

Preventive Measures

--- to eliminate further occurrences ---

We are committed to the following four public assurances in order to prevent a recurrence.

1. To improve transparency and the disclosure of public information
2. To create an environment for conducting appropriate business activities
3. To conduct more stringent internal audits and to reform the corporate culture
4. To thoroughly comply with corporate ethics

1. To improve transparency and the disclosure of public information

- TEPCO will set up a liaison meeting in the vicinity of its nuclear power stations (within the fiscal year 2002) to ensure that all information is disclosed. TEPCO will convene representatives from local governments, assemblies, and organizations concerned. The members will be provided with full information relating to the plants, including the operational status, problems discovered during operations, reports on periodical inspections which include some problematic findings, and reports on internal audits. TEPCO will also set up a meeting to ensure nuclear safety and quality assurance (in October 2002), to select the subject matter of audits, to examine the audit reports, and to offer suggestions for improvements. The members of this meeting will consist of independent experts such as nuclear experts, lawyers, auditing firms (certified public accountants) and academics. The members of the two meetings shall in principle be allowed to freely access any working areas and meetings at the nuclear power station.
- Third parties will evaluate the suitability of TEPCO's key nuclear-related manuals and business processes (in the fiscal year 2002).
- TEPCO will hire external experts on the safety and quality control of nuclear power stations, and assign them to a section that will conduct a quality control audit (from the fiscal year 2002).

2. To create an environment for conducting appropriate business activities

- TEPCO will establish a contact point for consultation on compliance with laws and corporate ethics (in October 2002). This will be available to any sections of the company, its subsidiaries and business partners. If there is a possibility that a case may violate laws, ordinances or corporate ethics, this will be reported to the Corporate Ethics Committee, so that the president can obtain accurate information.
- TEPCO will check all its regulations and manuals. If it discovers that a case requires a revision of laws and ordinances, or if there is a lack of clarity over reporting to the regulators, TEPCO will actively work to appeal to the regulators to revise the law in co-operation with the institutions concerned (from October 2002).

3. To conduct more stringent internal audits and to reform the corporate culture

- At each nuclear power station TEPCO will set up a Quality Auditing Department (a tentative name) that will be in charge of nuclear power safety and quality control (in November 2002). This will be under the direct control of the head office and will be completely independent of the power stations. The department will audit the nuclear power and quality control at the stations and report the result to the head office on a daily basis. It will also be allowed to freely access any working areas, meetings, and documents in the stations. If the department detects any problem with safety and quality at the power station, it will instruct the superintendent of the plant to make improvements.
- A Nuclear Quality Auditing Department (a tentative name) will be set up at the head office (in October 2002). This will collect information from the above departments stationed at each nuclear power station. Information will be reported to the president at any time. A head of department will in principle be appointed from outside the nuclear-related sections. Staff in the department will be selected, in a balanced way, both from the nuclear-related sections and from the non-nuclear-related sections (from the fiscal year 2002).
- TEPCO will promote personnel exchanges between the nuclear power-related sections and those which are non-nuclear-related, in order to promote a balance of engineering personnel (from the fiscal year 2002). For example, in relation to the career path for management of the nuclear power sections, staff will be required to work in the non-nuclear-related sections; younger nuclear engineers will have to go through a training program on customer service at the sales offices within three years of joining the company.
- TEPCO will revitalize internal communication in order to share the awareness of issues between the different sections. TEPCO's executives will increasingly visit not only nuclear power stations, but also other sales offices and power plants, and talk directly to employees about their problems.

4. To thoroughly comply with corporate ethics

- TEPCO will establish a Corporate Ethics Committee (in October 2002). The chairman of the committee will be the president of TEPCO, and the members will be independent experts such as lawyers and academics, executives of other companies, as well as top labor union officials.
- TEPCO will compile guidelines for the Standard of Behavior for Corporate Ethics, as a specified measure in TEPCO's Charter for Good Corporate Behavior, under the Corporate Ethics Committee (in December 2002).
- TEPCO will require all executives and employees to take a corporate ethics training program (from October 2002), and will record the history of each person's attendance.