

About the HEPCO Sustainability Report 2008

Purpose of publication

This report is aimed at facilitating exchanges with our customers, our shareholders and other investors, NPOs, NGOs, researchers, students, the media, trade associations, our employees and other stakeholders. Its purpose is to disclose information on our corporate social responsibility (CSR) philosophy and the results of our diverse efforts to realize this philosophy, and to motivate our employees to improve their performance.

Editorial policy

The HEPCO Group is engaging in various activities toward achieving a sustainable society, while enhancing the corporate values based on the Group Mission. To introduce these activities extensively, this report's three parts focus on the environment, economy and society.

As for the usefulness and reliability of the information, we adhere to the following policies:

Usefulness of information

So that this report may include information that is relevant to a broad range of readers, we have referred to opinions expressed at the stakeholders' meeting and worked hard to make this report as readable and easy to understand as possible, by featuring photos, comparisons and specific case examples.

Reliability of information

○ We have had third parties evaluate the content of this report at the stage of editing, and we have included their opinions to provide assurance for the reliability of the information in the report.

○ For the key environmental performance indicators in the Japanese version of the report, we received third-party assurance from Ernst & Young Shin Nihon Sustainability Institute Co., Ltd. (formerly Shin Nihon Environmental and Quality Management Research Institute Co., Ltd.) The assurance report was provided with the original Japanese version, but not included in the English version.

Reference guidelines

In drawing up this report, we referred to the Sustainability Reporting Guidelines 2002 of the Global Reporting Initiative (GRI). We have also striven to secure reliability by conforming to the Environmental Reporting Guidelines (FY 2007) issued by the Ministry of the Environment.

(To cross-reference the tables with the Guidelines, see p. 66.)

Organizations, fields and period covered by the report

Organizations

We are releasing this report as independent information on Hokkaido Electric Power Co., Inc. Undertakings by the HEPCO Group companies (the consolidated organizations) are carried separately as reference information in the form of columns and the like.

Fields

This refers to the state of HEPCO's social, environmental and economic undertakings.

Period

April 1, 2007 – March 31, 2008

(The latest information up to the publication of this report is included by clearly specifying dates.)

Major related materials

- Financial Results
- Fact Book
- Voltage (Current State of Hokkaido Electric Power Co., Inc.)
- HEPCO website

Opinions and impressions

To make inquiries and offer opinions regarding HEPCO's activities that are dedicated to establishing a sustainable society, contact the office listed below.

A questionnaire about this report is also available at

http://www.hepco.co.jp/ato_env_ene/environment/action/report2008.html

Department in charge of this report

Environmental Affairs Office,
Corporate Communication Division

Hokkaido Electric Power Co., Inc.
2, Higashi 1-chome, Odori, Chuo-ku,
Sapporo, Hokkaido, 060-8677, Japan
Tel: (81)11-251-4374
Fax: (81)11-222-4461

NPOs – NGOs

NPOs are private nonprofit organizations, and NGOs are nongovernmental organizations. In both organizations, citizens take the initiative in addressing welfare, environment, international cooperation, human rights and other social issues.

Stakeholders

The term "stakeholder" refers to anybody who has an interest in what a company does. They include customers and shareholders as well as anybody who is affected by the company's activities.

GRI

The Global Reporting Initiative (GRI) is an international organization founded in 1997 with the aim of preparing and disseminating international guidelines concerning corporate sustainability reports. It is headquartered in the Netherlands, and companies and nonprofit organizations around the world have participated in its activities.