

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.

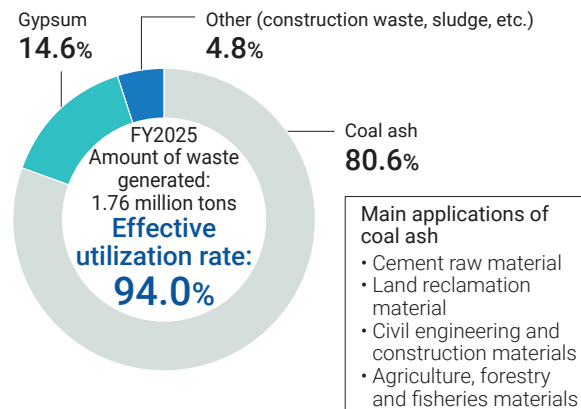
We are committed to building a relationship of trust with the local community, while respecting considerations for the environment at every stage of our business and striving to preserve the local environment with the latest technology and knowledge.

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

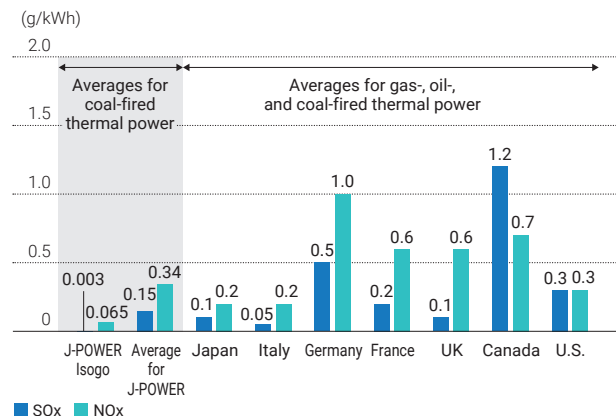
Controlling environmentally harmful substances

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.

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Engagement with local communities

Major environmental education in FY2025

