

Environmental

Environmental Management

Environmental Basic Policy (Japanese version Only)	Yes	Included in "The JR Kyushu Group's Efforts toward the Environment" https://www.irkyushu.co.jp/company/esg/environment/
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Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of meetings of the Ecology Committee (including each sub-committee)* ¹	Kyushu Railway Company alone	Times	6	-	-
Number of meetings of the ESG Strategy Committee(including each sub-committee)* ²	Kyushu Railway Company alone	Times	2	7	7
Number of ISO 14001 Certifications acquired* ³	JR Kyushu Group	Sites	3	3	3
Percentage of sites covered by ISO14001* ⁴	Kyushu Railway Company alone	%	10	10	9

*1 The Ecology Committee is a body chaired by the president that deliberates and decides on necessary items, such as basic policies, with the aim of continuously promoting efforts toward environmental conservation. In August 2021, Ecology Committee merged into ESG Strategy Committee.

*2 The fiscal year ended March 31, 2022 includes the number of Ecology Committee meetings.

*3 The Kokura Rolling Stock Center and three group companies obtained certification. (One of the group companies obtained it as an office related to the Kokura Rolling Stock Center)

*4 There are 11 sites that regularly inspect rolling stock, and we obtained certification in the Kokura General Rolling Stock Center.

Climate change

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3	
GHG emissions	Scope 1	CO ₂ emissions	Thousand t-CO ₂	49	52	73	
		fluorocarbon emissions* ³	Thousand t-CO ₂	1	0	0	
		Total	Thousand t-CO ₂	50	53	74	
	Scope 2		JR Kyushu Group* ¹	Thousand t-CO ₂	249	260	234
	Total			Thousand t-CO ₂	300	313	309
GHG emissions* ⁵	Scope 1	CO ₂ emissions* ⁴	Thousand t-CO ₂	41	43	44	
		fluorocarbon emissions* ³	Thousand t-CO ₂	1	0	0	
		Total	Thousand t-CO ₂	42	44	45	
	Scope 2* ⁴		Kyushu Railway Company alone	Thousand t-CO ₂	208	216	175
	Total			Thousand t-CO ₂	250	261	220
	Scope3		Kyushu Railway Company alone	Thousand t-CO ₂	435	558	596
GHG Emissions per Unit* ²		Kyushu Railway Company alone	Thousand t-CO ₂ /Millions of yen	0.001727	0.001450	0.001039	
Percentage of energy-conserving train cars		Kyushu Railway Company alone	%	80.1	80.0	85.0	

*1 The scope of data will be expanded to include the entire group (domestic) from the fiscal year ending March 31, 2023.

*2 GHG Emissions per Unit = GHG emissions / operating revenue

*3 "0" means less than 1,000t-CO₂

*4 Independent third-party verified by SOCOTEC Certification Japan for the year ended March 31, 2023.

*5 Included in GHG emissions (JR Kyushu Group)

Energy Consumption

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Amount of electricity used		JR Kyushu Group ^{*1}	MWh	701,566	695,590	752,370
Amount of gas used			Thousand m ³	3,564	3,750	5,547
Amount of Steam, hot water, and cold water used			GJ	67,225	59,366	132,111
Amount of other fuel used ^{*2}			ML	15	16	22
Energy usage			crude oil equivalent ML	202	201	226
Amount of electricity used ^{*3}	Railway division	Kyushu Railway Company alone	MWh	580,317	569,629	567,807
	Others		MWh	15,469	17,846	16,563
	Total		MWh	595,786	587,476	584,370
Amount of gas used ^{*4}			Thousand m ³	227	224	234
Amount of other fuel used ^{*2*5}			ML	15	16	16
Energy usage ^{*6}			crude oil equivalent ML	168	167	167

*1 The scope has been expanded to include all Japanese entities in the Group from the fiscal year ending March 31, 2023.

*2 Total amount of diesel, heavy oil A, coal, and kerosene used

*3 Included in Amount of electricity used (JR Kyushu Group)

*4 Included in Amount of gas used (JR Kyushu Group)

*5 Included in Amount of other fuel used (JR Kyushu Group)

*6 Included in Energy usage (JR Kyushu Group)

Resources

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Amount of water withdrawal		JR Kyushu Group ^{*1*2}	Thousand m ³	2,225	2,885	3,108
Amount of water withdrawal		Kyushu Railway Company alone	Thousand m ³	663	631	622
Business sites in areas of high water stress ^{*3}		JR Kyushu Group	Sites	0	0	0
Amount of OA paper used ^{*4}		Kyushu Railway Company alone	Thousand sheets ^{*5}	29,411	19,782	16,051

*1 From the fiscal year ending March 31, 2021, the scope of aggregation for group companies has been expanded.

*2 The figure of the fiscal year ended March 31, 2021 and 2022 has been corrected.

*3 Conducted a water stress survey of the Group's business regions using the Aqueduct Water Risk Atlas (classified as "High Risk" or higher as areas of high water stress)

*4 Numerical target established for reducing OA paper consumption by 10% year on year in the fiscal year ended March 2023

*5 Converted to A4 size

Waste

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Amount of Hazardous Waste release and transfer	Asbestos	Kyushu Railway Company alone ^{*1}	kg	8,300.0	13,000.0	8,700.0
	Ethylbenzene		kg	1,500.0	1,400.0	1,600.0
	Xylene		kg	1,800.0	1,700.0	1,800.0
	Styrene		kg	4,700.0	4,900.0	4,900.0
	Toluene		kg	3,236.9	3,203.4	2,948.7
	Methylnaphthalene		kg	37.9	36.3	30.0
Total Industrial Waste ^{*2}		JR Kyushu Group	Thousand tons	66	83	86
Amount of uniforms recycled ^{*3}		Kyushu Railway Company alone	tons	2	4	3

*1 Covers targeted substances from two offices for which the release and transfer amounts were reported to the government pursuant to the Law concerning Pollutant Release and Transfer Register.

*2 From the fiscal year ending March 31, 2021, the scope of aggregation for group companies has been expanded.

*3 The figure of the fiscal year ended March 31, 2022 has been corrected.

Social

Operating results of the railway business

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Railway line networks	Kyushu Railway Company alone	km	2,273	2,273	2,342
Kilometers traveled by passenger cars	Kyushu Railway Company alone	Thousand km	267,621	267,060	263,852
Number of passengers	Kyushu Railway Company alone	Thousand passengers	251,050	267,590	296,568
Passenger kilometers	Kyushu Railway Company alone	Thousand km	5,564,720	6,132,570	7,423,873
Boarding efficiency	Kyushu Railway Company alone	%	19.8	21.5	27.0
Number of stations	Kyushu Railway Company alone	Stations	568	568	571
Number of train cars	Kyushu Railway Company alone	Train cars	1,671	1,674	1,663
Electrification percentage	Kyushu Railway Company alone	%	59	59	58

Safety

Safety Policies
(Japanese version Only)

Yes

Included in the "Safety Report"

<https://www.jrkyushu.co.jp/company/esg/safety/>

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of meetings of the Safety Promotion Committee* ¹	Kyushu Railway Company alone	Times	12	12	12
Number of work-related accidents involving railway employees	JR Kyushu Group	Incidents	81	87	93
Number of employee views on safety* ²	Kyushu Railway Company alone	Views	11,102	11,846	10,580
Amount of safety investment in the railway business	Kyushu Railway Company alone	Billion yen	15.9	18.7	14.1
Safety-related repair expenses in the railway business	Kyushu Railway Company alone	Billion yen	26.3	25.9	25.7
Number of railway accidents* ³	Kyushu Railway Company alone	Incidents	22	23	30
Number of transport disorders* ⁴	Kyushu Railway Company alone	Incidents	547	471	422

*1 The Safety Promotion Committee is a body that carries out deliberations on and promotes safety-related efforts and policies.

*2 Number of employee views on safety is the number of opinions and realizations of employees pertaining to safety as well as the number of "unsafe incident experiences."

*3 Total number of train collision accidents, train derailment accidents, train fire accidents, crossing accidents, railway accidents resulting in injury or death, and railway accidents causing damage.

*4 Number of incidents where, for causes other than railway accidents, train service was suspended, a passenger train was delayed for 30 minutes or more, or a train other than a passenger train was delayed for an hour or more.

Service

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of meetings of the Committee to Enhance Our Corporate Culture Founded on Service* ¹	Kyushu Railway Company alone	Times	11	11	11
Number of feedback messages and requests from customers	Kyushu Railway Company alone	Times	6,656	6,583	12,264
Number of times customers gave compliments and praise	Kyushu Railway Company alone	Times	1,505	1,558	1,526
Total number of thank you cards* ²	Kyushu Railway Company alone	Cards	69,399	58,482	59,638
Service Round Table Discussion* ³	Number of times held	Times	1	2	2
	Number of participants	Person	12	23	23

*1 The Committee to Enhance Our Corporate Culture Founded on Service is a body that deliberates on and promotes service-related efforts and improvements.

*2 Number of times employees exchanged cards expressing their gratitude for one another.

*3 The Committee to Enhance Our Corporate Culture Founded on Service is for exchanging opinions between the president and employees who offered excellent service.

"Development of Human Resources" "Value Creation"

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Hours of training per employee	Kyushu Railway Company alone	Hour	17.0	17.5	15.2
Number of employees dispatched to external educational institutions* ¹	Kyushu Railway Company alone	Person	4	6	8
Number of improvement proposal awards (personal)* ²	Kyushu Railway Company alone	Awards	15	16	13
Number of registrations in the Improvement Idea Box (per employee)* ³	Kyushu Railway Company alone	Times	1.2	1.2	0.9
Number of Prize of Creativity awards received* ⁴	Kyushu Railway Company alone	Awards	0	1	1
Number of participants in the JR Kyushu English School* ⁵	Kyushu Railway Company alone	Person	152	98	57

*1 Number of employees dispatched to domestic or international business schools for the purposes of acquiring an MBA and the number of employees dispatched to Ritsumeikan Asia Pacific University and Business BreakThrough University (Number of employees newly dispatched in a given fiscal year)

*2 Internal award (award for outstanding work improvements by employees)

*3 System that allows employees to propose work improvements and other ideas

*4 External award (a Minister of Education, Culture, Sports, Science and Technology award given to either individuals or groups that have contributed to progress or improvement of science and technology at factories and other workplaces through excellent creative ideas)

*5 An English study session for employees

Employees

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of employees ^{*1}	Female	JR Kyushu Group	Person	3,243	3,058	2,931
	Male		Person	12,418	11,814	11,338
	Total		Person	15,661	14,872	14,269
Number of non-regular employees ^{*1}		JR Kyushu Group	Person	7,232	7,209	7,343
Number of employees ^{*2}	Female	Kyushu Railway Company alone	Person	1,316	1,243	1,189
	Male		Person	6,701	6,404	6,122
	Total		Person	8,017	7,647	7,311
Number of new employees hires ^{*2,3,4}	Female	Kyushu Railway Company alone	Person	30	—	25
	Male		Person	104	—	96
	Total		Person	134	—	121
Percentage of new employees hires ^{*2,3,4}	Female	Kyushu Railway Company alone	%	22.4	—	20.7
	Male		%	77.6	—	79.3
Number of new graduate hires ^{*2,3,4,5}	Female	Kyushu Railway Company alone	Person	30	—	24
	Male		Person	104	—	69
	Total		Person	134	—	93
Percentage of new graduate hires ^{*2,3,4,6}	Female	Kyushu Railway Company alone	%	22.4	—	25.8
	Male		%	77.6	—	74.2
Number of experienced candidates among new hires ^{*2,3,4,5}	Female	Kyushu Railway Company alone	Person	—	—	1
	Male		Person	—	—	27
	Total		Person	—	—	28
Percentage of experienced candidates among new hires ^{*2,3,4,6}	Female	Kyushu Railway Company alone	%	—	—	3.6
	Male		%	—	—	96.4
Number of part-time employees ^{*2}	Female	Kyushu Railway Company alone	Person	0	0	0
	Male		Person	1,364	1,424	1,409
	Total		Person	1,364	1,424	1,409
Percentage of part-time employees among all employees ^{*2}		Kyushu Railway Company alone	%	17.0	18.6	19.3
Number of employees covered by collective bargaining agreements		Kyushu Railway Company alone	Person	7,269	7,007	6,562
Average years of service ^{*2}	Female	Kyushu Railway Company alone	Years	9.7	10.9	11.8
	Male		Years	14.4	14.5	14.4
	Total		Years	13.6	13.9	13.9
Average age ^{*2}	Female	Kyushu Railway Company alone	Age	32.5	33.6	34.6
	Male		Age	42.7	43.3	43.7
	Total		Age	41.0	41.8	42.2
Employees retention rate ^{*2*7}	Female	Kyushu Railway Company alone	%	95.6	94.4	92.7
	Male		%	98.8	97.5	97.0
Average annual salary		Kyushu Railway Company alone	Yen	5,098,196	4,696,990	4,817,444
Average hours of overtime per month		Kyushu Railway Company alone	Hours	11.3	11.5	12.7
Number of days of annual paid leave taken		Kyushu Railway Company alone	Days	15.4	14.4	16.5
Percentage of accumulated paid leave used ^{*8}		Kyushu Railway Company alone	%	77.0	72.1	82.4
Percentage of employees with disabilities ^{*9}		Kyushu Railway Company alone	%	2.76	2.82	2.85

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of employees in managerial positions*2	Female	Kyushu Railway Company alone	Person	35	37	38
	Male		Person	523	537	558
	Total		Person	558	574	596
Percentage of employees in managerial positions*2	Female	Kyushu Railway Company alone	%	6.3	6.5	6.4
	Male		%	93.7	93.5	93.6
Number of employees who take childcare leave*10	Female	Kyushu Railway Company alone	Person	223	215	103
	Male		Person	171	200	219
	Total		Person	394	415	322
Percentage of employees who take childcare leave*10	Female	Kyushu Railway Company alone	%	100	100	100
	Male		%	55.5	76.3	96.5
Number of employees taking nursing care leave	Female	Kyushu Railway Company alone	Person	4	2	0
	Male		Person	8	8	6
	Total		Person	12	10	6
Percentage of specified health counseling implemented (every year between October of one year to September of the following year)		Kyushu Railway Company alone	%	77.7	76.4	—
Percentage of complete medical check-ups received		Kyushu Railway Company alone	%	50.7	55.2	54.9
Percentage of stress checks taken		Kyushu Railway Company alone	%	99.9	100.0	100.0
Percentage of employees who smoke		Kyushu Railway Company alone	%	28.6	27.5	26.9

*1 Excludes the number of temporary employees of Kyushu Railway Company due to the fact that the number of temporary employees is less than 10% the number of employees.

*2 As of April 1 in the year following a given fiscal year (April 1, 2023 for the fiscal year ended March 31, 2023)

*3 Excludes regionally specified employees

*4 Fiscal year ending March 31, 2022, new hires were cancelled.

*5 Included in Number of new employees hires

*6 Included in Percentage of new employees hires

*7 Employees retention rate = 1 - (Employees turnover rate)

*8 Calculated using 20 days as the number of annual paid leave days allotted

*9 As of June 1 in the year following a given fiscal year (June 1, 2023 for the fiscal year ended March 31, 2023).

*10 Calculation Method for Childcare Leave Utilization, etc.

For the Fiscal Years Ended March 2021 and March 2022:

Childcare Leave Utilization Rate = Number of Employees on Childcare Leave during the Respective Fiscal Year / Number of Employees who Gave Birth or whose Partners Gave Birth during the Respective Fiscal Year

For the Fiscal Year Ending March 2023 (Referencing Guidelines by the Ministry of Health, Labour and Welfare):

Childcare Leave Utilization Rate = Number of Employees Commencing Childcare Leave during the Respective Fiscal Year / Number of Employees who Gave Birth or whose Partners Gave Birth during the Respective Fiscal Year

Dialogue with Stakeholders

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Panel discussions with customers* ¹	Number of committee members	Kyushu Railway Company alone	Person	47	47	46
	Number of times held		Times	9	14	17
Opinion exchange meetings between management and employees	Number of times held	Kyushu Railway Company alone	Times	25	23	57
	Number of participants		Person	380	346	1,031
Number of collective bargaining occurrences with labor unions		Kyushu Railway Company alone	Times	126	112	142
General Meeting of Shareholders* ²	Number of attending shareholders	Kyushu Railway Company alone	Person	115	225	337
	Percentage of voter rights		%	81.8	72.0	78.0
Dialogue between management and institutional investors	Financial results presentations	Kyushu Railway Company alone	Times	3	4	3
	Financial results teleconferences		Times	2	2	2
	Individual meetings		Times	98	87	92
Dialogue between management and individual investors	Number of times held	Kyushu Railway Company alone	Times	2	2	4
	Number of participants		Person	2,760	187	944

*1 At these discussions, the Company received opinions from panel committee members (term of office: one year).

*2 Targets the General Meeting of Shareholders for a given fiscal year (the General Meeting of Shareholders held on June 23, 2021, for the fiscal year ended March 31, 2022)

Involvement with local communities

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
JR Kyushu Walking event* ¹	Number of times held	Kyushu Railway Company alone	Times	103	121	121
	Number of participants		Person	54,489	74,831	74,831
Study tour of Shinkansen cars at General Rolling Stock Center	Number of times held	Kyushu Railway Company alone	Times	0	2	2
	Number of participants		Person	0	1,699	1,699
Number of local contribution award winners* ²		Kyushu Railway Company alone	Person	3	4	4
Number of external collaboration award winners		Kyushu Railway Company alone	Person	9	11	11
			Organizations	8	13	13

*1 Total between January and December

*2 Internal award for employees who contributed to the local community through volunteer activities, youth support activities, clean-up activities, and other efforts

Information Security

Basic policy for protecting personal information (Japanese version Only)

Yes

Basic policy for protecting personal information

<https://www.jrkyushu.co.jp/privacy/>

Governance

Corporate Ethics

Policy on corporate ethics Yes Included in "JR Kyushu Group Code of Ethics"
https://www.irkyushu.co.jp/company/ir_eng/esg/governance

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of meetings held by the JR Kyushu Group Corporate Ethics Committee	Kyushu Railway Company alone	Times	1	1	1

Corporate governance

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Term of office for directors who are not also Audit and Supervisory Committee members*1	Kyushu Railway Company alone	Years	1	1	1
Term of office for directors who are also Audit and Supervisory Committee members*1	Kyushu Railway Company alone	Years	2	2	2

*1 As of June 30 of year after a given fiscal year (June 30, 2023, for the fiscal year ended March 31, 2023)

Information on Directors

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3	
Number of directors*1 (including directors who are Audit and Supervisory Committee members)	Inside	Kyushu Railway Company alone	Female	Person	0	0	1
			Male	Person	7	7	6
			Total	Person	7	7	7
	Outside		Female	Person	3	3	3
			Male	Person	5	5	5
			Total	Person	8	8	8
	Independent outside*2		Female	Person	2	3	3
			Male	Person	5	5	5
			Total	Person	7	8	8
	Aggregate total		Person	15	15	15	
Average age of directors*1		Kyushu Railway Company alone	Age	61.5	61.1	61.0	
Percentage of independent outside directors*1		Kyushu Railway Company alone	%	46.7	53.3	53.3	
Percentage of female directors*1		Kyushu Railway Company alone	%	20.0	20.0	26.7	
Number of meetings held by the Board of Directors		Kyushu Railway Company alone	Times	12	13	12	
Attendance rate at Board of Directors' meetings		Kyushu Railway Company alone	%	98.9	99.0	98.9	
Attendance rate of independent directors		Kyushu Railway Company alone	%	97.9	97.7	97.6	
Number of directors with an attendance rate of 75% or less at Board of Directors' meetings		Kyushu Railway Company alone	Person	0	0	0	

*1 As of June 30 of year after a given fiscal year (June 30, 2023, for the fiscal year ended March 31, 2023)

*2 Included in Outside Directors

Corporate officers(excluding directors)

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of corporate officers*1	Female	Kyushu Railway Company alone	Person	2	3	2
	Male		Person	15	12	14
	Total		Person	17	15	16
Percentage of female corporate officers*1		Kyushu Railway Company alone	%	11.8	20.0	12.5

*1 As of June 30 of year after a given fiscal year (June 30, 2023, for the fiscal year ended March 31, 2023)

Information on Audit and Supervisory Committee members

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3	
Number of Audit and Supervisory Committee members* ¹	Inside	Female	Kyushu Railway Company alone	Person	0	0	0
		Male	Kyushu Railway Company alone	Person	1	1	1
		Total	Kyushu Railway Company alone	Person	1	1	1
	Independent outside	Female	Kyushu Railway Company alone	Person	1	1	1
		Male	Kyushu Railway Company alone	Person	2	2	2
		Total	Kyushu Railway Company alone	Person	3	3	3
	Aggregate total		Kyushu Railway Company alone	Person	4	4	4
Percentage of independent Audit and Supervisory Committee members		Kyushu Railway Company alone	%	75.0	75.0	75.0	
Percentage of female Audit and Supervisory Committee members		Kyushu Railway Company alone	%	25.0	25.0	25.0	
Number of meetings held by the Audit and Supervisory Committee		Kyushu Railway Company alone	Times	13	14	15	
Attendance rate at Audit and Supervisory Committee meetings		Kyushu Railway Company alone	%	100.0	100.0	100.0	
Attendance rate of independent Audit and Supervisory Committee members		Kyushu Railway Company alone	%	100.0	100.0	100.0	
Number of Audit and Supervisory Committee members with an attendance rate of 75% or less at Audit and Supervisory		Kyushu Railway Company alone	Person	0	0	0	

*1 As of June 30 of year after a given fiscal year (June 30, 2023, for the fiscal year ended March 31, 2023)

Information on Nomination and Compensation Advisory Committee members

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of members on the Nomination and Compensation Advisory Committee* ¹	Inside	Kyushu Railway Company alone	Person	1	1	1
	Outside		Person	5	5	5
	Independent outside* ²		Person	4	5	5
	Total		Person	6	6	6
Number of meetings held by the Nomination and Compensation Advisory Committee		Kyushu Railway Company alone	Times	5	7	5
Attendance rate at Nomination and Compensation Advisory Committee		Kyushu Railway Company alone	%	94.4	100.0	89.2

*1 As of June 30 of year after a given fiscal year (June 30, 2023, for the fiscal year ended March 31, 2023)

*2 Included in Outside Directors

Remuneration

Index		Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Directors remuneration (excluding Audit and Supervisory Committee members and outside directors)		Kyushu Railway Company alone	Million yen	274	264	275
Directors remuneration (Audit and Supervisory Committee members) (excluding outside directors)		Kyushu Railway Company alone	Million yen	31	32	33
Outside directors remuneration		Kyushu Railway Company alone	Million yen	81	82	83
Total		Kyushu Railway Company alone	Million yen	388	379	391
Accounting auditor remuneration* ¹	Auditing expenses	Kyushu Railway Company alone	Million yen	108	109	110
	Non-auditing expenses	Kyushu Railway Company alone	Million yen	20	11	17

*1 Includes compensation of consolidated subsidiaries

Compliance

Index	Scope	Unit	FY2021/3	FY2022/3	FY2023/3
Number of fines and penalties for environment-related laws and regulations	JR Kyushu Group	Incidents	0	0	0
Total cost of fines and penalties for environment-related laws and regulations	JR Kyushu Group	Yen	0	0	0
Number of cases of violations of the Labor standards Act* ¹	JR Kyushu Group	Incidents	0	0	0
Number of fines and penalties for bribery and other corruption	JR Kyushu Group	Incidents	0	0	0
Total cost of fines and penalties for bribery and other corruption	JR Kyushu Group	Yen	0	0	0

*1 Number of cases of judicial punishment due to violations of the Labor Standards Act

Independent Assurance Report



Mr. Yoji Furumiya
Representative Director,
President, Corporate Officer, and Chief Executive Officer
Kyushu Railway Company

We, SOCOTEC Certification Japan (hereafter "SOCOTEC"), have performed a limited assurance engagement, in response to the entrustment from Kyushu Railway Company (hereafter "the Company"), in order to provide an opinion as to whether the subject matter information ("FY2022 GHG Emissions Calculation Report"(period: 1 April 2022 to 31 March 2023)) of the Company meets the criteria in all material respects.

1 Subject Matter Information and Criteria

The subject matter information for our assurance is "a report on energy-derived greenhouse gas emissions (Scope 1, Scope 2 (Calculated value applying average emission factor for all power sources and Calculated value applying base emission factor))" covering the operations and activities of the Company in Japan (624 domestic sites) described in "FY2022 GHG Emissions Calculation Report"(period: 1 April 2022 to 31 March 2023).

The criteria for preparing subject matter information is "GHG Emissions Calculation Rules (Ver1.0)" "Act on Rationalizing Energy Use Instructions for Completing Regular Report and Medium- to Long-Term Plan (Specified Business Operator, etc.)".

Subject matter information period: 1 April 2022 to 31 March 2023		
<u>Energy-derived GHG emissions</u>		
Scope 1:	44,721	t-CO ₂ e
Scope 2: Calculated value applying average emission factor for all power sources	253,617	t-CO ₂ e
Calculated value applying base emission factor	175,681	t-CO ₂ e

2 Management Responsibility

"FY2022 GHG Emissions Calculation Report"(period: 1 April 2022 to 31 March 2023) was prepared by the management of the Company, who is responsible for the integrity of the assertions, statements, and claims made therein (including the assertions over which we have been engaged to provide limited assurance), the collection, quantification and presentation of all data and information in the report, and applied criteria, analysis and publication.

The management of the Company is responsible for maintaining adequate records and internal controls that are designed to support the reporting process and ensure that "FY2022 GHG Emissions Calculation Report"(period: 1 April 2022 to 31 March 2023) is free from material misstatement whether intentional or negligent.

3 Assurance Practitioner's Responsibility

The responsibility of SOCOTEC is to express a limited assurance conclusion as to whether the subject matter information has been prepared in compliance with the criteria in all material respects.

SOCOTEC performed limited assurance engagement in accordance with the verification procedures stipulated by SOCOTEC and "ISO14064-3: Specification with guidance for the verification and validation of greenhouse gas statements".

The procedures implemented in the limited assurance engagement are limited in their type, timing and scope as compared to the procedures implemented in the reasonable assurance engagement. As a result, our limited assurance engagement does not provide as high assurance as reasonable assurance engagement.

Our procedures performed depend on the assurance professional practitioner's judgement, including the risk of material misstatement, whether due to fraud or error. Our conclusion was not designed to provide assurance on internal controls. We believe that we have obtained the evidence to provide a basis for the conclusion for limited assurance.

4 Assurance Procedures

The procedures that SOCOTEC has conducted are based on professional judgment and include, but are not limited to:

- Evaluation of policies and procedures created by the Company in relation to subject matter information
- Questions to the Company personnel to understand the above policies and procedures
- Verification that the target project meets eligibility requirements
- Matching with the basis data by trial calculation and recalculation
- Obtaining and collating material for important assumptions and other data
- We visited Head Office, Hakata Station, Chihaya Station, Kumamoto General Railcars Terminal and Kumamoto General Railcars Terminal Omura Railcar Management Office of the Company in order to confirm the calculation structure and procedures, data collection and implementation status of record control.

5 Statement of Our Independence, Quality Control and Competence

SOCOTEC has introduced and maintained a comprehensive management system that conforms to the accreditation requirements of "ISO17021 Conformity assessment -- Requirements for bodies providing audit and certification of management systems". In addition, we have also established a management system according to "ISO14065 Greenhouse gases -- Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition". These meet the requirements of International Standard on Quality Control 1 by the International Auditing and Assurance Standards Board and Code of Ethics for Professional Accountants by International Ethics Standards Board for Accountants. We maintain a comprehensive quality control system that includes ethical rules, professional standards and documented policies and procedures for compliance with applicable laws and regulations.

The SOCOTEC Group is a comprehensive third-party organisation in inspection, testing and certification operations, and conducts management system certification services and training services related to quality, environment, labour and information security in countries around the world. Engaged in performance data and sustainability report assurance of environmental and social information, SOCOTEC affirms that it is independent of the organisation that has ordered the assurance engagement, its affiliated companies, and stakeholders, and that there is no possibility of impairing impartiality or conflict of interest.

We assure that the team engaged in the assurance is selected based on knowledge, experience in the relevant industry, and the competence requirements for this assurance engagement.

6 Use of Report

Our responsibility in performing our limited assurance activities is to the management of the company only in accordance with the terms for this engagement as agreed with the Company. We do not therefore assume any responsibility for any other purpose or to any other person or organisation.

7 Our Conclusion

On the basis of our procedures performed and evidence obtained nothing has come to our attention that causes us to believe that the subject matter information is not, in all material respects, prepared and reported in accordance with the stated criteria.

SOCOTEC Certification Japan



Seigo Futaba
Managing Director
18 August 2023