

INTEGRATED REPORT

CHAPTER 4

Initiatives Supporting Our Value Creation

J-POWER Group and the Environment	P.69
Coexistence with Local Environment	P.70
Engagement with Local Communities	P.72
Initiatives to Respect Human Rights	P.74
Supply Chain Management	P.77
Human Resources Strategy for Enhancing the Group's Competitiveness	P.78
Human Resource Development and Management	P.79
Workplace Development for Ensuring Success of Diverse Human Resources	P.80
Occupational Health and Safety/Health and Productivity Management	P.83
Corporate Governance	P.85
Special Feature: Activities of the Nomination and Compensation Committee	P.92
Special Feature: Dialogue Between Outside Directors and Investors	P.93
Risk Management	P.94
Compliance/Anti-Corruption	P.95
Emergency Management	P.98
Directors, Audit & Supervisory Committee Members, and Executive Officers	P.100



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 FY2025, please refer to J-POWER Group Integrated Report 2026 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) Achieved ● 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	 P.47 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.70 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.71 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 2026 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



Response to
climate change



Engagement with
local
communities

The J-POWER Group owns large-scale power generation, transmission and transformation 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.

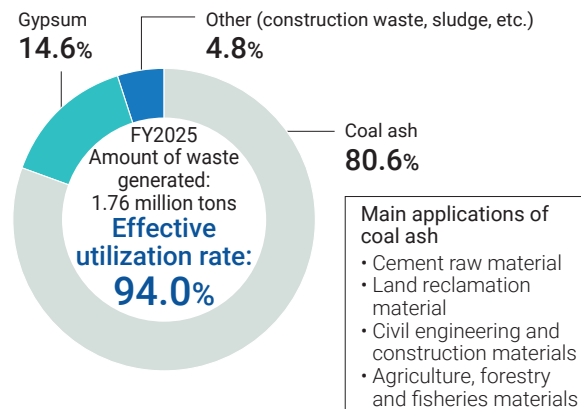
We are committed to building a relationship of trust with the local community, while respecting considerations for the environment at every stage of our business and striving to preserve the local environment with the latest technology and knowledge.

Addressing Local Environment Issues

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 1.76 million tons in FY2025. Coal ash and gypsum discharged from thermal power plants accounted for 95%, 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 FY2025 was 94%. From this fiscal year onward, we will continue to work on the effective use of waste with the aim of achieving an environmental target "effective utilization rate of waste of around 97%."



Dealing with waste plastics

We are also focusing on sorting, thorough monitoring of the status of discharged volume and recycling, 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.31 Direction for Thermal Power Transition in Japan

Commercializing environmentally friendly high-performance recycled fiber

J-POWER is working with Nippon Fiber Corporation to commercialize "BASHFIBER®," a high-performance recycled fiber made of coal ash.

Utilizing the mass-production verification facility built at the Chigasaki Research Institute with a grant from the New Energy and Industrial Technology Development Organization (NEDO), we are working to establish manufacturing technology for coal ash-based fibers and verify their practical application as a substitute for glass fiber, leveraging their high strength and heat resistance. Through these efforts, we will contribute to reducing the amount of resource usage and waste, as well as mitigating supply chain risks in the industrial sector.



BASHFIBER® product range

Biodiversity preservation/recovery

Based on our business activities' dependencies and impacts on natural capital, we are working to preserve the habitats and growth environments of rare plants and animals. Moreover, through education and conservation activities, we are promoting awareness-raising toward the preservation and recovery of biodiversity.

P.61 Please refer to Disclosure Based on TNFD Recommendations.

Protecting aquatic environments

Understanding the impacts of water use and discharge associated with our business activities on the water cycle, we are working on measures such as addressing water quality and sediment deposition in dam lakes and downstream areas, managing wastewater discharge into marine areas in accordance with relevant laws, regulations, and environmental preservation agreements, and conserving water through the reuse of treated wastewater.

P.61 Please refer to Disclosure Based on TNFD Recommendations.

Decentralized water supply and advanced water purification

Through our water infrastructure business, we are promoting the advancement of technologies in the water purification field and the reduction of environmental impact. In March 2026, we entered into a capital and business alliance with ZEOLITE CO.,LTD, and are working on the joint development of new materials and products (such as sensor development and Proof of Concept [PoC] trials with startups) aimed at addressing the aging of local water infrastructure and promoting the widespread use of advanced water purification.



Decentralized water supply (Ishima small-scale water supply)

Coexistence with Local Environment

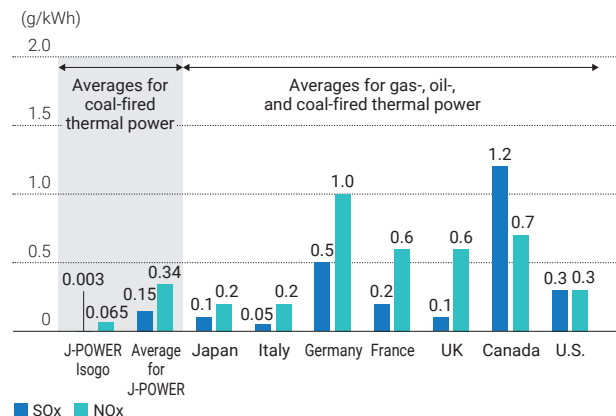
Controlling environmentally harmful substances

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



*Emissions: OECD Stat Extracts; Power generated: IEA "Data and statistics"

*Average for J-POWER and J-POWER Isogo figures (coal-fired) are FY2025 results.

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 17 projects currently undergoing the environmental impact assessment process (as of July 31, 2026).

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 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. Internal audits of our EMS are conducted at least once a year. In the water purification business, as ensuring water safety is of particular importance, we have acquired ISO 14001 certification to ensure the reliability of the environmental management framework that supports it.

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 offer 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

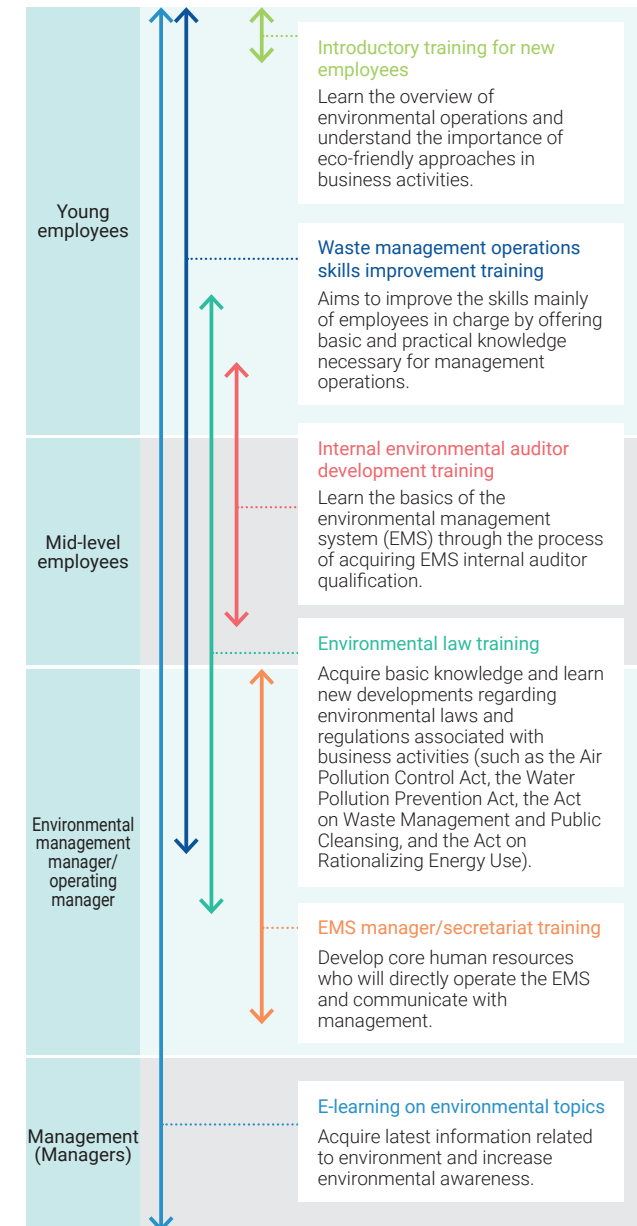


Response to climate change



Engagement with local communities

Major environmental education in FY2025



Engagement with Local Communities

Contributions to Local Communities

Due to the nature of our business of ensuring a stable supply of energy, the J-POWER Group views building relationships of trust with local communities and supporting their sustainable development as critical issues directly linked to maintaining and enhancing our management foundation, and has designated “engagement with local communities” as one of our material issues. We aim to build relationships of trust with local communities as well as contribute to local revitalization efforts through proactive local contribution activities in Japan and overseas.

Policy for initiatives

With the “J-POWER Thoughts on Social Contribution Initiatives” established as its policy for initiatives, the J-POWER Group, as a good corporate citizen, engages with local communities, supports culture and the arts, promotes participation in volunteer activities, and actively contributes to international society.

J-POWER's Thoughts on Local Community Engagement Initiatives

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

The results and plans of each region's local community engagement initiatives are compiled by the Sustainability Promotion Board and reported to the Board of Directors. To further strengthen our structure, in April 2024, the Group appointed Executive Officers/Executive Senior Advisors who would be responsible for special assignments related to local community engagement. To implement these policies through concrete actions, 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.

Promoting employee volunteer activities and developing supporting systems

The J-POWER Group encourages employees to engage in volunteer activities as members of local communities, and has developed systems to support these efforts.

- Volunteer vacation system: Separate from regular paid vacation, we have established a system that allows employees to take dedicated leave specifically for the purpose of participating in volunteer activities.
- Pre-registration of employees wishing to participate in reconstruction support activities: To ensure the prompt dispatch of employees in response to requests from local governments, volunteer organizations, and other groups in the event of unexpected disasters, we have established a pre-registration system for employees who wish to participate in disaster reconstruction support activities.

Social contribution activities

A total of 9,166* Group employees took part in 1,128 activities during FY2025. 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, and in FY2025, those in Indonesia have been included.

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. 60,000 users in FY2025) and operates the Okutadami Maruyama Ski Resort (approx. 30,000 users in FY2025) and a lodging facility Midori no Gakuen (approx. 6,000 guests in FY2025) 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 and Okutadami Power Station in Niigata Prefecture, etc., infrastructure tours (107 tour attendees in FY2025) are conducted in partnership with JR EAST VIEW TOURISM AND SALES COMPANY LIMITED, a subsidiary of East Japan Railway Company (JR East). In FY2025, we newly added a course to visit the Onikobe Geothermal Power Station in Miyagi Prefecture. We aim to find new attractions and add value to regions through these tours.

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.

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.

In our wind power business, we cooperate with the offshore wind power curriculum program held at Hakodate, Akita, and Hachinohe colleges of the National Institute of Technology. These initiatives aim to foster understanding in the local communities where our facilities are located, as well as strengthen the potential supply chain and broaden the base of human resource recruitment.

Respecting the healthy growth and the right to education of children who will lead the next generation, we actively provide support through sports and educational programs in each region where we develop our business activities.



Miboro Power Plant
Cleanup activities at Shokawazakura Park



Tachibanawan Thermal Power Plant
Scene from the summer festival in Anan City

▶ Material issues



Engagement with
local
communities

Engagement with Local Communities

► Material issues



The J-POWER Group views making social and economic contributions to local communities as a key responsibility in our business operations both in Japan and overseas. We will achieve both the revitalization of local economies and the construction of a resilient business foundation through various initiatives in each region where we operate. These include promoting local employment and local procurement, implementing community investments such as supporting microfinance programs, developing infrastructure, and providing health and educational support for children.

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 2025, support provided to a cumulative total of 3,021 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 2025, support provided to 1,011 facilities

Activities in Australia

Genex Power Limited, a wholly owned subsidiary of J-POWER, supports the transition to clean energy in Australia. Recognizing that gaining the trust and understanding of local communities is directly linked to maintaining our social license to operate, which is essential for business promotion, Genex Power has formulated a community engagement strategy centered on responsible business operations, managing impacts on local communities, transparent dialogue, and acting as a good neighbor.

In development projects, the company places great importance on considering social impacts and works to minimize these impacts while creating sustainable value, in collaboration with external stakeholders, including local communities, landowners, government officials, and indigenous peoples.

For projects in operation and under construction, we implement annual stakeholder engagement plans, striving to ensure that local community members can discuss various issues, participate in economic opportunities, and receive updates on key project milestones.

As part of these initiatives, Genex Power supports the improvement of health, education, and well-being, while also sponsoring local initiatives and events based on regional priorities.

Major activities in 2026 included supporting flood relief efforts, cooperating in the redevelopment of local community spaces, holding community briefing sessions, and participating in local events.

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



Cooperation in the redevelopment of community spaces in Australia



Volunteer 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 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. The policy applies to all employees and officers of our Group. We also encourage our business partners and suppliers to support this policy.

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

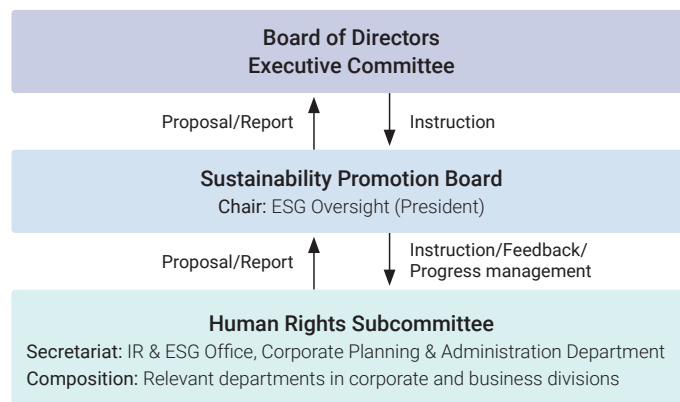
https://www.jpowers.co.jp/english/sustainability/contribution/human_rights.html

Promotion structure

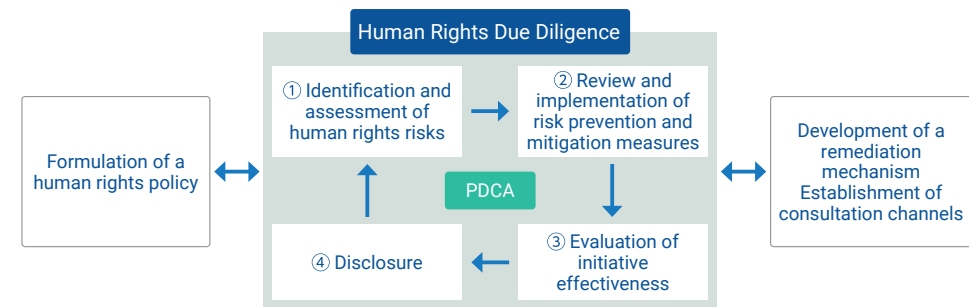
The J-POWER Group has established a Human Rights Subcommittee under the Sustainability Promotion Board, for which ESG Oversight (the President) bears supervisory responsibility, to discuss human rights issues across relevant departments. To effectively promote initiatives related to respect for human rights, the Corporate Planning & Administration Department serves as the secretariat, and dedicated management resources have been assigned to conduct human rights due diligence and gather information. Relevant departments from the corporate and business divisions participate in the Human Rights Subcommittee, communicating the human rights policy and considering and promoting specific initiatives.

The Sustainability Promotion Board discusses important matters related to respect for human rights and makes proposals and reports based on the outcomes of such discussions to the Board of Directors regularly. The Board of Directors provides appropriate instructions regarding the policies and measures related to respect for human rights based on the reports, thereby ensuring Group-wide governance.

System for respecting human right



Framework for initiatives to respect human rights



Basic Policy on Human Rights: overview and commitment

- 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 officers and employees.

Initiatives to Respect Human Rights

▶ Material issues



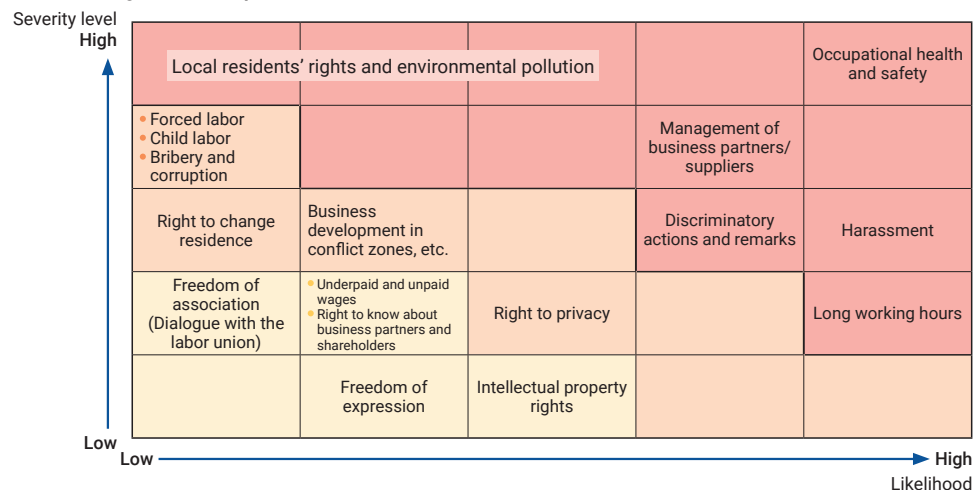
Human Rights Due Diligence

The J-POWER Group has established concrete measures to avoid, prevent, and mitigate the negative impacts from the high-priority risk items identified through the human rights due diligence process.

Identification and Assessment of Human Rights Risks

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. We administered questionnaires and conducted interviews to identify internal human rights risks. Taking into account the circumstances of the power industry and those unique to J-POWER's business, we performed a human rights risk assessment (risk mapping) to pinpoint high-risk areas. We quantify the results from questionnaire responses, etc., and reflect that on the axis of likelihood, and combine that with the severity level based on external criteria to carry out objective assessment of the risks. We 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.

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.

Identified Human Rights Risks and Initiatives for Prevention and Mitigation

Identified salient human rights risks

Based on the result of human rights due diligence and taking into account the nature of our business activities and level of impact on stakeholders, we have identified the following salient human rights risks for the J-POWER Group.

- ▶ Local residents' rights and environmental pollution
- ▶ Occupational health and safety
- ▶ Harassment
- ▶ Management of business partners/suppliers
- ▶ Discriminatory actions and remarks
- ▶ Long working hours

Examples of preventive and mitigation measures implemented

Of the identified human rights risks, the following are some of the measures we are implementing to prevent and mitigate occupational health and safety risks:

[Measures to mitigate occupational accident risks in consideration of diverse human resources]

To mitigate occupational accident risks, we are taking measures that give due consideration to the respective characteristics of our diverse human resources, including foreign nationals, elderly employees, and inexperienced staff. In addition to use of multilingual safety signs, we also conduct adequate safety trainings utilizing e-learning and disaster simulation videos, and take measures to ensure sufficient lighting of workplaces and prevent falls.

For details of initiatives related to human rights risks, please refer to pages describing them.

[P.84 Occupational Health and Safety](#)

[P.77 Supply chains](#)

[P.82 The Realization of Work-Life Balance](#)

[P.81 Promotion of diversity](#)

Dialogue with Stakeholders Regarding Human Rights Issues

The J-POWER Group identifies human rights risks through dialogue with stakeholders involved in its business activities and pursues continuous engagement to ensure improvements.

Specific actions

- ▶ Direct request to business partners: 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, requesting compliance with the policy.
- ▶ Exchange of opinions with partner companies: We exchange opinions regularly with partner companies to ensure the human rights (occupational health and safety and fair working conditions) of employees at those companies and collect information on various issues such as requests concerning facilities and operation as well as construction schedule, costs, and securing personnel.
- ▶ Participation in external initiatives: The Group has joined the UN Global Compact and is improving its engagement activities by adopting latest international standards and best practices of other companies.

Initiatives to Respect Human Rights

► Material issues



Addressing individual issues

The J-POWER Group is engaged in business in Australia, where it discloses necessary information in accordance with the country's Modern Slavery Act 2018, an act on preventing forced labor, etc. in supply chains.

We also support Children's Rights and Business Principles and strive to engage in our business activities while respecting children's rights.

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 (FY2025)

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 363 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 48 employees participated)
e-learning	- Implemented an e-learning program on harassment prevention for the Group's officers and employees (a total of 6,456 participants completed the program) - Implemented an e-learning program on business and human rights for the Group's officers and employees (a total of 6,043 participants completed the program)
Study sessions and lectures	- Implemented training on prevention of compliance violations for the Group's employees (held twice, a total of 1,098 participants) - Conducted diversity lectures jointly with Group companies (60 participants)

Grievance and Remediation Mechanisms

Grievance mechanisms (consultation channels)

The J-POWER Group has established a grievance mechanism regarding human rights issues for identifying and rectifying any negative impacts on human rights caused by its business activities and to provide remedy to the affected individuals and local communities.

- Scope of reporting: Forced and child labor, discrimination, harassment and other human rights violations in the workplace and wide-ranging compliance violations including corruption and bribery.
- Users: The system accepts consultation requests from not only all J-POWER Group's officers and employees (both full time and part time) but also employees and officers of cooperating companies, contractors, and other business partners. (It includes those who were an employee or officer within one year from the day of the consultation.)
- Guaranteeing confidentiality and anonymity and preventing retaliation: The system accepts anonymous reports and strictly manages the privacy and confidential information of the person making the report. We also ensure protection of whistleblowers through internal regulations so that the person does not receive any adverse treatment from the Company because of the consultation or whistleblowing.

The number of reports the system received in FY2025 is as follows.

Classification of consultation and whistleblowing	FY2025
Compliance consultation	13 cases
Harassment consultation	35 cases
Total	48 cases

Rectification and remediation

Upon receiving a consultation request or a report, we promptly verify the facts, understand the issues, and take steps to correct the situation.

If the business activities of the J-POWER Group are found to have inflicted or contributed to a negative impact on human rights, we will take appropriate measures to remedy the situation.

[P.96 Compliance](#)

Occurrence Status of Human Rights Violations

In FY2025, there were no serious human rights violations (forced labor, child labor, human trafficking, violation of indigenous people's rights, etc.) requiring legal action related to the business activities of the J-POWER Group.

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 J-POWER 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.74 Initiatives to Respect Human Rights](#)

Topics

Engagement with biomass fuel suppliers in Japan and abroad

The Group is working to reduce CO₂ emissions through the mixed combustion of biomass fuels at coal-fired power plants. In pursuit of the sustainable and stable procurement of biomass fuels, 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.

As part of the initiative, the Group established Miyazaki Wood Pellet Co., Ltd. (J-POWER's equity stake: 98.3%), which manufactures wood pellets from underutilized forest offcuts as raw materials, in Kobayashi City, Miyazaki Prefecture in 2011, realizing an integrated system from manufacturing to mixed combustion in J-POWER's coal-fired thermal power plants.

For overseas procurement, we also use third-party certification to ensure sustainability by confirming certification documents for each transaction.

Further, we visit the suppliers in Japan and overseas every year and regularly conduct interviews and exchange opinions regarding health and safety at the plants and of employees, maintenance status of forests, and communication with local communities.



Inspection of tree thinning (Miyazaki Prefecture)



Visit to a wood pellet plant (Vietnam)

Human Resources Strategy for Enhancing the Group's Competitiveness

▶ Material issues



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.

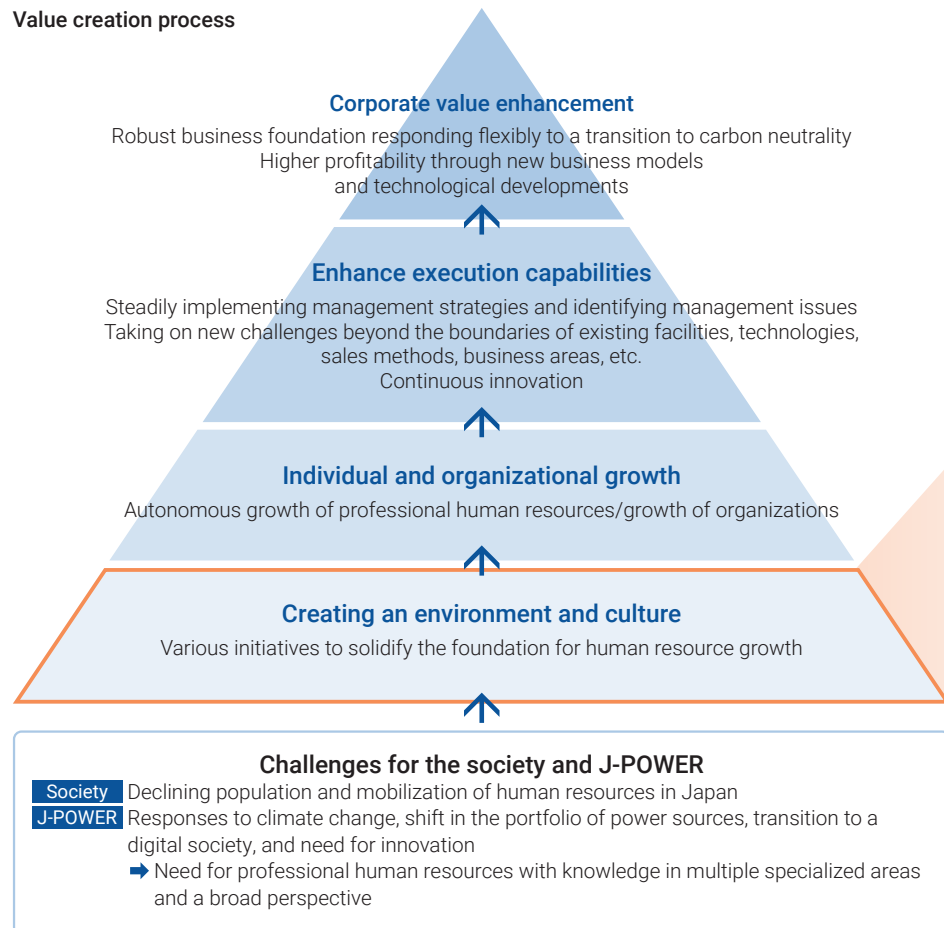
In the Medium-Term Management Plan 2024–2026, the J-POWER Group positions the enhancement of Group competitiveness through “human resources” as one of its priority items, and is working to secure and develop a wide range of human resources with multi-faceted personalities and a spirit of challenge.

For example, by leveraging our extensive range of business fields, we provide employees with diverse work experience opportunities, and by enhancing human resources systems to support their independent efforts in taking on challenges, we aim to develop professional human resources who will drive the promotion of the management plan. Moreover, we will promote the creation of workplaces where human resources with diverse personalities can play active roles, and foster innovation. 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.

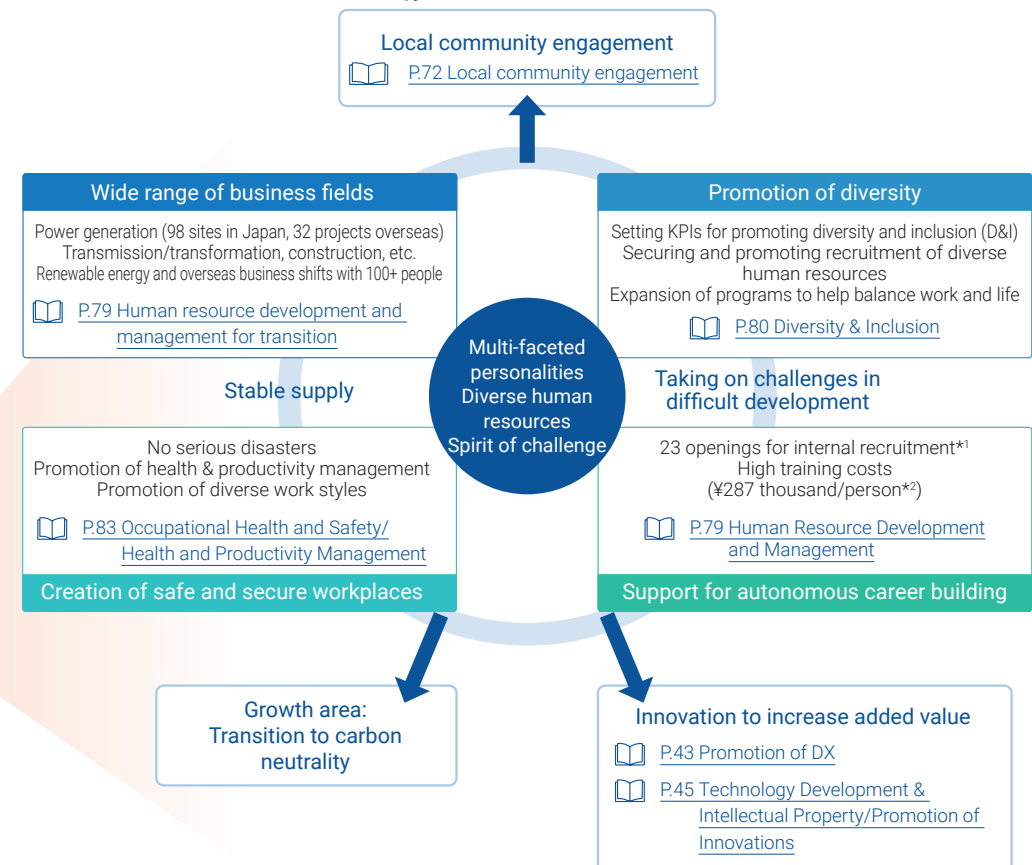
[P.26 Value Relevance Analysis \(Visualization of Non-Financial Value\)](#)

[P.31 Medium-Term Management Plan](#)

Value creation process



Framework for human resources strategy



*1 Cumulative results through FY2025 *2 FY2025 results

Human Resource Development and Management

▶ Material issues



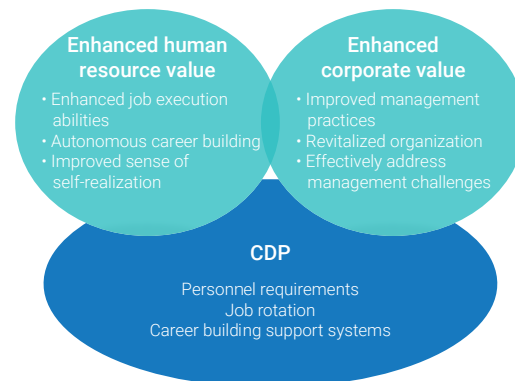
The J-POWER Group aims to develop professional human resources with knowledge in specialized areas and a broad perspective who can take on the challenges of management issues while managing projects and human resources. We have formulated a diverse Career Development Program (CDP) to enhance the human 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, supporting and 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



For details of the CDP, please refer to [Supplementary Material <Social>](#).

Topics

Human resource development and management for transition

The J-POWER Group is promoting measures for human resources to ensure their success across a wide range of business fields and to support the transition of its business portfolio and business model. We aim to enhance the Group's competitiveness by flexibly allocating human resources in response to business development, creating opportunities for Group employees to gain wide-ranging experience, and promoting reskilling in new areas of expertise such as DX.

Cross-Group CDP

We have implemented the Cross-Group CDP, a program for sharing human resources among Group companies, in order to adapt to changes in the business environment surrounding the J-POWER Group and foster business growth. To date, 45 technical employees from thermal Group companies have been seconded to J-POWER headquarters and to hydroelectric/wind, telecommunications, and IT areas of 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.



An employee, Wind Power Central Control Station, Onshore Wind Power Business Department

Implementation of training for human resource development corresponding to priority areas

We conduct the Project Management Basics Course, where participants can learn basic and practical knowledge for the renewable energy and overseas business development fields. In FY2025, 32 participants from various departments and job types, who applied for this training to pursue their own career building, attended sessions on subjects such as management strategy and marketing over a six-month period.

Comments from a program participant

I have been involved in the operation of thermal power plants and technical development at front-line organizations, but I participated in this training with my future career building in mind. The training provided a systematic learning experience across a wide range of themes, including marketing, business legal affairs, cash flow calculation, and logical thinking, through lectures and group discussions, and it was highly stimulating. In my new department, where I was assigned in April, I have already had opportunities to apply what I learned in the training to my actual work, such as analyzing cash flow models and conducting negotiations with other companies that have differing opinions. I intend to continue applying the knowledge gained from this training to my tasks going forward.



An employee, EMEA Office, EMEA Business & Planning Department

Human Resource Development and Management

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. Moreover, 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)

[P.44 DX Human Resource Development](#)

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.

[For the outline of the evaluation management, please refer to Supplementary Material <Social>.](#)

Workplace Development for Ensuring Success of Diverse Human Resources



Respect for people

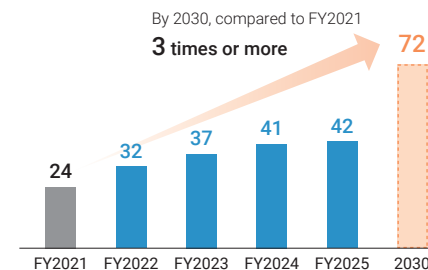
To achieve the J-POWER Group's sustainable growth, we are promoting the active participation of human resources with diverse personalities. We are working to create a system and working environment in which a wide range of human resources fully demonstrate their abilities and play an active role regardless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

Diversity & Inclusion

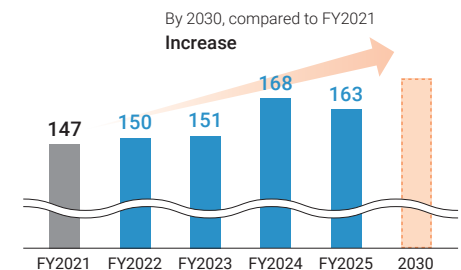
KPIs

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 will promote diversity by establishing targets for the promotion of women, foreign nationals, and mid-career hires to senior roles by 2030, as well as a three-year average target for the percentage of women among new graduate hires.

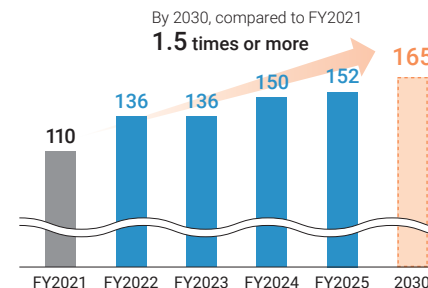
Appointment of women to senior roles



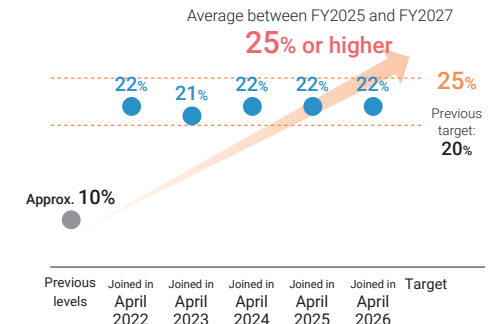
Appointment of foreign nationals to senior roles



Appointment of mid-career hires to senior roles



Percentage of women among new graduate hires



[For data on gender wage differences, etc., please refer to Supplementary Material <Social>.](#)

Workplace Development for Ensuring Success of Diverse Human Resources

▶ Material issues



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

As the Overseas Business is one of the core businesses for the Company, we aim to further develop our overseas operations by promoting professionals with expertise in their respective countries and regions through hiring at local subsidiaries, thereby increasing the number of foreign national senior employees on a Group-wide basis.

In accordance with the increase in the number of projects, 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, such as project management, finance, legal, international business, DX, and 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. We will continue to create an environment where human resources with diverse backgrounds can leverage their respective experiences and play active roles within the J-POWER Group.

Improving working conditions for employees

The J-POWER Group determines salaries and other compensation based on the principle of appropriately evaluating each individual's abilities and achievements, regardless of generation, and realizing compensation levels that should be fair and reasonable in accordance with the Company's business performance. Moreover, in light of recent price increases, we are continuing efforts to secure and retain human resources by such measures as implementing base pay increases for four consecutive years since 2023 through discussions with labor unions.

Regarding older employees, in addition to gradually extending the mandatory retirement age to 65, we are promoting the active participation of human resources with extensive experience within the Group, even after their mandatory retirement, through the continuous employment system and the personnel registration system*, with 410 individuals (as of March 31, 2026) continuing to work within the J-POWER Group.

*A system that provides job placement opportunities for human resources up to the age of 70 who wish to work, by matching them with the Company's needs.

Employment of people with disabilities

As of June 1, 2026, J-POWER's employment rate of people with disabilities is 2.43%. 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

Our middle management tends to consist of older employees, largely due to the Company curtailing 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.

[P80 Training System](#)

Topics

Diversity promotion initiatives

We have established the Diversity Promotion Task, a dedicated organization to promote diversity, which unifies all functions, including training and development as well as personnel and labor system studies, and works to establish integrated and consistent policies, systems, and work environments. In addition to holding lectures on diversity and inclusion (D&I) and regularly sharing updates through the Group newsletter, the Task organizes the Dialogue Session with Female Executive Officers to support the career development of female employees, and provides opportunities for interaction and opinion exchange by job type, mainly for technical employees. Through these endeavors, it supports network formation and the fostering of career awareness to ensure long-term success.

As part of creating an environment where diverse human resources can work in a safe and secure manner, we are improving safety by ensuring safety harnesses (safety belts) fit closer to the body. We are also refining uniforms to meet diverse needs—such as by selecting fabrics and designs based on challenges identified by female employees—and plan to roll these updates out sequentially starting from FY2027.

Programs to help balance work and life

The J-Power Group offers unique work-life balance support programs that exceed statutory requirements and is working to create an environment where employees can easily utilize various support programs by widely posting information on a dedicated internal portal, among other measures. In FY2025, we updated and posted the "Maternity and Childcare Leave + Infertility Treatment Handbook," which summarizes public and company programs in an easy-to-understand manner, thereby creating an accessible environment that helps employees make use of new support programs as well. In addition, the Company has maintained the "Platinum Kurumin" certification for 10 consecutive years since FY2016 as a company that supports childcare and implements high-standard initiatives. Furthermore, in FY2025, we newly received the "Platinum Kurumin Plus" certification, which is granted to companies that meet higher standards as businesses supporting the balance between work and infertility treatment. By continuing to provide an environment in which a diverse range of our employees can focus on their work with a sense of security, we aim to enhance corporate value by recruiting and retaining outstanding human resources.

• Childcare leave uptake (%)

Male: 100% (Average days of leave taken: 70.8) Female: 100% Total: 100%

*Maintained at 100% for both men and women since FY2023.

[For details of the programs to help balance work and life, please refer to Supplementary Material <Social>.](#)



Consultation channels

Consultation channels regarding working hours, work environment, support for employees with disabilities, harassment, working environment influenced by gender diversity, and childcare, family member care, and infertility treatment 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 also offer customized system explanations and conduct interviews as appropriate in response to questions from employees when they themselves or their spouses become pregnant or give birth.

Workplace Development for Ensuring Success of Diverse Human Resources

▶ Material issues



Respect for people

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

Through work style reform initiatives since 2017, we have achieved certain results in curbing excessive long working hours. Even now, we implement campaigns to encourage employees to leave office on time at each operating unit, such as No Overtime Day, continually working to reduce working hours. With the use of online tools, a "swing time" system*¹ with a maximum of two hours, and a remote work system (although some workplaces are not subject to it), 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.

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

[P.43 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 program

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



J-POWER Group Sports Festival in TOKYO ARIAKE ARENA, a community event, was held in the headquarters area. A total of 350 employees and their family members participated in the event.

Scope of target employees

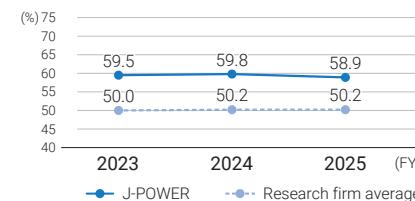
- Dormitories/company residences: All interested employees as specified by internal rules
- Employees Shareholding Association/Cafeteria Plan Program: All employees (excluding some)
- Community events: All employees. Some events are also available for employees' families.

Engagement survey

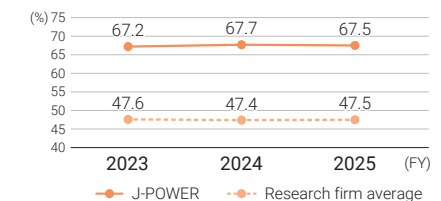
We conduct an engagement survey every year to quantitatively evaluate employee status in two key areas: work engagement, which reflects employees' enthusiasm and attitude toward their work; and employee engagement, which denotes their sense of belonging and attachment to the Company. In the FY2025 survey, 96.8% of employees participated. Of those who responded, 58.9% provided positive feedback on work engagement questions, while 67.5% responded positively to employee engagement questions, both of which are higher than general standards across all questions and items.

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.

Work engagement



Employee engagement



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 FY2025, executives from the Company visited 20 locations across Japan, including the head offices of the five main Group companies, to exchange opinions with employees (including those at Group companies) working on the front lines of ensuring a stable energy supply. To improve business operations, workplaces, and daily lives, opinions and comments from each operating unit are discussed among officers, with improvement initiatives implemented and feedback provided to the entire Group. Below are some comments and opinions received during the recent management discussion meetings:

Category	Main opinions
Group's business policy	• About Ohma Nuclear Power Plant Project • About further enhancement of public relations • About the promotion of new businesses and innovation
Human resources and labor policies	• About securing human resources across the Group • About approaches to human resource development
Internal communication	• Employee communication across the Group
Other	• About further raising safety awareness • About initiatives for local community engagement • DX promotion

Moreover, as examples of initiatives driven by these comments and opinions, we are enhancing public relations by strengthening TV commercial broadcasting and digital advertising, and expanding owned media, as well as revitalizing employee communication across the Group through the use of internal social media and organizing various events.

Occupational Health and Safety/Health and Productivity Management

▶ Material issues



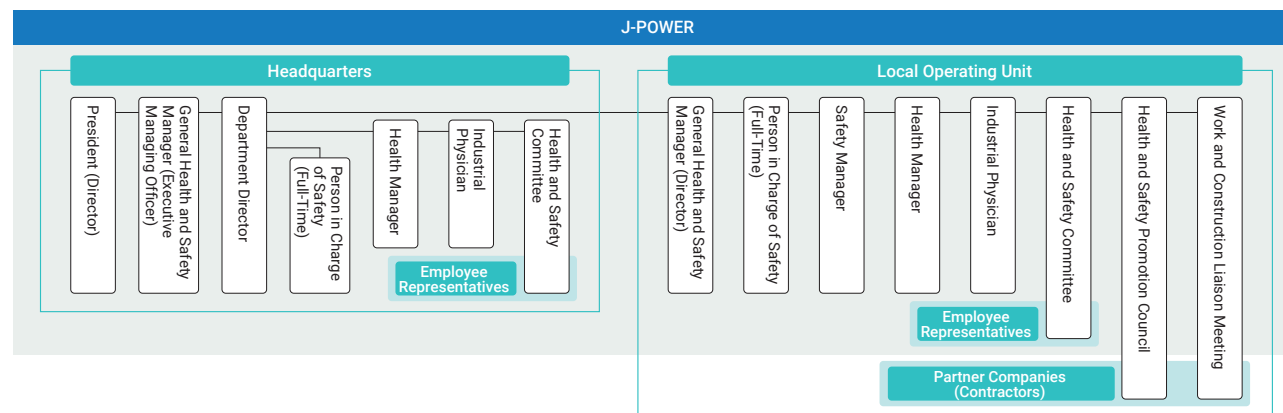
- The J-POWER Group has established a Basic Policy on Occupational Health and Safety, aiming to create safe, healthy, and rewarding workplaces as the foundation of its business activities, with the utmost priority given to ensuring safety.
- In the area of respect for people, which is one of our material 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

Under its health and safety management system led by the President, the J-POWER Group ensures that the President sets forth the Basic Policy on Occupational Health and Safety, and the Board of Directors supervises the occurrence of occupational accidents and measures taken to prevent their recurrence. Based on laws and regulations, the 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 pre-emptive 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.

FY2026 Group Operational Health and Safety Plan

	Operational Safety	No serious disasters
Major Targets	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 ensure that 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: • Identify hazardous areas, implement reliable countermeasures customized to specific conditions at each site (environment, diverse human resources, work frequency, etc.), and share this information with relevant parties

Management: • Ensure organizational safety management instead of relying solely on individual efforts, and perform continuous inspections and improvements

- Pay particular attention to 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 instill safety awareness, work to revitalize communication through enhanced events and educational activities, as well as prompt information dissemination and notification, etc.

- To elevate safety standards, develop professionals in safety through enhanced on-the-job training, education, and other training programs

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



Respect for
people

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 FY2025, about 1,100 employees participated in training programs held by J-POWER headquarters. In addition to regular safety training, the Group works to provide workers with appropriate personal protective equipment and formulate optimal work schedules. Moreover, in consideration of partner companies, we are enhancing safety education (including training and videos) for all personnel involved in operations, including foreign workers, and providing safety management support tools.

 For details of our initiatives to address occupational accident risks, please refer to Supplementary Material <Social>.



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 FY2025, the target was met with a 92.7% 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 and productivity management

Under the slogan “from treatment to prevention,” the J-POWER Group promotes health and productivity management to support the mental and physical well-being of Group employees and their families, while being cognizant of the PDCA cycle. In FY2025, the Group held a health assessment event aimed at creating opportunities for enhancing health, including physical strength and the prevention of lifestyle-related diseases. We provided financial support for and encouraged participation in a smoking cessation program, and hosted a health seminar with a physician for all employees, including management, with the goal of promoting preventive medicine (frailty prevention) for healthy longevity. In FY2025, we also administered influenza vaccinations at the Company's expense to support our efforts in ensuring a stable supply of electric power. Starting in FY2026, the Group will set new targets for reducing the smoking rate and maintaining a healthy weight to further promote health and productivity management.

In recognition of these efforts, J-POWER was certified as 2026 Outstanding Organization of KENKO Investment for Health by the recognition program jointly implemented by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council) (for the eighth consecutive year). J-POWER Business Service Corporation (for the fifth consecutive year) and J-POWER Design Co., Ltd. (for the fourth consecutive year) were also certified by the same program. Going forward, we will continue accelerating the pace of our health and productivity management initiatives and aim to further enhance corporate value through the improved health and satisfaction of our employees.

 For details of our initiatives to address global health issues, please refer to Supplementary Material <Social>.

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 then 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
- FY2025** ○ Reduced the total number of Directors (Ratio of Outside Directors **6/15**) 

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

	FY2021	FY2022	FY2023	FY2024	FY2025
Number of stocks	16*	16*	15*	15*	14*
Carrying amount stated on balance sheet (million yen)	28,699	28,298	41,613	46,218	68,674

*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



Investor Relations

Relationship with shareholders and investors

We disseminate information primarily through our website, integrated reports, shareholder newsletters, and J-POWER Shares (an organization exclusively for shareholders), along with such disclosures as Annual Securities Reports and financial statements. Based on the disclosed information, J-POWER not only interacts with shareholders at general meetings of shareholders, but also at financial results briefings, facility tours, company presentations for individual investors, and one-on-one meetings with institutional investors. Through these dialogues, we seek to gain an understanding of the social value we provide to our shareholders and investors, as well as the financial benefits of our business strategies. We report the opinions we receive through these dialogues to the Board of Directors on a quarterly basis, and reflect them in our business strategies and enhance our disclosure materials.

Status of dialogue with shareholders

Main correspondents	President and Chief Executive Officer, Executive Managing Officer (in charge of Corporate Planning & Administration), Director of Corporate Planning & Administration Dept. (in charge of matters related to IR/ESG)
Shareholder overview	Analysts involved in active management in Japan and abroad, portfolio managers, ESG analysts involved in passive management, persons in charge of exercising voting rights, and individual investors
Main themes	Status of financial results and financial projections (including shareholder returns), future business policies including those concerning domestic and international investment, medium- to long-term responses toward the enhancement of capital efficiency and the improvement of corporate value, management that is conscious of cost of capital and stock price, responses to the problem of climate change, effectiveness of the Company's corporate governance
Insights gained	Discussions were conducted based on the J-POWER Group Medium-Term Management Plan 2024-2026 disclosed in May 2024 and the update materials for the Medium-Term Management Plan disclosed in May 2025. We provided explanations of the Company's current initiatives and policies regarding the business portfolio and business model we should aim for in the future, taking into account changes in the business environment such as GX-ETS, and exchanged views with investors on their perceptions. At this stage, it is difficult to indicate a clear direction for what the future business portfolio should be as such matters significantly depend on external circumstances, such as the future outlook of power supply and demand in Japan and the change of the U.S. administration. On the other hand, we were able to not only ease the concern over the future prospects of our business but also get valuable feedback on what our business should be by disclosing our current policies and views and holding thorough discussions with our shareholders and other stakeholders.

Dialogue with shareholders (FY2025)

Financial results briefings Various small meetings	Held a total of 5 times, online and in person Of which, a small meeting held once between Outside Directors and investors/analysts
Individual meetings with institutional investors	Approx. 150 meetings held online, in person, and via other formats
Facility tours	Facility tours to Takehara Thermal Power Plant held on three dates, with 77 participants
Company presentation for individual investors	YouTube video distribution (96,000 views)
Conducting shareholder surveys	23,331 respondents
Operation of the shareholder membership organization	J-POWER Shares (over 10,000 members) IR email distribution, video content distribution, and more

IR calendar (FY2025)

In addition to conducting briefings throughout the year, we publish various IR materials.

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Publications			- Jun. 2025 Annual Securities Report - Jun. 2025 Shareholder Newsletter			Sep. 2025 Integrated Report				Nov. 2025 Interim Shareholder Newsletter		
Briefings		May 2025 Financial results briefing (for analysts and institutional investors)						Nov. 2025 2nd quarter financial results briefing (for analysts and institutional investors)		Jan. 2026 YouTube video distribution for individual investors		
Facility tours for individual shareholders											Feb. 2026 Facility tours to Takehara Thermal Power Plant	
Account closing and general shareholders' meetings		May 2025 Fiscal year-end closing	Jun. 2025 73rd Ordinary General Meeting of Shareholders	Jul. 2025 1st quarter-end closing			Oct. 2025 2nd quarter-end closing			Jan. 2026 3rd quarter-end closing		

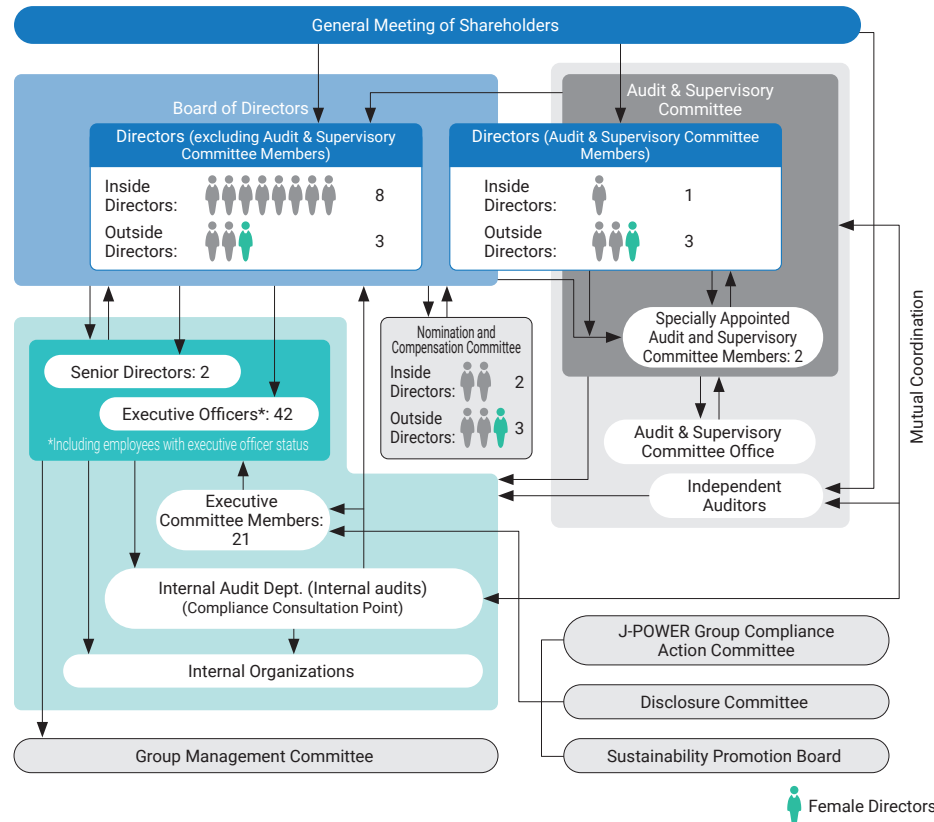
Corporate Governance

► Material issues



Composition of the Board of Directors and Committees

Corporate governance structure (As of June 25, 2026)



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

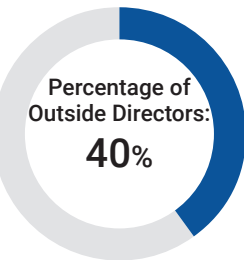
*Attendance = Number of meetings actually attended ÷ Total number of meetings that each director or committee member must attend

	Number of members	Number of meetings held	Attendance
Board of Directors	15	13	99.5%
Nomination and Compensation Committee	5	5	100%

Composition of Board of Directors

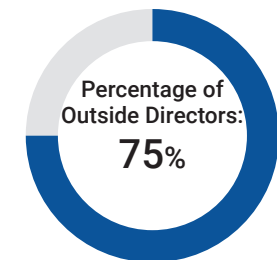
The Board of Directors is composed of Directors with abundant experience, deep insight and highly specialized knowledge to maintain balance and diversity in the knowledge, experience, and abilities of the Board of Directors as a whole. The Board is composed of no more than 12 Directors (excluding those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



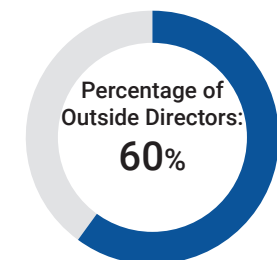
Composition of the Audit & Supervisory Committee

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, all Senior Executive Officers, Specially Appointed Audit and Supervisory Committee Members, 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 FY2025.

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 Members

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 Specially Appointed Audit and Supervisory Committee Members. The Specially Appointed Audit and Supervisory Committee Members are 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 members assist 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 J-POWER Group upholds honest and fair business practices with a steadfast spirit of compliance and business ethics as part of its conduct rules. On April 1, 2026, it established the J-POWER Group Tax Policy. To maintain and enhance tax compliance, we will, with the proactive involvement and guidance of the Finance Officer, strive to conduct training and awareness-raising activities 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.

Tax Policy

 https://www.jpowers.co.jp/english/sustainability/governance/tax_policy.html

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

Providing Outside Directors with materials
for Executive Committee meeting

One week prior to Board
of Directors meetings

Sending proposals for the Board of
Directors meetings in advance

From two days prior to
the day of the Board of
Directors meeting

Advance briefings to Outside Directors

Board of Directors

Advance preparation for efficient board meetings

● Tentative materials sent prior to agenda distribution

● Advance briefings from the department in charge
and the Executive Officers to the Outside Directors
● Pre-briefing on discussions at the Executive
Committee
● Immediate feedback of questions and answers
during the pre-briefing to the executive directors

Operational structure for high quality discussions

● Explanations of proposals and reports by the director
in charge in response to Q&A at the pre-briefing
● Preparation of agenda materials that focus on the
significance, purpose, and expected results of the
project to be discussed
● Recording and keeping track of progress of
opinions expressed at Board of Directors meetings

Examples of items discussed/reported

Climate change-related	Management plan/Research and development (Osaki CoolGen)/TCFD disclosures/Status of ESG initiatives/Report on IEA WEO2025
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/NEXUS Sakuma Project Overseas projects/Domestic onshore and offshore wind power projects/ Ohma Nuclear Power Plant
Other	Confirmation of strategic shareholdings/IR and SR reporting Interim evaluation of loan and investment projects, etc./Review of impairment cases and future outlook Decommissioning of the Takasago Thermal Power Plant

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 FY2025

- Exchange of opinions at an intensive meeting on the Company's future vision and important management issues (once)
- Exchange of opinions at meetings attended by all members of the Board of Directors (3 times)
- Exchange of opinions (at small meetings) between Outside Directors, executive officers, and relevant departments (3 times)
- Exchange of opinions among non-executive directors (twice)
- Exchange of opinions between Outside Directors (excluding Directors serving as Audit & Supervisory Committee Members) and the Audit & Supervisory Committee (once)
- Lectures, etc. conducted for management-level employees by Outside Directors (5 times)
- Lunch meetings between the Chairman, President, Outside Directors, etc.
- Visits to power plants by Outside Directors (3 times)
- Lectures by external experts on the digital infrastructure business and "watt-bit collaboration"



Facility visit by Outside Directors

Corporate Governance

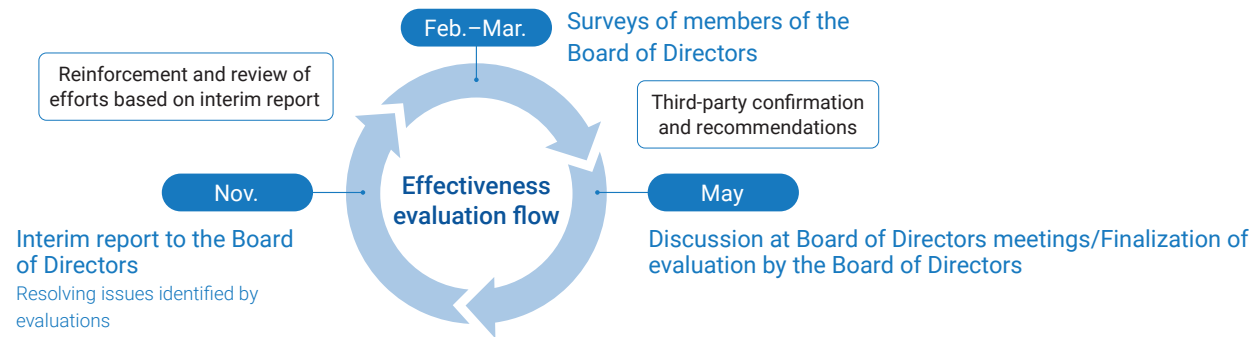
▶ Material issues



Evaluation of Effectiveness of the Board of Directors

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

FY2025 initiatives



FY2025 initiatives

During FY2025, we confirmed that it is effective to proceed with further enhancing opportunities for free-spirited discussions and further enhancing the operation of the Board of Directors, and intensively engaged in the following initiatives.

Further enhance opportunities for free-spirited discussions

- Held an intensive meeting to exchange opinions on the future vision and important management issues of the Company (once)
- Conducted exchanges of opinions among all members of the Board of Directors (3 times) and small-discussion group meetings (small meetings) between Outside Directors, executive officers, and relevant departments (3 times)
- Conducted exchanges of opinions among non-executive directors (twice)
- Conducted exchanges of opinions between Outside Directors (excluding Directors serving as Audit & Supervisory Committee Members) and the Audit & Supervisory Committee (once)

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, etc.
- Held small meetings and provided early pre-briefings to foster understanding

Overview of FY2025 effectiveness evaluation

Evaluation method and process

- 1 In February 2026, we conducted a questionnaire of all Directors, including Outside Directors.
- 2 Discussions were held based on the results of the aforementioned questionnaire at the Board of Directors meeting held on May 12, 2026.
- 3 Evaluation results were confirmed at the Board of Directors meeting held on May 22, 2026.

Questionnaire items

- I Composition of the Board of Directors
- II Operation of the Board of Directors
- III Management strategies and plans
- IV Internal control and risk management
- V Support system for Directors
- VI Dialogue with shareholders (investors)
- VII Individual efforts of each Director
- VIII Summary

Evaluation results

Through the evaluation method and process on the left, we determined that the Board of Directors' effectiveness is 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

- There were some opinions that, in light of changes in the business environment in which we find ourselves, it is essential for the Board of Directors to continue discussions on management direction from a medium- to long-term perspective, including the Group-wide business portfolio.
- There were some opinions that the continuation and enhancement of initiatives taken to FY2025 are important, including accurate support tailored for each Director and the sharing of the status of addressing issues raised at meetings of the Board of Directors.
- With respect to the composition of the Board of Directors, while some opinions suggested that the current composition was appropriate, others suggested that discussions should be continued on a composition that responds to the business environment.

Future direction of initiatives

For FY2026, 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 the continuation of such initiatives and enhancement of discussions.

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, 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. Furthermore, from the perspective of sustainable growth and corporate value enhancement over the medium to long term, the Company recognizes the securing and development of management talent as an important management issue and is addressing it on an ongoing basis.

 [P.87 Nomination and Compensation Committee](#)

Officers' Compensation

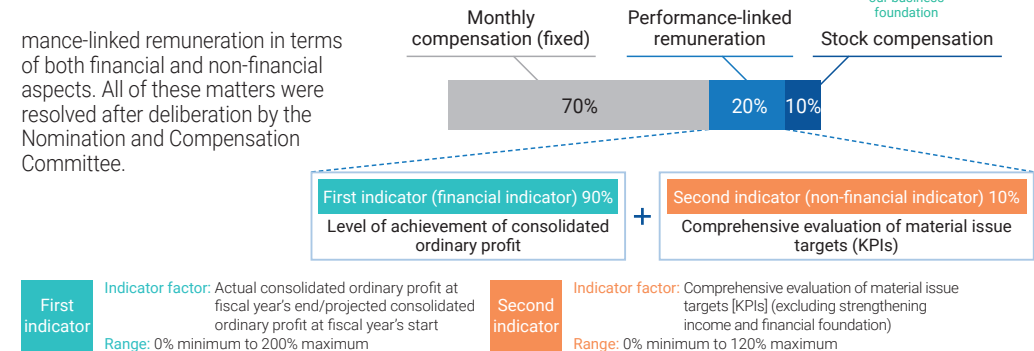
Composition of officers' compensation

- 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, which 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 perfor-

mance-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 FY2025 was as follows:

Indicator	Evaluation rate	Achievement rate	Payment percentage
First indicator (financial indicator) Level of achievement of consolidated ordinary profit	90%	Achievement rate = 97.9% Results*: ¥116.5 billion / initial target for the period: ¥119.0 billion	96.1%
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	

*1 Figures used represent actual results for consolidated ordinary profit, taking into account business operations recognized as significant.

*2 Please see P.24 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 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

*In the aforementioned resolution of the Ordinary General Meeting of Shareholders, it was resolved that the Company may continue the System by periodically extending the target period for a duration of up to three fiscal years as determined by the Board of Directors, and by contributing additional money up to an amount calculated by multiplying ¥55 million by the number of fiscal years in the extended target period. Accordingly, at the Board of Directors meeting held on June 26, 2025, the Company resolved 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

Special Feature: Activities of the Nomination and Compensation Committee



The Nomination and Compensation Committee continues to fulfill its role as an entity that enhances the independence and transparency of the functions of the Board of Directors.

Takashi Yokomizo
Director

Since my appointment as an Outside Director in June 2023, I have served as Chair of the Nomination and Compensation Committee.

As an advisory body to the Board of Directors, the Nomination and Compensation Committee is composed of a majority of Independent Outside Directors and deliberates on the nomination and compensation of Directors and senior management. Through these deliberations, it contributes to enhancing the independence and transparency of decision-making.

Nomination

For the appointment of Directors and senior management at the Company, candidates are interviewed and deliberated by the Nomination and Compensation Committee, then recommended by the President, and finally decided by the Board of Directors. The Nomination and Compensation Committee evaluates each candidate as part of this process.

In the Committee, we evaluate candidates from a comprehensive perspective, considering not only their extensive business experience and achievements, but also their broad insight for management decision-making, advanced expertise including in the electric power business, and leadership to guide the organization.

For the top management appointments in FY2025, we also conducted thorough deliberations as a committee based on this process.

We continue to examine the composition and diversity of the Board of Directors, taking into account the opinions of shareholders and investors. At the General Meeting of Shareholders in FY2026, we received approval for the appointment of female directors and directors with extensive international experience, thereby strengthening our management structure. We will continue to work on building the optimal structure in line with the roles required of the Board of Directors.

Compensation

Currently, officer compensation at the Company consists of three components: monthly compensation, performance-linked remuneration, and stock compensation.

The Nomination and Compensation Committee constantly reviews the overall compensation system, and in particular, discusses performance-linked remuneration each year and determines evaluations. On assessing the achievement of material issue targets, which serve as one of the evaluation criteria for performance-linked remuneration, we carefully consider not only quantitative targets but also make

qualitative assessments. While there are times when opinions differ, we make decisions after a thorough discussion.

We also receive opinions from shareholders and investors regarding the proportion of stock compensation and other matters, and we recognize this as one of the issues to be evaluated going forward in order to align our perspectives more closely with shareholders.

Since the establishment of the Nomination and Compensation Committee in 2019, we have worked to improve the nomination process and compensation framework, and I feel that these efforts are gradually producing tangible results. We will continue our work on enhancing the appointment of management and the compensation system to contribute to the enhancement of the Company's corporate value.

Main matters deliberated regarding nominations

- Appointment of Executive Officers and determination of their responsibilities effective April 1 of the following fiscal year
- Selection of candidates for Director (excluding those who are Audit & Supervisory Committee Members)
- Appointment of Specially Appointed Audit and Supervisory Committee Member
- Nomination of Representative Directors and Senior Directors

Main matters deliberated regarding compensation

- FY2021 and FY2022: Revised the content of the officer compensation system* and the compensation levels.
*Officer compensation was changed to a three-component structure: monthly compensation, performance-linked remuneration, and stock compensation.
- FY2023: Introduced evaluation of material issue targets (KPIs) as a performance criteria for performance-linked remuneration.
- FY2024: Deliberated and reflected the evaluation plan for performance on material issues.

Meetings held in FY2025

Main topics	
First	Performance evaluation for performance-linked remuneration
Second	Appointment of Nomination and Compensation Committee Chairperson
Third	Deliberation regarding nominations
Fourth	Deliberation regarding nominations
Fifth	Nomination of officer candidates for the next fiscal year

Special Feature: Dialogue Between Outside Directors and Investors

We held a small meeting between Outside Directors and investors in October 2025. Here, we present the main questions from investors and the responses from Outside Directors.

Overview of the small meeting

- Date: October 1, 2025 • Format: Roundtable discussion at our headquarters
- Participants: 15 institutional investors and analysts
Outside Director (Audit & Supervisory Committee Member) Shizuo Abe
Outside Directors Tomonori Ito Takashi Yokomizo

Q What do you consider to be the most important management challenges for J-POWER?

Director Ito: The greatest challenge is the construction of the Ohma Nuclear Power Plant. The investment amount is large, and both the review and construction processes are taking considerable time, so ensuring steady progress is management's most significant challenge. As the review process advances, we are considering utilizing the Long-Term Decarbonization Power Source Auction for financing. If we secure a successful bid, we can cover a substantial portion of the construction costs with the resulting cash flow. We are also thinking to utilize financing guarantee frameworks provided by the GX Acceleration Agency and other options for funding. We are exploring all possible means and aim to establish mechanisms that enable us to cover construction costs and secure financing.

Q How do you perceive J-POWER's governance compared to other companies?

Director Yokomizo: Our decision-making process is extremely cautious, and there is a deeply rooted culture of avoiding mistakes while moving forward. We tend to take plenty of time before reaching conclusions because we proceed only after explaining how we can reliably address risks. This approach has advantages in preventing mistakes, but in situations where efficiency and speed are required, I believe we need to adopt a more breakthrough perspective and a greater sense of urgency going forward.

Q How do you plan to balance technical feasibility and profitability in the roadmap for the thermal power transition?

Director Abe: The thermal power transition faces challenges both technically and in terms of profitability. We are currently discussing this issue in depth at the Board of Directors and in opinion exchange meetings, and we recognize that balancing the speed of technological development with market needs is essential. We believe the greatest issue is costs. Many technologies have already reached a certain level of advancement, but to achieve social implementation and large-scale adoption, it is essential to address cost-related issues. For new technologies such as CCS and mixed combustion of hydrogen, we intend to proceed with their phased rollout while exploring possibilities for cost reduction and utilizing government support measures to ensure profitability.

Q This is the first time a share buyback will be implemented. What discussions took place at the Board of Directors regarding this decision?

Director Ito: I believe that, fundamentally, a company should grow, generate solid profits, endeavor to raise its share price, and meet investor expectations. For that reason, I am personally cautious about share buybacks, but the management team decided to implement a ¥20.0 billion share buyback aimed at meeting investor expectations. In particular, since we generated solid profits in FY2024, we decided it would be better to return those profits to investors.

After the dialogue



Director Ito*

Concerns raised about J-POWER included the ROE level, future policy on shareholder returns, and issues such as construction costs and returns on investments in the Ohma Nuclear Power Plant. On the other hand, I was encouraged that investors understood our efforts to develop new asset turnover-based business models in the United States and other markets. With regard to shareholder returns, I was reminded that it is important not only to distribute dividends but also to increase shareholder returns through share price appreciation. I believe it was a very productive discussion, as we were able to share both the perspectives of investors and the management team.

*Director Ito retired as Director at the end of the 74th Ordinary General Meeting of Shareholders held on June 25, 2026.



Director Yokomizo

Through this dialogue, I was once again made keenly aware that investors expect us to manage J-POWER in a way that continually enhances corporate value, and to make prompt and appropriate decisions while keeping the Company's future outlook in mind. In addition, regarding the role of the Nomination and Compensation Committee, some investors were of the opinion that the Committee should be more actively involved in Director nominations, consider diversity, and carefully examine the appropriate term of office for Outside Directors. We were also advised that the ratio of stock compensation in Director compensation packages should be increased. We intend to further deepen our discussions in the Nomination and Compensation Committee, taking these opinions into account.



Director Abe, Audit & Supervisory Committee Member

Investors asked us how we intend to guide the development of thermal and nuclear power and prepare for future business. This matter is under discussion by the Board of Directors. They also showed great interest in the distinctness of our corporate culture and initiatives compared with those of the cost-focused automotive industry, which relates to my own career background. As one of the Outside Directors, I will strive to quickly communicate to investors the direction of our internal discussions and points for improvement in business perspectives gained from experience in other industries.

Risk Management

► Material issues



Basic Approach

Based on its internal regulations, the J-POWER Group has established a risk management system that covers not only financial risks with significant impacts on management, but also sustainability-related risks, including climate change and human rights. Under this framework, the Group seeks to maintain and enhance corporate value and contribute to a sustainable society by combining swift decision-making under the oversight of the Board of Directors with autonomous risk management carried out by operational units and specialized committees.

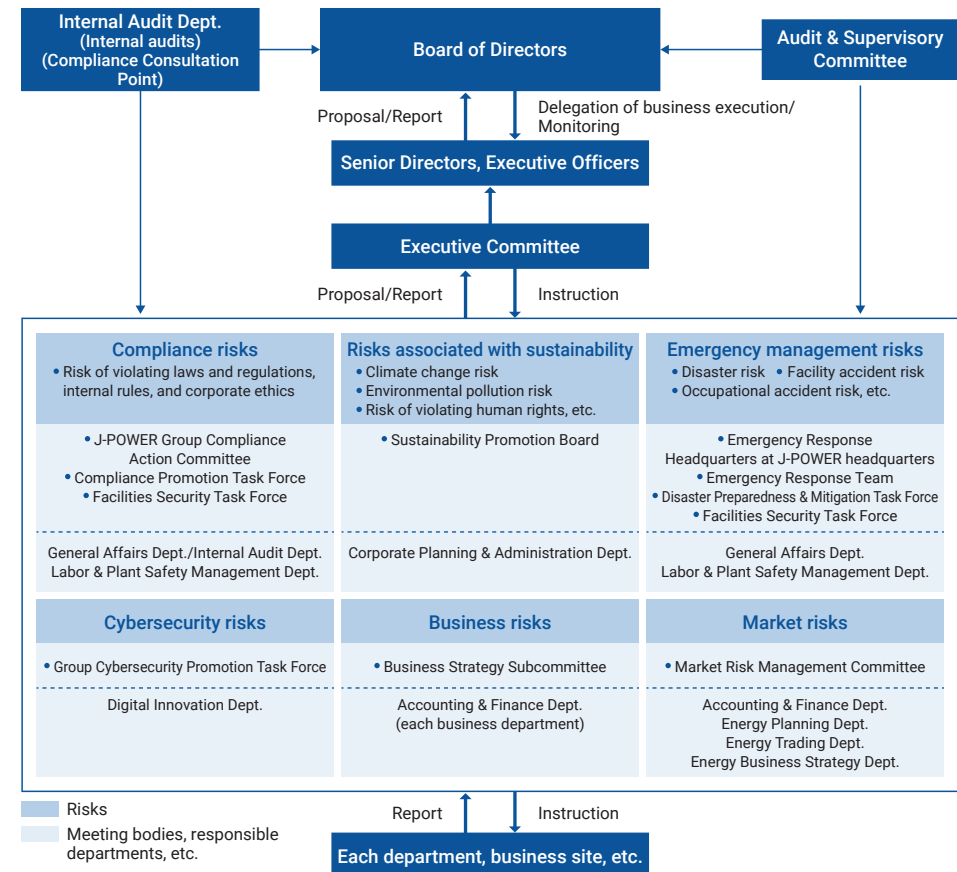
Risk Management Systems

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.

Response to Each Risk

- Compliance risks 📖 [P.95 Compliance](#)
- Risks associated with sustainability 📖 [P.21 J-POWER Group's Sustainability Initiatives and Management](#) [P.74 Human rights](#)
Risk Management Framework Covering ESG Risks
📄 https://www.jpower.co.jp/english/sustainability/governance/risk_management.html
- Emergency management risks 📖 [P.98 Emergency Management](#)
- Occupational accident risks 📖 [P.83 Occupational health and safety](#)
- Cybersecurity risks 📖 [P.99 Cybersecurity](#)
- Business risks 📖 [P.59 Risk Management Related to Investment Projects \(TCFD Report\)](#)

Risk management system



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.

Compliance/Anti-Corruption

▶ 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/action_guidelines.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 the 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

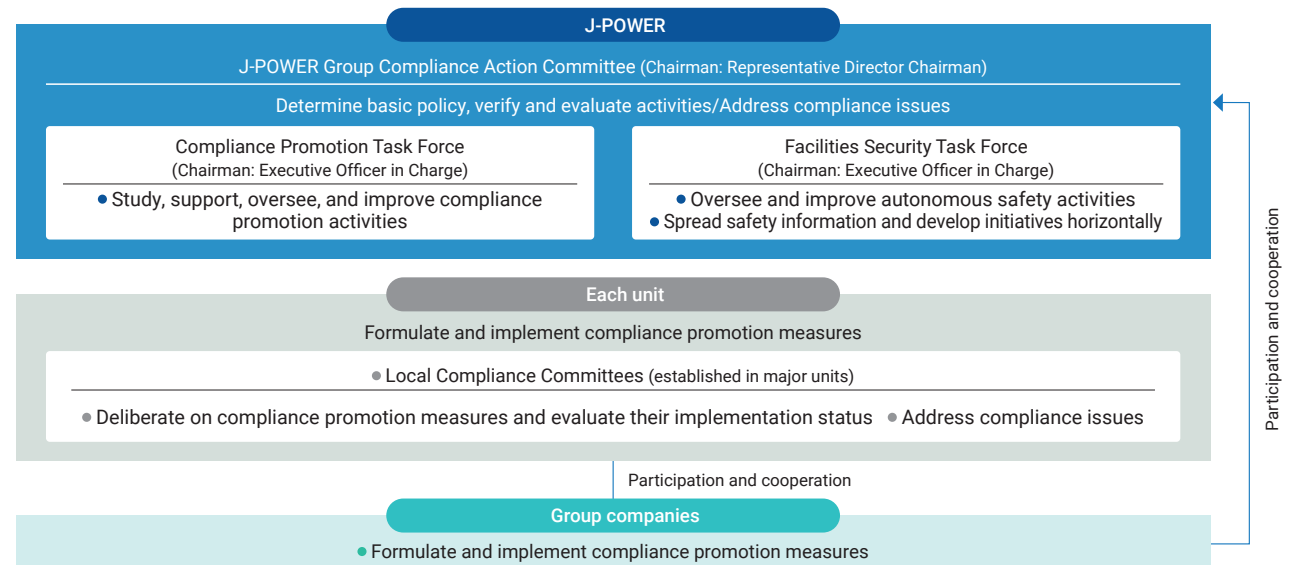
The Compliance Action Committee utilizes a PDCA (plan-do-check-act) method for compliance promotion, formulating a plan for each fiscal year, evaluating results at the end of that fiscal year, and formulating the next year's plan based on the results. The compliance promotion plan and evaluation are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

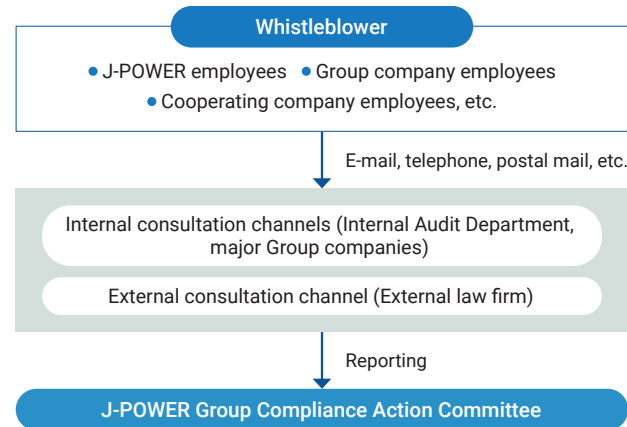
Compliance Consultation Points (Whistle-Blowing System)

The J-POWER Group has established the 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, with confidentiality and anonymity guaranteed, and no one who has consulted or reported is treated unfavorably by the Company.

[P.76 Grievance and Remediation Mechanisms](#)

[P.81 Consultation Points for Human Resources, Labor Matters, Harassment, etc.](#)

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.

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 FY2025, 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 2026 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.

Anti-Corruption and Business Ethics

► Material issues



Anti-Corruption Policy

The J-POWER Group sets forth guidelines for the prevention of corruption (bribery, excessive entertaining/gifts, etc.) in all regions where it conducts business, both in Japan and overseas, in its Corporate Conduct Rules and Compliance Action Guidelines, and communicates these guidelines to all employees.

Prevention of Corruption (Bribery, Excessive Entertaining/Gifts, etc.)

- We will not entertain or give gifts to public officials or equivalent persons in a manner that conflicts with the Criminal Law, National Public Service Ethics Act, or other rules prescribed by government agencies.
- We will not give, promise, or offer financial or other rewards to foreign government officials to improperly gain a business advantage or in return for a business accommodation. Entertaining and the giving of gifts to business partners will be within the scope of social courtesy.
- When we have no choice but to be entertained by or accept gifts from customers or business partners, it must be within the scope of social courtesy.

Moreover, 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.

Compliance Action Guidelines

https://www.jpowers.co.jp/english/sustainability/governance/action_guidelines.html

Anti-Corruption Policy and Initiatives

https://www.jpowers.co.jp/english/sustainability/governance/anti_corruption.html

Oversight of Anti-Corruption

The J-POWER Group Compliance Action Guidelines, which set forth the basic policy for anti-corruption at the Company, are established and revised through approval by the Board of Directors. The Board of Directors is responsible for continuously supervising whether these guidelines are being appropriately implemented.

Communication of Anti-Corruption Policy to All Employees

To embed the established policies throughout the organization, we implement the following initiatives for all employees.

- Distribution of a Compliance Guidebook: We disseminate a "Compliance Guidebook" that includes the Compliance Action Guidelines and other relevant materials, including the anti-corruption policy, and ensure that employees can refer to it at any time.
- Carrying a Compliance Pledge: We provide all employees with a "Compliance Pledge" in which they pledge to comply with the Compliance Action Guidelines, including the prevention of all forms of corruption, and encourage them to sign and carry it. We require each employee to maintain a high level of awareness of, and responsibility for, anti-corruption.

Training for Staff on the Anti-Corruption Policy

In order to ensure the effectiveness of its established Compliance Action Guidelines, the J-POWER Group provides regular annual compliance training for employees, including training on anti-corruption and business ethics. Through this training, the Group reinforces throughout the entire organization the Compliance Action Guidelines' prohibition of all forms of corrupt practices.

[P.76 Training and Education on Human Rights and Compliance Initiatives](#)

Regular Audits on Anti-Corruption and Business Ethics

In internal audits and compliance audits, which are conducted once a year (including those of Group company business sites), we regularly check the status of compliance with business ethics and anti-corruption measures, as well as general compliance status. The results of these audits are reported to the Board of Directors, and we review our regulations and manuals as necessary.

[P.88 Audit System](#)

Topics

Measures in Overseas Business

In light of the specific characteristics of the business environment in our overseas operations and to further clarify our measures against bribery and corruption risks, we established a zero-tolerance policy in 2022, which stipulates the following compliance items:

- Do not tolerate any form of corruption and bribery*, and strive to ensure that all persons engaged in duties related to J-POWER, including those outside the Group, comply with this policy.
- Always bear in mind that J-POWER itself, as well as the individuals and organizations directly involved, may be held criminally liable for corruption and bribery.
- Always maintain high ethical standards as a socially responsible individual and act in accordance with our anti-corruption and anti-bribery commitment. Moreover, do not overlook violations of laws, regulations and rules, and report to the appropriate consultation points if you encounter any suspicious acts.
- Actively participate in training for preventing corruption and bribery, and work to closely monitor the latest trends in anti-corruption and anti-bribery initiatives.
- Comply with all applicable domestic and international laws, regulations, and other rules regarding the prevention of corruption and bribery.

In addition to the above, we conduct training for executives and employees in the international sector, inviting attorneys specializing in international corporate legal affairs and compliance as lecturers.

*"Corruption and bribery" includes, in addition to acts such as the giving and taking of bribes, provision of benefits, facilitation payments, fraud, extortion, collusion, and money laundering, acts that induce fraudulent, illegal, or breach-of-trust acts in corporate business activities, as well as misappropriation, embezzlement, mediation bribery, abuse of authority, illicit enrichment, concealment, and obstruction of justice.

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.

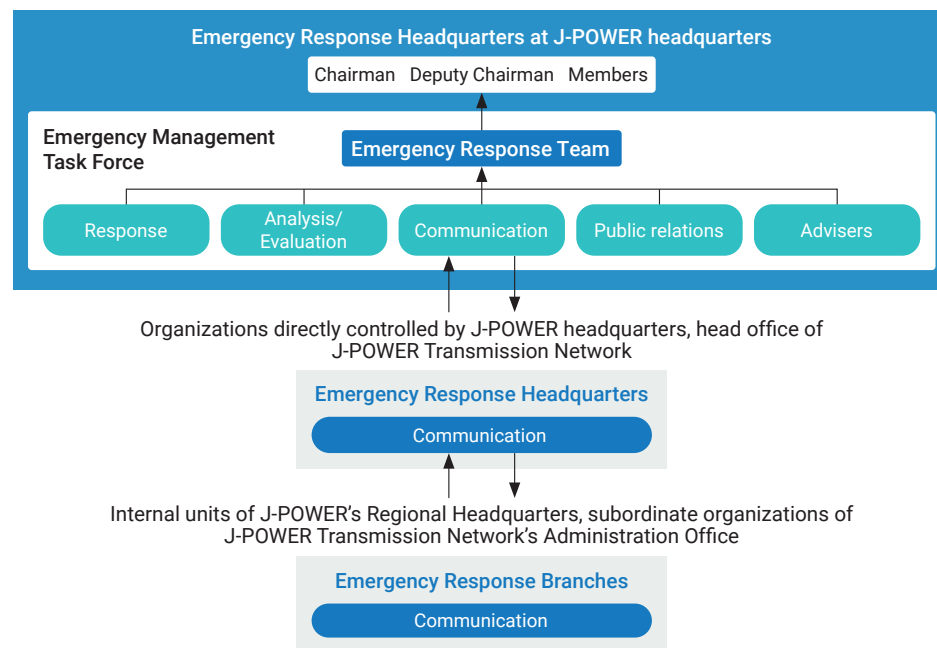
- ① Installation of appropriate facilities and development of disaster recovery systems in preparation for natural disasters, including earthquakes, typhoons, lightning strikes, and tsunamis
- ② Enhancement of security to prevent malicious and violent conduct
- ③ Enhancement of regular facility inspections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

Role	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.

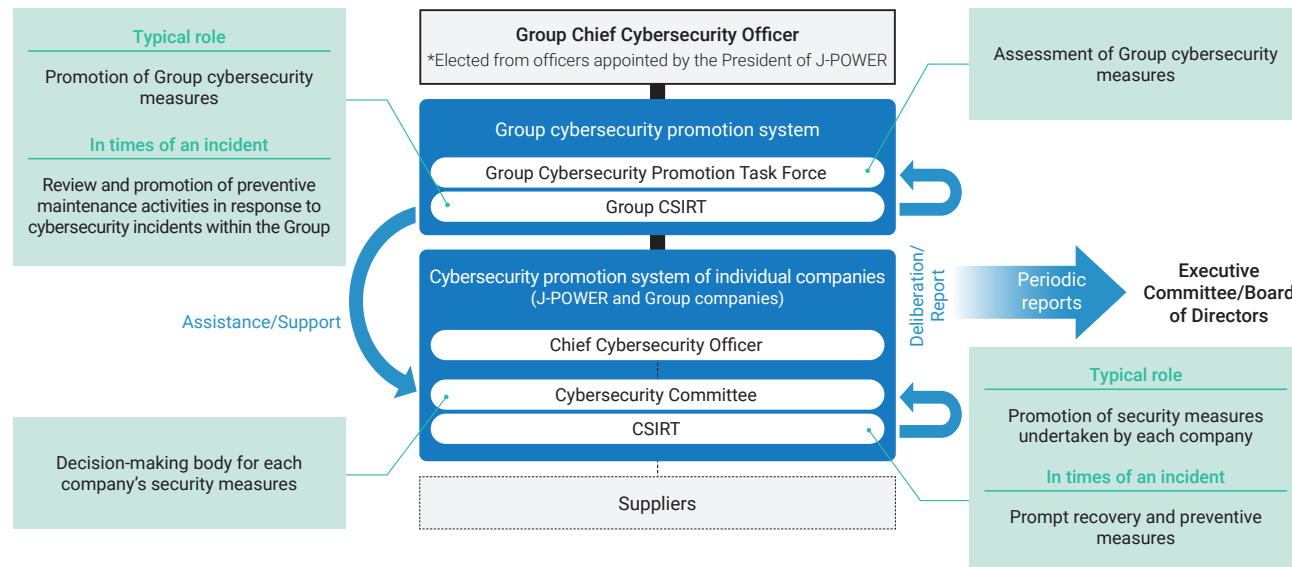
Furthermore, based on the Cybersecurity Policy for Critical Infrastructure Protection announced by the government's Cybersecurity Strategic Headquarters, we have established a system to take all possible measures for cybersecurity as a critical infrastructure provider and are further strengthening our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

To strengthen our response capabilities throughout the entire supply chain, we have established the J-POWER Group's

Basic Policies on Cybersecurity and the Cybersecurity Regulations, which span both information and control systems. Regarding the status of major cybersecurity incidents affecting business operations, we provide periodic reports at the Group Cybersecurity Promotion Task Force, while each Group company reports such matters to its Board of Directors, thereby striving to strengthen intra-Group coordination. (No major information security incidents occurred in FY2025)

Structure

An officer appointed by the President of J-POWER serves as the Group Chief Cybersecurity Officer to manage the Group Cybersecurity Promotion Task Force, which conducts periodic cybersecurity assessments and internal and external audits, while periodically reporting the state of cybersecurity to the Board of Directors.



Continuous monitoring and implementation of drills against cyber-attacks

To prepare for cyber-attacks, the J-POWER Group conducts continuous monitoring and drills, analyzes vulnerabilities, and manages risks.

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. Furthermore, cybersecurity risks are explicitly stated in our internal emergency management and cybersecurity-related regulations, and we have established response flows to ensure prompt reporting and action if an employee discovers the occurrence of a cybersecurity incident or an event suspected to have occurred. In FY2025, we reviewed the basic response measures to ensure business continuity or the early recovery and resumption of operations in the event of a cybersecurity incident.

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

Providing information security educations

Every year, we continuously provide all employees with e-learning on cybersecurity and drills and training to prepare for targeted e-mail attacks.

Results of e-learning for FY2025

Every year, we continuously provide 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 19,740 in total).

As a corporation with essential infrastructure that has the potential to significantly affect people's lives, the Company has established the fundamental policy for maintaining cybersecurity. For details of the J-POWER Group's Basic Policies on Cybersecurity, please refer to our website.

https://www.jpowers.co.jp/english/privacy/privacy_003_e.html

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 40,285 (10,085) Current position Jun. 2023 Representative Director Chairman of the Company Jul. 2024 External Audit & Supervisory Board Member of Fukoku Mutual Life Insurance Company	 Representative Director President Hideaki Kato Attendance at Board of Directors meetings 13/13 Number of shares of the Company held 10,398 (5,598) Current position Apr. 2026 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 25,258 (7,138) 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 19,855 (7,555) Current position Jun. 2022 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 13,943 (6,443) Current position Jun. 2024 Director and Executive Vice President of the Company	 Director Shoichi Echigo Attendance at Board of Directors meetings — Number of shares of the Company held 14,899 (5,599) Current position Jun. 2026 Director and Executive Vice President of the Company	 Director Jun Harada Attendance at Board of Directors meetings — Number of shares of the Company held 8,686 (5,486) Current position Jun. 2026 Director and Executive Vice President of the Company	 Director Kazuo Kato Attendance at Board of Directors meetings — Number of shares of the Company held 10,834 (5,334) Current position Jun. 2026 Director and Executive Managing Officer 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	 Director Outside Independent Akiko Murai Attendance at Board of Directors meetings — Number of shares of the Company held 300 Current position May 2020 Independent Director, Phoenixi Co. Ltd. Apr. 2025 Adjunct Professor, Graduate School of Management, Kyoto University Jun. 2026 Outside Director of the Company	 Director Outside Independent Keisuke Sadamori Attendance at Board of Directors meetings — Number of shares of the Company held 0 Current position Jun. 2026 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 13/13 Attendance at Audit & Supervisory Committee meetings 12/12 Number of shares of the Company held 11,400 Current position Jun. 2024 Director (Audit & Supervisory Committee Member) of the Company	 Director (Audit & Supervisory Committee Member) Outside Independent Takashi Miyahara Attendance at Board of Directors meetings — Attendance at Audit & Supervisory Committee meetings — Number of shares of the Company held 0 Current position Jun. 2026 Outside Director (Audit & Supervisory Committee Member) of the Company	 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, SKY Perfect JSAT Corporation 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 13/13 Attendance at Audit & Supervisory Committee meetings 12/12 Number of shares of the Company held 0 Current position Jun. 2024 Outside Director (Audit & Supervisory Committee Member) of the Company
---	--	--	--

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.

*For details of reasons for nomination, please refer to the Notice of the 74th Ordinary General Meeting of Shareholders.

<https://www.jpower.co.jp/english/ir/pdf/shareholders74a.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. The matrix lists up to three of the main areas of expertise and experience required of each Director, as well as the areas in which they can best demonstrate their strengths. It does not represent all of the expertise and experience required of each individual.

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	Remarks
Chairman	Toshifumi Watanabe	○	○	○				Member	
President and Director	Hideaki Kato	○	○	○				Member	
Directors	Yoshikazu Shimada	○			○	○			
	Osamu Hagiwara	○			○	○			Head of Nuclear Energy Division
	Ryoji Sekine	○	○				○		Head of Global Power Business Division
	Shoichi Echigo	○	○	○					
	Jun Harada	○			○		○		Head of Renewable Energy Division
	Kazuo Kato			○	○	○			
	Takashi Yokomizo Outside Independent	○		○				Chairperson	
	Akiko Murai Outside Independent	○		○			○		
Keisuke Sadamori Outside Independent	○			○		○			

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	Remarks
Audit & Supervisory Committee Members	Hideo Kimura	○	○		○				
	Takashi Miyahara Outside Independent		○	○			○		
	Kimiko Oga Outside Independent	○			○	○		Member	
	Shizuo Abe Outside Independent	○			○	○		Member	

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 25, 2026)

Position	Name		
President and Chief Executive Officer	Hideaki Kato	ESG Oversight	
Executive Vice President	Yoshikazu Shimada	General operations and technological management Labor & Plant Safety Management Dept., Procurement Dept.	
	Osamu Hagiwara	General operations Head of Nuclear Energy Division (delegation of administrative works)	
	Ryoji Sekine	General operations Head of Global Power Business Division (delegation of administrative works)	
	Shoichi Echigo	General operations Secretarial Affairs Dept., Accounting & Finance Dept., Personnel & Employee Relations Dept., General Affairs Dept., Labor & Plant Safety Management Dept., Responsible for matters related to ESG	
	Jun Harada	General operations Head of Renewable Energy Division (delegation of administrative works) Hydrogen Business Development (matters under special assignment)	
Executive Managing Officer	Kazuo Kato Atsushi Sudo Kenjiro Hokamura Toshihiro Ikeda	Tetsuaki Mori Tatsuhiro Tanaka Takenori Iwasaki	Koji Shirato Shigeru Morimoto Fumihiko Saito
Executive Officer Status	Kenji Morita Yasushi Ishida	Yukihiro Ikeguchi Hideaki Sagara	Toshiya Kawai

Position	Name		
Executive Officer	Sumie Nakayama Takeshi Misumi Masuo Shibayama Toshio Tochigi Kenji Matsumoto Kyoku Miyoshi Kiyonori Yamagata Akihiro Osajima	Yasushi Akahoshi Masuhide Inoue Tatsuya Ishii Hiroaki Matsumoto Takahiko Nakazawa Michihide Kita Kenji Okada	Shingo Koizumi Akira Yabumoto Shigeyuki Ishikura Soichiro Shimoda Masayoshi Suzuki Yoichiro Kuwata Masayuki Sano
Specially Appointed Audit and Supervisory Committee Member	Hiroyuki Uchinaga	Chie Maeda	