

Chubu Electric Power Group Report 2022
(Integrated Report)

むすぶ。ひらく。



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.



Photo: Chubu Electric Power MIRAI TOWER
Chubu Electric Power has acquired the naming rights of the Nagoya Television Tower as a token of gratitude to the region on the occasion of our 70th anniversary. Chubu Electric Power Miraiz has introduced for the first time in Aichi Prefecture CO₂-free "Aichi Green Denki" electricity generated within the prefecture to the tower, and we will work to make more effective use of local renewable energy and achieve more widespread use of renewable energy.

[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.

[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

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.

Shareholders and Investors

We are striving to maintain and increase profits for our shareholders and investors through efficient management and effective investment.

Local Communities

We are determined to contribute to sustainable local development in partnership with local communities.

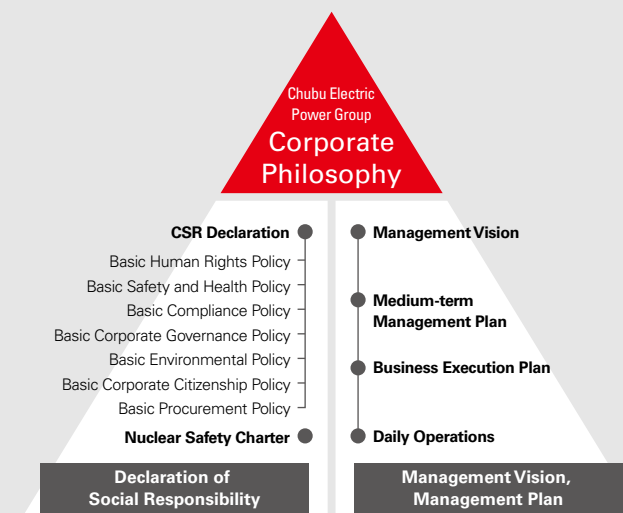
Business Partners

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.

Employees

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]



History of Chubu Electric Power

Overcoming numerous challenges since its foundation, Chubu Electric Power has grown together with the development of the Chubu region, which plays a central role in manufacturing in Japan, through its mission of delivering electricity stably at a reasonable price.

Power source development to solve power shortage

At the time of foundation, we faced a serious problem of power shortage. The Power Source Development Division was formed immediately to formulate a basic plan and to start the development of new power sources.



Ikawa Hydroelectric Power Station (1957)



Restored distribution line after Typhoon Isewan (1959)

Stable supply that supports high economic growth

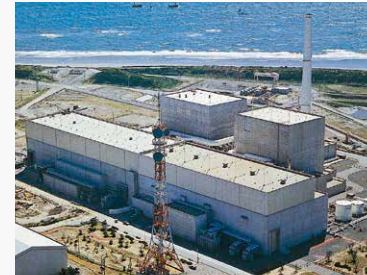
In this era after the postwar recovery, large-scale power source development, primarily from oil thermal power generation together with an expansion of transmission systems, was promoted to meet the increasing demand for electricity accompanying the high economic growth.



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

Respond to the oil crisis Promote diversification of power sources

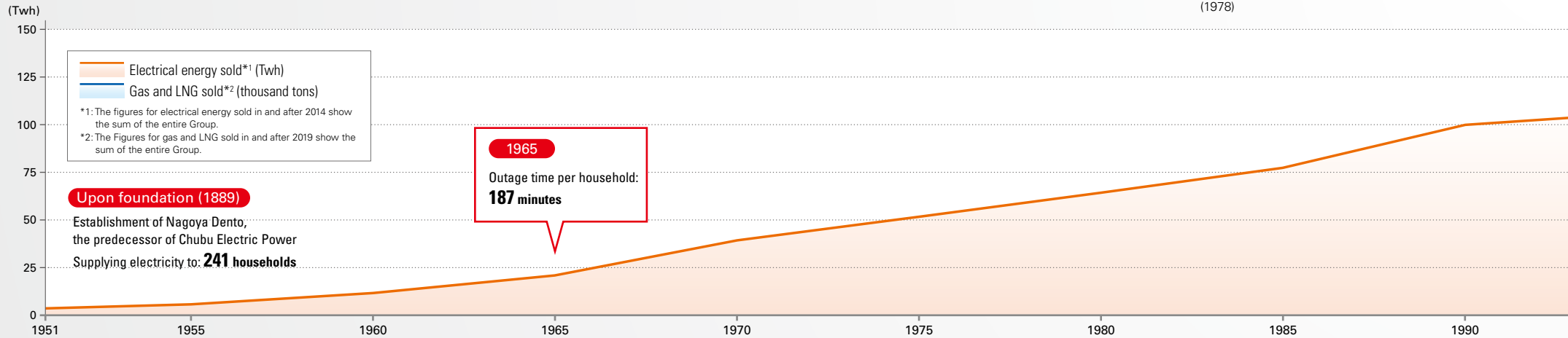
Due to electricity shortages caused by the oil crisis and severe pollution, a growing need to review dependence on oil thermal power and move towards diversified power sources arose. This resulted in the introduction of cleaner energies such as nuclear power and liquefied natural gas (LNG) thermal power.



Hamaoka Nuclear Power Station Unit 1 (1976)



Chita Thermal Power Station Units 5 and 6 (1978)



● 1951 >> Establishment of Chubu Electric Power

● 1973 >> First oil crisis

● Around 1955 >> High economic growth

Turning point of the times Liberalization of the electric market

After the collapse of the bubble economy, liberalization of electric retail and wholesale markets commenced in line with the government's deregulation policy. In addition, as global warming became a serious problem in the world, we further promoted diversified power sources and launched gas sales and overseas businesses in order to secure new profits.



Ratchaburi gas thermal IPP (independent power producer) project in Thailand (2008)

Advent of the new era of energy

After the Great East Japan Earthquake, Hamaoka Nuclear Power Station stopped its operation. We improved safety in our nuclear power generation and promoted renewable energy development. Additionally, in even fiercer competition driven by the full liberalization of the electricity and gas retail markets, we sought reformation with the aim to become a total energy service corporate group.



Mega Solar Shimizu (2015)



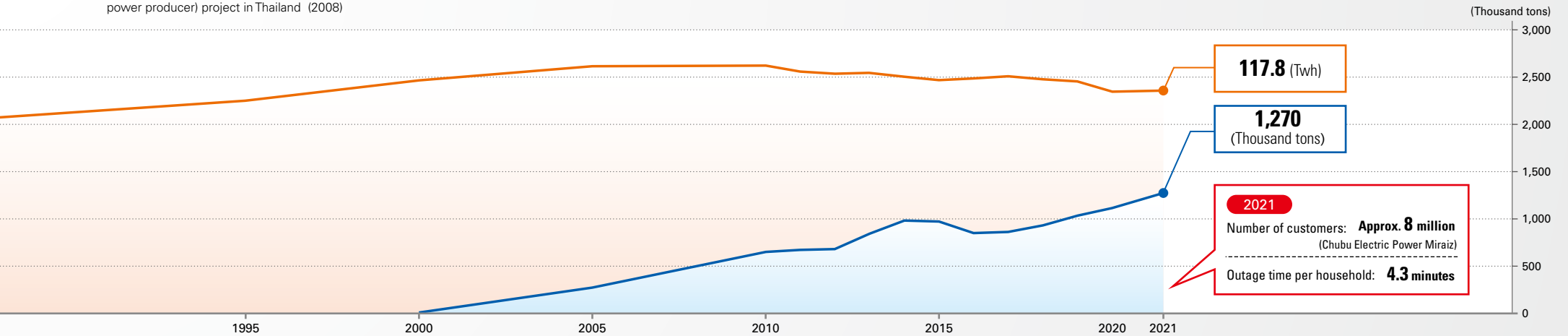
Web member service for household "KatEne" and web member service for business "BizEne" start (2015)

Birth of a new Chubu Electric Power

Following the full integration of the thermal power generation businesses into JERA in 2019, the power transmission/distribution division and sales division were split off into Chubu Electric Power Grid Co., Inc. and Chubu Electric Power Miraiz Co., Inc. in 2020, respectively.



Business model transformation through an expansion of business areas



● 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

Chubu Electric Power Group at a Glance






■ Nuclear power business P33

■ Chubu Electric Power Miraiz P43

■ JERA P49

Power generation facilities (Chubu Electric Power)

As of March 31, 2022

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




■ Renewable energy business P37

■ Global business P45

■ Regional infrastructure business P52

Power transmission/distribution facilities (Chubu Electric Power Grid)

As of March 31, 2022




	Transmission line length	11,983 km
	Number of supporting structures (iron tower, etc.)	34,936 units
	Number of substations	1,005 locations
	Distribution line length	135,702 km
	Number of supporting structures (utility poles, etc.)	2,859,565 units
	Communication lines	52,128 km

■ Chubu Electric Power Grid P41

■ New Growth Fields P47

Sales results, etc. (Chubu Electric Power Miraiz)

FY2021

	Electrical energy sold	108.9 Twh (Group total: 117.8 Twh)
	Gas and LNG sold	1,050 thousand tons (Group total: 1,270 thousand tons)
	CO ₂ emissions in electrical energy sales	41.58 million tons
	CO ₂ emission intensity	0.382 kg-CO₂/kWh*1

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

Financial / Corporate Data

FY2021 results

Operating Revenues	2,705.1 billion yen	Net Income Attributable to Shareholders of the Parent Company	-43.0 billion yen
Operating Income	-53.8 billion yen	Shareholders' equity ratio	32.7%
Ordinary Income	-59.3 billion yen	Number of subsidiaries	65 companies

Number of Employees

As of March 31, 2022

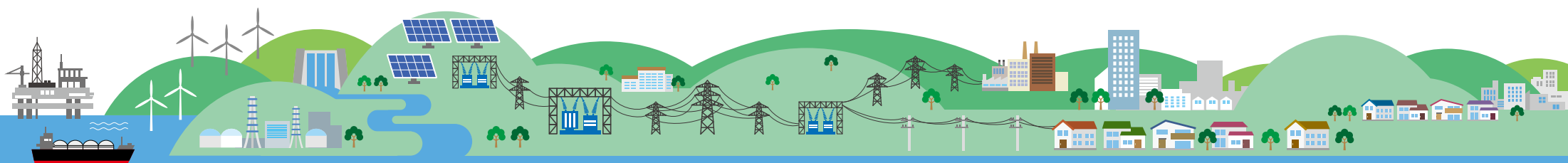
Consolidated	28,365 persons	Main business companies	Chubu Electric Power	3,127 persons
			Chubu Electric Power Grid	9,712 persons
			Chubu Electric Power Miraiz	1,156 persons

Reference: Chubu Electric Group's renewable energy power plants*2 (as of March 31, 2022; approximate figures)

Hydroelectric power (general) (2,180 MW); hydroelectric power (pumped storage) (3,320 MW); wind power (210 MW); solar power (550 MW); and biomass (330 MW)

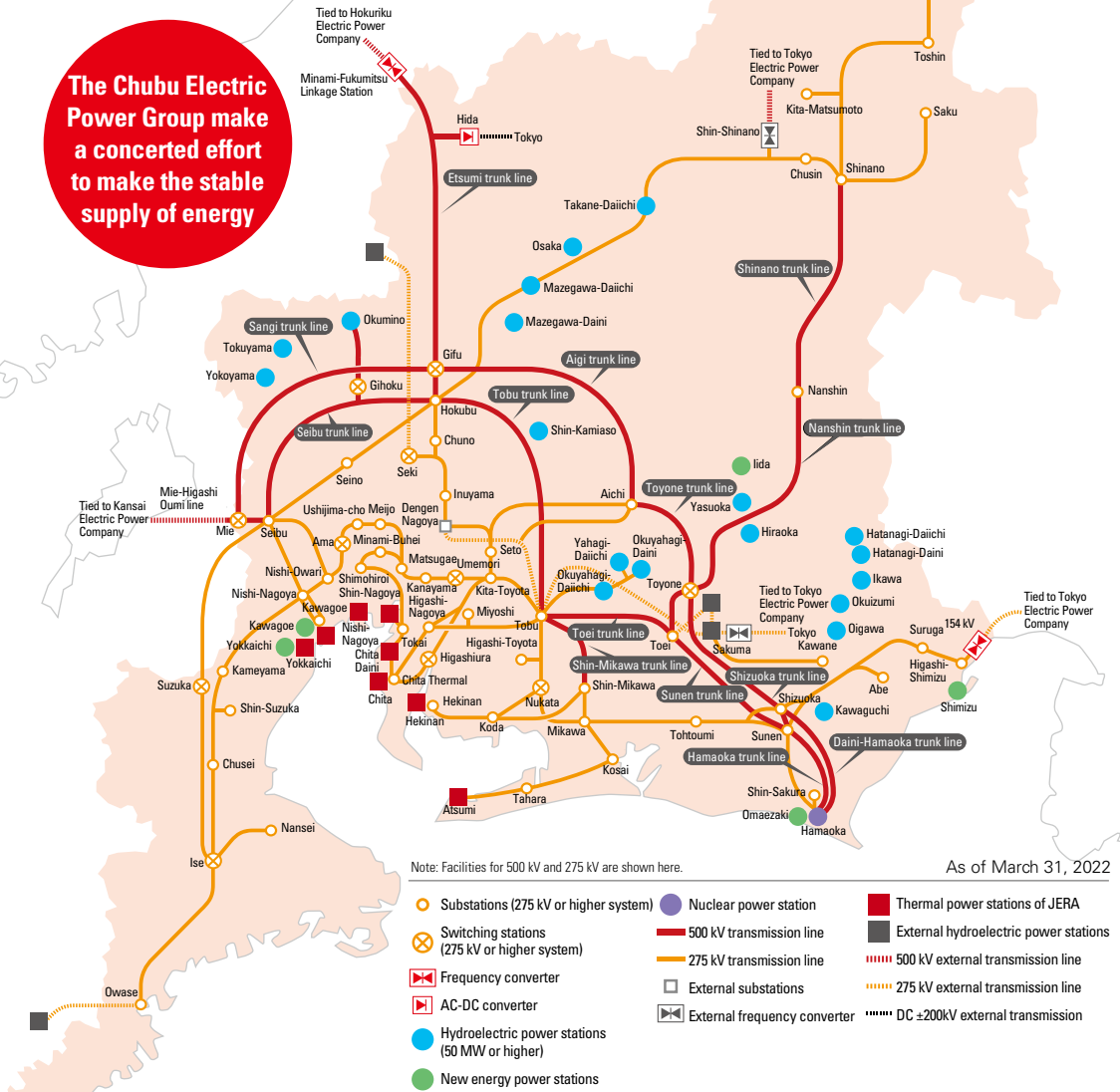
*2 The figures include the capacity of renewable energy power plants owned by the Group and that of other plants, which deliver renewable energy value to customers and which we have constructed and have been conducting maintenance for other companies.

Only include our shares of capacity in joint development projects, and include projects for which development has been decided but commercial operation has not yet commenced.



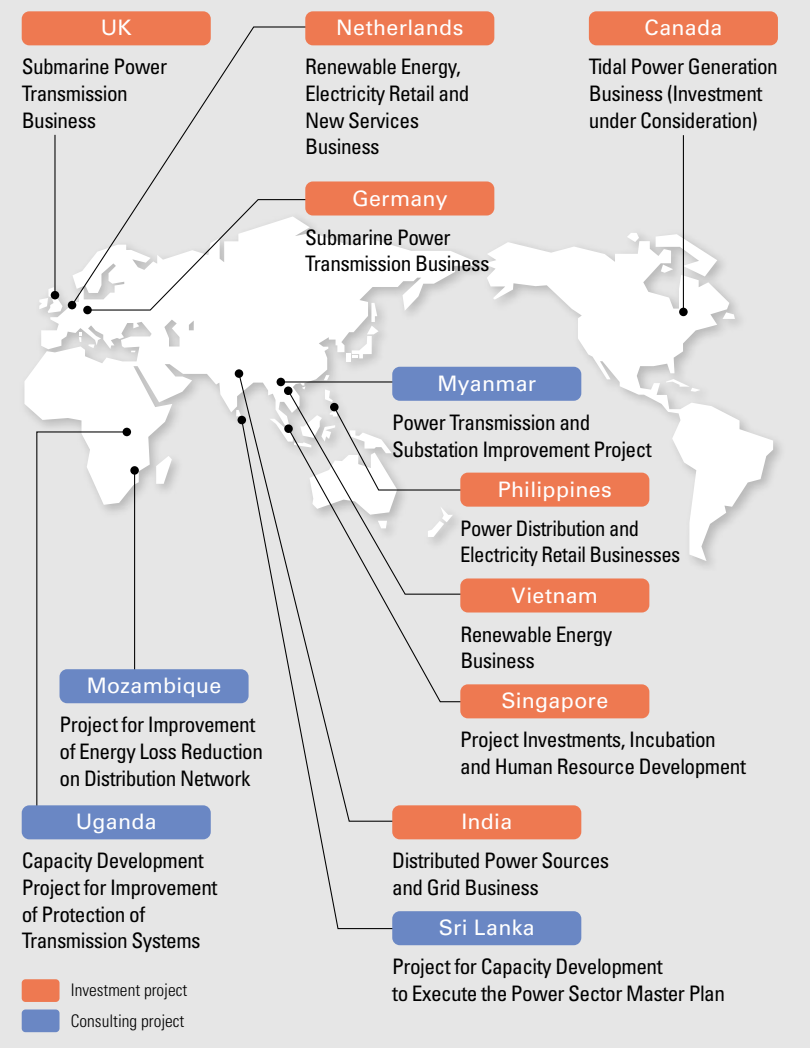
Challenge to expand the business fields to Japan and the world based on the Chubu region

The Chubu Electric Power Group make a concerted effort to make the stable supply of energy



Participation in overseas energy business

Current main investment projects and consulting projects



Financial and Non-Financial Highlights

FY2021 Financial Status

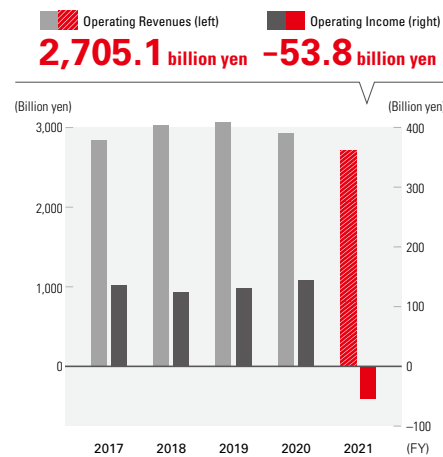
Regarding the status of income and expenditures for FY2021, operating revenues amounted to 2,705.1 billion yen, a decrease of 230.2 billion yen compared to the previous fiscal year. Ordinary loss came to 59.3 billion yen, a year-on-year decrease of 251.5 billion yen. Ordinary income after excluding the time-lag impact incurred by the fuel cost adjustment system amounted approximately to 67.0 billion yen.

As for the year-end dividend for FY2021, based on the shareholder return policy of pursuing continued stable dividends while considering profit growth, we have decided to pay 25 yen per share, the same amount as the interim dividend.

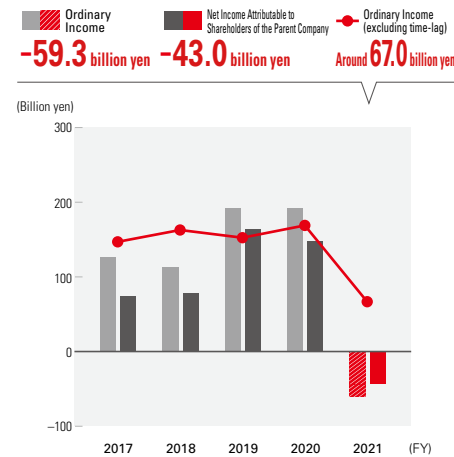
[Web](#) Investors' Data Book

Financial (Consolidated) P84

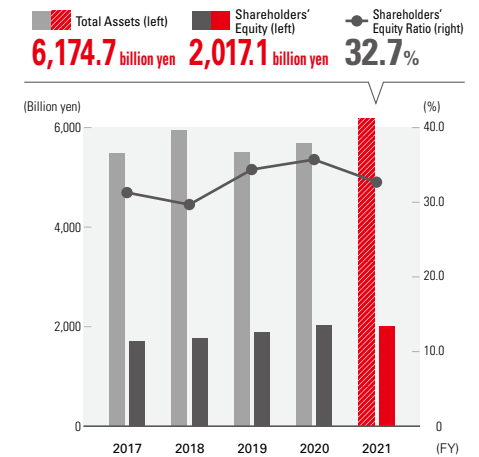
Operating Revenues/Operating Income



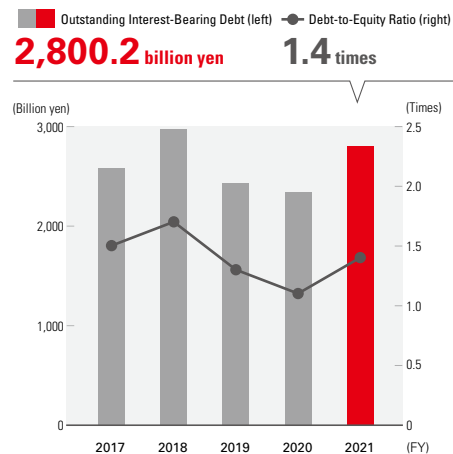
Ordinary Income/Net Income Attributable to Shareholders of the Parent Company/Ordinary Income (excluding time-lag)



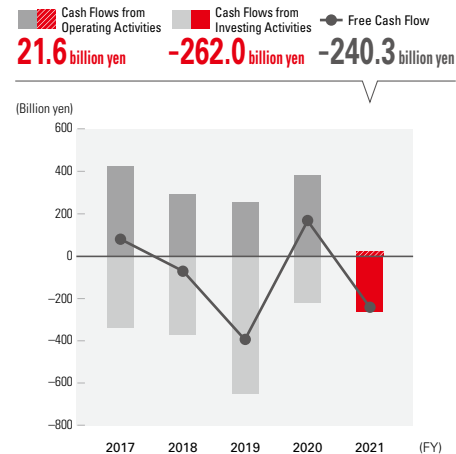
Total Assets/Shareholders' Equity/Shareholders' Equity Ratio



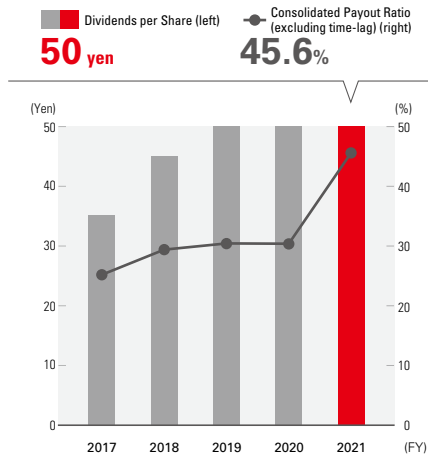
Outstanding Interest-Bearing Debt/Debt-to-Equity Ratio



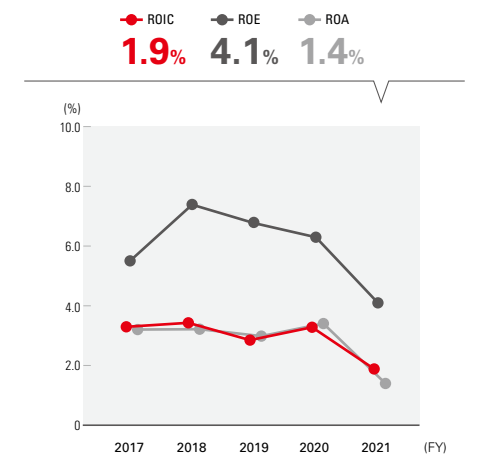
Cash Flows from Operating Activities/Cash Flows from Investing Activities/Free Cash Flow



Dividends per Share/Consolidated Payout Ratio



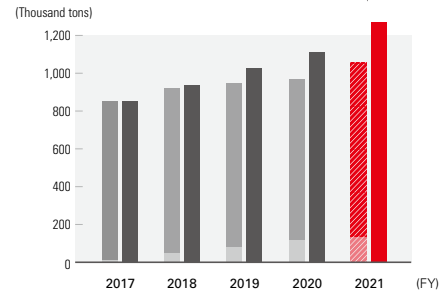
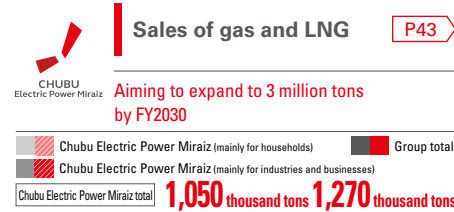
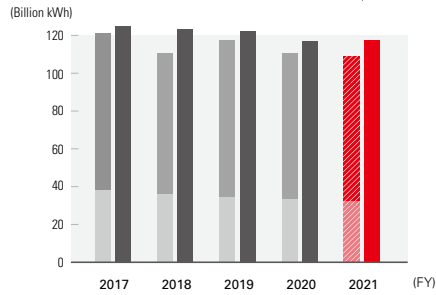
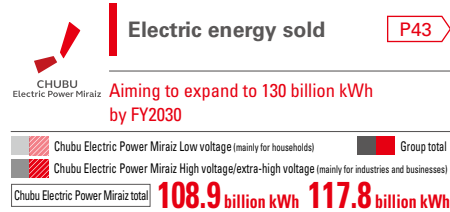
Return on Invested Capital (ROIC)/Return on Equity (ROE)/Return on Assets (ROA)



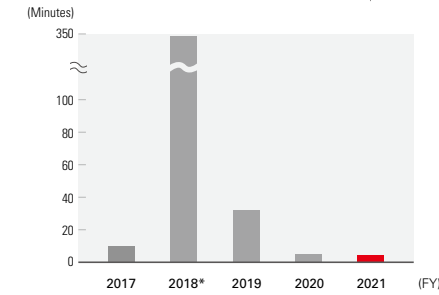
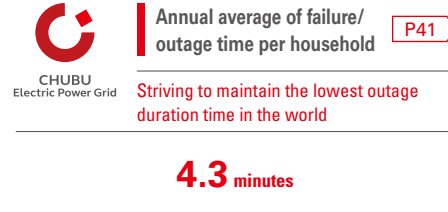
* After excluding the time-lag impact incurred by the fuel cost adjustment system.

Non-financial

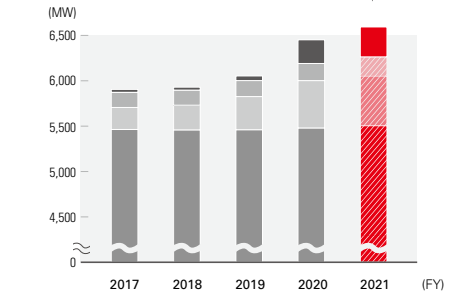
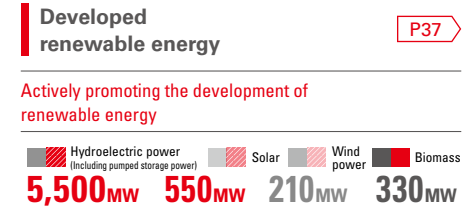
Business activities



* Full liberalization of the retail market for gas from 2017.

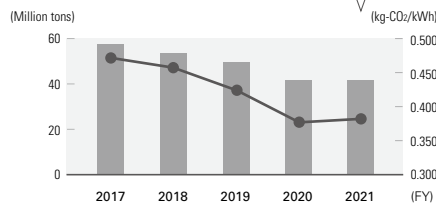
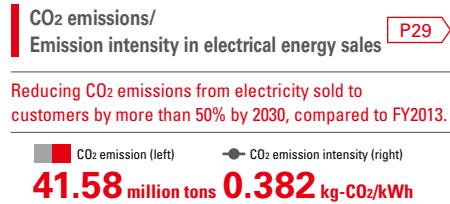


* The figure worsened due to repeated typhoon damage in summer 2018.

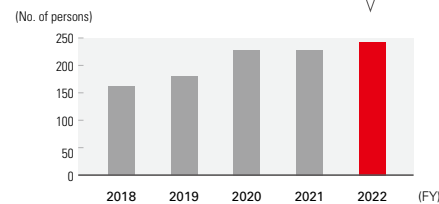


* Amount at the end of each fiscal year in Chubu Electric Power Group (in case of joint development, only equity ownership output is included). Hydroelectric power includes pumped storage power generation. Co-fired power with biomass fuel at Hekinan Thermal Power Station is not included. Includes projects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

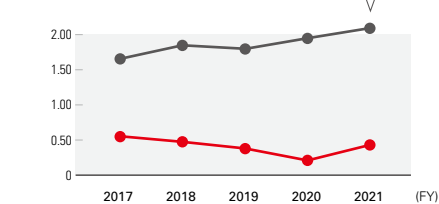
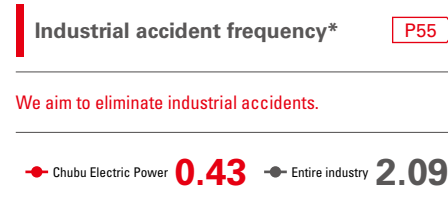
Environmental



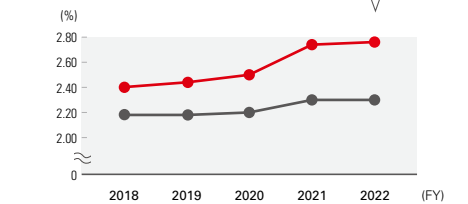
Human resources



** As of July 1 in each FY



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



* As of June 1 in each FY

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Chubu Electric Power Group Report 2022

(Integrated Report)

Editorial policy

This report is issued as an Integrated Report that provides comprehensive coverage of both financial and non-financial 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. 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.

The 2022 report features the Chubu Electric Power Group's initiatives to contribute to the realization of a safe, secure, resilient and comfortable society. Based on our corporate philosophy of "delivering energy that is indispensable to people's lives and so contributing to the development of society," we have been working toward the goal by taking on the challenge of achieving decarbonization together with our customers and society and providing a "new form of community" while taking appropriate measures to counter the currently harsh income and expenditure situation and rapidly achieve a recovery to previous profit levels.

We will make continuous effort to improve the report as an important tool to enhance communication with our stakeholders.



Date of publication

September 2022

(Next report: scheduled for September 2023; previous report: September 2021)

Organizations covered by the scope of the report

Chubu Electric Power Co., Inc. and associated companies

Reporting period covered

Fiscal year 2021 (April 2021 through March 2022)

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

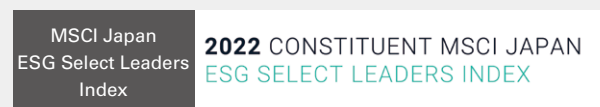
IFRS Foundation, SASB Standards

The Ministry of Economy, Trade and Industry, Integrated disclosure and interactions guidance for co-creation of values Recommendations of the Task Force on Climate-related Financial (Final Report)

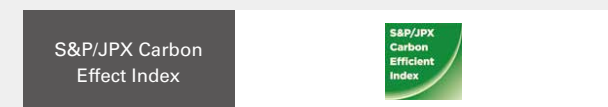
Ministry of the Environment, Environmental Reporting Guidelines (2018 Version), etc.

Inclusion in SRI indexes

As of July 2022, Chubu Electric Power is included in the following four indexes among the indexes adopted by the Government Pension Investment Fund in Japan:



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.



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 not limited to, changes in the economic or competitive circumstances affecting a business sector, fluctuations in fuel prices, or change in laws or regulations.

Top Commitment

Chubu Electric Power will contribute to the realization of a safe, secure, resilient, and comfortable society by providing stable supplies and attaining a quick recovery of its profit levels while transforming its business model.

President & Director

Hayashi Kingo



1 Changes in the Business Environment and What We Aim to Achieve

Recent years have witnessed dramatic changes in the social structure and lifestyles as exemplified by the move toward decarbonization and the advance of DX (digital transformation) and the environment surrounding our business is now at a major turning point. Looking at the recent energy situation, despite the ongoing widespread introduction of solar power generation, some existing thermal power plants have been temporarily shut down or scrapped and this has increased the likelihood of tightening supply and demand. On top of this, fuel prices are soaring against the backdrop of rising global demand for energy along with the recovery from the COVID-19 pandemic as well as the situation in Ukraine.

With the recent tightening of supply and demand and surging fuel prices, Chubu Electric Power must reliably reaffirm and fulfill its unwavering mission of providing high-quality energy in a safer, more affordable and more stable manner. Changes in social structures and lifestyles such as decarbonization also bring risks. At the same time, however, I believe these changes represent opportunities and that seizing these opportunities

while responding to risks is crucial.

During this time of breathtaking change, Chubu Electric Power must simultaneously attain three major tasks, namely continue to fulfill our unwavering mission, overcome the current deterioration in the business environment, and transform our business model with an eye toward 2030 and even beyond to 2050.

2 Results and Issues During the Previous Business Goal Period

Chubu Electric Power previously set the business goal of achieving consolidated ordinary income of 170 billion yen and rebuilding its business portfolio by FY2021. As a result, in FY2019 and in FY2020 we steadily increased profits by transitioning to a business model*¹ that splits off the power generation and sales businesses. Particularly noteworthy, we separated Chubu Electric Power Miraiz, Chubu Electric Power Grid, and JERA into three separate companies and this has enabled each of these operating companies to better address their different markets and promote business independently.

On the other hand, in FY2021 Chubu Electric Power Miraiz's procurement prices rose sharply due to increased costs for power

supply procurement accompanying an unexpected rise in fuel prices and this led to deteriorating profitability. Nevertheless, the split-off has enabled the visualization of our business management situation and this allows us to better clarify the results and risks of each business as well as to see more clearly how to optimize our business as a whole. Given these benefits, we will resolutely move ahead with efforts to more deeply establish this business model that splits off the power generation and sales businesses.

*1 Following the full integration of the thermal power generation business into JERA in 2019, the power transmission and distribution business was split off into Chubu Electric Power Grid and the sales business into Chubu Electric Power Miraiz in 2020 as we implement a business model that splits off power generation and sales.

3 Recovery in Infrastructure Areas and Further Profit Growth under the New Medium-term Management Plan

Chubu Electric Power Group Management Vision 2.0

In November 2021, we formulated the Chubu Electric Power Group Management Vision 2.0 (Vision 2.0) to boldly tackle new challenges in anticipation of the society we envision in 2050.

In Vision 2.0, we assume that the need for a “decarbonized,” “safe and secure,” and “self-distributed and circular” society will increase at an accelerating pace. We have further clarified “initiatives toward 2030” incorporating changes in the business environment and the initiatives of each operating company in our business model that splits off the power generation and sales businesses. Looking ahead to 2030, we aim to transform our business portfolio so that the proportion of profits generated in the “domestic energy business” and “new growth fields and overseas businesses” is balanced at 1:1 and we will strive for consolidated ordinary income of 250 billion yen or more.

New Medium-term Management Plan

Business conditions subsequently deteriorated due to shifts in the business environment such as soaring fuel prices and this made the immediate restoration of profitability a key issue. As such, in April 2022 Chubu Electric Power formulated a New Medium-term Management Plan targeting FY2025 as a milestone for the transformation of our business model toward 2030 as prescribed in Vision 2.0.

First, we aim to restore profits in infrastructure areas to the previous profit level of

around 150 billion yen as quickly as possible from FY2023 onward (STEP 1).

At the same time, toward the realization of Vision 2.0, by steadily promoting efforts to build a balanced profit portfolio, in FY2025 we aim to achieve consolidated ordinary income of 180 billion yen or higher and ROIC*2 of 3% or above as a business goal based on capital efficiency (STEP 2).

*2 Return On Invested Capital: This is a financial indicator that measures how efficiently a company is able to generate profits with procured funds (invested capital).

Profit Recovery in Infrastructure Areas (STEP 1)

To quickly improve profitability, I believe we must transform our business model to generate a certain level of profit in any environment by leveraging our experience to date to further deepen our business model that splits off the power generation and sales businesses while each operating company addresses their respective markets and sophisticates risk management. For example, Chubu Electric Power Miraiz must respond to heightened price volatility for the portion of the energy it procures from the Japan Electric Power Exchange (JEPX). To reduce power procurements from JEPX, where prices are soaring, Chubu Electric Power Miraiz is reviewing its power procurement portfolio by



increasing procurement volume through bilateral contracts. Furthermore, Chubu Electric Power Miraiz is hedging risks by introducing market-linked pricing plans.

Amid the increasing volatility of energy prices, a key point for JERA will be to assure stable earnings and energy procurement while appropriately managing risks, including market risks related to the trading business. Besides this, Chubu Electric Power Grid and each other operating company will establish appropriate measures in accordance with risks to change their profit structure according to the risks faced by each company.

Acquisition and Expansion of New Revenue Sources (STEP 2)

At the same time, we aim to expand profits from new business areas (“strategic investment areas” and “areas for acquiring growth potential through stock holdings”). By FY2025, we will execute a total of approximately 450 billion yen in strategic investments and in FY2025 we aim to achieve a profit increase of 30 billion yen compared with in FY2021.

Our main area of global business in “strategic investment areas” is the decarbonization business. Specifically, we will first expand our European strategy with Eneco, which is undertaking decarbonization projects using renewable energy mainly in the Netherlands, serving as a bridgehead. In addition, Southeast Asia is also an attractive market and so we will promote business expansion in this region through Bitexco Power Corporation, which is undertaking renewable energy business centered on hydroelectric power generation in Vietnam.

In the domestic business domain, Chubu Electric Power Miraiz Connect, established jointly with Mitsubishi Corporation, provides services essential for customers’ lives and businesses and is providing new value. These include catering, insurance, and household finance consultation. In addition,

we will undertake businesses such as medical care, the frailty*³ prevention business, and the data platform business that supports remote medical diagnosis.

Regarding “areas for acquiring growth potential through stock holdings,” alongside initiatives by JERA, I would like to add energy and new value to ES-CON Japan’s real estate business and hope to connect this to appealing businesses with dreams such as for creating actual communities and societies. I am confident that these measures will allow us to realize stable dividends.

*3 Frailty refers to a state in which physical and cognitive functions visibly decline to a point between a healthy state and a state requiring long-term care. It is believed that early detection of signs of frailty and correct treatment such as reviewing daily life can suppress progression and restore a healthy state.

Human Resources Strategy for Realizing Our Management Vision

Securing and developing human resources are essential for realizing our visions for 2030. In April 2022, we established the Human Resource Strategy Office and will create a map of the human resources required to achieve our goals for 2030 or 2025 and actively invest in securing and developing the human resources and skills currently in short supply. At the same time, I would like to create a company where fresh winds always blow in by establishing a system to improve job satisfaction and enhance the ease of work.



4 Unchanging Feelings and a Corporate Philosophy that Opens the Way to the Future

The Chubu Electric Power Group is working to realize a safe, secure, resilient and comfortable society in keeping its Corporate Philosophy of “Chubu Electric Power Group delivers the energy that is indispensable to people’s lives and so contributes to the development of society.”

Looking back 35 years, the sales office where I was assigned was situated in a region prone to lightning strikes and power outages. Even though these blackouts resulted from a natural phenomenon, we still sometimes received phone calls from



customers who complained about the power outages. One day, however, I received a letter that warmed my heart. The letter stated, “Although I got angry over the phone, I’m really grateful for having electricity. Thank you very much for everything.” The feeling I had when reading that letter marked a new starting point of my company life from that day forward. Customers want brightness, warmth, and coolness as well as convenience and comfort in their lives. If we consider that Chubu Electric Power also delivers safety, security, and convenience to society as a whole, rather than just energy, then we can envision new lifestyle services outside the realm of our electric power business as well as the whole concept of the social value that we should create.

During the course of our daily work, all of us ask ourselves what is the purpose of our own work. Personally, I believe that I work for myself first and then for my family and people who are important to me. However, that’s not all. We must also exist for the sake of our customers and society. Even if something does not benefit our company in the short term, I think it is important for us to undertake business from the perspective of whether something is good for our customers and society. I am sure numerous employees also share this perspective.

Our corporate philosophy states that we

value the origin of our business, which is providing a stable supply of energy. At the same time, this philosophy is also a place where we return for taking on the challenge of developing new business areas and transforming our business portfolio. I have high hopes that the human resources who will be responsible for new businesses toward 2030 can embody this corporate philosophy.

5 Fulfilling CSR to Achieve Sustainable Growth

CSR*4 is not a new initiative for the Chubu Electric Power Group. To the present, we have made the most important value judgments regarding how we can be useful to people’s lives. Therefore, we recognize that the Group’s business activities, which support the realization of a safe, secure, resilient and comfortable society, are the essence of CSR. The key to such initiatives is to align the thinking of management and employees. To do so, I communicate my thoughts as a manager to employees through visits to business sites and other means and all employees work together in unity.

The image of society in 2050 envisioned in Vision 2.0 is a “decarbonized,” “safe and secure,” “self-distributed and circular” society

and to realize such a society we must solve various issues. In particular, for the realization of a decarbonized society, we have formulated the Zero Emissions Challenge 2050 under which we set ambitious targets and plans and are promoting an assortment of initiatives. Specifically, we are accelerating strategic investment and expanding businesses such as the resource recycling business, global business, and the renewable energy business. In addition, recently the transformation of the entire economic and social system (GX: Green Transformation) is accelerating toward reducing CO₂ emissions and improving industrial competitiveness. In view of this, we regard these trends as an opportunity and will proactively move into action such as by agreeing with the basic concept of the GX League*⁵ announced by the Ministry of

Economy, Trade and Industry in February 2022.

In addition, the Hamaoka Nuclear Power Station is a power source with high environmental value in that it does not emit CO₂ during power generation and is indispensable for ensuring Japan's energy security. Going forward, we will continue to engage in careful dialogue with local residents and members of society and will make our utmost to pass the conformity assessment as soon as possible to achieve maximum usage. By contributing to the resolving of social issues such as decarbonization, we aim to achieve sustainable growth together with our customers and society.

Turning to other initiatives for fulfilling CSR, in October 2021 we established the CSR Committee*⁶ and based on the opinions of our stakeholders, we have set materiality

(important issues), concrete goals and indicators, and prescribed the fiscal years for attainment and have begun moving into action.

In FY2022, we are facing a difficult situation in terms of revenues and expenses. Nonetheless, we will work to achieve a stable supply and an early recovery of profit levels while striving to realize our business model transformation. I ask for the support and understanding of all our stakeholders.

*4 CSR: Corporate Social Responsibility

*5 This is a venue where "groups of companies" that are actively working on green transformation discuss the transformation of the entire socioeconomic system and put this into practice to create new markets together with players who take on the challenge GX in government, academia, and finance.

*6 This is composed of the president, vice presidents, company presidents, general managers, and supervisory positions and carries out deliberations on basic CSR promotion policies and medium-term directions and reports on the status of activities.



PROFILE

Hayashi Kingo, President & Director

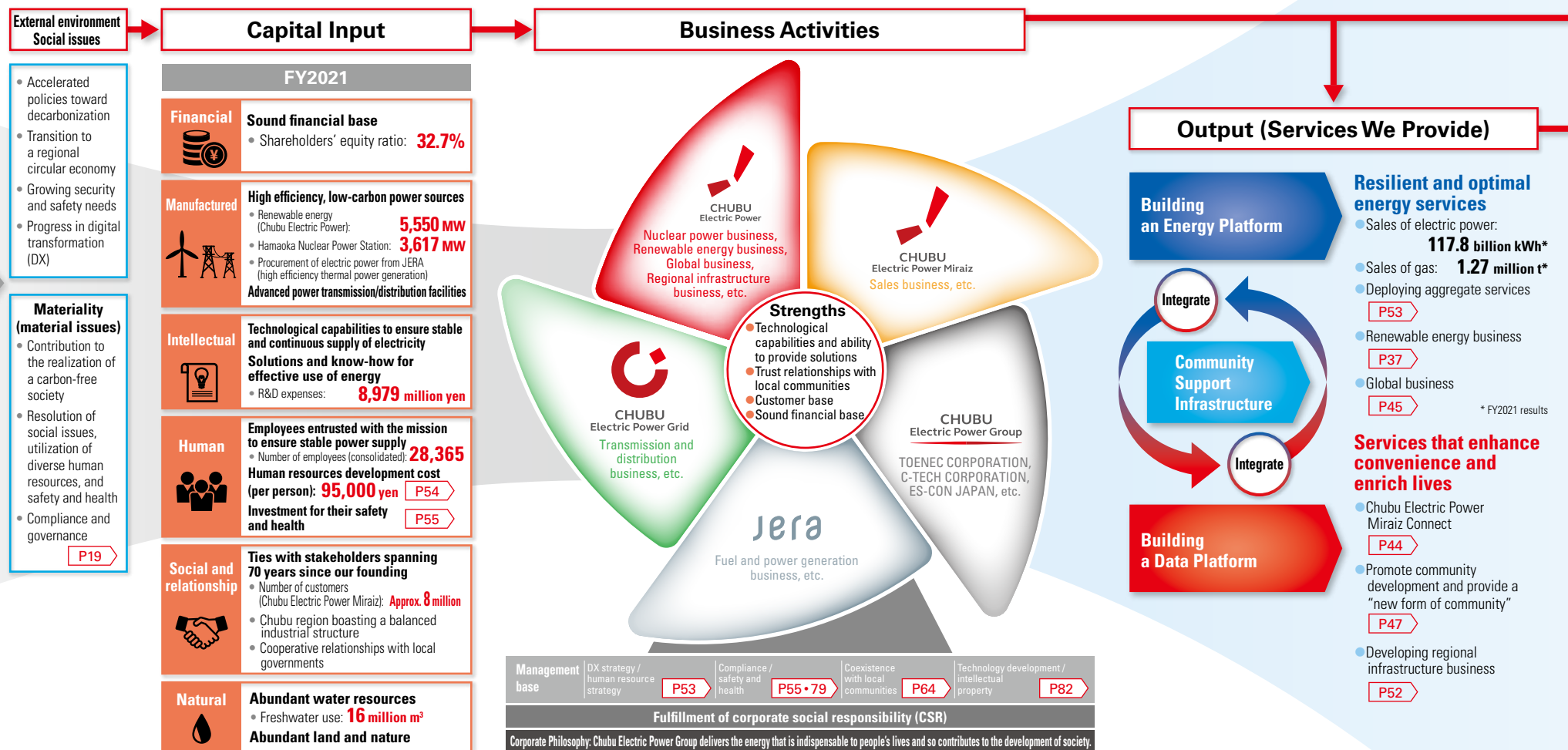
Born in 1961 in Mie Prefecture. Hayashi Kingo earned a bachelor's degree in legal study from Kyoto University and joined Chubu Electric Power in 1984. Before Hayashi was appointed director in 2018, holding the position of Director & Senior Managing Executive Officer, President of Customer Service & Sales 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.

Value Creation

Value Creation Process

The Chubu Electric Power Group provides value to customers and society by contributing to the realization of a safe, secure, resilient and comfortable society. While leveraging our technological capabilities, trust relationships with local communities and other strengths, the Group will build Energy and Data Platforms, integrate them into a Community Support Infrastructure and maximize the value we provide by using diverse data we have obtained through the provision of energy and other means.

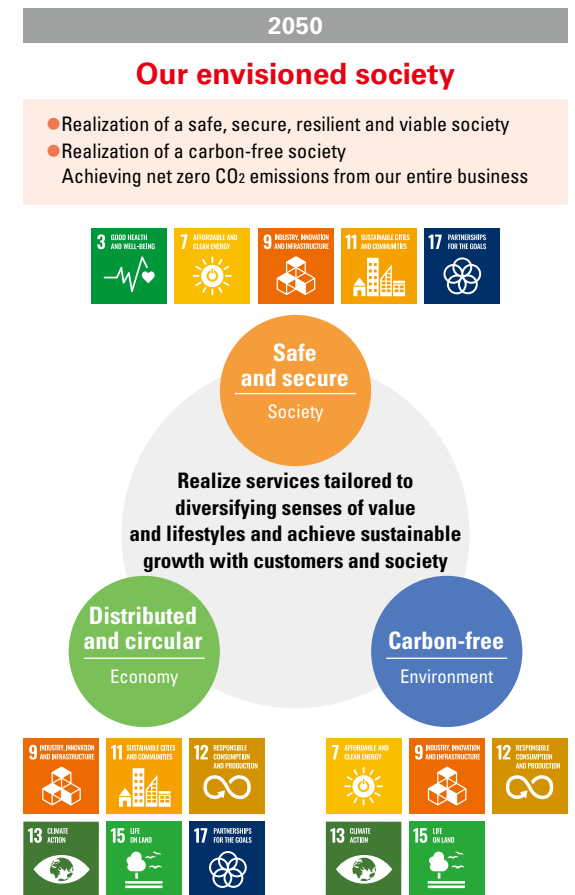
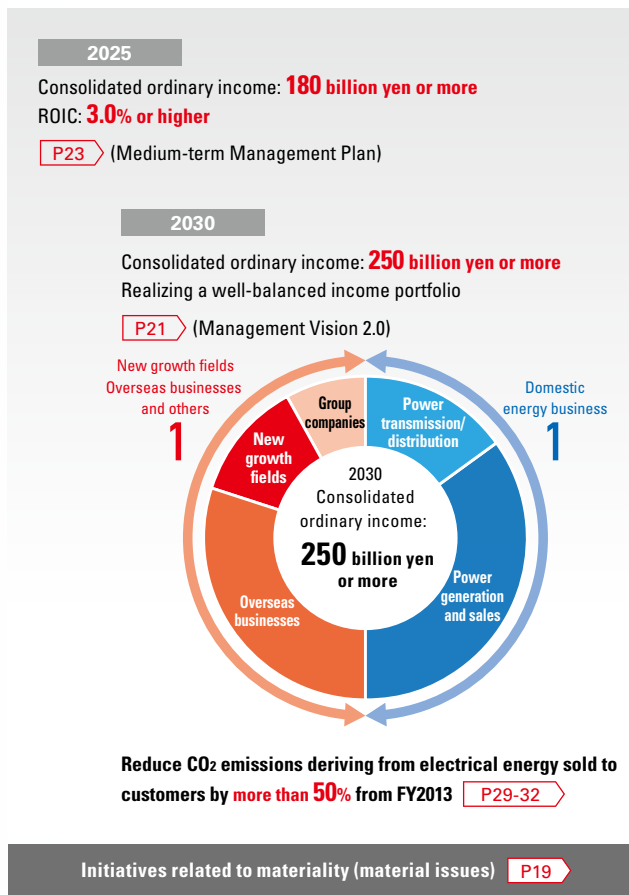
Additionally, in view of the necessity to transition to a circular economy*, we will spur innovation in the energy infrastructure and provide solutions matched to untapped natural resource needs in order to contribute to the realization of a carbon-free society. By doing so, we will fulfill our corporate philosophy of “delivering energy that is indispensable to people’s lives and so contributing to the development of society” and achieve sustainable growth with customers and society.



* A circular economy refers to economic activities that generate added value through such means as servitization while reducing the input and consumption of resources and making effective use of those in stock. It aims to maximize the value of resources and products, minimize resource consumption and reduce generation of waste.

Outcome (Value We Deliver to Stakeholders)

FY2021	
Financial	<p>Consolidated ordinary income: Approx. 67 billion (excluding time-lag) ROIC: 1.9% (excluding time-lag)</p>
Manufactured	<p>Expanding renewable energy: Approx. 710 MW (From the end of FY2017 to FY2021) P37</p> <p>Utilizing the Hamaoka Nuclear Power Station P33</p> <p>Pursuing zero emission thermal power by JERA P49</p> <p>Installing next-generation power transmission/distribution facilities P41</p>
Intellectual	<p>Technological capabilities to further enhance S+3E P82</p> <p>Evolution of energy solutions</p> <ul style="list-style-type: none"> Proposing integrated development solutions P44
Human	<p>Realizing diversity and life-work balance</p> <ul style="list-style-type: none"> Number of women in managerial positions: 243 (As of July 2022) Percentage of male employees taking childcare leave: 29% <p>Drive DX and numbers of key persons: 300</p> <p>Safe, healthy and rewarding workplaces P55-59</p>
Social and relationship	<p>Promoting industry-government-academia collaboration P64</p> <p>Closer collaboration with business and alliance partners</p>
Natural	<p>Reducing CO2 emissions</p> <ul style="list-style-type: none"> Emissions deriving from electrical energy sold: 41.58 million t (About 35% reduction from FY2013)

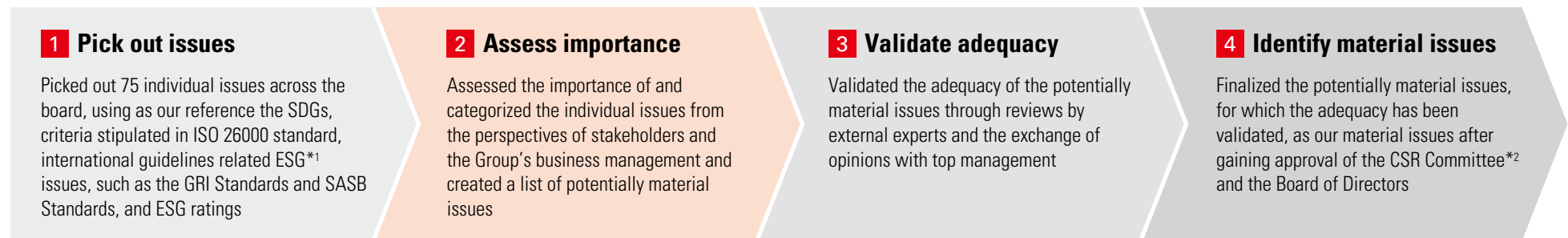


Materiality (Material Issues) for the Chubu Electric Power Group

Process to identify materiality

With a view to contributing to the sustainable development of society, the Chubu Electric Power Group intends to achieve growth with society by undertaking business activities in accordance with the Chubu Electric Power Group CSR Declaration, which serves as the Group’s code of conduct, and by fulfilling our social mission stated in our Corporate Philosophy.

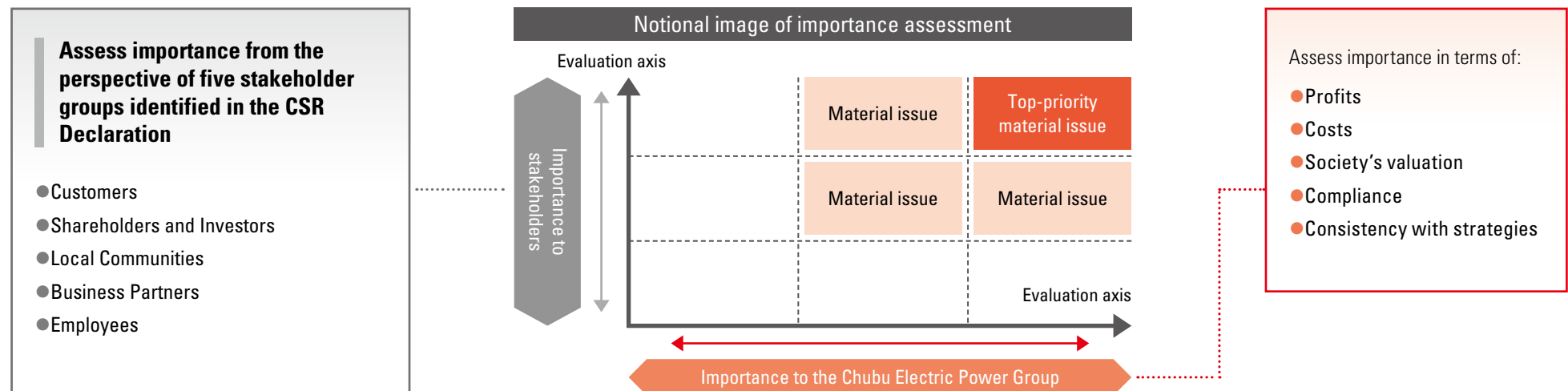
In doing so, we have identified materiality (material issues) for the Chubu Electric Power Group through the following process, set corresponding indicators and targets and given priority to the resolution of the identified issues.



*1 Environmental, social and governance




*2 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



Materiality (Material Issues)
for the Chubu Electric Power Group

Material Issues and Corresponding Targets and Results

	Material Issues	Key indicators and targets	Year of achievement	FY2021 results (progress)	Key relevant page	
 Contributing to the realization of a carbon-free society	Decarbonization together with customers and society	• Reduce CO ₂ emissions deriving from sales of electrical energy by 50% from FY2013	• FY2030	• 41.58 million t (about 35% reduction from 64.69 million t in FY2013)	P29-32, P51	
		• 100% electrification of company-owned vehicles	• FY2030	• Number of electrified vehicles introduced: Approx. 50		
	Increasing the safety of nuclear power and promote its use	• Expand sales of electricity from renewable energy through CO ₂ -free menus, on-site and off-site solar power purchase agreements (PPAs), etc.	–	–	• Sales of electricity from renewable energy through CO ₂ -free menus: Approx. 1.5 billion kWh	P33-36
		• Restart Hamaoka Nuclear Power Station	• As early as possible	–	• Units 3 and 4 undergoing a review by the Nuclear Regulation Authority to confirm conformance with new regulatory standards; making steady progress toward finalizing standard seismic motion and design basis tsunami figures	
	Promote renewable energy	• Expand renewable energy by at least 3.2 GW (including plants owned by the Group and those we have constructed and are conducting maintenance for other companies)	• Around 2030	–	• Approx. 0.71 GW (about 0.68 GW developed by the Group and about 0.03 GW increased jointly with customers)	P37-40
		• Cases not meeting deadline for responding to customers inquiring about renewable energy system interconnection: 0	• FY2022	–	• Overdue cases: 12 / 407 cases (overdue rate: 2.95%)	
Development and social implementation of new technologies including decarbonization technologies	• Cases not meeting deadline for responding to customers applying for renewable energy system interconnection: 0	• FY2022	–	• Overdue cases: 1 / 104 cases (overdue rate: 0.96%)	P82	
	• Promote technology research and development in seven strategic fields defined for the achievement of the Management Vision 2.0	• FY2030	–	• Promoting technology research and development in seven strategic fields necessary to achieve Management Vision 2.0 Examples: • Developed and commercialized "Best UV Air," an air purifier with disinfectant functionality, which deactivates certain viruses and microorganisms • Developed and commercialized a new lightning strike detector that detects lightning-struck windmills (Received a 2021 Shibusawa Award)		
Building next-generation networks for a decarbonized society	• Increase interconnection capacity between Tokyo and the Chubu region by 0.9 GW (from 2.1 GW to 3 GW)	• End of FY2027	–	• Conducting the following work at the corresponding locations as planned for the 0.9 GW capacity increase between Tokyo and the Chubu region Work (work progress): Increasing frequency conversion (FC) facilities at Higashi-Shimizu Substation (26%); increasing transformers at Shizuoka Substation (3%); increasing transformers at Toei Substation (21%); others	P41-42	
	• Reduce total loss rate*	• FY2022	–	• 4.71%		
 Solving social issues Utilization of diverse human resources, safety and health	Contributing to local communities (Creation of new communities, realization of a recycling-oriented society, and implementation of environmental management)	• Achieve recycling rate of waste and others of 95% or higher	• Every fiscal year	• 97.8%	P47-48, P52, P63-64	
		• Promote resolution of issues in local communities and society through joint industry-academia activities and collaboration with group companies	• FY2022	–		• Concluded an industry-academia collaborative agreement with Shinshu University (Dec. 2021) • Conducted activities under a collaborative agreement respectively with Meijo University, Gifu University, Mie University and Shinshu University • Shared issues faced by customers of the Chubu Electric Power Group and worked together for solving these issues
	Pursuing customer satisfaction	• Improve business operations based on customer feedback	–	–	• Established Customer First Promotion Office	P43-44
	Business transformation and new value creation utilizing digital transformation (DX)	• Encourage all employees to receive IT literacy education	• Late 2020s	–	• Started providing the education through training, etc. to all employees in FY2022	P53
		• Drive DX and increase the number of key persons to over 600	• Late 2020s	–	• 300 (As of the end of FY2021)	
	Investment in human capital (Securing and developing diverse human resources, safety and health)	• Increase the number of female manager by at least 3 times compared to 103 in FY2014	• FY2025	–	• 229	P54-60
• Achieve the percentage of male employees taking childcare leave of 30% or higher		• FY2025	–	• 29%		
• Number planned to be hired: (Regular recruitment) 400 in FY2023; (Mid-career recruitment) 140 in FY2022		–	–	• Regular recruitment: 417 in FY2021 and 390 in FY2022; Mid-career recruitment: 53 in FY2021		
• Establish an appropriate environment for development and education of human resources		• Every fiscal year	–	• Human resources development cost per person: 95,000 yen; Total number of employees who have received relevant training: 25,145		
Development of global business to increase corporate value	• Provide safety and health training to senior management, heads of the departments, etc.	• Every fiscal year	–	• Provided safety and health training to 17 executives and 731 heads of the departments	P45-46	
	• Achieve work performance (presenteeism) of 97.5% or higher	• FY2024	–	• Launched initiatives toward the target shown on the left in FY2022		
	• Achieve work loss due to injuries and illnesses (absenteeism) of less than 8.4	• FY2024	–	• Launched initiatives toward the target shown on the left in FY2022		
	• Build an optimum portfolio consisting of the clean energy solutions domain, community solutions domain, decarbonization solutions domain and new technology domain	• FY2030	–	• Completed preparations for the establishment of the Global Business Division, thereby setting up a system to reinforce and expand business foundation Example business activity: Made investment in Bitexco Power Corporation of Vietnam and concluded a joint development agreement for tidal power generation business in Canada		
 Compliance Governance	Ensure compliance (including anti-corruption and respect for human rights)	• Hold meetings of the Compliance Committee on a periodic basis	• Every fiscal year	• Held a total of two meetings, one each in the first half and second half of the fiscal year • Reorganized our compliance promotion structure by placing the Compliance Committee directly under the Board of Directors	P61-62, P79-80	
	Enhance governance and risk management, including group companies	• Make sure to conduct assessment on the effectiveness of the Board of Directors and work for constant improvement	• Every fiscal year	• Created a skill matrix to visualize the skills of the Board members	P65-78	
		• Cases where cyberattacks caused impact on business operations: 0	• FY2025	–		• Enhanced deliberations at Board meetings by requiring to include an executive summary to Board meeting materials • Cases where cyberattacks caused impact on business operations: 0
	Enhance resilience and large-scale disaster response capabilities	• Form disaster partnership agreements with local governments	• FY2022	–	• Number of local governments with which we have concluded the agreement (cumulative total up to FY2021): 218 / 222 local governments	P81
• Enhance response capabilities through joint training with local governments and related organizations		• FY2022	–	• Conducted joint training with local governments Training mainly held in the following prefectures: Aichi (Aug. 2021), Mie (Sep. 2021), Gifu (Oct. 2021), Shizuoka (Nov. 2021) and Nagano (Nov. 2021)		
		• Establish technologies for a distributed grid	• FY2023 to FY2027	• Worked to conduct verification of a microgrid using a storage battery system within our service area and verification of flow control of distribution lines	P41-42	

* Rate of losses that occur from when electricity is generated at a power station until it is supplied to end users

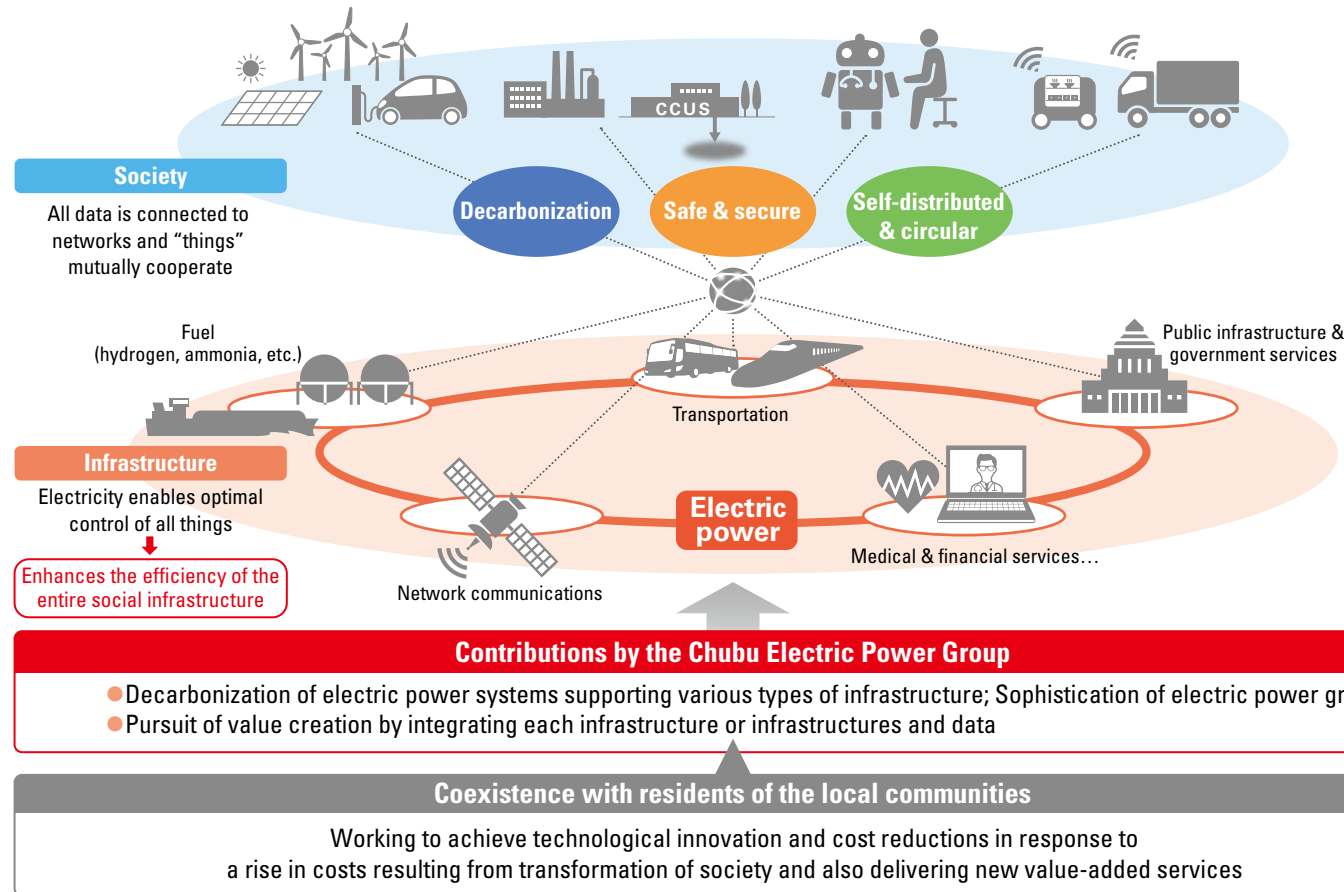
Management Strategies

Chubu Electric Power Group Management Vision 2.0

The Chubu Electric Power Group regards drastic changes in the business environment, including accelerated policies toward decarbonization, as new business opportunities and updated our Management Vision to Chubu Electric Power Group Management Vision 2.0 in November 2021 to boldly tackle these new challenges.

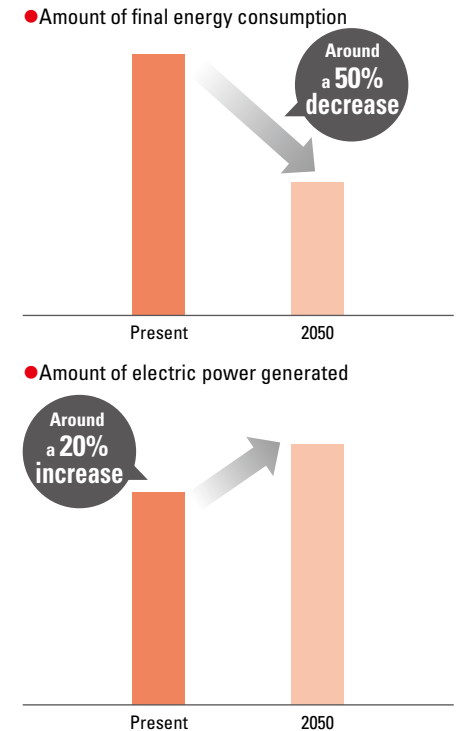
Transformation of society and decarbonization and sophistication of electric power systems toward 2050

We envision that our society will evolve into a “decarbonized,” “safe and secure” and “self-distributed and circular” society in 2050 and that everything will be optimally controllable by electric power. The Chubu Electric Power Group will contribute to the transformation of society through the decarbonization and sophistication of electric power systems, which are the core infrastructure supporting various types of infrastructure.



Changes in energy demand and amount of electric power generated in the Chubu region (Present to 2050)

Estimates by the Group



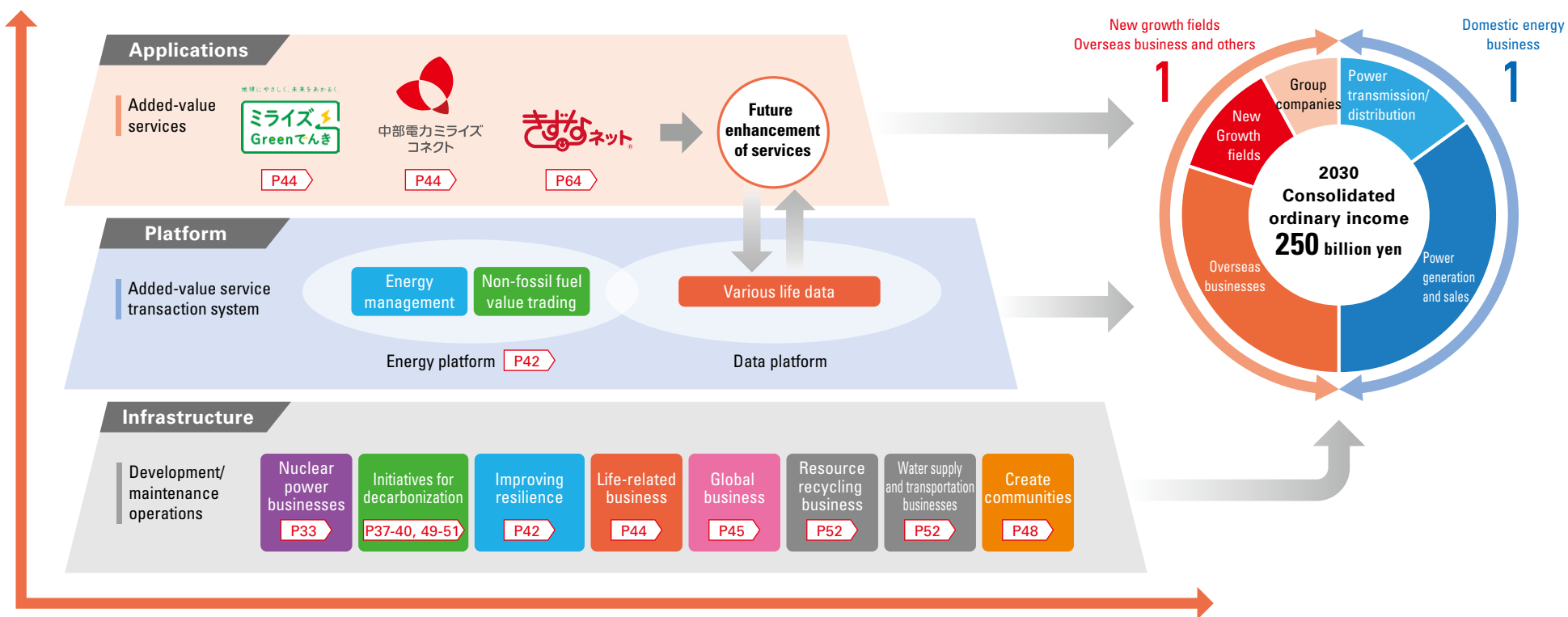
Initiatives for 2030

Our Management Vision 2.0 specifically defines what we seek to achieve by 2030 based on our envisioned society in 2050 described on the previous page.

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. We will also make efforts to decarbonize the entire social systems by expanding the use of renewable energy, utilizing hydrogen and

ammonia mixed-combustion in thermal power generation, maximizing the use of nuclear power and providing electrification and energy-saving solutions for the demand side.

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.



Formulated a new Medium-term Management Plan for FY2025 as the midpoint up to the Management Vision 2.0 (Details on the next page) P23

New Medium-term Management Targets

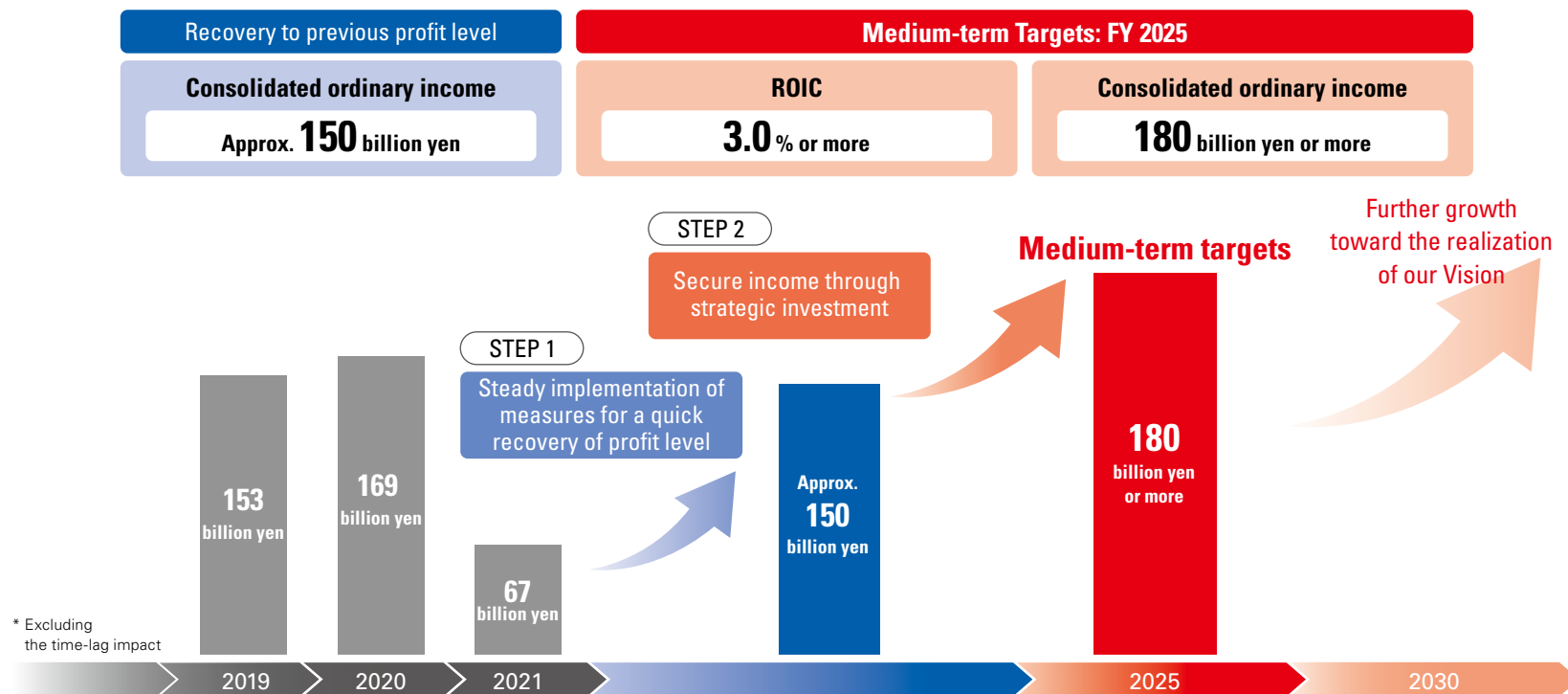
Recovery of profit level and setting new targets

In order to overcome the difficult business environment we are currently facing and unflinchingly take up the challenge of realizing sustainable growth, we have defined new medium-term management targets for FY2025 as a milestone toward achieving consolidated ordinary income of 250 billion yen or more in FY2030 as set in our Management Vision 2.0.

Given our currently harsh income and expenditures situation, we will work to achieve a recovery to the previous profit level of consolidated ordinary income amounting to around 150 billion yen as early as possible in and after FY2023 and then aim to achieve the new medium-term targets for FY2025 of consolidated ordinary income of 180 billion yen or more and return on invested capital (ROIC)*1 of 3.0% or higher.

STEP 1 Quickly achieving a recovery to the previous ordinary profit level of approximately 150 billion yen

STEP 2 Acquiring profits from strategic investments and other means in order to achieve the new medium-term targets of consolidated ordinary income of 180 billion yen and ROIC of 3.0% or higher in FY2025



* Excluding the time-lag impact

*1 Details on: [P26](#)

CFO Message – Toward the Attainment of Medium-term Management Target

MESSAGE



Mizutani Hitoshi

Director & Executive Vice President,
General Manager of Corporate
Management Division,
Chief Financial Officer (CFO),
Supervisor of Chief Kaizen Officer (CKO)
and Chief Compliance Officer (CCO)

We will make dual efforts for the immediate restoration of profitability and for sustainable growth toward achieving Medium-term Management Targets

The difficult income and expenditures situation in FY2021 was caused mainly by soaring fuel prices associated with the situation in Ukraine and the resulting sharp rise in wholesale electricity market prices, which in turn pushed up power procurement costs of Chubu Electric Power Miraiz and Chubu Electric Power Grid.

The ongoing difficult situation due to the soaring fuel prices is expected to persist in the future. In order to enhance our market responsiveness for the immediate restoration of profitability, we will optimize our procurement portfolio and increase the level of sophistication of our risk management.

Improving the restoration of profitability also requires cost reduction efforts. Through Kaizen (improvement) activities undertaken by the Chubu Electric Power Group since 2017, we have been promoting the

development of human resources and an organization capable of proceeding with transformation into a more muscular company.

Strategic investments for achieving sustainable growth and increasing profits are also crucial in achieving the medium-term management targets. While conducting appropriate risk management, we will make investments with a focus on ROIC, an efficiency indicator that was defined as a new management target.

We will maintain our financial soundness by ensuring a certain level of shareholders' equity ratio even when we are in a phase to increase investments. At the same time, we will practice business management that also emphasizes shareholder returns based on continued, stable dividends.

Review of the previous management target

Progress in achieving the consolidated ordinary income target

Toward our medium-term management target of consolidated ordinary income of 170 billion yen or more in FY2021, we made steady progress in FY2019 and FY2020 but fell significantly short of the target in FY2021.

Start of strategic investments

We have been making strategic investments for business growth and development in order to realize a 1:1 ratio in business portfolio between domestic energy business and new growth fields and ensure sustainable growth into the future.

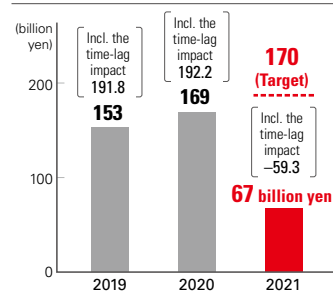
In March 2020, Chubu Electric Power acquired Eneco, a general energy company of the Netherlands, through joint investment with Mitsubishi Corporation, thereby making investment for expanding our business in Europe.

Additionally in April 2021, we turned ES-CON JAPAN Ltd., a general real estate developer, into

our consolidated subsidiary, making another investment to pursue a “new form of community,” which the Group aims to provide. This represents an effort to increase profits and expand our business areas beyond the framework of the energy business.

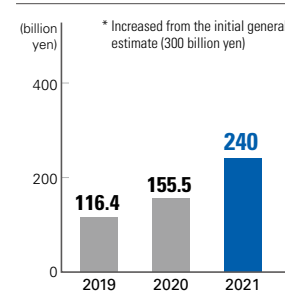
Consolidated Ordinary Income (excluding the time-lag impact)

Management target **170 billion yen** → **67 billion yen**



Amount of strategic investments (cumulative)

More than ¥400 billion* (FY2019-FY2023 cumulative) → ¥240 billion (end of FY2021)

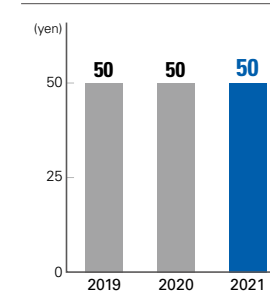


Maintaining stable dividends and financial soundness

While accelerating strategic investments, we work to ensure stable per-share dividends of 50 yen/year. In the future as well, we will ensure financial soundness by maintaining our shareholders' equity ratio at a certain level and then allocate funds appropriately in seeking to achieve sustainable growth.

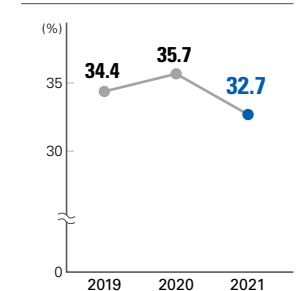
Dividends

Maintain stable dividends (50 yen/share)



Shareholders' equity ratio

Maintain at 30% or more



CFO Message – Toward the Attainment of Medium-term Management Target

Basic approach to investment and capital policy

Under our Medium-term Management Plan, we will make strategic investments amounting to some 450 billion yen (cumulative total from FY2022 to FY2025) while pursuing efficiency and undertaking appropriate risk management. The investment plan allocates about 250 billion yen for investment in the global business and about 100 billion yen each for the renewable energy business and for providing a “new form of community,” including resource recycling and others.

In addition, as for safe and stable supplies of electricity, we will steadily invest around 200 to 300 billion yen per year for strengthening and sophisticating our facilities while thoroughly

enhancing efficiency.

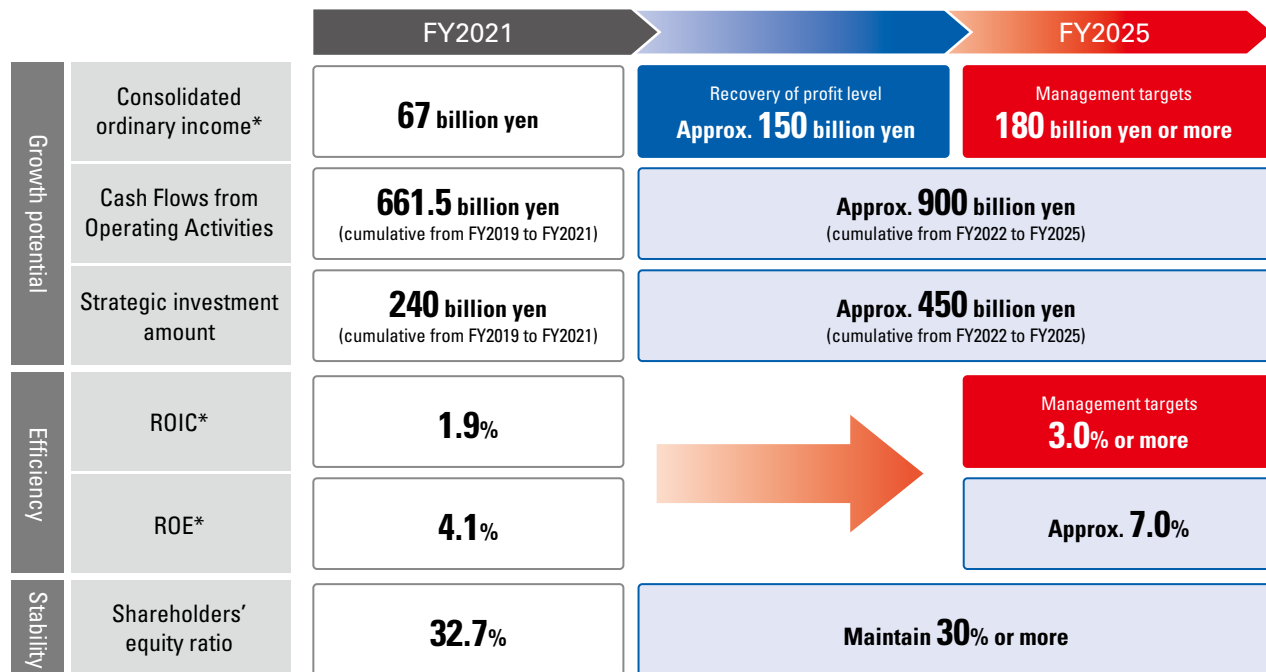
In light of expanding strategic investments, it has become increasingly important to confirm a margin of our capacity to make such investments on a cash basis, and we have thus set a rough indicator for cash flows from operating activities at about 900 billion yen (cumulative total from FY2022 to FY2025).

We seek to achieve sustainable growth and enhance our corporate value by promoting strategic investments in growth fields while continuing to make capital investment aimed at ensuring safe and stable supplies of electricity.

Shareholder return policy

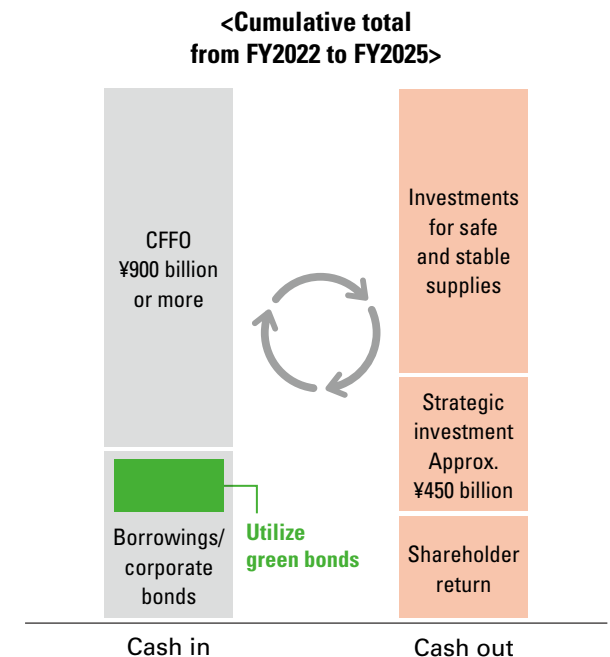
We regard returning profits to shareholders as one of our important missions. Based on our policy of maintaining stable dividends, we work to ensure shareholder returns while considering our profit growth and aim for a consolidated dividend payout ratio of 30% or higher. This figure has been determined by taking into account the levels of ROE and dividend yield as well as strategic investments deemed necessary for the future and associated level of cash flows over the medium term.

Amid the current difficult income and expenditures situation, we will work to maintain our dividends at the current fiscal year’s level (50 yen).



* Excluding the time-lag impact

□ Rough targets ■ Management targets



Introduction of ROIC

Background

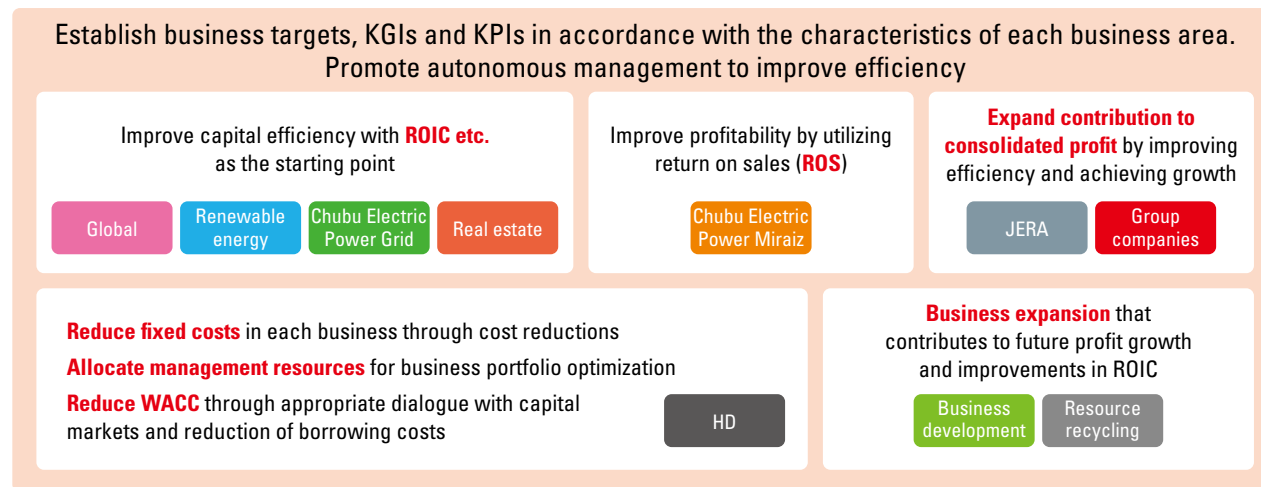
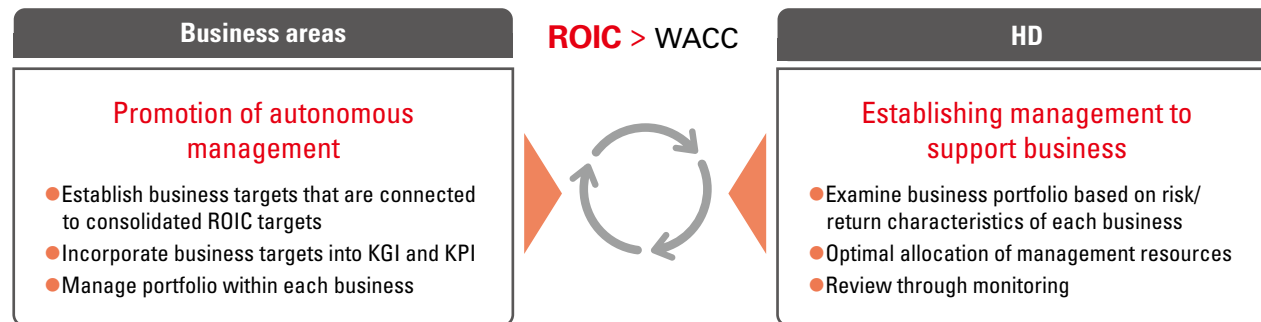
We have determined to use return on invested capital (ROIC) as a target in our new Medium-term Management Plan as we are expanding strategic investments for sustainable growth and need to place even greater emphasis on the efficiency perspective both in the new and existing business areas.

For the business areas of Chubu Electric Power Grid and Chubu Electric Power Miraiz, we will promote autonomous business management by defining business targets, key goal indicators (KGIs) and key performance indicators (KPIs) matched to their individual characteristics. For Chubu Electric Power, which is a holding company, we will undertake management to support our businesses, such as examining business portfolio based on risk and return characteristics of each business and promoting optimal allocation of management resources. By doing so, we will generate returns (ROIC) exceeding the cost of capital (weighted average cost of capital – WACC).

Because we are currently in a phase to expand investments, ROIC itself is not yet high. However, we have confirmed that ROIC exceeds the capital cost, with WACC remaining at a low level. We will continue to strive for reducing WACC through diverse fund procurement and appropriate dialogue with shareholders and investors, and as an effort to expand the resulting spread, will deepen our ROIC-based business management.

Decomposing ROIC into business areas

Keeping in mind that efforts of every employee in each division will contribute to the achievement of the company-wide management targets, we will rotate the plan-do-check act (PDCA) cycle while setting KGIs and KPIs matched to the characteristics of each business area, and by doing so, will instill the mindset to emphasize the efficiency perspective.



TOPICS

What is ROIC?

ROIC is a financial indicator that shows how efficiently profit is generated as compared to the fund raised (invested capital).

$$\text{ROIC (Return on invested capital)} = \frac{\text{Net operating profit after tax}}{\text{Invested capital}}$$

Separated into:

$$\frac{\text{Net operating profit after tax}}{\text{Operating revenues}} \times \frac{\text{Operating revenues}}{\text{Invested capital}}$$

Generate profits: $\frac{\text{Net operating profit after tax}}{\text{Operating revenues}}$

Increase efficiency: $\frac{\text{Operating revenues}}{\text{Invested capital}}$

Invested capital components: Shareholders' equity + Interest-bearing debt

Toward the Attainment of New Medium-term Management Targets

Profit Recovery in Infrastructure Areas STEP 1

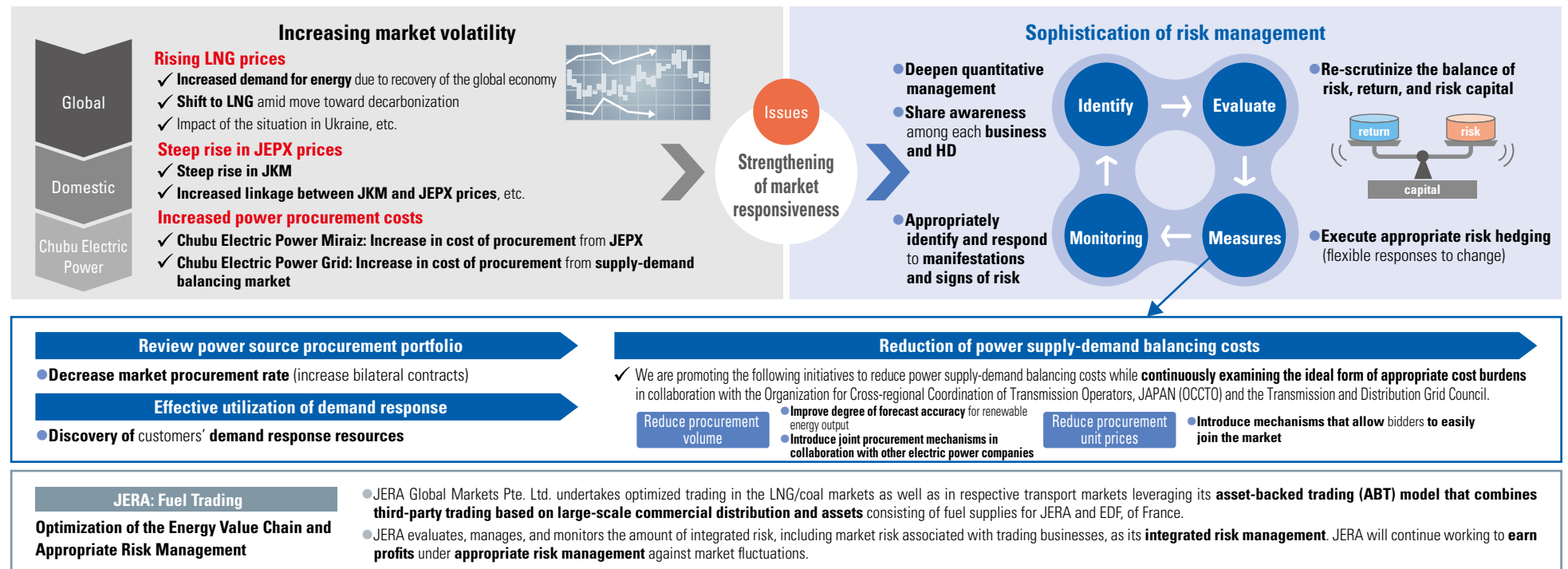
Sophistication of risk management in view of increasing market volatility

Growing energy demand following a recovery of the global economy and rising military tension in Europe have caused an increase in fuel prices, which in turn has led to soaring wholesale electricity market prices in Japan. We expect this tendency will continue in the future and intend to increase our immunity against price fluctuations in the fuel and electricity markets through such means as

reexamining our power source procurement portfolio*1.

In addition, Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz will jointly operate a cycle of identifying, assessing, responding and monitoring risks related to procurement of electric power.

*1 Increasing bilateral contracts with power producers and reducing market procurement volume



Thorough cost reductions by promoting group-wide Kaizen (improvement) activities

Since 2017, the Chubu Electric Power Group has been conducting Kaizen activities to promote the streamlining and standardization of all operations from on-site work to desk work. In order to step up our efforts in this area, we established an organization dedicated to Kaizen activities in April 2022. We will hold Kaizen study

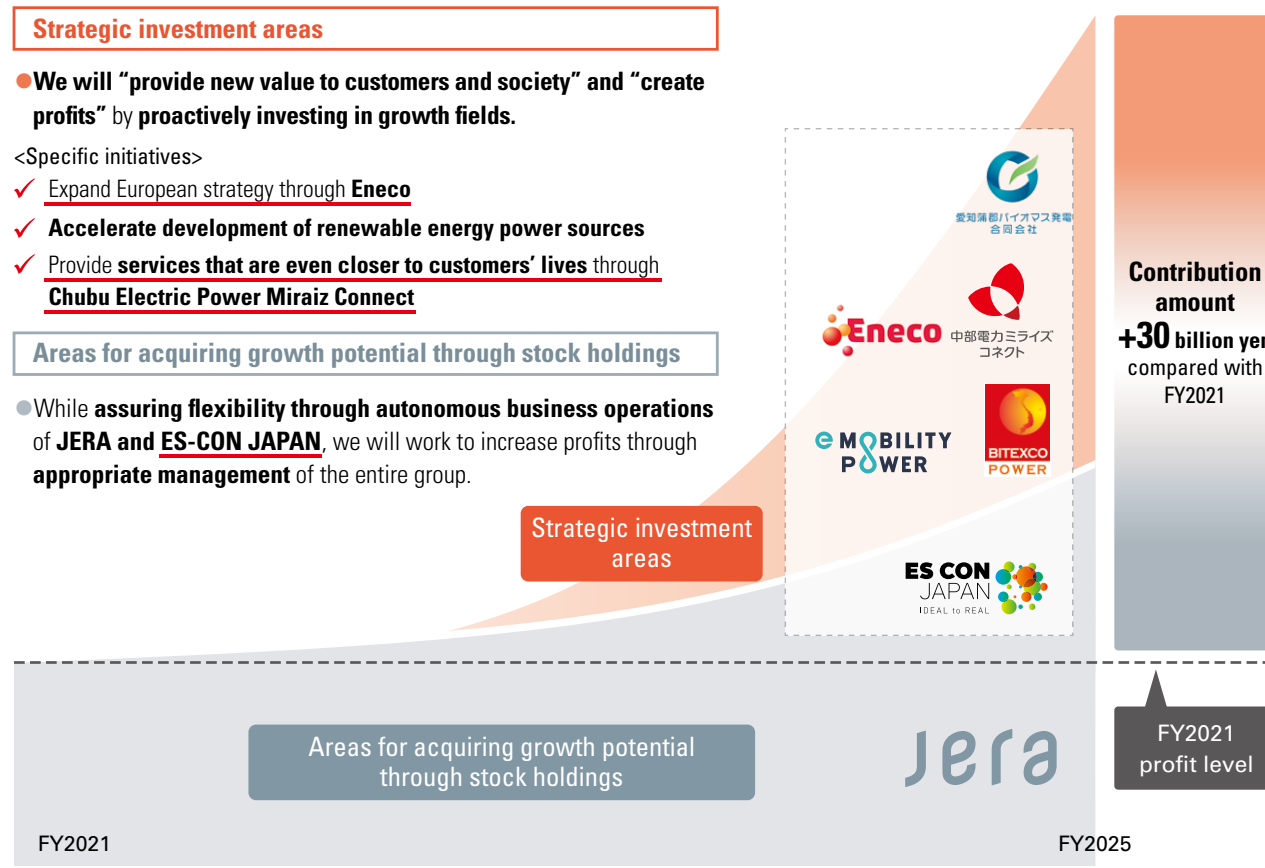
conferences that evaluate and hold in-depth discussion about details of Kaizen made at each division and Kaizen contests that commend best practices as we strive to firmly establish and expand Kaizen activities and work to attain thorough cost reductions.

Toward the Attainment of New Medium-term Management Targets

Acquisition and Expansion of New Revenue Sources STEP 2

We intend to achieve our new medium-term management targets in two steps. Step 1 involves making sure to achieve a recovery of profit level in the infrastructure areas. In Step 2, we will secure and expand new revenue sources through strategic investments and by acquiring growth potential through stock holdings. In terms of profits in Step 2, we aim to achieve a 30 billion yen increase in FY2025 compared with FY2021.

As for strategic investments, we will invest in growth fields, such as the one providing services focused on getting close to customers, in addition to the global and renewable energy businesses, and by doing so, will deliver new value to customers and society. For acquiring growth potential through stock holdings, we will work to increase profits through autonomous business operations of JERA and ES-CON JAPAN and appropriate management of the entire group.



Expansion and promotion of global business – Expanding European strategy through Eneco

In April 2022, we created the Global Business Division with the aim of further strengthening and expanding our global business.

We will combine the four segments — Green Field, Blue Field, Retail / T&D / New Services, and New Technology Field — to form an optimal portfolio and drive businesses such as those related to decarbonization and community services.

Details in “Business Activities” section [P46](#)

Services focused on getting close to customers through Chubu Electric Power Miraiz Connect

We will generate new value from the customer-oriented perspective, which goes beyond mere energy services related to electricity and gas, in collaboration and cooperation with each company in the Chubu Electric Power Group and alliance partners and deliver such value throughout Japan.

Details in “Business Activities” section [P44](#)

Providing a “new form of community”

We will accelerate the provision of a “new form of community” that improves the quality of life of our customers by combining the real estate business of Chuden Real Estate and ES-CON Japan with Community Support Infrastructures, to participate in the creation of communities tailored to the characteristics of each region.

Details in “Business Activities” section [P48](#)

Contributing to the Realization of a Carbon-Free Society

Keeping in line with the rapid progress in environmental initiatives in society and growing expectations placed on these initiatives, we formulated the Zero Emissions Challenge 2050 in March 2021 as a new target in the Chubu Electric Power Group's integrated efforts to contribute to the realization of a carbon-free society. It aims to attain net zero CO₂ emissions for our entire business by 2050.

We believe that it is a very challenging target and represents a key issue that should be tackled by drawing all possible means. We will begin with our immediate tasks across all business areas, making maximum efforts for each, and strive to achieve the target by leveraging our energy infrastructure solutions technology and the distinctive characteristics of the Chubu region represented by innovations and a balanced industrial structure.

Chubu Electric Power Group Zero Emissions Challenge 2050

ゼロエミ
 チャレンジ
 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 CO₂ emissions from electricity sold to customers by

50% or more

compared with FY2013.

We aim for **100%** electrification^{*1,2} of company^{*3}-owned and operated vehicles

2050

We will take on the challenge of attaining

net zero CO₂ emissions

for our entire business to contribute to the realization of a carbon-free society.

^{*1} Electric vehicles (EV), plug-in hybrid vehicles (PHV), fuel cell vehicles (FCV), etc.
^{*2} Excludes special vehicles such as emergency and construction-use vehicles not suitable for electrification
^{*3} Chubu Electric Power, Chubu Electric Power Grid, Chubu Electric Power Miraiz

Chubu Electric Power Group

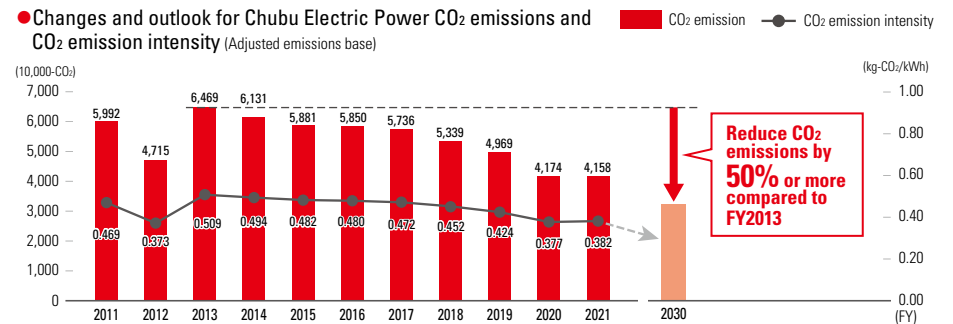
- Providing the energy infrastructure that supports daily lives and industries
- Promoting energy saving and electrification through solutions technology



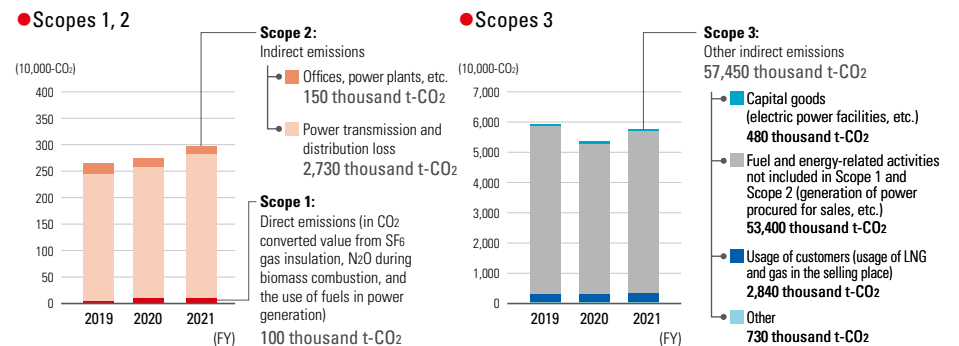
Chubu region

- Innovations originating from manufacturing
- Realizing a recycling-oriented society by leveraging its balanced industrial structure

CO₂ 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 CO₂ converted total value of CO₂, N₂O and SF₆. The figures for FY2019 are for Chubu Electric Power alone, while the figure for FY2020 and FY2021 represents a total of the three companies of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz. (Chubu Electric Power spun off its power transmission/distribution division as Chubu Electric Power Grid and its sales division as Chubu Electric Power Miraiz in 2020.)

Disclosure Based on TCFD Recommendations

We will enhance our corporate value by taking various changes caused by climate change as opportunities and actively tackling them.

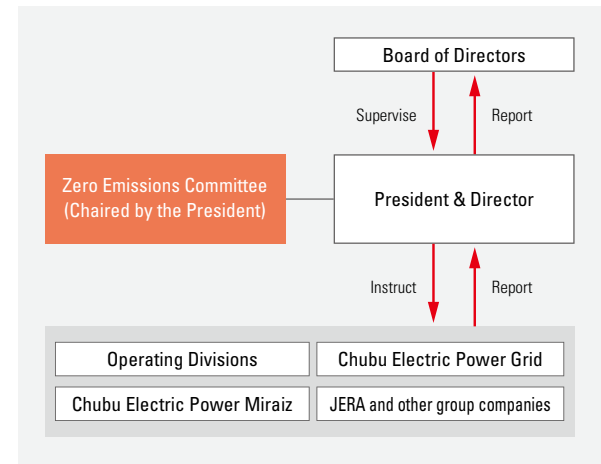
In an effort to communicate such endeavors to our investors and stakeholders, we disclose them in a manner consistent with the TCFD recommendations.



* Task Force on Climate-related Financial Disclosures, established by the Financial Stability Board (FSB) in response to the request of G20 Finance Ministers and Central Bank Governors

TCFD Governance/Risk management

- The Board of Directors deliberates and makes decisions on key management matters including efforts to realize a carbon-free society, such as the progress status of renewable energy development, and supervises the execution of duties by directors by, for example, receiving reports from each director on the status of execution of his or her duties.
- In formulating a management plan, risk owners* identify and assess key risks associated with climate change and report them to the risk management department, where they are assessed in an integrated manner. These key risks are also discussed at the Risk Management Committee chaired by the President & Director and reflected in basic management plans. Appropriate measures are being implemented after passing the corresponding resolutions at the Board of Directors. * Risk owners: The President of Chubu Electric Power Miraiz, the President of Chubu Electric Power Grid, Company Presidents, and general managers of divisions of the Headquarters
- In executing the management plan, recognizing the importance for each employee to try his or her best in business activities in which he or she is involved as a person responsible for practicing ESG management, Chubu Electric Power strives to always maintain good communication between top management and employees including front line workplaces.
- 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 its business companies and group companies and formulates and evaluates action plans for achieving these goals.



TCFD Strategy Scenario selection

- 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
Anticipated social situations	<ul style="list-style-type: none"> • To keep the average temperature rise at the end of this century below 1.5°C, greenhouse gas emission regulations will be tightened worldwide through further revision of national environmental policies. • In Japan, we assume that development and more widespread use of decarbonization technologies will proceed toward achieving the power generation mix envisioned for 2030 and carbon neutrality in 2050 as stated in the Sixth Strategic Energy Plan. • Other anticipated developments include an increase in decarbonization investment, an increase in the percentage of non-fossil power due to the expansion of renewable energy and the use of nuclear power, rising needs for using carbon-free energy, progress in car electrification and other technological innovation and electrification in general. 	<ul style="list-style-type: none"> • Global efforts will remain insufficient and the average temperature at the end of this century will rise by around 4°C. • It is also anticipated that abnormal weather, such as extreme storms, will occur more frequently due to a higher temperature.
Reference	<ul style="list-style-type: none"> • IEA's Net Zero Emissions by 2050 Scenario (NZE) and Announced Pledges Scenario (APS) for the World Energy Outlook 2021 (WEO-2021) and the Japanese government's Sixth Strategic Energy Plan, others 	<ul style="list-style-type: none"> • Fifth Assessment Report "RCP8.5 Scenario" of the Intergovernmental Panel on Climate Change (IPCC)

Disclosure Based on TCFD Recommendations

TCFD Strategy Business impact assessment

- Recognizing climate change risks and opportunities as a key element of its business strategy, the Chubu Electric Power Group formulates and executes specific measures based on the impact assessment on them*1.
- During the period of transition toward zero emissions in 2050, we regard that thermal power plants comprise assets that generate sufficient value from the perspective of ensuring stable electricity supply and for their balancing capacity and inertia. We will maintain the functionality and value of these thermal power assets by making efforts to achieve zero-emission thermal power generation in a phased manner, including gradually retiring inefficient coal-fired thermal power and introducing hydrogen and ammonia.
- Currently, we disclose some of the financial impact qualitatively because economic efficiency and technology development and other scenarios remain unclear. As we proceed with the transition in the future, we will work to enhance our disclosure in this area.

	Changes in the external environment	Impact on the Group	Assessment	Financial impact (annual impact: billion yen)		
				Period affected	Impact	Lower profit Profit Investment
Transition risk scenario Responses to risks and opportunities associated with the transition to a carbon-free society	Policy Raising non-fossil energy percentage and emission reduction goals	Increase in operation cost due to decarbonization investments and introduction of carbon pricing Changes in value of thermal power assets	Risks → Opportunities	Medium-term (2030)	Large	<ul style="list-style-type: none"> ● Introduction of carbon pricing is expected to involve a risk of a considerable cost increase. On the other hand, successful reduction of CO₂ emissions by 10 million tons through various measures will equal to a reduction of impact by 140 billion yen*2. ● Thermal power plants generate value in terms of their electricity supply capacity, balancing capacity and inertia. We will maintain and improve the value of these assets by shutting down or retiring inefficient coal-fired thermal power and introducing hydrogen and ammonia*3.
		Reduced fuel costs due to nuclear power plant operation	Opportunities ↗	— Period not determined	About 160	<ul style="list-style-type: none"> ● 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 save annual fuel costs by about 160 billion yen*4.
	Technology Evolution of carbon-free/low-carbon technologies <ul style="list-style-type: none"> ● Renewable energy ● Low carbonization of thermal power generation ● Safer nuclear power generation ● Energy management (e.g., storage batteries) 	Increase in systems maintenance cost due to large-scale introduction of renewable energy	Risks → Opportunities	Medium-term (2030)	Small	<ul style="list-style-type: none"> ● Investment for augmenting power transmission and distribution facilities in response to introduction of renewable energy in Japan may possibly increase. ● We will invest about 400 billion yen from FY2021 to FY2030 for the development of renewable energy in Japan.
		Increase in profits resulting from investment for large-scale introduction of renewable energy	Opportunities ↗	Medium-term (2030)	About 20	<ul style="list-style-type: none"> ● We will invest about 400 billion yen from FY2021 to FY2030 in the global business (including renewable energy) and anticipate a profit contribution of about 20 billion in FY2030 from the investment.
		Rising needs for the use of carbon-free energy and expanding demand for electrification	Opportunities ↗	Medium-term (2030)	Medium	<ul style="list-style-type: none"> ● We will work to ensure a profit contribution from the resource recycling business as well as value-added services (energy saving, electrification and others) of Chubu Electric Power Miraiz.
Market Customers becoming more environment-oriented and introduction of carbon-free technologies						
Physical risk scenario	Storm Increased frequency of extreme typhoons and similar disasters Intensifying flood and landslide disasters	Increase in costs for facility upgrades Increase in recovery costs	Risks ↘	Short term	About 5	<ul style="list-style-type: none"> ● 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).

*1 We also assume a reputational risk (transition risk), such as a rise in fund procurement costs due to divestment.

*2 Estimated based on the rate of US\$130/t-CO₂, which is the assumed carbon price in 2030 in developed countries according to the IEA's Net Zero Emissions by 2050 Scenario

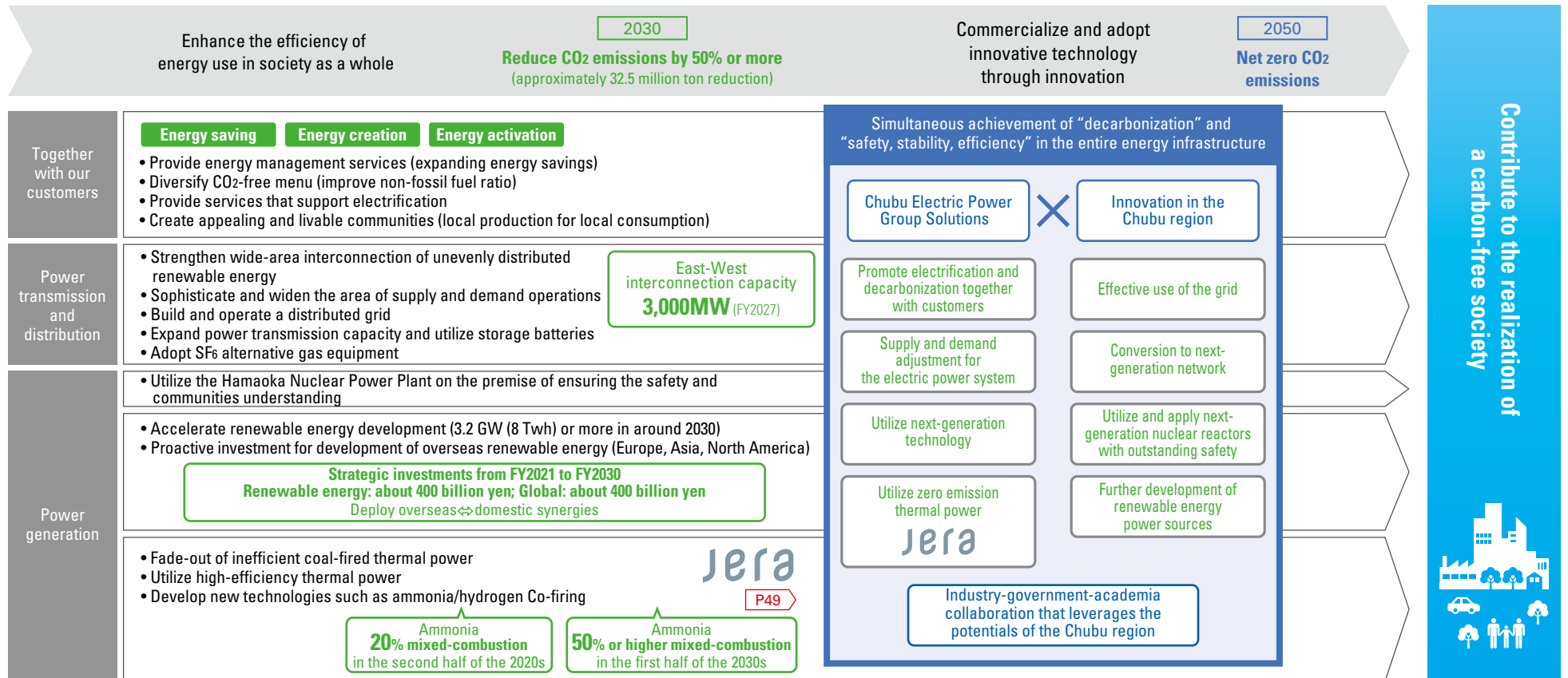
*3 We transferred the thermal power generation business to JERA in April 2019, and the book value as of March 31, 2022 of the steam power plants of JERA and its subsidiaries in Japan is approximately 1,458.3 billion yen (about 729.2 billion yen owned by Chubu Electric Power).

*4 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 FY2021. The fuel 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 CO₂ reduction.

Disclosure Based on TCFD Recommendations

TCFD Metrics & Targets Roadmap for Zero Emissions Challenge 2050

- In realizing a carbon-free society, national and local governments, industry circles and households need to promote initiatives across the board based on their individual roles.
- The Chubu Electric Power Group will contribute to the realization of a carbon-free society jointly with customers and society through innovations in the energy infrastructure.



This is the Company initiative based on national policies and the target values may be adjusted in the event the system design is changed in the future. The initiative is also premised on the steady progress of decarbonization technology and economic rationality.

CO2 reduced by key measures	Use of Hamaoka Nuclear Power Plant CO2 reduction benefits (When restarting Units 3, 4 and 5)	Approx. 8-9 million t-CO2/year	Reexamining procurement of inefficient coal-fired thermal power sources CO2 reduction benefits (When substituting inefficient coal-fired power generation with other power sources)	Approx. 4-5 million t-CO2/year	Reference: CO2 emissions from sales of electrical power FY2021 results 41.58 million t-CO2

Business Activities

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

MESSAGE



Ihara Ichiro

Director & Senior Managing Executive Officer, General Manager of Nuclear Power Division and Chief Nuclear Officer

Chubu Electric Power will promote communication to gain the understanding of residents of the local community and work toward restarting the Hamaoka Nuclear Power Station based on the premise of ensuring safety.

With a strong determination never to repeat an accident similar to 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, and Units 3 and 4 are currently undergoing a review to confirm conformance with the new regulatory standards and we are making steady progress toward confirming standard seismic motion and the tsunami standard. 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.

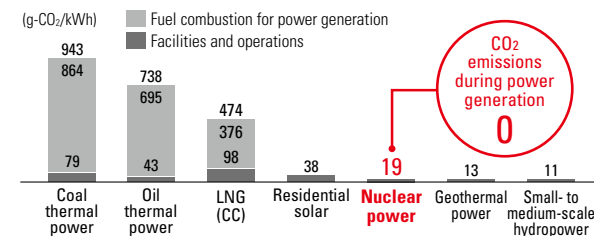
Chubu Electric Power believes that in order to secure stable energy supply into the future while responding to such issues as fluctuations in fossil fuel prices and global warming, it is essential to continue using nuclear power generation, which does not emit CO₂ when generating electricity, as an important power source.

We will make our utmost effort to receive early confirmation on our compliance with the new regulatory standards and commit ourselves to gain an even greater understanding and trust from members of local communities and society.

Power generation method known for its stable supply and superior environmental qualities

A significant portion of energy resources in Japan relies on overseas procurement. Therefore, a well-balanced combination of various power sources (energy mix) is necessary in order to ensure the stability of electricity whilst caring about the environment. Nuclear power generation uses uranium, known for its stable supply, as a primary fuel. It is also an excellent power source in regard to the environment as it does not emit CO₂ when generating electricity.

● Lifecycle CO₂ emission amount for various power sources



Source: Central Research Institute of Electric Power Industry, "Comprehensive evaluation of lifecycle CO₂ emissions for power generation technologies in Japan" (July 2016)

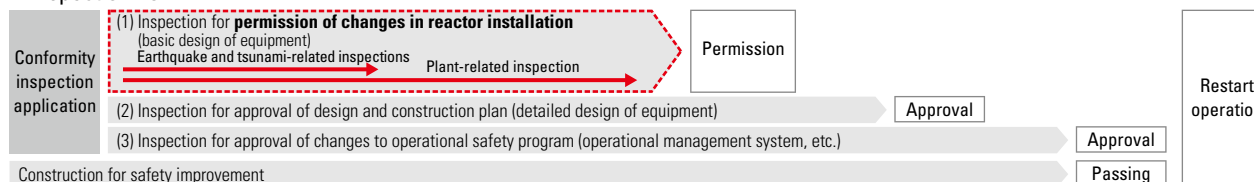
Responding to inspections for confirming conformity to new regulatory requirements

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).

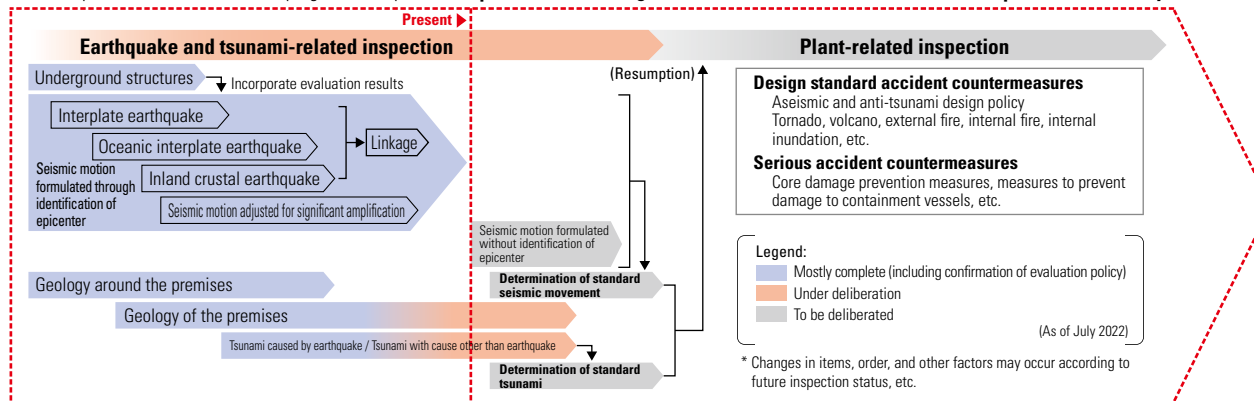
Inspections to confirm conformity to the new regulatory requirements include (1), (2), and (3) shown in the diagram below and the Nuclear Regulation Authority will implement these incrementally after the application is received from the utilities.

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.

● Inspection flow



Main inspection items and status of progress of inspection for permission to change nuclear reactor installation (for further improvement of safety)



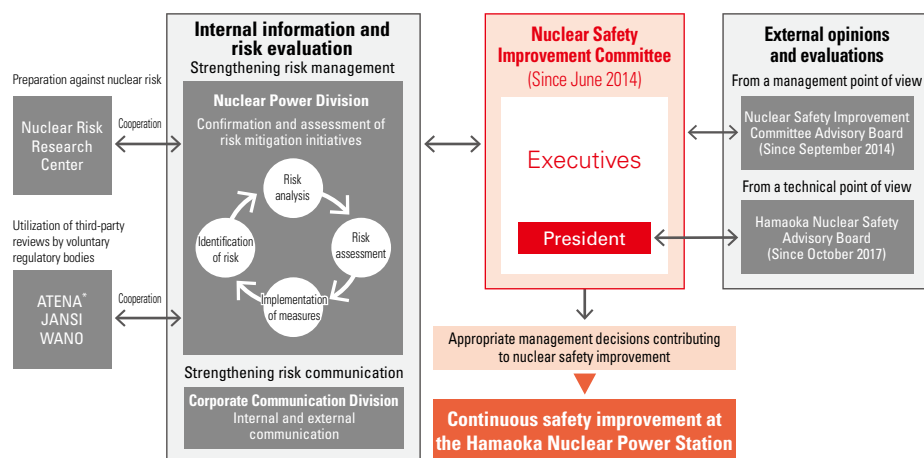
Toward Improving the Safety and Reliability of the Hamaoka Nuclear Power Station

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 and make efforts to minimize them, 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

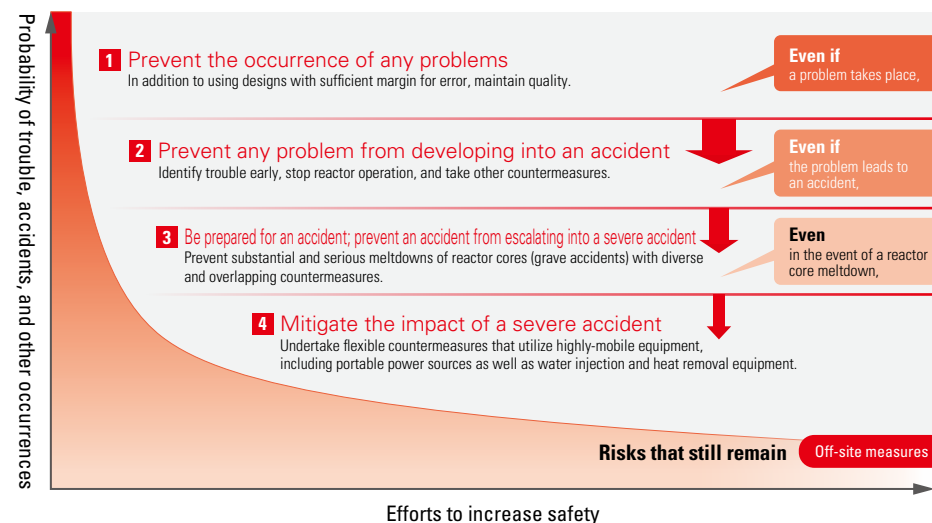
We have established a framework whereby management led by the President analyzes and assesses nuclear safety risks, and monitors and appropriately deliberates the details of the safety measures. We have also established a system under which outside experts provide advice on these initiatives from a management 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, 2022)

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)	●The Nuclear Regulation Authority is currently investigating and confirming compliance with new regulatory standards.
Unit 3 (August 1987)	1,100 MW	●Safety improvement measures are currently being implemented.
Unit 4 (September 1993)	1,137 MW	●Preparing applications for investigation and confirmation of compliance with new regulatory standards
Unit 5 (January 2005)	1,380 MW	●Safety improvement measures are currently being implemented.

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

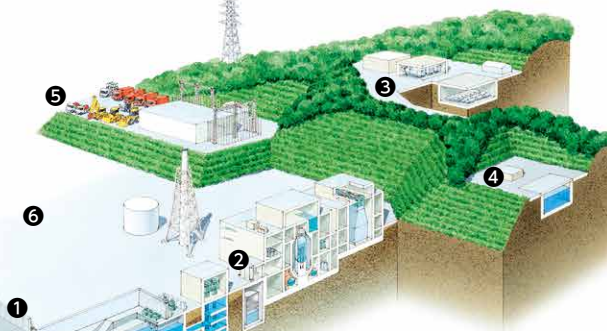
Responses inside the power station (on-site measures)

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

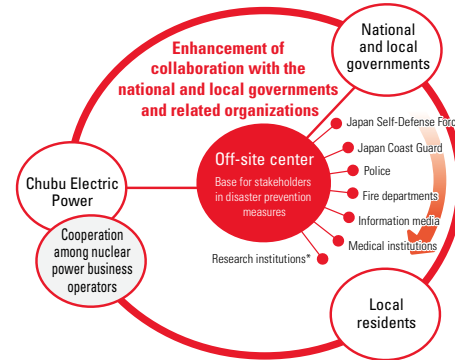


① to ⑥ are examples of our activities.

Responses outside the power station (off-site measures)

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



Collaborative drills with Omaezaki Coast Guard Office, Omaezaki City, Omaezaki City Fire Department and Kikugawa Police Station (November 2021)



Cooperation with Tokyo Electric Power Company Holdings, Inc. and Hokuriku Electric Power Company (receiving evaluators for comprehensive training) (March 2021)

* Japan Atomic Energy Agency (JAEA), etc.

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



Drills to transport persons requiring evacuation assistance in collaboration with Shizuoka Prefecture and Omaezaki City at the Shizuoka Prefecture Nuclear Disaster Drills (January 2020)



Drill to set up radioprotective air shelters used as a temporary evacuation shelter for persons requiring evacuation assistance in collaboration with Omaezaki City (November 2021)

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 hold briefing sessions in shopping centers and at local events held in the areas around the power station for the purpose of providing explanations to local residents about the need for nuclear power generation and the measures of safety improvement at the power station and hearing opinions of them.

Besides the activities described above, we have released the Hamaoka Nuclear Power Station Virtual Tour on our website to inform even more people about our safety improvement measures. We have prepared two tour courses, the "power plant full course (approximately 22 minutes)" and the "power plant tour short course (approximately nine minutes)" that enable people to virtually participate in the power station tour.

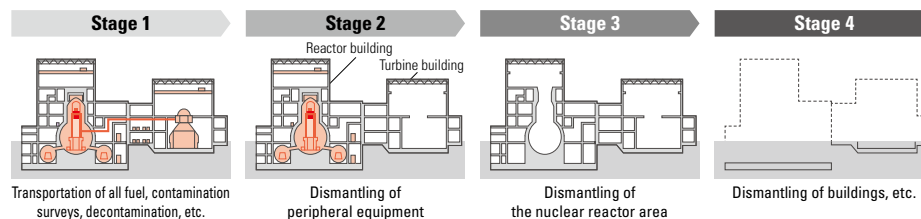


* For details, please visit our website. ▶



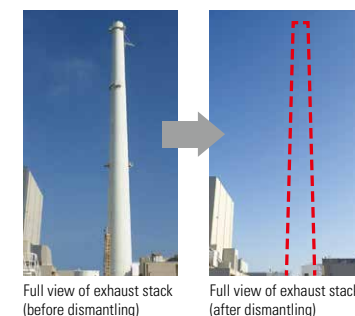
Status of decommissioning of the Hamaoka Nuclear Power Station Units 1 and 2

At Units 1 and 2 of the Hamaoka Nuclear Power Station, dismantling of peripheral equipment is underway in the second stage of decommissioning and this consists mainly of dismantling equipment in the turbine building. Also, preparations for dismantling the reactor area in the third stage are moving forward. In the future as well, 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.



Completion of dismantling of common exhaust stacks for Units 1 and 2

From November 2018, we began dismantling and removing the common exhaust stacks of Units 1 and 2. In February 2022, cutting of the cylinder bodies was finished and a series of dismantling work was completed. We plan to properly sort the dismantled exhaust stacks and transport non-radioactive waste from the power station as valuables or industrial waste.



Full view of exhaust stack (before dismantling)

Full view of exhaust stack (after dismantling)

TOPICS

Reuse of clearance metal generated during decommissioning

Among the items generated during the dismantling and removal work for the decommissioning of Units 1 and 2, the government has finished confirming radioactivity concentrations. A portion of the approximately 530 tons of clearance metal (approximately 80 tons), which has been recognized as "not needing handling as radioactive materials," is being processed and reused as covers for gutters on the premises of the power station.



Installing covers for gutters

Renewable Energy Business

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

Risks	Opportunities
<ul style="list-style-type: none"> ● Competition with other power producers ● Intensification of natural disasters 	<ul style="list-style-type: none"> ● The global-wide move toward the realization of a decarbonized society is accelerating ● The government has revised the Energy Basic Plan and aims to make renewable energy into the mainstay power source to achieve carbon neutrality in 2050. ● Rising customer needs for renewable electricity such as RE100

Efforts	
<p>Accelerated development of renewable energy power sources</p> <ul style="list-style-type: none"> ● Development and expansion of ownership of offshore wind power, onshore wind power, biomass, hydropower, solar power, and geothermal power ● Replace existing power supply, increase output and increase power 	<p>Ongoing Expansion of Renewable Energy Together with Our Customers</p> <ul style="list-style-type: none"> ● Construction and maintenance of equipment by Group companies ● Provide added-value services that are useful to customers

Targets
<p>Expansion of renewable energy*</p> <ul style="list-style-type: none"> ● Expansion of 3,200 MW (8 billion kWh) or more by around 2030 <p><small>*Provision of value in renewable energy, including ownership, construction, and maintenance</small></p>
<p>Ensuring the development of new power sources</p> <p><small>Major development locations (planned fiscal year for commencement of operation)* by Group companies</small></p> <ul style="list-style-type: none"> ● FY2022 Akita Port / Noshiro Port offshore wind power (Akita), Atsumi on-land wind power (Aichi), *Taki Bio-Power No. 2 (Mie), and *Okuhida Onsengo Nakao Geothermal (Gifu) ● FY2023 Seinaiji Hydro Power (Nagano), *Nakagiri Hydro Power (Gifu), and Goto City Offshore Wind Power (Nagasaki) ● FY2024 Abekawa Hydro Power (Shizuoka), *Yatsushiro Biomass (Kumamoto), and Wind farm Toyotomi onshore wind power (Hokkaido) ● FY2025 Tahara Biomass (Aichi) ● About 90 facilities are scheduled to start operation or be developed through maintenance and construction of facilities by Group companies.



Omaezaki Wind Farm with 11 wind turbines on the southernmost cape of Shizuoka Prefecture

We contribute to increasing the energy self-sufficiency rate and the realization of a carbon-free society through the accelerated development of renewable energy power sources and the expansion of renewable energy together with our customers.



Suzuki Hideya

President
Renewable Energy Company

The Chubu Electric Power Group will boldly demonstrate its project development capabilities cultivated over long years of power source development toward achieving its new renewable energy expansion target of 3,200 MW (8 billion kWh or more) by around 2030. Together with local communities and customers, we will work in unity as a group to expand renewable energy.

The Renewable Energy Company has decided to develop new power sources in FY2021. These include Japan's first commercial floating offshore wind farm (off Goto City, Nagasaki Prefecture) and one of Japan's largest-scale biomass power plants (Tahara City, Aichi Prefecture). We will continue to actively promote development throughout the country giving utmost consideration to the environment while gaining the understanding of local residents.

Regarding the utilization of existing power sources as well, we will promote Kaizen (improvement) activities and through the horizontal deployment of good practices we will increase the amount of power generated and 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
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Initiatives

Steady development and promotion of renewable energy projects	All measures such as strategic investment	Maximize the use of existing facilities
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**Protect the earth.
Change the future.
Renewable energy**

Contribute to the realization of a decarbonized society



Mamor the Forest Green Tree Frog

Efforts to expand renewable energy

- As a target for expanding renewable energy, we are taking a step beyond our previous target (2,000 MW) and working in unison as a group in aiming for "more than 3,200 MW (8 billion kWh)*1 in renewable energy by around 2030."
- At present, the increase in equity output**2 is about 710 MW for the entire group, which is around 22% progress**3 toward our target.

*1 Value provision of renewable energy, including ownership, construction and maintenance (increased portion since April 2018)

**2 Includes projects for which a decision on development has already been made but operations have not started.

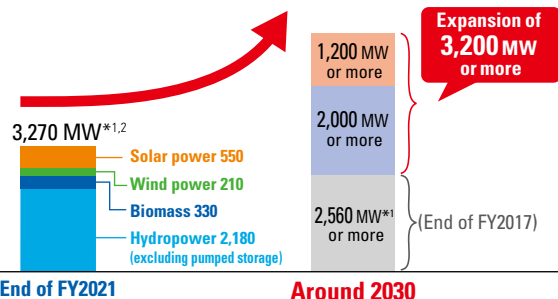
**3 Progress up to June 2022

Accelerate development of renewable power sources (2,000 MW or more)

We will actively promote the nationwide development and expansion of offshore wind power, onshore wind power, biomass power, hydropower, solar power, and geothermal power. In addition, we will accelerate efforts to replace existing power facilities and increase output and power.

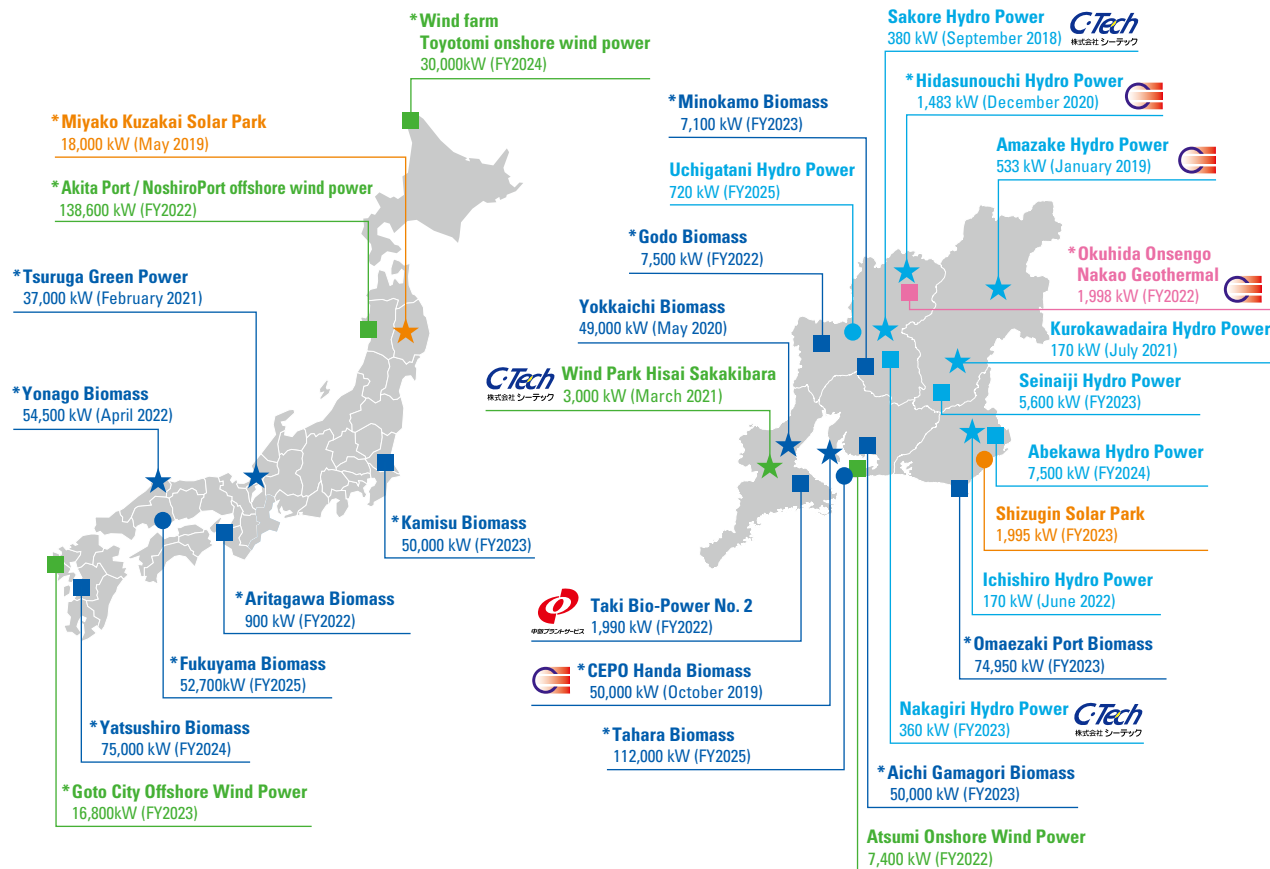
Expand renewable energy together with our customers (1,200 MW or more)

In addition to the installation and maintenance of facilities by Group companies, we will provide added-value services that are useful to our customers to contribute to the expansion of customer-owned renewable energy.



*1 Capacity includes Group companies. However, pumped-storage power generation (3,320 MW) is excluded.
 *2 Includes projects for which a decision on development has already been made but operations have not started

Main development sites of the Group



Abekawa Hydro Power Plant
(Embankment construction status)



Kamisu Biomass Power Plant
(Construction work status)



Yonago Biomass Power Plant
(Operation commenced in April 2022)

Legend

- ★ Operations commenced
- Biomass power
- Solar Power
- Under construction
- Onshore wind power
- Offshore wind power
- Hydroelectric power
- Development decisions
- Geothermal power

*Jointly funded power plant
 Date in parentheses is (expected) starting of operation

(As of the end of June 2022)

Special feature

Status of the Group's Offshore Wind Power Development Projects

The Consortium*¹, in which the Chubu Electric Power Group participates, is the first in Japan to be selected as a power plant operator with three fixed-base type offshore wind farm locations*² in general waters.

- The Group will work together with partners to **consider development and commercialization**, and **obtain development and O&M knowledge/insights**.
- We will **reflect the knowledge acquired in the study of commercialization in new sea areas**, **ensure profitability**, and aim to expand offshore wind power supplies.

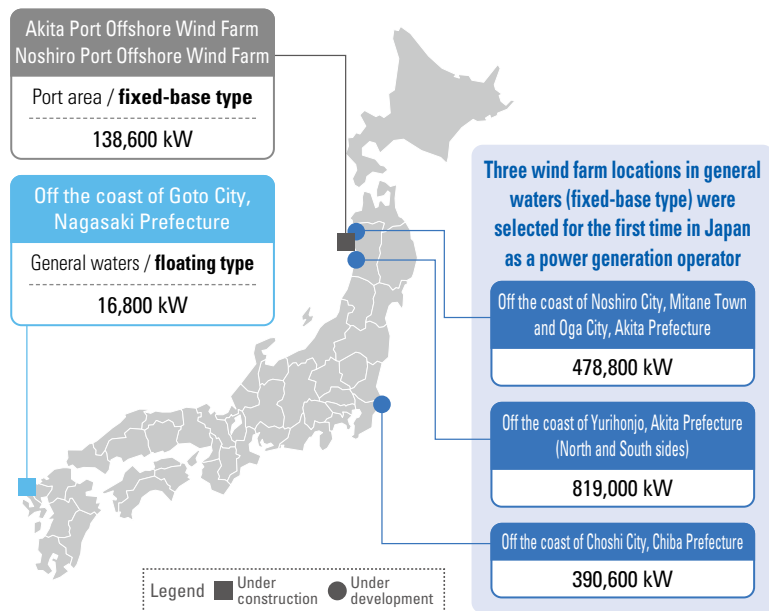


Conceptual image of project

*1 Joint venture represented by Mitsubishi Corporation Energy Solutions, Ltd. C-TECH CORPORATION, a Chubu Electric Power Group company, is participating.

*2 Waters off the coast of Noshiro City, Mitane Town and Oga City, Akita Prefecture; waters off the coast of Yurihonjo City (North and South), Akita Prefecture; and waters off the coast of Choshi City, Chiba Prefecture.

Construction and development sites



Preparing for windmill installation (Akita Port)

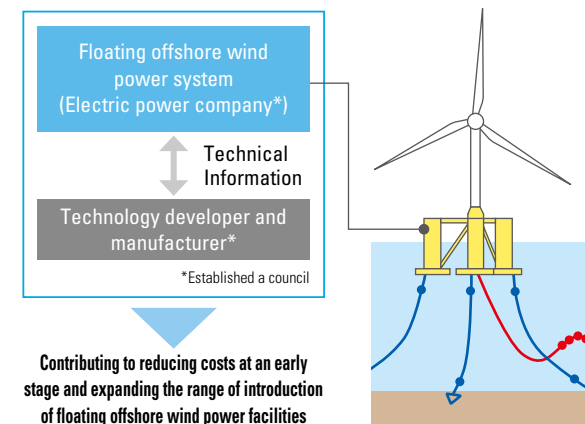


A windmill installation by self elevating platform (Noshiro Port)

Development of floating offshore wind power technologies

Adopted as a NEDO Green Innovation Fund Project entitled "Project to Reduce The Cost of Offshore Wind Power Generation"





Period April 2022 through March 2025 (planned)



Issuing Green Bonds

Based on the dual perspective of promoting initiatives for realizing a decarbonized society and diversifying fund procurement, Chubu Electric Power issues Green Bonds, which are bonds that limit the use of procured funds to environmental improvement projects such as the development of renewable energy. In the issuance of Green Bonds, we have received acclaim from DNV BUSINESS ASSURANCE JAPAN K.K., a third-party assessment organization, regarding the suitability of our various standards related to the issuance of Green Bonds.

Summary of the issuance of the Second Chubu Electric Power Green Bond

Use of funds	New investments and refinancing in business related to the development, construction, operation and renovation of renewable energy sources such as hydropower, biomass and wind power
Issue amount	20 billion yen
Interest rate	0.624%
Duration	10 years
Date of issue	May 26, 2022
Contribution to SDGs	   

Reporting on the First Chubu Electric Power Green Bond (issued in July 2021)

Appropriation of procured funds (As of March 31, 2022)

Item		Amount
Procurement amount (amount received)		9.9 billion yen
Appropriated amounts		9.9 billion yen
(breakdown)	Kurokawadaira Hydro Power (Nagano Pref.)	0.1 billion yen
	Ichishiro Hydro Power (Shizuoka Pref.)	0.1 billion yen
	Seinaiji Hydro Power (Nagano Pref.)	1.9 billion yen
	Abekawa Hydro Power (Shizuoka Pref.)	2 billion yen
	Yokkaichi Biomass (Mie Pref.)	5.4 billion yen
	Atsumi Onshore Wind Power (Aichi Pref.)	0.1 billion yen
Unappropriated balance		—

*1 Figures less than the expressed unit are rounded down.

*2 Of the amount procured, 5.9 billion yen was allocated to the refinancing of the construction funds for the Yokkaichi Biomass Power Plant and the Seinaiji Hydroelectric Power Plant.

Environmental improvement effect (April 2021–March 2022)

Project	Installed capacity	Amount of CO ₂ emission reductions
Kurokawadaira Hydro Power (Nagano Pref.)	0.2 MW	141,572 (t-CO ₂ /y)
Yokkaichi Biomass (Mie Pref.)	49.0 MW	

*1 Annual CO₂ emission reduction calculation method: FY2021 annual power generation volume (MWh) x CO₂ emission coefficient (t-CO₂/MWh)

*2 As of March 31, 2022, the Ichishiro Hydro Power Station, Seinaiji Hydro Power Station, Abekawa Hydro Power Station, and Atsumi Onshore Wind Power Station listed in the allocation of procured funds are currently under construction. The environmental improvement effects will be reported after the start of operations.

Chubu Electric Power Grid Co., Inc.

Providing electric power network services



CHUBU
Electric Power Grid

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 costs

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
- Advanced technology such as IoT and AI
- 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
- Reasonable facility formation that is matched with changes in demand-supply structure
- Reduction of environmental load throughout business operation
- Reinforcement of business base toward the improvement of management efficiency
- Enhancement of regional services that utilize Chubu Electric Power Grid's resources

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 next-generation power networks 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



Participated in IoT&5G Solution Exhibition among 12 specialized exhibitions that covered the IT field

Chubu Electric Power Grid will continue efforts to provide a stable supply of electricity while promoting initiatives for decarbonization and rolling out services closely matched to local needs.



Shimizu Ryuichi

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

Based on the Chubu Electric Power Grid Vision, which sets out our vision for 2050, Chubu Electric Power Grid will strive to contribute to the realization of the future vision of the community by promoting initiatives for decarbonization and developing services even more closely matched to the needs of the community while striving to realize stable supply and low wheeling charges.

In recent years, a variety of changes have unfolded in each region that include changes in the social environment and lifestyles against a background of declining birthrates and an aging population and the spread of COVID-19 while the flow of electricity has become complex due to the large-scale introduction of renewable energy. As the main entity that supports a stable supply, Chubu Electric Power Grid is working to rationalize facility formation in response to these issues while maintaining appropriate frequencies and voltages and striving for a stable supply in the Chubu area as well as contribute to a stable supply nationwide through daily system operation, supply and demand adjustments, and cooperation with other general power transmission and distribution companies.

Vision

Deliver safety and security through the stable supply of electricity

The ideal Energy Platform we are working to create

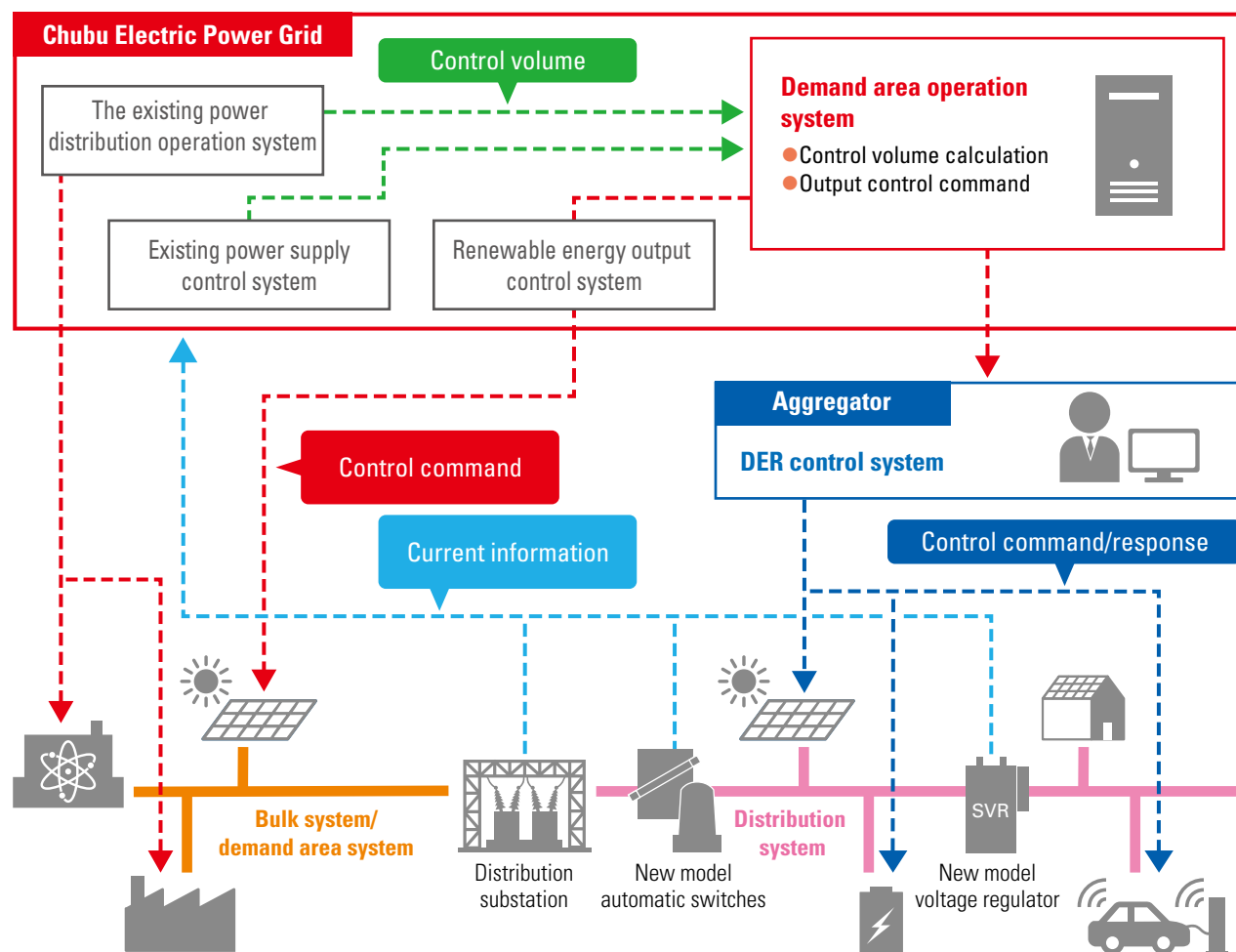
- Establishment of a high-quality grid that is disaster-resilient and efficiently provides electricity
- Visualization of value and construction of a base for the value exchange related electricity

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

Construction of an Energy Platform –Utilization of DER control in power transmission and distribution applications–

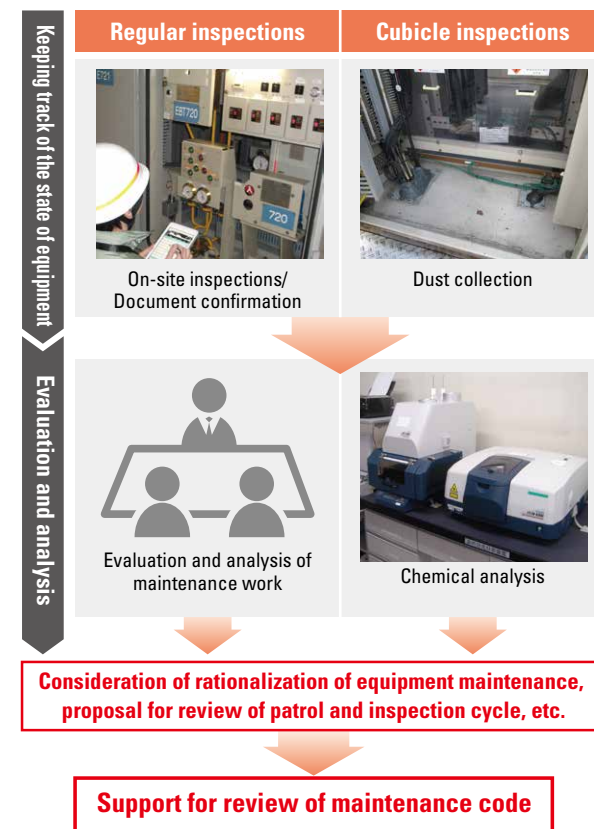
Because large volumes of renewable energy such as solar power equipment will be connected to the distribution system, the issue of strengthening the power system, including the upper system, has become apparent. To respond to this issue, as an alternative to increasing and reinforcing electrical systems, we are examining the building of systems that realize the rationalization of facility formation and operation using distributed energy resources (DER) such as EVs (electric vehicles) and storage batteries.



Technical support –Responding to customer needs–

Chubu Electric Power Grid has operated and maintained a massive amount of power facilities over a long period of time. Utilizing our experience and know-how, we will provide technical support such as decision support for the timing of equipment renovation, rationalization of equipment maintenance, and cost savings for customer’s power receiving equipment.

Rationalization of equipment maintenance → Maintenance cost reduction



Chubu Electric Power Miraiz Co., Inc.

Provide various services along with energy



CHUBU
Electric Power Miraiz

Risks

- Intensification of competition with new and other power supply companies
- Sluggish electricity demand due to declining population, slowdown in economic growth, and other factors
- Increase in power procurement costs due to soaring fuel market prices

Opportunities

- Rising customer needs for a wide variety of services
- Strong social demand for a carbon-free society
- Changes in lifestyles and the social landscape as a result of the new coronavirus (COVID-19) outbreak

Efforts

- Acceleration of energy sales (electricity and gas)
- Provision of new services that will enrich the lives of the customers and solve business issues
- Provision of a triad of services to realize a carbon-free society

Targets

Ordinary income

[FY2023] +20~30 billion yen

**Electrical energy sold
(entire Group)**

[FY2021]

117.8 Twt

[FY2030]

130.0 Twt per year

**Gas and LNG sold
(entire Group)**

[FY2021]

1,270 thousand tons

[FY2030]

3,000 thousand tons per year



KatEne (household energy) Shop (Okazaki City, Aichi Prefecture) that responds to various troubles related to home electricity and gas

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.”

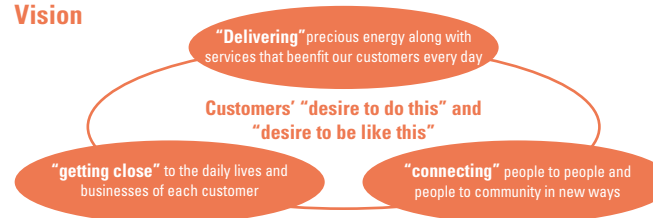


Ootani Shinya

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

The environment surrounding customers and society is radically changing as DX advances, and momentum increases towards the realization of a carbon-free society. Based on the connections it has built with customers by delivering electricity and gas, to meet the diversifying needs of our customers, Chubu Electric Power Miraiz will provide new services that will “enrich the lives of the customers” and “solve business issues” while seeing these changes as opportunities. Furthermore, with the key message, “Why didn’t I think of that? Decarbonization! (Various Solutions for Decarbonization)”, Chubu Electric Power Miraiz will move ahead and work together with its customers to realize a carbon-free society by providing three-in-one services consisting of “energy saving”, “energy creation” and “energy activation” through decarbonization consulting.

Vision



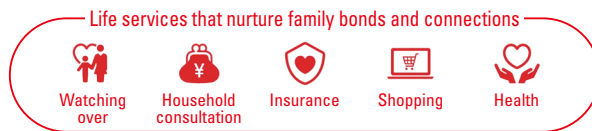
Realize a “comprehensive service company” that delivers “new value” in people’s daily lives and business



Enrich the lives of the customers

Provide life services tailored to each life stage

Mainly through Chubu Electric Power Miraiz Connect, established in April 2021, we will provide lifestyle services that nurture family bonds and connections based on such themes as monitoring the wellbeing of the elderly, supporting childrearing, food, and health.



Case 1 Life design service

Solving all of your money worries

Consult with our life designer partners about future money matters, free of charge.



Case 2

Costco shopping services "Kacchao"



Provides a new shopping experience

This service allows the ordering of products sold at Costco "anytime, anywhere, and easily" from a dedicated app.

Through the above services, we will create family bonds that transcend generations as well as connections among lifestyles, communities, and businesses, and contribute to the secure and comfortable lifestyles of our customers.

Provision of three-in-one services to realize a decarbonized society

We provide the three-in-one services of "Energy saving," "Energy creation," and "Energy activation" in response to our customers' decarbonization issues. In addition, we provide medium- to long-term support through "decarbonization consulting," that provides one-stop support for visualization of CO2 emissions, creating a roadmap that combines the three-in-one services, implementing reductions, and reporting and disclosing environmental information.

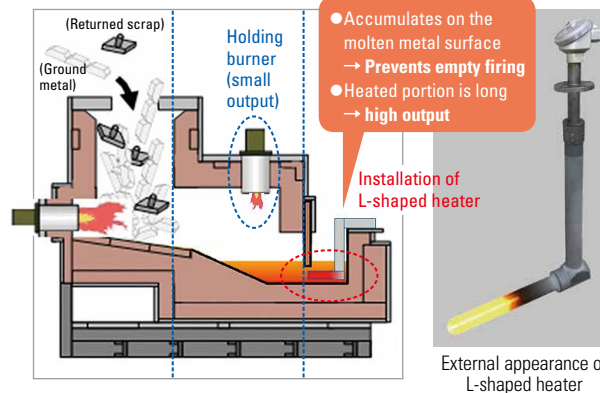


Energy saving

Proposal promoting energy conservation and electrification using solution technology

Solution activity: Won the Energy Conservation Grand Prize FY2021

Case example Yutaka Industry Co., Ltd. Energy saving in aluminum casting process



Achieved energy savings in the holding section of the melting furnace by developing a high-output L-shaped electric heater

Energy creation

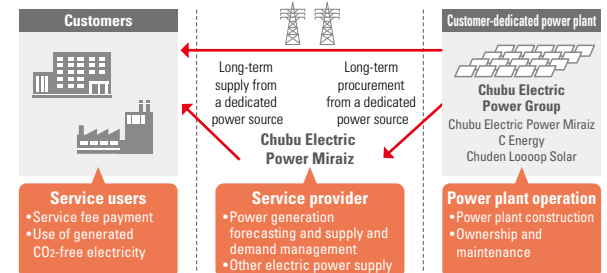
Services for the generation of renewable energy in households, factories, stores and other locations

Offsite PPA

This is a service that delivers renewable energy through power system facilities from a dedicated power plant installed outside the customer's premises.

Case example Tokai Rika Co., Ltd. (a first for the Chubu Electric Power Group)

Chubu Electric Power Miraiz plans to install a dedicated solar power plant for Tokai Rika in Nagano Prefecture and provide a service for supplying this generated electricity with environmental value to Tokai Rika's head office plant in Aichi Prefecture.



Through the above PPA services, we will work together with our customers to expand renewable energy.

Energy activation

Provision of systems and services facilitating the use of energy

"Miraiz Green Denki"

We are working to make more effective use of local renewable energy and achieve more widespread use of renewable energy, with CO2-free menus (locally generated by prefecture) designated by five Chubu area prefectures and a CO2-free menu (standard) without local generation designation. These menus are provided under the general name "Miraiz Green Denki."



Global Business

Investment, overseas consulting, etc.



Nho Que 1 hydropower plant owned by Vietnam Bitexco Power Corporation

<p>Risks</p> <ul style="list-style-type: none"> ● Intensifying competition due to limited investment projects ● Overseas political and economic instability, independent regulations ● Development, construction, operation of investment projects 	<p>Opportunities</p> <ul style="list-style-type: none"> ● 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
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<p>Efforts</p> <p>Expanding investment in businesses that lead to "decarbonization"</p> <ul style="list-style-type: none"> ● 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 	<p>Contributing to solving SDGs issues through overseas consulting</p> <ul style="list-style-type: none"> ● Power infrastructure consulting business in Sri Lanka, Mozambique, and Uganda commissioned by the Japan International Cooperation Agency (JICA)
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<p>Targets</p> <p>Strategic investment</p> <ul style="list-style-type: none"> ● Around 400 billion yen from FY2021 to FY2030 	<p>Consolidated ordinary income</p> <ul style="list-style-type: none"> ● About 20 billion yen in FY2030 	<p>Profitability</p> <ul style="list-style-type: none"> ● ROA in the high 3% range in FY2030
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We will expand our energy business glocally* to contribute to the sustainable development of humankind.



Sato Hiroki
Senior Managing Executive Officer
General Manager of Global Business Division

In April 2022, Chubu Electric Power established the "Global Business Division" with the aim of strengthening and expanding our global business, which is one of our new growth areas, as well as establishing a flexible business execution system that clarifies responsibilities and authority while announcing our presence both internally and externally.

In the future, we will contribute to the realization of a decarbonized society by expanding investment in global businesses that lead to decarbonization, mainly in Europe and the Asia-Pacific region, and by strengthening our earnings base and increasing profits.

Also, in our overseas consulting, we aim to increase orders from the World Bank in addition to projects from the Japan International Cooperation Agency (JICA), 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.

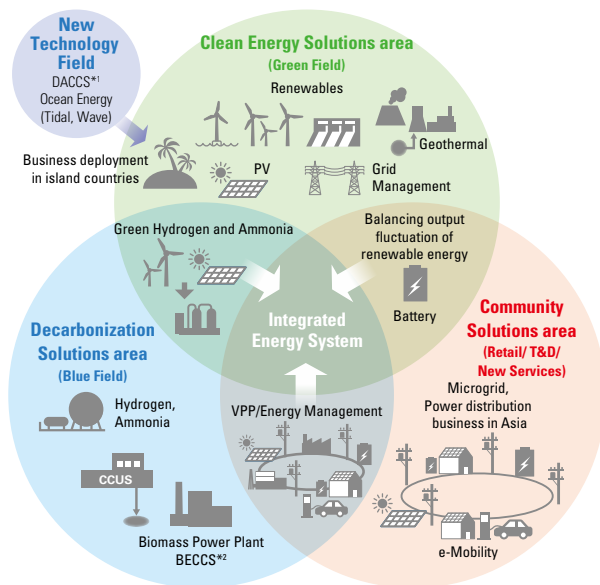
* A portmanteau word combining "global," which means global scale, and "local," which means each country and region.

Vision

● In fiscal 2030, we will build an optimal portfolio that combines the segments of Clean Energy Solutions, Decarbonization Solutions, Community Solutions, and New Technologies.

Promotion of four business segments

We will combine the four segments—Clean Energy Solutions, Decarbonization Solutions, Community Solutions, and New Technologies—to form an optimal portfolio and drive projects such as decarbonization business and community services.



*1 Direct Air Capture & Carbon dioxide Capture and Storage
 *2 BioEnergy with Carbon Capture and Storage

Strategic investments in global business (From FY2021 to FY2030)

● By region

Europe	about 250 billion yen
Asia, others	about 150 billion yen

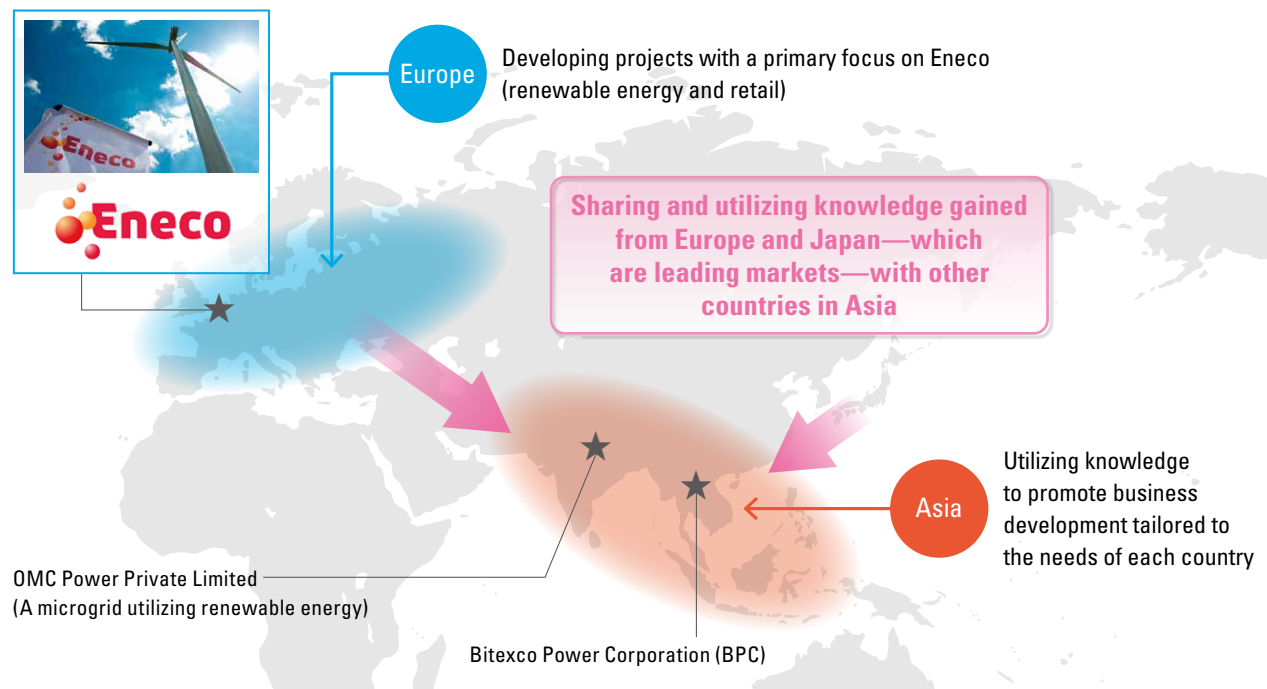
● By business area

Clean Energy Solutions area	about 250 billion yen
Decarbonization Solutions area	about 100 billion yen
Community Solutions area	about 50 billion yen

However, these figures could change depending on the project.

Future area strategy and investments in BPC

First, in Europe we will undertake business and discover projects mainly through Eneco (renewable energy and retail). Additionally, we will also promote business development outside of Eneco's business domain, such as electric power transmission and distribution and hydropower, and businesses in Eastern Europe. We will share and utilize in Asia the knowledge gained from Europe and Japan, which are leading markets, and promote business development that meets the needs of each country.



Eneco

Eneco's Initiatives and Returning Knowledge to Our Domestic Business

With Eneco positioned as our strategic platform in Europe, we will expand the renewable energy and retail businesses centered around Eneco. Moreover, we will return the knowledge gained from Eneco's initiatives to Japan to improve our corporate value.

BPC

Leveraging Chubu Electric Power's Technology and Know-How

We will realize further enhancements of efficiency at BPC's existing hydroelectric power stations by utilizing the technologies and know-how that Chubu Electric Power has cultivated over long years in the maintenance and operation of hydroelectric power generation. We expect to secure stable earnings over the long term by accelerating new development of BPC's renewable energy business.

New Growth Fields

Creation of a “new form of community”



Risks	Opportunities
<ul style="list-style-type: none"> ● Intensifying competition with competitors ● Stagnation of local communities due to declining population and slowing economic growth 	<ul style="list-style-type: none"> ● Rising needs for community problem solving ● Changes in lifecycles and social conditions ● Synergies in sales and technology through collaboration with other companies

Efforts

- Efforts toward community healthcare and the elderly generation
- Efforts toward the child-rearing generation
- Efforts that combine the Community Support Infrastructure business and the real estate business

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



Facilities for realizing further collaboration and cooperation and gaining awareness of new solutions and ideas

Chubu Electric Power utilizes the latest technology and information networks to create new value and contribute to the resolution of various social issues.



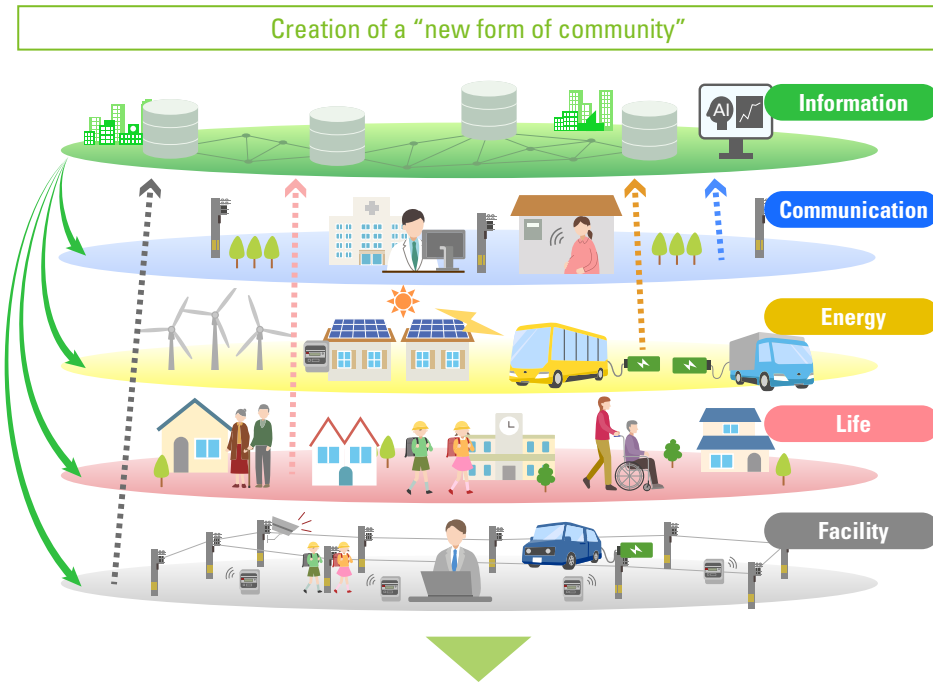
Noda Hidetomo
Senior Managing Executive Officer,
General Manager of Business
Development Division

The Business Development Division was launched in 2019 to establish growth fields that Chubu Electric Power is targeting with the aim of providing new solutions to modern communities, which are becoming increasingly diluted, and contributing to the resolution of various social issues. To the present, it has promoted initiatives for community medical care, initiatives for child-rearing generations, and promoting new services that utilize our assets.

In the future, along with global-wide initiatives for decarbonization and the advance of DX, it is expected that society will become a “decentralized and recycling-oriented” society, while simultaneously the need for “resilience (safety and security)” will increase. To contribute to the transformation of this social system under these circumstances, the Chubu Electric Power Group will accelerate the provision of a “new form of community” through participation in community building and expanding community-based services while valuing cooperation with local residents and each sector.

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.”**



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

<p>Healthcare</p> <ul style="list-style-type: none"> ● Develop services such as online medical examinations ● Provide monitoring (looking-after services) 	<p>Energy management</p> <ul style="list-style-type: none"> ● Demonstration of optimal operation of EV buses ● Demonstration of optimal operation of EV trucks 	<p>Community</p> <ul style="list-style-type: none"> ● Community information service ● Kizuna Net ● Child care support 	<p>Infrastructure</p> <ul style="list-style-type: none"> ● Electric vehicle charging service business ● Automated Meter Reading ● Mimamori-pole
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Participation in the Post-20th Asian Games Athletes’ Village Utilization Project

Chubu Electric Power has formed a consortium with Group companies Chuden Real Estate, ES-CON JAPAN, and other members to participate in a large-scale project for community creation at the site of the athlete’s village for the 20th Asian Games in 2026 (after the games are held).

Based on the unique concept of a Wellness Association, we aim to create a next-generation community where diverse people can connect and help each other to solve various issues facing society, and foster happiness together.



Conceptual image

Real estate developments by Chuden Real Estate and ES-CON JAPAN

Chuden Real Estate and ES-CON JAPAN will engage in joint real estate developments such as condominium developments and commercial facilities developments.

Shirakabe, Nagoya		Suita, Osaka
Ichinomiya		Kakegawa, Shizuoka

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



Risks	Opportunities
<ul style="list-style-type: none"> Decarbonization Increasing electric power and gas sales competition Grid destabilizes (Renewable energy expansion) Manifestation of unprecedented risk 	<ul style="list-style-type: none"> Energy demand growth in Asia Shift to gas Energy technology innovation Increasing electric power and gas sales competition Creation of markets and introduction of systems Digitization accelerates Actions to achieve thermal power with zero CO₂ emissions

Efforts
<ul style="list-style-type: none"> Strengthen domestic power source portfolio through replacement (LNG thermal power generation) Gas-to-Power (LNG sales channel expansion) Flexible Supply Source (LNG assurance) Trading business scope/opportunity expansion Introduce JERA-way O&M to all own thermal power plants and achieve enhanced agility and operational efficiency Large-scale renewable energy (Offshore wind power)

Targets in 2025
<p>Consolidated Net Profit 200 billion yen Credit Rating of A-grade or higher</p> <ul style="list-style-type: none"> Develop domestic replacement: 7-9 GW (5 to 7 sites) Win Gas to Power project LNG fleet: Around 25 vessels Equity output of renewable energy: 5 GW LNG transaction volume: Around 35 MTPA Operation/maintenance of power plants: Equivalent to 80 GW globally Reduce O&M cost by 20% (vs. pre-integration figures of TEPCO/Chubu) Shorten the time needed for regular inspection: -50%

<p>Integration Synergy Effect</p> <p>100 billion yen/Year (within 5 years from integration)</p>	<p>FY2021 Synergy Effect Results</p> <p>Around 85 billion yen</p>
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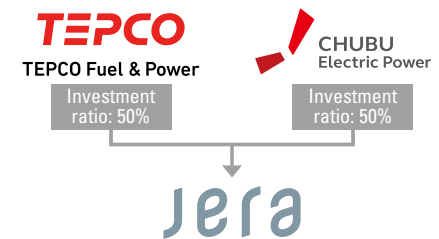
Hekinan Thermal Power Station undertaking a demonstration project for ammonia co-firing

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

In keeping with its mission of “To provide cutting edge solutions to the world’s energy issues”, JERA Co., Inc. has promoted various initiatives with the aim of becoming a “Global leader in LNG and renewables, sparking the transition to a clean energy economy” as its vision for 2025. Based on the steady progress of business and changes in the business environment, in May 2022 JERA clarified its long-term vision and formulated a new vision for 2035 to realize decarbonization in the medium- to long-term while ensuring a stable supply.

In addition to our previously set target of achieving consolidated net income of 200 billion yen in FY2025, we have formulated a financial strategy and new management goals for 2025 with the aim of achieving disciplined growth and maximizing corporate value.

We established management targets for profitability, capital efficiency, growth potential, and financial soundness, and we aim to achieve new management targets and maximize corporate value by promoting growth investments while maintaining medium- to long-term financial soundness.



New management targets

	Management indicators	FY2019-2021 average	FY2025 target value
Profitability	Net income*	120 billion yen	200 billion yen
	EBITDA*	350 billion yen	500 billion yen
Capital efficiency	ROIC*	about 3.5%	Around 4.5%
	WACC	about 3.0%	Around 3.5%
Growth potential	Investment CF	FY2019-2021 cumulative total Around 1,200 billion yen	FY2022-2025 cumulative total Around 1,400 billion yen
Financial soundness	Net DER	Around 1.0 times	1.0 times or less
	Net Debt/EBITDA*	Around 4.0 years	4.5 years or less

* Excludes the impact of delay in fuel cost adjustment. Excludes one-time profits (approximately 120 billion yen) related to the trading business in FY2021

JERA Environmental Target 2035

JERA formulated its JERA Environmental Target 2035 as new environmental goals based on the belief that soaring resource prices triggered by Russia's invasion of Ukraine and the growing importance of energy security will further accelerate the global decarbonization trend more than ever.

JERA Environmental Target 2035

JERA aims to reduce CO₂ emissions from domestic operations by at least 60% (relative to FY2013) by FY2035 through the following:

- Given the expanded adoption of renewable energy based on the national government's 2050 carbon neutral policy, JERA will strive to develop and adopt renewable energy in Japan.
- JERA will work to reduce carbon emission intensity from thermal power generation by promoting hydrogen and ammonia co-firing.

"JERA Environmental Target 2035" is premised on steady progress in decarbonization technology and economic rationality consistency with policy and on the business environment under which it will be realized.

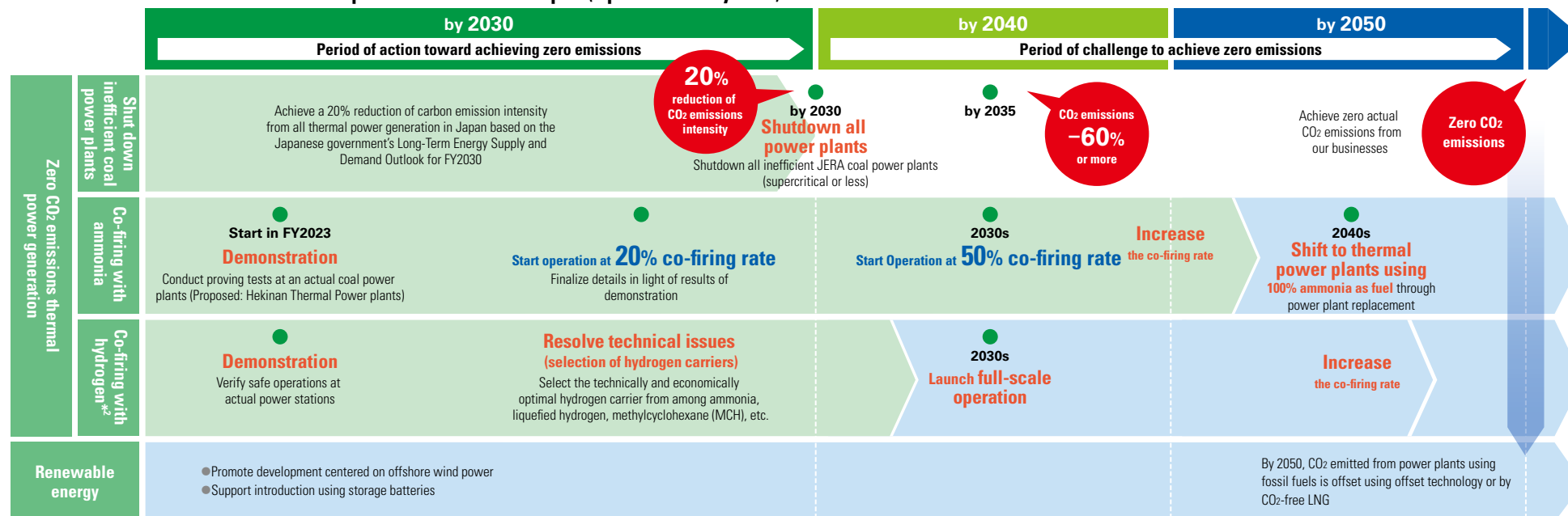
Hydrogen/ammonia introduction plan

To achieve the JERA Environmental Targets, JERA aims to develop decarbonization technologies in the following timeline:

- A demonstration test with an ammonia co-firing rate of 20% will start at Hekinan Thermal Power Station Unit 4 by FY2023, and another demonstration test with a co-firing rate of at least 50% will be conducted at Hekinan Thermal Power Station Unit 5 by FY2028. JERA aims for commercial operation at the same co-firing rate by the first half of the 2030s.
- A demonstration test of with a hydrogen co-firing rate of 30%*1 using JERA's gas turbine combustor will be conducted by FY2025 with the aim of commercial operation in the mid 2030s.

*1 By volume

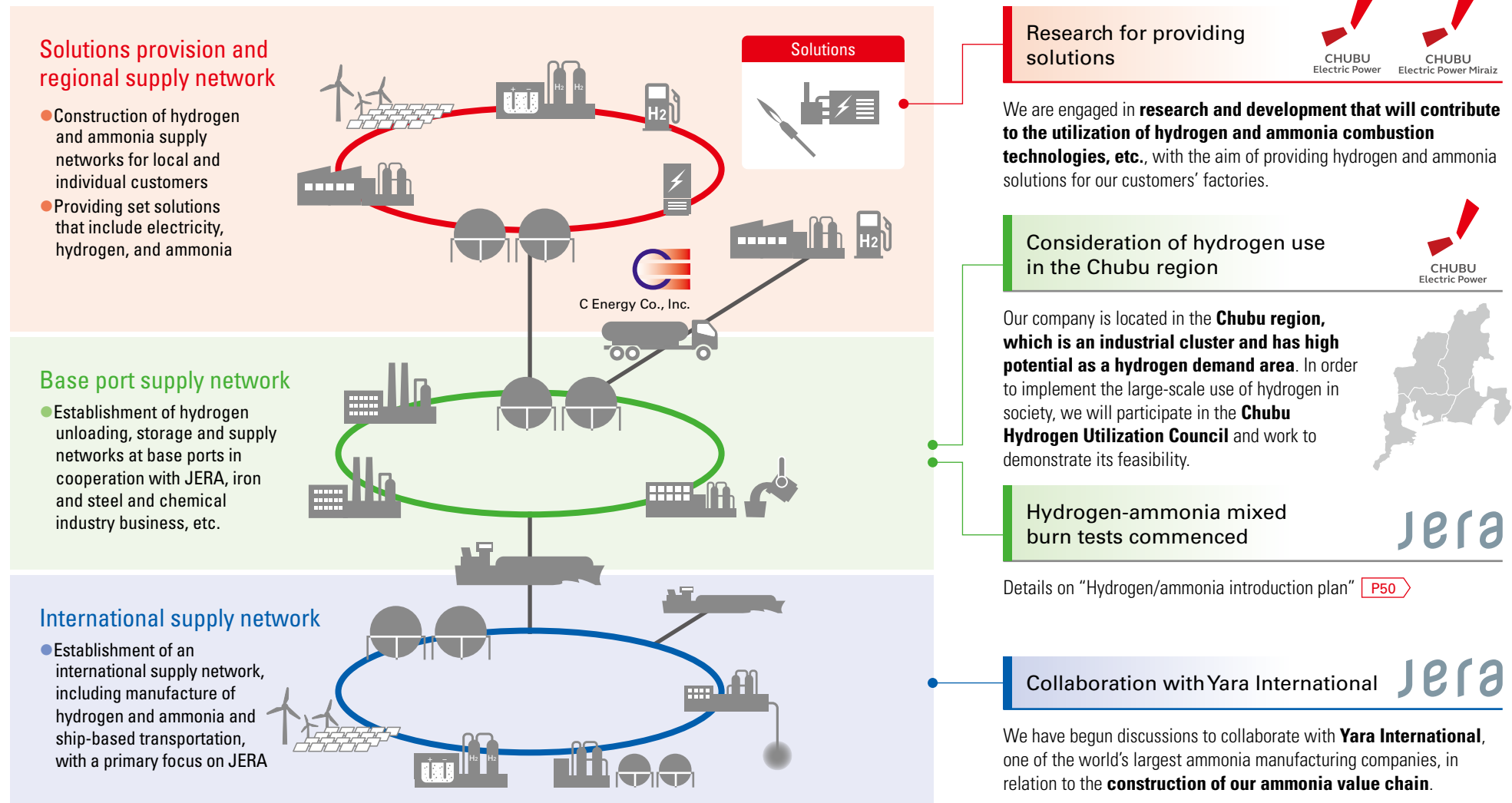
JERA Zero CO₂ Emissions 2050 Roadmap for its Business in Japan (Updated in May 2022)



This roadmap will be gradually developed in greater detail based on relevant conditions such as government policies. JERA will revise the roadmap when relevant conditions change significantly. *2 The use of CO₂-free LNG is also being considered.

Building a Hydrogen and Ammonia Fuel Supply Chain

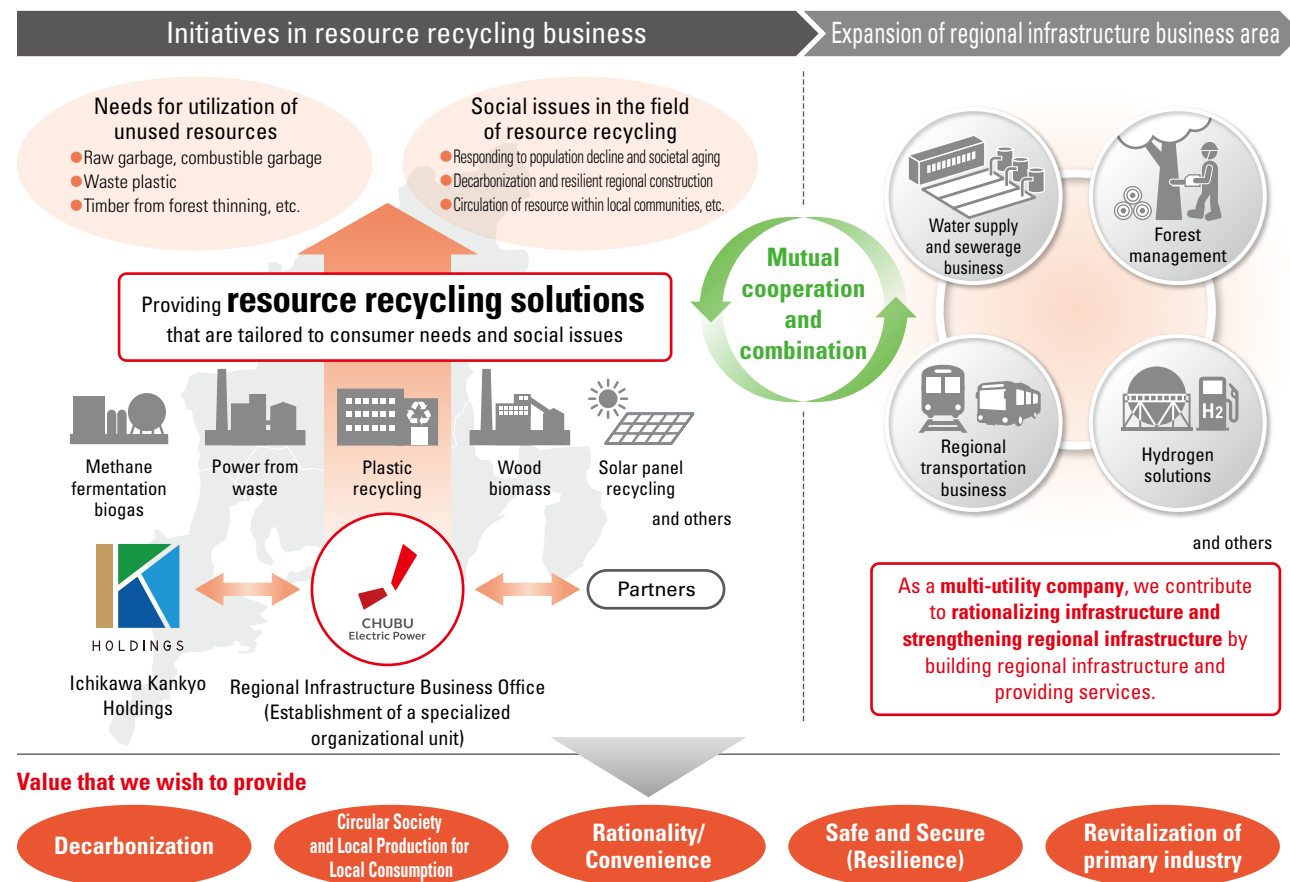
In addition to its achievement in the electric power business, contact points with customers, and energy solutions know-how developed so far, the Group will drive the creation of a hydrogen and ammonia supply chain to help create a decarbonized society, based on advantages such as JERA's insights from having been engaged in demonstrative testing ahead of time.



Undertaking Regional Infrastructure Business

As a company that supports society and the community, we launched the Regional Infrastructure Business Office in April 2022. Together with the Chubu Electric Power Group and various partners, we will undertake a regional infrastructure business that will lead to the strengthening of regional infrastructure in such areas as resource recycling, water supply and sewerage, and regional transportation.

In undertaking our regional infrastructure business, we will deploy the Company's spirit of a public utility business and our ties with the region to address the challenges facing social infrastructure, such as maintaining and improving public services and promoting regional and industrial development and contribute to the rationalization of infrastructure and regional revitalization as a multi-utility. At the same time, we will contribute to the realization of a sustainable and comfortable society by delivering new value through value-added services.

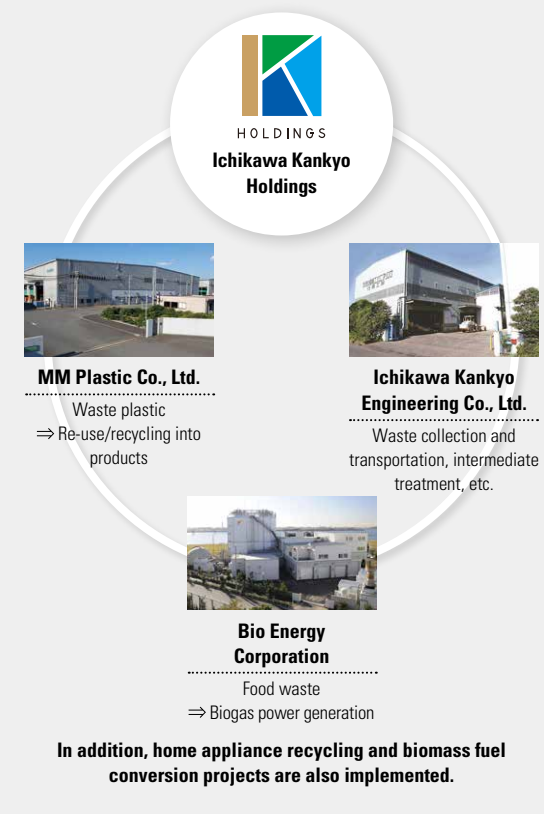


TOPICS

Investment in Ichikawa Kankyo Holdings

In the resource recycling business, in December 2021 we invested in Ichikawa Kankyo Holdings, which has been highly acclaimed in the industry for its pioneering efforts in biogas power generation and plastic recycling.

In the future, we will contribute to the creation of a decarbonized and circular society by utilizing the extensive experience and knowledge of the Ichikawa Kankyo Group to provide solutions that meet the needs for unused resources in local communities.



Foundation for Growth

MESSAGE



Ito Hisanori

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

Achieving transformation of the Chubu Electric Power Group through promotion of DX strategy and enhancement of human resource strategy

The Chubu Electric Power Group will facilitate corporate growth and workstyle reforms through a threefold effort integrating our digital transformation (DX) strategy, human resource strategy and Kaizen (improvement) activities.

Utilizing the resources secured as a result, we will also accelerate our ongoing initiative to transform customer services and will deliver new value and customer experiences.

With the aim of aggressively promote our DX and human resource strategies, we established the Digital Transformation Strategy and Promotion Office and Human Resource Strategy Office in April 2022.

The Digital Transformation Strategy and Promotion Office will lead group-wide efforts encompassing Chuden CTI Co., Ltd. and other group companies to promote DX.

The Human Resource Strategy Office will implement the human resource strategy and design of associated systems in an integrated manner, and by doing so, enhance our strategies for diversification, sophistication and appropriate allocation of human resources, who are the essence of our corporate value. At the same time, we will endeavor to create a work environment and systems so that every human resource can play an even more active role.

Digital Transformation (DX) Strategy

DX in the Chubu Electric Power Group

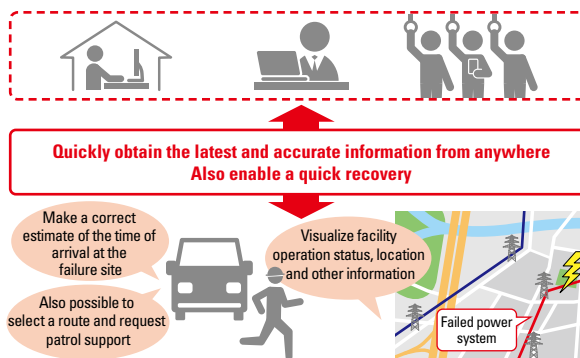
Through operational reforms utilizing digital technologies, we will achieve an enhanced life-work balance that allows fulfilling and autonomous workstyles.

While doing so, we will promote the transformation of customer services to deliver greater service value as well as new value from the customer-oriented perspective by evolving energy platforms, building data platforms and combining these two.

Example of operational reform

Operational reform through centralized management of information

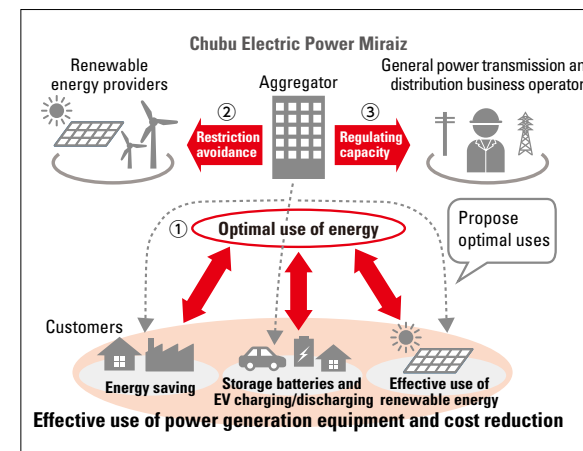
With a view to increasing its disaster response and resilience, Chubu Electric Power Grid integrates and centrally manages information from multiple information systems as well as paper-based information and disseminates the integrated information throughout the company, thereby enabling anyone to check information, including the latest failure information, from anywhere. A quick facility recovery is also made possible by visualizing facility operation status, power outage, failure and other information on a map.



Example of transformation of customer services

Deployment of aggregated services

As an evolution of energy platforms, we will combine distributed energy resources (storage batteries, EVs and solar power) as well as demand and other information by using digital technologies and provide aggregated services that deliver various values. These include: 1) reducing energy costs of customers through optimized use of energy; 2) conducting optimum operation that will enable customers to avoid restraints on renewable energy; and 3) providing supply and demand balancing capacity to general power transmission and distribution business operators by utilizing surplus power.



Nurturing human resources to engage in DX

For nurturing human resources to engage in DX, we will provide information technology (IT) literacy education to all employees. To nurture human resources to promote DX and DX key persons, we will also participate in an internship program of TSUNAGU Community Analytics Co., Inc., a data analysis company, and encourage personnel exchanges between business and IT divisions.

Human Resource Strategy

Direction of our human resource strategy

In our Management Vision 2.0, we have defined three envisioned human resource profiles under the belief that the growth and active roles of each and every one of our human resources are the essence of actual corporate value. In realizing the vision, it is essential that everyone in the Group will achieve further growth toward these envisioned profiles and be active in various fields.

The Group aims to create a positive cycle where the growth and active roles of individuals will be a driving force for enhancing our corporate value and where the fruits of our efforts to attain our unchanging mission in pursuit of new ways to deliver energy and to create and deliver new value to society will lead to further growth and more active roles of employees. To this end, we intend to proactively invest in human resources and create an environment and systems needed to realize such growth.

Three envisioned human resource profiles required by the Group

Background

- The growth and active roles of human resources are essential in achieving our management vision. Accordingly, we have defined three envisioned human resource profiles: human resources who can pursue the evolution of “energy delivery”; human resources possessing the mindsets and abilities for tackling the challenges; and human resources with technological skills who can implement innovation in society.
- In achieving our management vision, we have been cultivating a corporate culture to unite the Group and make concerted efforts. For diversification and sophistication of human resources, we have been investing in human resources from the perspectives of work motivation and growth and learning opportunities, in addition to our ongoing safety and health initiatives and an effort to enhance comfort at work, which has been accelerated while responding to COVID-19.



Analysis of human resources

We have formulated a specific action plan by analyzing required personnel both qualitatively and quantitatively.

Qualitative analysis of human resources

We have identified areas that need to be strengthened by conducting simulations of specific skills and the number of employees required by each business and division.

- New service; • Offshore wind power; • Overseas businesses; • DX

Quantitative analysis of human resources

We have made a forecast of quantitative trends concerning human resources in the future through a simulation of required personnel based on our future business development.

Action plan

Securing human resources: Quickly closing human resources gaps

- Increasing the number of employees hired, including mid-career hires
 - Regular recruitment:** Plan to recruit 400 persons in order to secure required personnel over the medium to long term while considering changes in the business environment
 - Mid-career recruitment:** Plan to recruit 140 persons in order to proactively secure work-ready human resources in new growth fields
- Securing diverse human resources in terms of occupations and regions, etc.

Developing human resources and further enhancing work environment

- Creating growth and learning opportunities;
- Increasing employees' motivation at work and enhancing comfort at work

Strategic use of human resources data

- Building a human resources data platform

Joint efforts of labor and management

- We pledge to make joint efforts of labor and management concerning measures to invest in human resources for their autonomous growth, because employees, who are members of the labor union, assume the key role in implementing these measures.

MESSAGE



Furuta Shinji

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

Working to create an environment where our work colleagues can remain safe and healthy and devote themselves to their work and where each of our diverse human resources can grow and take active roles

Toward achieving sustainable growth, and under the belief that the growth and active roles of each and every one of our human resources are the essence of actual corporate value, Chubu Electric Power Group has been working to ensure the safety and health of employees, which are integral to our management foundation and represent one of our top priority issues. We are also focusing on the creation of an environment in which diverse human resources can develop their abilities and play active roles.

With regard to safety and health, we are fostering a culture of safety, which also encompasses our subcontractors, and promoting health management that will lead to greater motivation at work and performance.

On the basis of the safety and health thus ensured, we will work to increase motivation at work so that diverse human resources, including women, older employees and persons with disabilities, can work with vitality, and enhance comfort at work through the creation of a work environment and systems matched to diverse workstyles.

In addition, the Group will proactively make investments in people, which include creating growth and learning opportunities to support employees' voluntary learning and individual skills development efforts.

Fostering a Culture of Safety and Promoting Health Management

Formulation of the Basic Safety and Health Policy and the Safety and Health Principles of Action

The Basic Safety and Health Policy articulates Chubu Electric Power's policy to create a better environment so that our work colleagues can devote themselves to their work in a safe and healthy way and work actively. The Safety and Health Principles of Action represent a specific code of conduct for executives and employees to foster a corporate culture and workplace atmosphere, which value people, in order to materialize the Basic Policy.

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.

Safety and Health Principles of Action

All executives and employees with the unwavering conviction, "all injuries can be prevented" and "we will remain healthy throughout our lives," will act in the following manner at all times:

- (1) Praise actions for safety and health and hold dialogues.
- (2) Utilize the lessons learned from the successes and failures of our colleagues in our own actions.
- (3) Identify, promptly mitigate, and manage all possible risks.
- (4) Improve measures both for people (awareness, education and training, and rules) and for objects (facilities and equipment).
- (5) Collaborate with business partners for safety and health.
- (6) Act safely even after working hours and strive to maintain and enhance health.

Chubu Electric Power will continue to implement measures and make investments for safety and health.

Providing safety and health training

From FY2019, 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 FY2021, 17 executives participated in the program that lasted for a total of about 12 hours and undertook safety and health initiatives while setting targets by themselves.

For heads of the departments who are the key persons for safety and health activities in each workplace, we provide workshop-style training designed to raise awareness, encourage behavior change and instill the Safety and Health Principles of Action in the workplace. In FY2021, 731 department heads attended the training. Additionally, we are enhancing rank-based safety and health training for employees holding managerial positions, new employees and others.

Support for safety activities

Safety specialists who have received specialized training systematically monitor the status of safety activities in the workplace at the three Chubu Electric Power companies through document checks, on-site inspections and interviews and visualize each workplace's strengths and shortcomings that need to be improved. Each workplace voluntarily works to make sustained improvements based on what it has recognized through the visualized data.

Safety contests

Chubu Electric Power holds company-wide safety contests with the participation of the Company's management, employees 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 efforts to proactively practice safety activities. In FY2021, we held a contest on a paper basis and only gave out certificates of commendation for safety activities in person due to the COVID-19 pandemic.



Presenting a certificate of commendation for safety activities

Safety and health training for presidents of group companies

We provide safety and health training by outside specialists to presidents of the Chubu Electric Power Group companies as an effort to raise safety and health awareness throughout the Group.

Creation of an environment to ensure well-being

Promotion of health management

Chubu Electric Power has been proactively 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.

Since FY2019, we have been providing mandatory comprehensive medical check-ups free of charge to all employees for early prevention and early detection of serious illnesses, with about 50 industrial health staff members throughout Chubu Electric Power offering detailed health guidance to all employees based on their checkup results.

In FY2021, in order to help instill behavior change and exercise habit among employees for promoting the health of each, we handed out a wearable device to employees wishing to visualize their lifestyle data, including pedometer data and sleeping hours. We plan and hold health promotion events using the handed out devices so that health activities will take root among employees.

Through these initiatives for health management, we will continue to strive to create a better environment where employees can devote themselves to their work in a mentally and physically healthy way.



Online health guidance



Handing out a wearable device

External assessment regarding health management

- ◎ **Recognized as "Certified Health & Productivity Management Outstanding Organization (White 500)"** for two consecutive years (from FY2020)
- ◎ Included in the **top-ranking** group in the electricity and gas industries category of the Survey on Health and Productivity Management for two consecutive years (from FY2020)
34th place among the 2,869 companies that have responded to the survey (in the top 1% in FY2021)

Providing workplace vaccinations for COVID-19

In accordance with the Japanese government's policy concerning workplace vaccinations for COVID-19, the Chubu Electric Power Group has provided workplace vaccinations to accelerate vaccinations in local communities, cooperate to reduce their burden in this area and help prevent the spread of COVID-19. We have provided vaccinations to a total of about 16,000 persons, including employees of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz as well as employees of group companies and other business partners.



Workplace vaccination venue

Investment in People – Increasing Motivation at Work

The Chubu Electric Power Group intends to remain a company chosen by customers and society by allowing employees to feel motivation at work through their growth and active roles. In order to become such a company, we have been working to create a workplace where employees can work with vitality. Efforts include explaining in detail about how attractive and rewarding our businesses are as early as in the recruitment phase, utilizing an internal job posting system to respond to employees' willingness to take up a challenge and deepening workplace communication.

Recruitment activities

Regular recruitment

In realizing our Management Vision 2.0, we recruit diverse human resources on a stable and regular basis to ensure the steady implementation of various business plans.

As part of our recruitment activities, we hold briefing sessions and tours of various facilities to foster an understanding of our mission in more specific terms.

We are also active in hosting an internship program. By providing opportunities for students to actually experience work related to their specialized fields and future careers, we are working to encourage them to gain professional awareness and draw up a future career vision before joining Chubu Electric Power.

We believe that these activities have led to our low turnover rate, which is 5.0% among employees with less than three years of service*1.

*1 Average percentage in the past 10 years

 Recruitment information
(Japanese version only)



Corporate briefing session

Mid-career recruitment

The business environment facing Chubu Electric Power has been undergoing drastic changes, as represented by development of offshore wind power and other renewable energy sources, promotion of DX and initiatives for achieving carbon neutrality. We regard these changes as business opportunities and are proactively recruiting core, work-ready human resources with business experiences in diverse fields under our mid-career recruitment scheme.

Utilizing an internal job posting system

In order to respond to employees' willingness to take up a challenge and develop career on their own, we operate an internal job posting system to solicit employees for specific business operations, such as development of new businesses. Most recently*2, among applicants to five projects, 16 employees have been selected and given new assignments.

*2 From January to August, 2022

Deepening workplace communication

One-on-one meetings

Workplace communication is important as it will serve to build a trust relationship between employees and their supervisors as well as colleagues and lead to greater productivity.

As a response to remote working that have expanded through the promotion of flexible workstyles, we have introduced one-on-one meetings companywide to enhance communication. These meetings will also provide growth opportunities for employees on a constant basis, supporting the cycle of reflecting on their own efforts in the past and gaining new recognitions.



One-on-one meeting held online

Feeding back performance evaluation results

We conduct detailed evaluations of 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 facilitate communication for employees' further growth.

Multifaceted evaluation

To boldly take up the challenge of responding to changes in the business environment, it is important for employees in management positions, who are at core of the workplace, to conduct human resources management that can lead to sustainable growth of both an organization and people. As a means of supporting such management, we conduct multifaceted evaluation to help them hone their management capabilities.

Thank-you e-mail

We will cultivate a culture of complimenting and accepting each other by utilizing "Thank-you e-mail," an internal communication tool to show a feeling of gratitude one another while paying attention to small things in daily lives.

Investment in People – Enhancing Comfort at Work

Based on the understanding that, in addition to creating an appropriate workplace environment, enhancing life (the foundation for living) is necessary for employees to work actively, the Chubu Electric Power Group is working to realize life-work balance. To improve this balance, we are enhancing employees' comfort at work by creating a proper work environment through introduction of working systems and welfare programs, which allow flexible workstyles, and by undertaking activities to promote diversity.

Flexible workstyles

We have increased the flexibility of our working systems to enable individual employees to choose a workstyle best suited to an environment in which they are working.

More specifically, we have updated our flextime system by removing its core time requirement and allowing employees to work intermittently. Other systems include: a teleworking system, including working from home, which is available regardless of the distance from one's workplace; daily life support leave system, in which employees accumulate unused portions of their annual paid leave for attending on a sick family member, nursing care or participating in a school event.

Of these systems, 79% of all employees used the teleworking system during FY2021.

Welfare programs

In order to support employees' foundation of living, we have dormitories for unmarried employees, offer property accumulation support measures, such as various saving programs, and operate employee shareholding association and other systems.

Moreover, in responding to diversifying ways of family and lifestyles, we provide enhanced and flexible welfare programs, from which employees can choose ones they prefer, including rent subsidy and other housing-related measures, a cafeteria plan and services provided by specialized welfare service companies.

For all employees, including dispatched workers, we also provide company cafeterias and subsidies for participating in social gatherings in the workplace.

Promoting diversity and inclusion

Chubu Electric Power promotes diversity and inclusion so that 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, in order to create new value and services.

 Promoting Diversity

[Promoting employment of persons with disabilities (challenged)]

Including those working at our special subsidiary Chuden Wing Co., Ltd., about 350 persons with disabilities are working in our Group in various fields (as of June 2022). Those employees of Chuden Wing pick up and deliver internal mail, clean buildings, maintain and manage flowerbeds and run a cafeteria, Wing Cafe, within the Headquarters building of Chubu Electric Power.

We also plan to open the Chuden Wing Farm in November 2022 to grow strawberries as an effort to develop business in new fields.



Maintaining and managing a flowerbed

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

In order to step up our efforts to promote diversity, we have set the following targets related to the number of female managers and engagement of male employees in childcare and have been undertaking relevant activities.

- ◎ **More than triple** the number of female managers in FY 2025 compared to FY2014;
- ◎ Achieve the percentage of male employees taking childcare leave of **30% or higher** in FY2025

Toward these targets, we provide training to promote the career formation of women and engagement of men in housework and childcare and offer childcare and nursing care leave systems, among others.

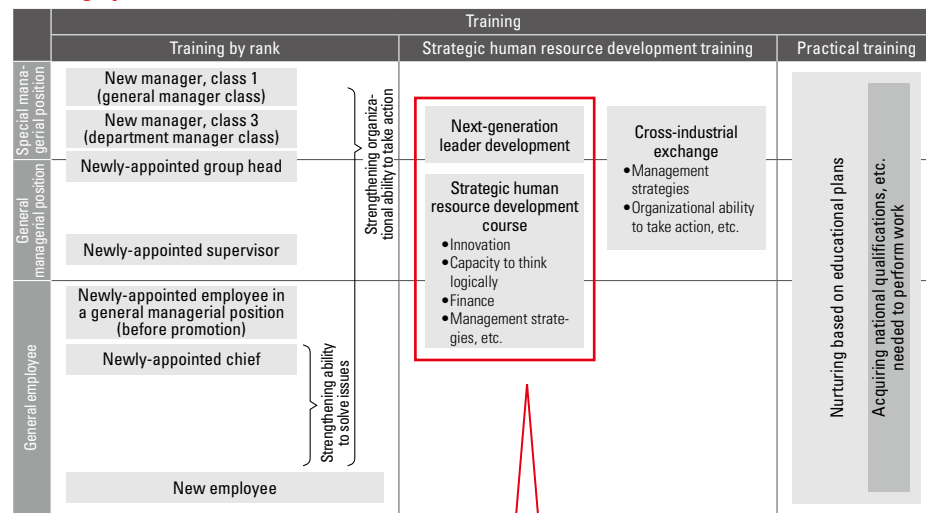
[Supporting active roles of older employees]

To enable older employees to retain their motivation and skills and continue to play active roles, we provide self-setup training for employees reaching the age of 52, thereby implementing a system to allow employees to be active in broad job categories by utilizing their careers after reaching the mandatory retirement age.

Investment in People – Creating Growth and Learning Opportunities

Human resources development at the Chubu Electric Power Group is basically centered around on-the-job training (OJT). In addition, we offer training mainly designed to facilitate an understanding of the Group’s mission and sense of value and encourage changes in the thinking and behavior matched to positions as well as systems to support employees’ voluntary learning.

Training system chart



We provide the following training to nurture future leaders and managers.

• **Next-generation leader development**

We are nurturing next-generation leaders who can foresee the future from a medium- to long-term perspective and create new value even in an era of drastic changes. Among department manager class employees, we select those who will lead the Company’s management in the future and provide training to gain needed skills and knowledge, such as organizational theories, tactical thinking and leadership. In FY2021, 10 persons participated in the training.

• **Strategic human resource development course**

We are nurturing human resources capable of creating new value in new business areas. We provide training on needed capabilities and skills, such as those related to management strategies, innovation and analysis of financial data. In FY2021, 203 persons participated in the training.

[Personal development support]

As part of our investment in human resources to support their individual growth and active roles, we have in place various systems for improving skills, including a system to provide subsidy for correspondence courses, qualification acquisition support system and domestic study-exchange program. Along with these systems, we intend to create new learning opportunities, such as online learning programs that enable employees to participate from anywhere and anytime when they have extra in-between time.

[External assessment regarding human resources]

We have received high ratings from both the national and local governments regarding our overall efforts related to human resources, ranging from efforts for health management, diversity, including promotion of women’s active roles, and to childcare support.

Health Management	Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE): <ul style="list-style-type: none"> • Health & Productivity Stock (FY2021) METI and the Nippon Kenko Kaigi: <ul style="list-style-type: none"> • Recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500) (For two consecutive years in FY2021 and FY2022, and for the fourth time in total)
Management that utilizes diversity	METI: <ul style="list-style-type: none"> • Diversity Management Selection 100 (FY2014) • First in the electric power industry
Promoting women’s active roles	Ministry of Health, Labour and Welfare (MHLW): <ul style="list-style-type: none"> • “Eruboshi” certification (from FY2016 to date) • First among companies headquartered in Aichi Pref. • Award for Excellent Equal Opportunity / Work and Family Life Balance Companies (Promotion of equal opportunity section) • Excellence Award of the Director of the Aichi Labour Bureau (FY2013) METI and TSE: <ul style="list-style-type: none"> • Nadeshiko Brand (FY2015) First in the electric power industry Aichi Prefecture: <ul style="list-style-type: none"> • Aichi Josei Kagayaki Company (Aichi Women’s Career Success Supporting Company) (from FY2016 to date) Nagoya: <ul style="list-style-type: none"> • Received the Female-friendly Company Award (from FY2010 to date)
Support for working parents	MHLW: <ul style="list-style-type: none"> • Platinum Kurumin certification (from FY2021 to date) Aichi Prefecture: <ul style="list-style-type: none"> • Family-Friendly Company Award (from FY2010 to date) Nagoya: <ul style="list-style-type: none"> • Received the Award for Excellence of Childcare Support Company (from FY2009 to date) • Received the Award for Work-life Balance Promotion Company (from FY2018 to date) Shizuoka Prefecture: <ul style="list-style-type: none"> • Received the Award for Childcare Support Company (FY2018)

COLUMN Making Concerted Efforts under Our Corporate Philosophy toward Achieving the Management Vision

We believe that, in order to maximize the value we provide to customers and society, it is crucial to unite employees and make concerted efforts to achieve our management vision. To this end, we are deepening a mutual understanding among employees, conducting projects to let them actually see how our corporate philosophy and management vision are linked to their daily work and work-related sense of value and increasing employee engagement.

Initiatives in FY2021

Facilitate an understanding

- Internal newsletters** Run a series of feature articles
- Training by rank** Incorporate into training programs

"Omoikkiri!*" Chuden

We have created a series of videos in which President Hayashi had talk sessions with young employees in their second year, employees in each region and the heads of respective businesses.

These videos have been made available for viewing by all employees to facilitate an understanding that it is important to deepen communication and make concerted efforts toward the achievement of the management vision and resolution of management issues.

*A Japanese word that means doing things to the fullest, with all one's energy, boldly and decisively



"Motto Motto (More and Much More) Talk!" session with young employees

Voice of employee

I was very inspired to get to know about work goals and motivation of other employees in my generation.

Share required awareness with executives

Executive Caravan

Since FY2011, executives have been visiting workplaces to have a direct dialogue with employees. During FY2021, 569 employees participated in the event at 84 locations. Under the theme, "Individual actions to achieve the management vision," they shared the required awareness with executives while confirming how their daily work is linked to the corporate philosophy and can help customers.



Exchanging opinions with an executive

Voice of employee

I have realized how my daily work can help customers by talking with an executive, and that has increased my motivation at work.

Inspire action

Workshop to foster a sense of unity

During the workshop held in each workplace, all employees used an online tool to confirm the link between our corporate philosophy and individual sense of value and then made a list of actions needed to realize our management vision. They also shared these action goals with other workplace members through group work.



Showing an action goal on each employee's PC wallpaper



Workshop held in the workplace

Voice of employee

It was a good opportunity to see my work afresh. I would like to reflect my actions everyday based on these action goals.

Respect for Human Rights

In January 2020, the Chubu Electric Power Group announced the Chubu Electric Power Group Basic Human Rights Policy based on international human rights norms to realize a society in which all human rights are respected. Based on the Basic Policy, we will continue to implement various measures that will maximize the abilities of diverse human resources and enhance our corporate value.

In January 2022, we added the idea of respecting human rights to our Chubu Electric Power Group CSR Declaration in order to clearly show our intention to respect the human rights of all stakeholders.

Chubu Electric Power Group Basic Human Rights Policy

The Chubu Electric Power Group respects and supports the Universal Declaration of Human Rights and other international human rights norms.

1. Respect for human rights

We respect the human rights of all people engaged in business activities, and we refuse to be involved in any human rights violations.

2. Prohibition on discrimination and harassment

We do not discriminate or engage in harassment on the basis of race, nationality, origin, creed, gender, sexual orientation, gender identity, social status, lineage, disability, or other distinctions in any aspect of our business activities.

3. Respect for basic labor rights

We respect the freedom of employees to associate and their right to engage in collective bargaining. In addition, we do not engage in forced labor or child labor in any form.

4. Promotion of diversity

We make use of a diverse workforce and provide opportunities for our employees to fully demonstrate their capabilities.

5. Human rights education and awareness

We provide systematic and continuing education and opportunities to learn about human rights so that our employees may develop a correct understanding and greater awareness.

Initiatives for human rights due diligence

Based on the United Nation's Guiding Principles on Business and Human Rights, the Chubu Electric Power Group is making efforts to survey and identify human rights risks facing the Group, including working conditions and discrimination in the workplace and human rights risks concerning the supply chain.

1. Efforts within the Group

Each year, we hold a Chubu Electric Power Group human rights education liaison meeting attended by the department managers of group companies. During the meeting, we use the questionnaire survey results to check their annual human rights education activity plans and results under the Chubu Electric Power Group Basic Human Rights Policy and monitor their status of compliance with the policy. We also identify points that need to be improved in relation to human rights risks and work to reduce these risks. In FY2020 and FY2021, the focus of the meeting was placed on business and human rights, and we shared information on the introduction of a human rights due diligence system among group companies.

2. Efforts within the supply chain

We conduct questionnaire surveys on suppliers to examine and monitor the status of their CSR and ESG efforts, including human rights, in the supply chain. (Details on: [P62](#))

In the future as well, we will strive to identify, prevent, reduce and report negative impacts on human rights based on the concept of human rights due diligence.

Activities for human rights education and awareness

We are implementing the following measures in accordance with our Basic Human Rights Policy.

- We have established the Companywide Human Rights Education Committee at each of Chubu Electric Power, Chubu Electric Power Grid and Chubu Electric Power Miraiz to discuss plans for human rights education activities and hold lectures on human rights by inviting experts.
- We hold a Chubu Electric Power Group human rights education liaison meeting each year to discuss human rights education and other activities for the current fiscal year and an activity plan for the next fiscal year.
- We provide training by rank on human rights awareness and prevention of harassment (introductory training for new employees, training before promotion of newly-appointed employee in a general managerial position (before promotion), training for newly-appointed group head, etc.: About 800 persons).
- We participate in external human rights and other seminars (about 30 times).
- Distribute a leaflet and put up posters to raise awareness during the Human Rights Week.

Consultation (Relief) Channel

When it becomes apparent that the Chubu Electric Power Group has caused or encouraged a negative impact on human rights, we will proactively work to rectify the situation.

For this purpose, we operate external and internal consultation channels for harassment in the workplace and an internal consultation channel for personnel affairs and working systems, thereby promoting the creation of a workplace environment where employees work with a sense of security.

* Each consultation channel strictly protects the privacy of employees seeking consultation, and their inquiries will not be reported to other parties without their prior consent.

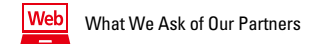
Harassment consultation channel
Number of inquiries made in FY2021:

17

CSR-conscious Procurement

Under the Chubu Electric Power Group Basic Procurement Policy consisting of six rules, including “total compliance” and “safety assurance,” the Chubu Electric Power Group conducts procurement activities while giving consideration to CSR in general, along with ensuring quality and reducing procurement costs.

For business partners, we have formulated “What We Ask of Our Partners” to promote the said policy and have been working to publicize and instill it through various opportunities.



Promoting CSR-conscious procurement jointly with business partners

The Chubu Electric Power Group actively discloses information to its business partners and strives to enhance communications with them. At the beginning of each fiscal year, we hold procurement overview briefing sessions to explain CSR-conscious procurement practices, such as management initiatives and efforts to ensure thorough compliance, in addition to disclosing relevant information, such as procurement plans.

In November 2020, Chubu Electric Power announced “Declaration of Partnership Building” and in doing so declared it will make concentrated efforts for coexistence and mutual prosperity and new collaboration throughout its supply chain as well as ensure compliance using desirable trading practices with parent enterprises (main subcontracting enterprises) and subcontractors.



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 FY2021, we conducted a survey on the status of CSR and ESG efforts of about 300 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 70 items in 8 fields

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

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 working to prevent corruption and improve its partnerships, we also conduct self-checks and business partner questionnaire surveys on the behavioral attitudes of our employees toward business partners.

Chubu Electric Power Group Basic Procurement Policy

1 Total Compliance

- (1) We perform our work duties in strict compliance with all laws, rules and corporate ethics.
- (2) We practice respect for human rights (prohibit child labor and forced and compulsory labor, avoid discrimination, etc.), carefully manage personal and confidential information, protect intellectual property rights, and so on.

2 Safety Assurance

Understanding that safety takes priority over all else, we endeavor to prevent occupational accidents and injuries and ensure public health and safety.

3 Mitigate Environmental Burden

Cooperating with our suppliers, we work to mitigate environmental burden by practicing green procurement, among other measures, and help to build and establish a recycling society.

4 Open Door Policy

We provide access to both Japanese and foreign companies, based on our open door policy, so that we may do business with suppliers with superior technical expertise who can provide quality products and satisfactory service.

5 Fair and Honest Procurement

We transact fair and honest business in the procurement of materials, equipment and so on, basing our decisions on economic rationality while assessing each supplier comprehensively for its prices, product quality, performance, safety, ability to meet delivery and construction deadlines, after-sale service, technical expertise, production capacity, business administration, safety management system and stance on corporate social responsibility (CSR), among others.

6 Work in Partnership

- (1) At Chubu Electric, we regard each of our suppliers as an important partner with whom we seek mutual growth.
- (2) Through open communication and fair and sincere transactions with our partner suppliers, we form stronger trust-based relationships and seek to cooperate with our suppliers to contribute to the sustainable development of society.

Practice of Environmental Management



Environmental Initiatives of Chubu Electric Power Group
(Japanese version only)

The Chubu Electric Power Group will practice appropriate environmental management, and each and every one of our employees shall exercise discipline and act in an environmentally conscious manner. We will contribute to the sustainable development of society through implementation of initiatives in all aspects of energy value chain aiming to achieve a carbon-free and recycling-oriented society that is in harmony with nature.

Chubu Electric Power Group Basic Environmental Policy (Extract)

<p>Realization of a carbon-free society</p> <p>We Will Aim to Realize a Carbon-Free Society</p> <p><small>* For contributions to the realization of a carbon-free society, see page 29.</small></p>	<p>Coexistence with nature</p> <p>We Will Strive to Coexist with Nature</p> <ul style="list-style-type: none"> To protect our rich natural environment, we will take into account ecosystem biodiversity and water resources sustainability as we conduct our business activities.
<p>Realization of a recycling-oriented society</p> <p>We Will Aim to Create a Recycling Society</p> <ul style="list-style-type: none"> We will work to reduce our consumption of resources and strive to minimize disposal volume by reducing waste as well as reusing and recycling resources. 	<p>Increased environmental awareness</p> <p>We Will Endeavor to Raise Environmental Awareness</p> <ul style="list-style-type: none"> We will enhance communication about the environment and energy with members of the community. We will train personnel so that they take the initiative to act in an environmentally-conscious manner and contribute to society. <p><small>* For initiatives increasing environmental awareness, see page 64, "Coexistence with Local Communities."</small></p>

Details of the four initiatives stipulated under our basic environmental policy are provided as appropriate on our website.



Chubu Electric Power Group Basic Environmental Policy

Biodiversity-conscious business activities



Chubu Electric Power strives for conservation of biodiversity by carrying out construction work while giving consideration to the local ecosystem and creating green zones matched to the local characteristics. These efforts are designed to maintain the functionality of the local ecosystem and ultimately reduce natural disaster risks.

- **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 opinions of local community members.
- **Protection of rare plant species and raptorial birds:** When installing power cables or substations, we conduct field investigations, and as necessary, transplant rare plant species to prevent their loss and change work processes to mitigate impact on raptorial birds.



Environmental assessment
(mountain hawk-eagle)

Business activities in consideration of water resources sustainability



For Chubu Electric Power, water resources represents an important resource essential to our business activities. We accordingly engage in sustainable management and efficient use of water resources.

- **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 through dam operations:** In conducting hydroelectric power generation, we implement measures against turbid water and conduct dam discharge to keep the required river flow volume, and by doing so, work to ensure the cleanness of river water, maintain river channels and ultimately conserve riverine environments.
- **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.
- **Utilization of water supply data:** We will utilize various data we can obtain through our automated meter reading service for water smart meters to contribute to the effective use of water resources. The data will be used to visualize the amount of water used and raise water-saving awareness and to provide support to local governments for early discovery of water leakage.



Appropriate use of water in dam operations:
Kuguno Dam in Kisogawa River system

Business activities for the realization of a recycling-oriented society



We work to minimize the waste we dispose of by reducing the resources we consume and waste we generate and promoting the reuse and recycling of resources.

- **Recycling rate of industrial and other waste: 97.8% (FY2021)**
We have been working to recycle more industrial waste, recycling 95% or more of the waste we generate.
- **Green procurement rate of consumable office supplies: 99.2% (FY2021)**
We have been promoting green procurement as an initiative to reduce environmental impact.
- **Response to the Act on Promotion of Resource Circulation for Plastics**
In order to thoroughly share and reuse consumable supplies, even small items, within Chubu Electric Power, and for using plastic and other resources effectively and reducing the purchase of new products, we have already been operating a system in which unused items within the Company are freely posted and distributed on an internal network.

Coexistence with Local Communities

Social contribution activities

We 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.

Ensuring safety and security

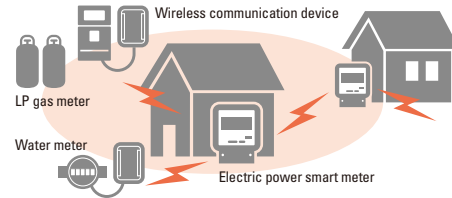
• Kizuna Net

Kizuna Net is primarily a school communication network service that allows parents to receive messages from schools. The smartphone app, currently having more than 1 million users, also provides useful information for families raising children as well as disaster prevention and crime prevention information and information on suspicious persons.



• Automated meter reading service

By using our electric power smart meter communication network, we provide a service to deliver alarm and usage information to local gas and water suppliers. The service is renowned for its ease of access and has been increasing the number of users.



Environmental preservation

• Green curtains

We carry out a campaign to hand out seeds of morning glories and bitter melons to customers to grow “green curtains.” Through this initiative to save energy and electricity during summer by using the workings of nature, we have been increasing greenery and spreading a measure against global warming in local communities.



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. The museum accepts field trips and work experience events hosted by schools and group visits.



• On-demand classes

As part of our support for the education of children who will lead the next generation, our employees and the staff of the Electricity Museum visit elementary and junior high schools to deliver a class, which also includes an experiment and quiz, for children to learn together how electricity is generated and the importance of energy and environmental conservation.



Cultural and sport activities

• Activities of our curling club

We participate in the Junior Curling School hosted by the Aomori Curling Association in Aomori Prefecture and provide curling lessons to elementary school children who have never played curling and junior curling players from the prefecture. Through this and other activities, we work to promote exchange with local community members and increase the popularity of curling.



Industry-academia collaboration activities

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

- Vitalization of retail outlets selling farm fresh produce (Meijo University)
- Use of a wearable device to prevent accidents of agricultural workers (Mie University)
- Setting up communication enhancing measures in mountain areas and examination of the possibility of providing related services (Gifu 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)
- Collaborative class on energy (Aichi University of Education)
- Establishment of an endowed research division to promote research, engaging in human resources development and disseminating information to local communities (Nagoya University)



Field work carried out under the initiative to vitalize retail outlets selling farm fresh produce

Governance

Dialogue between the Chairman of the Board of Directors and an External Director

Katsuno Satoru, Chairman of the Board of Directors, and Shimao Tadashi, Director (external)

Supporting the Development of Society Leveraging Our Strength to “Generate, Send, and Use Energy” for a New Age

Chairman of the Board of Directors Katsuno Satoru and External Director Shimao Tadashi discussed Chubu Electric Power’s initiatives for supporting the sustainable development of society while further evolving the value chain that “generates electricity at power plants, transmits this electricity through transmission and distribution networks, and provides services to customers along with electricity” amid a dramatically evolving environment surrounding the energy business.

Protecting the Stable Supply of Electricity Amid a Rapidly Changing Business Environment

Katsuno: The Board of Directors has held continual discussions for ensuring a stable supply of energy in keeping with the Chubu Electric Power Group’s corporate philosophy of “Chubu Electric Power Group delivers the energy that is indispensable to people’s lives and so contributes to the development of society.” Nevertheless, the environment surrounding the energy business has evolved dramatically over the past several years.

Within this shifting environment that includes the advance of DX, Chubu Electric Power has combined the use of its existing power system centered on large-scale power sources and long-distance power grids together with distributed and circular-type energy systems. At the same time, we have discussed taking this one step further by linking the realization of carbon neutrality to our businesses. Against this background, I believe the time is now ripe for reconsidering the ways we will ensure a stable supply of electricity in view of recent concerns over rising energy prices and power shortages while Russia’s invasion of Ukraine has prompted talks of energy security from the perspective of national economic security.

Shimao: In Japan people’s lives and industry were founded on the assumption that large-scale power

outages would never occur. However, this assumption was shattered in the 2018 Hokkaido Eastern Iburi Earthquake that triggered the first-ever widespread blackout (wide power outage) in Hokkaido. Furthermore, the past 10 years have witnessed a rise in the number of new players entering the energy business and the growing use of renewable energy while conversely usage of thermal power which became unprofitable has declined. The power system has been unable to fully cope with these changes in some areas and this makes me concerned about the possibility of widespread power outages in the future.

Katsuno: Stable supply is related to the inherent nature of electricity in that electricity cannot be stored and the amounts of power generated and consumed must be balanced every moment to maintain frequency. Technically speaking, there are two problems. These are adequacy (having adequate power generation capacity to meet demand) and security (being able to maintain the electric power supply system even if transmission lines malfunctions due to lightning strikes or other factors and partial power outages or a power supply loss occurs).

In terms of security, to protect the entire system, electricity is shut off in the area where an initial power outage occurs before the entire transmission and distribution line system suffer a power outage. This is actually done using automatic control and system stabilization technologies that have existed for many years. We are now making efforts to enhance the reliability of each of these controls and are working to gain the understanding of local residents. As an additional measure, we systematically fell trees on a routine basis to help prevent power outages and to better prepare for prompt restoration of service in the event of a disaster. At the same time, power transmission and distribution companies are raising their levels of disaster prevention and mitigation capabilities such as by providing push-type assistance to power companies in adjoining regions when natural disasters such as typhoons occur.

Shimao: Basically, the strength of humans is indispensable in maintaining the stability of the transmission and distribution network.

When Typhoon No. 15 caused widespread power outages in Chiba Prefecture in 2019, many personnel



Katsuno Satoru
Chairman of the
Board of Directors



Shimao Tadashi
Director (external)

from Chubu Electric Power rushed to the scene to support restoration efforts. I think we are sufficiently maintaining on-site capabilities for restoring power transmission and distribution networks which makes employees find this work very rewarding.

Katsuno: That's right. Nonetheless, maintaining an overall balance between supply and demand is becoming increasingly difficult. As such, there is a growing need to build a low-cost power source portfolio while securing a balance in quantity on the adequacy side to avoid inconveniencing customers.

The proportion of nuclear power in our power supply portfolio has shrunk while the introduction of renewable energy has advanced as a result of the accident at the Fukushima Daiichi Nuclear Power Station in 2011. What's more, the number of new electric power companies entering the market has increased in tandem with the full liberalization of the retail market.

In contrast, a system (capacity market) for reliably confirming the supply capacity of the entire grid has yet to be established. This means we are facing the issue of an energy security framework under which it remains is

unclear who will fulfill the responsibility for ensuring a stable supply.

I believe it important to hold thorough discussions also covering the design of a national system in working toward the realization of a firmly grounded structure that assures stable supplies.

Shimao: In that sense, we too are counting on the Chubu Electric Power Group to lead the electric power industry since we are the ones who receive and use power supplies in the Chubu region. The power facilities that provide these stable supplies of electricity deteriorate over time. With this in mind, the issue of how to proceed with scrap-and-build while earning business profits must be considered in the future.

Katsuno: The more we increase facility investments and operation for stable supplies, the more difficult it becomes to provide inexpensive supplies. Also, as we construct and develop power plants, transmission and distribution networks, and substations, we must also simultaneously conserve and restore the environments surrounding these facilities. In this way, the electric power business must achieve a balance between two

PROFILE

Katsuno Satoru, Chairman of the Board of Directors

Katsuno Satoru earned a bachelor's degree in electrical engineering from Keio University and joined Chubu Electric Power in 1977. He has held positions as General Manager of the Okazaki Regional Office, General Manager of the Tokyo Office, Representative Director and Executive Vice President, and General Manager of the Corporate Planning & Strategy Division. He became President & Director in 2015 and has been in his present position since April 2020. Born in 1954 in Aichi Prefecture.

Shimao Tadashi, Chairperson of the Board of Directors, Representative Executive Director, Daido Steel Co., Ltd.

Joined Daido Steel Co., Ltd. in 1973. He has served as Managing Director, Executive Vice President and Representative Executive Director and President & CEO, Representative Executive Director and has been in his current position since June 2016. In June 2019, he became an External Director of Chubu Electric Power. He was born in 1950 in Fukuoka Prefecture.

mutually opposed matters. Furthermore, in recent years, it has become essential to implement advanced safety measures such as measures to improve the safety of nuclear-related facilities and to mitigate river disasters.

Electricity is a single product that is created by forming a value chain in which many employees handle different roles for "generating, sending, and using energy." Responding to diverse and changing social demands and national policies in each respective area is important. That said, I think dealing with these issues has become more difficult than ever before.

Initiatives to Strengthen Governance for New Growth

Katsuno: I believe that the role of a company is to sell goods and services with added value and give back to stakeholders and support the development of society instead of merely generating profits. We are harnessing the diversity of our employees to simultaneously accomplish our unchanging mission of providing a stable supply of electric power and to create new value. I am confident that our future corporate value that includes the future value of each and every employee will eventually be recognized.

Shimao: It is improbable that people can live without using electricity in the future. The Chubu Electric Power Group's basic system of generating, sending, and using energy will remain unchanged regardless of what transpires in the future. I regard this as a strength that must be valued.

However, any significant increases in sales in domestic business alone cannot be expected so it is essential to promote overseas transfers of the experience and knowledge cultivated to the present. There are still numerous countries and regions worldwide that lack adequate supplies of electricity and because of this I foresee tremendous potential for growth in global markets. In transferring technology overseas, it is necessary to secure essential personnel and cultivate human resources such as by reskilling and by providing them



with various types of experiences.

Katsuno: You are absolutely right. In developing new businesses, including global business, realizing DX conversion and productivity improvements in all operations, securing personnel while increasing employment mobility, and promoting reskilling are crucial.

In fact, electric power companies experienced the first digital transformation from the end of the Showa Era to the beginning of the Heisei Era in the late 1980s and early 1990s and also implemented large-scale redeployment.

First, we installed remotely controlled systems to realize unmanned hydroelectric power plants and substations. At that time, about a dozen staff were operating seven or eight substations. These personnel, who were assigned full-time to operations and patrols, were subsequently redeployed to a newly established office in charge of maintenance and construction. In their new positions, these personnel were free to disassemble and inspect or replace substation equipment they themselves found to be functionally degraded or broken. This new role allowed them to regain their job functions and realize self-actualization and this ultimately led to increased employee satisfaction and the acquisition of a wide range of new skills.

Looking ahead, the ongoing introduction of AI and IoT will spur further changes, making it necessary to think about where we should transfer the knowledge and technology possessed by our employees.

Shimao: Although this of course applies to human resource strategies, it will become increasingly necessary for the Board of Directors of the holding company to check whether the optimality of individual business strategies and decision-making is in harmony with the

overall optimality of the Company as each autonomously undertakes business operations.

Katsuno: On the occasion of electric power system reform, we spun off our businesses into the “generate, send, and use energy” businesses. This has led to the creation of new transfer destinations, namely the Global Business Division and Business Development Division, while also making it necessary to earn new income. The Board of Directors must closely monitor whether overall optimization is being achieved by receiving explanations of the business plan formulation process for each business.

We previously operated an integrated system that allowed us to observe the process flow, from power generation to the customers’ receipt of electricity bills. Now we can even observe each business individually. Meanwhile, as overall optimization has become increasingly important, I believe that the functions of the Board of Directors are gradually evolving.

Nevertheless, discerning between partial optimization and total optimization is still difficult and the directors have been asking for a more appropriate monitoring system. Accordingly, we will change the system so that each business reports on the status of execution directly to the Board of Directors.

Shimao: Besides improving the system, it would be ideal if everyone in each business could see how their current work affects the entire Chubu Electric Power Group and how people are interacting with each other. From among employees, there is also a need to cultivate human resources with the ability to see the entire value chain and control overall optimization. The Board of Directors must also further raise its ability to judge whether overall optimization has been attained.

Katsuno: We recently added a female External Director with expertise in financial accounting, including in overseas business. Four out of nine directors are External Directors and three out of five auditors are External Auditors. These external officers with diverse backgrounds continuously engage in spirited discussions about business operations in a broad range of fields.

Shimao: I am Chairman of the Board of Directors of Daido Steel Co., Ltd., where I also serve as Representative Director. I think that Chubu Electric Power’s Board of Directors is extremely diverse. At board meetings, opinions from External Directors on various issues fly from all angles based on their own respective positions and knowledge. I was truly surprised by their plentiful comments and burning passion during discussions.

Katsuno: The opinions of the External Directors, who have vast experience and knowledge, contain countless points worth listening to and this is what actually makes it so difficult to summarize their opinions.

Serving as a Foundation That Supports the Growth of the Chubu Region

Shimao: For long years the Chubu Electric Power Group has played a role in serving as a foundation that underpins the growth of the Chubu region. What kind of contributions do you envision in the future?

Katsuno: The keywords here are “recycling-oriented” and “self-distributed.” I am confident we can contribute to the transformation of society, which also covers energy systems, through the process of improving energy efficiency and productivity in pursuit of carbon neutrality. Furthermore, even if the energy supply from the existing power grid is interrupted, a “self-distributed” power source can operate independently and this ultimately leads to an improvement in the resilience of the energy system. The Chubu region can also be called



a recycling-oriented economic zone with advanced metal processing and reuse and this includes the automobile industry. Meanwhile, the abundance of agriculture, forestry and fisheries in the Chubu region makes me believe the area will develop further and can become a recycling-oriented and decentralized society. Daido Steel, of which Mr. Shimao is Representative Director and Chairman, is also playing a key part.

Shimao: The steel industry is involved in the manufacturing of materials so it is positioned at the top of the process. In fact, almost all industries from upstream processes to final consumption of materials are concentrated in the Chubu area and undergird the industrial base of Japan. Large-scale power generation and transmission and distribution capabilities are essential for industry.

Microgrids and local production for local consumption of energy alone are probably not very beneficial in supporting a large industrial base. Renewable energy usage has increased and there is emerging potential for self-distributed power sources and distribution networks, such as microgrids. However, I believe these are more suitable for the community and household sector.

Katsuno: Just as you described, there are many customers with large-scale industrial demand in the Chubu region and this makes large-scale centralized power sources and conventional grids essential. If we can combine these with distributed grids that enable local production and consumption of energy, I believe we can build next-generation energy systems.

To improve energy efficiency, an important issue will be the extent to which we can reduce power generation loss when converting fossil fuels into electricity and the transmission and distribution losses when sending electricity from the power plants to the customers.

We can reduce overall power transmission and distribution losses and improve the energy efficiency of the entire region by using systems for local production and local consumption of energy in combination.

Shimao: I have high expectations that the advantages of smart meters currently being introduced can be



deployed in building a new energy system. A smart meter can remotely measure the amount of electricity usage every 30 minutes on a daily basis and also read useful data such as family composition and how home appliances are used. In the future, I believe that the winners of market competition will be determined by how much value they can create by combining electricity and information.

Katsuno: That's right. In the future, the ability to visualize and connect data related to transportation, water supply and sewerage, banks, education, and medical care will lead to emerging new possibilities for various types of value provision and services. Chubu Electric Power is sending electricity and data to customers in these industries. I believe that in the future furnishing platforms that provide value and services with the strength of being connected to these customers and local communities will play an even more important role in society.

Shimao: Everyone is on the same page regarding this point, so it's important to realize this as a business as quickly as possible. However, I don't think smart grids and smart cities can be built overnight. I would like to take on the challenge of creating new businesses starting with areas in which we already have the capabilities based on the keywords "electricity x information."

Katsuno: Technological innovation aimed at achieving carbon neutrality is focused on building a hydrogen and ammonia supply chain. The Chubu region features a large concentration of manufacturing companies. Given this, while proposing solutions to customers who use hydrogen and ammonia we must quickly build and

standardize supply chains, from international supply networks to regional supply networks, so that we can take the initiative on a global scale.

As we work toward carbon neutrality, I believe that thermal power generation is essential because renewable energy and nuclear power alone cannot meet fluctuating demand. Furthermore, ammonia is currently being used as a fuel to promote zero-emission thermal power generation.

Shimao: I too feel that fuel ammonia is appealing. In today's society, fossil fuels are being rejected and fuel ammonia thus represents a technological innovation that will once again revive a new form of thermal power generation system based on fuel ammonia.

Katsuno: I agree. New value can also be created by taking advantage of what has already been created and combining this with new technologies.

Diverse perspectives are important for exploring the possibilities of various combinations. I would like to demonstrate our comprehensive strengths and create new value while utilizing the perspectives and ideas of various employees, including women and seniors.

Shimao: When looking at my own daughters and grandchildren, I can see that their curiosity, sensitivities, and sense of speed are completely different and it might be a good idea to leave things to them. It is important for diverse employees to think and act for themselves.


Katsuno: Yes. I believe that corporate value will increase only when diverse employees can find job satisfaction in their respective workplaces and that this leads to self-actualization and a sense of purpose in life.

Corporate Governance

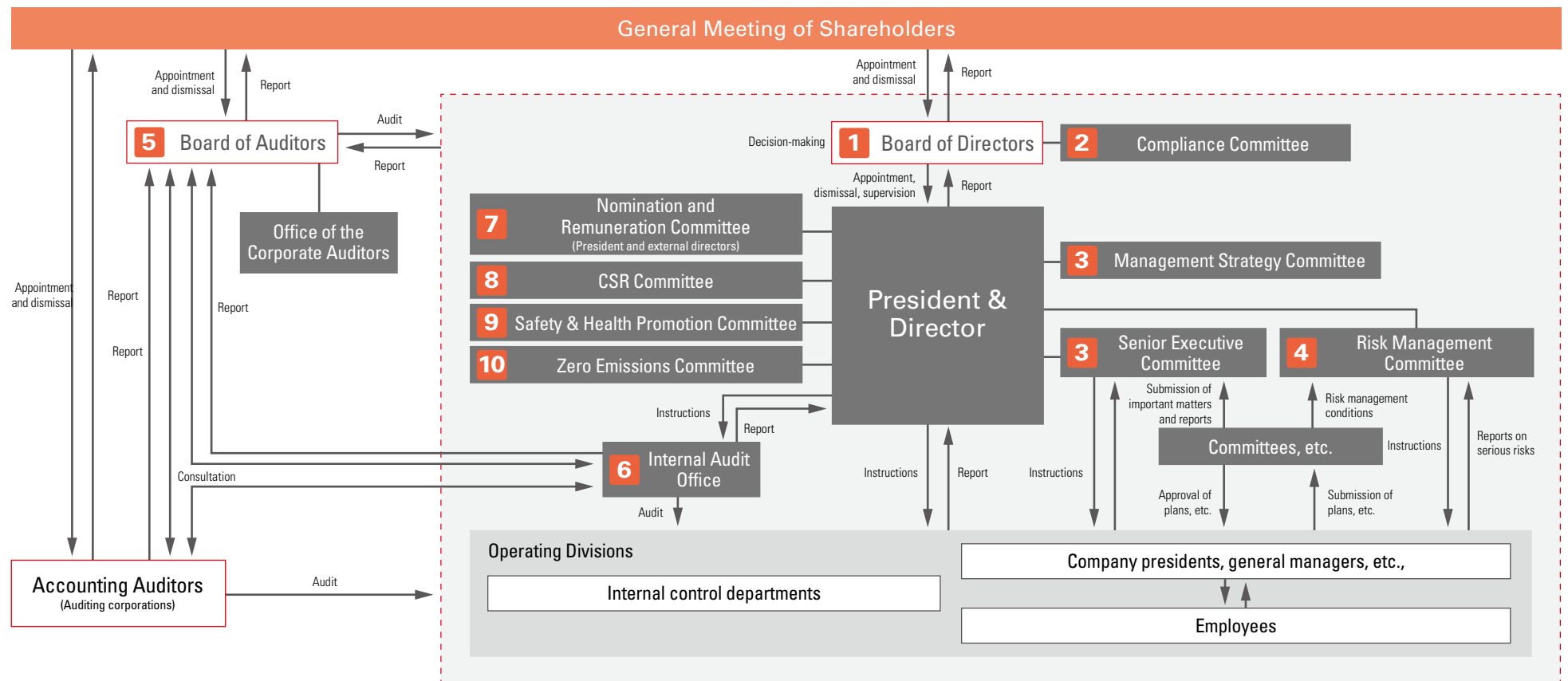
Basic concept regarding corporate governance (Excerpt from Chubu Electric Power Group Basic Corporate Governance Policy)

The Chubu Electric Power Group believes it is necessary to practice our corporate philosophy and for us to "continue to grow as a group with our customers and society" so as to maintain the trust of shareholders, investors, and other stakeholders, as well as remain the customer's definitive choice of energy supplier.

For this reason, bold steps have been taken 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.

 Chubu Electric Power Group Basic Corporate Governance Policy

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. In order to strengthen supervisory functions, external directors have been introduced.

Nine directors including external directors
Held **16** 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, Company Presidents, General Managers and other executive 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 representative directors 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 Board of Auditors

The Board of Auditors works to allocate the roles of the Corporate Auditors and share 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.

Corporate Auditors audit every aspect of the performance of duties by the Directors, for which purpose they deepen their understanding of the Directors, the internal audit divisions, and operating divisions, 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.

To assess the effectiveness of the Board of Auditors, we implemented a questionnaire survey of all Board of Auditors members and determined that effectiveness is being assured, including for responses to risk events that occurred during the fiscal period.

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 was verified by an independent organization in FY2015 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 companies and provides other support.

Five auditors including external auditors
Held **17** times/year*

7 Nomination and Remuneration Committee

The Committee consists of the President and independent external directors. In developing appointment proposals for directors, corporate auditors, and executive officers and determining the remuneration of directors and executive officers, the Committee ensures the fairness and transparency of the process by obtaining advice from the external directors.

President and three external directors
Held **8** times/year*

8 CSR Committee

The CSR Committee, which consists of the President, Executive Vice Presidents, Company Presidents, General Managers and other executive 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

In August 2019, we established the Safety & Health Promotion Committee chaired by the President of Chubu Electric Power Co., Inc. and composed of the management team, including the presidents of Chubu Electric Power Grid and Chubu Electric Power Miraiz as well as labor unions and other members.

The committee also invites outside experts and shares issues to cultivate safety culture and promote health management and deliberates and decides measures to resolve these issues. 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.

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 CO₂ 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 FY2021.

Directors and Corporate Auditors (As of July 1, 2022)



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 FY2021: 16/16 (100%)



Director & Executive Vice President
Ito Hisanori
Reappointed

General Manager of Human Resource Strategy Office and Corporate Planning & Strategy Division, and CIO*

Apr. 1985: Joined Chubu Electric Power
Apr. 2016: Executive Officer, General Manager of Electrical Engineering Dept. of Power Network Company
Apr. 2018: Executive Officer, General Manager of Tokyo Office
Apr. 2021: Senior Managing Executive Officer, General Manager of Corporate Planning & Strategy Division, Chief Information Officer
June 2021: Director and Senior Managing Executive Officer, General Manager of Corporate Planning & Strategy Division and CIO
Apr. 2022: Director & Executive Vice President and General Manager of Human Resource Strategy Office and Corporate Planning & Strategy Division, and CIO. (incumbent)

Reasons for selecting:
Ito Hisanori has a career history in the Company that, thus far, includes General Manager of Electrical Engineering Dept. of Power Network Company, General Manager of Tokyo Office 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, Ito Hisanori is considered capable of carrying out management that improves corporate value.

Attendance:
The Board of Directors meetings in FY2021: 13/13 (100%)
*CIO: Chief Information Officer



Director (External) (Independent Officer)
Shimao Tadashi
Reappointed

Chairperson of the Board of Directors, Representative Executive Director, 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)

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 FY2021: 16/16 (100%)
Nomination and Remuneration Committees in FY2021: 8/8 (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 FY2021: 16/16 (100%)
Nomination and Remuneration Committees in FY2021: 8/8 (100%)



Director and Senior Managing Executive Officer
Ihara Ichiro
Reappointed

General Manager of Nuclear Power Division, CNO*

Apr. 1984: Joined Chubu Electric Power
Jul. 2015: Executive Officer, General Manager of Hamaoka Nuclear Power Station of Hamaoka Nuclear Power Executive Headquarters
Apr. 2017: Executive Officer, General Manager of Nuclear Power Dept., Nuclear Power Division
Apr. 2021: Senior Managing Executive Officer, General Manager of Nuclear Power Division and Nuclear Power Department, CNO
June 2021: Director, Senior Managing Executive Officer, General Manager of Nuclear Power Division and Nuclear Power Department, CNO
Apr. 2022: Director and Senior Managing Executive Officer and General Manager of Nuclear Power Division, CNO. (incumbent)

Reasons for selecting:
Ihara Ichiro has a career history in the Company that, thus far, includes General Manager of Hamaoka Nuclear Power Station of Hamaoka Nuclear Power Executive Headquarters, General Manager of Nuclear Power Department, Nuclear Power Division, and General Manager of Nuclear Power Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Ihara Ichiro is considered capable of carrying out management that improves corporate value.

Attendance:
The Board of Directors meetings in FY2021: 13/13 (100%)
*CNO: Chief Nuclear Officer



Director (External) (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 FY2021: 16/16 (100%)
Nomination and Remuneration Committees in FY2021: 8/8 (100%)



Director & Executive Vice President
Mizutani Hitoshi
Reappointed

General Manager of Corporate Management Division and CFO*1, Supervisor of Chief Kaizen Officer and CCO*2

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 Chief Kaizen Officer
June 2022: Director & Executive Vice President and General Manager of Corporate Management Division, CFO, Supervisor of Chief Kaizen Officer and CCO (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 FY2021: 16/16 (100%)
*1: CFO: Chief Financial Officer *2: CCO: Chief Compliance Officer



Director (External) (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 FY2021: 16/16 (100%)
Nomination and Remuneration Committees in FY2021: 8/8 (100%)



Director (External) (Independent Officer)
Kudo Yoko
New appointment

U.S. Certified Public Accountant

Apr. 1982: Joined Sompō Japan Insurance Inc.
June 1989: Retired from Sompō 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 (to present)
July 2020: General Manager of Unaudited Contract Review Department at Quality Control Division, Ernst & Young ShinNihon LLC
June 2022: 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 FY2021: --/-(--)

* Kudo Yoko assumed office in June 2022.

* The number of attendances by Ito Hisanori and Ihara Ichiro is for the Board of Directors meetings held after taking office in June 2021.

* The Company judges independence of independent directors under the Judgment Criteria for Independence of External Directors and External Corporate Auditors, which reflect the requirements of independent directors stipulated by securities exchanges which the Company is listed.



Senior Corporate Auditor (full-time)
Kataoka Akinori
Incumbent

Apr. 1981: Joined Chubu Electric Power
 July 2011: Executive Officer, General Manager of Finance & Accounting Dept.
 July 2013: Executive Officer, General Manager of Mie Regional Office, assigned to Environmental Affairs & Plant Siting Division
 Apr. 2016: Senior Managing Executive Officer, General Manager of Finance & Accounting Dept. and Purchasing & Contracting Dept.
 June 2016: Director & Senior Managing Executive Officer, General Manager of Finance & Accounting Dept. and Purchasing & Contracting Dept.
 Apr. 2017: Director & Executive Vice President, General Manager of Legal Affairs Dept., General Affairs Dept., Finance & Accounting Dept. and Purchasing & Contracting Dept.
 Apr. 2018: Director & Executive Vice President, General Manager of Legal Affairs Office, General Affairs Office, Finance & Accounting Office, Purchasing & Contracting Office, and Business Solutions & Corporate Communications Center and Finance & Accounting Center
 Apr. 2019: Director & Executive Vice President, General Manager of Legal Affairs Office, General Affairs Office, Finance & Accounting Office, Purchasing & Contracting Office, and Business Solutions & Corporate Communications Center, Finance & Accounting Center and IT System Center
 Apr. 2020: Director
 June 2020: Senior Corporate Auditor (full-time) (incumbent)

Reasons for selecting:
 Kataoka Akinori has a career history in the Company that, thus far, includes General Manager of Finance & Accounting Dpt., Legal Affairs office., General Affairs office., Finance & Accounting Dpt., Purchasing & Contracting Office, Business Solutions & Corporate Communications Center, Finance & Accounting Center and IT System Center, and has specialized knowledge and a wealth of experience in finance and accounting.
Attendance:
 The Board of Directors meetings in FY2021: 16/16 (100%)
 The Board of Auditors meetings in FY2021: 17/17 (100%)



Corporate Auditor (external)
Nagatomi Fumiko
Incumbent

Attorney at law
 Apr. 1981: Registered as lawyer
 Joined Hachisuka Law Firm
 Mar. 1989: Retired from Hachisuka Law Firm
 Apr. 1989: Established Nagatomi Law Firm (incumbent)
 June 2016: External Auditor of Chubu Electric Power (incumbent)
Reasons for selecting:
 Nagatomi Fumiko has specialized knowledge and a wealth of experience as a lawyer, and can be expected to neutrally and objectively use her auditing abilities based on her viewpoints as a legal specialist.
Attendance:
 The Board of Directors meetings in FY2021: 16/16 (100%)
 The Board of Auditors meetings in FY2021: 17/17 (100%)



Corporate Auditor (full-time)
Terada Shuichi
Incumbent

Apr. 1982: Joined Chubu Electric Power
 July 2012: Executive Officer, General Manager of the Legal Affairs Dept.
 Apr. 2017: Director, Chubu Seiki Co., Ltd.
 June 2019: Corporate Auditor (full-time) (incumbent)
Reasons for selecting:
 Terada Shuichi has a career history in the Company that, thus far, includes General Manager of the Legal Affairs Dept., and has specialized knowledge and a wealth of experience in legal affairs.
Attendance:
 The Board of Directors meetings in FY2021: 16/16 (100%)
 The Board of Auditors meetings in FY2021: 17/17 (100%)



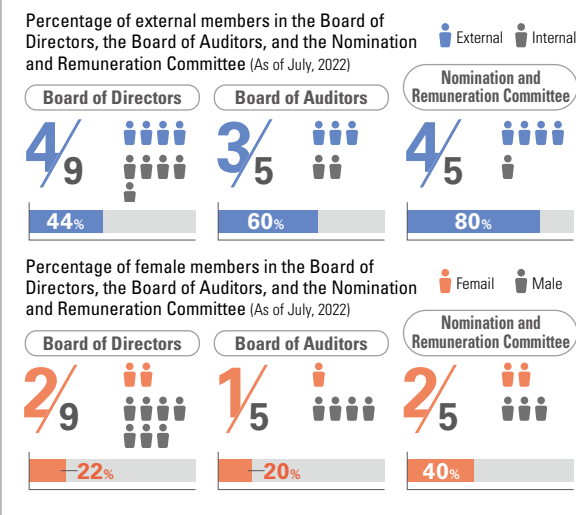
Corporate Auditor (external)
Takada Hiroshi
Incumbent

Chairman, ACC
 Apr. 1969: Joined TOYOTA MOTOR CORPORATION
 Jan. 1995: General Manager of Advertising Division, TOYOTA MOTOR CORPORATION
 June 2001: Member of the Board of Directors, TOYOTA MOTOR CORPORATION
 June 2003: Managing Officer, TOYOTA MOTOR CORPORATION
 June 2005: Senior Managing Director, TOYOTA MOTOR CORPORATION
 June 2009: Chairman of the Board of Directors, TOYOTA Mobility Tokyo Inc.
 June 2009: Chairman, TOYOTA Nagoya Education Center, Inc.
 Oct. 2009: President, Member of the Board of Directors, TOYOTA Marketing Japan Corporation
 Dec. 2009: President, Member of the Board of Directors, Toyota Motor Sales and Marketing Corporation
 July 2012: Chairman & CEO, Organization for Small & Medium Enterprises and Regional Innovation, JAPAN
 May 2013: Chairman, All Japan Confederation of Creativity (ACC) (incumbent)
 July 2019: Representative Director, Japan General Incorporated Association of Professionals for Medium and Small Sized Business Management Ltd (incumbent)
 June 2020: External Corporate Auditor, Chubu Electric Power (incumbent)
Reasons for selecting:
 Takada Hiroshi was involved in corporate management as a Senior Managing Director at TOYOTA MOTOR CORPORATION in the past and is currently involved in corporate management as the Chairman of the Board of Directors of ACC, and can be expected to neutrally and objectively use his auditing abilities based on his viewpoints as a corporate management specialist.
Attendance:
 The Board of Directors meetings in FY2021: 16/16 (100%)
 The Board of Auditors meetings in FY2021: 17/17 (100%)



Corporate Auditor (external)
Hamaguchi Michinari
Incumbent

Director General of the SCARDA, AMED
 Dec. 1993: Professor, Nagoya University School of Medicine
 Apr. 2009: President, Nagoya University
 Apr. 2015: Professor, Nagoya University Graduate School of Medicine
 June 2015: External Auditor of Chubu Electric Power (incumbent)
 Sept. 2015: Left Nagoya University
 Oct. 2015: President, Japan Science and Technology Agency
 Apr. 2016: Professor Emeritus, Nagoya University (incumbent)
 Apr. 2022: Director General of the Strategic Center of Biomedical Advanced Vaccine Research and Development for Preparedness and Response (SCARDA), Japan Agency for Medical Research and Development (AMED) (incumbent)
Reasons for selecting:
 Hamaguchi Michinari was involved in academic management as the President of Nagoya University in the past and is currently involved in corporate management as the Director General of the SCARDA, AMED, and can be expected to neutrally and objectively use his auditing abilities based on his viewpoints as an academic and corporate management specialist.
Attendance:
 The Board of Directors meetings in FY2021: 16/16 (100%)
 The Board of Auditors meetings in FY2021: 17/17 (100%)



External directors and external corporate auditors

At Chubu Electric Power, four external directors and three external corporate auditors currently hold office. All of our external directors and external corporate auditors 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 representative directors and auditors regularly to exchange opinions.

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

Senior Executive Officers (as of July 1, 2022)



Hayashi Kingo
President & Director



Masuda Hiromu
Executive Vice President
Chief of Hamaoka Nuclear Power Executive
Headquarters



Mizutani Hitoshi
Executive Vice President
General Manager of Corporate Management
Division and CFO, Supervisor of Chief Kaizen
Officer and CCO, Regional Officer of Gifu Pref.



Ito Hisanori
Executive Vice President
General Manager of Human Resource
Strategy Office and Corporate Planning &
Strategy Division, and CIO



Suzuki Hideya
Senior Managing Executive Officer
President of Renewable Energy Company
Regional Officer of Nagano Pref.



Nabeta Kazuhiro
Senior Managing Executive Officer
General Manager of Research &
Development Division
Regional Officer of Aichi Pref.



Furuta Shinji
Senior Managing Executive Officer
General Manager of Secretarial Services
Office, Safety & Health Promotion Office and
Business Service Division
Regional Officer of Mie pref.



Ihara Ichiro
Senior Managing Executive Officer
General Manager of Nuclear Power Division,
CNO



Katayama Akihiko
Senior Managing Executive Officer
General Manager of Corporate Communication
Division and Deputy General Manager of
Nuclear Power Division (Responsible for
disaster prevention and evacuation support)



Sasaki Toshiharu
Senior Managing Executive Officer Status
Secondment to Federation of Electric Power
Companies of Japan (Vice Chairman)



Sato Hiroki
Senior Managing Executive Officer
General Manager of Global Business Division



Noda Hidetomo
Senior Managing Executive Officer
General Manager of Business Development
Division



Hiramatsu Takehito
Managing Executive Officer
General Manager of Shizuoko Regional Office
Regional Officer of Shizuoka Pref.

Selection of directors, auditors and executive officers

To ensure fairness and transparency in the election of directors, auditors and senior executive officers, candidates are proposed to the Board of Directors after scrutinized by the Personnel Affairs Committee, which consists mainly of the Chairman, the President, and other directors, and with the Nomination and Remuneration Committee consisting of the President and independent external directors. Furthermore, corporate auditor candidates are required to be approved by the Board of Auditors, in addition to the scrutiny at a Personnel Affairs Committee meeting attended by senior corporate auditors, to strengthen the independence of corporate auditors.

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 “achievement of our unwavering mission” and “creating new value” 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 and Corporate Auditors are disclosed as a skill matrix.

● Skills matrix

Name	Position in the Company	Directors' and auditors' outstanding expertise, experience							
		Corporate Management	Finance / Accounting	Legal	Risk Management	Technologies Contributing to Electric Power Supply	DX (Digital transformation) / Business Development	Marketing	Internationality / Diversity
Katsuno Satoru	Chairman of the Board of Directors	●			●	●			
Hayashi Kingo	President & Director	●						●	
Mizutani Hitoshi	Director, Executive Vice President	●	●	●					
Ito Hisanori	Director, Executive Vice President				●	●	●		
Ihara Ichiro	Director, Senior Managing Executive Officer					●			
Hashimoto Takayuki	Director (external)	●					●		●
Shimao Tadashi	Director (external)	●						●	●
Kurihara Mitsue	Director (external)	●	●						●
Kudo Yoko	Director (external)		●				●		●
Kataoka Akinori	Senior Corporate Auditor (full-time)	●	●		●				
Terada Shuichi	Corporate Auditor (full-time)			●	●				
Hamaguchi Michinari	Corporate Auditor (external)				●		●		●
Nagatomi Fumiko	Corporate Auditor (external)			●	●				●
Takada Hiroshi	Corporate Auditor (external)	●			●			●	

* 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.

Board of Directors Agenda

Main topics for deliberation (FY2021)			
• Formulation of Chubu Electric Power Group Management Vision 2.0	• Approval of account settlement, financial statements, and other matters	• Executive personnel	
• Chubu Electric Power Group Corporate Ethics Improvement Committee	• Items regarding the purpose of the General Meeting of Shareholders, other matters	• Acquisition of shares of Bitexco Power Corporation	

Assessing the effectiveness of the Board of Directors

Once a year, Chubu Electric Power surveys all directors and auditors on the makeup, operations, governance, and other aspects of the Board of Directors, and all directors and auditors 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 further enhance the effectiveness of the Board of Directors, the Board that consists of members possessing diverse expertise and experience will engage in wide-ranging discussions while continuing to make further improvements such as strengthening risk management for the entire Chubu Electric Power Group and enhancing deliberations at the Board of Directors regarding important issues such as nuclear power.

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

[Status of response to issues identified in the FY2020 assessment]

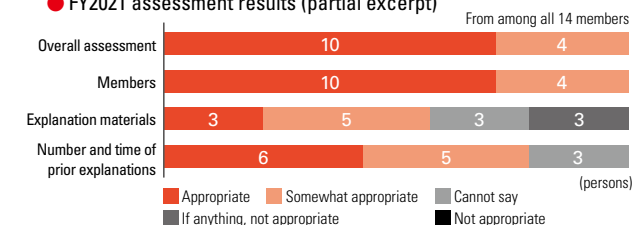
Issues confirmed in FY2020

- Securing time for deliberation at the Board of Directors meetings
- Creating concise and clear materials

State of initiatives in FY2021

- Provide thoroughgoing prior explanations to directors and auditors/ Shorten times for explanations on the day Board meetings are convened
- Make thorough efforts to avoid using in-house abbreviations and industry jargon

● FY2021 assessment results (partial excerpt)



Director remuneration

Directors' 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. However, remuneration for external directors is limited to monthly remuneration and the impact on corporate performance is limited.

Performance-linked bonuses are set with consolidated ordinary income, the management target, as the indicator. In addition, 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-based stock remuneration consists of fixed points determined according to position and points linked to performance. Performance-based points shall be determined every four fiscal years based

on the degree of attainment of consolidated ordinary income targets. Points granted can be revoked in the event of any serious malfeasance or legal violation by directors.

The proportion of monthly remuneration, performance-based bonus and performance-based stock remuneration to total remuneration shall be around 60%, 30% and 10%, respectively, when the management targets are achieved.

Matters related to individual remuneration of Directors 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, and other Representative Directors and at the Nomination and Remuneration Committee consisting of the President and independent external directors.

The remuneration of Corporate Auditors shall be limited to monthly remuneration to limit the impact on the Company's business performance and is determined through discussions among all Corporate Auditors.

● Total amount of remunerations, etc., by director category and the number of directors

(FY2021)

Category	Total remuneration (million yen)	Amount by type of remuneration (millions of yen)			Number of directors/ auditors in the category
		Monthly remuneration	Performance-linked bonus	Performance-based stock remuneration	
Directors (excluding external directors)	283	227	39	17	7
Auditors (excluding external auditors)	76	76	—	—	2
External board members	82	82	—	—	6

* Remuneration limit determined by a resolution by the General Meeting of Shareholders

Directors' monthly remuneration and performance-based bonus:

900 million yen per year (including 84 million yen to external directors)

Directors' performance-based stock remuneration:

530 million yen and 470,000 shares per every four fiscal years (excluding external directors)

Auditors: 20 million yen per month

Policy on director and auditor training

Chubu Electric Power provides training in management, accounting and finance, legal affairs, and other areas to newly appointed corporate directors and auditors, and periodically organizes events such as presentations given by attorneys, CSR seminars spearheaded by experts, and other learning opportunities.

Newly appointed external directors and auditors 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.

Our efforts to improve corporate governance

Chubu Electric Power has been implementing a variety of measures aimed at strengthening its corporate governance, such as those improving its management mechanism to further improve its management efficiency and help it develop into a robust corporate group. In FY2022, we are promoting to build a fair and transparent governance system by increasing the ratio of external directors.

TOPICS

Introducing New External Director Kudo Yoko

Besides her accounting audit experience at major accounting firms in Japan and the United States, she has led support for M&A and business restructuring in the Financial Accounting Advisory Service Department at Ernst & Young ShinNihon LLC. We have expectations that Ms. Kudo will utilize her specialized knowledge and experience cultivated during this career to provide commentary from a wide range of perspectives on management strategies and on resolving important issues.

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.

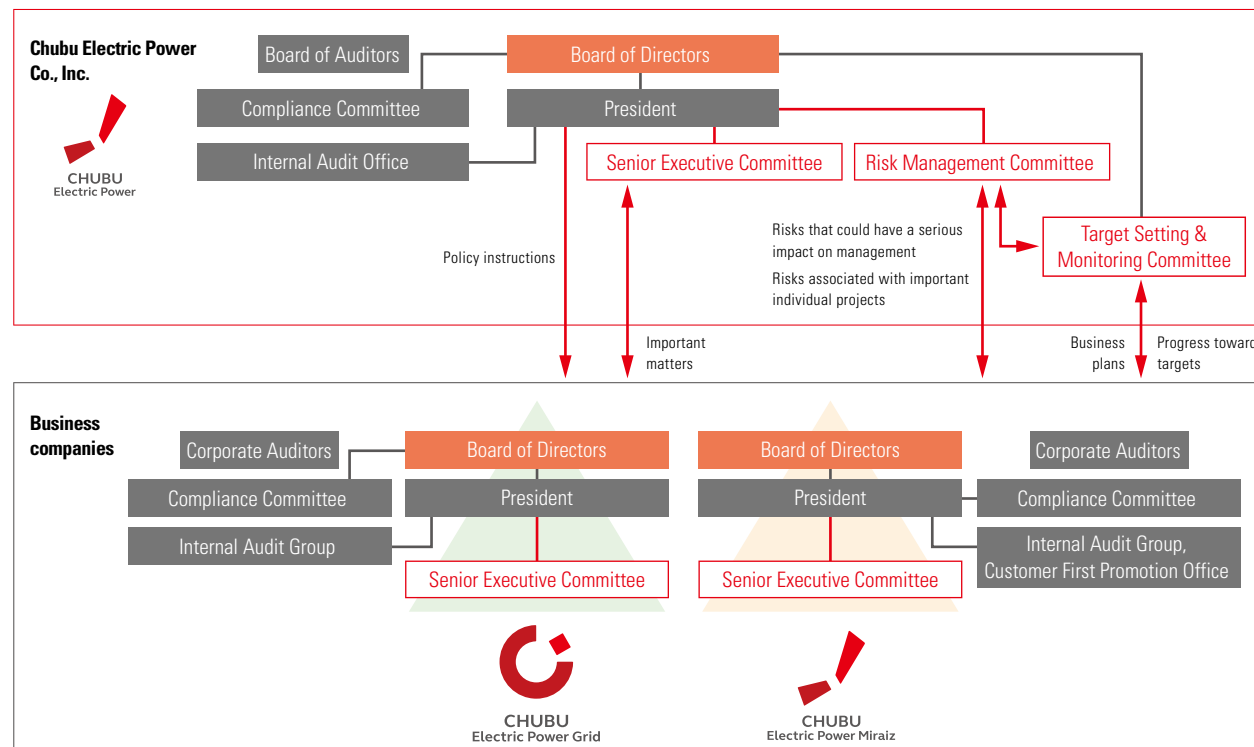
Also, governance of operating companies is assured by having the executives of Chubu Electric Power Co., Inc. participate in deliberations at operating companies by concurrently serving as directors and corporate auditors of these operating companies.

* Conduct control has been put in place to prohibit concurrent assignment as a director of both Chubu Electric Power and Chubu Electric Power Grid and to require appropriate information blocking between them.

Governance structures of Chubu Electric Power Grid and Chubu Electric Power Miraiz

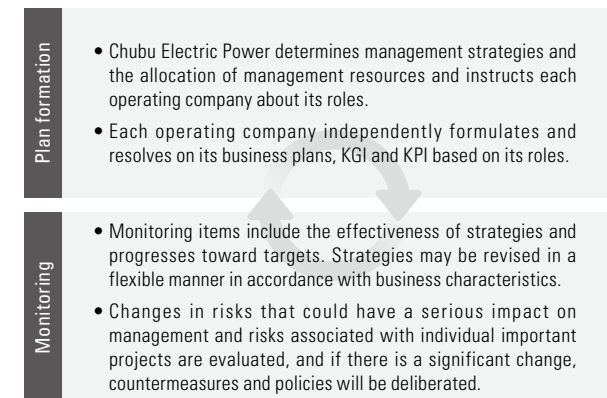
Chubu Electric Power and each of its operating companies have separately established their own governance mechanism, consisting of the Board of Directors, Senior Executive Committee, and corporate auditors (Board of Auditors).

In addition, an appropriate group-wide governance structure has been put in place to ensure, for example, that any matters that could have a material impact on the management plan of the whole group or the operations of an operating company are submitted to management meetings of Chubu Electric Power for deliberation.



Outline of plan formulation and monitoring

Chubu Electric Power seeks to optimize the management through 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.

Management of risks that could have a serious impact on the company

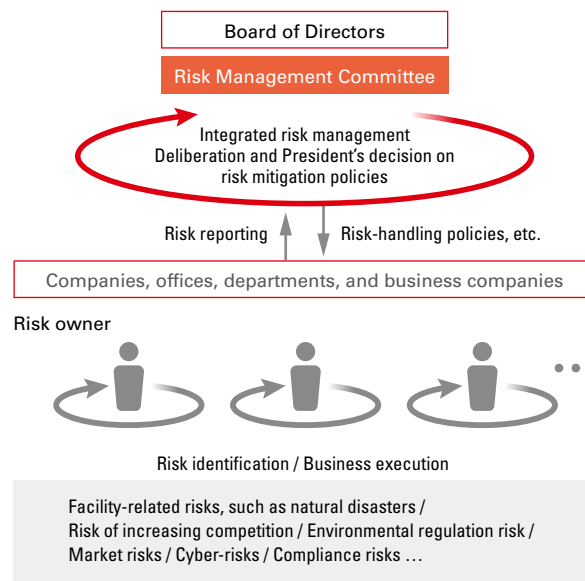
At Chubu Electric Power, the president of each company and the general manager of each department in the headquarters are responsible (risk owners) for the management of business execution risks. Among such risks, risks with a significant impact on management are regularly reported to the Risk Management Department.

The Risk Management Department reports to the Risk Management Committee chaired by the President 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.

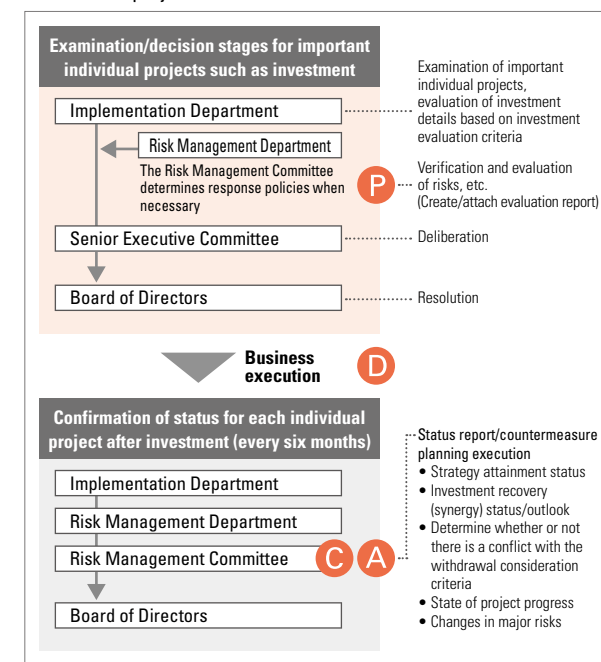
● Risk management organization



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 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



● 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"> The risk management department identifies and assesses risks that could have serious effects on management in an integrated manner The Risk Management Committee deliberates on risk mitigation policies and the president makes the final decision. 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"> Quarterly identification and assessment of changes in risks Risk mitigation policies are deliberated and reflected in risk mitigation measures as necessary C A

Internal Control System

Chubu Electric Power reviews its internal control system for improvements with regard to the matters prescribed in “Systems for Ensuring Proper Conduct of Business Operations,” which prescribes the underlying principles of internal control system improvements, and implements necessary changes from time to time in view of, among others, changes in the business environment. The status of the design and the operation of the internal control system is reported annually to the Board of Directors.

Chubu Electric Power Grid and Chubu Electric Power Miraiz also have established and properly design and operate their own “Systems for Ensuring Proper Conduct of Business Operations” in the same manner as Chubu Electric Power. With regard to internal controls at the Group level, Chubu Electric Power has established a department that oversees Group companies, which is responsible for the formulation of management strategies and policies concerning Group companies and the business administration of them. In addition, our Internal Audit Office conducts internal audits of Group companies by providing support to help Group companies design and operate their internal controls.

As part of our responses to the reporting system for internal controls over financial reporting under the Financial Instruments and Exchange Act, we have developed and operate mechanisms to visualize, verify, and assess important processes related to financial reporting.

Information on Shareholdings

[Investment securities classification standards and approach]

The Company classifies investment securities held for the purpose of receiving profits solely from changes in the value of shares or dividends related to shares as investment stocks for pure investment purposes and other investment securities for purposes other than pure investments as investment stocks for purposes other than pure investment.

[Investment securities for purposes other than pure investment]

● Holding policies, methods for verifying the rationality of holdings, and contents that have been verified by the Board of Directors, etc. concerning the appropriateness of holding shares of individual companies

The Company holds only those listed shares judged to contribute to raising the Group’s corporate value from a medium- to long-term perspective, such as those companies that contribute to the business operations of the Company and the development of the region. Every year, the Board of Directors verifies the suitability of holding listed policy stocks after considering economic rationality and the significance of holding these.

● Number of issues and amounts recorded on the balance sheets

(FY2021)

	Number of issues (issues)	Total amount recorded on the balance sheets (million yen)
Unlisted stocks	119	90,068
Stocks other than unlisted stocks	27	69,601

(Stocks for which the number of shares increased in the current fiscal year)

	Number of issues (issues)	Total acquisition price for the increased number of shares (million yen)	Reasons for the increase in the number of shares
Unlisted stocks	2	309	Investment to improve the corporate value of the Group
Stocks other than unlisted stocks	1	318	Investment to improve the corporate value of the Group

(Stocks for which the number of shares decreased in the current fiscal year)

	Number of issues (issues)	Total selling price related to the decrease in the number of shares (million yen)
Unlisted stock	2	0
Stocks other than unlisted stocks	1	287

(Note) Stocks for which the number of shares increased or decreased in the current fiscal year do not include stocks that fluctuated due to reverse stock splits, stock splits, stock transfers, stock swaps, or merger, etc.

[Investment securities held for pure investment purposes]

No applicable shares

Please see the securities report for details on individual stocks held.



Chubu Electric Power’s securities report (Japanese version only)

Ensuring Compliance Management

The biggest underlying factor that determines the survival and development of a company is the trust it garners from its customers, hosting communities, shareholders, and society at large.

Based on the Chubu Electric Power Group CSR Declaration, the Chubu Electric Power Group established the Chubu Electric Power Group Basic Compliance Policy on the belief that “without compliance, there is no trust, and without trust, there is no growth.” As we are strongly conscious of the fact that being totally compliant is the foundation of management, we foster a corporate culture of action in accordance with compliance requirements and aim to be a “good corporate citizen” that is highly trusted and supported.



Chubu Electric Power Group Basic Compliance Policy

Compliance promotion system

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.



Chubu Electric Power Group Compliance Promotion System

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.

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 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.

*Payments of small amounts to facilitate procedures related to regular administrative services



Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy



System for prevention of bribes to foreign public officials
(Japanese version only)

Formulation of Tax Policy

We established and announced the Chubu Electric Power Group Tax Policy in September 2021. This policy aims at permeating tax compliance awareness throughout the Group and further improving governance based on considerations of tax risks associated with the proactive implementation of strategic investments and the promotion of autonomous management through the split-offs.

Based on this policy, we set up the Tax Committee under the Compliance Committee. The Tax Committee confirms the status of the Chubu Electric Power Group's tax compliance and then regularly reports on confirmed details at the Compliance Committee. In the future as well, we will continuously implement Groupwide measures such as monitoring the status of compliance with tax-related laws and regulations, evaluating the governance system, and undertaking educational activities that contribute to the spread of compliance awareness throughout the Group.



Chubu Electric 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, 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.

Number of consultations

In FY2021, consultations received through the Helplines and the Chuden Group/Joint Helplines included harassment cases and requests for improvements such as in the workplace environment.

Number of consultations in FY2021

75 cases

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 consulter. Regarding post-consultation responses, we appropriately confirm whether or not there is any disadvantageous treatment of the consulter and take necessary measures.

In addition, upon deleting the consulter'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 consulter'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.

● Flow of helpline response



*Additionally, if necessary, we will report progress and confirm intentions to the consulter at each stage.

Main activities in FY2021

[Implementation of governance and compliance reviews]

We performed assessments of compliance awareness and behavioral attitudes of each company through interviews with the top management of Group companies and based on the results each company formulated and implemented an action plan.

[Communicating management messages]

Besides a message from the Chairman of the Compliance Committee, the managers of each department announced policies regarding compliance to the employees under their supervision.

[Implementation of a questionnaire for executives and employees]

To confirm the compliance awareness and behavioral attitudes of our executives and employees, we implemented a questionnaire survey of all employees, including temporary staff, and reported the results to the Compliance Committee. In FY2022, we plan to implement this survey for Group company employees.

[Various educational activities]

We have implemented compliance-related educational and awareness-raising activities covering such matters as harassment prevention, bribery and corruption prevention for internal executives and employees of Group companies.

 Chubu Electric Power Initiatives (Japanese version only)

Business Continuity

Basic ideas of business continuity

1. The Group designs facilities to be highly disaster-resistant and carries out appropriate maintenance.
2. The Group develops a disaster management system to promote early restoration of service and ensure public security, while maintaining and improving response capabilities through drills.
3. The Group makes appropriate use of new findings in its constant improvement efforts for a safer and more stable energy supply.



Emergency power transmission by power generation vehicles

* This is the photo taken at the time of the photo shooting. The symbol mark in the photo differs from the current one.



Tsunami protection measures of substation facilities (floodwall equipment)



Tree-felling training assuming damage to power distribution equipment caused by fallen trees.

Actions to continue operations during major disasters

Creating Business Continuity Plans (BCPs)

In order to secure its operations that must be continued during major disasters, the Chubu Electric Power Group maintains and improves its ability to deal with emergencies by making BCPs and continually improving its Business Continuity Management (BCM) framework.

Building facilities that can withstand disasters

In order to assure stable supply even during large-scale disasters, such as an earthquake or a typhoon, Chubu Electric Power has built facilities that can withstand disasters based on earthquake and wind resistance measures and the multiplexing of facilities.

Against Nankai Trough earthquake

With due consideration to the estimates of damages and changes made to the disaster prevention measures by the national and local governments, Chubu Electric Power is pushing forward with facility upgrades against a major earthquake and tsunami that is expected to occur once every 100 to 150 years based on points of view of restoring power as soon as possible and maintaining public safety. Major facility upgrades were completed by the end of FY2020.

In addition, Chubu Electric Power is pushing forward with necessary measure also against an earthquake and tsunami of the maximum magnitude that could occur theoretically although the probability of occurrence is extremely low, based on the point of view of maintaining public safety (minimizing damage).

Maintaining and improving disaster response capabilities

Following the split off in April 2020, Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz would together establish an emergency task force that unites the three companies to implement disaster responses when a disaster occurs or is predicted to occur.

To maintain and raise our disaster response capabilities, we repeatedly undertake disaster response drills. These include Company-wide disaster drills assuming a Nankai Trough earthquake and tsunami as well as field drills assuming a large typhoon in collaboration with external organizations such as local governments and the Ground Self-Defense Force.



Training involving helicopter suspension of a generator car in cooperation with the Ground Self-Defense Force

Technology Research and Development and Intellectual Property

In addition to resolving on-site issues, we are promoting technology research and development in priority areas necessary for realizing Management Vision 2.0. The Chubu Electric Power Group will work toward the social implementation of innovative technologies by combining the engineering and industrial perspectives cultivated to the present by the Group with the academic and social needs perspectives of universities and research institutes. While undertaking technology research and development activities, the results that the Chubu Electric Power Group produces in its business activities are important intellectual properties and it is imperative to strategically create, use and protect these important intellectual properties to grow sustainably. For this reason, Chubu Electric Power has set forth the policy on intellectual property and conducts intellectual property activities.

Setting priority areas for technology research and development

Toward the realization of Management Vision 2.0, we set seven priority areas for technology research and development and we will promote technology research and development in the future.

- 1 **Renewable energy:**
[Study on floating offshore wind technologies]
- 2 **Hydrogen and ammonia:** [Build a supply chain]
- 3 **Nuclear power:** [Improve safety]
- 4 **Energy platform:**
[Build a microgrid test site, perform verification using actual facilities (Iida City Microgrid)]
- 5 **Data platform:**
[Collect data using IoT sensors, Big Data analysis, analysis of data needed at customer contact points]
- 6 **Expand contact points with customers and provide value:**
[Expansion and electrification of areas of community-based services, introduce alternative technologies for heating combustion]
- 7 **Resource recycling:** [Lithium recycling and reuse, biocascade use]

Case study of technology research and development

Building a test facility for microgrid (MG) and new grid control

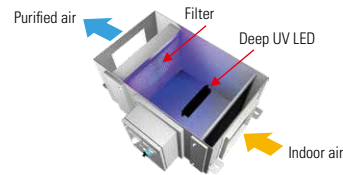
Chubu Electric Power will build an MG test site by FY2023 and undertake various tests. The results will be used at the Iida City MG and numerous other locations.

Development of lithium recovery technology

Chubu Electric Power has established a joint research course with Hirosaki University for the social implementation of lithium recycling. We will establish a satellite hub within the Technology Development Headquarters and promote technology development also with the participation of Toyota Motor Corporation.

Development of the air purifiers using UV

Chubu Electric Power and Kimura Kohki Co., Ltd. have jointly developed an air purifier installed in an air-conditioning duct that inactivates and sterilizes pathogenic viruses and microorganisms in the air.



Initiatives toward social implementation

We will strengthen coordination functions for the social implementation of innovative technologies.



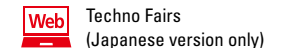
Concluded a comprehensive partnership agreement for the realization of large-scale hydrogen social implementation in the Chubu region

Strengthen cooperation among industry, academia and government

- We will take a bird's-eye view of social issues, promote co-creation initiatives (coordination functions) in each stage from discovery of seeds to commercialization and industrialization to realize the social implementation of innovative technologies.

Holding Techno Fairs

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



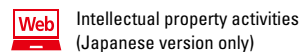
Awards and achievements in technology research and development

- **Development of new lightning strike detector for wind turbine**
(Jointly developed with Chubu University, received FY2021 Shibusawa Award)
- **Development of "Q-ton Circulation" air heat-source circulation heat pump for factories**
(Jointly developed with Mitsubishi Heavy Industries Thermal Systems, Ltd. FY2021 Climate Change Action Minister of the Environment Award)

Promoting intellectual property activities

Policy on intellectual property

- Creation of intellectual properties that enhance corporate value
- Safe protection and effective use of intellectual properties
- Respect for the intellectual property rights of others



Initiatives for intellectual property

Initiatives for promoting the utilization of owned intellectual property	Chubu Electric Power has begun posting its owned patents on its website so that its patents and the services and products that use these patents can be widely used.
Events of patents for license	Chubu Electric Power actively participates in patent events for license convened by the Chubu Bureau of Economy, Trade and Industry, local governments, financial institutions, and other organizations as part of efforts to promote the use of its own patents.
Chubu Electric Power Group Initiatives	We held intellectual property information liaison meetings at 22 Chubu Electric Power Group companies, where we provided various types of education and shared information concerning intellectual property and worked to deploy the collective strengths of the Group.



Released patent matching event (November 26, 2021)

Financial / Corporate Data

Five-Year Operating Statistics

The company's fiscal year (FY) is from April 1 to March 31 of the following year.

Electrical Energy Sold	(GWh)				
	FY2017	FY2018	FY2019	FY2020	FY2021
Low voltage	38,787	36,371	34,628	33,877	32,586
High voltage/Extra-high voltage	82,644	81,886	82,618	76,852	76,346
Total Electrical Energy Sold	121,431	118,257	117,246	110,729	108,932
Reference (1): Electrical Energy Sold including group companies*1	125,309	123,602	122,542	117,145	117,821
Reference(2): Electrical Energy Sold to other companies*2	7,872	11,060	4,453	8,040	11,328

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

Generated Power	(GWh)				
	FY2017	FY2018	FY2019	FY2020	FY2021
Hydroelectric	8,549	8,526	8,707	8,253	8,303
Thermal *	108,046	103,969	—	—	—
Nuclear	(255)	(260)	(248)	—	—
Renewable Energy	46	68	110	417	378
Total Generated Power	116,386	112,304	8,569	8,669	8,681

Note: Internally generated power is based on the results of Chubu Electric Power Co., Inc.

* There are no results for thermal internally generated power after FY2019, as Chubu Electric Power's fuel receiving/storage and gas transmission businesses, as well as the existing thermal power generation and other businesses (hereinafter referred to as "thermal power generation and other businesses"), were succeeded by JERA Co., Inc. through an absorption-type company split, effective April 1, 2019.

Generating Capacity

Generating Capacity	(MW)				
	FY2017	FY2018	FY2019	FY2020	FY2021
Hydroelectric	5,459	5,459	5,459	5,463	5,466
Thermal	25,470	24,376	—	—	—
Nuclear	3,617	3,617	3,617	3,617	3,617
Renewable Energy	39	39	39	88	88
Total Generating Capacity	34,585	33,491	9,115	9,167	9,171

Note: Internally generated power is based on the results of Chubu Electric Power Co., Inc.

* There are no results for thermal internally generated power after FY2019, as Chubu Electric Power's thermal power generation and other businesses were succeeded by JERA Co., Inc. through an absorption-type company split, effective April 1, 2019.

Number of Employees

Number of Employees	(number of persons)				
	FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated	30,554	30,321	28,448	28,238	28,365
Nonconsolidated	16,461	16,086	14,363	3,092	3,127

* 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 from FY2017 to FY2019.

Five-Year Financial Statistics (Consolidated)

(Millions of Yen)

	FY2017	FY2018	FY2019	FY2020	FY2021
Statements of Income Related					
Operating Revenues	2,853,309	3,035,082	3,065,954	2,935,409	2,705,162
Operating (Loss) Income	136,505	125,924	130,832	145,694	(53,830)
Ordinary (Loss) Income	128,532	112,929	191,803	192,209	(59,319)
Ordinary Income excluding time lag (approx. 100 millions of yen)	1,470	1,630	1,530	1,690	670
Income before Income Taxes	105,195	112,929	210,895	192,308	(44,473)
Net (Loss) Income attributable to owners of parent	74,372	79,422	163,472	147,202	(43,022)
Depreciation	267,828	256,465	178,171	182,663	189,154
Capital Investments	343,743	327,120	242,646	255,953	228,533
Balance Sheets Related					
Total Assets	5,529,408	5,987,526	5,500,815	5,686,348	6,174,734
Net Assets	1,791,942	1,844,362	1,962,065	2,103,684	2,123,272
Shareholders' Equity	1,729,742	1,778,495	1,894,393	2,031,166	2,017,128
Outstanding Interest-Bearing Debt	2,595,635	2,981,181	2,425,067	2,333,625	2,800,275
Stock Ratios:					
Net (Loss) Income — Basic (Yen/Share)*1	98.24	104.96	216.11	194.65	(56.90)
Net Assets (Yen/Share)*1	2,285.87	2,350.52	2,504.68	2,686.12	2,667.66
Cash Dividends (Yen/Share)	35	45	50	50	50
Total Shareholders Return (%)	103.2	121.3	111.0	107.6	100.1
(Comparative index: TOPIX including dividends) (%)	(115.9)	(110.0)	(99.6)	(141.5)	(144.3)
Consolidated Payout Ratio (%)	35.6	42.9	23.1	25.7	—
Dividend Payout Ratio (%) (Excluding time lag)	(25.2)	(29.4)	(30.4)	(30.4)	(45.6)
Financial Indicators and Cash Flow Data:					
Shareholders' Equity Ratio (%)	31.3	29.7	34.4	35.7	32.7
ROA (Return on Assets) (%)*2	3.2	3.2	3.0	3.4	1.4
ROE (Return on Equity) (%)*2	5.5	7.4	6.8	6.3	4.1
Return on Invested Capital (ROIC)*2	3.3	3.4	2.9	3.3	1.9
Cash Flows from Operating Activities	424,159	296,406	255,896	384,148	21,688
Cash Flows from Investing Activities	(344,467)	(368,361)	(647,622)	(215,813)	(262,021)
Cash Flows from Financing Activities	(88,670)	337,260	(5,851)	(141,121)	266,403
Cash and Cash Equivalents at End of Period	284,888	550,060	147,576	174,909	201,156

Note: Our fiscal year runs from April 1st to March 31st of the following year.

Note: The "Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018)" etc. has been applied since the start of FY2018. The amounts regarding FY2017 are applied this accounting standard retroactively. For detail, please refer to the financial statement report.

Note: The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) etc. 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.

Note: Chubu Electric Power's thermal power generation and other businesses were succeeded by JERA Co., Inc. through an absorption-type company split, effective April 1, 2019. As a result, the financial data from fiscal 2019 onwards have been changed compared to that FY2017 and FY2018.

*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.

ESG-Related Indicators

			Units	FY2017	FY2018	FY2019	FY2020	FY2021	
Environmental (E)	CO ₂ adjusted emissions base (After reflecting CO ₂ credits, etc.)* ¹ (Basic emission base)		kg-CO ₂ /kWh	0.472 (0.476)	0.452 (0.457)	0.424 (0.431)	0.377 (0.406)	0.382 (0.449)	
		CO ₂ emissions (After reflecting CO ₂ credits, etc.)* ¹ (Basic emission base)	10 thousand t-CO ₂	5,736 (5,785)	5,339 (5,407)	4,969 (5,056)	4,174 (4,494)	4,158 (4,892)	
	Realization of a carbon-free society	Total greenhouse gas (GHG) emissions** ^{2, 3, 4} (Total emissions including group companies* ⁵)	Scope 1	10 thousand t-CO ₂	5,640	5,313	6	11	10(27)
			Scope 2—Offices, power plants, etc.		7	6	19	17	15(17)
			Scope 2—Transmission and distribution loss		—	—	239	247	273(273)
			Scope 3 Total		1,054	1,071	5,924	5,363	5,745(5,918)
			Scope 3—Category 3		* ⁶	* ⁶	5,549	4,966	5,340(5,450)
			Scope 3—Other than category 3		* ⁶	* ⁶	376	397	405(468)
	Total energy consumption** ³			GWh	244,878	225,695	467	1,279	1,191
	Coexisting with nature	SOx emissions* ³		t	3,854	3,686	0	1	1
		NOx emissions* ³		t	7,446	7,312	0	79	74
		Fresh water use (used for nuclear, thermal and biomass power generation)* ³		10 thousand m ³	1,135	1,047	11	21	16
		Total water intake (including seawater and freshwater)** ^{3 7}		Million m ³	* ⁶	68,843	52,365	50,585	51,258
		Total emissions (including seawater and freshwater)** ^{3 7}		Million m ³	* ⁶	68,835	52,365	50,585	51,258
	Creating a circular society	Amount of waste generated** ^{3 8}		10 thousand tons	132.5	156.8	3.6	4.3	4.6
		Industrial waste, etc., recycling rate** ^{3 8}		%	99.7	99.7	97.2	97.2	97.8
	Social (S)	Customer	Annual average failure/outage time per household		minutes	10	348* ⁹	32	5
Customer Center			Calls received	1 thousand calls	3,618	3,866	3,556	3,122	3,264
			Response rate	%	83.9	81.6	88.7	93.2	88.4
Shareholders and investors		Institutional investors/analysts	Financial Results / Management plan briefing* ¹⁰	sessions	2	3	2	3	5
			Facility tour etc.	sessions	5	3	1	1	3
Human resources		Number of employees*	All	persons	16,461	16,086	14,363	14,180	13,995
			Male		14,602	14,233	12,624	12,447	12,237
			Female		1,859	1,853	1,739	1,733	1,758
		Average age*	All	years old	42.6	42.8	42.4	42.5	42.5
			Male		42.8	43.0	42.5	42.6	42.7
			Female		41.0	41.3	41.0	41.3	41.1
		Years of service*	All	years	22.1	22.3	21.4	21.4	21.4
			Male		22.4	22.6	21.7	21.6	21.7
			Female		19.6	19.9	19.2	19.6	19.3
		Number employed through regular recruitment** ¹¹ (Figure for FY2022)	All	persons	380	406	398	392	417(390)
			Male		321	338	332	328	341(327)
			Female		59	68	66	64	76(63)
Number of employees holding managerial positions ** ^{12, 13} (Figure for FY2022)	All	persons	5,945	5,940	5,943	5,914	5,340(5,325)		
	Male		5,800	5,778	5,762	5,685	5,111(5,082)		
	Female		145	162	181	229	229(243)		
Ratio of persons leaving their jobs ** ^{12, 14}	All	%	1.09	1.01	1.05	1.03	1.27		
	Male		0.90	0.88	0.88	0.89	1.13		
	Female		2.55	1.92	2.21	1.96	2.14		

		Units	FY2017	FY2018	FY2019	FY2020	FY2021		
Social (S)	Human resources	Ratio of mid-career recruitment for regular workers★*15	%	6.2	3.1	1.7	2.5	7.7	
		Ratio of workers other than regular workers★	%	7.5	7.8	8.6	9.0	9.7	
		Ratio of workers joining the labor union★	%	87.4	87.4	87.4	87.2	87.1	
		Hours worked per employee★*16	hours	1,968	1,974	1,946	1,948	1,935	
		Number of days taken as paid annual leave per person★*17	days	15.4	15.9	17.4	15.3	16.8	
		Number of days taken as special paid leave per person★*17	days	6.5	6.8	7.3	6.2	8.4	
		Number of persons taking childcare leave★ (Ratio)	Male	persons	9(2.1)	19(4.2)	23(5.6)	43(11.1)	129(29.6)
			Female		182(100)	199(100)	210(100)	214(100)	212(100)
		Number of persons taking nursing care leave★*17	Male	persons	1	5	4	3	1
			Female		1	1	1	1	2
		Ratio of employees who are physically/mentally challenged★*18 (Figure for FY2022)	%	2.39	2.40	2.44	2.50	2.74(2.76)	
		Lost Time Incident Rate (LTIR)★	—	0.55	0.46	0.38	0.21	0.43	
		Number of industrial accidents involving Chubu Electric Power employees★*19	accidents	84	99	77	79	79	
		Number of industrial accidents involving contractors★	accidents	72	60	39	45	39	
		Number of work-related fatalities involving Chubu Electric Power employees★	accidents	0	0	0	1	0	
		Number of work-related fatalities involving contractors★	accidents	2	0	0	1	2	
		Presenteeism: work performance*20	%	—	—	—	—	95.0	
		Absenteeism: work loss due to injuries and illnesses*21	—	8.9	9.4	8.9	8.4	10.6	
		Ratio of employees receiving a stress check	%	99.1	98.5	99.2	98.6	98.5	
		Rate of smoking	%	26.8	25.7	24.6	22.8	20.7	
	Rate of obesity	%	33.5	33.4	35.4	35.0	34.9		
	Social contribution activities	Number of On-demand Classes conducted★	times	368	321	277	105*22	161	
		Number of visitors to the Electricity Museum	persons	294,832	315,010	308,278	18,125*22	78,799	
Governance (G)	Corporate governance structure	Number of Directors*17 (Figure for FY2022)	persons	12	12	12	9	9(9)	
		Number of Corporate Auditors*17 (Figure for FY2022)	persons	5	5	5	5	5(5)	
		Number of External Directors*17 (Figure for FY2022)	persons	2	2	3	3	3(4)	
		Number of Female Directors*17 (Figure for FY2022)	persons	1	1	1	1	1(2)	
		Number of Board of Directors meetings	Number of meetings	14	13	14	14	16	
		Number of Board of Corporate Auditors meetings	Number of meetings	13	14	15	17	17	
	Ensuring compliance management	Number of queries received via the Helpline★*24	queries	47	65	74	72	75	
	Respect for Human Rights	Number of inquiries received via harassment consultation channel★	queries	18	8	16	12	17	
	Fair and equitable transactions	Number of inquiries received from suppliers★	inquiries	74	53	54	39	50	
	Intellectual property	Number of patents owned★	patents	565	542	482	464	455	
		Number of patent applications on a date of publication basis★	patents	22	33	32	30	36	

★ The values for the individual Chubu Electric Power companies are listed up to FY2019 and the total combined values for three companies consisting of Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz companies are listed from FY2020. (In 2020, Chubu Electric Power split off its power transmission and distribution businesses into Chubu Electric Power Grid and its sales business into Chubu Electric Power Miraiz.)

- *1 Reflects adjustments involved in CO₂ emission credits, non-fossil fuel energy certificates and the FIT scheme for renewable energy obtained from the methods stipulated in the Act on Promotion of Global Warming Countermeasures
- *2 Modified the figures for FY2019 onward as we changed our calculation method
- *3 The thermal power generation business was transferred to JERA Co., Inc. in FY2019.
- *4 Figures are rounded and may not match the total.
- *5 Chuden Auto Lease Co., Ltd., Chubu Plant Service Co., Ltd., C-TECH CORPORATION, Techno Chubu Co., Ltd., Chuden CTI Co., Ltd., Cenergy Co. and Diamond Power Corporation
- *6 Not calculated for the fiscal year

- *7 Includes seawater for cooling at power plants, freshwater (river water) for hydroelectric power generation, etc.
- *8 Industrial waste, etc. = Industrial waste + Valuables + Internally recycled goods
- *9 The figure worsened due to repeated typhoon damage in FY2018.
- *10 Includes small-scale sessions
- *11 Number of new employees as of April 1 of each fiscal year
- *12 Includes seconded employees and employees on leave
- *13 Figures as of July 1 of each fiscal year
- *14 Ratio of employees who retired for personal reasons
- *15 Ratio of mid-career hires versus the number of regular employees hired

- *16 Figures representing all regular workers (excluding supervising managers)
- *17 Figures representing all regular workers
- *18 Figures as of June 1 of each fiscal year. Includes seconded employees, employees on leave, etc.
- *19 Those involving medical treatment
- *20 Calculated using Work Limitations Questionnaire (Japanese version) (WLQ-J)
- *21 Calculated based on missed workdays due to injuries and illnesses
- *22 Affected by the spread of COVID-19
- *23 Figures as of June 30 of each fiscal year
- *24 Includes inquiries from group companies

SASB INDEX

The table below outlines the achievements and status of the initiatives of the Chubu Electric Power Group based on the standard developed by the Sustainability Accounting Standards Board (SASB) for the Electric Utilities & Power Generators industry.

Since the SASB standard was created for primarily companies and markets in the United States, it includes accounting metrics that do not apply to business activities in Japan. Nonetheless, we have made efforts to disclose as much information as possible.

Topic	Accounting metric	Category	Unit of measure	Code	FY2021 Results and Initiatives
Greenhouse Gas Emissions & Energy Resource Planning	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	IF-EU-110a.1	(1) 102,258 [t-CO ₂] (2) 0 [%] (There is no "regulated market" in Japan) (3) 100 [%] * Scope 1 emissions are direct emissions of GHG (CO ₂ , N ₂ O, SF ₆ and HFC) based on the Act on Promotion of Global Warming Countermeasures.
	Greenhouse gas (GHG) emissions associated with power deliveries	Quantitative	Metric tons (t) CO ₂ -e	IF-EU-110a.2	48.92 million [t-CO ₂] (41.58 million [t-CO ₂]) * The figure in parentheses indicates the amount of CO ₂ emissions after reflecting adjustments involved in CO ₂ emission credits, non-fossil fuel energy certificates and the renewable energy feed-in tariff system based on the Act on Promotion of Global Warming Countermeasures.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	IF-EU-110a.3	Scope 1 emissions of Chubu Electric Power now amount to approximately 100 thousand tons, as we transferred the thermal power generation business to JERA in April 2019. We will work to reduce the volume by replacing all company-owned vehicles with EVs, PHVs and HVs by 2030. These exclude special vehicles for emergency and construction purposes, which are not suited for electrification. Meanwhile, CO ₂ emissions related to the procurement of retail electricity from other companies make up most of Scope 3 emissions. Our target is to reduce these emissions by 50% by FY2030 from the FY2013 level (about 64.69 million tons). In FY2021, the figure was down to around 41.58 million tons as a result of the increased use of renewable energy and procuring electricity from high-efficiency thermal power plants. We will continue to undertake efforts, including further expanding the use of renewable energy, toward achieving the target.
	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market ²	Quantitative	Number, Percentage (%)	IF-EU-110a.4	(1) N/A; (2) N/A * Japan's RPS law that set out RPS regulations was abolished in 2012, and we have shifted to a feed-in tariff system. * We purchase electricity generated by renewable energy at a fixed price.
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Quantitative	Metric tons (t), Percentage (%)	IF-EU-120a.1	(1) 74 [t]*; (2) 1 [t]* ² ; (3) Not disclosed* ² ; (4) Not disclosed* ² ; (5) Not disclosed* ² *1: The figure does not include the Kamishima Internal Combustion Power Plant, which is for emergency use. *2: Not disclosed because we do not use the measurement method recommended by the SASB standard.
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	IF-EU-140a.1	(1) 51,257,901 [1,000 m ³], 0 [%] * Main applications: For hydropower generation, for the biomass power plant and for maintenance of the nuclear power station (2) 99 [1,000 m ³], 0 [%]
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	IF-EU-140a.2	0
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-EU-140a.3	For Chubu Electric Power's business activities, it is essential to secure a sufficient amount of water, including seawater and freshwater, necessary for operating power plants. We assess water-related risks separately for nuclear power generation, hydroelectric power generation and biomass power generation. This is because we need to consider the natural environment surrounding each plant and social situations. An assessment using Aqueeduct, the World Resources Institute's (WRI) Water Risk Atlas tool, has revealed that annual maximum water risk for our plants is Low to Medium, with some located in Low risk areas. Under national guidelines, all of our hydroelectric power plants discharge water as necessary to maintain the flow rate specified for each river. Depending on watershed areas, we also suppress an increase in downstream flood water by constructing dams with spillway gates and adjusting the volume of water discharged from these dams. As for wastewater generated by operating nuclear and biomass power plants, quality of wastewater as well as frequency and method of measurement are specified in Japan's Water Pollution Prevention Act and agreements with local governments. According to these provisions, we measure a difference in the temperature of warm wastewater to be discharged and the temperature of water that is taken in and monitor that the difference remains within a certain scope. For nuclear power plants, we also measure and monitor the quantities of seawater and freshwater intake. Through these efforts, we operate our power plants while giving consideration to reducing their impact on the surrounding environment.
Coal Ash Management	Amount of coal combustion residuals (CCR) generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	IF-EU-150a.1	N/A [t]; N/A [%]
	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Quantitative	Number	IF-EU-150a.2	0
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Quantitative	Rate	IF-EU-240a.1	(1) 21.68 [JPY]; (2) 14.07 [JPY]; (3) 12.28 [JPY] * Excluding consumption tax and shared charge imposed under the renewable energy feed-in tariff system and including fuel cost adjustment charge
	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Quantitative	Reporting currency	IF-EU-240a.2	(1) 13,932 [JPY]; (2) 28,294 [JPY] * Calculated using an "Otoku" plan (special rate plan) for 40-ampere contracts. Including fuel cost adjustment charge (annual average) and shared charge imposed under the renewable energy feed-in tariff system
	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Quantitative	Number, Percentage (%)	IF-EU-240a.3	(1) 241,284; (2) Number reconnected: 215,783 * Number reconnected because bill payment is confirmed within 15 days of the date of the disconnection
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	n/a	IF-EU-240a.4	According to Japan's Electricity Business Act, "A General Electricity Utility shall not refuse to supply electricity to meet general demand in its service area (excluding, however, demand at the Point of Business Commencement and Specified-Scale Demand) without justifiable grounds." As a general rule, we supply electricity if we receive a request to do so within Chubu Electric Power Grid's service area. We thus believe that every consumer is given the same opportunity to obtain energy. We also recognize that external factors that impact electricity rates are shared charge imposed under the renewable energy feed-in tariff system and fuel cost adjustment charge that reflects fluctuations in the price of thermal power fuels.

Topic	Accounting metric	Category	Unit of measure	Code	FY2021 Results and Initiatives
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	IF-EU-320a.1	(1) Employees: 0.53 * We calculated the rate of incidents only involving employees. (2) Employees: 0; Contractor: 2 * We show the number of cases as quantitative data in place of fatality rate since we do not use the calculation method recommended by the SASB standard. (3) Not applicable * Not disclosed because we do not use the measurement method recommended by the SASB standard.
End-Use Efficiency & Demand	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Quantitative	Percentage (%)	IF-EU-420a.1	No rate structures that are decoupled and contain an LRAM
	Percentage of electric load served by smart grid technology	Quantitative	Percentage (%) by megawatt hours (MWh)	IF-EU-420a.2	Deployment rate of smart meters in the service area Chubu Electric Power Grid: 86.9%
	Customer electricity savings from efficiency measures, by market	Quantitative	Megawatt hours (MWh)	IF-EU-420a.3	We disclose the following quantitative data instead of customer electricity savings. Integrated development solutions • Solutions designed to achieve both better quality/productivity and energy savings and to refine customers' production lines: 196 cases in FY2021 • "Marutto" Chuden • Chubu Electric Power's one-stop services covering everything from design and installation to operation and maintenance of customers' facilities in response to their needs for saving energy and reducing CO ₂ : 237 cases since FY2021
Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Quantitative	Number	IF-EU-540a.1	5 units * Units 1 and 2 already ceased operation and are under the decommissioning process. * Units 3, 4 and 5 are under a periodic inspection and implementing safety improvement measures. * Units 3 and 4 are undergoing a review by the Nuclear Regulation Authority to confirm compliance to the new regulatory standards.
	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	n/a	IF-EU-540a.2	<ul style="list-style-type: none"> Chubu Electric Power not only ensures compliance with the new regulatory standards but also addresses risks and make efforts to minimize them, and promotes voluntary and ongoing initiatives to improve safety. 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. We are strengthening risk management by expanding 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. 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. 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 the national and local governments, relevant agencies and nuclear power business operators to prepare for any nuclear disaster including the release of radioactive materials.
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative	Number	IF-EU-550a.1	Not disclosed * We do not disclose this data given the risks associated with disclosure.
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Quantitative	Minutes, Number	IF-EU-550a.2	(1) 4.3 [minutes] (2) 0.084 [number of times] (3) 51.19 [minutes/time] * Excluding the duration of work-related interruptions

Activity metric	Category	Unit of measure	Code	FY2021 Results and Initiatives
Number of: (1) residential, (2) commercial, and (3) industrial customers served	Quantitative	Number	IF-EU-000.A	(1) 8,272 thousand; (2) 47 thousand; (3) 38 thousand * The figure for (1) represents the number of electric power meters, and there are low voltage supply contracts in addition to the above.
Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Quantitative	Megawatt hours (MWh)	IF-EU-000.B	(1) 28,325,500 [MWh]; (2) 17,844,218 [MWh]; (3) 58,502,095 [MWh]; (4) 4,260,245 [MWh]; (5) 4,111,281 [MWh]
Length of transmission and distribution lines	Quantitative	Kilometers (km)	IF-EU-000.C	<ul style="list-style-type: none"> Transmission line: Overhead - 10,634 [km]; Underground - 1,349 [km] (Line length) Distribution line: Overhead - 130,992 [km]; Underground - 4,710 [km] (Line length)
(1) Total electricity generated (2) Percentage by major energy source (3) Percentage in regulated market	Quantitative	Megawatt hours (MWh), Percentage (%)	IF-EU-000.D	(1) 8,681 thousand [MWh] (2) Hydroelectric power: 95.6 [%]; Thermal power: 0; Nuclear: 0; New energy sources (solar, wind power, etc.): 4.4 [%] * Thermal power is 0 because we transferred the existing thermal power generation business to JERA in April 2019. (3) N/A * There is no "regulated market" in Japan.
Total wholesale electricity purchased	Quantitative	Megawatt hours (MWh)	IF-EU-000.E	Not disclosed * For reasons related to competition resulting from electricity market liberalization

Management Discussion and Analysis of Operating Results, Financial Standing, and Cash Flows

Analysis of Operating Results (FY2021)

Chubu Electric Power Miraiz Co., Inc.'s energy sold decreased by 1.8 TWh from the previous fiscal year to 108.9 TWh due to a switch to other business operators despite a reactionary increase from the impact of the coronavirus (COVID-19).

Total energy sold by Chubu Electric Power Miraiz Co., Inc., consolidated subsidiaries, and affiliates accounted for under the equity method increased by 0.7 TWh from the previous fiscal year to 117.8 TWh.

● Electrical Energy Sold

	(TWh, %)			
	FY2021 (A)	FY2020 (B)	Change (A-B)	Rate of Change (A-B)/B
Low voltage	32.6	33.9	(1.3)	(3.8)
High Voltage & Extra-high Voltage	76.3	76.9	(0.5)	(0.7)
Total	108.9	110.7	(1.8)	(1.6)

* The amount of electricity sold is the actual results for Chubu Electric Power Miraiz Co., Inc.

Reference (1):

	FY2021 (A)	FY2020 (B)	Change (A-B)	Rate of Change (A-B)/B
Electrical energy sold including group companies*	117.8	117.1	0.7	0.6

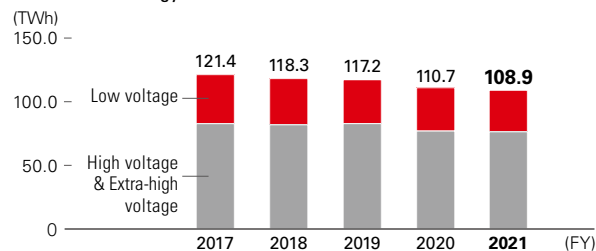
* The sum of Chubu Electric Power Miraiz Co., Inc., consolidated subsidiaries, and affiliates accounted for under the equity method.

Reference (2):

	FY2021 (A)	FY2020 (B)	Change (A-B)	Rate of Change (A-B)/B
Electrical Energy Sold to other companies*	11.3	8.0	3.3	40.9

* 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 subsidiaries and affiliates are excluded.

● Electrical Energy Sold



Electricity demand in the Chubu region increased by 3.6 TWh from the previous fiscal year to 127.5 TWh due to such factors as a rebound from the impact of COVID-19.

● Electricity demand in Chubu region.

	(TWh, %)			
	FY2021 (A)	FY2020 (B)	Change (A-B)	Rate of Change (A-B)/B
Electricity demand in Chubu region.	127.5	123.9	3.6	2.9

* Electricity demand in Chubu region is the actual results of Chubu Electric Power Grid Co., Inc.

For business performance, consolidated operating revenue decreased by 230.2 billion yen from the previous consolidated fiscal

year to 2,705.1 billion yen, mainly due to revenues under the Act on Special Measures Concerning Renewable Energy and expenses corresponding to such revenues being treated as a net amount by implementation of Accounting Standard for Revenue Recognition.

Ordinary (loss) income decreased by 251.5 billion yen to -59.3 billion yen, mainly due to time lag impact, reflecting fluctuation of fuel price into electricity sales price, becoming loss instead of gain, and an increase in power procurement cost by increased prices in Japan Electric Power Exchange in spite of an increase in income of LNG and coal trading in JERA. In addition reversal for fluctuation in water levels of 20.2 billion yen was recognized to curb the damage to net assets in Miraiz caused by decline in profit and loss in the current fiscal year.

Furthermore an extraordinary loss of 5.5 billion yen for the estimated amount of adjustment due to the application for special exception approval to supersede a portion of the imbalance charges by deducting it from future toll charges at the request of METI, following the sharp rise in imbalance charges due to the tight supply and demand of electricity in January 2021.

As a result the net (loss) income attributable to owners of parent was -43.0 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 390.0 billion yen to 2,028.1 billion yen compared with the previous fiscal year, mainly due to revenues under the Act on Special Measures Concerning Renewable Energy and expenses corresponding to such revenues being treated as a net amount by implementation of Accounting Standard for Revenue Recognition.

Ordinary (loss) income decreased by 121.4 billion yen to -83.4 billion yen mainly due to an increase in power procurement costs by increased prices in Japan Electric Power Exchange.

■ Initiatives during the fiscal year

Chubu Electric Power Miraiz is providing services that enrich the lives of our customers and support their businesses based on the key words of "delivering," "getting close," and "connecting."

In April 2021, we established a new company, Chubu Electric Power Miraiz Connect, to provide general lifestyle services based on the concept of "getting close to customers throughout their entire lives." In the future as well, besides delivering electricity and gas, we will continue to expand our services in accordance with the life stages of our customers.

Toward the realization of a decarbonized society, we began providing Miraiz Green Denki that contributes to the spread and expansion of renewable energy and to local production for local

consumption through the delivery of CO₂-free electricity as well as Kanaeru Solar that supports the initial cost burden for installing home solar power generation equipment and storage batteries. Concurrently, we are also promoting the more-efficient use of energy, proposals for decarbonization by switching energy sources and the development of services that utilize demand response.*

In consideration of the increase in power supply procurement costs, we are reviewing sales prices according to the costs required by each customer based on the premise of maximizing efficiency. We will continue to strive for optimal procurement in addition to undertaking thorough streamlining.

* A mechanism whereby customers devise ways to use electricity and control their equipment when it becomes necessary to balance the supply and demand of electricity.

<Power Grid>

■ Operating Results

Operating revenue from provision of power network services increased by 56.7 billion yen to 899.5 billion yen compared with the previous fiscal year, mainly due to an increase in the volume of electricity demand in Chubu region and an increase in the volume of electricity sold through Japan Electric Power Exchange accompanying an increase in the volume of electricity purchased under the Feed-in Tariff Scheme for Renewable Energy.

Ordinary (loss) income decreased by 73.6 billion yen to -14.8 billion yen mainly because the cost of securing balancing capacity to cope with differences between forecasted and actual generation volume in renewable energy in the supply-demand adjustment market introduced in FY2021 was much higher than expected when the system was designed, and the amount covered by the subsidy under the Act on Special Measures Concerning Renewable Energy was much higher than expected.

■ Initiatives during the fiscal year

To increase the amount of connectible renewable energy, we will work to increase the sophistication of our power system facilities and operations while striving to ensure stable supply and demand by steadily making efforts to secure reserve and balancing capacity needed to stabilize supply in the Chubu region and by increasing and strengthening facilities to expand power exchanges with other areas.

Moreover, we are working to reduce supply and demand adjustment costs by improving the precision of our forecasts for renewable energy power output and by jointly procuring with other general power transmission and distribution companies.

Furthermore, we are further rationalizing facilities formation while responding to the increasingly complex flows of electricity due to the increase in renewable energy by utilizing a "centralized voltage control system" that began operation in June 2021. This system can accurately grasp the flow of electricity on distribution lines using data from smart meters and automatically change the settings of voltage regulators.

To further accelerate our autonomous business operations, based on the Chubu Electric Power Grid Vision, which sets our vision for 2050, we will strive to realize a stable supply and low wheeling charges while working to contribute to the realization of the future vision of the region by promoting initiatives toward decarbonization and developing services closely matched to the needs of the region.

<JERA>

■ Operating Results

Ordinary (loss) income from fuel upstream, procurement to power generation and wholesale of electricity/gas business decreased by 66.0 billion yen to -0.3 billion yen compared with the previous fiscal year, mainly due to time lag impact, reflecting fluctuation of fuel price into electricity sales price, becoming loss instead of gain, in spite of an increase of profit in LNG and coal trading business. In addition, ordinary income excluding the effect of time lag of about 125.0 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.

JERA is undertaking various businesses to achieve its mission and vision of "To provide cutting edge solutions to the world's energy issues" and "Global leader in LNG and renewables, sparking the transition to clean energy economy" while taking on the challenge of achieving virtually zero CO₂ emissions from domestic and overseas JERA projects by 2050 under JERA Zero Emissions 2050.

Specifically, JERA is involved in developing an offshore wind power generation project in Taiwan and investing in a major power company in the Philippines. We are also working on a demonstration project and building a supply chain and establishing co-firing technologies for hydrogen and ammonia, for which there are expectations as fuels that do not emit CO₂.

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)

Chubu Electric Power set the medium-term management target (announced in 2019) of "aiming to become a group that can realize a consolidated ordinary income of 170 billion yen or more in FY2021." However, we fell significantly short of this target as we recorded consolidated ordinary income, excluding time-lag impact in the current fiscal year, of approximately 67 billion yen.

In April 2022, we set a new medium-term management target of "Consolidated ordinary income of 180 billion yen or more and

ROIC of 3.0% or more in FY2025." ROIC (excluding the time-lag impact) for the current fiscal year was 1.9%

(Assessment of Impact of the coronavirus (COVID-19))

Electricity demand in the Chubu region increased by 2.9% year-on-year during the current fiscal year due to factors such as a reactionary rebound from the impact of COVID-19. Regarding the impact on revenues and expenditures in the current fiscal year, we believe that there was a reactionary rebound from the impact of COVID-19 in each segment.

However, if there is a further spreading of or prolonging of the impact of COVID-19, or if the Group is unable to sufficiently anticipate changes in the social structure or other matters, financial standing, operating results and cash flow could potentially be affected.

Analysis of Financial Standing

Non-current assets increased by 189.8 billion yen from the previous consolidated fiscal year to 5,234.7 billion yen, mainly due to an increase of long-term investments in subsidiaries and associates by posting JERA profits.

Current assets increased by 298.5 billion yen from the previous consolidated fiscal year to 940.0 billion yen, mainly due to an increase in inventories by becoming a consolidated subsidiary of ES-CON JAPAN Ltd.

Total liabilities increased by 468.7 billion yen from the previous consolidated fiscal year to 4,051.4 billion yen, mainly due to an increase of interest bearing loans.

Total net assets increased by 19.5 billion yen to 2,123.2 billion yen from the end of the previous consolidated fiscal year, mainly due to an increase in accumulated other comprehensive income and an increase in non-controlling interests by becoming a consolidated subsidiary of ES-CON JAPAN Ltd. in spite of paying cash dividends and recording a net loss attributable to owners of parent.

As a result, the shareholders' equity ratio was 32.7%.

Analysis of Cash Flows

Cash inflow from operating activities decreased by 362.4 billion yen to 21.6 billion yen from the previous consolidated fiscal year, mainly due to an increase in power procurement cost by increased prices in Japan Electric Power Exchange in Miraiz and an increase in supply and demand adjustment costs in Power Grid.

Cash outflow from investment activities increased by 46.2 billion yen to -262.0 billion yen from the previous consolidated fiscal year, mainly due to an increase in payments for investments and loans.

As a result, free cash flow decreased by 408.6 billion yen to -240.3 billion yen from the previous consolidated fiscal year.

Cash inflow from financing activities increased by 407.5 billion yen to 266.4 billion yen from the previous consolidated fiscal year mainly due to an increase in demand for funds.

Consequently, the amount of cash and cash equivalents at the

end of fiscal year increased by 26.2 billion yen from the end of 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

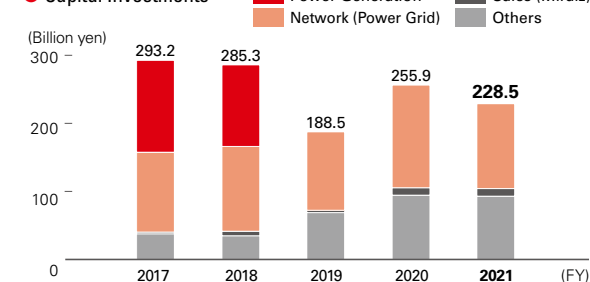
Capital investments amounted to 228.5 billion yen in the fiscal year ended March 31, 2022 as a result of our efforts to pursue a maximum level of management efficiency, including slimming down of equipment, while securing a stable supply of electric power and public security throughout the entire Group in addition to making investments in non-fossil energy sources such as hydropower generation facilities and nuclear power facilities.

A breakdown of the capital investments by segment is below.

● Reference: FY2021 capital Investments (Consolidated)

		(Billion yen)
Segment	Item	Capital Investments
Miraiz		11.4
Power Grid	Transmission facilities	38.7
	Substation facilities	31.3
	Distribution facilities	39.6
	Other	18.1
	Total	127.9
Other		95.2
Adjustment		(6.0)
Grand total		228.5

● Capital Investments



*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 after FY2019 is not stated. In addition, the amount of capital investment such as for renewable energy is included in "Others" from FY2019.

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 29, 2022). 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

In the business environment surrounding the Group, fuel prices rose owing to increased energy demand and the recovery of the world economy and the conflict in Europe and this was accompanied by soaring wholesale electric power prices. As a result, power supply procurement costs at Chubu Electric Power Miraiz and power supply and demand adjustment costs at Chubu Electric Power Grid both increased.

Therefore, the Group fell significantly short of its medium-term management target of 170 billion yen in consolidated ordinary income set in 2019. Moreover, the business environment for this fiscal year remains unpredictable.

Additionally, the massive introduction of solar power generation is progressing, but on the other hand a tightening of supply and demand is becoming increasingly likely to occur whenever rising demand due to the suspension and closure of existing thermal power plants coincides with a decrease in the amount of solar power generated. Under such circumstances, there are concerns that the supply and demand situation in Japan will worsen in the event problems occur at existing facilities or in the case that Japan imposes severe sanctions such as an embargo on coal and liquefied natural gas (LNG) from Russia.

In response to these changes in the business environment, the Chubu Electric Power Group will cooperate with JERA, which handles the largest amount of LNG in Japan, and work in unity as a group to maintain stable supply. Concurrently, we have formulated the Chubu Electric Power Group Medium-term Management Plan and after first restoring profits to the previous level as quickly as possible, we aim to achieve our new medium-term target of consolidated ordinary income of 180 billion yen or more in FY2025 by taking appropriate measures such as optimizing our power source procurement portfolio.

Furthermore, the environment surrounding the energy business is expected to undergo major changes in the future due to the advance of digital transformation (DX) in recent years, the growing introduction of distributed power sources beginning with renewable energy, and the progression of initiatives to decarbonize within energy policies.

In working toward realizing a decarbonized society, the Chubu Electric Power Group has formulated Zero Emissions Challenge 2050 and will make efforts to expand renewable energy and pursue zero emission power sources also encompassing the construction of hydrogen and ammonia supply chains.

To respond to these medium- to long-term changes in the business environment and boldly tackle challenges based on our vision of society in 2050, we formulated Chubu Electric Power Group Management Vision 2.0 and we will contribute to the sustainable development of local communities and society by providing diverse value to our customers and society through the growth and active roles of each and every human resource.

However, if there are changes in business environment surrounding the Chubu Electric Power Group, such as delays in the establishment of markets and rules, changes to systems that differ from expectations or a growing impact from the conflict in Europe, 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 price such as liquefied natural gas (LNG), coal and crude oil and fluctuations in the currency exchange market, however, the fluctuations of fuel prices within certain range could potentially be reflected in electricity rates under "Fuel-cost Adjustment System", the impact of these factors on performance should be mitigated.

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 has taken measures to diversify procurement sources and to secure 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, such as the growing impact of the conflict in Europe, climate change, supplier facility and/or operational issues. In this case, 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 fuel selling price, and changes in market selling/wholesale selling prices of electric power.

(2) Response to competition

In the energy businesses, including electricity, new electric power companies are successively withdrawing against the backdrop of rising power procurement costs due to soaring prices on the Japan Electric Power Exchange (JEPX). Under these circumstances, besides price competition, the competitive environment remains severe, mainly among household customers, amid demands for differentiation based on desired price menus and services and we assume that competition will heat up further when the procurement environment improves in the future.

To prevail in this competition, Chubu Electric Power Miraiz will review sales prices according to the costs required by each customer on the premise of maximizing efficiency while deploying services based on the keywords of "delivering," "getting close," and "connecting."

Specifically, in April 2021, we established a new company, Chubu Electric Power Miraiz Connect, based on the concept of "getting close to customers throughout their entire lives." Besides delivering electricity and gas, we will upgrade and expand our services according to the life stages of our customers.

Based on the premise of assuring stable supply capacity, JERA optimally operates a series of value chains that extend to power generation and sales of electricity and gas. At the same time, JERA will strive for efficient operation of its thermal power generation business by taking advantage of its economies of scale.

However, a worsening of the procurement environment due to the further escalation of the conflict in Europe, 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 will combine resilient and optimal energy services with data services that enrich and enhance convenience in people's lives and deliver these as a Community Support Infrastructure. Specifically, with the keywords "customer-oriented," "decarbonization," and "digitization," besides the energy business, we

will further expand our business domains from energy saving and comfortable living environments to life-related businesses such as real estate, medical care and health as well to regional infrastructure businesses such as resource recycling, water supply, sewerage, and regional transportation. By doing so, we will give shape to and accelerate the provision of a "new form of community" that improves the quality of the lives of our customers.

In our overseas 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 micro-grids and power distribution projects in Asia.

In undertaking these businesses, we will conduct appropriate risk assessments at the time of entry and perform regular 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) Changes in interest rates

The balance of interest-bearing debts of the Group is 2,800.2 billion yen at the end of March 2022, an amount equivalent to 45.4% of the group's total assets. Interest payments on this debt are susceptible to market interest rates, and thus the performance could potentially be affected.

However, the impact of these debts on our financial standing, operating results, and cash flow would be limited because 87.1% 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.

However, interest expenses on corporate bonds and borrowings procured in the future and some corporate pension assets held by the Chubu Electric Power Group will increase or decrease due to such factors as fluctuations in interest rates and therefore our financial standing, operating results and cash flow could potentially be affected.

(5) Global environmental conservation

Under Japan's 2050 Carbon Neutral Declaration, a new Basic Energy Plan was approved by the Cabinet in October 2021, and making efforts for global environmental conservation such as considering various policy goals is an urgent issue.

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 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, fade-out of inefficient coal-fired power generation, further enhancement of the efficiency of thermal power generation, sophistication and widening of supply and demand operations, and diversification of CO₂-free energy choices. In doing so, by 2030 we will reduce CO₂ emissions derived from electricity sold to customers by 50% or more compared with FY2013.

“Furthermore, through the practical application and adoption of innovative technologies through innovation, we will “take on the challenge of attaining net zero CO₂ emissions for our entire business by 2050.”

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.

In addition, after selecting scenarios for climate change risks in accordance with TCFD recommendations, we evaluated the impact of these risks on our business and have disclosed these in this report.

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, financial standing, operating results and cash flow could possibly be affected.

2. Suspension of operation of nuclear power generation facilities

The company has suspended operation of all reactors at the Hamaoka Nuclear Power Station over 10 years. Based on the new regulatory standards, the company has currently been implementing countermeasures steadily, while undergoing the Nuclear Regulation Authority's review to verify compliance with the new regulatory standards for Units 3 and 4. The company will strengthen internal systems to take action in response to reviews being conducted, and allow early confirmation that the power station conforms to the new regulations.

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, was 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.

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 dismantling of nuclear power facilities and takes an extremely long time period and has many uncertainties. Such uncertainties are reduced by the allocation and contribution of the necessary expenses based on rules set by the government, 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. Spread of new coronavirus infection

In response to the outbreak of new coronavirus infection, the Chubu Electric Power Group, under the principle of maintaining stable energy supply and service levels while prioritizing the safety and health of its employees and their family members, partners, and customers, is working to prevent infection and to secure backup staff in the event of emergency through such measures as the active utilization of telecommuting and staggered commuting, the thorough implementation of basic infection prevention measures for each individual, and implantation of workplace inoculations.

We will further accelerate the development and provision of new services by way of, for example, Community Support Infrastructure, to resolve social issues, in due consideration of significantly changing social structures and values and behavioral patterns of individuals that include the permeation of new lifestyles such as new living styles and workstyles accompanying the spread of coronavirus (COVID-19).

However, if the effect of the new coronavirus infection (COVID-19) expands further or is prolonged or if the Chubu Electric Power Group is unable to adequately anticipate changes in the social structure, our

financial standing, operating results and cash flow could potentially be affected.

6. 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.

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, established necessary internal regulations, and provides training and awareness-raising programs to employees, among other initiatives, based on related laws and regulations such as the Personal Information Protection Law.

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.

7. Compliance

The Chubu Electric Power Group strives for strict compliance by establishing the “Chubu Electric Power Group Basic Compliance Policy,” which indicates a basic policy and principles of action related to compliance with laws, regulations, and social rules, and has established the “Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy” and the “Guidelines on Giving and Receiving Money and Other Items of Value” in 2019 to strengthen efforts to ensure compliance.

Under these circumstances, on April 13, 2021 and on October 5, 2021, Chubu Electric Power Co., Inc. and Chubu Electric Power Miraiz Co., Inc. underwent on-site inspections by the Japan Fair Trade Commission on a suspicion of violating the Antimonopoly Act. We take this fact seriously and are fully cooperating with the Commission's investigation.

In addition, there have been events in which the Chubu Electric Power Group has received guidance from local governments regarding its operational methods for solar power generation development projects and the Group will respond appropriately to these issues as well.

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, 2022 and 2021

ASSETS	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Property, Plant and Equipment:			
Property, plant and equipment, at cost	¥10,513,102	¥10,366,869	\$85,884,340
Construction in progress	422,545	382,692	3,451,887
	10,935,647	10,749,562	89,336,227
Less:			
Contributions in aid of construction	(211,543)	(207,754)	(1,728,153)
Accumulated depreciation	(7,524,589)	(7,412,829)	(61,470,386)
	(7,736,133)	(7,620,583)	(63,198,539)
Total Property, Plant and Equipment, Net	3,199,514	3,128,978	26,137,687
Nuclear Fuel:			
Loaded nuclear fuel	40,040	40,040	327,098
Nuclear fuel in processing	154,731	152,034	1,264,046
Total Nuclear Fuel	194,772	192,074	1,591,145
Investments and Other Assets:			
Long-term investments	1,638,029	1,527,470	13,381,501
Net defined benefit asset	17,109	22,517	139,774
Deferred tax assets	174,086	160,383	1,422,155
Other	24,982	17,680	204,092
Allowance for doubtful accounts	(13,764)	(4,208)	(112,444)
Total Investments and Other Assets	1,840,443	1,723,843	15,035,077
Current Assets:			
Cash and deposits	203,207	176,460	1,660,059
Notes and accounts receivable — trade and contract assets	344,219	309,272	2,812,023
Inventories	190,779	38,721	1,558,526
Allowance for doubtful accounts	(2,819)	(2,099)	(23,035)
Other	204,616	119,097	1,671,567
Total Current Assets	940,003	641,452	7,679,141
Total Assets	¥ 6,174,734	¥ 5,686,348	\$50,443,052

The accompanying notes to the consolidated financial statements are an integral part of these statements.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Noncurrent Liabilities:			
Long-term loans payable	¥2,190,062	¥1,848,661	\$17,891,208
Provision for loss in conjunction with discontinued operations of nuclear power plants	7,956	7,956	64,996
Net defined benefit liability	139,070	143,420	1,136,104
Asset retirement obligations	266,183	261,754	2,174,526
Other	206,123	204,377	1,683,880
Total Noncurrent Liabilities	2,809,397	2,466,169	22,950,715
Current Liabilities:			
Current portion of noncurrent liabilities	262,077	223,586	2,140,983
Short-term loans payable	269,044	262,442	2,197,896
Commercial paper	79,000	20,000	645,372
Notes and accounts payable - trade	279,243	200,397	2,281,211
Accrued taxes	26,353	88,983	215,285
Other	324,355	298,735	2,649,745
Total Current Liabilities	1,240,073	1,094,146	10,130,495
Reserve for Fluctuation in Water Levels	1,990	22,347	16,257
Total Liabilities	4,051,461	3,582,663	33,097,468
Commitments and Contingent Liabilities			
Net Assets			
Capital stock	430,777	430,777	3,519,135
Capital surplus	70,716	70,732	577,700
Retained earnings	1,392,720	1,472,678	11,377,507
Treasury shares, at cost	(2,734)	(2,697)	(22,336)
Total Shareholders' Equity	1,891,480	1,971,490	15,452,006
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	47,446	45,002	387,603
Deferred gains and losses on hedges	16,556	(435)	135,254
Foreign currency translation adjustments	62,747	11,216	512,604
Remeasurements of defined benefit plans	(1,102)	3,892	(9,008)
Total Accumulated Other Comprehensive Income	125,648	59,675	1,026,453
Share acquisition rights	0	—	7
Noncontrolling interests	106,143	72,518	867,116
Total Net Assets	2,123,272	2,103,684	17,345,584
Total Liabilities and Net Assets	¥6,174,734	¥5,686,348	\$50,443,052

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥122.41 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 2022 (Integrated Report) Financial Section."

Consolidated Statements of Operations

Chubu Electric Power Company, Incorporated and Subsidiaries
For the Years Ended March 31, 2022 and 2021

	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Operating Revenues:			
Electricity	¥2,180,931	¥2,498,070	\$17,816,612
Other	524,230	437,339	4,282,580
Total Operating Revenues	2,705,162	2,935,409	22,099,192
Operating Expenses:			
Electricity	2,254,983	2,373,137	18,421,564
Other	504,009	416,577	4,117,387
Total Operating Expenses	2,758,992	2,789,715	22,538,951
Operating (Loss) Income	(53,830)	145,694	(439,758)
Other (Income) Expenses:			
Interest expense	18,987	19,355	155,115
Loss on return of imbalance charge	5,510	—	45,020
Other, net	(13,498)	(65,871)	(110,272)
Total Other (Income) Expenses, Net	11,000	(46,515)	89,862
(Loss) Income Before Reversal of Reserve for Fluctuation in Water Levels and Income Taxes	(64,830)	192,209	(529,621)
Reversal of Reserve for Fluctuation in Water Levels	(20,357)	(98)	(166,306)
(Loss) Income Before Income Taxes	(44,473)	192,308	(363,314)
Income Taxes:			
Current	11,626	46,223	94,977
Deferred	(15,948)	(5,126)	(130,290)
Total Income Taxes	(4,322)	41,097	(35,313)
Net (Loss) Income	(40,150)	151,210	(328,000)
Net income attributable to noncontrolling interests	2,872	4,007	23,463
Net (loss) income attributable to owners of parent	¥ (43,022)	¥ 147,202	\$ (351,464)

	U.S. dollars		
	March 31, 2022	March 31, 2021	March 31, 2022
Per Share of Capital Stock:			
Net (loss) income - basic	¥(56.90)	¥194.65	\$(0.46)
Cash dividends	50.00	50.00	0.41

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥122.41 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, 2022 and 2021

	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Net (Loss) Income	¥(40,150)	¥151,210	\$(328,000)
Other Comprehensive Income:			
Valuation difference on available-for-sale securities	1,438	8,154	11,754
Deferred gains and losses on hedges	1,037	615	8,471
Foreign currency translation adjustments	562	(964)	4,597
Remeasurements of defined benefit plans, net of tax	(4,854)	10,011	(39,656)
Share of other comprehensive income of entities accounted for using equity method	68,197	11,638	557,120
Other Comprehensive Income	66,381	29,455	542,287
Comprehensive Income	¥ 26,230	¥180,666	\$ 214,286
Comprehensive income attributable to:			
Owners of parent	22,949	174,838	187,480
Noncontrolling interests	3,281	5,828	26,806

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥122.41 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 2022 (Integrated Report) Financial Section."

Consolidated Statements of Changes in Net Assets

Chubu Electric Power Company, Incorporated and Subsidiaries For the Years Ended March 31, 2022 and 2021

	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, 2020	758,000,000	¥430,777	¥70,808	¥1,363,241	¥(2,474)	¥1,862,352	¥37,407	¥(13,623)	¥13,534	¥(5,278)	¥32,040	—	¥67,672	¥1,962,065
Dividends of surplus	—	—	—	(37,834)	—	(37,834)	—	—	—	—	—	—	—	(37,834)
Net income attributable to owners of parent	—	—	—	147,202	—	147,202	—	—	—	—	—	—	—	147,202
Purchase of treasury shares	—	—	—	—	(227)	(227)	—	—	—	—	—	—	—	(227)
Disposal of treasury shares	—	—	(0)	(0)	4	3	—	—	—	—	—	—	—	3
Change in equity of parent on transactions with noncontrolling interests	—	—	(75)	68	—	(6)	—	—	—	—	—	—	—	(6)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	7,595	13,188	(2,318)	9,170	27,635	—	4,845	32,481
Balance at March 31, 2021	758,000,000	¥430,777	¥70,732	¥1,472,678	¥(2,697)	¥1,971,490	¥45,002	¥(435)	¥11,216	¥3,892	¥59,675	-	¥72,518	¥2,103,684
Millions of yen														
Balance at April 1, 2021	758,000,000	¥430,777	¥70,732	¥1,472,678	¥(2,697)	¥1,971,490	¥45,002	¥(435)	¥11,216	¥3,892	¥59,675	—	¥72,518	¥2,103,684
Cumulative effects of changes in accounting policies	—	—	—	898	—	898	—	—	—	—	—	—	270	1,168
Balance at April 1, 2021 (Restated Balance)	758,000,000	430,777	70,732	1,473,576	(2,697)	1,972,388	45,002	(435)	11,216	3,892	59,675	—	72,788	2,104,853
Dividends of surplus	—	—	—	(37,833)	—	(37,833)	—	—	—	—	—	—	—	(37,833)
Net income attributable to owners of parent	—	—	—	(43,022)	—	(43,022)	—	—	—	—	—	—	—	(43,022)
Purchase of treasury shares	—	—	—	—	(39)	(39)	—	—	—	—	—	—	—	(39)
Disposal of treasury shares	—	—	—	(0)	3	2	—	—	—	—	—	—	—	2
Change in equity of parent on transactions with noncontrolling interests	—	—	(16)	—	—	(16)	—	—	—	—	—	—	—	(16)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	2,444	16,991	51,531	(4,995)	65,972	0	33,355	99,328
Balance at March 31, 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
Thousands of U.S. dollars														
Balance at April 1, 2021		\$3,519,135	\$577,832	\$12,030,703	\$(22,040)	\$16,105,632	\$367,635	\$(3,555)	\$91,628	\$31,800	\$487,508	—	\$592,421	\$17,185,561
Cumulative effects of changes in accounting policies		—	—	7,339	—	7,339	—	—	—	—	—	—	2,206	9,546
Balance at April 1, 2021 (Restated Balance)		3,519,135	577,832	12,038,043	(22,040)	16,112,971	367,635	(3,555)	91,628	31,800	487,508	—	594,627	17,195,108
Dividends of surplus		—	—	(309,067)	—	(309,067)	—	—	—	—	—	—	—	(309,067)
Net income attributable to owners of parent		—	—	(351,464)	—	(351,464)	—	—	—	—	—	—	—	(351,464)
Purchase of treasury shares		—	—	—	(321)	(321)	—	—	—	—	—	—	—	(321)
Disposal of treasury shares		—	—	(4)	25	21	—	—	—	—	—	—	—	21
Change in equity of parent on transactions with noncontrolling interests		—	(132)	—	—	(132)	—	—	—	—	—	—	—	(132)
Net changes in items other than shareholders' equity		—	—	—	—	—	19,967	138,809	420,976	(40,808)	538,944	7	272,489	811,441
Balance at March 31, 2022		\$3,519,135	\$577,700	\$11,377,507	\$(22,336)	\$15,452,006	\$387,603	\$135,254	\$512,604	\$(9,008)	\$1,026,453	\$7	\$867,116	\$17,345,584

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥122.41 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 2022 (Integrated Report) Financial Section."

Consolidated Statements of Cash Flows

Chubu Electric Power Company, Incorporated and Subsidiaries
For the Years Ended March 31, 2022 and 2021

	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Cash Flows from Operating Activities:			
(Loss) Income before income taxes	¥ (44,473)	¥192,308	\$ (363,314)
Adjustments for:			
Depreciation	189,154	182,663	1,545,256
Decommissioning costs of nuclear power units	9,725	9,306	79,450
Loss on retirement of noncurrent assets	6,126	7,244	50,052
Decrease in provision for net defined benefit liability and asset	(5,674)	(12,776)	(46,352)
Decrease in provision for loss in conjunction with discontinued operations of nuclear power plants	—	(25)	—
Decrease in reserve for fluctuation in water levels	(20,357)	(98)	(166,306)
Interest and dividend income	(3,220)	(2,667)	(26,310)
Interest expense	18,987	19,355	155,115
Loss on return of imbalance charge	5,510	-	45,020
Equity in net income of affiliates	(5,444)	(62,048)	(44,480)
(Increase) Decrease in notes and accounts receivable - trade and contract assets	(27,921)	538	(228,098)
Increase in inventories	(27,866)	(5,080)	(227,648)
Increase in notes and accounts payable - trade	84,243	7,739	688,207
Other, net	(94,122)	82,594	(768,914)
Subtotal	84,668	419,053	691,677
Interest and dividend income received	25,550	20,997	208,725
Interest expense paid	(19,208)	(20,015)	(156,920)
Income taxes paid	(69,320)	(35,887)	(566,299)
Cash flows from operating activities	21,688	384,148	177,183

	Millions of yen		Thousands of U.S. dollars
	March 31, 2022	March 31, 2021	March 31, 2022
Cash Flows from Investing Activities:			
Purchase of noncurrent assets	(232,153)	(211,936)	(1,896,522)
Payments on investments and loans receivable	(63,533)	(32,391)	(519,019)
Collection on investments and loans receivable	10,814	12,161	88,344
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(24,575)	(944)	(200,765)
Proceeds from purchases of shares of subsidiaries resulting in change in scope of consolidation	22,353	294	182,615
Other, net	25,072	17,003	204,826
Cash flows from investing activities	(262,021)	(215,813)	(2,140,521)
Cash Flows from Financing Activities:			
Proceeds from issuance of bonds	154,622	59,829	1,263,148
Redemption of bonds	(5,610)	(60,000)	(45,829)
Proceeds from long-term loans payable	345,583	226,935	2,823,162
Repayments of long-term loans payable	(240,857)	(228,257)	(1,967,626)
Proceeds of short-term loans payable	309,024	285,342	2,524,500
Repayments of short-term loans payable	(299,591)	(299,462)	(2,447,444)
Proceeds from issuance of commercial paper	397,000	271,000	3,243,199
Redemption of commercial paper	(338,000)	(347,000)	(2,761,212)
Purchase of treasury shares	(39)	(227)	(318)
Cash dividends paid	(37,758)	(37,767)	(308,462)
Dividends paid to noncontrolling interests	(3,923)	(2,508)	(32,053)
Other, net	(14,046)	(9,004)	(114,745)
Cash flows from financing activities	266,403	(141,121)	2,176,318
Effect of exchange rate change on cash and cash equivalents	176	119	1,439
Net increase (decrease) in cash and cash equivalents	26,247	27,332	214,419
Cash and cash equivalents at beginning of this period	174,909	147,576	1,428,880
Cash and cash equivalents at end of this period	¥201,156	¥174,909	\$1,643,299

The U.S. dollar amounts notes present the translating yen amounts into U.S. dollar amounts on a basis of ¥122.41 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 2022 (Integrated Report) Financial Section."

Corporate Data (As of March 31, 2022)

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:	3,127
Number of shares issued:	758,000,000
Number of shareholders:	244,396
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

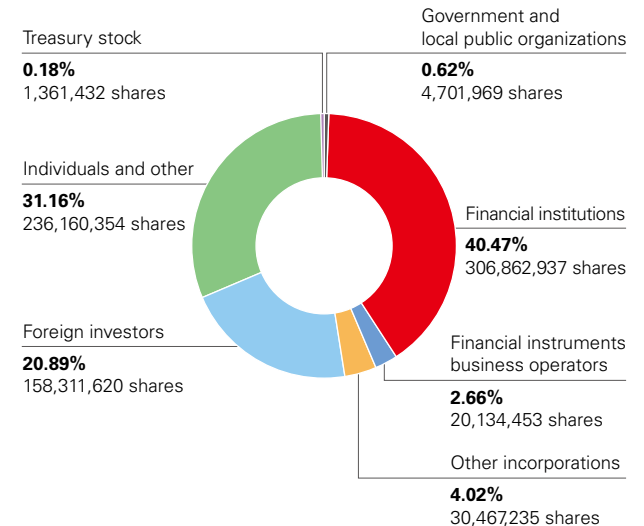
Overseas Offices

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



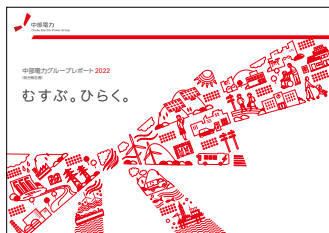
Principal Shareholders

Name	Number of shares owned (thousands)	Ownership percentage of total shares issued (%)
The Master Trust Bank of Japan, Ltd.	118,475	15.66
Custody Bank of Japan, Ltd.	46,954	6.21
Meiji Yasuda Life Insurance Company	37,489	4.95
Nippon Life Insurance Company	23,419	3.10
Chubu Electric Employees Shareholders' Association	18,383	2.43
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd. Settlement & Cleaning Services Department)	14,266	1.89
MUFG Bank, Ltd.	11,478	1.52
Sumitomo Mitsui Banking Corporation	11,207	1.48
JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd. Settlement & Cleaning Services Department)	8,978	1.19
STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Mizuho Bank, Ltd. Settlement & Cleaning Services Department)	8,408	1.11
Total	299,062	39.53

Note: The number of shares held by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. (118,475 thousands shares and 46,954 thousands shares, respectively) is related to their trust services.

Chubu Electric Power Group's Information Disclosure Tools

Broad and detailed information on the Chubu Electric Power Group's initiatives



Chubu Electric Power Group Report

[Web](https://www.chuden.co.jp/english/corporate/annualreport/) <https://www.chuden.co.jp/english/corporate/annualreport/>

This report comprehensively provides the Chubu Electric Power Group's financial and non-financial information (including management strategies and CSR activities) for all stakeholders.



Chubu Electric Power Company Group Corporate Profile (Japanese version only)

[Web](https://www.chuden.co.jp/corporate/report/) <https://www.chuden.co.jp/corporate/report/>

This brochure provides a summary, initiatives and other relevant information of the Chubu Electric Power Group in a condensed manner.

More detailed and technical information

Management strategies

Chubu Electric Power Group Management Vision 2.0

[Web](https://www.chuden.co.jp/english/corporate/philosophy/managementvision/) <https://www.chuden.co.jp/english/corporate/philosophy/managementvision/>

The management vision redefines what value the Chubu Electric Power Group delivers to customers and society and shows our strong determination to transform ourselves further and the direction of such a transformation.

Chubu Electric Power Group Medium-term Management Plan

[Web](https://www.chuden.co.jp/english/ir/eir_irlibrary/eirl_managementplan/_icsFiles/afieldfile/2022/05/23/ecom_m_plan_06_1.pdf) https://www.chuden.co.jp/english/ir/eir_irlibrary/eirl_managementplan/_icsFiles/afieldfile/2022/05/23/ecom_m_plan_06_1.pdf

This outlines new medium-term management targets as the midpoint up to Management Vision 2.0 and our specific initiatives toward the realization of the vision.

Investor relations (IR) materials and information for investors

IR library

[Web](https://www.chuden.co.jp/english/ir/) <https://www.chuden.co.jp/english/ir/>

- ◎Financial results
- ◎Management plan presentation
- ◎Investors' Data Book, and others

Environmental initiatives

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

[Web](https://www.chuden.co.jp/csr/environment/) <https://www.chuden.co.jp/csr/environment/>

Governance

Chubu Electric Group Corporate Governance Report (Japanese version only)

[Web](https://www.chuden.co.jp/corporate/governance/corpo_gaver/) https://www.chuden.co.jp/corporate/governance/corpo_gaver/

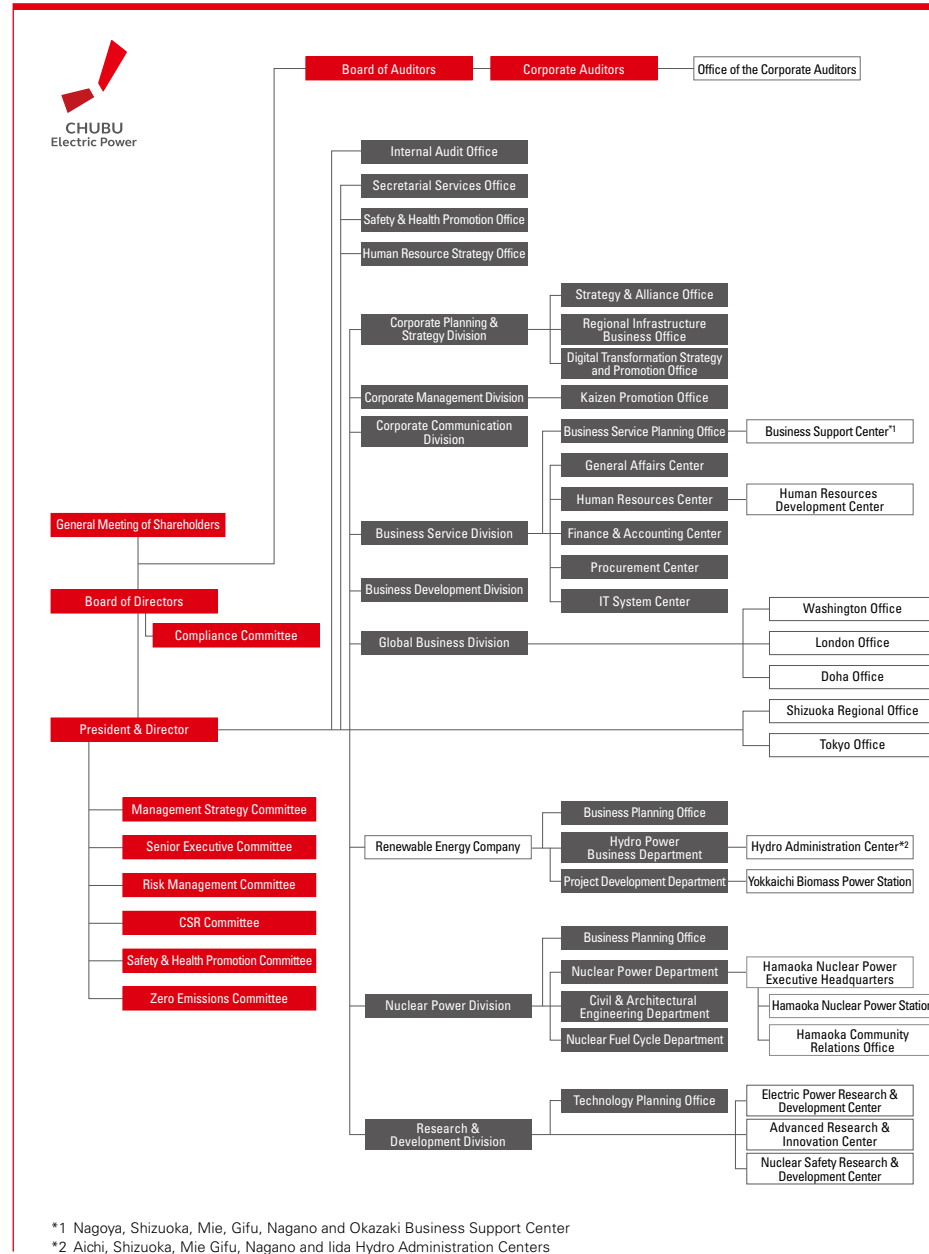
Energy and nuclear power

Hamaoka Nuclear Power Station

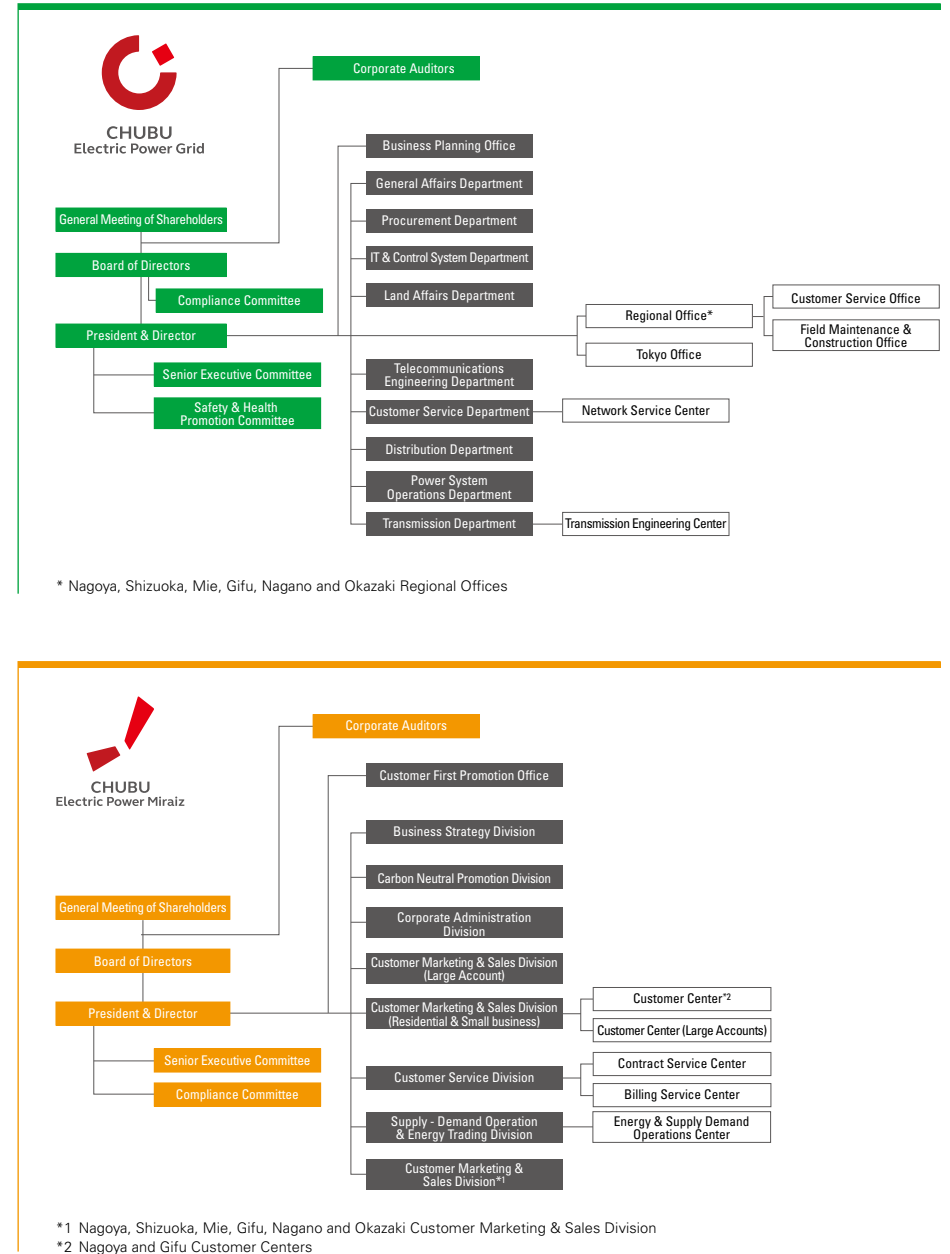
[Web](https://www.chuden.co.jp/english/energy/hamaoka/) <https://www.chuden.co.jp/english/energy/hamaoka/>

- ◎Published information
- ◎Operational status, real-time data, and others

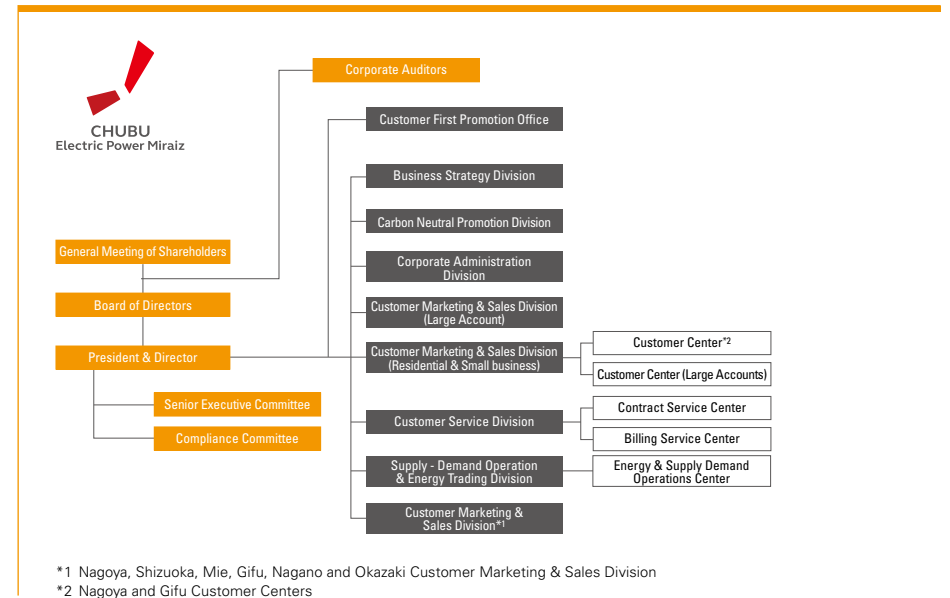
Organization Charts (As of July 1, 2022)



*1 Nagoya, Shizuoka, Mie, Gifu, Nagano and Okazaki Business Support Center
 *2 Aichi, Shizuoka, Mie Gifu, Nagano and Iida Hydro Administration Centers




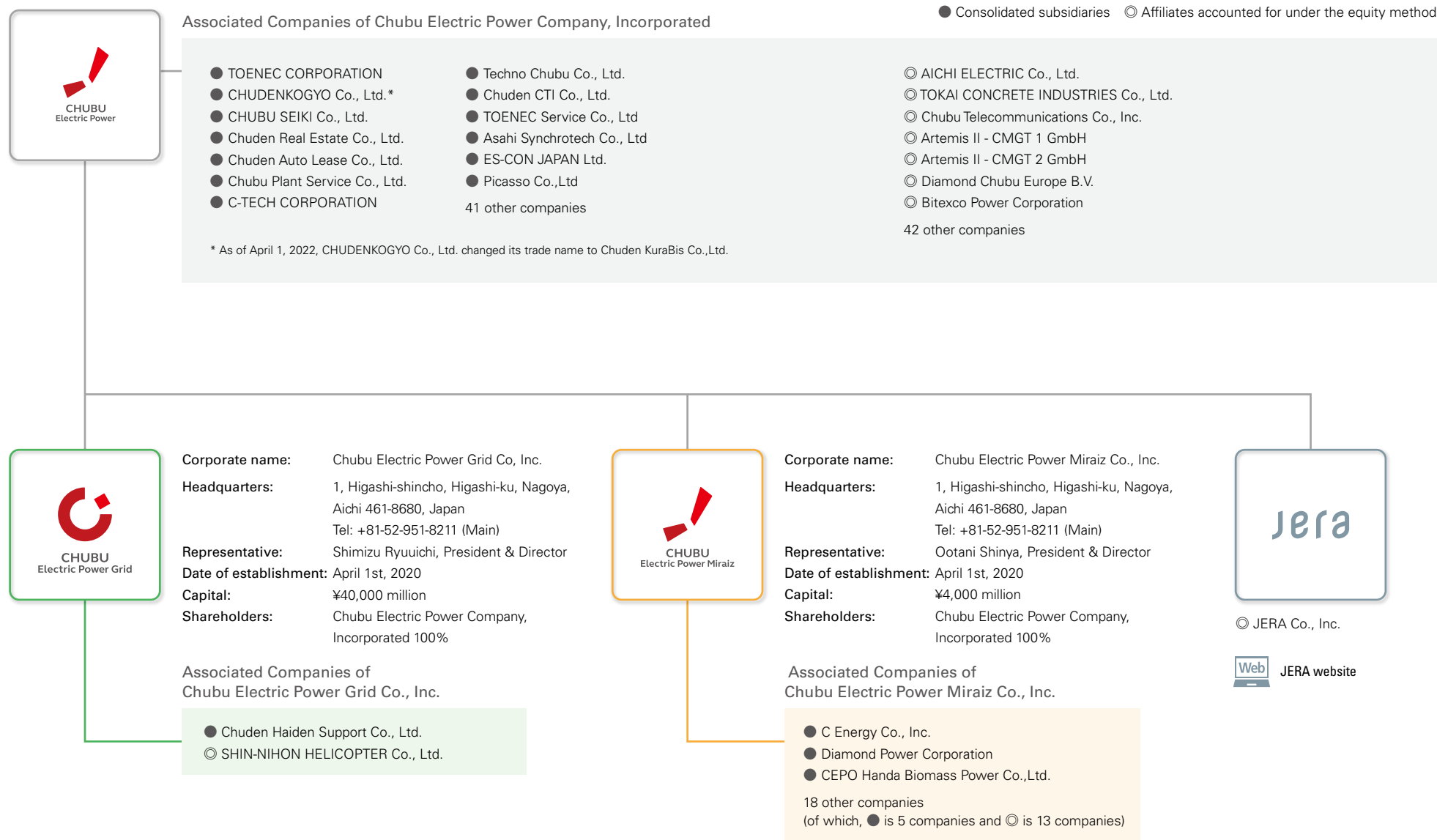
* Nagoya, Shizuoka, Mie, Gifu, Nagano and Okazaki Regional Offices



*1 Nagoya, Shizuoka, Mie, Gifu, Nagano and Okazaki Customer Marketing & Sales Division
 *2 Nagoya and Gifu Customer Centers

Associated Companies (As of March 31, 2022)

 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 that carries on the philosophy, "nature's wisdom," of the 2005 Aichi Expo, Chubu Electric Power will assist the park in becoming a place that grows while being loved by visitors and local communities.



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Chubu Electric Power supports
Ghibli Park.



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