The J-POWER Group considers each employee to be a valuable human resource that enables its sustainable corporate growth. We strive to provide safe and comfortable working environments. At the same time, we endeavor to create a corporate culture that respects the character and individuality of our employees and makes them feel it worthwhile to constantly take on new challenges.

The J-POWER Group positions recruitment and making effective use of and developing human resources as crucial measures for its sustainable growth. We are reinforcing the foundations for career development with a focus on the Career Development Program (CDP) and establishing workplace environments and systems that make advantageous use of diversity in order to improve individual skills and workforce productivity.

## **Recruiting and Making Effective Use of Human Resources**

# The J-POWER Group's Approach to Human Resource Recruitment

The J-POWER Group approach is realizing stable recruiting in the interest of sustainable growth, seeking human resources in a wide range of fields and age-groups, and providing employees with opportunities to take an active part. When recruiting and making use of human resources, we make sure that we comply with the labor regulations of Japan and other countries in which we conduct business. In addition, we are also conducting awareness raising through human rights training in accordance with J-POWER's Compliance Action Guidelines, which stipulate respect for individuality and human rights and prohibit discrimination. (Please refer to page 69.) We are engaged in creating systems and working environments that enable our diverse personnel to fully demonstrate their capabilities, without regard for gender, age, or other such distinctions.

# Number of New Graduates Hired (J-POWER)

	FY 2017	FY 2018	FY 2019
Male	72	79	79
Female	9	12	17
Total	81	91	96

### Status of Human Resource Retention (J-POWER)

Average length of continuous service	19.6 years (As of March 31, 2019)		
Turnover rate for the three years after joining	9.7% (April 2018)		

Note: Does not include temporary employees

## Measures to Promote Diversity

As a measure to further make use of the skills of older workers, we have an employment extension system that allows those who have passed mandatory retirement age (60) to extend their employment and continue working until the end of the fiscal year in which they reach age of 65 should they so desire. Using this system in combination with the personnel registration system (available up to the end of the fiscal year in which they reach age of 70), which introduces job opportunities in the Group, we will harness the experience, skills, and motivation to work possessed by the Group's most senior personnel for the sustained growth of our business. As of the end of March 2019, 146 employees (of J-POWER) are working using the employment extension system.

Our employment rate of persons with disabilities was 2.14% as of June 1, 2019. We are enhancing working environments and promoting understanding among other employees through such initiatives as establishing a consultation desk where employees with disabilities can discuss employment assistance and working environments as well as making office buildings barrier-free. We will continue making efforts to raise our employment rate of persons with disabilities.

We will also take steps to improve our management training with a view to building a workplace where diverse human resources can take active part.

#### Protection of Employees' Rights

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

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

#### Internships

J-POWER, JPHYTEC Co., Ltd., and JPec Co., Ltd. offer shortterm summer internships to science students in graduate school, university, or technical college. The internships provide experience in certain operations at power stations and other facilities with the aim of helping the interns' studies and supporting them in making future career choices. In fiscal 2018, there were 91 interns from various areas of Japan who took up the challenge of practical training in the maintenance and operation of electric power facilities.

In addition, J-POWER conducts short-term summer and winter internships multiple times a year for students interested in employment in non-technical positions.

# Human Resource Development

# Human Resource Development Programs

Our aim in the J-POWER Group is to develop all our employees into independent, talented, professional human resources who contribute to the organization with knowledge in multiple specialized areas and a broad perspective. We have adopted the Career Development Program (CDP) as a measure to achieve that aim.

## Overview of the CDP

The CDP comprises departmental visions and personnel requirements, job rotation, and career building support systems. By implementing human resource development measures from a number of angles, we aim to increase value for both the Company and employees.

# **Departmental Visions and Personnel Requirements**

Each department establishes a departmental vision that reflects changes in its business environment and corporate strategy and lays out the kinds of human resources needed for the Company, based on the departmental vision, as personnel requirements. These personnel requirements are shared between the Company and employees. The Company uses the requirements as targets for its human resource development efforts and reflects them in its concrete personnel development mechanisms, while employees use them as guideposts for their career building and skill development efforts.

#### **Job Rotation**

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



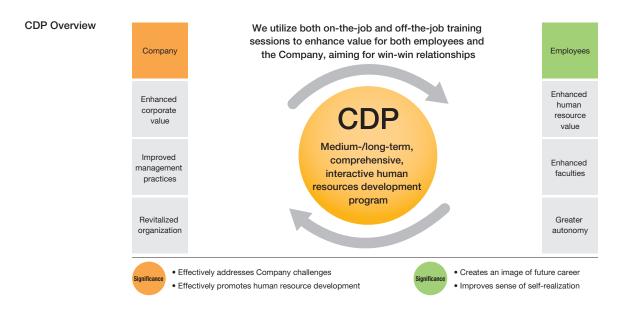
To support employee's independent career building efforts, the Company systematically operates a range of support systems.

Self-Declaration System	Every year, employees make a self-declaration to the Company about their future career outlook, based in part on an examination of their execution of work duties and abilities. The Company's managers dis- cuss the declarations with employees, offer advice as appropriate from a medium- to long-term human resource development perspective, and plan and implement employee rotations as needed.
Training System	The Company implements training systems in step with each employ- ee's career stage, required skills, career path, and personal motivation. These include level-specific training' and department-specific training' as well as objective-specific training, self-improvement through corre- spondence or campus-based education, sending employees to study or work at universities or other institutions, including NGOs, in and out- side Japan, and selective leadership training.

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

1. Expert training, human resource management practical training, etc.

The technical departments (civil engineering and architectural engineering; hydroelectric power, transmission and transformation, and telecommunications; thermal power; and nuclear power) each have their own training facilities in order to systematically develop engineers.



## **Evaluation and Management System**

We established an evaluation system in 2004 that is based on a goal management system. The system encourages employees to perform work autonomously, heighten their drive to achieve, and improve their faculties while working toward achieving their goals. We also set divisional goals to realize divisional strategies. Employees are encouraged to work together to achieve the divisional goals.

# **Developing Environments to Create Dynamic Workplaces**

# Toward the Realization of Work-Life Balance

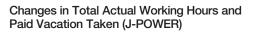
The J-POWER Group is actively developing working environments and cultures that enable every employee to autonomously enhance their work and personal life and focus on highly creative work. We are taking measures to help employees improve their work-life balance, including enhancing and encouraging the use of childcare and nursing care support programs, and normalizing working hours.

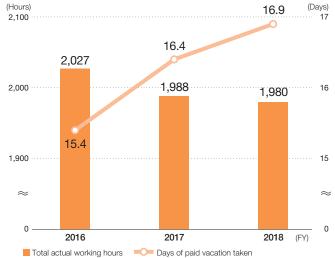
## Improving Labor Productivity

As part of the full-scale implementation of work reforms at J-POWER, we have established an action program known as J-POWER Challenge 30, setting and working toward goals that include reducing the number of overtime hours by 30% and increasing paid vacation days taken by 30%, compared with fiscal 2016 levels, by the end of fiscal 2020. Measures to achieve these goals include the introduction of a system for using paid leave in hourly increments, the sequential introduction of RPA\* in offices, and a policy of complete lights-out and a PC shutdown at Headquarters at 10 p.m. In addition, we are investing in equipment, such as replacing all PCs with lightweight, portable models and installing new groupware. Using these tools, we are further advancing work efficiency, including shifting to paperless operations for management meetings. Furthermore, we are preparing to introduce flextime and remote working systems in fiscal 2019. Aiming to become a company in which diversified human resources gather and can prove their merits according to their capabilities, we are advancing wide-ranging initiatives to improve labor productivity.

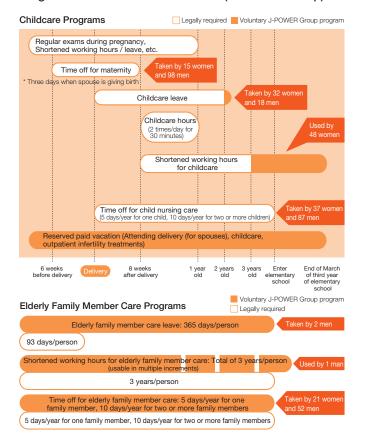
\* Robotic process automation (RPA): Work process automation using software robots

	FY 2016 Result	FY 2018 Result	End of FY 2020 Target
Overtime hours	24.6 hrs/month	21.7 hrs/month	17 hrs/month
Days of paid vacation taken	15.4 days/year	16.9 days/year	20 days/year





Overview of the Childcare and Nursing Care Support Programs and Results in Fiscal 2018 (J-POWER Group)



# "Platinum Kurumin" Special Certification Mark

Certified by the Minister for Health, Labour and Welfare as a supportive company for childcare, J-POWER received a "Kurumin" certification. We also received the special "Platinum Kurumin" mark certification, which is awarded only to companies with measures that have met an even higher standard. We will continue making improvements for an even better work environment so that all employees will be able to harmonize their work and their personal life and exercise their abilities fully.



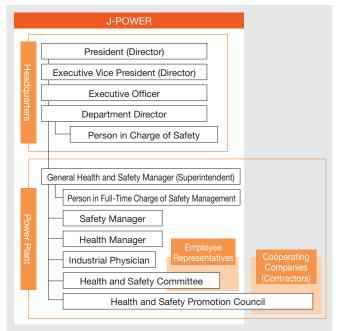
## **Consultation Desk**

Aiming to create employee-friendly workplaces, we have established a consultation desk where employees can discuss working hours, the workplace environment, and harassment. The privacy of employees using this desk is assured. In order to prevent harassment, we have also developed Company regulations, manuals, and other such resources, and we are implementing education for increased awareness via level-specific training courses, posters, and other such means. We are also training managers in each section in how to respond should a harassment-related incident occur as part of efforts to maintain a framework to respond to incidents appropriately. The J-POWER Group intends to create safe, healthy, and rewarding workplaces as the foundation of its business activities. J-POWER and other Group companies each have roles and responsibilities and collaborate on implementing health and safety management to prevent occupational accidents, including those of cooperating companies (contractors), and maintain and improve the health of employees.

# Health and Safety Management System

Based on laws and regulations, the J-POWER Group has established health and safety management systems, which include employee representatives and cooperating companies, at Headquarters and local operating units, such as power plants.

# Health and Safety Management System



Note: Since health and safety management systems differ depending on the work content and the number of employees, etc., of each operating unit, this diagram shows a typical system at a thermal power plant.

# Measures Pursuant to the Group Operational Health and Safety Plan

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

The roles, operations, and workplace environments of Group companies vary significantly. Accordingly, to efficiently and effectively advance initiatives across the Group, the Group Operational Health and Safety Plan designates only major targets for the entire Group; specific safety initiatives to achieve said targets are designated in each Group company's operational health and safety plan in line with their respective conditions and needs. At the Group level, we check, evaluate, and take steps to improve each company's plan and its implementation, aiming to ensure the steady implementation of said plans.

The results from the implementation of operational health and safety plans are compiled at the end of the fiscal year and reported to the Executive Committee<sup>\*</sup> and the Board of Directors. The operational health and safety plans for the next fiscal year are drawn up on the basis of those results.

\* Executive Committee: Please refer to page 58.

Fiscal 2019 Group Operational Health and Safety Plan		
	Operational	No serious disasters (all related staff at Group work-
Major	Safety	places and cooperating companies)
Targets	Operational	Preventing and raising awareness of lifestyle-related
	Health	diseases and enhancing mental health care

# **Occupational Accident Prevention Initiatives**

In recent years, many occupational accidents have occurred when contractors are engaged in construction and other work. It is therefore important to promote unified safety activities that include contractors to prevent such accidents. To this end, we have designated the priorities of increasing safety awareness and communication, reinforcing safety management, and implementing recurrence prevention and safety measures. Based on these, we continually work to prevent occupational accidents.

Furthermore, in light of occurrence of serious accidents and the plateau in the overall number of accidents in recent years, we hold the J-POWER Group Health and Safety Convention as part of efforts to cultivate and spread awareness of the utmost importance of safety and safe behavior.

When we place a work order for construction with a contractor, we take into consideration such factors as work methods and scheduling in order to ensure a healthy and safe work environment.

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



Safety pledge at the Health and Safety Convention

#### Number of Occupational Accidents<sup>1</sup>

	FY 2016		FY 2017		FY 2018				
	J-POWER Group	Contractors	Total	J-POWER Group	Contractors	Total	J-POWER Group	Contractors	Total
Fatal Accident	0	0	0	0	0	0	0	1	1
Serious Injury	1	7	8	1	10	11	0	10	10
Minor Injury	4*	8	12	3	9	12	7	8	15

\* Includes one accident involving members of the public

#### Accident Frequency<sup>2</sup> and Severity<sup>3</sup>

		FY 2016	FY 2017	FY 2018
Frequency	J-POWER	0.97	1.14	1.30
	All industries	1.63	1.66	1.83
Severity	J-POWER	0.06	0.03	0.42
	All industries	0.10	0.09	0.09

 Number of Occupational Accidents: Accidents causing death or lost work days involving J-POWER employees or contractors (principal contractors and subcontractors) engaging in construction and other work ordered by J-POWER

 Frequency: Number of casualties in occupational accidents per one million working hours. Covers accidents causing loss of one day or more of work. Does not include accidents of employees on loan.

 Severity: Number of days of work lost per 1,000 working hours. Does not include accidents of employees on loan.

# Health and Safety Training Programs

J-POWER Headquarters implements health and safety training for Group companies at J-POWER Headquarters and local operating units for the purpose of improving the health and safety of the entire J-POWER Group. In addition, local operating units implement legally mandated training for new hires and employees newly transferred in, special training for work involving electricity, and safety training suitable for their business operations such as training about relevant laws and regulations. These units also implement mental health-related training on line-of-command care and self-care. Management-level employees, such as superintendents, and dedicated safety staff are required to participate in seminars and courses held by external organizations in order to improve their health and safety knowledge and management skills and to raise safety awareness. In fiscal 2018, 1,211 people participated in such training programs held at J-POWER Headquarters.

# Health and Safety Management with Regard to Radiation

J-POWER is currently proceeding with construction of the Ohma Nuclear Power Plant. Currently, construction work is still under way, and there is no danger of employees and workers being affected by radiation. We will have established our 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

To maintain and improve the health of employees and their families, we encourage employees to undergo health checks and health maintenance guidance, and take infectious disease prevention measures. In addition, we place priority on the prevention of lifestyle-related disease and mental health disorders. Accordingly, we provide special health checks and specific health guidance as well as health maintenance and improvement activities\* and stress check programs. By taking these measures, we support the sound physical and mental health of employees and their families.

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

# Selected as a Health & Productivity Management Outstanding Organization

J-POWER was selected as a 2019 Health & Productivity Management Outstanding Organization in the large enterprise category (the "White 500") by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi, mainly in recognition of

its initiatives to solve issues related to maintaining and improving the health of its employees. Going forward, the Group will continue initiatives in this area.



健康経営優良法人 Health and productivity ホワイト500

# **Basic Policy on Occupational Health and Safety**

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

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

# **Creating Rewarding Workplaces**

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

# Compliance with Rules, Including Laws and Regulations

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

# Improvement of Health and Safety Management

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

## **Responsibilities of Management**

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

When a situation arises that runs contrary to this aim, the Company and the general directors of operating units will take the initiative to solve the problem while working to investigate the cause, prevent recurrences, clarify the root causes, and take appropriate measures. Based on the J-POWER Group Approach to Social Contribution Activities, as a good corporate citizen, the J-POWER Group proactively engages in social contribution activities, including supporting culture and the arts, cooperating with local communities, supporting participation in volunteer activities, and contributing to international society. Through such efforts, the Group seeks to contribute to social development.

## J-POWER Group Approach to Social Contribution Activities (established April 1, 2009)

The J-POWER Group's corporate philosophy states that "We pursue harmony with the environment, and thrive in the trust of communities where we live and work," and that "We regard profits as the source of our growth, and share the fruits with the society." In line with this philosophy and as a member of society, the Group engages in long-term social contribution activities aimed at the sound, sustainable development of society.

Based on the following two main themes of our activities, we value communication, knowledge sharing, and learning with local community members and people who are working to harmonize the energy supply with the environment. In this way, we steadily engage in social contribution activities and support the volunteer activities of our employees.

## **Community Involvement**

Our corporate activities are supported by the communities in which our power plants and other facilities are located. Just as every employee strives to be a good citizen in each community, we aim for every Group location to contribute to the community and society as a good corporate citizen. Through activities that earn the trust and familiarity of local residents, we aim to be involved in communities and to grow in step with society.

## Harmonizing the Energy Supply with the Environment

Rich, fulfilling lifestyles require both the energy that supports everyday living and a healthy natural environment. Leveraging the environmental insight developed through our businesses, we are working with a wide range of people to harmonize the energy supply with the environment and implementing activities to develop mindsets and technologies that prioritize both energy and the environment. By doing so, we are contributing to the sustainable development of Japan and the world.

# **Social Contribution Activities**

For our social contribution activities in fiscal 2018, we implemented a variety of initiatives that included the following programs.

Program	Overview	Target	Partners	Number of par- ticipants, etc.
Ecology and Energy Experience Tour	To promote the coexistence of energy and the environment, J-POWER holds the Ecology and Energy Experience Tour, in which participants learn about the links between energy and the environment through hands-on experi- ence. Tours focusing on hydroelectric power were conduct- ed for children and their parents, for students, and for elementary school teachers at Miboro Power Plant and Okutadami Power Plant. Tours focused on thermal power were conducted for students at Isogo Thermal Power Plant. The Okutadami tour made use of the Midori no Gakuen youth educational and lodging facilities and Lake Okutadami Tour Boat operated by Group company Okutadami Kanko Co., Ltd., providing an opportunity for experiential learning in which, surrounded by the grand natural environment of beech forests at Lake Okutadami, participants could see, feel, think, and enjoy themselves.	Parent-child tour Children in grades 4-6 and their parents Student tour Technical col- lege, university, and graduate school students Teacher tour Elementary school teachers	KEEP, Inc., TOYOTA Shirakawa-Go Eco- Institute, Takakura Environmental Institute, JPec Co., Ltd., Okutadami Kanko Co., Ltd., Reborn Corporation	Parent-child tour 16 parent-child pairs, 4 times (128 total) Student tour 30 students Teacher tour 30 teachers
Sameura Bamboo Shoot Hunting with Local Elementary School Students (Kochi Prefecture)	The J-POWER Group conducts a variety of social and cooperative activities with local communities at its power plants and transmission line engineering offices, etc. throughout Japan. At Sameura Power Plant in Kochi Prefecture (hydro- electric, 42 MW), we have planted bamboo on compa- ny-owned land and invite local elementary school students to experience digging up bamboo shoots there every spring.	Students in grades 1–6 at a local elementary school	Elementary school teachers	32 students, 12 teachers

# Support for Volunteer Activities

**Respect for Human Rights** 

To support employees' volunteer activities, we are taking measures to maintain an environment that is conducive to volunteer activities, including offering a volunteer leave of absence system. Believing that it is important to respect human rights in our business activities, we incorporate human rights training in employee training programs and provide human rights training in accordance with the needs of local business units.

# Community Development Activities at the Central Java Project

The J-POWER Group is currently constructing the Central Java Project (2,000 MW, coal) in Indonesia. This project is known as a model project for its high efficiency and environmental friendliness. The J-POWER Group, through the project company Bhimasena Power Indonesia (BPI), provides various supporting activities for the sustainable growth of the local community in the area near the project site. In order to reflect local needs, the activities were reviewed by local citizens and the municipal governments, and thus BPI supported the implementation. For these supporting initiatives, BPI has received a number of awards both within and outside of Indonesia.



CEO Yasuhiro Koide (dispatched employee of J-POWER) taking part in tree-planting activities

# **Specific Initiatives**

Economic activity support	Supporting small businesses (laundries, tailors, etc.) run by local resident groups as well as local microfinance (providing materials, training, etc.) Support provided for 173 groups and 2,536 individuals as of 2018
Medical support	Providing supplemental food for infants and the elderly at village clinics, providing medical kits, training medical volunteers
Educational support	Supporting an environmental education program of the Indonesian government, pro- viding a scholarship program for elementary and junior high school students in collab- oration with the national electrical power company, supporting the creation of a village library in coordination with the regional government and the Coca Cola Foundation
Infrastructure improvement support	Setting up public toilets, renovating mosques, setting up a medical clinic, repairing roads, etc. 279 projects completed as of 2018
Social, cultural, and envi- ronmental support	Recycling activities, tree planting, mangrove maintenance, town cleanup, etc.

## Main Awards Received

- Special Award as The Best Environmental Concerned Company on Indonesia Best Electricity Award (IBEA) 2016
- TOP CSR Improvement 2017
- TOP Leader on CSR Commitment 2017 for Takashi Irie\*
- AREA (Asia Responsible Entrepreneurship) Awards for category Social Empowerment (2017)
- Indonesia CSR Leadership Award 2017
- Certificate of appreciation for BPI contribution to national program on community based disaster risk reduction program in affected villages around power plant project
- AREA (Asia Responsible Entrepreneurship) Awards for category Health Promotion (2018)

\* Then the CEO of BPI, dispatched from J-POWER.