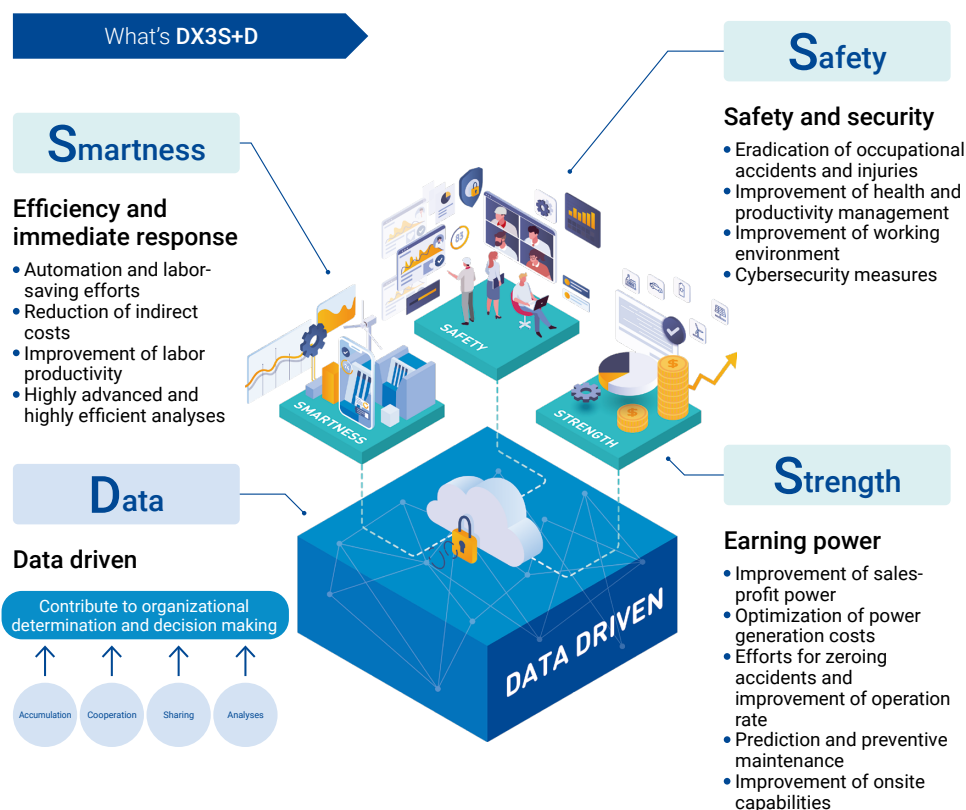


Promotion of DX

Realization of DX 3S+ D and Enhancement of Corporate Value

The J-POWER Group strives to realize "DX 3S+D" by drawing Yoryoku* powers from our employees through the promotion of digital transformation (DX). With "Data (data driven)" as the foundation, this "DX 3S+D" vision aims to enhance the three elements supporting the company and its employees, i.e., "Safety (safety and security)," "Smartness (efficiency and immediate response)," and "Strength (Earning power)," and to create new values. The realization of "DX 3S+D" is an objective that will contribute to achieving a carbon-neutral society by 2050, in addition to resolving material issues such as enhancement of our business foundation and respect for people, and will lead to the creation of financial and social corporate value.



*Power of potentiality: The power of leeway created thorough the automation and streamlining of operations
Power of productivity: The power of originality and ingenuity gained through the addition of senses and new functions

Power of predictivity: The ability to predict and foresee based on data analysis

Status of Promotion

In promoting DX, we have been carrying out various initiatives guided by the DX Roadmap for 2030 and the Medium-Term Plan for DX Promotion (DX Medium-Term Plan), a two-year rolling plan that lays out specific measures to achieve the roadmap. Under the DX Med-Term Plan started in FY2022, we have achieved certain results, including the utilization of drones and AI, as well as the development of data infrastructure. Since the DX Medium-Term Plan moved into the Phase II in FY2024, we have worked on the three priority measures shown below. And in FY2025, we also started to focus on efforts to create new business lines.

	Item	Progress of major initiatives
Priority measures for the DX Medium-Term Plan Phase II	① Thorough business process transformation	- Beginning to capture digital twin data and build 3D models - Hearing and incorporating RPA needs - Introducing generative AI and other tools
	② Establishment of a platform for data utilization	- Establishing a data platform to realize a data-driven company - Holding seminars on data utilization for corporate executives
	③ Development of DX human resources and a digital environment	- Introducing a next-generation remote work tool (AVD) - Holding meetings to exchange opinions regarding DX among front-line organizations (FY2024: 10 sites) - Initiating trainings to develop DX core/highly specialized human resources, in addition to basic DX seminars
Targets	Targets (for the end of FY2025)	- Holding a survey of all employees of the Group to confirm that we are making steady progress toward achieving the following targets - Qualitative target Creating the Yoryoku powers among employees, etc. - Quantitative target (guideline) Time effect: 300 thousand hours per year; Monetary effect: ¥3 billion per year

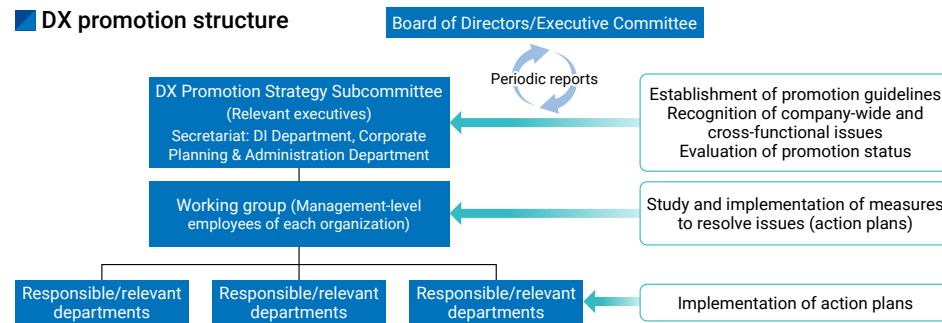


In January 2024, we were certified as a "DX-certified Operator" under the certification initiative established by the Ministry of Economy, Trade and Industry (METI).

Promotion of DX

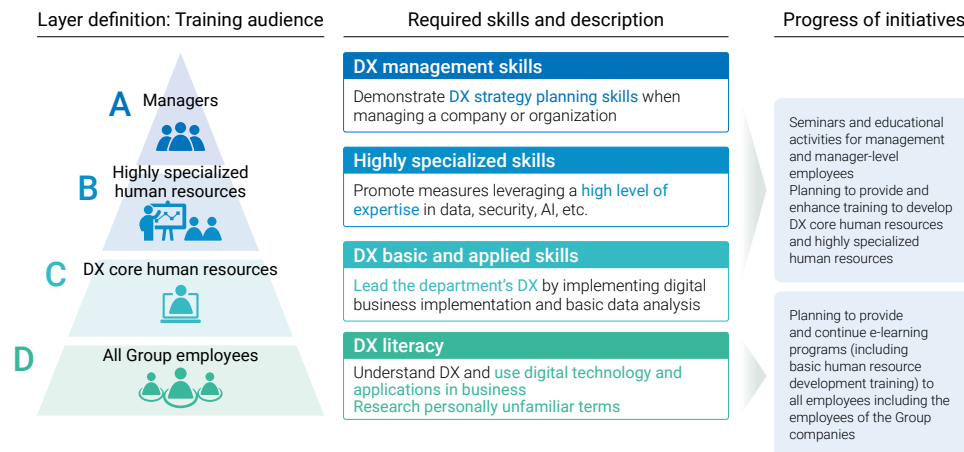
Promotion Structure

The DX Promotion structure consists of two levels: the DX Promotion Strategy Subcommittee and a working group. The DX Promotion Strategy Subcommittee discusses the direction of Group-wide DX promotion, recognition on cross-sectional issues and measures to resolve such issues, and formulates roadmaps and medium-term plans. The working group discusses how to materialize and implement these measures. The status of DX promotion is periodically reported to the Board of Directors and the Executive Committee for discussion to identify issues and revising existing strategies, which will be then incorporated into the new direction of promotion. As such, this cycle enables flexible responses to changes.



DX Human Resource Development

We define DX human resources in accordance with the Digital Skill Standards established by Ministry of Economy, Trade and Industry (METI) and the Information-technology Promotion Agency, Japan (IPA), and have a DX training system in place to meet the needs and experience of each employee and degree of DX progress in the company, from executives to general employees.



Case Examples

Digital twin initiatives

Digital twin is a technology that replicates a real-world physical asset in a digital space for simulation and monitoring. The Company has worked on digital twin initiatives, with the aim of remotely monitoring the real-time status of power plants and substations to improve the efficiency of their maintenance and operation.

Currently, we are creating 3D models for facilities such as hydroelectric power plants, dams, and thermal power plants, allowing for remotely monitoring the conditions of these facilities at the time of shooting. Going forward, we will work on real-time updates of 3D models.

In the future, we will utilize the AR/MR technologies to link physical and virtual spaces, aiming to improve safety and efficiency and to realize location-independent work styles.



Example of digital twin for a thermal power plant



Facility dimensions and appearance can be confirmed remotely

Initiatives to reduce occupational accidents

We have worked to develop AI systems that detect unsafe behaviors at worksites, as part of our efforts to reduce occupational accidents. We capture footage from network cameras installed at worksites to issue alerts when unsafe conditions persist, and also analyze trends in near-miss incidents using past footage, aiming to utilize the results of the analyses for work reviews and hazard prediction activities.

Currently, we are working to improve detection models and upgrade the functions of a system through a trial operation of the system using footage from network cameras installed for work supervision in hydropower power plant repowering. In addition, since other companies may have problems related to occupational accidents, we will hold interviews with these companies and consider selling the system to outside the Group.



Display on a system screen when work in high places is detected



Filming data for learning tripping and falling accidents