



JERA GROUP

INTEGRATED REPORT 2026

Jera
Energy for a New Era

To Our Readers

The energy landscape is changing significantly amid heightened geopolitical risks in the Middle East and beyond, fluctuations in fuel prices, and rising interest rates and material costs.

At the same time, growing electricity demand driven by AI and digitalization, together with increasingly diverse energy needs, presents new growth opportunities for JERA.

Even amid these changes, JERA has established the JERA Core Value as a shared set of values to guide the decisions and actions of every employee, enabling us to continue taking on challenges as one JERA Group in pursuit of our mission.

In this report, we show how JERA is leveraging its ability to adapt to change to support a stable energy supply and turn change into opportunities for growth, setting out both the path ahead and our ability to deliver.

For the FY2026 edition, we built the report around three questions our stakeholders are asking: Why is JERA taking this on? What sets it apart? How does it create value?

We provide a systematic overview of our business strategy, financial and pre-financial information, and initiatives related to our management foundation, presenting a comprehensive picture of how JERA creates value.

In particular, we focus on the stories of employees and projects taking on challenges in Japan and around the world, showing how decisions and ingenuity on the ground, together with collaboration across functions and regions, enable us to navigate uncertainty, execute our strategy, and translate those efforts into value creation.

We also share our leadership's thinking behind the JERA Core Value and the voices of our employees, while highlighting the initiatives critical to sustainable growth and enhanced corporate value through the lens of our revised material issues and pre-financial KPIs.

Through this report, we hope you will gain a sense of where JERA stands today and the potential that lies ahead as we support a stable energy supply amid uncertainty, turn change into opportunities for growth, and pioneer the future of energy worldwide.



Integrated Report Editorial Team
Global Investor Relations Group, Financial Strategy and Planning Division

Answers to Key Questions from Investors

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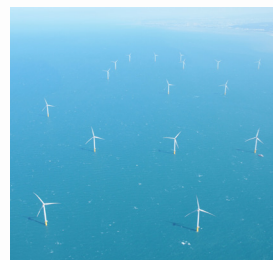
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Descriptions in this report pertaining to the JERA Group's future plans, forecasts, and strategies are based on information available at the time of publication. As these descriptions contain potential risks and uncertainties, please note that actual performance may differ from the content of this report.

Scope of this Report

In general, JERA Co., Inc., and related companies (All mentions of "the company," "we," and "our" in this report refer to JERA Co., Inc. unless otherwise noted.)

Reporting Period

The report includes some of our latest activities after the FY2025 (April 1, 2025 to March 31, 2026) period.

The affiliations and positions of the officers and employees mentioned in this report are those held at the time of the interviews and preparation of the respective articles.

Date of Publication

September 2026 (Next report scheduled for September 2027)

Reference Guidelines

- International Integrated Reporting Framework, International Financial Reporting Standards (IFRS) Foundation
- Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0, Ministry of Economy, Trade and Industry (METI)
- Environmental Reporting Guidelines 2018, Ministry of the Environment
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Final Report
- Recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) (v1.0)

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Pioneering the Future of Energy. From Japan to the World.

JERA was established in 2015 as a joint venture between Tokyo Electric Power Company and Chubu Electric Power with the goal of becoming a globally competitive energy company. Its founding was driven by heightened concern over Japan's energy supply following the 2011 Great East Japan Earthquake.

JERA was created to meet that challenge by securing a stable fuel supply, supporting power infrastructure, and delivering the electricity society needs without interruption. Since then, JERA has progressively integrated businesses spanning upstream fuel development, transportation, trading, procurement, and power generation—laying the foundation for its current value chain in 2019.

In Japan, where domestic energy resources are limited, JERA takes an integrated approach across the value chain to deliver electricity to society. By continuously refining these capabilities, JERA has supported a stable energy supply in Japan while growing into one of the world's largest energy companies.

Over the past decade, the energy landscape has changed significantly, shaped by rising geopolitical risks, volatile resource prices, and supply-demand fluctuations as renewable energy has expanded. Amid this uncertainty, JERA has sought to address the energy trilemma: simultaneously achieving stability, affordability, and sustainability.

In 2020, JERA announced JERA Zero CO₂ Emissions 2050 and has since accelerated its efforts in next-generation energy, including renewables and zero CO₂ emission thermal power using hydrogen and ammonia.

JERA's approach to decarbonization is grounded in practical action, not ideals alone. JERA envisions a continuous transition that supports today's electricity supply while preparing and implementing the options society will need in the future.

JERA's journey began in the aftermath of a crisis, was strengthened through integration, and has been marked by a continued willingness to take on new challenges when faced with uncertainty.

From Japan to the world, JERA continues to evolve the way energy is supplied and help pioneer a sustainable energy system for the future.

JAPAN'S ENERGY FOR A NEW ERA

Mission, Vision & Core Value

Mission

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

Vision

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

Core Value

Ownership to Serve Our Tomorrows

Fairness / Diversity / Openness / Respect & Safety

JERA Core Value

In May 2026, we established JERA Core Value, a set of values shared across the entire JERA Group to guide our everyday decisions and actions. To develop JERA Core Value, we engaged in discussions across JERA, involving not only senior management but also employees at our power stations and overseas offices.

Our mission and vision define where the JERA Group wants to go, while JERA Core Value guides how each of us thinks and acts along the way.

Ownership to Serve Our Tomorrows

Step forward with ownership and give our best for the many tomorrows we serve.

At JERA, we aim to address the world's energy challenges, contribute to sustainable growth and development around the world, and to continue to earn society's trust. At the heart of these ambitions are the values we believe should guide each of us.

Ownership to Serve Our Tomorrows

Step forward with ownership and give our best for the many tomorrows we serve.

Every aspect of our work in the energy business holds the potential to support and transform the society of tomorrow. Turning that potential into reality starts with each of us asking: What can I do? What can JERA do? And then taking that first step. Rank and title do not matter. By taking ownership of both the satisfaction of success and the frustration of setbacks, each of us grows stronger. The individual strengths and everyday efforts we build in this way become the foundation for the impact we can make - supporting the society of tomorrow and opening the way to new value.

Fairness / Diversity / Openness / Respect & Safety

Be open to every difference. Act with fairness. Respect people, and protect safety.

Fairness / Diversity / Openness / Respect & Safety

Embracing all differences. Acting with fairness. Respecting ourselves and others. Nationality, age, culture, how we choose to live, and what matters to each of us—our differences take many forms. We remain open to all of them and continually ask ourselves what fairness means and what constitutes impartial judgement. We exchange views openly and learn from one another across individual, team, and regional boundaries, while respecting ourselves and others and looking out for one another's safety. These everyday actions build trust and bring our strengths together as one team. Together, we work to build a more prosperous society for all those who will live in the world of tomorrow.

Voices from the Team Behind JERA Core Value



The Enduring Value That Drives JERA

Yutaka Koyama

Executive Officer, Planning Division

Developing JERA Core Value was a journey to uncover what has mattered most to us in pursuing our Mission, as JERA has grown from being a team of around 40 people ten years ago, to more than 6,000 today.

To continue contributing positively to society, we wanted to define the values that matter most to us, deepen our understanding of them, put them into practice, and pass them on to the next generation.

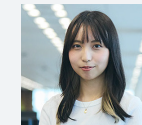


JERA Core Value for Everyday Use

Yutaro Yamada

General Manager, Corporate Organization Strategy Unit, Corporate Planning Group

We set out to create a core value that would naturally become part of how we think each day and find its way into everyday conversation between colleagues. Starting with a draft developed by our two CEOs and the working group, we held more than 50 discussions with employees. What mattered most to us was whether the words would resonate immediately. Drawing on a wide range of feedback, we refined the wording again and again until we arrived at a set of non-negotiable values which we can all share.



Core Value Shaped by Dialogue with Employees

Minami Akiyoshi

Corporate Organization Strategy Unit, Corporate Planning Group

As we shaped JERA Core Value, employees shared a wide range of candid feedback, telling us what resonated and what did not. With ongoing discussion the words capturing our sense of mission and responsibility, respect for our colleagues, and the values that matter to our employees gradually took shape. We refined the wording again and again, with the help of a copywriter, so that everyone could relate to JERA Core Value and embrace it as their own. Through this process, we arrived at the JERA Core Value we have today.

JERA Core Value Shaped by Our Employees

Ownership to Serve Our Tomorrows

Whenever I've felt I really accomplished something at JERA, it's been when I stepped beyond my usual role and made it happen.



The whole world runs on electricity. I grew up in a rural area, and the first time I went to Tokyo and saw all those buildings, it struck me that electricity was powering places like these, too, which made me realize just how important our work was. When I joined the company, the generators were still operated manually, and I worked alongside senior colleagues carrying out a variety of processes by hand. It was an incredible feeling to realize that's how we were actually generating electricity. Later I moved into maintenance, and the first time I completed a periodic inspection and the plant returned to normal operation, I felt that same sense of achievement, and it felt just as rewarding. It was the joy of knowing I'd helped our customers. I want to make sure I never lose that original spirit.

I see the units at our power station as if they were my own car. Day in and day out, I think about how to keep them from breaking down, and I treat that as my personal responsibility.



I want JERA to be a name people know they can trust. We can only earn that trust by doing what is genuinely good for society and creating lasting value.



I work in plant operations. Before I carry out any procedure, I make sure I understand what it involves and why, check conditions on site beforehand, and think through how I would respond if something went wrong. I do all this to take full responsibility for my work and put ownership into practice.

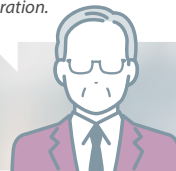


I want to distill our technical expertise into standard operating procedures and manuals for the next generation. I also want to put my own stamp on it, ensuring that expertise is preserved well into the future.

Since entering my third year, I've been given more responsibility. I want to take real ownership of the work I do. As I've had more chances to think for myself, explain my thinking, get my manager's approval, and move things forward, I've found the work more rewarding and interesting. Working with ownership doesn't just contribute to society. It's tied to my own sense of purpose and my own happiness.

We are all part of the JERA Group effort to deliver a better tomorrow... We are all doing our part regardless of our functions/divisions.

As JERA marks its 10th anniversary and looks ahead to the next decade, I want to keep contributing on the ground and working closely with those around me, regardless of status or recognition, offering support where it's needed and helping pass the baton to the next generation. I believe that these efforts, built up over time, are what sustain the company's growth and become the values we pass on to the next generation.



I try to take the initiative and act when I see an opportunity for improvement. I believe that small, proactive steps help shape a better future.

Fairness / Diversity

Am I approaching things with integrity and making fair judgments? Are our systems and rules fair, too, not just the way we treat one another? That's something I always try to keep in mind.



Diversity goes beyond surface-level differences like gender or nationality. Every individual embodies diversity in their own right.



Team members are encouraged to speak openly regardless of seniority, nationality, or background. As a result, even new joiners feel comfortable sharing their views, which helps build mutual trust within the team.

Openness

Even a brief power outage can put someone's life at risk. So if something seems off in my work, I raise the issue right away. I never hide it. I think that kind of integrity has become deeply ingrained in how we work.

If something does not look right, we raise it early and talk it through. That openness helps us solve issues faster and work better together.

At our power station, we have open communication with our partner companies, too. Even when something minor comes up, we're comfortable suggesting a better way of doing things to each other. There are no barriers between JERA and our partner companies.



Respect & Safety

I feel that people here consciously show respect for one another and make an effort to understand different perspectives. In this environment, individuals feel comfortable and safe speaking up, knowing that their voices are valued.

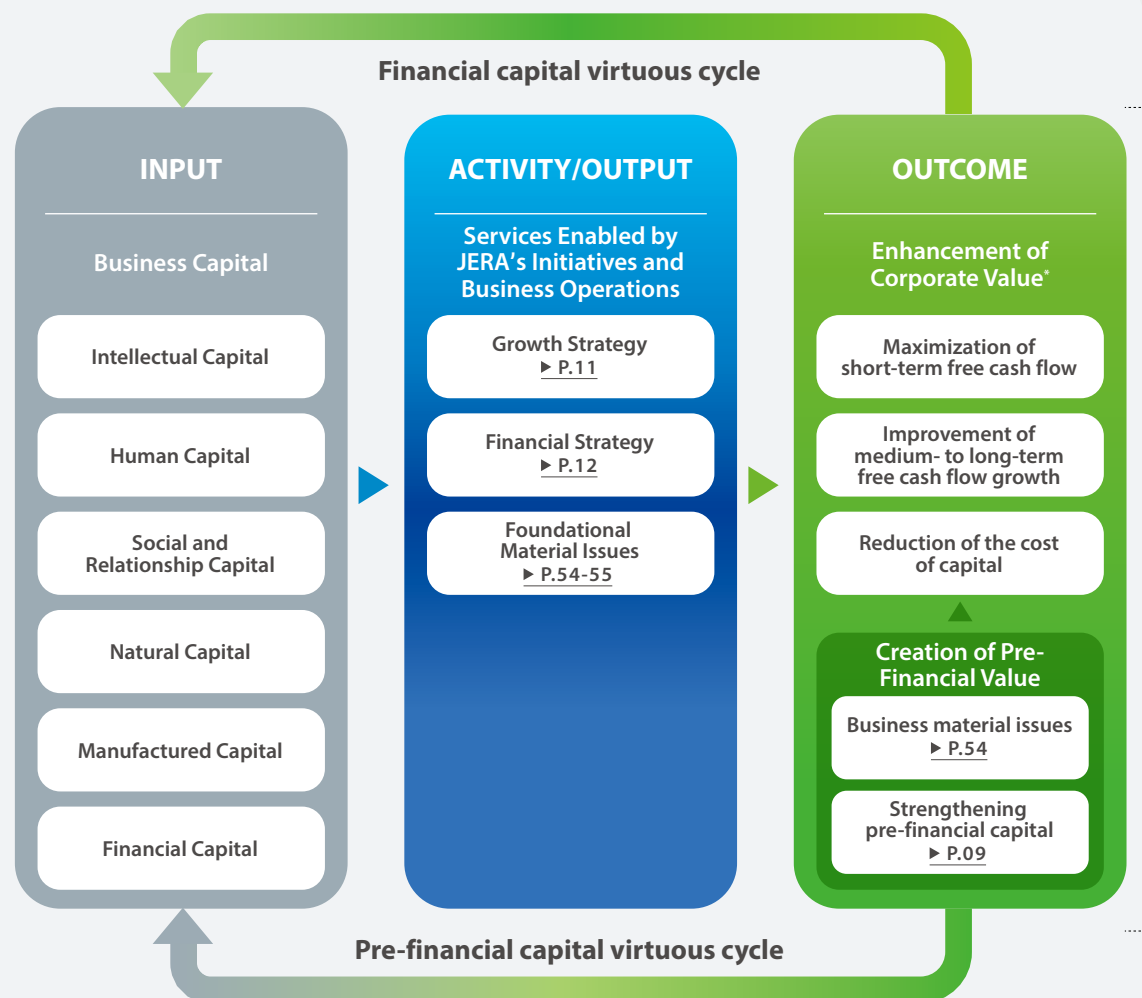
There are people who engage with me with real honesty and integrity, giving me direct feedback and pointing things out rather than simply smoothing things over in the moment. To me, that is Respect with a capital "R."



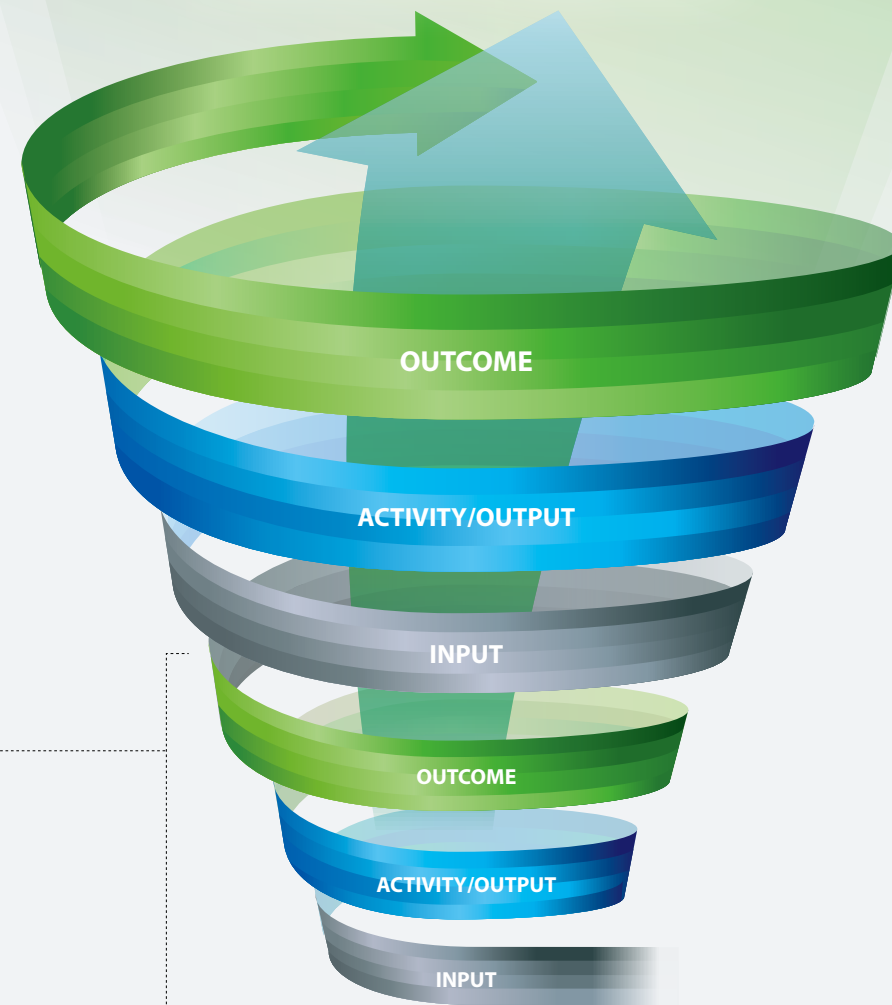
When people in senior positions don't understand something, regardless of age or rank, they'll come over to my desk and say, "I don't get this part. Can you explain it to me?" I appreciate the fact that they respect my expertise and trust me to know the answer. I want to show others the same respect that means so much to me.

Value Creation Process

We position the maximization of short-term free cash flow, improvement of medium- to long-term free cash flow growth, and reduction of the cost of capital as key requirements for enhancing corporate value. Under our sustainability management framework, our value creation process involves the virtuous cycle of these capitals, which supports value creation and ultimately enhances corporate value.



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

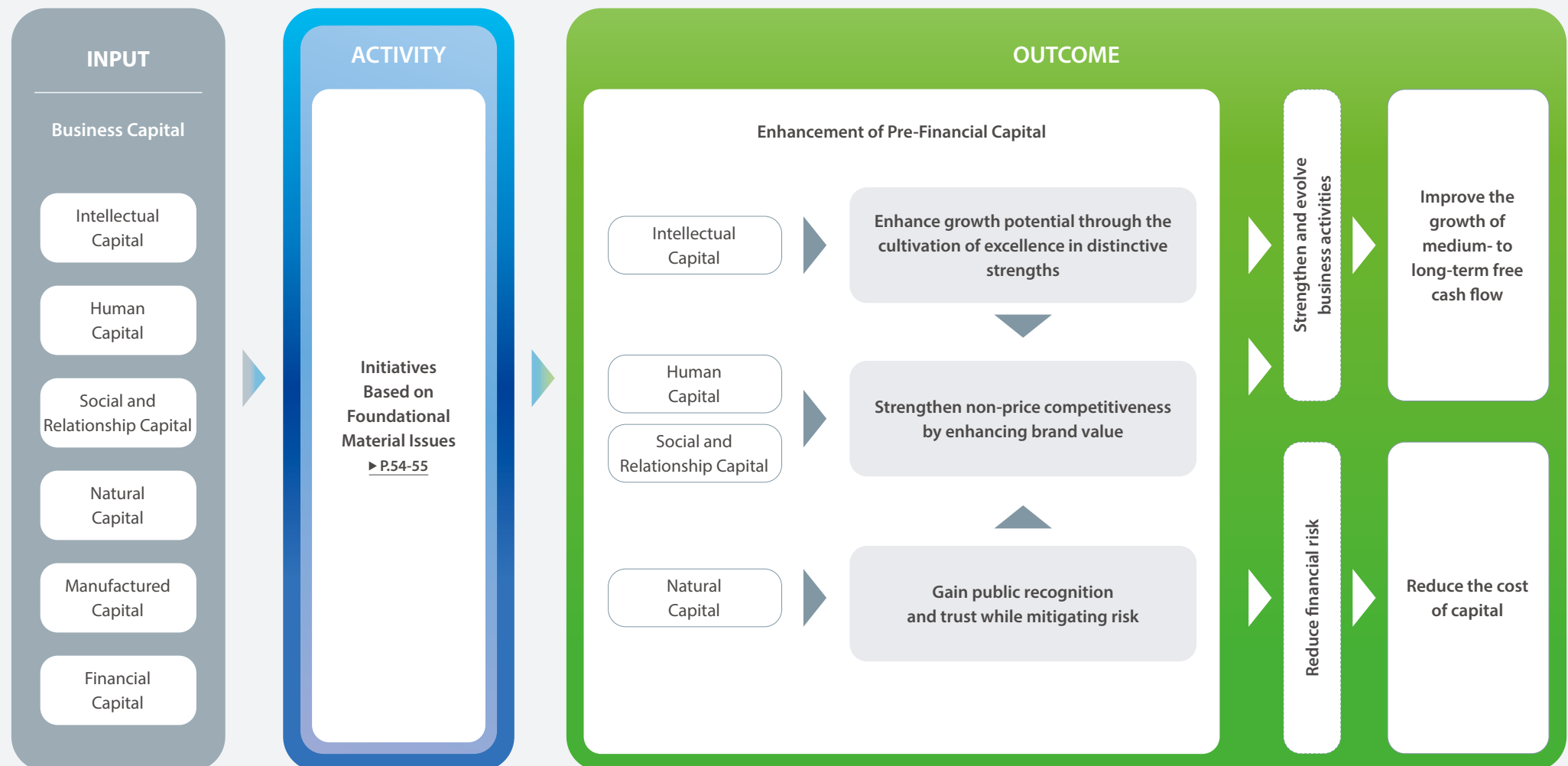


* The discounted cash flow (DCF) model, which calculates the present value of a company's future cash flows, provides a comprehensive and accessible way to express corporate value. As outlined above, we position corporate value in accordance with this approach.

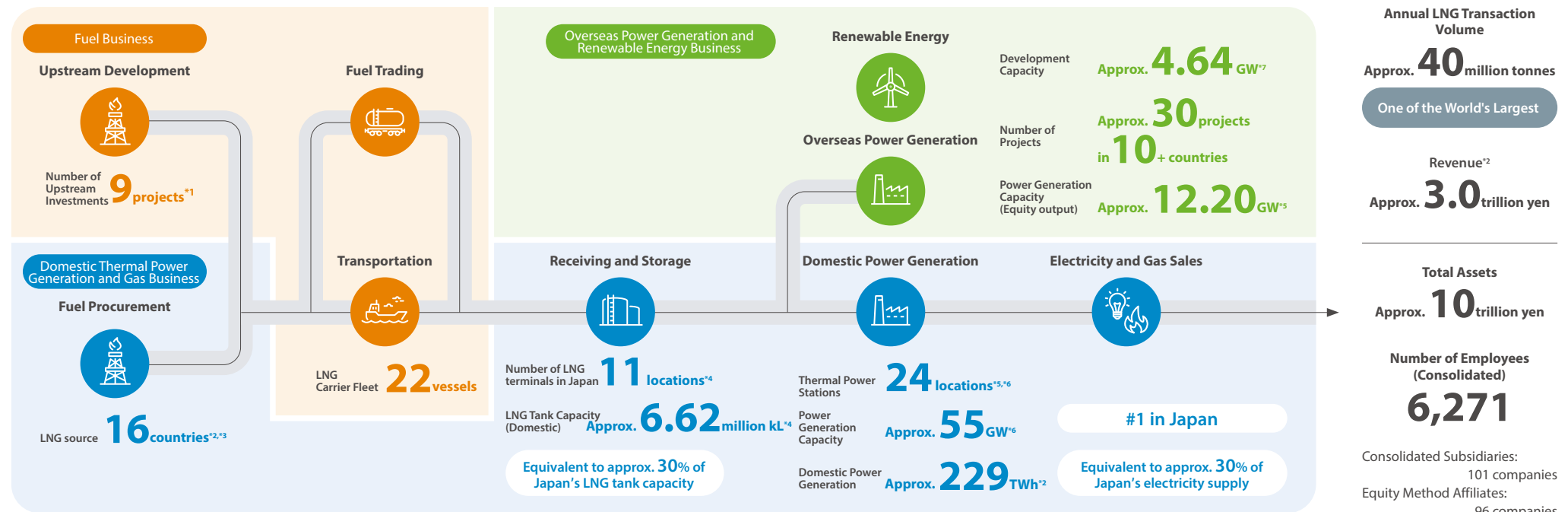
Pre-Financial Value Contributes to Financial Outcomes

This section illustrates how pre-financial value contributes to financial outcomes within the value creation process. Initiatives based on JERA's foundational material issues lead to enhanced corporate value through the strengthening of pre-financial capital.

In light of changes in the internal and external business environment, we reviewed our foundational material issues (see ➡ P. 56).

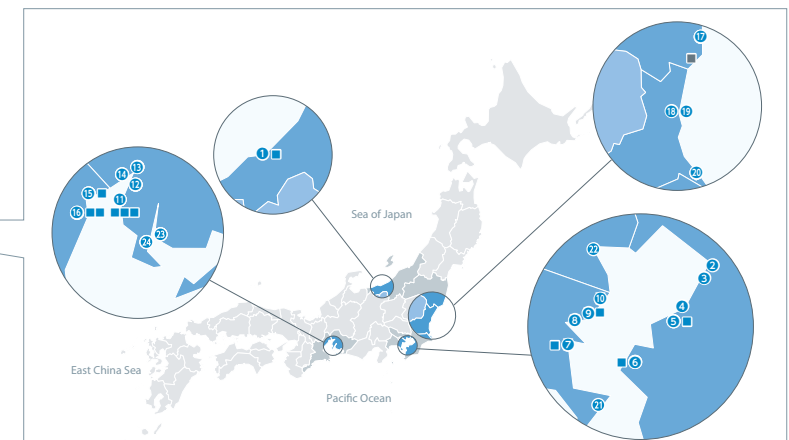
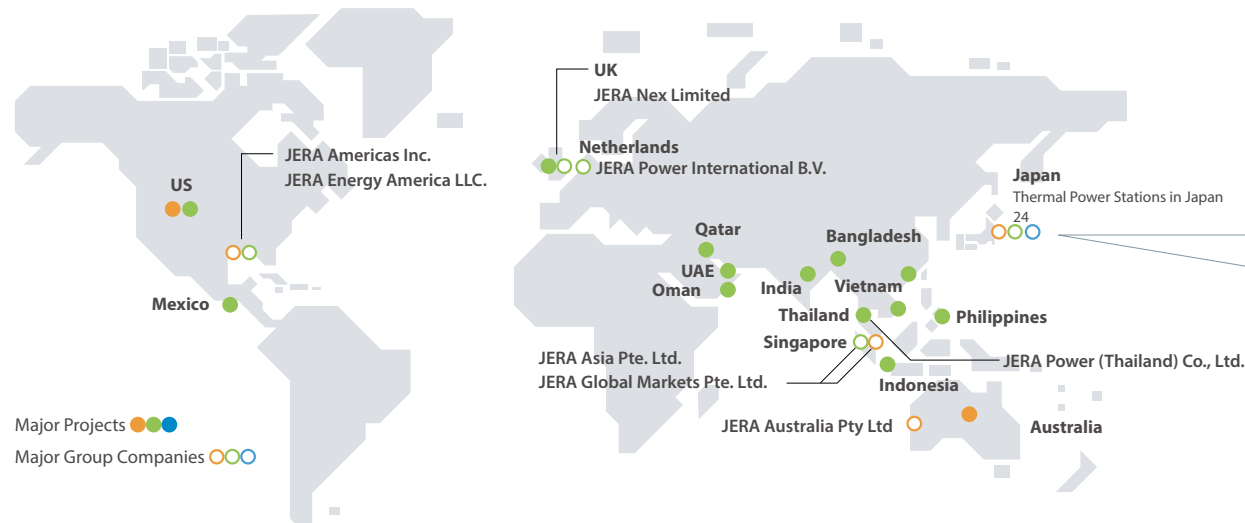


JERA at a Glance



(As of March 31, 2026)

*1 Includes ammonia production project *2 FY2025 *3 Represents the number of countries that exported to our LNG terminals *4 Includes joint LNG terminals with other companies in Chita and Yokkaichi *5 Includes facilities under construction *6 Excludes joint thermal power holdings *7 Cumulative development capacity



Growth Strategy to Realize Our 2035 Vision

The energy sector faces a trilemma: How to achieve three objectives simultaneously—stability, affordability, and sustainability.



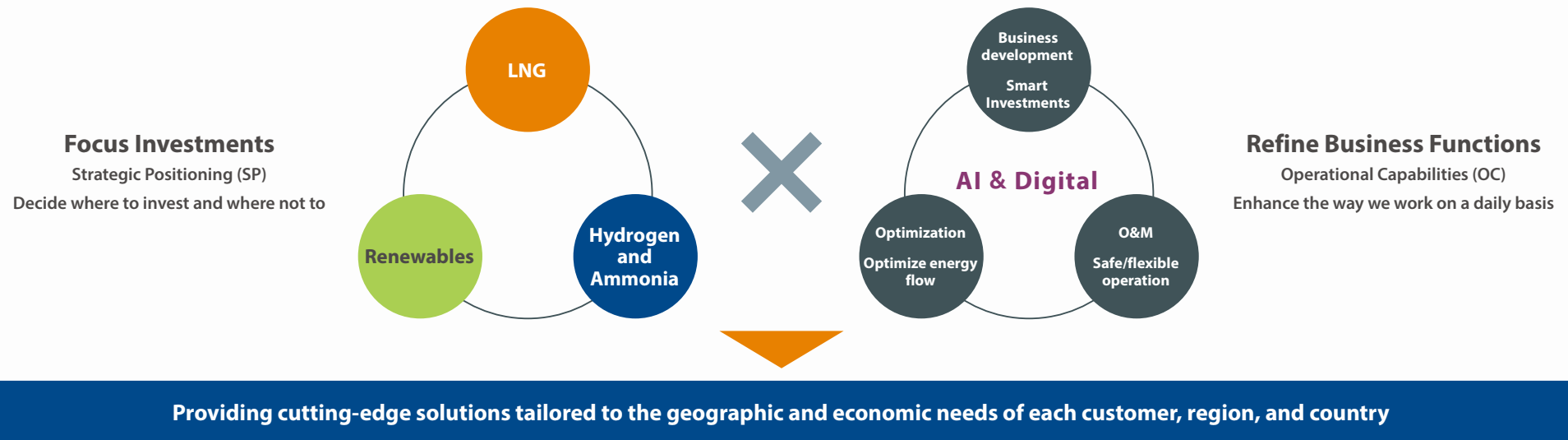
Against the backdrop of recent geopolitical developments including Russia's invasion of Ukraine and developments in the Middle East in 2026, and rising material prices and interest rates, the energy sector faces increasing uncertainty making it more important than ever to address this trilemma. The solutions required, however, differ according to the circumstances of each country and region.

JERA's mission is to develop and implement practical solutions that take into account these changes in the operating environment and the diverse circumstances of each country and region. At the same time, addressing these challenges presents an opportunity for sustainable growth.

JERA has identified LNG, renewable energy, and hydrogen and ammonia as strategic business areas. We will deploy management resources strategically as the business environment changes, while continuing to strengthen our expertise and operational capabilities globally.

By combining this strategic positioning with our operational capabilities, we will provide cutting-edge solutions tailored to the needs of individual customers, regions, and countries.

As the market environment continues to evolve, shaped by heightened geopolitical risk, rising material prices and interest rates, pressures on the competitiveness of decarbonization solutions, and fluctuations in domestic LNG demand, JERA remains firmly committed to its mission "to provide cutting-edge solutions to the world's energy issues." We will also help create new value and energy solutions in sectors where scale and need are growing rapidly, such as data center power supply.



Financial Strategy

Toward the 2035 Vision, we will pursue disciplined investment and flexible capital allocation backed by operating cash flow.

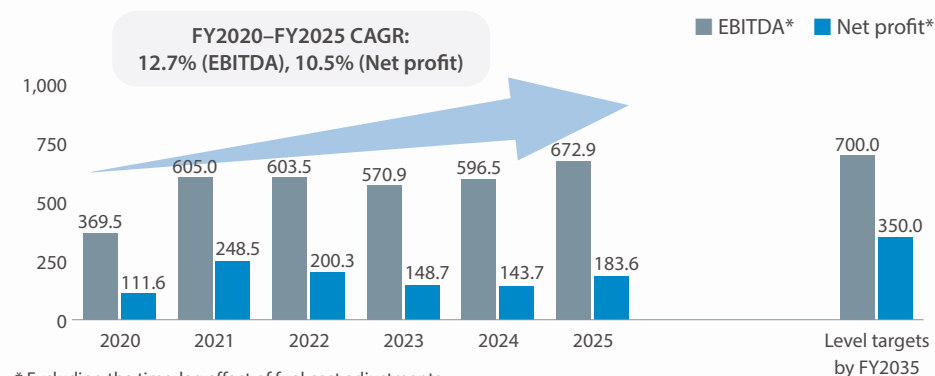
Balancing capital efficiency with financial soundness, we target net profit of 350.0 billion yen and EBITDA of 700.0 billion yen by FY2035.

Financial Targets and FY2025 Results

In FY2025, net profit fell short of the target, while EBITDA exceeded it and reached a record high. We will continue strengthening the financial base for growth investment toward the 2035 Vision.

	Management indicator	FY2025 target	FY2025 result	Level targeted by FY2035
Profitability	Net profit*	200.0 billion yen	183.6 billion yen	350.0 billion yen
	EBITDA*	500.0 billion yen	672.9 billion yen	700.0 billion yen
Capital efficiency	ROIC*	Approx. 4.5%	Approx. 4.4%	ROIC-WACC spread* 150 bps or more
	WACC	Approx. 3.5%	Approx. 4.5%	
Growth	Investing CF	FY2022–FY2025 cumulative Approx. 1.4 trillion yen	FY2022–FY2025 cumulative 1.7186 trillion yen	FY2024–FY2035 cumulative Approx. 5 trillion yen
Financial soundness	Net DER	1.0x or less	Approx. 0.5x	0.5x or less
	Net Debt/EBITDA*	4.5 years or less	Approx. 2.4 years	2 years or less
Reference	ROE*	Approx. 9.0%	Approx. 6.0%	Approx. 9.0%

EBITDA and Net Profit

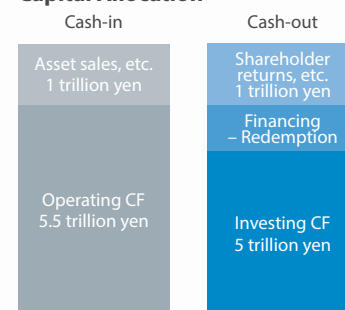


* Excluding the time-lag effect of fuel cost adjustments

Capital Allocation toward FY2035

Funded by operating cash flow, we will flexibly allocate capital across the three Strategic Positionings in response to market conditions, technological advances, and policy trends. Amid major shifts in the business environment, we will pursue both stable supply and growth by further diversifying LNG procurement, strengthening the LNG value chain, supplying energy to data centers, and continuing disciplined investment in renewables and hydrogen and ammonia.

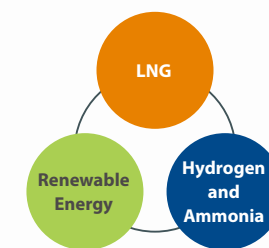
Capital Allocation



Note: Approximate cumulative totals for FY2024–FY2035

Capital Investment

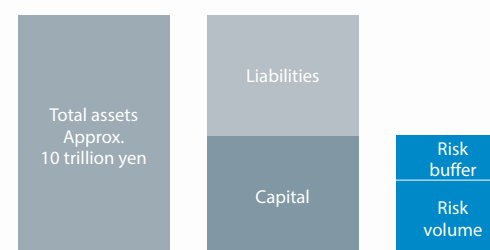
Rapidly and flexibly reallocate investment among the three Strategic Positionings



Balance Sheet Management

We will maintain capital above total risk exposure and preserve a credit rating in the A range through FY2035.

Image for FY2035



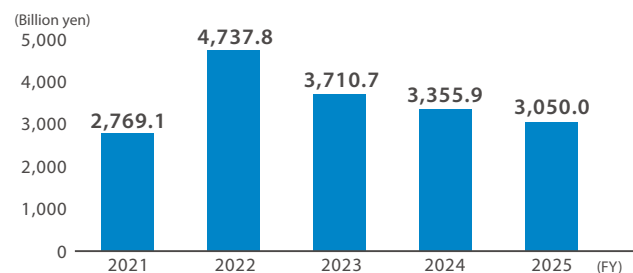
Balance Sheet Management toward FY2035

Credit rating A range
Net DER 0.5x or less
Net Debt/EBITDA 2 years or less

Financial Highlights

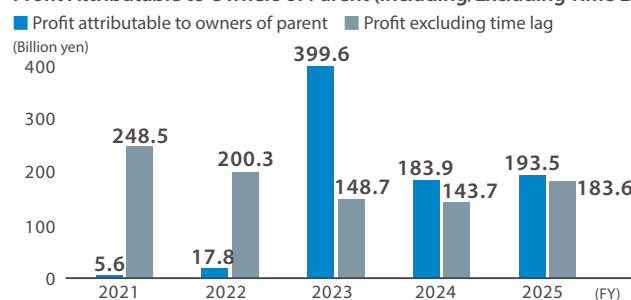
We have set management goals related to profitability, capital efficiency, growth, and financial soundness, aiming for specific outcomes for target levels by FY2035 (announced in May 2024). We are making progress on various initiatives aimed at achieving these management goals. We have voluntarily adopted the International Financial Reporting Standards (IFRS) starting with the consolidated financial statements for the annual reporting of FY2022, and the figures for FY2021 have also been restated in accordance with the IFRS.

Revenue



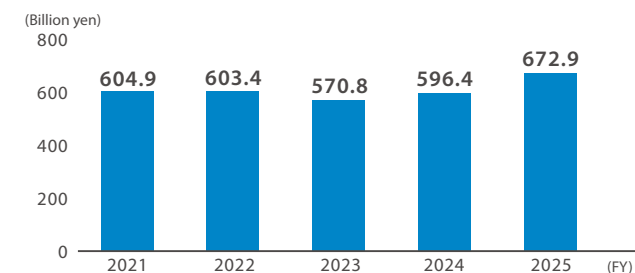
Revenue for FY2025 was 3,050.0 billion yen, down 305.9 billion yen, or 9.1%, from the previous year, mainly due to a decrease in the unit revenue from electricity sales.

Profit Attributable to Owners of Parent (Including/Excluding Time Lag)



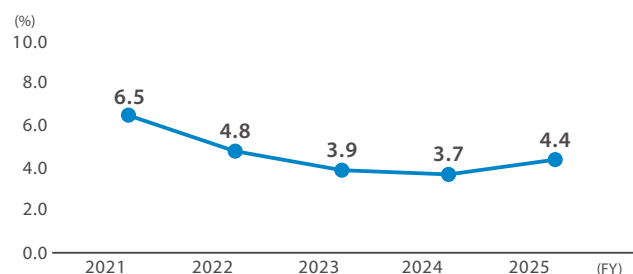
Net profit for FY2025, excluding time lag, increased despite the impact of the unit cost of fuel inventory at the beginning of the period and decreased profitability in the fuel business. The increase was due to factors such as the impact of fuel procurement prices and increased profitability in the overseas power generation and renewable energy business.

EBITDA



In FY2025, EBITDA remained high due to increases in pre-tax profit, excluding time lag, and depreciation and amortization compared with the previous year.
EBITDA = Earnings before interest and taxes* + Depreciation and amortization + Interest expenses
* Excluding time lag

ROIC



In FY2025, ROIC improved compared with the previous year, mainly due to an increase in net profit excluding time lag.

ROIC = {Net profit*¹ + Interest expense × (1 - Effective tax rate*²)} ÷ (Interest-bearing liabilities*³ + Equity*⁴)*⁵

*1 Excluding time lag

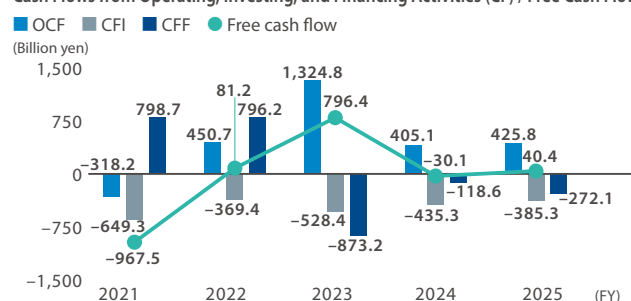
*2 Using the company's effective tax rate (figures listed in the annual securities report)

*3 Net cash after deducting working capital

*4 Equity = Non-controlling interests

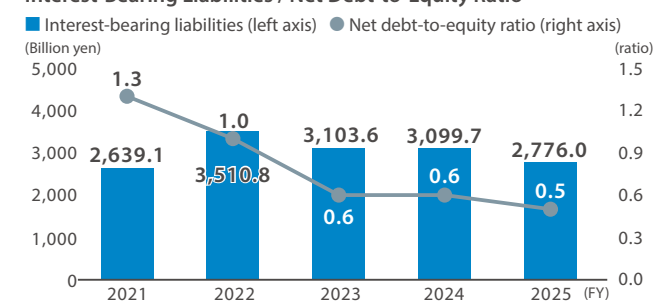
*5 Average at the beginning and end of the period

Cash Flows from Operating, Investing, and Financing Activities (CF) / Free Cash Flow



In FY2025, operating cash flow increased by 20.6 billion yen from the previous year to 425.8 billion yen, mainly due to increases in depreciation and amortization and profit before tax. Cash flow from investing activities improved by 50.0 billion yen from the previous year to an outflow of 385.3 billion yen, mainly due to asset sales in the North American IPP business. As a result, free cash flow increased by 70.6 billion yen to 40.4 billion yen.

Interest-Bearing Liabilities / Net Debt-to-Equity Ratio



The balance of interest-bearing liabilities in FY2025 decreased from the previous year to 2,776.0 billion yen, mainly due to the transfer of assets to JERA Nex bp. As a result, the net debt-to-equity ratio declined to 0.5 times.

Net debt-to-equity ratio = (Interest-bearing liabilities - Cash and deposits) ÷ Equity*

* Equity = Non-controlling interests



Yukio Kani
Global CEO and Chair

Global CEO Message

Turning Uncertainty Into a Driver of Corporate Value Creation

The Next Stage of Growth as an Integrated Energy Platform from Japan

JERA's Journey and the Next Stage of Growth

Since its establishment in 2015, JERA has progressively integrated the fuel, thermal power, and overseas power generation businesses of TEPCO and Chubu Electric Power, supporting a stable energy supply in Japan. In doing so, we have built an integrated business foundation spanning fuel procurement, power generation, and power businesses in Japan and overseas. Today, JERA is evolving into an integrated energy platform that combines three roles: a company that underpins Japan's energy supply, an LNG value chain player that connects the world, and a solutions company working to resolve energy issues.

Building on this foundation, we have developed one of the world's leading LNG value chains. The procurement and operating capabilities we have built in the process have allowed us to expand overseas into gas-fired power, low-carbon fuels, and renewable energy.

These are not independent businesses. Strong domestic power demand supports the LNG value chain, our LNG procurement capability and flexibility strengthen our power generation businesses in Japan and overseas, and,

drawing on the experience and expertise gained there, we deliver diverse solutions worldwide. This cycle is precisely the strength of JERA's integrated energy platform.

Upholding Our Mission in an Era of Uncertainty

The energy industry is entering an era of mounting uncertainty, driven by geopolitical risks, fuel price volatility, shifts in power demand structure, and rising interest rates and material costs. At the same time, JERA sees major growth opportunities: rising domestic power demand driven by advances in generative AI and digitalization, growth in the LNG market, and diversifying customer needs such as decarbonization.

No matter how circumstances change, we will stay true to JERA's mission: "To provide cutting-edge solutions to the world's energy issues." At the heart of the energy challenges we face is how to achieve sustainability, affordability, and stability, all at once.

Sustainability means reducing CO₂ emissions while realizing a sustainable energy supply for the future. Affordability means delivering energy at prices that households and businesses can continue to afford. And stability means

ensuring a reliable supply of the energy society needs, even as geopolitical conditions, weather, or market environments change.

There is no one-size-fits-all solution that can simultaneously deliver sustainability, affordability, and stability.

That is why we work together with trusted partners and other stakeholders in Japan and overseas to find a way forward.

Drawing on our diverse business portfolio, we will implement practical solutions in society that are suited to the needs of each region and the times.

LNG as a Foundation for Stable Supply and Growth

One of JERA's major strengths is its LNG value chain, backed by a solid domestic demand base. By managing our long-term

contracts, upstream interests, shipping fleet, receiving terminals, inventories, and sales via JERA Global Energy Solutions, together with JERA Global Markets' trading and optimization capabilities, we are able to safeguard stable supply while turning market volatility into opportunities for value creation.

The scale of our domestic power generation demand gives us substantial LNG offtake capacity, enabling us to invest with discipline in upstream projects and build a flexible LNG portfolio. It also strengthens the competitiveness and resilience of the entire value chain, including transportation, receiving terminals, and trading. We are constantly advancing concrete measures to strengthen our value chain. These include acquiring interests in North American shale gas fields, securing long-term LNG supply from the US, Qatar, and

Malaysia, expanding our LNG carrier fleet, and strengthening collaboration with KOGAS and Dunkerque LNG.

For Japan, which relies heavily on imported energy, strengthening the LNG value chain is both a business priority and a critical element of national energy security. We will pursue both our responsibility to support a stable energy supply in Japan and growth at a global scale.

Meeting New Power Demand: Energy Solutions for Data Centers

With advances in AI and digitalization, power demand is entering a new phase.

Data centers and semiconductor factories require large volumes of reliable power, 24 hours a day, 365 days a year.

As Japan's electricity demand looks set to return to growth, this represents a significant opportunity for JERA, with Japan's largest LNG receiving capacity and power generation portfolio.

JERA builds, owns, and operates some of Japan's largest gas thermal power stations, and we will use this generation base to respond to growing demand from AI data centers. One of JERA's strengths is its ability to operate the entire energy value chain for AI data centers in an integrated manner. This encompasses not only electricity supply but also the infrastructure that supports it, from LNG procurement in

global markets and receiving terminals to gas pipelines and power generation. Building on this strength, we will work to quickly provide customers with the solutions they need.

Expanding Options for Decarbonization

The business environment surrounding renewable energy, as well as hydrogen and ammonia, is becoming increasingly challenging due to rising material prices and interest rates, along with supply chain constraints. Nevertheless, these remain important in the medium to long term, not only for decarbonization but also for stable supply and energy security.

In renewable energy, we are strengthening our global development and operational capabilities through JERA Nex bp, which develops and operates offshore wind power projects, while maintaining rigorous investment discipline and enhancing our competitiveness.

In hydrogen and ammonia, we are building a value chain that connects production, transportation, and utilization. This work includes our investment in Blue Point, a project in the U.S. that aims to become one of the world's largest low-carbon ammonia production facilities; a time charter contract for a fuel ammonia carrier; and the successful demonstration of 20% ammonia substitution in coal-fired power generation at Hekinan Thermal



Power Station. We will pursue a multi-purpose strategy by developing demand beyond power generation, including marine fuel and industrial applications, and aggregating that demand to achieve scale. This will help improve the commercial viability of the entire supply chain.

In our efforts toward future decarbonization, we are not rushing to expand. Instead, we are watching how conditions develop and preparing our organization so that we can move decisively when the time is right.

Strengthening Our Ability to Execute the Growth Strategy Through Organizational Transformation

To execute our growth strategy with greater speed and certainty, we are also evolving our

organization. Over the past decade, JERA has expanded significantly in both business scope and scale, and each business now requires increasingly specialized expertise. Amid a rapidly changing market environment, we are reorganizing the diverse businesses we have developed into six business units—LNG and low-carbon fuels, trading, domestic thermal power, domestic electricity and gas sales, overseas thermal power, and renewable energy—so that we can make decisions faster and with greater expertise. As part of this reorganization, each unit will have clearly defined responsibilities and authority. This will enable each business to make decisions more independently while strengthening its expertise and competitiveness.

JERA's greatest strength is our ability to

connect and optimize the entire value chain, from upstream fuel investment, procurement, and transportation through to power generation, trading, and electricity and gas sales.

By increasing the autonomy of the six businesses while strengthening collaboration among them more than ever, we will enhance JERA's overall capacity to create value.

Under this management structure, which balances autonomy and collaboration, we will allocate capital with greater agility as the business environment changes, and our management will evolve to focus more sharply on capital efficiency and growth potential.

Making Our Core Value the Foundation of JERA's Distinctive Identity

When an organization undergoes significant change, the values that must remain constant become even more important. We established the JERA Core Value to guide our decisions as we continue to pursue our mission.

Our Core Value includes "Ownership to Serve Our Tomorrows: Step forward with ownership and give our best for the many tomorrows we serve." and "Fairness / Diversity / Openness / Respect & Safety: Be open to every difference. Act with fairness. Respect people, and protect safety."

Even as the external environment changes and expectations from capital markets

continue to rise, JERA's distinctive approach to value creation comes from each of us taking ownership for our role, upholding fairness and safety, and bringing our strengths together.

These efforts, sustained over time, will give us the strength to pass a more prosperous society on to the next generation and earn the trust of all our stakeholders.

Working with Stakeholders to Implement Practical Solutions in Society

JERA cannot solve the world's energy challenges alone.

Collaboration with diverse stakeholders, including investors, business partners, fuel-supplying countries and suppliers, customers, local communities, governments, and financial institutions, is essential. How can we achieve sustainability, affordability, and stability at the same time? We believe it is important to share our perspectives and challenges and, through ongoing dialogue, develop workable solutions together.

Continuing to address society's energy challenges will drive JERA's sustainable growth and enhance its corporate value. In an era of increasing uncertainty, we will stay true to our mission: "To provide cutting-edge solutions to the world's energy issues." Together with our stakeholders, we will pave the way for a more sustainable energy future.



CEO and COO Message

Turning Adaptability into Competitive Strength: Sustaining Lives and Industry While Pursuing Growth in an Age of Uncertainty



Hisahide Okuda

President, Director,
CEO and COO

Building a Business Structure Resilient to Uncertainty

Energy is an essential infrastructure that supports our everyday lives and industry. That is why, when rising geopolitical risks or natural disasters destabilize supply and prices, the impact is felt across society.

Spurred by two major oil crises, Japan has, over the decades, diversified both its power generation and fuel procurement sources. As a result, the country now has a well-balanced power mix combining LNG, coal, renewable energy, and nuclear power, and has built a resilient supply base capable of maintaining stable supply even amid the recent geopolitical tensions in the Middle East.

However, in today's world of growing uncertainty, maintaining stable supply alone is not enough. Geopolitical risks can trigger sharp fluctuations in fuel and electricity market prices, with the effects ultimately reaching households and industries through the price they pay for electricity. Beyond maintaining stable supply, energy companies have an important responsibility to strengthen resilience to price volatility.

Since its establishment in 2015, JERA has built an integrated value chain spanning upstream fuel development, procurement, transportation, trading, and power generation. Leveraging one of the world's largest LNG transaction volumes and global trading

capabilities, we have developed a business structure designed to enhance resilience amid uncertainty.

Upstream fuel operations and downstream power generation businesses respond differently to market conditions. For example, while rising fuel prices increase power generation costs, they can also create opportunities for the fuel business to generate higher earnings. This structure helps maintain the competitiveness of our power generation business even as fuel prices fluctuate, while generating profits across the entire value chain.

This means we can hedge risks across the value chain and help support more stable earnings even as the business environment changes.

At the same time, we leverage our fuel portfolio and trading capabilities to enhance fuel supply stability and resilience to price volatility. Specifically, we diversify LNG procurement across the US, Australia, the Middle East, and Asia, and we combine LNG linked to different price benchmarks to help reduce both supply risk and price volatility risk. We have also built a portfolio that combines an appropriate mix of long-term contracts, short-term contracts, and spot procurement to address seasonal fluctuations in LNG demand, while drawing on JERA Global Markets' trading capabilities to strengthen our ability to respond to an increasingly dynamic market environment.

Renewable energy, one focus of our growth strategy, is a domestically available energy source that reduces dependence on overseas supply and contributes to energy security. We are building a more stable supply base by combining renewable energy with lower-carbon thermal power, which can adjust quickly to demand fluctuations. Rather than relying on a single power source, we need to keep a diverse range of power-generation options available and combine them appropriately as the business landscape changes.

This approach can help address energy issues not only in Japan but around the world. Each country faces different geographic conditions, industrial structures, and geopolitical risks and therefore has different solutions and priorities for addressing the energy trilemma: achieving stability, affordability, and sustainability at the same time. Some countries need to prioritize meeting surging electricity demand, while others should prioritize energy security or decarbonization. Because the approaches and priorities vary by country, a diverse range of options is essential.

JERA has a broad range of power generation and fuel options at its disposal, including lower-carbon thermal power, renewable energy, LNG, and hydrogen and ammonia. By combining these to deliver optimal solutions tailored to each country's needs, we aim to capture growth opportunities in Japanese and global markets, enhancing our corporate value.

Precisely because this is an age of uncertainty, we must prepare for risks in normal times and retain the flexibility and adaptability to

respond as circumstances demand in a crisis.

JERA's strength lies in our ability to leverage our business portfolio, built through full-value-chain management, to provide the best options as the business environment changes. This adaptability is both a competitive advantage for JERA as a company and the foundation of the value we create for society.

By optimizing resource allocation and business operations in response to changes in the business landscape, we can generate stable cash flow and continue investing in the future. This investment helps to lay the foundation for our continued support of both livelihood and industry, while also enhancing JERA's corporate value over the medium to long term.

Turning Decarbonization into Industrial Competitiveness for the Next Era

While some argue that global momentum for decarbonization is waning, many countries are strategically shifting toward areas of decarbonization where they have a competitive advantage, sometimes deploying state capital to build competitive clean energy supply platforms.

The US, for example, continues to pursue low-carbon and decarbonization businesses in areas where it holds competitive strengths, including nuclear power, natural gas, carbon capture and storage (CCS), and blue hydrogen. It is also advancing next-generation nuclear power development as a national strategy through coordinated public- and private-sector efforts. While policy support for wind and solar

has been scaled back, onshore wind and solar projects continue to expand across the vast United States on their own economic merits.

China, meanwhile, is drawing on state capital and its overwhelming competitive advantage to build production capacity in solar power, onshore and offshore wind power, battery storage, and green hydrogen, while actively expanding exports to countries across Asia and beyond.

These developments show that decarbonization is not only an environmental policy for climate change mitigation but also an industrial policy that strengthens the non-price competitiveness of domestic industries. With global electricity demand surging, driven primarily by AI data centers and the semiconductor industry, countries capable of

supplying stable, lower-carbon energy can attract new industrial clusters and strengthen their competitive advantage in the coming era.

In Japan, too, decarbonization is a critical initiative that affects not only climate change mitigation but also future industrial competitiveness. However, geographic conditions, weather patterns, and disaster risks limit Japan's potential to deploy renewable energy compared with other countries. Japan also relies heavily on solar power, the output of which fluctuates significantly by season and time of day, making it difficult to support the power system with renewable energy alone.

Advancing decarbonization requires practical solutions tailored to each country's circumstances. In Japan, we believe the practical path to decarbonization is to combine renewable



energy, such as offshore wind and solar power, and battery storage with lower-carbon thermal power that can respond rapidly to fluctuations in supply and demand, while adjusting the pace in line with the business environment.

Like Japan, many countries around the world lack abundant energy resources and have limited potential to deploy renewable energy.

JERA aims to draw on the expertise we have developed in Japan by combining our full value chain with diverse power sources and fuels, providing decarbonization solutions tailored to each country's unique circumstances. We believe these efforts will help address the world's energy challenges while supporting JERA's sustainable growth and enhancing its corporate value.

Leading the Development of an Energy Supply System for the AI Era

Electricity demand from AI data centers and the semiconductor industry is surging worldwide. These industries are expected to help drive economic growth and industrial competitiveness, yet they require vast amounts of high-quality power. The inability to immediately secure sufficient generation capacity and transmission infrastructure to meet this demand has become a bottleneck influencing investment decisions.

In Japan, too, AI data centers and the semiconductor industry are strategically important to the country's international competitiveness. Without a rapid supply of high-quality power, Japan risks falling behind.

Rather than developing power sources on

the assumption of nationwide demand growth, as Japan did during its high-growth and bubble-economy eras, we now need a business model that can rapidly supply high-quality power to specific industries, primarily AI data centers and the semiconductor industry. If JERA can move early to provide such a model, it could represent a significant business opportunity not only in Japan but around the world.

Given the lead times required to build new generation capacity and the lengthening timelines for grid connections, supplying power rapidly is no easy task. As one example, JERA is exploring a new power supply model in which data centers are built on the sites of existing thermal power stations and supplied with electricity directly. Outside Japan, we aim to provide solutions that combine thermal power, renewable energy, and battery storage, tailored to regional characteristics and customer needs.

Rapid power supply also requires a business environment in which both energy users and suppliers can confidently move forward with new investment. JERA aims to take a leading role in these efforts, engaging with public- and private-sector stakeholders to help build sustainable supply infrastructure and strengthen industrial competitiveness.

By providing optimal solutions to meet surging electricity demand from new industries worldwide, we can contribute to society's development while supporting JERA's sustainable growth and enhancing its corporate value. JERA is moving quickly to capture these growth opportunities at home and abroad

and, as an energy provider, lead the development of the energy supply systems that will support new industries.

Creating New Possibilities, Guided by JERA Core Value

Adaptability in an era of uncertainty comes from people and organizations that anticipate change, think for themselves, and act accordingly.

JERA is transitioning to a group structure where professionals with diverse expertise take ownership of their respective business domains and create value. Across different business domains, countries, and regions, our Mission remains unchanged: "To provide cutting-edge solutions to the world's energy issues."

To ensure the JERA Group continues to take on challenges as one in pursuit of this Mission, we have established JERA Core Value as a shared guide for decisions and actions across the Group.

"Ownership to Serve Our Tomorrows: Step forward with ownership and give our best for the many tomorrows we serve." These words express our conviction that everything the JERA Group does should create value that supports the world of tomorrow. From major investment decisions to daily facility operations and the administrative work that supports them, we continually ask whether our work is truly contributing to a better future. If it falls short, we take the initiative to improve. Together, these individual actions help build a better society for generations to come.

"Fairness / Diversity / Openness / Respect & Safety: Be open to every difference. Act with fairness. Respect people, and protect safety." These principles underpin JERA's organizational strength. We aspire to be an organization where everyone is free to speak openly, regardless of position or affiliation: "Can we do this better? Is there a risk here? Is there a new possibility?" By bringing together diverse opinions and values, learning from one another, and reaching better answers together, we make JERA stronger and more resilient.

At JERA, we position JERA Core Value as the touchstone for daily decisions and actions. Through the accumulated efforts of each individual to serve the world of tomorrow, we aim to keep growing even in an age of uncertainty and remain an energy provider that society can trust.

Creating new value is not something we can accomplish overnight. Whatever short-term changes may come, we will stay the course with our sights set firmly on the long term.



CFO Message



Strengthening Our Business Foundations for Long-term Value Creation

Looking Back on the Past 10 Years

JERA marked its ten-year anniversary in FY2025. In the past decade, we have built an integrated value chain covering upstream fuel investment, procurement, transportation, trading, power generation and sales, and have grown into an energy company with the largest power generation capacity in Japan and one of the largest fuel transaction volumes in the world.

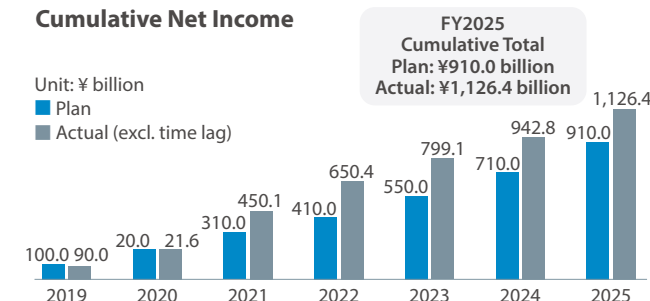
From my perspective as CFO, I believe there is more to reflect on than financial growth alone. To fulfill our social responsibility to support a stable supply of electricity, JERA has integrated fuel procurement, financing, and risk management, including through the COVID-19 pandemic, the Ukraine crisis, and heightened tensions in the Middle East so that they work together effectively. When LNG markets tightened, we mobilized large-scale procurement, including through the spot market, to help secure Japan's electricity supply. None of this would have been possible without everything we have built since JERA's founding: our value chain, procurement capabilities, financial foundation, relationships with financial institutions, and engagement with capital markets.

Consolidated results for FY2025 came in at ¥3.05 trillion in revenue and ¥183.6 billion in net income.* We fell slightly short of our ¥200 billion profit target, but net income was the third highest on record. Cumulative profits over the seven years

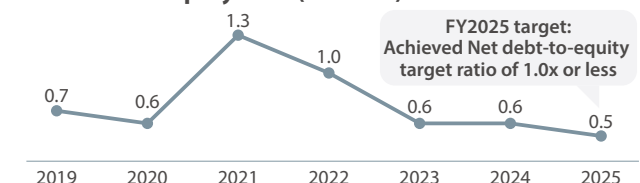
since FY2019 (when both shareholders' assets were fully integrated into JERA) were ¥216.4 billion above our target. Our net debt-to-equity ratio stands at approximately 0.5x, reflecting strong financial health. Building on the foundation we have established over the past decade, we will continue to pursue stable supply, growth, capital efficiency, and resilience to future risks as a unified whole, and in doing so, deliver sustainable corporate value.

* Excluding the time lag effect of fuel cost adjustments

Cumulative Net Income



Net debt-to-equity ratio (Net DER)



Message from the CFO

The Decade Ahead

Ten years after its founding, JERA is entering a new phase of growth as we embark on the decade ahead. The coming decade will test our ability to respond to increasingly unpredictable risks from geopolitical shifts, climate change, energy supply-demand volatility, and changes in policy and regulation. Against this backdrop, JERA will continue to fulfill its responsibility to support a stable energy supply while contributing to a decarbonized society and driving corporate value. Disciplined capital allocation and financial strategy will be fundamental in delivering on that ambition.

In allocating capital, we will make strategic investments to deliver our growth strategy through 2035, supported by strong cash generation, primarily from operating cash flow. From FY2024 through FY2035, we plan to invest a cumulative total of approximately ¥5 trillion across three strategic business areas:

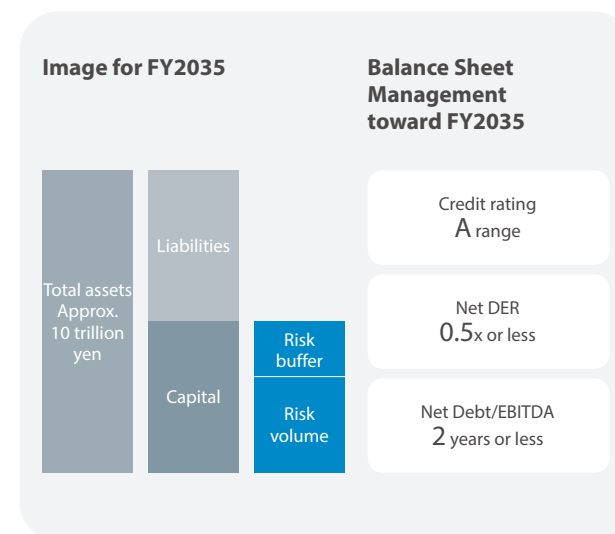
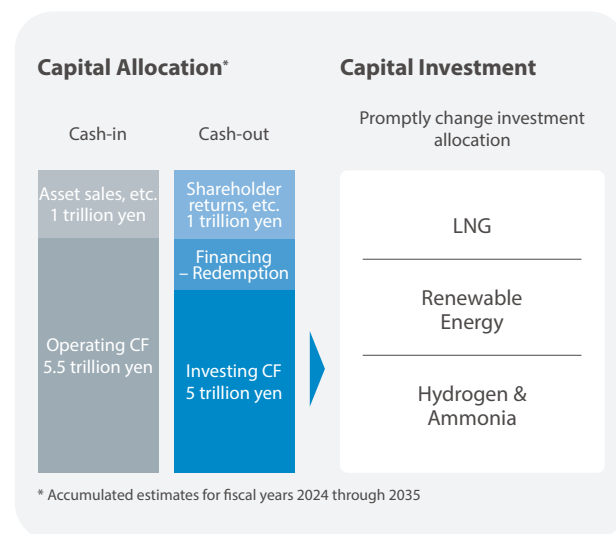
LNG, renewable energy, and hydrogen and ammonia. We will adjust capital allocation as the business environment evolves, in response to market conditions, technological advances, and policy developments. Capital allocation is not simply about investing for growth. In an uncertain environment, we need to sustain stable supply, maintain financial health, and pursue future growth opportunities - and that demands a flexible capital policy.

For the early 2030s, we have set targets of ¥350 billion in net income (excluding time lag) and ¥700 billion in EBITDA. Given how difficult it is to forecast medium- to long-term shifts in the business environment, we chose not to set a fixed ROIC target. Instead, drawing on benchmarks from overseas utilities and listed energy companies, we adopted a ROIC-WACC spread of 150 bps as our KPI, aiming to improve capital efficiency with a clear focus on the cost of capital. We are also

targeting a net debt-to-equity ratio of 0.5x or below and a net debt-to-EBITDA ratio of two years or less, further improving capital efficiency and strengthening financial discipline while maintaining financial health.

At its core, our financial strategy is about balancing growth with financial strength. We aim to maintain creditworthiness consistent with an A rating, manage risk exposure prudently, and ground every investment decision in the cost of capital, reserving the financial strength needed to respond effectively even in challenging conditions. In our approach to risk management, we classify our exposure into three categories - market risk, credit risk, and operational risk - and quantify integrated risk exposure based on market and credit risks, for which probabilities of occurrence can be estimated statistically. We call the gap between integrated risk exposure and risk capital the "risk buffer." Because operational risk cannot be quantified statistically, our policy is to maintain an adequate buffer at all times. Beyond managing financial health through integrated risk quantification, we continuously monitor cash flow and liquidity under stress scenarios to support our ability to respond effectively when conditions demand it.

Preparing for future risks and strengthening our ability to generate cash over time will require more than financial resilience alone. It will also require us to strengthen our broader business foundations spanning our business portfolio, talent, governance, and technology development. Over the next decade, JERA will work to build a management structure that balances business autonomy with the interests of JERA Group as a whole.



Message from the CFO

Enhancing Corporate Value

Today, the importance of energy security is once again coming into sharp focus. Electricity demand is rising with the expansion of AI and data centers, geopolitical risks are intensifying, and the need for emergency preparedness is growing. That said, this does not mean decarbonization or nature-positive initiatives have become less important. On the contrary, we believe the companies that can reconcile stable supply, decarbonization, and stewardship of natural capital will be better positioned to earn the support of society and capital markets over the medium to long term.

JERA is advancing a realistic and responsible energy transition, positioning its response to climate change and stewardship of natural capital as key drivers of corporate value. We see our work on decarbonization, the circular economy, and nature-positive goals not as responses to social expectations alone, but as investments intended to reduce future business risk and create new growth opportunities.

A strong foundation also depends on our people. As the challenges facing the energy industry become increasingly complex and global, we believe diverse perspectives are a source of competitive strength. To bring those perspectives into decision-making, we are expanding the role of outside directors,



CFO town hall presentation to JERA Australia team members

appointing non-Japanese executives, and recruiting highly specialized talent from Japan and around the world. Our goal is to create an environment where people with diverse backgrounds can thrive and contribute to JERA's long-term success. Within the Finance and Accounting Department, I hold regular CFO town halls with employees from headquarters, business divisions, overseas offices, and power stations. These sessions allow me to hear candid perspectives directly from younger employees and reflect their insights into management discussions, while fostering an open and transparent culture.

To support our growth strategy, we are introducing a job-based HR system designed to attract and retain highly specialized talent. In a rapidly changing business environment, people are our most important source of long-term value creation, and we are committed to providing opportunities for individuals to deepen their expertise and maximize the value they can contribute at JERA.

As our business grows and our international footprint expands, strengthening governance remains a priority. In addition to enhancing the effectiveness of JERA's Board of Directors, we are improving governance across the Group through initiatives such as developing skills matrices for key subsidiaries and strengthening internal audit functions.

Future competitiveness cannot be secured by staying on the current trajectory. Sustained growth will also require us to look beyond our existing businesses. Through JERA Ventures, our corporate venture capital arm, we are partnering with startups around the world to explore innovative technologies and business models. Examples include our collaboration with Newlab, an innovation hub, toward the commercialization of low-concentration CO₂ capture solutions and our investment in Quaise Energy, a developer of next-generation geothermal power



At an investor conference in London, November 2025

From left: Tarek Hamid, Managing Director and Head of North America Credit Research, J.P. Morgan Securities LLC; Zach Davis, CFO, Cheniere Energy; and Kazuo Sakairi, CFO, JERA

technology. These partnerships deepen our expertise in energy transition and next-generation technologies while opening up new business opportunities.

We engage capital markets - investors, financial institutions, and others - in dialogue on our growth strategy, financial strategy, capital allocation, and sustainability efforts, and bring the expectations and challenges raised through those dialogues back into our management decisions. We believe these conversations enhance our corporate value by deepening mutual understanding and trust.

Over the decade ahead, JERA will continue to strengthen the business foundation that supports stable supply, growth, and decarbonization. By doing so, we aim to deliver sustainable value to our shareholders, society, and a wide range of stakeholders, while continuing to enhance our corporate value over the long term.



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JERA Zero CO₂ Emissions 2050

Pursuing Net-Zero CO₂ Emissions Across Domestic and Overseas Operations

Mission

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

JERA Zero CO₂ Emissions 2050

In pursuit of our mission, we are targeting net-zero CO₂ emissions across our domestic and overseas operations by 2050, contributing to a more sustainable society.*

* JERA Zero CO₂ Emissions 2050 is premised on steady advances in decarbonization technologies, economic viability, and alignment with government policy.
JERA is proactively advancing the development of decarbonization technologies and working to improve their economic viability.

Three Approaches to JERA Zero CO₂ Emissions 2050

Developing Country- and Region-Specific Roadmaps

The energy landscape varies across geographies, including differences in the availability of renewable energy resources and access to cross-border transmission grids and pipeline infrastructure. We will work with stakeholders to identify optimal solutions and develop country- and region-specific roadmaps tailored to local conditions.

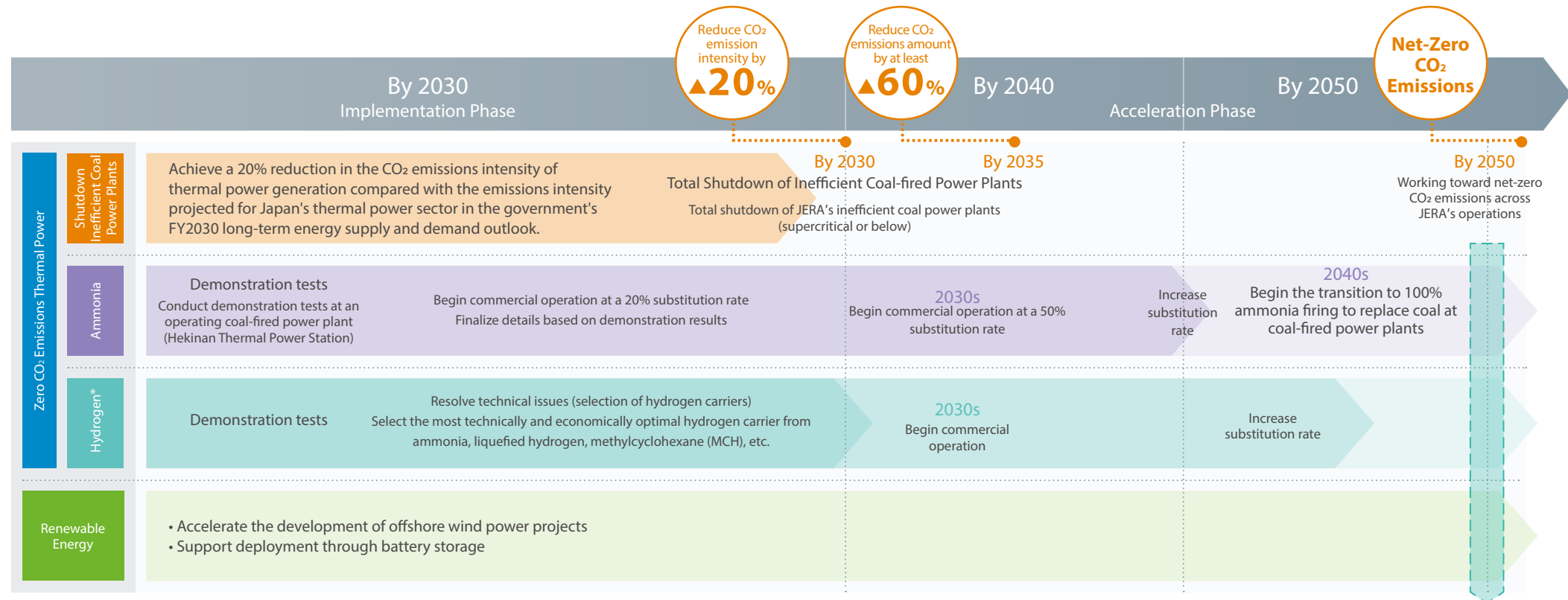
Adopting Smart Transitions

Our route to zero emissions is based on a “smart transition” approach, combining proven technologies enabled by innovation and selecting the most appropriate solutions as investment decisions are made. This approach will support a smooth transition to a green society while minimizing technology risk.

Leveraging the Complementary Strengths of Renewable Energy and Zero CO₂ Emission Thermal Power

We are targeting net-zero emissions through a combination of renewable energy and zero-CO₂-emission thermal power. As we expand renewable energy, thermal power will provide generation capacity that is not dependent on natural conditions. At the same time, we will promote the use of greener fuels in thermal power generation and pursue zero-CO₂-emission thermal power that does not emit CO₂ during generation.

JERA Zero CO₂ Emissions 2050: Japan Transition Roadmap (Transition Plan for Achieving Net-Zero CO₂ Emissions)



This roadmap will be refined in stages based on developments in policy and other relevant assumptions. It will be reviewed and revised as necessary if these assumptions change materially.

* The use of CO₂-free LNG is also under consideration.

By 2050, CO₂ emissions from power plants still using fossil fuels will be offset using technologies like CO₂-free LNG

JERA Environmental Target 2030

We are actively working toward reducing our CO₂ emissions. We are pursuing the following initiatives by FY2030:

- Total shutdown of inefficient coal-fired power plants (supercritical and below) and conduct demonstration tests of ammonia substitution at high-efficiency (ultra-supercritical) coal-fired power plants.
- Accelerate the development of renewable energy centered on offshore wind power projects and work to further improve the efficiency of LNG thermal power generation.
- Reduce the carbon emission intensity of thermal power plants by 20% compared with the emissions intensity projected for Japan's thermal power sector in the government's FY2030 long-term energy supply and demand outlook.

JERA Environmental Target 2035

JERA aims to reduce CO₂ emissions within its domestic operations by at least 60% from FY2013 levels by FY2035 through the following initiatives:

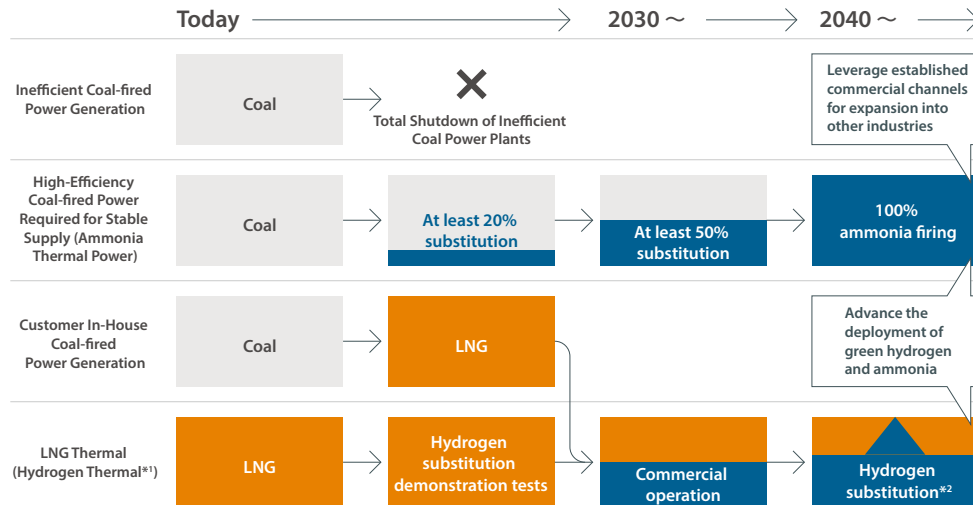
- Expand the development and deployment of renewable energy in Japan, given continued growth in renewable energy adoption in line with the Japanese government's 2050 carbon-neutral policy.
- Advance hydrogen and ammonia fuel substitution to reduce the CO₂ emissions intensity of thermal power generation.

Note: JERA Zero CO₂ Emissions 2050: Japan Transition Roadmap and JERA Environmental Targets are premised on steady advances in decarbonization technology, economic viability, policy consistency, and the broader business environment.

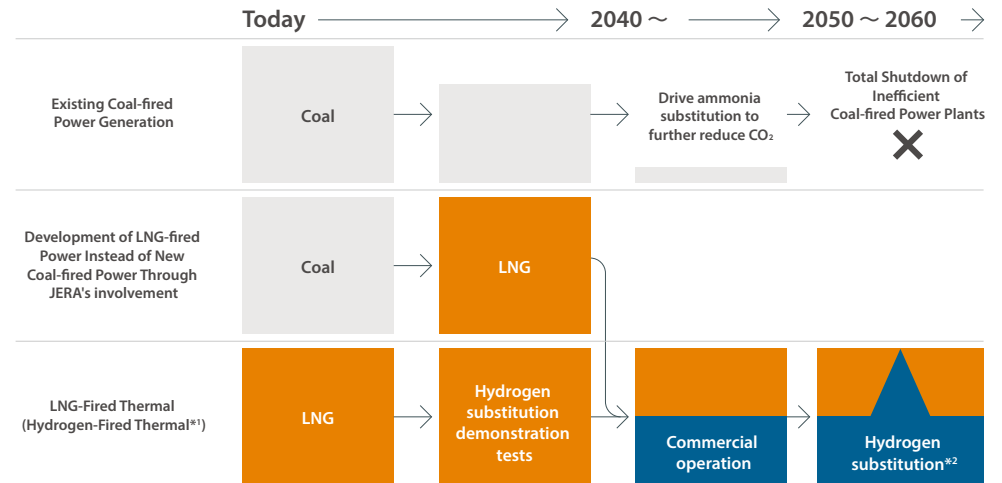
These targets have been formulated in alignment with Japan's greenhouse gas reduction goals and long-term strategy, both of which were established with the aim of supporting the Paris Agreement's global ambition of limiting the increase in global average temperature to as close to 1.5°C above pre-industrial levels as possible.

JERA Zero CO₂ Emissions 2050: Net-Zero CO₂ Emissions Transition Plan (Japan and Asia)

Leading Japan's Power-Sector Decarbonization Through Renewable Energy and Zero-CO₂-Emission Thermal Power, While Expanding LNG Adoption Across Asia



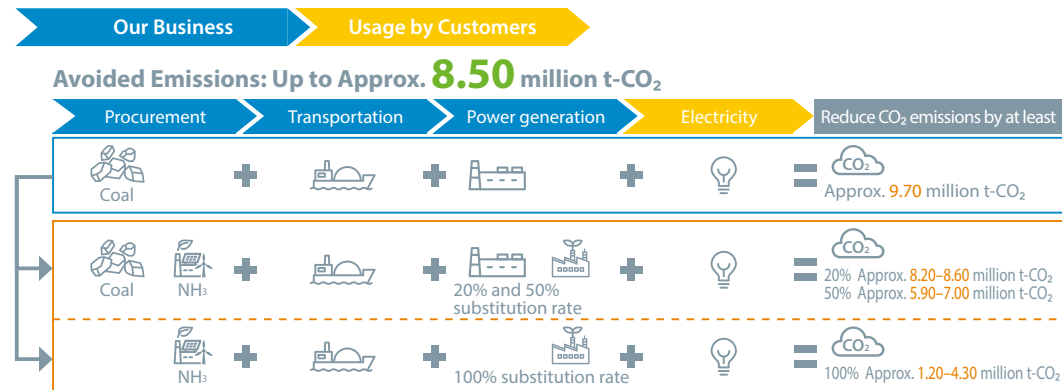
Expanding the Use of LNG in Asia



This roadmap will be refined in stages based on developments in government policy and other relevant assumptions. It will be reviewed and revised as necessary if these assumptions change materially.
 *1 The use of CO₂-free LNG is also under consideration. *2 Utilization of green or blue hydrogen and ammonia.

Avoided emissions through fuel substitution with ammonia

We evaluate and calculate the projected avoided emissions from substituting thermal power plant fuel with ammonia, based on certain assumptions. In conducting these evaluations, we refer to the WBCSD guidance and the GX League basic guidelines, and calculate the annual reduction in emissions (flow-based) with full consideration of the entire life cycle.



Note: "Avoided emissions" is a metric that estimates, under certain assumptions, the amount by which a company has contributed or could contribute to reducing greenhouse gas (GHG) emissions across society through solutions such as its products and services. Avoided emissions are evaluated by comparing the GHG emissions in a scenario where the company's solutions have been (or will be) implemented with those in a baseline scenario where such solutions are not implemented.

How We Calculate Avoided Emissions

We calculate the avoided emissions for Hekinan Thermal Power Station, where fuel substitution with ammonia is ongoing, at each substitution rate—20%, 50%, and 100%—by estimating the reduction achieved through avoiding the use of traditional coal. Since the use of ammonia is premised on substituting for conventional coal power generation, emissions from coal power generation at the same power station are used as the baseline for comparison.

Calculation Conditions

Baseline Scenario

Subject: Hekinan Thermal Power Station Units 4 and 5
 Duration: 1 year
 Fuel: Coal
 Boundary: From procurement to power usage

Implementation Scenario

Subject: Hekinan Thermal Power Station Units 4 and 5
 Duration: 1 year (substitution rates: 20%, 50%, 100%)
 Fuel: Ammonia (blue or green)
 Boundary: From procurement to power usage

Understanding the External Environment

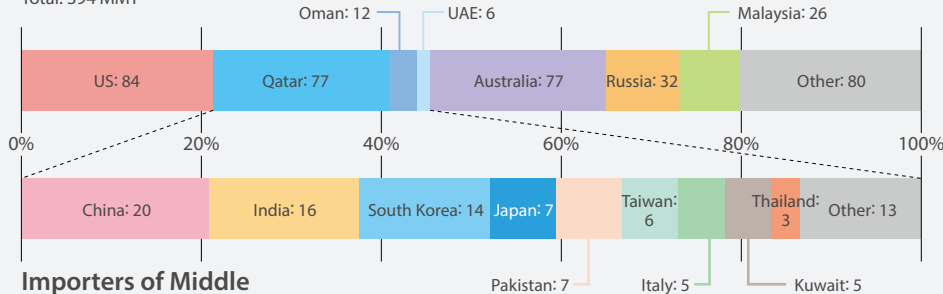
The Importance of Ensuring Energy Security

Escalating tensions in the Middle East, stemming from the conflict involving Iran, particularly the blockade of the Strait of Hormuz, have highlighted the vulnerabilities of relying on specific countries or regions for energy resources and the importance of ensuring energy security. For countries like Japan that face severe resource constraints, ensuring energy security is a fundamental national priority.

Against this backdrop, Japan and Europe are taking steps to secure alternative sources of supply to reduce dependence on the Strait of Hormuz, while also accelerating the introduction of domestic resources such as renewable energy and promoting the use of nuclear power, among other measures. On the other hand, some Asian countries are turning to coal-fired power generation using domestic resources. In countries that were heavily dependent on Middle Eastern LNG, such as Thailand and Bangladesh, governments have directed coal-fired power plants to increase output. Such moves by countries to ensure energy security in response to escalating tensions in the Middle East could affect the future momentum toward global decarbonization.

LNG Exporters (2024) Unit: MMT

Total: 394 MMT



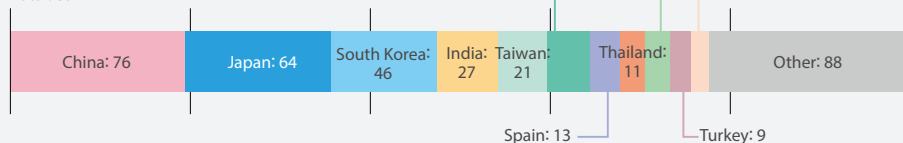
Importers of Middle Eastern LNG (2024) Unit: MMT

Total: 95 MMT

Note: Prepared by JERA based on the Energy Institute's Statistical Review of World Energy

Importers of LNG (2024) Unit: MMT

Total: 394 MMT



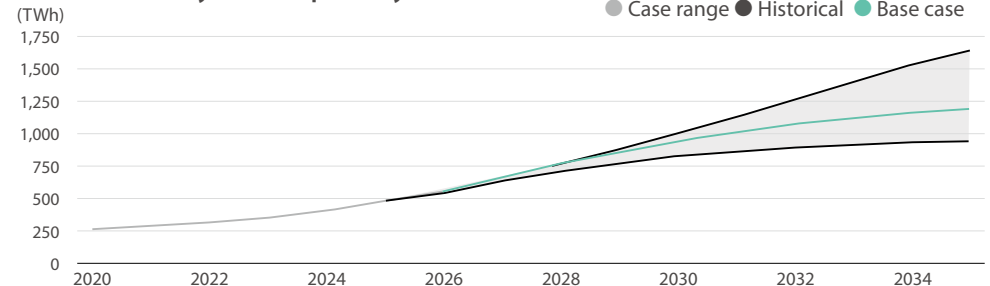
Note: Prepared by JERA based on the Energy Institute's Statistical Review of World Energy

Growing Electricity Demand from AI and Data Centers and Efforts to Secure Supply Capacity

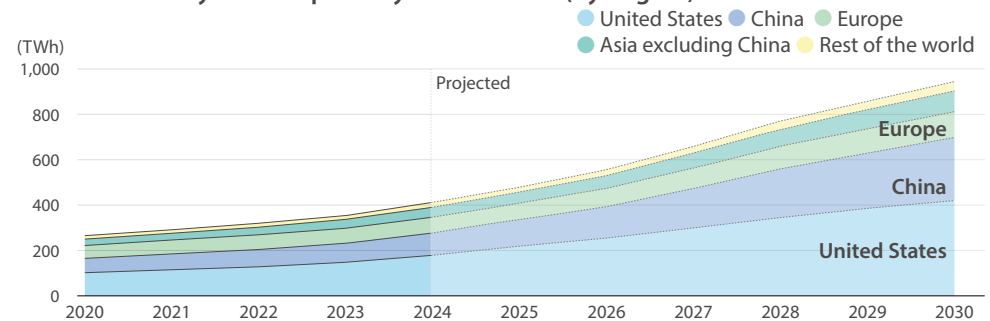
The rapid spread of AI technology and the expansion of data centers are causing a sharp rise in global power demand. Backed by vast financial resources, tech giants are driving the development of data centers, fueling the increase in electricity consumption. Developed countries such as the United States and Japan, where power demand growth had been slowing for about a decade, are now expecting a sharp and substantial increase, and securing power supply for data centers has emerged as a major challenge.

Particularly in the US, the economically driven closure of coal-fired power plants and other facilities amid stagnant demand has led to a supply shortage. As a result, capacity market prices for procuring future supply have soared, making rising electricity rates for general consumers a societal issue. In response, state governments in some regions have begun taking steps such as requiring data center operators to secure their own power sources, leading some developers to pursue data center projects integrated with behind-the-meter power plants.

Global Electricity Consumption by Data Centers



Global Electricity Consumption by Data Centers (by Region)



Note: Prepared by JERA based on the IEA's Key Questions on Energy and AI

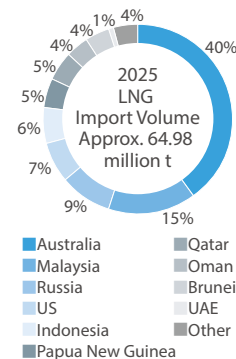
Understanding the External Environment

The Importance of Stable Domestic Fuel Procurement

In the current environment, the stable procurement of fuel for power generation has become even more important in Japan, both to strengthen energy security and to respond to future increases in electricity demand. Japan relies on overseas sources for much of its primary energy and depends almost entirely on imports for LNG used in power generation. While LNG is an important energy source that underpins a stable electricity supply, it is susceptible to fluctuations in resource markets and geopolitical developments, underscoring the need to build a fuel portfolio that balances stability and flexibility.

In light of these circumstances, Japan's Agency for Natural Resources and Energy has stressed the importance of utilizing long-term contracts, diversifying source countries and suppliers, and maintaining high inventory levels, among other measures, in "Securing Fuel Needed for a Stable Energy Supply," published in October 2025. The agency has also presented the view that more than half of demand should be secured through long-term contracts.

However, while long-term contracts are an important means of securing stable procurement, their duration makes it even more important for the power system as a whole to weigh geopolitical risks and market uncertainties in medium- to long-term strategic decision-making.



Changes in Domestic Energy Policy and the Regulatory Environment for Thermal Power

Japan is planning the full-scale introduction of an emissions trading system (GX-ETS) and phased strengthening of carbon pricing as part of its green transformation (GX) promotion initiatives, as decarbonization becomes an increasingly important priority for power producers.

However, amid rising geopolitical risks and increased demand driven by the expansion of AI and data centers, thermal power sources continue to be regarded as an important component of a stable energy supply. Even as the deployment of renewable energy expands, thermal power generation continues to play an important role in maintaining power system stability, functioning to balance supply and demand while securing supply capacity.

The 7th Strategic Energy Plan, approved by the Cabinet in 2025, adopts the simultaneous achievement of S+3E (Safety + Energy security + Economic efficiency + Environmental sustainability) as a fundamental principle, positioning the achievement of both energy security and decarbonization as a key policy objective.

Under this policy environment, the power system as a whole will increasingly need to pursue a pragmatic optimization of the power mix, aiming for both decarbonization and stable supply.

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JERA's Understanding of the External Environment

Steven Winn

Corporate Vice President and Managing Executive Officer
Chief Global Strategist (CGS)

The business environment in which JERA operates is undergoing a major transition. We are seeing that the factors outlined previously—geopolitical uncertainty, reprioritization of the energy trilemma, revitalization of manufacturing, and expansion of AI-driven data center development—are, overall, creating significant tailwinds for JERA's business strategy and performance. In this environment, JERA's strength lies in utilizing its integrated value chain, from global LNG procurement to fuel transportation, power generation, and power delivery. Combining a diversified fuel portfolio with operational expertise in power generation developed in Japan and overseas, together with power generation capabilities developed domestically and internationally, we can pursue stable supply, flexibility, and economic efficiency in an integrated manner, even amid highly uncertain conditions.

With energy security and supply reliability now increasingly emphasized, the strategic value of these capabilities continues to grow. What I am particularly focused on is AI's impact on data center development and electricity demand. Hyperscalers, heavy industry, and governments are increasing their investments in computing power to gain the economic and strategic benefits that increased execution speed and processing power can deliver. The foundation for this is sufficient and reliable electricity. As the revitalization of manufacturing restores the link between electricity demand and GDP growth, large-scale demand from data centers creates an even greater opportunity for JERA to expand its LNG value chain and power supply businesses. To capitalize on this opportunity, we need to identify changes in demand early and flexibly secure the necessary fuel, power generation facilities, and related infrastructure to achieve both a stable supply and decarbonization.

On the other hand, realizing these growth opportunities requires not only swift action by JERA, but also regulatory and incentive frameworks that keep pace with changes in the business environment. Frameworks premised on a declining role for electricity need to be revisited. At the same time, it is necessary to incentivize investment in power generation, fuel-related infrastructure, and fuel procurement through a combination of market design adjustments, streamlined permitting, increased cooperation, and innovative financing approaches. JERA will also continue to engage in dialogue with the government, regulators, and the industrial sector to help shape the necessary institutional environment.

It is imperative that JERA brings these strengths together and acts with the necessary speed. We aim to translate changes in the external environment into sustainable growth, support Japan's energy security, and contribute to an economic and industrial renaissance.

LNG Strategy: A Major Global Player in the LNG Value Chain

The Business Environment

As the business environment has evolved over recent years, the energy industry finds itself in a period of heightened uncertainty. As evidenced by developments in Russia / Ukraine and in the Middle East, geopolitical risks are on the rise, further underscoring the importance of securing reliable energy supplies. In addition, rising construction and transportation costs have made it more difficult than ever to secure new LNG supplies at competitive prices.

Meanwhile, the outlook for LNG demand in Japan is also becoming increasingly uncertain. While electricity demand is expected to increase due to factors such as the development of data centers, the growing adoption of renewable energy has made managing seasonal fluctuations in LNG demand an increasingly important challenge. In Japan, LNG demand increases during the peak power demand seasons of summer and winter and decreases during the spring and fall. However, approximately 80% of LNG procurement is based on long-term contracts that carry a fixed monthly offtake obligation. Maintaining a stable supply of electricity therefore requires flexible and sophisticated management of the gap between supply and demand.

To enhance both the stability of energy supply and our ability to respond to fluctuations in demand, we are strengthening the entire LNG value chain by making upstream investments, securing long-term contracts, and diversifying procurement sources and LNG flows. Through these efforts, we are making the supply of energy more stable while improving our ability to respond to fluctuations in demand.

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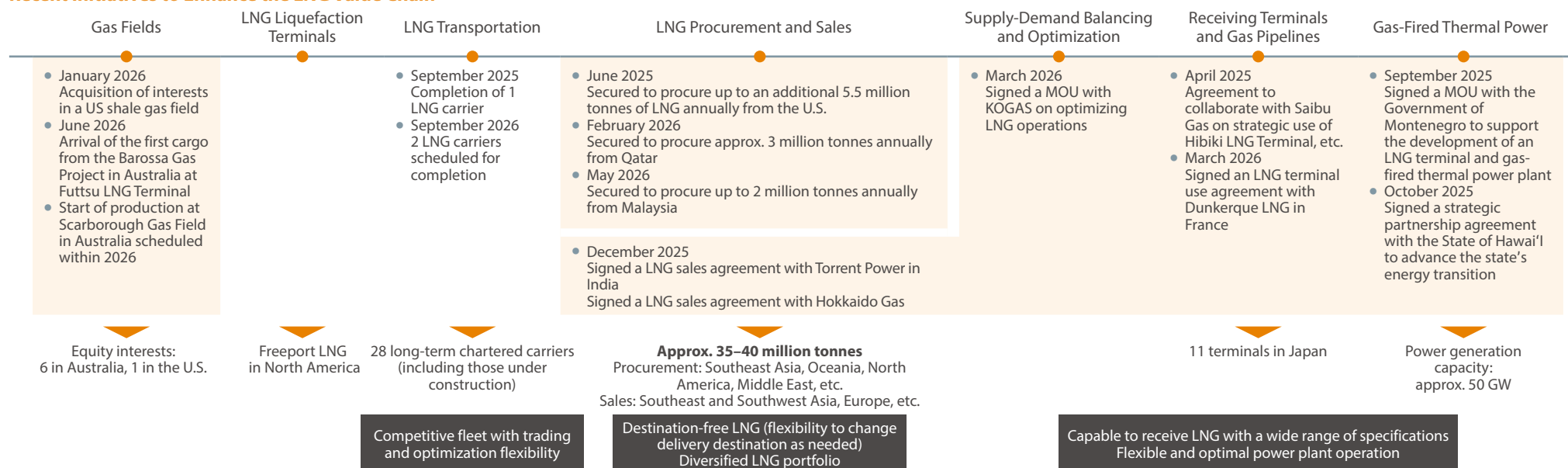
Stable Energy Supply and the LNG Value Chain

Ryosuke Tsugaru

Senior Managing Executive Officer
Chief Low Carbon Fuel Officer (CLCFO)

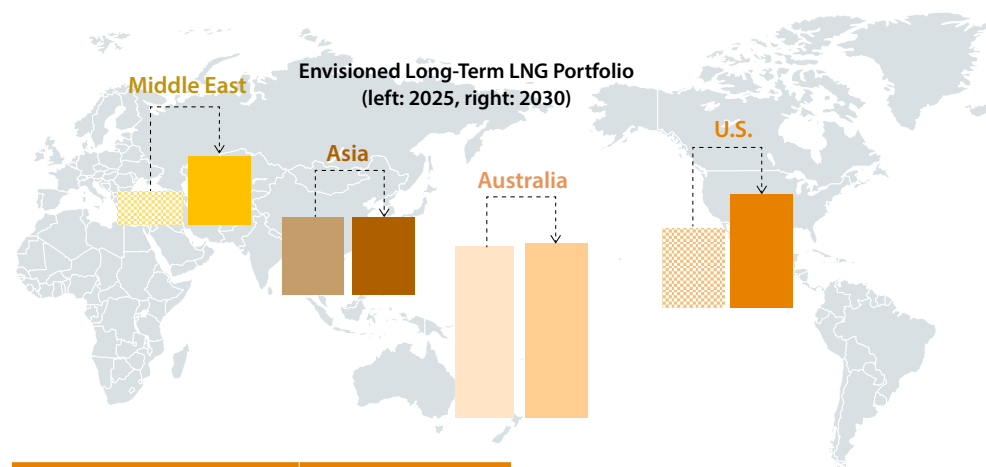
As a company supplying approximately 30% of Japan's electricity demand, we have a responsibility to maintain stable energy supply. To fulfill this mission, it is essential that we establish a framework for procuring LNG, our primary fuel, reliably and affordably 24 hours a day, 365 days a year, both under normal circumstances and in times of emergency. For Japan, with few natural resources of its own, the key will be to strengthen the LNG value chain with domestic demand as its foundation. We will build a balanced procurement portfolio through long-term contracts that offer greater price stability, and the diversification of our procurement sources. At the same time, we will strengthen the entire LNG value chain by utilizing our LNG carriers and the trading capabilities of JERA Global Markets (JERAGM) to respond flexibly to fluctuations in domestic demand, while developing new sources of demand around the world. Through these efforts, we aim to establish an optimal supply framework.

Recent Initiatives to Enhance the LNG Value Chain

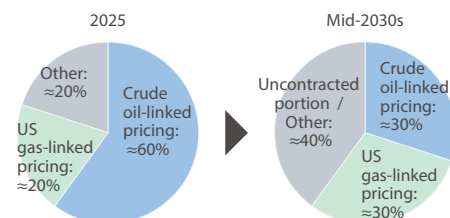


LNG Strategy: A Major Global Player in the LNG Value Chain

Diversifying Our LNG Portfolio



Gas and LNG Upstream Interests	Total LNG Production (MTPA)
Gorgon LNG (Australia)	15.6
Wheatstone LNG (Australia)	8.9
Ichthys LNG (Australia)	9.3
Barossa/Darwin LNG (Australia)	3.4
Scarborough (Australia)	8.0
Freeport LNG (U.S.)	17.0
South Mansfield (U.S.)	3.0–5.5 (LNG equivalent)



Featured

LNG Sales and Purchase Agreement with Woodside

Against the backdrop of the Russia-Ukraine conflict and instability in the Middle East, the global energy market is growing more complex and less predictable. Adding to this uncertainty, global LNG demand concentrates in winter, resulting in significant seasonal fluctuations and market tightness. In this environment, securing fuel supplies in a stable and flexible manner is becoming increasingly important.

In January 2026, we concluded an LNG sales and purchase agreement with Woodside specifically for deliveries during the Winter season. Under the agreement, we will procure approximately 200,000 tonnes of LNG annually during the winter months (December through February) for five years beginning in FY2027. This agreement supports stable LNG procurement during periods of high winter demand, helping meet increased electricity demand in Japan and enhance energy supply stability.



Executives at the signing ceremony

From left: Menno Weustink (Senior Vice President Global Trading & Operations, Woodside), George Gilboy (Vice President and Country Manager Japan, Woodside), Kosuke Tanaka (Executive Officer, Head of the LNG Division, JERA)

Transitioning to a More Market-Resilient Portfolio

Amid rising geopolitical risks, we must build a robust LNG portfolio that secures reliable volumes of LNG at stable prices, even in times of emergency. Diversifying our procurement geographically is particularly important, because it widens our options during supply disruption. We decided to procure LNG under long-term contracts from the US in 2025 and from Qatar and Malaysia in 2026. With the US and Qatar expected to become major global sources of LNG supply, these procurement arrangements will enable us to build a portfolio aligned with the structure of the LNG market and strengthen supply stability through greater diversification.

In building our portfolio, it is also important to diversify not only our procurement sources but also the price benchmarks to which our LNG prices are linked. Our LNG procurement has traditionally relied largely on crude oil-linked pricing (benchmark: Brent crude). However, as we expand procurement of US LNG, our portfolio is evolving to achieve a better balance by incorporating US natural gas prices (benchmark: Henry Hub). Diversifying our portfolio by combining multiple price benchmarks helps reduce our exposure to price fluctuations.

Beyond this, we are investing in upstream gas field interests to address fluctuations in each price benchmark. In addition to our six existing upstream investments in Australia, we acquired an interest in a US shale gas development and production project in January 2026. Acquiring these upstream interests allows us to offset the impact of rising procurement costs with earnings from upstream operations when gas prices rise sharply. Going forward, we will continue to enhance our resilience amid volatility in global energy markets while building an even more robust LNG portfolio.

LNG Strategy: A Major Global Player in the LNG Value Chain

Signed a 3 MTPA LNG Sales and Purchase Agreement with QatarEnergy

In February 2026, we concluded an LNG sales and purchase agreement with QatarEnergy, Qatar's state-owned oil and gas company, for the purchase of approximately 3 million tonnes of LNG annually. At the same time, we signed a memorandum of understanding (MOU) with QatarEnergy and Japan's Ministry of Economy, Trade and Industry (METI) to cooperate on additional LNG supplies to Japan in the event of an emergency. In March 2011, when Japan experienced an electricity supply-demand crunch in the wake of the Great East Japan Earthquake, Qatar helped maintain a stable energy supply by providing additional LNG supplies on an emergency basis. We entered into the LNG sales and purchase agreement and MOU to secure reliable long-term LNG supplies, backed by QatarEnergy's strong supply and emergency response capabilities, and contribute to a stable energy supply across Japan.



Conclusion of an LNG Sales Agreement with Torrent Power of India

The JERA Growth Strategy to Realize the 2035 Vision sets out how we will leverage our position as one of the world's largest LNG players and our integrated value chain to maintain stable supply, adapt to changes in demand, and provide solutions across Japan and Asia. As part of this strategy, we are further diversifying our LNG procurement and sales flows.

As part of this strategy, we signed our first long-term LNG sales agreement for an overseas market with Torrent Power in India in FY2025. From 2027, we will supply up to four cargoes annually from our LNG procurement portfolio for 10 years. The agreement gives us a foothold in the Indian market, where demand is expected to grow, and allows us to capitalize on complementary seasonal demand patterns in Japan and India, optimizing our LNG portfolio. This agreement represents an important first step toward our broader expansion into the Indian market. Looking ahead, we will continue to diversify our LNG sales by developing new sources of demand across Asia.

FOCUS



Establishment of JERA Global Energy Solutions (JERA GES)

Irtiza Sayyed

Senior Managing Executive Officer

Chief Executive Officer, JERA Global Energy Solutions

JERA GES is a leading global LNG and lower-carbon fuels portfolio company, built on one of the world's most robust LNG portfolios. JERA GES is dedicated to developing and managing the long-term foundation of JERA's LNG and lower-carbon fuels portfolio, while ensuring security of supply for Japan as its highest priority.

JERA GES brings together LNG value chain strategy, portfolio management capabilities, and a focus on LNG market development, which enable us to build a competitive, stable, and diversified LNG and lower-carbon fuels portfolio. Through investments in the upstream, long term LNG origination, shipping, and a focus on lower-carbon fuels such as ammonia and hydrogen, we are well positioned to realize our long-term strategy.

FOCUS

Participation in Shale Gas Development and Production in Louisiana, United States

In January 2026, JERA acquired an interest in a shale gas development and production project in Louisiana, United States. This investment is a strategic initiative to strengthen our entire LNG value chain and enhance our resilience amid volatility in global energy markets.

While operating solely as an LNG buyer would leave us exposed to fluctuations in U.S. natural gas prices, this investment gives us both an upstream position in the U.S. and the ability to sell natural gas directly into the market, helping offset the impact of price movements across both procurement and sales. When gas prices rise, both procurement costs and sales revenue increase. Conversely, when gas prices fall, both procurement costs and sales revenue decline. By offsetting these impacts across both procurement and sales, we will enhance the stability of our overall business performance.

Given the inherent volatility of energy demand and prices, it is important to build a more resilient business model. We have therefore determined that securing upstream assets with relatively low development risk, a proven production track record, and further development potential is an effective way forward.

In addition to offering stable development and production, the project is located close to centers of gas demand with well-developed infrastructure, including pipelines. These factors provide high degree of confidence in asset development and clear visibility into the project's commercial prospects. As our first upstream shale investment, we view the project as an important opportunity to strengthen the foundations of our business going forward.

Hydrogen and Ammonia Strategy: Leading the Development of the Hydrogen and Ammonia Value Chain

The Business Environment

In its 7th Strategic Energy Plan, the Japanese government identified hydrogen and other energy sources as key to achieving carbon neutrality by 2050, given their potential for use across a wide range of fields. The government aims to lower costs and expand adoption of these fuels through an integrated package of regulatory and support measures.

Under the Hydrogen Society Promotion Act, specific measures include support to bridge the price gap between hydrogen, ammonia, and similar fuels and the conventional fuels they would replace, as well as support for developing infrastructure hubs for large-scale hydrogen and ammonia supply chains. Other measures include support for technology development through the Green Innovation Fund. On the regulatory front, carbon-pricing measures are being introduced, including an emissions trading system (GX-ETS) and a fossil fuel levy.

While rising geopolitical risks, global inflation and higher interest rates are reshaping the business environment for hydrogen, ammonia and other low-carbon fuels, we believe the broader momentum toward decarbonization remains intact. Amidst growing emphasis on energy security and industrial competitiveness, countries are developing decarbonization industries that build on their particular regional strengths. We believe Japan must also move forward steadily, while carefully assessing the direction of the global transition toward decarbonization, to establish a competitive energy supply base.

VOICE



Steadily Advancing Decarbonization Initiatives, Including Technology Development, to Respond Flexibly and Swiftly to Changes in the Business Environment

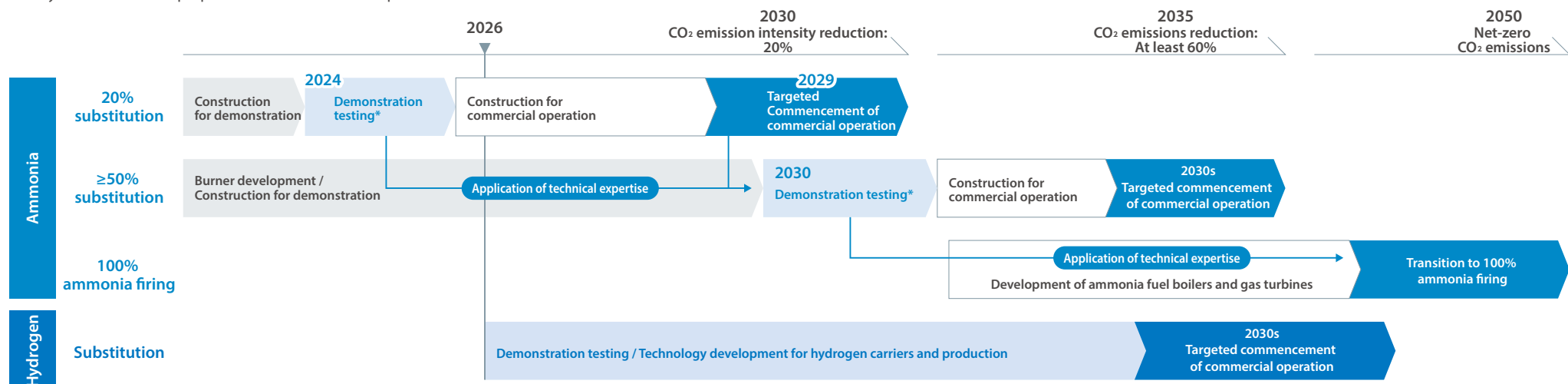
Koichi Morisaki

Senior Managing Executive Officer
Chief Japan Power Generation Officer (CJPO)

At JERA, we are using ammonia as a first step toward lower-carbon thermal power generation. In 2024, we successfully achieved 20% fuel ammonia substitution in a large-scale demonstration at Hekinan Thermal Power Station in Aichi Prefecture. Last December, the project received certification under a support scheme focused on price differentials, and we are making steady progress toward establishing an ammonia supply chain by FY2029. At the same time, we are also developing highly efficient hydrogen production technologies and exploring the establishment of a carbon capture, utilization, and storage (CCUS) value chain. With the aim of contributing to a society grounded in green transformation (GX), we will continue to advance the development of solutions that support both near-term emissions reductions and longer-term decarbonization, while carefully assessing technological advances, economic viability, and other factors.

Progress on our 2035 Growth Strategy

Steady advancement of preparations for commercial operation from the 2030s



* The ammonia substitution demonstration test at the thermal power plant featured in this integrated report was conducted as a NEDO-supported/subsidized project.

Hydrogen and Ammonia Strategy: Leading the Development of the Hydrogen and Ammonia Value Chain

Advancing the Deployment of Hydrogen and Ammonia

Hydrogen and ammonia are more expensive than conventional fuels and present economic and technical challenges that must be addressed before they can be widely adopted. Together with companies both in Japan and abroad, we plan to participate in economically viable hydrogen production projects and pursue technological development aimed at advancing hydrogen-related technologies, reducing costs, and overcoming barriers to wider adoption. We also seek to advance green transformation (GX) by developing supply and stimulating demand in tandem while leveraging government support schemes and other measures to strengthen Japan's industrial competitiveness and create new value.



1. Development of fuel substitution technologies

We are developing technology to substitute ammonia for coal and have completed a demonstration test of 20% ammonia substitution at Hekinan Thermal Power Station. We are currently carrying out construction work on four 40,000-tonne ammonia storage tanks, ammonia transfer pipelines, a jetty, and other facilities with the aim of commencing commercial operation. (Construction was 32% complete as of June 2026.)

▶ P.34 Ammonia Substitution Initiatives at Hekinan Thermal Power Station

We are also developing new technologies for introducing hydrogen, advancing research into highly efficient production methods and building the technical knowledge needed to help set international standards for hydrogen quality.

Featured

Joint Development of Hydrogen Supply Technology Using Ammonia Cracking

We are developing new technologies as part of our efforts to achieve JERA Zero CO₂ Emissions 2050. Currently, we are working with Nippon Shokubai and Chiyoda Corporation to jointly develop a process for extracting hydrogen from ammonia at low cost, as part of the New Energy and Industrial Technology Development Organization (NEDO)'s "Development of Technologies for Building a Competitive Hydrogen Supply Chain" initiative. Building on this collaboration, we will continue efforts to improve the efficiency and reduce the cost of ammonia cracking technology, with the aim of accelerating the transition to a hydrogen-based society.

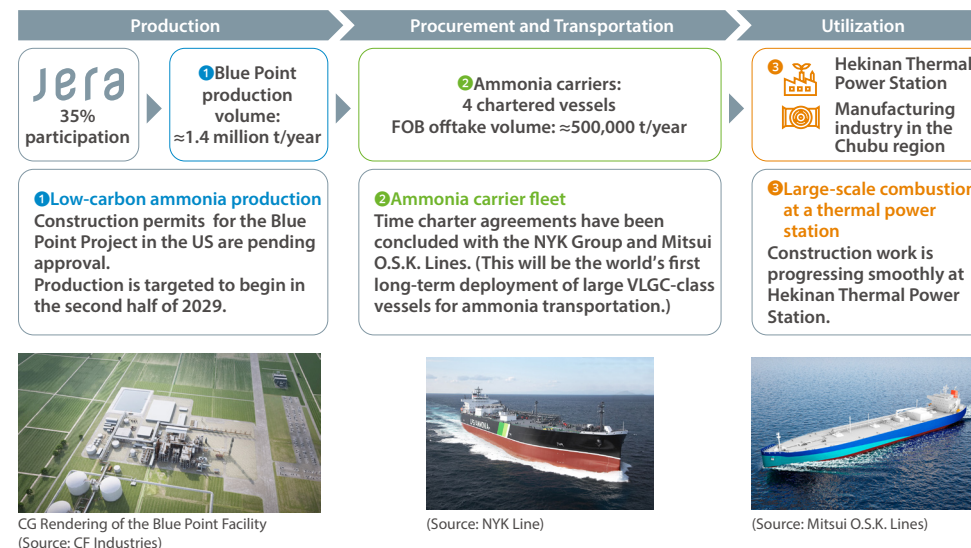


High-pressure laboratory equipment at Nippon Shokubai's Suita Research Center

2. Establishing a Low-Carbon Ammonia Value Chain for Japan

We are making steady progress on the development of an ammonia supply chain by FY2029. Following the final investment decision on the Blue Point low-carbon ammonia production project in April 2025, we received certification under support schemes covering fuel price differentials and hub development, and in June 2026, we concluded time charter agreements with the NYK Group and Mitsui O.S.K. Lines. We also aim to utilize the value chain from Blue Point to Hekinan Thermal Power Station to supply low-carbon ammonia not only for power generation but also to customers in other industries, particularly manufacturing, helping to expand the use of hydrogen and ammonia in Japan, starting in the Chubu region.

Low-Carbon Ammonia Value Chain



3. Advancing GX Through Innovation (Pursuing a Stable Energy Supply, Economic Growth, and Decarbonization)

The Japanese government envisions GX as a catalyst for social transformation through the pursuit of stable energy supply, economic growth, and decarbonization. This strategic positioning aims to advance decarbonization while ensuring both energy security and sustainable economic growth.

JERA is working to strengthen our technological competitiveness and create environmental value by advancing zero-CO₂-emission thermal power. At the same time, we plan to leverage the large-scale demand from power generation to expand the use of hydrogen and other fuels across industries seeking to decarbonize. Together, these efforts aim to contribute to the creation of related industries and new business opportunities.

Project Story

Hekinan Thermal Power Station Leads the Shift to Ammonia



A World-First Challenge in Ammonia Substitution for Thermal Power Generation: Pioneering the Decarbonization of Thermal Power at Hekinan

Yusuke Karasawa

Assistant Manager, Construction Section, Hekinan Thermal Fuel Ammonia Plant Construction Office, Japan Operations Division
After joining Chubu Electric Power in 1996, Karasawa worked in operations at Chita Thermal Power Station and subsequently in maintenance management at thermal power stations and LNG terminals. Since 2022, he has been involved in construction work for the 20% ammonia substitution demonstration test at Hekinan Thermal Power Station.

In February 2024, we began receiving ammonia for the first time in preparation for the world's first demonstration test of 20% fuel ammonia substitution at a large-scale commercial thermal power station. In preparation for the demonstration test, we took every precaution, including conducting emergency response drills with the local fire department in case of a leak and developing an evacuation guidance app. However, during an operational test of the ship-to-shore safety system prior to receiving the ammonia, the safety functions failed to activate, resulting in the postponement of delivery. That day, all those involved in the project worked together through the night to identify the cause, allowing us to safely begin receiving ammonia. We continued with the demonstration, working through issues as they arose, and felt a tremendous sense of accomplishment when it was successfully completed. We are now applying what we learned to the design and construction work for commercial operation, with the aim of further improving the facilities.



Completed demonstration test of 20% fuel ammonia substitution (June 2024)



Inside the No. 1 fuel ammonia tank (October 2025)

April 1–June 26, 2024	Conducted world-first demonstration test
July 2, 2024	Began construction for commercial operation
FY2029	Construction for commercial operation scheduled for completion



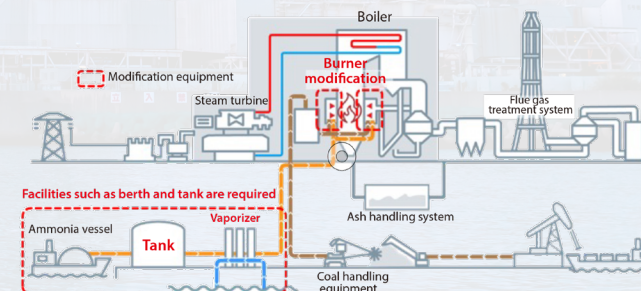
Ammonia Substitution Project at Hekinan Thermal Power Station: From the 20% Substitution Demonstration to Commercialization and Higher Substitution Rates Breaking New Ground at the Forefront of Decarbonized Thermal Power

Ayae Nakayama

Thermal Power Generation Renovation Unit, Japan Power Generation Development Group, Japan Zero Emission Development Division
After joining JERA in 2025, Nakayama began working on the Hekinan ammonia substitution project. She works on the commercialization of 20% ammonia substitution and the demonstration of higher substitution rates.

The 20% fuel ammonia substitution demonstration test conducted at Hekinan Thermal Power Station in 2024 marked a major step toward commercialization. Building on those results, I now drive the overall project from the business side, for both the commercialization of 20% ammonia substitution and demonstration testing at 50% or more. In addition to managing schedules and budgets, my responsibilities include addressing regulatory and institutional requirements and coordinating with the national government and public institutions.

Working on a project with no precedents brings challenges, including responding to the administering body's final evaluation of the 20% demonstration test, managing the schedule and budget for construction work toward the commercialization of 20% ammonia substitution, and conducting discussions with internal and external stakeholders to prepare for future ammonia operations. As a world-first initiative, the project inevitably involves navigating new challenges, including adapting to emerging frameworks such as the Long-Term Decarbonization Power Source Auction. Coordination with the many stakeholders inside and outside the company can also take considerable time. However, I find it incredibly rewarding to be involved at this important stage, as we build on the results of the world-first demonstration to achieve commercialization and, ultimately, ammonia substitution of 50% or more. Going forward, I will continue to build on the progress we have made, working closely with all those involved as we advance toward commercialization and a demonstration of ammonia substitution rate at 50% or higher.



Fuel ammonia tanks (As of June 2026)



Ammonia burner (Photo: IHI Corporation)

Renewable Energy Strategy: Driving Localized Decarbonization Efforts on a Global Scale

The Business Environment

In recent years, the renewable energy industry has faced a more challenging operating environment, driven by rising project costs due to higher interest rates and inflation, supply chain disruptions, shifts in national energy policies, and grid constraints in areas well suited to renewable energy development. At the same time, the global drive toward decarbonization continues, supported by advances in technology and improvements in turbine efficiency. We are also seeing growing recognition of the importance of energy storage and of the potential to integrate renewable energy with decarbonization solutions such as hydrogen and ammonia.

The power sector is inherently global and increasingly exposed to developments in international energy markets and geopolitics. Against this backdrop, growing concerns over energy security are also changing the way renewable energy is viewed. Renewable energy is increasingly recognized as an important component of a diversified generation portfolio and as a source of power that can contribute to security of supply. We therefore expect the importance of renewable energy to continue to grow.

Going forward, we believe it will be important to contribute global decarbonization by developing power generation tailored to the needs and circumstances of each region, including not only large-scale power generation projects but also small-scale distributed generation, and by developing and offering new decarbonization solution services for customers through closer collaboration with our Group companies.

VOICE



Renewable Energy as a Key to Decarbonization, Stable Energy Supply, and Energy Security

Satoshi Yajima

Senior Managing Executive Officer
Chief Renewable Energy Officer (CREO)
CEO, JERA Nex Ltd.

This spring marked two years since the creation of JERA Nex, which specializes in renewable energy. The business environment has grown tougher over those two years. Nevertheless, we have continued to expand our business, supported by the “glocal” (global + local) system we have built at JERA Nex and by a highly experienced management team. Key developments include our participation in solar power projects and the start of operations at an onshore wind power project in the US, our selection as an operator for offshore wind projects in Japan, and the establishment of JERA Nex bp, our offshore wind joint venture with UK-based bp.

Moving forward, we aim to strengthen collaboration with the JERA Group’s other business divisions, including thermal power generation and low carbon fuels businesses, as well as with JERA Group companies such as JERA Cross. Guided by our Mission and Vision, we will continue to provide innovative renewable energy solutions that support decarbonization, stable energy supply, and energy security.

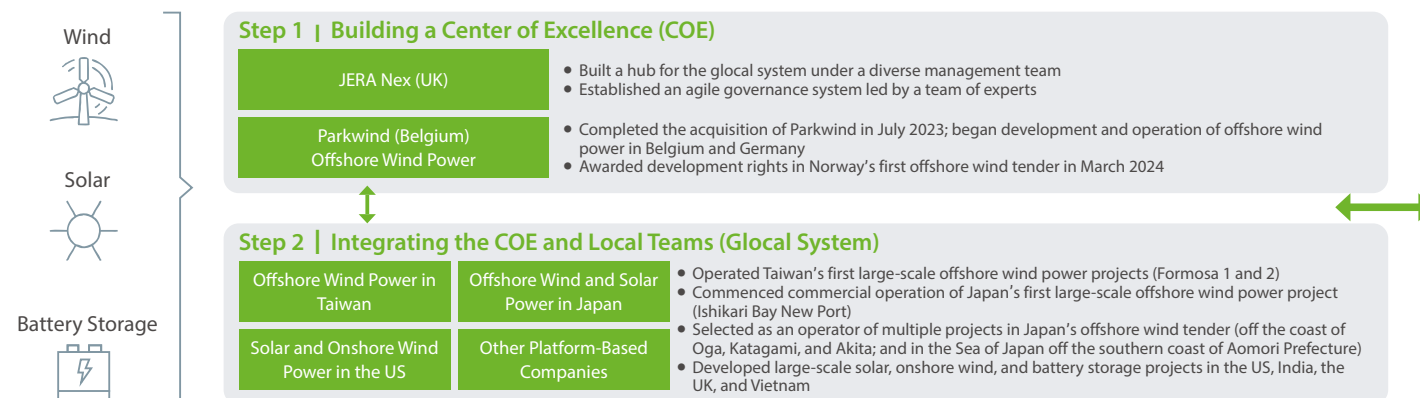
Progress on Our 2025 Growth Strategy

Building a Top-Tier Business in Asia from the Ground Up
2019–2023

Step 1
Building a Center of Excellence (COE)
2023–2024

Step 2
Establishing a Glocal System
2024–2025

Step 3
Pursuing Collaboration
2025 Onward



Step 3 | Pursuing Collaboration

Collaboration with global players



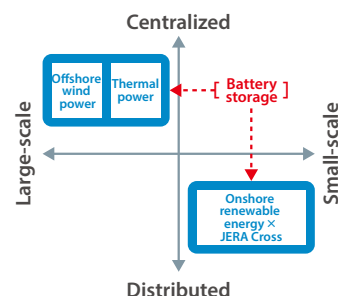
Signing ceremony for the joint venture agreement with bp in the UK (December 2024)

Renewable Energy Strategy: Driving Localized Decarbonization Efforts on a Global Scale

JERA Nex

In April 2024, we established JERA Nex in the United Kingdom as a dedicated renewable energy company. Based in one of the world's leading renewable energy markets, JERA Nex oversees our renewable energy businesses and draws on a diverse talent pool to develop and operate renewable energy projects. In August 2025, we partnered with bp, a major UK oil and gas company, to establish JERA Nex bp, a 50:50 joint venture specializing in offshore wind. As a shareholder, JERA Nex manages its investment in the company. Bringing large-scale renewable energy projects such as offshore wind to fruition in a timely and economically viable manner is no easy task. However, JERA Nex moves forward by building consensus through frank and, at times, intense discussions with JERA Nex bp's management and project teams.

The environment surrounding renewable energy is changing rapidly, and this requires an agile approach. The establishment of this joint venture is one example of how we have adapted. Across our other renewable energy businesses, we are also pooling our collective expertise and ideas to provide power solutions that are able to respond to customer needs and market conditions.



Onshore Renewable Energy Strategy

To date, we have accumulated expertise in onshore renewable energy and battery storage through investments in platform-based companies and through portfolio development in the United States. In Japan, JERA Cross, a JERA Group company, also supplies customers looking to pursue decarbonization with electricity generated by solar power projects and other projects developed in collaboration with West Holdings Corporation, one of our investors.

Building on this expertise and track record, we plan to focus not only on large-scale, centralized power generation projects, an area of strength, but also on small-scale, distributed renewable energy projects going forward. Specifically, we aim to work with JERA Cross to develop new decarbonization services tailored to customer needs, including solutions to help customers advance their green transformation (GX) initiatives.

In the current environment, we anticipate that the importance of battery storage will continue to grow. We plan to leverage the expertise we have developed through our investment in a UK battery storage company to support the optimized operation, life extension, and improved profitability of our thermal power plants in Japan, including battery storage project development and facility operations as well as in responding to fluctuations in supply and demand. These efforts will help us deliver on our Mission and Vision.



Jera nex

FOCUS

One Year Since the Launch of JERA Nex bp

JERA Nex bp's Global Operations

JERA Nex bp, a dedicated company with the resources, capabilities and resilience to deliver offshore wind energy at scale, was launched in August 2025 as a 50/50 joint venture bringing together the offshore wind businesses of JERA Co. and bp, the UK energy group.

JERA Nex bp is a developer, owner and operator with more than fifteen years of experience in operating offshore wind projects. Its headquarters are in London and the company is led by CEO Nathalie Oosterlinck, formerly a renewable energy executive at JERA.

The company has approximately 1GW of operating assets in Belgium, Germany, the UK, Taiwan and Japan, where it operates the 112 MW Ishikari Bay New Port offshore wind farm in Hokkaido. JERA Nex bp has a substantial development portfolio that includes projects and leases in the UK, Ireland, Germany, Norway, Australia, the US and Japan.



Following significant integration activity over the past year, JERA Nex bp now operates from three major hubs – London, Tokyo and Leuven in Belgium – with satellite offices in Aberdeen and Edinburgh in the UK, Ostend in Belgium, Mukran and Hamburg in Germany, Dublin and Melbourne.

Oga, Katagami, and Akita Project

JERA Nex bp is currently developing Japan's most important offshore wind farm the Oga-Katagami in Akita Prefecture. Construction of the port infrastructure, onshore transmission and substation is underway in Akita, preparing for the deployment of twenty one 15MW turbines. When construction is completed – expected in the summer of 2028 – Katagami will become Japan's largest offshore wind project.

As well as making a significant contribution to Japan's energy transition, the Katagami project will contribute to the development of the domestic offshore wind industry by working on the development of local suppliers and the carbon-neutral industry, including battery storage.



Special Feature

Trinity Collaboration to Support Stable Energy Supply Behind the Scenes of JERA's LNG Value Chain

With one of the world's largest LNG transaction volumes, JERA stands at a crossroads. Our operating business environment is changing drastically, shaped by factors including the increased push for decarbonization, rising electricity demand due to the expansion of data centers, and rising geopolitical risk. Three divisions under JERA's LNG and Lower Carbon Fuel business are at the forefront of navigating these challenges: The LNG Division, responsible for LNG upstream origination, procurement, and transportation; The Fuel Management Division, which is responsible for reliably delivering the fuel we procure to our receiving terminals; and our Power Stations, which use that fuel to generate electricity. In this special report, the leaders of these three divisions discuss JERA's LNG business today, and the challenges and opportunities that lie ahead.



Kosuke Tanaka
Executive Officer, Head of the LNG Division
Managing Director, JERA LPS

Reiko Nakamura
Executive Officer, Head of the Fuel
Management Division



Hisashi Koseki
Managing Executive Officer, Japan
Operations Division
General Manager, Head of the Futtsu
Thermal Power Station

LNG Division

Supports stable, flexible, and competitive fuel supply through upstream investment, procurement, and transport.

Fuel Management Division

Maintains reliable fuel supply while creating trading opportunities for JERA Global Markets (JERAGM).

Futtsu Thermal Power Station

Safely and reliably receives, stores, and re-gasifies LNG, supplies fuel to power generation facilities, and supports the stable electricity supply.



LNG Value Chain

— **To start, could you tell us about the roles of your respective divisions?**

Tanaka The role of the LNG Division is to build high-value assets across the LNG value chain. Through contracts related to upstream assets such as gas fields and liquefaction facilities, as well as procurement, sales, and transport, we work to make our LNG supply more stable, flexible, and competitive, while also generating returns on our investments. In this way, we strengthen the value chain and contribute to enhancing JERA's corporate value. Specifically, our mission is to procure competitively priced LNG while ensuring stability and maintaining the flexibility to respond to fluctuations in domestic demand. To do so, we closely monitor supply-demand and pricing trends, manage a balanced portfolio including sourcing LNG from multiple countries and regions, and maintain our own fleet of ships. We are involved not only in procurement and transport, but also in upstream operations such as acquiring interests in gas fields and participating in liquefaction projects. This helps us mitigate the impact of geopolitical developments and price fluctuations and support stable fuel supply.

Nakamura The Fuel Management Division is responsible for providing our power stations with a stable, uninterrupted supply of the fuel they need when they need it. It also creates trading opportunities for JERAGM, the JERA Group's fuel trading company. To safely manage around 450 LNG carrier deliveries a year, we continually monitor inventories at our eight LNG terminals in Japan in collaboration with our power stations, so that each location receives the necessary amount of fuel without delay. We also assess the feasibility of transactions and vessel replacements proposed by JERAGM as part of its optimization activities, helping unlock additional trading opportunities.

Special Feature

Trinity Collaboration to Support Stable Energy Supply
Behind the Scenes of JERA's LNG Value Chain

Koseki Futtsu Thermal Power Station has one of the largest power generation capacities in Japan, and its LNG terminal, receives about ten million tons of LNG per year. By safely and reliably receiving, storing, and re-gasifying such an immense volume of LNG—and providing it in a stable manner to our power generation facilities—we help support a stable supply of electricity to society. One of our major roles is to carefully adjust fuel consumption and calorific value to match our power generation plan, based on constant monitoring of LNG tank inventory levels and our cargo receiving schedule. As the final link in the LNG value chain, we work around the clock to support a stable supply of electricity.

Given recent changes in the geopolitical landscape, including Russia's invasion of Ukraine in 2022 and the deterioration of the situation in the Middle East since February this year, how is JERA positioning its LNG business to maintain a stable and reliable supply of LNG?

Tanaka To begin with, LNG plants take more than a decade to build and require an investment on the scale of hundreds of billions to trillions of yen. Recovering that investment requires operating at full capacity and selling LNG through long-term contracts. This structure makes it inherently difficult to address sudden demand surges by swiftly building new production capacity or increasing the production. Geopolitical shocks or LNG plant outages can quickly ripple through global markets, causing sharp spikes in spot prices.

To support a stable and economical supply of LNG to Japan including during periods of global uncertainty, we are increasing the share of LNG procured under long-term contracts and diversifying our procurement portfolio. Historically, we have secured the LNG volumes we expect to consume through long-term contracts, then covered shortfalls during periods of

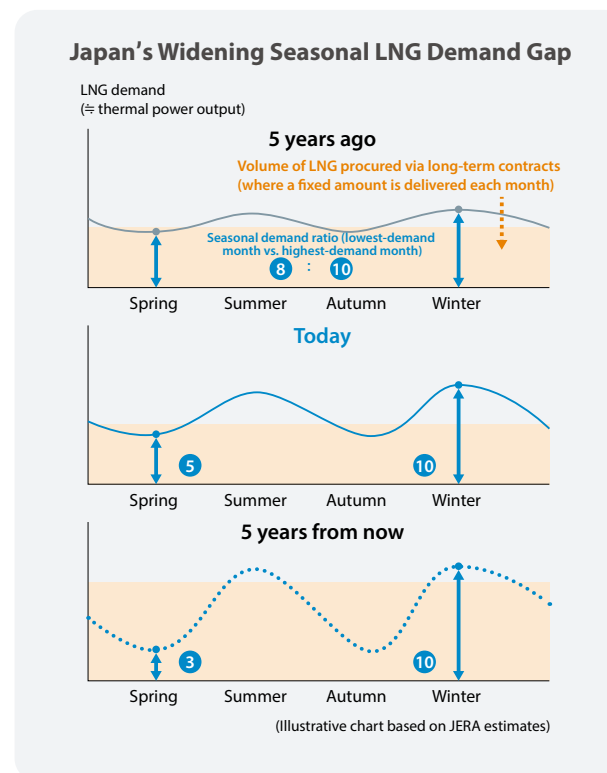
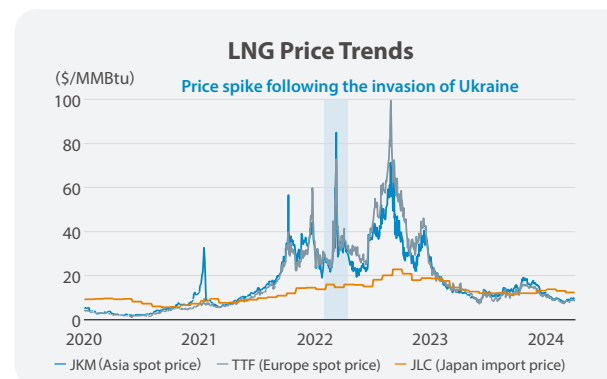
high demand via the spot market. However, the current electricity supply and demand situation in Japan has required us to respond to two shifts: demand is rising with the domestic growth of AI and data centers, while the growing share of variable renewable energy is widening seasonal variation in LNG demand.

We also need to manage geopolitical risks. In 2022, the Russian invasion of Ukraine halted gas supplies from Russia to Europe and sent LNG spot prices soaring. As power demand rose during the winter months, substantial capital was required to secure large volumes through spot procurement. In response, we shifted to a strategy of securing enough LNG under long-term contracts to meet demand while selling surplus volumes as demand fluctuates. This strategy is designed to support a stable supply of energy to our customers at an affordable price.

We are also diversifying our procurement sources to manage geopolitical risk. Currently, the largest share of our LNG comes from Australia. However, we are rebalancing our portfolio with new procurement from the US and Qatar, both of which are set to become major centers of global supply, as well as from Malaysia. Some LNG contracts do not permit changes to the destination country or port where a cargo is delivered. However, US contracts allow the destination to be set freely, offering the flexibility to redirect cargoes to Japan or sell them to other countries as demand requires. Qatar offers particular advantages in an emergency, backed by its enormous production capacity and terminal capacity in Europe.

JERA's decision to procure LNG from the US will also significantly increase our demand for LNG carriers. To meet that demand, we aim to build a stable, flexible, and cost-competitive fleet by diversifying the timing of charters and contract periods.

Our procurement efforts have also led to initiatives to strengthen our upstream investments. JERA is one of the largest procurers of LNG in the world and is highly trusted by LNG producers. Securing reliable buyers can make or break a gas



Special Feature

Trinity Collaboration to Support Stable Energy Supply
Behind the Scenes of JERA's LNG Value Chain

About JERA

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field development project, which is why producers count on JERA to provide offtake. Building on our procurement strength and the trust we have earned, we have expanded our areas of collaboration and created opportunities to participate as a partner in high-quality upstream interests held by producers such as state-owned enterprises and oil majors. Holding positions in both production and sales offers benefits beyond investment returns and supplying LNG to our own power stations. It also allows us to hedge against rising procurement costs through our upstream positions when resource prices surge. For example, in January 2026, we decided to participate in a shale gas development project in Haynesville, Louisiana, US. This move has proven effective both in generating investment returns and in managing exposure to resource price fluctuations affecting North American LNG.

— **You have explained how long-term contracts benefit both stable supply today and JERA's future LNG strategy. What challenges do they present?**

Nakamura From the standpoint of fuel supply and demand, raising the share of long-term contracts inevitably brings back memories. When Russia invaded Ukraine, the global scramble for LNG brought home the very real risk that we might struggle to secure the fuel we needed. By contrast, during the COVID-19 pandemic, domestic demand dropped sharply, leaving us with excess long-term contract volumes that we could not sell at the prices we wanted on the spot market. I still remember the painful experience of managing that inventory while absorbing the resulting financial impact. Because of these experiences, I remain keenly aware of the real challenge we face in being able to monetize surplus volumes while still securing enough LNG under long-term contracts.

Tanaka Raising the share of long-term contracts certainly involves some risk. However, we adopted this strategy because our highest priority is ensuring a reliable and secure supply of energy.

The spot market offers flexibility, but depending on market conditions, we may not be able to reliably acquire the volumes we need. Reducing that risk is of the utmost importance. Under this strategy, we would need to resell any surplus, which could lead to losses when prices fall. However, one of the characteristics of the LNG market is that prices rise sharply when demand increases, but tend to fall only within a relatively limited range. We therefore believe that accepting a degree of risk during market downturns is a better strategy for avoiding major losses in the long term.

Amid these efforts, people sometimes ask if JERA is aiming to become a trading company. The answer is no. Our mission is the stable procurement of energy. We use international markets to broaden our options, responding to fluctuations in domestic demand and global uncertainty while reliably securing the fuel we need.

— **How are these initiatives being received on the ground, and how are they being put into practice?**

Koseki Despite the risks, I see this as a challenge we must take on to safeguard the stable supply of energy.

At our terminals we must always know what type of LNG is arriving and when, while operating within the constraints of our tanks and equipment. That means that when our strategy changes, on-site operations change with it, so information needs to be shared in a timely and careful manner.

The diversification of our procurement, along with increased optimization and trading activities, has increased the burden on our receiving operations. At Futtsu Thermal Power Station, we receive about 15 shipments a month. Each one takes roughly 24 hours to unload, so work continues throughout the day and

night. If a vessel's arrival time changes due to conditions along its route, we adjust the schedule. In some months, the port-call plan is updated more than 15 times for a single shipment. Each year, around 30 ships make their first call at Futtsu, requiring a ship-shore compatibility study in advance to confirm that they can berth safely at the terminal. We also run more than 600 simulations a year to determine whether we can accept a cargo based on LNG tank inventory levels. With conditions changing moment to moment, teams on site must be constantly alert. Although we on the ground are not directly involved in fuel procurement decisions, understanding how our work relates to and contributes to JERA's procurement strategy is highly motivating.

Nakamura As you mentioned, there have been many occasions when LNG shipment schedules have had to be changed for inventory management reasons. Thanks to the flexibility of our on-site teams in accommodating these changes, I believe we have been able to support stable supply while also realizing gains from optimization.

— **As LNG procurement becomes more diversified, how are you addressing differences in LNG properties across supply sources?**

Koseki Dealing with differences in LNG properties has become increasingly challenging. Alongside the high-calorific "rich LNG" that used to dominate, lower-calorific "lean LNG" has become more common in recent years. The wider the range of LNG properties, the more complex the cargo receiving plans, tank operations, and send-out management become. The power stations we supply are not always fully equipped to handle the increasingly diverse range of LNG fuel specifications, but our teams continue to adapt their operations to receive and handle each cargo safely. We are also grateful for the careful coordination of the Fuel Management Division, which takes into

Special Feature

Trinity Collaboration to Support Stable Energy Supply
Behind the Scenes of JERA's LNG Value Chain

account our tank conditions and calorific balance when routing ships to us.

Nakamura That is indeed one of the most challenging aspects of our work. Safely receiving LNG with different properties involves a number of constraints, including the need to keep tank inventory levels low ahead of incoming cargoes. At the same time, LNG storage space is limited, requiring deliveries aligned with real-time consumption. Maintaining a stable intake amid a changing range of LNG properties and wider swings in consumption requires close coordination with our sites, and we intend to strengthen that collaboration further.

Tanaka Hearing from both of you has given me a renewed sense of appreciation for just how diligently our on-site teams manage LNG receiving operations. I am deeply grateful for their round-the-clock support in receiving shipments, and I want to further strengthen our coordination with the front lines moving forward.

From 2030 onward, lean LNG is expected to account for a large share of the market and become the global standard. Going forward, I believe it will become increasingly important to take a holistic approach to optimization across procurement, receiving facilities, and operations. This is a distinctive JERA approach, and I believe it can become a major competitive strength.

— With strategy and site operations so closely interconnected, how do you plan to deepen shared understanding across divisions?

Koseki I would like to expand structured talent exchanges between our power stations and the LNG Division and the Fuel Management Division. Once the new strategy is fully underway, operations on the ground will become more challenging than

ever, we are likely to see the number of issues requiring collaboration across divisions grow. It will be crucial to communicate even more closely and understand one another's operational realities and constraints to mitigate those challenges, improve decision-making in each area and help us move forward together. From the operational side, we are committed to deepening collaboration and continuing to support the stable energy supply.

Nakamura I agree. The Fuel Management Division serves as a bridge between procurement and on-site operations, but it is not enough to simply relay messages about what procurement says or what the front line is asking for. We need to understand why decisions are made and communicate that reasoning clearly so that both sides can be better aligned.

Every division shares the same mission: Providing a stable supply of energy. Fulfilling it requires closer, more frequent communication and mechanisms that enable us to work across divisions collaboratively. Because most of the Fuel Management Division's work is desk-based, we need to visit the front lines, learn how people work, and appreciate their ingenuity and the challenges they face. Only then can we truly connect

procurement with on-site operations. I want us to continue serving as the vital link between the two.

Tanaka I began my career at TEPCO, where, during major power outages, people came together across organizational and hierarchical boundaries to restore service. Working side-by-side with frontline teams, we have overcome extremely challenging supply-demand conditions.

I believe this commitment to solving problems together is fundamental to our business. Globally, fuel procurement is becoming increasingly challenging, and as the number of issues requiring cross-functional coordination grows, we need to communicate clearly with one another.

Ultimately, the fuel we are dealing with remains the same—LNG—and we are still connected through a single value chain. Our LNG strategy and each division's initiatives are directed towards the same shared mission of supporting the stable supply of energy. Achieving that goal will require even greater mutual understanding across divisions. As circumstances evolve, we are committed to sharing the context and thinking behind our decisions as we move forward together.





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JERA's Value Chain and Reporting Segments

Our Three Reporting Segments

Our reporting segments consist of three business initiatives: domestic thermal power generation and gas, fuel, and overseas power generation and renewable energy.

Our domestic thermal power generation and gas business provides a stable supply of high-quality energy, with operations spanning fuel procurement and receiving, O&M (operations and maintenance) of power generation facilities, and engineering (development and construction).

Our fuel business handles the production and transportation of LNG, which serves as fuel for thermal power generation, as well as its optimization through the market.

Our overseas power generation and renewable energy business advances power generation projects outside Japan as well as renewable energy development both in Japan and overseas.

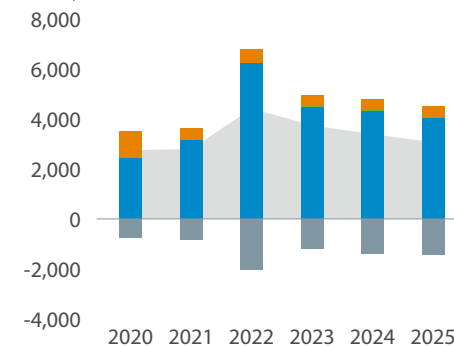
JERA's Strengths

We have an integrated fuel and thermal power generation value chain spanning upstream fuel operations (gas field development), transportation and storage (terminal operations), power generation, and wholesale.

With annual LNG transaction volumes of approximately 35–40 million tonnes, we are one of the world's largest LNG players and Japan's largest power producer, supplying approximately 30% of the country's electricity. Our major power stations are located in the Kanto and Chubu regions, supporting a stable energy supply in Japan, an island nation with no international power grid interconnections.

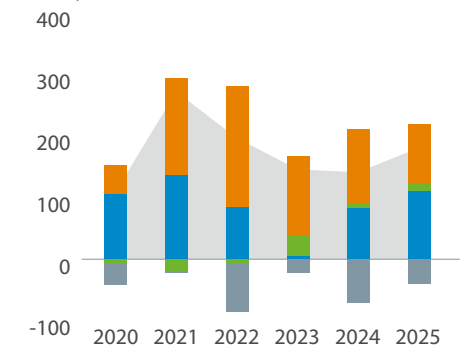
Revenue

(billion yen)

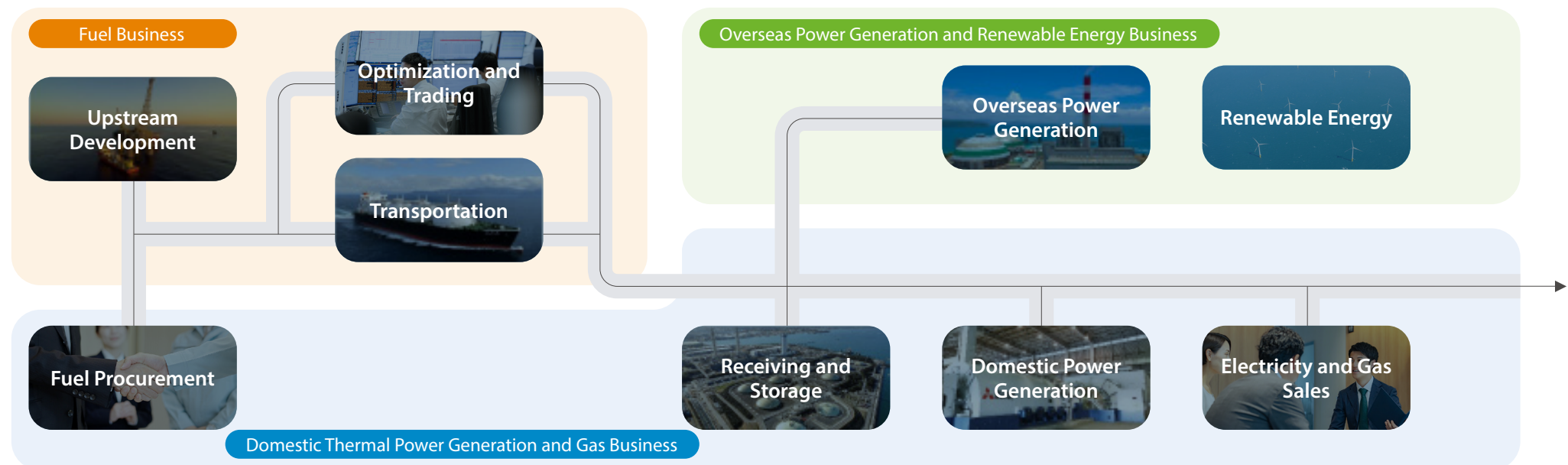


Net profit (excluding time lag)

(billion yen)



Legend: Total (grey), Domestic thermal power generation and gas (blue), Overseas power generation and renewable energy (green), Fuel (orange), Adjustments (dark grey)



Domestic Thermal Power Generation and Gas Business

As Japan's largest power generation company, we leverage our robust fuel procurement platform and strong plant operation and maintenance capabilities to optimize operations. By making electricity available to the market in a fair and appropriate manner, we also support a stable electricity supply and the sound development of the electricity market.



Domestic Thermal Power Generation

Japan's domestic thermal power generation business requires flexible operations that respond to fluctuations in electricity demand while ensuring a stable electricity supply. Drawing on the operational and maintenance technologies developed over many years at our power stations and fuel terminals, JERA supports a stable electricity supply while advancing the transition to power generation that emits no CO₂, thereby contributing to the realization of a decarbonized society. We will develop this foundation underpinning a stable electricity supply into a next-generation energy platform that supports society and industries as they change, helping build a more sustainable society.



Electricity and Gas Sales and Market Trading

Building on our solid fuel procurement platform, we provide a stable and flexible supply of electricity in line with demand while also meeting the diverse needs of customers through wholesale transactions conducted on a non-discriminatory basis for both internal and external power recipients. Japan-based JERA Global Markets engages in active electricity trading to help stimulate Japan's electricity market, leveraging the expertise and trading platform its headquarters in Singapore has developed through global fuel trading.

Market

Business Environment

Amid numerous factors still taking shape, including the adoption of renewable energy and increases in new demand, the external environment is becoming increasingly uncertain due to issues like labor shortages, rising prices, and changes in materials procurement conditions. We are working to enhance the flexibility of power source development and facility operations in line with fuel procurement conditions and the needs of the electricity market. At the same time, we strive to recruit and develop talent and enable them to thrive, transform our operations through digital transformation (DX), and secure suppliers through fair business practices and partnerships, thereby contributing to a stable energy supply, economic efficiency, and reduced environmental impact.

Opportunities

- Growth in electricity demand and increased electricity market liquidity
- Advances in AI and digital technology
- Expectations for the realization of a decarbonized society
- Growth in new customer needs in electricity and gas sales

Risks

- Changes in thermal power operations
- Difficulty securing human resources for power plant operations
- Changes in the materials procurement environment
- Natural disasters such as major earthquakes

JERA's Strengths

Distinguishing Strengths

- Stable supply backed by many years of operational expertise in thermal power generation and professional technical capabilities across specialized fields
- Power supply capacity and contributions to meeting electricity demand through numerous power plant facilities
- Expertise in decarbonization technologies acquired through demonstration tests
- Facility and operational flexibility that can be leveraged in trading

Key Business Capital

Manufactured Capital

- Power stations in Japan: 24
- Domestic power generation capacity: 55 GW
- LNG receiving terminals in Japan: 11

* Domestic LNG storage tank capacity: 6.62 million kL (includes jointly operated LNG terminals)

Human Capital

- Approx. 3,000 professionals in specialized technical fields
- Increasingly diverse talent for power plant management

Social and Relationship Capital

- Positive engagement with communities around our power stations
- Trusted relationships with local business partners through many years of operations

Intellectual Capital

- Operational expertise in thermal power generation cultivated over many years of experience
- Knowledge of the electricity market
- Expertise in fuel procurement and power operations

Domestic Thermal Power Generation and Gas Business

Our Goal for 2035

Evolving into New Industrial Infrastructure that Responds to Growing Demand and Changes in the Power System

Thermal power generation plays an important role not only as a reliable source of supply to meet growing electricity demand, but also in balancing fluctuations in supply and demand resulting from the increasing adoption of renewable energy. In recent years, driven by advances in AI and growing demand from data centers, electricity demand in Japan has not only been increasing but also undergoing structural changes. Amid these changes, we must continue to fulfill our traditional role of ensuring a stable supply of electricity. We must also secure flexible and reliable supply capacity that supports industrial activity and a digital society.

To maintain supply capacity through this continually evolving business environment, we are continuing our efforts to ensure the integrity of our facilities. In light of rising materials prices and longer procurement lead times, we are advancing data-driven assessments of facility risks and the advance procurement of critical materials. At the same time, we are strengthening collaboration with power utilities and manufacturers in Japan and overseas to establish systems that enable rapid recovery in the event of equipment issues.

Furthermore, by leveraging our expertise cultivated through the operation of power stations and fuel terminals, we aim to expand the value of our power stations, transforming them from simple “power generation facilities” into “energy platforms that support industry and people’s lives”. We are working to create new business opportunities and improve supply value by utilizing our strengths, including our locations near demand centers, existing grid connections, extensive sites, and long track record of stable operations.

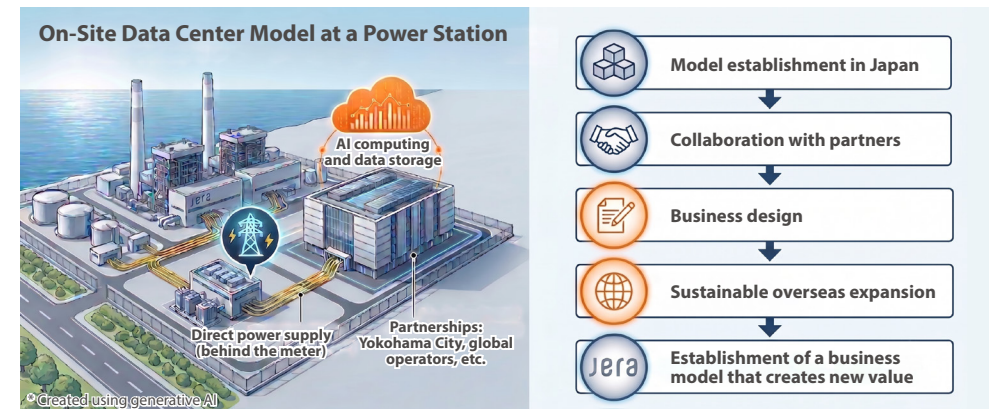
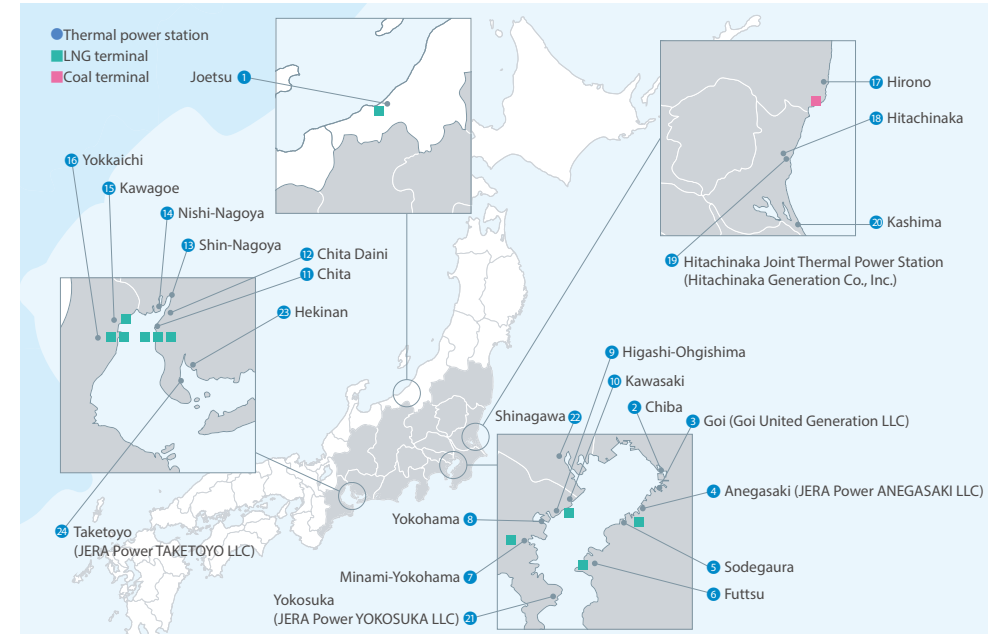
Expansion of a Data Center Model at Power Station Sites

As part of our efforts to expand the value of our power stations, we are working to attract data centers to our power station sites. As demand for data processing surges with advances in AI, we can leverage our locational advantages to develop this business, including the ability to utilize existing power generation facilities and grid connections as well as the extensive land available at our power stations around Tokyo Bay, which are close to major demand centers in the Tokyo metropolitan area. We are also working to establish a behind-the-meter model that supplies electricity directly from power stations to on-site data centers, with the aim of both meeting growing data processing demand and creating new value.

We are currently in discussions with multiple companies and have also entered into a partnership agreement with Yokohama City, making steady progress in our efforts to attract data centers. Going forward, we will advance commercialization in Japan while also pursuing overseas expansion by leveraging the expertise gained through our power generation businesses in North America and Asia. By deepening collaboration with partners in Japan and overseas, we aim for global growth by establishing a new business model that integrates power generation with digital infrastructure.

Domestic Assets that Provide a Foundation for Enhancing Power Station Value

To support the stable supply of electricity and fuel, we have 24 thermal power stations and 12 fuel terminals, located primarily in the Tokyo and Chubu regions.



Domestic Thermal Power Generation and Gas Business

Next-Generation Power Plant Facilities and Operations

Renewing Our Power Generation Assets through Appropriate Facility Upgrades and Replacement

To further solidify our business foundation enabling flexible responses to electricity demand, we are upgrading aging thermal power facilities and replacing older units with high-efficiency ones. Through these efforts, we are simultaneously maintaining and enhancing our supply capacity while advancing the transition to a decarbonized society. We have already commenced operations of high-efficiency units at multiple sites, helping to both secure supply capacity and reduce environmental impact.



In addition to Units 7 and 8 at Chita Thermal Power Station, which are currently under construction, we are also considering plans to replace existing facilities at the Sodegaura site. In particular, we secured approximately 1.56 GW of capacity for the planned new Units 1 and 2 at Sodegaura Thermal Power Station through the Long-Term Decarbonization Power Source Auction, and we plan to move forward with more detailed consideration of the project.

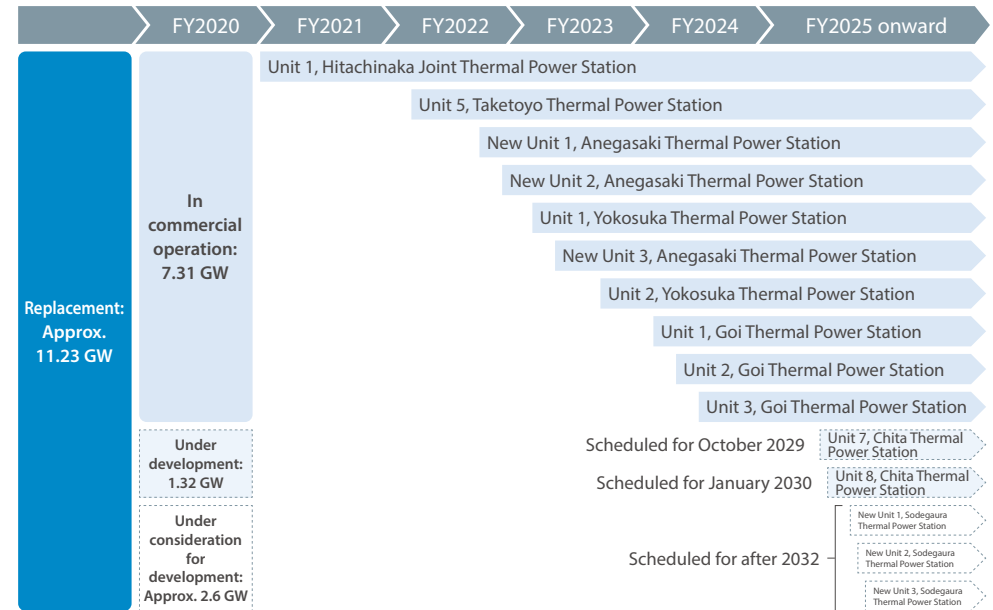
Looking ahead, we will continue to renew our power generation assets at the appropriate times and scale in light of changes in the business environment and electricity demand, contributing to a stable supply of competitive energy and the realization of a decarbonized society.

Enhancing Power Plant Operations through AI

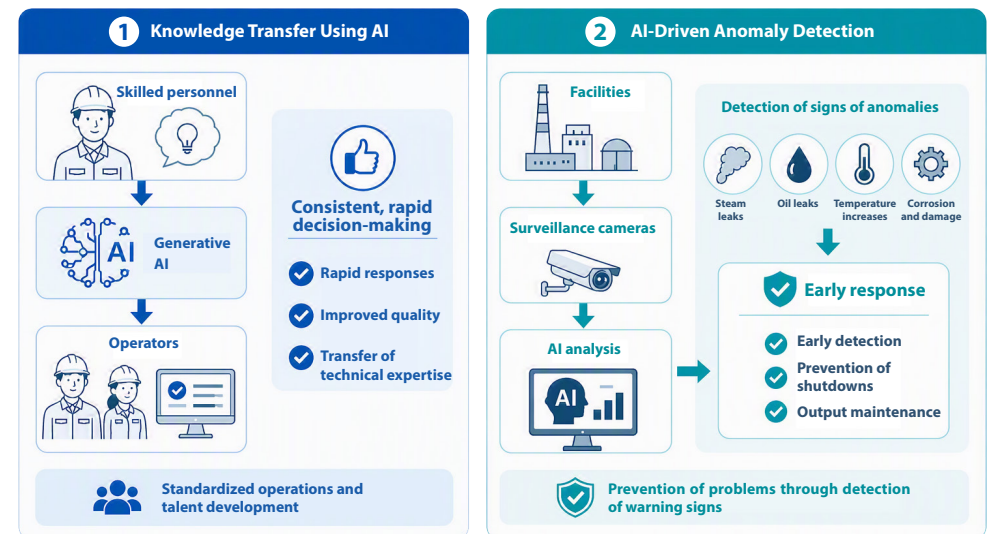
We are advancing the use of AI to enhance power plant operations. Responding quickly to equipment problems and passing on technical expertise are key challenges at our power stations. To address this, we have introduced a generative AI system that draws on the expertise of experienced equipment personnel, past equipment failure cases, reports, equipment photographs, and other information, creating an environment in which power plant personnel can quickly access the knowledge they need. Since November 2024, the system has been operating with data covering roughly the past 10 years of equipment failures. Its conversational interface allows personnel to search for and utilize information, helping to make information gathering more efficient and improve the quality of decision-making. We are also expanding the data covered by the system to include technical documents, drawings, examples of improvements, and other information, building a platform that enables knowledge to be utilized across the organization.

Furthermore, we are working to introduce an equipment diagnostic system that uses AI to analyze footage from monitoring cameras. The system visualizes signs of equipment abnormalities that are difficult to detect from numerical data alone, enabling earlier detection and helping prevent unplanned outages. We are working to improve the detection accuracy and expand the scope of application by combining multiple technologies, including difference analysis and machine learning.

In addition to upgrading to high-efficiency equipment, we aim to combine AI-based access to institutional knowledge with early anomaly detection, moving away from reliance on individual experience and expertise toward more advanced power plant operations that leverage data and on-site knowledge across the organization.



* New Units 1 and 2 at Sodegaura Thermal Power Station were successful in the Long-Term Decarbonization Power Source Auction (bid year: FY2025)



* Created using generative AI

Project Story

Initiatives at Power Stations Supporting Japan's Electricity Demand



What Value Do Thermal Power Plants Create?

Masataka Asai

Manager, Operations & Fuel and Marine Technical Unit,
Kawagoe Thermal Power Station
Experience: Plant operations

Value Creation Driven by Frontline Personnel

As the adoption of renewable energy expands, the capacity to balance electricity supply and demand is becoming increasingly valuable. Thermal power generation plays an important role by enabling flexible and rapid adjustments to output. To further enhance the value of this balancing capacity, we launched the frontline-led Kawagoe Value-Up Project and worked to improve the efficiency of LNG receiving operations.

At Kawagoe Thermal Power Station, LNG delivered by ship is received into two groups of storage tanks: Tanks 1–4 and Tanks 5–6. Previously, after receiving LNG into Tanks 1–4, unloading had to be paused when switching to the other group of tanks. However, following extensive discussions and testing with all relevant parties, we made it possible to receive LNG without pausing unloading. This has improved the efficiency of LNG receiving operations and enhanced the power station's balancing capacity.

By bringing together the knowledge of frontline personnel with an in-depth understanding of our facilities and their operational characteristics, we are creating new value at our thermal power stations.

Harnessing the Collective Strength of Frontline Personnel to Create Value

Through this project, I was reminded that creating value at a power plant requires the collective strength that comes from bringing together the expertise of each and every individual.

As the business environment surrounding JERA continues to change, we will respond by building on insights from frontline personnel, harness our collective strengths to continue creating new value, and further evolve our power stations.



About JERA

Medium and Long-Term Strategy

Business Initiatives

Pre-Financial Growth Initiatives

Data

Menu



Contributing to a Stable Electricity Supply and a Decarbonized Society

Shingo Ito

Deputy General Manager, Sodegaura Thermal Power Station
Experience: 6 plant construction sites, 1 plant dismantling site,
and 4 power plant sites

Frontline Personnel Passing on Pride in Power Generation

Unit 2 at Sodegaura Thermal Power Station has reached the milestone of 50 years since it began operation. Although Unit 1 has already been retired, Unit 2 continues to operate alongside Units 3 and 4. The equipment installed 50 years ago lacked advanced automation. Operators therefore work together on-site in harsh summer and winter conditions, manually performing tasks including opening and closing approximately 250 valves of various sizes required to start up and shut down the generating equipment. It is these combined efforts that keep the plant generating electricity.

Supporting this supply of electricity are the operators who have accumulated many years of experience at the power station. They have inherited the ability to accurately assess equipment conditions, the technical expertise to operate equipment reliably, and a sense of mission and pride in supporting society, which underpin the safe and stable supply of electricity today.

Contributing to a Stable Electricity Supply and a Decarbonized Society

The replacement project at Sodegaura Thermal Power Station is a large-scale undertaking that involves simultaneously maintaining operations of the existing generating units and LNG terminal, removing existing facilities, and constructing new power generation facilities. To enable continued operations while modifying the facilities, we carefully examined hundreds of cables running throughout the power station one by one and considered the optimal routes. We are also conducting a wide range of studies and preparations, such as constructing new electrical rooms and relocating fire extinguishing piping.

The project is underpinned by the high level of expertise each individual has developed through hands-on experience at the power station. Their accumulated knowledge and ingenuity will provide the driving force for transforming the infrastructure that has long supported a stable power supply into a next-generation energy platform.

Through this replacement project, Sodegaura Thermal Power Station will continue working to ensure a stable power supply and help realize a decarbonized society.



Fuel Business

To secure competitively priced LNG on a stable basis, we participate in fuel business projects, build and optimally operate an LNG cargo fleet that enables flexible transportation, and leverage global trading, thereby contributing to a stable energy supply.



Fuel Upstream and Transportation

We handle approximately 35 to 40 million tonnes of LNG annually and actively participate in LNG upstream ventures in Australia and the United States. By securing competitive LNG and gaining access to valuable intelligence from major production projects, we contribute to a stable supply of fuel. In addition, in our LNG transportation business, we achieve flexible and competitive fuel transportation through the optimal configuration and efficient operation of our fleet.



Fuel Trading

Centered around JERA Global Markets (JERAGM), headquartered in Singapore, we operate with a team of about 300 people, trading in the global LNG, coal, and shipping markets. Leveraging one of the world's largest fuel procurement scales, we integrate third-party transactions with fuel flows for our shareholders, optimally managing the volume and destinations of each contract and flexibly responding to market trends. We also harness financial methods to capitalize on the benefits from these physical transactions, ensuring revenue opportunities at a relatively low risk.

Market

Business Environment

There is a growing risk that political sentiment in Australia and North America, where we participate in upstream LNG fuel ventures, could cause a tightening of regulations or the implementation of climate change policies that would constrict our business or incur additional costs.

Opportunities

- Increased market volatility leading to optimization opportunities
- Increased transaction opportunities with new customers
- Acquisition of premium upstream development project information through leveraging overseas subsidiaries and the world's largest buyer network

Risks

- Negative impact of geopolitical risks on fuel procurement
- Reduced optimization opportunities due to domestic power supply and demand constraints
- Credit risk
- Profit and loss fluctuations in upstream development projects due to resource price volatility

JERA's Strengths

Distinguishing Strengths

- A competitive fuel portfolio supported by one of the world's largest LNG procurement volumes and participation in upstream projects
- Extensive market intelligence
- Flexibility in LNG terminal and power plant operations and fuel receiving

Key Business Capital

Manufactured Capital

- Upstream investments: 8 projects
- LNG cargo fleet: 22 vessels
- LNG procurement volume: Approx. 35 to 40 million tonnes from 16 countries

Social and Relationship Capital

- A global trading network throughout the value chain
- A market presence backed by one of the world's largest LNG transaction volumes

Human Capital

- Diverse talent from in and outside of Japan

Intellectual Capital

- Extensive market insights
- Trading expertise

Sourced from Chevron Australia

Fuel Business

Challenges and Progress toward Our Goal for 2035

Transition toward a More Market-Resilient Portfolio

JERA aims to reduce CO₂ emissions from domestic operations by at least 60% from FY2013 levels by FY2035. In addition to hydrogen, ammonia, and renewable energy, we are also focusing on LNG, a transition fuel that offers relatively low CO₂ emissions and can flexibly respond to rising electricity demand. Through LNG procurement, upstream operations, and trading, we are also making a significant contribution to securing a stable revenue base over the short and medium term.

Leveraging Our Network and Trading Capabilities to Optimize the Entire Value Chain

A defining characteristic of our operations is the optimization business that connects the Pacific and Atlantic markets through JERAGM. By leveraging JERAGM's extensive network and deep trading expertise, we ensure both stable fuel supply and reliable revenue generation through transactions with a broad customer base.

Major FY2025 Initiatives

Strengthening Our LNG Procurement Portfolio

Amid rising geopolitical risks, it is essential to prepare for sudden fluctuations in global supply and demand by ensuring stable procurement through a higher proportion of long-term contracts, while also diversifying our procurement portfolio across regions to spread risk. As key initiatives toward this end, we decided to procure LNG under long-term contracts from the United States in June 2025 and from Qatar in February 2026. We will continue to build a procurement portfolio with a balanced mix of supply regions and price indices.

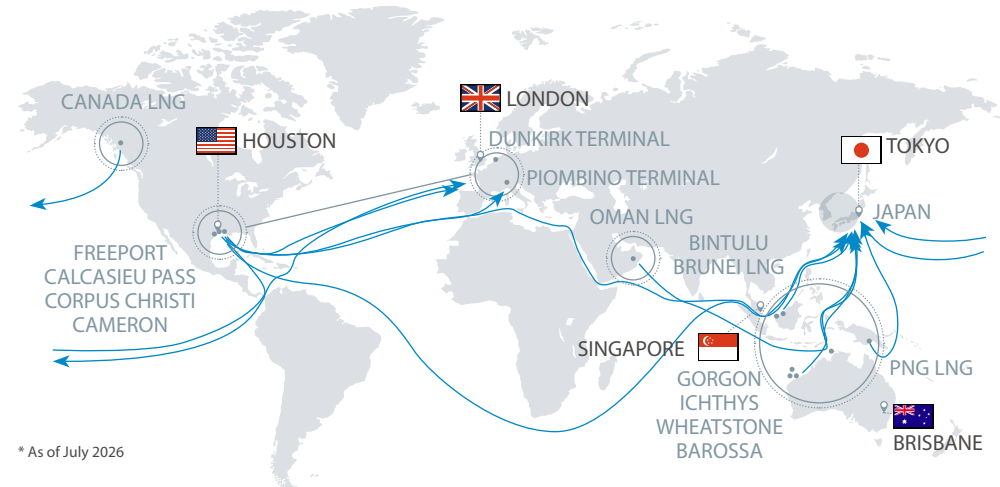
► P.37-40 Trinity Collaboration to Support Stable Energy Supply — Behind the Scenes of JERA's LNG Value Chain

Strengthening Trading and Optimization Capabilities in a Dynamic Energy Market

Global energy markets remained shaped by geopolitical uncertainty, evolving trade flows and periods of heightened volatility throughout FY25. In response, JERAGM focused on strengthening portfolio resilience and creating value through disciplined trading and Optimization across LNG, coal and power markets. Throughout the year, JERAGM continued scaling its Japanese power trading business following its launch in April 2025, by strengthening execution capabilities and deepening participation in Japan's evolving power market. In parallel, the firm advanced its Technology Landscape Evolution (TLE) programme, supporting the transition to a more connected and data-centric operating model. By enhancing connectivity across systems and centralising access to data, JERAGM is strengthening the foundations for more efficient operations, deeper market insight and faster, more informed decision-making.

Value Proposition

- Stability and flexibility in fuel supply



FOCUS



Connecting Markets and Creating Value Across JERA's Global Portfolio

Justin Rowland

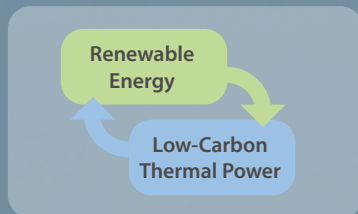
CEO, JERA Global Markets

As the single trading function for JERA, we work closely with colleagues across the JERA group to bring together diverse perspectives, deep market expertise and real-time insight. This collaborative approach helps us make better decisions, respond quickly to changing conditions and identify opportunities that strengthen the overall portfolio. As the energy landscape continues to evolve, our focus remains on helping JERA navigate complexity, deliver energy securely with confidence while creating long-term value through disciplined trading, Optimization and risk management.



Overseas Power Generation and Renewable Energy Business

By building a clean energy supply platform that integrates low-carbon thermal power and renewable energy, and uniting it with robust LNG, hydrogen, and ammonia fuel value chains, we aim to achieve stable and reliable operations.



Overseas Power Generation

JERA operates power generation projects in North America, Asia, and the Middle East, drawing on extensive experience developing and operating large-scale power plants both in Japan and internationally. Especially in Asia, we are advancing a range of decarbonization initiatives, including the introduction of LNG fuel, by partnering with platform-based companies that operate diverse power generation businesses in addition to developing power generation infrastructure.



Renewable Energy

JERA Nex, established in 2024 as our hub for renewable energy, is driving our onshore renewable energy business in collaboration with our regional offices while further strengthening ties with other JERA divisions and Group companies. In offshore wind power, the establishment of JERA Nex bp has enabled us to leverage the complementary strengths of JERA and bp and further accelerate global business expansion.

Market

Business Environment

In the face of inflation, rising costs, and geopolitical and regulatory uncertainty, we are responding to changing business conditions through partnerships, including collaboration with platform-based companies and the establishment of JERA Nex bp, to achieve greater scale, competitive procurement, and development tailored to the social conditions and needs of each country. We remain committed to the global expansion of clean energy and will utilize our robust portfolio and pipeline.

Opportunities

- Rising electricity demand driven by AI
- Growing recognition of renewable energy as a power source that contributes to energy security and a stable energy supply
- Advances in renewable energy technologies
- Growing demand for storage batteries as grid balancing resources

Risks

- Inflation and rising costs
- Insufficient balancing capacity as renewables expand
- Negative impact from emerging geopolitical risks
- Uncertainty surrounding development due to external factors such as policy changes and grid vulnerabilities

JERA's Strengths

Distinguishing Strengths

- Leading the way in initiatives and insights into decarbonization technologies
- Selection of the latest, optimal measures for each region through collaboration with local development teams and platform-based companies with in-depth knowledge of their respective regions
- JERA Nex bp: Becoming one of the world's largest offshore wind developers
- A global portfolio and pipeline providing access to multiple major growth markets

Key Business Capital

Manufactured Capital

- Number of projects:
Approx. 30 projects in over 10 countries

Human Capital

- Diverse portfolio of talent
- Business development professionals with strong local expertise

Social & Relationship Capital

- Networks developed through projects
- Collaboration with platform-based companies

Intellectual Capital

- Pioneering insights into decarbonization technologies
- Transfer of insights and expertise on overseas renewable energy to the domestic market

Overseas Power Generation and Renewable Energy Business

Challenges and Progress toward Our Goal for 2035

Ensuring Stable Energy Supply, Economic Efficiency, and Decarbonization with a Focus on Asia

Focusing on coal-dependent Asian nations, we seek to reduce CO₂ emissions through increased LNG adoption, a phased shift to hydrogen and ammonia fuels, and the introduction of carbon capture and storage (CCS) technologies. In doing so, we are pursuing zero-emission thermal power and taking on the challenge of driving the energy transition forward.

In addition to developing and securing talent with expertise across the entire value chain, we will promote the management and development of regionally embedded projects in partnership with platform companies.

Leveraging Renewable Energy Expertise and Synergy with Other Businesses

With an experienced team and robust partnerships, JERA Nex develops, owns, and operates high-quality, efficient projects, securing its position as a leading global developer of renewable energy. The company promotes decarbonization through complementary technologies and plays a key role in advancing the energy transition across the JERA Group.

Major FY2025 Initiatives

Joint Study toward the Development of an LNG Value Chain in Indonesia

As a step forward under the memorandum of understanding on collaboration in the LNG value chain and other areas, we conducted a joint study aimed at developing an LNG supply chain that supports both energy security and the energy transition in Indonesia. By combining JERA's expertise in the global LNG value chain with PLN EPI's extensive knowledge of Indonesia's power sector, we will contribute to providing practical and sustainable solutions that support the country's energy transition.

Establishment of MUJI ENERGY to Support a Partner Company's Green Transformation (GX) Initiatives

In 2025, we established MUJI ENERGY, a special purpose company that operates off-site solar power generation projects, with Ryohin Keikaku Co., Ltd., the company behind the MUJI brand. Ryohin Keikaku will utilize the environmental value generated through solar power generation by MUJI ENERGY and procured via JERA Cross in order to reduce CO₂ emissions associated with electricity consumption at Ryohin Keikaku stores and other facilities.

Going forward, we will continue to support the GX initiatives of partner companies pursuing decarbonization.

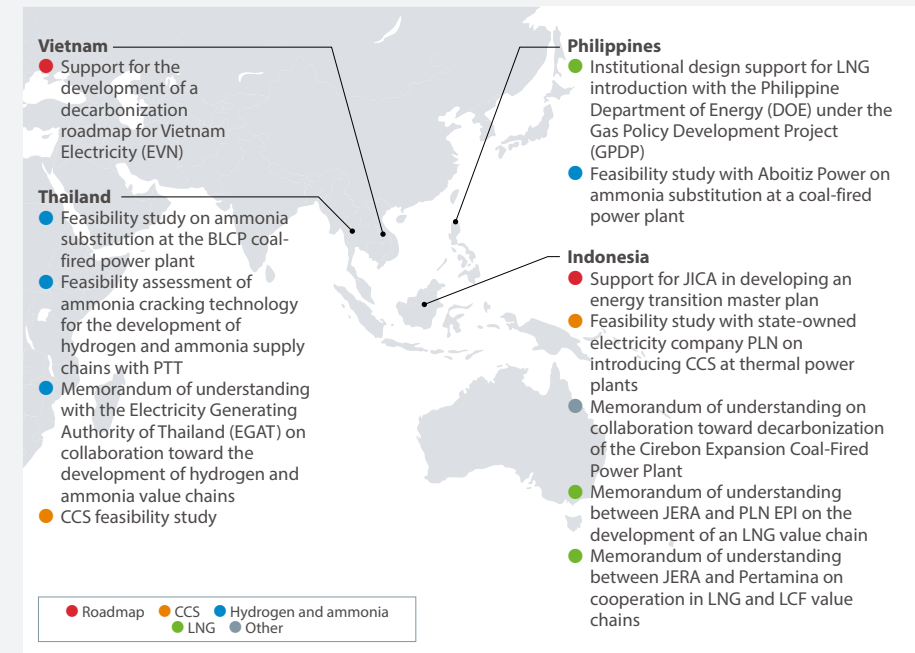
Value Proposition

- Initiatives for the introduction of LNG fuel and decarbonization tailored to the needs of each country (such as switching to next-generation power generation fuels like hydrogen and ammonia, and the introduction of CCS technologies)
- Aiding in decarbonization and ensuring stable electricity supply through the introduction and expansion of renewable energy

FOCUS

Support for Roadmap Development in Asia

We work with governments and businesses across Asia that are seeking to achieve both economic growth and decarbonization, supporting the development of comprehensive roadmaps covering future electricity demand projections, the composition of power sources, grid planning, and the decarbonization of thermal power generation. By jointly charting energy transition pathways tailored to the circumstances of each country, we contribute to achieving a sustainable and stable supply of electricity while creating business opportunities and building long-term partnerships.



Project Story

Building a Local Platform to Meet Asia's Electricity Demand: Collaboration with Aboitiz Power in the Philippines

Overview of Platform Development in the Philippines

Through our investment in Philippine power company Aboitiz Power, we are helping to stabilize the country's electricity supply and strengthen the foundations for economic growth. To meet growing electricity demand, we support the enhancement of existing power generation assets and the development of future low-carbon power sources, thereby helping stimulate industrial activity and promote sustainable social development. At the same time, by providing optimal solutions through collaboration with Aboitiz Power, we are also contributing to the modernization of the country's overall power infrastructure.

Global Technical Center of Excellence:

Developing and Expanding Our Global Technical Talent

Together with Aboitiz Power, we established the Global Technical Center of Excellence (GTCOE), a global talent development hub for cultivating the next generation of leaders. As the energy landscape becomes increasingly diverse, sophisticated, decarbonized, and globalized, firsthand experience of technologies, cultures, and communication that cannot be gained solely in Japan is essential to responding quickly and flexibly in an era of uncertainty. Through practical training and personnel exchanges that combine the strengths of both companies, the GTCOE develops talent who will drive our businesses in the future, fostering an understanding of diverse values and a global perspective.



GNPD Power Plant, in which Aboitiz Power holds an equity interest



The GTCOE opening ceremony in the Philippines

VOICE



Hiroaki Kamei

Senior Director
TBG North Luzon Aboitiz Power
(pictured right)

Ensuring Stable Supply and Developing the Next Generation of Engineers through Global Collaboration

I am stationed at Aboitiz Power's GMEC and GNPD power plants, located at the entrance to Manila Bay. In response to issues with the Chinese-made boilers, I am working hard to ensure safety and improve availability in collaboration with local engineers, JERA Asia, and the Overseas Engineering Service Group. I am also responsible for helping accept participants in a one-year exchange training program, as well as new employees who take part in annual training conducted in collaboration with the GTCOE. I am committed to helping the young people who train here grow into the engineers who will form the backbone of JERA in the future.

Looking Ahead

Building on the business foundation and partnerships established through our collaboration with Aboitiz Power, we will strengthen collaboration with other platform-based companies, primarily in Asia. We will pursue opportunities for collaboration across a broad range of areas, including power, LNG, and renewable energy, accelerating locally rooted business development and value creation. We will also contribute to building a sustainable energy supply framework by applying our models for talent development and technical collaboration more broadly.



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Sustainability Management

Based on the JERA Group Sustainability Policy, we have established a framework for the ongoing advancement of sustainability management and are working to embed this framework throughout the organization.

 **JERA Group Sustainability Policy and Promotion Structure**
<https://www.jera.co.jp/en/sustainability/management>

Sustainability Promotion System

Under the supervision of the Board of Directors, JERA has established a framework in which the Sustainability Promotion Committee, chaired by the President, Director, CEO and COO, examines internal and external sustainability-related issues and provides recommendations on key issues to the Leadership Panel. We have also established a working-level conference under the Sustainability Promotion Committee, centered around a dedicated sustainability organization, that brings together departments responsible for environmental, social, and governance (ESG) factors to promote company-wide sustainability through cross-functional collaboration.

The following table details the Committee's FY2025 meeting results and main agenda items.

Number of Meetings Held		Main Agenda Items
Working-Level Conference	8	● Approach to sustainability disclosure requirements ● Review of Integrated Report 2024 ● Publication of Integrated Report 2025 ● Review of credit rating management and future direction ● Report on company-wide sustainability training ● Report on corporate value structuring project (for pre-financial value)
Sustainability Promotion Committee	7	● Information disclosure in accordance with the standards of the Sustainability Standards Board of Japan (SSBJ) ● Review of material issues and pre-financial KPIs ● Preparation for company-wide sustainability workshops

Initiatives for Internal Sustainability Integration

Medium-to-long-term enhancement of corporate value requires an organizational culture in which every employee sees sustainability as personally relevant and translates it into their own actions. Utilizing our Pre-financial Value Flow, formulated and published in FY2025, we have conducted activities to deepen understanding of the connection between daily operations and the enhancement of corporate value. In this way, we aim to achieve lasting growth through sustainability management, starting with each employee.

Sustainability Promotion Structure (As of July 1, 2026)



Taking Personal Ownership of Value Creation: Pre-financial Value Workshops

Using the Pre-financial Value Flow as a starting point, we held Pre-financial Value Workshops at multiple power stations in FY2025 to explore and discuss how we can enhance corporate value through daily on-site operations including the stable supply of power, safety and compliance operations, and building trust with local communities.

President, Director, CEO and COO Hisahide Okuda also participated in these workshops and used the Pre-financial Value Flow as a springboard for discussion. This resulted in powerful feedback from power station employees on the workshops' significance to their own work. One observed that "By doing our part to ensure stable power generation both today and into the future, we directly contribute to corporate value." Another referred to the workshop as a reminder that "Our power stations are the face of JERA in local communities."

These workshops were an opportunity for each of our people to reaffirm how they can enhance corporate value by advancing our mission and vision in line with JERA's Core Value. We continue striving to remain a company trusted by society, with each employee taking personal responsibility for value creation.



VOICE

Understanding JERA's Mission through Film and Dialogue



Hikaru Fujimori
Sustainability Promotion Unit

In July 2026, we held an internal dialogue using film as a starting point for discussion. After screening the film *Dance With the Issue*, which addresses the energy issues referred to in our Mission, we held a special dialogue session between the film's director, Yasuhiro Tamura, and President, Director, CEO and COO Hisahide Okuda, followed by a discussion event for employees. The event gave participants an opportunity for honest conversations about the connections among society, JERA, and themselves. Participants reported that the event helped them feel a personal connection to JERA's Mission, and that they learned the importance of engaging in discussion with an attitude open to diverse perspectives.

Guided by the pre-financial rationale that these activities enhance corporate value over the Medium-to-long-term, we will continue to promote initiatives that help employees make the connection between their own work and the creation of sustainable corporate value.



Sustainability Management

Progress on the Material Issues and Pre-Financial KPIs Set Forth in FY2024 (1/2)

In FY2025, we achieved the following results and progress for initiatives concerning the material issues and pre-financial KPIs that were defined based on the JERA Growth Strategy to Realize the 2035 Vision and the JERA Group Sustainability Policy published in May 2024.

Material Issues		Pre-financial KPIs	Progress on Pre-financial KPIs (FY2025)
Business Material Issues	Establish an infrastructure for a stable supply of energy and systems for providing that energy at affordable prices	• 20% reduction in CO₂ emission intensity by 2030 • 60% or greater reduction in CO₂ emissions by 2035	• CO₂ emission intensity: 0.520 kg-CO₂/kWh (FY2024*) • CO₂ emissions: approximately 126 million t-CO₂ (FY2024*) • Studied and implemented replacement plans for state-of-the-art thermal power generation facilities offering world-class efficiency (completed environmental impact assessment report for Chita Thermal Power Station, and began preparing consideration documents for an environmental impact assessment for Sodegaura Thermal Power Station)
	Create customer value by offering cutting-edge solutions	• Maintaining the world's highest levels of NOx and SOx emission control	• Maintained world-leading emission intensity levels at thermal power plants by complying with agreement thresholds for NOx and SOx (NOx: 0.06 g/kWh, SOx: 0.03 g/kWh in FY2024*)
	Contribute to decarbonization and environmental protection through the complementary use of renewable energy and zero-CO ₂ -emissions thermal power	• Achieving a hydrogen and ammonia transaction volume of approximately 7 Mt by 2035 • Achieving a renewable energy development capacity of 20 GW by 2035	• Remained on track to construct a low-carbon ammonia supply chain by FY2029 (certified as a Supplier of Low-Carbon Hydrogen and its Derivatives under JOGMEC's price gap support subsidies and Hub Development Program) - Upstream: Final investment decision for the Blue Point production project in Louisiana, U.S., made in April 2025 - Fuel transportation: Time charter parties concluded with the NYK Line Group and Mitsui O.S.K. Lines in June 2026 - Downstream: Large-scale ammonia combustion (planned commercial operation at a 20% thermal input ratio) at Hekinan Thermal Power Station (Hekinan City, Aichi Prefecture) by FY2029. • Completed the integration of JERA Nex Limited's and bp's offshore wind power businesses and launched the joint venture JERA Nex bp in August 2025 • Renewable energy development capacity: 4.64 GW (FY2025)
Core Material Issues	Transform our business model through digital transformation	• CO ₂ tracking throughout the value chain	• Began considering and preparing initiatives such as the development of a pre-financial information collection system with a view toward sustainability-related disclosures in accordance with the SSBJ standards
		• Creation of a mechanism that can deliver carbon-free electricity to customers 24 hours a day	• Via JERA Cross, supported corporate decarbonization to advance round-the-clock carbon-free electricity (including a demonstration of Granular Certificates for Google Cloud's data centers in Japan using generation and demand data and non-fossil certificates derived from solar power)
	Coexist and thrive alongside local communities in Japan and around the world	• Identification of regional issues and collaboration with local communities to resolve issues	• Received feedback from local residents during power station tours, regional events, dialogues with stakeholders, and other interactions, which was reflected in communication measures. (Approximately 13,200 tour participants in FY2025) • Held community clean-up events around power plants in cooperation with local residents, local governments, and other organizations. (Events held at approximately 65 locations in FY2025) • Conducted energy and environmental education programs for the next generation. (Approximately 6,700 participants in FY2025)
		• Global collaboration on and development of local initiatives to solve regional issues	• Shared understanding between HQ and overseas Group companies through the exchange of detailed information about local community relations activities and issues; assessed current social contribution activities at JERA and its worldwide affiliates; and started a trial initiative to quantitatively visualize the value created through each activity

* Results for FY2025 will be updated in October 2026

Sustainability Management

Progress on the Material Issues and Pre-financial KPIs Set Forth in FY2024 (2/2)

Material Issues		Pre-financial KPIs	Progress on Pre-financial KPIs (FY2025)
Core Material Issues	Establish strong governance	● Maintain at least a 1:2 ratio of independent outside directors on our Board	● Maintained a Board of Directors with the ability to support global operations across diverse areas, consisting of internal directors with a wealth of business knowledge and outside directors with broad expertise (ratio of independent outside directors: 46% as of end-June 2026)
		● Publication and review of a director skills matrix	● Updated director skills matrix (May 2026)
	Implement rigorous compliance	● Preventing compliance violations	● Received business improvement guidance after a guideline violation occurred in the FY2025 capacity market main auction (targeting delivery in FY2029) ● Continued to identify early warning signs, prevent and mitigate incidents, and promote their early detection and remediation through strengthened risk management and response under the Three Lines of Defense framework, together with organizational culture reform
	Ensure the safety of all people and local communities involved in our business	● Maintaining a record of zero disaster-related fatalities	● Zero disaster-related fatalities (FY2025) ● Formulated a new safety action strategy for FY2026–FY2028 to further strengthen safety levels based on the three pillars of leadership, improvement of safety awareness and skills, and organizational systems
		● Improvement in the effectiveness of disaster prevention efforts through training in partnership with local communities	● Continued strengthening coordination between domestic power stations with police, local governments, and other relevant organizations through training and other activities. Number of power plants involved: 21 (FY2025)
	Create innovation through diverse talent	● Increase in personnel exchange among business locations	● Promoted the development of global mobility rules that systematically organize assignment procedures as a mechanism for smooth cross-border transfer of talent among business locations; completed deployment to major overseas Group companies and expanded the scope to include smaller companies ● Number of employees transferred overseas from Japanese offices: 146 (FY2025)
		● Diversity based on employee demographic ratios	● Ratio of supervisory positions held by women in FY2025: 7.3% ● Positioned the development and appointment of female leaders as a material issue and set a new goal of achieving a 10% ratio of supervisory positions held by women by FY2030
		● Fostering of a flat culture where everyone can realize their full potential	● Held Diversity and Inclusion (D&I) Month in November, consisting of messages from the CHRO, lectures, and various measures to promote a D&I mindset ● Achieved a score of 69% on cultural integration, an item that quantifies the degree to which our D&I Statement is embedded throughout the company, in the Employee Engagement Survey (2points up from the previous year)
	Contribute to the happiness of employees and their families	● Thorough implementation and enhancement of job-based talent management	● Developed job descriptions for roles subject to the job-based HR framework ● Introduced market-competitive compensation aligned with the responsibilities of each job
		● Promotion of various measures related to mental and physical health	● Promoted early illness detection by replacing periodic employee health checkups with more comprehensive medical checkups. (100% of employees underwent a comprehensive medical checkup in FY2025.) ● Utilized a stress check to implement ongoing workplace improvements. Overall Health Risk Score: 76 (up 4 points from the previous year)
● Promotion of measures that enable happiness through personal growth		● Achieved a score of 64% on skill development, an item that measures employees' sense of individual growth, in the Employee Engagement Survey (4points up from previous year) ● Promoted various independent career development measures utilizing an internal platform. Average annual training cost: 410,000 yen/person (up 30,000 yen from the previous year)	

Sustainability Management

Revisions to Material Issues and Pre-financial KPIs

JERA has reviewed and revised our Material Issues and Pre-financial KPIs as outlined below, with due consideration of the Mission and Vision that define the direction the JERA Group aspires to achieve, the Core Value that connects how each of us thinks and acts, and the alignment with our Sustainability Policy, which articulates our desired future state.

The achievement of these new Material Issues and Pre-financial KPIs will serve as a valuable tool to help us further strengthen our sustainability management.

Mission and Vision	JERA Core Value	Sustainability Policy	Material Issues	Pre-financial KPIs	
Mission To provide cutting-edge solutions to the world's energy issues Vision To scale up our clean energy platform of renewables and low greenhouse gas thermal power, sparking sustainable development in Asia and around the world	Ownership to Serve Our Tomorrows Step forward with ownership and give our best for the many tomorrows we serve. Fairness / Diversity / Openness / Respect & Safety Be open to every difference. Act with fairness. Respect people, and protect safety.	I . Achieve a balance of sustainability, affordability, and stability II . Think globally, act locally	① Establish an infrastructure for a stable supply of energy and systems for providing that energy at affordable prices	① 20% reduction in CO ₂ emission intensity by 2030 ② 60% or greater reduction in CO ₂ emissions by 2035 ③ Hydrogen and ammonia transaction volume of approx. 7 Mt ④ CO ₂ tracking throughout the value chain ⑤ Creation of a mechanism to deliver carbon-free electricity to customers 24 hours a day ⑥ Renewable energy development capacity of 20 GW ⑦ Maintaining the world's highest levels of NOx and SOx emission control	
			② Create customer value by offering cutting-edge solutions		
			③ Contribute to decarbonization and environmental protection through the complementary use of renewable energy and zero CO ₂ emissions thermal power		
			④ Engage in corporate communication that earns broad support from society	⑧ Earning public trust (achieving a favorable impression among approximately one-third of the Japanese public) ⑨ Building public support for decarbonization and fostering greater appreciation of the value JERA provides	
			III . Ensure fairness, transparency, and rigorous compliance with regulations while putting safety first	⑤ Coexist and thrive alongside local communities in Japan and around the world	⑩ Improving community engagement through the resolution of local issues and other initiatives ⑪ Developing a global internal infrastructure for coexistence and shared prosperity with local communities ⑫ Promoting activities that support coexistence through the conservation of local natural environments
				⑥ Establish strong governance	⑬ Maintain at least a 1:2 ratio of independent outside directors on our Board ⑭ Review of the director skill matrix
				⑦ Implement rigorous compliance	⑮ Development of mechanisms to prevent compliance violations and fostering of a compliance-oriented corporate culture ⑯ Promotion of fair business practices with respect for human rights
				⑧ Ensure the safety of all people and local communities involved in our business	⑰ Maintaining a record of zero disaster-related fatalities ⑱ Improved effectiveness of disaster prevention efforts through training in partnership with local communities
		IV. Foster a flat and innovative corporate culture that embraces diversity		⑨ Contribute to the happiness of our diverse team of employees and their families	⑲ Strengthening human capital ⑳ Boosting employee engagement

Co-Creating New Value

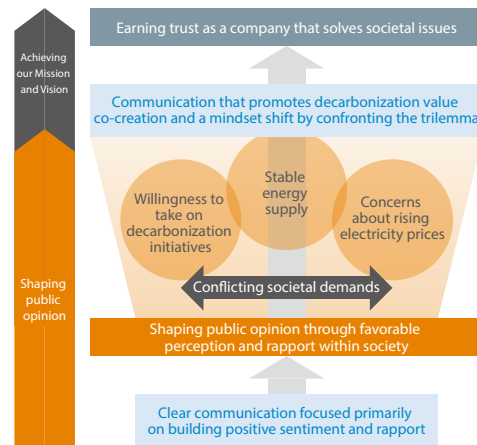
Corporate Communication Approach for Creating Value Together with Society: A New Material Issue

Societal issues such as decarbonization cannot be solved by JERA alone. As we work with diverse stakeholders to co-create value, we cannot move toward realizing these goals without the support of the broader public. We have designated corporate communication as a material issue, and we will strive to earn the trust of society at large as we tackle issues such as decarbonization.

Corporate Communication at JERA

By clearly communicating who we are and what we aim to achieve to the broader public, we aim to strengthen recognition of JERA as a company that people can relate to and support. We will also create opportunities for stakeholders to engage with and appreciate the value of decarbonization, deepening their understanding of the energy trilemma of a stable energy supply, affordability, and environmental sustainability. In doing so, we will promote the co-creation of decarbonization value with society.

Through these initiatives, we aim to encourage a shift in societal values, earn trust as a company pursuing decarbonization while addressing the energy trilemma, and enhance our corporate value.



Campaign to Co-Create a Clean Energy Society: “Light the way. Together.”

“Light the way. Together.” campaign expresses both our mission to keep the lights on wherever people are, and our determination to light the future with clean energy. Balancing a stable supply and decarbonization is not something JERA can achieve on its own. It requires collaboration and co-creation with diverse stakeholders across society, including consumers, local communities, partner companies, and investors, and we are calling on everyone to join us in this effort.

Through this campaign, we share the thinking behind our challenges with society. Through familiar touchpoints such as sports and entertainment, as well as hands-on experiences, we aim to encourage individual participation and grow the campaign into a society-wide movement toward a brighter, clean-energy future.



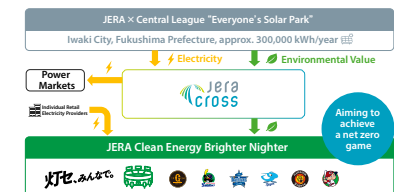
“Light the way. Together with Central League.” Project Launch

One of the initiatives under “Light the way. Together.” is “Light the way. Together with Central League” a co-creation project with the Central League, launched in March 2026. Through this project, we will leverage the Central League as a content platform with a broad fan base to share the value of decarbonization through hands-on experiences. Beyond sponsorship, the project serves as space for co-creation in which JERA, baseball teams, and fans can shape the future of energy together, fostering broader understanding and participation across society.



Concept for a Clean-Energy Game Using “Everyone’s Solar Park”

As a specific initiative, we are promoting “Brighter Nighter”, under which selected night games are powered by the environmental value generated from a solar power plant in Fukushima Prefecture. By enabling attendees to experience the benefits of decarbonization firsthand, we aim to deepen their understanding and foster greater empathy and support for a decarbonized society.



VOICE

Solving Societal Issues and Creating Value Through the Social Value Co-Creation Forum



Tetsuo Yoshida

Executive Expert,
JERA

Identifying the root causes of societal issues early and working to solve them is more than mere social contribution—it is our mission. Yet these issues, starting with energy, are growing more complex and cannot be solved through conventional approaches alone. The situation calls for creative thinking and innovation that transcend fixed ideas and fuse diverse values. We therefore established a forum that brings together business professionals, academics, and artists to pursue breakthroughs by combining creativity and imagination and drawing on diverse perspectives spanning science and technology, art, philosophy, and other fields: the Social Value Co-Creation Forum. The forum also works to nurture the next generation, extending the chain of value creation into the future as it seeks to build a truly sustainable society.



Co-Creating New Value

From “Cost” to “Value”: Unlocking the Value of Decarbonization

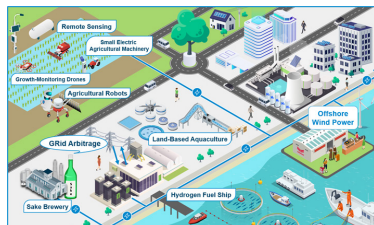
For decarbonization to gain widespread acceptance, it cannot be viewed merely as a cost. Green transformation (GX) will only take root once a structure is in place for society to pay a price that matches the new value decarbonization represents. JERA will help realize a sustainable society by transforming decarbonization into a value that people actively choose, both by enhancing the value of regional industries and supporting companies in implementing GX.

Advancing Decarbonization While Enhancing Value Across Society

JERA believes that sustainably reducing the carbon intensity of energy requires a mechanism by which society as a whole can absorb the additional costs without undue burden. To achieve this, energy decarbonization must advance not in isolation, but hand in hand with increasing the added value of regions and industries. JERA aims to create a social structure in which desirable products and services are selected at prices that reflect their value. We will combine regional strengths in natural capital and industrial clusters with the value of clean energy, positioning decarbonization not as a cost but as a source of new revenue opportunities and greater competitiveness.

Creating Value from Regional Strengths

Together with the SMBC Group and the Yanmar Group, we are creating new, high-value-added regional industry models through locally produced and consumed clean energy and technology. We are also implementing initiatives to revitalize regional industry.



Conceptual illustration

Shifting toward Higher-Value Industries

In partnership with Mie Prefecture and Yokkaichi City, we are working with companies transitioning to hydrogen, ammonia, and other alternatives to transform the entire industrial cluster through GX and enhance industry value.



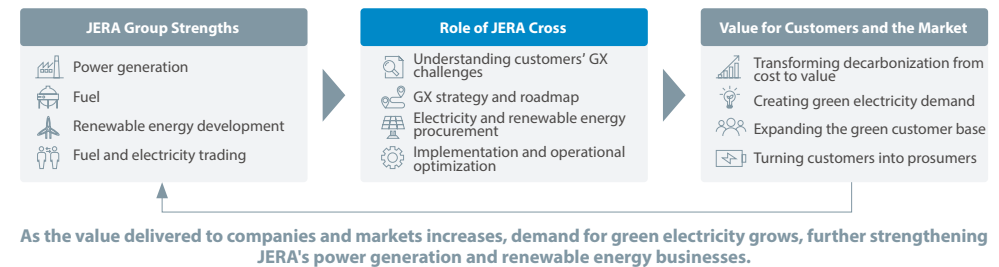
Signing Ceremony at Mie Prefectural Government Office

Corporate GX Implementation Supported by JERA Cross

JERA Cross is a customer-driven execution platform that takes corporate GX from concept to implementation. JERA Cross combines the JERA Group's energy expertise and broad supply infrastructure, including power generation and procurement, with digital capabilities and business transformation expertise. It provides end-to-end support, from developing GX strategies and roadmaps and ensuring a stable electricity supply to achieving 24/7 carbon-free electricity and

optimizing operations. We aim to transform decarbonization from a cost into a source of value that drives corporate growth and enhances corporate value.

Our track record continues to grow. In May 2026, we conducted a demonstration to generate hourly certificates for Google Cloud's data centers in Japan using non-fossil certificates from solar power generation together with generation and demand data. Based on the international standard advocated by EnergyTag, we matched generation and consumption on an hourly basis, enabling precise visualization of renewable energy use. The initiative has been featured in major media and has attracted attention as a pioneering approach to hourly matching in anticipation of revisions to the GHG Protocol.



Promoting GX for customers



Creating long-term demand for renewable and carbon-free electricity



Growing demand strengthens the JERA Group

VOICE



Kengo Ichikura
Representative
Director and President,
JERA Cross

JERA Cross: Transforming Decarbonization into Actionable Value

At JERA Cross, we tackle energy challenges from the customer's demand perspective. We do not view GX merely as a means of meeting environmental requirements or managing additional costs. We see it as a competitive advantage to drive growth and create new value. That is what we mean by transforming decarbonization from cost to value. Our goal is to help more companies grow through GX. As those companies grow, they will drive the industry, expand renewable energy, and ultimately contribute to Japan's economic growth. This is not a simple challenge. That is why JERA Cross is committed to tackling it head-on.



Ensuring the Safety of All People and Local Communities Involved in Our Business

Message from the CBSSO



Taisuke Yokota

Senior Managing Executive Officer
Deputy Examiner, Safety Manager Meeting
Chief Business Support & Solutions Officer (CBSSO)

Our Commitment to Safety Enables Us to Pursue New Technologies and Conduct Global Business

Safety is the foundation of all of JERA's business activities. We recognize the seriousness of the incidents that have occurred in the past and are undertaking fundamental reviews and strengthening our approach to safety. Centered on a risk-based approach that proactively identifies and addresses potential risks, we are building a group-wide safety

management system focused on risk prevention, clear accountability, and continuous improvement.

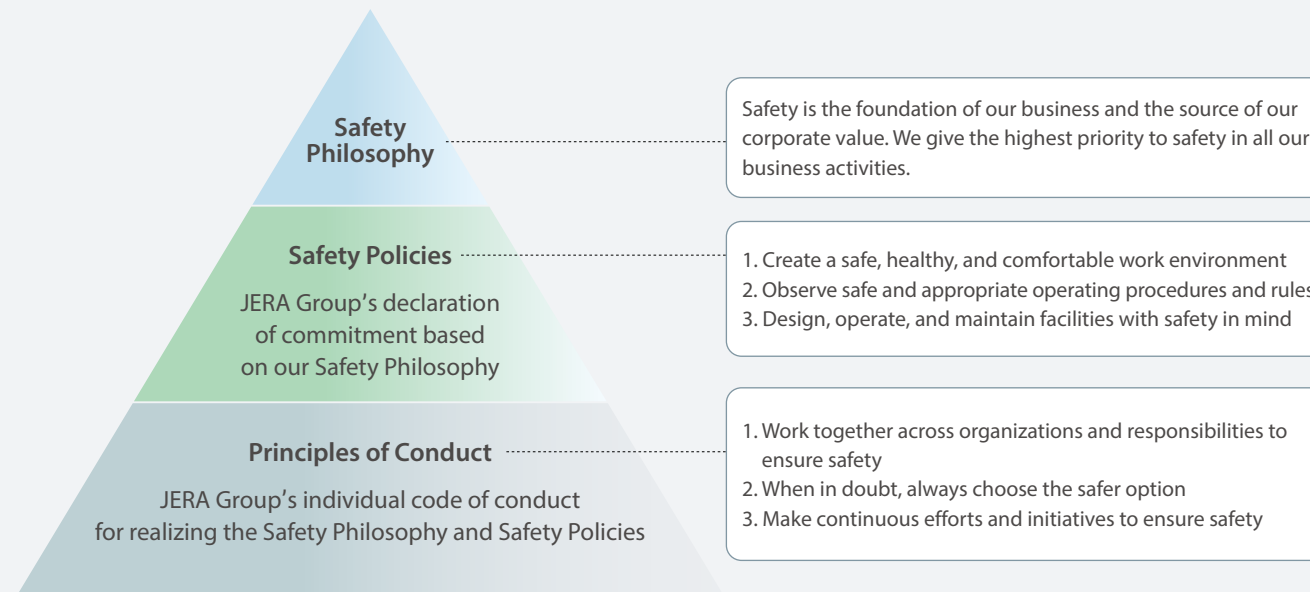
Our commitment to safety extends beyond our employees to include partner companies and all other stakeholders. Through initiatives such as Anzen Post, which enables frontline concerns to be raised and addressed promptly, we are fostering a strong culture of safety.

As we advance the use of new technologies such as ammonia and hydrogen fuels, we go beyond existing Japanese safety standards to also

incorporate leading international standards while conducting comprehensive risk assessments and implementing robust safety measures. By placing safety at the core of our business operations, we ensure a stable supply of energy while enhancing our long-term corporate value.

Under our commitment of safety first, we will further enhance the effectiveness of our safety initiatives ensuring everyone who works at JERA can do so safely. Through these efforts, we remain steadfast in our pursuit towards zero accidents.

JERA Group Basic Policy on Safety



JERA Safety Vision

Ensuring everyone involved in the JERA Group's business activities can work safely, remain physically and mentally healthy, and return home with a smile every day.



Ensuring the Safety of All People and Local Communities Involved in Our Business

Policy and Fundamental Approach

Conducting Our Business Activities on the Basic Premise of Safety First throughout Our Supply Chains, From Upstream Fuel Procurement to Electricity Sales

Our company operates power generation and fuel facilities under high temperature and pressure conditions. We also handle numerous hazardous materials, both flammable and toxic, within our power plant premises. Considering these business characteristics, preventing accidents for everyone involved in the operation and maintenance of equipment is essential for delivering energy safely and reliably.

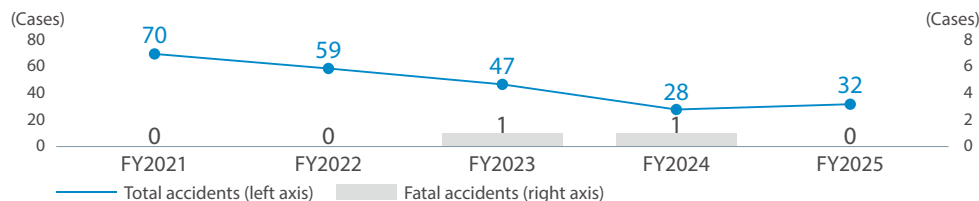
Accordingly, under our Safety Philosophy, we formulate our medium-term Safety Action Strategy, annual safety activity plans, and key focus areas, positioning “zero fatalities” as our key objective, while steadily implementing and continuously improving our safety activities. In addition, we verify the safety of our facilities and review our procedures and rules by applying a risk-based approach that proactively identifies and addresses potential risks, prioritizes them according to their impact and likelihood, and implements appropriate countermeasures. With respect to process safety management, we determine the necessity of application based on the characteristics of each facility and its operations. Where appropriate, we implement the necessary measures and reflect all knowledge gained into our existing manuals.

Developing Safety Activities that Reach Everyone Involved in JERA Group’s Operations

Our operations are not conducted solely by our employees but are supported through the cooperation of many parties, including partner companies working at our sites and local communities. In this context, our safety activities target everyone involved in JERA Group’s business, including partner companies and local communities. We carry out various safety activities across a broad spectrum of business areas both domestically and internationally.

To this end, we have articulated our desired state of safety as the JERA Safety Vision, enabling everyone to share a common understanding of the safety we aspire to achieve as we advance our safety initiatives. At our domestic power plants, headquarters, and branch offices, we also emphasize communication with employees and partner company personnel working on-site. As part of this effort, we operate Anzen Post, which delivers safety-related feedback from the field directly to headquarters. Through these efforts, we ensure that the insights of those on the front lines are translated into effective safety improvements.

Number of Accidents*



* “Accident” refers to any injury, illness, or death arising from our business activities and affecting our affiliates or contractors or subcontractors commissioned by our company.

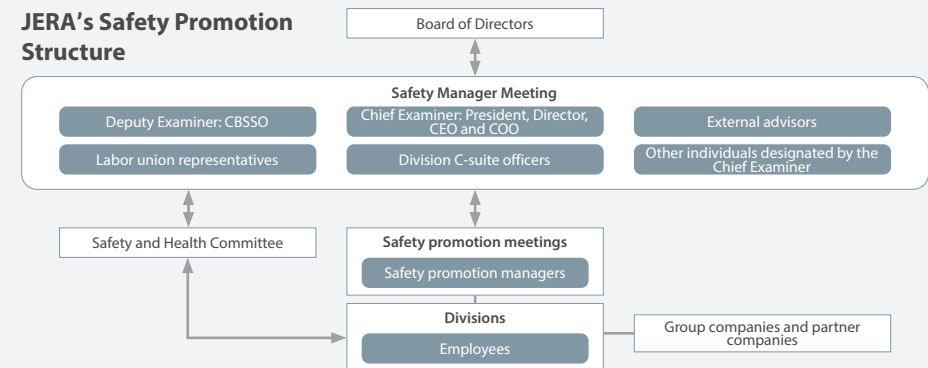
Safety Promotion System: Strengthening the Management System

JERA has established the Safety Manager Meeting, chaired by the President, Director, CEO and COO, which meets once every two months under normal operating conditions. In addition to management (including the President, Director, CEO and COO as well as the C-suite officer in charge of each division), labor union representatives attend the Safety Manager Meeting on behalf of employees, while external experts participate as advisors, providing third-party perspectives on our safety practices.

At this meeting, we confirm and share important matters related to company-wide safety at the management level, monitor the progress and results of the Safety Action Strategy and safety action plans, and strive to enhance safety standards across the group. Meeting highlights are shared company-wide through video and other means, helping communicate management’s commitment to safety to frontline employees.

In addition, to achieve zero accidents, we have embedded mechanisms for ensuring safety into our business operations through a Plan-Do-Check-Act (PDCA) cycle. We also recognize the importance of fostering a corporate culture in which employees feel empowered to freely raise safety concerns and share observations from the workplace. To that end, we develop and implement a range of systems and initiatives to strengthen the effectiveness of safety from both organizational and cultural perspectives. Furthermore, we have established safety promotion meetings as subordinate meetings of the Safety Manager Meeting to strengthen collaboration across divisions and promote company-wide safety activities.

JERA’s Safety Promotion Structure



Key Discussions at the FY2025 Safety Manager Meetings

Safety Manager Meetings were held six times during FY2025 to discuss measures aimed at enhancing the effectiveness of our safety initiatives. Key topics included establishing systems to incorporate necessary safety measures into plans and budgets, developing compliance requirements and action guidelines to help ensure the health and safety of everyone working at JERA, and determining policies for systematizing safety management, including process safety management and the Three Lines Model.

Ensuring the Safety of All People and Local Communities Involved in Our Business

Our Safety Action Strategy

JERA formulated a three-year Safety Action Strategy in FY2022 based on the findings from the third-party safety assessment conducted in FY2021. Drawing on the lessons learned from serious accidents, we have continued to strengthen our safety foundation through initiatives addressing both systems and culture.

From the systems perspective, we strengthened our governance structure centered on the Safety Manager Meetings and developed and implemented a safety management system based on the Three Lines Model. We also established systems to secure investment in safety and implemented health management measures, thereby creating a comprehensive structure for systematically ensuring safety.

From the culture perspective, we promoted a safety-first mindset and helped embed it into everyday actions through the continuous demonstration of management's commitment to safety, communication with frontline personnel, and enhanced education and training. In addition, through Anzen Post, we encourage the sharing of safety observations and suggestions for improvement from frontline workplaces. More than 1,700 submissions were received in FY2025 alone, demonstrating the steady development of a safety culture that actively reflects frontline voices.

Major Initiatives from FY2023 to FY2025

	2023	2024	2025
Leadership	Ongoing safety communication and site visits by senior management Safety training for senior management		Review of our Safety Philosophy
Measures	Development of an education and training framework	Development and implementation of life-saving rules (prohibiting hazardous behaviors) Development and implementation of a health condition monitoring system	
Organizational Structure	Building our safety system (Safety Manager Meetings)	Development and implementation of a safety management system based on the Three Lines Model Development and implementation of process safety management	

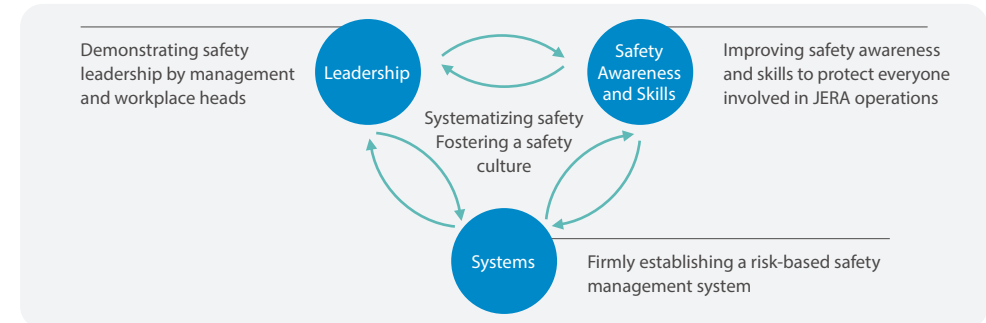
To further enhance safety across our operations, we formulated a new Safety Action Strategy for FY2026–FY2028 based on our initiatives to date and changes in the business environment. The strategy focuses on three areas: leadership, safety awareness and skills, and systems, and seeks to strengthen leadership by management and workplace heads, enhance the safety awareness and skills of employees and partner companies, and further advance our risk-based safety management system.

Based on these pillars, each business division formulates its own safety action plan according to its specific risks and manages progress through ongoing monitoring, thereby fostering an autonomous safety culture and driving continuous improvement.

Through these initiatives, we will further embed and enhance the systems we have established while continuing to evolve both our systems and culture in an integrated manner, with the goal of achieving zero accidents.

The progress and results of the Safety Action Strategy and safety action plans are reviewed in the Safety Manager Meetings, which include participation from senior management, labor union representatives, and external experts, and are then reported to the Board of Directors.

Safety Action Strategy for FY2026–FY2028



Leadership, Safety Awareness, and Skills

At JERA, we recognize that safety extends beyond frontline operations. Decisions and actions taken in corporate functions, including planning, procurement, contracting, and process management, directly influence the safety of downstream operations and work sites, including those involving partner companies.



Accordingly, we promote initiatives that ensure management and workplace leaders continuously demonstrate their commitment to safety, while encouraging all employees, including those in administrative functions, to take personal ownership of safety and exercise sound judgment and appropriate actions in their day-to-day work. In addition to onboarding training, we provide training for all employees and position-based training to develop talent capable of putting safety-first judgment and management into practice. By incorporating lessons learned from accident case studies and potential risk scenarios as training materials and applying them to appropriate decision-making and actions in daily work, we are strengthening our safety foundation through an integrated approach that connects our operational sites with headquarters and branch offices.

Education and Training Framework	Onboarding → General staff → Manager → Senior Manager → Group Head → Officer					
	Onboarding training (statutory)	Annual safety training for all employees				
Basic training (all employees)	Onboarding training (statutory)	Annual safety training for all employees				
Position-based training			Newly appointed manager training (upon promotion)	Newly appointed senior manager training (upon promotion)	Annual crisis management training	Executive safety training (as needed)
				Annual safety compliance training		

Ensuring the Safety of All People and Local Communities Involved in Our Business

Initiatives to Prevent Accidents at Power Plants

Safety Measures at Power Plants

Since power plants use a variety of fuels to generate electricity, safety measures are implemented according to each fuel's specific characteristics.

Our power plants and LNG terminals handle large volumes of LNG. To prepare for the unlikely event of an LNG leak, we implement comprehensive safety measures based on the three core principles: (1) leakage prevention, (2) early leakage detection, and (3) prevention of leak spread. We also maintain strict controls over potential ignition sources. These include the use of explosion-proof electrical equipment in areas surrounding LNG facilities and designating controlled zones where the use of open flames is restricted.



Safety Measures Based on Lessons Learned from the Taketoyo Thermal Power Station Fire

At our coal-fired power plants, we operate in accordance with safety manuals while also strengthening safety measures for biomass fuel handling in response to the fire that occurred at Taketoyo Thermal Power Station in January 2024. In addition to reducing risks associated with dust and ignition sources, we are incorporating process safety principles into facility design and the review of existing manuals as we strive to identify major risks and enhance countermeasures.



Safety Measures for Ammonia Substitution at Hekinan Thermal Power Station

While our coal-fired power plants have long handled small amounts of ammonia for denitration and have accumulated ample safety expertise, the commercial operation of ammonia power generation will involve handling quantities on a scale far greater than ever before. To address this, we are implementing safety measures tailored to the increased scale of ammonia handling. Based on the concept of layers of protection, we are addressing leakage risks at each stage—prevention, early detection, and containment and mitigation—by establishing the necessary equipment measures and operational procedures to ensure safety.

Responding to Occupational Accidents



VOICE

Promoting Collaborative On-Site Efforts to Enhance Safety



Naoaki Nomura
Deputy General
Manager, Futsu
Thermal Power Station
Domestic Operations
Division

Futsu Thermal Power Station is one of Japan's largest power plants, having also one of the largest LNG terminals. Approximately 1,000 people work on-site each day. Against this backdrop, the findings of a third-party safety assessment conducted in FY2021 prompted us to work together with our partner companies to strengthen safety measures. As a result, we enhanced safety awareness and achieved more than 1,100 consecutive accident-free days.

Our key initiatives include employee participation in partner companies' morning assemblies, weekly safety speeches by senior managers, and joint workplace patrols. During these patrols, we not only identify potential hazards but also recognize examples of good safety practices, helping to motivate those working on site.

Through these initiatives, we are steadily fostering a safety culture in which everyone takes the initiative to improve safety.



Facility Safety Measures for Disaster Preparedness

JERA's business is built around critical infrastructure, including power plants and LNG terminals, and we must maintain a stable energy supply even in the event of a natural disaster. We design and build new thermal power plants in accordance with seismic design standards, including the Japan Electric Association Code (JEAC). After operations begin, we maintain and verify the integrity of our facilities through facility management in accordance with applicable laws and regulations, as well as regular inspections. In addition, based on earthquake damage projections published by public institutions including the Cabinet Office of Japan, we conduct seismic assessments of critical equipment and implement seismic reinforcement and other necessary measures. Through these efforts, we seek to reduce the risk of equipment damage and prolonged shutdowns resulting from natural disasters.

Disaster Drills Conducted in Cooperation with Local Communities

Drawing on the lessons learned from the fire at Taketoyo Thermal Power Station, we are strengthening safety measures not only for our facilities but also for our operational practices to prevent serious accidents before they occur. As part of these efforts, we conduct disaster drills in cooperation with local communities on an ongoing basis to ensure that personnel can respond promptly and appropriately in the event of a disaster. At Hekinan Thermal Power Station in particular, we are developing emergency response policies to address the new risks associated with ammonia substitution while establishing a disaster prevention/response structure in cooperation with the police, fire departments, medical institutions, and local governments. Under this framework, we are enhancing the effectiveness of emergency response across the wider community through the development of action plans and the implementation of joint disaster drills.



Protecting Natural Systems While Continuing to Deliver Sustainable Energy

Fundamental Approach

We are addressing environmental challenges by leveraging our technologies and expertise, and collaborating with partners and local communities to help realize a sustainable society that balances environmental conservation with economic growth.

To this end, we conduct our business in compliance with the policies and regulations of each country where we operate, while pursuing two complementary priorities: transforming our thermal power operations and expanding renewable energy. By advancing these initiatives, we help drive environmental conservation on a global scale.

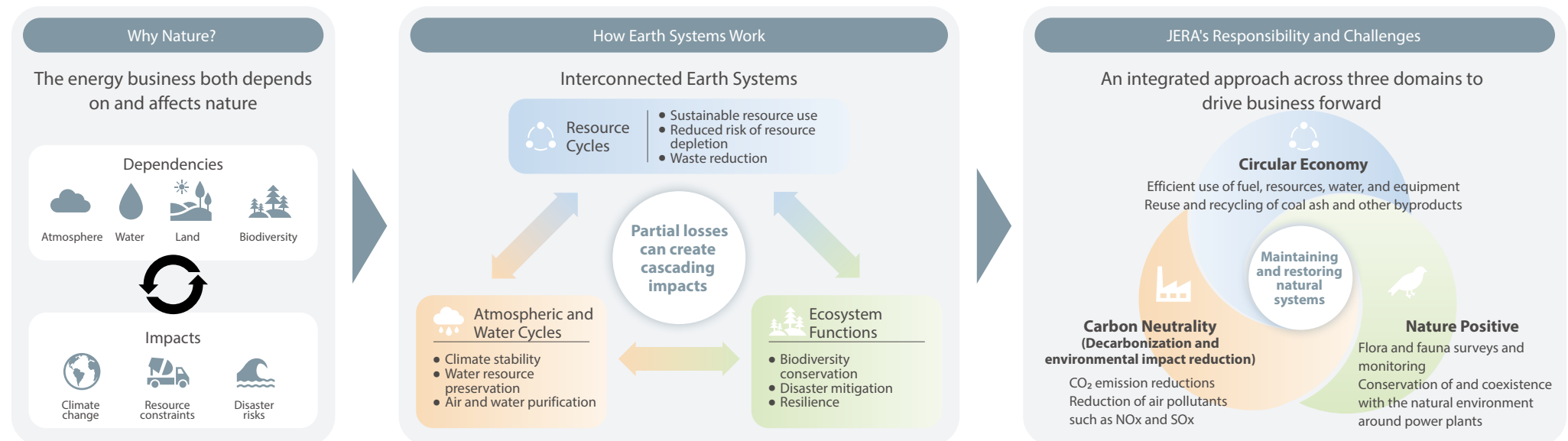
Through these initiatives, we seek to enhance our corporate value while ensuring a stable energy supply and reducing environmental impacts. Our business activities rely on natural capital, including the atmosphere, water, land, and biodiversity, and maintaining the integrity of these systems is fundamental to the long-term sustainability of our energy business.

However, these natural systems are affected by a range of environmental changes. Climate change, biodiversity loss, and environmental pollution are progressing in an interrelated manner, placing growing pressure on the natural environment. When these pressures exceed nature's capacity to recover, the impacts can emerge in the form of resource constraints, increased disaster risks, and rising social costs. We recognize these environmental challenges as material management issues that have the potential to affect both business continuity and public trust.

Because these challenges are interconnected, no single measure can adequately address them. What is needed is not piecemeal optimization but a holistic approach.

In advancing our business, we take an integrated approach across three key domains: carbon neutrality, nature positive, and the circular economy. Recognizing that initiatives in these areas are mutually reinforcing, we manage CO₂ emission reductions, resource efficiency, and biodiversity conservation in a coordinated manner, making decisions from the perspective of overall optimization.

Through these efforts, we strive to harmonize our business activities with the natural environment while pursuing both the reduction of environmental impacts and a stable energy supply. Going forward, we will continue to advance these integrated initiatives, contribute to the realization of a sustainable society through the balance of environmental conservation and economic growth.



Protecting Natural Systems While Continuing to Deliver Sustainable Energy

Carbon Neutrality: Reducing CO₂ Emissions and Addressing Air Quality Impacts

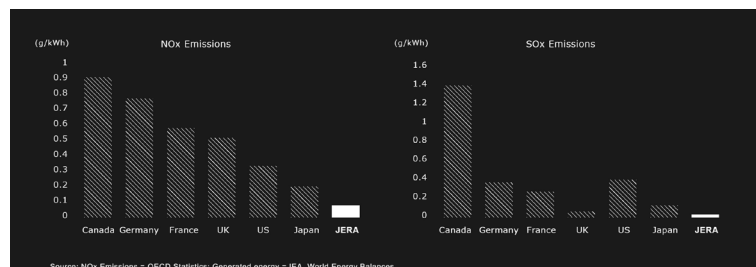
We are taking an integrated approach to reducing CO₂ emissions and air pollutants, addressing both climate change and air quality.

To reduce CO₂ emissions, we are advancing on two fronts: expanding renewable energy and decarbonizing thermal power generation. In the renewable energy field, we are accelerating global development centered on offshore wind power through JERA Nex bp, our joint venture with bp, and building a large-scale renewable energy portfolio.

In the decarbonization of thermal power, we are pursuing a transition centered on fuel substitution. This includes efforts to establish low-carbon technologies utilizing existing facilities, starting with the large-scale ammonia substitution demonstration at Hekinan Thermal Power Station. In addition, through our participation in the Blue Point lower-carbon ammonia production project in the U.S., we are pursuing CO₂ emissions reductions across both fuel production and utilization, while building a stable supply base. We are also exploring technologies such as carbon capture and storage (CCS) as part of a comprehensive approach to decarbonization alongside emissions reductions.

Air pollutants such as NOx and SOx, meanwhile, are regarded as local environmental issues affecting regional ecosystems and public health, in contrast to CO₂, which is a global challenge. In compliance with Japan's stringent regulations, informed by the country's historical experience with pollution, we have reduced emissions through the upgrading of flue gas desulfurization and denitration equipment and the optimization of combustion control. In FY2024*, our emissions per unit of production were 0.03 g/kWh for SOx and 0.06 g/kWh for NOx, maintaining low levels compared with international benchmarks.

The use of ammonia as a substitute fuel in thermal power generation can contribute to decarbonization by reducing CO₂ emissions during combustion and can also contribute to lower SOx emissions due to ammonia's sulfur-free properties. On the other hand, NOx formation resulting from nitrogen content in the fuel and combustion conditions needs to be controlled. However, demonstration tests at Hekinan Thermal Power Station have confirmed that appropriate flue gas treatment can effectively control these emissions, and we are working toward further optimization.



* Results for FY2025 will be updated in October 2026

Through these initiatives, we are addressing environmental challenges at both the global and local levels, contributing to the realization of a more sustainable energy supply.

Nature Positive: Ecosystem Conservation and Coexistence with Nature

To reduce impacts on ecosystems and promote coexistence with nature, we identify and manage the environmental impacts associated with our business activities, while undertaking initiatives aimed at maintaining and restoring the natural environment.

When planning and constructing power stations, whether new builds or replacements, we conduct environmental impact assessments of marine areas and surrounding environments, taking into account the characteristics of each site. Through surveys, projections, and evaluations, we identify potential impacts and apply avoidance, reduction, and offsetting measures to minimize effects on biodiversity.

During operations, we continuously monitor the temperature differential between water intake and discharge, enabling early detection of changes and appropriate responses. Based on this monitoring, we manage impacts on water and local environments, while also giving due consideration to marine environments through the proper management of thermal discharge and helping reduce environmental impacts through legally mandated management of flue gas, wastewater, and chemical substances. We also give careful attention to noise, vibration, and visual landscape impacts. In addition, we place importance on communication with local residents and municipal authorities, working to foster understanding of our operations and build trusting relationships.

Primary Measures

Measure	Description
Noise and Vibration Control	Our measures include the appropriate placement of buildings and equipment, the use of low-noise and low-vibration equipment, and the installation of silencers and sound barriers.
Landscape Preservation	We make efforts to ensure that power plants blend in with local scenery while considering costs.
Plant and Animal Conservation	We support the conservation of falcons and other rare species by securing green spaces to avoid or reduce impacts on flora, fauna, and ecosystems.

As the foundation for these efforts, we have established a basic policy on biodiversity initiatives and are promoting management that takes into account our dependencies on and impacts to natural capital. Based on this policy, we are working to identify risks and opportunities in our business activities to avoid, reduce, and restore biodiversity impacts in accordance with the mitigation hierarchy and to advance sustainable resource use in pursuit of a nature-positive future.

Protecting Natural Systems While Continuing to Deliver Sustainable Energy

Circular Economy: Efficient Resource and Water Use and Maximized Circularity

We are working to optimize resource use and promote greater circularity throughout the power generation value chain.

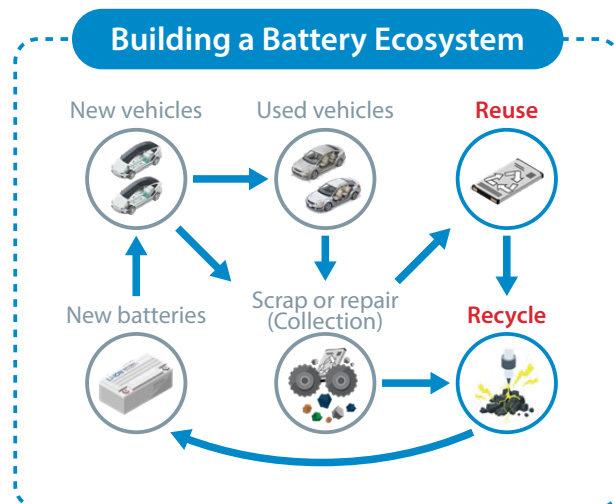
Power generation consumes large quantities of fuel and water while producing byproducts and waste. We therefore take a lifecycle-wide view of resources, advancing efficiency improvements and enhanced recycling at each stage.

Specifically, at the input stage, we are improving resource efficiency through the recycling and optimization of water used in power generation. For byproducts generated during the power generation process, we promote the effective use of coal ash, achieving a reuse rate of 99.99% in FY2024* through its repurposing as a raw material for cement and civil engineering applications.

We are also advancing the recycling of waste materials, maintaining a high reuse rate of 96.99% for waste plastics. We maintain and manage our waste treatment facilities in strict compliance with legally mandated inspections and disclosure requirements, ensuring safe and transparent operations.

Looking ahead to the further adoption of electric vehicles, we are developing technologies to help build a domestic ecosystem for the reuse and recycling of EV batteries. This includes work with Toyota Motor Corporation on technology to repurpose EV batteries for use in stationary energy storage systems, and with Sumitomo Chemical Co., Ltd. on the development of low-environmental-impact recycling processes.

Through these initiatives, we are working to reduce resource constraint risks and minimize environmental impacts while supporting more sustainable resource use.



* Results for FY2025 will be updated in October 2026

Regulatory Compliance and Environmental Education: Reliable Operations and Awareness to Underpin All Domains

Compliance with environmental laws and regulations and environmental education form the foundation for steadily advancing our initiatives across carbon neutrality, nature-positive policies, and the circular economy. They also serve as essential elements supporting sustainable business operations, both in terms of appropriate environmental risk management and the effective implementation of our environmental strategy.

We conduct proper environmental management in accordance with relevant legislation—including the Act on Promotion of Global Warming Countermeasures, the Air Pollution Control Act, the Water Pollution Prevention Act, and the Waste Management and Public Cleansing Act—covering areas such as air quality, water quality, and waste, as well as environmental impact assessments at the business planning stage. Through management standards and monitoring tailored to the characteristics of each business, we work to prevent environmental impacts before they occur and to drive continuous improvement, thereby reducing environmental risks and ensuring stable business continuity.

To enhance the effectiveness of these efforts, we provide systematic environmental education to all employees. In addition to compliance-related training, we deliver education covering a broad range of environmental topics, from international trends to carbon neutrality, nature-positive policies, and the circular economy. Training is specific to each role, from new hires to specialized professionals, with a phased approach that progresses from foundational environmental knowledge to the technical and management skills needed in day-to-day operations. This raises environmental awareness and strengthens the capacity of every employee to put that awareness into practice, contributing to the reduction of environmental impacts and the steady advancement of our environmental strategy.

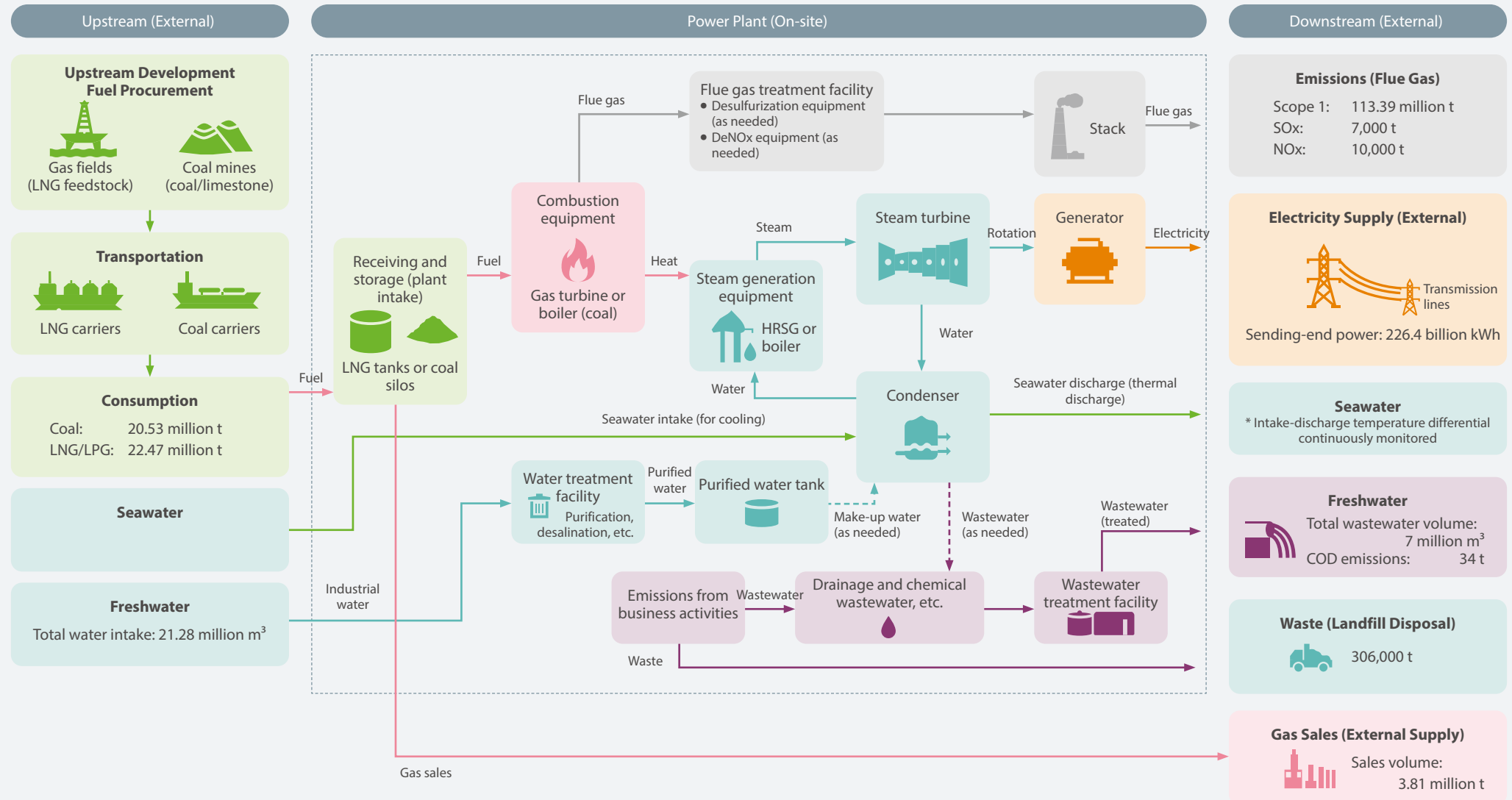
Through these efforts, we are reinforcing the foundation for sustainable business operations by supporting the reliable execution and continuous improvement of our environmental strategy.

Key Environmental Domains and Related Legislation and Management Areas

Key Domains	Key Legislation	Key Management Areas
Climate change and energy	Act on Promotion of Global Warming Countermeasures, Energy Conservation Act	CO ₂ emissions, energy consumption
Atmospheric environment	Air Pollution Control Act	NO _x , SO _x , particulate matter
Water environment	Water Pollution Prevention Act	Wastewater, water quality
Waste and resource circulation	Waste Management and Public Cleansing Act, recycling-related legislation	Waste treatment, recycling
Chemical substances	Pollutant Release and Transfer Register Act (PRTR), etc.	Chemical substance management
Land and environmental impact	Environmental Impact Assessment Act, Soil Contamination Countermeasures Act	Environmental impact management during business development

Overall Flow of Resource Use and Environmental Impact in Power Generation

Power plants produce electricity through the input of fuels such as LNG and coal, as well as water resources, while also generating environmental impacts including flue gas emissions, wastewater, and byproducts. This diagram presents the entire flow from resource inputs through the power generation process and electricity supply to emissions and byproduct generation, illustrating the flow of resource use and environmental impact in power generation.



* Results for FY2025 will be updated in October 2026

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Fundamental Approach

As a global enterprise addressing energy challenges in Japan and around the world, we regard climate change, natural capital, and biodiversity as important management issues and have identified the related material issues. We have endorsed the TaskForce on Climate-related Financial Disclosures (TCFD) Recommendations since 2021, when we also joined the TCFD Consortium. Additionally, in 2024, we participated in the TNFD Forum, which supports discussions and other activities of the TaskForce on Nature-related Financial Disclosures (TNFD).

With the aim of sustainably enhancing our corporate value, we have identified four elements—governance, risk management, strategy, and metrics and targets—in line with the TCFD and TNFD Recommendations that summarize our systems pertaining to climate change, natural capital, and biodiversity and the initiatives typified by the Three Approaches of JERA Zero CO₂ Emissions 2050. In doing so, we also ensure alignment with the standards developed by the International Sustainability Standards Board (ISSB) and the Sustainability Standards Board of Japan (SSBJ).

We will continue to disclose information in line with the TCFD and TNFD Recommendations and further enhance communication with investors and other stakeholders.

Governance

Decisions about important policies, new and updated targets, and other matters pertaining to measures to combat climate change and conserve natural capital and biodiversity are made by the Board of Directors or the Leadership Panel based on our corporate governance system. We have also established a Sustainability Promotion Committee for the purpose of enhancing sustainability management. This cross-departmental committee is chaired by the President, Director, CEO and COO and reports directly to the Board of Directors. It examines measures to combat climate change, natural capital, and biodiversity, and address other environment-related issues.

Directors hold active discussions with outside experts and specialist organizations to keep pace with the latest information and findings, which they share with the Leadership Panel and other internal groups. We also host seminars regarding sustainability for our employees in addition to providing opportunities for them to have discussions with the directors. We are proactively working to further promote our sustainability activities by continuing to expand our directors' and employees' understanding of information and trends in climate change, natural capital, biodiversity, and other aspects of sustainability management.

➡ [P.91-94 Corporate Governance](#)

➡ [P.53-56 Sustainability Management](#)

Risk Management

We have established a risk management system headed by the President, Director, CEO and COO to understand and mitigate risks associated with corporate activities. The system conducts integrated risk management, categorized into operational, market, and credit risks. We assess risks and opportunities pertaining to climate change, natural capital, and biodiversity in recognition of their impact on our business activities. Risks to be managed by directors are identified as "significant risks to be managed by management." The Risk Management Committee (chaired by the President, Director, CEO and COO) monitors and reviews the management status and plans for responding to these risks and then reports them to the Board of Directors at scheduled intervals or as needed. The Investment Valuation Committee and other channels also discuss and report on opportunities. There were no changes in the management system during the reporting year.

➡ [P.101-104 Risk Management](#)

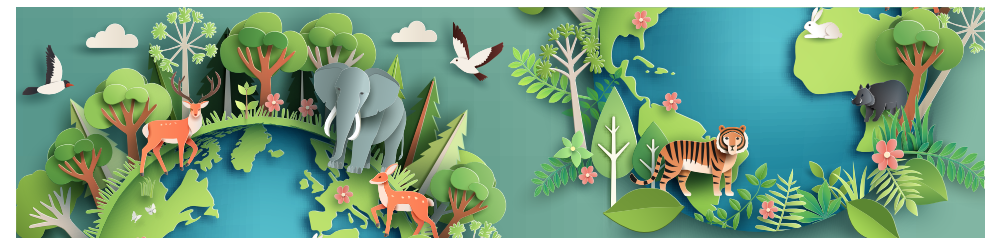
Strategies

To identify risks and opportunities pertaining to climate change, natural capital, and biodiversity and assess our resilience, we conduct analyses with reference to the TCFD and TNFD frameworks.

Regarding climate change, we continue to conduct scenario analysis, identifying major risks and opportunities for our business and evaluating the financial impact to inform subsequent examination and implementation of appropriate measures.

Regarding natural capital and biodiversity, we conduct annual analyses based on the LEAP approach.* We identified our interface with nature on a site-by-site basis, analyzed the dependencies and impacts of our business on nature and key risks and opportunities, and then examined measures and defined indicators.

* LEAP approach: Acronym for "Locate, Evaluate, Assess, and Prepare," the TNFD's recommended steps for disclosure.



Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Strategies for Climate Change

Scenario Configuration

The following two scenarios have been established to analyze the risks and opportunities related to climate change across the entire value chain of our business.

	1.5°C Scenario References: IEA World Energy Outlook 2025 NZE, the Japanese government's 7th Strategic Energy Plan, IPCC 6th Assessment Report SSP1-1.9/SSP1-2.6	4°C Scenario References: IEA World Energy Outlook 2025 CPS, IPCC 6th Assessment Report SSP3-7.0/SSP5-8.5	Time-series Variations in Relevant Parameters
Policy / Regulatory Changes	• Ambitious energy policies are underway in each country to curb a global rise in average temperatures. • Carbon pricing has been introduced over a wide range of regions, and prices are rising rapidly in both developed and developing economies that have declared a commitment to net-zero emissions.	• Existing energy policies will be maintained in each country, and no ambitious policies will be introduced. • Carbon pricing will be implemented only in regions that have already introduced or have plans to introduce this method.	
Global Changes in Energy Supply and Demand	• Final energy consumption will decrease in the future due to ongoing energy conservation efforts and improvements in energy consumption efficiency. • Conversely, significant progress in electrification rates will result in a steady increase in electricity demand.	• Final energy consumption will continue to increase into the future, following existing trends. • Electricity demand will increase accordingly, but electrification rates will not show significant growth and will remain below the levels of the 1.5°C scenario.	
	• The introduction of renewable energy will progress rapidly, with renewables replacing fossil fuels as the world's primary energy source by the mid-2030s. • As a result, demand for fossil fuels like natural gas will decline sharply.	• Renewable energy will be introduced at a moderate pace, with fossil fuels continuing to function as the world's primary energy source in the long term. • Demand for fossil fuels, including natural gas, will largely level off.	
	• Technological innovations to curb greenhouse gas emissions will lead to a significant increase in the production of new lower-carbon fuels such as hydrogen and ammonia.	• Development and introduction of new low carbon fuels such as hydrogen and ammonia will be limited.	
Global Climate Changes*	• Global average temperature increase will stabilize at around 1.5°C • The frequency and intensity of extreme weather events such as heavy rainfall, high temperatures, and droughts will marginally increase worldwide. • The average sea level worldwide will rise by 0.4–0.7 meters by the end of the century, but the long-term rise will be more limited compared to the 4°C scenario.	• The global average temperature will rise by around 4°C by the end of the century. • The frequency and intensity of extreme weather events such as heavy rainfall, high temperatures, and droughts will increase significantly worldwide. • The average sea level worldwide will rise by 0.8–1.2 meters by the end of the century. Given the uncertainty of ice sheet melting processes, water levels could reasonably rise at a significantly faster pace than in existing trends.	

* Numerical values in the scenario descriptions and graphs represent the deviation from values expected prior to the Industrial Revolution. "Extreme" refers to weather events with a probability of occurring once in 10 years.

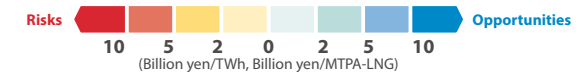
Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Assessment of Impact on Our Business

We define the timelines in which climate-related risks and opportunities are expected to arise as short-term (through 2030), medium-term (2031–2035), and long-term (2036–2050). These align with the periods of our strategic environmental targets: JERA Environmental Target 2030, JERA Environmental Target 2035, and JERA Zero CO₂ Emissions 2050. Based on these timelines, we listed climate change-related risks and opportunities for our business based on the scenarios on the previous page.

For each of the identified major risks and opportunities, we first determined the business activities in which they are likely to manifest or concentrate, and then conducted sensitivity analyses of the potential financial impacts on those business activities. The legend on the right side is classified into four colors that indicate the financial impact per unit of activity over the short-term (through 2030), medium-term (2031–2035), and long-term (2036–2050) periods for each risk and opportunity.

We will continue working to mitigate these risks and capture these opportunities through JERA Zero CO₂ Emissions 2050 as well as other efforts and measures.



Risk/Opportunity Categories: Projected Changes in Business Circumstances	Impact on JERA	Analysis of Potential Financial Impact Sensitivity on JERA						JERA's Measures and Examples of Related Initiatives	Related Pages	
		Method of Assessment	Corresponding Business	Unit	2030	2035	2050			
▼1.5°C Scenario										
Policy and Regulatory: Stricter Regulation of Fossil Fuel Use	Increased operating costs due to carbon pricing	Sensitivity of carbon cost increase per unit of thermal generation	Power generation	Billion yen/ TWh		Reducing Emissions by Promoting JERA Zero CO₂ Emissions 2050 ● JERA Zero CO₂ Emissions 2050 ● JERA Zero CO₂ Emissions 2050 Roadmap for Our Japan Business (Blueprint for achieving Net-Zero CO₂ emissions) ● Emission indicators and targets			P.24-26	
		Sensitivity of carbon cost increase per unit of LNG production	Fuel upstream	Billion yen/ MTPA-LNG						
		More efficient energy consumption through stricter energy conservation regulations	Sensitivity to decreases in operating costs per point of improvement of thermal power generation efficiency	Power generation	Billion yen/ TWh		More Efficient Energy Consumption Through Power Source Renewal ● Promoting replacement of aging thermal power plants in Japan ● Shutdown of inefficient coal-fired power plants Reducing Power Plant Operation Costs to Improve Price Competitiveness for Power Sources ● Improving O&M model efficiency using best practices from both shareholder companies ● Streamlining through procurement and outsourcing of materials and equipment that leverage economies of scale ● Optimization of power plant business and operation by promoting digital power plants			P.43-46
Technology: Changes in Energy Supply Structure Through the Development and Introduction of Non-Fossil Energy Technologies	Reduced utilization rate of traditional thermal power sources due to an increase in low-carbon energy and grid diversification	Sensitivity to reduced sales due to lower amounts of thermal power generation	Power generation	Billion yen/ TWh		Promoting the Development of zero CO₂ emissions thermal power Technology ● Starting considerations on establishment of a CCUS value chain at Yokosuka Thermal Power Station ● Joint development and demo tests of high-efficiency hydrogen generation technology with Denso Corporation Establishing Hydrogen and Ammonia Supply Chains ● Promoting collaboration with leading companies, both domestic and overseas, at each stage of the value chain ● Clean hydrogen and ammonia transaction volume target (FY2035 total): approx. 7 million tonnes			P.32-33	
	Expansion of business opportunities through development and lowered costs for hydrogen and ammonia fuel technology	Sensitivity to operation cost reduction by replacing coal with ammonia	Power generation	Billion yen/ TWh						
			Sensitivity to operation cost reduction by replacing LNG with hydrogen	Power generation	Billion yen/ TWh					
		Expanded business opportunities provided by reduced technology costs for renewable energy and storage batteries	Sensitivity to operation cost reduction by lowering construction and operation maintenance costs for offshore wind power	Power generation	Billion yen/ TWh		Promoting Development of Renewable Energy Sources ● Development output target for renewable energy (FY2035 total): 20 GW ● Launch of JERA Nex bp, an offshore wind joint venture with bp ● Joint demo test of perovskite solar cells at Yokosuka Thermal Power Station Promoting Adoption of Renewable Energy Through Storage Batteries ● Launch of a managed battery storage operations service to support optimal utilization of storage battery assets			P.35-36 P.49-50
			Sensitivity to operation cost reduction by lowering construction and operation maintenance costs for solar and onshore wind power	Power generation	Billion yen/ TWh					

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)



Risk/Opportunity Categories: Projected Changes in Business Circumstances	Impact on JERA	Analysis of Potential Financial Impact Sensitivity on JERA						JERA's Measures and Examples of Related Initiatives	Related Pages	
		Method of Assessment	Corresponding Business	Unit	2030	2035	2050			
▼1.5°C Scenario										
Market and Services: Increased Demand for Electricity Driven by Economic Growth and Electrification	Expanded opportunities to supply power	Sensitivity to increases in sales due to increased volume of electricity sold	Power generation	Billion yen/ TWh				Flexible Reallocation of Investments Based on Market Environment, Technological Innovations, and Policy Trends ● Cumulative investment in three strategic business areas (LNG, renewable energy, hydrogen and ammonia) from FY2024 to FY2035: 5 trillion yen	P.12	
Market and Services: Transforming the Value of Energy	Decrease in fuel sales and trading due to reduced fossil fuel prices	Sensitivity to the decrease in LNG sales due to falling LNG prices	Fuel upstream	Billion yen/ MTPA-LNG				Maintenance of a Flexible and Competitive Fuel Procurement and Sales Portfolio ● Promotion of fuel procurement that is highly stable, competitive, and flexible in operation, utilizing upstream interest and fuel transports on hand ● Optimization of flexible procurement, resale, etc., through JERAGM ● Collaboration to establish and strengthen the LNG value chain	P.47-48	
		Sensitivity to the decrease in LNG trading sales due to falling LNG prices	Transportation and trading	Billion yen/ MTPA-LNG						
	Increased customer demand for lower-carbon products and services due to the rise in non-fossil value	Sensitivity to carbon costs avoided through green power production	Power generation	Billion yen/ TWh				Provision of Added Value Through Clean Energy Supply Platform ● Acquisition of patent for anomaly detection and optimal management technology for power generation equipment, aimed at realizing 24/7 carbon-free electricity ^{*1} ● Hourly matching ^{*2} for electricity supply through JERA Cross ^{*1} Any electricity source that does not emit CO ₂ for 24 hours a day, 7 days a week, 365 days a year ^{*2} Aligning carbon-free power generation with carbon-free power consumption on an hourly basis	P.57-58	
		Sensitivity to carbon costs avoided through green fuel production	Fuel upstream	Billion yen/ MTPA-LNG						
Market and Services / Reputation: Growing Global Awareness of Climate Change	Financial constraints due to limited investment in and divestment from the fossil fuel business	Sensitivity to increased operating costs when the funding procurement cost for power generation businesses worsens by 1 point	Power generation	Billion yen/ TWh				Active Information Dissemination to Stakeholders ● Appropriate information dissemination regarding net-zero CO ₂ emissions initiatives ● Communication with local communities through JERA park, a facility for community engagement Diversification of Financing Methods ● Issuance of transition-linked bonds ● Financing through transition-linked loans	P.88-90	
	Expanded opportunities to invest in clean energy projects and utilize climate transition finance	Sensitivity to avoided operating costs when the funding procurement cost for power generation businesses improves by 1 point	Power generation	Billion yen/ TWh						
▼4°C Scenario										
Acute: More Frequent/Severe Natural Disasters	Increased cost of disaster response	Sensitivity to increased operating costs from switching power sources due to facility shutdown and output constraints	Power generation	Billion yen/ TWh				System Reinforcement in the Event of a Large-Scale Disaster ● Establishing emergency disaster countermeasure regulations and related manuals ● Implementing periodic disaster drills ● Improvements to JERA's BCP and BCM ● Conclusion of an agreement on mutual cooperation with the Third Regional Coast Guard Headquarters in disaster recovery activities Business and Supply Chain Diversification ● Promoting power source portfolio diversification through zero CO ₂ emissions thermal power development and the expansion of renewable energy sources ● Promoting diversification of procurement sources and business regions	P.104	
Chronic: Chronic changes in climate patterns	Increased operational restrictions on facilities due to factors like drought									

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Assessment of Impact on Our Business: A Deep Dive into the 1.5°C Scenario

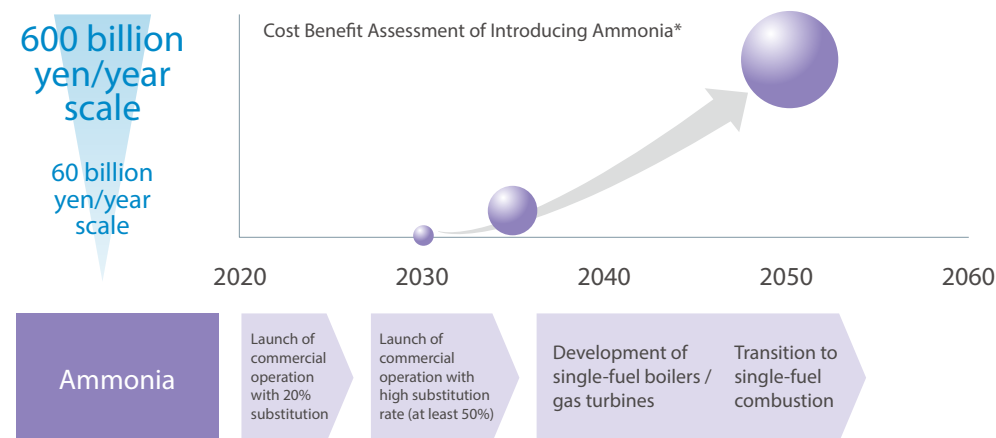
We formulated a new long-term vision for 2035 due to business environment changes and in light of the steady progress we have made in our business toward achieving JERA Zero CO₂ Emissions 2050 since announcing it in October 2020. We also unveiled a set of new environmental targets for achieving the new vision: JERA Environmental Target 2035.

Based on these new targets, we updated the JERA Zero CO₂ Emissions 2050 Roadmap for Our Business in Japan to set out our plans for introducing hydrogen and ammonia in Japan.

As a further deep dive into scenario analysis in line with the TCFD Recommendations, we analyzed the potential financial impact on JERA of introducing ammonia into the power generation business, where technological development is more advanced. The analysis was based on the assumptions underlying the 1.5°C scenario and Japan's upstream ammonia introduction plan.

Our analysis revealed potential cost advantages on the order of 60 billion yen per year by 2035 and 600 billion yen per year by 2050 compared to the scenario in which we continue using coal.

We will continue to take an active role in developing large-scale fuel ammonia power generation technologies and other decarbonization technologies, while working to improve their economic viability and support progress toward energy decarbonization.



* All figures are calculated based on assumed parameters. Actual cost effectiveness may differ as business circumstances change. The sizes of the circles in the graph illustrate ammonia amounts.



Commercial operation of ammonia fuel substitution at Hekinan Thermal Power Station (Aichi Prefecture)

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Strategies for Natural Capital

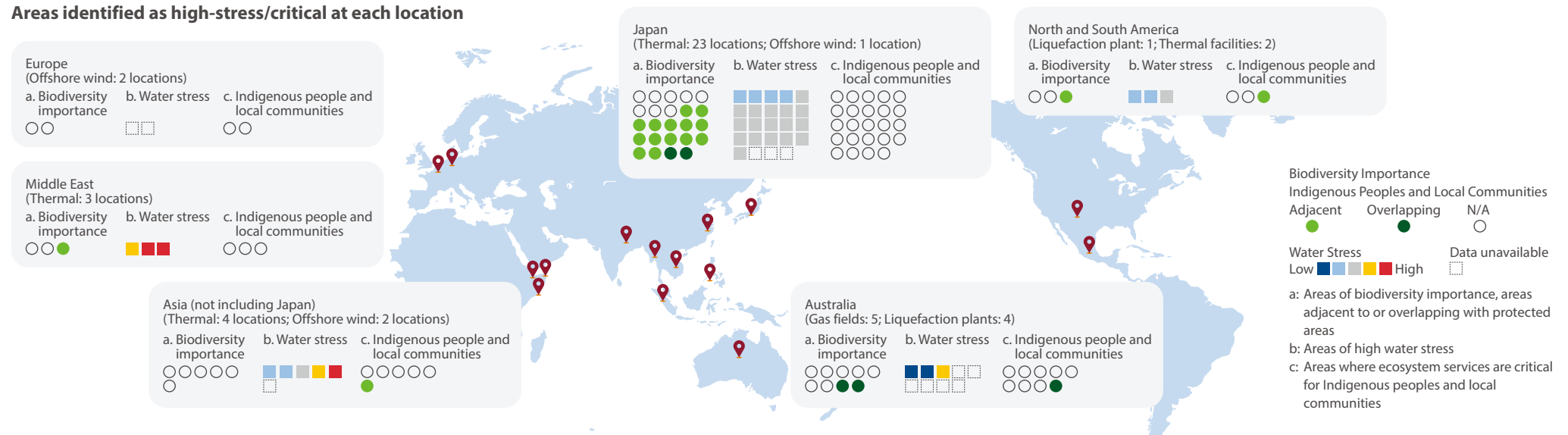
We adopted the LEAP approach advocated in the TNFD disclosure framework to ascertain the relationship between the dependencies and impacts of our business on nature and assess risks and opportunities.

Locating Our Interface with Nature



In the L (Locate) stage of LEAP, we used IBAT^{*1} and other tools to identify whether our business locations are situated in areas that are sensitive or important from a natural capital and biodiversity perspective. We set the scope of evaluation to key upstream LNG development businesses and thermal and renewable power generation businesses in our value chain.

Areas identified as high-stress/critical at each location



In addition to the results from IBAT and other analytical tools, we identified five priority areas warranting special consideration given the operating status of facilities and the actual usage of natural capital (especially water resources) at each location. We will continue to take proper measures in accordance with laws and regulations and engage with our stakeholders.

Value Chain Stage	Location Name		Eco-sensitive Areas			Description ^{*2}
			Biodiversity Importance	Water Stress	Indigenous Peoples and Local Communities	
Direct operation (upstream development business)	Gas field	Wheatstone LNG, Australia	●	□	○	The largest gas field in our upstream development business in terms of LNG procurement overlaps with a protected area.
Direct operation (upstream development business)	Liquefaction plant	Wheatstone LNG, Australia	○	■	●	Ashburton North—the location of the liquefaction plant—has a confirmed overlap with land managed by Indigenous people.
Direct operation (upstream development business)	Liquefaction plant	Gorgon LNG, Australia	●	■	○	Barrow Island—the location of the liquefaction plant—has a confirmed overlap with an area of biodiversity importance and a protected area, as well as high water stress.
Direct operation (power generation business)	LNG power generation	Futtsu Thermal Power Station	●	■	○	Our largest LNG thermal power plant in terms of power generation is dependent on water resources (industrial water and seawater).
Direct operation (power generation business)	Coal power generation	Hekinan Thermal Power Station	●	■	○	Our largest coal-fired power plant in terms of power generation is dependent on water resources (industrial water and seawater).

^{*1} IBAT is a biodiversity assessment tool developed by the International Union for Conservation of Nature (IUCN) and others. ^{*2} We used tools to analyze the integrity and rapid degradation of ecosystems, and took the results into account when identifying priority areas.

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Analyzing Dependencies and Impacts



In the Evaluate stage of LEAP, we used ENCORE* to elucidate the relationship between the dependencies and impacts of our value chain on nature, in line with the business environment. With ENCORE, we can select the relevant business or production process and analyze its dependencies and impacts on nature in five levels.

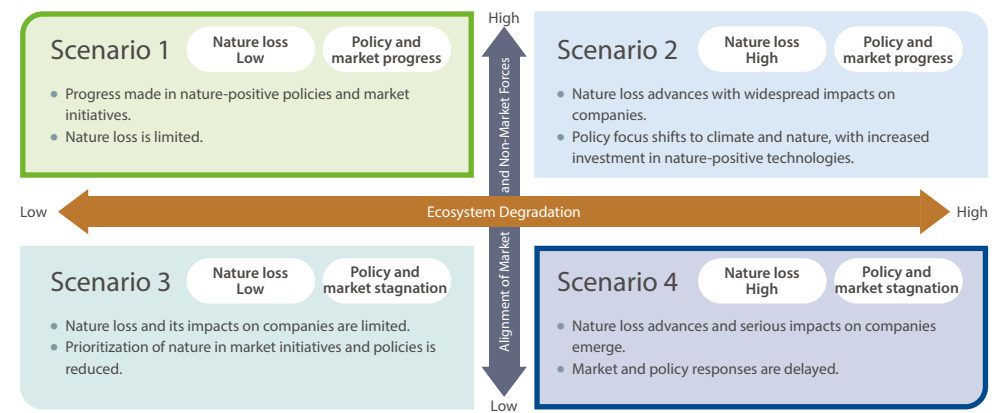
Dependency/Impact		Low High Blank columns are not applicable					
		Coal Procurement	LNG Procurement	Thermal Power Generation	Solar Power Generation	Wind Power Generation	Biomass Power Generation
Dependencies	Supply Services	Biomass					
		Water					
	Coordination Services	Water volume control					
		Water purification					
		Solid waste purification					
		Air filtration					
		Climate control					
		Flooding mitigation					
		Storm impact mitigation					
		Erosion control					
Impacts	Land Use	Land areas					
		Freshwater areas					
		Underwater areas					
	Resource Extraction	Water consumption					
	Climate Change	GHG emissions					
		Non-GHG emissions					
	Pollution	Harmful substances (water and soil)					
		Nutrients (water and soil)					
		Solid waste					
	Disturbance	Introduction of invasive species					

* ENCORE is an analytical tool for visualizing how business activities depend on and may impact nature. It was developed jointly by the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), financial institutions, and others. The analysis is based on data as of June 2026.

Assessing Risks and Opportunities, and Preparing to Take Action



The TNFD framework outlines four scenarios based on two axes of uncertainty: ecosystem degradation (i.e., nature loss, representing physical risk) and the alignment of market and non-market forces (i.e., policy and market progress, representing transition risk). We selected two of these scenarios that are expected to have a particularly large impact on our business for assessment of risks and opportunities.



Source: Compiled based on the Recommendations of the Taskforce on Nature-related Financial Disclosures.

1. Scenario with shift toward nature-positive policies, markets, and companies

Nature loss: Control and recovery

Policies and markets: Progress significantly

Under this scenario, progress toward nature-positive policies, markets, and corporate initiatives helps reduce and recover from nature loss. In the power generation business, there is minimal impact from nature loss. In fuel procurement and direct operations, the establishment and tightening of environmental regulations could lead to major impacts such as shutdowns or operational restrictions.

4. Scenario with nature loss due to stagnated shift toward nature-positive initiatives

Nature loss: Progresses significantly

Policies and markets: Generally unchanged

Under this scenario, stagnation in nature-positive policies, markets, and corporate initiatives causes nature loss to progress. The subsequent reduction in water resource supply would impact power generation operations, and the increase in disasters associated with nature loss would majorly impact business.

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Assessing Risks and Opportunities, and Preparing to Take Action



In the Assess and Prepare stages of LEAP, we conducted a broad assessment to identify nature-related risks and opportunities in our business based on the results of dependencies and impacts on nature from the Evaluate stage. We defined the risks and opportunities according to three timeframes: short-term (through 2030), medium-term (2031–2035), and long-term (2036–2050). These align with the periods of our strategic environmental targets: JERA Environmental Target 2030, JERA Environmental Target 2035, and JERA Zero CO₂ Emissions 2050. After identifying the business activities in which these risks and opportunities are likely to manifest or concentrate, we evaluated their significance to those activities, taking into account both the likelihood of occurrence and their scale.

Importance to Our Business
Risks **Opportunities**

Value Chain Stage	Overview	Corresponding Business	Importance	Period	JERA's Measures and Examples of Related Initiatives	Related Pages
▼Transition scenario: Scenario with shift toward nature-positive policies, markets, and companies						
Fuel procurement	Suspending or limiting thermal power generation operations due to the development/strengthening of environmental regulations during the fuel procurement phase	Coal		Short- to long-term	Environmentally Responsible Fuel Procurement ●Monitoring regulatory trends and complying with laws and regulations ●Launching a joint initiative with KOGAS to reduce methane emissions in the LNG value chain ●Using pellets certified by the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) ●Using scrap wood from sawmills (e.g., wood that cannot be used in construction or to make furniture) as a raw material for pellets ●Engaging with stakeholders	P.29-31 P.88-90
		LNG		Medium- to long-term		
		Biomass		Medium- to long-term		
	Emergence of reputational risks and cost of response in thermal power generation due to impacts on the environment, local communities, and Indigenous peoples during the fuel procurement phase	Coal		Short- to long-term		
		LNG		Medium- to long-term		
		Biomass		Medium- to long-term		
Power generation	Increased cost of compliance with, and fines/penalties from stricter environmental regulations and laws on waste, water contamination, land development, etc.	Thermal (all types)		Medium- to long-term	Prevention of Air and Water Pollution ●Complying with laws and regulations to prevent air pollution and other types of environmental pollution ●Preventing air pollution by installing exhaust gas denitration and desulfurization equipment, electrostatic precipitators, and the like, and improving combustion methods ●Implementing water quality conservation measures Resource Recycling ●Reusing coal ash from thermal power plants as a raw material for cement and the like ●Reducing waste from, and recycling, plastic products Promotion of Environmental Conservation Activities ●Properly maintaining green spaces in accordance with the Factory Location Act and other legislation ●Conserving and maintaining rare species (low-noise construction in consideration of falcons, installing birdhouses for habitat conservation) ●Participating in the Inochi-wo-Tsunagu ('Life-Sustaining') PROJECT and carrying out activities aimed at improving biodiversity and creating an ecosystem network (Chita Thermal Power Station) ●Participating in the Initiative Based on the Declaration of Biodiversity by Keidanren (Japan Business Federation) ●Enhancing our Sustainability Promotion System ●Providing environmental education for employees	P.53-56 P.63-65 P.75-76
		Offshore wind		Medium- to long-term		
		Solar		Medium- to long-term		
	Increased reputational risk and cost of response from impacts on nature	Thermal (all types)		Short- to long-term		
		Offshore wind		Short- to long-term		
		Solar		Short- to long-term		
	Stricter reporting requirements on nature-related impacts and risks, increased cost of monitoring and reporting	All		Short- to long-term		
	Expansion of environmental green bonds and other fundraising opportunities	All		Short- to long-term		
	Improved reputation among investors, NGOs, and local communities through activities that have a positive impact on nature (e.g., protected areas) and positive engagement with local communities	All		Short- to long-term		
	▼Physical scenario: Scenario with nature loss due to stagnated shift toward nature-positive initiatives					
Fuel procurement	Supply chain disruptions due to natural disasters, increased costs associated with response	Coal		Short- to long-term	Business and Supply Chain Diversification ●Promoting power source portfolio diversification through zero CO₂ emissions thermal power development and the expansion of renewable energy sources ●Promoting diversification of procurement sources and business regions System Reinforcement in the Event of a Large-Scale Disaster ●Establishing emergency disaster countermeasure regulations and related manuals ●Implementing periodic disaster drills ●Improving JERA's BCP and BCM ●Conclusion of an agreement on mutual cooperation with the Coast Guard Headquarters in disaster recovery activities	P.24-36 P.49-51 P.59-62
		LNG		Short- to long-term		
		Biomass		Short- to long-term		
	Production stoppages and increased water management costs due to reduced supply from water resources	Coal		Short- to long-term		
		LNG		Short- to long-term		
		Biomass		Short- to long-term		
	Diversify suppliers, ensure resilience in procurement by improving resource efficiency, reduce and stabilize procurement costs	Coal		Short- to long-term		
		LNG		Short- to long-term		
		Biomass		Short- to long-term		
Power generation	Increased costs associated with dealing with shutdowns, reduced sales, and other problems caused by natural disasters	Thermal (all types)		Short- to long-term		
		Offshore wind		Short- to long-term		
		Solar		Short- to long-term		
	Restricted water supply to factories and decrease in production and sales due to drought, water contamination, etc.	Thermal (all types)		Short- to long-term		

Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Biodiversity Conservation Initiatives

We regard biodiversity conservation as an important theme underpinning the sustainability of our business activities and have established the Basic Policy on Biodiversity Initiatives to set out our approach and the direction of our efforts.

Basic Policy on Biodiversity Initiatives

The JERA Group aims to contribute to a sustainable society by supporting socioeconomic development through the stable energy supply while pursuing harmony with the global environment. Biodiversity^{*1} forms the foundation of natural capital^{*2}, which supports people's lives and economic activities. Through ecosystem services such as water supply and climate regulation, biodiversity provides a wide range of benefits to society. We recognize that our business activities both depend on and may impact biodiversity and natural capital. Based on this understanding, we work with stakeholders, including customers, business partners, and suppliers, to support biodiversity conservation and restoration and contribute to a sustainable world in harmony with nature.

^{*1} A state in which diverse living organisms are interconnected across a variety of environments, with each species maintaining its unique characteristics while interacting with and supporting others.

^{*2} Natural assets (stocks), such as forests, soil, water, air, animals, plants, and minerals, that provide value and benefits to people and society

Six Policies	Operational Approach
Identifying Biodiversity Risks and Opportunities	We assess our dependencies on and impacts on biodiversity and natural capital across our business activities, including the supply chain, and identify the associated risks and opportunities.
A World Living in Harmony with Nature	We respect international frameworks such as the Convention on Biological Diversity and contribute to the goals of Japan's National Biodiversity Strategy and Action Plan, supporting efforts toward a world living in harmony with nature by 2050 and a nature-positive future by 2030.
Environmental Considerations	When conducting business activities in or near areas of important biodiversity value, we apply the mitigation hierarchy to avoid and minimize negative impacts. Where necessary, we implement regeneration, restoration, and compensating measures. In such areas, we do not pursue projects that would involve serious environmental impacts.
Sustainable Use of Natural Capital	We seek to avoid deforestation and marine pollution that could have serious impacts on biodiversity, while promoting the sustainable use of natural capital, including forests, oceans, and water resources.
Integrated Approach	We take an integrated approach to nature-positive, carbon neutrality, and circular economy, pursuing an environmental strategy that combines global and local perspectives.
Stakeholder Engagement	Through environmental impact assessments, environmental conservation measures tailored to local characteristics, and other means, we engage in appropriate information sharing and dialogue with local communities, fostering relationships of trust with local communities. We deepen understanding of biodiversity through employee education, and actively pursue environmental education and conservation activities in partnership and collaboration with external stakeholders.

From Awareness to Action: Events and Environmental Education

We recognize that while our power generation business is supported by the natural environment, our business activities can also impact local ecosystems. Accordingly, we believe biodiversity conservation should extend beyond operational measures to fostering broader public understanding and encouraging action. To this end, we are continuously enhancing our efforts toward coexistence with nature through dialogue with local communities and the next generation.

Specifically, we are expanding opportunities for local communities to learn through hands-on experience. For example, at JERA park, a community engagement facility adjacent to our power stations, we have held nature classes where participants learn about wildlife and ecosystems through observation, with programs designed to help them develop a personal connection with their local natural environment. We have also launched app-based programs where participants observe and record wildlife themselves, fostering greater interest in biodiversity. In addition, we leverage opportunities such as sporting events to create spaces for learning about energy and biodiversity, generating dialogue with diverse audiences.

Internally, we are strengthening the foundations for learning so that every employee can understand environmental issues and make informed decisions in their daily work. Through company-wide e-learning programs featuring interactive quizzes and other formats, we provide accessible learning opportunities covering the latest topics, including carbon neutrality, nature positivity, and the circular economy.

These activities extend beyond Japan, with coordination across our overseas locations. For example, we work with educational institutions to deliver courses and workshops on the environment and energy, providing learning opportunities tailored to local needs. Going forward, we will draw on insights gained both in Japan and abroad, advancing education, hands-on experience, and internal capacity building as an integrated effort, while working together with local communities to enhance environmental value.



Scene from a nature class



Scene from an energy education program

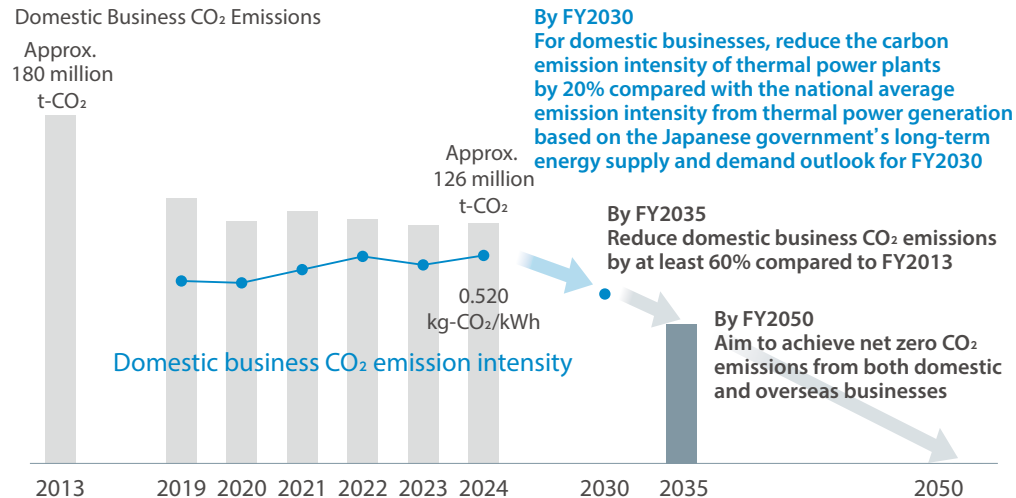
Climate- and Nature-related Disclosures (Response to TCFD and TNFD Recommendations)

Metrics and Targets

We view JERA Zero CO₂ Emissions 2050 as a long-term goal and have developed a roadmap for achieving it as well as interim targets for CO₂ emissions in 2030 and 2035. Additionally, we continue to calculate and assess actual results each year to manage our progress. We have also set pre-financial KPIs based on material issues in accordance with the JERA Sustainability Policy, including KPIs related to climate change and natural capital. We will continue to promote efforts toward sustainable management.

➡ P.24-26 Net-Zero CO₂ Emissions

➡ P.53-56 Sustainability Policy and Pre-financial KPIs



Note: Results for FY2025 will be updated in October 2026

Engaging with External Initiatives

We collect the latest insights on sustainability topics such as climate change and biodiversity through engagement in external initiatives, applying them to our business activities and enhancing our information disclosure.

WE SUPPORT



We are a signatory to the United Nations Global Compact (UNGC), supporting its ten principles on human rights, labor, the environment, and anti-corruption. We promote responsible business activities grounded in international frameworks, and through our participation in the UNGC, we are supporting progress toward a more sustainable society.



We participate in the GX Future Consortium (GXFC), keeping abreast of the latest developments and gaining insights on green transformation (GX). Through dialogue and information sharing with companies and institutions participating in the GXFC, we are deepening our understanding of the challenges and opportunities involved in realizing a decarbonized society, and applying these insights to our business activities and disclosure.



We support the founding principles of 30by30, which aims to conserve at least 30% of land and sea areas by 2030, and have joined the alliance in pursuit of a nature-positive future. In our business activities, we work to reduce environmental impacts in the planning, construction, and operation of power plants, while also promoting conservation activities in partnership with local communities through the maintenance and management of Nationally Certified Sustainably Managed Natural Sites (Nature Coexistence Sites) and environmental education.



We participate in the TNFD Forum, tracking international discussions and the latest developments regarding natural capital and biodiversity. Through dialogue and information sharing with companies, financial institutions, and related organizations, we are deepening our understanding of nature-related risks and opportunities, and advancing our initiatives and disclosure on natural capital.

Creating Innovation through Diverse Talent Achieving Happiness for Employees and Their Families

Message from the CHRO



Taisuke Yokota

Senior Managing Executive Officer
Chief Human Resources Officer (CHRO)

A world-class company that ensures the happiness of employees and their families

The JERA Group strives for sustainable growth by leveraging our integrated value chain, from upstream fuel development and procurement to power generation and sales, to provide energy solutions tailored for each region and country. At the heart of this approach lie our core principles: creating a globally competitive

entity and delivering a stable and affordable energy supply for Japan. Achieving these principles on an ongoing basis requires the continued advancement of every function within the value chain, as well as the collaboration between those functions.

At the foundation of this value creation is our people. The approximately 6,300 employees across our Group, each bringing diverse backgrounds and perspectives, are the driving force behind our growth. Maximizing their potential is one of the HR function's most important missions. Our HR policy is to build "a world-class company that ensures the happiness of employees and their families." We aim to create a virtuous cycle, in which employees finding joy in their work and growing as individuals allows the company to grow as well. With this principle of putting employees first, we will continue to enhance our corporate value over the long term.

At the same time, happiness means different things to different people, shaped by their individual values and backgrounds. A one-size-fits-all approach cannot fully support each employee in realizing their own vision of happiness. Recognizing this diversity, we are developing human resources policies and systems tailored to individual needs, while creating an environment that offers flexibility and choice.

A key principle underlying this approach is our belief that the company and its employees are equal partners. Rather than managing employees in the same way, we seek to empower individuals to think independently, take initiative, and pursue their own growth, while providing the support they need to succeed. We believe that this partnership is essential to helping employees achieve fulfillment and happiness. This philosophy is closely aligned with our core value, "Ownership to Serve Our Tomorrows." We believe that a workplace where people respect one another's diverse perspectives and feel free to speak up and share their ideas is one in which our core value is truly brought to life. Such an environment forms the foundation of an organization where employees can seize opportunities, embrace challenges, and realize their full potential.

Talent Acquisition and Retention Strategy Supporting our Business Strategy

At JERA, we have developed talent acquisition and retention strategy that ties in to our business strategy. The central idea is to shift the HR function from a centralized model to a decentralized one, with each business function taking ownership of its people agenda. As the talent profiles and capabilities required differ across businesses, each function approaches talent acquisition and development based on their own business strategy, and the HR function provides support through company-wide perspectives and professional expertise. By incorporating discussions on both the quantity and quality of talent from the strategy formulation stage, we integrate business and people strategy to drive sustainable growth.

At the same time, our businesses are connected through a value chain, creating strong linkages among the knowledge, skills, and capabilities required for each business. To maximize value across the value chain, it is essential to develop professionals capable of making decisions from a company-wide perspective, while also focusing on a single area of expertise. Through planned job rotations and experiences across multiple businesses, we help employees develop broader perspectives, accelerate their personal growth, and enhance the overall value of the Group.

We believe that achieving such growth requires employees to actively choose challenges that align with their own aspirations, rather than relying solely on opportunities assigned by the company. For this reason, we position independent career development as a core principle of our talent development approach. We provide frameworks and opportunities that help employees better understand their strengths and aspirations, and take ownership of their career growth through continued learning and new challenges.

As JERA marks its tenth anniversary, we are entering a new phase of transformation and growth. By fostering a culture in which every employee demonstrates ownership and pursues self-driven growth, we aim to strengthen the virtuous cycle that connects individual development with business competitiveness. This in turn leads to sustainable enhancement of our corporate value.

Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

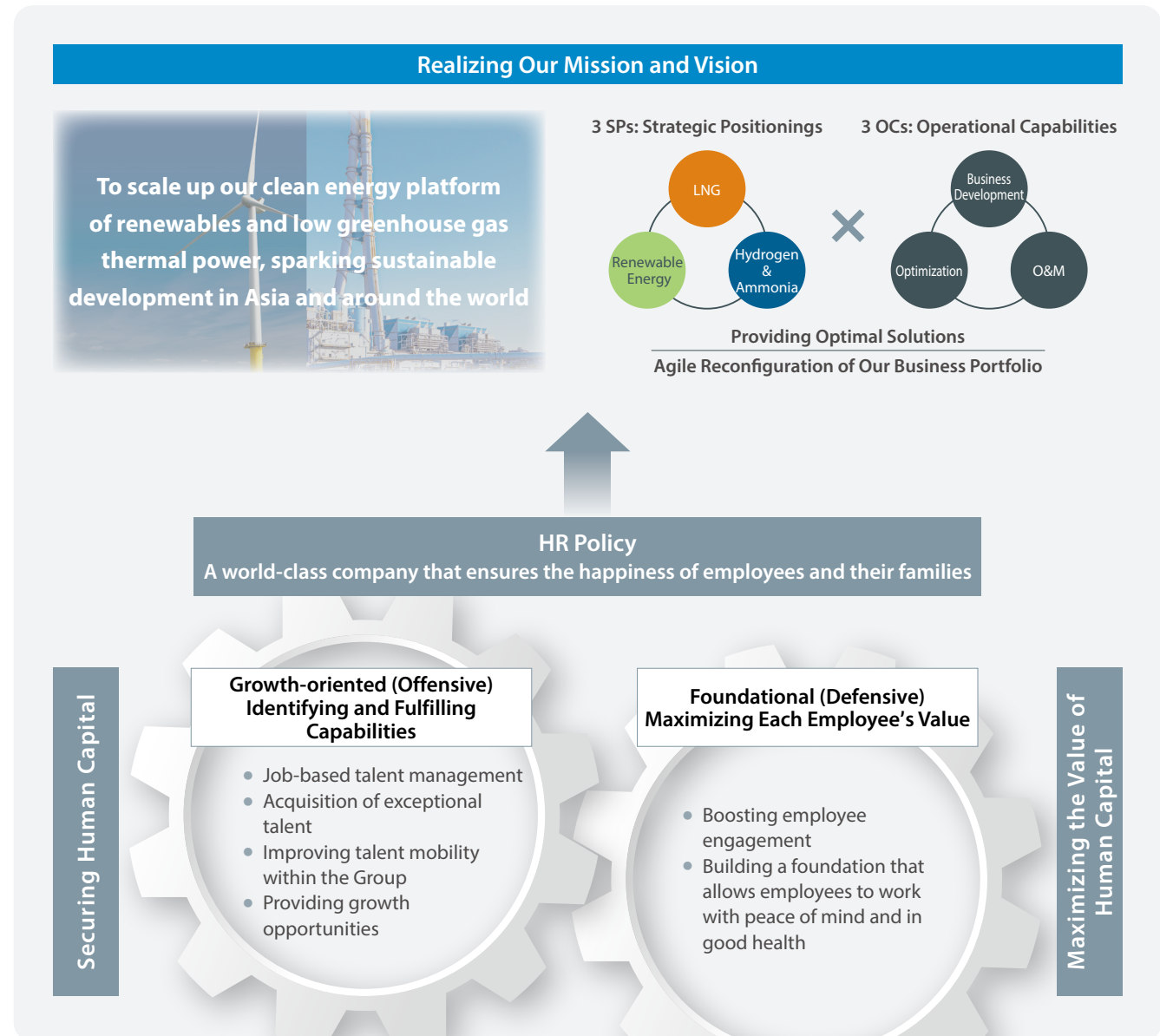
People Strategies for Growth and the Foundations that Enable Success

In close alignment with our Group's business strategy, the HR division is committed to sustainably enhancing the competitiveness of our value chain, from upstream fuel development and procurement through power generation, from the power of our people. Guided by our HR policy of becoming "a world-class company that ensures the happiness of employees and their families", we drive the Group's growth and value creation through growth-oriented and foundational people strategies.

Our growth-oriented people strategy focuses on acting as a business partner to each division and finding ways to swiftly optimize our portfolio of talent in line with agile changes to the business portfolio. With job-based talent management as the foundation, we define and assess the capabilities necessary for our business strategy, and ensure they are met through the acquisition of exceptional talent, increased talent mobility across the group, and the provision of growth opportunities. In doing so, we contribute directly to the successful execution of our business strategy.

On the other hand, our foundational people strategy aims to create a foundation that enables each and every employee to maximize their strengths and potential. Our group's business operates locally while collaborating globally across the value chain, bringing together talent from a diverse array of backgrounds. Simply meeting capability requirements is not enough to unlock the full value of our people. By understanding the reality of the workplace through dialogue with employees and deploying HR measures that meet the needs on the ground, we plan to improve engagement while safeguarding the mental and physical health of all employees, thereby supporting the value creation of each individual.

By advancing these growth-oriented and foundational people strategies together, we aim to maximize the value of our talent, creating a sustainable virtuous cycle where business growth enhances employee growth, and employee growth enhances business growth in turn.



Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Growth-oriented People Strategy: Aligning Business Strategy with Talent

Our talent acquisition and retention strategy begins with defining and understanding the capabilities required, both qualitatively and quantitatively, to achieve our business strategies. Leveraging job-based talent management, we deliver a variety of solutions to flexibly meet the required capabilities. By implementing a cycle that optimizes our portfolio of talent through these initiatives, we will increase the likelihood of achieving our business strategies through human capital, even as our group's business environment continues to evolve.

Identifying Capabilities

We define capabilities by thoroughly analyzing each division's operations and classifying the expected roles and required skills for each job grade. We then assess the capabilities necessary to achieve our business strategies, evaluate and compare them against the existing talent's capabilities, and qualitatively and quantitatively identify the additional required capabilities.

Capabilities for Achieving Business Strategies

Envisioned Future		Lv5	Lv4	Lv X
Professional capabilities	Building XXX	20	50	130
	XXX Operations	30	30	120
	XXX	40	30	200
General capabilities	Accounting	20	30	150
	Analytics	30	40	180
	XXX	15	20	140

Gap

		Lv5	Lv4	Lv X
Professional capabilities	Building XXX	▲ 15	▲ 10	20
	XXX Operations	▲ 20	▲ 15	10
	XXX	▲ 35	▲ 15	0
General capabilities	Accounting	▲ 15	▲ 20	▲ 10
	Analytics	▲ 25	▲ 10	20
	XXX	▲ 5	0	10

Capabilities of Current Talent

Current Status (Issues)		Lv5	Lv4	Lv X
Professional capabilities	Building XXX	5	40	150
	XXX Operations	10	15	130
	XXX	5	15	200
General capabilities	Accounting	5	10	140
	Analytics	5	30	200
	XXX	10	20	150

Fulfilling Needs with Flexible HR Efforts

After identifying the additional required capabilities, we will fulfill them dynamically through three core HR measures: acquiring talent, increasing talent mobility within the Group, and providing growth opportunities. We are also shifting toward job-based talent management, which forms the foundation of these efforts.

Shifting to Job-Based Talent Management

Acquiring Talent

Diversifying Recruitment Methods

Strengthening Overseas Group Companies

External Talent Market

Group Internal Talent Market

Improving Talent Mobility Within the Group

Providing Growth Opportunities

Building a Talent Market

Developing Global Mobility Rules

Independent Career Development

Cultivating Executive Talent

Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Shifting to Job-Based Talent Management

One of our key challenges is acquiring top talent with the capabilities necessary to increase the likelihood of achieving our business strategies. The competition for talent is intensifying not only on a global scale but also within Japan, where structural societal challenges such as rapid population aging and labor market rigidity are significantly impacting the talent acquisition landscape. Additionally, on an individual level, the diversification of lifestyles and working styles, as well as changing personal values and career awareness, have made talent management increasingly complex and multifaceted. In response to these circumstances, we are shifting toward a job-based talent management system to both maintain and improve our high level of market competitiveness and boost employee engagement.



Shift to Job-based Talent Management

Our job-based talent management considers the unique characteristics of the Japanese labor market, such as limited talent mobility and the potential-focused hiring of new graduates, and structures the entire employee lifecycle—including compensation levels, employment types, recruitment processes, performance evaluations, and career development—based on the job itself rather than seniority or demographics. At its core is the basic design philosophy that the company and its employees stand in an equal relationship. As of April 2024, we have applied a job-based compensation system to all supervisory positions.

Job-Based Management System

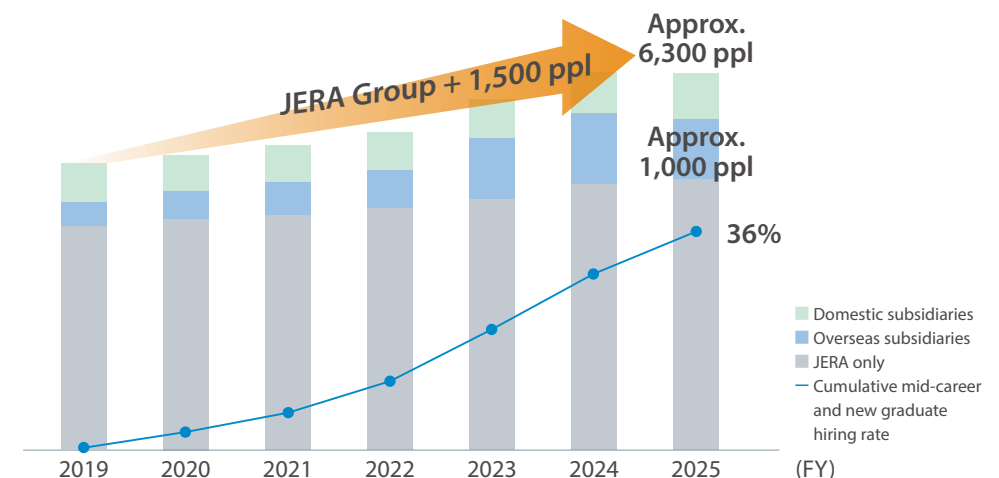
	Japanese Market	Job-Based Talent Management	Global Market
Employment Practices	Lifetime employment Obligation to employ until age 65	Lifetime employment Obligation to employ until age 65	Career changes for upward mobility Termination due to performance
Hires	Employment based on potential	New graduates: Hired based on potential Mid-careers: Hired for specific positions	Hired for specific positions
Evaluation and Promotion	Emphasis on internal fairness (pay for person)	Supervisory: Linked to a specific position (pay for job) Non-supervisory: Reflects ability development (pay for person)	Linked to specific positions (pay for job)
Compensation	Non-market related	Industry-specific market alignment	Role-specific market alignment
Career Development	Company-initiated	Individual-driven	Individual-driven

Acquiring Talent

We are focused on acquiring top talent across the entire group to qualitatively and quantitatively meet the capabilities required to achieve our business strategies. In mid-career hiring, we actively implement position-specific recruitment that aligns with business needs. For new graduate recruitment, which we fully launched in 2022, we are working to secure talent with specialized skills and international perspectives by introducing course-specific hiring and offering October start dates for overseas university graduates. Additionally, at our overseas group companies (subsidiaries), we are strengthening organizational capabilities by expanding local hiring and fostering collaboration with other companies.

Diversifying Recruitment Methods		Strengthening Overseas Group Companies
Mid-Career Hires	New Graduates	
Hiring for positions that match business needs	- Course-specific hiring - International students from overseas universities joining the company in October	- Expansion of local hiring - Collaboration with other companies

Through these efforts, our consolidated workforce increased by approximately 1,500 employees compared to FY2019*. More than half of this increase is due to the growing number of employees at our overseas offices. In addition, at JERA itself, the proportion of mid-career and new graduate hires has grown to 36%. Our focus will continue to be on securing outstanding talent to reach our business strategy objectives, generate new value, and enhance sustainable corporate value.



*FY2019: Management and organizational structure were established by integrating the existing thermal power generation businesses of TEPCO Fuel & Power, Inc. and Chubu Electric Power Co., Inc.
FY2025: The decrease in the number of personnel at overseas subsidiaries is due to a change in the reporting scope following a restructuring of the renewable energy business.

Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Improving Talent Mobility Within the Group

To maximize value across the entire value chain from fuel upstream to power generation, we must dynamically deploy the talent that supports coordination across functions and businesses, in line with our business strategy. We are working to improve the mobility of talent within the Group, in order to make optimal use of talent throughout the integrated value chain. We are building a platform that enables the seamless discovery and matching of talent both within and outside the Group (Group internal talent market), together with a system for smooth placement (global mobility rules). Through these efforts, we aim to build a talent portfolio that maximizes the value of our people, unconstrained by recruitment location.

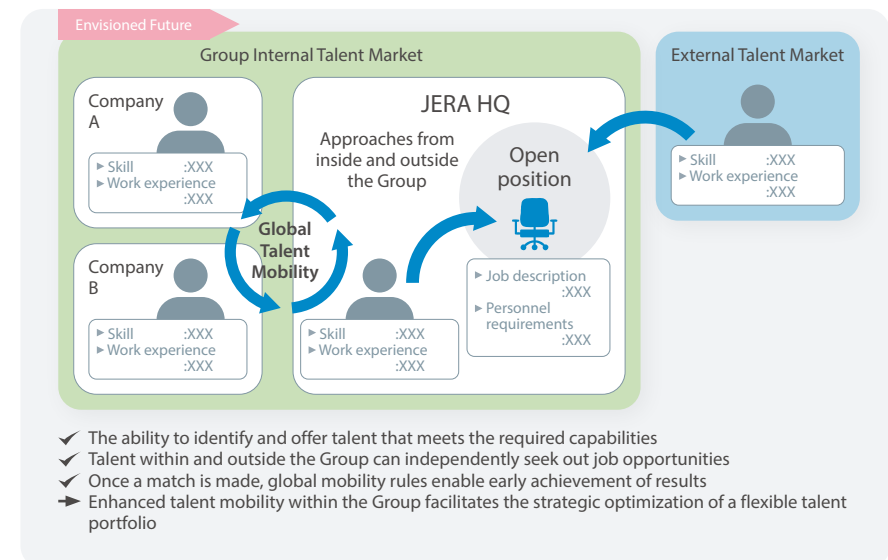
Building a Group Internal Talent Market

We are developing a platform that visualizes information on all the talent within the Group, enabling us to identify and offer role opportunities to individuals with the capabilities needed to execute the strategies of each business.

We are also working on establishing a system that encourages both internal and external talent to actively pursue job opportunities by sharing enticing job information in the external talent market. Our goal is to build a talent market that enables mutual growth based on an equal relationship between the company and our employees.

Developing Global Mobility Rules

As part of our effort to facilitate talent and job matching within our Group internal talent market, we are developing global mobility rules that systematically organize the assignment procedures, ensuring a smooth transition and early success in new roles. By establishing guidelines that encompass not just mobility between regions and group companies, but also rules based on the job's purpose, duration, and responsibilities, we seek to promote greater talent mobility. These guidelines were fully implemented at major overseas sites in July 2025, and we have been extending the rollout to smaller-scale group companies since 2026. In FY2025, 146 members of staff were transferred from Japan to overseas sites as part of personnel exchanges between group companies.



VOICE (Head of the Group Internal Talent Market Project)



Looking to Transform Talent Management Across the Group

Richard Pibworth

Managing Executive Officer, Global Human Resources

This project is not merely about enhancing the assignment of talent. It is an initiative to transform the very nature of talent management across the entire JERA Group. As we expand our value chain business across regions, we benefit from a diverse pool of talent. However, this information is dispersed and not being utilized optimally across the group as a whole. Furthermore, employees themselves do not have enough visibility on career opportunities that could expand their own potential.

This project looks to build talent management infrastructure that is shared across the group, thereby enabling both company-led strategic placement of personnel, and employee-led career selection. However, this is no easy undertaking. It requires integrating business processes across our global operations while accounting for differing regional laws, regulations, and cultures. It therefore goes beyond simply implementing systems: we are also driving an integrated transformation of our operations and management mindset.

In the future, we will utilize talent in an optimal manner across the entire group, increase the speed with which strategy is executed, and accelerate the creation of new value by improving talent mobility. We believe that this initiative is an important foundation for achieving growth—individual growth for each employee, and sustainable growth for the company.

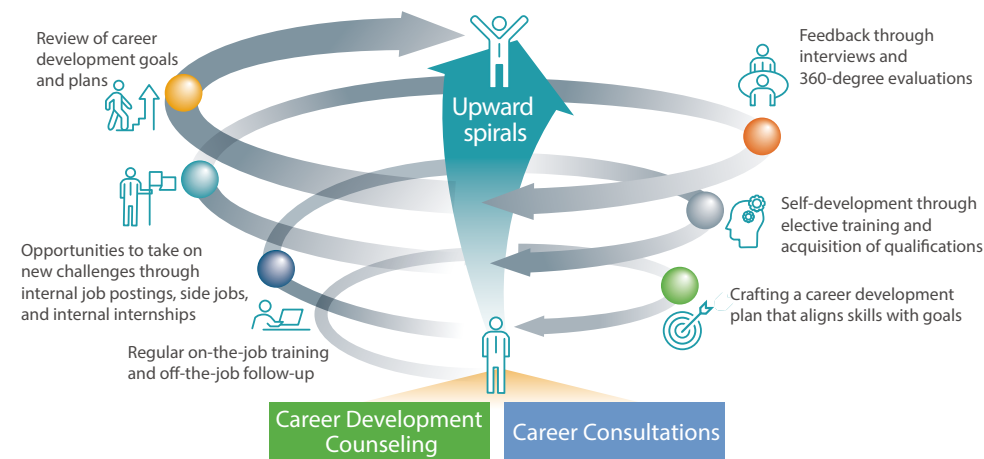
Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Providing Growth Opportunities

Independent Career Development

In order to meet the capability requirements of our business strategy, we have established a framework in which the company systematically designs and provides growth opportunities that employees proactively select and utilize to achieve autonomous growth. Providing the cutting-edge solutions set forth in our mission requires diverse ideas, collaborative synergy, and the capability and insight to drive rapid, ongoing improvement. To this end, it is vital that each employee understands their strengths and passions, and contributes to building a positive culture of ongoing learning, reflection, and action. We offer very few uniform, rank-based training programs. Instead, our approach to independent career development is founded on empowering employees to choose the learning they need when ready, take ownership of their growth, and develop independently.



Talent Development Policy

The JERA Group considers every employee an essential asset, and conducts talent development as follows:

Talent Development Objectives

- 1 To allow employees to grow and live their lives to the fullest
- 2 To enhance the JERA Group's corporate value and to help us achieve our mission and vision through employee growth

We proactively support the growth of all JERA Group employees, including those working overseas.

We support employee growth by offering development initiatives tailored to their career paths, based on a framework that combines the five pillars of growth with priority development areas. This ensures that when employees are ready to take action toward their goals, they can access content that aligns with their individual needs. This accumulation of individual proactive learning and growth leads to improved outcomes for the entire organization and the creation of new value, giving rise to a virtuous cycle in which individuals enhance the organization, and the organization enhances the individuals.

Development Content Map (Overall Measures)

Target	Five Pillars of Growth					Focused Development Areas		
	Expertise	Fairness	Innovativeness	Management Skills	Leadership	Global	Support for independent career development	Understanding JERA's values and on-site practices
All Employees	Content provided by each department	Compliance, legal & risk management	ESG / D&I / Instilling philosophy & values	Safety, health & kaizen training	Guest speaker lectures	Language training (e.g., online English conversation)	Work opportunities (e.g., internal postings, internal internships)	Career awareness building
Senior					Live seminars by external instructors		Career awareness building	
Mid-Level					e-learning and book summary services		Self-learning support (e.g., personal development points)	
Early-Career	Content provided by each department	Compliance, legal & risk management	ESG / D&I / Instilling philosophy & values	Safety, health & kaizen training	Pre- and post-promotion management training	Global practical experience	Second career support	New employee support (e.g., power plant training)
					Next-generation leadership development			
					Domestic and overseas graduate study			
	Content provided by each department	Compliance, legal & risk management	ESG / D&I / Instilling philosophy & values	Safety, health & kaizen training	Early-career development programs (innovation/leadership training)	Global practical experience	Second career support	New employee support (e.g., power plant training)
					Three-year training program for new graduates			
					Intensive global experience for new graduates			

Deepening of Expertise

Each division develops support measures to enhance expertise based on the characteristics of their respective business and required skills. They are united in their belief that each individual proactively selects what they want to learn and turns that knowledge into growth, based on their own awareness of challenges and career aspirations.

For example, since the domestic power generation division requires advanced operation and maintenance technology to ensure safe and stable operations, we have systematically established specialized education with a focus on technology. The Optimization and Service Divisions are responsible for the integrated operation of a wide value chain, and they are working on providing learning opportunities in each field and promoting personnel exchanges, with a view to acquiring complex expertise, from fuel procurement to sales.

Examples of Content Provided by Each Division

Domestic Power Generation	- Basic education and training in O&M engineering - Technical training in operations - Maintenance technology training - Global engineer training, etc.	Optimization and Service	- Optimization Division training - Power plant / plant operation center training - Basic courses in electric power - Personnel exchanges with JERAGM, etc.
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Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Internal Recruitment

We have introduced an internal recruitment system to support employees in making proactive career choices. We have established an environment that presents opportunities for employees to take on new types of work, and allows each and every employee to build a career based on their own aspirations and strengths. Introductory videos help employees learn about different workplaces, and an internal internship system lets them gain short-term work experience in other divisions. Together, these initiatives deepen employees' understanding of the work areas that interest them and encourage them to take on new challenges as they move toward the next step in their careers. As a result, the internal job posting system has seen steadily growing use, and a culture in which employees can proactively forge their own career paths is taking hold.

VOICE

The Challenge of Stepping Up to the Forefront of Business



Miku Mukaigawa

LNG Origination Group 2
LNG Australia and Asia
Procurement Unit

In the past, I worked in the planning division, researching electricity business systems out of a desire to understand our business at a big-picture level. But through my work in the business division, my desire for a deeper understanding grew stronger, so I applied for an internal job posting. Currently, I am responsible for managing and negotiating LNG procurement contracts for the Asia Pacific region. I was recently involved in the negotiation and execution of a long-term contract with Petronas, from the early stages through to its completion upon the Board of Directors approval. Because of this transfer, I've gained a perspective that is informed by our company's strategy and lets me truly appreciate the value a contract like this holds for us. I feel deeply fulfilled by being involved in important projects that support Japan's energy security, and I intend to contribute to my team, to JERA, and to Japan in even greater ways in the future.

Cultivating Global Talent

Opportunities for employees to take on challenges are also opening up overseas. A distinctive feature of our business is that it brings together projects rooted in different regions, and therefore calls for talent that can connect the local and the global. To promote the growth of employees who want to work globally, we have established opportunities for language learning and short-term training assignments at overseas sites, as well as study abroad programs, thereby supporting employees in proactively taking on challenges.



Training program at JERA Australia

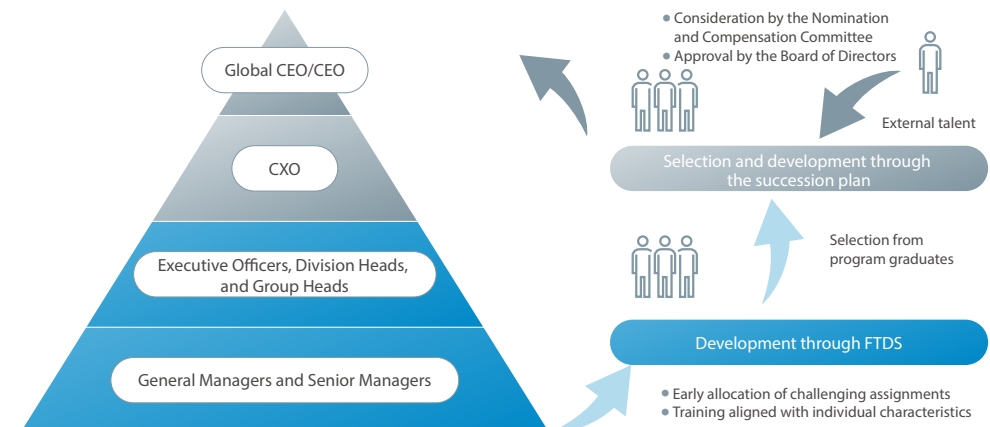
The goal of short-term training assignments at overseas sites is to deepen understanding of overseas businesses, while also improving adaptability and creating new mindsets through the experience of working in different environments. For employees who aspire to work at overseas sites in the future, this serves as an opportunity to build a foundation through practical experience.

The study abroad program gives employees the opportunity to study at institutions in Japan and abroad at a postgraduate level, with a view to acquiring advanced expertise and building external networks, thereby leading to further expansion of participants' horizons.

Through our employees' cumulative, proactive efforts to take on challenges both inside and outside the company, we are developing talent who can solve problems and create value by applying specialized expertise from a global perspective, across businesses operating around the world.

Cultivating Executive Talent

We are also engaged in the systematic development of management talent that supports sustainable growth. Our approach to cultivating management talent consists of two key components: the succession plan and the Future Talent Development System (FTDS). The FTDS is a management talent development program designed to foster the necessary capabilities for management roles from an early stage. It emphasizes tough assignments and external training tailored to individual traits from early in one's career, encouraging the early acquisition of essential management skills. The program was officially launched in 2023. In addition, under our succession plan, we conduct assessments and other measures to select and develop next-generation CEO and CXO candidates from a talent pool that includes FTDS graduates and external candidates. Through this two-tiered development system, we are building a sustainable management and leadership framework that supports the execution of our growth strategy.

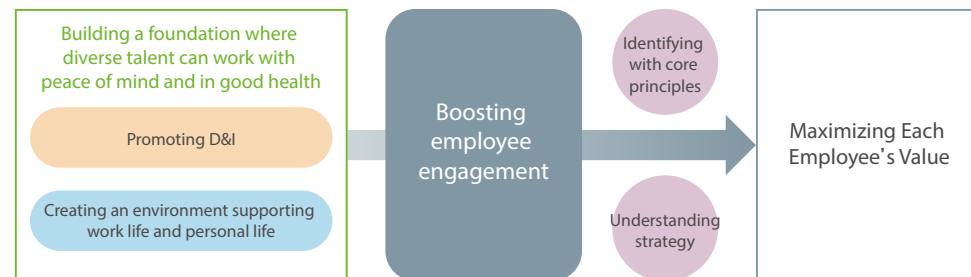


Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Foundational People Strategy that Enables Employee Success

While it is important to secure talent that meets the capability requirements for business execution, that alone does not lead to the maximization of value. As part of our talent acquisition and retention strategy, we aim to ensure that each employee can exercise their abilities and strengths to the fullest extent. To that end, improving employee engagement is essential. We are therefore building out the infrastructure to deepen employees' identification with the organization's desired direction and support them in exercising their abilities. To strengthen this foundation, we are investing strategically and continuously in developing an environment that promotes D&I and supports employees' work and personal lives, with a view to creating a state of being in which employees are able to demonstrate their capabilities in an autonomous manner.



Boosting Employee Engagement

Each year we conduct an employee satisfaction survey in order to improve employee engagement. We quantitatively assess areas related to the company (management policies and strategies), work environment (working hours and teamwork), and skill development (personal achievement and growth). Divisions then use these results to drive improvement initiatives. We also use the survey results to consider new HR measures, with a view to identifying company-wide issues and making improvements.

At JERA, engagement means having each and every employee understand and feel satisfied with their role in the organization, and take proactive action to contribute to the company's growth. To improve engagement, we will extract engagement-related questions from the employee satisfaction survey (relating to identification with core principles, understanding of strategy, and demonstration of capabilities), use them to set KPIs, and continuously monitor the progress. In doing so, we will enhance employees' understanding of the organization's direction and their sense of individual growth, which in turn will drive sustainable value creation.

Promoting D&I

Our company is one in which diverse talent collaborates across business domains and regions. To transform this diversity into JERA's strength and promote value creation as a unified organization, it is essential to build a culture based on shared values. The HR division aims to foster a culture where innovation arises naturally, and is committed to promoting D&I across the entire group.

At our company, we aim to create an environment in which innovation is more likely to arise, and we do so in the following ways: (1) fostering a flat and innovative culture; (2) creating workplaces where everyone can shine; and (3) welcoming diversity.

Realizing Our Corporate Mission and Vision

Realizing Our D&I Mission and Vision

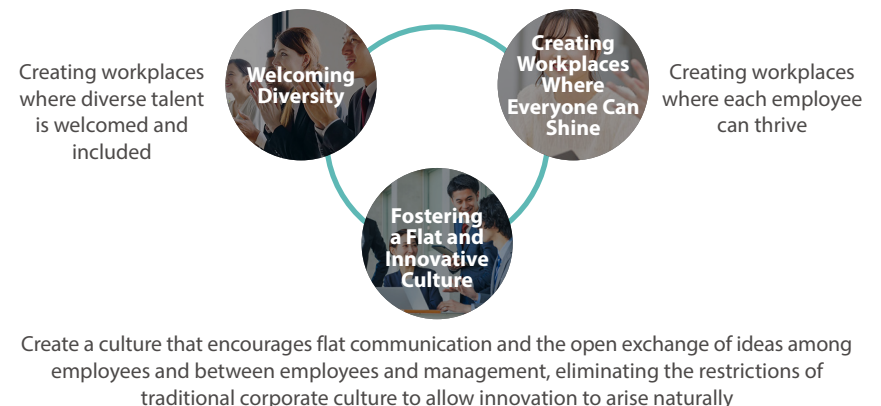
- Ensure the well-being of our employees and their families
- Enhance JERA's corporate value

Achieving Our D&I Vision

- Provide everyone with opportunities and expectations for their own growth and contribution
- Respect diversity and align on a shared direction for creating new value through equitable communication

Creating an Environment Where Innovation Organically Occurs

Facilitate innovation by creating an environment where all employees can fully express their individuality and values in their work



Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Initiatives for Fostering Culture

An inclusive culture is essential for diverse talent to feel comfortable being themselves and to thrive in their work. To help foster such a culture, we established a new team dedicated to organizational development in FY2025. Led by this organization, we will further accelerate the fostering of a culture centered on our core value, through initiatives such as promoting D&I.

D&I Month

At JERA, we have made November D&I Month, during which we implement a number of measures with the goal of increasing understanding and aiding in the spread of D&I among employees. We are promoting initiatives under the banner of our universal FAIR D&I statement (Free from bias, All employees, Innovative, Respectful), which was devised based on feedback from our employees. In FY2025, in addition to issuing CHRO messages and holding seminars, we surveyed the D&I initiatives being carried out by individual employees and teams, making these efforts visible across the company. This helped encourage our employees to take ownership of D&I. This has encouraged employees to examine their own awareness and actions, and created opportunities to put D&I principles into practice during day-to-day work.

We also run a Thanks Day, to which employees and their families and partners are invited. This event helps participants feel closer to the company, and also contributes to improving engagement.



D&I seminar



Thanks Day

External Indicators

JERA has been awarded a two-star Eruboshi certification, established by the Japanese Ministry of Health, Labour and Welfare to recognize companies who are actively promoting women's participation in the workplace. Additionally, in consecutive years since 2023, we have been awarded a Gold PRIDE Index*¹ rating, the highest rating possible. The PRIDE Index assesses companies with regard to their LGBTQ+ initiatives. We have also been certified as a Best Workplace in the D&I AWARD 2025*², the highest level of the program that evaluates corporate D&I initiatives, our third consecutive certification since 2023.

*1 Index established by the work with Pride Association *2 Sponsored by JobRainbow, Inc.



Organizational Development in Divisions

Each division is engaged in organizational development, made possible through initiatives such as regular town hall meetings chaired by senior leadership, identification of issues based on satisfaction surveys, and subsequent action taken to implement improvements. At JERA, we will continue to promote the practice of our core value, leading to further improvements in our organizational performance.

The LCF division, which conducts its business on a global scale, has continuously communicated its strategy and organizational direction through management-led town hall meetings and all-hands meetings, while at the same time seeking to understand the concerns and doubts of employees through dialogue in small groups. Additionally, a communication partners task force has been established to connect management with work sites, and it is working to stimulate bidirectional communication between those parties. Moving forward, we will promote mutual understanding and collaboration across divisions and regions, leading to improvements in employee engagement and strategy execution capabilities, all based on the "One Team" concept, in which sites in Singapore, Japan, and other overseas locations work together to drive the business.



LCF Business COO Irtiza Sayyed speaks with employees

Promotion of active participation by women

JERA is working to increase the proportion of women in our workforce, with a view to incorporating more diverse points of view, and increasing the quality of decision-making. Given the inherent nature of our business, which involves a large amount of technical roles at our power plants and elsewhere, there is a sense in which medium- to long-term effort will be required to increase the ratio of women in our workforce. However, the development and appointment of female leaders has been positioned as an important issue, and we have set a goal of reaching a 10% proportion of female managers by FY2030.

To achieve this goal, we're expanding our candidate pool and building candidates' willingness to take on new challenges through external mentoring and networking opportunities with outside partners at our power plants. We also run unconscious bias training for managers to promote fair allocation of opportunities. In addition, we hold science career-path workshops for female middle and high school students to broaden the future talent pool. Power plant tours and roundtables with our female science employees spark interest in the field and build career-path understanding, going beyond short-term recruitment to nurture next-generation science talent.



Meeting at a power plant to discuss the external exchange program



Program to encourage female middle- and high-school students to choose a career in the sciences

Creating Innovation through Diverse Talent

Achieving Happiness for Employees and Their Families

Creating an environment supporting work life and personal life

Promoting Health Management

Enabling each and every employee to demonstrate their strengths to the fullest possible extent requires a safe and secure workplace, a healthy work-life balance, and above all, the mental and physical well-being of employees.

Believing that maintaining and improving employee health directly enhances corporate value, we promote health management initiatives led by the President, CEO and COO as chief officer and the CHRO as executive officer to build a foundation where all employees across the group can stay healthy and confidently take on new challenges.

As a result of these efforts, we have been certified for the fourth consecutive year in 2026 as an Outstanding Organization of KENKO Investment for Health (Large Enterprise category). We remain committed to further advancing these initiatives.



Examples of Initiatives	FY2025 Results (Quantitative)
Reducing total actual working hours by promoting work-life balance	Average overtime: 23.1 hours per month (down 0.5 hours from the previous year)
Organizing health events geared toward achieving the JERA Health Expert Model, which encourages changes in behavior in the pursuit of health	Approx. 1,700 participants (around 200 more than the previous year)
Promoting early detection of health issues by replacing periodic employee health checkups with comprehensive medical checkups	Comprehensive medical checkup participation rate: 100%
Occupational health staff consultations for all younger employees	100% consultation rate for first- and second-year new graduates and mid-career hires in their second year of employment
Utilizing stress checks to implement workplace improvements on an ongoing basis	Aggregated health risk value*: 76 (an improvement of 4 points compared to the previous year)

* The base value is 100. A higher value indicates a higher risk of adverse health effects. (100 is the national average for Japan.)

Building a Foundation for Global Peace of Mind

We are developing an environment in which talent across the entire group can work with peace of mind, underpinning our globally expanding business. So that our talent working at overseas sites can be assured of receiving medical care, we provide high-level medical insurance that offers global cover, and we are working to guarantee our talent stable access to healthcare.

In addition, we have built systems that provide both medical and security support, with a view to ensuring global safety. In the event of an emergency, we provide evacuation and lifestyle support to ensure the safety and health of employees working globally in the group, as well as their families.

Developing Systems That Support Employees and Their Families

For diverse talent to continue to make full use of their capabilities, it is essential that we develop flexible systems infrastructure that corresponds to their individual values and life stages. We prioritize employee needs in our institutional design, and we take care to understand multiple points of view, ascertained through town hall meetings that take place during CHRO visits to overseas sites and employee satisfaction surveys. We then make sure that any feedback is reflected in our policies. We also undertake regular dialogue with labor unions, allowing us to identify issues by drawing on an understanding of actual workplace conditions. This in turn leads to ongoing, effective improvement of our systems.



Town hall meeting between CHRO Taisuke Yokota (far left) and employees of Kawagoe Thermal Power Station

Featured

Systems That Support the Family Lives of Our Employees

To ensure employees can progress through their careers with peace of mind, we are developing support that corresponds to a wide range of life stages, including childbirth and parental leave, and meets the needs of diversifying work styles. We give our employees the option to choose how they work, by adopting institutional design that can be utilized flexibly according to different circumstances, taking into account the lifestyles and values of individuals and their families.

With these initiatives, we are building infrastructure that equips employees to balance work with many aspects of their personal lives and thrive over the long term.

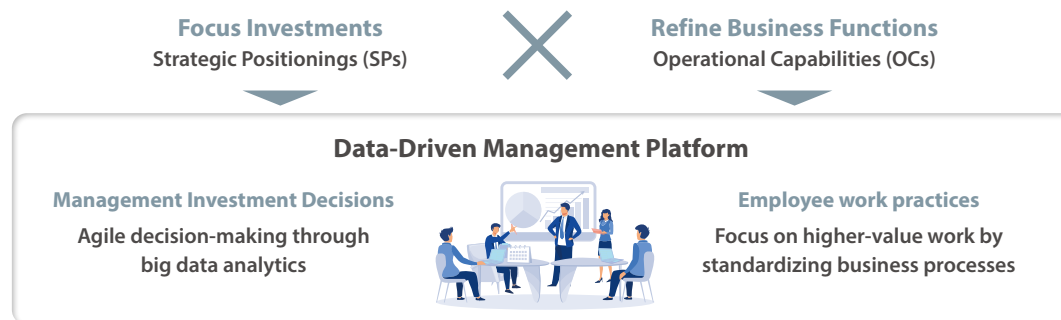
Work style	• Fully remote arrangements to support childcare, nursing care, avoidance of transfers away from family, etc. • Remote work arrangements for employees whose spouses are relocated overseas
Paid leave and other types of leave	• Childbirth leave (Pre- and post-natal, and at the time of a spouse's labor) • Childcare leave for children up to three years of age • Medical support leave (for personal injury or illness, childcare, nursing care, fertility treatment, etc.) • General support leave (for nursing care, care of grandchildren, fertility treatment, school enrollment, etc.)
Other allowances and subsidies	• Subsidies for childcare facility fees and housekeeping service expenses through the cafeteria plan

Digital Transformation

Digital Strategy Policy

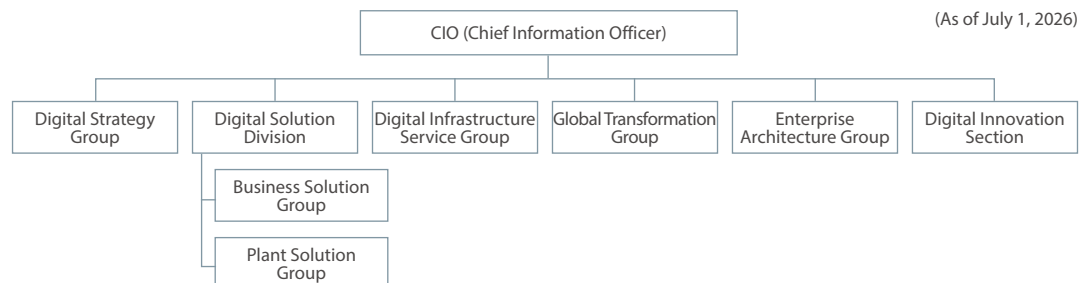
At JERA, we leverage digital technologies to provide cutting-edge solutions to the world's energy issues. We aim to maximize corporate value by constructing a supply infrastructure that balances stable supply and decarbonization while contributing to the healthy growth of Asia and the world. As a core element of our strategy, we drive the delivery of optimal solutions through the integration of three Strategic Positionings (SP) and three Operational Capabilities (OC).

Our digital strategy focuses on driving tangible business outcomes through value chain efficiency improvement, portfolio optimization, and digital platform enablement. We champion data-driven management that supports agile, customer-centric decision making. Through enhanced data-driven investment decisions and operational excellence, we will strengthen our competitiveness and drive sustainable growth.



Digital Strategy Promotion Framework

We are building an organizational structure that sustains the system development capabilities required to support our domestic business while optimizing costs through future global system deployment and ongoing system architecture optimization.



Key Initiatives

We are steadily advancing digital transformation initiatives as outlined in the table below. In addition, we are advancing the utilization of AI across our business to reinforce our SPs and OCs. By proactively leveraging AI technologies, we aim to enhance JERA's core competencies.

	FY2025 Result	FY2026 Target
Enterprise Transformation	Introduced global standard platforms and processes at headquarters and expanded their adoption across domestic and overseas subsidiaries	Rolled out global standard platforms and processes to other major group companies, including those for the business restructuring
Business Alignment	Promoted the selection and portfolio management of investment projects from a company-wide optimization perspective, and identified and developed the optimal digital initiatives	Formulated and executed digital strategies linked to company-wide and business strategies, with a view toward the business restructuring
Delivery System Enhancement	Optimized the supplier portfolio by selecting vendors with specialized expertise aligned to each business area (resulting in approximately 70% reduction in the number of vendors)	Strengthened partnerships and improved project quality

VOICE

Transformation of Business Processes: Advancement of Decision-Making That Utilizes Data Infrastructure



Jun Kato
Head of the Global Transformation Group

We are currently deploying SAP S/4HANA as our enterprise resource planning (ERP) platform to centrally manage corporate resources across the organization. Through the standardization of data and business processes, we are driving the corporate-wide transformation to realize both the SPs and OCs that underpin our growth strategy. We also aim to strengthen our data-driven decision making in addressing key management challenges such as climate change and geopolitical risks.

Change management is a critical success factor in this transformation journey. One of the key challenges we encountered was driving changes in day-to-day operations across the organization. Furthermore, driving this change within a limited timeframe has required clear prioritization and continuous decision-making about what should and what should not be done. By addressing these challenges and leveraging real-time data, we aim to enhance the speed and accuracy of management decision-making.

Stakeholder Engagement

Fundamental Approach

At JERA, we conduct our businesses through proactive communication with our stakeholders, including customers, business partners, local communities, shareholders, and investors. To fulfill our social responsibilities, achieve sustainable growth, and enhance corporate value over the medium to long term, we strive to build strong relationships with our stakeholders and engage in appropriate collaboration.

Furthermore, we continuously assess our relationships with stakeholders and address shared challenges, taking into account our direct and indirect impacts on them, as we work to strengthen stakeholder engagement.

Going forward, we will continue to pursue sustainable growth and maximize corporate value by engaging in active, two-way dialogue with stakeholders and ensuring timely and appropriate disclosure, including of pre-financial information.



Multi-Stakeholder Policy

<https://www.jera.co.jp/sustainability/multistakeholder> (Japanese)

Featured

Collaboration with EGAT on Hydrogen and Ammonia Value Chain Development

In June 2026, JERA signed a Memorandum of Understanding (MOU) with the Electricity Generating Authority of Thailand (EGAT), Thailand's largest power utility, to collaborate on the development of a hydrogen and ammonia value chain in the country. JERA and EGAT will jointly assess market potential and business feasibility and explore applications for power generation. Through these efforts, we aim to support Thailand's energy transition and decarbonization efforts while expanding the use of hydrogen and ammonia across Asia.



Main Stakeholders	Demands and Expectations	Initiatives
Customers	- Stable supply of electricity - Energy supply that meets customer needs and expectations - Adoption and expansion of lower-carbon and renewable energy - Support for developing visions and strategies for the transition to a green transformation (GX) - Promotion of sustainability initiatives	Even amid growing uncertainty driven by geopolitical developments and climate change, we deliver a stable energy supply throughout the value chain from fuel procurement to sales. By leveraging our strengths to provide solutions, we meet customer expectations and build lasting relationships based on trust. ➡ P.29-36 Business Strategy
Business Partners Including Suppliers	- Environmentally and socially responsible procurement and outsourcing - Fair and equitable business practices - Stronger collaboration	We promote environmentally and socially responsible procurement and fair and equitable business practices, with the aim of achieving sustainable development across the entire supply chain. ➡ P.106-107 Upholding Rigorous Compliance Standards (Coexistence and Shared Prosperity with Stakeholders)
Local Communities	- Environmentally responsible business operations - Respect for human rights in local communities - Contribution to local economies - Local job creation and skills development	We build and strengthen relationships of trust through active dialogue with local communities, while contributing to sustainable development through business operations and engagement with society that respect the cultures and values of the communities where we operate. ➡ P.59-62 Ensuring the Safety of All People and Local Communities Involved in Our Business ➡ P.88-90 Coexistence and Shared Prosperity with Local Communities in Japan and Abroad
Shareholders and Investors	- Enhancement of corporate value - Strengthening of profitability - Enhanced information disclosure	Through dialogue with shareholders, investors, and other stakeholders, we aim to enhance information disclosures and deepen their understanding of our business while incorporating stakeholder feedback into management to enhance corporate value. ➡ P.20-22 CFO Message
Employees	- Attractive compensation structure - Fostering a culture that encourages innovation - Career development support - Promotion of the KENKO Investment for Health (KIH) - Elimination of discrimination and harassment - Enhancement of whistleblower systems effectiveness	Guided by our HR Policy of becoming a world-class company where employees and their families can thrive, we are creating an environment that enables employees to take on new challenges with confidence through an attractive compensation framework, career development support, health and well-being initiatives, and flexible work arrangements. Through these efforts, we aim to maximize the value of our human capital. ➡ P.77-86 Creating Innovation through Diverse Talent Achieving Happiness for Employees and Their Families ➡ P.108-109 Human Rights

Social and Relationship Capital (Coexistence and Shared Prosperity with Local Communities)

Fundamental Approach

Coexistence and Shared Prosperity with Local Communities in Japan and Abroad

To conduct our business successfully across various countries and regions where we operate, it is essential to build strong relationships of trust with local stakeholders and pursue sustainable development in collaboration with local communities. Therefore, we have identified “coexistence and shared prosperity with local communities in Japan and abroad” as a material issue. Under our Social Contribution Activity Policy, we are focusing on the following three areas of action.

Resolving Community Issues

Coexisting with the Environment

Educating the Next Generation

We conduct our business in every country and region with respect for local culture, customs, natural environment, and history. By leveraging the JERA Group's strengths, we remain committed to sincerely engaging with the challenges facing local stakeholders and contributing to the resolution of community issues both in Japan and around the world.



Social Contribution Activity Policy

<https://www.jera.co.jp/en/sustainability/contribution>

Initiatives to Build Trusted Power Plants that Grow Together with Local Communities

To systematically advance initiatives aimed at coexistence and shared prosperity with local communities, we have established a governance framework led by the Chief Business Support & Solutions Officer (CBSSO). Specifically, insights and feedback gathered from local communities through various activities across relevant departments are shared and discussed, while working to further expand our community engagement initiatives.



Quantifying Our Social Contribution Activity Outcomes:

Driving Positive Transformation in Local Communities

We believe that quantitatively measuring the value created through our social contribution activities and communicating results transparently not only helps build local trust and confidence, but also enhances the effectiveness of these activities and supports sustainable development together with the local communities we serve. To this end, we have launched a pilot initiative using SROI* (Social Return on Investment), one of the methodologies used to quantify and analyze pre-financial value. By converting the cost invested (input) and the benefits generated (outputs and outcomes) into a common monetary value for comparison, we aim to provide a clearer and more transparent view of the efficiency and effectiveness of our initiatives.

* Social Return on Investment is a framework used to quantify and visualize the value created by an initiative by converting the social, economic, and environmental impacts into monetary terms to the extent possible.

Expectations and Recommendations from External Stakeholders Regarding Social Contribution Activities (Including SROI)



Shunsuke Managi

Distinguished Professor, Kyushu University

Representative Director, aiESG, Inc.

JERA is a leading energy company responsible for approximately 30% of Japan's total electricity generation, handling everything from fuel procurement to power generation and sales. Through its role in supplying energy, the company has significant impact on society. JERA has worked to demonstrate how pre-financial value translates into financial value and to quantify that effect as economic value through SROI evaluation in order to strengthen social and relationship capital. This is an outstanding approach that significantly enhances both the credibility and effectiveness of its disclosures.

The company has already established an impressive track record of social contribution activities rooted in its host communities, including stakeholder engagement activities and energy education programs for younger generations.

JERA can further strengthen these initiatives by extending their reach beyond host communities to broader domestic and international regions, while expanding the use of SROI evaluations and improving their accuracy. At the same time, it is essential that JERA continue contributing to the future of the energy industry through its core business by addressing global energy issues, thereby helping to ensure energy security and enhancing the well-being of society as a whole. Through these sustained initiatives, I hope to see the economic value generated through enhancements in social and relationship capital, natural capital, human capital, and other forms of value demonstrated and communicated in an integrated and transparent manner.

Social and Relationship Capital (Coexistence and Shared Prosperity with Local Communities)

Status of Our Initiatives

Resolving Community Issues

Facilitating dialogue through stakeholder outreach and related activities

We actively engage in two-way communication through regular stakeholder outreach, power plant tours, and visits, providing clear explanations of our business activities while listening to the opinions and needs of local communities. Feedback gathered through these engagements is used to formulate regional engagement strategies and plans, which are reviewed and approved at internal meetings attended by senior management before being reflected in the following fiscal year's initiatives.

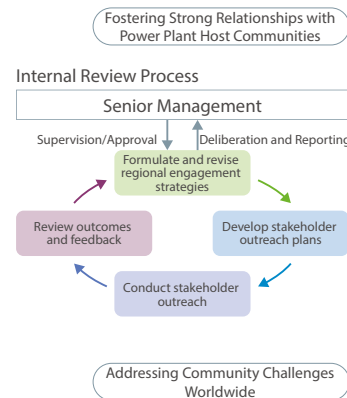
(FY2025 results: Approximately 13,200 participants in power plant tours and visits)

Donations for Flood Damage Relief

To support recovery efforts following the floods in Texas, U.S., in July 2025, JERA and JERA Americas jointly donated approximately 40,000 USD (approximately JPY 6 million).

Denki Genki Festa

In collaboration with the local fire department and businesses, we hosted the Denki Genki Festa for elementary school students and their families living around Yokohama Thermal Power Station. Participants enjoyed learning about energy, disaster preparedness, and health through a variety of fun, hands-on activities. Approximately 250 people participated, and the event achieved a 100% participant satisfaction rating.



VOICE



A Power Plant Cherished by the Local Community

Serio Amano

Head of the East Japan General Affairs Group

What do local communities expect from JERA, and what are their needs? Understanding these perspectives requires ongoing dialogue with local residents. To help foster understanding of our power plants, we actively conduct energy education courses for younger generations, and events in partnership with the community, and other initiatives.

Coexisting with the Environment

Conducting cleanup activities in collaboration with local communities

Working together with local residents and municipal governments, we conduct cleanup activities in areas surrounding our power plants. In FY2025, these efforts included cleanup events held in cooperation with the six baseball teams from Japan's Central League.

*The cleanup event shown in the photograph on the right, conducted with the Chunichi Dragons was held on May 24, 2025.

(FY2025 results: Approximately 65 cleanup activity locations)

Addressing Issues in Host Communities



Educating the Next Generation

Supporting education for the next generation

To inspire interest in energy and environmental issues among the next generation, we provide outreach classes at local elementary and junior high schools, courses in partnership with high schools and universities, training for elementary and junior high school teachers, and other educational support.

(FY2025 results: Approximately 6,700 participants in local energy education programs)

Addressing Issues in Host Communities



Energy education course for university students

Quantifying Our Social Contribution Activity Outcomes:

Energy Education Course for Students

Since FY2024, we have offered an energy education course for students of Nanzan University's Faculty of Policy Studies, helping to deepen their understanding of our initiatives to achieve net-zero CO₂ emissions by 2050 and the importance of balancing decarbonization with thermal power generation to ensure a stable supply.

Activity	Output	Initial Outcomes	Medium-to Long-term Outcomes	SROI = 2.36* Social Return on Investment (Social Impact / Investment Cost)
Energy education courses at Nanzan University	Total participants: 116	Improvement rate in understanding of energy issues: 92.5%	Developing the next generation of leaders for the energy industry and a sustainable society	

* This SROI estimate incorporates simulated assumptions such as financial proxy indicators, contribution rates, and counterfactuals with approximate assumed values. Moving forward, we will improve questionnaire design to collect more reliable data, further increase the accuracy of measurements and evaluations, and use the results to enhance both the quality and reach of energy education programs.

Fundamental Approach

Our fundamental approach to corporate governance is to maintain a robust and sound management foundation that earns the trust of the global energy market, while ensuring an autonomous and independent corporate culture and a management structure that enables fair and timely decision-making.



Corporate Governance Guidelines*

<https://www.jera.co.jp/en/sustainability/governance/about>

* These guidelines set out our fundamental approach to and framework for corporate governance and serve as guiding principles for the conduct of our officers. They are intended to support JERA's sustainable growth and enhancement of its corporate value over the medium to long term.

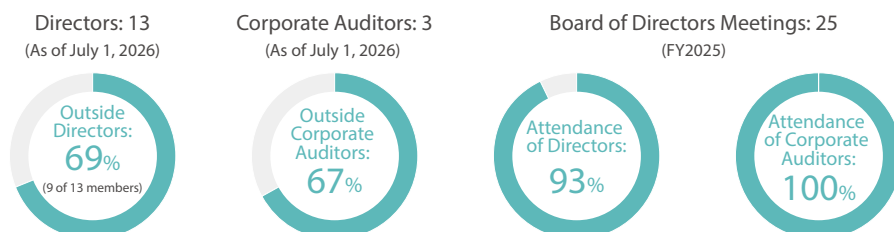
Governance Framework

Governance Framework Ensuring Independence and Diversity at a Public Company Standard

To support our global business development across diverse fields, our Board of Directors comprises internal directors with deep knowledge of our business and outside directors with extensive expertise, selected based on a skills matrix (► P. 95). To ensure objectivity and sound governance, we have established Independence Criteria and maintain a Board in which outside directors, including independent outside directors, form a majority. Each corporate auditor leverages their own experience and insight to independently audit the execution of directors' duties. To enhance the effectiveness and efficiency of audits, we have appointed independent outside auditors with no affiliation to either JERA or its shareholders and established the Statutory Auditor Panel, a voluntary forum that facilitates communication, information sharing, and the exchange of opinions among corporate auditors. In June 2025, we separated the Nomination and Compensation Committee into two dedicated committees: the Nomination Committee and the Compensation Committee. To further enhance their expertise and objectivity, we appointed outside directors Joseph M. Naylor and Akihiro Watanabe, both of whom bring extensive global experience and insight, as members of both committees. We also expanded the committees to six members, including four outside directors.

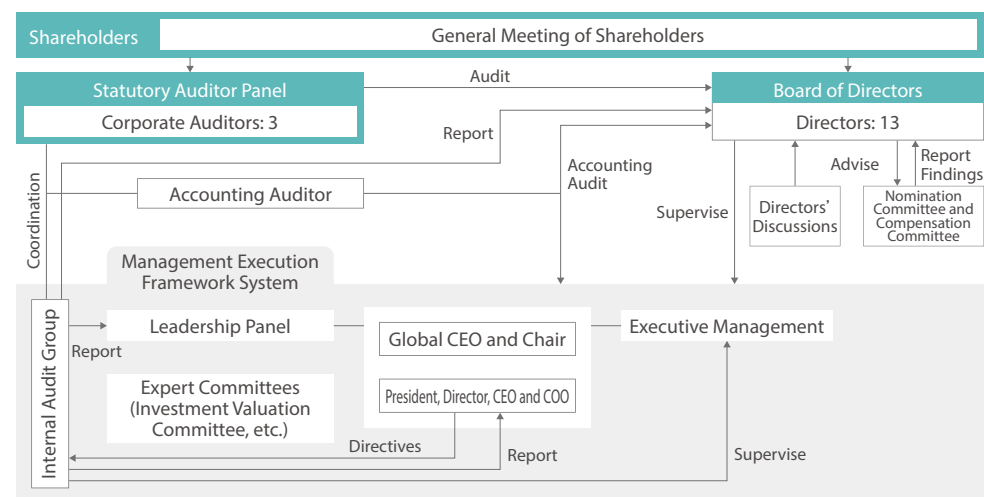
Overview of Corporate Governance

Organizational Design: Company with Corporate Auditors



Corporate Governance Structure

(As of July 1, 2026)



Initiatives to Strengthen Corporate Governance

-
- A vertical timeline with a central line and circular markers at each year. The years 2017, 2019, 2023, 2024, and 2025 are written in a large, bold, dark blue font. The descriptions of the initiatives are written in a smaller, dark blue font to the right of the timeline line, preceded by a bullet point.
- 2017**
 - Established the Board Charter
 - 2019**
 - Established the Nomination and Compensation Committee
 - Revised the Board Charter to Corporate Governance Guidelines
 - 2023**
 - Increased outside directors to a majority of the Board
 - Established criteria for independent outside directors
 - 2024**
 - Increased independent outside directors to more than one-third of the Board
 - 2025**
 - Revised the Corporate Governance Guidelines
 - Published the Skills Matrix
 - Split the Nomination and Compensation Committee into separate Nomination and Compensation Committees, and appointed independent outside directors as committee members

Roles and Key Deliberations Reviewed by the Board of Directors

Conducting Robust Discussions Based on Timely Insights into Global and Business Developments

The Board of Directors, chaired by the Global CEO and Chair, generally meets once a month. It is responsible for determining JERA's fundamental management policies, including business strategies and plans, making key decisions on matters of strategic importance and overseeing management execution.

Additionally, we hold Directors' Discussion as a forum for each director to openly exchange opinions on comprehensive topics on significant management issues facing JERA.

The primary agenda reviewed and discussed by the Board of Directors in FY2025 are outlined below.

Category	Description
Crisis Response	Strengthening safety measures and compliance frameworks in response to policy changes across global markets, geopolitical risks, energy security challenges, and incidents at power stations, etc.
Management Strategies	Business planning, financial targets and strategy, safety measures, and governance enhancement
Business Strategies	Business strategies in each business division (LNG value chain strategy, global IPP business strategy, etc.), market risk management, sales strategy, capital allocation and financial strategy, portfolio strategy, growth and transformation strategy, etc.
Investment Decisions	Decision-making around business investments, business participation, M&A, and major contractual arrangements in Japan, the U.S., Europe, the Middle East, and other regions
Sustainability	Carbon neutrality roadmaps, decarbonization strategy, and the development of renewable energy and other low-carbon power generation assets

Board Effectiveness Evaluation

To promote the continuous improvement of Board effectiveness, we conduct an annual survey of all directors and corporate auditors regarding the Board's deliberations and overall operation. The Board of Directors analyzes and evaluates the results of these surveys, considers and implements measures to address the issues identified, and constantly strives to improve its effectiveness.

Results and Evaluation of FY2025 Initiatives Based on the FY2024 Assessment

- More focused discussion on priority topics, resulting from identification of the most critical issues
- Greater clarity regarding directors' roles and expected competencies through the development and publication of the Skills Matrix, contributing to enhanced Board diversity and expertise
- Improved transparency and fairness of Board of Directors operations by increasing the proportion of outside directors
- Strengthened independence of each committee through the appointment of outside directors to the Nomination Committee and the Compensation Committee
- Deeper understanding of the business through dialogue with experts and inspections at Japanese and overseas Group companies

Approach for FY2026 Initiatives Based on the FY2025 Assessment

- Continued discussion of the most critical issues, such as the approach to organizational and governance structure, as well as safety and compliance
- Deeper understanding of the external environment relating to market and technology trends by leveraging external experts
- Improved quality of discussions and further streamline the Board of Directors' operations by clarifying and simplifying the main points of documentation

Support for Directors

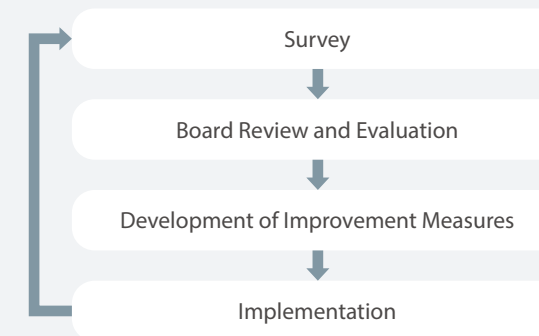
We have established a framework to provide directors with the support necessary to effectively fulfill their roles and responsibilities. Among other benefits, the framework provides each director with comprehensive, accurate information, as well as opportunities to learn more about JERA's core businesses from internationally recognized external experts.

Support Provided to Directors in FY2025

- Board of Directors meetings held at a key overseas site (Houston, U.S.)
Enhanced understanding of overseas operations through visits to overseas subsidiaries and engagement with local employees
- Orientation and onboarding program for newly appointed directors
Business briefings by the heads of business divisions, along with visits to key sites and Group companies
- Exchange of opinions with external experts and business partners
- Site visit to power generation facilities by outside directors (11 visits)



Board Effectiveness Evaluation and Improvement Cycle



Nomination and Compensation Committees: Roles, Structure, and Key Discussions

Guiding Principles of the Nomination Committee and Compensation Committee

JERA operates the Nomination Committee and Compensation Committee with the objective of systematically developing and selecting outstanding leaders and a resilient management team capable of ensuring a stable and internationally competitive supply of energy, including electricity and gas. Guided by our shared values, these committees support JERA's growth as a truly global energy company amid an evolving geopolitical and business landscape, while contributing to the enhancement of shareholder value.

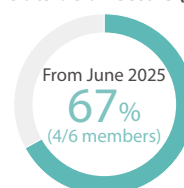
Members of the Nomination Committee and Compensation Committee in FY2026

					
Global CEO and Chair Yukio Kani	President, Director, CEO and COO Hisahide Okuda	Outside Director Joseph M. Naylor	Outside Director Akihiro Watanabe	Outside Director Kazuhiro Nabeta	Outside Director Daisuke Sakai
Nomination Committee Chair	Nomination Committee Member	Nomination Committee Member	Nomination Committee Member	Nomination Committee Member	Nomination Committee Member
Compensation Committee Member	Compensation Committee Member	Compensation Committee Member	Compensation Committee Chair	Compensation Committee Member	Compensation Committee Member

Nomination Committee and Compensation Committee Meeting Attendance in FY2025

Position	Committee Chair	Name	Meetings Attended ¹
Global CEO and Chair	Nomination	Yukio Kani	19 of 19 meetings
President, Director, CEO and COO		Hisahide Okuda	19 of 19 meetings
Outside Director		Joseph M. Naylor	16 of 16 meetings ²
Outside Director	Compensation	Akihiro Watanabe	16 of 16 meetings ²
Outside Director		Kazuhiro Nabeta	19 of 19 meetings
Outside Director		Daisuke Sakai	17 of 19 meetings

Outside directors (%)



¹ The 19 meetings in this fiscal year represent the total of 3 meetings of the Nomination and Compensation Committee, and 8 meetings each of the Nomination Committee and the Compensation Committee.

² The attendance figures shown here represent the attendance of outside directors Joseph M. Naylor and Akihiro Watanabe at meetings of the Nomination Committee and the Compensation Committee held since their appointment in June 2025.

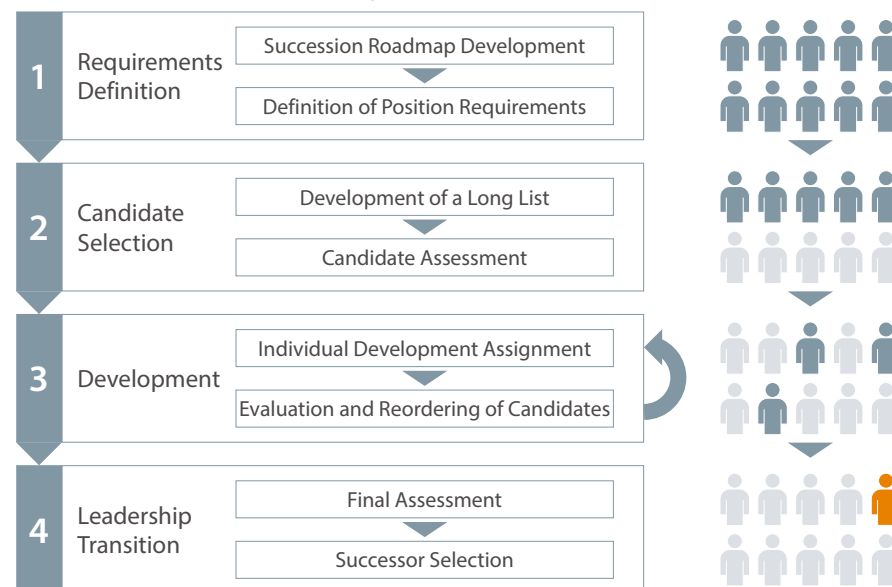
Main Topics of Discussion

- Operating policy of the Nomination Committee and Compensation Committee
- Succession planning framework and operation
- Executive management structure and prospective director nominations
- Domestic and international practices in executive compensation
- Executive compensation and incentive design
- Individual compensation for directors and executive officers

Succession Planning

To ensure a sustainable leadership structure that supports the realization of our mission and vision, we have established a succession planning program for the CEO and other key positions under the leadership of the Nomination Committee.

Overview of Succession Planning



Executive Compensation Framework

Compensation for directors is determined by resolution of the Board of Directors, taking into account deliberations by the Compensation Committee and within the limits approved at the General Meeting of Shareholders.

In addition to fixed compensation, directors receive performance-based compensation designed to provide appropriate incentives for JERA's sustainable growth and long-term value creation.

Total Executive Compensation for FY2025

Officer Classification	Total Compensation (Million Yen)	Breakdown of Compensation by Type (Million Yen)		Number of Officers
		Compensation	Bonuses	
Directors	412	350	61	13
Corporate Auditors	75	75	—	3

Selection of Outside Directors and Criteria for Independence

Ensuring Board Transparency and Fairness Through the Appointment of Independent Outside Directors with Relevant Industry Experience

When selecting candidates for outside director roles, we take a comprehensive approach that considers not only diversity, but also each candidate's character, insight, and expertise, as well as the overall composition of the Board of Directors. Appointments are decided according to the consensus of the Board of Directors following deliberations by the Nomination Committee, and based on the Skills Matrix (➡ P. 95). Outside directors and corporate auditors who satisfy the Company's Independence Criteria are designated as independent outside officers. They are expected to contribute to Board deliberations from an independent standpoint and bring diverse perspectives to discussions and decision-making.

Furthermore, we expect directors concurrently serving as shareholders to contribute to the improvement of JERA's management strategy and governance by drawing not solely on their perspective as shareholders, but also on the expertise and experience they have gained in the electric power industry. Although JERA is an unlisted joint venture, we are committed to maintaining a Board structure and governance practices that ensure a high degree of transparency, objectivity, and fairness.

Governance Framework that Ensures Independence and Autonomy

Business Management and Value Creation Through Appropriate Engagement with Shareholders and Robust Information Governance

Although JERA is a joint venture equally owned by TEPCO Fuel & Power, Inc. and Chubu Electric Power Co., Inc., it maintains an independent management structure and autonomous decision-making process. To ensure management independence and objectivity, six of the 13 members of the Board of Directors are independent outside directors, enabling JERA to conduct its business operations and management decision-making independently.

Under this independent management framework, we share information and exchange opinions on a regular basis, for instance, through consultations among the three companies. In doing so, we aim to foster shared awareness of the business environment and management issues with our shareholders, and to build appropriate collaboration. At the same time, transactions with related parties, including shareholders, are conducted fairly and impartially under the same terms equivalent to those applied to independent third parties, ensuring transparency. In the interest of fair decision-making and compliance with competition law and other laws and guidelines, we carry out appropriate information management, including, as necessary, restricting the flow of information to directors concurrently serving as shareholders and to shareholders themselves. Through these initiatives, we maintain an autonomous management approach that places the highest priority on compliance while pursuing sustainable growth and long-term corporate value enhancement.

Strengthening JERA Group Governance

Supporting Autonomous Business Operations Through Common Group Policies

We are committed to strengthening our Group governance framework that respects the business operated by our Group companies and the local business practices of the countries in which they operate, and supports swift and autonomous decision-making through appropriate delegation of authority and allocation of management resources. In line with this approach, we have adopted a resolution on internal controls, introducing a framework to ensure proper business operations across the corporate group. Based on this resolution, we provide support through the JERA Group Corporate Compliance Policy, the JERA Group Compliance Code of Conduct, and Group common policies, enabling each Group company to autonomously establish and operate systems to ensure appropriate business operations. We have also established mechanisms for consultation, reporting, and monitoring in collaboration with our Group companies. For matters of significance to consolidated management, we maintain a framework under which Group companies are required to engage in prior consultation and submit reports in accordance with the Affiliate Management Regulations. Additionally, we conduct periodic and ad hoc monitoring of our Group companies to confirm compliance with legal and regulatory requirements and to oversee management matters, including risks that are material from a Group governance perspective.

Leadership Panel and Expert Committees

Operating the Leadership Panel and Expert Committees Serving as Advisory Bodies with Participation from Experts in Each Field

We have established a Leadership Panel that consists of the Global CEO and Chair, the President, Director, CEO and COO, and a C-suite executive or officer as a forum for deliberating on and deciding important management matters and receiving reports on matters necessary for the execution of business.

Moreover, expert committees have been established as subsidiary bodies to the Leadership Panel—in principle, one for each major field—to provide advice to the Leadership Panel from an expert perspective and support its deliberations. In principle, matters to be proposed and reported to the Board of Directors are discussed and decided by the Leadership Panel based on advice from the relevant expert committees. The results of deliberations by the Leadership Panel are reported to the Board of Directors, along with advice from the expert committees.

Skills Matrix

In May 2024, we announced the JERA Growth Strategy to Realize the 2035 Vision. The Board of Directors recognizes the importance of having directors with diverse expertise discuss the most important management issues from a broad perspective in order to realize the new growth strategy. Accordingly, we have defined the experiences, insights, and expertise required of JERA's Board of Directors and disclosed them below in the form of a skills matrix.

Name	Position and Title in the Company	Global Management		Business Operation		Innovation	Corporate		
		Corporate Management and Strategy	Sustainability	Region	Energy Business	DX/R&D	Legal and Risk Management	Finance and Accounting	Talent (D&I)
Yukio Kani	Global CEO and Chair	●	●	● (Global)	●				●
Hisahide Okuda	President, Director, CEO and COO	●	●	● (Japan)	●				●
Kazuo Sakairi	Directors		●	● (Japan/Asia)	●		● (Risk)	●	
Kazunori Kasai	Directors	●		● (Asia/Japan)	●		● (Risk)		●
Joseph M. Naylor	Independent Outside Director	●	●	● (US)	●			●	
Miyuki Suzuki	Independent Outside Director	●	●	● (Asia/Japan)		●			●
John Rittenhouse	Independent Outside Director	●		● (Europe)	●		● (Risk)	●	
Lim Hwee Hua	Independent Outside Director	●		● (Asia)	●			●	●
Akihiro Watanabe	Outside Director	●		● (Japan)			● (Risk)	●	●
David Crane	Independent Outside Director	●	●	● (US/Europe)	●		● (Legal/Risk)		
Shiro Kuniya	Independent Outside Director		●	● (Japan)			● (Legal)		
Kazuhiro Nabeta	Outside Director		●	● (Japan)	●	●			
Daisuke Sakai	Outside Director		●	● (Japan)	●	●			

	Skill Set	Reasons for Selection
Global Management	Corporate Management and Strategy	Comprehensive judgment based on resource allocation and organizational management is essential, requiring experience in corporate management and organizational governance.
	Sustainability	Experience and expertise in sustainability management are required because we aim to maximize corporate value by enhancing economic, environmental, and social value.
Business Operation	Region	Deep insight into energy and environmental policy and regulatory frameworks, as well as local business expertise, are essential to meet the needs of diverse customers, regions, and countries.
	Energy Business	Experience and expertise in the energy sector are essential to strengthen our value chain business model and deliver innovations such as carbon-free electricity.
Innovation	DX/R&D	Solving the energy trilemma—sustainability, affordability, and stability—requires experience, insight, and expertise around energy and cutting-edge technologies relating to digital tools such as AI.
Corporate	Legal and Risk Management	Realizing our growth requires not only adherence to laws and regulations but also proper, compliant business execution and sound risk management.
	Finance and Accounting	Sustainable enhancement of corporate value requires financial strategies that include appropriate financial management conducted with an awareness of the capital market, investment in growth areas based on sound capital allocation, and capital policies.
	Talent (D&I)	The source of our growth is talent, and fostering a flat and innovative culture is vital to maximizing talent potential and providing cutting-edge solutions.

Directors



Reappointed

Global CEO and Chair
Yukio Kani

 Nomination Committee Chair
 Compensation Committee Member

 Board meetings attended:
 25/25 (100%)
 Term of office: 10 years

Apr. 1986 Joined Tokyo Electric Power Co., Inc.
 Apr. 2013 Executive Officer, Tokyo Electric Power Co., Inc.
 Apr. 2015 Executive Officer, Tokyo Electric Power Co., Inc.
 Vice President, TEPCO Fuel & Power, Inc.
 Apr. 2016 Managing Director, JERA
 July 2016 Managing Director and Chief Strategy Officer, JERA Director (Non-executive), TEPCO Fuel & Power, Inc.
 Apr. 2019 Corporate Vice President, Director, and Head of the Business Development Department, JERA
 Apr. 2020 Corporate Vice President, Director, Managing Executive Officer, and Head of the Business Development Department, JERA
 Apr. 2022 Corporate Vice President, Director, Managing Executive Officer, and Head of the Business Development, JERA
 Apr. 2023 Global CEO and Chair of JERA



Reappointed

President, Director, CEO and COO
Hisahide Okuda

 Nomination Committee Member
 Compensation Committee Member

 Board meetings attended:
 24/25 (96%)
 Term of office: 6 years

Apr. 1988 Joined Chubu Electric Power Co., Inc.
 July 2017 General Manager, Strategies & Alliances Office, Head of Corporate Planning & Strategy Division, Chubu Electric Power Co., Inc.
 Apr. 2019 Managing Executive Officer and Chief Operating Officer of the Corporate Strategy Department, JERA
 Apr. 2020 Managing Executive Officer, Director, and Chief Operating Officer of the Corporate Strategy Department, JERA
 Apr. 2021 Corporate Vice President, Managing Executive Officer, Director, and Chief Operating Officer of the Corporate Strategy Department, JERA
 Apr. 2022 Corporate Vice President, Managing Executive Officer, and Director of Corporate Strategy, JERA
 Apr. 2023 President, Director, CEO and COO of JERA



Reappointed

Corporate Vice President,
Managing Executive Officer
Chief Financial Officer (CFO)
Kazuo Sakairi

 Board meetings attended:
 25/25 (100%)
 Term of office: 7 years

Apr. 1987 Joined Bank of Tokyo (now MUFG Bank, Ltd.)
 Jan. 1995 Vice President, Bank of Tokyo Trust Company (US)
 Nov. 2002 M&A Team Head, Corporate Advisory Department, Mitsubishi Securities (now Mitsubishi UFJ Morgan Stanley Securities)
 June 2006 Senior Director, GCA Corporation (now Houlihan Lokey, Inc.)
 Jan. 2015 Executive Officer, Managing Director, and Head of Asia Region, GCA Savvian Corporation (now Houlihan Lokey, Inc.)
 Apr. 2019 Director, Managing Executive Officer, and CFO, JERA
 Apr. 2022 Director, Corporate Vice President, Managing Executive Officer, and CFO of Finance and Accounting, JERA
 July 2023 Director, Corporate Vice President, Managing Executive Officer, and CFO of JERA



Newly appointed

Senior Managing Executive Officer,
Director
Chief Risk Officer (CRO)
Kazunori Kasai

 Board meetings attended:
 —

Apr. 1990 Joined Chubu Electric Power Co., Inc.
 Jan. 2008 Planning Manager, Chubu Energy Trading
 July 2012 Managing Director, Chubu Energy Trading Singapore Pte. Ltd.
 Apr. 2015 Vice President, Planning and Optimization, JERA
 Apr. 2016 Senior Vice President, Optimization Group, Corporate Strategy Department, JERA
 July 2018 Senior Vice President, Optimization Group, Energy Transactions and Projects Department, JERA
 Apr. 2019 CEO, JERA Global Markets Pte. Ltd.
 Apr. 2021 Managing Executive Officer, CEO of JERA Global Markets Pte. Ltd.
 Oct. 2022 Senior Managing Executive Officer, CEO of JERA Global Markets Pte. Ltd.
 July 2023 Senior Managing Executive Officer, Chief Optimization Officer (COPTO) of JERA
 Apr. 2026 Senior Managing Executive Officer, Director Chief Risk Officer (CRO) of JERA

Reason for Appointment

Kazunori Kasai has held various key positions at Chubu Electric Power and JERA-affiliated companies in the coal trading sector. He possesses a wealth of experience across the entire value chain, from fuel procurement to electricity sales, as well as leadership experience in the form of fuel trading management and global business risk management. We expect he will contribute to the enhancement of JERA's corporate value by strengthening risk management across the entire value chain, including by overseeing optimization operations in the role of Chief Optimization Officer. We consider him well qualified to serve as a director.



Reappointed

Outside

Independent

Director^{1,3}
Joseph M. Naylor

 Nomination Committee Member
 Compensation Committee Member

 Board meetings attended:
 25/25 (100%)
 Term of office: 5 years

Sep. 1982 Joined Chevron
 July 2006 CEO/COO, Sasol Chevron (UK)
 Mar. 2009 General Manager, Business Development, Projects, Chevron (California)
 Apr. 2011 General Manager, Upstream Strategy and Planning, Chevron (California)
 Aug. 2013 Corporate Vice President, Strategic Planning, Chevron (California)
 Apr. 2016 Corporate Vice President, Policy, Government and Public Affairs, Chevron (California)
 Apr. 2021 Director (Non-executive), JERA



Reappointed

Outside

Independent

Director^{1,3}
Miyuki Suzuki

 Board meetings attended:
 25/25 (100%)
 Term of office: 5 years

Mar. 2002 Executive Vice President and Head, Consumer Business, Japan Telecom Co. Ltd.
 June 2004 CEO Asia Pacific, LexisNexis
 Jan. 2007 President and CEO, KVH Co. Ltd.
 Dec. 2011 CEO and Representative Director, Jetstar Japan KK
 May 2015 President and General Manager, Cisco Systems Japan
 Jan. 2018 President, Asia-Pacific, Japan and China, Cisco Systems (Singapore)
 Apr. 2021 Director (Non-executive), JERA
 July 2021 Director, Western Digital Corporation
 Aug. 2022 Director, Twilio Inc. (current)
 Feb. 2025 Director, SanDisk Corporation (current)
 June 2025 Director (Non-executive), Mitsubishi UFJ Financial Group, Inc. (current)



Reappointed

Outside

Independent

Director^{1,3}
John Rittenhouse

 Board meetings attended:
 23/25 (92%)
 Term of office: 3 years

Aug. 1980 Arthur Young & Co. (US)
 Sep. 1983 Brandeis Intsel (US)
 Nov. 1986 Intermarket Capital Partners (US)
 Oct. 1989 Louis Dreyfus Energy (UK)
 Oct. 1998 CFO and Managing Director, EDF Trading Limited (UK)
 July 2008 CEO and Board Director, EDF Trading Limited
 Dec. 2020 Supervisory Board Director (Non-executive), D. Trading BV (Netherlands) (current)
 Jan. 2022 Outside Director, JERA Americas Holdings Inc. (US) (current)
 May 2022 Supervisory Board Director (Non-executive), D. Trading BV (Netherlands) (current)
 Feb. 2023 Board Director (Non-executive), Spearmint Energy LLC (US) (current)
 June 2023 Director (Non-executive), JERA



Reappointed

Outside

Independent

Director^{1,3}
Lim Hwee Hua

 Board meetings attended:
 22/25 (88%)
 Term of office: 3 years

Dec. 1996 Member of Parliament, Republic of Singapore
 Aug. 2000 Managing Director, Temasek Holdings (Private) Limited
 Apr. 2002 Deputy Speaker of the Parliament of Singapore and Chair of the Public Accounts Committee
 Aug. 2004 Minister of State for Finance and for Transport
 Apr. 2008 Senior Minister of State for Finance and for Transport
 Apr. 2009 Minister in the Prime Minister's Office in Singapore and Second Minister for Finance and for Transport
 July 2011 Non-executive Independent Director, Jardine Cycle & Carriage Limited
 July 2020 Vice Chair, International Valuation Standards Council (current)
 Mar. 2022 Non-executive Independent Director, Nippon Paint Holdings Co., Ltd. (current)
 Apr. 2023 Non-executive Independent Chair, Japfa Ltd
 June 2023 Director (Non-executive), JERA
 June 2024 Chair, International Valuation Standards Council (current)
 Nov. 2024 Advisory Board Chair, Toki Pte. Ltd.
 Nov. 2024 Chair, SBT Investment 2 Pte. Ltd.
 Mar. 2025 Director, Cora Environment Group Pte. Ltd. (current)
 Apr. 2026 Director, Aboitiz Power Corporation (current)

Establishing Strong Governance

Directors and Officers



Reappointed Outside

Director¹
Akihiro Watanabe

Nomination Committee Member Compensation Committee Chair

Board meetings attended:
19/25 (76%)
Term of office: 2 years

Oct. 1980 Joined Heiwa Kyodo Accounting Office, Japan
May 1982 Joined Peat Marwick Mitchell & Co, New York Office
July 1990 Partner (Co-Chief Executive Officer), Peat Marwick Mitchell & Co.
July 1994 Director, CEO, KPMG Corporate Finance
Oct. 2002 Visiting Professor, Graduate School of Business Administration and School of Business Administration, Kobe University
Apr. 2004 Director, CEO, GCA
Aug. 2004 Director (Non-executive), Acologix Inc. (US)
Apr. 2005 Visiting Professor, Graduate School of Law, Hitotsubashi University
Apr. 2008 Visiting Professor, Chuo Graduate School of Strategic Management
Nov. 2008 Director (Non-executive), Ranbaxy Laboratories Ltd.
Dec. 2015 Director (Non-executive), Maruho Co., Ltd.
Sep. 2016 Director (Non-executive), Uny FamilyMart HD Co., Ltd.
Feb. 2022 Chair, Houlihan Lokey Corp.
June 2022 Director (Non-executive), Toshiba Corporation
June 2024 Director (Non-executive), JERA
June 2025 Outside Director, Daiichi Sankyo Co., Ltd. (current)
Mar. 2026 Outside Director, Sapporo Holdings Limited (current)
Apr. 2026 Honorary Advisor, Houlihan Lokey (current)



Reappointed Outside Independent

Director^{1,3}
David Crane

Board meetings attended:
22/22 (100%)
Term of office: 1 year

Nov. 1984 White & Case (US)
June 1991 Vice President, ABB Group Energy Ventures (Hong Kong)
June 1996 Senior Vice President, Lehman Brothers (US)
Mar. 2000 CEO and COO, International Power PLC (UK)
Dec. 2003 CEO, NRG Energy, Inc. (US)
Apr. 2016 Senior Operating Executive, Pegasus Capital Advisors (US)
Apr. 2020 Director (Non-executive), JERA
Sep. 2020 CEO (Non-executive), Climate Real Impact Solutions (US)
Jan. 2021 Director (Non-executive), Saudi Electricity Company (Saudi Arabia)
June 2021 Director (Non-executive), Climate Transition Capital Acquisition I.B.V.
Oct. 2021 Director (Non-executive), Tata Steel
Dec. 2021 Director (Non-executive), Heliogen Inc.
June 2023 Under Secretary for Infrastructure, United States Department of Energy
June 2025 Executive Chair, Board of Directors, Generate Capital, PBC (US) (current)
June 2025 Director (Non-executive), JERA
Mar. 2026 CEO, Generate Capital, PBC (US) (current)



Reappointed Outside Independent

Director^{1,3}
Shiro Kuniya

Board meetings attended:
20/22 (91%)
Term of office: 1 year

Apr. 1982 Registered with the Japan Federation of Bar Associations
Apr. 1982 Joined Oh-Ebashi LPC & Partners
Sep. 1986 Joined Morgan, Lewis & Bockius LLP (US)
Sep. 1986 Partner, Oh-Ebashi LPC & Partners
May 1987 Admitted to the New York State Bar, United States
June 1997 Audit & Supervisory Board Member, Sunstar Inc.
Aug. 2002 Representative Partner, Oh-Ebashi LPC & Partners
June 2006 Audit & Supervisory Board Member, Nidec Corporation
Mar. 2012 Member of the Board, NEXON Co., Ltd. (current)
June 2012 Member of the Board, Ebara Corporation
June 2013 Member of the Board, Sony Financial Holdings Inc.
June 2013 Audit & Supervisory Board Member, Takeda Pharmaceutical Company Limited
June 2016 Member of the Board, Takeda Pharmaceutical Company Limited
June 2021 Member of the Board, TOA Corporation (current)
Feb. 2023 Partner, Oh-Ebashi LPC & Partners (current)
June 2025 Director (Non-executive), JERA



Reappointed Outside

Director¹
Kazuhiro Nabeta

Nomination Committee Member Compensation Committee Member

Board meetings attended:
13/18 (72%)
Term of office: 2 years

Apr. 1986 Joined Chubu Electric Power Co., Inc.
July 2015 Executive Officer, General Manager of Electronics & Telecommunications Department, Chubu Electric Power Co., Inc.
Apr. 2016 Executive Officer, General Manager of Group Corporate Planning & Strategy Division, Chubu Electric Power Co., Inc.
Apr. 2018 Executive Officer, General Manager of Corporate Headquarters, Chubu Electric Power Co., Inc.
Apr. 2020 Senior Managing Executive Officer, General Manager of Research & Development Division, Chubu Electric Power Co., Inc.
Apr. 2023 Senior Managing Executive Officer, General Manager of Research & Development Division, CTO, CSO, Chubu Electric Power Co., Inc.
Apr. 2024 Executive Vice President, General Manager of Corporate Planning & Strategy Division and CIO, Chubu Electric Power Co., Inc.
June 2024 Director (Non-executive), JERA
June 2024 Director, Executive Vice President, General Manager of Corporate Planning & Strategy Division and CIO, Chubu Electric Power Co., Inc.
Apr. 2026 Director, Executive Vice President, General Manager of Corporate Planning & Strategy Division, Chubu Electric Power Co., Inc. (current)

Corporate Auditors



Reappointed Outside

Director¹
Daisuke Sakai

Nomination Committee Member Compensation Committee Member

Board meetings attended:
18/18 (100%)
Term of office: 3 years

Apr. 1994 Joined Tokyo Electric Power Co., Inc.
Apr. 2016 General Manager, Business Planning Office, TEPCO Fuel & Power, Inc.
Apr. 2019 President, TEPCO Logistics Co., Ltd.
Apr. 2021 General Manager, Corporate Planning Office, Corporate Management & Planning Unit, TEPCO Holdings, Inc.
Apr. 2022 Managing Executive Officer
Jointly in charge of Corporate Planning and Business Development and Alliances, TEPCO Holdings, Inc.
President, TEPCO Fuel & Power, Inc. (current)
Apr. 2023 Executive Vice President, TEPCO Holdings, Inc.
Jointly in charge of Corporate Planning
June 2023 Director (Non-executive), JERA
June 2023 Representative Executive Vice President, TEPCO Holdings, Inc.
Jointly in charge of Corporate Planning
Apr. 2026 Representative Executive Vice President, Alliance CEO
Jointly in charge of Corporate Planning, TEPCO Holdings, Inc. (current)



Reappointed Outside Independent

Corporate Auditor^{2,4}
Hideo Oishi

Board meetings attended:
25/25 (100%)
Auditor panel meetings attended:
25/27 (93%)
Term of office: 7 years

Apr. 1985 Joined the Japan Development Bank (now the Development Bank of Japan Inc.)
June 2015 Member of the Board of Directors and Managing Executive Officer, the Development Bank of Japan Inc. (until June 2018)
June 2016 Executive Director, Research Institute of Capital Formation at Development Bank of Japan Inc.
Apr. 2019 Corporate Auditor, JERA



Corporate Auditors
Shuichi Kimura

Board meetings attended:
25/25 (100%)
Auditor panel meetings attended:
27/27 (100%)
Term of office: 3 years

Apr. 1991 Joined Chubu Electric Power Co., Inc.
Apr. 2018 General Manager, Maintenance Group, Thermal Power Generation Business in the Power Generation Company, Chubu Electric Power Co., Inc.
Apr. 2019 General Manager, Kawasaki Thermal Power Station, O&M Department, JERA
Apr. 2021 General Manager, Nuclear Safety Research & Development Center, Research & Development Division, Chubu Electric Power Co., Inc. (seconded from the O&M Engineering Group, JERA)
Apr. 2023 Senior Supervisor, Auditor's Section, JERA
June 2023 Corporate Auditor, JERA



Outside

Corporate Auditor²
Masahiro Onodera

Board meetings attended:
25/25 (100%)
Auditor panel meetings attended:
21/21 (100%)
Term of office: 2 years

Apr. 1986 Joined Tokyo Electric Power Co., Inc.
Sep. 2012 Secretariat of Corporate Management Reform Division and Secretariat of the Nuclear Reform Special Task Force, Tokyo Electric Power Co., Inc.
June 2013 General Manager of Nuclear Fuel Cycle Department, Nuclear Power & Plant Siting Division, and Secretariat of the Nuclear Reform Special Task Force, Tokyo Electric Power Co., Inc.
June 2017 General Manager of Resource Aggregation Office, TEPCO Research Institute, and Secretariat of the Nuclear Reform Special Task Force, Nuclear Reform Unit, Tokyo Electric Power Co., Inc.
Feb. 2018 Nuclear Power & Plant Siting Division, TEPCO Holdings, Inc. (seconded to Nuclear Fuel Transport Company, Ltd.)
June 2018 Corporate Auditor, Nuclear Fuel Transport Company, Ltd.
June 2024 Corporate Auditor, JERA

1 Outside Director as defined in Article 2, Item 15 of the Companies Act. 2 Outside Corporate Auditor as defined in Article 2, Item 16 of the Companies Act. 3 Independent Outside Director under JERA's Independence Criteria. 4 Independent Outside Corporate Auditor under JERA's Independence Criteria.

Messages from the Outside Directors

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Daisuke Sakai

Ideal Governance Based on Discussions at the JERA Board of Directors and the Nomination and Compensation Committees

Joseph M. Naylor
Independent Outside Director, JERA Co., Inc.



As part of its corporate governance process, JERA's Board of Directors has a Nomination Committee and a Remuneration Committee. These committees each have unique and important responsibilities, including: assessing the performance of the Global CEO and CEO/COO; ensuring the incentives in the compensation system are aligned with the business plan, the mission and vision, and shareholders' expectations; and developing and executing robust succession plans for key executives and Board members.

In FY2025, two outside directors were added to these committees (Watanabe-san and me) to further enhance the transparency and fairness. We have been able to bring a different perspective to the Committees' discussions, based upon our experiences working at other multinational companies. For example, as JERA grows more and more into a truly international company, it is evolving the personnel system for its top executives and Board members to ensure we are able to attract the best talent from around the world, retain our key executives and Board members, and incentivize them to perform at their best. We have been able to apply our experiences to assist in shaping this new personnel system.

People, Company Culture and Digital Transformation Will Drive JERA's Next Phase of Global Growth.

Miyuki Suzuki
Independent Outside Director, JERA Co., Inc.



I am proud to have served on JERA's board for the past 5 years. In that time, I have witnessed extraordinary progress as the company lays a strong strategic foundation for future decades. The company continues to deliver on its stated goal of providing stable, affordable power, with an emphasis on safety, in what is often an uncertain economic and political environment. It has mapped out a path towards net zero CO₂ emissions through innovation and partnerships. It is taking bold measures to build diversity and resilience into its end-to-end supply chain. JERA is increasingly being recognized as an indispensable player, and a valued contributor to global energy markets.

None of these achievements would be possible without JERA's people, taking pride in their mission, and executing their responsibilities with accountability. JERA has been working to build a unique culture of respect, collaboration and open communication as well as harnessing the power of diversity. As AI pervades more deeply into every aspect of industry, JERA is taking steps to integrate digitization into power plant operations, risk management, and financial modelling, while recognizing the need to be ultra-vigilant with regards to cybersecurity. As a director, I would like to bring my experience, not just in IT but in running global organizations to support JERA's sustainable, future growth.

Optimization Capability and Risk Management in an Era of Volatility

John Rittenhouse

Independent Outside Director, JERA Co., Inc.



Volatility has become a structural condition of the energy business, not a temporary disruption. For JERA, optimization capability is central to value creation: integrating fuel procurement, transportation, power generation and customer demand to secure reliable supply while capturing opportunities created by market movement. Through JERA Global Markets, the Group combines physical fuel flows with trading expertise across LNG, coal and shipping, enabling flexible management of contract volumes and destinations and disciplined use of financial instruments to improve shareholder returns. This capability is increasingly important as geopolitical tensions, resource-price swings and fuel-procurement uncertainty affect the operating environment.

At the same time, optimization must be supported by robust risk management. JERA identifies market, policy, investment, compliance, cyber security and geopolitical risks, and manages them through cross-organizational processes, Risk Management Committee oversight, and reporting to senior management and the Board.

My background as former Chief Executive of EDF Trading, a leading global trading and optimization business, gives me the experience and perspective to provide effective Board oversight of both the optimization and risk management functions of JERA. This oversight enables JERA to respond flexibly to volatility, protect stable energy supply and pursue medium- to long-term corporate value.

Decarbonization and the Energy Trilemma

Lim Hwee Hua

Independent Outside Director, JERA Co., Inc.



JERA continues to explore the different ways of riding the energy transition towards a net zero goal. From renewable energy sources such as wind and solar farms, JERA is weighing the different options whilst ensuring that there is sufficient energy being generated by thermal power generation. This is admittedly a difficult balance to strike.

At the same time, demand from Data Centers (DCs), driven by increasing Artificial Intelligence usage continues to spike, making it a challenge as such DCs typically consume large amounts of energy. From substituting coal plants with ammonia, JERA remains purposeful about its objective – to reduce overall emissions. JERA will also explore substituting LNG plants with hydrogen. JERA continues to diversify its sources of LNG – from US to Australia to countries within ASEAN. It also seeks to manage LNG prices to allow for some semblance of stability. Likewise, for coal, there's also a diversification of supply.

My role as an independent director is therefore one of ensuring that the net zero strategy is being accomplished. While the global decarbonization landscape is undergoing significant transformation, I'll discuss with fellow directors how to resolve the challenges. The board currently enjoys a broad diversity of experiences covering different regions and persons with diverse backgrounds- legal, knowledge of underlying operation of thermal plants, technology and public sector expertise.

The People Driving JERA's Growth: The Front Lines and Leadership Team

Akihiro Watanabe

Outside Director, JERA Co., Inc.



Back when I was Chair of the Board at Toshiba, before joining JERA's Board, I visited the construction site of the Goi Thermal Power Station. A member of the site team put a tough question to me: "We have continued working on-site every day for JERA without a single day off, even during the COVID-19 pandemic. Doesn't it seem strange that headquarters staff are working from home?" These words reinforced my appreciation of the weight and responsibility borne by those on the front lines. From that day on, I began attending board meetings in work clothes. After joining JERA's Board, I later visited the completed Goi Thermal Power Station. I was reminded of that exchange and felt a sense of nostalgia.

The driving force behind JERA's sustainable growth lies in those on the front lines, who support one of the world's largest energy businesses. And it is the role of management leadership that brings out their full potential. The front lines and leadership are like the two wheels of a car. Whenever I attend board meetings, I make a conscious effort never to forget my utmost respect and gratitude for both those on the front lines and the management team. I believe that JERA's continued growth and enhanced corporate value depend on the front lines and management each fulfilling their respective roles and trusting one another.

Energy Security Amid Geopolitical Shifts and JERA's Global Growth

David Crane

Independent Outside Director, JERA Co., Inc.



Geopolitical conflict, somewhere, has been a near constant feature of modern times but this year's conflicts between the US and Iran and Russia and Ukraine represent the first time in many decades that military force has been deployed specifically to disrupt and constrain the global energy trade. Unfortunately, it is unlikely to be the last time. This regrettable development is going to have a profound impact on growth of the global economy and energy security of Japan and other nations dependent on energy imports.

For JERA, the uncertain risks, the potential rewards and the fundamental responsibilities associated with the current geopolitical situation are enormous. Fortunately, these risks, rewards and responsibilities are well understood by the Company, its leadership and its committed and deeply experienced staff. First and foremost, JERA is committed to use its considerable resources to serve the energy needs of its customers in Japan. Second, JERA as the largest global player in the world LNG trade, will deploy its international assets to achieve energy security through geographic diversification of supply. And finally, JERA will leverage its unrivaled market knowledge during these uncertain times to achieve risk-adjusted returns on its deployed capital that pertain its cost of capital.

JERA was built for this moment.

Compliance and Effective Oversight Essential for a Growing Company

Shiro Kuniya

Independent Outside Director, JERA Co., Inc.



From the publication “JERA THE FIRST DECADE” issued in March 2026, I can feel everyone’s passion for ensuring a stable energy supply and driving growth. JERA’s businesses are subject to numerous regulations, and as a key player in the energy sector that underpins society, the Company is under close public scrutiny.

As a lawyer, I have dealt with investments, M&A transactions, dispute resolution, and corporate misconduct matters across different industries including electricity, chemicals, automotive, IT, and pharmaceuticals. I have witnessed firsthand how companies find themselves in a difficult position after losing public trust due to compliance violations. There are quite a few companies that have suffered significant damage due to declining sales and profits, as well as employee turnover.

While risk-taking is essential for corporate growth, no sustainable growth can be achieved without compliance.

JERA has continued to deliver on society’s expectations by staying true to its Mission, Vision and Core Values and taking a proactive approach to every challenge, but it is important that we feel free to share our opinions with one another without hesitation. This also contributes to compliance.

For JERA to grow further, we must once again reaffirm our commitment to compliance.

Ensuring Stable Supply in Japan Through Stronger Technology and Business Foundation

Kazuhiro Nabeta

Outside Director, JERA Co., Inc.



“8,760 hours.” This number reminds me of a conversation I had with my manager early in my career, when I was asked how many hours there were in a year. I first came to appreciate what the power business is about: delivering electricity without interruption, and the importance and unique responsibility of ensuring a stable supply.

A stable supply of electricity is sustained by the strong sense of mission of those on the front lines who ensure reliable operation not only in normal times but also during emergencies including typhoons and earthquakes, by strong teamwork, and by relentless efforts to improve our technical excellence and quality. While electricity demand is expected to rise in Japan, it is important not only to develop new power sources but also to secure capacity by extending the service life of existing facilities.

The Company also aims to leverage the vast amount of operational data accumulated, together with AI technologies, to further advance and realize more sophisticated equipment degradation assessment, failure prediction, and service life diagnostics. To support people’s daily lives and industries, the Company is committed to ensuring an uninterrupted supply of electricity through an integrated approach ranging from long-term planning to day-of delivery operations. In other words, the JERA Group will work as one, from securing fuel to generating and selling electricity, to contribute to the stable supply of electricity.

JERA’s Autonomous Management and Enhancement of Corporate Value from a Shareholder Perspective

Daisuke Sakai

Outside Director, JERA Co., Inc.



JERA was established with the goal of becoming a truly global energy enterprise. Achieving this requires a new energy business model, an independent corporate culture, and a robust financial foundation, alongside autonomous business operations and agile decision-making. From a shareholder’s perspective, the critical factors for success lie in JERA’s contribution to a stable domestic energy supply and the enhancement of shareholder value through the continuous growth of JERA’s corporate value.

Under its autonomous management, JERA has strengthened and expanded its value chain by investing in the North American upstream business, enhancing its trading capabilities, and supporting growing digital demand driven by data centers and other factors. Through these efforts, JERA has made a significant contribution to ensuring the stable supply of electricity in Japan. Furthermore, in the renewable energy sector, JERA continues to lead the transition toward a decarbonized society through initiatives in offshore wind power and the shift to hydrogen and ammonia.

I believe that JERA and its shareholders are ideal business partners, and that the essence of our relationship lies in enhancing mutual value through healthy competition and collaboration. I look forward to sustaining this strong relationship and continuing to create value for society.



Fundamental Approach

JERA believes that accurately identifying the risks associated with our corporate activities and minimizing losses when crises occur are essential to enhancing corporate value and fulfilling our social responsibility to stakeholders. Based on this belief, we strive to maintain a highly effective risk management framework.

Potential risks that could have a significant impact on our business activities include market risks, such as fluctuations in commodity prices, foreign exchange rates, and interest rates; changes in government policies, particularly those related to energy and environmental policies; increases in labor costs and prices of materials and equipment; quality control issues related to fuel properties; damage to facilities caused by operational accidents or natural disasters; business investment risks, including project suspensions and construction delays; compliance risks; reputation risks; and impacts on power plant control systems resulting from cyberattacks, malware infections, and other cyber threats.

We must also respond appropriately to geopolitical risks arising from heightened political and social tensions between countries and regions, such as the prolonged Russian invasion of Ukraine and the conflicts in the Middle East, in the same manner as we manage country risks associated with political instability and other factors in specific countries.

The JERA Group will continue to enhance our risk management to fulfill our social responsibility as an energy company that supports social infrastructure.

Risk Management System

To fulfill our responsibilities as an energy company, including ensuring a stable supply of energy, we have established an effective risk management system under the leadership of the President, Director, CEO and COO (the President in this section), who serves as the chief officer responsible for risk management. Under normal circumstances, risks arising from our business activities are managed by the divisions responsible for the relevant operations as part of their day-to-day business execution. When the risk affects multiple divisions, we manage it appropriately in a cross-organizational manner. In the event of a crisis, we establish

CRO Message

As we strengthen our risk management framework, we will continue to foster a strong risk management mindset and culture across the Group.

Against a backdrop of increasingly dynamic energy markets and heightened geopolitical risks, the business landscape surrounding JERA has become more uncertain than ever. As our business continues to grow in both sophistication and diversity, it has become increasingly important to take a cross-organizational view of risk across the Group and ensure that risk considerations are appropriately reflected in management decision-making. To address these challenges, we established the position of Chief Risk Officer (CRO) and a dedicated Risk Control Division in April 2026, further strengthening our Group-wide risk management function.

Through ongoing dialogue with business divisions and specialized committees, including the Investment Evaluation Committee, the Risk Control Division helps visualize key risk assumptions and potential impacts, supporting higher-quality management decision-making. At the same time, we are strengthening our capabilities to manage market and credit risks, while enhancing our initial response capabilities when risks materialize. Taking a portfolio-wise perspective, we also support strategic resource allocation and appropriate risk-taking based on a comprehensive understanding of risk across the Group. By recognizing risk not only as something to be managed but also as a potential source of value creation, we aim to contribute to the Group's sustainable growth and the enhancement of corporate value.



Kazunori Kasai
Director, Senior Managing
Executive Officer
Chief Risk Officer (CRO)

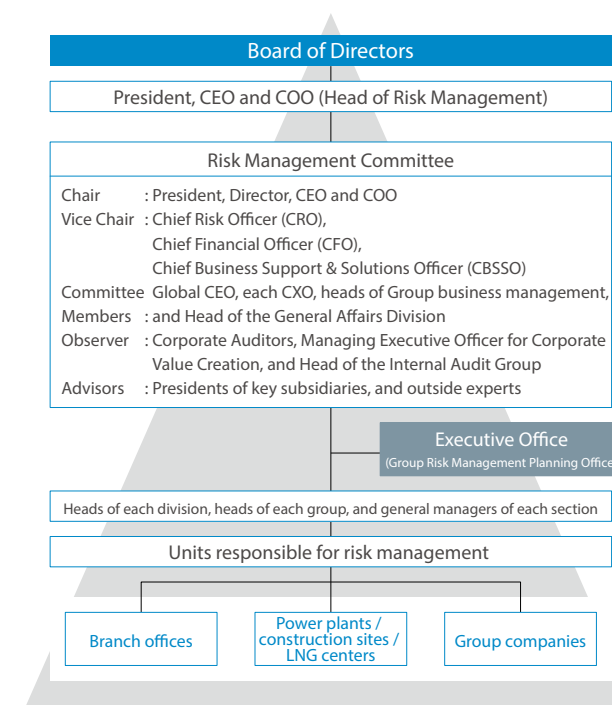
an emergency task force led by the President to respond swiftly and appropriately to minimize the impact on our business.

In addition, the Group Risk Governance Planning Section, which serves as JERA's central risk management function, is organizationally and structurally independent from the business divisions, ensuring appropriate independence and oversight across the organization. The Risk Management Committee, chaired by the President, meets quarterly to monitor risks appropriately (see the Risk Management Structure). The Committee members include the CXOs responsible for each division, corporate auditors, and representatives from the Internal Audit Group, among others. In particular, we strive to prevent risks from materializing by reporting on our policies and specific measures for handling risks that could significantly impact our business. In the event that a risk does materialize, the necessary reports on the response measures and outcomes are provided on a quarterly basis, as necessary.

The matters discussed by the Risk Management Committee are reported to the Board of Directors and other relevant management bodies in a timely manner. For newly appointed outside directors, we provide an overview of our risk management framework and methods, and their views are incorporated through discussions and exchanges of opinions.

Risk Management Structure

(As of July 31, 2026)



Effective Risk Management

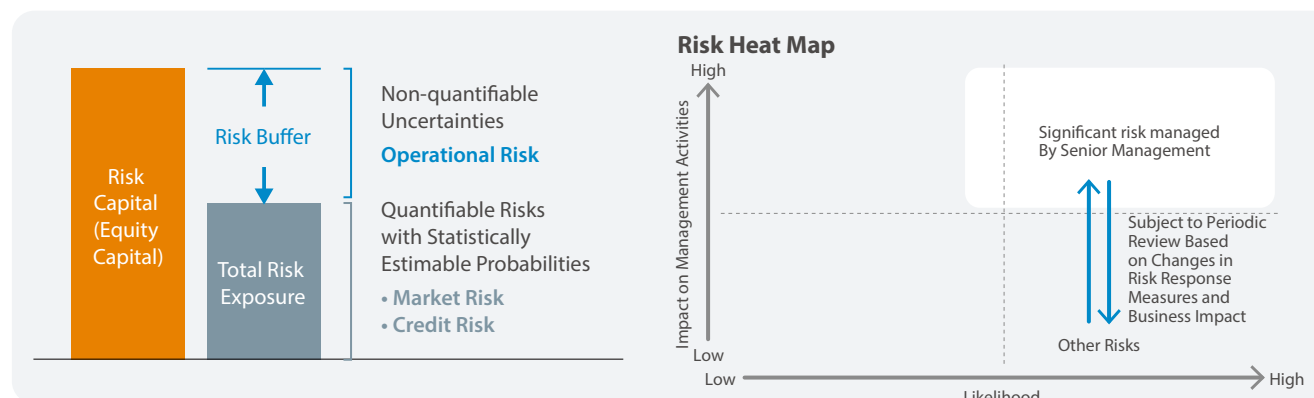
Our risk management framework is based on three key elements: integrated risk management, financial soundness assessment, and individual investment evaluation, which together support effective risk management.

Integrated Risk Management

Under our integrated risk management approach, risks are defined and classified into three categories: operational risk, market risk, and credit risk. We quantify our integrated risk exposure based on market risk and credit risk, and calculate the difference between integrated risk exposure and risk capital as the risk buffer.

We maintain the risk buffer at an appropriate level, taking into account operational risk as a form of uncertainty for which the probability of occurrence cannot be quantified.

Operational risk is managed using a risk map that plots impact on management activities against the frequency of occurrence. Depending on the nature and characteristics of each risk, the relevant business divisions work closely with the Risk Control Division to determine appropriate responses,



including risk retention, mitigation, and transfer.

Among operational risks, those that are assessed as having both a high impact on management activities and a high frequency of occurrence are identified as significant management risks. The Risk Management Committee, the Leadership Panel, and the Board of Directors meet quarterly to discuss the integrated risk exposure and, in particular, the policies and specific measures to address these significant risks. The next page outlines major risks that could affect the Group's performance and financial position, reflecting the significant risks.

Financial Soundness Assessment

In our financial soundness assessment, we use rating agency methodologies as part of the business planning process to assess our long-term credit rating outlook and manage our balance sheet with the aim of maintaining an A rating through FY2035.

Individual Investment Evaluation

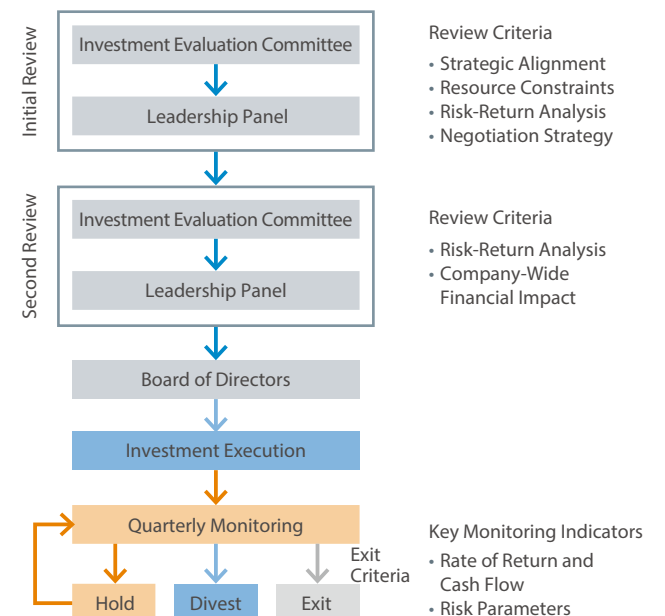
For individual investment evaluations, we first confirm alignment of our investment strategies for each business area.

We then conduct reviews through the Investment Evaluation Committee and other review bodies, which include members with experience in investment assessment at financial institutions and other organizations, to ensure the long-term investment viability of each project.

In addition, we appropriately evaluate and manage risks by engaging in regular monitoring and establishing exit criteria.

In conducting risk-return analyses, we utilize more than 200 guideline rates established for each strategic target country and business.

Investment Evaluation Process



Risk Management

Principal Risks of the Group

The principal risks that could affect the Group's business performance and financial condition are set out below.

Risk Categories	Description	Risk Mitigation Measures
(1) Risks related to shareholder relationships		
① Capital relationships with shareholders	• Differences of opinion among shareholders	• Enhancement of communication through three-company discussions and other forums
② Transactions with shareholder group companies	• Changes in contracts or transaction terms	• FY2026 contracts have been concluded; in-year matters handled through ongoing discussions
(2) Risks related to the external environment		
① Economic and weather conditions	• Impact of economic trends and temperature fluctuations on electricity sales volume	• Continuous monitoring of economic trends • Operational adjustments such as increased output and maintenance scheduling at power plants
② Fuel price fluctuations	• Impact of market price and exchange rate fluctuations on fuel costs	• Reflection of market fluctuations in fuel procurement with major clients
③ Changes in the competitive environment	• Increasing complexity in energy supply and demand forecasts • Acceleration of policy discussions on GX-ETS introduction • Progress in nuclear restarts and renewable energy expansion	• Maintaining a competitive and flexible fuel procurement portfolio • Promotion of lower-carbon thermal power generation using hydrogen and ammonia, and improving efficiency by replacing aging facilities
④ Transition to a decarbonized society	• Introduction and strengthening of legal and regulatory frameworks	• Replacement of aged facilities with cutting-edge, high-efficiency alternatives in order to avoid stranded, unprofitable thermal power assets
⑤ Exchange rate fluctuations	• Risk of decrease in equity due to yen appreciation (foreign currency translation adjustment risk)	• Partial risk mitigation through foreign currency-denominated liabilities
⑥ Interest rate fluctuations	• Risk of increased interest expenses	• Procurement of the majority of interest-bearing liabilities at fixed interest rates
(3) Risks related to business activities		
① Fuel business	Cross-Business Risks • Changes in the business environment (e.g., rising labor and material costs)	Cross-Business Risks • Strict pre-investment screening, post-investment monitoring, and defined exit criteria
② Overseas power generation and renewable energy business	Fuel Business • Price fluctuations and credit risks • Risks from policy changes in investment destination countries Overseas Power Generation and Renewable Energy Business • Supply chain disruptions	Fuel Business • Establishment of risk limits and monitoring of compliance to address price fluctuation and credit risks • Pursuit of a stable business environment via the Japanese government and local partners to mitigate policy change risks
③ Domestic thermal power generation and gas business	Domestic Thermal Power Generation and Gas Business • Changes in demand, market conditions, and regulations	Overseas Power Generation and Renewable Energy Business • Development of a globally integrated, locally responsive system, safe and efficient asset management, and effective management of platform investments Domestic Thermal Power Generation and Gas Business • Building a diversified and resilient sales portfolio through a combination of over-the-counter trading and market transactions
④ Natural disasters, accidents, and unexpected events	• Natural disasters, equipment-related accidents, terrorism, war, and civil unrest	• Formation and maintenance of optimal facilities; ensuring disaster resilience
(4) Other risks		
① Compliance	• Incidents of legal violations or unethical corporate conduct	• Initiatives to embed corporate ethics in business operations
② Information management	• Risk of information security breaches	• Rigorous management of information through refinement of internal rules and employee training

Note: The above table is based on disclosures contained in our Annual Securities Report for Fiscal Year 11.

Business Continuity Management (BCM)

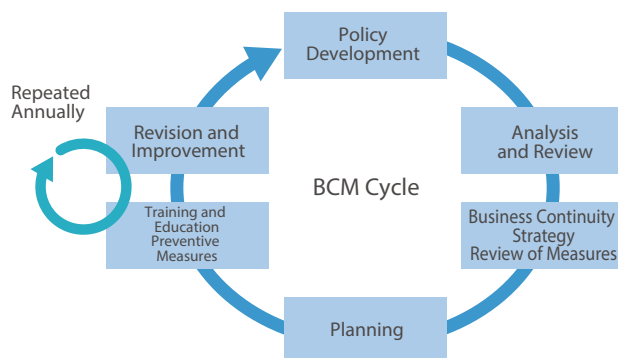
To prevent disruptions to, or enable the rapid recovery of, our Group's critical operations in the event of major risks such as natural disasters or infectious disease outbreaks, ongoing preparedness activities are essential. Therefore, in compliance with legal requirements, we have established a Disaster Prevention Operations Plan, an Operations Plan for the Protection of Citizens, and an Operations Plan for Measures against Novel Influenza and Other Emerging Infectious Diseases. We have also established a business continuity management (BCM) framework based on international standards.

Strategic Activities Based on the BCM Policy

We have established the following basic policy for BCM:

- In the event of any disaster or risk event, we will place the highest priority on the safety and security of people and ensure public safety in compliance with laws and regulations.
- In order to fulfill our responsibility as an energy provider supporting the social infrastructure in Japan, we will contribute to society and local communities by quickly restoring operations and continuing our core business of supplying them with electricity and gas.

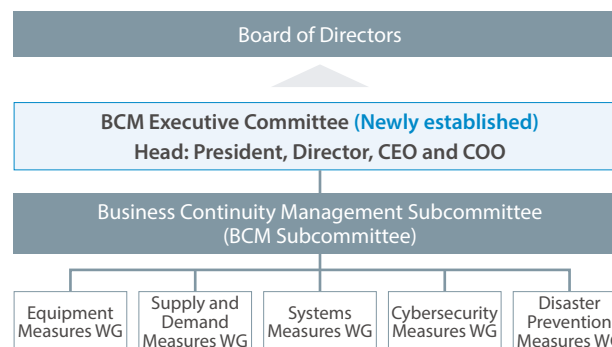
Under this basic policy, we formulate a BCM promotion plan each fiscal year and continuously carry out BCM activities, including training, proactive measures, and education, to strengthen our response capabilities.



BCM Promotion System

In promoting BCM activities, we have established a BCM Subcommittee and specialized working groups (WGs) to formulate training plans and monitor the progress of proactive measures.

Beginning in FY2025, we also established the BCM Executive Committee as a forum for senior management to deliberate on and decide key company-wide BCM matters, with the aim of improving BCM effectiveness.



FY2025 Initiatives

In FY2025, we focused on strengthening response capabilities to enhance BCM effectiveness.

As a proactive measure, we worked to enhance our disaster response based on issues identified in the previous fiscal year's training. This included strengthening the emergency response headquarters' operational capabilities and communications during power outages, strengthening communication and coordination systems, and response protocols for tsunami warnings. In BCP training, we conducted training under more stringent conditions, including complex scenarios combining natural disasters and power plant incidents, as well as large-scale infrastructure failures. These exercises helped identify challenges and further strengthen our response capabilities.

These initiatives were discussed at the BCM Executive Committee (held five times in total), where response policies were reviewed, approved, and deployed company-wide.

Featured

Key Topics Discussed at the BCM Executive Committee

- Addressing issues identified in the previous fiscal year's training
 - ➔ Securing backup power for the emergency response headquarters and expanding satellite communications
- Improvements based on the tsunami response
 - ➔ Clarifying the response system and establishing internal rules
- Training policy simulating cyber incidents and area-wide blackouts
 - ➔ Clarifying advance preparations and items to be verified during training
- Reassessment of impacts on facilities
 - ➔ Responding to revisions to the government's Nankai Trough earthquake damage estimates

Enhancing Training and Further Improving BCM Effectiveness

In BCP training, we assumed unprecedentedly severe conditions, such as an earthquake-triggered blackout across the Greater Tokyo area. We reviewed the full response sequence, from situation assessment to coordination with grid operators to restore power quickly. We will strengthen coordination during normal times to further enhance the effectiveness of our response.



This fiscal year, we are also advancing measures to address widespread volcanic ashfall from a possible eruption of Mount Fuji. We are participating in a council led by the national government and the Tokyo Metropolitan Government on widespread ashfall countermeasures across the Greater Tokyo area.

Third-party Assessment of BCM

In July 2023, we obtained resilience certification for our business continuity initiatives following a rigorous review by external experts.



Fundamental Approach

At JERA, our mission is to provide cutting-edge solutions to the world's energy issues.

Information technology is indispensable to achieving this mission. To protect our information assets and ensure the security of our transactions, we have established the JERA Group Basic Policy on Information Security.

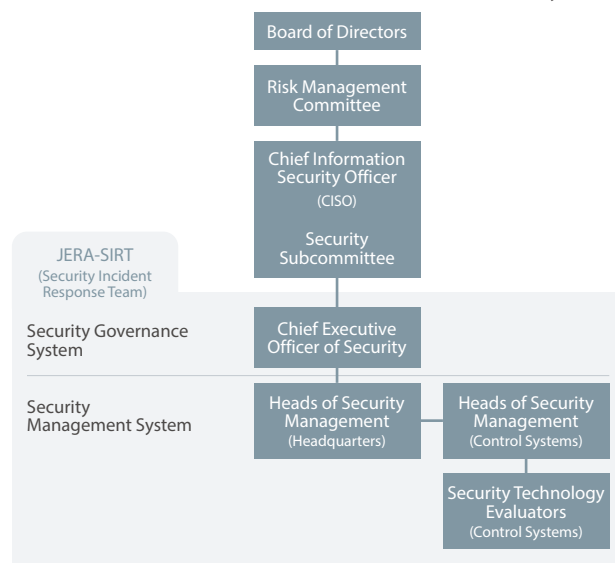
 **JERA Group Basic Policy on Information Security**
<https://www.jera.co.jp/en/security>

Cybersecurity Management System

To strengthen cybersecurity, we have established a framework for managing cybersecurity risks under the responsibility of senior management and our Chief Information Security Officer (CISO).

The Security Subcommittee, headed by the CISO, has been established to promote cybersecurity activities during normal

Cybersecurity Management Structure (As of July 1, 2026)



operations in coordination with the Risk Management Committee, which oversees the entire risk management structure.

Moreover, we have established security management functions and the Security Incident Response Team (JERA-SIRT) to assist the CISO and management in overseeing cross-organizational security measures and incident response.

Enhancing Information Security Measures

The scope of the JERA Group Basic Policy on Information Security applies to all personnel engaged in our operations, as well as all assets, facilities and environments used in the course of business. To safeguard and manage information assets, we carry out periodic vulnerability assessments, and implement centralized vulnerability management, while also bolstering security measures against cyberattacks and related threats.

In FY2025, there were no material incidents related to information security or the protection of personal information.

We provide ongoing education and training for all employees who handle information assets to enhance information security awareness and improve their information security capabilities. Through these efforts, we strive to ensure full compliance with our policies as well as applicable laws and regulations.

Furthermore, we strengthen information security across our domestic and overseas group companies by conducting risk assessments, implementing training, and promoting other initiatives aligned with the Cybersecurity Management Guidelines issued by Japan's Ministry of Economy, Trade and Industry (METI).

Education and Training on Information Security (FY2025)

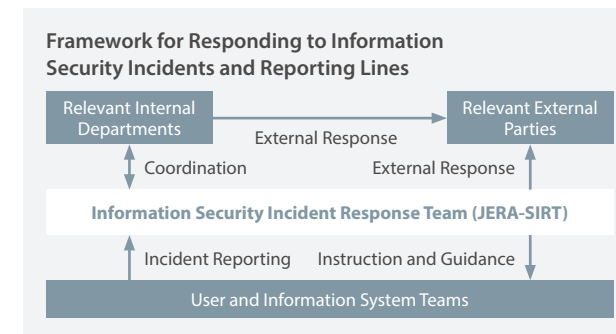
Security Education

Participants: 6,620 (including officers, employees, and contracted staff)
 Frequency: Once a year
 Method: e-learning

Targeted Email Attack Training

Participants: 6,482 (including officers, employees, and contracted staff)
 Frequency: Twice a year
 Method: Email

Framework for Responding to Information Security Incidents



JERA has obtained and maintains Information Security Management System (ISMS) certification for our group company, JERA Cross Co., Inc., and continues to enhance security.

At JERA, we have formulated a roadmap of future security initiatives, including a plan to establish a global security infrastructure to improve information security across the entire group.

In addition, to promote operational efficiency through the use of secured generative AI, we established the JERA AI Usage Guidelines, which define security requirements and usage protocols. These guidelines have been communicated to all officers and employees.

Strengthening Cyberattack Responses

In light of the increasing number of cyberattacks in recent years, we have continued to conduct recovery and communication drills based on scenarios involving cyberattacks on power plants.

We are identifying critical systems and reassessing their impact to develop a business continuity plan if a system failure suspends critical operations. Additionally, in FY2025, we revised our cyberattack recovery and response policies and conducted cyber incident response exercises.

Establishing Strong Governance

Upholding Rigorous Compliance Standards

JERA's Fundamental Approach to Promoting Compliance

Defining Our Compliance Vision and Advancing Compliance in Accordance with Our Corporate Culture

The JERA Group, with approval from the Board of Directors, has established and announced our Corporate Compliance Policy, which serves as the foundation for achieving our Corporate Philosophy and sets forth compliance-related obligations for all officers and employees. As a company that owns and operates an entire value chain from upstream fuel development and procurement to power generation and wholesale electricity and gas sales, we have a responsibility to address a range of compliance challenges. To accomplish this, we have defined JERA's compliance vision and strengthened our "Three Lines of Defense Framework".

Under this framework, the first line of defense (business divisions) identifies and assesses operational risks, formulates and implements risk mitigation plans, and evaluates their own results. The second line of defense (corporate divisions) provides a risk management platform and monitors the activities of the first line of defense. Furthermore, the third line of defense (the Internal Audit Group) performs audits to determine whether the overall framework of the first and second lines is functioning effectively.

Through these efforts, we aim to reduce compliance-related risks.

to be	Discipline and autonomy	- Each division and affiliated company autonomously promotes compliance activities under our group-wide Corporate Compliance Policy - Discipline is based on societal and stakeholder expectations, rather than solely internal viewpoints
	From reactive to proactive risk management	- Risk areas are analyzed and identified to enable the implementation of proactive, balanced measures before any incidents occur - Compliance risk management is strengthened during normal operations in order to help minimize the impact of compliance violations during emergencies
	Fostering a corporate culture where people can speak up	- Efforts are made to foster and strengthen a corporate culture where employees can voice any concerns they may have - Initiatives are reinforced to incentivize compliance activities

Compliance Promotion System

Facilitating Autonomous Compliance Efforts by Assigning Compliance Managers, Under the Compliance Committee, to Each Organization and Office

JERA's Compliance Committee was established to review and decide on various compliance-related measures. The committee meets at least twice a year.

In addition, each organization and office is assigned a compliance manager and compliance promotion staff.

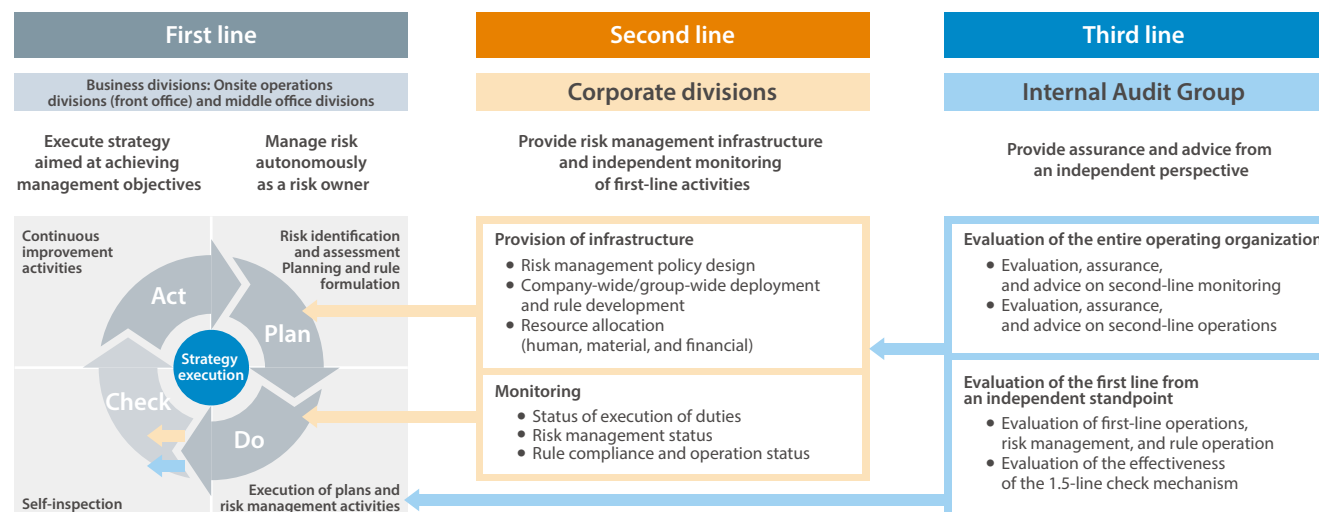
In this way, we strive to maintain a compliance promotion system that extends from management to all employees.

Compliance Education and Training

Compliance Promotion Activities Aimed at Fostering a Culture Where Employees Can Voice Concerns

The feedback of Compliance Committee members and employees is reflected in our compliance-related education and training.

Three Lines of Defense Framework



For example, we distribute compliance messages from executives to all employees every month. We also utilize various channels to disseminate information effectively.

In October 2025, which was designated as Compliance Promotion Month, we disseminated messages from compliance promotion staff, conducted e-learning based training as well as dialogues and discussions in various workplaces, and asked employees to share their own workplace's best practices, which were then posted on our intranet, with awards for the most exceptional examples.

In FY2026, we continue to implement measures to proactively address risks, and to further enhance education and training to foster a culture where employees can make their voices heard.

Establishing Strong Governance

Upholding Rigorous Compliance Standards

Key Compliance Challenges

Measures Focused on Fair, Equitable Trade and Corruption Prevention

The JERA Group conducts its business activities in compliance with domestic and international laws, upholds the principles of free trade and market competition, and is committed to equitable and fair trade with stakeholders. We also build and maintain fair and transparent relationships with political and administrative entities in each country and region, while developing appropriate business activities globally.

Prioritizing Compliance with the Electricity Business Act

We give top priority to compliance with competition laws and Japan's Electricity Business Act, including adherence to the Guidelines for Proper Electric Power Trade and ensuring nondiscrimination between internal and external power recipients.

Focused Countermeasures on Bribery Risks

To proactively prevent bribery of domestic and foreign public officials, we enforce compliance with internal rules that prohibit all forms of bribery. Violations are subject to disciplinary action under our employment rules, and we conduct monitoring and supervision to this end. In March 2026, we launched a system to manage the necessary procedures for compliance with our anti-bribery rules.

In addition to conducting e-learning on bribery prevention, we carry out due diligence aimed at preventing corruption by our business partners, focusing on transactions and M&A in countries and regions with high corruption indices.

Mutually Beneficial Relationships with Stakeholders

We are committed to responsible procurement with due consideration for corporate social responsibility (CSR) and environmental, social, and corporate governance (ESG), including quality assurance, appropriate procurement cost management, compliance with laws and corporate ethics, safety

assurance, and business continuity planning (BCP).

In December 2025, we established a consultation service for matters related to procurement compliance, which responds to inquiries from suppliers regarding transactions.

Following the revision of the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises and the template for the Declaration of Partnership Building in January 2026, we issued our Declaration of Partnership Building in April of the same year, committing to coexistence and mutual prosperity throughout the supply chain, as well as to new forms of collaboration that transcend scale and affiliation.

As part of our efforts to prevent cartels and bid-rigging with competitors, we enforce compliance with our internal rules on contact with competitors. In March 2026, we began operating a system to manage the procedures required under these rules.

Whistleblower System

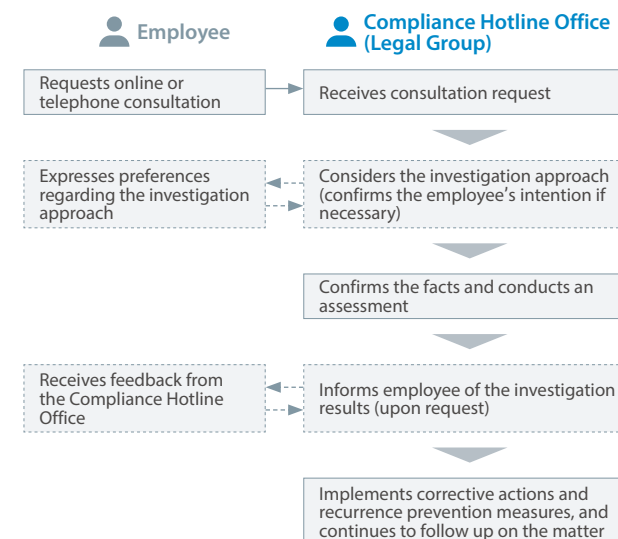
A Whistleblower System to Foster a Culture Where Employees Can Speak Up

We have established a whistleblower hotline (the Compliance Hotline) to prevent compliance violations and quickly detect and resolve any violations that do arise.

Our internal whistleblower rules stipulate that reports can be made anonymously, that the whistleblower's identity and the content of the report shall be kept confidential, that retaliation or any disadvantageous treatment is strictly prohibited, and that both internal and external hotlines shall be available. We also conduct e-learning programs on whistleblowing for all employees.

In addition to the whistleblower hotline, we have also established a harassment hotline, a working hours consultation hotline, Anzen Post (a suggestion box for matters related to safety), and a procurement consultation service. We have established various contact points to broadly address compliance issues, and we are working to improve our workplaces by fostering a culture where employees can speak up and by responding with care to each issue that is raised.

Whistleblowing Process



Major Points of Contact for Consultation

Compliance Hotline	Internal/External
Harassment Hotline	Internal/External
Working Hours Consultation Hotline	Internal
Anzen Post	Internal/External
Procurement Compliance Hotline	Internal

Corporate Compliance Policy
<https://www.jera.co.jp/en/sustainability/compliance/ethicspolicy>

Compliance Code of Conduct
<https://www.jera.co.jp/en/sustainability/compliance/codeofconduct/>

Procurement Policy
<https://www.jera.co.jp/en/corporate/business/procurement/>

Declaration of Partnership Building
<https://www.jera.co.jp/en/sustainability/compliance/partner>

Fundamental Approach

Respect for Human Rights as the Foundation of All Business Activities

We strongly recognize the importance of promoting human rights efforts. Our mission calls upon us to contribute to the resolution of the world's energy issues. Through our global business activities, we seek to help resolve energy challenges not only in Japan but around the world, and to achieve sustainable growth alongside society. To this end, we believe that respect for human rights must form the very foundation of all business activities.

We also believe that employees can only reach their full potential in a comfortable work environment free from discrimination and harassment. We are committed to acting with integrity and respect for human rights based on the highest ethical sense to fulfill our mission as a global company.

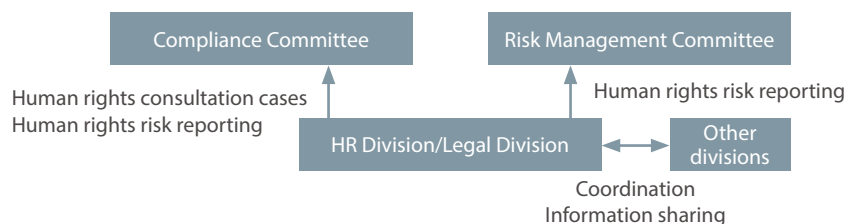
 **Human Rights Policy**
<https://www.jera.co.jp/en/sustainability/compliance/human-rights-policy>

JERA Group Human Rights Policy and Structure

Establishing a Human Rights Policy and an Internal Whistleblower System for Human Rights Risks

In April 2022, we established the JERA Group Human Rights Policy, which respects international standards such as the United Nations' Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. We recognize that our business activities may impact the human rights of stakeholders, including customers and local communities, and on that basis, we continuously work to ensure we do not contribute to human rights abuses. Based on this policy, we promote the identification, prevention, mitigation, monitoring, and remediation of human rights risks and regularly report on their status to an internal committee. This policy is publicly disclosed on our corporate website and other platforms, and we also continuously engage in open dialogue with our stakeholders.

Management Committee



Building a Human Rights Framework

Stably Maintaining and Expanding Value Chains That Contribute to Solving Global Energy Issues while Building a Human Rights Framework

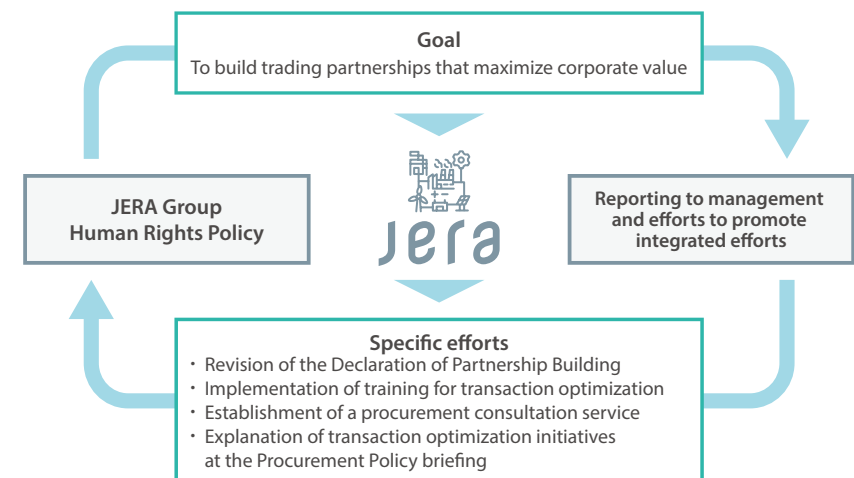
To promote respect for human rights across our supply chains, we are working to establish a human rights due diligence framework based on the UN Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, and Japan's Guidelines on Respecting Human Rights in Responsible Supply Chains.

In FY2025, we conducted a companywide employee survey on topics including supply chains and human rights, responded to employees' questions and concerns, and implemented activities to mitigate human rights risks.

We also promote mutual communication with our suppliers to create workplaces where JERA and our business partners can work together amicably. We have taken safety initiatives in partnership with our suppliers, complied with relevant laws and regulations to ensure proper transactions, and worked to improve the working environment for our business partners and their employees.

Under the JERA Group Human Rights Policy, we are committed to regularly reviewing human rights issues and continuously working to resolve and rectify them as we move forward.

Examples of Fair Trade Practices to Reduce Human Rights Risks



Relief Mechanisms for Human Rights and Other Issues

Establishing a Specialized Harassment Consultation Service

We have established harassment and compliance hotlines to quickly detect and resolve human rights violations concerning the JERA Group and maintain a safe and comfortable work environment for our employees. We are dedicated to preventing any inappropriate behavior that infringes upon human rights, including sexual harassment and abuse of power. These hotlines quickly and carefully respond to all consultations and take appropriate corrective action while ensuring the complete anonymity of the whistleblower. We also work to prevent the recurrence of inappropriate behavior through education and training on human rights.

➡ P.107 Compliance: Whistleblower System

VOICE



Dialogue with the Local Community through Human Rights and Safety Initiatives

Wakato Yonezu

Deputy Head of Yokkaichi Thermal Power Station

During Human Rights Week in 2025, Yokkaichi Thermal Power Station participated in Jinken Festa, an event held annually in Yokkaichi City. This event provides an opportunity for various organizations and individuals primarily from the city, as well as companies participating in the Yokkaichi Human Rights Corporate Liaison Committee, to share their human rights initiatives.

We exhibited and explained the JERA Group Human Rights Policy and our safety management systems to visitors. Visitors commented that they gained a deeper understanding of our Human Rights Policy and employment of people with disabilities, and many also expressed interest in our business operations.

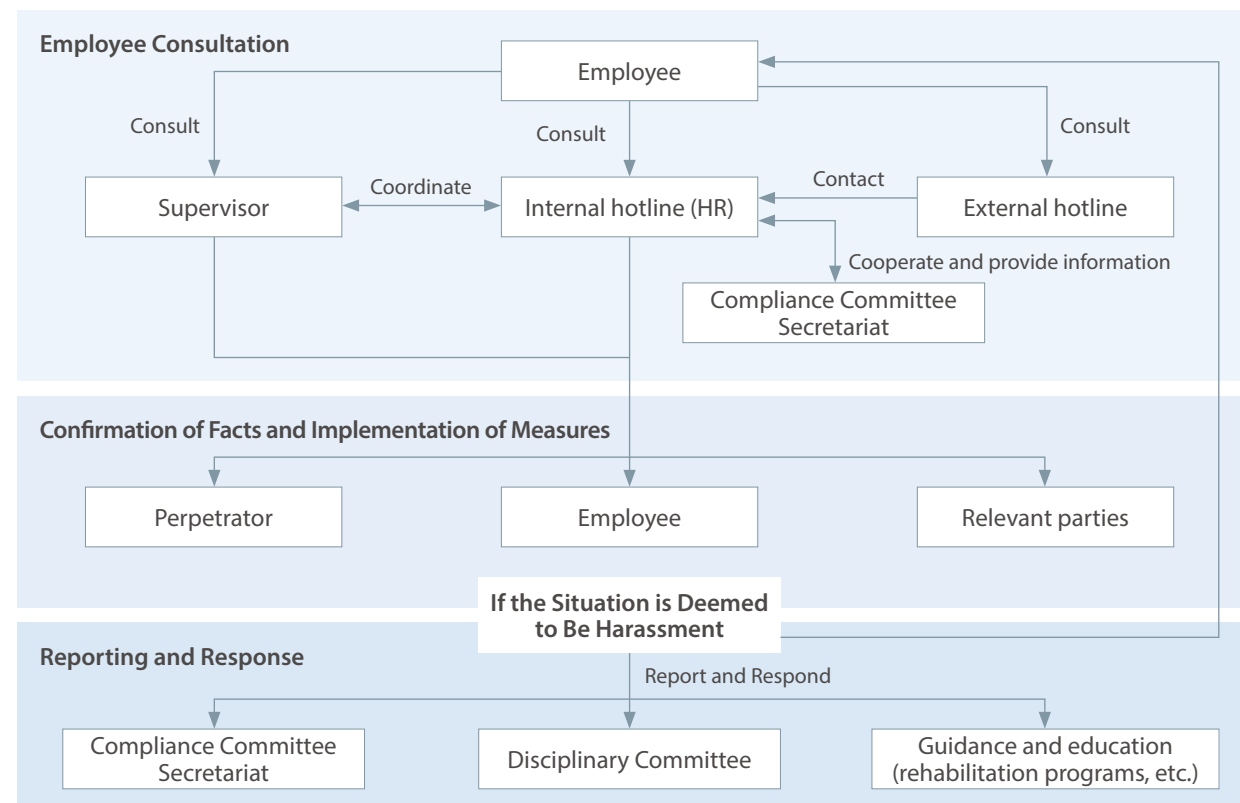
Going forward, we will continue to promote understanding of human rights through dialogue with local communities, while further advancing our initiatives to respect human rights in our corporate activities.

Human Rights Education and Training

Educational and Awareness-Raising Activities During Human Rights Week

In December 2025, we designated one week, including World Human Rights Day, as Human Rights Week at JERA and conducted human rights education for all employees. This initiative aimed to realize a welcoming work environment free from discrimination and harassment, and to raise awareness of human rights, which is essential for global business development. In the same month, Yokkaichi Thermal Power Station participated in Jinken Festa 2025 in Yokkaichi City and introduced our initiatives on respect for human rights and safety management. In addition, we conducted e-learning programs for all employees and harassment prevention training by job level. We will continue to implement these educational and awareness-raising activities, further strengthening human rights awareness among employees and throughout the company.

Response Process for Harassment Consultations



SECTION Data

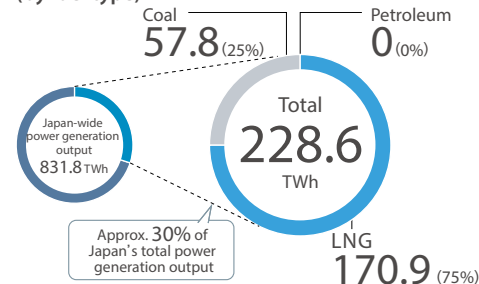
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Pre-Financial Highlights

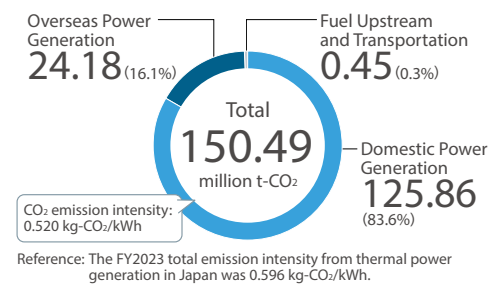
With a fundamental emphasis on safety, we are accelerating our sustainability initiatives by empowering diverse talent and strengthening corporate governance. We will continue to ensure a stable supply while achieving decarbonization in the medium to long term, aiming for disciplined growth and maximizing corporate value.

FY2025 Domestic Power Generation Output (by fuel type)



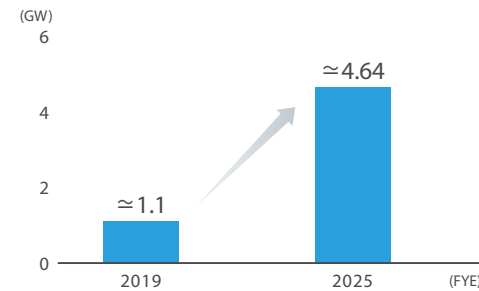
We are responsible for approximately 30% of the power generation output by domestic electric utilities. A large portion of this power generation comes from LNG, which has low CO₂ emissions.
Source: Agency for Natural Resources and Energy website (https://www.enecho.meti.go.jp/statistics/electric_power/ep002/ [Japanese only])

FY2024 CO₂ Emissions (Scope 1) / Domestic CO₂ Emissions Intensity*



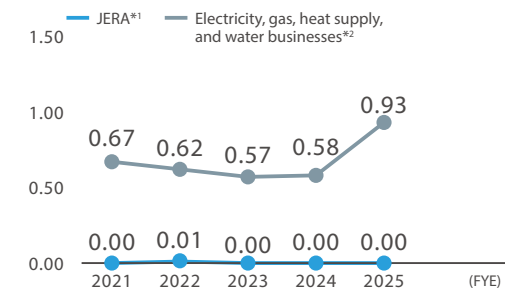
As part of JERA Environmental Target 2035, we aim to reduce domestic CO₂ emissions relative to FY2013 by at least 60% by FY2035.
* Actual results for FY2025 to be updated in October 2026

Renewable Energy Development Capacity



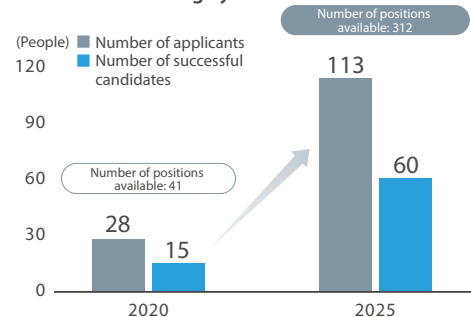
Our center of excellence in Europe and local teams will work closely together to develop wind and solar power projects on a global scale.
Note: Cumulative development capacity

Employee Injury Frequency Rate



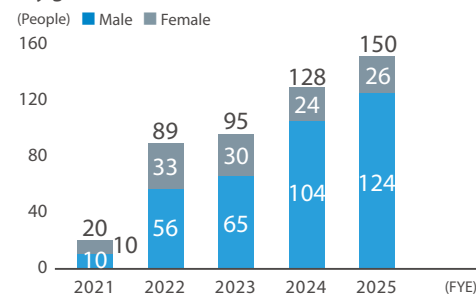
We are committed to company-wide efforts for safety, the bedrock of our business, with aims to eradicate occupational accidents.
*1 JERA employees only
*2 Figures based on calendar year (January to December)
Note: Excludes commuting accidents

Internal Job Posting System Results



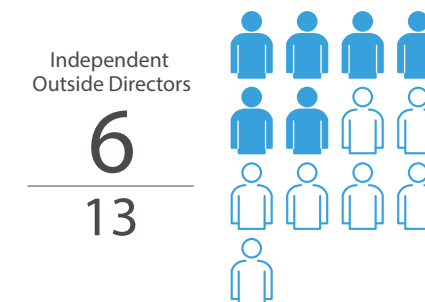
To support employees in proactively forging their own career paths and taking on new challenges, we have introduced an internal recruitment system. The internal job posting system has seen steadily growing use, helping provide employees with a diverse range of career opportunities.

Number of Employees Taking Childcare Leave (By gender)*



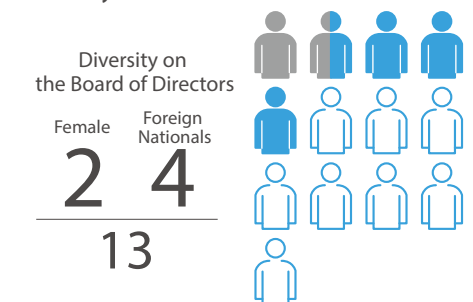
To support employees in balancing work and family life, we promote the use of our childcare leave system. In recent years, uptake among male employees has grown, reflecting broader efforts to accommodate diverse lifestyles.
* JERA only

Number of Outside Directors*



In addition to JERA-employed executive directors and directors who have come from our shareholder companies, we hire outside directors in order to create an autonomous and independent corporate culture and a management structure that enables fair and prompt decision-making.
* As of July 1, 2026

Diversity on the Board of Directors*



We believe that a diverse Board of Directors leads to better business decision-making and have made efforts to appoint female and foreign nationals to the Board.
* As of July 1, 2026

Financial Data

(Unit: Millions of Yen)

		FY2021 (IFRS)	FY2022 (IFRS)	FY2023 (IFRS)	FY2024 (IFRS)	FY2025 (IFRS)
Profit and Loss Statement (P&L) Information						
	Net sales (operating revenue)	2,769,127	4,737,870	3,710,727	3,355,916	3,050,014
	Operating profit	39,718	138,301	563,412	240,767	275,902
	Profit before income taxes	38,612	102,264	577,450	278,152	291,621
	Profit attributable to owners of parent	5,676	17,847	399,628	183,912	193,515
(P&L by segment)	Fuel Business					
	Net sales	454,728	585,731	407,498	406,243	413,000
	Segment profit (loss)	146,137	201,313	132,691	122,756	98,383
	Overseas power generation and renewable energy business					
	Net sales	4,166	8,673	52,564	72,784	69,497
	Segment profit (loss)	△34,779	△6,695	33,759	8,308	12,659
	Domestic thermal power generation and gas business					
	Net sales	3,118,347	6,153,470	4,424,212	4,265,362	3,975,402
	Segment profit (loss)	△121,438	△96,888	255,377	124,324	122,550
	Adjusted					
	Net sales	△808,114	△2,010,005	△1,173,548	△1,388,473	△1,407,886
	Segment profit (loss)	15,757	△79,881	△22,199	△71,476	△40,077
	Depreciation and amortization	202,882	214,786	289,700	325,122	339,099
	Capital expenditures	339,948	378,592	409,196	548,892	606,416
	Research and development costs	1,079	1,566	1,347	7,910	1,570
	Domestic thermal power generation and gas business	106	184	148	107	171
	Overseas power generation and renewable energy business	—	—	—	154	16
	Other	973	1,381	1,198	7,648	1,383
Financial Condition Information						
	Total assets	8,495,106	9,172,358	8,508,134	8,589,748	9,997,918
	Total net assets	1,731,664	2,039,705	2,658,618	2,993,271	3,269,132
	Net worth	1,724,859	2,022,874	2,632,639	2,896,162	3,161,504
	Interest-bearing liabilities	2,639,128	3,510,822	3,103,654	3,099,716	2,776,047
Cash Flow Information						
	Cash flows from operating activities	△318,202	450,710	1,324,889	405,185	425,804
	Cash flows from investing activities	△649,330	△369,452	△528,473	△435,369	△385,351
	Cash flows from financing activities	798,713	796,236	△873,260	△118,663	△272,120
	Free cash flow	△967,533	81,258	796,416	△30,184	40,453
	Cash and cash equivalents at the end of the period	456,430	1,360,906	1,405,387	1,261,635	1,124,678
Key Financial Indicators						
	Net profit ^(Note 2)	248,594	200,336	148,719	143,768	183,638
	EBITDA ^(Note 3)	604,997	603,467	570,879	596,483	672,935
	Return on invested capital (ROIC) (%) ^(Note 4)	6.5	4.8	3.9	3.7	4.4
	Return on equity (ROE) (%) ^(Note 5)	14.3	10.6	6.3	5.1	6.0
	Net debt-to-equity ratio ^(Note 6)	1.3	1.0	0.6	0.6	0.5
	Net debt-to-EBITDA ratio ^(Note 7)	3.6	3.5	2.9	3.0	2.4
Other						
	Credit ratings	S&P A-, R&I A+, JCR AA-	S&P A-, R&I A+, JCR AA-	S&P A-, R&I A+, JCR AA-	S&P A-, R&I AA-, JCR AA-	S&P A-, R&I AA-, JCR AA-
	Power sold (billion kWh)	255.5	255.1	236.2	234.1	233.8
	Power generated (billion kWh)	247.3	235.1	230.9	227.2	228.6
	LNG	1,923	1,784	1,742	1,697	1,709
	Coal	550	567	561	564	578
	Fuel oil / Crude oil	0	0	6	11	0

(1) JERA has voluntarily adopted the International Financial Reporting Standards (IFRS), starting with the consolidated financial statements for the annual reporting of FY2022. (2) Excluding time lag (3) EBITDA = Earnings before interest and taxes* + Depreciation and amortization + Interest expenses * Excluding time lag (4) ROIC = (Net profit*¹ + Interest expenses × (1 – Effective tax rate*²)) ÷ (Interest-bearing liabilities*³ + Net worth*⁴) *⁵ (5) ROE = Net profit*¹ ÷ Net worth*² *¹ Excluding time lag *² Using the company's effective tax rate (based on figures listed in the financial statement) *³ Net cash after deducting working capital *⁴ Equity – Non-controlling interests *⁵ Average at the beginning and end of the period (6) Net debt-to-equity ratio = (Interest-bearing liabilities – Cash and deposits) ÷ Net worth* *¹ Excluding time lag *² Average at the beginning and end of the period (7) Net Debt / EBITDA = (Interest-bearing liabilities – Cash and deposits) ÷ EBITDA* *¹ Excluding time lag

Major Facility Plans

(As of March 31, 2026)

Company	Segment	Location	Output (MW)	Start of Construction	Start of Operation
Chita Energy Solutions LLC	Domestic thermal power generation and gas	Chita Units 7, 8	659.9×2	April 2026	October 2029, January 2030

Pre-Financial Data

Environmental Data Actual results for FY2025 to be updated in October 2026

Item	Unit	FY2021	FY2022	FY2023	FY2024
Domestic / JERA ¹⁾					
Installed capacity by source ²⁾	MW	59,893	57,210	57,330	59,685
Coal	MW	7,950	9,020	10,320	10,320
Gas	MW	42,943	43,590	44,884	47,224
Renewable Energy	MW	—	0.04	126	141
Others	MW	9,000	4,600	2,000	2,000
Average operating life of power generation facilities ²⁾	Years	30	28	29	29
Coal	Years	18	17	15	16
Gas	Years	29	29	29	28
Others	Years	43	38	42	43
Operational rate of power generation facilities (availability) ³⁾	%	87.6	87.9	82.2	81.9
Coal	%	88.3	83.8	74.4	84.4
Gas	%	87.5	88.9	84.1	71.7
Total thermal power generation efficiency (low heating value)	%	49.2	48.7	48.7	49.3
Coal	%	42.1	40.5	40.0	40.4
Gas	%	51.7	52.1	54.1	53.3
Thermal Power Generation Efficiency Benchmark A (Energy Conservation Act) ⁴⁾	%	1.003	1.007	1.004	1.003
Thermal Power Generation Efficiency Benchmark B (Energy Conservation Act) ⁴⁾	%	46.7	46.8	46.8	46.6
Coal-fired Power Generation Efficiency Index (Energy Conservation Act) ⁴⁾	%	—	40.8	40.5	40.7
Fuel consumption					
Coal ⁵⁾	million t	20.04	21.46	20.03	20.53 ★
Oil	million kL	0.04	0.04	0.22	0.33 ★
LNG / LPG	million t	25.72	23.67	23.05	22.47 ★
Natural gas	billion Nm ³	2.0	2.0	1.7	1.4 ★
Biomass ⁶⁾	million t	0.38	0.52	0.46	0.002 ★
Hydrogen / Ammonia, etc.	million t	—	—	—	0.05 ★
Net electricity generation (sending-end power)	billion kWh	247.3	235.1	231.0	226.4 ★
Gas sales volume	million t	3.82	4.07	3.94	3.81
Total energy consumption (crude oil equivalent)	million kL	50.8	50.05	48.44	47.67
Purchased electricity	million kWh	86.49	73.19	179.69	415.35 ★
Scope 1 (Greenhouse gas (GHG) emissions associated with power generation business) ⁷⁾	thousand t-CO ₂	121,100	118,690	113,880	113,390
Energy-related CO ₂ emissions	thousand t-CO ₂	120,950	118,550	113,380	112,900
Non-energy-related CO ₂ emissions	thousand t-CO ₂	—	—	130	140
CH ₄ (methane) emissions	thousand t-CO ₂	10	20	30	30
N ₂ O (nitrous oxide) emissions	thousand t-CO ₂	120	120	310	310
SF ₆ (sulfur hexafluoride) emissions ⁸⁾	thousand t-CO ₂	23	7	8	8
HFC (CFC alternative) emissions ⁸⁾	thousand t-CO ₂	0.3	0.7	24.5	0.3
Scope 2 (CO ₂ emissions associated with purchased electricity consumption) ⁹⁾					
Location-based	thousand t-CO ₂	40	30	80	180 ★
Market-based	thousand t-CO ₂	40	60	70	170 ★
Scope 3 (Other indirect CO ₂ emissions)	thousand t-CO ₂	32,190	31,890	31,720	30,820
Category 1: Purchased goods and services	thousand t-CO ₂	100	100	130	150
Category 2: Capital goods ¹⁰⁾	thousand t-CO ₂	470	1,310	1,360	870 ★
Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2 ¹⁰⁾	thousand t-CO ₂	21,030	20,030	19,300	18,870 ★
Category 4: Upstream transportation and distribution	thousand t-CO ₂	30	30	30	40
Category 5: Waste generated in operations	thousand t-CO ₂	240	270	250	260
Category 6: Business travel	thousand t-CO ₂	0.6	0.6	0.6	0.6
Category 7: Employer commuting	thousand t-CO ₂	2	2	2	1
Category 8: Upstream leased assets	thousand t-CO ₂	—	—	—	—
Category 9: Downstream transportation and distribution	thousand t-CO ₂	—	—	—	—
Category 10: Processing of sold products	thousand t-CO ₂	—	—	—	—
Category 11: Use of sold products	thousand t-CO ₂	10,320	10,140	10,640	10,620
Category 12: End-of-life treatment of sold products	thousand t-CO ₂	—	—	—	—
Category 13: Downstream leased assets	thousand t-CO ₂	—	—	—	—
Category 14: Franchises	thousand t-CO ₂	—	—	—	—
Category 15: Investments	thousand t-CO ₂	—	—	—	—
CO ₂ emissions intensity of power generation ¹¹⁾	kg-CO ₂ /kWh	0.489	0.504	0.491	0.499 ★
SF ₆ (sulfur hexafluoride) capture rate (at time of inspection)	%	99.5	99.5	100.0	98.8
SF ₆ (sulfur hexafluoride) capture rate (at time of disposal)	%	99.0	100.0	100.0	100.0
SOx (sulfur oxides) emissions	thousand t	6	7	6	7
SOx (sulfur oxides) emission intensity ¹¹⁾	g/kWh	0.03	0.03	0.03	0.03
NOx (nitrogen oxides) emissions	thousand t	20	20	20	10
NOx (nitrogen oxides) emission intensity ¹¹⁾	g/kWh	0.07	0.07	0.07	0.06
Total water intake	thousand m ³	19,150	20,180	21,250	21,280
Industrial water intake	thousand m ³	18,160	19,040	19,300	18,990
Tap water intake	thousand m ³	860	980	1,880	2,240
Groundwater intake	thousand m ³	120	150	60	50
Water withdrawal from water-stressed areas	thousand m ³	0	0	0	0

Item	Unit	FY2021	FY2022	FY2023	FY2024
Gross wastewater volume	thousand m ³	7,190	7,300	10,680	7,000
COD (chemical oxygen demand) emissions	t	20	21	30	34
Total waste	thousand t	3,020	3,610	3,120	3,200
Industrial waste	thousand t	3,020	3,600	3,120	3,200
Specially controlled industrial waste (hazardous waste)	thousand t	0.4	4.1	0.7	1.0
Total recycled waste	thousand t	—	—	2,840	2,500
Recycled industrial waste	thousand t	—	—	2,840	2,500
Recycled specially controlled industrial waste (hazardous waste)	thousand t	—	—	0.7	1.0
Total valuable waste	thousand t	—	—	—	700
Valuable industrial waste	thousand t	—	—	—	700
Valuable specially controlled industrial waste (hazardous waste)	thousand t	—	—	—	0
Coal ash utilization rate	%	99.10	98.51	98.23	99.99
Generated coal ash	thousand t	2,210	2,580	2,280	2,330
Recycled coal ash	thousand t	2,070	2,380	2,090	2,230
Valuable coal ash	thousand t	120	160	150	100
Gypsum utilization rate	%	99.25	99.91	99.72	99.98
Generated gypsum	thousand t	480	530	520	570
Recycled gypsum	thousand t	0.2	3.6	0.9	2.1
Valuable gypsum	thousand t	480	530	520	570
Waste plastic utilization rate	%	98.56	97.16	97.54	96.99
Generated waste plastic	thousand t	0.4	0.5	0.3	0.2
Recycled waste plastic	thousand t	0.4	0.5	0.3	0.2
Valuable waste plastic	thousand t	0	0	0	0
Waste to landfill	thousand t	19	18	19	4
Soot and dust disposal volume	thousand t	1,920	2,120	1,980	1,210
Number of Severe leaks	Cases	0	0	0	0
Number of PCB (polychlorinated biphenyl) transformers and capacitors disposed of	Units	78	43	86	69
Volume of PCB-contaminated insulating oil treated	kL	25	383	140	61
Number of fines or sanctions for violations of environmental laws and regulations	Cases	0	0	0	0
Domestic / JERA Group ¹²⁾					
Installed capacity by source ²⁾	MW	62,682	59,998	60,119	62,474
Coal	MW	10,739	11,809	13,109	12,032
Gas	MW	42,943	43,590	44,884	48,300
Renewable Energy	MW	—	0.04	126	141
Others	MW	9,000	4,600	2,000	2,000
Fuel consumption					
Coal ⁵⁾	million t	23.65	24.72	24.39	25.34 ★
Oil	million kL	0.20	0.25	0.33	0.44 ★
LNG / LPG	million t	25.72	23.67	23.05	22.47 ★
Natural gas	billion Nm ³	2.0	2.0	1.7	1.4 ★
Blast furnace gas / coke oven gas	billion Nm ³	5.5	4.6	4.5	4.3 ★
Biomass ⁶⁾	million t	0.38	0.52	0.50	0.02 ★
Hydrogen / Ammonia, etc.	million t	—	—	—	0.05 ★
Net electricity generation (sending-end power)	billion kWh	260.7	247.2	245.8	242.1 ★
Purchased electricity	million kWh	86.49	73.20	186.80	422.21 ★
Scope 1 (Greenhouse gas (GHG) emissions associated with power generation business) ⁷⁾	thousand t-CO ₂	131,920	128,550	125,900	126,410
Energy-related CO ₂ emissions	thousand t-CO ₂	131,760	128,390	125,340	125,860
Non-energy-related CO ₂ emissions	thousand t-CO ₂	—	—	160	180
CH ₄ (methane) emissions	thousand t-CO ₂	10	20	30	30
N ₂ O (nitrous oxide) emissions	thousand t-CO ₂	130	140	340	340
SF ₆ (sulfur hexafluoride) emissions ⁸⁾	thousand t-CO ₂	23	8	8	8
HFC (CFC alternative) emissions ⁸⁾	thousand t-CO ₂	0.3	0.7	24.5	0.3
Scope 2 (CO ₂ emissions associated with purchased electricity consumption) ⁹⁾					
Location-based	thousand t-CO ₂	40	30	80	180 ★
Market-based	thousand t-CO ₂	40	60	70	180 ★
Scope 3 (Other indirect CO ₂ emissions)	thousand t-CO ₂	34,040	33,500	33,330	32,390
Category 1: Purchased goods and services	thousand t-CO ₂	100	110	140	160
Category 2: Capital goods ¹⁰⁾	thousand t-CO ₂	500	1,340	1,380	890 ★
Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2 ¹⁰⁾	thousand t-CO ₂	22,810	21,570	20,860	20,380 ★
Category 4: Upstream transportation and distribution	thousand t-CO ₂	40	40	40	50
Category 5: Waste generated in operations	thousand t-CO ₂	260	300	280	290
Category 6: Business travel	thousand t-CO ₂	0.6	0.7	0.7	0.7
Category 7: Employer commuting	thousand t-CO ₂	2	2	2	2
Category 8: Upstream leased assets	thousand t-CO ₂	—	—	—	—
Category 9: Downstream transportation and distribution	thousand t-CO ₂	—	—	—	—
Category 10: Processing of sold products	thousand t-CO ₂	—	—	—	—
Category 11: Use of sold products	thousand t-CO ₂	10,320	10,140	10,640	10,620
Category 12: End-of-life treatment of sold products	thousand t-CO ₂	—	—	—	—
Category 13: Downstream leased assets	thousand t-CO ₂	—	—	—	—

Pre-Financial Data

Environmental Data Actual results for FY2025 to be updated in October 2026

Item	Unit	FY2021	FY2022	FY2023	FY2024
Category 14: Franchises	thousand t-CO ₂	—	—	—	—
Category 15: Investments	thousand t-CO ₂	—	—	—	—
CO ₂ emission intensity of power generation ^{*11}	kg-CO ₂ /kWh	0.505	0.519	0.510	0.520
Global / JERA Group ^{*13}					
Installed capacity by source ^{*2}	MW	73,226	69,678	70,892	73,745
Coal	MW	13,051	13,847	15,302	14,272
Gas	MW	49,820	49,866	51,160	53,894
Renewable Energy	MW	1,068	1,078	2,145	2,226
Others	MW	9,286	4,887	2,285	3,353
CO ₂ emissions within Scope 1 related to power generation business	thousand t-CO ₂	155,260	154,070	145,470	148,320
CO ₂ emissions within Scope 1 related to upstream business	thousand t-CO ₂	240	200	280	250
CO ₂ emissions within Scope 1 related to fuel transportation business	thousand t-CO ₂	280	260	290	210
CO ₂ emission intensity of power generation ^{*11}	kg-CO ₂ /kWh	0.512	0.517	0.508	0.515

*1 Calculation boundary (unless otherwise noted) : JERA in Japan, Hitachinaka Generation Co., Inc., JERA Power TAKETOYO LLC, JERA Power Yokosuka LLC, JERA Power Anegasaki LLC, Goi United Generation LLC, and Green Power Ishikari GK

*2 Calculated based on our own facilities as of the end of the fiscal year (March 31) of the year in which the data was collected. Overseas businesses are calculated based on facilities owned as of the end of the local fiscal year

*3 Calculated from the percentage of time excluding planned internal and external outage time

*4 Figures for JERA operations in Japan

*5 Totaled on a wet coal basis (as: as received)

*6 Totaled on a dry basis (ad: air dried)

*7 Calculated based on the Act on Promotion of Global Warming Countermeasures

*8 Calendar year totals

*9 Calculated using the emission factors published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry: "Emission Factors by Heat Supply Company"

*10 Calculated by the formula below in accordance with "Basic guidelines on accounting for greenhouse gas emissions throughout the supply chain (Ver.2.7)" on "Green Value Chain Platform (Ministry of the Environment website)"

Category 2: "Increase in book cost of property, plant and equipment (excluding land and construction in progress) and intangible assets (software, etc.)"×"Emission factor 1"

Category 3: "Electricity received from other companies"×"Emission factor 1"÷"Fuel consumption"×"Emission factor 2"

"Emission factor 1" Cited from "Emission factor database for corporate GHG emissions accounting over the supply chain (Ver.3.5)" on "Green Value Chain Platform (Ministry of the Environment website)"

"Emission factor 2" AIST-IDEA Ver. 3.5.1 Standard Edition (2025/05/30), taken from IDEA Laboratory, Safety Science Research Division, The National Institute of Advanced Industrial Science and Technology.

*11 Figures based on net power generation

*12 Calculation boundary: The Calculation boundary of *11 plus joint venture figures. For the joint venture, our share is calculated on a proportionate basis due to joint control

*13 Calculation boundary: The Calculation boundary of *12 plus totals for overseas businesses. Overseas businesses are generally consolidated based on the local fiscal year and local reporting standards, with the Company's share calculated on a proportionate basis according to its ownership percentage

Figures for FY2024 marked with ★ have been externally assured

 **E Environmental Data**
<https://www.jera.co.jp/en/sustainability/data/e>

 **Independent Assurance Report on Environmental Data**
<https://www.jera.co.jp/en/sustainability/report>

Social Data

Item	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Employees (JERA consolidated) ^{*11}	People	5,059	5,295	5,838	6,292	6,271
Employees (JERA only) ^{*2}						
Total	People	3,910	4,008	4,167	4,407	4,504
(full-time employees)	People	3,900	3,999	4,162	4,402	4,500
(contract workers)	People	10	9	5	5	4
Male	People	3,581	3,638	3,712	3,873	3,922
(full-time employees)	People	3,574	3,632	3,710	3,871	3,920
(contract workers)	People	7	6	2	2	2
Female	People	329	370	455	534	582
(full-time employees)	People	326	367	452	531	580
(contract workers)	People	3	3	3	3	2
Number of employees in O&M and Engineering division (JERA only)		—	—	—	2,774	2,801
Male	People	—	—	—	2,631	2,655
Female	People	—	—	—	143	146
Number of employees in the ICT department (JERA only)		—	—	—	158	177
Male	People	—	—	—	135	144
Female	People	—	—	—	23	33
Average age (JERA only)						
Total	Age	44.6	45.1	44.4	43.8	43.3
Male	Age	44.9	45.6	45.0	44.6	44.3
Female	Age	41.6	40.8	38.9	37.8	37.2
Managers (JERA only) ^{*3}						
Total managers	People	713	841	1,034	1,162	1,266
Male	People	677	796	977	1,084	1,174
Female	People	36	45	57	78	92

Social Data

Item	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Ratio of female managers	%	5.0	5.4	5.5	6.7	7.3
Managers (mid-level) ^{*4}	People	—	—	649	758	791
Male	People	—	—	608	701	723
Female	People	—	—	41	57	68
Ratio of female managers	%	—	—	6.3	7.5	8.6
Managers (senior level) ^{*4}	People	—	—	73	78	89
Male	People	—	—	69	72	84
Female	People	—	—	4	6	5
Ratio of female managers	%	—	—	5.5	7.7	5.6
Managers (executive level)	People	—	—	20	27	29
Male	People	—	—	18	25	29
Female	People	—	—	2	2	0
Ratio of female managers	%	—	—	10.0	7.4	0.0
New graduate hires (JERA only) ^{*5}						
Total	People	79	92	139	134	161
Male	People	68	62	96	85	115
Female	People	11	29	43	49	46
Japanese nationals	People	78	91	136	132	151
Chinese nationals	People	1	1	2	1	6
South Korean nationals	People	0	0	1	0	3
Mid-career hires (JERA only)						
Total	People	132	151	225	345	210
Male	People	98	113	165	271	172
Female	People	34	38	60	74	38
Japanese nationals	People	125	142	212	335	194
Chinese nationals	People	4	2	7	5	5
Indian nationals	People	0	1	2	1	2
Other nationalities	People	3	6	4	4	9
Total turnover rate (JERA only) ^{*6}	%	2.8	3.6	3.8	4.5	4.6
Total	%	2.8	3.6	4.1	4.7	4.6
Male	%	1.9	3.5	1.3	3.0	4.8
Female	%	2.1	3.3	0.7	1.0	1.1
—29	%	1.0	2.3	1.8	2.2	1.6
30–39	%	0.7	0.8	0.9	1.5	1.8
40–49	%	6.6	6.8	8.3	9.3	9.5
50+	%					
Voluntary turnover rate (JERA only) ^{*6}	%	1.3	2.0	1.8	1.5	1.5
Total	%	1.2	1.9	1.9	1.5	1.4
Male	%	1.6	3.0	0.7	1.5	2.6
Female	%	0.2	3.3	0.7	0.9	0.8
—29	%	0.2	2.3	1.8	2.1	1.6
30–39	%	0.2	0.8	0.7	1.2	1.3
40–49	%	0.7	2.4	3.0	1.7	1.9
50+	%					
Breakdown of employees by nationality (JERA only)						
Japan	%	99.16	99.13	98.82	98.73	98.42
China	%	0.20	0.22	0.38	0.48	0.64
India	%	0.05	0.07	0.10	0.09	0.13
USA	%	0.08	0.07	0.10	0.09	0.13
UK	%	0.05	0.05	0.05	0.02	0.02
Other ^{*7}	%	0.46	0.46	0.55	0.59	0.64
Breakdown of managers by nationality (JERA only)						
Japan	%	98.46	98.81	98.45	98.53	98.26
USA	%	0.28	0.24	0.22	0.20	0.46
UK	%	0.28	0.24	0.22	0.10	0.09
India	%	0.14	0.12	0.11	0.29	0.18
China	%	0.00	0.00	0.22	0.10	0.18
Other ^{*8}	%	0.84	0.59	0.78	0.78	0.82
Employees using childcare leave (JERA only)						
Total	People	20	89	95	128	150
Male	People	10	56	65	104	124
Female	People	10	33	30	24	26
Return-to-work rate after childcare leave (JERA only) ^{*9}						
Total	%	100.0	100.0	100.0	100.0	100.0
Male	%	100.0	100.0	100.0	100.0	100.0
Female	%	100.0	100.0	100.0	100.0	100.0

Pre-Financial Data

Social Data

Item	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Gender wage gap (all workers) ^{*10}	%	—	73.6	71.2	74.3	77.6
Employee engagement ^{*11}	%	68.8	68.8	72.0	—	—
Employee engagement ^{*11}	%	—	—	—	65.1	67.5
Labor union membership rate	%	100.0	100.0	100.0	100.0	100.0
Average annual training hours per employee ^{*12}						
Total	Hours	32.4	38.3	50.5	70.8	104
(Male)	Hours	—	33.8	45.2	59.8	99
(Female)	Hours	—	82.4	93.0	149.7	137
Breakdown by age						
–29	Hours	—	254.7	271.8	278.4	183
30–39	Hours	—	11.1	19.2	43.8	103
40–49	Hours	—	10.3	16.3	36.0	98
50+	Hours	—	6.3	12.7	26.5	74
Breakdown by job level						
Non-management	Hours	—	45.5	59.1	79.5	112
Management and above	Hours	—	11.2	19.2	42.0	83
Average annual training cost per employee						
Total	Thousands of yen	—	130	193	376	410
(Male)	Thousands of yen	—	124	178	347	387
(Female)	Thousands of yen	—	189	317	588	561
Breakdown by age						
–29	Thousands of yen	—	390	531	752	1,066
30–39	Thousands of yen	—	178	287	350	258
40–49	Thousands of yen	—	96	161	406	552
50+	Thousands of yen	—	52	47	220	136
Breakdown by job level						
Non-management	Thousands of yen	—	129	178	308	367
Management and above	Thousands of yen	—	135	249	601	522
Internal recruitment ^{*13}						
Number of positions available	People	12	41	169	344	312
Number of applicants	People	15	28	84	111	113
Number of successful candidates	People	3	15	52	73	60
Percentage of open positions filled through internal recruitment ^{*14}	%	1.0	16.5	24.0	21.2	19.2
Average hiring cost for full-time employees ^{*15}	Thousands of yen	—	1,838	2,102	2,018	2,038
Average years of service	Years	20.8	20.6	19.1	18.2	17.6
Male	Years	21.3	21.3	20.1	19.4	18.9
Female	Years	15.5	13.8	10.8	9.5	9.1
Overtime hours (per person per month)	Hours	25	26	24	24	23
Annual days of paid leave taken (per person)	Days	15	16	17	16	16
Number of fatalities ^{*16}	People	0	0	1	1	0
Number of injuries requiring leave ^{*17}	People	17	10	11	15	9
Employee injury frequency rate ^{*18}	%	0.00	0.01	0.00	0.00	0.00
Contribution amounts	Millions of yen	38	61	79	78	185

*1 Figures from FY2021 onward are compiled in accordance with International Financial Reporting Standards

*2 Excluding employees on loan from JERA to other companies and including employees on loan to JERA from other companies

*3 Includes employees seconded from JERA to other companies (whose employer is JERA) and excludes employees seconded to JERA from other companies (whose employer is another company).

*4 Mid-level managers include general managers and senior managers. Senior-level managers include executive officers, the heads of divisions and groups

*5 Figures from FY2021 and earlier represent the number of employees initially assigned to JERA from shareholder companies (new graduate hiring began in FY2022)

*6 Figures include individuals who have an employment relationship with JERA, including employees on loan

*7 16 countries and regions including the Philippines and South Korea

*8 7 countries and regions including the Philippines and Australia

*9 Percentage of employees who returned to work during the fiscal year among all scheduled to return

*10 Gender wage gap = average annual wage for women ÷ average annual wage for men × 100. There is no difference treatment between male and female employees who share the same attributes (age, position, rank, etc.).

*11 Employee satisfaction survey on key topics including company, working environment, and job and skill development (including questions on job satisfaction). Due to the revision of investigation criteria starting in FY2024, the result is listed in a separate row.

*12 In FY2021, JERA established its own training system that includes off-the-job group training as well as on-the-job technical training at power plants, e-learning, etc.

*13 Internal recruitment has been conducted since FY2021.

*14 Percentage of open positions filled through internal recruitment = number of successful internal candidates ÷ number of positions available

*15 Average of mid-career hires and new graduate hires

*16 Employees, contractors, and subcontractors of JERA and JERA Group

*17 Employees, contractors, and subcontractors of JERA and JERA Group; leave of one day or more

*18 Excluding commuting accidents

Governance Data

Item	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of cases of non-compliance ^{*1}	Cases	0	0	0	1	1
Amount of fines related to corruption and bribery cases	Millions of yen	—	—	—	0	0
Number of convictions related to corruption and bribery	Cases	—	—	—	0	0
Number of reports via the harassment consultation hotline	Cases	12	13	26	18	28
Number of reports via the whistleblower hotline ^{*2}	Cases	17	13	19	25	48
Number of data leaks caused by cyberattacks ^{*3}	Cases	0	0	0	0	0
Composition of the Board of Directors						
Number of directors	People	10	9	11	11	13
Number of outside directors	People	5	4	6	7	9
Ratio of outside directors (number of outside directors ÷ number of directors)	%	50.0	44.0	54.5	63.6	69.2
Number of independent outside directors ^{*4}	People	—	—	4	4	6
Ratio of independent outside directors (number of independent outside directors ÷ number of directors)	%	—	—	36.4	36.4	46.2
Number of female directors	People	1	1	2	2	2
Ratio of female directors (number of female directors ÷ number of directors)	%	10.0	11.0	18.2	18.2	15.4
Number of executive officers (excluding those who are also directors)	People	10	13	20	25	26
Number of female executive officers	People	0	1	2	2	0
Ratio of female executive officers (number of female executive officers ÷ number of executive officers)	%	0.0	7.7	10.0	8.0	0.0
Average age of directors	Age	61.3	62.1	62.2	62.5	64.2
Director age limit	Age	None	None	None	None	None
Age of youngest director	Age	57	58	54	55	56
Age of eldest director	Age	69	70	71	67	69
Term of office for directors	Years	1	1	1	1	1
Average tenure of each director	Years	2.0	3.1	2.6	2.5	2.9
Term of office for executive officers	Years	1	1	1	1	1
Number of board meetings	Meetings	26	26	23	24	25
Attendance rate at board meetings ^{*5}	%	96.5	95.9	94.6	97.2	93.4
Attendance rate among outside directors ^{*6}	%	96.9	93.9	90.3	95.3	91.2
Director compensation						
Number of directors paid	People	8	8	10	11	13
Total amount of compensation (total amount paid to directors among those compensated)	Millions of yen	312	311	314	328	412
Number of corporate auditors	People	3	3	3	3	3
Number of outside corporate auditors	People	3	3	2	2	2
Ratio of outside corporate auditors (number of outside corporate auditors ÷ number of corporate auditors)	%	100.0	100.0	66.7	66.7	66.7
Number of statutory auditor panel meetings	Meetings	20	27	37	27	31
Attendance rate at statutory auditor panel meetings ^{*7}	%	100.0	100.0	99.1	97.5	100.0
Attendance rate of corporate auditors at board meetings ^{*8}	%	98.7	100.0	96.0	95.8	100.0
Number of Nomination and Compensation Committee members	People	4	4	4	4	6
Number of outside directors	People	2	2	2	2	4
Ratio of outside directors	%	50.0	50.0	50.0	50.0	66.7
Number of committee meetings	Meetings	9	10	8	10	19
Committee meeting attendance rate ^{*9}	%	100.0	100.0	100.0	100.0	98.1
Sustainability Promotion Committee members	People	10	9	10	12	11
Number of committee meetings	Meetings	2	3	5	7	7

*1 "Non-compliance constituting misconduct equivalent to a crisis or emergency" includes violations related to corruption or bribery, harassment, personal data privacy, money laundering, or insider trading

*2 Two cases in FY2021 overlapped between the whistleblower and harassment consultation hotlines and are included in current figures

*3 Number of incidents of damage caused by cyberattacks. No customers or employees were affected.

*4 Confirmed from FY2023 onward due to the establishment of independence criteria in October 2023

*5 [Number of Board meetings attended by directors × number of directors] ÷ [number of Board meetings held × number of directors]

*6 [Number of Board meetings attended by outside directors × number of outside directors] ÷ [number of Board meetings held × number of outside directors]

*7 [Number of Statutory Auditor Panel meetings attended by corporate auditors × number of corporate auditors] ÷ [number of Statutory Auditor Panel meetings held × number of corporate auditors]

*8 [Number of meetings attended by auditors × number of auditors] ÷ [number of Board meetings held × number of auditors]

*9 Aggregate number of committee members in attendance at all meetings ÷ [number of committee members × number of committee meetings held]

Corporate Overview

Company Name	JERA Co., Inc.
Location	Headquarters 103-6125 Nihonbashi Takashimaya Mitsui Building 25th Floor 2-5-1 Nihonbashi Chuo-ku, Tokyo TEL: +81-3-3272-4631 (Main) FAX: +81-3-3272-4635 East Japan Branch 100-0011 Hibiya Kokusai Building 9th Floor 2-2-3 Uchisaiwai-cho Chiyoda-ku, Tokyo TEL: +81-3-3272-4631 FAX: +81-3-6363-5781 West Japan Branch 450-6318 JP TOWER NAGOYA 18th Floor 1-1-1 Meieki, Nakamura-ku Nagoya-shi, Aichi TEL: +81-52-740-6842 FAX: +81-52-740-6841
Date of Incorporation	April 30, 2015
Capital	100 billion yen
Shareholding Ratio	TEPCO Fuel & Power, Inc.: 50% Chubu Electric Power Co., Inc.: 50%
Business Activities	● Thermal power generation business ● Renewable energy business ● Gas and LNG business ● Engineering, consulting, and other activities related to the above businesses
Number of Employees	6,271 (As of March 31, 2026)

For the latest information about JERA, please visit the following pages on our website.

Corporate Website: <https://www.jera.co.jp/en/>

Company Information: <https://www.jera.co.jp/en/corporate/>

Organization Chart: <https://www.jera.co.jp/en/corporate/about/organization/>

Thermal Power Stations in Japan (As of March 31, 2026)

Thermal Power Stations in Japan*

	Fuel Type	Total Output (Net Capacity)
① Joetsu	LNG	2.38 GW
② Chiba	LNG	4.38 GW
③ Goi (Goi United Generation LLC)	LNG	2.34 GW
④ Anegasaki (JERA Power ANEGASAKI LLC)	LNG	1.941 GW
⑤ Sodegaura	LNG	3 GW
⑥ Futtsu	LNG	5.16 GW
⑦ Minami-Yokohama	LNG	1.15 GW
⑧ Yokohama	LNG	3.016 GW
⑨ Higashi-Ohgishima	LNG	2 GW
⑩ Kawasaki	LNG	3.42 GW
⑪ Chita	LNG	0.854 GW
⑫ Chita Daini	LNG	1.708 GW
⑬ Shin-Nagoya	LNG	3.058 GW
⑭ Nishi-Nagoya	LNG	2.376 GW
⑮ Kawagoe	LNG	4.802 GW
⑯ Yokkaichi	LNG	0.585 GW
⑰ Hirono	Coal	1.2 GW
⑱ Hitachinaka	Coal	2 GW
⑲ Hitachinaka Joint Thermal Power Station (Hitachinaka Generation Co., Inc.)	Coal	0.65 GW
⑳ Kashima	Natural gas	1.26 GW
㉑ Yokosuka (JERA Power YOKOSUKA LLC)	Coal	1.3 GW
㉒ Shinagawa	Natural gas	1.14 GW
㉓ Hekinan	Coal	4.1 GW
㉔ Taketoyo (JERA Power TAKETOYO LLC)	Coal	1.07 GW

* Power plant name followed by name of operating company in parentheses

Main Overseas Businesses

(As of March 31, 2026)

Major LNG Suppliers (■ in blue)

- Thermal power projects
- Renewable energy projects
- Fuel upstream business
- Optimization business

Netherlands

- Rietlanden Coal Terminal

UK

- JERA Nex bp Offshore wind power generation business
- Zenobe Battery Storage
- Fuel trading business

Qatar

- Ras Laffan B Gas Thermal IWPP
- Ras Laffan C Gas Thermal IWPP
- Mesaieed Gas Thermal IPP
- Umm Al Houl Gas Thermal IWPP

Saudi Arabia

- Amiral Gas Cogeneration
- Rumah 2 Gas Thermal IPP
- Nairyah 2 Gas Thermal IPP

UAE

- Umm Al Nar Gas Thermal IWPP

Oman

- Sur Gas Thermal IPP

Bangladesh

- Summit Power IPP
- Meghnaghat Gas Thermal IPP

India

- ReNew Power Wind and Solar Power IPP

Thailand

- EGCO IPP
- Wind Power IPP

Singapore

- Fuel trading business

Japan

Philippines

- TeaM Energy IPP
- Aboitiz Power IPP

Vietnam

- Gia Lai Electricity JSC

Indonesia

- Cirebon2 Coal Thermal IPP

Australia

- Darwin LNG
- Gorgon LNG
- Wheatstone LNG
- Ichthys LNG
- Barossa Gas Production
- Scarborough Gas Field Development
- Fuel trading business

USA

- Cricket Valley Gas Thermal IPP
- Linden Gas Thermal IPP
- Compass Gas Thermal IPP
- El Sauz Wind Power
- Brady Thermal IPP
- Freeport LNG
- Fuel trading business
- Happy and Oxbow Solar Power
- Blue Point
- Low-Carbon Ammonia Production
- South Mansfield Shale Gas Development and Production

Mexico

- Valladolid Gas Thermal IPP

IPP: Independent Power Producer
IWPP: Independent Water and Power Producer