have on biodiversity. Moreover, in line with the Biodiversity Action Guidelines by the Japanese Electric Utility Industry, which were set by the Federation of Electric Power Companies of Japan, we are expanding operations while recognizing the importance of biodiversity. For instance, when building or renovating power plants in areas of sensitive biodiversity, as much as possible we strive to prevent or reduce any impact on the environment and biodiversity in accordance with the Environmental Impact Assessment Law and where necessary we also consider biodiversity offsets.

◆ <Kansai Electric Power Group Environmental Policy 5. Conserving biodiversity>

5. Conserving biodiversity

At the Kansai Electric Power Group, we recognize the importance of biodiversity. We properly assess, analyze and evaluate the impacts of our business activities and work to preserve biodiversity.

● Biodiversity Action Guidelines by the Japanese Electric Utility Industry (revised on June 2020)

In the electric power business, we are committed to using the blessings of nature in a sustainable manner while minimizing the impact on biodiversity.

In view of the “integration of business activities and environmental measures” encompassing a wide range of environmental activities, or so-called “environmentally integrated management” that has been required recently, we have revised the Biodiversity Action Guidelines by the Japanese Electric Utility Industry. Based on these Action Guidelines, we will continue to strive for sustainable business activities while appreciating the blessings of nature.

◆ Code of Conduct

As a member of the international and local communities, not just as an electric power company, we keep in mind that biodiversity is an important foundation of a sustainable society and realizing such a society is our responsibility. We will actively promote the following business activities that bring benefits to biodiversity, thereby realizing a sustainable society.

I. Promoting environmentally integrated management that contributes to biodiversity

- ① When supplying electricity, carry out corporate management while recognizing the effects of business activities on achieving various goals related to SDGs with due consideration to biodiversity.
- ② In order to reduce greenhouse gas emissions in the electric power industry as a whole, make utmost efforts to use nuclear power generation with the basic premise of ensuring safety, increase the use of renewable energies, further improve efficiency and perform appropriate maintenance of thermal power generation, and provide energy-saving and CO₂-saving services that contribute to a low-carbon society.
- ③ Continue to engage in 3R (Reduce, Reuse, Recycle) activities, such as effective use of resources and reduction of final waste disposal, to create a recycling-based society and reduce environmental load.
- ④ Regarding biodiversity efforts, deliver easy-to-understand information and dialogue appropriately to a broad base of stakeholders.

II. Steadily engaging in actions that contribute to biodiversity

- ⑤ When conducting business activities, properly assess, analyze and evaluate the impact on biodiversity, and strive for conservation and sustainable use.
- ⑥ Promote technologies and R&D that contribute to the conservation and sustainable use of biodiversity, and seek to disseminate them.
- ⑦ Work to conserve biodiversity by voluntarily and proactively engaging in activities that lead to the creation of social value, such as forest conservation and environmental education, while cooperating and collaborating with relevant local organizations and customers. At the same time, contribute to achieving SDGs.
- ⑧ Encourage employees to enhance their awareness of biodiversity by participating in environmental education and environmental conservation activities inside and outside the company.
- ⑨ Provide environmental education activities to customers and the next generation, and participate in and cooperate with educational activities performed in the community to widely spread awareness of biodiversity.



Goals

Conservation of biodiversity

Consideration of biodiversity through business activities

Efforts

● Examples of specific efforts related to Biodiversity Action Guidelines by the Japanese Electric Utility Industry II—⑤

◆ Monitoring of the habitats and lives of flora and fauna at locations around the power plant

Conservation efforts are underway for plants and animals inhabiting the area near the Okutataragi Pumped Storage Power Station, where the habitats of species such as forest green tree frogs were studied in fiscal 2020 through literature and field surveys. The results will serve as the basis for further biodiversity conservation efforts.

Additionally, in fiscal 2021, the area surrounding a hydropower plant located along the Kizu River system in Kyoto Prefecture was surveyed to gather information required for biodiversity conservation, the results of which show that the area remains intact and protected from invasive alien species, with highly biodiverse communities thriving. In fiscal 2022, the area around the hydropower plant located along the Kiso River system in Nagano Prefecture was surveyed. Field studies will similarly continue through this year and beyond in the vicinities of other power plants for biodiversity investigation and monitoring.

◆ Protecting native species around Kurobe Dam

Our Company runs electric buses along the Tateyama Kurobe Alpine Route that connects Nagano Prefecture and Toyama Prefecture. Along with not emitting exhaust gases, these vehicles rarely startle animals with their sound because they run extremely quietly.

Kurobe Dam, which is situated in a national park, receives one million visitors annually. At Ogizawa Station, which is the entrance to the Nagano Prefecture side, the seeds of plants that do not naturally grow in Kurobe sometimes get brought over on the soles of the shoes of tourists. Thus, we have placed seed removal mats at the station ticket gates to prevent the influx of non-native species. The removed seeds are collected with a vacuum cleaner and incinerated.



Seed-removal floor mat

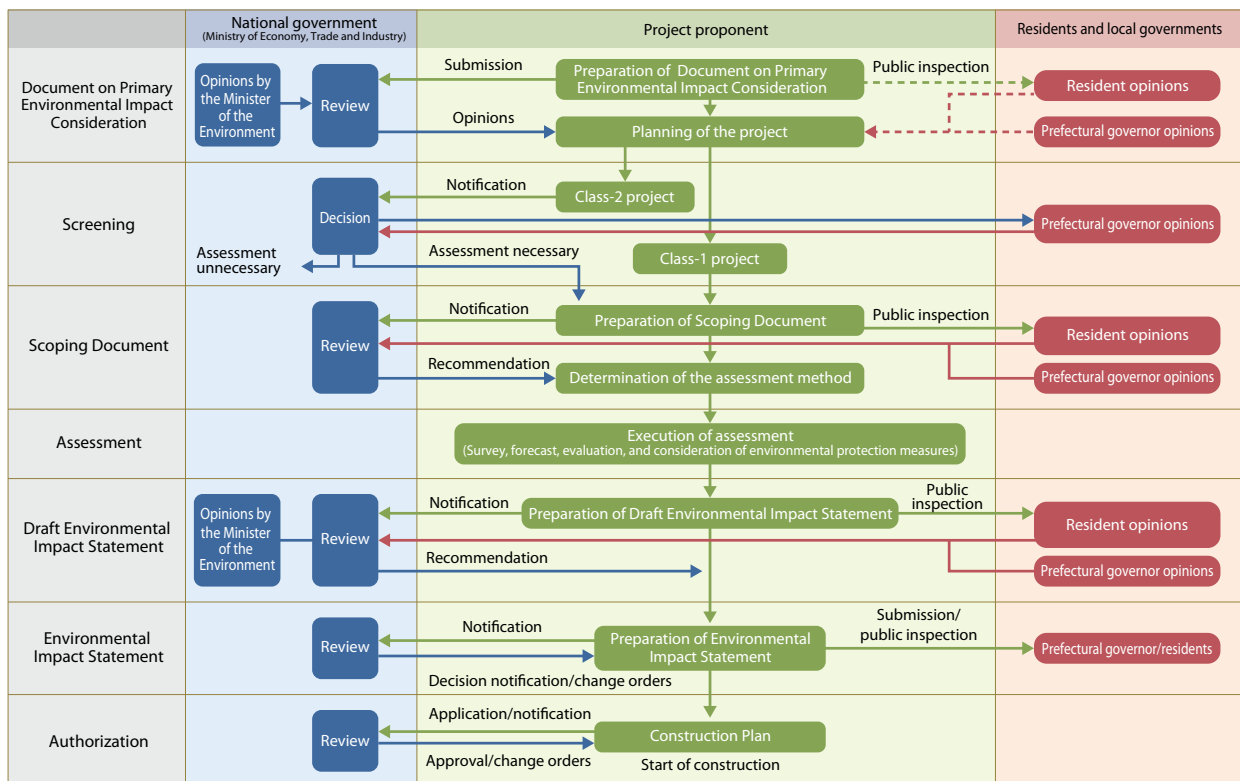
◆ Execution of environmental impact assessment

An environmental impact assessment system estimates and evaluates impacts on the environment of business activities and investigates necessary countermeasures before the execution of large-scale development projects.

In Japan, the system based on the Environmental Impact Assessment Law stipulates subject business survey items, procedure protocols, and other requirements. In suitably implementing environmental impact assessment for power plant construction (including new, expansion, or replacement) in the electric power business, along with utilizing the extensive knowledge that we had accumulated before the establishment of this law, we are, for example, listening to the opinions and recommendations of local residents, regional organizations and the national government. Furthermore, through environmental protection measures based on the opinions of experts and others, we are making efforts to minimize impacts on the natural environment and biodiversity as well as restore natural environments.



◆ Environmental assessment procedures

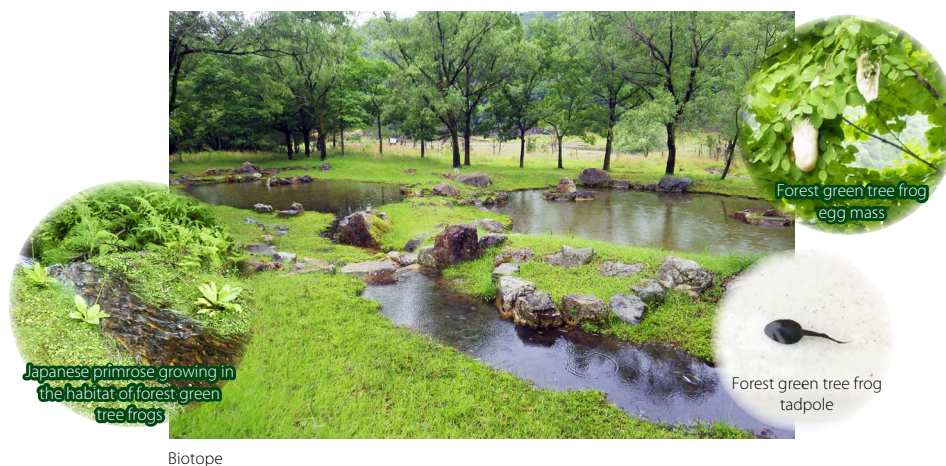


● Examples of specific efforts related to Biodiversity Action Guidelines by the Japanese Electric Utility Industry II—⑦

◆ Natural forest creation

In order to make forests that are similar to nature at power plants in a short period of time, we are trying to create environments that protect the original biodiversity of the region by selecting cultivated tree saplings that are suited to the region, and planting different species densely in close proximity.

Moreover, in order to maintain natural forests, as we look to the guidance of experts, we are undertaking continuous efforts to preserve biodiversity, including measures to further diversify species and eliminate invasive alien species.



Biotope

◆ Protecting oriental white storks

In Toyooka City, Hyogo Prefecture, released oriental white storks, which are designated a Special Natural Treasure in Japan, sometimes make their nests on utility poles and steel towers. Not only are there concerns about accidents, but there are also fears that storks could be electrocuted. For these reasons, Kansai Transmission and Distribution, Inc. patrols carefully, removing nests as quickly as possible and conducting measures to discourage them from coming near utility poles in cooperation with the local governments. In these ways, we are both protecting the storks and maintaining the safety and stability of the power supply.



Water Resources

ENVIRONMENT



► Policy and Concept

A physical shortage of water has an impact on our business. Specifically, restrictions on the supply of drinking and industrial water could have an impact on the operations of water-dependent thermal and nuclear power plants.

Thermal and nuclear power plants use massive amounts of water; seawater is used for cooling purposes while about half of a power plant's water (excluding cooling water) is supplied by seawater desalination facilities.

In addition, the results of water risk assessments conducted in fiscal 2020 at our power plants showed that there was no significant risk associated with drought.

While drought poses little risk to our power plants in Japan, we will continue to work on the proper use of water resources and risk management.

At the same time, group-wide efforts will be made to minimize office water use (as part of the Kansai Electric Power Group Eco Action).

► Goals

Reducing office water consumption

Reduce as much as possible

► Efforts

● Water risk assessments

The results of water risk assessments conducted in fiscal 2020 at our power plants showed that they were not at significant risk of a water shortage; resources include tools provided by the World Resources Institute (WRI)* and information obtained from external experts.

* An independent organization that researches policies on issues related to the global environment and development, as well as providing technical support.

● Performance data

| Water consumption*1 | | | | Unit | FY 2020 | FY 2021 | FY 2022 |
|--|--|--|--|------------------------|---------|---------|---------|
| Total net fresh water consumption*2 <div><div>River water</div><div>Groundwater</div><div>Total municipal water supplies<div><div>Amount of industrial water used (for power generation)</div><div>Amount of service water used (for power generation)</div></div></div></div> | | | | million m ³ | 4.23 | 4.23 | 4.54 |
| | | | | | (5.05) | (5.21) | (5.40) |
| | | | | | 0.37 | 0.44 | 0.44 |
| | | | | | (0.37) | (0.44) | (0.44) |
| | | | | | 0.00 | 0.00 | 0.00 |
| | | | | | (0.48) | (0.56) | (0.46) |
| | | | | | 3.86 | 3.79 | 4.10 |
| | | | | | (4.20) | (4.21) | (4.50) |
| | | | | | 2.73 | 2.51 | 2.61 |
| | | | | | (2.91) | (2.66) | (2.72) |
| | | | | | 1.13 | 1.28 | 1.49 |
| | | | | | (1.29) | (1.55) | (1.78) |
| | | | | | 2.80 | 2.79 | 2.54 |
| | | | | | (2.80) | (2.79) | (2.54) |

*1 The figures in parentheses include the results of group companies (excluding those of some group companies)

*2 Excluding desalinated seawater

*3 Desalinated seawater

Note: Reporting coverage is shown on page 26.





S

SOCIAL

- ◆ Human Rights
- ◆ Labor Practices
- ◆ Occupational Health and Safety
- ◆ Human Capital Development
- ◆ Responsibilities Toward Customers
- ◆ Disaster Mitigation Efforts
- ◆ Communities
- ◆ Supply Chain Management

Human Rights

SOCIAL



Respect for human rights

► Policy and Concept

As stated in the Kansai Electric Power Group Code of Conduct that our Group regards human rights as a universal value shared by the international community, supports international norms on human rights, and respects human rights in all its business activities, we have been promoting initiatives to encourage the respect of human rights. Today, in light of the heightened awareness of respect for human rights in society, including the issuance of the National Action Plan on Business and Human Rights (NAP), in December 2021 we established the Kansai Electric Power Group Human Rights Policy in compliance with the Guiding Principles on Business and Human Rights. This policy serves as a top-level human rights policy based on the Kansai Electric Power Group Management Philosophy Purpose & Values and the Kansai Electric Power Group Code of Conduct.

In accordance with the International Bill of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), and international human rights norms, the Group is committed to human rights due diligence, preventing and reducing negative impacts on human rights in various forms of human rights violations such as human trafficking, forced labor, and child labor related to business activities. We will fulfill our corporate responsibility for respecting human rights and support the realization of a society where the dignity and rights of all human beings are respected.

◆ Kansai Electric Power Group Human Rights Policy Preamble

Under the Kansai Electric Power Group Management Philosophy Purpose & Values, the Group will contribute to the sustainable development of society and support the realization of a society where the dignity and human rights of all human beings are respected through the collective wisdom and collaboration of all its executives and employees.

The Group hereby establishes the Kansai Electric Power Group Human Rights Policy (hereinafter referred to as the "Policy") to express our respect for the human rights of all people involved in the Group's business activities and promote human rights initiatives.

The Policy lays the foundation for all business activities of the Group as a top-level human rights policy based on the Kansai Electric Power Group Management Philosophy Purpose & Values and the Kansai Electric Power Group Code of Conduct.

● Human rights due diligence system

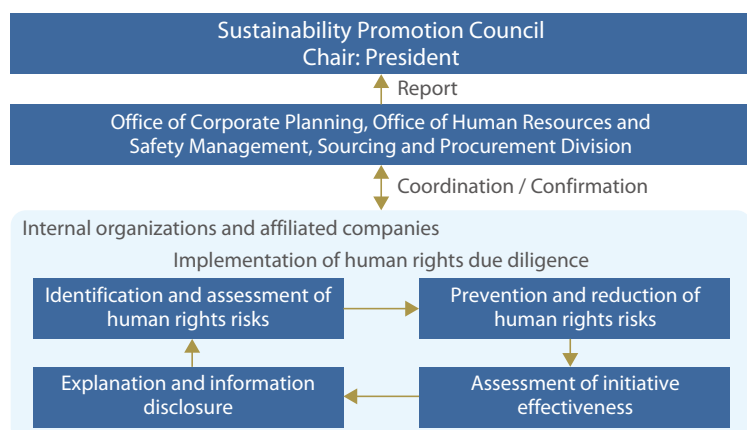
We will identify negative impacts (human rights risks) associated with our business activities and report the status of initiatives toward prevention and reduction and other matters to the Sustainability Promotion Council chaired by the President, confirming the implementation status of human rights due diligence at this Council.

● Implementation status of human rights due diligence

Since fiscal 2022, the Company has been conducting human rights due diligence along its supply chain. In fiscal 2022, targeting 98 major suppliers, we conducted a questionnaire survey that includes items such as forced labor, child labor, and conflict minerals. (Questionnaire response rate: 100%)

Based on the survey results, we are working to prevent and reduce negative impacts on human rights as necessary.

In fiscal 2023, in addition to the above-stated initiatives, we will identify and assess human rights risks with expanded targets.



● Remedy desks

The Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. accept consultations not only from employees but from all stakeholders.

With the Compliance Hotline and the Human Rights and Harassment Hotline in place, employees are informed of these through our internal portal site, training, and other means. For customers, local communities, suppliers, and other stakeholders, consultation is offered through “Contact” on our website and by other means.

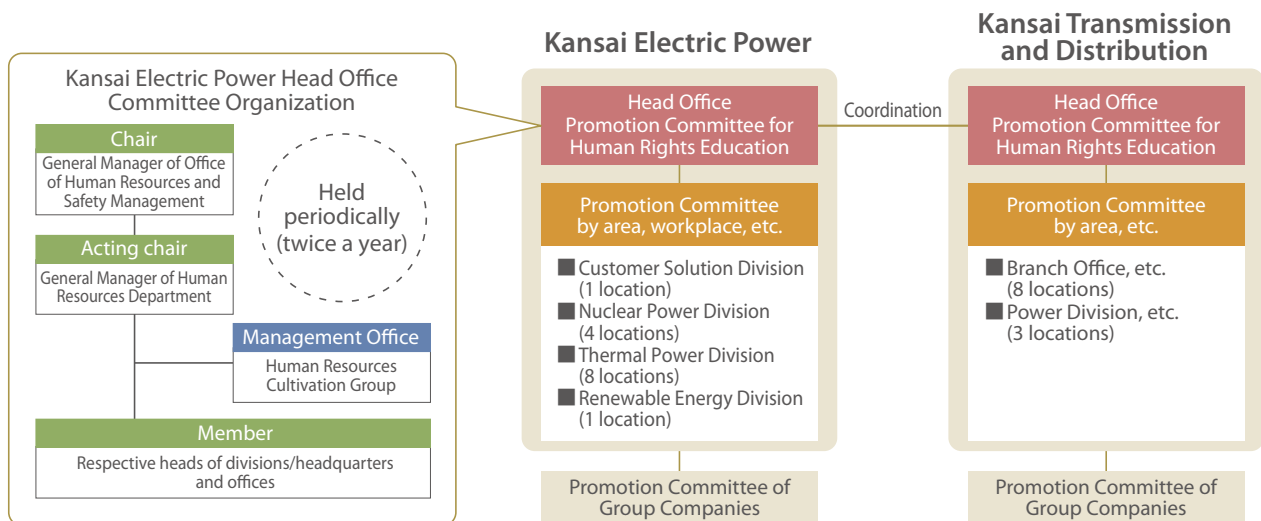
● Dialogue and consultation

The Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. have formulated a human rights policy and implemented awareness-raising activities, seeking advice from outside experts. We will continue to advance initiatives demonstrating respect for human rights through dialogue and consultation with our stakeholders.

► System

● System for the promotion of human rights education

With the Promotion Committee for Human Rights Education established at the respective head offices and business activity bases in each region, our Company and Kansai Transmission and Distribution, Inc. formulate basic plans for human rights education for the year to come, as well as confirming how human rights awareness raising efforts and training programs are being implemented. In addition, we share information on various human rights issues and promote initiatives for respecting human rights across the Group.



► Goals

- Kansai Electric Power 2023 Basic Plan for Human Rights Education
- Kansai Transmission and Distribution 2023 Basic Plan for Human Rights Education

Promote human rights training with the goal of having all employees receive training at least once a year.

FY 2022 results:
Frequency of training attendance per person

2.66 times

(+0.28 times compared to FY 2021)
A total of 50,313 employees attended

FY 2021 results: 2.38 times



Efforts

Initiatives for raising human rights awareness and harassment prevention

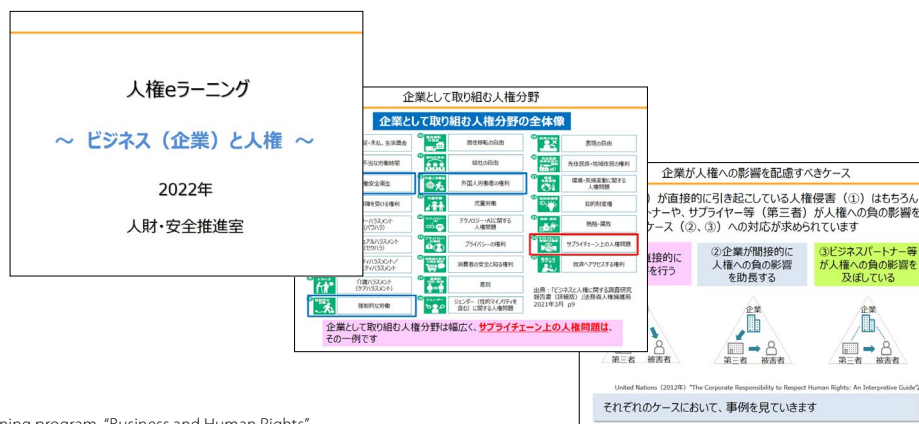
The Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. provide human rights training to management and all employees on a continuous basis to deepen their understanding and recognition of our corporate responsibility to respect human rights, and to enable each and every employee to take responsible action in all business activities.

In fiscal 2022, for the Kansai Electric Power Group Human Rights Policy to permeate, we provided a human rights e-learning program targeting all employees, "Business and Human Rights," and held group discussions using case studies to promote understanding of respect for human rights, which requires the commitment of enterprises.

In addition, we carry out awareness-raising activities on a continual basis to create a workplace climate that does not tolerate any kind of harassment.

Distinctive training and attendance in FY 2022

| Training details | Target |
|--|---|
| Human rights e-learning program, "Business and Human Rights" | All employees |
| Group discussion, "Business and Human Rights" | All employees |
| Human rights lecture on "Business and Human Rights" Trends in human rights issues and initiatives at the Kansai Electric Power Group | Promotion members, managers and others: 220 |
| Human rights training for executives, "Awareness of the times and human rights required for corporate management" —In light of the evolution of AI and "Guiding Principles on Business and Human Rights"— | Executives and others: 65 |
| Workplace discussion on harassment prevention | All employees |



Human rights e-learning program, "Business and Human Rights"

Initiatives linking our Group, municipalities and other entities

Twice a year, the Kansai Electric Power Group holds Human Rights Information Exchange Meetings for Group Companies to promote initiatives for respecting human rights. In addition, we actively participate in the activities of the Osaka City Council on Human Rights Promotion for Corporations and other liaison group organizations, as well as those at the national and local government level.

Relevant data

Policy

Policy pertaining to the respect for human rights

Established

Kansai Electric Power Group Human Rights Policy

<https://www.kepcoco.jp/sustainability/society/humanrights/index.html>

Labor Practices

SOCIAL



Promotion of diversity and inclusion

► Policy and Concept

In April 2022, we formulated the Kansai Electric Power Group Diversity and Inclusion Promotion Policy. Toward the realization of this policy, we will work on human capital development to empower each employee to be dynamic in their work by willingly taking on challenges, thereby leading to the realization of the “Kanden Transformation.” We will also develop an internal environment allowing our employees to adopt diverse career paths and “workstyles” to maximize their abilities with increased motivation. Our dedicated organizations will continue to take the lead in advancing various initiatives, including periodical information dissemination and training, as well as creation of a company-wide lateral meeting structure to share and adopt successful examples of initiatives taken by each division/workplace across our Company and group companies (implemented since fiscal 2023). We will make structures and enhance systems to boost autonomous D&I promotion by respective divisions.

● Kansai Electric Power Group Diversity and Inclusion Promotion Policy

1. By respecting, accepting, and utilizing the “differences” of each individual and making diverse senses of value and ways of thinking into sources of strength for the organization, we will create innovation and establish a competitive corporate group.
2. We seek to realize workstyles and to cultivate workplace environments that enable everyone to exercise their abilities to their fullest extents, regardless of gender, age, nationality, and disabilities or experienced life events and careers.



► System

Director responsible: Nobuyuki Miyamoto (Executive Vice President) of the Kansai Electric Power Co., Inc.

Management office: D&I Promotion Group, Office of Human Resources and Safety Management of the Kansai Electric Power Co., Inc.
(Exclusive organization established in 2011)



Efforts

Promotion of employment of persons with disabilities

In 1993 we established Kanden L-Heart Co., Inc. as a special affiliate company, and together with Kansai Transmission and Distribution, Inc.* (which was split off in April 2020), these organizations encourage employment of people with disabilities. Kanden L-Heart is actively recruiting people with disabilities by accepting them as workplace trainees and by other means, in collaboration with the government, related organizations, special-needs high schools, etc.

As a result, our employment percentage of workers with disabilities reached 2.5% (as of June 1, 2023), having continuously achieved the legally required percentage (2.3%). In addition, we are opening up a diverse range of job positions where people with disabilities can play an active role, such as office assistant, while also creating a comfortable work environment tailored to the characteristics of individuals with disabilities.

Pont des Tech, Inc., a member of the Kansai Electric Power Group, provides expertise in the refurbishment of used PCs from the perspective of creating safe and high-value-added jobs for special affiliate companies, thus contributing to the promotion of employment of people with disabilities in society as a whole.



Pick-up and delivery work

* Kansai Transmission and Distribution, Inc. has been certified as a special affiliate (as our Group) and therefore is included in the calculation of our employment ratio of persons with disabilities.

Promotion of employment of elderly persons

We are rehiring all applicants after they retire at the age of 60, and are also continuously working to improve the environment so that veteran employees can further utilize the knowledge and experience they have cultivated so far. Currently, many highly qualified and skilled retirees with abundant experience are active in a wide range of operations at our Company and group companies. In addition, as part of efforts to improve the environment so that all generations can continue to play an active role into the future, labor and management are discussing the extension of the retirement age to 65.

Note: Number of rehired employees (retired employees) at the end of March 2023: Approximately 950

Initiatives to encourage the further success of female employees

As a new measure, we will introduce a mentoring program by executive officers (started on a trial basis in January 2023, with full implementation scheduled to start in the second half of fiscal 2023). With this program, an executive from the Company serves as a mentor to women at the section manager level in supporting the autonomous career formation of each individual employee and fostering their abilities, thereby increasing the number of female executives. Although the Company does not adopt a gender-specific wage structure, the difference in average years of service has caused a gender wage gap. In this regard, we have various support systems to balance between work and childcare, etc., and we are actively promoting female employees to managerial positions with targets set for the ratio of female managers and female senior managers.

Male-female wage gap* Ratio of women's wages to men's

| | |
|---|-------|
| All workers | 65.0% |
| Full-time employees | 68.4% |
| Part-time employees and employees on fixed-term contracts | 67.0% |

* Figures representing the Company only

* FY 2022

* Includes base salary, overtime pay, bonuses, etc., but excludes retirement allowance, commuting allowance, etc.

* Excludes loaned employees and employees on leave.

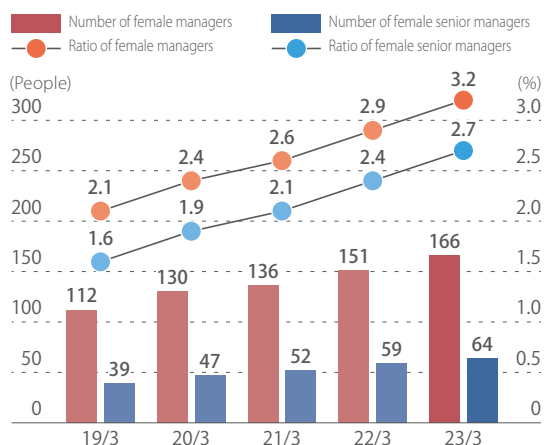
* The difference in average years of service, which is the basis for the gender wage gap (full-time employees), is 9.1 years.

* Includes medical staff working at the Kansai Electric Power Hospital.

Targets for promotion of female employees

| | |
|-------------------------------------|--|
| Appointment to managerial positions | By the end of FY 2030, increase the ratios of female managers and female senior managers to more than threefold those of FY 2018. (FY 2022 results: 3.2% for female managers, 2.7% for female senior managers) |
| Recruitment | Achieve ratios of 40% or more for women employed in office jobs and 10% or more for women employed in technical jobs. (FY 2023 results: 49% for office jobs and 14% for technical jobs) |

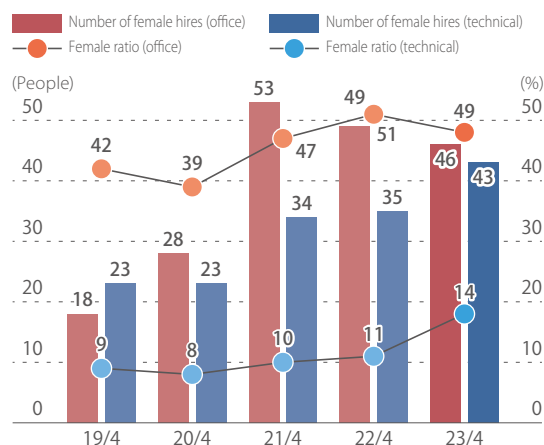
Number and ratio of female senior managers and managers*



(Figures from fiscal year ends) Excludes medical staff and transportation staff.

* Managers refer to those equivalent to unit chief or higher.

Number and ratio of female hires

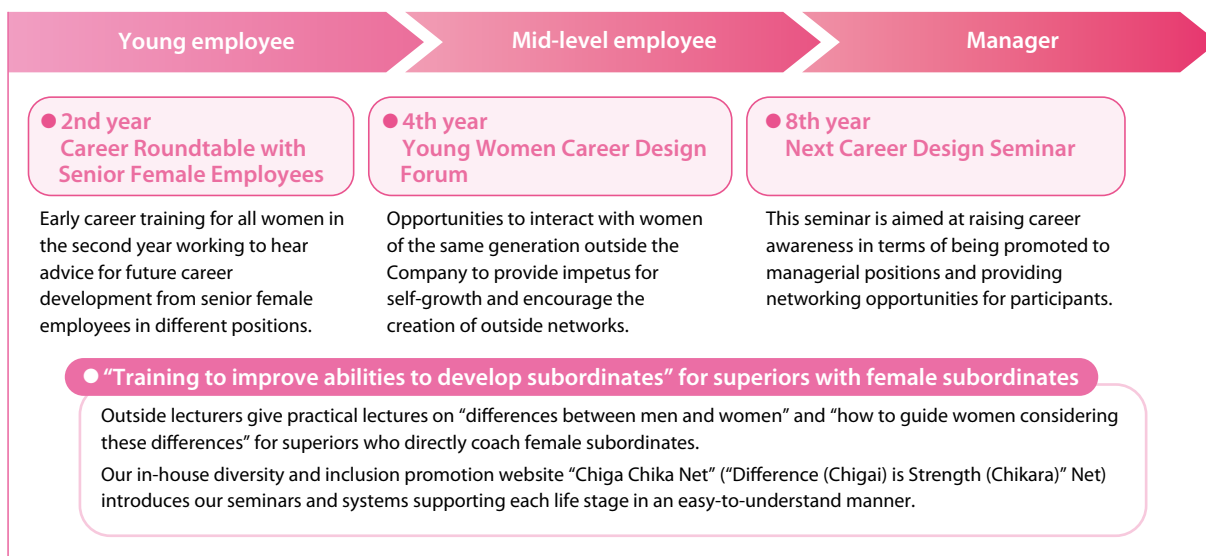


(Based on fixed term employment for each fiscal year)



◆ Initiatives related of promoting women's empowerment

● Support and measures according to career stages



● Measures and support according to life events

● Expectant mother/father seminar

For employees who are expecting children within the next year. In the seminar, they learn ideas and methods necessary for both husband and wife to develop their careers while balancing work and childrearing. They are also encouraged to consider optimal timing for returning to work and workstyles thereafter, allowing both of them to take childcare leave, etc. for the necessary period and return to work at their desired time.

● Seminar for managers (superiors) in departments with expectant mothers/fathers

For line managers with employees expecting children within the next year, the aims of this seminar are as follows.

- Learning about the role expected of a supervisor with a pregnant subordinate and key points for communicating with the subordinate.
- Understanding that the benefits of men's participation in childcare and taking childcare leave extend to the men themselves, the company, and society.
- With that understanding, line managers will work to create a work environment to enable their subordinates to achieve the best work-life management between work and childcare.

● Early reinstatement support menu

Financial support is provided for childcare to employees returning to work early, before their children celebrate their first birthdays.

● Release of information on the in-house website

Our in-house diversity and inclusion promotion website "Chiga Chika Net" ("Difference (Chigai) is Strength (Chikara)" Net) introduces our seminars and systems supporting each life stage in an easy-to-understand manner.

● Returnee seminar

For female employees who have returned to work after childcare leave and their spouses in the case of intra-office marriage.

The seminar aims to dispel anxiety about balancing work and childcare, providing advice for proactive work-life balancing, as well as serving as an opportunity to think about future workstyles that will promote self-growth while imagining the growth of their children.

● Participation in training, etc. during childcare leave

Employees can participate in training and take promotion exams, if they are conducted during childcare leave, upon request.

● PC rental service during childcare leave

A computer is lent to each employee to keep them informed regarding the moves and changes in business situations even during childcare leave, and to support their return to work through communication with their workplace.



Scenes from training



Scenes from training



Chiga Chika Net

◆ Third-party evaluation on women's empowerment

As a result of these various efforts, we received the "Kurumin" certification in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children and the highest "Eruboshi" certification (third level) in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace. We were also recognized as a "Leading company for female activity in Osaka City." In the selection of "Nadeshiko Brands" instituted jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange, we were selected as a "Semi-Nadeshiko Brand." Furthermore, we acquired the Osaka Prefecture "Danjo Ikiiki Plus" certification as a business operator putting forth its best effort to be a vibrant company or organization where both men and women can work with enthusiasm.



Semi-Nadeshiko Brand



"Kurumin" certification



"Eruboshi" (the highest level)



Leading company for female activity in Osaka City



Approved as a "Danjo Ikiiki Plus" certified company by Osaka Prefecture

● Promoting the participation of male employees in childrearing

We are encouraging male employees to participate in childrearing with the aim of deepening their ties with family members, growing as individuals through childrearing experience as well as increasing work efficiency and motivation, leading to further promotion of women's empowerment.

From October 2022, when the revised Child Care and Family Care Leave Act comes into effect, setting a target rate of male employees taking childcare leave to be equivalent to that of female employees (rate of female employees who took childcare leave in fiscal 2022: 100%), as well as a new target average number of days for men taking childcare leave to be at least one month by fiscal 2025, we will further promote the participation of male employees in childrearing to achieve this goal.

◆ Targets for male employees taking childcare leave

| | |
|------------------------|---|
| Utilization rate | Equivalent to the utilization rate of female employees (Rate of female employees who took childcare leave in FY 2022: 100%) |
| Average number of days | At least one month by fiscal 2025 |

◆ Rate of male employees who took childcare leave*

| | FY 2020 | FY 2021 | FY 2022 |
|---|---------|---------|---------|
| Rate of childcare leave taken | 98% | 117% | 124% |
| Average number of days of childcare leave taken | 8.3 | 10.4 | 14.5 |

Calculation method for the ratio of men's childcare leave taken:

- Numerator: Number of male employees whose first childcare leave at birth or childcare leave for a child started during the relevant fiscal year
- Denominator: Number of male employees whose spouse gave birth during the relevant fiscal year

* Excluding medical and transportation staff

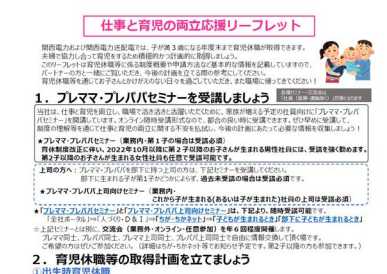
* As employees can take childcare leave until the end of the fiscal year in which their child reaches the age of three, the utilization rate may exceed 100% if the fiscal year in which the child is born is not the same fiscal year in which the first childcare leave at birth or childcare leave for the same child starts.

◆ Measures to encourage male employees to participate in childrearing and take childcare leave

The "Support for Balancing Work and Childcare Leaflet," distributed by superiors when a subordinate notifies them that she or his spouse is pregnant or giving birth, invites employees to attend the expectant mother/father seminar, which communicates the importance and benefits of men's participation in childrearing and taking childcare leave, and encourages them to draw up a "Plan for Taking Childcare Leave, etc." useful for communicating with their superiors, thereby facilitating male employees' taking childcare leave when necessary and for a necessary period.

Superiors with subordinates who expect childbirth are required to attend the seminar for managers (superiors) in departments with expectant mothers/fathers so they correctly understand the benefits that male participation in childrearing and taking childcare leave will bring not only for themselves but also for the company and society, creating a workplace environment that facilitates balancing work and childcare.

Additionally, we deliver an email calling for taking childcare leave to male employees whose spouse have given birth to a child, with the same message sent to their superiors. The experiences of male employees who took childcare leave are published on our intranet.



● Efforts to promote mid-career hires and non-Japanese personnel to managerial positions

We will continue to promote hiring with an emphasis on diversity, expand mid-career hiring, and actively promote mid-career hires to managerial positions. We will also actively recruit and promote non-Japanese human resources to managerial positions. We set the following goals for the promotion of mid-career hires to managerial positions in fiscal 2021.

By the end of FY 2030, increase the ratio of mid-career hires in managerial positions to more than 10 times that of the end of FY 2020. (Results at the end of FY 2020: 0.1%, Results at the end of FY 2021: 0.3%, Results at the end of FY 2022: 0.6%)

Furthermore, we will actively rehire displaced workers who have built their careers at other companies. We will work to ensure that experienced individuals who have gained knowledge elsewhere can play an active role in our Company.

| Recruitment status of mid-career hires | FY 2022 (result) | FY 2023 (result) | FY 2024 (plan) |
|--|------------------|------------------|----------------|
| Number of mid-career hires | 42 | 70 | 70 |

● Support for balancing work and nursing care

Providing employees with basic knowledge about nursing care, public support, and our internal systems can help prevent them from leaving their jobs when faced with nursing care and maintain a balance with work. For this reason, we have published a Handbook for Work-Nursing Care Balance Support and hold seminars on the compatibility of work and nursing care.



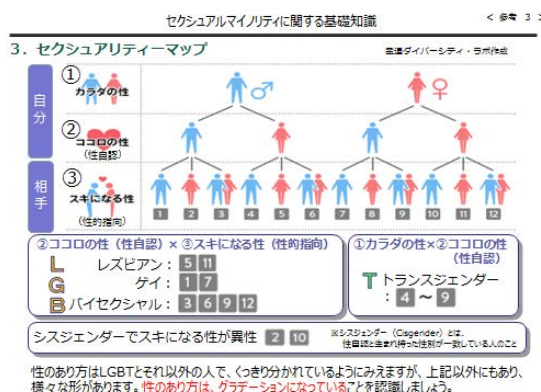
Handbook for Work-Nursing Care Balance Support



Nursing care seminar

● Support for employees identifying as LGBTQ and promotion of understanding companywide

Aiming to deepen employees' understanding of LGBTQ issues and creating a comfortable workplace for everyone, we have published an informative handbook for all employees that contains the basic LGBTQ knowledge and prevention of harassment, setting up a consultation desk as well. We conducted awareness activities using SOGI (sexual orientation and gender identity) harassment case studies in fiscal 2022, in order to further promote employee understanding of LGBTQ. In April 2021, we earned a three-star certification as an Osaka City LGBT Leading Company. In fiscal 2022, we were designated the highest "Gold" rating under the PRIDE Index established by work with Pride, a voluntary organization that evaluates LGBTQ-related corporate efforts.



work with Pride



● Work system, work-life balance support system

Not just unitarily posting various work systems and work-life balance support systems on our portal site, we also provide employees with explanations of newly introduced systems as appropriate.

| Category | System | Details |
|--|---|--|
| System that enhances workstyle flexibility | Super flextime | Flexible work system without designated core time |
| | Telework | Employees can work from home or in a satellite office regardless of reason and without a limit on the number of times. |
| | Hourly leave | Leave is available in 1-hour units (up to 5 days/year). |
| Support for compatibility between work and childrearing | Prenatal and postnatal leave | 6 weeks before and 8 weeks after childbirth (paid leave) |
| | Leave before and after childbirth | 5 days at any time starting from the time the spouse's pregnancy is determined and no later than 2 weeks after delivery (paid leave) |
| | Childrearing leave | Unpaid leave until the end of fiscal year in which an employee's child becomes 3 years old (up to two times during the period). (Any one of the two times, paid leave up to 7 days from the start of the childcare leave) |
| | Childrearing leave at birth | Up to 4 weeks in total within 8 weeks from (estimated) due date (can be taken in installments up to two times) |
| | Early reinstatement support menu | Financial support for childcare is provided to employees with a child under 12 months of age upon returning to work. |
| | Short working hours (childrearing) | Up to 2 hours per day in 10-minute increments (until the end of September of the year when an employee's child is in the first grade of elementary school) |
| | Child nursing leave | 5 days (10 days in the case of two or more children) per fiscal year when an employee's child receives nursing care, inoculations, or health examinations before entering elementary school |
| | Family support reserve leave | Employees can use part of their accumulated annual paid leave for participation in their child's school events, going to hospital for infertility treatment, nursing/long-term care of their spouse/relatives, going to get full medical checkups, and other purposes. |
| Support for compatibility between work and nursing care | Nursing care leave | 5 days (10 days in the case of two or more eligible persons) per fiscal year when an employee provides nursing care to their spouse, parent, child, or relatives |
| | Nursing care leave | Leave is available within 3 years in principle or up to 93 days in total. |
| | Short working hours (nursing care) | Up to 2 hours per day in 10-minute increments (period in need of nursing care and that an employee applied for) |
| Support for compatibility between work and medical treatment | Short working hours (medical treatment) | Up to 2 hours per day in 10-minute increments (for treatment of "cancer, stroke, liver disease, heart disease, diabetes, intractable disease, or infertility treatment" for the employees themselves) |
| Reemployment system | f-staff system | Reemployment system for those who resigned due to pregnancy, childbirth, childrearing, long-term nursing care, transfer of spouse, or infertility treatment |



Promotion of workstyle innovation, health and productivity management

Policy and Concept

Integrated promotion of workstyle innovation and health and productivity management

Under the Medium-term Management Plan, we are committed to increasing the added value of operations leveraged by digital technology, accelerating flexible workstyles regardless of time and place, continuously conducting health activities on a workplace basis, and promoting line care as a means of integrated promotion of workstyle innovation and health and productivity management. The “Health and Productivity Management Declaration,” which was established in January 2018 to demonstrate our unflagging resolve to work on health and productivity management, was renewed in April 2023 as follows to clearly show the Kansai Electric Power Group’s unified approach.

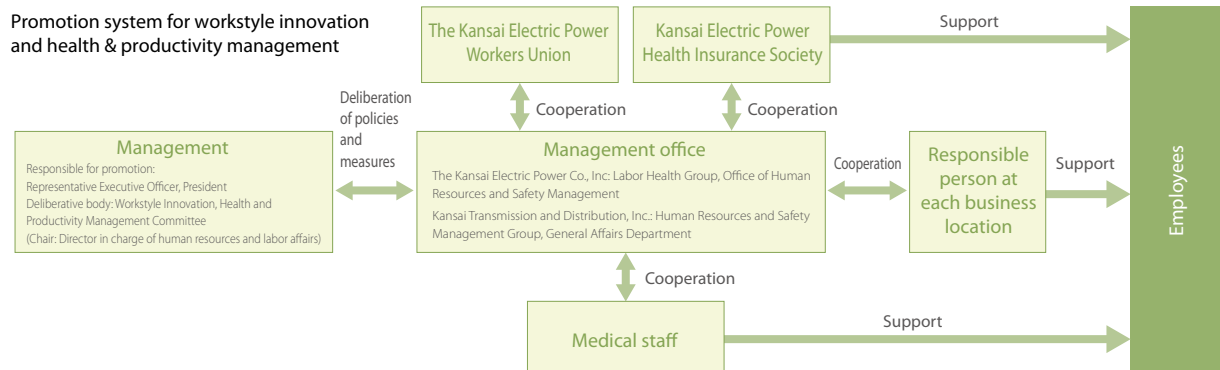
◆ Kansai Electric Power Group’s Health and Productivity Management Declaration (Renewed in April 2023)

For the Kansai Electric Power Group’s contribution to the development of a sustainable society aligned with its management philosophy Purpose & Values, it is important that every employee can fully exercise their abilities in business activities in good physical and mental health.

In addition to taking all possible measures to prevent illnesses among its employees, the Group will support employees’ health advancement so each one of them can live a vibrant and fulfilling life as we promote health and productivity management and workstyle innovation in an integrated manner.

System

Under the leadership of the President, who is responsible for promoting workstyle innovation and health & productivity management, and through discussions at the Workstyle Innovation, Health, and Productivity Management Committee chaired by the director in charge of human resources and labor affairs, we are developing policies and measures to establish a more flexible work system and enhance employee health, working with the workers union, health insurance association, medical staff, and others in a group-wide effort to create an environment where each employee can work in good health with motivation to grow and take on challenges.



Goals

- Reduce total working hours “by 5% compared to FY 2015, or 190 hours/year, which is equivalent to overtime hours per person”
→ FY 2022 results: Overtime hours per employee were 250 hours/year (FY 2021 results: 241 hours)*
- Achieve male employee childrearing leave/paid leave utilization rate of 90% or higher
→ FY 2022 results: Male employee childrearing leave utilization rate was 124% (FY 2021 results: 117%)*, and paid leave utilization rate was 99.4% (FY 2021 results: 95.5%)*.
- Improve health indexes to the level of leading companies in health and productivity

| Indexes | Targets | FY 2021 | FY 2022 |
|------------------------|--|---------|---------|
| Appropriate bodyweight | Those with a BMI between 18.5 and 25: 71% or more | 67.5% | 67.3% |
| Exercise habits | Those exercising at least 2 days per week: 21% or more | 37.1% | 39.2% |
| Smoking habits | Smoking rate: Less than 26% | 22.9% | 21.7% |
| Sleep | Those answered that they are well rested through sleep: 60% or more | 81.0% | 79.7% |
| Drinking habits | Those drinking an average of 360 mL or more alcoholic beverages per day: Less than 14% | 10.4% | 12.8% |

* Figures exclude transportation and medical staff.



Efforts

Developing and improving comfortable workplaces

For working hours to be managed appropriately, efforts are being made across the Group to improve operational efficiency by eliminating unnecessary operations themselves and reviewing processes, along with efforts to enhance work systems that allow for more diverse workstyles through flextime with no core time, teleworking, introduction of hourly leave, encouraging employees to take leave, and other means in accordance with the Group policy.

Major work system revisions in recent years at Kansai Electric Power

| | | |
|----------|--|--|
| 2015. 4 | Introduction of anniversary leave | Granted special leave on anniversaries of employees or their families. |
| 2016. 4 | Introduction of teleworking | Introduced to support improved balance between work and life events. |
| 2016. 4 | Introduction of partially paid childrearing leave | Seven days of paid leave for the purpose of encouraging male employees to take childrearing leave. |
| 2018. 10 | Introduction of leave for spouse's overseas assignment | Introduced leave of absence program for employees who will accompany their spouse's overseas assignment. |
| 2019. 4 | Introduction of rest between shifts | Encouraged employees to secure, basically, at least 11 hours of rest. |
| 2020. 4 | Extension of super-flexible work hours | Abolished core time as a general rule at all business locations. (Has been abolished at some locations since April 2019.) |
| 2021. 4 | Extension of teleworking | Expanded the usage of teleworking system regardless of reason and without a limit on the number of times. |
| 2021. 4 | Introduction of hourly leave system | Introduced to provide flexibility in how annual paid leave is taken. |
| 2022. 10 | Expansion of childrearing leave | Employees are allowed to take childrearing leave in two installments. Maternity leave was also introduced for employees to take leave within eight weeks of the birth date of a newborn child. |
| 2023. 2 | Expansion of short working hours | Repeated and continuous medical treatment were added to the reasons for application of short working hours. Added the application of short working hours to flexible work hours. |

Note: Non-regular employees are also eligible for many of these systems.

Certified as a Health & Productivity Management Outstanding Organization 2023 (White 500)

Having been recognized for our philosophy of "Management that values people" and health measures for employees, our Company has been certified as a Health & Productivity Management Outstanding Organization (White 500) for the seventh consecutive year since 2017.



Major health and productivity management initiatives

As part of the initiatives aiming to raise awareness of health management and improve self-care skills, the Group holds exercise and diet seminars and a walking rally, and has established "non-smoking days."

Moreover, we are working to create an environment that facilitates superiors' support for their subordinates by conducting training on line care for managers, and to enhance the support system by establishing a consultation desk with industrial physicians, industrial nurses, and outside counselors.

Welfare system to support employees

We have created an environment in which employees can work cheerfully with peace of mind by stabilizing the lives of employees and their families with the following systems: life security measures such as condolence money and various insurance programs, housing measures such as company housing (only in some areas)/dormitory and housing allowance (new rent subsidies to replace company housing), property accumulation support measures such as owned property accumulation savings and an employee stock ownership association, welfare proxy service, a cafeteria plan, an employee cafeteria, retirement benefit plans, etc. Details regarding these systems are reviewed and improved as necessary, taking into account the current situation and other factors.

Note: With the exception of some systems, non-regular employees are also eligible.

Sustaining stable labor-management relations

We have concluded a union shop agreement with the Kansai Electric Power Workers Union, and have set "company productivity increases accompanied by improved labor conditions" as a shared labor-management goal. Based on strong relationships of trust that we have constructed over our many years of history, we are building good labor-management relations. To keep up these relations, we continue to strive for mutual understanding by holding management panel discussions between labor and management as we operate business.



◆ Major opportunities for labor-management communication

| | |
|------------------------------|---|
| Management panel discussions | Labor and management promote communication in the corporate management plan, etc. (held annually) |
| Management Council | Labor and management discuss important matters, such as reorganization (as needed) |

◆ Correspondence between labor and management concerning employee transfer

Under the collective agreement, the Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. shall, when it is necessary due to business reasons, transfer their employees fairly in consideration of their intentions, living conditions, skills, etc. Especially when it is necessary to make a wide-ranging transfer, criteria for the transfer shall be discussed with the labor union.

● Kanden Building Acquires Wellness Certification (the highest rating, Rank S)

The Group is driving innovation by creating a comfortable work environment for employees and is proactively engaged in achieving growth for each individual and the entire company. The Kanden Building, our head office building, was constructed according to an architectural plan made in consideration of the health and comfort of employees, and our efforts related to the work environment have been ongoing since its completion. In 2022, the layout of the office was changed based on the perspective of work environment improvement. The Company and Kanden Realty & Development Co., Ltd. evaluated the building from the viewpoint of health and comfort as well as environmental performance and earned the highest rating (Rank S) in the CASBEE Smart Wellness Office Certification* program, a wellness certification system where office buildings are assessed and certified by a third-party organization.

◆ Overview of the Kanden Building evaluation 〈Major evaluation items (health, comfort, etc.)〉

| | |
|----------------------------|--|
| Health and comfort | ABW* ¹ with layout changes and a variety of furniture and fixtures, introduction of a free address seating system |
| Improvement of convenience | Meeting spaces in various locations and the "Communication Well" |
| Security and safety | Reliability of earthquake resistance and power supply, and maintenance thereof |
| Operations and management | Planned and appropriate maintenance, comfortable air environment, etc. |
| Program | DWS* ² tools, diverse mental health measures, etc. |

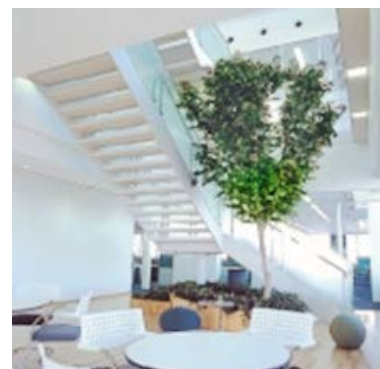


*1 Activity Based Working, meaning a workstyle that allows employees to freely choose the "time" and "place" they work

*2 Digital Work Style, a workstyle that aims to achieve high productivity utilizing digital technology



ABW is realized in the office through the introduction of free address and ABW-based seating classification into three different areas, according to purpose. A variety of office furniture and fixtures can be installed and selected for workers' health and comfort.



A space called "Communication Well" has been in place from the initial design stage, aiming to vitalize communication between the upper and lower floors, making effective use of the vaulted ceiling and stairwell.

* Buildings that have acquired CASBEE Wellness Office Certification together with CASBEE Building (certification or voluntary assessment and registration) are eligible for "CASBEE Smart Wellness Office Certification" as office buildings that take both health and the environment into consideration.

- Major evaluation items in the CASBEE Wellness Office Certification
 - (1) Health and comfort, (2) Improvement of convenience, (3) Security and safety, (4) Operations and management, (5) Program
- Major evaluation items in CASBEE Building (certification or voluntary assessment and registration)
 - (1) Environmental performance



● Relevant data

◆ Diversity and workstyle innovation

| | Targets | FY 2020 | FY 2021 | FY 2022 | Remarks |
|---|---|-------------------|-------------------|-------------------|---|
| Number of employees | — | 17,739 | 17,469 | 17,130 | On a consolidated basis |
| Average age | — | 43.4 | 43.3 | 43.3 | |
| Average length of service | — | 22.4 years | 22.2 years | 22.1 years | |
| Average annual salary | — | 8.36 million yen | 8.20 million yen | 8.56 million yen | Figures representing the Company only |
| Ratio of mid-career hires in managerial positions*1 | FY 2030: 1% or more | 0.1% | 0.3% | 0.6% | Figures for major Kansai Electric Power Group companies*2 |
| | FY 2030: 20% or more | — | 11% | 11% | |
| Rate of male employee childrearing leave utilization*1 | Same level as that of female employees every year | 98% | 117% | 124% | Figures for major Kansai Electric Power Group companies*2 |
| | Same level as that of female employees every year | — | 86% | 98% | |
| Rate of female employee childrearing leave utilization*1 | — | 100% | 100% | 100% | Figures for major Kansai Electric Power Group companies*2 |
| | — | — | 96% | 100% | |
| Average number of childrearing leave days taken by male employees*1 | 1 month or more by FY 2025 | 8.3 days | 10.4 days | 14.5 days | |
| Rate of paid leave utilization*1 | 90% or more for each year | 95.5% | 96.4% | 99.4% | Figures for major Kansai Electric Power Group companies*2 |
| | — | — | 85.2% | 91.1% | |
| Total working hours*1 | — | 1908.0 hours/year | 1891.3 hours/year | 1902.3 hours/year | |
| Overtime working hours per employee*1 | 190 hours | — | 241 hours | 250 hours | Figures for major Kansai Electric Power Group companies*2 |
| | — | — | 203 hours | 209 hours | |
| Turnover headcount*1 | — | 112 | 120 | 165 | |
| Turnover rate*1 | — | 0.58% | 0.63% | 0.90% | Figures for major Kansai Electric Power Group companies*2 |
| | — | — | 3.20% | 3.24% | |
| Male turnover rate*1 | — | 0.52% | 0.62% | 0.87% | |
| Female turnover rate*1 | — | 1.24% | 0.68% | 1.18% | |
| Turnover rate by age group | Under 30 years old*1 | — | 1.40% | 1.58% | |
| | 30-49 years old*1 | — | 0.32% | 0.34% | |
| | 50 years old and over*1 | — | 0.56% | 0.57% | |
| Ratio of workers with disabilities | Achieve legal employment rate every year | 2.6% | 2.6% | 2.5% | Figures for major Kansai Electric Power Group companies*2 |
| | Achieve legal employment rate every year | — | 2.4% | 2.4% | |
| Workers union membership rate*4 | — | — | — | 86.8% | |
| Number of new hires*1 *3 *5 | — | 448 | 426 | 414 | |
| Number of hires (new graduates/mid-career)*1 *5 | — | — | 1,792 | 1,520 | Figures for major Kansai Electric Power Group companies*2 |

◆ Indexes related to female empowerment

| | Targets | FY 2020 | FY 2021 | FY 2022 | Remarks |
|---|--|------------|------------|------------|--|
| Ratio of female employees*1 | — | 8.1% | 8.7% | 9.3% | |
| Number and ratio of female managers*1 | Increase the ratio of female managers in FY 2030 to more than threefold that of FY 2018 (to 6.3%) | 136 2.6% | 151 2.9% | 166 3.2% | Figures for FY 2020 are on a consolidated basis; figures for FY 2021 and after are for our major group companies*2 |
| | Increase the ratio of female managers to 10% or more in FY 2030 | 726 6.2% | 868 7.1% | 953 8.0% | |
| Number and ratio of female senior managers*1 | Increase the ratio of female senior managers in FY 2030 to more than threefold that of FY 2018 (to 4.8%) | 52 2.1% | 59 2.4% | 64 2.7% | Figures for FY 2020 are on a consolidated basis; figures for FY 2021 and after are for our major group companies*2 |
| | Increase the ratio of female senior managers to 5% or more in FY 2030 | 118 2.2% | 114 2.0% | 120 2.2% | |
| Average length of service for female employees*1 | — | 17.3 years | 17.0 years | 16.9 years | |
| Number and ratio of female hires*1 *3 *5 | — | 87 19% | 84 20% | 89 22% | Figures for FY 2020 are on a consolidated basis; figures for FY 2021 and after are for our major group companies*2 |
| | 30% or more every year | 236 26% | 180 23% | 218 27% | |
| Number and ratio of female hires (office jobs)*1 *3 *5 | 40% or more every year | 53 47% | 49 51% | 46 49% | |
| Number and ratio of female hires (technical jobs)*1 *3 *5 | 10% or more every year | 34 10% | 35 11% | 43 14% | |

*1 Excludes transportation staff and medical staff. *2 Includes the Kansai Electric Power Co., Inc., Kansai Transmission and Distribution, Inc., and major group companies.

*3 Regular employees hired in each fiscal year are the subject of the calculation. *4 Under the union shop agreement, the workers union membership rate of eligible employees is 100%.

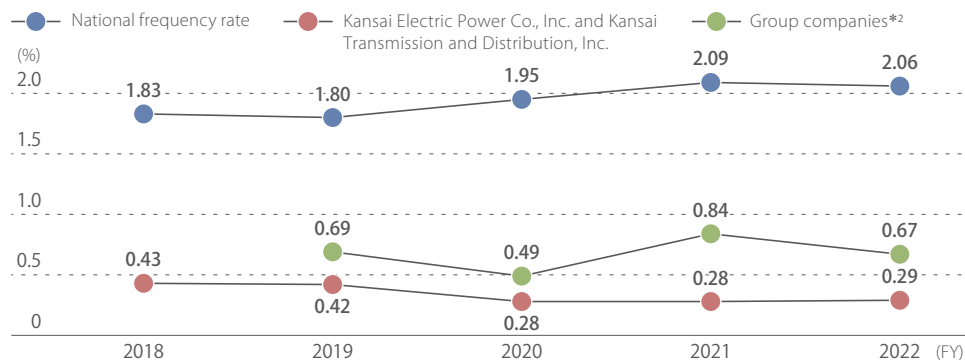
*5 Results from the fiscal year in which recruitment activities were made



Goals

Preserve the safety of every person related with the Group and make Zero Accidents a reality.

◆ Lost-time injury frequency rate (LTIFR)*¹ trend



*1 The number of casualties with at least one day of absence from work due to occupational accidents per million total working hours, which indicates the frequency of accidents.

*2 Average values of our three representative group companies undertaking major construction projects have been adopted.

Efforts

● Fostering an unshakable group-wide safety culture

Based on the lessons from the Mihama Nuclear Power Station Unit 3 accident, we are continuing safety efforts that put preserving the safety of every person involved in the business activities of our Group first. We share a strong belief that “we will not allow misfortune to occur to the colleagues who work with us or their families.” We also deepen information sharing and communication. By doing these and other things, we are working to cultivate a group-wide safety culture that never wavers.

In order to further advance group-wide efforts to prevent accidents, we are pushing ahead with Kansai Electric Power Safety Culture Area activities. Specifically, we are fostering mutual understanding and sharing knowledge on safety through various meeting structures, etc. across the Group. We are also working closely with our group companies, including subcontractors, based on a reward system to commend subcontractors for creative and ingenious safety activities.

● PDCA of safety activities

To ensure safety for everyone related with our Group and achieve our unchanged goal, or “zero accidents,” we are working to maintain safe working environments and prevent accidents from occurring and reoccurring through activities that mobilize the capacities of our organization with the full participation of employees. Concretely, we analyze the details of accidents that occur each year, communicate with employees and subcontractors to understand their awareness and perceptions of safety, and based on the actual situation, we hold discussions among relevant internal departments, including management.

In addition, together with the labor union, we prioritize items to address in the next fiscal year and are engaged in activities on a group-wide basis.

We will seek continuous improvement by running the PDCA cycle of safety activities in each fiscal year. We will also share prioritized items to address with our group companies, thereby further enhancing the effectiveness of safety activities.

◆ Prioritized items in safety activities for fiscal 2023

- ① Create a safe and secure working environment at each business site.
- ② Make it a habit to think safety and act safely based on danger prediction.
- ③ Promote safety activities based on bilateral communication with subcontractors, etc.
- ④ Practice safe driving behavior by all drivers and passengers as a unified effort of the workplace.

● Specific safety efforts

◆ Efforts in safety education and acquisition of knowledge from outside the company

To raise awareness of our employees and protect the colleagues of subcontractors and others, we provide education for each employee to practice autonomous safety activities. Besides that, we learn new things throughout our group companies in lectures and in training programs on safety led by external experts, thereby increasing the level of our Group's safety activities.

As a result of these efforts, our lost-time injury frequency rate (LTIFR) is lower than the national average.



◆ Bilateral communication with subcontractors and others

When the opportunity presents itself, our employees visit equipment construction/maintenance sites and are active in creating and enhancing opportunities to communicate with subcontractors, etc. so that we can deepen mutual understanding and promote safety activities together. By proactively facilitating bilateral communication, we are striving to raise safety awareness and reduce the risk of accidents.

Bilateral communication with subcontractors and others



◆ Efforts to make it a habit to think safety and act safely

With specific time periods set for accidents that have occurred frequently in recent years or that have been caused by seasonal factors, we roll out group-wide campaigns to prevent these accidents, thereby stimulating safety activities at all workplaces.

■ Summer Health and Safety Campaign

Preventing summer-specific accidents with a focus on preventive measures for heat stroke

■ Zero Winter Accident Campaign

Preventing winter-specific accidents focused on falls and traffic accidents due to natural factors such as snow and frozen ground

■ Month to strengthen prevention of "Fall and Fall down"

Focusing on the frequent occurrence of underfoot accidents, this campaign is implemented in May, when the number of construction operations increases, to prevent accidents from occurring.



Posters encouraging "Think safety and act safely"

◆ Initiatives to prevent similar accidents

We are implementing measures to prevent similar accidents from happening by promptly informing related divisions of the details regarding accidents. In particular, as for designated severe accidents, we swiftly provide information to related divisions through preliminary accident report meetings and accident liaison meetings. Our initiatives, which include investigation into causes, reviewing rules, and communicating with workers from their point of view, help employees practice acting safely.

◆ Thoroughly managing safe driving

For employees who drive cars, we have instituted our own Vehicle Operator Certification System, aiming for a safe driving level that is one step higher. After receiving education related to safe driving and practical training, they are given the vehicle operator certificate. We work to implement thorough and safe driving management by providing them with education and training periodically.

Thoroughly managing safe driving



● Relevant data

| Policy | | | | |
|---|---|---|---------|---------|
| Occupational Health and Safety Policy | Established | Kansai Electric Power Group Code of Conduct for Safety https://www.kepc.co.jp/energy_supply/supply/ichiisenshin/philosophy/chikai.html | | |
| | | Included in the Kansai Electric Power Group Code of Conduct https://www.kepc.co.jp/english/csr/charter.html | | |
| | | Included in the Health and Productivity Management Declaration https://www.kepc.co.jp/sustainability/society/working_style/working_01.html | | |
| | | FY 2020 | FY 2021 | FY 2022 |
| Lost-time injury frequency rate (LTIFR) | Kansai Electric Power Co., Inc. + Kansai Transmission and Distribution, Inc. | 0.28 | 0.28 | 0.29 |
| | Group companies* | 0.49 | 0.84 | 0.67 |
| Number of fatal accidents | Kansai Electric Power Co., Inc. + Kansai Transmission and Distribution, Inc. | 0 | 0 | 0 |

* Average values of three principal group companies undertaking major construction work have been adopted.

Human Capital Development

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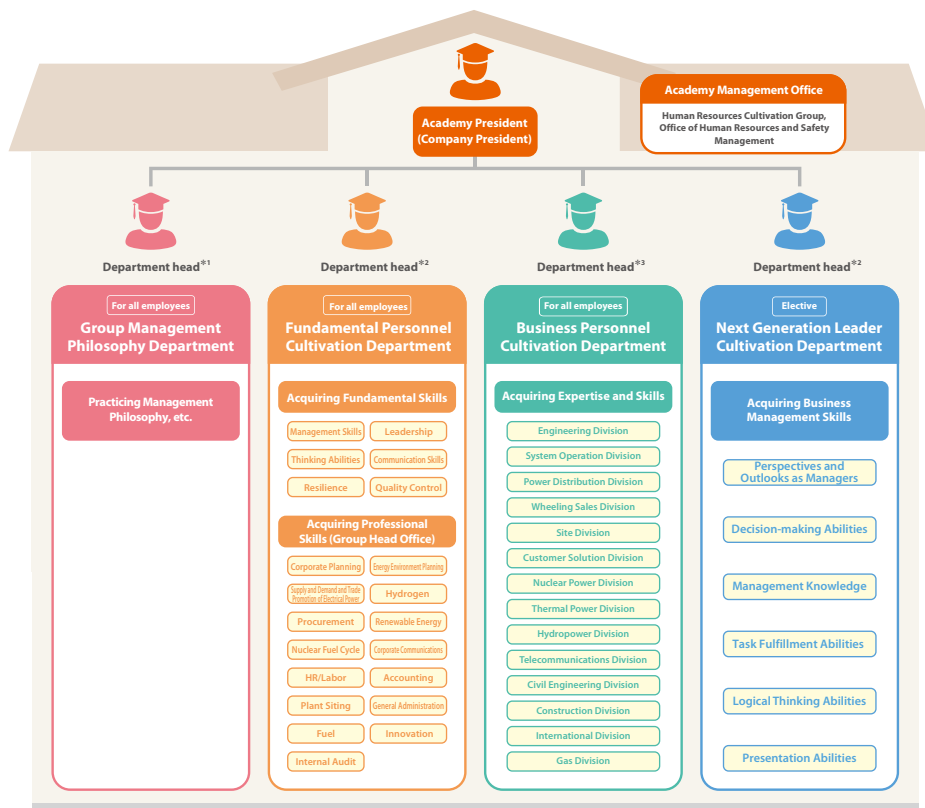


Development measures for “human capital” innovation

► Policy and Concept

● About the Kansai Electric Power Group Academy

We established the Kansai Electric Power Group Academy in 2018 and systematized our corporate training and education systems in order to actualize our Company belief that “developing human capital is the most important thing for prevailing in a severe competitive environment” along with our Group philosophy of “management that values people.”



*1: Director, Office of Corporate Planning *2: Director, Office of Human Resources and Safety Management
*3: Division Manager of Each Division and President of Kansai Transmission and Distribution, Inc.

● Personnel development policies

The Kansai Electric Power Group Academy implements capability development measures to empower each employee to be dynamic in their work, willingly taking on challenges to grow through new workstyles with a view of realizing the “Kanden Transformation,” supporting “autonomous career development” of employees.

Specifically, we will practice personnel development measures to change awareness and behavior, which is necessary to embody our management philosophy. Along with that, to anticipate future changes in the business environment and workstyles, we will launch new training measures, including reskilling, targeted for both young and experienced employees. We plan to implement more development measures designed to enhance each employee’s strengths and improve or overcome challenges that require deeper understanding, ensure that expertise is handed down to the next generation, and encourage actions to improve productivity and create added value driven by digital technology.

► Goals

Improving employee DX literacy

Percentage of autonomous action taken triggered by practical training: 50% or more*1*2

*1 The percentage of employees who responded to a questionnaire survey conducted after taking a practical training course saying that they took additional actions based on their autonomy, e.g., putting knowledge acquired at the training into practice at work or autonomous learning about DX.

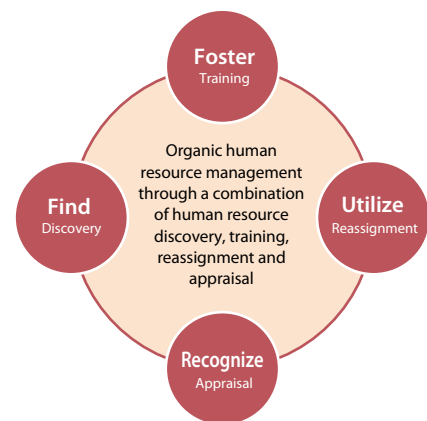
*2 Apart from the practical training, basic training on DX literacy improvement will be provided for all employees by the end of fiscal 2023.



Efforts

Measures for “human capital” innovation

Recognizing that the source of the power to move forward with the initiatives set forth in the medium-term management plan is each and every employee, the Kansai Electric Power Group aims to create a virtuous cycle in which each employee plays an active role with willingness to grow and take on challenges while making the most of their diverse attributes. Their growth and achievements will eventually improve profitability and sustainable growth for our corporate organization. Specifically, we are working to maximize the success of all employees in various fields through a series of processes such as human resource discovery, training, reassignment and appraisal.



Adoption of an in-house application system (e-challenge system)

Supporting the independent career development of all individuals, we have implemented an in-house application system that allows employees to take on the challenges of diverse careers and fields. Based on high levels of motivation, they can exercise their abilities to their maximum extents even more than before.

| | | Objective | Career goal |
|----------------------|--|---|---|
| Career challenges | Global business | Dramatic growth of international business | Career mainly in international business areas |
| | New business creation | Further promotion of innovations | Career mainly in new business areas |
| | Core group business | Further growth of group business | Career mainly in core group business areas |
| | Super Specialists (Data Scientist Cyber Security Engineer Digital Consulting) | Improvement of skills indispensable for future business operation | Highly specialized and specific career |
| | Renewable energy business | Dramatic growth of renewable energy business | Career mainly in renewable energy business area |
| | Hydrogen business | Dramatic growth of hydrogen business | Career mainly in hydrogen business area |
| Dual work challenges | | Aiming for further growth through diverse work experience, in addition to their original work, participants take on another type of work (specific project work, etc.) during some of their working hours | |

[Career challenges]

| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Cumulative total | Year-on-year change |
|---------------------------------|---------|---------|---------|---------|---------|------------------|---------------------|
| Number of applicants | 124 | 44 | 88 | 121 | 92 | 469 | -29 |
| Number of successful applicants | 20 | 13 | 33 | 27 | 30 | 123 | +3 |

[Dual work challenges]

| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Cumulative total | Year-on-year change |
|---------------------------------|---------|---------|---------|---------|---------|------------------|---------------------|
| Number of applicants | 18 | 24 | 10 | 49 | 55 | 156 | +6 |
| Number of successful applicants | 14 | 15 | 8 | 26 | 39 | 102 | +13 |



◆ Career design

As an initiative to support the career development of employees, we provide superiors with an opportunity to interview their subordinates once a year. The interviews are held based on a Career Design Sheet that describes each individual's strengths, challenges requiring deeper understanding, career plans, etc. Each employee's characteristics and career plan are shared with their superiors, and are also used for OJT and reassignment for the purpose of supporting our employees' career development.

◆ Autonomous career development support tool

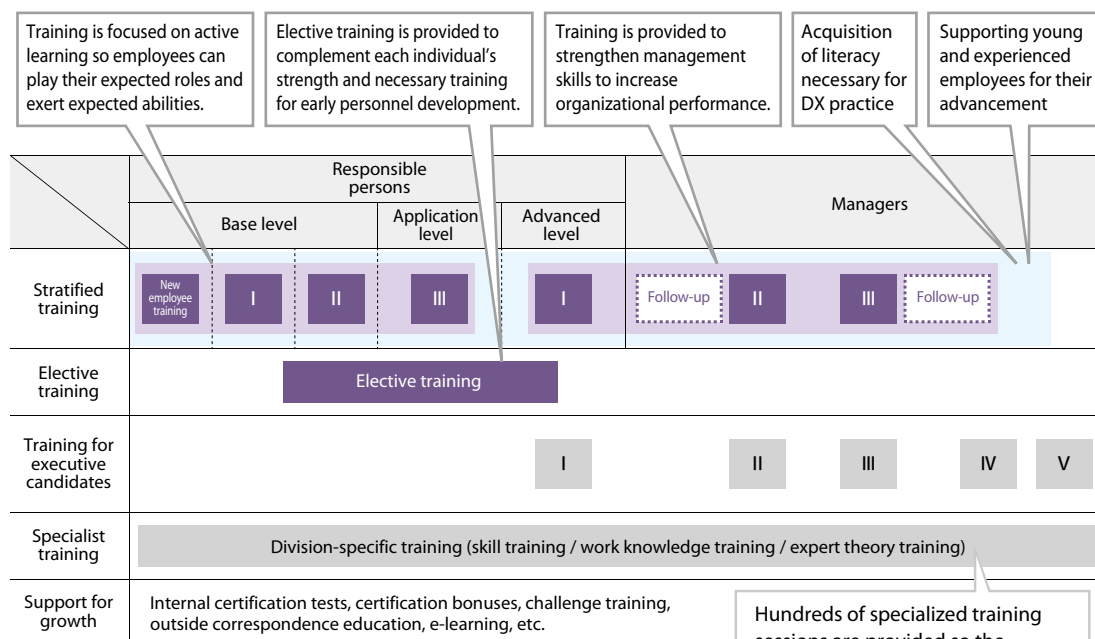
In order to create an environment in which employees can think deeply about their own careers, gain awareness, and grow, we have published a Self Design Book, a support tool for autonomous career development. By reading this booklet, thinking over the content, and learning through various questions regarding "what you want to be, what you want to value, and how you should act as the environment changes toward the future," employees can receive hints on how to form their own careers. In addition, to further support each employee's autonomous career development, we have enhanced tools that help employees envision their specific careers in each division.



Foster Training

As part of personnel development measures through the Kansai Electric Power Group Academy, we support employees who are looking to improve their abilities and advance in their careers by providing stratified training for early development, selective training that complements individual strengths and deeper understanding for early development, specialized training to enhance business expertise, as well as executive candidate development programs.

◆ Our training and development systems



Total number of training participants **38,685**

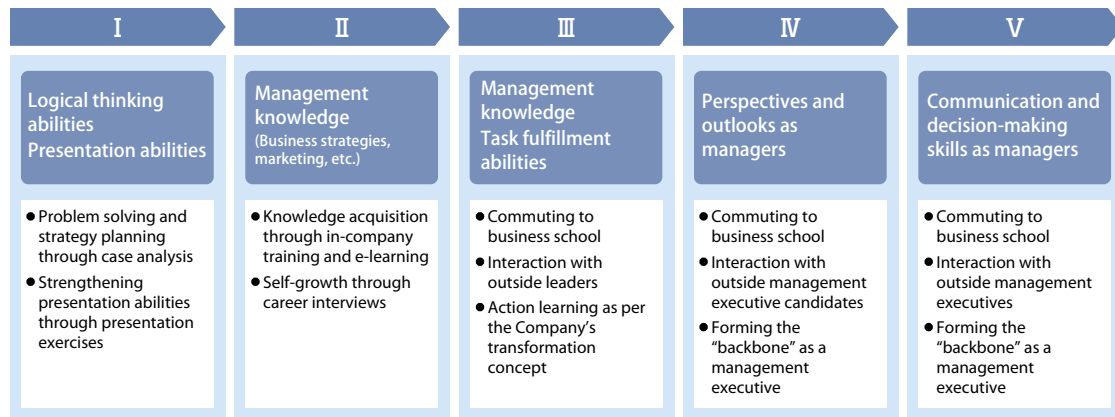
Hundreds of specialized training sessions are provided so the expertise and skills will be improved and handed down. Each trainee's target and acquisition status of professional skills is clarified for their training in a planned manner.



◆ Next generation leader—executive candidate development programs

Amid the drastically changing environment surrounding the Group, we need to break away from prior precedents and cultivate early and systematically next-generation leaders who will drive innovation. In view of this, we are adopting step-by-step outside training programs for employees as a stretch opportunity to advance their careers. We are crossing conventional work divisions and incorporating interactions with different types of work as well as implementing curriculums that always link to business strategies.

With a program V newly established in the Change Leaders Program (CLP) in fiscal 2021 for executive candidates, we have introduced curriculums designed to be linked to the succession plan.



◆ Creating opportunities for interaction between management and employees

Opportunities for interaction between management and employees have been provided since fiscal 2021. The management motivates employees at milestones in their business careers, and interaction provides chances for sharing thoughts as well as eliciting employees' opinions and ideas.

Specifically, management and trainees exchange opinions in small groups when trainees are in their second year in the Company and when they are newly appointed as special managerial personnel.

◆ DX personnel development—Strengthening expertise that will be a source of competitiveness

For the realization of digital transformation (DX), we are developing DX personnel to advance efforts to increase productivity and generate added value utilizing digital technologies. Specifically, aiming to acquire DX literacy for all employees, we will add new stratified curriculum and work with K4 Digital, Co., Ltd. to develop DX personnel and increase their expertise.

◆ Support for self-growth

A variety of systems have been developed as an opportunity to motivate each employee to develop their abilities and make autonomous challenges.

| | |
|--|--|
| Certification bonus system | A system to provide money gifts to employees who passed the company-designated national exams for the encouragement of acquiring qualifications highly related to their work (approx. 200 qualifications, up to 500,000 yen) • Increased amounts of gift money are provided to those who acquired the company-designated important qualifications early (maximum increase of up to 200,000 yen) |
| Challenge training | Application-based training to support employees who voluntarily strive to have a broader viewpoint in a wide range of fields, which is difficult in routine work A variety of courses provided in three categories: "hands-on/tour type," "related to business at the Company," and "qualification acquisition" |
| Outside correspondence education and e-learning | Broad range of outside correspondence education and e-learning provided, from business skills to cutting-edge IT skills that serve as growth opportunities to motivate employees to develop their abilities and autonomously take on the challenge of expanding their horizons |



Recognize Appraisal

◆ Personnel appraisal system

We have put in place a mechanism to carefully evaluate* each employee's "attitude, abilities and qualities" and "level of contribution" to our corporate performance from the perspective of practicing our management philosophy, reflecting these in their salaries, etc., to provide employees with more willingness to grow and feel more motivated and rewarded. Appraisal results are reported from superiors to subordinates. In addition, communication opportunities for further growth are provided.

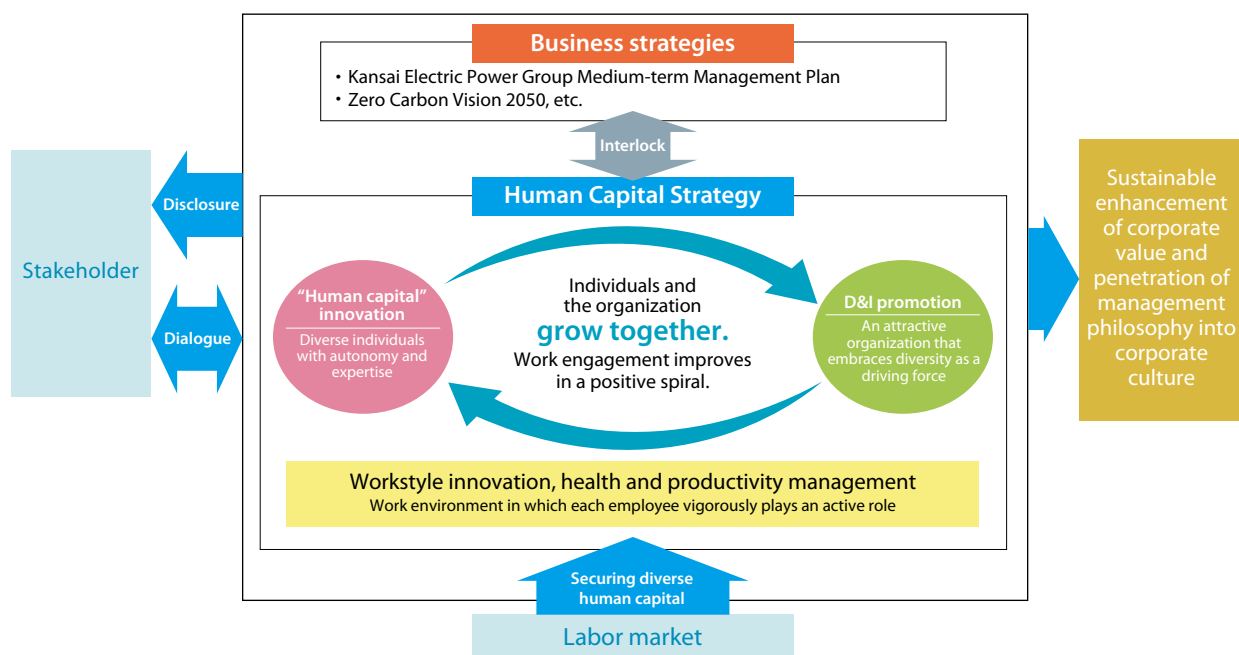
We have also adopted a multidimensional appraisal system, and introduced it for managers above a certain level.

* When evaluating employees with exceptional attitudes, abilities, and qualities, the system is designed to allow additional points other than the points awarded within the prescribed range.

● General picture of "reinforcement of human capital base"

General picture of "reinforcement of human capital base" —Toward the practice of human capital management—

- The Group will create a virtuous cycle in which individuals and the organization grow together while embodying our Values: "Fairness, Integrity, Inclusion, and Innovation," through human capital innovation and D&I* promotion grounded in work environment improvement through workstyle innovation and health and productivity management. *D&I: Diversity & Inclusion
- By making these human capital strategies interlock with business strategies, we will contribute to the achievement of the Medium-term Management Plan, enhance our corporate value on a sustainable basis, and encourage penetration of our management philosophy into our corporate culture.



◆ "Human capital" innovation

In order to pursue EX, VX, and BX, or the key initiatives of the Kansai Electric Power Group's Medium-term Management Plan, we will provide employees with opportunities to gain diverse experience and put their expertise into practice by encouraging them to take on the challenges of building their intended careers in the company and promoting their autonomy, and also by providing training that will help them develop their expertise. Moreover, in addition to increasing mid-career recruitment, we will actively acquire human capital from the labor market by, for example, inviting human capital for dual/concurrent jobs and further enhance and improve the diversity and expertise of our human capital to nurture and secure human capital that can interlock with our business strategies.

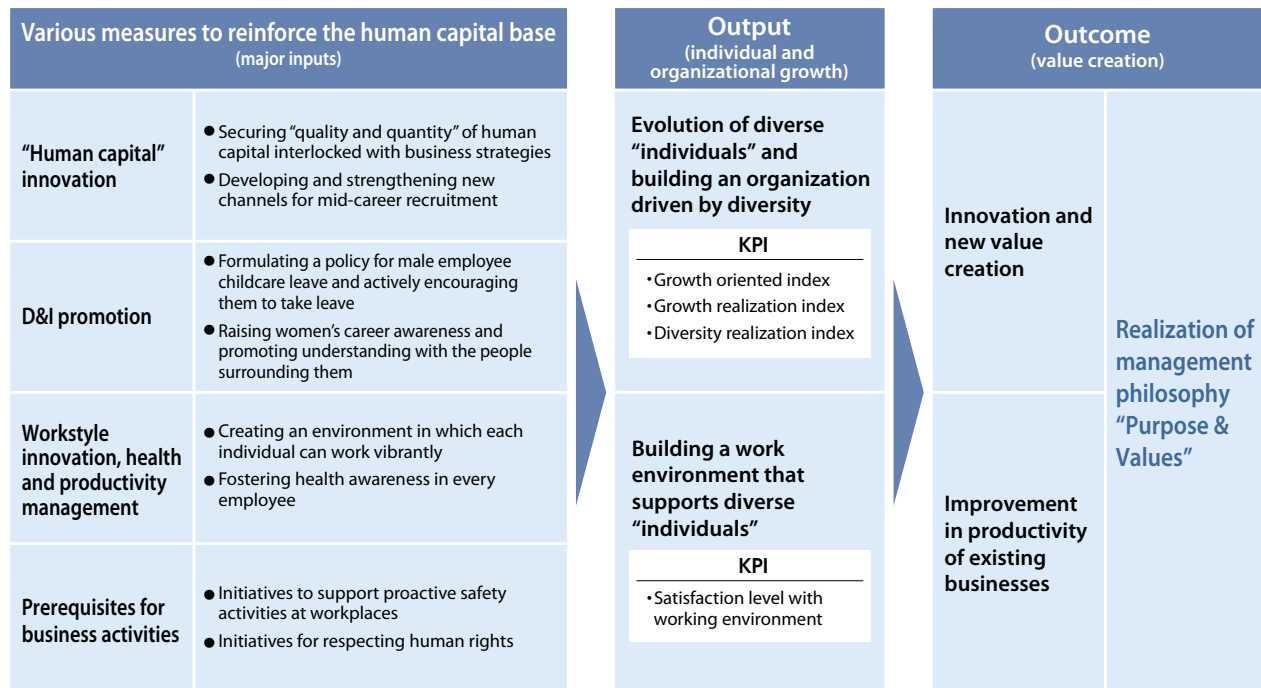
◆ D&I promotion

With the strength of each individual's "differences," by transforming diverse ways of seeing things and ideas into organizational "power," we will improve the creativity and flexibility of the entire organization. With an organization that attracts diverse individuals with autonomy and expertise, we will build a relationship where individuals and the organization grow together through empathy.



◆ Workstyle innovation, health and productivity management

We are taking advantage of digital technology to add value to our operations, developing workplaces for realizing diverse workstyles, and continuing to carry out health and wellness activities on a workplace basis. Through pursuit of a better working environment, we aim for “each and every employee to lead a vibrant and fulfilling life.”



● Relevant data

| | FY 2020 | FY 2021 | FY 2022 | Year-on-year change |
|--|---------------------|---------------------|----------------------|---------------------|
| Number of training participants (in total) | 29,414 | 33,302 | 38,685* | +5,383 |
| Hours spent in learning per employee | 36.9 hours | 41.2 hours | 43.5 hours* | +2.3 hours |
| Total training costs | 1,540 (million yen) | 1,462 (million yen) | 1,479 (million yen)* | +17 (million yen) |
| Training cost per employee | 85,800 yen | 83,000 yen | 85,400 yen* | +2,400 yen |

* Estimated results



Responsibilities Toward Customers

SOCIAL



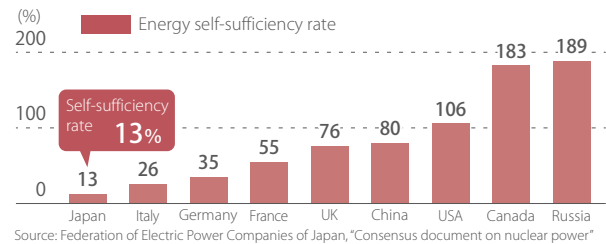
Securing a stable supply of energy

► Policy and Concept

● Energy risks faced by Japan

Japan's energy self-sufficiency rate is around 13%, including nuclear power generation, which is a very low value compared to major countries in the world. For most of its fossil fuel needs, Japan must rely on imports. Since energy resources on the earth are not inexhaustible, stably securing energy resources is a top-priority issue for Japan. For continued stable supply of energy in the future, it is vital to combine various power generation methods in a well-balanced manner, while not relying on only a single power generation method.

◆ Energy self-sufficiency rates of major countries (for 2020, except FY 2021 for Japan)



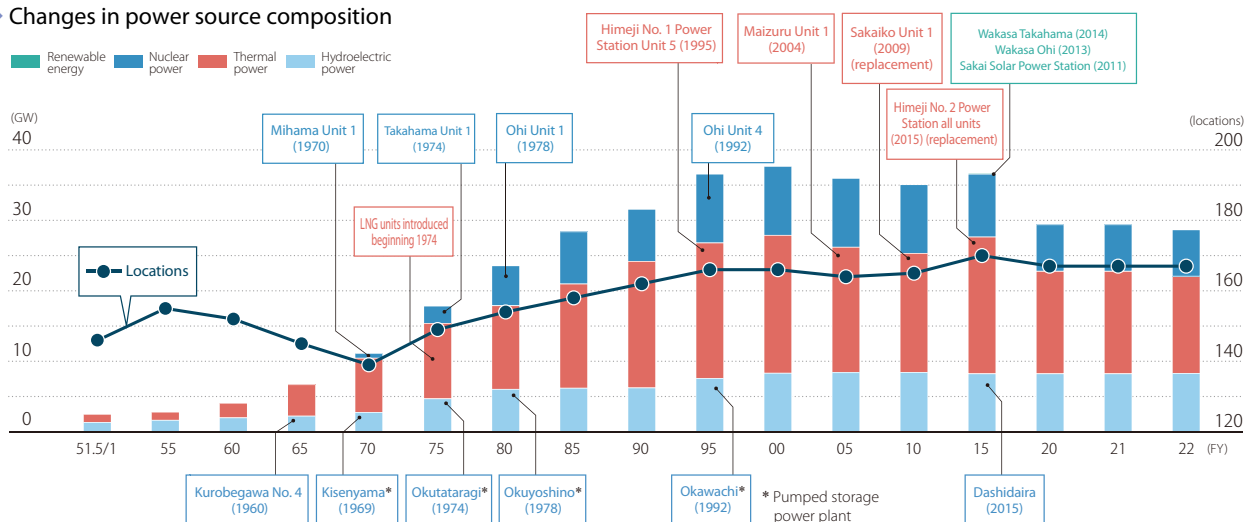
● Decarbonization drive

The Japanese government pledged in October 2020 to achieve carbon neutrality by 2050. Moreover, at the climate change summit in April 2021, it announced a greenhouse gas reduction target of 46% below fiscal 2013 levels by fiscal 2030. Taking these targets into account, the 6th Strategic Energy Plan, which was announced in October 2021, sets out energy policies to achieve carbon neutrality by 2050, with a 46% reduction in fiscal 2030.

● Facility configuration based on S+3E

With decarbonization movements gaining momentum, we therefore give top priority to Safety (S) while seeking an optimum, well-balanced combination of power sources to simultaneously achieve 3E, namely Energy security, Economy, and Environmental conservation. Specific measures include transforming renewable energy into the main power source, leveraging nuclear power to the fullest, achieving zero carbon in thermal power generation and using zero-carbon hydrogen.

◆ Changes in power source composition



► Goals

The Kansai Electric Power Group is pursuing carbon neutrality by 2050 throughout the entirety of our business activities, including the power generation business, as declared in the Zero Carbon Vision 2050 and the Zero Carbon Roadmap, which outlines a pathway to zero carbon.

Giving top priority to "S" (Safety), we are gearing up to achieve zero carbon in all electricity production while optimizing combinations of power sources to simultaneously achieve the 3Es (Energy security including stable supply, Economy, and Environmental conservation).



Efforts

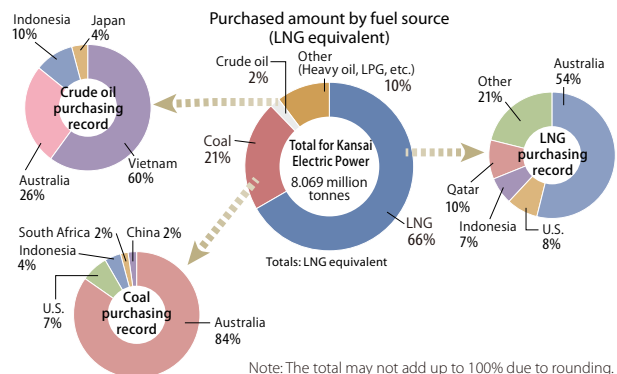
Approach for stable fuel procurement

Our ongoing efforts include securing procurement of fuel, improving flexibility in responding to fluctuations in power demand, and further improving the economic efficiency of the operations.

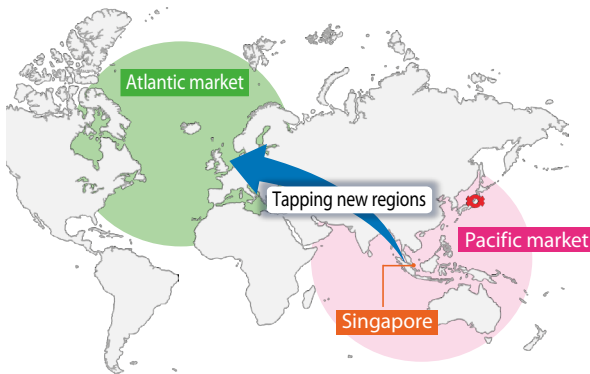
Specifically, our efforts involve diversifying suppliers and pricing systems, and taking part in the LNG value chain from production to receiving of LNG, including upstream (interest acquisition) and midstream (transportation) operations, with various business activities underway.

Volatility is increasing in the global fuel market, with short supply due to strained international relations in the wake of the Ukraine conflict. We will thus continue to focus on international affairs and fuel market trends to secure fuel in a stable and cost-effective manner.

Kansai Electric Power purchasing record of fuel for thermal power generation in FY 2022



Focusing on spot trading* for flexible LNG procurement and distribution



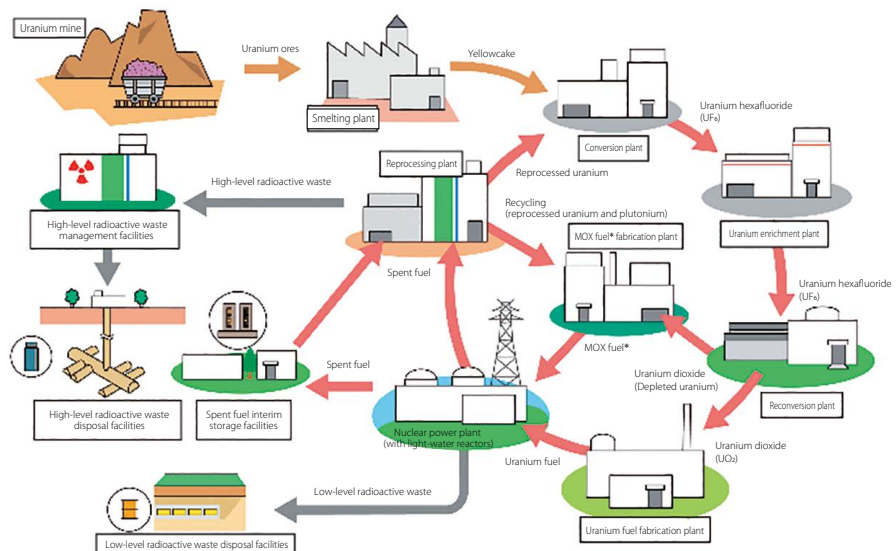
Centering on KE Fuel Trading Singapore Pte. Ltd., established to procure LNG and boost sales, we are building information gathering capability and expertise on flexible fuel trading in Singapore, the LNG hub in the Asia Pacific region, to accommodate changes in power demands, etc.

As the LNG market is expanding in sync with globalization, we have relocated our fuel trading hub from Japan to Singapore, extending our reach into the Atlantic region to improve and shore up LNG procurement and distribution resources.

* Spot trading: Transactions on a spot basis, typically by vessel

Developing a full-scale nuclear fuel cycle

Uranium, a fuel for nuclear power generation, is produced in politically stable nations, which enables a stable supply. It can also be a "semi-domestic energy resource" mainly because a small amount of uranium is required for long-term power generation and spent fuel can be reprocessed and used again as fuel. Promotion of the "nuclear fuel cycle," a cycle of re-using uranium and plutonium out of fuels used at nuclear power plants, is a practical way to effectively use energy resources and secure stable energy for Japan, a resource-poor country.



* MOX (mixed oxide) fuel: Plutonium mixed with depleted uranium
Source: "Nuclear Power and Energy Drawings" (Japan Atomic Energy Relations Organization)

Interim storage facility

Spent fuels are stored in a spent fuel pool inside power stations for a certain period of time and then transported to a reprocessing plant. In case the pool is filled to capacity, the power station cannot be operated. For this reason, spent fuels have to be taken out in a planned manner. Installation of an interim storage facility, in which spent fuels are temporarily stored, enables the stable operation of power plants into the future. With the "Plan to promote measures for spent fuel" set up in 2015, we are working on selecting the candidate sites for interim storage facilities outside Fukui Prefecture, to be finalized by the end of 2023 for planned commencement around 2030.

Initiatives prioritizing safety at nuclear power plants

● To prevent the lessons of the Mihama Nuclear Power Station Unit 3 accident from fading away

► Policy and Concept

On August 9, 2004, an accident involving the rupture of secondary system piping occurred at Mihama Nuclear Power Station Unit 3. Based on the President's Declaration "Ensuring safety is my mission, and the mission of the Company," we have strictly implemented recurrence-prevention measures, with a firm determination that we shall never cause such accidents. The Nuclear Power Division has established Five Basic Principles as preventive measures that form part of our quality policy concerning the operation of nuclear power businesses with safety as the top priority. These measures are revised as necessary for safety improvement purposes. Making every August 9th our "Safety Vow Day," all executives and employees observe a moment of silence. We are working to cultivate a safety culture in order to implement business management with safety as the top priority and prevent the lessons of the Mihama Nuclear Power Station Unit 3 accident from fading.

◆ Quality policy concerning the operation of nuclear power businesses with safety as the top priority

1. We will prioritize safety above all.
2. We will positively invest resources for safety purposes.
3. We will fully recognize the characteristics of nuclear power and continue our effort in reducing risks.
4. We will put our endeavor to recover the trust of plant-hosting communities and the whole country by further pushing ahead with the communication with them.
5. We will objectively assess our effort toward safety.

► Goals

Give top priority to safety in business operations, based on lessons learned from the accident at Mihama Nuclear Power Station Unit 3.



▶ Efforts

● “Safety Vow Day”

- A stone memorial was erected in the premises of the Mihama Nuclear Power Station with a pledge not to repeat similar accidents.
- All executives and employees shall commemorate the victims of the accident with a moment of silence every year on August 9 at 15:22 (the time of the accident) with each individual renewing their determination to give top priority to safety.
- The President and others renew vows of safety and observe a moment of silence before the stone memorial every year.
- All executives and employees review their Conduct Cards on which they have written their own safe conduct oaths.

● Communication between management and front-line workers

All offices are visited by the president while executives (including those of other divisions) engage in face-to-face discussions with power station staff. It is an opportunity for front-line workers to communicate their opinions to management.

● Improved communication with manufacturers and subcontractors

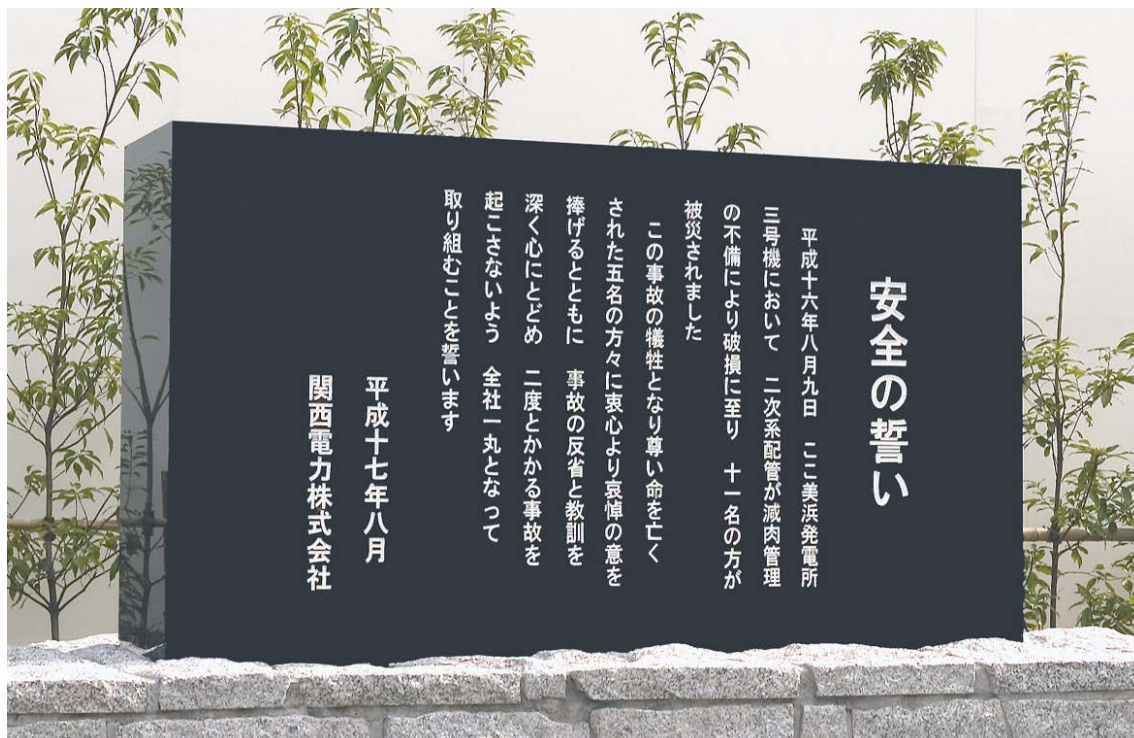
Continuous improvements are made through interactive communication to ensure the safe operation of nuclear power plants as well as strengthening the cooperative relationships we have with manufacturers and subcontractors. Opinions collected through questionnaires contribute to developing our safety culture, identifying unsafe operational practices in nuclear power plants and improving the work environment.

● Door-to-door visits with local residents

Our executives and employees, including the Director of the Nuclear Power Division, visit each household in communities where our power plants are located (towns of Mihama, Ohi and Takahama in Fukui Prefecture) to engage in mutual dialogue.

● In-house training

Stratified training courses are provided to all employees, from new recruits to newly-appointed managers, to brief them on the accident at Mihama Nuclear Power Station Unit 3 and help them learn lessons from it.



● Establishment of a company proclamation: Commitment to Enhancing Nuclear Safety

► Policy and Concept

In response to the accident at the Tokyo Electric Power Fukushima Daiichi Nuclear Power Station, we established our Commitment to Enhancing Nuclear Safety, which clearly states our ideals about nuclear power safety, as a company proclamation that is one of our most important company rules. The company proclamation underlines our determination to constantly improve safety in nuclear power generation, whereby all executives and employees fully understand the characteristics and risks of nuclear power generation and always remind themselves of the potential magnitude of an accident, with the President playing a leading role in making company-wide efforts to protect local communities, society and environment.

◆ Composition and summary

| | |
|--|--|
| Preface | Every one of us shall remember the lessons learned from the Fukushima-Daiichi nuclear accident and ceaselessly strive to enhance nuclear safety to protect the people not only in the plant-hosting communities but also the whole country, and to preserve the environment. |
| Characteristics of nuclear power generation and risk awareness | Nuclear power generation has superior characteristics in terms of energy security, prevention of global warming and economic efficiency, and is an essential power source for the future. On the other hand, nuclear power generation has risks of radiation exposure and environmental contamination. Every one of us shall always bear in mind that once a severe accident happens due to lack of proper management, it could cause enormous damage to the people and the environment. |
| Continuous removal/reduction of risk | To enhance nuclear safety, we shall fully understand the characteristics and risks of nuclear power generation and continually remove or reduce such risks while identifying and evaluating them, never believing at any moment that we have reached the goal of ensuring safety. These efforts shall be conducted at each level of the Defense-in-Depth. |
| Development of safety culture | Safety culture is the basis for continuously removing or reducing risks. Since the accident of Mihama Nuclear Power Station Unit 3, we have been reviewing and improving our safety culture, and we shall develop such safety culture. To this end, we shall always be ready to question anything, learn from others and listen to the voices of society and discuss issues uninhibitedly while respecting diverse opinions with further efforts. |
| Commitment to enhancing nuclear safety | Enhancing nuclear safety is the overriding priority in the company. It is also important to promote two-way communications with the people in the plant-hosting communities and the whole country, and to share common perceptions on nuclear safety. Under the President's leadership, every one of us shall work together to tirelessly enhance nuclear safety. |

► Goals

Every one of us shall remember the lessons learned from the Fukushima Daiichi nuclear accident and ceaselessly strive to enhance nuclear safety to protect the people not only in the plant-hosting communities but also the whole country, and to preserve the environment.

► Efforts

● In-house training

- A series of e-learning training courses are in place to help all employees understand our Commitment to Enhancing Nuclear Safety.
- Each department voluntarily holds group discussions while managers communicate safety messages to raise safety awareness among employees.

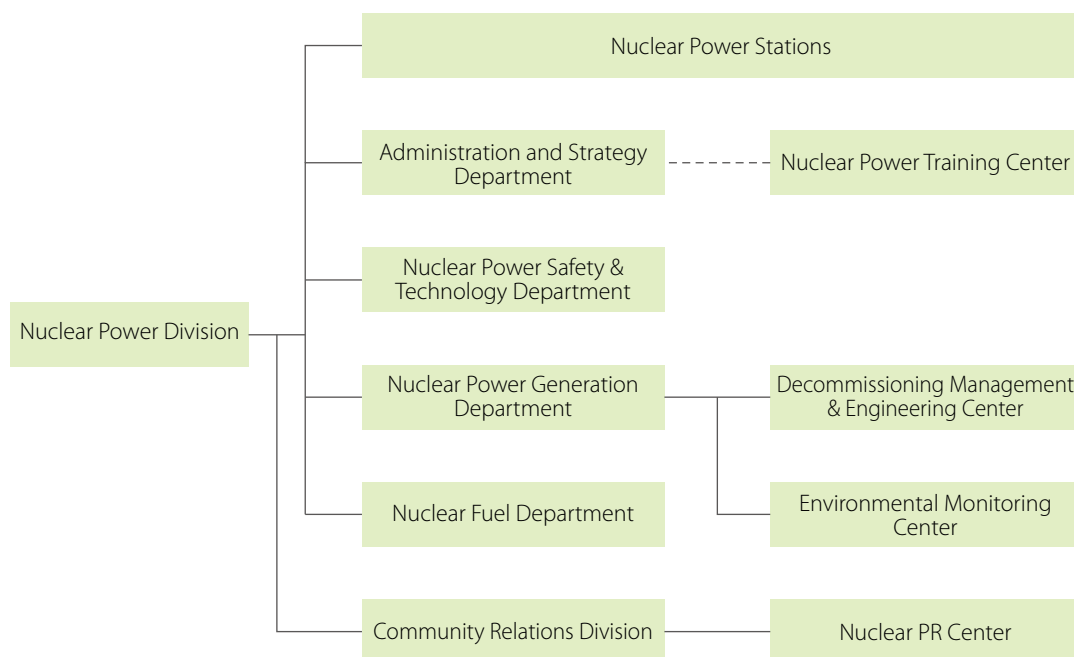


● Safe and stable operation of power plants

► Policy and Concept

Take all possible measures to safely and carefully operate and maintain nuclear power plants, underlining our determination to constantly improve their safety.

► System



► Goals

Giving top priority and paying the utmost attention to safety, we ensure safe operation and proper maintenance of the Takahama Nuclear Power Station Units 1, 3, and 4, Ohi Nuclear Power Station Units 3 and 4, and Mihama Nuclear Power Station Unit 3, each of which has resumed operations. Our voluntary efforts to ensure safe and stable operations will continue with the safety of our nuclear power plants improved continuously. We will also take careful, foolproof measures to restart Takahama Nuclear Power Station Unit 2, with top priority given to safety (as of the end of August 2023).

► Efforts

● Key safety measures

◆ Careful inspection and examination

In an effort to ensure the safe and stable operation of our nuclear power plants, facilities and instrumentation are regularly inspected and shut down in accordance with the relevant laws and regulations, all of which is intended to protect shop-floor employees and maintenance personnel.

- Data on regular inspection results and facility conditions is reviewed to determine the content and frequency of inspections according to the characteristics of each facility. This approach serves as the basis of our inspection and maintenance protocol.

◆ Education and training of plant employees (operators, maintenance personnel, etc.)

Improving the technical skills of shop-floor employees (operators, maintenance personnel, etc.) is key to the safe and stable operation of nuclear power plants. In-house and external training is conducted on a regular basis.

- OJT is conducted through routine practice.
- Operators regularly simulate normal operating procedures and practice troubleshooting.
- Maintenance personnel are trained on inspection work at the Nuclear Power Training Center, using the same instrumentation one would find at a power plant.



◆ In-depth defense system

Nuclear power plants are designed to prevent malfunctions and operational errors when, in the event of failure, reactors are immediately shut down, followed by the cooling and containment of radioactive substances.

◆ Reactor cooling system

Following a shutdown, residual heat removal pumps are activated to operate coolers, which cool the primary system water. In the event of a complete power loss, auxiliary feed pumps powered by steam-driven turbines feed water to steam generators, which cool the primary system water. In addition, various cooling systems are in place to prepare for possible accidents.

◆ Five-layered wall structure to contain radioactive substances

Uranium nuclear fission at nuclear power plants produces radioactive substances, which are contained in a building with a five-layered wall structure (pellets, cladding tubes, pressure vessels, containment vessels and external shielding walls).

● Safety measures to deal with various risks

◆ Toward improved safety and confidence

Learning lessons from the accident at the Tokyo Electric Power Fukushima Daiichi Nuclear Power Station, the new regulatory requirements provide measures against earthquakes and tsunamis, with design standards revised to prevent similar accidents; taking into account the risks of natural disasters in Japan, these standards cover various other risks such as volcanic eruptions, tornadoes and forest fires. Complying with these new regulatory requirements, we are renovating our licensed power plants to protect them against severe accidents, earthquakes, tsunamis, tornadoes and fires. At the same time, voluntary efforts are underway to improve plant safety. Special facilities to deal with designated severe accidents are also in place, assuming the possibility of large commercial airliners colliding intentionally with reactor buildings or to protect against terrorism, etc.



Protection against tornadoes



Protection against tsunamis (seawalls)

◆ Nuclear material protection

Security measures (zoning, barrier installation, patrol, intrusion detection, access control, etc.) are in place in compliance with relevant laws and regulations to protect nuclear materials from theft and those who might attempt to damage or destroy the nuclear facilities. The police and the Japan Coast Guard, moreover, are immediately notified of any emergencies to take concerted action. At the same time, security measures are reviewed mutually by all nuclear power operators to make improvements with other operators through learning.

◆ Cyber security measures

Our information systems for reactor facilities, nuclear material protection equipment, etc. are designed to block access from outside the company to prevent unauthorized access, including cyberterrorism, through telecommunication circuits. In addition, even in secure areas, physical, logical, and management measures are taken in parallel to prevent unlawful attempts to access information systems for reactor facilities, nuclear material protection equipment, etc.



● Improving technical capabilities and systems in the event of a severe accident

◆ Conducting nuclear power disaster response training in collaboration with national and local governments

Disaster response training programs are underway at our nuclear power plants, the Nuclear Power Division and the head office, some of which are conducted in collaboration with national and local governments, manufacturers and subcontractors. Specifically, comprehensive training programs are conducted without prior notice to participants, simulating severe conditions, where emergency response capabilities are tested for improvement purposes. This includes the feasibility of post-accident remedial measures using water trucks and alternative portable low-pressure water pumps, which is already part of routine drill exercises at each of our power plants, and the examination of the communication systems in place for each task force.



Water cannon installation drill



Training on transportation and connection of Chugoku Electric Power's high-voltage power supply vehicle

◆ Education and training tailor-made for each role and responsibility

Supervisors and operators undergo repeated education and training according to their roles and responsibilities, in how to respond to a severe accident. This is to improve their emergency response capabilities and technical skills. Contents and target employees of this education and training were made more diversified than before the accident at the Tokyo Electric Power Fukushima Daiichi Nuclear Power Station. In fact, the total number of trainees training on plant behavior during a severe accident has increased significantly, as has the frequency of training on emergency response procedures.

● Creating a response system

◆ Improving the out-of-hours response system

Emergency personnel stand by around the clock at Mihama, Takahama, and Ohi Nuclear Power Stations, taking into account findings learned from the accident at the Tokyo Electric Power Fukushima Daiichi Nuclear Power Station. They are in charge of the initial response to an incident, where resources are mobilized within six hours after an accident has been declared.

◆ Cooperation between nuclear operators

Nuclear operators are expanding their cooperative relationship to further improve the safety and reliability of their operations.

● Improving the Nuclear Emergency Assistance Center

The Nuclear Emergency Assistance Center (at Mihama, Fukui Prefecture) was jointly established by nuclear operators and went into full-scale operation in December 2016. Here remote-controlled equipment and instruments have been upgraded for flexible, advanced disaster response while emergency personnel of respective nuclear operators are trained. In the event of an emergency, equipment and instruments can be transported to a disaster site, with remote-controlled assistance provided to jointly minimize radiation exposure of shop-floor employees.

● Mutual cooperation agreement between five electric power companies in western Japan

A mutual cooperation agreement has been signed by five companies: Hokuriku Electric Power, Chugoku Electric Power, Shikoku Electric Power, Kyushu Electric Power, and the Company. This agreement is designed to improve preparedness and emergency responses to nuclear power disasters by providing mutual assistance, equipment, instruments, etc., as well as taking advantage of their geographical proximity. There is also agreement to cooperate in conducting decommissioning in a safe, well-organized manner and setting up the Specialized Safety Facility, all intended to further improve the safety and reliability of nuclear power generation.

● Technical cooperation agreement between four electric power companies with pressurized water reactors (PWRs)

A technical cooperation agreement has been signed by four companies (Hokkaido Electric Power, Shikoku Electric Power, Kyushu Electric Power, and the Company) that own the same pressurized water reactor nuclear power plant.

With this agreement in place, we, as PWR operators, are cooperating in exchanging information to identify safety improvement measures, studying and examining new technology for next-generation light-water reactors.



● Supporting municipal evacuation plans

◆ Efforts toward nuclear emergency preparedness

While a variety of safety measures are in place at our nuclear power plants, we cooperate with national and local governments in minimizing impacts on local residents in the event of a nuclear disaster involving the massive release of radioactive substances. These activities are in line with relevant laws including the Disaster Countermeasures Basic Act and the Act on Special Measures Concerning Nuclear Emergency Preparedness. Nuclear operators are and will be making full efforts to ensure nuclear safety and prevent disasters in cooperation with national and local governments.

◆ Communication in the event of a nuclear disaster

In the event of a nuclear disaster, we as nuclear operators shall immediately report to the relevant authorities at all levels; all the parties concerned shall get together at the Offsite Center to share information and determine protective measures for local residents as the situation demands, while the nuclear disaster task force of each municipality communicates the center's decisions to local residents.

◆ Supporting nuclear disaster victims

● Providing transportation for evacuation

We shall mobilize all resources available to help local residents evacuate, including people requiring assistance in evacuation, providing transportation such as employee shuttle buses, welfare vehicles, and contracted helicopters and vessels.

● Assisting and managing testing during an evacuation

At the request of municipalities, we shall assist and manage testing at the time of evacuation, targeting all those evacuated from the Urgent Protective action planning Zone or UPZ. Inspectors shall be provided along with equipment such as contamination survey meters and Tyvek suits.

● In order to increase the number of inspectors for evacuation (to secure about 3000 inspectors), agreements between nuclear operators were revised in March 2021.

● Stocking and providing necessities, etc.

We stock necessities such as food and blankets as well as providing radiation protection facilities.

◆ Participating in relevant municipal governments' emergency response drills

We cooperate in relevant municipal governments' emergency response drills where we provide buses, welfare vehicles, and staff for testing to support and facilitate evacuation of residents. We will continue this cooperation to help evacuate residents in times of disasters.



● Over 40 years of operation

► Policy and Concept

As we are committed to realizing green transformation (GX) to achieve carbon neutrality by 2050, we will maximize the use of nuclear power generation and balance the 3Es (Energy security, Economy and Environmental conservation; achieving a zero-carbon society), prioritizing safety. In addition, with the share of nuclear power in the power generation mix maintained at certain levels, we will continue to contribute to preserving Japan's technology and human resources for nuclear safety. Therefore, accident-proof nuclear power plants should be operated for over 40 year-spans, and we will be making the most of our nuclear power plants, placing a premium on their safe operation.

► Goals

We will continue to ensure safe, stable operation of Mihama Nuclear Power Station Unit 3 and Takahama Nuclear Power Station Unit 1, both of which were restarted for over 40 years of operation. Takahama Nuclear Power Station Unit 2 is also gearing up for restart, with careful, foolproof measures taken to ensure safety (as of the end of August 2023).

In addition, Takahama Nuclear Power Station Units 3 and 4, for which applications were made for over 40 years of operation, are scheduled to be audited by the Secretariat of the Nuclear Regulation Authority. Local communities around the power station and the public, meanwhile, will be briefed on the operation extension to better understand the need for and the safety of the two units.

► Efforts

Our Company always maintains the durability of our nuclear power plant facilities by continuously implementing maintenance and management, including regular inspections and planned equipment replacement. At the same time, in applying for an operation period extension for 40 years from the starting month, in addition to special inspections carried out for reactor vessels and other equipment, we have carried out technical evaluations of degradation from age and confirmed that the durability and safety of important facilities could be assured even over an operation period of 60 years.

Mihama Nuclear Power Station Unit 3 and Takahama Nuclear Power Station Units 1 and 2, meanwhile, were licensed by the Nuclear Regulation Authority for extended operation. Accordingly, Mihama Nuclear Power Station Unit 3 restarted in 2021 under new regulations and the consent of local communities around the station, making it the first nuclear power plant in Japan to restart for over 40 years of operation. Takahama Nuclear Power Station Unit 1 followed suit in August 2023, to be followed by Unit 2 in September of the same year (as of the end of August 2023).

Regarding Takahama Nuclear Power Station Units 3 and 4, we completed the special inspections required for exceeding 40 years of operation and in April 2023 we applied for an operation period extension.

In order to help the public better understand our nuclear power plants' operation of more than 40 years, we conduct various communication activities such as real and virtual plant tours, community events, and participation in briefing sessions and lectures. We will continue to proactively communicate with the public as well as communities near the plants.



Takahama Nuclear Power Station



Event briefing on power plant safety measures



● Reliable decommissioning processes

► Policy and Concept

- We comply with the relevant laws and regulations on decommissioning, while giving top priority to safety in order to minimize exposure, reduce radioactive waste and properly manage security measures.
- The Decommissioning Management & Engineering Center cooperates with power plants and subcontractors in decommissioning nuclear power plants in a safe and foolproof manner.
- We will continue to work on a series of measures for safe decommissioning, environmental conservation and regional development, according to the Agreement on Nuclear Power Plant Decommissioning, which was signed with Fukui Prefecture, Mihama Town and Ohi Town.

► Goals

● Securing human and environmental safety

With safety prioritized, we will focus on minimizing exposure and radioactive waste as well as properly managing security measures.

● Establishing safe decommissioning procedures and processes

We will design safe decommissioning procedures and processes, incorporating effective decontamination techniques, remote-controlled equipment and measures to prevent the spread of contamination, as well as operating waste disposal facilities to minimize the exposure of neighborhood residents and those engaged in radiation-related work.

► Efforts

● Working on reliable decommissioning processes

The Company plans to conduct decommissioning over four major stages taking a total of about 30 years in accordance with nationwide coordination and fund management by the Nuclear Reprocessing Organization of Japan. Appropriate measures are in place for decommissioning, with the highest priority given to safety. In July 2022, sections in charge of decommissioning work were newly set up in the Mihama Nuclear Power Station and the Ohi Nuclear Power Station, which strengthens our decommissioning system.

◆ Decommissioning at Mihama Nuclear Power Station Units 1 and 2

○ Dismantling of equipment, etc. in the turbine buildings

Dismantling of contamination-free equipment, etc. was carried out at the turbine buildings (items that may serve as obstacles to the dismantling process such as piping, frames, and other small pieces of equipment) in addition to large equipment such as turbines, condensers, and deaerators. Other equipment such as generators will also be dismantled.

○ Dismantling of equipment peripheral to the reactor

Dismantling is underway for equipment with relatively low radioactive contamination (new fuel storage, etc.), installed in auxiliary reactor buildings in controlled areas.

◆ Decommissioning at Ohi Nuclear Power Station Units 1 and 2

○ Dismantling of equipment, etc. in the turbine buildings

Dismantling of contamination-free equipment, etc. is underway at the turbine buildings (items that may serve as obstacles to the dismantling process such as piping, frames and other small equipment) in addition to large equipment such as turbines and moisture separator heaters.

○ Residual radioactivity survey

Efforts are underway to reduce radiation exposure during dismantling and develop appropriate dismantling techniques.

Specifically, metal and concrete materials are sampled and analyzed for radioactivity to determine pollution levels inside facilities.

● Radioactive waste treatment and disposal

◆ Solid radioactive waste treatment

Non-radioactive general waste accounts for about 97% of decommissioning waste while radioactive waste is disposed of at designated facilities prior to completion of decommissioning in accordance with its radioactive level.

Meanwhile, waste that does not need to be treated as radioactive waste (clearance) is recycled as much as possible, following approval by the national government.

◆ Treatment of gaseous and liquid radioactive waste

Gaseous and liquid radioactive waste is properly treated before being released into the environment, with strict monitoring in place.



● Activities as a pioneer of decommissioning

◆ Japan's first decontamination of a pressurized water reactor (PWR) system

System decontamination at Mihama Nuclear Power Station Units 1 and 2 is the first of its kind in Japan, performed simultaneously with PWR decommissioning. Cooperating with foreign manufacturers with proven track records in decontamination and domestic manufacturers with expertise in nuclear power plants, we have significantly reduced radiation dose rates compared to pre-decontamination levels.

◆ Utilizing expertise and overseas examples

We are proceeding with decommissioning at Mihama Nuclear Power Station Units 1 and 2 to pioneer the decommissioning of PWRs, collaborating with partners such as universities and the Wakasa Wan Energy Research Center.

In addition, we have information sharing agreements in place with nuclear operators in the US, France, Spain, South Korea, etc. and share information on nuclear power operation, including decommissioning.

● Cooperation with nuclear operators in Japan

We signed an agreement with Hokuriku Electric Power, Chugoku Electric Power, Shikoku Electric Power and Kyushu Electric Power on cooperation across nuclear power businesses to facilitate safe decommissioning including reviewing techniques and procurement for large-scale decommissioning, information sharing on decommissioning processes, etc.

◆ Review of techniques and procurement for large-scale decommissioning

Measures such as joint material procurement are underway for safety and efficiency improvement purposes, according to the schedule of large-scale decommissioning projects at each power company including the inspection of the reactor interior, etc.

◆ Information sharing on decommissioning processes

The status of decommissioning projects at each power company is mutually monitored to facilitate safe decommissioning while information on expertise, best practices and concerns in other countries are shared.

● Local business development and employment promotion

According to the Agreement on Nuclear Power Plant Decommissioning (which was signed with Fukui Prefecture and Mihama Town on February 10, 2016, and with Ohi Town on November 22, 2018), the timing and procedures for decommissioning are being planned and announced, based on coordination with local businesses and employment promotion policies related to the decommissioning work.

◆ Information sharing for each decommissioning process

In cooperation with the Wakasa Wan Energy Research Center, contractors and subcontractors share information on decommissioning processes to encourage the participation of local businesses according to their technical capabilities.

- Information sharing, implemented four times for Mihama Nuclear Power Station Units 1 and 2 (on March 2017, January 2018, January 2019, and October 2022)
- Information sharing, implemented three times for Ohi Nuclear Power Station Units 1 and 2 (on March 2020, July 2021 and February 2022)

◆ Research with local businesses

Research on decommissioning is underway with local businesses and other stakeholders to address and solve technical challenges, thereby streamlining decommissioning processes and improving their reliability. At the same time, assistance is provided to local businesses committed to developing new techniques to aid with decommissioning.

- The program has been conducted every year since fiscal 2016, with 14 techniques adopted so far.

◆ Human resources development for decommissioning

Guidance on decommissioning, lectures on relevant techniques, study tours and first-hand experience programs are provided in cooperation with the Wakasa Wan Energy Research Center.

- The program has been conducted every year since fiscal 2016 on a total of 33 occasions.

◆ Supporting the Fukui Prefecture Reinan E Coast Plan

We participate in a review task force for the Nuclear Recycling Business initiative to be launched by the Fukui Prefectural Government, with feasibility studies underway.



● Voluntary efforts to enhance nuclear safety

▶ Policy and Concept

Learning lessons from the accident at Mihama Nuclear Power Station Unit 3, we place a premium on nuclear safety. Specifically, the accident at Tokyo Electric Power Fukushima Daiichi Nuclear Power Station made us aware that our understanding and preparedness for risks unique to nuclear power generation were not necessarily sufficient. We, therefore, established a roadmap to “step-up voluntary/continuous efforts to improve nuclear safety,” based on which various measures are being implemented.

▶ Goals

Efforts are underway to realize a nuclear safety ideal, which translates into development and implementation of a framework for voluntary/continuous safety improvement measures as well as incorporating external knowledge for further improvement, in accordance with our “Commitment to Enhancing Nuclear Safety.”

▶ Efforts

● Communication and standardization of a philosophy, giving top priority to safety

◆ Sharing the philosophy of giving top priority to safety

- We are working to instill and standardize our philosophy of giving top priority to safety through continued efforts such as providing all employees with e-learning on the company proclamation, “Commitment to Enhancing Nuclear Safety,” and having the management engage in dialogue with front-line workers at power plants and other workplaces.

◆ Improving governance for management of nuclear safety

- The Nuclear Safety Enhancement Committee, composed of executives from all divisions and other members, serves as a platform to discuss means to support and control the Nuclear Power Division, with concerted management efforts underway to improve nuclear power safety.

◆ Fostering safety culture

- Learning lessons from the accident at Mihama Nuclear Power Station Unit 3, we assess our corporate safety culture while promoting improvement activities.
- Taking into account self-assessment results from each department and the management, we comprehensively analyze the status of all departments involved in nuclear power and identify organizational conditions and issues.
- We are committed to addressing emerging challenges by soliciting opinions and suggestions to allow the management to develop a system and a culture to improve our organization.

● Building safety improvement infrastructure

◆ Strengthening resources (human capital development)

- We are developing human capital to keep up with environmental changes and address emerging challenges flexibly in cultivating an organizational climate of giving top priority to safety and working continuously on voluntary safety improvement programs to ensure safe, stable power supply.
- We are improving our educational programs to raise employees’ safety improvement awareness, utilizing risk information.
- Educational materials are shared among those concerned incorporating typical examples from each power plant on the use of risk information.
- Risk assessment procedures and measures based on assessment results are shared among those concerned prior to commencement of construction work. Specifically, these include assessment procedures to quantify risk changes in construction work and examination procedures for risk abatement measures.

● Safety improvement activities

◆ Promoting safety improvement measures

- We are enhancing nuclear power safety and collecting new information from home and abroad to ensure safe, stable operation at our power plants.
- An external power failure detection system voluntarily installed is in operation to deal with accidents similar to the single phase failure (electrical accident) that occurred in the US.
- Steam generators at Takahama Nuclear Power Station Units 3 and 4 will be replaced with generators equipped with corrosive-resistant heat exchanger tubes to ensure long-term reliability.

◆ Boosting the accident response capacity

- Nuclear power comprehensive emergency response drills were conducted in cooperation with the national government and prefectural governments to reinforce nuclear accident response capabilities.
- The drills involved task force operations, accident control, and community evacuation support, assuming loss of plant power due to an earthquake.
- Efforts are underway to improve emergency response capabilities in preparation for unexpected nuclear disasters.
- “Stress training” programs were conducted for plant task force members to help them handle severe accidents where a variety of stressful situations occur simultaneously or in succession.



● Developing and improving systems to manage risks, etc.

◆ Continuously improving our risk management system

- Risk management is in place to prevent accidents and disasters.
 - Meetings are held with subcontractors to improve on-site capabilities, where work procedures, control methods, etc. are discussed, incorporating on-site findings.
 - Discussions are held with subcontractors before commencement of work, where procedures for handling essential equipment and construction work to be performed nearby are reviewed to reinforce their significance.

◆ Developing and improving tools for risk management and assessment

- We have developed a risk assessment tool (PRA* model) and are promoting its use in plant operations.
- Efforts are underway to identify and reduce risks in power plants beyond the framework of existing regulatory requirements.
 - As part of safety improvement assessment procedures, plant safety levels are quantitatively analyzed to identify measures that contribute to further improving safety.

* Probabilistic Risk Assessment: A scenario where events that can take place at facilities such as nuclear power plants develop into serious accidents (core damage, etc.) is systematically and comprehensively considered to quantitatively determine the probability of core damage and other accidents.

◆ Designing and improving other management systems

- Occupational health and safety management systems are continued in operation.
- The Nuclear Power Division quantitatively evaluates plant safety performance (control index) and conducts on-site observations for assessment purposes.
 - Power plant improvement activities are continuously evaluated according to the plant performance index.
 - Nuclear Power Division managers regularly conduct on-site observations.

◆ Incorporating objective evaluation and external knowledge

- Safety measures at our nuclear power plants are monitored and evaluated for improvement purposes.
- Objective observation and evaluation activities (independent oversight activities*¹) are conducted incorporating other electric power companies' expertise in nuclear power generation and action plans based on the resulting "suggestions and findings" from these activities are periodically reviewed and followed upon.
- Operational information is shared with overseas electric power companies to incorporate quality practices and knowledge from around the world.
 - A senior management meeting with Iberdrola, based in Spain, was held in October 2022.
 - Operational information was shared with EDF (France), Iberdrola (Spain), and Duke Energy (the US) (on four occasions).
- Peer reviews are conducted with WANO*² and JANSI*³, with improvement activities implemented.
 - We confirmed that action plans responding to suggestions previously made were put into practice. We have developed action plans to respond to recommendations from peer reviews between JANSI and the Mihama Nuclear Power Station. The Takahama Nuclear Power Station incorporated WANO's peer review results to make use of overseas knowledge, with action plans being developed according to recommendations made.

*¹ Oversight: An activity where power plant safety measures are observed and evaluated to make improvements.

*² World Association of Nuclear Operators

*³ Japan Nuclear Safety Institute

● Improving communication

◆ Promote risk communication

- Mutual communication is practiced to address questions and concerns from the public and jointly come up with solutions.
 - We held virtual plant tours, where visitors tour plants and communicate with staff members via computers or smartphones, providing a real feel of plants and their facilities.



Efforts for cyber security measures

► Policy and Concept

Amid increasing cyber attacks targeted at important infrastructure operators around the world, as an important infrastructure operator in the electric power business, the Group believes that its key commitment to customers and society is to steadily advance cyber security efforts to ensure the safe and stable supply of power. To fulfill this responsibility, we are strengthening cyber security measures in accordance with the relevant laws, regulations and guidelines for cyber security management, along with internal regulations. Moreover, as cyber attack methods are evolving day by day, becoming more complex and sophisticated, we strive to obtain cyber attack information from inside and outside Japan in addition to the latest security information to prepare countermeasures in a timely manner. As for the promotion of economic security, necessary measures will be taken as soon as the details related to the system are finalized.

► System

Director responsible: Makoto Araki [Kansai Electric Power CISO* (Executive Vice President)]

Deliberative body: Executive Meeting

Management office: Cyber Security Administration Group, Office of IT Strategy (Information Security Management Office)

* The CISO, or Chief Information Security Officer, is responsible for the overall information security at a company.

► Goals

Major information security incidents "0"

► Efforts

By quickly recognizing threats such as security incidents and vulnerabilities that occur outside the Company, as well as issues with our Information Technology (IT) systems used in our daily work and all Operational Technology (OT) systems related to the provision of a stable power supply, we are continuously implementing necessary security measures.

Specifically, security levels are evaluated for IT and OT systems based on a global standard framework, necessary measures are taken, and monitoring is carried out 24 hours a day, 365 days a year at dedicated IT and OT monitoring centers. In addition to an emergency response system established in preparation for incidents, we are continuing to provide drills for how to respond to cyber attacks as well as relevant training for employees.

We are gathering information about cyber attacks that occur outside the Company and the latest security information through, for example, the activities of the Japan Electricity Information Sharing and Analysis Center (JE-ISAC*), which is an organization that undertakes the sharing and analysis of cyber attack information among electric power businesses. Moreover, countermeasures are reviewed as needed.

* An organization where business operators share and analyze information from the perspective of cyber security in order to ensure the stability of the supply of electricity in Japan.



24/7/365 monitoring at our monitoring center



Delivering services that meet customers' needs

► Policy and Concept

● Creating a prosperous future with customers

Our Group has been meeting the various demands of our customers and society by offering total solutions that combine our services, including comprehensive energy supply which is mainly offering electricity, as well as telecommunications, daily life and businesses. While customers and society have increasingly different needs in the course of accelerated global decarbonization, we are committed to meeting customers' expectations. Specifically, we are creating and providing service solutions by receiving customer feedback to serve the public, businesses, and communities, ensuring compliance with all laws and regulations to encourage customers to continue selecting the Kansai Electric Power Group.

► Efforts

● Services for residential customers

We offer a variety of services to help customers live comfortably, conveniently, and cost-efficiently. These include electric charging plans tailor-made to suit customers' lifestyles, combined price plans for gas and electricity, and a subscription plan (Hapi e Set, Hapi e Set Solareji) for promotion of electrification toward zero carbon, which combines a fixed amount of electricity, the lease of the energy-saving electric hot-water supply system EcoCute, and solar power generation equipment.

We also offer services, such as dispatch of support personnel to customers experiencing problems (sudden power outages, etc.) and operating the Kanden Kurashi Mall for the convenience of customers. These are all designed to help customers live a fulfilling life, with solutions available that are specifically made in response to customers' needs and lifestyles.

As an energy company, we are committed to improving these services for customer satisfaction.

Hapi e Set

The Hapi e Set is an electrification subscription plan comprises a "fixed amount of electricity" and the "lease of electric appliances" (energy-saving electric hot-water supply system EcoCute, etc.), where customers are free to choose an electric charging plan and electric appliances according to their lifestyle needs. It is a 10-year, fixed-rate plan of electrification that ensures a safe, comfortable, and convenient life.

はぴえセット

Hapi e Set Solareji

The Hapi e Set Solareji, a new packaged plan comprising a "fixed amount of electricity" and the "lease of equipment" (solar power generation equipment, etc.) is designed for newly built residential housing.

はぴえセット ソラレジ

Kanden Kurashi Mall

The Kanden Kurashi Mall is an EC mall that helps customers solve problems in their daily lives. It consists of services offering in "real estate and housing," "insurance," "housekeeping support," "life support," and "healthcare and learning," offering wide-ranging services to provide solutions to customers.

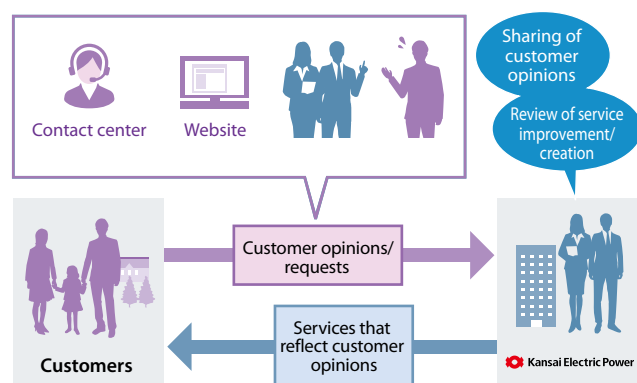
かんでん
暮らしモール

◆ Capturing customers' feedback to create and improve services

We work to create and improve services in response to requests received from customers through our contact centers, website, etc. so we can meet our customers' needs.

Number of services improved and created based on customers' feedback
(2022. 4 – 2023. 3 results)

53



◆ Call center quality assessment

We conduct a “Call Center Quality Assessment,” asking our customers to assess how understandable our telephone operators’ explanations are regarding procedures for starting or terminating the use of electricity or gas when moving, etc. We receive high evaluations from a great deal of customers. We will keep working to make our customers more satisfied by utilizing the evaluation results for improvements in services and businesses.

Of customers who performed the procedure over the phone,

87.1%

replied that they were satisfied.

◆ Lifestyle services with the confidence of our customers as the foundation

By addressing head-on the needs and problems of customers, we aim to become a corporate group that continues to provide new value to customers; we offer safe, comfortable, and convenient lifestyle services in the areas of home security, communication services, and health management support, at high quality and reasonable prices that will satisfy our customers.



● Services for corporate customers

We offer a wide range of services, including energy sales, energy management system services, energy solutions (solar power generation, storage batteries, electrification, etc.), mobility services and business solution services. All these are designed to help customers solve increasingly diversified and complex management and social issues, such as growing environmental needs associated with decarbonization and carbon neutral initiatives, and constantly changing business environments due in part to intensifying natural disasters.

◆ Example of on-site solar power generation services provided

Nikken Kosakusho Works, Ltd. came up with the slogan “Machining ECO” in 2009 to provide customers with products that contribute to saving energy and improving efficiency (energy and cost saving). As efforts are underway worldwide to promote decarbonization and achieve SDGs, the company is committed to further pursuing “Machining ECO.” As part of its commitment, the company decided to start studying introduction of a solar power generation system. The company emphasized cost-effectiveness as well as energy-saving performance when planning the system. As a result of reviewing our estimation, the company found it sufficiently cost-effective and adopted our “on-site solar power generation services,” of solar panels with a total area of 20,000 m² and a capacity of 1,920 kW, which were installed on the rooftop of the company’s main plant in January 2022. Storage batteries are also in place to prepare for power outages during disasters, etc., which are estimated to be capable of supplying electricity for lighting fixtures and air-conditioning units at offices, and servers for about five hours. The company think they are effective for emergency response measures as these systems ensure the safety of employees and information securities.



Nikken Kosakusho Works and their solar panels



◆ Example of adopting utility services

In the spring of 2022, the Dai Hanshin Building and Shin Hankyu Building, which were more than 50 years old each, were rebuilt into the Osaka Umeda Twin Towers South in Umeda, Osaka, the largest terminal in western Japan. The Osaka Umeda Twin Towers South utilize utility services from Kanden Energy Solutions Co., Inc. (hereinafter, Kenes).

Kenes' utility services perfectly correspond to customer's needs for high quality environmental performance and CO₂ emission reduction as well as stable energy supply and the resilient BCP required for reconstruction. In addition to support in reducing CO₂ emissions and earning a high evaluation in terms of environmental performance, thorough BCP, and stable electricity supply, reassurance offered by Kenes as a professional company worth entrusting for the entire solution to various issues was the deciding factor in choosing its services, a customer representative commented.

From the time the services started, Kenes has been striving to conserve even more energy through energy management that draws on its unique knowledge in maximizing the performance of its latest facilities. Through operational evaluation and analysis in conjunction with energy conservation consultation to minimize energy cost and environmental impact, Kenes is pursuing a stable energy supply and maintaining a high level of performance.



Osaka Umeda Twin Towers South

◆ Examples of services for corporate customers

| Examples of services for corporate customers | |
|--|---|
| Enudge® (Kansai Electric Power Co., Inc.) | Next-generation energy platform. In addition to encouraging energy-saving behaviors, this service provides integrated solutions for operational improvement and renovation of store equipment and operational support for individual stores. |
| Omaka Save-Air® (Kansai Electric Power Co., Inc.) | A new air conditioning control service equipped with our proprietary AI-based auto-tuning function. A control computer installed on the air conditioner used by the customer automatically controls the air conditioner according to the usage situation and thereby achieves "energy saving" while maintaining "comfort." |
| Solar power generation on-site service (Kansai Electric Power Co., Inc.) | A service in which distributed power generation equipment such as solar power generation equipment and storage batteries are installed on the customer's premises at our expense for long-term operational use. Customers can reduce their environmental burden by using energy from the equipment we operate. |
| SenaSon (Kansai Electric Power Co., Inc.) | An AI-based solution that optimally controls distributed energy resources. The AI precisely predicts electricity demand and solar power generation in a building and accordingly controls the discharge from storage batteries in an optimal manner, as well as operation of air conditioning equipment, etc. in real-time, thereby helping customers reduce CO ₂ emissions and save costs. |
| Kanden comprehensive disaster mitigation service (Kansai Electric Power Co., Inc.) | Utilizing our long-cultivated knowledge about disaster mitigation as a comprehensive energy company, we coordinate and provide products and services necessary for corporate customers to respond to various "unexpected" events (safety confirmation system, emergency fuel delivery service, emergency power generator rental service, etc.). |
| Utility service (Kanden Energy Solution Co., Inc.) | A service that enables customers to outsource facility management and even makes initial financing unnecessary for them by providing comprehensive services from fund-raising and design to installation and maintenance administration for utility facilities related to energy, including power receiving equipment, air-conditioning and heating equipment and boilers. |
| Overseas solution businesses (Vietnam/Thailand) | K-EST and K-ESV serve Japanese customers that have business footholds (plants) in Thailand and Vietnam. They provide overseas solutions for solar power generation systems, co-generation systems, on-site control of water chillers and boilers, I-REC*, energy-saving measures, etc. to support customers in reducing energy use, costs, and CO ₂ emissions. * International Renewable Energy Certification |

● Relevant data

| | FY 2020 | FY 2021 | FY 2022 |
|---|-----------|-----------|-----------|
| Number of reform cases based on customer feedback | 140 | 60 | 53 |
| Customer satisfaction (Moving) | 84.8% | 88.9% | 87.1% |
| Number of Hapi e-Miruden* subscribers | 5,912,000 | 7,254,000 | 7,953,000 |

* A web-based service that provides notifications related to electricity and gas charges and usage (a service provided by the Company only)



To provide high-quality electric power

► Policy and Concept

● Our quality policies for the safety of our electric facilities

Ensuring safety

Maintaining high supply reliability

In order to ensure safety and a reliable supply amid an extremely harsh business environment, we are reviewing the way we do business, which includes checking if there are any oversights in risk management related to supply reliability, and increasing operational efficiency on the premise of not sacrificing safety and quality. While maintaining these efforts, we will carry out the following activities.

- Maintain electric facilities based on ensuring safety.
- Strive to prevent accidents caused by human error.
- Carry out our business in compliance with relevant laws, regulations and internal rules.
- Set and review quality goals in line with our quality policies.
- Confirm that front line workers are familiar with our quality policies.
- Review the appropriateness of the quality policies.

► Goals

Annual duration of power outage per household

“Maintain the highest standard in the world”

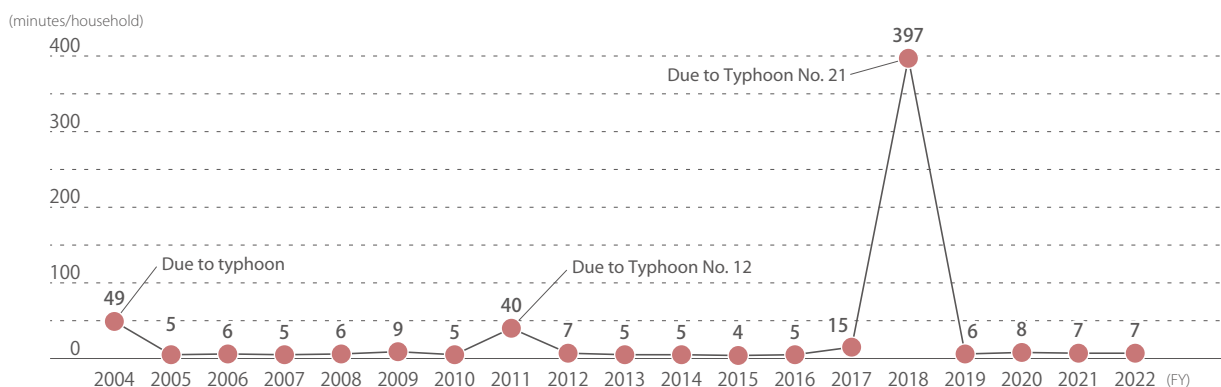
► Efforts

● Toward a safe and stable supply

Our commitment is to ensure the operation of power grids between power plants and customers, optimize facilities, and prevent and respond quickly to power outages.

As a result of our efforts, with the exception of major natural disasters, we are maintaining one of the world's highest power quality levels in the transmission and distribution business.

◆ Annual duration of power outage per household



● Achieving electricity resilience

With natural disasters intensifying nationwide, the Electricity Resilience Working Group* compiled verification results regarding our response to these emergencies. On July 1, 2020, the Acts for Establishing Resilient and Sustainable Electricity Supply Systems came into force. With the aim of fulfilling our power supply obligations through prompt restoration of the power supply, we have created an inter-business collaboration plan for disaster response and have started its implementation. This plan specifies cooperation with general power transmission and distribution business operators and related organizations (local governments, Self-Defense Forces, etc.). In line with the plan, we will continue to fulfill our important mission of supplying safe and stable electricity and supporting society. To that end, we will develop and introduce new technologies and new construction methods, as well as systematically maintaining or replacing aging equipment, aiming for prevention of accidents and prompt restoration of the power supply. We will continue to step up our efforts for quick recovery in the event of an emergency.

* A joint working group of the Electricity and Gas Basic Policy Subcommittee under the Advisory Committee for Natural Resources and Energy, and the Electric Power Safety Subcommittee under the Industrial Structure Council

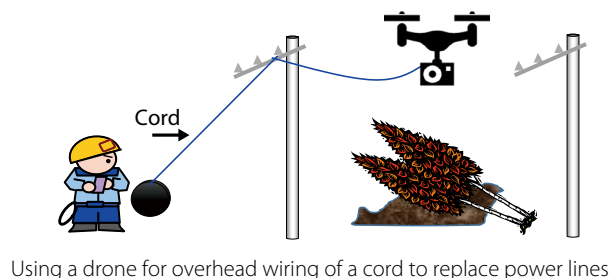
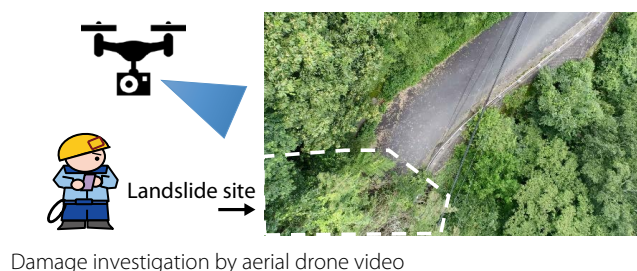
◆ Examples of measures for quick recovery

- Quick information gathering using smartphones
- Understanding the scope of damage using drones; using this information for restoration work
- Trial operations of power outage information collection utilizing smart meter data
- Bolstering a broad support system inside and outside the company
- Timely provision of information to the customer on power outages and restoration work

● Understanding the scope of damage using drones; using this information for restoration work

In places that are difficult to access, such as a site following a landslide, we use drones to check the status of equipment so we can quickly grasp the whole picture.

Drones are also expected to be used in restoration work, for example, for overhead wiring of a cord to replace power lines.



● Relevant data

| | FY 2020 | FY 2021 | FY 2022 |
|--|---------------------------------|---------------------------------|----------------------------------|
| Number and rate of smart meters installed | About 12.25 million / About 93% | About 12.74 million / About 97% | About 13.09 million / About 100% |
| Specialist technicians with specialized skills | 132 | 125 | 118 |
| Number of injured ordinary citizens | 6 | 8 | 6 |
| Transmission and distribution loss rate | 5.14% | 5.34% | 5.10% |

• Figures representing Kansai Transmission and Distribution, Inc. only

● SASB-related data System resilience

| Code | Index | FY 2020 | FY 2021 | FY 2022 |
|--------------|--|---|---|---|
| IF-EU-550a-2 | System Average Interruption Duration Index (SAIDI) | 8 min | 7 min | 7 min |
| | System Average Interruption Frequency Index (SAIFI) | 0.1 | 0.1 | 0.1 |
| | Customer Average Interruption Duration Index (CAIDI) | 80.00 | 70.00 | 70.00 |
| IF-EU-000.C | Length of power transmission and distribution lines | Transmission lines: 18,851 km Distribution lines: 132,880 km | Transmission lines: 18,873 km Distribution lines: 133,063 km | Transmission lines: 18,781 km Distribution lines: 133,309 km |

• Figures representing Kansai Transmission and Distribution, Inc. only



To prevent electrical accidents

► Policy and Concept

● Our quality policies for the safety of our electric facilities

Refer to page 86.

► Goals

Goals based on the materiality of the Kansai Electric Power Group

Assuring public security at power facilities

Number of injured ordinary citizens “None”

► Efforts

If something approaches, touches or damages electrical facilities of Kansai Transmission and Distribution, Inc., including transmission and distribution equipment, it may lead to not only a power outage but also to possible injury or death from electric shock. To prevent such electrical accidents, we conduct various public relations activities through mass media and on our website as well as on the website of Kansai Transmission and Distribution, Inc. As part of these activities we ask construction companies, when they perform construction work near our transmission and distribution equipment, to attach protective covers to electric wires for sure and not to touch the wires that have been cut.

● PR campaign for accident prevention

- ① Announcements via our website and mass media
 - Warning about crane work operation and scaffolding assembly, and introduction of how to attach protective covers
 - Warning about touching severed wires, etc.
 - Warning about abnormalities in electricity meters and transformers
 - Notice of precautions in daily life and in an emergency situation
 - Prior to a typhoon, reminders to work on preventing objects from becoming projectiles
- ② On-site publicity

As part of our PR campaign, if we discover a construction site where any measures to prevent electric shock are not taken, e.g., protective covers are not attached to electric wires, we call the operator's attention to the dangers of electricity and request that they apply for the protective covers.
- ③ Featured in Electricity and Security published by Kansai Electrical Safety Inspection Association

Our PR campaign for the prevention of accidents related to electricity on construction sites and typhoon countermeasures was featured in the July-August 2023 issue.
- ④ Visiting classes

We visit lectures and skill training classes at various industry associations, such as crane work operation, and introduce electrical hazards as well as examples of electrical accidents and relevant countermeasures.



Disaster Mitigation Efforts

SOCIAL



Disaster mitigation efforts

► Policy and Concept

● Preparing for a major disaster

In the event of a large-scale disaster such as an earthquake or typhoon, the Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. will ensure the safety of our employees and their families and fulfill our responsibilities of providing a stable supply of electricity and gas in an integrated manner. To this end, we promote disaster mitigation initiatives that will strengthen facilities to withstand various natural disasters. We have also put in place a disaster control system to enable rapid recovery. Particularly, in the event of the Nankai Trough Earthquake, a megathrust earthquake which is feared to hit in the future, we will follow the basic plan for mitigating disaster announced by the Japanese government and take carefully planned disaster response and recovery measures in place. Furthermore, through disaster mitigation events and lectures, we are committed to raising awareness of disaster mitigation in local communities by, for example, providing information on disasters and how to prepare for them.

● Strengthening our disaster response system

We are enhancing our response systems to prepare for rapid initial response upon the occurrence of disasters. This includes the designation of individuals who arrive at the workplace early and night watches by initial response supervisors, along with the implementation of special training for supervisors and individuals in charge of initial response several times a year.

Moreover, with the President of the Kansai Electric Power Co., Inc. serving as Chief of the Emergency Headquarters, group-wide comprehensive emergency response drills are conducted every year and these drills see full collaboration between the Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. We are committed to improving our disaster response skills and raising disaster awareness, not only to prepare for the occurrence of the Nankai Trough Earthquake but also with consideration for severe accidents such as the simultaneous occurrence of a nuclear power disaster or during occasions when the balance of power supply and demand is tight.

In the event of a major disaster, employees will be notified of any information pertaining to the disaster at the same time. We also have established action standards so that we can build a response system promptly after a disaster occurs, even on holidays or during the night.



Group-wide comprehensive emergency response drills

Number of participants in
group-wide comprehensive
emergency response drills
(fiscal 2022)

1,002

► System

The Kansai Electric Power Co., Inc.: Disaster Mitigation Group, Office of General Administration

Kansai Transmission and Distribution, Inc.: Disaster Mitigation Group, Regional Communications Department

► Goals

- Conduct group-wide comprehensive emergency response drills
→ Fiscal 2022 results: Number of participants in group-wide comprehensive emergency response drills: 1,002
- Active participation in disaster response training sponsored by external disaster response agencies
→ Fiscal 2022 results: Training participation: 41 times



▶ Efforts

● Response to the Nankai Trough Earthquake Extra Information

Following the Cabinet Office's decision on the announcement of the Nankai Trough Earthquake Extra Information in 2019, we examined a policy on how to respond to the anticipated major earthquake when the special information (Major Earthquake Warning) is announced. Specifically, we will strive to fulfill our responsibilities for a safe and stable supply by continuing our business in areas subject to pre-evacuation and moving our offices to alternative bases. Looking ahead, we will proceed with further studies based on findings published by related organizations. In addition, we will strive to raise employees' disaster awareness and improve their disaster response skills through training, awareness-raising activities, emergency response drills, etc.

● Strengthening our disaster response system

Based on the inter-business collaboration plan in disaster responses that was submitted to the Ministry of Economy, Trade and Industry, we will seek a stable power supply through quick recovery, when extensive damage is anticipated in the event of or before the occurrence of a disaster, by cooperating with general power transmission and distribution business operators and related organizations. The plan outlines the implementation of joint emergency drills that involve general power transmission and distribution companies including Kansai Transmission and Distribution, Inc. and related organizations, aiming for enhanced cooperation to ensure a more resilient power supply. We will continue to strengthen our efforts for swift disaster recovery.

● Strengthening collaborative ties with concerned external organizations

Even in times where no disasters have occurred, we are working to build relationships with local governments, police, fire departments, the Japan Self-Defense Forces, the Japan Coast Guard, private enterprises, and other related external organizations as well as other electric power companies through the conclusion of agreements, training, and exchange of opinions to enable smooth mutual cooperation during times of emergency and restore electric and gas services as quickly as possible.

Specifically, we proactively participated in disaster response training sessions and programs held by municipalities and designated public corporations; moreover, we conducted joint training with the Self-Defense Forces and the Japan Coast Guard according to a cooperative system to respond to disasters.



Marine transport drill with Japan Maritime Self-Defense Force Maizuru Regional Headquarters



Helicopter transport drill with Japan Ground Self-Defense Force Middle Army



Marine transport drill with 5th Regional Coast Guard Headquarters



● Contribution to raising awareness of disaster mitigation in local communities

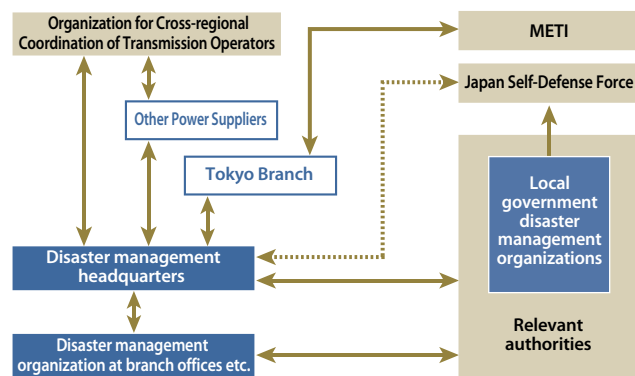
We run booths at disaster drills and events held by local governments as we endeavor to raise awareness of disaster mitigation in local communities, distributing our Disaster Preparedness Handbook and flyers with safety precautions for typhoons and providing visitors with the opportunity to try operating seismic breakers. Moreover, we visit schools to explain how to prepare for disasters, including disaster mitigation measures in the classrooms. Through these efforts, we contribute to promoting understanding the importance of disaster response and preparedness.

◆ Disaster Preparedness Handbook

Disaster Preparedness Handbook is disclosed on the websites of the Kansai Electric Power Co., Inc. and Kansai Transmission and Distribution, Inc. It will help with disaster mitigation efforts in the home.



◆ Emergency system for communicating with relevant authorities



● Relevant data

| | FY 2020 | FY 2021 | FY 2022 |
|--|-------------|---|---------|
| Number of participants in group-wide comprehensive emergency response drills | 1,175 | 1,141 | 1,002 |
| Participation in disaster response training sponsored by external disaster response agencies | 12 | 33 | 41 |
| Policy | | | |
| Emergency response policy | Established | Included in the Disaster Mitigation Plan https://www.kepcoco.jp/corporate/notice/notice_pdf/20230804_1_1.pdf | |



Communities

SOCIAL



Maintaining an ongoing community dialogue

► Policy and Concept

● Revitalizing local communities and developing our Group through communication

As a business operator closely linked with local communities and lives of their inhabitants, our Group fully recognizes that our own development is not conceivable without the development of local communities associated with our business activities. We are therefore striving to revitalize these communities and local economies.

Going forward, we will continue to promote closer communication with residents and provide solutions to meet a wide variety of requests from our customers and residents, thereby revitalizing local communities and furthering development within the Group.

► System

● Community relations system

The Kansai Electric Power Co., Inc.: Regional Relations Group, Office of General Administration

Kansai Transmission and Distribution, Inc.: Regional Communications Group, Regional Communications Department, etc.

► Goals

Maintain and build relationships of trust with local communities

► Efforts

● Strengthening communication and cooperation with local communities

We have been engaged in bilateral communication with local governments and other organizations regarding energy situations and the Group's business as a whole. Specifically, we hold tours of Group facilities and study sessions to facilitate deeper understanding of our business. On these occasions, we receive many different opinions and requests, which are shared with management, relevant divisions, and those working at the forefront and utilized to improve our business operations through discussions at internal meetings and by other means. These efforts have also led to proactive measures to resolve energy issues and other regional issues.

In response to the recent immense damage from typhoons and other natural disasters, we are bolstering cooperation with local governments in the event of a disaster.



Study session with local governments



Drills



Promoting “community energy business” that contributes to the development of local communities

► Policy and Concept

● Efforts for regional stimulation

With the diversification of customer needs and those of society at large in and beyond the energy domain, our Company has been carefully monitoring trends to determine exact requirements. We seek to support regional revival and invigorate local economies with a commitment “to create the future together through dialogue.”

► System

The Kansai Electric Power Co., Inc.: Customer Solution Division

► Goals

Achieve business growth by creating sustainable and vibrant communities

► Efforts

● Contributing to regional revival through solutions

Based on issues and needs faced by our customers and regional communities, the Group is working to develop new solutions and creating sustainable and vibrant communities through “community business,” which provides broad-ranging solutions coordinated according to needs.

To date, the Company has been involved in efficient energy use in communities, such as the introduction of district heating and cooling utilizing unused energy in the Nakanoshima area, area bulk power receiving in the Suita City Expo Smart Community, and a virtual power plant (VPP)* demonstration making headway toward the introduction of new technology.

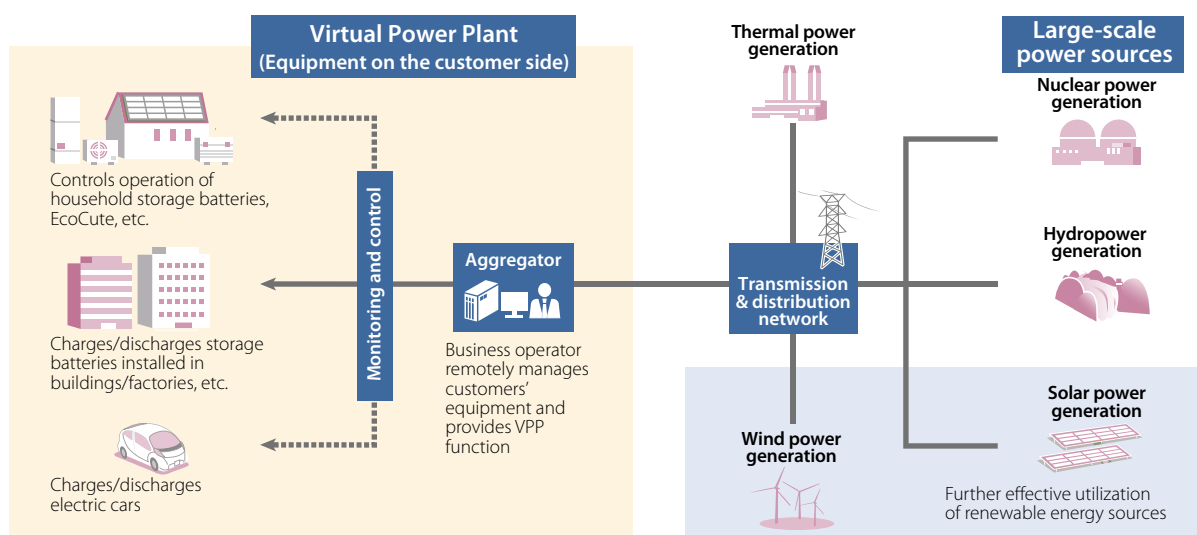
Established in April 2023, E-FLOW LLC has begun market electricity operation from grid storage batteries owned by customers as well as electricity from renewable energy facilities, along with the Virtual Power Plant (VPP) business.

Additionally, we are moving on with the construction of wireless power transfer and other forms of infrastructure to encourage the expansion of EVs, which will contribute to decarbonization, and the development of new solutions such as “last one mile transportation” and “last one mile delivery,” to increase the mobility of people in communities and energize local stores, thereby creating more sustainable and vibrant communities.

We will continue to work on “community business” as the Kansai Electric Power Group, accompanying the development of local communities as we grow together with local governments and residents.

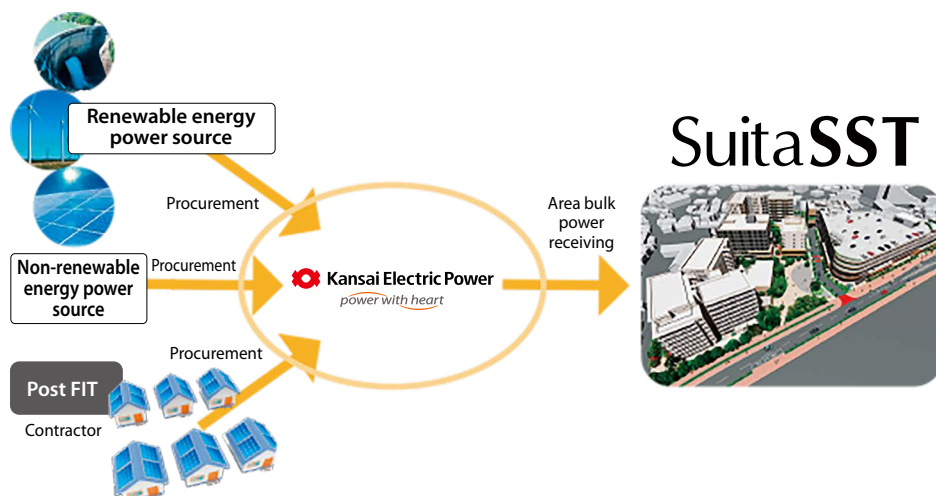
* An IoT-based technology that remotely controls resources scattered in multiple regions (storage batteries, EV, etc.) in an integrated manner, so as to make them function like a single power plant

◆ Virtual Power Plant overview



● Japan's first Renewable Energy 100 Town—Suita Sustainable Smart Town inauguration—

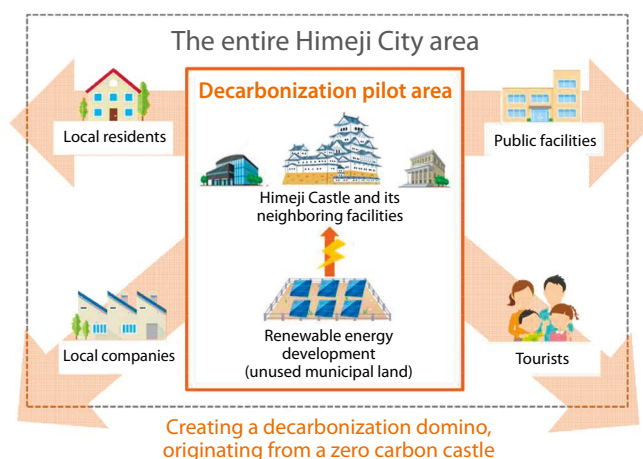
Japan's first Renewable Energy 100 Town was launched in April 2022, where area bulk power receiving, renewable energy, and non-fossil fuel certificates are used to power the whole town virtually and exclusively with renewable energy. Solar power generation facilities, storage batteries, and EVs, meanwhile, contribute to improving resilience to emergencies.



● Close to zero CO₂ emissions at World Heritage and National Treasure Himeji Castle

Our Company and the Himeji municipal government jointly applied to the Decarbonization Pilot Area Program, hosted by the Ministry of the Environment, and Himeji City was designated as one of the first pilot areas.

We will be addressing the needs and challenges of Himeji City to come up with specifically made solutions, thereby virtually eliminating all CO₂ emissions from power consumption at Himeji Castle and its neighboring public facilities by fiscal 2026.



● Relevant data

| | FY 2021 | FY 2022 | FY 2023 |
|---|---------|---------|---------|
| Total number of sustainable community development plans realized* | 11 | 15 | 16 |

* Figures representing the Company only

* Results at the end of June, 2023



Coexisting with local communities

► Policy and Concept

● Implementation of activities for coexisting with local communities

Through the Group's business and social contribution activities as a corporate citizen, we are contributing to resolving social issues and revitalizing communities.

► System

The Kansai Electric Power Co., Inc.: Office of Corporate Communications
Kansai Transmission and Distribution, Inc.: Regional Communications Department, etc.

► Goals

Proactive contributions for coexisting with local communities

► Efforts

● Utilizing the Group's resources in solving social issues and beautifying communities

We are cooperating with local communities in inspecting electrical facilities at cultural properties as well as in traditional cultural and local events rooted in the community. Other contributions include helping residents beautify their surroundings and solve social issues with SDGs in mind.



Electrical wiring inspection for Gion Festival floats, Kyoto



Cleaning of lighting equipment at Himeji Castle using an aerial work platform, Hyogo



Providing cut shrubbery to a zoo as feed, Kyoto

● Disaster recovery efforts

In the event of an emergency such as a typhoon, all the group companies shall unite to work together for rapid recovery, regardless of whether the disaster has struck in an area in which we operate or not, through on-site responses, cooperating with related autonomous bodies and dispatching support teams to the areas outside our service area, and ensure safe and stable electricity supply.



Power restoration training in preparation for a disaster



Restoration of utility poles damaged due to heavy snow



Removal of blown debris from power lines



● Contribution to solving social issues through our business

Pont des Tech, a group company, purchases, refurbishes, and sells computers disposed of mainly by corporations with the intent to reduce ever-increasing electronic waste in pace with the progress of digital society. By working in tandem with special affiliate companies for people with disabilities inside and outside the Group in the refurbished PC business, the Group contributes to expanding employment options for people with disabilities.



Pont des Tech, Inc.

● Social welfare efforts

Since 2001, we have been holding Kanden Collabo Art exhibit that provides an opportunity for individuals with disabilities to display their works. Visitors can appreciate the art and sense the potential of the artists. Award-winning work and other information can also be seen on our website.



Open exhibition (Dojima River Forum)



2022 Grand Prize winner

● Promoting sports and cultural activities, and nurturing the next generation

We are supporting activities held by the Rowing Club, a local sport organization, promoting culture and encouraging the next generation.



Mihama Art Exhibition



Rowing Club

● Coexistence and co-prosperity with local communities

As a member of the local community, we strive to revitalize and contribute to the local communities by promoting the revitalization of the local economy as well as investing in community development and running local events, etc., together with local residents.



Community cleaning activity



Running a booth at a local event

● Support for employees engaged in social contribution activities

To support employees engaged in community activities or volunteer programs, we established a volunteer time-off program, among other initiatives. Our Social Contribution website on our corporate portal provides information on the activities of volunteers and various workplaces. Furthermore, in fiscal 2023, we called for ideas from employees to give impetus to social contribution activities and formed a task force with the applicants. Management and employees are working together to advance social contribution activities.



Active communication inside and outside the Company

► Policy and Concept

● Communication inside and outside the Company through public relations and public hearing activities

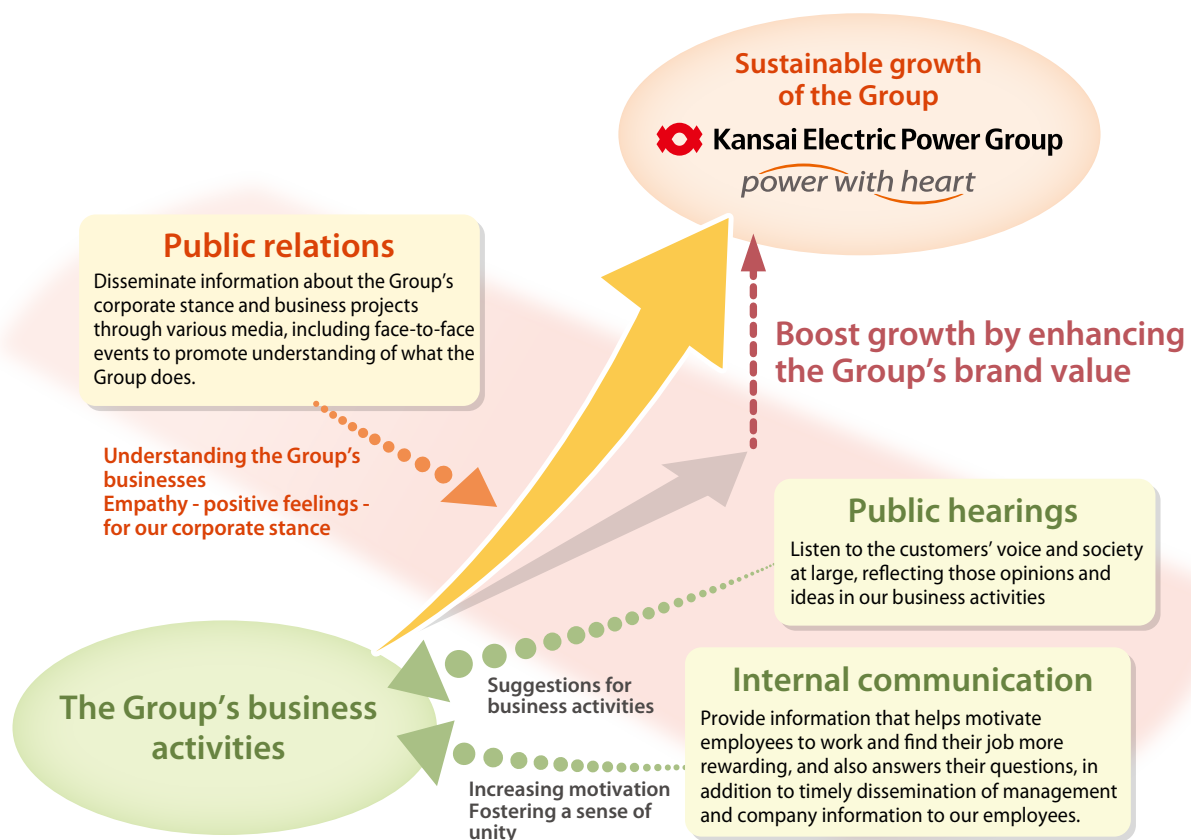
Through public relations and public hearing activities, we deliver information to our stakeholders in an appropriate manner to promote their understanding of our Group businesses. Opinions and requests are shared with management and employees and reflected in our business activities as an effort to establish bilateral communication to maintain a sense of trust.

We will seek their understanding of our Group businesses and conduct highly transparent and open business activities with the thought, "We wish to be a source of power for our customers and communities by serving them with sincerity and passion" represented by our brand statement, "power with heart."

► System

The Kansai Electric Power Co., Inc.: Office of Corporate Communications

Kansai Transmission and Distribution, Inc.: Regional Communications Department, etc.



► Goals

Supporting smooth business activities and driving medium- to long-term growth through communication that goes a step beyond, leading to stronger engagement with customers, communities, and employees

▶ Efforts

● Improving information disclosure to stakeholders

Through our securities reports, corporate governance reports, integrated reports, etc., the Group proactively discloses financial information to shareholders and other stakeholders, such as the Company's financial position and operating results, as well as non-financial information related to management strategies and issues, risks, and governance. Regarding contents stipulated by the Companies Act and other laws as well as information that is considered to be useful for dialogue with our shareholders and other stakeholders, we strive to offer detailed and accurate explanations that add value. We also provide overseas investors with information as needed through English-language media.

The Group facilitates constructive dialogue with its shareholders and investors to gain their understanding of the Group's basic stance, encompassing legal compliance, and basic management policies including our medium-term management plan. By reflecting the opinions we receive in our approach to business management, we will, over time, restore the trust of our stakeholders and build a solid relationship based on trust.

● Working with the media

Information reported by the media has a significant impact on stakeholder perceptions of and attitudes toward our Group. For this reason, it is necessary to deliver more accurate information. We hold press conferences with our president and make other efforts to provide information to the media actively. At the same time, we respond accurately and in a timely manner to media inquiries to promote understanding of our Group business operations. We are also adopting diversified methods to disseminate information, such as holding press conferences remotely, to further improve transparency in our information dissemination.

● Delivering information through mass media

We utilize various forms of mass media to convey information about the Group's business activities carried out with the thought represented by our brand statement, "power with heart," to customers and other members of society in an easy-to-understand manner. By vitalizing communication with more customers using tools such as TV commercials, online advertising, newspaper ads, websites, web magazines, social media, and PR magazines, we seek to gain understanding and trust in our Group's business operations.

◆ TV commercials, online advertising, and newspaper ads

Television commercials and online advertising can convey information in an easy-to-understand manner with video and music, while newspaper advertisements enable readers to take time to review relatively large amounts of information. Taking advantage of the strengths of each type of media, we provide information on our Group initiatives.



Our TV commercial

◆ Our website

Our website provides information on corporate activities such as safe and stable energy supply, sustainability (ESG) initiatives, investor relations, and recruitment activities. We are continuously using ingenuity in improving our website, aiming to make it easier for customers to view and understand; the site has adopted image links using banners and has been reviewed to have a graphical line of flow easier to read from the viewer's perspective.



Our Company's website

◆ Our web magazine WITH YOU

We provide up-to-date and detailed topics that our customers may be interested in, and information that we want everyone to know, such as trends in the Kansai Area and useful information.



WITH YOU



WITH YOU



Social networks

We utilize social media in the hope that the information on the Group's businesses will strike a chord with customers. On Facebook and X (formerly Twitter), we use videos for posts focused on employees performing their work and for bilateral communication. In addition, X (formerly Twitter) also serves as a communication tool for us to promptly disseminate information in the event of a disaster. On Instagram, we introduce beautiful scenes from the Kansai region, with the theme of "lighting" and "warmth." A photo contest featuring our facilities is also held.



Our Group's Facebook account



Our Group's X (formerly Twitter) account



Our Company's Instagram account

Publishing videos online

To help our stakeholders deepen their understanding of the energy mix and the realization of a zero-carbon society, along with the business activities of the Group, we released web videos connected to TV commercials and collaborative videos with popular YouTubers.



Web video connected to TV commercials

Our PR magazine YOU'S

We publish a PR magazine YOU'S to promote a deeper understanding of our Group's business. Themed on matters of interest to our customers and society at large, it connects the Group with readers by featuring interesting and useful information. In addition, a page dedicated to YOU'S, which includes web-only articles, has been created on our Company's website.



YOU'S

Fan base initiatives

The Group launched the Kanden Fan Base Project in fiscal 2021 with the aim of creating an even better future by placing greater value on communication with our customers than ever before, growing together and creating content and activities that resonate with them. We are developing our fan base by planning events such as the Kanden Fan Meeting and power plant tours, where we can interact with our fans.



Kanden Fan Meeting



Kanden fan event (power plant tour)

Efforts to promote understanding about energy

To create opportunities for people to think together about the importance of the energy mix and zero carbon, we hold information sessions and classes for elementary and junior high school students, using our ingenuity to develop programs that include a VR-based simulated power plant tour experience to facilitate understanding. In addition, since fiscal 2022, we have been offering online tours where applicants can participate remotely from their computers or smartphones, see the inside of our power plant, and communicate with plant staff; it's an experience that simulates going on a tour without visiting the actual site.



On-site classes



Online power plant tour



● Vitalizing internal communication

Information on important matters in business management, such as our management philosophy and initiatives set out in the Medium-term Management Plan, our Group businesses, efforts made by individual workplaces/employees, and similar topics are disseminated internally in a timely manner through our in-house newsletter, "The Kansai Denryoku Shimbun," and corporate portal. With the aim of enhancing employee engagement, we are advancing initiatives to deepen bilateral communication between management and employees, as well as between employees themselves. For communication between management and employees, messages from management are posted on our corporate and group portals, encouraging employees to comment on them. For communication among employees, on the corporate portal, we have created "Minna de Talk (Let's talk together)," a bulletin board where employees can open-mindedly exchange their opinions on various topics, such as hacks for better work-life balance and for making their jobs more productive, under pseudonyms.



Message from the management



The Kansai Denryoku Shimbun (January 2023 issue)

● Reflecting the voice of society in our business activities

The Group pays attention to the voices of stakeholders, shares the opinions and requests received with management and employees, and reflects these opinions and requests in our business activities as part of our efforts to earn trust.

● Relevant data

| | FY 2020 | FY 2021 | FY 2022 |
|--|-------------------|-------------------|-------------------|
| Number of activities to promote understanding by local governments | About 5,200 | About 4,000 | About 2,600 |
| Volunteer time-off program | 26 (50 days) | 39 (63 days) | 53 (64.5 days) |
| Number of social contribution activities (including on-site classes) | 467 | 836 | 1,086 |
| Amount of social contribution activities ^{*1*2} | 1,615 million yen | 2,052 million yen | 1,821 million yen |
| Amount of donations made in the above figure | 1,292 million yen | 209 million yen | 104 million yen |

*1 From fiscal 2020 onward, figures include part of the amount of social contribution activities through business activities.

*2 From fiscal 2021 onward, figures include part of the labor cost associated with social contribution activities.



Supply Chain Management

SOCIAL



► Policy and Concept

● Kansai Electric Power Group Basic Procurement Policy

In January 2022, the Kansai Electric Power Group announced the Kansai Electric Power Group Basic Procurement Policy (hereinafter, the "Policy") to endeavor to carry out sustainable, transparent, and responsible procurement in all business activities.

In accordance with the Kansai Electric Power Group Code of Conduct and the Policy, we will endeavor to carry out sustainable, transparent, and responsible procurement activities in all business activities. Our procurement activities are supported by our suppliers, who we view as valuable partners, and we will place importance on communication as we move forward with procurement initiatives.

1. Practice and ensure strict compliance.

With the practice and ensuring of strict compliance positioned as the foundation to all procurement activities, we shall thoroughly observe all relevant laws, regulations, and morals thereof.

We shall also give due consideration to the strict management and protection of personal and confidential information, as well as intellectual property.

2. Carry out transparent and responsible procurement activities.

We shall carry out highly transparent and responsible procurement activities. We shall not participate in bribery or other corrupt conduct with the goal of obtaining profits unfairly nor shall we provide convenience only to specific individuals or companies. Furthermore, we shall have no relationship with antisocial forces or organizations.

We shall expand our business through new transactions with companies at home and abroad. When selecting suppliers, selection shall be conducted in a fair and equitable manner according to the supplier selection criteria outlined below, taking into consideration economic and social rationality.

Criteria for selecting suppliers:

We shall select suppliers by considering factors including thorough compliance implementation; respect for human rights; safety; quality; level of technical expertise; attention to environmental considerations; business conditions; willingness to maintain a relationship of trust; price; adherence to delivery/construction schedules; adherence to maintenance and management standards; provision of after-sales service; and adequacy of response to accidents and defects.

3. Respect human rights.

With respect for human rights, we shall not be involved in any forms of discrimination or inhumane treatment (forced labor, child labor, etc.). We shall also respect workers' rights (freedom of association, collective bargaining rights, payment of appropriate wages, etc.).

4. Establish strong partnerships.

We shall establish strong partnerships with our suppliers by deepening bilateral communication and working together to make improvements. We shall also strive to build relationships toward mutual development through collaboration to optimize the entire supply chain, from material procurement, manufacturing, and logistics through to maintenance.

5. Ensure safety.

By making the assurance of safety the top priority in all activities, we shall thoroughly implement measures to prevent occupational accidents and occupational diseases, and to ensure public safety.

6. Promote cost reduction and quality improvement efforts.

We shall promote sustainable low-cost procurement efforts by reducing costs through technological innovation and new ideas, as well as by strengthening cooperation with our suppliers. Moreover, for the sake of our customers, we shall work to maintain and improve the quality and technical expertise of the products and services we provide.



7. Always consider the environment and contribute to local communities.

We shall promote procurement of materials with low environmental impacts to help build a decarbonized, recycling-oriented society. We shall also contribute to the development of local communities in cooperation with our suppliers.

8. Achieve continuous and stable procurement.

Together with our suppliers, we shall seek to ensure continuous and stable procurement by improving our methods of placing orders and other means. Moreover, in preparation for the occurrence of accidents and natural disasters, as well as the spread of infectious diseases, we shall thoroughly implement crisis management in a systematic manner. In such emergency events, we shall endeavor to promptly arrange necessary materials and equipment.

● Procurement activities in line with the Declaration on Partnership Building

In October 2020, we announced our Declaration on Partnership Building.

In order to implement procurement activities in line with this declaration, we inform both internal and external parties of the details of the declaration and sincerely respond to requests and consultations from our suppliers, thereby endeavoring to build a relationship of co-existence and co-prosperity.

● Implementing human rights due diligence

Since fiscal 2022, the Company has been conducting human rights due diligence along its supply chain.

This fiscal year, targeting 98 major suppliers, we conducted a questionnaire survey that includes items such as forced labor, child labor, and conflict minerals. (Questionnaire response rate: 100%)

Based on the survey results, we are working to prevent and reduce negative impacts on human rights as necessary.

▶ System

Director responsible: Toru Tanaka (Executive Vice President) of the Kansai Electric Power Co., Inc.

Management office: Planning & General Management Group, Sourcing and Procurement Division of the Kansai Electric Power Co., Inc.

▶ Goals**● Implementation of Basic Procurement Policy and promotion of its adoption by suppliers**

Conducting a questionnaire survey for suppliers to encourage permeation of the Basic Procurement Policy and the Declaration on Partnership Building

▶ Efforts

The Sourcing and Procurement Division holds in-house discussions on the Policy and provides new employee training, for the purpose of disseminating and implementing the Policy.

We make use of supplier registration and other opportunities to explain the Policy to our suppliers and ask for their cooperation in fact-finding surveys, etc. to monitor how sustainability-related tasks are addressed.

● Relevant data

| Policy | | |
|---|-------------|---|
| Basic Procurement Policy | Established | https://www.kepc.co.jp/english/corporate/info/procurement/principle/index.html |
| Supplier conduct standards and procurement policies | Established | https://www.kepc.co.jp/english/corporate/info/procurement/principle/index.html |





G

GOVERNANCE

- ◆ Corporate Governance
- ◆ Risk Management
- ◆ Compliance

Corporate Governance

GOVERNANCE



Basic concept on corporate governance

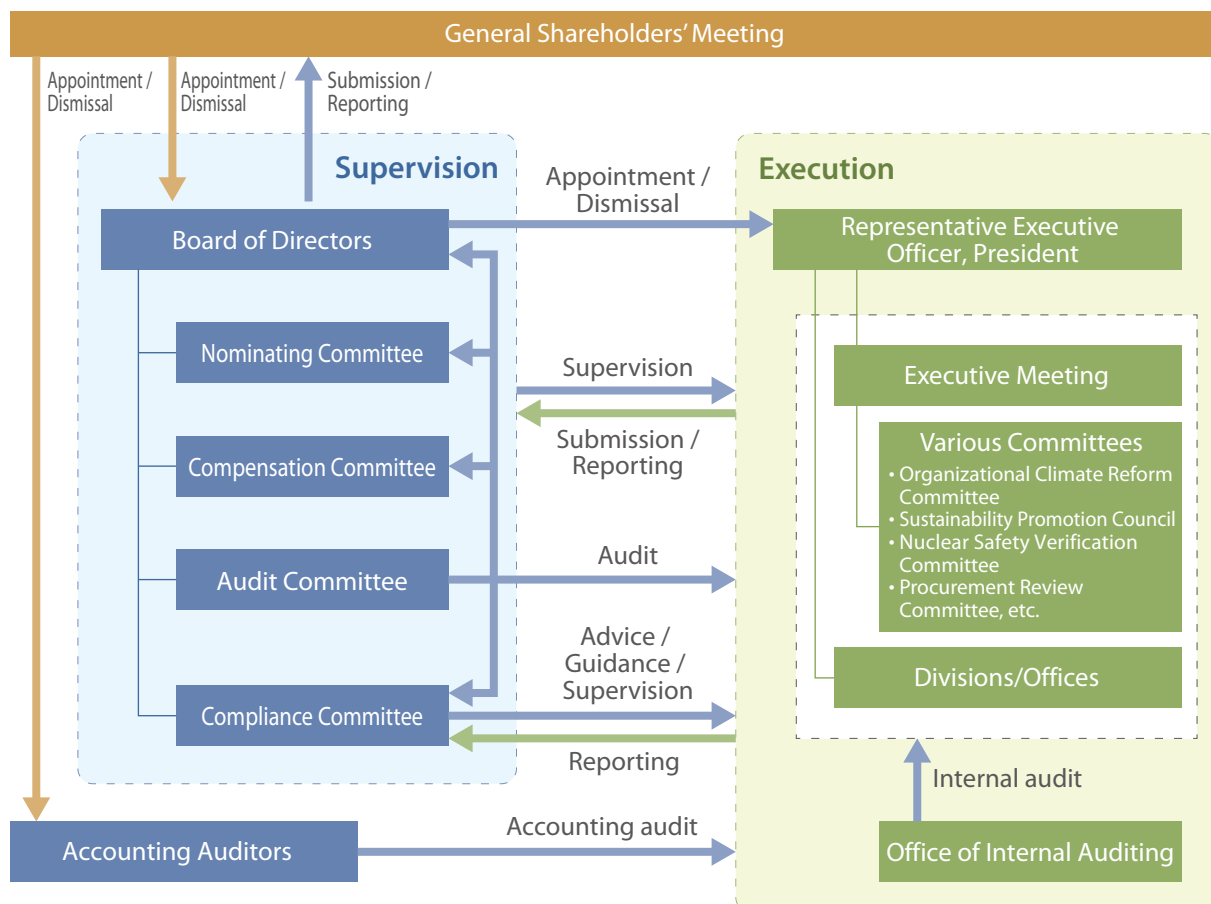
Based on the Kansai Electric Power Group Purpose & Values, the Group will continue to meet the expectations of all its stakeholders, thereby contributing to the sustainable improvement of corporate value and the sustainable development of society.

Recognizing that the most important management issue for achieving this goal is strengthening corporate governance, we have adopted the institutional design of a company with a nominating committee, etc., which clearly separates execution and supervision for our corporate governance, with the aim of enhancing management transparency and objectivity in business management.

In terms of supervision, in order to reflect the perspectives of all our stakeholders, we have established a system with a Board of Directors at the core focused on objective and diverse perspectives as outsiders. By appropriately supervising execution, we will improve transparency and objectivity in business management.

Overview of current corporate governance

In our Company, the Executive Meeting and various committees are placed under the Board of Directors, which has been charged with management responsibility by the General Shareholders' Meeting. While executing operations appropriately, we supervise the execution of duties by our directors and executive officers through the Board of Directors. We have adopted the institutional design of a company with a nominating committee, etc. since June 2020, which clearly separates execution and supervision for our corporate governance, with the aim of enhancing management transparency and objectivity in business management.



The Kansai Electric Power Co., Inc. will also implement an appropriate governance system for Kansai Transmission and Distribution, Inc., insofar as the Company has the right to do so as its shareholder, based on the premise of ensuring neutrality as a general power transmission and distribution business operator.



Corporate governance systems

1. Supervision

● Board of Directors

◆ Structure

In light of our business scale, business description, approach to managerial issues, and supervisory function, as well as diversity, including gender, internationality, work history and age, the Board of Directors is a necessary and appropriate structure composed of independent outside directors (eight persons) with ample experience and knowledge cultivated as executives or professionals in a wide range of fields and inside directors (five persons) who have abundant expertise and abilities in our business.

In addition, from the perspective of appropriate decision-making and effective supervision, the number of the Board members shall be 20 or less, a majority of which shall be independent outside directors.

The Chairperson of the Board of Directors shall be an independent outside director.

◆ Roles and responsibilities

Based on the standpoints of our diverse and wide-ranging set of stakeholders, the Board of Directors aims to achieve sustainable growth and increase the corporate value of the Group over the medium to long term. To achieve these ends, the Board takes on the following main responsibilities: to illuminate the future path of the Group, including our corporate strategy, develop an environment that supports appropriate risk-taking by executive officers, and provide highly effective supervision of management from an independent and objective standpoint.

We will decide basic management policies such as management plans after thorough discussions from a variety of perspectives, regularly monitor progress and reflect results in our future policies. In addition, we will establish effective internal control and risk management systems, supervise management with a focus on compliance, and support executive officers for their swift and strong-minded decision-making. Moreover, for particularly important matters, the Board of Directors will provide special supervision that requires in-depth reporting.

From the standpoint of clearly separating execution and supervision, the Board of Directors, in principle, delegates decisions on business execution to executive officers in line with basic management policies. Regardless of whether or not delegation to executive officers is made, if necessary, especially important decisions on business execution are discussed in advance at the Board of Directors meeting while they are being considered, and appropriate opinions and advice are provided from outside directors and other directors before decisions are made.

● Nominating Committee

The Nominating Committee is chaired by an independent outside director and all of its four members are independent outside directors. The Nominating Committee resolves proposed agenda for General Shareholders' Meeting regarding the appointment and dismissal of directors after establishing the "Policy for nominating director candidates." The Committee also resolves/deliberates on matters related to the appointment of executives. In addition, the Committee is responsible for formulating a succession plan for the Executive Officer and President, as well as developing candidates in a planned manner, with sufficient time and resources. In the course of this process, it is important for the Committee to recognize the appointment of the Executive Officer and President as the most important strategic decision-making for sustainable growth of the entire Group and improvement of corporate value over the medium to long term. In formulating the succession plan, the Committee deliberates the outcome, required experience and skills, competency (ability), potential (quality), sense of value, and personality expected from the next Executive Officer and President, and reviews "what the President is supposed to be."

Moreover, utilizing internal assessment and external assessment by third-party organizations, the Committee collects information on candidates in a multifaceted way. Members also directly interview candidates to clarify the appointment process, with high transparency and objectiveness ensured.

Chairperson: Sadayuki Sakakibara

Committee members: Takamune Okihara, Kazuko Takamatsu and Seiji Manabe

● Compensation Committee

The Compensation Committee is chaired by an independent outside director and all of its four members are independent outside directors.

The Compensation Committee resolves compensation of respective directors and executive officers after establishing the "Policy for determining remuneration, etc. for directors and executive officers." The Committee also resolves/deliberates on other matters related to executive compensation. When considering various compensation-related issues, such as the standard of compensation of directors, the Committee uses data from external specialized organizations and examples from other companies.

Chairperson: Kazuko Takamatsu

Committee members: Sadayuki Sakakibara, Atsuko Kaga and Seiji Manabe

● Audit Committee

The Audit Committee is chaired by an independent outside director and consists of four outside and two inside directors not concurrently serving as executive officers. To serve as an Audit Committee member, each director is required to have appropriate experience and abilities as well as necessary knowledge of finance, accounting, and legal affairs.



The Audit Committee establishes basic policies and rules necessary to execute its duties, and audits the execution of duties by executive officers, directors, employees, and other parties in the Company or its subsidiaries, from the viewpoint of legality and appropriateness. In addition, the Committee reports and expresses its opinions on the status and results of audits to the Board of Directors. When necessary, the Committee provides advice and recommendations to executive officers, etc.

The Audit Committee, the Office of Internal Auditing and accounting auditors will conduct efficient and effective audits in close collaboration as appropriate through exchanging opinions on audit plans and audit results.

The Committee members participate in important meeting structures, such as the Executive Meeting, and hear explanations of matters of importance in business management from executive officers.

Chairperson: Hiroshi Tomono

Committee members: Takamune Okihara, Fumio Naito, Motoko Tanaka, Yasuji Shimamoto and Nobuhiro Nishizawa

● Compliance Committee

For the purpose of strengthening the Group's function to supervise compliance, we have established a Compliance Committee, which is independent from the President and other executive officers. The Committee is under the direct control of the Board of Directors. The Committee, a majority of which including the Chairperson are outside experts, deliberates and approves particularly important matters such as basic policies for promoting compliance and policies for addressing problematic events associated with directors, executive officers, and others. When necessary, the Committee also directly guides, advises and supervises the President and other executive officers, as well as reporting periodically to the Board of Directors.

● Directors

◆ Nomination policy

In performing their duties, our directors must be willing to conduct themselves with emphasis on compliance, in accordance with the basic orientation of business management and guiding principles specified in the Kansai Electric Power Group Purpose & Values, the Kansai Electric Power Group Code of Conduct, etc. Regarding the nomination of director candidates, the Nominating Committee makes a decision after deliberating comprehensively on whether the candidate's ability, experience, personality, insight, and other elements are good enough to take on management of the Company, also in light of diversity, including gender, internationality, work history and age, from the viewpoint of appropriate decision-making and effective supervision.

The Company has established its own judgment criteria for independency, as described below, in consideration of requirements for independent officers stipulated by the Tokyo Stock Exchange, Inc. For outside directors, we assess their independency using these criteria from the perspective of their expected role in strengthening the supervisory function of the Board of Directors. If an outside director concurrently serves as an officer at another listed company, the number of concurrent positions is within a reasonable range so that the time and labor required to properly fulfill the roles and responsibilities as an outside director of the Company can be secured.

【Judgment criteria for independency established by the Company】

The Company considers an outside director to be independent when the outside director does not fall under any of the categories of 1 to 9 below.

| | |
|---|--|
| 1 | A person to whom the Company is a major business partner, or a business executive for that person |
| 2 | A major business partner of the Company, or its business executive |
| 3 | A consultant, accounting professional or legal professional who receives a large amount of money or any other assets, other than executive compensation, from the Company (if the consultant, etc. who receives such assets is an organization such as a corporation, a person who belongs to that organization) |
| 4 | A person who receives a large amount of donations or membership fees from the Company, or a business executive for that person |
| 5 | A business executive of the auditing firm of the Company |
| 6 | A person who is a major shareholder of the Company, or a business executive for that person and a business executive of a company for which the Company is a major shareholder |
| 7 | A business executive of a company which has accepted an executive from the Company or a subsidiary of the Company |
| 8 | A person who has fallen under any of the categories of 1 to 7 above recently |
| 9 | A spouse or relative within the second degree of kinship to a person described in either of the following items (excluding those who are not in applicable positions) |
| | (1) A person listed in 1 to 3 above |
| | (2) A person who is currently or has recently been a business executive of the Company or a subsidiary of the Company |



【Directors' skill matrix】

The following is a list detailing the experience and insight required for the members of the Company's Board of Directors, who have been selected by the Nominating Committee, as well as skills possessed by directors.

| Directors | Management experience | Governance/Risk management | Legal affairs/Compliance | Finance/Accounting | Technologies | Industrial policies | Public relations strategies | Global experience | Sales/Marketing |
|---------------------|-----------------------|----------------------------|--------------------------|--------------------|--------------|---------------------|-----------------------------|-------------------|-----------------|
| Sadayuki Sakakibara | ● | ● | | | ● | ● | | ● | |
| Takamune Okihara | ● | ● | | ● | | | | ● | ● |
| Atsuko Kaga | | | | | ● | ● | | | ● |
| Hiroshi Tomono | ● | ● | | | ● | | | ● | |
| Kazuko Takamatsu | ● | | | | | | ● | ● | |
| Fumio Naito | | ● | | ● | | | | | |
| Seiji Manabe | ● | ● | | | | | | | |
| Motoko Tanaka | | ● | ● | | | | | | |
| Nozomu Mori | ● | | | | ● | ● | | | |
| Koji Inada | ● | | | | ● | ● | | | |
| Makoto Araki | ● | ● | | | ● | | | | ● |
| Yasuji Shimamoto | ● | | | | ● | | | | |
| Nobuhiro Nishizawa | | ● | | ● | | | | | |

◆ Roles and responsibilities

Directors shall actively express their opinions and have thorough and constructive discussions at the Board of Directors, etc. When executing their duties, directors shall diligently collect sufficient information by requesting explanations from other directors and executive officers and through other means.

Outside directors' roles include strengthening the supervisory function of the Board of Directors from their objective external perspective, making use of their abundant experience and insight as corporate managers and specialists. Additionally, from the perspective of actively contributing to discussions at the Board of Directors, outside directors actively exchange opinions and cooperate fully with executive officers.

◆ Training

We hold training sessions for directors when and after they take up their post on a periodical basis to provide the knowledge necessary to fulfill their roles and responsibilities. For outside directors, we provide explanation about the Group's business, finances, organization, and other aspects on a continual basis when and after they take up their post so they can acquire the knowledge necessary to fulfill their roles and responsibilities. In addition, we hold tours of our facilities as appropriate and provide opportunities for them to talk with our frontline staff to promote their understanding of our business.

【Details regarding skills】

Skills necessary for supervising the management of the Company are selected in line with the management philosophy, Medium-term Management Plan, important issues, etc. of the Company.

Details regarding skills are as follows.

| | |
|-----------------------------|--|
| Management experience | Supervising overall management, including medium- to long-term management strategies such as the Zero Carbon Vision 2050, and management of human assets and organizations, based on management experience as a company executive. |
| Governance/Risk management | Supervising the establishment of governance, the development of resilient business infrastructure, and systems and operation related to risk management for overall business activities, including supply chains. |
| Legal affairs/Compliance | Supervising business activities based on expertise from the perspective of legal affairs and compliance. |
| Finance/Accounting | Supervising accurate financial reporting, maintenance of financial soundness, promotion of growth investment for improving corporate value, and financial strategies, capital policies, etc. for realizing appropriate shareholder returns. |
| Technologies | Supervising measures, etc. for the efficient operation of power generation business, etc. with top priority given to safety; identification and utilization of the latest technological trends, such as hydrogen; and response to DX and cyber security. |
| Industrial policies | Supervising measures for appropriate response to energy policy trends, etc., earning trust from communities including local governments, and regional revitalization. |
| Public relations strategies | Supervising measures for deepening of bilateral communication with and earning trust from a wide range of stakeholders. |
| Global experience | Supervising overseas investment and collaboration with overseas businesses. |
| Sales/Marketing | Supervising measures for improving profitability by providing new value and services beyond electricity sales, etc. |



2. Execution

● Executive Officers

◆ Appointment policy

In performing their duties, our executive officers must be willing to conduct themselves in accordance with the basic orientation of business management and guiding principles specified in the Kansai Electric Power Group Purpose & Values, the Kansai Electric Power Group Code of Conduct, etc., and in adherence to the spirit of the President's Oath to Stakeholders. Regarding the appointment/dismissal of executive officers, the Board of Directors makes a decision after deliberating comprehensively on whether the officer has abundant expertise, and whether their experience, business execution ability, personality, and other elements are good enough to take on management of the Company.

◆ Roles and responsibilities

Executive officers make decisions on how the business of the Company is carried out, which is delegated to them by the Board of Directors and by the resolution of the Board of Directors, and also execute the operations of the Company.

◆ Training

We hold training sessions for executive officers when and after they take up their post on a periodical basis to provide the knowledge necessary to fulfill their roles and responsibilities.

● Executive Meeting and Committees

In order to deliberate on important business execution policies, plans, and execution of business for the entire Group and to receive necessary reports, based on the basic policies determined by the Board of Directors, we hold Executive Meeting every week as a general rule. The Executive Meeting is chaired by Executive Officer and President, and consists of all our executive officers to ensure swift and appropriate corporate management. In addition to the above, for the purpose of ensuring appropriate and smooth business execution, we have established various committee organizations that support decision-making through the Executive Meeting and the business execution by respective divisions. These committees mostly consist of executive officers in charge of duties related with respective goals, and meetings are convened periodically or on an as-needed basis.

◆ Organizational Climate Reform Committee

We have established the Organizational Climate Reform Committee, aimed at comprehensively forging ahead with organizational climate reform as well as measures to prevent recurrence of inappropriate handling of information regarding customers who have contracts with other power producers and suppliers and the violations of the Anti-Monopoly Act in the retail electricity business. The Committee's responsibilities include identifying and analyzing company-wide issues related to these incidents, formulating comprehensive measures for recurrence prevention, discussing and promoting specific measures for organizational climate reform and reinforcement of internal controls, and checking the implementation status of such measures.

◆ Internal Control Board

The Internal Control Board has been established to manage risks associated with the Group's business activities at an appropriate level and to achieve sustainable growth of the Group. The Board assesses the development and operation status of internal control systems, discusses comprehensive improvement measures, gives instructions for improvement of inadequacies, checks the improvement status, and provides support.

◆ Sustainability Promotion Council

To address sustainability-related issues, our Group's basic concept and code of conduct that we should strictly observe are stipulated in the Kansai Electric Power Group Code of Conduct. We also set up a Sustainability Promotion Council to draw up comprehensive sustainability measures for the entire Group and check implementation status. At the same time, we perform concrete activities for the Group to contribute to the sustainable growth of society.

◆ Nuclear Safety Verification Committee / Nuclear Safety Enhancement Committee

Regarding nuclear safety, our principles associated with nuclear safety to be succeeded to our employees in future generations are clearly stated in our Commitment to Enhancing Nuclear Safety. Based on this, we are making constant efforts to improve safety. A Nuclear Safety Enhancement Committee has been set up to enhance the safety of nuclear power on a company-wide basis. The Committee checks and conducts discussion on the promotion of recurrence prevention measures and fostering of safety culture following the accident at Mihama Nuclear Power Station Unit 3 and activities from a broad range of viewpoints, including voluntary and continuous activities following the accident at Tokyo Electric Power Fukushima Daiichi Nuclear Power Station.

In addition, opinions and advice provided by the Nuclear Safety Verification Committee from its independent position have been reflected in our safety improvement initiatives.

◆ Procurement Review Committee

For the purpose of ensuring appropriateness and transparency in the procedures of construction orders and contracts as well as payment of donations and cooperation funds, we have established a Procurement Review Committee, the majority of which are outside experts, with an examination mechanism from the perspective of such experts put in place.



◆ Internal Auditing Committee

Regarding internal audits, we have established an Internal Auditing Committee in order to share and deliberate widely-ranging management issues, such as safety and quality, gain insights and information from outside the Company, and ensure the adequacy of the internal audit process for the entire Group from a fair and professional standpoint. In addition, as a dedicated organization for conducting internal audits, the Office of Internal Auditing (including certified internal auditors and qualified internal auditors) has been set up to audit the adequacy and effectiveness of the system and operational status on a regular basis, this ensuring the adequacy of operations.

3. Advisors

The Company has adopted the following advisor system.

◆ System

Advisors may be appointed on an as-needed basis, if doing so contributes to the sustainable development of the Group.

◆ Appointment/remuneration determination process

From the perspective of ensuring objectivity, when appointing an advisor to a person who retired from the post of a director or executive officer, the Nominating Committee, the Compensation Committee, and the Board of Directors decide the necessity of such appointment, job description, and remuneration after rigorous deliberation, and disclose the commissioned duties and the individual amount of remuneration of the advisor.

◆ Roles

Advisors contribute to society through activities in business and industrial communities and respond to requests from regional economic communities by making full use of their own experience and human networks, toward the growth of the economy in the Kansai region as well as the business of the Group. Advisors do not provide guidance or advice on business management.

4. Remuneration of directors and executive officers

◆ Policy for determining remuneration, etc. for directors and executive officers

Policy and outline of the remuneration system:

Remuneration of directors and executive officers is determined by the Compensation Committee in accordance with the provisions of the Companies Act.

Remuneration of directors not responsible for execution of business consists only of basic compensation, in consideration of their roles.

Remuneration for executive officers responsible for the execution of business consists of basic compensation that takes into account the responsibilities required for each executive officer's position, etc., and short-term incentives, which are results-based compensation and stock-based compensation as a medium- to long-term incentive, in order to contribute to the sustainable improvement of our corporate performance and corporate value. Proportion of the payment will be set using "basic compensation: results-based compensation: stock-based compensation = 6:3:1" as a guide.

Remuneration determination process:

With the Policy for Determining Remuneration of Directors and Executive Officers established and in accordance with this policy, the Compensation Committee, which is composed solely of outside directors, makes resolutions on the remuneration of individual directors and executive officers.

In addition, the Company utilizes data from external organizations and refers to the situation of other companies when considering compensation levels and other related issues.

◆ Remuneration system (Basic compensation, Performance-based compensation, and Stock-based compensation)

Basic compensation:

The Company pays the base amount required for the position of each director and executive officer, taking into consideration the responsibilities required according to their respective job positions and other factors.

Performance-based compensation:

The Company's performance-based compensation consists of company-wide performance considering indicators aligned with the financial targets in the Medium-term Management Plan and results of ESG initiatives, and individual performance based on the results of initiatives in each responsible division. This type of compensation is calculated and paid based on the base amount set for each job position and the degree of achievement against the targets.

Stock-based compensation:

The Company grants a certain number of points to executive officers and others each year based on the base amount corresponding to their respective job positions. When they leave their post, the Company grants its shares and pays cash in the amount equivalent to the conversion value of the Company's shares in proportion to their respective accumulated points.



◆ Remuneration system

Breakdown of performance-based compensation

| Indicator | | Percentage | Calculation formula |
|--------------------------|--|------------|---|
| Financial indicators | Consolidated ordinary income [100 billion yen] | 70% | Achievement rate = Consolidated ordinary income / 100 billion yen |
| | FCF [-65 billion yen] | 10% | Achievement rate = 100% when minus 65 billion yen is achieved; 10% increase/decrease for every 10-billion-yen deviation |
| | ROA [1.5%] | 10% | Achievement rate = Actual ROA / 1.5% [ROA = (Ordinary income + Interest expense) / Total assets] |
| Non-financial indicators | CO ₂ emissions reduction | 10% | Evaluated by the Compensation Committee with reference to the current status of efforts in CO ₂ emissions reduction as well as external evaluations by DJSI, CDP, MSCI, and Sustainalytics, in order to achieve the Medium-term Management Plan target (to be halved in 2025 compared to FY 2013). |
| | External ESG assessment | | |

Company-wide performance 70%

Individual performance 30%

○ Indicators: Individual performance (assessment)
○ Application: Base amount by job position (individual) x assessment rate (0-120%)

Notes: 1 Base amount of performance-based compensation by job position (annual amount)

• Director, Representative Executive Officer and President: 22.8 million yen • Director, Representative Executive Officer and Vice President: 17.4 million yen

• Representative Executive Vice President: 16.1 million yen • Executive Vice President: 11.7 million yen

2 Company-wide performance varies in the range of 0 to 150% depending on the degree of achievement of performance indicators.

3 Individual performance varies within a range of 0% to 120%, depending on the performance results of each individual. Individual performance shall not be applicable but company-wide performance shall be applicable by 100% to the President.

5. Management of subsidiaries

We try to instill in our subsidiaries the basic approaches to management and action standards that are embodied in, for example, the Kansai Electric Power Group Purpose & Values and the Kansai Electric Power Group Code of Conduct. In addition, we ensure the propriety of our corporate group's business activities at our subsidiaries by supporting them and providing advice on the arrangement of their autonomous management structures based on our internal regulations related to subsidiary management. We also strive to prevent any losses to the corporate value of the Group as a whole, or at least keep them to a minimum, by participating in important decision-making by our subsidiaries, and periodically checking on their management status. Moreover, our Executive Meeting deliberates execution directions and plans for important business, particularly for the core companies responsible for businesses that are the pillars for the future growth of the Group.

Specifically, based on the performance evaluation system, we set financial and non-financial targets at the beginning of each fiscal year after confirming consistency between the plans and policies of each company and policies of the Group, confirming progress through communication by senior management during and at the end of each fiscal year. Additionally, we make prior adjustments to individual plans, such as investments of a certain scale or making inroads into new business fields. Through these efforts, we are striving to enhance the corporate value of our entire Group and prevent it from being undermined.

6. Effectiveness evaluation and response policies for the Board of Directors

The Company evaluates the effectiveness of the Board of Directors, etc. and takes proper steps to improve corporate governance every year, including operation of the Board of Directors to enhance the functions of the Board of Directors, Nominating Committee, Compensation Committee, and Audit Committee.

(1) The major issues based on the results of the effectiveness evaluation for fiscal 2021 and the main initiatives for fiscal 2022

| Major issues for fiscal 2021 | Main initiatives for fiscal 2022 |
|---|---|
| ① Enhancement of opportunities for communication between outside directors and management | We proactively created opportunities for informal communication between outside directors and management to improve mutual understanding by, for instance, holding opinion exchange meetings for directors and training sessions designed for all directors and executive officers. In addition, we held substantive discussions on important medium- to long-term issues such as the business portfolio and medium-term management plan. |
| ② Increasingly substantive discussions on important medium- and long-term themes | |
| ③ How the Board of Directors should supervise each audit function, etc. | We strived to improve the effectiveness of the supervisory function of the Board of Directors, etc. by establishing opportunities to share awareness of the relationship between the Board of Directors and the Audit Committee and by enhancing opinion exchanges with internal audit departments, etc. |
| ④ Confirmation of training for officers and implementation status | We have stepped up the Board of Directors' supervision of officer training by reporting to the Board of Directors on the status of implementation and future direction of officer training, reflecting the Board of Directors' opinions as appropriate. |
| ⑤ Further improvement in the composition of the Board of Directors | The Nominating Committee discussed, on a continual basis, the board succession, including the selection of candidates for the Board of Directors to be proposed at the General Shareholders' Meeting, in order to ensure that the board is composed taking into account diversity in terms of gender, age, work history, and other aspects. |



(2) Overview of effectiveness evaluation for fiscal 2022

| Evaluation/analysis method | Evaluation items |
|--|--|
| <ul style="list-style-type: none"> Using a third-party organization, we conducted a survey targeting all directors (5-point scale and free answer) on the effectiveness of the Board of Directors, etc. Based on the analysis of the survey results by the third-party organization, the effectiveness of the Board of Directors, etc. was deliberated and evaluated at the Board of Directors meeting held on April 27, 2023. | <ol style="list-style-type: none"> 1. Role/function of the Board of Directors 2. Status of efforts for the business improvement plan 3. Composition/size of the Board of Directors 4. Operation of the Board of Directors 5. Operation of the Nominating, Compensation, and Audit Committees 6. Role of and support system for outside directors 7. Relationships with shareholders, investors, etc. 8. Improvement status of last year's major issues |

(3) General comments on effectiveness evaluation for fiscal 2022

| General comments on survey results for fiscal 2022 |
|---|
| <p>The results confirmed the strengths of the Board of Directors: "substantive discussions regarding management strategy and other important medium- to long-term themes," which is the role of the Board of Directors, and "appropriate management of the Board of Directors, such as providing sufficient information and ensuring sufficient time for deliberation, as well as the number of the board members" that support the substantive discussions. The survey analysis also confirmed that the common strength of the Nominating, Compensation, and Audit Committees is the "appropriate management of agenda setting, sufficient provision of information, etc."</p> <p>In addition, because the results showed that the evaluation items associated with the improvement status for the previous year's major issues had "generally improved," we have confirmed that the effectiveness of the Board of Directors, etc. has been steadily improving.</p> <p>On the other hand, we have also confirmed analysis results showing that organizational climate reform and compliance promotion are major issues we must focus on due to the occurrence of incidents described in "(Reference) Details Regarding Inappropriate Incidents Related to Compliance (on pages 54-57 of the Business Report for fiscal 2022)."</p> <p>The Group is determined to reform its organizational climate so that each and every employee takes thorough compliance seriously "with a sense of commitment" and puts it into practice, while at the same time fundamentally strengthening internal controls across the Group. The Board of Directors will enhance its supervisory function over these and other efforts on the executive side, and continuously strive to improve effectiveness.</p> |

(4) Major future issues and direction for addressing the issues

| Major future issues | Direction for addressing future issues |
|---|---|
| ① Further efforts toward organizational climate reform and stricter compliance | The Board of Directors will enhance its supervisory function and vigorously push forward reform of the organizational climate and reinforcement of compliance by improving reporting details and deliberation time regarding the status of initiatives headed by the Emergency Response Division and the development and operation of internal controls, including the whistleblowing system. |
| ② Supervision of the Nominating and Compensation Committees by the Board of Directors | The Board of Directors will improve its supervisory function by sharing awareness of matters that the Board of Directors should supervise with respect to nomination and compensation, and by ensuring sufficient reporting at the Board of Directors. |
| ③ Information disclosure and explanation to shareholders, investors, etc. | The Board of Directors will enhance its supervisory function from the perspective of shareholders, investors, etc., with regard to the way information on important matters is disclosed and on providing opportunities for information dissemination in order to build appropriate relationships with shareholders, investors, etc. |
| ④ Further improvement of the composition of the Board of Directors | The Nominating Committee will continue to discuss the ideal composition of the Board of Directors in view of the future business environment. |

● Operating status of fiscal 2022

◆ Board of Directors

Based on laws and regulations and the rules for the Board of Directors, the Board of Directors resolves important matters related to the management of the Group, such as proposals submitted to the General Shareholders' Meeting, composition of each committee, appointment/change of executive officers, and personnel measures for officers.

Furthermore, the progress of efforts to address issues* including the violation of the Electricity Business Act due to improper handling of information on power producer and supplier (PPS) customers, business portfolio, progress status of our medium-term management plan including quarterly financial results, operational status of internal control, and other matters are reported and deliberated on a regular basis. For the resolutions and deliberation stated above, with the aim of ensuring fulfilling discussions at the Board of Directors and strengthening corporate governance, in fiscal 2022, three opinion exchange meetings were held by directors and one meeting was held only attended by independent outside directors to discuss a wide range of themes such as management issues and the direction of future growth strategies of the Company. In addition, in fiscal 2022, based on the opinion of outside directors that they would like opportunities to take more time in the discussion of management issues, both internally and externally, a joint training session was held by directors and executive officers. At the session, important themes such as "Power source portfolio toward 2050" and "Organizational climate reform and human capital innovation" were discussed over two days.

Views obtained through these opinion exchange and other meetings and opportunities are reflected in our business management and subsequent discussions at the Board of Directors.

Furthermore, throughout the year, our independent outside directors actively seek to understand the Company's situation by receiving advance briefings on Board of Directors agenda items, inspecting front-line workplaces such as nuclear power plants, and engaging in dialogue with employees.

* As the Business Improvement Plan was formulated following inappropriate compliance-related incidents, the Board of Directors has conducted special supervision to verify the achievement status of a series of reforms, including organizational climate reform and radical strengthening of internal controls, from a continuous and objective viewpoint. Through the supervision, the Board monitors the implementation status of the Business Improvement Plan and provides guidance.



◆ Nominating Committee

The Committee decides the content of proposals for appointment and dismissal of directors, submitted to the General Shareholders' Meeting, as well as the policy for selecting directors, and deliberates the details of a succession plan for the Executive Officer and President, successor development process, commissioning of advisors, and other matters. For fiscal 2022, priority items discussed and opinions exchanged include the following:

- Operation of succession plan for Executive Officer and President, and development of successor candidates
- Director change proposals for the General Shareholders' Meeting
- Succession plan for outside directors
- Details of personnel measures for officers

◆ Compensation Committee

The Committee decides on the policy and details of compensation of respective directors and executive officers, and deliberates on compensation for advisors. For fiscal 2022, priority items discussed and opinions exchanged include the following:

- Policy on determining compensation for the Company's officers based on the results of surveys on compensation standards of other companies, trends in compensation policies, etc.
- Performance-based compensation system and goal setting (including introduction of ESG-related indices)

◆ Audit Committee

The Committee formulates audit plans encompassing important matters related to the Group's management decided by the Board of Directors, and performs audits from the perspective of whether or not the Group is conducting business activities legally and appropriately, and making decisions and executing business properly and reasonably to prevent risks and improve corporate value. Audit reports and opinions therein are provided to the Board of Directors and executive officers. Priority audits and other items conducted in fiscal 2022 include the following:

- Status of efforts to strengthen compliance and governance
- Status of efforts made in line with the medium-term management plan
- Dialogue with front-line workers
- Response to proceedings for damages against our former executives filed by the Company concerning problems such as receiving cash and gifts and remuneration for part-time service after retirement.

The Audit Committee is briefed on audit plans from our accounting auditor at the beginning of the fiscal year. As for the implementation status of the plans, the Committee receives reports on the quarterly review status in every quarter, as well as reports on annual audit status at the interim period and the end of the fiscal year, and thereby exchange opinions. In this way, a close cooperative relationship is maintained between them. The Committee also holds discussions with the accounting auditor multiple times during the fiscal year to exchange opinions on Key Audit Matters (KAM).

The main examples of the cooperative relationship between the Audit Committee and the accounting auditor are as follows.

| Item | Period | Overview |
|-------------------------|--------------------------------|--|
| Briefing on audit plans | July ^{*1} | The Audit Committee is briefed on audit plans for the current fiscal year. |
| Quarterly review report | July, October, January | The Audit Committee receives report on quarterly review results from the accounting auditor and exchanges opinions. |
| Interim audit report | December | The Audit Committee receives an interim report on accounting auditor's audit and exchanges opinions. |
| Year-end audit report | May, June | The Audit Committee receives year-end report on the accounting auditor's audit (including internal control audit status) as well as a detailed report on the status of the accounting auditor's performance of duties. |
| Key Audit Matters (KAM) | September, December, May, June | The Audit Committee members and the accounting auditor discuss and exchange opinions about KAM. ^{*2} |

^{*1} Throughout the fiscal year, the Committee receives reports of revisions to the audit plan, if any, at the time when each report is made.

^{*2} The Committee also confirms the appropriateness and consistency of KAM-related information disclosure.



◆ Activities of directors

Board of Directors, Nominating Committee, Compensation Committee, and Audit Committee meetings held in fiscal 2022 and the attendance status of respective directors are as follows.

| Name | Meetings held and attendance status | | | |
|----------------------------------|-------------------------------------|-------------------------|------------------------|---------------------------|
| | Board of Directors | Nominating Committee | Compensation Committee | Audit Committee |
| Sadayuki Sakakibara [*] | ◎100% (14/14 attendances) | ◎100% (7/7 attendances) | 100% (2/2 attendances) | — |
| Takamune Okihara [*] | 100% (14/14 attendances) | 100% (7/7 attendances) | 100% (1/1 attendance) | 100% (11/11 attendances) |
| Tetsuya Kobayashi [*] | 79% (11/14 attendances) | 71% (5/7 attendances) | 100% (2/2 attendances) | — |
| Shigeo Sasaki [*] | 100% (14/14 attendances) | — | — | 100% (15/15 attendances) |
| Atsuko Kaga [*] | 93% (13/14 attendances) | — | 100% (2/2 attendances) | 100% (4/4 attendances) |
| Hiroshi Tomono [*] | 100% (14/14 attendances) | — | — | ◎100% (15/15 attendances) |
| Kazuko Takamatsu [*] | 100% (14/14 attendances) | 100% (7/7 attendances) | ◎100% (1/1 attendance) | — |
| Fumio Naito [*] | 100% (14/14 attendances) | — | — | 100% (15/15 attendances) |
| Nozomu Mori | 100% (14/14 attendances) | — | — | — |
| Koji Inada | 93% (13/14 attendances) | — | — | — |
| Nobuhiro Nishizawa | 100% (11/11 attendances) | — | — | — |
| Yasushi Sugimoto | 100% (14/14 attendances) | — | — | 100% (15/15 attendances) |
| Yasuji Shimamoto | 100% (14/14 attendances) | — | — | 100% (15/15 attendances) |

Notes:

1 The percentages are rounded off to the whole number. The numbers in parentheses indicate the number of attendances/the number of meetings held during the term of office.

2 ◎ represents the chairperson of the board/committee.

3 * represents an independent outside director.



Risk Management

GOVERNANCE



► Policy and Concept

In accordance with the Kansai Electric Power Group Risk Management Rules established in April 2006, risks that have the potential to affect the achievement of organizational goals are to be recognized and identified. Then, an assessment is to be made, followed by implementing necessary measures to deal with the risks. The impact of risk on the Group is being managed at an appropriate level through this series of processes.

► System

Risks associated with the Group's business activities are to be managed autonomously by each operating division.

With the position of "Internal Control and Compliance Officer" newly set up, each operating division is promoting autonomous risk management in the division in collaboration with front-line workplaces, etc., and through risk management plans and evaluation of results.

Management of risks considered to have cross-organizational importance, such as information security, business management at subsidiaries, human capital base, market risk, financial report reliability, environment, energy policy, disasters, compliance (including laws and regulations in a competitive environment), and appropriateness of procurement, is enhanced by the supervision of departments with specialized expertise in each area of such risks that provide advice and guidance to the operating divisions on an as-needed basis.

The Compliance Promotion Headquarters supports these efforts and centrally promotes compliance, risk management, etc. for the entire Group*.

* See page 117 for a general picture of our compliance promotion system.

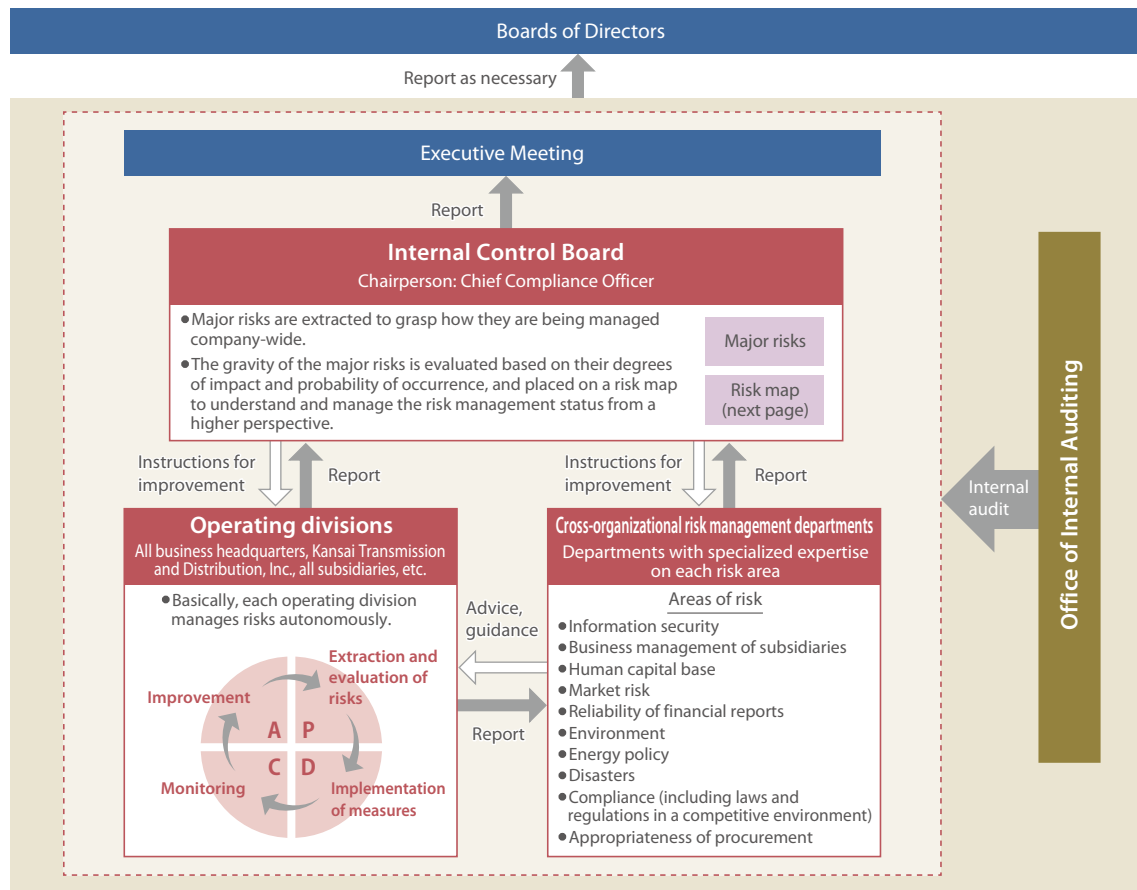
Moreover, an Internal Control Board has been established to put risks under central management. The Chairperson of the Board, who also serves as the Chief Compliance Officer, is appointed as the Risk Management Officer of the Group, and the Board strives to manage risks associated with the Group's business activities at an appropriate level through this system.

The Internal Control Board oversees risk management plans by, for instance, coordinating cooperation between corporate divisions and operating divisions that have expertise to ensure group-wide risk management. The Board also reports its risk evaluation results to the Executive Meeting and, as necessary, the Board of Directors. If necessary, it improves the structure and system of risk management.

Furthermore, the Office of Internal Auditing conducts internal auditing on the maintenance and operation of the risk management system, and we are working to make improvements based on audit results. In fiscal 2023, we will clarify issues in our internal control systems, including risk management, based also on the opinions of external experts, and consider concrete ways to make improvements.



◆ Risk management system



► Efforts

We identify major risks that could greatly affect our Group's business activities, ascertaining and evaluating how they are being managed company-wide. These major risks are systematically sorted out not only for our Group's sustainable growth but also with the aim of achieving our financial targets and ESG goals, to contribute to the sustainable development of society by solving global social issues covered under SDGs. The gravity of the major risks is evaluated based on their degrees of impact and probability of occurrence, classified and organized on a risk map to clarify, manage, and evaluate how the risks are being handled from a higher perspective, and instructions for improvement are given to operating divisions, as necessary, based on the evaluation results. For details of and countermeasures for major risks that could affect the Group's business results and financial position, please refer to the "Operational risks" section of our securities report for the fiscal year ended March 31, 2023 and financial results for the three months ended June 30, 2023 (only available in Japanese).

◆ Major risks

| Classification | Major risks | Gravity | |
|----------------|--|---------|---------|
| | | FY 2022 | FY 2023 |
| E | 《1》 Climate change | High | High |
| | 《2》 Environmental issues (violation of environmental laws and regulations, etc.) | Medium | Medium |
| S | 《3》 Release of radioactive materials | Huge | Huge |
| | 《4》 Human capital base | High | Medium |
| | 《5》 Natural disasters, changes in international situations, etc. | High | High |
| | 《6》 Information security | High | High |
| | 《7》 Stagnation of innovation | Medium | Medium |
| G | 《8》 Governance / Compliance | High | High |

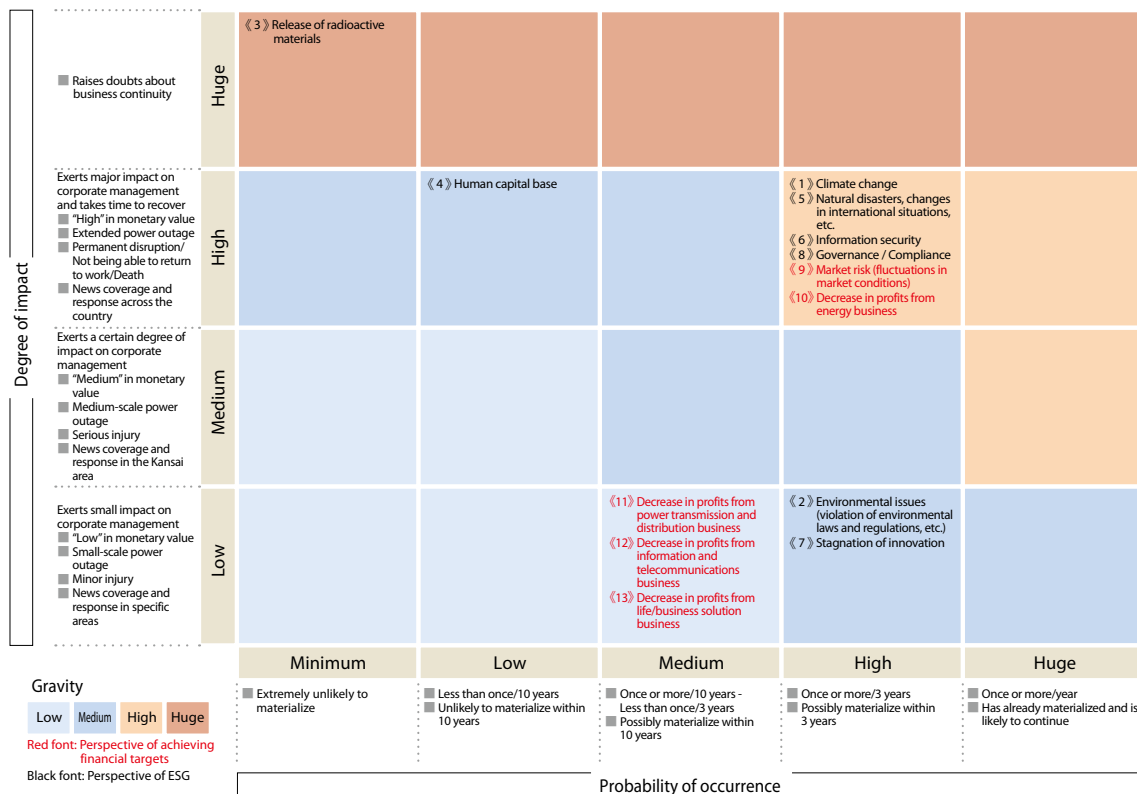
| Organizational goals/Classification | | Major risks | | Gravity | |
|---|----------------------------------|--|--|---------|---------|
| | | | | FY 2022 | FY 2023 |
| Achievement of financial targets Undershooting of profit targets | Business environment | 《9》 Market risk (fluctuations in market conditions) | | High | High |
| | Energy | 《10》 Decrease in profits from energy business | | High | High |
| | Transmission & Distribution | 《11》 Decrease in profits from power transmission and distribution business | | Medium | Low |
| | Information & Telecommunications | 《12》 Decrease in profits from information and telecommunications business | | Medium | Low |
| | Life/Business Solution | 《13》 Decrease in profits from life/business solution business | | Medium | Low |

<Reason for changes in Gravity>

- 《4》 Human capital base: Following the consolidation of the aforementioned major risks, reevaluation was made on this occasion with the risk event defined as an obstacle to stable securement of diverse and talented human capital. As a result, the gravity was set to medium.
- 《11》 Decrease in profits from power transmission and distribution business: Revised downward considering mitigation of risk factors mainly because the post-adjustment framework for revenue fluctuations, etc. attributable to external factors has now been in place in conjunction with the introduction of our application for the new wheeling pricing system.
- 《12》 Decrease in profits from information and telecommunications business: Revised downward considering the fact that no risks occurred in the most recent fiscal years.
- 《13》 Decrease in profits from life/business solution business: Revised downward considering the fact that no risks occurred in the most recent fiscal years.



Risk map



Investment risk management

<Investment evaluation system>

Regarding investment in the domestic renewable energy business, international and our group businesses, and new businesses, in addition to the investment appropriateness evaluations, we have established and operated a series of management processes including post-investment monitoring, as well as consideration and implementation of disinvestment/replanning measures. The internal meeting structure (Investment Evaluation Committee), which consists of executives in charge of business promotion and corporate divisions, deliberates and examines such processes based on their specialized knowledge. In these ways, we support appropriate decision-making for individual projects and take timely measures when risks manifest to manage investment risks suitably. We regularly report these states of management to the Executive Meeting, and we reform frameworks and methods for evaluation and management as necessary.

<Investment appropriateness evaluations>

When implementing investments, along with conformity to company-wide policies for investment goals and objectives, with the assurance of profitability as a prerequisite, we are evaluating the appropriateness of each project based on sufficiently examining risks.

<Monitoring>

After making investments, we regularly conduct monitoring of individual projects to confirm their states of achieving investment objectives and profitability. We demand the implementation of necessary countermeasures when profitability decreases or other issues arise.

<Investigations on disinvestment and replanning>

For projects that have greatly worsened profitability or that have decreased retention value, based on comprehensive consideration of risks and other conditions, we promptly investigate and deliberate disinvestment and replanning as we strive to appropriately deal with risks.



Compliance

GOVERNANCE



Compliance system

In order to radically strengthen our system of observing laws and regulations, the Group has decided to rebuild its compliance system by utilizing external human resources, and we established a Compliance Committee and an Office of Compliance Promotion in April 2020. Aiming to strengthen supervisory functions related to compliance, the Compliance Committee is organized directly under the Board of Directors as a committee independent from the President and other executive officers. The majority of the committee members, including the chairperson, are from outside the Company. (See page 106.)

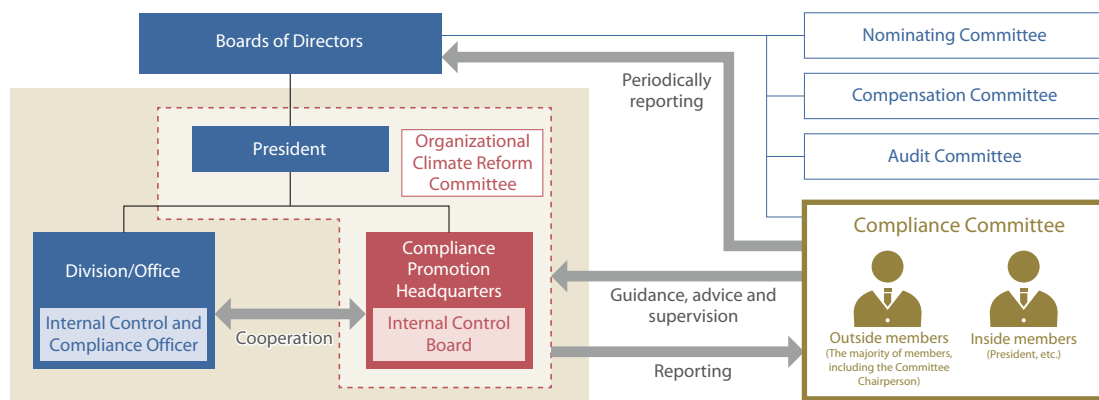
In July 2023, for centrally promoting compliance and risk management throughout the Group, the Compliance Promotion Headquarters was newly set up by integrating compliance on wheeling service guidelines, risk management, internal control, and other functions into the Office of Compliance Promotion. At the same time, the position of Chief Compliance Officer (CCO) was established as the officer with ultimate responsibility for compliance promotion. Additionally, the Internal Control Board was set up to deliberate internal controls, including risk management, for the entire Group*. In addition, aiming to enhance the effectiveness of internal controls at operating divisions, including front lines, each operating division now has an Internal Control and Compliance Officer to step up cooperation with corporate divisions.

The Compliance Promotion Headquarters is composed of staff members with legal knowledge as well as diverse work experience. In addition to formulating and implementing the Group's compliance promotion plans and responding to problematic events, the Headquarters provides training for compliance, encourages compliance with laws and regulations in cooperation with corporate divisions, and conducts interviews and provides guidance on efforts made by each operating division, etc.

The Headquarters reports on and brings up compliance-related events for discussion to the Compliance Committee. With the guidance, advice and supervision of the Compliance Committee, the President and other executive officers are subsequently able to act and take concrete measures.

* See pages 114 to 116 for details regarding risk management.

◆ Compliance system



● <Reference> Compliance Committee meetings held in fiscal 2022

Meetings of the Compliance Committee are held regularly on a quarterly basis, and will also be held swiftly and flexibly when a particularly problematic event arises.

A total of 10 meetings were held in fiscal 2022, focusing on investigation reports on problematic events related to compliance, as well as the deliberation of a compliance promotion plan and compliance-related training.

Efforts to promote compliance

The Group assesses compliance risks every year and selects compliance risk items to be addressed. For those risks, we develop and implement concrete preventive measures as a compliance promotion plan every fiscal year.

For fiscal 2023, major items for promoting compliance that should be recognized and worked on by the entire Group are "rebuilding a mechanism to ensure compliance with laws and regulations, with an appropriate competitive environment and an organization to execute them," "further heightening sensitivity to compliance risks," "creating a workplace where it is easier for employees to speak out and where compliance issues are tackled on an organizational basis," and "carrying out flexible compliance promotion activities tailored to the workplace."

Going forward, we will steadily implement this plan and add new initiatives as needed.



► Compliance Promotion Plan for fiscal 2023

1. Rebuilding a mechanism to ensure compliance with laws and regulations, with an appropriate competitive environment and an organization to execute them

◆ Strengthening internal control and risk management systems and mechanisms

We will create mechanisms and rules to promote compliance, fundamentally strengthen risk management and internal controls groupwide, and rebuild the organization to centrally execute and promote them.

2. Further heightening sensitivity to compliance risks

◆ Provision of training

Effective compliance training that goes beyond the acquisition of knowledge to truly ensure and practice compliance in routine work is provided across the Group, including education for directors and employees at our group companies.

◆ Implementation of awareness-raising activities

We will raise employees' awareness of compliance through communication between outside members of the Compliance Committee and employees, introduction of internal and external case studies, and other measures.

◆ Ingraining compliance awareness into routine work

We will ensure that everyone is familiar with laws, regulations, and internal rules, so both superiors and subordinates understand the risks of problematic events related to compliance that may occur during routine work and share their awareness.

3. Creating a workplace where it is easier for employees to speak out and where compliance issues are tackled on an organizational basis

◆ Initiatives to create a workplace with high psychological safety

We will create a workplace with high "psychological safety" where subordinates feel free to consult with their superiors and express their opinions, enhancing communication between them.

◆ Initiatives to encourage employee opinions

We will promote communication between the compliance promotion manager and the compliance promotion staff at each site, and will also enhance communication between the head office and the workplaces.

◆ Initiatives to promote and utilize whistleblowing

We will create a system to lower the psychological hurdle for whistleblowing by introducing an internal leniency system and by other means, carrying out awareness-raising activities toward better understanding and increased use of our whistleblowing system.

4. Carrying out flexible compliance promotion activities tailored to the workplace

◆ Sharing workplace initiatives

To boost compliance activities at each base, information exchange meetings will be held among divisions and group companies according to the category and description of business, number of employees, work arrangements, etc.

◆ Awareness-raising activities on rules regarding gifts and hospitality

We will promote employees' understanding of the purpose of these rules through communication with each division, enhanced Q&A sessions, etc. and consider revising the Regulations on Handling of Gifts and Hospitality to make them easier to understand.

◆ Appropriate review of internal rules, etc.

We will urge periodic reviews (simplification, abolition, etc.) of internal rules and business operations that do not correspond with actual business situations, as they can result in a decline in normative consciousness and other undesirable outcomes.



Compliance Hotline

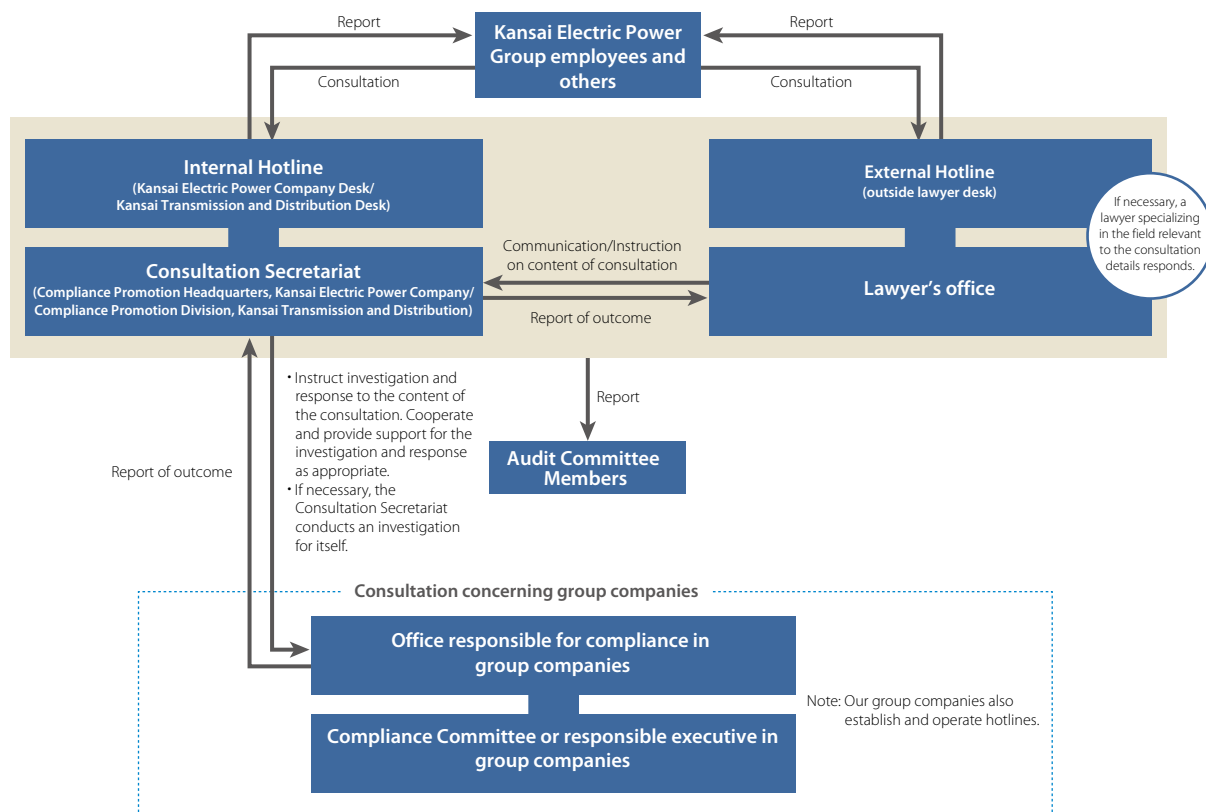
The Kansai Electric Power Group Code of Conduct stipulates how to report to and consult with the hotline when feeling doubt or discomfort related to compliance.

Our Compliance Hotline has been set up for consultation when people have doubts related to compliance in their workplaces, and in regard to various legal violations and improper work conduct. This hotline is available not only to officers and employees of our group companies and contractors but also to those retired or resigned from the above. The hotline is designed to prevent, detect early, and correct inappropriate behavior in terms of compliance. If required, a lawyer specializing in the field relevant to each issue will respond, and they can request the Compliance Committee or Audit Committee to take effective measures at their own discretion.

We are working to create an environment offering a more approachable service that can accept anonymous consultations and that allocates female consultants, for example, and are strictly prohibiting detrimental treatment of consulters due to having received consultation. Paying close attention to protecting the confidentiality of consulters, we disclose consulters' names only to the minimum parties required for fact-finding and taking action, and impose confidentiality obligations on them. In addition, we proceed with a fact-finding survey while confirming the intention of each consuler.

Considering the importance of using the hotline, with intranet, posters, leaflets, and various educational tools, we are continuously informing and encouraging each of our divisions and group companies to use the hotline.

◆ Kansai Electric Power Group Compliance Hotline



Number of cases
handled by the
Compliance Hotline

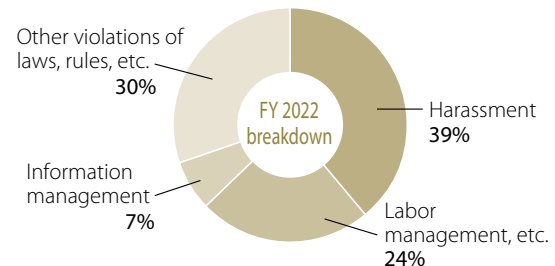
83

FY 2021

Number of cases
handled by the
Compliance Hotline

84

FY 2022



► Enhancement and improvement of the consultation desk, including introduction of an internal leniency system

Based on the Business Improvement Plan formulated in May 2023, we will further promote the use of the consultation desk by, for example, informing employees of the post-consultation process to lower their resistance toward using the system, and also introduce an internal leniency system. The internal leniency system allows consideration of lessening severity of the final disciplinary action for employees who voluntarily report compliance violations to the company. We will enhance and improve our consultation desk to detect legal violations and inappropriate business operations at an early stage and take measures as an organization.



Responding to compliance violations

Based on our business improvement plan formulated in fiscal 2019, the Company and Kansai Transmission and Distribution, Inc. have established a reporting system when a problematic event occurs, and stipulated the reporting rules for executives and employees in our internal rules.

In the relevant divisions, should respective division heads become aware of any information on major violations of laws and regulations (including omission of procedures stipulated by laws and regulations) or fraud and other compliance-related issues that affect the Company's and the Kansai Transmission and Distribution's credibility with the external stakeholders, they shall immediately report these matters to the Chief Compliance Officer (CCO). The CCO shall take appropriate measures and report on these matters to the Compliance Committee to receive guidance, advice and supervision.

When executives become aware of an event that causes or is likely to cause a compliance issue, they shall report it to the outside members of the Compliance Committee and the Chairperson of the Board of Directors. In the same situation, employees shall report to their superiors. If it is judged appropriate based on the details of the report, employees can report to the Compliance Hotline set up inside and outside the Company, instead of reporting to their superiors. When a report is received, the Hotline shall investigate and take action in cooperation with relevant divisions and related parties as necessary. If the investigation reveals a violation of laws and regulations, the relevant divisions and related parties shall promptly take corrective and preventive measures, and if necessary, report to the relevant administrative agency and announce the issue to the news media. The CCO shall also follow up with related divisions and parties as necessary, and check whether the corrective and recurrence prevention measures are functioning sufficiently, as well as checking if any compliance issue has reoccurred. If a compliance issue has reoccurred, the CCO can discuss necessary measures with relevant divisions as well as other related divisions.

► Examples of actions taken in past events of violation

◆ Unmet work experience requirements for construction management technical certification exam

On June 18, 2021, a report to the Compliance Hotline revealed that some employees in our group companies had taken construction management technical certification exams and obtained certification without satisfying the prescribed work experience requirements. Based on guidance and advice from the Compliance Committee, a third-party committee was established on July 30, 2021 for the purpose of conducting an objective and thorough investigation, inquiring into the cause, and providing recommendations on recurrence prevention measures.

The third-party committee investigated 3,372 current employees and 704 retired employees from 15 companies, including the Kansai Electric Power Company, as to the following three matters.

- ① Unmet work experience requirements for eligibility to receive the technical certification exam
 - ② Existence and extent of properties where a person who did not satisfy work experience requirements was assigned as a chief engineer or supervisory engineer on site based on certification that was determined to be inadequate
 - ③ The quality of construction work at properties where a person who did not satisfy work experience requirements was assigned as a chief engineer or supervisory engineer on site based on certification that was determined to be inadequate
- Results from the investigation by the third-party committee and the subsequently formulated recurrence prevention measures were announced on December 20, 2022.



Compliance promotion in accordance with the characteristics of each division/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 basic 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 basic policies and major themes, each of our group companies is 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 leading the promotion of efforts of the Group as a whole, the Compliance Promotion Headquarters is supporting the efforts of each division and group company.

▶ Efforts to prevent overseas bribery

The Group is globally operating business in Asia, North America, Europe, and many other regions, and we believe that complying with local legislation and rules is a major premise for global business expansion.

In particular, as tightening of bribery regulations has become a global trend, we have established internal rules to prevent bribery of foreign public officials, etc., and clarified prohibited items such as gift-giving and entertainment with wrongful intentions as well as items to be observed. At the same time, we are continuously informing divisions involved in international transactions, including the International Business and Cooperation Division, through training and other means. We will continue to strive to prevent inappropriate bribery through these efforts.

▶ Results of a questionnaire for all employees regarding compliance awareness, etc.

The Company and Kansai Transmission and Distribution, Inc. conduct a “Sustainability questionnaire for all employees (conducted every year since fiscal 2006)” which includes a survey on compliance awareness. Utilizing the results of the survey, we will continue to work on correcting our corporate structure and fostering a sound organizational climate that emphasizes compliance.



Information security measures

► Policy and Concept

With increasing awareness of personal information and accelerating data utilization with widespread digitization, the Amended Act on the Protection of Personal Information imposes more stringent obligations on business operators that handle personal information. The Group believes that the proper protection of personal information is an important responsibility in order to earn the trust of customers and many other people in society, as well as to fulfill our mission as an enterprise. Fully recognizing the importance of personal information the Company and group companies obtain from our customers, etc. that we must handle carefully under principles of respect for the individual, we deal with personal information appropriately in consideration of rights as the right to privacy, in compliance with the Act on the Protection of Personal Information and other guidelines. With regard to information security, including proper handling of business and personal information, measures on an organizational, personnel, physical and technical level have been implemented. We seek to improve on these measures by incorporating internal and external events as well as reviewing the latest technology and knowledge as appropriate.

► System

Director responsible: Makoto Araki [Kansai Electric Power CISO (Executive Vice President)]

Deliberative body: Executive Meeting

Management office: Cyber Security Administration Group, Office of IT Strategy (Information Security Management Office)

► Efforts

The Group works to enhance information security. Our efforts include strengthening physical and technical measures such as entry/exit controls and access controls for information systems. Organizational and personnel measures such as reviewing internal rules, training employees, and training to defend against targeted email attacks are also ongoing.

Participation rate of
information security
training
(November 2022)

97.7%
(8,411 participants)

● Relevant data

| | | FY 2020 | FY 2021 | FY 2022 |
|--|--|---------|---------|---------|
| | | 17,715 | 17,235 | 17,808 |
| Number of information security training participants | Kansai Electric Power Co., Inc. | 8,269 | 8,084 | 8,411 |
| | Kansai Transmission and Distribution, Inc. | 9,446 | 9,151 | 9,397 |
| Major information security incidents* | | 2 | 1 | 1 |

* Figures including values representing the Company, Kansai Transmission and Distribution, Inc., and group companies





power with heart

We wish to be a source of power for our customers and communities by serving them with sincerity and passion.