

Ensuring Transparency and Reliability

The J-POWER Group is working to improve environmental management and ensure legal compliance in all its business activities. By disclosing a wide range of environmental information, we are striving to earn society's trust.

Continual Improvement in Environmental Management

In 2002, the J-POWER Group completed the process of putting in place environmental management systems (EMS) at all of our business sites to guide the implementation of environmental initiatives based on our corporate philosophy. By the end of 2005, all of J-POWER's power generation, transmission, substation, and communication facilities had obtained ISO 14001^{*1} certification. By the end of fiscal 2007, every one of our consolidated subsidiaries at the time had an EMS in place. Henceforth, we will strive for continual improvement in our environmental management. We are also aiming towards the introduction of EMS in all our consolidated subsidiaries from fiscal 2008 onwards, and some of the companies which do not yet have one are presently conducting reviews towards introduction.

Administration of Environmental Management

The Environmental Management Promotion Board was established to discuss, coordinate, and report on overall environmental management in the J-POWER Group. It is led by a J-POWER executive director in charge of environment and made up of relevant executives and division heads.

The J-POWER Group Environmental Management Promotion Council was established as a subgroup of the Board to encourage cooperation and coordination throughout the group. On the basis of the J-POWER Group Environmental Action Guidelines (see p. 76), reviewed annually by management, each J-POWER Group company or business site draws up

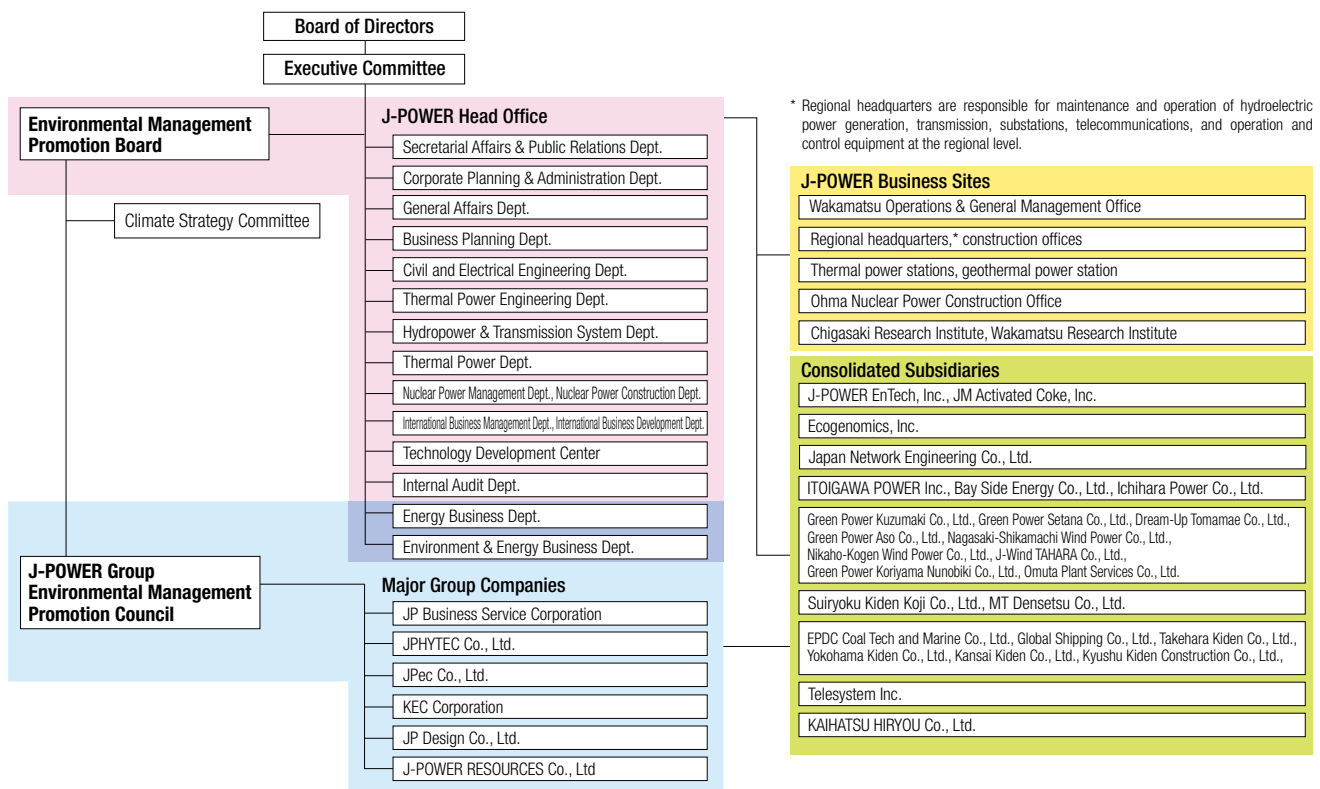
its own Environmental Action Plan. They periodically review and evaluate their initiatives and revise the measures to be taken, following the PDCA cycle.^{*2}

J-POWER Group companies that maintain electric power facilities have received ISO 14001 certification for all business sites involved in their operation or maintenance (thermal power stations, geothermal power stations, regional headquarters, etc.; see p. 79). All other J-POWER Group companies follow EMSs tailored to their own business activities, which they are working continuously to improve.



EMS internal audit (J-POWER head office)

● J-POWER Group Environmental Management Organization Chart (as of March 2010)



References

*1 ISO 14001

Part of the ISO 14000 series of international standards for environmental management adopted by the International Standards Organization (ISO), ISO 14001 specifies the requirements for an environmental management system.

*2 PDCA cycle

Management cycle, consisting of plan, do, check, and act, whose repetition provides the basis for continual improvement in environmental management systems.

Education and Training

The J-POWER Group carries out various in-house and external environmental training programs to raise employee awareness and cultivate a sense of personal responsibility regarding environmental issues.

In fiscal 2009 we implemented a variety of training programs aimed at promoting a better understanding of environmental statutes to ensure full compliance.

● In-House Environmental Training, Fiscal 2009

Level	Category	Course/activity	Participation	Coverage of environmental statutes, compliance, etc.
General	Environmental management (general)	Environmental briefings, various lecture presentations on the environment	1,100 participants	J-POWER Group's efforts
	E-learning	The J-POWER Group Sustainability Report (Environment)	82%	Overview of Sustainability Report
		Environmental law training	82%	Introduction to the Waste Management and Public Cleansing Act, Act on the Prevention of Marine Pollution and Maritime Disasters, PCB Special Measures Law
Technical	EMS implementation	Internal environmental auditor training	52 trainees	Requirements of ISO 14001, internal environmental audit methods
		Follow-up training for internal environmental auditors	24 trainees	Practice in identifying noncompliance, etc.
	Environmental laws and regulations	Waste management skills upgrade	409 trainees	Understanding of the Waste Management Law, application of guidelines for selecting contractors, etc.
		Waste management risk assessment	6 sites	Verification of legal requirements for contracts, manifests, etc.
		Environmental law courses by level	374 trainees	Explanation of environmental statutes, etc.
	E-learning	EMS course (advanced)	(Continuing implementation)	Requirements of ISO 14001, audit methods, etc.

COLUMN

Training in Environmental Laws at JPec Co., Ltd.

Even though we might have studied environmental laws, a considerable amount of knowledge is required to understand just exactly which items of which articles apply directly to the specific work that we do.

We have therefore divided up the large number of laws by their relation to individual work processes and operations, and formulated training materials that are directly relevant to our employees' work roles and that can teach them, in a short period, about the laws that specifically relate to their work procedures.

The work performed by JPec Co., Ltd. covers a wide range of areas, including coal unloading, dock operations, ash disposal, and coal handling. We have summarized information on what type of environmental risks might arise at the worksite, and how to minimize those risks, in a compact form. The information regarding each particular work process can now be absorbed in about 20-30 minutes, and our employees have rated the new training materials "easier to understand."



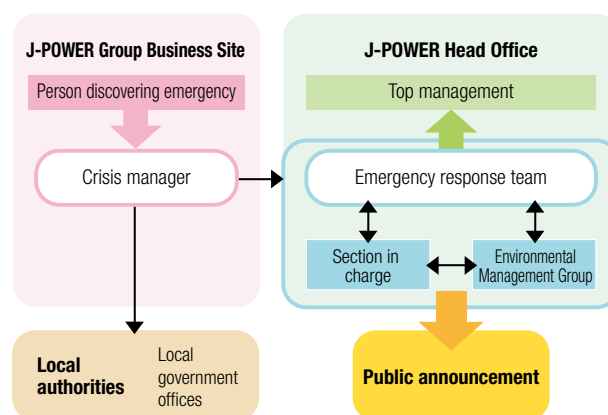
Training at JPec Co., Ltd. Takehara Company

Response in the Event of an Environmental Emergency

In the event of an environmental emergency within the JPOWER Group, the following procedures are to be followed:

1. The official in charge of crisis management at each business site will take the necessary steps to prevent damage from spreading and will contact the relevant local organizations, the Head Office Emergency Response Team, and the head office section in charge of the business site.
2. The Head Office Emergency Response Team will promptly report to top management and provide information on the emergency to the media and other interested parties.

● Response and Information Disclosure in the Event of an Environmental Emergency



■ Environmental Incidents

In fiscal 2009, no incidents occurred that exceeded the regulation values stipulated by environmental laws or accords, or which were reported by the mass media.

In fiscal 2010, two incidents have occurred that were reported. We are working to prevent recurrences through more rigorous management procedures and other steps. (See table below.)

Location	Situation/response
Nagasaki Shikamachi Wind Farm (Sasebo, Nagasaki Prefecture)	On April 24, 2010, at the Nagasaki Shikamachi Wind Farm in Shikamachi-cho, Sasebo, Nagasaki Prefecture, a malfunction in a lubricating oil purifier caused approximately 20 liters of lubricating oil from one of the 15 turbines to flow around the base of the turbine and also to spray onto an area of grass. We have cleaned up the spilled oil by removing soil and cutting grass, and we are revising our procedural manuals, notifying all employees of the procedural manuals, and training our maintenance personnel in order to prevent a recurrence.
Takehara Thermal Power Station (Takehara, Hiroshima Prefecture)	On May 28, 2010, a connecting flange between a hopper and an air slider in coal-loading equipment opened, and coal leaked and was sprayed out for approximately 10 minutes. We are working to prevent a recurrence by improving the relevant equipment, in addition to retraining the employees responsible for the procedure in environmental protection.