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Efforts Based on Our CSR Action Principles

Strict Enforcement of Compliance



CSR Action Principles

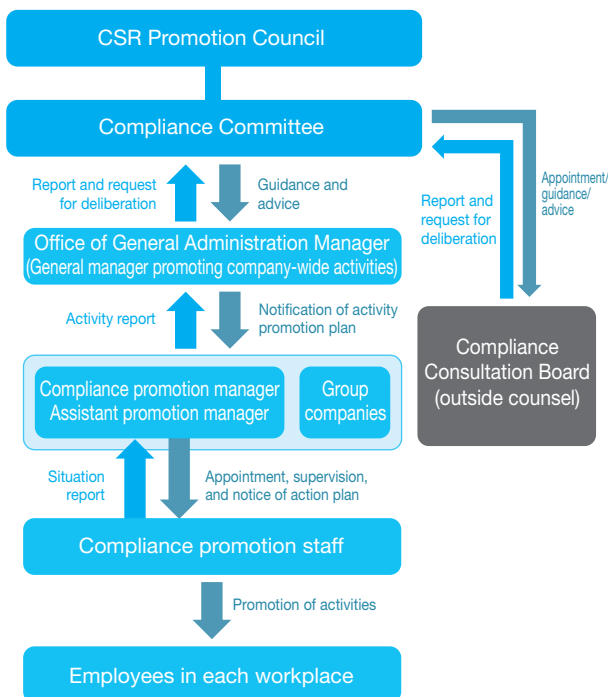
The Kansai Electric Power Group fully recognizes that as members of society business corporations are obligated to establish a strong corporate ethic and to comply with all laws, regulations and other rules both within and outside the company. Accordingly, we will carry out those obligations as the underlying basis of all our activities. We will also develop the mechanisms to ensure that these obligations are carried out, and pursue their continuity and further improvement.

Our Group-wide compliance initiatives

Compliance promotion system

Under our Compliance Committee, chaired by our president, department heads with compliance responsibilities are appointed as compliance promotion managers to ensure implementation at individual departments. They assign employees (primarily personnel at the level of section chief) as compliance promotion staff members who play a key role and initiate autonomous activities in their respective workplaces.

◆ Kansai Electric Power Group Compliance System



Compliance Consultation Desk

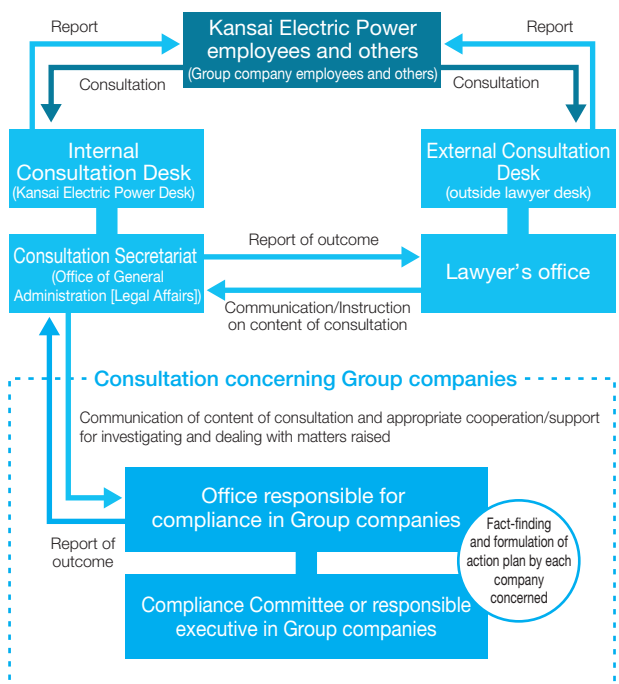
The Kansai Electric Power Group established a Compliance Consultation Desk available not only to employees of our Group companies but also to our contractors. Establishing this system enables us to collect a wider range of risk information. We are working to create an improved environment offering a more approachable service that even accepts anonymous consultations.

Number of Consultations Received by Compliance Consultation Desk

FY 2013: 46

FY 2014: 42

◆ Kansai Electric Power Group Compliance Consultation Desks



Improving compliance awareness at all workplaces

Workplace initiatives

In fiscal 2014, after a violation of Antitrust Law was revealed in our Group during the preceding year, we took steps to uncover any compliance risks hidden in daily operations at all our workplaces. This was followed by active promotion of initiatives intended to increase awareness of the need for compliance. We held meetings with compliance promotion staff in 14 business locations to discuss materials reflecting past compliance violations and reconfirm the viewpoints required to ensure future compliance. We are committed to developing additional initiatives to ensure effective compliance is firmly established.

Supporting the initiatives of all group companies

In May of fiscal 2014, we held a Compliance Information Exchange Meeting for Group Companies and our On-site Compliance Training continues to be conducted at Group companies. In an effort to prevent the recurrence of our one violation of Antitrust Law and institute the relevant countermeasure throughout the Group, we held a total of 33 on-site training sessions at 22 companies. We also took steps to identify and resolve any challenges that were encountered. We intend to continue promoting compliance by supporting such measures among all Group companies in the future.



Discussions with compliance promotion staff in the workplace



On-site Compliance Training Sessions at a Group company

Results of compliance promotion initiatives

	FY 2013	FY 2014
Number of On-site Compliance Training sessions held at Group companies	33 on-site training sessions at 20 Group companies	33 on-site training sessions at 22 Group companies

Results of company-wide employee CSR questionnaire (November 2014)

Did your compliance awareness change over the past year?

Improved: **85.7%**

Not improved: 14.3%

Information security initiatives

Promoting information security management

Kansai Electric Power has compiled an enormous quantity of information that includes customer data as well as information required to ensure a safe and stable supply of electricity. In order to manage this data responsibly and appropriately while ensuring our business operates smoothly and upholds public trust, we are meeting our basic responsibilities with our information management systems and in-house regulations

and are promoting information security management initiatives as a top priority. Specifically, we are pursuing the following cycle: risk analysis of information assets; formulation of an information security management plan from an individual, physical, and technical perspective; implementation of a plan; and follow-on evaluation.

Examples of information security management

1 Personnel measures

- Training all employees in information security
- Formulating and enforcing inspections of the status of compliance with in-house rules and initiatives for complying with rules at each workplace
- Fostering workplace discussion of information security incidents using case studies and the like

2 Physical measures

- Introduction of IC cards (as employee ID cards, etc.) to control access to premises
- Maintenance of document classification system and introduction of classified document storage in locking cabinets

3 Technical measures

- Adoption of IC cards (as employee ID cards, etc.) for managing computer access
- Automatic encryption of electronic files taken off company premises
- Limitations on connection of external storage media to corporate computers
- Implementing status management of customer information systems

■ Initiatives for protecting personal information

Kansai Electric Power has undertaken to improve in-house rules and ensure compliance with laws and regulations, including the Act Concerning Protection of Personal Information. Employees have continued to receive training and have been promoted to reconfirm the importance of protecting personal information. We collect ample information about any leakage of personal information and continue to strengthen technical safety measures, including encryption of relevant data.

■ To raise awareness among individual employees

Toward that end, strong employee awareness of information security is essential to prevent data security incidents. Every one of our business offices is staffed with an information security manager who plays a key role in implementing various security initiatives at each workplace. For example, in our workplace discussions we engender a sense of ownership among personnel in charge of information management by conducting case studies of information leakage. The information

security manager monitors the extent of compliance with in-house rules in the workplace, identifies any problems, initiates prompt countermeasures, and implements ongoing improvements.

Furthermore, all our employees continue to undergo training involving simulated targeted emails to raise awareness of the risks of targeted attacks and to provide the ability to deal with them appropriately.

■ Improving the information security of the entire Group

We formulated the Kansai Electric Power Group Information Security Guidelines to underpin our Group information security measures. Our Group companies have implemented autonomous initiatives according to these guidelines. Kansai Electric Power also provides guidance and support appropriate to the scope of business of the respective Group companies. In addition, we share our initiatives with our Group companies as needed and always seek to improve Group-wide information security.

■ Results of company-wide employee CSR questionnaire (November 2014)

Do you think you adequately understand the importance of information security?

Understand: **99.2%**

Not sure I understand: **0.8%**