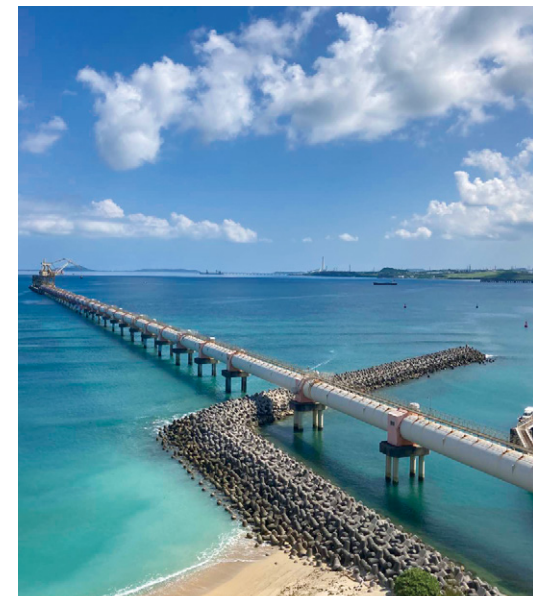




J-POWER GROUP INTEGRATED REPORT 2025



— Purpose

The Corporate Philosophy of the J-POWER Group

Our Mission

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

Our Credo

Integrity and pride

We value integrity and pride, which drive everything we do.

Harmony with the environment

We pursue harmony with the environment, and thrive in the trust of communities where we live and work.

Growth

We regard profits as the source of our growth, and share the fruits with the society.

Continuing to improve

We refine our knowledge constantly, to be the pioneering leader in technologies and wisdom.

Dare to create

We unite diverse personalities and passions as one, and dare to create a better tomorrow.

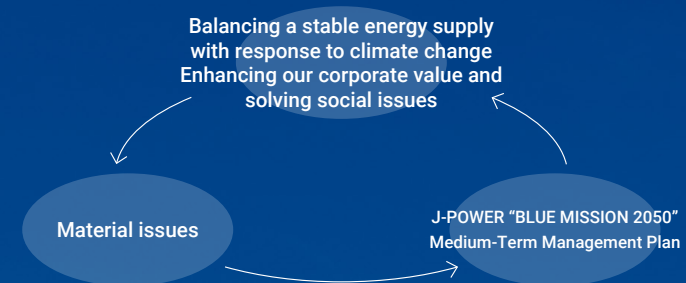
— Mission

Balancing a Stable Energy Supply with Response to Climate Change

By becoming carbon neutral while preserving energy supplies through 2050, the J-POWER Group will contribute to the sustainable growth of humanity living on the Earth and their civilization.

— Strategy

We have identified five material issues from social issues and other challenges. Under the J-POWER "BLUE MISSION 2050," our long-term strategy for achieving our material issues, we aim to balance a sustained increase in corporate value with the solving of social issues through our business activities.



— Action

We will develop CO₂-free energy, such as renewable energy and nuclear power, as a priority. We will also ensure a stable energy supply and a shift toward carbon neutrality by enhancing the power network and promoting the transition of thermal power operations.

Expansion of CO₂-free power sources

+

Push for zero-emission power sources

+

Power network stabilization and enhancement

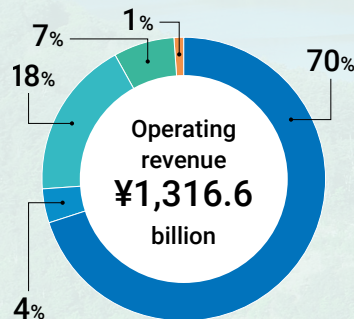
— At a Glance

(As of March 31, 2025)

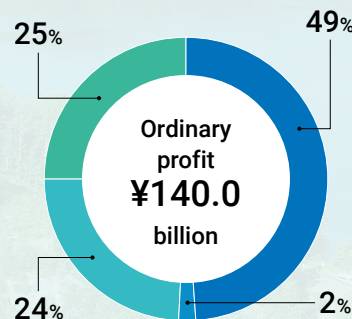
Business Overview by Segment

■ Power generation business ■ Transmission and transformation business
■ Electric power-related business ■ Overseas business ■ Other business

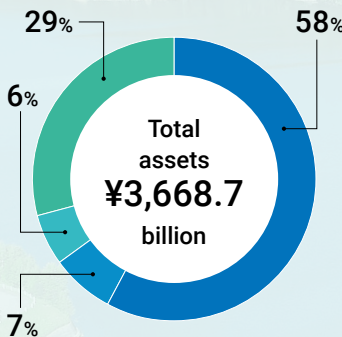
Operating revenue by segment



Ordinary profit by segment



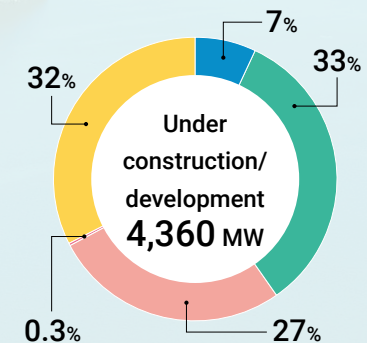
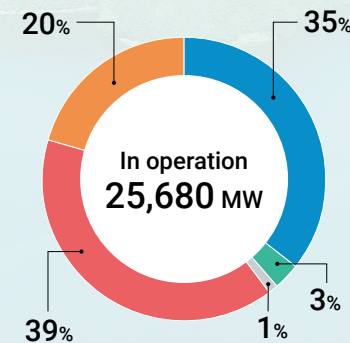
Total assets by segment



Global Facility Output (Owned capacity basis)

■ Hydroelectric ■ Wind ■ Coal ■ Hydroelectric ■ Wind ■ Solar
■ Gas ■ Other ■ Geothermal ■ Nuclear

Well-balanced portfolio



Equity Ratio

Stable financial base

36.4%

Comprehensive Front-runner in Renewable Energies

Share of domestic output capacity

No. 2 in hydroelectric
No. 2 in wind

Overseas Power Generation Business

7 countries/regions (**43** projects)
(Under construction/development and in operation)

Electric Power Sales Volume

Approx. **86.0** billion kWh

Domestic approx. 68.0 billion kWh*,
Overseas approx. 18.0 billion kWh

*Equivalent to approx. 8% of domestic demand

*Includes sales of electricity procured from the wholesale
electricity trading market, etc.

Electric Power Network That Connects All of Japan

Transmission line
distance

Approx.
2,400 km

Substations, frequency
converter stations, AC/
DC converter stations

9 locations

Overseas Technical Consulting

Over 60 years of experience

64 countries/regions (**376** projects)

P38 Financial and Non-Financial Highlights

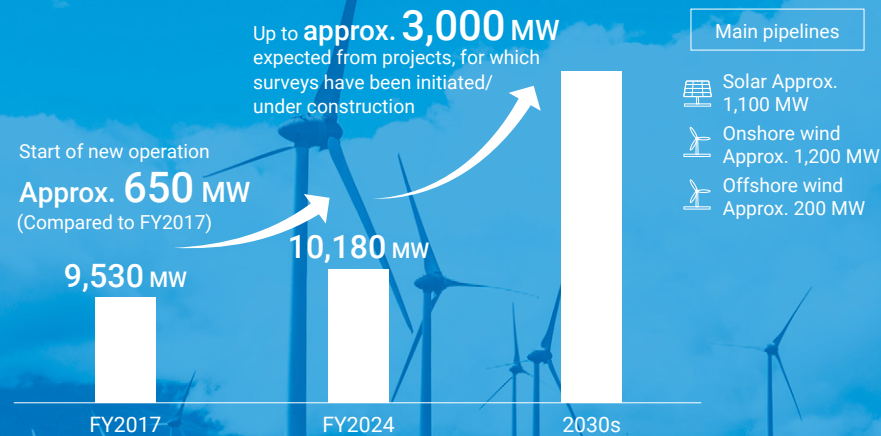
— At a Glance

Comprehensive Front-runner in Renewable Energies

Comprehensive technical capabilities built on over 70 years in business

Research, project development, siting, construction, operation, maintenance, power sales, and portfolio management

A solid track record in domestic and overseas development



Technology for Thermal Power Transition

Mixed combustion
with biomass

→ Introducing 10% mixed combustion
for commercial machine

Hydrogen production
from coal/biomass

→ Proven/considering commercialization

IGCC power generation
with hydrogen gas

→ Proven/preparing for commercialization

Implementation of
large-scale CCS in Japan

→ Preparing for surveys for
commercialization

Use of hydrogen/ammonia
for power generation

→ Considering introduction

Global Business Foundation

Stable business operations

- Stable revenue by signing long-term PPAs and utilization of market
- Overseas business segment as a percentage of consolidated ordinary profit is 24.6% (FY2024 results)
- Diverse business models (in-house development, collaboration with partners, consulting, O&M service, etc.)

Acquisition of developer's profits and expansion of the development of new renewable energies

United States

6 projects in operation
2,225 MW
1 project under construction/
development
375 MW

United Kingdom

1 project in operation
214 MW
Offshore

China

3 projects in operation
809 MW
Onshore

Thailand

13 projects in operation
3,123 MW
1 project under construction/
development
5 MW

Philippines/Indonesia

6 projects in operation
1,055 MW
6 projects under construction/
development
23 MW

Australia

3 projects in operation
150 MW
3 projects under construction/
development
1,283 MW
Onshore

As of March 31, 2025/Owned capacity basis

Coal-fired Gas-fired Wind
Solar Hydroelectric Storage

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Editorial Policy

The J-POWER Group began releasing integrated reports in FY2019. Through these reports, we work to present financial and non-financial information in a systematic and highly readable format aimed at explaining how we will achieve the value we create to society and enhance our corporate value.

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Reporting Period

April 1, 2024 to March 31, 2025
(also contains reporting on important matters after this period)

Publication of Previous Report

September 6, 2024

Guidelines Referenced, etc.

- GRI Standards (Global Reporting Initiative)
- International <IR> Framework (IFRS Foundation)
- SASB Standards (IFRS Foundation)
- Guidance for Collaborative Value Creation (Ministry of Economy, Trade and Industry)

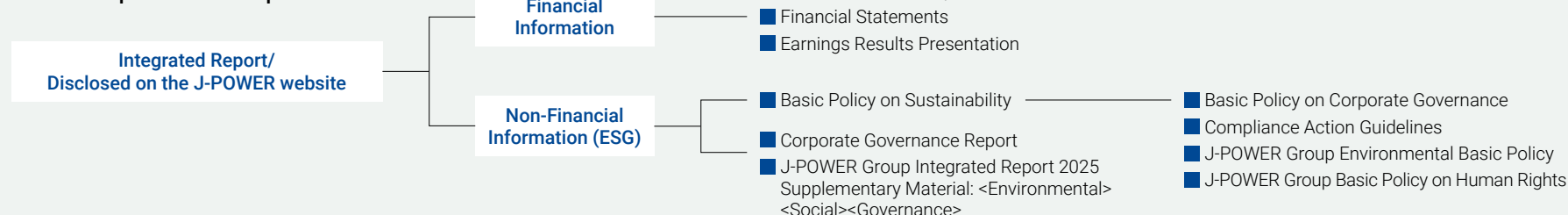
Forward-Looking Statements

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. Therefore, the sums may not total 100% in the composition ratio.

Relationship with Other Reports



Message from the President

Engaging positively as an energy company in balancing a stable energy supply with response to climate change, while remaining mindful of different time horizons

Hitoshi Kanno

Representative Director President
and Chief Executive Officer



Changes in the Business Environment

Two Years as President: A Changing Global Landscape

Two years have passed since I was appointed president, and during that time the environment surrounding the J-POWER Group has continued to grow more volatile.

In the United States, in addition to the significant shift in climate change policy following the inauguration of the Trump administration, the rapid introduction of AI and data centers (DCs) is bringing new waves of change to energy supply and

demand. Meanwhile, the effect of the escalating situation in the Middle East on resource prices cannot be ignored, making it even more difficult to predict future trends for crude oil and other indicators. Forecasting resource prices has never been easy, but in recent years I believe that structural changes have also emerged that are influencing price dynamics.

For example, during the 1979 oil crisis, crude oil prices rose by approximately 2.7 times over a period of around three years. By contrast, despite the current tensions in the Middle East, we have not seen price movements of that scale to date. This indicates that there must be underlying changes not immediately visible. One major factor is the diversification of energy procurement networks. Since Russia's invasion of Ukraine, Europe and Japan have curbed imports from Russia, and diversification of fuel procurement sources has advanced

worldwide. Taking this trend into account, it can be inferred that reduced dependence on specific regions has contributed to greater price stability. That said, modern global civilization is such that even a single misstep can cause serious disruption. To steer effectively through this complex environment, we must also remain attentive to latent factors.

So how should the J-POWER Group chart its course? What I place particular importance on are the different "time horizons." Some challenges must be addressed steadily from a long-term perspective, unaffected by changes in the external environment, while others require us to respond swiftly to shifts in the times. Over the past two years, I have come to recognize the importance of making sound decisions while remaining mindful of these different time horizons.

Message from the President

The Seventh Strategic Energy Plan and J-POWER's Responsibilities

From a long-term perspective, Japan's Seventh Strategic Energy Plan was approved by the Cabinet in February 2025. The plan maintains the principles of achieving carbon neutrality by 2050 and realizing "S+3E" (safety, energy security, economic efficiency, and environment) simultaneously, while placing greater emphasis on advancing decarbonization as a means of sustaining and enhancing Japan's industrial competitiveness.

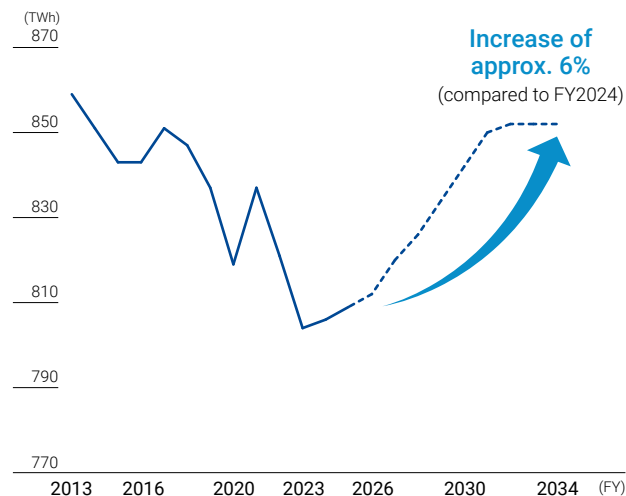
Japan once commanded the largest share of the global market for solar panels, but today domestic production has been significantly reduced under pressure from China. Likewise, when constructing new wind power plants, Japan is unable to procure key equipment domestically and must rely on imports. At the same time, domestic power demand is certain to grow with the expansion of the AI market and the

increase in DCs and semiconductor plants. To regain lost industrial competitiveness, it is critically important to ensure a stable energy supply as the foundation of every industry, while also making steady progress toward carbon neutrality.

Advancing decarbonization while strengthening industrial competitiveness means that the J-POWER Group, which has defined its mission as "balancing a stable energy supply with response to climate change," has an extremely important role to play. We intend to continue pursuing initiatives that advance both of these priorities in tandem.

One immediate challenge we must confront is the rising cost of carbon-neutral power sources. Wind and solar power, which depend on imported equipment and facilities, are directly affected by transport costs and inflation. Nuclear power also requires further investment to ensure safety. In addition, in Japan, renewable energy production sites are often far from the areas where the electricity is consumed, making investment in transmission and transformation networks that connect these regions essential. These are all prerequisites for achieving carbon neutrality, but ultimately the costs are passed on to consumers in the form of higher electricity rates. For the J-POWER Group, the priority is to supply society with the electricity it needs at low cost and with high stability, while working over the long term to curb the costs associated with carbon neutrality. At the same time, we must fulfill our responsibility to explain these issues clearly to our customers. Guided by this perspective, we will set priorities carefully and continue to approach our work as an energy company with both a sense of responsibility and enthusiasm.

Historical and projected electric power demand



Source: Created by J-Power based on the Electric Power Investigation Statistics by the Agency for Natural Resources and Energy and "FY2025 Forecast on Electricity Demand Nationwide and by Regional Service-Area" by OCCTO

[P.22 Environment Surrounding the Domestic Electric Power Business](#)

[P.23 Trends in Policies to Achieve Carbon Neutrality](#)



Message from the President

Medium-Term Management Plan Progress

In 2024, we launched a new Medium-Term Management Plan. The previous plan was positioned as the first step toward our long-term direction, J-POWER “BLUE MISSION 2050.” Building on that foundation, the next step—Medium-Term Management Plan 2024–2026—sets forth the theme of transitioning our business portfolio and business model, and we are now moving forward with new initiatives.

 [P.25 J-POWER “BLUE MISSION 2050”](#)

 [P.26 Medium-Term Management Plan 2024–2026](#)

Transitioning Our Business Portfolio and Business Model

In Japan today, the typical business model for power generation is to make large up-front investments in facilities and then operate them stably over the long term to secure returns. In contrast, in countries such as the United States and Australia, the buying and selling of power generation interests is much more active. Reflecting this business environment, we decided to sell our interests in the Green Country Power Plant (gas-fired) and other facilities in the United States.* In the course of transferring these interests, we successfully concluded the contracts under favorable conditions that ensured economic viability. Part of the proceeds will be reinvested in the development of large-scale solar power plants in the United States, enabling us to advance the transition of our overseas business portfolio. We expect this type of trading in power generation interests to become more common in Japan going forward. To enhance capital efficiency, we intend to incorporate a business model that captures developer profits through the sale of interests after developing power generation assets, thereby working to optimize our business portfolio.

In our renewable energy business, we are working to maximize environmental value through corporate PPAs with a

range of operating companies. In FY2024, we signed 20-year contracts in the form of virtual PPAs with Tokyo Metro and KDDI covering non-fossil value and its associated prices. We plan to expand our customer base further, but at present each company has its own view of environmental value, and no consensus has yet been reached on price levels. At the same time, as Japan moves toward realizing a carbon-neutral society, we expect domestic customers to accelerate their efforts to secure CO₂-free power sources. There is also growing recognition of the high costs and hurdles involved in advancing renewable energy development in Japan. For the J-POWER Group, which already owns and operates large-scale CO₂-free power sources domestically over the long term and is continuing to expand them further, this trend represents a major business opportunity.

In expanding our CO₂-free power sources, the operation of the Ohma Nuclear Power Plant will also be essential. At present, a conformity review is under way by the Nuclear Regulation Authority based on new safety standards established in the wake of the Fukushima Daiichi accident. The review is making steady progress, with the standard tsunami height finalized in November 2024 and the standard seismic motion finalized in May 2025. With regard to the project's revenue scheme, we are considering making use of the Long-Term Decarbonized Power Source Auction system to ensure investment recovery and steadily generate profits. We are advancing efforts with safety as our highest priority to make the Ohma Nuclear Power Plant a powerful performing asset for the J-POWER Group.

To achieve carbon neutrality, we must also decarbonize thermal power—in other words, “push for zero-emission power

sources.” Transitioning to zero-emission thermal power, which emits no CO₂ during combustion, will require the introduction of hydrogen and ammonia. A challenge here is the high cost and energy required to transport these fuels from their production sites to the power plants. Considering these issues comprehensively, we believe that, at this stage, a better approach may be to transport fossil fuels to the plant and generate hydrogen onsite for power generation. Our ongoing GENESIS Matsushima Plan involves adding gasification facilities to existing equipment to enable the generation of hydrogen-rich gas and the use of hydrogen for power generation. This marks our first step toward CO₂-free hydrogen power generation and aims to position the project as a forerunner in zero-emission thermal power. In addition, we are moving forward with preparations for the commercialization of CCS, which will enable the storage of CO₂.

We are also focusing on building new business domains. In fields where our expertise can be applied, we believe new businesses can be created through investments in startups and collaboration with a wide range of partners. In July 2025, we signed a memorandum of understanding with Hitachi to cooperate in developing DCs for AI. As expectations for AI grow in Japan, we aim to leverage the CO₂-free power sources owned by the J-POWER Group to explore new growth opportunities. In addition, we are advancing a variety of projects, including biomass fuel production and battery utilization. By collaborating with partners at the forefront of innovation, we will pursue not only synergies with our existing businesses but also opportunities to take on new businesses.

 [P.27 Initiatives for Carbon Neutrality](#)

Medium-Term Management Plan priority items

① Establishment and growth of sustainable revenue streams

• Renewable energy [P.27](#) • Overseas business [P.43](#)

② Strategies for business portfolio in the 2030s

• Hydrogen/ammonia [P.31](#)
• Transmission and transformation [P.42](#)
• Nuclear [P.29](#) • Promotion of Innovations [P.47](#)

③ Improvement of profitability and investment efficiency

• Department management and investment efficiency [P.34](#) [P.97](#)

④ Enhancement of the Group's competitiveness

• Human resources [P.78](#) • DX [P.45](#)

⑤ Deepening of ESG management

• Sustainability management [P.15](#)

*From FY2024 onward, we have been proceeding with the sale of the Green Country Power Plant and other gas-fired power generation interests in North America.

Message from the President

Management Goals and ROIC

In the current Medium-Term Management Plan, we have set a future ROE target of 8% or higher, while also introducing a target for performing assets ROIC necessary to achieve that level. In the 2030s, once the Ohma Nuclear Power Plant begins operation, we expect the proportion of non-performing assets to decrease. At that stage, the performing assets ROIC required to reach an ROE of 8% will be around 3.5%. As a nearer-term target, therefore, we aim to achieve a performing assets ROIC of 3.5% and an ROE of around 5% in FY2026, and have set ordinary profit of ¥90.0 billion as a management goal.

At present, each department is advancing initiatives with ROIC in mind, aiming for autonomous business operations that enable the creation of corporate value at the departmental level. At the same time, the time horizon to profitability varies by business, and growth potential cannot be fully captured simply by applying ROIC. We will therefore promote multifaceted business management that emphasizes the use of ROIC while also taking into account each department's role, growth process, and business risks.

 [P.34 Management Goals](#)

 [P.35 Capital Allocation and Approach to Improving Capital Efficiency](#)

Changes to Shareholder Return Policy

In May 2025, we announced an update to our basic approach to shareholder returns. While maintaining ¥100 per share as the lower limit for dividends, we added share buybacks as one of the return methods to enable more flexible shareholder returns, and introduced the total payout ratio. Under this policy, we have decided on our first-ever share buy-back, with a total acquisition value of ¥20.0 billion.

Until now, we had stated a target payout ratio of around 30%. However, due to the surge in resource prices, dividends in FY2022 and FY2023 fell below this level, as profits temporarily increased from our coal mining interests in Australia. We received feedback from shareholders that this created a lack of consistency between our return policy and actual results,

and lowered predictability. We recognize this as an area where management must reflect and improve. Within the Board of Directors, we held repeated discussions on balancing shareholder returns with capital structure in anticipation of a rapidly changing future—considering such factors as the transition of our business portfolio, investment plans, resource price trends, and the introduction of new measures expected in the future, such as carbon pricing. We also recognize that our shareholders have valued the fact that we have not reduced our dividend once in the 20 years since listing. Taking this into account, we judged that it would be difficult to increase dividends in today's uncertain business environment. However, by maintaining the current dividend as a minimum and adding share buybacks as a flexible return method, we believe we have established a more predictable shareholder return policy.

 [P.37 Shareholder Returns](#)

Share buyback

**Decided to purchase treasury shares of
¥20.0 billion** by moving forward the decision on the
total additional shareholder returns for the three-year period

Dividend only

FY2024 payout ratio | **19.8%**

Dividend ¥18.3 billion

Dividend + Share buyback

FY2024 total payout ratio | **30.0%**

Dividend ¥18.3 billion Share buyback ...¥9.4 billion

Sustainability and Improving Corporate Value

Focus on Material Issues and Local Community Engagement

For the J-POWER Group to enhance corporate value and achieve sustainable growth, promoting sustainability is essential. At present, we have defined five material issues—supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation—and are advancing initiatives toward each of these goals.

Over the past year, we have placed particular emphasis on engagement with local communities. Worldwide, in addition to the TCFD, attention is increasingly focused on the TNFD, and companies are being called upon to give consideration to and take action on the natural environment and biodiversity as they advance their businesses. For J-POWER, the clearest example is in hydroelectric power, where we must conserve river and river basin environments. Operating hydroelectric power plants that require large dams entails responsibility for the environment of entire river basins. We must therefore balance the management of the natural environment, human settlements, and energy infrastructure functions. When replacing or upgrading facilities, we are strengthening our initiatives, such as by incorporating designs that reflect coexistence with stakeholders living in river basins.

Meanwhile, local communities around our business sites are experiencing both population aging and population decline. In some areas, cultural, artistic, sports, and volunteer activities in which we have long participated are becoming difficult to sustain. In response, since April 2025 our newly established Public Relations & Community Relations Department has taken the lead in accelerating efforts to connect and coordinate local community engagement activities that had previously been carried out independently at each site. We believe that enabling employees who work at different sites across the Group to travel between regions and participate in activities not only enhances our contribution to local

Message from the President

communities, but also strengthens ties within the Group and helps rediscover the unique strengths of each department and site.

 [P.49 Climate Change Scenario Analysis
\(Disclosure Based on TCFD Recommendations\)](#)

 [P.67 Disclosure Based on TNFD Recommendations](#)

 [P.73 Engagement with Local Communities](#)

Human Resources Strategy

Since assuming the presidency, I have visited around 70 business sites in Japan and overseas, emphasizing the importance of connecting management with frontline staff and of fostering a stance of meeting halfway to strengthen horizontal as well as vertical connections across the Group. Translating philosophy into action is never easy, but I feel that employees' understanding of this approach has been steadily spreading. Given the diverse businesses of the J-POWER Group, each department and site faces its own unique challenges. However, if, for example, a department that has

innovative ideas but lacks the facilities to realize them and a site that is seeking new ways to utilize its equipment or space can complement each other's shortcomings, new business opportunities are bound to emerge. We can also expect broad-ranging synergies, such as applying expertise gained in our domestic operations to overseas businesses, and conversely, using experience from overseas to help solve challenges in Japan.

Underlying such exchanges among people is what I see as a common language: contributing to society through energy. When I spoke with the CEO of Genex, an Australian company we made a wholly owned subsidiary in July 2024, he told me, "Because I feel that J-POWER shares the same spirit of contributing to society through energy business development, our M&A will succeed." Energy is a universally needed resource, and the principle of contributing to society through business development is one that can be shared across different countries and regions. I believe that sharing the J-POWER Group's corporate philosophy and purpose will further enhance our corporate value wherever in the world we operate.

At the same time, to attract a more diverse range of talent and enable them to perform at their best, improvements in our systems and frameworks are also necessary. By continuing to enhance human resource development and work-life balance initiatives, we will further raise employee engagement and aim to build a company where new challenges are being created.

 [P.15 J-POWER Group's Sustainability Initiatives and Management](#)

 [P.20 Value Relevance Analysis \(Visualization of Non-Financial Value\)](#)

 [P.78 Human Resources Strategy for Enhancing the Group's Competitiveness](#)

Corporate Governance

With respect to corporate governance, we have worked to invigorate discussions at Board of Directors meetings and to strengthen the system of checks and balances, for example through opinion exchanges with Outside Directors.

In June 2025, we reduced the number of Directors by one, moving to a structure of 15 members consisting of nine

Internal Directors and six Outside Directors. Given that the J-POWER Group operates across a wide range of business divisions, it is essential to have Directors with specialized knowledge and experience in areas such as electricity, civil engineering, construction, chemistry, and communications.

At the same time, the efficiency of discussions at the Board of Directors is also an important consideration, and there is a need to ensure both swifter decision-making and smoother operations. With these perspectives in mind, we will continue discussions regarding the optimal form of the Board of Directors going forward.

 [P.87 Corporate Governance](#)

Message to Our Stakeholders

Precisely because the outlook for the future is more difficult than ever to discern, and uncertainty in international affairs and the economic environment is mounting, we find our work all the more rewarding. What the J-POWER Group must do is steadily advance initiatives to supply electricity at low cost and with stability, with a view to a sustainable society, while generating profits and returning them to our shareholders.

Our new investments and projects will not be limited to Japan. By carefully assessing market and regulatory trends around the world, we will focus our resources on investments that offer both strong returns and high predictability. At the same time, with respect to existing sites, we will work to renew our business portfolio and business models. The J-POWER Group's greatest strength lies in our diverse portfolio of power sources in Japan and overseas, together with our expertise in their development and operation. By deploying our resources swiftly into areas where demand is growing, we will achieve both growth and contribution to society.

To realize this, the cooperation of all our stakeholders is indispensable. We will continue to enhance opportunities for dialogue with you and strive to build trust.



INTEGRATED REPORT CHAPTER 1

The Value We Provide

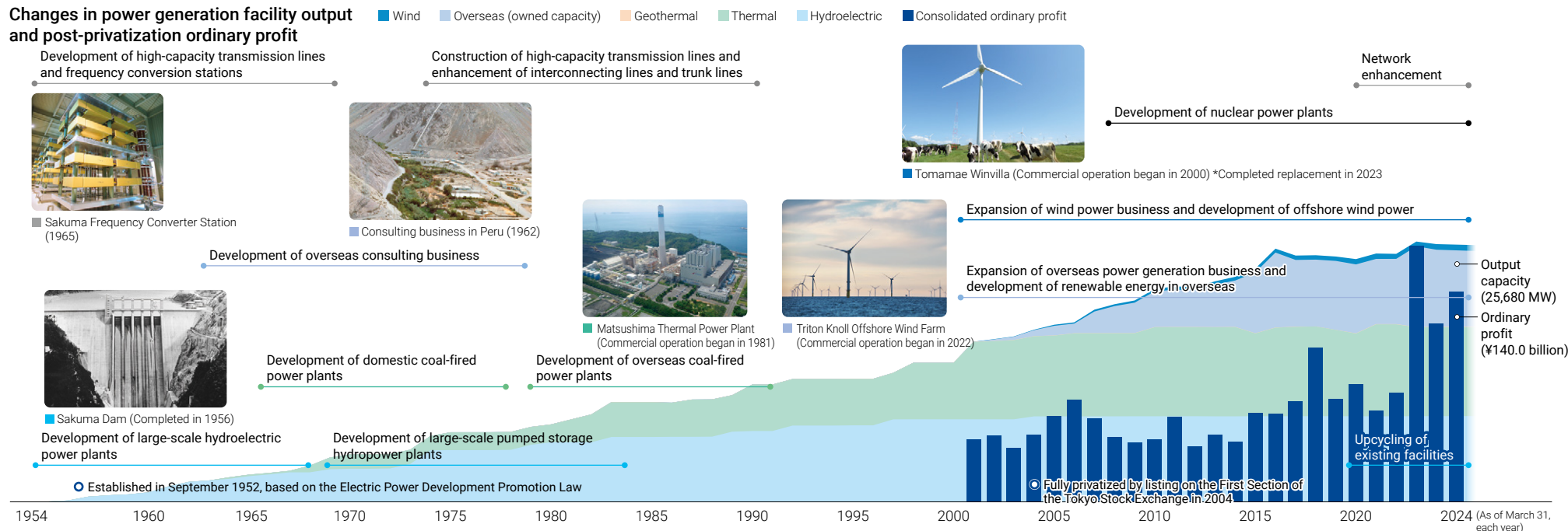
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Value Relevance Analysis (Visualization of Non-Financial Value)	P.20



History of Value Creation of the J-POWER Group

Under our Corporate Philosophy of “We will meet people’s needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world,” the J-POWER Group has contributed to solving various energy-related issues of each era through its business. Going forward, we aim to improve sustainable corporate value while meeting demands of global society for balancing a stable energy supply with the response to climate change.

Changes in power generation facility output and post-privatization ordinary profit

Social
issues

From post-war power shortage to growth in power demand

Oil crises

Climate change

Contributed to solving power shortage by developing power sources

- J-POWER, established as a government-funded company in 1952, worked to develop large-scale hydroelectric power plants to ease the power shortages occurring in Japan in the aftermath of World War II.
- Overseas, we have contributed to the development of each country and building the relationships of trust between each country and Japan through technical supports and consulting services for power plant and transmission line construction.

Contributed to stable power supply by diversifying power sources

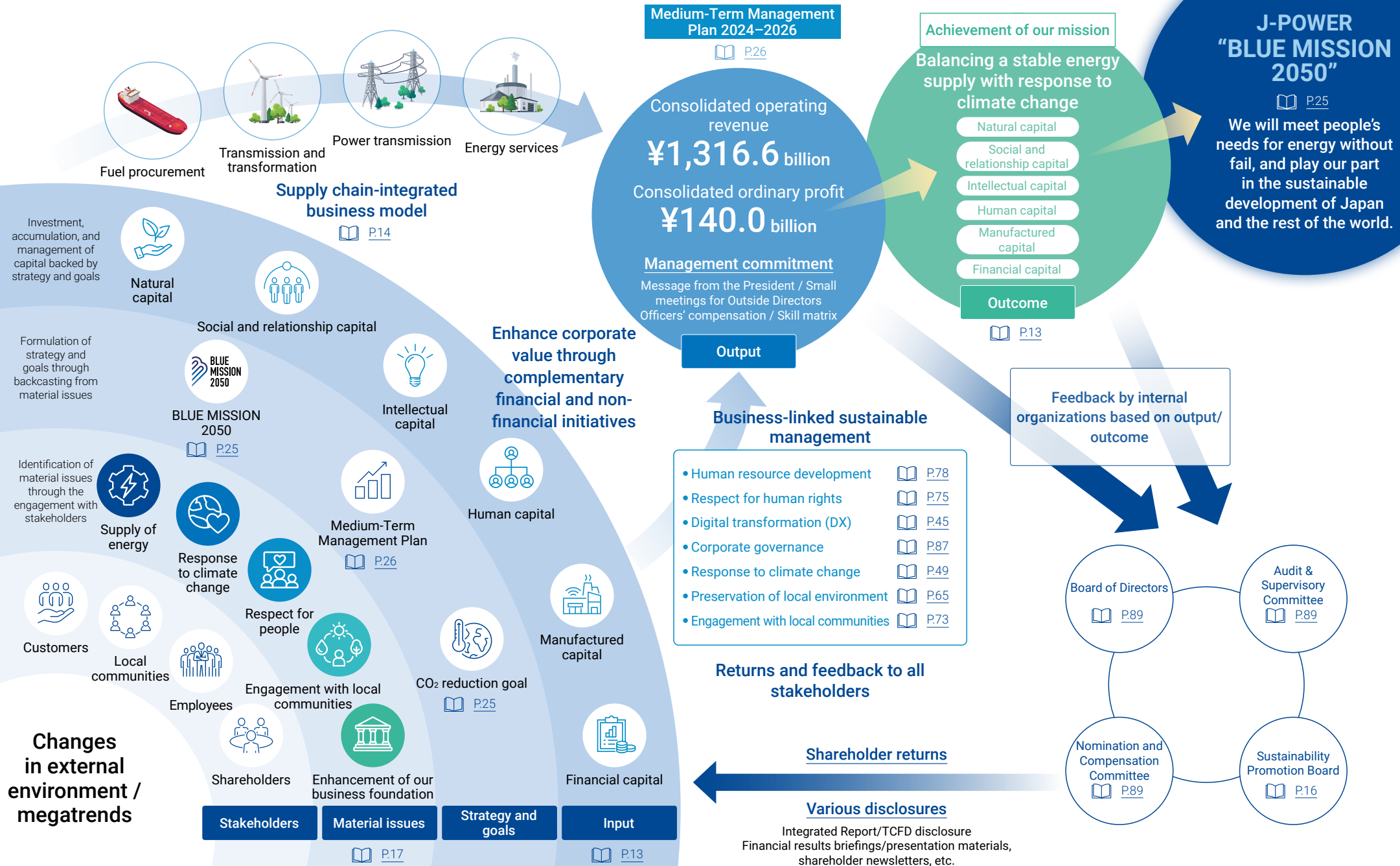
- Following two oil crises, we responded to strong calls for diversified energy sources by building Japan's first coal-fired power plant fueled by overseas coal and acquiring interests in overseas coal mines.
- To fulfill peak demand, we continued construction of large-scale pumped storage hydropower plants and high-capacity transmission lines.

Contributed to the sustainable development of Japan and the rest of the world by deploying new technologies and expanding the overseas business

- J-POWER became one of the first in Japan to start responding to climate change by developing large-scale commercial wind farms in the early 2000s.
- We began rapidly developing our overseas power generation and wind power businesses after being fully privatized in 2004, actively expanding our business fields.
- J-POWER aims to achieve sustainable growth, based on “coexistence of energy and the environment,” by leveraging the technologies and achievements we have cultivated in Japan and around the world.

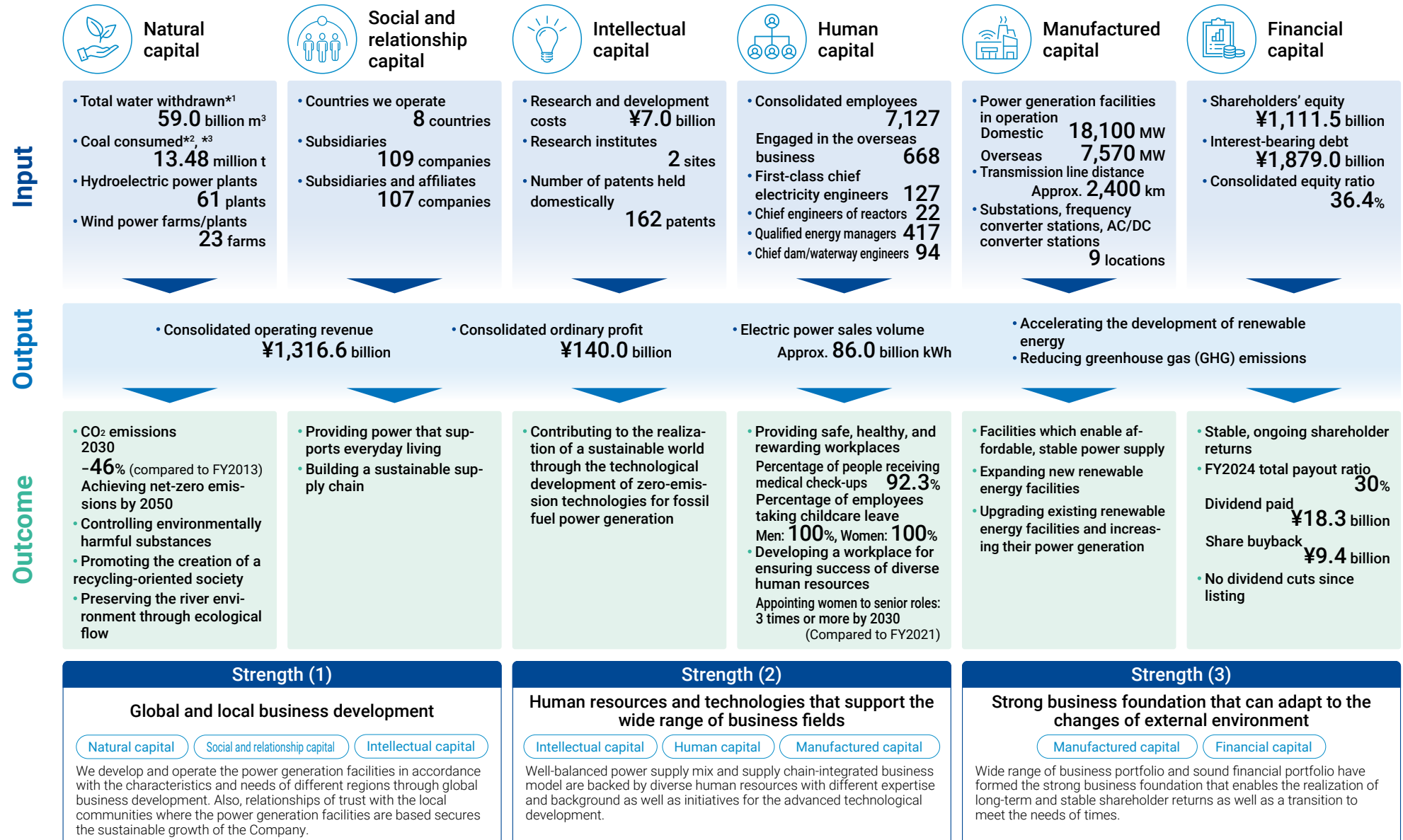
J-POWER's history

Value Creation Process



Value Creation Process

Capital That Has Strength



*1 The figure includes J-POWER and consolidated subsidiaries, including those operating abroad, in electric power business, electric power-related business, etc.

*2 The figure includes J-POWER and consolidated subsidiaries, including those operating abroad, in electric power business, electric power-related business, etc. (Consolidated subsidiaries are considered in terms of investment ratio.)

*3 Dry coal: 28 MJ/kg equivalent

Business Model

Investment in
upstream resource
interests for the
purpose of stable
power supply



Stable fuel supply

Comprehensive
technical
capabilities covering
development,
design, construction,
and operation



Integrated Group
operational know-how

Renewable energy sources



Securing promising and
suitable sites
Accumulation of wind
condition and power
generation data

Thermal power sources



Appropriate risk man-
agement and a flexible
operation system

Electric power transmission and transformation facilities



Technologies that boost
wide-area electricity grid
operation and expansion of
introduction of renewable
energies throughout Japan

Provision of kW/kWh/ΔkW/non-fossil value according to the characteristics of the power source

Electric Power-Related Business

FY2024 ROIC: 23.3%

The Group engages in businesses which support the smooth and efficient execution of the power generation business, including the ownership of coal mining interests and the importing and transportation of coal.

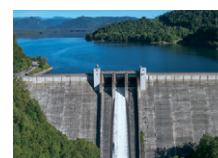


- Value chain that supports the power generation business
 - Diversification of suppliers of fuel procured
- [P44](#) Electric Power-Related Business

Power Generation Business

FY2024 ROIC: 6.8%

The Group engages in power generation, employing various energy sources including renewable energy and thermal power, and electric power retailing in collaboration with partner companies in Japan.



- Relative contracts with EPCOs
 - Sales to the Japan Electric Power Exchange (JEPX)/retail operators
- [P40](#) Power Generation Business

Overseas Business

FY2024 ROIC: 4.7%

The Group engages in power generation business and consulting overseas. We not only hold assets but also replace our business portfolio as appropriate.



- PPA*1 with government-owned electric power companies, etc.
 - Sales to liberalized markets in various countries and regions
- [P43](#) Overseas Business

Provision of power transmission and transformation functions

Transmission and Transformation Business*2

FY2024 ROIC: 2.0%

The Group engages in power transmission and transformation that contribute to the wide-area operation of the entire Japanese power grid.



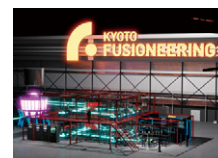
- Transmission contracts with transmission system operators
- [P42](#) Transmission and Transformation Business

Initiatives to provide new value

Other Business

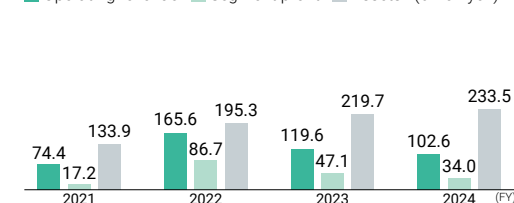
FY2024 ROIC: 9.1%

We operate information communication businesses and environment-related businesses that leverage the Group's know-how and management resources. We are also investing in and working with startup companies to develop new businesses in the future.

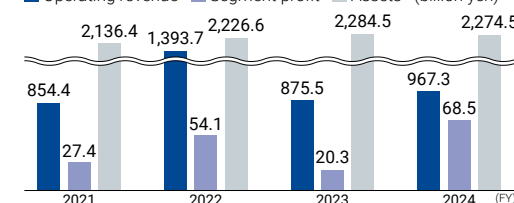


- Creation of new businesses and solving of issues in the electric power business through investment in and cooperation with startup companies
 - Provision of new value through co-creation with diverse partners
- [P47](#) Promotion of Innovations

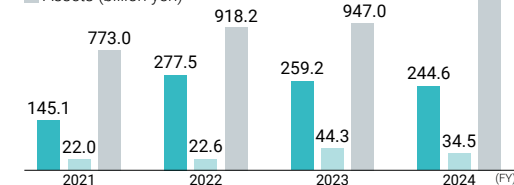
Operating revenue Segment profit Assets (billion yen)



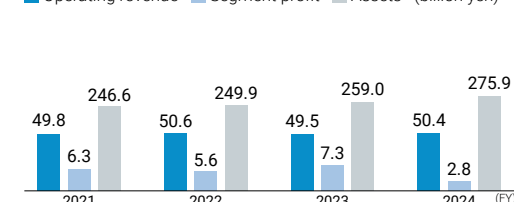
Operating revenue Segment profit Assets (billion yen)



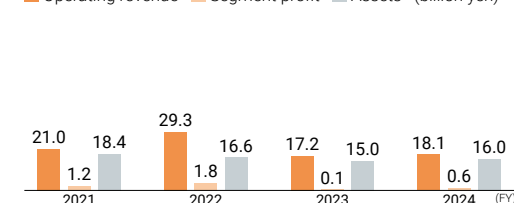
Operating revenue Segment profit Assets (billion yen)



Operating revenue Segment profit Assets (billion yen)



Operating revenue Segment profit Assets (billion yen)



*1 PPA: power purchase agreement *2 Initiatives of J-POWER Transmission Network Co., Ltd.

J-POWER Group's Sustainability Initiatives and Management

Basic Policy on Sustainability

In accordance with the Basic Policy on Sustainability, J-POWER has established individual basic policies regarding ESG and is promoting initiatives in these areas. The structure of the policies and rules is shown in the diagram below.

The J-POWER Group's Corporate Philosophy

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

Basic Policy on Sustainability

Under our Corporate Philosophy of "We will meet people's needs for energy without fail, and play our part in 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.

Material Issues



Corporate Policies

- | | | | |
|---|-----------------------|---|---|
| • J-POWER Group Environmental Basic Policy | P.67 | • J-POWER Group Basic Policy on Human Rights | P.75 |
| • J-POWER Group's Thoughts on Social Contribution Initiatives | P.73 | • Basic Policy on Occupational Health and Safety | P.85 |
| • Basic Policies for Product Procurement | P.77 | • Declaration of Partnership Building | P.77 |
| • Basic Policy on Corporate Governance | P.87 | • Corporate Conduct Rules and Compliance Action Guidelines | P.98 |
| • J-POWER Group's Basic Policies on Cybersecurity | P.101 | • Basic Policies on Personal Information and Information Security | https://www.jpowers.co.jp/english/privacy/ |

Sustainability and Improving Corporate Value

The J-POWER Group's corporate philosophy aims to solve social issues through the enhancement of corporate value, which is sustainability in and of itself. Among various social issues, the Group has identified five material issues: supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation, and we have set specific goals (KPIs) for each. The initiatives set to achieve the KPIs are closely related to the actions and management strategies laid out in the Medium-Term Management Plan. We will contribute to the continuous enhancement of our corporate value and the advancement of sustainability of society as a whole by achieving our KPIs while enhancing our financial value.

[P.18 J-POWER Group's Material Issues](#)

Signing of the UN Global Compact

In April 2021, J-POWER became a signatory to the UN Global Compact (UNGC), a voluntary initiative undertaken by companies and organizations that act as good members of society and participate in the creation of a global framework for sustainable growth by demonstrating responsible and creative leadership. We will drive forward with our efforts in regard to the Ten Principles of the UN Global Compact, which focus on the four areas of human rights, labor, environment and anti-corruption, as they align with our Corporate Philosophy and policies.

WE SUPPORT



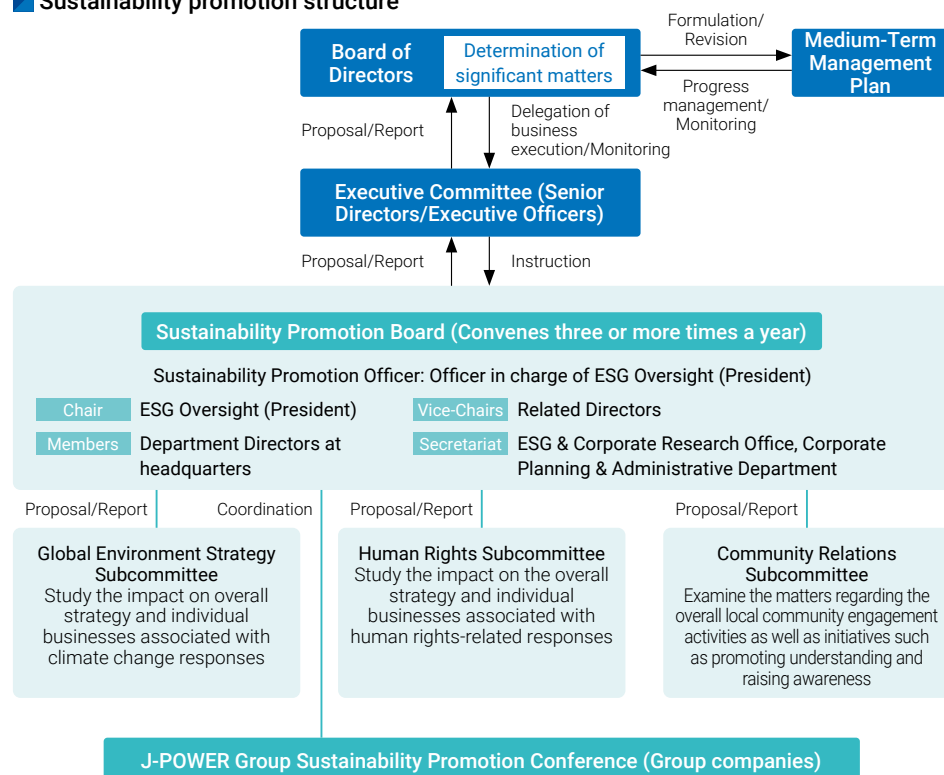
J-POWER Group's Sustainability Initiatives and Management

Management Structures

Because the promotion of sustainability is directly related to the Group's management strategy and management issues, our important matters regarding sustainability, including our Basic Policy on Sustainability and material issues, are decided by the Board of Directors after discussions at the Executive Committee. Specific measures are discussed and promoted by the Sustainability Promotion Board, headed by the ESG Oversight (President), in cooperation with Group companies.

The Sustainability Promotion Board convenes at least three times a year to discuss the drafting of policies to be submitted and reported to the Board of Directors and the Executive Committee. It is also tasked with formulating plans and reviews measures based on policies, risk management, and other matters. In addition, the person in charge of sustainability promotion regularly reports the contents of those deliberations to the Executive Committee and the Board of Directors to allow them to monitor the status of initiatives and reflect them in management and business plans.

Sustainability promotion structure



Recently determined and reported matters

Determined by the Board of Directors	- Replacement of assets in our asset portfolio - Update of our shareholder return policy - Evaluation of effectiveness of the Board of Directors - Appointment of officers/compensation system/appointment of important employees
Matters reported to the Board of Directors	- Domestic and overseas trends on climate change - Status of dialogue with institutional and individual investors - Status of ESG initiatives and evaluation by external organizations - Report on internal audit results - Disclosure policy based on TCFD and TNFD Recommendations - Occurrence status of occupational accidents
Matters reported to/determined at the Executive Committee, Sustainability Promotion Board	- Disclosure of the results of material issue targets (KPIs)/PDCA - Circumstances surrounding sustainability management - Report on the status of initiatives to respect human rights - Review and evaluation of the Environmental Basic Policy and targets - Enhancement of the promotion structure of local community engagement activities and the results of such activities

Dialogue with Stakeholders

We disclose information and engage in dialogue with a variety of stakeholders, including local residents, individual investors, institutional investors and NGOs. The opinions we receive, as well as the expectations and requests of society and the stock market, are shared with our management team and utilized in our sustainability promotion and business operations.

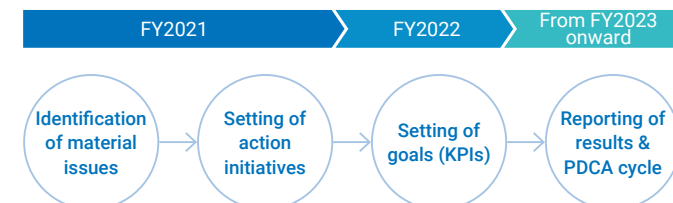
Main initiatives

Stakeholders	Initiative examples
Local communities	- Briefing sessions on environmental impact assessment procedures - Holding events such as tours of our power plants - Participating in community activities - Organizing energy and environmental education events and collaborating with educational institutions
Individual shareholders, institutional investors, analysts	- Disclosure of information on websites, etc. - Holding financial results briefings and individual meetings on IR and ESG - Holding facility tours
Employees	- Holding dialogues between executives and labor unions and site visits to business sites by executives - Conducting employee surveys - Dissemination of information via company newsletter, intranet and other methods
Business partners and other	- Disclosure of Basic Policies for Product Procurement and Declaration of Partnership Building - Launch of inquiry form on the website and participation in organizations and initiatives - Dialogues with NGOs on climate change response, etc.

Risks, Opportunities, and Material Issues

J-POWER Group's Material Issues

Under our Corporate Philosophy of "We will meet people's needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world," the J-POWER Group has contributed to the achievement of an affluent society through its business activities. In 2021, we identified social issues that are important to the J-POWER Group, and have identified five material issues, taking into consideration the interests of our stakeholders, the relation with our Corporate Philosophy, and the impact on our business. After preparing a materiality proposal based on third-party opinions, the Sustainability Promotion Board and the Executive Committee discuss it, and then the Board of Directors makes a resolution. Since 2022, in addition to setting goals (KPIs) and disclosing the results of initiatives taken, we have adopted five material issues as non-financial indicators for the evaluation of executive compensation (performance-linked remuneration). By strengthening ESG management while applying PDCA cycle of initiatives of material issues, we will work to enhance our corporate value over the medium to long term, while contributing to achieving SDGs.



Identifying social issues and needs	Main business environment challenges and the associated risks and opportunities		Material issues	The value we create
	Risks	Opportunities		
Power resilience - Stable operation of electric facilities - Being prepared for natural disasters - Protecting the local environment	- Facility accidents from natural disasters - Difficulty in procuring fuel (soaring resource prices, supply shortages, geopolitical risks)	- Investment in aging facilities - Investment in network facilities	 Supply of energy The J-POWER Group's corporate philosophy states, "We will meet people's needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world." As such, the supply of energy is not only the Company's main goal but also the cornerstone for addressing a number of social issues.	Contributions to SDGs 
Changes in the business environment - Changes in the electric power business system - Changes in society's perception of nuclear power	- Revenue fluctuations due to changes in market value - Decreasing electric power sales volume - Delay in starting operations at Ohma Nuclear Power Plant	- Strengthening of our revenue and financial base - Overseas business development - Promotion of safe nuclear power generation business	 Response to climate change Energy supply and climate change response are social issues that cannot be taken into consideration separately in light of the growing global concern over climate change. The J-POWER Group aims to balance stable energy supply and adaptability to climate change by leveraging its technological capabilities.	
Climate change - Development of renewable energy - Exploration of CO₂-free hydrogen - CO₂ reduction, carbon capture storage (CCS) promotion	- Profit deterioration due to CO₂ emissions regulations - Difficulties in implementing CCS in society - Difficulties in securing suitable land for renewable energy	- Development of CO₂-free hydrogen - Development of CO₂-free power sources - Network enhancement	 Respect for people As the activities of the J-POWER Group are supported by our employees and other human resources, we will create an environment in which they can play an active role. We will also proactively address related social issues such as diversity and human rights.	
Transition to a digital society Digital transformation (DX), cybersecurity	- Cyber attacks - Delayed use of digital technologies	- Improvement of productivity by upgrading equipment maintenance - Strengthening of IT risk system, improvement of IT literacy	 Engagement with local communities Large-scale energy supply projects have an impact on local communities and the environment. They are only possible with the understanding of local residents. Therefore, we will work to preserve the local environment and build relationships of trust with local communities.	
Domestic population decline, depopulation - Human resource development - Regional revitalization	- Difficulty in maintaining technological capabilities - Less workers in rural areas	- Use of diverse human resources - Improvement of productivity through streamlining work	 Enhancement of our business foundation We will work to ensure corporate governance and compliance as we strengthen our earnings and financial base so that we can solve social issues and increase corporate value through our business activities.	
Growing interest in ESG - Corporate governance - Enforcement of compliance - Improved information disclosure	- Decline in reputation - Increased difficulty in raising funds	- Attracting ESG investment - Strengthening of governance - Strengthening of compliance		

Achieve enhancement of corporate value by solving social issues

Progress toward KPIs for Material Issues

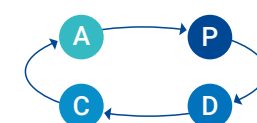
FY2024 Progress and FY2025 Goals

The progress toward KPIs for material issues set in FY2024 and goals for FY2025 are presented on this page. Each fiscal year, we report the status of our goals to the Sustainability Promotion Board and the Board of Directors, and review the goals for the following fiscal year as needed. We make a public announcement of the status of progress and use it for the dialogue with stakeholders to apply the PDCA cycle.

Reporting of results & PDCA cycle

Supervision by
the Board of
Directors

Dialogue with
stakeholders



Setting of action
initiatives and
goals (KPIs)

Execution
of the plan

Material issues	Action initiatives	Goals (KPIs) for FY2024	FY2024 results			Evaluation/Reference	Goals (KPIs) for FY2025	
 Supply of energy	Stable operation of electric facilities	• Electric power sales volume: Achieve the initial fiscal year forecasts* ¹		Initial fiscal year forecasts	Results	Achievement rate	[Achieved]  P40 P106	[To be continued] Initial forecasts for FY2025
			Hydroelectric	9.2 billion kWh	8.6 billion kWh	93%		Hydroelectric 9.3 billion kWh
			Thermal	40.5 billion kWh	41.2 billion kWh	102%		Thermal 41.6 billion kWh
			Wind	1.4 billion kWh	1.3 billion kWh	93%		Wind 1.3 billion kWh
			Geothermal, solar	–	0.1 billion kWh	–		Geothermal, solar 0.1 billion kWh
			Overseas business* ²	16.9 billion kWh	17.9 billion kWh	106%		Overseas business* ² 17.0 billion kWh
			Subtotal ... ①	68.0 billion kWh	69.1 billion kWh	102% (KPI achieved)		Subtotal 69.3 billion kWh
			Other* ³ ... ②	14.5 billion kWh	16.5 billion kWh	114%		Other* ³ 15.3 billion kWh
			Total (① + ②)	82.5 billion kWh	85.7 billion kWh	104% (KPI achieved)		Total 84.6 billion kWh
						* Due to the fractions, totals do not add up.		
 Response to climate change	Preparation for/and response to natural disasters	• Appropriately review BCP based on the latest knowledge • Expand facility measures and crisis management system (including education and training)	• Enhanced the facility measures against earthquake and Tsunami, etc. based on the new disaster prevention master plan • Developed a headquarters team to prepare for wide-area disasters based on response to Nankai Trough Earthquake Extra Information • Carried out an emergency drill in line with the development of the above-mentioned headquarters team • Organized the crisis information communication routes to reconstruct the faster reporting structure			[Ongoing]  P100	[To be continued]	
	Strengthening of cybersecurity	• Achieve zero major security incidents	• Achieved zero major security incidents			[Achieved]  P101	[To be continued]	
	Reduction of greenhouse gases	• Reduce CO ₂ emissions from the domestic power generation business (compared to FY2013) Reduce 9.2 million tons by FY2025 Reduce 46% (22.5 million tons) by 2030	• Reduced 12.93 million tons compared to FY2013 (Reference) CO ₂ emissions in FY2024: 35.84 million tons			[Ongoing]  P23 P25 P61	[To be continued]	
	Development of renewable energy	• Increase electric power generated from domestic renewable energy by 4.0 billion kWh/year by FY2030 (compared to FY2022)	• As of the end of FY2024: Increased by 0.369 billion kWh/year (compared to FY2022) Supplementary information: Expected to increase by 2.945 billion kWh/year* by the end of FY2030 (compared to FY2022) *The amount of annual power generation expected to increase due to the completion of development, facility upgrade, and other reasons.			[Ongoing]  P27 P28	[To be continued]	
	Steady promotion of the Ohma Nuclear Power Plant Project, with safety as a major prerequisite	• Promote the CO ₂ -free Ohma Nuclear Power Plant Project on the basis of safety	• Addressing the assessment of nuclear power facilities' adherence to the New Safety Standard for Nuclear Power Stations			[Ongoing]  P29	[To be continued]	
	Pursuit of the possibility of CO ₂ -free hydrogen	• Promote green and blue hydrogen production and utilization technologies in Japan and overseas	• (Overseas green hydrogen) Participated in the green hydrogen/ammonia manufacturing business in the Sultanate of Oman • (Overseas blue hydrogen) Participated in a demonstration project to establish an international liquefied hydrogen supply chain in which hydrogen was produced through brown coal gasification in Victoria, Australia to export to Japan. Considering the commercialization of clean hydrogen production combined with CCS, based on the knowledge obtained from the project. • (Domestic green hydrogen) Considered the commercialization of hydrogen production and supply using domestic renewable energy sources • (Domestic blue hydrogen) Conducting an environmental impact assessment for the GENESIS Matsushima Plan as a first step of CO ₂ -free hydrogen power generation through the coal gasification and CCS. Established a joint venture with the ENEOS Group and currently working on the commencement of the CCS operations in the early 2030s.			[Ongoing]  P30 P31 P32	[To be continued]	

*1 Initial forecast of electric power sales volume (billion kWh) for the fiscal year ended March 31, 2024 (FY2023), as announced in the financial results presentation.

*2 Electric power sales volume by overseas consolidated subsidiaries (excluding electric power sales volume by equity method affiliates) *3 Sales of electricity procured from the Japan Electric Power Exchange, etc.

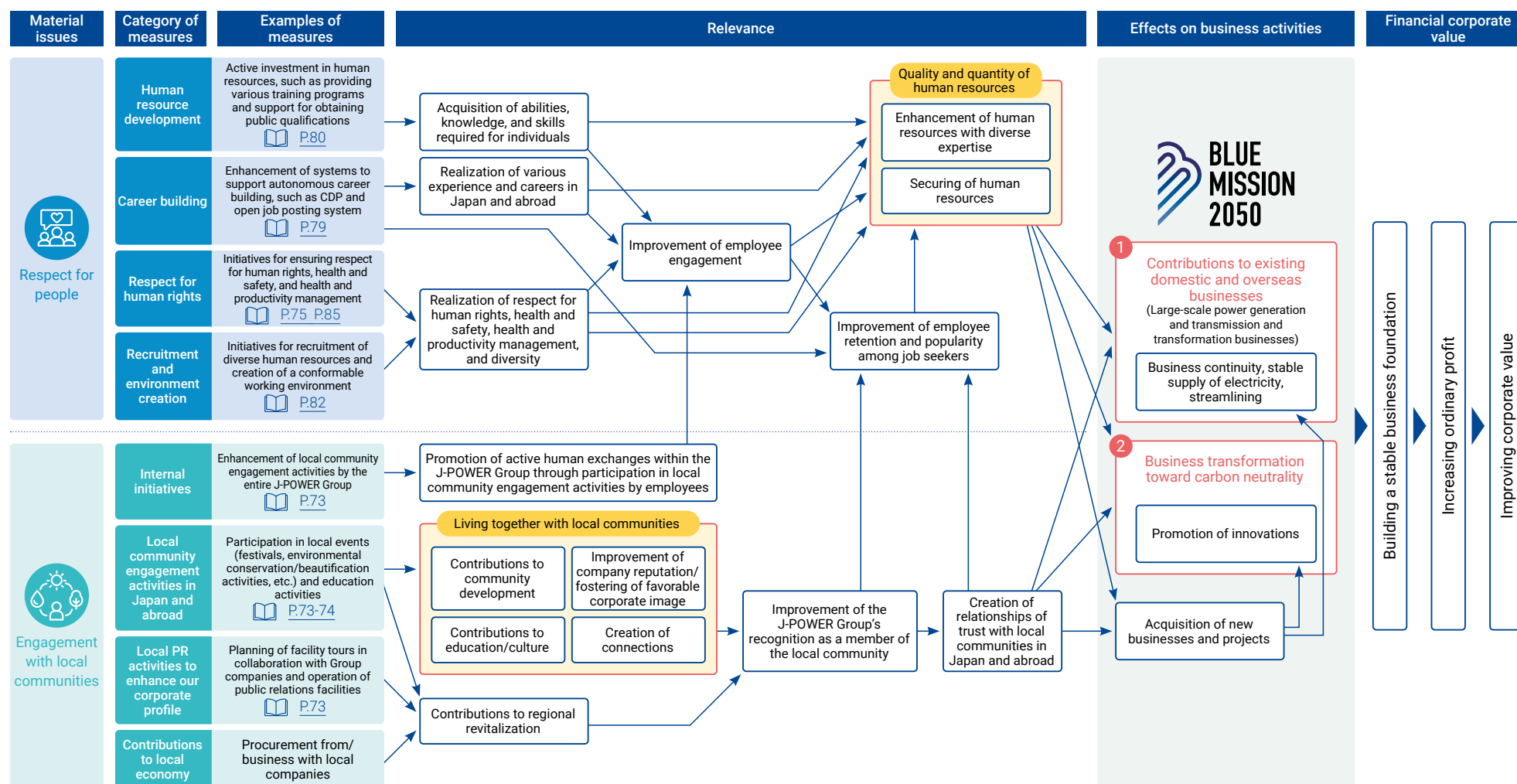
Progress toward KPIs for Material Issues

Material issues	Action initiatives	Goals (KPIs) for FY2024	FY2024 results	Evaluation/Reference	Goals (KPIs) for FY2025
 Respect for people	Respect for human rights	Promote human rights due diligence based on the Basic Policy on Human Rights. Complete the review within FY2024.	Implemented human rights due diligence based on the Basic Policy on Human Rights and completed the review in FY2024. (Identified and assessed human rights risks, examined and implemented risk prevention and mitigation measures, and evaluated the effectiveness of such measures. Expanded a remediation mechanism (consultation channels) for persons outside the Group)	[Achieved]  P.75 P.76	Continue implementing initiatives, such as human rights due diligence and human rights training, based on the Basic Policy on Human Rights, to mitigate human rights risks
	Human resource development	Foster human resources who can take on various management issues through the creation of a workplace that promotes continuous innovation	- Average hours of training per employee 37.7 hours/person** - Training cost per employee ¥273 thousand/person**	[Ongoing]  P.79 P.80	[To be continued]
	Assurance of occupational health and safety	- Eliminate major disasters (zero fatalities or serious injuries) - Maintain and improve high uptake rate of thorough medical check-ups (90% or more) - Conduct an engagement survey**	- Fatalities: None, Serious injuries: 9 (previous year: 7) (Below KPI) - Percentage of people receiving medical check-ups: 92% (KPI achieved) - Conducted an engagement survey (KPI achieved)**	[Achieved except a KPI]  P.83 P.85 P.86	[To be continued] (only revised the target for the engagement survey) Achieve the engagement survey score equal to or higher than the previous fiscal year's score
	Promotion of diversity	- Number of female employees in senior roles: At least three times the number in FY2021 (24 employees) by 2030** - Appointment of foreign nationals to senior roles: Increase from FY2021 (147 employees) by 2030 in line with expanded overseas business - Number of mid-career hires among employees in senior roles**: - At least 1.5 times the number in FY2021 (110 employees) by 2030 - Percentage of female employees among new hires: 20% or more** - Percentage of employees taking childcare leave: 100%**	- Number of female employees in senior roles 41 (Ongoing) - Appointment of foreign nationals to senior roles ... 168 (Ongoing) - Number of mid-career hires among employees in senior roles 150 (Ongoing) - Percentage of female employees among new hires 22% of total new graduate employees who joined the Company on April 1, 2025 (KPI achieved) - Percentage of employees taking childcare leave 100% (KPI achieved)	[Ongoing (some KPIs achieved)]  P.81 P.82 P.84	[To be continued] (only revised the target percentage of female employees among new hires) Percentage of female employees among new hires: 25% or more (average between FY2025 and FY2027)
 Engagement with local communities	Preservation of local environment	- Achieve zero serious violations of environmental laws and agreements - Achieve effective utilization rate of industrial waste: Approx. 97%	- Number of serious violations of environmental laws and agreements: 0 (KPI achieved) - Effective utilization rate of industrial waste: 93% (KPI almost achieved)	[Achieved] The decline in the effective utilization rate was due to the decreased effective utilization of coal ash for the domestic cement sector.  P.65 P.66	[To be continued]
	Creation of relationships of trust with local communities	Actively participate in local contribution activities	- Number of activities: 1,039 9,381 J-POWER Group employee participants in total (a significant increase from 6,719 in the previous year). The activities include tree thinning and planting, environmental beautification, cleanup activities, visiting lectures, accepting facility tours, taking part in dialogues with communities and participation in local events, providing financial support, and conducting patrols for traffic safety.	[Ongoing]  P.73 P.74	[To be continued]
 Enhancement of our business foundation	Enforcement of corporate governance	Make continuous efforts to identify issues and improve them through annual evaluation of the effectiveness of the Board of Directors	- Held intensive opinion exchange meetings and opinion exchange meetings by non-executive directors to discuss what our business portfolio and the Board of Directors should be in the future - Improved and confirmed progress on the list of findings identified by the Board of Directors, etc.	[Ongoing]  P.92	[To be continued]
	Enforcement of compliance	Strengthen efforts by the J-POWER Group Compliance Action Committee through compliance activity reports, understanding the issues, and case analysis	- Identified issues and analyzed cases through questionnaires targeting J-POWER Group employees, interviews during internal audits, and opinion exchange meetings where directors and employees directly communicate with each other, and reflected the results in compliance promotion activities such as various training programs, organizational improvement activities, and events in the next fiscal year - Shared lessons learned from the case study of the past between related parties and provided various compliance training programs	[Ongoing]  P.76 P.98 P.99	[To be continued]
	Strengthening of our revenue and financial base	FY2026 - Consolidated ordinary profit: Approx. ¥90 billion - ROE: Approx. 5%; Performing assets ROIC: Approx. 3.5%	The results for FY2024 were as follows: - Consolidated ordinary profit ¥140.0 billion - ROE: 7.2%; Performing assets ROIC: 5.1%	[Ongoing]  P.38	[To be continued]

*4 Employees enrolled in J-POWER (excluding some on secondment) *5 Changed the name of employee satisfaction surveys to the engagement survey.

Value Relevance Analysis (Visualization of Non-Financial Value)

In this section, we have made a hypothesis about how our material issues related to employees and other human resources, namely, respect for people and engagement with local communities, lead to improving financial corporate value and visualized such story. The J-POWER Group is engaged in energy supply operations using large-scale power generation and transmission and transformation facilities. We believe that it is our human resources who bear the responsibilities for the appropriate operation of such facilities and engagement with local communities. For the first material issue of respect for people, the quality and quantity of human resources with diverse expertise are assured by employees accumulating various careers and experience. This will enable the stable operations of our facilities, helping to achieve contributions to existing businesses and business transformation toward carbon neutrality. For the second material issue of engagement with local communities, our efforts to build relationships of trust with local communities and other stakeholders through local community engagement activities in Japan and abroad have led to the smooth continuation of our existing businesses and the acquisition of new businesses. Through this analysis, we have also visualized that these two material issues are relevant to each other, and our material issue of engagement with local communities is linked to the improvement of employee engagement and the assurance of quality and quantity of human resources. While we have already placed value on human resources and engagement with local communities in the course of our business, this time, once again, we have sorted out their importance. We will continue to make these efforts going forward.



INTEGRATED REPORT CHAPTER 2

Strategy and Business

Environment Surrounding the Domestic Electric Power Business	P.22
Trends in Policies to Achieve Carbon Neutrality	P.23
J-POWER "BLUE MISSION 2050"	P.25
Medium-Term Management Plan 2024–2026	P.26
Initiatives for Carbon Neutrality	P.27
Financial Initiatives	P.34
Financial and Non-Financial Highlights	P.38
J-POWER Group Businesses	P.40
Promotion of DX	P.45
Technology Development and Intellectual Property/Promotion of Innovations	P.47



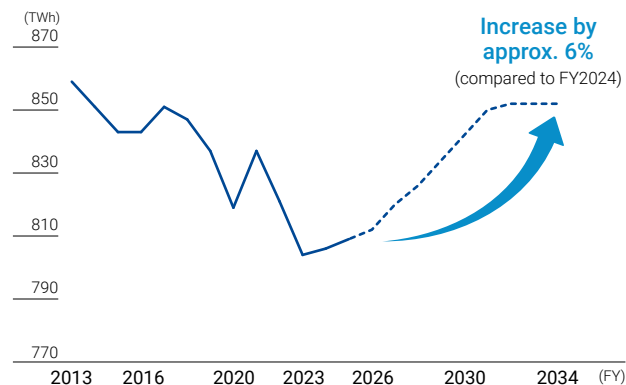
Environment Surrounding the Domestic Electric Power Business

Electric Power Demand in Japan

Electric power consumption continued to grow almost consistently in postwar Japan in line with the economic growth of the country. Power demand continued to grow also after the 1990s, when the country entered a period of stable growth and an information society, driven not only by increased power consumption in the industrial sector but also by the growing need for convenient and comfortable lifestyles including the advanced information technology and the widespread use of air conditioners. The demand for electricity was expected to stagnate and decline due to power-saving efforts prompted by the Great East Japan Earthquake in 2011 and a declining population resulting from a falling birthrate and aging society.

In recent years, however, the outlook for electricity demand published by the Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO) presented a blueprint for future growth in power demand on the back of growing consumption of industrial electricity resulting from the expansion or construction of new semiconductor plants and data centers.

Historical and projected electric power demand

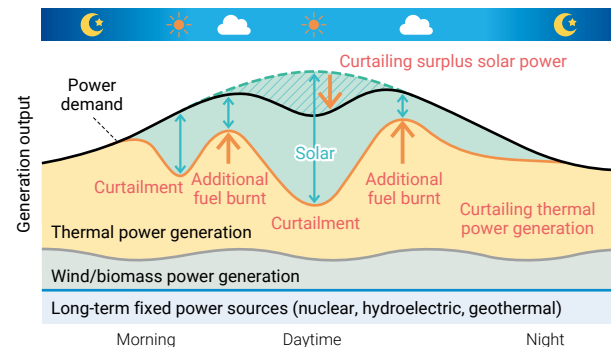


Source: Created by J-Power based on the Electric Power Investigation Statistics by the Agency for Natural Resources and Energy and "FY2025 Forecast on Electricity Demand Nationwide and by Regional Service-Area" by OCCTO

Power Supply in Japan

Conventionally, among the power generation facilities supplying electricity in Japan, baseload power sources were centered on coal-fired thermal, nuclear, and general hydroelectric power generation which are capable of continuous operation at relatively low unit cost, while LNG- and oil-fired thermal and pumped storage hydroelectric power generation served as intermediate load and peak load power sources to supplement fluctuating demand. In recent years, renewable energies came to account for nearly the majority of the electricity supply, especially during daytime hours, as a result of massive sourcing of renewable energies.

However, when electricity produced from solar power generation declines due to unfavorable weather or during nighttime, thermal power sources, including coal-fired power, serve as an intermediate load power source with adjustment capability in the power supply of the country. Therefore, thermal power sources still play a major role in terms of capacity to sustain the stable power supply in Japan, even though their capacity factors have been declining.



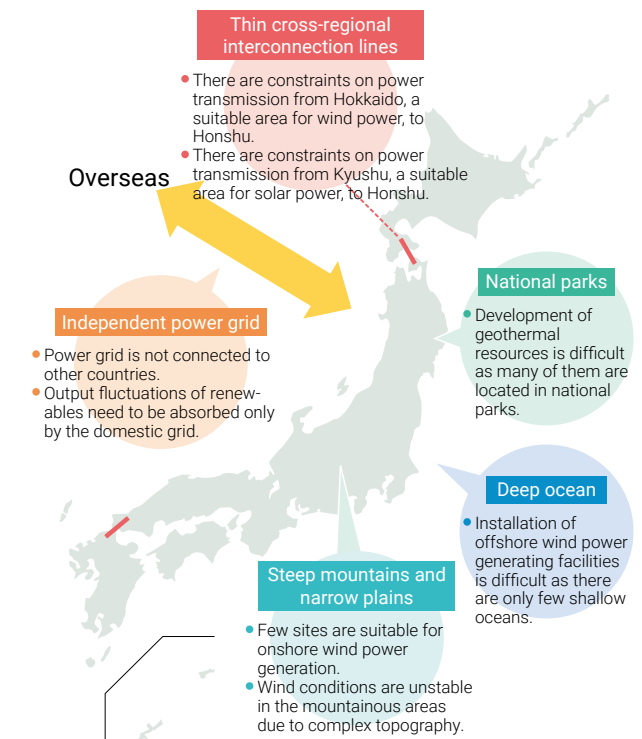
[P.31 Our initiatives to shift the role of coal-fired power to an intermediate power source \(GENESIS Matsushima\)](#)

[P.57 Our initiatives for transition of thermal power source \(7 thermal sites\)](#)

Meanwhile, to achieve a carbon-neutral society by 2050, we are requested a transition of future thermal power sources to zero CO₂-emission thermal power. The government has set out

a policy of phase-out of inefficient coal-fired thermal power plants with supercritical (SC) or lower conditions by 2030.

Future expansion of renewable energy is subject to geo-graphical constraints, as Japan is a mountainous land with few shallow oceans. The key to the future expansion of renewable energy lies in the prompt development of promising sites based on the understanding of local communities and the effective utilization of existing sites. Offshore wind power, which is expected to be a large-scale, stable renewable energy source, has limited availability for development in the next few years partly due to capacity constraints in the power grid that connects promising sites with large demand areas.

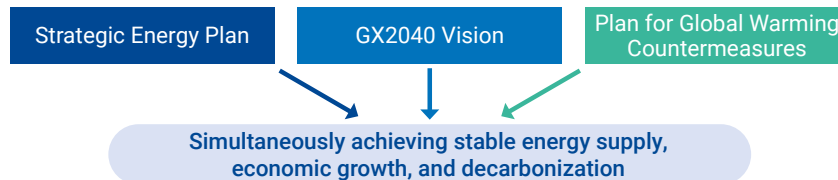


[P.33 J-POWER Group's initiatives for enhancing power networks](#)

[P.27 Our initiatives for renewable energy development](#)

Trends in Policies to Achieve Carbon Neutrality

In February 2025, the Cabinet Office, the government of Japan, approved the Seventh Strategic Energy Plan, the GX2040 Vision, and the Plan for Global Warming Countermeasures. These plans aim to simultaneously realize stable energy supply, economic growth, and decarbonization. Specifically, they present the policy direction and energy supply-demand outlook toward 2040, strategies to promote transition to a decarbonized growth-oriented economic structure, and greenhouse gas reduction targets. J-POWER will promote initiatives to achieve carbon neutrality under the basic policies of the Japanese government.

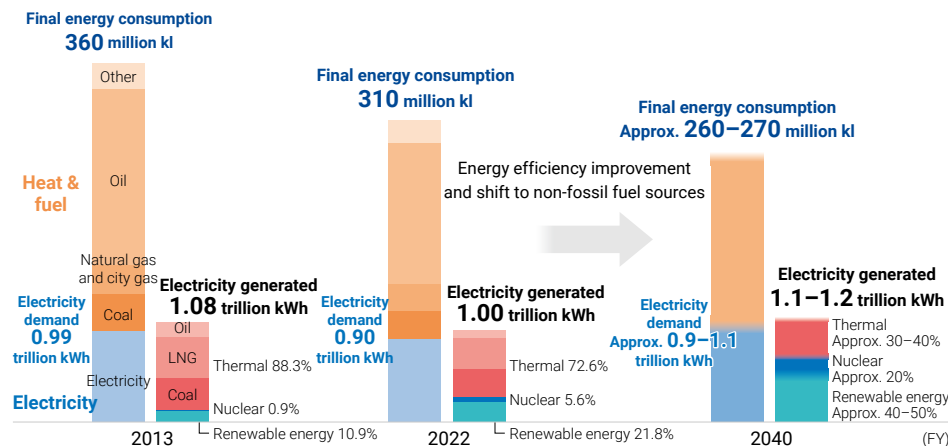


Seventh Strategic Energy Plan

The Seventh Strategic Energy Plan states that, to realize both stable energy supply and decarbonization, it aims for a well-balanced energy mix, not dependent excessively on certain power or fuel sources, while maximizing the introduction of renewable energies as main power sources.

Also, taking into account various uncertain factors, the Plan presents a multi-scenario outlook for energy supply and demand.

Outlook for energy supply and demand



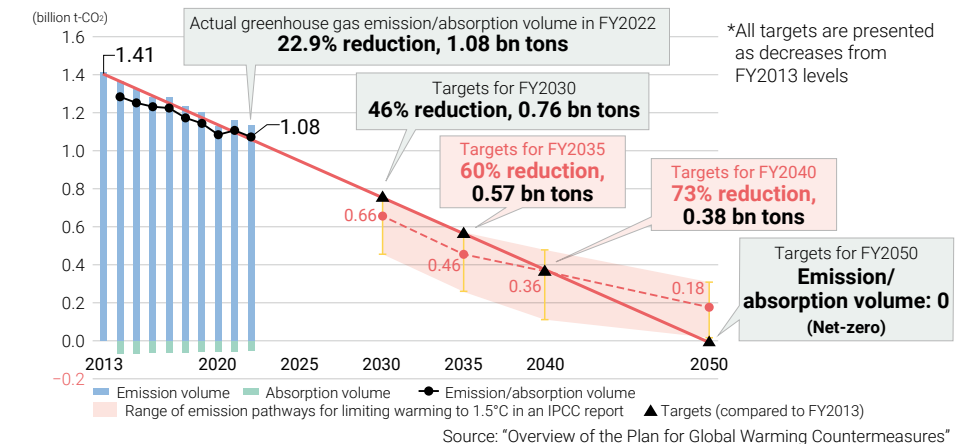
Note: The left graph shows the final energy consumption and the right graph shows the electricity generated. Electricity demand is the amount of electricity generated minus the amount of transmission and distribution losses and the amount of on-site electricity consumption.

Source: "Outlook for Energy Supply and Demand in FY2040"

Greenhouse Gas Reduction Targets

In the Plan for Global Warming Countermeasures, greenhouse gas reduction targets for FY2035 and FY2040 have been set as linear milestones connecting the FY2030 targets and carbon neutrality in 2050. Specifically, the Plan states that it aims to reduce greenhouse gas by 60% and 73% in FY2035 and FY2040, respectively, from FY2013 levels. These targets have been submitted to the United Nations as the nationally determined contribution (NDC) made by Japan for the Paris Agreement.

Next reduction targets (NDC)



Growth-Oriented Carbon Pricing

The government plans to invest more than ¥150 trillion in coordination with the private sector over the next decade toward achieving Green Transformation (GX). To this end, it intends to take an integrated approach combining support and regulatory/institutional measures to promote investment in GX based on the growth-oriented carbon pricing initiative. Specifically, the government aims to introduce GX Economy Transition Bonds, carbon pricing (the emissions trading system and the fossil fuel levy), and other measures to establish a business environment in which companies that have made investments in GX earlier are highly evaluated.

[P.59 Strategy: 2030 Scenario Analysis—Estimated Financial Impact—](#)

GX Economy Transition Bonds

- Issuance of the bonds totaling ¥20 trillion over 10 years from FY2023
- Fossil fuel levy to fund the redemption

Emissions trading system (full-scale launch scheduled for FY2026)

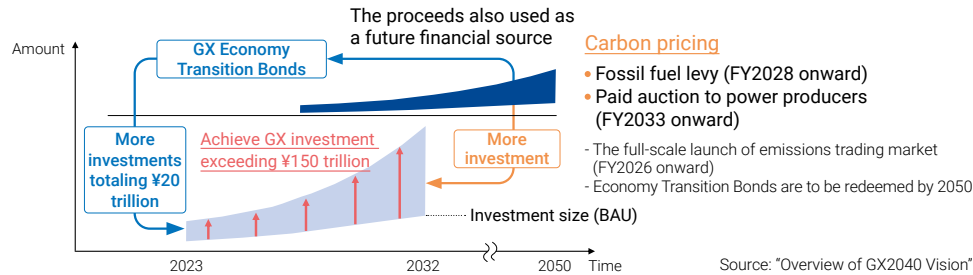
- Obligation for all the companies with direct greenhouse gas emission of 0.1 million t-CO₂ or more to join the system
- Allocation of CO₂ emissions quotas free of charge to qualified operators based on government guidelines (Paid auctions for the quotas scheduled to be held from FY2033)
- Maximum and minimum prices set for the emissions quotas

Fossil fuel levy (introduction scheduled for FY2028)

- A levy as a uniform carbon pricing on carbon emissions
- Implementation of necessary measures to prevent the overlapping of burden with paid auctions, which will be introduced from FY2033

Trends in Policies to Achieve Carbon Neutrality

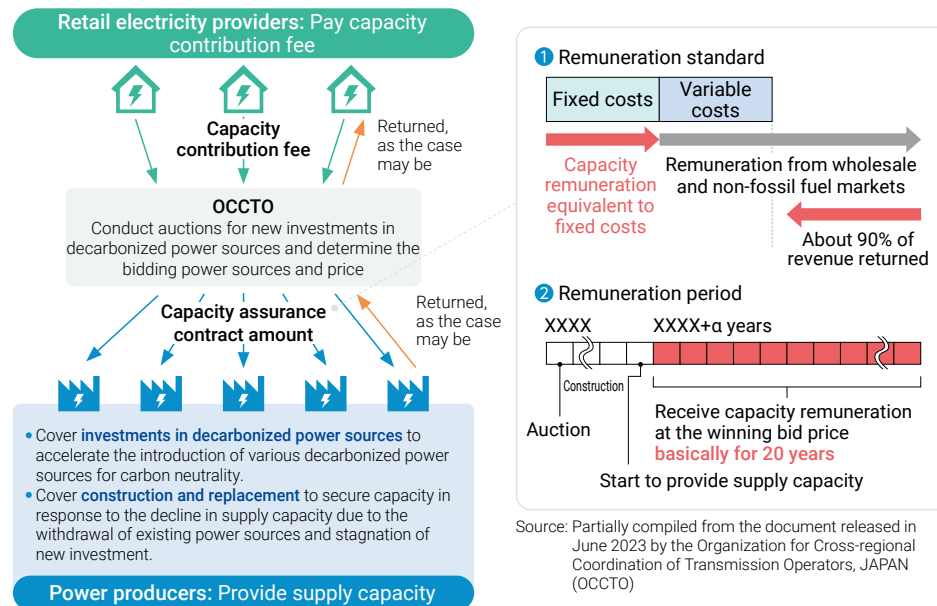
■ Growth-oriented carbon pricing initiative



Long-Term Decarbonization Power Source Auction

With lower market prices resulting from the expanded sourcing of renewable energy, there is a concern in recent years that existing power plants could be closed, resulting in a medium- to long-term shortage of power supply capacity. Under these circumstances, the Long-Term Decarbonization Power Source Auctions have been held since FY2023 with the aim of achieving stable supply and facilitating investment in decarbonization power sources. In principle, capacity market remuneration equivalent to fixed costs will be paid for the power sources purchased in the auction over 20 years.

■ Overview of Long-Term Decarbonization Power Source Auction



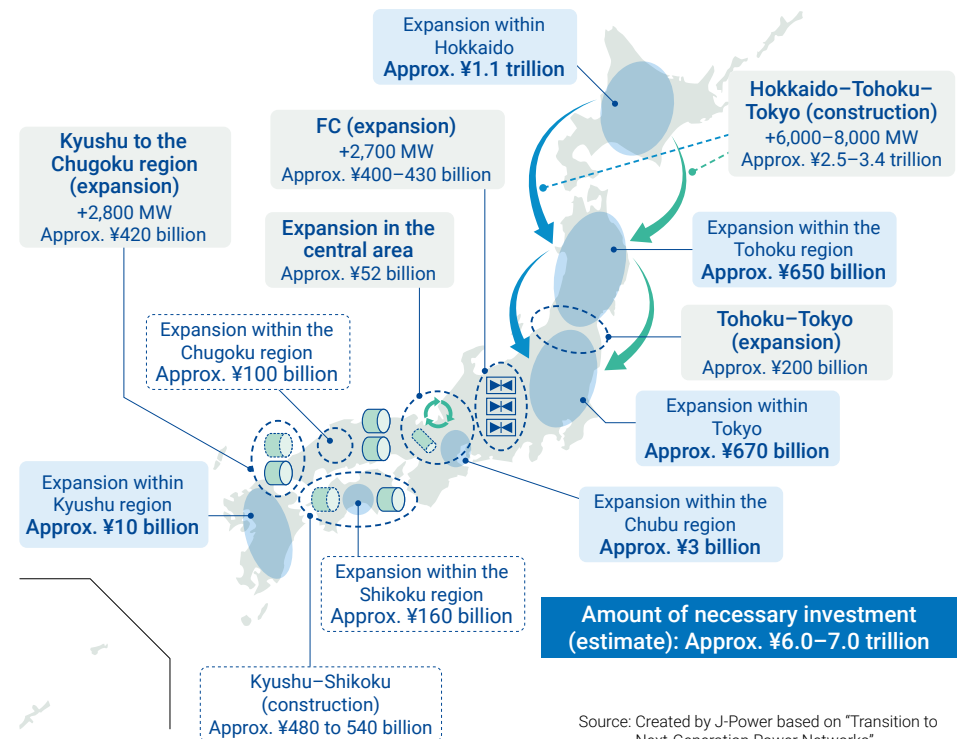
Master Plan for Wide-Area Interconnected Grid

The Seventh Strategic Energy Plan and GX2040 Vision state that, in order to ensure stable power supply and promote decarbonization, it is essential to steadily move forward with the development of cross-regional interconnection lines and the enhancement of local backbone grids, etc. based on the Master Plan for Wide-Area Interconnected Grid (hereinafter the "Master Plan").

The Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO) announced in March 2023 the Master Plan to present a long-term prospect for the future development of wide-area interconnected grids and initiatives to crystallize the prospect with a view to achieving carbon neutrality by 2050.

Currently, the organization is discussing the development of cross-regional interconnection facilities connecting Hokkaido to Honshu (the Japan Sea route) and the Chugoku region to Kyushu.

■ Image of the cross-regional interconnection line expansion and new construction in the Master Plan



J-POWER “BLUE MISSION 2050”

[See P.27–P.33 for details of each initiative.](#)

Three Action Plans

J-POWER “BLUE MISSION 2050” is a long-term strategy and roadmap for the J-POWER Group. We will advance the transition into a carbon neutral and hydrogen society, while solving social issues by stages concerning each of the three pillars of expansion of CO₂-free power sources, push for zero-emission power sources, and power network stabilization and enhancement.

Expansion of CO₂-free power sources

- Further expansion of renewable energy
- Steady promotion of nuclear power generation

Push for zero-emission power sources

- Conversion from thermal power generation to CO₂-free hydrogen power generation
- Production and supply of CO₂-free hydrogen
- CCS

Power network stabilization and enhancement

- Stabilizing power network
- Power network enhancement

Acceleration and Upcycling

We have set acceleration and upcycling as our priorities for implementation. Regarding acceleration, in addition to developing new renewable energies, we will also accelerate the expansion of renewable energy throughout Japan by providing power balancing capabilities through technologies such as hydrogen power generation, and by enhancing the power network. Upcycling refers to the transformation of existing management resources into high value-added assets through the application of new technologies. Specific initiatives include replacing hydroelectric and wind power facilities and introducing hydrogen, ammonia, and CCS technologies at thermal power plants.

Roadmap and CO₂ Emissions Reduction Targets

As part of the short- and long-term goals toward achieving carbon neutrality by 2050, we have set goals for eliminating CO₂ emissions from the Group's domestic power generation business* by FY2025 and 2030.

This roadmap will be updated, reviewed, and refined as needed based on changes in the assumptions including the Japanese government's GX policy (Strategic Energy Plan, global warming countermeasures, NDC, etc.), power demand-supply situation, power system design, and progress of industry development, etc.

*Emissions from the J-POWER Group's domestic power generation business, which are covered by emissions reduction targets, account for approximately 80% of the Scope 1 emissions.

*Expansion of renewable energies and operation of Ohma Nuclear Power Plant do not directly contribute to the reduction of the Group's CO₂ emissions from thermal power plants, but they do contribute to reducing emissions intensity, as well as CO₂ reductions at power generators and consumers, who are our customers.

CO ₂ reduction target in domestic power generation business (compared to FY2013)		-9.2 million tons	-22.5 million tons -46%	Realization of carbon neutrality Net-zero emissions	
		2025	2030	2040	2050
Expansion of CO ₂ -free power sources	Renewable energy	New development on a global scale of 1 GW (compared to FY2017)		Additional new developments, upcycling of existing facilities and maximum use of existing assets	
	Nuclear	Construction and start of operations at Ohma Nuclear Power Plant			
Push for zero-emission power sources	Domestic coal-fired power	Gradual phase-out of aging power plants	CO ₂ reduction initiatives (Expansion of biomass mixed combustion, introduction of ammonia mixed combustion, etc.)		
	CCS	Development of business environment, design and construction of facilities		Injection and storage	Achievement of CO ₂ -free thermal power generation (Hydrogen, ammonia, IGCC+CCS, biomass mixed combustion+CCS, etc.)
	Hydrogen power generation	Demonstration tests in Japan	Upcycling (adding gasifiers to existing assets)		
	Fuel production (CO ₂ -free hydrogen)	Feasibility study on overseas production	Utilization in other industries		
Power network	Stabilization	Expansion of distributed energy service by improving load tracking performance through upcycling of hydroelectric and thermal power plants (adding gasifiers to existing assets)			
	Reinforcement*	Completion of reinforcement of the New Sakuma Frequency Converter Station, etc.		Contribution to power network enhancement	
Strategic investment		FY2024–2026: ¥300 billion By FY2030: ¥700 billion			

*The power network enhancement is to be implemented by J-POWER Transmission Network Co., Ltd.

[P.35 Capital allocation](#)

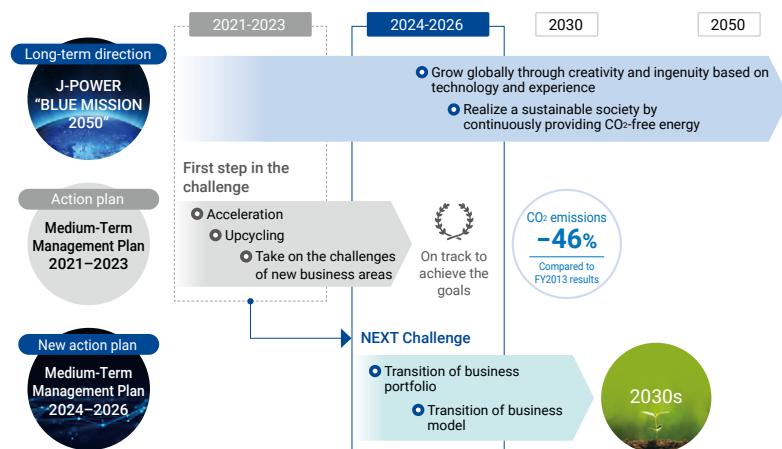
[P.43 Policy for initiatives in the overseas business](#)

[P.112 Scope 1–3 data](#)

[P.39 Changes in CO₂ emissions](#)

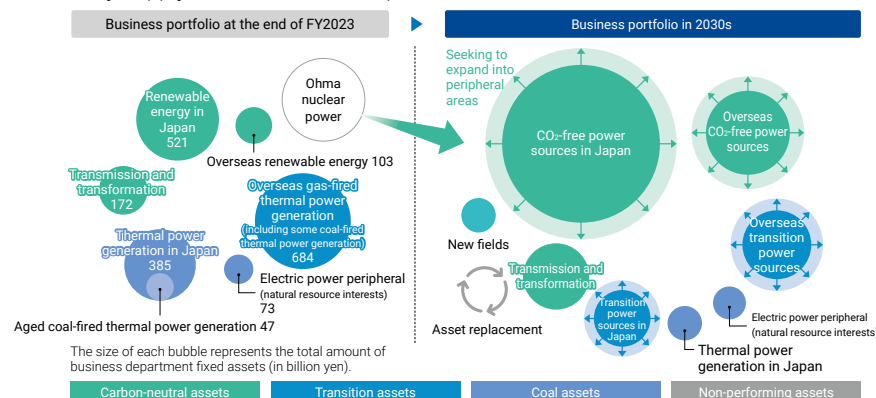
Medium-Term Management Plan 2024–2026

In pursuit of achieving carbon neutrality under J-POWER "BLUE MISSION 2050," we are implementing the Medium-Term Management Plan 2024–2026 "Next Challenge," which serves as the next step following the Medium-Term Management Plan 2021–2023 as the first step in the challenge. Based on our vision for the 2030s, we are steadily pursuing the transition of our business portfolio and business model.



Vision for the Business Portfolio in the 2030s

The J-POWER Group is aiming to transform our business portfolio while remaining conscious of capital efficiency so that in the 2030s, our business in Japan and overseas will be centered on carbon neutral assets. We will work to replace assets by developing renewable energies and nuclear power from Ohma Nuclear Power Plant, while transitioning our thermal power business in Japan to CO₂-free thermal. We will also explore expansion into peripheral business areas in order to meet diverse needs related to the electric power business in a way that is not limited to electricity supply and asset ownership.



Direction for Thermal Power Transition

We will phase out inefficient coal-fired power plants and select the most appropriate replacement technology, including biomass, hydrogen, ammonia, or CCS, based on factors such as the characteristics of each site and the status of equipment. In this way we will contribute to the stable supply of electricity while reducing CO₂ emissions.

Power plant	Unit	Image of transition	Power plant	Unit	Image of transition
Isogo	1	Hydrogen	Matsushima	1	Decommissioned at the end of FY2024
	2	Hydrogen		2	Addition of gasifier IGCC+CCS
Takasago	1	To be decommissioned	Matsuura	1	To be suspended/discontinued or maintained as standby power sources
	2	To be decommissioned		2	Ammonia/CCS
Takehara	1	Expansion of biomass mixed combustion+CCS	Ishikawa	1	IGCC+CCS
	3	To be suspended/discontinued or maintained as standby power sources		2	IGCC+CCS
Tachibanawan	1	Ammonia mixed combustion Ammonia	Kashima	2	
	2	Ammonia mixed combustion Ammonia			
		2030 2035	New sites		Hydrogen/Ammonia
					2030 2035

Coal assets **Transition assets** **Carbon-neutral assets**

*The plan will be updated, reviewed, and refined as needed based on changes in the assumptions including the Japanese government's GX policy (Strategic Energy Plan, global warming countermeasures, NDC, etc.), power demand-supply situation, power system design, and progress of industry development, etc.

Priority Items

Under the Medium-Term Management Plan 2024–2026, we will advance initiatives based on five priority items that will guide our business portfolio and business model transitions.

- Establishment and growth of sustainable revenue streams**
 - Renewable energy [P.27](#)
 - Overseas business [P.43](#)
- Strategies for business portfolio in the 2030s**
 - Hydrogen/ammonia [P.31](#)
 - Transmission and transformation [P.42](#)
 - Nuclear [P.29](#)
 - Promotion of Innovations [P.47](#)
- Improvement of profitability and investment efficiency**
 - Department management and investment efficiency [P.34](#) [P.97](#)
- Enhancement of the Group's competitiveness**
 - Human resources [P.78](#)
 - DX [P.45](#)
- Deepening of ESG management**
 - Sustainability management [P.15](#)

Initiatives for Carbon Neutrality

Development of Renewable Energy



Integrated Strengths of the J-POWER Group

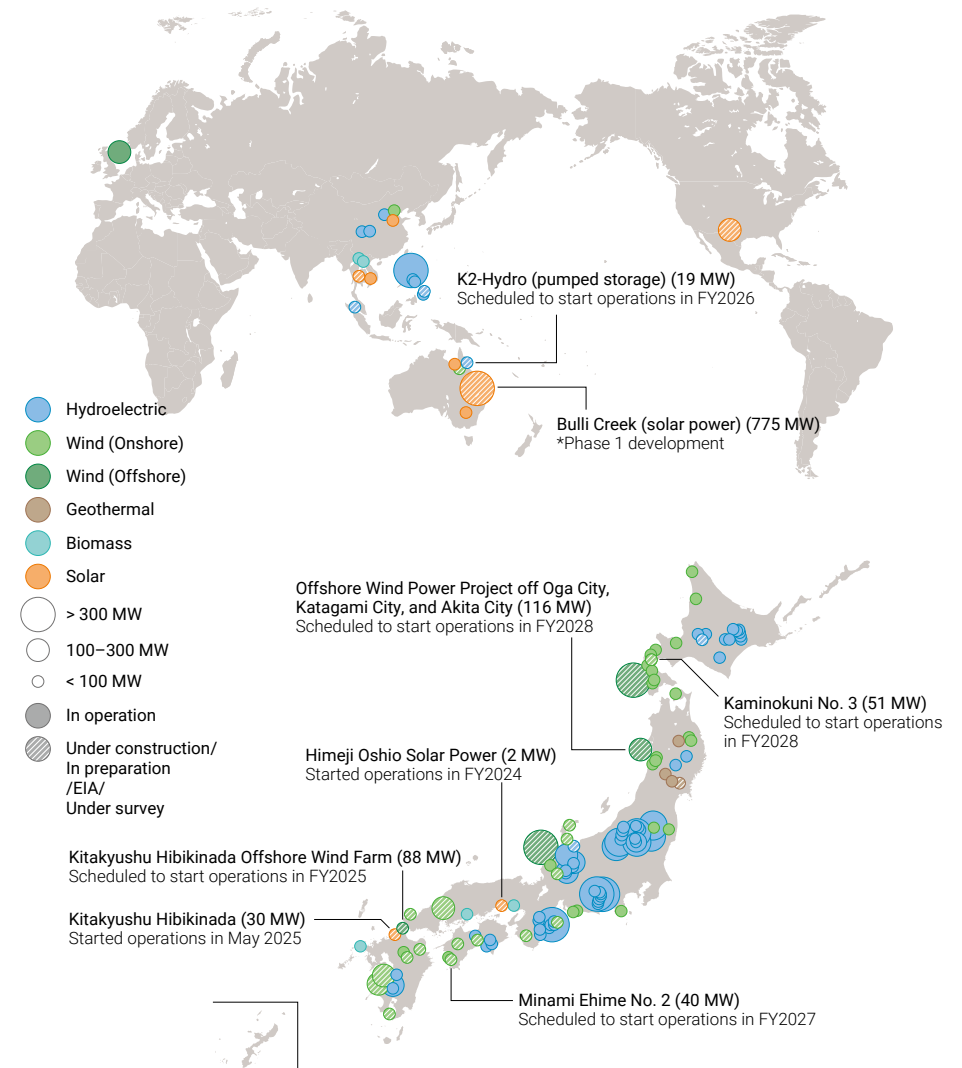
With a history of nearly 70 years in the development of renewable energy, the J-POWER Group boasts a wealth of equipment and human resources, as well as a wide range of expertise in everything from the siting and construction of power plants to maintenance, operation, and sales of electricity. In particular, as a domestic front runner in the fields of hydroelectric and onshore wind power plants in Japan, we have a track record of development of these technologies and has many facilities in promising water and wind-rich areas. Leveraging our advantage as one of Japan's leading renewable energy suppliers, we continuously aim to promote new development of onshore and offshore wind, hydroelectric, geothermal, and solar power, as well as maximize the use of renewable energy through upcycling of existing facilities.

Strategic Investments and Development Targets

We plan to make strategic investments of ¥700 billion from FY2023 to FY2030. From FY2024 to FY2026, we also plan to invest ¥200 billion in the development of global renewable energy and ¥60 billion in the expansion of the power network, which is essential for the development of renewable energy. We will utilize green bonds and green/transition finance to raise funds. The Medium-Term Management Plan includes a target to increase domestic power generation from renewable energy sources by 4.0 billion kWh per year by FY2030 (from the FY2022 level). To achieve development on a larger scale, at a faster pace, and with higher profitability, we will promote diversification of sales methods as described on the next page and other initiatives using alliances.



Development status of renewable energy (as of March 31, 2025)



- Generation capacity is calculated on owned capacity and, if capacity is not yet decided, on estimated maximum owned capacity.
- Wind power generation during the survey and construction phase includes replacement without an increase in generation output.
- In addition to the above, studies on the development of wind power in Japan's general offshore areas are in progress (for offshore wind power in general offshore areas, the operator is selected through bidding after designating the promotion area).

Initiatives for Carbon Neutrality

Development of Renewable Energy



Development Results and Expansion Status

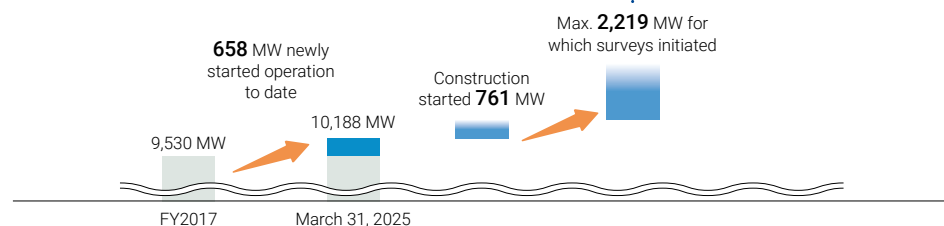
J-POWER has been steadily promoting the development of new renewable energies, increasing the operating renewable energy capacity by approximately 658 MW (as of March 31, 2025) from the FY2017 level. Several projects focusing on construction and replacement of domestic onshore wind power plants are currently in progress, including the installation of offshore wind power, the repowering of small-scale hydroelectric power and existing hydroelectric power, and the installation of solar power. J-POWER plans to start operating Kitakyushu Hibikinada Off-shore Wind Farm, the Japan's largest-class offshore wind farm located in a port area, in FY2025. The Company also has focused on the NEXUS Sakuma Project to renovate the Sakuma Power Station, which has contributed to a reliable supply of electricity for more than 60 years, and make it a next-generation hydroelectric power plant. This power station, which can supply power to both 50 Hz and 60 Hz areas, is scheduled to increase its maximum capacity from 350 MW to 400 MW through a two-stage renovation construction from FY2026 to FY2035.

In the U.S., Australia, and Southeast Asian countries, J-POWER with domestically accumulated technical capabilities is working with local partners with local expertise to rapidly promote the development of renewable energy. In FY2024, J-POWER made Genex Power Limited, a renewable energy developer in Australia, a wholly-owned subsidiary. Also, in the same fiscal year, the Company invested in PT Mulya Energi Lestari, an Indonesian hydroelectric power company.

Currently, the overall quantity of renewable energy projects under construction or development is up to approximately 2,840 MW, including domestic onshore wind sites under construction or development (up to about 990 MW) and overseas projects in the planning stage.

Renewable energy development goals and progress

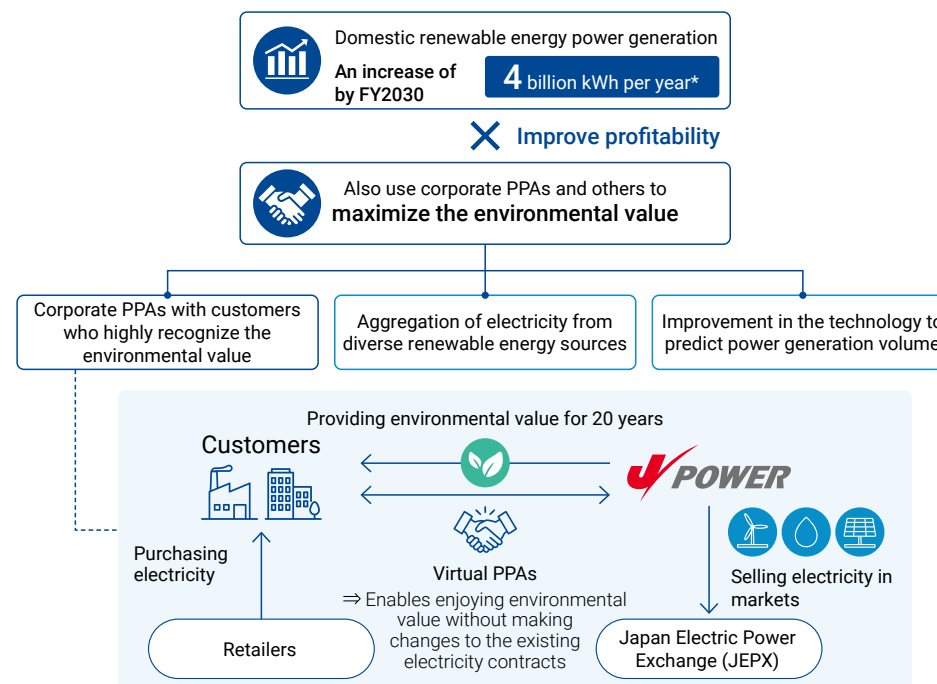
Major projects under construction	Major projects for which surveys, etc. have been initiated
- Domestic onshore wind Minami Ehime No. 2, New Minami Osumi - Domestic offshore wind Kitakyushu Hibikinada Offshore Wind Farm - Hydroelectric K2-Hydro (Australia), Pungga (Indonesia), NEXUS Sakuma and domestic repowering, small-scale hydroelectric power plants - Solar Rooftop solar (Thailand)	- Domestic onshore wind (environmental impact assessment procedures underway) Max. about 800 MW - Domestic offshore wind Off Oga City, Katagami City, and Akita City of Akita Prefecture - Overseas onshore wind Kidston Stage-3 Wind (Australia) - Hydroelectric Bulanog Batang (Philippines) - Solar Bulli Creek (Australia), Refugio (U.S.) - Geothermal Takahinatatayama



Diversification of Sales Methods and Development of Related Businesses

In the sale of electricity derived from renewable energy sources (renewable energy), which we are developing as a domestic front runner, we are promoting initiatives for direct sales to consumers, including the use of the FIT and FIP programs and corporate PPAs. In FY2024, we signed a 20-year virtual PPA with Tokyo Metro Co., Ltd. regarding the environmental value derived from Himeji Oshio Solar Power Plant, newly constructed in Himeji City. We also signed a 20-year virtual PPA with KDDI Corporation regarding the environmental value derived from New Minami Osumi Wind Farm, which will be replaced, and Kaminokuni No. 3 Wind Farm, which will be newly constructed.

Besides, in order to implement the sale of renewable energy in a way other than the FIT program, we need to work on our own projections of the power output of renewable energy sources (renewable energy aggregation), whose power generation varies depending on the weather. Then, we are also working to accumulate the know-how and provide the renewable energy aggregation service to other power entities (the renewable energy aggregate service for onshore wind power plants started in March 2025, in addition to solar power plants). In addition, on behalf of our clients, we also sell and purchase non-fossil certificates, which virtually transform electricity into renewable energy. We also sell tracking information that discloses attribute details like the power source type and power plant location.



*Compared to FY2022

Initiatives for Carbon Neutrality

Construction of Nuclear Power Plants



The Ohma Nuclear Power Plant Project

Plan overview and significance

The Ohma Nuclear Power Plant will be a CO₂-free energy source capable of steadily providing substantial amounts of electricity once it is operational. 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.

For energy resource-scarce Japan, nuclear power is a power source that excels in terms of large-scale CO₂-free power, stable procurement and storage of fuel. The operation of the Ohma Nuclear Power Plant will promote the reprocessing of spent fuel in Japan, contributing to the stable operation of other nuclear power plants nationwide, which are CO₂-free power sources, helping to improve the energy self-sufficiency of Japan. The J-POWER Group is implementing the Ohma Nuclear Power Plant Project by ensuring safety as its top priority.

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's position in the pluthermal program

In July 2018, the Japanese government issued The Basic Principles on Japan's Utilization of Plutonium, a policy paper published by Japan's Atomic Energy Commission (JAEC), which stated that Japan will reduce the size of its plutonium stockpile. The Federation of Electric Power Companies of Japan (FEPC) unveiled in December 2020 its Pluthermal Program and a plan for the utilization of plutonium in February 2023. J-POWER also released its MOX Fuel Utilization Plan at the Ohma Nuclear Power Plant in February 2025. Approximately 1.7 tons* of plutonium can be used annually at the stage of loading MOX fuel into all reactor cores, thereby helping to reduce the size of plutonium stockpiles.

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

Use of the Long-Term Decarbonization Power Source Auction system

The J-POWER Group will also consider to apply the Long-Term Decarbonization Power Source Auction system, which was introduced in FY2023, to the Ohma Nuclear Power Plant.

P.30 Policy trends

Ohma Nuclear Power Plant safety reinforcement measures

In the wake of the accident at the Fukushima Daiichi Nuclear Power Station, the new regulatory standards established by the Nuclear Regulation Authority are now thought to be the strictest safety standards in the world. At the Ohma Nuclear Power Plant, we are learning the lessons from the accident at the Fukushima Daiichi Nuclear Power Plant and incorporating measures to strengthen safety based on these new regulatory standards.

Examples include strengthening design standards to protect the functions of power plant safety equipment from natural disasters such as tsunamis and earthquakes, measures to respond promptly in the event of a severe accident, and measures to prevent serious accidents caused by terrorism and other causes. Furthermore, by not limiting ourselves to these measures and voluntarily and consistently improving safety based on the latest knowledge, we will continue to strive to make the Ohma Nuclear Power Plant the world's safest power plant so that we can contribute to the local community and Japan.

For details of safety enhancement measures, please refer to the J-POWER website. (Japanese only)

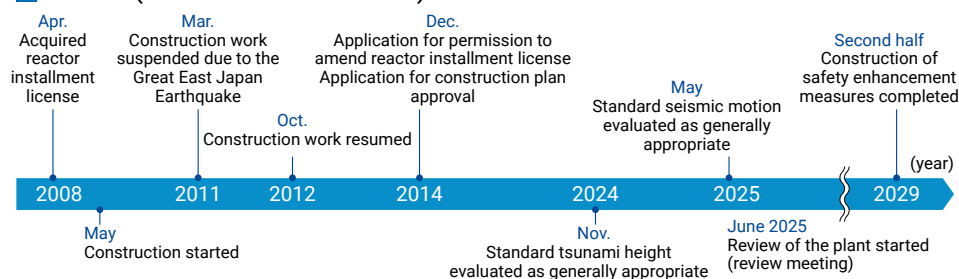
https://www.jpower.co.jp/bs/nuclear/safety_measure/index.html

Status of Ohma Nuclear Power Plant review

The Nuclear Regulation Authority is currently reviewing the Ohma Nuclear Power Plant's compliance with the New Safety Standards for Nuclear Power Stations. Seventy-five review meetings have been held as of June 30, 2025. We will respond sincerely to the review so that our explanation can be understood by the authority.

At the review meeting held in November 2024, the plant was evaluated as generally appropriate given that the standard tsunami height was T.P+7.1m against the site elevation of T.P+12.0 m. At the review meeting held in May 2025, the standard seismic motion at 957 gal was evaluated as generally appropriate. Following the completion of the review of the standard seismic motion, the review of the plant is currently underway. 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 at an earliest possible date based on the review findings, with the aim of completion in the latter half of 2029. To gain the community's understanding and trust, we shall keep working toward providing more detailed information and communication.

Process (actual results and outlook)



Initiatives for Carbon Neutrality

Push for Zero-Emission Power Sources



Thermal Power Transition Strategy

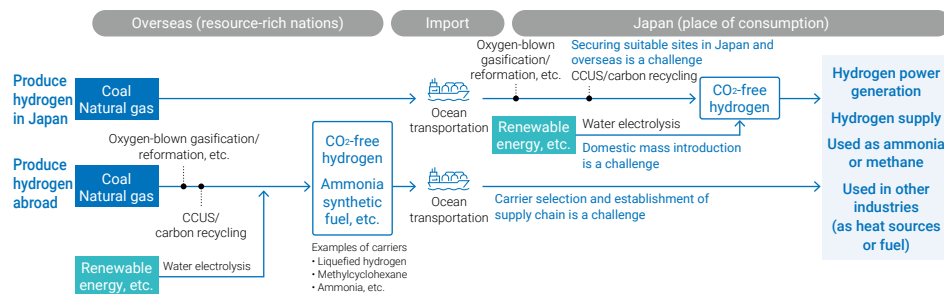
In order to achieve both stable power supply and carbon neutrality in Japan, it is necessary to utilize thermal power sources that can provide supply regulation, in addition to renewable energy and nuclear power, while reducing or eliminating their carbon content.

The J-POWER Group has announced the direction of coal-fired power plants at eight locations (15 plants) to achieve zero-emission thermal power in the Medium-Term Management Plan 2024–2026. By using hydrogen, ammonia, and biomass, the Group aims to gradually achieve zero-emission thermal power, taking into account plant characteristics.

The Group will also secure a variety of decarbonization technologies from the upstream to downstream in the supply chain, including hydrogen/ammonia production and CCS, with the goal of achieving a reliable transition from thermal power.

[P.26 Medium-Term Management Plan](#)

[P.57 Direction for thermal power transition](#)



Government policy trends

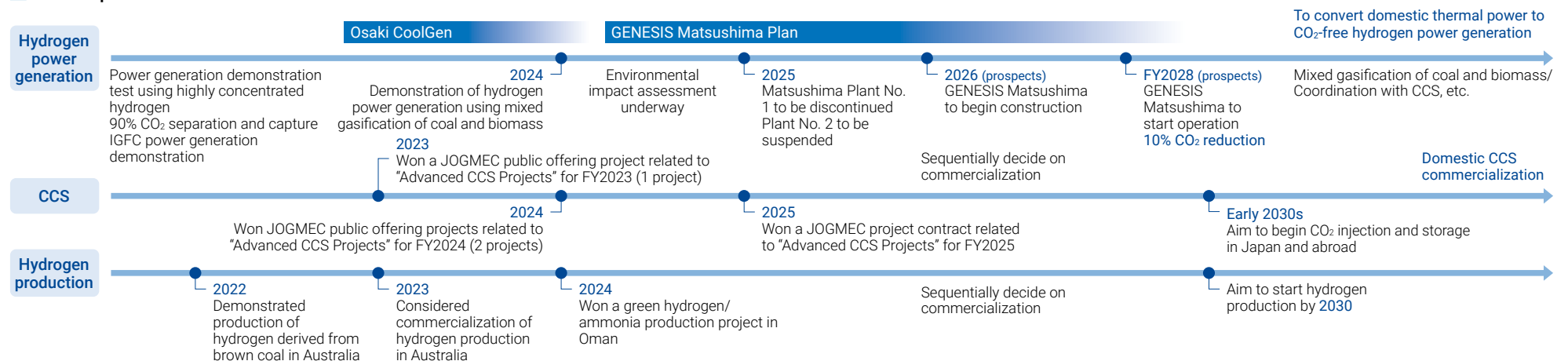
Hydrogen and ammonia are expected to contribute to carbon neutrality not only in the power generation sector, but also in various other industries. Since they can also be produced from various energy sources, hydrogen and ammonia are also important from the perspective of Japan's energy security. The Japanese government has announced its Basic Hydrogen Strategy and enacted the Hydrogen Society Promotion Act in 2024, which provided for support for the supply chain by compensating for the price difference between hydrogen and ammonia and support for site development.

Regarding CCS, the government aims to launch projects in the early 2030s and expects to invest approximately ¥4 trillion in the public and private sectors over the next 10 years to establish an advanced CCUS value chain. The CCS Business Law enacted in 2024 provided for a licensing system for exploratory drilling and storage projects necessary for commercialization, as well as the regulations for storage business operators.

Strengths of the J-POWER Group

J-POWER has already demonstrated hydrogen production and power generation using oxygen-blown coal gasification and CO₂ separation and capture technologies in Japan and abroad. By combining these with CCS, we aim to realize CO₂-free hydrogen. In addition, we have renewable energy facilities and a wealth of expertise in their operation that can be used for green hydrogen production.

Roadmap



Initiatives for Carbon Neutrality

Push for Zero-Emission Power Sources



Hydrogen/Ammonia Power Generation

Osaki CoolGen Project

The Osaki CoolGen Project*¹ has demonstrated the CO₂ separation and capture oxygen-blown IGCC*² for power generation performance, including the production of highly concentrated hydrogen gas, a CO₂ capture rate of 90% or more, and operation with a hydrogen concentration of around 40% at the gas turbine inlet. With its excellent load flexibility, this generation method is expected to play the role of providing the regulatory power in response to output fluctuations of renewable energy.

In addition, with efficient CO₂ capture and compatibility with low-grade coal, the generation system is also expected to help reduce power generation costs for commercialization.

*¹ Joint project between J-POWER and the Chugoku Electric Power Co., Inc. (NEDO subsidized project)

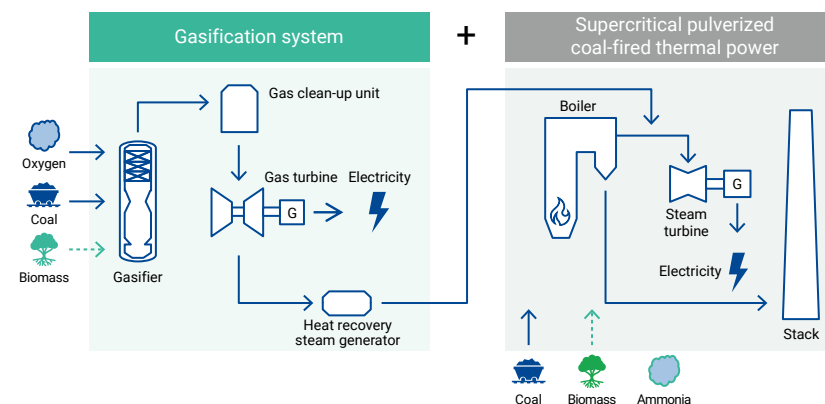
*² IGCC: Integrated gasification combined cycle



GENESIS Matsushima Plan

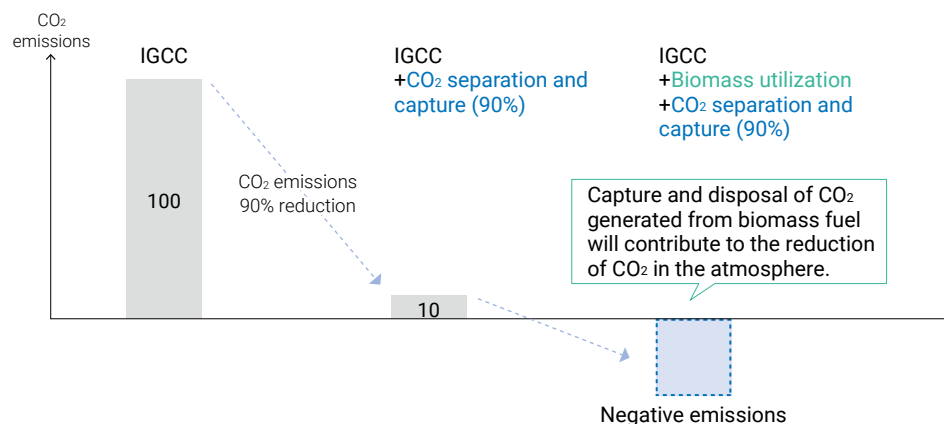
We are promoting the GENESIS Matsushima Plan to commercialize the technology demonstrated in the Osaki CoolGen Project at the Matsushima Thermal Power Plant No. 2, which was shut down at the end of FY2024. The Plant No. 2 will reduce its CO₂ emissions by approximately 10% due to its higher efficiency.

In the future, we will adopt CO₂ separation and capture and combine it with CCS, etc., with a view to realizing CO₂-free hydrogen power generation and even providing hydrogen to other industries. In this way, we aim to create an advanced carbon-neutral site.



Negative emissions

The Osaki CoolGen Project conducted demonstration tests of mixed gasification of biomass and coal in 2024 and successfully achieved the initial target of gasifying 50% of wood biomass (on a calorific basis). If a coal and biomass mixed gasification technology with a biomass mixing ratio of 10% or over is established in the field of CO₂ separation and capture oxygen-blown IGCC, carbon neutrality can be realized by combining the CO₂ separation and capture technology with a CO₂ capture rate of 90% or more with CO₂ storage and utilization technology.



Ammonia power generation

We are considering transitioning to ammonia-based power generation at our thermal sites. In this consideration, sites will be selected taking into account the conditions of plant equipment and port facilities as well as the surrounding environment. In addition, we will work with various stakeholders to establish a stable ammonia supply chain in Japan, as large-scale mixed/mono combustion requires bulk procurement of ammonia.

P.57 Direction for thermal power transition

Initiatives for Carbon Neutrality

Push for Zero-Emission Power Sources



Promotion of CCS

Initiatives of J-POWER

J-POWER established a joint venture, West Japan Carbon dioxide Storage Survey Co., Ltd., with ENEOS Corporation and ENEOS Xplora Inc., with the aim of starting a CO₂ separation, capture, transportation, and storage project in western Japan in the early 2030s. This project has been selected as a JOGMEC* public offering project related to “Advanced CCS Projects.” We are now preparing for commercialization, including exploration and evaluation of the selection of candidate storage sites.

In addition, the Southern Offshore of Peninsular Malaysia CCS project in Malaysia, in which several companies including J-POWER participate, has been selected as a JOGMEC public offering project related to “Advanced CCS Projects.”

*JOGMEC: Japan Organization for Metals and Energy Security

Overview of the project in western Japan

Proposer	J-POWER, ENEOS, ENEOS Xplora, West Japan Carbon dioxide Storage Survey
Emission sources	Oil refineries and thermal power plants in Setouchi and Kyushu regions
Transport method	Vessels and pipelines
Candidate sites for CO ₂ storage	Off the western Kyushu (offshore saline aquifers)
Storage volume	Approx. 1.6 million tons/year
Feature of the project	The project will promote hub-and-cluster CO ₂ storage that links multiple CO ₂ emission sources and offshore storage sites, targeting emissions from oil refineries and power plants in a wide area of western Japan, including the Setouchi region.

Overview of the project in Malaysia

Proposer	J-POWER, Mitsui & Co., Chugoku Electric Power, The Kansai Electric Power, Cosmo Oil, Kyushu Electric Power, Crasus Chemical, Mitsubishi UBE Cement
Emission sources	Multiple industries including power generation, chemical, cement, and oil refining in the Kinki, Chugoku, and Kyushu regions, among others
Transport method	Vessels and pipelines
Candidate sites for CO ₂ storage	Off the east coast of Malay Peninsula in Malaysia (offshore depleted oil and gas fields, aquifers)
Storage volume	Approx. 5 million tons/year
Feature of the project	The project will promote large-scale CO ₂ capture from multiple scalable CO ₂ clusters across industries in a wide area of western Japan, and then transport the captured CO ₂ overseas to a hub to be developed off the east coast of Peninsular Malaysia for storage in partnership with Petronas (Malaysia) and TotalEnergies (France).

Hydrogen/Ammonia Production

The Group had been demonstrating the production of high-purity hydrogen using brown coal, which is still abundant and unused in Australia. Based on this experience, the Group also aims to expand its business line to achieve the production and supply of clean hydrogen that has been subjected to CO₂ processing.

The Group has also formed a consortium with Yamna (UK) and EDF (France), won the right to implement a large-scale green hydrogen/ammonia production project in the Sultanate of Oman, and established an SPC to engage in project survey in February 2025.



Topics

Economic efficiency of zero-emission thermal power generation

We will actively utilize the Japanese government's economic support programs to achieve cost reduction. It is possible to use the “Long-Term Decarbonized Power Source Auction system” for investment in upcycling existing coal-fired thermal power plants to mixed/mono hydrogen combustion facilities. In addition, CCS would be supported by the “Advanced CCS Project” for costs in the development and construction phase and for maintenance costs in the operation phase.

Full-fledged launch of an emissions trading system is scheduled for FY2026 and introduction of a fossil fuel levy is scheduled for FY2028. We will be able to commercialize hydrogen power generation and CCS if they can be implemented at costs below carbon pricing.

[P.30 Policy trends](#) [P.49 Disclosure Based on TCFD Recommendations](#)

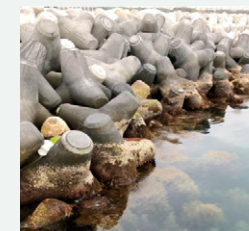
Carbon reduction and blue carbon initiatives using concrete substitutes

J-POWER has developed “J Blue Concrete,” a concrete substitute material made mainly from coal ash and copper slag, which are industrial by-products, and used it at its sites. Compared with ordinary concrete, J Blue Concrete is more resistant to sea waves (heavier) and has a lower carbon content (less CO₂ emissions from the material).

We have also worked on the research and development of blue carbon, which uses J Blue Concrete to help seaweed absorb and fix CO₂ from the atmosphere. We then became the first company in the private sector to obtain certification for J Blue Credits*.

J-POWER will continue its initiatives for further CO₂ reduction and absorption, thus contributing to carbon neutrality.

*A system whereby the Japan Blue Economy Association (JBE), which was established and approved by the Ministry of Land, Infrastructure, Transport and Tourism, certifies and issues the credits



Initiatives for Carbon Neutrality

Power Network Stabilization and Enhancement

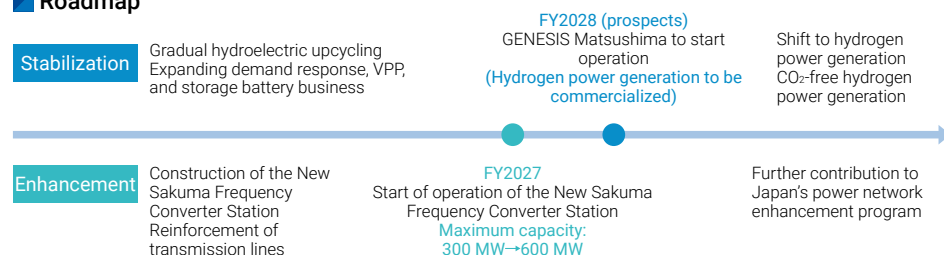


Supporting Mass Introduction of Renewable Energies

Renewable energies like solar and wind power are vulnerable to sudden fluctuations in output depending on weather conditions. When they are introduced in large amounts, the need to be able to adjust to control the supply-demand balance becomes even more critical. In addition, the power network must be strengthened to deliver electricity from renewable energy-rich power production sites (such as Hokkaido, Tohoku, and Kyushu) to distant consumption areas.

The Group plans to aid in the widespread use of renewable energy by stabilizing and enhancing the power grid.

Roadmap



*Strengthening the power network is an initiative of J-POWER Transmission Network Co., Ltd.

Stabilization

Hydroelectric power and hydrogen power generation

J-POWER has large-scale general hydroelectric power plants and pumped storage hydropower plants to generate power according to seasons and time frames and to absorb surplus power. It also aims to realize hydrogen power generation, which enables flexible load adjustment. By using these as regulated power sources, we contribute to the stabilization of the power network.

Distribution network system

J-POWER uses its expertise in supply and demand forecasting to act as an intermediary between electric power companies and consumers, providing services to manage the supply-demand balance. For instance, we are developing Demand Response and VPPs, which balance supply and demand by combining customer-owned demand facilities, requiring power conservation to avoid power outages, and methodically managing the recharge/discharge of storage batteries.

Enhancement

Expansion of trunk transmission lines and inter-regional connection lines

The Group has trunk transmission lines and inter-regional connection lines that enable flexible transmission between regions. In order to enhance the capability to interchange electric power between 50Hz in eastern Japan and 60Hz in western Japan, the Group is promoting the new construction of the New Sakuma Frequency Converter Station and the replacement/expansion of related transmission lines. (Scheduled to start operations in FY2027)

Expansion of wide-area interconnected grid

To deliver electricity from sites suitable for renewable energy to major consumption areas, the construction of submarine ultra-high-voltage DC transmission facilities using submarine cables is being planned. The Group successfully built ultra-high-voltage DC power transmission facilities and developed ultra-high-voltage DC CV cables for the first time in Japan. It also owns and maintains cross-regional interconnection facilities, contributing to the development of Japan's enhanced power network based on the Master Plan for Wide-Area Interconnected Grid with a view to realizing a decarbonized society and making renewable energy a major power source.

Overview of cross-regional interconnection facilities connecting Hokkaido with Honshu (the Japan Sea route) and connecting the Chugoku region with Kyushu

	Cross-regional interconnection facilities connecting Hokkaido and Honshu (the Japan Sea route)	Cross-regional interconnection facilities connecting the Chugoku region and Kyushu
Estimated construction cost* ¹	¥1.5~1.8 trillion	¥370~410 billion
Estimated construction period* ¹	About 6 to 10 years	About 6 to 9 years
Major operating entities	Hokkaido Power Electric Network, Tohoku Electric Power Network, TEPCO Power Grid, and J-POWER Transmission Network are four qualified operators.	Chugoku Electric Power Transmission & Distribution, Kyushu Electric Power Transmission and Distribution, and J-POWER Transmission Network are three qualified operators.
Schedule* ²	April 2024 Determination of basic requirements December 2024 Deadline to express an intention to apply* ³ February 2025 Announcement of qualified operators December 2025 Deadline to submit implementation plans End of FY2025 (prospect) Finalization of the plan	April 2024 Determination of basic requirements August 2024 Deadline to express an intention to apply September 2024 Announcement of qualified operators February 2025 Submission of implementation plans First half of 2025 (prospect) Finalization of the plan

*¹ Estimated construction costs and construction periods are included in the basic requirements.

*² Schedule refers to the schedule for each project described in public offering guidelines.

*³ When expressing their intention to apply, Hokkaido Power Electric Network, Tohoku Electric Power Network, TEPCO Power Grid, and J-POWER Transmission Network have listed 12 preconditions, including the followings.

- It can be determined that there are no unacceptable risks in terms of technical or business feasibility.
- It is likely that loans from Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO) and guarantees from public institutions for loans are available.
- The government publicly disclose an appropriate rate of return on each project in line with the level of risks involved and its rationale.

They will postpone or withdraw from the submission of implementation plans if these preconditions are not met.

Financial Initiatives

Management Goals

- ✓ While the impact of climate change response on our business performance is unavoidable to a certain extent, we have set a future ROE target of 8% or higher.
- ✓ We aim to achieve our target of ¥90 billion in ordinary profit in FY2026, while keeping in mind the level of ROIC required for the future.

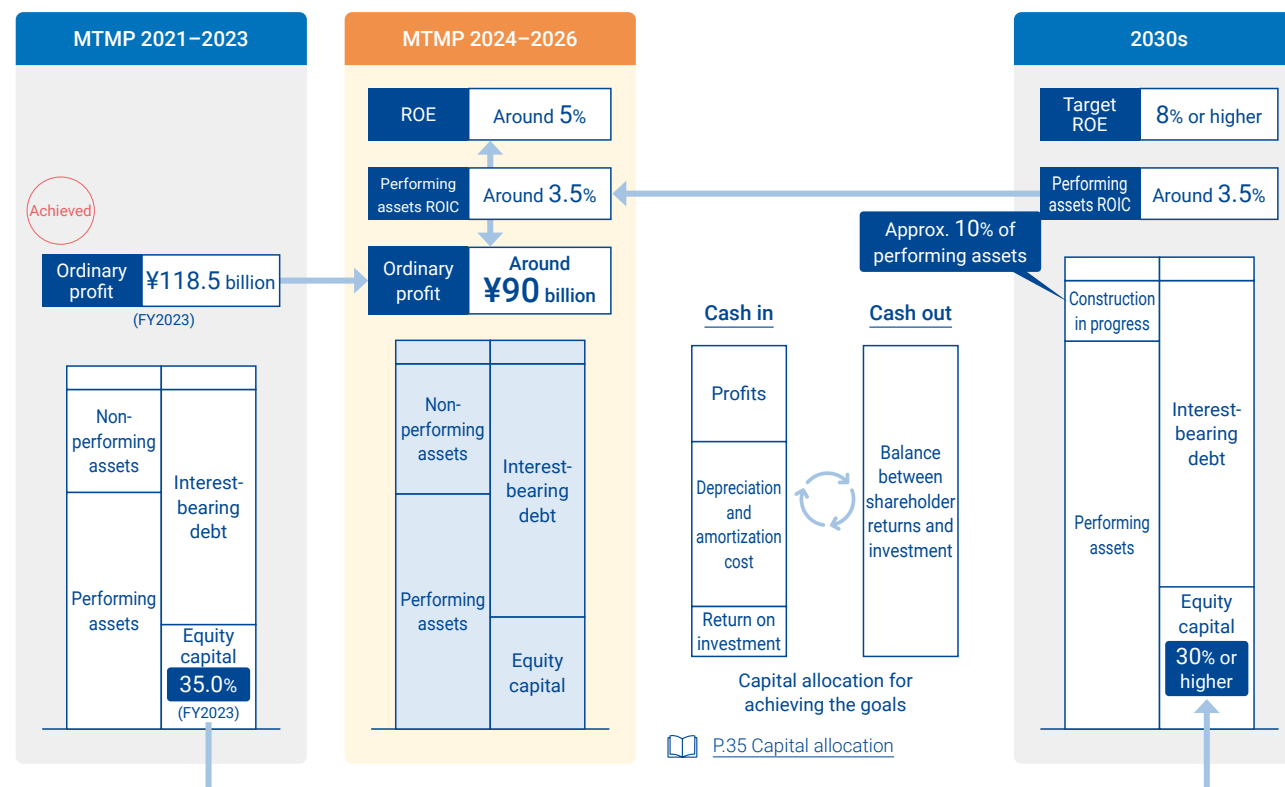
In the Medium-Term Management Plan ("MTMP") 2024–2026, we have set a management goal to achieve an ROE of 8% or higher in the 2030s, after the start of operation of the Ohma Nuclear Power Plant.

The ratio of non-performing assets to performing assets (non-performing asset ratio) is expected to drop from the current 30% level to around 10% once the business portfolio transition, including operational start-up of the Ohma Nuclear Power Plant, will have made a certain progress. With this level of non-performing asset ratio, the ROIC of performing assets needed to achieve an ROE of 8% or higher is calculated to be around 3.5%.

Currently, electricity market prices are highly volatile due to resource price fluctuations and the massive introduction of renewable energy. Even under such circumstances, to achieve a performing assets ROIC of 3.5%, which is required in the 2030s, we have set target levels of ordinary profit and ROE for FY2026 at about ¥90 billion and 5%, respectively, as targets for the period covered by the MTMP.

We are not yet planning any significant reduction of equity capital, which is the denominator of ROE, because it is still difficult to foresee the absolute amounts of risk buffer and appropriate equity capital required for the Ohma nuclear power and thermal power transition at this stage. Meanwhile, we consider the equity ratio can be adjusted from the current mid-thirty percent range to about 30% as the required risk buffer is expected to decrease in the 2030s, when the aforementioned business portfolio transition will have made certain progress.

Under the MTMP 2024–2026, we will promote the transformation of our business and profit structure toward the 2030s, while practicing management that is conscious of capital efficiency.



*1 NOPAT includes non-operating income/loss and extraordinary income/loss which can be directly charged to business departments.

*2 Non-performing assets = Construction in progress + Nuclear fuel, etc.

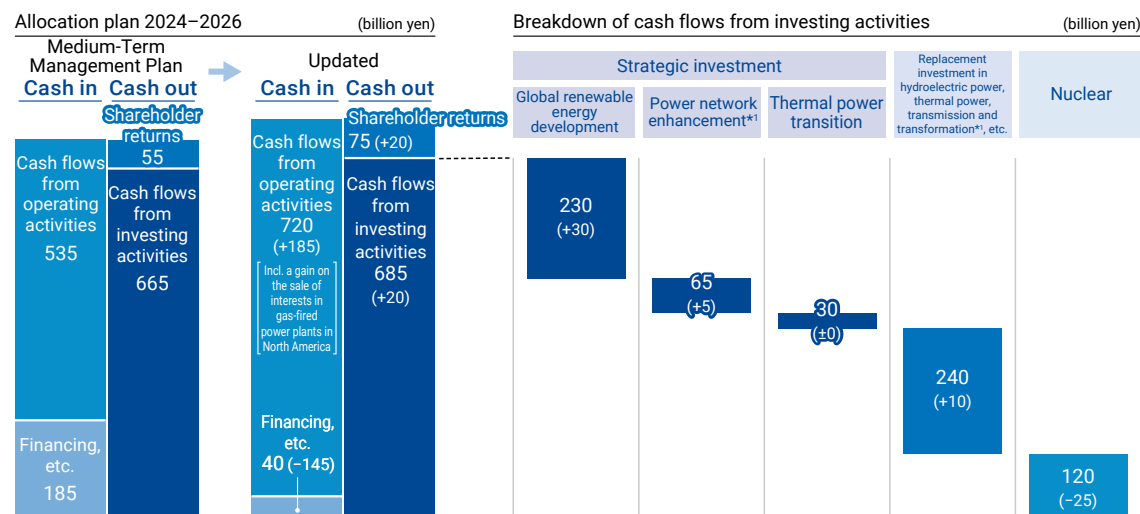
Financial Initiatives

Capital Allocation and Approach to Improving Capital Efficiency

We have disclosed information on the update of capital allocation and approach to improving capital efficiency in the “Approach to Improving Corporate Value” announced on May 9, 2025.

- ✓ We will endeavor to enhance strategic investment and shareholder returns, while curtailing financing, by utilizing operating cash flows improved primarily by a solidified balance sheet in the thermal power business and the sale of interests in gas-fired power plants in North America.

Capital allocation



*1 The transmission and transformation business is handled by J-POWER Transmission Network Co., Ltd.

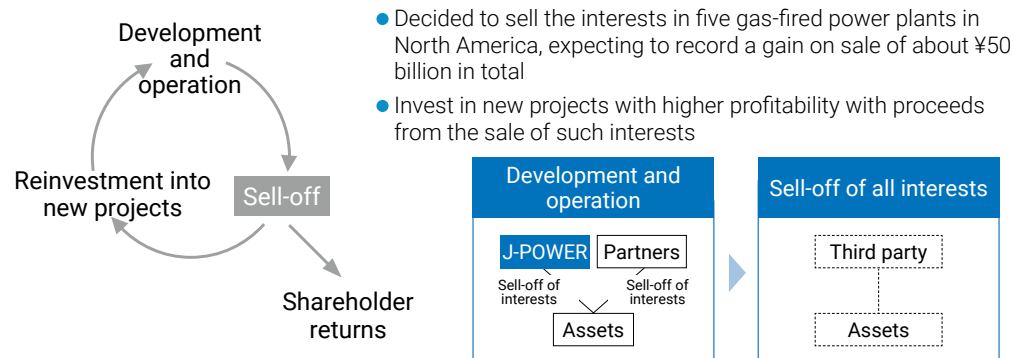
We have updated the three-year capital allocation plan announced in the Medium-Term Management Plan 2024–2026 in light of the financial results for FY2024, expected cash inflows mainly from the sale of interests in gas-fired power plants in North America, and progress of investment.

Cash flows from operating activities are expected to exceed the previous plan by around ¥185 billion for the three years due to the above-mentioned factors. Supported by such expectation, we will endeavor to enhance investment for growth and shareholder returns while curtailing financing.

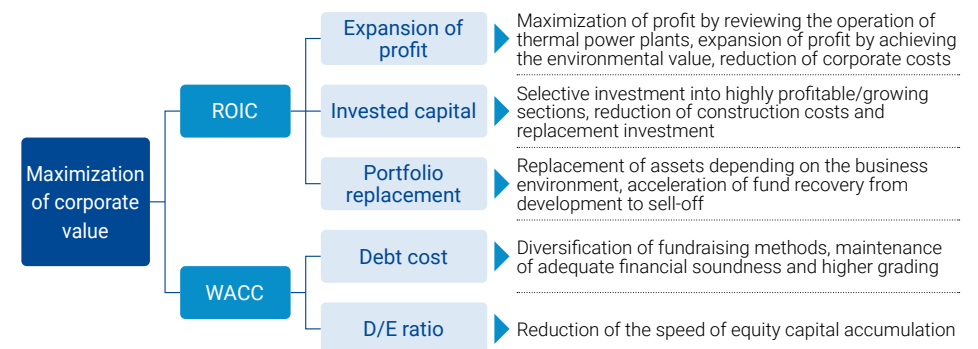
As to various investments, we are implementing and considering, among other measures, the postponement of the timing of making investment decisions, taking into account rising prices, effects of currency fluctuations, and other factors. Meanwhile, we have been flexibly making strategic investments, including the acquisition of an Australian renewable energy developer Genex Power Limited as a wholly-owned subsidiary in 2024, at the right timing. The updated cash flows from investing activities are expected to total ¥685 billion for the three years, exceeding the previous plan by ¥20 billion.

We are considering financing funds in excess of operating cash flows by using the Green/Transition Finance Framework.

Replacement of assets in our asset portfolio



Approach to maximizing ROIC-WACC spread

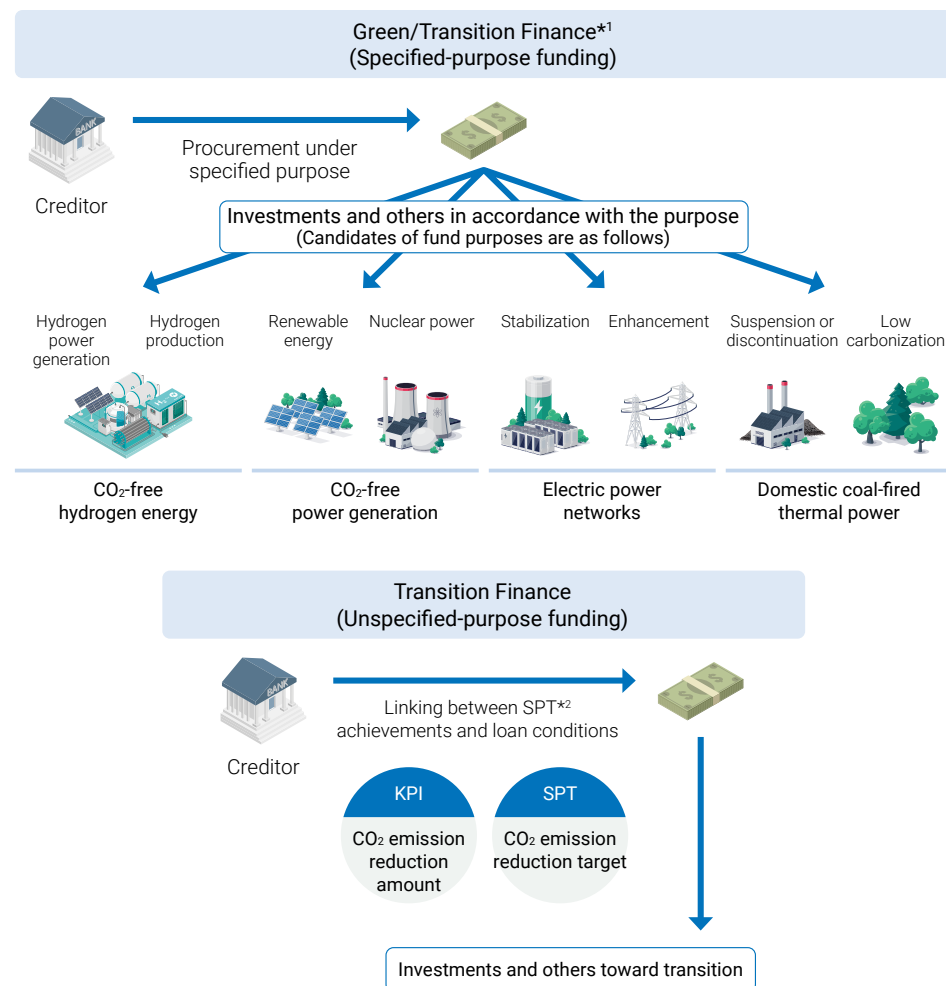


Financial Initiatives



Diversifying Methods of Fundraising toward Transition

We have formulated a new framework called "Green/Transition Finance Framework" for fundraising toward transition to a carbon-neutral society. This framework has been evaluated for its eligibility to various finance standards by a third-party evaluation organization called DNV BUSINESS ASSURANCE JAPAN.



Examples of transition-linked loan financing			
Date borrowed	Sep. 29, 2023	Sep. 29, 2023	Feb. 29, 2024
Borrowed amount of money	¥10.0 billion	¥10.0 billion	¥10.0 billion
Borrowing period	7 years	10 years	7 years
Creditor	Domestic financial institutions (joint financing)	Domestic financial institutions (joint financing)	Domestic financial institutions (joint financing)

Name and issue number of corporate bonds	The 89th issuance of unsecured corporate bonds of J-POWER (with inter-bond pari-passu clause) (Green Bond)
Maturity period	10 years
Amount issued	¥10.0 billion
Interest rate	1.121%/year
Issue price	¥100 per face value of ¥100
Date issued	Apr. 10, 2024

The fund-purpose, reporting, and environmental improvement effects related to Green Bonds issued in the past are posted on the Company's website:

<https://www.jpower.co.jp/sustainability/finance/> (available only in Japanese)

*1 Green Finance only applies to those accepted as eligible green projects.

*2 An abbreviation of Sustainability Performance Target, representing a target that should be achieved to fulfill KPI

Financial Initiatives

Shareholder Returns

We have updated the basic approach to shareholder returns in the “Approach to Improving Corporate Value” announced on May 9, 2025.

- ✓ In addition to our existing shareholder return policy of consistent dividend payments, we have introduced the concept of total payout ratio for the purpose of implementing flexible shareholder returns while maintaining consistent dividend payments.
- ✓ Based on the above policy, we decided to purchase treasury shares of ¥20.0 billion in total for the purpose of implementing shareholder returns with a target total payout ratio of 30% for profits earned during the period covered by the Medium-Term Management Plan 2024–2026.

Revision to the basic approach to shareholder returns

Before
the
revision

Strive to enhance stable and continuous return with 30% consolidated payout ratio as a guide, except for the short-term earnings variation factors, taking into consideration the profit level, earnings estimates, and financial conditions, etc.



After
the
revision

Strive to enhance stable and continuous return with 30% total payout ratio as a guide, taking into consideration the profit level, earnings estimates, and financial conditions, etc.



Continued
approach

During the period of the MTMP FY2024–2026, the minimum dividend is ¥100 per share.

*We plan to cancel the treasury shares to be acquired.

Share buyback

Decided to purchase treasury shares of ¥20.0 billion
by moving forward the decision on the total additional shareholder returns for the three-year period

Dividend only

FY2024
payout ratio | **19.8%**

Dividend ¥18.3 billion

Dividend + Share buyback

FY2024 total
payout ratio | **30.0%**

Dividend ¥18.3 billion
Share buyback ¥9.4 billion

Q&A

Q1: What is the reason behind switching from consolidated payout ratio to total payout ratio?

A1: We recognize that it is necessary to not only improve profits but also manage the balance sheet to a certain extent in order to improve capital efficiency. Accordingly, we have revised our shareholder return policy so that we can have an option of share buyback. In addition, in recent years, the balance between the Company's revenue and expenditure has become increasingly volatile due to the increased market sales ratio associated with the advancement of electricity system reforms, and fluctuations in international resources prices affected by, among other factors, international situations and economic trends. To implement shareholder returns according to such fluctuations in the Company's balance sheet, we have decided to combine share buyback, a flexible means of returning profits to shareholders, with dividend payments. We have kept unchanged the dividend of ¥100 per share as the lower limit during the period covered by the Medium-Term Management Plan.

Q2: What is the reason behind the decision on the purchase of treasury shares of ¥20.0 billion?

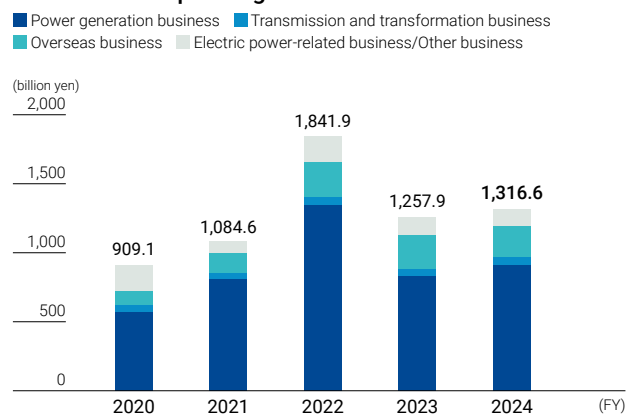
A2: We have decided to purchase treasury shares of ¥20.0 billion by moving forward the decision on the total additional shareholder returns for the three-year period, which was originally planned for the final fiscal year of the Medium-Term Management Plan, based on the fact that the financial results for FY2024 and earnings forecasts for FY2025 exceeded the initial forecasts, in light of the shareholder return policy with a total payout ratio of 30%.

Financial and Non-Financial Highlights

These are key indicators of the Company's financial and non-financial performance.

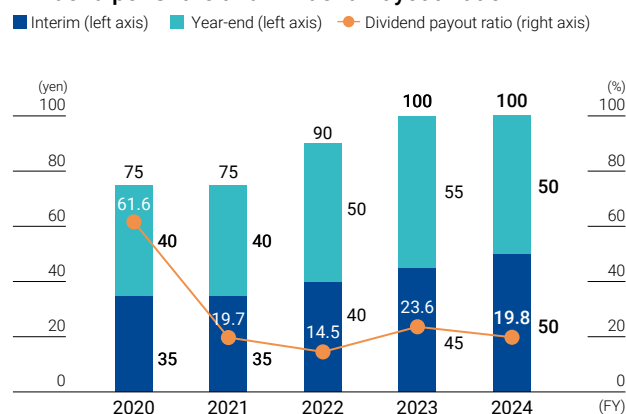
Financial Highlights

Consolidated Operating Revenue



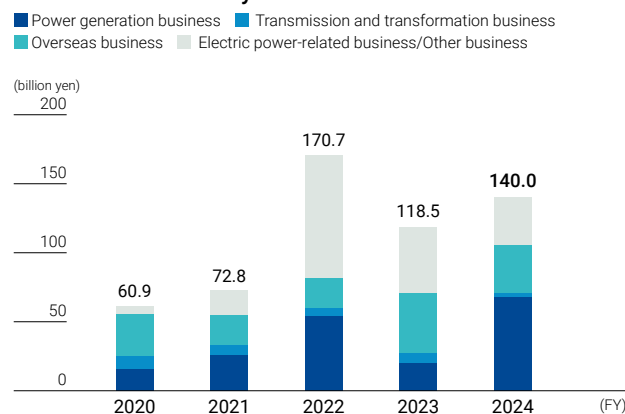
In FY2024, consolidated operating revenue increased by 4.7% year on year to ¥1,316.6 billion. This was mainly due to an increase in electric power sales volume because of an increase in electricity sales procured from wholesale electricity markets, etc., increase in the load factor of thermal power plants, and the commencement of the capacity market in the power generation business, despite lower electricity sales prices and decrease in electric power sales volume in Thailand, a decline in the coal price sold by an Australian consolidated subsidiary that owns coal mining interests, etc.

Dividend per Share and Dividend Payout Ratio



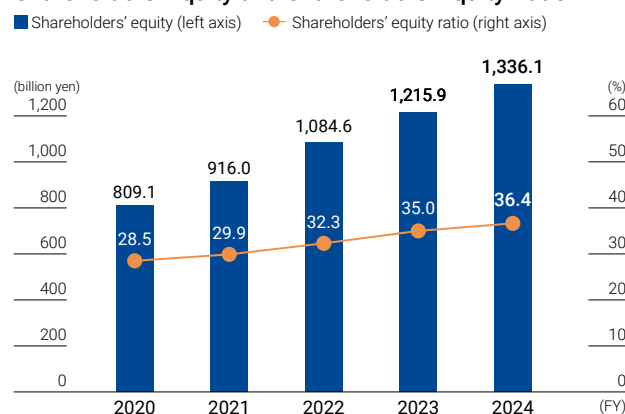
We set the dividend of ¥100 per share as the lower limit during the period covered by the J-POWER Group's Medium-Term Management Plan 2024–2026. We announced the revision to our shareholder return policy on May 9, 2025 and set the new policy as follows: J-POWER will strive to enhance stable, ongoing returns to shareholders considering the level of profit, earnings forecasts, and its financial condition with a total payout ratio of 30%. Based on the above policy, we decided to purchase treasury shares of up to ¥20 billion by bringing forward the decision on additional shareholder returns for the period covered by the Medium-Term Management Plan.

Consolidated Ordinary Profit



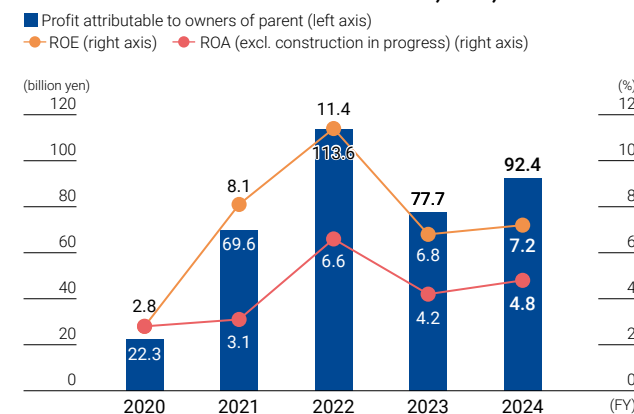
In FY2024, consolidated ordinary profit increased by 18.2% year on year to ¥140.0 billion. This was mainly due to an improvement in gross profit in the power generation business, despite a decrease in profit from an Australian consolidated subsidiary that owns coal mining interests due to a decline in coal sales prices, and a decrease in profit in share of profit of entities accounted for using equity method. This is higher than the ordinary profit target of ¥90.0 billion set forth in the J-POWER Group's Medium-Term Management Plan 2024–2026.

Shareholders' Equity and Shareholders' Equity Ratio



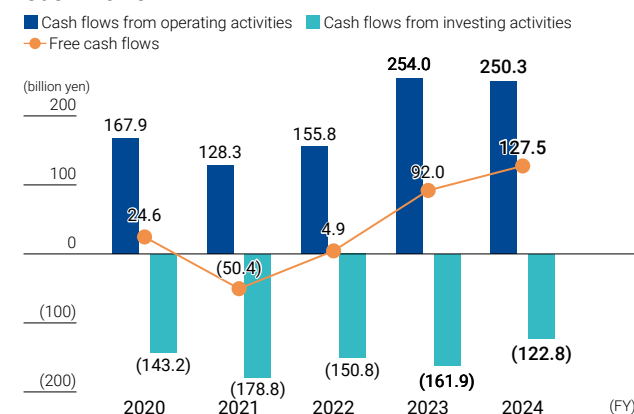
Shareholders' equity ratio for FY2024 was 36.4%, mainly due to an increase in foreign currency translation adjustment, in addition to the recording of consistent profit attributable to owners of parent.

Profit Attributable to Owners of Parent, ROE, ROA



As was the case with ordinary profit, profit attributable to owners of parent also increased in FY2024. The decrease in FY2020 was due to losses resulting from the surge in electricity market prices, as well as the payment of income taxes due to the fact that tax effect accounting was not applied to the losses incurred by consolidated subsidiaries.

Cash Flows



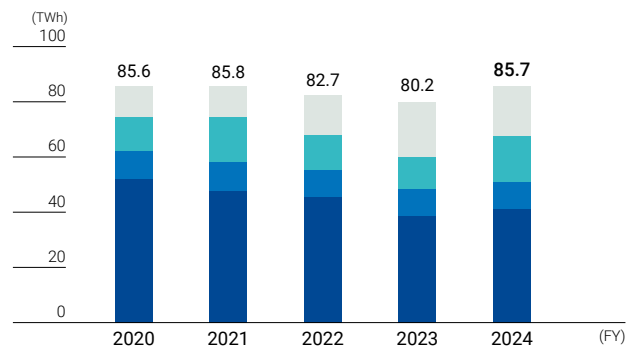
Free cash flows for FY2024 increased by ¥35.5 billion year on year to ¥127.5 billion. This was due to a decrease in cash flows from investing activities primarily attributable to a decrease in payments into time deposits, partially offset by a slight year-on-year decrease in cash flows from operating activities.

Financial and Non-Financial Highlights

Non-Financial Highlights

Electric Power Sales Volume

■ Thermal ■ Renewable energy ■ Other ■ Overseas



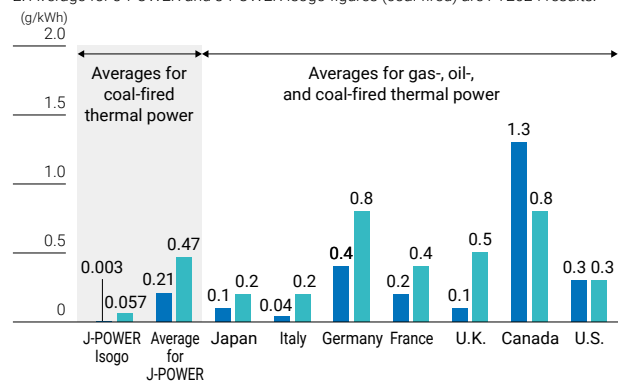
In FY2024, electric power sales volume increased in the power generation business as the load factor of thermal power plants exceeded that of the previous fiscal year, despite a decrease in electric power sales volume in the overseas business. "Other" represents the sales volume of electricity procured from JEPX, etc.

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

■ SOx ■ NOx

*1 Emissions are based on OECD StatExtracts, and power generated is based on IEA "Data and statistics."

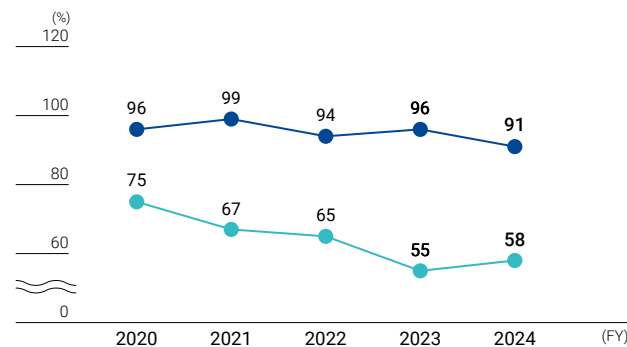
2. Average for J-POWER and J-POWER Isogo figures (coal-fired) are FY2024 results.



Water Supply Rate/Thermal Power Load Factor*

● Water supply rate ● Thermal power load factor

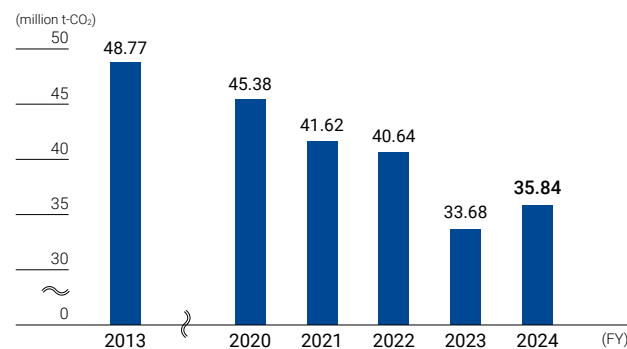
*Thermal power load factor is calculated on a non-consolidated basis.



Water supply rate depends on factors such as weather conditions. In FY2023, the load factor of thermal power plants decreased during the daytime of low-demand periods due to increased power generation from renewable energy sources in western Japan and the restart of nuclear power plants. In FY2024, we worked to minimize the impact of lower load factor on profits and losses through initiatives to improve operational performance of power plants, including lowering minimum loads, and operational shutdown based on supply and demand forecast. As a result, gross profit in the thermal power business improved by ¥28.0 billion.

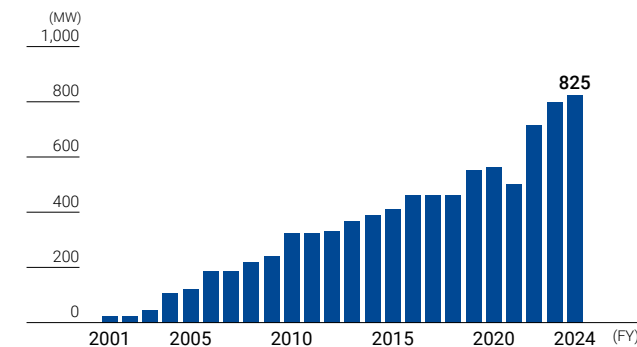
CO₂ Emissions from Domestic Electric Power Business

*Aggregates CO₂ emissions generated from the Group's domestic power plants. Subsidiaries and affiliates are aggregated according to their investment ratios.



Compared to FY2013, we aim to reduce CO₂ emissions by 9.2 million tons by FY2025 and 22.5 million tons by 2030.

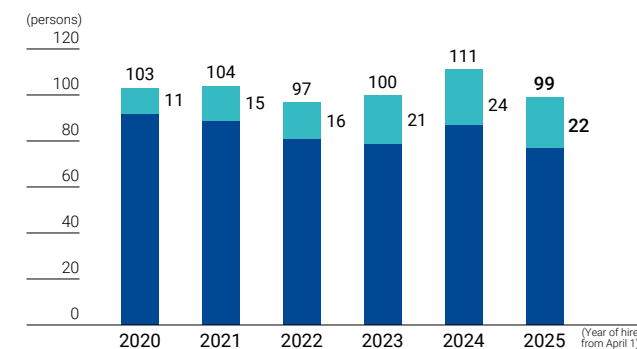
Wind Power Generation Capacity



The replacement of existing sites started in FY2021. In FY2024, Kaminokuni No. 2 Wind Farm began operations.

Number of New Graduates Hired by J-POWER

■ Male ■ Female



In addition to steady hiring for the purpose of sustainable growth, the Company is taking on the challenge of ensuring diversity in order to create a workplace that promotes continuous innovation. In light of the fact that we achieved the previous target ratio of women in new hires of 20%, we have revised upward the target to 25% or more (average between FY2025 and FY2027) with the aim of further promoting diversity.

J-POWER Group Businesses

Power Generation Business

The Value We Provide

- Realizing economical and stable power supply through CO₂-free power sources and high-efficiency thermal power sources
- Contributing to ensuring energy security and preventing regional environmental issues such as air pollution

Recognition of Business Environment

- | | |
|----------------------|---|
| Opportunities | <ul style="list-style-type: none"> • Widespread use and expansion of CO₂-free power sources and CO₂-free hydrogen aimed at achieving carbon neutrality • Expansion of new markets and forms of selling |
| Risks | <ul style="list-style-type: none"> • Greater earnings fluctuations resulting from increased volatility in resource and electricity market prices • Earnings deterioration due to CO₂ emissions regulations • Higher operating costs due to inflation |
| Strengths | <ul style="list-style-type: none"> • Well-balanced power source portfolio consisting of renewable energy and thermal power • Comprehensive technological capabilities that can be executed within the Group from development to operation • The highest level of engineering and execution capabilities gained from involvement in global development • Relationships of trust with local communities |

Direction of Responses

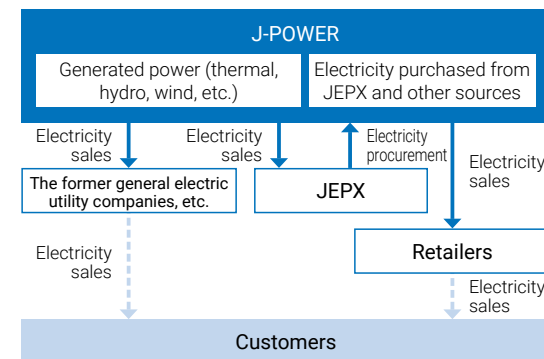
- Preferentially allocate investment funds to renewable energy
- Aim for improved profitability and further growth by increasing the volume of power generation from renewable energy sources* and realizing environmental value
- Phase out of inefficient coal-fired thermal power plants and select optimum technologies for high-efficiency coal-fired thermal power plants based on characteristics specific to their sites to reduce CO₂ emissions and realize decarbonization
- Establish existing thermal power plants as intermediate load power sources that help regulate power supply and realize value that is aligned with their operational formats
- For Ohma Nuclear Power Plant, put the highest priority on ensuring safety, while considering the effective use of the Long-term Decarbonization Power Source Auction system

*An increase of 4.0 billion kWh by FY2030 (from the FY2022 level)

Overview of Power Generation Business

The J-POWER Group generates electricity from various power sources, including renewable energy and thermal power, and sells it to the former general electric utility companies (EPCOs) and the Japan Electric Power Exchange (JEPX) to ensure a stable supply of electricity in Japan. J-POWER also sells electricity procured from JEPX and other sources to retail electricity suppliers.

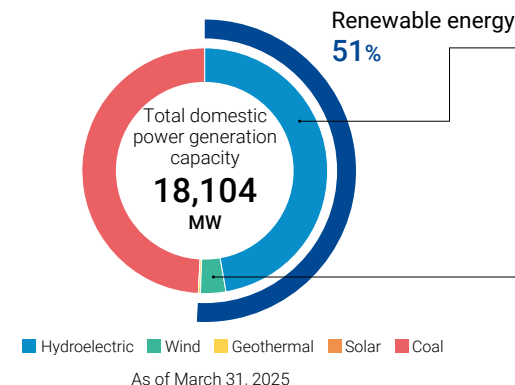
Flow of electricity sales



In principle, the structure of sales charges to EPCOs consists of a baseline charge based on the value of power generation capacity (kW) and a metered charge based on the electric power sales volume (kWh). For the portion equivalent to fuel costs, which account for the majority of the metered charge for thermal power generation, we have introduced a system that reflects fluctuations in market conditions related to fuel procurement as appropriate.

The sales price of the electricity procured from JEPX is determined through discussions with retailers and is revised in a timely manner.

Domestic power generation capacity



Share of hydroelectric power generation capacity

No. 2 in Japan
8,582 MW

Share of wind power generation capacity

No. 2 in Japan
587 MW

J-POWER Group Businesses

Power Generation Business

Renewable Energy

Hydroelectric power

Over the past 70 years or so, the J-POWER Group has engaged in the development and operation of hydroelectric power plants. Hydroelectric power plants can be started quickly and their output is adjustable, and pumped storage hydropower plants play an important role as a regulating power source to absorb surplus power and compensate for power shortages. With no available land left for large-scale developments in Japan, the Group is engaged in increasing the power generation volume through the development of small hydroelectric power plants and the comprehensive renewal of main facilities.

 [P.28 NEXUS Sakuma Project](#)

Wind power

The J-POWER Group began engaging in the wind power generation business early in Japan. Even now, we are engaged in many development projects while also advancing facility upgrades at its initial operation sites. In terms of offshore wind power, we are working on the construction of the Kitakyushu Hibikinada Offshore Wind Farm Project to start commercial operation in FY2025, utilizing the expertise gained through our participation in the Triton Knoll Offshore Wind Farm Project in the United Kingdom. In addition, we are working to realize the offshore wind power project off the coast of Oga City, Katagami City, and Akita City, Akita Prefecture, for which J-POWER was selected as a business operator in December 2023.

 [P.28 Wind power project](#)

Geothermal power

Geothermal energy is a domestically produced CO₂-free energy source, and utilized as a baseload power source that is capable of stable power generation without being affected by weather conditions. Currently, the J-POWER Group operates the following three geothermal power plants: Wasabizawa Geothermal Power Plant, Onikobe Geothermal Power Plant, and Appi Geothermal Power Plant. In addition, we are currently conducting research for new geothermal power development in the Takahinatayama region in Miyagi Prefecture.

Solar power

The J-POWER Group currently operates the Kitakyushu Hibikinada Solar Power Plant and Himeji Oshio Solar Power Plant. We are also promoting the on-site PPA model, where we install solar power generation equipment on the roofs or in open spaces of customers' facilities to supply power, thereby contributing to their needs for self-consumption of renewable energy.

Thermal Power

Coal, which supports power supply in Japan, is considered an important energy source due to its superiority in stable supply and economic efficiency, as its relatively low geopolitical risk in procurement, comparatively low unit price per calorific value, and ease of storage.

The J-POWER Group has contributed to the stable supply of electric power while curbing emissions of air pollutants such as SO_x and NO_x using our advanced technologies, and reducing CO₂ emissions by employing the highest-efficiency technologies available at the time of construction.

In addition, the Group is promoting mixed combustion of sewage sludge and biomass fuel, having worked on 10% mixed combustion of biomass fuel at the Takehara Thermal Power Plant New Unit No. 1. From the perspective of sustainably and stably procuring biomass fuel, the Group is also engaged in the business of producing sustainable biomass fuels such as woody fuels using underutilized forest offcuts.

Furthermore, by upcycling our existing coal-fired thermal power plants toward decarbonization, we aim to convert to hydrogen power generation. The first step toward this goal is our work in Nagasaki Prefecture on the GENESIS Matsushima Plan.

 [P.31 Biomass certification](#)  [P.31 GENESIS Matsushima Plan](#)

Nuclear Power

The J-POWER Group is implementing the Ohma Nuclear Power Plant Project with safety as our top priority, aiming to expand CO₂-free power sources.

 [P.29 Ohma Nuclear Power Plant Project](#)



Tagokura Dam



New Nikaho Kogen Wind Farm



Appi Geothermal Power Plant



Takehara Thermal Power Plant New Unit No. 1

J-POWER Group Businesses

Transmission and Transformation Business

The Value We Provide

- Contributing to stabilizing electric power networks and expanding the introduction of renewable energy in Japan through trunk transmission lines and cross-regional interconnection facilities

Recognition of Business Environment

- Opportunities**
- Expansion of renewable energies
 - Growing need to achieve carbon neutrality

- Risks**
- Impact of intensifying natural disasters on facilities
 - Aging of facilities

- Strengths**
- A broad range of technologies related to power transmission and transformation facilities, including ordinary AC transmission lines and DC transmission lines, submarine cables, cables laid on bridges, and frequency converter stations enabling the exchange of electricity between eastern and western Japan which operate at different frequencies.
 - Relationships of trust with local communities cultivated through over 70 years of experience in the construction, maintenance, and management of power transmission and transformation facilities

Direction of Responses

- Based on the premise of ensuring economic efficiency, contribute to the enhancement of electric power networks through efforts leveraging a broad range of technologies, including the expansion of trunk transmission lines and cross-regional interconnection lines, DC transmission facilities, and frequency converter stations.

Overview of Transmission and Transformation Business

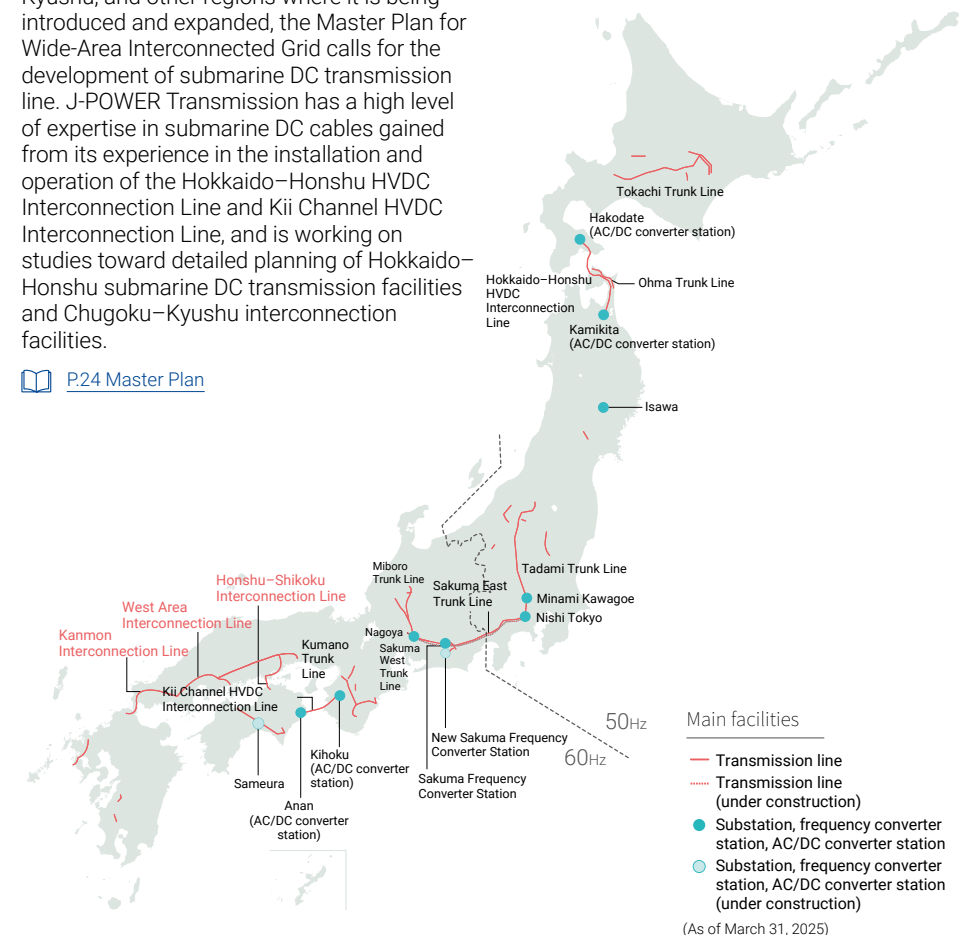
J-POWER Transmission Network Co., Ltd. (J-POWER Transmission) is a company which is independent of the J-POWER Group's power generation and retailing divisions, handling its transmission business from a neutral position. With nine substations and converter stations, and approximately 2,400 km of transmission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

In particular, cross-regional interconnection facilities connecting Honshu with Hokkaido, Shikoku, and Kyushu, and the Sakuma Frequency Converter Station, which was the first in Japan to enable the flexible ex-change of power with different frequencies between eastern Japan (50 Hz) and western Japan (60 Hz), are important in enabling the cross-regional operation of power grid in Japan.

High Voltage Direct Current (HVDC)

To deliver renewable energy to major consumption areas from Hokkaido, Tohoku, Kyushu, and other regions where it is being introduced and expanded, the Master Plan for Wide-Area Interconnected Grid calls for the development of submarine DC transmission line. J-POWER Transmission has a high level of expertise in submarine DC cables gained from its experience in the installation and operation of the Hokkaido-Honshu HVDC Interconnection Line and Kii Channel HVDC Interconnection Line, and is working on studies toward detailed planning of Hokkaido-Honshu submarine DC transmission facilities and Chugoku-Kyushu interconnection facilities.

 [P.24 Master Plan](#)



J-POWER Group Businesses

Overseas Business

The Value We Provide

- Contributing to stable power supply through consulting business and the development of power plants overseas
- Contributing to reducing CO₂ emissions and addressing environmental issues through the development of renewable energy and the construction and operation of state-of-the-art environmentally friendly high-efficiency thermal power plants overseas

Recognition of Business Environment

- Opportunities**
- Strengthened international initiatives to achieve carbon neutrality
 - Growing power demand primarily in emerging economies

- Risks**
- Increasingly volatile resource prices
 - Tighter international environmental regulations

- Strengths**
- Project development capabilities
 - Project promotion capabilities
 - Ability of management to control risk and replace assets in response to changes in the business environment to increase profitability and sustainability

Direction of Responses

- Move forward with the development of primarily renewable energy in Southeast Asia, the U.S., Australia, Europe, and Middle East
- Aim to acquire developer's profits by selling part of interests after completion of development projects

Overview of Overseas Business

Overseas Consulting Business

Leveraging the experience and technical prowess acquired through its domestic electric power business, the J-POWER Group conducts businesses including basic design study, feasibility studies, design, construction management, and transfer of environmental technologies on development of power sources and transmission and transformation facilities around the world. Since its first project in 1962, the Group has conducted 376 projects in 64 countries and regions.

(As of March 31, 2025)

Overseas Power Generation Business

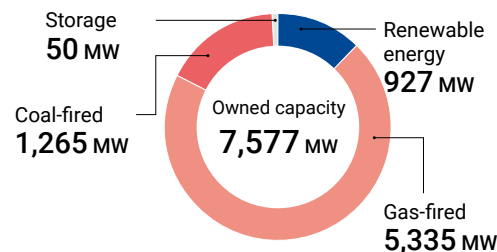
The J-POWER Group has actively identified and developed overseas power generation projects by leveraging its experience, credibility, and networks cultivated through its domestic operations and overseas consulting business.

When the Group first began its overseas power generation business in 1997, it was partial participation primarily in the construction of power plants or plant operations through relatively small-scale investment. The Group has gradually expanded the business, shifting from acquiring interests in existing profitable projects to greenfield development, mainly in Thailand, the U.S., China, and other Asian countries. More recently, the Group has been seeking to expand development opportunities and acquire developer's profits by participating in projects from the initial stage of development and selling interests in power plants and other projects.

Going forward, the overseas power generation business will engage in project development, primarily in the area of renewable energy, to further optimize our business portfolio.

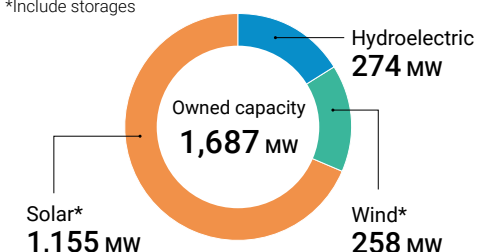
Results of overseas power generation business

Projects in operation



Projects under construction/development

*Include storages



J-POWER Group Businesses

Electric Power-Related Business

The Value We Provide

- Contributing to ensuring stable power supply and energy security through stable procurement of fuels

Recognition of Business Environment

Opportunities

- Low-cost and stable power supply
- Growing interest in energy security

Risks

- Increasingly volatile resource prices
- Tighter international environmental regulations

Strengths

- Stable and long-term fuel procurement based on diversified sources
- Proven technological capabilities cultivated through the electric power business, which requires high reliability

Direction of Responses

- Continue efforts to diversify procurement sources and methods in pursuit of stable supply and economic efficiency

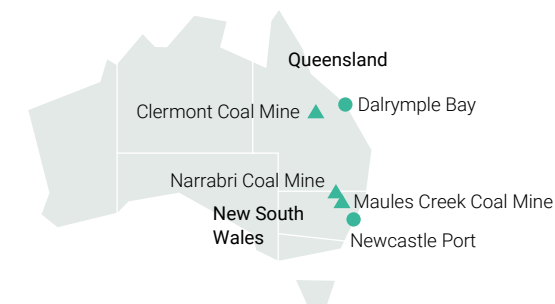
Overview of Electric Power-Related Business

The electric power-related business engages in businesses that complement the power generation and transmission and transformation businesses, and contribute to their smooth and efficient business execution.

Investments in Coal Mines

We have been investing in Australian coal mines since 1980 and currently hold interests in three coal mines in order to provide consistent, long-term supplies of high-grade coal as fuel for thermal power generation.

In the face of increasingly volatile resource prices, we are seeking to optimize the entire supply chain, spanning from fuel procurement to power generation.



Coal mining projects (as of December 31, 2024)

Coal mine	Location	Outport	2024 sales volume	Vested interest	Coal production start
Clermont	Queensland	Dalrymple Bay (Hay Point Port)	11.50 million tons	22.2%	2010
Narrabri	New South Wales	Newcastle Port	4.87 million tons	7.5%	2012
Maules Creek	New South Wales	Newcastle Port	8.12 million tons	10.0%	2014

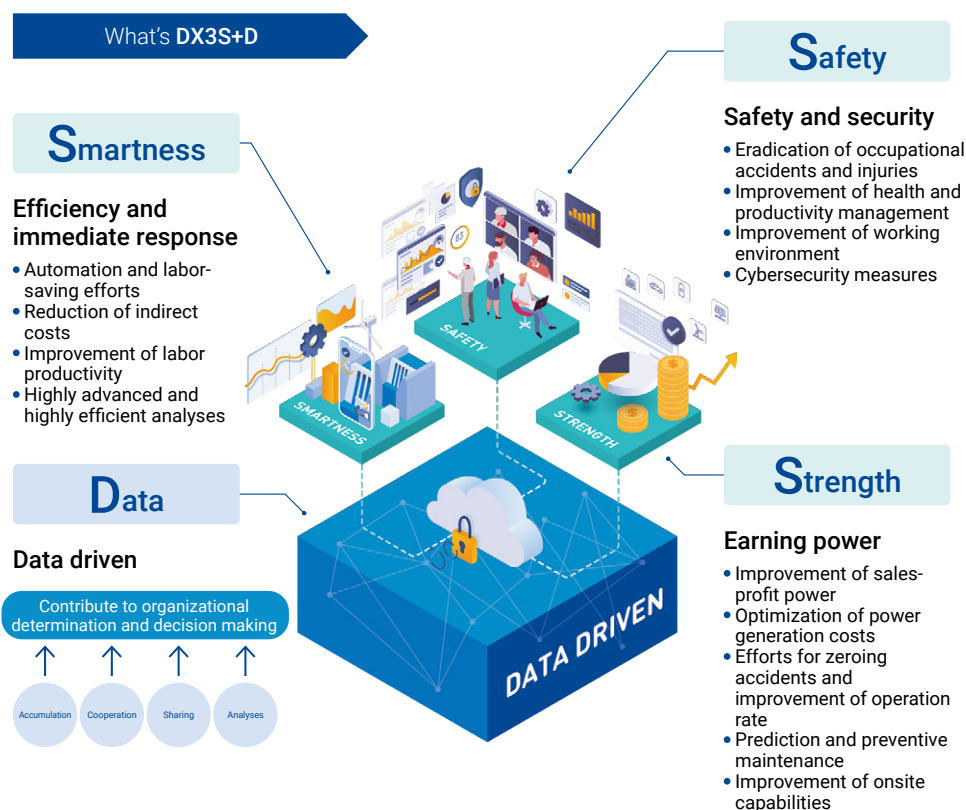
Telecommunications Network Business

Telecommunications networks are essential infrastructure for operating power plants, as well as transmission and transformation facilities, and thus require high level of reliability. J-POWER Telecommunication Service Co., Ltd. undertakes the construction, maintenance, and management of the J-POWER Group's all telecommunications facilities for electric power systems, contributing to the stable supply of power.

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

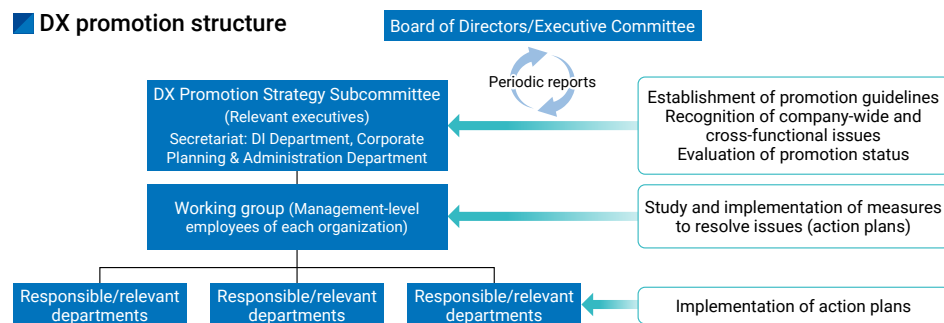


In January 2024, we were certified as a "DX-certified Operator" under the certification initiative established by the Ministry of Economy, Trade and Industry (METI).

Promotion of DX

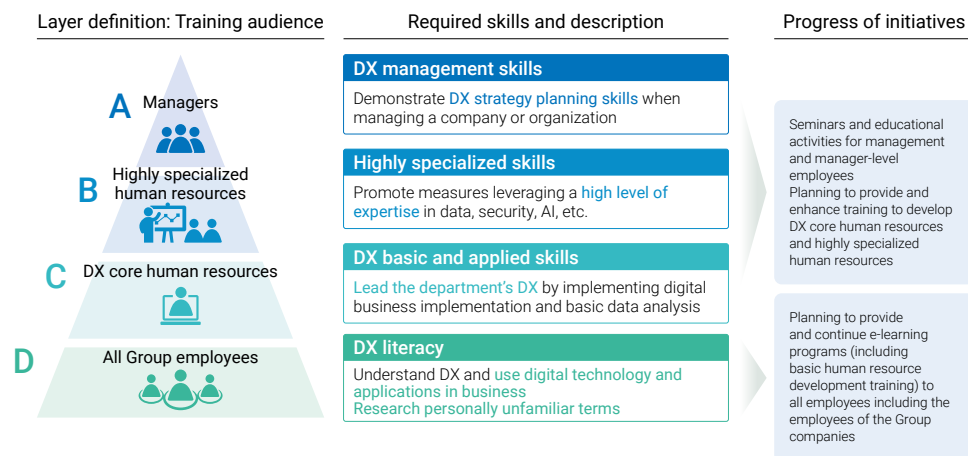
Promotion Structure

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

Technology Development & Intellectual Property/Promotion of Innovations

J-Power Group's Technological Development

We are working on R&D activities toward transitioning to a business portfolio consisting primarily of carbon-neutral assets in the 2030s. We move forward with these activities by classifying them into the following three initiative categories: "Creating new business opportunities" aimed at developing new profit-making businesses, "promoting transition" applying new technologies to our businesses, and "strengthening existing businesses" aimed at improving profitability and competitiveness of our existing electric power business.

Priority items and major areas of research

Creating new business opportunities	Research aimed at the development of new profit-making businesses centered on energy and the environment (cultivation and fuel conversion of biomass fuels, and synthetic fuels), etc.
Promoting transition	- Increasing the power generation volume of renewable energy and realizing environmental value (offshore wind power generation technology) - Pushing for zero-emission power sources (CO₂-free hydrogen production, CO₂ capture/utilization/storage technology) - Stabilizing and enhancing power networks (energy storage technology), etc.
Strengthening existing businesses	- Improving profitability and competitiveness (reducing the cost and improving the method for maintenance and operation of power plants, diagnostics, improving reliability) - Grid simulation technology - Strengthening resilience against natural disasters (remote monitoring using satellite image data), etc.

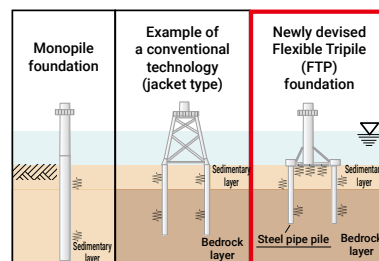
Intellectual Properties

For outcomes achieved in technological development and other activities, we continuously seek to acquire their intellectual property by, for example, filing for patents. We hold 162 patent rights in Japan as of the end of FY2024.

Examples of patents acquired

"Flexible Tripile," a bottom-fixed offshore wind turbine foundation designed for Japan's topography

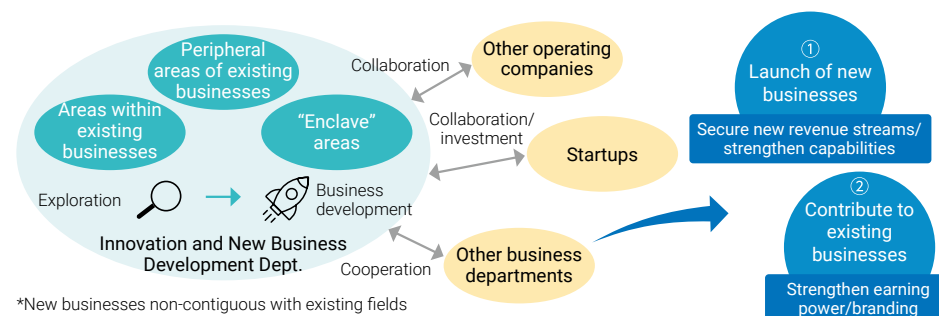
This foundation can be constructed even at locations in Japanese waters where bedrock is widely distributed at shallow depths. In addition, square steel pipes and steel plates are used in the foundation's base plate to create a flexible structure that can deform relatively easily. This provides a seismic isolation from the ground, reducing vibrations caused by earthquakes. As a result, the foundation components can be simpler than conventional technologies, thereby reducing construction costs.



(Patent No. 7465509: "Foundation Structure of Offshore Wind Power Generation Facility")

Promotion of Innovations

The J-POWER Group is taking on the challenge of promoting innovations and capturing new business domains by integrating the assets and know-how, which were accumulated mainly in the power generation business, with the technologies and ideas of startup companies and other organizations. So far, we have invested in three funds and 14 startups. The Innovation and New Business Development Department undertakes exploration and business development/promotion activities in a wide range of areas in existing businesses and their peripheral areas, focusing especially on areas the Company has not tapped into in its existing businesses, such as energy-related, resource recycling, and food/agriculture areas.



*New businesses non-contiguous with existing fields

Major portfolio startups

TOWING Co., Ltd. (Domain: biochar)

TOWING has developed and sells Soratan, a high-performance biochar soil conditioner produced from carbonized local unused biomass using its technology to efficiently sort and cultivate soil-derived microbiomes. J-POWER taps into new business domain, such as the agricultural domain, jointly with TOWING.



Examples of new business development

BASHFIBER®, a continuous filament fiber developed by Nippon Fiber Corporation, in which J-POWER has invested, is made primarily from coal ash. It provides high strength and heat resistance, and thus, is expected to be used in a wide range of fields, including construction, civil engineering, and industrial materials. BASHFIBER® is attracting strong attention as a means of building a sustainable society as it contributes to reducing CO₂ emissions through the upcycling of coal ash and is easier to recycle compared to conventional glass fibers. Currently, J-POWER, Nippon Sheet Glass, and Nippon Fiber Corporation are discussing how to commercialize the product.



For updates of activities by Innovation and New Business Development Department, visit the following site dedicated to the department.

<https://www.jpowers.co.jp/english/innovation/>

INTEGRATED REPORT CHAPTER 3

Response to Climate Change

Climate Change Scenario Analysis
(Disclosure Based on TCFD Recommendations)

P.49



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)



Foreword

The J-POWER Group has positioned striking a balance between “stably supplying energy” and “addressing climate change” as its priority management challenge in order to do its part for the realization of a sustainable society. To address this priority challenge, in February 2021, we released the J-POWER “BLUE MISSION 2050” as our action plan aimed at achieving carbon neutrality and a hydrogen society by 2050.

In addition to agreeing with the recommendations formulated by the Task Force on Climate-related Financial Disclosures (TCFD), the Group is pursuing the disclosure of

information in line with “governance,” “strategy,” “risk management” and “indicators and targets” pertaining to climate change-related risks and opportunities, whose disclosure is recommended by TCFD.

The figures in this scenario analysis have the potential to fluctuate due to various conditions that include the state of operation of power generation facilities and the external environment. As such, they have been simplified and calculated under certain suppositions solely for the purpose of ascertaining the sense of scale of the impact involved.

Governance: Framework

The Group has identified “response to climate change” as one of its material issues. Important matters pertaining to such response are determined by the Board of Directors. Additionally, the Group has established a sustainability promotion framework supervised by the ESG Oversight (currently the President and Chief Executive Officer), who is appointed by the Board of Directors. In addition to establishing the Sustainability Promotion Board, the Group has also established the J-POWER Group Sustainability Promotion Conference to work towards promoting sustainability, including climate change-related initiatives, for the Group as a whole. The Sustainability Promotion Board convenes three or more times a year to deliberate areas such as strategy, planning and measures related to sustainability in general and risk management. It proposes and reports important matters out of those deliberated to the Board of Directors or the Executive Committee.

Governance: Skills of Directors

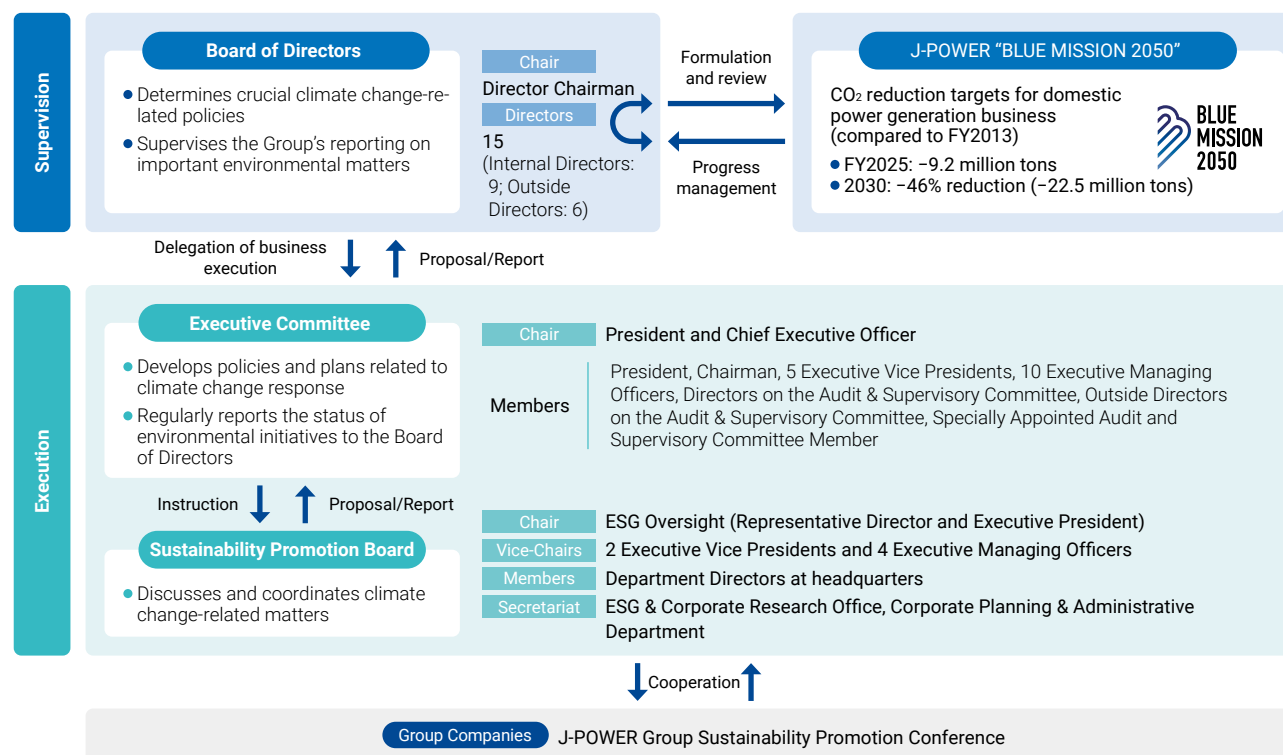
We have identified “general management and sustainability” as essential skills required for our Directors. This ensures that our Board of Directors is appropriately structured for the decision-making and oversight of climate change response policies.

Definition of “General Management and Sustainability”

This refers to the ability to present the Group's overall direction, including management strategy; contribute to solving climate change and other social issues through energy supply; realize sustainability through continuous enhancement of corporate value, achieved in part through human capital development; and possess the experience and knowledge necessary to supervise such initiatives as a corporate manager.

Please see P.103 for information on the skill matrix of Directors.

Governance framework related to climate change



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Governance: Deliberation Status and Officers' Compensation

Since the establishment of J-POWER "BLUE MISSION 2050" in February 2021, the Board of Directors of J-POWER has been monitoring the progress of initiatives by management, receiving feedback through dialogues with shareholders and other stakeholders, and appropriately identifying changes in the business environment (including policy and international conditions), and discussing updates and revisions to the contents of the plan every year.

In FY2023 all Board members, including Independent Outside Directors, held several active discussions on whether our 2030 CO₂ reduction target set in February 2021 is at an appropriate level in light of the Nationally Determined Contribution (NDC) of Japan as a party to the Paris Agreement. From the discussions, we decided to raise the 2030 reduction target (1.3 million tons) in May 2023 based on the progress made in expanding mixed combustion of biomass and establishing a joint venture for the social implementation of carbon capture and storage (CCS) in Japan, expansion of renewable energy introduction and the actual reduction in CO₂ emissions from coal-fired power generation.

More recently, following repeated discussions to develop a strategy for the transition of our thermal power operations, the directions for the transition of individual power stations were formulated and disclosed to lay out a more concrete vision to achieve the reduction target.

The Board of Directors reviews and analyzes the latest edition of the World Energy Outlook, published annually by the International Energy Agency (IEA), reports its findings to engage in in-depth discussions. This helps deepen the Board's understanding of current trends in energy supply and climate change measures.

Officers' Compensation

From the viewpoint of sustainability management, we introduced five material issues including response to climate change as non-financial targets for the evaluation of performance-linked compensation.

The Company's five material issues, which are the benchmarks for performance-linked compensation, are supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation. KPIs for addressing climate change include numerical targets for renewable energy development and CO₂ reduction targets.

Matters (related to climate change) determined at the Board of Directors

FY2020	• Formulation of J-POWER "BLUE MISSION 2050"
FY2021	• Formulation of Basic Policy on Sustainability • Identification of material issues
FY2022	• Setting of CO ₂ reduction target for FY2025
FY2023	• Raising of CO ₂ emission reduction target for 2030 • Introduction of non-financial targets (material issues) in the evaluation of performance-linked compensation for executives
FY2024	• Disclosure of transition direction of thermal power operations in Japan

Matters reported to the Board of Directors

Domestic and overseas trends on climate change issues
Basic policy regarding Green Transformation (GX) League
Disclosure policy based on TCFD Recommendations
Actual CO ₂ emissions (Scopes 1–3)
Dialogue with external stakeholders regarding climate change
ESG evaluation
Progress of ESG-related initiatives
Exchanged opinions on themes such as IEA WEO2024 and the Seventh Strategic Energy Plan

Officer compensation system

	Compensation type	Compensation details	Percentage (estimate) in the compensation package
Fixed Compensation	Fixed monthly salary	Fixed monthly salary is a fixed amount of monetary compensation calculated based on the position of each Director	70%
	Performance-linked compensation	① First indicator Evaluation factor Degree of achievement of consolidated ordinary income Range 0% minimum to 200% maximum ② Second indicator Evaluation factor Comprehensive evaluation of material issues (KPIs)* Range 0% minimum to 120% maximum ③ Payment calculation Weight of evaluation factors Evaluation factor for first indicator × 90% + Evaluation factor for second indicator × 10%	20%
	Stock-based compensation	Introduced as an incentive for the Company's long-term growth based on the characteristics of the Company's business content and business development	10%

*Please see PP. 18–19 for details of the targets (KPIs) for material issues and results of initiatives.

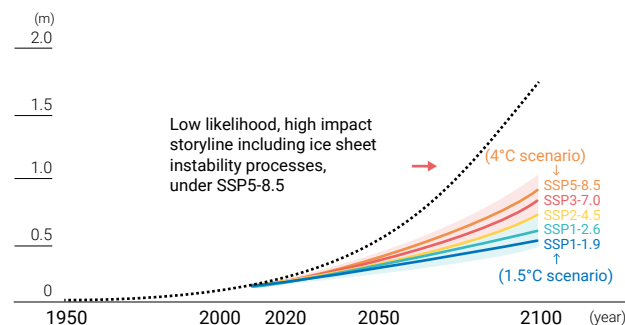
Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Strategy: Risk and Opportunities

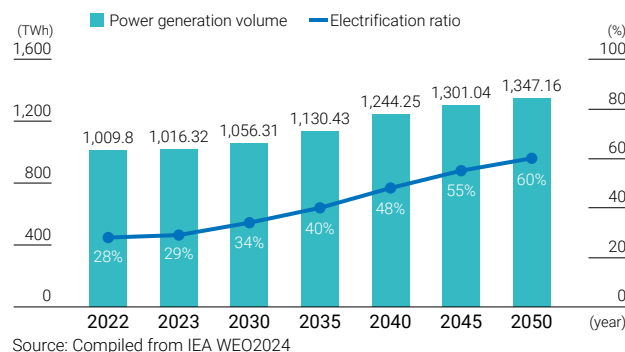
J-POWER Group endeavors to ascertain the variety of risks and opportunities that arise from environmental issues, and pushes forward with initiatives while consistently verifying risks as it strives to bolster competitiveness. We believe that climate change in particular will require measures in the utilization of new technology and a number of other domains, including measures for addressing regulatory reinforcement by national governments. These factors have the potential to exert considerable impact on J-POWER's business domains as well, which will create business-based risk. However, our view is that the ability to appropriately handle that risk will link to the bolstering of our competitiveness and the acquisition of new business opportunities. We have detailed risks related to climate change based on that view and identified risks with a particularly high degree of importance after also factoring in that degree of importance and concern on the part of stakeholders.

In our analysis of risk and opportunities, we assumed two cases: one where temperatures rise by 1.5°C and another by 4°C, and conducted analysis for both. In the former case, we assumed that formidable measures and regulations were enacted, and that in Japan as well, the renewable energy ratio grew by a wide margin, and the decarbonization of electric power progressed at a rapid pace. In the case where temperatures rise by 4°C, where it is assumed that global warming countermeasures will not be thoroughly enforced, it is projected that by the year 2100, the average ground temperature across the globe will rise by at least 4°C, and that average sea levels will rise nearly one meter. There are concerns that if measures to combat climate change are not sufficiently taken, the physical risks of climate disasters in 2050 and beyond in particular will become prominent.

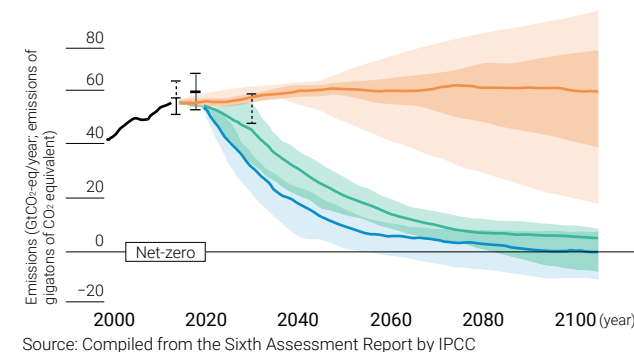
Sea level rise by scenario



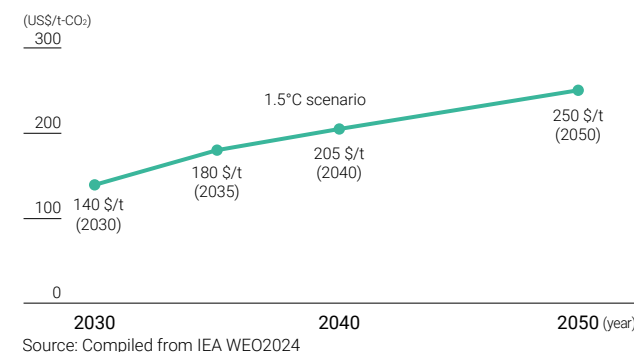
Power generation volume in Japan, changes in electrification ratio (1.5°C scenario)



Greenhouse gas reduction pathways by scenario



Japan's carbon price outlook



Configured scenarios	Reference scenarios	Scope and period covered	Scenario description	Results of scenario analysis
1.5°C scenario	"World Energy Outlook 2024 (WEO2024)" by the International Energy Agency (IEA) Net Zero Emissions by 2050 Scenario (NZE Scenario), Announced Pledges Scenario (APS Scenario) - Sixth Assessment Report by IPCC, etc.	Japan, in 2050 *For overseas scenarios please see the Column on P. 55.	Scenario in which formidable measures and regulations are enacted, carbon neutrality is achieved by 2050, and the rise in surface temperature is kept to 1.5°C	- Development of technologies involving hydrogen, ammonia and other energy sources and CCS will be promoted, and thermal power plants using these technologies will continue to operate to some extent to provide supply and adjustment capacity from the perspective of stable supply - Maximum introduction of CO₂-free power sources such as renewable energy and nuclear power - Electrification of the demand side and diffusion of distributed power sources will progress. Total power generation volume will increase with the growth of electrification - No significant increase in extreme weather events
4°C scenario	SSP5-8.5 Scenario of the Sixth Assessment Report by IPCC		Maximum emission scenario in which climate policies are not introduced due to fossil fuels dependence-based developments	- Distributed generation becomes widespread, but thermal power plants remain to some extent due to lack of technological alternatives - Despite progress in energy conservation and electrification, which are cost-effective with existing technologies, a significant portion of the energy system still relies on fossil fuels

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Strategy: Risk and Opportunities

	Division	Risk and opportunity category	Specific examples from the Company	Timing of occurrence			Response strategies
				Short term	Medium term	Long term	
1.5°C scenario	Transition risk	Policy, legal system, and regulation risk	- Introduction of carbon pricing (FY2026: full-scale implementation of emissions trading system, FY2033: paid auctions to power producers) - Regulatory measures aimed at phasing out inefficient coal (book value of aging thermal facilities: ¥48 billion at the end of FY2024)				- Introducing internal carbon pricing and utilizing it to assess the impact on revenue and expenditure over the next 10 years and make investment judgments 4,400 to 7,200 yen/t (as of 2030) *Prepared by the Company based on data from the Power Generation Cost Verification Working Group, METI's Advisory Committee - Competitiveness assessment and phase-out policy development for power plants based on regulatory measures
		Technology risk	Thermal power generation facilities that have not taken steps to reduce CO₂ emission becoming stranded assets				Reducing or discontinuing the operation of coal-fired thermal power plants, starting with aging plants, while considering their importance in maintaining a steady energy supply; Progressive adoption and extension of emission reduction strategies including mixed combustion of biomass and ammonia and CCS, etc.; Eventual transition to CO₂-free hydrogen power generation
		Market risk	Changing preference for CO₂-free electricity				- Formation of a balanced power supply portfolio (hydroelectric, wind, geothermal, solar, nuclear, CO₂-free hydrogen power generation) - Accelerate business expansion by leveraging the strengths as a top runner of renewable energy (Hydroelectric: No. 2, Wind: No. 2 in Japan)
		Reputation risk	- Corporate image is affected due to CO₂ emissions - Divestment and/or active engagement by investors				- Steady progress and timely updates of J-POWER "BLUE MISSION 2050" - Enhancement of information disclosure regarding climate change and continuous dialogue with stakeholders
	Opportunities	Resource efficiency	- Developments in low carbon/decarbonization technologies and expansion of opportunities - Improvement of existing asset value				- Creation of new value through existing assets (upcycling) Short- to medium-term: Promotion of GENESIS Matsushima Plan and NEXUS Sakuma Plan, increase in kWh output through the replacement of wind power facilities - Initiatives to reduce CO₂ emissions Short- to medium-term: Expanded introduction of biomass, introduction of mixed combustion with ammonia, realization of CCS Long-term: Development of hydrogen mono-fuel combustion technology, conversion to CO₂-free hydrogen power generation through CCS
		Energy sources	Realization of new businesses pertaining to hydrogen, ammonia, and other energy sources				Challenges with CO₂-free hydrogen manufacturing and initiatives geared toward supply Australian brown coal hydrogen project, joint examination of green ammonia manufacturing and negative emission hydrogen manufacturing, etc.
		Products and services	- Increase in revenues due to expansion of renewable energy - Provision of services that correspond to consumer and end user needs - Realization of the environmental value of CO₂-free electricity through the introduction of carbon pricing				- Increase renewable energy power generation in FY2030 by 4.0 billion kWh/year (compared to FY2022) - Construction and operation of Ohma Nuclear Power Plant - Direct sales of CO₂-free electricity and associated environmental value to customers who need CO₂-free electricity
		Markets	- Increase in electricity sales volume due to progress in electrification - Growing need for sustainable finance				Enhancement of our business foundation Allocate investment funds to achieve J-POWER "BLUE MISSION 2050" Strategic investment up to FY2030: ¥700 billion Diversification of financing (FY2024 Results) 5th J-POWER Green Bonds: ¥10 billion (April 2024) FY2024 Results About ¥165 billion Renewable energy Power network Thermal power transition About 50% FY2025 Forecast About ¥200 billion Renewable energy Power network Thermal power transition About 30%
Resilience	- Expansion of renewables, distributed power sources, and businesses on the consumer side - Diversification of low-carbon fuels - Expansion of opportunities for network development conducive to renewable energy introduction						
4°C scenario	Physical risk	Acute risk	Facility damage caused by extreme weather such as torrential rain disasters, forest fires, cold waves and heat waves. Water shortage in power plants Negative impact on sales of ¥240 million per day should operation of a thermal power plant (1 million kW) be obstructed				
		Chronic risk	- Assumes negative impact on facilities caused by prolonged rises in average temperatures, changes in rainfall and rises in sea surface Thermal power generation facilities: ¥105 billion, Hydroelectric power generation facilities: ¥76 billion *Calculated by multiplying the current book value of thermal and hydroelectric facilities with the rate of 0.296 for damage by 0.5 m sea-level rise and 0.189 for flooding damage, respectively.				- Carrying out revisions of BCP based on updated knowledge as appropriate - Response to water risk Risk assessment and management utilizing WRI Aqueduct (3.0)* *A global standard assessment tool for water risk developed by the World Resources Institute (WRI).

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

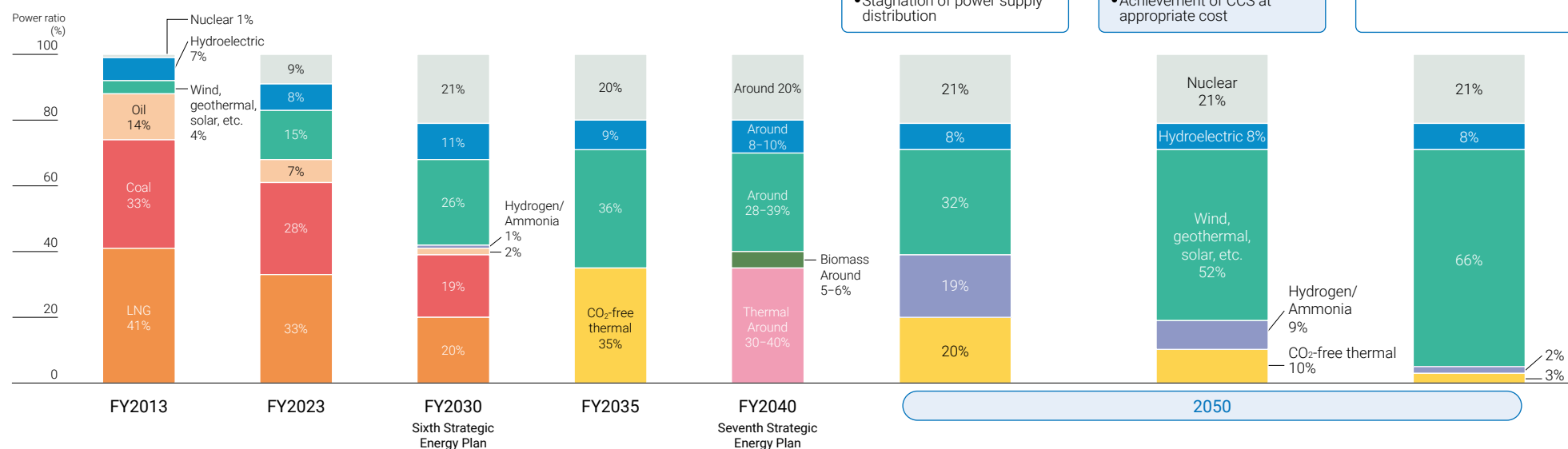
Strategy: Scenario Analysis toward Carbon Neutrality in 2050: Japan as a Whole

The J-POWER Group performed climate change scenario analysis for Japan as a whole, based on the 1.5°C scenario advocated in the Paris Agreement, which pursues efforts to limit the average temperature increase at the end of this century to less than 1.5°C above pre-industrial levels. The 1.5°C scenario dictates that CO₂ emissions must essentially be kept to zero (carbon neutrality) by 2050. IEA's WEO2024 NZE 1.5°C scenario does not lay out the energy mix in 2050 in Japan. We therefore have adopted the APS scenario under WEO2024 as the main scenario for our scenario analysis, since it projects the energy mix in 2050 in Japan, which is assumed to have achieved carbon neutrality by then. The power source compositions for FY2030 and FY2040 are based on the Japanese government's Sixth Strategic Energy Plan and Seventh Strategic Energy Plan, respectively.

According to IEA projections, by the year 2050, total variable renewable energy (VRE) as represented by solar and wind power will be 70% of total power in the EU and the U.S. Conversely, in 2050 Japan, VRE and total renewable energy are projected at 40% and 60%, respectively, with nuclear power accounting for 20% and the remaining 20% comprised of hydrogen/ammonia and thermal power + CCS. We believe this is because electric power systems in Japan are interconnected in tandem rather than mesh-shaped like their Western counterparts, leaving them with weak cross-regional interconnection capacity and poor versatility and flexibility. In addition, there are also constraints on the introduction of VRE due to the lack of appropriate sites for it, and therefore from the perspective of stable supply, making it necessary to provide supply and adjustment capacity through CO₂-free thermal power generation.

The actual environment in the year 2050 may not take the shape of the assumptions under this main scenario, as there are many uncertainties involved including progress of innovation. Given that, we also analyzed scenarios in which preconditions related to renewables and thermal power generation were modified, which are believed to be areas where the Group will be particularly impacted. In addition, given the Japanese government's decision to introduce carbon pricing (FY2026: full-scale implementation of emissions trading system, FY2033: launch of paid auctions to power producers), we anticipate that the details of the future scheme will influence the scenarios.

Energy mix in Japan



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

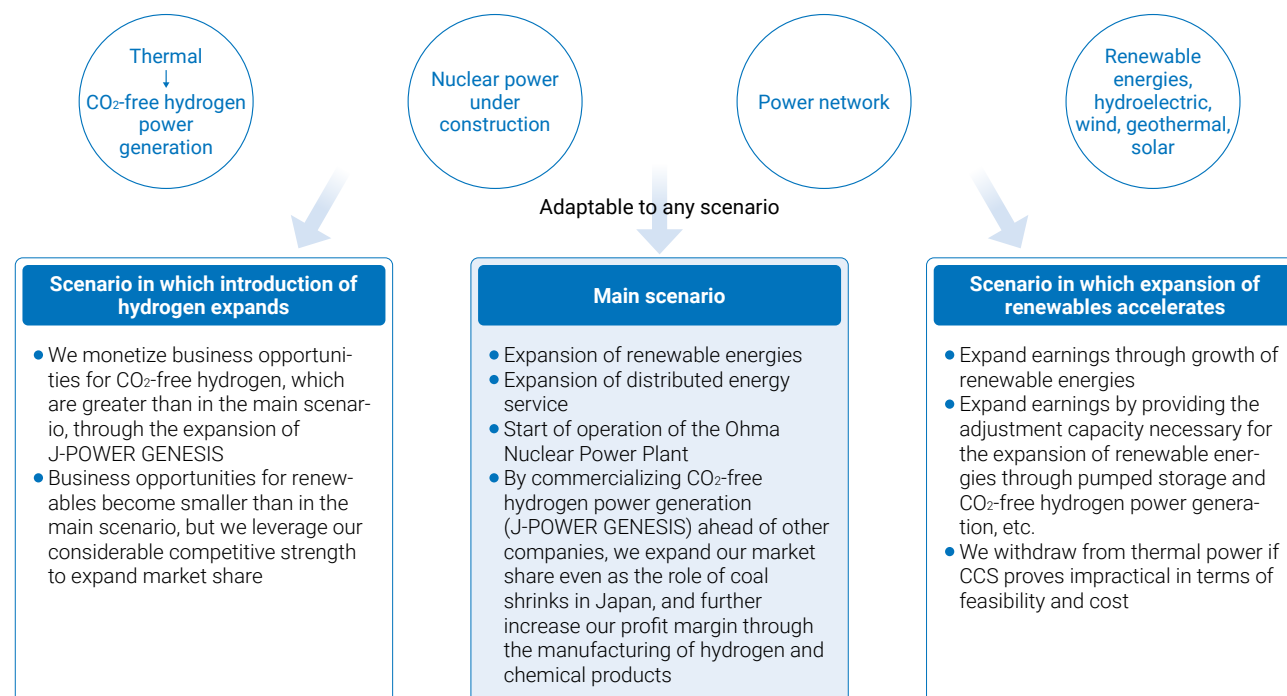
Strategy: Scenario Analysis toward Carbon Neutrality in 2050: J-POWER Group

Based on the scenario analysis of Japan as a whole on the previous page, power generators, including the J-POWER Group, will need to focus on developing renewable energy sources to achieve carbon neutrality in 2050, approx. 25 years from now, while also converting coal- and gas-fired power generation eventually to CO₂-free hydrogen from the perspective of stable supply. We believe it to be economically sound to convert to CO₂-free hydrogen by making gradual capital investments (upcycling) in the latest innovations while utilizing existing power plant infrastructure that is being depreciated. We also believe that upcycling is an important means of sustainably using developed renewable energy.

The Group has formed and operated a well-balanced power source portfolio consisting of renewable energies

(hydroelectricity, wind, geothermal, and solar) and thermal power, and has also accumulated a wealth and wide range of technologies and expertise in nuclear power construction and the development of CO₂-free hydrogen production and generation technologies. Therefore, by accelerating the expansion of renewable energy and flexibly upcycling existing power generation facilities while keeping an eye on the progress of innovation and economic trends, we can respond to not only the main scenario of Japan's energy mix in 2050, but also the scenario in which expansion of renewables accelerates and the scenario in which introduction of hydrogen expands.

The extensive and wide-ranging technologies and knowledge of the J-POWER Group



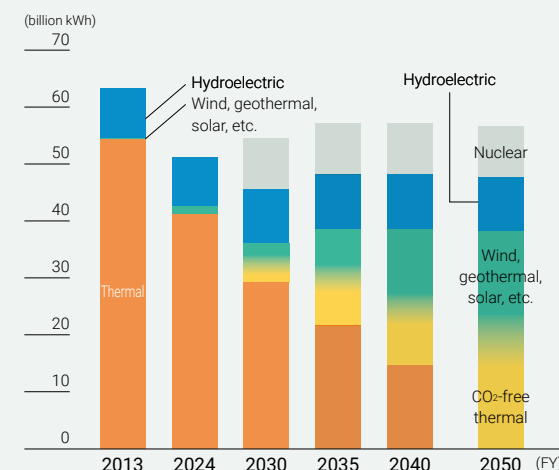
Column

Projected electricity generated by J-POWER

Based on the above scenario analyses and our transition strategy, J-POWER "BLUE MISSION 2050," we have projected the transition of our power generation volume to carbon neutral by 2050 with certain assumptions. In FY2024, approx. 80% of the power generated in Japan was thermal power. 2050 will see the expansion of renewable energy*, which is a priority for development, as well as the addition of nuclear power generation. We will continue to reduce or eliminate thermal power generation, while taking into consideration its role in ensuring a stable supply. We will gradually introduce and expand measures to reduce CO₂ emissions, such as mixed combustion (biomass and ammonia) and CCS, and eventually convert to CO₂-free hydrogen power generation.

*Our wind power generation capacity is assumed to expand in pace with the expansion of wind's share in Japan's overall generation capacity under the APS scenario.

J-POWER Group's electricity generation trends and forecasts



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Column

Strategy: Scenario Analysis toward Carbon Neutrality in 2050: J-POWER Group's Major Overseas Thermal Power Generation Facilities

In its international business, the J-POWER Group is working to improve the investment efficiency of existing assets and advancing into new business segments, conscious of profit scale and profitability and to build a profit base on a short-, medium- and long-term perspective.

Countries have announced their Nationally Determined Contributions toward carbon neutrality. None of them, however, have committed to a single path, and instead presented multiple

scenarios in their vision to carbon neutrality. They share other commonalities in their vision such as further promotion of renewable energy, electrification, hydrogen use, utilization of CCS and that they all rely on future innovations. The J-POWER Group will also continue to invest in decarbonization and develop renewable energy in line with the respective decarbonization policies of each country in which we operate.



Thailand

Nationally Determined Contribution (NDC)

2030	30% reduction (compared to BAU) (40% reduction with international support)
2050	Carbon neutrality
2065	Net-zero GHG emissions

J-POWER Group's power generation facilities and initiatives

- 11 gas-fired and 2 biomass power plants (longest active PPA: 2040)
- Aiming to replace with high-efficiency gas-fired power plants
- Expansion of renewable energy through rooftop solar business



Indonesia

Nationally Determined Contribution (NDC)

2030	31.89% reduction (compared to BAU) (With international support: 43.2% reduction)
2060	Net-zero emissions

J-POWER Group's power generation facilities and initiatives

- 1 coal-fired facility (Batang Power Plant) and participation in 1 hydropower project (Sion Power Station) (PPA: 2047 and 2045, respectively)
- This highly efficient thermal power plant is not subject to early discontinuation or emissions trading at this point, but initiatives to further reduce carbon emissions will be considered.
- Development of renewable energies with a focus on hydro-electric power, and provision of decarbonization solutions including transition power sources

BAU: Business As Usual (without special measures)



United States

Nationally Determined Contribution (NDC)

2030	50–52% reduction (compared to FY2005 levels)
2035	61–66% reduction (compared to FY2005 levels)
2050	Net-zero emissions

J-POWER Group's power generation facilities and initiatives

- 6 gas-fired power plants (longest active PPA: 2035)
The number of our gas-fired power plants decreased from 10 to 6 due to the sale of interests
- Mixed combustion of hydrogen at Jackson thermal power plant (study phase)
- Development of renewable energy including large-scale solar power generation and transition to a power supply portfolio centered on renewables, using funds generated through the sale of interests

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Transition Plan to Achieve Goal of Carbon Neutrality in 2050: J-POWER “BLUE MISSION 2050”

Realizing a carbon-neutral, hydrogen society (the value we provide to society)

The J-POWER Group has formulated the J-POWER “BLUE MISSION 2050” to accelerate its efforts to address climate change. We are steadily working to achieve a carbon neutral, hydrogen-based society by promoting the three pillars of expanding CO₂-free power sources; push for zero-emission power sources; and stabilization and enhancement of the electric power network.

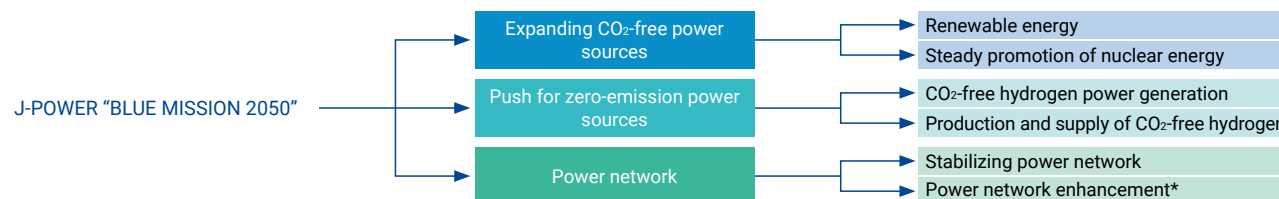
The Company has been engaged in hydroelectric, thermal, wind, and geothermal power generation, transmission, and transformation business upholding our mission to “meet people’s needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world.” To achieve this mission, we aim to further develop the comprehensive technological capabilities and balanced portfolio that we have cultivated over the years, and will approach our work from various angles.

With an eye toward 2050, we will take on the challenge of incrementally achieving carbon neutrality in our power generation business. As a milestone, we aim to reduce CO₂ emissions by 9.2 million tons in 2025 and 46% in 2030 compared to the FY2013 level.

*Please see P.25 for further details on J-POWER “BLUE MISSION 2050.”

We will contribute to the sustainable development of Japan and the rest of the world by balancing stable energy supply and efforts to fight climate change.

The three pillars of J-POWER “BLUE MISSION 2050”



J-POWER “BLUE MISSION 2050” roadmap

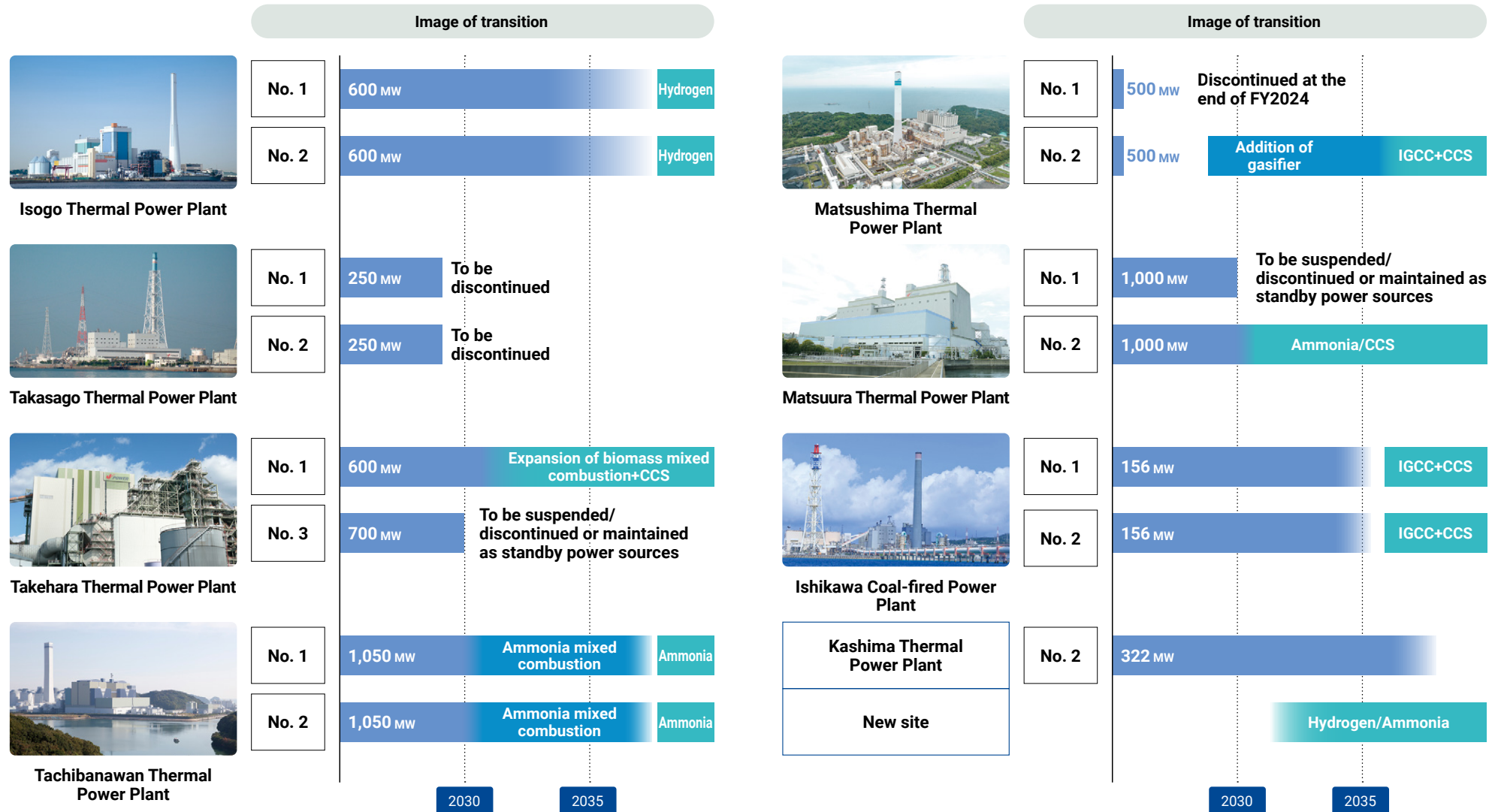
CO ₂ emission reduction target of domestic power generation business (compared to FY2013)		-9.2 million tons		-22.5 million tons -46%		Realization of carbon neutrality Net-zero emissions			
		2025		2030		2040		2050	
Expanding CO ₂ -free power sources	Renewable energy	Increase of domestic power generation volume by 4.0 billion kWh Global development of new renewable energy projects			Additional new developments, upcycling of existing facilities, and maximum use of existing assets				
	Nuclear	Construction and start of operations at Ohma Nuclear Power Station							
Push for zero-emission power sources	Domestic coal-fired power	Gradual phase-out of aging power plants	CO ₂ reduction initiatives (Expansion of biomass mixed combustion, introduction of ammonia mixed combustion, etc.)						
	CCS	Development of business environment, design and construction of facilities			Injection and storage		Achieve CO ₂ -free thermal power generation (Hydrogen, ammonia, IGCC+CCS, biomass mixed combustion +CCS, etc.)		
	Hydrogen power generation	Demonstration tests in Japan		Upcycling (adding gasifiers to existing assets)					
	Fuel production (CO ₂ -free hydrogen)	Feasibility study on overseas production		Utilization in other industries					
Power network	Stabilization	Hydroelectric power generation, improvement of load tracking performance by upcycling (adding a gasifier to existing assets), and expansion of distributed energy service							
	Reinforcement*	Completion of reinforcement of the New Sakuma Frequency Converter Station, etc.			Contribution to power network enhancement				

*Strengthening the power network is an initiative of J-POWER Transmission Network Co., Ltd.

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Direction for Thermal Power Transition in Japan

Based on our BLUE MISSION 2050 roadmap, the J-POWER Group will advance its CO₂ reduction and decarbonization initiatives, while contributing to a stable power supply. This includes phasing out inefficient coal-fired power plants and converting high-efficiency thermal power plants using the optimal technology according to the local characteristics of the site.



*The plan will be updated, reviewed, and refined as needed based on changes in the assumptions including the Japanese government's GX policy (Strategic Energy Plan, global warming countermeasures, NDC, etc.), power demand-supply situation, power system design, and progress of industry development, etc.

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Strategy: 2030 Scenario Analysis: J-POWER Group

As part of our J-POWER "BLUE MISSION 2050," the J-POWER Group has set a milestone of a 46% reduction in CO₂ emissions by 2030 and a goal of becoming carbon neutral by 2050. These targets are in line with the Nationally Determined Contribution (NDC) made by Japan for the Paris Agreement. The financial impacts and specific initiatives for a 46% reduction are estimated in the 2030 scenario analysis.

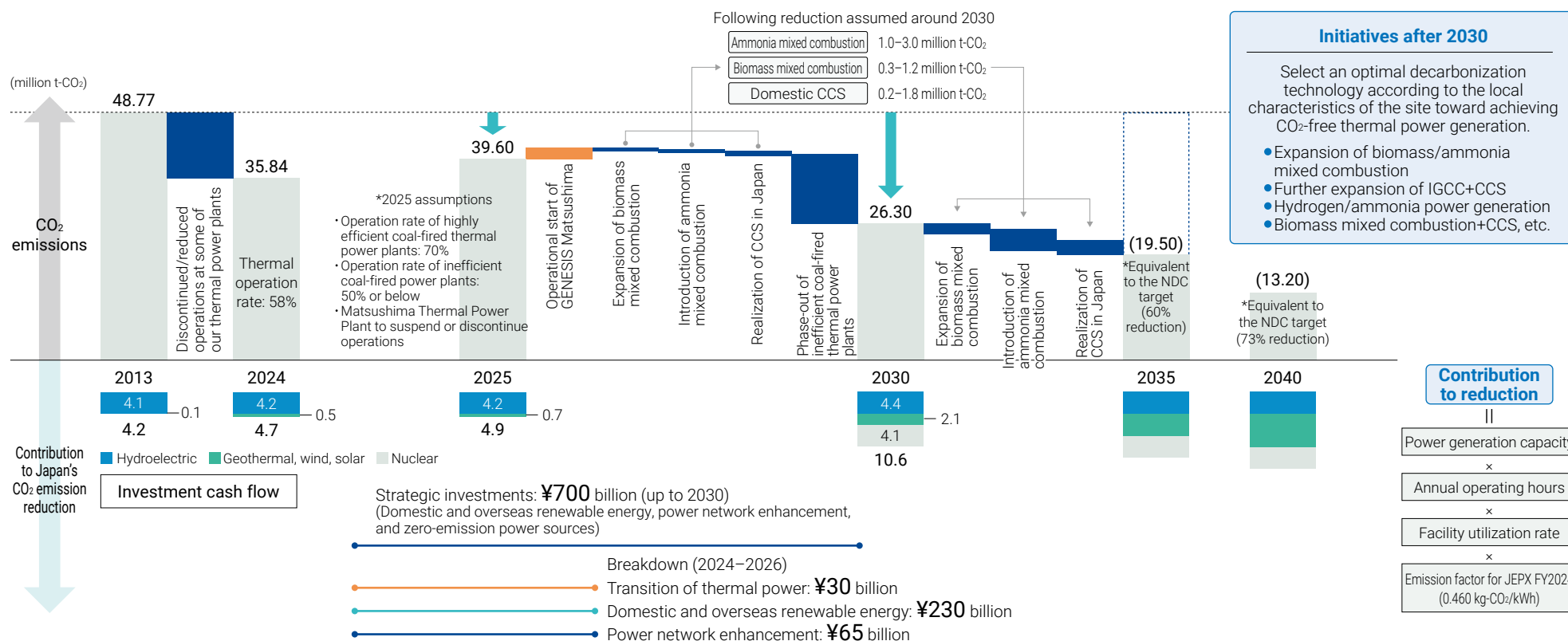
The Group's emissions levels assumed for 2035 and 2040 are also shown in the chart, based on a scenario in which emissions are reduced in accordance with Japan's NDC targets. By reducing the use of thermal power, mixed combustion of biomass/ammonia, upcycling existing facilities, and

implementing CCS in Japan, we will gradually reach our CO₂ reduction target by 2030, as outlined in our J-POWER "BLUE MISSION 2050." On the following page, the results of our financial analysis of scenarios based on our 2030 reduction targets are shown. We will work to offset the effects of the decrease in thermal power sales through our efforts to increase renewable energy in order to reduce the financial burden of our response to climate change. Looking ahead to 2035 and 2040, we aim to reduce CO₂ emissions to levels equivalent to the NDC targets by advancing initiatives aligned with the thermal power transition in Japan outlined on the previous page.

We have established a target to increase renewable energy by 4.0 billion kWh compared to FY2022 by FY2030.

If J-POWER develops CO₂-free power sources like renewable energy, it will replace other thermal power sources in Japan as a whole and help the country lower its CO₂ emissions overall. By 2030, we predict that our CO₂-free power sources will have contributed to reducing 10.6 million tons of emissions, growing from about 4.7 million tons in 2024. Looking beyond 2030, we will build on our contribution to the development of sustainable societies worldwide by supplying electricity generated from renewable energy sources across global markets.

Contribution to Japan's overall CO₂ emission reduction brought by J-POWER's initiatives to achieve CO₂ reduction targets and its CO₂-free power sources



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Strategy: 2030 Scenario Analysis: Estimated Financial Impact

As a result of several steps—the implementation of carbon pricing, support for the development and introduction of CO₂ emission reduction measures, and more—to reach carbon neutrality in 2050, it is anticipated that Japan's energy costs would rise in the future. Although the estimated financial impact contains information that will result in higher expenses, the J-POWER Group will work to control rising energy bills using methods that are economically sound.

Under Japan's carbon pricing system, the emissions trading system is scheduled to commence full-scale operations in FY2026, with paid auctions for power producers expected to be implemented in FY2033. While these developments may result in cost increases, they also represent an opportunity to generate revenue by enhancing the environmental value of our CO₂-free power sources.

Financial impact in 2030: According to our reduction target (46% reduction; reduction of 22.5 million tons) (1/2)

	Factors	Calculation details	Impact in value
Thermal power	Phase-out of inefficient coal-fired thermal power plants	An estimated ¥10 billion decrease in ordinary profit mainly due to the closure of inefficient coal-fired thermal power plants *In cases where such coal-fired plants are maintained as standby power sources, no additional impact was assumed based on the assumption that institutional support will be provided.	Decrease in profits of approx. ¥10 billion
	Carbon pricing (CP)	- Calculated assuming a carbon price of 4,400–7,200 yen/t-CO₂ in 2030, based on our internal carbon pricing (ICP) standard scenario; the increase in costs is estimated to be approx. ¥115–190 billion. - Predicting the precise impact is challenging due to the expected rise in non-fossil value and associated revenue from CO₂-free power sources, and the potential for part of the cost to be passed on to power charges. - Impact on carbon pricing will be regularly reconsidered paying close attention to Japan's energy policies to achieve Green Transformation. $\text{Impact on CP} = \text{CP (4,400–7,200 yen/t-CO}_2\text{)} \times \text{CO}_2 \text{ emissions (26.30 million t-CO}_2\text{)}$	-
	Biomass/ammonia mixed combustion	- When reducing CO₂ emissions, the application of decarbonization options is deemed beneficial if the following formula holds. - Reduction measures to be applied to CO₂ emissions around 3 million tons: CO₂ reduction cost is assumed at ¥12–54 billion. - Reduce impact using policy support, etc. Work to make the CO₂ reduction cost to be lower than the CO₂ cost. $\text{CO}_2 \text{ price} > \text{CO}_2 \text{ reduction cost} - \text{Support system}$	-
	Biomass/ammonia mixed combustion	$\text{2030 CP (yen/t-CO}_2\text{)} \times \text{CO}_2 \text{ reduction achieved by using carbon-neutral fuel} > \left(\text{Power generation volume (kWh) using carbon-neutral fuel} \times \left(\text{Cost of mixed combustion with carbon-neutral fuel (yen/kWh)} - \text{Power generation cost using coal only (yen/kWh)} \right) \right) - \text{Policy support}$	
	Introduction of CCS	$\text{2030 CP (yen/t-CO}_2\text{)} > \left(\text{Separation and capture expenses (yen/t-CO}_2\text{)} + \text{Transportation expenses (yen/t-CO}_2\text{)} + \text{Storage expenses (yen/t-CO}_2\text{)} \right) - \text{Policy support}$	
	GENESIS Matsushima Plan	- By adding gasification facilities and other equipment to the existing Matsushima Thermal Power Plant and “upcycling” it, we aim to reduce CO₂ emissions by 10% as soon as possible while contributing to a stable supply. We will pursue CO₂-free hydrogen power generation in the future. - Use the Long-Term Decarbonization Power Source Auction to recoup capital expenditures and other fixed costs.	0
	Reduction in coal-fired thermal power repair expenses and renewal investment	- Constrain repair expenses and renewal investment for coal-fired thermal power plants prior to reduction of operations anticipated from 2030. - Actual repair costs for, as well as investments to replace, coal-fired thermal power will require about ¥45 billion per year, while investment for renewal will require about ¥20 billion per year. We will work to reduce some of these expenses.	+a

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Financial impact in 2030: According to our reduction target (46% reduction; reduction of 22.5 million tons) (2/2)

	Factors	Calculation details	Impact in value
CO ₂ -free power sources	New development of renewable energies	Estimated from the power generation value from new development of renewable energy and non-fossil value Power generation volume of renewable energies +4.0 billion kWh FY2022 → FY2030 (Reference) Examples of non-fossil value sales (virtual PPAs) ① Solar power: Himeji Oshio Solar Power Plant https://www.jpowers.co.jp/english/news_release/pdf/news240917e.pdf ② Onshore wind power plant: Minami Osumi Wind Farm https://www.jpowers.co.jp/english/news_release/pdf/news250130e.pdf ③ Onshore wind power plant: J-Wind Kaminokuni https://www.jpowers.co.jp/english/news_release/pdf/news250331e.pdf	Profit increase of ¥10 billion and above
	Expansion of revenues for existing renewable energy	Enhance the non-fossil value of existing renewables (10 billion kWh) With the full-scale launch of Japan's emissions trading system in 2026, carbon pricing is expected to gain momentum. As a result, rising carbon prices will likely enhance the environmental value of our renewable energy with no CO₂ emissions, contributing to greater profits. Quantifying the impact remains challenging at this stage, as it depends on the specific details of the system under consideration.	
	Ohma Nuclear Power Station (under construction)	The impact of the project has not been included in the financial impact estimation as it is currently under review based on the new regulatory criteria.	—

2030: If aligned with the 1.5°C target of the IPCC Sixth Assessment Report (+2.4 million tons reduction)

We also analyzed the GHG emissions in the 1.5°C pathway as outlined in the IPCC Sixth Assessment Report (AR6). According to the IPCC AR6, the global model pathway for limiting global warming to 1.5°C (>50%) with no or limited overshoot requires emissions reduction of 43% by 2030 and 60% by 2035 against 2019 levels. These targets are equivalent to 51% reduction against 2013 levels in Japan, and when translated to reduction targets of the J-POWER Group, it would require an additional 2.4 million tons of reduction on top of our current 2030 target.

IPCC Sixth Assessment Report

43% reduction* by 2030, 60% reduction by 2035 (compared to 2019)

↓ *Equivalent to 51% reduction (compared to FY2013) in Japan's NDC
Converted to our "BLUE MISSION 2050"

24.9 million ton reduction (compared to FY2013) in FY2030 (an additional reduction of 2.4 million tons)

Financial impact

Additional measures for approx. 500 MW of coal-fired thermal power are needed

Although costs are expected to increase by about ¥10–44 billion, we will try to reduce the impact by making maximum use of an optimal combination of options, policy support, etc.



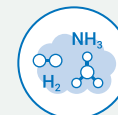
Reduction of operations

AND/OR



Biomass

AND/OR



Hydrogen/ammonia

AND/OR



CCS

Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Risk Management

To identify and address various risks associated with corporate activities, the J-POWER Group has established executive bodies and dedicated departments, and implements both integrated and issue-specific approaches to ensure that necessary risk management systems are in place, including the development of reporting and monitoring mechanisms. Under the supervision of the Board of Directors, several executive bodies have been established for risk management, including the Sustainability Promotion Board, Compliance Action Committee, and Business Strategy Subcommittee. The Board of Directors applies an integrated approach to managing risks across these bodies.

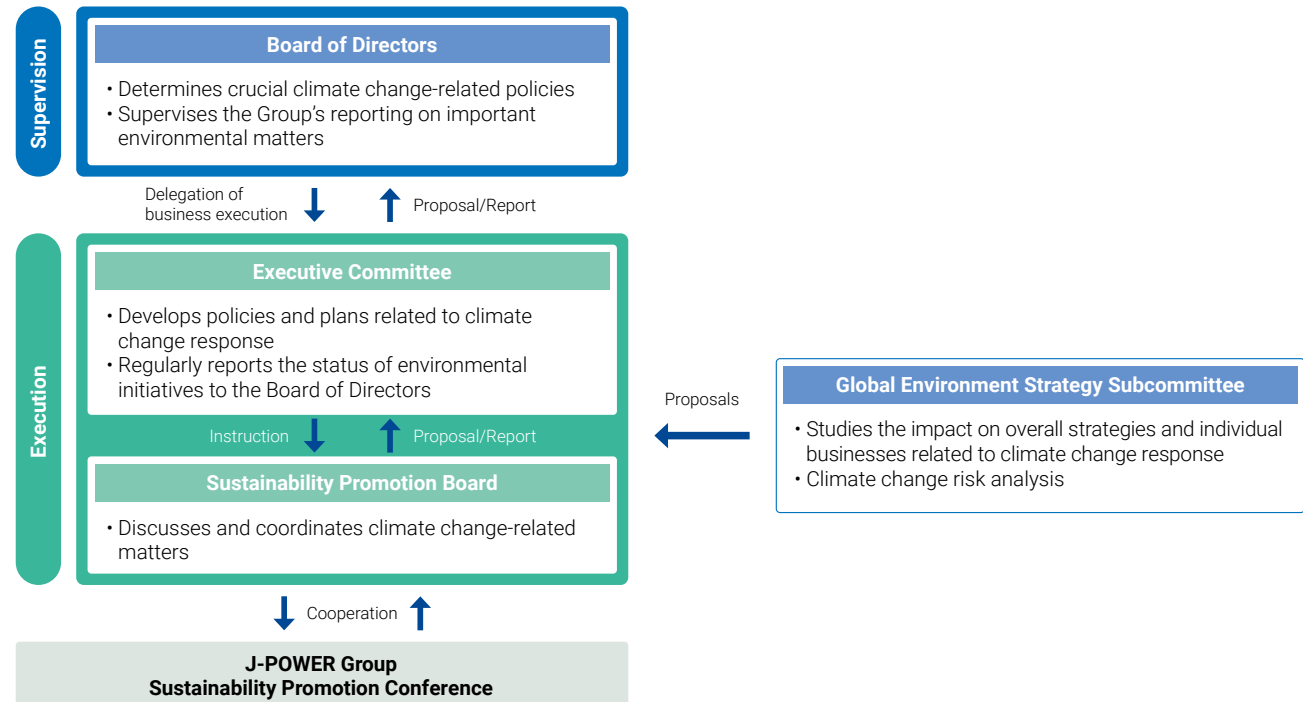
The Sustainability Promotion Board analyzes and assesses sustainability issues, including climate change, and discusses mitigation strategies. Under the Sustainability Promotion Board, the Global Environment Strategy Subcommittee has been established as a promotion structure to evaluate climate change threats, hold discussions, and make recommendations or reports to the Executive Committee and Board of Directors.

The Board of Directors works to identify risks at an early stage by receiving regular reports on the status of business execution and by ensuring mutual checks and balances in the internal decision-making process, discussions at various meetings, and the creation of a crisis management system in accordance with internal regulations. In addition, we are aiming to reduce the effect of losses when they occur while fully understanding and minimizing risks in the execution of company activities.

Indicators and Targets: Greenhouse Gas (GHG) Emissions

J-POWER Group has obtained third-party certification for all of Scopes 1–3 GHG emissions.

★ represents FY2024 data for which the Group has obtained third-party certification.



GHG emissions 3-year results

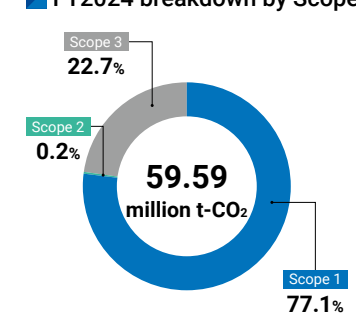
	FY2022	FY2023	FY2024★
Scope 1	48.91	44.39	45.94
Domestic power generation business	40.64	33.68	35.84
Overseas power generation business	7.94	10.27	9.78
Other	0.33	0.43	0.32
Scope 2 (Location criteria)	0.15	0.14	0.14
Scope 3	13.17	13.31	13.51
Total	62.23	57.84	59.59

Scope 1 : Direct greenhouse gas emissions by business operators themselves (burning fuel and industrial processes)

Scope 2 : Indirect emissions accompanying use of electricity and heat/steam from other companies

Scope 3 : Indirect emissions other than Scope 1 and Scope 2 (emissions by other companies related to the activities of the business)

FY2024 breakdown by Scope



Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)

Indicators and Targets

Target

Push for zero-emission power sources

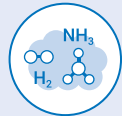
Indicators

- ① A reduction of 9.2 million tons* in FY2025
- ② 2030: Reductions of 46% (22.5 million tons)*

*Compared to FY2013



Biomass



Hydrogen, Ammonia



CCS

① FY2025: Reductions of 9.2 million tons of emissions from domestic power generation business

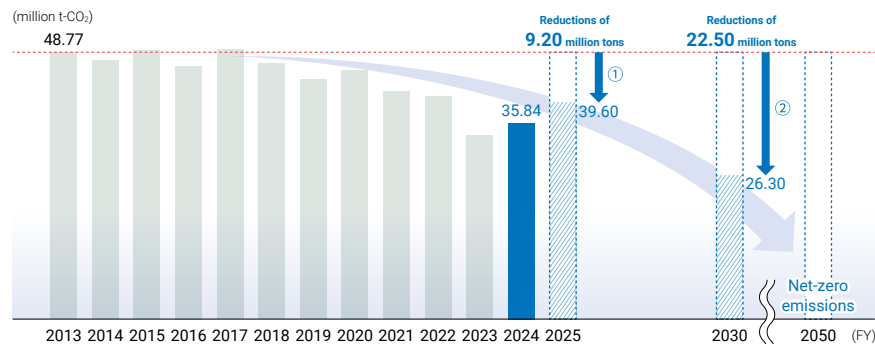
- Decrease in power generated by Matsushima Thermal Power Plant due to the construction of GENESIS Matsushima
- Expansion of biomass mixed combustion (10% by weight mixed-combustion at the Takehara Thermal Power Plant New Unit No. 1)
- Reducing the operation of aging coal-fired thermal power plants (Takasago and Takehara Unit No. 3)

② 2030: Reductions of 46% (22.5 million tons) of emissions from domestic power generation business

- Expansion of biomass mixed combustion
- Introduction of ammonia mixed combustion
- Realization of CCS in Japan
- Reducing or discontinuing the operation of aging coal-fired thermal power plants

*Book value of aged coal-fired thermal power plants is approx. ¥48 billion.

Changes in CO₂ emissions in domestic power generation business



Target

Expansion of CO₂-free power sources

Indicator

FY2030 Power generation volume of renewable energy +4.0 billion kWh/year*

*Compared to FY2022



Wind



Hydroelectric



Solar



Geothermal

Major CO₂-free power sources in operation (since FY2024)



Kaminokuni No. 2 Wind Farm, Hokkaido
Owned capacity: 41.532 MW



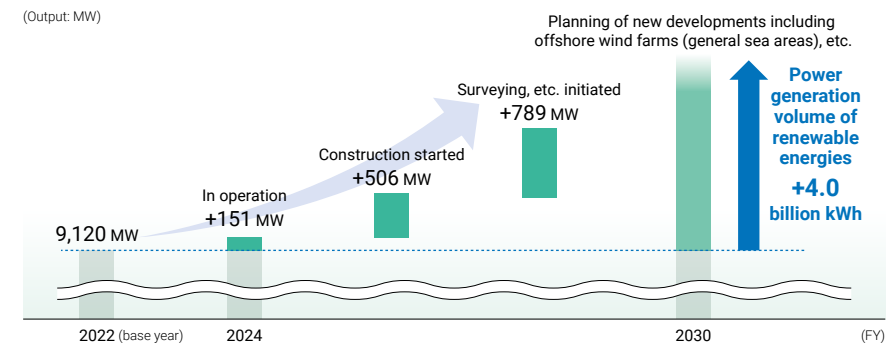
Nagayama Hydroelectric Power Plant Unit 2, Kochi Pref.
Owned capacity: 18.5→19.25 MW (750 kW increase by repowering)



Himeji Oshio Solar Power Plant, Hyogo Pref.
Owned capacity: 1.999 MW

Trends in the development of renewable energy (Domestic)

(Output: MW)



Column

Relationship between the J-POWER Group's CO₂ reduction results and SBT indicators

The Science Based Targets initiative (SBTi) calls for companies in the power sector to set intensity-based emission targets. The J-POWER Group has set its target based on actual emission volume and is working toward its achievement.

The rate of J-POWER's emissions reduction for the period from FY2022 (40.64 million tons) to FY2030 (target of 26.30 million tons) is 4.4%, exceeding the annual reduction rate of 4.2% required by SBTi for a 1.5°C trajectory alignment.

INTEGRATED REPORT

CHAPTER 4

Initiatives Supporting Our Value Creation

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J-POWER Group and the Environment

Material issues ▶



As a company involved in the supply of energy, the J-POWER Group contributes to the sustainable development of Japan and the world while seeking harmony with the environment.

J-POWER Group Environmental Basic Policy

Addressing climate change	Work on realizing carbon neutrality using our experience and technology to provide a constant energy supply and bring about a sustainable society.
Addressing local environment issues	Seek to operate in harmony with the local environment by adopting measures to reduce the environmental impact of our operations while working to save, recycle, and reuse resources in order to limit waste.
Ensuring transparency and reliability	Ensure that our business activities comply with all applicable laws and regulations, disclose a wide range of environmental information, and enhance communication with stakeholders.

J-POWER Group Environmental Targets

For details of the main achievements in FY2024, please refer to J-POWER Group Integrated Report 2025 Supplementary Material <Environment>.

Addressing climate change	- Accelerating the development of CO₂-free power sources - Reducing greenhouse gas (GHG) emissions	- Increase of electric power generated from domestic renewable energy by 4.0 billion kWh/year by FY2030 (compared to FY2022)* - Promotion of the Ohma Nuclear Power Plant Project with safety as a major prerequisite 9.20 million ton CO₂ reduction from domestic power generation business by FY2025 (compared to FY2013 results) 22.50 million ton CO₂ reduction from domestic power generation business by 2030 (46% decrease) (compared to FY2013 results) - Achievement of the benchmark for thermal power generation under the Act on Rationalizing Energy Use by FY2030 *Target was revised in June 2024. Previous target: Development of more than 1,500 MW by FY2025	P.49 Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)
Addressing local environment issues	- Creation of a recycling-oriented society - Biodiversity preservation/recovery - Protecting aquatic environments	- Effective utilization rate of industrial waste: Approx. 97% - Reduction of waste plastic discharge and recycling of resources - Consideration for biodiversity preservation/recovery in business activities - Consideration for the preservation of river and marine environments in business activities	P.65 Coexistence with Local Environment > Addressing Local Environment Issues
Ensuring transparency and reliability	- Improvement of environmental management level - Full compliance with environmental laws and agreements - Environmental communication activities	- Continuous improvement of EMS - Zero serious violations of environmental laws and agreements - Environmental communication activities in local communities and within the Company	P.66 Coexistence with Local Environment > Ensuring Transparency and Reliability

J-POWER Group Environmental Action Guidelines

Issues that the J-POWER Group should address, and main details of initiatives

For details, please refer to J-POWER Group Integrated Report 2025 Supplementary Material <Environment>.

J-POWER Group Divisional Environmental Targets

Each department sets and works on its own targets, taking into consideration the J-POWER Group Environmental Targets and Environmental Action Guidelines.

Coexistence with Local Environment

Material issues ▶



The J-POWER Group owns large-scale power generation and transmission facilities in a wide area and has been engaged in business for a long time under the banner of the material issue of engagement with local communities. We are committed to building a relationship of trust with the local community, while respecting considerations for the environment at every stage of our business and striving to preserve the local environment with the latest technology and knowledge.

Addressing Local Environment Issues

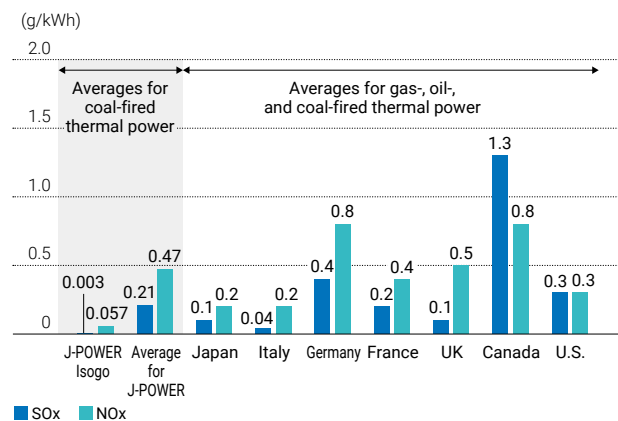
Controlling environmentally harmful substances

Thermal power plants release pollutants into the atmosphere such as soot and dust, nitrogen oxide (NOx), and sulfur oxide (SOx). High efficiency emissions reductions have been made possible through advances in combustion techniques and stable operation of flue gas treatment equipment.

In order to ensure that emissions of environmentally harmful substances comply with applicable laws, regulations, and environmental preservation agreements, we also monitor their operational conditions and smoke emissions 24 hours.

As shown in the figure below, the NOx and SOx emissions from the coal-fired power plants operated by the Company are comparable to average values for each developed country without fuel category, while our state-of-the-art units operate with a low environmental impact even by global standards.

International comparison of SOx and NOx emission intensity for thermal power generation

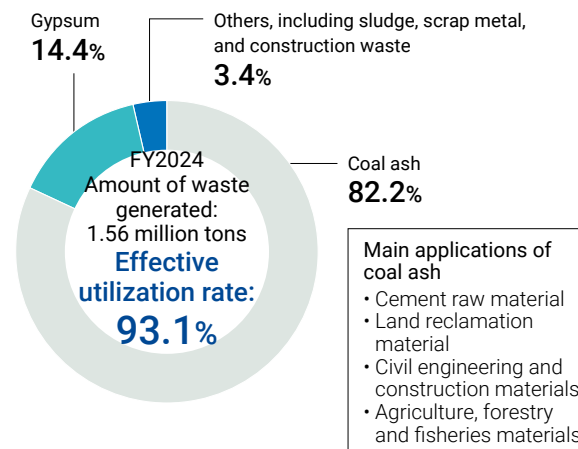


Notes: 1. Emissions: OECD Stat Extracts; Power generated: IEA "Data and statistics"
2. Average for J-POWER and J-POWER Isogo figures (coal-fired) are FY2023 results.

Promoting the creation of a recycling-oriented society

Maintaining and improving the effective utilization rate of industrial waste

Industrial waste discharged by the Group totaled 1.56 million tons in FY2024. Coal ash and gypsum discharged from thermal power plants accounted for 97%, of which more than 90% were successfully used as raw materials for cement, land reclamation material, and other supplies. The Company works to reduce the amount of industrial waste, and the overall effective utilization rate of industrial waste for FY2024 was 93.1%. From this fiscal year onward, we will continue to work on the effective use of industrial waste with the aim of achieving an environmental target "effective utilization rate of industrial waste of around 97%."



Dealing with waste plastics

We are also focusing on sorting and the 3Rs (Reduce, Reuse, Recycle) to increase recycling and decrease waste plastic discharged.

For details on the amount of plastic waste the Group produces and recycles, please refer to Supplementary Material <Environment>.

Reducing resource usage

The J-POWER Group will phase out inefficient coal-fired power plants and select the most appropriate replacement technology, including biomass, hydrogen, or ammonia, based on factors such as the characteristics of each site and the status of equipment. Through such measures, we will promote the creation of a recycling-oriented society by preventing the depletion of resources through the reduced use of coal, while reducing waste generated.

[P.26 Direction for thermal power transition in Japan](#)

Commercializing environmentally friendly high-performance recycled fiber

J-POWER has built a cooperative framework with Nippon Sheet Glass Co., Ltd. (NSG) and Nippon Fiber Corporation KK (Nippon Fiber Corporation) for the commercialization of an environmentally friendly high-performance recycled fiber called BASHFIBER®.

BASHFIBER®, a continuous filament fiber developed by Nippon Fiber Corporation, is made of coal ash, and there are potential applications as an alternative to existing industrial fiber reinforcement materials in a wide range of fields.

In addition, BASHFIBER® is expected to reduce the amounts of resource usage and industrial waste generated by using coal ash as a substitute for natural resources.



BASHFIBER® product range

Coexistence with Local Environment

Environmental impact assessments

Environmental impact assessments in line with laws and regulations are conducted when planning and developing power facilities. We also take the views of the local residents into consideration and work hard to preserve the environment.

In accordance with signed agreements such as those for environmental preservation, we continue to monitor and verify the efficiency of environmental preservation measures once operation has begun. There are now 18 projects currently undergoing the environmental impact assessment process (as of July 31, 2025).

Protecting aquatic environments

Initiatives at power plants

The J-POWER Group has established protecting aquatic environments as one of its environmental targets, and is working toward relevant preservation methods for the rivers and marine areas of each region. At our hydroelectric power plants, we assess water quality and sediment deposition in dam lakes and downstream areas. Appropriate action is taken at our thermal power plants (such as discharge into the sea, reduced water consumption through reuse of treated wastewater) in accordance with relevant laws, regulations, and environmental preservation agreements. We also cooperate in flood control efforts, in accordance with agreements, by lowering dam water levels to secure free capacity within the dam prior to any expected major flooding event, such as a torrential downpour.

Groundwater purification project

Approximately 60 facilities across the country, including hospitals and universities, have benefited from our disaster-resistant, onsite groundwater treatment services. In addition to this track record, we have collaborated with the startup WOTA to address a number of water-related environmental issues, and will make contributions to local communities through the provision of water supply services based on a technology for cyclic use of recycled wastewater.



WOTA PLANT

Biodiversity preservation/recovery

 [Please refer to P.67 Disclosure Based on TNFD Recommendations.](#)

Ensuring Transparency and Reliability

Improvement of environmental management level

Every business site of the J-POWER Group has an environmental management system (EMS) that is compliant with the ISO 14001:2004 standard of the International Organization for Standardization and the JIS Q 14001 standard of the Japanese Industrial Standards, and we are constantly working to raise the bar regarding environmental management. To ensure that every employee is aware of environmental management and works with a feeling of responsibility as a party to a business that entails numerous environmental burdens, we also carry out environmental education by offering various training courses that take into account each employee's position and role.

Full compliance with laws, regulations, agreements, and other rules

We aim to maintain and enhance the operation of our facilities while abiding by laws, regulations, and agreements in order to reduce the environmental impact of our commercial activities. In the event that environmental incidents arise, we have a system in place to stop the impact from spreading and to quickly convey information.

In addition, we strive to prevent past incidents from recurring.

Environmental communication activities

Through environmental conservation initiatives such as cleanups of local communities, we are aiming to improve environmental communication with our diverse stakeholders in addition to improving the disclosure of environmental information. In order to share environmental management information with Group companies and improve communication, we also organize events such as environmental information exchange meetings.

Material issues ▶

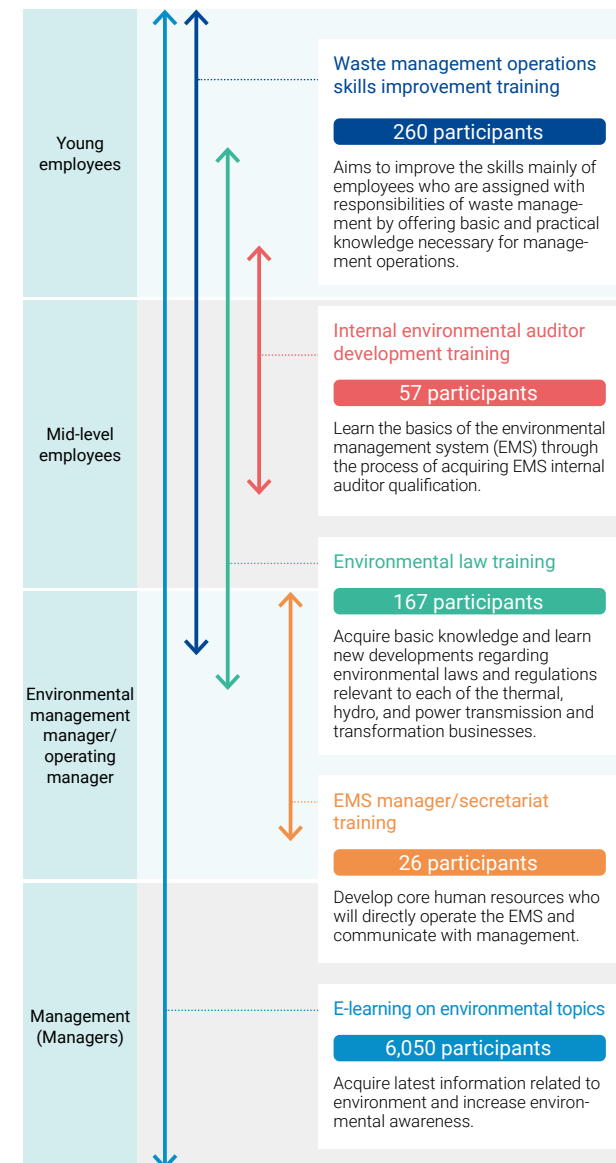


Response to
climate change



Engagement with
local communities

Major environmental education in FY2024



Disclosure Based on TNFD Recommendations

The J-POWER Group will disclose information based on Recommendations of the Task Force on Nature-related Financial Disclosures (“TNFD Recommendations”) released by the Task-force on Nature-related Financial Disclosures* on September 2023.

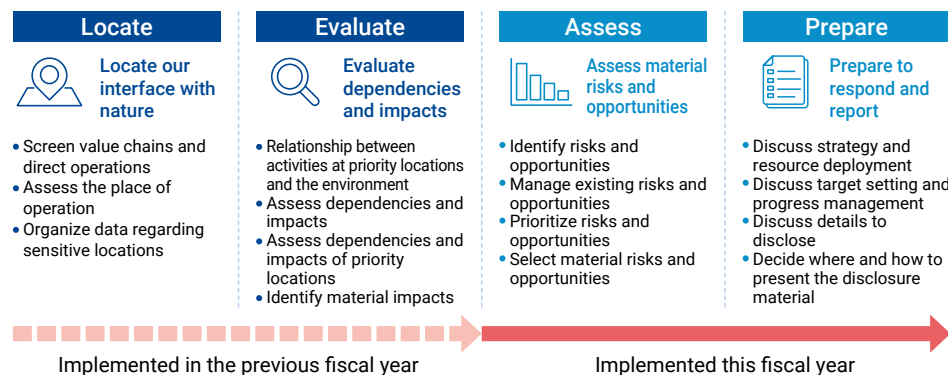
*Taskforce on Nature-related Financial Disclosures (TNFD): An international organization that aims to establish a framework to help businesses and financial institutions properly evaluate and disclose the risks and opportunities related to natural capital and biodiversity.

Foreword

The TNFD Recommendations require companies to make clear how they impact nature, depend on natural capital, and the relevant risks and opportunities. We used the integrated approach for the assessment of nature-related issues advocated by the TNFD Recommendations (LEAP approach) in evaluating operating locations and the business activities’ dependencies and impacts on natural capital to identify material risks and opportunities associated with material dependencies and impacts.

The LEAP approach consists of four phases: Locate, Evaluate, Assess, and Prepare. It is a framework that helps businesses locate the interface with nature, assess and manage dependencies and impacts as well as risks and opportunities, and organize the details to disclose by applying the set of procedures. While we completed the evaluation of the power generation business for the Locate and Evaluate phases by the end of the previous fiscal year, we conducted the evaluation for the Assess and Prepare phases this fiscal year.

Steps for adopting the LEAP approach



J-POWER Group and Its Relationship with Nature

Under our Corporate Philosophy of “We will meet people’s needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world,” the J-POWER Group has striven to supply power efficiently and stably and operated the business globally for over 70 years. Furthermore, we are making efforts to enhance our corporate value by identifying the following five material issues from the medium- to long-term sustainability perspective and setting them as the core of the Group’s ESG management: supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation.

We acknowledge that large-scale energy supply projects impact local communities and the environment. As part of our commitment to “engagement with local communities,” we are working toward the preservation of natural capital and local environment including biodiversity, and building trust with the local community.

J-POWER Group Environmental Basic Policy, Environmental Targets, and Environmental Action Guidelines

The Group has formulated the Environmental Basic Policy that sets forth the direction of the Group’s environmental initiatives based on its Basic Policy on Sustainability. The Group also established medium- to long-term challenges and goals as Environmental Targets and the details of challenges the Group needs to address and major initiatives as Environmental Action Guidelines, and is taking various actions in line with these targets and guidelines.

J-POWER Group Environmental Basic Policy (Addressing Local Environment Issues)

Seek to operate in harmony with the local environment by adopting measures to reduce the environmental impact of our operations while working to save, recycle, and reuse resources in order to limit waste.

Applying General Requirements

The TNFD Recommendations provide a set of general requirements for disclosures.

General requirements	Status of disclosure during FY2025
Application of materiality	Double materiality approach*
Scope of disclosures	The business of the Group is centered on the power generation and transmission and transformation businesses. Since the directly operated power generation business is large in scale and is considered to have significant impacts on natural capital, we decided to include the 101 sites (thermal, hydro, wind, and geothermal) in Japan and around the world that were in operation as of March 1, 2024, in the scope of assessment and disclosure. We will continue to consider expanding the scope of disclosure on business areas and value chains other than the directly operated power generation business.
Location of nature-related issues	Biodiversity importance, ecosystem integrity, and water availability were assessed for domestic and overseas power plants within the scope of disclosures as the evaluation of operating locations to identify areas that require priority efforts.
Integration with other sustainability-related disclosures	We acknowledge that climate change and natural capital mutually influence each other. The overall status of the ESG challenges is included in this report.
Time horizons considered	In this disclosure, we assessed risks and opportunities using the following three time horizons: short term (up to 2025), medium term (up to 2030), and long term (up to 2050).
Engagement with indigenous peoples, local communities and affected stakeholders	In the electric power business, power plant operation runs on a premise that it has gained understanding of the local residents. An environment impact assessment is performed at the time of the construction to study the impact on the environment and organisms. During operation, we comply with environmental conservation values agreed with the local governments where the plants are located, and make efforts to gain further understanding of the local residents about the power plants through events such as plant visits.  P.73 Engagement with Local Communities  P.75 Initiatives to Respect Human Rights

*Double materiality is a concept that requires companies to emphasize not only the financial impact, but also how their corporate activities and business models affect the environment and society.

Disclosure Based on TNFD Recommendations

Governance

The J-POWER Group has identified “engagement with local communities (preservation of local environment)” as one of its material issues and holds meetings of the Sustainability Promotion Board, headed by the ESG Oversight (President), at least three times a year. The Sustainability Promotion Board plans and examines measures related to natural capital and discusses risk identification, assessment, and management based on the company policy. Important matters are proposed or reported to the Board of Directors or the Executive Committee.

 [P.16 Sustainability promotion structure](#)

The Group has also established the J-POWER Group Basic Policy on Human Rights based on such international standards as the International Bill of Human Rights, ILO International Labour Standards, OECD Guidelines for Multinational Enterprises, UN Global Compact Principles on Human Rights, and UN Guiding Principles on Business and Human Rights. Based on this policy, we promote efforts to respect human rights for all stakeholders, including those within our supply chain.

 [P.75 Initiatives to Respect Human Rights](#)

Strategy

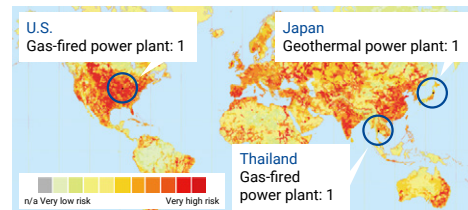
Locate

Understanding the areas that require priority efforts

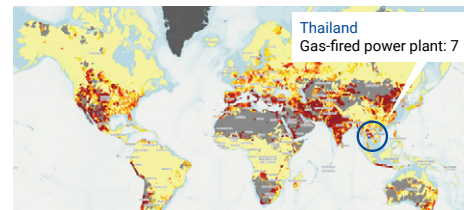
For each power generation site, we used a publicly available tool to assess ecosystem integrity, biodiversity importance, and water stress, which are metrics related to water and the ecosystem deemed to be closely related to events, and identified sites that are in sensitive locations.

Assessment results: We designated areas that were identified as either areas of extremely low ecosystem integrity, areas of high biodiversity importance, or areas of high water stress as sensitive locations. As a result, we confirmed that 85 sites (4 coal-fired power plants, 10 gas-fired power plants, 50 hydroelectric power plants, 20 wind farms, and one geothermal power plant) were situated in sensitive locations.

Results of ecosystem integrity assessment (using BRF^{*1})

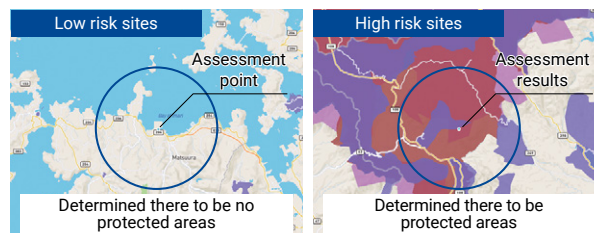


Results of water stress assessment (using Aqeduct^{*3} or WRF^{*4})



Results of biodiversity importance assessment (using IBAT^{*2})

Category	Protected areas
Key Biodiversity Area (KBA)	Alliance for Zero Extinction Sites Important Bird and Biodiversity Areas Other
Protected areas	Natura2000 World Heritage Ramsar MAB
Protected areas (IUCN area management category)	IUCN Management Ia IUCN Management Ib IUCN Management II IUCN Management III IUCN Management IV



- ^{*1} BRF (Biodiversity Risk Filter): A tool developed by the World Wide Fund for Nature (WWF) to help companies and financial institutions assess risks within their businesses and supply chains that could impact biodiversity
- ^{*2} Integrated Biodiversity Assessment Tool (IBAT): A tool jointly developed by BirdLife International, UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), International Union for Conservation of Nature (IUCN), and Conservation International that provides integrated access to protected areas, key biodiversity areas, and other areas designated for conservation around the target point, and maps of endangered species
- ^{*3} Aqeduct: A tool developed by the Water Resources Institute (WRI) to assess water risks. It can assess water risks of the area where the subject site is located, from the aspects of water quantity, water quality, and regulatory or reputational risk.
- ^{*4} WRF (Water Risk Filter): A tool developed by the World Wide Fund for Nature (WWF) and Deutsche Investitions- und Entwicklungsgesellschaft (DEG) to assess water risks. It can assess water risks of the area where the subject site is located as well as water risks arising from the operations of each site.

Evaluate

Dependencies and impacts of our business on natural capital

To understand the level of dependency of the business on nature and the level of impact on nature, we used ENCORE^{*5}, a tool for analyzing whether the business activity impacts the ecosystems and evaluating the magnitude of such impacts, and analyzed the dependencies and impacts by sector.

Below is a heatmap (created by modifying the results of the ENCORE assessment to align with the Company's business characteristics) that visualizes the dependencies and impacts on natural capital. Items assessed to have extremely large dependencies and impacts were selected as high priority matters.

^{*5} Stands for Exploring Natural Capital Opportunities, Risks and Exposure. A tool developed by the Natural Capital Finance Alliance (NCFA) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) to help understand the magnitude of impacts and dependencies of business activities on nature

Heatmap of dependencies and impacts

Very large dependencies and impacts Dependencies and impacts exist Relatively small dependencies and impacts	Things that depend on natural capital										Things that impact natural capital									
	Freshwater supply (groundwater)	Fresh water supply (surface water)	Water flow regulation	Water purification	Solid waste remediation	Water purification (filtration, sequestration of contaminants)	Global climate regulation	Flood and rainstorm mitigation	Soil and sediment retention	Area of land use	Area of freshwater use	Area of seabed use	Volume of water use	Emissions of GHG	Emissions of non-GHG air pollutants	Release of toxic pollutants to water	Release of toxic pollutants to soil	Release of solid waste	Generation and release of solid waste	Disturbances (e.g. noise, light)
Thermal power										•										
Hydroelectric power													•						•	
Wind power	•	•	•	•	•	•							•		•	•			•	
Geothermal power										•		•	•		•	•			•	

- For the details of each indicator subject to dependencies and impacts assessment using ENCORE, please see ENCORE's website (<https://www.encorenature.org/en/data-and-methodology/impact-drivers>).
- "-" means that the sector has few dependencies and impacts on the indicator.

Results of assessment of dependencies and impacts on natural capital

Thermal power	There are large dependencies on surface water and large impacts on volume of water use, given that water is an essential resource in power plant operations. There are large impacts on emissions of GHG and non-GHG air pollutants, given that burning fuel causes GHG emissions and non-GHG air pollutants emissions.
Hydroelectric power	There are large dependencies on surface water and water flow regulation and large impacts on volume of water use, given that water is an essential resource in power plant operations. There are large dependencies on global climate regulation, given that a stable climate leads to a stable water cycle. There are large impacts on the freshwater ecosystem, given that hydroelectric power generation changes the river's earth and sand and the flow of water.
Wind power	There are large dependencies on global climate regulation, given that a stable climate leads to a stable supply of wind.
Geothermal power	There are large dependencies on groundwater and large impacts on volume of water use, given that water is an essential resource in power plant operations.

Disclosure Based on TNFD Recommendations

Assess Nature-related risks and opportunities across our business

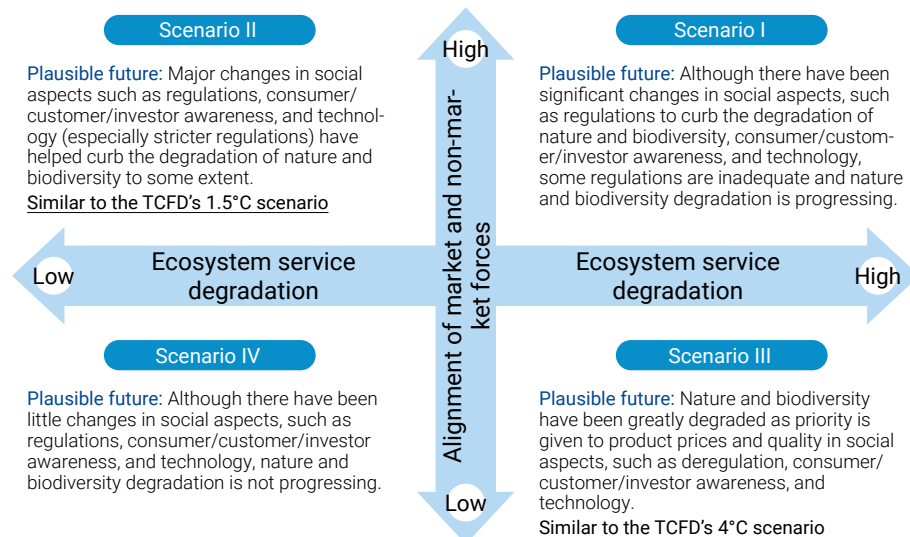
We identified nature-related risks and opportunities closely related to our business (dependencies and impacts) to assess such risks and opportunities using indicators such as likelihood of occurrence, impact on business, and impact on nature. Furthermore, we conducted a scenario analysis under the assumption of environmental and social changes to evaluate their materiality taking into account various future global changes.

1 Scenario analysis

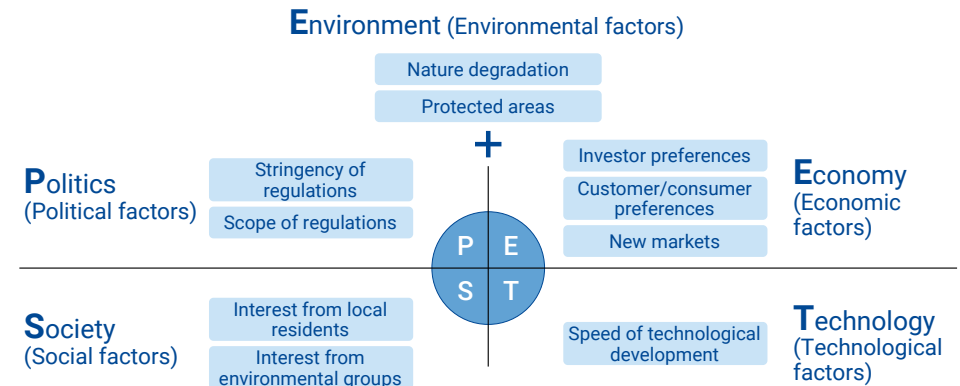
We analyzed the materiality of risks and opportunities taking into account changes in plausible futures using the scenario analysis under the assumption of environmental and social changes relating to our business.

As an approach to the scenario analysis based on TNFD, we have set four plausible futures with "ecosystem service degradation" and "alignment of market and non-market forces" as the scenario axes. We used the PEST+E analysis to set the directions of changes in respective plausible futures by breaking down change factors, such as environment and technology, to see how the materiality of risks and opportunities changes. Based on the analysis results, we will identify risks and opportunities that are material to the Group and enhance our efforts with priority to those that are most material.

① Setting of the four plausible futures (scenarios)



Framework of PEST+E analysis



② Results of PEST+E analysis for four scenarios

Factors	Elements	Four plausible futures (scenarios)			
		Scenario I	Scenario II	Scenario III	Scenario IV
Environmental factors	Nature degradation	High	Recovering	Very high	Recovering
	Protected areas	Expanding	Expanding	Stagnant	Stagnant
Political factors	Stringency of regulations	Strict (some are inadequate)	Very strict	Relaxed	Status quo retained
	Scope of regulations	Global	Global	Local	Local
Economic factors	Investor preferences	Focus on ESG investment	Focus on ESG investment	Focus on investment for economic growth	Focus on conventional investment
	Customer/consumer preferences	Emphasis on eco-friendly products	Emphasis on eco-friendly products	Emphasis on price and quality	Some customers/consumers place emphasis on eco-friendly products
	New markets	Expansion of markets for eco-friendly products	Expansion of markets for eco-friendly products	Stagnant	Stagnant
Social factors	Interest from local residents	High	High	Low	Low
	Interest from environmental groups	High	High	Medium	Medium
Technological factors	Speed of technological development	Fast	Fast	Slow	Status quo retained

*The results are shown on a scale of one to five. (High 5, 4, 3, 2, 1 Low)

Disclosure Based on TNFD Recommendations

2 List of risks and opportunities identified as material based on the scenario analysis

Risks identified as material due to the dependencies and impacts between the power generation business and nature

Risk of dependencies and impacts		Impact on nature	Impact on business		Likelihood of occurrence				Assessment time horizon	Status of response
					Changes in Scenario I	Changes in Scenario II	Changes in Scenario III	Changes in Scenario IV		
Dependencies	① Lower rainfall reduces water resources, resulting in a decline in the supply of river water, groundwater, and industrial water.	Not subject to the assessment as dependencies exist	Thermal	The limited supply of process water causes operating restrictions, resulting in a decline in power generation.	↗	↘	↗	↘	Short to long term	We have been endeavoring to efficiently use water resources through such measures as collecting information on water resources, reusing wastewater, and saving water. The financial impact of this risk is limited as there are few sites located in high water stress areas in Japan.
	② The degradation of ecosystem services increases the damage from natural disasters (e.g. flood, sediment runoff).	Not subject to the assessment as dependencies exist	Hydroelectric	The degradation of ecosystem services causes large-scale natural disasters and damage to facilities, such as reservoirs and power generation facilities, resulting in a medium- to long-term shutdown.	↗	↘	↗	↘	Short to long term	We identify the risks of flood and mudslides, confirm the safety of facilities, and is taking countermeasures at each location. We are also taking flood countermeasures, such as sediment routing/discharge at regulating ponds and improving downstream warning equipment.
			Wind							We are seeking to mitigate the risk of damage by stopping the wind turbines when thunderclouds approach.
			Geothermal							We monitor the underground environment of storage tanks to check any indication of abnormalities through the regular measurement of temperature and pressure, water quality analysis, and other measures.
	③ Severe rain and wind occur due to the impact of climate change.	Not subject to the assessment as dependencies exist	Hydroelectric	The severe rain and wind cause large-scale natural disasters and damage to facilities, such as reservoirs and power generation facilities, resulting in a medium- to long-term shutdown.	↗	↘	↗	↘	Short to long term	We identify the risks of flood and mudslides, confirm the safety of facilities, and is taking countermeasures at each location. We are also taking flood countermeasures, such as sediment routing/discharge at regulating ponds and improving downstream warning equipment.
			Wind	Changes in wind conditions reduce power generation (cutout due to deteriorated wind conditions and strong wind). The severe rain and wind cause damage to power generation and other facilities, resulting in a medium- to long-term shutdown.						The blades of a wind turbine are leveled to prevent damage when wind speed exceeds the cut-out wind speed. The financial impact of this risk is limited as the locations of wind farms are decentralized and the single-unit output is small.
	④ Sea surface temperature rises due to the impact of climate change.	Not related (the risk is associated with dependency and has no impacts)	Thermal	Higher sea surface temperature causes operating restrictions, resulting in a decline in power generation.	↗	↘	↗	↘	Long term	We will strive to maintain our plant efficiency to prevent operating restrictions caused by higher sea temperature.
Impacts	⑤ Increased sedimentation in dam reduces the reservoir capacity, affecting the habitat environment for freshwater organisms.	The deposition of sediments adversely affects the habitat environment for freshwater organisms.	Hydroelectric	A decline in water-storage capacity reduces power generation. Sedimentation near the water intake hinders power generation. Stricter regulations and criticism from local communities increase costs for measures to deal with such events, including a shutdown.	↗	↗	→	→	Short to long term	Dam sediments are excavated and taken out of the dam lake on a regular basis. At some sites, sediment routing/discharge measures are taken to let earth and sand flowing into a dam lake at the time of flooding flow down to downstream as much as possible, and bypass tunnels have been installed for sediment routing.
	⑥ Greenhouse gas (GHG) emissions from business activities increase costs for dealing with such emissions.	GHG emissions raise the concentration of CO ₂ in the atmosphere.	Thermal	To reduce GHG emissions, ordinary profit is estimated to decrease by around ¥10 billion mainly due to the suspension or discontinuation of inefficient coal-fired power plants.	↗	↗	→	→	Long term	We will advance our CO ₂ reduction and decarbonization initiatives by converting high-efficiency coal-fired power plants using the optimal technology according to the local characteristics of the site, while phasing out inefficient coal-fired power plants.
	⑦ Higher environmental awareness leads to harsh criticism against GHG emissions and soot and smoke generation.	Not subject to the assessment as this is a reputation risk for the operator	Thermal	A failure to take appropriate action or disclose information leads to being excluded from ESG indexes, increasing stock price fluctuations.	↗	↗	↘	→	Short to long term	We will actively work to enhance information disclosure through our integrated report and Annual Securities Report, respond to third-party questionnaire surveys, and foster engagement with investors.
			Thermal	The increasing need of customers for decarbonized power sources reduces the sales volume of electric power generated by thermal power plants.	↗	↗	↘	→	Short to long term	We will advance our CO ₂ reduction and decarbonization initiatives by converting high-efficiency coal-fired power plants using the optimal technology according to the local characteristics of the site, while phasing out inefficient coal-fired power plants.
			Thermal	Nature protection efforts increase costs for developing and introducing new technologies, such as CCS for thermal power generation.	↗	↗	→	→	Short to long term	We will work together with other companies to introduce new technologies, including CCS, biomass, and hydrogen/ ammonia mixed combustion, utilizing government support programs.

*The likelihood of occurrence is assessed taking into account the sensitivity of operating locations based on the Locate evaluation and changes in each scenario. However, the likelihood of occurrence of risks already materialized has been assessed to be "high."

Disclosure Based on TNFD Recommendations

Opportunities identified as material due to the dependencies and impacts between the power generation business and nature

Opportunities from dependencies and impacts		Impact on nature	Impact on business		Likelihood of occurrence				Assessment time horizon	Status of response
					Changes in Scenario I	Changes in Scenario II	Changes in Scenario III	Changes in Scenario IV		
Dependencies	① The appropriate management of water resources enables us to maintain stable operations.	The adverse impact on the water environment can be mitigated by avoiding the excess use of water resources. (This has a higher impact on locations of higher water risk.)	Thermal	The appropriate management of water resources enables us to avoid a shutdown due to water supply restrictions or other reasons.	↗	→	↗	→	Short to long term	We have been striving to reduce our environmental impact and ensure stable operations through the efficient use of water resources by managing water resource data to take water-saving measures such as reuse of water.
	② Increasing the resilience of our power plant facilities to natural disasters improves their operability.	Assess the impact on business only	Hydroelectric	Facility damage and shutdown caused by a large-scale disaster can be avoided by making an up-front capital investment.	↗	↘	↗	↘	Short to long term	We have been making disaster prevention investments, including the relocation of some facilities to higher locations, water exposure measures at power plants, and flood control measures, to improve the stability of operations and mitigate disaster damage.
			Wind							We have been striving to lower the failure rate and improve the power generation efficiency by replacing facilities exceeding their designed lifetimes for facility update.
	③ The development of small-scale hydroelectric power plants and the repair of aging facilities promote efficient water use, allowing us to increase our revenue.	The development of small-scale hydroelectric power plants and the repowering of existing facilities enable us to mitigate the adverse impact on the downstream ecosystem and reduce the use of water resources.	Hydroelectric	The development of small-scale hydroelectric power plants and the repowering of existing facilities, among other means, allow us to increase our power generation and revenue from renewable energy power generation.	↗	↗	↘	→	Short to long term	We have been endeavoring to increase our revenue by implementing repowering work of small-scale and existing hydroelectric power plants to promote efficient water use.
	④ The development of small- and medium-scale hydroelectric power plants that utilize river flows allows us to increase our revenue.	Discharging water to maintain river flows enables us to maintain the downstream ecosystem.	Hydroelectric	Promoting the development of small- and medium-scale hydroelectric power plants that harness river maintenance flow increase power generation, leading to an improvement in our revenue.	↗	↗	→	→	Short to long term	We will actively work to develop small- and medium-scale hydroelectric power plants that utilize untapped water resources.
Impacts	⑤ Ecosystem-friendly facility management and operations allow us to improve our corporate value.	Ecosystem services can be maintained through the monitoring of the surrounding environment and ecosystem-friendly facility management and operations. This has a greater effect in areas with higher biodiversity risk (important species' habitats).	Thermal	Ecosystem-friendly facility management and operations allow us to avoid reputation risk, leading to an improvement in our corporate value that contributes to maintaining ecosystem services.	↗	↗	→	→	Short to long term	We have been managing and operating our facilities through the constant monitoring of seawater flows and temperature difference between intake and discharge water based on the ecosystem-friendly environment impact assessment.
			Hydroelectric							We have been working to preserve the river environment through ecological flow, construct fishways, and restore the healthy aquatic environment through sediment replenishment to downstream of dams. We are also seeking to improve the river environment by taking measures to reduce turbid water resident.
	⑥ Efforts to expand and improve existing facilities and to promote renewable energy projects accelerate decarbonization, allowing us to improve our corporate value.	Such efforts allow us to reduce the use of fossil fuel, leading to a mitigation of the risk of natural resource depletion and a reduction of GHG emissions.	Thermal	Efforts to increase the use of non-fossil fuel and to promote renewable energy projects accelerate decarbonization, improving our corporate value. This also allows us to reduce costs for dealing with GHG emissions.	↗	↗	→	→	Short to long term	We will advance our CO ₂ reduction and decarbonization initiatives by converting coal-fired power plants using the optimal technology according to the local characteristics of the site.
			Hydroelectric							We have been promoting the development of small-scale hydroelectric power plants and the repowering of existing facilities.
			Wind							We have been striving to ensure facility maintenance and secure the required capacity of power generation through the replacement of wind farm sites.
	⑦ Efforts to promote renewable energy projects lead to the conservation of resources and to the promotion of decarbonization, enabling us to contribute to regional development and improve our corporate value.	Efforts to promote renewable energy projects lead to the conservation of natural resources.	Renewable energy*	Efforts to promote renewable energy projects allow us to make progress in, among other initiatives, the creation of clean energy at local regions, leading to an improvement in our corporate value along with regional development.	↗	↗	↘	→	Short to long term	We are selling environmental value with additionality generated from power generation by expanding virtual power purchase agreements (PPAs) with electricity consumers.
	⑧ Building good relationships with local communities allows us to reduce environmental reputation risk, leading to an improvement in our business continuity.	Environmental preservation activities and other collaborative initiatives with local communities lead to the restoration of natural environment and biodiversity.	Thermal Hydroelectric Wind	Efforts to promote collaborative initiatives with local communities allow us to build good relationships with them, leading to an improvement in our business continuity.	↗	↗	→	↘	Short to long term	We aim to build relationships of trust with local communities as well as contribute to local revitalization efforts through proactive local community engagement activities in Japan and overseas.
	⑨ Efforts to promote renewable energy projects attract ESG investment, allowing us to capture opportunities to improve our corporate value.	Assess the impact on business only	Renewable energy*	Efforts to promote renewable energy projects allow us to capture opportunities to improve our corporate value, while attracting ESG investment.	↗	↗	→	→	Short to long term	We utilize the Green/Transition Finance Framework as a means of fundraising for our transition initiatives based on the long-term strategy for achieving carbon neutrality by 2050.
	⑩ Efforts to promote renewable energy projects allow us to expand opportunities to sell environmental value and so forth.	Assess the impact on business only	Renewable energy*	Efforts to promote renewable energy projects amid increasing social awareness of climate change and biodiversity allow us to expand opportunities to sell renewable electricity, credits, and so forth.	↗	↗	→	→	Short to long term	We have been endeavoring to engage with stakeholders.
	⑪ Efforts to advance decarbonization and promote renewable energy projects, among other efforts, allow us to increase electricity sales to environment-conscious customers.	Assess the impact on business only	All sectors	Disseminating information on our efforts to promote renewable energy projects, advance decarbonization, and preserve the natural environment, among other initiatives, allows us to improve our corporate value, leading to an increase in electricity sales to environment-conscious customers.	↗	↗	→	→	Short to long term	We have been working to disclose sustainability information through our integrated report and corporate website.

*Renewable energy refers to hydroelectric, wind, and geothermal power generation.

Risk and Impact Management

The J-POWER Group defines "risks" as potential threats posed to an organization that arise from its and society's dependencies and impacts on nature. The Sustainability Promotion Board chaired by the Sustainability Promotion Officer (President and Director) works together with Group companies to manage such risks by examining and promoting specific measures. The Sustainability Promotion Board convenes three times a year to discuss the drafting of the Basic Policy on Sustainability and other policies to be determined by the Board of Directors and the Executive Committee. It is also tasked with formulating plans and reviews measures based on policies, risk identification, assessment, and management, and other matters. In addition, the Sustainability Promotion Officer regularly reports the

contents of those deliberations to the Executive Committee and the Board of Directors to monitor the status of initiatives and reflect them in management and business plans.

The Board of Directors works to identify risks, including those related to ESG and sustainability, at an early stage by receiving regular reports on the status of business execution. The Board is also seeking to minimize the effect of losses when risks occur while fully understanding and avoiding risks in the execution of company activities, including ESG and sustainability risks, by ensuring mutual checks and balances in the internal decision-making process, discussions at various meetings, and the creation of a crisis management system in accordance with internal regulations during peacetime.

Disclosure Based on TNFD Recommendations

Indicators and Targets

The J-POWER Group has disclosed information on our environment target achievements in FY2024 in line with the core global indicators and metrics recommended by TNFD. With the local environment-related targets of “creation of a recycling-oriented society,” “biodiversity preservation,” and “protecting aquatic environments,” we will continue to work on the effective utilization of industrial waste, the preservation of habitat and growth environment of rare plants and animals, and the appropriate management of wastewater, among other initiatives.

[P.64 J-POWER Group and the Environment > J-POWER Group Environmental Targets](#)

Achievements against the core global indicators and metrics (dependencies and impacts)

Dependency and impact indicators and metrics assessed to be materials are as follows:

No.	Driver of nature change	Indicators	Metrics	Relevant dependencies/impacts
—	Climate change	GHG emissions	P.49 Climate Change Scenario Analysis (Disclosure Based on TCFD Recommendations)	Impacts: Emissions of greenhouse gas (GHG) Dependencies: Global climate regulation, rainfall pattern regulation, air purification
C2.0	Pollution/ pollution removal	Pollutants released to soil	***	
C2.1		Wastewater discharged	Highly treated wastewater: 3.32 million m ³	Impacts: Toxic pollutants released to water and soil, nutrient salt pollutants released to water and soil Dependencies: Water purification
C2.2		Waste generation and disposal	Industrial waste generated: 1.56 million tons Effective utilization rate: 93%	Impacts: Generation and release of solid waste Dependencies: Solid waste remediation
C2.3		Plastic pollution	Plastic waste: 1,190 tons Effective utilization rate: 45%	Impacts: Generation and release of solid waste
C2.4		Total emissions of non-GHG air pollutants	NOx: 21.7 thousand tons SOx: 8.9 thousand tons Soot and dust: 0.7 thousand tons	Impacts: Emissions of non-GHG air pollutants Dependencies: Air purification
C3.0	Resource use/ replenishment	Water withdrawal and consumption from areas of water scarcity	From areas of water scarcity*: • Water withdrawn: 0 thousand m ³ • Water consumed: 0 thousand m ³ *Areas of water scarcity are defined as areas assessed to have a water stress score of 4 or higher in the Aqueduct assessment.	Impacts: Volume of water use Dependencies: Freshwater supply
C3.1		Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Coal: 13.48 million tons Heavy oil: 31 thousand kl Light oil: 30 thousand kl Biomass: 126 thousand tons	Impacts: Extraction of other biological resources
EPC 2.0	Pollution/ pollution removal	Coal combustion residue (CCR)	CCR generated: 1.29 million tons Effective utilization rate: 92%	Impacts: Generation and release of solid waste Dependencies: Solid waste remediation

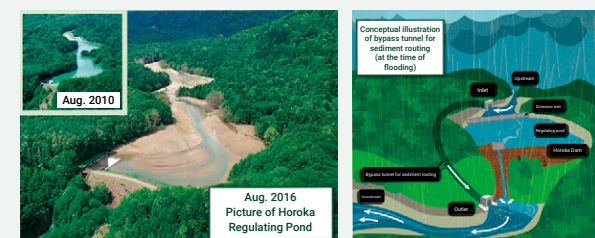
Natural Capital-Related Initiatives

To preserve the local environment, the J-POWER Group is making efforts to preserve biodiversity and the water environment tailored to the environment of each location.

Example of Initiatives

Installment of a bypass tunnel for sediment routing at Horoka Regulating Pond

The deposition of sediments due to rainfall and other reasons reduces the reservoir capacity. Therefore, we have been working to install bypass tunnels to maintain and improve the downstream river environment and ensure the stable supply of renewable hydroelectric electricity.



Development of small- and medium-scale hydroelectric power plants that utilize untapped water resources

We have been working to develop small- and medium-scale hydroelectric power plants that utilize untapped water resources, including those harnessing river maintenance flow and utilizing unused head of water from the water inlet to the reservoir.



Illustration of completed Ikushunbetsugawa Power Plant that harnesses river maintenance flow

Preservation of plant and animal habitats

We have been striving to preserve the habitat, growth environment, and ecosystems of plants and animals through such means as conducting construction work during the non-bleeding period at the habitats of rare birds. In the Okutadami and Otori Dam area, we are working on outdoor work plans and wetland maintenance in consideration of Japanese golden eagles and other raptors. At the construction office for expansion of Tozai Interconnection Line in Shizuoka, we compiled a pocketable book with information on rare plants and animals that inhabit and grow in the area around the construction site and use it to share information with those involved with the construction, aiming to help protect rare flora and fauna.



Engagement with Local Communities

Material issues ▶



Contributions to Local Communities

Structure enhancement

The J-POWER Group has adopted engagement with local communities as one of its material issues based on its business strategies, and aims to build relationships of trust with local communities as well as contribute to local revitalization efforts through proactive contribution activities in Japan and overseas. Based on the J-POWER Thoughts on Social Contribution Initiatives, as a good corporate citizen, the J-POWER Group engages with local communities, supports culture and the arts, promotes participation in volunteer activities, and actively contributes to international society. In addition, the Group has adopted a volunteer vacation system to support volunteer activities of its employees. The results and plans of each region's initiatives are compiled by the Sustainability Promotion Board and reported to the Board of Directors. In April 2024, the Group appointed Executive Officers/Executive Senior Advisors who would be responsible for special assignments related to local community engagement to confirm the progress of initiatives and discuss future policies related to local community engagement at each site. To implement these policies through concrete actions in the future, we combined operations related to local community engagement with the Public Relation Department and renamed the combined departments to Public Relations & Community Relations Department in April 2025.

See our website for the J-POWER's Thoughts on Social Contribution Initiatives

J-POWER's Thoughts on Social Contribution Initiatives

<https://www.jpowers.co.jp/english/sustainability/contribution/policy.html>

Social contribution activities

A total of 9,381* Group employees took part in 1,039 activities during FY2024. The activities include work-study programs and onsite classes (such as environmental education) in collaboration with educational institutions, as well as local environmental conservation and beautification activities such as tree planting, and environmental cleanups. The Group also engages in a wide range of activities, including conducting facilities tours, taking part in dialogues with communities and local events, and conducting patrols for traffic safety.

*Since FY2024, the Group employee participants include those in activities in the U.S. and Thailand.

Activities in Japan

With 61 hydroelectric power plants located throughout Japan, we are putting various efforts into action at each of the nearby river basins.

In the city of Uonuma in Niigata Prefecture, Okutadami Kanko Co., Ltd., our Group company, offers sightseeing boat tours on Lake Okutadami (approx. 70,000 users in FY2024) and operates the Okutadami Maruyama Ski Resort (approx. 20,000 users in FY2024) and a lodging facility Midori no Gakuen (approx. 6,000 guests in FY2024) as part of a joint project with the city. These initiatives contribute to regional revitalization and sports promotion through tourism.

At the Tadami and Tagokura Power Plants in Fukushima Prefecture, infrastructure tours (87 tour attendees in FY2024) are conducted in partnership with JR EAST VIEW TOURISM AND SALES COMPANY LIMITED, a subsidiary of East Japan Railway Company (JR East). Through this tour, we hope to find new attractions and add value to the area by combining a railroad project involving the Tadami Line with visits to our facilities.



Sightseeing boat on Lake Okutadami



Okutadami Maruyama Ski Resort

J-POWER Generation Service Co., Ltd. conducts community engagement events and facility tours at thermal power plants and business sites. These events offer a valuable opportunity for local residents to familiarize themselves with the Group's power plants and facilities, fostering greater engagement.



Appreciation Day at Matsushima Thermal Power Plant



Eco-energy tour at Miboro Power Plant

In the area where Ohma Nuclear Power Plant is located, we conduct activities such as science classes, geological formation observation tours, support for science lessons, and workplace visits for local high school, junior high school, and elementary school students.

Engagement with Local Communities

Material issues ►



Activities in Indonesia

In order to achieve self-reliance and ongoing community development, the Batang Power Plant in Indonesia is involved in activities such as educational support for children, support for local employment creation, and microfinance financing through business activities and programs via its operating company, Bhimasena Power Indonesia (BPI). For the policies and detailed track record on social contribution activities of the company, see BPI's website.

Bhimasena Power Indonesia CSR Program Summary

<https://www.bhimasenapower.co.id/content/15/rangkuman-csr/5>

Examples of activities

Economic activity support

Support for small-scale businesses (such as laundry and sewing)*¹, support for local microfinancing businesses (such as training), and support for employment creation

*¹ By 2024, support provided to a cumulative total of 3,020 people from 209 groups

Educational support

Support for local schools (a range of programs) in collaboration with environmental education programs of the Indonesian government and support for academic development, etc.

Health support

Provision of supplemental food, medical kits, etc.; support for village clinics; health support for villagers; and support to improve the hygienic environment, etc.

Social, cultural, and environmental support

Support for ecosystem restoration (such as mangrove planting and installation of artificial fish reefs through the placement of reef blocks), town clean-up activities, etc.

Infrastructure building*²

Support for water purification and sanitation management, support for renovation of uninhabited houses, support for repair of public infrastructure (such as mosques and schools), etc.

*² By 2024, support provided to 976 facilities

Activities in Australia

Genex Power Limited, a renewable energy developer in Australia converted into a wholly-owned subsidiary of the J-POWER Group in July 2024, has made a social and economic contribution to local communities through its business activities. The company has also been engaged in a range of initiatives in a manner not to negatively affect the safety, the natural environment, culture/natural heritage of local communities.

Genex Power, as a business operator placing emphasis on employment creation in local communities and promoting equal employment opportunities, has been striving to provide non-discriminatory employment irrespective of race, gender, age, ethnicity, marital status, disability, religious or philosophical beliefs, sexual orientation, or political affiliation.

The company's projects are expected to create the employment of a cumulative total of approximately 1,000 people by 2025. Of 151 people employed at Jemalong Solar Power Plant, 68% are local residents, 22% are women, and 11% are indigenous people.

Activities in the U.S.

J-POWER's U.S. subsidiary, J-POWER USA Development, and its power generation companies collaborate with local non-profits to revitalize the community through donations and volunteer work. For instance, we support local citizens with food support programs, educational support for students, and sponsorship of cultural institutions based on the needs of the community.



Educational support activities in Indonesia



Activities to support the employment of indigenous people in Australia



Educational support activities in the U.S.

Initiatives to Respect Human Rights

Material issues ▶



J-POWER Group Basic Policy on Human Rights

Keenly aware of its responsibility to respect the human rights of those whom its business activities may affect, the J-POWER Group endeavored to clarify its stance on the matter and, in June 2022, fulfilled that responsibility by establishing the J-POWER Group Basic Policy on Human Rights. This policy is based on such international standards as the International Bill of Human Rights, ILO International Labour Standards, OECD Guidelines for Multinational Enterprises, UN Global Compact Principles on Human Rights, and UN Guiding Principles on Business and Human Rights. Based on this policy, we promote efforts to respect human rights for all stakeholders, including those within our supply chain.

See our website for the J-POWER Group Basic Policy on Human Rights.

https://www.jpowers.co.jp/english/sustainability/contribution/human_rights.html

Scope of initiatives

The J-POWER Group Basic Policy on Human Rights applies to all employees and executives of our Group. We also encourage our business partners and suppliers to support this policy.

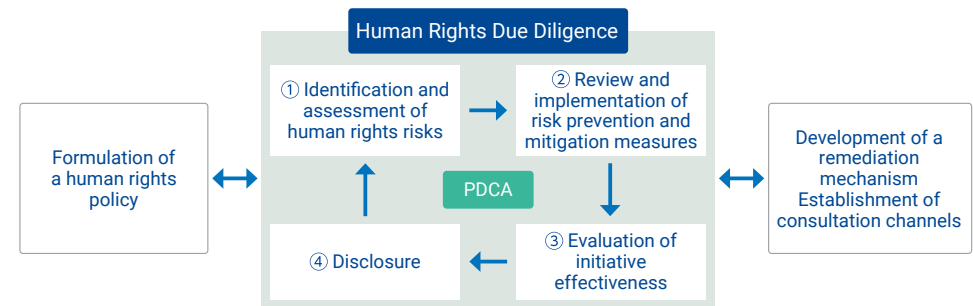
Promotion structure

In FY2022, we established a Human Rights Subcommittee under the Sustainability Promotion Board, which is headed by ESG Oversight (the President). The Subcommittee engages in discussions on issues related to human rights across various relevant departments. These departments in corporate and business divisions participate in discussions on policies on human rights and specific initiatives. Discussions and initiatives undertaken by the Subcommittee are reported to the Board of Directors through the Sustainability Promotion Board. The Board of Directors then provides instructions on these initiatives.

System for respecting human right



Framework for initiatives to respect human rights

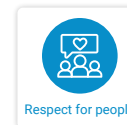


Overview of initiatives to prevent human rights violations

- With a mechanism for human rights due diligence based on the J-POWER Group Basic Policy on Human Rights in place, we are committed to understanding the negative impacts and risks to human rights. If it becomes clear that our business activities have had a negative impact, we will take appropriate measures to remedy the situation.
- In addition to banning child and forced labor, we thoroughly prohibit discrimination on any basis: discrimination based on race, skin color, gender, language, religion, nationality, age, sexual orientation, gender identity, gender expression, disability, political or other opinions, national or social origins, assets, social standing of family, or any other status or similar grounds.
- J-POWER also upholds the basic rights of its employees, including their right to freedom of association, respect for their right to engage in collective bargaining, and compliance with minimum wages. J-POWER has formed collective agreements with its labor unions. As part of these agreements, the Company consults with labor unions on significant changes to working conditions, including raises and bonuses. The two parties hold annual management policy discussions so that employee opinions are reflected in the resulting policy.
- In addition to utilizing independent outside expertise, we will periodically disclose information on the status of our initiatives and provide training and education to our directors and employees.

Initiatives to Respect Human Rights

Material issues ▶

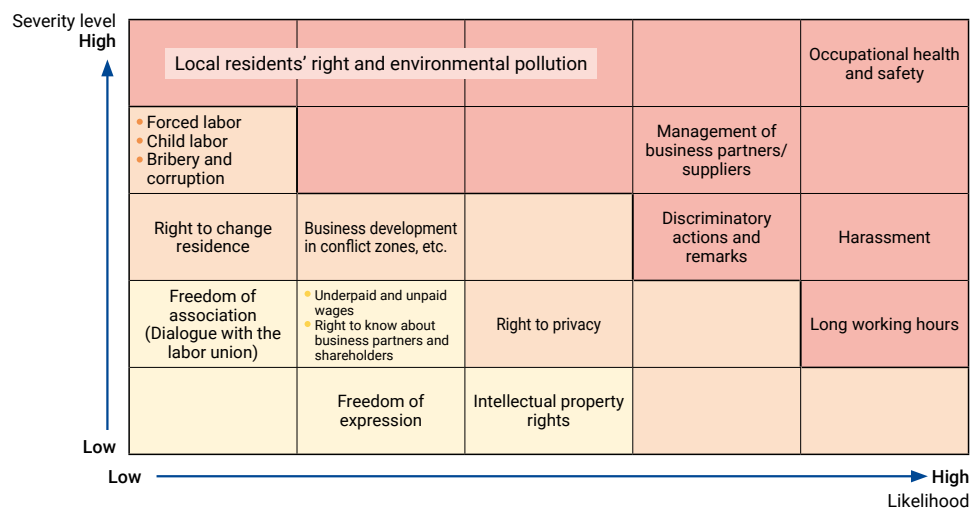


Human Rights Due Diligence

The J-POWER Group implements human rights due diligence through the Human Rights Subcommittee established under the Sustainability Promotion Board. To understand the potential negative impacts and risks to human rights, we organized human rights issues with the assistance of outside experts, in accordance with the UN Guiding Principles on Business and Human Rights and other international guidelines. In FY2023, we administered questionnaires and conducted interviews to identify internal human rights risks. In light of these findings and circumstances unique to J-POWER's business, the power industry, and J-POWER itself, we performed a human rights risk assessment (risk mapping) to pinpoint high-risk areas. We review and implement prevention and mitigation measures, focusing on these high-risk areas. In addition, we evaluate the effectiveness of initiatives at the Human Rights Subcommittee at fiscal year-end, report the results of such evaluation to directors to reflect the results in initiatives for the next fiscal year. For details of these initiatives, please refer to pages describing them.

[P85 Workforce health and safety](#) [P.77 Supply chain](#) [P83 The Realization of Work-Life Balance](#)

Human rights risk map



Approach to formulating the risk map

- ▶ The vertical axis represents the severity level, whereas the horizontal axis indicates the likelihood of occurrence. The prioritization criteria are based on the "Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains" issued by the Ministry of Economy, Trade and Industry (METI).
- ▶ Severity levels are categorized as high, medium, and low for scale, scope, and irremediability, respectively, based on the above criteria.
- ▶ Likelihood is assessed using these criteria, supplemented by quantifying the results from internal questionnaire responses.

Remediation Mechanism

The Group has established various internal and external consultation channels that employees can use anonymously to address issues related to harassment and compliance. Rules have been set in place for these services to ensure the strict management of employees' personal information and confidentiality and the protection of their privacy and non-disclosure obligation, thereby preventing any disadvantages to them. In addition to employees, the consultation channels are open to external stakeholders as well. Upon receiving a whistle-blowing report, we verify the facts, understand the issues, and proactively work toward a solution. Should any negative impact arise, we will take appropriate measures to address and remedy the situation.

[P.98 Compliance](#)

Training and Education on Human Rights and Compliance Initiatives

We conduct various training programs to help directors and employees gain knowledge about compliance, various types of harassment, diversity, and other topics related to respect for human rights. Among these is a program designed to deepen their understanding of the J-POWER Group Basic Policy on Human Rights.

Respect for human rights is also stipulated in the Group's Compliance Action Guidelines, which are distributed to all employees. In addition, a compliance survey is administered to all Group employees to regularly assess employee awareness, compliance risks, and changes in the environment. The survey is subsequently used to develop measures.

Results of major initiatives (FY2024)

Level-specific training	Lectures on human rights, compliance, and prevention of various forms of harassment given during training for new hires and management training (a total of 351 employees participated)
Human rights and compliance training	Lectures on human rights, compliance, and prevention of various forms of harassment held for employees working in target institutions (a total of 215 employees participated)
e-learning	- Implemented an e-learning program on harassment prevention for the Group's officers and employees (a total of 5,313 participants completed the program) - Implemented an e-learning program on psychological wellbeing for the Group's officers and employees (a total of 4,029 participants completed the program) - Implemented an e-learning program on business and human rights for the Group's officers and employees (a total of 5,111 participants completed the program)
Study sessions and lectures	- Conducted a study session on prevention of compliance violations (Antimonopoly Act) (53 participants) - Conducted diversity lectures jointly with Group companies (100 participants)

Supply Chain Management

Basic Policies for Product Procurement and Declaration of Partnership Building

J-POWER is committed to contributing to a sustainable society throughout its supply chain, including its business partners and suppliers. To this end, the Company has established the Basic Policies for Product Procurement and adheres to six guidelines: openness, fairness, economic rationality, long and reliable partnership, law-abiding practices, and respect for human rights and assurance of occupational health and safety. These guidelines are also available on the Company's website. In addition, in March 2022, we announced the Declaration of Partnership Building, aiming to foster cooperation and shared prosperity with our supply chain partners and value-creating businesses.

Basic Policies for Product Procurement

https://www.jpowers.co.jp/english/company_info/material_info/s01_.html

Declaration of Partnership Building

https://www.jpowers.co.jp/company_info/procurement/partnership.html (available only in Japanese)

Basic Policies for Product Procurement

1 | Openness

J-POWER is committed to procuring high-quality, fair-priced products and is open to collaborating with businesses from overseas as well as in Japan. J-Power always welcomes the participation of motivated new business partners and suppliers.

2 | Fairness

J-POWER always endeavors to be fair. Careful and fair selection of suppliers is made based on quality, price, reliability, delivery punctuality and compatibility of products, and technical capabilities, financial position, after-sale service, and environmental protection of the companies.

3 | Economic rationality

J-POWER procures products following the economic rationality underlying J-POWER's principle: "better products, better price."

4 | Long and reliable partnership

J-POWER considers after-sales service an essential component of the transaction once a sales contract is concluded and is willing to develop long and reliable partnerships with suppliers.

5 | Law-abiding practices

J-POWER believes that all business dealings conducted by its suppliers and by itself should comply not only with relevant laws and regulations but also with their spirit.

6 | Respect for human rights and assurance of occupational health and safety

J-POWER is committed to taking responsibility for respecting the human rights of all stakeholders, including those within the supply chain, in accordance with the J-POWER Group Basic Policy on Human Rights.

J-POWER ensures that it and its suppliers fulfill their responsibilities and obligations, with a priority on the safety of the public and relevant parties. Collaboratively, J-POWER works to enhance health and safety awareness, thereby preventing industrial accidents and fostering a comfortable working environment.

The Group communicates the Basic Policies for Product Procurement internally and provides training programs for procurement personnel to ensure proper procurement operations.

Procurement information and procedures are available on the Group's website for interested parties, promoting fair and transparent transactions. Additionally, the Group has established the consultation channels to assist with procurement-related inquiries.

Product procurement information

https://www.jpowers.co.jp/english/company_info/material_info/

Respect for Human Rights throughout the Supply Chain

In line with the J-POWER Group Basic Policy on Human Rights, we are advancing initiatives to respect human rights across all stakeholders. In April 2025, we started to send a letter of request for initiatives related to respect for human rights to key business partners and suppliers, thereby further encouraging all stakeholders to support this policy. In addition, we have established Compliance Consultation Points, ensuring confidentiality and anonymity, which are also available for use by the employees of the business partners of the J-POWER Group.

[P.75 Initiatives to Respect Human Rights](#)

Topics

Biomass fuel procurement from domestic and overseas sources

The Group is working to reduce CO₂ emissions through the mixed combustion of biomass fuels at coal-fired power plants. From the perspective of sustainably and stably procuring biomass fuel, the Group is also engaged in the business of producing sustainable biomass fuels such as woody fuels employing forest offcuts, which are underutilized resources in Japan. For overseas procurement, we also use third-party certification to ensure sustainability upon receiving certification documents for each transaction. In addition, we visit manufacturing plants and forests where raw materials are sourced, both in Japan and overseas, to exchange opinions with relevant stakeholders.

Wood biomass fuel production business in Japan

Project name Miyazaki Wood Pellet
Location Kobayashi City, Miyazaki Prefecture
Project overview A business with an integrated system, from setting up companies to manufacture wood pellets from underutilized forest offcuts, and manufacturing wood pellets, to using pellets for mixed combustion in J-POWER's coal-fired thermal power plants
 (Pellet production capacity: 25,000 tons/year)
Equity share 98.3%
Start of operation 2011



Wood pellets

Visits by our employees



Visit to a wood pellet plant (Vietnam)

Human Resources Strategy for Enhancing the Group's Competitiveness

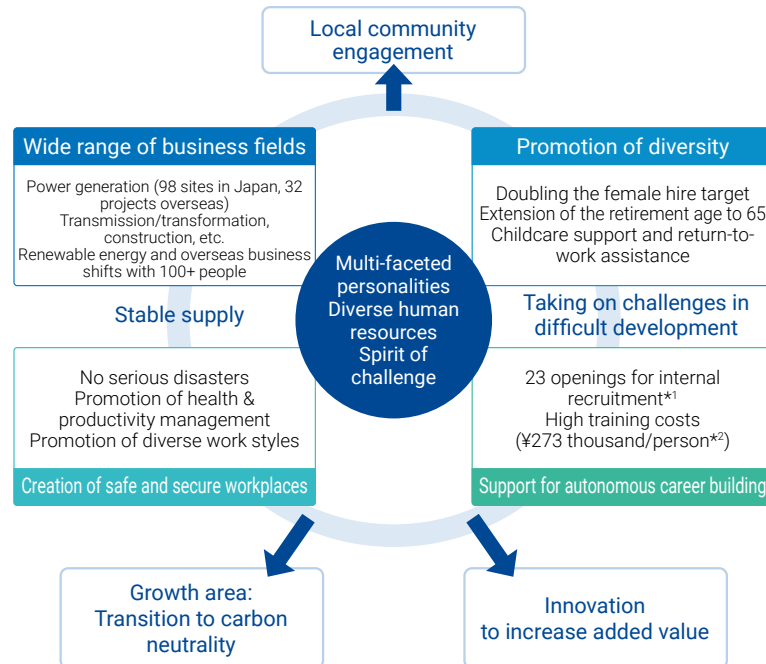
The J-POWER Group's Human Resources Strategy

Basic policy

The J-POWER Group aims to achieve a sustainable society by evolving its business portfolio and models to balance a stable energy supply with response to climate change. The Group recognizes each employee as a source of value in meeting the diverse needs of society and is committed to developing a wide range of human resources with multi-faceted personalities and a spirit of challenge.

Direction of human resources measures

The Group respects individuals and promotes diversity to create an environment where diverse human resources can play an active role, while also advancing the development of safe and secure workplaces. By leveraging our extensive range of business fields, we will provide employees with diverse work experiences while simultaneously enhancing human resources systems to support their independent efforts in taking on challenges.

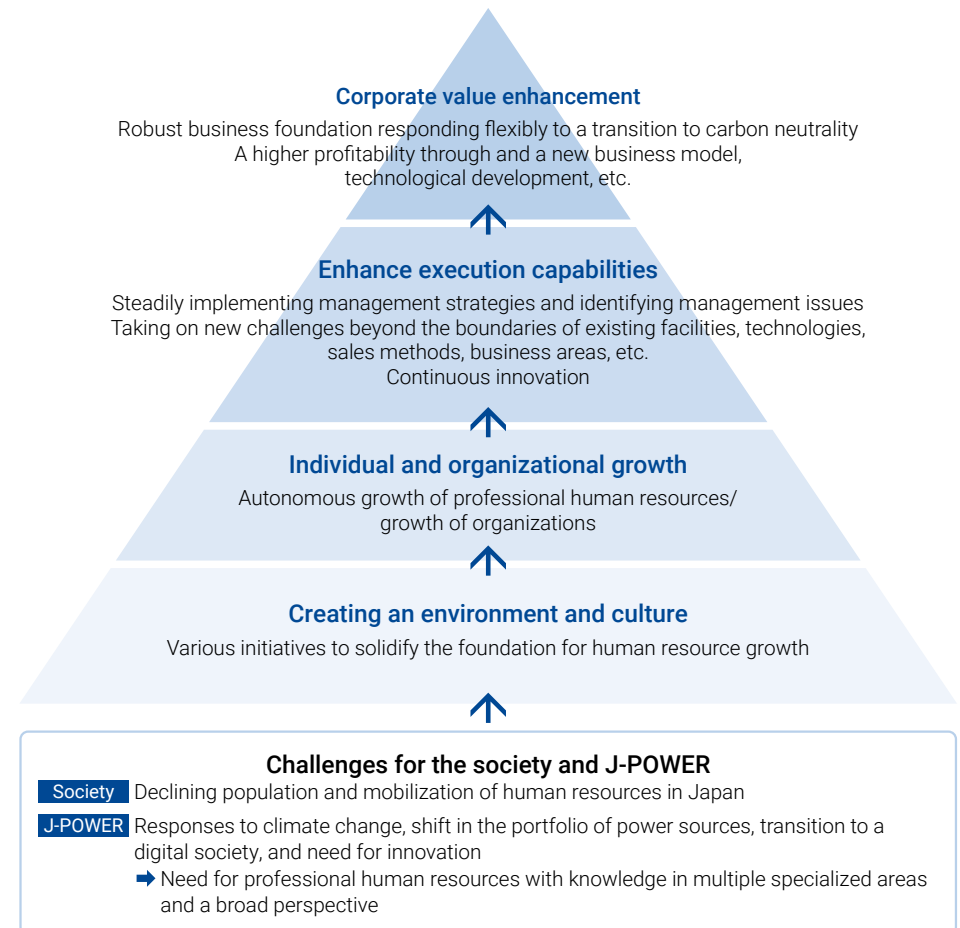


*1 Cumulative results through FY2024 *2 FY2024 results

Value creation

Through diverse human resources measures, we will advance the development of carbon-neutral assets and the transition of thermal power generation in Japan. Concurrently, we will expand into new business areas, enhance our high-value-added services, and drive innovation to stimulate growth, while securing sustainable revenue streams. We will also actively engage with local communities through energy development that leverages local resources, including renewable energy.

With the dynamic participation of the Group's human resources, we will contribute to addressing various social issues facing Japan and the world, thereby delivering value at local and global levels.



Material issues ▶



Respect for people

Human Resource Development and Management

Material issues ▶



Basic Policy

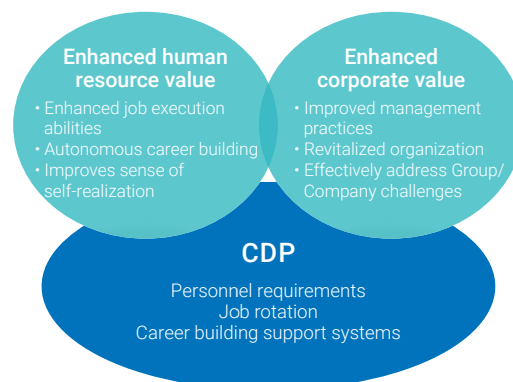
The J-POWER Group aims to develop professional human resources with knowledge in multiple specialized areas and a broad perspective who can take on the challenges of management issues while managing projects and human resources. We have formulated a diverse Career Development Program (CDP) to enhance the human resource value of our employees and the corporate value of the Company through job rotation that considers personnel requirements and a framework that supports employees' autonomous career building.



Formulating the Career Development Program (CDP)

The CDP is based on personnel requirements, job rotation, and career building support systems, promoting employees' autonomous career building and skill development. Through human resource development measures implemented from a medium- to long-term and comprehensive perspective via CDPs, we aim to develop human resources that increase the value of both the Company and its employees.

Overview of the CDP



Diverse CDPs

We have created CDPs for women, allowing them to proactively achieve career building aligned with their major life events.

In addition, we have established a cross-sectional CDP that transcends the boundaries of business divisions and Group companies and are aiming to flexibly assign human resources to enable us to respond to future changes in power supply composition and business models.

Personnel Requirements and Job Rotation

The Group lays out its personnel requirements according to job type, business division, job function, and position, as well as specifies the required abilities (behavioral requirements), knowledge and skills, recommended qualifications and training, etc. Furthermore, the Company divides its employees' overall careers into three broad stages: the basic knowledge and skill acquisition stage, the expert stage, and the professional stage, promoting the acquisition of abilities necessary for each stage through job rotation.

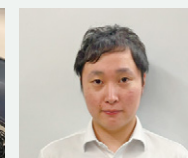
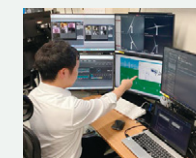
Topics

Cross-Group CDP

We have implemented the Cross-Group CDP, a program for sharing human resources among Group companies, since 2021, in order to adapt to changes in the business environment surrounding the J-POWER Group and foster business growth. To date, 42 technical employees from thermal Group companies have been seconded to J-POWER headquarters and to hydro-electric/wind, telecommunications, and IT departments of Group companies. We are committed to increasing the Group's competitiveness by providing employees with opportunities to broaden their knowledge, advance their careers, and share experiences across Group companies.

Comments from a program participant

I joined J-POWER Generation Service Co., Ltd. as a mechanical engineer, where I operated key equipment and maintained fuel transportation facilities at thermal power plants. Under this program, from January 2022, I belong to Wind Power Central Control Station, Onshore Wind Power Business Dept. of J-POWER. We have been striving to mitigate troubles by monitoring wind power plants with cameras and sharing the results of data analysis with wind power plant personnel. My experience and knowledge gained through thermal power operations have proven useful in many situations. From now on, I would like to promote the digitalization of the wind department. I truly feel that I can learn a lot by stepping into a new field.



K.N., Wind Power Central Control Station,
Onshore Wind Power Business Department

Human Resource Development and Management

Material issues ▶



Autonomous Career Building

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.

One-on-one meetings

The Company has introduced one-on-one meetings using an external system to provide opportunities to communicate between managers and subordinates. Besides formal interviews as part of the declaration system, these meetings are positioned as opportunities for managers and subordinates to discuss informal topics outside of work and career development, thereby contributing to the creation of a workplace built on trust through close communication between them and the assurance of psychological safety.

Training system and support for taking on challenges

In addition to new employee training, the Company implements training programs that align with the career and life stages of its employees. In purpose-specific training, we provide tailored programs that address changes in the business environment, including DX and carbon neutrality, as well as the enhancement of business skills. To develop next-generation management candidates, the Company conducts training programs that focus on identifying management issues, formulating solutions, and engaging in discussions with executives. Furthermore, the Company implements a full range of initiatives to support employees' efforts toward autonomous career building and skill development, including open internal recruitment for in-house internships and projects and overseas exchange programs for study and work.

For details of the training system and training records, please refer to [Supplementary Material <Social>](#).

Training System

- Level-Specific Training, Department-Specific Training
- Purpose-Specific Training, Management Training
- Encouragement of self-improvement

Support for Challenges & Open Internal Recruitment

- Project-Specific Open Internal Recruitment
- In-house Internship
- Exchange Program (Graduate schools in Japan or abroad)
- Work Exchange Program (Gain work experience in developing countries)

Topics

Comments from an Open Exchange Program user

I applied for the Open Exchange Program to study innovation approaches. I majored in system design and management at a domestic graduate school, where I spent two years intensively studying cutting-edge theories. In particular, in project-based classes, while I faced challenges of leveraging diversity, it was highly stimulating to jointly create new ideas together with people of various ages and backgrounds. Currently, I am expanding what I have learned from day-to-day operations, hoping to contribute to creating a workplace that fosters innovation.



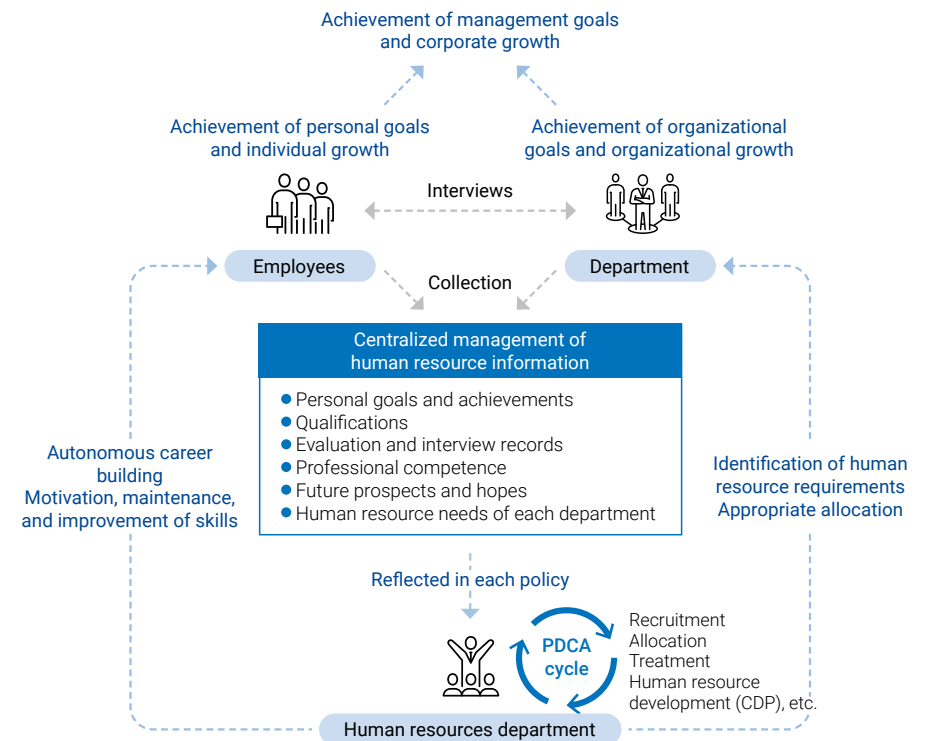
A.K. Attached to Research & Development Dept. (at the time of studying in the graduate school); Research Promotion Office, Research & Development Dept. (front right of the picture)

Evaluation Management

We have adopted a system to evaluate performance based on both achievements measured using a goal management system and abilities demonstrated in the execution of duties. We centrally keep track of these evaluations, status of job performance, and information self-reported by employees, such as their future outlook and goals, and take these into account in our various policies, including those for the development and strategic allocation of human resources.

We work to accomplish both organizational and individual goals by assigning human resources appropriately and by assisting employees in advancing their careers and keeping them motivated, which enables us to accomplish our management goals.

Human resource management at a glance



Workplace Development for Ensuring Success of Diverse Human Resources

Material issues ▶



Basic Policy

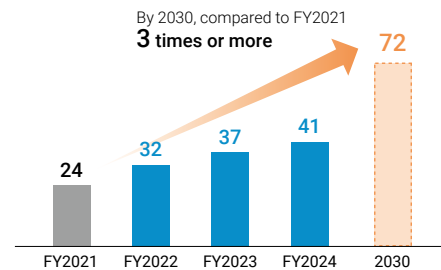
The active participation of human resources with diverse personalities is crucial for the J-POWER Group's sustainable growth. We are working to create a system and working environment in which a wide range of human resources fully demonstrate their abilities and play an active role regardless of factors such as gender, nationality, race, work history, experience, age, or disability to generate greater added value.

Diversity & Inclusion

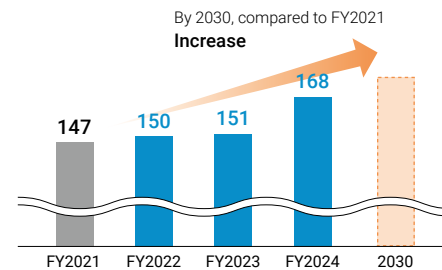
KPIs

J-POWER has positioned senior employees as core human resources among employees in a career-track position. Based on the principles of the Corporate Governance Code, we are establishing targets for the promotion of women, foreign nationals and mid-career hires to senior roles by 2030. In light of the fact that we achieved the previous target ratio of women in new graduate hires of 20%, we have revised upward the target to 25% or more (average between FY2025 and FY2027) with the aim of further promoting diversity.

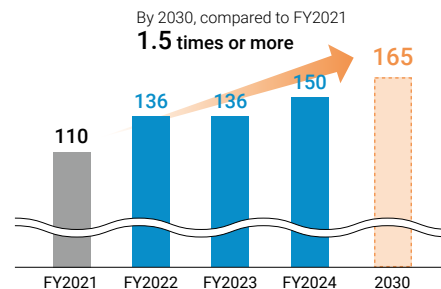
Appointment of women to senior roles



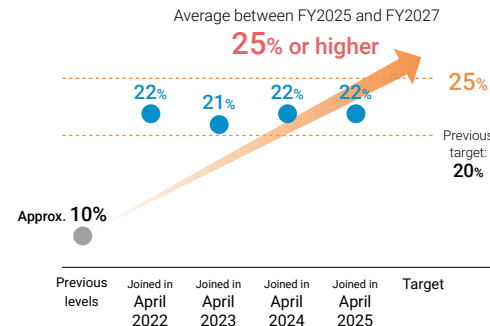
Appointment of foreign nationals to senior roles



Appointment of mid-career hires to senior roles



Percentage of women among new graduate hires



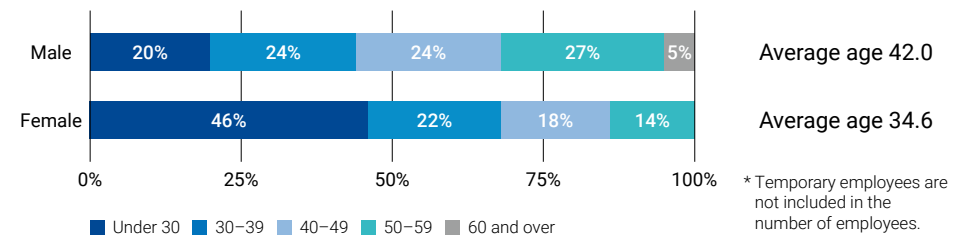
Career-building support for female employees

The breakdown of female employees by age group indicates that those under 30 years old constitute the largest proportion, exceeding 46%. We are aiming to facilitate information exchange and strengthen cooperation among female employees, as well as offer career-building support, including the formulation of CDPs* for women. These efforts allow them to continue to work with confidence even after major life changes like childbirth and the need for childcare.

*Career Development Program

[P.79 Diverse CDPs](#)

Breakdown of J-POWER employees by age group (As of March 31, 2025)



* Temporary employees are not included in the number of employees. Similarly, 1,153 seconded and other personnel are not included in this count.

Topics

Gender wage difference

While gender wage differences arise from variations in personnel composition, the compensation system itself does not differentiate based on gender.

- Difference in wages between male and female workers calculated based on the Act on the Promotion of Women's Active Engagement in Professional Life
All employees (60.1%), regular employees (60.4%), non-regular employees (66.4%)
- Comparison of base salaries of employees in a career-track position. Percentage ratio of female to male wages.
Under 30 years old (97.1%), 30-39 years old (98.2%), 40 years old and over (103.4%)

Workplace Development for Ensuring Success of Diverse Human Resources

Material issues ▶



Respect for people

Foreign national, mid-career, alumni (former employees), and referral hires

As the Overseas Business is one of the core businesses for the Company, our policy is to increase the number of foreign national senior employees on a Group-wide basis. This will be achieved by promoting professionals with expertise in their respective countries and regions through hiring at local subsidiaries.

Due to the increase in the number of new projects in recent years, including the development of renewable energy both in Japan and abroad, we are strengthening our efforts to hire personnel who can have an immediate impact from a variety of fields and industries, including project management, finance, legal, international business, DX, fuel and material procurement.

Employees who play active roles by leveraging their knowledge and experience include former employees who, after leaving the Company and gaining expertise in various fields, have rejoined us as alumni hires, and referral hires who joined the Company on referral from its employees and others.

Enhancing advanced age employment and improving working conditions for younger employees

Since 2021, J-POWER is gradually raising its mandatory retirement age to 65. Through our motivated older workers, we leverage their expertise and experience. As of March 31, 2025, the J-POWER Group has 378 participants in the continuous employment system and the personnel registration system.*

For younger workers, we are continuously working to improve working conditions, and through support for autonomous career building, we aim to create a system that allows them to work with a sense of fulfillment.

* Accessible until the conclusion of the fiscal year in which employees turn 70

Employment of people with disabilities

As of June 1, 2025, J-POWER's employment rate of people with disabilities is 2.39%. We are enhancing working environments and promoting understanding among other employees through such initiatives as establishing the consultation channels 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 improve our employment rate of persons with disabilities.

Early appointments for developing next-generation middle management

Middle management typically falls into a more experienced age bracket, largely due to the Company reducing its hiring of new graduates before and after its privatization in 2004. We are currently focused on appointing younger employees to the middle management tier earlier, while also implementing human resource development measures, including training for potential management-level employees.

Topics

Initiatives by the dedicated diversity organization

To establish integrated and consistent policies, systems, and work environments, the Diversity Promotion Task unifies all functions, including diversity promotion, training and development, personnel and labor system studies. The Task Force conducts study sessions on childcare and maternity leave, holds lectures on diversity and inclusion (D&I), regularly shares updates through the Group newsletter, organizes the Dialogue Session with Female Executive Officers to support the career development of female employees, and implements other initiatives.



Dialogue Session with Female Executive Officers

Technological exchange participated by a partner company in Thailand

The J-POWER Group is strengthening collaboration with domestic and overseas Group companies and partner companies to improve power plant maintenance and operational technologies. In FY2024, we held the Maintenance and Operation Technology Results Presentation by the thermal power sector, a sector responsible for maintenance and operation of J-POWER's thermal power plants, with the participation of not only domestic thermal power plants but also by Osaki CoolGen Corporation, the Group company, J-POWER Generation (Thailand) Co., Ltd., a local subsidiary in Thailand, and its partner company in Thailand. The participants made presentations on a wide range of topics in the thermal power sector, including maintenance, operation, and construction, covering creative initiatives of power plant site, and shared mutual recognition of their ongoing efforts and capacity for improvement.

At this presentation, the partner company showcased an initiative in which the addition of the program developed in-house for their existing plant monitoring system (machine-learning) helped reduce outsourcing fees and improve reliability.

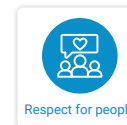
In the future, we will continue to collaborate with our domestic and overseas Group companies and partner companies to come up with solutions for improving the maintenance and operational technologies of thermal power plants, ultimately enhancing the value of the thermal power sector.



Group photo at the Maintenance and Operation Technology Results Presentation by the thermal power sector

Workplace Development for Ensuring Success of Diverse Human Resources

Material issues ▶



The Realization of Work-Life Balance

The J-POWER Group is promoting the creation of a workplace environment and culture where each and every employee can autonomously enrich both their work and personal life, and focus on highly creative work.

Flexible work styles and DX promotion

With the use of online tools, a “swing time” system*¹ with a maximum of two hours, and a remote work system (excluding part of the front-line organizations), we have implemented steps to increase work productivity and suit various workstyles. Alongside these initiatives, we aim to create the 3Ps “Yoryoku”² by reducing operation and maintenance tasks and enabling location-independent operations through DX. In addition, campaigns to encourage employees to leave office on time at each operating unit, such as No Overtime Day at our headquarters, are implemented to reduce working hours by raising employees’ awareness of work efficiency.

*1 Self-determined flexible working hours for starting earlier or later *2 Powers of potentiality, productivity and predictivity

[P.45 Promotion of DX](#)

[For details of initiatives related to workstyle and their results, please refer to Supplementary Material <Social>.](#)

Benefits

We have put in place a range of benefit programs for our employees and their families to enrich their lives. For instance, our headquarters and business sites provide dormitories and company residences for our employees who have been transferred to different locations nationwide and their families.

Major examples of benefit programs

- Providing dormitories and company residences at each site
- Employees Shareholding Association
- Cafeteria Plan Program
- Holding community events for health improvement and promotion



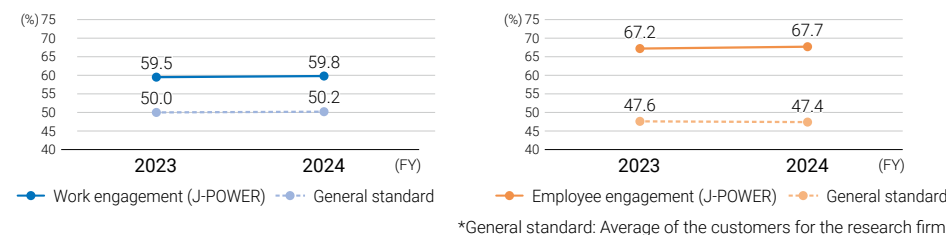
Family Sports Day 2024 in Yokohama, a community event, was held in the headquarters area. A total of 424 employees and their family members participated in the event.

Scope of target employees

- Dormitories/company residences:
All interested employees as specified by internal rules
- Employees Shareholding Association/Cafeteria Plan Program:
All employees, excluding part of non-regular employees
- Community events:
All employees. Some events are also available for employees’ families.

Engagement survey

We conduct an engagement survey every year to quantitatively evaluate employee status in two key areas: work engagement, which reflects employees’ enthusiasm and attitude toward their work; and employee engagement, which denotes their sense of belonging and attachment to the Company. In the FY2024 survey, 96.0% of employees participated. Of those who responded, 59.8% provided positive feedback on work engagement questions, while 67.7% responded positively to employee engagement questions, both of which are higher than general standards. From FY2023, scores improved significantly in questions regarding “Empathy for Corporate Philosophy and Vision,” “Trusted Relationship with Management,” and “Consideration to Career.” However, since we recognized that we have issues with middle-tier employees (middle management generation) based on the results of a statutory stress check, we have provided a self-care training session for them in order to reduce their stress and improve their engagement. We will continue conducting this survey to identify issues that need to be prioritized and reflect these issues in our human resources and labor policies, while providing more effective training programs, among other measures.



Conducting management discussion meetings

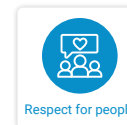
The J-POWER Group holds J-POWER Group management discussion meetings, providing a platform for direct exchanges of opinions between management and employees. In FY2024, executives from the Company and its Group companies visited 30 locations (over 130 institutions within the Group) across Japan, including the head offices of the five main Group companies, to exchange opinions with employees working on the front lines of ensuring a stable energy supply. To improve business operations, opinions and comments from each operating unit are discussed at the Board of Directors, Executive Committee, and other meetings. Based on feedback from past management discussion meetings, we have worked on various measures, including the improvement and review of the working environment and communication methods, as well as the introduction of an internal social media. Below are some comments and opinions received during the recent management discussion meetings:



Category	Main opinions
Group's business policy	• About thermal power transition • About the new Medium-Term Management Plan
Human resources and labor policies	• About human resource development across the Group • About benefit programs
New initiatives and ideas	• About new business ideas • About innovations in procurement/contracting methods
Internal communication	• About communication opportunities for employees beyond the boundaries of business departments

Workplace Development for Ensuring Success of Diverse Human Resources

Material issues ▶



Childcare leave

The J-POWER Group has set a target of 100% childcare leave uptake and is striving to create a workplace environment that facilitates its use. To enable employees to take childcare leave in accordance with their life plans, the Company offers unique support programs that exceed the statutory requirement. As a result, the Company received “Kurumin” certification from the Minister of Health, Labour and Welfare, recognizing it is a company that supports childcare. Moreover, we also received the special “Platinum Kurumin” certification mark, which is awarded only to companies with initiatives that meet an even higher standard.

- Childcare leave uptake (%)
 - Male: 100% (Days of leave taken: 33.5)
 - Female: 100%
 - Total: 100%



Maternity and Childcare Leave Handbook distributed to all Group employees

Consultation channels

Consultation channels regarding working hours, work environment, support for employees with disabilities, harassment, work environment influenced by gender diversity, and maternity and childcare leave are available. The consultation channels observe confidentiality obligations, and the privacy of employees using the consultation channels is assured. By upholding internal policies and procedures, as well as by offering level-specific training and displaying awareness-raising posters, we are working toward harassment prevention. A system is in place to ensure effective responses, and the managers of each department also receive training on how to handle difficulties should they arise. We offer customized system explanations and interviews as appropriate in response to questions from employees about maternity and childcare leave.

[P.98 Compliance](#)

[P.75 Initiatives to Respect Human Rights](#)

Programs to help balance work and life

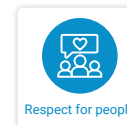
We operate a dedicated internal portal site to widely share information, fostering an environment in which employees can easily use various work-life balance support programs. From April 2025, to help female employees keep working while dealing with women-specific health issues, the conventional menstrual leave was renamed to femcare leave so that female employees can take the leave when they are in bad health due to premenstrual syndrome (PMS), morning sickness during pregnancy, menopausal symptoms, and infertility treatment. In addition, we have begun to disseminate the Company's nursing care system to employees aged 40 and over and also individually inform them of this system. We provide an environment in which a diverse range of our employees can focus on their work with a sense of security through the programs to balance work and life, including childcare.

Examples of programs to help balance work and life

	Name of program	Content
Programs to help balance work and childcare	Leave before and after childbirth	From 6 weeks before delivery to 8 weeks after delivery *Can be taken from 8 weeks before childbirth with a doctor's diagnosis of leave of absence.
	Spousal leave	From during spouse's pregnancy to a max of 8 days during the first 2 weeks after delivery.
	Childcare leave	Until the end of April of the year the child turns 2 (Law dictates until the child turns 1 with an upper limit of up to 2 years of age)
	Time off for nursing care	Until the end of the child's third year of elementary school (5 times a year, or 10 times a year for two or more children) (as per legal requirements)
	Shortened working hours for childcare	Until the end of the child's third year of elementary school (until the age of 3 is legally required). Flextime can also be utilized.
	Childcare hours	Until reaching 1 year of age (2 times/day for 30 minutes) (as per legal requirements)
Programs to help balance work and family member care	Family member care leave	Up to 365 days per person (93 days per person is legally required)
	Shortened working hours for family member care	Total of 3 years per person (No limit on how time can be divided)
	Time off for family member care	5 days/year for one family member; 10 days/year for two or more family members
Other	Femcare leave	Available for use when female employees find it extremely difficult to work due to reasons unique to women
	Other (Life Support Leave)	Available for use for reasons such as childcare, family member care, and infertility treatment

Occupational Health and Safety/Health and Productivity Management

Material issues ▶



- The J-POWER Group has established a Basic Policy on Occupational Health and Safety, aiming to create safe, healthy, and rewarding workplaces as the foundation of its business activities, with the utmost priority given to ensuring safety.
- In the area of respect for people, which is one of our material issues, we are also promoting initiatives to ensure occupational health and safety.
- J-POWER Group companies each have roles and responsibilities and collaborate on implementing health and safety management to prevent occupational accidents, including those of partner companies, and to maintain and improve the health of employees.

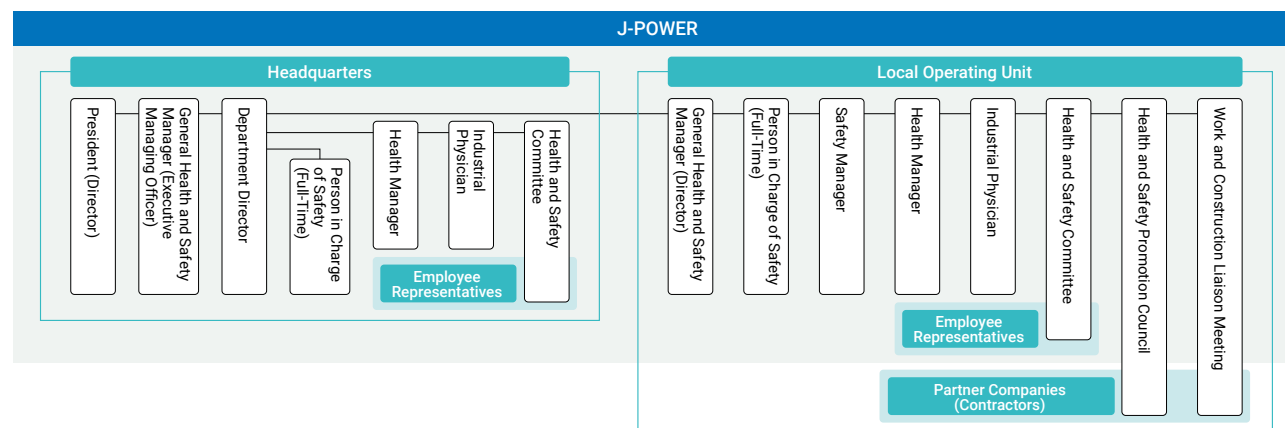
For details of the Basic Policy on Occupational Health and Safety, please refer to Supplementary Material <Social>.

Health and Safety Management Systems

Based on laws and regulations, the J-POWER Group engages in initiatives to prevent dangers and health hazards to employees primarily through health and safety committees at headquarters and local operating units such as power plants. Health and safety committees are composed of a general health and safety manager, a safety manager, a health manager, an industrial physician, and representatives of labor unions. Health and safety committees engage in preemptive risk assessment regarding matters such as the work employees perform, consider safety measures, etc., and hold periodical meetings between labor and management to discuss matters such as the measures to prevent the recurrence of occupational accidents and health hazards that have occurred. In addition, health and safety promotion councils have worked on safety and health management of overall operations including the operations and construction work at facilities such as power plants in collaboration with each of the J-POWER Group companies and partner companies.

J-POWER has established Labor & Plant Safety Management Department to enhance coordination between occupational safety and facilities security operations, foster the development of specialized human resources in both areas, and raise the safety awareness and level across the Group.

Health and safety management system



Group Operational Health and Safety Plan

Each fiscal year, the J-POWER Group establishes a Group Operational Health and Safety Plan with individual Group companies formulating their own operational health and safety plans based on this framework. The whole Group is working together in promoting initiatives to achieve goals.

FY2025 Group Operational Health and Safety Plan

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

Occupational Accident Prevention Initiatives

Most of the occupational accidents in the J-POWER Group have occurred among contractors engaged in construction and other work. To prevent accidents before they occur, we conduct risk assessments from the planning stage and, together with inherent safety measures, promote an approach integrating facilities, management, and people to ensure that work can be performed in a safe environment.

Facilities: Enhance risk assessments and implement reliable countermeasures customized to specific conditions at each site

Management: • Ensure organizational safety management instead of relying solely on individual efforts

- Implement initiatives with an awareness of the tasks to be handled by *Hitori* [one person] (1H), while also adhering to the paradigm of *Hajimete* [first time], *Henko* [difference from the previous time], and *Hisashiburi* [first time in a while] (3Hs)

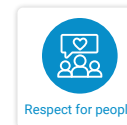
People: • To raise safety awareness, enhance safety events based on the assumption of full participation in these events and revitalize communication through prompt information sharing

- To elevate safety standards, develop professionals in safety through enhanced education, training, etc.

In addition to the above initiatives, the President delivers safety messages at events such as National Safety Week and the J-POWER Group Safety and Health Conference to raise awareness and instill a culture of safety-first behavior. In the event of an occupational accident, we promptly provide aid, investigate the circumstances and causes of the accident, establish measures to prevent recurrence, and implement these measures horizontally, while we also report such an accident each time it occurs and periodically to the Executive Committee and the Board of Directors.

Occupational Health and Safety/Health and Productivity Management

Material issues ▶



Health and Safety Training

J-POWER implements health and safety training for the J-POWER Group at J-POWER headquarters and local operating units for the purpose of improving the health and safety of the entire 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, including superintendents, and dedicated safety staff, are required to participate in seminars, etc. held by external organizations in order to improve their health and safety knowledge and management levels and to raise safety awareness. In FY2024, about 800 employees participated in training programs held by J-POWER headquarters.



Risk simulation training



Safety management training

Health and Safety Management with Regard to Radiation

J-POWER is proceeding with the construction of the Ohma Nuclear Power Plant in Oma Town, Shimokita District, Aomori Prefecture. Currently, there is no danger of employees and workers being affected by radiation. However, we plan 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

We promote health checkups and detailed health maintenance guidance based on the results of the checkups and take infectious disease prevention measures to maintain and improve the health of employees and their families. With an emphasis on prevention against lifestyle-related diseases and mental health problems, we aim to maintain and improve the high consultation rate (90% or more) with regard to comprehensive medical checkups. As a result, in FY2024, the target was met with a 92.3% success rate. By implementing various follow-up activities, such as mental health training based on the results of stress tests, and health maintenance and promotion activities, we also boost both physical and mental health.

Promoting health & productivity management

Under the slogan “from treatment to prevention,” J-POWER Group promotes health management by engaging in health maintenance and improvement activities while being cognizant of the PDCA cycle. Specifically, we held a walking event for employees and their families and a health assessment event featuring game-oriented measurement of walking posture and fall risk, provided financial support for and encouraged participation in a smoking cessation program, hosted a seminar with a physician where participants can learn about health issues unique to women (by life stage) for all employees, including management, irrespective of their gender, and implemented other initiatives. In FY2024, we also administered influenza vaccinations at Company sites to support our efforts in ensuring a stable supply of electric power. In recognition of these efforts, J-POWER was certified in 2025 as a Health & Productivity Management Outstanding Organization by the recognition program jointly implemented by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council) (for the seventh consecutive year). J-POWER Business Service Corporation (for the fourth consecutive year) and J-POWER Design Co., Ltd. (for the third consecutive year) were also certified by the same program. 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.

Initiatives by the Wellbeing Support Center

In order to support the physical and mental conditioning of each and every employee, the Group has established the Wellbeing Support Center as a dedicated organization. The Group will encourage centralized management of data on the findings of health exams and stress tests and ongoing monitoring of the physical and mental health conditions. Additionally, we will take measures to enhance employees' health across the entire Group to foster an environment in which the human resources that underpin the Group's operations can play an active role.

Corporate Governance

Material issues ▶



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 these outcomes can only be achieved in cooperation with a wide range of important stakeholders, including 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 our website.

<https://www.jpower.co.jp/english/sustainability/governance/governance.html>

Changes to strengthen corporate governance

- FY2004** ○ Fully privatized by listing on the First Section of the Tokyo Stock Exchange
- FY2006** ○ Strengthened the Audit & Supervisory Committee Member system (Transitioned to a system of **three** outside Audit & Supervisory Board Members)
- FY2009** ○ Invited **one** Outside Director (Ratio of Outside Directors **1/14**) 
- FY2014** ○ Transitioned to a **two-person** Outside Director system (Ratio of Outside Directors **2/13**) 
- FY2015** ○ Established the Basic Policy on Corporate Governance
Started evaluation of the effectiveness of the Board of Directors
- FY2016** ○ Transitioned to a **three-person** Outside Director system (Ratio of Outside Directors **3/14**) 
- FY2019** ○ Expanded the executive officer system (clarification of business execution functions)
Established the Nomination and Compensation Committee
- FY2022** ○ Transitioned to a company with an Audit & Supervisory Committee (Ratio of Outside Directors **6/16**)
Introduced performance-linked remuneration and stock compensation 
- FY2023** ○ Raised the percentage of performance-linked remuneration from 10% to around 20%.
Incorporated non-financial indicators as evaluation indicators for performance-linked remuneration

Strategic shareholdings

J-POWER does not maintain strategic shareholdings unless such shareholdings are deemed to serve a purpose. For details, such as the purpose of any shareholdings, please see our website.

Number of specified investment shares and carrying amount stated on balance sheet

	FY2020	FY2021	FY2022	FY2023	FY2024
Number of stocks	17	16*	16*	16*	16*
Carrying amount stated on balance sheet (million yen)	26,177	28,455	28,111	41,613	46,218

* Excludes one listed startup company

<https://www.jpower.co.jp/english/sustainability/governance/governance.html>

General meeting of shareholders

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

The Company distributes a notice of its annual general meeting of shareholders around four weeks prior to the meeting date in Japanese and three weeks prior in English 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. Moreover, the Group strives to avoid scheduling the general meeting of shareholders for the dates most crowded with other companies' shareholder meetings.

Ensuring shareholder rights and equality

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).

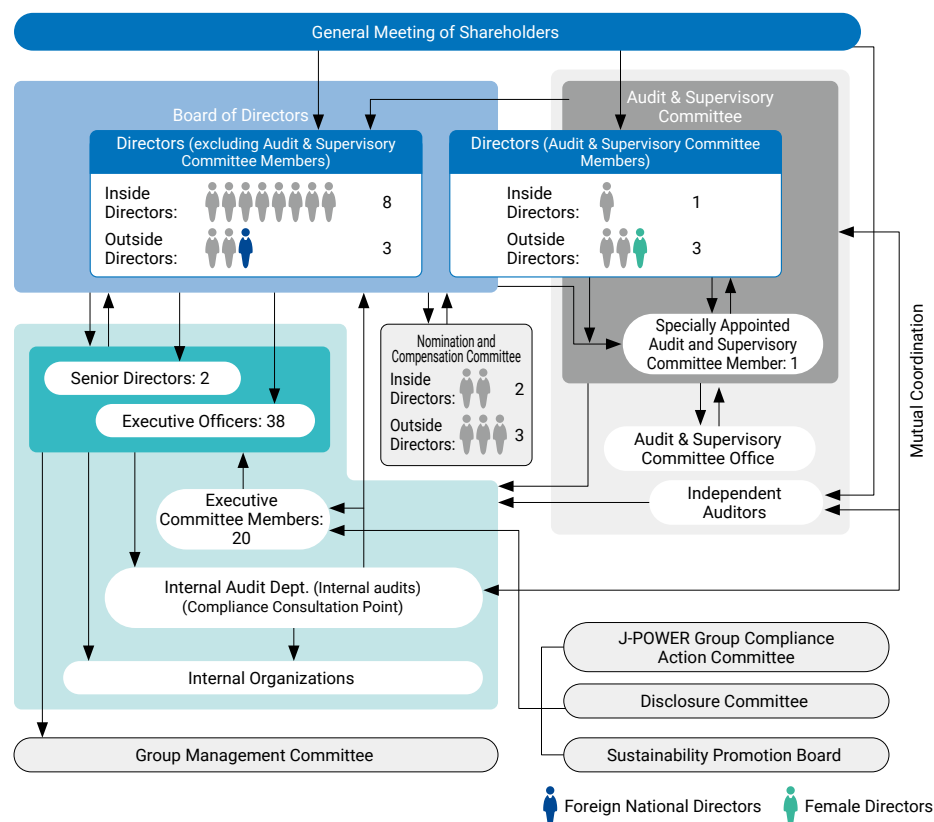
Corporate Governance

Material issues ▶



Composition of the Board of Directors and Committees

Corporate governance structure (As of June 26, 2025)



Attendance at meetings of the Board of Directors, Nomination and Compensation Committee, and Audit & Supervisory Committee

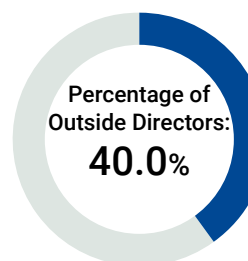
*Attendance = Number of meetings actually attended ÷ Total number of meetings that each director/committee member must attend

	Number of members	Number of meetings held	Attendance
Board of Directors	16	13	99%
Nomination and Compensation Committee	5	5	100%

Composition of Board of Directors

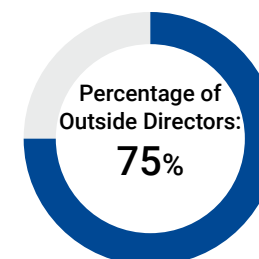
The Board of Directors is composed of Directors with abundant experience, deep insight and highly specialized knowledge to maintain balance and diversity in the knowledge, experience, and abilities of the Board of Directors as a whole. The Board is composed of no more than 12 Directors (excluding those serving as Audit & Supervisory Committee Members) and four Directors serving as Audit & Supervisory Committee Members.

To ensure the effectiveness of the independent and objective management supervision by the Board of Directors, the Company endeavors to have at least one-third of its Directors be Independent Outside Directors who are selected for their experience, knowledge, specialization, and other attributes.



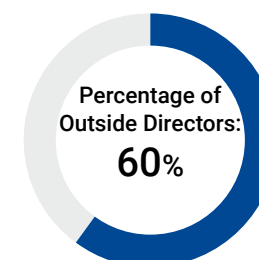
Composition of the Audit & Supervisory Committee

The Audit & Supervisory Committee is composed of no more than four Directors serving as Audit & Supervisory Committee Members, the majority of whom are Independent Outside Directors with two full-time Audit & Supervisory Committee Members selected. At least one person with appropriate knowledge of finance and accounting is appointed as an Audit & Supervisory Committee Member. The effectiveness of audits is enhanced by combining the strong independence derived from the committee's composition with the full-time Audit & Supervisory Committee Members' strong capability to gather information.



Composition of the Nomination and Compensation Committee

The Company established a Nomination and Compensation Committee as an advisory body to the Board of Directors. More than half of its members serve as Independent Outside Directors to enhance the independence, objectivity, and accountability of the Board of Directors with regard to the nomination and compensation of Directors and senior management. In addition, the regulations stipulate that Committee members who have a special interest in agenda items cannot participate in any related vote or resolution.



Corporate Governance

Material issues ▶



System for the Execution of Directors' Duties

Ensuring effectiveness of business execution

The Board of Directors meets monthly in principle* and on an as-needed basis, with attendance of all of the Directors, including Outside Directors. The Executive Committee meets weekly in principle, with attendance by all Senior Directors, Senior Executive Officers, the Specially Appointed Audit and Supervisory Committee Member, and full-time Audit & Supervisory Committee Members. The Executive 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.

In addition to the Board of Directors' delegation of certain decision making responsibilities for the execution of important business to Senior Directors in accordance with the Articles of Incorporation (excluding respective items in paragraph 5 of Article 399-13 of the Companies Act), as well as allocating functions by the Board of Directors and the Executive Committee, the Company clarifies responsibility and authority thereby ensuring accurate and prompt decision-making and efficient corporate management by establishing a system in which Executive Officers, to whom authority is delegated by Senior Directors, share responsibility for business execution.

*The Board of Directors met 13 times during FY2024.

Ensuring appropriateness in business execution

The Company has established an Internal Audit Department to ensure proper business execution and conduct internal audits from a position independent from the other operating units. The Internal Audit Department reports the audit results to Senior Directors and Audit & Supervisory Committee Members, notifies the audited department in writing to request improvements, and reports to relevant parties including the Audit & Supervisory Committee, the Board of Directors, and the Executive Committee at the end of the period.

Each operating unit also conducts periodic self-audits of the execution of business in its unit to enhance the quality of its business operations.

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

Audit System

Audit & Supervisory Committee

The Audit & Supervisory Committee was established in accordance with the Companies Act to audit the legality and appropriateness of the execution of duties by directors. Audit & Supervisory Committee Members conduct audits at J-POWER's headquarters by attending and speaking at important meetings of the Board of Directors and by interviewing the Directors (excluding those serving as Audit & Supervisory Committee Members) and Executive Officers on the status of the execution of duties. The Audit & Supervisory Committee also carries out site visits to local operating units and subsidiaries in Japan and overseas.

During the accounting audits, the Audit & Supervisory Committee liaises with the Independent Auditors to regularly receive reports and exchange opinions regarding auditing schedules and the audit results. This enables the Audit & Supervisory Committee to judge the validity of the auditing method of the Independent Auditors and the results of the audits.

Specially Appointed Audit and Supervisory Committee Member

As a system to assist the Audit & Supervisory Committee Members in their audits, etc., the Company has established an Office of Audit & Supervisory Committee Members and appoints a Specially Appointed Audit and Supervisory Committee Member. The Specially Appointed Audit and Supervisory Committee Member is well-versed in the Company's business and independent from the chain of command of the Directors who are not Audit & Supervisory Committee Members. The specially appointed member assists the Audit & Supervisory Committee with audits, etc. under the direction of the Audit & Supervisory Committee from the same perspective as the Audit & Supervisory Committee Members. In this way, the Audit & Supervisory Committee and the Internal Audit Department cooperate and audit the executive department more effectively. Full-time specialist staff working in the Office

of Audit & Supervisory Committee Members, which is also independent from the Directors' chain of command, assist with audits and other matters conducted by the Audit & Supervisory Committee.

Internal Audit Department

Audit & Supervisory Committee Members coordinate auditing schedules with those of the Internal Audit Department and implement audits while exchanging information on audit results during the fiscal year. Where necessary, the Audit & Supervisory Committee instructs the Internal Audit Department on reporting, investigations, and other matters. As a result, we are strengthening mutual cooperation between the Audit & Supervisory Committee and the Internal Audit Department, working to enhance the use of the internal control system in the Audit & Supervisory Committee.

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 Committee Members and the Internal Audit Department implement audits of subsidiaries and affiliates with the objective of ensuring proper operations at all Group companies.

Basic policy on tax transparency

The Group upholds honest and fair business practices with a steadfast spirit of compliance and business ethics as part of its conduct rules.

To maintain and enhance tax compliance, we will, with the proactive involvement and guidance of the Finance Officer, strive to provide training and instruction on proper accounting practices and tax filing.

Additionally, in compliance with tax-related laws and regulations applicable in all the countries where we operate, we will fulfill our corporate social responsibility by ensuring proper filing and timely tax payments. We are also committed to maintaining positive relationships with tax authorities. We will address requests from tax authorities in good faith and, in the event of any disagreements, actively seek to resolve them through constructive dialogue.

Corporate Governance

Material issues ▶

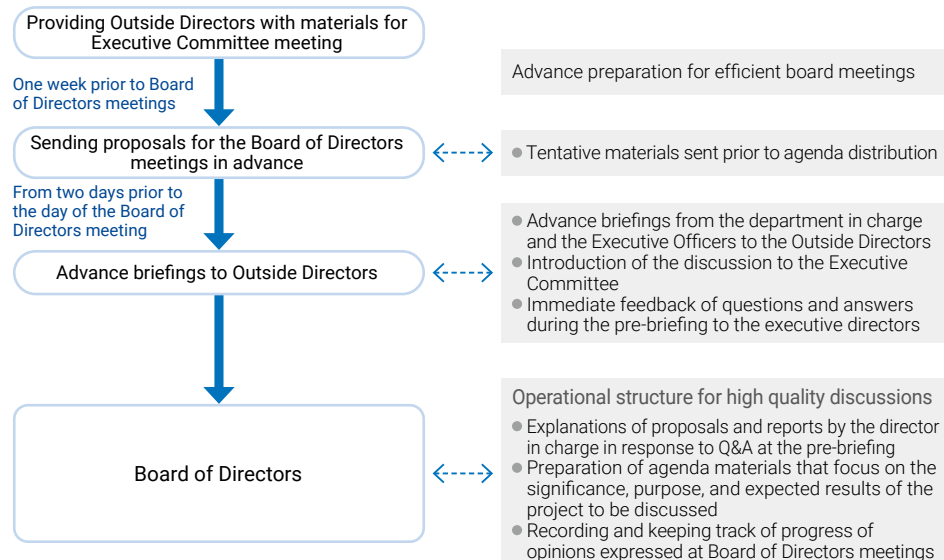


Initiatives to Stimulate Board of Directors' Discussions

With the aim of enhancing corporate governance, J-POWER reviews as necessary how its Board of Directors operates. The Company strives to conduct Board of Directors meetings efficiently and improve dialogue through advance briefings and a well-established operational structure, while also providing opportunities to freely and frankly share opinions in informal settings outside of Board meetings.

Board of Directors deliberation flow

At each meeting of the
Executive Committee



Examples of items discussed/reported

Climate change-related	Management plan/Research and development (Osaki CoolGen)/TCFD disclosures/Status of ESG initiatives
Finance & accounts-related	Quarterly and year-end financial results/dividends/budgetary results and annual forecast
Governance and compliance	Evaluation of effectiveness of the Board of Directors/Report on internal audit results/Report on compliance promotion activities
Projects	GENESIS Matsushima Project Domestic offshore wind power projects Overseas projects/Ohma Nuclear Power Plant
Other	Confirmation of strategic shareholdings/IR and SR reporting Interim evaluation of loan and investment projects, etc.

Providing Outside Directors with information and informal discussion opportunities

In addition to the Board of Directors meetings, informal efforts are being made to enhance the monitoring function of the Board of Directors, improve the information provided to Outside Directors, and create opportunities for a frank exchange of opinions by holding meetings where all members can express their thoughts.

We have received a lot of comments and counsel from the perspectives of the Outside Directors during these discussions, not just on medium- and long-term management issues but also on our corporate culture and organizational structure.

Additional initiatives include discussions between directors and onsite workers and executive visits to power plants and other facilities. We will continue to seek to improve corporate governance and increase corporate value based on the insights we have received from these discussions.

Results of initiatives in FY2024

- Exchange of opinions at intensive meetings on the Company's future vision and important management issues (twice)
- Exchange of opinions by all members of the Board of Directors (3 times)
- Small meetings for Outside Directors (4 times)
- Exchange of opinions between Outside Directors (excluding Directors serving as Audit & Supervisory Committee Members) and the Audit & Supervisory Committee (once)
- Exchange of opinions among non-executive directors (twice)
- Lunch meetings between the Chairman, President, Outside Directors, etc.
- Visits to power plants by Outside Directors (4 times)
- Lectures by external experts on energy situation, Directors' duties and responsibilities, etc.



Facility visit by Outside Directors

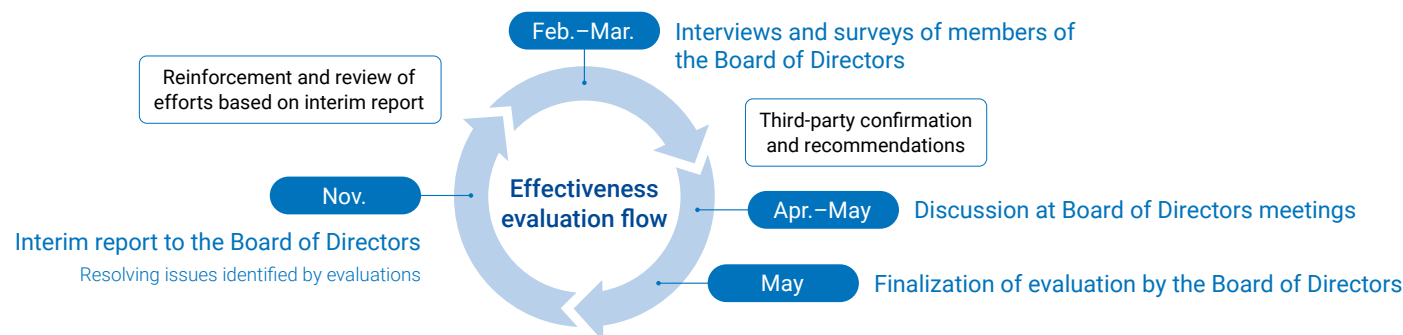
Corporate Governance

Material issues ▶



Evaluation of Effectiveness of the Board of Directors

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



FY2024 initiatives

FY2024 initiatives

During FY2024, we intensively engaged in the following initiatives based on the directions, namely, enhancing opportunities for free-spirited discussions and further enhancing the operation of the Board of Directors, through the utilization of our ongoing initiatives and measures continued to be taken to date.

Enhance opportunities for free-spirited discussions

- Held intensive meetings to exchange opinions on the future vision and important management issues of the Company
- Conducted exchanges of opinions among non-executive directors
- Continuously conducted exchanges of opinions among all members of the Board of Directors and small-discussion group meetings between Outside Directors, executive officers, and relevant departments (small meetings)

Further enhance the operation of the Board of Directors

- Confirmed the improvements and progress made in connection with the list of points raised by the Board of Directors
- Explanations given in meetings of the Board of Directors by Executive Managing Officers who are not Directors
- Realignment of matters to be delegated to Directors

Overview of FY2024 effectiveness evaluation

Evaluation method

1. In February 2025, with the support of a third-party organization, we conducted a questionnaire* of all 16 board members, including six outside officers.
2. Interviews regarding the questionnaire responses and FY2024 initiatives were held in March 2025.
3. Discussion based on the results of 1 and 2 and a review by a third-party lawyer at the Board of Directors meeting held in May 2025.
4. Evaluation results were confirmed at the Board of Directors meeting held in May 2025.

*Questionnaire items

- I Composition of the Board of Directors
- II Operation of the Board of Directors
- III Discussions of the Board of Directors
- IV Monitoring functions of the Board of Directors
- V Support system for Directors
- VI Dialogue with shareholders (investors)
- VII Individual efforts of each Director
- VIII Summary

Evaluation results

Through the questionnaire and interviews, we determined that the Board of Directors' effectiveness was secured. It was confirmed that the ongoing initiatives were regarded as important in ensuring the effectiveness of the Board of Directors and that, accordingly, they were to be implemented consistently into the future.

Main opinions in this year's evaluation

- In light of changes in the business environment in which we find ourselves, it is essential that discussions are fully devoted to management direction from a medium- to long-term perspective, including the Group-wide business portfolio.
- There were some opinions as to operation of the Board of Directors, including accurate support tailored for each Director, and the sharing of the status of addressing issues as discussed at the meeting of the Board of Directors. It is crucial to continue and enhance our initiatives leading up to FY2024.
- With respect to the composition of the Board of Directors, some opinions suggested that the current composition was appropriate, while others suggested that discussions on the composition should be continued.

Future direction of initiatives

For FY2025, we have confirmed that it is effective to utilize the ongoing initiatives and measures introduced to date, and to continue implementing specific initiatives from the previous year, with the following matters being treated as priorities:

1. further enhancing opportunities for free-spirited discussions; and
2. further enhancing the operation of the Board of Directors.

The Company will continue to strive to improve the effectiveness of the Board of Directors through ongoing and further initiatives.

Corporate Governance

Appointment and Dismissal of Officers

The Board of Directors appoints as members of top management and nominates as candidates for Director and Audit & Supervisory Committee 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.

 [P.89 Nomination and Compensation Committee](#)

Officers' Compensation

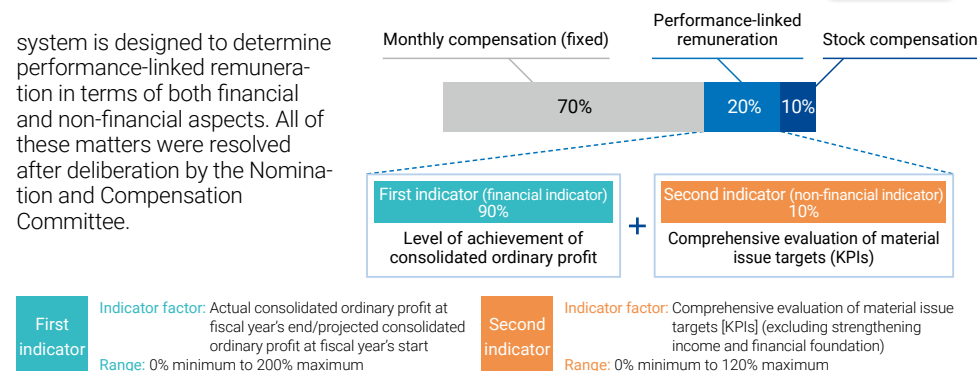
Composition of officers' compensation

- The Company has implemented a performance-linked remuneration and stock compensation system for the remuneration of its Directors (excluding Directors serving as Audit & Supervisory Committee Members) who are not Outside Directors, in order to better link their compensation with business performance and corporate value and to provide incentives for sustained improvement of business performance and increase in corporate value. As a result, the remuneration structure for Directors (excluding Directors serving as Audit & Supervisory Committee Members) who are not Outside Directors will consist of three parts: monthly compensation paid in cash, performance-linked remuneration, and stock compensation.
- It was resolved at the 70th Ordinary General Meeting of Shareholders on June 28, 2022 that the monetary compensation, that is monthly compensation and performance-linked remuneration, for Directors (excluding those serving as Audit & Supervisory Committee Members) shall be within ¥570 million per year (of which, ¥60 million is for Outside Directors. Employee salaries for Directors who serve in dual capacity as employees are excluded). Within the scope of this resolution, the method of determining the amount of remuneration for directors is determined by the Board of Directors. The remuneration structure for Outside Directors consists solely of monthly remuneration, excluding performance-linked remuneration and stock compensation, to ensure their independence from business execution. For executive officers, the method of determining the amount of compensation is resolved by the Board of Directors.
- The amount of remuneration for Directors serving as Audit & Supervisory Committee Members was resolved at the above General Meeting of Shareholders to be no more than ¥120 million per year (fixed monthly compensation calculated based on position, etc.). Within the above amount, the amount of remuneration for each Director who is an Audit & Supervisory Committee Member is determined through discussion among Directors serving as Audit & Supervisory Committee Members.

Performance-linked remuneration

At the Board of Directors meeting held on February 28, 2023, the Board of Directors resolved to incorporate the material issues—supply of energy, response to climate change, respect for people, engagement with local communities, and the enhancement of our business foundation—which are initiatives aimed at improving corporate value over the medium to long term, in addition to consolidated ordinary profit, as evaluation indicators for performance-linked remuneration. The

system is designed to determine performance-linked remuneration in terms of both financial and non-financial aspects. All of these matters were resolved after deliberation by the Nomination and Compensation Committee.



- The payment percentage for performance-linked remuneration in FY2024 was as follows:

Indicator	Evaluation rate	Achievement rate	Payment percentage
First indicator (financial indicator) Level of achievement of consolidated ordinary profit	90%	Achievement rate = 200% Results: ¥140.0 billion / initial target for the period: ¥62.0 billion	188%
Second indicator (non-financial indicator) Comprehensive evaluation of material issues	10%	Achievement rate = 80% Five material issues [supply of energy, response to climate change, respect for people, engagement with local communities, and enhancement of our business foundation: each with a 20% weight] evaluated by the Nomination and Compensation Committee	

*Please see P.18 for details on the material issue targets (KPIs) and their progress.

Stock compensation

Under the stock compensation system, a trust, established by the Company and to which money is contributed, acquires J-POWER shares. The number of shares equivalent to the number of points granted by the Company to each Director, etc. is then distributed to each Director.

Resolved at the 70th Ordinary General Meeting of Shareholders on June 28, 2022

(1) Persons eligible for the System	Directors (excluding Directors serving as Audit & Supervisory Committee Members) who are not Outside Directors
(2) Target period*	Three fiscal years from the fiscal year ended March 31, 2023 to the fiscal year ended March 31, 2025
(3) Maximum amount of money that the Company will contribute as funds for the acquisition of shares of the Company necessary for distribution to (1) persons eligible for the System during the (2) target period.	Total of ¥165 million
(4) Method of acquiring shares of the Company	Through the undertaking of the disposal of the Company's treasury shares or through the exchange market (including off-floor trading)
(5) Maximum number of points granted to (1) persons eligible for the System	40,600 points per fiscal year *1 point = 1 share of the Company
(6) Criteria for gaining points	Points are granted based on position, etc.
(7) Time of distribution of shares of the Company to (1) persons eligible for the System	In principle, when Directors retire

*As stated in the press release dated June 26, 2025, the Company resolved at its Board of Directors meeting to extend the target period of the System for three fiscal years.

For details, please see our website.

 https://www.jpowers.co.jp/english/news_release/pdf/news250626_1e.pdf

Interview with an Outside Director



The corporate culture and ideal corporate governance of the J-POWER Group

Shizuo Abe

Outside Director
Audit & Supervisory Committee Member

Mission as an Outside Director

I built my career in the engineering department of an automobile company and gained experience as a Director at an automobile-related company before joining J-POWER as an Outside Director in 2024. My role is to contribute to enhancing J-POWER's corporate value by offering opinions from two perspectives, the perspective of an engineer developed in the field and the perspective of seeking profits developed over my career.

From the perspective of an engineer, what I always keep in mind is how J-POWER can understand the needs of users and society, and provide valuable technologies and services. I led the development of hybrid vehicles with a view toward a sustainable society during my time as an engineer. Based on this experience, I strongly feel the importance of investing in technologies that will be needed in the future and earnestly executing those plans. I believe that one of my roles is to incorporate this mindset of technological development into management.

From the perspective of seeking profits, I also monitor and pay close attention to the business feasibility and growth potential of each business. Regarding business feasibility, I feel that there is still room for improvement in terms of discussions and initiatives related to profitability at J-POWER based on my experience during my days as an engineer addressing tackling cost reduction to ensure my company's survival. Regarding growth potential, it is important for a company to assess how energy will change in the future and what technologies will be required to generate that energy, and to respond accordingly. Going forward, I intend to offer concrete advice to deepen my understanding of J-POWER's cost structure and the energy industry in order to improve the profitability and growth potential of each business.

Interview with an Outside Director

Stimulating Discussions at Meetings of the Board of Directors

J-POWER's Board of Directors engages in discussions within a very flat and open corporate climate. Many Outside Directors are willing to honestly express their opinions, and their diverse backgrounds contribute to the sharing of a wide range of ideas.

In addition, in the course of the transition to a company with an Audit & Supervisory Committee, we have been promoting initiatives to stimulate discussion, such as holding opinion exchange meetings. These meetings actively discuss J-POWER's future vision and important management issues such as business strategies, portfolio, organizational structure, and finance, thereby playing a role in enhancing the deliberations of the Board of Directors.

What I feel in the Audit & Supervisory Committee is the high capacity for information gathering. A wide range of risk analysis is conducted for each business using cutting-edge technologies such as AI, and reported to the committee. This provides a multifaceted perspective particularly on the power generation business, which is closely linked with local communities and society. I believe that these efforts contribute to creating relationships of trust with our stakeholders.

Unique Value Creation Born from Corporate Culture

J-POWER's greatest strength lies in our ability to develop energy businesses in multiple directions, including thermal, hydro, nuclear, wind, geothermal, and solar power, and to combine these approaches to achieve an optimal balance of energy supply that meets a wide range of needs. I believe that our corporate culture, which promotes sustainability and innovation by leveraging the abilities of specialized human resources in each field and refining our technical capabilities, will enable us to respond to the needs of future society.

In addition, a strong sense of social responsibility is deeply rooted in our corporate culture as a company that has been engaged in businesses with a highly public nature for many years. When I visited a hydroelectric power plant myself, I was deeply impressed that the staff in the field first reported their efforts to enhance the safety of the surrounding community. This thorough consideration for stakeholders, which forms the foundation of our business activities, directly contributes to the motivation of our employees and is a driving force for enhancing corporate value. A corporate culture that harmonizes profitability with social responsibility is also a major strength.

The Issue That Needs to Be Addressed Is the Shift Away from a Silo Mentality

The challenges I have identified since assuming office stem from the silo mentality that exists in our organization due to our diverse business areas. Each business operates independently, resulting in a lack of cooperation between departments and a rigid way of thinking. J-POWER's mission is balancing a stable energy supply with response to climate change, not simply about expanding renewable energy or decarbonizing thermal power as isolated business efforts. We should promote active personnel exchange between different businesses and create an environment where everyone works toward a common goal.

At meetings of the Board of Directors and opinion exchange meetings, it is necessary to set agendas based on the needs of society, not just discuss each business. First, we must understand the needs of society, discuss the path we should take as a company, and then consider the optimal business portfolio, organizational structure, and human resource development to support that path. We are currently advancing proposals to foster more constructive discussions such as introducing task forces to address cross-departmental issues.

From the perspective of social needs, what is important is the creation of energy that achieves stable supply, low cost,

and decarbonization. It is the export industry that supports the Japanese economy, and energy is the foundation of that industry. If Japan is to remain competitive internationally, we must thoroughly reduce costs and CO₂ emissions in order to protect our key industries. In particular, although public opinion on the feasibility and timing of carbon neutrality may fluctuate from time to time, if we think about the needs of future society, we must treat it as an essential goal and consider what actions to take. Stable supply is also a crucial pillar to support the lives of citizens. It is by no means easy to pursue stable supply, low costs, and decarbonization at the same time. Even so, in order to maintain and strengthen our competitiveness as a company, we believe that it is important to pursue these three goals simultaneously, even under severe risk scenarios.

For J-POWER to Lead Energy in Japan

I believe that J-POWER should become a company that leads energy in Japan. The foundation for this has already been sufficiently put in place through the development of diverse energy businesses and the accumulation of technological expertise over many years. We need to leverage these strengths, focus on social contribution grounded in safety, enhance the value of energy itself, and contribute to the sustainable development of Japan and the world. In addition, J-POWER is enhancing its corporate value by engaging with a broad range of stakeholders through our diverse energy businesses both in Japan and overseas. I believe that in the ideal future of J-POWER, it is equally important to build trusting relationships with all stakeholders by respecting each one of them and ensuring highly transparent information disclosure and responsible decision-making. I will devote myself to proposing and accelerating the direction of our business toward the future we aim to achieve.

Risk Management

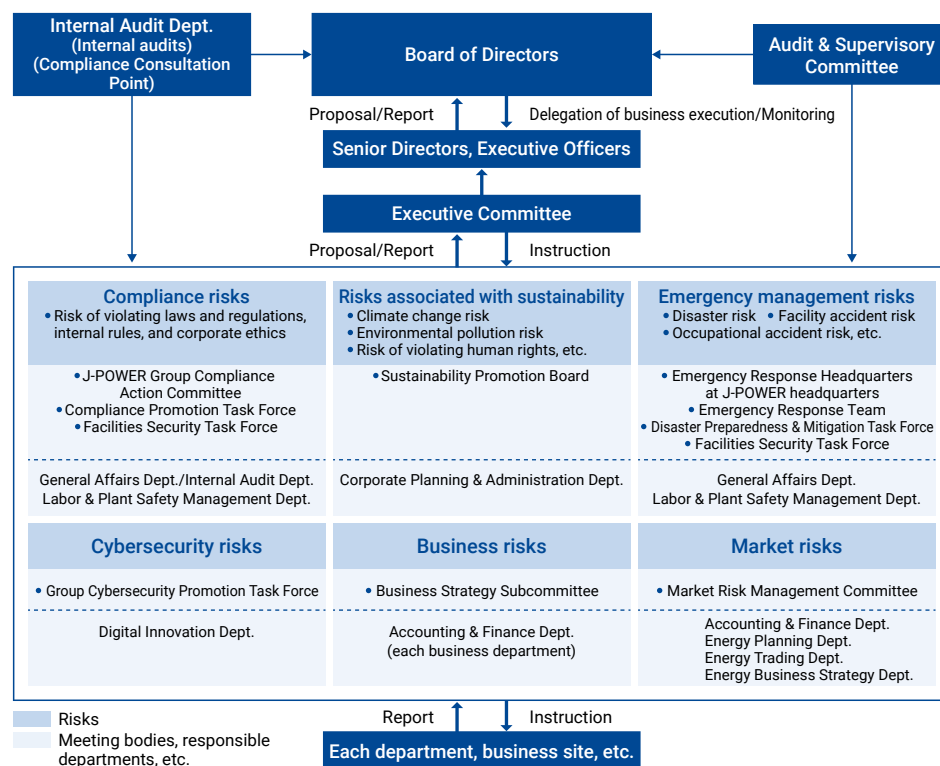
Material issues ▶



Risk Management Efforts

At the J-POWER Group, each department autonomously manages numerous risks related to corporate activities in order to uphold and enhance its financial soundness and corporate value. Meanwhile, the Group examines and takes countermeasures against material risks that should be managed across the Group after each specialized subcommittee identifies, analyzes, and assesses such risks. It is provided that each business site detects and assesses risks and examines countermeasures against such risks in advance as part of emergency management practices during peacetime, and the Group gathers such risk information. After that, the Board of Directors regularly receives reports on the status of business execution, making it possible for the Board to keep up to date on risks at an early stage and manage the risks in an integrated manner. This supports appropriate management discussions and decision making. Through these efforts, internal rules and systems are appropriately reviewed and developed, realizing appropriate risk management in the execution of corporate activities and minimizing the impact when a risk occurs.

Risk management system



Response to Each Risk

● Management of compliance risk

[P.98 Compliance](#)

● Management of risks associated with sustainability and human rights

[P.15 J-POWER Group's Sustainability Initiatives and Management](#)
[P.75 Human rights](#)

● Management of emergency management risks

[P.100 Emergency Management](#)

● Management of occupational accident risk

[P.85 Occupational health and safety](#)

● Management of cybersecurity risk

[P.101 Cybersecurity](#)

● Management of business risks

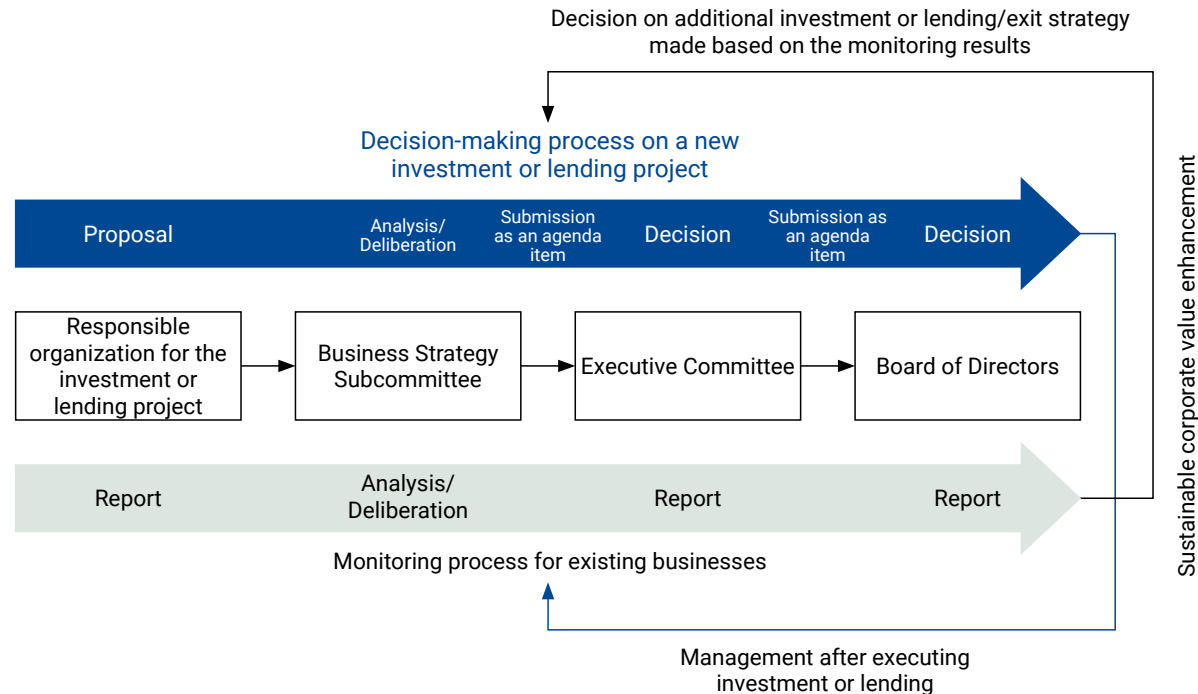
The Executive Committee deliberates on individual projects, including those for investment and lending exceeding a certain size, before making decisions on such projects. At the Business Strategy Subcommittee, which conducts investment evaluation as a preliminary step of such deliberations, departments responsible for planning, accounting and finance, legal affairs, compliance, and internal audits assess risks from their respective perspectives at the time of making investment decisions, separately from departments responsible for business promotion. After the execution of investment or lending, the Business Strategy Subcommittee monitors business risks and makes reports to the Board of Directors on a semiannual basis to appropriately manage such risks.

● Management of market risks

The Market Risk Management Committee, consisting of Executive Officers in charge of accounting and finance, planning, and sales departments and Department Directors of these departments, deliberates on the management of risks of market price fluctuations in electricity trading and others, and examines and takes necessary risk management measures, such as risk hedging. Furthermore, for risks associated with fuel procurement and price fluctuations, we diversify these risks by decentralizing and diversifying procurement locations and export terminals in Australia, Indonesia, North America, and other regions as well as by holding stakes in some coal mines, in addition to procuring fuel by combining long-term agreements with one-off agreements.

Risk Management

System for Decision-Making on New Investment or Lending Project and Monitoring of Existing Businesses



The Business Strategy Subcommittee, the Executive Committee, and the Board of Directors deliberate on new investment and lending projects worked on by each business department in accordance with a certain monetary and materiality threshold set forth in internal rules, and then make investment and lending decisions.

At the Business Strategy Subcommittee, members from the Accounting & Finance Dept., Corporate Planning & Administration Dept., General Affairs Dept., and Internal Audit Dept. examine individual investment and lending projects in a multifaceted and professional manner from the perspectives of project plans (consistency of the purpose of and reasons for the investment or lending project with our management plan), finance (business feasibility of the investment or lending project and financial situation of the customer or collaborator), legal affairs (legal compliance of the investment or lending project and contract details), and audits (appropriateness of business processes).

Projects that became newly eligible for investment or lending and that were previously financed are monitored on a semi-annual basis for the evaluation of their plan progress and economic efficiency. These evaluation results are reported to the Executive Committee and the Board of Directors. When it is deemed necessary to make a decision on additional investment or lending or an exit strategy as a result of the monitoring, such decisions are made through the decision-making process described above. Additionally, the progress of various in-planning projects is reported to members of the Executive Committee on a monthly basis.

Through the above decision processes, we run our business to sustainably enhance our corporate value.

Compliance

Material issues ▶



- The J-POWER Group, in accordance with its Corporate Philosophy, has established the Corporate Conduct Rules as outlining basic rules for behavior in line with a 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.

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

Corporate
Conduct Rules

https://www.jpower.co.jp/english/company_info/philosophy/

Compliance Action
Guidelines

<https://www.jpower.co.jp/english/sustainability/governance/compliance.html>

Compliance Promotion Structure

The Chairman serves as the top compliance officer to promote compliance, with the President serving as the Chairman's assistant and the Compliance Officer serving as the Chairman's and President's assistant. The J-POWER Group Compliance Action Committee chaired by Chairman, in which Group companies are invited to participate, was established as a committee to promote compliance within the Group. The committee's duties include deliberating on compliance promotion measures, assessing the status of implementation, and addressing anti-compliance issues. In order to allow quick and accurate work connected to compliance promotion, two subcommittees have also been established under the Compliance Action Committee to promote compliance promotion activities and autonomous safety activities based on the safety standards. An experienced executive officer chairs each subcommittee and monitors the progress of compliance promotion initiatives during implementation.

Additionally, each of our domestic key corporate locations, power plants, and Group companies has developed its own Compliance Committee to create compliance initiatives catered to its unique features.

Compliance Promotion Activities

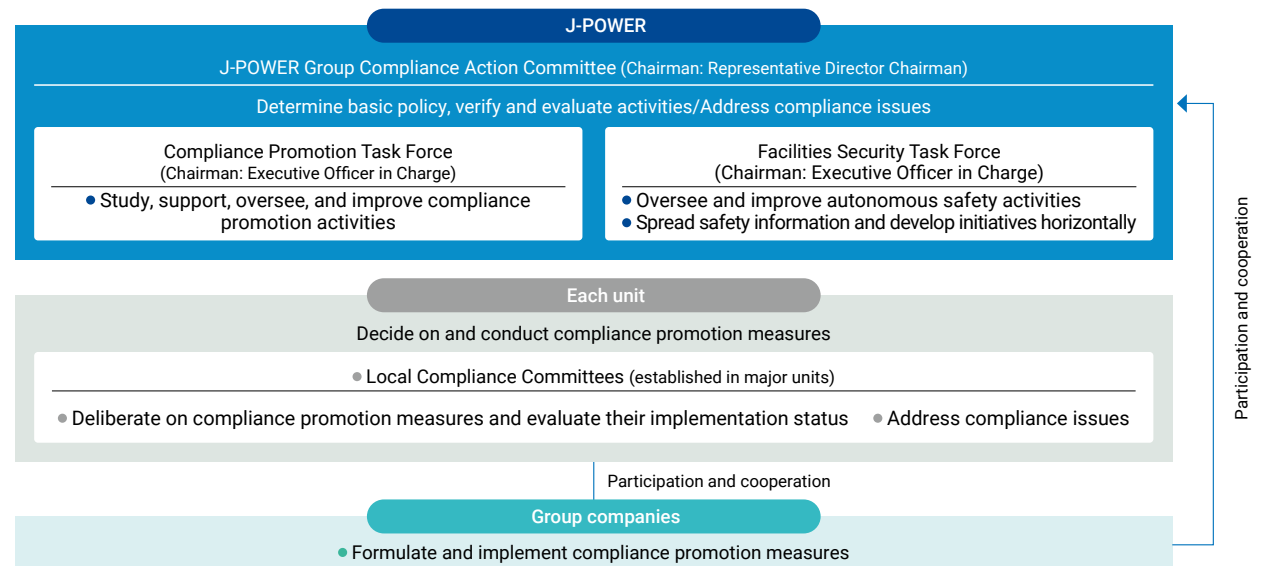
The Compliance Action Committee utilizes a PDCA (plan-do-check-act) method for compliance promotion, formulating a plan for each fiscal year, evaluating results at the end of that fiscal year, and formulating the next year's plan based on the results. The compliance promotion plan and evaluation are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

J-POWER Group's compliance promotion system



Compliance

Material issues ▶



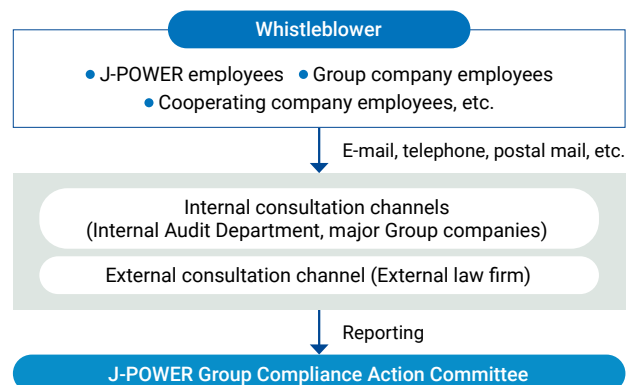
Compliance Survey

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 used by Group's each unit to improve workplace environments.

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 major Group companies to serve as consulting hotlines in the event that compliance issues arise. The Group has worked on the identification and improvement of issues. Employees who use these resources are rigorously protected. Through these consultation channels, all employees of the Company and all employees and officers of cooperating companies, contractors, and other business partners of the Company can consult and report anonymously on any kind of anti-compliance issues, including human rights violation, prevention of any form of corruption, and bribery. The privacy of whistleblowers is strictly protected, and no one who consulted or reported is treated unfavorably by the Company.

■ J-POWER Group Compliance Consultation Points



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 quick collection of information and appropriate response in cooperation with specialist external agencies.

Preventing Bribery and Corruption

The Group sets its guidelines for the prevention of corrupt practices (bribery, excessive business entertaining and gift-giving, etc.) in the Compliance Action Guidelines. The guidelines prohibit 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 Group does not offer financial or other rewards to foreign government officials in return for illicit benefits or accommodations. The Group also provides employees with compliance training to ensure the prevention of any form of corruption and bribery, as well as to disseminate the Compliance Action Guidelines.

In addition to the above, the Group declared its anti-corruption stance when it joined the UN Global Compact in April 2021. The international sector has adopted a zero-tolerance policy, which does not allow any form of corruption. Through these efforts, the Group is ensuring that all persons engaged in duties related to J-POWER, including those outside the Group, strictly abstain from actions that might be interpreted as collusion with politics and governments, and is working to establish trustful and open relationships.



Opinion Exchange Meetings with Directors

As part of a program to advance understanding of compliance based on communication, the J-POWER Group arranges annual opinion exchange meetings during which executives visit the headquarters and onsite institutions (including Group companies and overseas subsidiaries) to engage in direct conversations with employees. Although the themes of compliance and communication are the primary emphasis of the meetings, a variety of topics are covered each time, including compliance challenges not originally scheduled for the meeting. The Compliance Action Committee receives a report of these discussions.

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 FY2024, 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 Local Finance Bureau in June 2025 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.

Emergency Management

Material issues ▶



Emergency Management Systems

As well as having a permanent Emergency Response Team at J-POWER headquarters, when an emergency is anticipated or has occurred and emergency measures are necessary, we will organize Emergency Response Headquarters and Branches.

The Emergency Response Team anticipates emergencies, immediately takes first-response action in the case of any occurrence, and oversees emergency management operations. In the event of an emergency, the team coordinates with the Emergency Response Headquarters and Branches in each local area to accurately predict and prevent accidents such as disasters and facility incidents, and responds/manages promptly and appropriately should such events occur.

Furthermore, the Emergency Response Headquarters and Branches in the J-POWER headquarters and local units annually carry out coordinated comprehensive disaster drills, and periodically conduct safety reporting drills for employees and Group company employees.

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.

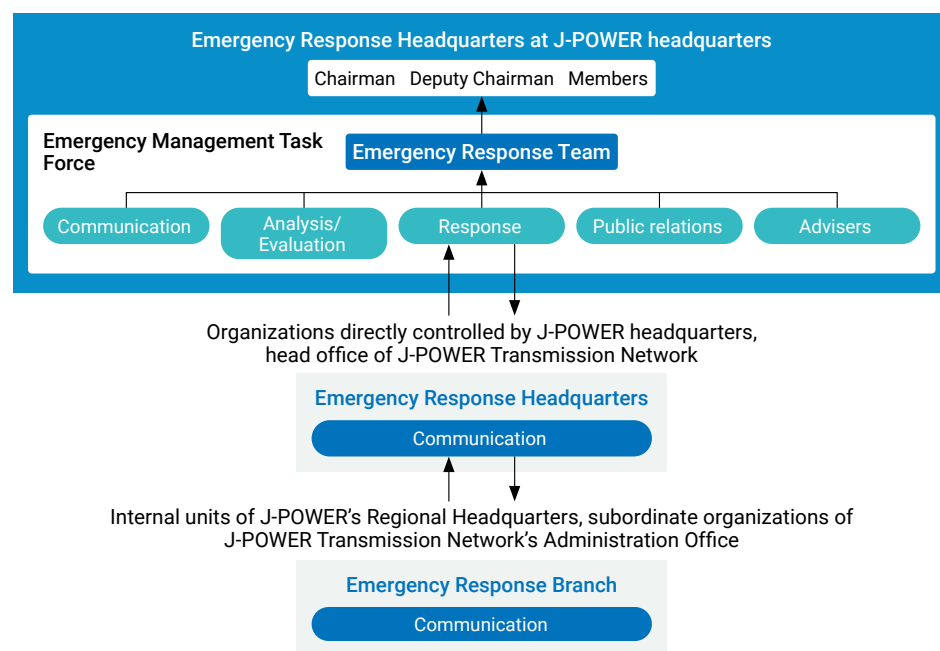
- ① Installation of appropriate facilities and development of disaster recovery systems in preparation for natural disasters, including earthquakes, typhoons, lightning strikes, and tsunamis
- ② Enhancement of security to prevent malicious and violent conduct
- ③ Enhancement of regular facility inspections 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

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 Management. 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 headquarters 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.

By conducting fully remote disaster drills, we have also established a disaster prevention system that does not depend on physical employee attendance.

Emergency Response Headquarters communication system



Composition of the Emergency Response Headquarters at J-POWER headquarters

Organizations	Composition
Chairman	President
Deputy Chairman	Vice President
Members	Officer in charge of the General Affairs Department, Directors in charge and related officers Directors of General Affairs Department, Public Relations & Community Relations Department and related departments
Emergency Management Task Force	Emergency Response Team and related departments
(Composition of the Task Force)	(Division of duties)
Communication	Information communication, gathering, and management
Analysis/Evaluation	Analysis, evaluation, and countermeasure planning
Response	Information on recovery response, liaisons, victim response, consumer relations, and investor relations
Public Relations	Media response
Advisers	Advice regarding analysis, evaluation, and countermeasure planning

Emergency Management

Material issues ▶



Cybersecurity

Basic policies

In recent years, cyber-attacks have not only increased but have also become more sophisticated and elaborate. We apply technical steps based on the most recent information, such as computer virus countermeasures, unlawful access and information leakage countermeasures, as a critical social infrastructure provider specified in the Basic Act on Cybersecurity. We also comply with the Guidelines for Power Control System Security to ensure the security of power control systems and other systems for the stable supply of electric power.

Furthermore, based on the Cybersecurity Policy for Critical Infrastructure Protection announced by the government's Cybersecurity Strategic Headquarters, we have established a system to take all possible measures for cybersecurity as a critical infrastructure provider and are further strengthening our measures.

In March 2023, the J-POWER Group established its Basic Policies on Cybersecurity and Cybersecurity Regulations, which span both information and control systems and strengthened its response capabilities throughout the supply chain.

Incident response

In order to respond to cyber-attacks and recover quickly in the event of any breach, we have established the J-POWER CSIRT* as a cybersecurity crisis management system, working to prevent cybersecurity incidents and keep damage to a minimum should any incidents occur.

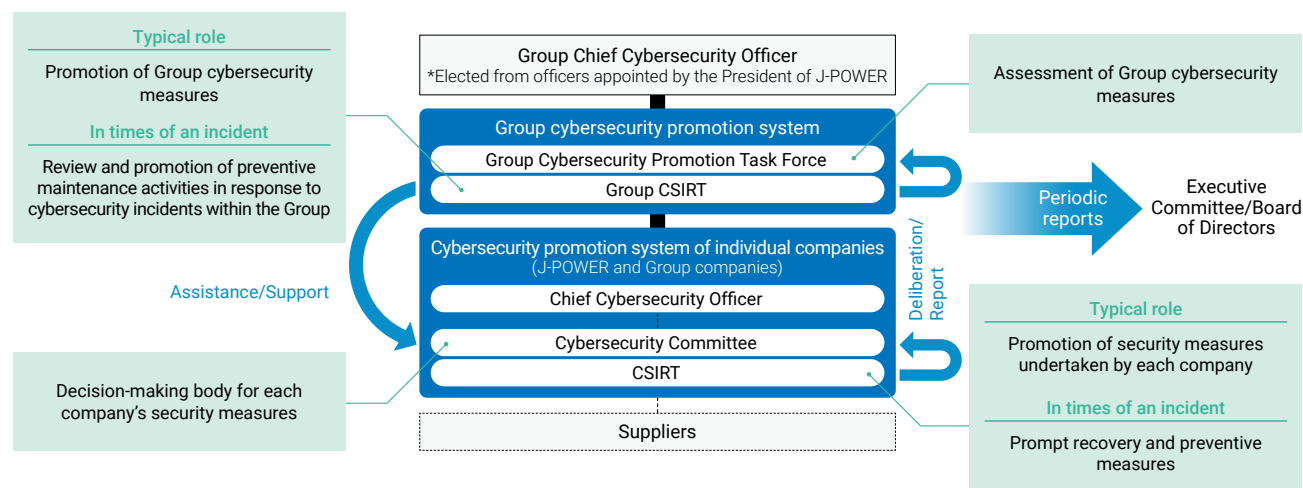
*Cyber Security Incident Response Team (the letter C originally stood for Computer, but we refer to it as Cyber)

Providing information security educations

We have continuously provided all the employees with e-learning on cybersecurity and trainings to prepare for the targeted e-mail attacks.

Results of e-learning for FY2024

We provided e-learning (three times in total) on how to improve the security of domain password, how to spot and initially respond to targeted attack e-mails, and cautions to take when teleworking (number of trainees was 19,041 in total).



J-POWER Group's Basic Policies on Cybersecurity

We, the officers and employees of the J-POWER Group, have created the following fundamental policy for maintaining cybersecurity as a corporation with essential infrastructure that has the potential to significantly affect people's lives.

① Identification as a management issue

From a high-level perspective of the entire supply chain, management should be aware of the dangers associated with cybersecurity, acknowledge them as a critical management concern, and assume responsibility for taking action while exercising leadership.

② Compliance with laws, regulations and contractual requirements

We will comply with laws, regulations, codes, and contractual obligations as well as other societal norms related to cybersecurity.

③ Implementation of appropriate cybersecurity measures

We aim to establish a promotion system and organization to maintain and improve cybersecurity, and take human, technical, and physical measures, as well as identify new threat trends and promptly address them. In addition, we will strive to implement supply chain countermeasures including business partners, contractors and overseas.

④ Education and training initiatives

We will promote cybersecurity initiatives by acquiring the knowledge and skills necessary for cybersecurity and by participating in education and training.

⑤ Response to violations and incidents

In the event of a breach of cybersecurity laws and regulations, breach of contract, or an incident, we will take appropriate action to prevent recurrence.

⑥ Continuous improvement activities

Continuous improvement activities will be implemented through periodic evaluation and review of the above efforts.

Directors, Audit & Supervisory Committee Members, and Executive Officers

Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

 Representative Director Chairman Toshifumi Watanabe Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 37,447 (7,747) Current position Jul. 2024 External Audit & Supervisory Board Member of Fukoku Mutual Life Insurance Company Jun. 2023 Representative Director Chairman	 Representative Director President Hitoshi Kanno Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 29,144 (7,444) Current position Jun. 2023 Representative Director President and Chief Executive Officer of the Company	 Representative Director Yoshikazu Shimada Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 22,802 (5,482) Current position Jun. 2024 Representative Director and Executive Vice President of the Company	 Director Osamu Hagiwara Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 17,499 (5,899) Current position Jun. 2022 Director and Executive Vice President of the Company
 Director Hiroshi Sasatsu Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 15,682 (5,482) Current position Apr. 2023 Director and Executive Vice President of the Company	 Director Isshuu Kurata Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 14,943 (5,343) Current position Jun. 2023 Director and Executive Vice President of the Company	 Director Ryoji Sekine Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 12,287 (4,787) Current position Jun. 2024 Director and Executive Vice President of the Company	 Director Hideaki Kato Attendance at Board of Directors meetings 10/10* Number of shares of the Company held 8,071 (4,371) Current position Jun. 2024 Director and Executive Managing Officer of the Company
 Director Outside Independent Tomonori Ito Attendance at Board of Directors meetings 11/13 Number of shares of the Company held 2,100 Current position Jun. 2016 Outside Director of the Company Sep. 2021 Professor at Institute for Business and Finance, Waseda Business School (Graduate School of Business and Finance) Apr. 2022 Lecturer at International Academic Research Institute, Kyoto University of Advanced Science Jun. 2022 Outside Director of Mitsui Sumitomo Insurance Company, Limited Jun. 2023 External Director of Sumitomo Mitsui Trust Group, Inc.	 Director Outside Independent John Buchanan Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 0 Current position Aug. 2006 Research Associate of Centre for Business Research, University of Cambridge Jun. 2016 Outside Director of the Company	 Director Outside Independent Takashi Yokomizo Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 0 Current position Apr. 2008 Partner Lawyer at Sunrise Law Office Jun. 2023 Outside Director of the Company	

Directors Serving as Audit & Supervisory Committee Members

 Director (Audit & Supervisory Committee Member) Hideo Kimura Attendance at Board of Directors meetings 10/10* Attendance at Audit & Supervisory Committee meetings 10/10* Number of shares of the Company held 10,100 Current position Jun. 2024 Director (Audit & Supervisory Committee Member) of the Company	 Director (Audit & Supervisory Committee Member) Outside Independent Hiroshi Fujioka Attendance at Board of Directors meetings 13/13 Attendance at Audit & Supervisory Committee meetings 12/12 Number of shares of the Company held 0 Current position Jun. 2022 Outside Director (Audit & Supervisory Committee Member) of the Company Jun. 2024 Outside Director (Audit and Supervisory Committee Member) of Nishi-Nippon Financial Holdings, Inc.	 Director (Audit & Supervisory Committee Member) Outside Independent Kimiko Oga Attendance at Board of Directors meetings 13/13 Attendance at Audit & Supervisory Committee meetings 12/12 Number of shares of the Company held 0 Current position Jun. 2019 Outside Director of SKY Perfect JSAT Holdings Inc. Mar. 2020 Outside Director (Audit & Supervisory Committee Member) of BroadBand Tower, Inc. Jun. 2022 Outside Director (Audit & Supervisory Committee Member) of the Company	 Director (Audit & Supervisory Committee Member) Outside Independent Shizuo Abe Attendance at Board of Directors meetings 10/10* Attendance at Audit & Supervisory Committee meetings 10/10* Number of shares of the Company held 0 Current position Jun. 2024 Outside Director (Audit & Supervisory Committee Member) of the Company
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Note: The number of the Company's shares held by Directors includes the number of shares to be delivered to them after their retirement under the stock compensation plan, and the number of such shares is shown in parentheses.

*Refers to the attendance at Board of Directors and Audit & Supervisory Committee meetings held after taking up position on June 26, 2024.

*For details of reasons for nomination, please refer to the Notice of the 73rd Ordinary General Meeting of Shareholders.

<https://www.jpowers.co.jp/english/ir/pdf/shareholders73a2.pdf>

Directors, Audit & Supervisory Committee Members, and Executive Officers

Skill Matrix

The roles and obligations of the Board of Directors indicated in Article 18 of the Basic Policy on Corporate Governance are as follows:

- i) Setting the broad direction of management plans, etc.
- ii) Establishing an environment that supports risk-taking by the management
- iii) Carrying out effective supervision of the management from an independent and objective standpoint

Skill sets are selected based on these roles and obligations as the skills required to achieve the five material issues.

Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

	Name	General management and sustainability	Financial strategy and accounting	Legal affairs, risk management, and governance	Business development and sales	Engineering and innovation	Global perspective	Nomination and Compensation Committee	Remark
Chairman	Toshifumi Watanabe	○	○	○				Member	
President and Director	Hitoshi Kanno	○	○		○			Member	
Directors	Yoshikazu Shimada	○			○	○			Head of Renewable Energy Division
	Osamu Hagiwara	○			○	○			Head of Nuclear Energy Division
	Hiroshi Sasatsu	○				○	○		
	Isshuu Kurata	○	○		○				Head of Energy Business Division
	Ryoji Sekine	○	○				○		Head of Global Power Business Division
	Hideaki Kato		○		○	○			
	Tomonori Ito Outside Independent	○	○				○	Member	
	John Buchanan Outside Independent		○	○			○		
	Takashi Yokomizo Outside Independent	○		○				Chairperson	

Directors Serving as Audit & Supervisory Committee Members

	Name	General management and sustainability	Financial strategy and accounting	Legal affairs, risk management, and governance	Business development and sales	Engineering and innovation	Global perspective	Nomination and Compensation Committee	Remark
Audit & Supervisory Committee Members	Hideo Kimura	○	○		○				
	Hiroshi Fujioka Outside Independent	○	○	○				Member	
	Kimiko Oga Outside Independent	○			○	○			
	Shizuo Abe Outside Independent	○			○	○			

Definition of Skill Items

Skill items	Definition
General management and sustainability	Experience and knowledge as a corporate manager capable of presenting the Group's major direction such as management strategy, contributing to solving social issues such as climate change through energy supply, achieving sustainability through the improvement of sustainable corporate value including enhancement of human capital, and supervision of such efforts
Financial strategy and accounting	Specialized experience and knowledge in finance and accounting for the management and supervision of the formation of a sound financial base and the promotion of growth strategies from a financial perspective
Legal affairs, risk management and governance	Specialized experience and knowledge in corporate legal affairs, risk management, governance, etc., to conduct fair corporate activities, sound business operations, and the supervision thereof
Business development and sales	Experience and knowledge in business development and sales for the consistent execution of business from development to operation maintenance to sales, the creation of profits through diverse development schemes including collaboration with other companies and new sales and solution-based business model transitions and the supervision thereof
Engineering and innovation	Technical experience and knowledge in maintenance and quality management to achieve the challenge of stable energy supply and climate change response, as well as in improvement of technical capabilities for the transition to carbon neutrality, research and development of next-generation technologies, utilization of innovation, and DX initiatives and the supervision thereof
Global perspective	Experience and knowledge in global companies and overseas operations to expand and strengthen overseas operations and in supervising them with a view to contributing to sustainable development

Directors, Audit & Supervisory Committee Members, and Executive Officers

Executive Officer System (As of June 26, 2025)

Position	Name		
President and Chief Executive Officer	Hitoshi Kanno	ESG Oversight	
Executive Vice President	Yoshikazu Shimada	General operations and technological management Head of Renewable Energy Division (delegation of administrative works) Labor & Plant Safety Management Dept., Procurement Dept., Civil & Architectural Engineering Dept.	
	Osamu Hagiwara	General operations Head of Nuclear Energy Division (delegation of administrative works)	
	Hiroshi Sasatsu	General operations Thermal Energy & Value Creation Dept., Research & Development Dept. Special assignment related to international business, hydrogen and CCS business development	
	Isshuu Kurata	General operations Head of Energy Business Division (delegation of administrative works) Vice Head of Nuclear Energy Division (delegation of administrative works) Accounting & Finance Dept., General Affairs Dept.	
	Ryoji Sekine	General operations Head of Global Power Business Division (delegation of administrative works) Special assignment related to hydrogen and CCS business development	
Executive Managing Officer	Hideaki Kato Jun Harada Kazuo Kato Kenjiro Hokamura	Takashi Fujita Tetsuaki Mori Atsushi Sudo	Shoichi Echigo Koji Shirato Shigeru Morimoto
Executive Officer Status	Toshiya Sato Akira Takano	Kenji Morita Toshiya Kawai	Yukihiro Ikeguchi

Position	Name		
Executive Officer	Sumie Nakayama Takeshi Misumi Akira Yabumoto Tatsuya Ishii Toshio Tochigi Kenji Matsumoto	Yasushi Akahoshi Takenori Iwasaki Fumihiko Saito Toshihiro Ikeda Hiroaki Matsumoto Takahiko Nakazawa	Shingo Koizumi Masuhide Inoue Masuo Shibayama Shigeyuki Ishikura Soichiro Shimoda
Specially Appointed Audit and Supervisory Committee Member	Tatsuhiko Tanaka		

INTEGRATED REPORT

CHAPTER 5

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7-Year Financial Data

Our website presents data on performance trends and financial information in the form of graphs and charts.

 <https://www.jpowers.co.jp/english/ir/financial/>

(million yen)

Consolidated: Operating Revenue/Expenses Comparison	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Operating revenue (net sales)	897,366	913,775	909,144	1,084,621	1,841,922	1,257,998	1,316,674
Operating profit	78,844	83,638	77,775	86,979	183,867	105,704	138,310
Ordinary profit	68,539	78,085	60,903	72,846	170,792	118,535	140,095
Profit attributable to owners of parent	46,252	42,277	22,361	69,687	113,689	77,774	92,469

(million kWh, unless otherwise stated)

(million kWh, unless otherwise stated)

Consolidated: Electric Power Sales Volume	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	Consolidated: Electric Power Sales Volume	2025/3
Electric power business	69,356	73,131	74,558	74,792	68,467	60,371	Electric power business	67,876
Hydroelectric	9,709	9,196	8,905	9,291	8,888	9,015	Renewable energy	10,082
Thermal	54,946	52,053	52,140	47,994	45,673	38,533	Hydroelectric	8,638
Wind	815	865	1,211	1,190	1,047	1,149	Wind	1,337
Other* ¹	3,886	11,016	12,301	16,316	12,857	11,673	Geothermal, solar	105
Overseas business* ²	10,927	15,640	11,097	11,061	14,271	19,854	Thermal	41,260

	Other	16,534
	Overseas business	17,933

Domestic hydroelectric: Water supply rate	106%	101%	96%	99%	94%	96%	Domestic hydroelectric: Water supply rate	91
Domestic thermal: Load factor (non-consolidated)	79%	77%	75%	67%	65%	55%	Domestic thermal: Load factor (non-consolidated)	58

*1 Electricity 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.)

*The disclosure method for the power generation business segment has changed from the fiscal year ended March 31, 2025.

(million yen)

Consolidated: Balance Sheet Items	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Total assets	2,766,179	2,805,390	2,842,016	3,066,233	3,362,742	3,475,805	3,668,740
Total liabilities	1,920,597	1,948,003	1,988,274	2,102,071	2,169,942	2,142,670	2,205,238
Total net assets	845,582	857,387	853,742	964,162	1,192,800	1,333,135	1,463,502

(million yen)

Consolidated: Cash Flow Items	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Net cash provided by (used in) operating activities	148,423	159,245	167,959	128,380	155,832	254,021	250,335
Net cash provided by (used in) investing activities	(170,432)	(161,711)	(143,274)	(178,846)	(150,839)	(161,954)	(122,830)
Free cash flows	(22,008)	(2,466)	24,684	(50,466)	4,993	92,066	127,505

Consolidated: Financial Indicators

[illegible]

7-Year Financial Data

	(million yen)						
Non-Consolidated: Operating Revenue/Expenses	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Operating revenue (net sales)	646,958	571,291	589,915	790,055	1,370,724	843,229	930,592
Electric power business	633,617	563,813	583,812	781,056	1,353,379	835,924	921,783
Electric power cost	—	—	—	606	1,168	253	10,549
Sold power to other suppliers	580,652	510,429	566,068	767,205	1,337,307	821,456	898,007
Other* ³	52,964	53,383	17,744	13,245	14,904	14,213	13,226
Incidental business operating expenses	13,340	7,478	6,102	8,998	17,344	7,304	8,809
Operating expenses	628,279	546,405	512,060	772,155	1,324,162	838,086	875,853
Electric power business	615,712	539,708	506,536	763,745	1,307,562	831,527	868,055
Personnel expenses	32,494	35,861	31,875	20,136	20,621	25,019	20,157
Fuel cost	289,024	233,234	193,776	298,588	762,152	422,879	363,309
Repair expenses	69,715	66,652	44,133	51,540	41,937	40,971	48,484
Consignment cost	41,951	42,578	47,182	51,961	51,389	49,901	56,234
Depreciation and amortization	51,050	52,702	55,277	55,930	58,963	59,541	59,757
Other	131,475	108,678	134,290	285,588	372,497	233,216	320,114
Incidental business operating expenses	12,567	6,697	5,524	8,410	16,600	6,558	7,797
Operating profit	18,678	24,886	77,854	17,899	46,561	5,142	54,739

*3 Transmission revenue and miscellaneous electric power business revenue; due to the split-off of the power transmission business in April 2020, only miscellaneous electric power business revenue will be recorded from FY2020 onward.

Segment Information

	(million yen)	
Sales to External Customers	2019/3	2020/3
Electric power business	693,790	684,155
Electric power-related business	35,518	31,988
Overseas business	141,024	179,094
Other business	27,032	18,537
Consolidated	897,366	913,775

Ordinary Profit

Electric power business	14,995	27,466
Electric power-related business	26,468	18,507
Overseas business	29,284	33,965
Other business	1,388	569
Adjustments	(3,597)	(2,423)
Consolidated	68,539	78,085

Assets

Electric power business	2,006,157	2,040,598
Electric power-related business	275,549	244,503
Overseas business	657,109	680,942
Other business	18,244	15,627
Adjustments	(190,881)	(176,281)
Consolidated	2,766,179	2,805,390

*The classification of reportable segments has been changed from the fiscal year ended March 31, 2025. 7-year financial data has been stated retrospectively to the extent possible using the new reportable segments.

	(million yen)				
Sales to External Customers	2021/3	2022/3	2023/3	2024/3	2025/3
Power generation business	685,476	832,789	1,372,398	855,652	945,700
Transmission and transformation business	50,050	49,167	49,940	48,928	49,851
Electric power-related business	20,560	39,134	114,767	77,879	59,206
Overseas business	138,087	145,106	277,555	259,264	244,673
Other business	14,970	18,424	27,260	16,273	17,241
Consolidated	909,144	1,084,621	1,841,922	1,257,998	1,316,674

Ordinary Profit

Power generation business	16,013	27,487	54,191	20,374	68,547
Transmission and transformation business	8,964	6,392	5,643	7,306	2,835
Electric power-related business	4,437	17,238	86,795	47,174	34,088
Overseas business	30,883	22,017	22,692	44,305	34,503
Other business	1,049	1,234	1,805	160	623
Adjustments	(445)	(1,524)	(335)	(787)	(502)
Consolidated	60,903	72,846	170,792	118,535	140,095

Assets

Power generation business	2,029,311	2,136,463	2,226,636	2,284,578	2,274,509
Transmission and transformation business	267,684	246,618	249,961	259,013	275,954
Electric power-related business	126,152	133,999	195,306	219,708	233,533
Overseas business	679,139	773,056	918,222	947,012	1,131,468
Other business	17,640	18,470	16,640	15,006	16,015
Adjustments	(277,910)	(242,375)	(244,026)	(249,514)	(262,740)
Consolidated	2,842,016	3,066,233	3,362,742	3,475,805	3,668,740

Consolidated Financial Statements

Consolidated Balance Sheet	(million yen)	
	2024/3	2025/3
Assets		
Non-current assets	2,785,551	2,995,032
Electric utility plant and equipment	1,092,687	1,085,212
Hydroelectric power production facilities	378,572	383,092
Thermal power production facilities	364,877	343,141
Renewable power production and related facilities	118,762	132,060
Transmission facilities	136,104	132,446
Transformation facilities	33,506	32,752
Communication facilities	6,523	6,594
General facilities	54,340	55,125
Overseas business facilities	463,421	529,667
Other non-current assets	89,664	89,404
Construction in progress	576,118	693,372
Construction in progress	576,118	693,372
Nuclear fuel	77,101	77,556
Nuclear fuel in processing	77,101	77,556
Investments and other assets	486,557	519,818
Long-term investments	410,175	439,466
Retirement benefit asset	18,157	25,771
Deferred tax assets	41,766	32,939
Other	16,545	21,713
Allowance for doubtful accounts	(87)	(71)
Current assets	690,254	673,708
Cash and deposits	278,814	308,995
Notes and accounts receivable—trade and contract assets	98,119	112,210
Short-term investments	153,146	107,464
Inventories	80,059	72,191
Other	80,118	72,849
Allowance for doubtful accounts	(3)	(3)
Total assets	3,475,805	3,668,740

	(million yen)	
	2024/3	2025/3
Liabilities		
Non-current liabilities	1,793,412	1,791,881
Bonds payable	729,086	652,987
Long-term borrowings	932,304	998,134
Lease liabilities	1,210	2,035
Other provisions	26	126
Retirement benefit liability	31,707	29,065
Asset retirement obligations	34,465	39,153
Deferred tax liabilities	27,677	28,575
Other	36,934	41,803
Current liabilities	349,257	413,357
Current portion of non-current liabilities	196,448	221,532
Short-term borrowings	8,031	8,133
Notes and accounts payable—trade	52,379	61,997
Accrued taxes	27,745	26,228
Other provisions	646	848
Asset retirement obligations	528	599
Other	63,478	94,017
Total liabilities	2,142,670	2,205,238
Net Assets		
Shareholders' equity	1,038,258	1,111,520
Share capital	180,502	180,502
Capital surplus	128,178	128,178
Retained earnings	729,940	803,189
Treasury shares	(362)	(349)
Accumulated other comprehensive income	177,720	224,513
Valuation difference on available-for-sale securities	26,855	30,817
Deferred gains or losses on hedges	15,434	16,408
Foreign currency translation adjustment	119,358	165,112
Remeasurements of defined benefit plans	16,072	12,174
Non-controlling interests	117,156	127,467
Total net assets	1,333,135	1,463,502
Total liabilities and net assets	3,475,805	3,668,740

Consolidated Financial Statements

Consolidated Statement of Income	(million yen)	
	2024/3	2025/3
Operating revenue (net sales)	1,257,998	1,316,674
Electric utility operating revenue	899,476	988,687
Overseas business operating revenue	259,264	244,673
Other business operating revenue	99,256	83,313
Operating expenses	1,152,293	1,178,363
Electric utility operating expenses	861,021	906,850
Overseas business operating expenses	226,756	206,631
Other business operating expenses	64,515	64,882
Operating profit	105,704	138,310
Non-operating income	49,518	39,976
Dividend income	1,866	2,605
Interest income	7,447	9,424
Share of profit of entities accounted for using equity method	24,550	14,464
Gain on sale of non-current assets	4,636	7,518
Other	11,017	5,963
Non-operating expenses	36,687	38,192
Interest expenses	30,937	33,002
Other	5,749	5,189
Total ordinary revenue	1,307,516	1,356,651
Total ordinary expenses	1,188,981	1,216,555
Ordinary profit	118,535	140,095
Profit before income taxes	118,535	140,095
Income taxes—current	27,393	28,795
Income taxes—deferred	6,446	8,769
Total income taxes	33,839	37,564
Profit	84,695	102,530
Profit attributable to non-controlling interests	6,920	10,060
Profit attributable to owners of parent	77,774	92,469

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	(million yen)	
	2024/3	2025/3
Cash Flows from Operating Activities		
Profit before income taxes	118,535	140,095
Depreciation	110,313	116,405
Loss on retirement of non-current assets	2,751	5,818
Increase (decrease) in retirement benefit liability	(3,352)	(3,248)
Interest and dividend income	(9,313)	(12,030)
Interest expenses	30,937	33,002
Decrease (increase) in trade receivables	37,012	(9,702)
Decrease (increase) in inventories	31,360	9,399
Increase (decrease) in trade payables	(13,524)	11,509
Share of loss (profit) of entities accounted for using equity method	(24,550)	(14,464)
Loss (gain) on sale of non-current assets	(4,621)	(6,940)
Other, net	5,689	3,808
Subtotal	281,237	273,652
Interest and dividends received	39,868	31,471
Interest paid	(34,294)	(32,878)
Income taxes paid	(32,790)	(21,910)
Net cash provided by (used in) operating activities	254,021	250,335
Cash Flows from Investing Activities		
Purchase of non-current assets	(115,840)	(123,920)
Proceeds from sale of non-current assets	5,842	8,059
Investments and loan advances	(9,357)	(12,352)
Proceeds from divestments and collection of loans receivable	7,619	5,231
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(28,762)
Net decrease (increase) in time deposits	(50,196)	18,116
Other, net	(21)	10,797
Net cash provided by (used in) investing activities	(161,954)	(122,830)
Cash Flows from Financing Activities		
Proceeds from issuance of bonds	44,840	17,736
Redemption of bonds	(70,000)	(90,000)
Proceeds from long-term borrowings	129,276	80,637
Repayments of long-term borrowings	(144,381)	(109,088)
Proceeds from short-term borrowings	33,363	34,598
Repayments of short-term borrowings	(36,176)	(34,522)
Dividends paid	(17,386)	(19,210)
Dividends paid to non-controlling interests	(4,064)	(12,155)
Other, net	(1,335)	(1,693)
Net cash provided by (used in) financing activities	(65,864)	(133,697)
Effect of exchange rate change on cash and cash equivalents	10,167	8,614
Net increase (decrease) in cash and cash equivalents	36,368	2,422
Cash and cash equivalents at beginning of period	334,294	370,663
Cash and cash equivalents at end of period	370,663	373,085

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.

Independent Third-Party Assurance Report

Environmental impact data marked with a ★ have been reviewed by Ernst & Young ShinNihon LLC to enhance reliability, and we have received an Independent Third-Party Assurance Report from them.



Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

Independent practitioner's assurance report

Mr. Hitoshi Kanno
Representative Director President and Chief Executive Officer
Electric Power Development Co., Ltd

Scope

We have been engaged by Electric Power Development Co., Ltd. (hereafter the "Company") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the Environmental Impact Data (the "Subject Matter") contained in the Company's "ESG Data" on the J-POWER Group Integrated Report 2025 (the "Report") for the period from April 1, 2024 to March 31, 2025. The Subject Matter for which assurance procedures were performed has been marked with a (★) in the relevant sections of the Report.

Other than as described in the preceding paragraph, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by the Company

In preparing the Subject Matter, the Company applied the Criteria, that it determined with consideration of laws and regulations applicable to the Company as presented on the Calculation Standards of Environmental Information as presented in the Integrated Reports.

The Company's responsibilities

The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error. In addition, Greenhouse gas (the "GHG") emissions are estimated using emissions factors, and the scientific knowledge on which such emission factors are based has not been established, thus being subject to inherent uncertainty.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter described in the Report based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised)") and with respect to GHG emissions, the *International Standard on Assurance*

1

Engagements: Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board, and the terms of reference for this engagement as agreed with the Company on March 31, 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared in all material respects in accordance with the Criteria. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Making enquiries regarding the Company's own criteria that it determined with consideration of laws and regulations applicable to the Company and evaluating the appropriateness thereof.
- Inspecting relevant documents with regard to the design of the Company's internal controls related to the Subject Matter and enquiring of personnel responsible thereof.

2

- Performing analytical procedures concerning the Subject Matter.
- Testing, on a sample basis, underlying source information, matching indicators with the evidence and conducting relevant re-calculations.
- Visiting one major power plant to perform procedures for indicators in the report.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter of the Company for the period from April 1, 2024 to March 31, 2025 is not prepared in all material respects in accordance with the Criteria.

Takefumi Kawasaki
Yasuo Maeda

Engagement Partners
September 4, 2025
Ernst & Young ShinNihon LLC
Tokyo, Japan

3

ESG Data

ESG Data

Environment

Environmental impact data marked with a ★ are reviewed by Ernst & Young ShinNihon LLC and we received the Independent Third-Party Assurance Report. For the standards and scope of the calculations, please refer to P.112–113.

Environmental Impact Data for Domestic Operations

	Unit	FY2022	FY2023	FY2024 ★
Power generation volume				
Power generation volume	billion kWh	59.6	52.6	54.8
Electric power sales volume	billion kWh	54.8	47.9	50.0
Energy consumed				
Coal [Dry coal: 28 GJ/t equivalent] (usage intensity)	million tons (t/million kWh)	15.14 (3.37)	12.76 (3.39)	13.48 (3.37)
Heavy oil	thousand kl	25	24	31
Light oil	thousand kl	24	29	30
Biomass	thousand tons	122	129	126
Purchased electric power	billion kWh	0.09	0.13	0.17
Water resources				
Industrial water used	million m ³	9.29	8.40	8.39
Volume of water used	million m ³	0.27	0.27	0.26
Volume of water discharged	million m ³	4.43	3.47	3.32
Waste				
Volume generated (effective utilization rate)	million tons (%)	1.95 (96%)	1.53 (95%)	1.56 (93%)
Of which is coal ash (effective utilization rate)	million tons (%)	1.64 (96%)	1.27 (95%)	1.29 (92%)
Of which is gypsum (effective utilization rate)	million tons (%)	0.28 (100%)	0.22 (100%)	0.22 (100%)
Amount of industrial waste disposed	thousand tons	75	79	108
Of which is specially-controlled	thousand tons	0.3	0.5	1.2
General waste disposal volume (used paper)	tons	18	31	48
Emissions into the atmosphere				
NOx emissions (emission intensity)	thousand tons (g/kWh)	23.0 (0.48)	18.8 (0.47)	20.4 (0.47)
SOx emissions (emission intensity)	thousand tons (g/kWh)	9.3 (0.19)	7.5 (0.19)	8.9 (0.21)
Soot and dust emissions (emission intensity)	thousand tons (g/kWh)	0.7 (0.01)	0.5 (0.01)	0.6 (0.01)
N ₂ O	t-CO ₂ e	90,000	80,000	90,000
SF ₆	t-CO ₂ e	3,000	22,000	11,000

*Coal intensity is the amount of coal consumed divided by the electric power sales volume of thermal power plants.

*The intensity for NOx, SOx, and soot and dust is calculated based on the amount of electricity generated at thermal power plants, which are the source of emissions.

*For N₂O and SF₆, we have revised the emission coefficient, global warming coefficient, and emission activities covered by the accounting and reporting system from the FY2023 data, in response to the revision to the ministerial ordinance on GHG emission calculation based on the Act on Promotion of Global Warming Countermeasures.

Greenhouse Gas Emissions*1, 2

	Unit	FY2022	FY2023	FY2024 ★
Scope 1		48.91	44.39	45.94
Domestic power generation business		40.64	33.68	35.84
Overseas power generation business		7.94	10.27	9.78
Other		0.33	0.43	0.32
Scope 2 (Location criteria)		0.15	0.14	0.14
Scope 2 (Market criteria)		0.15	0.14	0.14
Scope 3		13.17	13.31	13.51
(1) Purchased goods and services	million t-CO ₂	0.27	0.26	0.31
(2) Capital goods		0.40	0.40	0.44
(3) Fuel and energy-related activities not included in Scope 1 and 2		4.43	3.76	4.46
(5) Waste generated in operations		0.10	0.09	0.11
(6) Business travels		0.001	0.001	0.001
(7) Employee commuting		0.002	0.002	0.002
(9) Downstream transportation and distribution		0.15	0.16	0.17
(11) Use of sold products		6.37	7.01	7.63
(15) Investments		1.45	1.64	0.40
Total		62.23	57.84	59.59

CO₂ Emission Intensity per Electric Power Sales Volume

	Unit	FY2022	FY2023	FY2024 ★
Domestic and overseas power generation business	kg-CO ₂ /kWh	0.64	0.61	0.62
Domestic power generation business		0.71	0.67	0.68

*1 The scope of coverage includes J-POWER and its consolidated subsidiaries and equity-method affiliates in the electric power business and overseas business. Consolidated subsidiaries and equity-method affiliates are aggregated for the portion equivalent to J-POWER's equity stake.

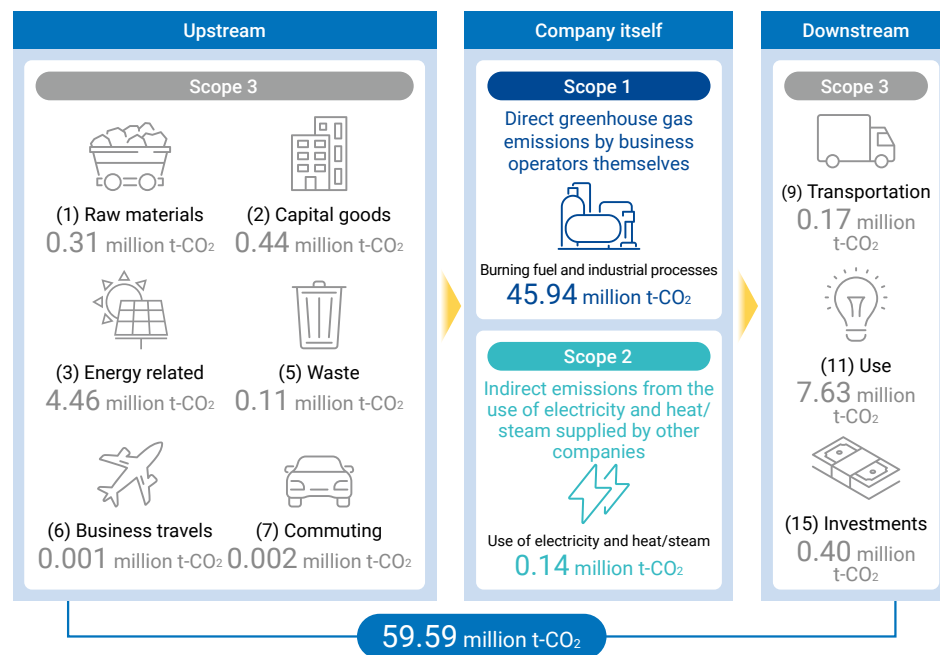
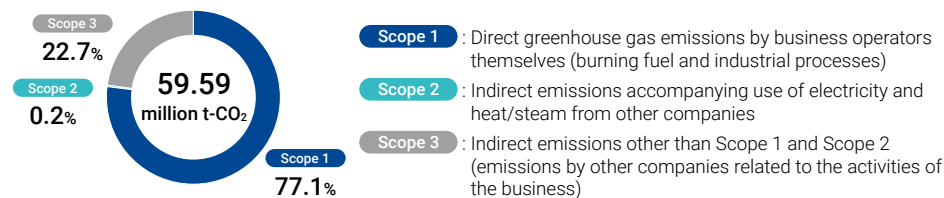
*2 Due to the nature of the products and services sold and the nature of the business, there is no energy consumption in the following categories.

(4) Transportation and distribution (upstream), (8) Leased assets (upstream), (10) Processing of sold products (12) Disposal of sold products, (13) Leased assets (downstream), (14) Franchise

ESG Data

ESG Data

FY2024 Greenhouse Gas Emission Results



Calculation Methods in Each Scope 3 Category

- Calculated by multiplying each product or service purchased by respective emission factor
- Calculated by multiplying the capital investment by the emission intensity
- Sum of the following two values:
 - Emissions from production and transportation of fuel used by the company
 - Calculated by multiplying the amount of electricity procured from sources other than the company by the emission intensity
- Calculated by multiplying the amount of emissions by waste type by the emission intensity of each treatment method
- Calculated by multiplying the number of employees by the emission intensity
- Calculated by multiplying the number of employees and number of business days by type of work and by rank of employee, respectively, by the emission intensity
- Calculated by multiplying the ton-kilometers of sold coal transported by the emission intensity
- Calculated by multiplying the volume of coal sold by the emission intensity
- CO₂ emissions from power plants in which J-POWER's equity portion is less than 20%

Scope of the Calculations of Environmental Impact Data

Scope of the calculations of GHG emissions Scope of reporting environmental impact data

Domestic Business

Electric power business (transmission)	
J-POWER Transmission Network Co., Ltd.	100 %
Electric power-related business	
J-POWER HYTEC Co., Ltd.	100 %
J-POWER Generation Service Co., Ltd.	100 %
J-POWER Business Service Corporation	100 %
J-POWER Telecommunication Service Co., Ltd.	100 %
J-POWER Design Co., Ltd.	100 %
J-POWER Insurance Service Corporation	(100 %)
J-POWER EnTech Inc.	100 %
JM Activated Coke, Inc.	90 %
J-Wind Service Co., Ltd.	100 %
Miyazaki Wood Pellet Co., Ltd.	98.33 %
Other business	
Kaihatsu Hiryou Co., Ltd.	100 %
Biocoal Osaka-Hirano Co., Ltd.	60 %
Green Coal Saikai Co., Ltd.	60 %
Biocoal Yokohama-South Co., Ltd.	60 %
Electric power business (power generation)	
Electric Power Development Co., Ltd.	—
J-Wind Co., Ltd.	100 %
J-Wind KUZUMAKI Co., Ltd.	100 %
Nagasaki-Shikamachi Wind Power Co., Ltd.*1	70 %
J-Wind SETANA Co., Ltd.	100 %
Esashi Green Energy Co., Ltd.	70 %
Ishikari Green Energy Co., Ltd.	70 %
J-Wind Kaminokuni, Ltd.*2	100 %
TOSA POWER Inc.*3	45 %
Kashima Power Co., Ltd.	50 %
Yuzawa Geothermal Power Generation Corporation	50 %
Appi Geothermal Energy Corporation	15 %
J-Solar Co., Ltd.*4	100 %

- *1 Nagasaki-Shikamachi Wind Power Co., Ltd. discontinued operation in June 2024.
 *2 J-Wind Kaminokuni, Ltd. started operation in May 2024.
 *3 TOSA POWER Inc. terminated its business in March 2025.
 *4 J-Solar Co., Ltd. started operation in November 2024.
 *5 J-POWER invested in PT Mulya Energi Lestari in November 2024.
 *6 Lake Mainit Hydroelectric Power Plant started operation in March 2024.
 *7 Pinelawn Power LLC, Equus Power I, L.P., Edgewood Energy, LLC, and Shoreham Energy, LLC were sold in December 2024.
 *8 Tenaska Virginia Partners, L.P. was sold in August 2024.
 *9 J-POWER acquired 100% of the shares of Genex Power Limited in July 2024.
 *10 China Resources Power (Hezhou) Co., Ltd. was sold in March 2024.

Overseas Business

Thailand	
Gulf JP UT Co., Ltd.	(60 %)
Gulf JP NS Co., Ltd.	(60 %)
Gulf JP NNK Co., Ltd.	(60 %)
Gulf JP CRN Co., Ltd.	(60 %)
Gulf JP NK2 Co., Ltd.	(60 %)
Gulf JP TLC Co., Ltd.	(60 %)
Gulf JP KP1 Co., Ltd.	(60 %)
Gulf JP KP2 Co., Ltd.	(60 %)
Gulf JP NLL Co., Ltd.	(44.99%)
EGCO Cogeneration Co., Ltd.	(20 %)
Roi-Et Green Co., Ltd.	(24.7 %)
Yala Green Power Generation Co., Ltd.	(49 %)
Gulf JP1 Co., Ltd.	(60 %)
Kaeng Khoi Power Generation Co., Ltd.	(49 %)
Indonesia	
PT. BHIMASENA POWER INDONESIA	(34 %)
PT. Mulya Energi Lestari*5	(27.23%)
Philippines	
CBK Power Co., Ltd.	(50 %)
Lake Mainit Hydro Holdings Corporation*6	(40 %)
United States	
Jackson Generation, LLC	(51 %)
Tenaska Frontier Partners, Ltd	(31 %)
Elwood Energy, LLC	(50 %)
Green Country Energy, LLC	(50 %)
Pinelawn Power LLC*7	(50 %)
Equus Power I, L.P.*7	(50 %)
Tenaska Virginia Partners, L.P.*8	(15 %)
Edgewood Energy, LLC*7	(50 %)
Shoreham Energy, LLC*7	(50 %)
Orange Grove Energy, L.P.	(50 %)
Tenaska Pennsylvania Partners, LLC	(25 %)
United Kingdom	
Triton Knoll Offshore Wind Farm Ltd.	(25 %)
Australia	
Genex Power Limited*9	(100 %)
Clermont Coal Joint Venture	(22.2 %)
Narrabri Joint Venture	(7.5 %)
Maules Creek Joint Venture	(10 %)
China	
Shaanxi Hanjiang Investment & Development Co., Ltd.	(27 %)
China Resources Power (Hezhou) Co., Ltd.*10	(17 %)

*Figures in % indicate the share of equity held by J-POWER, while those in parentheses () indicate the share of equity held by subsidiaries and affiliates.

ESG Data

ESG Data

Environmental Index Calculation Standards

Greenhouse gas emissions	
Scope 1 emissions N ₂ O emissions	Calculated by multiplying the amount of each fuel used by the relevant emission factor based on the method specified in the Act on Promotion of Global Warming Countermeasures.
SF ₆ emissions	Calculated by multiplying the amount of leakage (annual amount of SF ₆ filled into relevant equipment) by the relevant emission factor according to the method specified by the Act on Promotion of Global Warming Countermeasures.
Scope 2 emissions (Location criteria)	Calculated by multiplying the amount of electricity purchased by the emission factor for the area.
Scope 2 emissions (Market criteria)	Calculated by multiplying the amount of electricity purchased by the emission factor of each purchasing power company.
Scope 3 emissions	Calculated based on the method defined in the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain."
Category 1 Purchased goods and services	Calculated by multiplying the quantity data of chemicals (limestone and ammonia) purchased and acquired by the company, as well as repair and outsourcing costs, by the relevant emission intensity.
Category 2 Capital goods	Calculated by multiplying the total capital investment by the emission intensity.
Category 3 Fuel and energy-related activities not included in Scope 1 and 2	Total emissions from production of fuel for power generation, procurement of electricity for resale, and transportation of coal • Calculated by multiplying the quantity data of fuel purchased by the company by the emission intensity. • Calculated by multiplying the electricity input data to the company by the average emission intensity of all power sources. • Calculated by multiplying the ton-kilometers of transports by rail, ship, and air by the emission intensity of each transportation agency based on the ton-kilometer method.
Category 5 Waste generated in operations	Calculated by multiplying the amount of industrial waste consigned for treatment (including the amount of effective utilization) by the emission intensity.
Category 6 Business travels	Calculated by multiplying the number of employees by the emission intensity.
Category 7 Employee commuting	Calculated by multiplying the number of employees of each work type and city class by the number of business days and emission intensity.
Category 9 Downstream transportation and distribution	Emissions from coal transport from coal mines • Calculated by multiplying the ton-kilometers of transports by rail, ship, and air by the emission intensity of each transportation agency based on the ton-kilometer method.
Category 11 Use of sold products	Emissions from the sale of coal produced in coal mines • Calculated by multiplying the total sales volume of fuel, etc. by the emission intensity.
Category 15 Investments	Calculated by multiplying each investment's emissions by its equity.

Power generation and energy use

Electric power generated and sold	The data is automatically collected by the measuring instruments. The measuring instruments are calibrated in accordance with regulations.
Various fuels and purchased electricity	Calculated in accordance with the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy.

Emissions into the atmosphere

Soot and smoke emissions (NO _x , SO _x , soot and dust)	Calculated using data automatically collected by the measuring instruments based on the Air Pollution Control Act. The measuring instruments are calibrated in accordance with regulations.
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Use of water resources

Industrial water used	The billing data from public water bureau or the data automatically measured by the instrument is aggregated. The measuring instruments are verified in accordance with Article 72 of the Measurement Act.
Volume of water used	The volume used on billing data from public water bureau or as measured by the instrument is aggregated.
Volume of water discharged	The volume of water discharged as measured by the instrument is aggregated.

Generation and effective utilization of industrial waste

Industrial waste generated	The quantities listed on the manifest* as stipulated by the Act on Waste Management and Public Cleansing are aggregated. Driftwood was counted by volume of material collected from the dam lakes.
Effective utilization rate of industrial waste	Ratio of the amount of waste recycled or reused and the amount of valuable materials sold to outside vendors, to the amount generated

*Manifest: A control slip that must be issued when outsourcing the collection, transportation, and disposal of waste materials to an outside contractor. The weight and disposal method of the waste are described.

ESG Data

ESG Data

Society

Category	Accounting metric		Unit	Result		
				FY2022	FY2023	FY2024
Human resources*1	Number of employees (consolidated)*2	Male	persons	6,147	6,115	6,094
		Female	persons	931	968	1,033
		Total	persons	7,078	7,083	7,127
	Managers	Male	persons	1,398	1,485	1,447
		Female	persons	20	26	25
		Percentage of women	%	1.4	1.7	1.7
	Number of new graduates hired	Male	persons	81	79	87
		Female	persons	16	21	24
		Total	persons	97	100	111
	Number of mid-career hires	Male	persons	18	16	23
		Female	persons	2	2	4
		Total	persons	20	18	27
	Percentage of mid-career hires		%	19	16	20
	Percentage of people with disabilities employed*3		%	2.42	2.34	2.39
	Average length of continuous service	Male	years	19.7	19.8	19.4
		Female	years	9.6	9.8	9.8
		Total	years	19.0	19.1	18.6
	Average annual salary*4	Total	yen	8,045,816	10,459,535	11,170,431
	Ratio of women's to men's wages*5,6	20s and younger	%	96.1	97.8	97.1
		30s	%	97.9	100.8	98.2
		40s and over	%	105.7	102.3	103.4
	Turnover rate for the three years after joining		%	6.4	2.0	8.7
	Total actual working hours per person		hours	1,951	1,968	1,969
	Overtime hours worked per person		hours/month	21.4	21.2	21.2
	Days of paid vacation taken per person		days	16.4	16.8	16.3
	Percentage of employees taking childcare leave*7	Male	%	86	100	100
		Female	%	100	100	100
		Total	%	88	100	100
	Average age		age	41.5	41.7	41.4
	Average hours of training per employee		hours	33.9	36.4	37.7
	Training cost per employee		thousand yen/person	245	236	273

*1 Unless specified otherwise, data on human resource is based on the non-consolidated data of J-POWER.

*2 J-POWER Group employees (excluding temporary employees)

*3 As of June 1 of each fiscal year

*4 Average annual salary includes non-standard wages and bonuses. Managers and other employees not included until FY2022 are now included from FY2023.

*5 Comparison of base salaries of employees in a career-track position. Ratio of female to male wages.

*6 (Reference) Difference in wages between male and female workers calculated based on the Act on the Promotion of Women's Active Engagement in Professional Life, all employees (59.0%), regular employees (58.8%), non-regular employees (70.0%)

*7 The Company manages the utilization rate of childcare leave for each fiscal year of the birth of an employee's child, and such rate of employees whose children become two years old in the relevant fiscal year is shown.

Category	Accounting metric		Unit	Result		
				FY2022	FY2023	FY2024
Occupational health and safety	Number of occupational accidents*8					
	Fatalities	J-POWER (non-consolidated)	persons	0	0	0
		Major five companies*9 + cooperating companies	persons	0	0	0
		Total	persons	0	0	0
	Serious injuries	J-POWER (non-consolidated)	persons	0	0	0
		Major five companies*9 + cooperating companies	persons	8	7	9
		Total	persons	8	7	9
	Minor injuries	J-POWER (non-consolidated)	persons	2	1	1
		Major five companies*9 + cooperating companies	persons	5	15	12
		Total	persons	7	16	13
	Frequency*10	J-POWER + major five companies*9 + cooperating companies		0.91	1.39	1.31
		Industry-wide*12		2.06	2.14	2.10
	Severity*11	J-POWER + major five companies*9 + cooperating companies		0.05	0.04	0.04
		Industry-wide*12		0.09	0.09	0.09

*8 The number of fatalities and serious and minor injuries among occupational accidents involving J-POWER and J-POWER Transmission Network employees and occupational accidents involving their contractors occurred in construction and other operations

*9 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.

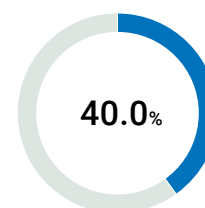
*10 Frequency = number of fatalities and injuries due to occupational accidents / total number of actual hours worked × 1,000,000. Contract workers are outside the reporting scope of "Industry-wide" data (directly hired workers are only included in the data) while the data of "J-POWER + major five companies + cooperating companies" includes contract workers.

*11 Severity = total number of days of labor loss / total number of actual hours worked × 1,000. Contract workers are outside the reporting scope of "Industry-wide" data (directly hired workers are only included in the data) while the data of "J-POWER + major five companies + cooperating companies" includes contract workers.

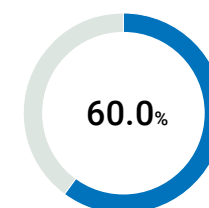
*12 Source: Ministry of Health, Labour and Welfare, *Overview of Survey on Industrial Accidents in 2024 (survey on establishments with 100 or more regular employees and survey on general construction)*, June 30, 2025
<https://www.mhlw.go.jp/toukei/itiran/roudou/saigai/24/> (Japanese only)

Governance (As of June 26, 2025)

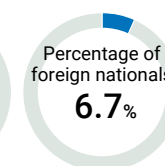
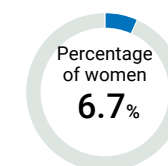
Percentage of Outside Directors
on the Board of Directors



Percentage of Outside Officers
on the Nomination and
Compensation Committee



Composition of Directors



Number of serious non-compliance incidents (FY2024 results) 0

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	Unit	Result
Greenhouse gas emissions & energy resource planning* ¹	(1) Gross global Scope 1 emissions	IF-EU-110a.1.	t-CO ₂	45,940,000
	(2) Percentage of Scope 1 emissions under emissions-limiting regulations		%	Not applicable
	(3) Percentage of Scope 1 under emissions-reporting regulations		%	100%
	Greenhouse gas (GHG) emissions associated with power deliveries	IF-EU-110a.2.	t-CO ₂	45,750,000
	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 and realize CCS in Japan, 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: 46% (22.5 million t-CO ₂)* ³ FY2025 Reduce CO ₂ emissions from the J-POWER Group's domestic power generation business: 9.2 million t-CO ₂ * ³	
	Analysis of performance against the above targets		In order to cut FY2030 CO ₂ emissions from the J-POWER Group's domestic power generation business 46% (22.5 million t-CO ₂)* ³ , we added 9.2 million tons of reduction by FY2025 as an interim target and are moving forward with plans to implement the above reductions.	
	(1) Number of customers served in markets subject to renewable portfolio standards (RPS)	IF-EU-110a.4	customers	Not applicable
	(2) Percentage fulfillment of RPS target by market		%	*The RPS law which established RPS regulations in Japan was abolished in 2012 and has shifted to a feed-in tariff system.
Air quality* ²	(1) NOx	IF-EU-120a.1	tons, %	22,000 tons, [100%] The percentage value indicates emission rate in densely populated areas.
	(2) SOx		tons, %	8,900 tons, [100%] The percentage value indicates emission rate in densely populated areas.
	(3) Particulate matter (PM ₁₀)		tons, %	Not disclosed, as we have not adopted measurement methods recommended by the SASB Standards.
	(4) Lead (Pb)		tons, %	Not disclosed, as we have not adopted measurement methods recommended by the SASB Standards.
	(5) Mercury (Hg)		tons, %	Not disclosed, as we have not adopted measurement methods recommended by the SASB Standards.
Water management* ²	(1) Total water withdrawn	IF-EU-140a.1.	thousand m ³ , %	59,036,000 thousand m ³ , [0%] The percentage value indicates the proportion of areas with high/extremely high water stress.
	(2) Total water consumed		thousand m ³ , %	16,400 thousand m ³ , [50%] The percentage value indicates the proportion of areas with high/extremely high water stress.
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	IF-EU-140a.2.	cases	0
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-EU-140a.3.	The Company manages the following risks related to the use of water resources, which are essential to its power generation business. In the hydroelectric power generation business, the amount of water withdrawal permitted by law is observed, and the river environment is maintained by discharging water from rivers exceeding certain sizes* ⁴ . In the thermal power generation business, we are working to reduce water withdrawal by recovering and reusing water for power generation. In addition, seawater is used as indirect cooling water for power generation facilities, and we comply with the levels stipulated in environmental conservation agreements. WRI Aqueduct (3.0) is used to locate water risks for the hydroelectric and thermal power plants of consolidated subsidiaries that use large amounts of water resources. As a result, while no power plants operate in places with high water stress in Japan, there are many thermal power plants located in regions with high water stress overseas. In such overseas areas, we are reducing water withdrawal/consumption and operational risk by reusing water discharges after treatment and constructing reservoirs by taking each site's environment into account.	
Coal ash management* ²	Amount of coal combustion residuals (CCR) generated and percentage recycled	IF-EU-150a.1.	tons, %	1,292,000 tons [92.4%]
	Number of CCR impoundments	IF-EU-150a.2.	cases	3

*¹ The figure is calculated for J-POWER and its domestic and overseas consolidated subsidiaries and equity method affiliates (electric power business, overseas business, electric power related business, etc.).

*² The figure is calculated for J-POWER and its domestic and overseas consolidated subsidiaries (electric power business, overseas business, electric power related business, etc.), without taking into account the ratio of capital contribution.

*³ All of these reductions are compared to FY2013.

*⁴ The length of the section of the river where water withdrawal for hydroelectric power generation reduces water flow is 10 km or more and the catchment area is 200 km² or more, etc.

ESG Data

SASB Index

Topic	Accounting metric	Code	Unit	Result
Energy affordability	(1) Retail electric rate for residential customers	IF-EU-240a.1.		
	(2) Retail electric rate for commercial customers			
	(3) Average retail electric rate for industrial customers			
	Typical monthly electric bill for residential customers for (1) 500 kWh of electricity delivered per month	IF-EU-240a.2.		Not disclosed for competitive reasons due to deregulation of the electric power industry
	Typical monthly electric bill for residential customers for (2) 1,000 kWh of electricity delivered per month			
	(1) Number of residential customer electric disconnections for non-payment	IF-EU-240a.3.		
	(2) Percentage reconnected within 30 days			
Workforce health and safety	(1) Total recordable incident rate (statistic count × 200,000/hours worked)	IF-EU-320a.1.	cases	0.26 (Employees: 0.05; Outsourcing & other contractors: 0.33) Note: Calculations are for J-POWER, five major J-POWER Group companies* and partner companies.
	(2) Fatality rate (number of cases)			0
	(3) Near miss frequency rate (statistic count × 200,000/hours worked)			Not disclosed, as we have not adopted measurement methods recommended by the SASB Standards
End-use efficiency & demand	(1) Decoupled percentage	IF-EU-420a.1.	%	Not applicable
	(2) Lost revenue adjustment mechanism (LRAM) percentage		%	*Not applicable as no customers in Japan have adopted the decoupling and LRAM
	Percentage of electric load (MWh) served by smart grid technology	IF-EU-420a.2.		Not disclosed for competitive reasons due to deregulation of the electric power industry
	Customer electricity savings from efficiency measures, by market	IF-EU-420a.3.	MWh	Not applicable
Nuclear safety & emergency management	Total number of nuclear power units	IF-EU-540a.1.	Number of units	1 (Ohma Nuclear Power Plant) *Ohma Nuclear Power Plant is currently under construction and reviewed by the Nuclear Regulation Authority of its compliance with the New Safety Standards for Nuclear Power Stations. Timing of operational start is unscheduled.
	Description of efforts to manage nuclear safety and emergency preparedness	IF-EU-540a.2.		We are working 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.		Not disclosed due to risks associated with disclosure
	(1) System Average Interruption Duration Index (SAIDI)	IF-EU-550a.2.		Not applicable *J-POWER Transmission Network, a consolidated subsidiary of the Company, owns electric power transmission and transformation 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.
	(2) System Average Interruption Frequency Index (SAIFI)			
	(3) Customer Average Interruption Duration Index (CAIDI)			

*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 Telecommunication Service Co., Ltd., J-POWER Design Co., Ltd.

Activity Metrics

Business metrics	Unit	Result
Number of: (1) residential, (2) commercial, and (3) industrial customers served	customers	Not disclosed for competitive reasons due to deregulation of the electric power industry
Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	MWh	Not disclosed for competitive reasons due to deregulation of the electric power industry
Length of transmission and distribution lines	km	2,410.3km
Total electricity generated, percentage by major energy source, percentage in regulated markets	MWh, %	(1) 67,771,265MWh (2) Hydroelectric: 12.7% Thermal: 85.3% Wind: 2.0% (3) Not applicable (Marked "Not applicable" as there are no "regulated markets" in Japan)
Total wholesale electricity purchased	MWh	Not disclosed for competitive reasons due to deregulation of the electric power industry

Major Group Companies

Consolidated Subsidiaries (As of March 31, 2025)

Company name	Main businesses	Voting rights holding (held) (%)
Power generation business		
J-POWER HYTEC Co., Ltd.	Construction, technical development, design, consulting, maintenance, and research for hydroelectric power plants and transmission and transformation facilities; surveying of and compensation for construction sites; civil engineering, construction management, and construction services	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-Wind Kaminokuni, Ltd.	Wind power business	100.0
J-POWER EnTech Inc.	Engineering services for atmospheric and water pollutant removal equipment	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
J-Solar Co., Ltd.	Solar power business	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
and 8 other companies		
Transmission and transformation business		
J-POWER Transmission Network Co., Ltd.	Transmission business	100.0
Electric power-related business		
J-POWER AUSTRALIA PTY. LTD.	Investment in coal mines in Australia	100.0
J-POWER Business Service Corporation	Operation of welfare facilities; facility maintenance; business process outsourcing; development of computer software; import and sale of fuel for power generation	100.0
J-POWER Telecommunication Service Co., Ltd.	Construction and maintenance of electronic and communications facilities, telecommunications, etc.	100.0
J-POWER Design Co., Ltd.	Design, management, and research for electric power facilities and other facilities and construction consulting	100.0
and 2 other companies		

Company name	Main businesses	Voting rights holding (held) (%)
Overseas business		
JP Renewable Europe Co., Ltd.	Management of investments	100.0
JP Generation Australia Pty. Ltd.	Management of investments, research and development of projects	100.0
J-Power Investment Netherlands B.V.	Management of investments	100.0
J-Power Generation Philippines Inc.	Management of investments, research and development of projects	100.0
J-POWER Consulting (China) Co., Ltd.	Management of investments, research and development of projects	100.0
J-POWER VIETNAM Co., Ltd.	Research and development of projects	100.0
PT JPOWER GENERATION INDONESIA	Research and development of projects	100.0
J-POWER North America Holdings Co., Ltd.	Management of investments	100.0
Air Indonesia Co., Ltd.	Management of investments	95.97
J-POWER Holdings (Thailand) Co., Ltd.	Management of investments	100.0 (100.0)
JPGA Partners Pty. Ltd.	Management of investments	100.0 (100.0)
GENEX POWER LTD.	Management of investments, research and development of projects	100.0 (100.0)
GENEX (KIDSTON HYDRO) PTY LTD	Management of investments	100.0 (100.0)
GENEX (KIDSTON) PTY LIMITED	Management of investments	100.0 (100.0)
JPBC DEVELOPMENT CO PYT. LTD.	Management of investments	100.0 (100.0)
J-POWER Jackson Capital, LLC	Management of investments	100.0 (100.0)
J-POWER Jackson Partners, LLC	Management of investments	100.0 (100.0)
Gulf JP Co., Ltd.	Management of investments	60.0 (60.0)
Gulf JP UT Co., Ltd.	Thermal power business	60.0 (60.0)
Gulf JP NS Co., Ltd.	Thermal power business	60.0 (60.0)
Jackson Generation, LLC	Thermal power business	51.0 (51.0)
and 58 other companies		
Other business		
Kaihatsu Hiryou Co., Ltd.	Production and sales of fertilizer using ash	100.0
J-POWER Latrobe Valley Pty. Ltd.	Participating in Australian Brown Coal Hydrogen Pilot Test Project	100.0
Green Coal Saikai, Co., Ltd.	Operation of an ordinary waste-based fuel manufacturing facility	60.0
Biocoal Osaka-Hirano Co., Ltd.	Construction and operation of a sewage sludge-based fuel manufacturing facility	60.0
and 1 other company		

Notes: 1. The percentages in parentheses represent indirect holding ratios and are included in the percentages above.

2. J-POWER AUSTRALIA PTY. LTD., JP Renewable Europe Co., Ltd., JP Generation Australia Pty. Ltd., J-POWER Holdings (Thailand) Co., Ltd., JPGA Partners Pty. Ltd., GENEX POWER LTD., J-POWER Jackson Capital, LLC, J-POWER Jackson Partners, LLC, Jackson Generation, LLC, Gulf JP Co., Ltd., Gulf JP UT Co., Ltd., and Gulf JP NS Co., Ltd. are specified subsidiaries.

Major Group Companies

Equity-Method Affiliates (As of March 31, 2025)

Company name	Main businesses	Voting rights holding (held) (%)
Electric power business		
Kashima Power Co., Ltd.	Thermal power business	50.0
Yuzawa Geothermal Power Generation Corporation	Geothermal power business	50.0
Osaki CoolGen Corporation	Large-scale demonstration trials of oxygen-blown IGCC and CCS technologies, etc.	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.	Wind power business	40.0
Oga Katagami Akita Offshore Green Energy LLC.	Wind power business	37.0
Appi Geothermal Energy Corporation	Geothermal power business	15.0
and 5 other companies		

Company name	Main businesses	Voting rights holding (held) (%)
Overseas business		
PT. BHIMASENA POWER INDONESIA	Thermal power business	34.0
Shaanxi Hanjiang Investment & Development Co., Ltd.	Hydroelectric power business	27.0
CBK Netherlands Holdings B.V.	Management of investments	50.0 (50.0)
J-POWER USA Generation, L.P.	Management of investments	50.0 (50.0)
Birchwood Power Partners, L.P.	Asset management/guarantee of performance	50.0 (50.0)
Birchwood O&M, LLC	Asset management	50.0 (50.0)
Generating Electric Public Co., Ltd.	Management of investments	49.0 (49.0)
Kaeng Khoi Power Generation Co., Ltd.	Thermal power business	49.0 (49.0)
Gulf Cogeneration Co., Ltd.	Thermal power business	49.0 (49.0)
Yala Green Power Generation Co., Ltd.	Thermal power business	49.0 (49.0)
and 71 other companies		

Note: The percentages in parentheses represent indirect holding ratios and are included in the percentages above.

J-POWER Group Facilities

Power Generation Facilities in Operation*

(As of March 31, 2025)

*Power generation facilities of the electric power business segment and overseas business segment

Domestic, overseas total

Generation capacity 43,458 MW | Owned capacity 25,681 MW

Domestic Total (98 bases)

Generation capacity 18,650 MW | Owned capacity 18,104 MW

Type	Power plants	Location (Prefecture)	River system	Start of operation (year)	Authorized output (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	42
	Honbetsu	Hokkaido	Tokachigawa	1962	25
	Kumaushi	Hokkaido	Tokachigawa	1987	15
	Satsunaigawa	Hokkaido	Tokachigawa	1997	8
	Kuttari	Hokkaido	Tokachigawa	2015	0.5
	Shinkatsurazawa	Hokkaido	Ishikarigawa	2022	16
	Kumaoi	Hokkaido	Ishikarigawa	1957	5
	Towa	Iwate	Kitakamigawa	1954	27
	Isawa No. 1	Iwate	Kitakamigawa	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

Type	Power plants	Location (Prefecture)	River system	Start of operation (year)	Authorized output (MW)
	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	21
	Nagano	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
	Totsukawa No. 1	Nara	Shingugawa	1960	75
	Totsukawa No. 2	Wakayama	Shingugawa	1962	58
	Owase No. 1	Mie	Shingugawa/ Choushigawa	1962	40
	Owase No. 2	Mie	Choushigawa	1961	25
	Ikehara	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
Total (Domestic hydroelectric, 61 plants)					8,582

J-POWER Group Facilities

Power Generation Facilities in Operation (As of March 31, 2025)

Type	Power plants	Location (Prefecture)	Start of operation (year)	Output capacity (MW)	Ownership (%)	Owned capacity (MW)
Wind	Setana Seaside	Hokkaido	2005	12	100	12
	Setana-Osato Wind Farm	Hokkaido	2020	50	100	50
	Kaminokuni Wind Farm	Hokkaido	2014	28	100	28
	Esashi	Hokkaido	2023	21	70	15
	New Shimamaki Wind Farm	Hokkaido	2023	4	100	4
	New Sarakitomanai Wind Farm	Hokkaido	2023	15	100	15
	New Tomamae Winvilla	Hokkaido	2023	31	100	31
	Ishikari Hachinosawa Wind Farm	Hokkaido	2024	21	70	15
	Kaminokuni No. 2	Hokkaido	2024	42	100	42
	Ohma	Aomori	2016	20	100	20
	Green Power Kuzumaki	Iwate	2003	21	100	21
	Kuzumaki No. 2	Iwate	2020	45	100	45
	Nikaho No. 2	Akita	2020	41	100	41
	Yurihonjo Bayside	Akita	2017	16	100	16
	New Nikaho Kogen	Akita	2024	25	100	25
	Koriyama-Nunobiki Kogen	Fukushima	2007	66	100	66
	Hiyama Kogen	Fukushima	2011	28	100	28
	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
	Minami Ehime	Ehime	2015	29	100	29
	Aso-Oguni Wind Farm	Kumamoto	2007	9	100	9
Total (Domestic wind, 23 farms)				600		587
Geothermal	Wasabizawa	Akita	2019	46	50	23
	Appi	Iwate	2024	15	15	2
	Onikobe	Miyagi	2023	15	100	15
Total (Domestic geothermal, 3 plants)				76		40
Solar	Himeji Oshio	Hyogo	2024	2	100	2
Total (Domestic solar, 1 plant)				2		2

Type	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
			New No. 2	2009	600	100	600
	Takasago	Hyogo	No. 1	1968	250	100	250
			No. 2	1969	250	100	250
	Takehara	Hiroshima	New No. 1	2020	600	100	600
			No. 3	1983	700	100	700
	Tachibanawan	Tokushima	No. 1	2000	1,050	100	1,050
			No. 2	2000	1,050	100	1,050
	Matsushima*1	Nagasaki	No. 1	1981	500	100	500
			No. 2	1981	500	100	500
	Matsuura	Nagasaki	No. 1	1990	1,000	100	1,000
			No. 2	1997	1,000	100	1,000
	Ishikawa Coal	Okinawa	No. 1	1986	156	100	156
			No. 2	1987	156	100	156
Thermal (J-POWER): 7 power plants					8,412		8,412
Coal-fired	Tosa*2	Kochi			167	45	75
	Kashima	Ibaraki			645	50	323
Demonstration tests facility	Osaki CoolGen	Hiroshima			166	50	83
Thermal (Subsidiaries, etc.): 3 power plants					978		481
Total (Domestic thermal): 9 power plants, 1 test facility					9,390		8,893

*1 While the operation of Matsushima Thermal Power Plant Unit No. 2 was suspended in April 2025, Unit No. 1 was decommissioned in May 2025 in preparation for the GENESIS Matsushima Plan.

*2 Tosa Power Plant was decommissioned in April 2025.

J-POWER Group Facilities

Power Generation Facilities in Operation

(As of March 31, 2025)

Overseas total (32 projects)

Output capacity 24,808 MW | Owned capacity 7,577 MW

Countries	Type	Projects	Output capacity (MW)	Ownership (%)	Owned capacity (MW)	Power purchasers	Validity of purchase agreement
Thailand	Gas-fired (CCGT)	7SPP* 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 (CCGT)	Nong Seang	1,600	60	960	EGAT	Valid to 2039
	Gas-fired (CCGT)	U-Thai	1,600	60	960	EGAT	Valid to 2040
	Solar	Rooftop Solar	5	60	3	Companies in the industrial park	–
	Total (Consolidated)		3,995		2,379		
	Gas-fired (CCGT)	EGCO Cogeneration	74	20	15	EGAT/Companies in the industrial park	Vary among the companies
	Biomass (Rubber-wood waste)	Yala	20	49	10	EGAT	Valid to 2031
	Gas-fired (CCGT)	Kaeng Khoi 2	1,468	49	719	EGAT	Valid to 2033
Total (Non-consolidated)			1,562		744		
Thailand (Total, 13 projects)			5,558		3,123		

*1 7 SPPs project, which commenced operation in 2013.

Countries	Type	Projects	Output capacity (MW)	Ownership (%)	Owned capacity (MW)	Power purchasers	Validity of purchase agreement
United States	Gas-fired (CCGT)	Tenaska Frontier	830	31	257	ERCOT market and MISO market	–
	Gas-fired (SCGT)* ²	Elwood Energy	1,350	50	675	PJM market	–
	Gas-fired (CCGT)	Green Country	795	50	398	SPP market	–
	Gas-fired (CCGT)	Jackson	1,200	51	612	PJM market	–
	Gas-fired (SCGT)	Orange Grove	96	50	48	San Diego Gas & Electric	Valid to 2035
	Gas-fired (CCGT)	Westmoreland	940	25	235	PJM market	–
United States (Total, 6 projects)			5,211		2,225		
Australia	Solar	Kidston Stage1	50	100	50	NEM market	–
	Solar	Jemalong Solar	50	100	50	NEM market	–
	Storage	Bouldercombe	50	100	50	NEM market	–
Australia (Total, 3 projects)			150		150		
China	Hydroelectric	Hanjiang (Xihe, Shuhe)	450	27	122	Shaanxi Electric Power Company	Renewed every year* ⁴
	Coal-fired, wind, solar, pumped storage	Gemeng* ³	9,817	7	687	Shanxi Province Power Corporation	–
China (Total, 3 projects)			10,267		809		
Philippines	Hydroelectric	CBK (3 projects)	728	50	364	National Power Corporation	Valid to 2026
	Hydroelectric	Lake Mainit	25	40	10	ANECO	Valid to 2048
United Kingdom	Offshore	Triton Knoll	857	25	214	Orsted	Valid to 2037
Indonesia	Coal-fired	Batang	2,000	34	680	PLN	Valid to 2047
	Hydroelectric	Sion	12	14	2	PLN	Valid to 2045
Other countries/regions (7 projects)			3,622		1,269		

*2 SCGT (simple cycle gas turbine): 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.

J-POWER Group Facilities

Coal Mine Projects (As of December 31, 2024)

Coal mine	Location	Outport	2024 sales volume (million tons)	Vested interest (%)	Coal production start
Clermont	Queensland, Australia	Dalrymple Bay	11.50	22.2	2010
Narrabri	New South Wales, Australia	Newcastle Port	4.87	7.5	2012
Maules Creek	New South Wales, Australia	Newcastle Port	8.12	10	2014

Main Transmission and Transformation Facilities* (As of March 31, 2025)

*Transmission and transformation facilities are held by J-POWER Transmission Network Co., Ltd., a wholly owned subsidiary of J-POWER.

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	216.3	275-500
Sakuma East Trunk Line	1956	Shizuoka-Tokyo metropolitan area	197.2	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

Substations

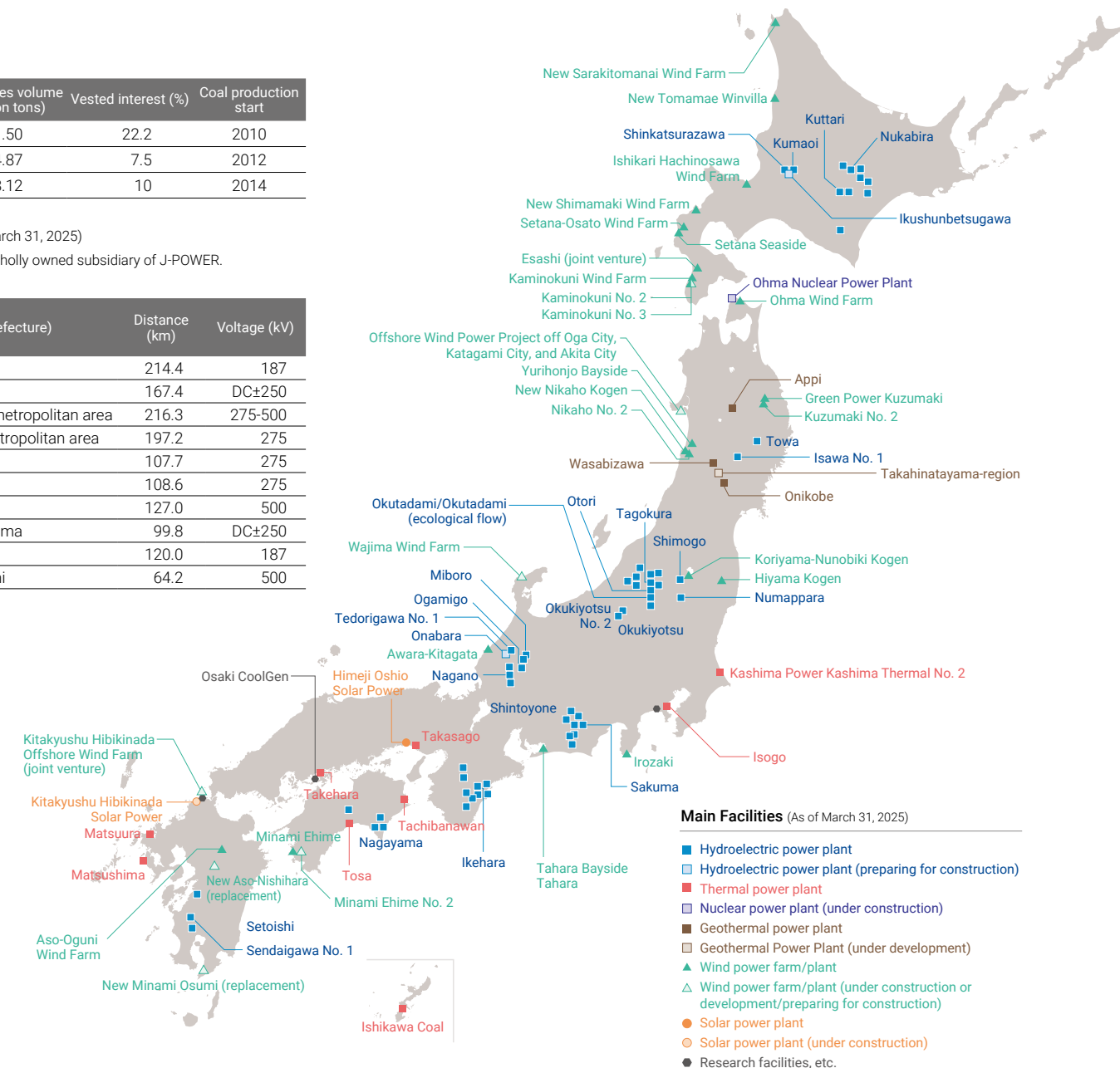
Substations	Beginning of operation (year)	Location	Output (kVA)
Isawa	2012	Oshu City, Iwate	9,000
Minami Kawagoe	1959	Kawagoe City, Saitama	1,764,000
Nishi Tokyo	1956	Machida City, Tokyo	1,350,000
Nagoya	1956	Kasugai City, Aichi	500,000

Frequency converter station

Frequency converter station	Beginning of operation (year)	Location	Output (MW)
Sakuma	1965	Tenryu, Hamamatsu City, Shizuoka	300

AC/DC converter stations

AC/DC converter stations	Beginning of operation (year)	Location	Output (MW)
Hakodate	1979	Nanae Town, Kameda, Hokkaido	600
Kamikita	1979	Tohoku Town, Kamikita, Aomori	600
Kihoku	2000	Katsuragi Town, Ito, Wakayama	1,400
Anan	2000	Anan City, Tokushima	1,400



J-POWER Group Facilities

Major Projects under Construction or Development (As of March 31, 2025)

Domestic

Type	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	Nagayama (Repowering)	Kochi	Under construction	37 ▶ 40	100	37 ▶ 40	In or after FY2025
	Onabara	Ishikawa	Under construction	1	100	1	FY2026
	Ikushunbetsugawa	Hokkaido	Under construction	1	100	1	FY2026
	NEXUS Sakuma	Shizuoka	Preparing for construction	350 ▶ 400	100	350 ▶ 400	FY2035
Wind	Onshore						
	Minami Ehime No. 2	Ehime	Under construction	41	100	41	FY2027
	Kaminokuni No. 3	Hokkaido	Preparing for construction	52	100	52	FY2028
	Wajima	Ishikawa	Preparing for construction	90	100	90	FY2027
	New Minami Osumi (replacement)	Kagoshima	Preparing for construction	20	100	20	FY2027
	Aso-Nishihara (replacement)	Kumamoto	Preparing for construction	17	100	17	FY2027
	Offshore						
	Kitakyushu Hibikinada Offshore	Fukuoka	Under construction	Max 220	40	88	FY2025
	Off Oga, Katagami, and Akita	Akita	Under development	Max 315	37	117	FY2028
	Kitakyushu Hibikinada*1	Fukuoka	Under construction	30	100	30	FY2025
Solar							
Geothermal	Takahinatayama-region	Miyagi	Under development	15	100	15	

*1 Kitakyushu Hibikinada Solar Power Station began operation in May 2025.

Under environmental impact assessment

Type	Projects	Location (Prefecture)	Output capacity (MW)
Wind	Onshore		
	Setana-Futoro	Hokkaido	
	Naka-Noto	Ishikawa	
	Fukui Ono Ikeda	Fukui	
	Watarai	Mie	
	Kichu	Wakayama	
	Hiroshima-Nishi	Hiroshima	
	Reihoku Kunimiyama	Kochi	
	Seiyo Yusuhabara	Ehime/Kochi	
	Youra	Oita	

*2

Type	Projects	Location (Prefecture)	Output capacity (MW)
	Hisatsu	Kumamoto/Kagoshima	
	Kita-Kagoshima	Kagoshima	*2
	Yokihinosato Wind Park (replacement)	Yamaguchi	

*2 The maximum output is approximately 800 MW in total at the planned sites undergoing environmental impact assessment procedures.

Overseas

Type	Projects	Location	Status	Output capacity (MW)	Ownership (%)	Owned capacity (MW)	Start of operation
Hydroelectric	Bulanog Batang	Philippines	Under development	32	40	13	2030
Pumped storage	K2-Hydro	Australia	Under construction	250	100	250	2026
Solar	Refugio	United States	Under development	375	100	375	2026
	Rooftop Solar (GJP1) (9)	Thailand	Under construction/development	8	60	5	After 2025
Solar, battery	Bulli Creek*3	Australia	Under development	775	100	775	To be determined
Onshore wind	Kidston Stage-3 Wind	Australia	Under development	258	100	258	2026
Hydroelectric	Pungga	Indonesia	Under construction	3	26	0.9	2025
	Tomuan	Indonesia	Under development	14	25	3	2026
	Kombih	Indonesia	Under development	15	13	2	2027
	Mulana	Indonesia	Under development	15	19	3	2027
	Simolap	Indonesia	Under development	8	18	1	2027

*3 Maximum 2,000 MW development plan in total of solar and battery (Currently only listed 775 MW of phase 1 solar development)

Major Transmission/Transformation Development Plans*4

Project	Status	Capacity	Start of operation
Construction of the New Sakuma Frequency Converter Station and replacement and expansion of related transmission lines	Under construction	New Sakuma Frequency Converter Station: 300 MW Sakuma East Trunk Line, etc.: Approx. 141 km	Expansion scheduled for completion at the end of FY2027

*4 Initiatives of J-POWER Transmission Network Co., Ltd.

External Evaluation/Attestation of Validity

External Evaluation

Inclusion in ESG indexes

Our sustainability efforts have been highly acknowledged by outside parties. As of August 2025, J-POWER has been continuously selected as a constituent of “FTSE Blossom Japan Index” and “FTSE Blossom Japan Sector Relative Index” of FTSE Russell, and “Morningstar Japan ex-REIT Gender Diversity Tilt Index.” As such, J-POWER has become a constituent of three ESG indexes adopted by the Government Pension Investment Fund (GPIF).

FTSE Blossom Japan Index Series

<https://www.ftserussell.com/products/indices/blossom-japan>



FTSE Blossom
Japan Sector
Relative Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

<https://indexes.morningstar.com/gender-diversity-indexes>



FTSE Blossom
Japan

Sustainability Evaluation

IR evaluation

The J-POWER Group is making every effort to improve its information disclosure through its integrated report and website. In FY2024, J-POWER was selected as Sector Ranking AAA Website in the “All Japanese Listed Companies’ Website Ranking” provided by Nikko Investor Relations Co., Ltd. J-POWER was also selected as a “most-improved integrated report” by the GPIF’s domestic equity managers.

Attestation of Validity

J-POWER began issuing an Integrated Report in 2019 and has engaged in dialogues with stakeholders. This year’s Integrated Report introduces our commitment for enhancing corporate value, with the aim of achieving the J-POWER Group’s mission of providing a stable supply of energy and addressing climate change through transition of our business portfolio and business models, and deepening of sustainability management. In addition, the report also shows our updated financial initiatives under the Medium-Term Management Plan 2024–2026. We also worked to enhance the disclosure of information on, among other topics, evaluation employing the LEAP approach in the disclosure based on the TNFD Recommendations, local community engagement activities, risk management, and human capital.

This report was created in partnership with related departments and the Corporate Planning & Administration Department, which primarily handles its editing. As the person in charge of ESG oversight, I attest that the process for creating the report is appropriate and that the content is accurate. I hope that stakeholders find this report helpful in gaining a deeper understanding of the Group. We will continue to work to further expand the content of the report and make it useful for dialogue with stakeholders.

Environment, climate change

The Group’s Integrated Report has included information on climate change in the disclosure based on TCFD recommendations since FY2019 and was selected as an “excellent TCFD disclosure” by the GPIF’s domestic equity managers in FY2024. Further, surveys on climate change and water security provided by the CDP were undertaken. The evaluation results for FY2024 are as shown on the right.

Response year	FY2022	FY2023	FY2024
Climate change	B	A-	B
Water security	B	B	B

Note: CDP scoring criteria have changed in FY2024. We could not obtain a score of A- or higher as we failed to meet the requirement for the percentage of low-carbon power sources to total power generation volume of 25% or more due to the nature of our power source portfolio.

Society

J-POWER was selected under the large enterprise category of the 2025 Certified Health & Productivity Management Outstanding Organizations Recognition Program conducted by Nippon Kenko Kaigi and the Ministry of Economy, Trade and Industry. We have also been granted the Ministry of Health, Labour and Welfare’s special next-generation “Platinum Kurumin” certification mark for companies that support childcare.



Hitoshi Kanno

Representative
Director
President and
Chief Executive
Officer (ESG
Oversight)

Corporate Profile/Stock Information (As of March 31, 2025)

Corporate Name	Electric Power Development Co., Ltd.
Communication Name	J-POWER
Date of Establishment	Sept. 16, 1952
Headquarters	6-15-1 Ginza, Chuo-ku, Tokyo, 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	134,178
Stock Exchange Listing	Tokyo Stock Exchange
Independent Public Accountants	Ernst & Young ShinNihon LLC
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited

Major Offices

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

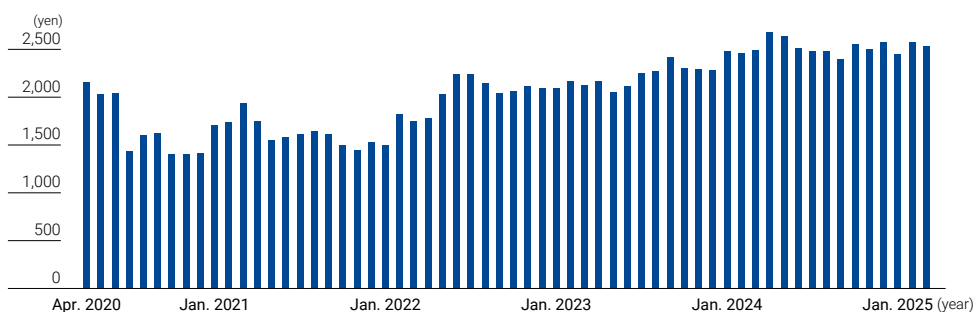
Major Overseas Subsidiaries

- J-POWER USA Development Co., Ltd.
- J-POWER Generation (Thailand) Co., Ltd.
- JP Generation Australia Pty. Ltd.

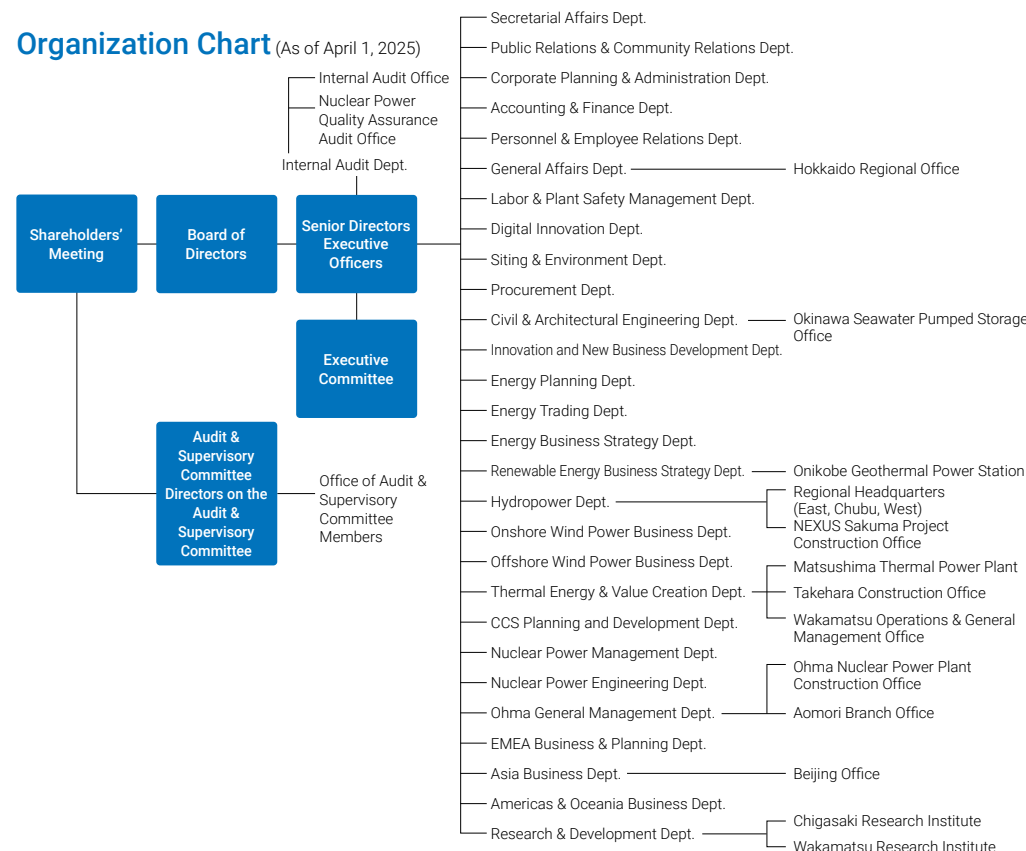
Major Shareholders (Top 10/As of March 31, 2025)

Name or designation	Number of shares held (thousands of shares)	Percentage to total shares issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	22,581	12.34
Custody Bank of Japan, Ltd. (Trust Account)	10,223	5.59
Nippon Life Insurance Company	9,152	5.00
J-POWER Employees Shareholding Association	5,154	2.82
Mizuho Bank, Ltd.	4,124	2.25
JP MORGAN CHASE BANK 385864	3,658	2.00
STATE STREET BANK AND TRUST COMPANY 505001	3,397	1.86
JPMorgan Securities Japan Co., Ltd.	3,269	1.79
Sumitomo Mitsui Banking Corporation	3,150	1.72
Fukoku Mutual Life Insurance Company	3,027	1.65

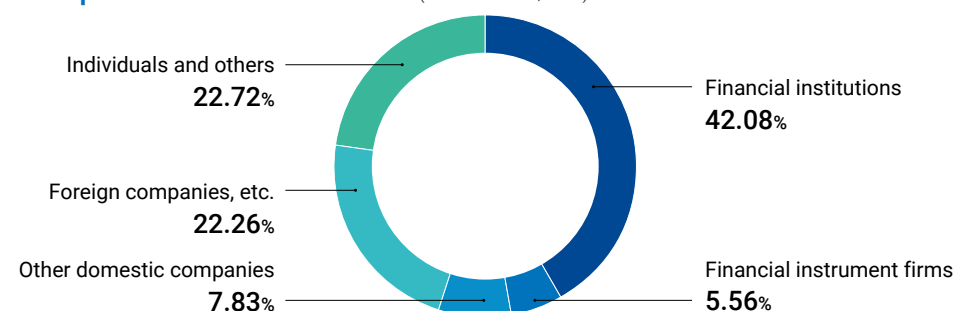
Stock Chart



Organization Chart (As of April 1, 2025)



Composition of Shareholders (As of March 31, 2025)



Note: "Individuals and others" includes 3,744 treasury shares.

Corporate Planning Office (IR), Corporate Planning & Administration Department,
Electric Power Development Co., Ltd.

6-15-1, Ginza, Chuo-ku, Tokyo 104-8165, Japan <https://www.jpowers.co.jp/english/>

For inquiries, please contact us via our website. https://www.jpowers.co.jp/english/contact/ir_e/form_ir_e.html

Issued in October 2025