

Environmental

Environmental Management

Environmental Basic Policy
(Japanese version Only)

Yes

Included in "The JR Kyushu Group's Efforts toward the Environment"
<https://www.jrkyushu.co.jp/company/esg/environment/>

Index	Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Number of meetings of the ESG Strategy Committee(including each sub-committee)* ¹	Kyushu Railway Company alone	Times	7	7	5
Number of ISO 14001 Certifications acquired* ²	JR Kyushu Group	Sites	3	3	3
Percentage of sites covered by ISO14001* ³	Kyushu Railway Company alone	%	10	9	9

*1 FY2022/3 includes the number of meetings of the Ecology Committee (integrated into the ESG Strategy Committee in August 2021)

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

*3 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	FY2022/3	FY2023/3	FY2024/3
GHG emissions	Scope 1	CO ₂ emissions ^{*1*2}	JR Kyushu Group	Thousand t-CO ₂	52	73	88
		fluorocarbon emissions ^{*2*3}		Thousand t-CO ₂	0	0	1
		Total		Thousand t-CO ₂	53	74	89
	Scope 2 ^{*1*2}			Thousand t-CO ₂	260	234	323
	Total			Thousand t-CO ₂	313	309	413
	Scope3 ^{*2}			Thousand t-CO ₂	-	-	1,055
GHG emissions ^{*5}	Scope 1	CO ₂ emissions ^{*4}	Kyushu Railway Company alone	Thousand t-CO ₂	43	44	47
		fluorocarbon emissions ^{*3}		Thousand t-CO ₂	0	0	0
		Total		Thousand t-CO ₂	44	45	48
	Scope 2 ^{*4}			Thousand t-CO ₂	216	175	238
	Total			Thousand t-CO ₂	261	220	286
	Scope3		Kyushu Railway Company alone	Thousand t-CO ₂	558	596	737
GHG Emissions per Unit ^{*6}			Kyushu Railway Company alone	Thousand t-CO ₂ /Millions of yen	0.001450	0.001039	0.001220
Percentage of energy-conserving train cars			Kyushu Railway Company alone	%	80.0	85.0	85.1

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

*2 The scope of data will be expanded to include the entire group from the fiscal year ending March 31, 2024.

*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)

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

Energy Consumption

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Amount of electricity used		JR Kyushu Group*1	MWh	695,590	752,370	773,280
Amount of gas used			Thousand m ³	3,750	5,547	5,817
Amount of Steam, hot water, and cold water used			GJ	59,366	132,111	134,151
Amount of other fuel used*2			ML	16	22	27
Energy usage			crude oil equivalent ML	201	226	210
Amount of electricity used*3	Railway division	Kyushu Railway Company alone	MWh	569,629	567,807	568,438
	Others		MWh	17,846	16,563	17,286
	Total		MWh	587,476	584,370	585,725
Amount of gas used*4			Thousand m ³	224	234	257
Amount of other fuel used*2*5			ML	16	16	17
Energy usage*6			crude oil equivalent ML	167	167	148

*1 The scope of data will be expanded to include the entire group (domestic) from the fiscal year ending March 31, 2023 (expanded to all Group companies from the fiscal year ending March 31, 2024)

*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	FY2022/3	FY2023/3	FY2024/3
Amount of water withdrawal		JR Kyushu Group	Thousand m ³	2,885	3,108	3,389
Amount of water withdrawal ^{*1}		Kyushu Railway Company alone	Thousand m ³	631	622	689
Business sites in areas of high water stress ^{*2}		JR Kyushu Group	Sites	0	0	0
Amount of OA paper used ^{*3}		Kyushu Railway Company alone	Thousand sheets ^{*4}	19,782	16,051	17,064

*1 Included in Amount of water withdrawal (JR Kyushu Group)

*2 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)

*3 Numerical target established for reducing OA paper consumption by 10% year on year in the fiscal year ended March 2024

*4 Converted to A4 size

Waste

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Amount of Hazardous Waste release and transfer	Asbestos	Kyushu Railway Company alone ^{*1}	kg	13,000.0	8,700.0	11,000.0
	Ethylbenzene		kg	1,400.0	1,600.0	1,200.0
	Xylene		kg	1,700.0	1,800.0	1,300.0
	Styrene		kg	4,900.0	4,900.0	2,200.0
	Toluene		kg	3,203.4	2,948.7	4,204.2
	Methylnaphthalene		kg	36.3	30.0	33.0
Total Industrial Waste		JR Kyushu Group	Thousand tons	83	86	80
Amount of uniforms recycled		Kyushu Railway Company alone	tons	4	3	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.

Social

Operating results of the railway business

Index	Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Railway line networks	Kyushu Railway Company alone	km	2,273	2,342	2,342
Kilometers traveled by passenger cars	Kyushu Railway Company alone	Thousand km	267,060	263,852	260,880
Number of passengers	Kyushu Railway Company alone	Thousand passengers	267,590	296,568	318,878
Passenger kilometers	Kyushu Railway Company alone	Thousand km	6,132,570	7,423,873	8,354,461
Boarding efficiency	Kyushu Railway Company alone	%	21.5	27.0	30.7
Number of stations	Kyushu Railway Company alone	Stations	568	571	571
Number of train cars	Kyushu Railway Company alone	Train cars	1,674	1,663	1,626
Electrification percentage	Kyushu Railway Company alone	%	59	58	58

Safety

Safety Policies
(Japanese version Only)

Yes

Included in the "Safety Report"

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

Index	Scope	Unit	FY2022/3	FY2023/3	FY2024/3
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	87	93	98
Number of employee views on safety* ²	Kyushu Railway Company alone	Views	11,846	10,580	12,835
Amount of safety investment in the railway business	Kyushu Railway Company alone	Billion yen	18.7	14.1	18.0
Safety-related repair expenses in the railway business	Kyushu Railway Company alone	Billion yen	25.9	25.7	32.0
Number of railway accidents* ³	Kyushu Railway Company alone	Incidents	23	30	30
Number of transport disorders* ⁴	Kyushu Railway Company alone	Incidents	471	422	434

*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	FY2022/3	FY2023/3	FY2024/3
Number of meetings of the Committee to Enhance Our Corporate Culture Founded on Service* ¹		Kyushu Railway Company alone	Times	11	11	9
Number of feedback messages and requests from customers		Kyushu Railway Company alone	Times	6,583	12,264	11,522
Number of times customers gave compliments and praise		Kyushu Railway Company alone	Times	1,558	1,526	967
Total number of thank you cards* ²		Kyushu Railway Company alone	Cards	58,482	59,638	72,948
Service Round Table Discussion* ³	Number of times held	Kyushu Railway Company alone	Times	2	2	2
	Number of participants	Kyushu Railway Company alone	Person	23	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	FY2022/3	FY2023/3	FY2024/3
Hours of training per employee		Kyushu Railway Company alone	Hours	17.5	15.2	16.8
Number of employees dispatched to external educational institutions* ¹		Kyushu Railway Company alone	Person	6	8	8
Number of improvement proposal awards (personal)* ²		Kyushu Railway Company alone	Awards	16	13	12
Number of registrations in the Improvement Idea Box (per employee)* ³		Kyushu Railway Company alone	Times	1.2	0.9	0.3
Number of Prize of Creativity awards received* ⁴		Kyushu Railway Company alone	Awards	1	1	1
Number of participants in the JR Kyushu English School* ⁵		Kyushu Railway Company alone	Person	98	57	133

*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	FY2022/3	FY2023/3	FY2024/3
Number of employees ^{*1}	Female	JR Kyushu Group	Person	3,058	2,931	3,328
	Male		Person	11,814	11,338	11,349
	Total		Person	14,872	14,269	14,677
Number of non-regular employees ^{*1}		JR Kyushu Group	Person	7,209	7,343	7,977
Number of employees ^{*2}	Female	Kyushu Railway Company alone	Person	1,243	1,189	1,206
	Male		Person	6,404	6,122	6,370
	Total		Person	7,647	7,311	7,576
Number of new employees hires ^{*2,3,4}	Female	Kyushu Railway Company alone	Person	—	25	45
	Male		Person	—	96	246
	Total		Person	—	121	291
Percentage of new employees hires ^{*2,3,4}	Female	Kyushu Railway Company alone	%	—	20.7	15.5
	Male		%	—	79.3	84.5
Number of new graduate hires ^{*2,3,4,5}	Female	Kyushu Railway Company alone	Person	—	24	35
	Male		Person	—	69	151
	Total		Person	—	93	186
Percentage of new graduate hires ^{*2,3,4,6}	Female	Kyushu Railway Company alone	%	—	25.8	18.8
	Male		%	—	74.2	81.2
Number of experienced candidates among new hires ^{*2,3,4,5}	Female	Kyushu Railway Company alone	Person	—	1	10
	Male		Person	—	27	95
	Total		Person	—	28	105
Percentage of experienced candidates among new hires ^{*2,3,4,6}	Female	Kyushu Railway Company alone	%	—	3.6	9.5
	Male		%	—	96.4	90.5
Number of part-time employees ^{*2}	Female	Kyushu Railway Company alone	Person	0	0	1
	Male		Person	1,424	1,409	1,407
	Total		Person	1,424	1,409	1,408
Percentage of part-time employees among all employees ^{*2}		Kyushu Railway Company alone	%	18.6	19.3	18.6
Number of employees covered by collective bargaining agreements		Kyushu Railway Company alone	Person	7,007	6,562	6,277
Average years of service ^{*2}	Female	Kyushu Railway Company alone	Years	10.9	11.8	11.8
	Male		Years	14.5	14.4	13.5
	Total		Years	13.9	13.9	13.2
Average age ^{*2}	Female	Kyushu Railway Company alone	Age	33.6	34.6	35.2
	Male		Age	43.3	43.7	43.3
	Total		Age	41.8	42.2	42.0
Employees retention rate ^{*2,7}	Female	Kyushu Railway Company alone	%	94.4	92.7	93.0
	Male		%	97.5	97.0	98.1
Average annual salary		Kyushu Railway Company alone	Yen	4,696,990	4,817,444	5,165,775
Average hours of overtime per month		Kyushu Railway Company alone	Hours	11.5	12.7	12.1
Number of days of annual paid leave taken		Kyushu Railway Company alone	Days	14.4	16.5	16.0
Percentage of accumulated paid leave used ^{*8}		Kyushu Railway Company alone	%	72.1	82.4	79.7
Percentage of employees with disabilities ^{*9}		Kyushu Railway Company alone	%	2.82	2.85	2.89

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Number of employees in managerial positions ^{*2}	Female	Kyushu Railway Company alone	Person	37	38	39
	Male		Person	537	558	571
	Total		Person	574	596	610
Percentage of employees in managerial positions ^{*2}	Female	Kyushu Railway Company alone	%	6.5	6.4	6.4
	Male		%	93.5	93.6	93.6
Number of employees who take childcare leave	Female	Kyushu Railway Company alone	Person	215	103	118
	Male		Person	200	219	249
	Total		Person	415	322	367
Percentage of employees who take childcare leave ^{*10}	Female	Kyushu Railway Company alone	%	100	100	161.6
	Male		%	76.3	96.5	132.4
Number of employees taking nursing care leave	Female	Kyushu Railway Company alone	Person	2	0	1
	Male		Person	8	6	5
	Total		Person	10	6	6
Percentage of specified health counseling implemented (every year between October of one year to September of the following year)		Kyushu Railway Company alone	%	76.4	75.2	—
Percentage of complete medical check-ups received		Kyushu Railway Company alone	%	55.2	54.9	56.5
Percentage of stress checks taken		Kyushu Railway Company alone	%	100.0	100.0	100.0
Percentage of employees who smoke		Kyushu Railway Company alone	%	27.5	26.9	27.5

*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, 2024 for the fiscal year ended March 31, 2024)

*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, 2024 for the fiscal year ended March 31, 2024)

*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

From 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
(The maximum ratio of childcare leave taken is stated as 100% until the fiscal year ending March 31, 2023)

Dialogue with Stakeholders

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Panel discussions with customers* ¹	Number of committee members	Kyushu Railway Company alone	Person	47	46	46
	Number of times held		Times	14	17	17
Opinion exchange meetings between management and employees	Number of times held	Kyushu Railway Company alone	Times	23	57	82
	Number of participants		Person	346	1,031	1,923
Number of collective bargaining occurrences with labor unions		Kyushu Railway Company alone	Times	112	142	125
General Meeting of Shareholders* ²	Number of attending shareholders	Kyushu Railway Company alone	Person	225	337	358
	Percentage of voter rights		%	72.0	78.0	73.3
Dialogue between management and institutional investors	Financial results presentations	Kyushu Railway Company alone	Times	4	3	4
	Financial results teleconferences		Times	2	2	2
	Individual meetings		Times	87	92	66
Dialogue between management and individual investors	Number of times held	Kyushu Railway Company alone	Times	2	4	5
	Number of participants		Person	187	944	3,110

*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 21, 2024, for the fiscal year ended March 31, 2024)

Involvement with local communities

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
JR Kyushu Walking event* ¹	Number of times held	Kyushu Railway Company alone	Times	102	121	136
	Number of participants		Person	54,358	74,831	74,288
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	3,130
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	15
			Organizations	8	13	15

*1 Total between January and December of each year

*2 C151Internal 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/
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Governance

Corporate Ethics

Policy on corporate ethics

Yes

Included in "JR Kyushu Group Code of Ethics"

https://www.jrkyushu.co.jp/company/ir_eng/esg/governance

Index	Scope	Unit	FY2022/3	FY2023/3	FY2024/3
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	FY2022/3	FY2023/3	FY2024/3
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, 2024, for the fiscal year ended March 31, 2024)

Information on Directors

Index			Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Number of directors* ¹ (including directors who are Audit and Supervisory Committee members)	Inside	Female	Kyushu Railway Company alone	Person	0	1	1
		Male		Person	7	6	6
		Total		Person	7	7	7
	Outside	Female		Person	3	3	4
		Male		Person	5	5	4
		Total		Person	8	8	8
	Independent outside* ²	Female		Person	3	3	4
		Male		Person	5	5	4
		Total		Person	8	8	8
	Aggregate total			Person	15	15	15
	Average age of directors* ¹			Kyushu Railway Company alone	Age	61.1	61.0
Percentage of independent outside directors* ¹		Kyushu Railway Company alone	%	53.3	53.3	53.3	
Percentage of female directors* ¹		Kyushu Railway Company alone	%	20.0	26.7	33.3	
Number of meetings held by the Board of Directors		Kyushu Railway Company alone	Times	13	12	12	
Attendance rate at Board of Directors’ meetings		Kyushu Railway Company alone	%	99.0	98.9	98.9	
Attendance rate of independent directors		Kyushu Railway Company alone	%	97.7	97.6	99.0	
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, 2024, for the fiscal year ended March 31, 2024)*² Included in Outside Directors

Corporate officers(excluding directors)

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Number of corporate officers*1	Female	Kyushu Railway Company alone	Person	3	2	2
	Male		Person	12	14	14
	Total		Person	15	16	16
Percentage of female corporate officers*1		Kyushu Railway Company alone	%	20.0	12.5	12.5

*1 As of June 30 of year after a given fiscal year (June 30, 2024, for the fiscal year ended March 31, 2024)

Information on Audit and Supervisory Committee members

Index			Scope	Unit	FY2022/3	FY2023/3	FY2024/3
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	2
		Male	Kyushu Railway Company alone	Person	2	2	1
		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	50.0
Number of meetings held by the Audit and Supervisory Committee		Kyushu Railway Company alone	Times	14	15	13	
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 Committee meetings		Kyushu Railway Company alone	Person	0	0	0	

*1 As of June 30 of year after a given fiscal year (June 30, 2024, for the fiscal year ended March 31, 2024)

Information on Nomination and Compensation Advisory Committee members

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
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	5	5	5
	Total		Person	6	6	6
Number of meetings held by the Nomination and Compensation Advisory Committee		Kyushu Railway Company alone	Times	7	5	8
Attendance rate at Nomination and Compensation Advisory Committee		Kyushu Railway Company alone	%	100.0	89.2	100.0

*1 As of June 30 of year after a given fiscal year (June 30, 2024, for the fiscal year ended March 31, 2024)

*2 Included in Outside Directors

Remuneration

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
Directors remuneration (excluding Audit and Supervisory Committee members and outside directors)		Kyushu Railway Company alone	Million yen	264	275	324
Directors remuneration (Audit and Supervisory Committee members) (excluding outside directors)		Kyushu Railway Company alone	Million yen	32	33	32
Outside directors remuneration		Kyushu Railway Company alone	Million yen	82	83	82
Total		Kyushu Railway Company alone	Million yen	379	391	439
Accounting auditor remuneration* ¹	Auditing expenses	Kyushu Railway Company alone	Million yen	109	110	138
	Non-auditing expenses	Kyushu Railway Company alone	Million yen	11	17	18

*1 Includes compensation of consolidated subsidiaries

Compliance

Index		Scope	Unit	FY2022/3	FY2023/3	FY2024/3
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 ("FY2023 GHG Emissions Calculation Report" (period: 1 April 2023 to 31 March 2024)) 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 CO2 emissions (Scope 1, Scope 2 (Calculated value applying base emission factor and Calculated value applying adjusted emission factor))" covering the operations and activities of the Company in Japan (629 domestic sites) described in "FY2023 GHG Emissions Calculation Report" (period: 1 April 2023 to 31 March 2024).

The criteria for preparing subject matter information are "GHG Emissions Calculation Rules (Ver1.0)" and "-FY2024 edition- Act on Rationalizing Energy Use Instructions for Completing Regular Report and Medium- to Long-Term Plan (Specified Business Operator, etc.)".

In addition, the "Kyushu Railway Company Sustainability Linked Loan Framework September 2022" (hereinafter referred to as the "Kyushu Railway Company SLL Framework"), which was formulated by the Company in accordance with the Sustainability Linked Loan Principles (SLLP) 2021 established by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA), and the Loan Syndication & Trading Association (LSTA) and the Sustainability Linked Loan Guidelines established by the Ministry of the Environment, for the purpose of raising funds through sustainability linked loans, stipulates that annual reporting on the progress of the SPT and verification by a third-party organization will be required. Therefore, in addition to the above subject matter information, this verification also included KPI: CO2 reduction rate in Scope 1 and 2 of the Company, SPT: progress towards the KPI target of a 50% reduction in CO2 emissions in Scope 1 and 2 in FY2030 (compared to the base year of FY2013 emissions), and the criteria for creating the subject matter information was the "Kyushu Railway Company SLL Framework".

Subject matter information period: 1 April 2023 to 31 March 2024

Energy-derived CO2 emissions

Scope 1:	47,479	t-CO2
Scope 2: Calculated value applying base emission factor	238,769	t-CO2
Calculated value applying adjusted emission factor	278,218	t-CO2

Sustainability Linked Loan (SLL) related data

KPI: CO2 reduction rate in Scope 1 and 2 of the Company

SPT*: KPI target value of 50% reduction in CO2 emissions in Scope 1 and 2 in FY2030 (Compared to the base year of FY2013 emissions)

FY2023 actual value: Scope 1 and 2 emissions reduction rates

(Compared to the emissions in FY2013, the base year, Calculated value applying base emission factor) 40.6 %

*SPT (Sustainability Performance Target)

2 Management Responsibility

"FY2023 GHG Emissions Calculation Report" (period: 1 April 2023 to 31 March 2024) 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 "FY2023 GHG Emissions Calculation Report" (period: 1 April 2023 to 31 March 2024) 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 "JIS Q 14064-3:2023 (ISO 14064-3:2019) 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
- Sites visited to confirm the calculation structure and procedures, data collection and implementation status of record control:

Head office / Kumamoto Station / Kumamoto Rolling Stock Center

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
30 August 2024