

Chubu Electric Power Group Report 2024  
(Integrated Report)

むすぶ。ひらく。



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## Chubu Electric Power Group Corporate Philosophy

Chubu Electric Power Group delivers the energy that is indispensable to people's lives and so contributes to the development of society.

### Sincere and Sustained Effort

We make a constant and sincere effort to fulfill our unwavering mission and retain the trust of our customers and society.

### Creativity and Spirit of Challenge

We continually act with creativity and an enthusiasm for new challenges in order to pursue excellence in our services and meet the expectations of our customers and society.

### Independence and Cooperation

We work together as individuals showing respect for one another to create a vibrant and dynamic corporate culture.

## Corporate Slogan

むすぶ。ひらく。

(Musubu. Hiraku. in Japanese)

Our corporate slogan embodies our desire to continue to support communities by connecting (むすぶ。 Musubu) people to people and people to society, with which we desire to explore (ひらく。 Hiraku) the human potential and the future.



# Chubu Electric Power Group Report 2024

(Integrated Report)

## Editorial policy

This report is issued as an Integrated Report that provides comprehensive coverage of both financial and nonfinancial information and has been prepared in reference to various guidelines and with the group-wide cooperation of the divisions and departments concerned across the company, with the aim of explaining how financial and non-financial information is linked to the Chubu Electric Power Group's sustainable value creation. The purpose of this report is to (1) report the actual performance during the reporting period as results of our business activities and (2) provide an understanding of the sustainable growth process of the Chubu Electric Power Group and its feasibility.

In fiscal 2024, we will further accelerate our growth initiatives for achieving the dual imperatives of creating new value for local communities and stakeholders while improving profitability. This report describes our initiatives and stance as a corporate group that continues to grow together with our customers by balancing this with the fulfilling of our unwavering mission of providing safe, affordable, stable, high-quality energy that considers the global environment encompassing decarbonization and biodiversity, even in a highly volatile business environment.

We will make continuous efforts to improve the report as an important tool to promote communication and dialogue with our stakeholders.



### Thoughts embodied in the cover

The cover depicts the future we envision by connecting people to people and people to society to open the way to the future based on our Corporate Slogan "Connect (むすぶ。Musubu). Open (ひらく。Hiraku)."

### Date of publication

August 2024

(Next report: scheduled for August 2025; previous report: September 2023)

### Organizations covered by the scope of the report

Chubu Electric Power Co., Inc. and associated companies

### Reporting period covered

Fiscal year 2023 (April 2023 through March 2024)

This report also includes information regarding some important events and activities that occurred outside the above period.

### Guidelines used as references:

GRI, GRI Standards

IFRS Foundation, International Integrated Reporting Framework

IFRS Foundation, SASB Standards

The Ministry of Economy, Trade and Industry, Integrated disclosure and interactions guidance for co-creation of values 2.0

TCFD: Task Force on Climate-related Financial Disclosures

TNFD: Taskforce on Nature-related Financial Disclosures etc.

### Inclusion in SRI indexes

As of July 2024, Chubu Electric Power is included in the following four indexes among the indexes adopted by the Government Pension Investment Fund in Japan:

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)



Morningstar, Inc., and/or one of its affiliated companies (individually and collectively, "Morningstar") has authorized Chubu Electric Power Co., Inc. to use of the Morningstar Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Chubu Electric Power Co., Inc. ranks in the top group of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt Index<sup>SM</sup> ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Chubu Electric Power Co., Inc. for informational purposes. Chubu Electric Power Co., Inc. use of the Logo should not be construed as an endorsement by Morningstar of Chubu Electric Power Co., Inc. or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Chubu Electric Power Co., Inc. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks or services marks of Morningstar, Inc. Past performance is no guarantee of future results.

MSCI Japan Empowering Woman Index (WIN)

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

THE INCLUSION OF CHUBU ELECTRIC POWER CO., INC. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF CHUBU ELECTRIC POWER CO., INC. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

S&P/JPX Carbon Effect Index



FTSE Blossom Japan Sector Relative Index



FTSE Blossom Japan Sector Relative Index

FTSE Russell (registered trading name of FTSE International Limited and Frank Russell Company) hereby certifies that, as a result of a third-party survey, Chubu Electric Power, Co., Inc. satisfies the requirement for inclusion in the FTSE Blossom Japan Sector Relative Index and is now part of the index. This index is used broadly to create or evaluate sustainable investment funds and other financial instruments.

### Caution concerning forward-looking statements

The future plans and forecasts described in this report are based on information the company possesses at the present time and involve potential risks and uncertainty. Therefore, actual performance or business developments in the future may differ from those described.

Examples of potential risks or uncertainty include, but are not limited to, changes in the economic or competitive circumstances affecting a business sector, fluctuations in fuel prices, or changes in laws or regulations.



# CSR and Sustainability

The Chubu Electric Power Group, which operates businesses with a high public interest, including ensuring the stable supply of energy, will contribute to the medium-to-long-term sustainable development of society (sustainability) together with stakeholders by fulfilling CSR (Corporate Social Responsibility) through its business activities.

We have formulated the Chubu Electric Power Group CSR Declaration to convey to all stakeholders the Group’s CSR philosophy in the form of an easy-to-understand and clear message. In keeping with this declaration, we will promote ESG management and meet society’s expectations, such as by attaining the SDGs through the steady execution of duties by each and every employee.

## Chubu Electric Power Group Corporate Philosophy

Chubu Electric Power Group delivers the energy that is indispensable to people’s lives and so contributes to the development of society.

## Chubu Electric Power Group CSR Declaration

### Fulfilling our responsibilities and meeting society’s expectations

Chubu Electric Power Group, as a corporate group that continues to achieve growth with customers and society, is committed to:

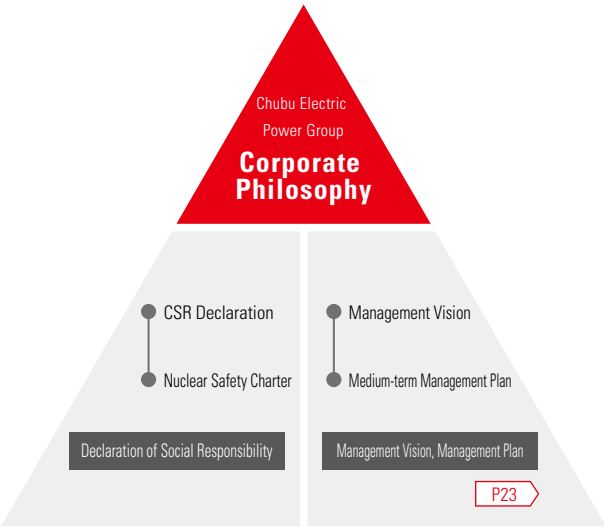
Contributing to the development of a sustainable society by demonstrating total strengths in our businesses centered on energy while leveraging individualities of our group companies, giving top priority to safety and striving to both provide a stable supply of energy and protect the global environment;

Managing our businesses in a fair and sincere manner by observing national and international laws, regulations and social rules and by respecting corporate ethics; and

Respecting the human rights of all people involved in our business activities, giving priority to dialogue with all our stakeholders and maintaining high levels of transparency and openness in our corporate activities.

Customers	Shareholders and Investors	Local Communities	Business Partners	Employees
We are committed to providing our customers with safe, reliable, convenient, and affordable energy services, as well as other services of value that meet their needs.	We are striving to maintain and increase profits for our shareholders and investors through efficient management and effective investment.	We are determined to contribute to sustainable local development in partnership with local communities.	We promise to deal fairly with our suppliers as equal business partners and work together to increase the transparency and soundness of the entire supply chain.	We respect individuals and are endeavoring to create a cheerful and motivating workplace in which diverse human resources take active roles.

## System of Declaration and Policy Regarding Social Responsibility





Through passion, challenge and a spirit of harmony,  
Chubu Electric Power Group will further accelerate efforts  
to grow together with stakeholders and provide new value.

President & Director

*Hayashi Kingo*

#### PROFILE

Hayashi Kingo, President & Director

Born in 1961 in Mie Prefecture. Hayashi Kingo joined Chubu Electric Power in 1984. Before Hayashi was appointed director in 2018, holding the position of Director & Senior Managing Executive Officer, President of Customer Service & Sales Company, he served as General Manager of Market Research Group and General Manager of Sales Planning Group of the Sales Division, Sales Manager of the Nagano Regional Office, General Manager of Business Strategy Group of the Corporate Planning & Strategy Division, General Manager of the Customer Services Division, and General Manager of the Tokyo Office. He has been in his present position since April 2020.





## 1

## Review of FY2023 and Progress of the Medium-term Management Plan

First of all, in March 2024 Chubu Electric Power received a disciplinary order from the Japan Fair Trade Commission under the Antimonopoly Act. We take this matter extremely seriously because this has led to the loss of trust of society and our stakeholders. To prevent the reoccurrence of such incidents, we are accelerating efforts to implement thoroughgoing compliance. As one such measure, in April 2024 we established the Compliance Headquarters under the direction of the President.

Furthermore, in June 2024 Chubu Electric Power transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee. This aims at both strengthening our governance system and enhancing the flexibility of decision-making.

**P10** Aiming for a Higher Level of Social Trust

**P75** Corporate Governance

Looking back on FY2023, I could truly sense that with each passing year, the Chubu Electric Power Group is facing increased volatility in its business environment that includes geopolitical factors and fuel procurement. Nevertheless,

FY2023 was also a year when we appropriately managed risks and seized opportunities in undertaking our business. During FY2023, we utilized our model that splits off power generation and sales, which is a chief feature of the Group, with each business flexibly and autonomously reflecting the needs of its markets into its respective measures. As a result, although there were one-time profit-boosting factors, Chubu Electric Power posted significant profits, recording ordinary income of approximately ¥371 billion, excluding the time lag impact that reflects the fluctuating portion of fuel prices in electricity rates.

Also contributing significantly to our favorable performance was “DX promotion” now in its creative phase and “Kaizen activities,” which are employee-led efforts to improve management and business efficiency. Now in its sixth year, Kaizen activities are currently in a phase of expansion and transformation.

I am acutely aware that these solid results for FY2023 were achieved largely because of the cooperation of all our stakeholders. With this in mind, during the year we considered ways we could share our profits with all stakeholders. Accordingly, for customers we will continue to implement measures to reduce the burden of their electricity bills while for shareholders we increased annual dividends per share to ¥55 and expect to increase annual dividends to ¥60 in FY2024. Meanwhile, for employees we implemented wage increases, which include the

full amount requested by employees for their base compensation.

In working to increase our corporate value, we must grow in step with our stakeholders and contribute to the development of a sustainable society. As a new resolution toward realizing these objectives, we have raised our Medium-term Management Targets upward to consolidated ordinary income of ¥200 billion or more and ROIC of 3.2% or more.

We will continue undertaking flexible management and will accurately identify risks in a timely manner and consider ways we can transform these into opportunities to achieve sustainable growth.

**P23** Chubu Electric Power Group Management Vision 2.0 and Medium-term Management Plan

**P34** Promotion of Digital Transformation (DX)

**P35** Promotion of Kaizen Activities





In the electric power business, the Chubu Electric Group is working to provide safe, affordable and stable supplies of electricity. Meanwhile, the three operating companies consisting of Chubu Electric Power Grid, Chubu Electric Power Miraiz, and JERA have provided new value by autonomously and flexibly responding to changes in their respective markets. Moreover, in striving for carbon neutrality (CN), our efforts to expand the use of renewable energy and other measures have enabled Chubu Electric Power to reduce CO<sub>2</sub> emissions by approximately 30% versus the target of a 50% reduction by FY2030 (compared with FY2013) as set out in the Group's Zero Emission Challenge 2050.

To further increase our corporate value, we must accelerate the provision of new value to



customers and local communities by making firm efforts to realize CN and steadily build on our achievements in new growth fields such as healthcare and real estate. The entire Chubu Electric Power Group will continue to work in unison to promote these initiatives.

**P27** Regional Revitalization through Real Estate Business

**P38** Practicing Corporate Management Giving Consideration to Climate Change and Natural Capital

## 2

### Reaching a Turning Point and Accelerating Initiatives for Attaining Our Management Vision

#### ■ Securing Earnings Power by Strengthening the Electric Power Business and Providing New Value

The Chubu Electric Power Group is facing major changes in the environment that include diversification of customer needs, verification of power system reforms, and reviews of the Strategic Energy Plan. In anticipation of these changes, we are accelerating efforts to build a new business model and a strong management structure.

Chubu Electric Power has begun investing in local infrastructure projects such as resource circulation, water supply and sewerage, forestry, and local transportation projects with the aim of building a circular/distributed society such

as a new form of communities and a circular economy.

Turning to renewable energy initiatives, Chubu Electric Power will leverage the characteristics of each power source such as solar, hydro, and wind power, focusing especially on offshore wind power, which is advantageous in terms of scale. We have already commenced testing of floating offshore wind power generation. As a front-runner in this field, Chubu Electric Power seeks to engage in joint research on next-generation wind power in combination with innovation initiatives and technological development. Specifically, in geothermal energy we invested in Eavor, a Canadian company that holds patents for new technologies in this field. We are also participating in a geothermal power generation and district heat supply project in Germany that utilizes closed-loop geothermal technologies.

Chubu Electric Power Grid Co., Ltd. has developed and implemented the world's first voltage control method that utilizes AI to prevent system failures caused by voltage fluctuations accompanying the expansion of diverse power sources such as renewable energy while efficiently supplying electricity in a stable manner.

Chubu Electric Power Miraiz utilizes its points of contact with a wide variety of customers to offer an assortment of services that enrich the lives of its customers. These include "TSUNAGU table," a service that connects sellers with



consumers so that customers can contribute to reducing food loss in a fun and economical way. “toku-P” is a service that matches people wishing to earn a supplementary income by renting out their vacant parking spaces with users searching for parking lots.

To attain JERA Zero Emissions 2050, JERA is promoting a transition to ammonia and hydrogen, which do not emit CO<sub>2</sub> when burned in thermal power generation, as well as CCUS projects that store CO<sub>2</sub> underground. Additionally, as the core of JERA’s global renewable energy expansion, the company will consolidate its organizations that handle each process of project development, construction, and operation in Europe to maximize synergies and cultivate and expand overseas markets.

**P50** Renewable Energy Business

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

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

**P56** Global Business

**P60** JERA Co., Inc.

**P62** Undertaking Regional Infrastructure Business

### ■ Toward the Restart of the Hamaoka Nuclear Power Station

In FY2023, we progressed smoothly with our response to inspections for confirming conformity to new regulatory requirements at the Hamaoka Nuclear Power Station and now intend to accelerate initiatives toward restarting

the power station. Nuclear power is a key energy source that can contribute to realizing CN. All employees, myself included, are working day-in, day-out with the passion arising from the “self-awareness and pride” that restarting the power station upon assuring safety and security will contribute significantly to Japan’s energy security and future decarbonization. Gaining the understanding of the local community is of course a major prerequisite for restarting the power station. With this in mind, we will continue to engage in proactive and easy-to-understand dialogue with community residents.

**P25** Toward Restarting the Hamaoka Nuclear Power Station

**P46** Toward Improving the Safety and Reliability of the Hamaoka Nuclear Power Station

### ■ Cultivating Mindsets through On-Site Dialogue

Alongside the measures I have described, to achieve our Management Vision, management and employees at actual business sites must always share a common understanding and mindset. I continuously think about encouraging employees in the field who make daily efforts to provide a stable supply of energy and various services. For this reason, I recently began visiting the frontline offices for the opportunity to speak with numerous on-site employees throughout the Company. Conversely, I too gained courage from their passionate words and realized deeply that they possess the mindset I value, which is “enthusiasm, challenge, and harmony.” Without enthusiasm, employees will not enjoy their work

and no new ideas will emerge. Having a desire to challenge new things and different fields as well as providing the venues and opportunities for doing so are essential. Concurrently, I would like to continue to strongly emphasize that caring about the wellbeing of other people both inside and outside the Company and having a sense of harmony are important for maximizing our organizational capabilities.

**P20** COLUMN Special Feature: Stakeholder Engagement

3

## Realizing a Sustainable Society and Achieving Growth of the Group

To contribute to the realization of a decarbonized society as an energy company, besides pursuing zero-emission power sources such as by expanding renewable energy and utilizing hydrogen and ammonia, we can achieve significant results by promoting decarbonization together with our customers. For example, we must work with our customers to provide solutions such as reviewing the manufacturing processes at their plants or replacing gas and other energy sources with renewable energy to create the same value. New value can also be created by combining businesses and services. This includes combining the electric power





business with retail and delivery businesses or the electric power business with healthcare services. AI and DX will function as the adhesive for binding these businesses and services as we seek to offer value that exceeds the sum of the digits, such as by turning 1 plus 1 into 3.

The growth and active roles of each and every employee are also essential for continuously providing these new types of value, responding to major changes in the environment, and ensuring the sustainable growth of the local community, society and the Chubu Electric Power Group. I regard this as the very essence of corporate value. Accordingly, we are implementing a variety of measures to ensure that each employee can fully deploy his or her abilities according to their life events and career stages by creating an environment where diverse human resources can take active

roles and provide opportunities and support employees who meet the challenge of self-transformation. In addition to these measures, we are strengthening mid-career recruitment and the hiring of specialist employees, introducing a substantive three-day-off work week system, and enhancing our working environment and personnel evaluations. We are proud to be one of the companies in the energy industry that is promoting the most advanced initiatives.

I also recognize that securing essential workers is an urgent issue not only for the Group but also for society as a whole and the entire value chain. Changing the structure of the workforce such as by optimizing existing labor and resources and improving operational efficiency through digitization is also necessary.

Health management is also one of our key initiatives. In this area, we are distributing wearable devices to all employees and these efforts are beginning to bear fruit. Wearable devices enable employees to visualize their health information, allowing them to maintain and improve their health in a fun manner.

**P32** Human Resources Strategy

**P63** Creating an Environment Where Diverse Human Resources Can Take Active Roles

**P66** Providing Opportunities and Support to Employees Who Meet the Challenge of Self-transformation

### ■ Management with an Awareness of Cost of Capital and Stock Price

For the Chubu Electric Group to achieve

sustainable growth, we must expand our earnings base and rebuild our business portfolio. We also need to accelerate strategic investments and further promote management with an awareness of capital efficiency, including improving PBR, with the aim of building a stronger management structure. To date, Chubu Electric Power has positioned ROE and ROIC as management indicators and is working to further improve PBR through proactive dialogue with shareholders and investors, enhanced disclosure, and providing stable dividends or sharing profits based on profit growth.

**P28** CFO Message

**P30** Realizing Management with an Awareness of Cost of Capital and Stock Price (toward Improving PBR)

## 4

### Together with Our Stakeholders

Under its Medium-term Business Plan, Chubu Electric Group aims to become a corporate group that achieves continuous growth by firmly meeting the expectations of its stakeholders and has set targets for each of its six stakeholders.

To become a corporate group that is consistently chosen by customers, we will continuously implement measures to reduce the burden of electricity bills by sharing the outcomes of these cost-reduction efforts with customers. We will also continue to meet the





needs of our customers by providing new value and services.

Local communities face a variety of social issues, such as the need for watching over the elderly, enhancing resilience, and realizing decentralized societies. We seek to actively develop communities that can contribute to

solving these issues.

We have also begun reforms to improve the working environment and make business relationships fairer and more transparent. This will enable business partners who give us their support to work with us safely, more efficiently, and with peace of mind.

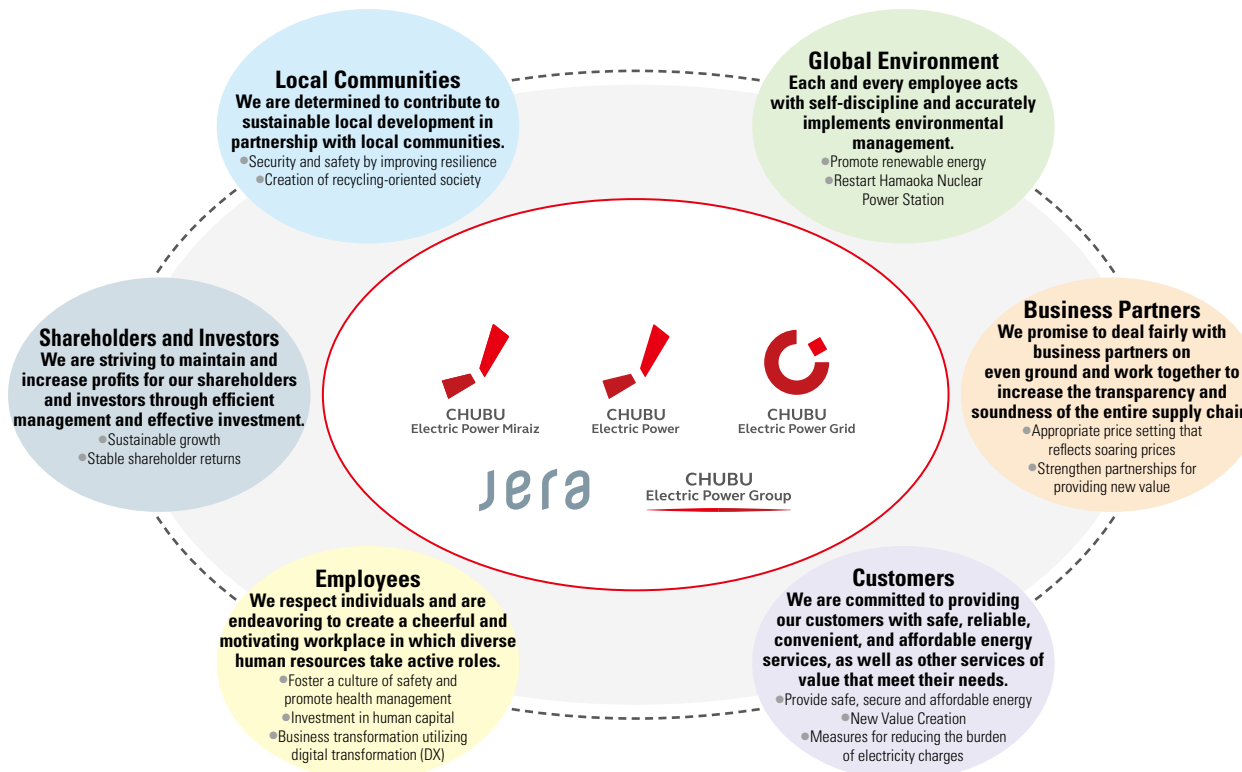
We recognize that dividends and stock prices are two key factors for shareholders and investors. Besides maintaining stable dividends, we also aim to improve our stock price by managing our business with a constant awareness of PBR, maximizing future value as much as possible, and receiving positive assessments from our shareholders.

Employees are the foundation of our business and we cannot achieve our new plans and vision without their capabilities. We will step up efforts to improve safety, health, and engagement. We will strive to continue to achieve profits and share these with our employees.

We are also promoting a deeper recognition that the global environment is also an important stakeholder. I believe that the number-one priority of our management is conducting business operations in an environmentally friendly manner to achieve CN.

Finally, we are currently in the midst of unprecedented major and drastic changes in the environment. We will respond to these changes quickly and transform our business model, while accelerating our efforts to create new value by maximizing our strengths, such as our know-how, human resources, the trust of our customers, and our connections with society, together with various partners, and provide this value to society as a whole.

### Toward Providing Value to Stakeholders









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-

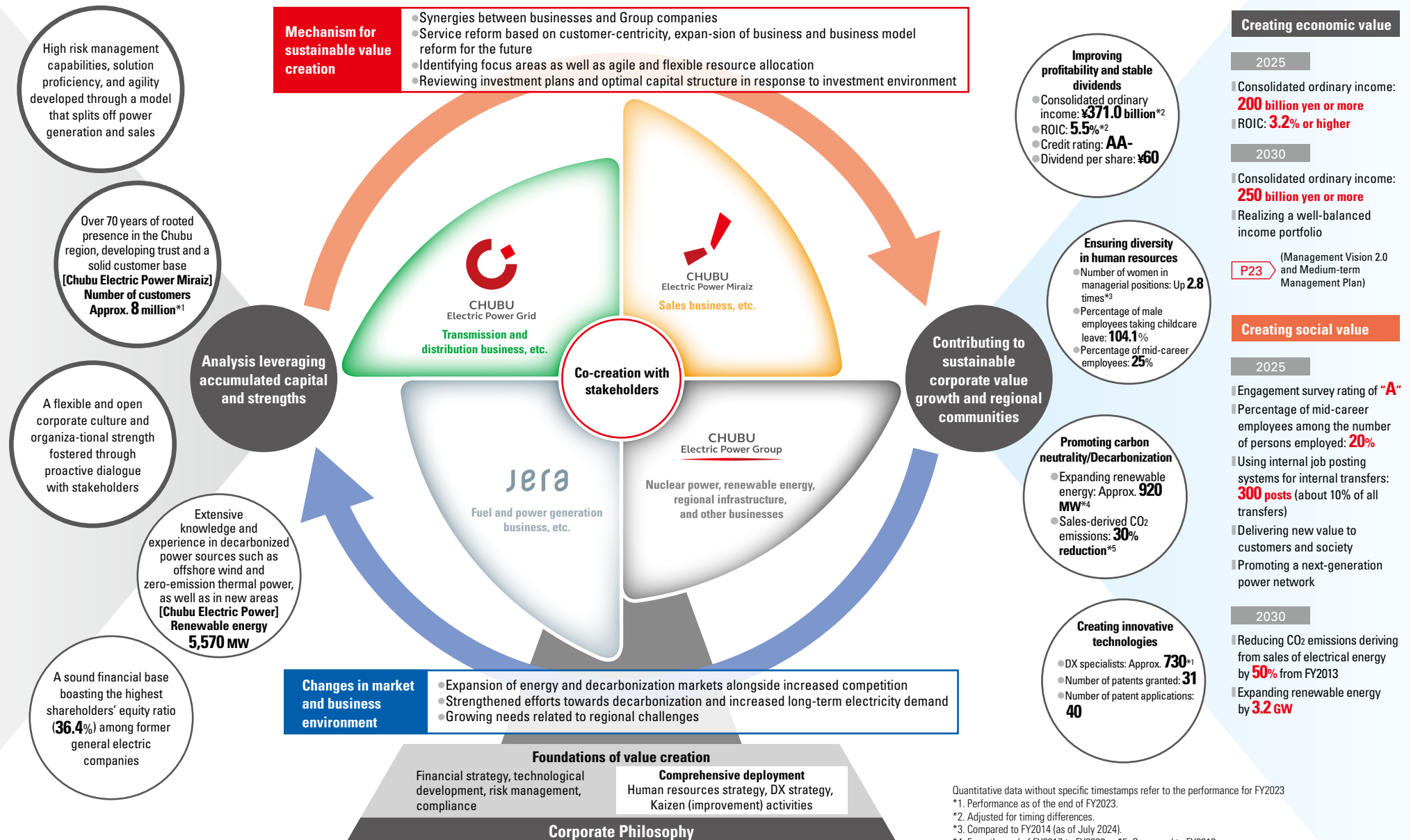
tion, and fostering a transparent workplace culture. Additionally, we are reinforcing our framework by improving rules governing interactions with competitors, establishing an internal reporting system, and conducting inspections by external lawyers and internal audits as part of our PDCA cycle.

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	<b>1</b> 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><b>Program for raising awareness of compliance [Executives, etc.]</b> <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><b>Improve effectiveness of training and education [All executives and employees]</b> <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><b>Implement behavior checkpoints [All executives and employees]</b></li> </ul>
	<b>2</b> 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><b>Create an open workplace [All executives and employees]</b> <ul style="list-style-type: none"> <li>Visualized efforts toward compliance risks in each workplace through a Compliance Post</li> </ul> </li> </ul>
System	<b>3</b> 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><b>Strengthen operation of rules for contact with competing companies [All executives and employees]</b> <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><b>Strengthen internal whistleblowing system [All executives and employees]</b> <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><b>Strengthen checking function</b> <ul style="list-style-type: none"> <li>Established or revised organizational structures, and placed CLOs and Executive Legal Advisors (ELAs)</li> </ul> </li> </ul>
	<b>4</b> 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><b>Inspections and internal audits by external lawyers</b> <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>



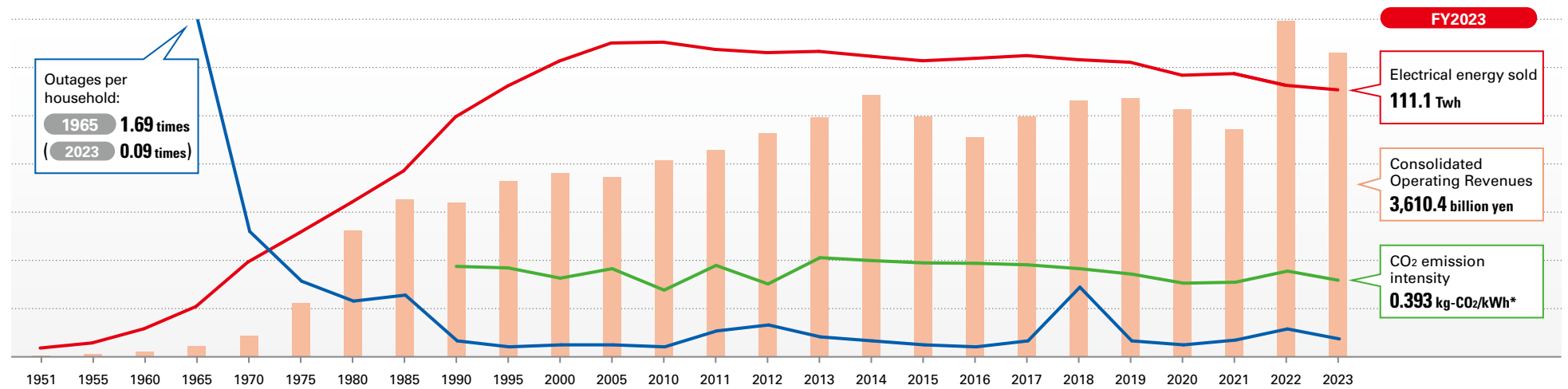
# Value Creation Process





# 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.



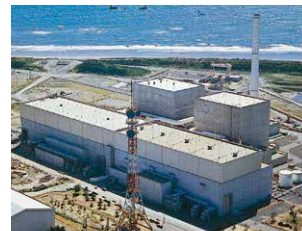
Ikawa Hydroelectric Power Station (1957)



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

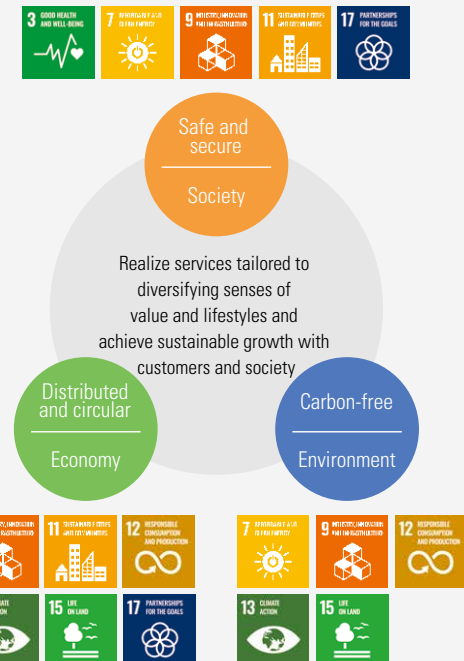
Since its establishment, Chubu Electric Power has operated under the unchanging mission of “stable power supplies.” By viewing changes in society and the business environment as opportunities, we have contributed to societal development alongside our growth, innovative technological development, and 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.

1960s-1970s	1980s-1990s	2000s-2010s	2020-
<b>Technological Capabilities and Business Models Supporting Sustainable Growth</b>			
<ul style="list-style-type: none"> <li>Pioneered the operation of automatic power supply equipment ahead of other electric power companies</li> <li>Led the nation in upgrading high-voltage distribution lines and power distribution</li> <li>Initiated consulting activities such as street lighting, agricultural electrification, and factory site consultation services</li> </ul>	<ul style="list-style-type: none"> <li>Promoted the automation of power facilities</li> <li>Positioned overseas projects as a new revenue-generating business</li> <li>Set the goal of creating a comprehensive energy company to thrive in the era of competition in response to the partial deregulation of power retailing</li> </ul>	<ul style="list-style-type: none"> <li>Commenced operation of our first 1-million kW coal-fired ultra-supercritical pressure variable operation plants, the Hekinan Thermal Power Station Units 4 and 5</li> <li>Initiated the onsite energy services business</li> <li>Established JERA based on a joint venture agreement with Tokyo Electric Power Company, aiming to strengthen fuel procurement capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Transitioning to the model that splits off power generation and sales through split offs of power transmission/distribution division and sales division</li> <li>Expanding business and creating new value through agile strategies reflecting customer needs and market demands across each group company</li> </ul>
<b>Pursuit of Public Interest, Social Responsibility, and Regional Coexistence</b>			
<b>Formulation of the Three Major Management Principles</b> <ul style="list-style-type: none"> <li>Fulfillment of public missions towards local communities</li> <li>Achieving stable growth through efficient management</li> <li>Establishing positive human relationships based on mutual trust</li> </ul>	<b>Formulation of the New Management Principles</b> <ul style="list-style-type: none"> <li>Creating a future together with our customers, focusing on the essence of our business</li> <li>Expanding symbiosis from local communities to the global stage through corporate citizenship activities</li> <li>Generating new vitality through thorough adherence to the principle of self-responsibility</li> </ul>	<b>Chubu Electric Power Group CSR Declaration</b> Fulfilling our responsibilities and meeting society's expectations <ul style="list-style-type: none"> <li>Declaration of social responsibility to customers, shareholders and investors, local communities, business partners, employees, and all other stakeholders</li> </ul>	

2050

### Our envisioned society

- Realization of a safe, secure, resilient and viable society
- Realization of a carbon-free society  
Achieving net zero CO<sub>2</sub> emissions from our entire business



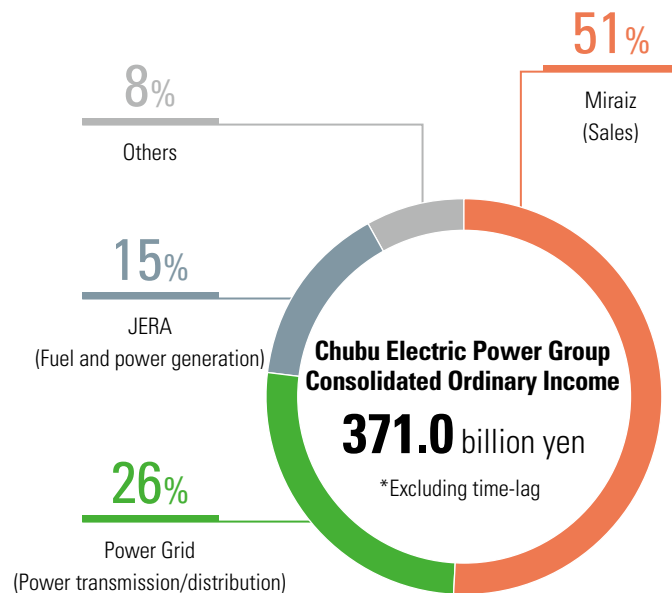




# Chubu Electric Power Group at a Glance

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	P58
Renewable energy business	● Aichi Gamagori Biomass Power Generation LLC. ● 35 other companies	P50
Global business	● Bitexco Power Corporation ● 11 other companies	P56
Real estate business	● Chuden Real Estate Co., Inc. ● ES-CON JAPAN Ltd. ● 16 other companies	P27
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	P83
Service business etc.	● Chuden KuraBis Co., Ltd. ● Chuden Auto Lease Co., Ltd. ● Techno Chubu Co., Ltd. ● Chuden Wing Co., Ltd. ● 9 other companies	P63

## 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.

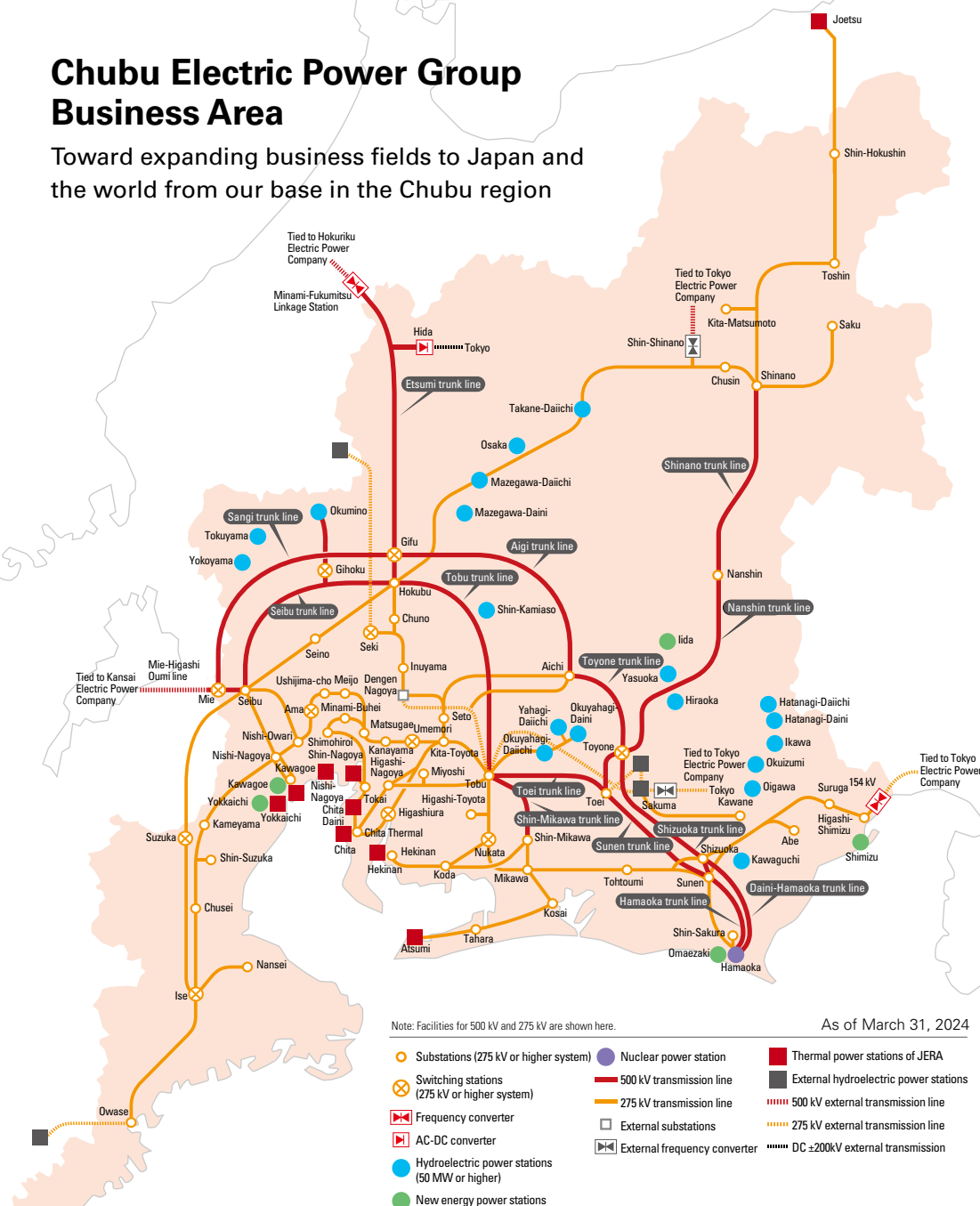




# Chubu Electric Power Group Business Area

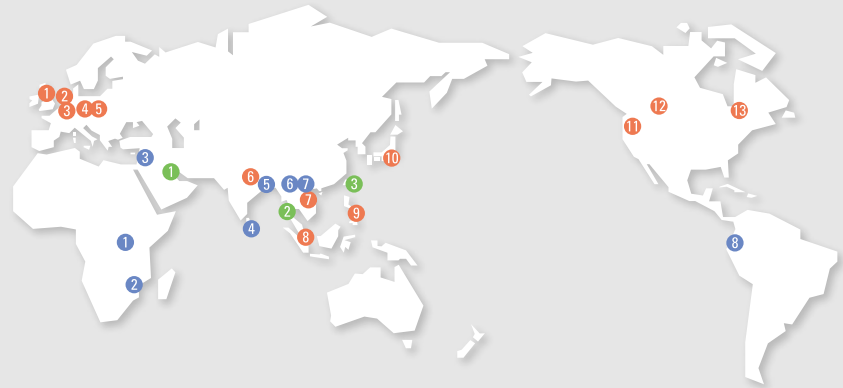
Toward expanding business fields to Japan and the world from our base in the Chubu region

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



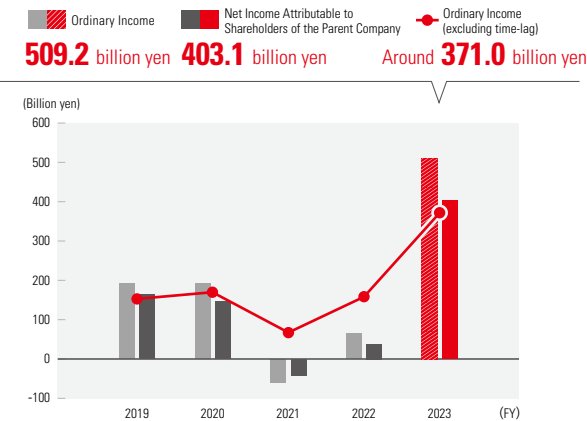
# Financial and Non-Financial Highlights

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



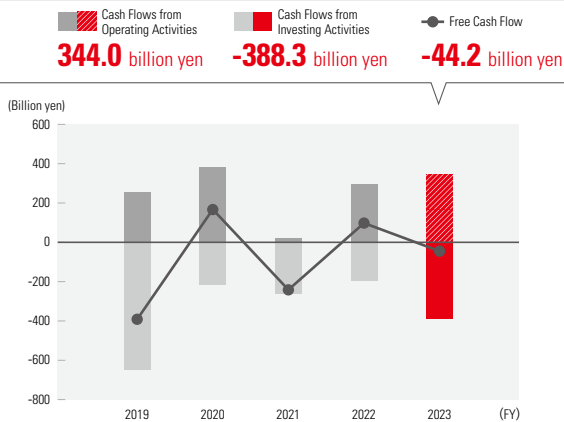
Investors' Data Book

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



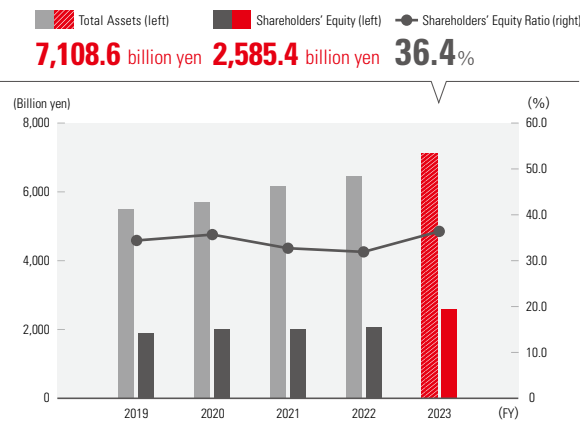
Ordinary income increased by 444.1 billion yen from the previous consolidated fiscal year, mainly due to the reversal of a time lag loss into a gain, a decrease in power procurement prices at Chubu Electric Power Miraiz, and a decrease in costs for supply and demand adjustment at Chubu Electric Power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

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



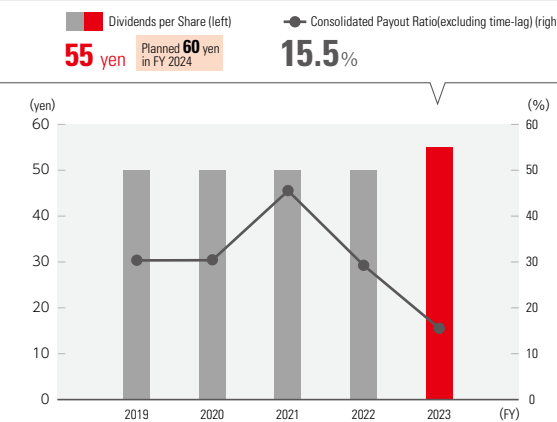
Cash inflow from operating activities increased by 48.2 billion yen from the previous consolidated fiscal year due to an increase in income before taxes. Cash outflow from investment activities increased by 191.4 billion yen from the previous consolidated fiscal year due to an increase in payments of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

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



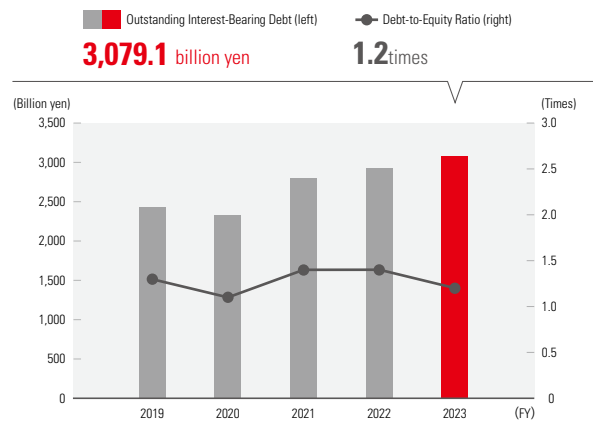
The shareholders' equity ratio was 36.4% due to an increase in shareholders' equity resulting from the recording of net income attributable to parent company shareholders and to an increase in accumulated other comprehensive income.

## Dividends per Share/Consolidated Payout Ratio



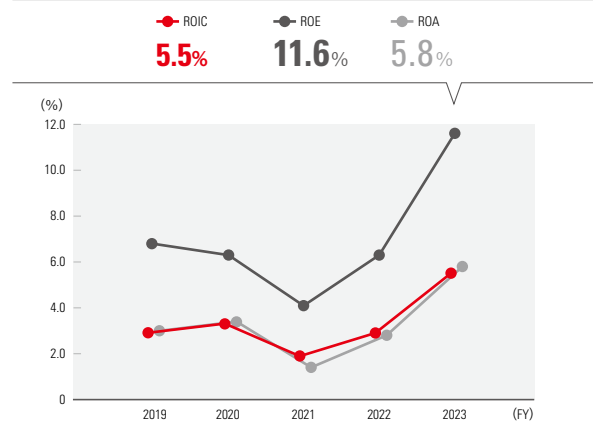
We aim to achieve a consolidated dividend payout ratio of 30% or more by working to return profits to shareholders taking into consideration profit growth on the basis of maintaining stable dividends. Cash dividends per share for the current fiscal year were increased to 55 yen upon taking into account 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.

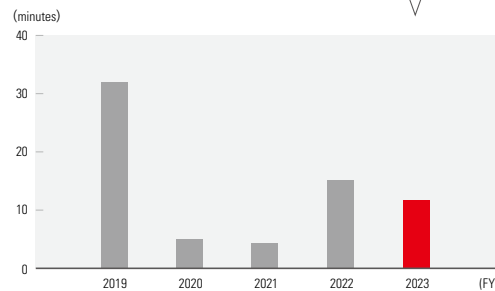


#### Business activities

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

P52

11.7 minutes

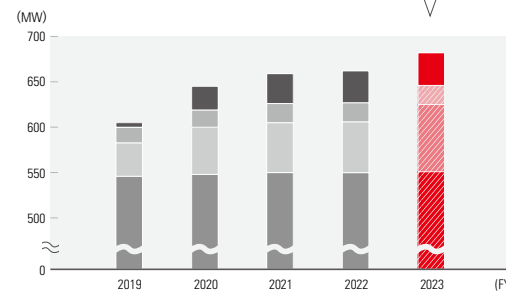


During the current fiscal year, we worked toward preventive maintenance such as undertaking regular patrols and inspections, resulting in a decrease from the previous fiscal year.

##### 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.

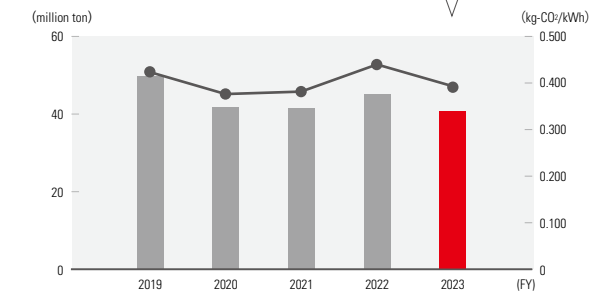
The increase in the current fiscal year was due to factors that included the JENEX GROUP becoming a wholly owned subsidiary.

#### 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**



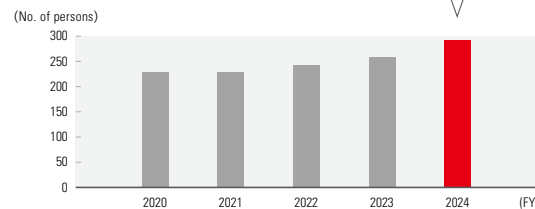
We have set a goal to reduce CO<sub>2</sub> emissions derived from electrical energy sold by 50% or more by 2030 compared with FY2013. In FY2023, emissions totaled 40.8 million tons, representing a reduction of approximately about 37% compared with FY2013.

#### Human resources

##### Number of women in managerial positions

P65

292  
(As of July 2024)



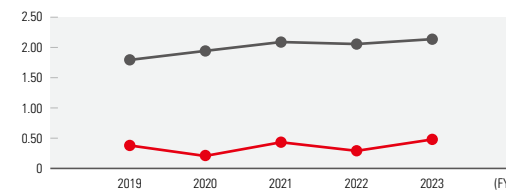
\* As of July 1 in each FY

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**



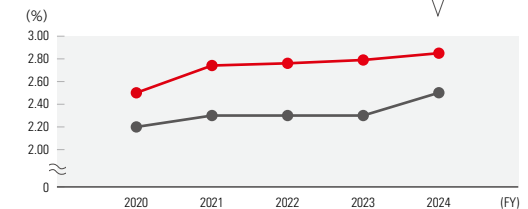
\* Accident frequency: Number of persons killed or seriously injured (with at least one day of leave) by industrial accidents per million working hours.

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

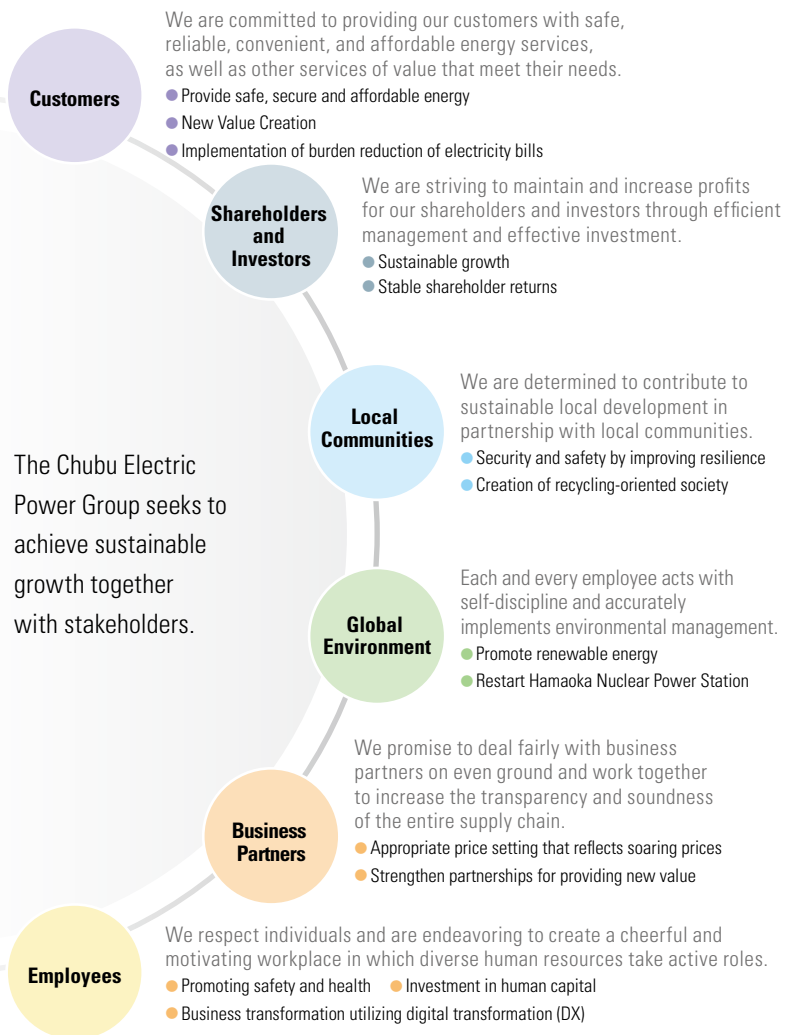
We are advancing the employment of individuals with disabilities to fulfill our corporate social responsibility. In conjunction with the hiring at Chuden Wing Co., Ltd., we continue to hire individuals with disabilities and have achieved the legally designated employment ratio.



# 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> <li>Appropriately respond to opinions and requests received through WEB member services, various contact points, telephone calls, etc.</li> </ul>	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> <li>General Meeting of Shareholders, Financial results briefings, IR activities</li> </ul>	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> <li>Acquire knowledge from external experts on environmental initiatives</li> </ul>	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> <li>Employee engagement surveys twice a year</li> </ul>	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 –



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

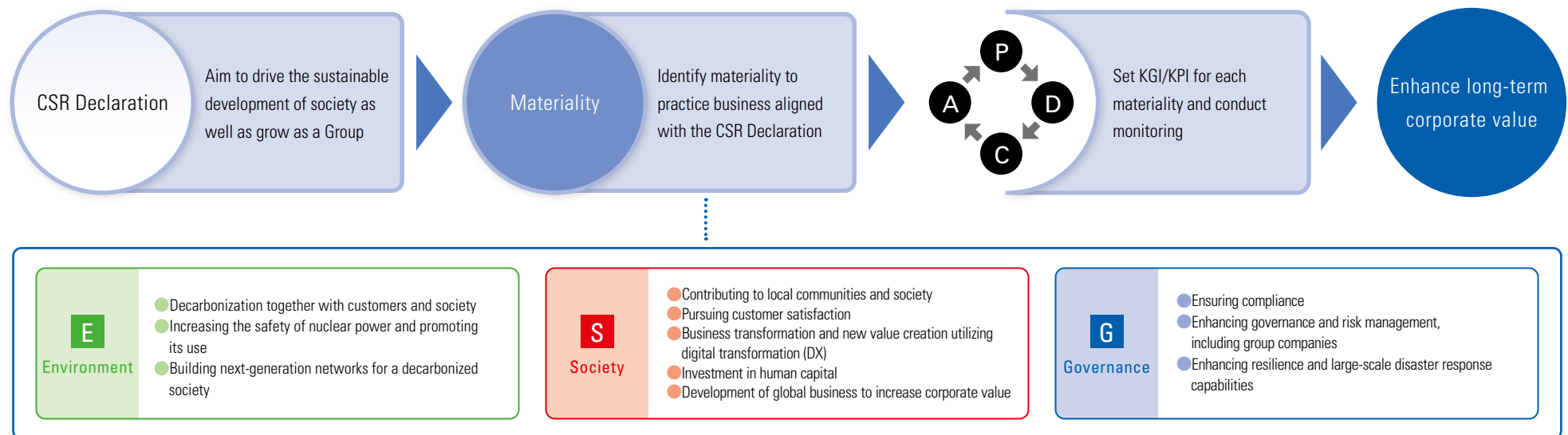


An opinion exchange meeting between President Hayashi and on-site employees

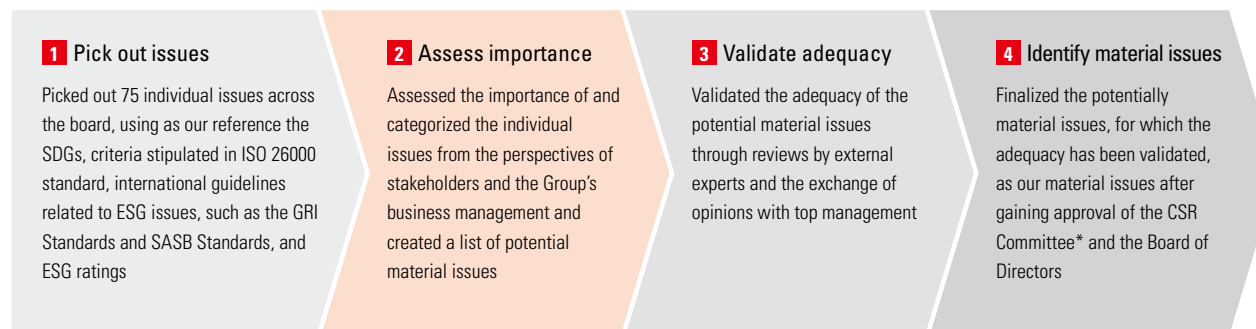
# Materiality (Material Issues)

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.

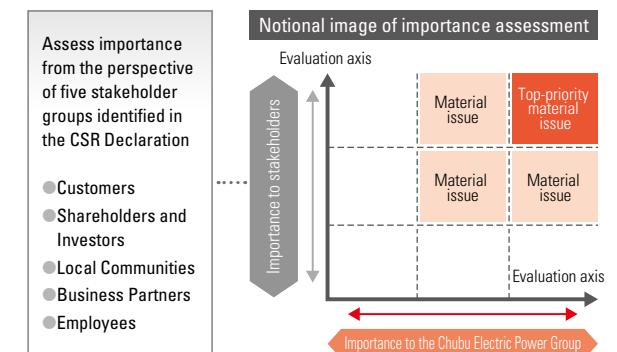


## Process to identify materiality



\* 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
	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
S Society	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

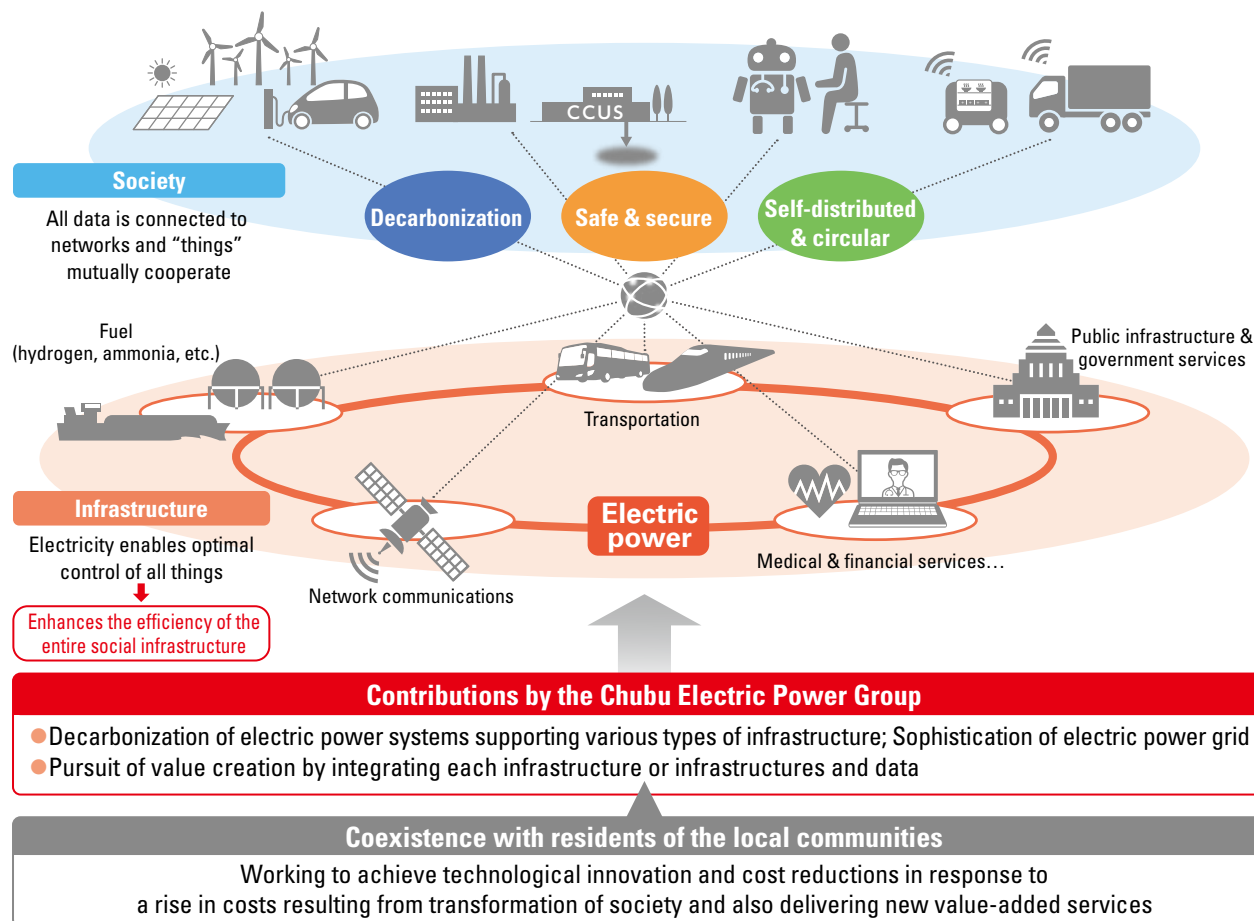
\*1 Including promotion of renewable energy, development and social implementation of decarbonization and other new technologies and implementation of environmental management; \*2 Including creation of new communities and realization of a recycling-oriented society. For resolution of issues in local 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

# Chubu Electric Power Group Management Vision 2.0 and Medium-term Management Plan

## Transformation of society and decarbonization and sophistication of electric power systems toward 2050

The Chubu Electric Power Group assumes that in 2050, society will have evolved into a “decarbonized,” “safe and secure” and “self-distributed and circular” society, and everything will be optimally controllable by electric power.

The Group will contribute to the transformation of society through the decarbonization and sophistication of electric power systems as the core infrastructure supporting various types of infrastructure.

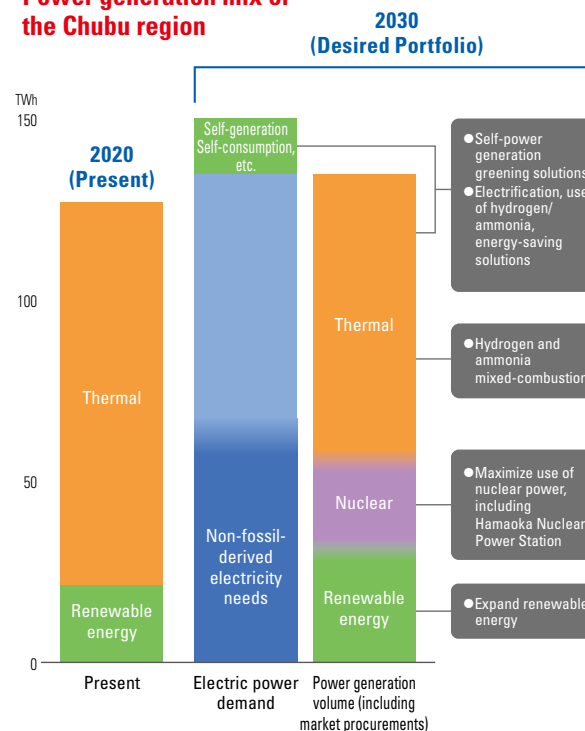


## Providing Energy in 2030

In working toward the realization of a decarbonized society, we assume that in 2030 there will be a further increase in the need for renewable energy-derived electricity and non-fossil fuel value, mainly from corporate customers.

To respond to customer needs, the Chubu Electric Power Group will strive to expand renewable energy, utilize hydrogen and ammonia mixed-combustion in thermal power generation, maximize the use of nuclear power, and provide electrification and energy-saving solutions on the demand side for the decarbonization of the entire social system.

### Power generation mix of the Chubu region



## Initiatives for 2030

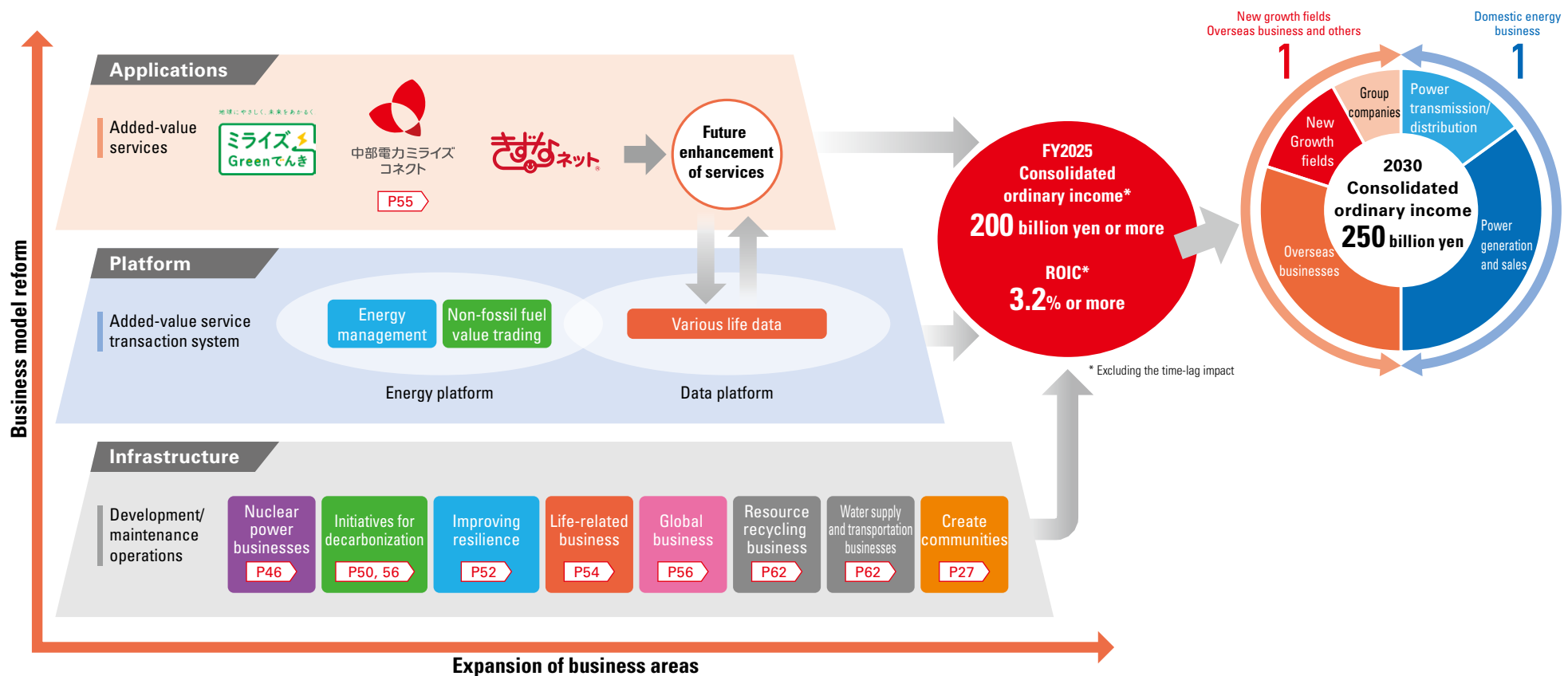
Toward 2030, we will expand our business areas from the energy business to the real estate business and resource recycling business. While doing so, we will accelerate our efforts in the platform areas mutually connecting these businesses and application areas providing high value-added services, in order to transform our business model.

Even amid the drastically changing business environment, the Chubu Electric Power Group will steadily promote the initiative described in our Management

Vision 2.0 with the aim of its quantitative targets for 2030 of achieving consolidated ordinary income of 250 billion yen and realizing a well-balanced profit portfolio.

In addition, we have defined medium-term management targets for FY2025 as a milestone toward achieving targets in our Management Vision 2.0, we aim to achieve the medium-term targets for FY2025 of consolidated ordinary income of 200 billion yen or more and return on invested capital (ROIC)\*<sup>1</sup> of 3.2% or higher.

\*1 ROIC: Return on Invested Capital



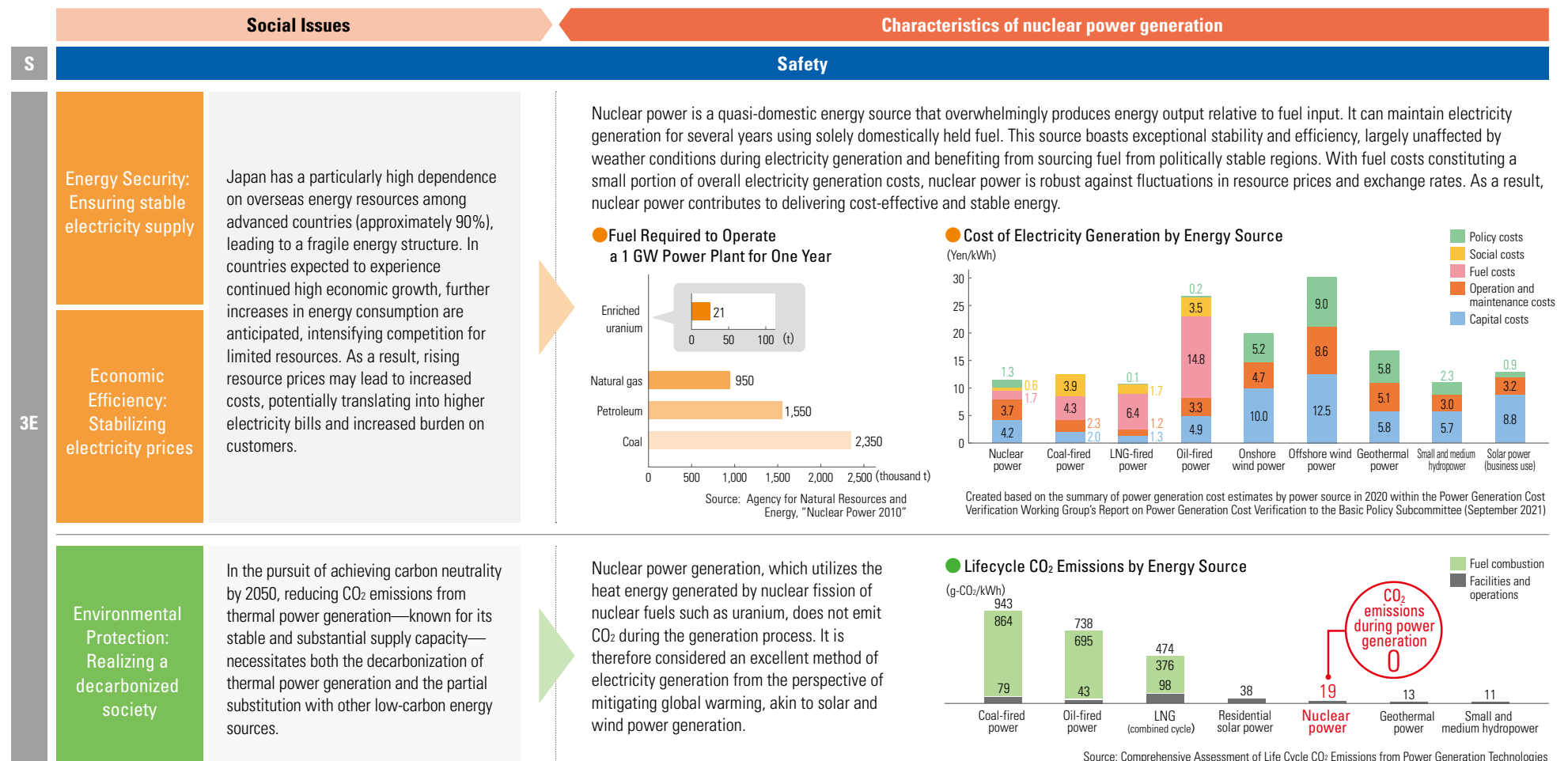


# Toward Restarting the Hamaoka Nuclear Power Station

In a highly volatile business environment, we believe that leveraging nuclear power plants is essential to achieve both the realization of a decarbonized society and the stable, safe, and cost-effective provision of energy. Furthermore, the Act for Partial Amendment of the Electricity Business Act, etc. for the Establishment of Electricity Supply System toward the Realization of a Decarbonized Society (GX Decarbonization Electricity Act), enacted in May 2023, clearly specifies the utilization of nuclear power generation as a viable option to ensure stable electricity supply, achieve a decarbonized society, and enhance energy supply autonomy.

Ensuring safety as the top priority, we aim for the early restart of the Hamaoka Nuclear Power Station in order to achieve the basic policy of energy, “S+3E\*.” By doing so, we will contribute to the realization of GX.

\*With Safety as a fundamental premise, simultaneously aim for Energy Security, Economic Efficiency, and Environmental Protection.





# Progress of Chubu Electric Power Group Medium-term Management Plan

## Results and issues for FY2023

In FY2023, although there were one-time profit-boosting factors, **consolidated ordinary income amounted to approximately 371 billion yen**, excluding the time lag impact, owing to such factors as **a decrease in supply and demand adjustment costs** at Chubu Electric Power Grid, **a decline in power supply procurement prices** at Chubu Electric Power Miraiz, and thorough **measures to enhance management efficiency**.

The business environment is expected to remain uncertain due to such factors as **resource price volatility and revisions to systems**. Nonetheless, Chubu Electric Power Group will **respond to these changes in the environment and accelerate its growth initiatives to maximize the value it provides to its stakeholders**. We will **fulfill its “unwavering mission” of providing high-quality energy in a safer, more affordable and more stable manner** in addition to **creating new value** while firmly responding to the **diversifying needs of customers and society that include achieving carbon neutrality, transitioning to a circular economy, and resolving regional issues** as well as address **demands of capital markets such for improving PBR**.

Area	Results and Issues	Direction of Responses
Energy Business Area	<p><b>Results</b></p> <ul style="list-style-type: none"> <li>● Provide affordable energy by implementing measures for reducing the burden of electricity</li> <li>● Realize stable supplies by managing optimal facilities tailored to regional characteristics</li> <li>● Contribute to CN by expanding zero-emission power sources               <ul style="list-style-type: none"> <li>▶ Progress with new regulatory standard conformity review for the Hamaoka Nuclear Power Station</li> <li>▶ Steadily develop renewable energy power sources and execute M&amp;A</li> </ul> </li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>● Power procurement considering fuel price volatility and system changes</li> <li>● Growing complexity of electricity flows due to increase in renewable energy source</li> <li>● Steady implementation of initiatives, including globally, toward CN</li> </ul>	<ul style="list-style-type: none"> <li>■ Offering prices and services closely tailored to customer needs <b>P54</b></li> <li>■ Building optimal facilities tailored to regional characteristics <b>P52</b></li> <li>■ Contributing to the realization of a CN society by developing and expanding decarbonized power sources <b>P38</b></li> <li>■ Initiatives toward restarting the Hamaoka Nuclear Power Station <b>P25,46</b></li> </ul>
New Growth Area	<p><b>Results</b></p> <ul style="list-style-type: none"> <li>● Diversify business areas by upgrading and expanding service lineup</li> <li>● Promote creation of regionally based communities, including the development of “iiNEtown Mizuho”</li> <li>● Collaborative agreements for resource recycling with local governments and companies</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>● Quickly secure earnings and provide value to customers and local communities</li> <li>● Build a new business foundation toward becoming a multi-utility</li> </ul>	<ul style="list-style-type: none"> <li>■ Provide new services that respond to customer needs and regional issues <b>P58</b></li> <li>■ Regional revitalization through the real estate business <b>P27</b></li> <li>■ Contribute to customers and local communities by providing multi-utility services <b>P62</b></li> </ul>
Management Foundation	<p><b>Results</b></p> <ul style="list-style-type: none"> <li>● Formulate human resource strategies for the utilization of diverse human resources</li> <li>● Enhance management efficiency through the advancement of DX that utilizes AI and other technologies</li> </ul> <p><b>Issues</b></p> <ul style="list-style-type: none"> <li>● Responses for realizing management with an awareness of cost of capital and stock prices</li> <li>● DX and safety initiatives in collaboration and coordination with business partners</li> <li>● Responses with consideration of compliance violation events</li> </ul>	<ul style="list-style-type: none"> <li>■ Realizing management with an awareness of cost of capital and raising PBR <b>P30</b></li> <li>■ Further raising the value of human capital <b>P32</b></li> <li>■ Compliance and governance-related initiatives <b>P10,84</b></li> </ul>



# Regional Revitalization through Real Estate Business

## Growth through wider regionalization × genre diversification



- We operate our real estate business in six areas nationwide with the aim of providing value to customers in all locations.
- We aim to achieve further growth by promoting the development of diverse asset types and increasing their value while stabilizing our earnings structure.



## Creating locally based communities centered on the Chubu area



- We contribute to regional revitalization through the creation of multi-generational inclusive communities that feature “living, business, and relaxation” with enhanced facilities and services essential for daily life.
- We contribute to the creation of safe and secure communities such as by developing facilities shared by the community based on the needs of local customers and designing facilities with a view toward times of disasters.

### iiNE town Mizuho



We are progressing with the development of iiNE town Mizuho, a multipurpose facility based on the concept of “creating a multigenerational community that supports and enriches local life” in Mizuho-ku, Nagoya city (at the site of Chubu Electric Power’s former company housing facility).

The iiNE town Mizuho includes a commercial market, restaurants, medical facilities, elderly care facilities, childcare support facilities, and condominiums in order to enhance the facilities and services necessary for daily life. Prior to the opening, the iiNE Marche multipurpose facility opened in April 2024.







# CFO Message [Toward Further Increasing Corporate Value]



## MESSAGE

### Mizutani Hitoshi

Director & Executive Vice President,  
General Manager of Corporate Management Division,  
Chief Financial Officer (CFO)

We will promote the sustainable growth of the Chubu Electric Power Group through appropriate cash allocation.

In recent years, the Chubu Electric Power Group has accelerated strategic investments to realize a decarbonized society and expand initiatives in New Growth Fields. My role as CFO is to ensure a balance between long-term investments toward the future we envision and securing solid short-term results while also considering the expectations of capital markets. I recognize that the importance of my role is growing and I have a heavy sense of responsibility in fulfilling this.

In particular, Chubu Electric Power's PBR stands below 1.0 and was 0.58 at the end of FY2023. Given this, we have positioned improving PBR as a key mission and disclosed our policy initiatives for doing so in April 2024. We will raise PBR by improving capital efficiency through target management with an awareness of the ROIC-WACC spread as well as by making deeper considerations of the appropriate level of financial leverage and presenting Chubu Electric Power's growth vision in an integrated manner from both financial and non-financial perspectives.

In terms of profitability, in FY2023 we recorded profits that exceeded the profit level set out in our medium-term management targets (FY2025: ordinary income of 180 billion yen, excluding time lag impact). I believe this performance underscores the effectiveness of measures taken to date to thoroughly enhance management efficiency and strengthen market responsiveness across the Group. In light of this situation, we have raised our medium-term management targets and are planning to increase dividends from FY2023 and forecast annual cash dividends of 60 yen per share for FY2024.

Although the business environment that includes fuel prices remains uncertain, we will allocate management resources appropriately so that we can continue to meet your expectations in a stable manner. I ask for your continued support.

## Reevaluation of Medium-term Management Targets

### Results and Issues for FY2023

Backed by a recovery in profitability in our core domestic energy business, in FY2023 Chubu Electric Power recorded consolidated ordinary income, excluding time lag impact, of approximately 371 billion yen, which significantly surpassed the target of 180 billion yen set in our Medium-term Management Plan. Nonetheless, the increase in FY2023 consolidated ordinary income was also due to temporary profit-boosting factors at Chubu Electric Power Grid, where results are subject to system-related post adjustments. Furthermore, besides ongoing uncertainty in the business environment that includes fuel prices, we face a number of lingering issues such as securing earnings in New Growth Areas and I recognize that we must further accelerate our growth initiatives.

### Reevaluation of Medium-term Management Targets

By expanding measures to thoroughly enhance management efficiency and strengthen market responsiveness across the Group, we have increased the probability of securing profits exceeding 180 billion yen from this fiscal year onwards. Additionally, we will continue working to expand and upgrade services that are chosen by customers and to reduce costs, while also striving to increase profits through strategic investments. Accordingly, we have decided to raise the targets for ordinary income and ROIC set as medium-term management targets. We aim to further improve profits and capital efficiency while making appropriate cash flow allocations.

		Management indicators	
		FY2022 results	FY2023 results
Growth potential	Consolidated ordinary income* <sup>1</sup>	Approx. ¥156 billion	Approx. ¥371 billion
	CF from operating activities (cumulative from FY2022 to FY2025)	¥295.7 billion	Approx. ¥640 billion
	Strategic investment (cumulative from FY2022 to FY2025)	Approx. ¥40 billion	Approx. ¥190 billion
Efficiency	ROIC <sup>1</sup>	2.9%	5.5%
	ROE <sup>1</sup>	6.3%	11.6%
Financial health	Shareholders' equity ratio	31.9%	36.4%
		Management Targets	Management Targets
		Current target FY2025	Reevaluation of target FY2025
		Management Targets ¥180 billion or more	Management Targets ¥200 billion or more
		Approx. ¥900 billion	Approx. ¥1,100 billion
		Approx. ¥450 billion (Review of breakdown)	
		Management Targets 3.0% or more	Management Targets 3.2% or more
		Around 7%	
		30% or more	

Ordinary income by segment (billion yen)			
Segment	FY2023 Segment results	Current target FY2025	Reevaluation of target FY2025
Chubu Electric Power Miraita	191	20-30	40-50
Chubu Electric Power Grid	95.6	20-30	
JERA	54	70-80	
Others	30.9	50-60	
Total	Approx. 371	180	200

\*1: Excluding the time-lag impact



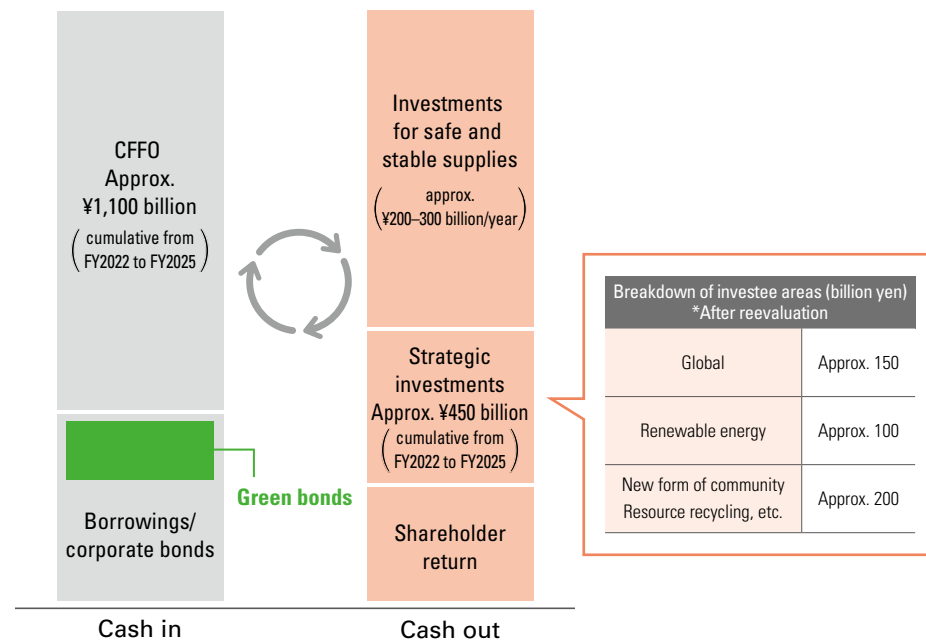
CFO Message  
[Toward Further Increasing  
Corporate Value]

## Basic approach to Investment and Capital Policy and Shareholder Returns

### [Investment policy]

Chubu Electric Power will use operating cash flow as a source of funds for investments needed for assuring a safe and stable supply of electricity and for strategic investments for business growth and development with the aim of realizing sustainable growth as we work to raise corporate value.

For investments needed for assuring a safe and stable supply of electricity, we will invest around 200 billion yen to 300 billion yen annually for increasing resilience and sophistication while thoroughly enhancing efficiency. By doing so, we will strive to achieve our Management Vision of consolidated ordinary income of 250 billion yen or more in 2030 and realize a business portfolio whereby the proportion of profits generated in the domestic energy business and New Growth Areas is balanced at 1.1. We plan to make strategic investments totaling around 450 billion yen from FY2022 to FY2025. We are currently reviewing the breakdown of our target investment fields in light of the recent investment environment.



### [Shareholder return policy]

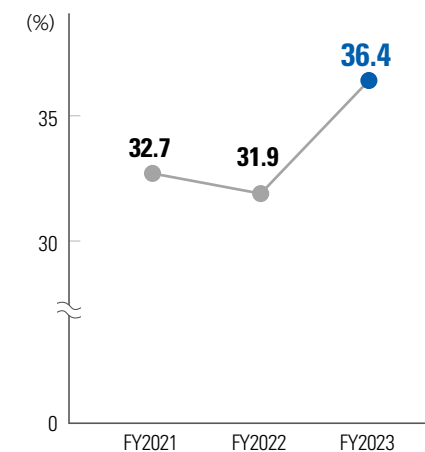
Chubu Electric Power regards returning profits to shareholders as a key mission. Based on its policy of maintaining stable dividends, we make efforts to ensure shareholder returns taking into consideration profit growth. Based on such factors as our shareholder return policy, medium-term financial condition, and capital market expectations, we increased the dividend per share to 55 yen in FY2023, and plan to increase it to 60 yen in FY2024.

### [Maintaining financial soundness]

FY2022 to FY2025 will be a period in which Chubu Electric Power expands its investments, which includes the allocation of funds to growth areas, utilizing capital accumulated through profits generated by enhancing management efficiency and other means as a source of funds. In this phase of expanded investment, there will be fiscal years when free cash flow is negative. Nonetheless, Chubu Electric Power will maintain a consolidated shareholders' equity ratio of 30% or higher as it works to ensure financial soundness.

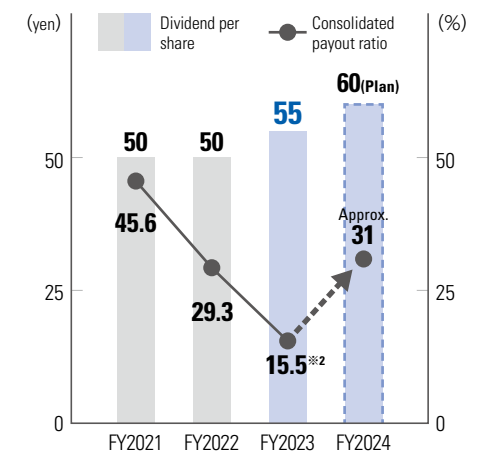
#### Shareholders' equity ratio

#### Maintain at 30% or more



#### Dividend per share/Consolidated Payout Ratio

#### Planned 60 yen/share (+10 yen compared to FY2022)



※1 After time lag adjustment

※2 The payout ratio for FY2023 is at a low level due to temporary profit-boosting factors and other factors.



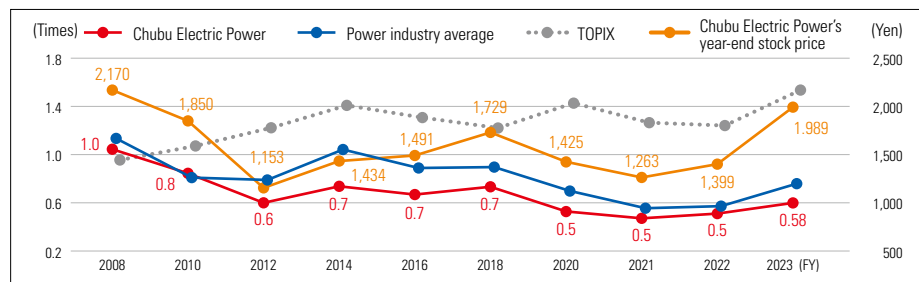
# Realizing Management with an Awareness of Cost of Capital and Stock Price (toward Improving PBR)

Chubu Electric Power is working on measures based on an analysis of current conditions to improve PBR and has positioned “deepening ROIC management” as a key initiative. As a result of thoroughly enhancing management efficiency measures and strengthening market responsiveness across the Group, and as the probability of achieving a certain level of profits from this fiscal year onwards has increased, we have raised the ROIC target level set in our medium-term management targets from 3% to 3.2%, taking into account cost of capital levels. We will continue to undertake management with an awareness of cost of capital and stock price and strive to meet the expectations of our shareholders and investors by actively engaging in dialogue with them, disclosing appropriate information, and enhancing shareholder return measures.

## Current situation analysis

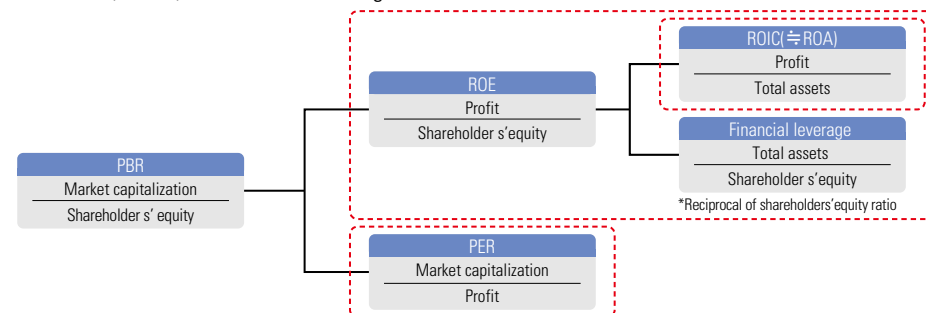
### [Trends in Chubu Electric Power's PBR]

Chubu Electric Power's PBR has declined owing to the deterioration of business results due to factors such as the shutdown of the Hamaoka Nuclear Power Station following the Great East Japan Earthquake. In FY2023, although profit levels recovered and our stock price rose, PBR remained below 1.0 at 0.58.



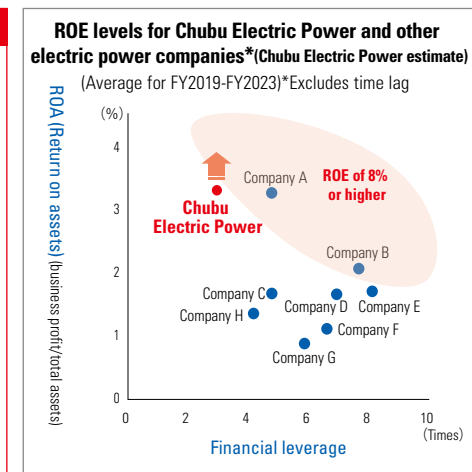
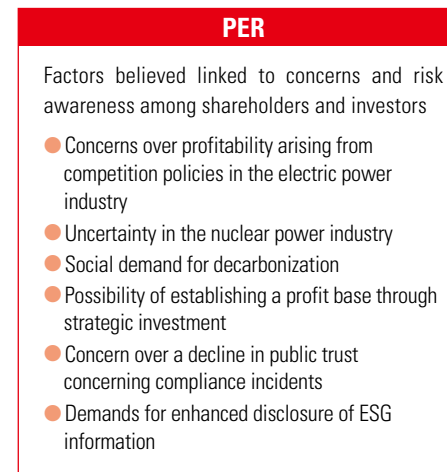
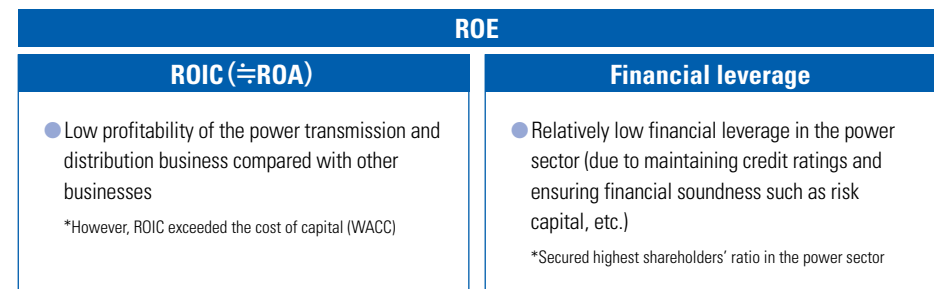
### [Analysis method]

We analyzed the reasons why Chubu Electric Power's PBR has remained low by broadly breaking down PBR into ROE (return on equity) and PER (price earnings ratio) and then breaking down ROE into ROIC ( $\approx$ ROA) and financial leverage.



### [Analysis results]

We identified the respective main factors behind low ROE and PER, such as stakeholder concerns and risk perceptions based on the characteristics of the electric power business and the high volatility of the business environment.



# Direction of Responses to Improve PBR and Initiatives

## Raise ROE: Strengthening of ROIC management

- We aim to achieve capital efficiency that exceeds cost of capital through autonomous management of each business and optimal allocation and monitoring of resources.

Elements	Perspective	Direction of Responses	Current concrete initiatives
<p>ROIC</p> <p>WACC</p> <p>Financial leverage</p>	<ul style="list-style-type: none"> <li>■ Improve profit margin</li> <li>■ Improve asset efficiency</li> <li>■ Optimize financial leverage</li> </ul>	<ul style="list-style-type: none"> <li>✓ Secure stable earnings by <b>promoting cost reductions and setting appropriate sales prices</b></li> <li>✓ Raise asset utilization rate and reduce unnecessary assets</li> <li>✓ Optimize management resource allocation</li> <li>✓ Capital structure based on <b>ratings, risk volume, and capital efficiency</b></li> </ul>	<ul style="list-style-type: none"> <li>● Review <b>standard rate menu</b> at Chubu Electric Power Miraiz</li> <li>● Increase <b>hydropower generation (raise utilization rate, etc.)</b></li> <li>● Reduce <b>cross-shareholdings</b></li> <li>● Review <b>investment plans in accordance with the investment environment</b> (selective investment in global business, etc.)</li> <li>● Continuously consider medium-to-long-term <b>optimal capital structure</b></li> </ul>

## Raise PER

- We will strive to ensure that our policies and initiatives are understood and appreciated through active dialogue and disclosure with our shareholders and investors.

Elements	Perspective	Direction of Responses	Current concrete initiatives
<p><b>Improve predictability for shareholders and investors<sup>*1</sup></b></p> <p><small>*1 Also contribute to reducing WACC</small></p> <p><b>Shareholder return</b></p> <p><b>Promote ESG management</b></p>	<ul style="list-style-type: none"> <li>■ Dialogue and disclosure with capital markets</li> <li>■ Reduce performance volatility</li> <li>■ Steady returns in accordance with shareholder return policy</li> <li>■ Improve corporate value and reduce management risk by promoting ESG management</li> </ul>	<ul style="list-style-type: none"> <li>✓ Dialogue with investors and enhance disclosure</li> <li>✓ Stabilize income and expenditures through <b>sophistication of risk management</b></li> <li>✓ Stable dividends and payout ratio of 30%</li> <li>✓ Steady initiatives for each ESG item and disclosure of non-financial information</li> </ul>	<ul style="list-style-type: none"> <li>● Dialogue with <b>institutional investors and analysts</b> (2023 results) <ul style="list-style-type: none"> <li>▶ Financial results and management plan briefings (4 times)</li> <li>▶ Meetings with IR department (150 times)</li> <li>▶ Meetings with the president, CFO, outside directors (49 times)</li> </ul> </li> <li>● <b>Risk hedging in power supply procurement</b> (options/swap transactions, etc.)</li> <li>● Announcement of <b>increased dividends</b> (2024 forecast: <b>60 yen/share</b>)</li> <li>● Transition to a <b>company with an Audit and Supervisory Committee</b></li> <li>● Incorporating items<sup>*2</sup> for <b>responding to climate change</b> into <b>executive compensation</b></li> </ul>

\*2 Degree of attainment of "2025 targets registered with GX League" for CO<sub>2</sub> emissions



## Comprehensive deployment of human resources strategy, DX strategy, and Kaizen activities

After making sure that our Kaizen activities pursue what is essential in our operations and are geared to streamline our processes, we will utilize digital technologies to increase the levels of our operational sophistication and efficiency, beginning with the visualization of financial data and business operations. We will reskill the resulting extra human resources by offering opportunities for voluntary learning and diverse career development under our human resource strategy, and while doing so, will continue to take up the challenge of expanding into growth areas. Our goal is to simultaneously fulfill our unwavering mission and create new value.



**Hiramatsu Taketo**

Senior Managing Executive Officer,  
General Manager of Safety & Health  
Promotion Office and Business Service  
Division

### MESSAGE

## Implementing initiatives that promote the growth and active roles of each individual

The Chubu Electric Power Group is promoting initiatives in the areas of “safety and health,” “DE&I,” and “workstyle” based on the belief that creating environments where diverse human resources can play active roles is an essential investment for corporate growth and employee motivation. Moreover, we are creating environments where diverse human resources can consider their own careers and autonomously take on challenges. To do so, we are promoting various measures, such as introducing an in-house recruitment system, in-house dual employment, and upgrading and expanding the qualification acquisition support system, based on three “Cs” standing for the keywords of “Chance,” “Challenge,” and “Change.” One such measures is an online learning service utilized by approximately 90% of employees, which gives me a true sense that employee awareness is changing. Going forward, employees and the Company will work in unison to create structures and environments where each individual human resource can fully demonstrate his or her abilities at each life event and career stage.

## Human Resources Strategy

Human Resources Strategy  
(Japanese version only)

To simultaneously “fulfill our unwavering mission” of providing high-quality, safe, affordable and stable energy and “create new value” by providing new services in response to changes in the business environment, our Management Vision 2.0 states that “the growth and active roles of each individual employee are essential and represents the very essence of corporate value.” We aim to be a comprehensive energy corporate group that is one step ahead in providing customers with services that exceed expectations and are committed to creating an environment that will make us the company of choice as a field where diverse human resources can play active roles over the long term.

### Two pillars of our initiatives for enabling each and every employee to demonstrate his or her capabilities

#### Creating an environment where diverse human resources can take active roles

##### All employees take action toward realizing safety

Safety information is shared among all employees

##### To stay healthy throughout one's lifetime

Maintain and improve health with wearable devices

##### Support life-work balance

Expand and upgrade paternity leave and flextime systems

#### Providing opportunities and supporting employees who meet the challenge of self-transformation

##### \\ Promote with three keywords //

##### An environment where people can learn and grow on their own

Internal recruitment and learning support systems, create an environment to realize the Vision



##### Foster a culture compatible with the Vision

Engagement survey



##### Diverse human resources taking active roles

Active roles for diverse human resources  
Upgrade and expand recruitment systems that includes hiring specialist employees







## Overall image of human resources strategy

[Link](#) human resources strategy  
(Japanese version only)

Human Capital	INPUT	ACTION		OUTPUT	OUTCOME				
	Pillars of our human resources strategy	Initiatives	KPI/KGI	FY2023 results					
<div>● Human resources with the mindsets and abilities to take on challenges</div> <div>● Human resources capable of social implementation of innovation</div> <div>● Human resources capable of pursuing the evolution of “the provision of energy”</div>	Creating an environment where diverse human resources can take active roles	Culture of safety	We will establish safe work environments based on our unwavering conviction that all injuries are preventable. <div>P63</div>	● Fatal industrial accidents*1	0	➔ 1	Demonstrate own unique abilities in accordance with every life event and career stage	Vision  A comprehensive energy company group that is one step ahead  in providing customers with services that exceed their expectations	
		Health Management	We will establish an environment where employees can work healthily and energetically based on the belief that they should remain healthy throughout their lives. <div>P64</div>	● Presenteeism*2 (degree of health and vigor) ● Absenteeism*2 (Injury and illness absence rate)	97.5% or higher (FY2024)  Less than 8.4‰ (FY2024)	➔ 95.2%  ➔ 10.3%			Realize growth and active roles that transcend the trajectory of predecessors
		DE&I	We will establish an environment where diverse human resources can play active roles in a healthy, safe, and secure manner and foster a culture of mutual recognition and trust. <div>P65</div>	● Number of female managers ● Percentage of male employees taking childcare leave*3 ● Disabled persons employment ratio	3 times the number of 2014 (FY2025) 100% (FY2025) Compliance with the legal employment rate (2.5%)	➔ 2.8 times (as of July 2024) ➔ 104.1% ➔ 2.85% (as of June 2024)			
		Workstyles	Establish an environment where employees can fully utilize their abilities according to life cycle events. <div>P65</div>	● Permeation of flexible workstyles (utilization rate for telework, My Flex System**4 usage rate = system usage of one or more times per person)	100% (FY2025) (Applicable to employees eligible for flextime)	➔ 99.5%			
	Providing opportunities and supporting employees who meet the challenge of self-transformation	Chance   Create a chance	Provide opportunities for employees to grow and take active roles in line with changes in the business environment and management strategies <div>P66</div>	● Number of My Career recruitments ● Usage rate of online learning services (Usage rate = 2 courses or more/person)	posts (FY2025) 300  100%(FY2025)	➔ 169 posts  ➔ 89.3%	Creating new value  that provides new services that respond to changes in the business environment		
		Challenge   Boldly take up challenges	Establishing environments where employees can take on new challenges <div>P67</div>	● Engagement survey overall score rating*5	[A] Third from the top out of 11 levels (2025)	➔ BBB Fourth from the top out of 11 levels			
		Change   Achieve transformation	Aim to reform existing operations and expand business areas by utilizing diverse human resources <div>P67</div>	● Percentage of mid-career recruitment in the number of hires	20% (FY2025)	➔ 25% 137 persons			

\*1 Includes accidents involving executive officers, directly employed employees, temporary staff, and contractors/subcontractors. \*2 Presenteeism is the degree to which one is able to work in a perfect state both physically and mentally (assessed by using the WLQ-J questionnaire.) Absenteeism is the degree to which one is absent from work due to illness or injury (calculated using days lost due to injuries and illnesses.) \*3 Percentage of male employees taking childcare leave and short-term leave for childcare as stipulated in the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members \*4: A workstyle in which the daily flexible settlement time is negative. Utilize extra time generated to enrich lives \*5: Measured by engagement survey provided by Link and Motivation Inc.



**Nabeta Kazuhiro**

Director & Executive Vice President  
General Manager of Corporate  
Planning & Strategy Division and  
Chief Information Officer (CIO)

## MESSAGE

### From digital implementation to digital creation – We will accelerate the promotion of DX toward achieving Management Vision 2.0.

The Chubu Electric Power Group has positioned the period up to FY2023 as a phase to implement digital technologies and has made steady efforts to transform its organizational culture and awareness, along with creating an environment and reskilling employees as needed to utilize digital technologies in daily operations. As a result, we have successfully increased the levels of sophistication and efficiency of the electric power business while flexibly responding to social and environmental changes, launched new life services through the use of data from the electric power business and provided digitalization-related support to local communities and companies for local revitalization.

As a next step, we have positioned the next two years until FY2025 as a creative phase of digital technologies. We will increase the value added to our services by fully capitalizing on the updated digital environment and organizational culture and employees' honed digital skills. This, in turn, allows us to provide value to stakeholders and enhance our corporate value.

## Promotion of Digital Transformation (DX)

Playing a part in the electricity infrastructure, the Chubu Electric Power Group will promote the development of regional economies and contribute to the sustainable growth of society through its DX.



DX initiatives of the Chubu Electric Power Group (Japanese version only)

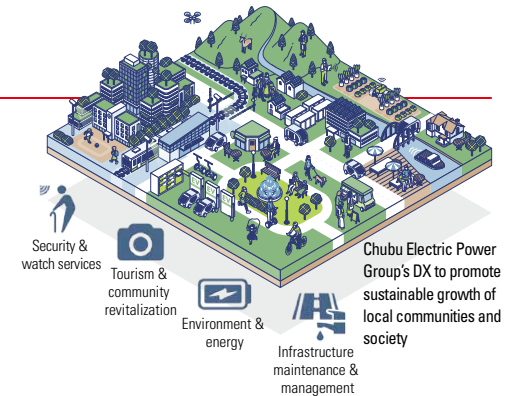
### Transformation of customer services

In order to continue sustainable growth together with local communities and society as a company rooted in the Chubu region, we will create a "new form of community" that will not just provide energy services but also realize safe, secure and convenient lives.

For local governments, we will provide the information infrastructure that underpins a business ecosystem encompassing local companies and support community development through various measures such as pedestrian and traffic analysis using AI cameras, advanced energy management and a service to detect frailty\* of local residents.

The Group will steadily support local governments in formulating their respective DX vision and creating and executing related action plans to facilitate the growth of local economies.

※Physical condition in between being healthy and requiring nursing care



[Other examples]



Regional microgrid  
(Japanese version only)



Smart meter: utilization  
of water supply data  
(Japanese version only)

### Operational reforms

We are promoting greater sophistication and efficiency of our operations by proactively utilizing AI technology.

As an example, we have been using AI to create optimum power generation plans for hydroelectric power plants and have achieved increases both in power and revenues as well as greater operational efficiency.

Additionally, we have already distributed to all employees the generative AI specifically designed for the Chubu Electric Power Group. We now use it to make proposals on facility operations and provide advice for decision-making based on our internal data, including accumulated know-how. With a view to preparing ourselves for the era of labor shortages and transforming into a company working with AI, we will conduct activities to instill AI in the Group and aim for a total of at least one million uses of AI in FY2024.

[Other examples]



Using AI to create  
hydroelectric power  
generation plans  
(Japanese version only)



Stabilizing power system  
via online means  
(Japanese version only)

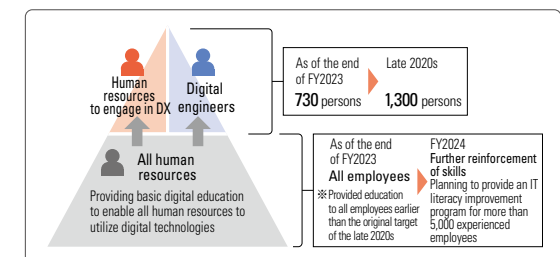
### Supporting the growth and active roles of each and every one of our human resources



Nurturing human resources to engage  
in DX (Japanese version only)

To enable all employees of the Chubu Electric Power Group to autonomously practice and promote DX, we have completed the education for increasing DX and IT literacy earlier than planned, and as a next step, will provide a curriculum to hone their skills further.

For securing human resources to more strongly promote DX, we are also nurturing human resources to engage in DX and digital engineers. The former will make plans toward operational and customer service transformations and promote associated projects. The latter will design and implement operations using their high levels of expertise in the fields of advanced data analysis and the creation of the AI environment. We effectively assign these human resources, and they are driving transformation in each business.





**Oka Toshihiko**

Executive Officer

Kaizen Promotion Office

Supervisor of Chief Kaizen Officer (CKO)

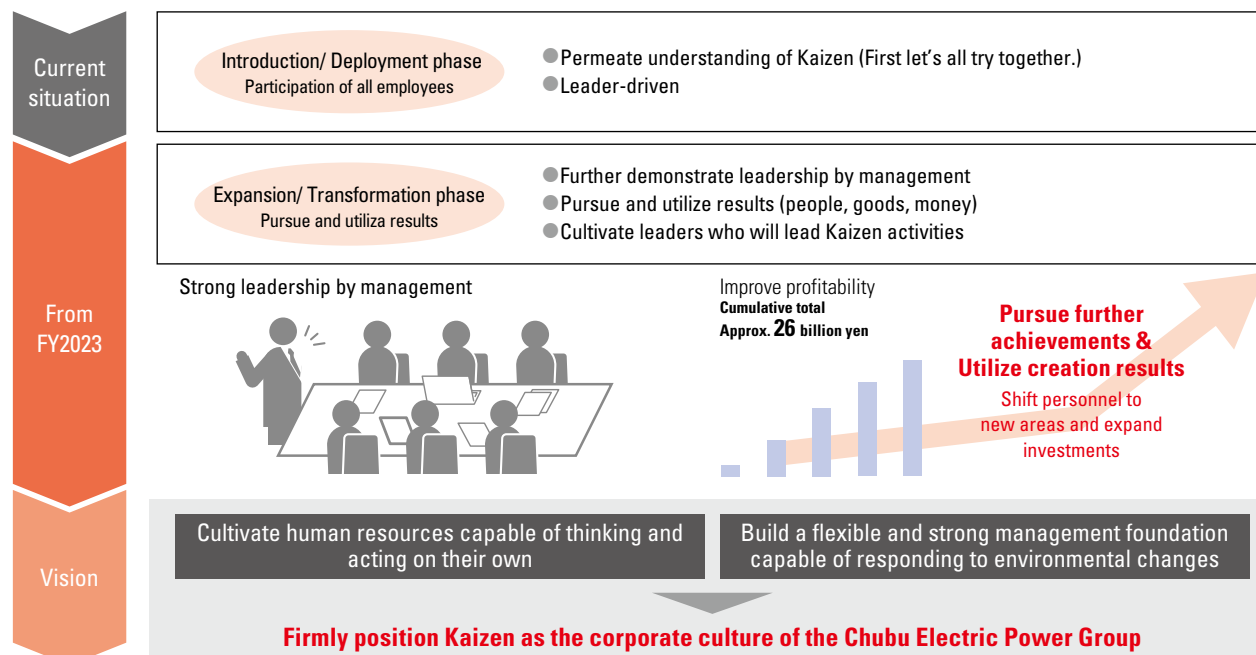
## MESSAGE

### Kaizen activities are one key pillar of management indispensable for achieving Management Vision 2.0.

“Kaizen activities based on the concept of the Toyota Production System” are now in the sixth year of implementation at Chubu Electric Power Group. We will advance toward an autonomous promotion system centered on management, with the President himself taking the lead in permeating these activities, and aim to firmly entrench Kaizen activities within our corporate culture.

Furthermore, we will improve the outcomes of our Kaizen activities by moving quickly to formulate into rules those measures we have considered until now and firmly position standard processes (post-Kaizen work procedures) in workplaces. To date, the entire Chubu Electric Power Group has worked on approximately 5,900 business improvement items and these efforts have yielded cumulative cost reductions of around 26 billion yen. We have already shifted about 850 people to new growth areas and for bolstering and sophisticating existing operations, which has enabled us to further extract “human resources” and “time” that create new value and profits. In the future as well, we will further invigorate our Kaizen activities, which are currently in a period of expansion and transformation, by deploying even greater management leadership while undertaking these activities toward autonomous promotion.

## Promotion of Kaizen activities



### President/Executive officer project

As a project to communicate to employees the degree of seriousness of Kaizen activities and the thoughts of management, an exchange of opinions was carried out with the president, who was making an on-site observation of the Renewable Energy Company's Aichi Hydraulic Center, regarding Kaizen activities and initiatives for increasing power.

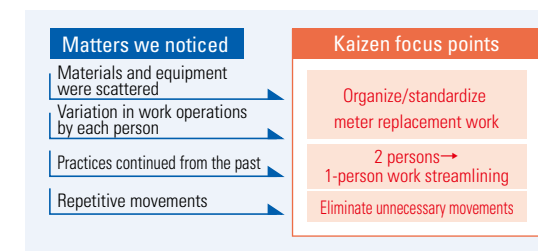


### Kaizen activity example (Chubu Electric Power Grid)

By observing work processes down to time-increments of seconds and improving and streamlining the replacement work for installation of large-capacity smart meters, we were able to both attain cost reductions (cost savings of 70 million yen/year) and ensure that work was completed on schedule.



Promotion of Kaizen activities (Japanese version only)









## Policy on intellectual property

### Creating intellectual properties that help enhance corporate value

We operate an incentive program to encourage the creation of intellectual properties for reinforcing our business foundation and expanding business areas. We also make efforts to increase employees' motivation for invention and creation through internal briefing sessions and employee education.

### Appropriately protecting and effectively utilizing intellectual properties

We work to appropriately protect the intellectual properties thus created by acquiring patents and other rights and managing them as know-how. We also work to release the intellectual properties we own for external use.

### Respecting intellectual properties of third parties

We conduct a survey on intellectual property rights held by third parties as an effort to prevent infringement of these rights. We are also active in utilizing intellectual properties of third parties, which are useful to our businesses, through licensing and other means.

## Promoting intellectual property activities



Intellectual property activities (including the number of patent applications data) (Japanese version only)



Make sure to acquire rights by identifying inventions	Strengthen efforts to identify inventions useful to business activities
	Provide education to prevent infringement of intellectual property rights held by third parties
Contribute to an expansion of the new growth area	Conduct activities to propose solutions utilizing intellectual properties and business information
	Develop an intellectual property strategy for applicable technologies in the seven priority areas of technology research and development
Enhance corporate value through social implementation	Increase opportunities to provide information on patents held by us (through our website, Group Reports, etc.)
	Participate in patent matching events hosted by public and other institutions

## Intellectual property activities that contribute to improving corporate value

In working toward the social implementation of Chubu Electric Power's patents, we are striving to raise our corporate value through social contribution activities such as introducing the role of intellectual property in the energy business by giving on-site IP lectures to the next generation while disseminating information about our patents at patent matching events hosted by the Chubu Bureau of Economy, Trade and Industry.

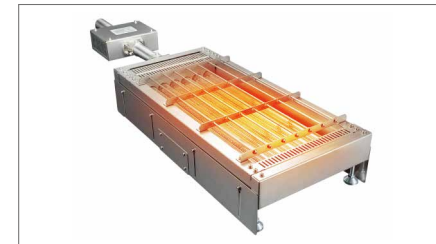


An on-site IP lecture by a Company employee at Gifu Prefectural Ginan Technical High School (Gifu city)

## Patents acquired in FY2023

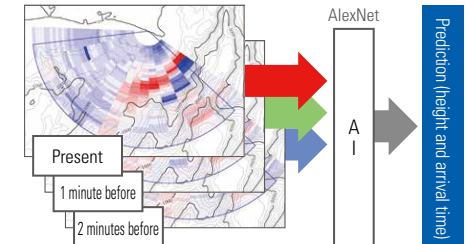
In FY2023, Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz acquired 31 patents, and 40 patent applications on a date of publication basis.

Low-pressure casting device and heater unit for low-pressure casting device (Patent No. 7313007)



This device uses infrared light during the casting process that preheats the mold and this enables highly efficient and uniform heating.

TSUNAMI HEIGHT AND TSUNAMI ARRIVAL TIME PREDICTION SYSTEM (Patent No. 7265915)



This technology can reduce the time needed for tsunami analysis calculations and reduce the occurrence of errors by predicting tsunamis based on minute-by-minute changes in images.

## Patents acquired in FY2023

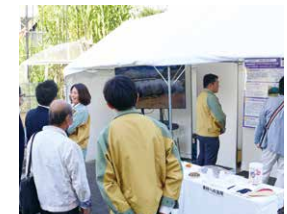


Techno Fairs (Japanese version only)



We hold Techno Fairs to enable numerous people to view our wide-ranging technological research and development initiatives.

- This event was held at the Research & Development Division in October 2023 and was attended by approximately 2,000 visitors.
- We showcased 67 exhibits, mainly the latest research outcomes in the seven priority areas of technology research and development.



## Example awards given to our technology research and development efforts

Award name	Subject of award
7 <sup>th</sup> Infrastructure Maintenance Award Excellence Award	Enhances maintenance efficiency by utilizing a condition monitoring and maintenance system for substation equipment
71 <sup>st</sup> Electrical Science and Engineering Encouragement Award	Development of load management method that uses smart meter measurement values
72 <sup>nd</sup> -Term Scientific Lecture, The Society of Materials Science, Japan (JSMS) JSMS Award for Best Presentation	Nondestructive Creep Damage Evaluation for Ni-base Superalloys of Controlled Solidification by the X-ray Laue Method





# Practicing corporate management giving consideration to climate change and natural capital

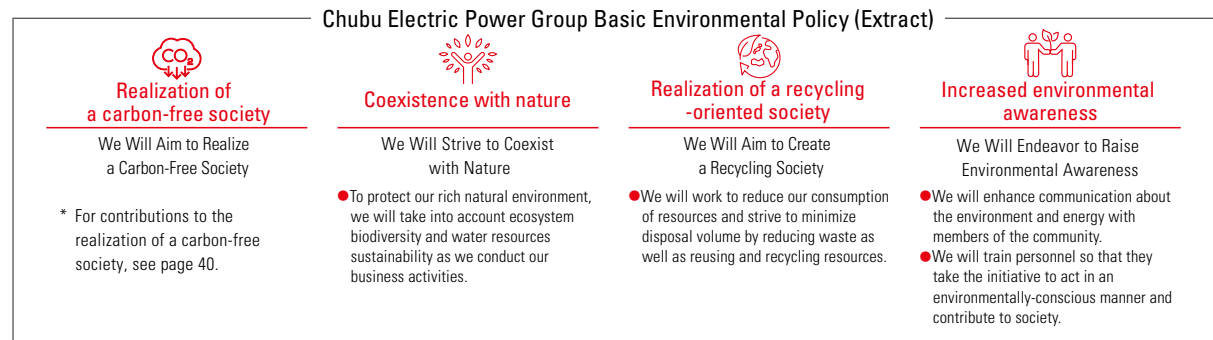
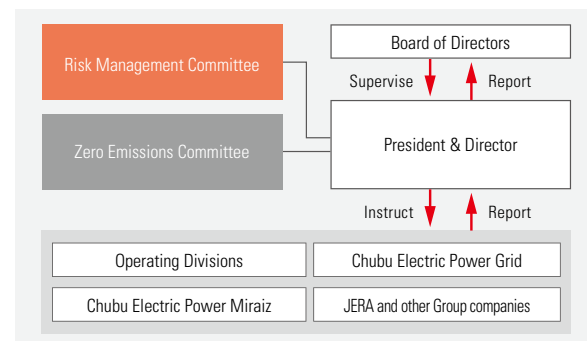
The Chubu Electric Power Group aims for sustainable growth as a total energy service corporate group that is one step ahead by providing safe and stable energy of high quality with consideration for the environment as well as a new form of community through the establishment of community support infrastructures.

To achieve these goals, the Chubu Electric Power Group has formulated its Basic Environmental Policy and has been practicing corporate management that gives consideration to such factors as climate change and natural capital.

## Disclosure based on the TCFD and TNFD recommendations



- The Board of Directors deliberates on key management matters related to climate change and the environment in general, including the progress in renewable energy development and other efforts to realize a decarbonized society, makes related decisions and receives reports from each director on the status of execution of his or her duties. By doing so, the Board monitors the execution of duties by directors. (See [P79](#) for the skills matrix in the composition of the Board of Directors)
- We use performance-based stock compensation for directors' remuneration and use the volume of CO<sub>2</sub> emissions as one of these performance indicators. (See [P80](#) for details regarding executive remuneration.)
- The Zero Emissions Committee established in March 2021 is a body placed under the direct control of the President & Director. It defines super long-term as well as medium- to long-term climate change-related goals of Chubu Electric Power and Group companies, including JERA, and formulates and evaluates action plans for achieving these goals.
- We conduct the planning and monitoring of each business as outlined on [P81](#).
- In formulating a management plan, risk owners identify and assess key risks associated with climate change and nature in general and report them to the risk management department, where they are assessed in a comprehensive manner. These key risks are also discussed at the Risk Management Committee chaired by the President & Director and reflected in management plans. Appropriate measures are being implemented after passing the corresponding resolutions at the Board of Directors.



### ● Major topics and the number of climate change-related discussions held by the Board of Directors and Zero Emissions Committee (May 2023 to June 2024)

	Major topics	
Board of Directors: 8 times (including the Board of Directors' opinion exchange meetings) *Meetings for exchange of opinions are held on a regular basis among all directors and all corporate auditors	<ul style="list-style-type: none"> <li>● Expected achievement of 2030 target <a href="#">P41</a></li> <li>● Outline of the roadmap toward decarbonization <a href="#">P42</a></li> <li>● Desirable power generation portfolio</li> <li>● Inclusion of climate change measures in director remuneration <a href="#">P80</a></li> </ul>	<ul style="list-style-type: none"> <li>Initiatives for achieving the CO<sub>2</sub> emissions reduction targets</li> <li>Roadmap for net zero CO<sub>2</sub> emissions</li> <li>Director remuneration</li> </ul>
Zero Emissions Committee: 2 times	<ul style="list-style-type: none"> <li>● Group-wide decarbonization strategy</li> <li>● Emissions Trading Scheme (GX-ETS)</li> <li>● Identification of decarbonization-related issues and setting of targets <a href="#">P40</a></li> </ul>	<ul style="list-style-type: none"> <li>Zero Emissions Challenge 2050</li> </ul>



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TCFD

Strategy

## Scenario selection/Business impact assessment

- By referring to published data including the International Energy Agency (IEA), we have selected: a **1.5°C scenario** and other scenarios for assessing **risks and opportunities associated with the transition to a carbon-free society**; and a **4°C scenario** for assessing **risks associated with physical changes, such as abnormal weather**.

Scenarios selected	1.5°C scenario	4°C scenario
Reference	◎IEA's <b>Net Zero Emissions by 2050 Scenario (NZE)</b> and <b>Announced Pledges Scenario (APS)</b> for the World Energy Outlook 2022 (WEO-2022) and the Japanese government's <b>Sixth Strategic Energy Plan</b> , others	◎Sixth Assessment Report " <b>SSP5-8.5 Scenario</b> " of the Intergovernmental Panel on Climate Change (IPCC)

	Changes in the external environment	Impact on the Group	Assessment	Period affected <sup>*1</sup>			Financial impact (annual impact: billion yen)	
				Short	Medium	Long	Impact <sup>*2</sup>	Lower profit Profit Investment
<b>Transition risk scenario</b>  Responses to risks and opportunities associated with the transition to a carbon-free society	<b>[Policy]</b> •Increase emission reduction targets •Support policies for GX investments •Review nuclear power policy •Enhance regulatory measures such as carbon pricing  <b>[Technology]</b> Evolution of carbon-free/low-carbon technologies Implementation of creative technologies through innovation •Renewable energy •Low carbonization of thermal power generation (Hydrogen, ammonia, etc.) •Safer nuclear power generation •Energy management (e.g., storage batteries)  <b>[Market]</b> Customers becoming more environment-oriented and introduction of carbon-free technologies	Operational cost increases through decarbonization investments, fossil fuel levies, and emission trading systems (paid auctions), etc. Changes in value of thermal power assets	Risks → Opportunities		●	●	<b>Large (2030)</b>	◎With the progress towards decarbonization, there is an <b>anticipated risk of a significant cost increase in thermal power generation</b> due to the gradual rise in carbon prices. We will assess the trends in carbon pricing and advance the temporal optimization of various decarbonization measures. (For every reduction of 10 million tons of CO <sub>2</sub> emissions, there is an estimated <b>reduction in impact of approximately 160 billion yen</b> <sup>*3</sup> .)
		Effect of power procurement cost reductions due to the operation of the Hamaoka Nuclear Power Station Continued suspension of operation of nuclear power plants	Risks → Opportunities	●	●	●	<b>About 260 (period not determined)</b>	◎Commencement of operation at the Hamaoka Nuclear Power Station has not been determined, as we are undergoing a review to confirm conformance with new regulatory standards. Assuming the restart of the power station now, it would <b>save annual power procurement costs by about 260 billion yen</b> <sup>*4</sup>
		Increase in profits resulting from investment for large-scale introduction of renewable energy	Opportunities ↗		●	●	<b>Small (2030)</b>	◎We will invest <b>about 400 billion yen from FY2021 to FY2030</b> for the development of renewable energy in Japan.
		Rising needs for the use of carbon-free energy and expanding demand for electrification	Opportunities ↗		●	●	<b>About 20 (2030)</b>	◎We will <b>invest about 400 billion yen from FY2021 to FY2030</b> in the global business (including renewable energy) and anticipate <b>a profit contribution of about 20 billion in FY2030</b> from the investment.
<b>Physical risk scenario</b>	<b>[Storm]</b> Increased frequency of extreme typhoons and similar disasters Intensifying flood and landslide disasters	Increase in costs for facility upgrades Increase in recovery costs	Risks ↘	●	●	●	<b>About 5-Medium (short to long term)</b>	◎We provide as a reference the actual damage caused by large typhoons (No. 21 and No. 24) in FY2018 (the largest damage incurred in the past five years).

<sup>\*1</sup> Short-term (1 year), medium-term (5 years), long-term (6 years+) <sup>\*2</sup> "Large": 50 billion yen per year, "Medium": between 10 billion yen and 50 billion yen per year, "Small": below 10 billion yen per year

<sup>\*3</sup> Regarding carbon pricing, considering multiple scenarios, short to medium-term calculations are based on non-FIT non-fossil certificate cap (1.3 yen/kWh), and medium to long-term calculations refer to IEA WEO scenarios (APS, NZE scenarios 2030 \$135-\$140/t-CO<sub>2</sub>).

<sup>\*4</sup> Estimated assuming the restart of the Hamaoka Nuclear Power Station's Units 3, 4 and 5 and based on the fuel prices and exchange rates in FY2023. The procurement cost saving effect indicates the saving effect of power supply procurement costs at Chubu Electric Power Miraiz, and does not include an increase in profit resulting from CO<sub>2</sub> reduction.

TCFD

Metrics &amp; Targets

## Zero Emissions Challenge 2050

Together with communities and our customers, we aim to simultaneously achieve “decarbonization” and “safety, stability and efficiency” through the innovation of the energy infrastructure.

2030

- We will reduce CO<sub>2</sub> emissions from electricity sold to customers by **50% or more compared with FY2013**.
- We aim for 100% electrification<sup>\*1,2</sup> of company<sup>\*3</sup>-owned and operated vehicles.

2050

- We will take on the challenge of attaining **net zero CO<sub>2</sub> emissions** for our entire business to contribute to **the realization of a carbon-free society**.



Chubu Electric Power is participating in the “GX League,” an initiative established in accordance with the “GX League Basic Concept” published by the Ministry of Economy, Trade and Industry.

#### Targets for FY2025 when GX League registration is expected<sup>\*4</sup>

- Domestic direct emissions: **50 thousand t-CO<sub>2</sub>**
- Domestic indirect emissions: **130 thousand t-CO<sub>2</sub>**
- CO<sub>2</sub> emissions from electricity sold to customers: **39.8 million t-CO<sub>2</sub>**

<sup>\*1</sup> Electric vehicles (EV), plug-in hybrid vehicles (PHV), fuel cell vehicles (FCV), etc.

<sup>\*2</sup> Excludes special vehicles such as emergency and construction -use vehicles not suitable for electrification

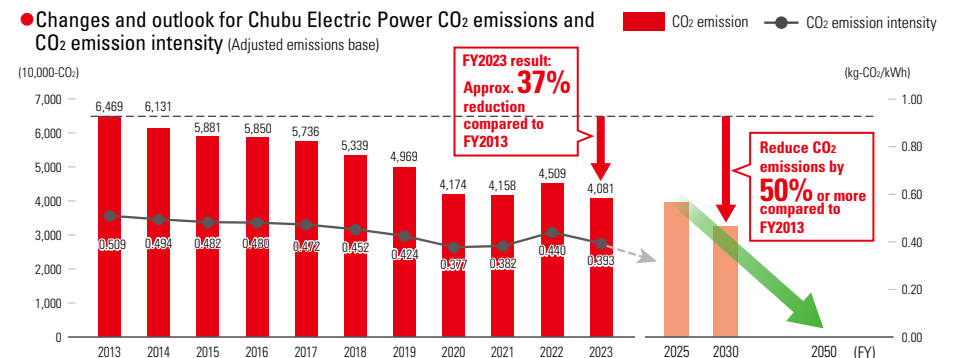
<sup>\*3</sup> Chubu Electric Power, Chubu Electric Power Grid, Chubu Electric Power Miraiz

<sup>\*4</sup> Target values of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz

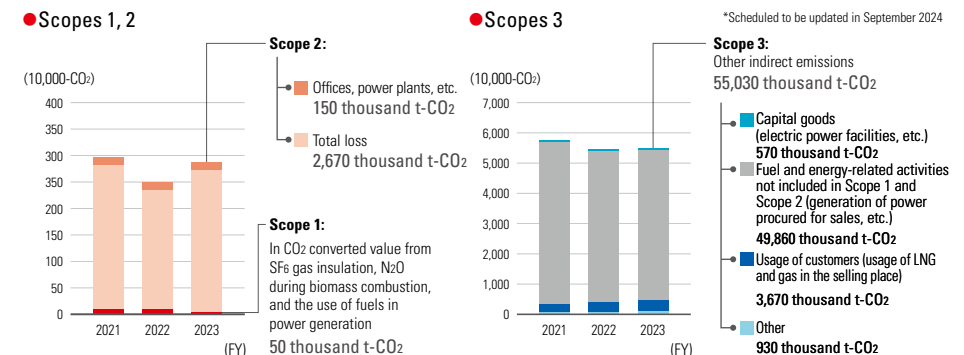
Note: Target values may be adjusted in case of changes in system design or other factors.

Metrics & Targets	FY2023 Result
CO <sub>2</sub> emissions from electricity sold to customers: 39.8 million t-CO <sub>2</sub>	40.81 million t-CO <sub>2</sub>
Domestic direct emissions: 50 thousand t-CO <sub>2</sub>	44 million t-CO <sub>2</sub>
Domestic indirect emissions: 130 thousand t-CO <sub>2</sub>	153 million t-CO <sub>2</sub>
Number of electric vehicles introduced	282

#### CO<sub>2</sub> emissions and emission intensity pertaining to electrical energy sold by the Company



#### Total greenhouse gas (GHG) emissions\* from the entire supply chain



\* GHG emissions represent CO<sub>2</sub> converted total value of CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC and SF<sub>6</sub>.

Represents a total of the three companies of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz.



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## Initiatives for achieving the CO<sub>2</sub> emissions reduction target

Initiatives for achieving the 2030 target of reducing CO<sub>2</sub> emissions derived from electrical energy sold

### Initiatives in terms of power source development

- Nuclear power generation: Restarting Hamaoka Nuclear Power Station Units 3, 4 and 5 (Restart schedule not yet determined)  
**[Maximum reduction] Approx. 8-9 million t-CO<sub>2</sub>/year**

- JERA: Shutting down inefficient coal power plants  
**[Maximum reduction] Approx. 4-5 million t-CO<sub>2</sub>/year**  
\*Preliminary calculation assuming replacement of inefficient coal power with other sources

- JERA: Ammonia substitution at coal power plants  
**[Maximum reduction] Approx. 1-2 million t-CO<sub>2</sub>/year**  
\*Preliminary calculation assuming 20% ammonia substitution at one or two 1 million kW-class coal power plants

- Developing renewable energy: Developing approx. 3,200 MW
- Promoting effective use, such as increasing the capacity factor of the existing renewable energy facilities

### Initiatives in terms of retail at Chubu Electric Power Miraiz

- Providing diverse decarbonization solutions through the participatory MINNA-DE Decarbonization Project



#### [Energy saving]

- Improving production processes and saving energy at factories and business offices (support for introduction of heat pumps and other latest equipment, consultation services, etc.)

#### [Energy creation]

- On-site and off-site solar power purchase agreements (PPAs) services, etc.

#### [Greening]

- Sale of CO<sub>2</sub>-free electricity  
2023 result: 5.9 TWh  
⇒ Increasing sale of CO<sub>2</sub>-free electricity toward 2030 while capturing the growing decarbonization needs among customers

Building a procurement portfolio encompassing power sources of other companies

Achieving the 2030 target of reducing CO<sub>2</sub> emissions derived from electrical energy sold  
(50% reduction from FY2013)

\*Estimate of CO<sub>2</sub> emissions during power generation

## Promoting green/transition financing



Green/transition financing

As an effort to support the realization of a decarbonized society, Chubu Electric Power has established the Chubu Electric Power Green/Transition Finance Framework and has been promoting fund procurement through continuous green/transition financing under the Zero Emissions Challenge 2050 initiative.

To date, we have procured funds through the issuance of green bonds, in which funds will be invested in renewable energy development and other similar projects, and transition loans, funds of which will be used for investment mainly in power distribution advancements for further renewable energy introduction.

In executing green/transition financing, we have received an evaluation of our eligibility for various green/transition finance-related standards by DNV BUSINESS ASSURANCE JAPAN K.K., a third-party evaluation firm.

### ● First Green Bonds (Issued on July 15, 2021)

Item	Amount	Installed capacity	Reduction of CO <sub>2</sub> emissions <sup>*1</sup>
Procurement amount	9.9 billion yen	—	—
Appropriated amount (of which refinanced)	9.9 billion yen (5.9 billion yen)	—	—
Breakdown	Hydro (4 locations)	4.3 billion yen	13 MW
	Biomass (1 location)	5.4 billion yen	49 MW
	Wind (1 location)	0.1 billion yen	7 MW
Unappropriated balance	—	—	—

87,791 (t-CO<sub>2</sub>/year)

### ● Second Green Bonds (Issued on May 26, 2022)

Item	Amount	Installed capacity	Reduction of CO <sub>2</sub> emissions <sup>*1</sup>
Procurement amount	19.9 billion yen	—	—
Appropriated amount (of which refinanced)	19.9 billion yen (7.7 billion yen)	—	—
Breakdown	Hydro (2 locations)	3.6 billion yen	13 MW
	Biomass (8 locations)	13.6 billion yen	466 MW
	Wind (2 locations)	2.6 billion yen	146 MW
Unappropriated balance	—	—	—

443,547 (t-CO<sub>2</sub>/year)

\*1 Calculated by: FY2023 annual power generation volume (MWh) x CO<sub>2</sub> emission coefficient (t-CO<sub>2</sub>/MWh)

For projects included both in the first and second green bonds, their respective reduction volumes were calculated based on the percentage of the amount of funds appropriated to each.

### ● First Transition Loan (Raised on November 30, 2023)

Fund usage	Project overview	Reference
Investment in power distribution advancements	Introducing and utilizing next-generation equipment to conduct the detailed monitoring of power flow, which is becoming increasingly complex due to large-scale interconnection of distributed energy resources (DER), and to enable remote and timely voltage regulation in order to respond to large-scale interconnection of renewable energy sources	Number of subscriptions to renewable energy <sup>*2</sup> Capacity connected: 16,516 MW

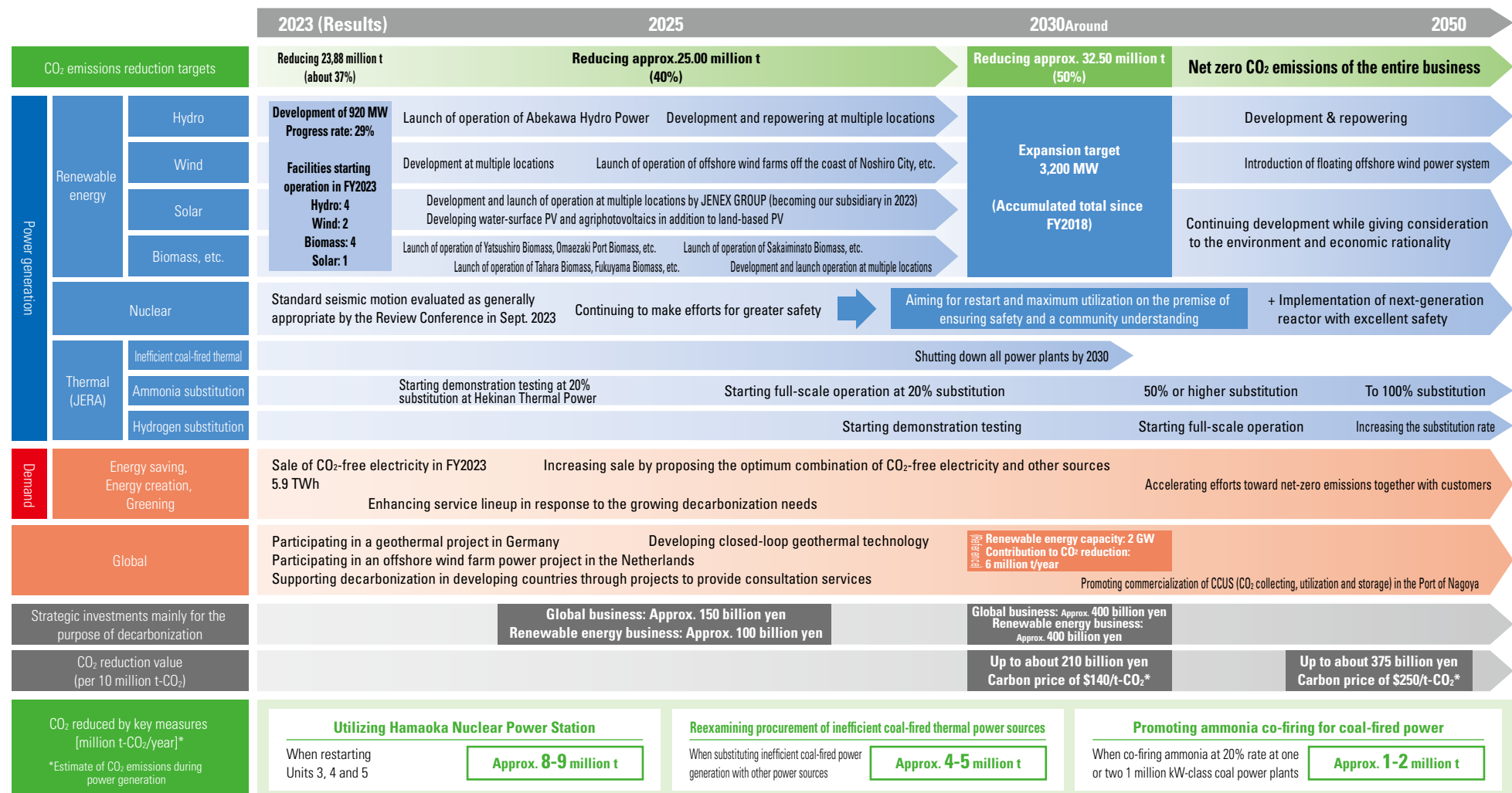
\*2 Number of subscriptions within the service areas of Chubu Electric Power Grid as of the end of FY2023



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## Roadmap for net zero CO<sub>2</sub> emissions

We will continue to engage in our ongoing efforts toward ensuring a stable supply of electricity and achieving decarbonization. The efforts include the restart of the Hamaoka Nuclear Power Station, expanding the use of renewable energy and pursuing zero-emission power sources, such as the establishment of hydrogen and ammonia supply chains.



\*Preliminary calculation at the rate of \$1 = ¥150 and using as a reference the World Energy Outlook 2023 published by the International Energy Agency (IEA)





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## TNFD Strategy

### Scoping/evaluation of impacts and dependencies

We also publish the TNFD Report separately from the Group Reports.  
Please refer to our TNFD Report for analysis details.

[Link](#) TNFD Report

#### [Scope of disclosures]

We have conducted analysis on the electricity business, a major business in our business portfolio, of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz. More specifically, the analysis covered the three businesses of nuclear power generation, renewable energy and power transmission and transformation, disclosures of which are recommended in the electric utilities sector. Our analysis on biomass power generation included fuel procurement, while that on nuclear power generation assumed the current non-operating state of our facilities and did not include evaluation of fuel procurement. We intend to expand the scope of our disclosures gradually in the future.

#### [Evaluation of impacts and dependencies on nature]

Based on our business environment and risks, we have evaluated the impacts and dependencies on nature of the subject businesses, using the ENCORE analysis tool recommended by the TNFD. Among the businesses analyzed, we have concluded that the renewable energy business in particular has high dependencies on natural capital.

Type of power generation	Process	Impacts <sup>*1</sup>										
		Land use change			Direct extraction		Climate change	Pollution				Other
		Land	Freshwater	Ocean	Water	Non-water	GHGs	Air	Water	Soil	Waste	Noise/light pollution
Nuclear	Power generation	–	Low	Low	Low	–	Very Low	Low	Low	Low	Low	Very Low
Hydro (general)	Power generation	Low	Low	–	Low	–	Very Low	–	Low	Low	–	–
Hydro (pumped storage)	Power generation	Very Low	Very Low	–	Very Low	–	Very Low	–	Very Low	Very Low	–	–
Solar	Power generation	Low	–	–	–	–	–	–	Low	Low	–	–
Wind	Power generation	Low	Low	–	–	–	–	–	Low	Low	–	Low
Biomass	Fuel procurement	Low	–	–	–	–	Low	–	Low	Low	–	–
	Power generation	–	–	–	Very Low	–	Very Low	Low	Low	Low	Low	–
Power transmission and transformation		Low	–	–	–	–	Very Low	–	Low	–	–	–

Type of power generation	Process	Dependencies <sup>*2</sup>									
		Provisioning services			Regulating services					Maintenance services	
		Surface water	Ground water	Fibers and other materials	Bio-remediation	Climate regulation	Filtration	Flood protection	Erosion control	Water flow maintenance	Water quality
Nuclear	Power generation	Low	–	–	Very Low	Very Low	Low	Very Low	Low	Low	Low
Hydro (general)	Power generation	Very High	–	–	Very Low	Very Low	Very Low	High	High	Very High	Low
Hydro (pumped storage)	Power generation	Very Low	–	–	Very Low	Very Low	Very Low	High	High	Very Low	Low
Solar	Power generation	–	–	–	–	Very Low	–	Low	Low	–	–
Wind	Power generation	–	–	–	–	Very Low	–	Low	Very Low	–	–
Biomass	Fuel procurement	Very Low	–	–	–	–	–	Middle	Low	Middle	–
	Power generation	Middle	–	High	Very Low	Very Low	Very Low	Low	Low	Middle	Low
Power transmission and transformation		–	–	–	–	Very Low	–	Middle	Middle	–	–

\*1 Impact assessment: This assessment is performed by comprehensively considering whether or not the business area is a protected area or a Key Biodiversity Area (KBA) and the impact of the business on ecosystems as well as mitigation measures.

\*2 Dependency assessment: The assessment is performed by comprehensively considering whether or not business continuity is possible if each ecosystem service deteriorates (decreases) as well as the impact on income and expenditures, and other matters.



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## TNFD Risk and impact management Business impact assessment (risks and opportunities)

The Chubu Electric Power Group has recognized that the following nature-related risks and opportunities have high impacts and frequencies.

### [Risks] (Our TNFD Reports disclose these risks along with countermeasures.)

Category	Subcategory	Business segment	Risk summary	Financial impact	Impact*	Frequency
Physical risks	Acute	Hydro	● Intensifying flood disasters causing damage, destruction or immersion of facilities (embankments, the body of a dam, dam's sluice-side console panels, power generators, power distribution boards, etc.)	● Lower operating revenues due to a decline in sales of electric power ● Incurring costs of repairs, damage compensation, etc.	Small to large	Medium to high
		Renewables (excluding hydro)	● Large-scale natural disasters causing destruction of power generation facilities (windmills, solar panels, biomass facilities, etc.)		Medium	Medium
		Power transmission and transformation	● Large-scale natural disasters causing damage, destruction or immersion of power transmission and transformation facilities (pylons, power cables, power transformation equipment, power distribution boards, etc.)		Large	Medium
	Chronic	Hydro	● Restricting power generation operations when a shortage of water is expected	● Lower operating revenues due to a decline in power generation volume	Medium	Medium
		Hydro	[Risks shown below, associated with an increase in dam sediments] ● Decline in power generation volume due to loss of water storage capability ● Power generation hindered by sedimentation in front of a water intake, etc.	● Lower operating revenues due to a decline in power generation volume ● Increase in cost of sales due to costs of counter-measures	Large	Medium
Transition risks	Reputational	Renewables in general	● Opposition movement against development due to associated environmental destruction and disaster occurrence	● Loss of business opportunities ● Increase in costs due to costs to restore to original condition and for disaster recovery	Medium	Medium
	Market	Biomass	● Tight supply of biomass fuels due to such factors as an increase in biomass power generation projects worldwide and acquisition of relevant certification becoming mandatory	● Increase in procurement costs due to a rise in market prices	Medium	Medium

\*Impact criteria: Determined while taking into account the monetary impacts when the risks occur as well as impacts on nature, among other factors

### [Opportunities]

Category	Subcategory	Business segment	Opportunity summary
Business performance	Markets & reputational	All renewables	● Rising needs for the use of carbon-free energy and expanding demand for electrification   ● Electric power needs with a focus on protecting ecosystems
		Biomass	● Growing needs for using energy from biomass power generation plants, which give consideration to materials they purchase (certified products, locally-produced biomass, etc.)
		Hydro	● User-engaging renewable energy expansion models to update the existing hydroelectric power plants
	Products and services	New businesses	[New businesses for reducing water usage in the entire society] ● Automated meter reading service for water usage via an electricity smart meter communication network; business to utilize the collected data ● Development and sales of highly efficient wastewater cleaning equipment using fine bubbles
Sustainability performance	Ecosystem protection, restoration and regeneration	Entire Group	● Business activities protecting rare plant species and raptorial birds   ● Development of conservation technology for endangered species ● Development of technologies to remove invasive alien species   ● Research on greenery projects that utilize native species ● Conducting activities to nurture forestry volunteers   ● Conducting joint research with Nagoya University to visualize forests' watershed protection capabilities
		Hydro	● Implementing eco-friendly measures at dams
		Nuclear	● Activities to improve marine ecosystems



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## TNFD Metrics and targets Disclosing metrics and setting targets

We have set natural capital-related targets from the three perspectives of biodiversity, water resources and recycling-oriented society. Going ahead, we will consider setting additional, more focused targets toward the realization of a nature-positive society.

### [Disclosure metrics recommended by the TNFD]

FY2023 results/As of the end of FY2023

No.	Driver of nature change	Metric	Disclosure
C1.0	Land/ freshwater/ ocean-use change	Total spatial footprint	[Chubu Electric Power] Hydro: 56,332,000 m <sup>2</sup> ; Nuclear: 1,794,000 m <sup>2</sup> ; New energy and others: 182,000 m <sup>2</sup> ; and Operation-related facilities: 955,000 m <sup>2</sup> [Chubu Electric Power Grid] Power transmission facilities: 8,629,000 m <sup>2</sup> ; Power transformation facilities: 7,792,000 m <sup>2</sup> ; Power distribution facilities: 3,000 m <sup>2</sup> ; and Operation-related facilities: 22,000 m <sup>2</sup>
C1.1		Extent of land/freshwater/ocean-use change	Total water withdrawal: 50,824 million m <sup>3</sup>
C2.0	Pollution/ pollution removal	Pollutants released to soil split by type	None
C2.1		Wastewater discharged	Wastewater from biomass and nuclear: 70,000 m <sup>3</sup>
C2.2		Waste generation and disposal	Industrial waste generated: 50,000 t
C2.3		Plastic pollution	Waste plastics included in industrial waste: 2,000 t
C2.4		Non-GHG air pollutants	SOx emissions: 2 t; NOx emissions: 84 t
C3.0	Resource use/ replenishment	Water withdrawal and consumption from areas of water scarcity	None
C3.1		Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Operation data of Yokkaichi Biomass Power Plant: Wood pellets of approx. 150,000 t; Palm tree coconut shells of approx. 60,000 t
C4.0	Invasive alien species and other	Measures against unintentional introduction of invasive alien species (IAS)	We implement necessary quarantine measures for fuels used in biomass power generation, which are procured from overseas.
C5.0	State of nature	Ecosystem condition, Species extinction risk	(Disclosure to be enhanced in the future)
C7.0	Risk	Value of assets, liabilities, revenue and expenses that are assessed as vulnerable to nature-related transition risks	We have concluded that we have no assets that are assessed as particularly vulnerable to transition risks in the businesses analyzed.
C7.1		Value of assets, liabilities, revenue and expenses that are assessed as vulnerable to nature-related physical risks	We have recognized that hydroelectric power plants are more vulnerable to flood risks than other assets due to their locations. Book value of hydroelectric power plants: 271.1 billion yen (excluding land)
C7.2		Description and value of significant fines, etc. in the year due to negative nature-related impacts	None

\*We will enhance disclosures for opportunity-related C7.3 and C7.4 indicators in the future.

### Biodiversity

We are committed to the conservation of biodiversity through consideration of ecosystems in our business activities and efforts in technological development and research.

#### Goal Ensure ongoing efforts to conserve ecosystems

- **Environmental assessment:** When executing a project, we investigate, estimate and assess its impact on the environment in accordance with relevant laws and regulations and implement appropriate environmental conservation measures while listening to the opinions of local community members.
- **Protection of rare plant species and raptorial birds:** During construction projects involving power transmission lines, power generation plants and substations, we implement strategies to prevent the loss of rare plant species. This includes relocating plants and reducing the construction footprint. Furthermore, we modify construction procedures and helicopter flight paths to protect raptorial birds. Upon project completion, our efforts extend to rejuvenating the natural environment in the vicinity, with the goal of minimizing the impact on ecosystems.
- **Development of conservation technology for endangered species:** We have taken measures to protect endangered species such as the Aconitum kiyomiense, a flowering plant found on our company-owned lands and in the vicinity of power facilities. Our efforts include gaining insights into their physiology and ecology, developing propagation techniques and implementing active conservation measures.
- **Control of invasive alien species:** We have established a chemical spraying program to gradually reduce and eradicate the specific invasive alien species known as burr cucumber. Additionally, we participate annually in the removal of invasive Phyllostachys edulis bamboo at green spaces owned by the city of Nagoya.



Kiyomi-torikabuto(Aconitum kiyomiense)

### Water resources

We are committed to the sustainable management and efficient utilization of water resources.

#### Goal Minimize water usage in our offices

#### Goal Minimize environmental impact through responsible water resource utilization

- **Water conservation in offices and increased employee awareness of water conservation:** We work to raise water-saving awareness of employees and reduce water use by proactively introducing water-saving sanitary equipment as a measure to save water and by calculating and visualizing the amount of water used by each employee.
- **Forest preservation activities including the protection of watershed protection forest:** We are engaged in activities to preserve Uchigatani Forest and other forests.
- **Appropriate use of water in dam operations:** We conduct dam discharge to keep the required river flow volume in order to protect animals and plants as well as fisheries and landscapes and ensure the cleanness of river water.

### Recycling-oriented society

We promote resource conservation, waste reduction and the reuse/recycling of resources to minimize disposal.

#### Goal Achieve a recycling rate of over 95% for industrial and other waste

- **Recycling rate of industrial and other waste: 98.3% (FY2023 result)**

# Toward Improving the Safety and Reliability of the Hamaoka Nuclear Power Station



We will work with all our efforts toward the early restart of the Hamaoka Nuclear Power Station, ensuring thorough communication with the local community and prioritizing safety above all else.

With a strong determination never to repeat an accident similar to the one that occurred at the Fukushima Daiichi Nuclear Power Station, we are voluntarily putting in place safety improvement measures at the Hamaoka Nuclear Power Station. Units 3 and 4 are currently undergoing a review to confirm conformance with the new regulatory standards.

In September 2023, the seismic motion required for plant design was determined. We are also making efforts to determine tsunami protocols for plant design and then conduct a plant safety review.

We are also setting up a disaster prevention system and enhancing education and training programs internally while further strengthening the cooperation with national and local governments for constant improvement of our emergency responses including the evacuation of residents.

In order to secure a stable energy supply for the future while responding to such issues as fluctuations in fossil fuel prices and global warming, Chubu Electric Power believes that it is essential to operate nuclear power generation continuously as an important power source.

We will continuously make every effort to ensure early compliance with the new regulatory standards and work diligently to gain the understanding and trust of the local community.

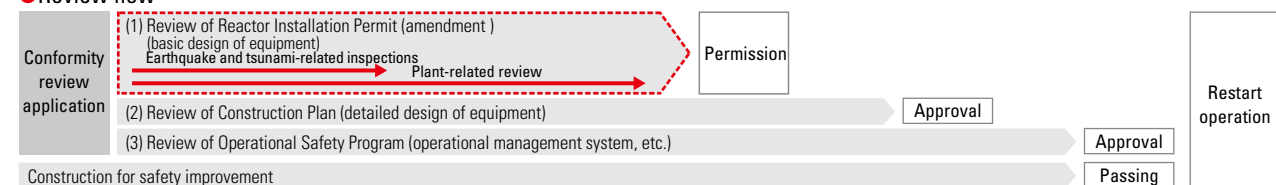
## [Responding to reviews for confirming conformity to new regulatory requirements]

Based on reflections and lessons learned from the accident at the Fukushima Daiichi Nuclear Power Station, the Nuclear Regulation Authority was established and new regulatory requirements were enforced (July 2013).

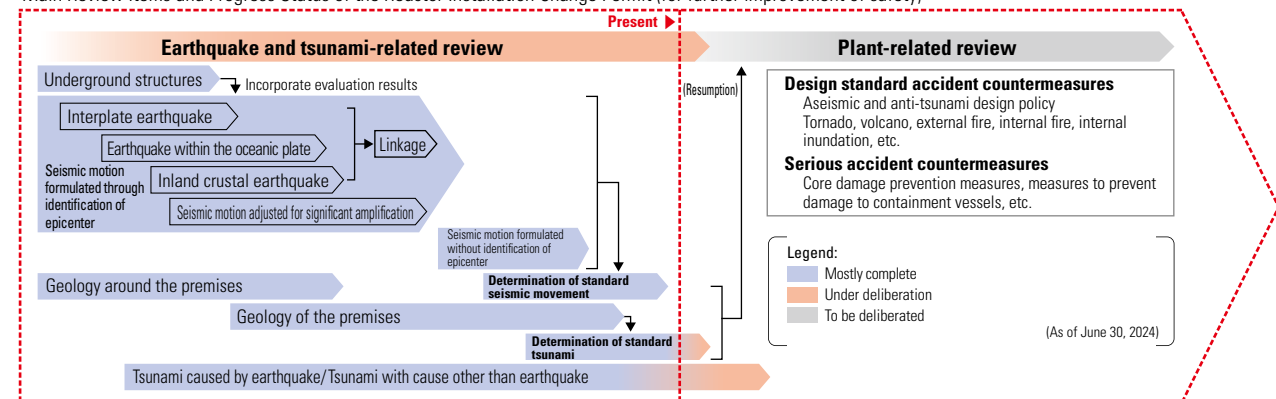
Reviews to confirm conformity to the new regulatory requirements include (1), (2), and (3) shown in the diagram below and the Nuclear Regulation Authority will implement these incrementally after the application is received from the utilities.

After confirming standards of seismic motion and tsunami (those standards will ensure the seismic and tsunami safety for facilities that are crucial in terms of safety) that are generally confirmed during the earthquake and tsunami-related inspections, the Nuclear Regulation Authority moves on to plant-related inspections based on the results of the earthquake and tsunami-related inspections.

### ● Review flow



Main Review Items and Progress Status of the Reactor Installation Change Permit (for further improvement of safety)

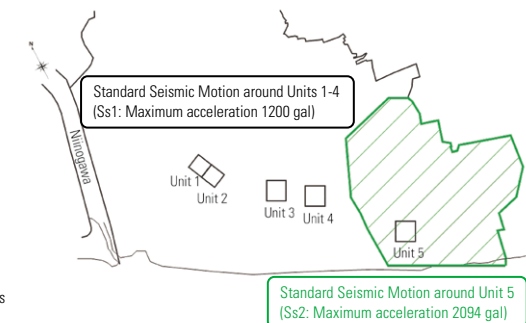


## [Standards of Seismic Motion and Tsunami]

After the September 2023 review, it has been confirmed that the standard seismic motion is generally considered appropriate. The evaluation of standard tsunami protocols is nearing completion with assessments concluding that they are generally suitable for earthquake-triggered tsunamis, non-earthquake-related tsunamis, and the combinations that in effect constitute standard tsunamis.

Evaluation Items	Evaluation Results
Standard Seismic Motion	1200 gal / 2094 gal*
Standard Tsunami	25.2 m

\*Due to significant amplification observed during the 2009 Suruga Bay Earthquake around Unit 5, individual evaluation was conducted (indicated by the green hatched area in the diagram to the right).

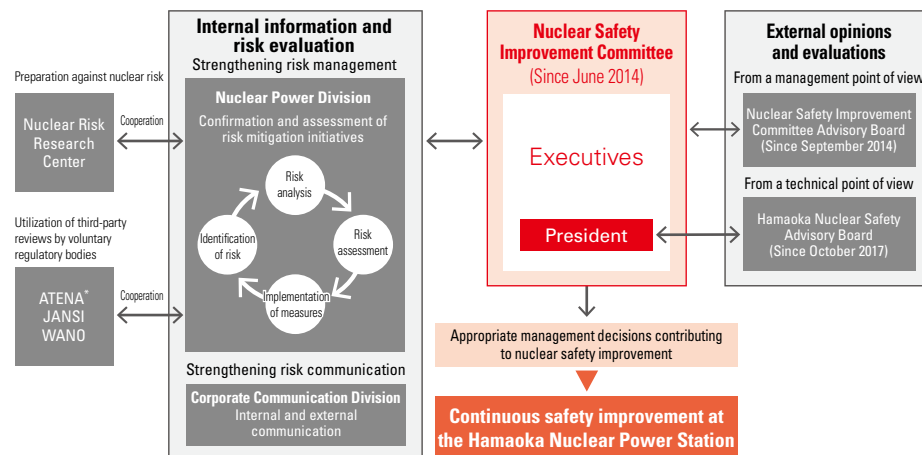


## Activities to reduce risks

The Hamaoka Nuclear Power Station has always worked to improve the safety level of its operation by applying the latest knowledge.

Additionally, since the accident at the Fukushima Daiichi Nuclear Power Station, we will not only ensure compliance with the new regulatory standards but also address risks such as radiation accidents and make efforts to minimize the risks, and promote voluntary and ongoing initiatives to improve safety.

### ● Governance structure



\* ATENA: Atomic Energy Association, JANSI: Japan Nuclear Safety Institute, and WANO: World Association of Nuclear Operators

### [Strengthening governance]

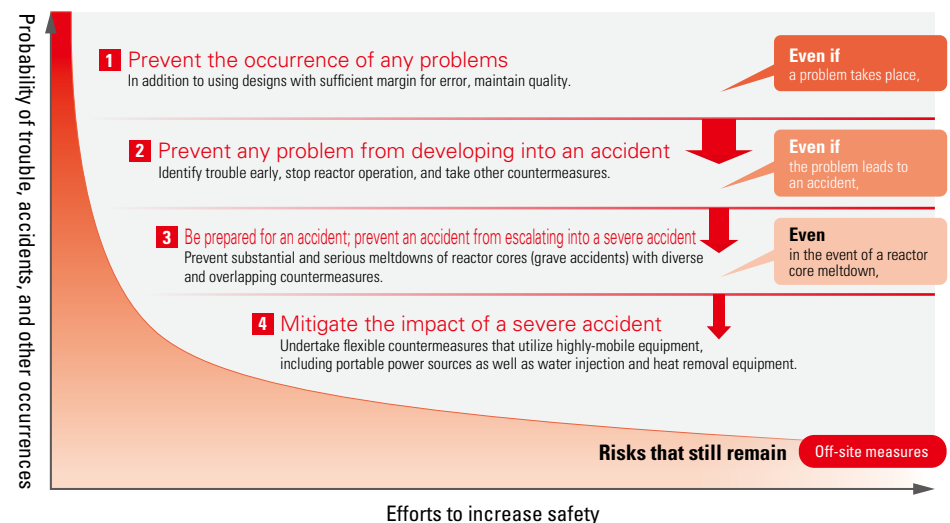
We have established a framework whereby management led by the President analyzes and assesses nuclear safety risks, and monitors and appropriately deliberates the details of the safety measures. We have also established a system under which outside experts provide advice on these initiatives from a management and an on-site technical perspective.

### [Strengthening risk management]

Previously, we had addressed problems and human errors that had materialized as risks but we have recently expanded the scope of risk assessment to various information including the status of the equipment at the power stations and observations on the activities in order to initiate improvements before the risks actually materialize, thereby preventing incidents before they occur.

By also utilizing the new examination system introduced from FY2020, which focuses on voluntary safety management, we are improving safety by combining independent initiatives as a nuclear operator with regulatory activities that oversee and assess such initiatives.

### ● (On-site) Initiatives to reduce risk within the power station (image)



We are not only ensuring compliance with the new regulatory standards but also implementing safety improvement measures in order to minimize risks as much as possible.

### Present status of reactors at the Hamaoka Nuclear Power Station (As of July 1, 2024)

Unit (Commenced operations)	Output (MW)	Present status
Unit 1 (March 1976)	(540 MW)	●Decommissioning process underway Dismantling of surrounding equipment and the decontamination of the reactor are underway one after another. (Operation discontinued on January 30, 2009)
Unit 2 (November 1978)	(840 MW)	
Unit 3 (August 1987)	<b>1,100 MW</b>	●The Nuclear Regulation Authority is currently investigating and confirming compliance with new regulatory standards.
Unit 4 (September 1993)	<b>1,137 MW</b>	●Safety improvement measures are currently being implemented.
Unit 5 (January 2005)	<b>1,380 MW</b>	●Preparing applications for investigation and confirmation of compliance with new regulatory standards ●Safety improvement measures are currently being implemented.





Toward Improving the Safety  
and Reliability of the Hamaoka  
Nuclear Power Station

### [Responses inside the power station]

We are strengthening diverse and overlapping measures for facilities in order to prevent accidents from occurring as well as being prepared when accidents occur and taking measures to strengthen our on-site response capabilities so that the facilities function effectively.

- ① Preventing the flooding of the premises  
Installing tsunami protection wall



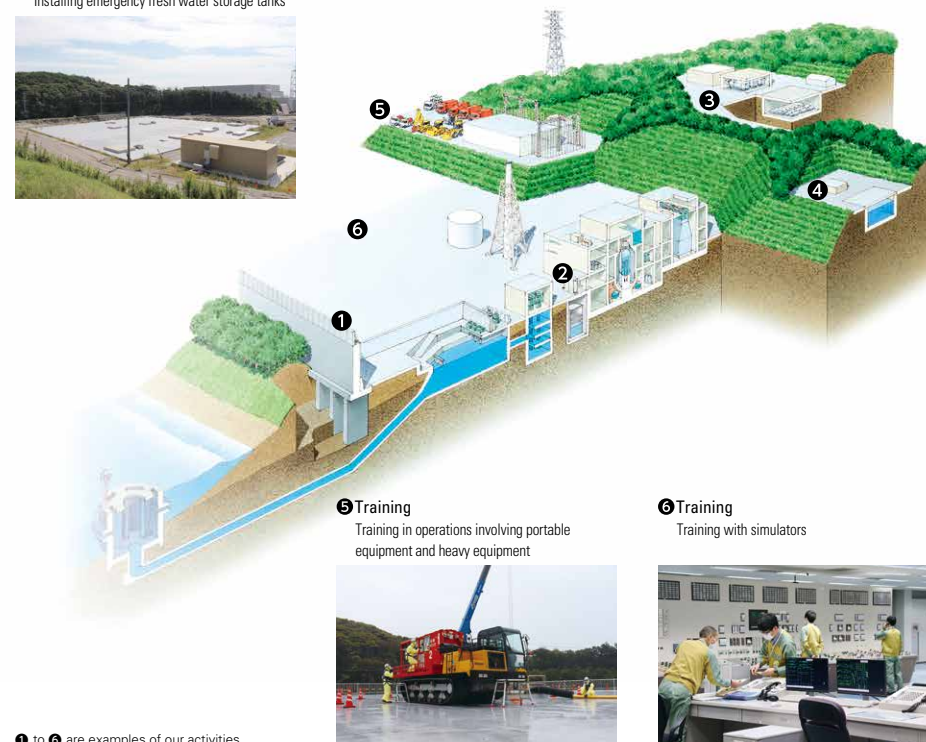
- ② Preventing the flooding of the buildings  
Installing reinforced doors and watertight doors



- ③ Securing alternative means of  
supplying power sources  
Installing gas turbine generators for emergencies



- ④ Securing alternative means of water  
injection  
Installing emergency fresh water storage tanks



- ⑤ Training  
Training in operations involving portable  
equipment and heavy equipment



- ⑥ Training  
Training with simulators



① to ⑥ are examples of our activities.

### [Responses outside the power station]

While we promote initiatives to reduce risks by strengthening governance, risk management, and facility countermeasures/on-site response capabilities, we still assume that risks will not disappear completely. Hence, we have been strengthening cooperation with national and local governments, relevant agencies, and nuclear power business operators to prepare for any nuclear disaster including the release of radioactive materials.

#### Relationship with the national and local governments and related organizations in an emergency



\*1 A local emergency operation center sets up at off-site far away from on-site to implement emergency measures during nuclear emergency situation.

\*2 Japan Atomic Energy Agency (JAEA), etc.



Exercise coordinating with national and local governments and related organizations (January 2023)

\*Canceled in January 2024 due to the impact of the Noto Peninsula earthquake.



Collaborative drill with Tokyo Electric Power Company Holdings, Inc. (February 2024)

#### Collaboration and cooperation with Omaezaki City, Makinohara City, Kakegawa City and Kikugawa City

Chubu Electric Power has entered into a three-party agreement of ensuring the safety of persons requiring evacuation assistance\* with Omaezaki City and Makinohara City. Chubu Electric Power has also entered into a similar agreement with Kakegawa City and Kikugawa City individually. We have been strengthening mutual cooperation through joint training with local governments.

\* Elderly and other persons who cannot evacuate on their own and need assistance



Drill to set up radioprotective air shelters used as a temporary evacuation shelter for persons requiring evacuation assistance in collaboration with Omaezaki City (November 2023)



Radiation measurement training at radioprotective air shelters in collaboration with Kikugawa City (January 2024)



Toward Improving the Safety  
and Reliability of the Hamaoka  
Nuclear Power Station

### [Strengthening risk communication]

By utilizing various opportunities, we explain our efforts made at the Hamaoka Nuclear Power Station. At the same time, we conduct ongoing activities to listen to the voice of local residents and respond earnestly to their concerns, questions, and opinions.



#### Power station tours

We host tours of the Hamaoka Nuclear Power Station for local residents and companies in the areas around the power station to explain a mechanism of nuclear power generation and other related topics and provide an opportunity for them to actually see the station's safety improvement measures on-site.



#### Opinion-exchange meetings and briefings

We hold opinion-exchange meetings with local residents in the areas around the power station to talk about questions and concerns about nuclear power generation and other matters of interest in a group work format to deepen mutual understanding. We also provide briefings on the latest status of the power station at meetings of local residents' associations and other occasions.



#### Power plant "caravans"

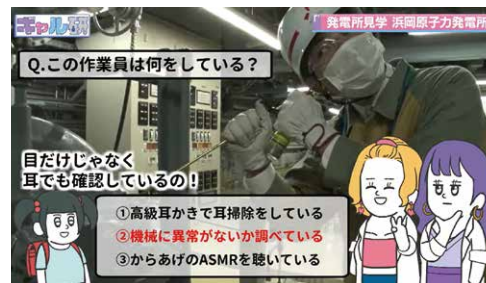
We address questions and concerns about energy and the Hamaoka Nuclear Power Station that visitors may have at locations such as the Hamaoka Nuclear Power Museum, regional commercial facilities, and events.

### Animation series "Energy Doctor's Laboratory"

This series of short animations follows the two main characters, Enemi and Rugiko, who work as assistants in a laboratory, learning about energy from a doctor while incorporating humor. It also introduces aspects of Hamaoka Nuclear Power Station, including an overview and daily inspection operations.

\* For more details, please visit the YouTube channel

[Link](#) Animation series "Energy Doctor's Laboratory"  
(Japanese version only)

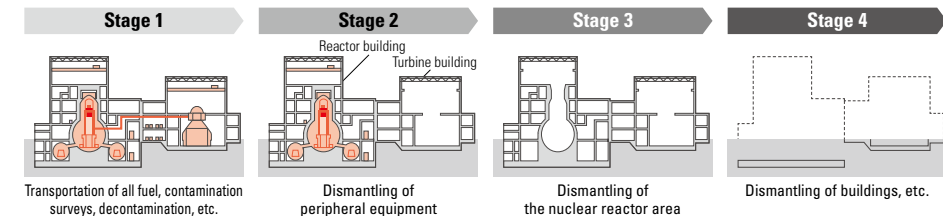


### Status of decommissioning of the Hamaoka Nuclear Power Station Units 1 and 2

Starting from fiscal 2024, Units 1 and 2 of the Hamaoka Nuclear Power Station will enter the third stage of decommissioning. In this stage, efforts will focus on dismantling the reactor area, including internal structures and pressure vessels.

Furthermore, efforts will continue to utilize the clearance system to reduce and recycle dismantled waste materials, aiming to minimize environmental impact.

In the future, based on the premise of ensuring safety, Chubu Electric Power will continue to steadily proceed with decommissioning as the front-runner responsible for Japan's first decommissioning of a commercial light water reactor.



### TOPICS

#### Hamaoka Nuclear Power Station's Shippai Ni Manabu Kairo certified as Maintenance Heritage

In June 2023, Shippai ni Manabu Kairo (lit. "Learning from Past Mistakes Gallery") inside the Hamaoka Nuclear Training Center at the Hamaoka Nuclear Power Station was certified as the 10th Maintenance Heritage by the Japan Society of Maintenology.

The Maintenance Heritage aims to promote the advancement, dissemination, and societal contribution of maintenance studies. It recognizes equipment, technical materials, and exhibits in museums as artifacts acknowledged as both maintenance-related heritage that endures in history and as cultural heritage of humanity.

Shippai ni Manabu Kairo has been recognized and certified as a Maintenance Heritage for its "historical value" in preserving lessons learned from past accidents and incidents, as well as for its role in passing down accumulated expertise without allowing it to fade away.







# Renewable Energy Business

Development and popularization of renewable energy and power generation business based on renewable energy sources

## Strengths

- **Connections with diverse stakeholders cultivated over long years of power source development and power generation businesses**
- **Strong technological and project development capabilities for providing value in renewable energy including Group companies**

### Risks

- Competition with other power producers
- Intensification of natural disasters
- Increase in maintenance cost for existing power sources

### Opportunities

- Growing importance of decarbonization and energy security worldwide
- Accelerating moves toward achieving carbon neutrality and making renewable energy into the mainstay power source in 2050 with the enactment of the GX (Green Transformation) Promotion Act and GX Decarbonized Power Source Act
- Rising customer needs for renewable electricity such as RE100

## Efforts

### Accelerated development of renewable energy power sources

- Development and expansion of ownership of offshore wind power, onshore wind power, biomass, hydropower, solar power, and geothermal power
- Update, reinforce, conduct Kaizen activities and DX promotion for existing power supplies to increase output, increase power, and operate efficiently

### Ongoing expansion of renewable energy together with our customers

- Construction and maintenance of equipment by Group companies
- Provide decarbonization services suited for customers' issues

## Targets

### Expansion of renewable energy\*

- Expansion of 3,200 MW (8 billion kWh) or more by around 2030
  - Strategically invest around 400 billion yen mainly in renewable energy businesses
- \* Provision of value in renewable energy, including ownership, construction, and maintenance

### Ensuring the development of new power sources

#### Major development locations (planned fiscal year for commencement of operation)

- FY2024 Abekawa Hydro Power (Shizuoka), Yatsushiro Biomass (Kumamoto)
- FY2025 Tahara Biomass (Aichi), Fukuyama Biomass (Hiroshima)
- FY2026 Sakaiminato Biomass (Tottori)

### Expansion of renewable energy together with our customers

- Over 400 customers to utilize our on-site PPA service by FY2024



Left: Seinaiji Hydro Power, Upper Middle: Wind farm Toyotomi, Lower Middle: Shizugin Solar Park, Upper Right: Tahara Biomass, Lower Right: Abekawa Hydro Power

We will contribute to raising Japan's energy self-sufficiency rate and to realizing a decarbonized society by expanding the use of renewable energy that we will promote together with society and customers.



## Nakahata Tadashi

Senior Managing Executive Officer  
President  
Renewable Energy Company

The Chubu Electric Power Group has set a goal of expanding renewable energy to 3,200 MW (8 billion kWh) or more by around 2030. To achieve this goal, we are leveraging the project development capabilities we have cultivated over many years in the power generation business to actively pursue development initiatives in collaboration with local communities and our customers.

In fiscal 2023, Chubu Electric Power began operations at the Seinaiji Hydro Power Station, marking the 200th hydroelectric power plant for the company. Additionally, with the acquisition of JENEX GROUP as a wholly-owned subsidiary, we are accelerating the development of new solar power stations and other ventures to meet the needs of customers for non-fossil values.

In existing hydroelectric power plants, we are promoting Kaizen activities and digital transformation (DX) to strengthen equipment, improve maintenance efficiency, and increase power generation.

We will continue to work on power source development and the effective utilization of existing power sources nationwide, while gaining understanding from local communities, to contribute to the realization of a decarbonized society.

## Vision

### Mission

Work in unison as a group in developing 3,200 MW or more by around 2030

Contribute to improving the non-fossil fuel ratio and making renewable energy sources the mainstay of energy sources

Realize stable and inexpensive power generation

### Initiatives

Steady development and promotion of renewable energy projects

All measures such as strategic investment

Maximize the use of existing facilities

Protect the earth.  
Change the future.  
Renewable energy

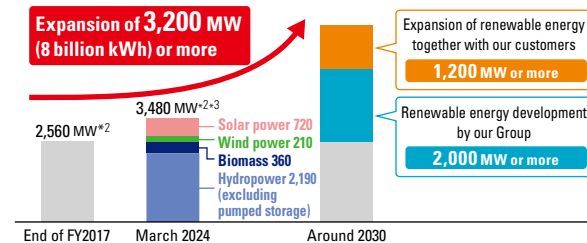
Contribute to the realization of a decarbonized society



Mamoru the Forest Green Tree Frog

### Efforts to expand renewable energy

By accelerating the development of renewable energy sources and expanding renewable energy together with customers, we aim to achieve 3,200 MW (8 billion kWh) or more\*<sup>1</sup> in renewable energy by around 2030. Regarding the state of progress as of the end of FY2023, the Group's overall renewable power generation capacity was approximately 920 MW\*<sup>1</sup>, about 29% of the target.\*<sup>2</sup>, \*<sup>3</sup>



\*<sup>1</sup> Locations that started operations or a decision on development has been made in FY2018 or later

\*<sup>2</sup> Includes projects for which a decision on development has already been made but operations have not started

\*<sup>3</sup> Capacity includes Group companies

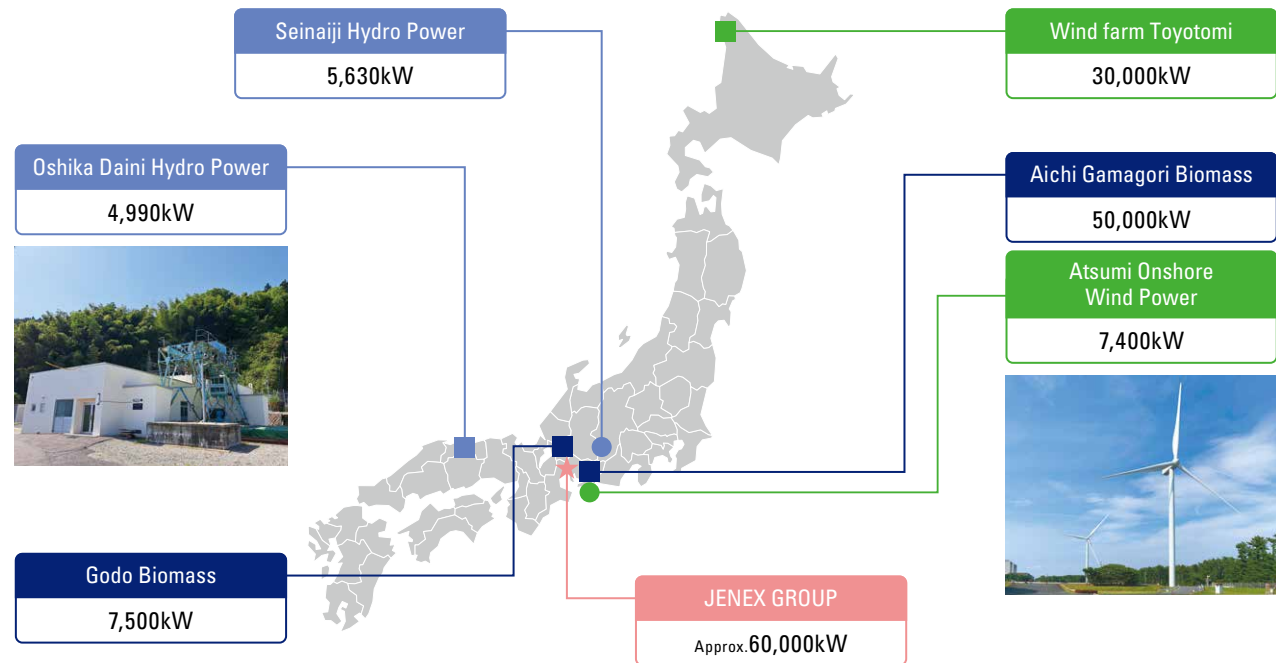
### Participation in PFI Project for Hydroelectric Power Facilities

Utilizing our expertise in hydropower, we have been participating since 2020 in Japan's first concession-method\*<sup>4</sup> PFI (Private Finance Initiative) endeavor for hydropower facilities\*<sup>5</sup>. This project involves the redevelopment and operational management of four hydroelectric power plants owned by the Tottori Prefecture Public Enterprise Bureau. In fiscal 2023, we completed the redevelopment and started operating the Oshika Daini Power Station, the second site to go online. Redevelopment of the remaining two power plants is ongoing, with plans to begin operations in fiscal 2024.

\*<sup>4</sup> A method in which a public entity transfers the right to operate a facility to a private business, while maintaining ownership of the facility

\*<sup>5</sup> A public works project approach that uses private-sector funds as well as capabilities as to management and technology (know-how) to design, construct, repair, update, maintain and manage, and operate public facilities

### Main development sites in FY2023



### Effective use of forest resources and contribution to regional economic circulation

We are focusing on the development of biomass power plants that utilize various types of domestic timber as fuel. This includes unused materials generated from forestry thinning, offcuts from sawmilling, pruning branches from street trees, and recycled wood from construction waste. By using wood that was traditionally discarded or incinerated as fuel for biomass power generation, we contribute to the effective use of forest resources. Moreover, we are collaborating with local forestry and agriculture to promote regional economic circulation.



Aridagawa Biomass Power Plant (Aridagawa, Arida-gun, Wakayama Prefecture)





# Chubu Electric Power Grid Co., Inc.

Providing power transmission/distribution business and electric power network services

## Strengths

- Contributing to a stable supply of electricity within the Chubu region and nationwide through initiatives for decarbonization as well as for promoting a next-generation power network and increasing the level of sophistication of the network's operation
- Achieving efficient and economical facility investment and operation, and low transmission fees, through digital technology and data analysis

### Risks

- Intensification of natural disasters
- Sluggish electricity demand due to declining population, slowdown in economic growth, and other factors
- Complex flow of electricity as a result of the mass connection of renewable energy
- Increase in power quality maintenance cost

### Opportunities

- Increasing needs for renewable energy to realize a carbon-free society
- Emergence of a new supply model where local production and consumption of electricity will occur with small-scale distributed power supplies
- Diversifying needs in relation to energy as a result of digitalization

## Efforts

- Ensuring stable supply and public safety at a higher level
- Preparation of the environment to accommodate the introduction of renewable energy
- Realizing low wheeling charges through efficient and well-planned capital investment
- Reasonable facility formation that is matched with changes in demand-supply structure
- Reduction of environmental load throughout business operation
- Improving reliability and reducing costs through the promotion of digitalization of equipment and smart security

## Targets

### Stable supply

- Reduction of power outages  
Reduce the amounts of power outages\* for low-voltage lighting customers to below the actual values for the past five years (FY2017–2021)

\* Excludes highly exogenous events such as natural disasters

### Promotion of a next-generation power network and enhancement of regional services

- Expansion of application of Connect & Manage toward expanding introduction of renewable energy
- Establishment of technologies for realizing distributed grids
- Formulation and reliable implementation of plan for introducing next-generation smart meters



To achieve decarbonization, we will fulfill our mission of providing safe, affordable, and stable electricity through the next-generation development and advanced operation of the power network, as well as the utilization of digital technology.



**Shimizu Ryuichi**

President & Director  
Chubu Electric Power Grid Co., Inc.

Chubu Electric Power Grid is advancing the next-generation development and sophisticated operation of the power network, coupled with various research and demonstration projects, to meet the diverse electricity supply and demand in each region through the expanded adoption of renewable energy for decarbonization. Additionally, we are developing a new central load dispatching office system aimed at achieving optimal economic operation and ensuring resilience on a nationwide scale. We are also enhancing facilities to expand inter-regional power transactions.

Furthermore, by combining digital technologies such as sensors and AI with customized data analysis for each region and facility, we strive to achieve efficient facility investment and development, lower maintenance costs, and improve electricity quality and resilience. Through consistent equipment maintenance and systematic operation, we are dedicated to ensuring a secure, affordable, and reliable electricity supply.

Looking ahead, we will steadily advance initiatives to realize the Chubu Electric Power Grid Vision by 2050 through our business activities.

## Vision

Deliver safety and security through the stable supply of electricity to local customers

### The ideal energy platform we are working to create

- Establishment of a high-quality grid that is disaster-resilient and efficiently provides electricity
- Visualization of value and construction of a base for the value exchange related to electricity

### Our ideal contribution to the realization of future local communities

- Contribution to the achievement of livable local communities that ensure safety and security through services based on both owned and external resources



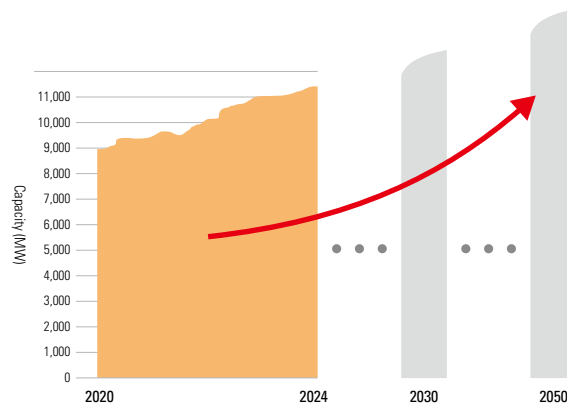
## Expansion of Renewable Energy Deployment and Challenges

The nationwide deployment of renewable energy is expected to continue expanding in the future as part of efforts to achieve carbon neutrality by 2050.

However, there are challenges to this expansion, such as the curtailment of energy output. Maintaining electricity quality requires a balance between supply and demand. During peak demand periods such as Golden Week, adjustments are made by prioritizing power supply rules, which may include reducing output from thermal power generation and utilizing pumped-storage hydroelectric power. If supply exceeds demand, curtailment of renewable energy output is implemented to maintain electricity quality.

Chubu Electric Power Grid aims to enhance the expansion of renewable energy by addressing output curtailment challenges. This initiative supports our goal of achieving carbon neutrality while ensuring a stable electricity supply.

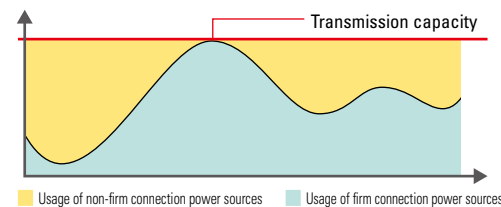
### ● Current Solar Power Generation Capacity in Our Network and Future Outlook



## Examples of Initiatives Aimed at Expanding the Introduction of Renewable Energy

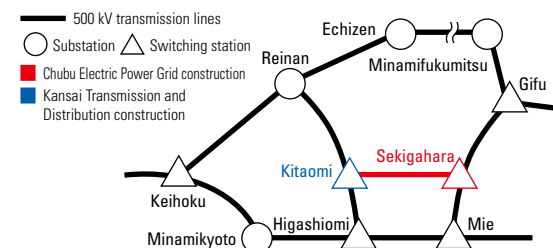
### ■ Non-firm connection

We are transitioning from the traditional method of connection (firm connection), which required facility expansion as needed, to a new method (non-firm connection) that connects new power sources using available capacity in transmission lines and other means, without the need for facility expansion. This change shortens the time from the operator's connection application to the start of operation.



### ■ Enhancement of Interregional Transmission Lines

Enhancing interregional transmission lines between general electricity distributors revitalizes electricity trading between regions, which is expected to reduce the curtailment of renewable energy output. Chubu Electric Power Grid aims to bolster supply reliability and support the expansion of renewable energy adoption by reinforcing interconnections between the Chubu and Kansai regions.

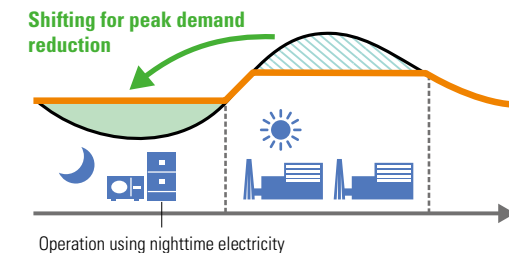


### ■ Verification Aimed at Expanding Utilization of Eco Cute Systems and Storage Batteries

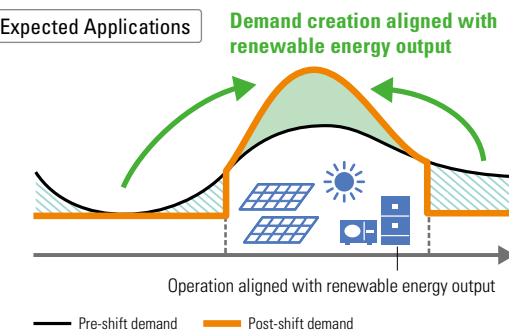
We are advancing studies and verification related to the control of Eco Cute systems, storage batteries, and other technologies that are expected to be utilized in the future.

Generally, Eco Cute systems are used to reduce peak electricity demand during the day by consuming electricity during nighttime (peak shifting). In contrast, this verification aims to operate Eco Cute systems during the daytime in alignment with renewable energy outputs to stimulate demand. The results obtained from this verification will be utilized to reduce the curtailment of renewable energy outputs.

#### Current Applications



#### Expected Applications





# Chubu Electric Power Miraiz Co., Inc.

Wholesaling of electricity/gas and providing various services

## Strengths

- High technical expertise and proposal capabilities, leveraging years of experience in energy utilization and decarbonization
- Extensive customer contact points and strong customer trust

### Risks

- Sluggish electricity demand due to declining population, slowdown in economic growth, and other factors
- Intensification of competition with other power supply
- Significant fluctuations in profit structure due to major changes in the market price for fuel

### Opportunities

- Increased electricity demand due to the advancement of digital transformation (DX)
- Acceleration of efforts toward customers' decarbonization
- Changing customer needs

### Efforts

- Expansion of energy sales (electricity and gas)
- Development and provision of services to achieve a decarbonized society
- Offering new services that enrich the lives of customers and solve business issues through data analysis and digital technologies

### Targets

#### Ordinary income

[FY2025] 40~50 billion yen

#### Energy sold

Electrical energy sold (entire Group)

[FY2023] 111.1 Twh

[FY2030] 130.0 Twh per year

Gas and LNG sold (entire Group)

[FY2023] 1,560 thousand tons

[FY2030] 3,000 thousand tons per year

#### Creating new value and services

Establishing a revenue pillar alongside traditional energy sales by FY2030



Miraiz Shop (AEON MALL Nagoya Dome Mae 3F) introduces optimal energy solutions for households

Based on the connections with customers, Chubu Electric Power Miraiz will provide new value that will “enrich the lives of the customers” and “solve business issues.”



## Kamiya Hironori

President & Director  
Chubu Electric Power Miraiz Co., Inc.

The environment surrounding our customers and society is radically changing as DX advances and momentum increases toward the realization of a carbon-free society, with the pace of these changes accelerating. At Chubu Electric Power Miraiz, we view these changes as opportunities. Building on the connections we have established with our customers, we anticipate their needs and propose better services. By doing so, we aim to “enrich the lives of the customers” and “solve business issues,” thereby providing new value.

Additionally, by providing services that support our customers' efforts toward decarbonization, we will advance together with them to realize a carbon-free society.

## Vision



## Business policy for achieving our vision

- Expand the value chain through business model transformation
- Contribute to realizing a carbon-free society through our businesses and services

## Enrich the lives of customers

## ■ “Good Things for Life Campaign”

For our valued customers who have supported Chubu Electric Power Miraiz, we are conducting the “Good Things for Life Campaign” with the aim of providing benefits for both present and future aspects of life.

Through this campaign, we will continue to deliver positive outcomes for our customers, such as initiatives to reduce electricity and gas expenses.

暮らしにイイコト

## ■ Provide life services tailored to each life stage

Mainly through Chubu Electric Power Miraiz Connect, we offer services that cater to a variety of needs in our customers' daily lives and life events, leveraging data and digital technology.

## Examples of services provided

TSUNAGU table  
—食卓と地域をつなぐ—

A service that helps to reduce food loss with a great bargain and lots of fun



テラシテR

A monitoring service for residents using electricity consumption data

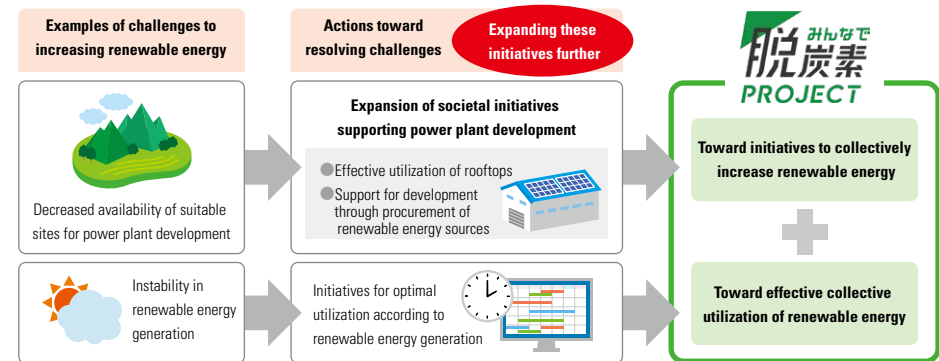
## ■ Opening of the Directly Managed Store Miraiz Shop (April 23, 2024)

Chubu Electric Power Miraiz staff, as energy professionals, will think together and collaborate with each individual to create energy-smart homes closely matched to his/her needs, supporting the realization of comfortable and secure living.

## Solve Business Issues

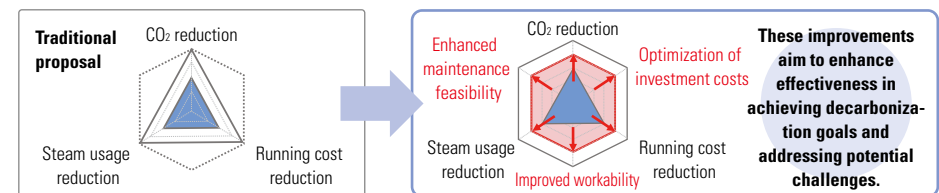
## ■ Community Decarbonization Project

Initiatives that unite electricity providers and users



## ■ Green Transformation (GX) consulting service

This service involves planning energy conservation and decarbonization initiatives together with customers, contributing to the reliable achievement of their environmental goals.



## Collaborative initiative addressing social issues with local government

## Case Study Comprehensive collaboration agreement on carbon neutrality (Kota Town)

Kota Town and Chubu Electric Power Miraiz have entered into a mutual cooperation agreement aimed at resolving local issues in Kota Town while promoting initiatives leading to decarbonization, thus achieving a sustainable society. This agreement aims to transform Kota Town into a zero-carbon city through initiatives such as introducing EV charging service “treev” and conducting SDGs education programs.

## Case Study Collaboration agreement for promoting co-creation to achieve a carbon-free society (Nakatsugawa City)

This agreement involves Nakatsugawa City, Nakatsugawa Chamber of Commerce & Industry, Nakatsugawa-kita Chamber of Commerce, and Chubu Electric Power Miraiz, aiming to expand the introduction and effective utilization of renewable energy. Through infrastructure initiatives such as installing solar power generation facilities and promoting EV charging stations, the agreement aims to contribute to achieving a carbon-free society while actively revitalizing the local economy.





# Global Business

Investment, overseas consulting, etc.

## Strengths

- Investments in diverse businesses related to “decarbonization” mainly in Europe and the Asia-Pacific region
- Able to approach from the demand side by connecting directly with customers within and outside of Japan, leveraging strengths including technological capabilities and customer base nurtured through the domestic power business

### Risks

- Intensifying competition due to limited investment projects
- Overseas political and economic instability, independent regulations
- Development, construction, operation of investment projects

### Opportunities

- Rising global interest in renewable energy projects for the realization of a decarbonized society
- Growing interest in SDGs
- Advance of new technology areas in decarbonization and renewable energy businesses

## Efforts

### Expanding investment in businesses that lead to “decarbonization”

- Position Eneco in the Netherlands as a strategic platform in Europe and develop business
- Develop social problem-solving businesses that meet the needs of Asian countries through renewable energy and power distribution businesses

### Contributing to solving SDGs issues through overseas consulting

- Power infrastructure consulting business in Mozambique, Uganda, Jordan, Ecuador and Bangladesh commissioned by the Japan International Cooperation Agency (JICA)

## Targets

### Strategic investment

- Around 400 billion yen from FY2021 to FY2030

### Consolidated ordinary income

- About 20 billion yen in FY2030

### Profitability

- ROA in the high 3% range in FY2030



Geothermal project in Geretsried, Germany

We will expand our energy business globally\* to contribute to the sustainable development of humankind.



**Sato Hiroki**

Senior Managing Executive Officer  
General Manager of Global Business Division

Chubu Electric Power has positioned the global business as one of our new growth fields in our Management Vision 2.0. We established the Global Business Division in April 2022 and have been expanding our business on a steady basis.

Going ahead, to contribute to the realization of a decarbonized society, we will continue to expand our investments in global businesses that lead to decarbonization, mainly in Europe, the Middle East and the Asia-Pacific region, strengthen our earnings base and increase profits.

Also, in our overseas consulting, we aim to provide various energy-related solutions and create business opportunities through undertaking projects from the Japan International Cooperation Agency (JICA) etc., mainly in Asia and Africa, where economic growth is expected.

We will promote the development of decarbonization and community services and leverage our knowledge in these areas to increase synergies with our domestic business.

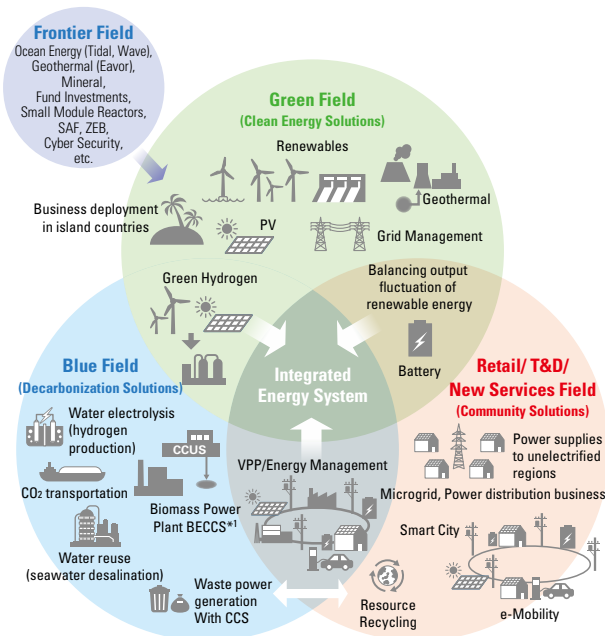
\* A portmanteau word combining “global,” which means global scale, and “local,” which means each country and region.

## Vision

- In fiscal 2030, we will build an optimal portfolio that combines the segments of Green Field, Blue Field, Retail/Transmission & Distribution (T&D)/New Services, and Frontier Field.

## Position and strategy

Combining the four segments (Green, Blue, Retail/Transmission & Distribution (T&D)/New Services, and Frontier Fields), we aim to form an optimal portfolio and achieve the goal of over 400 billion yen in cumulative investments and over 20 billion yen in profits in FY2030.

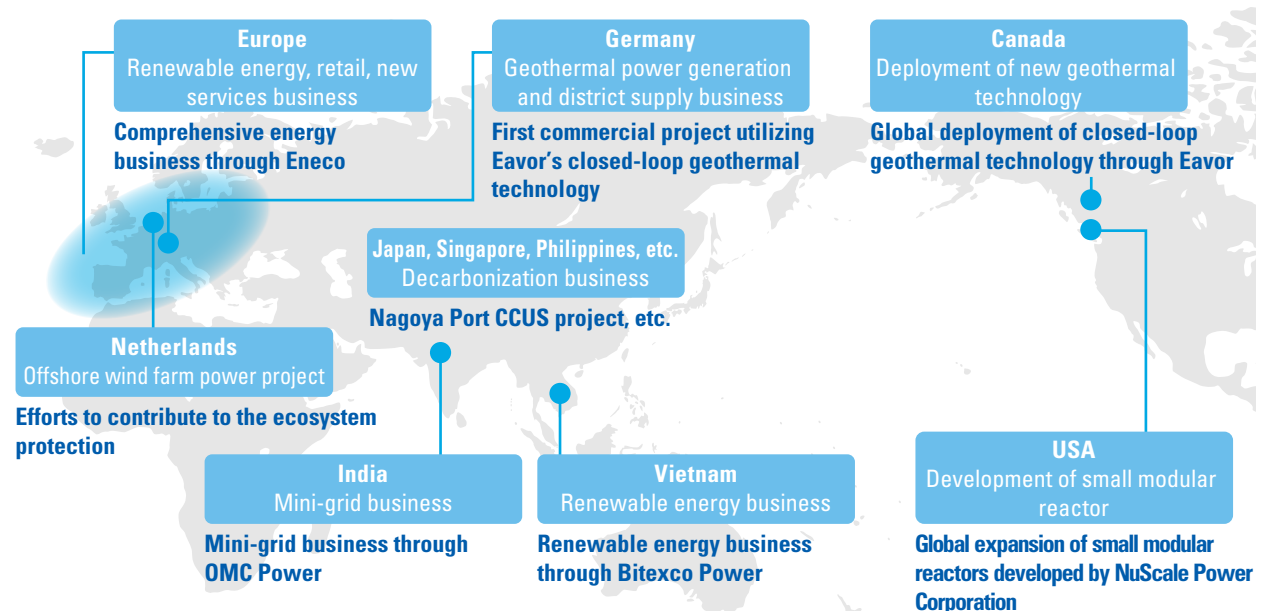


Note: The above are examples of our businesses \*1 Bioenergy with Carbon Capture and Storage

Strategic investment	● Cumulative investments of over 400 billion yen in FY2030
Human Resources	● Expand mid-career hires including specialist employees
Organization	● Expand functions of overseas offices

## Toward becoming a decarbonized energy company, mainly in Europe and the Asia-Pacific region

Following the major transition from fossil fuels to renewable energy, as a Japanese utility company, we will contribute to the realization of a decarbonized society, mainly in Europe and Asia, while working to further expand earnings.



## Participation in offshore wind farm power project

**[The Group's first direct investment in an overseas offshore wind power generation project]**

We are gaining know-how on offshore wind power generation from the early construction stage through to the operational stage as well as insight into efforts for ecosystem protection.

## Project outline

- Grid capacity: 760 MW
- Schedule: Construction to start in 2024 and commercial operation in 2026
- Sponsors: Shell (60%), Chubu Electric Power (30%), Eneco (10%)



@Ecowende C.V., All rights reserved.

## Closed-loop geothermal technology through Eavor

**[The Group's first investment in an overseas geothermal-related company]**

A Canadian global start-up company that leads the world in R&D of closed-loop geothermal technology with the aim of full commercialization.

- Geothermal technology to extract heat efficiently through circulating water in a closed loop underground
- Participation in the first commercial project using this technology in Bayern, Germany.







# New Growth Fields

Creation of a “new form of community”

## Strengths

- **Technological capabilities, customer base and relationships of trust cultivated in the domestic energy business**
- **Maximized synergies through swift collaboration with other companies**
- **Synergies in the real estate business by making ES-CON JAPAN a consolidated subsidiary**

### Risks

- Intensifying competition with competitors

### Opportunities

- Rising needs for community problem solving
- Changes in lifecycles and social conditions

## Efforts

- **Medical care:** Become deeply rooted among people and in local communities through providing medical care support such as digital health services and serve as a link to medical care
- **Food and agriculture:** Support the affluence of people without interrupting the blessings of food by pursuing innovation and advancing toward a sustainable and resilient food infrastructure
- **Real estate and lifestyle related:** Fuse DX into local characteristics and build a community environment, in which people want to stay and continue living
- **Energy peripheral areas:** Become a trailblazer in DX and GX in the energy and transportation businesses and provide light and connections to people and society in a sustainable format
- **Data platform:** Provide new services by combining a variety of data

## Targets

- Provision of a “new form of community” that utilizes information networks and the latest technologies
- FY2022–FY2025 cumulative total  
Strategic investment including new growth of around 100 billion yen



Quick EV charging stands installed in the Hamamatsu Service Area (on the outbound roadside)

**Link** e-Mobility Power  
(Japanese version only)

The Business Development Division creates and provides sustainable businesses and services that contribute to resolving social issues faced by various communities and will establish a new earnings pillar.



**Ootani Shinya**

Senior Managing Executive Officer,  
General Manager of Business  
Development Division

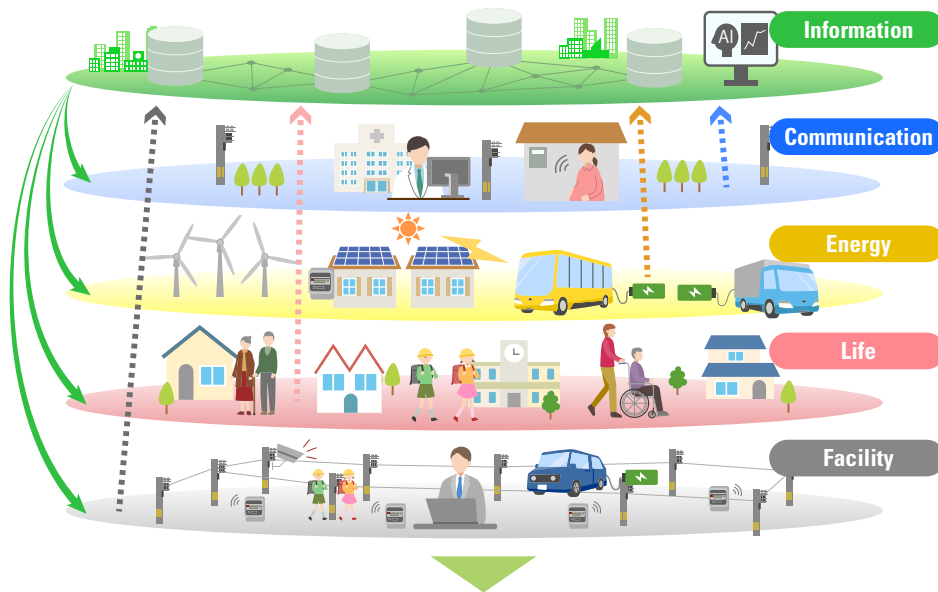
The Business Development Division was launched in 2019 to establish the growth fields prescribed in our Management Vision. It aims to provide new solutions that contribute to resolving various social issues in contemporary communities that are becoming increasingly diluted. To date, we have worked to develop new businesses in fields having an affinity to our electricity business and also in other, promising fields. At the same time, we have examined ways to leverage the data accumulated through the existing operations and forged ahead with the building of a data platform.

Looking ahead, we will solve social issues through our DX, and by doing so, will promote the realization of a decarbonized society and recycling-oriented society while seeking to create communities in which people can continue to live with peace of mind. Additionally, we will contribute to the resolution of local issues and revitalization of local communities and accelerate our efforts, jointly with our business partners, to provide services that enrich customers' lives.

## Vision

By 2030, we will realize a Community Support Infrastructure that supports sustainable local communities by working together with local communities and by getting close to each individual to **“create a community where everyone can continuously live safely and securely”**.

## Creation of a “new form of community”



Sublimate into a service that solves every issue such as those related to living, industry, and communities and create a “new form of community.”

## Healthcare



- Frailty detection service
- Develop services such as online medical examinations

**Link** e-Frailty Navi  
(Japanese version only)

## Food and agriculture



- Operate a lettuce factory that solely uses artificial light
- Develop grains and other primary production businesses

**Link** TSUNAGU Community Farm  
(Japanese version only)

## EV



- Support introduction of EV buses and trucks
- Enhance EV charging infrastructure
- “OPCAT” energy management system for chargers

**Link** e-Mobility Power  
(Japanese version only)

**Link** OPCAT  
(Japanese version only)

## Community



- Community information service
- Kizuna Net
- Child care support

**Link** Kizuna Net  
(Japanese version only)

## Infrastructure



- Automated meter reading for gas and water
- Mimamori-pole

**Link** Automated meter reading service for gas and water  
(Japanese version only)

**Link** Mimamori-pole service  
(Japanese version only)

## Won a Screening Committee’s Special Award in the Sixth Japan Open Innovation Prize

Chubu Electric Power applied for the Sixth Japan Open Innovation Prize hosted by the Cabinet Office, jointly with necolico LLC, Japan Data Science Consortium Co., Ltd., the local government of Toin Town, Mie Prefecture, and a graduate school of The University of Tokyo, and our project, “Using Electricity Data and AI to Detect Frailty – Industry-Government-Academia Collaboration to Counter the Issue of an Aging Society,” won a Screening Committee’s Special Award under the program.

The project was highly regarded as an open innovation project for its availability nationwide, without the need for additional equipment, such as a sensor, which allows everyone to be aware of frailty and work to prevent it in daily lives. The project’s technical platform and business plan were also recognized.



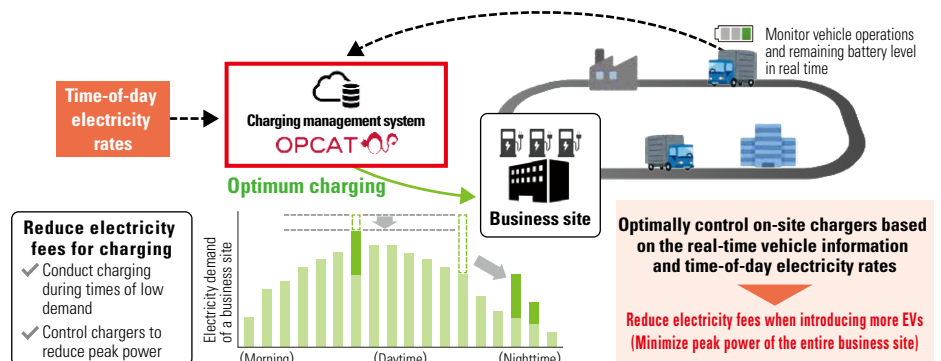
The second from the left is Mr. Kimata, the representative of necolico LLC (Chubu Electric Power Group) and the fourth is Mr. Yamamoto, Unit Head of Power Business Development Division, Chubu Electric Power Company

## Initiated the service of “OPCAT” optimum charging management system for commercial EVs

Jointly with Aakel Technologies Inc., Chubu Electric Power has developed OPCAT\*, a charging management system for commercial electric vehicles (EVs), including fixed route buses and transportation trucks. The system enables the efficient charging of EVs, as AI automatically generates a charging schedule by combining the time-of-day electricity rates and EV operation plans.

Through the OPCAT service, we will solve issues and create a required environment toward more widespread use of commercial EVs and contribute to the realization of a decarbonized society together with communities and customers.

\*Short for Optimization of Charging and Transportation





# JERA Co., Inc.

(Affiliate accounted for under the equity method)

From upstream fuel business and procurement through power generation and wholesaling of electricity and gas



## Strengths

- Extensive value chain, from fuel upstream activities to power generation and sales.
- Credibility from having been selected by partners from around the world seeking a company engaged in large-scale business development.
- Competitive and flexible procurement portfolio
- One of the world's largest LNG transaction volumes

### Risks

- Increased geopolitical risk
- Fluctuations in resource prices

### Opportunities

- Expansion of competition in electricity and gas sales, and new customer needs
- Global trend toward decarbonization
- Achieve zero CO<sub>2</sub> emissions

### Efforts

- Establish a foundation for stable energy supply (one of the world's largest LNG transaction volumes, development of plants to replace thermal power plants in Japan, stable fuel procurement)
- Introduce and expand the use of renewable energy
- Achieve low carbon emissions in thermal power generation and fuel supply chains (promote demonstration testing on ammonia substitution in an actual power plant; promote efforts to conduct demonstration testing on hydrogen substitution in an actual power plant; procure fuel ammonia globally)

### Levels aimed for by FY2035

- [Profitability] ● Net profit\*: 350 billion yen ● EBITDA\*: 700 billion yen  
 [Capital efficiency] ● ROIC-WACC spread\*: 150 bps or higher  
 [Growth potential] ● Investing cash flow: FY2024–FY2035 total = 5,000 billion yen  
 [Financial health] ● Net DER: 0.5x or lower ● Net Debt/EBITDA\*: 2 years or less

\*Excluding the time-lag impact on fuel cost adjustments



Transport ship SHINSHU MARU for marine transportation of LNG

By providing the world with a foundation for achieving both a stable supply and decarbonization, we aim to contribute to the healthy growth and development of the world and maximize our corporate value.

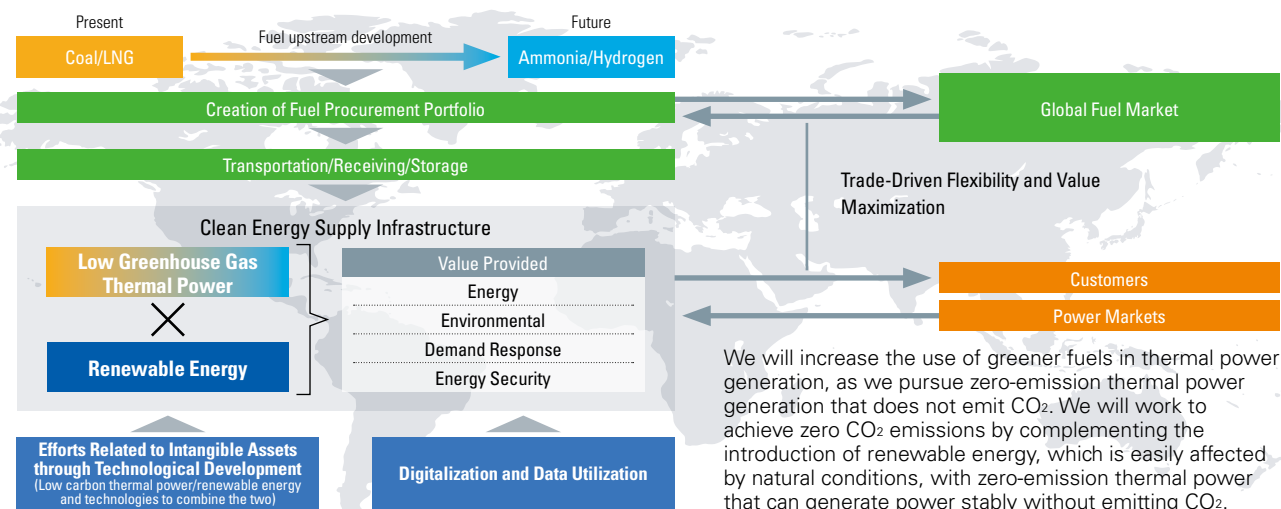
### Mission

To provide cutting-edge solutions to the world's energy issues

### New Corporate Vision for 2035

To scale up its clean energy platform of renewables and low greenhouse gas thermal power, sparking sustainable development in Asia and around the world

JERA's business activities aimed at sustainable corporate value growth and contributing to the creation of a sustainable society



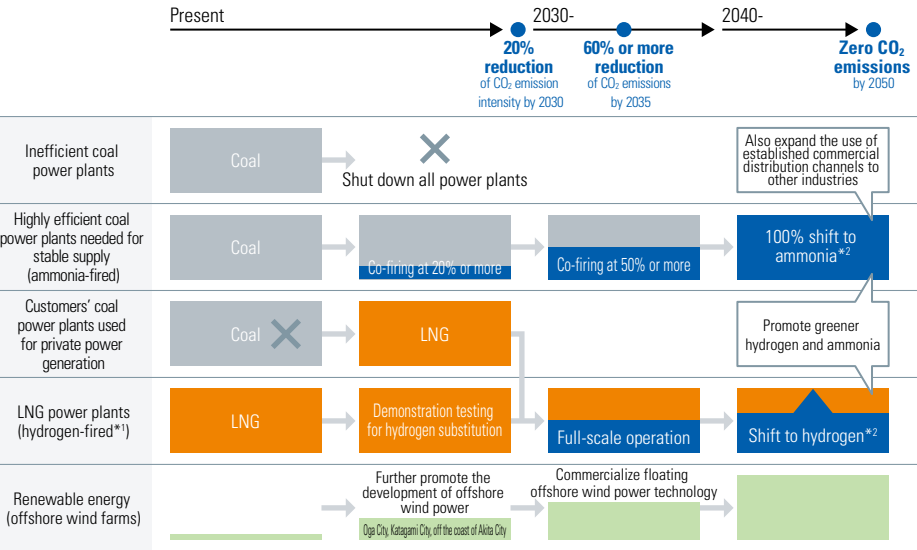


JERA Zero CO<sub>2</sub> Emissions 2050

- JERA is taking up the challenge of achieving zero CO<sub>2</sub> emissions from its domestic and overseas operations by 2050.
- JERA will promote the introduction of renewable energy and green fuels to realize zero-emission thermal power generation, which does not emit CO<sub>2</sub>, for the ultimate goal of achieving zero CO<sub>2</sub> emissions.

[JERA Zero CO<sub>2</sub> Emissions 2050 Roadmap for its Business in Japan]

We will promote the achievement of zero CO<sub>2</sub> emissions from thermal power generation by shutting down all inefficient coal power plants and promoting ammonia substitution for coal-fired power and hydrogen substitution for LNG-fired power. Capturing technological development trends, we also retain options to utilize CCS and CCUS technologies. As for renewable energy, we will promote the development centered on offshore wind power.



Note: This initiative will be gradually developed in greater detail based on relevant conditions such as government policies and will be subject to revision if there is a significant change in any of these conditions.

\*1 The use of CO<sub>2</sub>-free LNG is also being considered. \*2 Utilize green/blue hydrogen and ammonia.

[Efforts for ammonia substitution at the Hekinan Thermal Power Station]

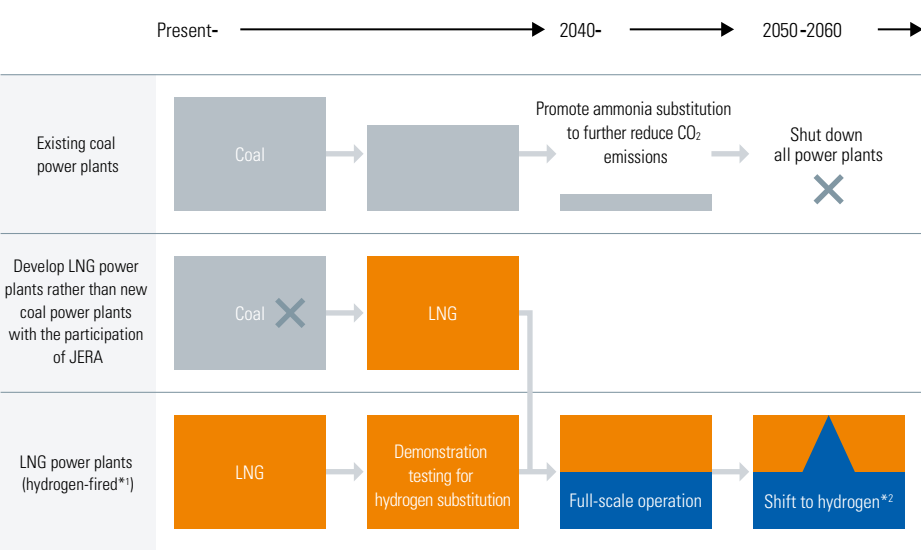
We initiated the world's first demonstration testing of 20% ammonia substitution at an actual large-scale commercial coal power plant on April 1, 2024 and reached the 20% co-firing rate on April 10, 2024. The testing was done as part of the project entitled "Development of Technologies for Carbon Recycling and Next-Generation Thermal Power Generation – R&D and Demonstrations on Technologies for Ammonia Co-firing Power Generation" (a grant project of the New Energy and Industrial Technology Development Organization (NEDO) conducted by JERA and IHI Corporation). Compared to the conditions before substituting ammonia, we have achieved good results. For example, the level of NO<sub>x</sub>, which affects ecosystems, was equivalent or below, while there was about a 20% reduction in SO<sub>x</sub>. We did not confirm the generation of N<sub>2</sub>O, which has higher greenhouse effects, below the detection limit. The final evaluation will be conducted separately.



Photo courtesy: JERA Co., Inc.

[Efforts Planned in Asia]

As a first step, we will develop LNG power plants instead of new coal power plants in order to suppress an increase in CO<sub>2</sub> emissions resulting from the growing demand for electricity. In parallel, we plan to promote the introduction of distributed renewable energy power sources and ammonia substitution at the existing coal power plants.



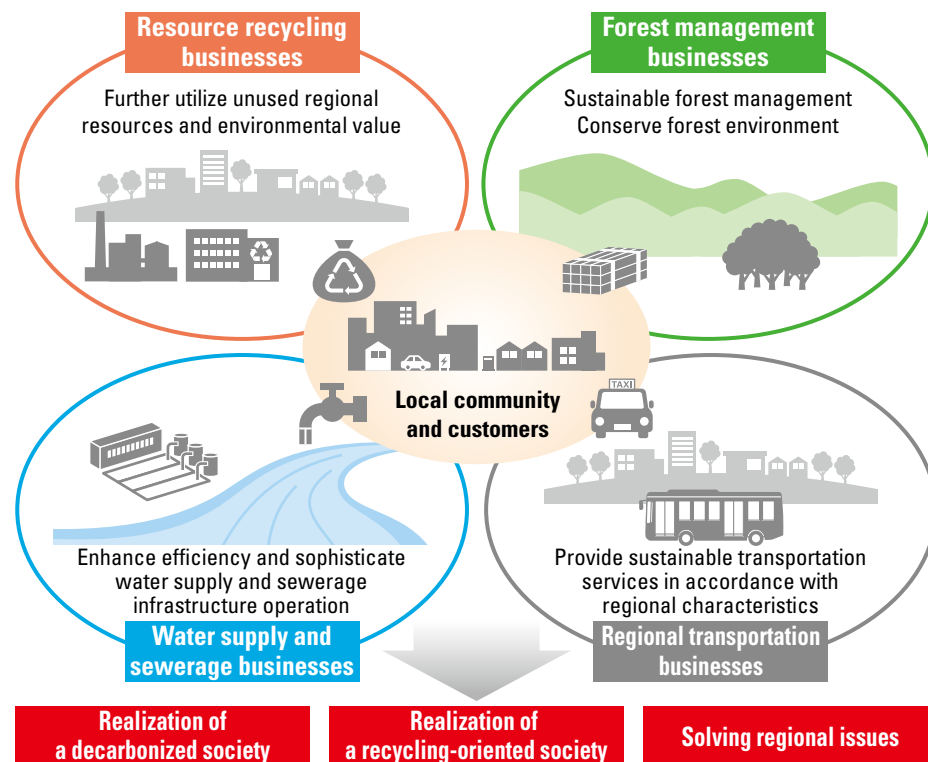
# Undertaking Regional Infrastructure Business

## Promotion of Regional Infrastructure Business

As a company that supports society and the local community, we will work with our various partners to develop regional infrastructure businesses that help strengthen regional foundations, such as resource recycling, water supply and sewerage, regional transportation, and forest management businesses, as we contribute to the rationalization of infrastructure and to solving regional issues as a multi-utility.

In striving to provide a “new form of community” as set forth in Management Vision 2.0, we promote considerations of businesses that leverage our ties with communities and customers and our know-how in operating infrastructure facilities with the overarching aim of establishing sustainable infrastructure services.

### Areas of regional infrastructure business initiatives and the value we seek to provide



## TOPICS

### Chubu Electric Power and ECOMMIT Conclude Agreement on Business Collaboration for Realization of Resource-Recycling Community Development

In March 2024, the two companies commenced initiatives that leverage their strengths and existing services as one of the “infrastructures supporting a resource-recycling lifestyle” in the Chubu area.

#### [Outline of Initiatives]

1. Installation of unwanted item collection boxes of PASSTO, a resource-recycling service provided by ECOMMIT, at Chubu Electric Power Group-related facilities and provision of proposals to people in the Chubu area.
2. Collection of unwanted items from members of “TSUNAGU table” operated by Chubu Electric Power Miraiz Connect.
3. Proposal for reused item collection service for municipalities in the Chubu area.



Installation of unwanted item collection boxes KatEne Shop.

## TOPICS

### Capital alliance for promoting plant resources-recycling business

Chubu Electric Power has formed a capital alliance with GREEN EARTH CO., LTD. (GREEN EARTH) to promote a plant resources-recycling business. GREEN EARTH operates a plant resources-recycling business, mainly in Chiba Prefecture, under the slogan Green TENKAI (developing and expanding green.) In the future, by mutually combining Chubu Electric Power Group's knowledge and wide network in the energy field with GREEN EARTH's abundant track record and knowledge in plant resources recycling, the two companies will further promote efforts to realize optimal energy and resource recycling.



**Green Earth**  
We provide green landscape management and recycled wooden chips.



# Creating an Environment Where Diverse Human Resources Can Take Active Roles

Along with efforts concerning safety and health, which are top priority matters in corporate management, we are implementing a range of measures in relation to DE&I and workstyles under the approach of making proactive investments for attaining further corporate growth and increasing employees' motivation at work.

## Workforce health and safety management

[Link](#) Workforce health and safety management

### [Safety and Health Declaration]

The Chubu Electric Power Group Basic Safety and Health Policy articulates Chubu Electric Power Group's policy to create a better environment so that our business partners, including our subcontractors, can devote themselves to their work in a safe and healthy way and work actively.

Under the Basic Policy, we have also formulated the Safety and Health Principles of Action as a specific code of conduct for executives and employees to foster a corporate culture and workplace atmosphere, which value people.

### Chubu Electric Power Group Basic Safety and Health Policy

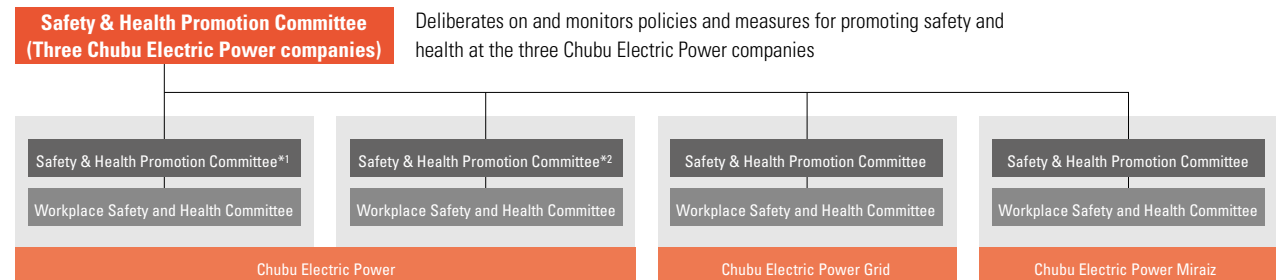
Our basic safety and health policy, which is based on the Chubu Electric Power Group CSR Declaration, is stated below.

We will continue to endeavor to create a better environment so that employees can devote themselves to their work in a safe and healthy way and achieve self-fulfillment through their work.

### [Structure to promote safety and health activities]

In order to foster a culture of safety and promote health management, we hold a meeting of the Safety & Health Promotion Committee on a periodic basis. As key goal indicators (KGIs) shared among Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz, we have selected "zero fatal industrial accidents," "healthiness and vitality" and "rate of absence due to injuries and illnesses" and set a quantitative target for each to monitor the status of achievement and progress in implementing related measures at each company.

Under the Guidelines on Occupational Safety and Health Management Systems (OSHMS) of Japan's Ministry of Health, Labour and Welfare, we also work to increase the safety and health levels in each workplace by implementing a plan-do-check-act (PDCA) cycle.



\*1 Chubu Electric Power (excluding Renewable Energy Company) \*2 Renewable Energy Company

### [Providing safety and health training]

Senior management, as leaders for fostering a culture of safety and promoting health management, have been receiving safety and health training by outside specialists. In FY2023, 32 executives participated in the program that spanned over the period of six months and undertook safety and health initiatives while setting targets by themselves.

With the aim of instilling the Safety and Health Principles of Action, increasing safety and health awareness and promoting behavior change, we provide training by rank to newly appointed heads of the departments who are the key persons for safety and health activities in each workplace, as well as newly appointed executives and new employees.



Safety and health training for senior management

## Initiatives related to safety

### [Prevention of industrial accidents]

Safety specialists who have received special training evaluate the safety and health activities of each workplace of the three Chubu Electric Power companies through document checks, questionnaire surveys and interviews and report the results to each workplace. Based on these results, the workplace voluntarily works to make sustained improvements.



Evaluation of safety and health activities by safety specialists

### [Preventing recurrence of industrial accidents]

Upon the occurrence of an industrial accident, safety specialists will check the accident site, question the relevant departments and provide support for everything from the investigation of the root cause to the formulation of countermeasures. In this way, we are working to prevent the recurrence of the same or similar accidents.

### [Safety contests]

Chubu Electric Power holds safety contests with the participation of management and employees of the three Chubu Electric Power companies and managers of our subcontractors. Through the contests, Chubu Electric Power shares with the subcontractors, who are our business partners, the strong commitment of "safety takes priority over all else" and makes concerted efforts to proactively practice safety activities.



FY2024 safety contest

## Initiatives related to health

### [For achieving well-being]

- With a conviction that all work colleagues "will remain healthy throughout our lives," Chubu Electric Power has been promoting health management and striving to create an environment where employees can remain healthy both physically and mentally and work with vitality so as to increase motivation at work and performance and ultimately enhance corporate value.
- We seek to achieve well-being by supporting all employees both physically and mentally regardless of their age, gender or job category.

### Achieving well-being

#### ① Improving presenteeism (Healthiness and vitality)

95.2% in FY2023 against the target of 97.5%

\* Work performance assessed by using the WLQ-J questionnaire

#### ② Improving absenteeism (Rate of absence due to injuries and illnesses)

10.3% in FY2023 against the target of 8.4%

\* Calculated using days lost due to injuries and illnesses

#### Physical health

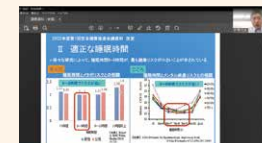
- Health promotion using a wearable device
- Periodic and comprehensive medical checkups for early detection and prevention of diseases



Health education to new employees using a wearable device

#### Common initiatives

- Support for sleep improvement, ensuring an interval of 11 hours between work periods
- Health guidance provided by industrial health staff to all employees



Training video for improving sleep-related literacy

#### Mental health

- Positive mental health measures promoted by the dedicated team "C-POWERS" to cultivate a mindset consisting of mental resilience, self-esteem and independence



Positive mental health training



Details of efforts for achieving well-being

### [Survey on Health and Productivity Management]



Electricity and gas industry category

**1st place**  
for 4 consecutive years  
from FY2020



Certified as a Health & Productivity  
Management Outstanding Organization  
(White 500)

**5th time** and  
for 4 consecutive years  
from FY2020



**27 companies** in the  
Chubu Electric Power Group  
certified as a FY2023 Health &  
Productivity Management Outstanding  
Organization

## Initiatives related to diversity, equity and inclusion (DE&I)\*1

The Chubu Electric Power Group strives to provide an environment, in which all work colleagues can fully demonstrate their individual characteristics and capabilities and work together with vitality regardless of gender, age, gender identification or having or not having disabilities, and foster a culture of mutual acceptance and trust.

\*1 DE&I is a concept to incorporate diversity, equity and inclusion and create an environment where diverse human resources respect each other and exert their capabilities to the fullest under equal opportunities.

### [Promoting employment of persons with disabilities]

Including those working at our special subsidiary Chuden Wing Co., Ltd., about 360 persons with disabilities are working in our Group in various fields (as of June 2024). Those employees of Chuden Wing pick up and deliver documents, provide cleanup services and maintain and manage flowerbeds.

Chuden Wing also started the business of growing strawberries in May 2022 and has been providing guests with reception services under consignment since April 2024 as an effort to develop business in new fields.



Growing strawberries



Receiving guests

### [Women's active roles and balancing work with childcare]

#### Targets

- **More than triple** the number of female managers in FY2025 compared to FY2014
- Achieve the percentage of male employees taking childcare leave of **100%** in FY2025\*2

In order to promote an increase in the number of female managers and engagement of male employees in childcare, we have been providing several training programs to raise awareness for the career formation of women and engagement of men in housework and childcare.

With the aim of realizing an even higher degree of life-work balance by balancing work with childcare, we have also been enhancing our systems for childcare and nursing care. For example, we have established a childcare leave system for a better life-work balance that provides support in excess of the legally required parental leave. We also permit employees to work during the parental leave.

\*2 Percentage of male employees taking childcare leave and short-term leave for childcare as stipulated in the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members



Totally updated the Guidebook for Balancing Work with Childcare in April 2024 as an effort to create an environment where employees can work with peace of mind while raising their children

## Initiatives related to workstyles

### [Flexible workstyles]

We have revised our existing systems and introduced new systems, such as a system of virtually four-day work\*3 and grandparental leave\*4, to enable individual employees to choose a flexible workstyle suited to the environment in which they are working.

#### ■ Example systems revised/introduced

##### Flexitime system

- Removing the core time (fixed span of workhours) requirement
- Allowing employees to work intermittently
- Providing an option to choose to work virtually four days a week

##### Teleworking system

- Allowing employees to work outside the office, including home and business trip destination

##### Daily life support leave system

- Allowing employees to accumulate unused portions of their annual paid leave for nursing care of or attending to a sick family member\*5 or participating in a school event

\*3 Launched in April 2024, this system of virtually four-day work allows employees to take an extra day off by working 7 hours and 40 minutes (the standard work hours of one day) dispersedly in the other work days of the week.

\*4 Launched in April 2024.

\*5 Revised in April 2024 to include grandparents and grandchildren in the definition of family members.

Utilization rate of the teleworking system and My flexitime system

Results (FY2023)	Targets FY2025
99.5%	Systems used for 1 or more times/person 100%

#### Eligible employees

##### Flexitime system:

Employees, excluding those working on shifts (about 80%)

##### Teleworking system:

All employees, excluding those working on probation or on shifts

##### Daily life support leave system:

All employees, excluding assistant staff

### [Welfare programs]

We provide an environment where employees engage in work with a sense of security by offering a variety of welfare programs that support the foundation of living of employees and their families and are matched to diversifying ways of family and lifestyles.

#### ■ Example welfare programs

- Housing-related measures essential in supporting employees' lives, such as dormitories for unmarried employees and rent subsidy
- Enhancing our welfare programs, such as a cafeteria plan, from which employees can choose ones matching their purposes of learning or promoting health
- Option join Chubu Electric Power's employee shareholding association
- Subsidies for in-house community activities (sports and other events) to facilitate mutual communication among employees

#### Eligible employees

##### Dormitories for unmarried employees and rent subsidy:

All employees, excluding contracted employees, contract employees, assistant staff and dispatched employees

##### Cafeteria plan and employee shareholding association:

All employees, excluding assistant staff and dispatched employees

##### In-house community activities:

All employees



# Providing Opportunities and Support to Employees Who Meet the Challenge of Self-transformation

In order to create an environment where diverse human resources can explore their own careers, voluntarily take up challenges and outpace and be more active than their predecessors, we are implementing a range of measures based on the keyword of 3Cs, namely Chance, Challenge and Change.

## Chance (Create a chance)

Chubu Electric Power proactively makes investment in human resources development, such as training and personal development, to encourage employees' self-growth.

Human resources development cost per person		Training time per person	
FY2022:	FY2023:	FY2022:	FY2023:
120,000 yen	152,000 yen	22 hours	25 hours

## Training system

	By rank	By purpose				Other development support
		Career	Diversity	Strategic human resource development	Practical business training	
Employees in management positions	Newly appointed special managerial position training Newly appointed group head training Newly appointed management position training New employee trainer training	Career training (for employees in their 50s, 40s and 30s) Career consulting interviews	Seminar to support male employees in taking childcare leave Seminar on supporting a balance between work and childcare or nursing care	Next-generation leader development training Training to strengthen the ability to think logically, training on finance, corporate valuation, etc.	Training based on cross-industrial exchange Training on the knowledge and skills each division needs	Acquisition of the necessary qualifications relating to laws/regulations and others/training for domestic study-exchange Personnel development support (Video-based learning content UdeMy Business, Acquisition of recommended qualifications concerning self-development, Learning with external correspondence course, Operational skills improvement activities)
General employees	Training for newly-appointed employee in a managerial position (before promotion) Chief career development training Newly-appointed chief training New employee training	Introductory training for new mid-career employees				
OFF-JT (education and training)						
OJT						

## [Personal development support]

To enable employees to achieve autonomous career development, we have introduced UdeMy Business\*, which is video-based learning content that enables all employees to study a broad range of areas online, from business skills to state-of-the-art IT skills. We also proactively invest in human resources by enhancing support systems for qualification acquisition and upskilling.

We expanded the scope of financial support in April 2024: The number of qualifications with incentive pay for acquisition is 239, and the number of correspondence courses with course fees financially supported is now 310.

\* Benesse Corporation is the exclusive business partner of UdeMy in Japan.



Group activity aimed at passing an examination for qualification for electric work



Creative Culture Award in Benesse Reskilling Award 2023 received from Benesse Corporation in December 2023.

## [Trainings and Seminars]

In addition to training by rank, which is designed to encourage changes in the thinking and behavior matched to positions, we offer training by purpose to support employees who are exploring their own careers and self-transformation and taking up challenges accordingly.

- **Management/leadership training:** We hold next-generation leader development training for department managers of divisions and management seminars aimed at facilitating the success of diverse human resources serving as heads of organizations (department managers and section managers).
- **Division-wise training:** We carry out practical business training necessary for upskilling for each job and improving quality in each division (in the case of the Power Distribution Department: Training provided to develop skills for construction and equipment areas and the ability to supervise worksites).
- **Career development support:** To support employees' continued efforts in developing employability (the ability to be employed) from the perspective of employees' career formation, we hold career training and career consulting interviews at certain moments (the second year of employment, at the age of 29, 39, and 49). Career training includes an asset building seminar to support employees' career design from the perspective of life-career theory in addition to professional careers.

## [Increasing transfers through internal job posting systems]

In the regular summer personnel transfer in FY2024, 169 posts are available for internal recruitment. In FY2025, the number of offered posts will increase to 300. Opportunities for diverse career formation will be provided.

Target

Using internal job posting systems for internal transfers: 300 posts (FY2025)





## Challenge (Boldly take up challenges)

### [Engagement]

To visualize the degree of employees' empathy with the company, we have performed an engagement survey regularly since FY2022.

Management Vision 2.0 requires each employee to identify with the philosophy and management vision, take on challenges autonomously and continue to grow and work successfully. Past survey results revealed that there was a disparity in the degree of penetration of the philosophy and vision between managers (e.g., division managers, branch managers, and directors of workplaces) and general employees. To improve this situation, managers would need to play a critical role as mediators between the executive team and general employees. We held a workshop to instill Management Vision 2.0, mainly for division managers and branch managers, three times during FY2023. In total, 67 participants learned methods of vision management.

Additionally, to accomplish unchanged missions and create new value simultaneously, we show an ideal and a direction. We are putting in place an environment where managers can practice autonomous collaborative management that is oriented to change, to help each employee work creatively.

Results of the third survey  
(FY2023)

**Rated "BBB"**

\* Fourth from the top out of the 11 ratings

**Target**

FY2025

**"A" or higher rating**

\* Third from the top out of the 11 ratings

\* Using an engagement survey provided by Link and Motivation Inc.

## Change (Achieve transformation)

### [Resource allotment based on the medium- to long-term strategy]

We are discussing and implementing a resource allotment system based on a business plan aimed at achieving Management Vision 2.0. By identifying all personnel and skills to be required in the future, we are facilitating the development of internal human resources and increased mid-career recruitment.

### [Recruitment activities]

#### Regular recruitment

We recruit diverse human resources, who strongly identify with the corporate philosophy of Chubu Electric Power Group, have high aspirations and a spirit to continue taking up challenges toward the realization of the philosophy and are capable of leading the future of the Group, on a stable and regular basis.

As part of our recruitment activities, we hold briefing sessions and tours of various facilities to let participants understand and experience the mission of the Group in more specific terms.

We are also active in hosting an internship program. By providing opportunities for students to understand the Chubu Electric Power Group's business and actually experience work related to their specialized fields and future careers, we are working to encourage them to gain a high level of professional awareness.



internship (facility tour)

#### Mid-career recruitment

Chubu Electric Power Group has been witnessing an expansion of new growth areas, such as offshore wind power and other renewable energy businesses, global business and more accelerated promotion of DX. To swiftly and steadily respond to such changes in the business environment, we are proactively recruiting work-ready human resources with business experiences in diverse fields, including the electricity business, under our mid-career recruitment scheme.

In FY2023, we introduced a specialist employee system for those mid-career employees having advanced and specialized knowledge or skills. Based on the job description that specifies job content and expected outcome, the system sets job grades, based on which to evaluate them and determine their remuneration.

**Target**

**Percentage of mid-career employees among the number of persons employed: 20% (FY2025)**

#### ● Number of mid-career employees employed

\* Planned figure

FY	2019	2020	2021	2022	2023	2024
Regular recruitment (those employed April of the year)	398	392	417	390	405	432
Mid-career recruitment (those employed April of the year)	8	31	53	72	137	215*
Mid-career recruitment rate	2.0%	7.3%	11.3%	15.6%	25.2%	—

### [Evaluation system]

#### Feeding back performance evaluation results

We conduct detailed evaluations of the capabilities of individual employees and their degree of contribution to the Company's business results. While feeding back the results from supervisors to employees, we also provide opportunities to establish communication for employees' further growth.





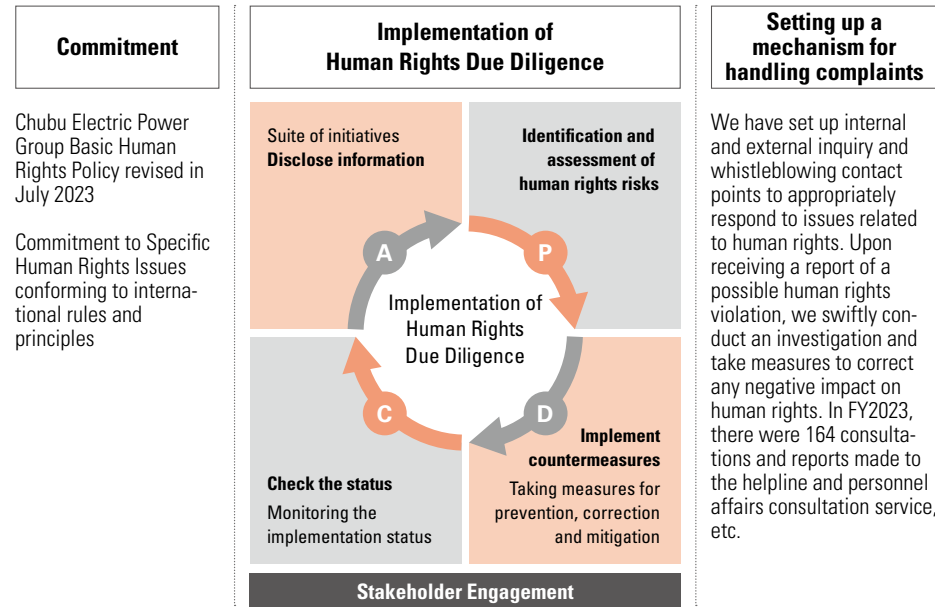
# Respect for Human Rights

We promote initiatives for respecting human rights in accordance with the United Nations' Guiding Principles on Business and Human Rights. Having revised Chubu Electric Power Group Basic Human Rights Policy in July 2023, we have constructed a system for human rights due diligence for all stakeholders involved in business activities while making continuous improvements.



Respect of human rights, Human rights due diligence

## Initiatives in line with the three core principles given in the UN Guiding Principles on Business and Human Rights



## Identification and assessment of human rights risks

In FY2023, we identified risks to be handled first by identifying obvious human rights issues and assessing the severity and the possibility of occurrence. We review human rights risk assessment results regularly (once a year).

Human rights risks to be handled first		
● Long working hours	● Occupational health and safety	● Workplace bullying
● Sexual harassment	● Rights of indigenous and local people	● Insufficient and unpaid wages, living wage
● Right to privacy	● Child labor	● Forced labor
● Discrimination	● Freedom of association	

## Measures for prevention, correction and mitigation/Monitoring

We have taken measures for the prevention, correction and mitigation of identified risks. The CSR Promotion Council chaired by the President has verified and deliberated on the results to facilitate initiatives in the following fiscal year.

Employees	<ul style="list-style-type: none"> <li>● All employees have participated in human rights training concerning harassment and other issues, and each workplace has held a discussion.</li> <li>● All employees have participated in a questionnaire so that the company can investigate and understand their awareness of harassment prevention.</li> </ul>
Business partners	<ul style="list-style-type: none"> <li>● We have conducted a questionnaire survey of our key business partners to learn how they implement CSR/ESG initiatives, including those related to human rights. We have taken follow-up action based on feedback and answers.</li> </ul> <p><b>[373 business partners surveyed in FY2023 (consisting of 344 material providers and 29 alliance partners)]</b></p>
Community people	<ul style="list-style-type: none"> <li>● We have held a briefing for residents on new development projects and other matters and also considered responses to environment-related requests.</li> </ul>
Customers	<ul style="list-style-type: none"> <li>● We have conducted a questionnaire survey of customers contracted to Chubu Electric Power Miraiz Co., Inc. on its information transmission to confirm that there were no events that might have infringed on human rights. <b>[628 customers surveyed in FY2023]</b></li> </ul>

## Responses to consolidated subsidiaries

We have made a human rights risk assessment and provided human rights training for about 30 main consolidated subsidiaries since FY2023.

Regarding the implementation of measures for prevention, correction and mitigation, we will expand the number of target subsidiaries in the future and deal with risks that each subsidiary should address first.

### Planned initiatives for consolidated subsidiaries

	2023	2024	Until 2030
Identification and assessment of human rights risks		Approx. 30 subsidiaries	
Awareness building and training		Approx. 30 subsidiaries	
Implementation of measures for prevention, correction and mitigation	3 subsidiaries	Each subsidiary will begin with a risk to be handled first.	



# CSR-conscious Procurement

The Chubu Electric Power Group, based on the Chubu Electric Power Group Basic Procurement Policy, promotes procurement activities that consider CSR (Corporate Social Responsibility). This includes ensuring quality, reducing procurement costs, and emphasizing “total compliance,” “respect for human rights,” and “consideration for safety and health”

Additionally, the Group has established CSR Procurement Guidelines as behavioral standards for suppliers, aimed at fostering CSR practices across the entire supply chain.

## Revision of Chubu Electric Power Group Basic Procurement Policy

In June 2024, we revised the Chubu Electric Power Group Basic Procurement Policy and the CSR Procurement Guidelines, which serve as behavioral standards for our suppliers, formerly known as the Supplier Code of Conduct. This revision aims to further promote CSR-conscious procurement activities and foster mutual prosperity and coexistence throughout the supply chain with our suppliers.

### Chubu Electric Power Group Basic Procurement Policy

- |                               |                                       |
|-------------------------------|---------------------------------------|
| 1 Open Door Policy            | 5 Respect for Human Rights            |
| 2 Fair and Honest Procurement | 6 Consideration for Safety and Health |
| 3 Work in Partnership         | 7 Mitigate Environmental Burden       |
| 4 Total Compliance            | 8 Thorough Risk Management            |

### CSR Procurement Guidelines

- |                                       |                                      |
|---------------------------------------|--------------------------------------|
| 1 Building Partnerships               | 5 Consideration for the Environment  |
| 2 Thorough Compliance                 | 6 Promotion of Cost Reductions       |
| 3 Respect for the Human Rights        | 7 Improvement in Quality and Service |
| 4 Consideration for Safety and Health | 8 Thorough Risk Management           |

We have all business partners submit a Consent Confirmation Form regarding compliance.

[Link](#) Chubu Electric Power Group Basic Procurement Policy

[Link](#) CSR Procurement Guidelines

## Educating and instilling the policy within Chubu Electric Power

Chubu Electric Power provides various types of training for employees engaging in procurement operations to thoroughly instill the Chubu Electric Group Basic Procurement Policy and ensure compliance with relevant laws and regulations as well as corporate ethics.

In fiscal 2023, all employees underwent education to enhance understanding of appropriate price negotiations and cost allocations with business partners, aiming to promote awareness and thorough compliance.

## Promoting integrated csr procurement with suppliers

The Chubu Electric Power Group actively discloses information to and enhances communication with all our suppliers. Every year, we hold procurement overview briefing sessions at the beginning of the fiscal year to explain our management initiatives, compliance practices, and other areas of CSR implementation, as well as disclose procurement plans. In fiscal 2023, 329 companies participated.

In addition, in May 2024, we revised our Declaration of Partnership Building and declared our commitment to determining transaction prices based on actions taken in accordance with the Guidelines Concerning Price Negotiation for Appropriate Shifting of Labor Costs.



[Link](#) Declaration of Partnership Building (Japanese version only)

## CSR and ESG survey for business partners

The Chubu Electric Power Group has been working jointly with its business partners to promote CSR and ESG-conscious procurement for the ultimate goal of establishing a sustainable supply chain.

In FY2023, we conducted a survey on the status of CSR and ESG efforts of about 344 key business partners and confirmed that there is no significant risk in the supply chain. As an effort to identify and reduce various risks, we also share the survey results with these business partners.

We will continue to conduct the survey and cooperate with our business partners to strengthen CSR and ESG efforts throughout the supply chain.

### Check items: Total of 84 items in 8 fields

- |   |  |                      |
|---|--|----------------------|
| • Governance                              | • Information management                             | • Quality and safety |
| • Compliance and prevention of corruption | • Safety and health                                  | • Risk management    |
| • Human rights and labor                  | • Environment and coexistence with local communities |                      |



# Coexistence with Local Communities

We have established the Basic Corporate Citizenship Policy of the Chubu Electric Power Group in order to contribute as the Group to the sustainable development of local communities and society, and are engaged in many different activities focusing on four fields: Ensuring safety and security in local communities; environmental preservation; education of the next generation; and cultural and sport activities. In addition, we also strive to maintain and improve relationships of trust with local communities through industry-academia collaboration.

## Four focus fields

### Ensuring safety and security

#### ■Mimamori pole

Chuden KuraBis Co.,Ltd. provides a service that installs cameras on utility poles to monitor local areas and customer premises (crime prevention and monitoring in public spaces, monitoring of premises and buildings managed by customers).



### Environmental preservation

#### ■Green curtains

Since 1992, we have been undertaking a campaign to distribute seeds of climbing plants to customers to grow so-called green curtains. Through efforts to save energy and power in the summer using the powers of nature, we promote the greening of communities and raise awareness about global warming countermeasures.



### Education of the next generation

#### ■Electricity Museum

The museum is a plaza for enjoyably learning about science and electricity. It is a base for the sharing of information about science, electricity, energy and the environment.

Visitors in 2023: 325,385 persons



#### ■One Step Support Project

As part of the One Step Support Project to support the next generation, Chubu Electric Power held a shogi tournament for elementary school students. Shogi player Sota Fujii visited the venue on the day of the event to cheer on the children.



### Cultural and sport activities

#### ■Club and circle activities

Each sports club in the Chubu Electric Power Group participates in local sports classes and events and interacts with local residents while conveying the appeal and fun of sports. Through these activities, we contribute to the local community and promote the development and spread of culture and sports activities.



Gifu Branch Ski Club

#### Examples of activities

- Sit-ski volunteering in Takayama City (**Gifu Branch Ski Club**)
- Rugby class with a local club team in Okazaki City (**Rugby club**)
- Trial session at a sports event in Mizuho Ward, Nagoya (**Rowing club**)

### Industry-academia collaborations

Through industry-academia collaboration in various fields, we build and maintain relationships of trust with community members and contribute to the sustainable development of local communities.

#### Examples of activities

- Holding of workshops and opinion exchange meetings in the agricultural sector (**Meijo University**)
- Establishment of two endowed research divisions to promote research, engaging in human resources development and disseminating information to local communities (**Nagoya University**)
- Collaborative class on energy (**Aichi University of Education**)
- Guidance and development of students who will become next-generation engineers (**AICHI INSTITUTE OF TECHNOLOGY**)
- Joint research in a wide range of fields, such as early response to disasters (**Shizuoka University, University of Shizuoka, Hamamatsu University School of Medicine**)
- Collaboration with students aiming to become next-generation regional leaders who are capable of solving regional issues (**Gifu University**)
- Research on use of a wearable device to prevent accidents among agricultural workers (**Mie University**)
- Experimental study on commercialization of biomass power generation using untapped resources (**Shinshu University**)
- Joint research on establishment of a system to provide a watch service for in-home patients and use various data in daily lives in medical fields (**Keio University Hospital**)

### Initiatives with Mie University

Chubu Electric Power is involved in research and development of wearable devices that prevent accidents resulting from a sudden deterioration in the health of persons engaged in agriculture.

A device is attached to the heads of farmers to collect data while farmers cut grass.







## Dialogue between the Chairman of the Board of Directors, External Director, and External Audit and Supervisory Committee Member

Discussion featuring Chairman of the Board of Directors Katsuno Satoru, an External Director Hashimoto Takayuki, and an Audit and Supervisory Committee member Nakagawa Seimei

### Chubu Electric Power Group fulfills its responsibilities as a public utility that underpins social and community infrastructures and strives to increase corporate value and contribute to the sustainable development of society.



**Katsuno Satoru**  
Chairman of the Board  
of Directors

**Hashimoto Takayuki**  
External Director

**Nakagawa Seimei**  
Audit and Supervisory  
Committee member

#### Katsuno Satoru, Chairman of the Board of Directors

Katsuno Satoru joined Chubu Electric Power in 1977. Before Katsuno was appointed director in 2015, holding the position of President & Director, he served as General Manager of Okazaki Regional Office, Managing Executive Officer, General Manager of the Tokyo Office, and Director, Executive Vice President and General Manager of Corporate Planning & Strategy Division. He has been in his present position since April 2020.

Born in 1954 in Aichi Prefecture.

#### Hashimoto Takayuki, Honorary Executive Advisor, IBM Japan, Ltd.

Hashimoto Takayuki joined IBM Japan, Ltd in 1978. He has held positions such as Director & Senior Managing Executive Officer, President & Representative Director and Chairman & Director at IBM Japan, Ltd. And he has been in his present position since May 2017. He was appointed as External Director of the Company in June 2016.

Born in 1954 in Aichi Prefecture.

#### Nakagawa Seimei, Attorney at law

Nakagawa Seimei was appointed Public Prosecutor of Tokyo District Public Prosecutors Office in 1984. He experienced positions such as Assistant Vice-Minister of Justice, Director of Public Security Department at Supreme Public Prosecutors, Director-General of Public Security Intelligence Agency and Superintending Prosecutor at Nagoya High Public Prosecutors Office. And he has been in his present position since December 2021. He was appointed as External Director in June 2023 and Audit and Supervisory Committee member of the Company in June 2024. Born in 1958 in Toyama Prefecture.

## 1 Chubu Electric Power Group's Vision

**Katsuno:** The electric power business, the core business of the Chubu Electric Power Group, has witnessed moves to re-evaluate the ideal shape of the electric power business, as exemplified by the full liberalization of electric power retail sales along with reforms of electric power systems. Besides the traditional role of providing stable supplies of electricity that support Japan's economic growth, there have been calls for pursuing economic rationality via competition and at present for contributing to the transformation of the industrial structure toward decarbonization. Furthermore, the introduction of smart meters at each household coupled with the advance of digital technologies has enabled the visualization of lifestyle data through electricity usage. As a result, when combined with preceding industrial data, the visualization of society as a whole is advancing. In moving toward decarbonization, as electrification and digitization of daily lives and industry gathers pace, I believe that combining this data using AI and ICT to arrange a variety of customer-driven services could be possible. From this perspective, besides the electric power business as a public interest, Chubu Electric Power Group is launching and undertaking an assortment of businesses to create "new value" that contributes to the lives of each customer and to industrial development and to advance community support infrastructures as a utility. In promoting businesses, there inevitably tends to be a focus on individual services. However, it is also important to consider ways to link individual services with the overall vision of how we can respond as a utility that supports infrastructure to address the diversifying demands of society and communities.

At the same time, our vital mission of "providing a safe, affordable and stable supply of electric power"





remains unchanged. Another key mission is to respond to the multifaceted demands of society through the value chain of “Generating, Sending, and Using Energy.” I believe the Chubu Electric Power Group’s Vision is to further advance the concept of public interest and provide new value to local communities as a utility for various social infrastructures. In keeping with this fundamental recognition, I would like to discuss what roles the Board of Directors should play.

**Hashimoto:** The electric power industry originally grew as an energy infrastructure for society. Now, there are widening expectations of the electric power industry as people’s lives become more affluent and the industrial structure evolves dramatically. Besides its traditional role of providing a stable supply of electricity, the industry is being asked to play the role of providing “energy + community support” as a utility. Concurrently, contributing to the realization of carbon neutrality is also important and this requires a long-term commitment to investment. However, we are now in an age where management decisions are becoming difficult in terms of deciding how to combine this with digital-centered services that have different timelines.

**Nakagawa:** From the perspective of social responsibility as a public interest, I believe that providing a stable supply of electricity is in essence a social infrastructure serving as the foundation of economic activity and life in society. We have consumed large amounts of resources in this era of mass production and mass consumption. Today, however, we are transitioning to an age of a circular economy that considers how to use finite resources. Additionally, the frequent occurrence of natural disasters and changes in the natural ecosystem due to global warming are also major

issues and achieving carbon neutrality through decarbonization is becoming an urgent task. I believe that as a social responsibility there is a need for considering ways to contribute to addressing these issues as a private company through technological innovation and changes in organizational and individual awareness.

## 2 Strengthening execution and supervision by transitioning to a Company with an Audit & Supervisory Committee

**Katsuno:** To achieve the Chubu Electric Power Group Vision, we must improve the effectiveness of the Board of Directors in terms of both flexible decision-making and strengthening supervisory functions for business execution. Acting on this conviction, in June 2024 Chubu Electric Power transitioned from a company with a board of auditors to a Company with an Audit & Supervisory Committee.

**Hashimoto:** This is a huge change. With the transition to a Company with an Audit & Supervisory Committee, this will mark the first time ever at Chubu Electric Power that the number of external directors will exceed the number of internal directors while the Audit & Supervisory Committee members will have voting rights. This will enable even more-transparent management and earn positive responses from external stakeholders such as overseas investors and shareholders. I expect this to also serve as a huge tailwind for the Chubu Electric Power Group, which is undertaking its global business and expanding its business overseas. To further increase the effectiveness of the Board of Directors, I believe that proactive discussion about redefining the roles of execution and supervision is essential.

**Nakagawa:** I agree. For example, I think the Board of Directors of Chubu Electric Power, as a holding company, can further realize more-flexible decision-making

and strengthen governance by clarifying the roles of execution and supervision. This includes further sophisticating monitoring and delegating significant authority for business execution to each operating company.

**Katsuno:** We have discussed our organization that is transitioning its management structure. However, if we apply this to the work of each employee, I think that employees’ perception of the role he or she should play will differ because each role in the value chain of the electric power business is different. To accelerate each activity and achieve the Management Vision, we must make each employee understand their respective roles based on a thorough awareness of compliance.

**Nakagawa:** Organizational compliance is the sum of each individual’s compliance awareness. Alternatively, compliance awareness created by the organization also has an impact on each individual. Besides transforming the awareness of individuals, a company as a whole must continuously work to change compliance awareness. The term compliance tends to be a bit difficult to grasp because it can be summarized simply as obeying laws and regulations. However, I think the basis of compliance is to “follow the rules.” To do this, the background and reasons why rules were created in the first place need to be clearly explained.

That said, rules are difficult to convey if these are only written in a manual. A more positive way of understanding compliance is to regard compliance as one type of corporate social responsibility and rephrasing compliance as “acting in a manner that you would not be ashamed of no matter who sees you.”

**Katsuno:** You are correct. Whenever a problem occurs, the number of rules rapidly increases. However, rather than simply memorizing an ever-increasing number of rules, it is important to understand the fundamental reasons why these rules were created. Acting with a deep understanding of this will



Dialogue between the Chairman  
of the Board of Directors, External  
Director, and External Audit and  
Supervisory Committee Member



eliminate the need for rules and similar problems can be handled without requiring new rules.

**Hashimoto:** When it comes to conveying something in an easy-to-understand manner, the same can be said about the company that Chubu Electric Power aspires to be, such as attaining its management target of fulfilling its public mission while growing as a private company. There is a “culture of ‘and’” and a “culture of ‘or’.” The “culture of ‘or’” is, for example, a tradeoff such as “either sociality or economics.” In recent years, a “culture of ‘and’” that aims at achieving both goals have become very important. The “culture of ‘and’” can be regarded as “management that transcends conflict,” and permeating this culture depends largely on the philosophy and spirit of the top managers. It is important for management to continually translate the words of top managers into their own words and communicate these to employees in an easy-to-understand manner so that employees can empathize with these and take actions as their own personal matters.

### 3 Maintaining a stable supply of electricity and progressing with decarbonization together with customers

**Katsuno:** Returning to the topic of the electric power business, public interest is premised on a safe, affordable, and stable supply of electricity. To maintain this, strengthening resilience in both physical and cyberspace is important. On the physical side, along with a large-scale power transmission and distribution network that covers long distances as an electric power system, I believe that rebuilding mechanisms for stable supply such as decentralized and independent facilities will help strengthen the resilience of Japan, which is a disaster-prone country.

**Nakagawa:** I was absolutely stunned when I saw the

areas devastated by the 2024 Noto Peninsula Earthquake. The restoration of infrastructure such as electricity and water supply will be crucial in formulating disaster recovery plans for stricken areas assuming the occurrence of the Nankai Trough earthquake. To restore infrastructure as quickly as possible, double- and triple-redundancy safety systems such as fail-safe systems are essential. Regardless of how far technologies and digitization advance, mechanisms that provide analog coverage are essential for strengthening resilience. To maintain a stable supply of electricity, besides security alone, it is also important to combine and operate a diversity of power sources that include thermal power and renewable energy.

**Hashimoto:** In the past, analog technology existed and machines assisted. Today, however, we are entering the age of “human-digital interface,” where analog technology assists digital technology. Given this situation, raising employees’ IT literacy to enable them to properly understand digital technology and use it effectively is also important.

**Nakagawa:** Strengthening cybersecurity is also important for fortifying resilience. Regarding information leaks, besides cyberattacks from outside the Company, we must also be careful about internal leaks. Recently, a law was passed in Japan for establishing a “security clearance” system, reflecting a rising awareness of the importance of protecting information in Japan as well.

**Katsuno:** I agree. To strengthen cybersecurity, besides of course implementing traditional analog security measures for society’s energy infrastructure as a public utility, Chubu Electric Power Group is promoting advanced measures that integrate information technology (IT) and operation technology (OT). What about decarbonization, which is another management issue?

**Nakagawa:** In thermal power, zero emission through technological innovation is progressing. I believe we can contribute to realizing carbon neutrality by combin-

ing thermal power with energy-efficient, environmentally friendly power sources such as nuclear power while ensuring safety as a top priority.

**Katsuno:** To achieve carbon neutrality, it is important that energy suppliers like Chubu Electric Power work together and mutually collaborate with the demand side to ensure a smooth transition for society as a whole. For this purpose, it is essential to quickly develop and implement transition technologies such as the use of hydrogen and ammonia. Although this is a difficult challenge, I believe that our role as an energy infrastructure is to commercialize and make this technology a global standard. Instead of only promoting energy decarbonization, we must also strive for both DX through digitization and GX that aims for carbon neutrality.

**Hashimoto:** You are right. Business opportunities can be created by transcending the boundaries of the electric power business and working with customers such as by making proposals and providing consulting on decarbonization solutions and supporting their factory operations. I think the time is ripe to implement these solutions across society through M&A and partnering to contribute to the realization of carbon neutrality. By combining these new initiatives with nuclear power and renewable energy, Chubu Electric Power can make a significant contribution to the realization of carbon neutrality.

**Katsuno:** Nuclear power can generate electricity cheaply and stably upon assuring safety and does not emit CO<sub>2</sub> during power generation. Given these benefits, nuclear power is one important source that contributes to energy security in the face of various geopolitical factors and to the realization of carbon



neutrality. However, ensuring a stable supply of electricity with nuclear power and renewable energy alone is difficult. For these reasons, it is important to keep “S+3E (Safety + Economy, Energy Security and Environment)” in mind and skillfully combine a variety of power sources such as zero-emission thermal power.

#### 4 Aiming for further increases in corporate value and sustainable growth

**Katsuno:** To respond flexibly and promptly to changes in the environment and the demands of society, deepening human capital management as a foundation is essential.

**Nakagawa:** Creating an “organization that cultivates and utilizes people” is necessary for a company to grow sustainably. Even with a diverse workforce, a good organization cannot be created without a plan for cultivating human resources and policies linked to their career paths. Moreover, creating fertile ground for accepting diversity depends on changing the mindsets of employees. Rather than eliminating new insights and knowledge, it is also important to skillfully incorporate and consider ways to use these.

Following-up on employees who have taken leave or returned to the workplace is also important. Furthermore, proactively creating an environment in which women can play active roles is essential. Taking steps to raise employee motivation, such as by entrusting them with work with responsibilities regardless of gender and evaluating employees fairly and impartially, is also necessary.

**Hashimoto:** Creating an inclusive organization that accepts and utilizes diversity is important. We need to

be aware of differences in personality and mentality and utilize these differences while recognizing these as our characteristics. To achieve true diversity, we need to go beyond what I call the four limits of “knowledge,” “experience,” “thought,” and “field of vision.” If all employees, including managers, do not transcend these limits, there is a risk that Chubu Electric Power will stop thinking as an organization.

“Technology transfer” is also another important matter. In the Chubu Electric Group, technology transfer at frontline work sites is especially important for maintaining a stable supply of electricity.

**Katsuno:** That’s right. Chubu Electric Power Grid continues to hold technology transfer training. Also, to provide a deeper understanding, starting this year we will implement new initiatives to allow employees to learn about past research, knowledge, and findings, and to investigate on their own and internalize how technology has evolved over time. Furthermore, since last year, the Chubu Electric Power Group holds training sessions with other companies that also serve as mutual technology exchanges to deepen knowledge of construction technologies, safety measures, and construction management methods.

Turning to business, collaborative creation and cooperation with business partners are also essential for increasing corporate value and achieving sustainable growth. Simply investing in startups does not constitute a business. New value can be created and businesses established by working with business partners to verify and implement technologies. In our global business, we are involved in various fields such as power generation, transmission and distribution, and sales in various countries and regions. We will gain knowledge through investments in each value chain of “Generating, Sending, and Using Energy” and aim to monetize these as integrated businesses in the future.

**Hashimoto:** Without taking on the challenge of think-

ing about how to set up a business beyond just being only corporate venture capital, this cannot go beyond being just an investment. I think there are three main types of innovation, namely technology, process, and business model innovation. Chubu Electric Power Group is already working on technological innovation and improving operational efficiency and therefore it needs to devote efforts toward “business model innovation” going forward. To spur these innovations, it is important to firmly recognize the core strengths of the Chubu Electric Power Group, and to look outside the Company to incorporate any missing elements such as through mid-career hiring, co-creation with various partners, and open innovation.

**Katsuno:** To create new value by utilizing energy-related data from daily life and industry, we must reaffirm our own strengths in the value chain. I think we need to fully utilize our strengths and create business together with customers, local communities, and various business partners. With the stable supply of electricity as a major prerequisite, we will increase our corporate value and contribute to the sustainable development of society by fulfilling our responsibilities as a utility that underpins the infrastructure of society and communities and support the transformation of society as a whole based on the twin pillars of GX that aims for carbon neutrality and DX through digitization.





# Corporate Governance

## Basic concept regarding corporate governance

The Chubu Electric Power Group has been striving to improve corporate governance, including positioning fairness and transparency at the core of business, ensuring proper oversight of management and operations execution, and providing mechanisms for swift decision-making, as espoused in the Chubu Electric Power Group CSR Declaration.

In order to further deepen the separation of operation and supervision, and to achieve both flexible decision-making and a higher level of governance, the Company transitioned to a Company with an Audit and Supervisory Committee as of the Annual Shareholders' Meeting held in June 2024.

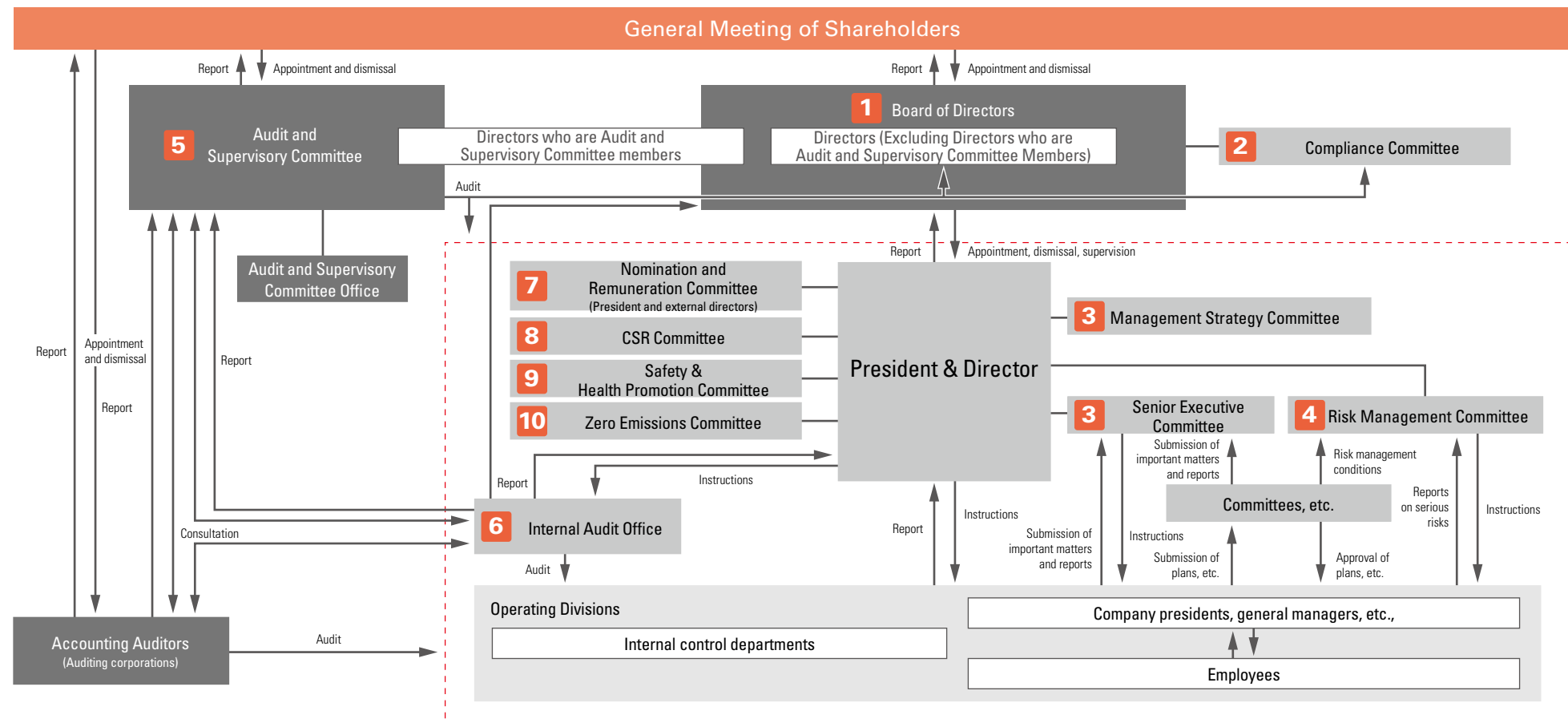


Chubu Electric Power Group Basic Corporate Governance Policy



Chubu Electric Power Group Corporate Governance Report

## Corporate governance structure





**1 Board of Directors**

In principle, held once a month. Deliberates on and decides items concerning legislation and articles of incorporation, and important items related to management. Additionally, receives reports on the execution of duties from directors in order to supervise the execution of the duties of directors. By granting Directors who are Audit and Supervisory Committee members voting rights at Board meetings, the effectiveness of the auditing and supervisory functions has been further enhanced.

Nine directors including external directors  
**Held 29 times/year\***

**2 Compliance Committee**

Chubu Electric Power established the Compliance Committee with the aim of comprehensively and reliably promoting compliance throughout the entire Chubu Electric Power Group. The committee is operated under the supervision of the Board of Directors and is chaired by the President through nomination by the Board of Directors.

The committee deliberates policies and measures concerning compliance promotion and conducts fact-finding research on compliance matters as well as provides advice, support, and guidance to Group companies.

**3 Senior Executive Committee and Management Strategy Committee**

The Senior Executive Committee, comprised of the President, Executive Vice Presidents, Senior Executive Officers and other officers, meets once a week in principle for preliminary deliberation of items on the agenda of the Board of Directors and to discuss other important business matters.

Meanwhile, the Management Strategy Committee, consisting of the Chairman, President, General Manager of Corporate Planning & Strategy Division and General Manager of Corporate Management Division and other officers, discusses the direction of the company's business in the medium to long term.

**4 Risk Management Committee**

The Risk Management Committee, which is chaired by the President and consists mainly of Executive Vice Presidents and Senior Executive Officers, deliberates and reports on items concerning serious risks.

**5 Audit and Supervisory Committee**

In principle, held once a month. The Audit and Supervisory

Committee allocates the roles of Directors who are Audit and Supervisory Committee Members and shares information in order to conduct audits more systematically and efficiently. It also issues decisions and approvals regarding matters of law and the items prescribed by the articles of incorporation.

The Audit and Supervisory Committee audits every aspect of the performance of duties by the Directors (excluding Directors who are Audit and Supervisory Committee members; the same applies hereinafter in this section). To this end, they deepen their understanding of the Directors, the internal audit divisions, and the operating divisions. The Directors who are Audit and Supervisory Committee Members attend meetings of the Board of Directors and other important meetings, hear from the Directors regarding the performance of their duties, and examine the circumstances of the company's operations and finances. They also perform their duties for the purpose of thoroughly monitoring and verifying resolutions made by the Board of Directors regarding establishment of systems to ensure the quality of corporate administration and the operating status of the system (internal control) developed by such resolutions.

With regard to Group companies, we maintain communication and share information with their directors and auditors, and keep ourselves informed of their business activities whenever necessary.

**6 Internal Audit Office**

The Internal Audit Office is an organization that reports directly to the President, is independent from operating divisions, and is responsible for performing internal audit functions. It performs audits on the activities of operating divisions such as quality control for safety at nuclear power plants, basing its perspective on internal control system effectiveness (including internal controls over financial reporting) and CSR. The results of each of these initiatives are reported to the president and Board of Directors and presented as advice and recommendations to the relevant divisions so that they can continuously make improvements.

The internal audit process is assessed internally as well as verified regularly by an independent organization as part of the company's efforts to improve and maintain the quality of audits.

The scope of internal audits by the office includes associated companies. To help improve internal control systems and practices across the group, the Internal Audit Office also shares information with internal audit divisions of associated compa-

Board of Auditors  
Five auditors including external auditors  
**Held 24 times/year\***

nies and provides other support.

**7 Nomination and Remuneration Committee**

The Committee consists of the President and independent external directors nominated by the President (including directors who are Audit and Supervisory Committee members). In developing appointment proposals for directors (including directors who are Audit and Supervisory Committee members) and executive officers and determining the remuneration of directors (excluding directors who are Audit and Supervisory Committee Members) and executive officers, the Committee ensures the fairness and transparency of the process by obtaining advice from the external directors.

President and four external directors  
**Held 12 times/year\***

**8 CSR Committee**

The CSR Committee, which consists of the President, Executive Vice Presidents, Senior Managing Executive Officers, Managing Executive Officers and other officers, deliberates on such matters as the basic policies and medium-term directions of CSR promotion and reports on the status of activities.

**9 Safety & Health Promotion Committee**

The Safety & Health Promotion Committee chaired by the President of Chubu Electric Power Co., Inc. is composed of the management team, including the operating companies, as well as the labor union chairman and outside experts. The committee deliberates and decides policies and measures to foster a culture of safety and promote health management.

The committee monitors the status of safety and health promotion at each operating company, which also covers accidents at contractors, and rotates the PDCA cycle and continuously make improvements.

**10 Zero Emissions Committee**

In March 2021, the Zero Emissions Committee was established, chaired by the President, to take on the challenge of achieving net zero CO<sub>2</sub> emissions for the Chubu Electric Power Group's entire business in 2050.

The Committee sets ultra-long-term and medium- to long-term targets for Chubu Electric Power, operating companies and group companies and formulates and evaluates action plans for attaining these targets.

\* The number of times the Board of Directors, the Board of Auditors, and the Nomination and Remuneration Committee met are the actual figures from FY2023.



- \* The number of attendances is for FY2023.  
 \* Kazuhiro Nabeta assumed office in June 2024.  
 \* Independent directors are assessed for their independence in accordance with the criteria set by the financial instruments exchange where the company is listed.

## Directors and Audit and Supervisory Committee Members (As of July 1, 2024)



Chairman of the Board of Directors  
**Katsuno Satoru**  
 Reappointed

Apr. 1977: Joined Chubu Electric Power  
 July 2007: Managing Executive Officer and General Manager of the Tokyo Office  
 June 2010: Director & Senior Managing Executive Officer, and General Manager of Corporate Planning & Strategy Division  
 June 2013: Director & Executive Vice President and General Manager of Corporate Planning & Strategy Division  
 June 2015: President & Director  
 Apr. 2020: Chairman of the Board of Directors (incumbent)

### Reasons for selecting:

Katsuno Satoru has a career history in the Company that, thus far, includes General Manager of Tokyo Office, General Manager of Corporate Planning & Strategy Division, and President & Director. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Katsuno Satoru is considered capable of carrying out management that improves corporate value.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)



President & Director  
**Hayashi Kingo**  
 Reappointed

Apr. 1984: Joined Chubu Electric Power  
 Apr. 2016: Executive Officer, General Manager of Tokyo Office  
 Apr. 2018: Senior Managing Executive Officer, President of Customer Service & Sales Company  
 June 2018: Director & Senior Managing Executive Officer, President of Customer Service & Sales Company  
 Apr. 2020: President & Director (incumbent)

### Reasons for selecting:

Hayashi Kingo has a career history in the Company that, thus far, includes General Manager of Tokyo Office, President of Customer Service & Sales Company and President & Director. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Hayashi Kingo is considered capable of carrying out management that improves corporate value.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)  
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



Director, Executive Vice President  
**Mizutani Hitoshi**  
 Reappointed

### General Manager of Corporate Management Division and CFO\*1

Apr. 1984: Joined Chubu Electric Power  
 Apr. 2018: Managing Executive Officer, General Manager of Nagoya Regional Office, General Manager of Nagoya Regional Office, Power Network Company  
 Apr. 2020: Senior Managing Executive Officer, General Manager of Corporate Management Division  
 June 2020: Director, Senior Managing Executive Officer, General Manager of Corporate Management Division  
 Apr. 2021: Director, Executive Vice President, General Manager of Corporate Management Division, Chief Financial Officer  
 Apr. 2022: Director, Executive Vice President and General Manager of Corporate Management Division, CFO and Supervisor of CKO\*2  
 June 2022: Director, Executive Vice President and General Manager of Corporate Management Division, CFO, Supervisor of Chief Kaizen Officer and CCO\*3 (incumbent)  
 Apr. 2023: Director, Executive Vice President and General Manager of Corporate Management Division and CFO, and CCO.  
 Apr. 2024: Director, Executive Vice President, General Manager of Corporate Management Division and CFO (incumbent)

### Reasons for selecting:

Mizutani Hitoshi has a career history in the Company that, thus far, includes General Manager of Nagoya Regional Office and General Manager of Corporate Management Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Mizutani Hitoshi is considered capable of carrying out management that improves corporate value.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)

\*1: CFO: Chief Financial Officer \*2: CKO: Chief Kaizen Officer \*3: CCO: Chief Compliance Officer



Director, Executive Vice President  
**Nabeta Kazuhiro**  
 New Appointment

### General Manager of Corporate Planning & Strategy Division and CIO\*1

Apr. 1986: Joined Chubu Electric Power  
 Apr. 2018: Executive Officer  
 Apr. 2020: Managing Executive Officer, General Manager of Corporate Planning & Strategy Division  
 Apr. 2020: Senior Managing Executive Officer  
 Apr. 2023: General Manager of Research & Development Division, CTO\*2, CSO\*3  
 Apr. 2024: Executive Vice President  
 June 2024: General Manager of Corporate Planning & Strategy Division, CIO  
 General Manager of Corporate Planning & Strategy Division, CIO (incumbent)

### Reasons for selecting:

Nabeta Kazuhiro has a career history in the Company that, thus far, includes Manager of Corporate Planning & Strategy Division, General Manager of Research & Development Division and General Manager of Corporate Planning & Strategy Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Nabeta Kazuhiro is considered capable of carrying out management that earns trust from stakeholders and improves corporate value.

### Attendance:

\*1: CIO: Chief Information Officer \*2: CTO: Chief Technology Officer

\*3: CSO: Chief Standardization Officer



External Director  
 (Independent Officer)  
**Hashimoto Takayuki**  
 Reappointed

### Honorary Executive Advisor, IBM Japan, Ltd.

Apr. 1978: Joined IBM Japan, Ltd.  
 Apr. 2000: Director, IBM Japan, Ltd.  
 Apr. 2003: Managing Executive Officer, IBM Japan, Ltd.  
 Jan. 2007: Senior Managing Executive Officer, IBM Japan, Ltd.  
 Apr. 2008: Director & Senior Managing Executive Officer, IBM Japan, Ltd.  
 Jan. 2009: President & Representative Director, IBM Japan, Ltd.  
 May 2012: Chairman & Director, IBM Japan, Ltd.  
 Apr. 2014: Chairman, IBM Japan, Ltd.  
 Jan. 2015: Vice Chairman, IBM Japan, Ltd.  
 June 2016: External Director, the Company (to present)  
 May 2017: Honorary Executive Advisor, IBM Japan, Ltd. (to present)  
 Nov. 2019: President and Representative Executive Director, Yamashiro Management R&D Institute LTD. (incumbent)

### Reasons for selecting:

Hashimoto Takayuki was involved in the management of IBM Japan for many years, and has a wealth of knowledge and experience as a management specialist.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)  
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director  
 (Independent Officer)  
**Shimao Tadashi**  
 Reappointed

### Executive Advisor, Daido Steel Co., Ltd.

Apr. 1973: Joined Daido Steel Co., Ltd.  
 June 2004: Director, Daido Steel Co., Ltd.  
 June 2006: Managing Director, Daido Steel Co., Ltd.  
 June 2009: Executive Vice President and Representative Executive Director, Daido Steel Co., Ltd.  
 June 2010: President and Representative Executive Director, Daido Steel Co., Ltd.  
 June 2015: President & CEO, Representative Executive Director, Daido Steel Co., Ltd.  
 June 2016: Chairperson of the Board of Directors, Representative Executive Director, Daido Steel Co., Ltd. (to present)  
 June 2019: External Director, the Company (incumbent)  
 June 2023: Executive Advisor, Daido Steel Co., Ltd. (incumbent)

### Reasons for selecting:

Shimao Tadashi was involved in the management of Daido Steel Co., Ltd. for many years, and has a wealth of knowledge and experience as a management specialist.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)  
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director  
 (Independent Officer)  
**Kurihara Mitsue**  
 Reappointed

### Chairman of the Board of Directors, Value Management Institute, Inc.

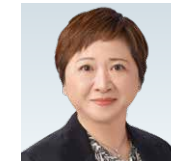
Apr. 1987: Joined Development Bank of Japan (DBJ)  
 June 2008: International Policy Studies, Stanford University (Dispatch)  
 June 2010: Deputy Director, Treasury Department, DBJ  
 May 2011: Senior Vice President of Healthcare & Hospitality Industry Office, Corporate Finance Department, Division 4, DBJ  
 Apr. 2013: General Manager, Head of Corporate Finance Department, Division 6, DBJ  
 Feb. 2015: Audit & Supervisory Board Member, DBJ  
 June 2020: External Director, the Company (incumbent)  
 June 2020: Retired DBJ  
 June 2020: Chairman of the Board of Directors, Value Management Institute, Inc. (incumbent)

### Reasons for selecting:

Kurihara Mitsue has special knowledge and experience in the fields of finance, M&A, and business management, gained through her past involvement at Development Bank of Japan Inc., and now in management at Value Management Institute, Inc.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)  
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director  
 (Independent Officer)  
**Kudo Yoko**  
 Reappointed

### U.S. Certified Public Accountant

Apr. 1982: Joined Sampo Japan Insurance Inc.  
 June 1989: Retired from Sampo Japan Insurance Inc.  
 Sept. 1993: Joined PricewaterhouseCoopers  
 Nov. 1996: Retired from PricewaterhouseCoopers  
 Dec. 1996: Joined Ernst & Young  
 Apr. 2005: Ernst & Young ShinNihon LLC (loaned from Ernst & Young)  
 Jan. 2006: Permanently transferred to Ernst & Young ShinNihon LLC  
 May 2006: Principal, Ernst & Young ShinNihon LLC  
 July 2020: General Manager of Unaudited Contract Review Department at Quality Control  
 Division, Ernst & Young ShinNihon LLC  
 June 2022: Retired Ernst & Young ShinNihon LLC  
 External Director, the Company (incumbent)

### Reasons for selecting:

Kudo Yoko possesses expertise and a wealth of experiences in the fields of accounting and financial management through her involvement in accounting audits and financial and accounting advisory services at major accounting firms in Japan and the U.S. for many years.

### Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)  
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



## Corporate Governance

- \* The number of attendances is for FY2023.
- \* Shinji Furuta, Momoko Murase and Mitsumasa Yamagata assumed office in June 2024.
- \* The number of attendances by Tomoyuki Sawayanagi and Seimei Nakagawa is for the Board of Directors and Audit and Supervisory Committee meetings held after taking office in June 2023.



Director, Senior Audit and Supervisory Committee member (full-time)

**Furuta Shinji**

New Appointment

#### Senior Audit and Supervisory Committee member (full-time)

Apr. 1983: Joined Chubu Electric Power  
Apr. 2016: Executive Officer, General Manager of Mie Regional Office  
Apr. 2018: Executive Officer, General Manager of Mie Regional Office, General Manager of Mie Regional Office of Power Network Company  
Apr. 2020: Senior Managing Executive Officer, General Manager of Safety and Health Promotion Office General Manager of Business Service Division  
Apr. 2021: Senior Managing Executive Officer, General Manager of Secretarial Services Office and Safety and Health Promotion Office, General Manager of Business Service Division  
Apr. 2024: Audit and Supervisory Officer  
June 2024: Director, Senior Audit and Supervisory Committee member (full-time) (incumbent)

#### Reasons for selecting:

Shinji Furuta has a career history in the Company that, thus far, includes General Manager of Mie Regional Office of Power Network Company, General Manager of Business Service Division, and Audit and Supervisory Officer. He possesses detailed knowledge of the Company's operations, financial management and accounting.

Attendance: -/- (-%)



Director, Audit and Supervisory Committee member (full-time)

**Sawayanagi Tomoyuki**

New Appointment

#### Audit and Supervisory Committee member (full time)

Apr. 1987: Joined Chubu Electric Power  
Apr. 2017: Executive Officer, General Manager of Nagano Regional Office  
Apr. 2018: Executive Officer, General Manager of Nagano Regional Office; General Manager of Nagano Regional Office, Power Network Company  
Apr. 2020: Corporate Auditor, Chubu Electric Power Grid Co., Inc. (incumbent)  
June 2023: Corporate Auditor of Chubu Electric Power (full-time)  
June 2024: Director, Audit and Supervisory Committee member (full-time) (incumbent)

#### Reasons for selecting:

Sawayanagi Tomoyuki has a career history in the Company that, thus far, includes General Manager of Nagano Regional Office, Corporate Auditor of Chubu Electric Power Grid Co., Inc. and Corporate Auditor of the Company. He possesses detailed knowledge of the Company's operations.

#### Attendance:

The Board of Directors meetings in FY2023: 23/23 (100%)  
The Board of Auditors meetings in FY2023: 19/19 (100%)



External Director, Audit and Supervisory Committee member (Independent Officer)

**Nakagawa Seimei**

New Appointment

#### Attorney at law

Apr. 1984: Public Prosecutor, Tokyo District Public Prosecutors Office  
Aug. 2010: Assistant Vice-Minister of Justice  
Jan. 2012: Chief Public Prosecutor, Kochi District Public Prosecutors Office  
Apr. 2013: Public Prosecutor, Supreme Public Prosecutors Office  
Aug. 2014: Chief Public Prosecutor, Shizuoka District Public Prosecutors Office  
Oct. 2015: Director, Public Security Department, Supreme Public Prosecutors Office  
Sep. 2016: Director-General, Public Security Intelligence Agency  
May 2020: Superintending Prosecutor, Nagoya High Public Prosecutors Office  
Sep. 2021: Retired  
Dec. 2021: Registered as lawyer  
June 2023: External Auditor of Chubu Electric Power  
June 2024: External director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

#### Reasons for selecting:

Nakagawa Seimei experienced positions of significant responsibility, including Director-General, Public Security Intelligence Agency and Superintending Prosecutor of Nagoya High Public Prosecutors Office. He is expected to be capable of auditing the Company from a neutral and objective standpoint based on his abundant experience and advanced expertise in the legal profession.

#### Attendance:

The Board of Directors meetings in FY2023: 23/23 (100%)  
The Board of Auditors meetings in FY2023: 19/19 (100%)

#### Selection of directors

To ensure fairness and transparency in the election of directors (including directors who are Audit and Supervisory Committee members), candidates undergo deliberations in the Personnel Committee consisting of the Chairman, President, other representative directors, and Senior Audit and Supervisory Committee members. Additionally, the Nomination and Remuneration Committee, which includes the President and independent external directors nominated by the President (including directors who are members of the Audit and Supervisory Committee), discusses these appointments. Final decisions are made by the Board of Directors. Furthermore, director candidates who are members of the Audit and Supervisory Committee must obtain the consent of this committee.

When selecting director candidates, we consider not only their character, insights, and experience, but also their capability to effectively address management challenges. We also assess their potential to conduct leadership that earns trust from stakeholders and contributes to enhancing corporate value. We comprehensively evaluate candidates based on diversity factors such as gender, international experience, and professional backgrounds.

#### External directors and external corporate auditors

At Chubu Electric Power, seven external directors (including three external directors who are Audit and Supervisory Committee Members.) All of our external directors retain a sufficient level of independence that meets the company's standards, and make the best use of their experiences and insight acquired through their respective careers to fulfill their supervisory and audit functions independent of the company's senior management. They also receive updated information on the current development and operational status of the company's internal control system, and meet all directors regularly to exchange opinions.

All of our external directors are registered as independent directors / auditors in all financial instruments exchanges on which the company is listed.



External Director, Audit and Supervisory Committee member (Independent Officer)

**Murase Momoko**

New Appointment

#### Attorney at law

Apr. 1996: Registered as an Attorney at Law, Joined Honmachi City Law Firm (formerly known as Tsutomu Saito Law Firm)  
Dec. 2003: Retired from the above-mentioned firm  
Jan. 2004: Partner lawyer, Hinoki Law Office (formerly known as Murase & Yazaki Integrated Law Firm) (incumbent)  
June 2024: External Director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

#### Reasons for selecting:

Momoko Murase possesses expert knowledge and a wealth of experience as an attorney at law, and the Company expects her to carry out the function of auditing from the neutral and objective standpoint based on her point of view as an expert in law.

Attendance: -/- (-%)



External Director, Audit and Supervisory Committee member (Independent Officer)

**Yamagata Mitsumasa**

New Appointment

#### President, Hydrogen Factory, TOYOTA MOTOR CORP.

Apr. 1995: Joined TOYOTA MOTOR CORP.  
May 2013: General Manager, Engine Structure Design Dept. No. 1, Engine Design & Engineering Div.  
Jan. 2018: Chief Engineer, Powertrain Product Planning Div., Powertrain Company  
Jan. 2019: Field General Manager, Powertrain System Development Field, Powertrain Company  
Jan. 2020: Executive Vice President, Powertrain Company  
Jan. 2022: President, Powertrain Company  
July 2023: President, Hydrogen Factory (incumbent)  
June 2024: External director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

#### Reasons for selecting:

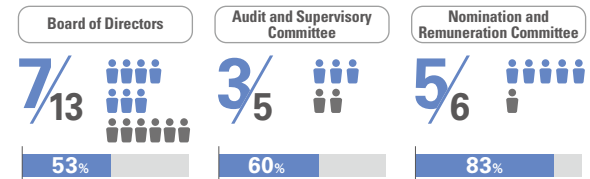
Mitsumasa Yamagata has held positions of significant responsibility, including President of Powertrain Company and President of Hydrogen Factory, TOYOTA MOTOR CORP. He is also Director of Commercial Japan Partnership Technologies Corporation amongst other positions. Therefore, he is expected to be capable of auditing the Company from a neutral and objective standpoint based on his abundant experience and advanced expertise.

Attendance: -/- (-%)

#### Percentage of external members in the Board of Directors, Audit and Supervisory Committee and the Nomination and Remuneration Committee

(As of July, 2024)

External Internal



#### Percentage of female members in the Board of Directors, Audit and Supervisory Committee and the Nomination and Remuneration Committee

(As of July 2024)

Female Male





## Composition of the Board of Directors

Chubu Electric Power determines the composition and scale of the Board of Directors upon comprehensively considering various management issues such as enhancing deliberations at the Board of Directors, quick management decision-making, director supervision functions, as well as the attainment of “fulfilling of our unwavering mission” of providing high-quality energy that considers the global environment in a safer, more affordable and more stable manner, and “creating new value” which provides new services that respond to changes in the business environment that are set forth in the Chubu Electric Power Group’s Management Vision 2.0 and contributions to the realization of a carbon-free society while also considering the balance of knowledge, abilities, field of expertise, and practical experience of each director.

The expertise and experience required of Directors are disclosed as a skill matrix.

Through the consorted efforts of the director, we will deepen our ESG management and fulfill our CSR responsibilities in order to contribute to the sustainable development of the society together with our stakeholders.

### ● Skills matrix

Out of the 13 Directors and Audit and Supervisory Committee members, there are 10 men and 3 women, making the female representation 23%.

	Name	Position in the Company	Directors' and Audit and Supervisory Committee members' outstanding expertise, experience							
			Corporate Management	Finance / Accounting	Legal	Risk Management	Technologies Contributing to Electric Power Supply and Environment	DX (Digital transformation) / Business Development	Marketing	Global
Directors	Katsuno Satoru	Chairman of the Board of Directors	●			●	●			
	Hayashi Kingo	President & Director	●			●			●	
	Mizutani Hitoshi	Director, Executive Vice President	●	●	●					
	Nabeta Kazuhiro	Director, Executive Vice President				●	●	●		
	Hashimoto Takayuki <small>(Independent Officer)</small>	External Director	●					●		●
	Shimao Tadashi <small>(Independent Officer)</small>	External Director	●						●	●
	Kurihara Mitsue <small>(Independent Officer)</small>	External Director	●	●						●
	Kudo Yoko <small>(Independent Officer)</small>	External Director		●				●		●
Director, Audit and Supervisory Committee Member	Furuta Shinji	Director, Senior Audit and Supervisory Committee Member (full-time)	●	●		●				
	Sawayanagi Tomoyuki	Director, Audit and Supervisory Committee Member (full-time)				●	●			
	Nakagawa Seimei <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member			●	●				●
	Murase Momoko <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member			●	●				●
	Yamagata Mitsumasa <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member				●	●			

\* The foregoing table shows up to three major expertise and experience of each person so that the table is not an exhaustive list of his/her expertise and experience.

## Assessing the effectiveness of the Board of Directors



Assessing the effectiveness of the Board of Directors

Once a year, Chubu Electric Power surveys all directors (including directors who are Audit and Supervisory Committee members) on the makeup, operations, governance, and other aspects of the Board of Directors, and all directors discuss and exchange opinions based on the survey results.

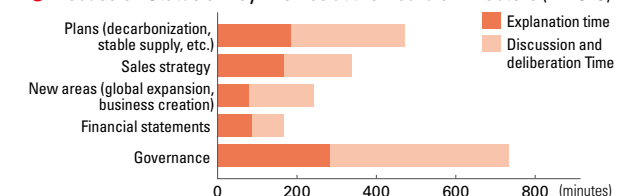
Based on these results, the Board of Directors analyzes and assesses their own effectiveness in order to confirm that it is effectively steering the company toward sustainable growth and greater corporate value in the medium to long term.

To enhance the effectiveness of the Board of Directors, we will strive to strengthen compliance and risk management across the entire Group. We will also focus on enriching discussions at the Board level regarding significant issues such as nuclear power, while implementing improvements such as further delegating authority to the executive team for specific matters.

### Results of the Survey of the Assessment of the Effectiveness of the Board of Directors

[Status of response to issues identified in the FY2022 assessment]	
Issues confirmed in FY2022	<ul style="list-style-type: none"> <li>● Accelerating discussions on Group strategy and related matters</li> <li>● Strengthening governance over Group companies</li> </ul>
State of initiatives in FY2023	<ul style="list-style-type: none"> <li>● Establishment of forums for intensive discussions on medium- to long-term strategies</li> <li>● Expansion of dialogue opportunities between Chubu Electric Power executives and top officials of Group companies</li> </ul>
[Response to issues identified in the FY2023 assessment]	
Issues confirmed in FY2023	<ul style="list-style-type: none"> <li>● Strengthening the supervisory functions of the Board of Directors by deepening the separation of execution and supervision</li> <li>● Creating opportunities to acquire the latest knowledge, including from overseas</li> </ul>
State of initiatives in FY2024	<ul style="list-style-type: none"> <li>● Transition to a Company with an Audit &amp; Supervisory Committee and further enhance monitoring and execute the delegation of authority</li> <li>● Implement discussions with experts regarding advanced cases overseas</li> </ul>

### ● Discussion Status of Key Themes at the Board of Directors (FY2023)



### Board of Directors Agenda

#### Main topics for deliberation (FY2023)

- Items regarding the purpose of the General Meeting of Shareholders
- Executive personnel
- Approval of account settlement and financial statements
- Formulation of management plans for Chubu Electric Power Group
- Investment in decarbonization-related projects
- Transition to a Company with an Audit and Supervisory Committee



Main Resolutions in the Board of Directors(FY2023)  
(Japanese version only)





## Director remuneration

Directors' (excluding directors who are Audit and Supervisory Committee members) remuneration consists of monthly remuneration, performance-based bonus (short-term incentive remuneration) and performance-based stock remuneration (medium- to long-term incentive remuneration) with the aim of raising awareness of contributing to improvements in the Chubu Electric Power Group's business performance and increases in its corporate value. The total amount of remuneration is set at the medium level of the total remuneration for corporate officers at other listed companies when management targets are achieved.

External directors and members of the Audit and Supervisory Committee receive monthly remuneration and stock-based incentives designed to strengthen their oversight of management from an independent perspective and foster their contribution to the medium to long-term enhancement of corporate value within the Chubu Electric Power Group.

Performance-linked bonuses are set with consolidated ordinary income, the management target, as the indicator. In addition, along with the status and results\*<sup>1</sup> of priority measures, these bonuses for the Chairman and President are determined based on consolidated net income and for other Directors these are determined giving consideration to such factors as the performance of each director individually and of the respective departments of which they are in charge.

Performance-linked stock remuneration consists of fixed points determined according to position and points linked to performance. However, remuneration for external directors and members of the Audit and Supervisory Committee is based solely on fixed points, reflecting their respective responsibilities. Performance-based points shall be determined every four fiscal years based on the degree of attainment of consolidated ordinary income targets and the results\*<sup>2</sup> of medium- and long-term priority measures.

Matters related to individual remuneration of directors (excluding directors who are Audit and Supervisory Committee members) are decided by the President, who has been authorized by the Board of Directors, after consultations at the Personnel Affairs Committee consisting of the Chairman, President, other Representative Directors and Senior Audit and

Supervisory Committee member and at the Nomination and Remuneration Committee consisting of the President and independent external directors who the President nominated. For members of the Audit and Supervisory Committee, decisions are made through consensus among all committee members.

In case of significant misconduct or violations by a director, already disbursed remuneration (performance-linked bonuses and stock remuneration) can be partially or fully reclaimed from the director concerned.

\*1 Evaluation of initiatives for strategic investment areas and ESG

\*2 Degree of attainment of "2025 targets registered with GX League" for CO<sub>2</sub> emissions and TSR (Total Shareholder Return) rating

### ● Policy on Composition of Remuneration

		Monthly remuneration	Performance-linked bonus	Stock remuneration
Corporate directors	Executive Officers with Concurrent Roles	Approx. 50%	Approx. 25%	Approx. 25%
	Executive Officers without Concurrent Roles (excluding Audit and Supervisory Committee members)	Approx. 60%	Approx. 20%	Approx. 20%
External Directors and Audit and Supervisory Committee Members		Approx. 90%	—	Approx. 10%
Remuneration limit determined by a resolution by the General Meeting of Shareholders	[Directors] ◎Directors' monthly remuneration and performance-based bonus: 800 million yen per year (including 120 million yen to external directors) ◎Stock remuneration: 900 million yen per every four fiscal years (including 40 million yen to external directors) [Audit and Supervisory Committee Members] ◎Monthly remuneration: 220 million yen per year ◎Stock remuneration: 80 million yen per every four fiscal years			

### ● Total amount of remunerations, etc., by director category and the number of directors

(FY2023)

Category	Total remuneration (million yen)	Amount by type of remuneration (millions of yen)			Number of directors/auditors in the Monthly remuneration category
		Monthly remuneration	Performance-linked bonus	Performance-based stock remuneration	
Directors (excluding external directors)	377	217	113	46	5
Auditors (excluding external auditors)	76	76	—	—	3
External board members	102	102	—	—	8

## Policy on director (including Director who are Audit and Supervisory Committee members) training

Chubu Electric Power provides training in management, accounting and finance, legal affairs, and other areas to newly appointed corporate directors (including directors who are Audit and Supervisory Committee members), and periodically organizes events such as presentations given by attorneys, CSR seminars spearheaded by experts, and other learning opportunities.

Newly appointed external directors (including directors who are Audit and Supervisory Committee members) receive briefings on management policies, business issues, and other aspects unique to Chubu Electric Power. And, after assuming their new positions, they visit the company's important facilities and receive briefings from departments on their operations in order to deepen their understanding of Chubu Electric Power's business and operations.

## Introduction to our new external directors and Audit and Supervisory Committee members, Murase Momoko and Yamagata Mitsumasa

Ms. Murase has long served as a prominent lawyer, bringing with her specialized knowledge and extensive experience. Mr. Yamagata has held key positions at Toyota Motor Corporation, including President of the Powertrain Company and President of the Hydrogen Factory. Additionally, he is involved in management as a director at Commercial Japan Partnership Technologies.

Both individuals bring extensive experience and knowledge to effectively audit and oversee the execution of director duties from a neutral and objective standpoint. We also look forward to receiving their broad perspectives aimed at enhancing corporate value.



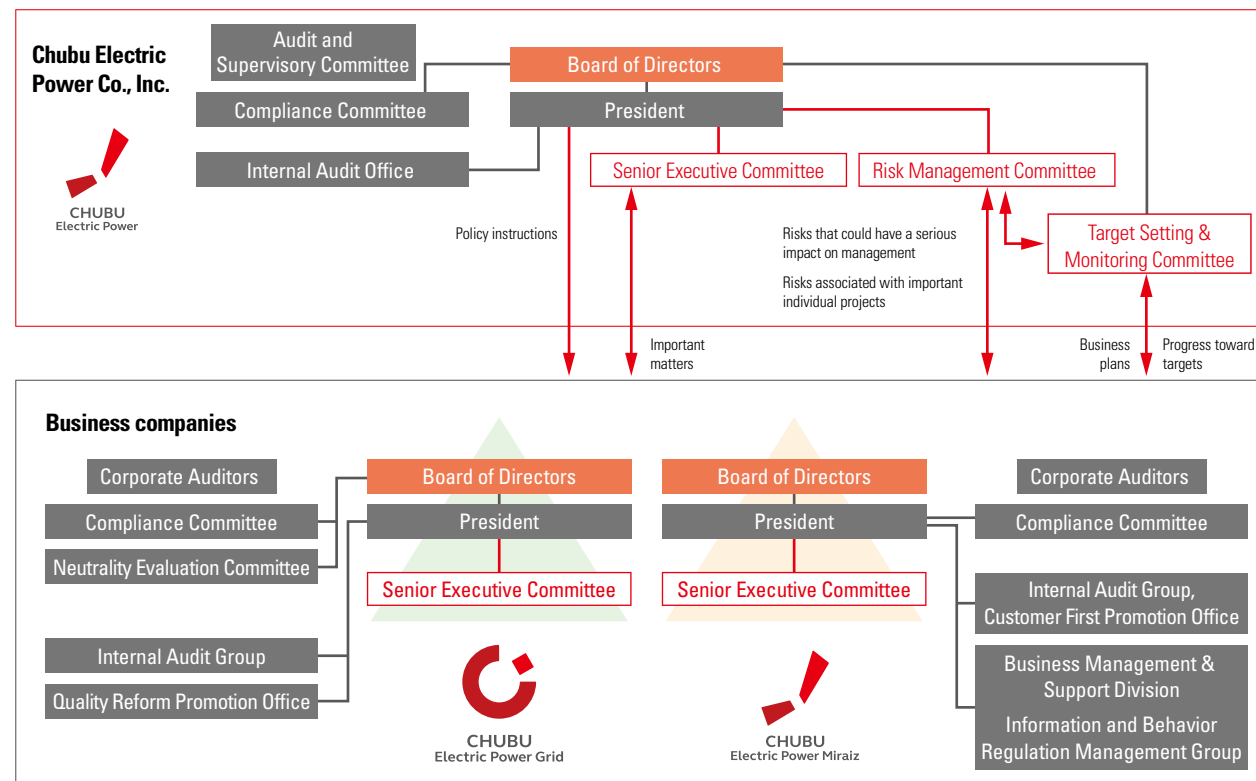
# Operating Company Governance Structure

Our basic principle regarding the governance of operating companies Chubu Electric Power Grid and Chubu Electric Power Miraiz is to allow these companies to respond flexibly to various environmental changes through the establishment of an autonomous management structure within each company. On the other hand, Chubu Electric Power performs coordination and control functions to ensure the optimization of the Group as a whole from the standpoint of the parent company of these operating companies.

## Governance Structures of Chubu Electric Power Grid and Chubu Electric Power Miraiz

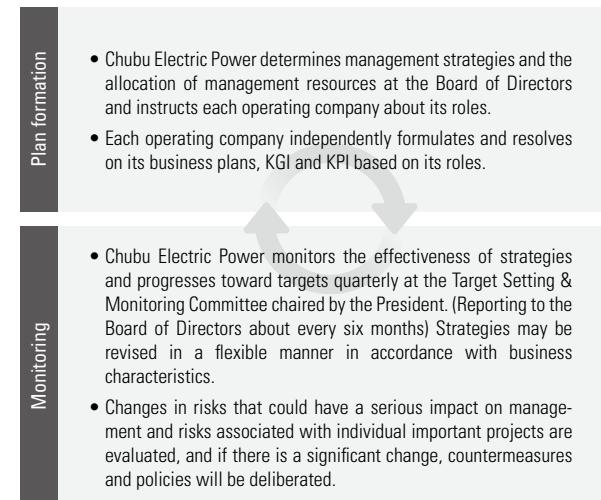
Chubu Electric Power and its operating companies have individually established governance structures consisting of the Board of Directors, Senior Executive Committee, and Audit and Supervisory Committee / Corporate Auditors.

In addition, we have established a framework to ensure effective governance primarily by promptly assessing any events significantly impacting Group management and reporting them to Chubu Electric Power's Audit and Supervisory Committee Members and the Senior Executive Committee.



## Management of risks associated with individual projects, such as investments

Chubu Electric Power seeks to optimize the management though respecting each operating company's autonomous operations by instructions on plan formulation policies and progress management with regard to the achievement of targets and monitoring that focuses on the integrated management of risks, and thereby aims to maximize the value of the group as a whole.



## Governance over JERA

As a shareholder, Chubu Electric Power implements governance measures, while ensuring JERA's autonomous business operation and swift decision-making. Including risk management, Chubu Electric Power engages in dialogue among officers during visits to shareholders by JERA and performs quarterly monitoring of JERA.

# Risk Management

Chubu Electric Power believes that risk management should be conducted in an integrated manner with business execution, rather than separately from business execution for its own purposes. For this reason, we conduct risk management also through the formulation cycle of corporate management plans as well as business plans of each business execution department. In this manner, we make sure that risk management is conducted properly to help the Group achieve continuous and stable business development.

[Link](#) Risk Management

## Management of risks that could have a serious impact on the company

At Chubu Electric Power, the president of each company and the general manager of each department in the headquarters are responsible (risk owners) for the management of business execution risks. Among such risks, risks with a significant impact on management are regularly reported to the Risk Management Department.

The Risk Management Department reports to the Risk Management Committee chaired by the President, which includes the vice presidents and executive officers on risks that are managed in an integrated manner from the perspective of the entire company based on the reports from the risk owners. The risk response policy is deliberated and decided by the President at the Risk Management Committee and the risk owners reflect the response policy in their annual management plans and risk countermeasures.

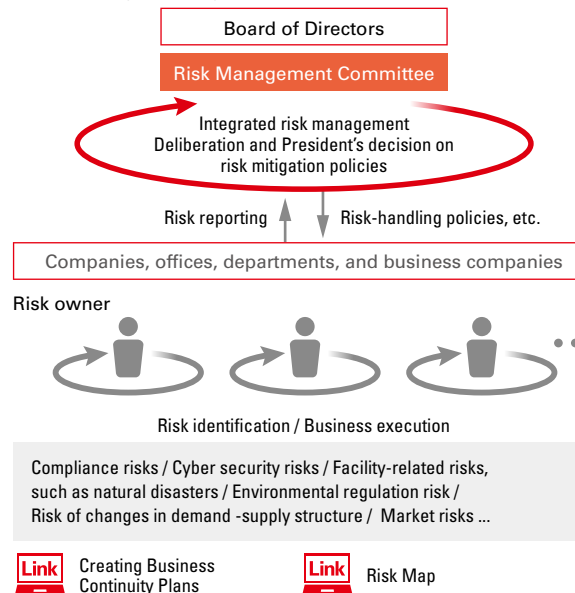
With respect to the risks involving Group companies, each company understands and assesses its risks, and those that are deemed to have a serious effect on management will be deliberated upon and reported regularly together with management measures to Chubu Electric Power.

The presidents of Chubu Electric Power Grid Co., Inc. and Chubu Electric Power Miraiz Co., Inc. act also as risk owners mentioned above.

### ● Risk management flow

Risk identification	The president of each company and the general manager of each department in the headquarters are responsible for the identification of business execution risks as risk owners	
Integrated risk management Deliberation and decision on risk mitigation policies	<ul style="list-style-type: none"> <li>The risk management department identifies and assesses risks that could have serious effects on management in an integrated manner</li> <li>The Risk Management Committee deliberates on risk mitigation policies and the president makes the final decision.</li> </ul>	P
Development and implementation of risk mitigation measures (business execution)	Risk mitigation policies are reflected in business plans and risk mitigation measures for execution	D
Monitoring	<ul style="list-style-type: none"> <li>Quarterly identification and assessment of changes in risks</li> <li>Risk mitigation policies are deliberated and reflected in risk mitigation measures as necessary</li> </ul>	C A

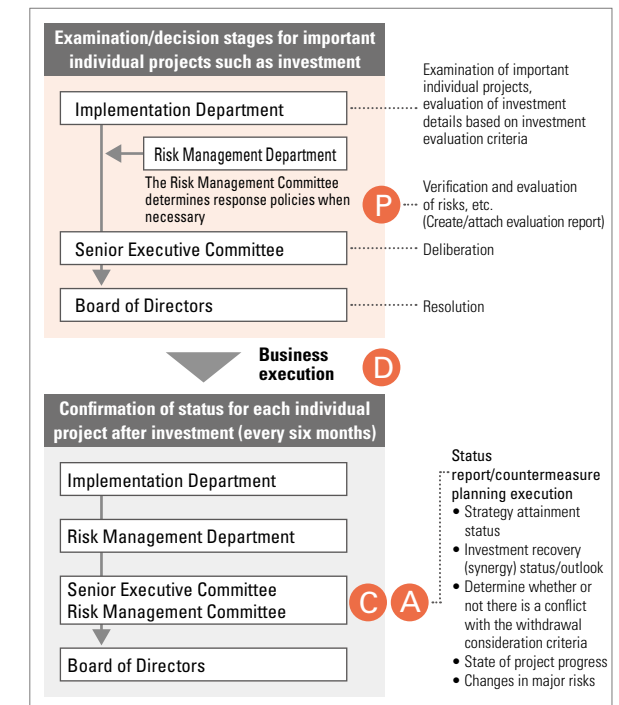
### ● Risk management organization



## Management of risks associated with individual projects, such as investments

Regarding individual projects such as investments, risks are properly managed through risk evaluation at the time of decision-making by the Risk Management Department and through regular review of the status and countermeasure instructions by the Senior Executive Committee, the Risk Management Committee and the Board of Directors following the execution of these investments.

### ● Flow of risk management and review of the status of important individual projects such as investments



For business and other Risks, see [P90](#).



**Uchida Tadashi**

Executive Officer  
Digital Transformation Promotion  
Office  
Chief Information Security Officer  
(CISO)

## MESSAGE

### We are strengthening efforts in cybersecurity to ensure stable electricity supply and protect personal information.

Amid increasing cyberattacks targeting critical infrastructure operators and rising supply chain risks, we have implemented a 24/7, year-round monitoring system (SOC\*<sup>1</sup>) and established an advanced incident response team (CHUDEN-CSIRT\*<sup>2</sup>) to safeguard our information and control systems.

Furthermore, we prioritize developing an information security management system and nurturing skilled security professionals, while continuously updating our measures based on industry-standard risk assessments.

We also prioritize compliance with the Economic Security Promotion Act, considering future international developments, and collaborate closely with industry organizations such as the Japan Electricity ISAC\*<sup>3</sup> and local businesses.

Our ongoing efforts in cybersecurity are aimed at ensuring the safety and peace of mind of our customers.

\*1 SOC: Security Operation Center

\*2 CSIRT: Computer Security Incident Response Team

\*3 ISAC: Information Sharing and Analysis Center

## Initiatives to Strengthen Cybersecurity

The Chubu Electric Power Group is leveraging the latest digital technologies to deliver services that meet customer expectations and create new value in response to evolving trends. Simultaneously, in response to escalating cyberattacks each year and to ensure stable power supply and protect personal information, we are intensifying our efforts in cybersecurity.

### Basic policy

Chubu Electric Power will contribute to the realization of a safe and secure society by working to properly manage systems, which includes the stable operation of information and power control systems as well as the protection of customers' personal information. In particular, Chubu Electric Power will place priority on the following four points.

#### [Legal compliance]

We comply with relevant laws such as the Act on the Protection of Personal Information, the Act on Prohibition of Unauthorized Computer Access, and the Economic Security Promotion Act, as well as other necessary laws related to our business operations.

Moreover, we conduct industry-standard risk assessments and implement a PDCA cycle to establish response policies.

#### [Information management and protection]

We ensure proper management of our information assets while implementing technical and operational security measures informed by the latest security intelligence. This approach enables us to effectively counter increasingly advanced and sophisticated cyber threats.

● **Physical measures:** We implement access restrictions based on importance levels, including the introduction of entry and exit management through advanced applications.

● **Technical measures:** To counter increasingly advanced and sophisticated cyberattacks, we are implementing the construction and operation of defense and detection mechanisms using state-of-the-art technologies.

#### [Education]

We provide ongoing information security education to executives, employees, and others to continuously enhance awareness. This includes comprehensive security education and training for all employees, including those in our Group companies. Moreover, specialized security education and training programs are conducted for security personnel across each company. We also support talent development through extended assignments to specialized security organizations.

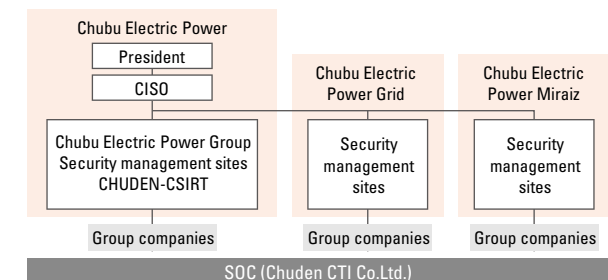
#### [Establishment of system]

We have established an integrated information management framework aimed at maintaining and enhancing information security measures across the entire Group, ensuring effective and efficient implementation.

Our Chief Information Security Officer (CISO), with a background in information-related departments, oversees and supervises cybersecurity in collaboration with the Chief Information Officer (CIO).

To enhance coordination and control of initiatives across all companies, we have set up the DX Committee chaired by the CIO, which regularly discusses specific DX and IT initiatives, including cybersecurity. Additionally, Chubu Electric Power has established a centralized security management department for the entire Group, with each business entity overseeing its respective Group companies to enhance overall security levels.

The SOC, operated by Chuden CTI, monitors the entire Group and initiates emergency responses centered around CHUDEN CSIRT under the supervision of the CISO in the event of incidents.





**Hasegawa Satoshi**

Senior Managing Executive Officer,  
General Manager of Compliance  
Division, Chief Compliance Officer  
(CCO) and Chief Legal Officer (CLO)

**MESSAGE**

## We are committed to further enhancing compliance.

In recent years, the Chubu Electric Power Group has experienced a series of events that have significantly undermined the trust of our stakeholders, including inappropriate handling of customer information and a directive from the Japan Fair Trade Commission.

“Without compliance, there is no trust, and without trust, there is no growth.” Once again, we reaffirm this principle and pledge as a Group to redouble our efforts to thoroughly enforce compliance across the board, ensuring that such situations do not occur again.

Moreover, the business environment surrounding the Chubu Electric Power Group is rapidly changing, with laws and regulations becoming increasingly complex and sophisticated, thus escalating compliance risks in our business operations.

Each individual will take ownership of compliance, heightening sensitivity to risks in their own duties. Additionally, we will continually align our awareness with changes in the business environment to ensure steadfast adherence to high standards of compliance.

Through these compliance efforts, we aim to enhance corporate value and foster an environment where everyone can work with fulfillment and freedom.

# Ensuring Compliance Management

## Establishment of Compliance Division

In April 2024, Chubu Electric Power established a new Compliance Division to strengthen its legal and compliance functions. This initiative aims to manage legal risks effectively during normal operations and ensure swift and accurate responses to any inappropriate incidents.

## Compliance Promotion System



Chubu Electric Power Group  
Compliance Committee



Group Initiatives

Under the Board of Directors, we established the Compliance Committee and through this structure matters deliberated at this committee are reported to the Board of Directors.

Furthermore, we have appointed a Chief Compliance Officer (CCO) as the person responsible for promoting compliance throughout the entire Chubu Electric Power Group.

Under the oversight of the Chubu Electric Power Group Compliance Committee, made up of top management of the Group companies, the Chubu Electric Power Group is promoting compliance within the entire Group by having each Group company introduce their own compliance promotion systems to undertake enlightenment activities.

## Anti-bribery and anti-corruption initiatives

The Chubu Electric Power Group established the Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy based on the Chubu Electric Power Group Basic Compliance Policy. Targeting all executives and employees working in the Chubu Electric Power Group, this policy prohibits all forms of corruption beginning with bribery, embezzlement, betrayal of trust, unfair or unreasonable provision or receipt of entertainment or gifts, collusion with specific persons, and unfair preferential treatment of specific persons. In accordance with this policy, we provide education to all executives and employees (including part-timers and temporary employees) of Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz while making explanations via FAQs (frequently asked questions) to deepen their understanding. Furthermore, based on this policy, we have created Guidelines for Giving and Receiving Money and Goods. In accordance with these guidelines, we confirm whether executives and employees of Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz have received inappropriate money or gifts and regularly report on this to the Compliance Committee.

Regarding the prevention of bribery of foreign public officials, we have created and comply with internal regulations that prohibit all types of bribery (including facilitation payments\*), with the aim of preventing bribery throughout the entire Chubu Electric Power Group. Furthermore, Chubu Electric Power regularly convenes the Committee for the Prevention of Bribes to Foreign Public Officials, with the vice chairman of the Chubu Electric Power Compliance Committee serving as committee chief as we build and operate a system to prevent bribery.

As to the efforts to ensure tax transparency, we have formulated the Chubu Electric Power Group Tax Policy with the aim of permeating awareness of tax compliance throughout the Chubu Electric Power Group and to further improve governance.

\*Payments of small amounts to facilitate procedures related to regular administrative services



Chubu Electric Power Group Basic Compliance Policy



Chubu Electric Power Group Anti-Bribery and  
Anti-Corruption Policy



System for prevention of bribes to foreign public officials  
(Japanese version only)



Chubu Electric Power Group  
Tax Policy



## Helplines—Points of contact for compliance queries

We set up respective Helplines and Chuden Group/Joint Helplines both internally and at Group companies for executives, employees, temporary employees, officers and workers of business partners, and for related retirees. These helplines aim at preventing illegal, unfair, and unethical acts, including corruption such as excessive entertainment, gift giving, power harassment, sexual harassment etc., and ensure compliance.

The Helplines and the Chuden Group/Joint Helplines have set up consultation desks both inside and outside the Company (outside consultation desks are handled by outside lawyers). These offer multiple methods of consultation, including e-mail, dedicated phone lines, letters, and face-to-face meetings (available 24 hours a day, except for dedicated phone lines and face-to-face meetings). The helplines can also be used anonymously.

In addition, each Group company strives to enhance its consultation system by establishing its own consultation desk.



Ensuring Compliance Management Chubu Electric Power Initiatives  
(Japanese version only)

### Protection of consulters and prohibition of disadvantageous treatment

The Helplines and the Chuden Group/Joint Helplines function as internal whistleblowing contact points as prescribed in the Whistleblower Protection Act and persons involved with contact points have an obligation to maintain confidentiality under this law. Furthermore, in accordance with internal regulations, we take strict disciplinary action and other measures to thoroughly ensure the protection of consulters in the event of any violation of confidentiality obligations or disadvantageous treatment.

### Consultation flow

When receiving a consultation case, after investigating the facts we determine a response policy, take the necessary measures and respond to the consuler. Regarding post-consultation responses, we appropriately confirm whether or not there is any disadvantageous treatment of the consuler and take necessary measures.

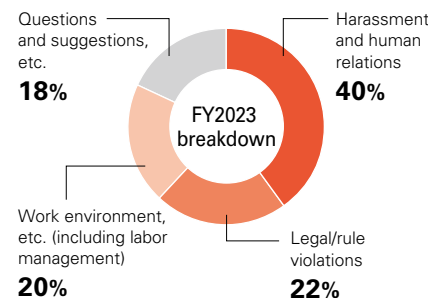
In addition, upon deleting the consuler's information, all consultations are promptly reported after the event to the Compliance Committee and approval of details is received. However, important matters are consulted on in advance with the Compliance Committee and are handled in accordance with decisions by the Chairman. In the event of a compliance violation, we take appropriate measures such as correcting the violation and taking strict disciplinary action against the perpetrator.

### Publication of consultation cases

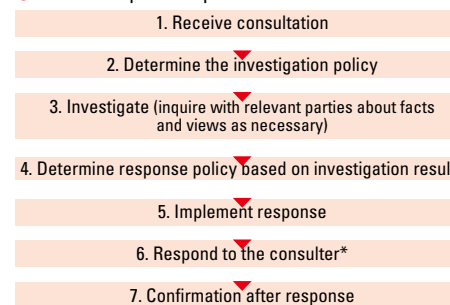
From the perspective of preventing recurrences and raising compliance awareness, after deleting the consuler's information, on the Company intranet we publish a summary of the details of the consultations that are deemed desirable for horizontal deployment across the entire Company or related departments.

### ● Number of consultations in FY2023

**118 cases**



### ● Flow of helpline response



\*Additionally, if necessary, we will report progress and confirm intentions to the consuler at each stage.

## Main Activities in FY2023

### [Communicating messages from management]

The CCO communicates messages on compliance to all employees.

### [Implementation of various types of education]

#### ● Level-specific training

We implemented compliance training for new employees, newly appointed senior staff, newly appointed executives, and newly appointed managers.

#### ● Training for all employees (including part-timers and temporary employees)

We implemented compliance e-learning, covering the Chubu Electric Power Group Basic Compliance Policy, Anti-Bribery and Anti-Corruption Policy, and Tax Policy, and introduced information about the helpline service.

#### ● Training for helpline operators

We conducted training to enhance the response capabilities of helpline operators across Group companies.

### [Conducting compliance seminars]

We held a seminar with a focus on building positive relationships with business partners for management personnel of the Company and Group companies.

### [Publicize the Helpline]

We raised awareness of the helpline through various training sessions and the publication of articles in the company newsletter.



Main Activities  
(Japanese version only)



## Five-Year Operating Statistics

The company's fiscal year (FY) is from April 1 to March 31 of the following year.

(GWh)

Electrical Energy Sold	FY2019	FY2020	FY2021	FY2022	FY2023
Low voltage	34,628	33,877	32,586	30,583	30,365
High voltage/Extra-high voltage	82,618	76,852	76,346	71,846	73,436
Total Electrical Energy Sold	117,246	110,729	108,932	102,429	103,801
Reference (1): Electrical Energy Sold including group companies*1	122,542	117,145	117,821	113,003	111,149
Reference(2): Electrical Energy Sold to other companies*2	4,453	8,040	11,328	11,345	11,762

Note: Chubu Electric Power Miraiz Co., Inc. succeeded Chubu Electric Power's retail electricity business from April 2020. Accordingly, the sum of Chubu Electric Power Miraiz Co., Inc., accounted for under the equity method.

\*1 From FY2020, the sum of Chubu Electric Power Miraiz Co., Inc., consolidated subsidiaries, and affiliates accounted for under the equity method excluding electrical energy sold within the group.

\*2 From FY2020, excluding electrical energy sold to Chubu Electric Power Miraiz Co., Inc.'s consolidated subsidiaries, and affiliates accounted for under the equity method.

## Generated Power

(GWh)

Hydroelectric	8,707	8,253	8,303	8,337	8,730
Nuclear	(248)	—	—	—	—
Renewable Energy	110	417	378	385	431
Total Generated Power	8,569	8,669	8,681	8,722	9,161

Note: Internally generated power is based on the results of Chubu Electric Power Co., Inc.

## Generating Capacity

(MW)

Hydroelectric	5,459	5,463	5,466	5,467	5,475
Nuclear	3,617	3,617	3,617	3,617	3,617
Renewable Energy	39	88	88	89	99
Total Generating Capacity	9,115	9,167	9,171	9,173	9,190

Note: Internally generated power is based on the results of Chubu Electric Power Co., Inc.

## Number of Employees

(number of persons)

Consolidated	28,448	28,238	28,365	28,367	28,374
Nonconsolidated*	14,363	3,092	3,127	3,153	3,180

\* On April 1, 2020, Chubu Electric Power Miraiz Co., Inc. succeeded Chubu Electric Power's retail electricity business and Chubu Electric Power Grid Co., Inc. succeeded Chubu Electric Power's general transmission and distribution businesses. As a result, the number of nonconsolidated employees after FY2020 decreased significantly compared to that of FY2019.



## Five-Year Financial Statistics (Consolidated)

(Millions of Yen)

	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Statements of Income Related</b>					
Operating Revenues	3,065,954	2,935,409	2,705,162	3,986,681	3,610,414
Operating (Loss) Income	130,832	145,694	(53,830)	107,089	343,339
Ordinary (Loss) Income	191,803	192,209	(59,319)	65,148	509,295
Ordinary Income excluding time lag (approx. 100 millions of yen)	(1,530)	(1,690)	(670)	(1,560)	(3,710)
Income before Income Taxes	210,895	192,308	(44,473)	68,991	506,019
Net (Loss) Income attributable to owners of parent	163,472	147,202	(43,022)	38,231	403,140
Depreciation	178,171	182,663	189,154	155,927	172,046
Capital Investments	242,646	255,953	228,533	262,249	243,686
<b>Balance Sheets Related</b>					
Total Assets	5,500,815	5,686,348	6,174,734	6,455,102	7,108,617
Net Assets	1,962,065	2,103,684	2,123,272	2,162,205	2,695,071
Shareholders' Equity	1,894,393	2,031,166	2,017,128	2,060,809	2,585,452
Outstanding Interest-Bearing Debt	2,425,067	2,333,625	2,800,275	2,925,744	3,079,102
<b>Stock Ratios:</b>					
Net (Loss) Income — Basic (Yen/Share)* <sup>1</sup>	216.11	194.65	(56.90)	50.56	533.17
Net Assets (Yen/Share)* <sup>1</sup>	2,504.68	2,686.12	2,667.66	2,725.43	3,419.42
Cash Dividends (Yen/Share)	50	50	50	50	55
Total Shareholders Return (%)	91.1	88.2	81.7	92.5	129.8
(Comparative index: TOPIX including dividends) (%)	(90.5)	(128.6)	(131.2)	(138.8)	(196.2)
Consolidated Payout Ratio (%)	23.1	25.7	—	98.9	10.3
Dividend Payout Ratio (%) (Excluding time lag)	(30.4)	(30.4)	(45.6)	(29.3)	(15.5)
<b>Financial Indicators and Cash Flow Data:</b>					
Shareholders' Equity Ratio (%)	34.4	35.7	32.7	31.9	36.4
ROA (Return on Assets) (%) * <sup>2</sup> * <sup>3</sup>	3.0	3.4	1.4	2.8	5.8
ROE (Return on Equity) (%) * <sup>2</sup> * <sup>4</sup>	6.8	6.3	4.1	6.3	11.6
Return on Invested Capital (ROIC)* <sup>2</sup>	2.9	3.3	1.9	2.9	5.5
Cash Flows from Operating Activities	255,896	384,148	21,688	295,798	344,074
Cash Flows from Investing Activities	(647,622)	(215,813)	(262,021)	(196,928)	(388,330)
Cash Flows from Financing Activities	(5,851)	(141,121)	266,403	73,248	87,084
Cash and Cash Equivalents at End of Period	147,576	174,909	201,156	373,484	418,518

Note: Our fiscal year runs from April 1st to March 31st of the following year.

Note: The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) etc., which has been applied from the beginning of the first quarter of FY2021. In addition, due to the revision of "Accounting Regulations Applicable to the Electric Power Industry" (Ordinance of the Ministry of International Trade and Industry No. 57, June 15, 1965) based on the application of Accounting Standard for Revenue Recognition etc., the transaction amounts of "Surcharge under act on purchase of renewable energy sourced electricity" and "Grant under act on purchase of renewable energy sourced electricity" which had been stated in operating revenues until FY2020, has been excluded from operating revenues and the corresponding expenses has not been stated.

\*1: Chubu Electric Power and its subsidiary, Chubu Electric Power Miraiz Co., Inc., have introduced a performance-linked stock remuneration plan "Board Benefit Trust (BBT)" and in calculating net assets per share from FY2019 onwards, the Company's shares held by the trust account for the Board Benefit Trust (BBT) are included in the treasury stock that is deducted in calculating the total number of outstanding shares at the end of the fiscal year. Additionally, in calculating net income (loss) per share from FY2019 onwards, the Company's shares held by the trust account for the Board Benefit Trust (BBT) are included in the treasury stock that is deducted from the calculation of the average number of shares during the period.

\*2: The calculation excludes the time-lag impact.

\*3: ROA(Return on Assets)=(Ordinary income + Interest expense)/ Average total assets at beginning and end of the period

\*4: ROE(Return on Equity)=Net Income/Shareholders' Equity





# Management Discussion and Analysis of Operating Results, Financial Standing, and Cash Flows

## Analysis of Operating Results (FY2023)

The energy sold by Chubu Electric Power Miraiz Co., Inc. increased by 1.3% from the previous fiscal year to 103.8 TWh, mainly due to an increase in the number of contracts for a resumption of the standard menu in the Chubu region, which offset a decrease in demand for industrial power.

Total energy sold by Chubu Electric Power Miraiz Co., Inc., consolidated subsidiaries, and affiliates accounted for under the equity method decreased by 1.6% from the previous fiscal year to 111.1 TWh.

### ● Electrical Energy Sold

	FY2023 (A)	FY2022 (B)	Change (A-B)	Rate of Change (A-B)/B
Low voltage	30.4	30.6	(0.2)	(0.7)
High Voltage & Extra-high Voltage	73.4	71.8	1.6	2.2
Total	103.8	102.4	1.4	1.3

\* The amount of electricity sold is the actual results for Chubu Electric Power Miraiz Co., Inc.

#### Reference (1):

Electrical energy sold including group companies*	111.1	113.0	(1.9)	(1.6)
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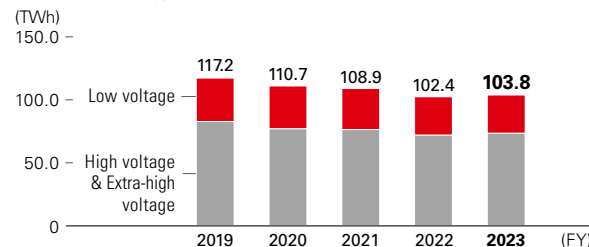
\* The sum of Chubu Electric Power Miraiz Co., Inc., consolidated subsidiaries, and affiliates accounted for under the equity method excluding electrical energy sold within the group.

#### Reference (2):

Electrical Energy Sold to other companies*	11.8	11.3	0.4	3.7
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\* The amount of electricity sold by other companies is the actual result of Chubu Electric Power Miraiz Co., Inc. Electricity sales to Chubu Electric Power Miraiz Co., Inc.'s consolidated subsidiaries, and affiliates accounted for under the equity method are excluded.

### ● Electrical Energy Sold



Electricity demand in the Chubu region decreased by 1.3% from the previous fiscal year to 122.7 TWh, mainly due to a decline in industrial power demand and initiatives for saving energy/electricity.

### ● Electricity demand in Chubu region

	FY2023 (A)	FY2022 (B)	Change (A-B)	Rate of Change (A-B)/B
Electricity demand in Chubu region.	122.7	124.3	(1.6)	(1.3)

\* Electricity demand in Chubu region is the actual results of Chubu Electric Power Grid Co., Inc.

For business performance, consolidated operating revenue decreased by 9.4% from the previous consolidated fiscal year to 3,610.4 billion yen, mainly due to a decrease in fuel cost adjustment revenues.

Ordinary income(loss) increased 7.8 times from the previous consolidated fiscal year to 509.2 billion yen, mainly due to time lag impact reflecting fluctuation of fuel price and other factors into electricity sales price becoming gain instead of loss, a decrease in power procurement price in Miraiz and a decrease in the cost of securing adjusting capacity to appropriately balance supply and demand in Power Grid.

Ordinary income excluding time lag increased by 215.0 billion yen from the previous consolidated fiscal year to 371.0 billion yen.

In addition, the Company recorded an extraordinary income of gain on disposition of investment securities (9.2 billion yen) mainly due to the sales of some of Cross-Shareholdings. On the other hand, the Company recorded extraordinary loss of impairment loss on noncurrent assets (-12.6 billion yen) at subsidiaries and loss in conjunction with the Antimonopoly Act (-26 million yen).

As a result the net income (loss) attributable to owners of parent increased 10.5 times from the previous consolidated fiscal year to 403.1 billion yen.

Provided below is the performance by segment (prior to deleting internal transactions) of this consolidated fiscal year.

In addition, JERA's operating revenues are not recorded because JERA is an affiliate accounted for under the equity method.

## <Miraiz>

### ■ Operating Results

Operating revenue from various services delivered with energy decreased by 6.5% to 2,889.2 billion yen compared with the previous fiscal year, mainly due to a decrease in fuel cost adjustment revenues.

Ordinary income(loss) increased 3.1 times from the previous consolidated fiscal year to 203.8 billion yen mainly due to a decrease in power procurement price, etc.

### ■ Initiatives during the fiscal year

Utilizing the connections built with customers by providing electricity and gas, we are promoting the provision of services that enrich the lives of customers and services that solve business issues.

To meet wide-ranging needs in their daily lives and at times of life events, Chubu Electric Power Miraiz Connect, one of our subsidiaries, provides a range of services, such as "life services" that nurture family bonds and connections.

With a view towards building a decarbonized society, we propose a number of services. For example, Miraiz Green Denki delivers CO<sub>2</sub>-free electric power. KatEne Lease is a service for using solar power generation without paying initial or maintenance costs. And NACHARGE is a demand response service for the efficient use of electricity. In addition, we released the *treev* service in February 2024. This is an electric vehicle (EV) charging

service for corporate customers holding parking facilities for visitors and employees. We will continue our efforts to create a decarbonized society together with customers.

To ensure a stable supply of electricity to customers even with high fuel price volatility, in November 2022 Chubu Electric Power Miraiz changed the fuel cost adjustment system for some low-voltage rate menus. Then, in April 2023, it revised its extra-high voltage & high voltage standard rate menus. Subsequently, it implemented measures to ease the burden in view of the improving business environment. Specifically, it reduced electricity rates for extra-high voltage and high voltage customers and for certain low-voltage customers. In addition, it provided low-voltage customers with support for replacing their devices with highly energy-efficient models. For FY2024 as well, Chubu Electric Power Miraiz will implement a similar level of burden reduction measures and strive to develop and offer attractive services tailored to the needs of customers.

## <Power Grid>

### ■ Operating Results

Operating revenue from provision of power network services decreased by 18.8% to 906.5 billion yen compared with the previous fiscal year, mainly due to a decrease in the unit price of purchased electricity sold to the wholesale power trading market under the Feed-in Tariff Scheme for Renewable Energy and an increase in supply and demand adjustment income.

Ordinary income (loss) increased 13.6 times from the previous consolidated fiscal year to 95.6 billion yen mainly due to revision of transmission charges by Revenue cap system and a decrease in the cost of securing adjusting capacity to appropriately balance supply and demand in spite of a decrease in transmission revenue by a decrease in energy demand.

### ■ Initiatives during the fiscal year

The balance of demand and supply was tight following changes in the power source portfolio resulting from the large-scale introduction of renewable energy and the increased complexity of the market structure with respect to demand and supply adjustments. We carried out system operations and supply and demand adjustments, including cooperation with customers and other general power transmission and distribution companies, to maintain the frequency and voltage at proper levels. We also ensured that we carried out ongoing facility maintenance operations to ensure a stable supply to the Chubu region and to help achieve a stable power supply nationwide.

In addition, we are making efforts to achieve both a stable supply of electric power and a decarbonized society. These efforts include achieving greater sophistication, conducting a range of studies and demonstrations of our power system facilities and their operations, developing a new central load dispatching office system aimed at ensuring nationwide optimal economical operation and resilience, and building up our facilities to expand power exchanges with other areas.



To respond swiftly and effectively to the diversification of power demand and supply in each region and to the needs of local governments and other customers, we reorganized our branches and reviewed our organization. Individual branches work to expand services through efforts to increase efficiency in capital investment on the basis of regional data analysis, to enhance resilience, to support decarbonization activities conducted by local authorities, and to achieve an early connection to the power system.

We will continue our efforts to realize the region's vision for the future as well as the Chubu Electric Power Grid Vision.

## <JERA>

### ■ Operating Results

Ordinary income (loss) increased by 203.1 billion yen to 178.8 billion yen compared with the previous fiscal year, mainly due to time lag impact becoming gain instead of loss. In addition, ordinary income excluding time lag was approx. 54.0 billion yen.

### ■ Initiatives during the fiscal year

JERA strives for efficient operation of the thermal power generation business by optimally operating a series of value chains that extend from upstream procurement of fuel to power generation and sales of electricity and gas and by taking advantage of its economies of scale. JERA also plays an important role in ensuring a stable supply that encompasses electric power supply and fuel procurement.

In striving to avoid fuel constraints and tight supply and demand, we will undertake initiatives to secure stable supply capacity such as by replacing equipment with cutting-edge thermal power generation equipment, restarting idle thermal power plants while working to secure stable supplies of fuel by quickly identifying changes in supply and demand and flexibly procuring fuel through JERA Global Markets, a subsidiary of JERA.

Furthermore, we are promoting initiatives for JERA Zero Emissions 2050, which aims for net zero CO<sub>2</sub> emissions from domestic and overseas businesses by 2050, while assuring a stable supply of energy.

First, we aim to establish a co-combustion technology for ammonia, a fuel that does not emit CO<sub>2</sub> during power generation. We are starting a demonstration experiment for ammonia co-firing at a 20% rate at the Hekinan Thermal Power Station Unit 4. Moreover, we are working on building a supply chain that includes considerations of collaboration for the production and procurement of fuel ammonia.

With regard to the fire at the Taketoyo Thermal Power Station on January 31, 2024, the Accident Investigation Committee carried out a careful investigation and identified the causes. Accordingly, we will take measures to prevent a recurrence and will strive to restore the station as soon as possible.

Note: JERA Zero Emissions 2050 is premised on steady advances in decarbonization technology, economic rationality, and consistency with government policy. JERA will continue developing its own decarbonization technologies and taking the initiative to ensure economic rationality.

## (Achievement status of management target)

In April 2024, we adopted a medium-term management target of "Consolidated ordinary income of 200 billion yen or more and ROIC of 3.2% or more in FY2025." We recorded consolidated ordinary income, excluding time-lag impact in the current fiscal year, of approximately 371.0 billion yen and ROIC (excluding the time-lag impact) for the current fiscal year of 5.5%.

## Analysis of Financial Standing

Noncurrent assets increased by 530.3 billion yen from the previous consolidated fiscal year to 5,818.7 billion yen, mainly due to an increase in Investments and other assets as a result of an increase in Long-term investments in subsidiaries and associates such as JERA.

Current assets increased by 123.2 billion yen from the previous consolidated fiscal year to 1,289.8 billion yen, mainly due to an increase in inventories.

Total liabilities increased by 120.6 billion yen from the previous consolidated fiscal year to 4,413.5 billion yen, mainly due to an increase of interest bearing loans.

Total net assets increased by 532.8 billion yen to 2,695.0 billion yen from the end of the previous consolidated fiscal year, mainly due to an increase in net income attributable to owners of parent and accumulated other comprehensive income in spite of paying cash dividends.

As a result, the shareholders' equity ratio was 36.4%.

## Analysis of Cash Flows

Although surcharges were paid under the Antimonopoly Act, Cash inflow from operating activities increased by 48.2 billion yen from the previous consolidated fiscal year to 344.0 billion yen, mainly due to an increase in Income / loss before income taxes.

Cash outflow from investment activities increased by 191.4 billion yen from the previous consolidated fiscal year to 388.3 billion yen, mainly due to an increase in expenditures for investments and loans.

As a result, free cash flow decreased by 143.1 billion yen from the previous consolidated fiscal year to -44.2 billion yen.

Cash inflow from financing activities increased by 13.8 billion yen from the previous consolidated fiscal year to 87.0 billion yen mainly due to a decrease in expenditures for the redemption of commercial paper.

Consequently, the amount of cash and cash equivalents at the end of fiscal year increased by 45.0 billion yen from the end of the previous fiscal year.

With regard to capital sources and fund fluidity, the group raises equipment funds required primarily to administrate the electricity business by way of issuing corporate bonds, obtaining bank loans, etc., and gains in short-term operation funds mainly by issuing short-term corporate bonds in principle.

## Capital Investments

Capital investments amounted to 243.6 billion yen in the fiscal year ended March 31, 2024 as a result of our efforts to pursue a maximum level of management efficiency, including slimming down of equipment, while securing a stable supply of electric power and public security throughout the entire Group in addition to making investments in non-fossil energy sources such as hydro, nuclear and wind power facilities.

A breakdown of the capital investments by segment is below.

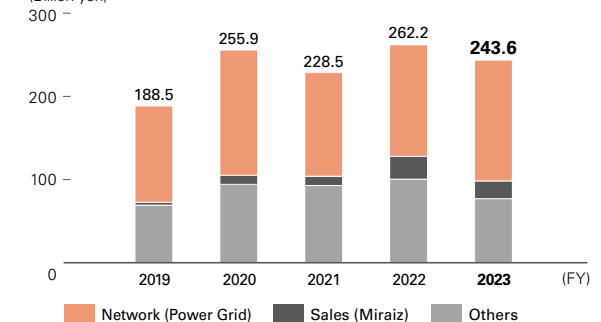
### ● Reference: FY2023 capital Investments (Consolidated)

(Billion yen)

Segment	Item	Capital Investments
Miraiz		22.1
Power Grid	Transmission facilities	37.5
	Substation facilities	33.0
	Distribution facilities	50.0
	Other	29.3
	Total	150.0
Other		79.6
Adjustment		(8.1)
Grand total		243.6

### ● Capital Investments

(Billion yen)



\*1. From FY2020, the Power Network segment became Chubu Electric Power Grid and the Sales segment became Chubu Electric Power Miraiz.

\*2. Up to FY2019, the figures for Chubu Electric Power on a non-consolidated basis are stated and from FY2020 figures on a consolidated basis are stated.

\*3. On April 1, 2019, JERA Co., Inc. took over the thermal power generation business of Chubu Electric Power through an absorption-type company split agreement. Therefore, the amount of investment of the power generation segment is not stated. In addition, the amount of capital investment such as for renewable energy is included in "Others".



## Business and Other Risks

Of all the variables affecting the Chubu Electric Power Group's performance and financial standing, the primary factors most likely to have a major effect on investors' decisions are listed below.

Forward-looking statements in this report are based on facts and conditions as of the date of the financial statement report (on June 27, 2024). Actual results may differ, affected by the government's future energy policy and revision of electricity business system and others.

### 1. Changes in the business environment

Fuel prices in FY2023 moved at a low level compared with during the peak due to the easing of supply and demand resulting from the impact of a warm winter globally and the trend toward high inventories of natural gas in Europe. Wholesale electricity market prices also trended at a lower level. Due to these factors, in FY2023 Chubu Electric Power was able to record consolidated ordinary income excluding time lag of approximately 371 billion yen. However, factors clouding the future include a large increase in demand arising from global climate and economic trends; geopolitical risks such as the conflict in Europe and the situations in the Middle East and Asia; highly volatile fuel prices that include the risk of exchange rate fluctuations; soaring prices; intensifying competition in the retail sector; and changes to systems in the electric power industry.

Furthermore, with the massive introduction of variable renewable natural energy sources with unstable output, there are concerns of a worsening of the supply and demand situation in Japan in the event that an unexpected increase in demand due to abnormal weather occurs with a decrease in solar power generation due to bad weather or in the event problems occur at existing facilities or a contingency occurs in a resource-producing country.

In response to such changes in this business environment, the Chubu Electric Power Group will work in unison to maintain a stable supply of energy by improving the forecast accuracy of renewable energy power generation output; undertaking day-to-day system operations and supply and demand adjustment encompassing collaboration with other general power transmission and distribution companies; carrying out stable operation of hydroelectric power plants; replacing equipment with cutting-edge thermal power generation equipment through JERA; and securing stable fuel supplies through flexible procurement via JERA Global Markets, which is JERA's fuel trading subsidiary; and utilizing demand response to enable customers to use electricity efficiently.

For stabilizing earnings, Chubu Electric Power will continue making efforts to optimize its power supply procurement portfolio and sophisticating market risk management in the domestic energy business. Additionally, we aim to achieve sustainable growth and attain our medium-term management targets through further expansion of new growth areas and our global businesses.

In the long term, the advance of DX (Digital Transformation) utilizing generative AI and other technologies is expected to spur changes in the industrial structure as well as lead to an increase in demand for electric power. Toward decarbonization, Strategy for Promoting the Transition to a Decarbonized Growth-Oriented Economic Structure (GX Transition Promotion Strategy) were passed by the Cabinet, as various initiatives to achieve carbon neutrality by 2050 are moving forward and this is expected to significantly transform the actual social structure. Against this backdrop, the Seventh Strategic Energy Plan is formulating while verification of reforms of the entire electric power system is progressing toward rebuilding a stable supply mechanism for once again realizing "S (safety) + 3E (Energy security, Economic efficiency, and Environment)."

Amid this environment, in working as a united group toward realizing Management Vision 2.0, Chubu Electric Power will strive to ensure a stable supply of electricity, realize a safe, secure, decarbonized, distributed, and recycling-oriented society, and acquire and expand new sources of revenue through reforms to its business structure.

As our business environment changes dramatically, at the Ordinary General Meeting of Shareholders to be held in June 2024 Chubu Electric Power decided to transition to a company with an Audit & Supervisory Committee to achieve an even better balance between flexible decision-making and more-sophisticated governance.

However, in the case of failure to respond appropriately to changes in the industrial structure or if there are changes in the business environment surrounding the Chubu Electric Power Group that include a growing impact of geopolitical risks such as the conflict in Europe and the situations in the Middle East and Asia or changes to systems that differ

from expectations, financial standing, operating results and cash flow could potentially be affected.

### (1) Changes in fuel and electricity prices, etc.

Regarding the group's power procurement costs, they may be affected by market prices such as liquefied natural gas (LNG), coal and crude oil and fluctuations in the currency exchange market. In response, Chubu Electric Power Miraiz is working to provide a stable supply of electricity to customers even amid this high price volatility by reviewing some of its rate menus, which includes the introduction of a fuel cost adjustment system that reflects fluctuations in wholesale electricity trading market prices in addition to fuel prices while stabilizing procurement prices through hedging transactions that include electricity futures and currency options. The impact on financial condition, operating results and cash flow will be mitigated by these measures.

Considering that recent fuel prices are trending at a low level and that management efforts being undertaken by the entire Chubu Electric Power Group, we are implementing measures to reduce the burden of electricity charges in FY2024 to the same level as in FY2023.

Regarding fuel procurement by JERA and other group companies and electricity procurement through the market, etc. by Chubu Electric Power Miraiz and other group companies, the Chubu Electric Power Group is transitioning to a business structure less susceptible to market fluctuations for fuels and electricity such as by diversifying procurement sources and pursuing longer-term contracts and ensuring flexibility. Also, given the heightened volatility of the market, we will strive to sophisticate our risk management and implement sales measures that flexibly respond to market price fluctuations.

However, fuel supply-demand conditions and fuel market prices may fluctuate significantly due to, for example, worsening political, economic, and social conditions that include the growing and prolonged impact of geopolitical risks such as the conflict in Europe and the situations in the Middle East and Asia; climate change; and supplier facility and/or operational issues. As these risks materialize, our financial standing, operating results, and cash flow could potentially be affected due to, for example, changes in fuel procurement cost, the difference between fuel procurement price and electricity sales price, and changes in market selling/wholesale selling prices of electric power.

### (2) Response to competition

The advance of DX (Digital Transformation) and GX (Green Transformation) is changing the industrial structure while electricity demand is expected to increase, mainly in certain regions. The entire group will firmly respond so that the Chubu region and the Chubu Electric Power Group will be chosen.

Furthermore, the severely competitive environment is persisting due to factors such as improvements in the procurement environment arising from the recent trend of low prices in the wholesale electricity trading market.

Chubu Electric Power Miraiz is promoting the provision of services that enrich the lives of customers and services that solve business issues such as decarbonization based on the connections with customers built by providing electricity and gas to the present.

JERA will work to assure stable supplies such as by replacing equipment with cutting-edge thermal power generation equipment securing additional supply capacity by restarting idle thermal power plants and taking other measures while striving for optimal and efficient operation of the value chain, from fuel upstream procurement to power generation and electricity and gas sales.

However, the inability to respond appropriately to changes in industrial structure, a worsening of the procurement environment due to the growing impact of geopolitical risks such as the conflict in Europe and the situations in the Middle East and Asia, further intensifying competition, economic trends and temperature fluctuations could potentially affect financial standing, operating results and cash flow.

### (3) Commercialization of New Growth Field

The Chubu Electric Power Group aims to provide new value demanded by local communities and customers by creating "value that spreads through connections" in various fields and by ensuring services that improve the quality of life. In the real estate business, we will further

contribute to urban development mainly through ES-CON JAPAN and Chuden Real Estate. At the same time, in regional infrastructure projects involving resource recycling, water supply and sewerage, regional transportation and forest management businesses, we will promote the building of a decarbonized and recycling-oriented society in collaboration with various partners. We will also contribute to the extension of healthy life expectancies in local communities by expanding our lifestyle-related businesses such as medical care and health. In the future, we will continue to take on the challenge of creating a "new form of community" while valuing cooperation with residents of local communities and our partners.

Meanwhile, on September 21, 2023, Chubu Electric Power decided to invest 100 billion yen as a limited liability partner in TB Investment Limited Partnership, which aims to increase the corporate value of Toshiba Corporation and its group companies. We believe that this investment is a meaningful investment opportunity that will contribute to Toshiba building a stable management foundation and significantly increase its corporate value.

In the Global business, we aim to contribute to solving social issues in each country and region and increase profits by forming an optimal portfolio that combines four business areas consisting of "green areas" such as renewable energy, "blue areas" such as hydrogen and ammonia and "retail/transmission/distribution/new service areas" and "new technology areas" that encompass microgrids and power distribution projects in Asia.

On December 17, 2022, Chubu Electric Power received a notice of reassessment from the Mexican tax authorities ordering the payment of approximately 75.9 billion yen (based on the exchange rate in December 2022) regarding the transfer of our overseas electricity generation and energy infrastructure business to JERA through a company split on July 1, 2016. On February 10, 2023, Chubu Electric Power filed an administrative appeal with the authorities because it believes this notice is unreasonable and goes against the Japan-Mexico Tax Treaty and Mexican tax laws. Moreover, mutual consultation between the tax authorities of both countries based on the Japan-Mexico Tax Treaty is underway.

Furthermore, given the current worsening investment environment due to factors such as soaring prices for equipment and materials, we are carefully selecting investments in new growth areas, including global businesses, as well as undertaking appropriate risk assessments and periodic monitoring.

However, if these businesses are unable to produce the results expected by the Chubu Electric Power Group due to the progression of competition with other operators, financial standing, operating results and cash flow could potentially be affected.

### (4) Global environmental conservation

Under Japan's 2050 Carbon Neutral Declaration, making efforts for global environmental conservation such as considering various policy goals is an urgent issue and this includes the enactment of the Act Concerning Promotion of Smooth Transition to Decarbonized Growth-Oriented Economic Structure (GX Promotion Act).

In accordance with the Chubu Electric Power Group Basic Environmental Policy, the Chubu Electric Power Group has summarized its efforts to achieve carbon neutrality as Zero Emissions Challenge 2050. Together with society and customers, we aim to simultaneously achieve "decarbonization" and "safety, stability, and efficiency" through innovation of the energy infrastructure. Specifically, we intend to mobilize all measures.

These include aiming for 3.2 GW or more as a renewable energy expansion target (including ownership, construction, and maintenance) by around 2030 as well as utilizing the Hamaoka Nuclear Power Station with priority on safety improvements and gaining the trust of local residents, building a hydrogen and ammonia supply chain, commencing the demonstration project at the Hekinan Thermal Power Station Unit 4 to establish ammonia conversion technologies, fade-out of inefficient coal-fired power generation, further enhancement of the efficiency of thermal power generation, sophistication of power system equipment and operation and widening of supply and demand operations for expanding the amount of connectable renewable energy, and diversification of CO<sub>2</sub>-free electricity menus beginning with "Miraiz Green Denki."

Important risks associated with climate change are deliberated at the Risk Management Committee chaired by the president and are reflected in the Basic Management Plan and then appropriate measures are implemented upon resolution by the Board of Directors.

However, if the Chubu Electric Power Group is unable to properly reform its business model based on trends in non-fossil values and technological innovation in addition to responding to future regulatory measures such as carbon pricing systems that include fossil



fuel levies and emissions trading schemes, financial standing, operating results and cash flow could possibly be affected.

### (5) Changes in interest rates

Regarding the rise in interest rates, the impact of these debts on our financial standing, operating results, and cash flow would be limited in the short term because 89.2% of the outstanding balance of interest-bearing debts consists of long-term funds such as corporate bonds and long-term loans, and most of them were procured at fixed interest rates.

We will work to absorb any rises in prices and wages through efforts to improve efficiency. We will also work to ascertain the circumstances of our business partners and conduct fair and equitable transactions with our partners on equal footing through appropriate prices.

However, if interest rates, prices and wages continue to rise our financial standing, operating results and cash flow could potentially be affected.

## 2. Suspension of operation of nuclear power generation facilities

With regard to nuclear power policy, in February 2023 a Cabinet decision was made on the Basic Policy for the Realization of Green Transformation (GX) and in May 2023 the Act for Partial Amendment of the Electricity Business Act, etc. for the Establishment of Electricity Supply System toward the Realization of a Decarbonized Society (GX Decarbonization Electricity Act) was enacted.

The company has suspended operation of all reactors at the Hamaoka Nuclear Power Station over 10 years. At Unit 3 and Unit 4, the Nuclear Regulation Authority is currently investigating and confirming compliance with new regulatory standards. At the review meeting in September 2023, we received a “generally appropriate” evaluation regarding standard seismic motion. The standard tsunami investigation is steadily progressing and when a “generally appropriate” evaluation is obtained, we will respond to plant-related investigations.

The major safety enhancement measures at Unit 4, related to the tsunami/earthquake countermeasures or severe accident countermeasures that have been planned after the accident at the Fukushima Daiichi Nuclear Power Station, were mostly completed. In the future as well, any additional equipment counterplan in response to the review etc. should be implemented at the earliest time possible. After Unit 4, efforts will be made to implement the countermeasures in Unit 3 based on the new regulatory standards. In parallel with specifying the method for recovery from the sea-water inflow in Unit 5, countermeasures based on the new regulatory standards will be examined, and preparations will be made for applying for the examination for verification of conformance.

Moreover, on site response focusing on the inside of the power station, such as strengthening the on-site response capabilities through education/training or by streamlining the emergency preparedness system, will be continued, and in addition, efforts will be made to enhance the offsite response in preparation for nuclear disaster in the areas around the power station, by strengthening cooperation with the national and local governments, directed towards enhancing the effectiveness of emergency response including the evacuation of residents. Additionally, we utilize the knowledge and expertise of external experts to further improve nuclear safety.

Since operation is suspended for all reactors at the Hamaoka Nuclear Power Station, the Chubu Electric Power Group is providing electricity using thermal power sources as an alternative. This will substantially increase power procurement costs, which coupled with other factors, is likely to exert an influence on our financial standing, operating results, and cash flow.

Depending on the continuation of the suspension of operation of the Hamaoka Nuclear Power Station to comply with the new regulatory standards or the suspension of operation of nuclear power generation facilities of other companies from which the Chubu Electric Power Group receives power supply, our financial standing, operating results, and cash flow could potentially be affected.

## 3. Nuclear power back-end costs, etc.

The back-end business of nuclear power includes reprocessing of spent fuel, disposal of radioactive waste, and decommissioning of nuclear power facilities and takes an extremely long time period and has many uncertainties. Such uncertainties are reduced by the

government's institutional measures, including the mechanism through which the Nuclear Reprocessing and Decommissioning facilitation Organization of Japan secures and manages funds for reprocessing and decommissioning, but the costs of nuclear fuel cycles, including back-end costs, may vary depending on regulatory reform like changes in estimates of future expenses (mandated and voluntary) and the operating status of reprocessing facilities. As a result, our financial standing, operating results, and cash flow could potentially be affected.

## 4. Large-scale natural disasters and other disasters

The business activities of the Chubu Electric Power Group are exposed to such risks as large-scale natural disasters, such as Nankai Trough earthquake and powerful typhoon, armed attack, terrorism, outbreak of an infectious disease, and accident.

To prepare for the occurrence of such an event, the Chubu Electric Power Group has formulated a business continuity plan (BCP), is implementing precautionary measures including the formation, maintenance, and operation of facilities, and improving operating structures and conducting drills to cope with the occurrence of any such event.

Most recently, in view of the lessons learned from typhoon disasters and based on our action plan, we are working to strengthen the facility recovery capability by improving various recovery support systems, to strengthen information dissemination to customers via website and smartphone apps and to strengthen coordination with local governments and other electric power companies. In addition, our efforts to strengthen resilience, which are made in coordination with local governments and other parties concerned, include further acceleration of trimming and culling of trees in advance and the elimination of utility poles for the preventive maintenance and cooperation in the area of flood control in anticipation of potential flood of dams used for hydroelectric power generation.

However, if any disruption of supply or destruction of facilities occurs due to a large-scale natural disaster, armed attack, terrorism, outbreak of an infectious disease, accident, and the like, our financial standing, operating results, and cash flow could potentially be affected depending on the magnitude of damage.

## 5. Information security (Economic security, information management, etc.)

For the purpose of assuring a stable supply of energy, which is an important infrastructure, in order to address risks of power supply disruption or information leakage due to threats such as a cyberattack, the Chubu Electric Power Group strengthens its governance system, pushes forward with information sharing and analysis in cooperation with other business operators and organization concerned through JE-ISAC and other forums, and is implementing various security measures and drills on an ongoing basis.

In particular, with regard to important facilities that are subject to the system for ensuring the stable provision of core infrastructure services under the Economic Security Promotion Act, we will take the necessary measures to prevent acts of interference in accordance with relevant laws and regulations to ensure the stable provision of infrastructure services.

We will continuously monitor changes in the international situation and implement the latest countermeasures against cyberattacks.

To ensure that personal information (including Specific Personal Information) and other types of information are managed properly, we have established a department dedicated to information management and have established various types of regulations among other initiatives, based on related laws and regulations such as the Personal Information Protection Law in addition to further strengthening our training and awareness programs to employees.

In addition, we will take every measure to further assure security by building a more-advanced governance system, identifying and eliminating vulnerabilities in our IT systems, and strengthening operational rules through risk assessment and the analysis of assessment results.

However, if a cyberattack, an IT system deficiency or an information leakage occurs and we incur direct expenses to cope with it or suffer from a decline in social credibility as a result, our financial standing, operating results, and cash flow could potentially be affected.

## 6. Human capital and human rights

With the structure of society expected to change in the future, securing future-focused human resources and acquiring high-level skills is becoming an important issue to respond

appropriately to change.

In response to this issue, Chubu Electric Power Group has announced its human resources strategy based on the concept that “the growth and active roles of each individual is the very essence of corporate value” while also ensuring diverse expertise even among management.

Moreover, amid the growing influence of corporations regarding human rights, there is increasing demand for initiatives to respect human rights. In keeping with the Chubu Electric Power Group Basic Human Rights Policy, the Group is working to put into practice respect for human rights, which includes undertaking human rights due diligence.

However, if we are unable to secure sufficient human capital in terms of quality and quantity in the future or if human rights risks become apparent and our social trust declines, our financial standing, operating results, and cash flow could potentially be affected.

## 7. Compliance

Based on the Chubu Electric Power Group Compliance Basic Policy that outlines our basic policy and principles of conduct regarding compliance with laws, regulations, and social norms, we are working to ensure thorough compliance and improve corporate ethics such as by establishing the Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy and Guidelines on Giving and Receiving Money and Other Items of Value.

On March 30, 2023, Chubu Electric Power received a surcharge payment order based on the Antimonopoly Act and Chubu Electric Power Miraiz received a cease and desist order and a surcharge payment order based on the Antimonopoly Act from the Japan Fair Trade Commission with regard to the supply of extra high-voltage power and high-voltage power in the Chubu area, etc. Chubu Electric Power recorded the surcharge payment as an extraordinary loss in conjunction with the Antimonopoly Act in the previous fiscal year. Regarding each order, Chubu Electric Power and Chubu Electric Power Miraiz filed a revocation action on September 25, 2023 and seek a fair judicial judgment due to differences of opinions with the Commission regarding fact finding and legal interpretation.

On March 4, 2024, Chubu Electric Power received a surcharge payment order under the Antimonopoly Act, and Chubu Electric Power Miraiz received a cease and desist order and a surcharge payment order under the Antimonopoly Act from the Japan Fair Trade Commission in connection with the city gas supply to large-volume customers in the Chubu region. Chubu Electric Power recorded the surcharge payment as an extraordinary loss in conjunction with the Antimonopoly Act in this fiscal year. Also, Chubu Electric Power Miraiz received a warning concerning the city gas supply for residential use in the Chubu area and Chubu Electric Power Miraiz and its subsidiary C Energy Co., Inc (hereinafter referred to as “C Energy”) received warnings concerning the supply of liquefied natural gas in Aichi, Gifu and Mie prefectures from the Commission. Furthermore, on June 24, 2024, the Electricity and Gas Market Surveillance Commission recommended that the Minister of Economy, Trade and Industry issue a business improvement order to Chubu Electric Power Miraiz in connection with city gas supply to large-volume consumers in the Chubu area. Regarding the two cases that received the above-mentioned warning, the Minister of Economy, Trade and Industry plans to provide business improvement guidance and a warning notice to Chubu Electric Power Miraiz and a warning notice to C Energy, respectively. We will respond appropriately if any orders are issued in the future.

Following a series of orders from the Japan Fair Trade Commission, Chubu Electric Power and Chubu Electric Power Miraiz have been subjected to measures such as suspension of subsidies and suspension of any nominations for contracts by the Ministry of Economy, Trade and Industry.

In addition to the “Measures to strengthen compliance measures” announced on April 7, 2023, by implementing the “Measures to strengthen compliance measures” announced on March 4, 2024, Chubu Electric Power and Chubu Electric Power Miraiz will make efforts to never again violate the Antimonopoly Act or be suspected of causing such a violation.

The Chubu Electric Power Group will continue to make incessant efforts to ensure full compliance by evaluating the situation on an ongoing basis and fulfilling its accountability based on the results of such evaluation.

However, if any event against compliance occurs within or in connection with the Group, the reputation of the Group may be damaged and our financial standing, operating results, and cash flow could potentially be affected.





## Consolidated Balance Sheets

Chubu Electric Power Company, Incorporated and Subsidiaries  
As of March 31, 2024 and 2023

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>ASSETS</b>			
<b>Property, Plant and Equipment:</b>			
Property, plant and equipment, at cost	¥10,814,315	¥10,635,234	\$71,461,811
Construction in progress	464,394	438,680	3,068,752
	11,278,710	11,073,914	74,530,563
<b>Less:</b>			
Contributions in aid of construction	(222,229)	(219,066)	(1,468,507)
Accumulated depreciation	(7,717,783)	(7,605,636)	(50,999,692)
	(7,940,012)	(7,824,703)	(52,468,199)
Total Property, Plant and Equipment, Net	3,338,697	3,249,211	22,062,364
<b>Nuclear Fuel:</b>			
Loaded nuclear fuel	40,040	40,040	264,588
Nuclear fuel in processing	158,702	153,210	1,048,720
Total Nuclear Fuel	198,743	193,250	1,313,309
<b>Investments and Other Assets:</b>			
Long-term investments	2,094,736	1,645,893	13,842,174
Net defined benefit asset	7,651	1,783	50,564
Deferred tax assets	153,725	183,136	1,015,832
Other	30,595	28,367	202,177
Allowance for doubtful accounts	(5,406)	(13,210)	(35,728)
Total Investments and Other Assets	2,281,302	1,845,970	15,075,019
<b>Current Assets:</b>			
Cash and deposits	390,806	361,325	2,582,475
Notes and accounts receivable — trade and contract assets	353,997	365,548	2,339,242
Inventories	270,501	196,444	1,787,494
Allowance for doubtful accounts	(1,223)	(1,633)	(8,086)
Other	275,792	244,984	1,822,457
Total Current Assets	1,289,873	1,166,669	8,523,583
<b>Total Assets</b>	¥ 7,108,617	¥ 6,455,102	\$46,974,276

The accompanying notes to the consolidated financial statements are an integral part of these statements.

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>LIABILITIES AND NET ASSETS</b>			
<b>Noncurrent Liabilities:</b>			
Long-term loans payable	¥2,478,622	¥2,411,136	\$16,378,923
Provision for loss in conjunction with discontinued operations of nuclear power plants	4,276	7,956	28,262
Net defined benefit liability	125,769	136,875	831,097
Asset retirement obligations	294,388	290,189	1,945,342
Other	212,621	186,510	1,405,018
Total Noncurrent Liabilities	3,115,679	3,032,667	20,588,644
<b>Current Liabilities:</b>			
Current portion of noncurrent liabilities	282,510	234,963	1,866,853
Short-term loans payable	319,534	280,276	2,111,505
Notes and accounts payable - trade	271,297	327,487	1,792,753
Accrued taxes	90,587	50,589	598,608
Other	332,427	365,238	2,196,703
Total Current Liabilities	1,296,356	1,258,555	8,566,424
Reserve for Fluctuation in Water Levels	1,509	1,674	9,974
Total Liabilities	4,413,545	4,292,897	29,165,043
<b>Commitments and Contingent Liabilities</b>			
<b>Net Assets</b>			
Capital stock	430,777	430,777	2,846,609
Capital surplus	70,522	70,571	466,014
Retained earnings	1,758,430	1,393,120	11,619,841
Treasury shares, at cost	(2,790)	(2,733)	(18,439)
Total Shareholders' Equity	2,256,939	1,891,735	14,914,025
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	21,330	15,097	140,954
Deferred gains and losses on hedges	80,509	32,133	532,011
Foreign currency translation adjustments	228,657	133,859	1,510,986
Remeasurements of defined benefit plans	(1,984)	(12,016)	(13,114)
Total Accumulated Other Comprehensive Income	328,512	169,074	2,170,837
Share acquisition rights	0	0	3
Noncontrolling interests	109,618	101,394	724,367
Total Net Assets	2,695,071	2,162,205	17,809,233
<b>Total Liabilities and Net Assets</b>	¥7,108,617	¥6,455,102	\$46,974,276

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥151.33 to U.S. \$1.00, the prevailing exchange rate at the fiscal year-end.

For detailed information on the financial conditions of Chubu Electric Power, please see the Appendix, "Chubu Electric Power Group Report 2024 (Integrated Report) Financial Section."



## Consolidated Statements of Operations

Chubu Electric Power Company, Incorporated and Subsidiaries  
For the Years Ended March 31, 2024 and 2023

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>Operating Revenues:</b>			
Electricity	¥2,961,364	¥3,286,145	\$19,568,917
Other	649,050	700,536	4,288,972
Total Operating Revenues	3,610,414	3,986,681	23,857,889
<b>Operating Expenses:</b>			
Electricity	2,668,503	3,221,252	17,633,672
Other	598,571	658,339	3,955,402
Total Operating Expenses	3,267,074	3,879,592	21,589,075
<b>Operating Income (Loss)</b>	343,339	107,089	2,268,814
<b>Other Income (Expenses):</b>			
Interest expense	(21,576)	(19,889)	(142,578)
Share of profit (loss) of entities accounted for using equity method	188,745	(12,986)	1,247,245
Impairment loss	(12,622)	(14,236)	(83,413)
Loss in conjunction with the Antimonopoly Act	(26)	(27,555)	(176)
Gain on disposition of investment securities	9,208	45,318	60,851
Other, net	(1,213)	(9,064)	(8,016)
Total Other (Income) Expenses, Net	162,515	(38,413)	1,073,911
<b>Income (Loss) Before Reversal of Reserve for Fluctuation in Water Levels and Income Taxes</b>	505,854	68,675	3,342,725
<b>Reversal of Reserve for Fluctuation in Water Levels</b>	(164)	(315)	(1,087)
<b>Income Before Income Taxes</b>	506,019	68,991	3,343,813
<b>Income Taxes:</b>			
Current	72,402	25,697	478,439
Deferred	22,470	5,416	148,484
Total Income Taxes	94,872	31,114	626,923
<b>Net Income</b>	411,146	37,876	2,716,889
<b>Net income (loss) attributable to noncontrolling interests</b>	8,006	(354)	52,907
<b>Net income attributable to owners of parent</b>	¥ 403,140	¥ 38,231	\$ 2,663,982
U.S. dollars			
	March 31, 2024	March 31, 2023	March 31, 2024
<b>Per Share of Capital Stock:</b>			
Net income - basic	¥533.17	¥50.56	\$3.52
Cash dividends	55.00	50.00	0.36

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥151.33 to U.S. \$1.00, the prevailing exchange rate at the fiscal year-end.

## Consolidated Statements of Comprehensive Income

Chubu Electric Power Company, Incorporated and Subsidiaries  
For the Years Ended March 31, 2024 and 2023

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>Net (Loss) Income</b>	¥411,146	¥37,876	\$2,716,889
<b>Other Comprehensive Income:</b>			
Valuation difference on available-for-sale securities	137	(31,982)	905
Deferred gains and losses on hedges	2,801	133	18,514
Foreign currency translation adjustments	1,964	774	12,980
Remeasurements of defined benefit plans, net of tax	10,520	(13,180)	69,518
Share of other comprehensive income of entities accounted for using equity method	147,535	86,884	974,928
Other Comprehensive Income	162,959	42,629	1,076,847
<b>Comprehensive Income</b>	¥574,106	¥80,506	\$3,793,736
Comprehensive income attributable to:			
Owners of parent	562,579	81,657	3,717,565
Noncontrolling interests	11,527	(1,150)	76,171

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥151.33 to U.S. \$1.00, the prevailing exchange rate at the fiscal year-end.

For detailed information on the financial conditions of Chubu Electric Power, please see the Appendix, "Chubu Electric Power Group Report 2024 (Integrated Report) Financial Section."



# Consolidated Statements of Changes in Net Assets

Chubu Electric Power Company, Incorporated and Subsidiaries For the Years Ended March 31, 2024 and 2023

	Number of shares of capital stock issued	Shareholders' equity					Accumulated other comprehensive income					Share acquisition rights	Noncontrolling interests	Total net assets
		Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains and losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Millions of yen														
Balance at April 1, 2022	758,000,000	¥430,777	¥70,716	¥1,392,720	¥(2,734)	¥1,891,480	¥47,446	¥16,556	¥62,747	¥(1,102)	¥125,648	¥0	¥106,143	¥2,123,272
Dividends of surplus	—	—	—	(37,831)	—	(37,831)	—	—	—	—	—	—	—	(37,831)
Net income attributable to owners of parent	—	—	—	38,231	—	38,231	—	—	—	—	—	—	—	38,231
Purchase of treasury shares	—	—	—	—	(37)	(37)	—	—	—	—	—	—	—	(37)
Disposal of treasury shares	—	—	—	(0)	38	38	—	—	—	—	—	—	—	38
Change in equity of parent on transactions with noncontrolling interests	—	—	(145)	—	—	(145)	—	—	—	—	—	—	—	(145)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	(32,348)	15,576	71,111	(10,913)	43,425	(0)	(4,748)	38,676
Balance at March 31, 2023	758,000,000	¥430,777	¥70,571	¥1,393,120	¥(2,733)	¥1,891,735	¥15,097	¥32,133	¥133,859	¥(12,016)	¥169,074	¥0	¥101,394	¥2,162,205
Millions of yen														
Balance at April 1, 2023	758,000,000	¥430,777	¥70,571	¥1,393,120	¥(2,733)	¥1,891,735	¥15,097	¥32,133	¥133,859	¥(12,016)	¥169,074	¥0	¥101,394	¥2,162,205
Dividends of surplus	—	—	—	(37,830)	—	(37,830)	—	—	—	—	—	—	—	(37,830)
Net income attributable to owners of parent	—	—	—	403,140	—	403,140	—	—	—	—	—	—	—	403,140
Purchase of treasury shares	—	—	—	—	(58)	(58)	—	—	—	—	—	—	—	(58)
Disposal of treasury shares	—	—	0	—	1	1	—	—	—	—	—	—	—	1
Change in equity of parent on transactions with noncontrolling interests	—	—	(49)	—	—	(49)	—	—	—	—	—	—	—	(49)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	6,232	48,376	94,797	10,032	159,438	(0)	8,223	167,662
Balance at March 31, 2024	758,000,000	¥430,777	¥70,522	¥1,758,430	¥(2,790)	¥2,256,939	¥21,330	¥80,509	¥228,657	¥(1,984)	¥328,512	¥0	¥109,618	¥2,695,071
Thousands of U.S. dollars														
Balance at April 1, 2023		\$2,846,609	\$466,338	\$9,205,843	\$(18,061)	\$12,500,729	\$99,767	\$212,338	\$884,554	\$(79,406)	\$1,117,254	\$4	\$670,025	\$14,288,014
Dividends of surplus		—	—	(249,984)	—	(249,984)	—	—	—	—	—	—	—	(249,984)
Net income attributable to owners of parent		—	—	2,663,982	—	2,663,982	—	—	—	—	—	—	—	2,663,982
Purchase of treasury shares		—	—	—	(385)	(385)	—	—	—	—	—	—	—	(385)
Disposal of treasury shares		—	0	—	7	8	—	—	—	—	—	—	—	8
Change in equity of parent on transactions with noncontrolling interests		—	(324)	—	—	(324)	—	—	—	—	—	—	—	(324)
Net changes in items other than shareholders' equity		—	—	—	—	—	41,186	319,672	626,431	66,292	1,053,583	(1)	54,341	1,107,924
Balance at March 31, 2024		\$2,846,609	\$466,014	\$11,619,841	\$(18,439)	\$14,914,025	\$140,954	\$532,011	\$1,510,986	\$(13,114)	\$2,170,837	\$3	\$724,367	\$17,809,233

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥151.33 to U.S. \$1.00, the prevailing exchange rate at the fiscal year-end.

For detailed information on the financial conditions of Chubu Electric Power, please see the Appendix, "Chubu Electric Power Group Report 2024 (Integrated Report) Financial Section."



## Consolidated Statements of Cash Flows

Chubu Electric Power Company, Incorporated and Subsidiaries  
For the Years Ended March 31, 2024 and 2023

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes	¥ 506,019	¥ 68,991	\$3,343,813
Adjustments for:			
Depreciation	172,046	155,927	1,136,897
Impairment loss	12,622	14,236	83,413
Gain on disposition of investment securities	(9,208)	(45,318)	(60,851)
Decommissioning costs of nuclear power units	11,227	10,257	74,192
Loss on retirement of noncurrent assets	6,533	8,667	43,176
Decrease in provision for net defined benefit liability and asset	(2,126)	(5,236)	(14,054)
Loss in conjunction with the Antimonopoly Act	26	27,555	176
Decrease in provision for loss on discounted operations of nuclear power plants	(3,679)	—	(24,312)
Decrease in reserve for fluctuation in water levels	(164)	(315)	(1,087)
Interest and dividend income	(1,679)	(3,612)	(11,095)
Interest expense	21,576	19,889	142,578
Loss on return of imbalance charge	—	—	—
Equity in net (loss) income of affiliates	(188,745)	12,986	(1,247,245)
Decrease (Increase) in notes and accounts receivable - trade	12,468	(20,463)	82,391
Increase in inventories	(57,612)	(5,654)	(380,710)
(Decrease) Increase in notes and accounts payable - trade	(57,460)	48,207	(379,704)
Other, net	(17,426)	(14,127)	(115,154)
Subtotal	404,417	271,990	2,672,422
Interest and dividend income received	12,006	33,216	79,342
Interest expense paid	(20,727)	(19,812)	(136,971)
Payments in relation to the Antimonopoly Act	(27,555)	—	(182,091)
Income taxes paid or refunded	(24,066)	10,403	(159,032)
<b>Cash flows from operating activities</b>	<b>344,074</b>	<b>295,798</b>	<b>2,273,669</b>

	Millions of yen		Thousands of U.S. dollars
	March 31, 2024	March 31, 2023	March 31, 2024
<b>Cash Flows from Investing Activities:</b>			
Purchase of noncurrent assets	(248,666)	(249,044)	(1,643,208)
Payments on investments and loans receivable	(136,164)	(47,603)	(899,782)
Collection on investments and loans receivable	26,199	79,127	173,129
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(41,140)	—	(271,858)
Proceeds from purchases of shares of subsidiaries resulting in change in scope of consolidation	380	—	2,514
Other, net	11,059	20,592	73,084
<b>Cash flows from investing activities</b>	<b>(388,330)</b>	<b>(196,928)</b>	<b>(2,566,119)</b>
<b>Cash Flows from Financing Activities:</b>			
Proceeds from issuance of bonds	24,898	149,775	164,532
Redemption of bonds	(80,007)	(80,000)	(528,692)
Proceeds from long-term loans payable	322,262	312,821	2,129,532
Repayments of long-term loans payable	(159,926)	(194,034)	(1,056,809)
Proceeds of short-term loans payable	431,644	357,241	2,852,337
Repayments of short-term loans payable	(400,139)	(341,759)	(2,644,153)
Proceeds from issuance of commercial paper	—	—	—
Redemption of commercial paper	—	(79,000)	—
Purchase of treasury shares	(57)	(39)	(377)
Cash dividends paid	(37,795)	(37,807)	(249,755)
Dividends paid to noncontrolling interests	(5,084)	(4,232)	(33,599)
Other, net	(8,710)	(9,716)	(57,557)
<b>Cash flows from financing activities</b>	<b>87,084</b>	<b>73,248</b>	<b>575,457</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>2,206</b>	<b>210</b>	<b>14,579</b>
<b>Net increase in cash and cash equivalents</b>	<b>45,033</b>	<b>172,328</b>	<b>297,586</b>
<b>Cash and cash equivalents at beginning of this period</b>	<b>373,484</b>	<b>201,156</b>	<b>2,468,016</b>
<b>Cash and cash equivalents at end of this period</b>	<b>¥ 418,518</b>	<b>¥ 373,484</b>	<b>\$2,765,603</b>

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥151.33 to U.S. \$1.00, the prevailing exchange rate at the fiscal year-end.

For detailed information on the financial conditions of Chubu Electric Power, please see the Appendix, "Chubu Electric Power Group Report 2024 (Integrated Report) Financial Section."





## Corporate Data (As of March 31, 2024)

### Corporate Profile

Corporate name:	Chubu Electric Power Company, Incorporated
Headquarters:	1, Higashi-shincho, Higashi-ku, Nagoya, Aichi 461-8680, Japan Tel: +81-52-951-8211 (Main)
Representative:	Hayashi Kingo, President & Director
Date of establishment:	May 1st, 1951
Capital:	¥430.7 billion
Number of employees:	3,180
Number of shares issued:	758,000,000
Number of shareholders:	228,209
Independent auditor:	KPMG AZSA LLC
Stock markets traded:	Tokyo Stock Exchange, Inc. Nagoya Stock Exchange, Inc. (Securities ID code: 9502)
Administrator of shareholder registry:	Mitsubishi UFJ Trust and Banking Corporation 4-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan

### Main Business Locations

Headquarters:	1, Higashi-shincho, Higashi-ku, Nagoya, Aichi 461-8680
Shizuoka Regional Office:	2-4-1 Hontoori, Aoi-ku, Shizuoka 426-0064
Tokyo Office:	2-2-1 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011

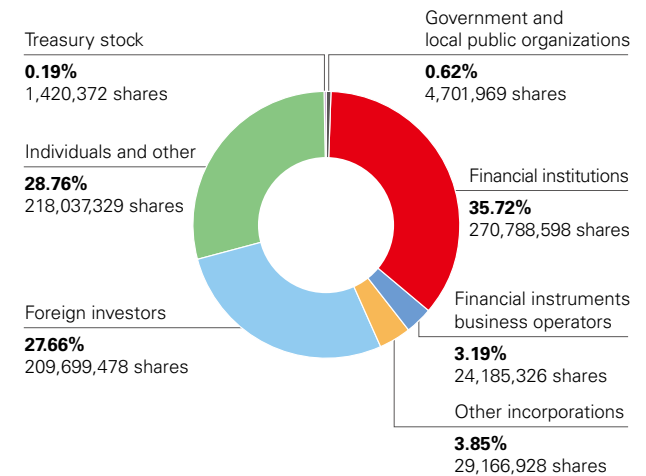
### Overseas Offices

Washington Office	900 17th Street, NW, Suite 1220, Washington, D.C. 20006, U.S.A. tel: +1-202-775-1960
London Office	2nd Floor, 210 High Holborn, London WC1V 7EP, U.K. tel: +44-20-7409-0142
Doha Office	16th Floor, Salam Tower, Al Corniche P.O.Box 22470, Doha-QATAR tel: +974-4483-6680

### Number of Shares

Total number of authorized shares	1,190 million shares
Total number of shares issued	758 million shares

### Composition of Shareholders



### Principal Shareholders

Name	Number of shares owned (thousands)	Ownership percentage of total shares issued (%)
The Master Trust Bank of Japan, Ltd.	106,811	14.12
Custody Bank of Japan, Ltd.	40,070	5.30
Meiji Yasuda Life Insurance Company	35,516	4.69
Nippon Life Insurance Company	23,419	3.10
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd. Settlement & Cleaning Services Department)	21,532	2.85
Chubu Electric Power Employees Shareholders' Association	17,213	2.28
Sumitomo Mitsui Banking Corporation	11,207	1.48
JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd. Settlement & Cleaning Services Department)	9,605	1.27
MUFG Bank, Ltd.	9,182	1.21
SSBTC CLIENT OMNIBUS ACCOUNT (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch, Custody Service)	8,846	1.17
Total	283,406	37.46

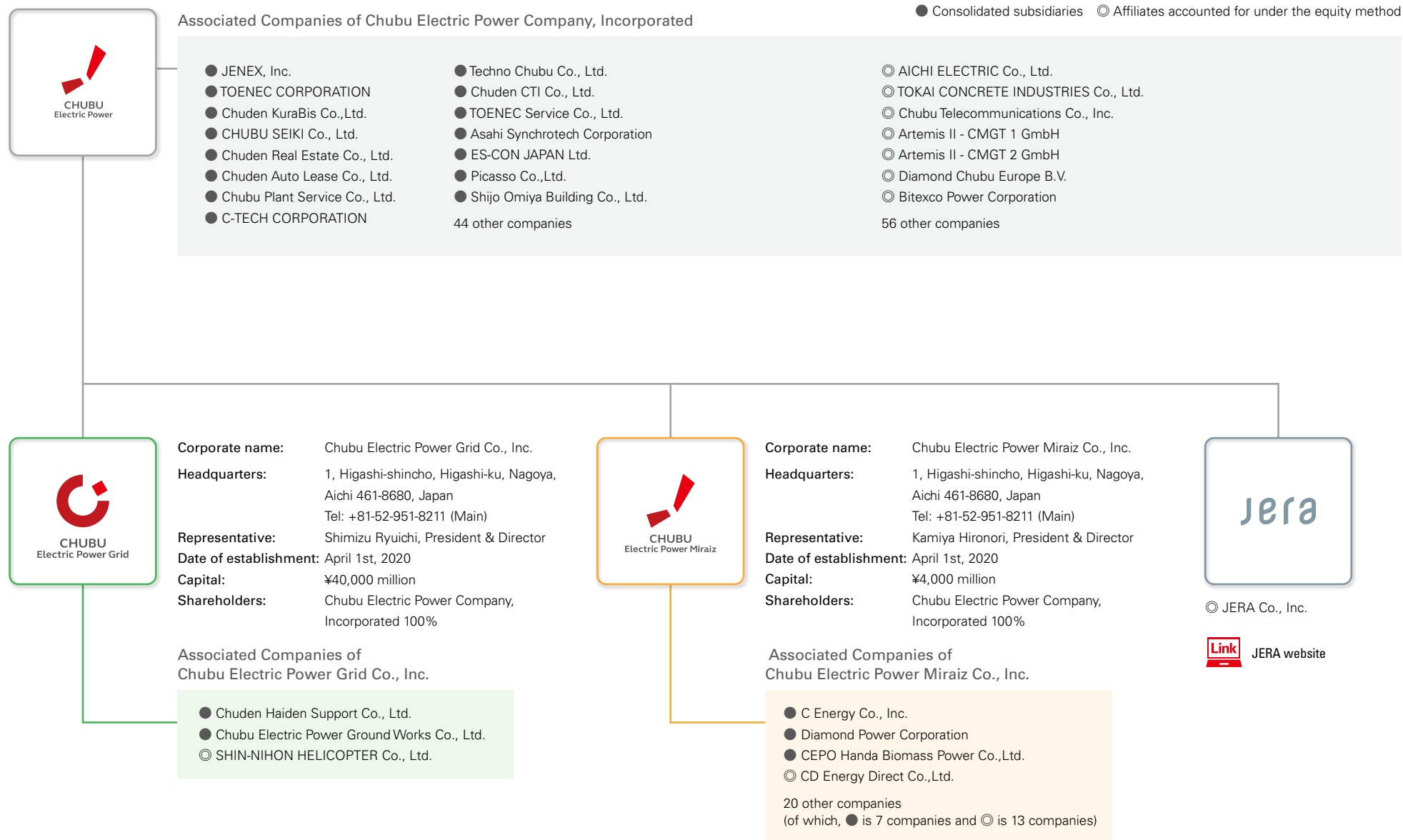
Note: The number of shares held by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. (106,811 thousand shares and 40,070 thousand shares, respectively) is related to their trust services.



# Associated Companies (As of March 31, 2024)



Information on Chubu Electric Power Group  
(Japanese version only)



Activity to promote coexistence with local communities

## Official partner of Ghibli Park

In support of Ghibli Park's operation, Chubu Electric Power will assist the park in becoming a place that grows while being loved by visitors and local communities. In addition, Chubu Electric Power Miraiz provides "Green Denki" (CO<sub>2</sub>-free electricity) to Ghibli Park within the grounds of Expo 2005 Aichi Commemorative Park, contributing to CO<sub>2</sub> emissions reduction.

Ghibli Park



Expo 2005 Aichi Commemorative Park (Moricoro Park)



Chubu Electric Power supports Ghibli Park.



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## Chubu Electric Power Co., Inc.

1, Higashi-shincho, Higashi-ku, Nagoya 461-8680, Japan

Phone: +81-52-951-8211 (Main)

[www.chuden.co.jp/english/](http://www.chuden.co.jp/english/)

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