



JERA GROUP CORPORATE COMMUNICATION BOOK 2020

From Japan to the world

JAPAN'S ENERGY FOR A NEW ERA



Taking Energy into a New Era

Mission

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

Through our global operations we bring the world's leading energy solutions to Japan, helping to solve the energy issues facing the country. We seek to establish new energy supply models for Japan while also offering energy supply models established in Japan to other countries that face similar energy issues, helping to solve the world's energy issues.

Vision

**Global leader in LNG and
renewables, sparking the transition
to a clean energy economy**

As we look toward 2025, the energy solutions we offer will focus mainly on two businesses: the LNG value chain business and the large-scale renewable energy business.

These businesses are complementary; renewable energy with variable power generation output is complemented by flexible, clean LNG thermal power generation. With demand expected to grow globally, particularly in Asia, we aim to become a leader in these two businesses.

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Editorial Policy

About This Report

The JERA Group completed the consolidation of its value chains in April 2019 after expanding the scope of consolidation four years after its establishment in April 2015. We are taking this occasion to publish *JERA Group Corporate Communication Book 2020* as a tool for encouraging communication and introducing our stakeholders to the JERA Group's efforts to take energy into a new era.

Our intent with this book was to create a single volume to present information about the strategies, foundations (ESG), and other efforts to create and realize the value of the JERA Group.

We intend to continuously improve this report so that it may serve as a tool for promoting communication with our stakeholders.

Note that this report was published after being checked by the Sustainability Promotion Committee, which is under the direct control of the Board of Directors and is chaired by the company president.

Scope of report/ statistics

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

Period covered by the report

Fiscal 2019 (April 1, 2019-March 31, 2020)
The report includes some activities from directly after this period.

Publication date

March 2021 (Next publication scheduled for November 2021)

Guidelines for reference

- *GRI Sustainability Reporting Standards 2016/2018*
- *Environmental Reporting Guidelines, 2018 Version* by the Ministry of the Environment
- ISO 26000

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JERA's Origins

The Path to Business Consolidation

JERA was created by the consolidation of the fuel and thermal power departments of the Tokyo Electric Power Company and the Chubu Electric Power Company with the concurrent aims of creating a global energy corporation capable of competing in the global energy market, providing a stable supply of globally competitive energy, and creating corporate value.

JERA Co., Inc. was established on April 30, 2015 to form a comprehensive alliance between Tokyo Electric Power Company (as it was known then) and Chubu Electric Power Co., Inc. for their entire supply chains from fuel upstream and procurement business to power generation.

With the aim of becoming a Japan-based global energy company, JERA proceeded to consolidate businesses in stages after its establishment, and with the April 1, 2019 consolidation of existing thermal power generation businesses established a continuous value chain from fuel upstream and procurement business to power generation and electricity and gas wholesaling, earning its status as an energy company with power generation capacity equivalent to half of Japan's thermal power generation output and a fuel transaction volume among the world's highest.



Completed the consolidation of value chains in April 2019 after expanding the scope of consolidation four years after establishment in April 2015

April 2015	October 2015	July 2016	June 2017	May 2018	April 2019
JERA established	Fuel transportation and fuel trading businesses consolidated	Fuel upstream and procurement, overseas power generation, and energy infrastructure businesses consolidated	Joint-venture agreement concluded to consolidate existing thermal power generation businesses	Absorption-type company split agreement concluded to consolidate existing thermal power generation businesses	Existing thermal power generation businesses consolidated



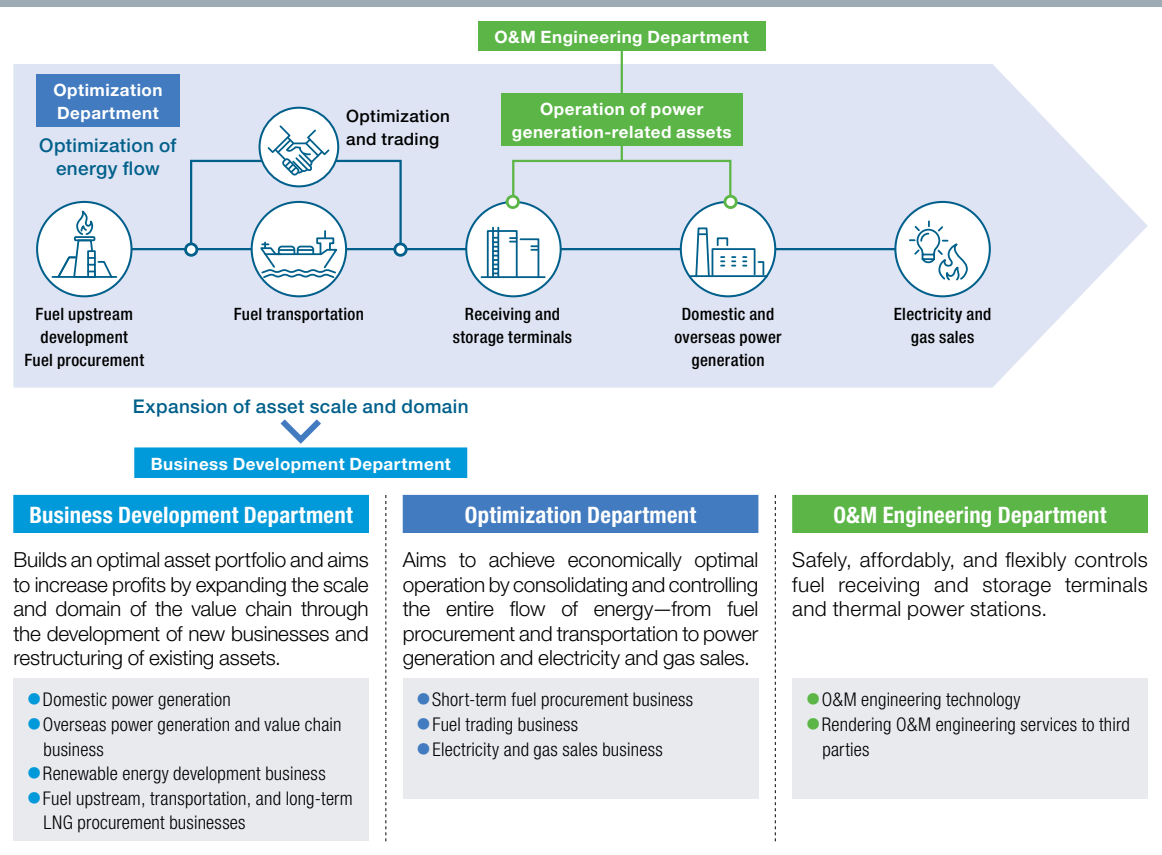
JERA's Business Model

Creating a global business entity and enhancing competitiveness with the aim of achieving a balance between a stable, economical energy supply and improved corporate value

We own businesses across the entire supply chains for fuel and thermal power, from fuel upstream business (gas field/ coal mine development) to fuel transportation and storage (fuel terminal operation) to power generation and wholesaling.

Thus, we will engage in borderless management of all businesses from fuel procurement to power generation and sales in three profit centers—business development, optimization, and O&M* engineering—to establish a system capable of pursuing expertise and excellence and maximizing synergy in each business.

*O&M: Operation and maintenance



Message from the Chairman



A Global Company Aiming to Earn the Regard of the Global Energy Market and Be Indispensable to the People of the World

Our company was established in April 2015 with the aim of creating a globally competitive energy company in Japan based on a comprehensive alliance between Tokyo Electric Power Company and Chubu Electric Power Company. Since then, we have consolidated businesses in stages, and completed the process in April 2019 with the consolidation of existing thermal power generation businesses. At that point, we established a unified, continuous value chain from fuel upstream and procurement business to power generation and electricity and gas sales, earning our status as an energy company with power generation capacity equivalent to half of Japan's thermal power generation output and a fuel transaction volume among the world's highest.

On the occasion of the complete consolidation, we set out a mission and vision to clarify the purpose of our existence in society.

Mission

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

Vision

**Global leader in LNG and renewables,
sparking the transition to a clean energy economy**

Our mission and vision represent our social responsibility as an energy company tasked with supporting industry and prosperous lifestyles, as well as our promise to grow continuously with society and our stakeholders.

With the completion of our consolidation of fuel and thermal businesses, fiscal 2019 marked our start in the truest sense of the word.

However, this was only the first step on our bold and demanding journey—the real challenges lie ahead.

The world faces an enormous task in addressing climate change and other environmental issues, while also contending with the need to provide all people access to reliable and affordable energy. To address this challenge, we need to provide optimal solutions to energy issues.

We will pool our efforts as a company to resolve these issues to contribute to the development of a sustainable society, and improve our corporate value in an effort to become a global company that is worthy of the regard of the global energy market and indispensable to the people of the world.

Chairman

Toshihiro Sano

Message from the Chairman

Strengthening Our Governance System and Organizational Structure to Become a More Borderless Company

We believe continuously strengthening our governance system is crucial in our endeavor to grow as a global company. Toward that end and with regard to our management system, since April 2019, we have invited people with abundant knowledge and experience from outside the company (including non-Japanese people) to serve as directors in an effort to ensure the diversity of our Board of Directors. We have also made efforts to enhance deliberation of management issues by the Board of Directors by hosting Directors' Discussions, a new type of event for promoting full and frank discussion between directors and the effective use of knowledge from outside directors.

For our organizational structure, we established a system with three business departments to enable us to maximize the synergy of each department and respond appropriately to changes in both the domestic and global environments, and reorganized the corporate departments that underpin the business departments to enhance cross-organizational coordinating functions, thereby forming a borderless organization uninhibited by preconceptions.

Some issues came to light as we did this work to continuously strengthen our governance system and organizational structure.

In an age of VUCA*, we believe we must extend our pursuit of diversity in order to expand our company and further promote our transition to a global company. Accordingly, in October 2020, we formulated a commitment for rigorously promoting diversity and inclusion. We will make efforts to leverage the special qualities of each and every one of our human resources—the company's most valuable business resource—and help them grow individually. As a starting point, I am well aware of the troubling reality that there are still too few women in decision-making roles, and intend to promote active participation by women at all levels in an effort to become a global organization where women can exhibit their skills and flourish more than ever before. Additionally, in pursuit of ensuring the diversity of our Board of Directors, I have created a matrix of the expertise, skills, and other attributes of the directors, and am using it to investigate areas for reinforcement while comparing it against the company's medium-term and long-term strategies.

We intend to continue our efforts to improve and strengthen our corporate governance system based on the Corporate Governance Guidelines we established in October 2019.

* VUCA: An abbreviation of four key words—volatility, uncertainty, complexity, and ambiguity

Aiming for True Fusion Toward Maximizing Synergy Through Business Consolidation

Our company inherited many assets and human resources from Tokyo Electric Power Company and Chubu Electric Power Company. The major differentiator that gives us a strong competitive position is the fact that we can create business value while exhibiting the independence of each process in our continuous value chain. Unification—the removal of the barriers that divide us—is

critical to leveraging this business model and our valuable assets as well as maximizing synergy through business consolidation.

We have smoothly and steadily consolidated places of business, rules, and more during our consolidation of various businesses since our establishment in 2015. However, we have not been striving for unification in the truest sense of the word. The unification I wish to aim for is a fusion of our corporate culture, customs, and values—in other words, a true fusion of our employees' awareness. It may not be easy to create a blend of the corporate cultures and values of two companies that developed differently throughout their long histories. However, achieving a true fusion is the only way to become the kind of global leader we want to become.

How do we achieve a true fusion of our employees' awareness? We make decisions and take action based on the company's mission and vision. We tend to use the technology and expertise developed by each of the companies as our basis for making decisions and taking action. I do not intend to denounce that approach, because there is nothing wrong with such an approach after due consideration. However, it is not as simple as adding the best practices of each and dividing by two. We are aiming to assume a substantial presence and create new value by succeeding in the competitive global environment. To be among the best in the world, we must break free from outdated values and stereotypes, question our existing concepts of normal when appropriate, and carefully consider optimal solutions. We will make efforts to ensure that this mindset takes hold and endures in our employees to achieve the true fusion I described earlier, and continue seeking to maximize synergy through business consolidation.

Providing Optimal Solutions for the World's Energy Issues

The energy business continues to undergo significant environmental changes as awareness of environmental issues increases in Japan and throughout the world. For example, we are seeing a worldwide movement toward decarbonization. Amid these circumstances, in October 2020, we announced JERA Zero Emissions 2050. Our goal to achieve zero actual CO₂ emissions from our businesses inside and outside Japan by 2050 is totally consistent with our efforts to achieve our mission and vision.

Although there are many hurdles to clear with existing technology, we have a strong sense of duty and are well prepared to come together as a company to achieve zero emissions.

We intend to proactively contribute to the resolution of the world's energy issues and social issues as well as the achievement of sustainable development goals (SDGs) in ways that only JERA can while maintaining Japan's energy supply under any and all circumstances. You can expect JERA to continue to rise to the challenge.



Message from the President



Spearheading the Realization of a Low-Carbon Society as a Global Leader Laying the Foundation for the Future of Energy

Our formation of a continuous value chain from fuel upstream and procurement to power generation and electricity and gas wholesaling on the strength of our completed consolidation in April 2019 vastly expanded our business scale and domains. Concurrently, we received a sobering reminder of the weight of our social responsibility due to the increased impact of our business activities on society and our stakeholders.

I believe that our social responsibility is to resolutely confront the needs of individuals, society, and the planet. In other words, I think we are responsible for responding to the demands and expectations of our stakeholders—namely, our customers, business partners, local communities, and employees—while working together with them to pursue sustainability.

However, threats to sustainability are described in SDGs as well as other places. Specifically, climate change is a priority issue against which we are expected to undertake concrete measures.

As Japan's largest power company, we realize that we are in a position to proactively lead the way toward achieving a low-carbon society. Accordingly, in October 2020, we formulated JERA Zero Emissions 2050 to clarify our long-term vision.

Three Approaches of JERA Zero CO₂ Emissions 2050

1. Complementarity between Renewable Energy and Zero CO₂ Emission Thermal Power Generation
2. Establishment of Roadmaps Suitable for Each Country and Region
3. Smart Transition

Our first initiative to show the way toward zero emissions was to develop a roadmap for Japan. The roadmap sets out new environmental targets to achieve by 2030, including suspending and decommissioning all inefficient coal-fired power stations (up to and including supercritical). We plan to develop roadmaps suited to the circumstances in individual countries and regions to guide our efforts in the future.

Realizing a low-carbon society is a challenge shared by all of humanity. As a global company committed to resolving the world's energy issues, we will spearhead the realization of a low-carbon society.

President

Satoshi Onoda

Message from the President

Establishing an Unshakable Management Base to Withstand Changes in the Business Environment

In order to achieve our mission and vision, and in line with the business plan we formulated in April 2019 to reflect changes in the domestic and international business environment and our consolidation of existing thermal power generation business, we are currently aiming to promote the following six measures and achieve targets of consolidated net income of approximately 100 billion yen from fiscal 2019 to fiscal 2021 and at least 200 billion yen by fiscal 2025.*

- ① Strengthen domestic power source portfolio through replacement of existing power stations
- ② Gas-to-power business for integrated provision of LNG and power generation (LNG sales channel expansion)
- ③ Securing flexible LNG supply sources
- ④ Expansion of trading business scope and opportunities
- ⑤ Introducing the JERA O&M Way to all JERA thermal power stations to achieve mobility and agility and improve operational efficiency
- ⑥ Developing large-scale renewable energy (offshore wind power)

For domestic power generation business, we are aiming to expand profits by strengthening our power supply portfolio through replacements to boost efficiency, in addition to leveraging AI, IoT, and other digital technology to hone our O&M methods and continuing Kaizen (constant improvement) efforts.

For overseas and fuel businesses, we are expanding our domestic and international power generation business to maintain and expand the scale of our fuel procurement, and striving to improve profitability throughout the entire value chain by reinforcing our trading power and through upstream business participation. For renewable energy, we will leverage the large-scale business development capacity we have cultivated in existing business to promote development centered on offshore wind power, and take steps to expand renewables as a main pillar of our future business portfolio.

Through the systematic implementation of these initiatives, we will accelerate the shift in our business portfolio—from the present 6:2:2 ratio of domestic power generation business to overseas power generation business to fuel business, to a ratio of 4:3:3 by fiscal 2025—and establish an unshakable management base to withstand changes in the business environment.

Although our targets were within sight in fiscal 2019—the first year of the plan—the novel coronavirus pandemic and other developments caused electricity demand to decline, and we missed our targets by the narrowest of margins. Nonetheless, we intend to seek maximization of synergy through consolidation with greater intensity in an effort to achieve our business plan.

*Both figures exclude the impact of time lags in fuel costs and fuel cost adjustments

Sustaining a Stable Supply of Energy Under Any and All Circumstances

One of our key management issues is responding to the novel coronavirus pandemic that could persist for some time to come. With nearly half of the thermal power stations in Japan, we shoulder the important responsibility of continuously providing a stable supply of energy even as the pandemic continues. Therefore, after fulfilling our priority to ensure the health and safety of

our employees, we are undertaking measures to prevent the onset and spread of infections that are tailored to the status of the pandemic at each place of business and for each function, and diverting our resources to operations that are truly necessary for sustaining our business. Outside of Japan as well, we provided medical supplies for fighting the novel coronavirus in response to a request from our partner company in Bangladesh, Summit Power International Limited. We intend to continue fulfilling our responsibility as a company developing business throughout the world.

Working as One Team, JERA will Become Truly Indispensable to Society

As a global company, our responsibility is to contribute to communities all over the world through our business.

Many of the world's communities are still not electrified, and many countries and regions are in need of power generation facilities.

I do not think it is enough to simply provide electricity to these countries and regions. The process of making power generation facilities creates jobs and develops people through the transfer of technology and expertise. Furthermore, these benefits are springboards of growth and development for industries, communities, and societies. Contributing to society in the truest sense is working together as One Team at JERA with a heartfelt desire for the continued prosperity and happiness of these countries and regions and the people who live there. This is because access to affordable and clean energy—one of the SDGs—leads to the achievement of other targets. As a company responsible for the underlying infrastructure, we feel gratified and motivated by this fact; our stakeholders' happiness is the driving force—the energy—of our further growth.

I aim to create a corporate culture in which our employees—with their hopes and dreams for the future—feel pride and appreciation for having worked at JERA so that we may become a company that is truly indispensable to society.

Contributing to the Formation of a Sustainable Society Through the Achievement of Our Mission and Vision

We will humbly and openly internalize the demands and expectations of society and our stakeholders, and contribute to the resolution of social issues and achievement of SDGs. Specifically, we have identified priority issues for the company, which we refer to in this report as “materialities.” We intend to proactively implement these priority issues with the understanding and support of our stakeholders in an effort to contribute to the formation of a sustainable society through the achievement of our mission and vision.

We have created this report to introduce our sustainable initiatives based on these beliefs to our stakeholders and start a dialogue that results in improvements. In that spirit, we welcome your candid thoughts and feelings.



Special Feature

JERA Zero CO₂ Emissions 2050: the challenge of achieving, by 2050, virtually zero CO₂ emissions from JERA's operations in Japan and overseas.

JERA Zero CO₂ Emissions 2050

- ▶ JERA's mission is to provide cutting edge solutions to the world's energy issues.
- ▶ To contribute to the realization of a sustainable society, we will take on the challenge of achieving, by 2050, virtually zero CO₂ emissions from JERA's operations in Japan and overseas.*

Three Approaches of JERA Zero CO₂ Emissions 2050

1

Complementarity between Renewable Energy and Zero CO₂ Emission Thermal Power Generation

JERA will achieve Zero CO₂ emissions through a combination of renewable energy and zero CO₂ emission thermal power generation. The adoption of renewable energy is supported by thermal power generation capable of generating electricity regardless of natural conditions. JERA will promote the adoption of greener fuels and pursue thermal power that does not emit CO₂ during power generation.

2

Establishment of Roadmaps Suitable for Each Country and Region

Zero CO₂ emissions will be achieved by establishing roadmaps that show optimal solutions for each country and region. Since the energy situation is different for each country and region—such as the presence of regional transmission lines or pipelines and the types of renewable energy that could be adopted—JERA will work with stakeholders on a country and regional basis to establish roadmaps. We have developed a roadmap for our business in Japan and will extend this approach to other countries and regions.

3

Smart Transitions

Zero CO₂ emissions will be achieved through a combination of technologies that are available and reliable at the time adoption decisions are made, lowering technical risk and smoothing the transition to a green society.

Senior Operating Officer's Message

Leading the Decarbonization Effort in the Energy Industry

As a global company committed to resolving the world's energy issues, JERA considers measures to counteract global warming to be the highest-priority management issues.

Since determining environmental targets to coincide with our complete consolidation in April 2019, we have made efforts to reduce CO₂ emissions as Japan's largest power generation utility; in October 2020, to further accelerate our efforts to date and clarify our long-term vision for the company, we published JERA Zero CO₂ Emissions 2050.

JERA Zero CO₂ Emissions 2050 challenges us to achieve effectively zero CO₂ emissions from our domestic and international businesses by 2050, and we have adopted a three-pronged approach toward achieving this goal.

The first step is to develop “JERA Zero CO₂ Emissions 2050: Roadmap for Japan” to illustrate the path toward zero emissions in domestic business, and we have established “JERA Environmental Commitments 2030” to serve as new environmental targets to achieve by 2030 toward that end.

Although there remain many issues to be resolved under current technology in order to realize “JERA Zero CO₂ Emissions 2050”, JERA will continue its own active efforts to develop decarbonization technologies by leveraging the strengths of—and our long-standing involvement in—the value chain from the upstream sector of the fuel industry to power generation.

Realizing a low-carbon society is a challenge shared by all of humanity.

It is something we need to achieve for the earth, for society, and for each of us as individuals.

JERA intends to continue working together with stakeholders and affiliated organizations and groups to propose new ways to supply energy, and to lead the effort toward decarbonization in the energy industry.

Managing Executive Officer, Director
Chief Operating Officer, Corporate Strategy Department

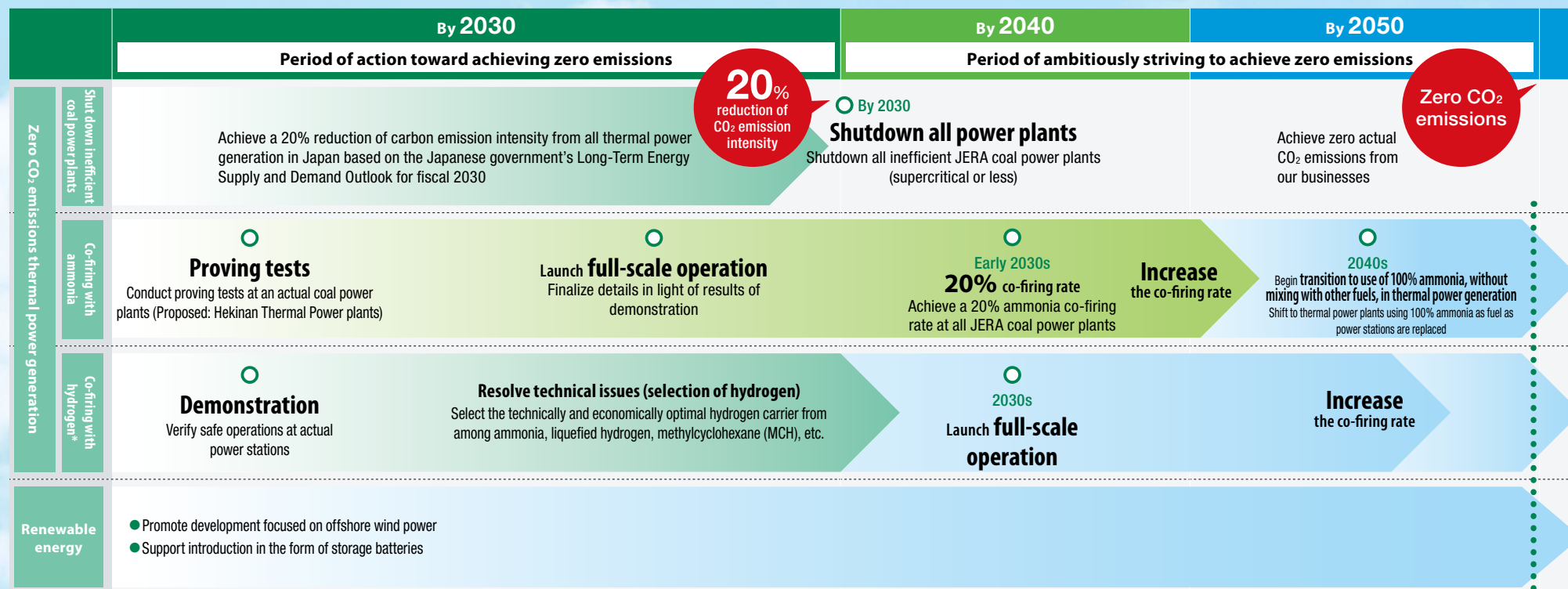
Hisahide Okuda



* JERA Zero Emissions 2050 is premised on the continual development of decarbonization technology, economic rationality, and consistency with government policy. JERA is developing its own decarbonization technologies and taking the initiative to ensure economic rationality.

Special Feature

JERA Zero CO₂ Emissions 2050 Roadmap for its Business in Japan



This roadmap will be gradually developed in greater detail based on relevant conditions such as government policies. JERA will revise the roadmap when relevant conditions change significantly.

* The use of CO₂-free LNG is also being considered.

By 2050, CO₂ emitted from power plants using fossil fuels is offset using offset technology or by CO₂-free LNG

JERA Environmental Target 2030 for its Business in Japan

JERA is actively working to reduce CO₂ emissions. In its domestic operations, JERA will achieve the following by FY2030:

- ▶ Shut down all inefficient (supercritical or less) coal power plants and conduct demonstration tests of mixed combustion with ammonia at high-efficiency (ultra-supercritical) coal power plants.
- ▶ Promote the development of renewable energy centered on offshore wind power projects and work to further improve the efficiency of LNG thermal power generation.
- ▶ Reduce carbon emission intensity of thermal power plants by 20% based on the long-term energy supply-demand outlook for FY 2030 as set by the government.

* JERA Zero CO₂ Emissions 2050 Roadmap for its Business in Japan and JERA Environmental Target 2030 are premised on the continual development of decarbonization technology, economic rationality, and consistency with government policy. JERA is continuing to develop decarbonization technology, and is taking the initiative to ensure economic rationality.

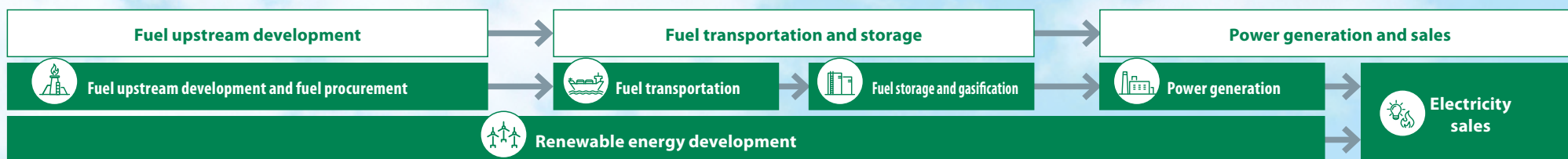
Special Feature

Initiatives to Manufacture, Transport, and Institutionalize Green Fuels

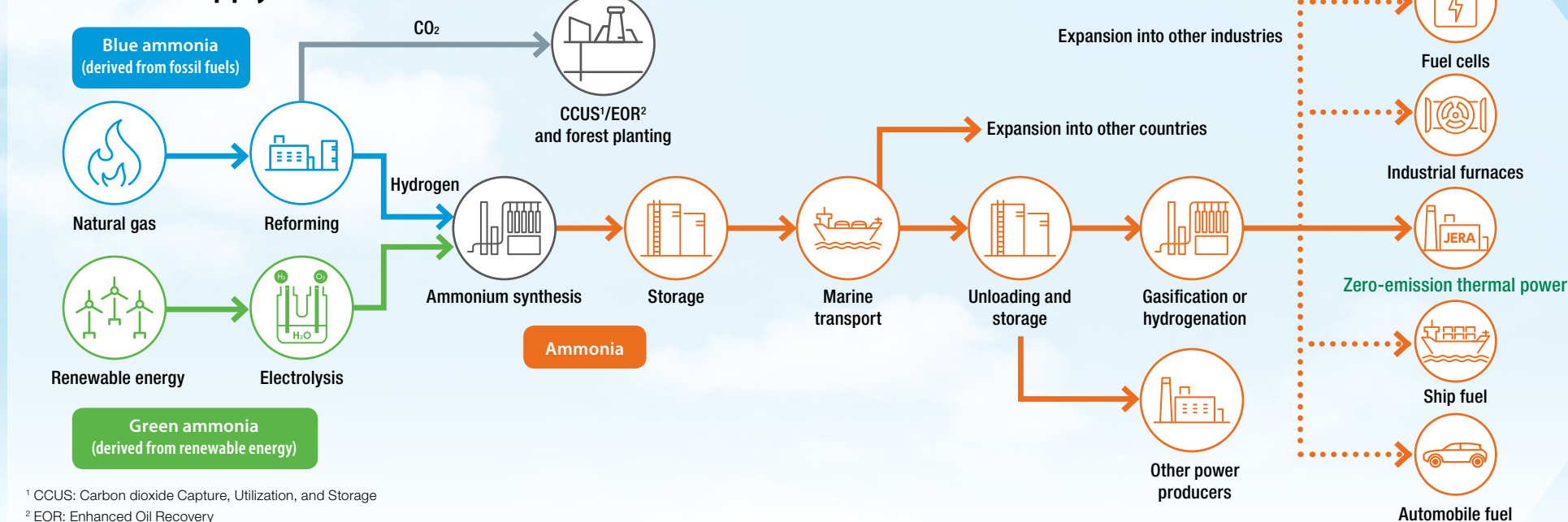
JERA is actively involved in business throughout the value chain from the upstream development, transportation, and storage of fuel to the generation and sale of electricity.

We intend to leverage these advantages to begin establishing entire supply chains for green fuel, and will consider expanding our business domains with our sights set on endeavors such as selling green fuel not only for electricity but for other uses such as transportation.

Value Chains Owned by JERA



Ammonia Supply Chain



Value Creation Process

JERA will maximize the value we provide to society and our stakeholders through business activities based on our mission in an effort to improve our corporate value and achieve our vision.

We will also ensure that our business strategies include priority issues that account for changes in the business environment and the demands of society and our stakeholders, thereby contributing to the achievement of SDGs.

Mission

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

Vision

Become a global leader in LNG and renewable energy to lead the way to Global leader in LNG and renewables, sparking the transition to a clean energy economy

Achieve Vision

Provide value

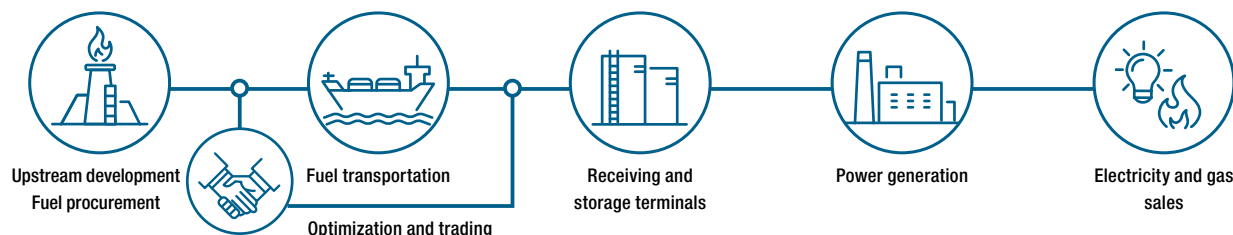
- Realization of low-carbon society
- Development of renewable energy
- Stable supply of energy
- Reducing the burden on the global environment
- Development of local communities/industries
- Active involvement/cultivation of diverse human resources
- Promotion of work style reform

Changes in the business environment

- Escalation of climate change
- Increased demand for energy in Asia
- Exit from coal/gas shift
- Innovations in renewable energy
- Increased competition in electricity and gas sales
- Market creation, introduction of systems
- Appearance of completely new risks
- Expansion of digitalization
- Increase of power grid instability (expansion of renewable energy)
- Steps toward zero-emission thermal power

Strategies for JERA's business activities (p. 21-26)

Enhance the LNG value chain



JERA's strengths

LNG transaction volume among the largest in the world/stable procurement capacity

Upstream investment projects:

5

LNG procurement from:

13 countries¹

LNG transaction volume (annual):

Approximately **36** million t¹

LNG fleet carriers:

20

LNG tank capacity in Japan:

6.65 million kL²

Equivalent to approximately 30% of LNG tank capacity in Japan

LNG receiving terminals in Japan:

11²

Power generation capacity/power generation output among the largest in Japan

Domestic power generation

Thermal power stations:

27³

Overseas power generation

Projects:

30

In more than **10** countries

Power generation capacity:

Approximately **70** million kW³

Among the largest in Japan

Power generation capacity:

Approximately **9.2** million kW³

(Development output)

Power generation output:

265 billion kWh⁴

Renewables development capacity:

Approximately **1.3** million kW³

(Included in the figure for power generation capacity)

JERA's priority issues (p. 13-14)

Resolving social issues/contributing to the achievement of SDGs

SUSTAINABLE DEVELOPMENT GOALS



Note: All figures as of October 31, 2020 unless noted below

¹ Fiscal 2019 ² Includes jointly operated terminals

³ Includes capacity under construction ⁴ Fiscal 2019 (Japan)

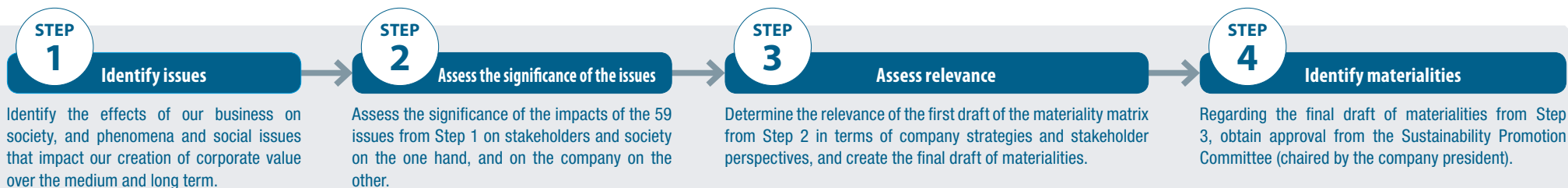
JERA's Priority Issues: Materialities

Process of Identifying Materialities

With the adoption of sustainable development goals (SDGs) and the Paris Agreement in 2015, the global community has recognized an urgent need to work together to achieve sustainable societies.

In order to sustain growth while adapting flexibly to changes in the business environment amid the increasing uncertainty of the modern world, it is important to fully understand and manage the impact of the external environment on our company and the effects of our business activities on stakeholders and society. We have identified priority issues that we need to address – which we call “materialities” – in an effort to achieve the concurrent aims of resolving society’s issues and improving our corporate value over the medium and long term.

Process of Identifying Materialities



We analyzed the external environment, our business strategies, and other factors to create a list of 59 issues relevant to our company.

External environment and social issues

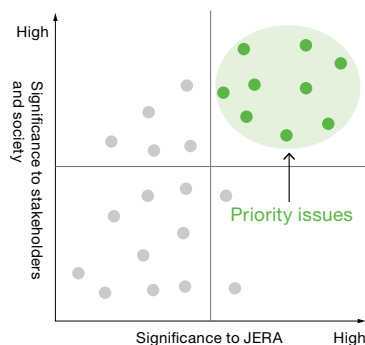
- SSDGs
- ISO 26000
- GRI standards
- SASB
- ESG rating agencies
- Benchmark studies

Relevance to business

- Mission and vision
- Business strategies
- Policies



Departments involved in the 59 issues from Step 1 used a scatter plot with stakeholders and society on one axis and the company on the other to assess the respective significance of each issue (positive and negative impacts, etc.). They used their assessment to create a first draft of a materiality matrix and select priority issues.

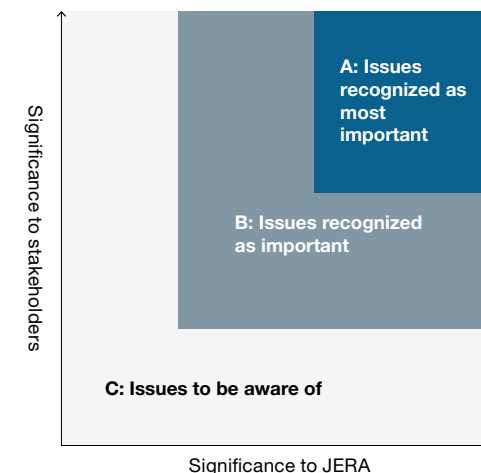


With regard to the first draft of the materiality matrix from Step 2, involved departments revisit topics such as the company’s mission, vision, and business strategies as well as stakeholder needs and probability of issue occurrence, and exchange opinions with outside consultants to incorporate the views of third parties into the investigation of relevance.

Important points in the process of creating the final draft of materialities

- Conduct comparative verification of the materiality identification results of benchmark companies and the key indicators of SASB and ESG rating agencies in our sectors.
- Exchange opinions with involved departments regarding the present state and management level of initiatives for each issue as well as their coherence with business strategies, and relevance in terms of significance (include the probability of risk occurrence in considerations).
- Exchange opinions with outside consultants regarding coherence and relevance between issues.
- Create a second draft of a materiality matrix that reflects this process.
- Select the issues recognized as most important for taking action from the second draft of the materiality matrix with sights set on the need for policy formulation after priority issue identification, setting up targets (including KPI), and monitoring methods, and create the final draft of materialities.

Regarding the final draft of materialities from Step 3, along with the materiality identification process, in accordance with the company’s established approval process with a committee of department heads and the Sustainability Promotion Committee, identify priority issues to be recognized as materialities.



JERA's Materialities

Relationship Between Materiality Identification Results and SDGs

We will make efforts to instill the identified materialities throughout our company, incorporate the materialities into our business strategies and formulate targets and KPI* for each issue, and also to contribute to the achievement of SDGs through our initiatives.

Note that we use this book to report the results of our initiatives and issues therein.

* KPI: Key performance indicator



Financial and Non-Financial Highlights

FY2019 Financial Outlook

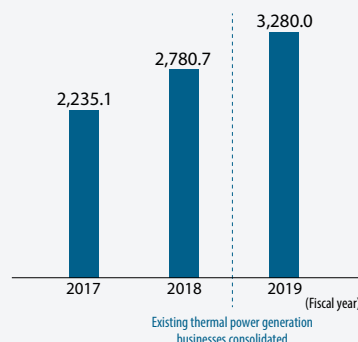
Our financial position in fiscal 2019 was significantly different from the previous fiscal year as a result of the consolidation of existing thermal power generation businesses on April 1, 2019.

We posted net sales of 3.28 trillion yen, a 499.2 billion-yen increase from the previous period. Net income attributable to owners of the parent was 168.5 billion yen, a 145.9 billion-yen increase from the previous period due to factors such as time lags in fuel cost adjustments and extraordinary profits associated with the selloff of overseas power generation projects. If the amount resulting from time lags in fuel cost adjustments are excluded, net income was approximately 90 billion yen, which is around the same level as the 100 billion-yen income and expenditure level announced in April 2019.

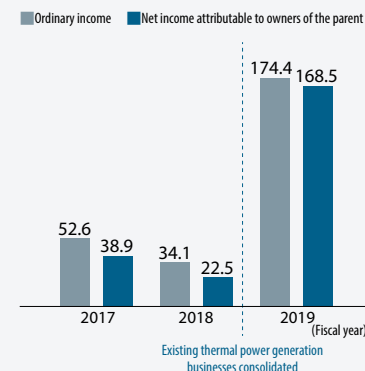
From last year to this year, our total assets increased 2.7778 trillion yen to 4.0353 trillion yen, and our net assets increased 988 billion yen to 1.6012 trillion yen; accordingly, our equity to asset ratio is 38.2%.

Revenue from cash flows from operating activities was 551.6 billion yen, a 538.5 billion-yen increase from the previous period due to factors such as increased revenue from domestic thermal power and gas business. Expenditures from cash flows from investing activities were 310.8 billion yen, a 177.7 billion-yen increase from the previous period due to factors such as increased expenditures from our acquisition of fixed assets.

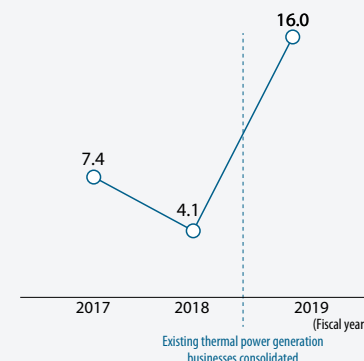
Net sales (billion yen)



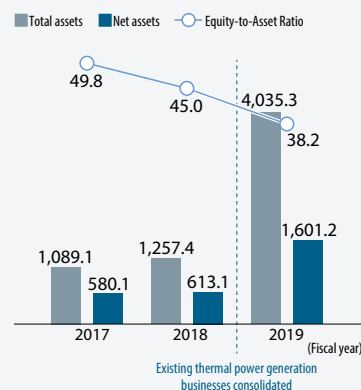
Ordinary Income/Net Income
Attributable to Owners of the Parent
(billion yen)



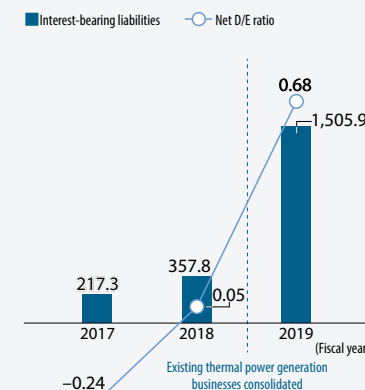
Return on equity (ROE) (%)



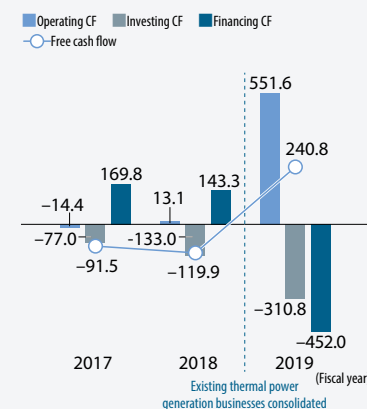
Total Assets/Net Assets (billion yen)/
Equity-to-Asset Ratio (%)



Interest-Bearing Liabilities (billion yen)/
Net Debt-to-Equity (D/E) Ratio

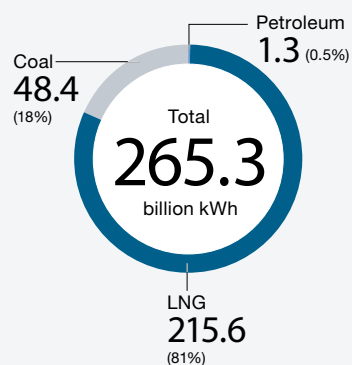


Cash Flows from Operating,
Investing, and Financing Activities
(CF)/Free Cash Flow (billion yen)



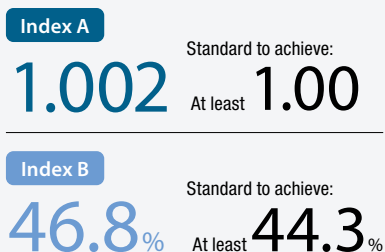
Financial and Non-Financial Highlights

FY2019 Domestic power generation output by type of fuel (Unit: Billion kWh)

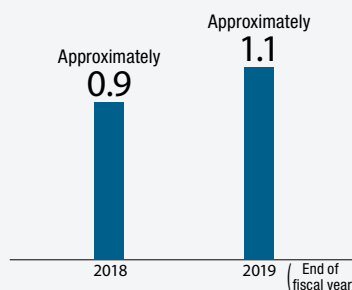


Note: Total power generation output in Japan:
863.2 billion kWh

FY2019 Act on the Rational Use of Energy Thermal power generation efficiency benchmark indices



Equity ownership in renewable energy output (Unit: Million kW)



Senior Operating Officer's Message

Aiming for Sustainable Improvement of Corporate Value

The scale of JERA's assets and profits increased substantially compared to the previous fiscal year thanks to the consolidation of existing thermal power generation utilities in April 2019. Fiscal 2019 is regarded as a healthy start to the post-consolidation period on the strength of profits secured largely according to plan as well as financial health ensured alongside steady investment in future growth.

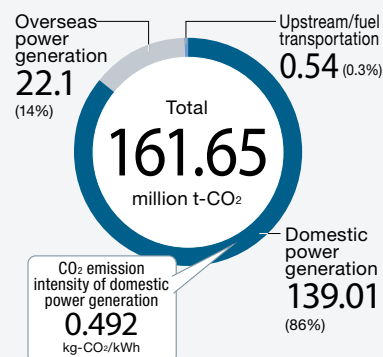
With developments such as the deregulation of electric power and the transition away from carbon, the business environment is changing with unprecedented speed. Amid these circumstances, we are strengthening our renewable energy business and business foundation—not only for power generation utilities in Japan but also in North America, Asia, Europe, and elsewhere—and must maintain a robust financial base to support that undertaking. The Finance and Accounting Department intends to diversify the company's sources of funding and seek the optimal capital structure with the aim of strengthening our balance sheet management, and maintaining and improving upon our corporate credit rating, which is currently A, for many years to come. We are also developing and advancing our financial and accounting systems and improving our global systems for accounting and taxation in an effort to provide support for management's swift decision-making.

Furthermore, we will proactively work on ESG issues to satisfy the expectations of our diverse range of stakeholders and aim for sustainable improvement of corporate value.



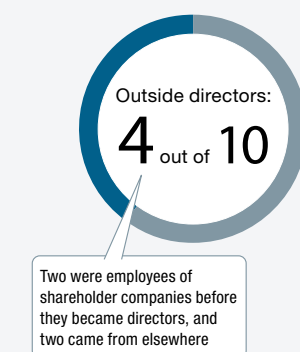
Managing Executive Officer,
Director
Chief Operating Officer, Finance
and Accounting Department
Kazuo Sakairi

FY2019 CO₂ emissions (Unit: Million t-CO₂/) CO₂ emission intensity in Japan (kg-CO₂/kWh)



Note: FY2018 total emission intensity of thermal
power generation in Japan: 0.569 kg-CO₂/kWh

FY2019 Number of outside directors



FY2019 Number of industrial accidents Number of fatal industrial accidents



Strategy

Business Environment Awareness and Response

Reorganizing Our Business Model to Respond Properly to Changes in the Domestic and Global Environments

We have organized into three profit centers—Business Development, Optimization, and O&M Engineering, which draw profits from returns on investments, market transactions, and O&M engineering business, respectively—with the aim of expanding profits by turning changes into business opportunities by securing and strengthening excellent skills for responding to environmental changes for each function.

Present	Changes in the business environment	Response to changes	Roles of each department	Skills to acquire
Business Development function Worldwide power generation assets: 80 GW Knowledge of LNG carriers and fuel upstream business	<ul style="list-style-type: none"> Increased demand for energy in Asia Exit from coal/gas shift Innovations in energy technology 	<ul style="list-style-type: none"> Expand value chain business in each country Highly efficient gas thermal construction Large-scale renewable energy development 	Construct new power stations, replace existing power stations, and restructure with the aim of achieving an optimal asset portfolio and expanding profits.	<ul style="list-style-type: none"> Capacity to form and develop new projects in each country (Example: Gas-to-power/renewables) Asset portfolio optimization
Optimization function A trader that is one of the world's largest fuel purchasers, and one of Japan's largest power producers	<ul style="list-style-type: none"> Increased competition in electricity and gas sales Market creation, introduction of systems Appearance of completely new risks 	<ul style="list-style-type: none"> Enhance thermal power generation and fuel utilization capacity Leverage global market trading Find new customers 	Optimize the entire value chain from fuel procurement to power and gas sales with the aim of expanding opportunities for profit and maximizing spreads.	<ul style="list-style-type: none"> Market intelligence Risk control capacity
O&M Engineering function Provider of O&M engineering services of 70 GW in Japan	<ul style="list-style-type: none"> Expansion of digitalization Increased grid instability (expansion of renewables) Steps toward zero-emission thermal power 	<ul style="list-style-type: none"> Remote monitoring and predictive management Improve agility in response to variance Internalize decarbonization technology 	Implement flexible operations and reduce costs in facility operation and maintenance with the aim of achieving high added value in O&M engineering services and expanding profits.	<ul style="list-style-type: none"> Big data management Advanced user technology



Photo by Ørsted

Business Strategies Execution of Six Measures to Achieve Our Mission and Vision

We are systematically executing six measures to achieve our mission and vision.

We will maintain and expand the scale of LNG procurement through streamlining and replacement in domestic power generation, and through expansion in overseas power generation.

Additionally, we aim to connect the procurement scale to trading expansion and upstream business participation in an effort to improve the profitability of entire value chains.

We intend to grow renewable energy as a main pillar of our future business portfolio by using our large-scale business development capacity cultivated through existing business to promote development in offshore wind power and other areas.



Business Development Department

Excellence of LNG value chains and large-scale renewable energy development

Optimization Department

Resource and electricity trading and market creation

O&M Engineering Department

World-class agility and operation efficiency

1 Strengthening of domestic power supply portfolio through replacements (LNG thermal power)

2 Gas-to-power (LNG commercial flow expansion)

3 Flexible supply sources (LNG securement)

6 Large-scale renewable energy (offshore wind power)

4 Expansion of trading business scope and opportunities

5 Introducing JERA O&M Way to all JERA thermal power stations to achieve mobility and agility and improve operational efficiency

2025 Targets*

*Targets in the business plan published in April 2019

- Develop domestic replacement: **7-9GW (5 to 7 sites)**
- Win Gas to Power projects
- LNG carriers: **Approximately 25**
- Equity ownership in renewable energy output: **5 GW**

- LNG transaction volume: **Approximately 35 million tons**
- Optimization through the effective use of LNG carriers
- Profits from trading

- Power station operation and maintenance: Equivalent to **80 GW** worldwide
- **20%** reduction of O&M engineering expenditures (compared to pre-consolidation figures of TEPCO/Chubu Electric Power)
- **50%** reduction of periodic inspection duration

Organization and management that promotes achievement of One Global JERA

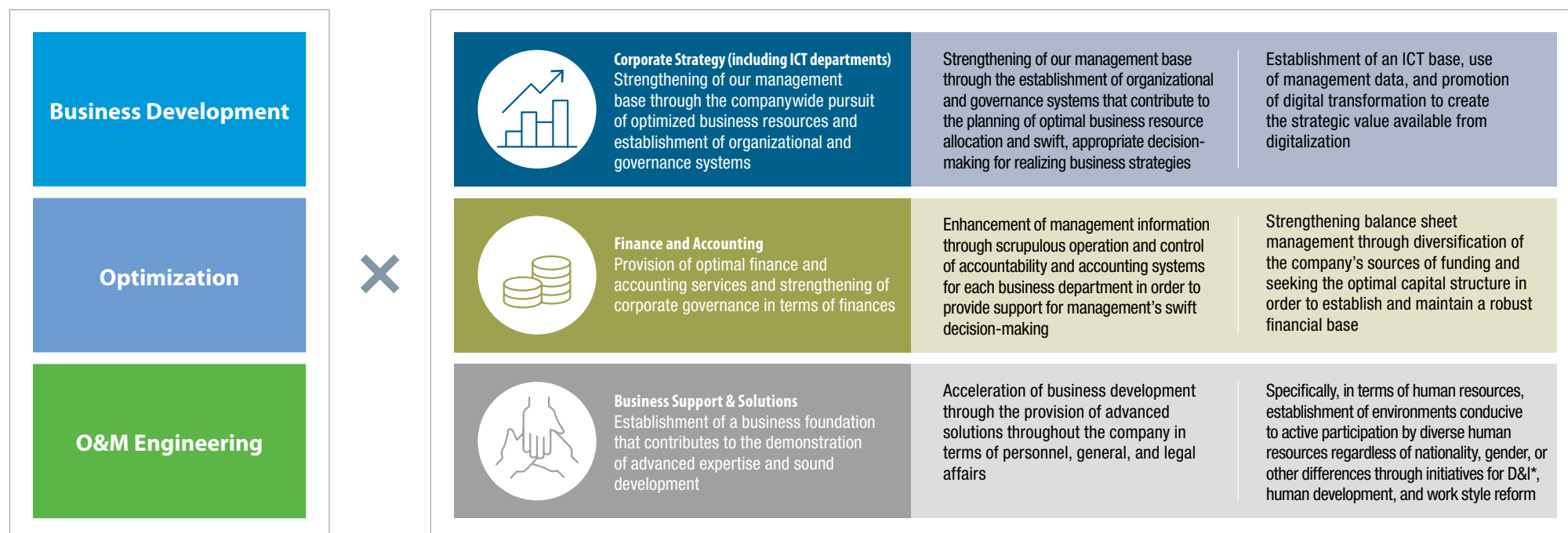
Consolidated net income: **200 billion yen**

Financial strength rating: **A-grade or higher**

Establishing a Robust Management Base to Support Business Strategies

Our systematic execution of the six measures to achieve our mission and vision depends on the underlying organizational structure that supports business strategies toward those ends.

We are aiming to increase the efficiency of our business overall and improve our corporate value on the strength of our Corporate Strategy, Finance and Accounting, and Business Support & Solutions Departments, which support the activities of our three profit centers in addition to underpinning centralized, optimal management of entire supply chains.

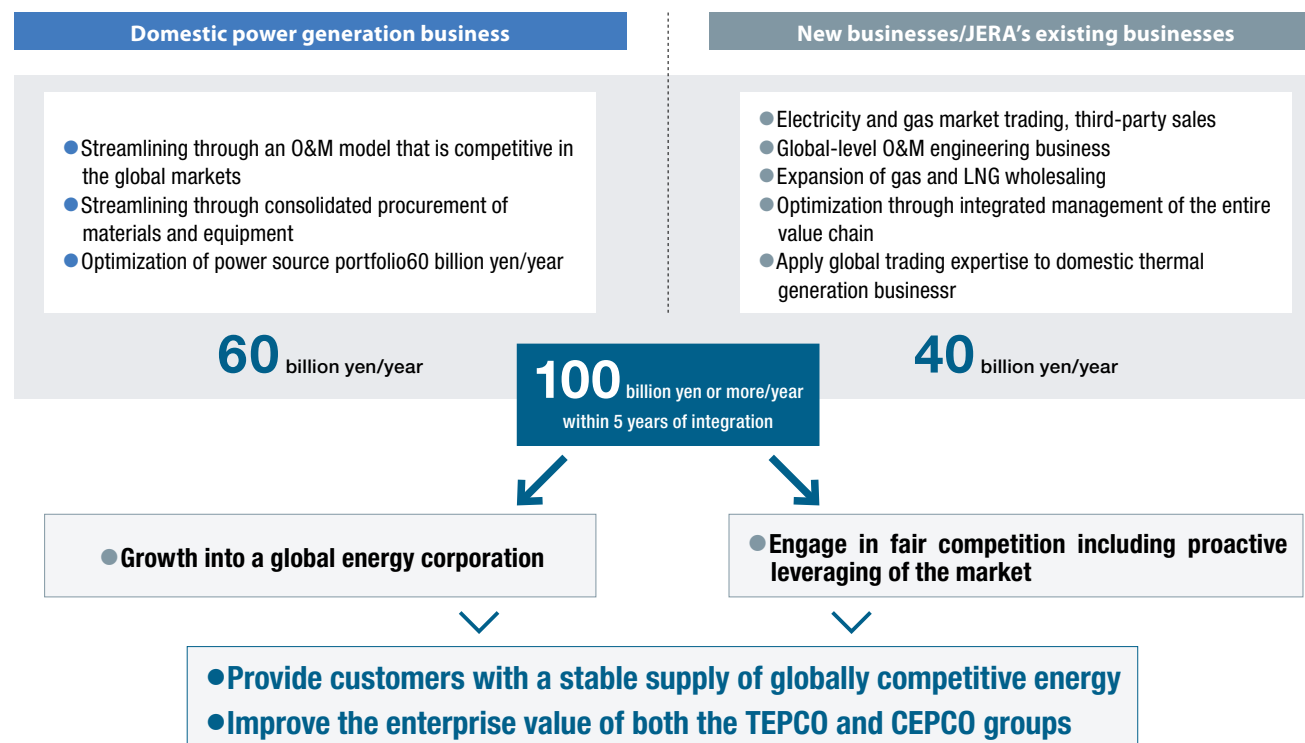


* D&I: Diversity and inclusion (accepting and making the best use of diverse human resources)

Aiming to Maximize Synergy Through Integration

We will steadily execute the six measures in pursuit of maximizing synergy through consolidation, aiming for at least 200 billion yen by fiscal 2025.*

* Excluding the impact of time lag in the fuel cost adjustment system



We are developing business with the goal of creating synergy worth at least 100 billion yen per year within five years of the consolidation in April 2019.

We have begun considerations for streamlining O&M engineering as well as cost-cutting measures such as joint procurement of equipment and materials, and project that we have already achieved more than half the initially envisioned cost reductions. We will continue to move ahead with efforts to unearth more ways to cut costs, and accelerate considerations toward the earliest possible achievement of new profit expansion measures for global-level O&M engineering and other businesses. We will leverage the effects of achieving consolidation synergy to maximize our corporate value, provide competitive electricity and gas to the market, amass internal reserves, and reinvest.

Business Development Department

We are one of the world's largest power producers—we have developed and now own power generation assets of approximately 80 GW and 11 LNG receiving terminals—as well as a company in the fuel business, with long-term LNG procurement in 13 countries around the world, 20 LNG carriers, and involvement in LNG production projects in five different locations. We intend to further advance the diverse development capacity we have gained from these large-scale businesses and continue moving ahead with the development of integration projects from fuel procurement to power generation (gas-to-power) and large-scale renewable energy projects with the aim of expanding business to meet the needs of various countries and regions.

FY2019 vital statistics

Offshore wind power interests acquired:

Approx. **184,000** kW

Overseas thermal power station interests acquired:

Approx. **900,000** kW

Offshore wind power generation facilities completed:

Approx. **40,000** kW

LNG projects launched:

Approx. **2.32** million tons/year

Environmental assessments for thermal replacement in Japan completed:

Approx. **1.95** GW

LNG charters concluded: **1** ship

A Group of Investment Professionals Aiming to Create an Optimal Asset Portfolio by Providing Energy Solutions

Our mission is to optimize the asset portfolios of existing and new business by providing energy solutions.

As a professional global asset management group that develops and deploys optimal assets centered on renewable energy development and LNG value chain business from fuel upstream to power generation, we develop business that meets the needs of various countries.

Despite numerous issues including decarbonization and responding to increasing global energy demand, we intend to contribute to the development of regional economic growth all over the world using solutions that leverage our value chain centered on a combination of our flexible, clean LNG thermal power output and the variable output of renewable energy it complements. Additionally, we aim to become a global leader sparking the transition to a clean energy economy with our efforts toward the cutting-edge solutions of hydrogen and ammonia fuel.

Strengths

- One of the world's largest LNG transaction volumes
- Widespread value chain from fuel upstream to power generation
- Trustworthiness as the world's chosen partner for large-scale business development

Opportunities

- Global transition to decarbonization
- Increased demand for energy in Asia
- Expansion of renewable energy and gas-fired power
- Signs of new energy (hydrogen, ammonia, etc.) realization

Initiatives

- Expansion of integrated projects from fuel procurement to power generation (gas-to-power)
- Replacement with the most efficient power stations
- Proactive development of offshore wind power and other renewables



Corporate Vice President, Director
Chief Operating Officer, Business
Development Department

Yukio Kani

Domestic Power Generation Business

In an effort to both enhance our domestic competitiveness and reduce environmental impact, we will replace existing thermal power stations with the most efficient models while making use of existing infrastructure, and adopt cutting-edge exhaust gas treatment systems in addition to considering the introduction of hydrogen and ammonia fuels, which do not release CO₂ during combustion. We will also achieve a composition of power sources consistent with energy and environmental policies in an effort to achieve a balance between the stability and sustainability of our energy supply.



Overseas Power Generation and Value Chain Business

Since participating in our first overseas power generation project in the 1990s, we have gained experience from many more projects around the world which we use to expand business.

We are aiming to expand development based on strategies to meet the needs of markets in North America, Asia, and the Middle East.

We are also devoting energy in a new domain—discovering gas-to-power projects, a key to our future growth.



Renewable Energy Development Business

We view renewable energy as a core business for our future, and intend to expand by focusing on offshore wind power generation, which leverages our strength of large-scale development. Additionally, we are using storage batteries—which are gaining traction as a promising, innovation-driven power generation option—in an effort to reduce carbon emissions and stabilize the supply-demand balance.



Photo by Ørsted

Fuel Upstream and Long-Term LNG Procurement and Transportation Business

We are leveraging our annual LNG transaction volume of approximately 36 million tons and participating in five LNG upstream projects to realize the capacity to respond to supply-demand variation with diversified suppliers and price indicators.

Additionally, our ownership of upstream interests and fuel carriers contributes to our highly consistent, flexible, and competitive fuel supply.



Providing Value

Stable Supply of Energy

Beginning LNG Production in Freeport (USA)

The Freeport LNG Project in the US state of Texas is a project to liquefy and export natural gas procured from the American gas market. LNG production began in August 2019 during the process of commissioning the first production facilities. With shipments to Japan beginning in December of that year, the project to contribute to the diversification of suppliers and price indicators was launched.

The project has enabled us to secure a new supply of approximately 2.32 million tons of LNG per year. With no restrictions on destinations, the project is expected to further improve our fuel trading business, thereby contributing to the diversification of suppliers and price indicators and stable LNG procurement.



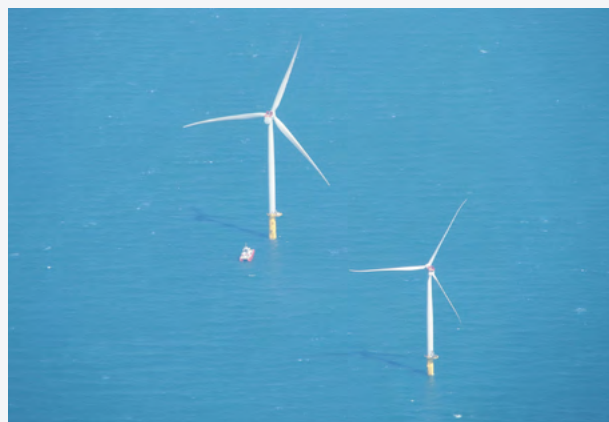
Freeport LNG Project liquefaction facilities
Photo by Freeport LNG Development

Development of Renewable Energy

Participating in Offshore Wind Power Generation Projects in Taiwan

As part of our large-scale renewable energy business—a focus of our energy solutions—we are participating in the Formosa 1 and 2 Offshore Wind Power Projects offshore of the Taiwanese county of Miaoli.

Through our participation in these projects in Taiwan, which are in different stages, we are applying our ample expertise in projects inside and outside Japan. Additionally, with the aim of becoming a global leader in the renewable energy field, we have joined the Ocean Renewable Energy Action Coalition and World Forum Offshore Wind with the intent of sustainably popularizing offshore wind power generation and increasing our knowledge through proactive efforts on floating offshore wind power and other new technologies, thereby contributing to the further expansion of renewable energy and the resolution of the many issues therein.



Formosa 1 Offshore Wind Power Generation Project

Stable Supply of Energy and Reducing Environmental Impact

Moving Ahead with Domestic Thermal Power Station Replacement Plans

We are steadily moving ahead with plans to replace aging thermal power generation facilities in Japan with top-of-the-line, highly efficient facilities with the aim of contributing to the realization of a stable energy supply and a low-carbon society. Additionally, these thermal power generation facilities can supplement the load variation of renewable energy and function as a bridge to the low-carbon society the world is aiming for.

A notable example is the Goi Thermal Power Station in Chiba Prefecture. We aim to start construction in 2021 under a project promoted by Goi United Generation—our joint venture with ENEOS—and are moving ahead with preparations to operate a top-of-the-line LNG thermal power station designed to reduce environmental impact.



Image of the Goi Thermal Power Station

Optimization Department

JERA handles approximately 36 million tons of LNG annually, among the largest transaction volumes in the world, and has 10 years of experience in fuel trading. We ensure comprehensive optimization of the huge energy flow from fuel procurement to transport, receiving, power generation, and sales while utilizing trading to achieve the most cost-efficient, flexible operation. In Japan, we sell electricity and gas through long- and short-term over-the-counter trading and in trading markets. We offer energy solutions that meet the needs of customers and contribute to the development of the energy market.

FY2019 vital statistics

LNG transaction volume:

Approximately **36** million t

Electricity sales:

265.7 billion kWh

LNG procurement from:

13 countries

Pursuing Optimal Operation of Energy Value Chains

The Optimization Department, which is in charge of operating entire energy value chains, will combine individual business segments and implement proper risk management in pursuit of optimal operations and to create new services to provide solutions to our customers so that JERA's supply of energy can continue to contribute to the realization of a sustainably growing society in which prosperous lifestyles are attainable.

Amid sweeping changes in the business environment, we will respond flexibly to variation in energy demand and markets and translate optimal operations and the optimized functionality of JERA Global Markets Pte. Ltd ("JERAGM") into contributions to the development of the global energy market and the establishment of sustainable societies.

Strengths

- A wealth of market intelligence, mainly from JERAGM
- Expertise in dealings in the electricity and gas markets
- Competitive, flexible procurement portfolio
- Terminals and power stations capable of flexible operations and receiving

Opportunities

- Increase competition in electricity and gas sales
- Market creation, introduction of systems
- Variation in resource prices
- Variation in domestic electricity demand

Initiatives

- Response to variation in demand through optimization of entire value chains through optimized investment in thermal power generation and fuel, optimized functionality of JERAGM, etc.
- Risk control through optimal investment in our fuel portfolio in response to market trends
- Pursuit of additional profits while limiting volume and risk with respect to new electric power companies and electricity markets
- Aiming for consistent profits through sales to retailers of the Tokyo Electric Power Company and the Chubu Electric Power Company



Managing Executive Officer, Chief
Operating Officer, Optimization
Department

Sunao Nakamura

Short-Term Fuel Procurement Business

We are leveraging our world-class procurement scale to establish a fuel portfolio with outstanding short-term price competitiveness (within four years for LNG) and responsiveness to the risks associated with volume and price variation. We intend to contribute to the economical supply of electricity and gas to Japan on the basis of our competitive fuel procurement, and make efforts to expand our fuel trading business on the strength of our acquired flexibility.



Fuel Trading Business

In April 2019, we expanded the existing scope of our optimization and trading from coal to include LNG. With approximately 300 people mainly at JERAGM, which has offices worldwide including in Singapore and London, we are contributing to the optimization of entire supply chains through asset-backed trading that leverages our world-class fuel procurement scale.



Electricity and Gas Sales Business

In addition to long-term, large-scale over-the-counter trading based on market prices and conditions, we will also make use of short-term over-the-counter trading and domestic electricity and gas markets to establish an outstanding portfolio of electricity and gas sales. We will leverage our experience in the fuel trading business as well as the electricity business in North America to contribute to the development of electricity and gas markets.



Providing Value

Securing Stable Sources of Energy

Establishing an Optimal LNG Procurement Portfolio

As we entered 2019, JERA reached new LNG purchase and sale agreements with LNG Canada and Mozambique LNG. These agreements will help diversify our source countries and contribute to our stable, economical LNG procurement into the future. At JERA, we intend to continue to establish and optimally utilize a suitable LNG procurement portfolio to enable us to respond flexibly to changes in the business environment and seek to maximize our corporate value.



Overview of Basic Agreement for Purchasing LNG from LNG Canada

Seller:	Diamond Gas International Pte. Ltd.
Buyer:	JERA Co., Inc.
Contract term:	Approx. 15 years starting in FY2024
Quantity:	Up to 16 carriers per year (a maximum of approx. 1.2 million tons/year)
Terms of delivery:	Delivered ex ship (DES)

Overview of Basic Agreement for Purchasing LNG from Mozambique LNG

Seller:	Mozambique LNG1 Company Pte. Ltd.
Buyer:	JERA Co., Inc., CPC Corporation, Taiwan
Contract term:	17 years starting from the start of commercial production
Quantity:	1.6 million tons/year
Terms of delivery:	Delivered ex ship (DES)

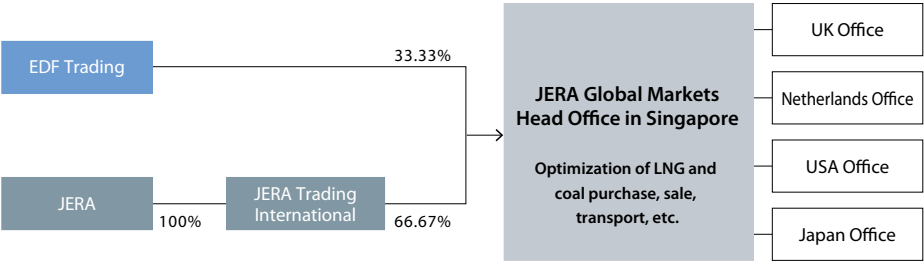
TOPICS Launching JERA Global Markets Toward LNG Portfolio Optimization

In April 2019, JERA and EDF Trading Limited consolidated their spot and short-term LNG trades and transport into JERA Trading Pte. Ltd. To mark the consolidation, the company name was changed to JERA Global Markets Pte. Ltd. before beginning operations.

JERAGM strengths include offices in Singapore, the UK, the Netherlands, the USA, and Japan, and a team of approximately 300 people who collaborate closely with key people in JERA's Optimization Department. This joint venture adds JERAGM's spot and short-term LNG trades and more to the existing coal trading business, making JERA one of the world's largest developers of optimization business in the global markets for LNG, coal, and chartering. Additionally, with LNG terminals in Europe, access to pipeline gas markets, and more, JERAGM contributes to the advancement and streamlining of the entire LNG value chains of both JERA and EDF Trading.



LNG and Coal Trading Implementation System Since April 2019



O&M Engineering Department

JERA inherits a 70-year track record in providing stable power in the Kanto and Chubu areas. We have expertise in operation and maintenance (O&M) and engineering, as we currently own and operate power stations with a total capacity of approximately 80 million kW in and outside Japan. Through efforts such as taking long-term responsibility of business—from power station construction to maintenance and operation—we always work to coexist with local communities.

We offer world-class O&M Engineering services by combining the expertise gained through business operations with the world's leading technologies to ensure safe, competitive, flexibly adjustable operation of power stations and receiving terminals for customers in and outside Japan.

FY 2019 vital statistics

Thermal power stations in Japan:

27

LNG receiving terminals in Japan:

8 (excluding jointly operated terminals)

Power generation capacity in Japan:

70 million kW

Promoting the JERA O&M Way with the aim of being a world-class player in O&M

Our O&M Engineering Department—a team more than 3,000 engineers strong—has continuously delivered electricity through many years of power station and fuel terminal O&M, and will continue to coexist in local communities and support manufacturing and comfortable lifestyles in those communities.

We intend to leverage our experience of consistently providing a stable supply of electricity with the aim of providing world-class O&M services. Specifically, we will combine the fruits of our efforts toward continuous improvement and technical capacity with digitalization to establish and refine the “JERA O&M Way”—which balances cost competitiveness and market responsiveness—to provide an unprecedented, outstanding level of O&M services compared to competitors inside and outside Japan.

With our focus set on being a group of professionals that challenge each other to reach higher heights, we aim to become a world-class player in O&M.

Strengths

- Team of more than 3,000 skilled engineers
- Opportunities and experience operating an abundant power supply portfolio



Opportunities

- Electricity market competition
- Expansion of digitalization
- Expansion of renewable energy
- Steps toward zero-emission thermal power



Initiatives

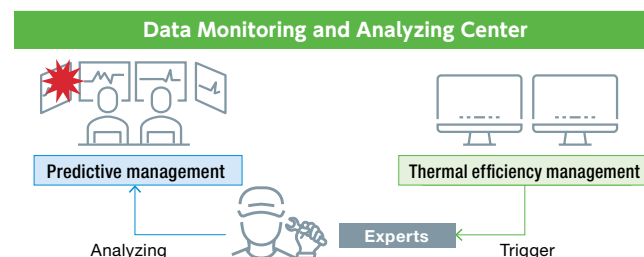
- World-class competitiveness in O&M
- Worldwide deployment of the JERA O&M Way
- Decarbonization initiatives (carbon-ammonia co-firing, offshore wind power O&M)
- Digital power plant (DPP) initiatives



Corporate Vice President
Chief Operating Officer, O&M
Engineering Department
Shunichiro Ide

O&M Engineering

Based on expertise gained operating power stations in and outside Japan, we strengthen cost competitiveness by reducing the time required for periodic inspections while still ensuring safe operation, and achieve flexible power station operation by increasing the fuel types handled. We also introduce remote monitoring using digital technologies, predictive management using big data, and new technologies such as batteries to offer world-class O&M Engineering services (the “JERA O&M Way”)



Rendering O&M Engineering Services to Third Parties

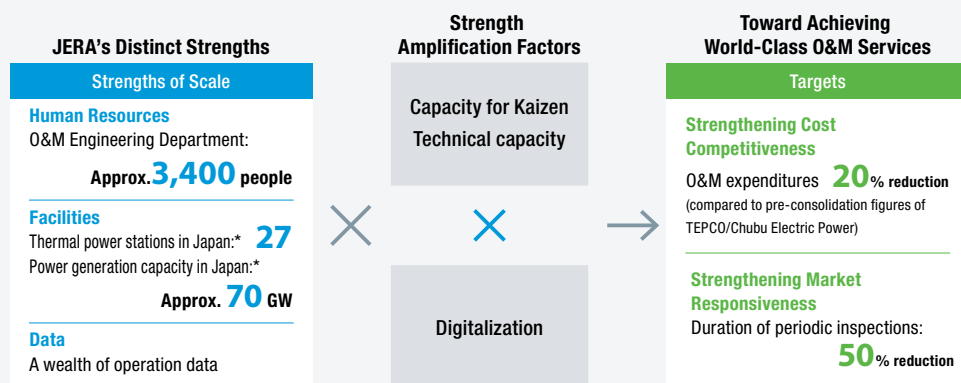
We deploy the “JERA O&M Way” globally to meet the needs of customers in each country. We also actively identify needs in various O&M Engineering services by utilizing expertise gained through thermal power generation.



Providing Value

Worldwide Deployment of the JERA O&M Way

To make the best possible use of JERA's strengths of scale (diverse human resources, facilities, data, etc.), we will further refine the pre-consolidation capacities for Kaizen (constant improvement) and technology of TEPCO Fuel & Power ("TEPCO FP") and Chubu Electric Power Company, and combine them with digitalization with the aim of enhancing our cost competitiveness and market responsiveness and achieving world-class O&M services.



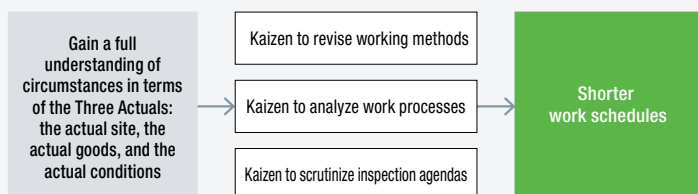
* Includes capacity under construction

Kaizen Initiatives

We implement Kaizen to reduce the time required for periodic inspections, revise and standardize work procedures, and more, in an effort to improve productivity and strengthen our ability to negotiate prices for procurement.

Specifically, reducing the time required for periodic inspections decreases the unit price of power generation (by improving the utilization rate of outstanding facilities in terms of power generation costs), thereby helping create opportunities for electricity and gas sales and fuel trading in value chains.

Kaizen (work): Initiatives to reduce the time required for periodic inspections



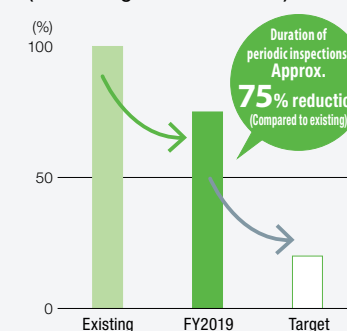
Reducing the Time Required for Periodic Inspections at Thermal Power Stations

Laws and regulations require us to conduct periodic inspections at thermal power stations.

Because we shut down power station operations to conduct the inspections, any reduction in the time required to do so has a positive impact on our annual power generation output. JERA is working to reduce the time required for periodic inspections at thermal power stations by revising the working methods and analyzing the work processes therein as well as scrutinizing inspection agendas.

We achieved a roughly 75% reduction in the time normally required for periodic inspections at the JERA Kawasaki Thermal Power Station, which has top-of-the-line LNG thermal power generation facilities (with total output of 3.42 GW) along with the world's highest level of performance and environmental technology. We intend to continue honing our Kaizen efforts at all our thermal power stations in an effort to shorten work processes.

Honing Our Kaizen Efforts (Shortening Work Processes)



Promoting Exchange Between Human Resources to Maximize East-West Synergy

O&M Engineering Department personnel mostly come from TEPCO FP and Chubu Electric Power Company in a 50:50 ratio. Important initiatives in PMI* activities include switching managers between three power stations in each of East and West Japan, which run at different frequencies, in an effort to swiftly realize synergy and further understanding of each other's power stations, and our promotion of exchange between power stations on both sides of the divide through efforts such as hosting social gatherings for onsite workers. Furthermore, the O&M Engineering Department regularly establishes opportunities to hear the views of people on exchange from the other side, and also establishes groups for each type of facility—coal, combined cycle gas turbine, conventional, terminal, fuel, etc.—to promote the exchange of information between members of our stations on both sides of the divide, thereby promoting demonstrable synergy.



* PMI: Post-merger integration, the process of consolidation after M&A (merger and acquisition of companies)

Scene from an East-West Power Station Social Gathering (Kashima and Kawagoe Thermal Power Stations)

Foundation for Value Creation

JERA's ESG

JERA Business and ESG Management

As a company developing business throughout the world, we seek to advance ESG management throughout entire value chains based on our belief in the importance of managing with a full and firm understanding and control of the impact of our business activities on society and the environment as well as the effects of changes in the business environment on our business, which is consistent with our mission to provide cutting-edge solutions to the world's energy issues.



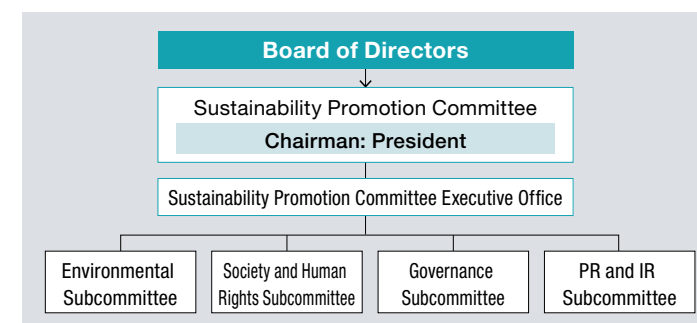
Sustainability Management System

In May 2019, we established the Sustainability Promotion Committee to oversee sustainability across departments throughout the company. The committee is under the direct control of the Board of Directors, and is chaired by the company president.

Under the Sustainability Promotion Committee, four subcommittees that investigate issues and promote measures in four areas—the environment, society and human rights, governance, and public relations and investor relations—in terms of ESG were established, and all departments have been involved in making progress in the consideration of matters relating to sustainability.

We intend to continue promoting sustainable activities unified with our business activities, promote initiatives aiming to develop business and resolve social issues in addition to contributing to the achievement of SDGs.

Sustainability Management System Diagram



Corporate Governance



Basic Approach

The basic principle of our corporate governance is to ensure an autonomous, independent corporate culture and a management system capable of fair, swift decision-making by maintaining strong and sound management/financial structures trusted by the global energy market.

To achieve these principles, we established our own Corporate Governance Guidelines, and intend to establish and enact a proper corporate governance system as well as constantly work to improve and strengthen it.

Establishment of Corporate Governance Guidelines (October 2019)

We established Corporate Governance Guidelines in October 2019 in light of our company's expansion and further progress into the process of becoming a global corporation as a result of our assumption of existing thermal power generation business in Japan in April of that year.

The guidelines set out a basic approach and system for our corporate governance and serve as a code of conduct for our directors in pursuit of sustainable growth and improvement of corporate value.

 [JERA Corporate Governance Guidelines](https://www.jera.co.jp/english/corporate/corporate_governance/)
https://www.jera.co.jp/english/corporate/corporate_governance/

Overview of Corporate Governance



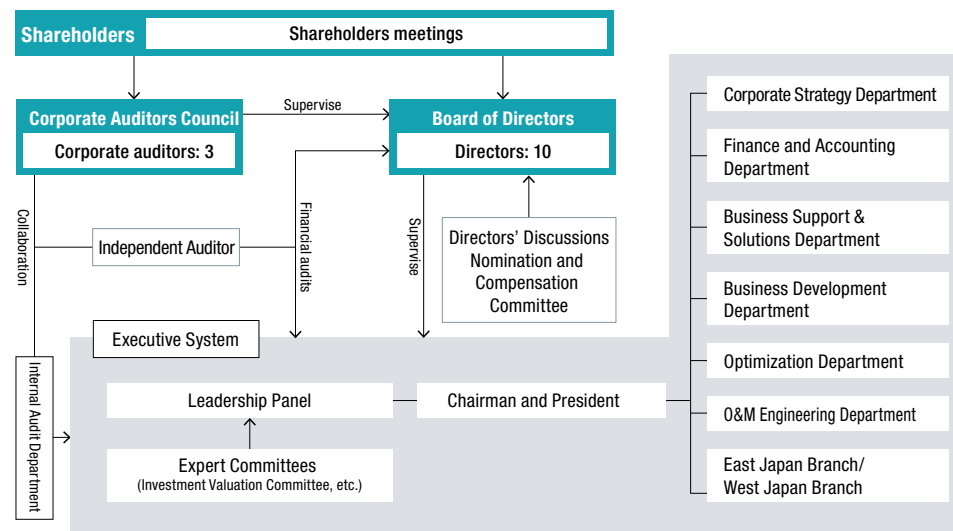
Governance System

In order to expand business throughout the world in a wide range of fields, JERA has adopted an organizational structure that includes (i) a board of directors (the "Board"), consisting of directors from JERA who are familiar with JERA's business, and outside directors who have extensive knowledge and experience (the "Outside Directors", and together with the directors from JERA, the "Directors"), that shall make material business decisions and supervise business execution and (ii) corporate auditors as independent officers (the "Corporate Auditors") who shall be responsible for auditing the execution of the Directors' duties.

In addition, in order to separate the decision-making and supervision of management from the execution of business and to effectuate accurate and prompt decision-making and efficient business execution, JERA has adopted an executive officer system where executive officers are responsible for business execution based on the decisions made by the Board.

Corporate Governance System

(as of October 31, 2020)



Corporate Governance

Roles, Responsibilities, and Diversity of the Board of Directors

Based on applicable laws and regulations and our Articles of Incorporation and internal rules, the Board of Directors determines management objectives and business strategies, makes other important decisions for managing the company, and supervises the execution of duties.

Additionally, we believe that responding swiftly and appropriately to the business environment and ensuring the objectivity and soundness of our decisions toward that end are vital for expanding business throughout the world in a wide range of fields. Therefore, our efforts to ensure diversity of knowledge, experience, and other factors among the Board of Directors include hiring directors who neither work for the company nor are shareholders, in addition to executive directors who work for the company and directors who were originally shareholders.

Support for Directors

We have established a system that provides directors with the support they need to properly perform the duties expected of them. Among other things, the system provides each director with correct and complete information as well as opportunities to obtain knowledge and recommendations about our company's core businesses from outside experts from around the world.

In fiscal 2019, we hosted discussions on topics such as capacity markets, offshore wind power business, and LNG market trends with international experts in the fields of power generation and fuel. The discussions gave us opportunities to hone our business strategies and learn what we need to know to further develop our business domains as a pioneering global company.

Additionally, we hosted Directors' Discussions in an effort to promote full and frank discussion between directors and the effective use of knowledge from outside directors, and to ensure the effectiveness of the Board's discussions and supervision of the execution of duties. The Directors' Discussions provide each director with opportunities to freely exchange opinions with the other directors on comprehensive topics related to the company's key management issues.

A wide range of topics were covered at Directors' Discussions in fiscal 2019, including environmental policy, human resources strategy, and PMI initiatives.

Evaluation of Effectiveness of the Board

Once each year, we evaluate each director and corporate auditor on matters such as their contributions in Board meetings and operation status to help continuously enhance and improve the Board's effectiveness. The Board of Directors analyzes and assesses the results of these evaluations, considers and implements measures to address the issues identified, and constantly works to improve the Board's functionality and effectiveness.

In fiscal 2019, in light of our company's expansion and further development as a global company, we made efforts to enhance the Board's deliberations on management issues by inviting outside directors (including non-Japanese people) with expertise and hosting Directors' Discussions to promote full and frank discussion between directors and the effective use of knowledge from outside directors. We also provided outside directors with opportunities to observe our facilities and places of business, and made other efforts to promote their understanding of our company's business.

In self-assessments of the effectiveness of Board meetings in fiscal 2019, the Board judged that the meetings were essentially effective, yet also in need of further improvement toward enhancing deliberations. Accordingly, in fiscal 2020, we are implementing efforts to further enhance the Board's deliberations. Efforts include revising materials for clarifying points of deliberation in the meetings, enhancing explanations to outside directors prior to submitting proposals, and increasing the frequency of Directors' Discussions.

Leadership Panel and Expert Committees

We have established a Leadership Panel comprising the company chairman, president, vice president, and executive officers based on policy set out by the Board of Directors. The panel provides opportunities to deliberate, make decisions on, and receive key reports about important management matters.

We have also established expert committees to assist the Leadership Panel in each of the main fields under its control, and the committees offer recommendations from their perspectives as experts to supplement the panel's deliberations.

With the exception of limited areas for which there is no expert committee coverage, the Leadership Panel incorporates the expert committees' recommendations into their deliberations and decisions on all relevant matters to discuss and report to the Board of Directors. Additionally, the panel reports the committees' recommendations to the Board along with the results of their deliberations.

Directors & Officers

¹ Indicates an outside director as provided for in Article 2-15 of the Companies Act.

² Indicates an outside auditor as provided for in Article 2-16 of the Companies Act.

Directors



Chairman
Toshihiro Sano

April 1977: Joined Tokyo Electric Power Company
April 2014: Executive Vice President and Director, Tokyo Electric Power Company
April 2015: Director (non-executive), JERA
April 2016: Director, Tokyo Electric Power Company Holdings; President, TEPCO Fuel & Power
June 2017: Chairman, TEPCO Fuel & Power
April 2019: Chairman, JERA



President
Satoshi Onoda

April 1980: Joined Chubu Electric Power Company
April 2018: Executive Vice President, Chubu Electric Power Company; President, Power Generation Company; Director (non-executive), JERA
June 2018: Director, Executive Vice President, Chubu Electric Power Company
April 2019: President, JERA



Corporate Vice President,
Director
Chief Operating Officer,
Business Development
Department
Yukio Kani

April 1986: Joined Tokyo Electric Power Company
April 2013: Executive Officer, Tokyo Electric Power Company
April 2015: Managing Executive Officer, Tokyo Electric Power Company; Vice President, TEPCO Fuel & Power
April 2016: Managing Director, JERA
July 2016: Managing Director and Chief Operating Officer, Corporate Strategy Department, JERA; Director (non-executive), TEPCO Fuel & Power
April 2019: Corporate Vice President, Director, and Chief Operating Officer, Business Development Department, JERA



Managing Executive
Officer, Director
Chief Operating Officer,
Corporate Strategy
Department
Hisahide Okuda

April 1988: Joined Chubu Electric Power Company
July 2017: General Manager, Strategies & Alliances Office, Head of Corporate Planning & Strategy Division, Chubu Electric Power Company
April 2019: Managing Executive Officer, Chief Operating Officer, Corporate Strategy Department, JERA
April 2020: Managing Executive Officer, Director, Chief Operating Officer, Corporate Strategy Department, JERA



Managing Executive
Officer, Director
Chief Financial Officer,
Finance and Accounting
Department
Kazuo Sakairi

April 1987: Joined Bank of Tokyo (currently MUFG Bank)
November 2002: M&A Team Head, Corporate Advisory Department, Mitsubishi Securities (currently Mitsubishi UFJ Securities)
June 2006: Senior Director, GCA Corporation
January 2015: Executive Officer, GCA Corporation
April 2019: Managing Executive Officer, Director, Chief Financial Officer, Finance and Accounting Department, JERA



Director
Hendrik Gordenker

January 1996: Partner, Arent Fox LLP, Washington DC
March 2000: Partner, White & Case LLP, Tokyo Office
February 2015: Senior Advisor, Tokyo Electric Power Company
May 2015: Senior Advisor and External Expert, JERA
April 2016: Chairman, JERA
April 2019: Director and Senior Corporate Vice President, JERA
April 2020: Director and Senior Advisor, JERA



Director¹
David Crane

November 1984: White & Case LLP
June 1991: Vice President, ABB Group Energy Ventures (Hong Kong)
June 1996: Senior Vice President, Lehman Brothers
March 2000: COO and CEO, International Power PLC
December 2003: CEO, NRG Energy, Inc.
December 2003: CEO, NRG Energy, Inc.
April 2016: Senior Operating Executive, Pegasus Capital Advisors
April 2020: Director, JERA



Director¹
Mike Winkel

October 1995: Joined Westmecklenburgische Energieversorgung AG
August 2000: Joined E.ON Energie AG as Vice President
August 2000: Joined E.ON Energie AG as Vice President
April 2016: Senior Advisor, Boston Consulting Group (Madrid)
January 2017: Expert Advisory Board Member, JERA
January 2018: Senior Advisor and Investment Committee Member, Dolma Group
April 2019: Director, JERA



Director¹
Akihisa Mizuno

April 1978: Joined Chubu Electric Power Company
July 2005: Executive Officer, Chubu Electric Power Company
June 2009: Executive Vice President, Director, Chubu Electric Power Company
June 2010: President, Executive Officer, Chubu Electric Power Company
June 2015: Chairman, Chubu Electric Power Company
April 2019: Director, JERA
June 2020: Honorary Advisor, Chubu Electric Power Company



Director¹
Seiji Mori

April 1986: Joined Tokyo Electric Power Company
April 2016: Managing Director, TEPCO Fuel & Power
September 2018: Director, Executive Vice President, Chief Financial Officer, and Assistant to the President, Tokyo Electric Power Company Holdings; President, TEPCO Fuel & Power
April 2019: Director, JERA

Corporate Auditors



Corporate Auditor²
Shigeyoshi Araki

April 1985: Joined Chubu Electric Power Company
April 2018: Executive Officer, Chubu Electric Power Company; General Manager, Thermal Power Generation Business Department, Power Generation Company
April 2019: Corporate Auditor, JERA



Corporate Auditor²
Hideo Oishi

April 1985: Joined Japan Development Bank
June 2015: Managing Executive Officer, Director, Development Bank of Japan
June 2016: Executive Director, Research Institute of Capital Formation, Development Bank of Japan
April 2019: Corporate Auditor, JERA



Corporate Auditor²
Minako Fujie

April 1988: Joined Tokyo Electric Power Company
July 2016: General Manager, Tsurumi Branch Office, TEPCO Power Grid, Inc.
April 2019: Corporate Auditor, JERA

Appointment of Directors

Candidate Directors shall be decided by a resolution made by the Board after deliberation by the Nomination and Compensation Committee, taking into consideration personal characteristics and core competencies appropriate for their role as Directors and the structure of the Board to ensure diversity.

The Nomination and Compensation Committee comprises at least three directors, including two outside directors who were shareholders before they became directors, and exists to discuss matters involving personnel affairs and compensation of directors, corporate auditors, and executive officers.

Compliance



Basic Approach

The JERA Group is conscious of its mission as a member of the global business community, and gains and maintains the trust of shareholders by ensuring compliance with the laws and regulations of Japan and other countries, acting in good faith based on a heightened sense of ethics befitting a global corporation, and otherwise acting in accordance with the JERA Group Compliance Policy and the JERA Group Compliance Code of Conduct.



JERA Group Compliance Policy

<https://www.jera.co.jp/english/corporate/compliance/ethicspolicy>

JERA Group Compliance Code of Conduct

<https://www.jera.co.jp/english/corporate/compliance/codeofconduct/>

Compliance Promotion System

The JERA Group has installed a Compliance Committee to promote compliance management and function as a body for reviewing and determining measures for ensuring that compliance is carried out and takes hold within the Group. The Compliance Committee comprises the Chairman, President (who serves as the Committee Chairman),

Promoting Compliance

Vice President, Chief Operating Officers, and Heads of Branches of JERA, and the Committee Chairman has the authority to nominate outside attorneys and other outside experts as temporary committee members as needed.

Additionally, the Compliance Committee discusses or reports important matters—including compliance-related measures they consider and evaluate, misconduct they investigate and review, and measures to correct and prevent the recurrence of the misconduct—to the Board of Directors as necessary.

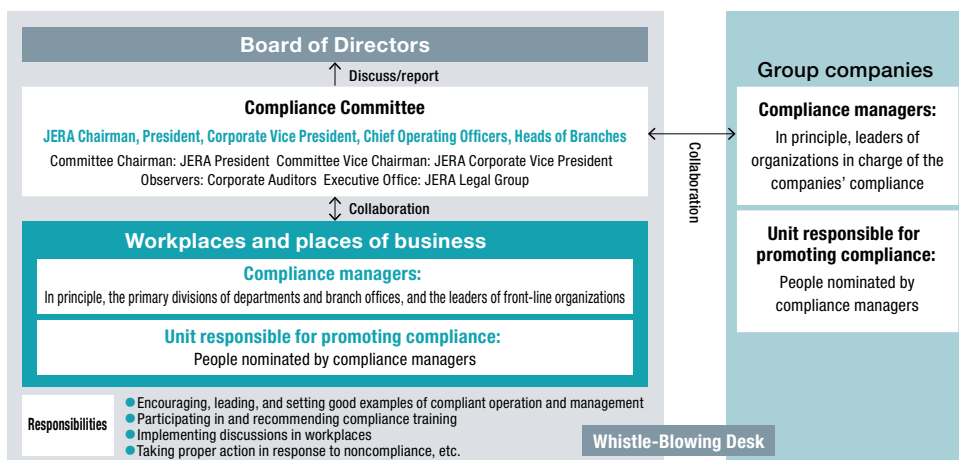
The Compliance Committee reviews and determines measures for promoting compliance for each fiscal year in an effort to ensure that compliance is carried out and takes hold within the JERA Group in accordance with JERA Group Compliance Policy and the JERA Group Compliance Code of Conduct, while considering factors such as the result of questionnaire surveys administered to employees.

We intend to continue conducting compliance training and implementing various measures to ensure that awareness of compliance takes hold in the Group, and that every effort is made to achieve compliance.

Primary Compliance Promotion Measures in FY2019

Measure	Description
Messages from management	Disseminating messages about compliance from management executives (April/October)
Creating collections of cases	Creating collections of cases, sharing them with internal sites, and using them as the basis for conducting discussions in the workplace
Training	Inviting outside lecturers to conduct training for compliance managers
E-learning	Conducting e-learning sessions for 235 key people at foreign subsidiaries and 1,061 new appointees of business departments dealing with foreign public officials to prevent bribery of foreign public officials (Percentage who participated in sessions: 98.9%)
Questionnaires	Administering questionnaires about awareness of compliance (Response rate: 94.6%)
Establishing Group promotion systems	<ul style="list-style-type: none"> Assigning compliance managers and units responsible for promoting compliance in Group companies Administering questionnaires about compliance promotion systems to Group companies

Diagram of the Compliance Promotion System



Compliance

Corruption Prevention

The JERA Group has established a code of conduct for preventing all forms of corruption in accordance with JERA Group Compliance Policy and the JERA Group Compliance Code of Conduct.

In February 2020, in response to the Kansai Electric Power Company payoff scandal and in an effort to ensure fair, honest relationships with suppliers, we established Internal Rules for Giving and Receiving Money and Goods, which set out specific guidelines for giving and receiving money and goods to and from clients.

Excerpt from the JERA Group Compliance Code of Conduct, on Preventing Corruption

- We always maintain proper and healthy relationships with our business partners and do not provide them with money, gifts, entertainment or any other economic benefits that exceed good judgement.
- In our procurement activities, we provide open, fair and equal participation opportunities in both domestic and overseas markets and select suppliers through rational and transparent procedures.
- We establish and maintain fair and open relations with the political and governmental counterparts of each country and region in compliance with domestic and international laws and regulations, and internal rules.
- We do not entertain, provide gifts, or provide any other economic benefits to public officials or anyone in an equivalent position, domestic or foreign.
- We do not make such payments if we are aware that a portion of the payments made to agents or consultants, or any such parties, is being or is suspected of being diverted for the purpose of engaging in improper activities with public officials or persons in an equivalent position.

Fair and Equitable Trade with Suppliers (CSR-Based Procurement)

Both domestically and abroad, we will go beyond merely complying with the law, acting to ensure fairness and justice in the pursuit of our trading and business activities. We uphold free trade and market competition and conduct fair business with suppliers in accordance with the Antimonopoly Act and relevant domestic and international laws and regulations.

We have established a Procurement Policy, and make efforts to engage in CSR-based procurement activities in which we observe laws, regulations, and corporate ethics and ensure safety in addition to assuring quality and reducing procurement costs. In an effort to promote mutual diligence, maintain close communication, and further establish trust-based relationships with our suppliers, we hold briefings on our procurement policy at which we listen to each other's opinions and wishes.



Procurement Policy

<https://www.jera.co.jp/english/corporate/procurement/>

Whistleblowing System

The JERA Group has established a Whistleblowing Desk for receiving tips from inside and outside the company in an effort to prevent as well as quickly discover and resolve compliance violations.

The desk can be reached via email 24 hours a day, and accepts tips and reports of legal violations as well as all types of corruption (including bribes), violations of rules of employment and internal rules, harassment and human rights violations, actions that damage the Group's reputation and social credibility, and more.

Reports can be given anonymously or not, and investigations will be conducted in response to the wishes of informants. Every effort is expended to maintain the confidentiality of the contents of reports and findings of investigations, as well as to protect informants by prohibiting disadvantageous treatment and retaliatory measures against them. Additionally, when compliance violations are confirmed, various corrective and recurrence prevention measures shall be taken.

In fiscal 2019, the desk received 12 tips and reports. To promote the continued use of the whistleblowing system, we will work to enhance trust in it and periodically inform employees about it, and continue efforts to prevent and quickly discover compliance violations.

TOPICS Self-Adaptation Declaration Registration in the Whistleblowing System*

On October 30, 2020, we became the first energy company to complete self-adaptation declaration registration when our whistleblowing system was deemed to have fulfilled the requirements for certification set out by the Consumer Affairs Agency.

The requirements for certification mainly focused on whether we were rigorously implementing measures to maintain confidentiality with regard to tips and to protect informants and people who cooperate with investigations (prohibiting disadvantageous treatment, etc.), and the agency determined that our whistleblowing system fulfilled the criteria.

* Self-Adaptation Declaration Registration System in the Whistleblowing System: An official system launched in February 2019 by the Consumer Affairs Agency. The system allows companies to register their whistleblowing systems by first self-evaluating them based on criteria for certification set out by the Consumer Affairs Agency, and then submitting applications and undergoing assessments by a designated registration organization as to whether the systems fulfill the criteria.



Whistleblowing
Compliance
Management
System

Risk Management



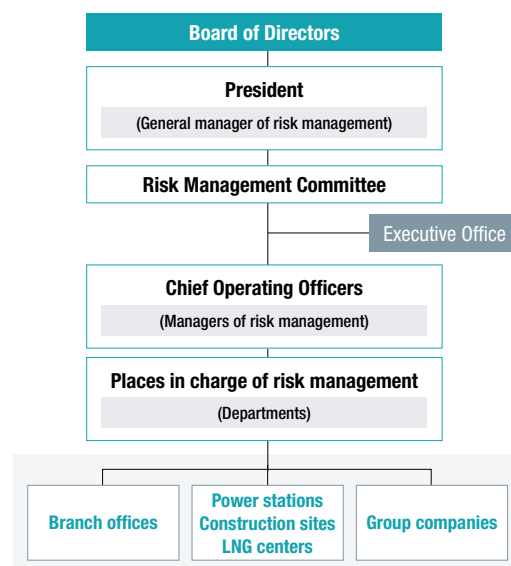
Basic Approach

The JERA Group seeks to gain a proper understanding of and prevent the risks associated with our corporate activities in addition to working to minimize loss when these risks occur. We view these efforts as underpinning the improvement of our corporate value and fulfilling our social responsibility to our stakeholders, and thus continue to work toward highly effective risk management.

Risk Management System

The JERA Group has established a risk management system under the overall responsibility of the company president. The system serves to recognize and assess risks that could severely impact the Group's business and implement proper responses during normal times in an attempt to minimize risks when they actually occur.

Risk Management System Diagram (as of October 31, 2020)



* CIDO: Chief Information and Digital Officer

Structure and Primary Roles of the Risk Management Committee

Chairperson	Vice Chairperson
President	Chief Operating Officer, Corporate Strategy Department
Members	Chairman, Chief Operating Officers, Global CIDO,* Heads of the Planning Group and General Affairs Group
Observers	Corporate auditors
Executive Office	Corporate Strategy Department
Primary roles	(i) Review and discuss risk management policy (ii) Review and discuss organizations and systems for risk management (iii) Manage risks that could severely impact the business of the JERA Group, and review and discuss measures for improvement as needed (iv) Exchange information about all matters related to risk management (v) Review and discuss matters brought for discussion by the Risk Management Executive Office (vi) Receive reports from places that handle crisis management and response (executive offices for crisis management, emergency operations headquarters, etc.) and provide instructions for additional response as needed

Highly Effective Risk Management

The JERA Group has established a highly effective risk management system in order to fulfill the crucial social responsibility of providing a stable supply of electric power. Specifically, the Group has established *Internal Rules for Risk Management* for risk management during normal times, and *Internal Rules for Crisis Management* for responding to crises and emergencies.

Each place of business is expected to manage the risks associated with its business activities as a part of its execution of duties; risks that affect multiple locations are properly managed with cross-sectoral responses. Additionally, managers of risk management report to the Risk Management Committee whenever there are major changes to the risks they are managing.

The Risk Management Committee chaired by the company president seeks to prevent the occurrence of risks that could have a severe impact on the Group's business. When such risks occur, the response is swift and appropriate in an effort to minimize the impact on the Group's business, and necessary reports are made to the Risk Management Committee on a quarterly basis.


Additionally, the Risk Management Committee brings for discussion and reports the management status and response policy for risks associated with the Group's business activities to the Board of Directors on a regular basis and as needed, and the directors gain a full understanding of each risk and exercise supervision to ensure that these risks are properly managed.

Risks of Major Businesses

Risks involving the external environment	❶ Economic and meteorological conditions ❷ Variation in fuel prices, etc. ❸ Variation in interest rates ❹ Changes in the competitive environment ❺ Strengthening of environmental regulations ❻ Exchange rate fluctuations
Risks involving business activities	❶ Power generation business ❷ Fuel businesses ❸ Natural disasters, unforeseen accidents, etc.
Other risks	❶ Compliance ❷ Information management ❸ Regulations and trends including ESG

Risk Management

Countermeasures for Major Disasters

 Earthquake Countermeasures and Safety Measures for LNG Receiving Terminals
▶ P45-46

JERA has established systems for swiftly initiating restoration work when disasters occur or are projected to occur, with specific actions including immediately declaring a state of emergency and establishing headquarters for disaster countermeasures at each place of business.

In light of the national and local governments' revisions of damage projections, disaster risk reduction measures, and the like with regard to earthquakes striking directly under the capital region, Nankai Trough earthquakes, and other currently feared disasters, we are undertaking necessary measures with our facilities and periodically conducting drills to prepare for major disasters.

Initiatives to address human rights issues

As harassment, undue discrimination, and other human rights issues in supply chains throughout the world increase in severity alongside the globalization of business, corporations must manage human rights issues as priority risks.

In our JERA Group Compliance Policy, we pledge to be an upstanding member of the global community by supporting the protection of the human rights advocated in the Universal Declaration of Human Rights, and respecting the diverse cultures and customs of countries and regions around the world. Additionally, in our JERA Group Compliance Code of Conduct, we pledge to respect human rights in all aspects of business activities, and also not to discriminate on the basis of race, skin color, gender, language, religion, political or other opinions, national or social origin, property, family origin or other social status, or for any other similar reason.

We intend to remain conscious of human rights in our business activities, specifically by formulating human rights policy, identifying risks, and conducting impact assessments (due diligence) to improve the effectiveness of our initiatives to address human rights issues.

TOPICS Human Rights Seminars

In January 2020, JERA invited Hideto Kawakita, a representative of the NPO International Institute for Human, Organization and the Earth, to give a lecture on “the ideal state of active involvement of diverse human resources based on consideration for domestic and international human rights.” The lecture reaffirmed the importance of considering human rights by acknowledging the cultural background, history, and other elements of each country into which we expand our business, and inspired us to strive for lively workplaces in which human rights are respected based on examples of initiatives by leading companies.

Enhancing Information Security Measures

The use and application of information technology is vital for fulfilling our mission to help the people of the world achieve prosperous lifestyles and invigorate industry and economy by providing a stable supply of electricity and energy. Accordingly, we established an Information Security Policy in an effort to appropriately protect information assets and enhance the safety of our business dealings. The scope of the Information Security Policy includes everyone involved in the company's operations and all things, environments, and other resources used therein; the proper management and protection of relevant information assets; and security measures for responding to cyberattacks and other threats.

It is worth noting that no major incidents involving information security or the protection of personal information occurred in fiscal 2019.

Information Security Education and Inculcation

We continuously educate all employees who work with information assets, and expend every effort to observe laws, regulations, our Information Security Policy, and relevant regulations in an effort to improve our technological level and awareness of information security. Additionally, in an effort to instill awareness of information security and facilitate swift responses to information security incidents, we give each employee a “security card” containing rules to be observed.

Responding to Cyberattacks

As a company responsible for providing a stable supply of electricity, we absolutely must establish a mechanism that enables us to respond swiftly and appropriately to the mounting threats posed by cyberattacks.

We also participate in the activities of the Japan Electricity Information Sharing and Analysis Center (JE-ISAC)—an organization through which electricity businesses share and analyze information about cybersecurity—and gather information about cybersecurity to inform our responses to increasingly advanced and sophisticated cyberattacks.

In fiscal 2019, we conducted training on phishing for all employees in an effort to reduce the risk of information leaks and virus infiltration originating from such emails. The training proved to be effective in periodically calling attention to the problem; thus, we intend to continue calling attention to problems and conducting training on a regular basis.




Measures to Prevent the Spread of the Novel Coronavirus

Basic Approach

As a leading energy company that operates globally and owns roughly half the thermal power plants in Japan, JERA contributes to society by continuing to provide a stable supply of energy during the COVID-19 pandemic.

Taking the safety and health of the people, our employees, and their families as our highest priority, our approach is grounded in thorough measures to prevent the spread of infection in our workplaces, reduction or suspension of unnecessary or nonurgent operations as the situation develops, and concentration of resources on the operations most important for the continuation of our business.

Action to Protect Safety and Health and Provide a Stable Supply of Energy

	Measures to prevent infection and the spread of infection	Measures to maintain business continuity after the spread of infection
 Power stations	<ul style="list-style-type: none"> ● Restrict access to main control rooms ● Identify personnel capable of operating each power plant unit and secure replacement personnel for shift duties ● Encourage shift employees to commute by private vehicles ● Set aside space for meals and the like to protect night-shift employees ● Secure facilities and places where shift employees can spend the night ● Consider separation of office space as much as possible for day workers 	<ul style="list-style-type: none"> ● If a shift team member is infected, the team to which the infected person belongs switches to telework ● Minimize the number of workers required for on-site work, switching others to telework ● Isolate the infected person's office space and continue the work ● If it becomes difficult to continue the work, the work is suspended on a plant-unit basis for, in principle, two weeks.
 Head Office/ Branch Office Functions	<ul style="list-style-type: none"> ● Identify duties requiring on-site response and employees to perform them ● Recommend staggered work hours and telework ● Transfer Executive Committee and other major meetings to the web ● Prepare alternate workplaces in case of floor or building closure 	<ul style="list-style-type: none"> ● Close the infected person's floor and switch to telework and a minimum of on-site work ● If the head office or branch office building becomes unavailable, switch to a minimum of on-site work at an alternate workplace
 Procurement	<ul style="list-style-type: none"> ● Share information about the impact on construction and delivery dates with business partners ● Identify the status of global LNG/coal production plants and receiving terminals globally, and monitor market trends ● Non-contact cargo handling has been prepared to avoid direct contact between LNG carrier employees and receiving terminal employees when receiving LNG. 	<ul style="list-style-type: none"> ● Consider postponement or cancellation of construction (Coordination with the relevant government agency is required for legally mandated construction work.) ● Alternate procurement as conditions require ● Shift LNG receiving operations to non-contact cargo handling

Digital Transformation

(DX)



Transformation to a Data-Driven Company with Suppliers

We have launched a Digital Transformation Project as a companywide initiative to promote the development of a digitalization system that includes the consolidation of well over 100 systems inherited from TEPCO FP and the Chubu Electric Power Company.

We are rebuilding the already-introduced ERP* System and other components into something more coherent and consistent companywide in an effort to transform into a data-driven company that makes decisions swiftly and accurately on the basis of data.

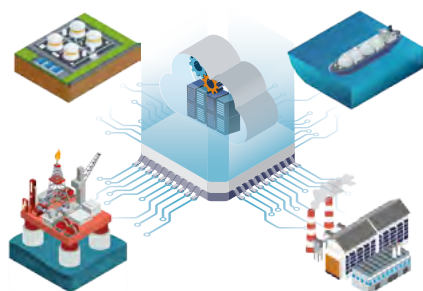
* ERP: Enterprise resource planning, a system in which a company's internal data is centrally managed in an integrated database, enabling it to be used in corporate strategies

Complete Cloud Transition Initiative

We completed our migration of core systems to the cloud in May 2020 to enable JERA to respond swiftly and flexibly to sudden changes in the business environment while ensuring requisite levels of security. This was the first step for an energy company in need of system stability.

We intend to expand our use of the cloud and optimize our system resources in an effort to reduce the impact on the global environment, and to promote a digital transformation by combining the cutting-edge technologies of AI and IoT with our cloud use.

Additionally, we have given laptops, smartphones, and other devices to our employees to create an OA environment—their ability to work from anywhere and without restrictions even during the pandemic has contributed substantially to the realization of work style reform.

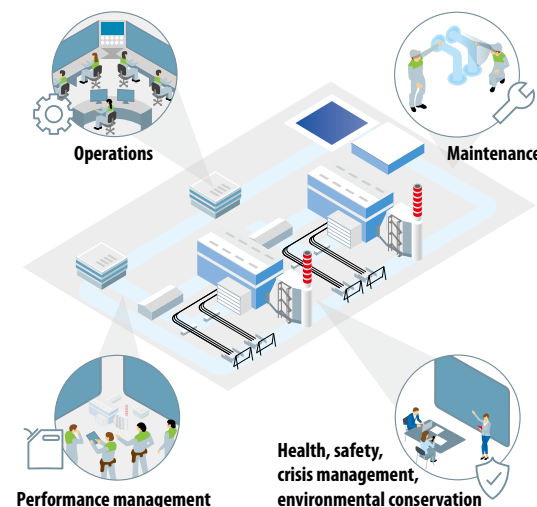


Promoting Digital Power Stations

In an effort to expand our business throughout the world, we are promoting a Digital Power Station Project with the aim of using digital technology to reform operational duties.

We will combine the use of massive amounts of data through AI with our capacities for Kaizen (constant improvement) and technology to advance our power station operation and tremendously improve our competitiveness and market responsiveness.

Our policy for the applications we develop is to extend them to power producers inside and outside Japan.



Securing and Developing Digital Human Resources

We are promoting the diversification of our human resources by proactively promoting efforts to secure excellent human resources of all nationalities and ages with advanced knowledge of ICT from outside the company to reinforce and round out our staff; we currently have approximately 100 people with these skills from 10 different countries.

We are also making proactive efforts to develop human resources with the aim of improving the IT literacy of all JERA employees.

Environmental Management



Basic Approach

As a leader in the thermal power generation business in Japan, we respect energy and environmental policy represented by the Basic Energy Plan, and proactively promote the development of renewable energy.

Furthermore, as a global energy company, we fully recognize the importance of global-scale environmental protection, strictly observe the environmental laws, regulations, and ordinances of each country and region, and make efforts to reduce CO₂ emissions and other environmental burdens with the aim of realizing a sustainable environment, society, and economy.

Environmental Management System

Our business—investing various resources to generate power—contributes to society by providing the stable supply of electricity and gas that underpins industry and prosperous lifestyles. On the other hand, our business activities generate CO₂, waste, and other materials that create environmental burdens.

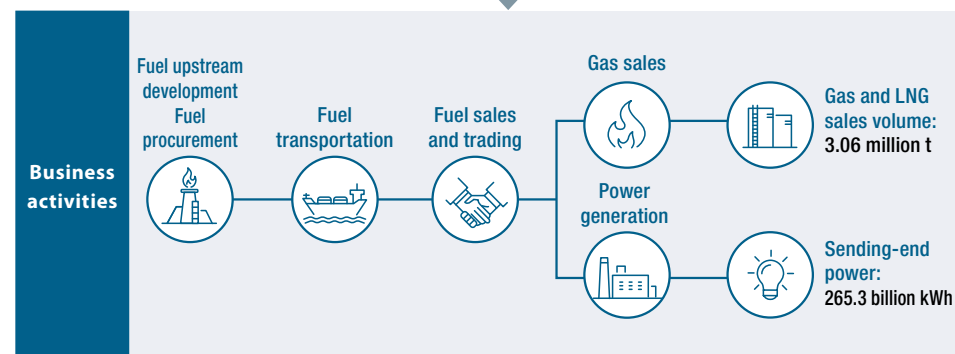
We make many proactive efforts to minimize these materials as well as resource consumption, including improving power generation efficiency, reducing CO₂ emissions, eliminating air pollutants, and recycling waste. We intend to continue contributing to the establishment of a sustainable society by moving ahead with the enhancement of our environmental management, an effort led by the Environment Subcommittee of the Sustainability Promotion Committee.

Environmental Education and Communication

We conduct training for all employees involved in environmental work at power stations to enable them to acquire the knowledge they need. We are also proactively disclosing environmental data and the like in response to the recent increase in calls for the disclosure of non-financial information.

Material Balance (FY2019¹)

INPUT	Fuel consumption for power generation		Total energy consumption	Water usage	
	Coal:	14.83 million t	55.25 million kL (crude oil equivalent)	Industrial water intake:	18.12 million m ³
	Petroleum:	370,000 kL		Tap water intake:	870,000 m ³
	LNG ² :	31.21 million t	Electric power consumption at offices, etc. 10.92 million kWh	Groundwater usage:	20,000 m ³
	Biomass:	390,000 t		Total:	19.01 million m ³




OUTPUT	GHG emissions (CO ₂ equivalent)		SOx emissions	Gross wastewater volume	Disposal by reclamation
	Scope 1:	124.61 million t-CO ₂	7,500 t	7.6 million m ³	10,000 t
	Scope 2:	5,000 t-CO ₂	NOx emissions	COD emissions	
	Scope 3:	23.91 million t-CO ₂	21,100 t	21 t	
	Total:	148.52 million t-CO ₂			

¹ Figures for JERA in Japan only (affiliates' places of business excluded)

² Includes utility gas and LPG

Environmental Management

Reducing CO₂ Emissions

 JERA Zero CO₂ Emissions 2050
➤ P9-11

In October 2020, we unveiled JERA Zero CO₂ Emissions 2050 as a future-oriented initiative to reduce CO₂ emissions.

We accept the challenge of this initiative: to achieve zero CO₂ emissions in all JERA businesses throughout the world by 2050 with the aim of contributing to the realization of a sustainable society in line with our mission to provide cutting-edge solutions to the world's energy issues.

We have already proactively promoted renewable energy business throughout the world and moved ahead with sustained initiatives through our participation in relevant organizations. We have begun considerations for offshore wind power development at the Port of Akita and in Ishikari Bay to follow our participation in offshore wind power projects in places like the UK and Taiwan. We are also developing solar power generation in many Southeast Asia countries.

Additionally, in line with our pursuit of zero-emission thermal power, we are working to further streamline LNG thermal power generation, which generates relatively low CO₂ emissions.

We intend to continue moving forward with various initiatives toward achieving JERA Zero CO₂ Emissions 2050.

**Nishi-Nagoya Thermal Power Station Group 7-1 and 7-2:
Highly Efficient Combined Cycle LNG Power Generation System**

Design efficiency
(low heating value):

At least **62%**



The world's most efficient combined cycle power generation system reduces fuel consumption and CO₂ emissions

Highest in Japan
FY2019
Total thermal power generation efficiency (low heating value):
50.1%

TOPICS JERA Joins World Forum Offshore Wind

JERA is a member of World Forum Offshore Wind.*

June 2020 marked the beginning of activities of the Floating Offshore Wind Committee, a newly launched subordinate organization of World Forum Offshore Wind.

As a member of WFO and FOWC, we will contribute to the growth of floating offshore wind power generation by working in cooperation with other member companies and organizations to promote initiatives related to advocacy and policymaking, cost reductions, the highest health and safety standards, and engagement with stakeholders.

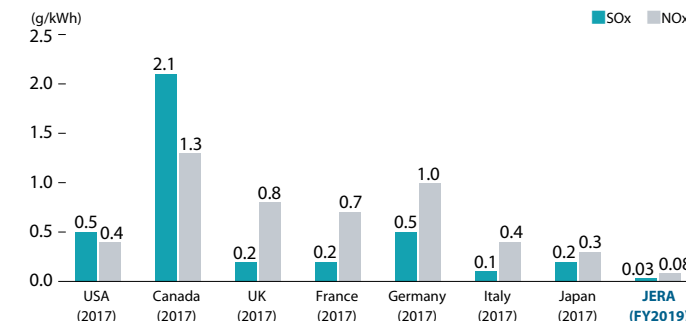


* World Forum Offshore Wind: An NPO established in Germany in 2018. The organization gathers and disseminates information about offshore wind power generation and works to create understanding among key people in national governments with the aim of institutionalizing floating offshore wind power generation throughout the world. (Website: <https://wfo-global.org/>)

Preventing Air Pollution

The air pollutants discharged by our thermal power stations include sulfur oxides (SO_x), nitrogen oxides (NO_x), and soot from boiler exhaust and other sources. We are taking steps to reduce emissions by working to improve incineration methods and installing exhaust gas desulfurization and denitration systems, electric precipitators, and the like, all in an effort to comply with exhaust standards set out in laws and regulations as well as local ordinances and environmental preservation agreements with local governments. In fiscal 2019, our SO_x and NO_x emission intensities were 0.03 g/kWh and 0.08 g/kWh, respectively; we have maintained substantially lower figures than leading countries in Europe and the Americas.

SO_x and NO_x Emissions Per Unit of Power Generation Output



Source: Prepared based on the OECD Stat website (OECD) and World Energy Balances 2019 (IEA)

Water Quality Conservation Measures (Consideration for Marine Environments)

We discharge wastewater from our thermal power stations properly, monitoring it constantly using equipment such as continuous water quality measurement systems and purifying it using wastewater treatment systems so that it satisfies wastewater standards. We also sufficiently consider the impact on surrounding marine environments; for example, to limit the warming of ocean water used in our condensers, we practice slow intake from deep ocean areas with low water temperatures, and release water on the surface at reduced release speeds.

Environmental Management

Effective Use of Resources



We recycle proactively in order to make effective use of limited resources. One of our main waste materials is coal ash from the coal we use at thermal power stations. We are promoting the effective use of coal ash as a raw material for cement and as a land development material for its superb material characteristics such as fine particles, light weight, and increased strength. Our effective utilization rate of coal ash in fiscal 2019 was 99.99%.

Proper Storage and Treatment of PCB Waste

PCB (polychlorobiphenyl) waste retained at thermal power stations, based on the related laws and regulations, is stored/managed appropriately and progresses through planned processing. Note that equipment using PCB as insulating oil (high-concentration PCB equipment) is entrusted to JESCO (Japan Environmental Storage & Safety Corporation) for disposal.

State of Waste Treatment Facility Maintenance

The Waste Disposal and Public Cleansing Act requires companies to publish information on the state of their waste treatment facility maintenance.

In April 2019, JERA inherited licenses to install waste treatment facilities from TEPCO Fuel & Power and the Chubu Electric Power Company under the Waste Disposal and Public Cleansing Act, and we publish information about the state of facility maintenance—past as well as present—on our website.

Control of Chemical Substances

Regarding chemical substances used at our thermal power stations, we observe the PRTR Act (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof) and make efforts toward strict control and reduction of emissions based on internal rules.

Compliance with Environmental Legislation

We make efforts toward environmental conservation by conducting business based on environmental laws and regulations as well as local ordinances and agreements with local governments. In fiscal 2019, we received no administrative penalties under this legislation.

Consideration of Environments Surrounding Power Stations

In accordance with the Environmental Impact Assessment Act, we conduct environmental impact assessments of the environments surrounding power stations during installation, replacement, or other work on the stations as well as after operation starts, and explain the results and engage in dialogue with members of local governments and communities. We use the results of these environmental impact assessments to consider the impact of our work on surrounding environments, and make conservation efforts accordingly, including measures against noise, vibrations, and industrial waste, and measures to preserve scenery.

Primary Measures

Measures	Description
Measures against noise and vibrations	Our measures against noise and vibrations include choosing proper placement of buildings and equipment, adoption of equipment for lowering noise/vibration, and installation of silencers/sound barriers.
Measures against industrial waste	We take steps to properly treat waste by creating manuals tailored to the operations of individual thermal power stations.
Measures for landscape preservation	We make efforts to ensure that power stations blend in with local scenery, while considering costs. See p. 47

TOPICS Preserving Biodiversity

The environmental impact assessment we conducted when replacing Units 1 and 2 at Yokosuka Thermal Power Station confirmed that the area was home to falcons, an endangered species in Japan.

In response, we undertook measures such as using low-noise, low-vibration machinery to avoid negatively impacting the falcons' breeding environment. We also installed nesting boxes on the new stacks to create an environment in which the falcons can build nests. In the future, we intend to install green spaces with hunting grounds for the falcons and take other steps to conserve their habitat.



A falcon observed on the power station property

Environmental Data



Item ¹	Unit	FY2017 ²	FY2018 ²	FY2019
Fuel consumption for power generation				
Coal	million t	17.45	16.26	14.83
Petroleum	million kL	1.11	0.54	0.37
LNG, LPG, utility gas	million t	34.14	33.10	31.21
Biomass	thousand t	90	190	390
Sending-end power	billion kWh	292.2	283.4	265.3
Gas sales volume	million t	2.66	2.66	3.06
Total energy consumption (crude oil equivalent)	million kL	62.14	59.68	55.25
Total thermal power generation efficiency (low heating value)	%	49.3	49.7	50.1
Thermal Power Generation Efficiency Benchmark Index A (Act on the Rational Use of Energy)	—	0.986	0.994	1.002
Thermal Power Generation Efficiency Benchmark Index B (Act on the Rational Use of Energy)	%	45.9	46.3	46.8
Electric power consumption at offices, etc.	million kWh	13.47	11.60	10.92
Intensity of energy consumption at offices, etc.	MJ/m ²	30.04	25.87	16.86
Industrial water intake	million m ³	19.68	19.08	18.12
Tap water intake	thousand m ³	410	390	870
Groundwater usage	thousand m ³	20	20	20
Greenhouse gas (GHG) emissions associated with power generation business (Scope 1)	thousand t-CO ₂	140,410	134,980	124,610
CO ₂ emissions	thousand t-CO ₂	140,290	134,850	124,500
N ₂ O (nitrous oxide) emissions	thousand t-CO ₂	120	120	110
SF ₆ (sulfur hexafluoride) emissions ³	thousand t-CO ₂	10	10	4
HFC (alternative CFC) emissions ³	thousand t-CO ₂	0.6	0.3	0.6
Domestic/JERA Group CO ₂ emissions associated with power generation business (Scope 1) ⁴	thousand t-CO ₂	153,690	148,620	139,010
Global/JERA Group CO ₂ emissions associated with power generation business (Scope 1) ^{4,5}	thousand t-CO ₂	168,810	166,300	161,110
CO ₂ emissions associated with fuel upstream business (Scope 1) ^{4,5}	thousand t-CO ₂	140	150	240
CO ₂ emissions associated with fuel transportation business (Scope 1) ^{4,5}	thousand t-CO ₂	190	200	300
CO ₂ emissions from power consumption in buildings associated with business activities (Scope 2)	thousand t-CO ₂	7	5	5

¹ Figures for JERA in Japan only (affiliates' places of business excluded) unless otherwise noted

² Figures for FY2017 and FY2018 (before the consolidation of existing thermal power businesses) calculated based on totals of all JERA facilities as of April 1, 2019

³ Calendar year totals ⁴ Joint venture figures calculated based on JERA's share ⁵ As a rule, totals for overseas businesses are based on local fiscal years and reporting standards ⁶ Figures based on sending-end power

Item ¹	Unit	FY2017 ²	FY2018 ²	FY2019
Other indirect CO ₂ emissions (Scope 3)	thousand t-CO ₂	26,600	25,490	23,910
Purchased goods and services	thousand t-CO ₂	0.1	0.1	0.1
Capital goods	thousand t-CO ₂	650	580	770
Activities related to fuel and energy	thousand t-CO ₂	25,740	24,700	22,970
Fuel transportation and circulation in upstream departments	thousand t-CO ₂	—	—	—
Waste generated by business	thousand t-CO ₂	210	210	160
Business travel	thousand t-CO ₂	0.6	0.6	0.6
Employee commuting	thousand t-CO ₂	1	1	1
Lease assets of upstream departments	thousand t-CO ₂	—	—	—
Fuel transportation and circulation in downstream departments	thousand t-CO ₂	—	—	—
Processing of sold products	thousand t-CO ₂	—	—	—
Use of sold products	thousand t-CO ₂	—	—	—
Treatment after disposal of sold products	thousand t-CO ₂	—	—	—
Lease assets of downstream departments	thousand t-CO ₂	—	—	—
Franchise	thousand t-CO ₂	—	—	—
Investment	thousand t-CO ₂	—	—	—
CO ₂ emission intensity of power generation ⁶	kg-CO ₂ /kWh	0.480	0.476	0.469
Domestic/JERA Group: CO ₂ emission intensity of power generation business ^{4,6}	kg-CO ₂ /kWh	0.497	0.493	0.492
Global/JERA Group: CO ₂ emission intensity of power generation business ^{4,5,6}	kg-CO ₂ /kWh	0.503	0.499	0.496
SF ₆ (sulfur hexafluoride) capture rate (during inspections)	%	99.4	99.7	99.8
SF ₆ (sulfur hexafluoride) capture rate (during removal)	%	99.0	100	100.0
SOx (sulfur oxide) emissions	thousand t	10.4	9.24	7.5
SOx (sulfur oxide) emission intensity ⁶	g/kWh	0.04	0.03	0.03
NOx (nitrogen oxide) emissions	thousand t	23.9	23.2	21.1
NOx (nitrogen oxide) emission intensity ⁶	g/kWh	0.08	0.08	0.08
Gross wastewater volume	million m ³	7.93	7.00	7.60
COD (chemical oxygen demand) emissions	t	22	20	21
Industrial waste and byproducts generated	million t	2.20	2.39	1.99
Disposal by reclamation	thousand t	20	20	10
Coal ash effective utilization rate	%	99.98	99.98	99.99
Number of severe leaks	—	0	0	0
PCB (polychlorinated biphenyl) content	—	833	111	16
Number of transformers and capacitors disposed of	—	833	111	16
Volume of PCB-contaminated insulating oil treated	kL	733	124	86
Cases involving fines and sanctions for violations of environmental laws and regulations	—	0	0	0

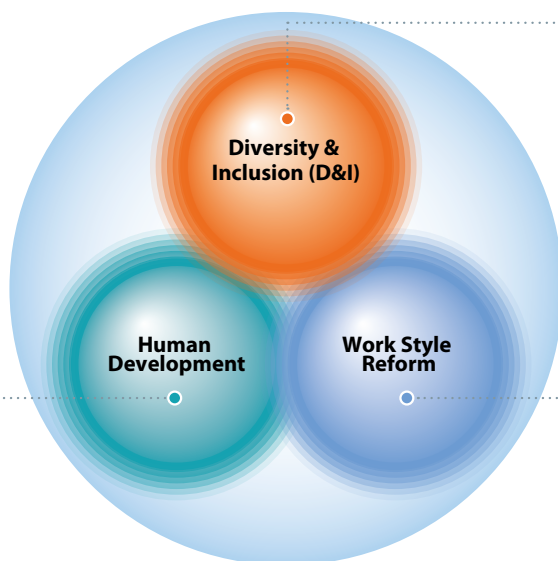
Human Resources



The Three Pillars of Human Resources

Supporting Autonomous Career Development

Our efforts include creating a career development system that incorporates the perspectives of D&I and rebuilding the mentor system. We deploy a rotation system to help each and every employee improve their skills toward achieving their career goals.



Creating Inclusive Organizations

Diversity is the presence of various differences in an organization, including gender, nationality, ethnicity, experience, and expertise. Inclusion enables these diverse people to contribute to their organizations and realize personal growth in fair and equitable environments of mutual respect in which they exhibit their strengths to the fullest. We disseminate information, hold seminars, and engage in other efforts to further our employees' understanding of D&I and form an inclusive corporate culture.

Promoting Work Styles Tailored to Diverse Needs

We leverage flexible working arrangements (working from home, satellite offices) based on perspectives of D&I and make other efforts to promote work styles tailored to employees' needs and the current era.

Senior Operating Officer's Message

Becoming a Company that Enables Diverse People to Exhibit Their Skills to the Fullest

Human resources are a vital source of the Group's capacity for growth.

We seek to enable each and every employee to refine their sensibilities and skills and leverage their strengths based on the three pillars of human resources: Diversity and Inclusion (D&I), Human Development, and Work Style Reform.

For D&I, we are creating organizations that respect everyone's diversity and individuality to enable them to produce results in fair, equitable environments. We are also establishing a distinctive training system for cultivating our ideal employees and engaging in human development tailored to the skills, capabilities, and roles of all employees. Finally, we are promoting work style reform in an effort to create a robust system that enables everyone to choose their desired style of work and exhibit their skills to the fullest while also improving productivity.

For the company to achieve sustainable growth, we must improve our corporate value through the individual growth of our employees, and achieve our mission and vision. We intend to continue proactively moving forward with our system that enables employees to choose their own career paths and work styles in addition to various measures including hiring global human resources, and promoting active participation by women and the employment of people with disabilities.

Managing Executive Officer
Chief Operating Officer, Business
Support & Solutions Department

Masahiro Takizawa



JERA's Ideal Employees

Aiming to Become a Group with Four Important Traits



Diversity

Striving for organizational and personal growth based on respect for differences in gender, nationality, ethnicity, experience, expertise, and other areas, and regard for the formation of views regardless of rank or position



Excellence

Seeking further expertise and personal growth through constant incorporation of new skills and knowledge avidly



Entrepreneurial Spirit

Adeptly perceiving changes, seeking opportunities, and continuously innovating



Fairness

Being accountable and taking the initiative with a heightened sense of ethics and fairness in all matters

Diversity & Inclusion



Top Management's Commitment

Together creating a company which contributes fully to the society through diversity as the energy for change!

JERA's Vision is to "Global leader in LNG and renewables, sparking the transition to a clean energy economy". This requires executing our Mission, which is "to provide cutting edge solutions to the world's energy issues". These are exciting and revolutionary objectives. To achieve them JERA must keep evolving its entrepreneurial culture, embrace all talent and welcome new ideas and innovative thinking.

JERA will prioritize diversity and inclusiveness to drive forward. JERA seeks "Inclusion" by involving and empowering all members, recognizing their inherent dignity and worth, sustaining a sense of belonging and respecting every person's talents, beliefs, background and lifestyle, based on its "Diversity" that encompasses the full range of human differences, including race, ethnicity, gender, gender identity, sexual orientation, age, social class, physical ability or attributes, religious or ethical values, national origin or political beliefs. JERA will create a work environment in which every individual can fully contribute to the organization while maximizing their personal potential and professional growth through diversity and inclusion.

Our vision is summarized into two core beliefs below:

- The company must do everything possible to help all employees to feel happy, motivated and fulfilled at JERA, to the benefit of themselves, their partners, families, and communities.
- Our Vision & Mission can only be achieved by happy, motivated and fulfilled employees.

Specifically, we are working to achieve the following four aims:

1. Prioritize professional development and career opportunities for current and future employees.
2. Use our employees' skills to tear down barriers to building a next generation energy business.
3. Develop new sustainable global energy solutions for future generations.
4. Be recognized for our achievements by external stakeholders, locally and globally.

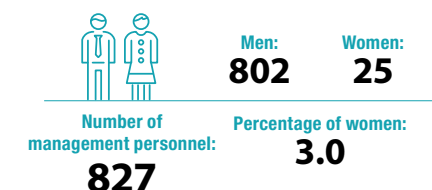
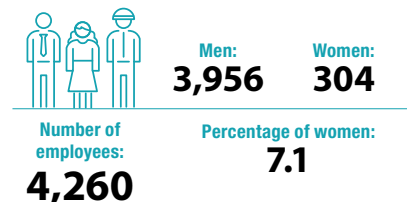
We will build a happy, motivated and fulfilling company capable of delivering exciting new solutions to the world in which we live.

D&I Promotion

To achieve our vision for promoting diversity and inclusion, our D&I Section, which was established in April 2020, is taking the lead in promoting efforts such as proposing flexible work styles and providing career development support that incorporates the perspectives of D&I and holding workshops and seminars to inculcate D&I throughout the company. We will fully leverage our inherent diversity to create new value.

Main D&I Promotion Measures

Measure	Description
Formulating a D&I vision	Hosting participatory events for all employees to work together to create our company's D&I vision
Hosting D&I seminars	Hosting seminars about unconscious bias for management personnel as part of our activities to inculcate D&I throughout the company
Employee attitude surveys	Conducting attitude surveys to increase awareness and promote internalization of D&I, and to gain more allies of D&I initiatives
Information dissemination	Disseminating information about JERA's D&I initiatives through the National Diversity Network of universities and research institutes



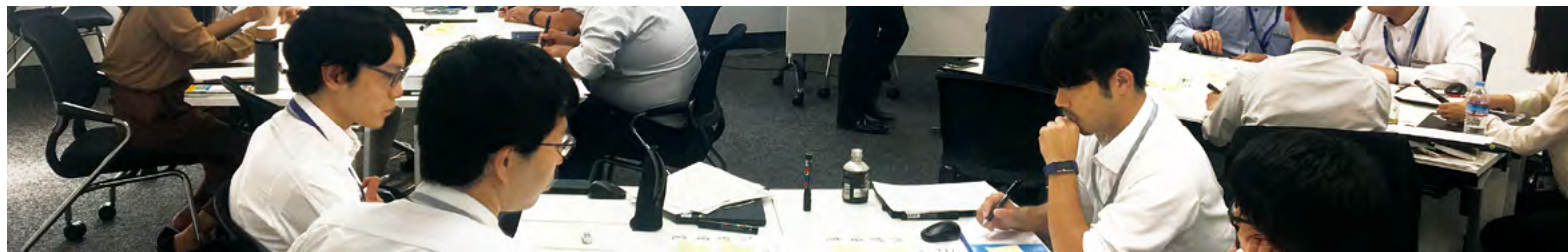
TOPICS Joining EMPOWER to Promote More Active Participation by Women

In November 2020, JERA joined EMPOWER*, a private-sector alliance for the empowerment and progression of women's economic representation.

We intend to further promote active participation by women through such efforts as sharing information with fellow members of EMPOWER and participating in working groups.

* EMPOWER: A global alliance of private companies launched on the basis of the leaders' declaration at the G20 Osaka Summit in June 2019. The aim of the alliance is to increase women's participation at corporate levels where decisions are made. (Gender Quality Bureau Cabinet Office website: http://www.gender.go.jp/international/int_kaigi/int_g20/empower.html)

Human Development



Human Development Policy

(Formulated in March 2020)

JERA considers each and every employee to be an important asset, and will engage in human development in accordance with the following approach.

Objectives of Human Development

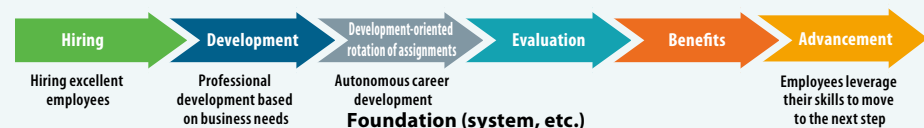
- ① Employees continuously pursue personal growth and live energetic, century-long lives
- ② Through employee growth, improve JERA's corporate value and achieve our mission and vision

Basic Approach

- JERA respects diversity and develops professionals in all areas of expertise
 - Helping JERA employees improve their skills and develop a mindset for sustained success and dominance inside and outside Japan as well as contributing to social progress
- JERA develops employees who meet the challenge of staying ahead of the changing times
 - Developing people who adeptly innovate during unpredictable times
 - Helping employees make bold attempts to achieve further growth and find places to exhibit their skills
- JERA respects employees' career plans and provides maximum support for their realization
 - Deploying a rotation and helping employees improve their skills toward achieving their career goals

We proactively support the growth of all JERA Group employees, including those at overseas sites

Maximizing the Value of Human Resources: We will establish a foundation for human resources management and implement activities associated with each process.



Human Development Plan

We are establishing a distinctive human development system that provides strategic support for employee growth through autonomous career development, professional development, and more based on the Human Development Policy we formulated in March 2020.

To establish supportive environments conducive to employee self-realization, we are creating a career development system that enables employees to build their own careers, developing a training system that provides multifaceted support for improving skills to build those careers (see the chart below), and establishing a diverse system that enables each and every employee to grow as professionals.

We intend to continue being proactive in efforts such as improving systems and providing opportunities for each and every JERA employee to exhibit their skills to the fullest in pursuit of corporate and individual growth.

Training System

Training/Systems Tailored to Individual Skills and Capabilities				Role-Based Training		
Specialty/Skill				Level-Based Training		
Corporate	Business Development	Optimization	O&M	General Training/Systems by Objective		
Improvement of skills and technology particular to each business department ¹				O&M expert	Advanced training for improving business skills ²	Kaizen (constant improvement), correspondence courses, e-learning, etc.
				Advanced O&M	Intermediate training for improving business skills ²	Language training (including TOEIC testing)
				Intermediate		Long-term onsite training, training abroad, etc.
				Beginner	Basic training for improving business skills ²	
Skill level				Management	Position-based training ³	Training for mid-level/experienced employees
				Mid-level employees		
				Young, new employees	Training for young employees	Training for new employees

¹ Plans call for discussions of specific details and levels based on the needs of each business department

² Communication, Intercultural Understanding, Basic Financial Statements, Presentations, Diversity, Problem Solving Skills, etc.

³ Training for newly appointed management personnel, assistant managers, etc.

Work Style Reform



Basic Approach

We are promoting work style reform adapted to changes in society to create workplaces that enable people to work with vigor on a daily basis, so that all JERA employees can maintain a balance between work and life. We are working to establish a full array of support systems that enable people to work in styles adapted to the pace of business, and continue working with a sense of security as they respond to various life events, while also improving productivity.

Promoting Work-Life Balance

In February 2020, we enacted a full-scale, restriction-free telecommuting system to enable workers to enjoy flexible work styles as a part of their work-life balance.

We are also establishing a parenting support system that encourages men as well as women to participate in childcare, and making other efforts toward work styles that enable our diverse human resources to flourish.

We intend to continue diversifying work styles while incorporating the views of our employees.

Systems for Achieving Work-Life Balance

System	Description and Results
Telecommuting System	<ul style="list-style-type: none"> ● Trials began in February 2019, and full-scale operation was launched in February 2020 (working from home and satellite offices) ● Employees are free to telecommute on days of their choice for any reason (up to twice per week or eight times per month)
Parenting Support	<ul style="list-style-type: none"> ● Introduced for all employees as a system for helping employees involved in childcare achieve balance between work and family ● A male employee used childcare leave in September 2019
Uniform Quitting Time at Headquarters	<ul style="list-style-type: none"> ● An initiative to reduce overtime working hours ● Applied on the second Friday of each month

Reducing Overtime Work and Promoting the Use of Paid Leave

We are striving to rigorously and appropriately manage working hours by introducing attendance management systems and developing measures for overtime work. Specific efforts in which we work with workplaces to reduce overtime hours include regularly reporting overtime work statistics to management, requiring explicit prior instruction for working outside business hours as well as explicit prior instruction from department heads for working late-night hours, and establishing no overtime day on the second Friday of every month.

We are also promoting the systematic use of annual paid leave to comply with the amended Labor Standards Act, which went into effect in April 2019; specifically, we are recommending that employees take around one vacation day every two months, and combine vacation days with summer leave and other holidays.

TOPICS Seminar for Considering New Work Styles Amid a New Normal

In an effort to prevent the spread of the novel coronavirus by limiting employee commutes, we have abolished the maximum number of telecommuting days available to employees until the pandemic is under control.

To encourage effective communication between employees and productive team management amid the new normal—circumstances that require us to break from our routines, such as when the national government declares a state of emergency—we invited lecturers to speak at a July 2020 seminar for management personnel and higher-ranking employees entitled “Considering New Work Styles Amid a New Normal.”

Afterward, many participants expressed their opinion that the seminar was quite effective, saying that it helped them understand how work is done via telecommuting, taught them lessons about team management, and inspired them to consider work styles for the future. We intend to capitalize on our experiences under the last state of emergency to continue searching for new work styles amid the new normal so that we can adapt to changes in society.

Safety and Health



Basic Approach

As an entity responsible for a significant portion of the stable supply of vital energy to the people of Japan, JERA is maintaining systems for preventing impediments and other problems with facilities at thermal power stations and fuel terminals in Japan in order to maximize their inherent capacity. We are also implementing health control based on our understanding that protecting the health of our employees and others is the crucial basis of our continued existence.

Safe, Consistent Operations

We expend every effort to achieve safe, consistent operations at our thermal power stations by monitoring their operation status from main control rooms 24 hours a day. We conduct daily inspection patrols in an effort to swiftly discover problems, rigorously inspecting the appearance of our facilities and checking each piece of equipment to ensure that we catch even the slightest changes in temperature, vibrations, abnormal noises, and other problems.

We also conduct legally mandated periodic inspections set out in the Electricity Business Act, periodic voluntary inspections developed in-house, and other periodic inspections appropriately so that our facilities operate safely. Note that we have systems in place for the soonest possible restoration of operations together with affiliates when any problems are discovered in operation.

Disaster Prevention Measures



In thermal power stations many dangerous substances are handled, and they are appropriately managed according to laws such as the Fire Service Act, the Act on the Prevention of Disasters in Petroleum Industrial Complexes and Other Petroleum Facilities, and the High Pressure Gas Safety Act, with the safety of the region as the highest priority.

In particular, for thermal power stations located in special disaster-prevention areas such as petrochemical complexes, JERA is taking the following measures depending on the station's scale.

- Establishment of management systems through the appointment of a disaster prevention manager and a deputy disaster prevention manager and the creation of disaster prevention regulations
- Installation of disaster prevention equipment and materials, such as chemical fire trucks, oil recovery and oil fence vessels by the Self-Defense Disaster Prevention Organization and the Joint Disaster Prevention Organization, and deployment of disaster prevention staff necessary for this purpose
- Establishment of reporting systems and other systems for disaster prevention
- Establishment of emergency disaster systems that can respond flexibly in the event of a disaster

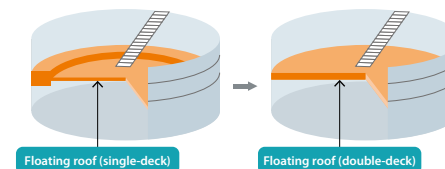
Seismic Countermeasures

When we construct new thermal power stations, we implement earthquake-proof designs based on the Building Standards Act, the Fire Service Act, and other relevant legislation as well as Rules of Quality Assurance for Safety of Nuclear Power Plants (JEAC) for thermal power stations, and confirm seismic performance through periodic facility inspections after construction. We also implement individual measures as needed in light of facility damage incurred in past earthquakes.

Additionally, for earthquakes announced by public organizations like the Central Disaster Prevention Council, aseismic evaluation for important facilities for each power plant is performed and measures such as aseismic reinforcement are implemented to avoid long-term stoppage due to collapse and earthquake damage. In addition, when earthquake predictions are newly received, we will examine the validity of the existing seismic countermeasures and consider necessary changes.

Examples of Individual Measures Reflecting Facility Damage Incurred in Past Earthquakes

- Building reinforcement (main turbine building and main administrative building) based on old aseismic design standards
- Measures against sloshing*1 of fuel tanks (reinforcing floating roof function -> forming double-deck)
Measures against foundational differential settlement for transformers, fire extinguishing pipes, etc.



*1 The fuel oil in the tank fluctuated due to the relatively long period of vibration from the outside caused by the earthquake. This oscillation may break the float roof of the fuel tank or cause the fuel oil to overflow from the tank.

Main Facilities with Aseismic Reinforcement

- Stacks
- HRSG (Heat Recovery Steam Generator) Support Structure
- LNG Carburetor Structure and LNG Pipe Bridge
- Switchyard*2 buildings



*2 Opening/closing of electric circuit paths by a switchgear such as a circuit breaker installed in a power station

Aseismic reinforcement for chimney at Anegasaki Thermal Power Station

Futtsu Thermal Power Station

Aseismic reinforcement for HRSG

Safety and Health

Safety Measure for LNG Terminals

At our LNG terminals, in preparation for the unlikely event of an LNG leakage, safety measures are being implemented based on the following 3 concepts: (1) leakage prevention, (2) early detection of leakage, and (3) preventing leakage from spreading. We also make considerations for the handling of fire, for example adopting explosion-proof structures for the electric articles around LNG facilities and restricting the use of flames in established control zones (including special control zones).

We have been operating safely for over 40 years since the introduction of LNG. We strive to further strengthen our safety measures and take all possible measures in our operation.

Main Safety Measures

Measure	Course of Action
Leakage Prevention	Active adoption of materials resistant to cryogenic temperatures, and welded structures
Early Detection of Leakage	Installation of gas detectors, low temperature detectors, on-site monitoring cameras, and constantly monitoring information from these devices in the central control room
Prevent leaks from spreading	Installation of barriers around ground tanks, vaporization control facilities (Hi-Ex Facilities), and leakage gas diffusion facilities (water curtains), etc.

Fostering Safety Awareness

We own many thermal power generation facilities and fuel facilities, and thus continuously implement efforts to foster widespread safety awareness to ensure the safety of our employees as well as the employees of affiliates and contractors who work at the facilities.

Our thermal power generation facilities and fuel facilities contain many pieces of machinery and equipment, and the potential danger of each must be understood and safety measures must be taken in daily patrols, facility maintenance, and other work around them.

We conduct danger exposure training to enhance employees' sensitivity to the potential danger of each piece of machinery and equipment, and to enable them to practice protecting themselves. Specifically, we expose trainees to dangerous situations created by simulators in an effort to teach them how to avoid causing such situations.

We also work together with affiliates and contractors to deploy safety activities such as sharing information about safety on properties and conducting patrols and study sessions to ensure safe working environments.

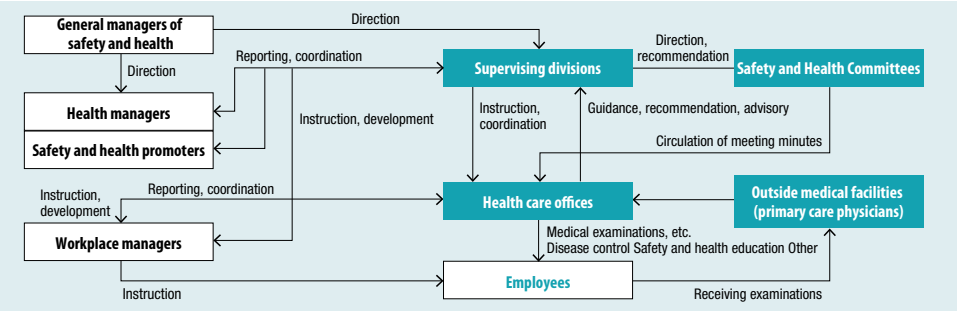
Important Safety and Health Data

	FY2019
Industrial accidents:	7
Number of fatalities from industrial accidents:	0

Health Control System

Based on our understanding that protecting the health of our employees is the crucial basis of our continued existence, Safety and Health Committees installed at each place of business review measures to ensure employee health, and supervising divisions and health and hygiene staff members take the lead in implementing various initiatives to maintain and promote employee health based on the results of the committees' reviews. We assign industrial physicians and public health nurses to our health care offices to maintain health systems that provide individualized care and follow-up to our employees.

Health Control System Chart



Initiatives to Maintain and Promote Health

We have established and are making systematic efforts on focused actions to take at each place of business based on policies and plans for safety and health activities. Specifically, we are intensifying measures to prevent health problems caused by overwork through efforts such as warning departments that record too many overtime hours, and sending specific individuals to consultations with industrial physicians.

Additionally, health and hygiene staff members meet with and provide rigorous health guidance to people in whom regular medical examinations have detected anomalies, and we focus on measures to prevent lifestyle-related diseases and other illnesses through such efforts as disseminating information to foster health awareness among employees during National Worker Health Week.

Measures for Mental Health

Our measures for mental health include providing mental health education to general workers to enable them to prevent mental health issues (provide self-care), and conducting stress checks for all employees. We also educate management personnel for the purpose of early detection and early treatment (what is known as "line care" for subordinate employees).

Note that the results of stress checks are compiled, analyzed, and used to improve working environments.

Coexisting with Local Communities



Basic Approach

We proactively engage in dialogue with local communities and establish strong, trust-based relationships in an effort to continuously develop alongside each other. We intend to contribute to the development of society as a whole through social contribution activities tailored to local communities and business activities that respect the nature, history, culture, and customs of each and every country and region in which we conduct business.

Communication with Local Communities

JERA's Denryoku Kan (Museums of Electricity)

- Kawagoe Denryoku Kan Tera46
(Kawagoe Thermal Power Station in the town of Kawagoe, Mie Prefecture)
- Hekinan TanTopia
(Hekinan Thermal Power Station in the city of Hekinan, Aichi Prefecture)
- Chita Denryoku Kan
(Chita museum of Electricity in the city of Chita, Aichi Prefecture)

We intend to create opportunities for various communication at points nationwide in order to develop alongside local communities while responding to their views and expectations.

Contributing to Local Communities Through Denryoku Kan

The three Denryoku Kan (museums of electricity) operated by JERA are attached to thermal power stations we own; through them, we provide tours of the power stations to schools, local community groups, and companies throughout the year, interact with local communities, and promote understanding of our business activities.

The Denryoku Kan convey the importance of electricity, power generation, and energy, disseminate information about our initiatives to protect the environment, and host mental training, educational, and interaction events for the young minds of the future to provide them with fun opportunities to think about energy, recycling, and the environment.

Cleanup and Environmental Beautification Activities

JERA's thermal power stations and other places of business work together with affiliates and local governments to proactively participate in cleanup and environmental beautification activities in the surrounding communities.

Environmental Conservation and Scenery Preservation Measures at Thermal Power Stations

The thermal power stations we own throughout Japan implement measures to preserve scenery in consideration of the impact of operations on the surrounding environment. We have implemented landscape simulations for the chimneys and the main building and selected the shape, color, etc.

We are also actively involved in staying green and are striving to preserve the environment by planting trees at power station sites, etc., to harmonize with nature.

Our Yokohama Thermal Power Station won the Chairperson's Award of the Japan Greenery Research and Development Center at the FY2019 National Awards for Factory Greening.



Yokohama Thermal Power Station



Kawasaki Thermal Power Station

Coexisting with Local Communities

Overseas/ Affiliate Initiatives and Contributions to SDGs

We invested in TeaM Energy Corporation, an affiliate in the Philippines (JERA and Marubeni each have a 50% stake).

For many years, TeaM has implemented CSR activities through the nonprofit entity TeaM Energy Foundation Inc. (TEFI). TeaM has developed various initiatives to contribute to the resolution of social issues in the Philippines, namely to resolve the problems of poverty and protect the environment, but also including support for education, medicine, and drug eradication.





As in other years, TeaM's activities in FY2019 were focused in four areas: electrifying unelectrified communities and homes, the environment, education, and social contributions. TeaM will continue to make proactive efforts to contribute to the achievement of SDGs.



A TEFI activity in the Philippines



Providing medical supplies in Bangladesh

Contribution Area	Description of Main Efforts
Electrifying unelectrified communities and homes 	TeaM participates in the Philippine government's project to electrify unelectrified communities (aiming for 100% household electrification by 2022) and provides support for electrification in the form of solar panels and storage batteries for villages that are distant from the power grid and households that are unelectrified for economic reasons. TeaM also provides support for introducing agricultural and food processing machinery powered by electricity obtained from solar power generation, education and funds to start businesses in local communities, and other support for the continuous development of these communities keyed by electrification.
Environment 	TeaM collaborates with many stakeholders to implement environmental protection activities with the aim of preserving biodiversity. Activities include constructing a visitor's center in a nature preserve (a joint project with the Philippine Department of Environment and Natural Resources), cooperating with surveys on numbers of wild birds, providing support for environmental education and protection events at elementary schools adjacent to power stations, and measures to prevent forest fires in forest communities.
Education 	Led by members of TeaM Energy, who volunteered to repair school facilities (a total of 184 participants repainted chairs, desks, and walls at three schools), TeaM provides various support for education, including donating teaching supplies and providing support for adding classrooms to schools and for students who have difficulty attending school for economic reasons.
Social Contributions 	TeaM's activities include providing supplies to areas afflicted by typhoons, earthquakes, and other disasters, disaster volunteer activities by the members of TeaM Energy, and supporting the supply of medicines and drug eradication in communities near power stations. In fiscal 2020, TeaM provided personal protective equipment, antibody test kits, and other medical supplies to communities near power stations as support for novel coronavirus measures.

TOPICS Providing Medical Supplies in Bangladesh

We contributed to sustainable economic development in Bangladesh by developing new gas-fired power generation business and investing in Summit Power International Limited ("Summit Power"), the country's largest independent power producer (IPP).

Like other countries, Bangladesh experienced a shortage of medical supplies due to the spread of the novel coronavirus throughout the world. In response, we began providing medical supplies free of charge in July 2020. To date we have provided two ambulances, three artificial respirators, and personal protective gear including protective suits and masks. We engaged in these efforts in response to a request from Summit Power to provide support for novel coronavirus countermeasures in Bangladesh. We sourced the medical supplies from companies that endorse our efforts. We intend to continue contributing to the development of the global community through social contribution activities rooted in the countries and regions where we conduct business.

Stakeholder Engagement



Basic Approach

We conduct business activities amid our involvement with our stakeholders, which include customers, business partners, local communities, shareholders, investors, and others. We fully understand the social responsibility we are expected to fulfill as a corporation as well as the demands and expectations of our stakeholders, and strive for active communication to respond to these obligations in good faith.

We intend to continue improving our business activities and services through lively, two-way communication with our stakeholders. Furthermore, our efforts to disclose both financial and non-financial information in a timely, appropriate manner will lead to proper assessments and valuation by our stakeholders in addition to helping us achieve sustainable growth and maximize our corporate value.

Main Stakeholders	Demands and Expectations	Initiatives	Results
Customers	<ul style="list-style-type: none"> ● Stable supply of electricity ● Energy supplied in pursuit of customer satisfaction ● Decarbonization/expansion of renewable energy ● Promotion of ESG initiatives 	<p>We provide a stable supply of energy to customers throughout the world using value chains from fuel procurement to power generation and electricity and gas sales based on our mission to provide cutting-edge solutions to the world's energy issues.</p> <p>We also establish strong, trust-based relationships by continuing to respond to customer expectations on a foundation of ESG-conscious business management.</p>	<ul style="list-style-type: none"> ● Management activities ● Website
Business partners	<ul style="list-style-type: none"> ● Fair and equitable trade ● Intensification of collaboration 	<p>We promote CSR-conscious procurement activities in an effort to fulfill our social responsibilities and engage in fair and equitable trade with our suppliers.</p> <p>We also promote mutual diligence and maintain close communication with our suppliers toward our mutual development.</p>	<ul style="list-style-type: none"> ● Procurement policy briefings ● Collaboration with other companies in domestic and global businesses ● Joining organizations such as World Forum Offshore Wind
Local communities	<ul style="list-style-type: none"> ● Environmentally conscious business management ● Consideration of the human rights of local community members ● Contribution to local economies ● Job creation and skill development in the areas in which we do business 	<p>We proactively engage in dialogue with people in local communities where our power stations are located and establish strong, trust-based relationships in an effort to continuously develop alongside each other.</p> <p>We also intend to contribute to the development of society through social contribution activities tailored to local communities and business activities that respect the nature, history, culture, and customs of each and every country and region in which we conduct business.</p>	<ul style="list-style-type: none"> ● Power station tours ● Participation in local community events ● Provision of medical supplies outside Japan
Shareholders and investors	<ul style="list-style-type: none"> ● Improvement of corporate value ● Strengthening of earning power 	<p>We fully disclose information and engage in dialogue with our shareholders and investors in an effort to further understanding, and improve our corporate value to respond to their expectations.</p>	<ul style="list-style-type: none"> ● Shareholders meetings ● IR briefings
Employees	<ul style="list-style-type: none"> ● Securing and developing global, strategic human resources ● Management of employee health and workplace safety and sanitation ● Respect for diversity ● Promotion of work-life balance ● Elimination of discrimination and harassment ● Improvement of reporting system effectiveness 	<p>We seek to ensure the health and safety of our employees and create comfortable, positive working environments on a foundation of respect for human rights. Additionally, to enable our diverse human resources to exhibit their skills to the fullest, we intend to maintain our system that enables them to choose their own career paths and work styles in addition to proactively moving forward with various measures including hiring global human resources, and promoting active participation by women and the employment of people with disabilities.</p>	<ul style="list-style-type: none"> ● Creation of inclusive organizations ● Support for autonomous career development ● Promotion of work styles tailored to diverse needs ● Lunch meetings between the company president and young/mid-level employees ● Employee satisfaction surveys

Communication with Employees

Basic Approach

As a company that came into being from the merging of two electric power companies with different corporate cultures, our most important task is to come together as one team and blend together in the truest sense of the phrase so that we can maximize the synergy of our consolidation and achieve growth. We are planning and developing various programs for internal exchange in a continuous effort to further our blending and consolidation.

Lunch Meetings Between the Company President and Young/Mid-Level Employees

FY2019 Results

Lunch Meetings Hosted	Participants
33	198 (19 management personnel, 179 general workers)

We began hosting regular lunch meetings between President Onoda and young and mid-level employees in June 2019. Providing these opportunities for direct dialogue with the company president helps increase employees' motivation to do their jobs, inculcate understanding of company policy and measures, and promote exchange between fellow members of the company. Additionally, these meetings are good opportunities for the president to hear about employees' dreams, fears, complaints, and other thoughts about JERA firsthand; the meetings have been meaningful for both the president and members of the company. (Due to the pandemic, the meetings have not been held since March 2020.)

One Coin Café

FY2019 Results

One Coin Café Events Hosted	Participants
11	1,750



At 15:00, President Onoda appears wearing an apron, ready to serve coffee and snacks, and offer congratulations for hard work to the employees who gather.



Post Anything

Post Anything stations are set up to enable employees to freely and anonymously share anything—from questions and concerns to suggestions for improvement, fears and worries, and good news. The posts are reported to management, and are provided to the entire company as feedback alongside action proposals from supervising divisions. We have received many posts to date, and they have resulted in answers to problems as well as improvements to everyday work.

Employee Satisfaction Surveys

We conducted an employee satisfaction survey in August 2019 to gain a qualitative understanding of our employees' opinions and motivation for their work and other information about their circumstances.

We used the survey to confirm employee satisfaction in individual categories such as "Work and Assessments," "Working Conditions and Environment," and "Loyalty to the Company." We intend to consider courses of action for improving on the issues brought into sharp relief by the survey, and to use the issues as fundamental data for formulating company policy and management strategies in an effort to create more appealing workplaces.

Note that we intend to conduct employee satisfaction surveys on a regular basis (approximately once per year) and use the results to improve our corporate value.

Other Measures to Invigorate Communication

Measure	Description
Company newsletter	In May 2020, we published a company newsletter entitled "Things to Know About JERA." The newsletter highlighted the people and appeals of individual workplaces in an effort to improve employee motivation and help them design their career paths.
Website for employee-initiated communication	We operate a website on which employees share information with each other. The website includes an "Everyone's a Reporter!" page for introducing events at headquarters, branch offices, and power stations in real time, a "Workplace Watch" page on which young employees at headquarters introduce their workplaces, and more.
President's blog	A blog regularly updated by President Onoda.

Corporate Information

Thermal Power Stations in Japan

(as of October 31, 2020)

List of Thermal Power Stations¹ (Total output and fuel type listed for each thermal power station)

◆ LNG ◆ Coal ◆ Heavy oil ◆ Crude oil ◆ LPG ◆ Utility gas ■ LNG terminal² ■ Coal terminal

1 Joetsu	2.38 GW	◆
2 Hirono	4.4 GW	◆ ◆ ◆ ◆ ◆
3 Hitachinaka	2 GW	◆
Hitachinaka Kyodo		
4 (Hitachinaka Generation)	0.65 GW	◆
(Scheduled to start operation in fiscal 2020)		
5 Kashima	5.66 GW	◆ ◆ ◆ ◆ ◆
6 Chiba	4.38 GW	◆
7 Goi (Goi United Generation) Replacement is being planned		
8 Anegasaki	3.6 GW	◆ ◆ ◆
Anegasaki (JERA Power Anegasaki)		
9 (Scheduled to start operation in fiscal 2023)	1.941 GW	◆
10 Sodegaura	3.6 GW	◆
11 Futtsu	5.16 GW	◆
Yokosuka (JERA Power Yokosuka)		
12 (Scheduled to start operation in fiscal 2023)	1.3 GW	◆
13 Minami-Yokohama	1.15 GW	◆
14 Yokohama	3.541 GW	◆ ◆ ◆ ◆ ◆
15 Higashi-Ohgishima	2 GW	◆
16 Kawasaki	3.42 GW	◆
17 Oi	1.05 GW	◆
18 Shinagawa	1.14 GW	◆
19 Atsumi	1.4 GW	◆ ◆ ◆ ◆ ◆
20 Hekinan	4.1 GW	◆
Takeotoyo <JERA Power Takeotoyo>		
21 (Scheduled to start operation in fiscal 2021)	1.07 GW	◆
22 Chita	3.966 GW	◆
23 Chita Daini	1.708 GW	◆
24 Shin-Nagoya	3.058 GW	◆
25 Nishi-Nagoya	2.376 GW	◆
26 Kawagoe	4.802 GW	◆
27 Yokkaichi	0.585 GW	◆

¹ Names of power stations. Names of installers (SPCs) listed in parentheses.

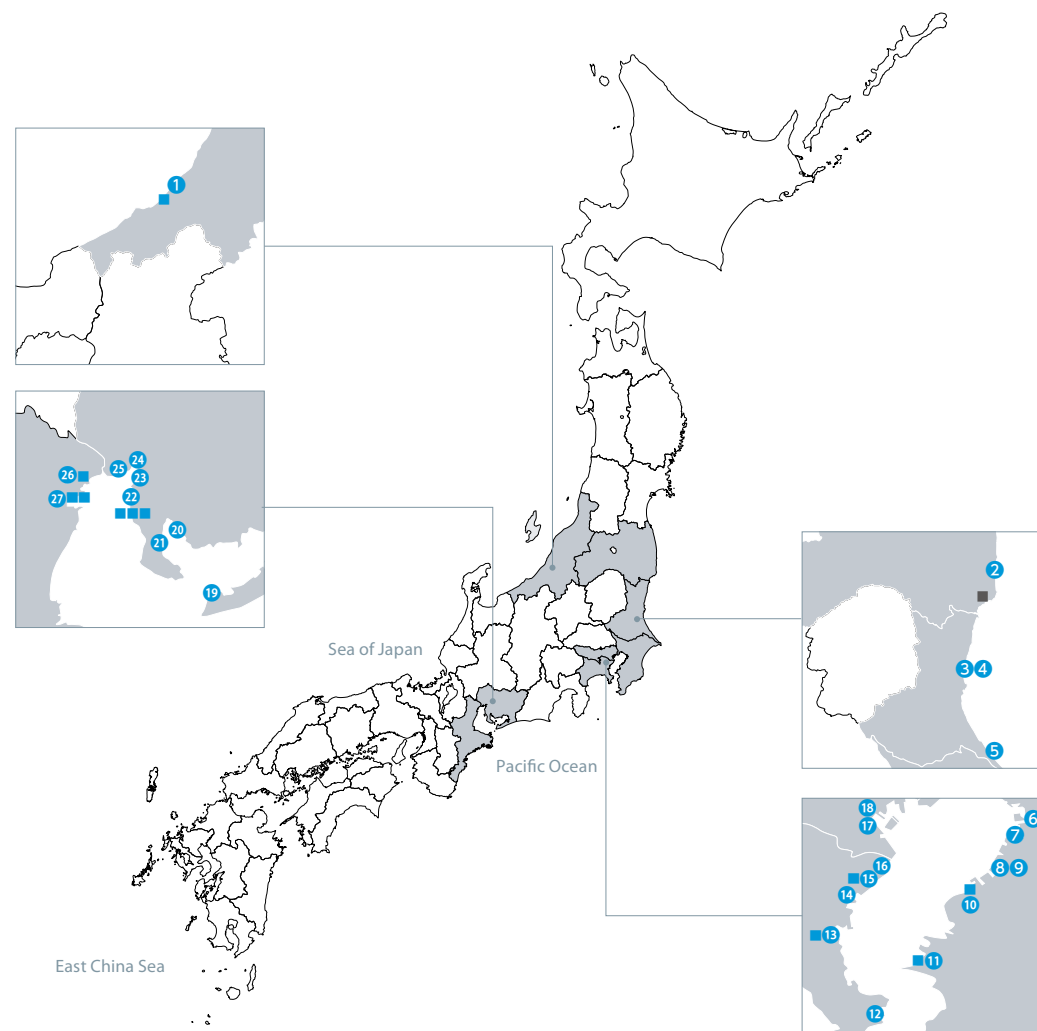
² Includes jointly operated terminals in the Chita and Yokkaichi areas.



Futtsu Thermal Power Station



Kawagoe Thermal Power Station



Overseas Business and LNG Supplying Countries

(■ in gray)



Thermal power generation business

Renewable energy business

Fuel upstream business

Optimization business

Netherlands

- Rietlanden Coal Terminal

UK

- Gunfleet Sands Offshore Wind IPP
- Zenobe Battery Storage
- JERA Global Markets (Optimization and Trading)

Qatar

- Ras Laffan B Gas Thermal IWPP
- Ras Laffan C Gas Thermal IWPP
- Mesaieed Gas Thermal IPP
- Umm Al Houl Gas Thermal IWPP

UAE

- Umm Al Nar Gas Thermal IWPP

Oman

- Sur Gas Thermal IPP

India

- ReNew Power Wind and Solar Power

Bangladesh

- Summit Power IPP

Thailand

- EGCO IPP
- Cogeneration Project in Industrial Areas
- Solar Power IPP
- Ratchaburi Gas Thermal IPP
- Wind Power IPP
- AT Biopower Rice Husk Biomass Thermal IPP

Japan

Taiwan

- Chang Bin/Fong Der/Star Buck Gas Thermal IPP
- Formosa 1 Offshore Wind IPP
- Formosa 2 Offshore Wind IPP

Philippines

- TeA Energy IPP

Indonesia

- Paiton Coal Thermal IPP
- Cirebon Coal Thermal IPP

Australia

- Darwin LNG
- Gorgan LNG
- Wheatstone LNG
- Ichthys LNG

Vietnam

- Phu My Gas Thermal IPP

Singapore

- JERA Global Markets (Optimization and Trading)

USA

- Tenaska Gas Thermal IPP
- Carroll County Gas Thermal IPP
- Cricket Valley Gas Thermal IPP
- Linden Gas Thermal IPP
- Compass Gas Thermal IPP
- Freeport LNG
- JERA Global Markets (Optimization and Trading)

Mexico

- Valladolid Gas Thermal IPP
- Falcon Gas Thermal IPP

(as of October 31, 2020)

IPP: Independent power producer

IWPP: Independent water and power producer

SPP: Small power producer

* Includes reloading (FY 2019)

Company Organization

(As of November 1, 2020)



Corporate Outline

Corporate Name	JERA Co., Inc.
Location	<p>[Headquarters] Nihonbashi Takashimaya Mitsui Building 25th Floor 2-5-1 Nihonbashi, Chuo-ku, Tokyo 103-6125 TEL: 03-3272-4631 (Switchboard) FAX: 03-3272-4635</p> <p>[East Japan Branch] Hibiya Kokusai Building 9th Floor, 2-2-3 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011 TEL: 03-3272-4631 FAX: 03-6363-5781</p> <p>[West Japan Branch] JP TOWER NAGOYA 18th Floor, 1-1-1 Meieki, Nakamura-ku, Nagoya-shi, Aichi 450-6318 TEL: 052-740-6842 FAX: 052-740-6841</p>
Establishment Date	April 30, 2015
Capital	JPY 5 billion yen
Shareholding Ratio	TEPCO Fuel & Power, Inc. 50% Chubu Electric Power Co., Inc. 50%
Business Details	<ul style="list-style-type: none"> ● Thermal Power Generation Business ● Renewable Energy Business ● Gas & LNG Business ● Engineering & Consulting related to the above businesses, etc.
Number of Employees	4,260 Employees (As of March 31 2020)

List of Group Companies

As of October 31, 2020

Main Domestic Related Companies

Name	Business Description
●Hitachinaka Generation Co., Inc.	Operation and maintenance of thermal power stations, and electricity sales
●LNG Marine Transport Co., Ltd.	Marine transport of liquefied natural gas, and other agency business
●JERA Power YOKOSUKA LLC	Power generation at thermal power stations, and associated business
●JERA Power ANEGASAKI, LLC	Power generation at thermal power stations, and associated business
●Chita LNG Co., Ltd.	Receiving, storage, and gasification of liquefied natural gas, and delivery-related operations
●Goi United Generation LLC	Power generation and electricity supply at thermal power stations, and associated business
●Fuel TEPCO, Ltd.	Petroleum product sales, operation and management of fuel facilities for thermal power generation, disaster prevention and response for power stations, etc.
●JERA Power TAKETOYO LLC	Power generation at thermal power stations, and associated business
●Soma Kyodo Power Company, Ltd.	Operation and maintenance of thermal power stations, and electricity sales
●KASIMA KYODO ELECTRIC POWER Co., Ltd.	Operation and maintenance of thermal power stations, and electricity sales
●Kimitsu Cooperative Thermal Power Company, Inc.	Operation and maintenance of thermal power stations, and electricity sales
●Joban Joint Power Co., Ltd.	Operation and maintenance of thermal power stations, and electricity sales

Main Overseas Subsidiaries

Name	Location	Business Description
●JERA Power International B.V.	Netherlands	Investing, financing, securities, etc. for overseas power generation business, etc.
●JERA Australia Pty Ltd	Australia	Investing in Australian fuel upstream business
●JERA Global Markets Pte. Ltd.	Singapore	Fuel trading business, and associated business
●Tokyo Timor Sea Resources Pty Ltd	Australia	Bayu-Undan/Darwin LNG and gas field development business
●JERA Asia Pte. Ltd.	Singapore	Development of electricity-related and gas-related projects in Asia
●JERA Power (Thailand) Co., Ltd	Thailand	Power generation operation/maintenance and engineering services in Thailand (investing in the aforementioned businesses)
●JERA Americas Inc.	USA	Managing Power and Fuel related business in the Americas (investing, financing, securities, etc. for power generation business in the USA, etc.)
●JERA Freeport Holdings Inc.	USA	Investing, financing, securities, etc. for the Freeport Gas Liquefaction Project in the USA

Jera
Energy for a New Era

JERA Co., Inc.

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www.jera.co.jp

UD
FONT
by MORISAWA



Are there any limits to energy?

When you see players compete, boundless strength to do your
very best wells up within you.

At JERA, we feel the same way—we are Japan's largest power company,
and we are expanding the range of our activities throughout the world.

We are confident that there are no limits to our efforts to use energy technology
to set the world on the path toward a better future.

In the same way that a baseball game can turn on a single pitch, we intend
to make waves in the world with our technical capacity and ideas.

Taking energy into a new era.

Promoting culture and sports through baseball.

**JERA is devoting its energy to cheering
for the Central League.**



We identify with the business objective of Nippon Pro Baseball—promoting baseball to contribute to the development of sports, thereby contributing to prosperity in Japan and international goodwill—and are a special sponsor of the Central League, which continues its steadfast journey of developing baseball.