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Foundation for Growth

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Corporate Slogan

むすぶ。ひらく。

(Musubu. Hiraku. in Japanese)

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





Chubu Electric Power Group Report 2023

(Integrated Report)

Editorial policy

This report is issued as an Integrated Report that provides comprehensive coverage of both financial and nonfinancial information and has been prepared in reference to various guidelines and with the group-wide cooperation of the divisions and departments concerned across the company. 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 2023 report features the Chubu Electric Power Group's initiatives to contribute to the development of a sustainable society. We are committed to fulfilling our unwavering mission of providing safe, affordable, and stable energy of high quality with consideration for decarbonization and the environment, even in a volatile business environment. We are also striving to create new value through the resolution of local issues and revitalization efforts. Based on these endeavors, we aim to continue growing as a corporate group alongside our customers, shareholders, local communities, business partners, and all other stakeholders.

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



Date of publication

September 2023

(Next report: scheduled for September 2024; previous report: September 2022)

Organizations covered by the scope of the report

Chubu Electric Power Co., Inc. and associated companies

Reporting period covered

Fiscal year 2022 (April 2022 through March 2023)

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

Guidelines used as references:

GRI, GRI Standards

IFRS Foundation, International Integrated Reporting Framework

IFRS Foundation, SASB Standards

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

Recommendations of the Task Force on Climate-related Financial (Final Report), etc.

Inclusion in SRI indexes

As of July 2023, Chubu Electric Power is included in the following four indexes among the indexes adopted by the Government Pension Investment Fund in Japan:

Morningstar Japan ex-REIT Gender DiversityTilt Index (GenDi J)	
MSCI Japan Empowering Woman Index (WIN)	2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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

S&P/JPX Carbon Effect Index	
FTSE Blossom Japan Sector Relative Index	

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

Caution concerning forward-looking statements

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

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

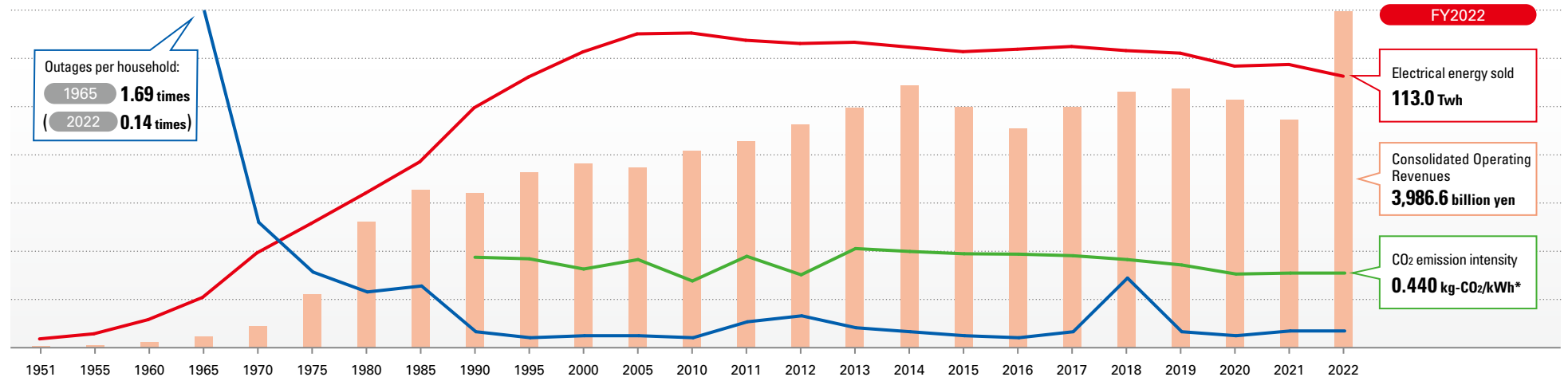


History of Chubu Electric Power

Contributing to the development of the Chubu region as we grow together

As a company rooted in the Chubu region, Chubu Electric Power has contributed to the development of the local society and has grown together with the community through its mission of delivering electricity stably at a reasonable price.

[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.



Ikawa Hydroelectric Power Station (1957)



Restored distribution line after Typhoon Isewan (1959)



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



Hamaoka Nuclear Power Station Unit 1 (1976)



Mega Solar Shimizu (2015)



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

● 1951 >>

Establishment of Chubu Electric Power

● 1973 >> First oil crisis

● 2011 >> Great East Japan Earthquake

● 2016 >> Full liberalization of electricity retailing

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

● Around 1955 >> High economic growth

● 1991 >> Collapse of bubble economy

● 2017 >> Full liberalization of gas retailing



History of Chubu Electric Power

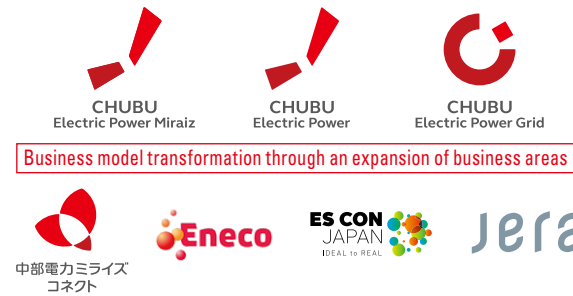
Overcoming numerous challenges and boldly tackling changes in the business environment

2019 Full integration of the thermal power generation businesses into JERA

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

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.



2011 Great East Japan Earthquake

2016 Full liberalization of electricity retailing

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.

1991 Collapse of bubble economy

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.

1970s to 1980s Oil crisis

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.

1960s High economic growth

Stable supply that supports high economic growth

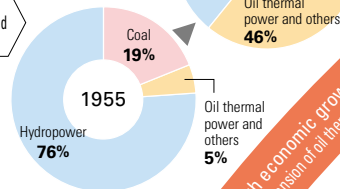
In this era after the postwar recovery, large-scale power source development, primarily from oil thermal power generation together with an expansion of transmission systems, was promoted to meet the increasing demand for electricity accompanying the high economic growth.

1951 Establishment of Chubu Electric Power

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.

Composition of generated and received electric power



High economic growth
Rapid expansion of oil thermal power

Moving away from oil thermal power
Expansion of nuclear and LNG power

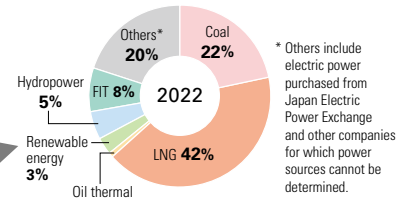
Diversification of power sources
Expansion of coal thermal power

Leader in environment and energy
Expansion of nuclear power

Moving away from nuclear power
Expansion of renewable energy

GX: Green Transformation
Sustainable utilization of nuclear power

2050 Our envisioned society



Since our founding, Chubu Electric Power has worked to ensure a stable supply, promote diversification of power sources, and meet the increasingly sophisticated needs of our customers.

As we face dramatic changes referred to as our "second founding," we will continue to take on the challenges of meeting the anticipations of the society which changes with the times.



Chubu Electric Power Group at a Glance






■ Nuclear power business P43

■ Chubu Electric Power Miraiz P51

■ JERA P57

Power generation facilities (Chubu Electric Power)

As of March 31, 2023

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 P47

■ Global business P53

■ Regional infrastructure business P59

Power transmission/distribution facilities (Chubu Electric Power Grid)

As of March 31, 2023




	Transmission line length	11,967 km
	Number of supporting structures (iron tower, etc.)	34,871 units
	Number of substations	1,004 locations
	Distribution line length	136,058 km
	Number of supporting structures (utility poles, etc.)	2,871,305 units

■ Chubu Electric Power Grid P49

■ New Growth Field P55

Sales results, etc. (Chubu Electric Power Miraiz)

FY2022

	Electrical energy sold	102.4 Twh (Group total: 113.0 Twh)
	Gas and LNG sold	1,240 thousand tons (Group total: 1,490 thousand tons)
	CO ₂ emissions in electrical energy sales	45.09 million ton
	CO ₂ emission intensity	0.440 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

Operating Revenues	3,986.6 billion yen	FY2022 results	Net Income Attributable to Shareholders of the Parent Company	38.2 billion yen
Operating Income	107.0 billion yen		Shareholders' equity ratio	31.9%
Ordinary Income	65.1 billion yen		Number of subsidiaries	62 companies

Number of Employees

As of March 31, 2023

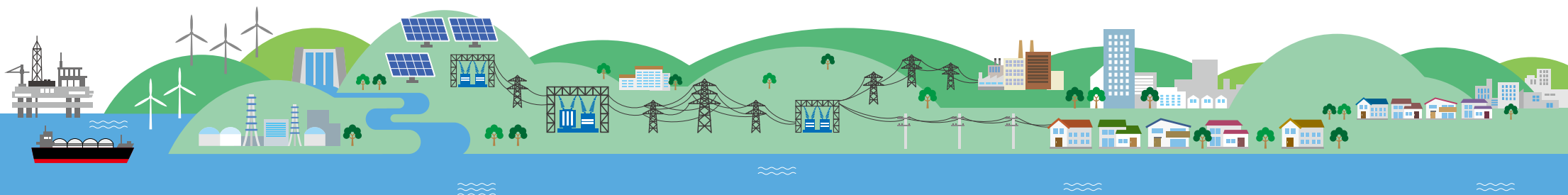
Consolidated	28,367 persons	Main business companies	Chubu Electric Power	3,153 persons
			Chubu Electric Power Grid	9,533 persons
			Chubu Electric Power Miraiz	1,153 persons

Reference: Chubu Electric Group's renewable energy power plants*2 (as of March 31, 2023; approximate figures)

Hydroelectric power (general) (2,180 MW); hydroelectric power (pumped storage) (3,320 MW); wind power (210 MW); solar power (560 MW); and biomass (350 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.

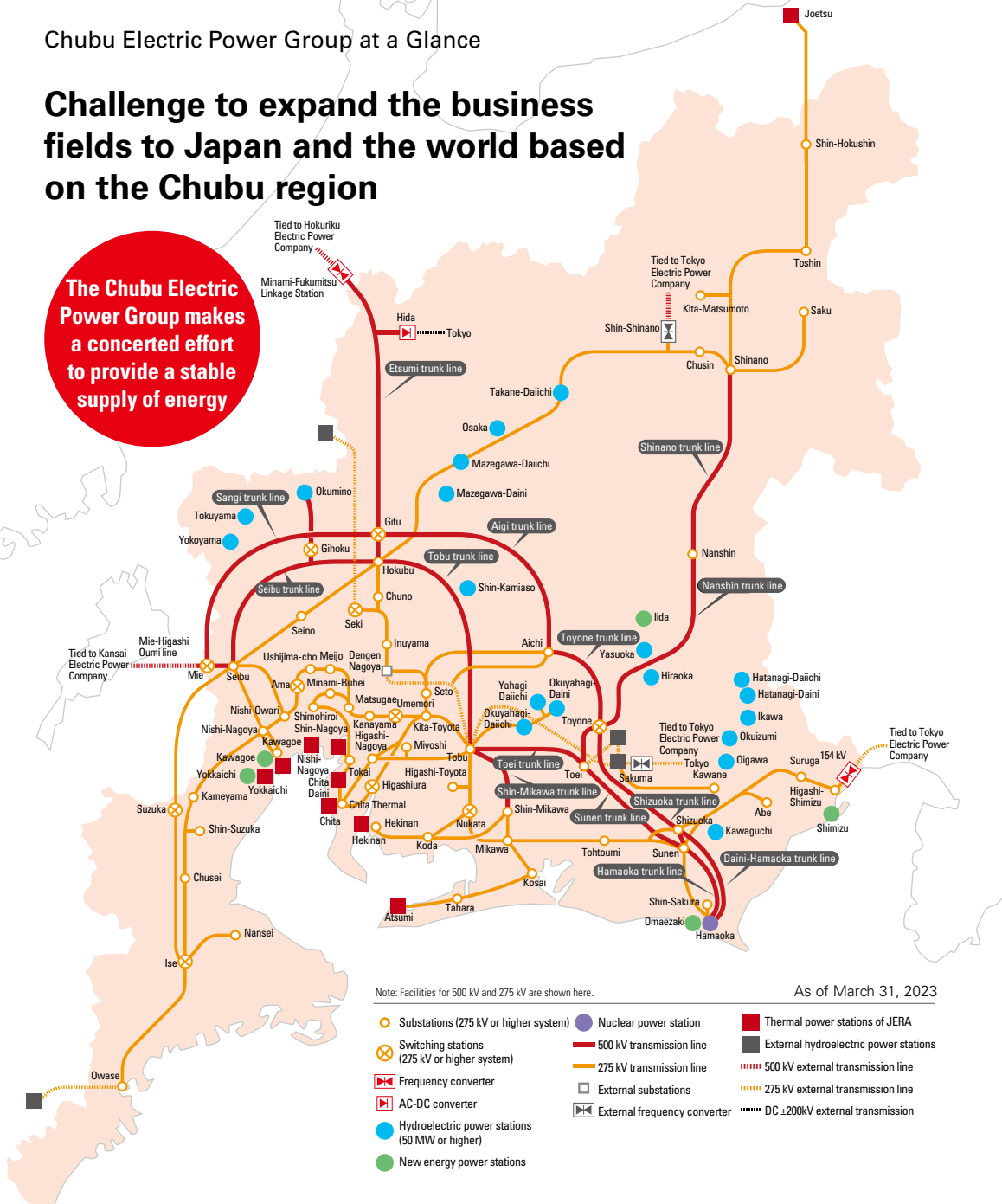




Chubu Electric Power Group at a Glance

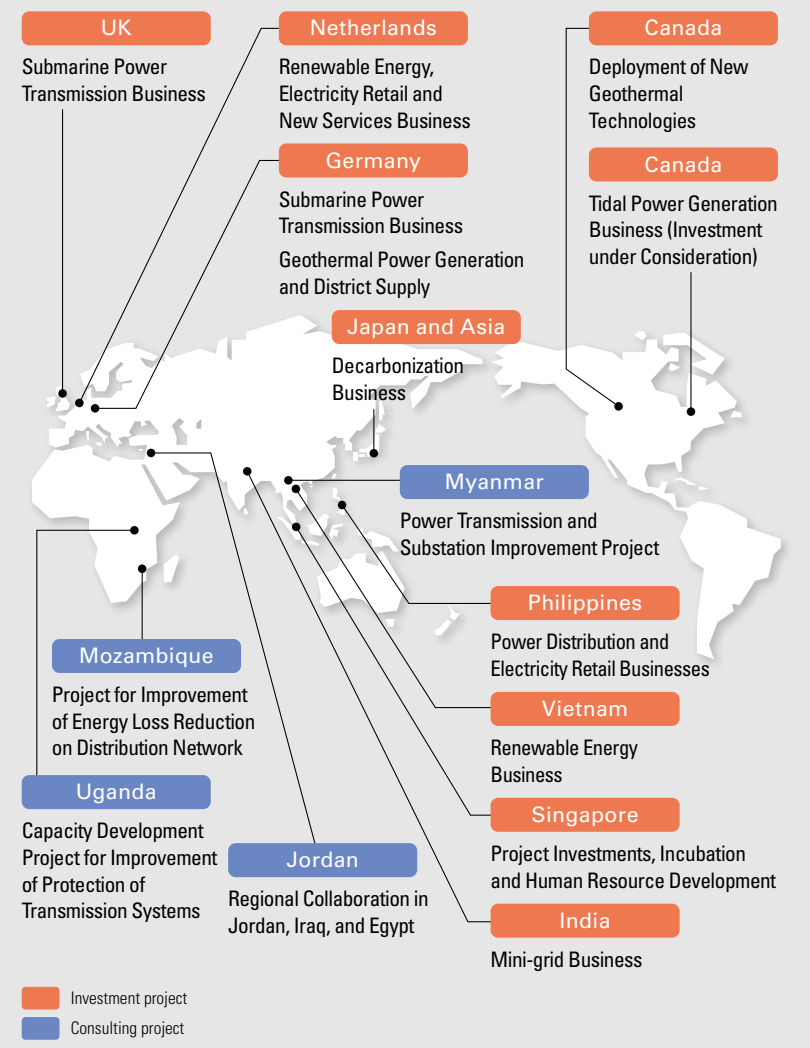
Challenge to expand the business fields to Japan and the world based on the Chubu region

The Chubu Electric Power Group makes a concerted effort to provide a stable supply of energy



Participation in overseas energy business

Current main investment projects and consulting projects



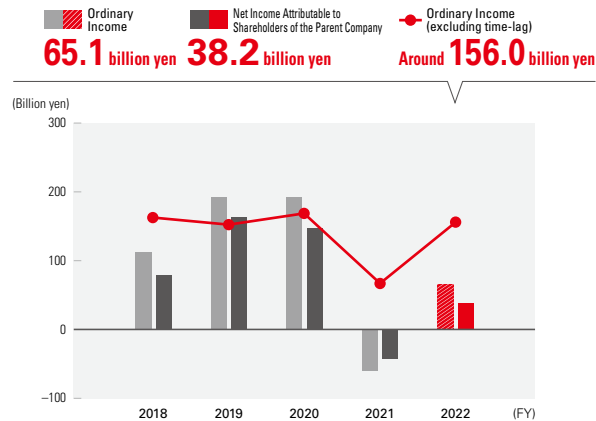


Financial and Non-Financial Highlights

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

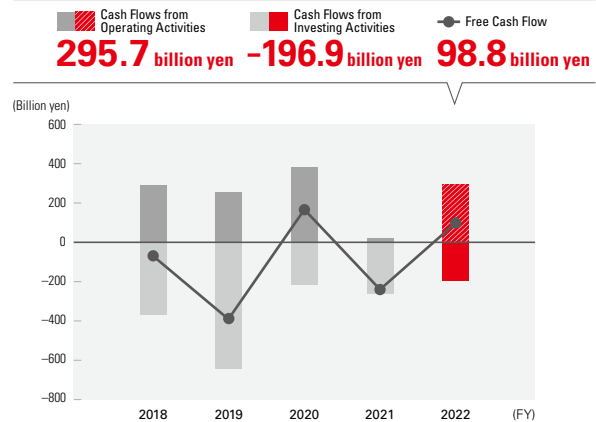
[Link](#) Investors' Data Book

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



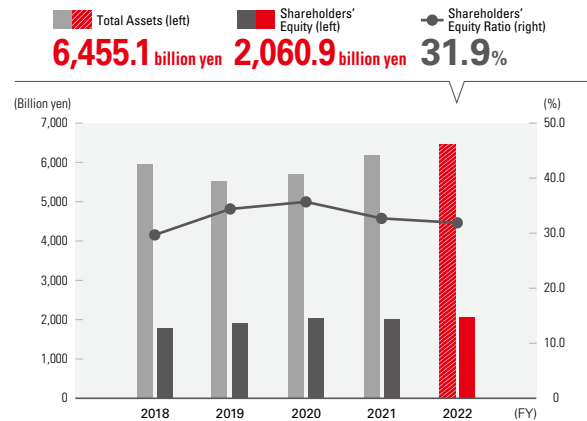
Ordinary income (loss) increased by 124.4 billion yen from the previous consolidated fiscal year to 65.1 billion yen, mainly due to a reduction of the impact of market price spikes by undertaking a review of our power procurement portfolio, etc., and carrying out sales activities based on procurement costs in Miraiz.

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



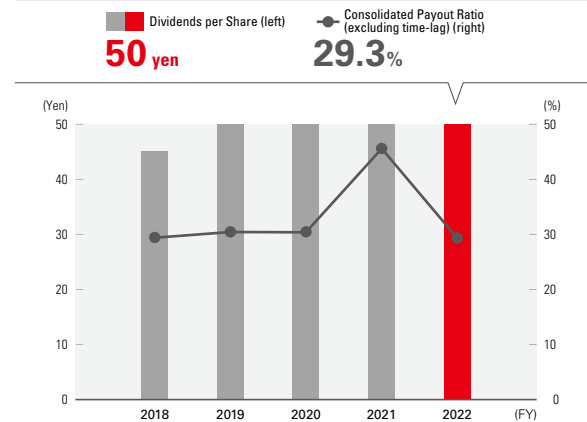
Cash inflow from operating activities increased by 274.1 billion yen from the previous consolidated fiscal year due to improvement of Income (loss) before income taxes. Cash outflow from investment activities decreased by 65.0 billion yen from the previous consolidated fiscal year, mainly due to income by the sales of some cross-shareholdings. As a result, free cash flow improved by 339.2 billion yen.

Total Assets/Shareholders' Equity/Shareholders' Equity Ratio



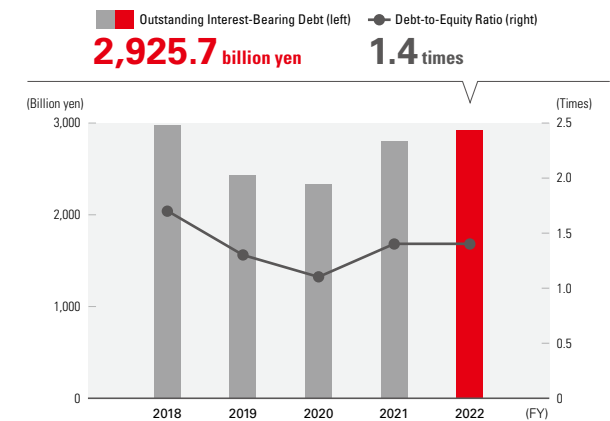
Although the shareholders' equity ratio declined from the previous fiscal year due to an increase in interest-bearing debt, we have maintained this ratio at 30% or more as we work to ensure financial soundness.

Dividends per Share/Consolidated Payout Ratio



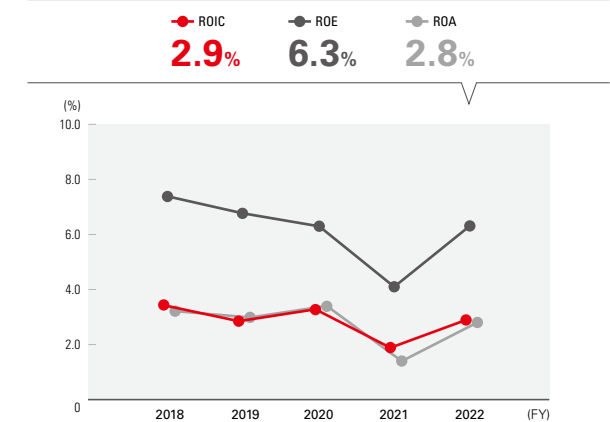
We aim to achieve a consolidated dividend payout ratio of 30% or more by working to return profits to shareholders taking into consideration profit growth on the basis of maintaining stable dividends. We maintained cash dividends per share for the current fiscal year at 50 yen.

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



Due to the increase in interest-bearing debt, total interest-bearing debt amounted to 2,925.7 billion yen, an increase of about 125 billion yen from the end of the previous fiscal year.

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



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

We have set a target for ROIC of 3.0% or more under our Medium-term Management Plan as we promote management with an awareness of capital efficiency. For this fiscal year, ROIC was 2.9%, an increase of 1.0 percentage point compared with fiscal 2021.



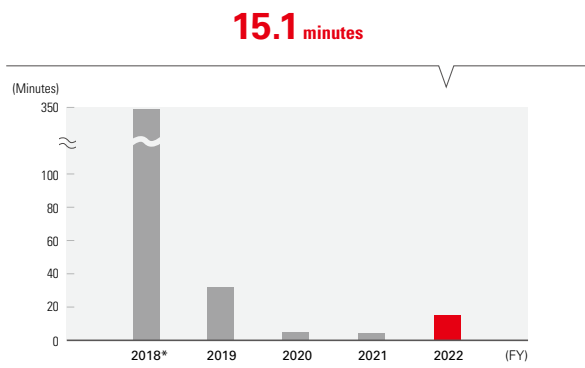
Financial and Non-Financial Highlights

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

[Link](#) ESG Data Book

Business activities

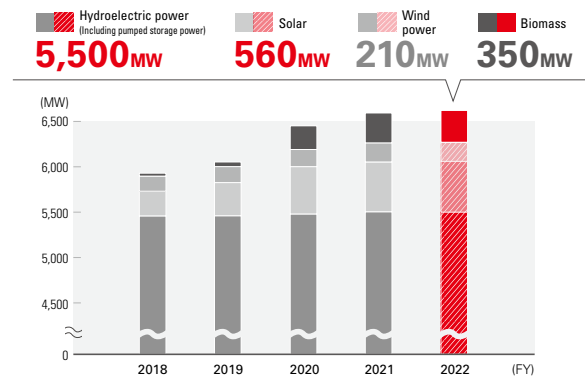
Annual average of failure/outage time per household P49



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

After a notable increase in FY2018 due to the impact of typhoons, figures have remained low since FY2019 owing to preventive maintenance efforts such as regular inspections.

Developed renewable energy P47

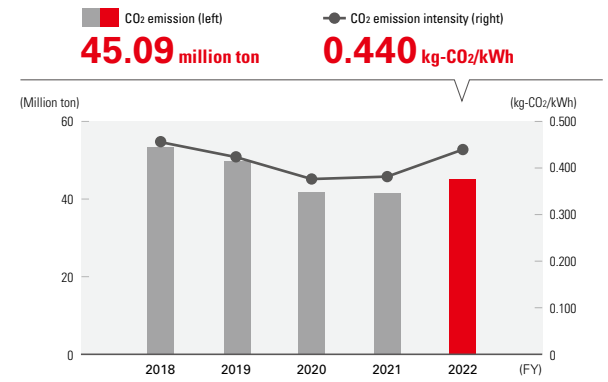


* Amount at the end of each fiscal year in Chubu Electric Power Group (in case of joint development, only equity ownership output is included). Hydroelectric power includes pumped storage power generation. Co-fired power with biomass fuel at Hekinan Thermal Power Station is not included. Includes projects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

The increase in FY2022 is attributed to factors such as the development of a biomass power plant in Sakaiminato City, Tottori Prefecture.

Environmental

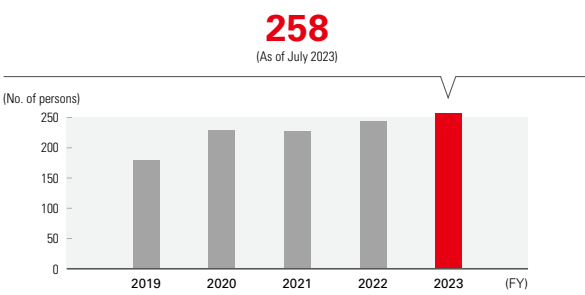
CO2 emissions/ Emission intensity in electrical energy sales P40



We have set a goal to reduce CO2 emissions derived from electrical energy sold by 50% or more by 2030 compared with FY2013. In FY2022, emissions totaled 45.09 million tons, representing a reduction of approximately 30% compared with FY2013.

Human resources

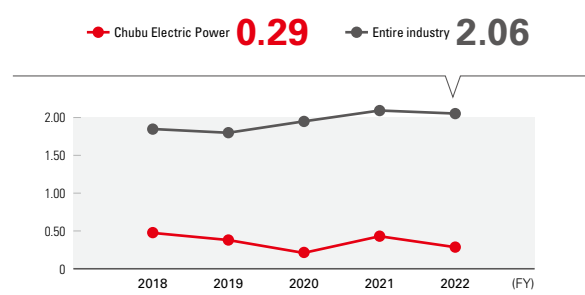
Number of women in managerial positions P63



* As of July 1 in each FY

Through initiatives such as a training program for women, we have hired 26 women in managerial positions so far in FY2023, increasing the total to 258. (Note: Our goal is to more than triple the number of women in managerial positions in FY2025 compared with the FY2014 count of 103.)

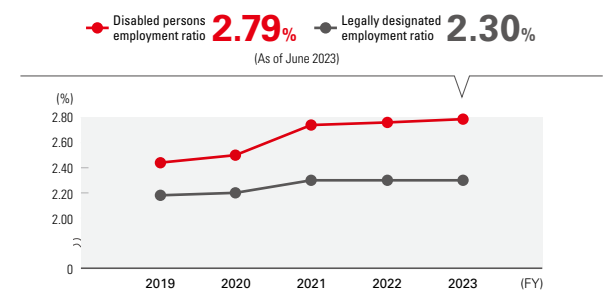
Industrial accident frequency* P61



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

In line with our Basic Safety and Health Policy, our efforts to establish a safe working environment have yielded positive results, with an industrial accident frequency of 0.29 FY2022, down on a year-on-year basis.

Disabled persons employment ratio/ Legally designated employment ratio P63



* As of June 1 in each FY

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