



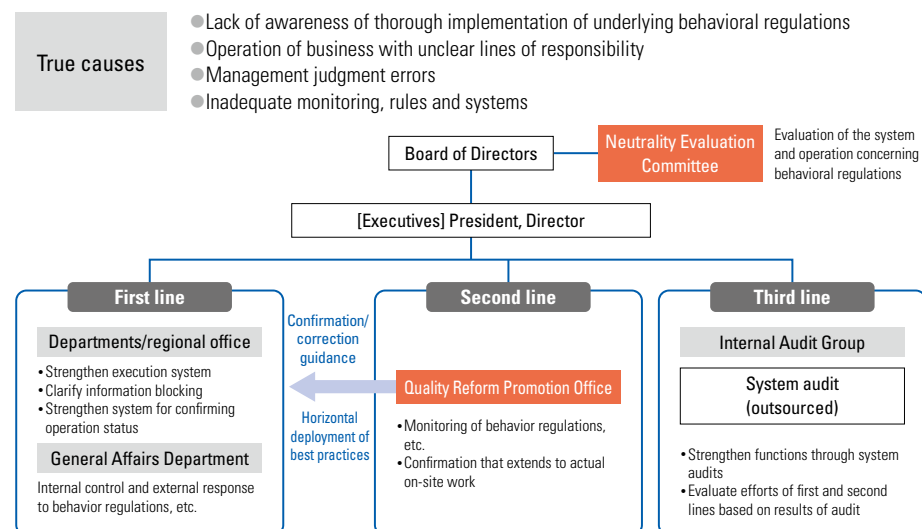
# Aiming for a Higher Level of Social Trust

Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz deeply regret and sincerely apologize for the improper handling of customer information obtained through the wheeling business and for violating the Antimonopoly Act (unfair trade practices). We will implement comprehensive measures to prevent such incidents from recurring and conduct ongoing monitoring to maintain compliance and avoid any suspicions.

## [Response to the leakage and viewing of customer information obtained through the wheeling business]

We regularly verify the effectiveness of our measures to prevent recurrence through periodic monitoring, which includes identifying true causes and utilizing external experts.

### 1 Chubu Electric Power Grid



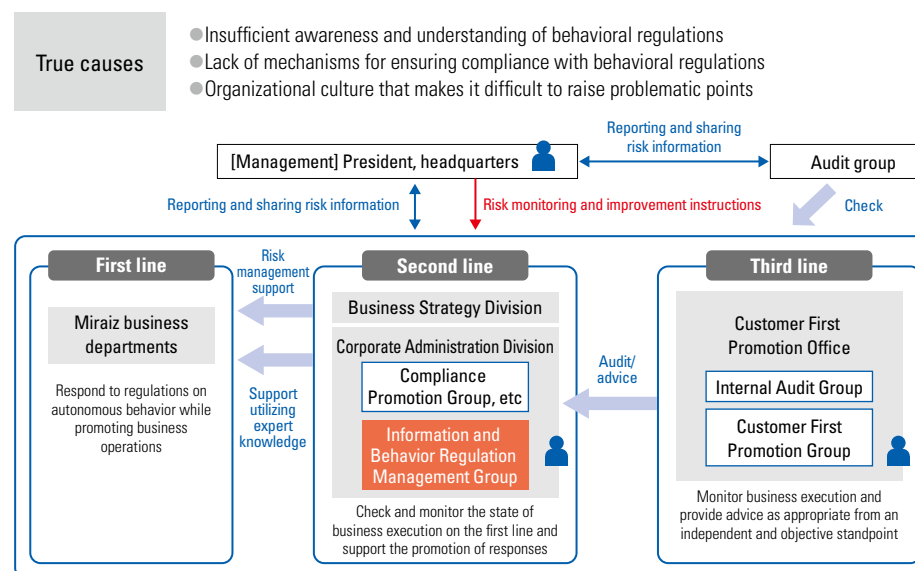
#### Points of organization and system for ensuring neutrality

- Strengthen the first line system by appointing a person with overall responsibility for compliance with behavioral regulations
- As the second line, establish Quality Reform Promotion Office as the department responsible for behavioral regulations
- Establish a system for Company-wide behavioral regulations by strengthening the functions for implementing system audits on the third line
- Establish Neutrality Evaluation Committee consisting mainly of outside experts as an advisory body to the Board of Directors

#### Accomplishments and monitoring status

- Held the Neutrality Evaluation Committee six times, receiving evaluations and recommendations on preventive measures from an independent standpoint, and reflecting these recommendations into our countermeasures
- Focused on hierarchical and department-specific training sessions and workplace discussions related to communicating messages from the management and behavior regulation
- Conducted monitoring on the implementation status of various initiatives by the second line (Quality Reform Promotion Office)

### 2 Chubu Electric Power Miraiz



#### Key points for rebuilding and strengthening internal control

- Newly establish a consulting desk under the Information and Behavior Regulation Management Group as the department with overall responsibility
- Clarify the roles from the first line to the third line
- Utilize outside experts (management level, second and third lines)

#### Accomplishments and monitoring status

- The second line (Information and Behavior Regulation Management Group) monitored the implementation status of each preventive measure
- Conducted understanding checks and training sessions regarding message dissemination from management and behavior regulation
- Ensured the appropriate operation of the consultation desk for behavior regulation inquiries



Aiming for a Higher Level of  
Social Trust

## Initiatives for complying with the Antimonopoly Act



Measures for thorough compliance  
(Japanese version only)



Measures to strengthen compliance measures  
(Japanese version only)



Annual inspection results of thorough compliance measures  
(Japanese version only)

To ensure that Chubu Electric Power is never again suspected of violating the Antimonopoly Act, we formulated measures for thorough compliance in April 2023. In March 2024, we further strengthened these measures in response to directives from the Japan Fair Trade Commission, advancing our efforts towards the Antimonopoly Act compliance.

In terms of our measures for thorough compliance, we are implementing initiatives to foster a deeper compliance culture and improve our organizational environment. This includes utilizing external lawyers for compliance awareness programs, enhancing the effectiveness of training and educa-

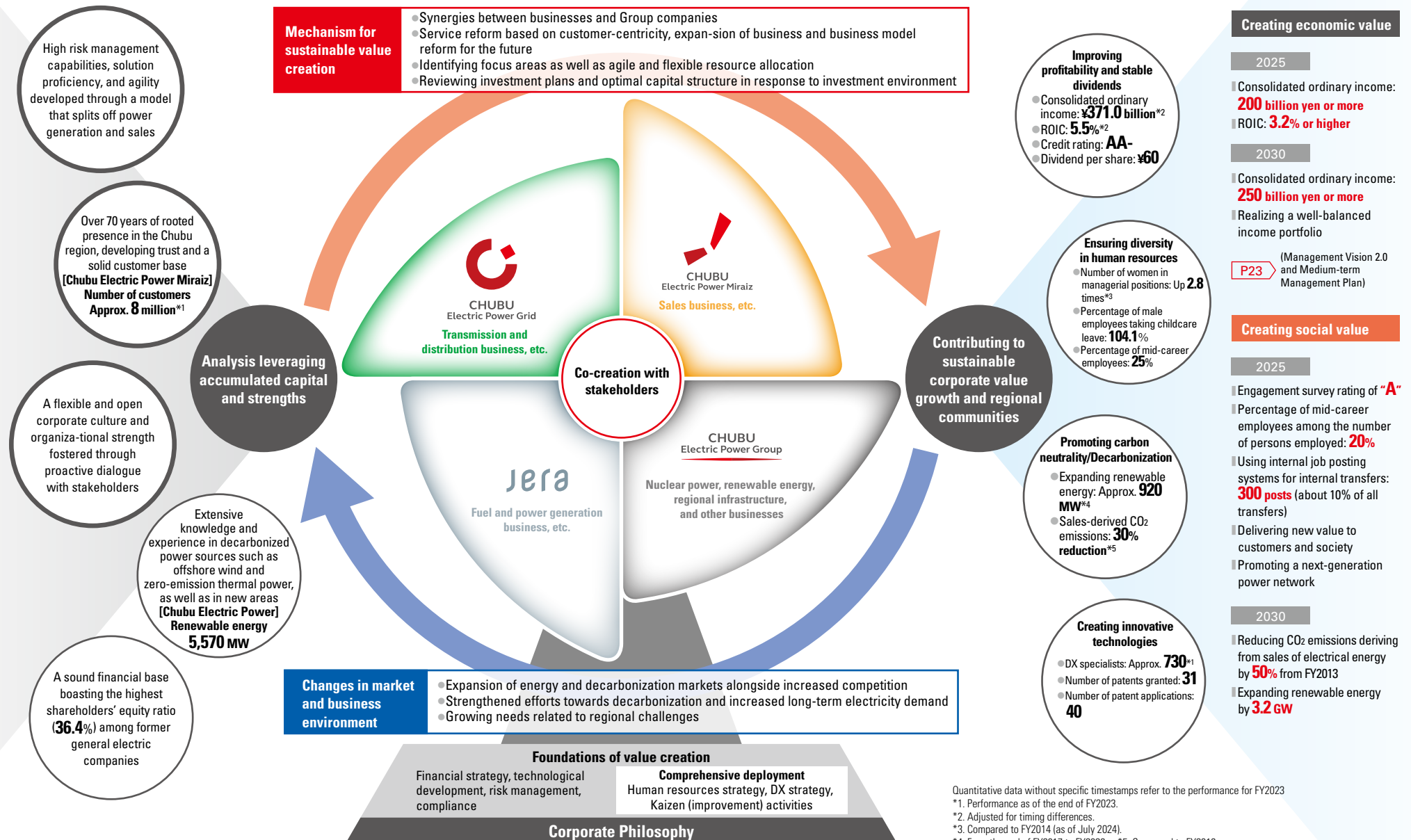
tion, and fostering a transparent workplace culture. Additionally, we are reinforcing our framework by improving rules governing interactions with competitors, establishing an internal reporting system, and conducting inspections by external lawyers and internal audits as part of our PDCA cycle.

Furthermore, as part of these enhancement measures, we are bolstering our legal and compliance functions and strengthening mutual oversight within Chubu Electric Power Miraiz's gas sales organization. These efforts aim to prevent future issues and further embed compliance across our operations.

		Overview of measures for thorough compliance and enhancements to compliance measures	Major accomplishments in fiscal 2023 (Annual inspection results of compliance measures)
Awareness	1 Deepen awareness of compliance	<ul style="list-style-type: none"> <li>Conduct external lawyer seminars and group discussions at all levels to enhance awareness towards compliance with the Antimonopoly Act.</li> <li>Establish behavior checkpoints for compliance with the Antimonopoly Act and ensure all executives and employees carry and recite a leaflet detailing these checkpoints, aiming to further enhance awareness and prevent a decline in awareness over time.</li> </ul>	<ul style="list-style-type: none"> <li>Program for raising awareness of compliance [Executives, etc.]               <ul style="list-style-type: none"> <li>External lawyer seminars, small-group discussions, and subsequent commitment statements (Participants: 20 executives, 37 executive officers and department heads, 336 managerial staff from sales and other departments)</li> </ul> </li> <li>Improve effectiveness of training and education [All executives and employees]               <ul style="list-style-type: none"> <li>Training for 56 executives and executives of Group companies</li> <li>Training for 449 employees before promotion to executive positions</li> <li>Conducting seminars of the Antimonopoly Act for 1,260 employees</li> </ul> </li> <li>Implement behavior checkpoints [All executives and employees]</li> </ul>
	2 Foster a better organizational culture	<ul style="list-style-type: none"> <li>To foster an open workplace environment, each department formulates a Compliance Action Plan, implementing, sharing, and horizontally deploying initiatives autonomously.</li> <li>From fiscal 2024, October serves as Antimonopoly Compliance Emphasis Month, aiming to prevent a decline in awareness over time through company-wide enlightenment and awareness activities.</li> </ul>	<ul style="list-style-type: none"> <li>Create an open workplace [All executives and employees]               <ul style="list-style-type: none"> <li>Visualized efforts toward compliance risks in each workplace through a Compliance Post</li> </ul> </li> </ul>
System	3 Strengthen mechanisms for compliance with the Antimonopoly Act	<ul style="list-style-type: none"> <li>Review and appropriately operationalize rules regarding contact with competitors.</li> <li>Establish the Legal and Compliance Department as an independent Compliance Headquarters, and appoint a new Chief Legal Officer (CLO) to strengthen legal and compliance functions.</li> <li>Separate the strategic procurement and sales functions within the gas sales organization to enhance mutual checks and balances, and construct an organization that does not consolidate authority.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen operation of rules for contact with competing companies [All executives and employees]               <ul style="list-style-type: none"> <li>Strictly enforced the prohibition of social gatherings with competitors</li> <li>Formalized rules prohibiting contact with competitors outside company-approved methods</li> <li>Conducted surveys among executives and employees to verify compliance with rules and their implementation status</li> </ul> </li> <li>Strengthen internal whistleblowing system [All executives and employees]               <ul style="list-style-type: none"> <li>Established regulations on punishment and cooperation in investigations regarding violations of the Antimonopoly Act (internal reporting system)</li> </ul> </li> <li>Strengthen checking function               <ul style="list-style-type: none"> <li>Established or revised organizational structures, and placed CLOs and Executive Legal Advisors (ELAs)</li> </ul> </li> </ul>
	4 PDCA for thorough compliance measures	<ul style="list-style-type: none"> <li>Have external lawyers conduct regular inspections and provide recommendations, as well as internal audits, and formulate the next year's initiatives based on these evaluations.</li> </ul>	<ul style="list-style-type: none"> <li>Inspections and internal audits by external lawyers               <ul style="list-style-type: none"> <li>Nagashima Ohno &amp; Tsunematsu conducted inspections and made recommendations</li> <li>Conducted internal inspections</li> <li>Formulated initiatives for fiscal 2024 based on the above</li> </ul> </li> </ul>



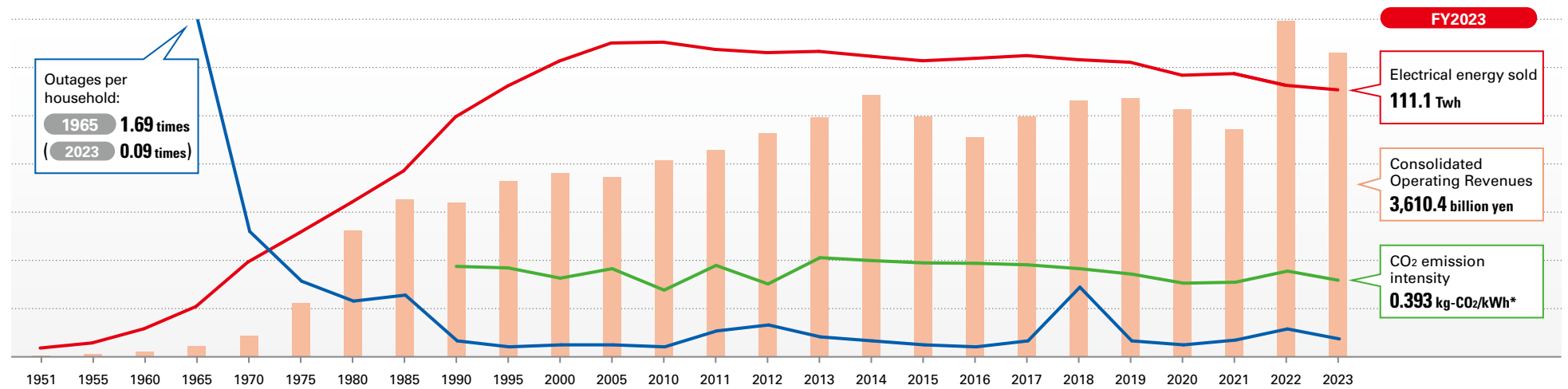
# Value Creation Process





# History of Value Creation

As a company rooted in the Chubu region, Chubu Electric Power has grown and developed together with the local society through its mission of providing electricity in an affordable and stable manner.



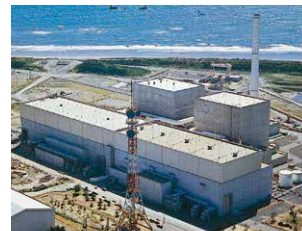
Ikawa Hydroelectric Power Station (1957)



Restored distribution line after Typhoon Isewan (1959)



500 kV Seibu trunk line was constructed (completed in 1972)



Hamaoka Nuclear Power Station Unit 1 (1976)



Mega Solar Shimizu (2015)



Web member service for household "KatEne" and web member service for business "BizEne" start (2015)

● 1951 >> Establishment of Chubu Electric Power

● 1973 >> First oil crisis

● Around 1955 >> High economic growth

● 1991 >> Collapse of bubble economy

● 2011 >> Great East Japan Earthquake

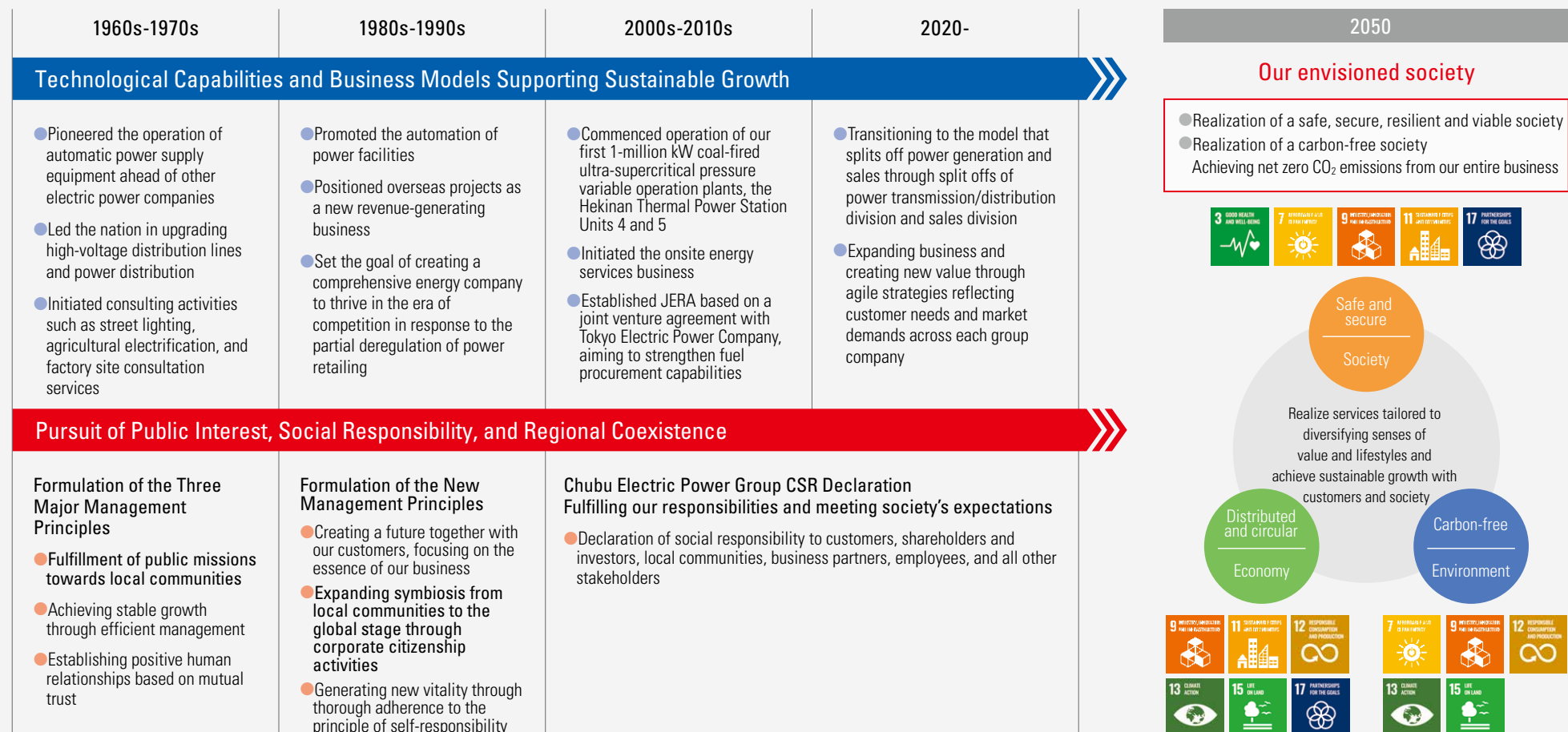
● 2016 >> Full liberalization of electricity retailing

● 2017 >> Full liberalization of gas retailing

● 2020 >> Split offs of power transmission/distribution division and sales division

## Beyond Our Unchanging Mission

Since its establishment, Chubu Electric Power has operated under the unchanging mission of “stable power supplies.” By viewing changes in society and the business environment as opportunities, we have contributed to societal development alongside our growth, innovative technological development, and transformation of our business model with the forward-thinking model that splits off power generation and sales. Additionally, from early on we have incorporated public interest, social responsibility, and regional coexistence into our management, developing in tandem with the Chubu region.



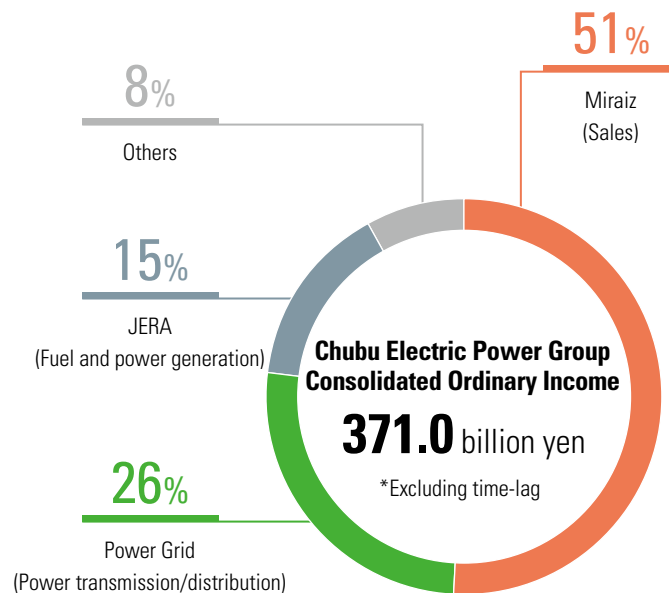




# Chubu Electric Power Group at a Glance

As of March 31, 2024

●●● Consolidated subsidiaries and affiliates accounted for under the equity method



**Miraiz (Sales business)**

**Chubu Electric Power Miraiz Co., Inc.** P54

- C Energy Co., Inc.
- Diamond Power Corporation
- CEPO Handa Biomass Power Co., Ltd.

A total of 24 companies

**Power Grid (Power transmission/distribution business)**

**Chubu Electric Power Grid Co., Inc.** P52

- Chuden Haiden Support Co., Ltd.
- Chubu Electric Power Ground Works Co., Ltd.

A total of 3 companies

**JERA (Fuel and power generation business)**

**JERA Co., Inc.** P60

**Others**

**Chubu Electric Power Company, Incorporated** A total of 122 companies

Community support infrastructure related business	● Chuden Telemetering LLC. ● 6 other companies	<span>P58</span>
Renewable energy business	● Aichi Gamagori Biomass Power Generation LLC. ● 35 other companies	<span>P50</span>
Global business	● Bitexco Power Corporation ● 11 other companies	<span>P56</span>
Real estate business	● Chuden Real Estate Co., Inc. ● ES-CON JAPAN Ltd. ● 16 other companies	<span>P27</span>
Construction business	● TOENEC CORPORATION ● Chubu Plant Service Co., Ltd. ● C-TECH CORPORATION ● 7 other companies	
Manufacturing business	● CHUBU SEIKI Co., Ltd. ● AICHI ELECTRIC Co., Ltd. ● TOKAI CONCRETE INDUSTRIES Co., Ltd. ● 3 other companies	
Information and communication business	● Chuden CTI Co., Ltd. ● Chubu Telecommunications Co., Inc. ● 3 other companies	<span>P83</span>
Service business etc.	● Chuden KuraBis Co., Ltd. ● Chuden Auto Lease Co., Ltd. ● Techno Chubu Co., Ltd. ● Chuden Wing Co., Ltd. ● 9 other companies	<span>P63</span>

## Power generation facilities (Chubu Electric Power)

As of March 31, 2024

Renewable energy		General hydroelectric power	Approx. <b>2,150</b> MW
		Pumped storage power	Approx. <b>3,320</b> MW
		Wind power	Approx. <b>30</b> MW
		Solar power	Approx. <b>20</b> MW
		Biomass	Approx. <b>50</b> MW
		Nuclear	<b>3,617</b> MW

## Power transmission/distribution facilities (Chubu Electric Power Grid)

As of March 31, 2024

	Transmission line length	<b>11,928</b> km
	Number of supporting structures (iron tower, etc.)	<b>34,732</b> units
	Number of substations	<b>999</b> locations
	Distribution line length	<b>136,350</b> km
	Number of supporting structures (utility poles, etc.)	<b>2,877,484</b> units

## Sales results, etc. (Chubu Electric Power Miraiz)

FY2023

	Electrical energy sold	<b>103.8</b> Twh (Group total: <b>111.1</b> Twh)
	Gas and LNG sold	<b>1,330</b> thousand tons (Group total: <b>1,560</b> thousand tons)
	CO <sub>2</sub> emissions in electrical energy sales	<b>40.81</b> million tons
	CO <sub>2</sub> emission intensity	<b>0.393</b> kg-CO <sub>2</sub> /kWh*

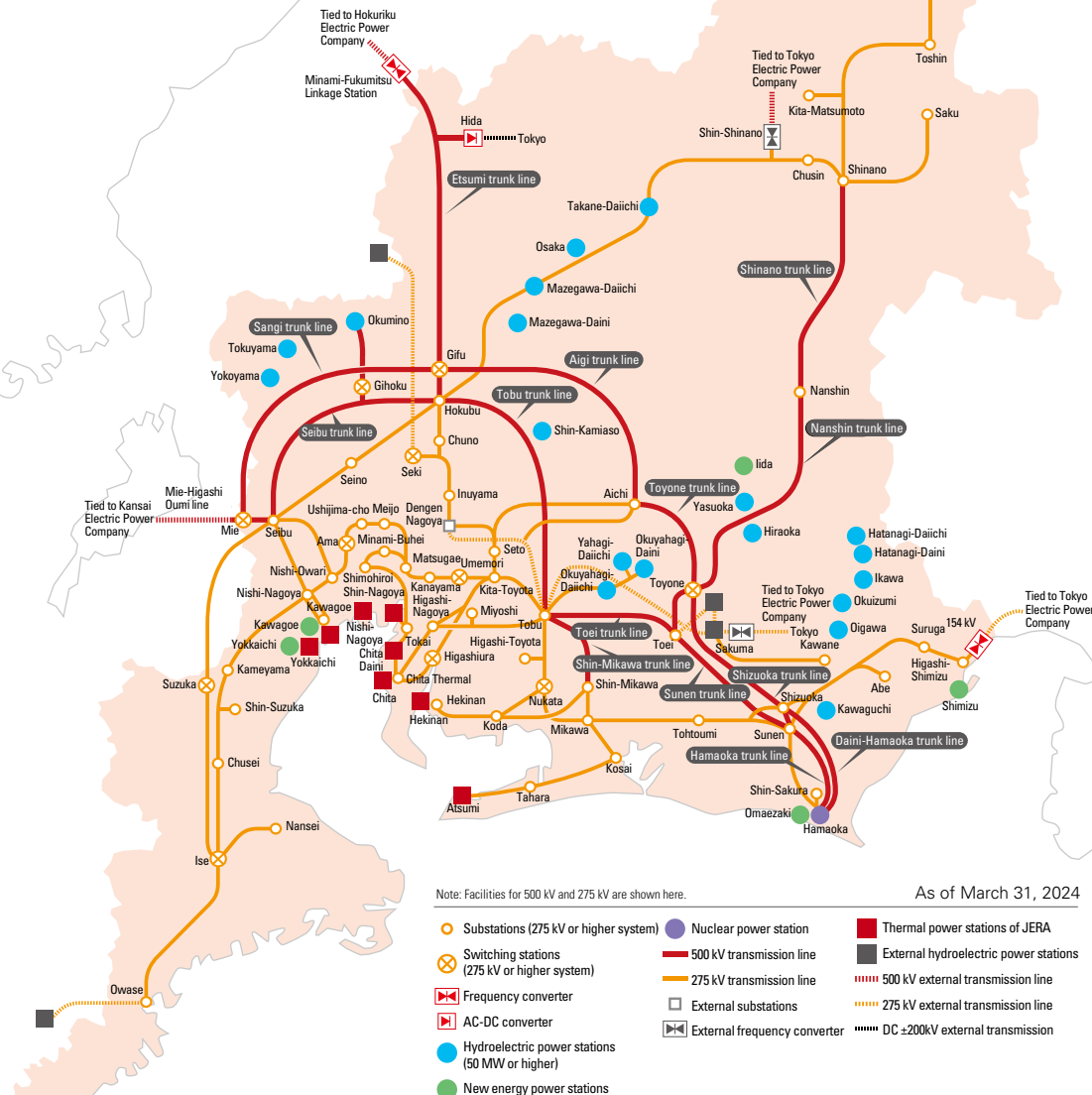
※This is the emission factor for Chubu Electric Power Miraiz as a whole, and is different from the emission factor for each menu.



# Chubu Electric Power Group Business Area

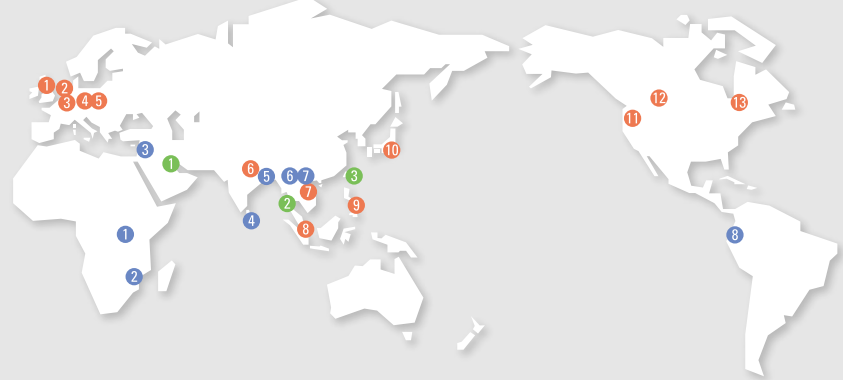
Toward expanding business fields to Japan and the world from our base in the Chubu region

Chubu Electric Power Group  
at a Glance



## Participation in overseas energy business

Current main investment, consulting and cooperation agreement projects



### Investment projects

- UK**  
Submarine power transmission business
- Netherlands**  
Offshore wind power business
- Netherlands**  
Renewable energy, electricity retail and new services business
- Germany**  
Submarine power transmission business
- Germany**  
Geothermal power generation and district supply
- India**  
Mini-grid business
- Vietnam**  
Renewable energy business
- Singapore**  
Project investments, incubation and human resource development
- Philippines**  
Power distribution and electricity retail businesses
- Japan and Asia**  
Decarbonization business

- USA**  
Development of small modular reactor
- Canada**  
Deployment of new geothermal technologies
- Canada**  
Tidal power generation business

### Consulting projects

- Uganda**  
Capacity development project for improvement of protection of transmission systems
- Mozambique**  
Project for improvement of energy loss reduction on distribution network
- Jordan**  
Regional collaboration in Jordan, Iraq, and Egypt
- Sri Lanka**  
Capability improvement project for achieving the electricity sector master plan
- Bangladesh**  
Detailed distribution master plan project for Dhaka area to achieve low carbon society

- Myanmar**  
Project for supporting the construction of power transmission and substation facilities in Yangon and regional cities
- Laos**  
Cooperation program for electricity business management
- Ecuador**  
Road map for zero fossil fuel in Galapagos Islands project

### Cooperation agreement projects

- Qatar**  
Technology cooperation with Qatar General Electric & Water Corporation in the field of electric power
- Thailand**  
Building a framework that transcends cooperation agreements with Provincial Electricity Authority (PEA)
- Taiwan**  
Cooperation agreement with Taiwan Power Company in the energy field with a focus on decarbonization



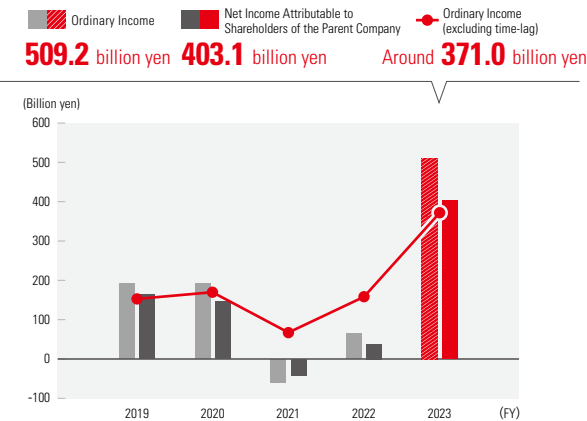
# Financial and Non-Financial Highlights

Please refer to the Investors' Data Book for details including data for the past 10 years.



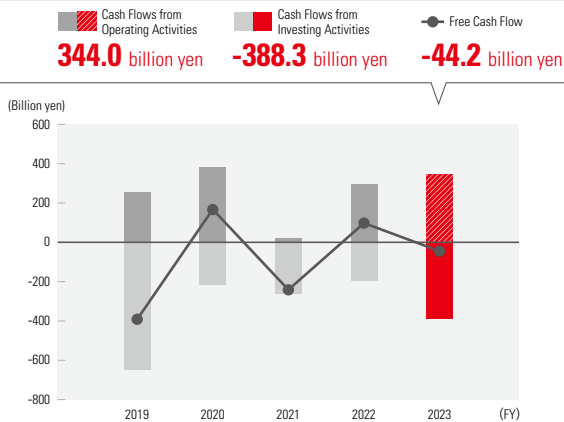
Investors' Data Book

## Ordinary Income/Net Income Attributable to Shareholders of the Parent Company/Ordinary Income (excluding time-lag)



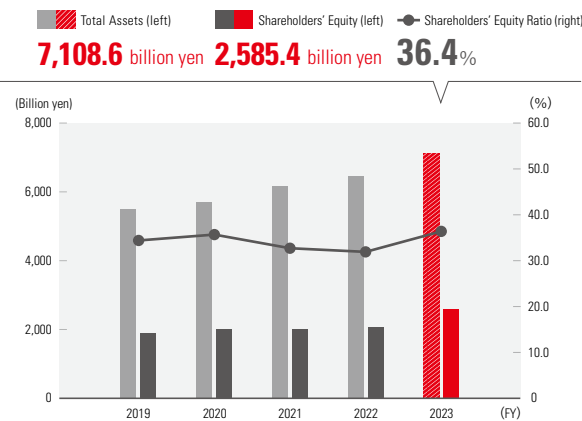
Ordinary income increased by 444.1 billion yen from the previous consolidated fiscal year, mainly due to the reversal of a time lag loss into a gain, a decrease in power procurement prices at Chubu Electric Power Miraiz, and a decrease in costs for supply and demand adjustment at Chubu Electric Power Grid.

## Cash Flows from Operating Activities/Cash Flows from Investing Activities/Free Cash Flow



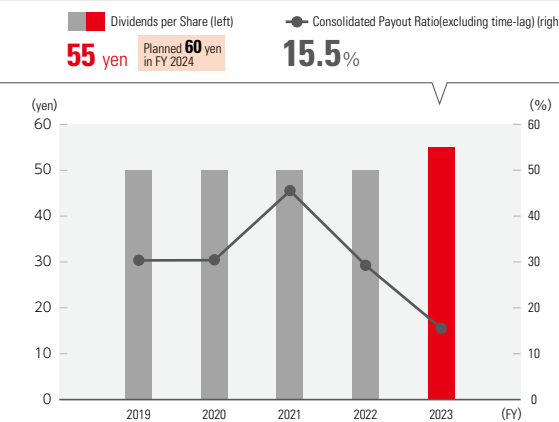
Cash inflow from operating activities increased by 48.2 billion yen from the previous consolidated fiscal year due to an increase in income before taxes. Cash outflow from investment activities increased by 191.4 billion yen from the previous consolidated fiscal year due to an increase in payments of investment and loans receivable.

## Total Assets/Shareholders' Equity/Shareholders' Equity Ratio



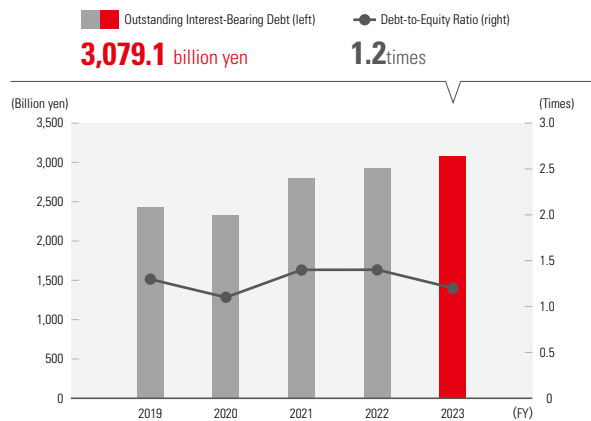
The shareholders' equity ratio was 36.4% due to an increase in shareholders' equity resulting from the recording of net income attributable to parent company shareholders and to an increase in accumulated other comprehensive income.

## Dividends per Share/Consolidated Payout Ratio



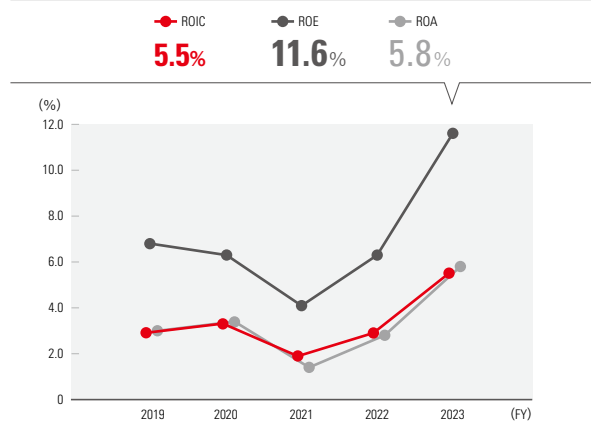
We aim to achieve a consolidated dividend payout ratio of 30% or more by working to return profits to shareholders taking into consideration profit growth on the basis of maintaining stable dividends. Cash dividends per share for the current fiscal year were increased to 55 yen upon taking into account the shareholder return policy, our medium-term financial condition, and the expectations of capital markets.

## Outstanding Interest-Bearing Debt/Debt-to-Equity Ratio



The D/E ratio declined to 1.2 because the increase in shareholders' equity exceeded the increase in the balance of interest-bearing liabilities.

## Return on Invested Capital (ROIC)/Return on Equity (ROE)/Return on Assets (ROA)



\* After excluding the time-lag impact incurred by the fuel cost adjustment system.

We have set a target for ROIC of 3.2% or more under our Medium-term Management Plan as we promote management with an awareness of capital efficiency. For the current fiscal year, ROIC was 5.5%, an increase of 2.6 percentage points compared with the previous fiscal year.





### Financial and Non-Financial Highlights

Please refer to the ESG Data Book for details other than below.

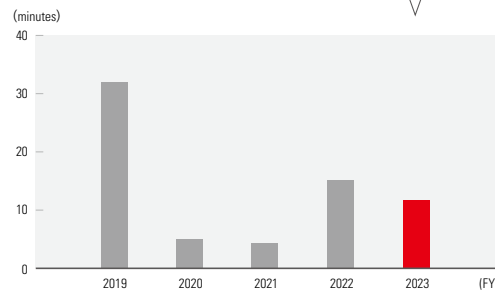


#### Business activities

##### Annual average of failure/outage time per household

P52

11.7 minutes

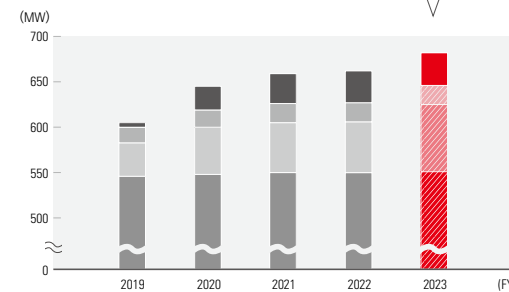


During the current fiscal year, we worked toward preventive maintenance such as undertaking regular patrols and inspections, resulting in a decrease from the previous fiscal year.

##### Developed renewable energy

P50

Hydroelectric power (Including pumped storage power) **5,510 MW** Solar **720 MW** Wind power **210 MW** Biomass **360 MW**



\* Amount at the end of each fiscal year in Chubu Electric Power Group (in case of joint development, only equity ownership output is included). Hydroelectric power includes pumped storage power generation. Co-fired power with biomass fuel at Hekinan Thermal Power Station is not included. Includes projects for which development has been decided but commercial operation has not yet commenced.

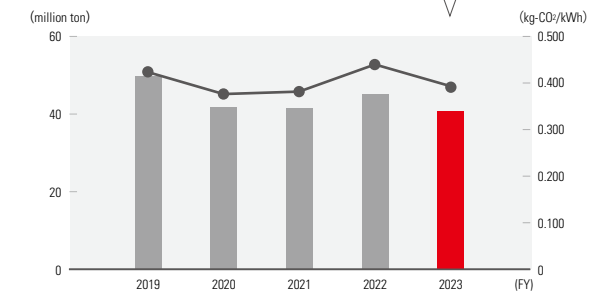
The increase in the current fiscal year was due to factors that included the JENEX GROUP becoming a wholly owned subsidiary.

#### Environmental

##### CO<sub>2</sub> emissions/ Emission intensity in electrical energy sales

P40

CO<sub>2</sub> emission (left) **40.81 million tons** CO<sub>2</sub> emission intensity (right) **0.393 kg-CO<sub>2</sub>/kWh**



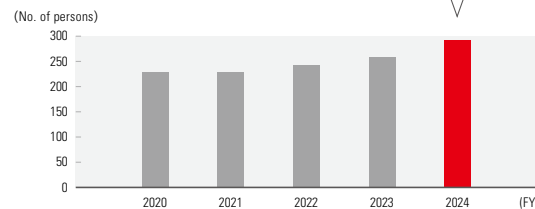
We have set a goal to reduce CO<sub>2</sub> emissions derived from electrical energy sold by 50% or more by 2030 compared with FY2013. In FY2023, emissions totaled 40.8 million tons, representing a reduction of approximately about 37% compared with FY2013.

#### Human resources

##### Number of women in managerial positions

P65

292  
(As of July 2024)



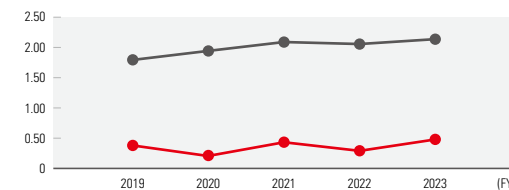
\* As of July 1 in each FY

Through initiatives such as training on diversity promotion, we have hired 44 women in managerial positions so far in FY2024, increasing the total to 292 (2.8 times compared to FY2014.) (Note: Our goal is to more than triple the number of women in managerial positions in FY2025 compared with the FY2014 count of 103.)

##### Industrial accident frequency\*

P63

Chubu Electric Power **0.48** Entire industry **2.14**



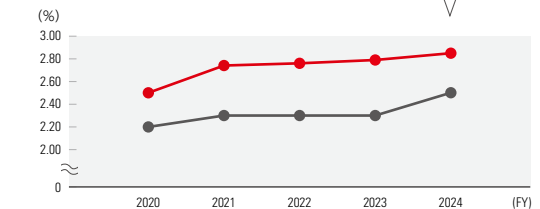
\* Accident frequency: Number of persons killed or seriously injured (with at least one day of leave) by industrial accidents per million working hours.

In accordance with our Basic Safety and Health Policy, we worked to create a safe working environment and occupational environment. However, the industrial accident frequency for the fiscal year was 0.48, an increase from the previous fiscal year.

##### Disabled persons employment ratio/ Legally designated employment ratio

P65

Disabled persons employment ratio **2.85%** Legally designated employment ratio **2.50%**  
(As of June 2024)



\* As of June 1 in each FY

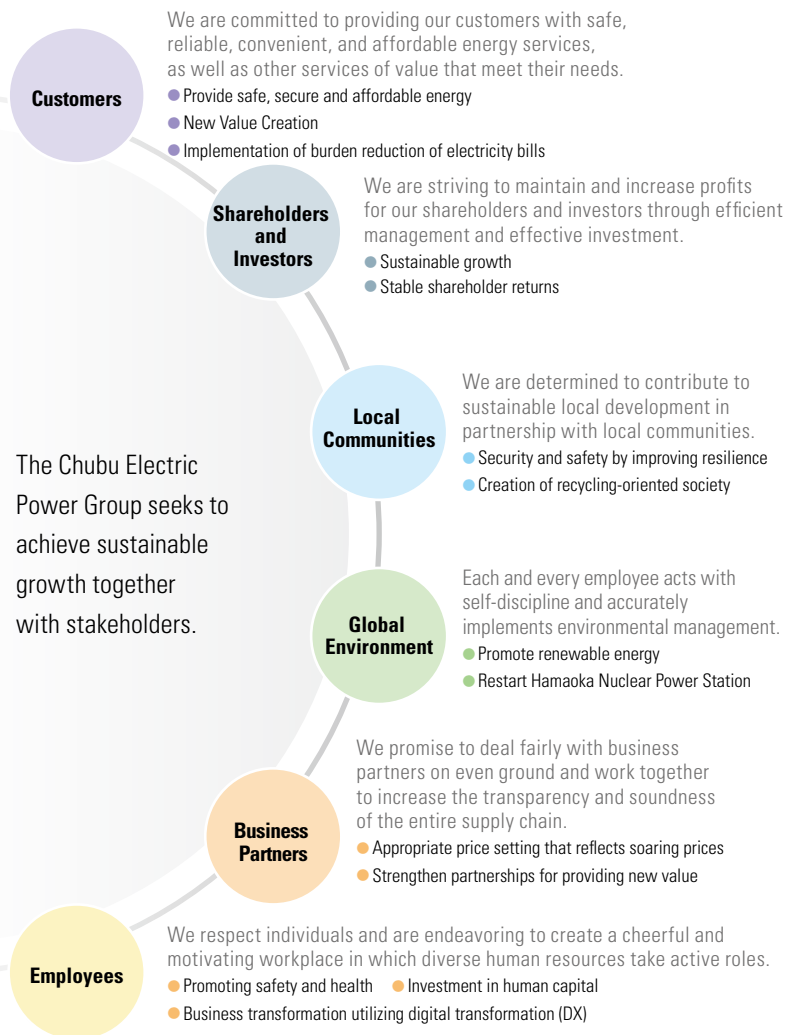
We are advancing the employment of individuals with disabilities to fulfill our corporate social responsibility. In conjunction with the hiring at Chuden Wing Co., Ltd., we continue to hire individuals with disabilities and have achieved the legally designated employment ratio.



# Toward Providing Value to Stakeholders

Under its corporate philosophy, the Chubu Electric Power Group seeks to achieve sustainable growth together with stakeholders by providing value to them. To this end, we capture stakeholders' expectations and matters of interest through stakeholder engagement and respond to the identified expectations and matters through business activities.

## Toward Providing Value to Stakeholders



## Main stakeholder engagement details and reflecting these in business activities

Stakeholder	Engagement details	Reflect in business activities	FY2023 results
Customer	<ul style="list-style-type: none"> <li>Communication with customers through various contact points</li> </ul> <p>Appropriately respond to opinions and requests received through WEB member services, various contact points, telephone calls, etc.</p>	Receive feedback internally, consider ways to improve services	<ul style="list-style-type: none"> <li>No. of members of "KatEne": 2.365 million</li> <li>No. of members of "BizEne": 0.126 million (As of the end of March 2024)</li> </ul>
Shareholder/investor	<ul style="list-style-type: none"> <li>Identifying capital market trends through dialogue with analysts and institutional investors</li> </ul> <p>General Meeting of Shareholders, Financial results briefings, IR activities</p>	Actively convey information through our website, Group reports, and dialogue	See <a href="#">P20</a> for details
Local community	<ul style="list-style-type: none"> <li>Communication with members of the local community where the Hamaoka Nuclear Power Station is located</li> <li>Hold Chubu Electric Power Group environmental opinion-exchange meetings</li> </ul> <p>Acquire knowledge from external experts on environmental initiatives</p>	Establish opportunities for continuous communication with local residents	<ul style="list-style-type: none"> <li>Power plant "caravans" 17 times (1,289 people), others</li> <li>1 time in the second half of 2023</li> </ul>
Global Environment	<ul style="list-style-type: none"> <li>Promote renewable energy to realize a decarbonized society and discover decarbonization needs through services</li> </ul>	Develop services tailored to customer needs	<ul style="list-style-type: none"> <li>Undertake continuous sales activities and PR for renewable energy-related services, etc.</li> </ul>
Business partner	<ul style="list-style-type: none"> <li>Providing briefings to and conducting a survey on the status of CSR/ESG efforts of business partners, etc.</li> </ul>	Promote CSR Procurement throughout the entire supply chain	<ul style="list-style-type: none"> <li>Procurement overview briefing sessions: 329 companies</li> <li>Survey on the status of CSR/ESG efforts: 373 companies</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Conducting an engagement survey and holding dialogue, etc., with executives</li> </ul> <p>Employee engagement surveys twice a year</p>	Analyze state of the Company-wide organizational culture and identify issues to be addressed by each department	<ul style="list-style-type: none"> <li>Conducted twice a year</li> <li>September 2023 Response rate: 94%</li> <li>December 2023 Response rate: 95%</li> </ul>



## COLUMN

## | Special Feature | Stakeholder Engagement – Proactive Dialogue with Stakeholders –

**Link** Dialogue with Shareholders  
(Japanese version only)

Shareholders  
and Investors

### Enhanced Dialogue with Capital Markets

Through constructive dialogue with shareholders and executive officers such as the President, Vice President, and external directors, we provide feedback on the interests and insights gained from the capital markets to the Board of Directors. This feedback is incorporated into various plans and enhances efforts towards further information disclosure, among other initiatives.

#### [Dialogue results (FY2023)]

- Individual interviews: 102 with domestic institutional investors, 53 with overseas institutional investors, 44 with analysts etc. (Including dialogue between external directors and the capital market)
- Financial results and management plan briefings: 4 times (domestic institutional investors)
- Tours, business briefings, etc.: 4 times (domestic and overseas institutional investors)

#### [Feedback to management]

- Board of Directors: Shareholder feedback provided once per year
- Others: Details of dialogue between external directors and the capital market are fed back to the Board of Directors meeting every time such dialogue is held, etc.

#### [Feedback to management]

Items	Matters of interest
Management Strategies and capital policies	<ul style="list-style-type: none"> <li>● Take approach of strengthening profitability and emphasizing capital efficiency (ROE, ROIC, etc.)</li> <li>● Initiatives for raising PBR</li> <li>● Stance on shareholder returns</li> </ul>
Financial Related	<ul style="list-style-type: none"> <li>● Profits in each segment excluding temporary profit-boosting factors</li> <li>● Progress and impact on profits of strategic investments</li> <li>● Progress towards restarting the Hamaoka Nuclear Power Station</li> <li>● Direction of Chubu Electric Power Miraiz's electricity pricing policy and financial impact</li> </ul>
ESG	<ul style="list-style-type: none"> <li>● Disclosure of specific information for achieving decarbonization targets</li> <li>● Progress in strengthening and embedding governance, considering compliance events related to antitrust laws</li> </ul>

#### [Improvements through Dialogue]

- Analysis of current status and disclosure of initiative direction to enhance PBR
- Enhancement of shareholder returns (dividend increases)
- Review of management structure (transition to a company with an Audit & Supervisory Committee)
- Formulation of measures to enhance compliance policies and public disclosure of annual inspection results

Employees

### Direct Dialogue between Management and On-site Employees

Since fiscal 2011, management team members have been visiting the sites of the three Chubu Electric Power companies\* to communicate with employees, aiming to enhance organizational motivation and engagement, and further improve corporate value.

In 2024, from March to June, sessions were conducted in a hybrid format (both face-to-face and online) across all sites. Discussions covered a wide range of topics including the company's vision and current management challenges.

#### [Specific Topics of Discussion]

- Questions and opinions from employees regarding business operations
- Feedback from customers and local communities regarding decarbonization efforts and the restart of the Hamaoka Nuclear Power Station
- Company policies on safety, health, and other initiatives

These discussions provide valuable opportunities to gain new ideas and insights for conducting business activities.

\*Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz

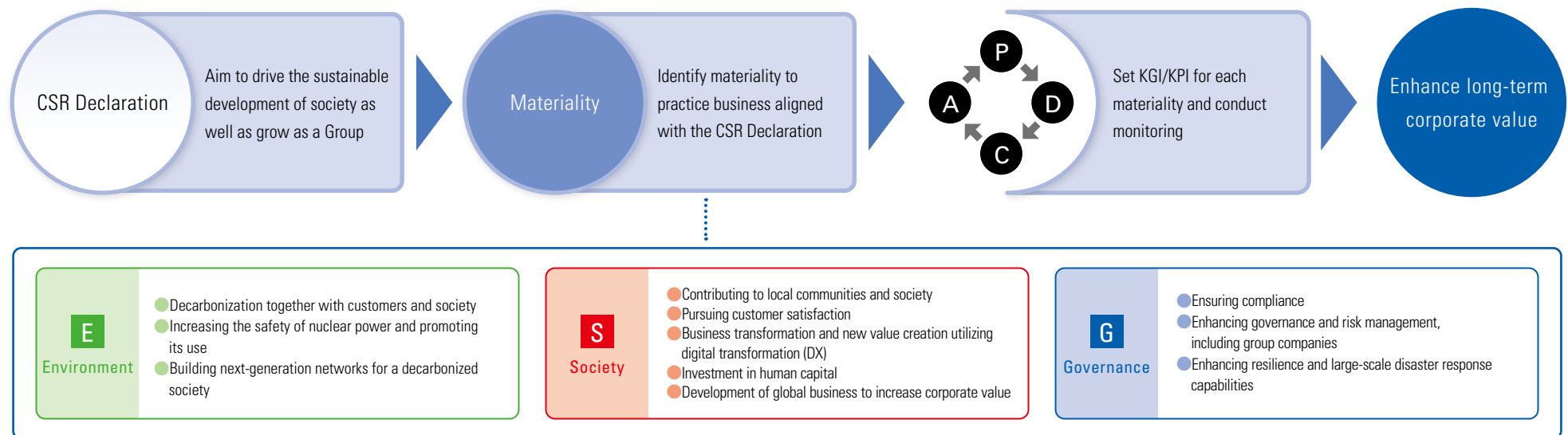


An opinion exchange meeting between President Hayashi and on-site employees

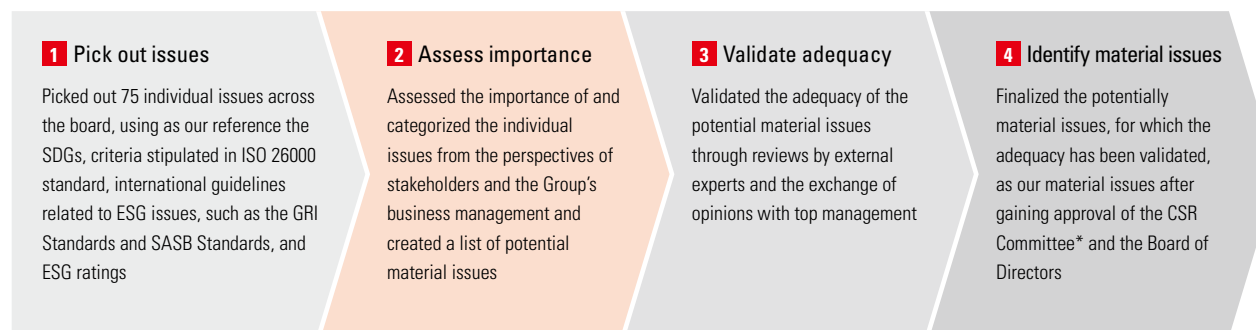
# Materiality (Material Issues)

The Chubu Electric Power Group aims to fulfill corporate social responsibility (CSR) and contribute to the development of a sustainable society, thereby enhancing long-term corporate value.

To achieve this, we identify material issues through the following process, establish corresponding indicators and goals, and prioritize addressing challenges through regular monitoring and review via the PDCA cycle.

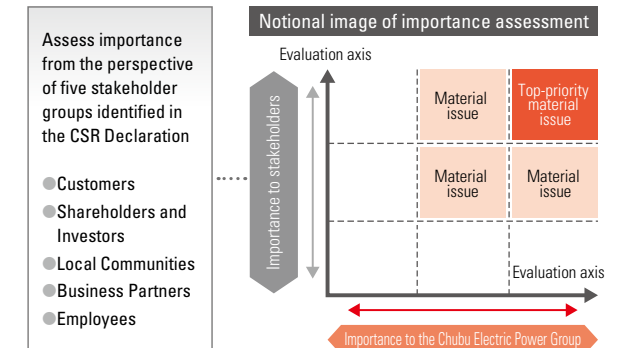


## Process to identify materiality



\* A committee for top management to deliberate on important matters concerning the promotion of CSR, established in October 2021 and chaired by the president

## Method of assessing importance





Details of the Chubu Electric Power Group's materiality (Japanese version only)

## Key Material Issues and Corresponding Risks, Opportunities, Targets and Results

	Material issues	Risks	Opportunities	Key indicators and targets	Year of achievement	FY2023 results (assessment of progress*5)	Key relevant page
E Environment	Decarbonization together with customers and society*1	●Revisions to energy policies	●Strong social demand for decarbonization	●Reduce CO <sub>2</sub> emissions deriving from sales of electrical energy by 50% or about 32.5 million t from FY2013 ●Expand renewable energy by at least 3.2 GW	FY2030 FY2030	Reduced 23.88 million t (about 37%) from FY2013 920 MW (an increase of 180 MW year on year)	P38-45 P50-51
	Increasing the safety of nuclear power and promoting its use	●Delay in inspections for confirming conformity to new regulatory requirements	●Basic policy for achieving GX	●Restart Hamaoka Nuclear Power Station	As early as possible	●The Nuclear Regulation Authority is currently investigating and confirming compliance with new regulatory standards for Units 3 and 4, progressing towards the confirmation of Standards of Seismic Motion and Tsunami. ●Standard seismic motion evaluated as generally appropriate by the Review Conference in Sept. 2023	P25, 46-49
	Building next-generation networks for a decarbonized society	●Concerns about a stable electricity supply, resulting from increasingly complex flow of electricity due to the mass connection of renewable energy	●Increasing needs for introducing renewable energy	●Create facility plans using Distribution Future Energy Scenario (DFES) ●Make sure to implement initiatives for realizing Connect & Manage	FY2023-FY2027	●Commenced operation of distribution future energy scenarios (DFES) ●Implemented initiatives towards the aforementioned goals (such as expanding the application of non-firm connections).	P52-53
S Society	Contributing to local communities and society*2	●Local communities becoming diluted due to a declining population and slowdown in economic growth	●Increasing needs for resolving community issues	●Provision of a "new form of community" ●Development of new services	FY2024	In October 2023, we initiated the service provision of "OPCAT" optimum charging management system for commercial EVs. This system utilizes AI for smart charging to promote the widespread adoption of EVs.	P58-59
	Pursuing customer satisfaction	●Intensifying competition with competitors	●Increasing customer needs for different and diverse services	●Increase NPS® score to 8 from FY2023	FY2025	FY2023 results: -60.2	— P54-55
	Business transformation and new value creation utilizing digital transformation (DX)	●Delay in responding to DX-induced new workstyles and leading-edge technologies	●Business transformation utilizing digital technologies	●Launch a project for setting up a structure to support continued use of AI models, such as maintaining and improving forecast accuracy, and for establishing a foundation to develop and operate AI models: 1	FY2025	Started developing an environment for utilizing AI generated in response to operational needs, such as leveraging dam operation know-how. Verification is currently underway for its application in operations starting in FY2024.	P34
	Investment in human capital*3	●Growing gap between the ideal state and current state of human resources due to changes in the business environment ●Intensifying competition for human resources caused by a declining working population	●Diverse human resources needed to evolve stable supply and expand business areas taking active roles	●Enhance engagement and achieve "A" or higher rating	FY2025	BBB	P32-33, 63-67
				●Achieve the percentage of male employees taking childcare leave of 100%	FY2025	104.1%	
	Development of global business to increase corporate value	●Destabilized political and economic situations overseas (increased country risk)	●Globally increasing interest in decarbonization business	●Make accumulated investment of about 400 billion yen (FY2021-2030) and achieve profit of about 20 billion yen	FY2030	Accumulated investment approximately 50 billion yen (as of the end of FY2023) Profit approximately 7 billion yen (FY2023)	P56-57
G Governance	Ensuring compliance*4	●Decline in social credibility related to compliance	●Gaining trust from stakeholders	●Make combined efforts throughout the Chubu Electric Power Group to implement compliance promotion measures	Every fiscal year	●Reviewed compliance promotion structure (established Compliance Division) ●Proper operation of helplines (118 consultations received) including the Chuden Group/ Joint Helplines ●Implemented compliance education for the Group	P10-11, 68, 84-85
	Enhancing governance and risk management, including group companies	●Erosion of confidence of the entire Group caused by subsidiaries, etc. ●Cyberattacks and IT system defects	●Fairer and more transparent decision-making	●Make sure to conduct assessment on the effectiveness of the Board of Directors and work for constant improvement	Every fiscal year	●Created an annual agenda regarding topics for discussion by Directors and Audit & Supervisory Board members, and established forums for intensive discussions on important issues such as medium- to long-term strategies ●Enhanced the deliberation of the Board of Directors by utilizing videos and other tools for pre-meeting briefings on agenda items ●Established opportunities for dialogue between our executives and top officials from Group companies	P75-82
				●Cases where cyberattacks caused impact on business operations: 0	Every fiscal year	Cyberattacks that affected operations: 0	P83
	Enhancing resilience and large-scale disaster response capabilities	●Natural disasters becoming increasingly severe	●Growing awareness for resilience ●Need for stable supply reacknowledged	●Power outages for low-voltage lighting customers per year (due to endogenous factors): 49 MWh	FY2023	50.1 MWh	P52-53

\*1 Including promotion of renewable energy, development and social implementation of decarbonization and other new technologies and implementation of environmental management; \*2 Including creation of new communities and realization of a recycling-oriented society. For resolution of issues in local communities and society through industry-academia collaboration, visit the link to details of our materiality shown at the top of the page; \*3 Including acquisition and development of diverse human resources as well as safety and health; \*4 Including anticorruption and respect for human rights; \*5 Assessed in three levels: ■ As targeted, ■ Slightly below the target and ■ Substantially below the target