

For immediate release

Kyudenko Corporation

Establishment of Basic Sustainability Policy and Important Issues (Materialities)

Based on its corporate philosophy and long-term vision, the Kyudenko Group has established a Basic Sustainability Policy and important issues (materialities) in order to focus more on improving corporate value from a long-term perspective while taking into consideration factors such as the global environment, society, and the economy.

In the future, the Group will contribute to the creation of a sustainable society by promoting a planned and proactive approach to important issues (materialities) under the Basic Sustainability Policy.

□ Basic Sustainability Policy

Based on the corporate philosophy, the Kyudenko Group will create a sustainable society and improve the corporate value of the Group by solving social issues through its business activities.

□ Important issues (11 items)

Environment (E)	Contribute to the spread and expansion of clean energy
	Contribute to energy conservation
	Kyudenko to achieve carbon neutrality by 2050
Society (S)	Create an environment that embraces diverse values and maximizes individual capabilities
	Create rewarding workplaces with safety as the highest priority
	Strengthen the overall human capacity (business performance, human capacity, creativity (thinking skills))
	Maintain and develop regional infrastructure through stable power supplies and equipment construction, etc.
	Use our technical capabilities to contribute to infrastructure development that is resistant to natural disasters
	Create new value through technical development and active collaboration
	Contribute to the formation of a circular society
Governance (G)	Implement fair and transparent business practices

* The Basic Sustainability Policy and important issues mentioned above (including information disclosure based on the TCFD recommendations) will be described in more detail in the Integrated Report “KYUDENKO REPORT 2022” scheduled for publication in December.

[Inquiries]
Kadowaki, Numaguchi
Environmental Management Promotion Unit
Kyudenko Corporation
Tel.: +81(0)-92-523-0312

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

■ Basic Sustainability Policy

We operate our business under the Corporate Philosophy: 1. We contribute to society through providing agreeable environmental solution. 2. We keep challenging for sustainable development through our engineering strength and create a new value. 3. We aim to create mutual respecting environment in Kyudenko which utilize and develop employees' personality. In addition, we have formulated a long-term vision for our 100th anniversary (2044), under which we aim to deliver both social and economic value by working to solve social problems, realize a carbon-free society, and maintain and develop local public infrastructure.

Based on this corporate philosophy and long-term vision, we have established a Basic Sustainability Policy and important issues (materialities) in order to focus more on improving corporate value from a long-term perspective while taking into consideration factors such as the global environment, society, and the economy.

In the future, the Group will contribute to the creation of a sustainable society by promoting a planned and proactive approach to important issues (materialities) under the Basic Sustainability Policy.

[Basic Policy]

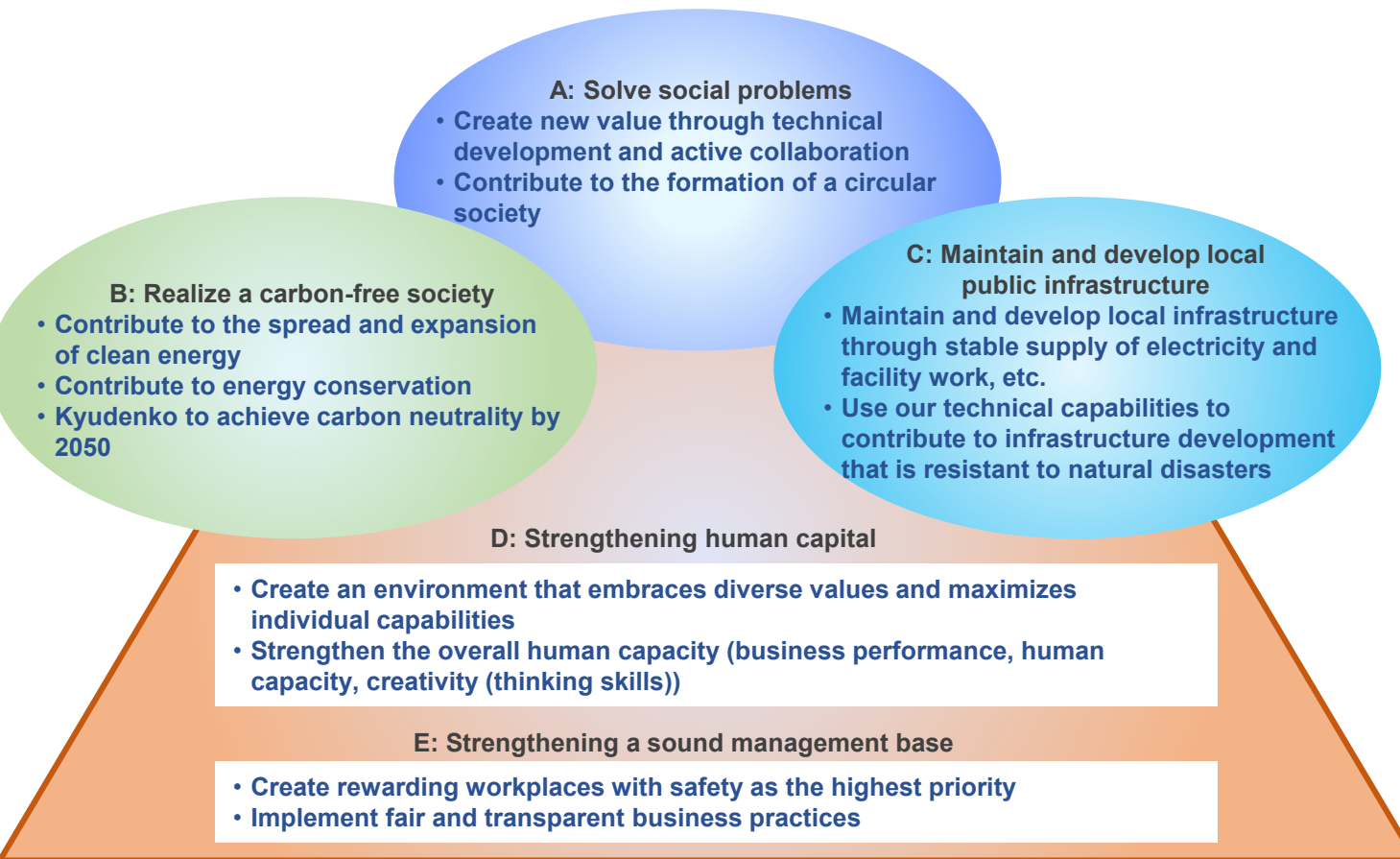
Based on the corporate philosophy, the Kyudenko Group will create a sustainable society and improve the corporate value of the Group by solving social issues through its business activities.

■ Important issues (materialities)

Social issues		Important issues (materialities)	System diagram	SDGs	Orientation of measures
Environment (E)	Climate change Decarbonized society Energy	Contribute to the spread and expansion of clean energy (*)	B	   	Promote energy creation related construction and projects (solar, wind, biomass, PPA, EMS, etc.)
		Contribute to energy conservation (*)	B	 	Promote energy saving related construction (proposals for energy efficiency improvement (ES) construction, EV charging equipment, ZEB, energy saving equipment, etc.)
		Kyudenko to achieve carbon neutrality by 2050 (*)	B		Respond to TCFD and reduce our own CO ₂ emissions
Society (S)	Diversity Labor practices Employment Human rights	Create an environment that embraces diverse values and maximizes individual capabilities	D	   	Promote diversity and inclusion, build diverse and flexible ways of working, and respect human rights
	Occupational safety and health	Create rewarding workplaces with safety as the highest priority	E	 	Eliminate critical disasters, promote health and productivity management, improve employee engagement
	Education and training	Strengthen the overall human capacity (business performance, human capacity, creativity (thinking skills))	D		Strengthen human resource development and build diverse career maps
	Communities	Maintain and develop local infrastructure through stable supply of electricity and facility work, etc.	C	   	Maintain and develop social infrastructure through existing businesses
	Disaster prevention	Use our technical capabilities to contribute to infrastructure development that is resistant to natural disasters	C	 	Disaster-resistant urban development, disaster recovery, support for areas affected by disasters, community contribution activities
	Innovation	Create new value through technical development and active collaboration	A		Create new business areas, improve productivity, promote investment in DX and technology development, promote open innovation, promote M&A
	Waste	Contribute to the formation of a circular society	A		Promote 3R (reduce, reuse, recycle), promote green purchasing
Governance (G)	Organizational governance Anti-corruption Compliance Fair business practices Anti-competitive behavior	Implement fair and transparent business practices	E	 	Enhance corporate governance, ensure compliance, implement information security management, strengthen risk management, ensure fair transactions in the supply chain

- (Note) 1. (*) Items related to the environment: Disclose information based on the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures).
 2. System diagram ... A: Solve social problems B: Realize a carbon-free society C: Maintain and develop local public infrastructure D: Strengthening human capital
 E: Strengthening a sound management base
 3. Important issues (materialities) will be reviewed as necessary depending on future changes in the social situation.

Important Issues (Materialities) System Diagram



Value Creation by Business

(Corresponds to Corporate Philosophy 1 and 2)

Foundation to Support Value Creation

(Corresponds to Corporate Philosophy 3)

Corporate Philosophy and Corporate Colors

1. We contribute to society through providing agreeable environmental solution.

Social/Green

2. We keep challenging for sustainable development through our engineering strength and create a new value.

Technical/Blue

3. We aim to create mutual respecting environment in Kyudenko which utilize and develop employees' personality.

Human/Red