J-POWER GROUP NTEGRATED REPORT 2021



Corporate Philosophy

Our Mission

We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world.

Our Credo

- We value integrity and pride, which drive everything we do.
- We pursue harmony with the environment, and thrive in the trust of communities where we live and work.
- We regard profits as the source of our growth, and share the fruits with the society.
 - We refine our knowledge constantly, to be the pioneering leader in technologies and wisdom.
 - We unite diverse personalities and passions as one, and dare create a better tomorrow.

External Evaluations

■ Third-Party Certifications





■ Initiatives by the J-POWER Group

J-POWER is a supporter of the Task Force on Climate-related Financial Disclosures (TCFD).



J-POWER is a signatory to the United

Nations Global Compact (UNGC).

Inclusion in Indices

J-POWER is included in the following indices as of June 2021.

FTSE4Good Index Series



FTSE4Good

FTSE Blossom Japan Index



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J-POWER is working to contribute to the Sustainable Development Goals (SDGs).

SUSTAINABLE GOALS



Editorial Policy

The J-POWER Group has published the Integrated Report, which presents both financial and non-financial data in a structured and consistent manner, since fiscal 2019. With a focus on initiatives aimed at achieving the J-POWER "BLUE MISSION 2050" initiative announced in February 2021, this report seeks to communicate J-POWER Group's business strategies, Medium-Term Management Plan, and major ESG initiatives that support value creation by the J-POWER Group, in a clear, reader-friendly manner.

In preparing the Integrated Report, we referenced such guidelines as the Global Reporting Initiative's GRI Standards, the International Integrated Reporting Council's* International Integrated Reporting Framework, the SASB* Standards, and the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation. Going forward, we will continue to enhance the report's content to foster deeper understanding of the Group among our shareholders, investors, and other stakeholders.

* In June 2021, IIRC and SASB were reorganized into the Value Reporting Foundation (VRF).

Reporting Period

April 1, 2020 to March 31, 2021 (also contains reporting on material matters after this period)

Reporting Cycle

One year

Publication of Previous Report

August 31, 2020

Guidelines Referenced

- GRI Standards (Global Reporting Initiative)
- International Integrated Reporting Framework (International Integrated Reporting Council)
- SASB Standards (Sustainability Accounting Standards Board)
- Guidance for Collaborative Value Creation (Ministry of Economy, Trade and Industry)



Forward-Looking Statements

Statements in this integrated report, other than those of historical fact, are forward-looking statements about the future performance of the J-POWER Group that are based on management's assumptions and beliefs in light of information currently available, and involve both known and unknown risks and other uncertainties. Actual events and results may differ materially from those anticipated in these statements.

Presentation of Monetary Amounts and Other Figures

For monetary amounts and electric power sales volumes, figures less than the indicated unit are rounded down. For other amounts, figures less than the indicated unit are rounded to the nearest unit unless otherwise mentioned.

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Message from the President

Aiming to address the climate change issue while also achieving our mission of stably supplying energy, we will unceasingly tackle innovation and aim for further improvement of corporate value, to remain a company that is always needed in an ever-changing global society.

Toshifumi Watanabe

Representative Director
President and Chief Executive Officer

The J-POWER Group's Corporate Philosophy and Vision for Ourselves

Based on our Corporate Philosophy—"We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world"—the J-POWER Group has contributed to the stable supply of electric power in response to the demands of society, at every step for over half a century. Through our technological capabilities, we devise solutions to the energy needs of society and provide the energy required. This stance will remain unchanged into the future. Looking ahead, we will be called upon to not only meet the challenge of global climate change but also to supply energy more competitively and efficiently under the deregula-

tion of electric power. Responding to climate change—that is, taking on the challenge of achieving carbon neutrality by 2050—means balancing a sustainable society with the sustainable growth of the Company. By accepting the demands of society and constantly undertaking the improvement and sophistication of technologies, and by providing society with added value through the development of business that looks a step ahead, we want to remain a company that is always needed by global society.



Looking Back on Fiscal 2020

During fiscal 2020, our in-progress projects were completed almost according to plan. These include the start of commercial operation at Takehara Thermal Power Plant New Unit No. 1, Kashima Power (Kashima Thermal Power Plant Unit No. 2), and Kuzumaki No. 2 Wind Farm. The year was one in which profit-generating assets have accumulated and our sales base has deepened. However, we have been affected by declining electricity demand amid the COVID-19 pandemic, the slump in market prices on the Japan Electric Power Exchange over the year, and the rise in wholesale electricity market prices in the winter. As a result, we were unable to fully demonstrate our capabilities,



Kuzumaki No. 2 Wind Farm (started operation: December 2020)

Message from the President

and full-year results fell short of initial expectations. Due to intensifying competition associated with the progress of electric power deregulation, the wholesale electricity market has become more active and transaction liquidity has increased. At the same time, fluctuations in the wholesale electricity market prices are becoming larger. In response to events that occurred in fiscal 2020, we will diversify our sales methods and otherwise strengthen our sales capabilities, and will perform appropriate risk management to maximize and stabilize profits.

Looking at movements in the world, fiscal 2020 was also a year of major actions in response to climate change. In July 2020, Japan's Minister of Economy, Trade and Industry announced the phase-out of inefficient coal-fired power plants. In the fall of 2020, the government declared its intent to achieve carbon neutrality by 2050; in May 2021, this target was made clear with the revision of the Act on Promotion of Global Warming Countermeasures. The government has also declared a goal of reducing Japan's greenhouse gas emissions by 46% (vs. fiscal 2013) by fiscal 2030, and the reconsideration of the energy mix in 2030 is proceeding. Amid such policy actions, in February 2021 we

announced the J-POWER "BLUE MISSION 2050," an initiative that declares our efforts to achieve a carbon-neutral, hydrogen-based society by 2050 and sets a CO₂ emissions reduction target of 40%* for the transition point of 2030.

To plan further initiatives for climate change and other ESG material issues, we made the Executive Vice President responsible for ESG oversight, effective April 1, 2021, and reformed our organizations involved in ESG. And we did this because we have ESG as the starting point for all of our corporate activities. To improve our corporate value we have always engaged in environmentally-conscious business activities, valued our points of contact with society, and continued initiatives with an awareness of governance. To clarify our policy on ESG initiatives and to undertake these as a unified Group, we newly established the ESG & Corporate Research Office as a specialized department in the Corporate Planning & Administration Department that deploys initiatives spanning different fields. In this way, the J-POWER Group will continue to actively undertake ESG.

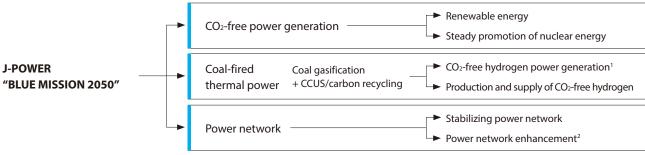
* Compared to the 3-year average of actual emissions for fiscal 2017–fiscal 2019 of the J-POWER Group's domestic power generation business

Changes in the Environment Surrounding Energy, and the Efforts of the J-POWER Group

As I have noted, there is a rapid shift to carbon neutrality in response to the climate change issue recently. In the field of domestic energy, too, in addition to the long-term stable supply of electric power, we face demands to promptly show efforts that are consistent with carbon neutrality.

As an energy company, achieving the stable and sufficient supply of energy in Japan and around the world while also addressing climate change is both our major challenge and greatest mission. In addition to large-scale hydroelectric power plants that have supported Japan's postwar economic development, overseas coal-fired power plants that we introduced

in the wake of the oil crisis, and cross-regional interconnection lines, we hold strengths in the form of comprehensive power born from harmonizing and creating synergies from elements that include the expansion of our business into fields such as renewable energy and international businesses that we actively pursued even before privatization, the depth of our human resources that engage in these businesses, and our accumulation of business development, operations, and technical knowhow. By demonstrating this comprehensive power and by improving, elevating, and combining the technologies we have nurtured, we will tackle this issue.



- 1. Including the use of hydrogen extracted from ammonia for power generation
- 2. Power network enhancement is an initiative of J-POWER Transmission Network Co., Ltd. (J-POWER Transmission)



J-POWER "BLUE MISSION 2050"

In February 2021, we released the J-POWER "BLUE MISSION 2050" that indicates our direction and path for efforts aimed at achieving a carbon-neutral society by 2050. Our goal is to simultaneously achieve stable supply of energy and reduction of CO_2 emissions through the power of technology, with carbon neutrality by 2050 and a 40% reduction in CO_2 emissions by 2030 as our targets.

To achieve our CO₂ reduction target, we will curb operations at aging coal-fired power plants by 2030. Looking further ahead to 2050, we have set out three pillars to support our goals: "expanding CO₂-free power sources," "pushing for CO₂-free hydrogen energy and zero-emission power sources," and "power networks."

■ Expansion of CO₂-free Power Sources

Boasting an approximately 70-year history of renewable energy development and Japan's second highest capacity for both hydroelectric and wind power generation today, the Group is one of the nation's leading renewable energy business operators. Utilizing our knowledge and technology, we will further accelerate the development of onshore and offshore wind power, small-scale hydroelectric power, geothermal power, solar power, and other renewable energy sources.

The Ohma Nuclear Power Plant, currently under construction, will be a CO₂-free power source capable of stably generating large amounts of electricity. Under the Ohma Nuclear Power Plant Project, the plant will be able to use MOX fuel, recycled from the spent fuel emitted by nuclear power plants around Japan. This will further contribute to the reduction of CO₂ through the stable operation of nuclear power plants in

Japan. As a component of our development of CO₂-free power sources, we will forge ahead with safety as our top priority, all while striving for more attentive information provision and two-way communication to gain the understanding and trust of people in the community.

■ CO₂-free Hydrogen Energy and the Shift to Zero-emission Power Sources

We are working to make hydrogen CO_2 -free by gasifying coal to produce hydrogen and by separating and capturing the generated CO_2 for reuse or underground storage using carbon dioxide capture, utilization, and storage (CCUS) technology. For nearly 20 years, the Group has been developing technologies for producing hydrogen from coal and technologies for CO_2 separation and capture. These technologies are now at the stage just prior to commercialization.

We are currently conducting demonstration tests at the Osaki CoolGen Project in Japan and at the Australian Brown Coal Hydrogen Pilot Test Project overseas. At the Osaki CoolGen Project, we have already demonstrated coal gasification and CO₂ separation and capture technologies, and are now preparing for demonstration tests of high-efficiency CO₂-free hydrogen power generation in combination with fuel cells. At the Australian Brown Coal Hydrogen Pilot Test Project, we succeeded in producing hydrogen of 99.999% purity in February 2021.

By gasifying biomass fuel (made from wood that absorbed atmospheric CO_2 in its growth) in addition to coal and by making use of CCUS, we can not only avoid the release of CO_2 but can actually achieve negative emissions that reduce atmospheric CO_2 . Negative emissions obtained using solid biomass

Message from the President

fuel are a benefit made possible by the fact that coal, unlike natural gas, is a solid.

While it is thought that electrification will progress in various industries with the aim of carbon neutrality, it is also expected that hydrogen will be needed as a fuel in industries not amenable to electrification, such as steelmaking and transport.

J-POWER will pursue not only CO₂-free hydrogen power generation using coal but also the potential for expanding our business domains by producing and supplying CO₂-free hydrogen. Doing so will allow us to contribute to carbon neutrality in other industries.

Power Networks

With the growth of wind power, solar power, and other renewable energy sources that experience sharp fluctuation in output according to weather conditions, the ability to accommodate output fluctuations and stabilize power networks will become increasingly important. The Group possesses hydroelectric power generation facilities with outstanding output control functionality, particularly pumped storage hydroelectric power plants capable of absorbing surplus electric power. Hydrogen power generation from coal gasification

also excels in output control functionality. By undertaking distributed energy services that utilize end-users' private power generation, air-conditioning equipment, and other resources in addition to our power sources, we will contribute to the stabilization of power networks and will support the expansion of renewable energy in Japan.

Selection of sites for renewable energy is dependent on regional weather conditions. Favorable wind conditions make Hokkaido and Tohoku, Northern Japan, suited to wind power, while sunny western Japan is suited to solar power. However, Japan's existing power grid faces limits on the amount of this electricity that can be delivered to high-demand areas. Increasing renewable energy will require the enhancement of power networks. The J-POWER Group owns 2,400 km of power transmission lines nationwide, frequency converter stations that adapt power for exchange between eastern Japan's 50 Hz grid and western Japan's 60 Hz grid, and submarine power transmission cables connecting regions. Utilizing our accumulated technology and experience, we will contribute to the power network enhancement that is needed to expand renewable energy in Japan.*

* Power network enhancement is an initiative of J-POWER Transmission

Medium-Term Management Plan

In the Medium-Term Management Plan that we released in April 2021, we indicate four actions to be prioritized as first steps in achieving the directions and the CO₂ reduction targets

expressed in J-POWER "BLUE MISSION 2050." (See information about these actions in the Medium-Term Management Plan in "Medium-Term Management Plan" on pages 30-39.)

Actions Fiscal 2021-Fiscal 2023 Acceleration of the development of renewable energy globally Acceleration of the development of CO₂-free power sources Steady promotion of the Ohma Nuclear Power Plant Project Promotion of the GENESIS Matsushima Plan New value creation utilizing existing assets (upcycling) • Increase in the value of renewable energy Pursuit of the possibility of CO₂-free hydrogen 3 Challenges to new business areas Distributed energy services/social implementation of innovations Promotion of ESG management; improvement of profitability 4 Enhancement of and asset management efficiency business foundation Expansion of overseas business foundation

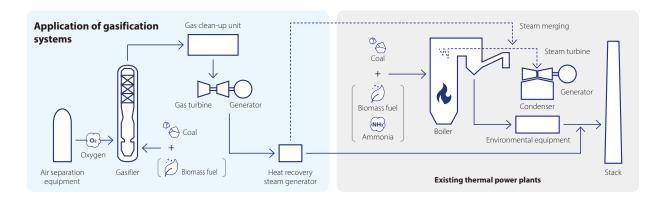
■ GENESIS Matsushima Plan

I'd like to talk about some of the actions indicated in our Medium-Term Management Plan.

In April 2021, we began preparations for an environmental impact assessment of our GENESIS Matsushima Plan. This plan is an upcycling project to add new gasification equipment and gas turbines to the existing power plant at the Matsushima site in Nagasaki Prefecture, a site that began operation 40 years

ago. The GENESIS Matsushima Plan marks the first commercialization of results demonstrated through the Osaki CoolGen Project, and will be a first step toward our future goal of achieving CO₂-free hydrogen power generation and the production and supply of CO₂-free hydrogen in combination with CCUS.

In addition to this, we will work to further reduce CO_2 through the mixed combustion of biomass and ammonia.



Management Goals and Policy on Shareholder Returns

In our Medium-Term Management Plan, we set consolidated ordinary income of 90 billion yen or more and a consolidated equity ratio of 30% or more as new targets for fiscal 2023. We will achieve these targets by undertaking greater efficiency in repairs and other cost reduction measures while making efforts that include the leveling of regular inspection costs, early recovery of unplanned shutdowns at thermal power plants, stable operation, and the commencement of commercial operation at projects under development overseas such as the

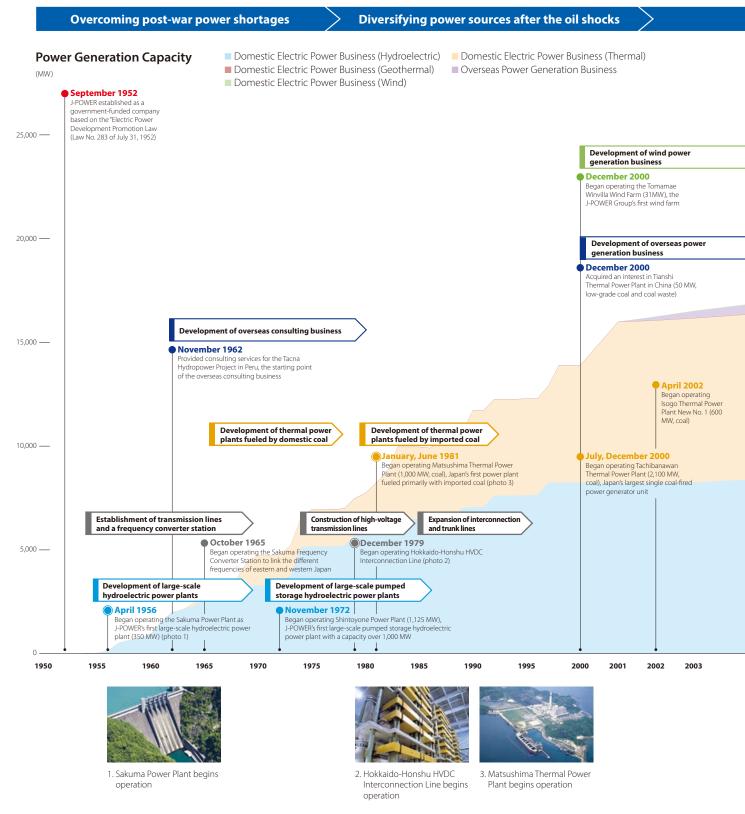
Triton Knoll Offshore Wind Power Project in the United Kingdom and the Jackson Power Plant in the United States.

In shareholder returns, J-POWER has maintained stable dividends since our listing with a dividend increase at the end of fiscal 2017. We will strive to enhance stable, ongoing returns to shareholders, taking into account level of profit, earnings forecasts, and our financial condition (and excluding factors causing short-term profit fluctuations), with the aim of a consolidated payout ratio of around 30%.

The J-POWER Group's History

Since its establishment by the government in 1952 to overcome the power shortages in postwar Japan, the J-POWER Group has developed its business in the wholesale supply of hydroelectric and thermal power, conducted a power transmission business through its trunk transmission lines that connect each domestic region, and contributed to the stable supply of electric power in Japan.

Evolving Needs



Listed on the Tokyo Stock Exchange's First Section and becoming fully privatized in 2004, the J-POWER Group has been expanding its fields of business, including in electric power generation businesses in foreign countries where growth is expected and renewable energy, such as wind and geothermal power.

Addressing climate change Note: Includes capacity of consolidated subsidiaries and equity-method affiliates. Capacity is multiplied by J-POWER's investment ratio (equity ratio). January 2020 Began operating Setana-Osato Wind Farm (50 MW, wind; October 2004 Listed on the First Section of Tokyo Stock Exchange photo 5) and Nikaho No. 2 Wind Farm December 2020 Began operating Kuzumaki No. 2 Wind Farm (45 MW, wind; photo 6) June, December 2014 December 2018 Began operating Nong Saeng IPP (1,600 MW, gas) in Thailand Began operating the Westmoreland Power Plant (925 MW, gas) in the United States May 2007/March 2008 August, November 2012 June, December 2015 Began operating Kaeng Khoi 2 Power Plant (1,468MW, gas) in Thailand (photo 4) Began operating Hezhou Powe Plant (2,090 MW, coal) in China Began operating U-Thai IPP (1,600 MW, gas) in Thailand May 2006 May 2019 Acquired interest in Tenaska Frontier Power Plant (830 MW, gas), J-POWER's first power plant ownership in the United States Began operating Wasabizawa Geothermal Power Plant (46MW) Began operating Takehara Thermal Power Plant New Unit No. 1 (600 MW, replacement of the former Unit No. 1 and No. 2 at the same capacity) Began operating Isogo Thermal Power Plant New No. 2 (600 MW, coal) Construction of a nuclear power plant May 2008 Began construction of Ohma Nuclear Power Plant (1,383 MW), J-POWER's first nuclear power plant May 2018 Completed a comprehensive renewa and capacity upgrade of Akiha No. 1 Power Station (47 MW, hydroelectric) 2004 2005 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 (As of March 31, each year)

4. Kaeng Khoi 2 Power Plant

begins operation

6. Kuzumaki No. 2 Wind Farm

begins operation

5. Setana-Osato Wind Farm

begins operation

Identification of Material Issues

Under a Corporate Philosophy of "We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world," the J-POWER Group has worked to improve its corporate value by contributing to the achievement of an affluent society through its business activities.

To further improve our corporate value, we identified social issues of importance to the J-POWER Group, and, taking into consideration factors including the interests of stakeholders, relationships with our Corporate Philosophy, and impacts on our business, identified five issues that are material for us: supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation.

In addition to making the identified material issues well-known within the Group, we will integrate them into our business strategy, will formulate goals and KPIs for each issue, and will make contributions to achieve the SDGs through our initiatives.

Identification process

Identification of social issues

We identified socially important issues, with reference to the SDGs, key ESG issues, global trends, international standards such as ISO 26000 and the GRI Standards, etc.

Preparation of opinions on material issues

From the identified social issues, we wrote up opinions on material issues, taking into account the interests of stakeholders, the relationship with our Corporate Philosophy, the impact on the J-POWER Group's business, and so on, with third-party opinions factored in as well.

Identification of material issues

Following discussions by the Sustainability Promotion Board and the Executive Committee, the Board of Directors made a determination of material issues.



Meanings of material issues

Supply of energy

The Corporate Philosophy of the J-POWER Group states, "We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world." The supply of energy is the Group's reason for being, and forms a foundation for resolving many issues in society.

Response to climate change

Amid the worldwide heightening of concern over climate change, the supply of energy and the response to climate change are social issues that cannot be considered separately. The J-POWER Group is working to achieve both energy supply and a response to climate change through our technological capabilities.

Respect for people

The J-POWER Group prepares environments that enable active work by the employees and other human resources who support the Group's activities. We also actively tackle diversity, human rights, and other social issues involving people. We put into practice these words in our Credo: "We refine our knowl-

edge constantly, to be the pioneering leader in technologies and wisdom" and "We unite diverse personalities and passions as one, and dare create a better tomorrow."

■ Engagement with local communities

The J-POWER Group's large-scale energy supply business, which impacts our communities and the environment, is founded upon the understanding by the communities where we are located. Under our Credo of "We pursue harmony with the environment, and thrive in the trust of communities where we live and work," we work toward the preservation of the environment and the establishment of relationships of trust with communities.

■ Enhancement of our business foundation

We will enforce the corporate governance and compliance that form the foundation of a company while also strengthening our profit and financial bases, so that we can resolve social issues and improve our corporate value through our business activities.

Material Issues	Initiatives	Concrete initiatives
Supply of energy	Stable operation of electric facilities Preparation for and response to natural disasters Strengthening of cyber security	 ■ J-POWER Group businesses (→ p.14-p.19) ■ J-POWER Group facilities (→ p.84-p.87) ■ Electricity sales volume and load factor (→ p.21) ■ Emergency management (→ p.62-p.63) ■ ESG data (→ p.78-p.81)
Response to climate change	Reduction of CO ₂ Development of renewable energy Steady promotion of the Ohma Nuclear Power Plant Project, with safety as a major prerequisite Pursuit of the possibility of CO ₂ -free hydrogen	 ■ CO₂ emissions reduction of 40% or more* by 2030 19 million tons * Compared to 3-year average result for FY2017–FY2019 (→ p.30) ■ (Fiscal 2025: Development of 1,500 MW or more new renewable energy capacity (compared with fiscal 2017) (→ p.30) ■ Increase of 300 million kWh/year in hydroelectric power generation in fiscal 2025 (compared with fiscal 2017) (→ p.30) ■ Promotion of the CO₂-free Ohma Nuclear Power Plant Project, with safety as a major prerequisite (→ p.38-p.39)
Respect for people	Respect for human rights Human resources development Assurance of occupational health and safety Promotion of diversity	 ■ Human rights and local communities engagement (→ p.54-p.55) ■ The J-POWER Group and human resources (→ p.50-p.53) ■ Occupational health and safety (→ p.56-p.57)
Engagement with local communities	Preservation of local environments Creation of relationships of trust with local communities	 ■ Addressing environment issues (→ p.48-p.49) ■ Human rights and local communities engagement (→ p.54-p.55)
Enhancement of our business foundation	Enforcement of corporate governance Enforcement of compliance Strengthening of our profit and financial bases	 ■ Corporate governance (→ p.58-p.61) ■ Compliance & risk management (→ p.64-p.65) ■ Enhancement of our business foundation and expansion of overseas business foundation (→ p.36-p.37)

Contribution to the SDGs





























The J-POWER Group's Value Creation Process

Based on its Corporate Philosophy—"We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world"—the J-POWER Group is leveraging the technological prowess, organizational strength, and relationships of trust with local communities and business partners built up in its power generation business in and outside Japan to fulfill its mission of both providing a stable energy supply and working on the climate change while sharing value that helps solve social issues with society at large to contribute to the achievement of the Sustainable Development Goals.

The J-POWER Group's Mission

Meet people's needs for energy without fail, and play our part

Social Issues Inputs (Fiscal 2020 Results) **Business Model** Natural Capital • Total quantity of water intake: 59.27 billion m3* Climate change · Coal consumed (dry coal 28 MJ/kg equivalent): 17.05 million tons* **Supply chain** · Biomass consumed: 40,000 tons* Social and Relationship Capital Cooperation with business partners • Relationships of trust with stakeholders Stable power supply - Intellectual Capital Research and development costs: ¥13.8 billion (non-consolidated) **Fuel procurement** Technical prowess built up over decades **Power generation** • Implementation of demonstration projects to realize carbon neutrality **Human Capital** Energy security Consolidated employees: 7,156 **Business Segments** Of whom were engaged in the overseas business: 647 · Manufactured Capital · Power generation facilities in operation: 97 sites in Japan Building wide-area power · Capital investment: ¥171.5 billion networks in Japan · Capacity of owned domestic power generation facilities: 18,324 MW **Electric Power Overseas** (Of which was comprised of renewable Business **Business** energy: 9,124 MW) Overseas owned power generation p.15-p.16 p.17-p.18 capacity: 6.518 MW Atmospheric pollution (Of which was comprised of renewable and other local energy: 5,461MW) environment issues · Financial Capital The J-POWER Group's Features and Strengths · Shareholders' equity: ¥814.7 billion Balanced business portfolio • Interest-bearing debt: ¥1,664.6 billion Consolidated equity ratio: 28.5% Possession of stably operating, competitive power generation facilities at various sites • Ratings (long-term debt) (As of March 31, 2021) across Japan Rating and Investment Information, Inc. (R&I): A+ Japan Credit Rating Agency, Ltd. (JCR): AA+ Global business development S&P Global Ratings (S&P): A Moody's: A2

A Foundation Which Supports Corporate Value

SDGs that we contribute to

Strategy for Further Growth





























J-POWER "BLUE MISSION 2050"

for the sustainable development of Japan and the rest of the world

▶ p.22-p.29

Medium-Term Management Plan

(Formulated in April 2021) > p.30-p.39







Electric Power-Related Business n.19



Other Business p.19

- Abundant development experience and know-how concerning wind power and other sources of renewable energy
- Technological development of CO₂-free hydrogen energy using coal
- Possession of cross-regional interconnecting line facilities and frequency converter facilities supporting part of Japan's wide-area power network

Outputs

Consolidated operating revenue

¥909.1 billion

Consolidated ordinary income

¥60.9 billion

Segment Information

Electric Power Business Operating revenue ¥733.4 billion Segment income

¥19.0 billion Domestic electric

power sales

74.5 billion kWh

Electric Power-**Related Business** Operating revenue ¥374.1 billion Segment income

¥12.2 billion

Overseas Business Operating revenue ¥138.0 billion Segment income ¥30.8 billion

Overseas electric power sales

11.0 billion kWh

Other Business Operating revenue ¥18.4 billion Seament income ¥1.0 billion

Outcomes



- **Natural Capital**
- Greenhouse gas emissions (Scope1+2+3 Total) 64,880 thousand tons of CO2
- Preservation of the river environment through ecological flow
- Addressing environment issues by using power sources based on sophisticated environmental technologies



Social and Relationship Capital

- Power that supports everyday living Contribution to local community economic development and revitalization
- · Building a sustainable supply chain Securing coal and other raw materials, contributing to energy recycling, etc.



· Intellectual Capital

- Contributing to the realization of a sustainable world through the technological development of zeroemission technologies for fossil fuel power generation
- · Addressing environment issues by using power sources based on sophisticated environmental technologies



Human Capital

- Providing safe, healthy, and rewarding workplaces
- Realizing working styles in line with lifestyles
- New parent leave users: 90 men, 18 women
- Childcare leave users: 60 men, 39 women

• Providing opportunities for improving skills and labor productivity



Manufactured Capital

• Facilities which enable affordable, stable power supply Newly operating sites: 3 (967 MW increase) Contributing to the building of wide-area power networks in Japan Ensuring facility soundness



- Financial Capital

- Stable, ongoing shareholder returns
- Consolidated payout ratio: 61.6%



^{*} Environment-related data consists of data from J-POWER and 26 consolidated domestic subsidiaries engaged in the electric power business and the electric power-related business. Amounts for consolidated subsidiaries are adjusted by percentages corresponding to the percentage of J-POWER's equity share in the subsidiaries

J-POWER Group Businesses

Business Overview by Segment

Based on its Corporate Philosophy—"We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world"—the J-POWER Group primarily focuses its business operations on the stable supply of power through the construction, operation, and maintenance of power generation facilities; and transmission services via electric power transmission and substation facilities. Further, including businesses related to the above, the Group operates businesses in four segments.

Electric Power Business

The Group engages in power generation, transmission, and electric power retailing businesses domestically in Japan.

Operating revenue

Segment income

¥733.4 billion

¥19.0 billion

Overseas Business

The Group engages in power generation and consulting businesses overseas.

Operating revenue

¥138.0 billion

■ Segment income

¥30.8 billion

Electric Power-Related Business

The Group engages in businesses which support the smooth and efficient execution of the electric power business, including the maintenance of electric power facilities, ownership of interests in coal mines, and the importing and transportation of coal.

Operating revenue

¥374.1 billion

Segment income

¥12.2 billion

Other Business

The Group engages in businesses which enable it to utilize its management resources and know-how, including biomass fuel production and telecommunications businesses.

■ Operating revenue

¥18.4 billion

■ Segment income

41.0 billion

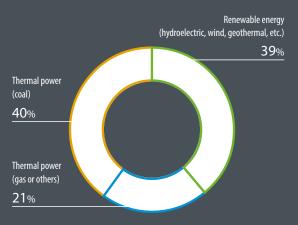
- 2. As net sales include internal sales, the total amount of net sales for each segment does not match the consolidated net sales of 909.1 billion yen.

 3. Segment income is ordinary income. The total amount of each segment's income is not equal to the consolidated ordinary income of 60.9 billion yen due to the adjustment of elimination of inter-segment transactions, etc.

J-POWER Group Income Structure (FY2020)

Other Business 2% **Electric Power Business** 30% **Ordinary** income Electric 460.9 billion Overseas Power-Related Business **Business** 19% 49%

J-POWER Group Global Energy Mix



Electric Power Business

Social Issues

- Stable power supply
- Energy security
- Building wide-area power networks in Japan
- Climate change
- Atmospheric pollution and other local environment issues

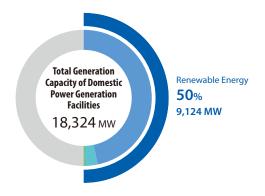
Value that the J-POWER Group Provides

- Through a diverse energy mix and advanced technical capabilities, achieves the stable supply of energy while also addressing climate change, ensures energy security, and contributes to the avoidance of atmospheric pollution and other local environment issues
- Contributes to wide-area power networks through means such as cross-regional interconnection facilities

■ Power Generation Business

Renewable Energy

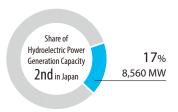
The increasing importance of realizing carbon neutrality



Renewable energy accounts for roughly half of the J-POWER Group's domestic power generation facilities. As one of Japan's leading renewable energy business operators, the J-POWER Group will continue to leverage the abundance of expertise and technical prowess it has cultivated so far, maximize value through the upcycling of existing facilities, and accelerate new development.

Hydroelectric Power

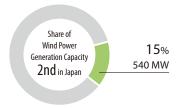
Over the past approximately 70 years, the J-POWER Group has engaged in the development and operation of hydroelectric power



plants. With no room left for large-scale developments in Japan, the Group is engaged in increasing the amount of power through the development of small hydroelectric power plants and the comprehensive renewal of main facilities.

■ Wind Power

The J-POWER Group began engaging in the wind power generation business early in Japan, and even now, it is



engaged in many development projects while also having started replacing facilities at its initial operation sites. In addition, through its participation in the Triton Knoll Offshore Wind Farm project in the United Kingdom, scheduled to begin commercial operation this year, the Group is acquiring expertise in offshore wind power while conducting surveys at multiple sites in Japan at the same time.

Geothermal Power

As the first new large-scale geothermal power plant in Japan in 23 years, the Wasabizawa Geothermal Power Plant* began operating in May 2019. Currently, the Group is engaging in renewal works on the Onikobe Geothermal Power Plant, which has been operating for over 40 years since 1975; the development of the new Appi Geothermal Power Plant*; and a development survey at the Takahinatayama site.

* A joint venture with Mitsubishi Materials Corporation and MITSUBISHI GAS CHEMICAL COMPANY, INC

Thermal Power

Supporting the stable supply of energy as a baseload power source

Because coal exists around the world, its geopolitical risks are small. It is also easy and low-cost to store, making it an important resource to the energy security of Japan, a country with few energy resources. The J-POWER Group's coal-fired thermal power plants use advanced technical capabilities to limit the emission of atmospheric pollutants such as SOx and NOx. In addition, the adoption of technologies which offer the maximum efficiency at the time of construction, as well as mixed combustion with biomass fuels, reduces the amount of $\rm CO_2$ emitted while contributing to the stable supply of power as a baseload power source.

Nuclear Power

A CO₂-free power source capable of stably producing large amounts of power

The J-POWER Group is implementing the Ohma Nuclear Power Plant Project. See pages p.38-39 for more information.

J-POWER Group Businesses

■ Transmission Business

J-POWER Transmission Network Co., Ltd. (J-POWER Transmission) is a company which is independent of the J-POWER Group's power generation and retailing divisions, handling its transmission business from a neutral position. J-POWER Transmission owns nine substations and converter stations, and approximately 2,400 km of transmission lines across Japan. J-POWER Transmission interconnects regions and fulfills a major role in the cross-regional operation of Japan's overall power grid.

In addition, as per a plan formulated by the Organization for Cross-regional Coordination of Transmission Operators, J-POWER Transmission is moving ahead with preparations for the construction of the Sakuma Frequency Converter Station,

which connects the different frequencies of eastern Japan (50 Hz) and western Japan (60 Hz), to increase its converter capabilities from 300 MW to 600 MW. Construction is scheduled to be completed in 2027.



Plant (Akita Prefecture)

Kanmon Interconnection Line

■ Electric Power Retailing Business

In addition to wholesaling the electricity it generates, the J-POWER Group works with partner companies to engage in the retail sale of electricity to end users. Further, via its power retail sales business, the Group is also rolling out distributed energy services such as virtual power plants (VPPs), which can use storage batteries and other resources owned by end users as power balancing capabilities.

Okutadami Power Plant

(Fukushima Prefecture)

Domestic Facilities

Power Generation Capacity in Operation (Owned Capacity Basis)

(As of March 31, 2021)

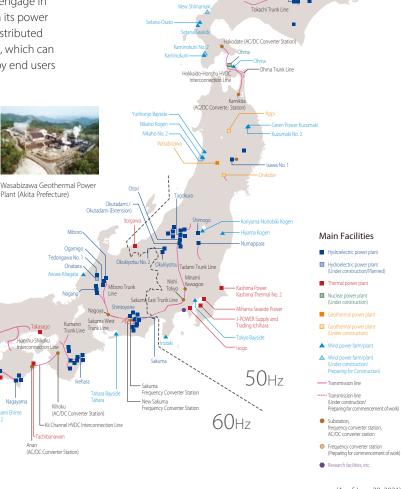
Setana-Osato Wind Farm

(Hokkaido)

Domestic	97 locations	18,324 MW
Hydroelectric power	60 locations	8,560 MW
Thermal power	13 locations	9,200 MW
Wind power	23 locations	540 MW
Geothermal power	1 location	23 MW

Transmission and Transformation Facilities (As of March 31, 2021)

Transmission lines		2,404.8km
AC power transmission lines		2,137.6km
DC power transmission lines		267.2km
Substations	4 locations	4,301MVA
Frequency converter station	1 location	300MW
AC/DC converter stations	4 locations	2,000MW



Takehara Thermal Power Plant (Hiroshima Prefecture)

Overseas Business

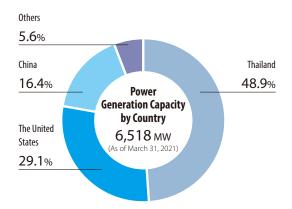
Social Issues

- Stable power supply overseas
- Climate change
- Atmospheric pollution and other local environment issues

Value that the J-POWER Group Provides

- Contributes to stable power supply overseas though the overseas consulting business and power plant development
- Contributes to reducing CO₂ emissions and solving environment issues through renewable energy development and the construction of environmentally friendly, cutting-edge high-efficiency thermal power plants overseas

Power Generation Capacity by Country

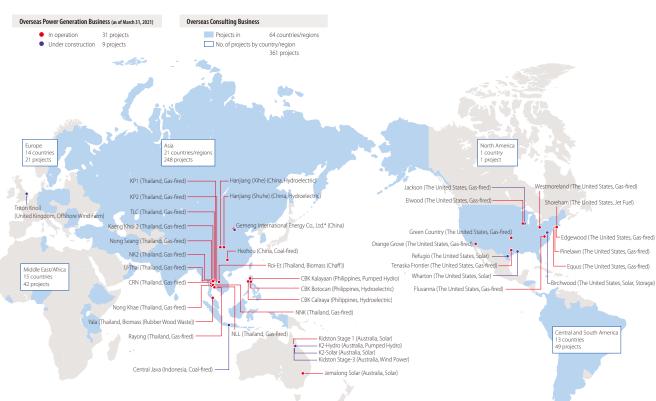


Overseas Power Generation Business (as of March 31, 2021)

In operation	4 countries	31 projects	6,518 MW owned capacity
Of which: Majority owned projects	1 country	9 projects	2,376 MW owned capacity
Under construction/development	4 countries	9 projects	2,512 MW owned capacity

Overseas Consulting Business

-			
	64 countries	361 projects	



Agemeng international Energy Co., Ltd. is an electric power company that owns 16 power generation companies.

Note: The map shows the situation as of the end of June 2021. Some are not included in the results as of the end of March 2021.

J-POWER Group Businesses

Overseas Consulting Business

Leveraging the experience and technical prowess acquired through its domestic electric power business, the J-POWER Group engages in its consulting business in places around the world, providing consulting services on things such as developing energy resources, basic research regarding matters such

as electric power transmission and substation facilities, feasibility, design, construction supervision, and environmental technology transfers. Since its first project in 1962, the Group has conducted 361 projects in 64 countries and regions.

Overseas Power Generation Business

The J-POWER Group engages in its overseas power generation business leveraging decades of experience, trust, and networks cultivated through its overseas consulting business.

When the Group first began its overseas power generation business in 1997, it primarily participated in the construction of power plants or plant operations through relatively small-scale investment. Since that time, however, the Group has gradually expanded this business, shifting from acquiring interests in existing high-quality projects to greenfield development, mainly in Thailand, the United States, China, and other Asian countries. In addition, the Group has recently participated in projects from the initial stage of development with the aim of expanding development opportunities and securing profits as project developer. Taking part in greenfield projects as well as projects from the initial stage of development carries with it comparatively high risk; profitability commensurate with this risk, however, can be expected. Through its advanced technical and project organization capabilities, the J-POWER Group aims to realize high profitability while minimizing risk.

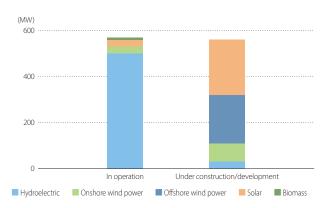
The Central Java Coal-fired Power Plant, currently under con-

struction in Indonesia, and the Jackson Power Plant, now being built in the United States, are greenfield projects. In addition, the J-POWER Group has participated in solar projects currently under development in the United States since the initial stage of development.

Renewable Energy Projects

Until now, the J-POWER Group's overseas business power generation facilities have been mainly gas-fired, but in recent years, the Group has also focused on renewable energy development projects. In 2018, the group participated in the Triton Knoll Offshore Wind Farm project in the United Kingdom, and the Group began developing solar power in the United States in 2020. In addition, the Group invested in Genex Power Limited, a renewable energy company in Australia, in May 2021. The owned capacity of overseas renewable energy projects currently being constructed or developed is 561 MW, reaching a scale that is almost the same as the 568 MW of renewable energy the group is now operating overseas.

Overseas Renewable Energy (Owned Capacity)



(As of June 30, 3021)



Triton Knoll Offshore Wind Farm (U.K.; under construction)

Electric Power-Related Business

Social Issues

- Stable power supply
- Energy security

Value that the J-POWER Group Provides

- Contributes to the stable operation of electric power facilities, supported by long-term operation and maintenance technologies
- Conducts stable long-term fuel procurement based on diversified sources

■ Electric Power Facilities Maintenance

The J-POWER Group has established maintenance subsidiaries at each of its hydroelectric, transmission, wind power, and thermal power facilities, and engages in consistent and efficient maintenance of its power facilities. In August 2020, the Group changed to a system in which not just thermal power plant

maintenance but all thermal power plant management, including operation, was consolidated under a single company—J-POWER Generation Service Co., Ltd. —contributing to reduced costs and streamlined personnel in the thermal power division.

■ Coal Procurement

In order to stably procure coal as a fuel for thermal power plants in long term, the J-POWER Group owns interests in three coal mines in Australia.



Other Business

Social Issues

- Climate change
- Local environment issues

Value that the J-POWER Group Provide:

- Contributes to reducing CO₂ emissions through biomass fuel production business
- Contributes to forest preservation by employing unused forest residues

■ Biomass Fuel Production

The J-POWER Group aims to reduce CO₂ emissions through mixed combustion with biomass fuels at coal-fired thermal power plants and is planning on further expanding the same going forward. From the perspective of sustainably and stably procuring biomass fuel, the Group also engages in the business of producing wood fuel employing unused forest residues; carbonized sewage sludge fuel, which aids in the

creation of a recycling-oriented society; and other sustainable biomass fuels.

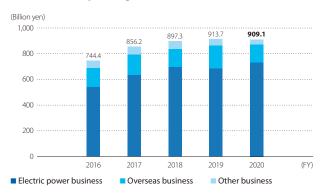


Wood pellets

Financial and Non-Financial Highlights

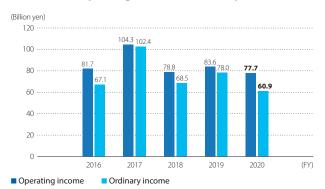
Financial Highlights

Consolidated Operating Revenue



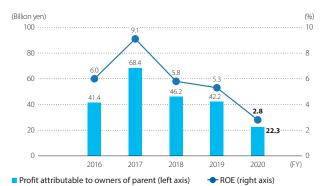
Despite an increase in electricity sales volume and soaring electricity trading prices on the Japan Electric Power Exchange (JEPX) from late December 2020 to January 2021 that boosted sales in the electric power business, sales (operating revenue) decreased 0.5% from the previous fiscal year to 909.1 billion yen mainly due to a decrease in electricity sales volume in the overseas business.

Consolidated Operating Income and Ordinary Income



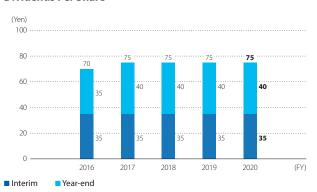
Despite a decrease in periodic maintenance costs and other repair expenses at thermal power plants, operating income declined 7.0% to 77.7 billion yen due to factors including an increase in purchased electricity from other suppliers. In addition, ordinary income decreased 22.0% from the previous fiscal year to 60.9 billion yen, due to factors including the losses related to soaring electricity trading prices, incurred by affiliates accounted for under the equity method that sell electricity procured from JEPX to retailers.

Profit Attributable to Owners of Parent and ROE



Due to impairment losses (extraordinary losses), an increase in income taxes on non-consolidated financial results, and other factors, profit attributable to owners of parent decreased 47.2% from the previous fiscal year to 22.3 billion yen, and ROE decreased 2.5 points from the previous fiscal year to 2.8%.

Dividends Per Share



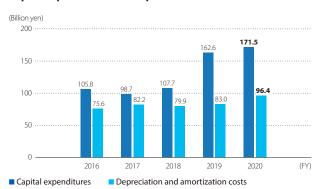
J-POWER strives to enhance stable, ongoing returns to shareholders, taking into consideration level of profit, earnings forecasts, and financial condition and while excluding factors causing short-term profit fluctuations, with a consolidated payout ratio of around 30%. For fiscal 2020, J-POWER paid an interim dividend of 35 yen and a year-end dividend of 40 yen per share.

Shareholders' Equity and Shareholders' Equity Ratio



Shareholders' equity at the end of fiscal 2020 increased by 1.3 billion yen from the previous fiscal year to 809.1 billion yen, resulting in a shareholders' equity ratio of 28.5%.

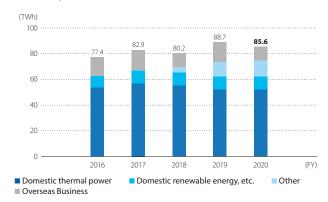
Capital Expenditures and Depreciation and Amortization Costs



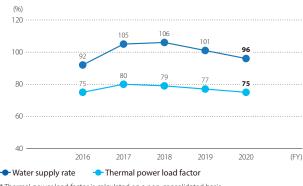
Capital expenditures increased by 5.4% to 171.5 billion yen due to factors including the progress of construction at Takehara Thermal Power Plant New Unit No. 1 and the Jackson Gas-fired Thermal Power Plant in the U.S. Depreciation and amortization costs increased to 96.4 billion yen, primarily due to the commencement of commercial operations at Takehara Thermal Power Plant New Unit No. 1.

Non-Financial Highlights

Electricity Sales Volume



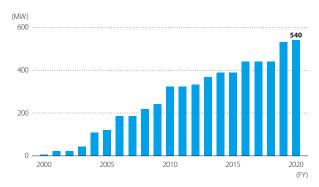
Water Supply Rate/Thermal Power Load Factor*



*Thermal power load factor is calculated on a non-consolidated basis

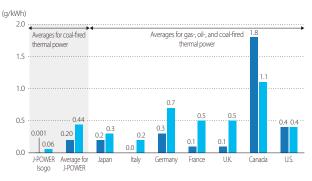
Despite a decrease in the load factor of domestic thermal power plants, electricity sales volume was almost the same as in the previous fiscal year at 52.1 TWh, mainly due to the commencement of commercial operations at Takehara Thermal Power Plant New Unit No. 1 on June 30, 2020. Despite a lower water supply rate than in the previous fiscal year, sales volume of domestic renewable energy and other electricity was almost the same as in the previous fiscal year at 10.1 TWh, due to factors including the commencement of commercial operations at Kuzumaki No. 2 Wind Farm on December 10, 2020. The volume of electricity procured from JEPX and other electricity sources and sold to retailers decreased, but sales of electricity procured from Kashima Thermal Power Plant Unit No. 2, which commenced commercial operations on July 1, 2020, contributed to a 2.0% increase in sales from the previous fiscal year across the Electric Power Business to 74.5 TWh. At the same time, electricity sales volume in the overseas business decreased 29.0% from the previous fiscal year to 11.0 TWh.

Change in Domestic Wind Power Generation Capacity



The J-POWER Group owns 25 wind power generation facilities in Japan with a total owned capacity of 540 MW, making the Group the second largest operator in Japan in terms of scale. In fiscal 2020, we increased our capacity by 45 MW with the commencement of operations at Kuzumaki No. 2 Wind Farm.

International Comparison of SOx and NOx Emissions Intensity for Thermal Power Generation



SOx NOx

Notes: 1 Emissions: OECD StatExtracts

Power generated: IEA "Electricity Information 2019" 2. J-POWER Isogo figures are fiscal 2020 results.

Through improvement of combustion methods and appropriate operation and management of flue gas treatment equipment, the J-POWER Group achieves highly efficient control of emissions of SOx and NOx at its thermal power plants. SOx and NOx emissions at the Isogo Thermal Power Plant are notably lower than emissions at overseas plants.

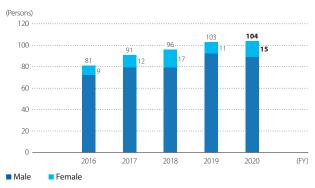
Overtime Hours Worked and Days of Paid Vacation Taken



 Average annual days of paid vacation taken per person (left axis) Average monthly overtime hours worked per person (right axis)

The J-POWER Group is advancing work reforms with the aim of becoming a company that attracts diverse human resources and enables them to excel in their own ways. In fiscal 2020, we achieved a reduction in overtime hours by 15.4% compared to fiscal 2016, significantly improving the working environment.

J-POWER's New Graduates Hired

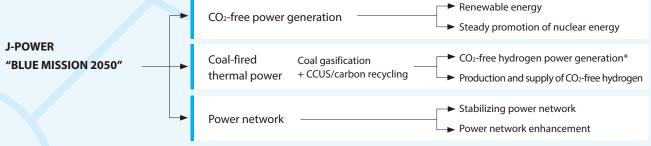


The J-POWER Group hired 104 new graduates in fiscal 2020. We have a high retention rate for human resources, with an average length of continuous service of 19.8 years and a 2.5% $\,$ turnover rate for the three years after joining.

J-POWER "BLUE MISSION

In an effort to realize a carbon-neutral and hydrogen society, in February 2021, the J-POWER Group announced the J-POWER "BLUE MISSION 2050." Offering concrete, highly feasible solutions based on the experience and technological capabilities it has cultivated, the Group aims to realize a carbon-neutral and hydrogen society.

Action Plan



 $[\]mbox{\ensuremath{^{\ast}}}$ Including the use of hydrogen extracted from ammonia for power generation

Priorities for Implementation

Acceleration

Having deployed renewable energies nationwide to date, the Group will further accelerate their expansion.

By offering power balancing capabilities through technologies such as CO₂-free hydrogen power generation, and by contributing to the enhancement of the power network,* the Group will also support the expansion of renewable energy throughout Japan.

Upcycling

The Group aims to apply new technologies at an early stage with economic rationality while reducing environmental impact by upcycling (creatively converting) its existing resources into high value-added ones.



Note: Power network enhancement is an initiative of J-POWER Transmission



CO₂ reduction targets		CO2 emissions from t domestic elec	-40% -19 million to the J-POWER Grou ctric power busine	ons l	Net-zero Realization of carb CO ₂ emissions from the J-PC domestic electric pc	oon neutrality DWER Group's
		2020		2030	2040	2050
Renewable energy (hydro, wind, geothermal)		New development on the scale of 1,500 MW globally	Additional new developments, upcycling of existing facilities			isting facilities
CO ₂ -free power sources	Nuclear power	Construction a	Construction and commencement of the operation of the Ohma Nuclear Power Plant			
	Domestic coal-fired power plants	Gradual phasing out of aging plants and shift to low carbon (Expansion of mixed combustion with biomass, introduction of mixed combustion with ammonia, etc.)				
Zero-emission power sources	Hydrogen power generation	Demonstration tests in Japan				CO ₂ -free hydrogen power generation
	Fuel production (CO ₂ -free hydrogen)	Demonstration tests overseas	Utilization in other industries			
Power network	Stabilization	Expansion of hy	of hydroelectric power, J-POWER GENESIS, and distributed energy services			gy services
Power network	Enhancement	New Sakuma Fre	Completion of the New Sakuma Frequency Converter Station, etc.		Contribution to power network enhancement	

^{*} Compared to the 3-year average of actual emissions for fiscal 2017-fiscal 2019

Notes: This roadmap will be updated and detailed as needed based on government policy conditions and the progress of industry development.

In addition, the Group will review its contents as prerequisites change.

Content partially revised in the formulation of the Medium-Term Management Plan.



CO₂-free Power Generation

Expansion of renewable energy

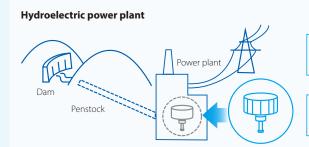
The J-POWER Group's history of developing renewable energy spans approximately 70 years, and the Group possesses an abundance of facilities as well as a wealth of expertise obtained through years of facility construction, maintenance, and operation. Renewable energy accounts for 50% of the Group's total generation capacity, and the Group is the second largest operator of hydroelectric and wind power respectively in terms of generation capacity in Japan.

As one of Japan's leading renewable energy business operators, the Group will utilize its predominance and maximize the

value of existing facilities through wind and hydroelectric upcycling while at the same time aiming for further growth by promoting new developments in fields such as onshore and offshore wind power, small-scale hydroelectric power, geothermal power, and solar power. Going forward, the Group will be prioritizing investment in renewable energy and, by fiscal 2025, will develop new facilities, expanding the Group's scope by 1,500 MW in comparison to fiscal 2017.

See page p.32 for details.

Upcycling Renewable Energy

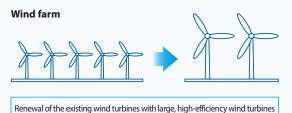


Comprehensive renewal of the existing water turbines and generators with the latest, high-efficiency facilities

Increasing the amount of power generated with more effective use of water resources



Comprehensive renewal work on Ashoro Hydroelectric Power Station Unit No. 2 (Operation started on February 19, 2021)



Increasing the amount of power generated with more effective use of wind resources $\,$



Tomamae Winvilla Wind Farm (Replacement work started in August 2020)



Shimamaki Wind Farm (Replacement work started in May 2021)

Steady promotion of the Ohma Nuclear Power Plant Construction Plans

The Ohma Nuclear Power Plant, a large-scale power plant with a capacity of 1,383 MW, will be a CO₂-free power source capable of stably producing large amounts of electricity once it begins operation. In addition, it will be the only power plant in Japan capable of using MOX fuel, made by recycling spent fuel, for the entire core.

The operation of the Ohma Nuclear Power Plant will promote the reprocessing of spent fuel in Japan and thus also

contribute to the stable operation of other nuclear power plants, which are CO₂-free power sources, throughout Japan. Further, by recycling and reusing the spent fuel generated in Japan, the plant will also contribute to improving the energy self-sufficiency of Japan, a country with limited resources.

The J-POWER Group is implementing the Ohma Nuclear Power Plant Project with ensuring safety as its top priority. See pages 38-39 for details.



Realizing a Carbon-Neutral and Hydrogen Society

Aiming to realize carbon neutrality by 2050, the J-POWER Group will further develop its comprehensive technological capabilities and the well-balanced portfolio that it has cultivated over many years, and approach this mission from various angles. This will enable the Group to handle future environmental change with flexibility and increase the certainty of realizing carbon neutrality.

The Group will further expand renewable energy and other forms of CO_2 -free power sources, and continuously contribute to the enhancement of Japan's power network.* In addition, the Group will replace thermal power with power generated through CO_2 -free hydrogen.

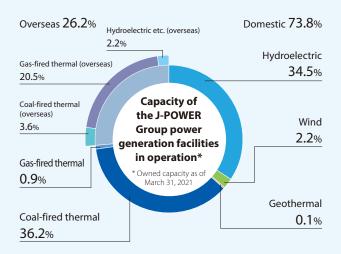
The adoption of renewable energy sources is limited in Japan due to geographical constraints, and large quantities of hydrogen will be necessary to realize carbon neutrality in sectors where electrification is difficult.

Coal is inexpensive, exists all over the world, has excellent storability, and poses little geopolitical risks. Accordingly, using coal while separating and capturing the CO₂ generated is an effective way to produce CO₂-free hydrogen stably and in large amounts

In addition to producing CO_2 -free hydrogen from coal for use in power generation, the J-POWER Group also aims to contribute to the realization of carbon neutrality in a wider range of industries by supplying CO_2 -free hydrogen to other industries such as steel and chemicals.

By doing this, the Group's business domain, which is based on the power generation business, will also be able to expand into the hydrogen market.

Well-Balanced Portfolio



Abundant Achievements in Project Development and Technology Development



Global renewable energy developments



Japan's second-largest wind farm operator



Research and development of production of CO₂-free hydrogen from coal



Power network facilities that contribute to the expansion of renewable energy



Development of CO₂-free nuclear power

Offering concrete, highly feasible, and flexible solutions

Not only expanding the power generation businesses but expanding the Group's business domain into the hydrogen market



CO₂ Emissions Reduction Target

The J-POWER Group is gradually working to achieve carbon neutrality in its domestic power generation business by 2050. As a milestone in reaching this, the Group will reduce CO_2 emissions 40% in 2030.

^{*}The power transmission and transformation business is handled by J-POWER Transmission.

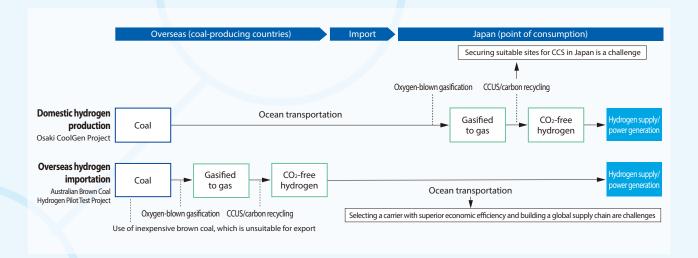
^{*} Compared to the 3-year average of actual emissions for fiscal 2017–fiscal 2019



CO₂-free Hydrogen Energy

In order to ensure the future production of CO₂-free hydrogen, the J-POWER Group is conducting demonstration tests of two methods—one being to import coal and produce CO₂-free hydrogen

in Japan, and the other being to produce CO₂-free hydrogen in coal-producing countries before transporting it to Japan, considering advantages and disadvantages of these methods.



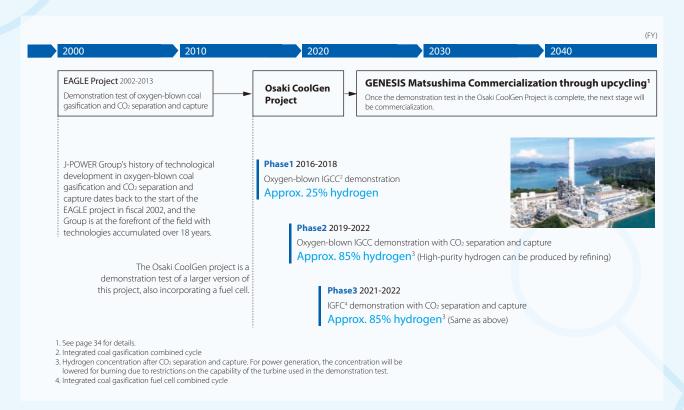
Osaki CoolGen Project

The Osaki CoolGen Project* is conducting a demonstration test of a system that produces CO₂-free hydrogen in Japan from imported coal and uses it to generate electricity.

Once the demonstration test is complete, the next stage will be

commercialization through upcycling which adds a gasification system to an existing facility under the GENESIS Matsushima Plan.

* Jointly conducted with the Chugoku Electric Power Co., Ltd. as a project subsidized by the New Energy and Industrial Technology Development Organization (NEDO), a national research and development organization.



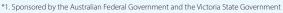
Australian Brown Coal Hydrogen Pilot Test Project

The Group is participating in a pilot test project to construct a supply chain in which hydrogen is produced*1 by gasifying brown coal*2 in Australia before transporting it to Japan. When commercialized in the future, the process will be made CO2free by capturing and storing CO₂*3 generated in hydrogen production.

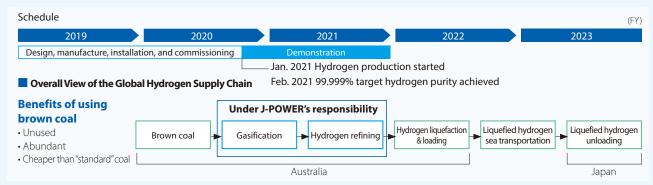


Australian brown coal gasification and hydrogen production facility Photo credit: HySTRA, J-POWER/J-POWER

Latrobe Valley



*2. Subsidized by the New Energy and Industrial Technology Development Organization (NEDO), a national research and development organization *3. Currently being planned in collaboration with the CarbonNet project being promoted by the Victoria State Government of Australia



Carbon Recycling Demonstration Project

Design, manufacture and installation

Schedule

The J-POWER Group also aims to achieve CO₂-free operations by capturing the CO₂ generated in the gasification of coal and utilizing this CO2 as a resource (carbon recycling). Through the Osaki CoolGen Project, the Group is conducting a demonstration of carbon recycling by liquefying, transporting, and utilizing captured CO₂.



CO₂ Storage Demonstration and Technology Development Projects

Storing CO2 in the ground makes it possible to dispose of large quantities of CO₂. CO₂ storage projects have already been implemented around the world, and the J-POWER Group has

also acquired expertise in CO₂ storage through its participation in demonstration tests and technological development.

	Callide Oxyfuel Project	Tomakomai CCS Demonstration Project
Implemented by	Oxyfuel Technology Pty Ltd	Japan CCS Co., Ltd.
Location	Otway, Victoria, Australia	Tomakomai, Hokkaido
CO ₂ injection period	October to December 2014	April 2016 to November 2019
Amount injected	21.1 tons	300,000 tons
Facility exterior	A CO ₂ injection test	Tomakomai CCS Demonstration Center Photo credit: Japan CCS Co., Ltd.

Others • The Group has been conducting a feasibility study since July 2021 for a CCS demonstration project to take CO2 emitted in natural gas production at the Gundih gas field in Indonesia and inject and store it underground as a Japanese Joint Crediting Mechanism (JCM) research project.

ullet The Group is developing CO $_2$ storage technology to solidify (hydrate) CO2 and store it in relatively shallow strata beneath the seafloor in order to increase storage capacity and reduce costs.



J-POWER GENESIS Vision

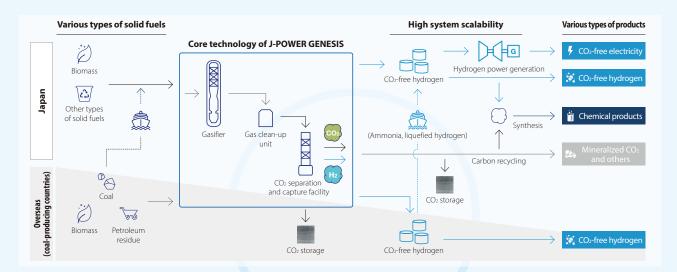
In order to realize carbon neutrality, the J-POWER Group has established its J-POWER GENESIS Vision, which uses coal gasification as a core technology with the view to realize CO₂-free

operations in the future and even negative emissions through the reduction of CO₂ in the atmosphere.

Overall Concept of the J-POWER GENESIS Vision

Through its highly scalable system configuration featuring coal gasification technology at its core, J-POWER GENESIS produces

many products such as electricity and hydrogen from various types of solid fuels.

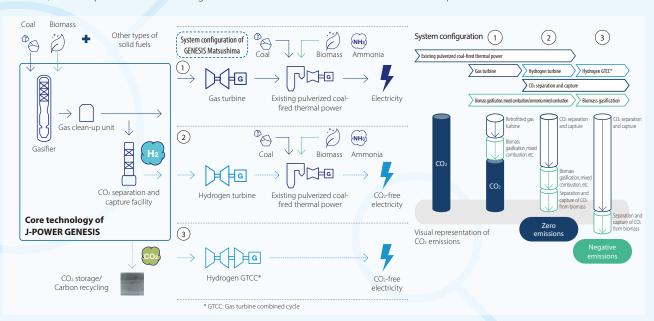


Scalability of J-POWER GENESIS

Combining the core technology cultivated through the Osaki CoolGen Project with new technologies and existing assets, J-POWER GENESIS gradually reduces CO₂ emissions while enabling flexible responses to changes in the business environment.

Further, it will be possible to achieve negative emissions

(reduction of CO₂ amount in the atmosphere) if coal is gasified together with biomass fuels produced from wood which has absorbed CO₂ from the atmosphere, then the CO₂ thus produced is separated and captured for utilization and/or storage. This is a benefit made possible because coal is a solid fuel.

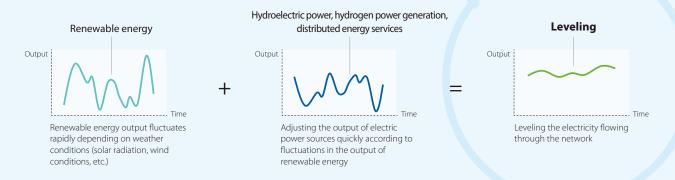


Power Network

Power Network Stabilization

Renewable energy sources such as solar and wind power experience sudden fluctuations in output due to weather conditions (solar radiation, wind conditions, etc.), meaning that introducing a large amount of such sources could lead to an imbalance between power supply and demand on the power network, resulting in large-scale blackouts. Accordingly, there is increasing

value in power adjustment capabilities which can rapidly change output and compensate for the output fluctuations of renewable energy sources. The J-POWER Group utilizes hydroelectric power, hydrogen power generation, and distributed energy services which make it possible to swiftly balance output, contributing to the stabilization of Japan's power network.



Contribution to Power Network Enhancement

Because optimal locations for renewable energy such as Hokkaido, the Tohoku region, the island of Kyushu are far away from the large cities where power is consumed, enhancing the power network which transmits generated power to consumption areas is essential to the expansion of renewable energy sources. In addition to ordinary AC power transmission lines, J-POWER Transmission owns and operates transmission and transformation facilities which utilize an array of technologies,

including DC power transmission lines, submarine cables, cables installed on bridges, and frequency converter stations that enable the exchange of electricity between eastern and western Japan, which operate on different frequencies. Possessing the expertise and technology needed for power network enhancement, J-POWER Transmission is utilizing these to contribute to the enhancement of Japan's power network.



Expansion of trunk transmission lines and inter-regional connection lines

Expansion of trunk transmission lines to transmit large amounts of electricity and inter-regional connection lines to transmit electricity across regions

- J-POWER Transmission owns a total of approximately 2,400 km $\!\!^*$ of transmission lines throughout Japan.

Expansion of DC transmission facilities

Installation of DC transmission lines (submarine cables) to transmit electricity generated by renewable energy to power consumption areas

- J-POWER Transmission owns DC interconnection facilities (submarine cables) for the Hokkaido-Honshu HVDC Interconnection Line and the Kii Channel HVDC Interconnection Line.
- J-POWER Transmission succeeded in constructing Japan's first ultra-high voltage DC power transmission facility and developing a DC XLPE cable.

Expansion of frequency converter station

Expansion of frequency converter stations to exchange electricity between eastern Japan (50Hz) and western Japan (60Hz).

- J-POWER Transmission owns the Sakuma Frequency Converter Station.
- Preparations for the construction of the New Sakuma Frequency Converter Station and the replacement and expansion of related transmission lines are underway.
- * Including DC transmission lines

Medium-Term Management Plan

As a step in the challenge to realize carbon neutrality based on J-POWER "BLUE MISSION 2050", the J-POWER Group has formulated a new Medium-Term Management Plan for the three years from fiscal 2021 to fiscal 2023.

Management Goals and Shareholder Returns

While responding to demands for the stable supply of power and strengthened resilience, the J-POWER Group will build a solid business foundation that supports initiatives aimed at achieving carbon neutrality. We will also accelerate our development of renewable energy and reduce our CO_2 emissions.

Management goals



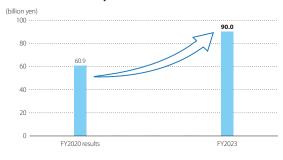
²⁰³⁰ target

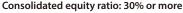
CO2 emissions reduction²

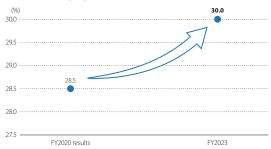
-40% or more

Compared to the 3-year average of actual emissions for FY2017-FY2019

Consolidated ordinary income: ¥90 billion or more



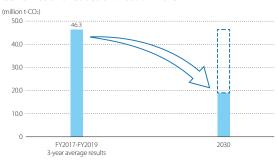








CO₂ emissions reduction: 40% or more



The basic concept of shareholder returns

The J-POWER Group will strive to enhance stable, ongoing returns to shareholders, taking into account profit level, earnings forecasts, and financial condition (and excluding factors causing short-term profit fluctuations) with the aim of a consolidated payout ratio of around 30%.

Dividend payments (yen)

(FY)

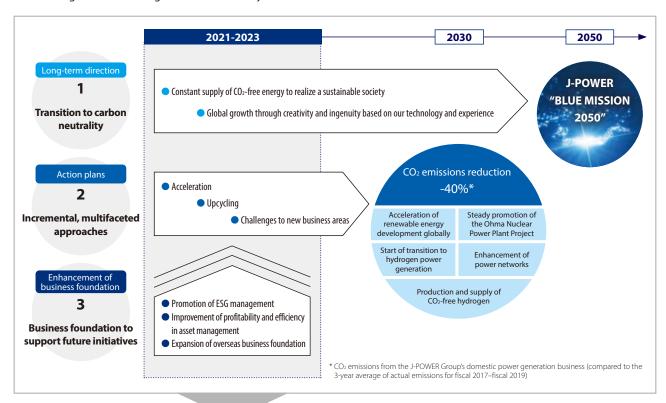
	2015	2016	2017	2018	2019	2020	2021 (forecast)
Interim	35	35	35	35	35	35	35
Year-end	35	35	40	40	40	40	40
Annual dividend	70	70	75	75	75	75	75

^{1.} This figure does not include offshore wind power projects in the domestic general sea area subject to public offerings. Other than this, an increase of 300 million kWh/year from hydroelectric power is set as a goal in fiscal 2025 (compared with fiscal 2017).

^{2.} CO₂ emissions from the J-POWER Group domestic power generation business.

The Goal of the Medium-Term Management Plan

Under the Medium-Term Management Plan, The J-POWER Group will take a multifaceted approach under the comprehensive technological and development capabilities that we have cultivated and will work to increase our corporate value while tackling the challenge of transitioning to carbon neutrality in 2050.



Increase in corporate value

The Group will strive to increase its corporate value through multifaceted challenges to the transition to carbon neutrality, including accelerating the development of renewable energy and other CO₂-free power sources, economically and speedily rebuilding the value of the existing assets by upcycling, and pursuing possibilities in new business areas.

Enhancement of business foundation

With the economic situation becoming uncertain due to the COVID-19 pandemic, the Group will build a solid business foundation that supports initiatives to realize carbon neutrality while continually responding to society's demands for a stable power supply.

Actions FY2021-FY2023

- Acceleration of the development of CO₂-free power sources
 - Acceleration of the development of renewable energy globally
 - Steady promotion of the Ohma Nuclear Power Plant Project
- 2 New value creation utilizing existing assets (upcycling)
 - Promotion of the GENESIS Matsushima Plan
 - Increase in the value of renewable energy
- 3 Challenges to new business areas
 - Pursuit of the possibility of CO₂-free hydrogen
 - Distributed energy services/social implementation of innovations
- 4 Enhancement of business foundation
 - Promotion of ESG management, improvement of profitability and asset management efficiency
 - Expansion of overseas business foundation

Action 1 Acceleration of the Development of CO₂-free Power Sources

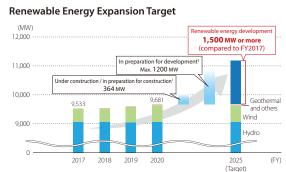
Adoption of renewable energy is expanding worldwide. The J-POWER Group will accelerate the development of renewable energy sources globally through prioritized investment allocation and strengthening of personnel. We will also safely and steadily move forward with our construction plans for the Ohma Nuclear Power Plant, a large-scale CO₂-free power source, and contribute to the strengthening of a wide-area power network that supports the mass adoption of renewable energy.

In operation In the construction phase Under survey and others In Japan Overseas In Japan Overseas In Japan Hydro 8.560 500 22 0 0 0 Onshore 540 24 110 0 Max. 800 75 wind Offshore wind 0 0 0 214 Max. 889 0 @ Geothermal 23 0 17 0 0 0 Biomass 0 12 0 0 0 0 Solar 0 22 0 0 0 213 Max. 888 Total 9.123 558 149 214 288

Note: As of March 31, 2021

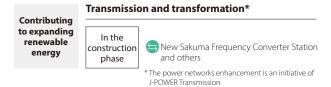
- For domestic offshore wind surveys, etc., general sea area surveys were performed at three locations other than the above, and a development consortium was created for two locations
- Generation capacity is calculated on owned capacity and, if capacity is not yet decided, on estimated maximum owned capacity.





Note: Owned capacity basis

- Includes overseas development projects
- 2. Excludes Phase II construction of Kaminokuni No. 2



Development Status of Renewable Energy. (As of July 31, 2021) New Tomamae Winvilla (Onshore wind power) 31 MW Scheduled to start operations in 2022 Triton Knoll (Offshore wind power) 214 MW Scheduled to start operations in 2021 New Shimamaki Wind Farm (Onshore wind power) 4 MW Scheduled to start operations in 2022 Esashi (Onshore wind power) 15 MW Scheduled to start operations in 2022

Generation capacity is calculated on owned capacity and, if capacity is not yet decided, on estimated maximum owned capacity. In addition to the above, a maximum of approximately 1,400 MW of offshore wind power is undergoing development surveys at three general sea areas in Japan, and a consortium at two areas has been formed to bid for development. (Developers of offshore wind projects at general sea areas in Japan are decided by bidding after each sea area is designated as an area for promotion. The generation capacity of joint projects with other companies is the estimated maximum generation capacity without consideration of equity.

• In addition to the above, mixed combustion of biomass is performed at Takasago Thermal Power Plant, Takehara Thermal Power Plant New Unit No.1, and Matsuura Thermal Power Plant.

Offshore Wind Power Initiatives (As of July 31, 2021)

Domestic

Location	Generation Capacity	Status
General sea areas (3 locations)	Max. 1,400 MW	Development survey in progress
Port areas (1 location)	Max. 220 MW 40% stake 88 MW (owned capacity)	Development survey in progress

A consortium has been formed with JERA Corporation and Equinor ASA to bid for the projects off the coast of Noshiro City, Mitane Town, Oga City, and off the coast of Yurihonjo City (north and south sides) (maximum 1,145 MW).

Off the coast of Awara City

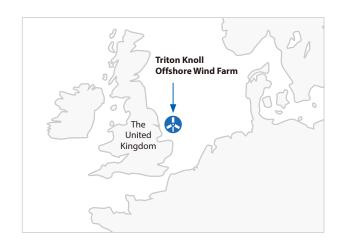
Off the coast of Noshiro City, Mitane Town, Oga City, and off the coast of Yurihonjo City (north and south sides)

Kita-Kyushu Hibikinada Offshore Wind Farm (Port areas)

Off the coast of Enoshima, Saikai City

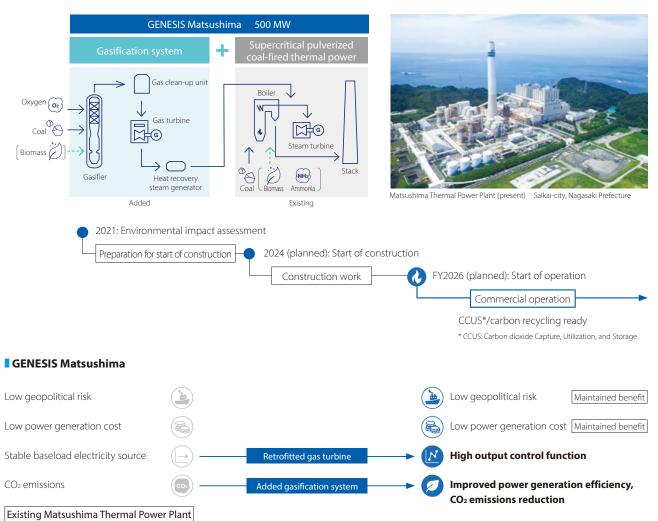
Overseas

Location	Generation Capacity	Status
Triton Knoll, The United Kingdom	857 MW 25% stake 214 MW (owned capacity)	Under construction Scheduled to begin opera- tion in 2021



Action 2 Upcycling Existing Thermal Power Plants—GENESIS Matsushima

The J-POWER Group will perform upcycling that adds new technologies to existing facilities, to enhance economic rationality and achieve the practical application of new technologies at an early stage. At the Matsushima Thermal Power Plant, which set a path for the use of imported coal following the oil crisis, we will take our first step toward the generation of CO₂-free hydrogen power.



Start of preparation for environmental impact assessment at the GENESIS Matsushima Plan

The Matsushima Thermal Power Plant in Saikai-City, Nagasaki Prefecture will celebrate its 50th anniversary in 2030. At this plant, the J-POWER Group will add a gasification system and gas turbine to existing equipment to improve efficiency through upcycling. The GENESIS Matsushima Plan marks the first commercialization of new technologies demonstrated through the Osaki CoolGen project (see p. 26). This will contrib-

ute to reducing environmental impact through improved efficiency and the stabilization of networks by demonstrating high load tracking capability in the Kyushu area, which is rich in renewable energy sources.

Mixed combustion of biomass in gasifier will also be possible, enabling further reduction of CO₂. As achieving CO₂-free power generation requires capturing generated CO₂, the GEN-ESIS Matsushima Plan uses CCUS/carbon recycling ready design that enables compatibility with future equipment.

Action 3 Challenges to New Business Areas

Pursuing the potential of CO2-free hydrogen

Realizing the use of hydrogen stably and in large quantities would require producing CO₂-free hydrogen from fossil fuels in addition to renewable energy. The J-POWER Group will pursue the possibility of producing CO₂-free hydrogen from coal globally.

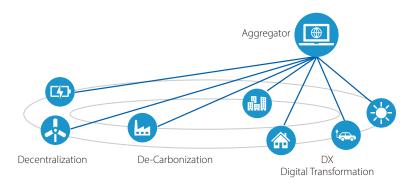
In Australia, J-POWER is participating in a demonstration test to create a supply chain for transporting hydrogen produced

by brown coal gasification to Japan. J-POWER is responsible for the brown coal gasification and hydrogen refining processes. Upon commercialization in the future, the project will produce CO_2 -free hydrogen by storing under the ground the CO_2 generated in the hydrogen production process with CCS technology. \rightarrow See p. 27

Distributed energy services

As the mass adoption of renewable energy progresses, the ability to correspond to rapid fluctuations in output of renewable energy due to weather change will grow in importance.

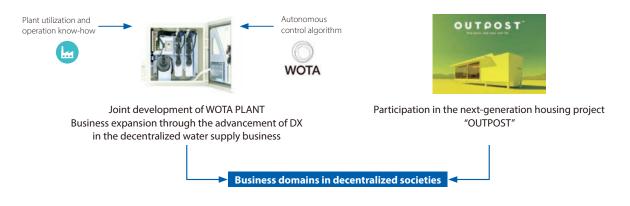
By using digital technology to consolidate resources owned by end users, the J-POWER Group will operate like a single power plant and will work to secure and leverage adjustment ability.



Accelerating the social implementation of innovation

The Group is working to fuse its assets and know-how with the technologies and ideas of start-up companies and other partners, to accelerate the social implementation of these in carbon neutrality and a decentralized society, and to capture new business domains. We participated in OUTPOST, a project for off-grid housing, meaning they are independent of existing social infrastructure such as city gas, electricity, and water. In

addition, In the water purification business, the J-POWER Group has jointly developed WOTA PLANT with WOTA CORP. We will equip hospitals, train stations, airports, and other locations, as well as water treatment plants with small-scale water supply systems, with WOTA PLANT to achieve optimal supply of water.



Action 4 Enhancement of Business Foundation

The J-POWER Group will build a foundation to support initiatives for carbon neutrality while responding to society's demands for a stable power supply and strengthened resilience. While promoting ESG management, we will improve its profitability and asset management efficiency.

Improvement of profitability

The Group will increase its electric power sales volume and reduce costs by extending the intervals between power plant regular maintenances. We will also accelerate our ongoing initiatives to reduce power generation costs and overhead costs. In addition, we will reinforce our profit base that supports transition initiatives such as the reduction of CO₂ emissions and the expansion of CO₂-free power sources, including the transformation of business processes through digital transformation (DX) and sophistication of equipment maintenance.



Promotion of ESG management

Based on our corporate philosophy "we will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world," we have been working to become a stable and growing company attractive to our stakeholders. On April 1, 2021, we appointed the director in charge and established the management department (ESG & Corporate Research Office) to step up its involvement with ESG management until now and strive to realize sustainable growth.

Environment

J-POWER "BLUE MISSION 2050"

Disclosure of climate change scenarios in line with TCFD

Social

Signing the United Nations Global Compact Involvement with the community where the power plant is located

Governance

Establishing the Nomination and Compensation Committee

Ensuring diversity in the composition of directors, audit & supervisory board members and executive officers

Improvement of asset management efficiency

The Group will reduce renewal-related investments while maintaining balance with facility reliability. At the same time, we will work to improve the efficiency of existing assets by replacing owned assets as needed.* Concerning new investment toward transitions, we will ensure profit commensurate with risks and the cost of capital by screening investment targets based on the hurdle rate corresponding to the target area and business field.

* Fiscal 2020 result: Sale of Taiwan Chiahui Power Corporation stocks (TWD 5,369 million)

Management process for investment projects

Management process	Organization	Details of initiatives
Development and proposal of investment projects	Individual business divisions	Carry out initial screening of projects developed in each division based on focus areas specified in the management plan and each division's competitive superiority, then select projects and make proposals
Deliberation	Business Strategy Committee Executive Committee	Deliberate on the possibility of the project's business value by first quantitatively evaluating aspects such as CF, and qualita- tively evaluating from various angles such as strategic signifi- cance to the management plan, ESG, and legal and compliance aspects
		•
Decision	Board of Directors	Deliberate and make final decision
Monitoring	Business Strategy Committee	Meets two times a year, checks the progress of investment proj- ects with the overseeing divisions, and reports on the existence of issues and improvement plans to the Executive Committee and the Board of Directors

^{*}The above process is for investment projects of 10 billion yen or more. To enable multifacted screenings, the Business Strategy Committee is composed of the Accounting & Finance Department, Corporate Planning & Administration Department, General Affairs Department, and Internal Audit Department.

Human resources

 \rightarrow See p. 50

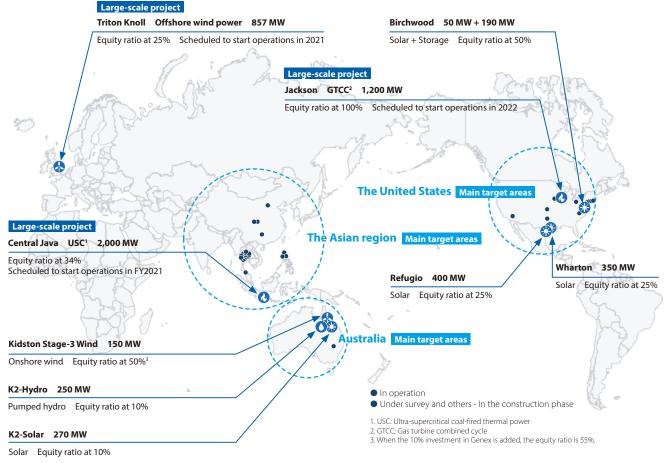
Action 4 Expansion of Overseas Business Foundation

Steady execution of large-scale projects and efforts to win greenfield projects in renewable energy and other areas

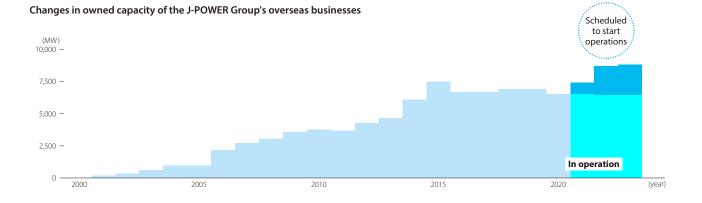
The J-POWER Group's overseas businesses, which account for 26% of its power generation capacity and over 40%* of segment income, are expected to continue to grow. We will work toward further expansion of our business foundation by acquiring new development projects while steadily executing large-

scale projects currently under construction. To improve profitability, we will take risks and work to capture greenfield projects in areas including renewable energy.

* 3-year average result for fiscal 2018-fiscal 2020: 45.6%



(As of June 30, 2021)



Promotion of the Ohma Nuclear Power Plant Project, with Safety as a Major Prerequisite

In the town of Ohma in the Shimokita-gun district of Aomori Prefecture, the J-POWER Group is constructing the Ohma Nuclear Power Plant that uses uranium-plutonium mixed oxide (MOX) as fuel. Nuclear power does not emit CO₂ during power generation; moreover, its uranium fuel can be procured stably and after use, it can be reprocessed for reuse as fuel. For these reasons, nuclear power can contribute to the stable supply of electric power and to climate change solutions as a "semi-domestic power source."

Construction of the Ohma Nuclear Power Plant began in

2008. We submitted an application for permission for alteration of the reactor installation license and an application for construction plan approval in December 2014 to confirm conformity with the New Safety Standards for Nuclear Power Stations formulated after the Fukushima Daiichi Nuclear Power Plant accident, and are now undergoing conformity review by the Nuclear Regulation Authority.

We aim to pass this review quickly, as we untiringly pursue further safety improvements and steadily move forward with the Ohma Nuclear Power Plant Project.

Social Issues

- Stable energy supply
- Securing diverse energy sources in Japan, a country with few energy resources
- Climate change

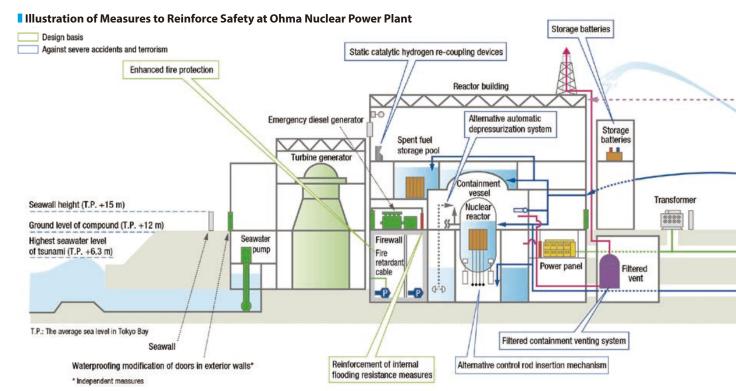
Value that the J-POWER Group Provides

- Both responding to the climate change problem and stable supply of power with CO₂-free baseload power sources
- Using MOX fuel to promote the nuclear fuel cycle and contribute to securing diverse energy sources

Overview of the Ohma Nuclear Power Plant Construction Plans

Location	Ohma-machi, Shimokita-gun, Aomori Prefecture
Capacity	1,383 MW
Type of nuclear reactor	Advanced boiling water reactor (ABWR)
Fuel	Enriched uranium and uranium-plutonium mixed oxide
Start of construction	May 2008
Start of operations	To be determined





Ohma Nuclear Power Plant Safety Reinforcement Measures and Review Status

Nuclear power is a CO_2 -free power source, meaning that it emits no CO_2 during power generation. It is able to stably generate large amounts of electricity, and thus can reliably meet society's demands for climate change countermeasures. At the same time, for energy resource-scarce Japan, nuclear power is a power source that excels in terms of stable procurement and storage of fuel, contributing to Japan's stable supply of electricity.

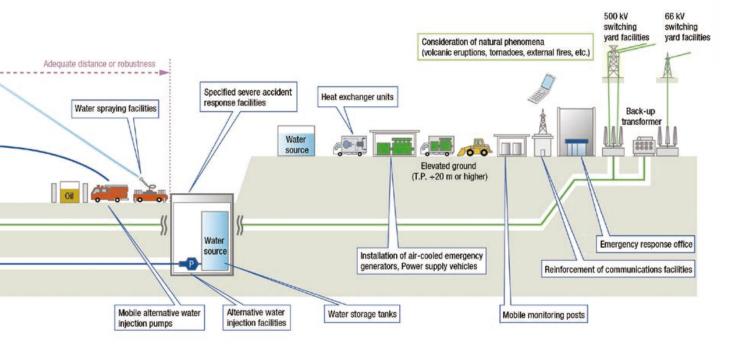
The Ohma Nuclear Power Plant is able to use MOX fuel, processed from spent fuel, for all of its fuel. In "The Basic Principles on Japan's Utilization of Plutonium" (set by the Japan Atomic Energy Commission in July 2018), the Japanese government calls for a reduction in holdings of plutonium. The Federation of Electric Power Companies of Japan released "The New Pluthermal (plutonium thermal) Program" in December 2020 and "The Plutonium Utilization Plan" in February 2021. In February 2021, the Company released the "Ohma Nuclear Power Plant MOX Fuel Utilization Plan." As this plant will be able to consume an annual 1.7 tons* of plutonium at the stage with MOX fuel loaded into entire core, it will be able to contribute to the reduction of plutonium holdings.

At the same time, it goes without saying that safety is our utmost priority. The New Safety Standards for Nuclear Power Stations, formulated by the Nuclear Regulation Authority in light of the accident at Fukushima Daiichi Nuclear Power Plant, are said to be the strictest safety standards in the world. At the Ohma Nuclear Power Plant, we are incorporating safety reinforcement measures based on these new standards and on

lessons learned from the Fukushima Daiichi accident. These measures include the enhancement of design standards to protect the functionality of plant safety facilities in the event of a tsunami, earthquake, or other natural disaster; measures to facilitate rapid response in the event of a severe accident; and countermeasures for major accidents due to causes such as terrorism. Going beyond these measures, we will also work toward self-directed, continuous safety enhancement based on the latest insights, in order to make Ohma Nuclear Power Plant one of the safest power plants in the world and to contribute to the local community and Japan.

The Nuclear Regulation Authority is currently reviewing the Ohma Nuclear Power Plant's compliance with the New Safety Standards for Nuclear Power Stations. Forty-five review meetings have been held as of the end of March 2021, and our explanations are gradually being better understood and we are making steady progress. At present, seismic motion evaluation is under review to determine standard seismic motion. As the business operator, we are unable to predict the progress of the compliance review. However, once the review has been passed, we will begin construction on facility safety reinforcement in the latter half of 2022 based on the review findings, with the aim of completion in the latter half of 2027.

*This had been set to the amount of fissile plutonium (about 1.1 tons). However, since the setting of "The Basic Principles on Japan's Utilization of Plutonium" by the Japan Atomic Energy Commission in July 2018, which notes total amount of plutonium, we have set this to the total amount of plutonium (about 1.7 tons).



J-POWER Group's Sustainability Initiatives

Under our Corporate Philosophy of "We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world," the J-POWER Group is advancing initiatives aimed at improving our corporate value from the standpoints of the environment, society, and governance.

Decisions on important company policies concerning ESG, including basic policy on sustainability and identification of material issues, are made by the Board of Directors following discussions by the Executive Committee.

■ Basic Policy on Sustainability

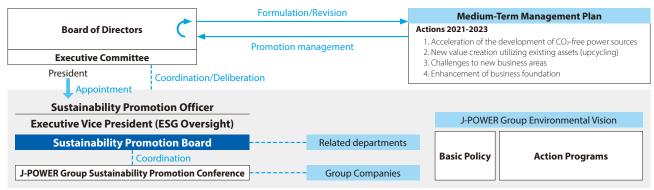
Under our Corporate Philosophy of "We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world," we, the J-POWER Group, will realize a prosperous society through our business activities both in Japan and the world, based on a relationship of trust with our stakeholders.

■ Sustainability Promotion Structures

We have established sustainability promotion structures led by the Executive Vice President (ESG Oversight). We have established the Sustainability Promotion Board and the J-POWER Group Sustainability Promotion Conference through which we promote environmental initiatives and other aspects of sustainability across the Group.



Sustainability Initiatives



* CO2 emissions from J-POWER Group's domestic power generation business (compared to the 3-year average of actual emissions for fiscal 2017-fiscal 2019)

■ Signing of the UN Global Compact

In April 2020, J-POWER was registered as one of the corporate signatories of the UN Global Compact (UNGC). At the same time, we joined Global Compact Network Japan, a group composed of Japanese signatories to the compact.

UNGC is a voluntary effort by which companies and organizations act as good members of society and participate in the creation of a global framework for sustainable growth by demonstrating responsible and creative leadership. Companies and organizations that sign the UNGC are required to observe and practice ten principles related to the four areas of human rights, labor, the environment, and anti-corruption in the development of their corporate strategies and activities.

J-POWER has engaged in efforts to improve its corporate value in the fields of environment, society, and governance (ESG). By signing the UNGC and clearly expressing our corporate stance, we will further strengthen our ESG initiatives.

The Ten Principles of the UN Global Compact Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

J-POWER Group and the Environment

To carry out environmental conservation activities across the Group as a whole, we have set forth the J-POWER Group Environmental Vision. We will contribute to the sustainable development of Japan and the world as a company involved in the supply of energy, while seeking harmony with the environment.

■ J-POWER Group Environmental Vision

The J-POWER Group Environmental Vision is based on the J-POWER Group Environmental Basic Policy and the Action Programs, and the Action Programs are composed of the J-POWER Group Environmental Action Guidelines, which are formulated every year, and the corporate targets and segment targets.

J-POWER Group Environmental Vision J-POWER Group Environmental Basic Policy Action Programs Corporate Targets Targets addressed by the entire Group that lay out medium-term issues to be addressed, targets, and means Segment Targets Targets established and addressed by each relevant department and subsidiary J-POWER Group Environmental Action Guidelines Issues to be addressed in the fiscal year

(Revised in August 2021) **J-POWER Group Environmental Basic Policy** J-POWER Group will... work on realizing carbon neutrality using our experience and technology to provide a **Addressing Climate Change** constant energy supply and bring about a sustainable society. seek to operate in harmony with local environments by adopting measures to reduce the environ-**Addressing Local** mental impact of our operations while working to save, recycle, and reuse resources in order to limit **Environment Issues** waste. **Ensuring Transparency** ensure that our business activities comply with all applicable laws and regulations, disclose a wide and Reliability range of environmental information, and enhance communication with stakeholders.

J-POWER Group and the Environment

■ J-POWER Group Environmental Vision: Corporate Targets and 2020 Achievements

In fiscal 2020, we achieved all of the items covered by our Corporate Targets.

Item	Tar	get	
	Steadily implement the following measures aimed at realizing a low-carbon society as well as contribute to the stable supply of energy and reduction of CO ₂ emissions in Japan and around the world by achieving the targets of the Electric Power Council for a Low Carbon Society's Action Plan for Achieving a Low-Carbon Society.		
	1. Expansion of renewable energy		
	Advance the new installation, upgrading, and power plants in order to expand the use of hy		
	Work to significantly expand wind power facilities, including offshore wind power generation.		
Promotion of carbon reduction and technological development in power generation	• Work to develop new geothermal power proj	ects in Japan.	
	2. Strive toward carbon reduction and zero	o emissions in coal use	
	Advance the development of high-efficiency (IGCC) technology with the aim of bringing it opment of CO ₂ capture, utilization and storag	to practical use. Advance research and devel-	
	Work to replace aging coal-fired thermal power plants with the world's leading high-efficiency coal-fired thermal power plants.		
	Promote the mixed combustion of biomass fuels in coal-fired thermal power plants (effective exploitation of untapped resources).		
	• Contribute to the reduction of global CO ₂ em ogies by expanding the coal-fired thermal po advanced, high-efficiency power generation t		
	3. Promotion of the Ohma Nuclear Power Pla	nt Project, with safety as a major prerequisite	
	Advance construction of the Ohma Nuclear Power Plant, giving highest priority to saf working to ensure the trust of the local community.		
Item	Target	Fiscal 2019 Performance	
Total thermal efficiency for thermal power generation (HHV, gross efficiency)	Maintain current level [about 40%]	40.8% (Reference: LHV = 41.9%)	
Reduction of sulfur hexafluoride (SF6) emissions (Improvement of recovery rate during inspection and retirement of equipment)	Inspection: at least 97% Retirement: at least 99%	Inspection: 99.9% Retirement: 99.3%	
Reduction of sulfur oxide (SOx) emissions (Reduction per unit of electric power generated by thermal power)	Maintain current level [about 0.2 g/kWh]	0.22 g/kWh	
Reduction of nitrogen oxide (NOx) emissions (Reduction per unit of electric power generated by thermal power)	Maintain current level [about 0.5 g/kWh]	0.50 g/kWh	
Increasing the recycling rate for industrial waste	Maintain current level [about 97%]	99.3%	
Preservation of aquatic environments	Consider the protection of river and ocean environments in business activities	Practiced consideration for the protection of river and ocean environments	
Preservation of biodiversity	Consider the protection of biodiversity in business activities	Practiced consideration for biodiversity	
Improvement of environment management level	Continual improvement of EMS	Consistently implemented the PDCA cycle	
	Promotion of carbon reduction and technological development in power generation Item Total thermal efficiency for thermal power generation (HHV, gross efficiency) Reduction of sulfur hexafluoride (SF6) emissions (Improvement of recovery rate during inspection and retirement of equipment) Reduction of sulfur oxide (SOx) emissions (Reduction per unit of electric power generated by thermal power) Reduction of nitrogen oxide (NOx) emissions (Reduction per unit of electric power generated by thermal power) Increasing the recycling rate for industrial waste Preservation of aquatic environments Preservation of biodiversity Improvement of environment	Promotion of carbon reduction and technological development in power generation. Promotion of carbon reduction and technological development in power generation.	

	Main Fiscal 2020 Initiatives	Status of Target Achievement
1	n our expansion of hydroelectric power utilization, in February 2021 we increased the output of Ashoro Hydroelectric Power Station Unit No. 2 hrough comprehensive renewal of its primary facilities, and began operations at the station. However, we plan to transmit the increased output at a ime when the available capacity of the grid can be used in the future.	
١	We also moved forward with construction on the Shinkatsurazawa Hydroelectric Power Plant Project.	
ļ	n onshore wind power, in December 2020 we started operations at the Kuzumaki No. 2 Wind Farm. We also moved forward with construction of Kamino- kuni No. 2 Wind Farm, with the Tomamae and Shimamaki replacement projects, and with preparations for construction of the Minami Ehime No. 2 project.	
	n offshore wind power, we are advancing business feasibility studies related to the Hibikinada. We also proceeded with development surveys for the Hiyama, Awara, and Saikai projects, and formed a consortium for the Akita Prefecture offshore area.	
	n the overseas wind power business, in August 2018 we acquired a stake in the Triton Knoll Offshore Wind Power Project in the U.K. We moved forward with construction of this project, aiming to begin operations during fiscal 2021.	
1	cooking at the development of new geothermal power projects in Japan, we started operations of the Wasabizawa Geothermal Power Plant in May 2019 and continued stable operation. We also started construction of the Appi Geothermal Power Plant in August 2019 and proceeded the construction. In addition, at the Takahinatayama site in Osaki City, Miyagi Prefecture, in July 2019 we began small caliber well drilling surveys aimed at future geothermal power plant development.	
	Furthermore, having shut down the Onikobe Geothermal Power Plant's existing facilities in April 2017, we began the construction of facility replacement in April 2019.	0
- 2	At the Osaki CoolGen Project, we undertook demonstration tests of oxygen-blown IGCC with CO ₂ separation and capture (Phase 2) from December 2019. We also started construction preparations for demonstration tests of oxygen-blown IGFC with CO ₂ separation and capture (Phase 3) and for CO ₂ iquefaction process demonstration.	
	n the Takehara Thermal Power Plant Replacement Project, we began commercial operation of Takehara Thermal Power Plant New Unit No. 1 in June 2020.	
	At the Matsuura Thermal Power Plant, Takehara Thermal Power Plant, and Takasago Thermal Power Plant, we implemented mixed combustion using domestically-sourced biomass fuels (such as wood pellets and dried sewage sludge).	
	Also, as preparation for large-scale mixed combustion of wood pellets at the Takehara Thermal Power Plant, we promoted initiatives to secure fuel such is unused offcuts from forested areas in Japan.	
ı	n Indonesia, we started trial operation of the Central Java Project in preparation for starting operations.	
	For the Ohma Nuclear Power Plant Project, we carried out studies for safety enhancement measures and responded to the review of compliance with he new safety standards. We also implemented initiatives to gain the understanding and trust of local residents.	

the new salety standards, we also implemented initiatives to gain the diluerstanding and trust of local residents.		
Fiscal 2020 Performance	Fiscal 2020 Performance Evaluation	Status of Target Achievement
40.9% (Reference: LHV = 41.9%)	The J-POWER Group met its target for total thermal efficiency for thermal power thanks to efforts at existing thermal power plants to maintain high-efficiency operations and to adopt high-efficiency technologies when renovating facilities.	0
Inspection: 99.7% Retirement: 99.2%	The target was met, with a recovery rate of 99.7% during inspections and 99.2% at retirement, thanks to efforts to curb emissions during equipment inspection through sound recovery and reuse.	0
0.20 g/kWh	As a result of efforts including fuel management and the appropriate operation of flue gas desulfurization systems, we curbed our SOx emissions and achieved our target for emissions per unit of electric power generated.	0
0.44 g/kWh	As a result of efforts including fuel management, combustion management and the appropriate operation of flue gas denitrification systems, we curbed our NOx emissions and achieved our target for emissions per unit of electric power generated.	0
99.2%	We achieved our targets through efforts to promote the recycling of coal ash and to reduce industrial waste generated by the maintenance and operation of power plants.	0
Practiced consideration for the protection of river and ocean environments	At operating power generation facilities that are involved with rivers, we implemented measures for the protection of the river environment appropriate to the conditions at each location. These included the implementation of sedimentation disposal measures and measures to mitigate the long-term persistence of turbidity. At operating power generation facilities that adjoin the ocean, we implemented precise control over	0
	effluent in compliance with environmental protection agreements and other such arrangements.	
Practiced consideration for biodiversity	We showed consideration for the protection of ecosystems and the diversity of species in conducting our business activities and worked to protect rare animal and plant species and their habitats.	0
Consistently implemented the PDCA cycle	We implemented the PDCA cycle consistently and worked to raise the level of environmental management.	0

Climate Change Scenario Analysis

In February 2021, the J-POWER Group announced J-POWER "BLUE MISSION 2050," an initiative aimed at achieving a carbon-neutral and hydrogen society by 2050.1

Based on this initiative, we conducted a deeper 2050 scenario analysis² in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) presented in last year's Integrated Report, and also conducted a scenario

analysis for the midway point of 2030.

This scenario analysis can fluctuate depending on preconditions, they are the result of calculations made under certain assumptions and simplified for the purpose of assessing the scale of impact.

- 1. See pages 22-29 for information on J-POWER "BLUE MISSION 2050."
- See pages 12-15 of the "J-POWER Group Integrated Report 2020" (link below) for information on the scenario analysis in the previous year https://www.jpower.co.jp/english/ir/pdf/2020.pdf



Note: For convenience, "coal" and "thermal power generation" in this scenario analysis include hydrogen power generation using hydrogen generated through coal gasification.

■ Scenario Analysis 2050 (1) Scenario Formulation

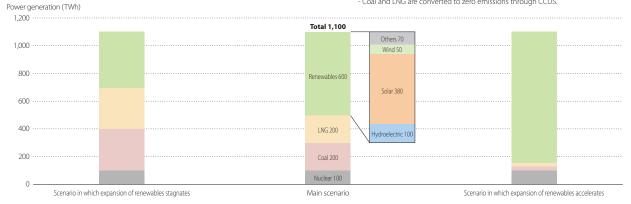
Whatever Japan's energy mix is in 2050, CO2 emissions must be made net zero (i.e., carbon neutral). The J-POWER Group considers the main scenario to be one in which renewable energy (hereinafter "renewables"), thermal power generation with CCUS (coal and LNG), and nuclear power generation coexist in balance. In Japan, the mass adoption of renewables faces geographic and power network-related restrictions; furthermore, the capability for rapid adjustment of electricity output to regulate the balance of supply and demand in a power grid is necessary for mass adoption of renewables that are subject to output fluctuations. Accordingly, we believe that thermal power generation with CCUS will remain necessary.

However, although the main scenario contains certain assumptions concerning the environment surrounding the power generation business, these may differ from the actual environment in 2050.

Accordingly, we analyzed not only the main scenario but also scenarios with different preconditions for renewables and thermal power, which are thought to exert a large impact on the J-POWER Group.

Energy mix in Japan

- Coal and LNG include mixed combustion with biomass, ammonia, hydrogen, and mono combustion of hydrogen.
- Coal and LNG are converted to zero emissions through CCUS.



Assumptions

- Stagnation of expansion of power grid
- Insufficient locations for siting of renewables
- Rise in development cost of renewables
- Stagnation of offshore wind power development
- Stagnation of decentralization through solar power + storage batteries
- Progress of decentralization in small-scale demand (solar power + storage batteries)
- Expansion of power grid
- Sufficient locations for siting of renewables
- Achievement of CCUS at appropriate cost
- CCUS unachieved/costly
- Insufficient CO2 storage sites
- Obstacles to fossil fuel procurement (supply chain collapse)
- Powerful policy incentives for renewables
- · High carbon pricing

■ Scenario Analysis 2050 (2) Scenario Analysis

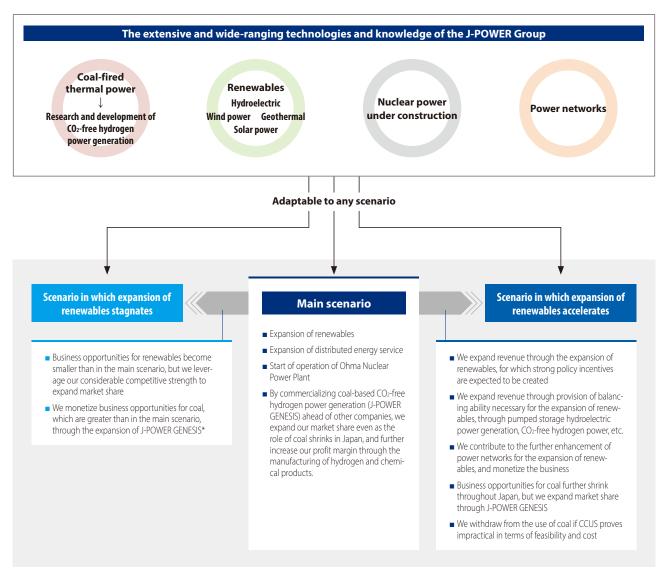
By 2050, a time 30 years from now, most existing power plants in Japan will face difficulties in operation and declining profitability due to aging. For that reason, not only the J-POWER Group but all companies that remain in the power generation business heading into 2050 will need to discontinue nearly all of their power plants and invest in new ones at some point.

This means that every company's power source portfolio will inevitably undergo reassessment as 2050 approaches. Accordingly, the power source portfolios that companies own at present will not directly work to their advantage or disadvantage in forming the CO₂-free power source portfolios of 2050. Rather, the technology and the knowledge of each company will greatly affect those portfolios.

The J-POWER Group has accumulated abundant and

wide-ranging technologies and knowledge that extend to the formation and operation of a balanced power source portfolio, nuclear power plant construction, promotion of offshore wind power development, and research and development into CO₂-free hydrogen production and power generation. This allows us to flexibly select targets for investment.

Accordingly, as we are not forced to commit to specific types of power sources, we can adapt to any scenario for the year 2050 and can invest in the CO_2 -free power sources that are expected to offer the highest return in each scenario. In addition, as many of our current facilities have undergone depreciation and will have completed their return on investment by 2050, we expect that these are unlikely to become stranded assets.



^{*} See page 28 for information on J-POWER GENESIS.

Climate Change Scenario Analysis

■ Scenario Analysis 2030 (1) Scenario Formulation

In the previous section, we analyzed the scenario associated with the change in energy mix when carbon neutrality is achieved by 2050.

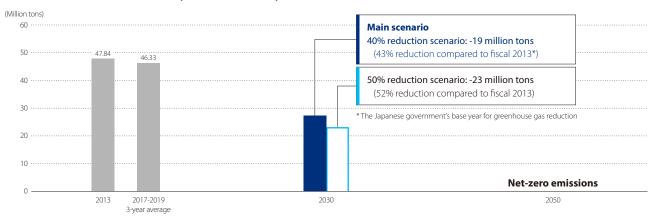
However, regarding the pace at which CO_2 emissions must be reduced by 2050, a variety of scenarios can be considered, and each scenario has a different impact on the J-POWER Group.

Here we analyze the impacts of the CO₂ emissions reduction

required for the J-POWER Group at a stage prior to 2050, taking 2030 as an example.

We also analyze a scenario in which further CO₂ emissions reduction is required, while maintaining the main scenario with its target of reducing CO₂ emissions from the domestic electric power business by 40% from the fiscal 2017-2019 three-year average in 2030, as outlined in J-POWER "BLUE MISSION 2050."

CO2 emissions from the J-POWER Group's domestic electric power business



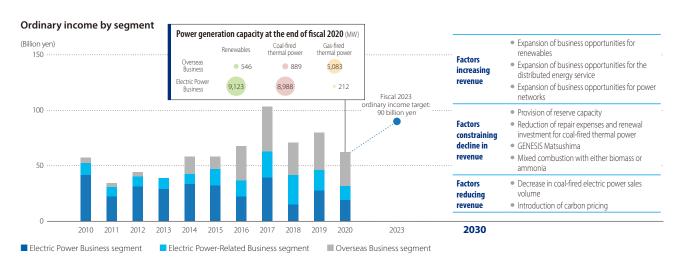
■ Scenario Analysis 2030 (2) Factors in Scenario Analysis

Given the considerable time constraints imposed by the nineyear period remaining until 2030, construction and replacement of power sources, commercialization of new technologies, enhancement of transmission lines as infrastructure, and so on are very likely to be limited. Our power source portfolio in 2030 will depend largely on our current power source portfolio.

Accordingly, when the J-POWER Group moves forward with the reduction of CO_2 emissions targeted for 2030, we will face

limitations in avoiding adverse effects on profit and loss through changes in our portfolio.

To counter this, the J-POWER Group plans to capture new business opportunities in the reduction of CO_2 emissions and aim for monetization, working to mitigate adverse effects. In the case that Japan as a whole attempts to reduce CO_2 emissions rapidly by 2030, secondary changes will occur in the environment of the electric power business, which could have positive impacts on the profit and loss of the J-POWER Group.



■ Scenario Analysis 2030 (3) Effects on Renewables, etc.

	Factors	Main Scenario (40% reduction scenario)	50% Reduction Scenario
	Amid a decrease in thermal power sources and supply capacity in Japan overall, strong expectations are placed on the expansion of renewable energy. The foundation for business expansion	We have currently set a new generation capacity development target of 1,500 MW above our fiscal 2017 level by fiscal 2025, a target amount already exceeded by the total maximum estimated capacity of projects currently in stages from survey to construction. If all of these projects begin operation by 2030, income will increase by over 10 billion yen, assuming profitability in line with current FIT power sources.	
Revenue expansion from	sion will continue and improve through the avoidance of excessive competition among different forms of renewable	income will further increase if we succeed in bids for offshore wind power projects in domestic general sea areas, which are not included in targets.	
renewable energy	energy and through the provision of policy incentives.	Taking development lead time into account, the number of new projects for which we can undertake development and begin operation by 2030 is limited by the time remaining. However, we will undertake as many projects as possible.	
	Renewable energy sales prices rise due to increase in demand for renewable energy.	Regarding approximately 10 billion kWh of hydroelectric power generation, which is not subject to FIT, the income increases by about 1 billion yen if its sales prices rise by 0.1 yen by the increase in contract sales prices and non-fossil fuel energy certificate sales.	
Expansion of business opportunities for the distributed energy services	ortunities for the distributed as the expansion of solar power generation and storage batter- lies in homes and buildings is essential for the mass introduc- lies in homes and buildings is essential for the mass introduc-		distributed energy service business
Revenue expansion in	We will expand revenue through provision of the balancing capability necessary for the expansion of renewable energy in Japan.	We aim to maximize the value of the balancing capabilities including pumped age hydroelectric power generation.	
businesses related to power networks	We will acquire power network enhancement projects necessary for the expansion of renewable energy in Japan.	We aim to expand revenue by acquiring power network enhancement projec Construction of the New Sakuma Frequency Converter Station and related trasion line enhancement and replacement work are already underway, with contion scheduled for 2027.	

■ Scenario Analysis 2030 (4) Effects on Coal-Fired Thermal Power Plants

Factors	Main Scenario (40% reduction scenario)	50% Reduction Scenario	
Decrease in coal-fired electric power sales volume	Coal-fired thermal electric power sales volume decreases by about 40%; income decreases by about 10 billion yen on an ordinary income basis.	If we achieve a 50% reduction of CO ₂ emissions through a decrease in electric power sales volume, coal-fired thermal electric power sales volume decreases by about 50% and income decreases by about 15 billion yen on an ordinary income basis.	
		Assuming the purchase of carbon credits for 10% of the CO ₂ for which additional reduction beyond the main scenario is required, approximately 4 million tons of carbon credits will be necessary.	
Introduction of carbon pricing	_	Accordingly, if the cost of purchasing carbon credits cannot be passed on to the sales price, in terms of sensitivity, we will incur a burden of approximately 4 billion yen total, at a carbon credit price of 1,000 yen/ton, an additional factor behind the decrease in revenue from the main scenario.	
		However, if a decrease in electric power sales volume means less decline in revenue, we will decrease electric power sales volume and the revenue decline impact will be at most 15 billion yen.	
	While reducing electric power sales volume from coal-fired thermal power plants, we will retain facilities as reserve capacity for power generation only during peak demand, and will obtain income on the capacity market, etc.		
	If we do not discontinue capacity corresponding to the decrease in electric power sales volume but provide it as reserve capacity, then in terms of sensitivity, we will realize annual income of approximately 40 billion yen under the main scenario and approximately 45 billion yen under the 50% reduction scenario, at 10,000 yen/kW-year.		
Provision of reserve capacity	However, as expenses related to equipment maintenance costs will increase in comparison to the case in which we discontinue facilities, the revenue impact will be the amount obtained by deducting the facilities maintenance costs from the above income. If the current level of facilities maintenance costs remains, facilities maintenance costs will be approximately 40 billion yen under the main scenario and approximately 50 billion yen under the 50% reduction scenario. However, as the load factor will become significantly lower than its current level, some repair expenses and consignment expenses can be reduced (a total of approximately 20 billion yen out of approximately 40 billion yen under the main scenario and approximately 25 billion yen out of approximately 50 billion yen under the 50% reduction scenario).		
Reduction of repair expenses Anticipating the constraint of operations from 2030, we will constrain repair expenses and renewal investment for coal-fired that.		in repair expenses and renewal investment for coal-fired thermal power plants prior to	
and renewal investment for coal-fired thermal power	Actual repair expenses for coal-fired thermal power will be approximately 45 billion yen per year and investment for renewal will be about 20 billion yen per year, some of which can be reduced.		
	We will reduce emission intensity through high-efficiency power generation from coal gasification-based hydrogen, and will constrain the decrease in electric power sales and the increase in power generation costs due to carbon pricing.		
GENESIS Matsushima	Through upcycling of assets with advanced depreciation, the amount of capital expenditure will be low and the cost-effectiveness of CO ₂ reduction will be high.		
Biomass/ammonia mixed	We will reduce emission intensity through mixed combustion with the increase in power generation costs due to carbon pricing.	either biomass or ammonia, and will constrain the decrease in electric power sales and	
combustion	There are issues to be solved such as procurement of biomass and ammonia, but we will work on them as much as possible.		

Environmental Initiatives

In addition to our CO₂ reduction initiatives aimed at achieving carbon neutrality, the J-POWER Group works to achieve global sustainable growth through efforts that include the reduction of environmentally harmful substances, creation of a recycling-oriented society, and conservation of the biodiversity.

Addressing Global Environment Issues

The J-POWER Group's main businesses are its domestic and overseas electric power generation businesses. Accordingly, we pursue to address global environment issues, especially climate change, which we view as materiality for the Group. The J-POWER Group aims to both achieve global economic development and address the climate change issue. To make it happen, we are implementing a variety of initiatives.

For information on specific initiatives, please refer to the following pages.

- J-POWER "BLUE MISSION 2050" p.22-p.29
- Medium-Term Management Plan p.30-p.39

Issuance of "J-POWER Green Bond"

In January 2021, the J-POWER Group issued the J-POWER Green Bond (72nd issuance of unsecured corporate bonds), J-POWER's first bond that allocates funds toward renewable energy and other businesses that contribute to addressing climate change. Proceeds from the bond issue were allocated to three renewable energy development projects. As of the end of March 2021, we have begun commercial operation of all of these projects, achieving effects in environmental improvement (i.e., reduction of CO₂ emissions).

Report on the allocation of funds (as of the end of March 2021)

Item	Amount
Amount raised (net amount)	¥19.9 billion
Amount allocated*	
Setana-Osato Wind Farm (Hokkaido)	¥9.9 billion
Nikaho No. 2 Wind Farm (Akita Prefecture)	¥8.0 billion
Kuzumaki No. 2 Wind Farm (Iwate Prefecture)	¥2.0 billion
Unallocated balance	¥0 billion

^{*} The proceeds are being used in entirety for the refinancing of construction funds for onshore wind farms: the Setana-Osato Wind Farm, Nikaho No. 2 Wind Farm, and Kuzumaki No. 2 Wind

Environmental Improvement Effects

Period for calculation of environmental improvement effects: April 1, 2020–March 31, 2021

Туре	Project	Generation Capacity	Environmental improvement effect (CO ₂ emissions reduction) ¹	
Wind	Setana-Osato Wind Farm	50MW	166 000 + CO /voor	
power	Nikaho No. 2 Wind Farm	41MW 166,000 t-CO ₂ /ye		
	Kuzumaki No. 2 Wind Farm ²	45MW	(FY2020 result)	

^{1.} Calculation method for environmental improvement effect: Electric power sales volume x

Addressing Local Environment Issues

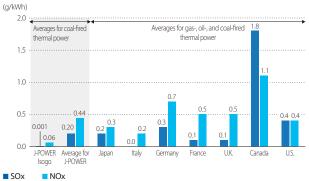
The J-POWER Group sets out environmental considerations for every stage of its businesses and engages in environmental conservation initiatives that draw on the latest technologies and knowledge.

Reducing Emissions of Environmentally Harmful Substances

To reduce emissions of environmentally harmful substances such as sulfur oxide (SOx), nitrogen oxide (NOx), and soot at thermal power plants and other facilities, we engage in high-efficiency control of emissions through improvement of combustion methods and through appropriate operation and management of desulfurization and denitrification systems, electrostatic precipitators, and other flue gas treatment equipment. This equipment operates automatically with the aid of measurement devices that continuously monitor the status of flue gas. We use 24-hour monitoring by human operators to confirm that emissions do not exceed benchmark values specified by the Air Pollution Control Act and environmental protection agreements, and have readied systems for swiftly responding to anomalies.

Emissions of SOx and NOx from thermal power plants that we operate are shown in the table below. The figures are quite low by international standards.

International Comparison of SOx and NOx Emissions Intensity for Thermal Generation



Notes: 1. Emissions: OECD StatExtracts

Power generated: IEA "Energy Balances of OECD Countries 2019 Edition" 2. J-POWER and Isogo figures are fiscal 2020 results.

Creation of a Recycling-Oriented Society

Maintaining and Improving the Industrial Waste Recycling Rate

The J-POWER Group's target industrial waste recycling rate is 97%. The total amount of industrial waste we generated in fiscal 2020 was 2.05 million tons, with a recycling rate of 99.2 %.

■ Making Effective Use of Coal Ash and Gypsum

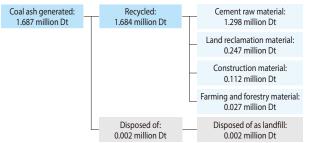
The J-POWER Group's industrial waste consists of 97% coal ash and gypsum from thermal power stations.

We recycle 99.9% of coal ash produced in coal-fired thermal power generation, mainly as material for making cement and for land reclamation. We recycle 99.8% of the gypsum and 100% of sulfuric acid produced as byproducts of emissions desulfurization.

carbon intensity (No. 2103002 Japan Electric Power Exchange)

2. Result is for about four months of operation at the Kuzumaki No. 2 Wind Farm, which began operation in December 2020.

Breakdown of Coal Ash Recycling (displacement tons)



Note: Sums of figures may not equal totals due to rounding.

Environmental Impact Assessment

Before building or expanding power plants, we conduct environmental impact assessments in accordance with applicable laws and regulations and implement adequate environmental preservation measures, taking the opinions of local residents into consideration. After a power plant becomes operational, we carry out ongoing monitoring in accordance with environmental protection agreements entered into with relevant local governments to ensure that our environmental preservation measures are effective. Currently, 21 projects are in the process of environmental impact assessment (as of July, 2021).

Preservation of Aquatic Environments

The J-POWER Group has set the preservation of aquatic environments as a Corporate Target under the J-POWER Group Environmental Management Vision. In line with this, we engage in environmental preservation measures aimed at rivers and seas, based on the specific regional environments and characteristics of our business sites.

- Hydroelectric power stations: Measures concerning water quality and the accumulation of silt in dam lakes and downstream areas; etc.
- Thermal power stations: Management of effluent released into nearby seas in accordance with applicable laws and regulations; etc.

Preservation of Biodiversity

During the planning and design stages of power generation facilities, we incorporate environmental preservation measures to mitigate the impact on surrounding ecosystems and environments where plants and animals live and grow, based on the results of environmental impact assessments. We strive to preserve plants and animals that live and grow in the vicinity of operating power plants, particularly rare species and their habitats. These measures are tailored to local environments and characteristics. For example, every effort is made to avoid outdoor work during the nesting season of the Japanese golden eagle and other endangered birds that live in the vicinity of the Okutadami Dam and Otori Dam. Another example is the restoration, maintenance, and management of marshes that became landfill areas when the Okutadami Dam was expanded.

In addition to proper conservation of the forests we own near our hydroelectric power facilities throughout Japan, the J-POWER Group contributes to forest preservation and the reduction of CO_2 emissions through efforts to combust coal together with biomass fuel pellets, made from forestry offcuts, at coal-fired thermal power stations.

■ Ensuring Transparency and Reliability

The J-POWER Group has introduced an environmental management system (EMS) based on the ISO 14001:2004 standard of the International Organization for Standardization and the JISQ 14001:2004 standard of the Japanese Industrial Standards, at all of our business sites for conducting environmental conservation activities based on the J-POWER Group's Environmental Vision. We are advancing efforts to improve the level of our environmental management and to strictly comply with laws and agreements.

We also actively engage in environmental communication activities with our local communities.

Improvement of Environmental Management Level

On the basis of the J-POWER Group Environmental Action Guidelines that are reviewed annually by J-POWER's management, we draw up Environmental Action Plans, periodically review and evaluate initiatives, and revise measures to be taken, following the PDCA cycle. In this way, we work to constantly enhance environmental management.

In addition, the J-POWER Group plans and implements environmental education, using such means as online classes and e-learning, to foster a deeper awareness of environment issues and sense of personal responsibility among employees.

Full Compliance with Laws, Regulations, Agreements, and Other Rules

In order to constrain the impact of our business activities on the surrounding environment, we take appropriate steps to comply with laws, regulations, agreements, and other rules applicable to our business activities, and work to make these widely known. We also engage in ongoing efforts to improve our facilities and operations. In order to dispose of waste properly, we take measures to maintain and improve the disposal capabilities of waste disposal operators, employing waste disposal consulting firms to directly confirm the status of waste disposal by local organizations.

Regarding the management of environmental incidents, based on our environmental management systems, we make every effort to prevent environmental incidents before they occur and to minimize harm if they do occur. We have in place a notification framework for the occurrence of environmental incidents, under which we notify local agencies concerned as well as the J-POWER Head-quarters Emergency Response Team and related departments.

The J-POWER Headquarters Emergency Response Team promptly notifies top management and, in the interest of information disclosure, releases information on emergencies to the media and other relevant parties. We also devise measures to prevent recurrences. In fiscal 2020, there were two environmental incidents that were reported through the mass media.

J-POWER Group and Human Resources

The J-POWER Group is developing human resources that can take on the challenges of various management issues. The Group is doing that by supporting the autonomous growth of diverse human resources through the fostering of a culture in which employees can continue to learn regardless of age. By meeting the diverse needs of individual employees through the realization of flexible working styles and, at the same time, fully ensuring workplace safety and employee health, the Group is engaged in the creation of workplaces which promote continuous innovation and in which diverse human resources are motivated and flourish.



■ Recruiting and Making Effective Use of Human Resources

Approach to Human Resource Recruitment

The J-POWER Group's approach is realizing stable recruiting in the interest of sustainable growth, seeking diverse human resources in a wide range of fields and age groups, and providing employees with opportunities to take an active part. In addition, we are engaged in creating systems and working environments that enable our diverse personnel to fully demonstrate their capabilities, without regard for gender, age, or other such distinctions.

Measures to Promote Diversity

J-POWER promotes women's participation and advancement in the workplace. Having set the goal of at least 10% of new hires being women, in fiscal 2021, out of 104 newly recruited graduates in J-POWER, 15 (14.4%) were women.

Looking at the employment of older workers, since April 2021, the J-POWER Group has gradually begun raising its mandatory retirement age, and will ultimately extend it to the age of 65. In combination with our existing employment extension system; and the personnel registration system (available up to the end of the fiscal year in which an employee reaches the age of 70), which introduces job opportunities in the Group; the additional service of senior personnel possessing experience, skills, and motivation to work, will be harnessed in the sustained growth of our business. As of the end of March 2021, there were 554 employees in the J-POWER Group working using the employment extension and personnel registration systems.

Regarding employment of persons with disabilities, J-POWER's employment rate of persons with disabilities was 2.45% as of June 1, 2021. We are enhancing working environments and promoting understanding among other employees through such initiatives as establishing a consultation desk where employees with disabilities can discuss employment assistance and working environments, as well as making office buildings barrier-free. We will continue making efforts to raise our employment rate of persons with disabilities. In addition, in order to build a workplace where diverse human resources can flourish, we aim to promote understanding of the basic philosophy of the J-POWER Group via level-specific training, human rights training, and other employee training.

Protection of Employees' Rights

In accordance with the laws and regulations of each country in which we operate, the J-POWER Group protects the basic rights of its employees, including the prevention of child labor and forced labor, protection of the right to freedom of association, protection of the right to collective bargaining, and compliance with minimum wages. The Group also thoroughly prohibits discrimination in all its forms, including on the grounds of birth, nationality, race, creed, religion, gender, physical condition, and social status.

In order to protect the rights of employees and to maintain and improve their living standards, we obligate employees who are not in management positions to join labor unions and form collective agreements between our companies and their respective labor unions. In addition to consulting with the labor unions on important changes in working conditions, including salaries and bonuses, we hold discussions on management policy with labor unions once a year in order to

reflect the opinions of employees in management policy.

Human Resource Strategy and Management Strategy

The J-POWER Group's human resource strategy is to support the autonomous growth of diverse personnel through the fostering of a culture in which employees can continue to learn regardless of age. By cultivating human resources that can resolutely take on the challenges of transforming themselves and the Group, we aim to encourage efforts to deal with management issues, and further management strategy from the personnel side.

■ Human Resource Development

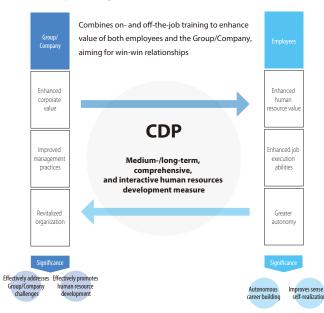
Human Resource Development Program

As a measure to develop human resources, the J-POWER Group has introduced a Career Development Program (CDP), promoting the cultivation of personnel who can take on the challenges of management issues with knowledge in multiple specialized areas and a broad perspective, developing all our employees into autonomous professionals.

Overview of the CDP

The CDP is based on personnel requirements, job rotation, and career building support systems. Through initiatives implemented from a number of angles via human resource development measures combining on- and off-the-job training, we aim to increase the value of both the Group and employees.

CDP Conceptual Diagram



Personnel Requirements

The Group lays out the kinds of human resources that it needs as targets for its human resource development efforts, while employees use these targets as guideposts for their own career building and skill development efforts.

Job Rotation

The Group divides its employees' careers into three broad stages: the basic knowledge and skill acquisition stage, the expert stage, and the professional stage. Job rotation helps employees gain the abilities necessary for each stage.

Career-Building Support Systems

To support employee's independent career-building efforts, the Group systematically operates a range of support systems.

[Declaration System]

Every year, employees make a declaration to the companies about their future career outlook, based in part on an examination of their execution of work duties and abilities. The employee's manager discusses the declarations with the employee, offers advice as appropriate from a medium- to long-term human resource development perspective, and plans and implements employee rotations as needed.

[Training System]

The Group implements training systems in step with each employee's career stage, required skills, career path, and personal motivation. These include level-specific training and department-specific training¹ as well as objective-specific training; self-improvement through distance or campus-based education; sending employees to study or work at universities or other institutions, including NGOs, in and outside Japan; and selective leadership training. In addition, through various open internal recruitment systems², we support autonomous career building and taking on new challenges.

- The technical departments (civil and architectural engineering; hydroelectric power; transmission and transformation; telecommunications; thermal power; and nuclear power) each have their own training facilities in order to systematically develop engineers
- Open internal recruitment is used for sending employees to study or work at universities or other institutions in and outside Japan, participation in social issue-solving businesses in emerging countries, and in-house internships

Human resource development through such training programs is aimed not only at ensuring our human resources acquire the basic knowledge and skills necessary for our business, but also at fostering next-generation leaders, promoting diversity, and empowering our veteran employees.

Support for CDP for Female Employees

We have a CDP for women by job type with the aim of enabling women to continue working and building careers even when life events, such as giving birth, temporarily restrict the work they can do. The CDP serves as a useful reference for female employees and their supervisors when thinking about career development.

Support for Developing Junior Employees

To promote the development of junior employees and more active workplace communication, we appoint on-the-job trainers at workplaces for new hires and seek to thoroughly reinforce on-the-job training by involving entire workplaces, including more senior employees and supervisors, in employee development.

J-POWER Group and Human Resources

■ Evaluation and Management System

We have adopted an evaluation system that is based on a goal management system. The system encourages employees to perform work autonomously, heighten their drive to achieve, and improve their job execution abilities while working toward achieving their goals. We also set organizational goals with the aim of realizing organizational strategies through cooperation. Employees set goals at the beginning of the fiscal year which

they then work toward achieving. Meetings between employees and their supervisors are held at the beginning, middle, and end of the fiscal year to evaluate, respectively, the appropriateness of their goals, their progress toward them, and the final degree of achievement. These meetings also provide opportunities to give advice on how employees can reach their goals and to hear their workplace-related opinions and requests.

■ Example Human Resource Development Initiatives

Example International Department Initiatives

In developing and managing our overseas business, the J-POWER Group holds joint training on topics such as international law, taxes, finance, crisis management, compliance, and business English for administrative and technical employees.

In addition, we provide on-the-job training in our overseas consulting business for our technical employees, acquiring expertise and technical capabilities through the design and supervision of the construction of power plants and electric power facilities overseas while at the same time utilizing these as opportunities for human resource development.

Renewable Energy Department Example Initiatives

Consolidated subsidiary J-POWER HYTEC Co., Ltd., which operates and provides maintenance for hydroelectric power plants and wind farms, engages in cross-departmental human resource exchanges. In fiscal 2020, the company engaged in a trial technical exchange initiative in which employees working at hydroelectric power plants and substations were given the opportunity to experience an inspection tour at a wind farm. Through such initiatives, the Company aims to develop human resources through the acquisition of expertise and know-how from different departments.

Interview with an Employee Who Has Experienced On-the-Job-Training in Our Overseas Consulting Business



Participating in On-the-Job-Training as Part of a Project to Expand an Existing Hydroelectric Dam in Laos

Training Period: January 2018 to March 2019 (1 year, 3 months)

Mamoru Katsuki (joined in 2010, civil engineer) Engineering Office / Project Promotion Office, International Business Development Department, J-POWER



Katsuki (third from the right) at a factory inspection

As part of on-the-job training, I participated in a project implemented as a yen loan project by the Japan International Cooperation Agency (JICA). I took part in the management of civil engineering construction, joining inspections at site and factories, going on safety patrols, and engaging in other duties. The training was a valuable experience, giving me the knowledge and perspective needed to implement overseas projects.

The people involved in the project came from several countries—Japan, Laos, Vietnam, and the Philippines. Because not only the native languages but even things like our technical knowledge and experience varied, I directly experienced how it was even more important

than in Japan to communicate more conscientiously in order to ensure the smooth sharing of information and the building of consensus between everyone involved.

In addition, in recent years, opportunities in Japan to engage in projects such as expanding or developing large-scale hydroelectric power plants have been limited, and gaining actual construction experience through my training was a significant gain for myself.

Currently, I am continuing to engage in the overseas business. Even though the project is different, the overseas, on-site experience I gained through my training has been of great use in my work, helping me to understand the local situation and perceive challenges.

■ Improving Environments to Create Dynamic Workplaces

Toward the Realization of Work-Life Balance

From fiscal 2017 to fiscal 2020, we conducted a work reform initiative known as J-POWER Challenge 30. Improving work-life balance promotes the creation of work environments and a culture which enable every employee to autonomously enhance their work and personal life and focus on highly creative work. In order to enable employees involved in childcare and nursing in the home to work with peace of mind, we normalized working hours and enhanced and encouraged the use of childcare and nursing care support programs, such as implementing a flextime system for employees working shortened hours for the purpose of childcare or nursing care, and the acquisition of hourly units of childcare/nursing care leave. We have also given consideration to flexible career building through the introduction of a system that allows employees to take leave to accompany their spouse if transferred overseas for work. We will continue to review and revise programs to make them easier to use, and strive to further improve the work environment.

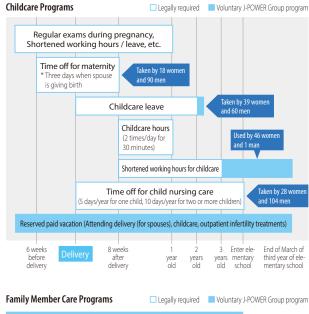
Improving Labor Productivity

The J-POWER Group is promoting work reform with the aim of attracting diverse human resources and enabling each to truly excel in their own ways. We have introduced policies to increase work efficiency as well as systems which support diverse work styles, such as revising the ways in which meetings are held and a system for staggering working hours by up to two hours. In addition, we have implemented a telework system at Headquarters and other operating units, supporting flexible working styles while at the same time utilizing it as a system for responding to incidents such as natural disasters.

Consultation Desk

Aiming to create employee-friendly workplaces, we have established a consultation desk where employees can discuss work hours, the workplace environment, and harassment. The privacy of employees using this desk is assured. In order to prevent harassment, we have taken measures such as creating Group regulations and manuals, and we are implementing education for increased awareness via level-specific training courses, posters, and other such means. Further, we are training managers in each section on how to respond should a harassment-related incident occur as part of efforts to maintain a framework to respond to incidents appropriately.

Overview of the Childcare and Nursing Care Support Programs and Results in Fiscal 2020





"Platinum Kurumin" Special Certification Mark

The Company has received "Kurumin" certification from the Minister of Health, Labour and Welfare, indicating it is a company which supports childcare. Moreover, we received the special "Platinum Kurumin" certification mark,

which is awarded only to companies with measures that meet an even higher standard. We will continue to improve our work environments so that all employees will be able to realize a good work-life balance and fully exercise their abilities.



Human Rights and Local Communities Engagement

The J-POWER Group's operations center mainly on businesses such as the power generation and power transmission businesses involving the construction of large-scale facilities as well as their long-term maintenance and operation. Accordingly, we seek to build positive relationships with the people and communities connected to our business activities, achieving a state in which both parties depend on each other.

■ Respect for Human Rights

Respect for human rights is a part of the J-POWER Group's Compliance Action Guidelines and the Group recognizes "respect for people" as material issues. We respect the rights of all people, including employees, and will never act in a way that leads to discrimination or the denial of individual personalities. In addition, the Compliance Action Guidelines stipulate that we will not discriminate in any way, including on the grounds of birth, nationality, race, creed, religion, gender, physical condition, or social status.

See our website for the full text of our Compliance Action Guidelines.

https://www.jpower.co.jp/english/ir/ir24000.html



Compliance Action Guidelines (Excerpt)

- 6. Relationships with Coworkers
 - (1) Respect for Human Rights
 - a. We will respect the human rights of all people, including employees, and will never act in a way that leads to discrimination or the denial of personalities.
 - b. We will not discriminate in any way, including on the grounds of birth, nationality, race, creed, religion, gender, physical condition, or social status.

Human Rights Initiatives

UN Global Compact Signatory

J-POWER has signed the United Nations Global Compact (UNGC) and was registered as a participating company in April, 2021.

(Refer to the section titled "J-POWER Group's Sustainability Initiatives" on page 40 for details)

ship by persons with disabilities. Alongside the above, the Group conducts compliance surveys with the aim of regularly assessing employees' awareness of compliance as well as changes in the surrounding environment, utilizing this information in the development of future compliance policies.

Human Rights and Compliance Initiatives

For over 10 years, the J-POWER Group has provided training via a variety of opportunities in order to deepen understanding of the respect for human rights among its employees and give them knowledge of various types of harassment as well as on compliance. In addition, the Group is also actively involved in promoting diversity through such means as regularly holding lectures on themes like unconscious biases and entrepreneur-

FY2020 Implementation Status

Items	O verview	Participants
Level-specific training	Lectures on human rights, compliance, and various forms of harassment given during training for new hires and man- agement training	207
Human rights and compliance training	Lectures on human rights, compliance, and various forms of harassment held for employees working in target institutions	237

■ Engagement with Local Communities and Social Contribution Activities

Based on the J-POWER Group Approach to Social Contribution Activities, as a good corporate citizen, the J-POWER Group proactively engages in social contribution activities, including supporting culture and the arts, cooperating with local communities, supporting participation in volunteer activities, and contributing to international society. Through such efforts, the Group seeks to contribute to social development.

Social Contribution Activities

For our social contribution activities in fiscal 2020, we implemented a variety of initiatives that included the following programs.

Program	Overview	Target	Partners	Number of participants, etc.
Participated in the Forest from Acorns project (held by Echizen Ono Ecofield; Fukui Prefecture)	The J-POWER Group conducts a variety of social and cooperative activities with local communities at its power plants and transmission line engineering offices, etc., throughout Japan. Our hydroelectric power plant employees participated in the Forest from Acorns project held by Echizen Ono Ecofield in Fukui Prefecture, taking acorn saplings grown from seeds by children at 10 elementary schools in the city and preparing them for the winter by digging them up and placing them on their sides in order to survive local snowfalls.	Offices, organizations, area residents, etc. in the local city of Ono as well as throughout Fukui Prefecture	Local offices and organizations, etc.	approximately 90 participants in total



the Forest from Acorns

Contributing to Regional Revitalization through the Operation of Okutadami Kanko

The J-POWER Group is involved in the operation of Okutadami Kanko Co., Ltd., a joint business with the government of Uonuma City in Niigata Prefecture, for the purpose of promoting engagement with the local community and contributing to society through tourism. Okutadami Kanko has continued to engage in activities rooted in the regional community around the power station together with local government members up to the present day. Okutadami Kanko's origins date back to 1962 when an outdoors school was opened to serve as a space for local youth education after the Okutadami Power Plant located near the border between the prefectures of Fukushima and Niigata began operation. Thereafter, in 1973, Okutadami Kanko launched a tour boat business which made a major economic impact on the region. In 1979, Okutadami Kanko started operating the Okutadami Maruyama Ski Resort. Through Okutadami Kanko, the Group will continue to promote engagement with the people of the community around the power station and contribute to the revitalization of the area.





Okutadami Maruyama Ski Resort

Number of Customers in Fiscal 2020*

The tour boat	approximately 35,000
Okutadami Maruyama Ski Resort	approximately 7,000

^{*} Due to the effects of COVID-19, the number of customers declined significantly from the previous fiscal year

Community Development Activities in Indonesia (the Central Java Project)

The J-POWER Group is currently moving forward with the Central Java Project in Indonesia, building a 2,000 MW coal-fired thermal power plant which will be a model for highly efficient, environmentally friendly power generation. The J-POWER Group, through PT. Bhimasena Power Indonesia (BPI), provides various supporting activities so that the local community in the area affected by the project can be independent and grow sustainably. As a result of BPI's execution of these activities in accordance with the needs of local residents and municipal governments based on the feedback they provided regarding activity selection and implementation, BPI has received a number of awards both within and outside of Indonesia for the outstanding quality of the activities.

Specific Initiatives

• Economic activity support

Supporting small businesses (laundries, tailors, etc.) run by local resident groups, as well as local microfinance (providing equipment, training, etc.) Support provided for 203 groups and 2, 900 individuals as of 2020

Medical support

Providing supplemental food for infants and the elderly at village clinics, providing medical kits, training medical volunteers

Educational support

Supporting an environmental education program operated by the Indonesian government, supporting the creation of a village library in coordination with the regional government and the Coca-Cola Foundation

Infrastructure improvement support

Setting up public toilets, renovating mosques, setting up a medical clinic, repairing roads, etc.

Providing soap, masks, and disinfectant to prevent infection by COVID-19 391 projects implemented as of 2020

• Social, cultural, and environmental support

Recycling activities, coastal tree planting in cooperation with Batang Red Cross, supporting mangrove re-planting, installing artificial fish reefs with fish reef blocks, town cleanup activities, etc.

Main Awards Received

- TOP CSR Award 2020
- Indonesia CSR Awards (ICA) 2020
- Nusantara CSR Award (N-CSR-A) 2020
- Global Good Governance (3G) Award for category Environmental Responsibility
- Indonesia Green Award (IGA) for category Coastal Ecosystem Restoration 2019



CEO Yasuhiro Koide accepting the 3G

- AREA (Asia Responsible Entrepreneurship) Awards for category Health Promotion 2018
- TOP CSR Improvement 2017
- TOP Leader on CSR Commitment 2017 for Takashi Irie*
- Special Award as The Best Environmental Concerned Company on Indonesia Best Electricity Award (IBEA) 2016

*The CEO of BPI and a seconded employee of J-POWER at the time

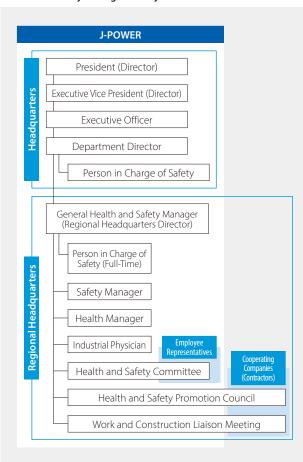
Occupational Health and Safety

The J-POWER Group aims to create safe, healthy, and rewarding workplaces as the foundation of its business activities. J-POWER and other Group companies each have roles and responsibilities and collaborate on implementing health and safety management to prevent occupational accidents, including those of cooperating companies (contractors), and to maintain and improve the health of employees.

■ Health and Safety Management Systems

Based on laws and regulations, the J-POWER Group engages in initiatives to prevent dangers and health hazards to workers primarily through health and safety committees at Headquarters, local operating units such as power plants, and construction sites. Health and safety committees are composed of a general health and safety manager, a safety manager, a health manager, an industrial physician, and representatives recommended by labor unions. Health and safety committees engage in the advance assessment of risks regarding matters such as work employees engage in, consider safety measures, and examine measures to prevent the recurrence of occupational accidents and health hazards that have occurred. Meanwhile, health and safety promotion councils coordinate with other Group companies and cooperating companies in order to advance health and safety initiatives for the power plant, etc. as a whole.

Health and Safety Management System



Note: Since health and safety management systems differ depending on the work content and number of employees, etc., of each operating unit, this diagram shows a typical system at a regional headquarters that manages hydroelectric power plants.

■ Initiatives Based on the Group Operational Health and Safety Plan

The J-POWER Group has established a groupwide Group Operational Health and Safety Plan. Based on the plan, individual Group companies formulate their own operational health and safety plans and take measures to promote occupational health and safety in cooperation with the entire Group.

The roles, operations, and workplace environments of J-POWER Group companies vary significantly. Accordingly, to efficiently and effectively advance initiatives across the Group, the Group Operational Health and Safety Plan designates major targets for the entire Group, such as the elimination of serious occupational accidents, lifestyle-related diseases, and mental health care measures. Specific safety activities to achieve said targets are designated in each Group company's operational health and safety plan in line with their respective conditions and needs.

At the Group level, we check, evaluate, and take steps to improve each company's plan and its implementation, aiming to ensure the steady implementation of said plans.

The results from the implementation of operational health and safety plans are reported to the Executive Committee and the Board of Directors. They are also disseminated at Health and Safety Conventions attended by officers of J-POWER and Group companies as well as superintendents.

Fiscal 2021 Group Operational Health and Safety Plan				
Major	Operational Safety	No serious disasters		
Targets	Operational Health	Preventing infectious and lifestyle-related diseases and enhancing mental health care		

Occupational Accident Prevention Initiatives

In recent years, many occupational accidents have occurred among contractors engaged in construction and other work. Many of these are recurring accidents that are serious or have the potential to become serious. It is therefore extremely important to promote unified safety activities that include cooperating companies to prevent and eliminate such accidents. To this end, under the slogan of creating more effective safety activities through the integrated consideration of facilities, management, and people, we have designated the following operational safety priorities—"Facilities: Discover potential dangers through means such as risk assessments, and promptly take provisional preventive steps and permanent countermeasures;""Management: Pay attention to safety measures for construction and other work that falls under the paradigm of 3H ("Hajimete" [first time], "Henko" [difference from the previous time], "Hisashiburi"

[first time in a while]), cross-sharing recommended initiatives and information about dangers at the Group and departmental levels;" and "People: Focusing on the improvement of safety awareness, a common foundation for facilities, management, and people as well, strengthen safety education initiatives, such as insourcing hands-on safety education." Based on these priorities, we are forcefully advancing preventive efforts.

Furthermore, in light of the occurrence of serious accidents and the overall number of accidents generally remaining high in recent years, we aimed to cultivate and spread awareness of the utmost importance of safety and safe behavior at the J-POWER Group Health and Safety Convention. When we place a work order for construction with a contractor, we take into consideration such factors as work methods and scheduling in order to ensure a healthy and safe work environment.

The number of occurrences and nature of occupational accidents as well as analyses of the circumstances are reported to the Executive Committee and Board of Directors on a quarterly basis.

■ Health and Safety Training

J-POWER Headquarters implements health and safety training for Group companies at J-POWER Headquarters and local operating units for the purpose of improving the health and safety of the entire J-POWER Group. In addition, local operating units implement safety training suitable for their business operations, such as legally mandated training for new hires and employees newly transferred in, special training for work involving electricity, and training about relevant laws and regulations. These units also implement mental health-related training on line-of-command care and self-care. Management-level employees, such as superintendents, and dedicated safety staff are required to participate in seminars and courses held by external organizations in order to improve their health and safety knowledge and management skills and to raise safety awareness. In fiscal 2020, 979 employees participated in such training programs held by J-POWER Headquarters.

Health and Safety Management with Regard to Radiation

The Group is currently proceeding with the construction of the Ohma Nuclear Power Plant in Oma Town, Shimokita District, Aomori Prefecture. Currently, construction of the Ohma Nuclear Power Plant is still underway and there is no danger of employees and workers being affected by radiation. However, we are planning to establish a health and safety management system related to radiation by the time that it becomes necessary.

Maintaining the Physical and Mental Health of Employees and Their Families

Led by health and safety committees, we promote health checkups and health maintenance guidance, and take infectious disease prevention measures to maintain and improve the health of employees and their families. In addition, we place priority on the prevention of lifestyle-related disease and mental health disorders. Accordingly, we provide specific health checkups and specific health guidance as well as health maintenance and improvement activities* and stress check programs. By taking these measures, we support the sound physical and mental health of employees and their families.

* Health maintenance and improvement activities: Comprehensive activities that integrate activities aimed at total health, both physical and mental, based on Ministry of Health, Labour and Welfare guidelines on Total Health Promotion Plans (THP), and activities aimed at fostering a vibrant environment through the Company's unique communication revitalization initiative.

Promoting Health & Productivity Management

Under the slogan "From treatment to prevention," J-POWER promotes health management by engaging in health maintenance and improvement activities while being cognizant of the PDCA cycle. As a new initiative in fiscal 2020, we provided reimbursement to employees for influenza vaccination.

In recognition of its initiatives, for the third year in a row, J-POWER was certified as a 2021 Health & Productivity Management Outstanding Organization in the large enterprise category by the Certified Health & Productivity Management Outstanding Organization Recognition Program implemented jointly by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. Going forward, we will continue accelerating the pace of our health management initiatives and aim to further enhance corporate value through the improved health and satisfaction of our employees.

Basic Policy on Occupational Health and Safety

The Company aims to create safe, healthy, and rewarding workplaces for the J-POWER Group.

The Company and general directors of operating units fully play their parts in establishing and operating a robust occupational health and safety management system with the cooperation of employees and all concerned while remaining in compliance with laws, regulations, and self-defined rules. We also work to promote overall safety management and improve the health and safety standards of the J-POWER Group. Through these measures, we prevent occupational accidents and maintain and promote health.

Creating Rewarding Workplaces

The Company works to create rewarding workplaces that enable each and every J-POWER Group employee to realize health and self-fulfillment by ensuring, maintaining, and improving workplaces that are safe and comfortable to work in.

Compliance with Laws, Regulations, and Other Rules

The Company complies with external and internal rules, including the relevant laws, regulations, and internal Company regulations, and endeavors to prevent occupational accidents as well as to maintain and promote health in the J-POWER Group.

Improvement of Health and Safety Management

The Company and general directors of operating units establish and operate a systematic, efficient occupational health and safety management system by supervising safety managers, health managers, and those in charge of safety at the operating units and by gaining the cooperation of employees and all others concerned, thus working to improve the level of health and safety in the J-POWER Group.

Responsibilities of Management

The Company and general directors of operating units recognize their responsibility to realize this basic policy, to this end taking the initiative to set an example for those that follow while keeping the relevant parties thoroughly informed of this basic policy.

When a situation arises that runs contrary to this aim, the Company and the general directors of operating units will take the initiative to solve the problem while working to investigate the cause, prevent recurrences, clarify the root causes, and take appropriate measures.

Corporate Governance

■ Basic Policy

In accordance with its Corporate Philosophy, the J-POWER Group endeavors to enhance corporate governance on an ongoing basis in order to realize sustainable growth and improve corporate value over the medium to long term. The Group believes that sustainable growth and the enhancement of corporate value over the medium to long term can be achieved only in cooperation with a wide range of stakeholders. One important group of stakeholders is shareholders. The Company respects shareholder rights in order to allow for proper collaboration with shareholders. The Group also strives to engage in dialogue with stakeholders in order to build relationships of trust with all of them.

J-POWER has established the Basic Policy on Corporate Governance, establishing its basic policy and stance with regards to corporate governance. For more information about the Company's Basic Policy on Corporate Governance, please refer to the J-POWER website.

https://www.jpower.co.jp/english/ir/pdf/cg2103.pdf

Ensuring the Rights and Equality of Shareholders

The Company's policy regarding shareholder rights, such as voting rights at the general meeting of shareholders, is to respect such rights and ensure the substantial equality of shareholders. In addition, the Company gives consideration to ensuring that the special rights that are granted to minority shareholders are upheld with regard to confronting listed companies and their officers (including the right to seek an injunction against illegal activities and the right to file a shareholder lawsuit).

General Meetings of Shareholders

The Company provides shareholders with information that it believes to be useful for appropriate decision making at general meetings of shareholders. To this end, it is constantly striving to improve the content of convocation notices, reference materials, and business reports. It also provides information via financial results, timely disclosure materials, and disclosure via its website, as needed.

The Company sends a convocation notice for each ordinary general meeting of shareholders around three weeks prior to the meeting date to ensure that shareholders have sufficient time to consider the proposals to be put before the meetings and enable them to appropriately exercise their voting rights. The Company also discloses information included in the convocation notice online in both Japanese and English prior to

sending the notice. Moreover, the Group strives to avoid scheduling the general meeting of shareholders for the date most crowded with other companies' shareholder meetings.

Strategic Shareholdings

J-POWER does not maintain strategic shareholdings unless such shareholdings are deemed to serve a purpose.

Shareholdings are deemed to serve a purpose if they are judged to contribute to the Company's sustainable growth and the medium-to long-term enhancement of its corporate value based on the comprehensive consideration of their profitability, verified through properly ascertaining expected returns and other effects, as well as their objectives, such as the development of joint business and the need to maintain, strengthen, or build business relationships.

Every year, the Board of Directors evaluates the rationality and necessity of each strategic shareholding from such perspectives as consistency with the objectives of said holdings and the balance of the shareholding's profitability against the Company's cost of capital. Holdings found to not serve a purpose are disposed of, with due consideration given to the market impact of such disposal.

J-POWER exercises the voting rights of its strategically held shares based on careful consideration of the medium- to long-term enhancement of the corporate value of the Company and the companies whose shares it holds as well as its objectives in holding such shares.

Shareholder and Investor Engagement

The Company not only conducts General Meetings of Shareholders, but also delivers information via shareholder newsletters, the J-POWER website, and the J-POWER Shares exclusive membership club for shareholders; implements facility tours for shareholders;



Facility tour for shareholders*

provides corporate presentations for individual investors; and holds individual meetings with institutional investors. These efforts enable shareholders and investors to better understand our businesses, and the opinions they express are shared with management so that they can be put to use in our operations.

* Not implemented in fiscal 2020 to prevent the spread of COVID-19. (Photo depicts a tour of the Matsuura Thermal Power Plant held in fiscal 2019.)

■ Corporate Governance Structure

J-POWER has adopted a Company with an Audit & Supervisory Board structure, and has put in place a system for mutual oversight among Directors through meetings of the Board of Directors attended by Outside Directors, who participate in the Company's management decision making from an independent position.

Also, in fiscal 2019 the Company established the Nomination and Compensation Committee, more than half the members

of which are Independent Officers, to enhance the independence, objectivity, and accountability of the Board of Directors with regard to the nomination and compensation of Directors and top management.

For more information about the J-POWER Group's governance initiatives, please refer to the supporting documents on the J-POWER website.

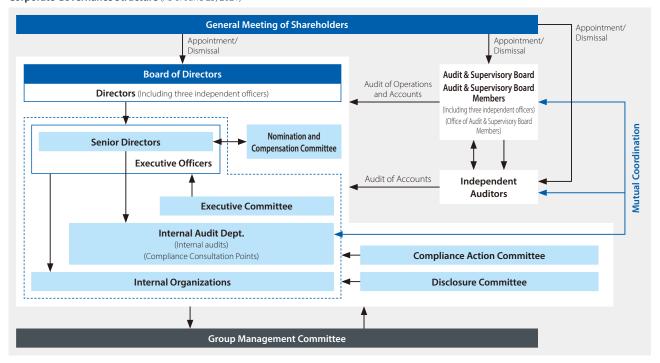
https://www.jpower.co.jp/english/ir/ir51000.html

Further, the execution of duties by Directors is constantly monitored through the attendance at the meetings of the Board of Directors and other management meetings of the Audit & Supervisory Board Members, including Outside Audit & Supervisory Board Members with abundant experience in such areas as the management of leading Japanese listed companies and execution of government policies. The Company believes this system allows for sufficient corporate governance functionality.

In addition to the above, the Company also maintains the Executive Committee.

Nomination and Compensation Committee Members (As of June 25, 2021)				
Independent Officers: 3	Internal Officers: 2			
Chairman Go Kajitani, Outside Director	litaki Maranana Danasatati a Dinata			
Hiroshi Fujioka, Outside Audit & Supervisory	Hitoshi Murayama, Representative Director, Chairman of the Board of Directors			
Board Member	Toshifumi Watanabe, Representative Direc-			
Kiyoshi Nakanishi, Outside Audit & Supervi- sory Board Member	tor, President			

Corporate Governance Structure (As of June 25, 2021)



Composition of the Board of Directors and the Audit & Supervisory Board

Composition of the Board of Directors

The Board of Directors is composed of Directors with abundant experience, distinguished knowledge, and advanced specialization, ensuring that an overall balance and diversity of knowledge, experience, and abilities is maintained. The number of Directors is capped at 14.

In addition, to ensure the effectiveness of independent and objective management supervision by the Board of Directors, the Company endeavors to appoint at least two Independent Outside Directors, giving consideration to their experience, knowledge, specialization, and other attributes.

Currently, the total number of Directors is 13, including three Independent Outside Directors.

• Composition of the Audit & Supervisory Board

The Audit & Supervisory Board comprises a maximum of five Audit & Supervisory Board Members, at least half of whom are required to be Outside Audit & Supervisory Board Members. In addition, at least one person with appropriate knowledge of finance and accounting is appointed as an Audit & Supervisory Board Member.*

Currently, the total number of the Audit & Supervisory Board Members is five, including three Independent Outside Audit & Supervisory Board Members.

* Senior Audit & Supervisory Board Member Hiroshi Fujioka (Independent Outside Audit & Supervisory Board Member) has a high level of knowledge in the area of finance and accounting as he has had many years of experience in fiscal and financial administration. Furthermore, Senior Audit & Supervisory Board Member Shinichi Kawatani has a high level of knowledge in the area of finance and accounting as he has experience in the Company's accounting and finance department.

System for the Execution of Directors' Duties

• Ensuring Effectiveness in Business Execution

The Board of Directors meets monthly in principle* and on an asneeded basis, with attendance by all Directors and Audit & Supervisory Board Members, including Outside Directors and Outside Audit & Supervisory Board Members. The Executive Committee meets weekly in principle, with attendance by all Senior Directors, Senior Executive Officers, and full-time Audit & Supervisory Board Members. This committee discusses matters subject to deliberation by the Board of Directors, significant company-wide matters related to business execution by the President and Executive Vice Presidents based on policies decided by the Board of Directors, and important matters related to individual business execution.

^{*} The Board of Directors met 12 times during fiscal 2020.

Corporate Governance

In addition to allocating functions for the Board of Directors and Executive Committee, the Company has established a system in which Senior Directors and Executive Officers share responsibility for business execution. This system clarifies responsibilities and authority, enables appropriate and prompt decision making, and provides for efficient corporate management.

• Ensuring Appropriateness in Business Execution

The Company has established the Internal Audit Department to ensure proper business execution. The department conducts internal audits from a perspective that is independent of other operating units. In addition, each operating unit regularly conducts self-audits of its own business execution. Additionally, the results of important internal audits are reported to the Board of Directors, the Board of Corporate Auditors, the Managing Directors' Meeting, etc., to ensure cooperation between the Business Auditing Department and the Directors and Corporate Auditors.

Preventing Conflicts of Interest

The Directors of the Company, in accordance with its Corporate Philosophy, Corporate Conduct Rules, and Compliance Action Guidelines, exemplify honest and fair conduct based on a steadfast spirit of compliance and business ethics. In addition, the Company works to prevent conflicts of interest in the event that the Company engages in a transaction with a Director or a major shareholder* by obtaining the approval of the Board of Directors before executing the transaction and reporting the results of the transaction to the Board of Directors.

* Shareholders with shares representing 10% or more of the voting rights in the Company

Audits by Audit & Supervisory Board Members

In accordance with the Companies Act, J-POWER appoints Audit & Supervisory Board Members, who audit the legality and appropriateness of Directors' business execution. At J-POWER's Head-quarters, Audit & Supervisory Board Members conduct audits by attending the meetings of the Board of Directors and other important meetings and observing the status of the execution of Directors' and Executive Officers' duties. In addition, the Audit & Supervisory Board Members perform site visits to local operating units and subsidiaries in Japan and overseas.

In the course of accounting audits, Audit & Supervisory Board Members liaise with the Independent Auditors to regularly receive reports and exchange opinions regarding auditing schedules and results as a means of ensuring the appropriateness of the Independent Auditors' auditing methods and results.

In addition, Audit & Supervisory Board Members coordinate auditing schedules with those of the Internal Audit Department and implement audits while exchanging information on audit results during the fiscal year.

With regard to staff under the Audit & Supervisory Board Members, the Company has established the Office of Audit & Supervisory Board Members as an independent unit outside of the Directors' chain of command. The office's full-time specialist staff assists the Audit & Supervisory Board Members in the course of their audits.

Group Governance

With regard to the administration of subsidiaries and affiliates, the

J-POWER Group's basic policy calls for group-wide business development in accordance with the Group's management plan. The administration of subsidiaries and affiliates is undertaken in accordance with the Company's internal regulations, and the Group Management Committee works to improve the appropriateness of operations for the entire corporate Group. In addition, the Audit & Supervisory Board Members and the Internal Audit Department implement audits of subsidiaries and affiliates with the objective of ensuring proper operations at all Group companies.

Evaluation of Effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors on an annual basis.

To improve the effectiveness of the Board of Directors, the Company strives to enhance the quality of discussion at monthly meetings of the Board of Directors and implements the following initiatives on a continuing basis.

- Enhancing the quality of discussion with regards to management strategy
- Ensuring prompt execution
- Utilizing the Nomination and Compensation Committee
- Initiatives which contribute to substantial improvements, such as also providing practical information outside of Board of Directors meetings, on-site inspections of facilities such as power plants by outside officers, and training for internal officers

• Fiscal 2020 Initiatives

In analyzing and evaluating the previous year, it was confirmed that enhancing the quality of discussion with regards to management strategy, and ensuring prompt execution were particularly valid in improving the effectiveness of the Board of Directors. Based on this, in fiscal 2020, the Company prioritized operational improvement and the selection of Board of Directors meeting discussion items with the aim of achieving the same.

Evaluation Method

In the evaluation of fiscal 2020, the Board of Directors engaged in discussion based on the state of initiatives aimed at improving effectiveness, as well the results of interviews and surveys of all officers, including outside officers.

Evaluation Results

With regards to the prioritized initiatives, it was evaluated that the effectiveness of the Board of Directors had been sufficiently ensured. This evaluation was based on numerous opinions rec-

Evaluation Process

Interviews and surveys of officers

Deliberation and evaluation by the Board of Directors

Formulation of policy based on evaluation results

Initiatives

ognizing that measures such as the review of discussion standards and the improvement of discussion materials had contributed to improved effectiveness. It was also based on opinions that the initiatives being implemented on a continuing basis by the Company had led to the enhancement of substantial discussion, including the provision of Executive Committee materials to outside officers, the early distribution of discussion materials, and the creation of opportunities for discussion among officers outside of Board of Directors meetings.

• Policy for Fiscal 2021

Implementing the following initiatives has been confirmed to be valid in the achievement of greater effectiveness.

- Further enhancing the quality of Board of Directors discussions
 - Facilitating understanding of the background and process which led to the proposals being discussed
 - Follow-up concerning the state of response to views and issues raised during Board of Directors meetings
 - Promotion of discussions among internal directors which focus more on perspectives differing from those of the Executive Committee
- Ensuring prompt execution
 - Further reviewing executive authority
 - Further improvement of discussion materials

Going forward, the Company will continue working to improve the effectiveness of the Board of Directors by striving to enhance the quality of discussion at Board of Directors meetings, together with implementing the current continuous initiatives as well as new initiatives and verifying the progress of the implementation of these initiatives. Further, the Company affirms that the state of the Board of Directors and its composition will be discussed going forward based on market segment restructuring and revisions of the Corporate Governance Code.

Outside Officers (Outside Directors and Outside Audit & Supervisory Board Members)

The Company's Outside Directors and Outside Audit & Supervisory Board Members are independent officers that meet both the requirements for independent officers prescribed by the Tokyo Stock Exchange and the Criteria to Determine the Independence of Outside Officers prescribed by the Company.

Appointment and Dismissal of Officers

The Board of Directors appoints as members of top management and nominates as candidates for Director and Audit & Supervisory Board Member individuals who have the abundant experience, distinguished knowledge, and advanced specialization necessary for those positions, based on discussion by the Board following the President's presentation of recommendations. The President's recommendations for members of top management and Director candidates are themselves based on the deliberations of the Nomination and Compensation Committee.

When a member of top management or a Director is found to have acted inappropriately or unreasonably, or there is some other marked impediment to the continued execution of the individual's duties, the Board of Directors may decide, based on discussion within the Board after deliberation by the Nomination and Compensation Committee, to dismiss or otherwise take action to deal with the member of top management or Director in question.

Officers' Compensation

By resolution at the 54th Ordinary General Meeting of Shareholders held on June 28, 2006, total compensation for Directors is capped at ¥625 million annually (a fixed monthly salary calculated according to position and a performance-linked bonus paid once a year; employee salaries for Directors who serve in dual capacity as employees are excluded). The method for determining the amount of Director compensation is decided at Board of Directors meetings within the cap prescribed above.

The method for determining the amount of compensation for Executive Officers is also decided at Board of Directors meetings.

Per the above, the method for determining the amount of compensation for individual Directors and Executive Officers uses reasonable standards based on each individual's responsibilities as the basic policy while taking into account the characteristics of the Company's business, namely, aiming to recover investments through the long-term operation of power plants, etc. The determination method is disclosed in Appendix 3 of the Basic Policy on Corporate Governance.

https://www.jpower.co.jp/english/ir/pdf/cg2103.pdf

Total compensation for the Audit & Supervisory Board Members was capped at ¥120 million annually (a fixed monthly salary calculated according to position) at the same general meeting of shareholders. Each Audit & Supervisory Board Member's compensation is determined, within the cap prescribed above, by means of consultation among Audit & Supervisory Board Members.

Shares Held by the Officers Shareholding Association

From the perspective of reflecting the views of shareholders in management together with promoting a commitment to improving shareholder value in the long term, the Company has established share purchasing guidelines for Executive Directors and Executive Officers. Executive Directors and Executive Officers purchase Company shares each month through the Officers Shareholding Association as part of compensation for the same.

Emergency Management

■ Emergency Management Measures

The J-POWER Group has a responsibility as an electric utility company to ensure a stable supply of electricity, which plays an essential role in people's everyday lives. We need to prevent damage to the equipment that produces and transmits electric power and to restore service quickly should a disruption occur. Accordingly, the J-POWER Group implements the following measures.

- (1) Installation of appropriate facilities and development of disaster recovery systems in preparation for natural disasters, including earthquakes, typhoons, lightning strikes, and tsunami
- (2) Enhancement of security to prevent malicious and violent conduct
- (3) Enhancement of regular facility inspections to prevent major impediments to electric power supply and appropriate repairs and upgrades in response to aging, the decline of function, and breakdowns
- (4) Preparation of action plans for responding to pandemics and other events that could have a major impact on business operations

■ Emergency Management Systems

The J-POWER Group has established the following systems to accurately forecast and prevent accidents, facility incidents, and other emergency events, and to promptly and appropriately respond to and manage such events should they occur.

(1) Emergency Response Team

The Emergency Response Team is a permanent organization at the J-POWER Headquarters. The team forecasts emergencies, immediately takes first-response action in the case of an occurrence, and oversees emergency management operations.

The team conducts safety reporting drills for Group employees several times a year.

Emergency Response Headquarters Structure (Head Office)

Structure	Composition			
Chairman	President			
Deputy Chairman	Executive Vice President			
Members	Executive Officers in charge of General Affairs Dept. and related Executive Officers Department Directors of General Affairs Dept., Public Relation Dept., and other related departments			
Emergency Management Task Force	Emergency Response Team and related departments			
(Composition of Task Force)	(Division of Duties)			
1. Communication	Communication, collection, and management of information			
2. Analysis/Evaluation	Analysis, evaluation, response planning			
3. Response	Restoration, liaison, response to victims, response to consumers, IR-related information			
4. Public Relations	Relations with media			
5. Advisers	Provide advice regarding analysis, evaluation, response planning, etc.			

(2) Emergency Managers and Emergency Duty Personnel

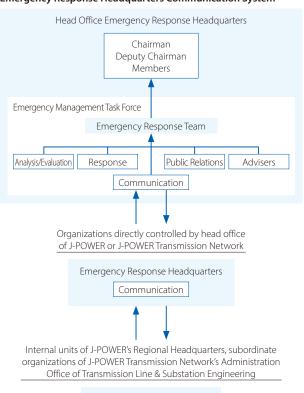
Emergency managers and personnel are appointed at the Headquarters and local units to take first-response action and report information.

(3) Emergency Response Headquarters and Branches

When an emergency is predicted to occur or occurs and the seriousness warrants emergency countermeasures, Emergency Response Headquarters (and Branches) are established.

Every year, the Emergency Response Headquarters and Branches in the J-POWER Headquarter and local units carry out coordinated comprehensive disaster drills.

Emergency Response Headquarters Communication System



■ Disaster Prevention and Business Continuity

As an electric utility company responsible for vital lifelines, the Company is a designated public institution under the Basic Act on Disaster Control Measures.

Accordingly, the Company has established physical measures assuming a large-scale natural disaster as well as non-physical measures, such as various rules for when disasters occur and a systematic disaster preparedness structure from the head office to local units. By actively implementing these measures, the Company has reinforced its disaster preparedness structure to ensure the continuation of business even in the event of a natural disaster exceeding assumptions.



A head office comprehensive disaster drill (photo taken during the training in 2019)

■ Information Security

Amidst the accelerating push by companies to undergo digital transformation combining digital technology, business reform, and innovation, cyberattacks targeting companies continue to increase. As an important infrastructure company, the Company is required to maintain a higher level of information security.

Furthermore, ensuring the security of important systems, such as electric power control systems, is growing ever more important to maintaining a stable power supply.

The Company strictly adheres to Guidelines for Power Control System Security. In addition, the Group has established a

Basic Policy on Information Security, to respond to sophisticated and ingenious cyberattacks, formulates and implements technical measures based on the latest knowledge, against computer virus, illegal access, and information leaks

Moreover, the Group has established the J-POWER Cyber Security Incident Response Team (CSIRT) as a security crisis management system and works to prevent information security incidents before they happen and to keep damages to a minimum in the event they should occur.

Response to COVID-19

In light of the spread of COVID-19, J-POWER has established the COVID-19 Response Headquarters headed by the President and set up a framework for preventing infection and implementing measures to prevent the spread of COVID-19 in and outside the Company.

In addition to basic contagion prevention measures such as strict adherence to washing and disinfecting hands, wearing masks, and daily temperature checks, the Company has also implemented initiatives aimed at reducing the number of on-site workers, including remote working, staggered working hours, and the utilization of online meetings. We are also taking

steps to avoid contact between plant operators, who are especially important to the continuity of stable power supply, and other employees. In addition, we have put in place measures to secure substitute operators within the same business units and from other business units in case such an operator is infected.

Further, in order to reduce the burden of vaccination on local communities and to help accelerate the speed of vaccination, based on the Japanese government's COVID-19 workplace vaccination policy, since the end of June 2021, we have been using J-POWER Headquarters as a venue for providing vaccination, primarily for Group employees.

Compliance & Risk Management

The J-POWER Group, in accordance with its Corporate Philosophy, has established the Corporate Conduct Rules as the core of its compliance activities, outlining basic rules for behavior in line with the spirit of compliance and business ethics to be observed in the course of business operations. In addition, the Group has established its Compliance Action Guidelines as criteria for determining specific actions by individual employees, including members of management, when conducting business activities.

Directors adhere to the Corporate Philosophy, Corporate Conduct Rules, and Compliance Action Guidelines, set an example for honest and fair conduct based on a steadfast spirit of compliance and business ethics, and instill these values in employees.

In addition, the Board of Directors regularly receives reports on the status of business execution in order to keep up to date on risks, including ESG-related risks. The Company incorporates mutual checks and balances in the internal decision-making process, undertakes reviews in various meetings and committees, and always maintains risk management frameworks in accordance with Company regulations. This structure ensures measures are implemented to recognize and avoid risks in the conduct of business activities and minimizes losses when risks actualize.

For details about the J-POWER Group's Corporate Conduct Rules and Compliance Action Guidelines, please refer to the J-POWER's website.

Corporate Conduct Rules https://www.jpower.co.jp/english/company_info/philosophy/



Compliance Action Guidelines https://www.jpower.co.jp/english/ir/ir24000.html



■ Compliance Promotion Structure

The Company's compliance is overseen by the Chairman. An officer in charge of compliance implements compliance promotion programs and assists the Chairman and President. The Compliance Action Committee, chaired by the Chairman, has been established to discuss company-wide compliance promotion measures, evaluate their implementation status, and address issues related to compliance violations. With the participation of group companies, the committee implements measures for the entire J-POWER Group. Two task forces have also been established to quickly and accurately promote operations pertaining to compliance promotion, one for company-wide compliance promotion and the other for autonomous safety activities based on the Company's safety regulations. These task forces, which are led by Executive Officers who have relevant expertise, confirm the implementation status of compliance promotion activities.

At major offices, power plants, and Group companies throughout Japan, individual compliance committees have been established to implement compliance activities suited to the characteristics of their respective business units.

The J-POWER Group's Compliance Promotion System

J-POWER **Compliance Action Committee** • Determination of basic policy, verification, and evaluation of activities Addressing compliance problems **Compliance Promotion Task Force Facilities Safety Task Force** · Studies, supports, oversees, · Oversees and improves autonomous safety activities promotion activities · Spreads safety information and develops initiatives horizontally • Deciding on and conducting compliance promotion measures **Local Compliance Committees (established in major units)** · Deliberating on compliance promotion measures and valuating their implementation status · Addressing compliance problems Coordination **Group Companies** • Deciding on and conducting compliance promotion measures

■ Compliance Promotion Activities

The Compliance Action Committee utilizes a PDCA (plan-do-check-act) method for compliance promotion, formulating a plan for each fiscal year, evaluating results at the end of that fiscal year, and formulating the next year's plan based on the results. The compliance promotion plan and results are reported to the Board of Directors.

To raise compliance awareness among employees, the Company issues notifications of changes in laws and regulations,

presents compliance-related case studies, and conducts training sessions on laws and regulations related to its business and on compliance issues.

When alleged compliance violations occur, the Compliance Action Committee investigates the facts and causes surrounding the issues and takes appropriate action as necessary, including issuing directives for improvement or measures to prevent their recurrence.

■ Compliance Consultation Points (Whistle-Blowing System)

The J-POWER Group has established Compliance Consultation Points at the Internal Audit Department, at an external law firm, and at key subsidiaries to serve as consulting hotlines in the event that employees face compliance issues. The Group makes employees aware of these channels. Employees who use these resources are rigorously protected.

The J-POWER Group's Compliance Consultation Points



Compliance Survey

The J-POWER Group conducts an annual survey of all employees in an effort to understand compliance-related risks. Compliance Consultation Points contact respondents whose responses indicate problems to gather additional information. The survey also seeks out employee opinions on workplace conditions, communication, and work volume on an ongoing basis. These results are shared with operating units and used to improve workplace environments.

■ Barring Relations with Anti-Social Forces

The J-POWER Group's policy is to not maintain relations of any sort with the anti-social forces that threaten the order and safety of civil society. The Company has designated an internal department to act as a point of contact in the event that demands or other contacts are received from anti-social forces and has established a system that ensures the quick collection of information and appropriate response in cooperation with specialist external agencies.

Preventing Bribery and Corruption

The J-POWER Group prohibits bribes, illicit payments, and illegal political donations, as well as entertaining or giving gifts to public officials that conflict with the National Public Service Ethics Act or rules prescribed by government agencies. Also, the Company does not offer financial or other rewards to foreign government officials in return for illicit benefits or accommodations. We are careful to avoid actions that might be construed as collusion with politicians or administrative agencies and strive to establish sound and transparent relationships.

In addition, in April 2021, the Company joined the UN Global Compact, declaring its stance against corruption.

Disclosure

The Company has established the Disclosure Committee, chaired by the President, to enhance transparency and accountability in corporate activities. This committee ensures the fair and transparent disclosure of company information in a timely and proactive manner.

Compliance with the Internal Control Reporting System

In response to the internal control reporting system for financial reporting required by Japan's Financial Instruments and Exchange Act, the J-POWER Group established, maintains, and evaluates its internal control system, mainly through the Accounting & Finance Department and Internal Audit Department.

In fiscal 2020, continuing from the previous year, the Company's management evaluated the status of the development and operation of internal controls with respect to company-wide internal controls, operational process-related internal controls, and information technology-based internal controls in accordance with the implementation standards of Japan's Financial Services Agency. The Company determined that its internal control system for financial reporting is effective. This evaluation result was submitted as an Internal Control Report to the Director-General of the Kanto Finance Bureau in June 2021 following an audit carried out by the Company's Independent Auditor.

Going forward, the J-POWER Group will continue efforts to ensure the reliability of its financial reporting.

Message from an Outside Director



Maintaining an awareness of shareholders' and other stakeholders' interests

I see the basic role of Outside Directors as providing supervision and advice during decision-making at Board of Directors meetings. I feel that enhancing corporate value by offering advice on management policies and other matters is an even more important role now than it was when I took this position.

Outside Directors have been active in careers that differ from those of the management team, which lets them express opinions from perspectives and patterns of thinking that differ from those of Internal Officers. While I often speak up from my background as a lawyer, I form opinions in Board of Directors meetings not as a lawyer but from a constant awareness of what points are of interest to shareholders and other stakeholders.

Increasing the depth of Board of Directors meetings through debate from diverse perspectives

Before a Board of Directors meeting, we receive briefings from persons responsible for agenda items, ask questions about unclear points, and further look into matters. Our participation as Outside Directors has the effect of letting meeting discussions go beyond internal perspectives to take in third-party perspectives. Considering diverse opinions from differing standpoints in Board of Directors meetings also works to make discussions more active. Within the Company, Tomonori Ito, a university professor with finance-related experience, John Buchanan, a British national who also has a financial background, and I are active as Outside Directors. Each of us actively speaks up at Board of Directors meetings. Internal Officers, too, actively express opinions on matters other than those under

their charge. It's my sense that Board of Directors meetings are increasing in depth.

Outside of the Board of Directors, too, we have opportunities for exchanges of opinions on matters important to the Company, and ample time to discuss the Company's prospects. We work to fully understand the thinking of top management and of people in the field by talking with Outside Directors, Internal Officers, and Audit & Supervisory Board Members. Last year, we used web conferencing to maintain our opportunities for exchanges of opinions. We're further making efforts to deepen our understanding of the Group's business by visiting power plants in different regions to hear directly from the people there.

Every year, the Company conduct interviews and questionnaires with Directors and Audit & Supervisory Board Members to identify problem points on effectiveness of Board of Directors, then discuss and report on these points at Board of Directors meetings and other venues for exchanges of information. Issues in the current fiscal year that call for further efforts include enhancing the quality of discussions in Board of Directors meetings and ensuring the prompt execution of matters. In an age in which our business is exposed to competition, we have to raise our speed and our execution capabilities with a determination that is even willing to shake up our corporate culture.

Discerning the aptitudes of leaders to entrust with the Company

I also serve as the Chair of the Nomination and Compensation Committee. This committee has to discern whether candidates recommended for Director possess the aptitude to serve as leaders to whom the Company will be entrusted. This is a very difficult determination to make in a short time. However, I believe that if all committee members are able to come to a consensus based on information for forming judgments and after opportunities for contact with candidates over time, there

will be no mistake. The issue is how much time we can take for this. Another important role of the Nomination and Compensation Committee is that agenda items can be raised by committee members. I think there is meaning in creating a proper system that allows agenda items concerning problems to be submitted and discussed.

Looking ahead, I think the Company should aim to secure greater diversity by developing diverse human resources and by appointing female officers. Executive compensation is another matter that we will study.

Fulfilling social responsibilities with awareness of our role in society

J-POWER's reason for being is as stated in Our Mission, part of our Corporate Philosophy: "We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world." Fulfilling this mission requires that we consider how to maximize our corporate value. During the current fiscal year, the Board of Directors took time to discuss how we should envision our path to the year 2050, ahead of the announcement of J-POWER "BLUE MISSION 2050." We have to fulfill our social responsibilities with an awareness of our role in society. As a part of this, we value engagement with local communities. We take part in community concerts and Open House days at power plants in areas where our plants are located, as well as regional environmental beautification campaigns and other local events.

In our Medium-Term Management Plan FY2021–FY2023, we set out a policy of emphasizing ESG more than ever. We'll step up our ESG activities as we work to achieve sustainable growth. While the social environment is a difficult one for our business, we'll clarify our ESG initiative policy, execute it across all of J-POWER, and further enhance our corporate value with an awareness of our social responsibility in supporting infrastructure.

Directors, Audit & Supervisory Board Members, and Executive Officers

(As of July 1, 2021)

Directors



Representative Director

Hitoshi Murayama

April 1980 Joined the Company June 2020 Representative Director Chairman (current position)



Representative Director

Toshifumi Watanabe

April 1977 Joined the Company April 2019 Representative Director President and Chief Executive Officer (current position)



Representative Director

Akihito Urashima

April 1980 Joined the Company April 2019 Representative Director and Executive Vice President (current position)



Director

Yoshiki Onoi

April 1979 Joined the Company April 2019 Director and Executive Vice President (current position)



Hiromi Minaminosono

April 1981 Joined the Company April 2019 Director and Executive Vice President (current position)



Director

Makoto Honda

April 1982 Joined the Company April 2020 Director and Executive Vice President (current position)



Hiroyasu Sugiyama

April 1981 Joined the Company June 2020 Director and Executive Vice President (current position)



Director

Hitoshi Kanno

April 1984 Joined the Company June 2019 Director and Executive Managing Officer (current position)



Director

Yoshikazu Shimada

April 1982 Joined the Company June 2020 Director and Executive Managing Officer (current position)



Director

Hiroshi Sasatsu

April 1986 Joined the Company June 2020 Director and Executive Managing Officer (current position)



Director



Director

Go Kajitani

April 1967 Registered as an attorney at law (Dai-ichi Tokyo Bar Association) Joined KAJITANI LAW OFFICES April 1998 Vice President of Japan Federation of Bar Associations, President of Dai-ichi Tokyo Bar Association

1999 Senior Partner of KAJITANI LAW OFFICES 2003 Outside Audit & Supervisory Board Member of NICHIAS Corporation

April 2004 President of Japan Federation of Bar Associations 2007 Chairman of the Central Third-Party Committee to Check Pension Records, the Ministry of Internal Affairs and Communications

June 2009 Outside Director of the Company (current position) April 2011 President of Japan Legal Support Center

2011 Outside Audit & Supervisory Board Member of The June Yokohama Rubber Co., Ltd.

Tomonori Ito

April 1979 Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)

March 1990 Vice President of Investment Banking Group, Bank of

Tokyo Trust Company, New York Branch

Tokyo Trust Company, New York Branch
April 1994 Vice President of Emerging Market Group, The Bank of
Tokyo, Ltd., New York Branch
March 1995 Manager of Business Development Daini, Union Bank
of Switzerland, Tokyo Branch (currently UBS)
August 1997 General Manager of Tokyo Branch and Head of
Investment Banking, Union Bank of Switzerland
June 1998 Head of Investment Banking and Managing Director,
UBS Securities Japan Co., Ltd.
April 2011, Witting Professor of Corduits School of International

April 2011 Visiting Professor of Graduate School of International Corporate Strategy, Hitotsubashi University

May 2012 External Director of PARCO CO., LTD.

October 2012 Professor of Graduate School of International Corporate Strategy, Hitotsubashi University

June 2014 Outside Director of Aozora Bank, Ltd. (current position)

2016 Outside Director of the Company (current position) 2020 Visiting Professor of Graduate School of Business Administration, Hitotsubashi University (current position)



Director

John Buchanan

October 1974 Joined Lloyds Bank Group (Bank of London and South America, Lloyds Bank International, Lloyds Merchant Bank) January 1981 Representative, subsequently Branch Manager, Lloyds

Bank International, Osaka

August 1983 Branch Manager, Bank of London and South America, Barcelona October 1987 Joined S.G. Warburg & Co. Ltd.

October 1992 Director of S.G. Warburg & Co. Ltd.
October 1995 Joined The Sumitomo Bank, Limited, London Branch

May 2000 Joined Daiwa Securities SB Capital Markets Europe Limited

August 2006 Research Associate of Centre for Business Research, University of Cambridge (current position)

June 2016 Outside Director of the Company (current position)

Audit & Supervisory Board Members



Senior Audit & Supervisory **Board Member**

Naori Fukuda

April 1979 Joined the Company June 2016 Senior Audit & Supervisory Board Member (current position)



Senior Audit & Supervisory Board Member

Hiroshi Fujioka

1977 Joined the Ministry of Finance Some the winning of mance
 Solve Director-General of Customs and Tariff
 Bureau, the Ministry of Finance
 Director-General for Policy Planning, the
 Ministry of Land, Infrastructure, Transport and

Tourism

January 2012 Senior Executive Vice President of Japan Housing Finance Agency (Incorporated Administrative Agency) January 2014 Councilor of the Minister's Secretariat, the

Ministry of Finance

June 2014 Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member) of the Company

June 2015 Senior Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member) of the Company (current position)

June 2016 Outside Corporate Auditor of The Nishi-

Nippon City Bank, Ltd
October 2016 Audit and Supervisory Committee Member
(Outside Director) of The Nishi-Nippon City
Bank, Ltd. (current position)



Senior Audit & Supervisory **Board Member**

Shinichi Kawatani

April 1980 Joined the Company June 2018 Senior Audit & Supervisory Board Member (current



Outside Independent

Audit & Supervisory Board Member

Kiyoshi Nakanishi

April 1970 Joined Toyota Motor Co., Ltd.

January 1997 General Manager of No.3 Engine Technical Department of No.4 Development Center of TOYOTA MOTOR CORPORATION

June 2000 Director of TOYOTA MOTOR CORPORATION

June 2003 Managing Officer of TOYOTA MOTOR CORPORATION

June 2004 Adviser of TCYYOTA MOTOR CORPORATION
June 2004 Representative Director of GENESIS RESEARCH INSTITUTE, INC.
June 2010 Adviser of GENESIS RESEARCH INSTITUTE, INC.

June

2010 Adviser of Toyota Central R&D Labs, Inc.
2010 Audit & Supervisory Board Member of TOYOTA TECHNOCRAFT Co, LTD. (currently TOYOTA CUSTOMIZING & DEVELOPMENT) June

June 2011 Outside Audit & Supervisory Board Member of the Company (current position)



Outside Independent

Audit & Supervisory Board Member

Kimiko Oga

 1977 Joined Nippon Telegraph and Telephone Public Corporation
 1991 Senior Manager, Marketing Division, Service Development Department, Nippon Telegraph and Telephone Corporation April

2004 Executive Manager, Customer Equipment Department, Nippon Telegraph and Telephone East Corporation

2005 Deputy General Manager, Tokyo Branch, Nippon Telegraph and Telephone East Corporation

2007 Representative Director and Managing Director of NTT Learning Systems Corporation
2013 Audit & Supervisory Board Member, Nippon Telegraph and Telephone West Corporation
2019 SKY Perfect JSAT Holdings Inc. Outside Director (current position)

March 2020 BroadBand Tower, Inc Outside Director, Audit & Supervisory Committee Member (current

June 2020 ALCONIX Corporation Outside Audit & Supervisory Board Member (current position) 2021 Electric Power Development Co., Ltd. Outside Audit & Supervisory Board Member (current position)

Executive Officers

President and Chief Executive Officer	Toshifumi Watanabe					
Executive Vice President	Akihito Urashima	General operations Department Director of Nuclear Power Business (delegation of administrative works)				
	Yoshiki Onoi	General operations Department Director of International Business (delegation of administrative works)				
	Hiromi Minaminosono	General operations Department Deputy Director of Nuclear Power Business (delegation of administrative works) Secretarial Affairs Dept., Public Relation Dept., Personnel & Employee Relations Dept., General Affairs Dept., Siting & Environment Dept.				
	Makoto Honda	General operations ESG oversight Department Deputy Director of International Business (delegation of administrative works) Corporate Planning & Administration Dept., Accounting & Finance Dept., Procurement Dept.				
	Hiroyasu Sugiyama	General operations Department Director of Renewable Energy (delegation of administrative works) Department Deputy Director of Nuclear Power Business (delegation of administrative works) Digital Innovation Dept, Civil & Architectural Engineering Dept, Thermal Energy & Value Creation Dept, Research & Development Dept				
Executive Managing Officer	Hitoshi Kanno Takaya Nomura	Yoshikazu Shimada Osamu Hagiwara	Hiroshi Sasatsu Ryoji Sekine	Isshu Kurata		
Executive Officer	Takashi Jahana Kazuo Ito Sumie Nakayama	Toshiya Sato Takashi Fujita Jun Harada	Shinichi Demachi Shoichi Echigo Hideaki Sagara	Yasushi Ishida Shinsuke Suzuki Hideaki Kato		

11-Year Financial Data

	2011/3	2012/3	2013/3	2014/3	2015/3
Consolidated: Operating Revenue/Expenses Comparison					
Operating Revenue	635,975	654,600	656,056	706,835	750,627
Operating Income	70,588	49,800	54,566	59,171	72,859
Ordinary Income	56,322	36,619	44,825	40,077	59,350
Profit Attributable to Owners of Parent	19,583	16,113	29,808	28,694	43,206
Consolidated: Electricity Sales Volume					
Electric Power Business	65,815	66,084	65,605	65,421	64,049
Hydroelectric (Wholesale Electric Power Business)	10,267	10,318	9,032	8,759	9,028
Thermal (Wholesale Electric Power Business)	54,086	53,756	54,333	54,316	52,577
Other Electric Power Businesses	1,462	2,010	2,239	2,345	2,442
Overseas Business* ²	_	_	_	3,665	8,678
Domestic Hydroelectric: Water Supply Rate	106%	115%	102%	99%	98%
Domestic Thermal: Load Factor	78%	77%	78%	79%	76%

	2011/3	2012/3	2013/3	2014/3
Consolidated: Balance Sheet Items				
Total Assets	2,012,386	2,016,394	2,169,909	2,385,216
Total Liabilities	1,597,487	1,610,202	1,716,024	1,865,739
Total Net Assets	414,898	406,192	453,885	519,477
Consolidated: Cash Flow Items				
Net Cash Provided by (Used in) Operating Activities	151,236	125,891	119,786	122,110
Net Cash Provided by (Used in) Investing Activities	(124,675)	(136,852)	(170,369)	(177,375)
Free Cash Flow	26,560	(10,960)	(50,582)	(55,264)
Consolidated: Financial Indicators				
Return on Assets (ROA)	2.8%	1.8%	2.1%	1.8%
ROA (after exclusion of the construction in progress of tangible fixed assets)	3.3%	2.2%	2.7%	2.2%
Return on Equity (ROE)	4.7%	3.9%	6.9%	5.9%
Net Income per Share (EPS) (Yen)	130.51	107.39	198.65	191.23
Net Assets per Share (BPS) (Yen)	2,770.77	2,714.94	3,024.98	3,440.23
Equity Ratio	20.7%	20.2%	20.9%	21.6%
Debt-Equity Ratio	3.4	3.5	3.4	3.2
Number of Common Shares Issued at the End of the Period (excluding treasury stock) (Thousands)	150,053	150,053	150,052	150,051

^{*1} Electric power sales volume of electricity procured from wholesale electricity market, etc.
*2 Electric power sales volume of overseas consolidated subsidiaries (Electric power sales volume of equity method affiliates is not included.)

(Millions of yen) (Millions of yen)

2016/3		2017/3	2018/3	2019/3	2020/3	2021 /3
	Consolidated: Operating Revenue /Expenses Comparison					
780,072	Operating Revenue	744,402	856,252	897,366	913,775	909,144
87,915	Operating Income	81,726	104,336	78,844	83,638	77,775
58,538	Ordinary Income	67,150	102,476	68,539	78,085	60,903
40,081	Profit Attributable to Owners of Parent	41,429	68,448	46,252	42,277	22,304
(Million kWh)	Consolidated: Electricity Sales Volume					(Million kWh)
67,317	Electric Power Business	62,791	67,090	69,356	73,131	74,558
10,322	Hydroelectric	8,508	9,247	9,709	9,196	8,905
55,010	Thermal	53,513	56,782	54,946	52,053	52,140
1,985	Wind	769	824	815	865	1,211
13,896	Other*1	_	235	3,886	11,016	12,301
	Overseas Business*2	14,687	15,871	10,927	15,640	11,097
111%						
80%	Domestic Hydroelectric: Water Supply Rate	92%	105%	106%	101%	96%
	Domestic Thermal: Load Factor (non-consolidated)	75%	80%	79%	77%	75%

2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021 /3
2,659,149	2,540,723	2,606,285	2,647,054	2,766,179	2,805,390	2,841,960
1,962,851	1,865,289	1,842,266	1,810,929	1,920,597	1,948,003	1,988,274
696,298	675,433	764,019	836,124	845,582	857,387	853,685
1/17 012	146 120	115 440	160 210	140 422	150 245	167.050
147,813	146,130	115,440	160,310	148,423	159,245	167,959
(142,964)	(131,541)	(137,663)	(109,635)	(170,432)	(161,711)	(143,274)
4,848	14,588	(22,223)	50,674	(22,008)	(2,466)	24,684
2.4%	2.3%	2.6%	3.9%	2.5%	2.8%	2.2%
2.9%	2.8%	3.2%	4.8%	3.2%	3.6%	2.8%
7.2%	5.9%	6.0%	9.1%	5.8%	5.3%	2.8%
284.43	218.97	226.33	373.93	252.68	230.96	121.85
3,762.52	3,641.59	3,954.22	4,300.98	4,356.54	4,412.84	4,420.39
25.9%	26.2%	27.8%	29.7%	28.8%	28.8%	28.5%
2.5	2.4	2.2	2.0	2.1	2.0	2.1
183,050	183,049	183,049	183,049	183,048	183,048	183,048

11-Year Financial Data

	2011/3	2012/3	2013/3	2014/3	2015/3	
Non-Consolidated: Operating Revenue/Expenses						
Operating Revenue	583,213	599,973	586,993	582,861	557,943	
Electric Utility Operating Revenue	573,878	590,553	577,284	572,937	548,580	
Hydroelectric	108,152	108,479	106,681	104,765	105,705	
Thermal	406,488	424,436	413,938	411,935	389,607	
Transmission and Other	59,237	57,638	56,664	56,236	53,267	
Incidental Business Operating Revenue	9,335	9,419	9,708	9,923	9,363	
Operating Expenses	520,569	557,628	543,659	542,396	513,387	
Electric Utility Operating Expenses	513,395	549,010	534,765	533,444	504,946	
Personnel Expenses	31,276	34,441	34,084	29,810	28,566	
Amortization of the Actuarial Difference	(2,213)	1,752	505	(3,099)	(4,372)	
Fuel Cost	209,967	238,497	238,441	250,259	228,482	
Repair Expenses	50,635	54,286	56,454	58,521	61,005	
Consignment Cost	32,667	35,428	33,345	32,090	32,593	
Depreciation and Amortization Cost	106,080	100,423	89,485	81,500	77,824	
Other	82,767	85,933	82,953	81,261	76,473	
Incidental Business Operating Expenses	7,174	8,617	8,894	8,952	8,441	
Operating Income	62,644	42,344	43,333	40,464	44,555	

Segment Information

	2011/3	2012/3	2013/3	2014/3
Sales to External Customers				
Electric Power Business	584,436	609,775	605,338	609,080
Electric Power-Related Business	26,294	23,133	26,599	29,944
Overseas Business	1,881	2,005	1,647	42,834
Other Businesses	23,363	19,686	22,471	24,975
Consolidated	635,975	654,600	656,056	706,835
Ordinary Income				
Electric Power Business	41,832	22,290	31,088	29,088
Electric Power-Related Business	10,425	8,373	9,099	9,626
Overseas Business	5,047	3,499	3,907	52
Other Business	(1,517)	(3)	986	956
Adjustments	533	2,460	(256)	353
Consolidated	56,322	36,619	44,825	40,077
Depreciation and Amortization				
Electric Power Business	110,179	104,344	93,163	85,173
Electric Power-Related Business	3,362	3,514	4,498	5,308
Overseas Business	115	55	84	3,299
Other Business	1,231	521	492	512
Adjustments	(3,244)	(3,164)	(2,984)	(2,884)
Consolidated	111,644	105,271	95,254	91,408
Increase in the Tangible and Intangible Non-current Assets				
Electric Power Business	70,742	68,286	69,390	94,307
Electric Power-Related Business	5,236	7,119	46,713	4,889
Overseas Business	18,091	62,548	60,175	95,815
Other Business	643	340	494	546
Adjustments	(1,584)	(570)	(1,667)	(532)
Consolidated	93,128	137,725	175,106	195,026

Note: Accounting policies were partially changed from the year ended March 31, 2017 and the figures for the year ended March 31, 2016 reflect retroactive application of the change.

(Millions of yen) (Millions of yen)

2016/3

552,341 543,019 109,034 381,201 52,783 9,322 510,770 502,326 31,811 (2,308) 218,481 58,325 41,150 73,475 79,081 8,444 41,570

	2017/3	2018/3	2019/3	2020/3	2021 /3
Non-Consolidated: Operating Revenue/ Expenses					
Operating Revenue	522,460	614,591	646,958	571,291	589,915
Electric Utility Operating Revenue	510,909	601,475	633,617	563,813	583,812
Sold Power to Other Suppliers	457,953	545,659	580,652	510,429	566,068
Transmission and Other	52,955	55,816	52,964	53,383	17,744
Incidental Business Operating Revenue	11,551	13,115	13,340	7,478	6,102
Operating Expenses	494,829	571,519	628,279	546,405	512,060
Electric Utility Operating Expenses	484,288	559,300	615,712	539,708	506,536
Personnel Expenses	43,657	34,205	32,494	35,861	31,875
Amortization of the Actuarial Difference	10,726	(103)	(1,463)	2,411	2,883
Fuel Cost	196,843	257,308	289,024	233,234	193,776
Repair Expenses	68,348	63,458	69,715	66,652	44,133
Consignment Cost	39,374	41,284	41,951	42,578	47,182
Depreciation and Amortization Cost	49,696	53,469	51,050	52,702	55,277
Other	86,369	109,574	131,475	108,678	134,290
Incidental Business Operating Expenses	10,540	12,219	12,567	6,697	5,524
Operating Income	27,630	43,071	18,678	24,886	77,854

2021 /3	2020/3	2019/3	2018/3	2017/3	2016/3	2015/3
731,302	684,155	693,790	631,923	538,558	570,837	588,184
24,784	31,988	35,518	36,934	34,004	31,973	30,467
138,087	179,094	141,024	163,084	149,888	155,952	108,916
14,970	18,537	27,032	24,309	21,950	21,309	23,059
909,144	913,775	897,366	856,252	744,402	780,072	750,627
19,082	27,466	14,995	39,561	22,212	32,239	33,386
12,292	18,507	26,468	23,098	14,244	14,462	8,970
30,883	33,965	29,284	40,528	31,229	11,483	15,990
1,049	569	1,388	1,258	1,376	810	611
(2,405)	(2,423)	(3,597)	(1,970)	(1,912)	(456)	392
60,903	78,085	68,539	102,476	67,150	58,538	59,350
73,996	59,111	58,413	60,606	54,650	77,628	81,924
8,093	6,754	5,579	5,786	5,975	6,252	5,776
16,181	18,723	17,527	17,443	16,448	12,833	7,820
359	333	303	282	314	422	468
(2,185)	(1,913)	(1,845)	(1,819)	(1,728)	(2,553)	(2,680)
96,445	83,009	79,979	82,298	75,660	94,582	93,309
106,744	116,971	99,924	100,129	107,841	119,176	67,038
5,737	16,581	4,850	3,639	2,153	2,820	7,071
60,279	27,232	4,711	5,018	1,358	11,472	75,158
387	420	700	346	553	301	317
(1,638)	1,490	(2,406)	(10,417)	(6,070)	(7,450)	(2,692)
171,509	162,696	107,780	98,716	105,837	126,320	146,894

| Consolidated Financial Statements

Consolidated Balance Sheet

	2020/3	2021/3
Assets		
Non-current Assets	2,471,347	2,475,202
Electric Utility Plant and Equipment	965,082	1,107,399
Hydroelectric Power Production Facilities	353,720	356,513
Thermal Power Production Facilities	296,715	422,645
Internal Combustion Engine Power Production Facilities	2,377	1,460
Renewable Power Production Facilities	72,492	84,040
Transmission Facilities	147,922	145,989
Transformation Facilities	28,896	31,743
Communication Facilities	8,597	7,054
General Facilities	54,359	57,952
Overseas Business Facilities	316,333	286,958
Other Non-current Assets	90,924	91,106
Construction in Progress	647,160	588,222
Construction and Retirement in Progress	647,160	588,222
Nuclear Fuel	74,812	75,359
Nuclear Fuel in Processing	74,812	75,359
Investments and Other Assets	377,033	326,156
Long-Term Investments	288,706	252,425
Net Defined Benefit Asset	_	87
Deferred Tax Assets	59,413	54,221
Other	28,994	19,521
Allowance for Doubtful Accounts	(81)	(99)
Current Assets	334,043	366,757
Cash and Deposits	159,325	189,842
Notes and Accounts Receivable –Trade	80,466	66,140
Inventories	50,375	46,085
Other	43,876	65,042
Allowance for Doubtful Accounts	(0)	(352)
Total Assets	2,805,390	2,841,960

	2020/3	2021 /3
Liabilities		
Non-current Liabilities	1,642,354	1,713,159
Bonds Payable	604,993	654,994
Long-Term Loans Payable	865,369	892,350
Lease Obligations	2,218	2,484
Other Provision	29	26
Net Defined Benefit Liability	60,119	45,647
Asset Retirement Obligations	30,877	35,378
Deferred Tax Liabilities	16,715	15,403
Other	62,031	66,874
Current Liabilities	305,648	275,115
Current Portion of Non-current Liabilities	161,013	87,332
Short-Term Loans Payable	14,952	8,947
Commercial Paper	_	20,005
Notes and Accounts Payable – Trade	28,729	23,625
Accrued Taxes	19,430	43,865
Other Provision	622	661
Asset Retirement Obligations	386	493
Other	80,514	90,185
Total Liabilities	1,948,003	1,988,274
Net Assets		
Shareholders' Equity	806,197	814,772
Capital Stock	180,502	180,502
Capital Surplus	119,877	119,877
Retained Earnings	505,825	514,401
Treasury Shares	(8)	(8)
Accumulated Other Comprehensive Income	1,567	(5,627)
Valuation Difference on Available-for-Sale Securities	6,156	11,156
Deferred Gains or Losses on Hedges	(23,263)	(33,968)
Foreign Currency Translation Adjustment	22,479	9,096
Remeasurements of Defined Benefit Plans	(3,806)	8,088
Non-Controlling Interests	49,623	44,540
Total Net Assets	857,387	853,685
Total Liabilities and Net Assets	2,805,390	2,841,960

Consolidated Financial Statements

Consolidated Statement of Income

(Millions of yen)

	2020/3	2021/3
Operating Revenue	913,775	909,144
Electric Utility Operating Revenue	684,155	731,302
Overseas Business Operating Revenue	179,094	138,087
Other Business Operating Revenue	50,525	39,754
Operating Expenses	830,136	831,369
Electric Utility Operating Expenses	629,287	675,837
Overseas Business Operating Expenses	151,810	109,167
Other Business Operating Expenses	49,039	46,364
Operating Income	83,638	77,775
Non-Operating Income	26,537	11,214
Dividends Income	1,465	2,839
Interest Income	1,264	515
Share of Profit of Entities Accounted for Using Equity Method	11,320	2,759
Insurance Claim Income	376	2,202
Other	12,111	2,897
Non-Operating Expenses	32,091	28,086
Interest Expenses	26,293	23,746
Other	5,797	4,340
Total Ordinary Revenue	940,313	920,359
Total Ordinary Expenses	862,228	859,456
Ordinary Income	78,085	60,903
Extraordinary Income	<u> </u>	9,478
Extraordinary Losses	12,497	5,706
Profit before Income Taxes	65,587	64,674
Income Taxes-Current	15,611	35,451
Income Taxes–Deferred	(3,620)	(1,960)
Total Income Taxes	11,990	33,491
Profit	53,596	31,183
Profit Attributable to Non-Controlling Interests	11,319	8,879
Profit Attributable to Owners of Parent	42,277	22,304

Note: Under each item, there are cases of fiscal years in which the monetary importance has been minor being included and represented under another item.

Consolidated Statement of Cash Flows

(Millions of yen)

	2020/3	2021/3
Cash Flows from Operating Activities		
Profit before Income Taxes	65,587	64,674
Depreciation and Amortization	83,009	96,445
Impairment Loss	3,586	5,706
Loss on Retirement of Non-current Assets	3,963	4,945
Loss on Business of Subsidiaries and Associates	8,911	_
Increase (Decrease) in Net Defined Benefit Liability	1,161	2,036
Interest and Dividend Income	(2,729)	(3,354)
Interest Expenses	26,293	23,746
Decrease (Increase) in Notes and Accounts Receivable –Trade	5,818	14,183
Decrease (Increase) in Inventories	3,926	4,411
Increase (Decrease) in Notes and Accounts Payable –Trade	322	(24)
Share of (Profit) Loss of Entities Accounted for Using Equity Method	(11,320)	(2,759)
Loss (Gain) on Sale of Shares of Subsidiaries and Associates	_	(9,478)
Other, Net	(2,064)	(14,805)
Subtotal	186,466	185,729
Interest and Dividend Income Received	16,036	18,506
Interest Expenses Paid	(25,724)	(23,163)
Income Taxes Paid	(17,531)	(13,113)
Net Cash Provided by (Used in) Operating Activities	159,245	167,959
Cash Flows from Investing Activities		
Purchase of Non-current Assets	(149,520)	(159,296)
Payments of Investments and Loans Receivable	(10,912)	(2,567)
Collections of Investments and Receivable	7,055	21,378
Other, Net	(8,333)	(2,788)
Net Cash Provided by (Used in) Investing Activities	(161,711)	(143,274)
Cash Flows from Financing Activities	(101)	(::-):-,
Proceeds from Issuance of Bonds	69,698	69,782
Redemption of Bonds	(60,000)	(80,000)
Proceeds from Long-Term Loans Payable	87,624	106,706
Repayment of Long-Term Loans Payable	(101,962)	(79,265)
Increase in Short-Term Loans Payable	62,565	54,316
Decrease in Short-Term Loans Payable	(62,896)	(60,322)
Proceeds from Issuance of Commercial Papers	(02,090)	20,007
Cash Dividends Paid	(13,727)	(13,728)
Dividends Paid to Non-controlling Interests	(8,217)	(9,527)
Other, Net	(821)	(9,327)
Net Cash Provided by (Used in) Financing Activities	(27,737)	7,031
Effect of Exchange Rate Change on Cash and Cash Equivalents	(20.965)	(3,667)
Net Increase (Decrease) in Cash and Cash Equivalents	(29,865)	28,048
Cash and Cash Equivalents at Beginning of the Period	187,077	157,212
Cash and Cash Equivalents at the End of the Period	157,212	185,260

Note: Under each item, there are cases of fiscal years in which the monetary importance has been minor being included and represented under another item.

ESG Data

SASB INDEX

Relevant performance is organized in accordance with the Electric Utilities & Power Generators industry standards set by the US-based Sustainability Accounting Standards Board (SASB). SASB Standards were created primarily with companies and markets in North America in mind and incorporate some items that do not apply to our business. However, we have attempted to disclose as much information as possible.

Topic	Accounting Metric	Code	Result
Greenhouse	(1) Gross global Scope 1 emissions	IF-EU-110a.1	51,110,000 t-CO ₂
Gas Emissions	(2) Percentage of Scope 1 emissions under emissions-limiting		Not applicable
& Energy Resource	regulations		79%
Planning	(3) Percentage of Scope 1 under emissions-reporting regulations		
	Greenhouse gas (GHG) emissions associated with power deliveries	IF-EU-110a.2	48,440,000 t-CO ₂
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions	IF-EU-110a.3	Aim for net-zero emissions (carbon neutrality) by 2050. Concerning coal-fired power in Japan as we head toward 2030, we will phase out power plants that have become obsolete, starting with the oldest, and upcycle remaining power plants to highly efficient power systems that use hydrogen by adding gasification facilities, thereby reducing emissions. We will also introduce mixed combustion of biomass and ammonia, further reducing emissions.
	Emissions reduction targets		2050 Net-zero emissions
			2030 Reduce CO ₂ emissions from the J-POWER Group's domestic power generation business: 40%* (-1.9 million t)
			* Compared to the 3-year average of actual emissions for fiscal 2017-2019
	Analysis of performance against the above targets		We are promoting the above reduction plan to reduce CO ₂ emissions 40% from our domestic power generation business.
	(1) Number of customers served in markets subject to renewable	IF-EU-110a.4	Not applicable
	portfolio standards (RPS)		*The RPS law which established RPS regulations in Japan was abolished in 2012 and has shifted to a feed-in tariff system.
Air Orralitor	(2) Percentage fulfillment of RPS target by market	IF FIL 120- 1	,
Air Quality	Air emissions of the following pollutants:	IF-EU-120a.1	24 200 + 10004
	(1) NOx (excluding N ₂ O) (2) SOx		24,300 t, 100% 10,900 t, 100%
	(3) Particulate matter (PM ₁₀)		Undisclosed
	(4) Lead (Pb)		Undisclosed
	(5) Mercury (Hg)		Undisclosed
	Percentage of each of these in or near areas of dense population		* (1), (2) are calculated from J-POWER and 26 consolidated domestic sub- sidiaries engaged in the electric power business and the electric pow- er-related business.
			* (3), (4), and (5) are undisclosed, as we have not adopted measurement methods recommended by the SASB Standards.
Water	(1) Total water withdrawn	IF-EU-140a.1	59,268,000 thousand m³, 0%
Management	(2) Total water consumed		6,800 thousand m ³ , 0%
	Percentage of each in regions with High or Extremely High Baseline Water Stress		* (1), (2) are calculated from J-POWER and 26 consolidated domestic sub- sidiaries engaged in the electric power business and the electric pow- er-related business.
	Number of incidents of non-compliance associated with water water quantity and/or quality permits, standards, and regulations	IF-EU-140a.2	0
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-EU-140a.3	We manage the following risks involving the water resources that are indispensable for the power generation business.
			In our hydroelectric power business, we comply with our legally permitted water withdrawal amounts. At hydroelectric power plants exceeding a certain scale,* we release water required to maintain river environments. We are working to reduce the amount of water we use in the thermal power business by capturing and reusing water. We also use seawater as indirect cooling water in power generation facilities, and monitor the temperature difference between withdrawal and discharge. Using WRI Aqueduct tools to analyze water stress in areas where our facilities are in Japan, we estimate the stress to be Medium-high at most, with low expected frequency of water-related risks such as drought. * Sections for which river flow volume decreases due to withdrawal of water for hydroelectric power, having a length of 10 km or more and a catchment area of 200 km² or more, etc.
Coal Ash	Amount of coal combustion residuals (CCR) generated and	IF-EU-150a.1	1,712,000 t, 99.9%
Management	percentage recycled Number of coal combustion residual (CCR) impoundments	IF-EU-150a.2	3
	Trainber of coal combustion residual (ccit) impoundments	II LU IJUA.Z	

Topic	Accounting Metric	Code	Result
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	IF-EU-240a.1	Undisclosed * Not disclosed for competitive reasons associated with electric power deregulation.
	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	IF-EU-240a.2	Undisclosed * Not disclosed for competitive reasons associated with electric power deregulation.
	(1) Number of residential customer electric disconnections for non-payment	IF-EU-240a.3	Undisclosed * Not disclosed for competitive reasons associated with electric power deregulation.
	(2) Percentage reconnected within 30 days		deregulation.
Workforce Health & Safety	(1) Total recordable incident rate ((statistic count × 200,000) / hours worked)	IF-EU-320a.1	0.17 (Employees: 0.05.; Outsourcing & other contractors: 0.20) * Calculations are for J-POWER, six major J-POWER Group companies,* and cooperating companies.
	(2) Fatality rate (number of cases)		1
	(3) Near miss frequency rate ((statistic count × 200,000) / hours worked)		Undisclosed * Undisclosed as we have not adopted measurement methods recom-
			mended by the SASB Standards.
End-Use	Percentage of electric utility revenues from rate structures that (1)	IF-EU-420a.1	Not applicable
Efficiency & Demand	are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)		* Marked "Not applicable" as no customers in Japan employ decoupling or LRAM.
	Percentage of electric load (MWh) served by smart grid technology	IF-EU-420a.2	Undisclosed
			* Not disclosed for competitive reasons associated with electric power deregulation.
	Customer electricity savings from efficiency measures, by market	IF-EU-420a.3	Undisclosed
			* Undisclosed as we have not adopted measurement methods recommended by the SASB Standards.
Nuclear Safety	Total number of nuclear power units, broken down by U.S. Nuclear	IF-EU-540a.1	1 unit (Ohma Nuclear Power Plant, under construction)
& Emergency Management	Regulatory Commission (NRC) Action Matrix Column		*The starting operation date is undetermined since the Ohma Nuclear Power Plant is currently undergoing a review by the Nuclear Regulation Authority of its compliance with the New Safety Standards for Nuclear Power Stations.
	Description of efforts to manage nuclear safety and emergency preparedness	IF-EU-540a.2	We will work to improve safety by aptly implementing safety activities based on the quality management system for nuclear safety led by our president, and by steadily undertaking continuous improvement through the Corrective Action Program (CAP).
			Furthermore, with "safety first" as our organizational culture and with awareness among all of us of the roles and the importance of our work duties, we engage in activities to foster and maintain a culture of nuclear safety by which we continuously improve ourselves.
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	IF-EU-550a.1	0
	(1) System Average Interruption Duration Index (SAIDI)	IF-EU-550a.2	Not applicable
	(2) System Average Interruption Frequency Index (SAIFI)		* J-POWER Transmission Network Co., Ltd., a consolidated subsidiary of the
	(3) Customer Average Interruption Duration Index (CAIDI)		Company, owns electric power transmission and substation facilities and engages in electricity transmission as stipulated in the Electricity Business Act, but does not own distribution facilities and does not engage in the business of supplying electricity to end users. This is currently placed under the roles of individual transmission system operators (TSOs) that engage in grid operations in specific areas.

^{*} Major consolidated subsidiaries to which J-POWER outsources electric power facilities maintenance. J-POWER Business Service Corporation, J-POWER HYTEC Co., Ltd., J-POWER Generation Service Co., Ltd., J-POWER Telecommunication Service Co., Ltd., J-POWER Design Co., Ltd., J-POWER EnTech Co., Inc.

Activity Metrics

Business metrics	Code	Result
Number of: (1) residential, (2) commercial, and (3) industrial customers served	IF-EU-000.A	Undisclosed
		* Not disclosed for competitive reasons associated with electric power deregulation.
Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other	IF-EU-000.B	Undisclosed
retail customers, and (5) wholesale customers		* Not disclosed for competitive reasons associated with electric power deregulation.
Length of transmission and distribution lines	IF-EU-000.C	2,404.8 km
Total electricity generated, percentage by major energy source,	IF-EU-000.D	(1) 73,354,000MWh
percentage in regulated markets		(2) Hydroelectric: 12% Thermal power: 86% Wind power: 2%
		(3) Not applicable
		* Marked "Not applicable" as there are no "regulated markets" in Japan.
Total wholesale electricity purchased	IF-EU-000.E	Undisclosed
		* Not disclosed for competitive reasons associated with electric power deregulation.

Other ESG data

Environment¹

				Result	
	Accounting Metric		FY2018	FY2019	FY2020
Greenhouse gas emissions ²	Scope1 (million t-CO ₂)		53.99	53.33	51.11
	Scope2 (million t-CO ₂)		0.12	0.12	0.16
	Scope3 (million t-CO ₂)		6.96	11.41	13.61
	Total (million t-CO ₂)		61.07	64.86	64.88
Fuel consumption	Coal (dry coal 28 MJ/kg equivalent) (million t)		18.09	16.98	17.05
	Usage intensity (coal-fired thermal power) (tons/GWh)		338	334	334
	Natural gas (m³N)		1.3	0.96	0.56
	Heavy oil (thousand kl)		30	30	40
	Diesel (thousand kl)		20	30	30
	Biomass (thousand t)		20	30	40
SOx, NOx, soot and dust	SOx	Emissions (thousand t)	12.4	11.9	10.8
		Emission intensity (g/kWh)	0.21	0.22	0.20
	NOx	Emissions (thousand t)	29.4	27.5	24.2
		Emission intensity (g/kWh)	0.51	0.50	0.44
	Soot and dust	Emissions (thousand t)	0.9	0.6	0.6
		Emission intensity (g/kWh)	0.02	0.01	0.01
Industrial waste	Volume generated (million t)		2.30	2.00	2.05
	Volume recycled (million t)		2.27	1.98	2.03
	Recycle rate (%)		99	99	99
	Industrial waste treatment expenses (non-consolidated basis) (billion yen)		26.6	23.3	24.1

Unless specified otherwise, environment-related data consists of data from J-POWER and 26 consolidated domestic subsidiaries engaged in the electric power business and the electric power-related business. Amounts for consolidated subsidiaries are adjusted by percentages corresponding to the percentage of J-POWER's equity share in the subsidiaries. Please see J-POWER's website for supplementary material on environment-related data. https://www.jpower.co.jp/english/ir/ir51000.html



^{2.} Data is for J-POWER and consolidated domestic and overseas subsidiaries reported in CDP. Percentage of equity share is not accounted for in amounts for consolidated subsidiaries. 3. Unless specified otherwise, human resource-related and human resource development-related data are for J-POWER only.

^{4.} J-POWER Group employees (excluding temporary employees)

5. Major consolidated subsidiaries to which J-POWER outsources facilities maintenance. J-POWER Business Service Corporation, J-POWER HYTEC Co., Ltd., J-POWER Generation Service Co., Ltd., J-POWER Gene Telecommunication Service Co., Ltd., J-POWER Design Co., Ltd., J-POWER EnTech Co., Inc.

Society

				Result	
	Accounting Metric		FY2018	FY2019	FY2020
Human resources ³	Number of new graduates hired by J-POWER	Male (person)	79	92	89
		Female (person)	17	11	15
		Total	96	103	104
	Number of employees (consolidated) ⁴	Male (person)	6,326	6,353	6,289
		Female (person)	864	909	867
		Total	7,190	7,262	7,156
	J-POWER managers	Male (person)	1,013	980	953
		Female (person)	15	14	13
		Percentage of women (%)	1.5	1.4	1.3
	Percentage of people with disabilities employed (%)		2.14	2.39	2.45
	Average length of continuous service, years		19.6	19.7	19.8
	Turnover rate for the three years after joining (%)		9.7	1.4	2.5
	Total actual working hours per person (hours)		1,980	1,979	1,943
	Overtime hours worked per person (hours/month)		21.7	21.3	20.2
	Days of paid vacation taken per person (days)		16.9	16.7	14.9
	Average age		40.9	41.1	42.1
Human resource development ³	Average training time per employee (hours)		39.8	40.2	24.7
	Average training expenses per employee (yen/person)		320,000	291,000	204,000
Occupational Health and Safety	Number of occupational accidents				
	Fatal accident	J-POWER	0	0	0
		Major six companies ⁵ + cooperating companies	1	3	1
		Total	1	3	1
	Serious injury	J-POWER	0	2	0
		Major six companies + cooperating companies	10	12	7
		Total	10	14	7
	Minor injury	J-POWER	2	2	1
		Major six companies + cooperating companies	13	10	5
		Total	15	12	6
	Frequency	J-POWER	1.30	1.38	0.85
		Industry-wide	1.83	1.80	1.95
	Severity	J-POWER	0.42	1.07	0.49
		Industry-wide	0.09	0.09	0.09

Governance (as of July 1, 2021)

	Accounting Metric	Result
Number of Outside Directors on the Board of Directors		3 out of 13
Number of Outside Officers on the Nomination and Compensation Committee		3 out of 5
Composition of officers (Directors	Female	1 out of 18
and Audit & Supervisory Board Members)	Percentage of foreigners	1 out of 18

Major Group Companies (As of March 31, 2021)

Company Name	Main Businesses	Equity Stake (%)
Electric Power Business		
J-POWER Transmission Network Co., Ltd.	Transmission business	100.0
J-POWER SUPPLY & TRADING Co., Ltd.	Power supply business	100.0
Mihama Seaside Power Co., Ltd.	Thermal power business	100.0
J-Wind Kaminokuni, Ltd.	Wind power business	100.0
J-Wind Co., Ltd.	Wind power business	100.0
J-Wind KUZUMAKI Co., Ltd.	Wind power business	100.0
J-Wind SETANA Co., Ltd.	Wind power business	100.0
Nagasaki-Shikamachi Wind Power Co., Ltd.	Wind power business	70.0
ITOIGAWA POWER Inc.	Thermal power business	64.0
and 1 other company		
Electric Power-Related Business		
J-POWER AUSTRALIA PTY. LTD.	Investment in coal mines in Australia	100.0
J-POWER Generation Service Co., Ltd.	Operation of thermal power plants; sale of fly ash; ocean transportation of coal for thermal power plants; research, planning, and analysis of environmental conservation	100.0
J-POWER HYTEC Co., Ltd.	Construction, technical development, design, consulting, maintenance, and research for hydroelectric power plants, substations, and transmission lines; surveying of and compensation for construction sites; civil engineering, construction management, and construction services	100.0
J-POWER Business Service Corporation	Operation of welfare facilities; facility maintenance; business process outsourcing; development of computer software	100.0
J-POWER RESOURCES Co., Ltd.	Import, sales, and transportation of coal	100.0
J-POWER EnTech Co., Inc.	Engineering services for atmospheric and water pollutant removal equipment	100.0
J-POWER Telecommunication Service Co., Ltd.	Construction and maintenance of electronic and communications facilities	100.0
J-POWER Design Co., Ltd.	Design, management, and research for electric power facilities and other facilities and construction consulting	100.0
Miyazaki Wood Pellet Co., Ltd.	Operation of manufacturing facilities of wood pellets and procurement of forest offcut	98.3
JM Activated Coke, Inc.	Manufacturing, sales, and marketing of activated coke	90.0
J-Wind Service Co., Ltd.	Maintenance and operation of wind power plants	100.0 (100
EPDC CoalTech and Marine Co., Ltd.	Ocean transportation of ash and fly ash	100.0 (100
and 6 other companies		
Overseas Business		
Overseas Business JP Renewable Europe Co., Ltd.	Management of investments	100.0
	Management of investments Management of investments	100.0
JP Renewable Europe Co., Ltd.		
JP Renewable Europe Co., Ltd. J-Power Investment Netherlands B.V.	Management of investments	100.0
JP Renewable Europe Co., Ltd. J-Power Investment Netherlands B.V. J-POWER Consulting (China) Co., Ltd.	Management of investments Management of investments, research and development of projects	100.0
JP Renewable Europe Co., Ltd. J-Power Investment Netherlands B.V. J-POWER Consulting (China) Co., Ltd. JP Generation Australia Pty. Ltd.	Management of investments Management of investments, research and development of projects Management of investments, research and development of projects	100.0 100.0 100.0 100.0
JP Renewable Europe Co., Ltd. J-Power Investment Netherlands B.V. J-POWER Consulting (China) Co., Ltd. JP Generation Australia Pty. Ltd. J-POWER North America Holdings Co., Ltd.	Management of investments Management of investments, research and development of projects Management of investments, research and development of projects Management of investments	100.0 100.0 100.0 100.0 100.0 (100
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JP Renewable Europe Co., Ltd. J-Power Investment Netherlands B.V. J-POWER Consulting (China) Co., Ltd. JP Generation Australia Pty. Ltd. J-POWER North America Holdings Co., Ltd. J-POWER Holdings (Thailand) Co., Ltd. J-POWER Generation (Thailand) Co., Ltd. J-POWER USA Investment Co., Ltd. J-POWER USA Development Co., Ltd. J-POWER Renewables Capital, LLC	Management of investments Management of investments, research and development of projects Management of investments, research and development of projects Management of investments Management of investments Management of investments, research and development of projects Management of investments Management of investments Management of investments Management of investments Development business	100.0 100.0 100.0 100.0 (100 100.0 (100 100.0 (100 100.0 (100 100.0 (100 100.0 (100
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Company Name	me Main Businesses		
Other Businesses			
Kaihatsu Hiryou Co., Ltd.	Production and sales of fertilizer using ash	100.0	
Other Businesses Kaihatsu Hiryou Co., Ltd. Japan Network Engineering Co., Ltd. Omuta Plant Service Co., Ltd. J-POWER Latrobe Valley Pty. Ltd. Biocoal Osaka-Hirano Co., Ltd.	Telecommunications; operation and maintenance of telecommunications facilities	100.0	
Omuta Plant Service Co., Ltd.	Operation and maintenance of a waste-fueled power generation plant	100.0	
J-POWER Latrobe Valley Pty. Ltd.	Participating in Australian Brown Coal Hydrogen Pilot Test Project	100.0	
Biocoal Osaka-Hirano Co., Ltd.	Construction and operation of a sewage sludge-based fuel manufacturing facility	60.0	
Green Coal Saikai Co., Ltd.	Operation of an ordinary waste-based fuel manufacturing facility	60.0	
and 1 other company			
Electric Power Business			
Kashima Power Co., Ltd.	Thermal power business	50.0	
Yuzawa Geothermal Power Generation Corporation	Geothermal power business	50.0	
Electric Power Business Kashima Power Co., Ltd. Yuzawa Geothermal Power Generation Corporation Osaki CoolGen Corporation Suzuyo Power Co., Ltd. TOSA POWER Inc. ENERES Co., Ltd. Hibiki Wind Energy Co., Ltd. Appi Geothermal Energy Corporation and 3 other companies	Large-scale demonstration trials of oxygen-blown IGCC and CO ₂ separation and capture	50.0	
Suzuyo Power Co., Ltd.	Electricity sale	49.9	
TOSA POWER Inc.	Thermal power business	45.0	
ENERES Co., Ltd.	Energy-related consulting business, power generation business, etc.	41.0	
Hibiki Wind Energy Co., Ltd.	Offshore wind power generation surveying	40.0	
Appi Geothermal Energy Corporation	Geothermal power business	15.0	
and 3 other companies			
Overseas Business			
JM Energy Co., Ltd.	Management of investments	50.0	
PT. BHIMASENA POWER INDONESIA	Thermal power business	34.0	
		27.0	
	naanxi Hanjiang Investment & Development Co., Ltd. Hydroelectric power business		
	BK Netherlands Holdings B.V. Management of investments		
J-POWER USA Generation, L.P.	Management of investments	50.0 (50.0)	
Birchwood Power Partners, L.P.	Thermal power business	50.0 (50.0)	
Birchwood Renewables, LLC	Development business	50.0 (50.0)	
Gulf Electric Public Co., Ltd.	Management of investments	49.0 (49.0)	
Gulf Power Generation Co., Ltd.	Thermal power business	49.0 (49.0)	
Nong Khae Cogeneration Co., Ltd.	Thermal power business	49.0 (49.0)	
Samutprakarn Cogeneration Co., Ltd.	Thermal power business	49.0 (49.0)	
Gulf Cogeneration Co., Ltd.	Thermal power business	49.0 (49.0)	
Gulf Yala Green Co., Ltd.	Thermal power business	49.0 (49.0)	
EGCO Green Energy Co., Ltd.	Management of investments	26.0 (26.0)	
Triton Knoll Offshore Wind Farm Ltd.	Wind power business	25.0 (25.0)	
Tenaska Pennsylvania Partners, LLC	Thermal power business	25.0 (25.0)	
EGCO Cogeneration Co., Ltd.	Thermal power business	20.0 (20.0)	
CBK Power Co., Ltd.	Hydroelectric power business	— [100.0]	
Green Country Energy, LLC	Thermal power business	— [100.0]	
Pinelawn Power LLC	Thermal power business	— [100.0]	
Equus Power I, L.P.	Thermal power business	— [100.0]	
Edgewood Energy, LLC	Thermal power business	— [100.0]	
Shoreham Energy, LLC	Thermal power business	— [100.0]	
Orange Grove Energy, L.P.	Thermal power business	— [100.0]	
Elwood Energy, LLC	Thermal power business	— [100.0]	
Roi-Et Green Co., Ltd.	Thermal power business	— [95.0]	
China Resources Power (Hezhou) Co., Ltd.	Thermal power business	— [34.0]	
Tenaska Virginia Partners, L.P.	Thermal power business	— [30.0]	
Tenaska Frontier Partners, Ltd.	Thermal power business Thermal power business	— [30.0] — [25.0]	
and 48 other companies	тета ромет разпеза	— [23.0 <u>]</u>	

Notes: 1. The percentages in parentheses present indirect holding ratios and are included in the percentages above. Those shown in brackets are the ratios held by closely related parties or parties in agreement and excluded from the percentages above.

2. J-POWER Generation Service Co., Ltd., J-POWER RESOURCES Co., Ltd., J-POWER AUSTRALIA PTY. LTD., J-POWER Holdings (Thailand) Co., Ltd., Gulf JP Co., Ltd., and JP Renewable Europe Co., Ltd. are specified subsidiaries.

J-POWER Group Facilities

Power Generation Facilities in Operation¹ (As of March 31, 2021)

	Generation Capacity (MW)	Owned Capacity (MW)
Power Generation Facilities in Operation (Domestic, Overseas)	41,563	24,842
	Generation Capacity (MW)	Owned Capacity (MW)
Domestic Total (97 bases)	18,903	18,324

Туре	Power Plants	Location (Prefecture)	River System	Start of Operation (Year)	Output Capacity (MW)
Hydroelectric	Horoka	Hokkaido	Tokachigawa	1965	10
	Nukabira	Hokkaido	Tokachigawa	1956	44
	Meto No. 1	Hokkaido	Tokachigawa	1958	27
	Meto No. 2	Hokkaido	Tokachigawa	1958	28
	Ashoro	Hokkaido	Tokachigawa	1955	40
	Honbetsu	Hokkaido	Tokachigawa	1962	25
	Kumaushi	Hokkaido	Tokachigawa	1987	15
	Satsunaigawa	Hokkaido	Tokachigawa	1997	8
	Kuttari	Hokkaido	Tokachigawa	2015	0.5
	Kumaoi	Hokkaido	Ishikarigawa	1957	5
	Towa	lwate	Kitagamigawa	1954	27
	Isawa No. 1	lwate	Kitagamigawa	2014	14
	Shimogo (Pumped storage plant)	Fukushima	Aganogawa	1988	1,000
	Otsumata	Fukushima	Aganogawa	1968	38
	Okutadami	Fukushima	Aganogawa	1960	560
	Okutadami (Ecological Flow)	Fukushima	Aganogawa	2003	3
	Otori	Fukushima	Aganogawa	1963	182
	Tagokura	Fukushima	Aganogawa	1959	400
	Tadami	Fukushima	Aganogawa	1989	65
	Taki	Fukushima	Aganogawa	1961	92
	Kurotani	Fukushima	Aganogawa	1994	20
	Kuromatagawa No. 1	Niigata	Shinanogawa	1958	62
	Kuromatagawa No. 2	Niigata	Shinanogawa	1964	17
	Suezawa	Niigata	Shinanogawa	1958	2
	Aburumagawa	Niigata	Shinanogawa	1985	5
	Okukiyotsu (Pumped storage plant)	Niigata	Shinanogawa	1978	1,000
	Okukiyotsu No. 2 (Pumped storage plant)	Niigata	Shinanogawa	1996	600
	Numappara (Pumped storage plant)	Tochigi	Nakagawa	1973	675
	Hayakido	Nagano	Tenryugawa	1985	11
	Misakubo	Shizuoka	Tenryugawa	1969	50
	Shintoyone (Pumped storage plant)	Aichi	Tenryugawa	1972	1,125
	Sakuma	Shizuoka	Tenryugawa	1956	350
	Sakuma No. 2	Shizuoka	Tenryugawa	1982	32
	Akiha No. 1	Shizuoka	Tenryugawa	1958	47
	Akiha No. 2	Shizuoka	Tenryugawa	1958	35
	Akiha No. 3	Shizuoka	Tenryugawa	1991	47
	Funagira	Shizuoka	Tenryugawa	1977	32
	Miboro	Gifu	Shougawa	1961	215
	Miboro No. 2	Gifu	Shougawa	1963	59
	Ogamigo	Gifu	Shougawa	1971	20
	Nagano (Pumped storage plant)	Fukui	Kuzuryugawa	1968	220
	Yugami	Fukui	Kuzuryugawa	1968	54
	Konokidani	Fukui	Kuzuryugawa	2016	0.2
	Tedorigawa No. 1	Ishikawa	Tedorigawa	1979	250
	Nishiyoshino No. 1	Nara	Shingugawa	1956	33
	Nishiyoshino No. 2	Nara	Kinokawa	1955	13

Type	Power Plants	Location (Prefecture)	River System	Start of Operation (Year)	Output Capacity (MW)
	Totsugawa No. 1	Nara	Shingugawa	1960	75
	Totsugawa No. 2	Wakayama	Shingugawa	1962	58
	Owase No. 1	Mie	Shingugawa, Choushigawa	1962	40
	Owase No. 2	Mie	Choushigawa	1961	25
	Ikehara (Pumped storage plant)	Nara	Shingugawa	1964	350
	Nanairo	Wakayama	Shingugawa	1965	82
	Komori	Mie	Shingugawa	1965	30
	Yanase	Kochi	Naharigawa	1965	36
	Futamata	Kochi	Naharigawa	1963	72
	Nagayama	Kochi	Naharigawa	1960	37
	Sameura	Kochi	Yoshinogawa	1972	42
	Setoishi	Kumamoto	Kumagawa	1958	20
	Sendaigawa No. 1	Kagoshima	Sendaigawa	1965	120
	Sendaigawa No. 2	Kagoshima	Sendaigawa	1964	15
otal (Dom	estic Hydroelectric, 60	0 plants)			8,560

^{1.} Power generation facilities of the Electric Power Business segment and Overseas Business segment.

Туре	Power Plants	Location (Prefecture)	Start of Operation (Year)	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)
Wind Power	Sarakitomanai Wind Farm	Hokkaido	2001	15	100	15
	Setana Seaside	Hokkaido	2005	12	100	12
	Setana-Osato	Hokkaido	2020	50	100	50
	Kaminokuni Wind Farm	Hokkaido	2014	28	100	28
	Ohma Wind Farm	Aomori	2016	20	100	20
	Green Power Kuzumaki	lwate	2003	21	100	21
	Kuzumaki No. 2	lwate	2020	45	100	45
	Nikaho-Kogen	Akita	2001	25	100	25
	Nikaho No. 2	Akita	2020	41	100	41
	Yurihonjo Bayside	Akita	2017	16	100	16
	Koriyama-Nunobiki Kogen	Fukushima	2007	66	100	66
	Hiyama Kogen	Fukushima	2011	28	100	28
	Tokyo Bayside	Tokyo	2003	2	100	2
	Irozaki	Shizuoka	2010	34	100	34
	Tahara Bayside	Aichi	2005	22	100	22
	Tahara	Aichi	2004	2	100	2
	Awara-Kitagata	Fukui	2011	20	100	20
	Yokihinosato Wind Park	Yamaguchi	2003	5	100	5
	Minami Ehime	Ehime	2016	29	100	29
	Nagasaki-Shikamachi Wind Farm	Nagasaki	2005	15	70	11
	Aso-Nishihara Wind Farm	Kumamoto	2005	18	100	18
	Aso-Oguni Wind Farm	Kumamoto	2007	9	100	9
	Minami Osumi	Kagoshima	2004	25	100	25
Total (Domestic Wind Po	ower, 23 farms)			545		540
Geothermal	Wasabizawa	Akita	2019	46	50	23
Total (Domestic Geothe	rmal, 1 plant)			46		23

Туре	Power Plants	Location (Prefecture)		Start of Operation (Year)	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)
Coal-fired	Isogo	Kanagawa	New No. 1	2002	600	100	600
	isogo	Kanayawa	New No. 2	2009	600	100	600
	Takasaqo	Llugge	No. 1	1968	250	100	250
	iakasayo	Hyogo	No. 2	1969	250	100	250
	Takehara	Hiroshima	New No. 1	2020	600	100	600
	lakeriala	HIIOSHIIIId	No. 3	1983	700	100	700
	Tachibanawan	Tokushima	No. 1	2000	1,050	100	1,050
	IaCHIDahawah	TORUSTIITIA	No. 2	2000	1,050	100	1,050
	Matsushima	ima Nagasaki	No. 1	1981	500	100	500
	Matsustilitia		No. 2	1981	500	100	500
	Matsuura	Nagasaki	No. 1	1990	1,000	100	1,000
	Matsuura	Nagasaki	No. 2	1997	1,000	100	1,000
	Ishikawa Coal	Okinawa	No. 1	1986	156	100	156
	istiikavva Coai	Okii iawa	No. 2	1987	156	100	156
	Thermal (J-POWER): 7 power plants				8,412		8,412
Gas-fired (GTCC) ²	J-POWER SUPPLY & TRADING Ichihara	Chiba			108	100	108
	Mihama Seaside Power Shinminato	Chiba			105	100	105
Coal-fired	Itoigawa	Niigata			149	64	95
	Kashima (Kashima Power Co., Ltd.)	Ibaraki	No. 2		645	50	323
	Tosa	Kochi			167	45	75
Demonstration tests facility	Osaki CoolGen	Hiroshima			166	50	83
	Thermal (Related companies): 6 power plants				1,339		788
Total (Domestic Thermal, 1	13 plants)				9,751		9,200

^{2.} GTCC (gas turbine combined cycle): A combined cycle generating system that uses a gas turbine and a steam turbine driven by the exhaust gas from the gas turbine.

J-POWER Group Facilities

Generation Capacity (MW) Owned Capacity (MW) Overseas Total (31 projects)

Countries	Туре	Projects	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)	Power Purchasers	Validity of Purchase Agreement
Thailand	Gas-fired (GTCC)	7 SPP ¹	790	_	456	EGAT/Companies in the industrial park	Valid to 2038
		KP1	110	60	66		
		KP2	110	60	66		
		TLC	110	60	66		
		NNK	110	60	66		
		NLL	120	45	54		
		CRN	110	60	66		
		NK2	120	60	72		
	Gas-fired (GTCC)	Nong Seang	1,600	60	960	EGAT	Valid to 2039
	Gas-fired (GTCC)	U-Thai	1,600	60	960	EGAT	Valid to 2040
		Total (Consolidated)	3,990		2,376		
	Biomass (Chaff)	Roi-Et	9	25	2	EGAT	Valid to 2024
	Gas-fired (GTCC)	Rayong	112	20	22	EGAT/Companies in the industrial park	Valid to 2024
	Gas-fired (GTCC)	Nong Khae	120	49	59	EGAT/Companies in the industrial park	Valid to 2021
	Biomass (Rubber Wood Waste)	Yala	20	49	10	EGAT	Valid to 2031
	Gas-fired (GTCC)	Kaeng Khoi 2	1,468	49	719	EGAT	Valid to 2033
		Total (Non-consolidated)	1,729		813		
Thailand (To	tal, 14 projects)		5,719		3,189		
The United States	Gas-fired (GTCC)	Tenaska Frontier	830	31	257	PJM market	_
	Gas-fired (GTSC) ²	Elwood Energy	1,350	50	675	PJM market	_
	Gas-fired (GTCC)	Green Country	795	50	398	Exelon Generation Company, LLC	Valid to 2022
	Gas-fired (GTCC)	Pinelawn	80	50	40	Long Island Power Authority	Valid to 2025
	Gas-fired (GTSC)	Equus	48	50	24	NYISO market	
	Gas-fired (GTCC)	Fluvanna	885	15	133	Shell Energy North America	Valid to 2024
	Gas-fired (GTSC)	Edgewood	88	50	44	Long Island Power Authority	Valid to 2023
	Jet Fuel (GTSC)	Shoreham	90	50	45	Long Island Power Authority	Valid to 2023
	Gas-fired (GTSC)	Orange Grove	96	50	48	San Diego Gas & Electric	Valid to 2035
	Gas-fired (GTCC)	Westmoreland	925	25	231	PJM market	_
The United S	tates (Total, 10 projects)		5,187		1,895		
China	Hydroelectric	Hanjiang (Xihe, Shuhe)	450	27	122	Shaanxi Electric Power Company	Renewed every year ⁴
	Coal-fired, Wind Power, Solar	Gemeng ³	8,486	7	594	Shanxi Province Power Corporation	
	Coal-fired	Hezhou	2,090	17	355	Guanxi Power Grid Co.	Renewed every year ⁴
China (Total,	4 projects)		11,026		1,071		
Philippines	Hydroelectric	CBK (3 projects)	728	50	364	National Power Corporation	Valid to 2026

Major Transmission and Transformation Facilities⁵ (As of March 31, 2021)

Transmission Facilities

Major Transmission Lines	Beginning of Operation (Year)	Location (Prefecture)	Distance (km)	Voltage (kV)
Tokachi Trunk Line	1956	Hokkaido	214.4	187
Hokkaido-Honshu HVDC Interconnection Line	1979	Hokkaido – Aomori	167.4	DC±250
Tadami Trunk Line	1959	Fukushima – Tokyo metropolitan area	216.2	275-500
Sakuma East Trunk Line	1956	Shizuoka – Tokyo metropolitan area	197.3	275
Sakuma West Trunk Line	1956	Shizuoka – Aichi	107.7	275
Miboro Trunk Line	1960	Gifu – Aichi	108.6	275
Honshu-Shikoku Interconnection Line	1994	Kagawa – Okayama	127.0	500
Kii Channel HVDC Interconnection Line	2000	Tokushima – Wakayama	99.8	DC±250
Nahari Trunk Line	1960	Kochi – Ehime	120.0	187
Kanmon Interconnection Line	1980	Fukuoka – Yamaguchi	64.2	500

- 1. The 7 SPPs project, which commenced operation in 2013.
 2. GTSC (gas turbine simple cycle): A generating system using only a gas turbine.
 3. Gemeng International Energy Co., Ltd., is an electric power company that owns 16 power generation companies.
 4. Although power purchase agreements are renewed every year, J-POWER concludes memoranda of understanding regarding power grid connection and management with province-level transmission and distribution companies to, in principle, continuously purchase power for the duration of a given facility's operation.
 5. Transmission and transformation facilities are held by J-POWER Transmission Network Co., Ltd., a wholly owned subsidiary of J-POWER.

Substations

Substations	Beginning of Operation (Year)	Location (Prefecture)	Output (kVA)
Isawa	2012	lwate	9,000
Minami Kawagoe	1959	Saitama	1,542,000
Nishi Tokyo	1956	Tokyo metropolitan area	1,350,000
Nagoya	1956	Aichi	1,400,000

Frequency Converter Station

Frequency Converter Station	Beginning of Operation (Year)	Location (Prefecture)	Output (MW)
Sakuma	1965	Shizuoka	300

AC/DC Converter Stations

AC/DC Converter Stations	Beginning of Operation (Year)	Location (Prefecture)	Output (MW)
Hakodate	1979	Hokkaido	600
Kamikita	1979	Aomori	600
Kihoku	2000	Wakayama	1,400
Anan	2000	Tokushima	1,400

Major Projects under Construction or Development (As of March 31, 2021)

Domestic (Under Construction or Preparing for Construction)

Туре	Projects	Location (Prefecture)	Status	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)	Start of Operation
Nuclear	Ohma	Aomori	Under construction	1,383	100	1,383	To be determined
Hydroelectric	Shinkatsurazawa/Kumaoi	Hokkaido	Under construction	17	100	17	FY2022
	Ashoro (Repowering)	Hokkaido	Under construction	_	100	_	Construction completion in FY202
	Ogamigou (Repowering)	Gifu	Preparing for repowering	20 ▶ 21	100	20 ▶ 21	Construction completion in FY202
	Nagayama (Repowering)	Kochi	Preparing for repowering	37 ▶ 40	100	37 ▶ 40	Construction completion in FY202
	Onabara	Ishikawa	Preparing for construction	1	100	1	Construction completion in FY202-
Wind Onshore	Kaminokuni No. 21	Hokkaido	Under construction	42	100	42	FY2021
	Tomamae (Replacement)	Hokkaido	Under construction	31	100	31	FY2022
	Minami Ehime No. 2	Ehime	Preparing for construction	Max 41	100	Max 41	_
	Shimamaki (Replacement)	Hokkaido	Preparing for construction ²	4	100	4	_
Geothermal	Appi	lwate	Under construction	14.9	15	2	FY2024
	Onikobe (Replacement)	Miyagi	Under construction	14.9	100	14.9	FY2023

Overseas (Under Construction)

Туре	Projects	Location	Status	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)	Start of Operation
Coal-fired	Central Java	Indonesia	Under construction	2,000	34	680	FY2021
Offshore Wind	Triton Knoll	The United Kingdom	Under construction	857	25	214	2021
Gas-fired (GTCC)	Jackson	The United States	Under construction	1,200	100	1,200	2022

Domestic (Under Environmental Impact Assessment)

Туре	Projects	Location (Prefecture)	Output Capacity (MW)
Wind	Hibikinada Offshore	Fukuoka	
	Seiyo Yusuhara	Ehime/ Kouchi	
	Kita-Kagoshima	Kagoshima	
	Wajima	Ishikawa	
	Youra	Oita	
	Reihoku Kunimiyama	Kochi	
	Naka-Noto	Ishikawa	Max
	Fukui Ono Ikeda	Fukui	Approx. 900
	Kichu	Wakayama	900
	Hisatsu	Kumamoto/ Kagoshima	
	Hiroshima-Nishi	Hirohsima	
	Watarai	Mie	
	New Tahara Bayside (Replacement)	Aichi	
	Sarakitomanai (Replacement) ³	Hokkaido	15 ▶ 15
	Kuzumaki (Replacement)	lwate	21 > 21
	Nikaho (Replacement)	Akita	25 ▶ 25

Domestic (Undergoing development research)

Туре	Projects	Location	Output Capacity (MW)	
Wind	Saikai Offshore	Nagasaki	Max	
	Hiyama-area Offshore	Hokkaido	Approx.	
	Awara Offshore	Fukui	1,400	

Overseas (Under Development)

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Туре	Projects	Location	Status	Output Capacity (MW)	Ownership (%)	Owned Capacity (MW)	Start of Operation
Solar	Wharton	The United States	Under development	3504	25	88	After 2022
	Refugio	The United States	Under development	400	25	100	After 2023
	Birchwood (Solar)	The United States	Under development	50	50	25	After 2023
	Birchwood (Storage)	The United States	Under development	190	50	95	To be determined
Onshore wind	Kidston Stage-3 Wind	Australia	Under development	150	50	75	2024

- Data for phase 1 construction of Kaminokuni No. 2. Planned maximum capacity of 120 MW.
 Started replacement construction in May, 2021
 Started replacement construction in July, 2021
 Alternating current.

Major Transmission/Transformation Development Plans¹

Project	Status	Capacity		Start of Operation
Construction of the New Sakuma Frequency Converter Station and replacement and expansion of related transmission lines	Undergoing research and surveying	New Sakuma Frequency Converter Station: Sakuma East Trunk Line: Sakuma West Trunk Line:	300 MW Approx. 125 km Approx. 14 km	Expansion scheduled for completion at the end of FY2027

^{1.} The power transmission and transformation business is handled by J-POWER Transmission Network Co., Ltd., a wholly owned subsidiary of J-POWER.

Attestation of Validity

On the issuance of the J-POWER Group Integrated Report 2021



Director and Executive Vice President

Makoto Honda

To deepen understanding of our initiatives aimed at the creation of medium- to long-term value, in 2019 J-POWER began issuing an Integrated Report that we use as a basis for dialogues with stakeholders.

This fiscal year's Integrated Report, the third since we began issuing the report, shows our corporate value creation mechanisms and the material issues that we must address for medium- to long-term corporate growth. With regard to the TCFD recommendations-based scenario analysis that we began last year, this year we also conducted a quantitative analysis of financial impacts.

With regard to management strategy and the management plan, in this report, we also describe in detail the Medium-Term Management Plan that we formulated in April, along with the J-POWER "BLUE MISSION 2050" plan that we formulated in February 2021 to indicate the path and concrete initiatives by which we will achieve carbon neutrality and the improvement of our corporate value. We also strove to enhance information disclosure in compliance with SASB Standards and disclosure of other ESG data.

This report was produced with the cooperation of related departments, edited primarily by the Corporate Planning & Administration Department. As the person responsible for ESG oversight and for the Corporate Planning & Administration Department which is responsible for producing this report, I attest that the process of preparing the report is legitimate and that its content is accurate.

I hope that this report will be of use to our stakeholders in better understanding the J-POWER Group. We will continue striving to enhance the content of this report so it will serve as an aid in dialogues with our stakeholders.

Corporate Profile/Stock Information (As of March 31, 2021)

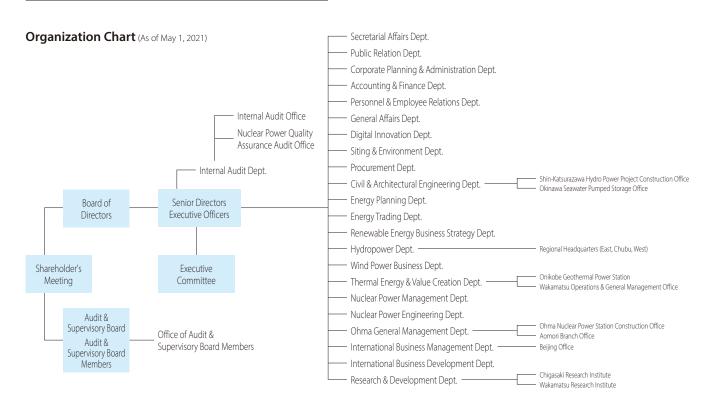
Corporate Name	Electric Power Development Co., Ltd.
Communication Name	J-POWER
Date of Establishment	Sept. 16, 1952
Headquarters	15-1, Ginza 6-chome, Chuo-ku, Tokyo 104-8165, Japan
Paid-in Capital	¥180,502,169,192
Number of Shares Authorized	660,000,000
Number of Shares Issued	183,051,100
Number of Shareholders	66,304
Stock Exchange Listing	Tokyo Stock Exchange
Independent Public Accountants	Ernst & Young ShinNihon LLC
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited

Major Offices

- Head Office: 15-1, Ginza 6-chome, Chuo-ku, Tokyo
- East Regional Headquarters: Kawagoe-shi, Saitama
- Chubu Regional Headquarters: Kasugai-shi, Aichi
- West Regional Headquarters: Osaka-shi, Osaka

Major Overseas Subsidiaries

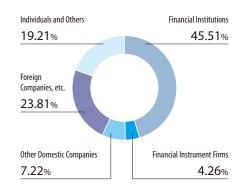
- J-POWER USA Development Co., Ltd.
- J-POWER Generation (Thailand) Co., Ltd.
- J-POWER Consulting (China) Co., Ltd.



Major Shareholders (Top 10/As of March 31, 2021)

Name or Designation	Number of Shares Held (Thousands of Shares)	Percentage of Total Shares Issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	13,150	7.18
Nippon Life Insurance Company	9,152	5.00
Custody Bank of Japan, Ltd. (Trust Account)	8,847	4.83
Mizuho Bank, Ltd.	5,155	2.82
J-POWER Employees Shareholding Association	4,394	2.40
JP MORGAN CHASE BANK 385635	3,649	1.99
Sumitomo Mitsui Banking Corporation	3,436	1.88
MUFG Bank, Ltd.	3,331	1.82
NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	3,064	1.67
Fukoku Mutual Life Insurance Company	3,029	1.65

Composition of Shareholders











Electric Power Development Co., Ltd.

Corporate Planning & Administration Department
Corporate Planning Office
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www.jpower.co.jp/english/