TEPCO

Integrated Report 2023

Executive Summary

This report covers the TEPCO Group's business strategies based on the **four key management issues (materiality)** identified to achieve the Group's Mission/Vision.

Vision

We strive to earn the trust of our customers and partners.
We create value focusing on global **carbon neutrality** and **regional disaster preparedness** for a **safe and sustainable society.**

The TEPCO Group's Vision and Value Creation ➲ P2
Top Message ➲ P8
CFO Message ➲ P11

Materiality ➲ P14

Contributing to a Comfortable and Safe Carbon Neutral Society

While leveraging renewables and nuclear power, we aim to transform our business from the sale of electricity (MWh) to the provision of customer facility services.

Carbon Neutrality Strategy (TCFD) ➲ P16
TCFD×TNFD ➲ P32

Strengthening Our Business Foundation ➲ P34

In addition to financial capital, we are strengthening the foundation of our business, which includes intangible assets such as human capital, intellectual capital and stakeholder engagement, in order to generate profits on the order of ¥450 billion.

Financial Strategy ➲ P35
Human Capital ➲ P36
Intellectual Capital (Technological Development/DX) ➲ P48
Stakeholder Engagement ➲ P51

Regaining Trust in Nuclear Power ➲ P52

While prioritizing safety we are strengthening physical protection and engaging in safety measure renovations so as to operate our power stations in a way that gains the trust of the regional community and society as a whole.

Kashiwazaki-Kariwa Nuclear Power Station ➲ P54

Balancing Revitalization with Decommissioning ➲ P56

The discharge of ALPS-treated water commenced in August. While prioritizing efforts to regain the trust of the local communities and society as a whole, we are providing compensation, engaging in revitalization efforts, and moving forward with decommissioning so as to completely fulfill our responsibilities to Fukushima.

Compensation/Revitalization ➲ P57
Decommissioning ➲ P59

Our Business

Renewable Energy Power Generation ➲ P78

Promote the use of renewables as primary power sources

Transmission and Distribution ➲ P79

Build next-generation transmission/distribution networks

Energy Retail ➲ P80

Promote carbon neutrality amongst customers through power-related services

Fuel/Thermal Power Generation ➲ P81

Support/manage JERA through governance as a shareholder

Overseas Projects ➲ P82

Engage in projects pertaining to renewables, power transmission/distribution, energy sources, and consulting

Data Section ➲ P84

Corporate philosophy, progress with achieving financial/non-financial targets, relationship between FY2030 CO_2 reduction targets and Scope 1, 2, and 3 emissions, ESG rating, SASB Index, etc.

Corporate Governance

Chairman Message ➲ P66
Messages from Newly Appointed Outside Directors ➲ P69
List of Directors ➲ P70
Governance and Remuneration ➲ P72
Risk Management ➲ P76

Dear Readers,

The TEPCO Group is Japan's largest electricity company and responsible for managing/operating energy supply infrastructure in primarily the Kanto Region, which includes Tokyo, the capital of Japan.

The TEPCO Group is currently engaged in various business reforms in order to fulfill its responsibilities to Fukushima. Based on our policy of "balancing revitalization with decommissioning," we are quickly and suitably providing compensation in accordance with the 5th addendum to our midterm guidelines while also continuing to move safely and steadily forward with decommissioning, such as by commencing the ocean discharge of water treated with multi-nuclide removal equipment (ALPS-treated water), which is an urgent issue, as we aim to accelerate recovery and completely fulfill our responsibilities to Fukushima. Regaining the trust of the local community, and society as a whole, has also been positioned as our highest priority as we prepare to restart the Kashiwazaki-Kariwa Nuclear Power Station, and we are conscientiously moving forward with restart preparations under the basic premise of ensuring safety.

During FY2022, our ability as a company to weather a harsh and opaque business environment was brought into question as we faced soaring global fuel prices and the quickly weakening yen. In order to adapt to these changes in our business environment, the TEPCO Group believes that providing value that exceeds the expectations of our customers, as put forth in the 4th Comprehensive Special Business Plan, is indispensable for sustainable growth in the future.

In light of this situation, the global trend towards achieving carbon neutrality, and the demand to strengthen resilience to evermore fiercer and widespread natural disasters, we are transforming our business model to one that focuses on facility services, such as distributed power sources and storage batteries, etc., which will allow us to leverage the strengths we have cultivated over time, in an effort to further increase profitability and create new corporate value that revolves around "carbon neutrality" and "preparedness."

The "TEPCO Integrated Report" provides information on the businesses in which the TEPCO Group is currently engaged as well as businesses that we intend to develop over the mid/long-term in order to "improve corporate value" and "create social value." During the creation of this report, we referred to various guidelines, such as the International Integrated Reporting Framework from the IFRS and TCFD Recommendations, etc., and it reflects the TEPCO Group's business commitment to incorporating financial and non-financial information into our business strategies based on integrated thinking. Furthermore, we hereby declare that the TEPCO Group leveraged all of its resources to write this report in good faith, and that all of the information contained herein is legitimate.

Yoshimitsu Kobayashi

Tokyo Electric Power Company Holdings, Inc.
Chairman of the Board

Tomoaki Kobayakawa

Representative Executive Officer and President

TEPCO Integrated Report 2023

Report Period : April 2022–March 2023 (Some important information from outside this period has also been included)

Report Subjects : All 71 consolidated companies of the TEPCO Group (Some important information outside of this scope has also been included)

Publishing date : November 2023

Next planned date of publishing : November 2024

A note on future forecasts included in the report

Plans, strategies and performance forecasts included in this report are based upon information available to TEPCO at the time of publication. These forecasts/predictions contain various uncertainties, such as the business environment surrounding TEPCO, competitive environment, related laws, business development plans, and exchange rates, etc., and it is possible that latent risks with the potential to reverse these predictions/forecasts may manifest. Therefore, we ask that you please be aware that the actual performance/business environment in the future may differ from what has been noted in this report.

Referenced guidelines, etc.

IFRS International Integrated Reporting Framework
IFRS SASB Standards
GRI Standards
TCFD Recommendations
Ministry of Economy, Trade and Industry Value Co-creation Guidance 2.0

At a Glance

TEPCO
Tokyo Electric Power Company Holdings
(HD)

Holding Company

Nuclear Fukushima

TEPCO
TEPCO Fuel & Power
(FP)

Fuel & Thermal Power Generation Company

Business support and management of our fuel and power generation company, JERA

TEPCO Power Grid
(PG)

General Power Transmission and Distribution Company

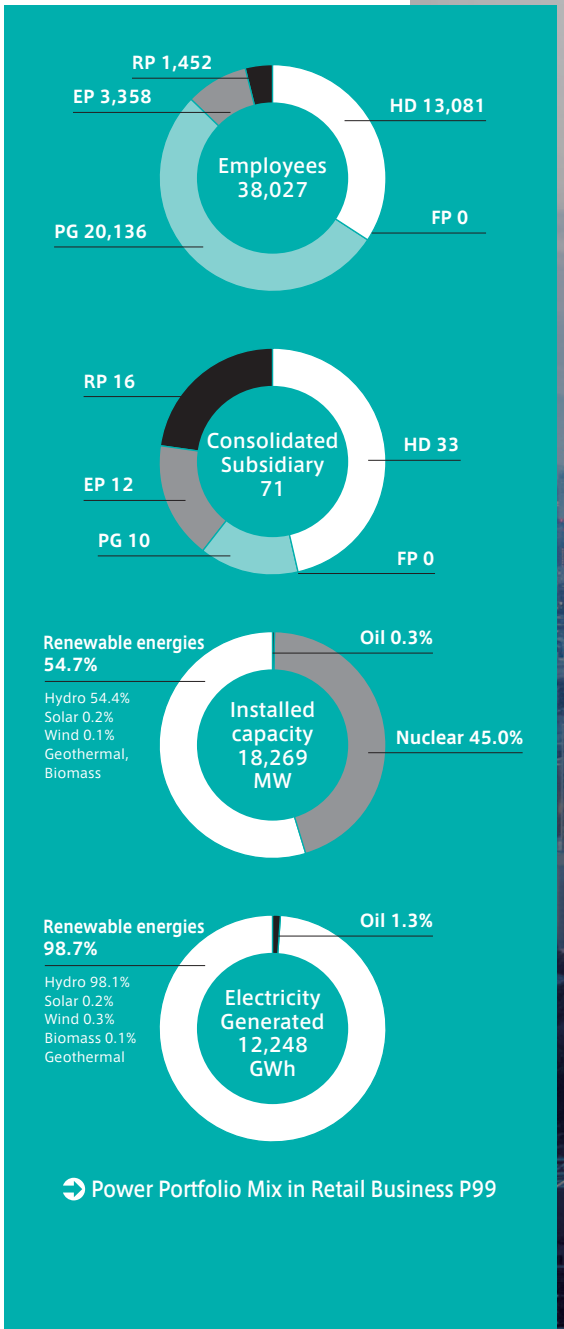
TEPCO
TEPCO Energy Partner
(EP)

Electricity Retail Company

Electricity and gas retail

TEPCO
TEPCO Renewable Power
(RP)

Renewable Energy Power Generation Company



Power Portfolio Mix in Retail Business P99

Operating revenue
Approx. **7.7** trillion

Operating income (loss)
Approx. **-228.9** billion

Gross power sales
242.8 TWh

Mission

We commit to fulfilling our responsibilities to Fukushima.
We pursue expanding possibilities in the world of energy
and deliver value beyond the expectations of individual customers.

Develop the future of energy Deliver a comfortable life

History

Since its creation, the TEPCO Group has focused on creating customer value by meeting the demands and needs of society and has not shied away from reforms in order to change along with the times and the environment. Going forward, we will continue to expand the possibilities of energy in order to enable our customers to live care-free and comfortably, while also solving social issues and contributing to a sustainable society through the creation of value that exceeds the expectations of our customers.

1883
Founding

Founding of Japan's first electric company, Tokyo Dento, the predecessor of TEPCO.

1951
Establishment of TEPCO

TEPCO was founded in 1951 in conjunction with we organization of the electric industry.

Diversifying power sources and transitioning from oil

Construction of the world's first LNG thermal power station.

Expanding new services

Providing more Green value, such as development of the Green power certificate system, and the commencement of operation of geothermal/wind power plants.

2016
Transition to a holdings company

Switching to power generation facilities that focus on renewables and nuclear power.

2021
Corporate philosophy revision

TEPCO's purpose was redefined in order to fulfill our responsibilities to Fukushima while also "improving corporate value" and "creating social value" over the long-term.

Creating new value based upon carbon neutrality and disaster preparedness

TEPCO's Initiatives and Value Provision

- Providing affordable and stable electricity through the proactive development of highly efficient power sources and technological innovation.
- First in the world to employ LNG, which does not contain pollution-causing sulfur or nitrogen, as a fuel for power generation.
  - Development of nuclear power station
  - Development of large capacity pumped-storage power plants (hydroelectric power)
- Initiatives aimed at achieving recovery in Fukushima
- Commencement of operation of the Hachijojima Power Station, TEPCO's first commercial geothermal/wind power plant
- Development of the Green power certificate system
- Switch to a business model that aims for carbon neutrality

Social Changes/ Needs

The period of rapid economic growth and worsening pollution

Second oil shock

Energy Efficiency Act (1979)

- Deregulation of the power retail market (2000)
- Increased social concern in environmental activities

Great East Japan Earthquake and Tsunami (2011)

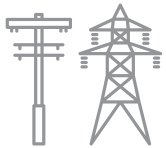
- Complete deregulation of the power and gas retail market (2016/2017)
- Legal separation of power transmission/distribution division (2020)
- Soaring global fuel prices as a result of the situation in Ukraine (2022)

Expectations for carbon neutrality

1950 1970 2000 2010 2020 2050

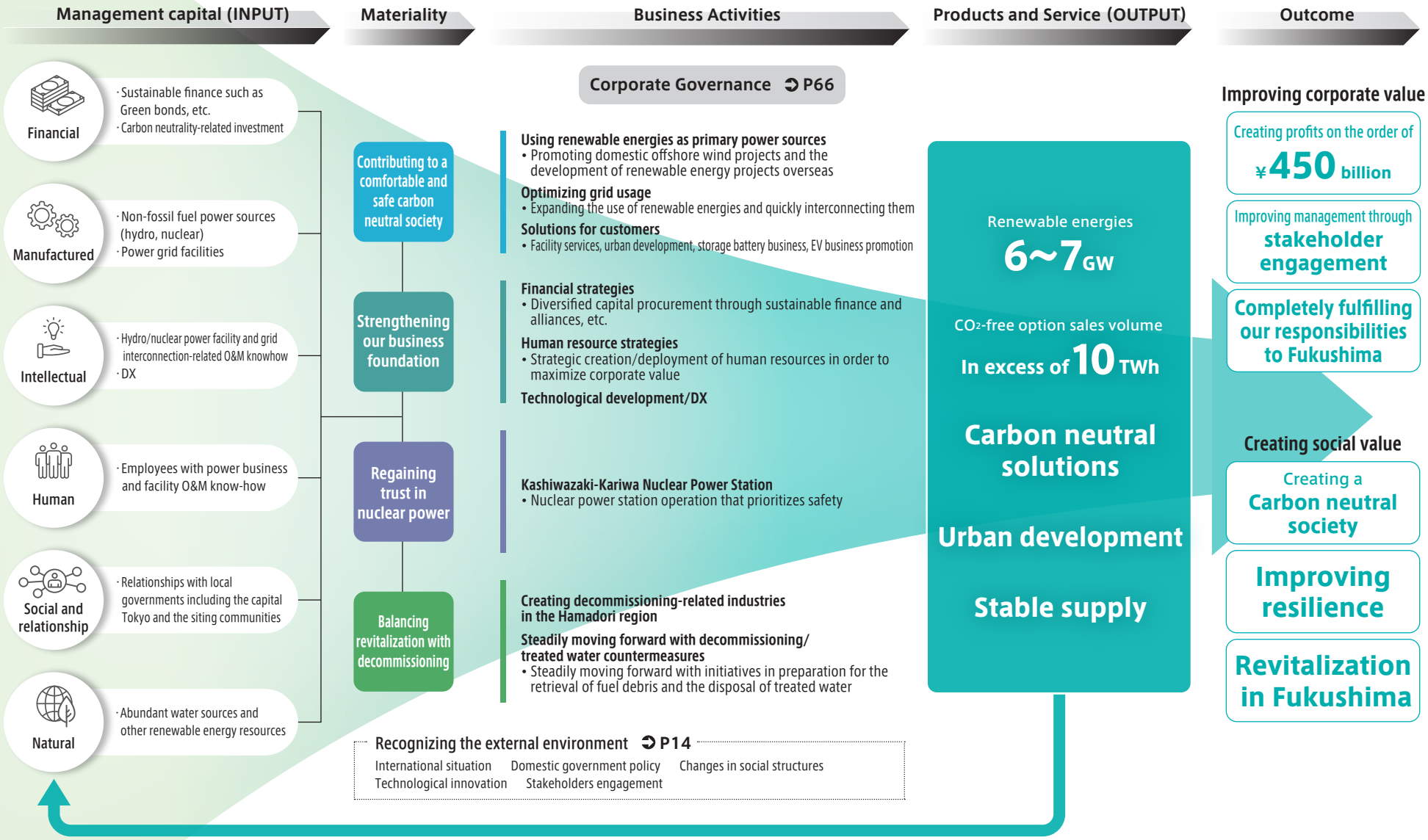
Strengths

Since our foundation, the TEPCO Group has continued to respond to the needs and demands of society throughout our long history and create value through our business thereby cultivating unique strengths that are the source of our competitiveness. As we transition to a sustainable society that leverages renewables, the TEPCO Group must show its core competence as an energy operator and leverage our four supply/demand-side strengths, namely, our connection with our customers, our grid management assets, our existing power source assets, and our coordination with regional communities, as we aim to be a corporate group that continues to be chosen by society.

			Areas of further strengthening
	**Connection with our customers** **242.8TWh** Power sales volume (FY2022)	**Supplying power to customers in the Tokyo metropolitan area** **Highest power sales volume in Japan**	Identifying hidden needs and offering power supply solutions that fit the various business/lifestyles as the trend to distribute power sources continues (private power generation/private consumption, locally produced-locally consumed power, etc.)
	**Grid management assets** **41,037km** Power transmission lines (total length) One circumference of the earth **1,067,738km** Distribution lines (total length) 1.5 times the distance between Earth and the moon	**Widespread power transmission network that can meet high demand** **O&M knowhow pertaining to grid interconnection**	As distributed power becomes more widespread, we are operating new grids that leverage storage battery technology
	**Power source assets** **10GW** Renewable energy power generation installed capacity (including pumped storage power plants)	**O&M knowhow pertaining to various power generation facilities** **Producing the most power from renewable energy in Japan**	Development/use of power derived from renewable energies that will help us create a carbon neutral society
	**Coordination with regional communities** **0.13 times/year** Number of power outages per household One of the world's best	**More than 300 preparedness agreements signed with local governments/companies**	Enlargement/strengthening of preparedness agreements designed to improve resilience to ever fiercer natural disasters

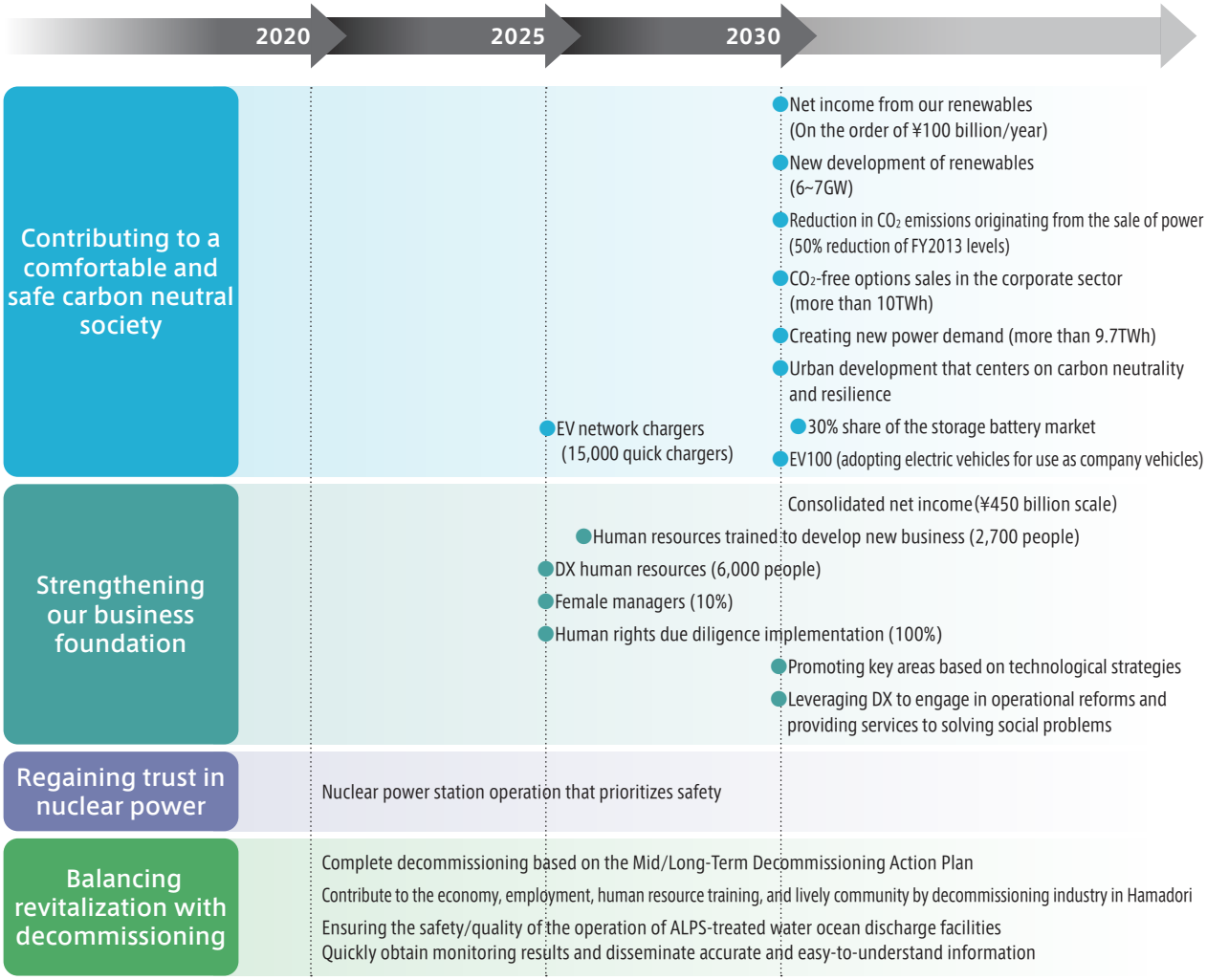
Value Creation Process

The business environment surrounding the TEPCO Group is changing greatly as we transition to a carbon neutral society and also due to public demand for stronger resilience to fiercer and more widespread natural disasters, and soaring global fuel prices resulting from the situation in Ukraine. In order to achieve our vision, the TEPCO Group is leveraging the strengths it has cultivated to solve key management issues (materiality)



Roadmap for Achieving Our Vision

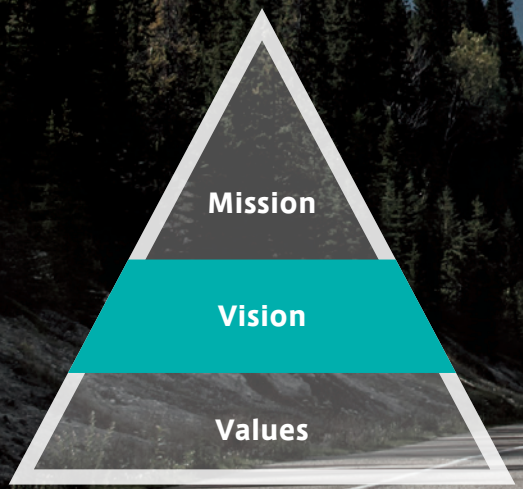
The TEPCO Group's "purpose" is to enable each and every person to live comfortably, and to this end we are involved in various types of value creation that center around carbon neutrality and preparedness. As a company responsible for creating a safe and sustainable society, our vision is to become a corporate group that is continually trusted and chosen by everyone that we are involved with. We will therefore steadily implement our business strategies in accordance with the "TEPCO Group's Corporate Philosophy."



Vision

We strive to earn the trust of our customers and partners. We create value focusing on global carbon neutrality and regional disaster preparedness for a safe and sustainable society.

Corporate Philosophy ➲ P84



Top Message

Create and provide value beyond customer expectations

Tomoaki Kobayakawa

Tomoaki Kobayakawa

Tokyo Electric Power Company Holdings, Inc.
Representative Executive Officer and President

＜Completely fulfilling our responsibilities to Fukushima＞

I will lead and unify the TEPCO Group so as to completely fulfill our responsibilities to Fukushima.

It's been 12 years since the Fukushima Daiichi Nuclear Power Station Accident. Thanks to the efforts of the national and local governments, related agencies, and contractors, we are creating an environment that will allow us to look to the future and move forward as planned with the decommissioning of the Fukushima Daiichi Nuclear Power Station. Going forward, we will strive to further improve the environment as we steadily proceed with decommissioning while prioritizing safety. At the same time, the TEPCO Group has come together to bring about revitalization in Fukushima as quickly as possible by engaging in initiatives pertaining to compensation, decontamination, promoting the distribution of products from Fukushima Prefecture, and developing local industries.

On August 24 of this year, we commenced the discharge of water treated with multi-nuclide removal equipment (ALPS-treated water) as part of the decommissioning process. Local fishing industry representatives and members of the local communities have expressed their concern over the possibility of losing their livelihoods due to reputational damage. The TEPCO Group is sincerely addressing these fears and concerns and will fulfill its role with strong determination to prevent reputational damage and not betray the trust of the people of Fukushima, or the people of Japan, throughout the decommissioning process.

In particular, during the discharge of treated water we shall ensure the safety/quality of facility operation, quickly obtain ocean monitoring results and disseminate accurate information, and ensure transparency through IAEA reviews, etc. Furthermore, we have strengthened our mechanisms for implementing reputational damage countermeasures and shall quickly provide suitable compensation in the event of that new reputational damage is incurred.

I always keep in mind the fact that the most important mission of the TEPCO Group is to completely fulfill its responsibilities to Fukushima and through this message, it is my intent to convey to you at the beginning of this report that I will lead the TEPCO Group as it works in unity to engage in these efforts into the future.

＜Long-term stable supply＞

Supporting the lives and livelihoods of our customers as an energy provider

As an energy provider, ensuring the stable supply of power to our customers amidst growing uncertainty over our energy situation is our most important mission.

During FY2022, power market prices increased remarkably as a result of the quickly weakening yen and

soaring fuel prices caused by the situation in Ukraine thereby ultimately leaving TEPCO in the red. In order to continue to provide a stable supply of power to our customers and stabilize our business, we were forced to revise our electricity rates. This electricity rate revision had a great impact on the lives and livelihoods of our customers. In order to reduce the economic burden of this electricity rate revision on our customers, the TEPCO Group has started a unique program for providing assistance to customers that install energy efficient equipment. This initiative enables the TEPCO Group to avoid spot fuel procurement, which fluctuates greatly, in the short-term thereby contributing to stable management. Also, over the mid/long-term, we are strengthening our monitoring of the balance between customer power sales and the TEPCO Group's power procurement by avoiding/mitigating the risk of worsening revenues. Through this type of power procurement and initiatives implemented in coordination with our customers, we will strive to ensure that the supply, and price, of power remains stable.

However, as we seek to create a carbon neutral society by 2050, we must consider the fact that there will come a day when we cannot freely use fossil fuels. In particular, for Japan, which still uses a relatively high percentage of fossil fuels and is dependent upon overseas sources for much of this fuel, the soaring fuel prices that we experienced last fiscal year are a large threat to the stable supply of power that supports the lives of the Japanese people and the economic activities of Japan. In order to maintain stable supply, we must first secure baseload power sources. For this reason, nuclear power is indispensable for creating a carbon neutral society because output is not weather-dependent, and CO_2 is not produced during the power generation process. Currently, we are engaged in efforts to regain the trust of the local communities and society as a whole as we prepare to restart Kashiwazaki-Kariwa Nuclear Power Station Unit 7. At the same time, we are also investing resources in offshore wind power because we feel it is important to have a stable and large-scale source of renewable energy. However, the key to success will be to figure out how to build mechanisms that utilize unstable, small-scale renewable energies as stable power sources. To this end we are eagerly engaged in initiatives, such as developing demand response services and services for facilities like storage batteries, that allow for large adjustments in conjunction with power supply-demand fluctuations, etc.

As an energy provider, the TEPCO Group is engaged in initiatives on both the supply and demand sides to support the economic activities of our customers and enable them to live comfortably with peace of mind.

<Our vision, Value creation>

Creating a carbon neutral society

In order to contribute to the creation of a carbon neutral society, the TEPCO Group announced its "business structure reforms aimed at balancing long-term stable supply with carbon neutrality" in April 2022. In order to face this global issue and achieve our goal, the TEPCO Group created these reforms to not only contribute to reduce CO_2 as the public good reduce CO_2, but also because we realized that it's important to challenge ourselves by starting new businesses and transform our business in accordance with changes in the times and the environment.

An example of one of our mid/long-term business strategies on the supply side is to first promote non-fossil fuel power businesses, such as renewables, like offshore wind power, and nuclear power. Then, in order to create a carbon neutral society, our demand-side businesses that are closer to the customer will become more and more important. We will adopt distributed renewable energy power sources for local-production/local-consumption and promote our facility services business, such as electrification and storage batteries. Furthermore, in order to widely develop our carbon neutrality-related businesses, the TEPCO Group is trying to expand our scope and sphere of business, or in other words, construct a value chain that transcends the conventional boundaries of the energy business and further increases the value that we can provide to our customers. To do this, in addition to alliances with companies in the same industry, like JERA, we will also examine forming alliances with companies in other industries that have different strengths and new technologies as we proactively promote reforms.

I myself have experienced working on various projects within the company and with people outside the company. Generally, I think we were successful due to a common sense of values of "people from different backgrounds going above and beyond to do good" that we shared exactly because our country, which has few natural resources, is facing a harsh situation when it comes to energy that we use to support our lives and our economy. Going forward, as the TEPCO Group forms these alliances, we will do so while remembering the "good" that will be brought to our customers and society.

<Competitive superiority>

A group of professionals providing energy in the capital region

The TEPCO Group's energy business to date has been integrated vertically from procurement to supply. Through this process we have acquired various knowhow as an energy provider. In particular, over the last 30 years we've gained much experience and knowledge in a plethora of areas. This includes demand-side management (DSM) for dealing with tight supply demand situations in the metropolitan area, which has seen remarkable changes in its business environment, and our handling of fierce competition brought about by deregulation of the power market. Some of this experience and knowledge has also come from repeated successes with facility services, consulting services and proposing/providing solutions, like energy conservation measures, that meet customers various needs. The TEPCO Group is a group of professionals that has been strengthened through its successes in these areas thereby positioning it perfectly to be able to solve the difficult problem of balancing "carbon neutrality" with the "comfortable lives of our customers."

Going forward, it is predicted that we will transition to locally-produced/locally-consumed energy systems as we head towards a carbon neutral society, and how to balance carbon neutrality while stabilizing energy supply-demand on a regional scale will be of vital importance. In this respect, the success, experience, knowledge the TEPCO Group has gained by providing energy solutions will be of great help. Furthermore, many of the local governments in that were selected to Lead Decarbonization Area, by the government from FY2022, have chosen the TEPCO Group as a partner because of our great reputation for forward-looking solutions.

<Strengthening our business foundation>

Aiming for further growth by strengthening human resource cultivation and DX

In order for the TEPCO Group to continue to grow as a company amidst environmental changes, we believe that strengthening human resources (human capital) and DX is indispensable.

In regards to cultivating human resources within the TEPCO Group we believe it is important to first and foremost ensure that every employee of the group understands our corporate philosophy, which was revised in July 2021, and is able to apply these principles in the course of their daily duties. Our corporate mission is to, "Develop the future of energy Deliver a comfortable life," and this includes our strong sentiment to provide new value to our customers. We believe that having each and every employee think from the perspective of the customer and act so as to exceed the expectations of the customer will ultimately lead to the growth of the TEPCO Group. In order to ensure that the corporate philosophy permeates throughout the organization and is manifested, we've established a New Corporate Philosophy Project Headquarter Secretariat under the direct supervision of the President. And, corporate management, which includes I, are going into the field to engage in dialogue with workers and initiate kaizen activities. By having upper management go into the field, engage in dialogue, and see conditions with their own eyes, we will be able to gain common awareness about issues in the field and leverage that knowledge when cultivating human resources throughout the entire organization.

Furthermore, in order to promote digital transformation (DX) we have established a DX Business Reform Committee. This committee shall create a business foundation for digital resources and cultivating DX human resources, etc., while also deliberating work process innovations that incorporate digital technology. By balancing the strengthening of DX with work kaizen initiatives, we will not only work more efficiently, but also eventually strengthen the business foundation for providing value that meets the expectations of our customers.

<For our stakeholders>

Improving mid/long-term corporate value

In order to continue to create value that exceeds the expectations of our customers by creating energy service businesses that balance carbon neutrality with profitability and stable supply, we are putting all of our resources into creating businesses that do not conform to conventional wisdom. This is our future vision that we must achieve no matter what the difficulty because the very existence of the TEPCO Group is at stake.

"Completely fulfilling our responsibilities to Fukushima" is the TEPCO Group's most important mission, and we will steadily increase corporate value by creating businesses that do not conform to conventional wisdom. To our stakeholders we ask that you look to the mid/long-term and continue to provide your generous understanding and support to the TEPCO Group.

CFO Message

Carbon neutrality is the key to ¥450 billion

Hiroyuki Yamaguchi

Hiroyuki Yamaguchi

Tokyo Electric Power Company Holdings, Inc.
Representative Executive Officer,
Executive Vice President,
Chief Financial Officer (CFO)

<FY2022 Performance and FY2023 Performance Forecast>

Two issues we faced during FY2022

During FY2022, the TEPCO Group faced two large issues as our business environment quickly changed due to soaring fuel prices and wholesale market prices, etc.

The first was a large imbalance with fuel cost adjustments to electricity rates caused by changes in our power procurement structure. Since we revised rates in 2012, the TEPCO Group has been shifting to highly efficient LNG thermal, cutting-edge coal-thermal, and renewables, and we have been prone to procurement from the wholesale power market thereby changing our power structure. Electricity rates include fuel cost adjustments that reflect fluctuations in thermal fuel prices in accordance with this power structure, but as our rate cost power structure deviated from our most recent power structure, the situation in Ukraine caused fuel prices to soar thereby resulting in a situation where our electricity procurement costs exceeded our electricity rate revenue. Furthermore, in conjunction with the increase in fuel prices, wholesale market prices also soared and our lack of a mechanism for reflecting fluctuations in the wholesale market price in our electricity rates added to our losses.

The second issue we faced was reaching the upper limit of fuel cost adjustments on regulated rates (conventional rate plans that exist prior to the complete deregulation of the power retail market). There is an upper limit to fuel cost adjustments, and the TEPCO Group was forced to burden costs that exceeded this upper limit as a result of soaring fuel prices.

As a result, consolidated ordinary income decreased by ¥327.6 billion YoY to ¥285.3 billion, and the net income/loss attributable to owners of the parent suffered a loss of ¥123.6 billion.

Moving to a profitable structure

In addition to the advantageous impact from the time lag inherent to the fuel cost adjustment system, as a result of asking society and our customers to accept electricity rate power structure and fuel specification revisions, and thorough streamlining to reduce costs, we set a record high for consolidated ordinary income for the first quarter of FY2023 and ¥233.1 billion. And, from the second quarter onward we believe our revenue structure will further normalize through revisions to regulated rates and low-voltage free rates.

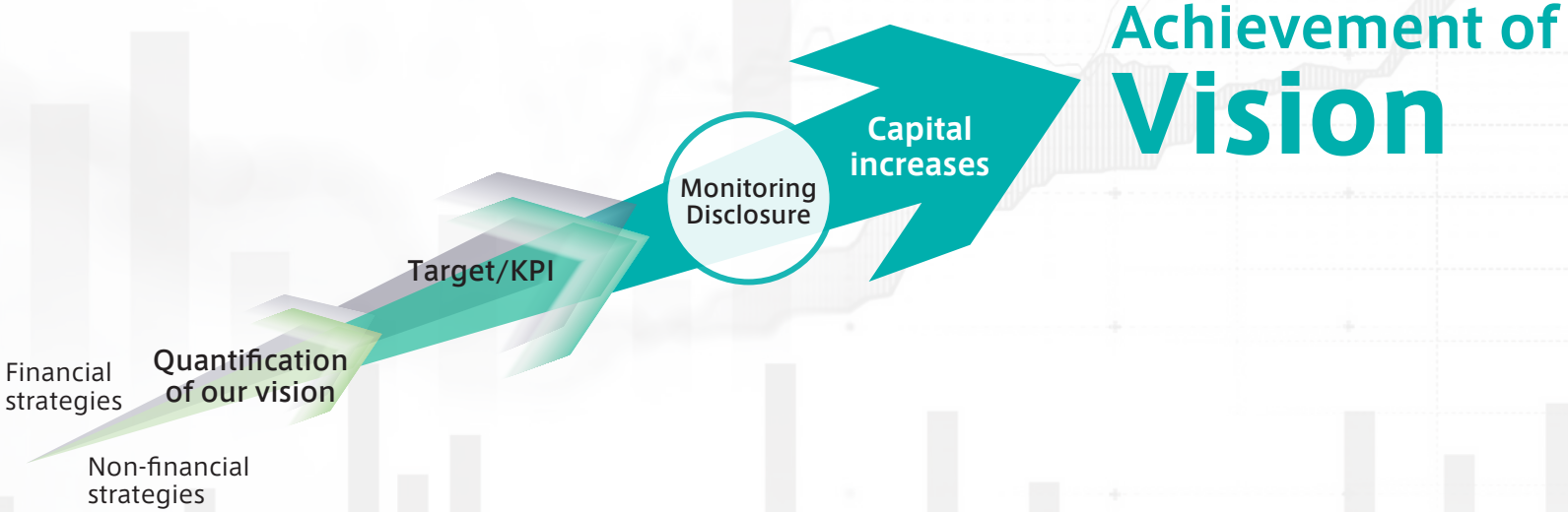
By revising our rate system in light of the two issues that manifested during FY2022, we are starting to move to a revenue structure that can produce suitable profits. Going forward, if we see any large discrepancies in presumptions when estimating electricity rates, we will take suitable action in consideration of the situation at the time and continue to generate stable profits.

<Serving as the CFO and ESG Officer>

The ESG perspective will lead to financial improvement in the long-term

This fiscal year I was appointed to the positions of both CFO and ESG Officer. The things that I must do that are common to both positions is quantitatively clarify our vision, and aim to achieve our objectives while disclosing/sharing information about the TEPCO Group's situation with stakeholders in a highly transparent manner upon getting the entire group to commit to these objectives. In addition to these governance-related responsibilities, I believe it is very important that the TEPCO Group engages in business through the perspective of ESG as we see large changes to our business environment caused by deregulation of the power market. For example, in order to shore up revenue from our electricity business, which is the foundation of our company, it is extremely important that we have stable engagement with customers. However, it is even more important that the TEPCO Group provides services that enable customers to install photovoltaic power generation equipment and effectively use power and contribute to the creation of a carbon neutral society. The TEPCO Group to date has focused on supply-side carbon neutrality initiatives, but in order to achieve carbon neutrality throughout all of Japan, we must involve society, which is on the demand-side. I believe it is the fundamental role of an infrastructure company like the TEPCO Group to create an environment that allows our corporate customers to focus on their business and our household customers to focus on their lives. In order to achieve this, the TEPCO Group has entered the facility services market. As CFO and ESG Officer I shall lay out a pathway to improving corporate value by 2030 and 2050 by solving social issues.

Long-term value creation management through integrated thinking



<Financial Policy>

Visualizing business performance and aiming to generate annual profits on the order of ¥450 billion

The 4th Comprehensive Special Business Plan puts forth the objectives of generating approximately ¥300 billion in profits by the mid-2020s, and approximately ¥450 billion in profits by FY2030 onward. Whereas we may have to rethink these profit lines in consideration of the deficit we incurred during FY2022, it is still necessary for the entire Group to continue to aim to generate profits on the order of ¥450 billion by engaging in initiatives that look to create a carbon neutral society. In order to generate these profits, the 4th Comprehensive Special Business Plan notes that we should aim to generate additional profit of ¥150 billion through strategic investment, however we will restate future profit line objectives for each business after making estimates that consider changes to our business environment.

Furthermore, in order to fulfill our responsibilities to Fukushima, including decommissioning, while also generating profits on the order of ¥450 billion, we must improve performance throughout the entire company. Due to these harsh changes in our business environment, we must assess the performance of existing businesses as well as new businesses, and aim to improve performance while also reorganizing our portfolios as necessary. Firstly, we will increase our momentum to improve performance over time by moving forward with the visualization of performance upon dismantling our ROIC tree and defining the roles of all departments, including the general management division. Furthermore, instead of just monitoring whether or not we exceeded our hurdle rate when deciding on investments, we plan to root the process of making management decisions based on overall optimization, such as by optimizing portfolios by assessing even the relationship to the WACC.

<Capital procurement>

Alliances and restarting nuclear power stations are important for carbon neutrality-related investment

In order for Japan to create a carbon neutral society by 2050, the TEPCO Group aims to invest more than three times the "maximum of ¥3 trillion by FY2030" in carbon neutrality-related initiatives as put forth in the 4th Comprehensive Special Business Plan. However, in order to achieve this, increasing the momentum towards achieving carbon neutrality is needed. While serving as the ignition point for this movement, we will also earn profits as a leader by promoting bold and aggressive initiatives.

Since capital obtained through conventional loans and the issuance of corporate bonds is typically used for capital investment in our electricity business and to repay debts, it is important to diversify our means for procuring capital by leveraging sustainable finance and forming alliances in order to invest in carbon neutrality.

Furthermore, recommencing operation of nuclear power stations is indispensable for ensuring a stable cash flow. If nuclear power stations are not in operation, a large portion of the TEPCO Group's revenue will be dependent upon fuel prices and wholesale market prices, and will continue to be unstable. Nuclear power plays an important role in not only enabling stable supply to our customers, but also reducing CO_2 emissions.

<Message for shareholders and institutional investors>

We must become a company that meets the expectations of our shareholders and investors by staying in the black

TEPCO has not been able to provide dividends or seen an increase in share price for many years, and we continue to be unable to fulfill the expectations of our shareholders and investors. Laying out a pathway to providing dividends and increasing share price is important over all else.

In order to do this, we shall analyze and convey information on company status from the standpoint of return on capital, and layout a pathway to ¥450 billion.

In the short term it is important to not only develop information disclosure, but also improve performance, and we must remain in the black this fiscal year in order to become a company that is regarded highly by our shareholders and investors. To this end, we shall steadily improve ROE and push forward to generating profits on the order of ¥450 billion.

We will continue to strive to provide stable electricity rates and a stable supply while also engaging in initiatives with strong determination to create a carbon neutral society. We ask for your continued understanding and support.

Reference: financial/non-financial targets P85

Materiality and Business Strategies

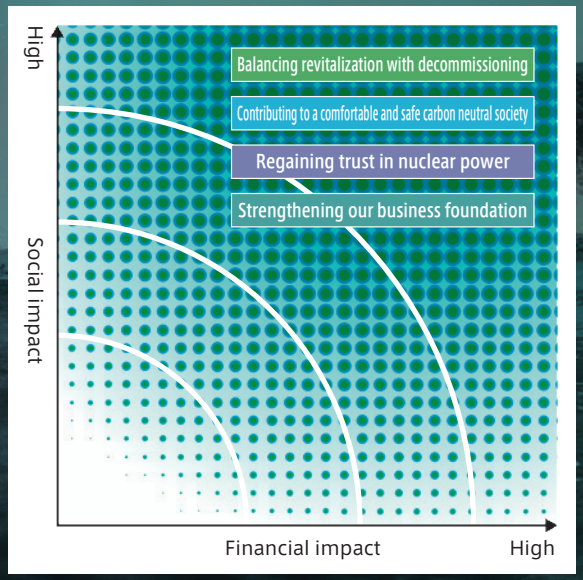
Every year, the TEPCO Group performs a business environment analysis in light of domestic/international conditions and stakeholder expectations in order to identify key risks and opportunities pertaining to business. The level of importance of these identified risks and opportunities are assessed from two perspectives, social impact and financial impact, and are audited/supervised by the Board of Directors as management issues.

These key management issues are broken down into four categories and organized/identified as "materiality." We aim to solve each of these key management issues through management strategies and systemized/detailed action plans.

Materiality identification process

External Environment Assessment → Identifying Risks and Opportunities → Materiality Assessment

International situation	• Soaring fuel/power market prices • Fluctuations in interest/exchange rates • Trend towards carbon neutrality • Manifestation of geopolitical risks
Domestic government policy	• Law/system, tax system reforms • Promotion of Green Transformation • Nuclear damage compensation midterm policy revisions
Changes in social structures	• Population decrease/migration • The rise of SNS • Interest in a sustainable society
Technological innovation	• Development in the fields of IT, DX and AI • Transition to zero emission fuels • Increased use of renewables/ distributed power sources • Expanded utilization of EV/storage batteries
Stakeholder engagement	• Changes in expectations for companies • Trust of the region and society • Changes in the needs of financial stakeholder • Human rights impact (suppliers, etc.)



Four materiality

Contributing to a comfortable and safe carbon neutral society

In order to create a sustainable society, we are creating new value by developing businesses that focus on carbon neutrality and preparedness.

Strengthening our business foundation

We are implementing financial strategies while growing human capital and intellectual capital in preparation to reform business structures in accordance with environmental changes and generate profits on the order of ¥450 billion.

Regaining trust in nuclear power

In order to create a carbon neutral society and provide an affordable and stable source of electricity, we are pursuing nuclear security and safety as we aim to have the power station that is trusted by the region and society as a whole.

Balancing revitalization with decommissioning

In order to completely fulfill our responsibilities to Fukushima we are prioritizing efforts to regain trust while we aim to balance revitalization initiatives with safe and steady decommissioning.

Materiality

We have developed strategies for solving our four key management issues and are formulating action plans that layout details for achieving our objectives.

Materiality	Strategies	Indicators/actions	Target fiscal year	Target	Achievements (FY2022)
Contributing to a comfortable and safe carbon neutral society ➲ P16	Using renewables as primary power sources	Net income from our renewable energy power generation business	2030	On the order of ¥100 billion/year	¥37.0 billion
		New development of renewable energies in Japan and overseas		6~7GW	3.03GW (including facilities under development)
	Business structure reforms that look forward to a carbon neutral society	Reduction in CO_2 emissions originating from the sale of power (compared to FY2013 levels)		50% reduction	53% reduction (see page 22 for details)
		CO_2-free options sales volume in the corporate sector		more than 10TWh	6.3TWh
		Creating new power demand		more than 9.7TWh	470GWh
		Urban development that centers on carbon neutrality and improving resilience		Strengthen resilience and promote carbon neutrality in the region through our business Increase the number of projects such as Lead Decarbonization Area	Number of proposals selected for Lead Decarbonization Area: 7 (The most for a private co-proposer)
		Storage battery business contract earnings	2031	30% share of the storage battery market (contract earnings)	¥3.8 billion
		EV network chargers (quick chargers)	2025	15,000 quick chargers	Approx. 7,900 quick chargers
		EV100 (adopting electric vehicles for use as company vehicles)	2030	100%	21%
Strengthening our business foundation ➲ P34	Financial strategies	Consolidated net income	2030 onwards	On the order of ¥450 billion	¥ (123.6) billion
	Human resource strategies	Human resources deployed to solve key management issues	—	1,281 people	1,379 people
		Human resources trained to develop new business	2027	2,700 people	908 people
		DX human resources	2025	6,000 people (more than 20% of all employees)	Approx. 2,300 people
		Female managers	2025	10%	5.9%
		Human rights due diligence implementation rate	2025	100%	28.8%
	Technological development	Promoting key areas based on technological strategies	2030	Technological development aimed for commercialization	Promoting business by Japan's first P2G company, Yamanashi Hydrogen Company (YHC)
		Promoting DX	2030	Operational reforms that focus on CX/UX and co-creation, and the provision of new services that will solve social problems.	Launch and promote projects that contribute to carbon neutrality and stable supply
Regaining trust in nuclear power ➲ P52	Pursuing nuclear security and safety at nuclear power stations	Pursuing nuclear security, including sincerely cooperating with additional inspections pertaining to physical protection	—	Implement improvement measures and complete additional inspections performed by the Nuclear Regulation Authority	Implement improvement measures and cooperate with additional inspections
		Steadily proceed with safety measure renovations and improve the level of safety		General inspection pertaining to incomplete safety measure renovations, and safety measure renovations	First round of general inspections pertaining to incomplete safety measure renovations
Balancing revitalization with decommissioning ➲ P56	Building a decommissioning industry in Hamadori	Create a decommissioning-related industry in the Hamadori region	—	Contribute to the economy, employment creation, human resource training, and prosperity by building a decommissioning industry in Hamadori.	Establishment of a decommissioning-related equipment manufacturing joint venture and preparation for the start of construction (during FY2023)
	Decommissioning/ contaminated water/treated water countermeasures	Steady implementation of initiatives for retrieving fuel debris and disposing of treated water		Ensuring the safety/quality of the operation of ALPS-treated water ocean discharge facilities	Preparatory construction/installation of ALPS-treated water dilution/discharge facilities and ancillary facilities
				Quickly obtain monitoring results and disseminate accurate and easy-to-understand information	Localization of websites and pamphlets, launch of the Overarching Radiation-monitoring data Browsing System (ORBS)
				"Trial removal of fuel debris from the first unit (Unit 2) Internal investigations, gradual increase in the scope of fuel debris retrieval"	Unit 2 primary containment vessel internal investigation preparations (mockup, isolation chamber installation)

Contributing to a Comfortable and Safe Carbon Neutral Society

"A carefree and comfortable life" is indispensable for carbon neutrality, just as "a safe and sustainable society" is indispensable for preparedness. The TEPCO Group has formulated a roadmap to carbon neutrality for the three areas of supply (zero-emission power), power grids (symbiosis between large-scale power sources/large-volume transmission and locally-produced/locally-consumed power sources), and society (electrification of end-use consumption), and will achieve sustainable growth along with society.

Roadmap 2030 2050

	Investment*1	Business activities
Supply	¥3 trillion	• Using renewables as primary power sources ➲ P24 • Leveraging nuclear power generation ➲ P52 • Supporting JERA's "Zero-emission 2050" initiative ➲ P25
Power grids	¥3 trillion	• Distribution • Grid usage optimization ➲ P26 • Cross-regionalization
Society	¥3 trillion	• Promotion of electrification ➲ P27 • Expansion of CO_2-free options ➲ P27 • Urban development/storage batteries ➲ P28 • Expansion of EV/charge networks ➲ P31

Cut carbon by half

Creation of a carbon neutral society

*1 On the assumption that we will form alliances, our investment target is more than three time the "maximum of ¥3 trillion by FY2030" put forth in the 4th Comprehensive Special Business Plan.

TCFD This section provides information based on the TCFD framework.

TEPCO TCFD REPORT 2023

TCFD Strategy TCFD Metrics and Targets

Target

FY2030

CO_2 emissions originating from the sale of power

50% reduction (of FY2013 levels)*2

*2 Scope 1, 2 and 3 emissions originating from the sale of power.
Scope 1 and 2 emission reductions are compared to FY2019 levels.

➲ See page 95 for target definitions

FY2050

CO_2 emissions originating from the supply of energy

Net zero

Progress

CO_2 emissions originating from the sale of power (million t-CO_2)

FY2013	FY2022	FY2030
139.2	**65.1***3 (-53%)	69.6 (-50%)

*3 Preliminary values. Approximate 53% (target achieved) reduction due to the effect of increasing the amount of non-fossil certificate procurement to comply with laws/regulations in addition to power source procurement innovations, etc.

Strategy

In order to create value based on carbon neutrality and preparedness, we shall leverage nuclear power, which is a non-fossil fuel power source, and develop renewable energies, such as hydro and offshore wind power, as we transition from the sale of electricity (MWh) to the customer facility services business.

Governance

The TEPCO Group believes that the handling of ESG, including climate change risks and opportunities, is an important management issue, and as such the Board of Directors has selected an officer to be in charge of ESG. The ESG Officer report quarterly on the status of business operations to the Board of Directors, and the Board of Directors shall supervise climate change risks and opportunities by, for example, examining the progress of strategies, action plans, and performance target achievement.

Furthermore, with the President serving as Chairman, the ESG Committee shall regularly meet to discuss climate-related issues and shall coordinate with the Future Management Committee and the Risk Management Committee. The Board of Directors, etc., engages in vigorous discussions about important topics.

From FY2023, CO_2 emission reduction achievements shall be added as a KPI to the productivity-linked renumeration indicator for executives.

Executive basic remuneration and performance-linked remuneration

Remuneration type	Payment base	Indicators	Payout rate
Basic remuneration	The amount is based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description.	–	–
Productivity-linked remuneration	The proportion is set based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description. The amount is determined according to results of the Company and personal performance.	Company performance Company performance based on the business plan (consolidated ordinary income prior to deductions for the amount of special burden based on the Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act) and CO_2 emission reduction performance.	0~145%
		Personal performance Based on cost reduction indicators for each department being overseen and other KPI	

TCFD Governance TCFD Risk management

Governance Structure

[Dedicated Subcommittees]
Carbon Neutral Challenge Task Force

For details, please see "Risk Management" on **P76**

Main reports and deliberations by the Board of Directors

- Status of initiatives to develop carbon neutrality solutions
- Report on the monitoring of JERA
- Status of implementation of countermeasures for various natural disasters
- Deliberations on how to use renewables as primary power sources

Contributing to a Comfortable and Safe Carbon Neutral Society

Scenario Analysis Overview

Assumptions for 2050 (all of Japan)

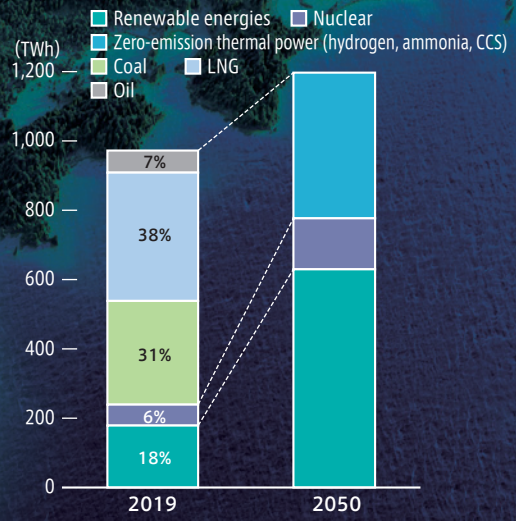
Expansion of locally-produced/locally-consumed energy

Leveraging energy storage
(storage batteries/hydrogen)

Increase in power demand
+25% (FY 2021 levels)

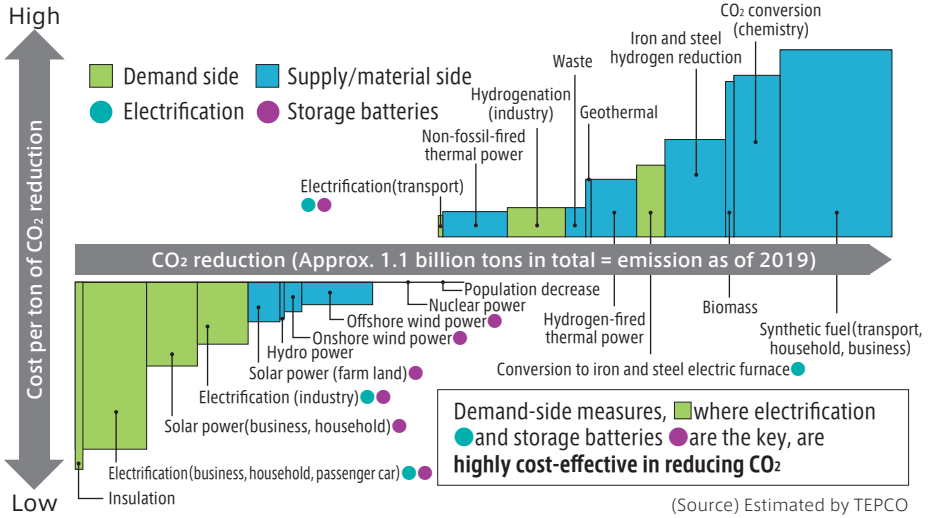
Improvement in electrification rate
Approx. 1.6 times (26%→42%)

Trends in generated power volume (transmission end)



TEPCO is conducting multiple scenario analyses, such as 1.5~2° C and 4° C temperature rises. When we analyzed the CO_2 reduction approach to one of the scenarios for creating a carbon neutral society by 2050, we found that "demand-side electrification" was superior in terms of cost effectiveness. Furthermore, as more photovoltaic power and storage batteries are used on the demand-side, we can expect an expansion of private power generation/private consumption, and locally-produced/locally-consumed power.

Marginal abatement cost curve (2050 carbon neutral scenario)



(Source) Estimated by TEPCO

While an expansion of private power generation/private consumption and locally-produced/locally-consumed power has the advantage of improving resilience to disasters, the generated output from photovoltaic and wind power generation fluctuates greatly, which poses the risk of resulting in a mismatch of power and supply. In order to stabilize supply, it is important to combine baseload power sources (hydro/nuclear/geothermal) with power sources for adjusting the supply-demand balance (zero-emission thermal).

In particular, leveraging the ability to store and use energy (storage batteries, hydrogen, etc.) is the key to stable supply. Furthermore, the use of thermal power for which hydrogen/ammonia, etc. countermeasures will not be implemented will be gradually decreased and ultimately replaced with zero-emission thermal and non-fossil fuel power sources (renewable energies/nuclear).

We estimate that Japan, as a whole, needs to invest approximately ¥20 trillion by 2030, and approximately ¥80~¥100 trillion by 2050 if it wants to create a carbon neutral society.

TCFD Strategy TCFD Risk Management

The Financial Impact of Risks and Opportunities, and Strategies for dealing with This Impact

TEPCO has created two scenarios based on multiple reference scenarios. In light of the analysis of the scenarios, we believe it is important to aim to avoid or mitigate future loss by assessing/analyzing risks that could manifest while at the same time seeking out new business opportunities. We shall therefore implement suitable strategies for dealing with the scenarios and improve our resilience as a company.

Scenario	Envisioned risks/opportunities			Envisioned details	Possibility	Impact	Financial impact (estimated)	Response strategies
Scenario 1 *1 Approximately 1.5~2° C	Transition	Risk	Market/Service	Conventional power sales business models will see decreases in revenue due to the market need for an increase in distributed power sources and CO_2-free electricity	**Very likely**	**Extremely large**	If power demand decreases by 1%, electricity rate revenue would decrease by **approximately ¥47.1 billion**	Business shift to facility services business
			Market/Service	Due to the heightened need for carbon neutrality, investment in the upstream development of fossil fuels is insufficient thereby causing a lack of fossil fuel supply that results in soaring prices	**Very likely**	**Extremely large**	The impact of soaring natural resource prices on revenue FY2022 performance: Loss in revenue of **approximately ¥277 billion/year**	Procurement from non-fossil power sources
			Policy and Legal	Increase in costs caused by energy policy revisions and the strengthening of regulations pertaining to global warming	Possible	**Extremely large**	Cost of increasing the non-fossil fuel power source procurement rate by 1% **Approximate ¥1.1 billion/year cost increase**	Utilization of non-fossil power sources, internal carbon pricing
			Technology	In conjunction with the large-scale increase in the use of renewable energies, power quality will decline as output fluctuates due to poor weather and consistent frequency cannot be maintained, etc., thereby hindering stable supply	Possible	**Large**	Decreases in power supply volume/revenue from power supply obstructions FY2022 consigned transmission supply, etc. net profit: ¥51.1 billion/year	Use of Pumped storage power generation, Demand response, Storage batteries
			Reputation	The company gets a reputation for being passive when it comes to climate change countermeasures due to the large percentage of power procured from thermal power stations	Possible	Small	The cost of procuring power sources that lack economic rationality in order to improve reputation Replacing 100GWh of thermal power with renewable energies: **Approximate ¥400 million/year cost increase**[*3]	Disclose more information related to climate
		Opportunity	Energy source	Recommencing operation of nuclear power stations and expanding the company's renewable energies business will reduce the amount of power procured from the thermal power stations of other companies, which is costly, thereby reducing costs	Possible	**Extremely large**	The recommencement of operation of one nuclear power plant will have a positive impact on annual income of **approximately ¥140 billion** Net profit forecasts from renewable energy power generation business is on the order of **¥100 billion annually**	• Recommence operation of nuclear power stations • Develop renewable energy sources
			Products and Service	Progress with electrification due to the heightened need for carbon neutrality and new demand from consumers for CO_2-free electricity	Possible	**Large**	Impact on electricity rate revenue if power demand increases 1% **Approximate ¥47.1 billion/year increase**. Increase in sales from CO_2-free options	• Enlarge our electricity rate options • Develop, procure renewable energy sources
			Resource efficiency	Electric vehicles become prolific due to the increasing demand for carbon neutrality Storage batteries become prolific in conjunction with the use of large amounts of renewable energies	**Very likely**	Medium	Profit creation from EV businesses and storage battery businesses Will contribute to **¥150 billion/year profit creation** from 2030 onward[*4]	Expand EV businesses and storage battery businesses
			Market	Increasing demand for carbon neutrality in developing nations will drive TEPCO's overseas business Heightened need for sustainable finance	**Very likely**	Medium	Sales from overseas business shall increase thereby **creating annual profits of ¥150 billion** from 2030 onward[*4] Capital procurement choices will increase through the issuance of green bonds (Actual results approx. ¥100 billion)	• Expand our overseas business • Utilization of sustainable finance
Scenario 2 *2 Approximately 4° C	Physical	Risk	Acute	Damage to power facilities by fiercer natural disasters	Possible～ **Very likely**	**Extremely large**	**Approximately ¥20.8 billion** of special loss shall be incurred if the impact is approximately the same as the typhoon in FY2019	• Waterproofing of power supply facilities • Appropriate disaster loss reserves • Purchase damage insurance
		Opportunity	Chronic	Fluctuations in rainfall/snowfall impacts hydroelectric power plant operation	Possible	**Large**	Profits will increase by **approximately ¥700 million**[*3] if 100 GWh of hydroelectric power is replaced with thermal power	Optimal operation through highly accurate weather/flow forecasts
			Resilience	Further increase in demand for preparedness due to fiercer natural disasters	**Very likely**	Medium	Increase in revenue from urban development that addresses preparedness needs	Expand urban development projects

*1 Reference scenario: IEA WEO NZE scenario, TEPCO original scenario, The Sixth Strategic Energy Plan *2 Reference scenario: IEA WEO CPS scenario *3 Estimate based on power generation unit cost by the Power Generation Costs Review Working Group *4 Create annual profits of ¥150 billion from 2030 onward in the four new key areas of business of renewable energies, mobility electrification, data/communications, and overseas

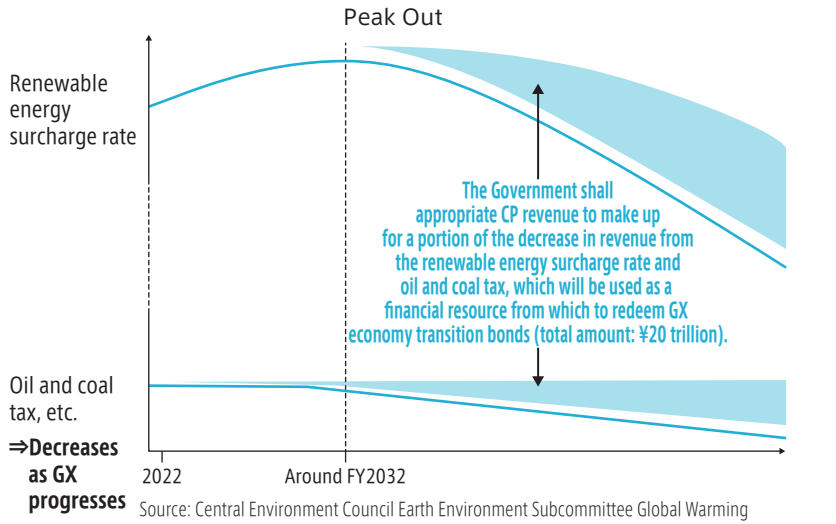
TCFD Strategy TCFD Risk Management

Transition Risks

In May 2023, the GX (green transformation) Promotion Act* was passed and Japan plans to introduce growth-oriented carbon pricing (CP) from FY2028. The introduction of CP may have an impact on the TEPCO Group's business, so we set internal carbon pricing (ICP) for every fiscal year until 2050 and use these prices to analyze the impact on revenue and expenditure, and also assess the profitability of investment proposals. Going forward, we shall suitably revise ICP based on CP system trends and leverage ICP as one element when deliberating how to improve corporate value by analyzing predicted impact and reflecting those analysis results in business plans.

* Act on Promoting a Smooth Transition to a Decarbonization and Growth Oriented Economic Structure

Concept drawing of CP system design

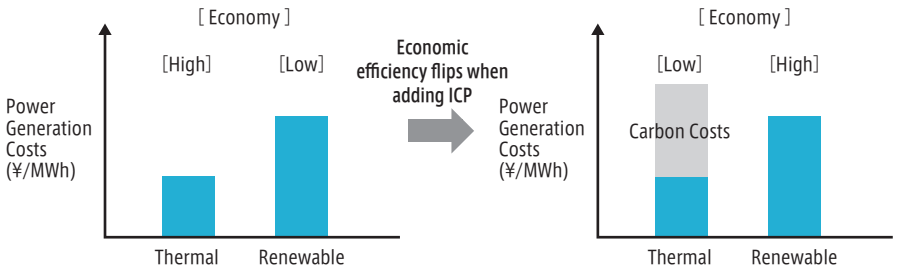


Source: Central Environment Council Earth Environment Subcommittee Global Warming Countermeasure Plan FU Dedicated Committee handouts (May 2023) with additions made by TEPCO

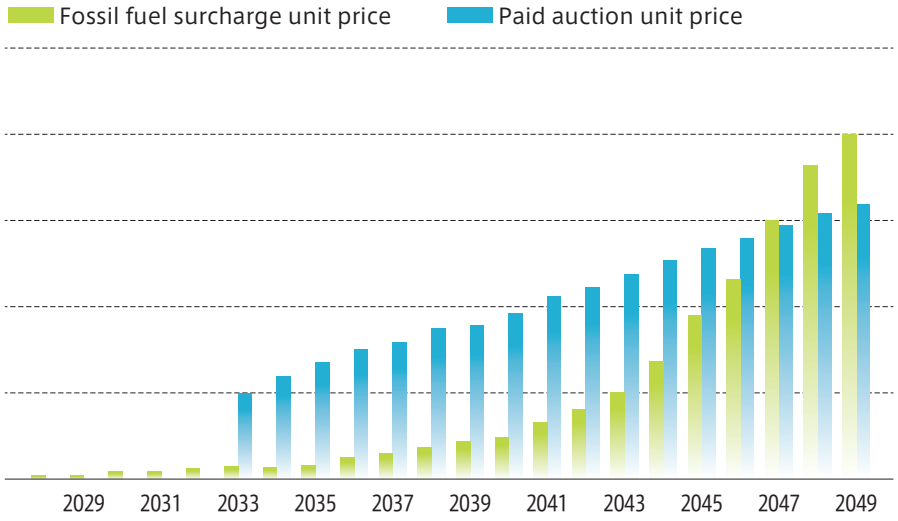
Internal carbon pricing (ICP)

In light of the design of the CP system, which is based on the GX Promotion Act, TEPCO foresees that it will be impacted by the fossil fuel surcharge (to take effect in FY2028) and the special operator charge (paid auction) (to take effect in FY2033), which will be introduced as a financial resource from which to redeem GX economy transition bonds, so we set future ICP independently.

Example of ICP valuation when selecting power source types



Concept diagram of setting ICP for each fiscal year



TCFD Strategy TCFD Risk Management

Physical Risks

The physical risks associated with climate change include future changes in precipitation and fiercer natural disasters in conjunction with these changes, so it is important to avoid or mitigate the impact that this will have.

Since we predict that natural disasters will become fiercer due to climate change, the TEPCO Group is analyzing how power facility risks will change and implementing both preparatory (facility countermeasures) and reactive (operational countermeasures) countermeasures in order to mitigate the impact/scale of a natural disaster and quickly make repairs to return conditions to normal.

For example, in preparation for actual damage we are formulating countermeasures for operations necessary to eliminate power outages (transmission line grid switchover or power transmission from neighboring substations that are not flooded, etc.), such as formulating countermeasures for the overflowing of the Arakawa-Tone River system, which would have a great impact on the capital region. We've also performed a facility countermeasures/damage impact assessment for rainfall (planned scale) that is only predicted to happen once every 100~200 years. In light of revisions to the Flood Control Act and the fiercer weather we've seen over recent years, we are also formulating countermeasures in preparation for once in 1,000-year rainfall (predicted maximum scale) which will also include rivers other than the Arakawa-Tone River system (however, the countermeasures for hydroelectric power facilities will only cover planned scale rainfall*).

*We have confirmed that the disaster risk for the general public and the risk of hindering supply can be kept quite low.

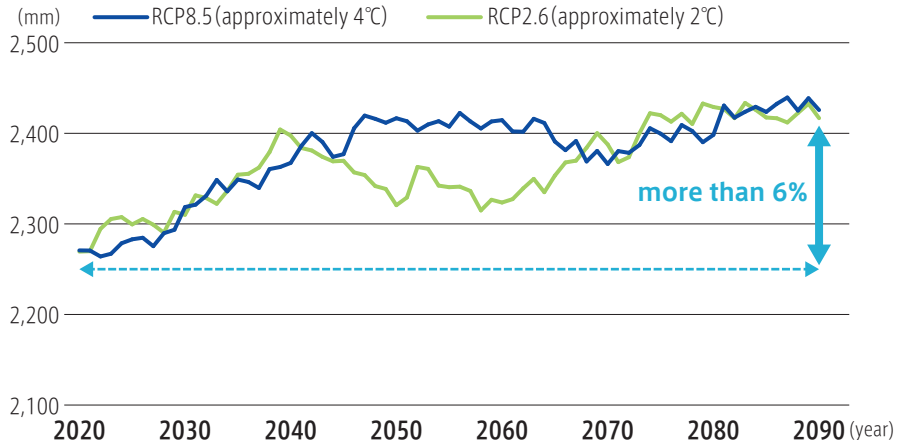
Opportunity assessment

In order to ascertain power generation risks/opportunities for hydroelectric power stations caused by changes in rainfall, we analyzed the changes in annual rainfall for each RCP scenario using four climate models in order to ascertain the power generation risks/opportunities for a typical hydroelectric power station. This analysis only covers a portion of hydroelectric power stations, but in each of the scenarios, we confirmed that around the year 2090, annual rainfall will have risen an average of over 6% more than it is now. When the TEPCO Group analyzed the impact on its hydroelectric power stations in light of these results, we found that while risks pertaining to power station operation will likely increase, for the sample of hydroelectric power stations we looked at, power generation output increased thereby suggesting a positive impact on profit. Going forward, the TEPCO Group shall further engage in climate pattern analysis in order to ascertain the impact of physical risks/opportunities caused by climate change.

Examples of facility countermeasures

Facility category	Flood damage countermeasures
Hydroelectric power facilities	Considering only planned scale specifications, construction of flood banks, installation of drainage pumps, raising equipment farther off the ground, installing equipment to ensure dam communication, and waterproof sealing of buildings (window sealing, closure of cable ducts, etc.)
Power transmission facilities	Aerial electric lines··· Changing routes in areas prone to landslides, scouring, etc., strengthening retaining walls and rock walls, etc. Underground electric lines··· Optimization of cable head positions
Substation facilities, communications facilities	Raising floors, renovating windows, installing stoplogs at entrances/exits, installing waterproof doors, sealing cable ducts, etc. Outdoor equipment will be raised higher off the ground in principle, but for equipment that is difficult to raise, a combination of waterproofing/water-resistant structures and flood banks will be employed.
Distribution facilities	Converters in the supply transformer room are raised higher off the ground, etc.

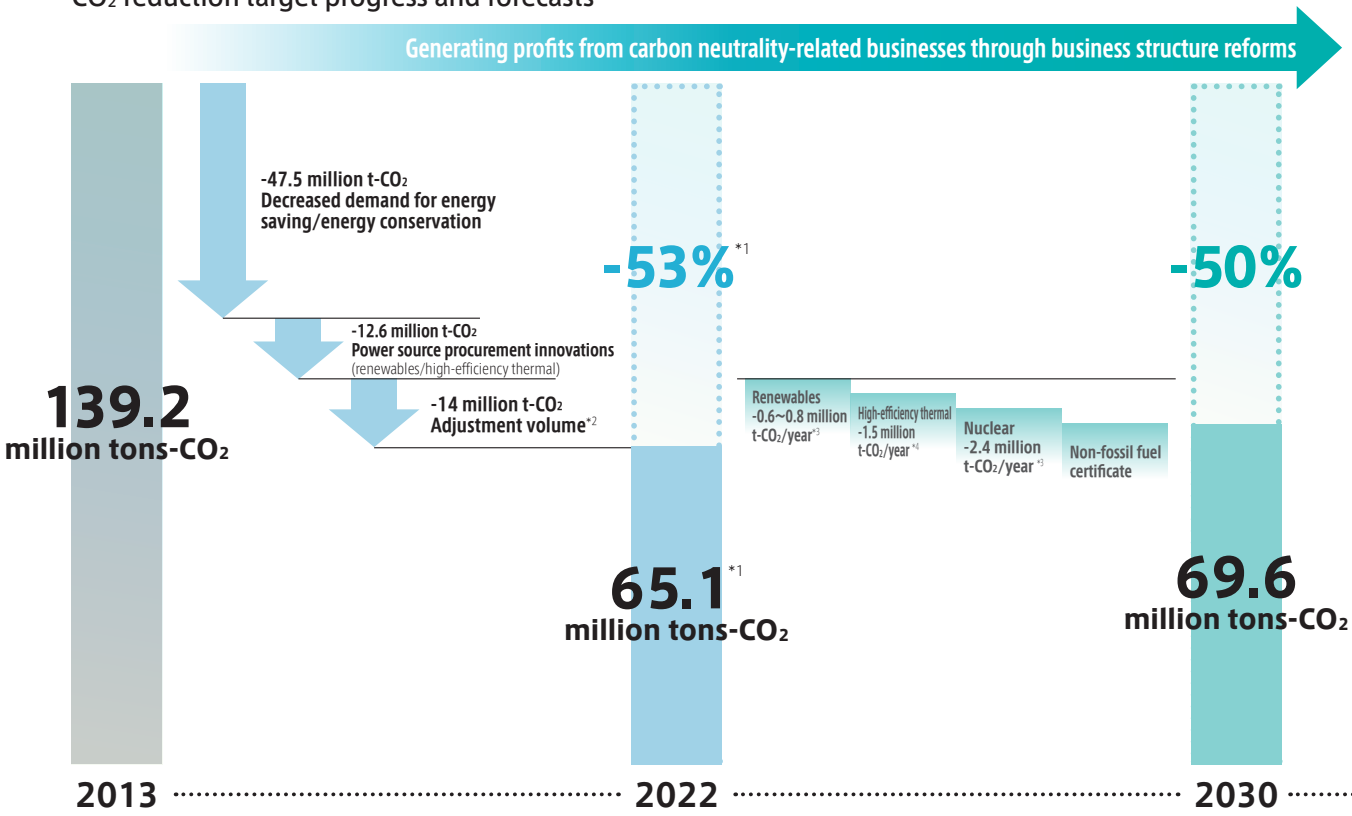
Annual estimated rainfall (average for all climate models)



Transition Plan

In the future, the role that electricity-producing CO_2-free energy will play will grow. In order to turn this into a profit increasing opportunity, the TEPCO Group is transitioning to a business model that focuses on carbon neutrality. In order to achieve our midterm objective of cutting carbon by half by 2030, we are aiming to invest approximately ¥9 trillion in carbon neutrality, under the assumption that we form alliances, and steadily reduce CO_2 emissions while also leveraging our "electricity" strengths in the areas of supply, power grids, and society in order to grow our business and generate profits on the order of ¥450 billion. The TEPCO Group will devote all its resources to contributing to creating a carbon neutral society by 2050.

CO_2 reduction target progress and forecasts



*1 Preliminary data *2 Allotment of an amount corresponding to the value of renewable energy feed-in tariff system surplus non-fossil fuel value or adjustment in conjunction with the purchase of non-fossil fuels certificates. *3 Per 1 GW (from FEPC's "Energy and the Environment 2022")
*4 Annual CO_2 reductions if power is procured from sources for which thermal heat efficiency has increased more than 1%

TCFD Metrics and Targets

Achieving CO_2 reduction targets

The TEPCO Group aims to reduce CO_2 emissions originating from the sale of power by 50% of FY2013 levels by the year FY2030.

We saw an approximate 53% reduction*1 during FY2022 and achieved our target, but this is because we increased procurement of non-fossil fuel certificates to comply with law*5 in addition to power source procurement innovations.

From FY2023 onward, we shall strive to achieve our FY2030 50% reduction target by leveraging renewable energies, nuclear power, and non-fossil fuels certificates.

*5 In accordance with the Act to Advance Energy Supply Structures, the Government evaluates and publicly discloses the non-fossil fuel power ratio target achievement status (certificate procurement obligation) of retail operators, etc. (electricity supply volume for the previous fiscal year exceeds 500 GWh), and during Phase 1, which covers the fiscal years 2020~2022, the three-year achievement status will be evaluated.

Renewables

Nuclear power

Zero CO_2 emissions thermal power

Carbon Neutral

Promoting Carbon Neutrality-Related Businesses Through Business Structure Reforms

Chikara Kojima
Tokyo Electric Power Company Holdings, Inc.
Executive Vice President
Chief Innovation Officer

We shall reform our business structures and pioneer businesses that meet carbon neutrality needs

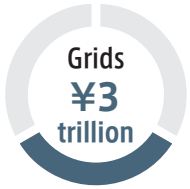
The demand for carbon neutrality from customers and institutional investors increases yearly and the market scale is quickly growing. In order for the TEPCO Group to work with its alliance partners to turn this demand for carbon neutrality into an opportunity to grow our business, we aim to invest a maximum of ¥3 trillion in carbon neutrality in each of the areas of supply, power grids, and society.

By promoting business structure reforms that do not rule out cooperation with alliance partners and group reorganization, we will increase our ability to procure capital and create businesses that can contribute to generating consolidated net income on the order of ¥450 billion.

Breakdown of carbon neutrality-related investment and related businesses *Underlined are alliance projects.

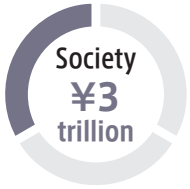
Non-fossil fuel power source-related businesses

- Offshore wind power business: Investment in Flotation Energy in the UK P24
- JERA's zero-emission thermal power generation demonstration (ammonia/hydrogen co-firing) P25
- Photovoltaic power generation corporate PPA business with Singapore real estate company, LOGOS



Power grid-related businesses

- Expanding the use of renewables by leveraging distributed energy resources (DER)
- Grid use optimization P26
- Strengthening resilience and expanding the use of renewables through cross-regional grid operation
- Infrastructure building: Partnership agreement signed with Tokyo Gas Network and NTT East Corporation



Businesses involved in the local-production/local-consumption of energy

- Urban development P28
- Storage battery business: Co-development/demonstrations with Toyota P30
- EV business P31

Strategy

We are drastically transitioning our business model from the sale of electricity (MWh) to a locally-produced/locally consumed energy facility services business that directly involves our customers and creates new value from carbon neutrality and preparedness.

We are engaging in business structure reforms upon deliberating what functions are necessary to grow this business and the optimal configuration of this business structure, including potential alliances, etc.

Business structure reforms
Alliances with partners
TEPCO Group reorganization

Improving our ability to procure capital
Leveraging the third-party capital (project financing)
Sustainable financing
Creating capital by streamlining operations

Investing more than three times the "maximum of ¥3 trillion by FY2030" as noted in the 4th Comprehensive Special Business Plan

Contributing to generating consolidated net income on the order of ¥450 billion

Carbon neutrality strategies

Supply

Using renewables as primary power sources

Leverage nuclear power generation ➲P52

Supporting JERA's Zero-emission 2050 project ➲P25

Related KPI	Development targets (by FY2030)	Progress (FY2022)
Overseas Hydro	2~3 GW	0.33 GW (in operation) 0.2 GW (under construction/ development)
Domestic offshore wind	2~3 GW	–
Overseas offshore wind	2~3 GW	2.49 GW (under development)
Total	6~7 GW On the order of ¥100 billion (net profits)*	3.03 GW (including facilities under development) ¥37 billion

*Includes profits from existing hydroelectric power, etc.

Using Renewables as Primary Power Sources

TEPCO Renewable Power

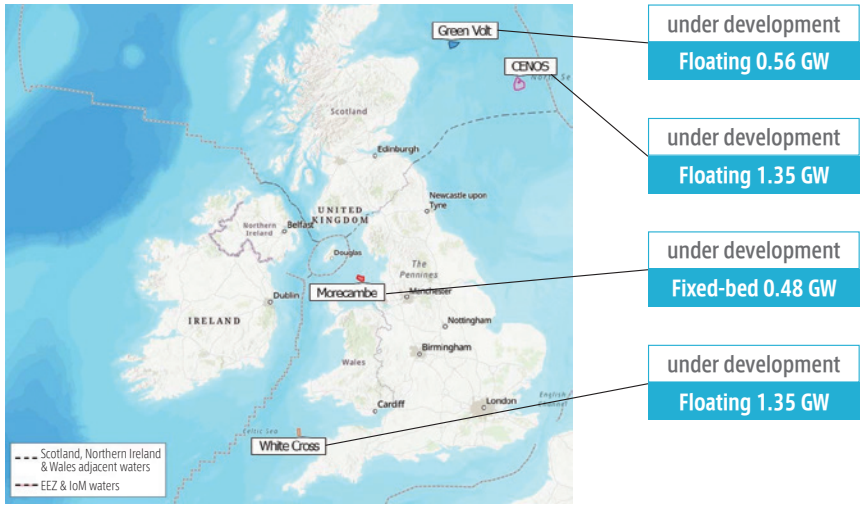
TEPCO Renewable Power is leveraging the experience it has gained in Japan to enter overseas markets and is expanding its sphere of business and its value chain by diversifying power sources, such as wind power. TEPCO Renewable Power does everything from the development and planning to the construction and O&M of hydroelectric and wind power stations, and has experience/know-how maintaining approximately 10 GW of hydroelectric, wind, and photovoltaic power generation facilities, the largest in Japan. By leveraging this experience and know-how we will newly develop approximately 6-7 GW of power in Japan and overseas by FY2030 as we promote the using renewable energies into primary power sources.

Investing in overseas offshore wind power projects

TEPCO Renewable Power has acquired 100% of the shares of Flotation Energy, an offshore wind power company that operates mainly in the UK, thereby acquiring the right to develop offshore wind power generation facilities in the Irish Sea, Celtic Sea, and the waters around Scotland. In addition, we plan to develop in Ireland, Taiwan, Japan, and Australia.

Going forward, we shall accumulate knowledge and know-how through the development of floating/fixed-bed offshore wind power farms in order to further develop such business in the Japanese market while aiming to be a top runner in the quickly growing field of offshore wind power generation.

Flotation Energy's development projects



TEPCO Fuel & Power

JERA Co., Inc.
www.jera.co.jp

Supporting and Supervising JERA's Climate Change Initiatives

JERA (a company accounted for using the equity method) is an important supply chain for achieving the TEPCO Group's carbon neutrality declaration. As a shareholder, the TEPCO Group shall provide suitable support and supervision to enable the steady implementation of JERA's Zero-emission 2050 project and the continual improvement in JERA's corporate value.

In this section, we will use a Q&A format to answer questions of great interest to TEPCO shareholders and investors based upon questions we received from them.

For details, please see "JERA Zero CO_2 Emissions 2050" on **P100**

What is the relationship between the TEPCO Group's FY2030 target and JERA's CO_2 emissions?

Since the TEPCO Group's FY2030 target pertains to CO_2 emissions originating from the sale of power, this will include the CO_2 originating from power sold to customers after purchase from JERA. However, CO_2 emissions from the sale to customers of electricity generated by JERA by other retailers is not included in the TEPCO Group's target. The reason for this lies with the greenhouse gas calculation/reporting/disclosure system of the Act on the Promotion of Global Warming Countermeasures. Furthermore, while CO_2 from electricity purchased from JERA by the TEPCO Group constitute Scope 1 emissions for JERA, the same emissions constitute Scope 3 emissions for the TEPCO Group.

As a shareholder, how is the TEPCO Group providing advice and governance to JERA in regards to ESG issues?

One of the members on JERA's Board of Directors is from the TEPCO Group, and once a quarter, TEPCO Fuel & Power, which is also a shareholder, monitors ESG issues pertaining to JERA's Zero-emission 2050 project, in addition to financial information. Upper management of the companies also remain in close communication.

Do you think hydrogen and ammonia co-firing at JERA's thermal power stations will go as smoothly as planned? What will you do if there are problems?

JERA is engaging in independent technological development and demonstrations on actual equipment in preparation to use hydrogen and ammonia. The plan is to gradually increase the amount of power generated from hydrogen/ammonia in order to quickly adopt this technology, and currently, things are proceeding as planned.

In the event of problems with using hydrogen/ammonia, we believe renewables and storage batteries, etc., which are necessary to be able to make adjustments as the scale of use of renewables increases, will become more important, so as part of "JERA Zero CO_2 Emissions 2050", many resources are being devoted to promoting the development of offshore wind power and other renewables, and the use of storage batteries.

Will not the introduction of hydrogen/ammonia as fuel be extremely costly?

The primary costs related to hydrogen/ammonia co-firing come from the costs to renovate facilities, such as burners, gas turbines, and tanks, etc., and also the cost of procuring hydrogen and ammonia as fuel.

The Japanese Government is looking into creating various systems for supporting the introduction of hydrogen/ammonia in Japan (long-term decarbonization power source auctions, etc.), and JERA plans to take advantage of these mechanisms. Furthermore, building a supply chain is necessary to reduce the procurement cost of hydrogen/ammonia, so JERA is working with leading companies in Japan and overseas to construct a supply chain.

Considering the global trend towards carbon neutrality, won't JERA's thermal power stations become stranded assets that will eventually have a fatal impact on operations?

In order to handle uncertainty in the future business environment, JERA is ensuring strategy flexibility and resilience by formulating plans for developing new power sources and holding onto existing power sources upon examining multiple scenarios related to the future power market environment, including the risk of shrinking business opportunities for thermal power sources.

While considering future power demand and price competitiveness in the power market, JERA aims to maximize revenue and avoid developing/owning unprofitable thermal power sources (so-called, "stranded assets") while replacing existing aging assets with cutting-edge high-efficiency facilities.

Carbon neutrality strategies

Power Grids

Distribution *1

Grid use optimization

Cross-regionalization *2

*1 Increase use of renewables by using distributed energy resources (DER) to alleviate grid congestion

*2 Strengthen resilience and introduce renewables through cross-regional grid operation

TEPCO Power Grid

Grid Use Optimization

As a grid operator, TEPCO Power Grid will fulfill its mission of providing stable supply while contributing to the creation of a carbon neutral society through the quick interconnection/expansion of renewable energies and by avoiding output limitations.

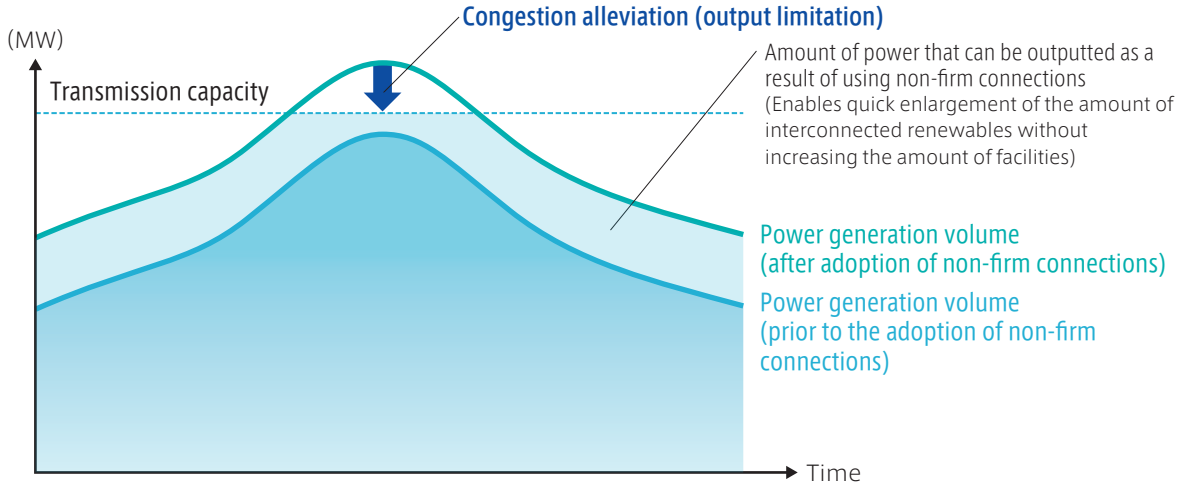
Expanding the use of renewables through non-firm connections

"Non-firm connections" refers to smoothly introducing renewables by maximizing the use of the free capacity of existing facilities under the condition that output is limited*3 during times of grid congestion, thereby contributing to the quick interconnection/expansion of renewables and avoiding output limitations.

In April 2023, the use of non-firm connections in bulk power grids was expanded to local power grids, and as of the end of July 2023, approximately 3.13 GW*4 of contracts had been applied for in TEPCO Power Grids coverage area.

*3 Implemented by order of advantage in consideration of the ease of operation, stable supply, and environmentally friendliness.
*4 Cumulative total since the nationwide launch of non-firm connections (January 13, 2021)

Changes in power generation output around the time that non-firm connections were adopted



Carbon neutrality strategies

Society

Promote electrification

Expand CO_2-free options

Urban development ➲P28

Enlarge EV/charging networks ➲P31

Related KPI	Targets (FY2030)	Progress (FY2022)
CO_2-free options sales volume in the corporate sector	Over 10 TWh	6.3 TWh
New power demand created	Over 9.7 TWh	470 GWh
Charging networks (quick charges)	15,000 (FY2025)	Approximately 7,900
EV100	100%	21%

Carbon Neutrality Solutions (promoting electrification/expanding CO_2-free options)

TEPCO Energy Partner

As a partner that meets the growing needs of our customers, TEPCO Energy Partner will help our partners become carbon neutral by providing a professional perspective cultivated through the electricity retail industry and energy-related businesses.

Steps to providing carbon neutrality solutions

In order to ensure that our customers can achieve carbon neutrality, we provide an array of services, such as providing electricity from renewable energies, installing photovoltaic power generation equipment, enabling the visualization of energy data, and providing energy conservation facility services for buildings and factories, etc. In addition to this, we help them formulate roadmaps based upon their energy usage and business environments, and provide a one-stop shop for everything from facility maintenance to improvement.

Clarifying carbon neutrality objectives

- Studying social and market trends pertaining to carbon neutrality
- Clarifying customer objectives and fostering common awareness of those objectives

Plan creation

- Improving facility energy conservation (equipment renovation/operational improvements)
- Introducing renewable energy equipment/renewable energy options

Plan implementation

- Analyze energy usage volume/CO_2 emissions and the status of carbon neutrality initiatives
- Plan for the optimization of countermeasures and implementation timing in order to achieve targets, and formulate a mid/long-term roadmap

Examining effects

By examining detailed data, such as the operational status of each piece of equipment, and looking at the effects of these measures, we can construct/operate more energy efficient equipment.

[Service examples]

@Energy

TEPCO Group
Provided by Japan Facility Solutions (JFS)

Using @Energy to visualize energy usage and CO_2 emissions

- Cloud service for gathering and visualizing energy-related data, and the central management of it online.
- In addition to providing support for writing reports in accordance with the Energy Conservation Act and local government ordinances, the service can also aggregate data for each corporate group and aggregate/visualize data for each category (Scope 1, 2 and 3).
- We help customers manage energy and reduce CO_2 by providing them with various types of custom reports.

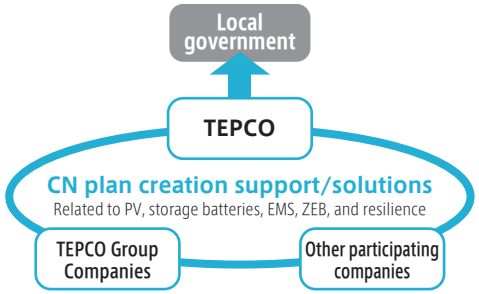
Contributing to a Comfortable and Safe Carbon Neutral Society

Carbon Neutral and Disaster-resilient Urban Development

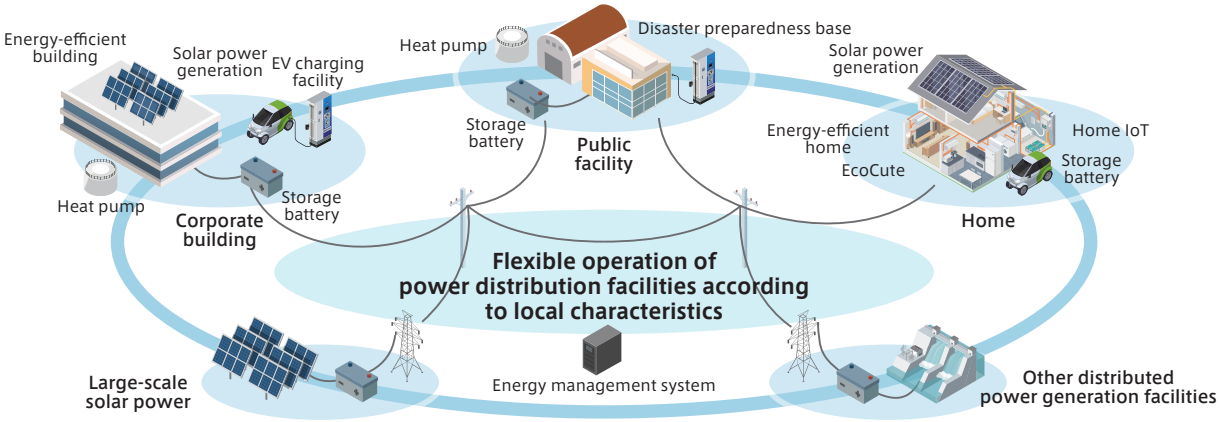
Through our urban development business, we provide locally-produced/locally-consumed carbon neutrality solutions and carefree/safe living through resilience. The TEPCO Group has comprehensive knowledge and technical prowess pertaining to the field of carbon neutrality from power generation to customer facility/electricity usage, and thanks to the relationship we have built with local people over many years, we are intimately familiar with the attributes of the region and its needs. By leveraging these strengths, we can provide total solutions that are environmentally friendly and economical, and contribute to improving the value of the entire region over the mid/long-term.

Business model for urban development in regions selected to lead decarbonization

The TEPCO Group has been working together with local governments that aim to be carbon neutral and has provided accompanied support from the concept development stage. Through co-creation with various stakeholders, such as local governments, regional companies, developers (commercial facilities/households), and infrastructure operators, we are promoting carbon neutrality measures on the regional level and solving various local issues.



Concept drawing of how we provide comprehensive and exhaustive solutions



Strengths			
Widespread/exhaustive knowledge/technical skill in the realm of carbon neutrality	Ability to ascertain and meet needs through robust regional relationships	Ability as a group to provide everything from consulting to facility installation	Continuity as an energy provider

TCFD Strategy

Target

Strengthen **resilience** and promote **carbon neutrality** in the region through our business

Increase in the number of projects that focus on regions selected to **lead decarbonization**

Progress

Status of involvement in regions selected to lead decarbonization
(Cooperative proposals with local governments, etc.)

Total: 7
*The most for a private operator

1st time (April 2022)
1
- Saitama City, Saitama Prefecture

2nd time (October 2022)
4
- Odawara City, Kanagawa Prefecture
- Nasushiobara City, Tochigi Prefecture
- Haga Town, Utsunomiya City, Tochigi Prefecture
- Chiba City, Chiba Prefecture

3rd time (April 2023)
2
- Nikko City, Tochigi Prefecture
- Kai City, Yamanashi Prefecture

Regions Selected to Lead Decarbonization: Example of Initiatives in Nikko City, Tochigi Prefecture

Nikko City (selected as a region to lead decarbonization) is facing issues dealing with vitalizing tourism, energy cost countermeasures, resilience strengthening, and the conservation of the natural environment.

In addition to providing comprehensive energy solutions (introduction of renewables/storage batteries, energy conservation measures, increased use of EV, etc.) and providing environmental conservation content, the TEPCO Group aims to improve the value of the region by solving these issues through co-creation with regional stakeholders.

		Regional issues	Solution
Economic issues	Tourism	• Vitalizing tourist areas • Improving the value of tourism • Re-considering the form of sustainable tourism	**Increasing educational trips that focus on environmental conservation** • **Develop environmental conservation content**, promote sustainable tourism
Economic issues	Energy	• Dealing with worsening business performance in conjunction with rising energy costs • Strengthening the ability to respond to disasters in the event that lifelines are severed	**Introduce renewables/increase local-production/local-consumption** • **Newly install PV, use LED lighting, develop renewable energy options only available to people in the region** • **Increase output from existing hydroelectric power stations** **Decarbonize and reduce energy costs by leveraging the heat from hot springs** • **Implement energy conservation diagnoses**, and introduce high efficiency air conditioners/water heaters, etc. **Urban development that is highly resistant to disasters** • **Install PV/storage batteries in public facilities** • Install woody biomass power generation equipment in evacuation locations
Environmental issues	Environment	• Suppressing the generation of CO_2 from traffic jams during peak tourism periods • Conserving rare flora • Improving natural/historic scenery	**Make mobility smart and clean** • Introduce buses that use waste oil from cooking as fuel • Work with NIKKO MaaS to switch over to public transportation and **promote the use of EV** **Environmental conservation and scenery improvements** • **Conserve rare flora and implement measures for invasive species** • Reform houses and unused facilities to increase their added value

OUTPUT	OUTCOME
Economic value Strengthen regional industrial competitiveness Reduce energy costs Reduce living costs	**Improving regional value** **Japan's birthplace for environmental conservation tourism** **A safe, comfortable, attractive, and sustainable resort area**
Social value Improve tourism/regional brand power Achieve carbon neutrality Improve resilience to disasters Conserve the natural environment	**An area that is continually selected as a destination for educational trips**

* Blue letters indicate TEPCO solutions

Mt. Nantai (Elevation: 2,486m) and Lake Chuzenji, famous spots in Nikko City

Storage Batteries

Storage batteries are expected to fulfill many roles, such as alleviating the output fluctuations of renewables, which fluctuate easily, avoiding output limitations, and helping to stabilize grades by providing the ability to make adjustments and add to supply. It is for this reason that they would be positioned as a new core energy in a carbon neutral society. The TEPCO Group perceives storage batteries as a business opportunity and has formed alliances to engage in demonstrations and move forward with commercialization.

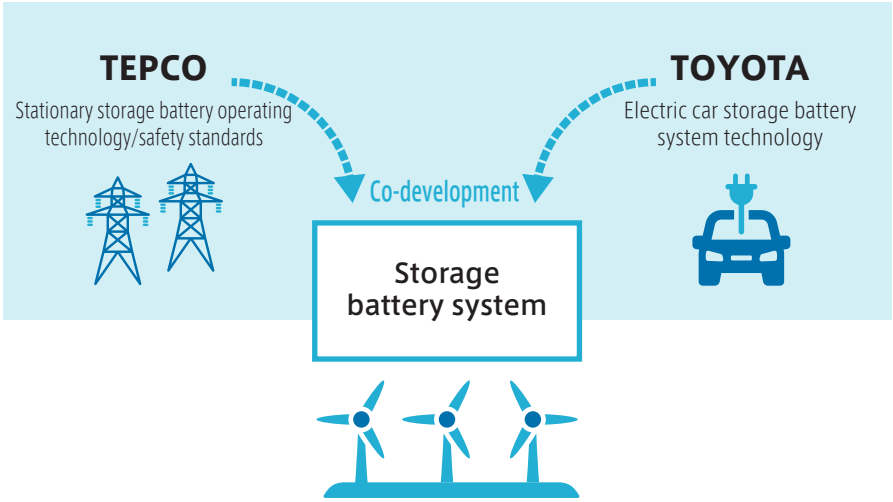
Demonstration of a stationary storage batteries system developed with Toyota

Mass-produced large electric car storage batteries can be effectively used to fulfill price and quantity demands as customer need for storage batteries increases.

In the autumn of 2023, we commenced a demonstration experiment on a stationary storage battery system developed by fusing the TEPCO Group's "stationary storage battery operation technology/safety standards" with Toyota's "electric car storage batteries system technology." The demonstration will be conducted at the Eurus Tashirotai Wind Farm (Akita Prefecture) in cooperation with Toyota Tsusho Corporation and Eurus Energy Holdings Corporation.

This system combines a general-purpose power conditioner with Toyota's electric car battery and the TEPCO Group's energy management system (EMS), and enables the use of storage batteries in accordance with customer needs by leveraging the TEPCO Group's charging/discharging control technology. Furthermore, through the shared use of both electric car batteries and stationary batteries, we can effectively leverage battery resources, as well as reduce costs and delivery times.

Going forward, we shall assess the achievements of this demonstration and develop customer energy services and a storage battery system that can be used to make adjustments to power supply-demand thereby meeting our customer's power storage needs.

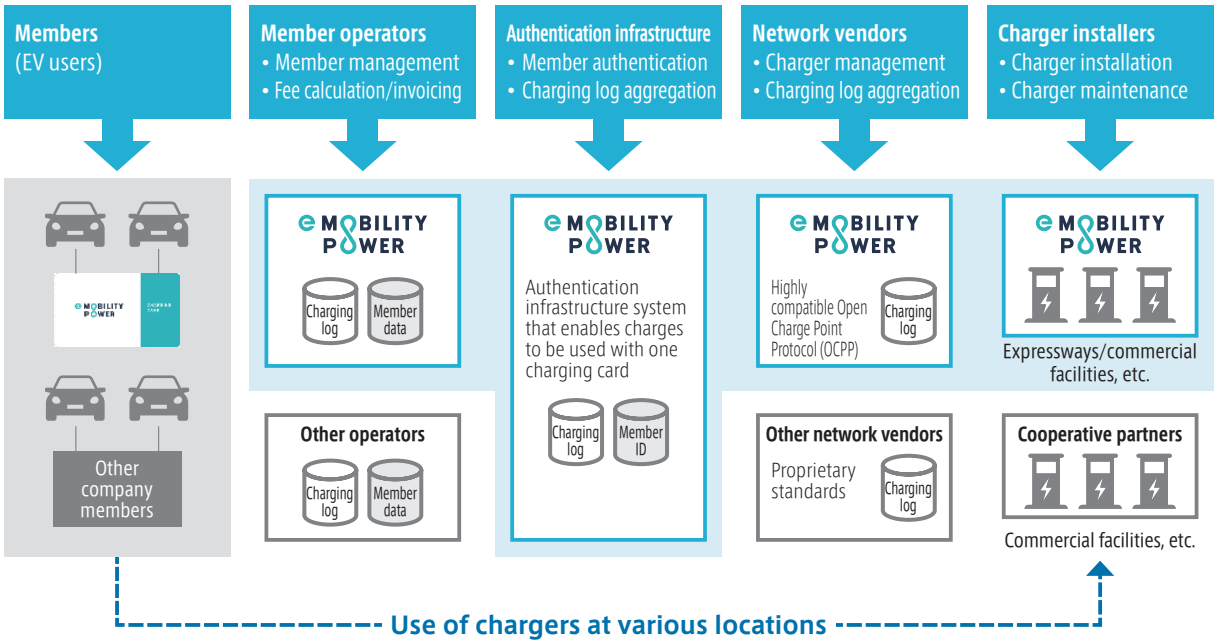


EV-related Business

The transportation sector accounts for approximately 17% of Japan's total CO_2 emissions (FY2021), so the electrification of mobility is both a large challenge to be undertaken as we seek to achieve carbon neutrality, and also a business opportunity. The TEPCO Group owns a 54.7% share of e-Mobility Power Co., Inc. and seeks to spread the use of EV by building public charging infrastructure networks throughout the country. Currently throughout Japan, 20,403 chargers are connected to the e-Mobility Power network. We will continue to expand this network by increasing our national coverage (number of spots) and securing sufficient capacity (number of chargers/output) in order to eliminate concerns about charging infrastructure and contribute to the further penetration of EV while seizing business opportunities.

Public charging infrastructure network structure

Based on e-Mobility Power's strength, which is public charging services, we shall provide reasonably-priced charging services that can be used by anyone, anytime, and anywhere.



Performance (as of the end of June 2023)

Number of chargers connected to the e-Mobility Power network out of all charges nationwide

20,403

Quick chargers 8,056*
Normal chargers 12,347

* Our target is 15,000 chargers by FY2025 (entire network)

Business model

Operation of a public charging infrastructure network

e-Mobility Power operates a public charging infrastructure network. By using an authentication infrastructure system (platform), EV users can use chargers connected to the network anywhere in the country with one charging card.

Creating/operating quick charging spots

e-Mobility Power built quick charging spots on routes used for long distance travel, such as expressways service areas and parking areas, etc. e-Mobility Power operates, manages, and maintains over 4,400 quick chargers 24 hours a day, 365 days a year.

Support for a charger introduction/operation

e-Mobility Power provides a one-stop shop for companies and local governments to obtain support for everything from the introduction to the operation of quick chargers. e-Mobility Power also provides assistance to condominium and homeowners with the introduction of normal chargers.

TCFD×TNFD

Taskforces on Nature-related Financial Disclosure (TNFD) are being established to achieve "nature-positive," which refers to the process of turning cash flow that has a detrimental impact on the natural environment into cash flow that has a positive impact.

With the understanding that the TEPCO Group's business activities have an impact on climate change and also have dependencies and impacts to a certain extent on natural capital, going forward, we will disclose information based on the TNFD framework as well as TCFD.

As with TCFD, the TNFD framework recommends four types of disclosure (governance, strategy, risk and impact management, metrics and targets) as well as the LEAP Approach*1, which is practical guidance for identifying and assessing nature-related issues specific to each location of business activities.

Going forward, we will visualize how the TEPCO Group's business is dependent on, and impacts, nature and disclose financial information based on the TNFD framework.

*1 The LEAP approach has four phases: Locate (the interface with nature), Evaluate (dependencies and impacts), Assess (risks and opportunities), and Prepare (to respond and report)

The direction of handling of TNFD disclosure recommendations

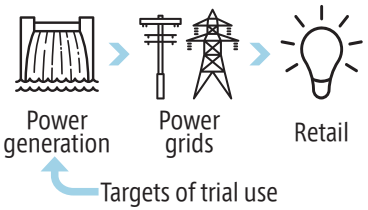
TNFD Nature-related Disclosure Recommendations

Governance	Strategy	Risk & Impact Management	Metrics & Targets
As with climate change, biodiversity maintenance is also important ESG management topic that is supervised by the Board of Directors.	A biodiversity maintenance action policy will be created during FY2023. Risk/opportunity assessments and handling strategies will also be formulated going forward.	In regards to risks and opportunities, we will analyze/assess priority regions using the LEAP approach.	Along with assessing risks and opportunities, we will set indicators/ targets based on the strategies that match our financial strategies and promote initiatives pertaining to them.

Trial use of the LEAP approach

In preparation to comply with TNFD we have put LEAP approach analysis into trial use. The TEPCO Group's value chain is comprised primarily of power generation, power grids, and retail, and we know that we are dependent, and have an impact on, natural capital in each of the locations where these activities occur. Furthermore, whereas new development projects will be subject to analysis with this method, during trial use we will focus on existing facilities and perform analysis of pumped storage hydroelectric power stations, which are thought to be highly dependent, and have a large impact on, nature during the facility operation stage.

Value chain

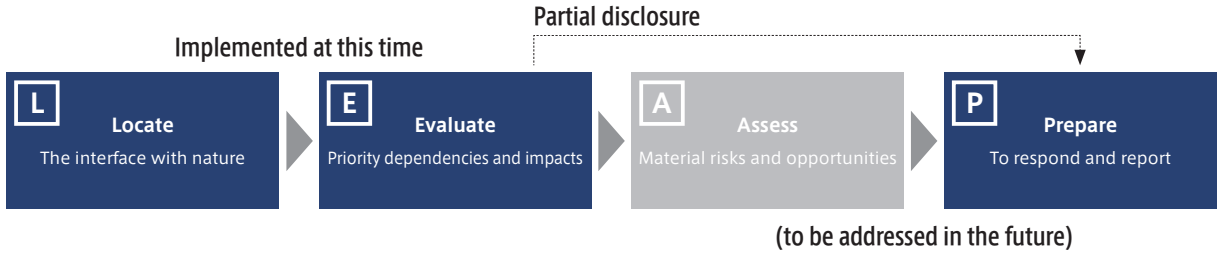


In Utilities sector in classification of ENCORE*2, both Electric Utilities and Renewable Electricity Utility sub-industries include the hydroelectric power generation.

*2 ENCORE : Exploring Natural Capital Opportunities,Risks and Exposure
A tool that enables financial institutions to ascertain the scope of dependencies and impacts on the nature that a company has.

TNFD Preparations: Trial Use of the LEAP Approach

As we put the LEAP approach into trial use to analyze the relationship between our dependencies and impacts on biodiversity/natural capital, we have selected hydroelectric power generation, which accounts for more than 98% of the power generated by the TEPCO Group, and in particular, "pumped storage hydroelectric power stations," as the target for analysis. Pumped storage hydroelectric power stations have regulating ponds (dams) that hold water both above and below the power station. Effective use of hydroelectric power is made possible by circulating the water between the upper and lower dams in accordance with power demand-supply, but we assume that this has an impact on the environment (water flow downstream of the dams, impact of soil dynamics, etc.). As part of the trial use of the LEAP approach, we Locate (identify connections between the value chain region and nature) and Evaluate (ascertain dependency, and the impact, on the natural environment) the 17 upstream/downstream dam basins for nine pumped storage hydroelectric power stations located in Tochigi, Gunma, Yamanashi, and Nagano prefectures.



L Locate Interface with Nature

For the nine power stations and the fresh water basins downstream of the 17 dams, we reviewed documents using IBAT*1 to look for any overlapping of regions vital to biodiversity (Key Biodiversity Area (KBA) and protected areas), and the existence of endangered species (trigger species).

*1 IBAT : Integrated Biodiversity Assessment Tool. Tool that enables the use of maps of public protected lands (World Heritage sites, Ramsar wetlands, IUCN management categories, KBA, etc.) to examine the importance of ecosystems.

E Evaluate Dependencies & Impacts

Based on the relationship between dependencies and impacts in each sector level obtained through the use of ENCORE, we identified issues of high importance and carefully examined the nature-dependency/nature-impact relationship of pumped storage hydroelectric power stations on downstream areas inhabited by endangered species while considering the actual situation of business operations. Going forward, during the Assess phase, we will compile and assess the important level of nature-related risks and opportunities based on the results of Locate and Evaluate, and formulate a management approach for important risks and opportunities.

Topics Natural conservation activities in Oze

30by30 "Symbiosis with Nature Site" certification

The TEPCO Group is participating in the "30by30 alliance for biodiversity*2." In October 2023, the portion of the Oze National Park owned by TEPCO was certified as a "Symbiosis with Nature Site*3" in order to achieve "30by30."

*2 A coalition of the willing from industry, government, and the private sector that aims to achieve the world objective of "30by30" in Japan. "30by30" refers to the global objective of effectively conserving more than 30% of the Earth's land and water as healthy ecosystems by 2030.

*3 Areas in which biodiversity is being conserved through private-sector initiatives that are certified by the Ministry of the Environment in order for Japan to achieve 30by30.

Registration of the "Oze Katashina Carbon-Free Park"

In April 2022, the Ministry of the Environment registered Katashina Village, Gunma Prefecture, which is where Oze is located, as a "Carbon-Free Park*4," and the TEPCO Group is supporting operation of the park. In particular, we are working with the local communities to promote the use of renewable energies in the national park and surrounding facilities, electrification, and sustainable tourism*5 in order to create a carbon neutral society.

*4 The Minister of Environment is promoting this area for the decarbonization of national parks and sustainable tourism. The local governments must be engaged in suitable initiatives in order to be registered.

*5 We are providing opportunities for the next generation to learn about SDGs through programs like the Oze SDGs Exploration and Study Tour, which offers a chance to experience nature while also helping to solve social issues.

Oze and TEPCO

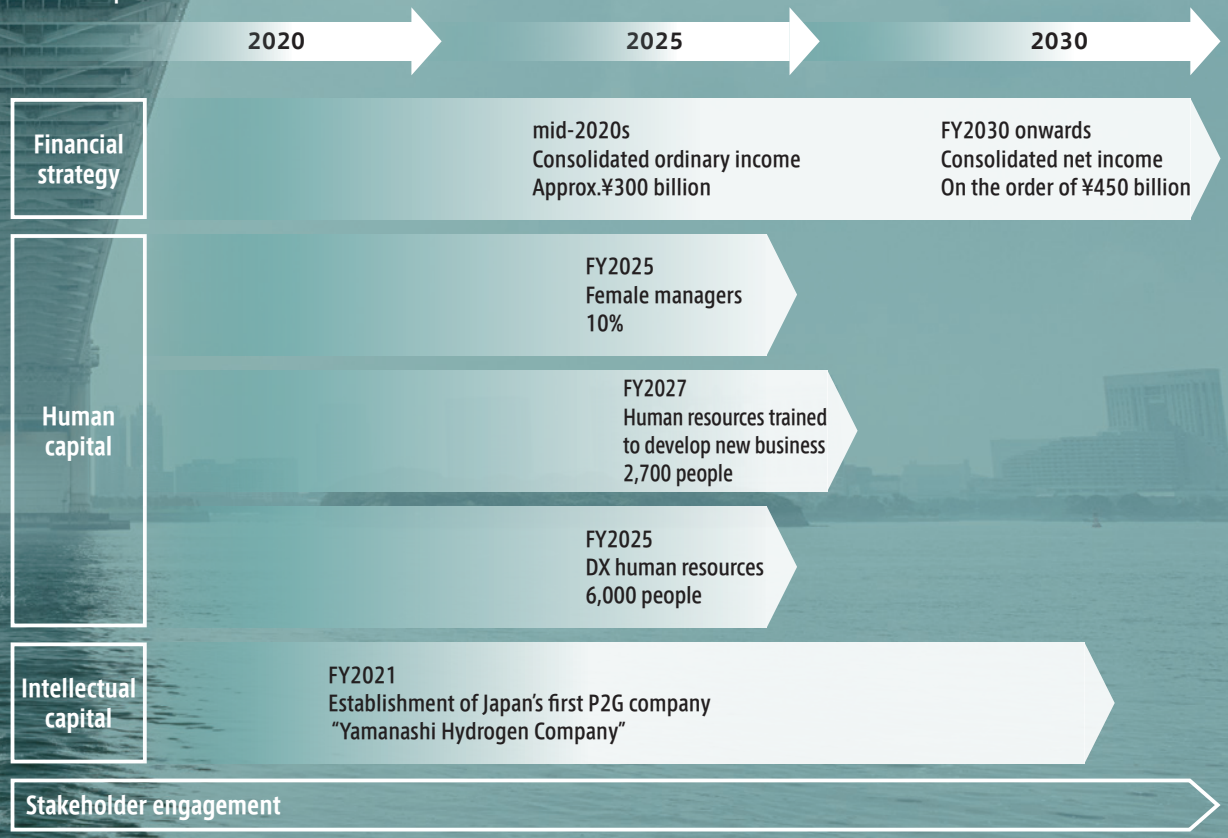
TEPCO Renewable Power owns approximately 40% of the Oze National Park, and about 70% of the special conservation zone in order to cultivate water resources for hydroelectric power stations. As owner of this land, for over 60 years we have worked with local people to conserve the natural environment, such as by building a wooden pathway to conserve the wetlands and helping desolated wetlands to recover.

Oze and TEPCO

Strengthening Our Business Foundation

In order to create value around carbon neutrality and preparedness, and generate profits on the order of ¥450 billion, in addition to formulating financial strategies, the TEPCO Group will strengthen our core businesses by growing intangible assets, such as human capital and intellectual capital, etc., ascertaining needs, and deepening relationships through stakeholder engagement.

Roadmap



Target

Financial strategy

Diversifying capital procurement and engaging in strategic investment in order to generate consolidated net income on the order of ¥450 billion

➔ P35

Human capital

Investing in human capital to strengthen business reforms and core businesses in order to provide a stable supply of power and achieve carbon neutrality

➔ P36

Intellectual capital

Engage in innovation that centers on digital technology to reduce costs, handle risks, and contribute to SDGs

➔ P48

Stakeholder engagement

Engage with our diverse stakeholders to achieve sustainable operation

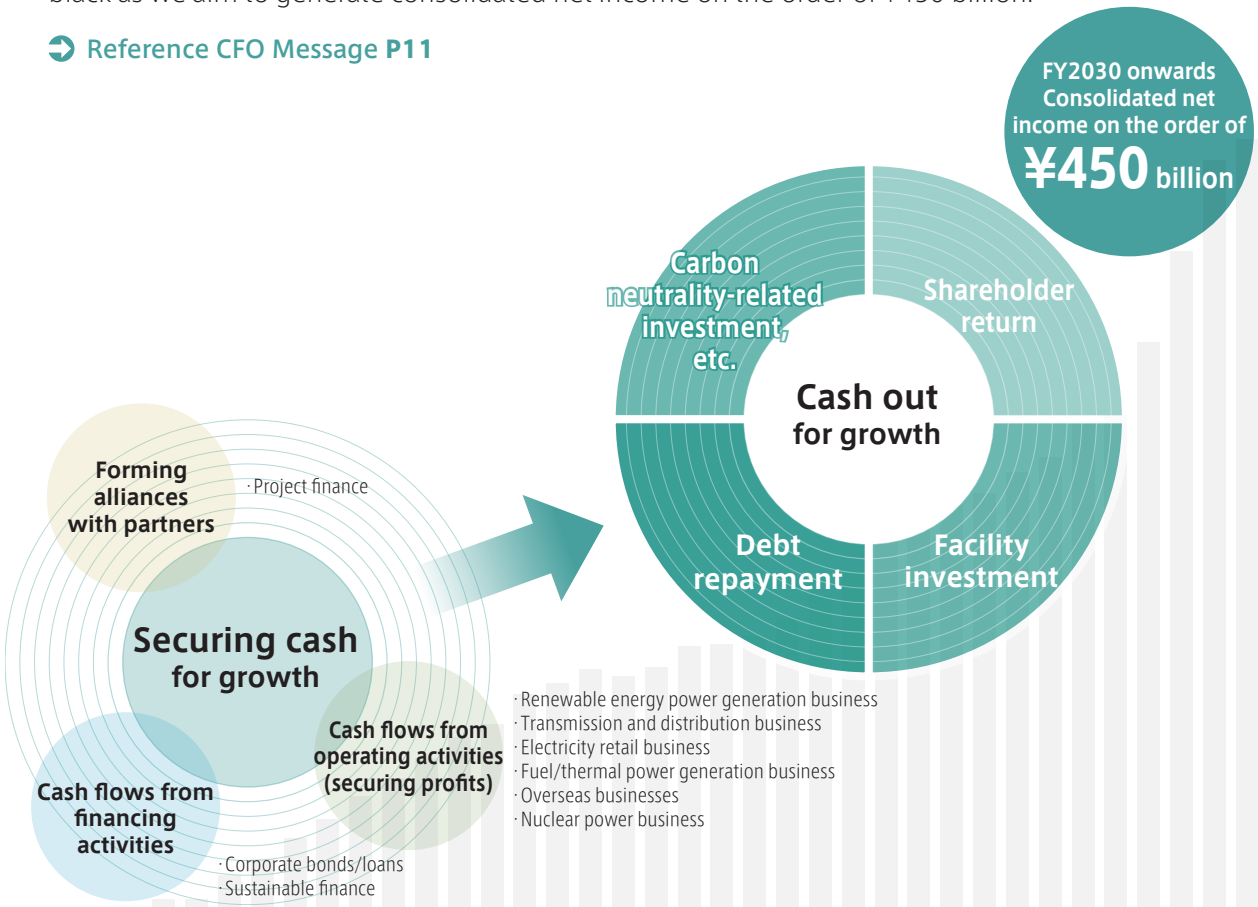
➔ P51

Financial Strategy

In order to secure capital for growth, in addition to generating stable profits from existing businesses and streamlining operations to squeeze out capital, we shall engage in sustainable finance, such as Green bonds, and form alliances in order to diversify our means for procuring capital.

This procured capital will be used for not only power station and power grid facility investment, but also suitably appropriated for strategic investment in carbon neutrality. Through this investment we shall build new business models and increase profits thereby keeping our free cash flow in the black as we aim to generate consolidated net income on the order of ¥450 billion.

Reference CFO Message P11



Target

FY2030 onwards
Consolidated net income on the order of
¥450 billion

Initiative details

- Carbon neutrality-related investment P23
- Sustainable finance

Progress

Consolidated net income (loss) (billion yen)

FY2022	FY2023/1Q
(123.6)	136.2

TEPCO Renewable Power Green Bond Issuance Record

	Date of issuance	Amount issued
1st	9/9/2021	¥30 billion
2nd	3/10/2022	¥10 billion
3rd	9/14/2022	¥30 billion
4th	9/7/2023	¥30 billion

Green Bond activity report (Japanese only)

Human Capital

Governance

Mitsushi Saiki
Tokyo Electric Power Company Holdings, Inc.
Executive Vice President
Chief Human Resources Officer

Mitsushi Saiki

Human resources are capital, and we will promote management that maximizes the value of that capital

While the business environment that surrounds the TEPCO Group greatly changes due to soaring natural resource prices and fiercer natural disasters caused by climate change, etc., we are engaging in business structure reforms and strengthening our core operations so as to fulfill the Group's mission of maintaining a stable supply of power and achieving carbon neutrality in order to achieve the goals of the 4th Comprehensive Special Business Plan.

By promoting management that maximizes the value of human resources, each and every employee shall embrace "independence," "passion," and "diversity," and we will help them grow into professionals that embody the values of our corporate philosophy and can succeed on the world stage. With our employees that are proud of the work they're doing and motivated, we shall build a unified group of professionals that can speak openly and create synergy through co-creation while creating value that exceeds the expectations of each and every one of our customers.

Comprehensive KPI for human resource strategies

"Employee satisfaction" and "human capital ROI" have been set as comprehensive KPI for human resource strategies. "Employee satisfaction" will be measured as an indicator for each and every employee's well-being due to the close relationship that this has with department and personnel motivation/productivity. In addition, from FY2023 "human capital ROI" will be used as an indicator to quantitatively measure the effect of human capital in investment linked to management strategies.

Employee satisfaction level

FY2022 records: **6.69**
(YoY ±0.00)

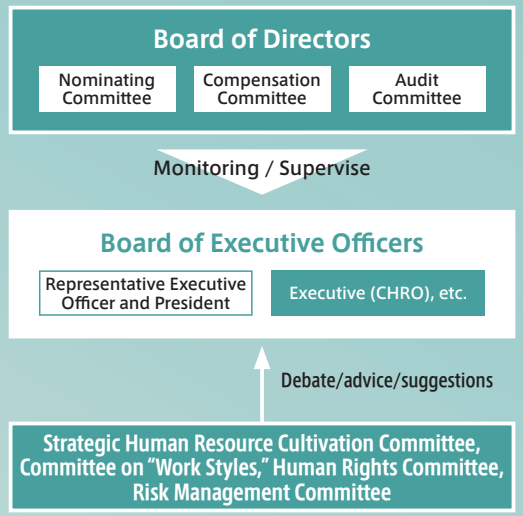
Calculated by taking the average from the 11-point (0~10) scale used in the employee awareness survey

Human capital ROI

FY2022 records: **0.25**
(YoY -1.39)

$$\text{Human capital ROI} = \frac{\text{Operating income + Depreciation}}{\text{Personnel expenses}}$$

Governance Structure



The Board of Directors has selected an executive to manage human resource strategies (Chief Human Resources Officer (CHRO)) that gives monthly reports on the status of duty execution thereby enabling the Board of Directors to monitor and supervise action plans and progress with performance targets.

Report on discussions pertaining to human resources held at management meetings, etc. (FY2022 records)

- Human resource management initiatives
- Human resource plan/employment plans
- Frontline human resource issues and countermeasures
- Legal functions and human resource cultivation
- TEPCO Work Innovation (TWI) initiatives
- Initiatives to respect human rights, etc.

Human Resource Strategies

By executing human resource strategies that are linked to our business strategies we will create value that exceeds the expectations of our customers.

As a human resource strategy linked to our business strategy, TEPCO has created an HR-Vision that defines how we want our employees and our organization to be. The HR-Vision defines five priority areas and key measures to implement for each. In order to ensure that we can stably secure human resources to support our electricity business, securing and deploying human resources needed to address key management issues, such as DX and business creation, etc., is are urgent issues as we aim to strengthen our management foundation and implement business structure reforms. Therefore, we shall further accelerate "ambidextrous management*" by formulating a mid/long-term plan for the human resources that we require, and strengthening resource management for employing, training, and deploying these human resources. Furthermore, through initiatives to strengthen our foundation, such as achieving diversity and inclusion, work and work style reforms, and improving engagement, etc., we aim to maximize the motivation and skills of each and every employee, and the performance of our organization. Furthermore, in order to ensure the effectiveness of these initiatives, we have set KPI and are visualizing/monitoring achievements while also further refining human resource strategies so that we can provide value that exceeds the expectations of each and every customer.

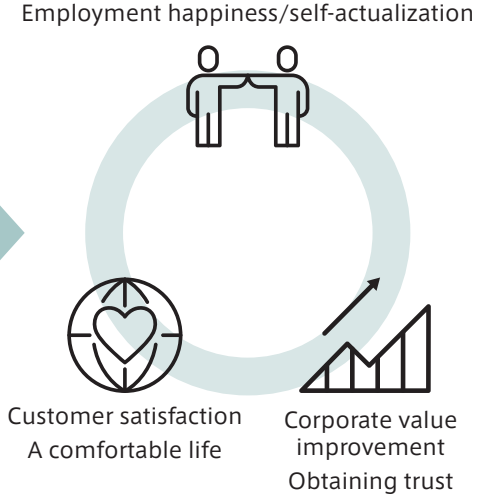
*Source: "The Ambidextrous Organization," by Charles A. O'Reilly III and Michael L. Tushman

Human resource strategies linked to management strategies

HR-Vision	Five priority areas	Key measures
Ideal human resource portfolio Sufficient human resource quality/quantity required for business	Resource management	• Diversify employment methods • Prioritize the assignment of human resources needed for key management issues
Human resource vision Maximize human resource willingness	Human resources for accelerating ambidextrous management	• Double track human resource cultivation (management leader cultivation, etc.) • Using the talent management system to assign the appropriate human resources to the appropriate location
	Diversity and inclusion	• Creating inclusive work spaces • Ensuring diversity in management
Organization vision Maximizing organizational skills	TEPCO Work Innovation	• Expanding the variety of work styles • Management reforms, task reforms
	Core strengthening	• Initiatives to respect human rights • Health management, organizational development (improving engagement)

Value creation

Achieving Win-Win-Win



Strategy

Resource Management

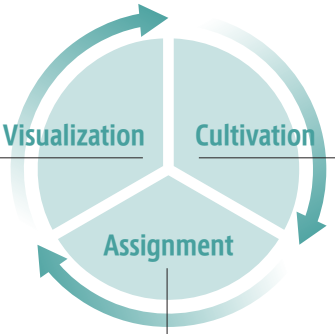
We are securing human resources that can support the electricity industry and human resources that have earning power

In order to secure human resources that can support our electricity business, we have diversified our employment methods so that we can regularly employee new college graduates and work-ready employees as needed. We are also creating attractive mechanisms to help retain younger employees, and encouraging the continued high performance and motivation of mid-level and senior employees.

At the same time, we are prioritizing the assignment of human resources required to address key management issues while also identifying skill areas (DX, business creation, overseas projects, legal) that are important for our mid/long-term business strategies, such as streamlining existing mechanisms, creating and reforming business models, and expanding our sphere of operations, as we ensure both the quality and quantity of human resources that will take charge of these issues.

Example of how we are securing human resources in a planned manner (DX promotion human resources)

Through our training cycle for DX promotion human resources, by FY2025 we shall re-skill 20% of all employees, or approximately 6,000 people, that will serve as core human resources for promoting DX.



Visualize the quality/quantity of capabilities needed for reforms

- Human resource portfolio →Define position type/skills
- Clarification of training scale →Set training targets
- Formulate standards for assessing possessed skills

Independent career development and strengthening skills needed for DX

- Developing e-learning content
- Creating a systematic learning environment in which all employees can learn on their own (development of educational materials in accordance with hierarchy and duties)

Assigning suitable human resources to practical opportunities to show their value

- Creating DX projects in each station
- Assign personnel according to skills and implement planned training

Progress

FY2022

Vacancy fill rate for employees hired right out of college

107%

Vacancy fill rate for career employees

96%

Human resource vacancy fill rate for key management issues

108%

Note) Vacancy fill rates based on planned numbers

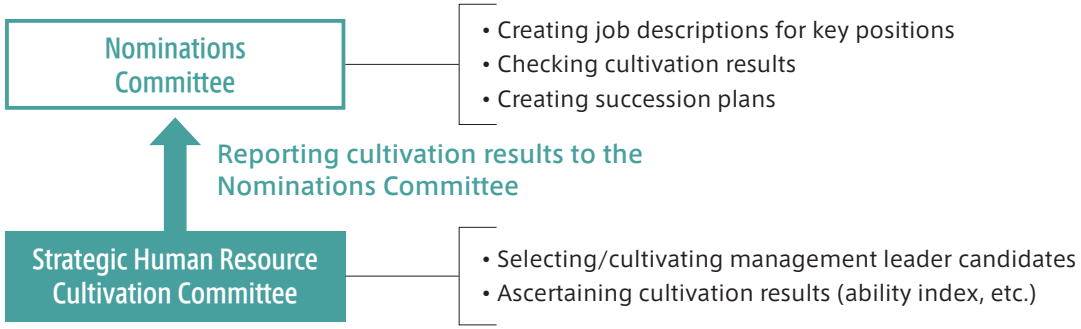
Strategy

Human Resource Strategies for Accelerating Ambidextrous Management

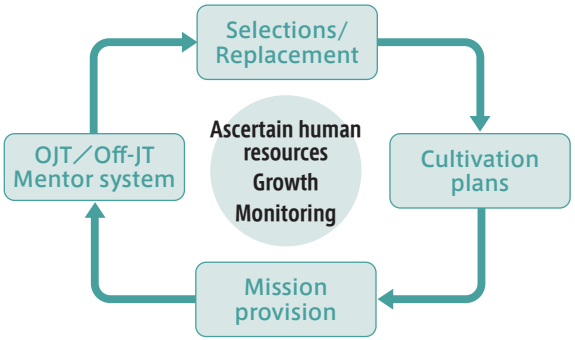
Turning out management leaders through succession plans

In order to continually and stably turn out business leaders that will lead our business we've established a Strategic Human Resource Cultivation Committee for the purpose of selecting and training human resource candidates. Upper management is directly involved in the training cycle, which includes selection, training, and monitoring, etc., and we are constructing mechanisms for training successors in coordination with the Nominations Committee.

Coordination between the Nominations Committee and the Strategic Human Resources Cultivation Committee



Management leader cultivation cycle



Strategic Human Resource Cultivation Committee Meetings
[Total] 20 meetings (FY2022)

Number of management leader candidates/mission provision rate
[Total] 491 people, 88% (FY2022)

Participants in next-generation leader cultivation training
[Total] Advance management position program: 39 people
Management position program: 120 people
General position program: 210 people
(Total for FY2019~FY2022)

Target

FY2022 **Management leader cultivation**

Management leader candidates
500

Mission provision rate
100%

Progress

FY2022

Management leader candidates
491

Mission provision rate
88%

Strategy

Diversity & Inclusion

Building a highly creative and resilient organization through the promotion of D&I

In order to enable our employees and our organization to grow, we must gather a group of diverse individuals, accept and respect each other's differences, and leverage the variety of diverse viewpoints to act. This type of action will lead to the birth of a highly creative and resilient organization. In order to deepen understanding of D&I, we are holding seminars on how to balance child rearing and nursing care, with work, disabilities, and LGBT, etc., and also published guidelines and handbooks. Furthermore, we have also strengthened measures for not just people faced with these issues, but also their supervisors and colleagues so as to promote a more inclusive workspace.

Correction of disparities in the gender pay gap

Refer to pages 26-27 of the FY2022 valued securities report for details (Japanese only)

Our salary system does not set differences in the wages of men and women, however men's wages are higher than women's due to various factors. For example, women often discontinue their careers to have and raise children, the number of young female employees has increased thereby lowering the average wage of women throughout the company, and many men are also applying to receive certain types of compensation, such as dependency allowances.

Therefore, we are promoting the following initiatives in order to correct the discrepancies resulting from these different factors.

		Gender pay gap
Total workers		82.1%
Full-time employees		81.4%
	Management position	96.9%
	Non-managerial position	83.8%
Part-time workers/temporary workers		68.3%

Support for career continuity

We have established in-house day care centers as a measure to help employees that have taken time off from work to raise children to get back to their careers. Furthermore, in order to fill in the gaps and experience that they may have due to taking maternity/paternity leave, we are providing support for increasing their awareness about developing a career and also providing leader training, etc. Additionally, we have expanded the work style choices that employees have by leveraging the remote work and flex time systems.

Ensuring the development of young female employees

The TEPCO Group is looking long-term as we train human resources. In addition to hierarchy-based training for younger employees, we are providing opportunities for them to learn on their own therefore encouraging them to grow to the point where they can display their abilities as individuals.

Target

FY2025

Percentage of female managers

10%

Progress

	FY2021	FY2022
Female managers	5.8%	**5.9%**
Female employees	13.1%	**13.2%**

FY2022

Real feeling that diversity is being promoted

0.65 (YoY +0.01)

Note) Employee awareness survey score: Average score on a five-point scale from -2~2

Strategy

TEPCO Work Innovation

Creating new work styles to the promotion of TEPCO Work Innovation

We are creating an environment that allows each and every employee to work comfortably so as to achieve a work-life balance and increase happiness. Along with introducing "TEPCO work-cation" as a new work style option, we have also written the TEPCO Work Style Guidelines as we aim to create work styles that elicit maximum performance from our people and the organization. Furthermore, by having one-on-one meetings, developing management education, and creating opportunities for dialogue, we are promoting employee growth and improving motivation throughout the company.

Progress

FY2022

Real feeling that work-style reforms are being promoted

0.75 (YoY+0.14)

Expansion of productivity awareness

0.25 (YoY+0.03)

Note) Employee awareness survey score: Average score on a five-point scale from -2~2

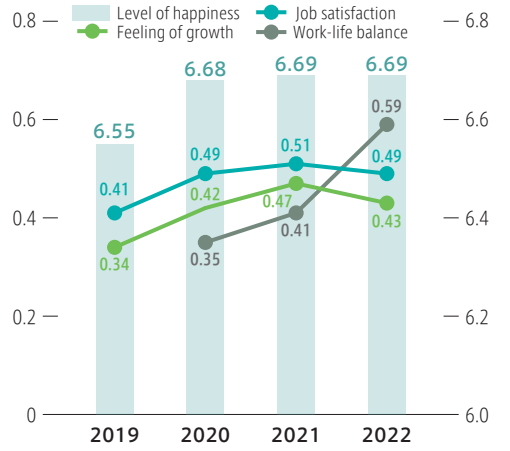
Core Strengthening

Improving departmental/individual motivation/productivity through improved engagement with workers

With the understanding that improving employee engagement is important for improving the motivation and productivity of our employees and the organization, we have set "employee happiness level" as a key indicator and have set the "motivation" of each individual, "feeling of growth," and "work-life balance," as engagement indicators that are measured through employee awareness surveys.

Recently, we have seen a dramatic rise in the numbers for "work-life balance" through the promotion of work style and work reforms, but results for "job satisfaction" and "feeling of growth" have decreased compared to last fiscal year, and as a result, "employee happiness level" has remained unchanged. We believe that this is the result of the harsh business environment that surrounds the company and also the great amount of work to be done in each office, so we will continue to devote resources to the steady implementation of human resource strategies.

Furthermore, we will leverage the results from the employee awareness survey, visit and interview workers on the front line that are employing motivational work styles, and share these initiatives through the company newsletter in an effort to introduce company employees to good practices. [Record] Performed at six sites (FY2022)



Note) Engagement score: Average score on a five-point scale from -2~2
Happiness level score: Average score on an 11-point scale from 0~10

Progress

FY2022

Job satisfaction

0.49 (YoY-0.02)

Feeling of growth

0.43 (YoY-0.04)

Work-life balance

0.59 (YoY+0.18)

Note) Employee awareness survey score: Average score on a five-point scale from -2~2

Metrics and Targets

In order to improve "employee happiness level," and "human capital ROI," we have set important KPI for the HR-Vision and our initiatives that address the five priority areas, and are assessing achievement and progress while also renewing indicators and targets as necessary.

Furthermore, we have set KPI pertaining to risk, such as the retirement request rate and the number of laborers working long hours, etc., and are monitoring indicators.

We are accelerating strategic investment through human resource KPI management.

Note) The following numerical data is from FY2022. Data followed by an asterisk ("*") notes the average score from the employee awareness survey (on a 5-point scale from -2~2)

Comprehensive KPI

Employee happiness level

6.69
(YoY±0.00)

the average from the 11-point (0~10) scale used in the employee awareness survey

Human capital ROI

$$\frac{\text{Operating income + Depreciation}}{\text{Personnel expenses}}$$

0.25
(YoY -1.39)

HR-Vision

Ideal human resource portfolio

Human resource vacancy fill rate for key management issues	fill rate **108%**

Human resource vision

Job satisfaction	**0.49*** (YoY -0.02)	
Feeling of growth	**0.43*** (YoY -0.04)	
Work-life balance	**0.59*** (YoY +0.18)	
Annual total work hours/person	**1,935** (YoY +16)	Average for all employees excluding management

Organization vision

Putting the corporate philosophy into practice	**1.13*** (YoY +0.04)	
Value-creating climate	**0.45*** (YoY -0.04)	
Mental safety	**5.77** (New)	the average from the 11-point (0~10) scale used in the employee awareness survey

Metrics and Targets

Five Priority Areas	Primary indicators	Target	Achievements (FY2022)
Resource management	Securing human resources (Vacancy fill rate for employees hired right out of college)	FY2022 : Hundred percent fill rate of planned values	**107%**
	Securing work-ready human resources (Vacancy fill rate for career employees)	FY2022 : Hundred percent fill rate of planned values	**96%**
Human resources for accelerating ambidextrous management	Training management leaders	Management leader candidates 500 people Mission provision rate 100%	**491 people** **88%**
	Number of business creation human resources created	FY2027 : 2,700 people	**908 people** (Cumulative)
Diversity and Inclusion	Percentage of female managers	FY2025 : 10%	**5.9%**
	Feeling that diversity is being promoted	Increase over last fiscal year	YoY **+0.01** (0.65*)
TEPCO Work Innovation	Feeling that work style reforms are being promoted	Increase over last fiscal year	YoY **+0.14** (0.75*)
	Expansion of productivity awareness	Increase over last fiscal year	YoY **+0.03** (0.25*)
Core strengthening	Feeling that health measures are being promoted	Increase over last fiscal year	**0.64*** (New)
	Human rights due diligence implementation rate	FY2025 : 100%	**28.8%**

Risk KPI (from FY2022)

Voluntary turnover rate
1.0%

Number of laborers working long hours
191 people
Number of people that worked more than 100 hours in total of overtime or during vacations over a one-month period during the fiscal year.

Percentage of highly stressed individuals according to stress checks
11.8%

Number of people that took long-term vacations due to non-work-related illness
202 people
Number of people that took a leave of absence during the fiscal year due to non-work-related illness

Number of consults brought to the human rights desk that led to disciplinary action
0
(out of 103)

Initiatives to Respect Human Rights

Detailed information on "initiatives to respect human rights"

In accordance with the UN Guiding Principles on Business and Human Rights, in August 2021, the TEPCO Group formulated and announced its TEPCO Group Human Rights Policy, which clarifies our stance on initiatives to respect human rights. In addition to strengthening ongoing human rights initiatives, we are promoting human rights initiatives in accordance with international standards as we strive to prevent and mitigate negative impacts on human rights. In FY2022 we began human rights due diligence and the accurate use of relief mechanisms as we aim to be a corporate group that is continually trusted and chosen, and to make respect for human rights the basis of our business activities.

Human rights due diligence

The TEPCO Group respects human rights in all facets of our business. We have created a human rights due diligence mechanism based on the UN Guiding Principles on Business and Human Rights to ensure that the human rights of everyone impacted by our business activities, and all of our stakeholders, are respected, and we are promoting these initiatives while prioritizing our own companies (employees/businesses), consolidated subsidiaries, and suppliers.

The three pillars of the United Nations Guiding Principles on Business and Human Rights

Commitment

The TEPCO Group Human Rights Policy

August 2021 creation/ announcement

Our commitment to nine human rights issues based on international norms and principles

Scope of application:
Everyone who works for the TEPCO Group including consolidated subsidiaries, executives, employees, contract employees, commissioned employees, part-time workers, temporary workers, part-time job holders, etc.

Human rights due diligence

Stakeholder engagement

- Specify adverse impact: Assess human rights impact
- Prevention/ mitigation: Implementation of education/training, Supply chain management
- Track: Corporate ethics surveys, Employee awareness surveys, Sustainable procurement surveys
- Disclose Information: TEPCO website (English/Japanese), Integrated Report, Corporate Governance Report

Grievance mechanisms

Human Rights Issue Reporting Desk

Established in October 2021

Created in addition to the existing consultation desk for employees and is open to all stakeholders

Response/corrective action taken when human rights issues arise

Corrective action proposals deliberated/executed/called for by the Human Rights Committee

Governance Structure

TEPCO Holdings Human Rights Committee

In 2022, we renamed our Human Rights Awareness Committee that was established to resolve/prevent primarily discrimination and Burakumin (an ostracized social group in Japan) issues.

Chairman	Executive Vice President (Chief Human Resources Officer)
Members	TEPCO Holdings Department General Managers Human Rights Officers from core companies (Human Rights Committee Chairs from each company)

Board of Directors

Board of Executive Officers

TEPCO Holdings Human Rights Committee

Human Rights Committees at each core company

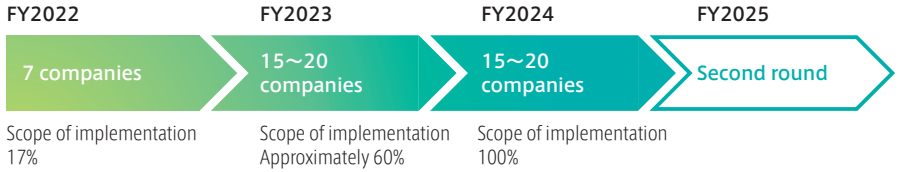
- Meetings held twice a year in principle
- Initiatives from the past fiscal year are reviewed, current fiscal year plans discussed, and human rights due diligence action plans monitored
- Information on cases brought to the attention of the Human Rights Consultation and Reporting Desk are shared and corrective measures discussed/proposed, etc.

Measures for Consolidated Subsidiaries

The TEPCO Group's Human Rights Policy covers our primary consolidated subsidiaries (38 companies) and as such, since FY2021 they are subject to a Self-Assessment on Respect for Human Rights that examines 72 issues.

During FY2023, we will strengthen coordination between subsidiaries and TEPCO Holdings by formulating guidelines that promote independent initiatives at each company and assigning human rights coordinators, while also promoting initiatives that match the diversity of each company based on interviews.

Progress with implementing initiatives at consolidated subsidiaries



Mechanism for developing initiatives

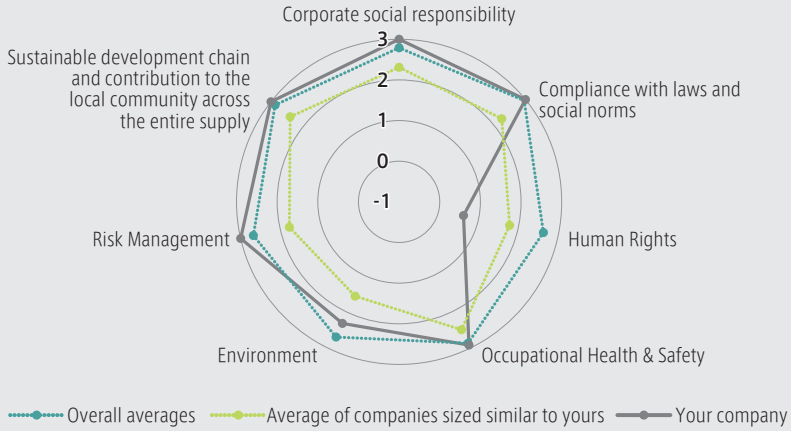
Effective plans are created and put into use based on the situations of each company, such as the scale of their business and their business model, etc.

Measures for suppliers

In order to strengthen respect for human rights throughout our supply chain, in May 2021 we created the Sustainable Procurement Guidelines, which clearly note factors pertaining to respect for human rights, as part of our Basic Policy on Procurement. Furthermore, we have all of our suppliers sign a confirmation letter by which they declare that they are suitably following the Sustainable Procurement Guidelines and we have created a mechanism for ensuring that suppliers are respecting human rights, such as by distributing a sustainable procurement survey to check the status of compliance. In FY2022, we started employing the PDCA cycle for this process by which we review the efforts of all suppliers over a three-year period.

The results of the sustainable procurement survey have shown that there are discrepancies between initiatives depending on the size of the supplier. In order to support SME suppliers that have difficulty implementing initiatives due to lack of resources, we are proactively engaging with them by providing training pertaining to respect for human rights for supplier employees.

Example of feedback given to suppliers



Feedback is given to all suppliers that respond to the survey. Overall averages and averages for suppliers of similar size are used as benchmarks so each supplier can compare themselves with other companies.

Occupational Health and Safety

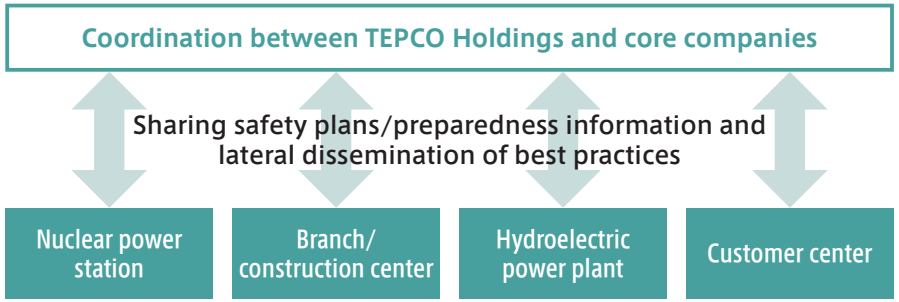
Yasunori Fushimi
Tokyo Electric Power Company Holdings, Inc.
Managing Executive Officer

We will always prioritize safety and cultivate a corporate culture that enables us to take action

The most important foundation of the TEPCO Group's business is prioritizing safety, remaining aware that there is no end to the pursuit of safety, and improving safety on a daily basis. The labor environment that we are in is greatly changing from what it was due to a decrease in the number of experienced laborers and a lack of ability to pass down knowledge since veterans are retiring due to old age, but we must overcome these difficulties. What is important is that we continue to remain thoroughly aware of acting in accordance with, and abiding by, safety rules at all costs. In order to create such a climate and a work environment in which we can work safely and securely, I have taken the initiative to go into the field to look at the situation, improve safety awareness based on the thinking that safety takes priority above all else, and act in a way that keeps, not only myself, but everyone I work with safe.

Interdepartmental coordination aimed at promoting safety activities

At the TEPCO Group, the president of each company and safety officers have worked together with workers in the field to formulate a safety policy by which safety activities are implemented. The entire group coordinates to engage in daily safety management, create basic rules, implement self-assessments, and share examples of best practices throughout the Group. At the same time, when a serious disaster does occur, we engage in actions to prevent similar accidents from happening again by not only ascertaining the root cause and sharing recurrence prevention measures throughout the company, but also improving existing rules and work methods.



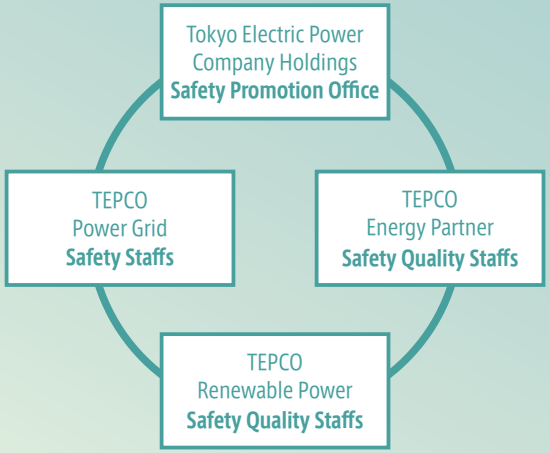
Safety policy

"Prioritize safety above all else"

1. Upper management must lead by example in order to cultivate a climate where safety is prioritized
2. Deepen communication, including communication with contractors, so that everyone has the same awareness about safety
3. Learn from past accidents and troubles and utilize this knowledge to prevent them
4. Improve safety management skills, identify field risks, and steadily implement measures to reduce them
5. Look at all tasks from the perspective of safety and make improvements by employing the PDCA cycle

Promoting system

At TEPCO Holdings we've established a Safety Promotion Office that promotes safety activities in coordination with the safety staffs and safety quality staffs at each core company.



Safety Activity PDCA

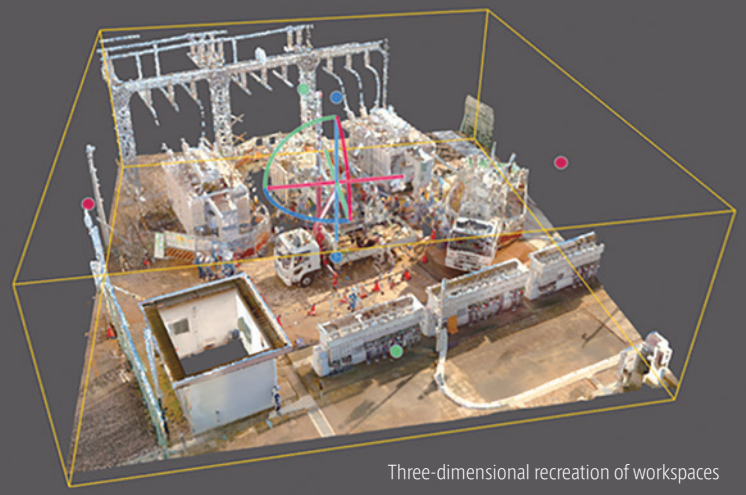
TEPCO Holdings and core companies have formulated safety activity plans based upon risk-assessments, etc., in order to prevent disasters and are engaging in activities based on these plans. The safety activity PDCA cycle is used to review and assess the status of implementation of the safety activities and make revisions as necessary thereby continually improving these activities.

Plan : Safety activity plan
Past accidents and field conditions or ascertain/analyzed to identify risks for which countermeasures are incorporated into the plan.

Do : Safety activity initiatives
- Risk-assessments that focus on identifying risks unique to certain worksites and sources of danger.
- Kaizen activities are implemented from the perspective of safety, such as employing work methods that protect workers from sources of danger, and measures that address the proper positioning of personnel.

Check : Reviewing/assessing the implementation status of safety activities
improve the quality of safety activities by communicating with field workers, and leveraging the knowledge from other industries to implement recurrence prevention measures.

Act : Revised safety activities
Safety activities that have been revised based upon assessments and improvements are shared throughout the Group, including with contractors.



Three-dimensional recreation of workspaces

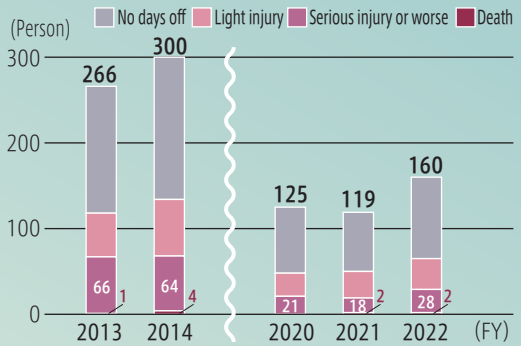
Improving safety and efficiency through DX
Information on work environments that up until now has been managed using photographs, etc., has been converted into 3-D data that is shared online with field workers. This 3-D data allows 360 ° views of equipment as well as distance measurements thereby enabling information on dangers to be gathered in advance. This in turn enables us to identify risks without overlooking anything and deliberate countermeasures that contribute to improving work safety and efficiency.

Target

TEPCO Group FY2027 Zero accidents

We have learned from fatal work accidents and have created work procedures that detail how work responsibilities are to be shared and how laws/regulations are to be complied with. At the same time, we have coordinated with external agencies to improve the efficiency of safety activities in accordance with actual field conditions.

Progress



*Excluding incidents for which only the other side is at fault

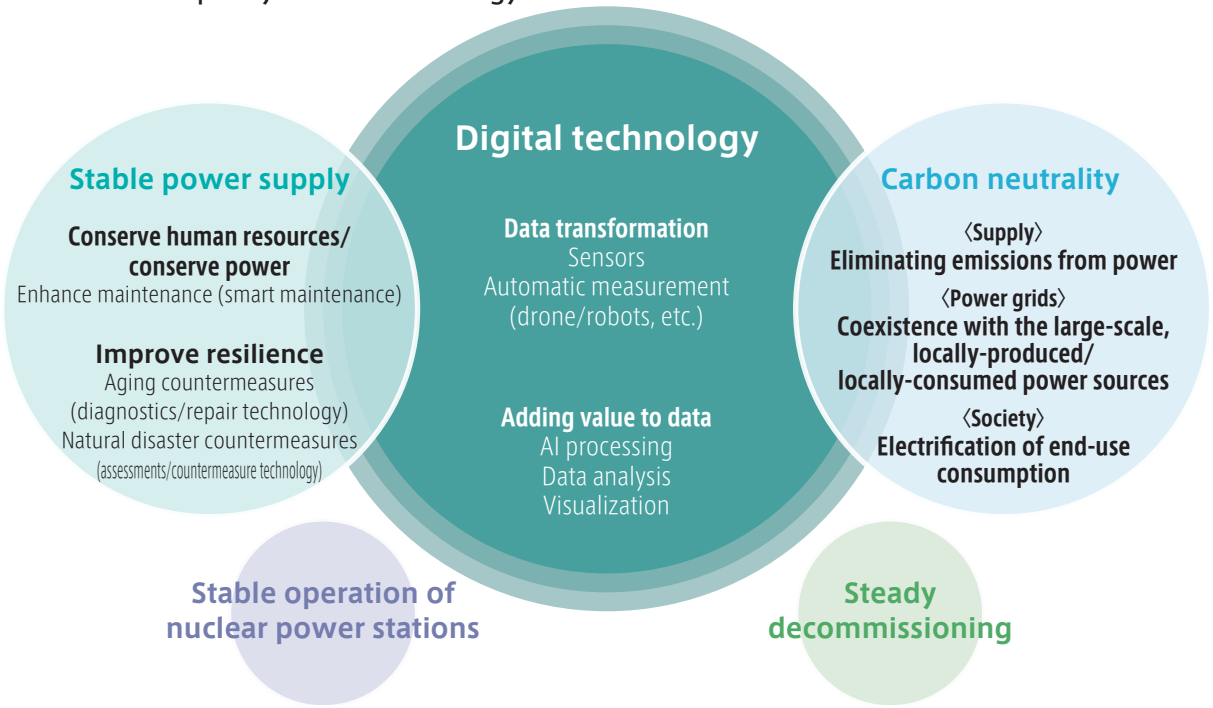
Intellectual Capital

Technological development policy/strategies

The technological development engaged in by the TEPCO Group addresses risks, such as natural disasters, etc., and aims to reduce costs by focusing on digital technology that can support both the "stable supply of power," which is the foundation of our business and "achieving carbon neutrality," which is the main pillar of our business structure reforms. At the same time this technological development also contributes to achieving sustainable development goals (SDGs) by addressing large issues, such as the impact of distributed power sources and the spread of storage batteries, as well as regulatory system changes. Furthermore, while expanding alliances with external parties and promoting open innovation initiatives throughout the entire Group, we aim to "create social value and economic value."

In order to expand our business to the international market, we are working with Japan's power industry to be involved in the formulation of international standards and are promoting activities that look to future standardization from the technology development stage.

The TEPCO Group's key areas of technology



Promoting system

While leveraging the TEPCO Research Institute, our in-house research division, and the Intellectual Property Office, we have increased coordination with outside parties in order to formulate/promote technological development plans that contribute to increasing profitability, reducing COGS, and addressing risks.

Technological development/demonstrations related to hydrogen

Maximizing the use of renewable energies (reducing output limitations) is important for creating a carbon neutral society. Surplus power from renewables is limited in order to prevent an impact on the power grid, so by subjecting the surplus power to electrolysis and manufacturing CO_2-free hydrogen, we can absorb power generation fluctuations and maximize the use of renewable energies.

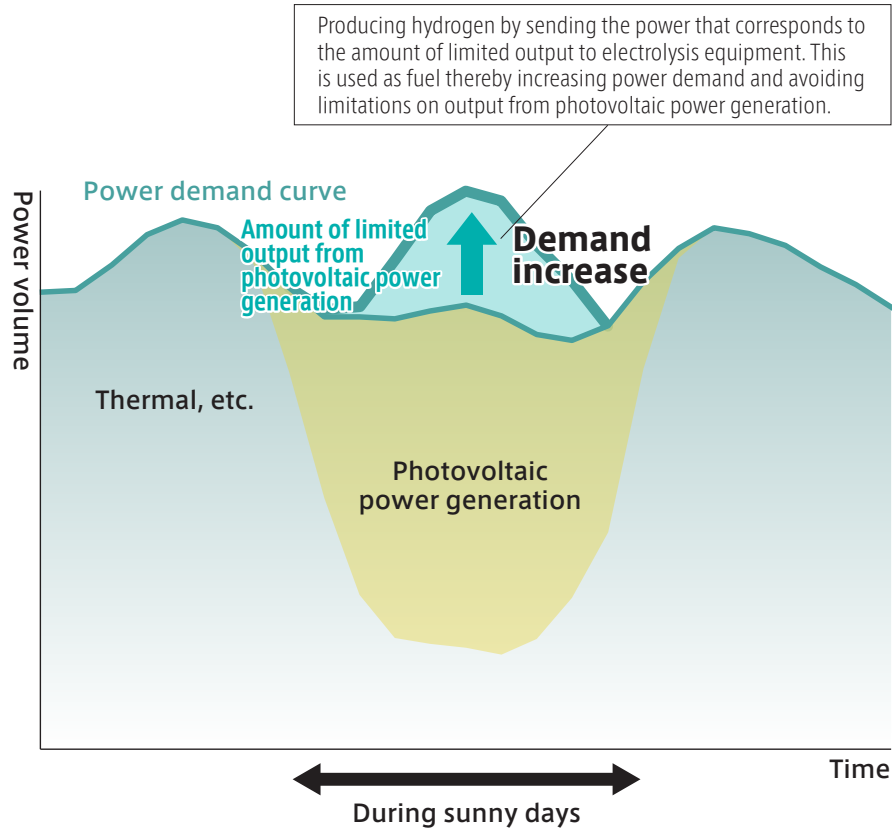
Furthermore, as a demand-side initiative aimed at creating a carbon neutral society, it has been proposed that fossil fuels, which account for 70% of end-use consumption, be directly used as electricity (electrification). So, we believe there is demand for substituting those fossil fuels directly used by the industrial sector that are at temperatures not suitable for direct use as electricity (200~2000° C) with CO_2-free hydrogen (indirect electrification) as mentioned above.

Since 2021, TEPCO has been working on a P2G (power to gas) technology demonstration in cooperation with Yamanashi Prefecture government and Toray Industries, Inc. at a demonstration site (Mt. Komekura, Yamanashi Prefecture), and in February 2022, we established Japan's first P2G company, Yamanashi Hydrogen Company (YHC). Based on the achievements of this technological demonstration, we are currently modularizing this technology in order to promote its use and also enlarge systems as we look to make it a world standard (GI fund project*).

Furthermore, in order to increase demand for CO_2-free hydrogen, we are supplying green hydrogen through YHC (supplying hydrogen for hydrogen racing cars), and participating in government committees that are formulating hydrogen roadmaps thereby contributing to activities aimed at international standardization. Going forward, we will further accelerate initiatives aimed at providing hydrogen technology to society by participating in these types of highly effective projects.

*Development of large-scale PEM electrolysis equipment, and heat demand decarbonization demonstrations (2021-2025)

Maximizing the use of renewables through a demonstration project at Mt. Komekura in Yamanashi Prefecture



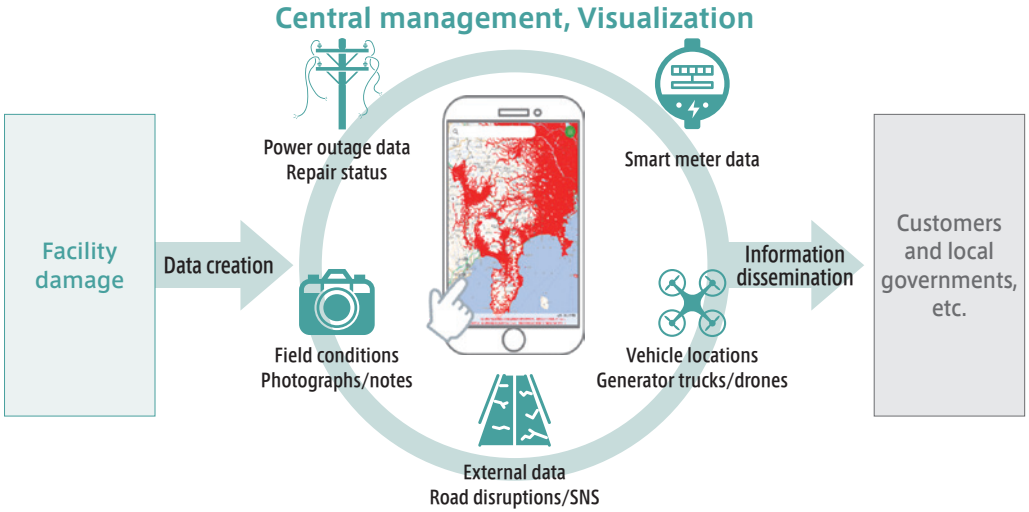
DX Strategy

TEPCO DX is promoting in-house and external initiatives aimed at improving customer experience, doubling productivity, reforming business structures, and creating new business models as we aim to balance the stable supply of power with carbon neutrality.

In order to build digital infrastructure for improving work efficiency and competitiveness, we are leveraging the advantages of data source companies that own one-third of the power data in Japan to construct a digital foundation by digitalizing our expansive group business foundation and promoting data-driven work operations based on accumulated data. As a result of these initiatives, we shall achieve highly efficient O&M, use distributed power networks, and optimize energy use.

Centralized visualization by linking data on equipment damage status and from smart meters, etc.

In order to deal with fiercer and more frequent natural disasters over the last few years, we have developed a system for centrally visualizing equipment damage status, etc. This enables countermeasure headquarters and workers in the field to share accurate information in real-time thereby enabling more efficient repairs and the dissemination of highly accurate information to customers and local governments, etc. so that we can put our customers at ease as quickly as possible.

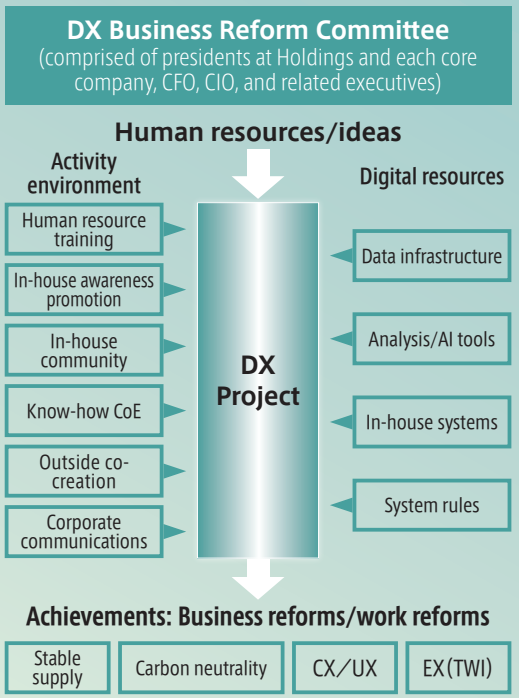


Source: Created by TEPCO Power Grid, Inc. based on Geographical Institute maps (online geospatial map website)

Promoting system

The DX Business Reform Committee has been made the control tower for promoting TEPCO DX, and is building a DX ecosystem. In cooperation with human resources, IT/system departments and each business department, etc., the committee is developing human resource training and in-house awareness measures to involve all employees in DX, and is also building a low-code development environment that enables field employees to be "digital citizens."

Mechanism for DX ecosystem



Stakeholder Engagement

Due to the breadth and public nature of the business of the TEPCO Group, which is the largest energy provider in Japan, it is dependent upon the involvement of a great variety of stakeholders. Since founding of the company in 1951, the expectations of our stakeholders, and the issues we must solve, have continued to change in conjunction with changes to society and the times, and changes in the business environment surrounding the TEPCO Group.

For the TEPCO group, stakeholder engagement allows us to fulfill our role as corporate citizens, and is an indispensable process for achieving sustainable operation as a corporate group that is trusted and continually chosen above the competition.

Examples of stakeholder engagement (during FY2022)

Financial stakeholders: Shareholders/institutional investors

Discussions about corporate assessment/information disclosure that will impact investment

ESG engagement

Approximately 70 times

Business partners: Suppliers

Initiatives to respect human rights, Initiatives to promote the reduction of greenhouse gases throughout the entire supply chain

- Opinion exchanges about human rights issues with suppliers (construction companies, etc.): 6 companies
- Enactment/announcement of Sustainable Procurement Guidelines
- Distribution of sustainable procurement survey: Approx. 300 companies

Workers

Motivation and economic growth
Achieving "decent work"

- Happiness level survey
- Stress checks
- LGBT surveys

Employee happiness level:

6.69

YoY comparison ±0.00
Note) Employee awareness survey score is the calculated average on an 11-point scale (0~10)

Regional communities: Nuclear power station siting communities

Communication activities

We have **established and operate communication booths** designed to elicit the opinions of regional residents in regards to safety measure renovations and the string of inappropriate incidents that occurred at the Kashiwazaki-Kariwa Nuclear Power Station

Total number of times held: 30

Customers

Initiatives to improve services

Ascertaining needs
Communicating with consumer organizations, etc.
88 times

Leveraging AI technology
Handling inquiries using chat bots
Approx. 600,000

Regaining Trust in Nuclear Power

While ensuring safety, the operation of nuclear power stations is indispensable for creating a carbon neutral society and providing an affordable and stable supply of electricity.

TEPCO is striving to regain the trust of society that it lost as a result of the string of inappropriate incidents that occurred at the Kashiwazaki-Kariwa Nuclear Power Station. We continue to devote all of our efforts to strengthening physical protection and implementing safety measure renovations in order to make safety our highest priority for facility operation as we aim to recommence operation of the Kashiwazaki-Kariwa Nuclear Power Station.

Furthermore, we continue with decommissioning of the Fukushima Daini Nuclear Power Station, resuming construction of the Higashidori Nuclear Power Station, and promotion of our nuclear fuel cycle business so as to obtain the trust of regional residents and society as we aim to fulfill the important role of creating a carbon neutral society.

Kashiwazaki-Kariwa Nuclear Power Station Unit 5-7

Target

Nuclear power station operation that prioritizes safety

Strategy

Pursuing nuclear security and safety at nuclear power stations

- Pursue nuclear security, including sincerely cooperating with additional inspections pertaining to physical protection
- Steadily proceed with safety measure renovations and improve the level of safety

A nuclear power station that is trusted by regional residents and society

- Convey information to regional residents about power station initiatives and conditions at the power station, and leverage the opinions we receive back

Toshihiko Fukuda
Executive Vice President
Chief Nuclear Officer and
Secretary-General of
Nuclear Reform Special
Task Force

Toshihiko Fukuda

Unifying power stations and the Head Office to become a trusted nuclear power station operator

Amidst the global transition to carbon neutrality and the need to address geopolitical risks pertaining to resource procurement, the S+3E approach (achieving Energy security, Economic efficiency, and Environmental friendliness while prioritizing Safety) is indispensable for TEPCO, which supplies energy to Japan. In order to achieve a well-balanced power portfolio comprised of renewable energies, nuclear power and thermal power, TEPCO engages in efforts on a daily basis to become a nuclear operator that has world-class safety awareness, technological capability, and the power to engage in dialogue with society.

At the Kashiwazaki-Kariwa Nuclear Power Station, we are prioritizing efforts to regain the trust of society that TEPCO lost as a result of the inappropriate incidents pertaining to physical protection and, to this end, I now reside in Kashiwazaki City and am devoting all of my time to working with Site Superintendent Inagaki to focus on field workers and improve nuclear security and safety. While continuing to prioritize safety, we shall operate the power station in unity with the Head Office as we aim to recommence operation of the Kashiwazaki-Kariwa Nuclear Power Station.

Takeyuki Inagaki
Managing Executive
Director
Superintendent of
Kashiwazaki-Kariwa
Nuclear Power Station
and In charge of Nuclear
Reform

Takeyuki Inagaki

As Site Superintendent, I lead efforts to ascertain actual field conditions and make speedy improvements.

The Kashiwazaki-Kariwa Nuclear Power Station is steadily making improvements to physical protection and implementing safety measure renovations based on our "Kashiwazaki-Kariwa Nuclear Power Station's Vision" as we pursue improvements to nuclear security and safety.

In order to become an organization that independently and continually implements improvements, our fourth vision or, "ensuring smooth communication between everyone that works at the power station," is vital. Firstly, as the most senior official at the power station, I directly engage in dialogue with front-line workers, ascertain actual field conditions, and make speedy improvements.

In addition to these initiatives, we repeatedly engage with regional residents, such as through briefings held in Niigata Prefecture pertaining to the progress made with improving measures, and participation in regional activities, such as beach cleanups, etc., as we aim to become a power station that is trusted by the regional community and society as a whole.

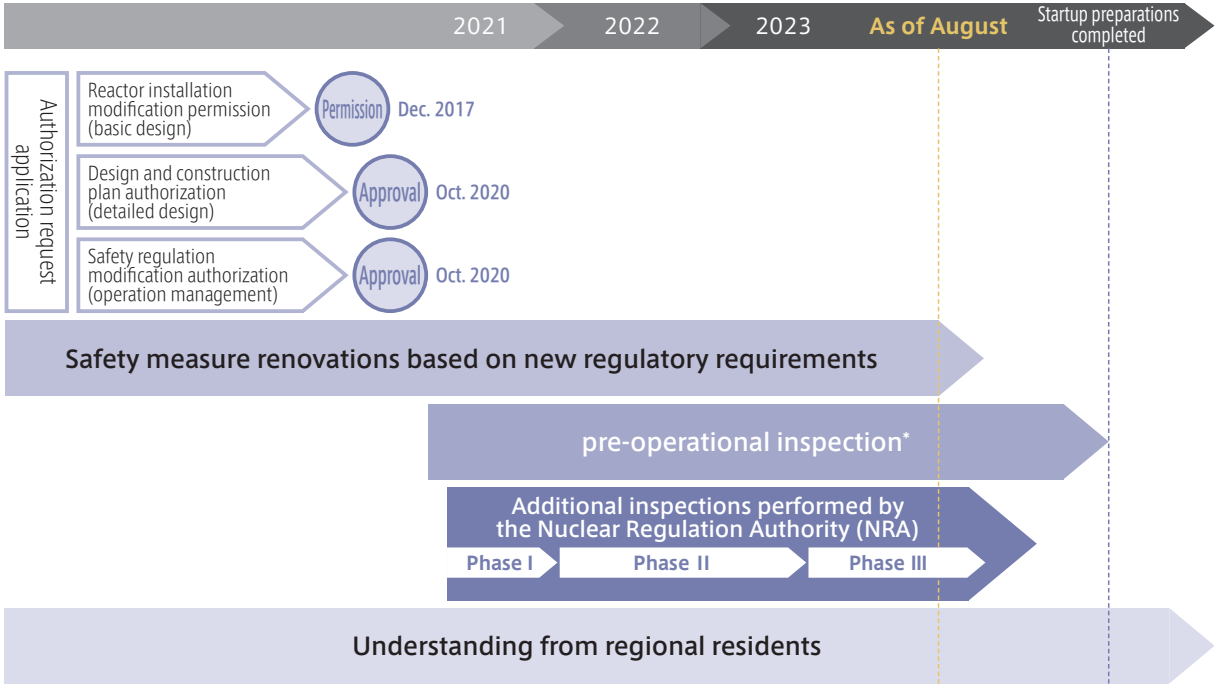
Kashiwazaki-Kariwa Nuclear Power Station's Vision

1. **Ensure that improvements implemented in the wake of the physical protection incidents are sufficiently effective**
2. **Ensure that safety measure renovations have been completed and that primary equipment functions are sufficient**
3. **Ensure sufficient ability to respond to emergencies**
4. **Ensure smooth communication between everyone that works at the power station**

Kashiwazaki-Kariwa Nuclear Power Station

In light of the series of inappropriate incidents that occurred at the Kashiwazaki-Kariwa Nuclear Power Station, the power station and the Head Office are working together to implement general inspections in light of the discovery of incomplete safety measure renovations, and improve physical protection. We are using various opportunities, such as communication booths and regional briefings, etc., to explain these initiatives. The opinions we elicit are used as feedback within company as we aim to become a power station that is trusted by both the local residents and society as a whole.

Roadmap for Kashiwazaki-Kariwa Nuclear Power Station Unit 7



*TEPCO has been prohibited from moving specified nuclear fuel material at the Kashiwazaki-Kariwa Nuclear Power Station until the nuclear regulatory inspection category has been changed to Category 1 by NRA. The pre-operational inspection that will be implemented after fuel charging will be implemented after change of the nuclear regulatory inspection category.

Initiative details

Additional inspections pertaining to physical protection

The Nuclear Regulation Authority (NRA) is currently finishing the last four out of the 27 issues of additional inspections that it has conducted in light of the series of inappropriate incidents pertaining to physical protection. We also earnestly cooperate with the competency review of TEPCO as a licensee of reactor operation that be performed by NRA.

See page 55 for details

Safety measure renovations

In light of the discovery of incomplete safety measure renovations, work quality is also being checked as we proceed with the pre-operational inspection of Kashiwazaki-Kariwa Nuclear Power Station Unit 7, and we shall make corrections as suitable if any additional issues require attention.

Regional communication

In addition to communication booths that we have set up in different locations within Niigata Prefecture, we also held briefings for regional residents between January and February 2023. Through these initiatives we have explained power station conditions and the initiatives that are being implemented at the power station in light of the series of inappropriate incidents, and we are also listening to the opinions of regional residents from all over the area. We leverage the opinions we have elicited as feedback to further improve power station operation and safety.

Four issues to address from the additional inspections pertaining to physical protection

In May 2023, the Nuclear Regulation Authority (NRA) decided to continue additional inspections on four out of the 27 issues that it has been examining in order to assess TEPCO's improvement measures. Reports on these four issues will be given to Nuclear Regulation Agency in the order that improving mechanisms are constructed and efficacy has been verified.

Four issues and TEPCO initiatives

Achieving normal monitoring

False alarms*1 have not been reduced enough to alleviate the burden on monitoring tasks, and a system that enables normal monitoring during bad weather when alarms often sound, has not been created.

Countermeasures for sensors from which false alarms frequently emit have been implemented in accordance with the field environment and we have reached our reduction target for the most part. We have constructed a monitoring enhancement system to address bad weather and are continually implemented training.

*1 Alarms caused by swaying trees, waves, or small animals, excluding those caused by inspection work.

Employing effective PPCAP (physical protection corrective action programs)

The number of condition reports (CR)*2 issued for signs of nonconformities is insufficient, as is information sharing, and discussions at meetings that discuss CR remedies are sluggish.

We have increased the number of CRs issued by creating simple CR issuing tools and engaging in awareness activities. Discussions at related meetings have become livelier by providing education and revamping how meetings are run.

*2 Reports on things noticed during the course of daily duties

Thoroughly putting improved change management to use

Although change management mechanisms that stipulate the implementation of impact assessments and required measures when large changes are made to work tasks have been implemented, there are cases where these mechanisms are not being used as planned.

Since these change management mechanisms were difficult to understand, the mechanisms have been clarified, and education has been provided to the parties that use them so as to enable appropriate use of change management.

Employing effective monitoring to prevent initiatives from becoming temporary

Initiatives for monitoring physical protection awareness and behavior did not include mechanisms for accurately ascertaining signs of degradation.

Monitoring departments established to prevent improvements from becoming temporary monitor the awareness and behavior of TEPCO and contractor employees pertaining to physical protection, and are quickly implementing improvements based on ascertained symptoms of degradation.

Re-examining competency as a licensee of reactor operation

In addition to the additional inspections, NRA has announced that it will reevaluate TEPCO's competency as a licensee of reactor operation. TEPCO shall fully cooperate with inspections pertaining to the status of compliance with the "basic stance as a nuclear operator" put forth by NRA.

Our basic stance as a nuclear operator

In light of the fact that we are the operator that allowed the Fukushima Daiichi Nuclear Power Station Accident to happen, TEPCO has specified the following seven items as our "basic stance as a nuclear operator" in the Kashiwazaki-Kariwa Nuclear Power Station Nuclear Facility Safety Regulation approved in 2020. In the future, we shall reflect the things we have learned through initiatives to strengthen nuclear security in the wake of the series of inappropriate incidents in order to further improve safety.

As the head of the operator that allowed the Fukushima Daiichi Nuclear Power Station Accident to happen, the president strongly vows to never let such an accident happen again, and to not only fully complete the decommissioning of the Fukushima Daiichi Nuclear Power Station, but also fulfill TEPCO's responsibilities to bring about recovery in Fukushima and provide compensation. The president is responsible for ensuring that TEPCO balances the decommissioning of the Fukushima Daiichi Nuclear Power Station with never-ending safety improvements at its nuclear power stations. In order to achieve this, TEPCO shall sincerely address the requests of the local communities, never become self-satisfied, repeatedly engage in dialogue with the local communities, and independently fulfill its responsibilities.

1. One of the responsibilities of TEPCO as the operator of the Kashiwazaki-Kariwa Nuclear Power Station is to independently decommission the Fukushima Daiichi Nuclear Power Station, and TEPCO will show through word and action that it is prepared to do this. As TEPCO proceeds with decommissioning, we will aim to reduce risks in a planned fashion, sincerely address the concerns and questions of stakeholders, such as the local communities, in regards to handling various issues, and disseminate accurate information in order to obtain understanding and complete decommissioning while achieving recovery.
2. Upon securing the funds required to decommission the Fukushima Daiichi Nuclear Power Station, TEPCO shall improve the safety of the Kashiwazaki-Kariwa Nuclear Power Station. TEPCO shall complete the decommissioning of the Fukushima Daiichi Nuclear Power Station while also investing as necessary in safety measures at the Kashiwazaki-Kariwa Nuclear Power Station in order to improve safety.
3. Safety shall be prioritized over all else, even economic factors, in the operation of nuclear power stations.
4. TEPCO shall implement initiatives to reduce risks even in the face of uncertainties. The president shall convey to upper management and employees that there is no such thing as absolute safety. Along with steadily and quickly ascertaining serious risks in order to prioritize safety during management decisions, the details of these risks shall be quickly conveyed to society. Furthermore, we shall learn from the operating experience and technological progress made in other parts of the world and continually reduce risks.
5. We shall not only comply with regulatory requirements, but also take independent action to further improve safety at our nuclear power stations. We shall take independent steps to further improve safety by eliciting proposals from field workers, employing probabilistic risk assessments, making improvements based on things learned from organizations/companies in Japan and overseas, and engaging in severe accident training, etc.
6. As the head of a licensee of reactor operation, the president is responsible for nuclear safety.
7. TEPCO shall integrate different opinions and knowledge from related in-house departments to improve safety at nuclear power stations. TEPCO shall identify issues at power stations by looking at actual field conditions and the actual condition of equipment in the field, and further improve safety by making improvements through the centralized sharing of this information with the Head Office and other power stations.

(Excerpt from the Kashiwazaki-Kariwa Nuclear Power Station Nuclear Reactor Facilities Safety Regulation)

Balancing Revitalization with Decommissioning

The TEPCO Group is prioritizing initiatives to regain the trust of the local community and society as we aim to completely fulfill our responsibilities to Fukushima, and to this end, we are quickly providing suitable compensation, engaging in revitalization efforts, and safely and steadily proceed with decommissioning.

The ocean discharge of ALPS-treated water* commenced in August 2023 and we are implementing all possible measures to ensure safety with the utmost vigilance.

*ALPS-treated water refers to water that has been purified with multi-nuclide removal equipment (ALPS), etc. so that the concentrations of radioactive substances, excluding tritium, fall well below regulatory safety standards.

Revitalization
Contributing to revitalization in Fukushima by involving ourselves in urban development and engaging in initiatives to eliminate harmful rumors

Compensation
We are quickly providing suitable compensation based on our "three promises"

Decommissioning
We are steadily proceeding with initiatives to complete decommissioning in accordance with the "Mid/Long-Term Decommissioning Action Plan 2023"

The history of revitalization and decommissioning

Compensation/Revitalization

2011. 3.11 Great East Japan Earthquake

2014
entire Tamura
part of Kawauchi
evacuation order cancellation

2015
entire Naraha
cancel-lation

2016
part of Katsurao
entire Kawauchi
part of Minamisoma
cancel-lation

2017
entire Kawamata
part of Namie, Iitate, and Tomioka
cancel-lation

2019
・part of Okuma
・J village reopening
cancel-lation

2020
・part of Futaba, Okuma, and Tomioka
・all JR Joban line reopen
cancel-lation

2022
specified revitalization area in Futaba, Okuma, and Katsurao
cancel-lation

2023
specified revitalization area in Namie, Tomioka, and Iitate
cancel-lation

Decommissioning

2011.3
Unit1,3,and 4 hydrogen explosion

2015
completion of a large rest area

2016
freezing of impermeable walls on the land side

2019
・commencement of fuel removal from Unit 3
・determination of the way for fuel debris retrieval from first unit

2020
• reduction of contaminated water being generated to 140m³/day

2021
completion of the removal of fuel from the Unit 3

August 2023
Commencement of the ocean discharge of ALPS-treated water

Compensation and revitalization initiatives

In light of the fact that the conditions faced by victims of the disaster are changing in various ways in conjunction with the lifting of evacuation orders, we are carefully and sincerely listening to, and addressing, the situations of each individual, and will continue to quickly provide suitable compensation in accordance with our "three promises*," which includes addressing the fifth addendum to our midterm policy. Furthermore, we are helping the national and local governments to rebuild businesses/livelihoods and restore/vitalize city functions while also providing human and technical cooperation for the building of living environments and the creation of an environment to which evacuees can return to.

Completing decommissioning in symbiosis with the region

We will move forward safely and steadily with decommissioning of the Fukushima Daiichi Nuclear Power Station and the Fukushima Daini Nuclear Power Station while engaging in two-way communication with regional residents and complete decommissioning in symbiosis with the region in order to "balance revitalization with decommissioning" through the vitalization of decommissioning-related industries.

*"Providing compensation to every last person," "quickly and thoroughly provide detailed compensation," and "respecting settlement mediation proposals"

Compensation/Revitalization

Kazuyoshi Takahara
Tokyo Electric Power Company Holdings, Inc.
Fukushima Revitalization Headquarters
Representative

Kazuyoshi Takahara

We will continue to engage in activities rooted in the community in order to continue to fulfill our responsibilities to Fukushima

It's been approximately 12 years since the Fukushima Daiichi Nuclear Power Station Accident, but I would like to once again deeply apologize for the great inconvenience and concern that we have caused the regional communities in the vicinity of the power station, the people of Fukushima Prefecture, and society as a whole.

Evacuation orders in all regions specified for recovery and revitalization efforts within the difficult-to-return zones in Katsurao Village, Okuma Town, and Futaba Town were lifted in 2022, and lifted in the same zones in Namie town, Tomioka Town and Iitate Village in 2023 thereby marking the beginning of a new stage in the revitalization process.

However, there are still many evacuees who are unable to return to their homes, a fact which makes me painfully aware of the enormity of the impact that the accident has had.

In light of the decisions made pursuant to the fifth addendum of the midterm policy in December 2022, TEPCO has announced the details for providing additional compensation and started accepting claim applications in April 2023. We shall steadily handle these claims in order to "complete compensation."

Furthermore, in August 2023 we commenced the ocean discharge of water treated with multi-nuclide removal equipment (ALPS-treated water) at the Fukushima Daiichi Nuclear Power Station. In response to the opinion that safety and peace of mind are two different things, we have carefully provided explanations of the current status of decommissioning and safety measure initiatives, and are sincerely addressing these fears and concerns of the local communities. With strong determination to prevent harmful rumors, we shall carefully implement each and every initiative. If reputational damage is incurred despite these efforts, we shall provide suitable compensation.

In order to fulfill our responsibility to help Fukushima revive, I shall not forget the pain of the victims of this disaster, sincerely listen to the opinions of local residents, and continue to lead efforts to accelerate revitalization. And, the TEPCO Group shall work in unity with sincerity to engage in activities rooted in the community in order to accomplish this.

Compensation/revitalization records through FY2022

Compensation/decontamination expenses	
Total payments	**Approximately ¥10.72 trillion**
Compensation amount	Approximately ¥7.3 trillion
Decontamination/midterm storage expenses	Approximately ¥3.4 trillion

Promoting environmental restoration and revitalization	
Total number of participating employees (since January 2013)	**Approximately 1.1 million**
Environmental restoration activities	Approximately 530,000 people
Recovery promotion activities	Approximately 570,000 people

Eliminating harmful rumors and promoting distribution	
Total number of days of events (since February 2018)	**Approximately 28,000**

Gradual lifting of evacuation orders in zone specified for revitalization and revitalization efforts

2022
Katsurao Village (6/12), Okuma Town (6/30), Futaba Town (8/30)

2023
Namie Town (3/31), Tomioka Town (4/1), Iitate Village (5/1)

Compensation status

In light of the decisions made pursuant to the fifth addendum of the midterm plan in December 2022, we started accepting claim requests for additional compensation on April 10, 2023. In order to suitably deal with the vast number of claims, we have increased the number of personnel and are making improvements.

In accordance with our "three promises," we will continue to listen carefully to the situations of each individual that has incurred damages and handle their cases carefully.

Call center opened to handle additional compensation claims

Status of activities to promote environmental rehabilitation and revitalization

We are providing human and technical support for various requests pertaining to environmental rehabilitation, such as measuring air dose rates in conjunction with the lifting of evacuation orders in regions specified for recovery and revitalization efforts.

We are also engaged in efforts to help farmers restart their businesses, such as helping with rice planting in areas for which evacuation orders are lifted.

Monitoring before-and-after decontamination

Help with rice paddy cultivation

Promoting distribution in order to suppress and eliminate reputational damage

In order to convey the deliciousness and appeal of Fukushima Prefecture products to as many people as possible, we hold promotional campaigns in cooperation with retailers and restaurants in the Tokyo Metropolitan area and Fukushima Prefecture, as well as large-scale events, such as the fish festival. In addition to this we are leveraging social media to convey information as we engage in various activities to promote distribution.

Furthermore, we are also engaged in efforts to open new sales channels overseas with a focus on southeast Asia, such as by holding our first ever prefectural goods overseas promotional event for primarily marine products at a Japanese restaurant in Bangkok.

Promotional event for marine products held at a Japanese restaurant in Bangkok

Decommissioning

Akira Ono
Tokyo Electric Power Company Holdings, Inc.
Executive Vice President
Fukushima Daiichi Decontamination and Decommissioning Engineering Company President and Chief Decommissioning Officer (CDO)

We will complete decommissioning in accordance with the Mid/Long-Term Decommissioning Action Plan

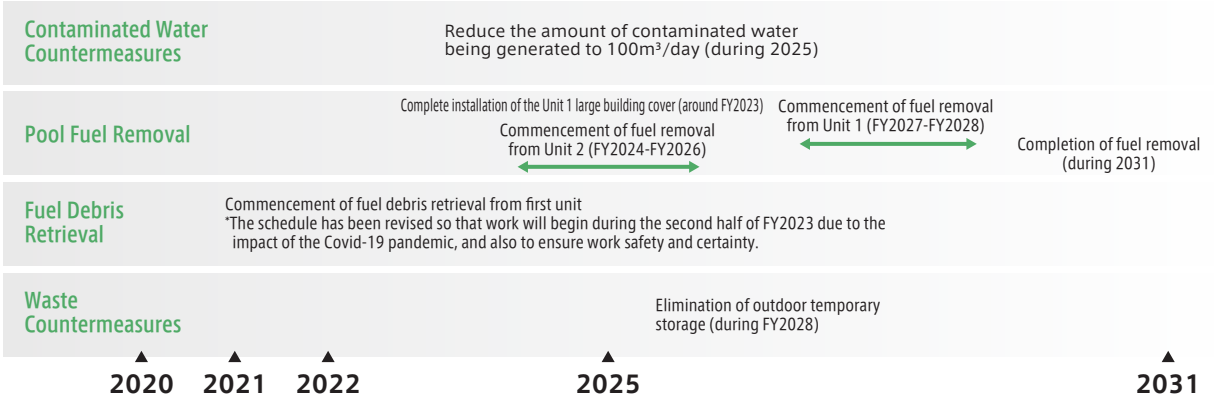
This March marked the 12th year since the Fukushima Daiichi Nuclear Power Station Accident. Under the guidance of government officials, and with the assistance and cooperation of a great many individuals, we have made progress with the decommissioning of the Fukushima Daiichi Nuclear Power Station. The progress we made during last fiscal year is noted to the right.

In August 2023, we commenced the ocean discharge of water treated with multi-nuclide removal equipment (ALPS-treated water), the disposal of which is a pressing issue.

The ocean discharge of ALPS-treated water, which is part of the decommissioning process, will be a long-term and continuous initiative. As the entity responsible for this task, TEPCO is quite aware of the heavy responsibility it bears, and we are strongly determined to prevent reputational damage and not betray the trust of society throughout the decommissioning process. It is with this strong determination that we will devote all of our resources to ensuring the safety and quality of facility operation, ensuring transparency through IAEA reviews, etc., quickly obtaining monitoring results and conveying accurate and easy-to understand information, implementing reputational damage countermeasures, and providing appropriate compensation in the event that damages incurred.

Mid/Long-Term Decommissioning Action Plan 2023

In March 2020 we created and announced our Mid/Long-Term Decommissioning Action Plan in order to layout the primary work processes for decommissioning that are needed to achieve the targets put forth in the Mid/Long-Term Roadmap and the Nuclear Regulation Authority's risk map. The Action Plan was subsequently revised in March 2023.



Achievements up to FY2022

Contaminated water countermeasures

- We achieved our goal of "reducing accumulated water in reactor buildings by approximately half by the end of 2020."
- We have reduced the amount of contaminated water being generated to approximately 90m³/day

Pool fuel removal

- Commencement of the removal of high-dose equipment from Unit 3
- Commencement of the removal of fuel from Unit 6

Fuel debris retrieval

- Implementation of Unit 1 primary containment vessel internal investigation
- Preparations for Unit 2 primary containment vessel internal investigation (mockup, isolation chamber installation)

Waste countermeasures

- Revisions made to solid waste storage management plan
- Elimination of temporary waste dumps for waste awaiting temporary storage

Ensuring the Safety/quality of ALPS-treated Water Facility Operation

ALPS-treated water discharge facility installation was completed in June 2023 after which a pre-use inspection was implemented by the Nuclear Regulation Authority. The inspection was passed in July 2023. The International Atomic Energy Agency (IAEA) then performed a safety review and in its comprehensive report released in July 2023 the IAEA comes to the conclusion that the ocean discharge of ALPS-treated water meets international standards for safety.

We are prioritizing safety during the discharge of ALPS-treated water, which began in August 2023.

Ocean discharge process

Repurification	Treated water to be re-purified* is re-purified with ALPS, etc. to turn it into ALPS-treated water that satisfies regulatory requirements pertaining to the concentrations of radioactive substances with the exception of tritium.
Measurement/ confirmation	The concentrations of radioactive substances in ALPS-treated water to be discharged are measured. In addition to TEPCO, measurements are also taken by external agencies (KAKEN), and the results are quickly disclosed. Third parties (Japan Atomic Energy Agency) also measure and verify concentrations.
Dilution	A large amount of seawater is pumped in and mixed with ALPS-treated water thereby reducing the concentration of tritium in water to be discharged to less than 1,500Bq/liter, which is 1/40 of the regulatory standard (60,000Bq/liter)
Ocean discharge	The ALPS-treated water is discharged via a discharge tunnel that is approximately 1km in length. The amount of tritium discharged into the ocean is the same as the discharge management target prior to the accident (when the station was in operation), which is less than 22 trillion Bq/year.

*Treated water to be re-purified: Purified water that does not yet satisfy regulatory requirements for discharge into the environment.

Discharge plan

ALPS-treated water, etc. storage volume: approximately 1.34 million m³ (as of August 2023)
FY2023 discharge plan: Approximately 30,000m³ (Total tritium volume: approximately 5 trillion Bq)
The discharge plan for the following fiscal year shall be created and announced at the end of each fiscal year

Ensuring transparency through IAEA reviews, etc.

In July 2023, the IAEA published a comprehensive report that includes the reports from the six reviews conducted since 2021. The report was personally delivered to Prime Minister Kishida by IAEA Secretary-General Grossi. The Secretary-General stated that the IAEA is committed to ensuring the safety of the ocean discharge of ALPS-treated water and commented that, "the IAEA will be in Fukushima until every last drop of treated water is discharged safely."

In July 2023, TEPCO created a permanent IAEA office at Fukushima Daiichi that is used by IAEA personnel when they come to the station to address ALPS-treated water matters. TEPCO will continue to maintain close coordination with the IAEA.

Signing ceremony (IAEA Secretary-General Grossi and President Kobayakawa)

Comprehensive report abstract

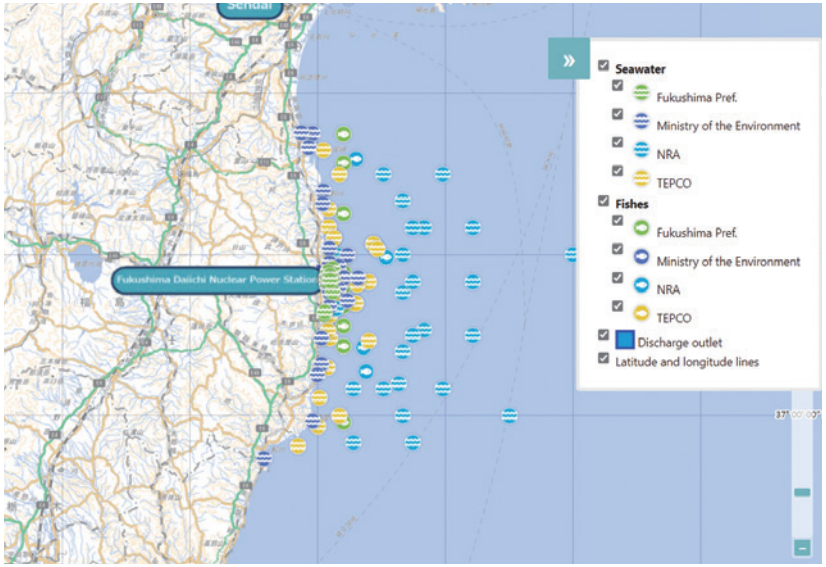
1) The approach to the discharge of ALPS-treated water into the ocean, and the associated activities by TEPCO, NRA, and the Government of Japan, are consistent with relevant international safety standards
2) The discharge of the ALPS-treated water into the ocean, as currently planned by the TEPCO, will have a negligible radiological impact to people and the environment.

Information dissemination and quick ocean monitoring

In accordance with the Government's Basic Plan on ALPS-treated water, since April 2022 we have been strengthening the monitoring of marine life and the dispersion of radioactive substances in the ocean with a focus on tritium.

In order to objective and comprehensively convey ocean conditions, in addition to TEPCO, related ministries/agencies and local governments have gathered the disclosed ocean monitoring results from various locations and have compiled them for the Overarching Radiation-Monitoring Data Browsing System (ORBS) website, which enables viewing of all of these data points in map format.

Fukushima Prefecture, the Nuclear Regulation Authority, the Ministry of the Environment and TEPCO are all disclosing monitoring results for cesium and tritium measured in sampled seawater and fish, and we are making preparations to enable the monitoring results for other nuclides in seawater and fish, and from fish and seaweed, etc. to also be viewed in the future.

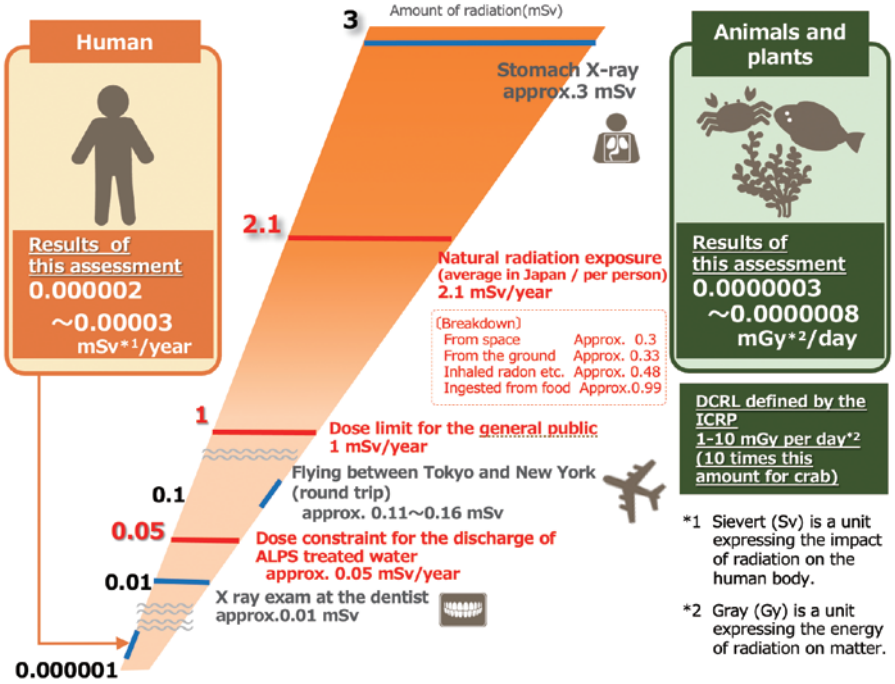


Website: Overarching Radiation-monitoring data Browsing System around Japan (ORBS)

Radiological impact assessment

TEPCO is conducting an assessment of the radiological impact on humans and the environment (living organisms other than people) from the ocean discharge of ALPS-treated water in accordance with internationally accepted methodology, such as IAEA safety standards, etc. Results have shown that [exposure dose] will be far below dose limits (1 mSv/year/person) as well as standards stipulated by the International Commission on Radiological Protection (ICRP) for each biological species, and that the impact on humans and the environment will be extremely small.

TEPCO will continue to engage in research in cooperation with the IAEA's research agency and continue to analyze the safety of ALPS-treated water through marine life breeding experiments on flounder, etc.



Source: National Institute of Radiological Sciences

Initiatives to Deepen Understanding Amongst the people of Japan and the International Community

When handling ALPS-treated water, TEPCO is prioritizing safety and thoroughly implementing measures based on the Government's Basic Policy.

We will continue initiatives to convey scientifically-based information, including monitoring data, to stakeholders in Japan and overseas, and society as a whole, in an easy-to-understand manner. And, we will seize various opportunities to address the concerns of the people and listen to their opinions while also giving thorough explanations of TEPCO's approach to this matter and how it is handling it thereby deepening understanding of the handling of ALPS-treated water, which is part of the decommissioning process.

Additionally, we will continue to strengthen and develop countermeasures for industries that may be impacted by harmful rumors, and suitably provide compensation for reputational damage that may be incurred despite these countermeasures.

Seizing various opportunities to communicate with stakeholders

The entire TEPCO Group is involved in initiatives to explain our approach to the handling of ALPS-treated water, safety measures, and countermeasures for harmful rumors to all stakeholders, including regional residents and people in the Tokyo Metropolitan area, and to listen to their opinions. We have provided tours of the Fukushima Daiichi Nuclear Power Station and held informal discussions for the 13 cities, towns, and villages in Hamadori since FY2019, and we are currently expanding these initiatives within Fukushima Prefecture.

Through briefings and power station tours we are conveying information to overseas journalists and representatives from foreign embassies. In addition, we are proactively responding to requests for interviews and inquiries from a multiple of overseas media outlets.

- Briefings for local governments and stakeholders, such as fishing industry representatives
  Total: 6,800 times (as of the end of July 2023)
- Site tours/Informal discussions: 11 times and 118 people in total (FY2022 records)
- Online virtual tours: 66 organizations, 2,809 people, including overseas organizations (During the period from August 2020~April 2023)

Providing suitable compensation when damages are incurred

In light of the opinions received from related organizations, etc., TEPCO compiled its basic approach to providing compensation in conjunction with the discharge of ALPS-treated water and announced it in December 2022.

We are implementing countermeasures to minimize reputational damage caused by the discharge of ALPS-treated water, but we shall provide suitable compensation in accordance with the aforementioned basic approach if reputational damages incurred from the discharge of ALPS-treated water despite these countermeasures.

Furthermore, we will also provide suitable compensation to Japanese exporters that incur damages as a result of import bans imposed by foreign governments.

ALPS-treated water information portal site

Localized into different languages (English, Chinese [simplified/Taiwan traditional/Hong Kong traditional], Korean) for all the world to see.

TREATED WATER PORTAL SITE

What TEPCO would like to convey regarding ALPS treated water

Creating a Local Industry

By enticing companies from outside the prefecture with advanced technological know-how to come to Fukushima, and closely coordinating with local companies during the decommissioning of the Fukushima Daiichi Nuclear Power Station, we are contributing to job creation in the region, human resource cultivation, and the creation of an industrial/economic foundation. TEPCO coordinated with Fukushima Innovation Coast and Organization For Fukushima Soso Region Revitalization to establish a Fukushima Decommissioning-Related Industry Matching and Support Secretariat in 2020 in order to support the participation of local corporations in the Fukushima Daiichi decommissioning industry. As of July 2023, we have provided support for approximately 700 contracts, such as for the manufacturing of metal containers and construction material/equipment, etc., by matching contractors involved in decommissioning with local vendors. Furthermore, since 2022, we accelerated the creation of mechanisms for the consistent development of decommissioning-related industry, such as development/design related to debris retrieval processes, and the local establishment of new manufacturing companies.

New companies involved in the debris retrieval process

Company name (location)	Partners	Activities
Tousou Mirai Technology Co. Ltd. (Okuma Town)	IHI, Corporation	Fuel debris retrieval systems/ equipment basic design, R&D
TOUSOU MIRAI MANUFACTURING, INC (Naraha Town)	Hitachi Zosen, Corporation	Spent fuel cask, debris storage container, etc. manufacturing

Regional job creation

Local hires rate among the approximate 3,890 workers at the Fukushima Daiichi Nuclear Power Station

Approximately 70%
(as of March 2023)

Decommissioning Industry Innovation

Acquiring global decommissioning technology

Young TEPCO employees have been dispatched to the UK Atomic Energy Authority (UKAEA) to acquire robot remote operation skills, which is an important part of the work to retrieve molten nuclear fuel (debris) from Fukushima Daiichi.

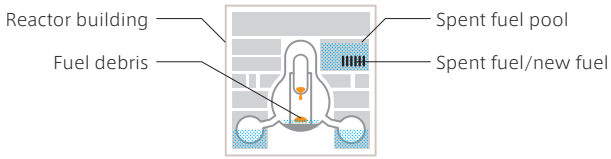
Developing decommissioning technology in coordination with the industrial and academic worlds

The Fukushima Daiichi Decontamination and Decommissioning Engineering Company is engaged in joint research with Tokyo University, Tokyo Institute of Technology, Tohoku University, and Fukushima University to develop new technology that fits the needs in the field and train human resources.

Furthermore, Hakusan Corporation, which is a TEPCO affiliated company, has invited Tokyo Institute of Technology Honorary Professor Hirose to be director of its Hyper-Environmental Robots Laboratory (HERO Lab.) at which young engineers are developing robots that can gather high dose adsorbents (zeolite) used to purify water that has accumulated in the waste treatment facility buildings at Fukushima Daiichi.

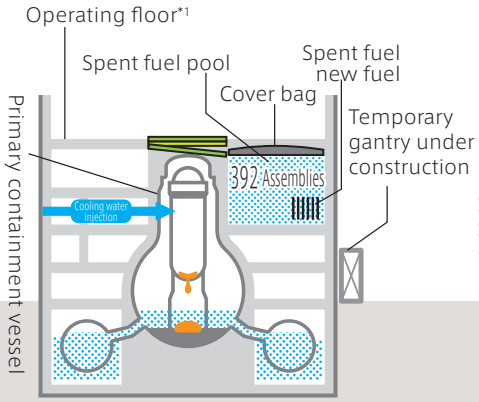
1 Double arm manipulator performance assessment at The UK Atomic Energy Authority (UKAEA)
2 Field mockup experiments on robots for gathering adsorbents (zeolite)
3 Members of the Hyper-Environmental Robots Laboratory (HERO Lab.)

Current Conditions at the Fukushima Daiichi Nuclear Power Station



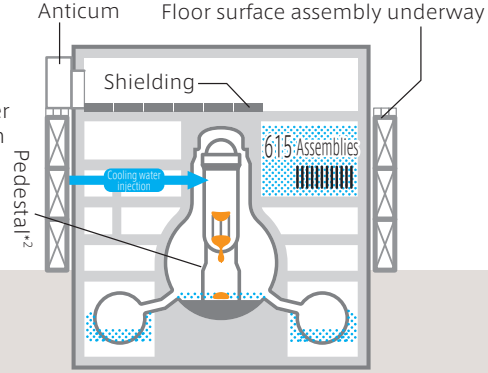
Situation Regarding Fuel and Fuel Debris Removal

Unit 1



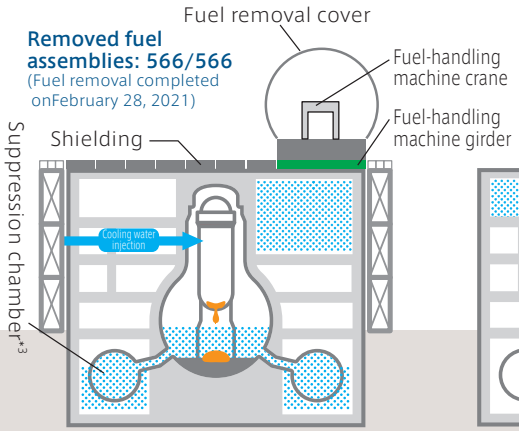
Construction began on a large cover in September 2021 in preparation for the removal of fuel from the spent fuel pools. Furthermore, in preparation to retrieve fuel debris we are conducting an internal investigation of the primary containment vessel.

Unit 2



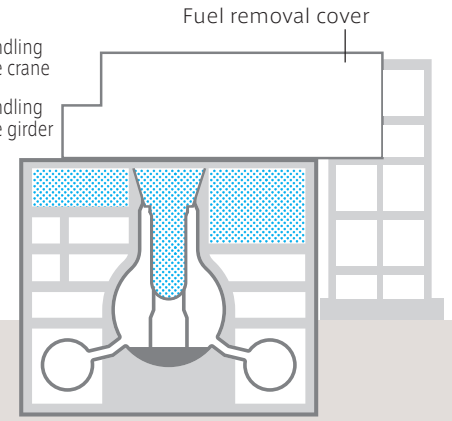
In preparation for spent fuel removal we will construct a fuel removal platform/anticum on the south side of the reactor building. Preparations are also underway as this will be the first unit from which fuel debris will be retrieved.

Unit 3



Fuel (566 assemblies) removal from the spent fuel pool was completed on February 28, 2021. In preparation for fuel debris removal, we are deliberating the need to conduct additional internal investigations of the primary containment vessel.

Unit 4

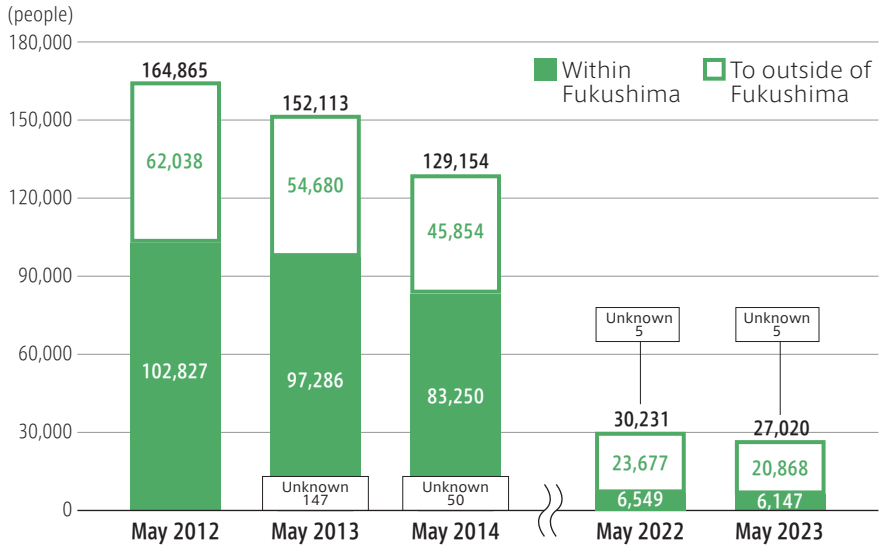


Fuel (1535 assemblies) removal from the spent fuel pool was completed on December 22, 2014 thereby eliminating any risks from the fuel.

*1 Operating floor: Upper most floor of the reactor building
*2 Pedestal: Foundation that supports the reactor. Constructed by filling a cylindrical steel shell with concrete
*3 Suppression chamber: Part of the primary containment vessel that holds water

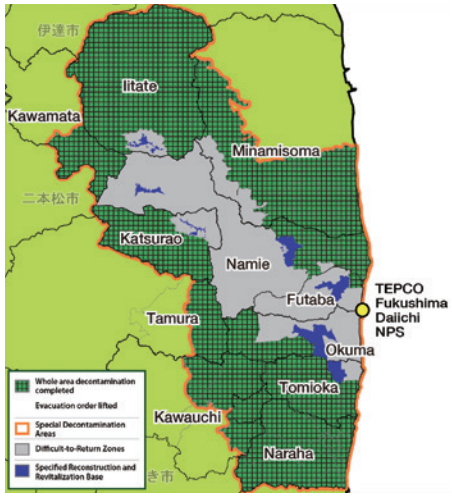
Fukushima Information

Change in the Number of Evacuees



(Prepared based on "Steps for Revitalization in Fukushima" issued by Fukushima Prefecture)

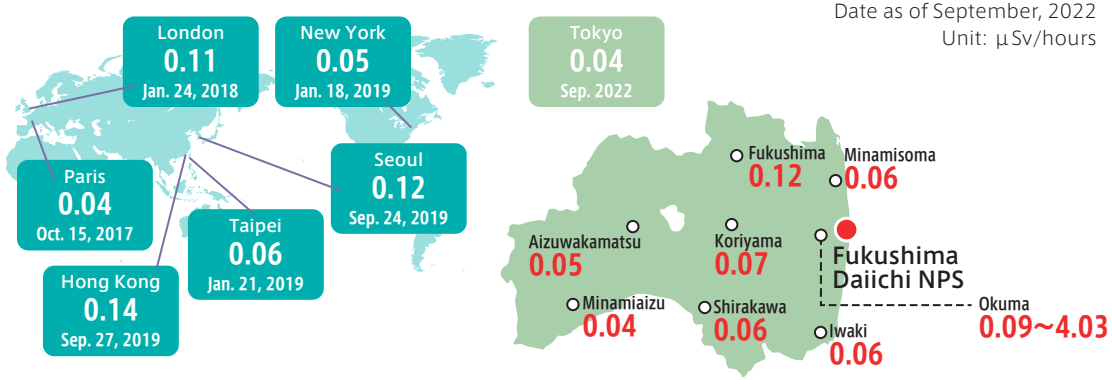
Specified Reconstruction and Revitalization Base



Quoted from the Ministry of the Environment's website
http://josen.env.go.jp/en/decontamination/#special

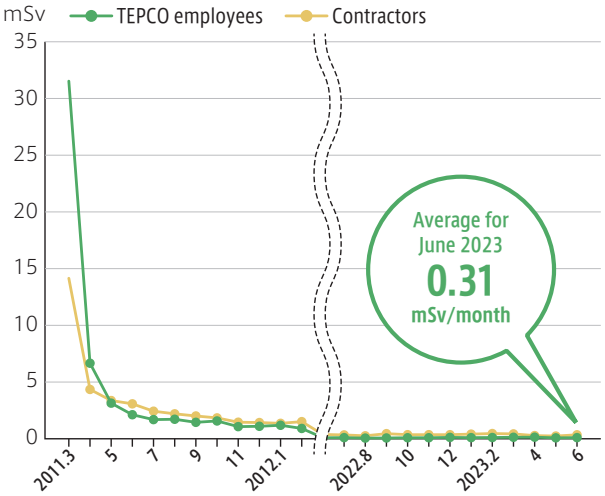
Radiation Level Changes

Date as of September, 2022
Unit: μSv/hours



(Prepared based on "Steps for Revitalization in Fukushima" issued by Fukushima Prefecture)

Exposure Dose (monthly average dose)



Corporate Governance

I will supervise operations from both defensive and offensive points of view and help the TEPCO Group to sustainably grow

＜Roles expected of the Chairman of the Board of Directors＞

Participating in management with awareness of two roles

Amidst a harsh business environment, the TEPCO Group continues to strive to increase revenue from its retail business while also engaging in initiatives that center around "carbon neutrality" and "preparedness" in order to expand our sphere of business as we aim to generate profits on the order of ¥450 billion as put forth in the 4th Comprehensive Special Business Plan.

Meanwhile, even though I serve as an outside director, I also supervise executive operations as Chairman, Chairman of the Board of Directors, Chairman of the Nominations Committee, and members of the Remuneration Committee and the Auditing Committee, while also attending executive meetings and voicing my opinion thereby participating in management in a manner not often seen at other companies.

This is because I must be in a position where I can continually and closely supervise executive actions pertaining to the status of initiatives to fulfill our grave responsibilities of maintaining a stable supply of power, which is a very important mission of the TEPCO Group, and "completely fulfilling our responsibilities to Fukushima," which includes safely and steadily moving forward with decommissioning of the Fukushima Daiichi Nuclear Power Station while also promoting revitalization in Fukushima. The other reason is because the expectations for, and responsibilities of, the TEPCO Group, which is part of the energy industry that produces a relatively large amount of CO_2 emissions, are great as we aim to create a carbon neutral society, in particular, and for this reason I must work in unity with executives to promote such initiatives. This is all because I believe that there are expectations for me to fulfill both of these roles.

Chairman Message

Yoshimitsu Kobayashi
Tokyo Electric Power Company Holdings, Inc.
Chairman

＜Aiming for sustainable growth of the TEPCO Group＞

Playing both "defense" and "offense"

It's been two years since I was appointed Chairman and during this time, I've not only attended executive meetings, but I've also gone into the field to look at facilities and exchange opinions with workers. Through these activities I've come to learn that in order for the TEPCO Group to sustainably grow, we must engage in both "defensive management" and "offensive management."

Personally, I believe that handling ALPS-treated water, restarting Kashiwazaki-Kariwa Nuclear Power Station Unit 7, improving retail revenue, and addressing current management issues pertaining to our social responsibilities, such as providing a stable supply of power, fall into the category of "defensive management." In contrast, "offensive management" refers to initiatives for generating mid/long-term profits, such as increasing our sphere of business and, for example, forming alliances with other companies and creating new businesses.

An important thing to be aware of when engaging in "defensive management" and "offensive management" is the way in which we deal with risks. In other words, during defensive management, ensuring safety and quality is of vital importance and the basis for bringing peace of mind and satisfaction to our customers. To achieve this, we must follow laws and rules, not make mistakes, and mitigate the impact of troubles when they occur in addition to disseminating suitable information at suitable times. On the other hand, when engaging in offensive management, we must not fear mistakes, bravely challenge ourselves, or in other words, dare to take risks and have the motivation and courage to overcome them. If we can't do this, then we cannot pioneer new frontiers.

I plan to reach out to each executive to make sure that they understand their position, their scope of responsibilities pertaining to management issues, and how to address them.

＜Assessment of the Board of Directors and issues for it to address going forward＞

Accelerating discussions about "offense management"

During FY2022, the Board of Directors met 19 times and the Auditing Committee met 21 times. I've served as an outside director for many companies in the past, and at not one of them did the Board or committees meet this frequently.

My impression of the Board of Directors is that it freely and actively discusses issues with executives. However, when I look back at the topics discussed during FY2022, I can see that we were forced to spend a lot of time discussing current management issues that have an impact on the survival of the TEPCO Group, such as decommissioning, nuclear power and the status of our retail business, etc., or in other words, topics pertaining to defensive management.

Due to the heap of important management issues that we are currently facing, I believe during FY2023, discussions will continue to center around defensive management.

The handling of ALPS-treated water is one example.

With the cooperation and understanding of a great many people, on August 24 of this year we commenced ocean discharge and with strong determination to "not betray trust" and "not allow harmful rumors" we must ensure safe/quality operation, quickly obtain monitoring results, and disseminate accurate information until we complete decommissioning.

Furthermore, in preparation for the restart of Kashiwazaki-Kariwa Nuclear Power Station Unit 7, we must prioritize safety while having the power station work in unity with the Head Office so that the power station will be trusted by the local communities and society as a whole.

However, in order for the TEPCO Group to grow as a company, we must devote resources to offensive management. For example, we need to accelerate discussions by the Board of Directors pertaining to offensive management, such as initiatives aimed at creating a carbon neutral society.

Currently, executives are deliberating detailed actions aimed at expanding our sphere of business, such as local-production/local-consumption facility services, like photovoltaic power generation and storage batteries, etc., in accordance with our Business Structure Reforms Achieve at Balancing Long-Term Stable Supply and Carbon Neutrality that were announced on April 28, 2022. However, I will ask executives to look not just at the progress of individual projects, but to speed up deliberations about the grand scheme of actions needed to achieve a carbon neutral society, and also get the Board of Directors to discuss the same issues.

＜Board of Directors configuration＞

The Board of Directors is made up of members with various backgrounds

With six out of the 13 current board members outside directors, and the remaining being from different industries, the current Board of Directors is comprised of members with varied backgrounds.

However, even though the Japanese Government has instructed companies listed in the prime market of the Tokyo Stock Exchange to aim to increase the percentage of female directors in their companies to 30% or higher by 2030, currently only two women sit on the Board of Directors. Bringing a global perspective to the board is also important issue.

In addition to the TEPCO Group's social responsibilities and mission, from the perspective of increasing diversity in light of our expanding business, I believe the configuration of the Board of Directors going forward is something that needs to be examined.

Furthermore, in order to assess the effectiveness of the Board of Directors, every year we distribute a questionnaire to the directors and subject ourselves to a third-party agency assessment every three years (see page 72 for details). As a result, we are able to receive accurate feedback that I believe contributes to improving the effectiveness of the Board of Directors.

＜Message to our stakeholders＞

The trust of society and our customers is the foundation of our business

As I mentioned at the beginning of this message, the TEPCO Group must not only secure a stable supply of power and fulfill its responsibilities to Fukushima, it also has the important mission/responsibility to support Japan and Fukushima, such as by contributing to the creation of a carbon neutral society.

In order to complete this mission and fulfill our responsibilities, something we must consistently remain aware of is the fact that the trust of the local communities, society, and our customers, is the foundation of our various businesses. I've conveyed to all those within the Group that without this trust we don't have the right to survive, and, naturally, cannot engage in new challenges. Going forward, the entire TEPCO Group shall transcend its position and coordinate to further our business from the standpoint of society and our customers so that we are trusted and can provide peace of mind.

As the Chairman, I'm personally devoting all of my energy to all of our stakeholders, so I ask for your continued understanding and support.

Messages from Newly Appointed Outside Directors

Having the courage to reflect upon our nature, regain trust, and implement reforms

"Top priority on safety/Fulfill our responsibilities/Customer-focused/Dare to innovate" are the corporate values of the TEPCO Group. Acting in accordance with these values is indispensable to complete our mission and gain the trust of society. Even though it was in a different industry, I worked for many years on the front lines. And, I have experienced failure. What I learned by regaining trust is that you have to have the courage to reflect on your own nature. Not wasting what you've learned, building a climate that encourages engagement, and aiming to improve quality as an infrastructure company is the foundation of the TEPCO Group. As an outside director, I wish to help with that.

Outside eyes may be able to see different things that are taken for granted by people in the company. And, the risk of moving forward without noticing these things may have unfortunate consequences to society in various ways. Diverse knowledge and a multifaceted viewpoint play a large role in risk-management and making bold management decisions.

Right now, we're seeing various changes occur on a global scale and the role of energy providers continues to grow. There are many issues that the TEPCO Group must address over the mid/long-term, and leveraging our strengths that we have cultivated over many years to sincerely address our weaknesses and overcome them is the key to solving these issues and allowing us to face new challenges. The TEPCO Group is in the process of doing this. I will work together with this group of people with diverse knowledge to not only enable the company to survive, but also to transform ourselves into a sustainable energy service provider and contribute to society.

Devoting all of our resources to sustainable corporate value creation and completing our social responsibilities

Since 2011, I have participated in government committees as a certified public accountant and have been involved in electricity rate reviews, decommissioning accounting, and power system reforms, etc. As a company responsible for the Government's goal of GX, the TEPCO Group is, of course, responsible for maintaining stable supply and creating a carbon neutral society amidst deregulation of the power retail market, but it also must fulfill its grave responsibility to "balance revitalization with decommissioning." I accepted appointment to the position of outside director because I felt it was important to become a member of the TEPCO Group and leverage my expertise in the fields of auditing/finance/risk management and the power industry to bring about effective solutions and contribute to social economic change in Japan.

I believe that what is needed of the TEPCO Group during this historical transformation to carbon neutrality is the courage to implement change and the fulfillment of its social responsibilities, including revitalization in Fukushima. As such, it is the role of outside directors to engage in constructive discussions with management about strategies for increasing sustainable corporate value and set a direction that will enable us to resist internal and external competition. It is important to construct mechanisms for managing risk so that we can take suitable risks and gain excess earning power.

For the benefit of our shareholders and other stakeholders, we must remind ourselves of the goal of creating corporate value while remaining aware of capital costs from the standpoint of independent outside directors, and achieve a balance that prevents inclinations towards internal logic and closed points of view while also maintaining integrity and devoting our energy to achieving our objectives.

Outside Directors

Outside Outside Director | ind. Independent directors: Independent directors as stipulated by Tokyo Stock Exchange, Inc. TEPCO has registered its independent directors with Tokyo Stock Exchange, Inc.

N Nominating | A Audit | C Compensation | ★: Chair

Yoshimitsu Kobayashi

Reappointment | Outside | ind.

Position: Chairman of the Board

N★ A C

2-year tenure

FY2022 attendance:
Board of Directors: 19/19
Nominating Committee: 4/4
Audit Committee: 21/21
Compensation Committee: 7/7

Shigeo Ohyagi

Reappointment | Outside | ind.

N C★

3-year tenure

FY2022 attendance:
Board of Directors: 19/19
Nominating Committee: 4/4
Compensation Committee: 7/7

Shoichiro Onishi

Reappointment | Outside | ind.

N A

3-year tenure

FY2022 attendance:
Board of Directors: 19/19
Nominating Committee: 4/4
Audit Committee: 21/21

Asa Shinkawa

Reappointment | Outside

N C

2-year tenure

FY2022 attendance:
Board of Directors: 19/19
Nominating Committee: 2/2
Audit Committee: 5/5

Junko Okawa

New appointment | Outside | ind.

A C

New

FY2022 attendance: N/A

Takashi Nagata

New appointment | Outside | ind.

A

New

FY2022 attendance: N/A

	Shinichiro Kobayashi	Shigeo Ohyagi	Shoichiro Onishi	Asa Shinkawa	Junko Okawa	Takashi Nagata
Corporate	●	●	●		●	●
Energy	●			●		●
Technology	●					●
Finance and Accounting						●
Legal Affairs			●	●		
ESG	●	●			●	
International Management	●	●				
Sales and Marketing		●			●	

Important Concurrently-Held Positions

- Shinichiro Kobayashi: Outside Director of Mizuho Financial Group, Inc.
- Shigeo Ohyagi: Outside Audit & Supervisory Board Member of Asahi Group Holdings, Ltd.
- Shoichiro Onishi: Representative Director, Co-President and Executive Officer of Frontier Management Inc.; Representative Director and President of Frontier Capital Inc.; Representative Director of FCD Partners Inc.; Attorney at Law
- Asa Shinkawa: Partner of Nishimura & Asahi; Outside Director of Nintendo Co., Ltd.
- Junko Okawa: External Director of The Shoko Chukin Bank, Ltd.; Outside Director of KDDI CORPORATION; Outside Director of Asahi Broadcasting Group Holdings, Ltd.
- Takashi Nagata: Japanese Certified Public Accountant

Directors

Tomoaki Kobayakawa

Reappointment

Position: President

N

7-year tenure

FY2022 attendance: Board of Directors: 19/19
Nominating Committee: 4/4

Hiroyuki Yamaguchi

Reappointment

Position: Executive Vice President

1-year tenure

FY2022 attendance: Board of Directors: 15/15

Daisuke Sakai

New appointment

Position: Executive Vice President

New

FY2022 attendance: N/A

Chikara Kojima

Reappointment

Position: Vice President

1-year tenure

FY2022 attendance: Board of Directors: 15/15

Toshihiko Fukuda

Reappointment

Position: Vice President

1-year tenure

FY2022 attendance: Board of Directors: 15/15

Shigehiro Yoshino

Reappointment

Position: Executive Officer

N

2-year tenure

FY2022 attendance: Board of Directors: 19/19
Nominating Committee: 4/4

Seiji Moriya

Reappointment

A★

6-year tenure

FY2022 attendance: Board of Directors: 19/19

	Tomoaki Kobayakawa	Hiroyuki Yamaguchi	Daisuke Sakai	Chikara Kojima	Toshihiko Fukuda	Shigehiro Yoshino	Seiji Moriya
Corporate	●		●				●
Energy	●	●	●		●	●	●
Technology	●		●		●		
Finance and Accounting		●		●			●
Legal Affairs							
ESG		●					●
International Management				●			
Sales and Marketing	●			●			

The reasons for appointment and a brief personal history

* The reasons for appointment and a brief personal history are described on pages 11-18 of the 99th NOTICE OF CONVOCATION.

NOTICE OF CONVOCATION OF THE 99TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Structure

Basic Views on Corporate Governance

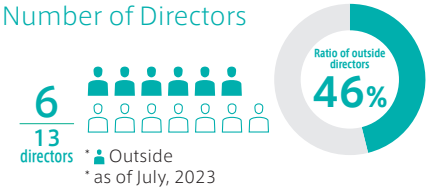
Tokyo Electric Power Company Holdings (TEPCO Holdings) is working to develop organizational structures and policies for thorough legal and ethical compliance, appropriate and prompt decision-making, efficient business execution, and enhanced auditing and supervisory functions. To further improve the objectivity and transparency of its management, TEPCO Holdings has adopted a "Company with Nominating Committee, etc." management structure, thereby stepping up the effort to secure solid corporate governance. Moreover, having adopted a holding company system in April 2016, TEPCO Holdings is striving to further enhance its corporate value through the optimal allocation of management resources and a robust corporate governance system encompassing the entire TEPCO group.

Board of Directors

Meetings (FY2022)

19 times

Number of Directors



The Board of Directors of TEPCO Holdings, which is a company with a Nominations Committee, etc., is comprised of a variety of people with different genders, expertise, and backgrounds. Along with making important executive decisions, the Board also receives reports from executives on key management issues and the status of operations, and monitors the execution of duties.

Primary Topics Discussed (FY2022)

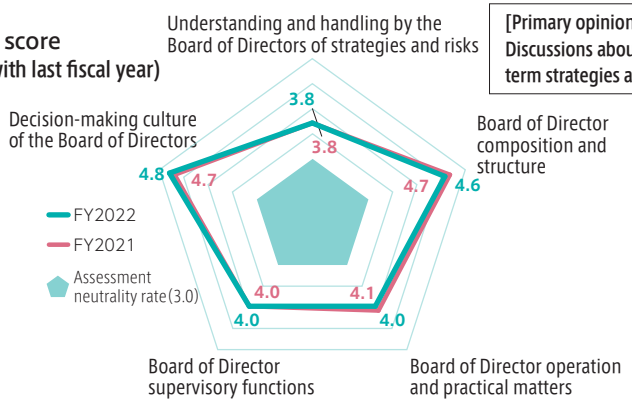
- Key management issues managed by the Board of Directors
- Reports on the status of operations of each committee
- Compliance with the corporate governance code
- Board of Director effectiveness assessment
- Status of initiatives to develop carbon neutral solutions
- JERA monitoring report
- Status of implementation of countermeasures for various natural disasters
- Retail division electricity rate revisions
- Deliberation of how to turn renewable energies into Primary power sources
- Announcement of the transfer of Head Office functions within the Nuclear Power Division
- FY2022 new corporate philosophy activities and FY2023 initiatives

Board of Director effectiveness

Effectiveness assessment summary

The results of a questionnaire distributed to all board members have confirmed that they strongly believe that the Board of Directors ensures diversity, has an appropriate number of members, and engages in free discussions. Furthermore, since no significant issues were pointed out with the Board of Directors, it has been assessed that the Board of Directors, etc. is functioning effectively.

Assessment score
(comparison with last fiscal year)



[Primary opinions]
Discussions about mid/long-term strategies are insufficient

Future initiatives

In addition to the quick provision of risk information and tours, etc., the Board of Directors will make further improvements to meeting administration and practical matters so as to create opportunities for longer discussions of mid/long-term business strategies that consider changes to the market environment.

Visit to the Aomori Division

Visit to the Central Research Institute of Electric Power Industry

Corporate Governance Report

Nominating Committee

Meetings (FY2022)

4 times

Number of Directors

4 / 6 directors

*Outside
*as of July, 2023

Primary Topics Discussed (FY2022)

- Executive personnel changes

Audit Committee

Meetings (FY2022)

21 times

Number of Directors

4 / 5 directors

*Outside
*as of July, 2023

Primary Topics Discussed (FY2022)

- Audit plan/audit reports
- Meetings with executive directors

Compensation Committee

Meetings (FY2022)

7 times

Number of Directors

4 / 4 directors

*Outside
*as of July, 2023

Primary Topics Discussed (FY2022)

- Performance-related remuneration for each executive for FY2022
- Executive remuneration design for FY2023

In-house committee activities

Future Management Committee

- Amidst the changing environment of the power industry, the Future Management Committee discusses visions for energy businesses that will improve the corporate value of the TEPCO Group.
- During FY2022, the Carbon Neutral Challenge Task Force, which is a dedicated subcommittee of the Future Management Committee, met a total of 16 times to discuss functions in departments that are required to balance long-term stable supply with carbon neutrality.

Corporate Ethics Committee

- In addition to formulating/developing activity plans pertaining to corporate ethics compliance, the Corporate Ethics Committee, which includes experts from outside the company, investigate and address corporate ethics infractions.
- During FY2022, the committee discussed awareness surveys pertaining to the corporate ethics of employees (the committee met a total of 4 times).

TEPCO Group General Secretariat of the Corporate Ethics Committee (Japanese only)

ESG Committee

- The ESG Committee formulates overall plans for addressing ESG issues, selects important ESG issues pertaining to business strategies, and formulates measures for disclosing information.

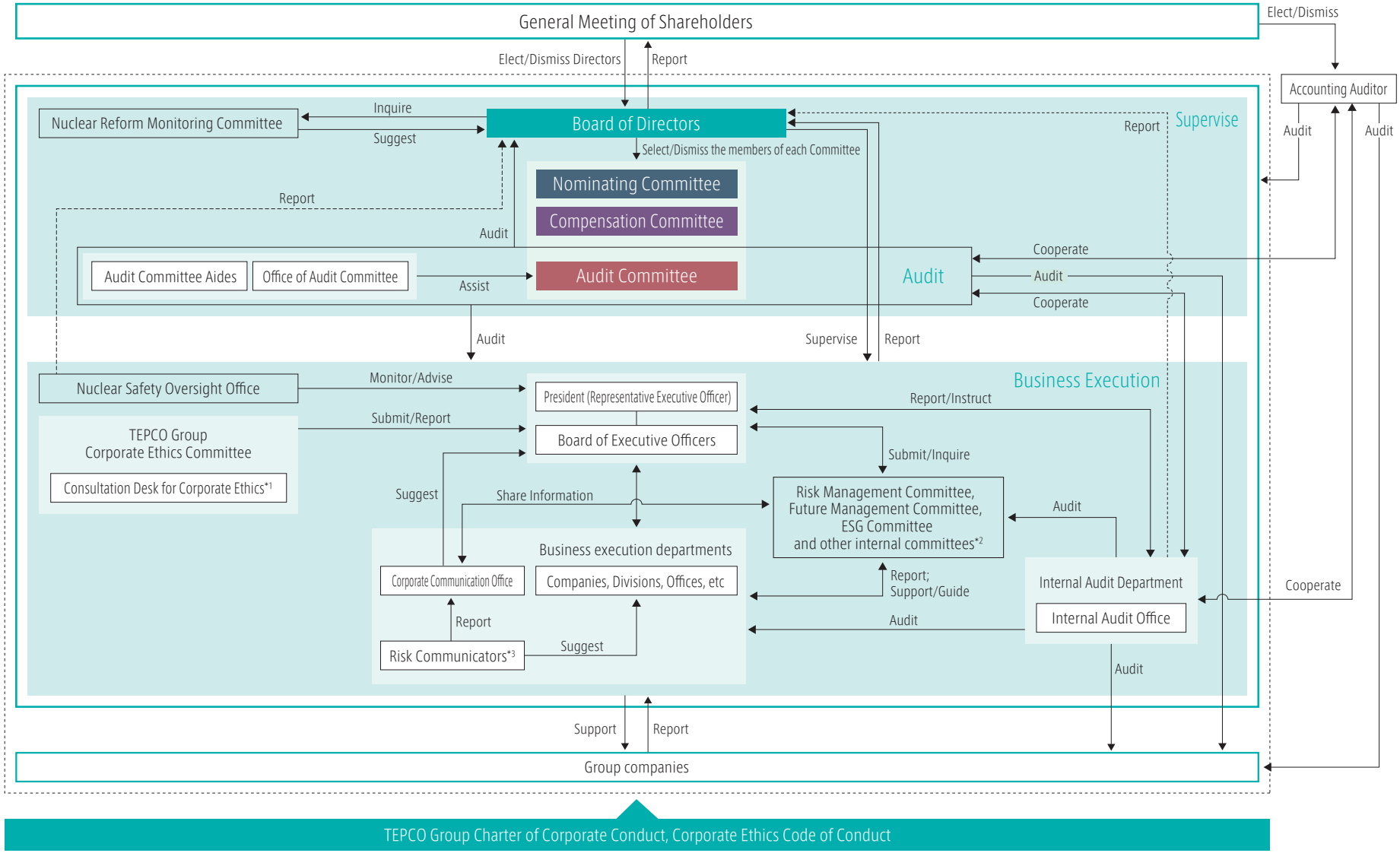
Meetings held during FY2022

- Number of times held: 2 times
- Primary topics: Internal carbon pricing, addressing Scope 3 emissions, biodiversity, circular economies, and ISSB Standards, etc.

Risk Management Committee

See page 76 for details

Corporate Governance Structure (as of July, 2023)



*1 This desk is available for the use of persons related to the work of TEPCO group such as the staff and TEPCO group companies. *2 Investment Management Committee, etc. *3 Experts in risk communication

Remuneration System

Total Amount of Remunerations, etc.

Classification of officers	Total amount of Remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)		Number of officers eligible (Persons)
		Basic remuneration	Productivity-linked remuneration	
Directors (excluding Outside Directors)	24	24	—	1
Executive Officers	484	360	123	18
Outside Directors	80	80	—	6

- The Company does not pay to Directors who concurrently serve as Executive Officer the remuneration paid to Directors. Therefore, "Number of officers eligible" for "Directors" stated above does not include the number of Directors who concurrently serve as Executive Officer.
- The amount of productivity-linked remuneration paid to Executive Officers includes the ¥9 million, which is the difference between the productivity-linked remuneration paid for fiscal 2021, to the 14 Executive Officers in office in fiscal 2021 and paid in fiscal 2022, and the productivity-linked remuneration included in the amount of remuneration, etc. disclosed in the fiscal 2021 business report.
- In determining the productivity-linked remuneration, based on the policy for the determination of the contents of remuneration, etc. for each Director and Executive Officer, which was set forth by the Compensation Committee, aiming to achieve the targets of the Fourth Comprehensive Special Business Plan, to ensure that Executive Officers are willing and responsible and the results of these efforts are appropriately reflected, results of the Company (consolidated ordinary income before deducting the amount of special contribution paid under the Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act) and individual performance (cost reduction indicators and other KPIs for each division in charge) in the management plan are set out as indicators in the productivity-linked remuneration. The amount to be paid varies from 0 to 145%, assuming a 100% payment rate at the time of achievement of the target, and is determined by the Compensation Committee after calculation as follows.
  Results of the Company: Calculated by multiplying the base amount by the achievement level
  Individual performance: Calculated by multiplying the base amount by the achievement level or evaluation by the Compensation Committee
  For indicators in the productivity-linked remuneration, the actual results of the Company amounted to ¥285.3 billion of loss whereas the targets of individual performance were largely achieved according to the evaluation performed based on indicators and KPIs set for each Executive Officer.

①Method of determining the policy

In accordance with the provisions of the Companies Act concerning a Company with a Nominating Committee, etc., the Company sets forth policies concerning the determination of the contents of remuneration, etc. for each Director and Executive Officer at the Compensation Committee, which consists only of Outside Directors.

②Policy for the determination of the contents of remuneration, etc. for each Director and Executive Officer

The main duty of each Director and Executive Officer of the Company is to minimize the burden on the people by enhancing corporate value based on a strong commitment to achieving stable supply of electric power beyond the world's highest level of safety ensurance and under competitive conditions, while fulfilling the Company's responsibility for the Fukushima Daiichi Nuclear Power Station accident. In order to achieve this, the basic policies for the determination of remuneration are securing outstanding human resources capable of leading business operations and management reform to achieve both "responsibility and competitiveness," clarifying responsibilities and outcomes and increasing incentives for improved performance and increase in the stock value. The remuneration system for Directors and that of Executive Officers are different based on the different roles of Directors, who are in charge of supervising corporate management, and Executive Officers, who are in charge of executing business operations. Directors who concurrently serve as Executive Officer receive only the remuneration paid to Executive Officers.

a. Remuneration paid to Directors

The remuneration paid to Directors comprises only basic remuneration.
Basic remuneration: The amount of basic remuneration paid to each Director is determined taking into consideration whether he/she is full time or part time, the committee to which he/she belongs and job description.

b. Remuneration paid to Executive Officers

The remuneration paid to Executive Officers comprises basic remuneration and productivity-linked remuneration. The proportion of productivity-linked remuneration is set according to the proportions at other companies and other factors.
Basic remuneration: The amount of basic remuneration paid to each Executive Officer is determined based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description.
Productivity-linked remuneration: The proportion of productivity-linked remuneration is set based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description. The amount of productivity-linked remuneration is determined according to results of the Company and personal performance.

Reference: productivity-linked remuneration related to CO_2 emission reduction targets → see page 17 for details

c. Level of remuneration to be paid

When determining the level of remuneration to be paid to Directors and Executive Officers, the Company takes into consideration its management environment, the remuneration levels of other companies, etc. and the current salaries of employees, etc., with the aim of setting remuneration at levels commensurate with their abilities and responsibilities to be required as Directors and Executive Officers.

③Reasons why the Compensation Committee judged that the contents of remuneration, etc. for Directors and Executive Officers were consistent with the above policy

The contents of remuneration, etc. for Directors and Executive Officers for fiscal 2022 were deliberated and determined by the Compensation Committee, which consists only of Outside Directors, based on the above policy. Specifically, the Compensation Committee deliberated eight times on the remuneration levels and remuneration composition for Directors and Executive Officers as well as the amount of productivity-linked remuneration paid to Executive Officers for fiscal 2022. In determining the amount of productivity-linked remuneration paid to Executive Officers, the Compensation Committee took into account the achievement level of results of the Company and the achievement level of individual performance targets such as ensuring safety and compliance with laws and regulations and corporate ethics for fiscal 2022, as well as other management conditions. As such, the Compensation Committee judged that the contents of remuneration, etc. for Directors and Executive Officers for fiscal 2022, which had been determined through such procedures, were consistent with the above policy.

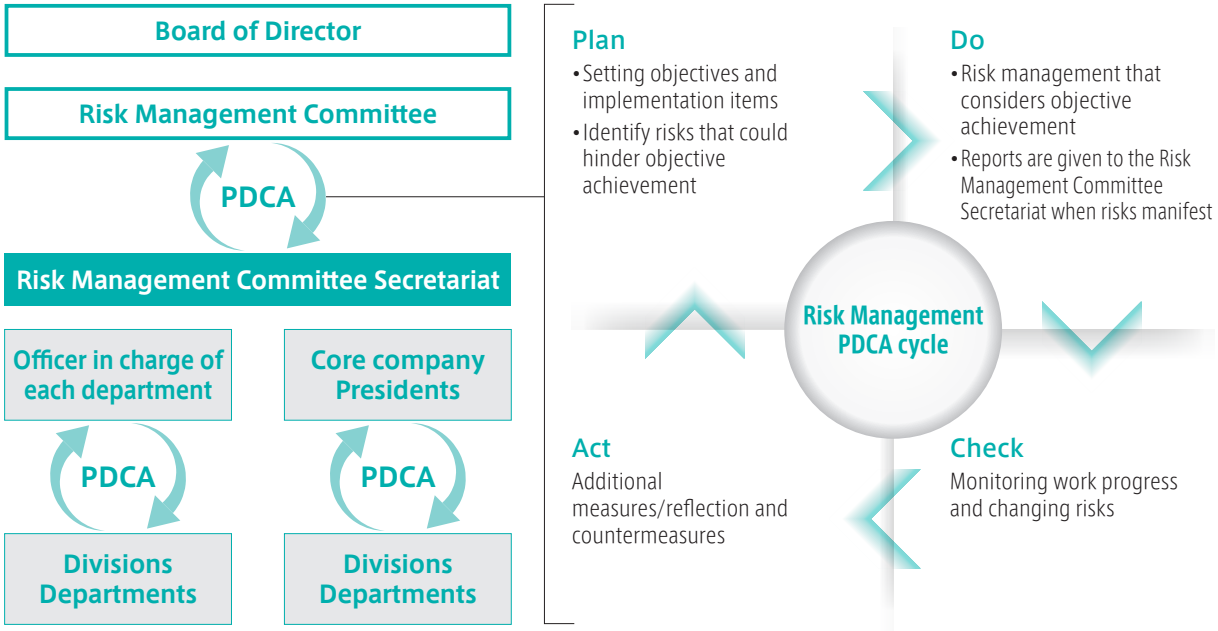
Risk Management

In order for the TEPCO Group to fulfill its responsibilities to Fukushima and maintain stable supply, it must minimize the manifestation of risk as much as possible by recognizing/assessing hidden risks that exist in the day-to-day activities of each company and each division, and suitably managing these risks while also aiming to mitigate the impact of risks when they manifest by taking quick and appropriate action.

Risk management process

When each company and division formulate action plans based on business plans, they identify risks that may hinder achievement of these plans in consideration of changes to the internal and external environments, and incorporate countermeasures into those plans as necessary. Furthermore, the causes of plan delays, which include whether or not risks have manifested, are checked monthly and additional countermeasures are deliberated.

A report on this is given to the Board of Directors after the monthly report is given to the Representative Executive Officer and President.



Governance Structure

The Representative Executive and President, who is the general manager, has created a risk management structure around the Chief Risk Officer (CRO), who is responsible for managing risks, and also a Risk Management Committee that debates how to handle risks that may have a serious impact on operation during normal times and when they manifest.

There are six subcommittees dedicated to different fields under the Risk Management Committee and officers have been appointed to be in charge of these subcommittees that concentrate discussions on issues and risks for each dedicated field.

Main Risks Pertaining to the TEPCO Group's Businesses

The primary risks affecting the TEPCO Group's businesses, etc. that have the potential to have a serious impact on investor decisions are as noted below. Other risks that may not necessarily fit this description have also been noted in order to proactively disclose information to investors. Each risk has been listed in the order of importance level based on the degree of impact it may have on business and the probability of manifestation. Furthermore, although predicted risks include issues that pertain to the future, as of March 2023 they have been deemed to be relevant.

Importance level	Predicted risks	Impact	Occurrence possibility
1	Decommissioning of the Fukushima Daiichi Nuclear Power Station	Extremely large	Very likely
2	Stable supply of electricity	Extremely large	Very likely
3	Nuclear power generation/nuclear fuel cycle	Extremely large	Very likely
4	Electricity sales volume/sales price/power source procurement costs	Extremely large	Very likely
5	Customer services	Large—Extremely large	Very likely
6	Thermal power generation fuel prices	Large—Extremely large	Very likely
7	Changes in the electricity business structure and energy policy	Large—Extremely large	Possible
8	Securing safety, quality control, and preventing environmental pollution	Large—Extremely large	Possible—Very likely
9	Corporate ethics and compliance	Large—Extremely large	Possible—Very likely
10	Information management/security	Large—Extremely large	Very likely
11	Procurement of materials and goods	Large	Very likely
12	Initiatives pertaining to climate change	Large	Possible
13	Financial market conditions	Large	Very likely
14	Business reforms implemented in accordance with the comprehensive special business plan	Large	Possible—Very likely
15	Underwriting of TEPCO shares by the Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF)	Large	Possible—Very likely
16	Businesses other than the electric power	Large	Possible

Click here to learn more about risks and measures to address them.
Business Risk

Renewable Energy Power Generation — **TEPCO Renewable Power, Inc.**

Masashi Nagasawa
President
TEPCO Renewable Power, Inc.

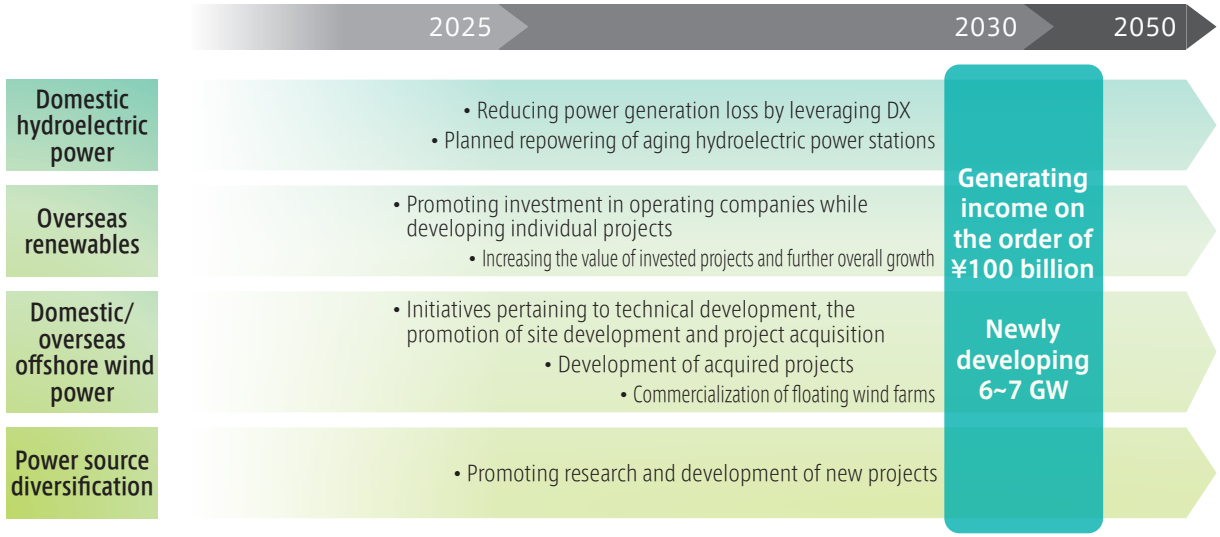
Masashi Nagasawa

Contributing to the creation of a sustainable society by spreading the use of renewable energies

TEPCO Renewable Power, Inc. (RP) is a renewable energy power generation company that seeks to promote the use of renewables as primary power sources and create a sustainable "future energy society." The strength of TEPCO RP is the experience and know-how that we have gained over many years of handling everything from the development and planning, to the construction and operation/maintenance of hydroelectric and wind power stations, and also from maintaining approximately 10 GW of hydro, wind, and photovoltaic power generation facilities in Japan, the largest in the nation.

With the accelerating social interest in CO_2-free electricity caused by the global trend towards the creation of a carbon neutral society, TEPCO RP plants to newly develop approximately 6-7 GW of power sources in Japan and overseas by FY2030, and is promoting the use of renewables as primary power sources as we aim to be a company that can create a CO_2-free society.

Roadmap



Target

FY2030

Generating profits

on the order of ¥100 billion

*FY2022 net profit ¥37 billion (Ordinary income ¥52 billion)

Using renewable energies as primary power sources

Newly developing 6~7 GW

*FY2022 progress

- Overseas Hydro:
  0.33GW (In operation)
  0.2GW (Under construction/development) / 2~3 GW
- Overseas offshore wind:
  2.49 GW (under development) / 2~3 GW
- Domestic offshore wind:
  Initiatives to acquire projects in the future are underway, and demonstration experiments and R&D of floating wind farms, etc., are being promoted / 2~3 GW

Strategy

- **Improving the value of domestic hydroelectric power stations and promoting repowering**
- **Enlarging the scale of overseas renewable energy projects and improving the value of power stations in which we have invested**
- **Engage in more domestic/overseas offshore wind power projects and commercializing floating wind farms**
- **Promoting investigations/development aimed at diversifying power sources, such as geothermal and photovoltaic power**

Transmission and Distribution — **TEPCO Power Grid, Inc.**

Yoshinori Kaneko
President and Chief Executive Officer
TEPCO Power Grid, Inc.

Constructing a next-generation power transmission and distribution network aimed at carbon neutrality

TEPCO Power Grid, Inc. will achieve carbon neutrality, digitalization, and resilience (preparedness, strengthened resilience), which are the current demands of society, while continuing to provide a stable and affordable source of power.

In order to achieve this under the new consigned transmission fee revenue cap system, we shall expand our sphere of business and create new value based on alliances with other companies and other industries in addition to inter-regionalization/optimization of power grids, and the creation of a sustainable business operation foundation through the optimization of our power transmission and distribution business supply chain, as we pursue sustainable growth.

Furthermore, in order to ensure the neutrality of our general power transmission and distribution business, we aim to further strengthen our internal governance system as we strive to ensure the reliability of general power transmission and distribution operators.

Roadmap

Revenue cap system 1st regulatory period

2023 — 2027 — 2030 — 2050

Power supply

- Completion of 1st regulatory period business plan
- Business plans for 2nd regulatory period and onward
- Implementation of facility renewal renovations based on facility maintenance plan
- Enlargement of the application of non-firm connections
- Promotion of interregional grid creation plans
- Enhancement of regional supply grades in conjunction with the increase in linked renewables
- Advancing distribution networks in conjunction with the increase in linked renewables
- Commencement of low-cost electric pole-free electricity (2025~)
- Flood countermeasure completion (high risk areas)

Operational efficiency

- Productivity improvement rate: 2.5% (annual rate: 0.5%)
- Further promotion of kaizen/DX
- Renovations, streamlining through work method kaizen
- Commencement of the use of self-piloting drones (2024~)
- Commencement of the use of digital substations (2025~)

Spheres of business

- Development of businesses to contribute to sustainable urban development aimed at creating a carbon society
- Investment in overseas power transmission/distribution companies, and participation in transmission/transformation facility construction/operation projects

Target

Meeting society's demands and providing an affordable and low-cost supply of power

Carbon neutrality/ digitalization/resilience

Construction of a next-generation power transmission and distribution network
Implementation of investment plans pursuant to the revenue cap system 1st regulatory period business plan (expansion/renewal, etc.)

Annual average: ¥479.5billion
(FY2023~FY2027)

*Completion amount (prior to deductions of construction cost burden/compensation)

Making sure to generate funds to cover our share of the burden of decommissioning, etc.

Annual average: Approx. ¥120 billion

*Amount generated during FY2022 to cover our share of the burden of decommissioning, etc.: ¥121.2 billion

Strategy

- **Planned and efficient facility renovations based upon aging risks and a quantitative assessment of economic value**
- **Creating new value from a power transmission and distribution network that can flexibly adapt to social changes**
- **Developing business by leveraging all management resources (people, assets, data)**

Energy Retail — **TEPCO Energy Partner, Inc.**

Momoko Nagasaki
President
TEPCO Energy Partner, Inc.

Momoko Nagasaki

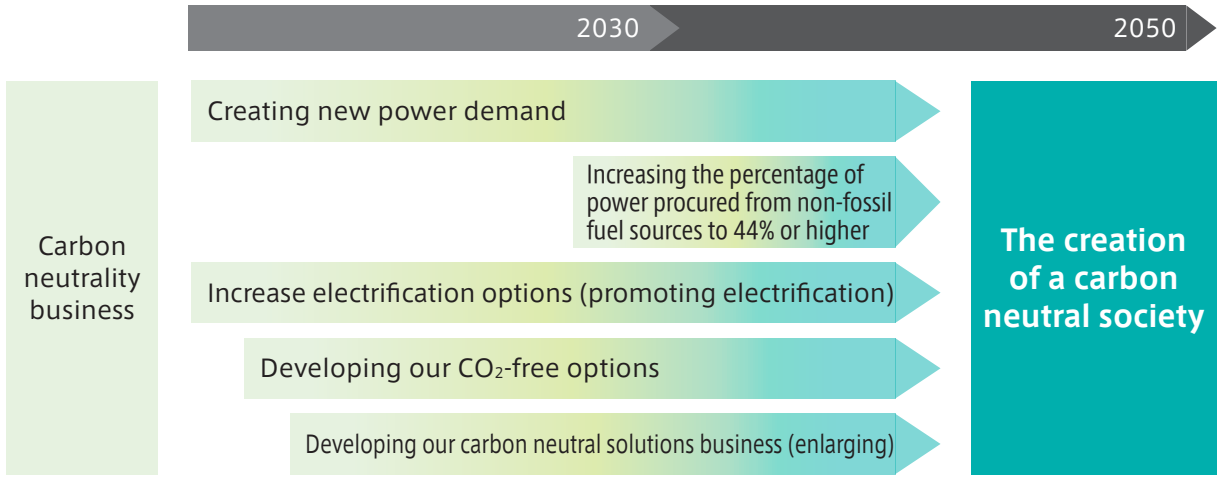
Supplying a stable source of power to our customers and promoting carbon neutrality

A burden has been put on our customers as a result of revisions to regulated rates/low-voltage non-regulated rates caused by soaring fuel prices. In order to mitigate the burden on customers, secure stable supply, and promote carbon neutrality while generating profits, TEPCO Energy Partner, Inc. (EP) has two main missions.

The first is to provide power services that can enable the formation of long-term relationships with customers. In regards to our electricity business, which is the main source of our revenue, we shall rebuild our stable operations/business management system and continually generate profits. Our second mission is carbon neutrality. We shall promote carbon neutrality by engaging in initiatives aimed at encouraging energy-conserving lifestyles and developing businesses that are driven by the local-production/local-consumption of renewables.

Going forward, TEPCO EP shall contribute to helping customers conserve energy and reduce costs by creating a carbon neutral society as we provide a stable source of power and aim to increase profits.

Roadmap



Target

Increasing sales in order to create a carbon society

FY2030

Reduction in CO_2 emissions originating from the sale of power

50% reduction of FY2013 levels

FY2022: 53% reduction*

* preliminary figures

See page 22 for details

CO_2-free option sales volume

In excess of 10 TWh

FY2022 : 6.3 TWh

Creating new power demand

Over 9.7 TWh

FY2022: 470 GWh

Strategy

- Rebuilding our electricity retail business operations/business management system
- Increasing profits from our gas/new services businesses
- Increasing sales from our carbon neutral business
- Developing our facility/electrification asset service

Fuel/Thermal Power — **TEPCO Fuel & Power, Inc.**

Daisuke Sakai
President
TEPCO Fuel & Power, Inc.

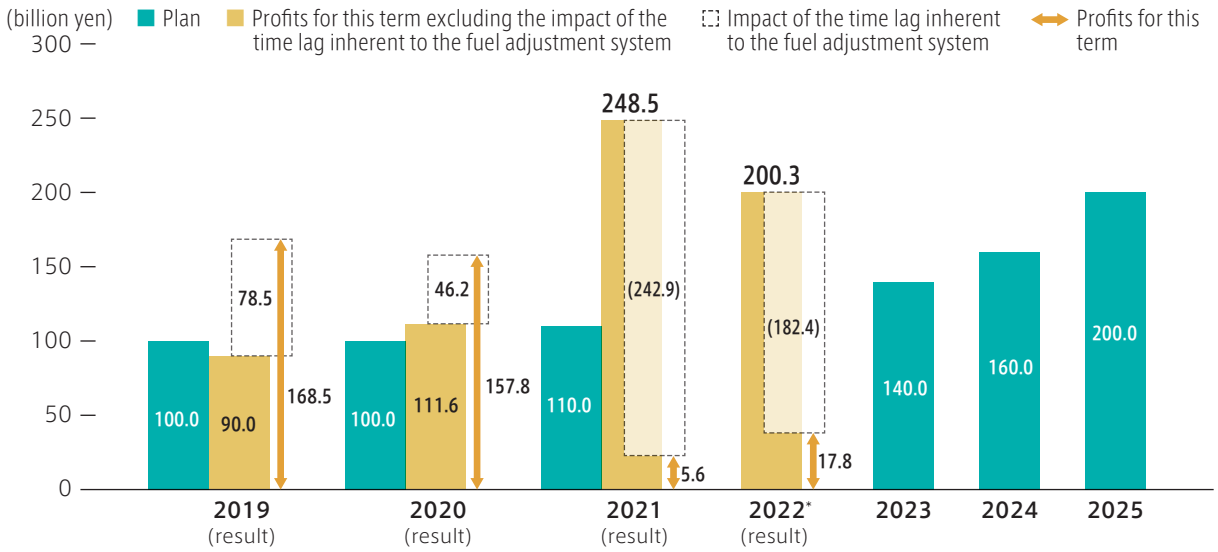
Daisuke Sakai

Through the governance of JERA as a shareholder, we will help to improve the corporate value of JERA and strengthen the competitiveness of the TEPCO Group

Along with Chubu Electric Power Company, Inc., TEPCO Fuel & Power Inc. (FP) transferred all of its fuel/thermal power generation businesses to JERA Co., Inc. in April 2019. JERA is a global energy company that owns the entire supply chain for its fuel/thermal power generation business. JERA is engaged in initiatives to secure a stable supply of energy and build clean energy supply infrastructure that combines renewables with low-carbon thermal in order to achieve its target of reducing CO_2 emissions to zero by 2050.

TEPCO FP is providing suitable support and supervision as a shareholder to enable JERA to achieve its management targets and fulfill its commitments.

Roadmap [Revenue and expenditure plan through FY2025]



*The FY2022 plan had deemed "TBD" because we are unable to forecast resource prices and power sales volume as a result of the impact from the situation in Ukraine during FY2022.

Target

JERA consolidated net income*
(Aiding with and supervising achievements)

FY2022 (result)	FY2025 (target)
¥200.3 billion	**¥200.0 billion**

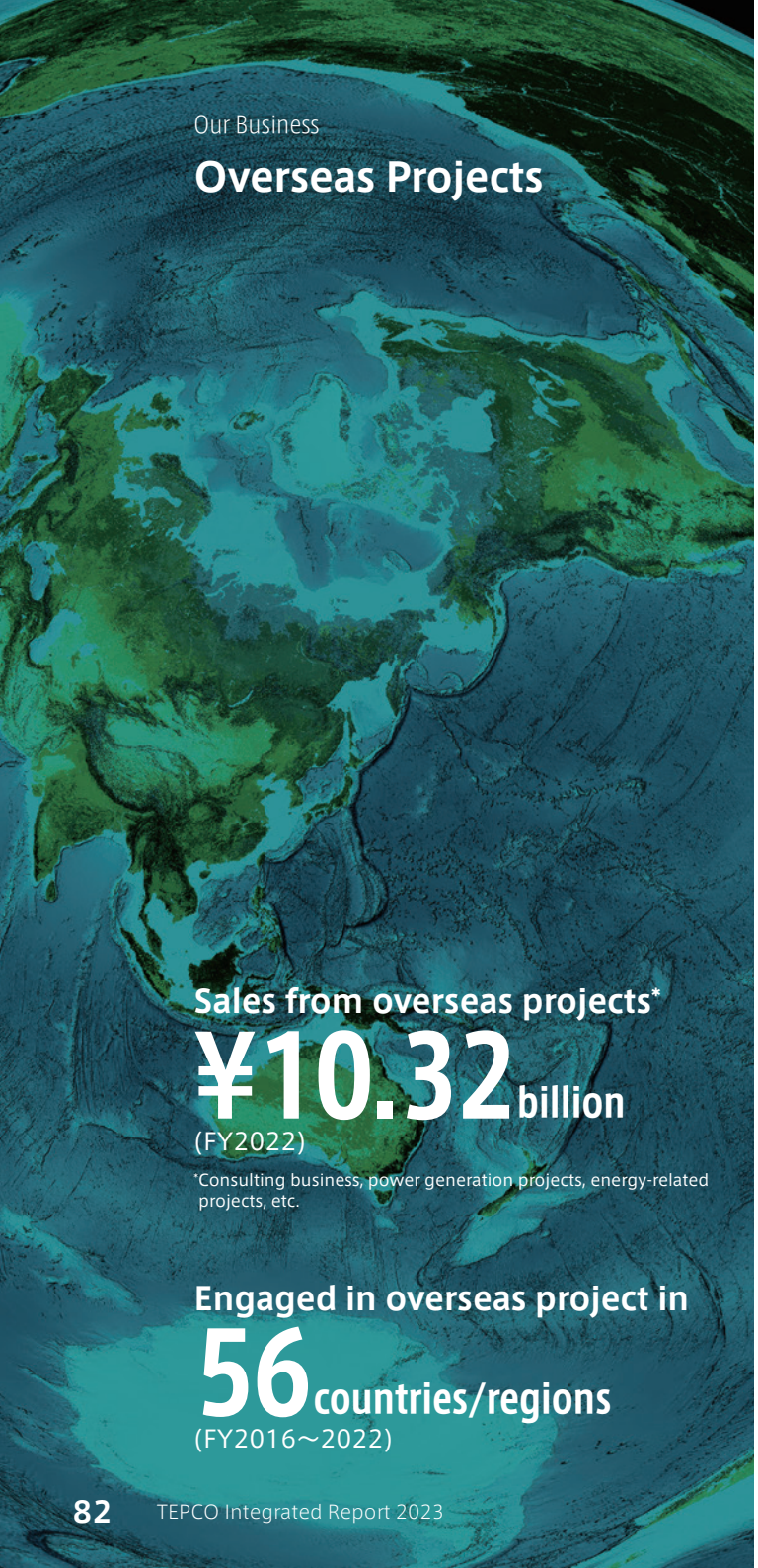
*Excluding the impact of the time lag inherent to the fuel adjustment system

Strategy

Supporting JERA's independent business operations while providing suitable governance as a shareholder

- Monitoring JERA initiatives in light of changes to our business environment
- Confirming the status of progress with the roadmap created by JERA that aims for carbon neutrality

Overseas Projects



Sales from overseas projects*

¥10.32 billion

(FY2022)

*Consulting business, power generation projects, energy-related projects, etc.

Engaged in overseas project in

56 countries/regions

(FY2016～2022)

In order to generate annual profits on the order of ¥450 billion we must enlarge not only our existing businesses, but also our new businesses. Overseas projects are a new area of business in which the TEPCO Group is focusing and we are promoting overseas projects by leveraging the technical prowess and know-how that we have cultivated over more than 70 years in Japan's electricity industry. We aim to enlarge primarily our renewable energy power generation business, power transmission and distribution business, energy services business, and consulting business.

Primary overseas projects

Europe

❶【UK】

- Investment in Flotation Energy (floating/fixed-bed offshore wind power generation business)
- Subsea power transmission business for offshore wind power generation (Triton Knoll OFTO)
- Investment in Zenobe (storage battery business)

❷【UK/Germany】

International interconnection business for connecting between the UK and Germany (NeuConnect)

❸【Georgia】

Investment in the Dariali hydroelectric power station

❹【Norway】

TetraSpar floating offshore wind power generation demonstration project

❺【Finland】

Signing of information exchange agreement pertaining to nuclear power with Fortum Power & Heat Oy

❻【Baltic States】

Examining technology for leveraging storage batteries, etc., during the introduction of renewables

Asia

❼【Vietnam】

- Investment in Vietnam Power Development (hydroelectric power business)
- Investment in Coc San hydroelectric power station
- Investment in Deep C Green Energy (power distribution/retail company)
- Support for the spread of power distribution facility planning systems

❽【Indonesia】

- Co-research on green hydrogen and green ammonia development
- Investment in Kencana Energi Lestari (renewable energies business)
- Implementing investigations/providing support for the formulation of a decarbonization roadmap

❾【Thailand】

- Rooftop photovoltaic power generation business
- Support for the construction of underground substations in Bangkok

❿【Singapore】

Support for the construction of underground substations

⓫【Sri Lanka】

Support for the formulation of a power master plan

⓬【Mongolia】

Support for power grid stabilization in preparation for the increased use of renewable energies

⓭【Laos】

- Support for the formulation of an integrated energy master plan for the creation of a carbon neutral society
- Power policy advisor

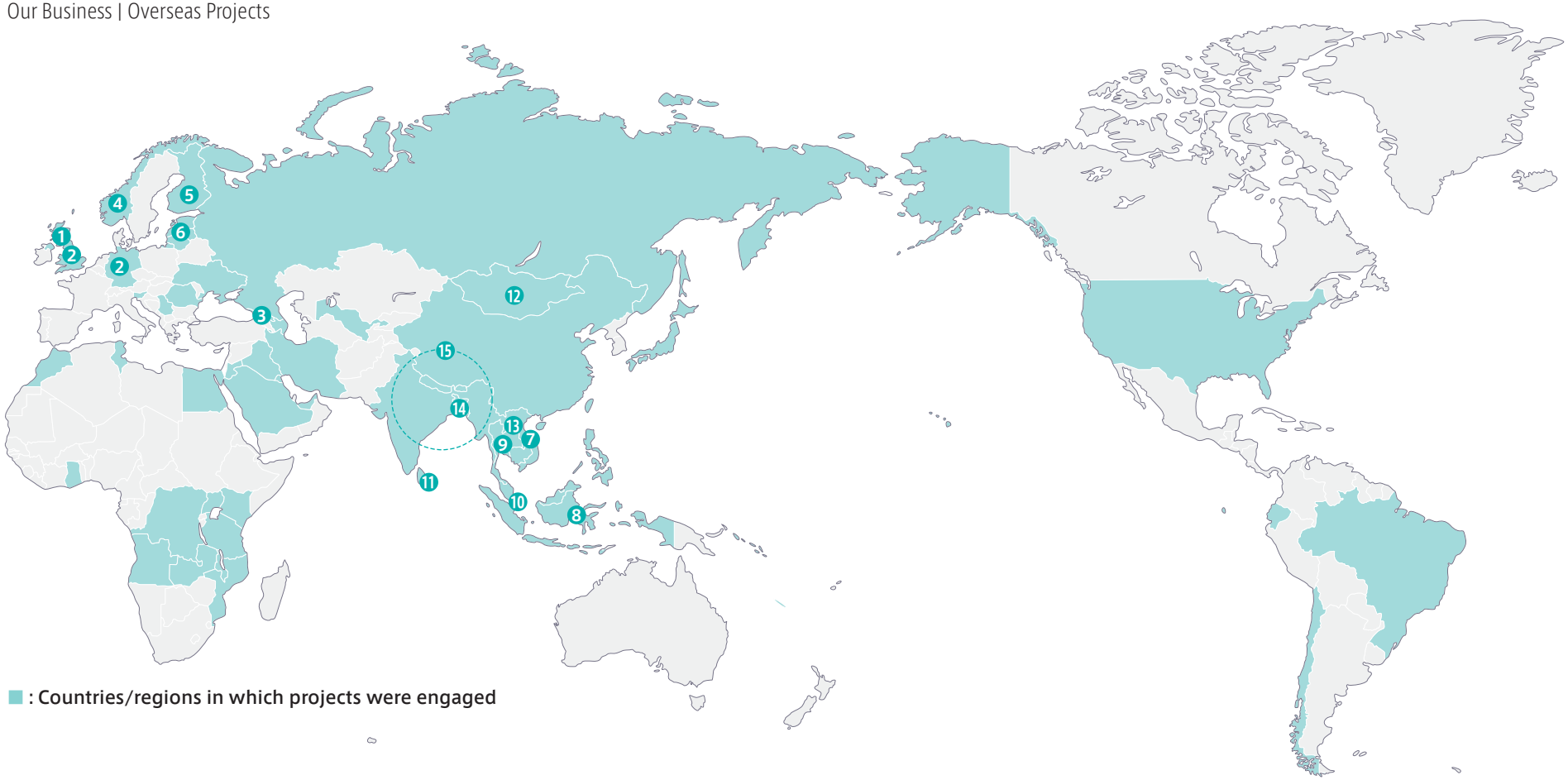
⓮【Bangladesh】

- Support for the construction of underground substations in Dhaka
- Support for integrated energy and power grid stabilization in preparation

⓯【South Asia】

Performing surveys pertaining to strengthening consolidation of the power companies in Bangladesh, Bhutan, India, and Nepal (BBIN).

Note) Clicking the project name will reveal more details about the project.



■ : Countries/regions in which projects were engaged

❶【UK】Subsea power transmission business for offshore wind power generation (Triton Knoll OFTO)

In cooperation with Equitix Limited a UK infrastructure fund, we will invest in the operation/maintenance of offshore transmission asset for the Triton Knoll offshore wind farm which is located off the east coast of England. After acquiring the ownership rights and operational rights to power transmission cables and substations, we plan to operate this business for the next 23 years. Through participation in this project, we will be able to utilize the technical knowledge we gain through maintenance work on overseas facilities in Japan as we strive to strengthen the resilience of power transmission and distribution networks and reduce costs.

Offshore platform (substation)

❼【Vietnam】Investment in the Coc San hydroelectric power station

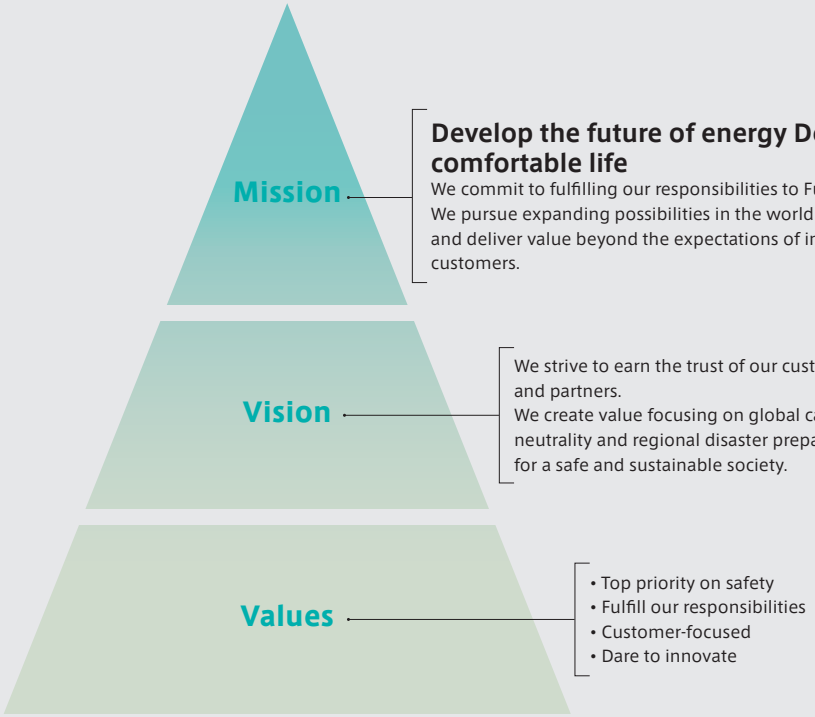
We've invested in the Coc San hydroelectric power station, which is owned by Lao Cai Renewable Energy, a power operator in Vietnam. TEPCO is engaged in initiatives to improve the operating potential of this power station such as by leveraging the technical prowess and know-how that we have cultivated over many years working in Japan's hydroelectric power industry to optimize O&M*, thereby contributing to increasing the value of the hydroelectric power station.

*Power station operation and maintenance

Coc San hydroelectric power station dam

Data Section

TEPCO Group's Corporate Philosophy



Our Mission is to give all stakeholders,
including regional residents, our customers, and business partners, "a comfortable life" not just by providing a stable source of electricity and gas, but also by providing value that exceeds each individual's expectations through our efforts to "Develop the future of energy". This is also our "Purpose" as an energy provider.

Our Vision looks five to ten years into the future.
The TEPCO Group's business is built upon the trust of our stakeholders. In order to create a safe and sustainable society, we will engage in initiatives to create new value from carbon neutrality and disaster prevention as we aim to become a corporate group that continues to be trusted and chosen by the people.

Our Values are the standards of conduct for achieving our Mission and Vision of which each and every employee have to remain constantly aware.
The principles of conduct indispensable to the TEPCO Group are "top priority on safety" and "fulfill our responsibilities." We will grow as a company along with our employees by continuing to put the "customer-focused" and implementing "dare to innovate".

Consolidated Subsidiaries as of March 31, 2023

Tokyo Electric Power Company Holdings, Inc.
TEPCO Fuel & Power, Incorporated
TEPCO Power Grid, Incorporated
TEPCO Energy Partner, Incorporated
TEPCO Renewable Power, Incorporated
TODEN REAL ESTATE Co., Inc.
Tokyo Power Technology Ltd.
Tokyo Electric Power Services Company, Limited (TEPSCO)
TEPCO SYSTEMS CORPORATION
TEPCO RESOURCES INC.
TEPCO HUMMING WORK CO., LTD.
Toso Real Estate Management Co., Ltd
Tepco Partners Co.,Ltd
TEPCO Ventures, Inc.
TEPCO Fintech, Inc.
TEPCO Global Energy Pte. Ltd.
Tokyo Electric Power Timeless Capital, Inc.
Recyclable-Fuel Storage Company
ATEMA KOGEN RESORT INC.
Tousou Mirai Technology Co. Ltd.
TOUSOU MIRAI MANUFACTURING, INC
e-Mobility Power Co.,Inc.
Iitate Bio Partners Company Limited
TOSETSU CIVIL ENGINEERING CONSULTANT INC.
TEPCO Innovation and Investments US, Inc.
TEPCO Life Service, inc.
TEPSCO Vietnam
Japan Charge Network Colk Ltd.
Tokyo Electric Power Timeless Capital 1, ILP
Tokyo Electric Power Timeless Capital 2, ILP
Tokyo Electric Power Timeless Capital 3, ILP
TF Uchisaiwaicho TMK
TOKYO RECORDS MANAGEMENT CO., INC
TRENDE Co., Ltd.

TEPCO Power Grid, Inc.
Tokyo Densetsu Service Co., Ltd.
Tepco Town Planning Corporation Limited
Tokyo Land Management Corporation
Tepco Solution Advance Co., Ltd.
TEPCO Power Grid UK Limited
Agile Energy X, Inc.
TEPCO LOGISTICS CO., LTD.
Energy gateway Co., Ltd.
TEPCO OPTICAL NETWORK ENGINEERING INC.
FI1 Limited

TEPCO Energy Partner, Inc.
Tepco Customer Service Corporation Limited
FAMILYNET JAPAN CORPORATION
JAPAN FACILITY SOLUTIONS, INC
TEPCO Frontier Partners, LLC.
Morigasaki Energy Service Co.,
PinT
Houseplus Corporation, Inc.
Japan Natural Energy Company Limited
TEPCO HomeTech, Inc.
TEPCO Energy Partner International (Thailand) Co.,Ltd.
NF Power Service Co.,Ltd
HFP Test Center, LLC.

TEPCO Renewable Power, Inc.
TEPCO Renewable Power Singapore Pte. Ltd.
Flotation Energy Ltd
The Tokyo Electric Generation Co.,Ltd.
Flotation Energy Taiwan Ltd
Blackwater Offshore Wind Holdco Limited
Blackwater OWL Offshore Wind Farm Limited
Green Volt Holdco Ltd
Green Volt Offshore Windfarm Ltd
CENOS Holdco Ltd
Cenos Offshore Windfarm Ltd
Flotation Energy Pty Ltd
Flotation Energy (Japan) Co. Ltd.
Greystones Offshore Wind Holdco Limited
Greystones OWL Offshore Wind Farm Limited
White Cross Offshore Wind Holdco Ltd
White Cross Offshore Windfarm Ltd

Financial/Non-Financial Targets

Indicators		Target fiscal year	Target	Achievements	
				FY2021	FY2022
Finance	Generating income (consolidated net income)	2030 onwards	**On the order of ¥450 billion**	¥2.9 billion	¥ (123.6) billion
	Net income from our renewable energy power generation business	2030	**On the order of ¥100 billion/year**	¥32.9 billion	¥37.0 billion
	JERA consolidated net income (excluding the impact of the time lag)	2025	**¥200 billion**	¥248.5 billion	¥200.3 billion
	Initiatives to streamline and optimize operations	2030	**¥3.7 trillion worth of optimization during 10 years (cost line prior to the disaster)**	¥506.6 billion	¥504.6 billion
Non-Finance	Reduction in CO_2 emissions originating from the sale of power (FY2013 levels)	2030	**50% reduction**	43% reduction	53% reduction (see page 22 for details)
	CO_2-free options sales volume in the corporate sector	2030	**more than 10TWh**	2.0TWh	6.3TWh
	Creating new power demand	2030	**more than 9.7TWh**	160GWh	470GWh
	New development of renewable energies in Japan and overseas	2030	**6~7GW**	180MW	3.03GW (including facilities under development)
	EV network chargers (quick chargers)	2025	**15,000 quick chargers**	Approx. 7,400 quick chargers	Approx. 7,900 quick chargers
	Human resources trained to develop new business	2027	**2,700 people**	705 people	908 people
	DX human resources	2025	**6,000 people**	—	Approx. 2,300 people
	Female managers	2025	**10%**	5.8%	5.9%
	Human rights due diligence implementation rate	2025	**100%**	—	28.8%
	EV100 (adopting electric vehicles for use as company vehicles)	2030	**100%**	18%	21%

Financial Highlights

Consolidated Financial Summary *1

(Million of yen) (Millions of US dollars)

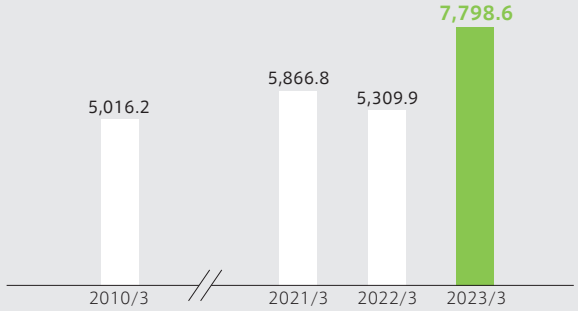
FYs ended March 31:	2023/3	2022/3	2021/3	2020/3	2019/3	2018/3	2017/3	2016/3	2015/3	2014/3	2011/3	2010/3	2023/3
Operating revenues	¥ **7,798,696**	¥ 5,309,924	5,866,824	6,241,422	6,338,490	5,850,939	5,357,734	6,069,928	6,802,464	6,631,422	5,368,536	5,016,257	$ **58,400**
Operating income (loss)	**(228,969)**	46,230	143,460	211,841	312,257	288,470	258,680	372,231	316,534	191,379	399,624	284,443	**(1,714)**
Income (loss) before income taxes and non-controlling interests	**(111,911)**	11,351	190,393	69,259	258,625	327,817	146,471	186,607	479,022	462,555	(766,134)	223,482	**(838)**
Net income (loss) attributable to owners of the parent	**(123,631)**	2,916	180,896	50,703	232,414	318,077	132,810	140,783	451,552	438,647	(1,247,348)	133,775	**(926)**
Depreciation and amortization	**341,145**	419,203	412,039	422,495	541,805	561,257	564,276	621,953	624,248	647,397	702,185	759,391	**2,555**
Capital expenditures	**637,720**	566,056	608,857	524,462	639,725	602,710	568,626	665,735	585,958	575,948	676,746	640,885	**4,775**
Per share data (Yen):													
Net (loss) income (basic)	¥ **(77.17)**	¥ 1.82	112.90	31.65	145.06	198.52	82.89	87.86	281.80	273.74	(846.64)	99.18	$ **(1)**
Net income (diluted) (Note 2)	**–**	0.58	36.39	10.12	46.96	64.32	26.79	28.52	91.49	88.87	–	99.18	**–**
Cash dividends	**–**	–	–	–	–	–	–	–	–	–	30.00	60.00	**–**
Net assets	**1,307.87**	1,361.73	1,326.49	1,185.98	1,179.25	1,030.67	838.45	746.59	669.60	343.31	972.28	1,828.08	**10.00**
FYs ended March 31 (as of March 31):													
Total net assets	¥ **3,121,962**	¥ 3,207,059	3,142,801	2,916,886	2,903,699	2,657,265	2,348,679	2,218,139	2,102,180	1,577,408	1,602,478	2,516,478	$ **23,378**
Equity (Note 3)	**3,095,397**	3,181,717	3,125,299	2,900,184	2,889,423	2,651,385	2,343,434	2,196,275	2,072,952	1,550,121	1,558,113	2,465,738	**23,180**
Total assets	**13,563,085**	12,838,398	12,093,155	11,957,846	12,757,467	12,591,823	12,277,600	13,659,769	14,212,677	14,801,106	14,790,353	13,203,987	**101,566**
Interest-bearing debt	**5,756,429**	5,440,245	4,889,099	4,914,931	5,890,793	6,022,970	6,004,978	6,606,852	7,013,275	7,629,720	9,024,110	7,523,952	**43,106**
Financial ratios and cash flow data:													
ROA (%) (Note 4)	**(1.7)**	0.4	1.2	1.7	2.5	2.3	2.0	2.7	2.2	1.3	2.9	2.1	**–**
ROE (%) (Note 5)	**(3.9)**	0.1	6.0	1.8	8.4	12.7	5.9	6.6	24.9	32.9	(62.0)	5.5	**–**
Equity ratio (%)	**22.8**	24.8	25.8	24.3	22.6	21.1	19.1	16.1	14.6	10.5	10.5	18.7	**–**
Net cash provided by (used in) operating activities	¥ **(75,673)**	¥ 406,493	239,825	323,493	503,709	752,183	783,038	1,077,508	872,930	638,122	988,710	988,271	$ **(567)**
Net cash used in investing activities	**(388,842)**	(559,791)	(577,215)	(508,253)	(570,837)	(520,593)	(478,471)	(620,900)	(523,935)	(293,216)	(791,957)	(599,263)	**(2,912)**
Net cash provided (used in) by financing activities	**319,984**	560,596	(20,340)	13,591	(117,698)	12,538	(603,955)	(394,300)	(626,023)	(301,732)	1,859,579	(495,091)	**2,396**

1. Amounts of less than one million yen have been omitted. All percentages have been rounded to the nearest unit. Accounting standards pertaining to revenue awareness (corporate accounting standard #29, March 31, 2020) has been applied from the beginning of the term ending March 2022.The International Financial Reporting Standards (IFRS) have been applied to JERA, an affiliated company, since the term ending March 2023. So the standards have been retroactively applied the data for the term ending March 2022.
2. Net income per share after dilution by potential shares for the years ended March 31, 2011 and March 31, 2023 have been omitted as the Company recognized a Net loss per share although there were potential shares.
3. Equity = Total net assets – Stock acquisition rights – Minority interests
4. ROA = Operating income/((Total assets at the end of last term + total assets as of the end of the current term)/2)
5. ROE = Net income/((Total equity at the end of last term + Total equity as of the end of the current term)/2)

Presentations Back Number

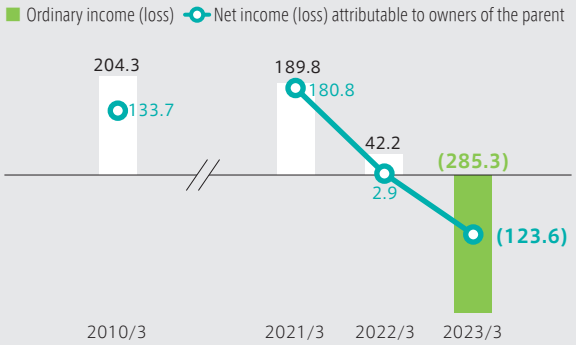
Financial Information from Prior to the Great East Japan Earthquake and Tsunami, and for the last Three Years

Operating revenues (billion yen)



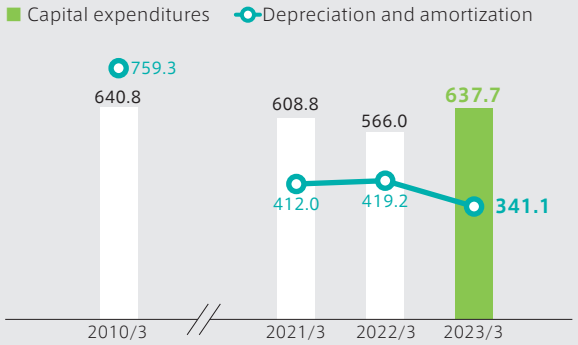
- Increase in revenue caused by an increase in total power sales volume in addition to an increase in the electricity fee revenue unit price caused by the impact of the fuel cost adjustment system.

Ordinary income (loss) & net income (loss) attributable to owners of the parent (billion yen)



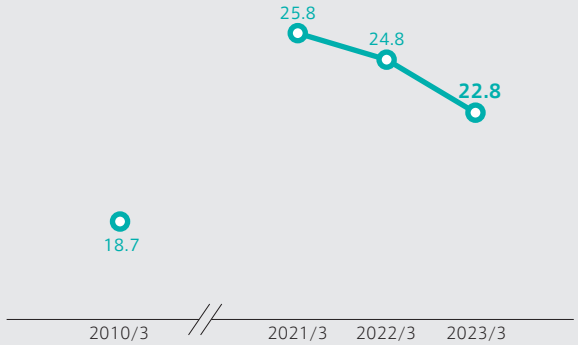
- Ordinary income (loss) for the term ending March 2023 decreased by ¥327.6 billion year-on-year (YoY) and resulted in a loss of ¥285.3 billion due to an increase in electricity procurement costs etc. resulting from a surge in fuel/wholesale electricity market prices.
- Furthermore, even though a total of ¥693.5 billion from grants-in-aid from the Nuclear Damage Compensation and Decommissioning Facilitation Corporation and the selling off of stock for subsidiaries and affiliates, was appropriated as extraordinary income, net income (loss) attributable to owners of the parent resulted in a loss of ¥123.6 billion due to the posting of ¥529.5 billion yen of expenses for nuclear damage compensation, etc.

Capital expenditures & depreciation and amortization (billion yen)



- While we have minimized the amount of facility investment (term ending March 2023) to what is absolutely necessary to maintain a stable supply of electricity, ¥637.7 billion has been appropriated for decommissioning/contaminated water countermeasures at the Fukushima Daiichi Nuclear Power Station.
- Depreciation costs (term ending March 2023) decreased by ¥78 billion due to the impact of switching the depreciation method for tangible fixed assets from the declining-balance method to the straight-line method.

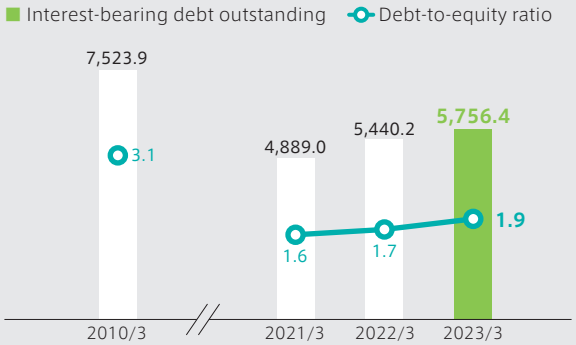
Equity ratio (%)



- Although equity ratio decreased to 5.1% during the term ending March 2012 in conjunction with worsening revenues, due to a decrease in our interest-bearing debts and initiatives to generate profits by thoroughly reducing costs throughout the entire Group, it has improved to 22.8% (as of the end of the term ending March 2023).

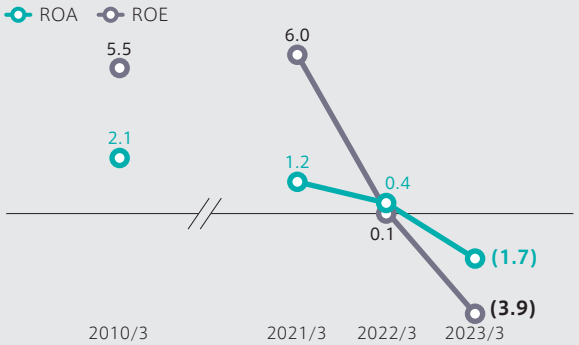
Equity ratio = (net assets – call options – minority interest)/total assets

Interest-bearing debt outstanding (billion yen) & debt-to-equity ratio



- Although our interest-bearing debts had increased to ¥9 trillion as of the end of the term ending March 2011 due to a worsening of our financial standing, it has decreased due to the redemption of publicly offered bonds. As of the end of the term ending March 2023, corporate bond issue has increased and interest-bearing debts resulted in ¥5.7 trillion.
- D/E ratio has decreased from 10.6 during the term ending March 2012, which was immediately after the disaster, to 1.9 thanks to the decrease in interest-bearing debts, a level not seen since prior to the disaster.

ROA & ROE (%)



- Although ROA and ROE had decreased since the Great East Japan Earthquake and Tsunami due to worsening revenues, it has recovered now that we are generating profits through various cost reduction efforts, and also from the rate revision during the term ending March 2013.
- During the term ending March 2023, appropriations for operating loss and term net loss attributable to owners of the parent caused ROA to decrease to -1.7 and ROE to decrease to - 3.9.

ROA = Operating income/((Total assets at the end of last term + total assets as of the end of the current term)/2)
ROE = Net income/((Total equity at the end of last term + Total equity as of the end of the current term)/2)

Note) The application of the equity method to JERA, an affiliated company, is based on consolidated financial statements for JERA created in accordance with International Financial Reporting Standards (IFRS) that were put into use in the term ending March 2023. Accordingly, the standards have been retroactively applied to the data for the term ending March 2022.

Consolidated Balance Sheet

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
ASSETS			
Property, plant and equipment:	**¥ 25,577,604**	¥ 25,311,430	**$ 191,535**
Facilities in progress:			
Construction in progress and retirement in progress	**1,290,175**	1,135,883	**9,662**
Suspense account for decommissioning related nuclear power facilities	**102,458**	115,224	**767**
Special account related to reprocessing of spent nuclear fuel	**285,957**	241,532	**2,141**
	1,678,591	1,492,640	**12,570**
	27,256,196	26,804,071	**204,105**
Less:			
Contributions in aid of construction	**427,936**	416,231	**3,205**
Accumulated depreciation	**19,333,127**	19,158,347	**144,774**
	19,761,064	19,574,579	**147,979**
Property, plant and equipment, net	**7,495,132**	7,229,492	**56,126**
Nuclear fuel:			
Loaded nuclear fuel	**81,103**	81,122	**607**
Nuclear fuel in processing	**496,521**	504,945	**3,718**
	577,624	586,067	**4,325**
Investments and other assets:			
Long-term investments	**129,765**	132,397	**972**
Long-term investments in subsidiaries and associates	**1,411,335**	1,465,693	**10,569**
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	**864,921**	484,344	**6,477**
Reserve fund for nuclear reactor decommissioning	**637,804**	585,513	**4,776**
Net defined benefit asset	**142,545**	158,277	**1,067**
Other	**227,721**	165,768	**1,705**
	3,414,093	2,991,995	**25,566**
Current assets:			
Cash and deposits	**717,908**	862,376	**5,376**
Notes and accounts receivable–trade	**—**	—	**—**
Notes and accounts receivable–trade and contract assets	**715,306**	611,367	**5,356**
Inventories	**109,793**	97,185	**822**
Other	**555,247**	477,666	**4,158**
	2,098,255	2,048,596	**15,712**
Less:			
Allowance for doubtful accounts	**(22,019)**	(17,753)	**(165)**
	2,076,235	2,030,843	**15,547**
Total assets	**¥ 13,563,085**	¥ 12,838,398	**$ 101,564**

Note) The application of the equity method to JERA, an affiliated company, is based on consolidated financial statements for JERA created in accordance with International Financial Reporting Standards (IFRS) that were put into use in the term ending March 2023. Accordingly, the standards have been retroactively applied to the data for the term ending March 2022.

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
LIABILITIES AND NET ASSETS			
Long-term liabilities and reserves			
Long-term debt	**¥ 2,980,281**	¥ 2,772,245	**$ 22,318**
Other long-term liabilities	**391,406**	337,142	**2,931**
Provision for preparation of removal of reactor cores in the specified nuclear power facilities	**9,168**	—	**69**
Provision for removal of reactor cores in the specified nuclear power facilities	**158,783**	163,968	**1,190**
Reserve for loss on disaster	**500,623**	496,293	**3,749**
Reserve for nuclear damage compensation	**869,133**	487,381	**6,508**
Net defined benefit liability	**318,875**	323,514	**2,388**
Asset retirement obligations	**1,055,749**	1,036,579	**7,906**
	6,284,022	5,617,126	**47,059**
Current liabilities:			
Current portion of long-term debt	**593,036**	529,256	**4,441**
Short-term loans	**2,183,111**	2,170,398	**16,348**
Notes and accounts payable-trade	**575,778**	467,654	**4,312**
Accrued taxes	**47,678**	57,714	**357**
Other	**757,496**	779,702	**5,672**
	4,157,101	4,004,727	**31,130**
Reserve under special laws:			
Reserve for preparation of the depreciation of nuclear power construction	**—**	9,485	**—**
	—	9,485	**—**
Total liabilities	**10,441,123**	9,631,339	**78,189**
Net assets:			
Shareholders' equity:			
Common stock, without par value:			
Authorized — 35,000,000,000 shares in 2023 and 2022			
Issued —1,607,017,531 shares in 2023 and 2022	**900,975**	900,975	**6,747**
Preferred stock:			
Authorized — 5,500,000,000 shares in 2023 and 2022			
Issued —1,940,000,000 shares in 2023 and 2022	**500,000**	500,000	**3,744**
Capital surplus	**756,221**	756,222	**5,663**
Retained earnings	**840,869**	964,209	**6,297**
Treasury stock, at cost:			
4,846,547 shares in 2022 and 4,825,496 shares in 2021	**(8,492)**	(8,483)	**(65)**
Total shareholders' equity	**2,989,573**	3,112,924	**22,386**
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	**10,162**	14,059	**76**
Deferred gains or losses on hedges	**23,598**	26,646	**177**
Land revaluation loss	**(2,789)**	(2,497)	**(21)**
Foreign currency translation adjustments	**88,319**	23,865	**661**
Remeasurements of defined benefit plans	**(13,466)**	6,718	**(101)**
Total accumulated other comprehensive income	**105,823**	68,792	**792**
Stock acquisition rights	**—**	10	**—**
Noncontrolling interests	**26,565**	25,330	**199**
Total net assets	**3,121,962**	3,207,059	**23,377**
Total liabilities and net assets	**¥ 13,563,085**	¥ 12,838,398	**$ 101,566**

Consolidated Statement of Operations

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
Operating revenues:			
Electricity	**¥ 7,132,112**	¥ 4,841,579	**$ 53,408**
Other	**666,584**	468,344	**4,992**
	7,798,696	5,309,924	**58,400**
Operating expenses:			
Electricity	**7,403,991**	4,836,691	**55,444**
Other	**623,675**	427,002	**4,670**
	8,027,666	5,263,693	**60,114**
Operating income	**(228,969)**	46,230	**(1,714)**
Other income (expenses):			
Interest and dividend income	**949**	1,137	**7**
Interest expense	**(48,282)**	(44,622)	**(362)**
Extraordinary loss on disaster	**(22,214)**	(12,824)	**(166)**
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	**507,491**	116,607	**3,800**
Compensation for nuclear damages	**(507,350)**	(117,793)	**(3,799)**
Share of profit of entities accounted for using the equity method	**–**	36,549	**–**
Share of loss of entities accounted for using equity method	**(1,142)**	–	**(9)**
Gain on sales of noncurrent assets	**62,739**	–	**470**
Gain on sale of shares of subsidiaries and associates	**123,331**	–	**924**
Loss on return of imbalance income and expenditures	**–**	(15,841)	**–**
Gain on settlement	**–**	7,200	**–**
Other, net	**(7,947)**	(4,251)	**(60)**
	107,573	(33,837)	**805**
Income before special items and income taxes	**(121,396)**	12,392	**(909)**
Special items:			
Provision for reserve for preparation of the depreciation of nuclear power construction	**9,485**	(1,041)	**71**
	9,485	(1,041)	**71**
Income before income taxes	**(111,911)**	11,351	**(838)**
Income taxes:			
Current	**8,710**	8,041	**65**
Deferred	**2,408**	(467)	**18**
	11,118	7,574	**83**
Net income	**(123,029)**	3,777	**(921)**
Net income attributable to non-controlling interests	**601**	860	**5**
Net income attributable to owners of the parent	**¥ (123,631)**	¥ 2,916	**$ (926)**
Per share information:	Yen		U.S. dollars
Net assets (basic)	**¥ 1,307.87**	¥ 1,361.73	**$ 9.79**
Net income (basic)	**(77.17)**	1.82	**(0.58)**
Net income (diluted)	**–**	0.58	**–**
Cash dividends	**–**	–	**–**

Consolidated Statement of Comprehensive Income

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
Net income	**¥ (123,029)**	¥ 3,777	**$ (921)**
Other comprehensive income (loss):			
Valuation difference on available-for-sale securities	**(80)**	(680)	**(1)**
Foreign currency translation adjustments	**2,990**	2,813	**22**
Remeasurements of defined benefit plans	**(21,697)**	(9,080)	**(162)**
Share of other comprehensive income of entities accounted for using the equity method	**56,108**	54,445	**420**
Total other comprehensive income	**37,320**	47,498	**279**
Comprehensive income	**¥ (85,709)**	¥ 51,275	**$ (642)**
Total comprehensive income attributable to:			
Owners of the parent	**¥ (86,308)**	¥ 50,415	**$ (646)**
Non-controlling interests	**599**	860	**4**

Note) The application of the equity method to JERA, an affiliated company, is based on consolidated financial statements for JERA created in accordance with International Financial Reporting Standards (IFRS) that were put into use in the term ending March 2023. Accordingly, the standards have been retroactively applied to the data for the term ending March 2022.

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2023

Millions of yen

	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2022	**¥900,975**	**¥500,000**	**¥756,222**	**¥964,209**	**¥(8,483)**	**¥3,112,924**	**¥14,059**	**¥26,646**	**(2,497)**	**¥23,865**	**¥6,718**	**¥68,792**	**¥10**	**¥25,330**	**¥3,207,059**
Cumulative effect from accounting chnages	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Balance at April 1, 2022 (as restated)	**¥900,975**	**¥500,000**	**¥756,222**	**¥964,209**	**¥(8,483)**	**¥3,112,924**	**¥14,059**	**¥26,646**	**(2,497)**	**¥23,865**	**¥6,718**	**¥68,792**	**¥10**	**¥25,330**	**¥3,207,059**
Net income attributable to owners of the parent	–	–	–	(123,631)	–	(123,631)	–	–	–	–	–	–	–	–	(123,631)
Purchases of treasury stock	–	–	–	–	(12)	(12)	–	–	–	–	–	–	–	–	(12)
Sales of treasury stock	–	–	(1)	–	1	0	–	–	–	–	–	–	–	–	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Reversal of land revaluation loss	–	–	–	292	–	292	–	–	–	–	–	–	–	–	292
Other	–	–	–	–	0	0	–	–	–	–	–	–	–	–	0
Net changes in items other than shareholders' equity	–	–	–	–	–	–	(3,897)	(3,048)	(292)	64,453	(20,184)	37,030	(10)	1,234	38,254
Total changes	–	–	(1)	(123,339)	(9)	(123,350)	(3,897)	(3,048)	(292)	64,453	(20,184)	37,030	(10)	1,234	(85,096)
Balance at March 31, 2023	**¥900,975**	**¥500,000**	**¥756,221**	**¥840,869**	**¥(8,492)**	**¥2,989,573**	**¥10,162**	**¥23,598**	**¥(2,789)**	**¥88,319**	**¥(13,466)**	**¥105,823**	**–**	**¥26,565**	**¥3,121,962**

Year ended March 31, 2022

Millions of yen

	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2021	**¥900,975**	**¥500,000**	**¥756,196**	**¥972,790**	**¥(8,477)**	**¥3,121,484**	**¥9,267**	**¥4,015**	**¥(2,483)**	**¥(23,083)**	**¥16,098**	**¥3,814**	**¥18**	**¥17,483**	**¥3,142,801**
Cumulative effect from accounting chnages	–	–	–	2,161	–	2,161	–	–	–	–	–	–	–	–	2,161
Increase or decrease due to changes in accounting treatment of affiliated companies accounted for by the equity method	–	–	–	(13,674)	–	(13,674)	15,770	(1,602)	–	3,325	–	17,493	–	–	3,819
Balance at April 1, 2021 (as restated)	**¥900,975**	**¥500,000**	**¥756,196**	**¥961,278**	**¥(8,477)**	**¥3,109,972**	**¥25,037**	**¥2,412**	**¥(2,483)**	**¥(19,757)**	**¥16,098**	**¥21,308**	**¥18**	**¥17,483**	**¥3,148,782**
Net income attributable to owners of the parent	–	–	–	¥2,916	–	¥2,916	–	–	–	–	–	–	–	–	¥2,916
Purchases of treasury stock	–	–	–	–	(7)	(7)	–	–	–	–	–	–	–	–	(7)
Sales of treasury stock	–	–	(1)	–	1	0	–	–	–	–	–	–	–	–	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	–	–	28	–	–	28	–	–	–	–	–	–	–	–	28
Reversal of land revaluation loss	–	–	–	13	–	13	–	–	–	–	–	–	–	–	13
Other	–	–	–	–	0	0	–	–	–	–	–	–	–	–	0
Net changes in items other than shareholders' equity	–	–	–	–	–	–	(10,978)	24,233	(13)	43,623	(9,380)	47,484	(7)	7,846	55,324
Total changes	–	–	26	2,930	(5)	2,952	(10,978)	24,233	(13)	43,623	(9,380)	47,484	(7)	7,846	58,276
Balance at March 31, 2022	**¥900,975**	**¥500,000**	**¥756,222**	**¥964,209**	**¥(8,483)**	**¥3,112,924**	**¥14,059**	**¥26,646**	**¥(2,497)**	**¥23,865**	**¥6,718**	**¥68,792**	**¥10**	**¥25,330**	**¥3,207,059**

Year ended March 31, 2023

Millions of U.S. dollars

	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2022	**$6,747**	**$3,744**	**$5,663**	**$7,220**	**$(64)**	**$23,311**	**$105**	**$200**	**$(19)**	**$179**	**$50**	**$515**	**$0**	**$190**	**$24,016**
Cumulative effect from accounting chnages	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Balance at April 1, 2022 (as restated)	**$6,747**	**$3,744**	**$5,663**	**$7,220**	**$(64)**	**$23,311**	**$105**	**$200**	**$(19)**	**$179**	**$50**	**$515**	**$0**	**$190**	**$24,016**
Net income attributable to owners of the parent	–	–	–	(926)	–	(926)	–	–	–	–	–	–	–	–	(926)
Purchases of treasury stock	–	–	–	–	(0)	(0)	–	–	–	–	–	–	–	–	(0)
Sales of treasury stock	–	–	(0)	–	0	0	–	–	–	–	–	–	–	–	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Reversal of land revaluation loss	–	–	–	2	–	2	–	–	–	–	–	–	–	–	2
Other	–	–	–	–	0	0	–	–	–	–	–	–	–	–	0
Net changes in items other than shareholders' equity	–	–	–	–	–	–	(29)	(23)	(2)	483	(151)	277	(0)	9	286
Total changes	–	–	(0)	(924)	(0)	(924)	(29)	(23)	(2)	483	(151)	277	(0)	9	(638)
Balance at March 31, 2023	**$6,747**	**$3,744**	**$5,663**	**$6,296**	**$(64)**	**$22,387**	**$76**	**$177**	**$(21)**	**$662**	**$(101)**	**$792**	**$0**	**$199**	**$23,378**

Note) The application of the equity method to JERA, an affiliated company, is based on consolidated financial statements for JERA created in accordance with International Financial Reporting Standards (IFRS) that were put into use in the term ending March 2023. Accordingly, the standards have been retroactively applied to the data for the term ending March 2022.

Consolidated Statement of Cash Flows

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
Cash flows from operating activities			
Income before income taxes	**¥ (111,911)**	¥ 11,351	**$ (838)**
Depreciation and amortization	**341,145**	419,203	**2,555**
Decommissioning costs of nuclear power units	**41,341**	39,195	**310**
Loss on disposal of property, plant and equipment	**24,194**	28,281	**181**
Increase (decrease) in provision for preparation of removal of reactor cores in specified nuclear power facilities	**9,168**	–	**69**
Increase in reserve for loss on disaster	**12,767**	7,100	**96**
Decrease in net defined benefit liability	**(4,639)**	(8,686)	**(35)**
Increase in reserve fund for nuclear reactor decommissioning	**(52,290)**	(100,513)	**(392)**
Interest and dividend income	**(949)**	(1,137)	**(7)**
Interest expense	**48,282**	44,622	**362**
Share of loss (profit) of entities accounted for using equity method	**1,142**	(36,549)	**9**
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	**(507,491)**	(116,607)	**(3,800)**
Compensation for nuclear damages	**507,350**	117,793	**3,799**
Gain on sales of noncurrent assets	**(62,739)**	–	**(470)**
Gain on sales of subsidiaries and affiliates' stocks	**(123,331)**	–	**(924)**
Loss on return of imbalance income and expenditures	**–**	15,841	**–**
Increase in trade receivables	**(119,387)**	(69,030)	**(894)**
Increase (decrease) in trade payables	**114,956**	163,053	**861**
Other	**(164,575)**	(43,013)	**(1,232)**
	(46,964)	470,906	**(350)**
Interest and cash dividends received	**25,415**	18,952	**190**
Interest paid	**(46,967)**	(43,942)	**(352)**
Payments for loss on disaster due to the Tohoku-Chihou-Taiheiyou-Oki Earthquake	**(16,848)**	(16,281)	**(126)**
Receipts of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	**310,000**	410,100	**2,321**
Payments for nuclear damage compensation	**(305,149)**	(406,553)	**(2,285)**
Income taxes paid	**4,840**	(26,686)	**36**
Net cash provided by operating activities	**(75,673)**	406,493	**(566)**

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	**2023/3**	2022/3	**2023/3**
Cash flows from investing activities			
Purchases of property, plant and equipment	**(631,143)**	(551,904)	**(4,726)**
Proceeds from sales of noncurrent assets	**63,653**	1,159	**477**
Contributions in aid of construction received	**24,591**	22,739	**184**
Increase in long-term investments	**(17,555)**	(33,821)	**(131)**
Proceeds from long-term investments	**195,442**	1,401	**1,464**
Payments for purchases of subsidiaries, net	**(18,501)**	(1,424)	**(139)**
Other	**(5,329)**	2,059	**(40)**
Net cash used in investing activities	**(388,842)**	(559,791)	**(2,911)**
Cash flows from financing activities			
Proceeds from issuance of bonds	**774,506**	745,001	**5,800**
Redemptions of bonds	**(475,835)**	(351,467)	**(3,563)**
Proceeds from long-term loans	**5,138**	–	**38**
Repayments of long-term loans	**(23,765)**	(46,497)	**(178)**
Proceeds from short-term loans	**4,379,165**	4,402,840	**32,793**
Repayments of short-term loans	**(4,366,662)**	(4,200,387)	**(32,699)**
Proceeds from issuance of commercial papers	**42,000**	–	**315**
Redemptions of commercial papers	**(20,000)**	–	**(150)**
Other	**5,437**	11,107	**41**
Net cash (used in) provided by financing activities	**319,984**	560,596	**2,397**
Effect of exchange rate changes on cash and cash equivalents	**62**	218	**0**
Net (decrease) increase in cash and cash equivalents	**(144,468)**	407,517	**(1,080)**
Cash and cash equivalents at beginning of the year	**861,825**	454,307	**6,454**
Cash and cash equivalents at end of the year	**¥717,357**	¥861,825	**$5,374**

Note) The application of the equity method to JERA, an affiliated company, is based on consolidated financial statements for JERA created in accordance with International Financial Reporting Standards (IFRS) that were put into use in the term ending March 2023. Accordingly, the standards have been retroactively applied to the data for the term ending March 2022.

ESG Data

Environment

Environmental Data

Initiatives for the Environment

1. TEPCO Holdings and coreoperating companies

(TEPCO Holdings, TEPCO Fuel & Power, TEPCO Power Grid, TEPCO Energy Partner, and TEPCO Renewable Power)

Key figures

	UM	FY2020	FY2021	**FY2022**	GRI
Installed capacity by energy source *1					
Total net electricity generation capacity	MW	18,199	18,200	18,122	
Thermal net capacity	MW	58	58	58	
Coal	MW	0	0	0	
LNG	MW	0	0	0	
Oil	MW	58	58	58	
Nuclear net capacity	MW	8,212	8,212	8,212	
Renewable net capacity	MW	9,929	9,930	9,852	
Hydroelectric *2	MW	9,878	9,879	9,801	
Solar	MW	30	30	30	
Wind	MW	21	21	21	
Geothermal	MW	0	0	0	
Biomass and cogeneration	MW	0	0	0	
Net energy production by energy source *1					
Total net electricity production	GWh	11,937	13,106	11,706	
Thermal net production	GWh	159	157	156	
Coal	GWh	0	0	0	
LNG	GWh	0	0	0	
Oil	GWh	159	157	156	
Nuclear net production	GWh	0	0	0	
Renewable net production	GWh	11,778	12,948	11,550	
Hydroelectric *2	GWh	11,722	12,882	11,489	
Solar	GWh	29	29	24	
Wind	GWh	26	37	36	
Geothermal	GWh	0	0	0	
Biomass and cogeneration *3	GWh	0	0	0	
Efficiency					
Thermal power plant	%	-	-	-	
Development					
Development of renewable power generation facilities	MW	138	192	326	
Availability					
Nuclear power plant	%	0	0	0	
Network					
Electricity network					
Total transmission network	km	41,059	40,966	41,037	
- of which aerial line	km	28,585	28,453	28,480	
- of which underground cable	km	12,474	12,513	12,557	
Total distribution network	km	382,290	383,415	384,544	
- of which aerial line	km	343,257	344,208	345,095	
- of which underground cable	km	39,033	39,207	39,449	
Transmission and distribution loss					
Extra high voltage *4	%	1.4	1.3	1.3	
High voltage *4	%	3.9	3.9	3.7	
Low voltage *4	%	6.4	6.6	6.9	
Average	%	4.0	4.5	3.8	
System Average Interruption Duration Index (SAIDI)	min.	7	7	5	
Smart meter					
Number of installations *5	10k units	2,840	2,840	2,840	
Installation rate *5	%	100	100	100	
Sales					
Electricity volumes	GWh	192,866	177,118	173,089	
CO_2 related electricity sales					
Adjusted emissions intensity *6	kg-CO_2/kWh	0.441	0.451	0.376	
Basic emissions intensity	kg-CO_2/kWh	0.447	0.457	0.457	
Adjusted emissions *7	ktCO_2	85,100	79,900	65,100	
Basic emissions	ktCO_2	86,300	80,900	79,100	
Gas volumes	kt	2,100	2,710	2,720	
Environmental compliance					307-1
Total number of non-monetary sanctions	no.	0	0	0	
Significant spill					
Total number of significant spill	no.	0	0	0	

Emissions

	UM	FY2020	FY2021	**FY2022**	GRI
Direct greenhouse gas emissions (Scope 1) *8					
Total direct emissions (Scope 1) *9	ktCO_2eq	190	★192	193	
CO_2 emissions from electricity production and other activities	ktCO_2	120	118	119	
CO_2 emissions from vehicles (gasoline and diesel)	ktCO_2	7	7	6	
Total other CO_2eq emissions	ktCO_2eq	63	67	68	
N_2O	ktCO_2eq	1	1	1	
HFCs *10	ktCO_2eq	3	3	6	
SF_6 *10	ktCO_2eq	59	63	61	
Other emissions volume					305-1
N_2O	t	3	3	3	
SF_6 *10	t	2.6	2.8	2.7	
SF_6 recovery rate					
In equipment inspections	%	>99.5	99	>99.5	
In equipment removal	%	>99.5	99	99	
Fluorocarbon emissions					
Leaked volumes based on the Act on Rational Use and Appropriate Management of Fluorocarbon	ktCO_2eq	5	6	9	
Indirect greenhouse gas emissions (Scope 2) *11					
Total of Scope2,market based *12	ktCO_2eq	5,205	5,753(☆)	4,909	
Total of Scope2,location based *13	ktCO_2eq	5,207	5,744(☆)	4,888	
In offices, hydroelectric and thermalelectric plants					
Related to energy purchased from the grid (Scope 2, location based) *13	ktCO_2eq	469	465	481	305-2
Related to energy purchased from the grid (Scope 2, market based) *12	ktCO_2eq	471	456	461	
Related to technical losses from distribution and transmission network *14	ktCO_2eq	4,736	5,288	4,427	

	UM	FY2020	FY2021	**FY2022**	GRI
Other indirect greenhouse gas emissions (Scope 3, per GHG protcol) *15					
Total of Scope 3	$ktCO_2eq$	110,119	102,116	106,400	
Category 1 Purchased goods and services *16	$ktCO_2eq$	1,236	1,670	2,749	
Category 2 Capital goods	$ktCO_2eq$	1,906	1,758	1,988	
Category 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2) *17	$ktCO_2eq$	101,402	★91,342	94,174	
Category 4 Upstream transportation and distribution	$ktCO_2eq$	0	0	0	
Category 5 Waste generated in operations	$ktCO_2eq$	2	3	4	
Category 6 Business travel	$ktCO_2eq$	4	4	4	
Category 7 Employee commuting	$ktCO_2eq$	11	10	10	
Category 8 Upstream leased assets	$ktCO_2eq$	0	0	0	
Other (upstream)	$ktCO_2eq$	0	0	0	305-3
Category 9 Downstream transportation and distribution	$ktCO_2eq$	0	0	0	
Category 10 Processing of sold products	$ktCO_2eq$	0	0	0	
Category 11 Use of sold products *18	$ktCO_2eq$	5,559	★7,329	7,471	
Category 12 End-of-life treatment of sold products	$ktCO_2eq$	0	0	0	
Category 13 Downstream leased assets	$ktCO_2eq$	0	0	0	
Category 14 Franchises	$ktCO_2eq$	0	0	0	
Category 15 Investments	$ktCO_2eq$	0	0	0	
Other (downstream)	$ktCO_2eq$	0	0	0	
Scope 1 and 2					
Market based	$ktCO_2eq$	5,395	5,945	5,102	
Location based	$ktCO_2eq$	5,397	5,936	5,082	
Scope 1, 2 and 3					
Market based	$ktCO_2eq$	115,514	108,061	111,502	
Location based	$ktCO_2eq$	115,516	108,052	111,481	
Other atmospheric emission					
NO_x emissions	kt	2	2	2	
SO_x emissions	kt	<1	<1	<1	305-7
Dust emissions	kt	<0.1	<0.1	<0.1	
Direct mercury emissions *19	kt	0	0	0	

Energy

	UM	FY2020	FY2021	**FY2022**	GRI
Energy comsumption					
Total	GJ	12,376,989	12,283,582	12,402,590	
Electricity production and other activities	GJ	1,738,099	1,705,628	1,723,232	302-1
Vehicles (gasoline and diesel)	GJ	106,536	96,981	94,970	
Electricity, heat and steam (in offices, hydroelectric and thermal electric plants)	GJ	10,532,354	10,480,973	10,584,387	
Energy consumption intensity in buildings					302-3
Per total floor space of office (headquarters, branch offices, etc.)	MJ/m^2	1,397	1,336	1,316	
Renewable energy (in-house power generation)					
Installed buildings	kW	17	15	14	
Installed capacity	kW	229	303	301	
Net energy production	MWh	227	225	223	

Raw materials

	UM	FY2020	FY2021	**FY2022**	GRI
Fuel comsumption					
Coal	kt	<1	<1	<1	
Heavy oil, crude oil, etc.	ML	44	43	44	
Gas (LNG, LPG)	kt	<1	<1	<1	301-1
City Gas	mil m^3	<1	<1	<1	
Fuel for nuclear power plants	t	0	0	0	
Biomass	kt	0	0	0	

Water

	UM	FY2020	FY2021	**FY2022**	GRI
Water withdrawal in "water stressed" areas					
Total	kilo m^3	0	0	0	
Water withdrawal by source					
Total	kilo m^3	47,420,172	49,463,282	47,263,796	303-3
River water for hydroelectric plants	kilo m^3	47,419,231	49,462,389	47,262,577	
Industrial water	kilo m^3	67	73	384	
Municipal water	kilo m^3	849	794	811	
Groundwater	kilo m^3	25	27	24	
Water discharge by destination					303-4
Total	kilo m^3	47,420,170	49,463,282	47,263,796	
Freshwater consumption					303-5
Total	kilo m^3	2	<1	<1	
Water treatment					
Volume of waste water treatment in power plants	kilo m^3	-	-	-	
COD emissions from power plants	t	-	-	-	

Waste

	UM	FY2020	FY2021	**FY2022**	GRI
Industrial waste by disposal method					306-3
Total generated	kt	144	148	140	
Recycled volume	kt	144	148	140	306-4
Landfill treatment volume	kt	<1	<1	<1	306-5
Recycling rate	%	99.9	99.6	99.9	
Hazardous waste					
Waste volume containing PCB	kt	26	27	18	
Insulating oil (inadvertently contaminated)	ML	4	4	4	306-4
Pole-mounted transformers	10k units	7	5	3	
High-voltage transformers and capacitors (high contaminated)*20	units	3	24	-	
Management of remaining PCB equipments					
Pole-mounted transformers	10k units	12	8	6	
High-voltage transformers and capacitors (high contaminated)*20	units	23	0	-	
Ash management					
Total generated	kt	0	0	0	
Recycled volume	kt	0	0	0	
Landfill treatment volume	kt	0	0	0	
Recycling rate	%	-	-	-	

Other

	UM	FY2020	FY2021	**FY2022**	GRI
Electric vehicle					
Number of EV or PHEV	no.	569	656	720	
Rate of EV or PHEV fleets	%	15	18	21	
Green procurement					
Green procurement rate in office supplies (monetary value based)	%	99.8	99.9	99.9	
Paper bought for printers/ photocopiers					
Number of sheets (equivalent A4 sheets)	mil A4eq	205	170	171	
Weight	t	818	678	681	

2. TEPCO Holdings and all of consolidated subsidiary companies

Key figures

	UM	FY2020	FY2021	**FY2022**	GRI
Installed capacity by energy source					
Total net electricity generation capacity	MW	18,350	18,354	18,269	
Thermal net capacity	MW	58	58	58	
Coal	MW	0	0	0	
LNG	MW	0	0	0	
Oil	MW	58	58	58	
Nuclear net capacity	MW	8,212	8,212	8,212	
Renewable net capacity	MW	10,080	10,084	9,998	
Hydroelectric *2	MW	10,025	10,021	9,945	
Solar	MW	31	39	30	
Wind	MW	21	21	21	
Geothermal	MW	0	0	0	
Biomass and cogeneration	MW	3	3	3	
Net energy production by energy source					
Total net electricity production	GWh	12,561	13,698	12,248	
Thermal net production	GWh	159	157	156	
Coal	GWh	0	0	0	
LNG	GWh	0	0	0	
Oil	GWh	159	157	156	
Nuclear net production	GWh	0	0	0	
Renewable net production	GWh	12,402	13,541	12,092	
Hydroelectric *2	GWh	12,332	13,458	12,016	
Solar	GWh	31	31	25	
Wind	GWh	26	37	36	
Geothermal	GWh	0	0	0	
Biomass and cogeneration *21	GWh	13	16	16	
Sales					
Electricity volumes *23	GWh	204,484	233,812	242,784	
Environmental compliance					307-1
Total number of non-monetary sanctions	no.	0	0	0	
Significant spill					
Total number of significant spill	no.	0	0	0	
ISO 14001					
Certificated offices *22	no.	24	19	20	

Emissions

	UM	FY2020	FY2021	**FY2022**	GRI
Direct greenhouse gas emissions (Scope 1)					305-1
Total direct emissions (Scope 1)	$ktCO_2eq$	203	203	205	
Indirect greenhouse gas emissions (Scope 2)					
Total of Scope2,market based	$ktCO_2eq$	5,229	5,777	4,926	
Total of Scope2,location based	$ktCO_2eq$	5,231	5,773	4,905	
In offices, hydroelectric and thermal electric plants					305-2
Related to energy purchased from the grid (Scope 2, market based)	$ktCO_2eq$	493	489	498	
Related to energy purchased from the grid (Scope 2, location based)	$ktCO_2eq$	495	485	478	
Related to technical losses from distribution and transmission network	$ktCO_2eq$	4,736	5,288	4,427	
Scope 1 and 2					
Market based	$ktCO_2eq$	5,432	5,980	5,131	
Location based	$ktCO_2eq$	5,433	5,976	5,110	
Other indirect greenhouse gas emissions (Scope 3, per GHG protcol)					
Total of Scope 3 *24	$ktCO_2eq$	-	-	106,727	

Energy

	UM	FY2020	FY2021	**FY2022**	GRI
Energy consumption					302-1
Total	GJ	13,084,756	13,122,744	12,952,697	

Water

	UM	FY2020	FY2021	**FY2022**	GRI
Water withdrawal by uses					303-3
Total	kilo m^3	51,300,384	52,787,101	50,621,370	
River water for hydroelectric plants	kilo m^3	51,299,291	52,786,057	50,619,971	
Industrial water for thermal electric plants	kilo m^3	67	73	384	
Municipal water	kilo m^3	1,000	944	991	
Groundwater	kilo m^3	25	27	25	

Waste

	UM	FY2020	FY2021	**FY2022**	GRI
Industrial waste by disposal method					
Total generated	kt	179	212	152	306-3
Recycled volume	kt	179	212	152	306-4
Landfill treatment volume	kt	<1	<1	<1	306-5
Recycling rate	%	99.8	99.6	99.7	

Other

	UM	FY2020	FY2021	**FY2022**	GRI
Electric vehicle					
Number of EV or PHEV *22	no.	592	690	754	
Green procurement					
Green procurement rate in office supplies (monetary value based)	%	97.6	95.3	94.8	
Paper bought for printers/ photocopiers					
Number of sheets (equivalent A4 sheets)	mil A4eq	323	247	249	
Weight	t	1,289	985	993	

· Figures which are marked with ★ have been externally assured by KPMG AZSA Sustainability Co.,Ltd.
· Figures marked with a star (☆) were third-party verified by KPMG AZSA LLC in November 2022, but the figures were retroactively changed due to aggregation method revisions in 2023.
· Totals may not be exact due to significant digits or rounding.
· The values of TEPCO HD and all of consolidated subsidiary companies are the sum of the value multiplying each company data by the voting rights ratio.
· The values are for the fiscal year (from 1 April to 31 March) or as of the end of the fiscal year (31 March) unless otherwise specified.

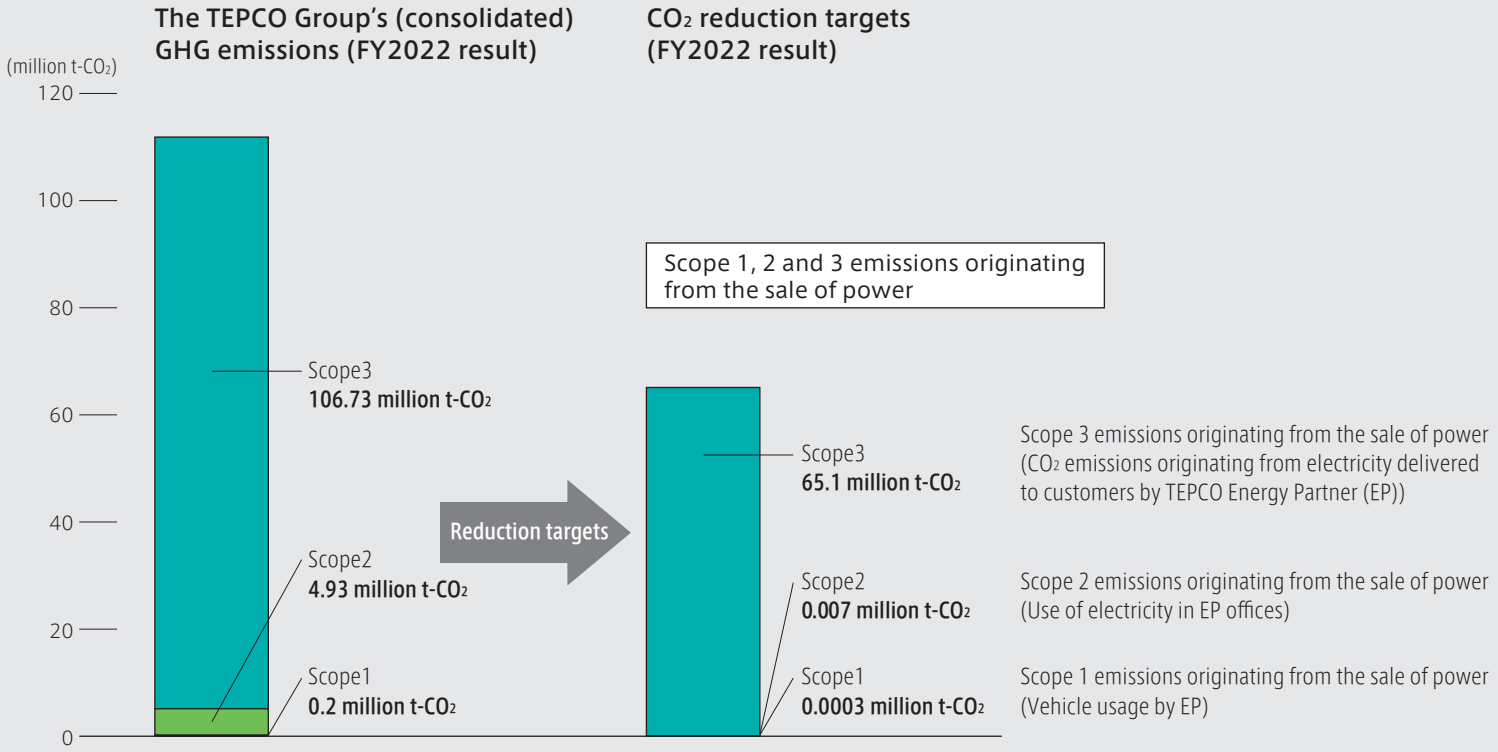
*1 Source: "Surveys and Statistics of Electricity (the Agency for Natural Resources and Energy)"
*2 Including pumped-storage power generation
*3 The value in [ ] is the re-posted value of biomass power generation in thermal power production.
*4 The power voltage-based power transmission/distribution loss rate noted in performance for FY2022 onward is the power voltage-based transmission/distribution power loss rate noted in the terms and conditions for consigned transmission supply announced at the beginning of the fiscal year. Retroactive corrections have also been made for FY2019–FY2021 performance.
*5 Since the installation has been completed in all households except for some places where replacement work is difficult, the values for FY2020 are listed after FY2021.
*6 Adjusted emissions intensity is the value after adjustment of feed-in tariff scheme for renewable energy based on the Act on Promotion of Global Warming Countermeasures.
*7 Adjusted emissions is the value after adjustment of feed-in tariff scheme for renewable energy based on the Act on Promotion of Global Warming Countermeasures.
*8 Emissions of greenhouse gases released directly into the atmosphere from emission sources within organizational boundaries.
Calculated, in principle, with the emission factors specified in the GHG emissions accounting, reporting, and disclosure system administered by Japan's Ministry of the Environment, based on the Act on the Rational Use of Energy and the Law Concerning the Promotion of the Measures to Cope with Global Warming.
However CO2 emissions from vehicles are included in Scope 1.
*9 Emissions due to the fluorocarbon emissions are not included in total direct emissions (Scope 1).
*10 The value for calendar year (from January 1 to December 31)
*11 Emissions due to the use of electricity, heat and steam supplied by others.
*12 "Market based" emissions are emissions which are calculated based on the emissions factor of each electricity retail company.
Calculated by using the adjusted emissions factor for each electricity retail company and the emissions factor of heat and steam specified in the Act on Promotion of Global Warming Countermeasures.
*13 "Location based" emissions reflect the average emissions factor of grids.
*14 The emission coefficient for general transmission/distribution operators has been converted into a transmission-end emission coefficient and multiplied by the transmission/distribution loss calculated by multiplying transmission-and power volume by the transmission/distribution loss rate.
*15 Indirect greenhouse gas emissions from business
Approach to calculation
We follow major guidelines have been published: "Corporate Value Chain (Scope 3) Accounting and Reporting Standard(GHG protocol)"
"Green Value Chain Platform (Japanese Ministry of the Environment website, which provides Scope 3 emissions calculation methods and models)"
*16 The aggregation scope of performance data from FY2022 onward has been expanded to include all purchased products/services.
*17 Emissions due to the extraction, production and transportation of fuel resources for power generation:
Calculated by multiplying the electricity sold with the emissions coefficient specified in the emissions coefficients database for the calculation of GHG emissions throughout the supply chain available from Japan's Ministry of the Environment.
Emissions associated with the electricity purchased from outside the TEPCO Group: Calculated by multiplying the electricity purchased from outside the TEPCO Group by the emissions factor of the TEPCO Group company that sells electricity and that for power transmission and distribution operators.
*18 Emissions associated with the use of city gas we sell: Calculated by multiplying the city gas sold (in calorific value) by the emissions factor specified in the GHG emissions accounting, reporting, and disclosure system administered by Japan's Ministry of the Environment.
*19 Not applicable to mercury emission facilities under the Air Pollution Control Act after FY2019
*20 The disposal of high-concentration PCB was completed at the end of FY2021.
*21 Figures noted in brackets [ ] for the generated power volume of TEPCO Fuel & Power, Inc. are reprinted power volumes pertaining to thermal power output biomass.
*22 Added up without multiplying by voting rights ratio
*23 Figures for FY2020 and earlier show retail electricity. And the total of retail electricity and wholesale electricity is shown since FY2021.
*24 The aggregation scope of performance data from FY2022 onward has been expanded to include all consolidated subsidiaries.

The Relationship between the TEPCO Group's Greenhouse Gas (GHG) Emissions and CO_2 Reduction Targets (FY2030)

Scope 3 emissions (106,730,000t-CO_2) account for more than 95% of the TEPCO Group's GHG emissions in FY2022 (111,860,000t-CO_2). This is largely due to the completely transferal all of fuel/thermal power businesses to JERA in FY2019.

The TEPCO Group's reduction targets include Scope 1 and Scope 2 emissions, which are the Group's direct and indirect emissions, as well as Scope 3 emissions, which are emissions from our supply chain. Our target is to reduce CO_2 emissions originating from the sale of power, which account for the majority of our GHG emissions, by 50% of FY2013 levels by FY2030.

Scope 1: Direct emissions from our combustion of fuel
Scope 2: Indirect emissions from consumed electricity as well as heat/steam
Scope 3: Supply chain (upstream/downstream) emissions



Social

Social Data

TEPCO Group (*1)

(1) Employee-Related Indicators

	Category		UM	Performance			GRI Standard
				FY2020	FY2021	**FY2022**	
1	Number of employees (*2)	Total	People	30,574	27,898	27,585	102-7 405-1
		Males		26,749	24,244	23,937	
		Females		3,825	3,654	3,648	
2	Average age	Total	Age	45.4	45.5	45.6	405-1
		Males		45.6	45.8	45.9	
		Females		43.4	43.5	43.7	
3	Average number of years on the job	Total	Years	24.6	24.6	24.5	-
		Males		24.9	24.9	24.9	
		Females		22.5	22.6	22.4	
4	Separation rate	Total	%	4.8	6.1	4.9	401-1
		Males		4.8	6.3	5.0	
		Females		4.4	4.4	4.2	
5	Voluntary turnover rate	Total	%	0.9	1.1	1.0	401-1
		Males		0.8	1.1	1.0	
		Females		1.2	1.0	1.0	
6	Management promotions	Age of youngest employee that management position is offered	Age	36	35	37	405-1
		Number of women in management positions	People	286	273	279	
		Ratio of women in management positions	%	5.50	5.80	5.98	
7	Employment of physically challenged individuals	Employment rate	%	2.20	2.22	2.20	405-1
8	Number of newly hired employees	Total	People	462	568	518	401-1
		Males		392	459	432	
		Females		70	109	86	
9	Number of career hired employees (highly skilled human resources)	Total	People	135	155	199	401-1
		Males		120	139	162	
		Females		15	16	37	
10	Mid-career recruitment ratio of hired employees	Total	%	22.6	21.4	27.8	-
		Males		23.4	23.2	27.3	
		Females		17.6	12.8	30.1	
11	Number of employees that have used the system for taking leaves of absence for nursing care	Total	People	4	8	6	-
		Males		2	4	4	
		Females		2	4	2	
12	Percentage of employees that have used the system for taking leaves of absence for child rearing	Total	%	21.7	23.9	29.7	401-3
		Males		4.8	8.2	19.8	
		Females		100	93.6	89.6	
13	Male childcare leave		%	80.1	83.8	77.3	401-3
14	Rate of returning from childcare leave	Total	%	98.6	99.0	99.2	401-3
		Males		100	100	100	
		Females		98.4	98.7	98.6	
15	Average age of executives (*3)		Age	55.6	56.4	56.8	-
16	Ratio of employees in unions		%	100	100	100	102-7

(2) Health and Safety-Related Indicators

	Category		UM	Performance			GRI Standard
				FY2020	FY2021	**FY2022**	
1	Lost time incident frequency rate (LTIR)(employees)		-	0.18	★0.08	0.20	403-2
2	Lost time incident severity rate (LTISR)		-	0.01	0.01	0.01	403-2
3	Number of injured employees	Total	People	10	5	11	403-2
		Males		9	5	8	
		Females		1	0	3	
4	Number of injured contractor/consignors		People	38	42	49	403-2
5	Number of fatalities (employees)	Total	People	0	0	0	403-2
		Males		0	0	0	
		Females		0	0	0	
6	Number of fatalities (contractor/ consignors)	Total	People	0	2	2	403-2
		Males		0	2	2	
		Females		0	0	0	

(3) Human Resource Cultivation and Training-Related Indicators

	Category	UM	Performance			GRI Standard
			FY2020	FY2021	**FY2022**	
1	Employee training expenses (common training for all companies etc.)	Million yen	218	360	381	404-1
2	Number of employee training hours (common training for all companies etc.)	Cumulative hours	50,392	107,879	105,900	404-1

・Figures which are marked with ★ have been externally assured by KPMG AZSA Sustainability Co.,Ltd.

*1 The TEPCO Group in this list refers to five companies: Tokyo Electric Power Company Holdings, TEPCO Fuel & Power, TEPCO Power Grid, TEPCO Energy Partner and TEPCO Renewable Power

*2 Including secondment / dispatch

*3 Excludes outside directors and part-time workers

*4 Number of persons dead or seriously injured in occupational accidents per million hours worked (including incidents involving at least one lost work day, excluding incidents for which only the other side is at fault)
Number of persons dead or seriously injured in occupational incidents / total working hours × 1,000,000
Boundary: Employees of the TEPCO Group including secondment / dispatch

TEPCO Group (*1)
(4)Diversity & Inclusion-Related Indicators

Diversity Indicators

FY2022	HD	EP	PG	RP	Total
Percentage of female managers	5.3%	12.5%	5.2%	3.3%	5.9%
Percentage of female employees	11.6%	29.5%	11.6%	6.4%	13.2%
Percentage of females in hired new graduates	14.3%	30.8%	15.8%	10.9%	16.9%
Number of employees (people)	7,594	2,767	16,042	1,182	27,585

Gender Pay Gap Indicators

FY2022		HD	EP	PG	RP	Total
Total workers		84.1%	81.3%	79.8%	78.3%	82.1%
Full-time employees		82.2%	79.8%	80.4%	75.5%	81.4%
	Management position	96.1%	95.2%	98.3%	101.3%	96.9%
	Non-managerial position	88.0%	81.0%	81.6%	78.1%	83.8%
Part-time workers/ temporary workers		96.3%	93.5%	61.5%	80.5%	68.3%

TEPCO Group and Consolidated Subsidiaries, Employee-Related Indicators

	Category		UM	Performance			GRI Standard
				FY2020	FY2021	**FY2022**	
1	Number of employees (*2)	Total	People	40,305	37,936	38,027	102-7 405-1
		Males		34,644	32,317	32,278	
		Females		5,661	5,619	5,749	
2	Average age	Total	Age	45.6	45.7	45.9	405-1
		Males		46.0	46.1	46.3	
		Females		43.0	43.0	43.1	
3	Average number of years on the job	Total	Years	22.5	22.3	22.1	-
		Males		23.0	22.8	22.6	
		Females		19.5	19.2	18.9	
4	Separation rate	Total	%	5.0	6.0	5.2	401-1
		Males		4.9	6.3	5.3	
		Females		4.3	4.8	4.4	
5	Management promotions	Age of youngest employee that management position is offered	Age	33	35	32	405-1
		Number of women in management positions	People	356	349	360	
		Ratio of women in management positions	%	4.79	5.50	5.53	
6	Employment of physically challenged individuals	Employment rate	%	2.56	2.58	2.54	405-1
7	Number of newly hired employees	Total	People	731	853	801	401-1
		Males		583	654	622	
		Females		148	199	179	
8	Number of career hired employees (highly skilled human resources)	Total	People	468	527	613	401-1
		Males		385	386	443	
		Females		83	141	170	
9	Number of employees that have used the system for taking leaves of absence for nursing care	Total	People	8	10	12	-
		Males		3	6	6	
		Females		5	4	6	
10	Percentage of employees that have used the system for taking leaves of absence for child rearing	Total	%	23.7	27.7	34.7	401-3
		Males		5.4	9.3	22.2	
		Females		100	99.4	97.8	
11	Rate of returning from childcare leave	Total	%	97	99.2	99.0	401-3
		Males		100	100	100	
		Females		97	98.9	98.3	
12	Average age of executives (*3)		Age	56.1	56	54.9	-
13	Ratio of employees in unions		%	99.7	99.8	99.6	102-7

Governance

Corporate Governance Report

Governance Data

	UM	FY2020	FY2021	FY2022
Structure of the Board of Directors				
Number of directors	people	13	13	13
Number of employee representatives on the Board of Directors	people	0	0	0
Classified Board system	—	one-tier system	one-tier system	one-tier system
Number of auditors	people	0	0	0
Corporate officer system	—	Applicable	Applicable	Applicable
Number of directors also corporate officers	people	0	0	0
Ratio of directors also corporate officers	%	0	0	0
Independency of the Board of Directors				
Number of outside directors	people	6	6	6
Ratio of outside directors	%	46.15	46.15	46.15
Number of independent directors	people	5	5	5
Ratio of independent directors	%	38.46	38.46	38.46
CEO duality	—	N/A	N/A	N/A
Independent chairperson	—	Applicable	Applicable	Applicable
Independent lead director	—	Applicable	Applicable	Applicable
Presiding director	—	N/A	N/A	N/A
Former CEO or director with the same qualifications	—	N/A	N/A	N/A
Diversity of the Board of Directors				
Number of female directors	people	2	2	2
Ratio of female directors	%	15.38	15.38	15.38
Female CEO (or person with equal qualifications)	—	N/A	N/A	N/A
Female chairpersons (or person with equal qualifications)	—	N/A	N/A	N/A
Number of executives, management executives, corporate officers	people	48	58	58
Internally promoted CEOs (or person with equal qualifications)	—	Applicable	Applicable	Applicable
Number of outside executives	people	6	6	6
Number of female executives	people	4	4	4
Ratio of female executives	%	8.33	6.9	6.9
Age of youngest director	age	51	53	53
Age of oldest director	age	74	75	76
Range of ages of directors	age	23	22	23
Average age of directors	age	61.23	63.15	62.39
Upper age limit for directors	—	N/A	N/A	N/A
Term of office of directors (years)	years	1	1	1
Term of office of executive directors	years	1	1	1

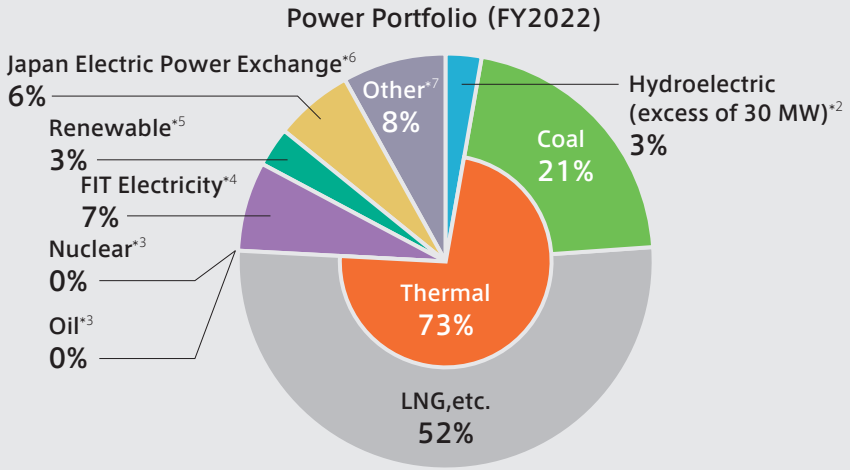
	UM	FY2020	FY2021	FY2022
Board of Directors				
Number of meetings	times	14	18	19
Attendance ratio of meetings	%	98.9	100	100
Attendance ratio of independent directors	%	97.92	100	100
Directors with a Board of Directors attendance rate of less than 75%	people	0	0	0
Nominating Committee				
Number of members	people	5	6	6
Number of independent directors	people	3	3	3
Ratio of independent directors	%	60	50	50
Independent chairperson	—	Applicable	Applicable	Applicable
Number of outside directors	people	3	4	4
Number of meetings	times	8	9	4
Attendance ratio of meetings	%	97.92	100	100
Audit Committee				
Number of members	people	6	5	5
Number of independent directors	people	4	4	4
Ratio of independent directors	%	66.67	80	80
Independent chairperson	—	Applicable	Applicable	Applicable
Number of outside directors	people	5	4	4
Number of meeting	times	16	21	21
Attendance ratio of meetings	%	97.37	100	100
Compensation Committee				
Number of members	people	4	4	4
Number of independent directors	people	4	4	4
Ratio of independent directors	%	100	100	100
Independent chairperson	—	Applicable	Applicable	Applicable
Number of outside directors	people	4	4	4
Number of meeting	times	5	10	7
Attendance ratio of meetings	%	100	100	100
Outside compensation advisor nominations	—	N/A	N/A	N/A
Board of Directors/Executive Board Activities				
CSR/Sustainability Committee	—	Applicable	Applicable	Applicable
CSR Outside Directors	—	N/A	N/A	N/A
Executive Director (in charge of CSR)	—	Applicable	Applicable	Applicable
ESG-related executive compensation	—	Applicable	Applicable	Applicable
ESG-related director compensation	—	N/A	N/A	N/A

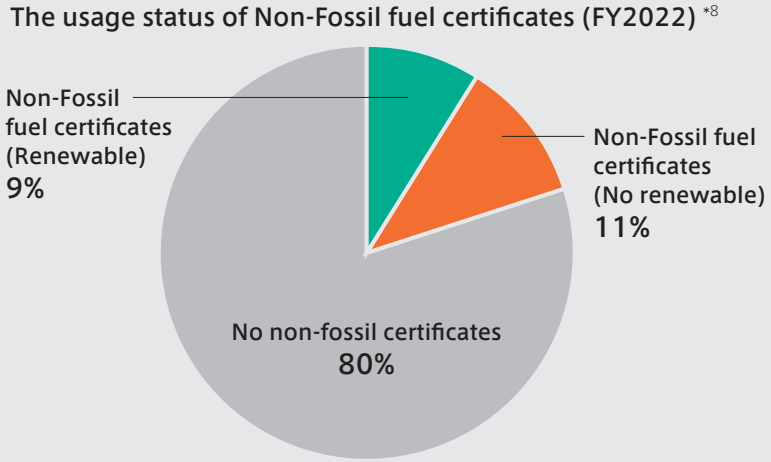
	UM	FY2020	FY2021	FY2022
Shareholder's Rights				
Poison pill provision	—	N/A	N/A	N/A
Poison pill plan shareholder approval	—	N/A	N/A	N/A
Poison pill TIDE provision	—	N/A	N/A	N/A
Poison pill sunset provision	—	N/A	N/A	N/A
Blank check preferred stock authorization	—	N/A	N/A	N/A
Dual class unequal voting rights	—	N/A	N/A	N/A
Compensation				
Directors				
Number of people paid	people	9	9	7
Total amount of compensation	mil. yen	94	98	104
Executive officers				
Number of people paid	people	14	17	17
Total amount of compensation	mil. yen	395	384	474

* When disclosing corporate ESG information, items for which there have been many requests for disclosure from assessment institutions are selected
* The number of executives includes Board members, executive officers, executive directors, special auditing directors, fellows, and directors.
* Information on the number and age of directors is valid as of June 29, 2021, July 1, 2022, and July 1, 2023.
* TEPCO's Board of Directors is comprised of six members, Director Kobayashi, Director Ohyagi, Director Onishi, Director Shinkawa, Director Okawa, and Director Nagata (as of July 1, 2023). With the exception of Director Shinkawa, all members have registered as independent officers with the Tokyo Stock Exchange.
* Director Shinkawa has not registered as an independent officer but fulfills the independency criteria stipulated by the Tokyo Stock Exchange and also TEPCO's Independency Criteria for Outside Directors.

Power Portfolio Mix in Retail Business

Power Portfolio and non-fossil fuel certificates delivered to customers by TEPCO Energy Partner *1





*1 TEPCO Energy Partner sells 100% renewable energy options and essentially 100% renewable energy options to some customers. This refers to the status of use of power composition and non-fossil fuel certificates other than these options.
*2 Renewable energy non-fossil fuel certificates have been used.
*3 Less than 0.5% and has therefore been rounded to 0%.
*4 Some of the expenses incurred by TEPCO through the procurement of FIT electricity are covered by renewable energy power generation promotion charges collected from all users of electricity, including non-TEPCO customers. The portion of this electricity for which non-fossil fuel certificates are not used, has no value as renewable energy or CO_2 zero-emission power sources, and therefore is treated as electricity that produces some of the national average of CO_2 emissions from electricity, including electricity from thermal power stations.
*5 Solar/wind/hydro (less than 30,000 kW)/biomass power for which renewable energy non-fossil fuel certificates have been used.
*6 Electricity procured from JPEX includes hydro, thermal, nuclear, FIT electricity, and renewable energies.
*7 Includes electricity procured by from companies for which the power station cannot be identified.
*8 The usage status of non-fossil fuel certificates (FY2022) applies to non-fossil fuel certificates for energy generated between January 2022 and December 2022.

* Power ratio totals may not add up to 100% due to rounding, and breakdown totals may differ.

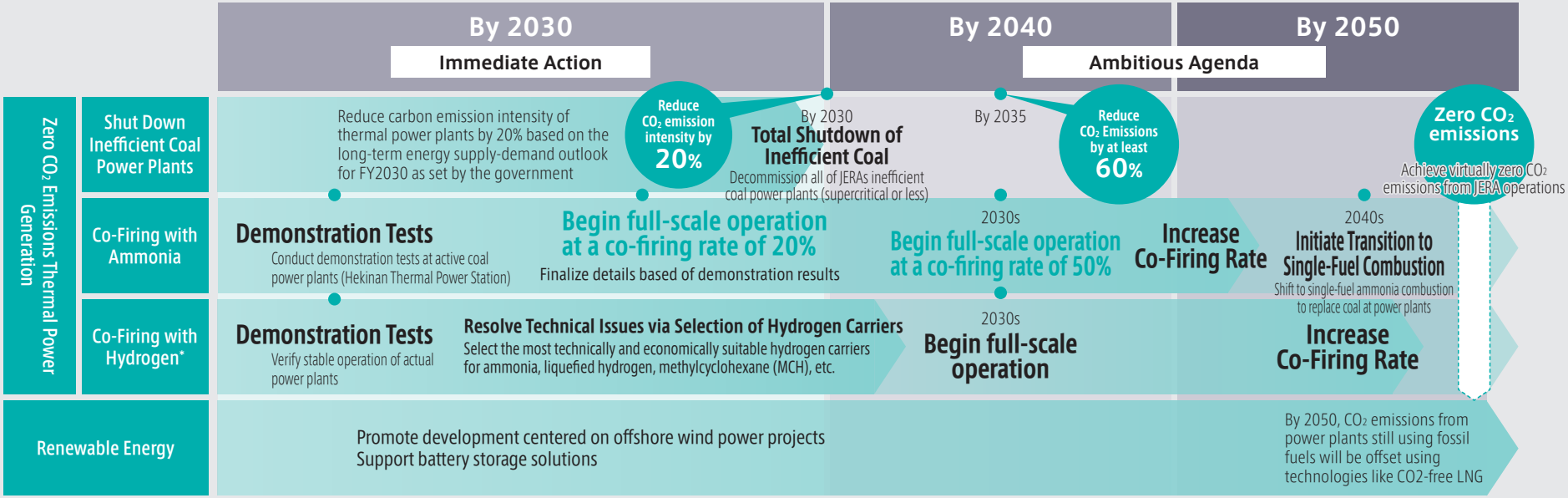
TEPCO Energy Partner's CO_2 emissions intensity (FY2022 performance)
CO_2 emissions intensity (post-adjustment emissions intensity) was 0.376kg-CO_2/kWh*
* Value reported to the government in accordance with Act on Promotion of Global Warming Countermeasures

Refer to Page 2 for Information on our Electricity Generation portfolio.

JERA Zero CO_2 Emissions 2050 Roadmap for its Business in Japan

JERA Zero CO_2 Emissions 2050

JERA's mission is to provide cutting-edge solutions to the world's energy problems. In order to contribute to creating a sustainable society, JERA shall complete the mission and reduce CO_2 emissions from domestic/overseas businesses to zero by 2050. JERA's zero-emission 2050 goal assumes the steady development and economic rationality of decarbonization technology as well as government policy that matches our objectives. JERA is leading the way to the development of decarbonization technology and ensuring economic rationality.



This roadmap will evolve incrementally, adapt to changes in government policy and other relevant conditions, and be revised as needed. * We are also considering the use of CO_2-free LNG.

JERA Environmental Target 2030

JERA is actively working to reduce CO_2 emissions. For domestic operations, we will achieve the following by FY2030:

- Decommission all inefficient coal power plants (supercritical or less) and conduct demonstration tests of mixed combustion with ammonia at high-efficiency (ultra-supercritical) coal power plants
- Promote the development of renewable energy centered on offshore wind power projects and work to further improve the efficiency of LNG thermal power generation
- Reduce carbon emission intensity of thermal power plants by 20% based on the long-term energy supply-demand outlook for FY2030 as set by the government

JERA Environmental Target 2035

JERA aims to reduce CO_2 emissions from domestic operations relative to FY2013 by at least 60% by FY2035 through the following initiatives:

- Strive to develop and adopt renewable energy in Japan given expanded adoption under the national government's 2050 carbon neutral policy
- Commit to reducing carbon emission intensity from thermal power generation by promoting hydrogen and ammonia co-firing

JERA Zero CO_2 Emissions 2050 for Its Business in Japan" and the JERA Environmental Targets are premised on steady advances in decarbonization technology, economic rationality, policy consistency, and the business climate under which these goals will be realized.

ESG Rating by External Parties

In April 2019, the TEPCO Group established ESG Office that engages with financial stakeholders and strengthens information disclosure in addition to proactively engaging with rating agencies of ESG investment. As a result, external agencies have highly commended the TEPCO Group as a corporate group that proactively promotes ESG initiatives aimed at the development of a sustainable society. In particular, we have been rated as one of Japan's top power operators by global ESG rating agencies such as S&P Global CSA and FTSE Russell.

Furthermore, we have been chosen by the S&P/JPX Carbon Efficient Index and FTSE Blossom Japan Sector Relative Index, Morningstar Japan ex-REIT Gender Diversity Tilt Index, which are ESG indices used by GPIF, one of the world's largest institutional investors, Japan's Government Pension Investment Fund.

Going forward, we shall strive to engage in dialogue and disclose information so as to meet the needs of our financial stakeholders in accordance with these evaluations by external parties as we increase corporate value.

FY2022 External Ratings

Rating agencies	Rating
CDP*	(Climate change) B (Water management) A-
S&P Global (CSA)*	66
FTSE Russell	3.9
Bloomberg (ESG disclosure scores)	64.06 (As of September, 2023)

*CDP and CSA FY2022 assessment

External Evaluation Indicators

Selected as ESG index employed by the GPIF

S&P/JPX Carbon Efficient Index

FTSE Blossom Japan Sector Relative Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

Acquisition of diversity-related Accreditation

Measures to support the next generation
Selection as a "Kurumin" company in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children

Certification as a "Eruboshi" company in accordance with the Act on the Promotion of Women's Active Engagement in Professional Life

work with Pride
Gold 2022
Work with Pride
Certification as a Gold Pride Index" company based on assessments of initiatives pertaining to sexual minorities

SASB INDEX

The TEPCO Group's performance has been outlined based on the industry-based standard "Electric Utilities & Power Generators" provided by the US Sustainability Accounting Standards Board (SASB).

Since the SASB standards were created for primarily US companies and the US market, there are accounting metrics that do not apply to business activities in Japan, however in light of the main objective of these standards, we have strived to disclose as much information as possible in accordance with them.

The TEPCO Group will continue to make engagement with financial stakeholders as fruitful as possible by incorporating effective information disclosure frameworks, such as IIRC framework and the SASB standards, etc., into our integrated report.

Topic	Code	Accounting Metric		Category	UM	FY2020	FY2021	FY2022	Remark
Environment									
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions		Quantitative	t-CO_2	203,000	203,000	205,000	
		(2) Percentage covered under emissions-limiting regulations		Quantitative	%	0	0	0	There is no "regulated market" in Japan.
		(3) Percentage covered under emissions-reporting regulations		Quantitative	%	95	95	95	Emissions-reporting regulations indicate reports of greenhouse gas (CO_2, N_2O, SF_6, HFCs) emissions based on the Act on Promotion of Global Warming Countermeasures.
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	Adjusted emissions	Quantitative	t-CO_2	90,300,000	86,100,000	81,700,000	Adjusted emissions indicate the amount of CO_2 emissions after reflecting adjustments related to the renewable energy feed-in tariff system based on the Act on Promotion of Global Warming Countermeasures.
			Basic emissions	Quantitative	t-CO_2	89,300,000	84,900,000	67,500,000	
	IF-EU-110a.3	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	—	The TEPCO Group's Scope 1 emissions are very small at only 205,000 t-CO_2 since we transferred our fuel/thermal power generation business to JERA in April 2019. On the other hand, our greenhouse gas emissions from the retail sale of power, which account for most of our Scope 3 emissions, must be calculated and reported in accordance with the Act on Promotion of Global Warming Countermeasures. Therefore, the TEPCO Group aims to reduce CO_2 emissions originating from the sale of power by 50% of FY2013 levels by the year FY2030. In FY2013, CO_2 emissions were 139.2 million tons, but emissions in FY2022 were approximately 65.1 million tons, which is approximately 53% reduction, thereby achieving our target. *FY2022 CO_2 emission figures are preliminary figures. See page 22 for details.			
Air Quality	IF-EU-120a.1	(1) Air emissions of NOx (excluding N_2O)		Quantitative	t	2,000	2,000	2,000	
				Quantitative	%	100	100	100	
		(2) Air emissions of SOx		Quantitative	t	<1000	<1000	<1000	
				Quantitative	%	100	100	100	
		(3) Air emissions of particulate matter (PM10)		Quantitative	t	Not disclosed			Not disclosed because the measurement method recommended by SASB Standards is not followed.
		(4) Air emissions of lead (Pb)		Quantitative	t	Not applicable			Since FY2019, there have been no emission facilities that fall under the Air Pollution Control Law.
		(5) Air emissions of mercury (Hg)		Quantitative	t	Not applicable			

Topic	Code	Accounting Metric	Category	UM	FY2020	FY2021	FY2022	Remark
Environment								
Water Management	IF-EU-140a.1	(1) Total water withdrawn	Quantitative	1000m^3	51,300,384	52,787,101	50,621,370	
		Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress	Quantitative	%	0	0	0	
		(2) Total water consumed	Quantitative	1000m^3	2	<1	<1	
		Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress	Quantitative	%	0	0	0	
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	0	0	0	
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	—	We ,the TEPCO Group, operate hydroelectric power stations and more than 200 locations on Japan's Honshu Island, and the power generated by these stations accounts for approximately 90% of all of our power. The use of natural water resources is indispensable for hydroelectric power, which is a clean source of power that does not produce CO_2 during the generation process, so we engage in the following risk management efforts. Along with discharging the necessary amount of water needed to maintain the environments downstream of the hydroelectric power station dams/weirs, we also comply with our legally obtained water license when taking in water from the river for power generation purposes. Furthermore, when river levels are expected to rise due to torrential rains, we discharge water from the dam in advance in accordance with flood control agreements signed with the Government thereby playing an important role in mitigating damage from torrential rains and contributing to regional preparedness. We use a tool called the "WRI Aqueduct Water Risk Atlas" to identify water risks and an examination of water stress in the siting locations of our facilities has yielded the following results. According to the "Baseline Water Stress", the water stress of the areas in which we conducts its business is "Medium-high" at worst, and there are no hydroelectric power stations in water-stressed areas, so the frequency of water-risks, such as droughts, etc., has been predicted to be low. Results from the future water stress test suggested that water stress will not change going forward. However, we will continue to strive to manage risks by implementing risk-assessments of the actual water usage status in power station siting locations, as well as specific rivers and basins, while referring to these results. Going forward, we shall examine long-term strategies to address the impact on the our facilities from physical risks, such as flooding, etc. caused by climate change.			
Coal Ash Management	IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated	Quantitative	t	0	0	0	
		Percentage of coal combustion residuals (CCR) recycled	Quantitative	%	—	—	—	
	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Quantitative	Number	—	—	—	Not applicable
Social Capital								
Energy Affordability	IF-EU-240a.1	(1) Average retail electric rate for residential customers (per 1kWh)	Quantitative	JPY	25.13	27.44	31.95	
		(2) Average retail electric rate for commercial customers (per 1kWh)	Quantitative	JPY	18.63	20.45	28.72	We calculate (2) and (3) from contract types with a large number of contracts.
		(3) Average retail electric rate for industrial customers (per 1kWh)	Quantitative	JPY				
	IF-EU-240a.2	(1) Typical monthly electric bill for residential customers for 500 kWh of electricity delivered per month	Quantitative	JPY	12,614	13,371	14,833	
		(2) Typical monthly electric bill for residential customers for 1,000 kWh of electricity delivered per month	Quantitative	JPY	39,133	41,651	45,305	
	IF-EU-240a.3	(1) Number of residential customer electric disconnections for non-payment	Quantitative	Number	340,048	478,471	242,977	We do not disclose the number of disconnections but cancellations. Except rate plan before liberalization of electricities.
		(2) Percentage reconnected within 30 days	Quantitative	%	No results			It is stipulated that if the payment is not made even after the due date, the supply and demand contract will be canceled (contract canceled) based on the Terms and Conditions. Shown as "No results" since supply suspension and resumption are not stipulated in the Terms and Conditions.
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	—	According to 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." Thus, we do not recognize there are any areas without electricity in all the service areas of the TEPCO Power Grid. We also recognize that external factors which impact electricity rates are fluctuations in the price of thermal power fuels and levies from the Feed-in-tariff law for renewable energies.(price based regulations: requires electricity companies to purchase renewable energy at a certain price)			

Topic	Code	Accounting Metric	Category	UM	FY2020	FY2021	FY2022	Remark
Human Capital								
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR) ＜Employees＞	Quantitative	%	0.037	0.017	0.041	
		Total recordable incident rate (TRIR) <Contractor/Consignors>	Quantitative	%	0.068	0.088	0.125	
		(2) Fatality rate ＜Employees＞	Quantitative	Person	0	0	0	Since calculation method for fatality rate is not indicated in SASB Standard, we report the number.
		Fatality rate <Contractor/Consignors>	Quantitative	Person	0	2	2	
		(3) Near miss frequency rate (NMFR) ＜Employees＞	Quantitative	%	0.09	0.029	0.085	
		Near miss frequency rate (NMFR) <Contractor/Consignors>	Quantitative	%	0.11	0.14	0.19	
Business-Model & Innovation								
End-Use Efficiency & Demand	IF-EU-420a.2	Percentage of electric load served by smart grid technology	Quantitative	%	(1) 100[%] (2) 28.40 mil.	(1) 100[%] (2) 28.40 mil.	(1) 100[%] (2) 28.40 mil.	(1) The rate of smart meters installed in all service areas of the TEPCO Power Grid (2) The number of smart meters installed in all service areas of the TEPCO Power Grid * Since the installation has been completed in all households except for some places where replacement work is difficult, the values for FY2020 are listed after FY2021.
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	Quantitative	MWh	The number of customers to whom the TEPCO Group offers electricity saving solutions: Approx. 750 companies, and over 39,000 households Energy saving services introduced through online services: 12,022,552 (number of website registered members)			We disclose the leftward quantitative data instead of customer electricity savings. *TEPCO Energy Partner provides various solutions electrification and energy saving solutions to customers.(cf. http://www.tepco.co.jp/ep/solution/) (Japanese only) *Free online services offered by TEPCO Energy Partner, such as Denki-Kakei-Bo, Kurashi TEPCO, and Business TEPCO that provide useful information to customers, such as how to use graph comparisons of monthly electricity charges and usage.
Leadership & Governance								
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Quantitative	Number	17 Units (Fukushima Daiichi: 6 Units, Fukusima Daini: 4 Units, Kashiwazaki-Kariwa: 7 Units)			* All units at Fukushima Daiichi are decommissioning. The decision has been made to decommission all units at Fukushima Daini. All units at Kashiwazaki-Kariwa have been shut down. * The Kashiwazaki-Kariwa Nuclear Power Station is completing safety measure renovations and fully complying with the additional inspections of the Nuclear Regular Agency implemented in light of the string of inappropriate incidents pertaining to physical protection.
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	—	In order to monitor nuclear safety, TEPCO has established the Nuclear Reform Monitoring Committee, which serves in an advisory capacity to the Board of Directors and is comprised of experts from Japan and overseas, as well as the Nuclear Safety Oversight Office, which is an in-house organization under the jurisdiction of the Board of Directors. Furthermore, in order to monitor nuclear security, we have established a Nuclear Security Expert Assessment Committee, which assesses initiatives pertaining to TEPCO's nuclear security from the perspective of outside experts, and also, the Physical Protection Monitoring Office, which is an in-house organization under the jurisdiction of the President.			
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative	Number	Not disclosed			We do not disclose the results in light of the risks of cyber attackes that may be caused by dislclosing the results.
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), inclusive of major event days	Quantitative	Minutes	7	7	5	
	IF-EU-550a.2	(2) System Average Interruption Frequency Index (SAIFI), inclusive of major event days	Quantitative	Times	0.11	0.11	0.13	
	IF-EU-550a.2	(3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Quantitative	Minutes/Times	63.64	63.64	38.46	

Code	Accounting Metric	Category	UM	FY2020	FY2021	FY2022	Remark
IF-EU-000.A	(1) Number of residential customers served	Quantitative	Number	15,764,000	14,879,000	14,703,000	
	(2) Number of commercial customers served	Quantitative	Number	195,000	185,000	182,000	Total of (2) and (3)
	(3) Number of industrial customers served	Quantitative	Number				
	Reference : Number of contracts for low-pressure supply contracts excluding household use	Quantitative	Number	7,217,000	7,300,000	7,346,000	
IF-EU-000.B	(1) Total electricity delivered to residential customers	Quantitative	MWh	69,900,000	65,267,000	61,653,000	
	(2) Total electricity delivered to commercial customers	Quantitative	MWh	129,200,000	116,103,000	111,692,000	Total of (2) and (3)
	(3) Total electricity delivered to industrial customers	Quantitative	MWh				
	(4) Total electricity delivered to all other retail customers	Quantitative	MWh	5,400,000	4,904,000	4,927,000	low voltage supply contracts excluding household use
	(5) Total electricity delivered to wholesale customers	Quantitative	MWh	Not disclosed			(5) is not disclosed due to competition through electricity market liberalization.
IF-EU-000.C	Length of transmission lines <Overhead>	Quantitative	km	28,585	28,453	28,480	
IF-EU-000.C	Length of transmission lines <Underground>	Quantitative	km	12,474	12,513	12,557	
IF-EU-000.C	Length of distribution lines <Overhead>	Quantitative	km	343,257	344,208	345,095	
IF-EU-000.C	Length of distribution lines <Underground>	Quantitative	km	39,033	39,207	39,449	
IF-EU-000.D	Total electricity generated	Quantitative	MWh	12,561,000	13,698,000	12,248,000	
	Percentage by major energy source <coal>	Quantitative	%	0	0	0	
	Percentage by major energy source <natural gas>	Quantitative	%	0	0	0	
	Percentage by major energy source <nuclear>	Quantitative	%	0	0	0	
	Percentage by major energy source <petroleum>	Quantitative	%	1	1	1	
	Percentage by major energy source <hydropower>	Quantitative	%	98	98	98	
	Percentage by major energy source <solar>	Quantitative	%	0.2	0.2	0.2	
	Percentage by major energy source <wind>	Quantitative	%	0.2	0.3	0.3	
	Percentage by major energy source <other renewables>	Quantitative	%	0.1	0.1	0.1	
	Percentage by major energy source <other gases>	Quantitative	%	0	0	0	
	Percentage in regulated markets	Quantitative	MWh,%	Not applicable			There is no "regulated market" in Japan.
IF-EU-000.E	Total wholesale electricity purchased	Quantitative	MWh	Not disclosed			Not disclosed due to competition through electricity market liberalization.

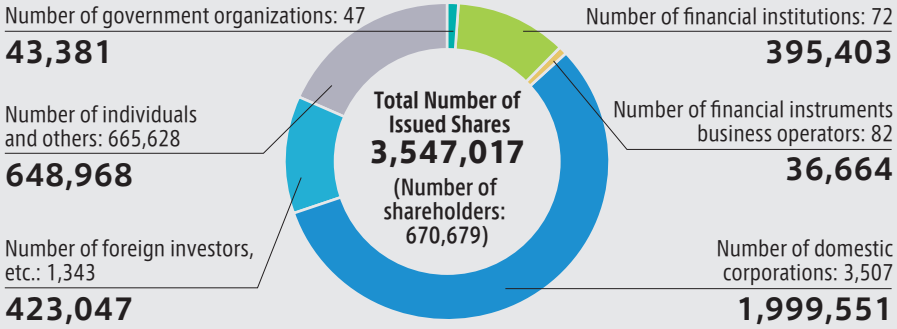
Stock Information (as of March 31, 2023)

Basic Stock Information

Securities identification code	9501
Stock listings	Tokyo Stock Exchange, Prime Market
Total number of shares authorized to be issued	14,100,000,000
Total number of issued shares	Common shares 1,607,017,531 Class A preferred shares 1,600,000,000 Class B preferred shares 340,000,000 Total 3,547,017,531
Minimum units	Common shares 100 Class A preferred shares 100 Class B preferred shares 10
Fiscal year	April 1 to March 31 of the following year
General meeting of shareholders	June
Means of public notice	Electronic public notice posted on TEPCO's website*
Handling of shares	Shareholder registry administrator Mitsubishi UFJ Trust and Banking Corporation Contact: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation Tel: 0120-232-711 (toll-free number in Japan) Postal address: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation PO Box 29, Shin-Tokyo Post Office, Tokyo 137-8081, Japan

* In the event that an electronic public notice cannot be posted due to an unavoidable reason such as an accident, the notice will be announced in the Nihon Keizai Shimbun published in Tokyo.

Breakdown of Shareholders (Thousands of shares)



Major Shareholders (Top 10 Shareholders)

Name of Shareholder	Number of Shares Held (Thousands of shares)	Investment Ratio (%)
Nuclear Damage Compensation and Decommissioning Facilitation Corporation	1,940,000	54.74
The Master Trust Bank of Japan, Ltd. (Trust Account)	214,947	6.07
Custody Bank of Japan, Ltd.(Trust Account)	64,866	1.83
TEPCO Employees Shareholding Association	52,947	1.49
Tokyo Metropolitan Government	42,676	1.20
Sumitomo Mitsui Banking Corporation	35,927	1.01
STATE STREET BANK WEST CLIENT - TREATY 505234	27,078	0.76
Nippon Life Insurance Company	26,400	0.74
THE BANK OF NEW YORK MELLON 140044	22,091	0.62
JP MORGAN CHASE BANK 385781	20,509	0.58

(Note) Investment ratio is calculated excluding treasury stock (3,312,105 common shares).

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TEPCO Group ESG
www.tepco.co.jp/en/hd/about/esg/index-e.html

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The amount of electricity used in the printing process of this integrated report is all covered by wind power.

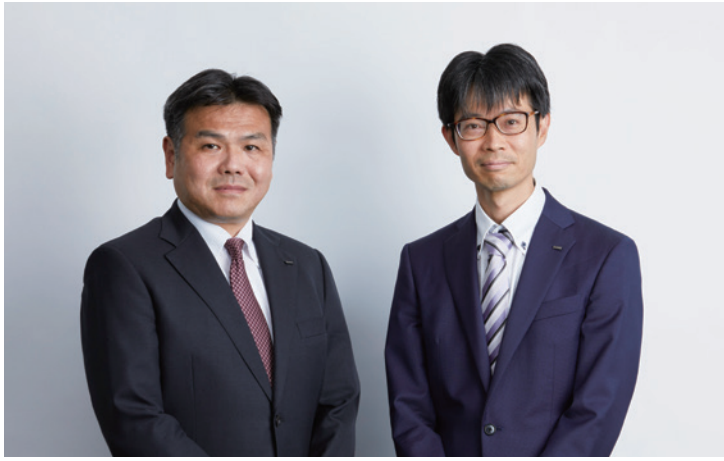
Editor's Note

TEPCO Integrated Report 2023 Team ESG Office

The TEPCO Integrated Report has been written so that it can be leveraged as a communication tool for promoting two-way dialogue with our domestic and overseas financial stakeholders, who are the primary readers of this report.
Along with reporting on how TEPCO has addressed social conditions during the period covered by the report, and changes to the TEPCO Group's management, we have also tried as much is possible to include information that meets disclosure requests received from the readers.

These opinions include not only issues pertaining to information disclosure, but also issues about management itself, and also proposals. Opinions that may lead to solving management issues have been conveyed to upper management through the ESG committee and are the source of internal discussions. If this has led to management improvements or the creation of new value, then they have been included in this report so as to bring about further beneficial engagement.

Engagement with our readers not only helps to develop this report, but is also indispensable for sustainable growth as the TEPCO Group aspires to create value. We welcome, and hope that you will continue to offer, your frank opinions.



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