Respect for Human Resources

The J-POWER Group considers each employee to be a valuable human resource and believes ensuring that its diverse human resources are able to take on new challenges with confidence and continue to work while achieving professional fulfillment enables sustainable corporate growth.

Accordingly, we are reinforcing the foundations for career development and establishing workplace environments and systems that make advantageous use of diversity.

Recruiting and Making Effective Use of Human Resources

The J-POWER Group’s Approach to Human Resource Recruitment

The J-POWER Group’s 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. 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)

<table>
<thead>
<tr>
<th></th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>79</td>
<td>79</td>
<td>92</td>
</tr>
<tr>
<td>Female</td>
<td>12</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>91</td>
<td>96</td>
<td>102</td>
</tr>
</tbody>
</table>

Status of Human Resource Retention (J-POWER)

<table>
<thead>
<tr>
<th>Measure</th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average length of continuous service</td>
<td>19.7 yrs</td>
<td>(As of March 31, 2020)</td>
<td></td>
</tr>
<tr>
<td>Turnover rate for the three years after joining</td>
<td>1.4%</td>
<td>(April 2019)</td>
<td></td>
</tr>
</tbody>
</table>

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 to extend their employment and continue working until the end of the fiscal year in which they reach the 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 the 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 2020, 146 employees (of J-POWER) are working using the employment extension system.

Our employment rate of persons with disabilities was 2.39% as of June 1, 2020. 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.

Aiming to build a workplace where diverse human resources can actively take part, we introduce our basic philosophy in our employee training (such as level-specific training, including that for new hires, and human rights training).

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 to 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 oblige 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 Group companies offer short-term internships several times each year with the aim of supporting the interns in their studies and in making future career choices.

In particular, J-POWER, JPHYTEC Co., Ltd., JPec Co., Ltd.,* and KEC Corporation offer short-term summer internships to science students in graduate school, university, or technical college, providing experience in certain operations at J-POWER’s power stations and other facilities. In fiscal 2019, a total of 95 interns from various areas of Japan participated in internships wherein they received practical training in the maintenance and operation of electric power facilities.

Initiatives to Promote the Professional Participation of Women

J-POWER Business Service Corporation has formed a working group of female employees as part of efforts to promote the professional participation and success of women, who account for approximately 40% of that company’s employees. Based on the results of surveys of female employees, this working group makes suggestions that are then reflected in company policy. The working group holds various activities, such as the Communication Café, in which female employees gather to exchange opinions. In fiscal 2019, it analyzed current conditions and made suggestions regarding the three topics of interpersonal relations and the working environment, balancing work and private life, and professional fulfillment and job content.
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 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.

Personnel Requirements
The Company lays out the kinds of human resources that it needs as targets for its human resource development efforts, while employees use these targets as guideposts for their own 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.

Career Building Support Systems
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 discuss 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 employee’s career stage, required skills, career path, and personal motivation. These include level-specific training1 and department-specific training2 as well as objective-specific training, self-improvement through correspondence or campus-based education, sending employees to study or work at universities or other institutions, including NGOs, in and outside Japan, and top management candidate 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.

CDPs for Female Employees
We have set up CDPs for women by job type with the aim of enabling women to continue working and build careers even when life events, such as giving birth, temporarily restrict the work they can do. These CDPs serve as useful references for female employees and their supervisors when thinking about career development.

Support for Developing Junior Employees
To promote the development of junior employees and more active workplace communication, we appoint workplace trainers1 for new hires and seek to thoroughly reinforce on-the-job training by involving entire workplaces, including more senior employees and supervisors, in employee development. To facilitate broader communication, we also appoint mentors2 for employees in their second year with the Company, as needed.

Evaluation and Management System
We have adopted an evaluation system that is based on an individual 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.

Employees set goals at the beginning of the fiscal year that they then work toward. Meetings are held with employees at the beginning, middle, and end of the fiscal year to evaluate, respectively, the appropriateness of their goals, their progress toward them, and the final degree of achievement. These meetings also provide opportunities to provide advice on how employees can reach their goals and to hear their workplace-related opinions and requests.

1. Senior employees from within the same workplace who provide advice and answer questions about ways of doing work, achievements, and other such topics.
2. Senior employees from other workplaces who provide advice and answer questions about future career development and other such topics.
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
Aiming to attract diverse human resources and enable them to excel in their own ways, 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 under J-POWER Challenge 30
- Introducing a system for using paid leave in hourly increments
- Sequential introduction of RPA* in offices
- Complete lights-out and a PC shutdown at Headquarters at 10 p.m.
- Replacing all PCs with lightweight, portable models
- Installing groupware
- Shifting to paperless operations for management meetings
- Adopting a system that allows employees to take leave to accompany their spouse if transferred for work
- Adopting and expanding working at home systems
- Flextime work system (in preparations)

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

Overview of the Childcare and Nursing Care Support Programs and Results in Fiscal 2019 (J-POWER Group)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>FY2016 Result</th>
<th>FY2019 Result</th>
<th>End of FY2020 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overtime hours</td>
<td>24.6 hrs/month</td>
<td>21.3 hrs/month</td>
<td>17 hrs/month</td>
</tr>
<tr>
<td>Days of paid vacation taken</td>
<td>15.4 days/year</td>
<td>16.7 days/year</td>
<td>20 days/year</td>
</tr>
</tbody>
</table>

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 aims 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 to maintain and improve the health of employees.

Health and Safety Management Systems

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 number of employees, etc., of each operating unit, this diagram shows a typical system at a regional headquarters that manages hydroelectric power plants.

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* 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.

Occupational Accident Prevention Initiatives

In recent years, many occupational accidents have occurred among contractors engaged in construction and other work. Many of these are recurring accidents that are serious or have the potential to become serious. It is therefore extremely important to promote unified safety activities that include contractors to prevent and eliminate such accidents. To this end, we have designated the following operational safety priorities: building more effective safety activities through the integrated consideration of facilities, management, and people; implementing thorough accident prevention measures and their aggressive lateral roll-out; increasing safety awareness and communication; preventing injuries from traffic accidents and accidents while commuting; and pursuing other ongoing initiatives (PDCA cycle for safety activities). Based on these priorities, we are forcefully advancing preventive efforts.

Furthermore, in light of the occurrence of serious accidents and the plateau in the overall number of accidents in recent years, we are planning 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.
Management Outstanding Organization in the large enterprise category J-POWER was certified as a 2020 Health & Productivity Outstanding Organization (Large Enterprise Category) Certified as a Health & Productivity Management_outstanding organization. In addition, we place priority on the prevention of lifestyle-related disease prevention and take infectious disease prevention measures. By taking these measures, we support the sound physical and mental health of employees and their families. In fiscal 2019, 1,033 employees participated in such training programs held by J-POWER Headquarters.

Health and Safety Management with Regard to Radiation
J-POWER is currently proceeding with the 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 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
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 prevention 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.

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 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, 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 2019, 1,033 employees participated in such training programs held by J-POWER Headquarters.

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 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, 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 2019, 1,033 employees participated in such training programs held by J-POWER Headquarters.

* 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.

Certified as a Health & Productivity Management Outstanding Organization (Large Enterprise Category)
J-POWER was certified as a 2020 Health & Productivity Management Outstanding Organization in the large enterprise category by Nippon Kenko Kaigi under the recognition program for such companies established by the Ministry of Economy, Trade and Industry. J-POWER believes that this certification was given 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.

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 Laws, Regulations, and Other Rules
The Company complies with external and internal rules, including the relevant laws, regulations, and internal Company regulations, and endeavors to prevent occupational accidents as well as to 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, to this end taking the initiative to 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.
Community Engagement

The J-POWER Group’s operations center mainly on businesses such as the power generation and power transmission businesses, in which it constructs large-scale facilities and maintain and operates them for a long time. Accordingly, we seek to build positive relationships of mutual trust and benefit with the people and communities related to our business activities.

Respect for Human Rights

J-POWER recognizes that respecting the human rights of the stakeholders involved in and affected by all of its business activities is a matter of basic corporate responsibility.

The Universal Declaration of Human Rights, adopted by the United Nations in 1948, defines various aspects of human rights and declares that all human beings are entitled to all such rights.

J-POWER’s Compliance Action Guidelines specify respecting the human rights of all people, including employees. Employees may seek help or advice at Compliance Consultation Points* if they suspect a human rights violation. We also incorporate human rights training in employee training programs and provide human rights training in accordance with the needs of local business units.

Going forward, honoring the Universal Declaration of Human Rights, we will continue striving to protect and respect the human rights of all our stakeholders.

* Compliance Consultation Points: Please refer to page 60.

Support for Volunteer Activities

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.

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 who are seeking 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

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: Please refer to page 52.

Social Contribution Activities in Fiscal 2019

For our social contribution activities in fiscal 2019, we implemented a variety of initiatives that included the following programs.

<table>
<thead>
<tr>
<th>Program</th>
<th>Overview</th>
<th>Target</th>
<th>Partners</th>
<th>Number of participants, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecology and Energy Experience Tour</td>
<td>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 experience. Tours focusing on hydroelectric power were conducted for children and their parents, for students, and for elementary and junior high 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.</td>
<td>Parent-child tour Children in grades 4-6 and their parents</td>
<td>KEEP Inc., TOYOTA Shirakawa-Go Eco-Institute, Takakura Environmental Institute, JPEC Co., Ltd., Okutadami Kanko Co., Ltd., Reborn Corporation</td>
<td>Parent-child tour 63 parent-child pairs (126 total)</td>
</tr>
<tr>
<td>Nahari Umaji Village Forestry Skills Competition (Kochi Prefecture)</td>
<td>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. By the lake at Yanase Dam in Kochi Prefecture, we participated in a local event in which local forestry personnel competed on the basis on their skills, reinforcing ties in the community.</td>
<td>Students tour Technical college, university, and graduate school students</td>
<td>Eco-Institute, JPec Co., Ltd.,* Okutadami Kanko Co., Ltd.,*</td>
<td>Student tour: 26 students</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Teacher tour Elementary and junior high school teachers</td>
<td></td>
<td>Teacher tour: 30 teachers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Residents of Umaji Village and other parts of Kochi Prefecture who are involved in forestry, forestry college, village hall, local companies, etc.</td>
<td>Umaj Village Hall, Umaji Village Forestry Youth Club</td>
<td>Approximately 150</td>
</tr>
</tbody>
</table>

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.

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 199 groups and 2,849 individuals as of 2019

- **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, 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.
  - 335 projects completed as of 2019

- **Social, cultural, and environmental support**
  - Recycling activities, coastal tree planting in cooperation with Batang Red Cross, supporting mangrove re-planting, installing artificial fish reefs with fish reef blocks, town cleanup, etc.

Main Awards Received

- **Global Good Governance (3G) Award for category Environmental Responsibility 2019**
- **Indonesia Green Award (IGA) for category Coastal Ecosystem Restoration 2019**
- **APEC (Asia Responsible Entrepreneurship) Awards for category Health Promotion 2018**
- **TOP CSR Improvement 2017**
- **TOP Leader on CSR Commitment 2017 for Takashi Irie**
- **Special Award as The Best Environmental Concerned Company on Indonesia Best Electricity Award (IBEA) 2016**

* The CEO of BPI, dispatched from J-POWER.

* Renamed J-POWER Generation Service Co., Ltd. as of August 1, 2020