

TEPCO

2020-2021

Integrated Report

Develop the future of energy



Deliver a comfortable life

TEPCO Group's Purpose



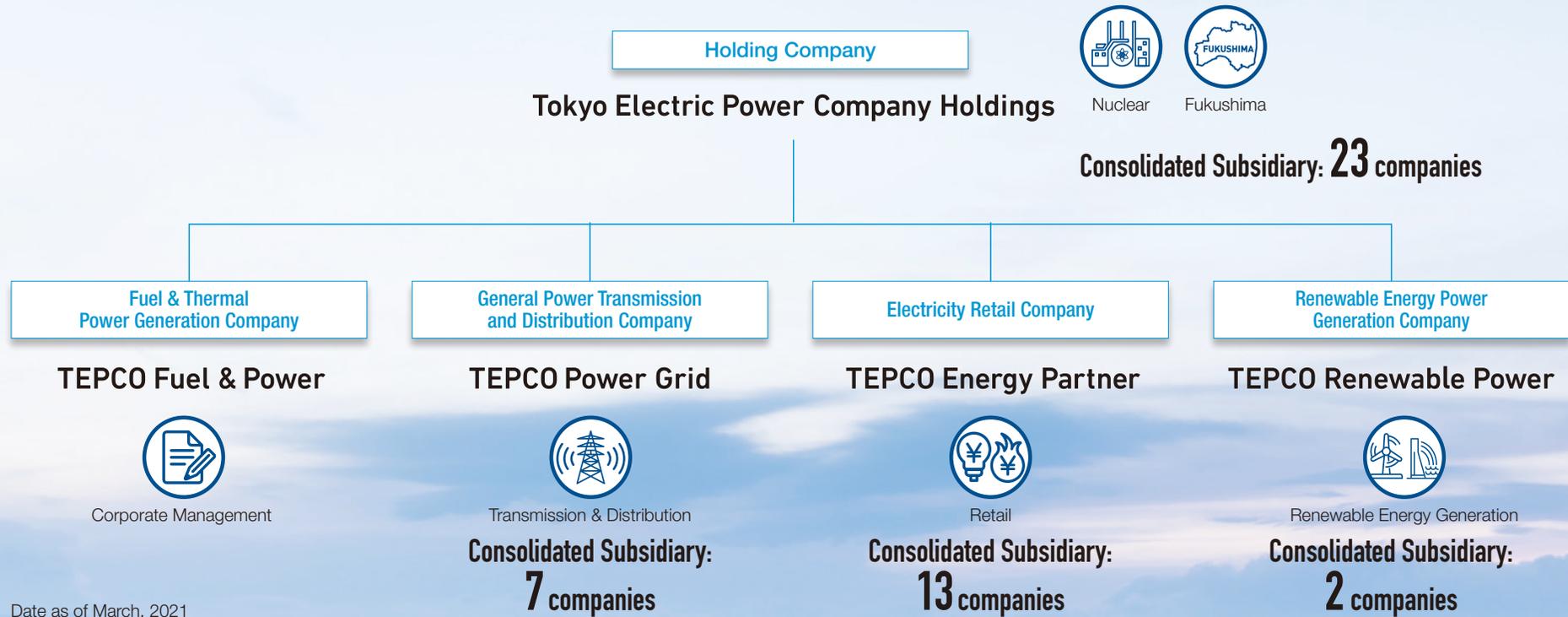
Structure


Employees
37,891


Total Assets
¥12,093 billion


Operating Revenues
¥5,866 billion


Electricity Sales
204.5 TWh



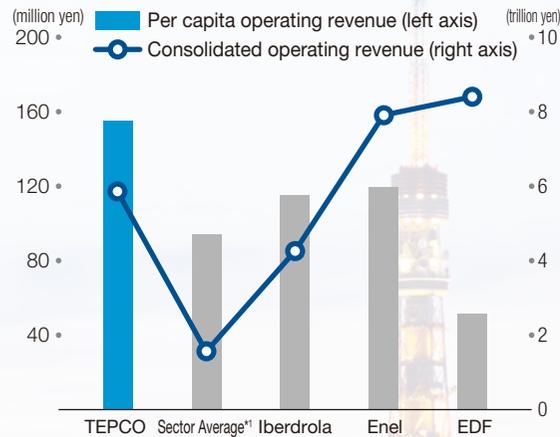
Date as of March, 2021

TEPCO Group At

Strength



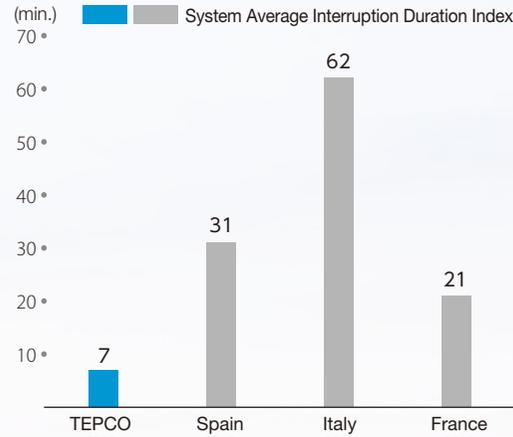
Business Scale & High Productivity



* Created using consolidated financial data for FY2020, such as publicly released documents from each company.
 * The average exchange rate for 2020 was used for calculations
 *1. Average for Japanese electric companies (excluding TEPCO)



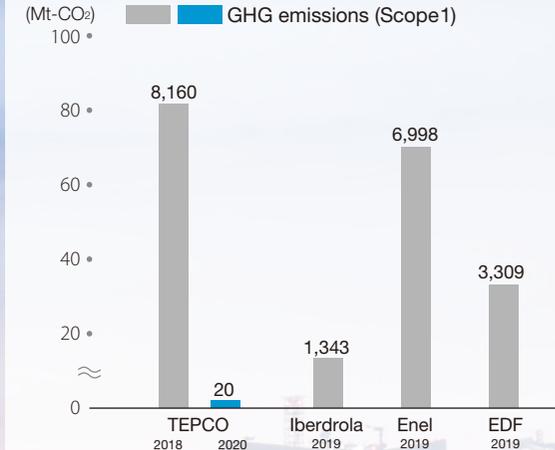
World's Highest Quality of Power Transmission/Distribution



* Created based on the World Bank's "WBG Doing Business"



Reforming our Power Portfolio to Create a Carbon Neutral Society



* Direct GHG emissions decreased due to the succession of our thermal power business on April 1, 2019
 * Data for other companies created from CDP answers

a Glance

Dear Readers,

The TEPCO Group is Japan's largest electricity operator and responsible for the infrastructure that supplies energy to mainly the Kanto region, which includes the Tokyo Metropolitan area.

Established in 1951, the Tokyo Electric Power Company has long supported economic activities in the metropolitan area and the lives of the people in the region through a system that integrates power generation, transmission/distribution and retail. In Japan, separate utilities were responsible for providing power to each region, but in 2000, stepped deregulation of the electricity retail market began with high-voltage supply, and in 2016 the entire retail market, including low-voltage household supply, was deregulated. In the same year, TEPCO became the first power utility to transition to a holding company system, thereby creating a business foundation upon which to adapt to these market changes. Thereafter in 2019, TEPCO Holdings formed a comprehensive alliance with Chubu Electric Power Company, Inc. that resulted in the formation of JERA Co., Inc. and integration of our fuel procurement and thermal power generation business. At current time, the TEPCO Group is comprised of core companies that handle each segment of our business from power generation through renewables and nuclear energy, to transmission/distribution and retail.

The TEPCO Integrated Report details the TEPCO Group's current and mid/long-term initiatives for "improving corporate value" and "creating social value." The Integrated Report has been issued annually since 2017 as a tool to communicate with stakeholders such as investors and financial institutions.

When writing this Integrated Report, we referred to the International Integrated Reporting Council's (IIRC) "International Integrated Reporting Framework" and the report reflects the intention of TEPCO Group management to incorporate financial information and non-financial information into management strategies based on integrated thinking. Furthermore, the entire TEPCO Group was involved in the creation of this report and we hereby declare the editing process employed and the content within to be fair and honest.

Yoshimitsu Kobayashi



Chairman of the Board

Tomoaki Kobayakawa



Representative Executive Officer and President

TEPCO Integrated Report 2020-2021

Period covered by the Report : Fiscal year 2020 and 2021 (April 2019 to March 2021)
(Some important information not relevant to the aforementioned time period has also been included.)

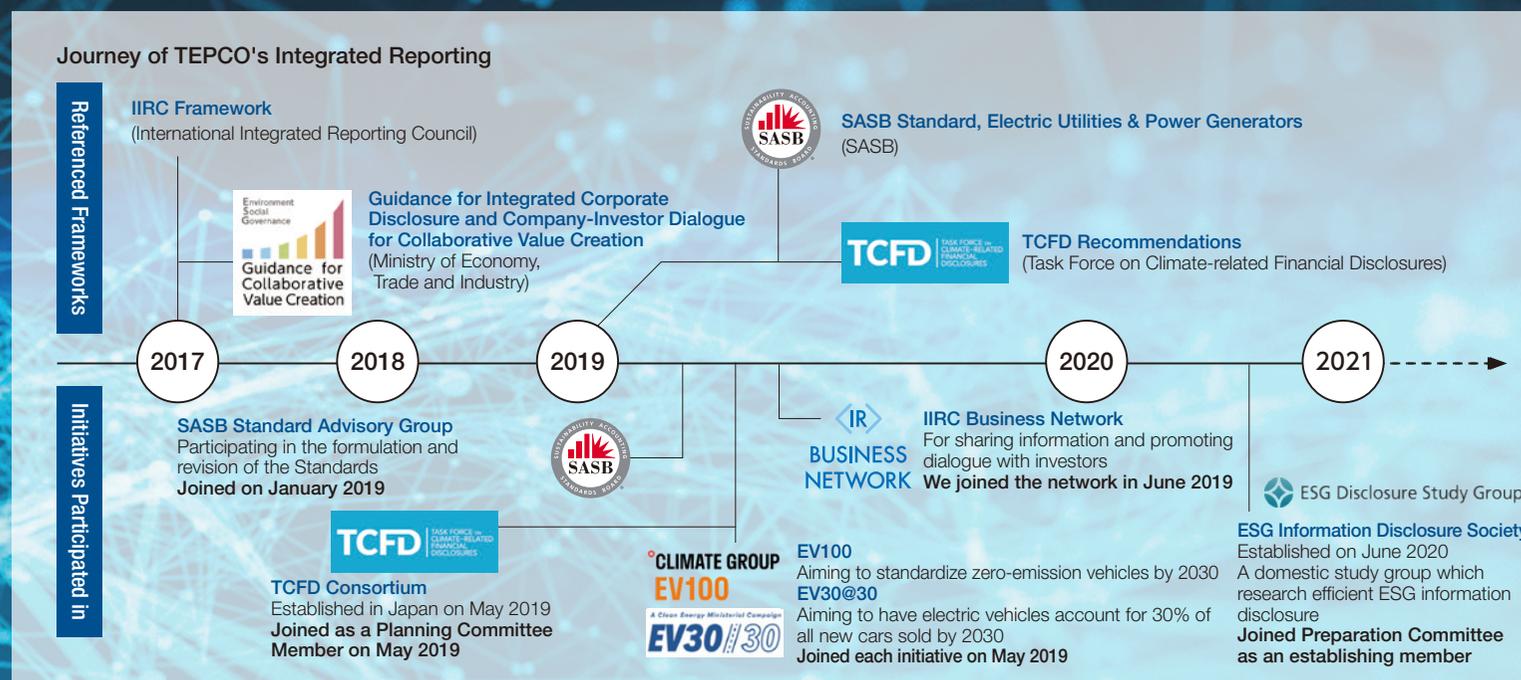
Report Targets : 46 consolidated companies of the TEPCO Group (including TEPCO Holdings) (Some important information outside this scope has also been included.)

Date of Issue : October 2021

Planned Date of Next Report : October 2022

Forward-Looking Statements

This report contains forward-looking statements regarding the Company's plans, outlook, strategies, and results for the future. All forward-looking statements are based on judgments derived from the information available to the Company at the time of publication. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses; competitive pressures; related laws and regulations; product development programs; and changes in exchange rates.



Executive Summary

Fulfilling our responsibilities for the Fukushima Daiichi Nuclear Power Accident remains the top priority of the TEPCO Group, and core companies are working as one to implement new and innovative management reforms. In this fourth Integrated Report, we shall explain the direction we are heading in based upon the 4th Comprehensive Special Business Plan approved in August 2021, and address the issues pertaining to information disclosure that were identified through engagement with primarily our financial stakeholders.

Important Changes to our Operating Environment

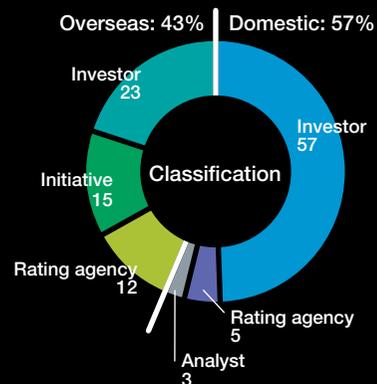
- Revision of our management philosophy
- Authorization of the 4th Comprehensive Special Business Plan
- Balance between Revitalization and Decommissioning in Fukushima
- Providing new value based upon carbon neutrality and disaster prevention
- Establishment of TEPCO Renewable Power, Inc.
- The impact of the Covid-19 pandemic and future countermeasures
- Contributions to SDGs through our business
- Value creation process that focuses on key management issues

Developing Information Disclosure based upon Engagement with Stakeholders

- Further disclosure of governance effectiveness assessments and materiality assessments
- Further disclosure of information in accordance with TCFD recommendations
- Addition of At a Glance, Executive Summary
- Further disclosure information based upon SASB Standards

ESG Engagement

Between January 2019 and June 2021, we have engaged with financial stakeholders 115 times.



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Toward the Future 31

○ Integrated Thinking

○ TCFD

○ SDGs for Business

Digital Transformation

○ **4th Comprehensive Special Business Plan 47**

○ Fukushima

Compensation & Revitalization / Decommissioning

○ Economic

Energy Retail / Transmission and Distribution / Nuclear Power /
Fuel & Thermal Power / Renewable Power / New Business Development

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Message from the President

The Covid-19 pandemic has greatly changed the structure of industry and the way we go about our lives, and the trend to focus on ESG, which is most prominently represented by the focus on carbon neutrality, is accelerating. The role that energy companies play amidst these new social changes has become more complicated and diverse. The key issues that the TEPCO Group, which manages power infrastructure, must address are not only how to contribute to helping society to achieve carbon neutrality, but also how to be prepared for fiercer natural disasters.

In July 2021, the TEPCO Group announced its mid-term business plan for fulfilling its responsibilities to Fukushima, creating new value through its energy business, and growing with society, in the form of the 4th Comprehensive Special Business Plan.

The TEPCO Group's management philosophy was also revised for the first time in approximately 20 years to convey our mission of, "Develop the future of energy Deliver a comfortable life."

As President, I will lead the TEPCO Group as we promote the electrification of energy demand and switch to a business model that provides new value based upon carbon neutrality and disaster prevention while adhering to this new management philosophy.



Creating New Value based upon Carbon Neutrality and Disaster Prevention

Tomoaki Kobayakawa

Representative Executive Officer and President

Summary of the 4th Comprehensive Special Business Plan

Since 2012, the TEPCO Group's Midterm Business Plan has been created in cooperation with the Nuclear Damage Compensation and Decommissioning Facilitation Corporation, which owns the majority of TEPCO's shares, in the form of the Comprehensive Special Business Plan.

Compared to four years ago when the 3rd Comprehensive Special Business Plan was announced, the environment surrounding the TEPCO Group has changed dramatically. Competition in the retail market has grown fiercer, awareness of social issues, such as ESG/SDGs, has increased, and there is more demand from society to strengthen the resilience of energy supply infrastructure in conjunction with fiercer natural disasters. In addition to this, we have had to adapt to new industry structures and new ways of living brought upon by the Covid-19 pandemic.

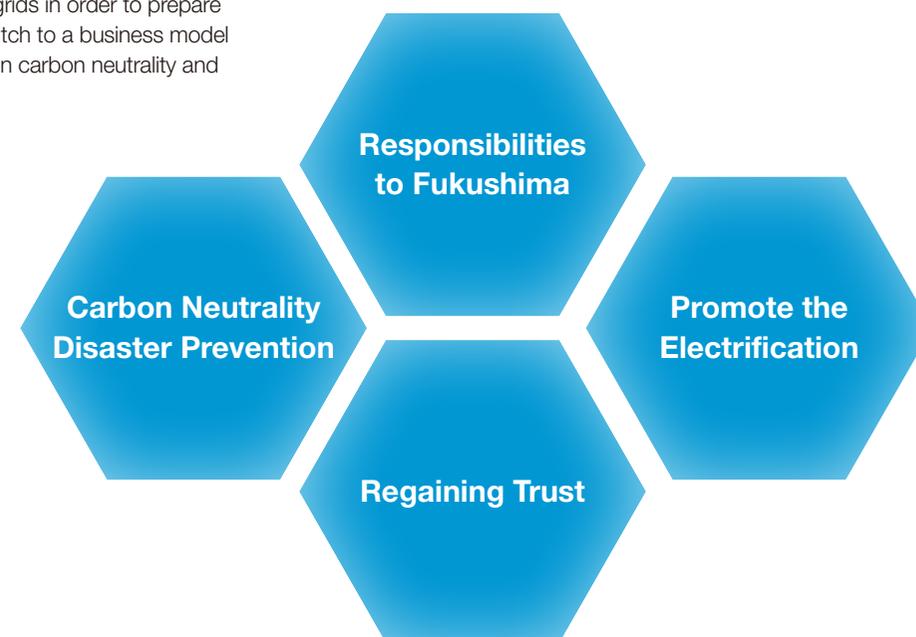
Furthermore, the TEPCO Group has lost a great deal of trust by society as a result of the string of inappropriate incidents pertaining to nuclear material protection that occurred at the Kashiwazaki-Kariwa Nuclear Power Station and the discovery that some safety measure renovations have yet to be completed. Therefore, regaining that trust is of the utmost priority. I am leading the root cause analysis of these incidents and the proposal of countermeasures. This 4th Comprehensive Special Business Plan details our strategies for adapting to these large changes in our business environment and achieving economic growth so that we may fulfill our responsibilities to Fukushima. These strategies comprise "Fukushima Business" for steadily promoting compensation/ revitalization and decommissioning, and "Economic Business" for raising the capital needed for recovery in Fukushima and to grow as a sustainable company.

Through our Fukushima Business we will continue to quickly provide suitable compensation to victims, and promote the sale and distribution of agricultural and fishery products from the region in order to eradicate reputational damage thereby increasing the population with which we interact and contributing to recovery. In regards to decommissioning, we will safely and steadily move forward in accordance with the Mid/Long-Term Decommissioning Action Plan and "balance between revitalization and decommissioning" by expanding participation by local companies. Furthermore, when disposing of water treated with multi-nuclide removal equipment, we shall be sure to comply with the government's basic policy and ensure safety while thoroughly engaging in measures to prevent reputational damage.

Through our Economic Business, we shall strengthen the resilience of power grids in order to prepare for fiercer natural disasters, and switch to a business model that can offer new value based upon carbon neutrality and

disaster prevention, which are issues of great concern to our customers and society. The entire Group will also come together to promote the electrification of energy demand.

TEPCO's initiatives rely upon the trust that we have with our customers and society. We will better manage the company from the perspective of the regional community, and continue to protect energy supply infrastructure indispensable for social and economic activities. In conjunction with this, we shall further develop and structurally reform existing businesses in order to create annual profits of approximately ¥450 billion, and reorganize/integrate departments as necessary to improve coordination with outside companies as we aim to expand our sphere of business into areas that can provide new value and improve corporate value.



“Innovative Electrification” that will Contribute to Carbon Neutrality and Disaster Prevention

As a result of the complete deregulation of the retail power market in 2016, the conventional business model of electric companies that entailed merely generating and delivering electricity is no longer profitable. In addition, the needs of society have become diverse and complicated due to the Covid-19 pandemic, the desire to orient our lives and business activities around ESG/SDGs, and the need to be prepared for fiercer natural disasters. As a result, the expected role of energy utilities is changing.

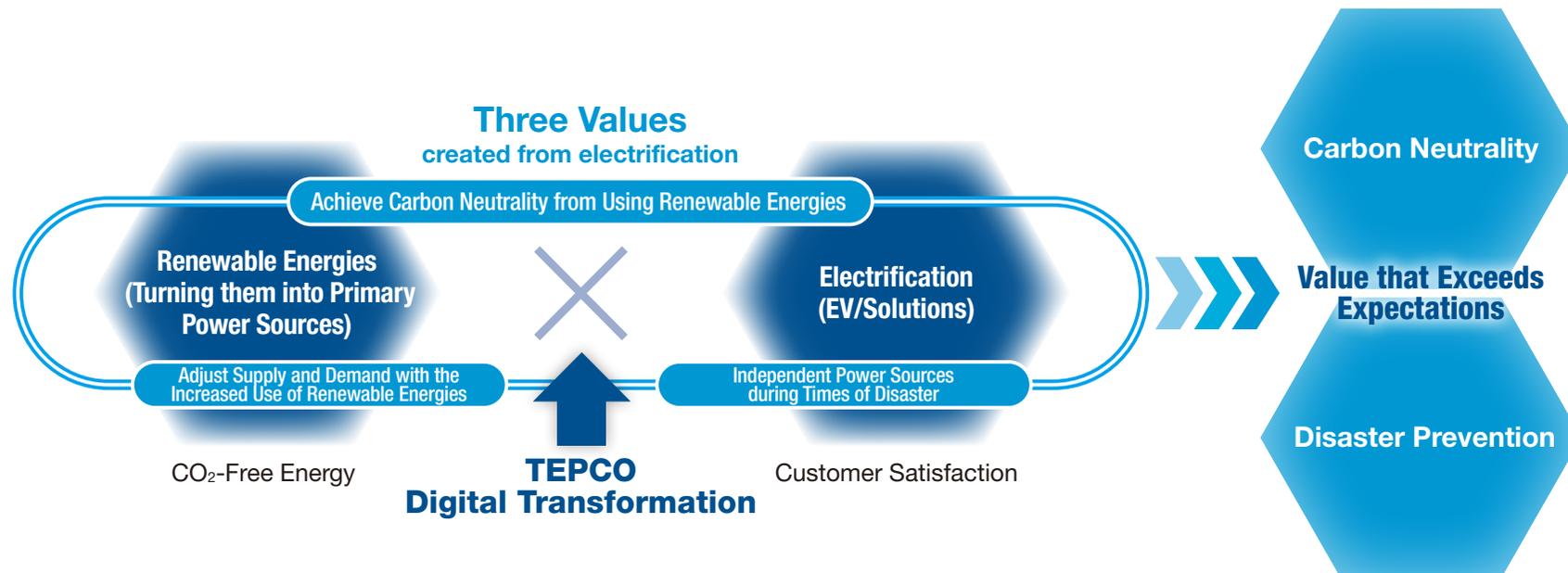
In this environment it is impossible to compete with other companies with just prices, and we forecast a certain degree of decline in electricity sales volume. So, we are switching to strategies that focus on profits. For example, for our corporate clients that focus on price, we are offering hybrid contract options that include market procurement elements, and for our clients that are focusing on carbon neutrality, we are offering added value

in the form of renewable energy options and customized energy solutions. For our household customers, we are developing our services, such as quick repair services, and electrification options as well as innovative electrification equipment subscription services that integrally provide the value of “safety,” “energy saving” and “carbon neutrality” by utilizing non-fossil fuels to produce, store and consume electricity.

Fierce competition has led to a decrease in retail profits, but by revamping power source procurement strategies, such as increasing the percentage of market transactions, etc., we are combining sufficient price competitiveness with high-quality services to fulfill, and exceed, the expectations of each and every one of our customers in order to stop this decrease in profits by FY2022.

Furthermore, by coupling the use of renewable energies to achieve carbon neutrality with the promotion of electrification that will satisfy our customers, and mixing this with DX-based business reforms, we shall shift to a business model that can provide new value in the form of carbon neutrality and disaster prevention.

In order to achieve this, we shall invest a maximum of ¥3 trillion in carbon neutral-related projects by FY2030 and I have newly created a Carbon Neutral Challenge Task Force within the Future Management Committee that examines future energy initiatives for improving earnings. We shall further develop the measures and numerical targets for each area of the Carbon Neutrality Declaration put forth in the 4th Comprehensive Special Business Plan (society, grids, energy supply), as we grow as a company and solve social issues.



Revision of our Management Philosophy

Since the Fukushima Daiichi Nuclear Power Station Accident, our primary mission has been to fulfill our responsibilities to Fukushima. In order to complete this mission amidst drastically changing social conditions while achieving the TEPCO Group's two long-term objectives of "improving corporate value" and "creating social value," we have revised our management philosophy (Mission/Vision/Values) for the first time in 20 years.

During the revision process, we sought participation from not only current management, but also younger employees and middle management, who will take the reins of the TEPCO Group in the future, in discussions

to clearly identify what society and our customers desire from the TEPCO Group.

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

Our Vision looks five to ten years into the future. The TEPCO Group's business is built upon the trust of our stakeholders. In order to create a safe and sustainable

society, we will engage in initiatives to create new value from carbon neutrality and disaster prevention as we aim to become a corporate group that continues to be trusted and chosen by the people.

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

Based on this new management philosophy, the TEPCO Group shall engage in the initiatives put forth in the 4th Comprehensive Special Business Plan and steadily secure profits over the long-term thereby improving corporate value and creating social value, and ultimately improving our reputation in the market.

TEPCO Group Corporate Philosophy



Message from the CFO

FY2020 performance was impacted by fiercer competition in the retail market in addition to a decrease in electricity sales volume caused by downsized economic activities resulting from the Covid-19 pandemic. The pandemic is gradually having less of an impact, but we still forecast decreased revenues this term.

The TEPCO Group aims to create a revenue base that can generate long-term profits in accordance with the 4th Comprehensive Special Business Plan, so structural reforms in existing business areas, including department reorganization/integration, and the creation of new businesses, are pressing issues. We are making drastic changes to the entire Group's business portfolio that include new businesses that meet the demands of a "with-Covid-19" and "post-Covid-19" society, and the transition to a business model that focuses on carbon neutrality and disaster prevention.

As CFO, my role is to improve corporate value by strengthening our financial stature and improving capital efficiency. In addition to steadily implementing the financial strategies put forth in the 4th Comprehensive Special Business Plan, we shall also incorporate Green financing to meet the expectations of stakeholders.



We will Drastically Reconstruct our Business Portfolio

Seiji Moriya

Representative Executive Officer, Executive Vice President,
Chief Financial Officer (CFO)

Achieving Carbon Neutrality and Strengthening the Foundation of our Business

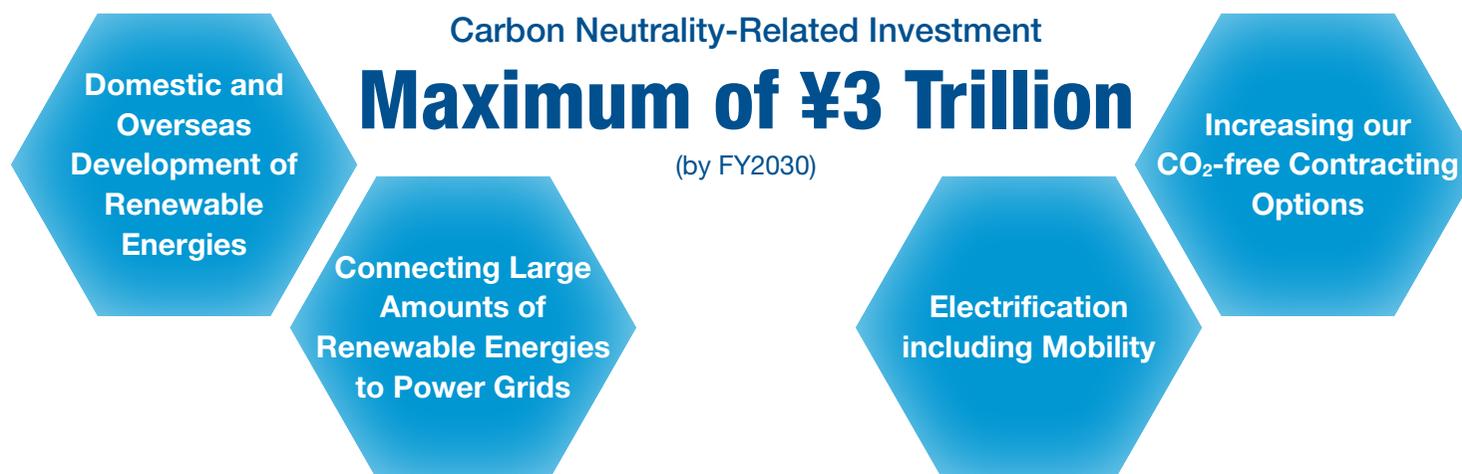
In the 4th Comprehensive Special Business Plan, the TEPCO Group has set the goal of reducing CO₂ emissions originating from the supply of energy to basically zero by 2050 thereby declaring that it will strive to achieve carbon neutrality.

As Japan's largest power company, the TEPCO Group aims to contribute to helping the Japanese government achieve its goal of carbon neutrality and perceives this trend as a business opportunity through which to establish additional sources of revenue and accelerate increases in corporate value. In particular, we will promote the connection of large volumes of renewable energy to power grids, the electrification including mobility, and the expansion of CO₂-free contracting options, and we will invest as much as ¥3 trillion in these carbon neutral initiatives by the year 2030.

Much like we have seen a great change in the world's desire to achieve carbon neutrality over recent years, the expectations of our customers and society are also greatly changing. In order to improve the profitability and corporate value of the TEPCO Group amidst these conditions, we need to strengthen the foundation of our business and improve coordination between various fields of business, which will require the reorganization and integration of departments and subsidiaries. When establishing consortiums with companies outside the Group, we will set and commit to financial benchmarks, such as debt-to-operating cash flow and current credit balance, and ensure the financial integrity and independent operation of consortiums by aiming to procure capital through those consortiums. Furthermore, in regards to new fields of

business that we will enter in the future, we shall coordinate with different industries and proactively recruit and assign external human resources to key positions so as to quickly acquire organizational capabilities that the TEPCO Group does not have, such as commercial product manufacturing and sales channel development.

As CFO, I will promote these initiatives to enable the TEPCO Group to select business opportunities, streamline operations, employ innovative work processes, and quickly and drastically reform company culture and corporate activities.



Reforming Business Structures and Securing Cash Flow

In order to implement the financial strategy put forth in the 4th Comprehensive Special Business Plan, we need to reform business structures through bold strategic investment, and secure cash flow to support that investment.

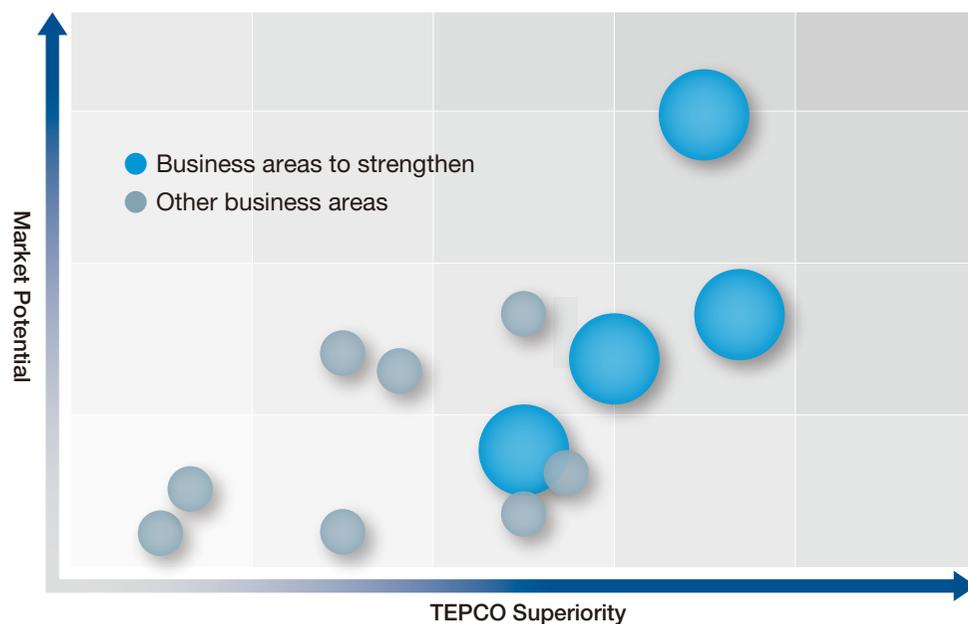
The TEPCO Group aims to expand the businesses in which it engages and focus on carbon neutrality and disaster prevention in order to solve social issues. The business strategy we are employing to achieve this entails strengthening various areas of the company, such as renewable energies, electrification including mobility, data/communications and overseas business while also reconfiguring the business portfolio of the entire

Group by withdrawing from, or downsizing, unprofitable areas of business. We will dedicate ¥1 trillion at most for this strategic investment over the next 10 years starting in 2021, and we are already in the process of creating detailed plans for approximately ¥350 billion of investment for which we have already confirmed viability. Through this strategic investment we aim to create an additional ¥150 billion of ordinary income after 2030.

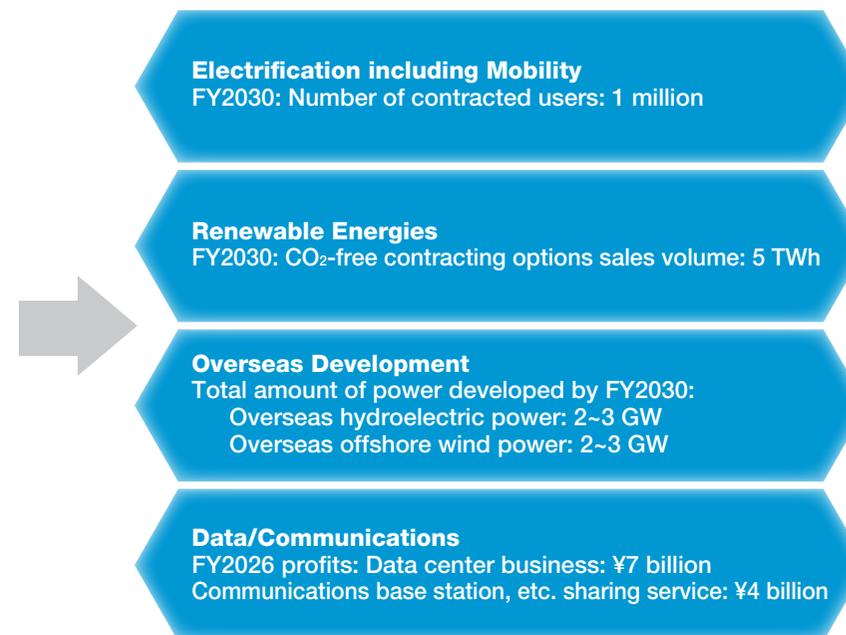
We will secure the cash flow needed to support this strategic investment by streamlining operations and procuring capital. In regards to streamlining operations, initiatives based on KAIZEN are proceeding at a quicker pace than those put forth in the 3rd Comprehensive Special

Business Plan and we will keep up this pace with the aim of achieving ¥3.7 trillion worth of optimization over the next 10 years. In regards to procurement, we shall not be restricted by conventional methods and improve capital efficiency by leveraging project financing and the securitization of assets/credit, and replacing some investments. We will also leverage sustainable financing, such as green bonds, to procure capital throughout the entire Group. As CFO, I shall steadily carry out these initiatives to make sure that the TEPCO Group's business portfolio has high capital efficiency and improve corporate value in order to meet the expectations of stakeholders.

Market Potential x TEPCO Superiority Concept Map



New Areas of Business that the TEPCO Group will Strengthen



The Impact of the Covid-19 Pandemic and our Performance Forecast for FY2021

The Covid-19 pandemic has had a great impact on the TEPCO Group's business environment. We saw a tangible impact from the Covid-19 pandemic in the form of a 4.4%YoY decrease in area power demand for the Kanto region over the first quarter of FY2020. However, area power demand in the same region during the first half of FY2020 only decreased 2.3%YoY and in the end, area power demand for all of FY2020 decreased by only 1.3% (266.3 TWh) compared to the previous year. However, retail electricity sales volume for FY2020 greatly decreased by 8.0%, or 204.7 TWh*. Fiercer competition in the retail market was a major cause of the decrease, but a decrease in demand caused by the economic recession and shortened business hours stemming from the Covid-19 pandemic also had a considerable impact. Based on certain assumptions, we estimate that the Covid-19 pandemic had an approximate ¥30 billion impact on the TEPCO Group's

performance in FY2020.

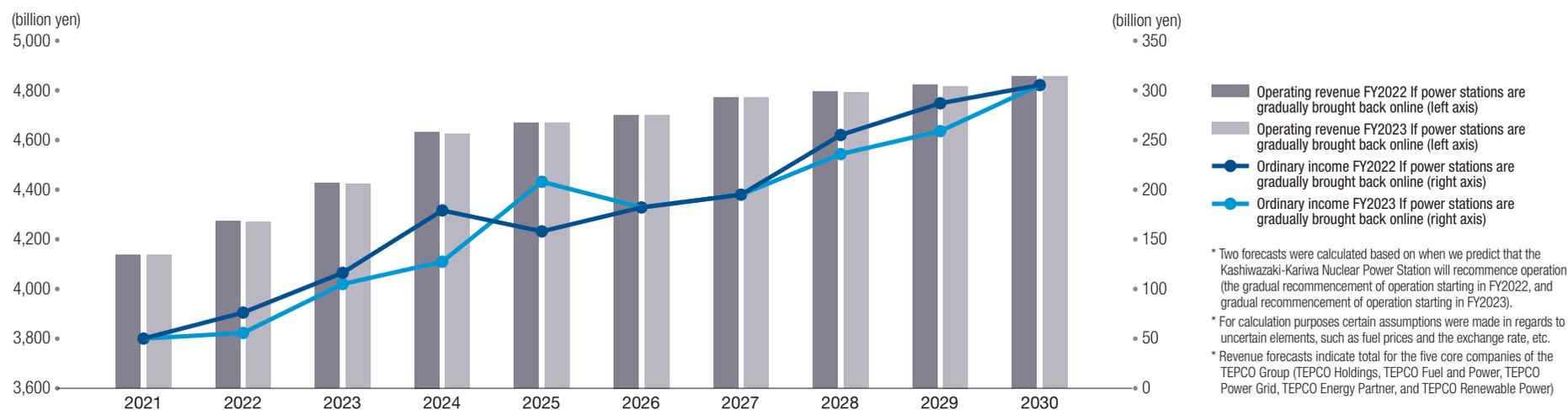
In consideration of this situation, our consolidated performance forecast for FY2021 predicts a revenue balance of approximately ¥4.484 trillion, and ordinary profits of approximately ¥74 billion. Sales will greatly decrease, but this is because renewable energy charges and subsidies will no longer be appropriated as revenue in conjunction with the employment of new accounting standards pertaining to revenue recognition. Due to these changes sales and expenses will both decrease by more than ¥1 trillion YoY, so the employment of new accounting standards will not have an impact on revenue and expenditure. We predict that this year will also see decreases in revenue and profits due to the continuing Covid-19 pandemic and competition in the retail market, but we will not rely on our conventional business model and promote business structure reforms in order to quickly improve corporate value.

Policy on Return to Shareholders

TEPCO Holdings and the entire TEPCO Group is striving to secure cash flow, but our distributable amount based on the Companies Act remains negative and as such we do not plan on paying dividends in FY2021. This is the current situation, but by moving forward with the initiatives put forth in the 4th Comprehensive Special Business Plan and steadily improving profits over the long-term, we shall secure cash flow and strive to quickly provide returns to shareholders.

*Total of TEPCO Energy Partner Consolidated and TEPCO Power Grid

10-Year Revenue Forecast in the 4th Comprehensive Special Business Plan



Corporate Governance

Message from the Chairman



Providing Highly Effective Supervision in order to Create a Carbon Neutral Society

Balancing our Responsibilities with Improvements to Corporate Value

At the 97th general shareholders' meeting on June 29, 2021, 13 board members worthy of leading management reforms and balancing the fulfillment of the TEPCO Group's responsibilities to Fukushima with the improvement of corporate value were selected. The Board is comprised of members with diverse backgrounds in terms of gender, expertise and experience, and the number of female outside directors has been increased from one to two. After Board Chairman Utsuda steps down, I have been appointed as Chairman of the Board, and the Board of Directors, with its three new members including myself, shall begin anew.

My involvement with the TEPCO Group spans a period of 10 years. For approximately three years from 2012 until 2015, I served as an outside director of management reforms implemented by the TEPCO Group in the wake of the Great East Japan Earthquake and Tsunami. At the time, the most pressing issue was creating infrastructure that will enable us to fulfill our responsibilities to Fukushima, and we had just begun full-scale management reforms aimed

Yoshimitsu Kobayashi

Chairman of the Board

at “earning” and improving corporate value in order to fulfill those responsibilities. After stepping down as an outside director in 2015, I have remained involved with the TEPCO Group as a member of the Committee for Reforming TEPCO and Overcoming 1F Challenges (TEPCO Committee) and a member of the Nuclear Damage Compensation and Decommissioning Facilitation Corporation’s Management Committee. Having had a front row seat to the changes that the TEPCO Group has experienced, I believe that making the transition to “Company with Nominating Committee, etc.” in 2012 and becoming a holding company system in 2016 has enabled governance within TEPCO to function effectively. This governance has permeated throughout the entire Group and I believe that the vectors of all management, including the presidents of core companies, are aligned. Detailed examples of the steady corporate culture reforms that have been implemented at TEPCO include the streamlining of work processes through KAIZEN activities, the permeation of work methods that consider the reinforcement of existing projects and “profitability,” and the expansion of spheres of business. At the same time, I find it quite regrettable that incidents that result in a loss of trust by society and customers continue to occur, such as the string of improprieties pertaining to nuclear power and the order to suspend telemarketing activities.

In light of these circumstances, under my watch our first responsibility will be to regain the trust of society and our customers by implementing corporate culture reforms, which continues to be an issue that needs to be addressed. I believe that the mission of this new Board of Directors is to support bold executive decisions that will enable continual growth of the TEPCO Group by increasing independence and objectivity, and providing highly effective supervision, and as Chairman I shall lead the Board in this manner.

New Creations in the Energy Business

The Covid-19 pandemic, for which an end is yet in sight, has changed social structures on a global level and concern over global problems, and carbon neutrality in particular, is quickly growing. As more attention is focused on initiatives to address these issues, the business environment of the TEPCO Group is changing more than ever. It would be extremely difficult to generate the approximate ¥450 billion of annual profits that the 4th Comprehensive Special Business Plan announced in July 2021 aims to achieve by continuing our conventional electricity business. The TEPCO Group must of course fulfill its responsibilities to Fukushima, such as compensation/recovery and decommissioning, etc., but I believe it is also responsible for leading the energy industry in order to solve social issues in Japan and throughout the world. I personally feel a sense of crisis in regards to climate change, and believe that we must quickly implement concrete measures for the sake of the future. This comes from my experience as a manager of Mitsubishi Chemical Holdings, Inc. during which time I participated in meetings of the world’s corporate leaders, such as the World Economic Forum Annual meeting in Davos, and engaged in many discussions during which a consensus about these issues was formed. Leading companies in the United States and Europe are sincerely addressing the climate-related problems that have been caused in the pursuit of profits, and they have become aware that the value of the company lies with its various stakeholders. For more than a decade, these companies have felt a sense of crisis with the awareness that if they do not seriously address sustainability, or in other words, the continual growth of society, their companies will cease to

exist. On the other hand, although Japan has long taken a “good for everyone” approach and has a deep-rooted culture of focusing on the relationship with stakeholders, I feel that this relationship has always taken a back seat to profits and capital efficiency. Currently, Japan is also starting to focus on the profits of the corporation along with the profits of stakeholders, but if a company doesn’t earn it cannot return value to society. Furthermore, in addition to “earning,” global concern over ESG initiatives is growing and capitalism in the future will depend not on trade-offs, but rather on finding an optimum balance between the two.

The current focus on ESG requires that Japan promote initiatives to address climate change more than ever before, and I am convinced that initiatives in the energy sector, which accounts for approximately 40% of Japan’s CO₂ emissions, will greatly contribute to creating a carbon neutral society. Going forward, we shall leverage various technical options and watch technical trends both within and outside of Japan that can expand profits and improve corporate value while coming together as a group to further develop initiatives aimed at achieving carbon neutrality. For the TEPCO Group this is an enormous opportunity to reinvent the energy industry, which is the foundation for growth of Japan’s economy, by providing new value to society and our customers in the form of carbon neutrality, and also contribute to creating a global carbon neutral society.

As Chairman of the Board of Directors, I shall lead the TEPCO Group as it puts all efforts into achieving carbon neutrality and generating upwards of ¥450 billion in profits as put forth in the 4th Comprehensive Special Business Plan by balancing our responsibilities to Fukushima with improvement to corporate value through reinventing the energy industry.

Corporate Governance Structure

Board of Directors

Meetings (FY2020)

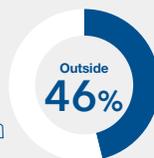
14 times

Number of Directors

6
13
directors



* Outside
* as of July, 2021



The board of directors of TEPCO holdings, Inc., which is “Company with Nominating Committee, etc.”, is comprised of diverse people of different genders with different backgrounds and expertise. Along with making important management decisions, the Board also receives reports from executives about key management issues and the status of the execution of duties, and supervises the execution of duties.

Primary Topics Discussed (FY2020)

- 4th Comprehensive Special Business Plan
- Key management issues handled by the Board of Directors
- Reports on the status of duty execution by each committee
- Measures to address corporate governance
- Approval of financial statements
- The objectives of the general shareholders’ meeting
- Executive personnel changes
- JERA monitoring report
- The development of human resource strategies that can accelerate ambidexterity (“Exploit and Explore”)
- Status of initiatives to address large-scale flooding and earthquakes that directly hits the Tokyo Metropolitan area
- Status of initiatives aimed at preparing for the Tokyo 2020 Olympic and Paralympic games
- e-Mobility Power’s (eMP) inheritance of business from NIPPON CHARGE SERVICE LLC and increasing eMP’s capital
- Status of decommissioning of the Fukushima Daiichi Nuclear Power Station
- Incidents at the Kashiwazaki-Kariwa Nuclear Power Station pertaining to nuclear material protection
- Partially incomplete safety measure renovations at the Kashiwazaki-Kariwa Nuclear Power Station

Primary Resolutions

4th Comprehensive Special Business Plan (April 30, October 28, 2020; July 19, 2021)

- In order to continue to implement innovative business reforms as we aim to secure capital for compensation and decommissioning, and improve corporate value, the decision was made to jointly submit the 4th Comprehensive Special Business Plan with the Nuclear Damage Compensation and Decommissioning Facilitation Corporation to competent ministers for approval.
- Initiatives to regain the trust of society lost as a result of the series of improprieties at the Kashiwazaki-Kariwa Nuclear Power Station are prioritized in the 4th Comprehensive Special Business Plan, which also states that the TEPCO Group shall come together to ensure that ALPS treated water is disposed of safely, thoroughly implement countermeasures for reputational damage, take on the challenge of achieving carbon neutrality, strengthen resilience to natural disasters, and address social changes caused by the progress of digitalization and the Covid-19 pandemic.

e-Mobility Power’s* (eMP) inheritance of business from NIPPON CHARGE SERVICE LLC (NCS) and increasing eMP’s capital (December 23, 2020)

- In order to further develop electric vehicle charging services and charging network services provided by NCS, the decision was made for eMP to inherit NCS’s rights and obligations to these services, and to increase the capital of eMP.
- The company will continue to contribute to creating a carbon neutral society by promoting the electrification of the transportation sector while also contributing to achieving a sustainable society through BCP countermeasures during times of disaster (business continuity plans that enable companies to make repairs and continue operating), and proposing the further utilization of renewable energies.

* Established in October 2019 by TEPCO Holdings and Chubu Electric Power Company Inc.

Nominating Committee

Meetings (FY2020)

8 times

Number of Directors

3
5
directors

* Outside
* as of July, 2021

In order to enable the TEPCO Group to continue to implement innovative business reforms and fulfill its responsibilities to Fukushima while also improving corporate value, the Nominating Committee selects Board member candidates and executives with the character, knowledge, and skills suitable for leading corporate reforms and balancing responsibility with competitiveness. And, as head of the executive branch, the President is expected to lead the company with bold management decisions.

At the first FY2020 meeting of the Nominating Committee, it was decided that Kobayashi, Nigawa and Yoshino be presented to the general shareholders' meeting as board member candidates, and approval was received at the general shareholders' meeting.

Primary Topics Discussed (FY2020)

- Executive personnel changes
- Succession plan creation

Audit Committee

Meetings (FY2020)

16 times

Number of Directors

5
6
directors

* Outside
* as of July, 2021

The Audit Committee is comprised of outside members with knowledge of accounting, law, and corporate management, and internal numbers intimately familiar with corporate operations. The Committee examines the legality and suitability of the actions of Board members and executives based upon auditing plans while mutually coordinating with internal auditing departments, accounting auditors, and TEPCO Group auditors.

By participating in important meetings of the Board of Directors and executive committee, etc., receiving reports from, and regularly meeting with, Board members and executives, and examining the performance and financial status of Headquarters and other major offices, the Audit Committee examines the status of initiatives aimed at improving profitability and corporate value.

Primary Topics Discussed (FY2020)

- Auditing plan/auditing result reports
- The series of incidents at the Kashiwazaki-Kariwa Nuclear Power Station
- Violations of the duty to give thorough explanations when executing retail supply contracts

Compensation Committee

Meetings (FY2020)

5 times

Number of Directors

4
4
directors

* Outside
* as of July, 2021

The Compensation Committee is comprised of four outside directors. The basic policy for deciding on remuneration focuses on three issues. 1. Hiring talented human resources that can lead corporate reforms and balance “responsibility with competitiveness” so that our responsibilities for the Fukushima Daiichi Nuclear Power Station can be fulfilled while also safely providing a stable supply of power amidst tough competition; 2. Clarifying responsibilities and achievements; and 3. Increasing incentives to improve performance and stock value. The duties of Board members and executives differ, so remuneration systems also differ. Board members receive only a base salary, while executives (including executives that also serve as board members) receive a base salary in addition to performance-based remuneration.

Primary Topics Discussed (FY2020)

- Performance-related remuneration for each executive for FY2020
- Executive remuneration design for FY2021

Board Effectiveness

TEPCO Holdings, Inc. is striving to improve the effectiveness of the Board of Directors, which is necessary for governance, by heeding comments made by its diverse group of outside directors who have a plethora of experience and a wide variety of knowledge.

The effectiveness of the Board is also assessed once a year through questionnaires distributed to board members and discussions by the Board.

Effectiveness Assessment

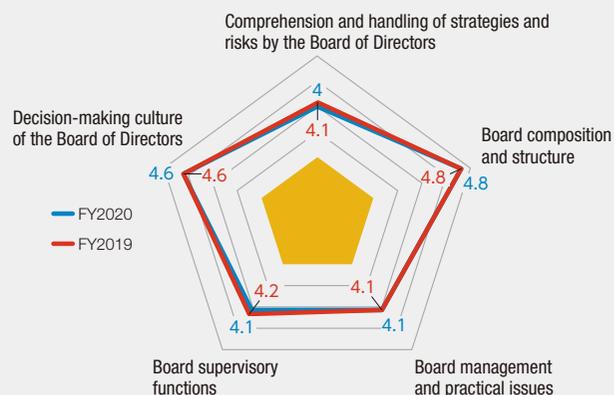
Assessment Methods

- Questionnaires distributed to all members of the Board of Directors, Nominating Committee and Compensation Committee
- Analysis/assessment conducted based on questionnaire results and the details are discussed by the Board of Directors

Assessment Results

The Board of Directors is comprised of a suitable number of members and maintains diversity. Members engage in free debate and questionnaire results since FY2019 give high marks to the Board. There have been no reports regarding serious issues concerning the Board of Directors. In consideration of all this, the TEPCO Board of Directors, Nominating Committee, and Compensation Committee are deemed to be functionally effectively.

An overview of the questionnaire assessment results is as follows:



Questions for Which Scores Improved	Questions for Which Scores Declined
<ul style="list-style-type: none"> • Frequency of Board meetings • Issues debated by, and reported to, the Board of Directors, and issues delegated to executives • The presence of Board members with industry knowledge/experience 	<ul style="list-style-type: none"> • Supervision of nuclear safety by the Board of Directors • Time allocation by the Board of Directors • Discussion of “earning” strategies

Status of Handling of Issues Identified during FY2019 Assessment

During FY2020 the following initiatives were implemented in light of the issues identified during the FY2019 effectiveness assessment. Going forward, we will continue to assess the effectiveness of the Board of Directors, Nominating Committee and Compensation Committee through questionnaires distributed to Board members and discussions by the Board of Directors, in an effort to further improve the Board of Directors and the effectiveness of the Board.

Issues Identified during FY2019	Status of FY2020 Initiatives
<ul style="list-style-type: none"> • Providing information on risks to the Board of Directors and securing opportunities for observation • Discussions of “earning” strategies in light of changes in the market environment, and revamping debate/report details 	<ul style="list-style-type: none"> • Visits to power stations by outside directors and opinion exchanges with employees • Revamp Board of Directors debate methods and how reports are submitted to the Board in order to develop discussions about important management strategies, and secure opportunities to debate “earning” strategies by the Board members outside of Board meetings.



Visit to Kashiwazaki-Kariwa Nuclear Power Station



Visit to safety awareness facility “The facts of 3.11 and the lessons learned”

Turn to page 125 for details on executive remuneration

Interviews with Outside Director



Asa Shinkawa

A handwritten signature in black ink that reads "Asa Shinkawa".

Outside Director

Brief Personal Record and Position

April 1991	Became an attorney-at-law (Current occupation)
January 2001	Became partner at Nishimura & Partners (Currently Nishimura & Asahi) (Current position)
April 2019	Became visiting professor at Graduate School for Law and Politics, Tokyo University (Current position)

What was your reason for accepting the position as a TEPCO outside director?

As an attorney I have been involved in M&A, securities trading, corporate governance, and competition law for over 30 years. Since 2015, I participated in policymaking as a member of government councils, etc. hashing out the details of the government's competition policies for power markets based upon the basic energy policy of 3E + S (Energy Security, Economic Efficiency, Environment + Safety), systems for energy system reform, and policies to turn renewable energies into primary power sources, which has been a great experience.

Power companies have found themselves in a fiercely competitive environment since the complete deregulation of the power and gas retail markets, and there have been great changes in the market due to carbon neutrality, the use of renewable energies as primary power sources, the demand to strengthen power resilience, the expansion of distributed energy systems, and digitalization. In Europe, where the power market was deregulated before Japan, companies have escaped from traditional business models and switched to new business models. I believe it is extremely important for Japan's energy policy that the TEPCO Group overcomes difficult management issues

and meets the expectations of all stakeholders, including shareholders, society, employees and consumers, etc., while also switching to a business model that enables sustainable growth and improvement in corporate value over the mid to long-term. That is why I accepted the position as an outside director.

What is expected of outside directors by shareholders and institutional investors. What do you think about the role that outside directors play?

It is common knowledge throughout the world that in order to achieve sustainable growth and improve corporate value over the mid to long-term, independent outside directors play a necessary role in regards to nominating, compensating, and auditing managing executives. Companies with a Nominating Committee, establish three committees for which outside directors make up the majority. The auditing of executives responsible for performing executive duties is forced by company law, and in practice, in addition to the need to be from outside the company, the current trend is for outside directors to also fulfill independence criteria. The core role of outside directors is to think about general management strategies, and monitor executive actions from an independent point of view to ensure that they are

in line with management strategies through discussions with management and Board members. Their role is also to leverage their differing backgrounds and knowledge to discuss actions that they feel deviate from global standards and best practices, and help to construct and strengthen offensive and defensive governance that fits the company.

Could you say a word to shareholders and institutional investors?

The utilities industry, such as power companies, has an important mission of providing infrastructure indispensable for corporate activities and the daily lives of the people. Therefore, running their business in a manner that not just improves financial performance, but also maintains the trust of stakeholders, such as society, employees, and consumers, etc., and fulfills their expectations, is more important for achieving sustainable growth compared to other industries. I will do my best to help the TEPCO Group obtain the trust of stakeholders and switch to a business model that enables it to balance the creation of value over the mid to long-term with the creation of a sustainable society.

Outside Directors

* Legend Symbol N = Nominating A = Audit C = Compensation

Name	Meeting Attendance Record in FY2020	Corporate Management	Energy	Technology	Financial/Accounting	Legal	ESG	International Management	Important Concurrently-Held Positions	Reasons for Selection
 <p>Yoshimitsu Kobayashi N C A New incl.</p>	N/A	●	●	●			●	●	<ul style="list-style-type: none"> • Director, Mitsubishi Chemical Holdings, Inc. • Outside Director, Mizuho Financial Group, Inc. 	The Company judges Mr. Yoshimitsu Kobayashi suitable for Outside Director due to his extensive experience and insight relating to corporate management and international business, reflected in his background, having served as the President and Chairman of Mitsubishi Chemical Holdings Corporation, and also his deep knowledge of management issues facing the Company, serving as a Management Committee Member of Nuclear Damage Compensation and Decommissioning Facilitation Corporation, and that he can be expected to draw on his experience to perform the role of supervising business execution.
 <p>Hideko Kunii A C 7-year tenure incl.</p>	Board of Directors: 14/14 Nominating Committee: 8/8 Compensation Committee: 5/5	●		●			●			The Company judges Ms. Hideko Kunii suitable for Outside Director due to her extensive experience and insight relating to corporate management, reflected in her background, having served as the Chairperson of Ricoh IT Solutions Co., Ltd., etc., and also her deep insight relating to promoting diversity including the active participation of women, and that she can be expected to draw on her experience to perform the role of supervising business execution.
 <p>Hideo Takaura A C 4-year tenure incl.</p>	Board of Directors: 14/14 Audit Committee: 16/16				●				<ul style="list-style-type: none"> • Certified Public Accountant 	The Company judges Mr. Hideo Takaura suitable for Outside Director due to his extensive experience and deep insight, primarily in the fields of auditing and accounting, reflected in his background, having served as Chief Executive Officer of PricewaterhouseCoopers Aarata as a Japanese Certified Public Accountant, and also his diverse experience in corporate auditing by having served as Outside Corporate Auditor, and that he can be expected to draw on his experience to perform the role of supervising business execution.
 <p>Shigeo Ohyagi N C 1-year tenure incl.</p>	Board of Directors: 12/12 Nominating Committee: 5/5 Compensation Committee: 4/4	●					●	●	<ul style="list-style-type: none"> • Advisor, Teijin, Ltd. • Outside Director, Mitsubishi UFJ Bank, Ltd. • Outside Auditor, JFI Holdings, Inc. • Outside Director, KDDI Inc. 	The Company judges Mr. Shigeo Ohyagi suitable for Outside Director due to his extensive experience and insight relating to corporate management, and also his abundant experience in international business, reflected in his background, having served as the President and Chairman of the Board of Teijin Limited, etc., and that he can be expected to draw on his experience to perform the role of supervising business execution.
 <p>Shoichiro Onishi N A 1-year tenure incl.</p>	Board of Directors: 12/12 Nominating Committee: 5/5 Audit Committee: 14/14	●				●			<ul style="list-style-type: none"> • CEO, Frontier Management, Inc. • CEO, FCD Partners, Inc. • Attorney at Law 	The Company judges Mr. Shoichiro Onishi suitable for Outside Director due to his deep insight primarily in the field of law gained as an attorney at law, and also his extensive experience and insight relating to corporate business revitalization, reflected in his background, having served as the Representative Director of Frontier Management Inc. and FCD Partners Inc., etc., and that he can be expected to draw on his experience to perform the role of supervising business execution.
 <p>Asa Shinkawa A New</p>	N/A		●			●			<ul style="list-style-type: none"> • Partner, Nishimura & Asahi • Outside director, Nintendo 	The Company judges Ms. Asa Shinkawa suitable for Outside Director due to her extensive experience and deep insight, primarily in the field of law, reflected in her background, having served as Partner of Nishimura & Asahi, and also her diverse experience in corporate management, having served as Outside Director, and that she can be expected to draw on her experience to perform the role of supervising business execution.

* Director Shinkawa has not submitted notice as an independent director but fulfills the independency criteria stipulated by the Tokyo Stock Exchange and also TEPCO's Independency Criteria for Outside Directors.

Directors

* Legend Symbol N = Nominating A = Audit C = Compensation

Name	Meeting attendance record in FY2020	Corporate Management	Fukushima	Business Initiatives					Financial/Accounting	Legal	HR	Reasons for selection & brief personal record
				Retail	Transmission & Distribution	Nuclear	Fuel/Thermal	Renewable				
 <p>Tomoaki Kobayakawa N 5-year tenure</p>	Board of Directors: 14/14 Nominating Committee: 8/8	●		●							Has a plethora of experience and expertise about the electricity industry in general through serving as president of TEPCO. After serving as General Manager of corporate sales in TEPCO's customer service company and as president of TEPCO Energy Partner, Inc., Mr. Kobayakawa was appointed president of TEPCO in 2017.	
 <p>Seiichi Fubasami 2-year tenure</p>	Board of Directors: 14/14	●						●	●		Has a plethora of experience and expertise about the electricity industry in general through serving in management positions at TEPCO and the TEPCO Group. After serving as secretary general of TEPCO's Executive Management Planning Department, Mr. Fubasami was appointed Representative Executive Vice President of TEPCO in 2017. He has also served as President of TEPCO Renewable Power, Inc. since 2020.	
 <p>Seiji Moriya 4-year tenure</p>	Board of Directors: 14/14	●					●		●	●	Has a plethora of experience and expertise about the electricity industry in general through serving in management positions at TEPCO and the TEPCO Group. After serving as General manager of TEPCO's auditing committee, Mr. Moriya was appointed Representative Executive Vice President of TEPCO in 2018. He has also served as President of TEPCO Fuel and Power, Inc. since 2017.	
 <p>Nobuhide Akimoto 2-year tenure</p>	Board of Directors: 14/14	●	●	●						●	Has a plethora of experience and expertise pertaining to primarily the retail electricity industry by serving in management positions at TEPCO and the TEPCO Group. After serving as Deputy General Manager of the TEPCO Fukushima Headquarters Recovery Coordination Department and Deputy General Manager of the Fukushima Nuclear Compensation Consultation Office, Mr. Akimoto was appointed as a TEPCO Director in 2019. He has also served as President of TEPCO Energy Partner, Inc. since 2019.	
 <p>Shigenori Makino 4-year tenure</p>	Board of Directors: 14/14					●				●	Has a plethora of experience and knowledge about primarily the nuclear power industry from serving as the director of the TEPCO Nuclear Human Resources Training Center. Mr. Makino was appointed as Managing Executive Officer in 2017.	
 <p>Shigehiro Yoshino N New</p>	N/A	●	●								Has a wide variety of experience and expertise through serving as management positions in Ministry of Economy, Trade and Industry and the Nuclear Damage Compensation and Decommissioning Facilitation Corporation. Mr. Yoshino was appointed as a TEPCO Executive Officer in 2020.	
 <p>Yoshihito Morishita A 2-year tenure</p>	Board of Directors: 14/14 Audit Committee: 16/16								●		Has a plethora of experience and expertise pertaining to primarily finance and accounting through serving in management positions at TEPCO and the TEPCO Group. After serving as General Manager of the Accounting Unit in TEPCO's Business Planning Department, and Managing Executive Director of TEPCO Power Grid, Inc., Mr. Morishita was appointed as a TEPCO Director in 2019.	

* In accordance with law, directors and employees of TEPCO Power Grid, Inc., which is a general transmission and distribution operator, may not serve as directors of the parent company, TEPCO Holdings, Inc.

Materiality

The TEPCO Group has identified four categories for organizing long-term issues that need to be addressed and measures for creating value: Fukushima responsibilities, business strategies, business foundation, and social responsibility. The financial impact and importance (materiality) of each of these issues are assessed in order to identify key business issues to be addressed by the Board of Directors.

In FY2020, 19 material issues were identified for which specific numerical targets were set and these issues are being managed based on these targets.

External Environment Assessment

Megatrends

Market

Policy

Stakeholder Engagement

SDGs

The environment surrounding the energy industry has changed dramatically as society has become more concerned with sustainability and SDGs. In order to adapt to these changes in our business environment, we are incorporating the opinions of stakeholders, such as shareholders, institutional investors, customers, and residents of the regional society, etc., into our assessments of the external environment in addition to looking at megatrends and market/policy trends.

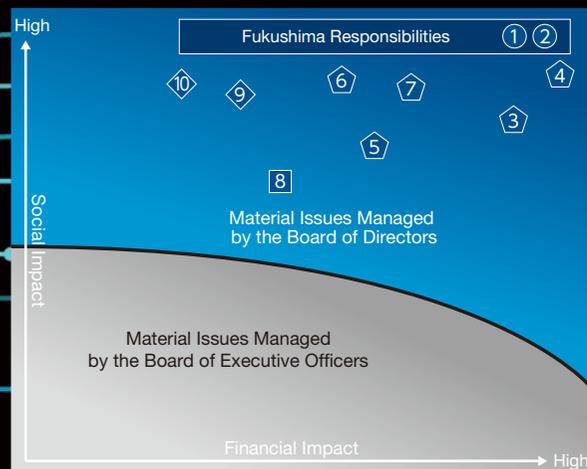
Identifying Risks and Opportunities



Important business risks and important opportunities are analyzed, identified and discussed by the Risk Management Committee and Future Management Committee, respectively. And, the ESG Committee discusses issues of significant social interest, such as ESG and sustainability, etc., that should be addressed by management.

Materiality Assessment

Materiality Mapping



**Board of Directors
Audits/Supervises
Material Issues**

The materiality of key issues is assessed from two perspectives, social impact and financial impact. The TEPCO Group's most important mission is to fulfill its responsibilities to Fukushima. Therefore, "Fukushima responsibilities" has been identified as having the most social impact. Management issues that have a large social and financial impact are selected by the Board of Directors, which audits and supervises them.

Material Issues Managed by the Board of Directors in FY2020

Categories	Key management issues	Targets	FY2020 Performances
Fukushima Responsibilities	① Contributing to recovery in Fukushima through urban development and dispelling harmful rumors	<ul style="list-style-type: none"> Promoting revitalization of the agricultural industry in 12 cities, towns and villages affected by the disaster Expanding sale of products grown/produced in Fukushima Thoroughly providing compensation 	<ul style="list-style-type: none"> Achieving the goals noted to the left
	② Decommissioning/Contaminated Water Countermeasures Based on the Mid/Long-Term Roadmap	<ul style="list-style-type: none"> Suppressing the amount of contaminated water generated to 150m³/day Removing the fuel from the spent fuel pools of all reactors Fuel debris retrieval Measures for living in symbiosis with the region (procurement plans, promoting understanding of our business) 	<ul style="list-style-type: none"> Targets for contaminated water countermeasures and fuel/debris removal achieved Issues pertaining to promoting awareness of our business
Business Strategies	③ Optimizing our business portfolio to maintain competitive superiority	<ul style="list-style-type: none"> Optimization of our business portfolio Promoting key businesses (EV/renewables/Data-Center/5G/overseas transmission/distribution) 	<ul style="list-style-type: none"> Achieving the goals noted to the left
	④ Implementing safety measures and handling inspections in order to recommence operation of the Kashiwazaki-Kariwa Nuclear Power Station	<ul style="list-style-type: none"> Obtaining construction plan authorization and safety regulation authorization Technical preparations for startup 	<ul style="list-style-type: none"> Construction plan authorization and safety regulation authorization have been obtained Some safety measure renovations have been found to be incomplete
	⑤ Retail: Enlarging value provided to the customer	<ul style="list-style-type: none"> Increasing the value of energy provided to the customer 	<ul style="list-style-type: none"> Achieving the goals noted to the left
	⑥ Transmission/distribution: Effective business management and strengthening resilience	<ul style="list-style-type: none"> Integrated operation, joint procurement, and construction of support mechanisms through coordination with other companies 	<ul style="list-style-type: none"> There are issues with integrated operation Joint procurement and support mechanisms construction objectives have been achieved
	⑦ Promotion of renewable energies businesses	<ul style="list-style-type: none"> Wind: Handling domestic bidding, promoting development of offshore wind farms Hydro: Investing in overseas projects 	<ul style="list-style-type: none"> Wind: No bidding since the public offering spanned consecutive fiscal years Hydro: No investments made
Business Foundation	⑧ Hiring, training, and leveraging human resources to create earning power	<ul style="list-style-type: none"> Create resources to allocate to key measures and new spheres of business 	<ul style="list-style-type: none"> Approximately 9,000 personnel have been allocated thereby exceeding plan targets
Social Responsibility	⑨ Strengthening cyber terrorism countermeasures and data security measures	<ul style="list-style-type: none"> Number of disruptions in important infrastructure services: 0 	<ul style="list-style-type: none"> Important infrastructure service disruptions: 0
	⑩ Responding to fiercer natural disasters and compound disasters	<ul style="list-style-type: none"> Response to Typhoon Faxai in 2019 examined and countermeasures implemented Refine disaster scenarios and create BCP 	<ul style="list-style-type: none"> Examination and implementation of short-term countermeasures completed Scenarios refined, BCP created

19 material issues were identified during FY2020 and specific numerical targets were set for each. In addition, executives responsible for each of these material issues were selected, and of the degree of achievement of these targets is one of the factors examined when determining performance-based remuneration. FY2020 performance was referenced when setting the targets in the 4th Comprehensive Special Business Plan.

Risks and Opportunities

In the TEPCO Group, business risks and opportunities are assessed/analyzed by committees headed by the President on the executive side. The results of these discussions/assessments by each committee are leveraged when making decisions about key business issues, etc., and discussed/reported to the Board of Directors.

Committee Configuration

Risk Management Committee

Chair	President
Vice Chair	Vice President (CFO), Vice President (Personnel)
Members	Vice President (Business Planning), CIO, Disaster Prevention and Safety Managing Executive Officer, Accounting Managing Executive Officer, ESG Managing Executive Officer, CDO, Fukushima Revitalization Headquarters Representative, Niigata Headquarters Representative, Nuclear Power and Plant Siting Division General Manager, core company presidents

Future Management Committee

Chair	President
Members	Chairman, Vice President (CFO), Nuclear Power and Plant Siting Division General Manager, Business Planning Executive Officer/Director, Auditors, core company presidents
Secretariat	Vice President (Business Planning)

ESG Committee

Chair	President
Vice Chair	Vice President (CFO), ESG Managing Executive Officer
Members	Vice President (Business Planning), Vice President(Personnel), CIO, Disaster Prevention and Safety Managing Executive Officer, Accounting Managing Executive Officer, Business Planning Executive Officer, core company presidents

Risk Management Committee

The Risk Management Committee was established for the purpose of centralizing management of the TEPCO Group's risks, and formulating measures to address each risk scenario analysis. In consideration of the status of countermeasure implementation and changes to our business environment, the Committee revises risks scenarios, etc., as suitable and when needed. In the TEPCO Group, each entity identifies risks and a total of 3,000 risks have been identified. Of these, approximately 50 risks have been identified as having the potential to greatly impact the Group, and the Committee is in the process of assessing and analyzing these risks. The results of these assessments and analyses not only help to avoid risks, but also mitigate damage through initial responses when the risks manifest, and serve as important handling policies when the Group goes into crisis management mode. Furthermore, six subcommittees have been established within this Committee to concentrate on specific issues under the supervision of a managing executive officer who has been appointed chair and is responsible for the subcommittee.

During FY2020, measures to address tight supply and demand were implemented as measures to address supply stability issues.

Six Subcommittees



Example of FY2020 Achievements

Key Risks	Response
Large-Scale Blackouts (for addressing tight supply and demand)	Measures to address tight supply and demand caused by low LNG reserves in January 2021 were implemented. Although there was the potential for the need to implement rolling blackouts if supply capability countermeasures were not implemented, appropriate measures were implemented based upon supply and demand emergency countermeasures thereby preventing hindrances to the power supply, such as rolling blackouts and large-scale power outages.

Future Management Committee

As the environment surrounding the energy industry experiences long-term changes, the Future Management Committee points the direction of the Group's businesses and issues that need to be addressed by the entire Group in order to identify not only risks, but also opportunities that will enable our business to grow into the future.

During FY2020 the Committee met a total of five times to discuss future energy ventures that shall improve revenue and also the state of the foundation of the Group's business that supports these ventures.

Example of FY2020 Achievements

Objectives	To develop a business portfolio that maintains competitive superiority through the expansion of new businesses and the selections/strengthening of existing businesses, in order to create an earnings foundation capable of producing ¥450 billion in consolidated profits in the long-term.
Achievements	Renewable energies, mobility electrification, data/communications, and overseas [projects] were identified as key new business areas, and a debate over how to further secure profits ensued.
Going Forward	The Carbon Neutral Challenge Task Force established within the Future Management Committee shall discuss the transition to a business model that provides new value based on carbon neutrality and measures for reincarnation into a "company that creates value for the customer."

Example of Discussion Topics (overseas projects)

Topic	The current status of overseas projects and Group policies for promoting overseas projects
Discussion Summary	<ul style="list-style-type: none"> The TEPCO Group is leveraging the technical prowess and know-how it has cultivated through the domestic power industry to promote projects overseas. Discussions were held on company structures for engaging in overseas projects, project management, and the further development of functions for supporting the promotion of projects.

ESG Committee

The ESG Committee was established in January 2019 for the purpose of identifying and discussing issues related to ESG and sustainability that management should address, and promoting management decisions about these issues.

In FY2019, ESG business strategies were compiled and reported to the Board of Directors. This strategy is comprised of Defensive ESG that aims to improve ESG management assessments through better coordination with ESG rating agencies, evolution of the integrated report and engagement with financial stakeholders, and Offensive ESG that aims to solve social issues while simultaneously promoting the development of a business model that will lead to improved earnings. During FY2020, discussions focused primarily on initiatives aims to achieve mid/long-term CO₂ reduction targets.

Examples of FY2020 Achievements to Date

Topic	Discussion Summary
Defensive ESG (business assessment improvements)	<ul style="list-style-type: none"> TEPCO ESG issues were identified and organized through coordination with each ESG rating agency, and it was decided that initiatives to respect human rights based on international norms should be strengthened.
Offensive ESG (ESG business model)	<ul style="list-style-type: none"> TEPCO Holdings, Inc. should play the role of supervising and coordinating core companies and group companies as they develop ESG-related businesses while assessing the needs of customers/society.
CO₂ Reduction Targets	<ul style="list-style-type: none"> Discussions were held about the TEPCO Group's FY2030 target (50% reduction in FY2013 CO₂ emissions originating from the sale of power (Part of Scope 3 Emissions)) and setting targets for 2050. As the world dramatically changes it is important to have 2050 carbon neutrality targets, but it is also important to lay out how the TEPCO Group will contribute to achieving a carbon neutral society. When examine carbon neutrality scenarios for 2030 and 2050, we need to discuss the measures and conditions on which success will depend. Technical development and market forecasts should be detailed as much as possible.

COVID-19

The Covid-19 pandemic has caused a serious public health and economic crisis throughout the world. With no end to the pandemic in sight, we are starting to see the effect on the electric industry. Energy providers need to continue operating even amidst a pandemic, and manage core infrastructure. At current time, the TEPCO Group has not experienced any serious power supply hindrances caused by the pandemic, and we will continue to fulfill our social responsibilities while engaging in risk management based upon future forecasts and implementing measures to mitigate the various impacts on our business activities.

Discussions by the Board of Directors (FY2020)

- Examination of long-term plans upon examining changes to economic structures brought upon by the Covid-19 pandemic
- Examination of measures to handle the Covid-19 pandemic
- Forecast power demand if there was to be the next coronavirus pandemic and reflect those forecasts in profit plans
- Discussion of the mid and long-term impacts of the Covid-19 pandemic, including revising our business model based upon changes to the structure of the energy industry and ESG-related social trends.

See page 16 for information on the financial impacts of the Covid-19 pandemic

ICGN Statement of Shared Governance Responsibilities

The International Corporate Governance Network (ICGN) has released a statement of shared governance responsibilities for investors and corporations as “common issues for handling unprecedented issues and ushering in a new era of future governance.” TEPCO Group data corresponding to “governance priorities for companies” mentioned in the statement is as follows.

ICGN's Governance Priorities for Companies		The Impact on, and Response by, the TEPCO Group	Future Outlook and Living in a Post-Covid-19 World
1. Social Responsibility	Companies should treat the workforce equitably to ensure the health and well-being of all staff, both permanent employees and contractors.	Continue business upon ensuring the health and well-being of permanent employees and contractors through crisis management (BCP plans) and risk management that can handle novel influenza pandemics.	Promote work reforms to adapt to our new lifestyles. Root new work styles that leverage DX in order to be flexible and resilient.
2. Executive Remuneration	Executive pay policy should reflect the experience of the overall workforce, particularly in relation to staff redundancies, furlough programs, pay level reductions or bonus awards.	No impact • There have been no layoffs or salary reductions resulting from Covid-19 • There have been no changes in how executive remuneration is handled	At current time we do not expect any financial impact that would have an effect on employee jobs, pay level or executive remuneration.
3. Dividends	The importance of dividend payments during the Covid-19 pandemic should not be underestimated.	No impact • Dividends have not been paid since FY2011, and will not be paid in FY2021	Needs to be discussed in consideration of the financial situation, and TEPCO Group's historical payments and future outlook regarding compensation and decommissioning, in tandem with the method of collection for public funds by the Nuclear Damage Compensation and Decommissioning Facilitation Corporation.
4. Capital Raising	ICGN supports regulatory efforts to enable capital raising, notwithstanding that the preference is for any new capital raisings to be offered to existing shareholders.	No impact • There have been no new capital raisings or plans resulting from the Covid-19 pandemic	Efficient capital raising plans shall be deliberated upon detailed assessment of the future financial impact.
5. Annual General Meetings	We encourage companies to continue to engage with investors, even through virtual AGM's, to ensure questions can be properly addressed	The annual shareholders' meeting was held on June 29, FY2021. Shareholders were encouraged to vote via mail or the Internet.	We are deliberating ways to engage with shareholders that fits with our “new lifestyles.” In FY2022 and onward we will continue to deliberate methods for meeting
6. Corporate Reporting	Companies are encouraged to publicly disclose how they are dealing with the Covid-19 pandemic, preferably in the annual report.	Details are disclosed in this report.	The impacts of the Covid-19 pandemic on our business will be conveyed as suitable not only through annual reports but also our website.

Responsibilities as an Energy Provider

On April 7, 2020, a “declaration of a state of emergency due to the Covid-19 pandemic” was issued in accordance with Article 32.1 of the Act on Special Measures for Combating Novel Influenza. On the same day, the Basic Policy on Novel Coronavirus Countermeasures was revised, and infrastructure operators, such as electric and gas companies, etc., were deemed “operators for which the continuation of business is required during the declaration of a state of emergency.” On April 8, the government requested that designated public corporations and designated local public corporations, which applies to electricity and gas operators, make every effort to ensure safety in the field and maintain a stable supply of electricity and gas.

In accordance with the TEPCO Group social mission of maintaining infrastructure needed for the stable supply of energy, we are not only complying with the government’s requests, but also taking meticulous action through our business activities to address mid and long-term issues faced by our stakeholders.

Requests Made by the Government

1. Along with the sure and steady implementation of business plans, operators shall make every effort to ensure safety in the field and maintain a stable supply of electricity and gas in the event that workers at important facilities, such as power stations, central power supply command centers and gas manufacturing facilities, etc., test positive for the virus through the thorough implementation of business continuity plans (BCP). These BCP shall include ① Meticulous personnel plans that include methods for securing substitute personnel; ② Responsive actions that include the use of substitute facilities; and, ③ Measures for procuring required materials and equipment in a stable manner, such as using alternate vendors in anticipation of long-term confusion in the supply chain.
2. Operators needed to ensure safety in the field and maintain a stable supply of electricity and gas, such as contractors, equipment maintenance and inspection operators and security companies, etc., are requested to continue operations as usual.
3. It is requested that steps be taken to revise or postpone inspections or other construction work in accordance with law to an extent that does not hinder safety or stable supply.
4. Ministry of Economy, Trade and Industry shall be immediately notified if employees test positive for the virus and measures, such as public disclosure of such information, etc., shall be implemented.

Stakeholder Engagement and Issues Pertaining to Stakeholders

Primary Stakeholders		Employees	Customers	Investors	Government	Regional Communities
Primary Segments		All Offices	Retail	Financial Departments	Corporate	Office Siting Locations
Short-Term	Issues	Health management and measures for preventing infection in consideration of the fact that all employees are not able to work from home.	Difficulties with paying electricity and gas bills	Concerns over performance forecasts	Requests to ensure safety in the field and maintain a stable supply of energy	Preventing spread of the virus Requests to cooperate with regional measures
	Response	Handling in accordance with the BCP (redesign shifts to adapt to work conditions, including the creation of work environments)	Special measures, such as payment extensions (to be offered as needed in light of the latest circumstances)	Disclosure of financial impact of suitable times Authorization of midterm business plan (August 2021)→P49	As a result of handling the pandemic based on the BCP, Covid-19 has not hindered supply.	Initiatives to reduce the risk of infection by limiting domestic/overseas business trips by employees and travel to and from the Tokyo metropolitan area.
Long-Term	Issues	Adapting to our “new lifestyles”	Prolonged economic blow	Investment decisions based on mid/long-term outlook	Additional requests made to infrastructure operators in conjunction with changing circumstances	Requests made to infrastructure operators in conjunction with changing circumstances
	Response	<ul style="list-style-type: none"> • Creation of new TEPCO Work Innovation (TWI) policy for work reforms→P95 • Management reforms made possible by DX→P45 	<ul style="list-style-type: none"> • Proposing ways to conserve energy and cut costs • Properly recover payments after special measures to combat Covid-19 are ended 	Disclose information on actual performance and performance forecasts through financial result disclosures, integrated reports and engagement	Strengthen initiatives to improve power infrastructure resilience in order to better deal with not only the pandemic but also natural disasters.	Implement countermeasures as much as possible based on the situations in each region.

Toward the Future





Integrated Thinking

In order to achieve the mission and vision of our corporate philosophy that we revised in 2021, the TEPCO Group will maximize its tangible and intangible management resources in an effort to improve corporate value and create social value over the long-term.

In this report, the management resources owned by the TEPCO Group have been separated into six types of capital as put forth in the International Integrated Reporting Council (IIRC) Framework. The concept of applying integrated thinking to each type of non-financial capital in order to increase financial capital and optimize value through our business activities has been represented in this report as an integrated circuit. The integrated circuits formed by each of these capitals represents business strategies based on integrated thinking, and this collection of integrated circuits represents our midterm business plan.

The TEPCO Group aims to make its corporate philosophy a reality by regularly revising/creating effective business plans, and steadily carrying out each plan.



**Carbon
Neutrality**

**Disaster
Prevention**

**Develop
the future of energy
Deliver a
comfortable life**

4th Plan

3rd Plan

2nd Plan

1st Plan

**Local
Community**

**Restructuring
the Business
Portfolio**

Electrification

**Digital
Transformation**

TCFD

TCFD Governance

The Board of Directors recognizes that responding to climate change over the mid to long-term is an important key management issue for the TEPCO Group, which is responsible for providing energy. Just like predicting future climate change, it is also difficult to accurately predict potential social changes and the impact that they will have on the business environment of the TEPCO Group. However, even though there is a high degree of uncertainty in regards to these matters, society demands that we strive to avoid or mitigate future loss through highly accurate risk assessment/analysis, identify new business opportunities through this process, and achieve sustainable company operations.

Analyzing future scenarios for 2050 based upon TCFD recommendations is very important for discussions by the Board of Directors. Even in Japan, which has extremely low energy self-sufficiency rates and is highly dependent on fossil fuels, the movement towards carbon neutrality is intensifying and we are assessing whether or not the current direction of our midterm business plan will enable future business developments to be resilient in the long-term.

In 2021, we set a new target of “reducing CO₂ emissions originating from the supply of energy to basically

zero by 2050” in addition to our objective of “reducing CO₂ emissions originating from the sale of power by 50% of FY2013 levels by 2030.” The trend towards carbon neutrality provides an opportunity to promote electrification of energy demand. “Metrics and Targets” explains the direction of the TEPCO Group’s business that will contribute to achieving a carbon neutral society, as well as the maximum ¥3 trillion that we plan to invest in carbon neutral initiatives by FY2030.

The role of governance in responding to climate change, for which a long-term outlook is indispensable, is to promote the optimization of our future business portfolio based on suitable assessments of risk and opportunity, and lead operation so that our business is sustainable. As a member of the Board and upper management, I am facing these important management decisions head on.

Seiji Moriya



**Director, Representative Executive Officer,
Executive Vice President, CFO**

TEPCO Group Governance as it Pertains to Climate Change

We perceive ESG issues, including responding to climate change, to be key management issues, and the Board of Directors has selected an officer to be in charge of ESG. This officer gives quarterly reports to the Board on the status of policy execution, and the Board supervises strategies, action plans and performance targets, as well as revisions to such. Similarly, climate change -related risks/opportunities and budgets are also supervised by the Board of Directors.

Tokyo Electric Power Company Holdings



Chair:	Representative Executive Officer and President
Vice chair:	Executive Vice President (CFO) ESG Officer
Committee member:	President of each key business company, etc.

Discussions by the Board of Directors

At the 96th annual shareholders’ meeting (FY2019), the fourth item on the agenda was a shareholder proposal requesting that the company charter be partially changed to stipulate a “withdrawal from coal thermal power generation.” The Board of Directors expressed opposition to this proposal for the following reasons, and the proposal was rejected at the annual shareholders’ meeting.

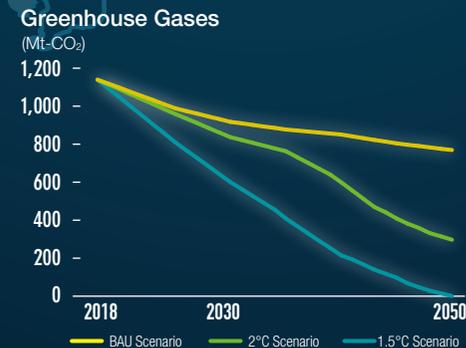
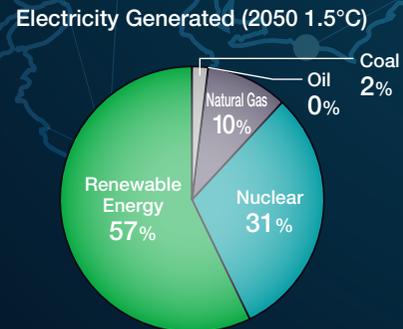
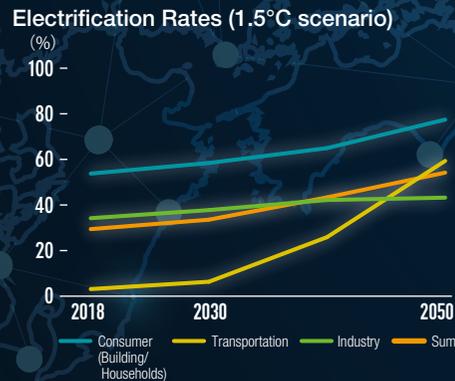
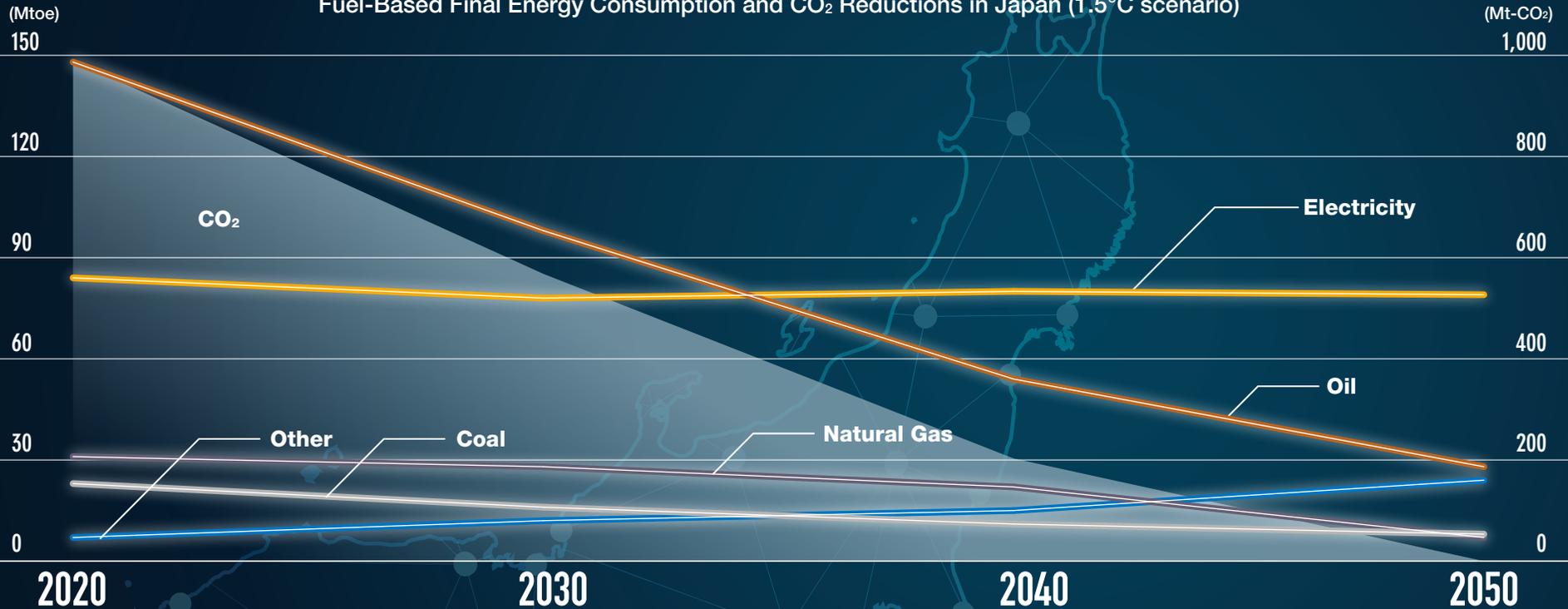
The proposal pertains to the business and affairs of the corporation and is not something that should be stipulated in the company charter. Furthermore, although it is important to reduce CO₂ emissions in order to combat climate change, it is also important is that we, as an electric operator, fulfill our responsibility to provide a stable supply of electricity at low-cost, and for this reason we believe that highly efficient coal thermal power generation, which is superior in terms of fuel supply stability and economic feasibility, should be used effectively in combination with other power sources.

The Board of Directors will supervise and support JERA initiatives to make thermal power production even more efficient, as well as initiatives to turn renewable energies into primary power sources, and the development of business strategies, such as promoting nuclear power with the precondition that safety is guaranteed, in order to create a sustainable society.



You can see that electricity will play a more important role than ever in achieving carbon neutrality. The TEPCO Group will play a leading role in creating a sustainable society and leverage this business opportunity to increase earnings.

Fuel-Based Final Energy Consumption and CO₂ Reductions in Japan (1.5°C scenario)



* This scenario analysis references scenarios in the IEA's World Energy Outlook 2019. These scenarios were intentionally created to look at phenomena that can only occur in the distant future as possibilities that can be thought of by the company, and do not intend to forecast the results for each scenario.

TCFD Risk Management

The TEPCO Group's Risk Management Committee strives to avoid the manifestation of serious climate-related risks, and minimize any impact on company operation through quick and suitable response in the event that such risks were to manifest. Furthermore, risk assessments are leveraged when making decisions, such as decisions on key management issues, and discussed by/reported to the Board of Directors.

The TEPCO Group's Risks and Opportunities

		Risks		Opportunities	
		Mid-term (~2030)	Long-term (~2050)	Mid-term (~2030)	Long-term (~2050)
Transition Risks	Policy and Legal	Increased costs caused by stricter regulations		Resource efficiency	Increase the use of electric vehicles Reusing, spreading, and increasing the use of storage batteries
	Technology	Decrease in the quality of power in conjunction with the large-scale introduction of renewable energies	Decrease in the superiority of large-scale power sources in conjunction with the spread of distributed power sources	Energy source	Using nuclear power Developing and expanding the use of renewable energy technologies
	Market			Products and Services	Increased desire by customers to have CO ₂ -free energy Electrification is progressing
	Reputation	There is a tendency for TEPCO be thought of as passive regards to climate change countermeasures	Less acceptance of nuclear power by society	Market	Switch to carbon neutral societies in developing nations Increased desire for Green Bonds, etc.
Physical Risks	Acute	Damage to power supply facilities by typhoons		Resilience	Increased social needs pertaining to disaster prevention
	Chronic		Decreasing the amount of hydroelectric energy produced due to fluctuations in the amount of precipitation		

*The severity of risks is examined by the Risk Management Committee

Risk Management Structure



Financial Impact of Climate-Related Risks and Opportunities

Cost of purchasing 100 GWh of non-fossil certificates

¥90 million

Impact on annual profit/loss from the operation of one nuclear reactor

¥50 billion

Damages from typhoons (2019)

¥20.8 billion

Profits from higher flow rates (1%)

¥1 billion

Profits from renewable energy-based power generation

¥100 billion

Investment in carbon neutral initiatives

¥3 trillion

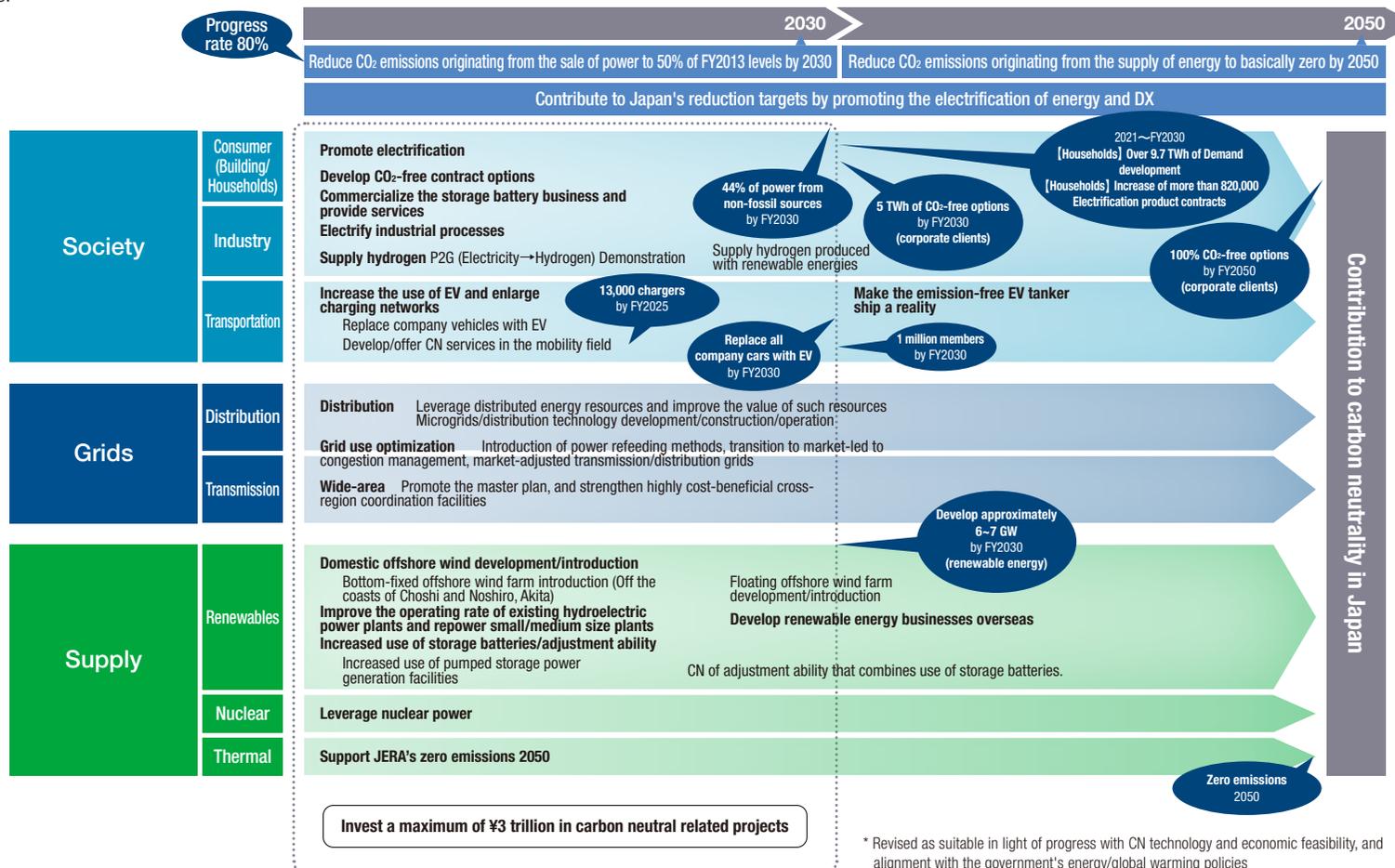
TCFD Metrics and Targets

In light of the Paris Agreement, the TEPCO Group has set a goal of reducing CO₂ emissions originating from the sale of power to 50% of FY2013 levels by 2030. The group also aims to reduce CO₂ emissions originating from the supply of energy to basically zero by 2050 through achieving a “best mix” of power sources that considers both stable supply and economic feasibility, and innovation.

We consider the trend towards carbon neutrality to be a new business opportunity and aim to grow in a sustainable manner along with society through further electrification spurred on by providing new carbon neutral-based value to our customers.

GHG Emissions in FY2020 (Mt-CO₂)

Scope 1	Scope 2	Scope 3
0.2	5.23	109.91



* Revised as suitable in light of progress with CN technology and economic feasibility, and alignment with the government's energy/global warming policies

Creating a Carbon Neutral Society by 2050

~Expand the Use of Renewable Energies and Electric Vehicles to Create a Safer and More Comfortable Society~

The TEPCO Group Provides Value that Exceeds the Expectations of each and Every One of our Customers



<Buildings>

We shall expand the use of renewable energies and use energy in a more efficient manner through electrification and energy-saving buildings/equipment. Furthermore, by perfectly mixing power with advanced IoT we shall improve comfort during times of normalcy and resilience during times of emergency.

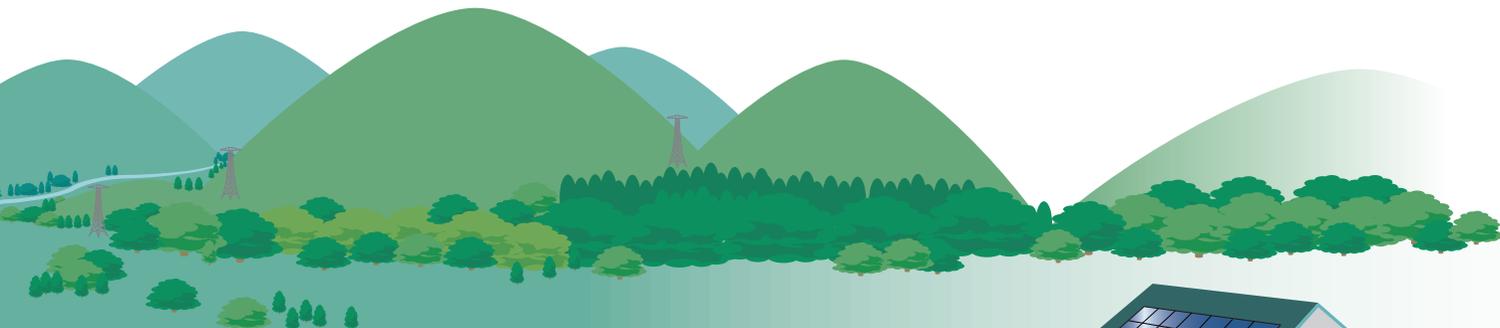


<Industry>

We will enable energy to be used in a more efficient manner, expand the use of renewable energies, and improve resilience by introducing energy-saving measures at, and electrifying, factories, and spreading the use of distributed power sources, such as solar power and storage batteries.

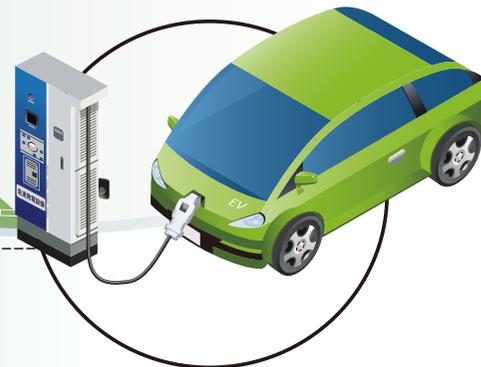
Furthermore, we shall achieve carbon neutrality by electrifying-temperature production processes and developing/ introducing clean hydrogen produced through the electrolysis of water.





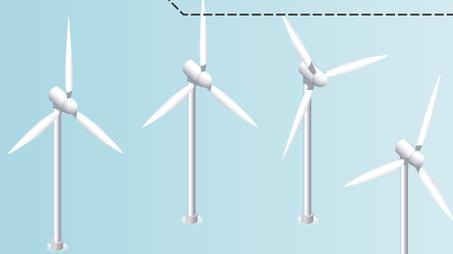
<Household>

Along with spreading the use of solar power we shall move forward with the electrification of air-conditioners, water heaters and heating equipment thereby using energy in a more efficient manner and increasing the use of renewable energies. Furthermore, we will offer contracting options that are easier to use by households, such as subscription-based power contracts. And, the power supplied by household electric vehicles during times of emergency will help to improve resilience.



<Transportation>

In conjunction with the electrification of vehicles and shipping vessels, social infrastructure, such as charging facilities in towns and commercial centers, will grow thereby increasing the use of renewable energies. Since electric vehicles can be used as mobile power sources during times of emergency providing new added value to urban development.



SDGs for Business

Through its business activities the TEPCO Group is contributing to achieving sustainable development goals (SDGs) to make the world sustainable by 2030. While quickly developing business to meet diversified social demands, such as SDGs, the TEPCO Group must also create profits throughout the entire Group to maintain sustainable operation. Therefore, along with strategically managing the TEPCO Group's resources, the Marketing Department established in April 2020 is creating strategies for the entire Group and quickly making decisions through the analysis of objective data pertaining to the TEPCO Group and the market obtained through engagement with stakeholders and employees in the field.

In addition to being Chief Marketing Officer (CMO) and Executive ESG Officer, I am also in charge of developing new businesses such as electric vehicles, storage batteries, real estate, and overseas projects. By leveraging the TEPCO Group's strengths, we not only forecast growth over the mid to long-term in these fields of business, but we will also provide services that lead

to actual solutions to problems that must be solved in order to achieve SDGs. In addition to these mid/long-term issues, such as SDGs, the TEPCO Group, which manages power infrastructure, must also provide stable services amidst some natural disasters and the current Covid-19 pandemic. While fulfilling our social responsibility as an energy provider, the TEPCO Group shall also provide further added value in the form of goods and services that exceed the expectations of our customers based on the needs of society and our clients, and improve corporate value.

Momoko Nagasaki

Momoko Nagasaki

**Managing Executive Officer,
Chief Marketing Officer, ESG Officer**



EV Business

The increased use of electric vehicles (EV/PHEV/FCV) is expected to provide solutions to various social problems such as reducing CO₂ emissions in the transportation sector and securing power sources during disasters, and as such it is forecasted that the EV market will grow. The TEPCO Group, which is a pioneer in the field of electric vehicles, positions our EV-related business, which both enables the growth of our business and solutions to social problems, as a key new business, and we shall promote the spread and use of electric vehicles.

Initiatives Aimed at Spreading the Use of Electric Vehicles

Electric Vehicle Utilization Promotion Consortium

(established in 2020)

The consortium was established by TEPCO Holdings in association with NTT, HITACHI and RICOH for the purpose of sharing information on, and solving, issues surrounding the expanded use of electric vehicles as company vehicles.

Standardizing vehicle specifications

Building infrastructure (charging infrastructure, etc.)

Related information Sharing (disaster prevention)

66 companies from various industries, such as the automobile, energy, and finance industries, etc., and 14 special member organizations, such as central ministries and local governments, etc. (as of the end of March 2021)

Building Charging Infrastructure and Providing Services

e MOBILITY POWER

e-Mobility Power, a subsidiary of TEPCO Holdings, manages Japan's largest charging network and is contributing to achieving carbon neutrality by providing charging services for electric vehicles, for which use is expected to increase in the future.

Largest charging network in Japan*

6,900 stations
(as of the end of December 2020)

Business objectives
FY 2025 charging network*
13,000 stations
FY 2030 membership
1 million members

* Number of quick chargers

EV Penetration Rate in Japan and CO₂ Emissions from the Transportation Sector (TCFD Scenario Analysis)

CO₂ emissions from Japan's transportation sector

Domestic EV penetration rate

210 million tons
(2018)

96.5%
(62.25 million vehicles)

135 million tons

2050 EV market scale forecast
¥51 trillion/year

Establishment of Electric Vehicle Utilization Promotion Consortium (2019)

8.5%
(5.98 million vehicles)

CO₂ emission reduction effect in 2050 from the spread of EV
-118 million tons/year
(2018 levels)

e-Mobility Power established (2019)

Carbon Neutral

2020

2030

2050

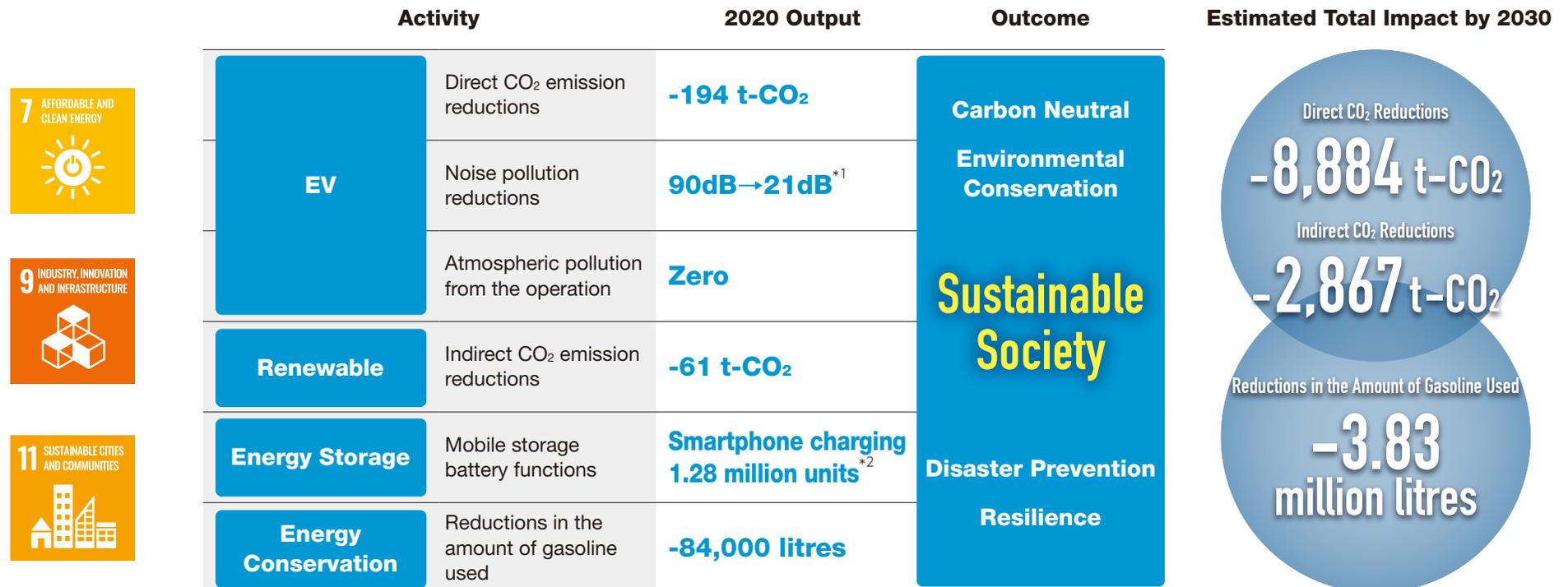
Social Impact

In 2019, the TEPCO Group became the first energy operator in Japan to voice support for the EV100 initiative and was the first to promote company vehicle-related reforms in order to achieve carbon neutrality. At current time, we aim to have replaced 50% of our approximate 3,800 work vehicles (excluding emergency and special construction vehicles) with electric vehicles by FY2025, and to have replaced 100% of our company vehicles with electric vehicles by FY2030. As “mobile storage batteries” electric vehicles are expected to provide new value to society in the form of disaster prevention, and we expect them to have a useful social impact. The TEPCO Group is not only promoting internal reforms, but also social reforms through our business as we contribute to achieving 2030 SDGs and the creation of a carbon neutral society by 2050.

In June 2021, the TEPCO Group announced that it had acquired a Green Power Certificate for the power needed to run electric vehicles. As a result, 100% of the power needed to run electric vehicles will come from renewable energies, thereby reducing CO₂ emissions from EV to basically zero.



The Expected Social Impact from the TEPCO Group's EV100 Initiative

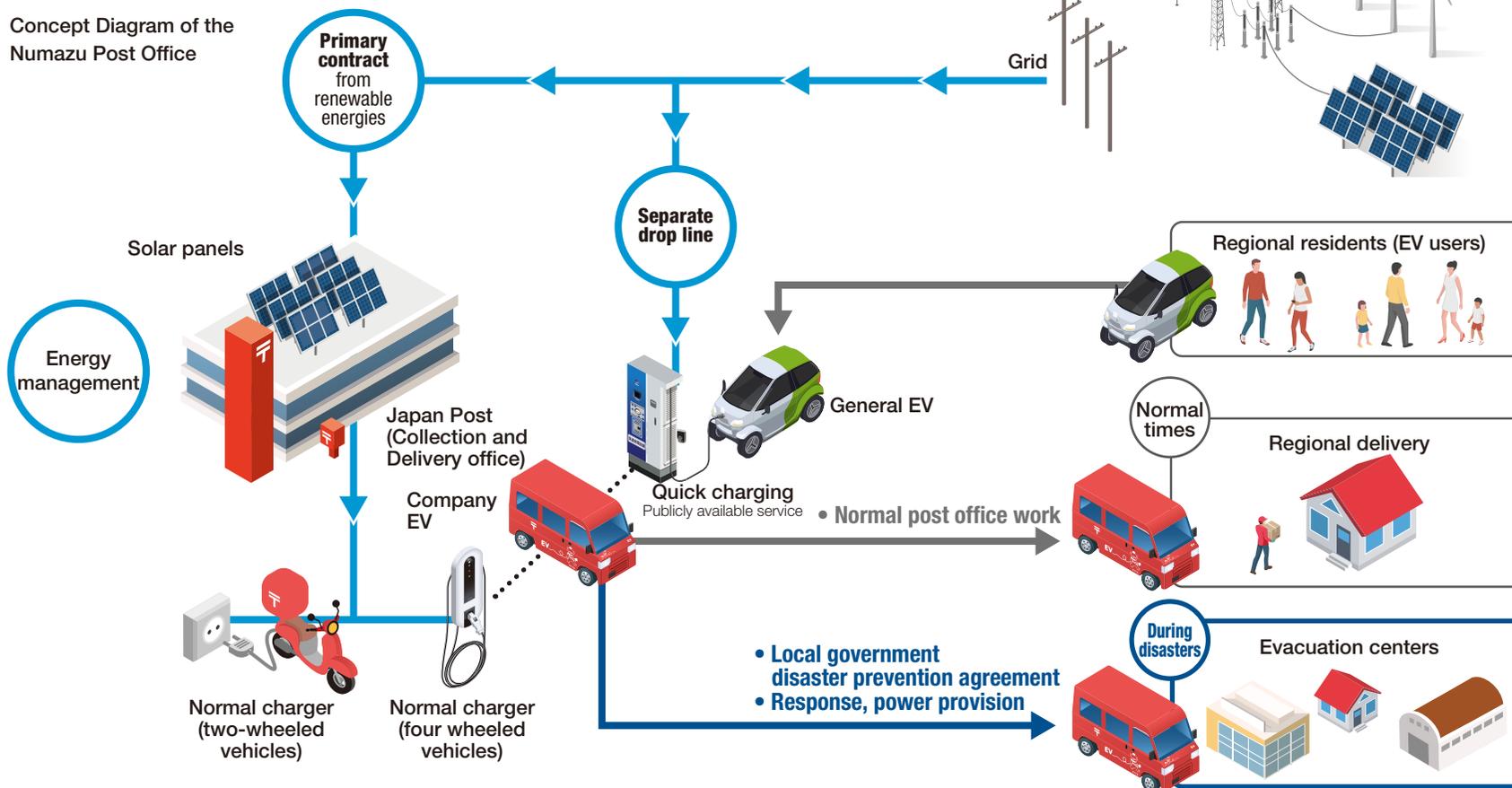


* Some of the quantification methods from IRIS+ provided by the global impact investing network were used for this impact estimate *1 Quote from Nissan website *2 Calculated from amount of power from one charge

Strategic Partnership with the Japan Post Holdings Group

In April 2021, the TEPCO Group signed an agreement with the Japan Post Holdings Group pertaining to a strategic partnership for innovatively promoting carbon neutrality. In accordance with this agreement, the TEPCO Group will provide full support for the Japan Post Holdings Group in the form of the installation of charging equipment that will allow the increased use of electric vehicles for postal delivery trucks, the building of charging infrastructure that can be used by people in the region, the proposal of methods to efficiently use electricity through energy diagnostics, and the switchover to renewable energies through the installation of photovoltaic power generation equipment. These measures will first be implemented at the Numazu post office (Shizuoka Prefecture) and Koyama post office (Tochigi Prefecture), and the results will be examined to deliberate the implementation of similar measures at other locations. By combining the TEPCO Group's know-how with the post office network we will be able to contribute to quickly creating a carbon neutral society in Japan.

Concept Diagram of the Numazu Post Office



Digital Transformation

The TEPCO Group is accelerating its digital transformation. By fusing work KAIZEN activities with technologies using the data, we aim to transform all work processes, organization, and work style, for productivity improvement and business development.

The TEPCO Group's business objectives are to solve social issues in the fields of carbon neutrality and disaster prevention, and create earning power. In order to strengthen power resilience and win out over the competition in the power market amidst environmental changes caused by fiercer natural disasters and the

Covid-19 pandemic, the TEPCO Group will create an earnings foundation possible of creating ¥450 billion in profits annually from the year 2030 onward. New management reforms that are not just an extension of previous reforms are necessary to accomplish this, and it is important that we reform corporate culture and train human resources capable of implementing these reforms. As part of corporate transformation, we shall incorporate Toyota-style KAIZEN aimed at improving work processes along with promoting DX through the establishment of a Business Transformation Committee during FY2021 that unites management with department head and operation

manager in the field. In regards to human developments, we shall define skill sets for human resources that will enable them to flexibly deal with changes to our operating environment using a digital approach, and implement training to cultivate reform human resources and data scientists.

In April 2020, we newly created a DX project management office to promote strategies that are sustainable for the entire group, and in the open environment we are engaging in the tepsys labs activities for creating agile developments. Our management and operations for promoting these reforms have been acknowledged by the Ministry of Economy, Trade and Industry from which we obtained DX certification in May 2021.

The TEPCO Group is a data source company that has utility data for one third of the entire country. By leveraging the latest digital technology to bring each and every customer together and reform operations through the eyes of our customers, we shall continue to provide services that exceed the expectations of our customers and contribute to solving diverse and complicated social issues.

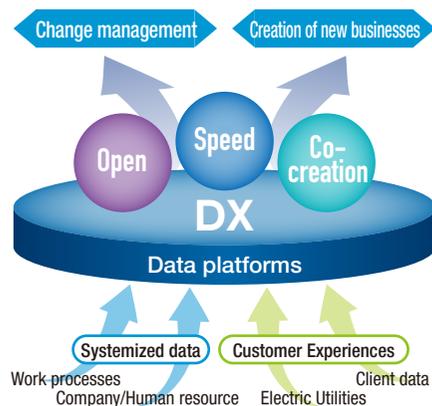


On May 1, 2021, TEPCO holdings became the first leading power company to receive a DX certification in accordance with the system stipulated by the Ministry of Economy, Trade and Industry.

*Being a DX certified operator means that the company is prepared to reform its business using digital technology (DX ready).

Our strategy

By combining various data on our customers and electric utilities, equipment, we will force the digital evolution of operations in order to productivity improvement that leads to better customer experiences and work style reforms. Furthermore, by complaining the TEPCO Group's data resources with open created environments we aim to create new businesses that will contribute to solving social issues.



Tomomichi Seki

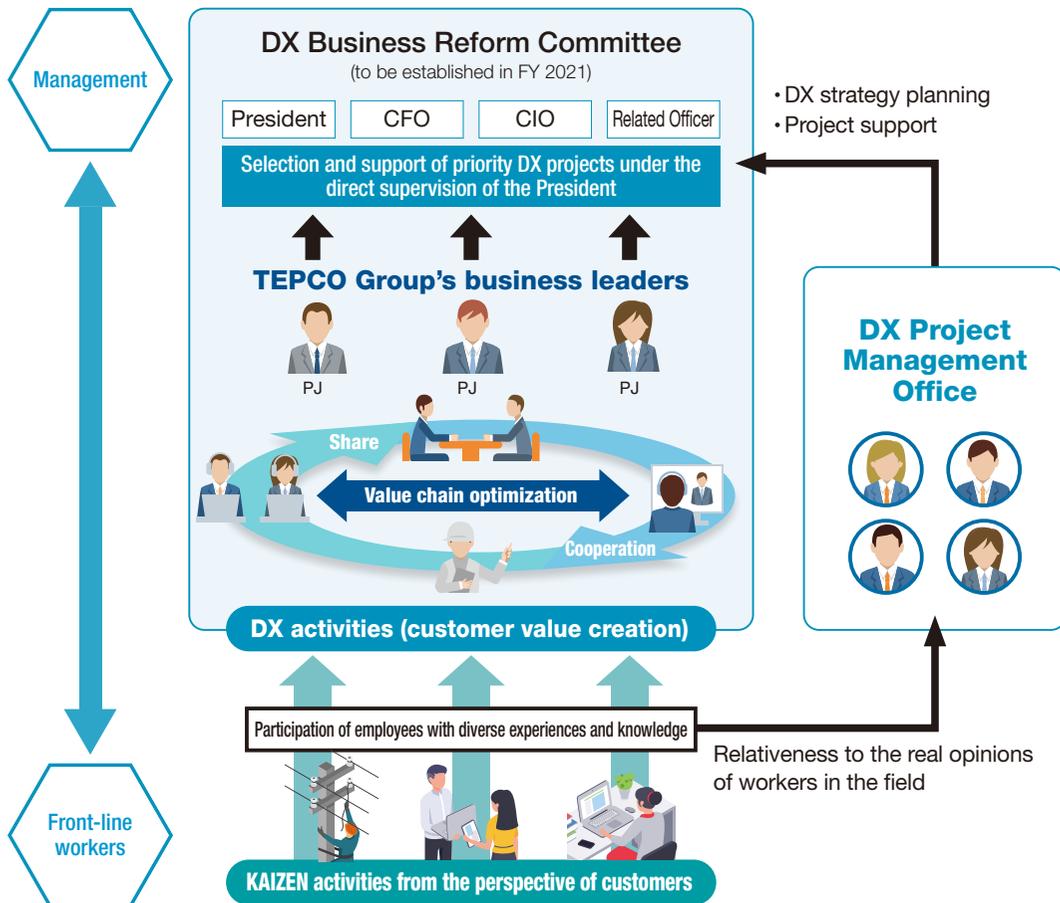
Managing Executive Officer,
Chief Information Officer (CIO),
Chief Information Security Officer (CISO)



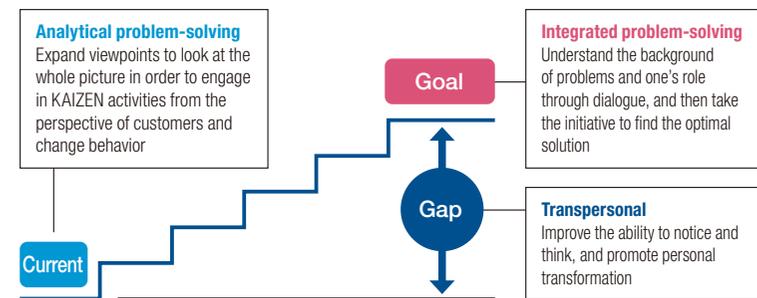
Promoting reforms and cultivating human resources

The TEPCO Group is creating operations using DX to promote management reforms and cultivating human resources. During FY2021 we will establish a business transformation committee that promotes reforms upon selecting key DX projects under the direct supervision of the President that are based on KAIZEN activities and applied to the entire group. Furthermore, we've created a stepped and systematic training program for human resources that will be in charge of actual DX activities and business transformations, and are focusing on "training people and creating relationships" in order to foster reforms.

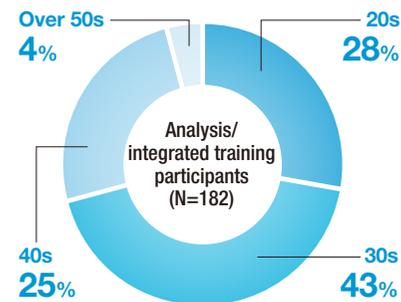
The TEPCO Group's DX promotion mechanisms



Training Programs that can promote DX (reforms)



Human resource training achievements (as of the end of June 2021)



Trainee attributes

Train DX reform human resources that transcend generational differences, more than 70% of trainees are next-generation core workers in their 20s and 30s.



Behavior modification

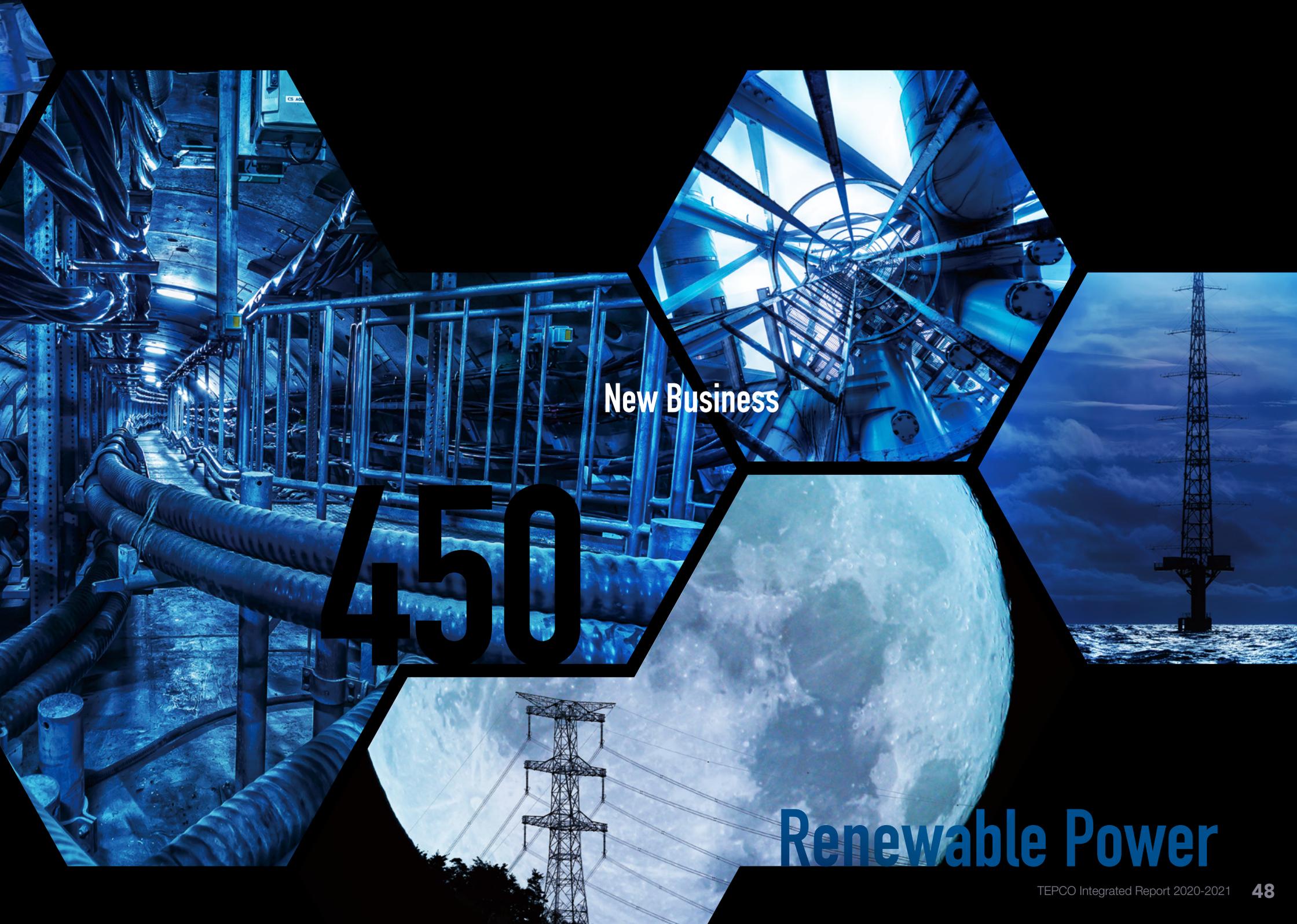
Out of the 156 transpersonal training participants, 80% people that have completed training have noticed behavior changes thereafter

4th Comprehensive Special Business Plan

Transmission & Distribution

Retail

16



New Business

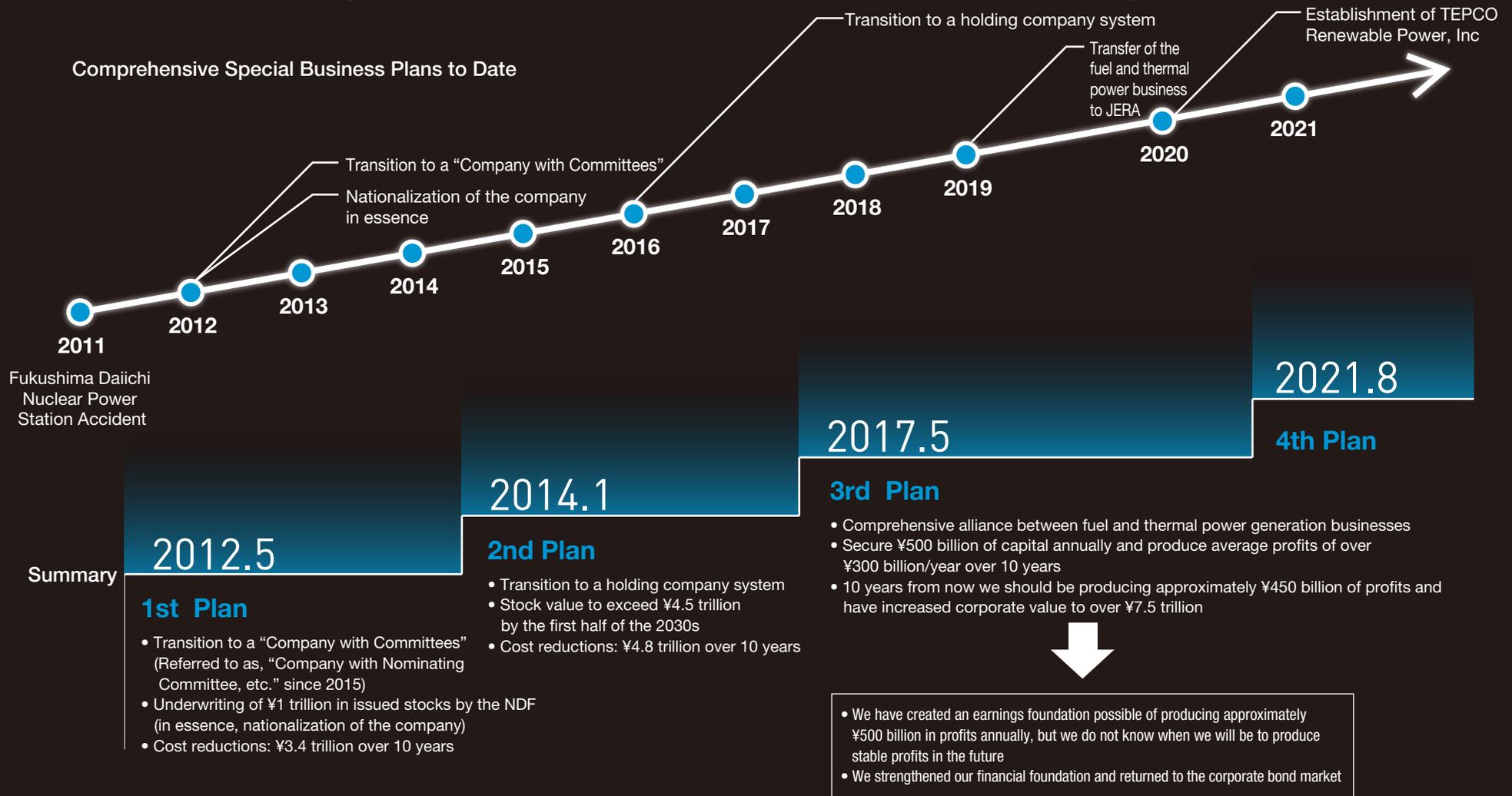
450

Renewable Power

Summary

As the party responsible for the Fukushima Daiichi Nuclear Power Station Accident that occurred on March 11, 2011, the TEPCO Group's most important mission since the accident has been, and continues to be, fulfilling our responsibilities to Fukushima. We are engaging in new management reforms to create the approximate ¥16 trillion of capital required to handle the accident (decommissioning: ¥8 trillion, compensation: ¥4 trillion, decontamination, etc.: ¥4 trillion).

The Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF) (50% government-owned), which owns the majority of TEPCO's shares, and TEPCO Holdings, Inc. revises the Comprehensive Special Business Plan, which stipulates the direction of management over the mid to long-term, in accordance with the level of plan achievement and changes in our business environment. The 4th Comprehensive Special Business Plan was approved in August 2021.



4th Comprehensive Special Business Plan

Fukushima

Balance between Revitalization and Decommissioning

¥16 trillion

(capital required for the TEPCO Group to handle the Fukushima Daiichi Nuclear Power Station Accident)

* Estimate in the "TEPCO Reform Proposal" from the Committee for Reforming TEPCO and Overcoming 1F Challenges (TEPCO Committee)



Compensation & Revitalization

Quick and robust support provided in conjunction with the lifting of evacuation orders



Decommissioning

Safe and steady decommissioning and increased participation by local companies in accordance with the Mid/Long-Term Decommissioning Action Plan 2021

Economic

Carbon Neutrality

¥450 billion

(profit creation target for FY2030 and onward)

Disaster Prevention

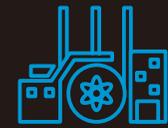


Retail

Over ¥2.6 trillion

(FY2022 consolidated earnings)

Providing new value to the customer P61

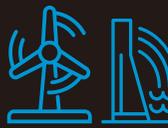


Nuclear

¥50 billion

(Impact on annual profit/loss and expenditure if one nuclear reactor was put into operation)

Ensuring safety P73



Renewable Energy Generation

¥100 billion

(net profits by FY2030)

Using renewable energies as primary power sources P79



Transmission & Distribution

¥150 billion

(Decrease in consignment transmission cost in FY2025, compared to FY2016)

Efficient operation P67



Fuel & Thermal

¥200 billion

(Consolidated net profit in FY2025)

Strengthening of JERA governance P77



New Business

¥150 billion

(Annual ordinary income from FY2030 onward)

Four key new business areas P85

Fukushima (Compensation/Revitalization, Decommissioning)

The TEPCO Group is providing quick and suitable compensation, engaging in activities to promote recovery, and moving forward safely and steadily with decommissioning in order to completely fulfill our responsibilities to Fukushima, such as providing compensation to victims of the disaster and bring closure to the accident.

Compensation and Revitalization Initiatives based on our "Three Pledges"

The situations of the victims of the disaster are changing in conjunction with the lifting of the evacuation order. In light of this we are listening carefully to each and every individual's situation and will continue to provide quick and suitable compensation in accordance with our "Three Pledges." Furthermore, we are providing both human and technical support for the creation of environments that allow evacuees to return home and start their lives again in addition to contributing to rebuilding lives and businesses in cooperation with the national and local governments, and revitalizing/recovering urban functions.

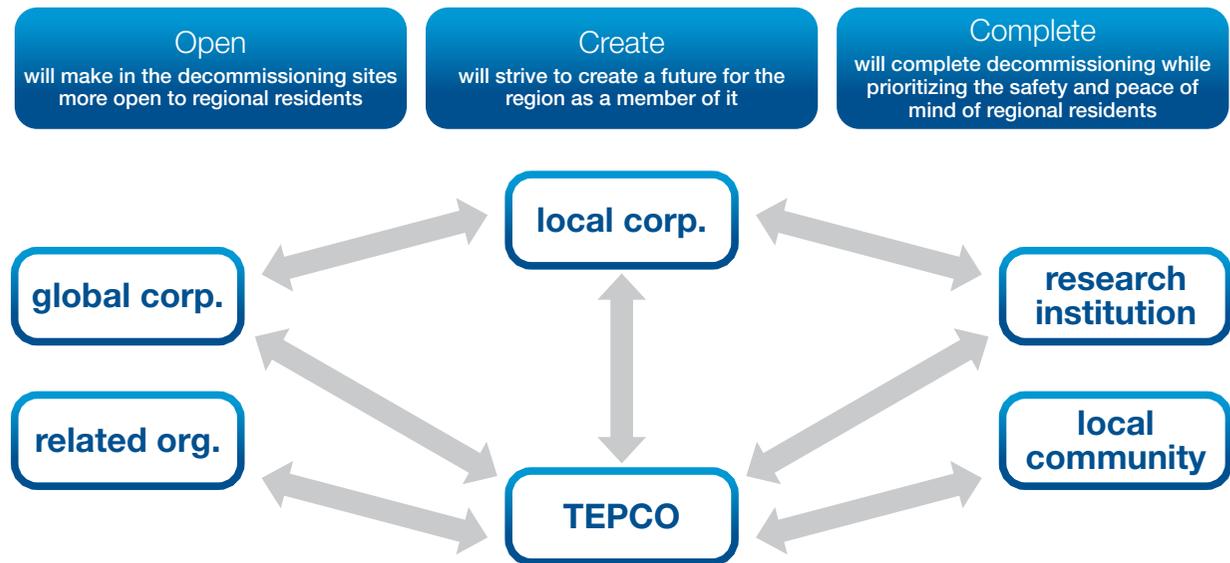
Completing Decommissioning in Symbiosis with the Region

Along with moving forward safely and steadily with the decommissioning of the Fukushima Daiichi Nuclear Power Station and Fukushima Daini Nuclear Power Station, we are engaging in two-way communication with regional residents in order to promote "Balance between Revitalization and Decommissioning" as we aim to complete decommissioning in symbiosis with the region.

Our Promise to the People of Fukushima in order to Balance between Revitalization and Decommissioning

The FDEC*1 created and announced a policy in March 2020 and that will enable many companies, including local companies, to proactively and safely participate in the decommissioning process.

*1 Fukushima Daiichi Decontamination & Decommissioning Engineering Company



Compensation/
Revitalization

Great
East Japan
Earthquake

2011.3.11

Decommissioning

2011.3
Unit1,3,and 4 hydrogen explosion

2014
entire Tamura
part of Kawauchi

2014

2014
completion of fuel
removal from unit4

2015
entire Naraha

evacuation order
cancellation

cancel-
lation

2015
completion of a
large rest area

2016
part of Katsurao
entire Kawauchi
part of Minamisoma

cancel-
lation

2016
freezing of impermeable
walls on the land side

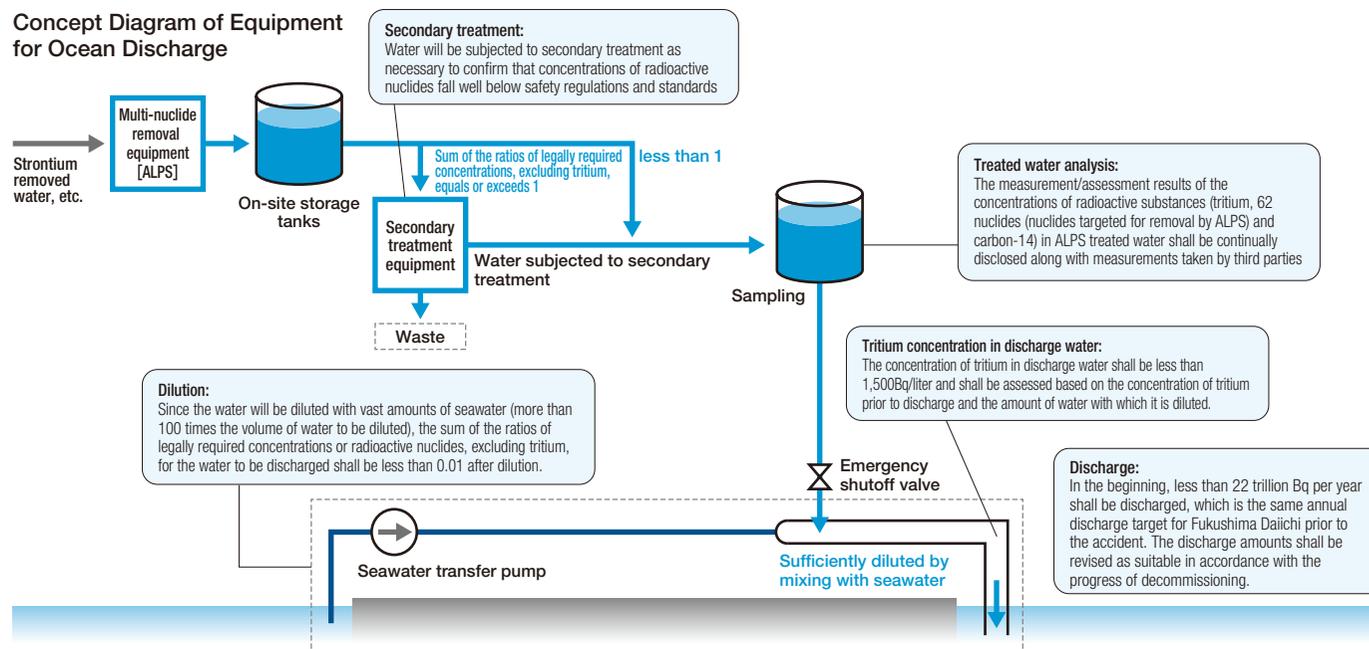
Water Treated with Multi-Nuclide Removal Equipment

In April 2021, the government decided on its basic policy on the handling of ALPS treated water at the Tokyo Electric Power Company Holdings' Fukushima Daiichi Nuclear Power Station. As the party responsible for the handling of ALPS treated water, TEPCO has carefully examined this basic policy and formulated measures for surely and steadily carrying out this policy while prioritizing safety.

Mitigating the Impact of Harmful Rumors and Combating Reputational Damage

In order to minimize the impact of harmful rumors and reputational damage, we are fostering communication to cultivate understanding both within and outside of Japan about the disposal of ALPS treated water, and engaging in countermeasures to help industries that have been impacted by harmful rumors. If reputational damage occurs despite the implementation of countermeasures, we shall quickly provide suitable compensation for any damages caused by the discharge of the aforementioned treated water.

Concept Diagram of Equipment for Ocean Discharge



2017
entire Kawamata
part of Namie, Iitate,
and Tomioka

cancel-
lation

2019
• part of Okuma
• J village reopening

cancel-
lation

2020
• part of Futaba,
Okuma, and Tomioka
• all JR Joban line
reopen

cancel-
lation

2022
specified
recovery area
in Futaba,
Okuma, and
Katsurao

cancel-
lation

2023
specified
recovery area in
Namie, Tomioka,
and Iitate

cancel-
lation

2017

2019
• commencement of fuel removal
from Unit 3
• determination of the way for fuel
debris retrieval from Unit1

2020
• reduction of contaminated
water being generated to
150m³/day
• completion of fuel
removal from Unit3

2021
commencement of fuel
removal from Unit 1

2024-2026
commencement of fuel
removal from Unit 2

2030

Compensation/Revitalization



Employees

2,164



Base

31



Compensation

¥7.1 trillion



Decontamination

¥3.0 trillion



Continuing Grassroots Initiatives in order to Fulfill our Responsibilities to Fukushima

I would like to apologize for the great concern and inconvenience that the Fukushima Daiichi Nuclear Power Station Accident has caused on the residents of the siting community, the people of Fukushima Prefecture, and society as a whole.

It's been 10 years since the TEPCO nuclear power station accident. In the spring of 2020, evacuation orders were lifted for the first time in Futaba Town, the siting community of the power station, and part of Okuma Town and Tomioka Town, and the JR Joban Line recommenced full service. Since then, we have seen new steps towards recovery as facilities in which people gather start to open in various parts of the region, and rebuilding is steadily moving forward in areas designated as recovery and revitalization zones.

However, the fact that there are still many people forced to live as evacuees is a painful reminder of the scale and depth of the impact of this disaster. There is also much

concern over the impact from harmful rumors now that the government has decided on a basic policy for the disposal of water treated with multi-nuclide removal equipment, and the announcement of TEPCO's plan for disposing of this water in accordance with the policy.

Amidst these conditions, TEPCO has continued to cooperate with the national and local governments to decontaminate, de-weed and clean up the area, and help out with regional events. Furthermore, we continue to convey to consumers in the Tokyo Metropolitan area the high quality and deliciousness of products from Fukushima Prefecture, promote the use of Fukushima Prefecture products by retailers and restaurants, and promote sales via the Internet.

The Fukushima Revitalization Headquarters relocated its office to the Futaba Town Industrial Exchange Center in Futaba Town in October 2020. We will continue to engage in grassroots activities in order to fulfill our responsibilities to

Fukushima and never forget the pain that the victims have endured. I personally will lead the Group with whole-hearted devotion as we come together to accelerate recovery.

Kazuyoshi Takahara

Kazuyoshi Takahara

**Fukushima Revitalization Headquarters
Representative**

Has engaged in Fukushima initiatives since 2013 as part of primarily the Corporate Communications Department. Was assigned to his current position in April 2021.

The Fukushima Revitalization Headquarters makes quick and centralized decisions in regards to compensation for the victims of the nuclear disaster, decontamination, and the promotion of recovery, thereby meticulously responding to the needs of the people of Fukushima Prefecture.

Number of Employees Engaged in Decontamination Efforts:

459,000

(Total for January 2013~June 2021)

**Decontamination
Related Activities**

Number of Employees Engaged in Activities to Promote Recovery:

537,000

(Total for January 2013~June 2021)

**Revitalization Related
Activities**

Number of Days over which Events to Promote Distribution were Held

9,659 days

(Total for February 2018~June 2021)

Promotion Activities

Examples of Initiatives Aimed at Revitalization



Fukushima Power Transmission Miyakoji Substation (Tamura)

Cooperating with Efforts to Expand the Use of Renewable Energies

In 2017, TEPCO established the Fukushima Power Transmission Company LLC (Became the Fukushima Power Transmission Company, Inc. in December 2019), which is responsible for designing, constructing, operating, and managing shared transmission lines in cooperation with companies from Fukushima Prefecture. In January 2020, the company began partial operation.



Harvesting sweet potatoes (Naraha)

Cooperating with Efforts to Revitalize Agriculture

Since 2017, TEPCO has been helping with the cultivation of sweet potatoes in Naraha Town as part of projects to help agricultural recovery in the area. In addition to this, in October 2019, TEPCO invested in the Fukushima Dove Farm, Inc. that grows sweet potatoes in the same town. TEPCO will continue to engage in initiatives that aim to revitalize agriculture as we work in cooperation and symbiosis with the region.



Holding take-out events

Promoting Distribution in order to Eliminate Harmful Rumors

TEPCO is engaged in many new activities to promote the distribution of products from Fukushima Prefecture, such as sponsoring events in cooperation with retailers and restaurants, conveying information via social networking services, etc., as well as planning sales and promotional campaigns via the Internet and sponsoring delivery/take-out events in light of the Covid-19 pandemic.

Fukushima

Decommissioning



Employees

1,450

* as of June 1, 2021



Facilities to Be Decommissioned

Number of reactors: 6



Treated Water Storage Tanks

1.27 million m³

* as of June 17, 2021



Decommissioning Expenses*¹

¥8 trillion

*¹ Estimates put forth in the TEPCO Reform Proposal written by the Committee for Reforming TEPCO and Overcoming 1F Challenges (TEPCO Committee)



We will Complete Decommissioning in Accordance with the Mid/Long-Term Decommissioning Action Plan

Recovery in Fukushima is a prerequisite for safely and steadily decommissioning the Fukushima Daiichi Nuclear Power Station. As we aim to complete the long-term decommissioning process, we will strengthen safety/quality management functions in consideration of project management and field conditions/actual conditions of equipment in the field, and move forward safely and steadily with decommissioning work in accordance with the Mid/Long-Term Decommissioning Action Plan 2021.

Regarding the disposal of water treated with multi-nuclide removal equipment, we are prioritizing safety while making preparations for ocean discharge in accordance with the government's basic policy. In conjunction with this, we are developing communication so as to quickly and accurately convey information and also strengthening/expanding ocean monitoring so as to minimize reputational damage. We are also proactively engaged in initiatives that focus on every stage of the life of products from Fukushima, from production and processing, through distribution and consumption, and welcome reviews by external experts, such as the International Atomic Energy Agency.

Thanks to our multi-layered countermeasures, we've been

able to reduce the amount of contaminated water being generated daily to approximately 140m³/day, which exceeds our goal for December 2020, and have completed treating the contaminated water that had accumulated inside the turbine buildings of Units 1 through 4. We moved safely forward with removal of spent fuel from the Unit 3 spent fuel pool, and were able to complete the removal of all spent fuel by the end of February 2021, approximately a month ahead of schedule. In preparation for the retrieval of fuel debris we are in the process of developing experimental fuel debris retrieval equipment to be used in Unit 2, and also prioritizing safety while conducting internal investigations of the Unit 1 and Unit 3 primary containment vessels.

Additionally, based on our policy of "Balance between Revitalization and Decommissioning," we are leveraging open and transparent processes to contribute to the creation of a strong industrial and economic foundation for the region and the creation of local jobs and human resource training by urging local companies to participate in the decommissioning process and inviting companies from outside the region to come to Hamadori and make it the center of the world for decommissioning technology.

After the earthquake that occurred off the coast of Fukushima Prefecture on February 13, 2021, we continually made announcements about conditions at the power station and various events that occurred. However, I fully regret that we were still not able to convey information that alleviated the worries and concerns of local residents. We need the understanding of people in the region and society as a whole in order to move forward with decommissioning, so we will improve the way that we convey information and explain the status of decommissioning in a careful and easy-to-understand manner.

Akira Ono

**Chief Decommissioning Officer (CDO),
President of Fukushima Daiichi Decontamination &
Decommissioning Engineering Company**

Worked in primarily the Nuclear Power Division until being appointed Site Superintendent of the Fukushima Daiichi Nuclear Power Station in 2013. Has been in his current position since April 2018.

The Fukushima Daiichi Decontamination & Decommissioning Engineering Company was established within TEPCO Holdings in April 2014 in order to clarify responsibility and authority in regards to decommissioning and contaminated water countermeasures, and also quicken decision-making.



Time Needed for Decommissioning
30~40 years



Publicly Disclosed Radiation Data
219,000
pieces of data/year



Number of Visitors
4,300 people/year
Of which overseas visitors account for approximately 2.4%

* During FY2020 tours of the power station were suspended during the following time periods due to the Covid-19 pandemic
* February 29 to June 30, 2020 / January 8 to March 21, 2021



Employees
3,400 * as of June, 2021
Local employment rate: 65%



Worker Exposure Dose (average)
0.39 mSv/month
* as of March 2021



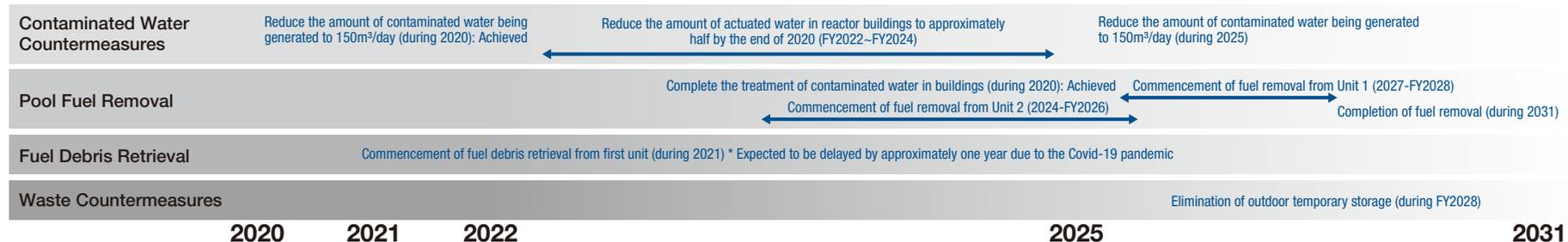
Area in which Normal Work Uniforms may be Worn
96% of the site area

Mid/Long-Term Decommissioning Action Plan 2021

The Mid/Long-term Decommissioning Action Plan 2020 was created and announced in March 2020 in order to stipulate the major work processes needed to achieve the decommissioning objectives put forth in the Mid/Long-Term Roadmap and the NRAs*¹ Risk Map. The action plan was revised in March 2021.

*¹ Nuclear Regulation Authority

Mid/Long-Term Roadmap Milestones that in the Action Plan Seeks to Reach



Current Initiatives and Basic Approach to Accumulating Decommissioning Technologies in the Region (building a local industry)

To date we have focused on Steps 1 and 2 and seen results. We will continue/strengthen these initiatives as we move on to Step 3 in FY2021.

STEP1 Encourage more involvement by local companies

Create an environment that enables more new local companies to get involved and expand outsourcing.

STEP2 Improvement assistance

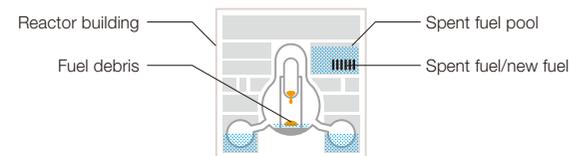
Help to improve the skill level of local companies that will enable them to participate in the decommissioning process.

STEP3 Create a new industry in the region

Build facilities that will enable products previously purchased outside of the prefecture to be manufactured locally.

* We expect a good impact on the economy of Hamadori from the construction and operation of facilities mentioned in STEP 3. (During construction) Total investment: Approximately ¥500 billion (During operation) Economic impact in Hamadori: Approximately ¥20~¥30 billion/year

Current Conditions at the Fukushima Daiichi Nuclear Power Station



Situation Regarding Fuel and Fuel Debris Removal

Unit 1



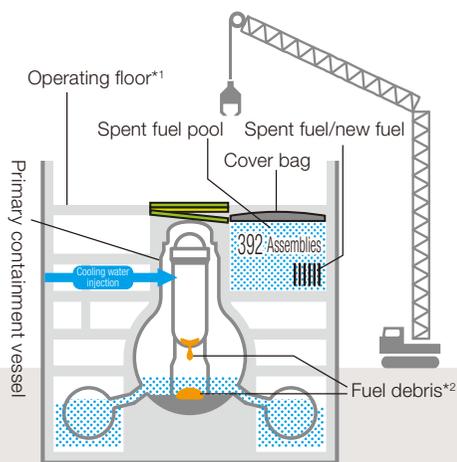
Unit 2



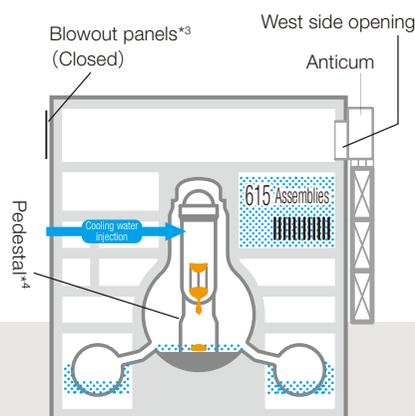
Unit 3



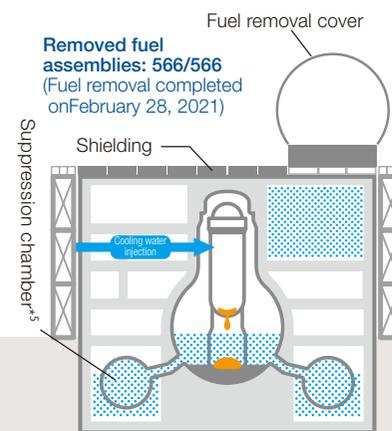
Unit 4



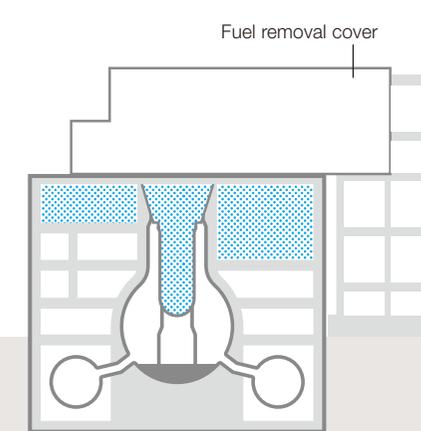
In preparation to remove fuel from the spent fuel pool we have completed dismantling of the building cover (remaining portions) and will begin construction of the large cover in September 2021. Furthermore, in preparation to retrieve fuel debris*2 we are building an access route in order to conduct an internal investigation of the primary containment vessel.



In preparation for spent fuel removal we will construct a fuel removal platform/anticum on the south side of the reactor building. Preparations are also underway as this will be the first unit from which fuel debris*2 will be retrieved.



Fuel (566 assemblies) removal from the spent fuel pool was completed on February 28, 2021. In preparation for fuel debris*2 removal, we are deliberating the need to conduct additional internal investigations of the primary containment vessel.



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

*1 Operating floor: Upper most floor of the reactor building;

*2 Fuel debris: Fuel inside the core of the reactor pressure vessel that melted, fused with primary containment vessel internals and then solidified during the accident;

*3 Both panel: Prevent the destruction of the building by automatically releasing pressure when pressure increases inside the reactor building;

*4 Pedestal: Foundation that supports the reactor. Constructed by filling a cylindrical steel shell with concrete;

*5 Suppression chamber: Part of the primary containment vessel that holds water.

Contaminated Water Countermeasures

At the Fukushima Daiichi Nuclear Power Station (Fukushima Daiichi), we have received the cooperation of a great many people in order to implement countermeasures for contaminated water containing highly concentrated radioactive substances that was generated during the accident. Since our measures for removing radioactive substances contained in this contaminated water, the storage status of treated water, and our plans for disposing of this water in the future are issues of great concern to shareholders and investors, we've created this Q&A page to provide information that is accurate as of the current point in time based upon questions that we have received.

Approximately how much contaminated water is being generated daily at Fukushima Daiichi, and how are radioactive substances being removed from the contaminated water?

- At current time approximately 140m³ of contaminated water is being generated daily. The contaminated water is subjected to continuous treatment using multi-nuclide removal equipment called the Advanced Liquid Processing System (ALPS)
- ALPS has the ability to remove radioactive substances (excluding tritium) to the point where concentrations fall below "legally required concentration limits (standards for discharge into the environment)" stipulated by government regulations.

How much contaminated water is currently being stored on-site at Fukushima Daiichi?

- Currently, approximately 1,270,000m³ of treated water, from which radioactive substances in contaminated water have been removed to reduce risks, is being stored on site. (As of June 17, 2021)

What are the characteristics of treated water being stored?

- ALPS treated water currently being stored has had most of the radioactive nuclides, with the exception of tritium, removed from it.
- However, due to equipment malfunctions when the system was first put into operation and operating policies when treatment began, the sum of the ratios of legally required concentrations equals or exceeds 1 for approximately 70% of the water being stored.

- Before discharging treated water into the environment, treated water for which the sum of the ratios of legally required concentrations equals or exceeds 1 will be subject to secondary treatment to reduce the amount of radioactive substances as much as possible and ensure that the sum of the ratios of legally required concentrations is less than 1.

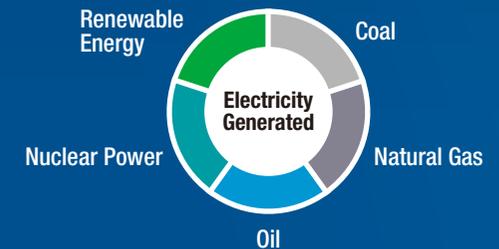
I think the local residents need to be in agreement if you're going to discharge treated water that contains tritium into the ocean environment. What are you currently doing to obtain their understanding?

- In regards to treated water that contains tritium, at the fifth Inter-Ministerial Council for Contaminated Water, Treated Water and Decommissioning Issues held on April 13, 2021 a decision was made about the government's basic policy on the handling of ALPS treated water at Tokyo Electric Power Company Holdings' Fukushima Daiichi Nuclear Power Station.
- Based on the government's policy, TEPCO announced its plan for carrying out this policy on April 16 of the same year. In this plan we state that we will:
 - (1) Ensure that the water to be discharged is safe.
 - (2) Ensure transparency/objectivity through third-party assessments and expand/strengthen monitoring.
 - (3) Prevent leaks from tanks.
 - (4) Convey information carefully and in an easy-to-understand manner, and put all efforts into mitigating reputational damage.
 - (5) Quickly provide suitable compensation for reputational damage if such damage were to occur in spite of these countermeasures.
- Since announcement of our plan, we have provided briefings for local government leaders, assembly members, and officials from the fisheries industry.
- The opinions we receive from officials will be reflected in the design and operation methods of necessary equipment.

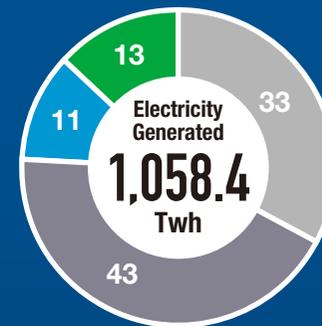


Japan's Energy Situation

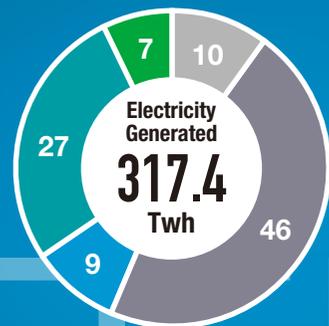
Japan, which is the main area of business for the TEPCO Group, has little coal, oil, and natural gas resources. Japan has always had a low energy self-sufficiency rate, but in conjunction with the shutdown of nuclear power stations in FY2019 Japan's energy self-sufficiency rate fell quite low to 12.1%. Japan's basic energy policy aims to improve Energy Security and Economic Efficiency while remaining Environmentally Friendly and prioritizing Safety (S+3E).



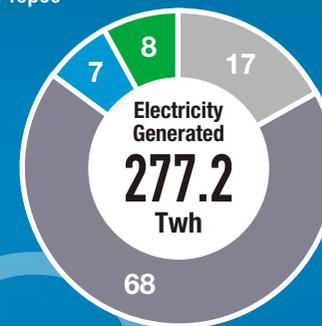
2010 Energy Self-sufficiency rate
20.3%



2014 Energy Self-sufficiency rate
6.4%



Fukushima Daiichi Nuclear Power Station Accident



Shutdown of all nuclear power plants in Tepco

Abolishment of the RPS system → Commencement of the FIT system

Shutdown of all nuclear power plants in Japan

Consent to Paris Agreement
First nuclear power station to recommence operation after the disaster (Sendai Unit 1)

Transition to a holding company system
Commencement of power sales outside coverage area

2010

2011

2012

2014

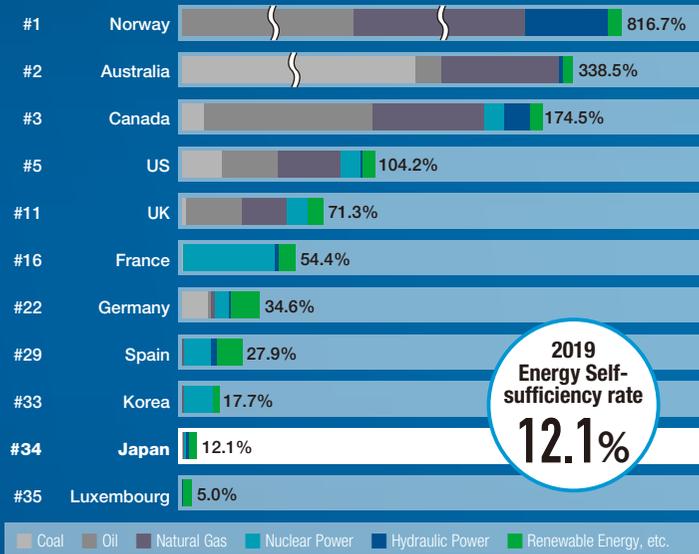
2015

2016

1st Plan

2nd Plan

Primary Energy Security Rates of Major Countries (2019)



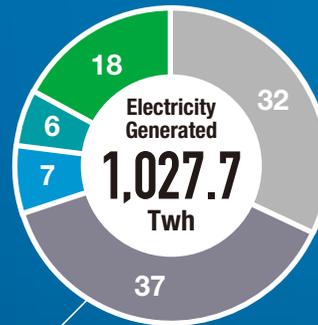
2019 Energy Self-sufficiency rate
12.1%

Basic Data for Japan

Area: **378,000 km²**
 (Japan is very mountainous with few flatlands, and approximately two thirds of the country is covered by forests)

Population: **126 million**

GDP: **¥526.4 trillion**



Total deregulation of the power retail market

Total deregulation of the city gas retail market

2017

2018

2019

2020

2030

2050

Commencement of the sale of city gas to households

Transfer of the fuel and thermal power business to JERA
 As a result, the TEPCO Group's power generation facilities now focus on renewable energies and nuclear power

Legal separation of the transmission and distribution division

Reduce GHG emissions by 46% (of FY2013 levels)

Carbon neutrality

Creation of renewable power company

Reduce CO₂ emissions originating from the sale of power by 50% (of FY 2013 levels)

Reduce CO₂ originating from the supply of energy to basically zero by 2050



3rd Plan

4th Plan

* Energy self-sufficiency rate: The ratio of primary energies required for life and economic activity that can be secured within one's own country.
 * Created using Comprehensive Energy Statistics, Power Survey Statistics and website contents from the Agency of Natural Resources and Energy. Figures for TEPCO for 2010 and 2014 include power received from other companies.

Energy Retail

TEPCO Energy Partner, Inc.



Employees

3,106



Total Assets

¥1.1 trillion



Sales

¥5.0 trillion



Ordinary Income

¥6.4 billion



Aiming to Provide New Value to Our Customers in the Future

Since the complete deregulation of the power retail market in 2016, we've encountered fiercer competition for customers. In addition to the fierce competition that TEPCO Energy Partner, Inc. faces in the Tokyo Metropolitan region, which is our main area of business, we have also been ordered to suspend telemarketing activities by the Consumer Affairs Agency due to sales practices that go a little too far. I would like to sincerely apologize for the inconvenience that we have caused on society and affirm to you that we shall strive to regain your trust through the strict implementation of recurrence prevention measures.

By leveraging our strengths and achievements with supplying energy to customers in the region for almost 70 years, we shall provide not only energy to our customers, but also new value that is aligned with the age we live in.

In order to win out over the fierce competition, we will identify customer needs through dialogue and offer services that can provide new value to our customers in the form of Safety, Carbon Neutrality, Energy Saving, Labor Saving. For our corporate customers we will help expand their business as a partner, and for our household customers we will contribute to enabling a comfortable and peaceful existence as a close ally. We will also leverage our energy service know-how to serve not just the people of the Tokyo Metropolitan region, but the entire nation. Through these strategies we shall expand revenue and the market, and secure more than ¥2.6 trillion of consolidated revenue through our electricity business (excluding fuel cost adjustments and after consignment transmission cost deductions). Upon doing this we shall amass more than ¥300 billion in earnings from ancillary businesses, such as

gas sales and value provisions services, etc., as well as ¥10 billion in ordinary income thereby creating an earnings foundation that will enable stable profits over the long-term.

Nobuhide Akimoto

President
TEPCO Energy Partner, Inc.

Has been engaged in Fukushima initiatives since 2011 as part of the personnel and general affairs departments. Was appointed Managing Executive Director of TEPCO Energy Partner, Inc. in 2017 and President in 2019.

Strength

TEPCO Energy Partner, Inc. is a core company that engages in the retail sale of electricity and gas in the Tokyo Metropolitan area, which is the center of Japan's economic and industrial activities, and provides solutions for lifestyle problems faced by our customers.



Customer base in the Tokyo Metropolitan Area



Developing New Businesses based on Sales Power

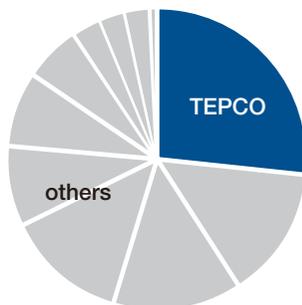


Leading Initiatives to combat Climate Change

Power Sales Volume

204.5 TWh

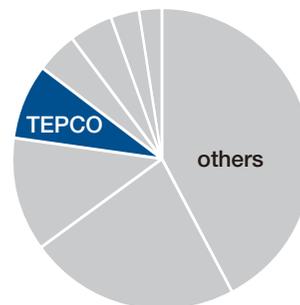
#1 in Japan



Gas Sales Volume

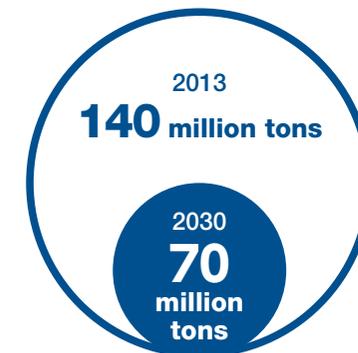
2.1 million tons

#4 in Japan



FY2030 CO₂ Emissions Reduction Target

50% reduction
(of emissions originating from the sale of power in FY2013)



Strategy

Competition by other companies has grown fiercer since the complete deregulation of the power retail market in 2016. And, the needs of our customers have become more diverse as a result of such changes as fiercer natural disasters over recent years and the global trend towards carbon neutrality. In light of this situation, We will strive to regain the trust lost by our inappropriate sales methods and create a stable earnings foundation over the long-term by focusing on providing value to the customer in the form of Safety, Carbon Neutrality, Energy Saving, Labor Saving.

External Environment Assessment

- Megatrends
- Market
- Policy
- Stakeholder Engagement
- SDGs

4th Plan

Risks

- Decrease in domestic power demand
- Fiercer competition

Opportunities

- Increase in ESP needs
- Global trend towards carbon neutrality
- Increase in disaster prevention needs

Key Management Issues

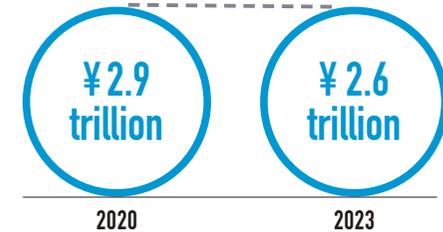
Regain Trust
Offer more Value to the Customer

Business Strategy

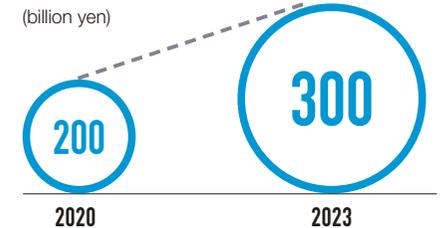
Provide value in the form of Safety, Carbon Neutrality, Energy Saving, Labor Saving.

Targets/KPI

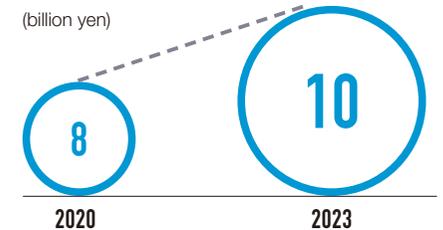
Consolidated Earnings



Gas/New Service Business Earnings

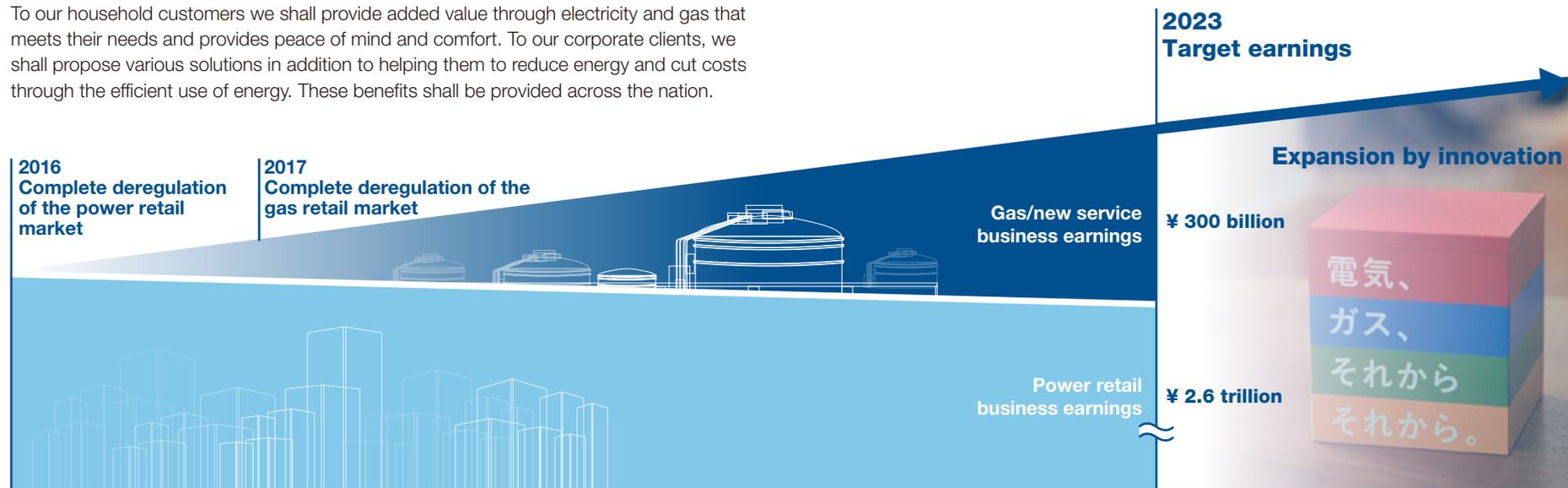


Gas/New Service Business Ordinary Income

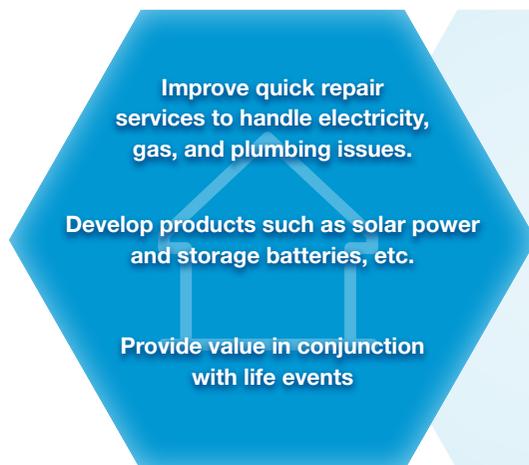


Detailed Business Strategies

To our household customers we shall provide added value through electricity and gas that meets their needs and provides peace of mind and comfort. To our corporate clients, we shall propose various solutions in addition to helping them to reduce energy and cut costs through the efficient use of energy. These benefits shall be provided across the nation.



<Household Customers>



<Corporate Clients>



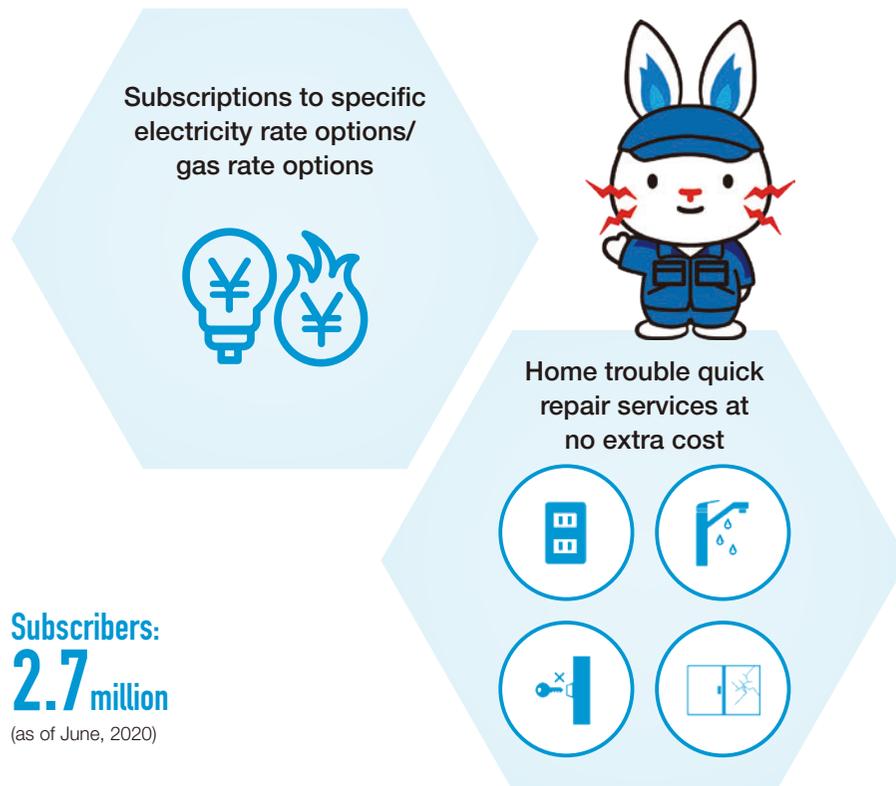
* Energy Service Provider

Business Model

Improving Quick Repair Services to Provide ‘Sense of Security’

Awareness of disaster prevention and safety has grown over recent years in the wake of more frequent typhoons, torrential rains, and earthquakes, etc. In addition, people are more aware about being prepared for daily living issues during times of normalcy now that the amount of time spent at home has increased as a result of the Covid-19 pandemic.

In light of this situation, since June 2020 we have been providing 24/7/365-day quick repair services to handle such troubles as power outages, water leaks, lost keys, and broken windows, etc. at no extra cost along with our new electricity rate options.



Promoting Initiatives to provide the Value of Carbon Neutrality through Optimal Methods

As a partner relied on by our customers, we are promoting initiatives that connect power from natural energy sources to the customers that require such value in order to provide the value of carbon neutrality in the most optimal means possible. We are providing diverse renewable energy options that meet the desires of our customers, such as Sunlight Premium that offers environmental value and energy produced from sunlight, which has additionality as an attribute, our Green power option, Aqua Premium, which offers electricity produced by hydroelectric power stations, which do not emit CO₂, Green power certificate's that certify environmental value originating from natural energies, and non-fossil fuel certified power, that offers environmental value born from households along with electricity.



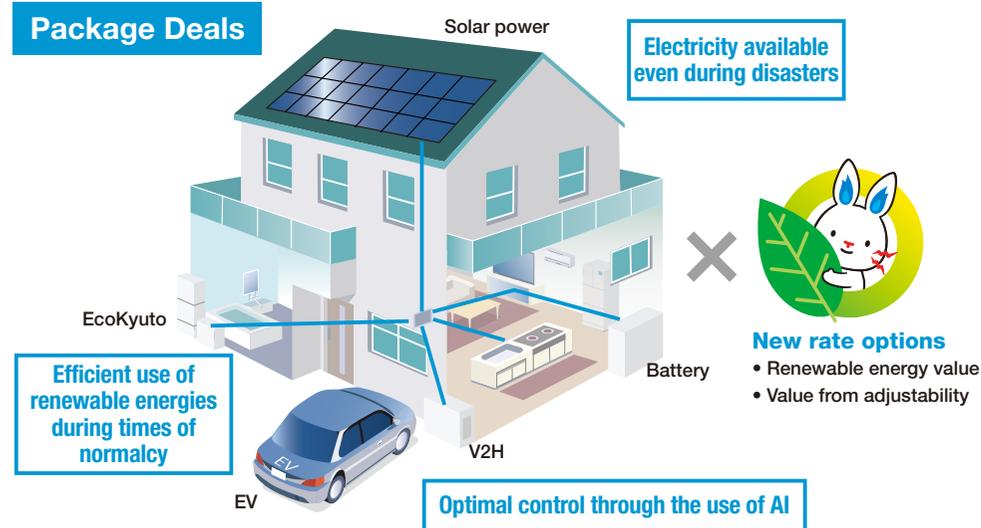
(FY2030 target) Sales volume from CO₂-free options: More than 5 TWh
 (FY2050 target) Sales rate of CO₂-free options: 100%

Carbon Neutrality: Creating New Value for the Customer through Electrification

In order to create a carbon neutral society it is indispensable that customers use carbon neutral sources of energy in addition to using renewable energies and nuclear power, and that we eliminate emissions from thermal power sources.

By combining electrification equipment, such as solar panels, EV, storage batteries, and EcoKyuto, etc., with AI control, TEPCO Energy Partner, Inc. is offering efficient methods for using renewable energies thereby contributing to carbon neutrality through electrification.

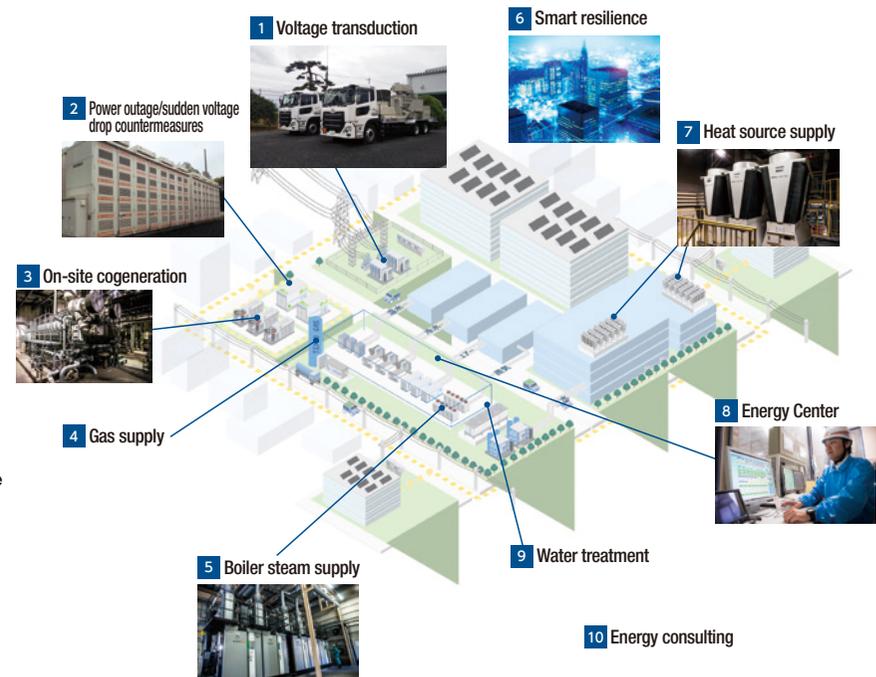
Subscription Services for Innovative Electrification Equipment



(FY2030 target) Created power demand volume: More than 9.7 TWh
 Number of electrification option contracts: Increase of more than 820,000

Providing Values through Energy and Labor Saving Services

We leverage its energy know-how to enable our customers to conserve energy and use it more efficiently by providing various energy and facility-related solutions that fit their needs. To achieve this, in addition to providing heating equipment such as air-conditioners and boilers, we work with partners to support all of their energy-related needs, from the provision of energy to the planning/introduction of highly efficient systems, energy management and repair/maintenance, and offer energy services for all utility facilities, such as emergency power equipment and storage batteries, thereby contributing to disaster prevention.



Transmission and Distribution

TEPCO Power Grid, Inc.



Employees

20,916



Total Assets

¥6.31 trillion



Sales

¥2.00 trillion



Ordinary Income

¥169 billion



Constructing Resilient, Next-Generation Power Transmission and Distribution Networks

In order to fulfill its mission of continuing to support the stable and low-cost supply of power, as a general transmission and distribution company, TEPCO Power Grid, Inc. efficiently maintains the integrity of its transmission and distribution network, which is important social infrastructure, and improves its resilience.

In Japan, the decrease in power demand is making it difficult for consigned power operators to grow and produce revenue, and we have reached a point in time where the transmission and distribution facilities constructed during the period of rapid economic growth need to be updated. Furthermore, the need to deal with fiercer natural disasters and strict supply/demand are important issues that need to be addressed in order to continue to provide a stable supply of electricity to our customers.

In addition, the role that the transmission and distribution networks play is expanding and changing in conjunction with the increased use of renewable energies,

distributed power sources, and structural reforms to industry and our way of living caused by rapid digitalization. We are striving to strengthen transmission/distribution infrastructure and expand spheres of business while reconstructing resilient, next-generation networks, and entering into new areas of business that can adapt to social changes thereby strengthening our financial foundation and growing as an operator that creates new value from its transmission/distribution network.

Furthermore, by leveraging our advantage of having equipment and human resources located all over, we shall engage in close communication with our customers to improve regional resilience and convenience/peace of mind as we aim to be a company needed by our customers and society more than ever.

We have employed suitable crisis management mechanisms to prevent the spread of Covid-19 that consist of thoroughly managing the health of employees of

Group companies and contractors, initiatives to introduce sustainable work practices that can adapt to risks and environmental changes, such as encouraging telework and promoting digitalization, etc., and maintaining the operation of facilities in a stable manner. We will continue to manage and handle risks in order to maintain and operate important social infrastructure.

Yoshinori Kaneko

**President and Chief Executive Officer
TEPCO Power Grid, Inc.**

Has a plethora of experience and knowledge about primarily the transmission and distribution industry. Assigned to current position in 2017.

Strength

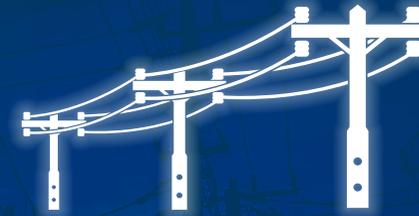
TEPCO Power Grid, Inc. is a general power transmission and distribution operator that is in charge of providing a stable supply of power to the Tokyo Metropolitan area, which accounts for approximately one third of Japan's power demand and is the center of economy and industry in Japan.



**Technical Prowess Cultivated
Over More than 70 years**



**Operation of Large-scale Facilities
that Support Japan's Core Area**



**World's Highest Quality of Power
Transmission and Distribution**

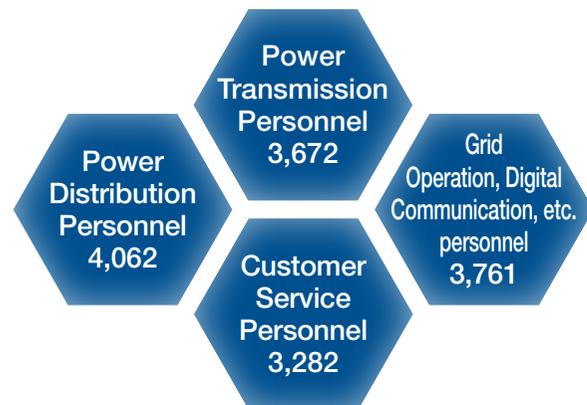
Human Resources (skill/know-how)

Employees

15,000

Branches Offices

45



*Stand alone statistics for TEPCO Power Grid, Inc.

Assets

Transmission Lines

41,059 km

Distribution Lines

382,289 km

Substation

Total: **1,615** Subterranean: **201**

Grid Data Obtained through Power Transmission and Distribution

Equipment maintenance data

Smart meter data

Demand data

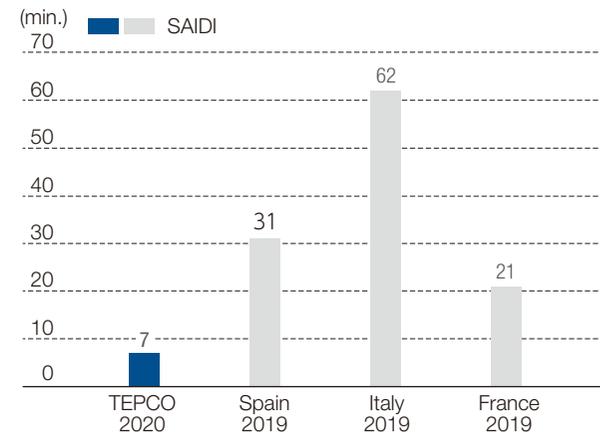
SAIFI

0.11/household

SAIDI

7 minutes/household

International Comparison of Power Outage Length



*Created based on the World Bank's "WBG Doing Business"

Strategy

Changes to the business environment of transmission and distribution operators in Japan, such as the declining population, the movement towards energy conservation, and deteriorating facilities, etc., may result in structural revenue decreases and expenditure increases. Furthermore, as we transition to the use of renewable energies as primary power sources, the role demanded of power grids is becoming diversified. In order to accurately address these changes to our world, TEPCO Power Grid, Inc. will further improve corporate value and continue to grow as a transmission and distribution operator that drives change.

External Environment Assessment

- Megatrends
- Market
- Policy
- Stakeholder Engagement
- SDGs

4th Plan

Risks

- Decrease in domestic power demand
- Fiercer natural disasters
- Deteriorating facilities

Opportunities

- Demand from society for stable power supply and progressing electrification
- Diversified role of power grids
- Increase in power demand in developing nations

Key Management Issues

Efficient Operation and Strong Resilience

Business Strategies

Strengthen transmission and distribution infrastructure

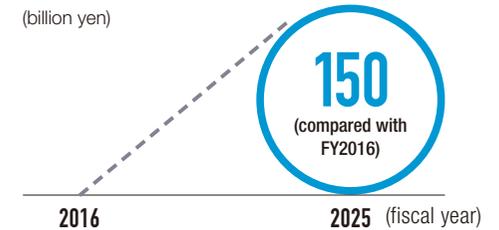
Create new value from transmission and distribution networks

Expand business

Targets/KPI

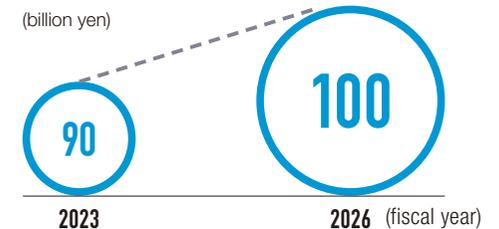
Decrease in Consignment Transmission Prices

(billion yen)



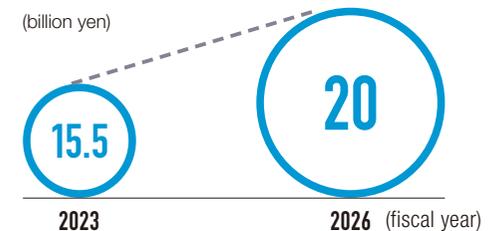
Non-consigned Transmission Revenue

(billion yen)



Operating Profit

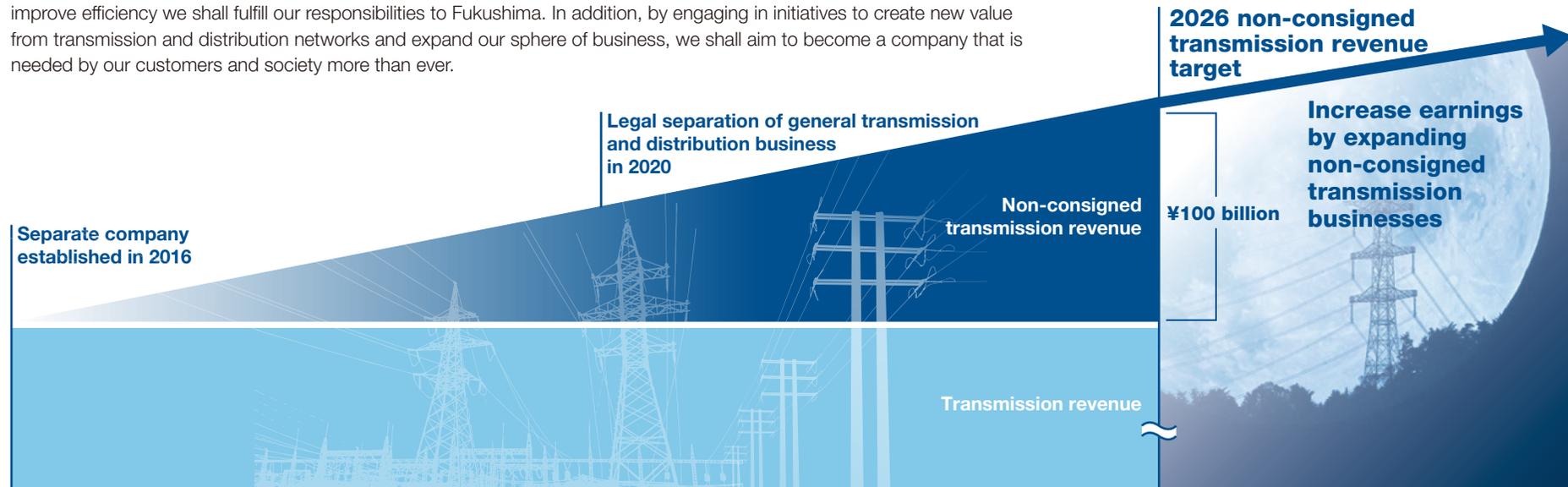
(billion yen)



*Non-consigned transmission revenue and operating profit include external revenue and external operating profits from subsidiaries

Detailed Business Strategies

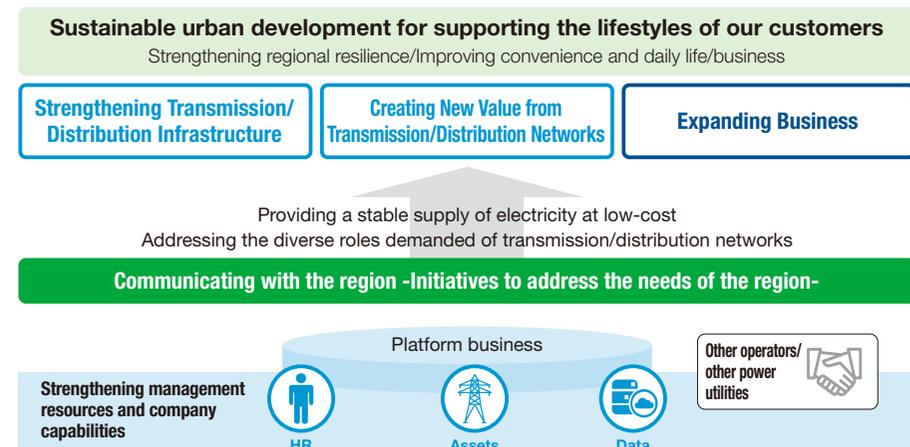
In order to fulfill our mission of providing a stable and low-cost supply of power, we will continue to efficiently maintain the integrity of our transmission and distribution networks (NW) and improve resilience. Furthermore, through new initiatives to improve efficiency we shall fulfill our responsibilities to Fukushima. In addition, by engaging in initiatives to create new value from transmission and distribution networks and expand our sphere of business, we shall aim to become a company that is needed by our customers and society more than ever.



Corporate Policy that Fits our Vision for the Future

TEPCO Power Grid, Inc. will leverage its advantages, such as personnel with the skills and know-how to maintain and operate power equipment in all the service areas, and vast amounts of power equipment and data, etc., to construct a platform that will be the foundation for supporting the activities of local government and businesses in the region and society. Through these initiatives we shall expand the sphere of our business and promote power transmission and distribution projects overseas in order to further grow. In addition, while keeping in close communication with the residents of regional communities, such as local government, etc., and promoting initiatives to meet their needs, we shall also proactively coordinate with not just power utilities, but various other companies to improve the safety/security and convenience of the value that we offer.

Furthermore, we shall create synergy by returning the data and know-how obtained through the development of this platform back into the consigned transmission business as we balance the stable supply of power with the expansion of our business.



Business Model

Leveraging the Management Resources of TEPCO Power Grid, Inc.



We shall contribute to creating a safe and comfortable society by leveraging human resources deployed throughout the Tokyo metropolitan area to the best of our ability.



We shall effectively leverage our many assets widely distributed from the cities to the mountains to create new added value that meets the needs of society.

Grid Services

Strengthening Transmission/
Distribution Infrastructure

Expanding Business

Base Station Sharing

Creating New Value from
Transmission/Distribution Networks

Expanding Business

We shall leverage the technical skill and know-how cultivated through our consigned power transmission business to provide a one-stop shop for transmission and distribution network services that fit the needs of our customers. We shall supply high quality power and enable our customers to conserve energy and cut costs.

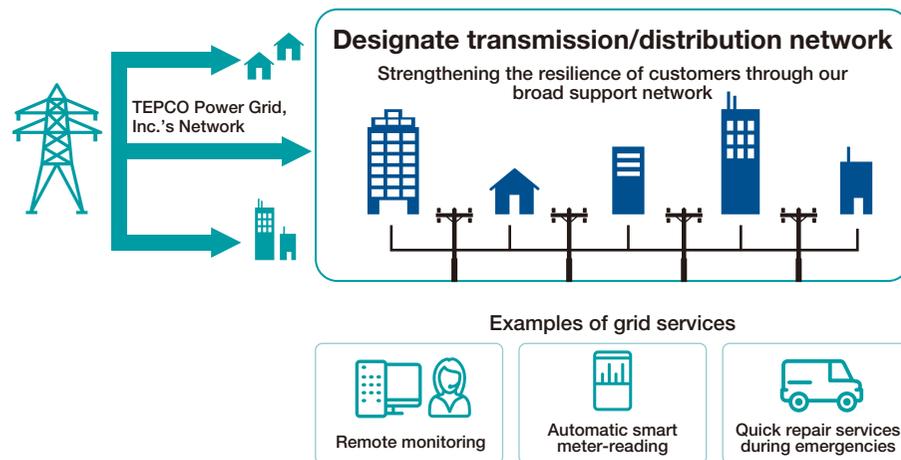
We shall coordinate with other operators and leverage the assets of TEPCO Power Grid to provide support for the efficient installation of base stations and eliminate landscape issues by clustering facilities together. We aim to further improve convenience in your daily lives by building infrastructure that meets diverse needs.

One-stop shop for services ranging from design to installation, operation and maintenance

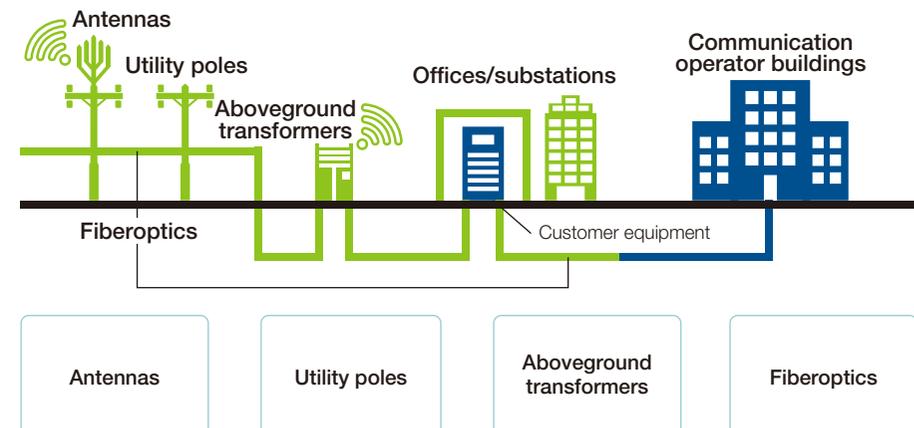
High quality/energy-saving/low-cost

Effective use of assets through coordination with other operators

Creating infrastructure that improves convenience in our daily lives



A designated transmission and distribution service contract was signed with Toranomon Energy Network, Inc., which handles the designated transmission and distribution of power in the Toranomon/Azabudai Type 1 Urban Development Region. (January 2020)



Our base station sharing service will integrate location, fiberoptics, and co-location services for configuring base stations. Sharing base stations with multiple companies will contribute to reducing the facility investment of communications operators.



We aim to create new value that meets the needs of society and our customers by combining power data with other types of data.

Household IoT

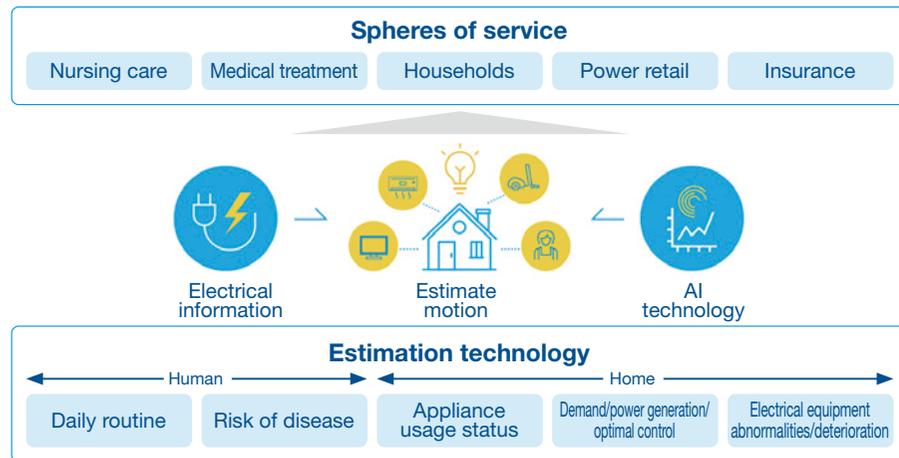
Creating New Value from Transmission/Distribution Networks

By constructing household IOT platforms that utilize power data and AI to evolve in conjunction with changing markets, we shall contribute to solving social issues and regional issues, and provide security and comfort.

*Provided in cooperation with our subsidiary Energy Gateway Inc.

Creating new value by combining power data with data from other industries

Providing convenient and safe services through close-by electricity data



In partnership with Welmo Inc., which provides nursing care and welfare platforms that utilize AI and ICT, we shall use power data to improve the efficiency of care plan creation and improve the quality of nursing care thereby working together to solve problems faced by the nursing care industry, such as the lack of human resources and the great increase in social security costs.



We aim to further grow by promoting overseas human resource projects that leverage our strengths, such as our know-how pertaining to the construction and operation of stable transmission and distribution networks that we cultivated in Japan

Overseas Business Development

Expanding Business

Promoting Overseas Projects

Investing in overseas transmission and distribution projects

TEPCO PG is engaged in power distribution, retail, and renewable energy in the DEEP C Industrial Zones located in Hai Phong City, Vietnam. In Vietnam, where securing quality power is an issue, we are helping to improve the reliability of supply, guarantee supply through the construction of substations for our own use, introduce rooftop solar panels, and reduce costs through KAIZEN activities thereby improving business value.



Meetings to discuss the planned location

Expanding our Business Areas

Consultancy services for Underground substation construction project in Thailand

In conjunction with the redevelopment of Thailand's capital, Bangkok, there is a project underway to newly construct substations and underground lines underneath Lumpini Park. TEPCO PG shall leverage our more than 40 years experience in the design, construction, operation and maintenance of underground substations both within and outside of Japan to provide consulting services pertaining to design in consideration of ensuring safety and preserving the surrounding.



Meetings with the Electricity Generating Authority of Thailand

Nuclear Power



Employees
2,467



Kashiwazaki-Kariwa
Number of reactors **7**
Total output **8.2 GW**



New Construction
1
(Higashidori Village,
Aomori Prefecture)



Cost of Safety Measure
Renovations at the Kashiwazaki-
Kariwa
¥1.1 trillion
(Current estimate)



Initiatives to Regain Trust in Nuclear Power in order to Contribute to Carbon Neutrality

I would like to apologize for the concern that has been caused throughout society by the incidents that occurred at the Kashiwazaki-Kariwa Nuclear Power Station, such as the unauthorized use of an ID card, the partial loss of function to nuclear material protection equipment, and the partial incompleteness of safety measure renovations.

Recent global trends have increased expectations for carbon neutrality, natural disasters are growing fiercer and broader, and geopolitical risks are increasing. Amidst this situation, it is important that the TEPCO Group carefully deal with these risks in order to provide a stable supply of electricity to our customers.

Nuclear energy has an especially high fuel-to-output ratio and Japan's supply of nuclear fuel, which can provide power for many years to come, makes nuclear power a semi-domestic energy resource. As a result, nuclear energy can provide a stable and efficient source of energy at low operating costs. Since no greenhouse gases

are emitted during operation, nuclear power is indispensable for achieving carbon neutrality, and the potential impacts from geopolitical risks are small. Therefore, it is important that we use nuclear power as a baseload energy source to construct an optimal power portfolio in order to deliver high-quality electricity in a stable manner while addressing various risks.

In order to meet these expectations, TEPCO has returned to our approach of learning from the regrets and lessons from the Fukushima Daiichi Nuclear Power Station Accident in order to ascertain the root causes of this series of incidents and revitalize our nuclear power business. With determination to be reborn as a "good power station," we are putting all of our efforts into improving power station safety and quality, and solving company issues. We are making progress little by little, such as by sincerely cooperating with inspections performed by the Nuclear Regulation Authority and we aim to recommence operation

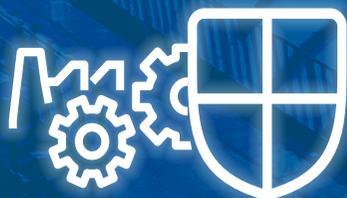
only after regaining the trust of society in TEPCO. We shall also decommission the Fukushima Daini Nuclear Power Station, recommence construction of the Higashidori Nuclear Power Station, and promote our nuclear fuel cycle business as we aim to regain the trust of society and play an important role in achieving carbon neutrality.

Shigenori Makino

Director, General Manager of Nuclear Power & Plant Siting Division, Deputy Director and Secretary General of the Nuclear Reform Special Task Force

Has a plethora of experience and knowledge about the nuclear power industry by serving as director of the Nuclear Human Resources Training Center. Appointed to current position in 2017.

Nuclear power is positioned as a power generation business within TEPCO Holdings. We returned to our approach of learning from the regrets and lessons from the Fukushima Daiichi Nuclear Power Station to improve safety and work quality.



Ensuring Safety



Human Resources such as Nuclear Engineers



Environmentally Friendly Economical

Three Values



Safety measures for equipment and operating procedures are developed based on the three values

Further improvements are being made in light of the string of incidents

Type 1 Chief Electrical Engineers

218

Licensed Reactor Engineers

93

Type 1 Radiation Officers

333

CO₂ Reduction Effect from the Operation of One Nuclear Reactor

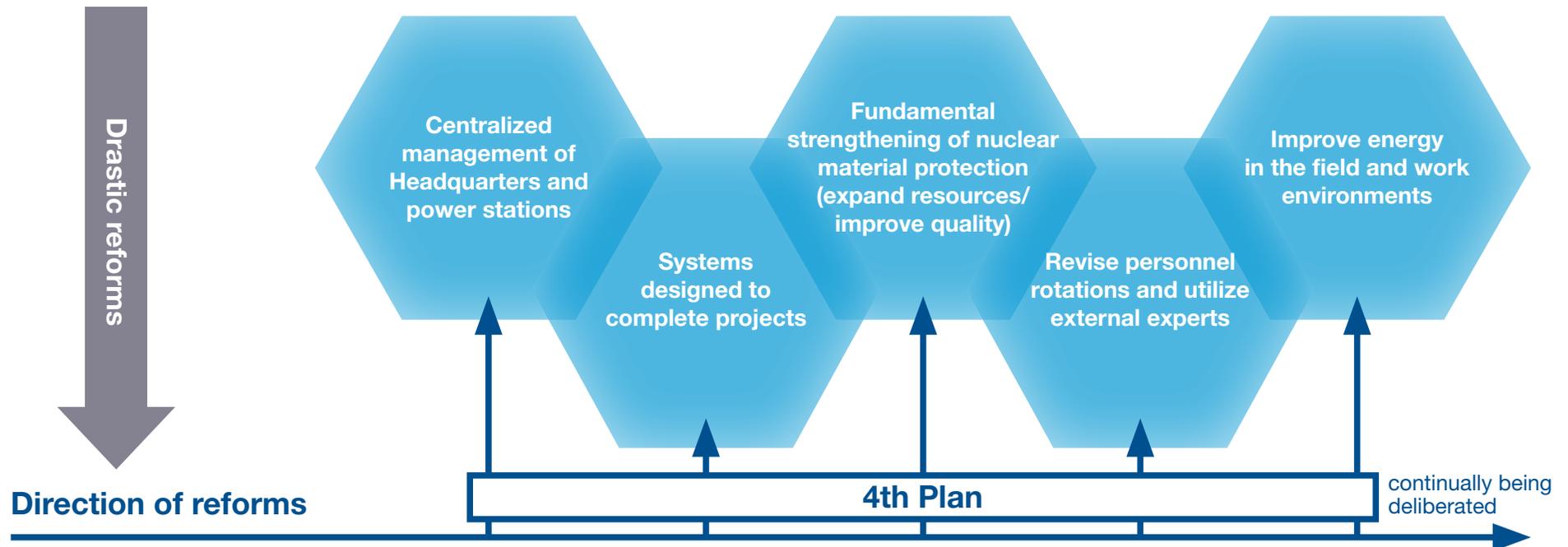
2.5 million tons

Impact on Annual Profit/Loss from the Operation of One Nuclear Reactor

¥50 billion/year

Summary of the String of Incidents that Occurred at the Kashiwazaki-Kariwa Nuclear Power Station

Incidents	
<ul style="list-style-type: none"> ● Unauthorized use of an ID card by a TEPCO employee <ul style="list-style-type: none"> • A TEPCO employee used the ID card of a colleague without permission to gain access to a protected zone. ● Partial loss of function to nuclear material protection equipment <ul style="list-style-type: none"> • Some intruder detection equipment on the border of a restricted area was not functioning for a long period of time and effective substitute measures were not implemented 	<ul style="list-style-type: none"> ● Partial incompleteness of safety measure renovations (Unit 7) <ul style="list-style-type: none"> • After announcing that safety measure renovations have been completed in accordance with the approved design and workplan, it was discovered that some renovations have yet to be completed. • The renovations found to be incomplete all pertained to either fire protection measures or flooding protection measures.
Causes/Factors (report to be submitted to the nuclear regulation Authority by September 23, 2021)	
<ul style="list-style-type: none"> ● Causes (under investigation) <ul style="list-style-type: none"> • Due to the handling of confidential information, the Nuclear Material Protection Division is unique in that it is shut off from other departments and the external. • Manuals do not clearly detail the linchpins for definitive action in accordance with field conditions. • Managers were not sufficiently aware of field conditions, and conditions were not being suitably conveyed to parties involved. 	<ul style="list-style-type: none"> ● Direct causes <ul style="list-style-type: none"> • As protected zones were frequently being revised, change management could not keep up due to a lack of coordination between design departments and construction departments. • Locations subject to renovations were not comprehensively identified during the preparation stages. ● Root causes/underlying factors <ul style="list-style-type: none"> • Construction was implemented without sufficient project management • Frequent revisions to work deadlines left no room to revise work methods. etc.



Kashiwazaki-Kariwa

At the Kashiwazaki-Kariwa Nuclear Power Station we have been engaged in safety measure renovations to comply with the new regulatory requirements, and on December 27, 2017 we received reactor installation modification permits for Units 6 and 7. On October 14, 2020, we received authorization of our design and construction plan for Unit 7. We also continue to implement training based on various scenarios that envision harsh conditions.

We have reflected our “basic stance as a nuclear operator” (complying with the promises made in our responses to the seven issues and addressing information on serious risks, etc.) in our safety regulations and will abide by this stance into the future.

Furthermore, in order to live in symbiosis with regional residents and local governments, we are continuing to cooperate as much as possible with Niigata Prefecture’s three investigative committees looking into the Fukushima Daiichi Nuclear Power Station Accident and the impact it has had so that these investigations go smoothly. In addition, we are steadily moving forward with initiatives based on the “Basic Approach to Recommencing Operation of the Kashiwazaki-Kariwa Nuclear Power Station and Decommissioning” reported to the Mayor of Kashiwazaki City in August 2019, and are providing the knowledge and technical skill we can offer as an electric company.

Higashidori

The Higashidori Nuclear Power Station is important for achieving carbon neutrality and strengthening power supply resilience.

In March 2019, TEPCO Holdings created and announced its Aomori Action Plan and in the same year we established an Aomori Office to serve as a liaison for Headquarters and hash out the details of this action plan. This has enabled Headquarter functions (Higashidori Head Office) to work together with construction contractors to manage this project. With this new structure in place, we aim to recommence construction upon regaining trust in TEPCO. Furthermore, in March 2021 we established the Higashidori Future Joint Development Council along with Higashidori Village. Through the Council’s activities we shall contribute to the region through our nuclear power business, and coordinate with the region based on these initiatives to achieve sustainable urban development.

Fukushima Daini

We are steadily moving forward with the decommissioning of all reactors at the Fukushima Daini Nuclear Power Station in accordance with our decommissioning plan while prioritizing safety.

The decommissioning of the Fukushima Daini Nuclear Power Station will require more than 40 years and technologies with which we have no experience. In order to engage in this task simultaneously with the decommissioning of the Fukushima Daiichi Nuclear Power Station, which presents extremely important and unique challenges, it is imperative that there be logical coordination between both the Fukushima Daiichi Nuclear Power Station and the Fukushima Daini Nuclear Power Station when it comes to securing engineering personnel, training/cultivating engineering personnel, and acquiring/developing decommissioning technology. Furthermore, we must keep in mind potential cooperation and coordination with other utilities in order to reduce the costs associated with the decommissioning of the Fukushima Daini Nuclear Power Station and shorten timelines.

We shall move forward with decommissioning in coordination with the Fukushima Daiichi Nuclear Power Station in a transparent manner that contributes to recovery in the region.



Decontamination during the Decommissioning of the Fukushima Daini Nuclear Power Station

Fuel & Thermal Power

TEPCO Fuel & Power, Inc.



Directors

2



Total Assets

¥517.4 billion



Sales

¥20.5 billion



Ordinary Income

¥3.8 billion



Supervising JERA to enable Continual Improvement of Corporate Value

On April 1, 2019, the fuel receiving, storage, gas conducting business and existing thermal power generation business of TEPCO Fuel & Power, Inc. and Chubu Electric Power Company, Inc. were integrated into JERA thereby establishing a complete supply chain that covers everything from the upstream development and procurement of fuel, to transport, receiving and storage, power generation, and the sale of power and gas. Furthermore, in April 2021, human resources from the fuel and thermal power divisions of both companies were transferred to JERA thereby strengthening the company's departments and management systems for autonomous business operation, and creating a foundation for quickly creating a synergy effect from integration.

We shall leverage the plethora of business assets and O&M know-how that JERA possesses for the centralized management of the eight LNG bases in Japan thereby

enabling great flexibility when it comes to fluctuations in the amount of fuel in possession and expansion of our fuel trading business. Through this we shall optimize fuel procurement and the operation of domestic thermal power stations while also strengthening and expanding earnings capability by promoting participation in overseas offshore wind and IPP projects, and replacement in Japan with highly efficient sources of energy.

JERA aims to reduce CO₂ emissions from its domestic and overseas businesses to basically zero by the year 2050 as part of its JERA Zero Emissions 2050 initiative. In the course of transitioning to carbon neutrality, JERA shall leverage its long-cultivated experience with the construction/operation/maintenance of power stations and its strengths with fuel procurement and trading to promote carbon neutrality in our domestic business and improve

corporate value by providing optimal energy solutions on a global level.

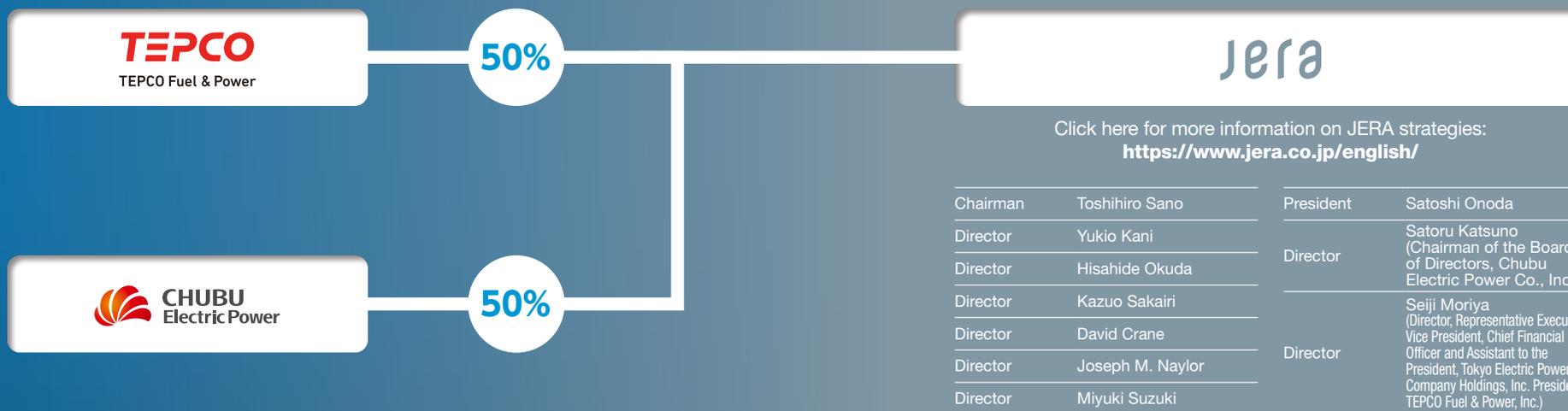
As a shareholder of JERA, TEPCO Fuel & Power, Inc. shall provide suitable support and supervision to enable it to achieve its commitments.

Seiji Moriya

**President
TEPCO Fuel & Power, Inc.**

Has a plethora of experience and knowledge about the fuel and thermal power businesses. Appointed president of TEPCO Fuel & Power, Inc. in 2017, and Executive Vice President of TEPCO Holdings in 2018.

TEPCO Fuel & Power, Inc. will support the autonomous and quick decision-making of JERA, which handles our fuel and thermal power generation businesses, while providing suitable governance as a shareholder.



Identifying Risks and Opportunities

Risks

- Adapting to a carbon neutral society
- Maturity of the domestic power/gas market and creation of new markets

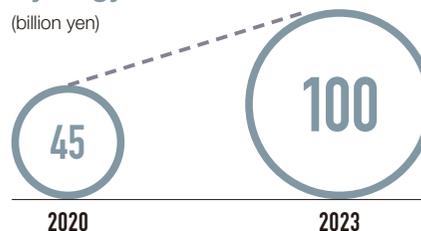
Opportunities

- Zero-emissions thermal that does not emit CO₂
 - Complementarity of renewable energies and zero-emission thermal (hydrogen/ammonia co-firing, etc.)
 - Creation of optimal roadmaps for countries/regions
 - Employment of smart transition
- Improve the earnings potential of the entire value chain by strengthening participation in upstream businesses, trading ability, and power portfolios
- Make power station operation more efficient through digitalization
- Strengthen power station facility cost competitiveness and improve the ability to adapt to the market

JERA Targets/KPI

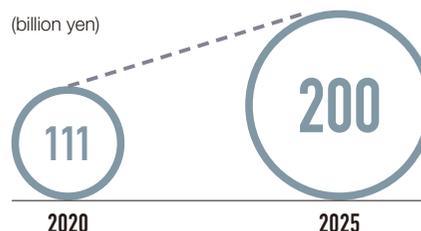
Synergy

(billion yen)



Consolidated Profit

(billion yen)



Zero-Emission 2050

Reduce CO₂ emissions from domestic and overseas businesses to basically zero

JERA Environmental Commitment 2030

Reduce CO₂ emissions intensity by 20%
(Comparison of emissions intensity for thermal power stations throughout the entire country based on the government's FY2030 forecast)

Striving for zero emissions in 2050

https://www.jera.co.jp/english/information/20201013_539

Renewable Power

TEPCO Renewable Power, Inc.



Employees

1,348



Total Assets

¥562 billion



Sales

¥143.4 billion



Ordinary Income

¥48.1 billion



Growing Renewable Energies into Primary Power Sources

The conditions surrounding renewable energies have greatly changed over recent years. In light of the direction of the Paris Agreement adopted at COP21 and the trend towards carbon neutrality, expectations for renewable energies are growing worldwide, and considering that the Japanese government has also declared that Japan will be carbon neutral by 2050, we are fully engaging in initiatives that will both help to achieve carbon neutrality and grow the economy.

TEPCO Renewable Power, Inc.'s business model covers everything from the planning and construction, to the operation and maintenance of hydroelectric power stations and windfarms, and we have the technical prowess to maintain approximately 10 GW of facilities nationwide, the largest in Japan. By leveraging this technical prowess, we aim to meet the increasing demand for carbon neutrality

while also newly developing 6~7 GW of power in Japan and overseas as we promote the use of renewable energies as primary power sources.

In April 2020, TEPCO Renewable Power Inc. inherited TEPCO Holdings's renewable energies business and took its first step as a company specializing in renewable energies. Based on our principle of "turning nature's gifts into energy and giving back to society," we will contribute to the creation of a sustainable society by providing a stable supply of electricity at low cost both in Japan and overseas. Furthermore, now that responsibility and authority has been clarified through the creation of a separate company, we aim to generate approximately ¥100 billion in profits by FY2030 through quick and steady development and the continual expansion of the scope of our business and earnings.

By leveraging my experience operating TEPCO Holdings, I will further grow our renewable energies business into a main pillar of the TEPCO Group's business portfolio.

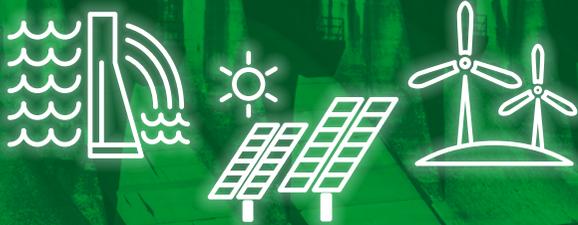
Seiichi Fubasami

President
TEPCO Renewable Power, Inc.

After working in primarily the Planning Department, Mr. Fubasami was made Executive Vice President of TEPCO Holdings, Inc. in 2017 after which he was involved in managing the TEPCO Group and put in charge of its renewable energies business. He was appointed president of TEPCO Renewable Power, Inc. in April 2020.

Strength

TEPCO Renewable Power, Inc. is a core company in charge of generating power from renewable energies such as hydro, wind, and solar power.



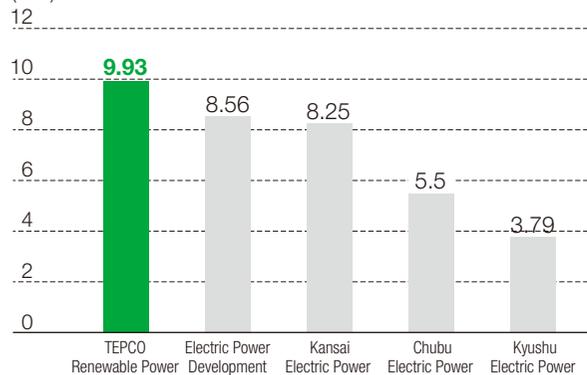
Has One of the Highest Renewable Energy Capacities in Japan

Plethora of Human Resources with Expert Knowledge

History of Conserving the Natural Environment of Oze

9.93 GW

Comparison of Domestic Hydrologic Power and The New Energy Power Generation Facility Capacity * Includes pumped-storage power stations (GW)



*Total power generation facility capacities of hydroelectric power stations and new energy power stations (wind, solar power, etc.) according to Agency of Natural Resources and Energy power survey statistics.

Electrical Engineers

640

Civil Engineers

338

60 years

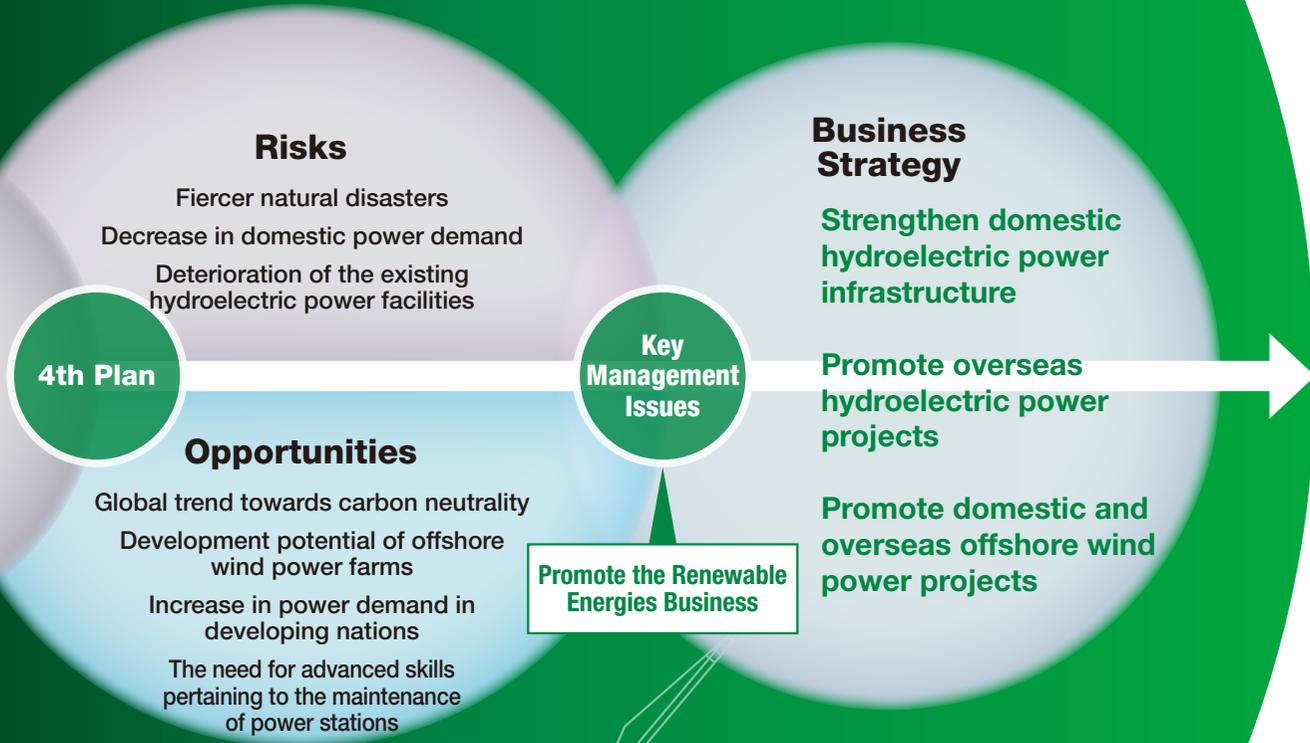


Strategy

In light of the global trend towards carbon neutrality, TEPCO Renewable Power Inc. will grow renewable energies into a profitable business. By leveraging our almost 70 years of experience in the domestic hydroelectric power business, we shall venture into overseas markets and expand our scope throughout the world while promoting the expansion of our value chain through the diversification of power sources, such as offshore wind power.

External Environment Assessment

- Megatrends
- Market
- Policy
- Stakeholder Engagement
- SDGs



Targets/KPI

FY2030 Profit Target
¥100 billion

Scale of Total Development by FY2030

6~7 GW

- Overseas Hydro: 2~3 GW
- Domestic Offshore Wind: 2~3 GW
- Overseas Offshore Wind: 2~3 GW

Increase Hydroelectric Power Generation through Repowering

(FY2018 comparison)

by FY2023

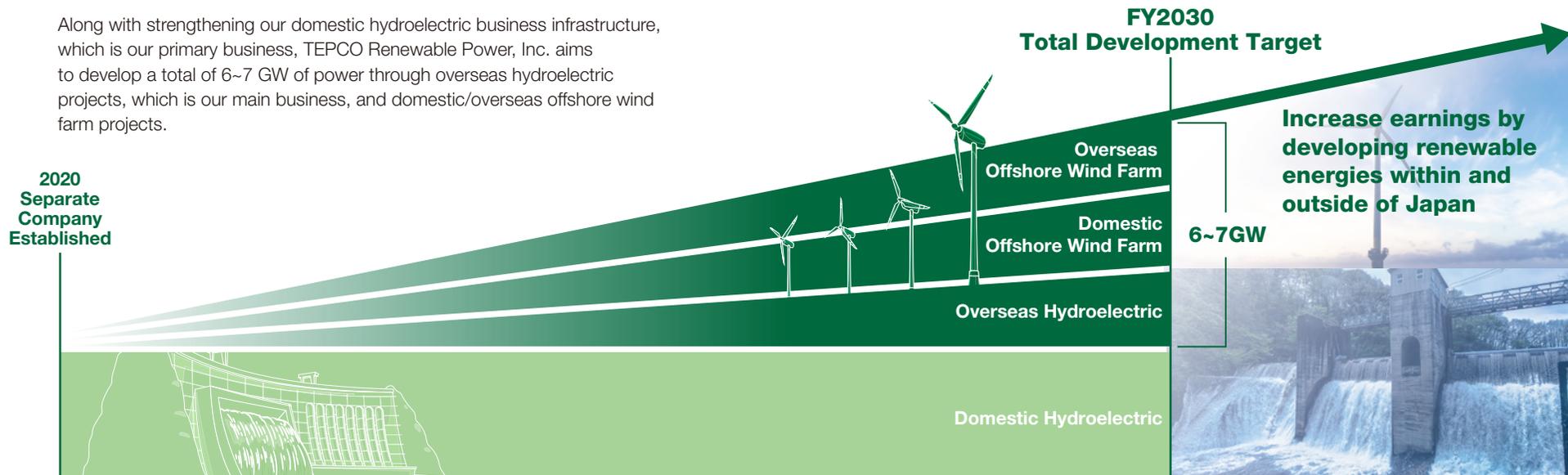
100 GWh/year

by FY2030

240 GWh/year

Detailed Business Strategies

Along with strengthening our domestic hydroelectric business infrastructure, which is our primary business, TEPCO Renewable Power, Inc. aims to develop a total of 6~7 GW of power through overseas hydroelectric projects, which is our main business, and domestic/overseas offshore wind farm projects.



Business Plan and Foundation



Business Model

Domestic Hydrologic Power Business

TEPCO Renewable Power, Inc. owns 163 hydroelectric power stations in Japan that produce a total output of 9.88 GW. Hydroelectric power, which converts the natural water resources of our rivers into energy, is a clean energy that emits CO₂-free and will play an important role in the future. In order to improve the operating efficiency of our hydroelectric power stations, we employ inspection robots to help reduce downtime and increase output through operational KAIZEN. In addition, we aim to improve activity through centralized operational command. Going forward, we aim to use the gifts of nature more efficiently and without waste by fusing the technological prowess and know-how we have cultivated over many years with digital technology.

Maximizing Output

By employing new technologies, such as digital technology, we aim to prevent equipment troubles and shorten downtime that results for repairs and inspections. We also aim to reduce power generation loss by rapidly adapting to changes in the natural environment and integrating water systems for more efficient control, as we look to maximize the output of our power stations. Furthermore, through the planned repowering of deteriorating power stations we shall improve our generation efficiency and increase output.

Before		After
Power generation loss <ul style="list-style-type: none"> • Shutdown due to accidents • Shutdowns due to repairs and inspections • Operational loss 	Using IoT to prevent equipment troubles Using robots to shorten downtime	Power generation loss Increased output
Power generation volume	Streamlined control operation that adapts to changes in the natural environment Efficient operation through integrated water system control	Power generation volume
	Increased power station output through repowering	Increased output

Shortening Down Times for Repairs and Inspections

Conventionally, water channel inspections were conducted after shutting down the power station and draining the water, but we have developed and are using robots that can inspect the power station while it is still in operation thereby shortening down times.



The effect of using robots to inspect water channels
 Downtime (from TEPCO power station records)

72 hours → 0 hours

Repowering

By promoting the planned repowering of deteriorating hydroelectric power stations, we aim to increase maximum output, improve facility reliability and increase longevity.



The effect of repowering
 Maximum output (Hayakawa Daiichi Power Station)

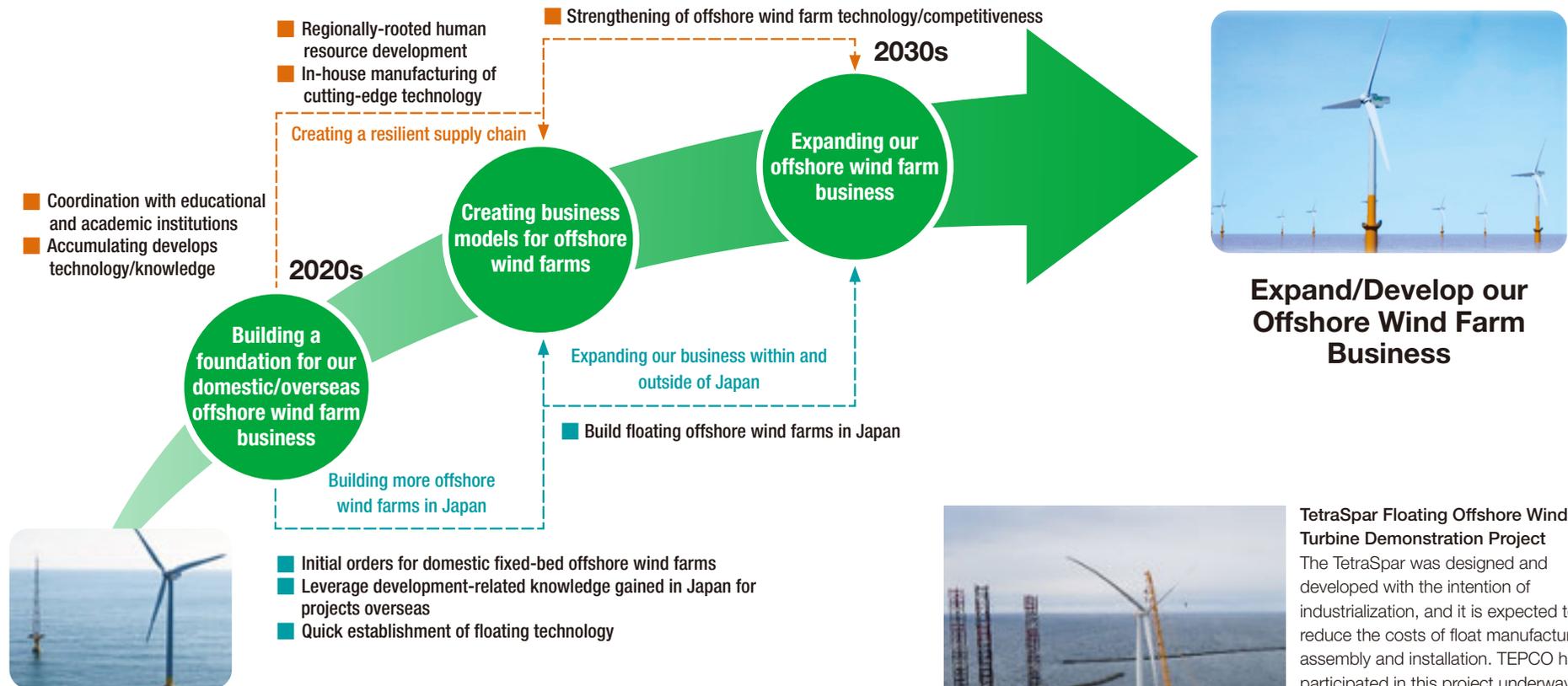
3MW increase in output

Example of repowering renovations (Hayakawa Daiichi Power Station)

Domestic Offshore Wind Power

TEPCO Renewable Power, Inc. began demonstration of Japan's first fixed-bed offshore wind power turbine in 2009 off the coast of Choshi City, Chiba Prefecture. The turbine was operated for more than approximately eight years from 2013.

This turbine was constructed under harsh ocean and weather conditions while considering symbiosis with the surrounding natural environment and the fishing industry, and we were able to accumulate a great deal of technology and knowledge through construction and operation and maintenance (O&M). In addition to the technical process and data that we accumulated during this time, we will leverage the knowledge of new partners from both within and outside of Japan to build larger offshore wind farms and manage every part of the process from planning through construction and O&M, to create profit from our offshore wind farm business.

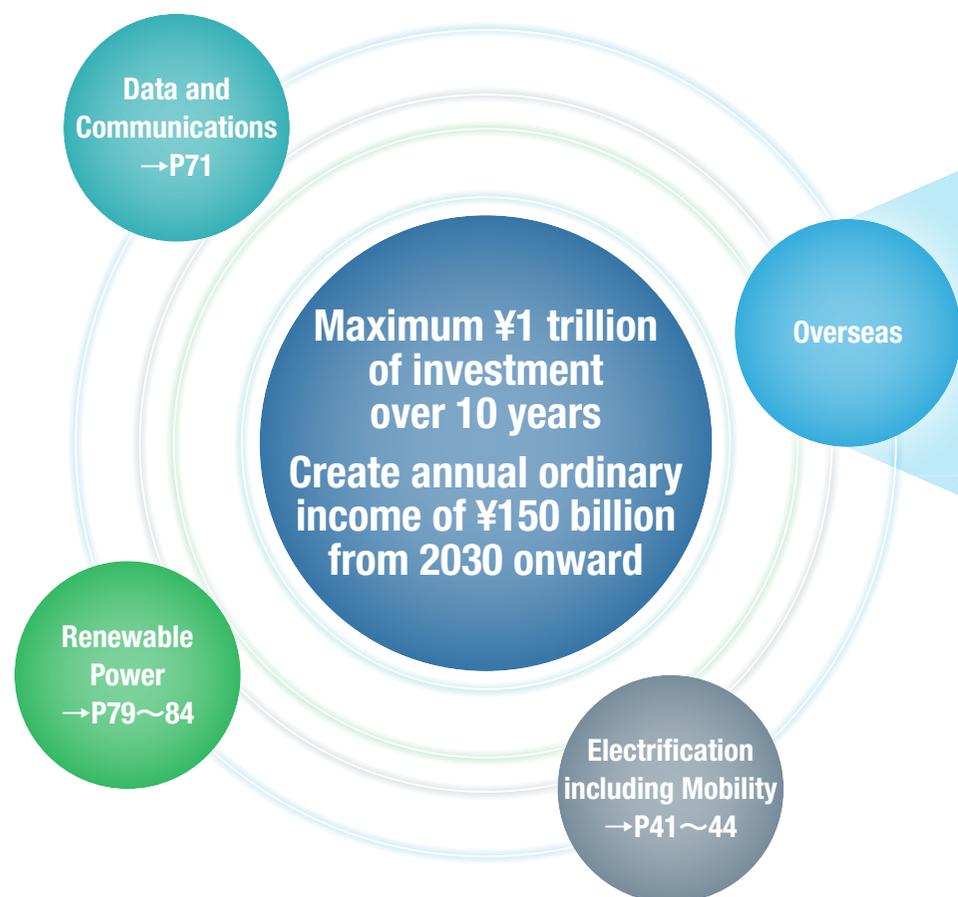


2019: The offshore wind power station off the coast of Choshi, Chiba Prefecture becomes TEPCO's first offshore wind power station to be put into commercial operation

New Business Development

As the TEPCO Group aims to create a long-term earnings foundation capable of producing approximately ¥450 billion annually, it is necessary to view diversifying social demands and drastically changing customer needs as business opportunities and leverage the TEPCO Group's strengths to create new earnings. In consideration of market expansion and competitive superiority, we have identified four new business areas in which to focus on: Renewable power, Electrification including mobility, Data and communications, and Overseas Business. In these business areas we seek to expand profits over the mid to long-term and improve corporate value.

Four Key New Business Areas



Strength

Know-how cultivated through the domestic electricity business
Plethora of experience with overseas projects
Construction/operation of stable transmission and distribution networks

Strategy

Develop presence in areas with the potential for substantial growth
Expand the scope of investments
Strengthen overseas transmission and distribution projects

Specific initiatives

- Promote innovative projects, such as micro grids, through subsidiaries established in Singapore by Chubu Electric Power Company, Inc. and ICMG, such as Greenway Grid Global and TEPCO Ventures, etc.
- Invest in more overseas transmission and distribution projects during the early 2020s, update and reinforce facilities, and improve earnings by cutting costs through KAIZEN, improving supply reliability, and reducing loss.

Developing Overseas Projects

The TEPCO Group is engaging in projects overseas using the technological prowess and know-how it has cultivated over almost 70 years in Japan's electric industry. Going forward, the Group will work as one to expand its overseas businesses.

Number of overseas projects*

More than **600**
(since 1996)

* Total based on the nature of the projects
* Number of projects engaged in by the former Tokyo Electric Power Company and succeeding companies.

Sales from overseas projects*

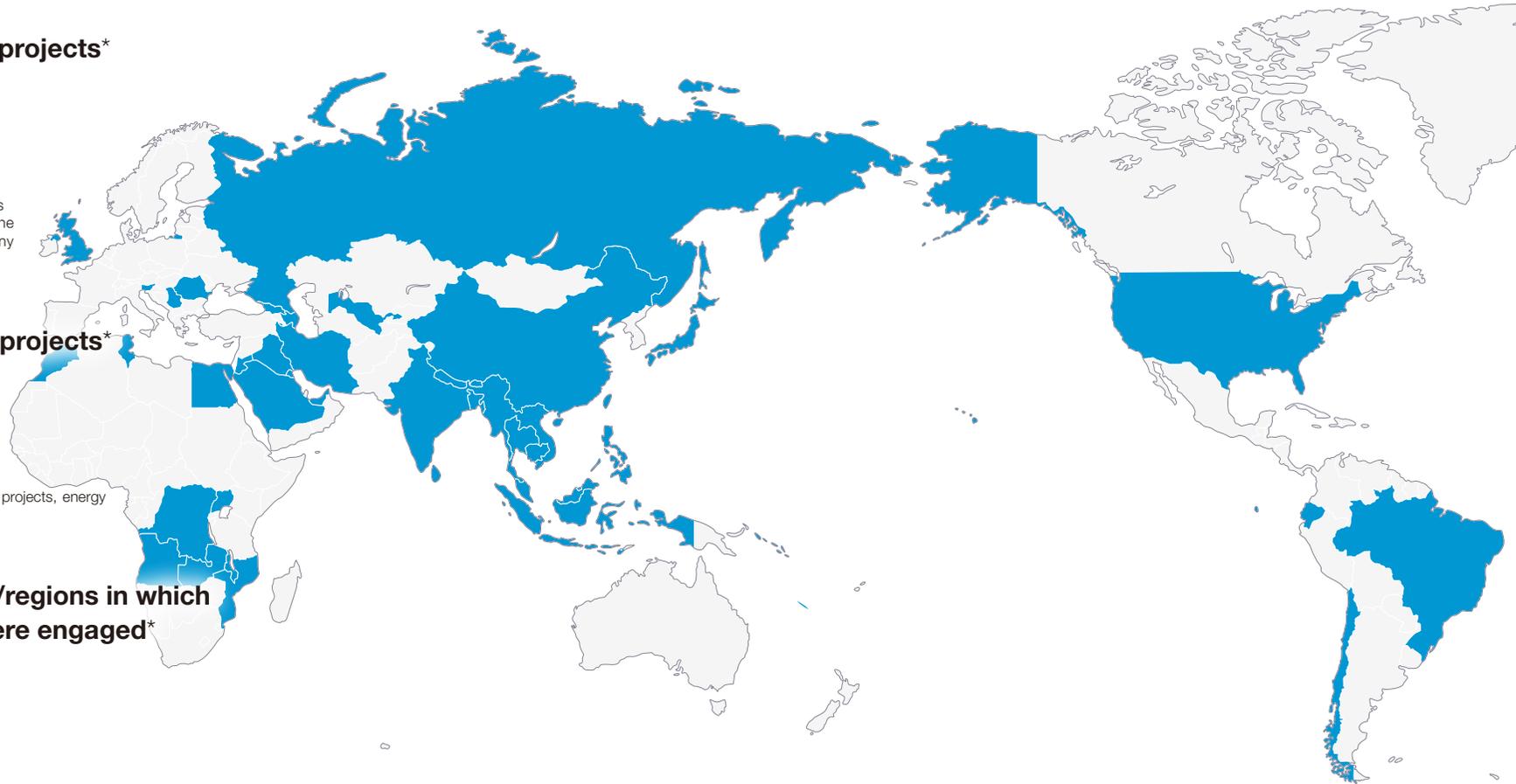
¥5.91 billion
(FY 2019)

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

Number of countries/regions in which overseas projects were engaged*

47
(FY2016~2019)

* Consolidated subsidiary performance
* UAE, Azerbaijan, Angola, Iraq, Iran, India, Indonesia, Uganda, Uzbekistan, UK, Ecuador, Egypt, Cambodia, Kuwait, Democratic Republic of the Congo, Saudi Arabia, Zambia, Georgia, Singapore, Sri Lanka, Slovenia, Serbia, Solomon Islands, Thailand, Taiwan, China, Tunisia, Chile, Nepal, Vanuatu, Bangladesh, Philippines, Bhutan, Brazil, Brunei, United States, Vietnam, Malawi, Denmark, Mozambique, Maldives, Morocco, Jordan, Laos, Romania, Russia



Countries/regions in which projects were engaged (FY2016~2019)

TEPCO's Value Creation Process

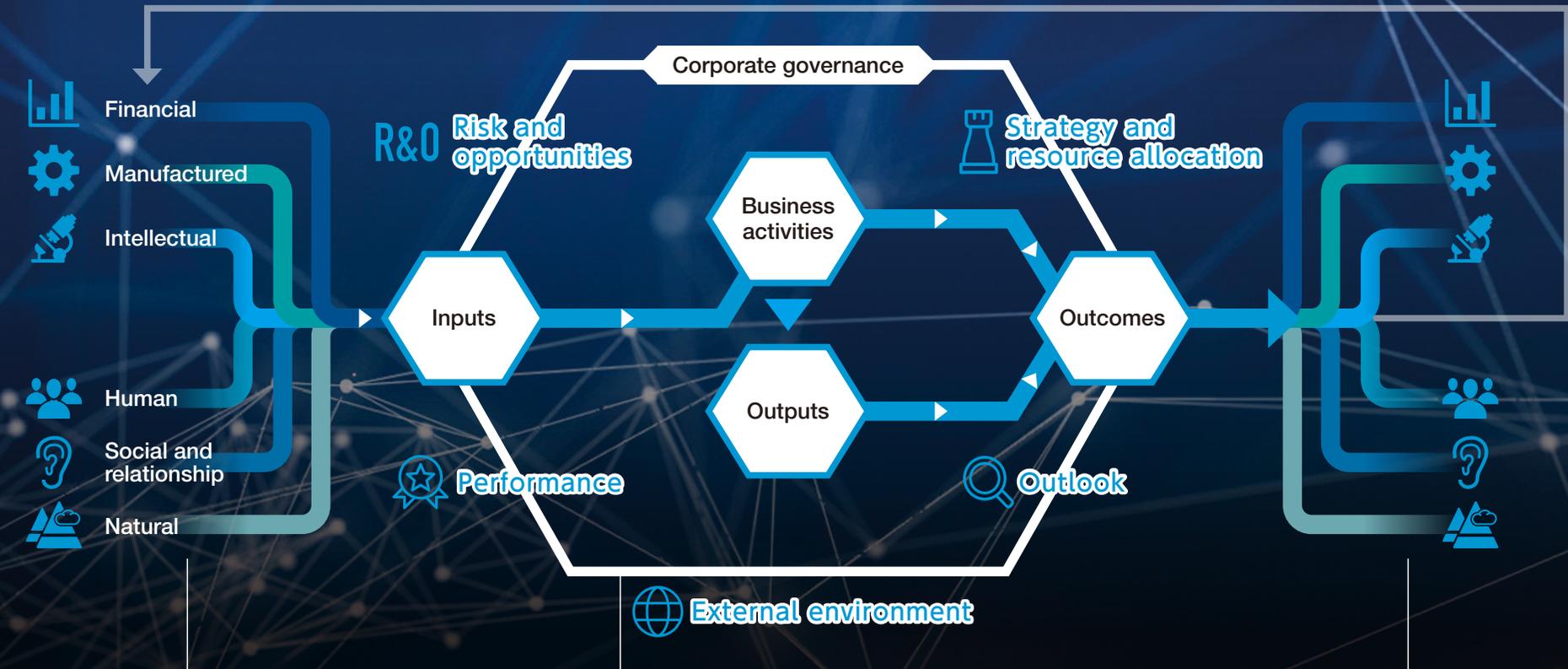
In our corporate philosophy that we revised in 2021, the TEPCO Group presents our vision for creating value based on carbon neutrality and disaster prevention. As a group of companies responsible for providing a safe and sustainable society, it is important that we improve the value of the TEPCO Group as well as create social value that can be shared with stakeholders in order to be trusted and continually chosen by society. In order to achieve this, we shall leverage the TEPCO Group's strengths and management resources to the best of our ability, and promote effective mid-term initiatives by carrying out the 4th Comprehensive Special Business Plan.

The Types of Capital Covered in this Report

When creating a value creation process, we referred to the International Integrated Reporting Council Framework and separated the TEPCO Group's management resources into six types of capital (financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, natural capital). Each type of capital has been linked to key mid-term management issues presented as concrete examples of our value creation process. Since there are many ways in which these six capitals can be combined, and the outcomes achieved can be diverse, we shall implement multiple processes, many of which are not presented here, in a multilayered manner as we manifest a creation process based upon integrated thinking. Over the long-term we seek to make the vision of the TEPCO Group a reality through value optimization that adapts to changes in the external environment and continually improving our management strategies and business models based upon the suitable distribution of capital.

Capitals	IIRC Framework Definition	TEPCO's Theme	What we Aim to Achieve
 Financial	The funds available to the company	Strategic investment	Challenge ourselves in new spheres of business
 Manufactured	Manufactured buildings and equipment	Power resilience	Prepare for future natural disasters
 Intellectual	Intellectual property owned by the company	DER (distributed energy resources)	Solve social problems
 Human	People's competencies, capabilities and experience	Productivity and motivation (post-Covid-19 world)	Decent work
 Social and relationship	The relationship between the company and other stakeholders	Regaining the trust of regional residents	Symbiosis with the regional community
 Natural	Resources provided by the natural environment such as air and water, etc.	Overseas hydroelectric projects	Expansion of renewable energies

The following diagram was created by referencing the value creation process model put forth in the IIRC Framework. Starting on the next page we shall use this model to explain several processes for optimizing the value of each capital based on specific management issues that the TEPCO Group must address.



Even when increasing the value of a specific capital out of the six mentioned prior, we can maximize output and optimize the outcome, which is value creation, by integrating other related capitals and inputting them into business activities.

This process of engaging in business activities into which integrated business resources (capital) are inputted, and creating output that leads to an outcome (corporate value/social value), is managed as a business model through corporate governance.

Developing this business model enables us to shape business strategies created based upon the analysis and assessment of risks and opportunities that adjust changes in our external environment, and related achievements and forecasts are used for the quantitative assessment of results and the deliberation of further improvements.

There is no end to value creation. The achieved outcome becomes the input created through the optimal integration of new capital and used to further optimize value.

By continuing this multifaceted capital value creation process we will achieve sustainable value creation.

Financial Capital

Message from Financial Officer



Hiroyuki Yamaguchi
Hiroyuki Yamaguchi
 Managing Executive Officer,
 Deputy Chairman of Investment Management
 Committee

Strategic Investment for Creating Sources of Profitability

In order to continue to grow in a sustainable manner, the TEPCO Group needs to strategically invest in new areas of business that contribute to increasing sales and profits, and also secure a stable cash flow that will serve as the capital for this investment.

We will therefore increase cash flow originating from our businesses by employing innovative work processes that fuse KAIZEN and digital technology, and swapping businesses/assets. We shall also combine various means for efficiently securing investment capital, such as external capital procurement through the capital market, project financing, and asset securitization/bond securitization. In particular, going forward we shall diversify methods for securing capital from external sources by leveraging sustainable finance, such as green bonds, and also the securitization of assets.

Meanwhile, decisions about strategic investment in new areas of business will be made by the Investment Management Committee established within TEPCO Holdings. In order to optimize the distribution of the TEPCO Group's resources, the Investment Management Committee sets priorities and makes these decisions after looking at

conditions throughout the entire Group. In particular, the Committee sets hurdles for each type of business and region that consider business risks and country risks, and makes investment decisions after evaluating the profitability and strategic advantage of each project based on those hurdles. Projects that have been invested in are monitored quarterly and investment is withdrawn if necessary. As we strategically invest approximately ¥1 trillion over the next 10 years, we shall implement streamlined investment assessment processes so as to allocate investment to projects with the high potential to turn profits.

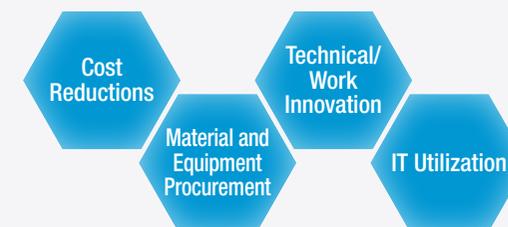
As Financial Officer and Deputy Chairman of the Investment Management Committee, I shall contribute to the future growth of the TEPCO Group by effectively distributing our limited capital and human resources to investments that will become future sources of profitability in order to maximize the TEPCO Group's cash flow.

Basic Data

Investment Management Committee

Discusses and adjusts investment/expense plans for the entire TEPCO Group. The committee met a total of 29 times during FY2020 during which it assessed strategic investments based upon five criteria, such as strategic importance, risk, and return, etc. Four subcommittees within the Committee engage in focused debate on cost reductions in each area and promote the continual improvement of business operations.

Four Dedicated Subcommittees



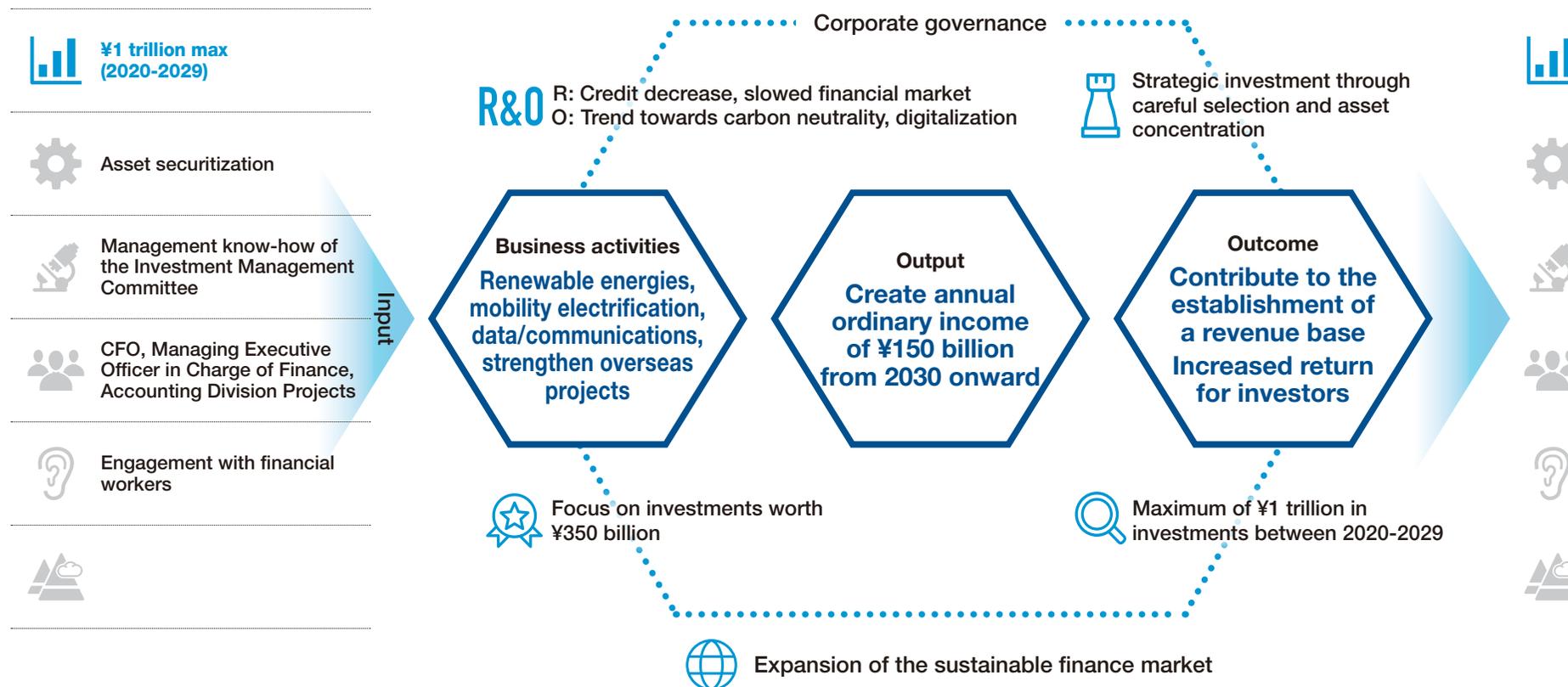
FY2020 Cost Reduction Achievements

	Program target (billion yen)	Actual amount (billion yen)
Equipment/materials and labor procurement expenses	180	261
Purchased electricity/fuel procurement expenses	37	68
Labor costs	136	214
Other expenses	98	3
Streamlined investment expenses	34	—
Total	487	547

FY2020 Consolidated Cash Flow

Cash flows from operating activities: **¥239.8 billion**
 Cash flows from investing activities: **- ¥577.2 billion**
 Cash flows from financing activities: **- ¥20.3 billion**
 Cash and cash equivalents at end of the year: **¥454.3 billion**

Strategic Investments that Aim to Create ¥150 billion/year in Ordinary Income



Effective Strategic Investments

In addition to using its own funds, the TEPCO Group will engage in a maximum of ¥1 trillion in strategic investments over the next 10 years through various financing schemes. After potential investments undergo a multifaceted assessment by the Investment Management Committee, they will be prioritized based upon available cash flow that focuses on the four new fields of business. By repeating this process, we will construct a revenue base possible of generating ¥150 billion in ordinary income every year from 2030 onward as we aim to increase future returns to those that have invested in the TEPCO Group.

Strategic Investment Process



Five Investment Assessment Criteria



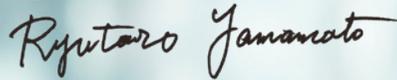
Examples of issues discussed by the Investment Management Committee

Establishment of e-Mobility Power →P42
Investment in Coc San Hydroelectric Power Station →P99

Manufactured Capital

Message from Disaster Prevention Officer

Ryutaro Yamamoto



Managing Executive Officer,
Deputy Chairman of Typhoon Faxai Response
Investigation Committee



Improving Power Resilience during Natural Disasters

Just before 5 AM on September 9, 2019, Typhoon Faxai, which had been approaching the Kanto Region since the day prior, made landfall near Chiba City, Chiba Prefecture with a central atmospheric pressure of 960hPa and a maximum wind speed of 40m/s making it one of the largest typhoons to ever hit the Kanto Region. As a result, two transmission towers and approximately 2,000 utility poles in the TEPCO Group's service area were toppled/broken leaving at most approximately 930,000 homes without electricity as of 8 AM on September 9. Maximum wind gusts from Typhoon Faxai measuring 58m/s in primarily the Chiba area caused substantial damage. After the power outages, the TEPCO Group worked in cooperation with national and local governments, as well as other companies and utilities, to restore power, but in the Chiba area this task took approximately two weeks. Additionally, during our initial response over the two to three days after the power outage, we announced our forecast for when power would be restored based upon achievements in the past, and the assumption that we would be able to get maximum support from all employees, contractors, and other electric companies even though at the time it was difficult to properly ascertain the extent of damage to our facilities. Unfortunately, we were forced to revise this forecast the next day thereby causing a great inconvenience on many customers.

In light of this experience, on October 2, 2019, we

established the Typhoon Faxai Response Investigation Committee (referred to as, "Investigation Committee"), which is comprised of two external experts that serve as advisors and headed by the President of TEPCO Holdings who serves as Chairman. The purpose of the committee is to enable a suitable response to natural disasters in the future by being better prepared and improving our ability to manage crises.

The Investigation Committee separated the sequence of events during our response to Typhoon Faxai into four categories: Advanced preparations (crisis management mechanisms), Initial response, Prolonged outages (restoring high-voltage power) and outages (restoring low-voltage power and drop lines). After examining what transpired during each of the four stages of our response the Investigation Committee identified problems and compiled plans for improving the TEPCO Group's preparedness for natural disasters into the Typhoon Faxai Response Investigation Committee Report.

Now that we have reflected on our response to this typhoon, the TEPCO Group will implement the countermeasures noted in the aforementioned report while coordinating with the national and local governments, and other utilities and other companies, as needed, as we continue to examine and formulate system-related countermeasures thereby improving the quality of our initiatives to supply power as an electricity operator.

Basic Data

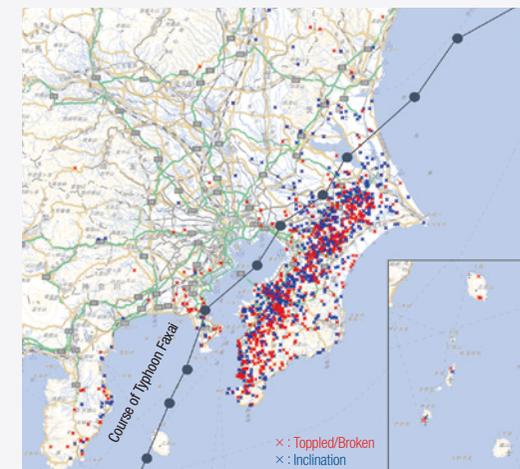
■ Typhoon Faxai Response Investigation Committee

Established so that the TEPCO Group can examine its own response to Typhoon Faxai, formulate countermeasures so that we are better prepared as a power operator to handle disasters, and further improve our ability to manage crises. Two experts in the field of crisis management and communication during disasters, Professor Tanaka from the University of Tokyo Graduate School, and Professor Iwata from Shizuoka University, serve as advisors to the committee to ensure transparency and objectivity. The Investigation Committee met a total of eight times and released its Typhoon Faxai Response Investigation Committee Report on January 16, 2020.

Typhoon Faxai Response Investigation Committee Report

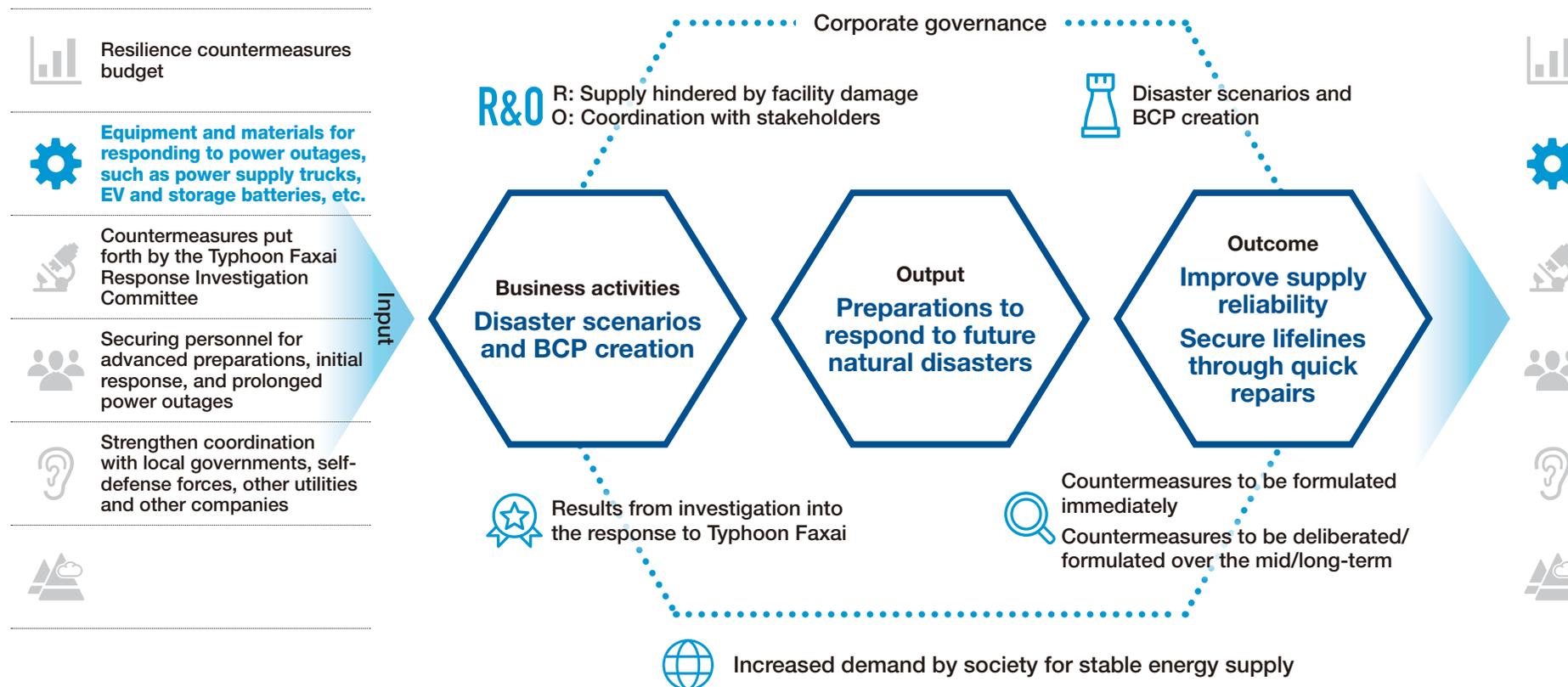
<https://www.tepco.co.jp/press/release/2020/pdf/200116j0101.pdf>

■ Damage caused by Typhoon Faxai in 2019



Created by TEPCO Power Grid, Inc. based on the light-colored base map data (Geographical Survey Institute)

Preparing for Natural Disasters in light of our Response to Typhoons in 2019



Major Issues and Countermeasures

Major Issues	Countermeasures
Strengthen coordination with local governments, self-defense forces and other utilities, etc.	Create a manual for coordinating with self-defense forces during disasters that details methods for following up with requests for assistance from the self-defense force made via the prefectural government and joint coordination.
Accurate repair forecasts and suitable announcements	Provide repair forecasts 24 to 48 hours after the typhoon has passed, even if they are only partial forecasts, and prepare methods for releasing information to the press in the event that forecasts are not possible, which should include the reason why the forecasts cannot be made, the status of repairs, and the schedule for future updates.

Fixed expenses for disposal of property plant and equipment and maintenance expenses needed to recover assets damaged by Typhoon Faxai in 2019 were declared as loss on disaster. Upon reflecting on our response to this typhoon, the TEPCO Group will invest in facilities and make improvements as we aim to further strengthen power resilience.

Intellectual Capital

Message from the Vice President of TEPCO Power Grid, Inc.

Hiroshi Okamoto



Chairman of Smart Resilience Network,
Member of the Board and Executive Vice President,
TEPCO Power Grid, Inc.



Utilizing Distributed Energy Resources (DER)

Distributed energy resources (DER) are relatively small energy sources, such as storage batteries, distributed on the customer side throughout various regions, and are the polar opposite of large-scale, centralized power stations run by electric companies.

Natural disasters caused by typhoons, etc. that have become increasingly fiercer over recent years due to the impact of climate change resulting from global warming, are a serious problem, and there is stronger demand for power and communications companies to engage in initiatives that strengthen resilience and make social infrastructure carbon neutral.

By leveraging IoT and 5G technology, we have been able to mutually connect distributed resources for which it has been traditionally difficult to ascertain data and use effectively. By linking social infrastructure to interspersed DER, it is expected that we can contribute to strengthening regional resilience through the ability to quickly ascertain the extent of damage during a disaster and quickly make repairs.

For these reasons, in August 2020 we established the Smart Resilience Network that serves as a

foundation for transcending the boundaries of companies and industries to work together for social co-creation by connecting data on various DER throughout society. The Smart Resilience Network is run by mostly experts in the field of energy, infrastructure, IT, and the environment, and infrastructure companies, but it is an open organization participated in by a wide variety of companies and organizations that seek to coordinate with external parties.

The network has three DER utilization strategies. Expand the use of DER, strengthen resilience, and expand business opportunities. Through these strategies the Network aims to contribute to solving social issues, such as carbon neutrality and strengthened resilience, and drive the expansion of business for participating companies.

TEPCO Power Grid, Inc. shall leverage its knowledge gained through the operation of our networks to create new social value by creating social value with DER, promoting the linkage of renewable energies, contributing to the spread and increased use of storage batteries and electric vehicles, and strengthening regional resilience.

Basic Data

Smart Resilience Network

With the help of experts in the fields of energy, infrastructure, IT, and the environment, the Network shall provide a foundation for cooperation and social co-creation that transcends the boundaries of industry, politics, and academics through the coordinated use of distributed resources, such as energy, data, and human resources, etc., in order to solve social problems pertaining to achieving carbon neutrality and improving resilience. Kansai Transmission and Distribution, Inc. participated in the establishment of this network and jointly manages it with TEPCO Power Grid, Inc.

<https://s-reji.com/>

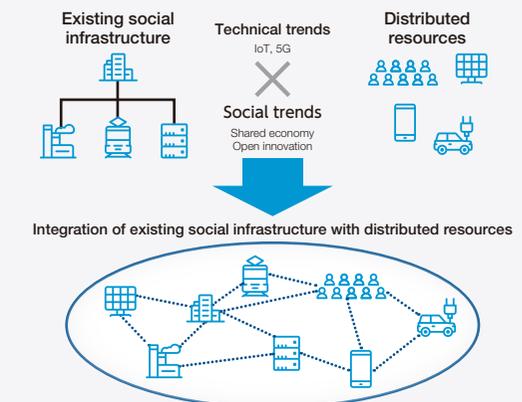
Number of members: 90
(as of the end of May 2021)



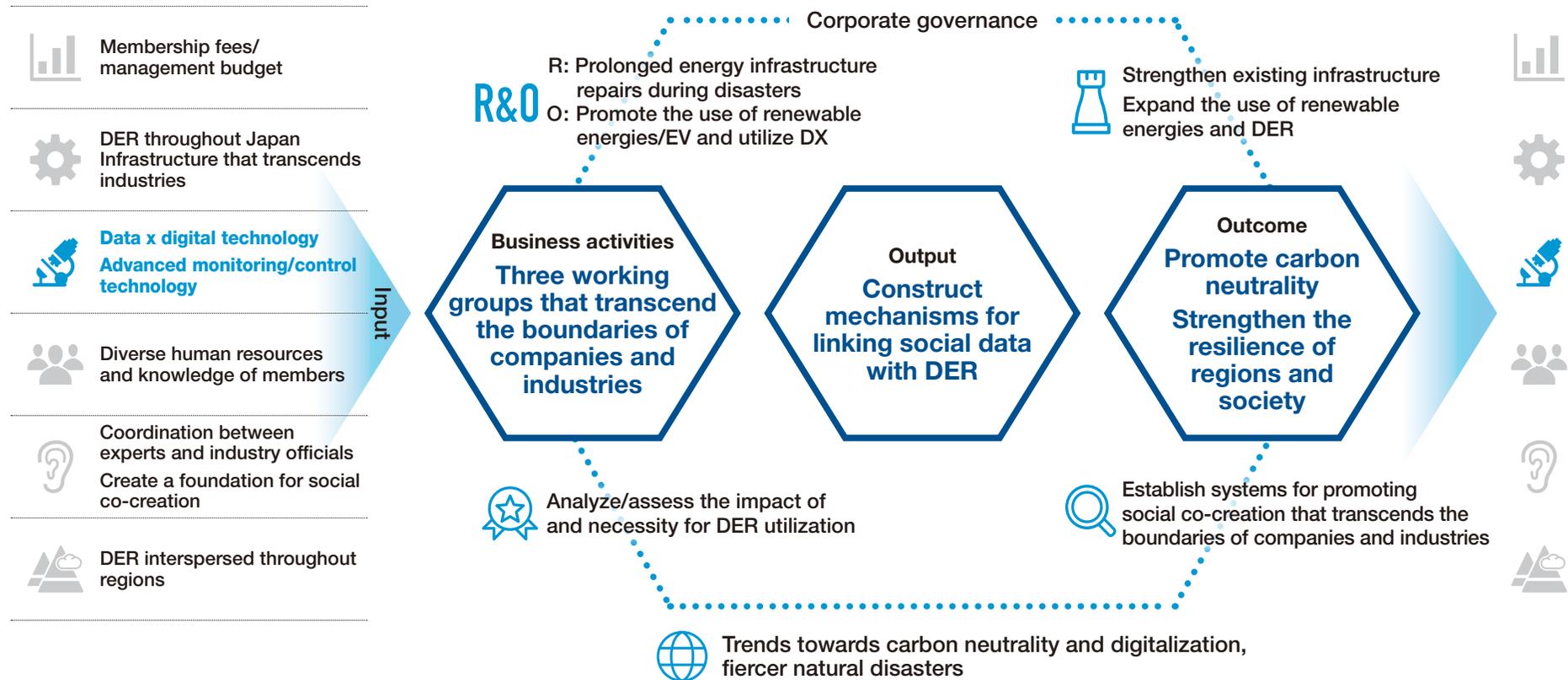
Integrating Existing Infrastructure with Distributed Resources

The technical and social infrastructure on which to use distributed resources is being improved, and the potential for DER to contribute to carbon neutrality and stronger resilience by using them as assets for all of society, is increasing.

We need to link distributed resources, such as energy, data, and human resources, and integrate them with existing social infrastructure to co-create a smart and resilient society.



The Smart Resilience Network will Leverage DER to Achieve Carbon Neutrality and Strengthen Regional Resilience



The three Working Groups (WG) of the Smart Resilience Network

1. WG on increasing the utility value of DER

- Promote the linkage of DER needed to create social value, such as carbon neutrality and strengthened regional resilience, and increase opportunities to use DER.
- Increase the tendency to expand DER business by looking at DER value, and compiling methods for assessing such value, as well as examples of how DER can be used.

2.WG on using DER to strengthen resilience

- Coordinate with leading resilience research institutions and local governments to create an environment in which to use DER needed to strengthen regional resilience.
- Support to create a mechanism for using energy resilience assessment indicators to promote regional initiatives.

3.WG on using DER to create business opportunities

- Expand and develop DER businesses, such as storage batteries, etc., by discussing control design, incentive creation, and the provision of new platform value, which will lead to the expansion of the scale of the DER market.
- Increase the tendency to create and expand markets by creating an environment in which it is easy to install storage batteries, etc., and creating new businesses for leveraging DER.

Human Capital

Message from Employee Relations & Human Resources Officer



Improving the Well-Being and Productivity of Employees in a Post-Covid-19 World

In light of the Covid-19 global pandemic, we need to reform the way we work and go about our daily lives in order to coexist with the pathogen and get on with life while continuing our business activities.

The most important mission of the TEPCO Group is to provide a stable source of energy. Even though the declaration of a state of emergency has resulted in “new normals” for our daily routines, our social mission remains unchanged. The determination to never let the supply of energy, which is needed for our daily lives and business activities, and the life of each and every one of us, is embedded in the DNA of each and every TEPCO Group employee.

The TEPCO Group’s human capital of approximately 40,000 people is the driving force that will enable us to complete our social mission and continually grow in the future. In order to secure and utilize this human capital, we must first and foremost promote health management that enables employees to maintain healthy bodies and minds. And, we must also create an environment that improves productivity and enables employees, and the company, to grow through work style

reforms that allow each and every individual to have a sense of purpose.

In 2017, the TEPCO Group established the Committee for Thinking about Work Styles, and since then we have promoted work style reforms based on interdivisional deliberations. In August 2020, the Committee discussed the, “work styles of employees in a future society that coexists with Covid-19,” and decided to promote TEPCO Work Innovation (TWI), an initiative for reforming the work styles of employees in order to simultaneously improve well-being and productivity while also enabling business continuity and managing risks. This initiative is an integrated effort to largely reform internal systems for achieving flexible work methods, such as increasing the number of employees that can work remotely, as well as implementing work reforms for suitably managing work hours and utilizing KAIZEN/DX to simplify and streamline work processes.

Based on health management and the policies of TWI, we are training highly productive human resources by ensuring that each and every employee has a healthy body and mind, and creating a work environment that provides a sense of purpose.

Basic Data

■ Committee for Thinking about Work Styles

Chairman: President Kobayakawa
Deputy Chairman: Vice President Saiki
Members: Vice President Fubasami, Vice President Moriya, Managing Executive Officer Seki, Managing Executive Officer Yamamoto, Managing Executive Officer Yamaguchi
Observers: Auditing Member Morishita

■ Work Style Reforms Achievements

Average number of people/percentage of workers that worked from home during FY2020

Number of people that work from home (daily average): 4620
Average daily percentage of people working from home: 17.6%

* Number of people/percentage of workers that worked from home at least one time during the year: 23,234, 83.1%

Percentage of employees that have company-provided smart phones: 100%

Workers allowed to work remotely: All employees

Office diversification: home/satellite offices

Commuter expenses: Actual costs calculated (Put into practice first by Headquarters)

Per-diem: ¥300/day for assistance with working remotely (when working from home)

Number of simultaneous access lines for remote working: 11,000 circuits

■ Health Management Targets (FY2021)

Lifestyle disease countermeasures: Health management category “thorough treatment required”

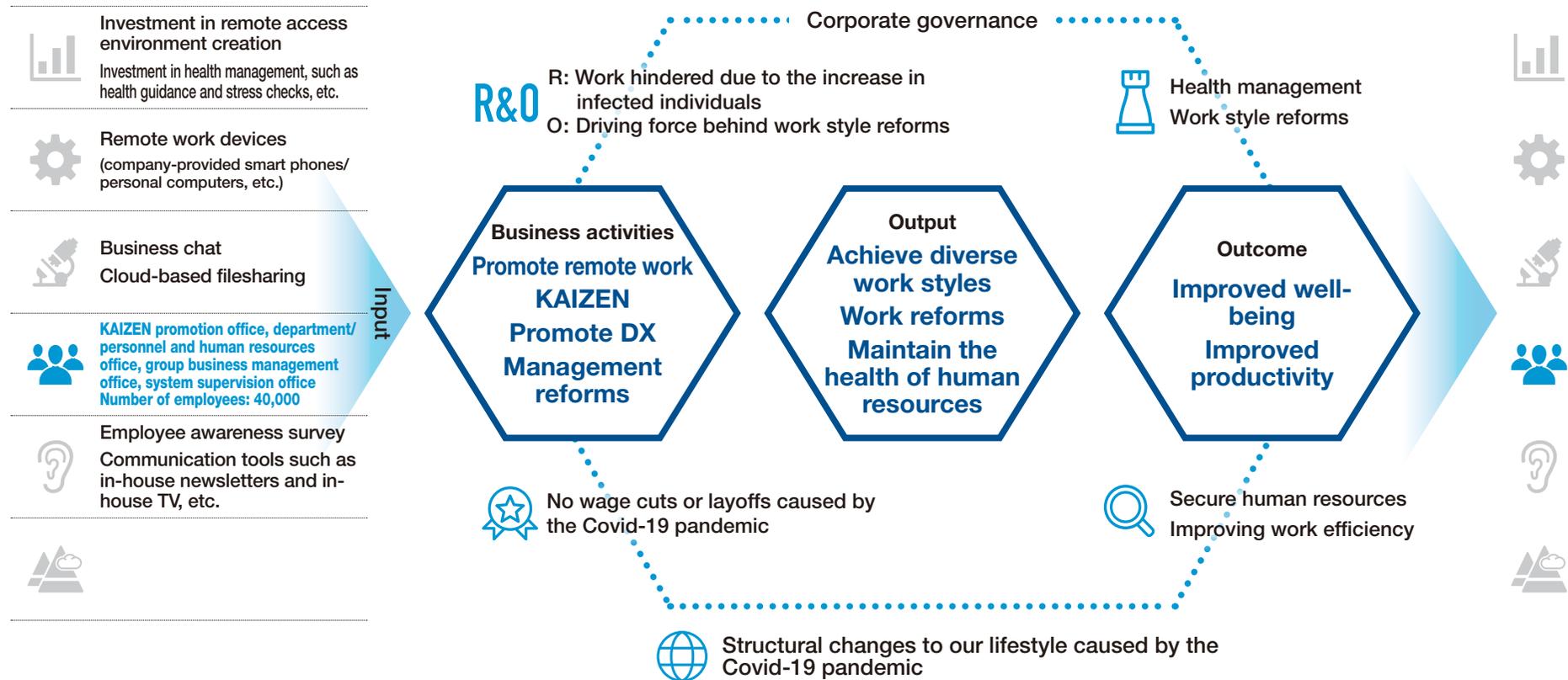
Percentage of employees that fit this category: Less than 31%

Mental-health countermeasures: Reduce the percentage of employees under high stress

Assistance for employees trying to quit smoking: Percentage of employees that smoke: Less than 25%

* Initiatives implemented by TEPCO Holdings, TEPCO Fuel and Power, TEPCO Power Grid, TEPCO Energy Partner and TEPCO Renewable Power

Promoting TWI



TEPCO Work Innovation (TWI)

Target: “Anytime, Anywhere, with Anyone” ~We aim for a work style free of time, place, and company restrictions~

Objective: Simultaneously manage crises while improving well-being (motivation/WLB) and productivity/value creation.

Approach going forward: Promote reforms (work reforms/promote remote working/improve infrastructure environment/strength and management)

The entire TEPCO Group is trying to create new work styles that promote autonomy and collaboration between employees within an environment that enables “to work anywhere at any time with anyone.” Through the TWI initiative, we shall recognize each other’s differences amidst this diversified society and help the idea of diversity, which continues to provide society with new value, to permeate throughout the company.

Social and Relationship Capital

Message from Plant Siting & Regional Relations Officer

Masaya Kitta

Masaya Kitta

Managing Executive Officer,
Niigata Headquarters Representative



Regaining the Trust of the People in the Region

For over 90 years, Niigata Prefecture has been a vital region for us not only because it is the site of a nuclear power station, but because it is also home to our hydroelectric power stations. Furthermore, from the point of view of disaster prevention it would also serve as a very important source of power during disasters that affected the Pacific coast of Japan, such as an earthquake directly below Tokyo.

Of all the power sources located in Niigata Prefecture, the Kashiwazaki-Kariwa Nuclear Power Station is particularly important for not only supplying a low cost and stable supply of power and helping us to achieve a carbon neutral society, but also for fulfilling our responsibilities to Fukushima, which is TEPCO's most important mission.

In 1969, TEPCO was invited to build the Kashiwazaki-Kariwa Nuclear Power Station in accordance with a resolution passed by the Kashiwazaki City Council and Kariwa Village Council. Although there have been various opinions voiced since that time in regards to nuclear power stations, TEPCO has engaged in the business of power generation with the enormous support and

understanding of the people of the region.

However, since January 2021 the trust of the regional community and society as a whole in the Kashiwazaki-Kariwa Nuclear Power Station has been lost as a result of various incidents, such as the unauthorized use of an ID card, the partial loss of function to nuclear material protection equipment, and the discovery that some safety measure renovations have yet to be completed, and these incidents have caused great concern.

Stable operation of a nuclear power station is only possible with the trust of the local community, and at the same time nuclear power stations are closely linked to the lives and economy of the region and its people. Therefore, TEPCO must be a company that has deep roots in the community and walks side-by-side with it.

We believe that it is important to ascertain the root causes of these incidents and implement drastic countermeasures while also listening carefully to the opinions of regional residents and reflecting those opinions in our initiatives. We will continue to engage in dialogue with the region and use all our resources to regain trust.

Basic Data

Our Relationship with Niigata Prefecture

TEPCO has many power stations throughout Niigata Prefecture. 99 years ago, we commenced operation of our first hydroelectric power station on the Shinanogawa River system, and 36 years ago Kashiwazaki-Kariwa Nuclear Power Station Unit 1 was brought online. For many years Niigata Prefecture has supported activities in the metropolitan region, which has Tokyo at its center.



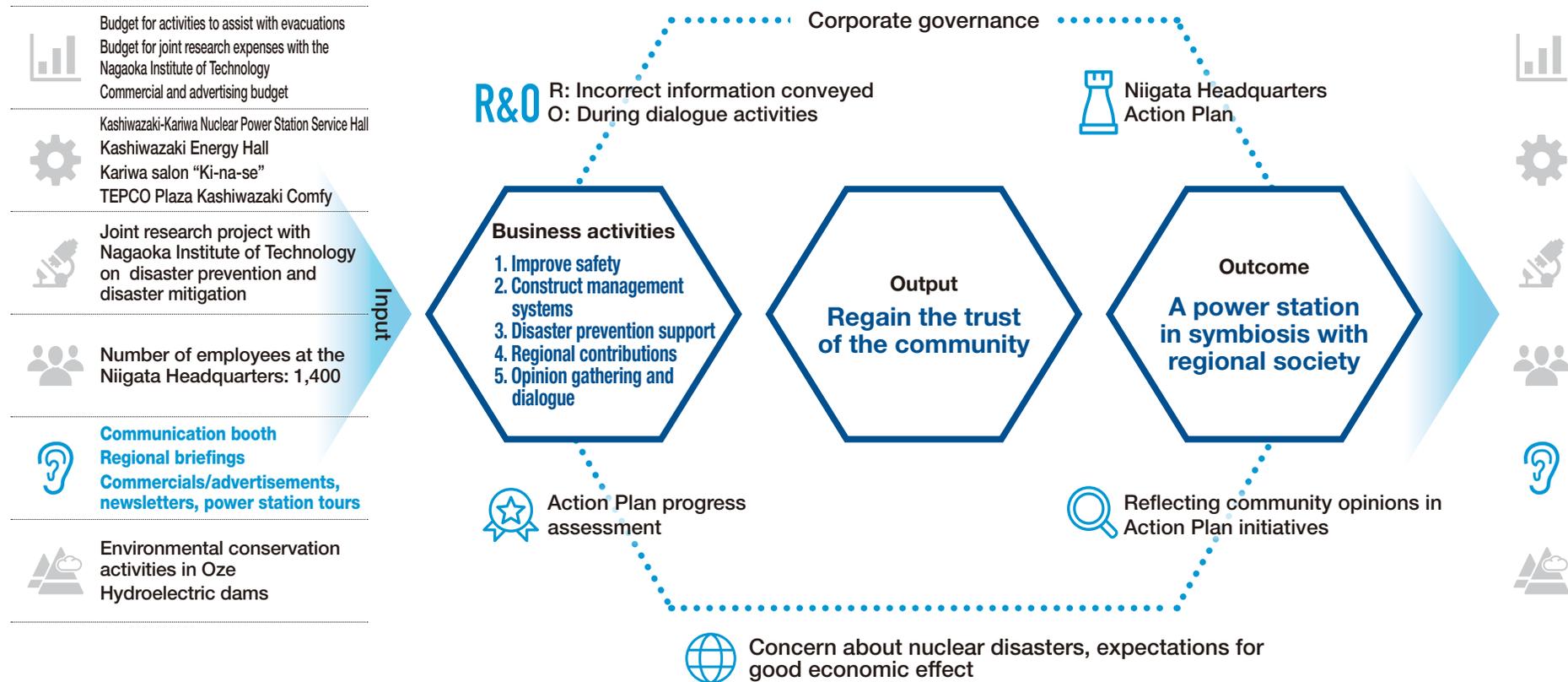
Overview of the Niigata Headquarters



Overview of the Niigata Headquarters Action Plan

Improving safety	Continually strive for higher levels of safety
Management system construction	Construct a management system that prioritizes safety and engage in business accordingly
Disaster prevention support	Develop initiatives for supporting evacuations in order to protect the health of regional residents and keep them safe, and strengthen preparations for nuclear disasters
Regional contribution	Address the region and promoting initiatives that contributes to revitalizing it
Listening to opinions and engaging in dialogue	Increase opportunities to engage in dialogue with the community and listen to their opinions

Communication Activities that Result in Regional Symbiosis and Co-Creation



Opportunities to Interact with the People of the Region



■ Communication Booths

Communication booths allow us to listen to the questions and opinions of people in Niigata Prefecture while also presenting an opportunity to explain safety measure initiatives at the Kashiwazaki-Kariwa Nuclear Power Station in an easy-to-understand manner. Number of visitors during FY2019: More than 7,000



■ Visits to All Households

Employees from Niigata Headquarters visit the homes of people in Kashiwazaki City and Kariwa Village in order to listen to their opinions and requests. During FY2019 all personnel from the Kashiwazaki-Kariwa Nuclear Power Station participated in these visits. Number of household visits during FY2019: Over 20,000 (excluding homes in which no one was home at the time of the visit)

Natural Capital

Message from the Director of Overseas Projects



Riki Kojima

Director of Overseas Projects,
Executive Vice President,
TEPCO Renewable Power, Inc.

Full-scale Engagement in Overseas Hydroelectric Projects

As the global shift towards carbon neutrality has accelerated over recent years, the importance of renewable energies such as hydroelectric power has heightened. One of these renewable energies, large-scale hydroelectric power, has been developed as much as it can be in Japan, but there is still the potential for development in countries overseas, and in developing nations in particular, where the development of cost competitive renewable energy-based power sources is possible.

TEPCO Renewable Power, Inc. has managed Japan's largest hydroelectric power facilities for many years, and has accumulated advanced technical skill and know-how in regards to the design/construction and operation & management of hydroelectric power stations. By leveraging these strengths and the opportunity that the global shift towards carbon neutrality presents, we plan to newly develop a total of 2~3 GW of hydroelectric power overseas by FY2030 in mainly regions where the demand for power is predicted to increase.

Some examples of development projects we have invested and participated in are the existing hydroelectric power stations in Vietnam and Georgia. At the Coc San hydroelectric power station in Vietnam, the first product we invested in, TEPCO RP employees regularly communicated with local staff

to build trust after which we worked together to solve facility-related issues and more effectively utilize water resources. Thanks to these initiatives the value of the power station is starting to increase.

However, in order to further promote our overseas hydroelectric business, we need to improve our ability to procure the capital for development projects and grow our presence in the world market. In order to accomplish this, I shall leverage my experience with overseas projects that I acquired at the World Bank, GE, and Mitsubishi Corporation to build partnerships with domestic and overseas companies, and combine flexible means of procuring capital, such as green bonds, while promoting business development and searching for promising projects in countries and regions with a high potential for development.

By participating in large-scale projects in the future, we shall increase recognition of TEPCO RP throughout the world as a company that can provide advanced hydroelectric power technology and the utmost quality thereby contributing to an improvement in corporate value and the increased use of renewable energies as primary power sources.

Basic Data

■ Coc San Hydroelectric Power Station

20-year power sales agreement signed with Northern Power Corporation, which is a distribution subsidiary of Vietnam Electricity Corporation (EVN). This was TEPCO RP's first overseas hydroelectric project.

Total output: 29.7 MW

Investment ratio: 33.38% (Investment made in November 2018)

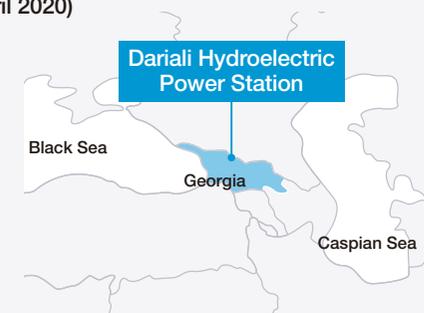


■ Dariali Hydroelectric Power Station

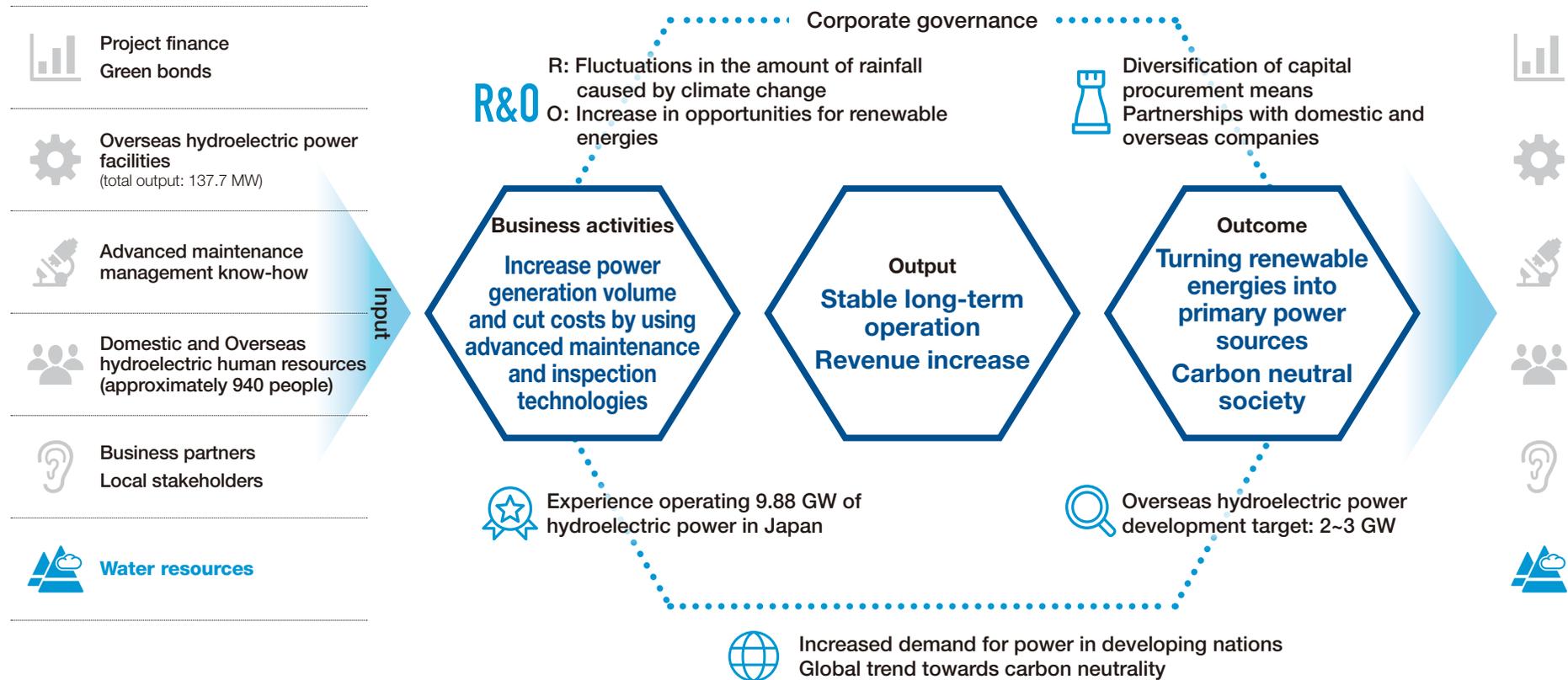
15-year power sales agreement signed with Electricity System Commercial Operator (ESCO), the electricity Market Operator of Georgia.

Total output: 108 MW

Investment ratio: 31.4% (Investment made in April 2020)



Turning Renewable Energies into Primary Power Sources Through Full-scale Overseas Hydroelectric Projects



Effectively Leveraging Water Resources

TEPCO aims to leverage our advanced maintenance management know-how cultivated in Japan and coordinate with partners to effectively utilize water resources. At the Coc San hydroelectric power station in Vietnam, which is TEPCO's first overseas hydroelectric project, TEPCO employees have built a strong relationship of trust that transcends nationality and culture by repeatedly engaging in discussions with local personnel as we aim to work together to increase value, improve methods for operating regulating reservoirs, optimize equipment replacement periods, and improve the skills of local staff members.



Coordinating with local staff members

Value Reporting Foundation

In June 2021, the IIRC and SASB merged into the Value Reporting Foundation (VRF) thereby taking its first step towards comprehensive company reporting.

By continuing to incorporate effective information disclosure frameworks, such as the IIRC framework and SASB standards, into our Integrated Report, the TEPCO Group will bear fruit from engagement with financial stakeholders.

The Relationship between IIRC capitals and SASB Metrics in the Utility Sector as Viewed by the TEPCO Group



Examples of SASB Metrics

Greenhouse Gas Emissions & Energy Resource Planning

Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets

Energy Affordability

Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory

Grid Resiliency

Customer Average Interruption Duration Index (CAIDI), inclusive of major event days

SASB Metrics \ IIRC capitals	Financial	Manufactured	Intellectual	Human	Social & Relationship	Natural
Greenhouse Gas Emissions & Energy Resource Planning		●			●	●
Air Quality						●
Water Management						●
Coal Ash Management					●	●
Energy Affordability	●				●	
Workforce Health & Safety				●		
End-Use Efficiency & Demand	●	●	●			
Nuclear Safety & Emergency Management		●	●		●	
Grid Resiliency		●	●		●	

TEPCO Group Presentation during the VRF Webinar

The TEPCO Group's efforts to disclose information based upon the IIRC and SASB have been commended by both organizations and during a webinar held in April 2021 prior to the VRF merger, the TEPCO Group gave a presentation on behalf of all companies that use the IIRC framework and SASB standards.

Information Conveyed in the Presentation

- The TEPCO Group believes that corporate action based on integrated thinking helps us to achieve our management philosophy. Therefore, we will leverage tangible and intangible management resources to the best of our ability to improve corporate value and create social value over the long-term.
- In our Integrated Report, the management resources owned by the TEPCO Group have been broken down into the six capitals put forth in the International Integrated Reporting Council Framework. Each type of capital has been linked to key mid-term management issues presented as concrete examples of our value creation process.
- The TEPCO Group has adopted SASB standards for the following reasons:
 1. Increased interest by investors
 2. The TEPCO Group agrees with the idea that industry-based materiality as defined by the SASB improves comparability
 3. To disclose information in accordance with SASB standards, which is a global framework with detailed rules, will ensure consistency and transparency in the ESG information disclosed by the TEPCO Group.
- We believe that the IIRC framework and SASB standards are already excellent integrated reporting tools, but we believe that the keys to spreading the use of these excellent tools are user-friendliness for not only companies but also investors, and having them expressed in a common language that eliminates gaps in understanding caused by differing languages and cultures.

The screenshot shows a webinar interface with a speaker video in the top left, and two buttons labeled 'SASB' and 'IIRC' in the top right. The main content is a slide titled 'Hopes for the merger' with the following elements:

- IIRC** (left side, blue oval): Value Creation, Principle-based.
- SASB** (right side, red oval): Consistency & transparency, Comparability, Rule-based.
- Overlap** (center, purple oval): Consistency & transparency, Accountability.
- < Merger >** (center, purple arrow pointing down).
- User-friendly** (left, purple arrow pointing right): > Complement each other.
- Common language** (right, purple arrow pointing left): > Cross-cultural understanding.
- The Value Reporting Foundation** (bottom center).
- TEPCO** (bottom right).
- © Tokyo Electric Power Company Holdings, Inc. All Rights Reserved (bottom left).

At the bottom of the slide, there are five circular icons: a menu icon, a microphone icon, a chat icon, a red phone icon, and a video camera icon.

SASB

The TEPCO Group systematically disclosed information in line with *Electric Utilities & Power Generators*, an industry standard put forth by the SASB, in the *TEPCO Integrated Report 2019*, as the first Japanese electric power company to do so. Stakeholders all over the world were highly interested in the SASB Standard, and many questions were asked during subsequent engagements. This section provides answers to key questions, as well as the latest performance metrics for the SASB standards.

FAQs from Stakeholders

Why the SASB Standards?

The primary reason is to respond to the growing interest of global financial stakeholders in the SASB Standards. We also highly evaluate the fact that the standards themselves have been organized in accordance with the characteristics of each of the 77 industries, and that each disclosure item has been developed through a detailed materiality extraction process.

The fact that the metrics to be dealt with have been narrowed down to the minimum necessary has also led to a reduction in the practical burden.

What effects do you expect?

We expect that appropriate corporate evaluations will be made by evaluating companies in the same industry based on materiality items according to business characteristics.

We also expect that both companies that disclose information and institutional investors that reference and analyze information will handle only material information, thereby achieving efficient and effective engagement.

How do you use GRI standards differently?

We have referred to GRI standards for a long time and have worked to enhance non-financial information disclosure. In order to ensure the completeness of information, we will continue our efforts to disclose information on our website and other media based on this standard.

Did you have any difficulties dealing with the SASB standards?

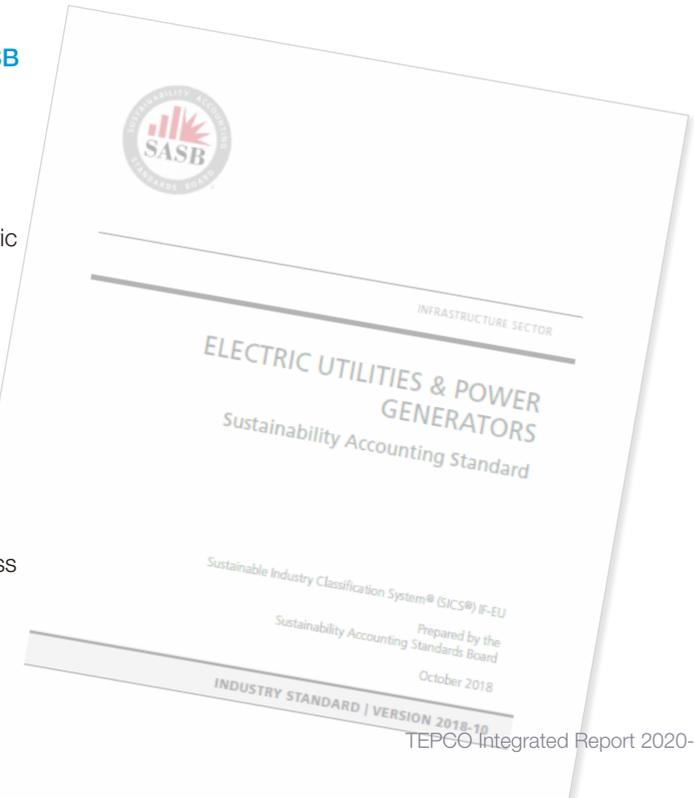
Since the SASB standards were created primarily for companies and markets in the United States there are disclosure topics that do not apply to Japanese domestic business activities or situations as an electric company in the accounting metrics. With respect to this metric not only is it stated that *N/A* but also the reason for not being applicable is explained.

Is there anything you want from SASB?

It is hoped that the new standards will be applied not only to companies in the United States but also to global companies. Since TEPCO also participated in the *Standard Advisory Group* we would like to express our opinions regarding Japanese situations when the guidelines are revised.

What are the future improvements in information disclosure?

In 2019, the disclosure of information in line with SASB standards was limited to the tabular of single-year results. From 2020 onward, however, we have realized the disclosure of multi-year results and the use of our value chain to show results for each metric.



Activity Metrics with TEPCO

* Based on consolidated data published by each company

Number of Customers Served
IF-EU-000.A

Residential
15,760,000

Commercial & Industrial
190,000

Others
7,210,000

Total Electricity Delivered
IF-EU-000.B

Residential
69.9 TWh

Commercial & Industrial
129.2 TWh

Others
5.4 TWh

Network Length
IF-EU-000.C

Transmission (Circuit Length)
Overhead
28,585 km

Underground
12,474 km

Distribution (Line Length)
Overhead
343,257 km

Underground
39,033 km

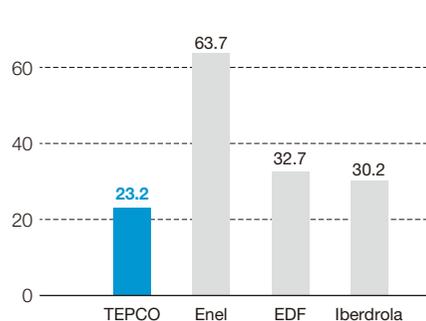
Total Electricity Generated
IF-EU-000.D

FY2018
191.3 TWh

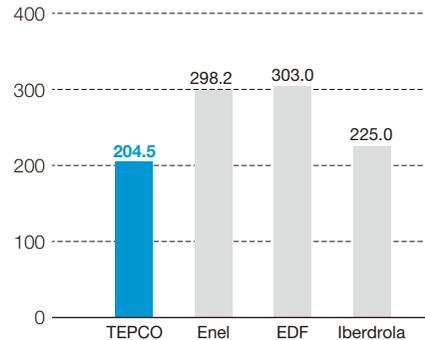
FY2020
12.5 TWh

* Since the fuel and thermal power business was transferred to JERA in April 2019, it has been decreased significantly.

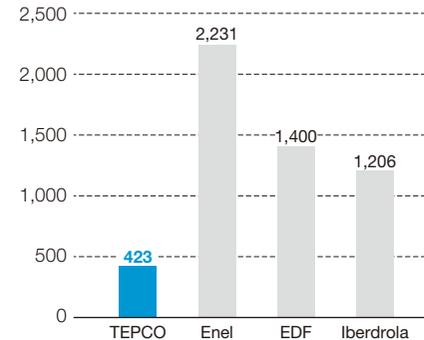
Number of Customers Served
(million)



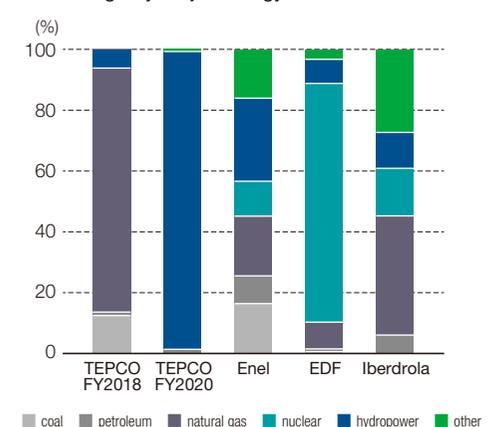
Total Electricity Delivered
(TWh)



Network Length
(thousand km)



Percentage by Major Energy Source



Accounting Metrics with TEPCO's Value Chain

(Fuel Procurement & Thermal Power Generation)

Power Generation

Jera

TEPCO

TEPCO Renewable Power

TEPCO

Tokyo Electric Power Company Holdings



Development



Procurement



Transportation



Natural Gas



Coal



Oil



Biomass



Hydro



Solar



Wind



Nuclear

IF-EU-540a.1
Number of Nuclear
Power Units: 17

Metrics for Power Generation

	Greenhouse Gas Emissions IF-EU-110a.1	Air Emissions IF-EU-120a.1					Water Management IF-EU-140a.1		Incidents of Non-Compliance Associated with Water IF-EU-140a.2	Coal Ash Management IF-EU-150a.1	
	Scope-1 [t-CO ₂]	NOx [t]	SOx [t]	PM10 [t]	Pb [t]	Hg ^{*2} [t]	Total Water Withdrawn [1,000m ³]	Total Water Consumed [1,000m ³]	Number	Amount [t]	Recycle [%]
2018	81,616,000	18,000	6,000	N/A	N/A	N/A	52,935,328	9,939	0	741,000	99.9
2019*1	200,000	2,000	>1,000	N/A	N/A	0	50,038,113	3	0	0	—
2020	203,000	2,000	>1,000	N/A	N/A	0	51,300,456	2	0	0	—

*1. Data on our thermal power generation business after FY2019 has been removed from the TEPCO Group information due to the complete integration into JERA in April 2019.

*2. Since FY2019 there are no facilities that expel mercury as defined in the Clean Air Act.

Transmission & Distribution



TEPCO Power Grid



Retail Sales



TEPCO Energy Partner



Metrics for Transmission & Distribution

	Smart Grid Technology IF-EU-420a.2	Power Outage IF-EU-550a.2*4		
	Rate of Smart Meters Installed [%]*3	SAIDI [min]	SAIFI [times]	CAIDI [min/times]
2018	74	19	0.13	146.15
2019	87	200	0.33	606.06
2020	100	7	0.11	63.64

*3. All households excluding homes where smart meters could not be installed

*4. The increase in 2019 was caused by Typhoon Faxai

Metrics for Retail Sales

	Greenhouse Gas Emissions Associated with Power Deliveries IF-EU-110a.2	Average Retail Electric Rate IF-EU-240a.1		Typical Monthly Electric Bill for Residential Customers IF-EU-240a.2		Residential Customer Electric Disconnections for Non-Payment IF-EU-240a.3*6
	Emissions [t-CO ₂]	Residential [JPY/kWh]	Commercial & Industrial [JPY/kWh]	500kWh [JPY]	1,000kWh [JPY]	Number
2018	108,170,000	27.14	21.24	13,044	40,549	50,435
2019	102,180,000	27.05	20.57	13,126	41,137	75,143
2020	90,270,000*5	25.13	18.63	12,614	39,133	7,518*7

*5. Data for FY2020 is a quick estimate

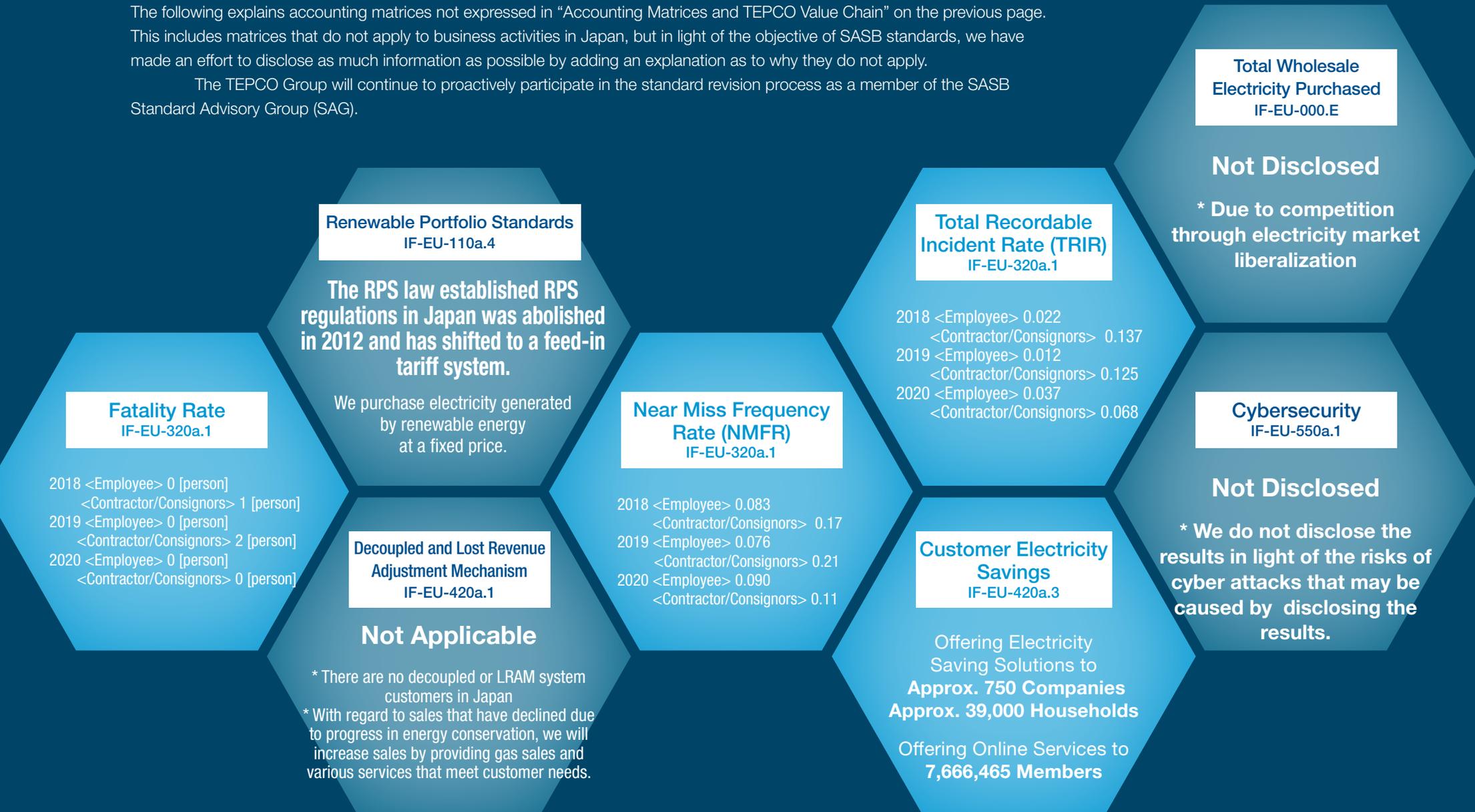
*6. "Supply termination" refers to the cancelling of supply/demand contracts

*7. Special measures have been implemented due to the Covid-19 pandemic such as allowing extensions for people who are finding it difficult to pay their electricity bills.

Accounting Metrics

The following explains accounting matrices not expressed in “Accounting Matrices and TEPCO Value Chain” on the previous page. This includes matrices that do not apply to business activities in Japan, but in light of the objective of SASB standards, we have made an effort to disclose as much information as possible by adding an explanation as to why they do not apply.

The TEPCO Group will continue to proactively participate in the standard revision process as a member of the SASB Standard Advisory Group (SAG).



Discussion & Analysis

Accounting Metric	Code	Response
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IF-EU-110a.3	Since the TEPCO Group transferred its fuel and thermal power business to JERA in April 2019, our Scope 1 emissions are now extremely low at 203,000 tons. However, greenhouse gas emissions during the retail sale of power, which account for the majority of Scope 3 emissions, must be estimated and reported in accordance with the Law Concerning the Promotion of the Measures to Cope with Global Warming. Therefore, the TEPCO Group has set a target of reducing CO ₂ emissions originating from the sale of power by 50% (of FY2013 levels) by the year FY2030. CO ₂ emissions in FY2013 were 139.2 million tons. By promoting the use of renewable energies and procured electricity from highly efficient thermal power stations, in FY2020 we were able to reduce this amount to 83.6 million tons (quick estimate), which corresponds to approximately 80% of our target. We will continue to further promote the use of renewable energies and recommence operation of nuclear power stations in order to achieve our target.
Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-EU-140a.3	The TEPCO Group operates more than 200 hydroelectric power stations in Japan that account for approximately 98% of all the power generated by TEPCO. Water resources must be used for these hydroelectric power stations, which are a clean source of energy that produce no CO ₂ emissions, so we engage in the following risk management. We make sure that enough water is released from hydroelectric power station dams and weirs to maintain river environments downstream, and when taking water from the rivers for power generation we comply with permits issued in accordance with law to make sure we only take the amount that is allowed. When river levels are expected to increase as a result of torrential rains, we release water through the dams in advance in accordance with flood control agreements signed with the government thereby playing an important regional disaster prevention role in mitigating damage from torrential rains. In order to identify water risks we used the WRI Aqueduct Water Risk Atlas tools to identify the following water stresses on the siting communities of TEPCO Group facilities. According to the Baseline Water Stress tool, the maximum water stress in the TEPCO Group's business area is "Medium-high," there are no facilities, such as hydroelectric power stations, etc., sited in water stressed regions, and the potential for water-related risks, such as droughts, etc., is low. The Future Water Stress tool suggests that water stress may increase in the future. We will refer to these results to perform risk assessments on specific rivers and river basins, and the usage status of water at the siting locations of power stations, etc. as we continue to strive to manage risks. Going forward we shall examine long-term strategies to address the impact of physical risks, such as floods, etc., caused by climate change on the facilities of the TEPCO Group.
Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	IF-EU-240a.4	According to Electricity Business Act, "A General Electricity Utility shall not refuse to supply electricity to meet general demand in its service area (excluding, however, demand at the Point of Business Commencement and Specified-Scale Demand) without justifiable grounds." Thus, we do not recognize there are any areas without electricity in all the service areas of the TEPCO group. We also recognize that external factors which impact electricity rates are fluctuations in the price of thermal power fuels and levies from the Feed-in-tariff law for renewable energies.(price based regulations: requires electricity companies to purchase renewable energy at a certain price)
Description of efforts to manage nuclear safety and emergency preparedness	IF-EU-540a.2	TEPCO has been moving ahead with nuclear safety reforms in accordance with the <i>Reassessment of the Fukushima Nuclear Accident and Nuclear Safety Reform Plan</i> formulated on March 29, 2013. Reform progress is checked and reported on quarterly. (cf. https://www7.tepcoco.jp/about/corporate/reform/nuclear-e.html)

ESG Committee

Accurately Assessing Changes in the External Environment to Operate ESG Management with Agility

The ESG Committee established in January 2019 has met six times to date. This committee discusses the direction of the TEPCO Group ESG management and promotes ESG initiatives throughout all sectors of the company.

In FY2019, we formulated a business strategy based on Defensive ESG, which aims to improve corporate value by improving management assessments, and Offensive ESG, which aims to balance the development of our business with the solving of social issues, and reflected this strategy in our FY2020 business plan after reporting on it to the Board of Directors. Since the very first meeting, the Committee has also repeatedly discussed energy supply and carbon neutrality in order to address climate change, which is one of the key management issues of the TEPCO Group. Our recently announced CO₂ emission reduction targets for 2050 are the result of the discussions by this Committee.

As ESG trends accelerate both within and outside of Japan, the ESG Committee serves the important functions of accurately assessing changes in our external environment and reflecting them in management policies, and leveraging engagement with stakeholders to improve management. Going forward, the Committee will continue to work quickly to further the ESG management throughout the entire Group.



Yasuhiko Katsube

Yasuhiko Katsube

General Manager, ESG Office,
Corporate Management & Planning Unit

5th ESG Committee Meeting (March 9, 2021)

Agenda

1. ESG relationship correlation diagram and recent ESG topics
2. Status of environment management
3. (Offensive ESG) Standard framework for ESG businesses
4. (Defensive ESG) ESG issues based on financial stakeholder engagement and issues to address going forward
5. 2050 CO₂ emission reduction targets (long-term target)

<Primary Discussions>

(Agenda Item #4)

- Create human rights policies and strengthen human rights due diligence in order to engage in initiatives to respect human rights and disclose related information in accordance with international norms.
- Current condition surveys/analyses should be conducted to determine where current company initiatives to respect human rights are lacking compared with international norms, and identify problem areas.
- Coordinate with related departments to ensure that increasing our ESG rating does not become the objective of these initiatives, and make the company better as a whole.

(Agenda Item #5)

- Now that TEPCO has set a 2050 CO₂ emissions reduction target, we should break it down and continually revise it upon identifying KPI or something from past initiatives, etc.
- As we aim for 2050 it is important that we carefully discuss how to change our business model, and draw a picture of what it should entail and the detailed steps that the company should take to face these challenges.
- There should be parties responsible for each area, and revisions should be made within the Integrated Report as progress continues each year.

6th ESG Committee Meeting (August 3, 2021)

Agenda

1. ESG relationship correlation diagram and recent ESG topics
2. (Defensive ESG) ESG issue progress report for financial stakeholders
3. (Offensive ESG) Status of addressing the emergence of ESG-related businesses
4. 6th Carbon Neutral Challenge Task Force “Carbon Neutral Strategy Details”

<Primary Discussions>

(Agenda Item #2)

- Accurately reflect the opinions gained through engagement with institutional investors in the Integrated Report.
- Disclose the skill matrices for all Board members

(Agenda Item #3)

- TEPCO Holdings needs to fulfill its role of coordinating core companies and Group companies while identifying the needs of customers and society in regards to emerging ESG-related businesses.
- Related departments need to be coordinated with to create solutions for providing non-energy-related products, such as disaster prevention and BCP while remaining aware of the businesses in which we wish to engage.

(Agenda Item #4)

- When examining carbon neutral 2030 and 2050 scenarios, we should discuss the strategies and conditions that dictate the results of these scenarios. We should formulate detailed technological development and market forecasts to the extent possible.
- We should confirm the TEPCO Group's strengths, weaknesses, and progress in regards to each strategy and technology.



Financial Highlights

12-Year Financial Summary

	(Millions of yen)											(Millions of US dollars)	
FYs ended March 31:	2021/3	2020/3	2019/3	2018/3	2017/3	2016/3	2015/3	2014/3	2013/3	2012/3	2011/3	2010/3	2021/3
Operating revenues	¥ 5,866,824	6,241,422	6,338,490	5,850,939	5,357,734	6,069,928	6,802,464	6,631,422	5,976,239	5,349,445	5,368,536	5,016,257	\$ 52,993
Operating income (loss)	143,460	211,841	312,257	288,470	258,680	372,231	316,534	191,379	(221,988)	(272,513)	399,624	284,443	1,296
Income (loss) before income taxes and non-controlling interests	190,393	69,259	258,625	327,817	146,471	186,607	479,022	462,555	(653,022)	(753,761)	(766,134)	223,482	1,720
Net income (loss) attributable to owners of the parent	180,896	50,703	232,414	318,077	132,810	140,783	451,552	438,647	(685,292)	(781,641)	(1,247,348)	133,775	1,634
Depreciation and amortization	412,039	422,495	541,805	561,257	564,276	621,953	624,248	647,397	621,080	686,555	702,185	759,391	3,722
Capital expenditures	608,857	524,462	639,725	602,710	568,626	665,735	585,958	575,948	675,011	750,011	676,746	640,885	5,500
Per share data (yen):													
Net (loss) income (basic)	¥ 112.90	31.65	145.06	198.52	82.89	87.86	281.80	273.74	(427.64)	(487.76)	(846.64)	99.18	\$ 1.02
Net income (diluted) ²	36.39	10.12	46.96	64.32	26.79	28.52	91.49	88.87	—	—	—	99.18	0.33
Cash dividends	—	—	—	—	—	—	—	—	—	—	30.00	60.00	—
Net assets	1,326.49	1,185.98	1,179.25	1,030.67	838.45	746.59	669.60	343.31	72.83	491.22	972.28	1,828.08	11.98
FYs ended March 31 (as of March 31):													
Total net assets	¥ 3,142,801	2,916,886	2,903,699	2,657,265	2,348,679	2,218,139	2,102,180	1,577,408	1,137,812	812,476	1,602,478	2,516,478	\$ 28,388
Equity ³	3,125,299	2,900,184	2,889,423	2,651,385	2,343,434	2,196,275	2,072,952	1,550,121	1,116,704	787,177	1,558,113	2,465,738	28,230
Total assets	12,093,155	11,957,846	12,757,467	12,591,823	12,277,600	13,659,769	14,212,677	14,801,106	14,989,130	15,536,456	14,790,353	13,203,987	109,233
Interest-bearing debt	4,889,099	4,914,931	5,890,793	6,022,970	6,004,978	6,606,852	7,013,275	7,629,720	7,924,819	8,320,528	9,024,110	7,523,952	44,161
Number of employees	37,891	37,892	41,086	41,525	42,060	42,855	43,330	45,744	48,757	52,046	52,970	52,452	
Financial ratios and cash flow data:													
ROA (%) ⁴	1.2	1.7	2.5	2.3	2.0	2.7	2.2	1.3	(1.5)	(1.8)	2.9	2.1	—
ROE (%) ⁵	6.0	1.8	8.4	12.7	5.9	6.6	24.9	32.9	(72.0)	(66.7)	(62.0)	5.5	—
Equity ratio (%)	25.8	24.3	22.6	21.1	19.1	16.1	14.6	10.5	7.5	5.1	10.5	18.7	—
Net cash provided by (used in) operating activities	¥ 239,825	323,493	503,709	752,183	783,038	1,077,508	872,930	638,122	260,895	(2,891)	988,710	988,271	\$ 2,166
Net cash used in investing activities	(577,215)	(508,253)	(570,837)	(520,593)	(478,471)	(620,900)	(523,935)	(293,216)	(636,698)	(335,101)	(791,957)	(599,263)	(5,214)
Net cash provided (used in) by financing activities	(20,340)	13,591	(117,698)	12,538	(603,955)	(394,300)	(626,023)	(301,732)	632,583	(614,734)	1,859,579	(495,091)	(184)

1. Amounts of less than one million yen have been omitted. All percentages have been rounded to the nearest unit.

2. Net income per share after dilution by potential shares for the years ended March 31, 2011 and March 31, 2013 have been omitted. Numbers for the year ending March 2013 have been omitted as there were no potential shares and the Company recognized a Net income per share after dilution

3. Equity = Total net assets – Stock acquisition rights – Minority interests

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

5. ROE = Net income / ((Total equity at the end of last term + Total equity as of the end of the current term) / 2)



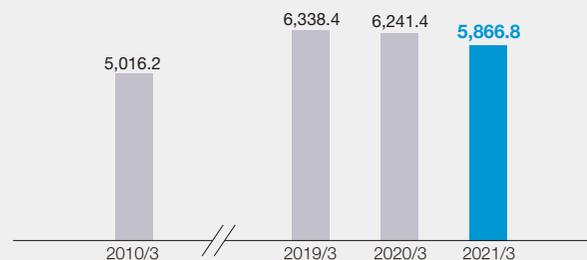
Presentations Back Number

<https://www.tepco.co.jp/en/hd/about/ir/library/presentations/backnumber-e.html>

Financial information from prior to the Great East Japan Earthquake and Tsunami, and for the last three years.

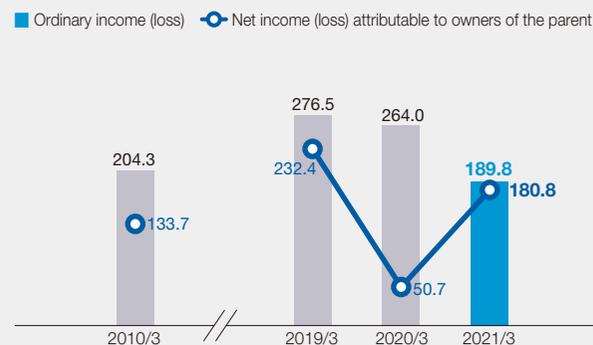
* We have included financial information from March 2010 in order to compare our business conditions with those before the Great East Japan Earthquake and Tsunami that occurred on March 11, 2011.

Operating revenues (billion yen)



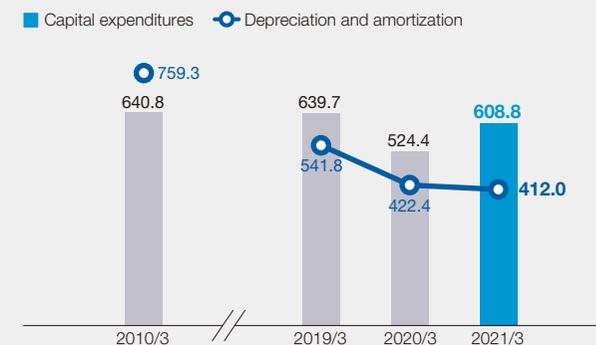
- Operating revenue decreased during the term ending March 2021 due to a decrease in total power sales volume and a drop in electricity rate revenue unit price resulting from the impact of the fuel adjustment system.

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



- We have remained in the black for the eighth consecutive year since March 2014 as a result of the rate revisions made during the term ending March 2013 and various cost reductions.
- Ordinary income during the term ending March 2021 decreased 28.1% YoY to ¥189.8 billion. ¥142.1 billion in grants from the Nuclear Damage Compensation and Decommissioning Facilitation Corporation was posted as extraordinary income, but net income attributable to owners of parents was ¥180.8 billion due to the posting of ¥140.7 billion in nuclear damage compensation costs as extraordinary loss.

Capital expenditures & depreciation and amortization (billion yen)



- Capital investment (term ending March 2021) increased approximately 16% YoY to ¥608.8 billion due to an increase in investment in nuclear power equipment, such as for safety measure renovations made at the Kashiwazaki-Kariwa Nuclear Power Station.
- Depreciation (term ending March 2021) decreased ¥10.4 billion YoY due to fixed-rate depreciation.

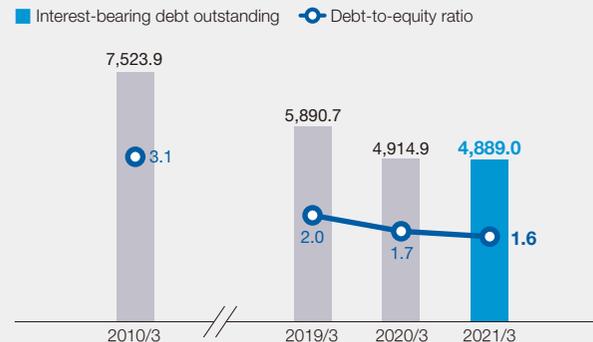
Equity ratio (%)



- Although capital-to-asset ratio decreased to 5.1% during the term ending March 2012 in conjunction with declining revenues, it had recovered to 25.8% (of as of the end of March 2021) due to a decrease in interest-bearing debts and initiatives to secure profits through continuous cost-cutting measures implemented throughout the entire Group.

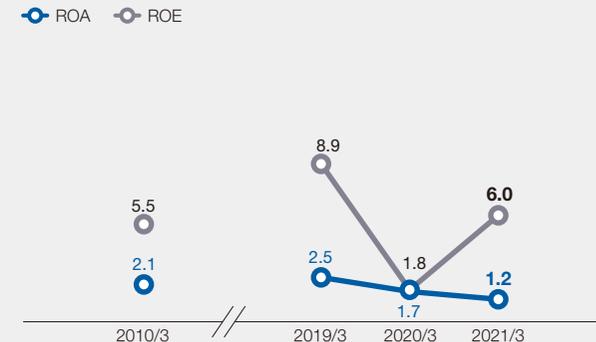
Equity ratio = (net assets – call options – minority interest)/total assets

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



- Although interest-bearing debts had increased to ¥9 trillion as of the end of March 2011 as a result of a worsening of our financial standing, this has gradually decreased to ¥4.8 trillion as of the end of March 2021 due to repayment of public bonds.
- At the end of March 2012 immediately following the disaster, our D/E ratio was 10.6, but this has dropped to 1.6, the level it was prior to the disaster, as a result of the decrease in interest-bearing debts.

ROA & ROE (%)



- Although ROA fell to -1.8% at the end of March 2012 as a result of worsening revenue, it has continued to increase since the rate revisions made during the term ending March 2013 and efforts to secure profits through various cost reductions. During the term ending March 2021, ROA dropped to 1.2% as a result of a decrease in operating revenue.
- Although ROE dropped in conjunction with decreased revenues during the term ending March 2011, it had recovered by the term ending March 2014 due to the rate revisions made during the term ending March 2013 and various cost-cutting measures. During the term ending March 2021, ROE had increased to 6.0% as a result of the increase in net income attributable to owners of parent.

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

Consolidated Balance Sheet

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2021/3	2020/3	2021/3
ASSETS			
Property, plant and equipmen:	¥ 25,103,205	¥ 24,774,530	\$ 226,747
Facilities in progress:			
Construction in progress and retirement in progress	1,012,464	1,003,105	9,145
Suspense account for decommissioning related nuclear power facilities	124,692	127,655	1,126
Special account related to reprocessing of spent nuclear fuel	197,107	133,275	1,781
	1,334,263	1,264,035	12,052
	26,437,469	26,038,566	238,799
Less:			
Contributions in aid of construction	405,064	391,509	3,659
Accumulated depreciation	18,882,824	18,606,189	170,561
	19,287,888	18,997,699	174,220
Property, plant and equipment, net	7,149,580	7,040,866	64,579
Nuclear fuel:			
Loaded nuclear fuel	81,151	81,423	733
Nuclear fuel in processing	503,600	516,496	4,549
	584,751	597,919	5,282
Investments and other assets:			
Long-term investments	118,494	105,892	1,070
Long-term investments in subsidiaries and associates	1,389,469	1,298,165	12,551
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	490,125	494,613	4,427
Reserve fund for nuclear reactor decommissioning	485,000	390,150	4,381
Net defined benefit asset	163,566	120,734	1,478
Other	137,041	123,489	1,237
	2,783,696	2,533,045	25,144
Current assets:			
Cash and deposits	454,886	813,300	4,109
Notes and accounts receivable—trade	674,112	559,892	6,089
Inventories	86,235	87,837	779
Other	383,223	329,168	3,461
	1,598,459	1,790,199	14,438
Less:			
Allowance for doubtful accounts	(23,333)	(4,183)	(210)
	1,575,126	1,786,016	14,228
Total assets	¥ 12,093,155	¥ 11,957,846	\$ 109,233

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2021/3	2020/3	2021/3
LIABILITIES AND NET ASSETS			
Long-term liabilities and reserves			
Long-term debt	¥ 2,528,003	¥ 1,973,363	\$ 22,834
Other long-term liabilities	335,665	330,837	3,032
Provision for preparation of removal of reactor cores in the specified nuclear power facilities	—	168,898	—
Provision for removal of reactor cores in the specified nuclear power facilities	170,369	4,796	1,539
Reserve for loss on disaster	502,384	520,988	4,538
Reserve for nuclear damage compensation	491,147	496,433	4,436
Net defined benefit liability	332,201	368,475	3,001
Asset retirement obligations	1,016,719	994,806	9,184
	5,376,491	4,858,600	48,564
Current liabilities:			
Current portion of long-term debt	393,333	968,868	3,553
Short-term loans	1,967,761	1,972,699	17,774
Notes and accounts payable—trade	307,293	315,974	2,776
Accrued taxes	81,885	62,485	740
Other	815,144	854,758	7,362
	3,565,418	4,174,787	32,205
Reserve under special laws:			
Reserve for preparation of the depreciation of nuclear power construction	8,443	7,572	76
	8,443	7,572	76
Total liabilities	8,950,354	9,040,960	80,845
Net assets:			
Shareholders' equity:			
Common stock, without par value:			
Authorized — 35,000,000,000 shares in 2021 and 2020			
Issued — 1,607,017,531 shares in 2021 and 2020	900,975	900,975	8,138
Preferred stock:			
Authorized — 5,500,000,000 shares in 2021 and 2020			
Issued — 1,940,000,000 shares in 2021 and 2020	500,000	500,000	4,516
Capital surplus	756,196	756,097	6,831
Retained earnings	972,790	791,881	8,787
Treasury stock, at cost:			
4,825,496 shares in 2021 and 4,806,523 shares in 2020	(8,477)	(8,474)	(77)
Total shareholders' equity	3,121,484	2,940,480	28,195
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	9,267	2,167	84
Deferred gains or losses on hedges	4,015	(14,067)	36
Land revaluation loss	(2,483)	(2,471)	(22)
Foreign currency translation adjustments	(23,083)	(9,914)	(208)
Remeasurements of defined benefit plans	16,098	(16,010)	145
Total accumulated other comprehensive income	3,814	(40,295)	35
Stock acquisition rights	18	3	0
Noncontrolling interests	17,483	16,699	158
Total net assets	3,142,801	2,916,886	28,388
Total liabilities and net assets	¥ 12,093,155	¥ 11,957,846	\$ 109,233

Consolidated Statement of Operations

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2021/3	2020/3	2021/3
Operating revenues:			
Electricity	¥ 5,514,185	¥ 5,878,139	\$ 49,808
Other	352,639	363,283	3,185
	5,866,824	6,241,422	52,993
Operating expenses:			
Electricity	5,409,287	5,695,755	48,860
Other	314,076	333,825	2,837
	5,723,364	6,029,581	51,697
Operating income	143,460	211,841	1,296
Other income (expenses):			
Interest and dividend income	882	1,392	8
Interest expense	(42,681)	(43,985)	(385)
Loss on disaster	—	(394,934)	—
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	142,180	101,699	1,284
Compensation for nuclear damages	(140,796)	(107,915)	(1,272)
Share of profit of entities accounted for using equity method	100,635	99,796	909
Gain on change in equity	—	199,717	—
Reversal of disaster loss allowance	—	113,526	—
Contingent loss on assets	—	(321)	—
Fukushima Daini Abolition Loss	—	(95,651)	—
Impairment loss	—	(10,510)	—
Other, net	(12,415)	(5,011)	(112)
	47,803	(142,198)	432
Income before special items and income taxes	191,264	69,643	1,728
Special items:			
Reversal of (provision for) reserve for preparation of the depreciation of nuclear power construction	(870)	(383)	(8)
	(870)	(383)	(8)
Income before income taxes	190,393	69,259	1,720
Income taxes:			
Current	8,912	18,878	81
Deferred	(303)	(1,209)	(3)
	8,609	17,668	78
Net income	181,784	51,591	1,642
Net income attributable to non-controlling interests	888	888	8
Net income attributable to owners of the parent	¥ 180,896	¥ 50,703	\$ 1,634
Per share information:	Yen		U.S. dollars
Net assets (basic)	¥ 1,326.49	¥ 1,185.98	\$ 11.98
Net income (basic)	112.90	31.65	1.02
Net income (diluted)	36.39	10.12	0.33
Cash dividends	—	—	—

Consolidated Statement of Comprehensive Income

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2021/3	2020/3	2021/3
Net income	¥ 181,784	¥ 51,591	\$ 1,642
Other comprehensive income (loss):			
Valuation difference on available-for-sale securities	3,646	1,722	33
Foreign currency translation adjustments	(482)	580	(4)
Remeasurements of defined benefit plans	29,962	(17,816)	271
Share of other comprehensive income (loss) of entities accounted for using equity method	10,997	(24,192)	99
Total other comprehensive income (loss)	44,123	(39,706)	399
Comprehensive income	¥ 225,907	¥ 11,884	\$ 2,041
Total comprehensive income attributable to:			
Owners of the parent	¥ 225,019	¥ 10,996	\$ 2,033
Non-controlling interests	888	887	8

Consolidated Statement of Changes in Net Assets

	Year ended March 31, 2021														
	Millions of yen														
	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2020	¥900,975	¥500,000	¥756,097	¥791,881	¥(8,474)	¥2,940,480	¥2,167	¥(14,067)	¥(2,471)	¥(9,914)	¥(16,010)	¥(40,295)	¥3	¥16,699	¥2,916,886
Net income attributable to owners of the parent	—	—	—	180,896	—	180,896	—	—	—	—	—	—	—	—	180,896
Purchases of treasury stock	—	—	—	—	(7)	(7)	—	—	—	—	—	—	—	—	(7)
Sales of treasury stock	—	—	(2)	—	3	0	—	—	—	—	—	—	—	—	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	—	—	101	—	—	101	—	—	—	—	—	—	—	—	101
Reversal of land revaluation loss	—	—	—	12	—	12	—	—	—	—	—	—	—	—	12
Other	—	(0)	—	—	1	1	—	—	—	—	—	—	—	—	1
Net changes in items other than shareholders' equity	—	—	—	—	—	—	7,099	18,082	(12)	(13,168)	32,109	44,110	15	784	44,910
Total changes	—	—	98	180,908	(2)	181,004	7,099	18,082	(12)	(13,168)	32,109	44,110	15	784	225,914
Balance at March 31, 2021	¥900,975	¥500,000	¥756,097	¥972,790	¥(8,477)	¥3,121,484	¥9,267	¥4,015	¥(2,483)	¥(23,083)	¥16,098	¥(3,814)	¥18	¥17,483	¥3,142,801
	Year ended March 31, 2020														
	Millions of yen														
	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2019	¥900,975	¥500,000	¥756,098	¥741,070	¥(8,469)	¥2,889,675	¥3,663	¥2,723	¥(2,362)	¥(6,977)	¥2,700	¥(252)	¥—	¥14,276	¥2,903,699
Net income attributable to owners of the parent	—	—	—	50,703	—	50,703	—	—	—	—	—	—	—	—	50,703
Purchases of treasury stock	—	—	—	—	(12)	(12)	—	—	—	—	—	—	—	—	(12)
Sales of treasury stock	—	—	(2)	—	2	0	—	—	—	—	—	—	—	—	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	—	—	0	—	—	0	—	—	—	—	—	—	—	—	0
Reversal of land revaluation loss	—	—	—	108	—	108	—	—	—	—	—	—	—	—	108
Other	—	—	—	—	4	4	—	—	—	—	—	—	—	—	4
Net changes in items other than shareholders' equity	—	—	—	—	—	—	(1,495)	(16,791)	(108)	(2,936)	(18,711)	(40,043)	3	2,423	(37,617)
Total changes	—	—	(1)	50,811	(5)	50,804	(1,495)	(16,791)	(108)	(2,936)	(18,711)	(40,043)	3	2,423	13,187
Balance at March 31, 2020	¥900,975	¥500,000	¥756,097	¥791,881	¥(8,474)	¥2,940,480	¥2,167	¥(14,067)	¥(2,471)	¥(9,914)	¥(16,010)	¥(40,295)	¥3	¥16,699	¥2,916,886
	Year ended March 31, 2021														
	Millions of U.S. dollars														
	Shareholders' equity						Accumulated other comprehensive income								
	Common stock	Preferred stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation loss	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2020	\$8,138	\$4,516	\$6,830	\$7,153	\$(77)	\$26,560	\$20	\$(127)	\$(22)	\$(90)	\$(145)	\$(364)	\$—	\$151	\$26,347
Net income attributable to owners of the parent	—	—	—	1,634	—	1,634	—	—	—	—	—	—	—	—	1,634
Purchases of treasury stock	—	—	—	—	(0)	(0)	—	—	—	—	—	—	—	—	(0)
Sales of treasury stock	—	—	(0)	—	0	0	—	—	—	—	—	—	—	—	0
Change in ownership interest of parent due to transactions with non-controlling shareholders	—	—	1	—	—	1	—	—	—	—	—	—	—	—	1
Reversal of land revaluation loss	—	—	—	0	—	0	—	—	—	—	—	—	—	—	0
Other	—	(0)	—	—	0	0	—	—	—	—	—	—	—	—	0
Net changes in items other than shareholders' equity	—	—	—	—	—	—	64	163	0	(118)	290	399	0	7	406
Total changes	—	—	1	1,634	(0)	1,635	64	163	0	(118)	290	399	0	7	2,041
Balance at March 31, 2021	\$8,138	\$4,516	\$6,831	\$8,787	\$(77)	\$28,195	\$84	\$36	\$(22)	\$(208)	\$145	\$35	\$0	\$158	\$28,388

Consolidated Statement of Cash Flows

FYs ended March 31:	(Millions of yen)		(Millions of US dollars)
	2021/3	2020/3	2021/3
Cash flows from operating activities			
Income before income taxes	¥ 190,393	¥ 69,259	\$ 1,720
Depreciation and amortization	412,039	422,495	3,722
Impairment loss	—	10,510	—
Decommissioning costs of nuclear power units	37,459	35,535	338
Loss on disposal of property, plant and equipment	24,347	24,258	220
Increase in provision for preparation of removal of reactor cores in the specified nuclear power facilities	—	166,812	—
Increase in reserve for loss on disaster	2,545	210,457	23
Decrease in net defined benefit liability	(10,434)	(4,930)	(94)
Increase in reserve fund for nuclear reactor decommissioning	(94,849)	(190,150)	(857)
Interest and dividend income	(882)	(1,392)	(8)
Interest expense	42,681	43,985	386
Share of loss (profit) of entities accounted for using equity method	(100,635)	(99,796)	(909)
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	(142,180)	(101,699)	(1,284)
Compensation for nuclear damages	140,796	107,915	1,272
Gain on change in equity	—	(199,717)	—
Fukushima Daini Abolition Loss	—	(113,526)	—
Reversal of disaster loss allowance	—	95,651	—
(Increase) decrease in notes and accounts receivable	(114,202)	57,268	(1,032)
(Decrease) increase in notes and accounts payable	(5,766)	63,517	(52)
Decrease in accrued expenses	(109,583)	(72,175)	(990)
Other	28,435	(114,888)	256
	300,164	409,389	2,711
Interest and cash dividends received	16,490	4,907	149
Interest paid	(42,157)	(42,934)	(381)
Payments for loss on disaster due to the Tohoku-Chihou-Taiheiyu-Oki Earthquake	(28,465)	(23,347)	(257)
Receipts of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	521,400	520,000	4,709
Payments for nuclear damage compensation	(521,273)	(521,408)	(4,708)
Income taxes paid	(6,333)	(23,111)	(57)
Net cash provided by operating activities	239,825	323,493	2,166

FYs ended March 31:	(Millions of yen)		(Millions of US dollars)
	2021/3	2020/3	2021/3
Cash flows from investing activities			
Purchases of property, plant and equipment	(599,859)	(554,856)	(5,418)
Contributions in aid of construction received	19,017	22,178	172
Increase in long-term investments	(11,287)	(5,913)	(102)
Proceeds from long-term investments	1,081	2,659	10
Other	13,833	27,678	125
Net cash used in investing activities	(577,215)	(508,253)	(5,213)
Cash flows from financing activities			
Proceeds from issuance of bonds	957,489	879,635	8,649
Redemptions of bonds	(468,635)	(623,516)	(4,233)
Repayments of long-term loans	(511,664)	(433,951)	(4,622)
Proceeds from short-term loans	4,021,210	4,088,132	36,322
Repayments of short-term loans	(4,026,090)	(3,892,332)	(36,366)
Other	7,348	(4,376)	66
Net cash (used in) provided by financing activities	(20,340)	13,591	(184)
Effect of exchange rate changes on cash and cash equivalents	(104)	45	(1)
Net (decrease) increase in cash and cash equivalents	(357,835)	(171,122)	(3,232)
Cash and cash equivalents at beginning of the year	812,143	999,362	7,336
Decrease in cash and cash equivalents due to change in scope of consolidation	—	(16,096)	—
Cash and cash equivalents at end of the year	¥454,307	¥812,143	\$4,104

ESG Highlights

Environment

Environmental Data

1. TEPCO Holdings and coreoperating companies

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



Initiatives for the Environment
<https://www.tepco.co.jp/en/hd/about/esg/environment/index-e.html>

Key figures

	UM	FY2018	FY2019	FY2020	GRI
Installed capacity by energy source *1					
Total net electrical capacity	MW	63,697	18,194	18,199	
Thermal net capacity					
Coal	MW	41,161	57	58	
LNG	MW	3,200	0	0	
Oil	MW	29,251	0	0	
Nuclear net capacity	MW	8,710	57	58	
Renewable net capacity					
Hydroelectric *2	MW	12,612	8,212	8,212	
Solar	MW	9,924	9,925	9,929	
Wind	MW	9,873	9,874	9,878	
Geothermal	MW	30	30	30	
Biomass and cogeneration	MW	21	21	21	
	MW	0	0	0	
	MW	0	0	0	
Net energy production by energy source *1					
Total net electrical production	GWh	190,752	10,966	11,937	
Thermal net production					
Coal	GWh	179,610	160	159	
LNG	GWh	23,888	0	0	
Oil	GWh	153,517	0	0	
Nuclear net production	GWh	2,204	160	159	
Renewable net production					
Hydroelectric *2	GWh	0	0	0	
Solar	GWh	11,535	10,806	11,778	
Wind	GWh	11,071	10,743	11,722	
Geothermal	GWh	32	31	29	
Biomass and cogeneration *3	GWh	35	32	26	
	GWh	4	0	0	
	GWh	[393]	0	0	
Efficiency					
Thermal power plant	%	49.7	-	-	
Development					
Development of renewable power generation facilities	MW	-	30	138	
Availability					
Nuclear power plant	%	0	0	0	
Network					
Electricity network					
Total transmission network	km	40,663	40,804	41,059	
- of which aerial line	km	28,314	28,391	28,585	
- of which underground cable	km	12,349	12,413	12,474	
Total distribution network	km	379,724	381,028	382,290	
- of which aerial line	km	341,184	342,222	343,257	
- of which underground cable	km	38,540	38,806	39,033	

	UM	FY2018	FY2019	FY2020	GRI
Transmission and distribution loss					
Extra high voltage *4	%	1.4	1.3	-	
High voltage *4	%	3.9	3.9	-	
Low voltage *4	%	6.4	6.6	-	
Average	%	4.2	4.3	4.0	
System Average Interruption Duration Index (SAIDI)	min.	19	200	7	
Smart meter					
Number of installations *5	10k units	2,152	2,533	2,840	
Installation rate *5	%	74.1	87.2	100	
Sales					
Electricity volumes	GWh	219,448	209,707	192,866	
CO₂ related electricity sales					
Adjusted emissions intensity *6,20	kg-CO ₂ /kWh	0.455	0.441	0.434	
Basic emissions intensity *20	kg-CO ₂ /kWh	0.468	0.457	0.441	
Adjusted emissions *7,20	ktCO ₂	99,700	92,400	83,600	
Basic emissions *20	ktCO ₂	102,700	95,800	85,000	
Gas volumes					
	kt	1,770	2,170	2,100	
Environmental compliance					
Total number of non-monetary sanctions	No.	0	0	0	307-1
Significant spill					
Total number of significant spill	No.	0	0	0	

Emissions

	UM	FY2018	FY2019	FY2020	GRI
Direct greenhouse gas emissions (Scope 1) *8					
Total direct emissions (Scope 1)					
CO ₂ emissions from electricity production and other activities	ktCO ₂	81,604	191	190	
CO ₂ emissions from vehicles (gasoline and diesel)	ktCO ₂	81,470	120	120	
Total other CO ₂ -eq emissions	ktCO ₂	8	8	7	
N ₂ O	ktCO ₂ -eq	126	63	63	
HFCs *9	ktCO ₂ -eq	59	1	1	
SF ₆ *9	ktCO ₂ -eq	6	3	3	
Other emissions volume					
N ₂ O	t	61	59	59	
SF ₆ *9	t	198	3	3	
SF ₆ recovery rate		2.7	2.6	2.6	
In equipment inspections	%	>99.5	>99.5	>99.5	
In equipment removal	%	99	>99.5	>99.5	
Fluorocarbon emissions					
Leaked volumes based on the act on rational use and proper management of fluorocarbon	ktCO ₂ -eq	13	9	5	
Indirect greenhouse gas emissions (Scope 2)					
Related to energy purchased from the grid (Scope 2, market based)					
Civil uses, hydroelectric and thermal electric plants	ktCO ₂ -eq	532	492	469	
Related to energy purchased from the grid (Scope 2, location based)					
Civil uses, hydroelectric and thermal electric plants	ktCO ₂ -eq	564	497	471	
Related to technical losses from distribution and transmission network	ktCO ₂ -eq	-	5,395	4,736	

	UM	FY2018	FY2019	FY2020	GRI
Other indirect greenhouse gas emissions (Scope 3) *15					
Total of Scope 3 *15	ktCO ₂ eq	42,355	121,390	109,909	
Category 1 Purchased goods and services *15	ktCO ₂ eq	14	13	12	
Category 2 Capital goods *15	ktCO ₂ eq	2,034	1,664	1,906	
Category 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2) *15	ktCO ₂ eq	35,469	113,809	102,554	
Category 4 Upstream transportation and distribution	ktCO ₂ eq	0	0	0	
Category 5 Waste generated in operations	ktCO ₂ eq	30	2	2	
Category 6 Business travel	ktCO ₂ eq	4	4	4	
Category 7 Employee commuting	ktCO ₂ eq	11	11	11	
Category 8 Upstream leased assets	ktCO ₂ eq	0	0	0	305-3
Category 9 Downstream transportation and distribution	ktCO ₂ eq	0	0	0	
Category 10 Processing of sold products	ktCO ₂ eq	0	0	0	
Category 11 Use of sold products	ktCO ₂ eq	4,793	5,888	5,420	
Category 12 End-of-life treatment of sold products	ktCO ₂ eq	0	0	0	
Category 13 Downstream leased assets	ktCO ₂ eq	0	0	0	
Category 14 Franchises	ktCO ₂ eq	0	0	0	
Category 15 Investments	ktCO ₂ eq	0	0	0	
Scope 1 and 2					
Market based	ktCO ₂ eq	82,136	6,078	5,395	
Location based	ktCO ₂ eq	82,168	6,083	5,397	
Scope 1, 2 and 3					
Market based *15	ktCO ₂ eq	124,491	127,468	115,304	
Location based *15	ktCO ₂ eq	124,523	127,474	115,306	
Other atmospheric emission					
NO _x emissions	kt	18	2	2	
SO _x emissions	kt	6	<1	<1	305-7
Dust emissions	kt	-	<0.1	<0.1	
Direct mercury emissions *15	kt	-	0	0	

Energy

	UM	FY2018	FY2019	FY2020	GRI
Energy consumption					
Total *15	GJ	1,471,624,333	12,574,384	12,376,989	
Electricity production and other activities	GJ	1,460,169,097	1,733,333	1,738,099	302-1
Vehicles (gasoline and diesel)	GJ	123,256	121,574	106,536	
Electricity, heat and steam (civil uses, hydroelectric and thermal electric plants) *15	GJ	11,331,979	10,719,477	10,532,354	
Energy consumption intensity in buildings					
Per total floor space of office (headquarters, branch offices, etc.)	MJ/m ²	1,410	1,407	1,397	302-3
Renewable energy (in-house power generation)					
Installed buildings *15	No.	-	17	17	
Installed capacity *15	kW	-	229	229	
Net energy production *15	MWh	-	237	227	

Raw materials

	UM	FY2018	FY2019	FY2020	GRI
Fuel consumption					
Coal	kt	8,145	<1	<1	301-1
Heavy oil, crude oil, etc. *15	ML	558	44	44	
Gas (LNG, LPG)	kt	20,785	<1	<1	
City Gas	mil m ³	2,090	<1	<1	
Fuel for nuclear power plants	t	0	0	0	
Biomass	kt	200	0	0	

Water

	UM	FY2018	FY2019	FY2020	GRI
Water withdrawal in "water stressed" areas					
Total	kilo m ³	0	0	0	
Water withdrawal					
Total *15	kilo m ³	49,135,474	46,015,329	47,420,244	303-3
River water for hydroelectric power plants	kilo m ³	49,124,416	46,014,244	47,419,231	
Industrial water *15	kilo m ³	9,939	138	67	
Municipal water *15	kilo m ³	1,102	905	921	
Groundwater *15	kilo m ³	18	42	25	
Water discharge					
Total *15	kilo m ³	49,125,535	46,015,326	47,420,242	303-4
Freshwater consumption					
Total *15	kilo m ³	9,939	3	2	303-5
Water treatment					
Volume of waste water treatment in power plants	kilo m ³	4,012	-	-	
COD emissions from power plants	t	14	-	-	

Waste

	UM	FY2018	FY2019	FY2020	GRI
Industrial waste by disposal method					
Total generated	kt	1,084	146	144	306-3
Recycled volume	kt	1,081	146	144	306-4
Landfill treatment volume	kt	3	<1	<1	306-5
Recycling rate	%	99.8	>99.9	99.9	
Hazardous waste					
Waste volume containing PCB	kt	27	25	26	306-4
Insulating oil (inadvertently contaminated)	ML	4	4	4	
Pole-mounted transformers	10k units	8	9	7	
High-voltage transformers and capacitors (high contaminated)	units	116	121	3	
Management of remaining PCB equipments					
Pole-mounted transformers	10k units	27	16	12	
High-voltage transformers and capacitors (high contaminated)	units	186	63	23	
Ash management					
Total generated	kt	741	0	0	
Recycled volume	kt	741	0	0	
Landfill treatment volume	kt	<1	0	0	
Recycling rate	%	>99.9	-	-	

Other

	UM	FY2018	FY2019	FY2020	GRI
Electric vehicle					
Number of EV or PHEV	No.	446	427	569	
Rate of EV or PHEV fleets	%	-	10	15	
Green procurement					
Green procurement rate in office supplies (monetary value based)	%	99.8	>99.9	99.8	
Paper usage for printers/ photocopiers					
Number of sheets (equivalent A4 sheets)	mil A4eq	282	258	205	
Weight	t	1,126	1,028	818	

2. TEPCO Holdings and all of consolidated subsidiary companies

Key figures

	UM	FY2018	FY2019	FY2020	GRI
Installed capacity by energy source					
Total net electrical capacity	MW	63,850	18,345	18,350	
Thermal net capacity	MW	41,161	57	58	
Coal	MW	3,200	0	0	
LNG	MW	29,251	0	0	
Oil	MW	8,710	57	58	
Nuclear net capacity	MW	12,612	8,212	8,212	
Renewable net capacity	MW	10,078	10,076	10,080	
Hydroelectric *2	MW	10,023	10,021	10,025	
Solar	MW	31	31	31	
Wind	MW	21	21	21	
Geothermal	MW	0	0	0	
Biomass and cogeneration	MW	3	3	3	
Net energy production by energy source					
Total net electrical production	GWh	191,398	11,638	12,561	
Thermal net production	GWh	179,610	160	159	
Coal	GWh	23,888	0	0	
LNG	GWh	153,517	0	0	
Oil	GWh	2,204	160	159	
Nuclear net capacity	GWh	0	0	0	
Renewable net capacity	GWh	12,181	11,478	12,402	
Hydroelectric *2	GWh	11,698	11,396	12,332	
Solar	GWh	33	32	31	
Wind	GWh	35	32	26	
Geothermal	GWh	4	0	0	
Biomass and cogeneration *18	GWh	[410]	19	13	
Sales					
Electricity volumes	GWh	230,306	222,277	204,484	
Environmental compliance					
Total number of non-monetary sanctions	No.	0	0	0	307-1
Significant spill					
Total number of significant spill	No.	0	0	0	
ISO 14001					
Certificated offices *19	No.	24	24	24	

Emissions

	UM	FY2018	FY2019	FY2020	GRI
Direct greenhouse gas emissions (Scope 1)					
Total direct emissions (Scope 1)	ktCO ₂ eq	81,616	200	203	305-1
Indirect greenhouse gas emissions (Scope 2)					
Related to energy purchased from the grid (Scope 2, market based)					
Civil uses, hydroelectric and thermal electric plants	ktCO ₂ eq	559	520	493	305-2
Related to energy purchased from the grid (Scope 2, location based)					
Civil uses, hydroelectric and thermal electric plants	ktCO ₂ eq	592	525	495	
Related to technical losses from distribution and transmission network	ktCO ₂ eq	-	5,395	4,736	
Scope 1 and 2					
Market based	ktCO ₂ eq	82,175	6,114	5,432	
Location based	ktCO ₂ eq	82,208	6,120	5,433	

Energy

	UM	FY2018	FY2019	FY2020	GRI
Energy consumption					
Total *15	GJ	1,472,295,071	13,223,953	13,084,756	302-1

Water

	UM	FY2018	FY2019	FY2020	GRI
Water withdrawal by uses					
Total *15	kilo m ³	52,935,328	50,038,113	51,300,456	303-3
River water for hydroelectric plants	kilo m ³	52,924,074	50,036,857	51,299,291	
Industrial water *15	kilo m ³	9,939	138	67	
Municipal water *15	kilo m ³	1,298	1,076	1,072	
Groundwater *15	kilo m ³	18	42	25	

Waste

	UM	FY2018	FY2019	FY2020	GRI
Industrial waste by disposal method					
Total generated	kt	1,122	158	179	306-3
Recycled volume	kt	1,119	158	179	306-4
Landfill treatment volume	kt	3	<1	<1	306-5
Recycling rate	%	99.7	99.7	99.8	

Other

	UM	FY2018	FY2019	FY2020	GRI
Electric vehicle					
Number of EV or PHEV *19	No.	448	430	592	
Green procurement					
Green procurement rate in office supplies (monetary value based) *15	%	99.0	98.9	97.6	
Paper bought for printers/ photocopiers					
Number of sheets (equivalent A4 sheets)	mil A4eq	355	348	323	
Weight	t	1,419	1,390	1,289	

- *1 Totals may not be exact due to significant digits or rounding.
- *2 Due to integrating the existing thermal power generation businesses of TEPCO Fuel & Power, Inc. into JERA Co., Inc. as of 1 April 2019, since FY2019 there is a difference in the data related to thermal electric plants compared to before FY2018.
- *3 The values of TEPCO Holdings and all of consolidated subsidiary companies are the sum of the value multiplying each company data by the voting rights ratio.
- *4 The values are for the fiscal year (from 1 April to 31 March) or as of the end of the fiscal year (31 March) unless otherwise specified.

- *1 Source: "Surveys and Statistics of Electricity (the Agency for Natural Resources and Energy)"
- *2 Including pumped-storage power generation
- *3 The value in [] is the re-posted value of biomass power generation in thermal power production.
- *4 The average value of the loss rate results for the past three years from FY2018 due to changes in the contracts for consignment supply, etc. FY2020 data is under calculation
- *5 In all households except places where replacement work is difficult, etc.
- *6 Adjusted emissions intensity is the value after adjustment of feed-in tariff scheme for renewable energy based on the Act on Promotion of Global Warming Countermeasures.
- *7 Adjusted emissions is the value after adjustment of feed-in tariff scheme for renewable energy based on the Act on Promotion of Global Warming Countermeasures.
- *8 Emissions of greenhouse gases released directly into the atmosphere from emission sources within organizational boundaries.
- *9 The value for calendar year (from January 1 to December 31)
- *10 Emissions due to the use of electricity, heat and steam supplied by others.
- *11 Reflecting the emissions intensity of each electricity retail company
- *12 Reflecting the average emissions intensity of grids
- *13 Until FY2018 the emissions equivalent to power transmission and distribution technical loss was contained in Scope 1 emissions. Since Scope 1 emissions decreased because of integrating the existing thermal power generation businesses of TEPCO Fuel & Power, Inc. into JERA Co., Inc., calculation was started based on the GHG protocol from FY2019.
- *14 Indirect greenhouse gas emissions from business activities in the supply chain, other than direct emissions (Scope 1 emissions) and indirect emissions (Scope 2 emissions). We follow major guidelines have been published: "Corporate Value Chain (Scope 3) Accounting and Reporting Standard(GHG protocol)" "Green Value Chain Platform (Japanese Ministry of the Environment website, which provides Scope 3 emissions calculation methods and models)"
- *15 Values of previous years are updated in accordance with revisions to calculation method
- *16 Not applicable to mercury emission facilities under the Air Pollution Control Act after FY2019
- *17 Reflects exclusions from high contaminated PCBs
- *18 Regarding the value related to TEPCO Fuel & Power, Inc. of the value in [] the re-posted value of biomass power generation in thermal power production.
- *19 Added up without multiplying by voting rights ratio
- *20 Data of FY2020 is preliminary

Social

Social Data

TEPCO Group (*1)

(1) Employee-Related Indicators

	Category		Units	Performance			GRI Standard	
				FY2018	FY2019	FY2020		
1	Number of employees (*2)	Total	People	31,726	30,999	30,574	102-7 405-1	
		Males		27,816	27,134	26,749		
		Females		3,910	3,865	3,825		
2	Average age	Total	Age	44.7	45.1	45.4	405-1	
		Males		44.9	45.4	45.6		
		Females		42.7	43.1	43.4		
3	Average number of years on the job	Total	Years	24.1	24.4	24.6	-	
		Males		24.3	24.7	24.9		
		Females		22.0	22.3	22.5		
4	Separation rate	Total	%	3.7	4.5	4.8	401-1	
		Males		3.7	4.6	4.8		
		Females		3.3	3.5	4.4		
5	Management promotions	Age of youngest employee that management position is offered	Age	35	35	36	405-1	
		Number of women in management positions		People	221	255		286
		Ratio of women in management positions			%	4.24		4.90
6	Employment of physically challenged individuals	Employment rate	%	2.41	2.49	2.59	405-1	
7	Number of newly hired employees	Total	People	276	280	462	401-1	
		Males		215	217	392		
		Females		61	63	70		
8	Number of career hired employees (highly skilled human resources)	Total	People	76	113	135	401-1	
		Males		67	93	120		
		Females		9	20	15		
9	Mid-career recruitment ratio of hired employees	Total	%	21.6	28.8	22.6	-	
		Males		23.8	30.0	23.4		
		Females		12.9	24.1	17.6		
10	Number of employees that have used the system for taking leaves of absence for nursing care	Total	People	15	14	4	-	
		Males		9	8	2		
		Females		6	6	2		
11	Percentage of employees that have used the system for taking leaves of absence for child rearing	Total	%	18.6	20.5	21.7	401-3	
		Males		2.4	4.9	4.8		
		Females		100	100	100		
12	Male childcare leave		%	-	82	80.1	401-3	

	Category		Units	Performance			GRI Standard
				FY2018	FY2019	FY2020	
13	Rate of returning from childcare leave	Total	%	100	100	98.6	401-3
		Males		100	100	100	
		Females		100	100	98.4	
14	Average age of executives (*3)		Age	55.3	57	55.6	-
15	Ratio of employees in unions		%	100	100	100	102-7

(2) Health and Safety-Related Indicators

	Category		Units	Performance			GRI Standard
				FY2018	FY2019	FY2020	
1	Lost time incident frequency rate (LTIF)(employees)		-	0.11	0.06	0.18	403-2
2	Lost time incident severity rate (LTISR)		-	0.01	0.01	0.01	403-2
3	Number of injured employees	Total	People	6	4	10	403-2
		Males		5	4	9	
		Females		1	0	1	
4	Number of injured contractor/consignors		People	73	66	38	403-2
5	Number of fatalities (employees)	Total	People	0	0	0	403-2
		Males		0	0	0	
		Females		0	0	0	
6	Number of fatalities (contractor/consignors)	Total	People	1	2	0	403-2
		Males		1	2	0	
		Females		0	0	0	

(3) Human Resource Cultivation and Training-Related Indicators

	Category		Units	Performance			GRI Standard
				FY2018	FY2019	FY2020	
1	Employee training expenses (common training for all companies etc.)		Million yen	235	269	218	404-1
2	Number of employee training hours (common training for all companies etc.)		Cumulative hours	82,123	81,356	50,392	404-1

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

*2 Including secondment / dispatch

*3 Excludes outside directors and part-time workers

TEPCO Group and Consolidated Subsidiaries, Employee-Related Indicators

	Category		Units	Performance			GRI Standard	
				FY2018	FY2019	FY2020		
1	Number of employees (*2)	Total	People	40,794	40,433	40,305	102-7 405-1	
		Males		35,278	34,853	34,644		
		Females		5,516	5,580	5,661		
2	Average age	Total	Age	45.0	45.3	45.6	405-1	
		Males		45.4	45.7	46.0		
		Females		42.7	42.7	43.0		
3	Average number of years on the job	Total	Years	22.1	22.3	22.5	-	
		Males		22.6	22.7	23.0		
		Females		19.4	19.6	19.5		
4	Separation rate	Total	%	4.3	4.6	5.0	401-1	
		Males		3.7	4.7	4.9		
		Females		4.2	4.6	4.3		
5	Management promotions	Age of youngest employee that management position is offered	Age	32	33	33	405-1	
		Number of women in management positions		People	272	315		356
		Ratio of women in management positions			%	3.94		4.38
6	Employment of physically challenged individuals	Employment rate	%	2.43	2.48	2.56	405-1	
7	Number of newly hired employees	Total	People	432	505	731	401-1	
		Males		317	370	583		
		Females		106	135	148		
8	Number of career hired employees (highly skilled human resources)	Total	People	293	464	468	401-1	
		Males		226	375	385		
		Females		67	89	83		
9	Number of employees that have used the system for taking leaves of absence for nursing care	Total	People	21	17	8	-	
		Males		12	10	3		
		Females		9	7	5		
10	Male childcare leave	Total	%	62.2	22.3	23.7	401-3	
		Males		10.6	5.2	5.4		
		Females		100	98	100		
11	Rate of returning from childcare leave	Total	%	95.7	99.4	97.2	401-3	
		Males		100	100	100		
		Females		94.7	99.3	96.8		
12	Average age of executives (*3)	Age		57.6	54.1	56.1	-	
13	Ratio of employees in unions	%		99.8	99.8	99.7	102-7	

The TEPCO Group's Human Rights Policy

<https://www.tepco.co.jp/en/hd/newsroom/press/archives/2021/pdf/210810e0101.pdf>
(Initiatives to respect human rights)

In order to be a corporate group that continues to be trusted and selected by customers and society, in August 2021, the TEPCO Group created and announced its human rights policy in order to raise its human rights initiatives to global standards and contribute to promoting and protecting human rights throughout Japan and the rest of the world, (the following is an excerpt)

TEPCO Group respects the following rights and human dignities in accordance with the international norms and principles on human rights.

- (1) Prohibition of human trafficking, forced labor, and child labor
- (2) Freedom of association and respect for the right to collective bargaining etc.
- (3) Respect for diversity and equal opportunity
- (4) Prohibition of all forms of discrimination*, harassment, bullying, and unfair treatment
- (5) Appropriate management of working hours and reduction of excessive working hours
- (6) Securing the minimum wage and supporting the living wage
- (7) Ensuring a healthy and safe work environment
- (8) Protection of personal information and privacy
- (9) Ensuring the safety of consumers and local communities and disclosing information transparently

TEPCO Group will continue its human rights due diligence mechanism based on the UN Guiding Principles.

Creating a Workplace that Respects Diversity

In order to improve corporate value, the TEPCO Group is promoting initiatives that will allow it to be a group that respects diversity in which each and every individual can work to the best of their ability.

Promoting the Involvement of Women

As part of its diversity promotion efforts, the TEPCO Group launched full-scale initiatives in 2006 to promote female participation and career advancement in the workplace. In the beginning the percentage of female managers in the company was only 0.9%, but this was raised to 5.5% by 2020.

We aim to have females account for 10% of managers by FY2025 and are actively developing employment, training, and promotion policies to do so.

For example, we are helping female employees to grow by cultivating awareness amongst female leaders, improving their skills, diversifying their work experience by assigning them to more varied positions, and providing various types of training programs.

Group companies disclose information on METI's Database of Companies that Promote Female Participation and Career Advancement in the Workplace in accordance with the Act on the Promotion of Female Participation and Career Advancement in the Workplace.

Percentage of Females in Management Positions and Female Employees as of March 31, 2021

	HD	EP	PG	FP	RP	Whole company	FY2025 target
Percentage of female managers	4.5%	12.2%	5.1%	5.0%	2.5%	5.5%	10%
Percentage of female employees	10.8%	28.9%	11.8%	8.0%	5.2%	12.5%	—



Ministry of Health, Labour and Welfare Minister certifies TEPCO as a company with excellent initiatives for promoting field dissipation and career advancement in the workplace (Eruboshi Certificate)



Ministry of Health, Labour and Welfare Minister certifies TEPCO as a "company that supports child rearing"

Initiatives for Sexual Minorities

In FY2020, we issued a manual that aims to promote correct understanding about sexual minorities and maintain a lively work environment where sexual minorities can work without worry. A consultation service is also offered to aid with this objective. With the assistance of support networks, we shall expand initiatives to create work environments that allow everyone to work easily and promote the proactive participation of all employees.

Promoting Participation by Senior Citizen-aged Employees

We have continually created environments and systems to improve performance and enable motivated older employees to participate to the best of their ability. In FY2016, we raised our maximum hiring age from 57 to 60, and revised the role and treatment policies for rehired employees, including remuneration for expertise. And, in FY2020, we gave raises for personal achievements made by rehired employees. Furthermore, we have established mechanisms for creating employment opportunities for people aged 65 to 70, and expand these opportunities annually.

Through these initiatives we aim to get many senior citizen-aged and precious human resources to leverage their wealth of experience and knowledge in various areas.



Training for female employees



Governance

Basic Views on Corporate Governance

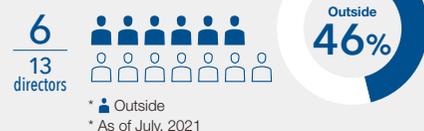
Tokyo Electric Power Company Holdings (TEPCO Holdings) is working to develop organizational structures and policies for thorough legal and ethical compliance, appropriate and prompt decision-making, efficient business execution, and enhanced auditing and supervisory functions. To further improve the objectivity and transparency of its management, TEPCO Holdings has adopted a "Company with Nominating Committee, etc." management structure, thereby stepping up the effort to secure solid corporate governance.

Moreover, having adopted a holding company system in April 2016, TEPCO Holdings is striving to further enhance its corporate value through the optimal allocation of management resources and a robust corporate governance system encompassing the entire TEPCO group.

Board of Directors and Each Committee Management (as of July, 2021)

Board of Directors

Number of directors



- The Board of Directors of TEPCO Holdings, Inc., which is a "Company with Nominating Committee, etc.", is comprised of diverse people of different genders with different backgrounds and expertise. Along with making important management decisions, the Board also receives reports from executives about key management issues and the status of the execution of duties, and supervises the execution of duties.
- TEPCO also has a Nominating Committee and Audit Committee, for which outside directors account for the majority, and a Compensation Committee that is comprised of only outside directors.
- During FY2020 the Board of Directors met 14 times.

Nominating Committee

Number of directors



- In accordance with corporate law the Nominating Committee determines the details of Board of Directors selection and dismissal proposals to be submitted to our shareholders.
- Furthermore, whereas the committee has no authority based on corporate law, it also discusses issues pertaining to executive officer personnel.
- During FY2020 the Nominating Committee met 8 times.

Special Circumstances Which May Have Material Impact on Corporate Governance

TEPCO Holdings accepts officers from Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF). Management teams of TEPCO Holdings and its core operating companies assume responsibility in terms of promoting management reforms based on the special business plans, while the NDF provides backup support and monitors progress in that regard.

More specifically, TEPCO Holdings implements the special business plans, and otherwise makes business judgments and decisions on business operations under the direction of the management teams. Meanwhile, NDF is furnished with reports as needed from the officers and employees it sends to TEPCO Holdings and requests that TEPCO Holdings and its core operating companies take action when necessary from the perspective of ensuring sound performance with respect to the special business plans.

Audit Committee

Number of directors



- The Audit Committee examines the legality and suitability of the actions of Board members and executives based upon auditing plans while confirming that business operations prioritize safety and peace of mind, and examining the status of initiatives aimed at ensuring stable supply, and improving profitability and corporate value.
- The Audit Committee, internal auditing departments, and accounting auditors perform strict audits of the areas in which they are in charge, and engage in mutual cooperation by regularly meeting to exchange opinions about auditing plans and auditing results.
- During FY2020, the Audit Committee met a total of 16 times and exchanged opinions with other Audit Committees 8 times. Additionally, auditors attended management meetings, such as meetings of the executive board, exchanged opinions with accounting auditors and internal auditing departments, and conducted audits of Headquarters and primary offices.

Compensation Committee

Number of directors



- Comprised solely of outside directors, the Compensation Committee formulate policies for determining the personal remuneration of board members and executives, and decides on the personal compensation to be received by board members and executives.
- During FY2020 the Compensation Committee met 5 times.

Governance Data

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

* Items for which disclosure is often requested by evaluation organizations has been selected for company ESG information disclosure.

* The number of executives includes Board members, executive officers, executive directors, special auditing directors, fellows, and directors.

* Information on the number and age of directors is valid as of June 29, 2021.

* TEPCO's Board of Directors is comprised of six members, Director Kobayakawa, Director Kunii, director Takaura, Director Ohagi, Director Onishi, and Director Nigawa. With the exception of Director Nigawa, all members have registered as independent officers with the Tokyo Stock Exchange. Director Nigawa has not registered as an independent officer but fulfills the independency criteria stipulated by the Tokyo Stock Exchange and also TEPCO's Independency Criteria for Outside Directors.

Total Amount of Remunerations, etc.

Classification of officers	Total amount of Remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)		Number of officers eligible (Persons)
		Basic remuneration	Productivity-linked remuneration	
Directors (excluding Outside Directors)	23	23	—	1
Executive Officers	395	282	112	14
Outside Directors	71	71	—	8

The Company does not pay to Directors who concurrently serve as Executive Officer the remuneration paid to Directors. Therefore, "Number of officers eligible" for "Directors" stated above does not include the number of Directors who concurrently serve as Executive Officer.

In determining the productivity-linked remuneration, based on the policy for the determination of the contents of remuneration, etc. for each Director and Executive Officer, which was set forth by the Compensation Committee, aiming to achieve the targets of the Revised Comprehensive Special Business Plan (the Third Plan), to ensure that Executive Officers are willing and responsible and the results of these efforts are appropriately reflected, results of the Company (consolidated ordinary income before deducting the amount of special contribution paid under the Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act) and individual performance (cost reduction indicators and other KPIs for each division in charge) in the management plan are set out as indicators in the productivity-linked remuneration. The amount to be paid varies from 0 to 150%, assuming a 100% payment rate at the time of achievement of the target, and is determined by the Compensation Committee after calculation as follows.

Results of the Company: Calculated by multiplying the base amount by the achievement level
Individual performance: Calculated by multiplying the base amount by the achievement level or evaluation by the Compensation Committee

For indicators in the productivity-linked remuneration, the actual results of the Company amounted to ¥239.8 billion whereas the targets of individual performance were largely achieved according to the evaluation performed based on indicators and KPIs set for each Executive Officer.

Policy for the Determination of Remuneration, etc. for Directors and Executive Officers

i) Method of determining the policy

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

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

The main duty of each Director and Executive Officer of the Company is to minimize the burden on the people by enhancing corporate value based on a strong commitment to achieving stable supply of electric power beyond the world's highest level of safety ensurance and under competitive conditions, while fulfilling the Company's responsibility for the Fukushima Daiichi Nuclear Power Station accident. In order to achieve this, the basic policies for the determination of remuneration are securing outstanding

human resources capable of leading business operations and management reform to achieve both “responsibility and competitiveness,” clarifying responsibilities and outcomes and increasing incentives for improved performance and increase in the stock value.

The remuneration system for Directors and that of Executive Officers are different based on the different roles of Directors, who are in charge of supervising corporate management, and Executive Officers, who are in charge of executing business operations. Directors who concurrently serve as Executive Officer receive only the remuneration paid to Executive Officers.

a. Remuneration paid to Directors

The remuneration paid to Directors comprises only basic remuneration.

Basic remuneration:

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

b. Remuneration paid to Executive Officers

The remuneration paid to Executive Officers comprises basic remuneration and productivity-linked remuneration. The proportion of productivity-linked remuneration is set according to the proportions at other companies and other factors.

Basic remuneration:

The amount of basic remuneration paid to each Executive Officer is determined based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description.

Productivity-linked remuneration:

The proportion of productivity-linked remuneration is set based on his/her specific rank, whether he/she holds the power to represent the Company and his/her job description. The amount of productivity-linked remuneration is determined according to results of the Company and personal performance.

c. Level of remuneration to be paid

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

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

The contents of remuneration, etc. for Directors and Executive Officers for fiscal 2020 were deliberated and determined by the Compensation Committee, which consists of three Outside Directors, based on the above policy. Specifically, the Compensation Committee deliberated six times on the remuneration levels and remuneration composition for Directors and Executive Officers as well as the amount of productivity-linked remuneration paid to Executive Officers for fiscal 2020. In determining the amount of productivity-linked remuneration paid to Executive Officers, the Compensation Committee took into account the actual results of the Company and the achievement level of individual performance targets for fiscal 2020, as well as other management conditions.

As such, the Compensation Committee judged that the contents of remuneration, etc. for Directors and Executive Officers for fiscal 2020, which had been determined through such procedures, were consistent with the above policy.

Consolidated Subsidiaries

(as of March 31, 2021)

Tokyo Electric Power Company Holdings

TEPCO Fuel & Power, Inc.
TEPCO Power Grid, Inc.
TEPCO Energy Partner, Inc.
TEPCO Renewable Power, Inc.
Toden Real Estate Co., Inc.
Tokyo Power Technology Ltd.
Tokyo Electric Power Services Company, Limited
TEPCO SYSTEMS CORPORATION
TEPCO RESOURCES INC.
TEPCO HUMMING WORK CO., LTD.
Toso Real Estate Management Co., Ltd.
Tepco Partners Co., Ltd.
TEPCO Ventures, Inc.
Recyclable-Fuel Storage Company
ATEMA KOGEN RESORT INC.
e-Mobility Power Co., Inc.
TOSETSU CIVIL ENGINEERING CONSULTANT INC.
TEPCO Innovation & Investments US, Inc.
TEPCO FinTech, Inc.
TEPCO Life Service, inc.
TEPSCO Vietnam
TOKYO RECORDS MANAGEMENT CO., INC.
TRENDE

TEPCO Power Grid

Tokyo Densetsu Service Co., Ltd.
Tepco Town Planning Co., Ltd.
Tokyo Land Management Corporation
Tepco Solution Advance Co., Ltd.
TEPCO LOGISTICS CO., LTD.
Energy Gateway, Inc.
TEPCO OPTICAL NETWORK ENGINEERING INC.

TEPCO Energy Partner

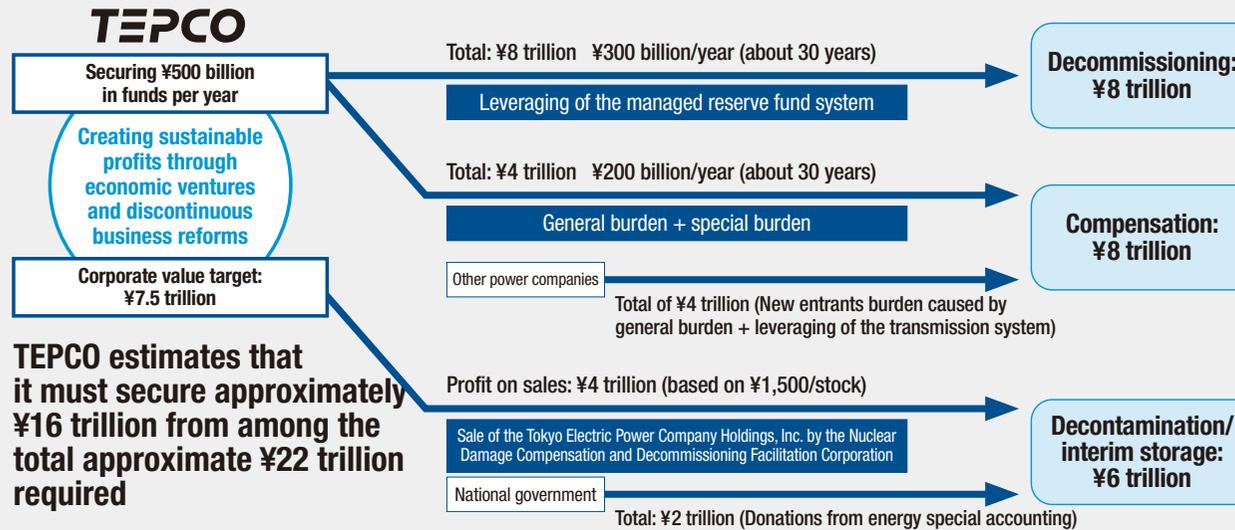
Tepco Customer Service Corporation Limited
FAMILYNET JAPAN CORPORATION
Japan Facility Solutions, Inc.
TEPCO Frontier Partners, LLC
Morigasaki Energy Service Co.
Green Supply Partners
PinT, Inc
Houseplus Corporation, Inc.
Japan Natural Energy Company Limited
TEPCO HomeTech, Inc.
TEPCO Energy Partner International (Thailand) Co., Ltd.
NF Power Service
HFP Laboratory, LLC

TEPCO Renewable Power

TEPCO Renewable Power Singapore
The Tokyo Electric Generation Company, Incorporated

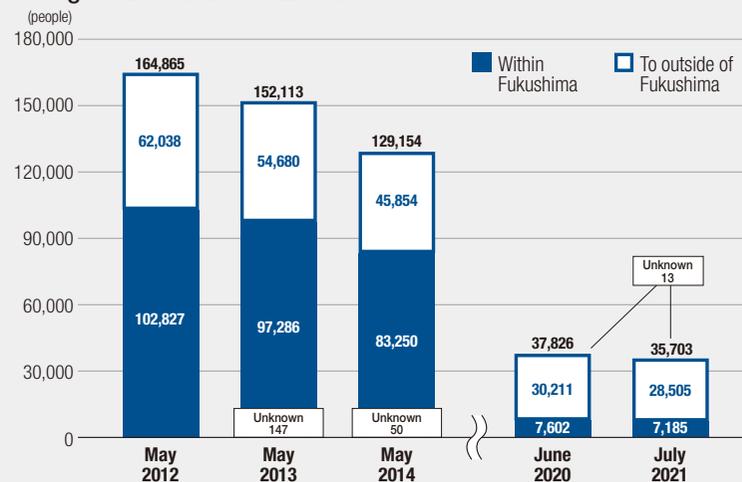
Fukushima Information

Funds required for Fukushima initiatives as put forth in the TEPCO Reform Proposal



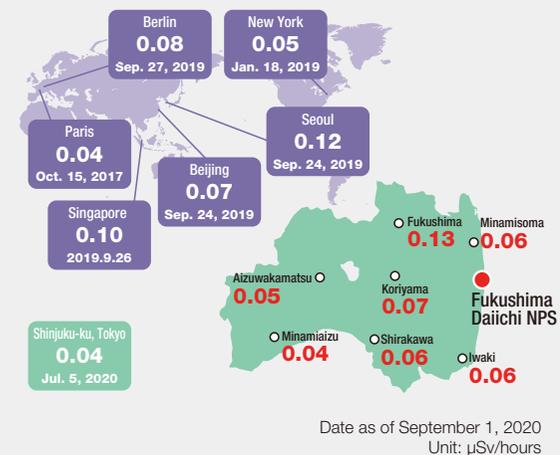
Created based upon the TEPCO Reform Proposal (from TEPCO Committee under the government)

Change in the Number of Evacuees



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

Radiation Level Changes



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

Links

[Responsibility for the Revitalization of Fukushima](https://www.tepco.co.jp/en/hd/responsibility/revitalization/)

<https://www.tepco.co.jp/en/hd/responsibility/revitalization/>

[Treated Water Portal Site](https://www.tepco.co.jp/en/decommission/progress/watertreatment/)

<https://www.tepco.co.jp/en/decommission/progress/watertreatment/>

[Nuclear Power Generation](https://www.tepco.co.jp/en/hd/ourbusiness/nuclear/)

<https://www.tepco.co.jp/en/hd/ourbusiness/nuclear/>

[Corporate Ethics and Compliance Policies](https://www.tepco.co.jp/en/hd/about/corporate/policy-e.html)

<https://www.tepco.co.jp/en/hd/about/corporate/policy-e.html>

[Corporate Governance](https://www.tepco.co.jp/en/hd/about/ir/management/governance/index-e.html)

<https://www.tepco.co.jp/en/hd/about/ir/management/governance/index-e.html>

[4th Comprehensive Special Business Plan](https://www.tepco.co.jp/en/hd/newsroom/press/archives/2021/20210721_02.html)

https://www.tepco.co.jp/en/hd/newsroom/press/archives/2021/20210721_02.html

[IR Library](https://www.tepco.co.jp/en/hd/about/ir/library/)

<https://www.tepco.co.jp/en/hd/about/ir/library/>

[Privacy Policy](https://www.tepco.co.jp/en/hd/privacypolicy/index-e.html)

<https://www.tepco.co.jp/en/hd/privacypolicy/index-e.html>

[DX at the TEPCO Group \(Japanese only\)](https://www.tepco.co.jp/about/about-dx/index-j.html)

<https://www.tepco.co.jp/about/about-dx/index-j.html>

[Management's Commitment to Diversity \(Japanese only\)](https://www.tepco.co.jp/about/esg/hractivate/diversity.html)

<https://www.tepco.co.jp/about/esg/hractivate/diversity.html>

[Human Resource Education/Training \(Japanese only\)](https://www.tepco.co.jp/about/esg/hractivate/training.html)

<https://www.tepco.co.jp/about/esg/hractivate/training.html>

[Basic Policy on Procurement](https://www.tepco.co.jp/en/hd/about/procurement/policy-e.html)

<https://www.tepco.co.jp/en/hd/about/procurement/policy-e.html>

[Green Procurement](https://www.tepco.co.jp/en/hd/about/procurement/green-e.html)

<https://www.tepco.co.jp/en/hd/about/procurement/green-e.html>

[Environmental Management](https://www.tepco.co.jp/en/hd/about/esg/environment/management-e.html)

<https://www.tepco.co.jp/en/hd/about/esg/environment/management-e.html>

[Safety Activities \(Japanese only\)](https://www.tepco.co.jp/about/esg/hractivate/safety.html)

<https://www.tepco.co.jp/about/esg/hractivate/safety.html>

[ESG \(Initiatives Pertaining to TCFD, SASB, GRI and Human Resources\)](https://www.tepco.co.jp/en/hd/about/esg/)

<https://www.tepco.co.jp/en/hd/about/esg/>

[TEPCO Illustrated](https://www.tepco.co.jp/en/hd/about/illustrated/)

<https://www.tepco.co.jp/en/hd/about/illustrated/>

[Corporate Information](https://www.tepco.co.jp/en/hd/about/corporate/)

<https://www.tepco.co.jp/en/hd/about/corporate/>

[TEPCO Fuel & Power](https://www.tepco.co.jp/en/tp/)

<https://www.tepco.co.jp/en/tp/>

[TEPCO Power Grid](https://www.tepco.co.jp/en/pg/)

<https://www.tepco.co.jp/en/pg/>

[TEPCO Energy Partner](https://www.tepco.co.jp/en/ep/)

<https://www.tepco.co.jp/en/ep/>

[TEPCO Renewable Power](https://www.tepco.co.jp/en/rp/)

<https://www.tepco.co.jp/en/rp/>

[JERA](https://www.jera.co.jp/english/)

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

Stock Information

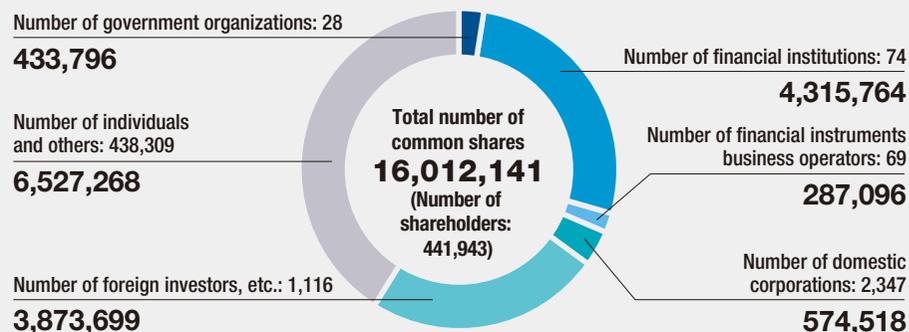
as of March 31, 2021

Basic Stock Information

Securities identification code	9501								
Stock listings	Tokyo Stock Exchange, First Section								
Total number of shares authorized to be issued	14,100,000,000								
Total number of issued shares	<table border="0"> <tr> <td>Common shares</td> <td>1,607,017,531</td> </tr> <tr> <td>Class A preferred shares</td> <td>1,600,000,000</td> </tr> <tr> <td>Class B preferred shares</td> <td>340,000,000</td> </tr> <tr> <td>Total</td> <td>3,547,017,531</td> </tr> </table>	Common shares	1,607,017,531	Class A preferred shares	1,600,000,000	Class B preferred shares	340,000,000	Total	3,547,017,531
Common shares	1,607,017,531								
Class A preferred shares	1,600,000,000								
Class B preferred shares	340,000,000								
Total	3,547,017,531								
Minimum units	<table border="0"> <tr> <td>Common shares</td> <td>100</td> </tr> <tr> <td>Class A preferred shares</td> <td>100</td> </tr> <tr> <td>Class B preferred shares</td> <td>10</td> </tr> </table>	Common shares	100	Class A preferred shares	100	Class B preferred shares	10		
Common shares	100								
Class A preferred shares	100								
Class B preferred shares	10								
Fiscal year	April 1 to March 31 of the following year								
General meeting of shareholders	June								
Means of public notice	Electronic public notice posted on TEPCO's website*								
Handling of shares	Shareholder registry administrator Mitsubishi UFJ Trust and Banking Corporation Contact: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation Tel: 0120-232-711 (toll-free number in Japan) Postal address: Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation PO Box 29, Shin-Tokyo Post Office, Tokyo 137-8081, Japan								

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

Breakdown of Shareholders (Share Unit) [in hundreds of shares]



Major Shareholders (Top 10 Shareholders)

Name of Shareholder	Number of voting rights	Ratio (%)
Nuclear Damage Compensation and Decommissioning Facilitation Corporation	16,000,000	50.09
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,180,803	3.70
Custody Bank of Japan, Ltd. (Trust Account)	707,075	2.21
TEPCO Employees Shareholding Association	521,700	1.63
Tokyo Metropolitan Government	426,767	1.34
Sumitomo Mitsui Banking Corporation	359,275	1.12
Nippon Life Insurance Company	264,005	0.83
Custody Bank of Japan, Ltd. (Trust Account 5)	260,083	0.81
Custody Bank of Japan, Ltd. (Trust Account 6)	230,545	0.72
STATE STREET BANK WEST CLIENT - TREATY 505234	227,412	0.71



Facebook
www.facebook.com/OfficialTEPCOen



twitter
twitter.com/TEPCO_English



Instagram
www.instagram.com/tepco.official



youtube
www.youtube.com/user/OfficialTEPCOen

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



Editor's Note

TEPCO Integrated Report 2020-2021 Team ESG Office, ESG Communication Group

We have created the TEPCO Integrated Report for the purpose of using it as a communication tool to promote two-way dialogue with our readers, namely financial stakeholders both within and outside of Japan.

In addition to reporting on how the company has dealt with various social circumstances during the reporting period and changes to TEPCO Group operations, we also did our best to include, as much as possible, the information that our readers would like disclosed.

We have heard many opinions and proposals, not only about issues pertaining to information disclosure, but also about management itself. Opinions that can lead to solving management issues have been relayed to upper management through the ESG Committee and are being discussed internally. When this results in improved operation or the creation of new value, it is included in this report so we can engage with stakeholders in a more beneficial manner.

Engagement with our readers is not only necessary to further develop this report, but also for the sustainable growth and value creation of the TEPCO Group.

We would be delighted to receive your frank views and feedback on this report.

Yuki Tomita
 ESG Communication Group Manager,
 ESG Office,
 Corporate Management & Planning Unit



Inquiries

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