

# TEPCO Energy Partner, Inc.



TEPCO Energy Partner  
[www7.tepco.co.jp/ep/](http://www7.tepco.co.jp/ep/)

## Making, "...and..., more..." Tangible in the Lives and Businesses of Our Customers

With the full liberalization of the electricity retail market in April 2016, we are embroiled in fierce competition with other companies as more and more companies join the market and more of the share of the market goes to new utilities.

In addition, with predicted decreases in domestic energy demand caused by the development of energy-saving technologies, the changes we see in our operating environment, such as easier procurement of electricity from the wholesale market in conjunction with spreading power system reforms, are accelerating.

It is precisely because we face this management environment that we must free ourselves from mere price competition and provide actual products and services that customers think, "wouldn't it be great to have...", thereby solving social issues and contributing to making the lives of our customers more comfortable. In order to

do this, we must go beyond just being a company that sells electricity and gas and create new value by evolving into a company that makes the "...and..., and..., and..." mentioned in our "electricity, gas, and..., and..." commercials tangible.

In addition to further promoting sales packages that offer both electricity and gas to our household customers, we also aim to become a "lifestyle concierge" that can solve various living-related problems, such as repairing appliances and gas equipment, and develop services that provide safety and security thereby becoming closer to the customer and fostering an attitude of, "Let's first consult with TEPCO."

For our corporate clients, in addition to proposing added value, such as saving energy and costs through the efficient use of energy, we shall provide solutions to various problems that our customers have by, for example, providing various services

that meet the growing need for renewable energies, and proposing new power usage plans that contribute to reforming the work habits of clients that aid with our night operations. Through these initiatives we aim to become a company about which our customers say, "I knew TEPCO was the right choice. I look forward to having you by my side." And, we shall continue to improve corporate value and fulfill our responsibilities to recovery in Fukushima by further heightening our level of engagement with our customers and society.

President  
TEPCO Energy Partner, Inc.

*Nobuhide Shimoto*



# Directors

(As of October, 2019)

*Yukihiko Kakisawa*

Managing Director

Primarily engaged in legal and corporate affairs. After serving as Deputy General Manager of the TEPCO HD Niigata Headquarters, Mr. Kakisawa assumed position as Managing Director and General Manager of Business Reform Unit.

*Nobuhide Akimoto*

President

Involved in primarily personnel and corporate affairs, Mr. Akimoto has been engaged in Fukushima projects (Recovery/Compensation Department) since 2011. He assumed position as Managing Director in 2017 and was appointed President in 2019.

*Tadashi Tamura*

Managing Director

Joined the TEPCO in 2016 after working for the Nuclear Damage Liability Facilitation Fund (currently the Nuclear Damage Compensation and Decommissioning Facilitation Corporation). In 2017, Mr. Tamura assumed position as Managing Director and General Manager of Smart Life Division and Product Development Office in 2017, and was appointed Managing Director of Business Strategy Unit in 2019.

*Rieko Sato*

Auditor

As TEPCO Customer Service Company Vice President and TEPCO EP Managing Officer, Ms. Sato has a plethora of experience and knowledge about retail.

*Michio Sato*

Vice President

Engaged in primarily gas and thermal power duties. In 2016, Mr. Sato assumed position as Managing Director and in 2019 was appointed as Vice President and General Manager of Sales Unit.

*Momoko Nagasaki*

Managing Director

Engaged in primarily household and corporate sales. After serving as President of Tepco Customer Service Co., Ltd., Ms. Nagasaki assumed position as Managing Director, CIO (Chief Information Officer) and General Manager of Operations Unit in 2019.

*Yoshitaka Kokubo*

Auditor

As an Auditor in the TEPCO Accounting and Treasury Department, Mr. Kokubo has a plethora of experience and knowledge about finance and accounting.



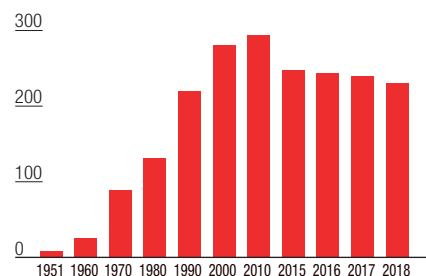
# Business Overview

## TEPCO Energy Partner, Inc.

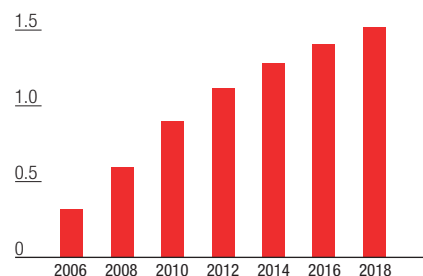
Major business operation Retail electricity business, gas business  
 Head office Ginzamitsui Bldg., 13-1 Ginza, 8-chome, Chuo-ku, Tokyo, 104-0061, JAPAN  
 Established April 1, 2015  
 Capital ¥10 billion  
 Number of employees 2,696 (Number of consolidated employees 4,085)\*  
 Group companies 22 companies\*

\* As of March 31, 2019

Electricity Sales (TWh)



Number of Electrified Houses (Million)



Sales Status

Largest in Japan

Electricity sales

**230.3 TWh**  
(FY 2018)

Market share: 27%

Gas sales

**1.77 millions tons**  
(FY 2018)

4th Largest in Japan

Nationwide electricity sales (areas other than Kanto area)

**1.5 times higher**  
(from FY 2017 to FY 2018)

**1951**

Establishment of Tokyo Electric Power Company, Inc.  
Ginza Service center (1953)

**1964**

Shinjuku office  
Before The 1964 Tokyo Olympics

**1970s**

Oil shock  
Movement to save oil  
by saving electricity

**1987**

First appearance of Denko-chan  
(Energy saving mascot)

**2001**

Development of "Eco-cute," the  
world's first home water heater  
that runs on natural refrigerant





# Risks & Opportunities

We shall ensure that our business as an energy retailer is sustainable in order to respond to changes in our business environment, such as intensified competition spurred on by decreasing demand for power and market liberalization. We aim to grow into a company that is needed even more by our customers and society by expanding our fields of business into gas sales and the provision of new services, as well as developing a renewable energy business model that considers the environment.

## External environment

- De-regulation
- De-population
- De-carbonization

Increased competition through full Deregulation of electricity retail

Decreased power demand due to De-population

Social demand for Low-carbonization

## Expand business

- Gas sales, New services
- Business model that enables saving energy, cost, and CO<sub>2</sub>
- Renewable energy sales business model
- Overseas business development

## Sales Target of Growth Businesses

**¥450billion** (FY2019)

**2011.3.11**

Great East Japan Earthquake and Tsunami



**2016**

- De-regulation of electric power
- TEPCO Energy Partner inherits retail department through company split-up



**2017**

- De-regulation of gas
- "Aqua Premium" (Plan offers customers carbon-free energy from 100% hydropower)



**2018**

- First appearance of Tepcon (company mascot)
- 1 million gas customers signed

**2019**

First overseas subsidiary established in Thailand



電気、  
ガス、  
それから  
それから。

**2030**

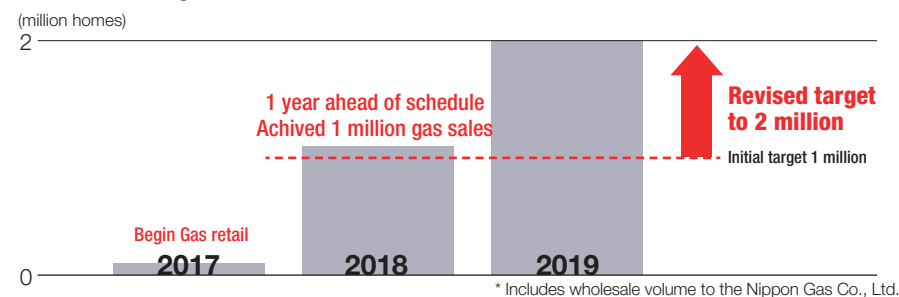
Business model shifts to contributing to the "development of business" and "living happily"

## Gas Sales/New Services

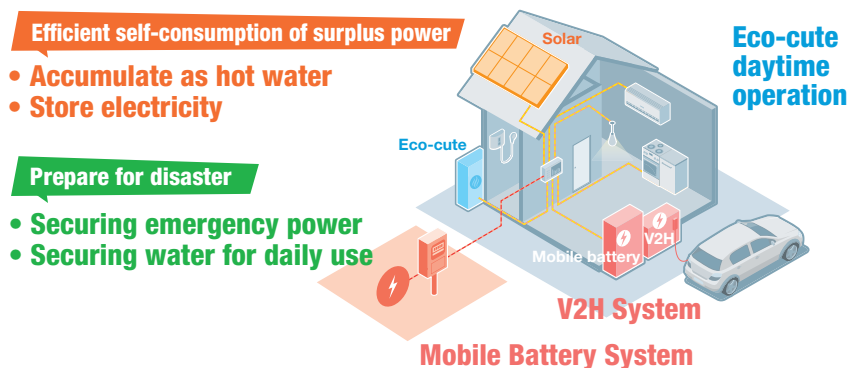
In 2018, seven years since the Great East Japan Earthquake and Tsunami, TEPCO revealed its new mascot (Tepcon) and recommenced television commercials. Thanks to these promotional activities and the sale of electricity + gas set packages, we were able to achieve our FY2019 gas sales target of 1 million\* homes a year earlier than expected. We have made an upward revision to our FY2019 gas sales target to 2 million homes as we strive to get as many customers as possible to purchase gas from TEPCO.

In addition to the sale of electricity and gas, we have also started providing new services to meet the diverse needs of customers, such as energy-saving equipment and storage batteries, etc., as we aim to increase sales in growth businesses.

### Results and Target of Gas Sales



### New Service “Enekari”\*



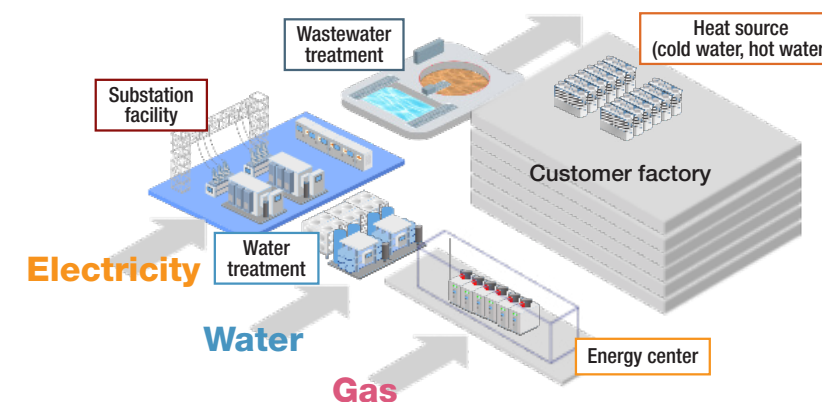
\* TEPCO HomeTech provides a new flat-rate service that allows you to install energy-saving equipment at an initial cost of ¥0.

## Saving Energy, Cost, and CO<sub>2</sub>

We are developing our business as an energy service provider (ESP) so as to provide one-stop shopping that offers everything from energy sales (electricity/gas) to the introduction, operation, and maintenance management of highly efficient systems. Through these efforts we shall contribute to large savings in energy, costs, and CO<sub>2</sub> emissions thereby enabling our customers to reduce and equalize total costs for everything from construction to operation.

TEPCO aims to transcend mere electricity sales and grow in other profitable business areas to meet the needs of our customers. And, through the promotion of ESP we shall improve the energy efficiency of society as a whole.

### ESP Example



- Energy center with 24-hour monitoring
- Real-time monitoring and optimal energy supply

# Renewable Energy Sales Business

In conjunction with our initiatives to turn renewable energies into main power sources, we newly established a Renewable Energies Promotion Department on September 1, 2019 in order to fulfill the desires of our customers while also contributing to society and further creating/increasing environmental value.

Going forward, this department will engage in initiatives to maximize the value that exists in renewable energies.

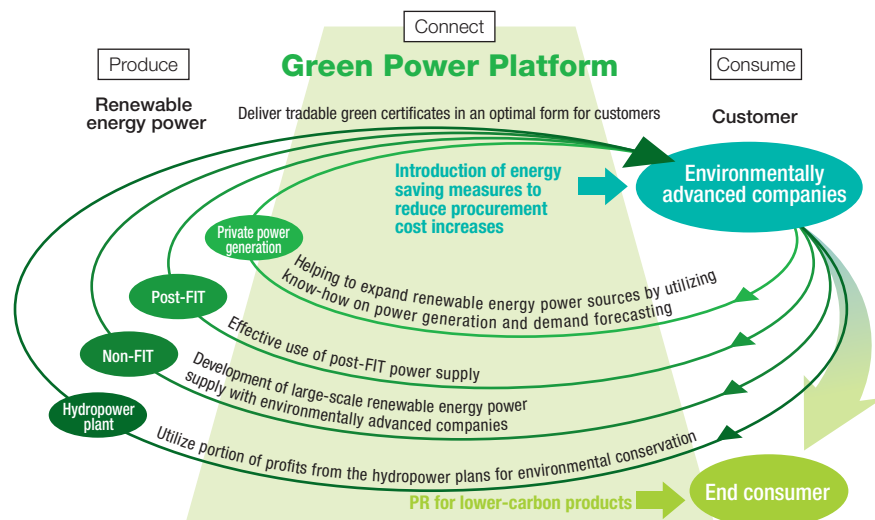


## Construction of a Green Power Platform that Leverages Renewable Energies

We are constructing a Green power platform that shall provide products, solutions and initiatives for connecting the “creators” of environmental value with the “users” that seek environmental value.

By combining initiatives such as our “Aqua Premium” Green solution that provides electricity from hydroelectric power plants, which emit no CO<sub>2</sub>, our “Green Power Certificate” that certifies in writing the environmental value of renewable energies, and our “Renewable Energy Equipment ESP (on-site/off-site types)” that assists with capital investment, we shall meet the needs of our customers.

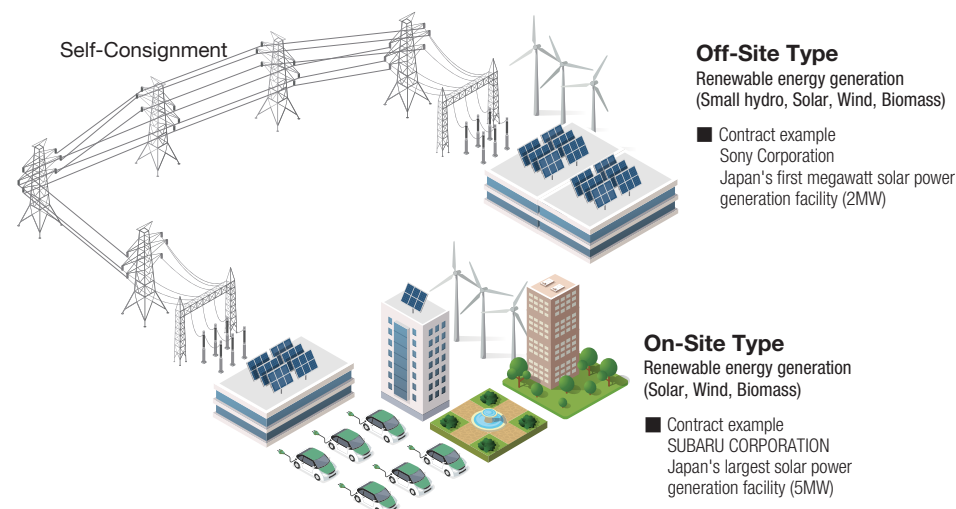
Going forward we shall meticulously look at the diverse and advanced needs of our customers, such as methods for procuring renewable energies, capital investment, and ratio improvement, and create optimal renewable energy-leveraging plans desired by our customers.



## Renewable Energies Business Model (On-site/Off-site Types)

In August 2019, we executed a basic self-consigned energy service agreement with Sony that leverages Japan's first megawatt class solar power plant. This marks the first time that the TEPCO Group has provided its system for the highly precise prediction of power generation volume and demand volume for use in customer facilities, and shall enable Sony to reduce CO<sub>2</sub> emissions by approximately 1,000 tons per year. Being able to predict power generation volume and demand volume with high precision shall enable energy production to be kept equal with energy demand, which is necessary during self-consignment, and contribute to helping Sony achieve its goal of “using renewable energies for 100% of the power used by Sony's companies all over the world by 2040.”

TEPCO shall continue to develop its business for solving the various problems that our customers face by proposing solutions that focus on renewable energies.



1951

Establishment of Tokyo Electric Power Company, Inc.



▲ Nikko Daini power plant  
Oldest hydroelectric power plant still in existence (1893~)



▲ Nature conservation activities  
in Oze area (1950s~)

1965



▲ Yagisawa power plant  
First pumped-storage power plant (1965~)

1979



▲ Shin Tsakasegawa power plant  
Largest hydroelectric power plant (1979~)

1999



▲ Hachijyojima power plant  
Largest hydroelectric power plant (1999~2019)

### The History and Technical Skill of Hydroelectric Power

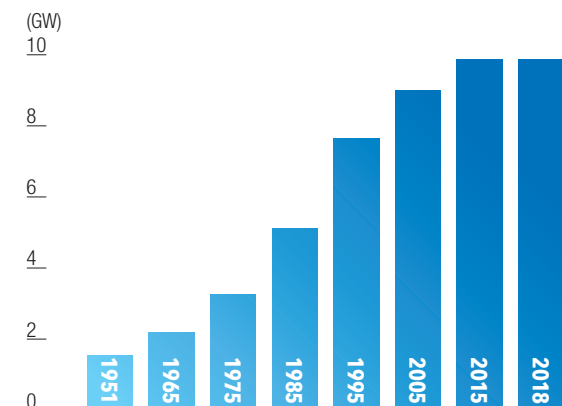
When TEPCO was established in 1951 the maximum output of hydroelectric power generation facilities was 1.44 GW, and hydroelectric power accounted for 80% of TEPCO's energy portfolio. Hydroelectric power, which utilizes energy from nature, is a clean energy source that does not emit CO<sub>2</sub> and plays an important role even today. In 1965, the year following the Tokyo Olympics, TEPCO commenced operation of its first pumped-storage hydroelectric power plant, Yagisawa Hydroelectric Power Plant, and thereafter built eight other pumped-storage hydroelectric power plants (maximum output

of all nine plants: 7.68 GW).

A pumped-storage hydroelectric power plant has large adjustment reservoirs both above and below the power plant. During times of low demand, water is pumped up, and during times of peak demand that water is used to generate electricity. This plays an important role in maintaining a stable supply of power with the ability to immediately respond to changes in maximum demand. The ability to use pumped-storage hydroelectric power plants to adjust supply and demand has become indispensable today when more renewable energies that have unstable output are integrated to the power grid system.

At current time, TEPCO owns a total of 164 hydroelectric power plants that have a combined total output of approximately 9.87 GW. These hydroelectric power plants are placed on the Tone River basin that flows through primarily Gunma and Tochigi Prefectures, the Shinano River basin that flows through Nagano and Niigata prefectures and the Sagami and Fuji River basins in Yamanashi Prefecture. In recent years we have been replacing hydroelectric power plants that have aged. The technical skill related to the new construction/replacement and facility management of hydroelectric power plants that TEPCO has cultivated since its establishment is being taken overseas and leveraged to expand our business.

### Trends in Maximum Output from Hydroelectric Power Plants



# Renewable Energy

**2000**

Establishment of Japan Natural Energy Company Limited  
Start of Tradable Green Certificates business



▲ Hachijojima power plant  
First wind power plant (2000~2014)

**Eurus Energy**

Total In Operation  
**Solar 341.5MW**  
**Wind 2,555.8MW**  
(as of July 2019)

▲ Investment in Eurus Energy  
Holdings Corporation (2002~)

**2011.3.11**

Great East Japan Earthquake and Tsunami



▲ Ukishima power plant  
TEPCO's first mega solar power plant (2011~)



▲ Higashiizu power plant  
First wind farm (2015~)

**2020**

Business start  
TEPCO Renewable Power

**2030~**

**6~7GW**

### Development of Various Types of Renewable Energies

In 1999, operation of a geothermal power plant with an output of 3.3MW commenced on Hachijo Island, Tokyo. And, in the year 2000, a wind power generation plant with an output of 0.5MW commenced operation on the same island (both power

plants has been abolished at current time). Currently, we have three mega-solar power plants that produce a maximum output of 30MW, and are operating a wind farm that comprises of 11 wind turbines and produces a maximum output of 18MW. And, in 2019 we commenced commercial operation of an offshore wind power plant.

### Introduction Status of Renewable Energy

	Power Stations	Maximum Output (MW)
Hydro	164 locations	<b>9,873MW</b>
	Ukishima mega solar power plant (Kanagawa prefecture)	<b>7MW</b>
Solar	Ogishima mega solar power plant (Kanagawa prefecture)	<b>13MW</b>
	Komekurayama mega solar power plant (Yamanashi prefecture)	<b>10MW</b>
Wind	Higashiizu wind farm (Shizuoka prefecture)	<b>18.4MW</b> (1.67MW×11)
	Off-shore wind power plant off the coast of Choshi (Chiba prefecture)	<b>2.4MW</b>



Renewable energy power

[www7.tepco.co.jp/ourbusiness/renewable/index-e.html](http://www7.tepco.co.jp/ourbusiness/renewable/index-e.html)

### Establishment of TEPCO Renewable Power

In 2018, the TEPCO Group announced that it was aiming to make renewable energies into primary power sources and began taking steps to expand its renewable energies business with the objective of developing a total of 6~7 GW in Japan and overseas that will serve as the pillar for this growth business. In order to promote this, the decision has been made to form a separate company, "TEPCO Renewable Power," in April 2020 to handle our

renewable energies businesses. Creating a separate company will enable quick decision-making in regards to large-scale investments and partnerships both within and outside of Japan, and will enable us to flexibly raise capital to support these initiatives. Furthermore, working under competitive cost levels will enable us to reach our FY2030 profit target of ¥100 billion. Going forward, we shall build upon the value chain of the TEPCO Group, which is the foundation for our revenues, in order to maximize the value that renewable energies have.

# TEPCO

## TEPCO Renewable Power



# Off-Shore Wind Power

## Off-Shore Wind Farm Project

In January 2019, TEPCO commenced commercial operation of its first off-shore wind power facility. Off the coast to the south of Choshi City, Chiba Prefecture, where this facility lies, we are engaged in a project with Ørsted A/S (Denmark), the world's largest wind farm operator, to develop our off-shore wind power facility into a wind farm in hopes that we will be given the rights by the government to exclusively develop this area of the ocean and for this purpose we have signed a memorandum with Ørsted A/S that allows the knowledge of both companies to be leveraged as much as possible. In August 2019, we submitted a Planning Stage Environmental Consideration Brief to the Minister of Economy, Trade and Industry, and have commenced an environmental impact assessment in preparation to use the

forementioned area for a wind farm.

In the future we aim to develop off-shore wind power facilities on the scale of 2~3 GW both within and outside of Japan, and provide society with the value of renewable energies by promoting the development of off-shore wind power for power generation purposes.

## Outline of Planning Stage Environmental Consideration Brief

Project name	(Tentative name) Choshi off-shore wind power generation project
Type of motor	Off-shore wind power (Implantation type)
Maximum output	370MW
Location	1.2+km off coast of Choshi
Wind condition	More than 6.6m/s
Water depth	8~20m
Start operation	After FY2024 (planned)



Wind power generation facility and observation tower(Off Choshi)



Project Location

Off Choshi

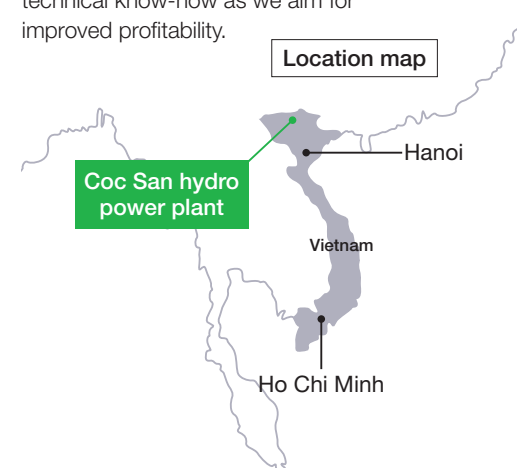
Tokyo

# Hydro Power in Vietnam

## Investment in the Coc San Hydroelectric Power Plant in Vietnam

In 2018, we invested in the Coc San Hydroelectric Power Plant (total output: 29.7 MW) owned by Lao Cai Renewable Energy in Vietnam as TEPCO's first overseas hydroelectric power project. Hydroelectric power plants all over the world face the common problems related to facility and the use of water. TEPCO believes that leveraging our technical skill and know-how cultivated over many years in Japan to appropriately handle these risks will contribute to stable operation over the long-term and an improvement in revenues. Going forward, the TEPCO Group will continue to form partnerships with entities both within and outside of Japan with a focus on Southeast Asia,

and promote participation in overseas hydroelectric power projects that are competitive and leverage the Group's technical know-how as we aim for improved profitability.



Location map

Coc San hydro power plant

Hanoi

Vietnam

Ho Chi Minh



Coc San hydro power plant (Vietnam)

# Value Chain for Renewable Energy

By building a continuous value chain that covers everything from renewable energy generation to consumption, the TEPCO Group shall maximize the value of renewable energies and contribute to the creation of a low-carbon society.

## Power Generation

## Distribution

## Consumption



### Renewable Energy Solutions (Tokyo Densetsu Service Co.,Ltd.)

The technical prowess that we have cultivated through our power business has given us a step up when it comes to construction planning, power system interconnection and pre-use inspections, and Renewable Energy Solutions is a "one-stop service" that provides everything from material procurement, to project implementation and maintenance management.

### Suncle

(TEPCO Ventures, Inc.)

SUNCLE is a website that enables anyone to enter their address and estimate their savings and the amount of energy produced by installing solar panels on their roofs. The site also forecasts the amount of CO<sub>2</sub> emissions that can be eliminated by going solar. Suncles uses Google Project Sunroof technology.

**Suncle** サンクル

### Grid Connection Support

(Tokyo Electric Power Services Co.,Ltd.)

Based on our experience of system interconnection operation, we provide optimal transmission development plan and smooth coordination among parties involved in regards to transmission infrastructure from renewable power plants to the trunk transmission line of electric utility.

[www.tepsc.co.jp/english/services/renewable/index.html](http://www.tepsc.co.jp/english/services/renewable/index.html)



### Renewable Energy ESP

(Japan Facility Solutions,Inc.)

Renewable Energies ESP provides one-stop shopping for the installation, operation, and maintenance of renewable energy equipment needed for on-site (household consumption) and off-site (self-consignment) power by combining renewable energies with energy conservation.



### Renewable Energy Storage Plan

(TEPCO Energy Partner)

With this money-saving plan, surplus power stored by TEPCO is used to fulfill the electricity needs of customer homes without requiring the installation of storage batteries in the household.



### Aqua Premium/Aqua Energy100

(TEPCO Energy Partner)

First domestic rate plan where 100% of electricity is generated from hydroelectric power. This plan offers electricity with zero CO<sub>2</sub> emissions.



### Tradable Green Certificates

(Japan Natural Energy Co.,Ltd)

The environmental added value that electricity generated with renewable energies has is provided in the form of a Green Power Certificate.



### Hotdenki (TRENDE Inc.)

With Hotdenki the initial cost of installation of the solar power generation system is ¥0, a maximum of 20% can be cut from household electric bills and the equipment will be transferred at no cost upon conclusion of the contract.



1964

1990

Fukushima Daiichi

Fukushima Daini

Kashiwazaki-Kariwa

1971  
Unit 1 operation started

1966: Population exceeds 100 million

The 1964 Tokyo Olympics

Under construction Unit 1

1973: First oil shock

1974  
Unit 21976  
Unit 31978  
Unit 4, 5

Over hydropower output

1979  
Unit 61981  
Cumulative nuclear power generation reaches 100TWh

◀ Fukushima Daiichi became Japan's largest power station (As of 1979)

1982  
Unit 1 operation started

Unit 1 ▶

1984  
Unit 21985  
Unit 31985  
Unit 1 operation started1985  
Unit 2, 5

TEPCO's Nuclear power generation capacity exceeds 10GW

1987  
Unit 4

◀ Unit 1

**The Role that Nuclear Power has Played**

At the generation stage, nuclear power can provide large amounts of electricity in a stable manner, at low cost, and without producing any CO<sub>2</sub>. In Japan, which lacks energy resources, nuclear power supported the period of rapid economic growth following World War II, and has played a vital role as a baseload power source.

**The Decommissioning of the Fukushima Daini Nuclear Power Station**

We have examined how to handle Fukushima Daini from the perspective of decommissioning Fukushima Daiichi and providing the people in the region with peace of mind. We therefore deliberated the decommissioning of all reactors at Fukushima Daini while taking into consideration securing human resources for the decommissioning of both Fukushima Daiichi and Fukushima Daini, safely engaging in decommissioning, and the impact that decommissioning Fukushima Daini would have on our business in general.

With these deliberations coming close to conclusion, and in total consideration of the regional communities that wish to have all nuclear power stations in Fukushima Prefecture decommissioned, we made the decision on July 31, 2019 to decommission all reactors at Fukushima Daini. Going forward, the TEPCO Group shall provide detailed explanations to community residents about how Fukushima Daini will be decommissioned and move forward with procedures required to decommission the plant while obtaining the understanding of the community. At the same time, we

will sincerely make every effort during this process to provide community residents with peace of mind as we decommission both the Fukushima Daiichi and Fukushima Daini Nuclear Power Stations.

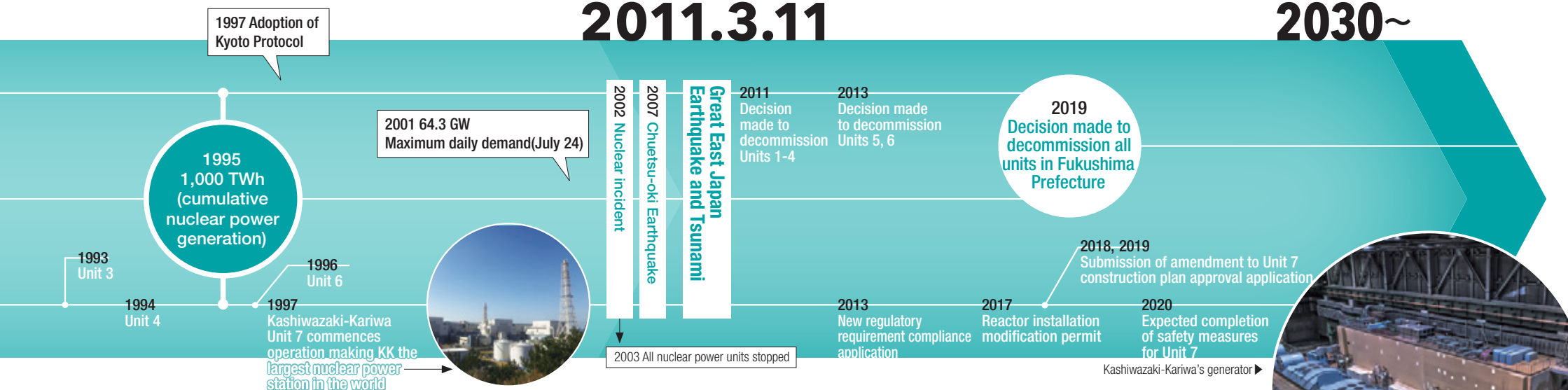
**Basic Decommissioning Plan**

1. Securing human resources needed for decommissioning both Fukushima Daiichi and Fukushima Daini
2. Safe decommissioning
3. Contributing to the recovery of industry in the region

Nuclear Power

2011.3.11

2030~



### Aiming for the Recommencement of Operation of the Kashiwazaki-Kariwa Nuclear Power Station

In accordance with the Nuclear Safety Reform Plan, we are using the Management Model, which puts forth policies for power station operation, to improve safety awareness, technological capability, and our ability to engage in dialogue in order to establish the world's highest levels of safety. We are also constructing management systems that prioritize safety and enable us to engage in business activities from the perspective of the local communities so that we can respond to various issues in a unified manner.

In preparation for the recommencement of operation of the Kashiwazaki-Kariwa Nuclear Power

Station we will continue to implement safety renovations, such as seismic-resistance enhancements, handle procedures required to obtain the work plan permit for Unit 7, and steadily move forward with preparations for inspections of Unit 6. We are also carefully listening to the opinions of community residents as we engage in activities to promote understanding and contribute to the region, while also striving to develop support bases for times of disaster.

Furthermore, at the Higashidori Nuclear Power Station we are implementing geological surveys in order to further improve safety as we aim to create a basic framework of cooperation with other operators by FY2020.

**¥1,169 billion** (Current estimate)  
**Cost of safety measures at Kashiwazaki-Kariwa Nuclear Power Station**

**¥90-110 billion/year**  
**Cost reduction if operating one nuclear unit**

**2.8 million tons/year\***  
**CO<sub>2</sub> reductions if operating one nuclear unit**

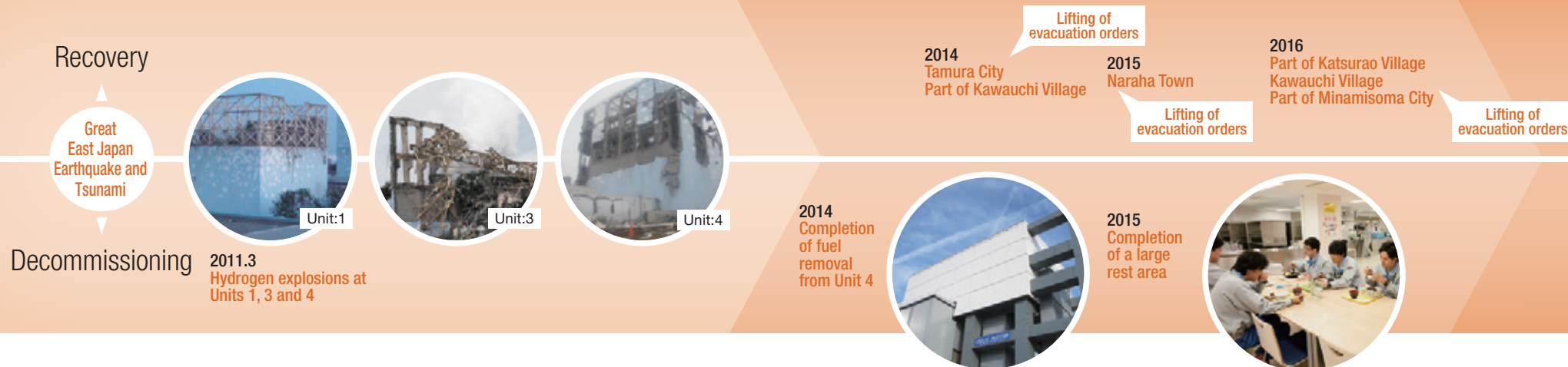
\* Reference: "Energy and Environment 2018" by the Federation of Electric Power Companies of Japan. Effects of CO<sub>2</sub> emission reduction with Nuclear Power 1GW. (Estimates)





2011.3.11

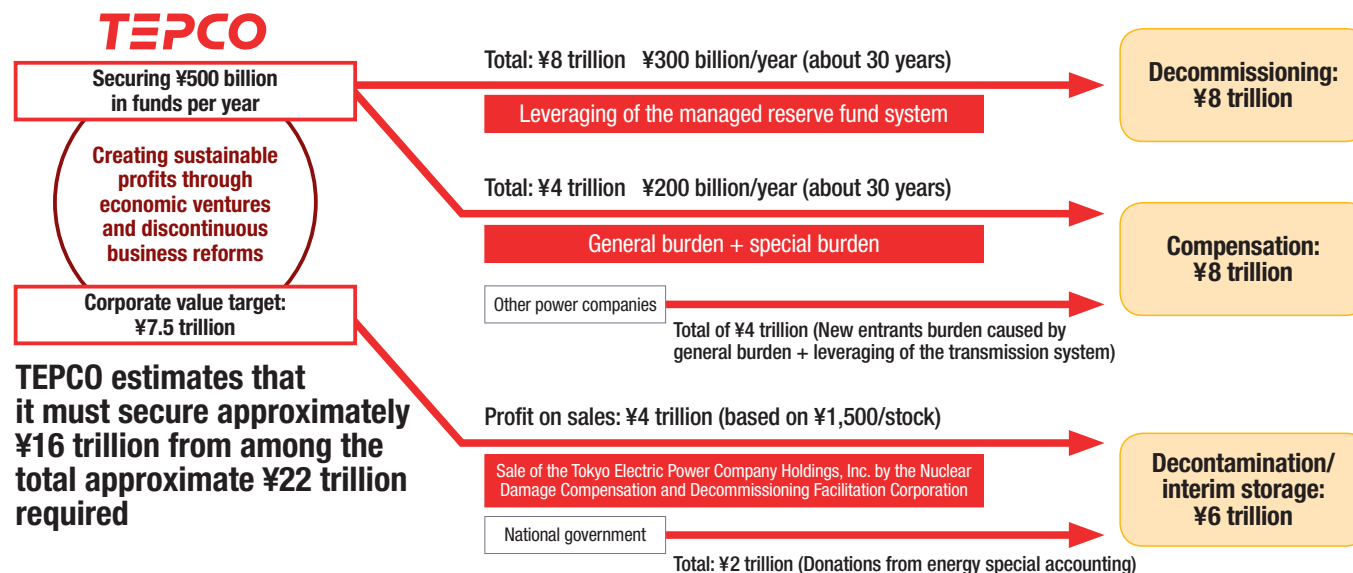
2014



### Funds Required for Fukushima Initiatives as Put Forth in the TEPCO Reform Proposal

According to the TEPCO reform proposal made by the TEPCO Reform and 1F Problem Committee, which is a committee of experts formed by the Ministry of Economy, Trade and Industry, a total of approximately ¥22 trillion in funds is needed to address the Fukushima Nuclear Accident. And, of this amount TEPCO is responsible for securing approximately ¥16trillion. In order to fulfill our responsibilities to Fukushima, we must not only provide compensation to the residents of Fukushima, help the area to recover, and move forward with decommissioning, but also leverage the capacity of every department in the TEPCO Group to stably increase revenue and secure the funds that are required.

# Fukushima



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

2017

2017  
Part of Katsurao Village  
Part of Namie Town  
Kawamata Town  
Part of Tomioka Town

2018  
Partial reopening  
of J-Village

Lifting of  
evacuation orders

2019  
Part of Okuma Town

Lifting of  
evacuation orders

2016  
Commencement  
of freezing  
of land side  
impermeable  
wall



2019  
• Start of fuel removal  
from the spent fuel  
pool of unit 3  
• Determining Fuel  
Debris Removal  
Methods of first unit

Compensation  
¥6.8trillion  
Decontamination etc  
¥2.3trillion

2020

- Started operation of power transmission facility by Fukushima Power Transmission Limited Liability Company
- The 2020 Tokyo Olympics torch runner starts from J- Village
- Nakoso IGCC\* operation start

2021

Hirono IGCC\* operation start

\* Integrated coal Gasification Combined Cycle

2020

Decrease the amount  
of contaminated water  
generated to  
approximately 150m<sup>3</sup>/  
day

2021

Start of Retrieval  
of Fuel Debris  
from the first unit

2023

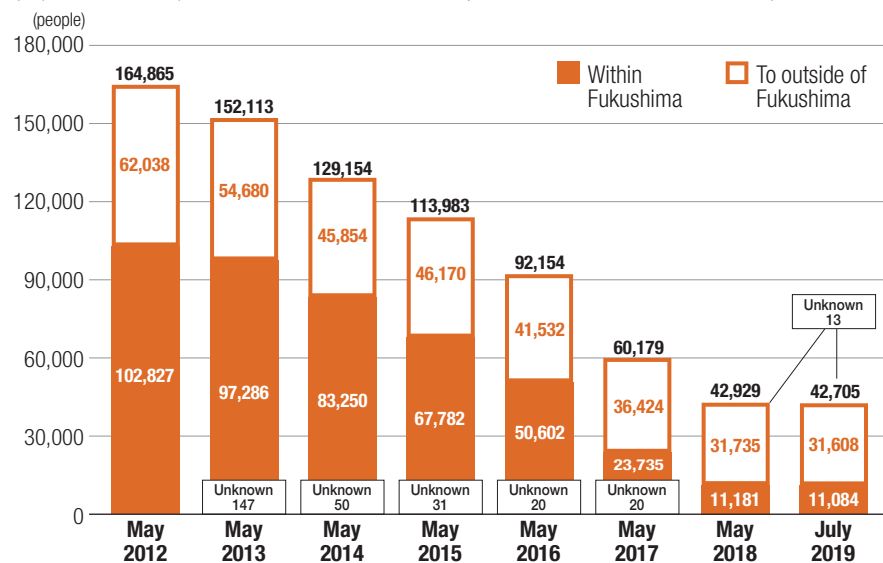
Start of fuel removal  
from the spent fuel  
pool of unit 1,2

(Current situation) West side hill of Units 1 to 4▲



### Change in the Number of Evacuees

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

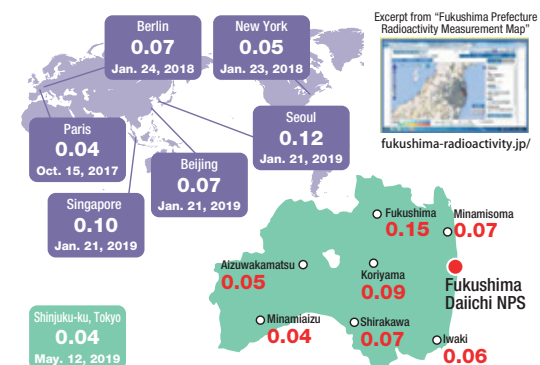


### Radiation Level Changes

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

Unit: μSv/hours

	Fukushima City	Aizuwakamatsu City	Iwaki City
Before the earthquake	0.04	0.04 ~0.05	0.05 ~0.06
2011.4	2.74	0.24	0.66
2012.3	0.63	0.10	0.17
2013.3	0.46	0.07	0.09
2019.7	0.14	0.06	0.06



# Working with Local Companies

## Commencement of Dismantling of the Unit 1/2 Exhaust Stack

In order to accelerate recovery in Fukushima, the TEPCO Group is proactively engaging in initiatives to develop industrial infrastructure and provide opportunities for employment.

As part of the decommissioning process we are dismantling an exhaust stack and the work is moving forward with the cooperation of Able, Inc., a local company located in Hirono Town, Fukushima Prefecture, while prioritizing safety.

There are four exhaust stacks that were used to handle exhaust from the reactor buildings, etc., at Fukushima Daiichi. Of these four exhaust stacks, the decision has been made to dismantle the top of the exhaust

stack that was used for Units 1 and 2 to make the decommissioning process even safer regardless of the fact that it still has sufficient seismic resistance. The stack is being dismantled using remotely operated equipment in order to reduce exposure during the task.

While receiving cooperation and assistance from the local communities, the national government, Fukushima Prefecture, and local governments, we will continue to leverage the experience and know-how that we have cultivated through our business to date and employ local companies to engage in construction and provide materials as the TEPCO Group perseveres to the best of its ability to help Fukushima recover as quickly as possible.



Commencement of dismantling of approximately half of the Unit 1/2 exhaust stack so as to widen seismic-resistance margins (August 2019)

## Global State-of-the-Art Coal-Thermal Power Station Project

In Iwaki City and Hirono Town we are moving forward with our “global state-of-the-art coal-thermal power station project” (construction and operation of two 543,000 kW power plants) that leverages integrated coal gasification combined cycle (IGCC) technology, which is being developed in Fukushima Prefecture. In October 2016, TEPCO invested in two companies in order to create employment through construction and operation. In addition to hoping that this project will help Fukushima to recover, we also want to contribute to solving global climate change issues by making Fukushima the origin of Clean coal technology\*.

\*More efficient than conventional power stations of the same size and approximately 15% less CO<sub>2</sub> emissions



## Renovating Small/Medium-Sized Hydroelectric Facilities

By continually renovating small/medium-sized hydroelectric facilities in Fukushima Prefecture that have aged, we are creating employment within the prefecture and procuring work equipment and materials from local vendors. At the same time, we are contributing to recovery in Fukushima by donating a portion of the proceeds we have received in conjunction with application of the Feed-in Tariff System for Renewable Energy to the fields of education and medicine, etc.

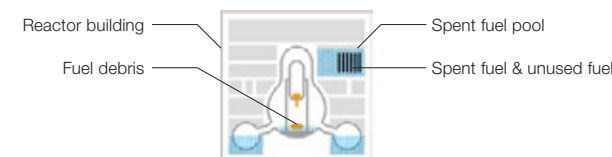


## Cooperating to Expand the Use of Renewable Energies

We have upgraded the equipment at the Shin-Fukushima substation and in FY2016 we newly enabled connection to 130,000kW of power produced by renewable energies in Fukushima Prefecture. Also, in March 2017 we established the “Fukushima Power Transmission Limited Liability Company” along with Fukushima Electric Power Company and The Toho Bank, Ltd. for the purpose of constructing and managing transmission lines and substations aimed at the expansion of the use of renewable energies, and shall commence operation in 2020.

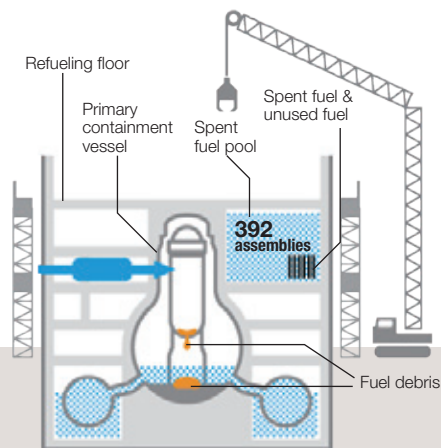


# Current Conditions at the Fukushima Daiichi



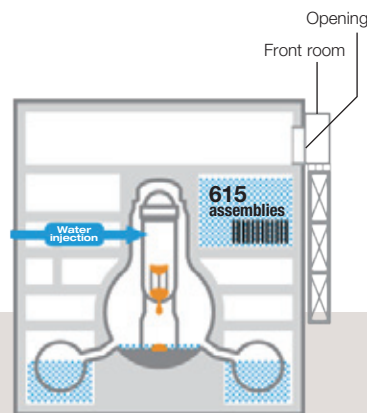
## Fuel and Fuel Debris Removal Status

Unit:1



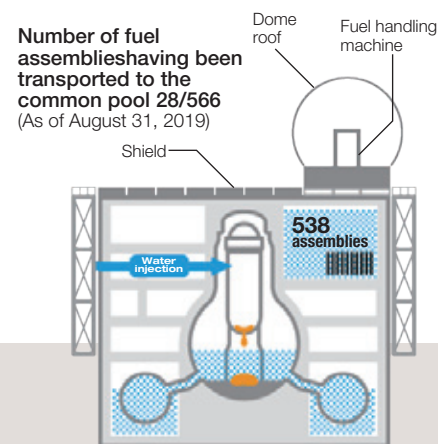
Rubble is being removed from the operating floor in preparation for the removal of fuel from the spent fuel pool. Furthermore, in preparation for fuel debris removal, additional primary containment vessel internal investigations and analysis are being conducted.

Unit:2



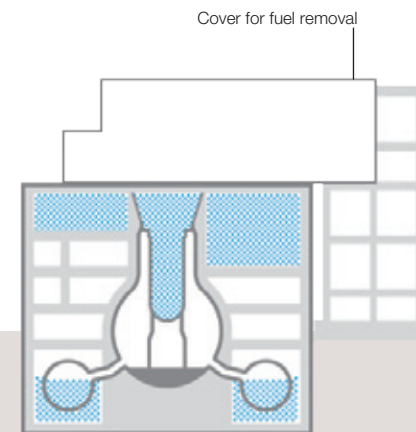
Remaining machinery on the refueling floor are being relocated and removed in preparation for the removal of fuel from the spent fuel pool. Also, in preparation for fuel debris removal, additional primary containment vessel internal investigations and analysis are being conducted.

Unit:3



Aiming for the completion of removal by the end of FY2020 fuel removal from the spent fuel pool commenced on April 15, 2019. And, whether or not additional primary containment vessel internal investigations are required in preparation for fuel debris removal is being deliberated.

Unit:4



The removal of fuel from the spent fuel pool was completed in December 2014 thereby eliminating risks associated with the nuclear fuel.

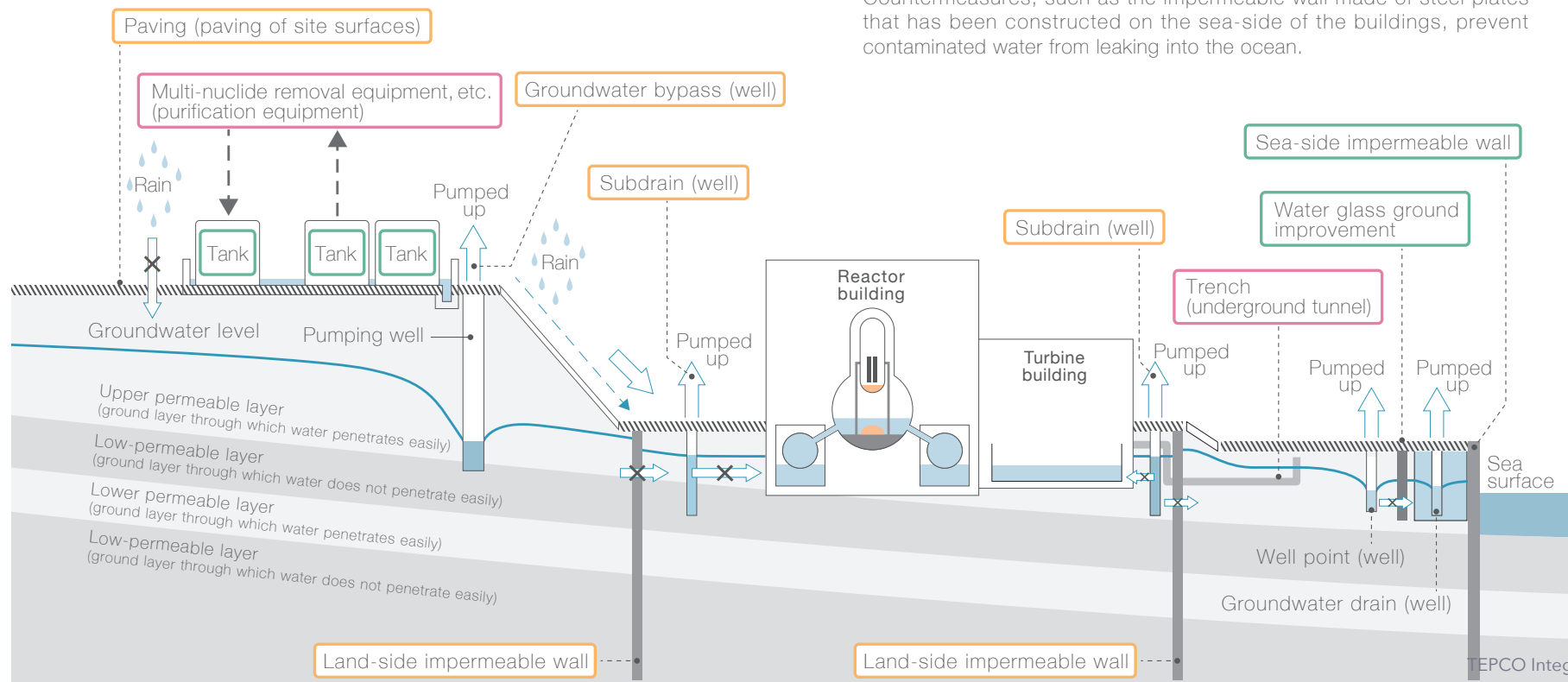


### Contaminated Water Countermeasures

Preventative and multilayered contaminated water countermeasures have been implemented based upon the three basic policies.

Water treated with ALPS is currently being stored in tanks, but going forward, TEPCO must not only think about scientific and technical aspects, but also fully consider putting society at ease

and promoting recovery in Fukushima. It is TEPCO's understanding that the government will stipulate a direction in which to head based upon discussions held by government committees and based on that decision, TEPCO will handle the situation appropriately and carefully while respecting the opinions of stakeholders, such as the local community.



#### Policy 1

#### Remove contamination sources

Contaminated water is treated with purification equipment such as multi-nuclide removal equipment.

#### Policy 2

#### Isolate water from contamination sources



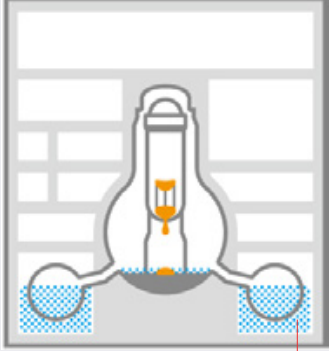
The flow of groundwater into buildings is being suppressed by pumping up groundwater and the construction of a land-side impermeable wall.

#### Policy 3

#### Prevent leakage of contaminated water

Countermeasures, such as the impermeable wall made of steel plates that has been constructed on the sea-side of the buildings, prevent contaminated water from leaking into the ocean.

Water countermeasures and treatment of water that has accumulated in buildings are being engaged in a planned manner based upon set deadlines.

<b>Policy 1</b> <b>Remove contamination sources</b>	<b>Policy 2</b> <b>Isolate water from contamination sources</b>	<b>Policy 3</b> <b>Prevent leakage of contaminated water</b>	<b>Treating accumulated water</b>
<p><b>Additional effective doses at site borders have been reduced to 1mSv/year.</b>  Target deadline: FY2015  Achievement status: Achieved (March 2016)</p> <p><b>Commencement of preparations aimed at deciding on how water treated with ALPS is to be handled over the long term</b>  Target deadline: First half of FY2016  Achievement status: Achieved (September 2016)</p> <p>&lt;Primary countermeasures&gt;  ■ Operation of ALPS and the tank storage/management of treated water</p>	<p><b>Decrease the amount of contaminated water generated to approximately 150m<sup>3</sup>/day</b>  Target deadline: During 2020  Achievement status: Achieved during the dry season (December 2017)</p> <p>&lt;Primary countermeasures&gt;  ■ Trenches have been filled in and drainage channels have been equipped with backflow prevention valves in preparation for large rainfall, such as during typhoons  ■ Water treatment equipment, such as sub-drains, etc., has been enhanced</p>	<p><b>Store all water that has been purified with purification equipment in welded tanks</b>  Target deadline: FY2018  Achievement status: Achieved (March 2019)</p> <p>&lt;Primary countermeasures&gt;  ■ Replacing tanks</p> <div data-bbox="1115 842 1473 1066">  </div> <p>Flange tanks</p> <div data-bbox="1115 1168 1473 1391">  </div> <p>Welded tanks</p>	<p><b>Cutoff connections between Units 1 and 2, and Units 3 and 4</b>  Target deadline: FY2018  Achievement status : Achieved(September 2018)</p> <p><b>Reduce the amount of radioactive substances in water that has accumulated in buildings to approximately 1/10 what it was at the end of FY2014</b>  Target deadline: FY2018  Achievement status : About 2/10 of the end of 2014</p> <p><b>Complete treatment of accumulative water buildings</b>  Target deadline: During 2020</p> <p>&lt;Primary countermeasures&gt;  ■ Remove radioactive substances from accumulated water in buildings  ■ Reduce the amount of accumulated water being stored</p> <div data-bbox="1594 1082 1921 1433">  </div> <p>- Accumulated water in buildings</p>



# TEPCO's Value Creation Process

## Increasing Corporate Value and Creating Shared Value

The TEPCO Group will create value over the long-term amidst sudden changes in the energy market. In order to do this, we must, to the best of our ability, leverage tangible and intangible assets from amongst the TEPCO Group's management resources.

Since management resources used for value creation include intangible assets that are not clearly represented by financial indicators, we have categorized them in accordance with the six types of capital (financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, natural capital) put forth in the IIRC's International Integrated Reporting Framework. The various types of inputted capital shall be transformed into output, such as products and services, in each field through the business activities of the TEPCO Group thereby producing an outcome that impacts each type of capital both within and outside the organization.

Through this cyclical process, the TEPCO Group shall create bifaceted value. One of these facets shall improve the value of the TEPCO Group itself thereby improving the financial strength of the organization and providing financial return to those that have provided financial capital. The other facet shall create value attributed to stakeholders and society as a whole. An example of this is contributing to the achievement of SDGs through our business activities.

This value creation process is supported by the relationship that we have with society and stakeholders, and also our diverse resources. The TEPCO Group shall strive to regularly revise business strategies and business models, and distribute resources appropriately so as to adapt to changes in the external environment in order to enable the group to continue to create value over the long-term in a sustainable fashion.



## INPUT

6 capitals



Manufactured  
Capital



Intellectual  
Capital



Financial  
Capital



Human  
Capital

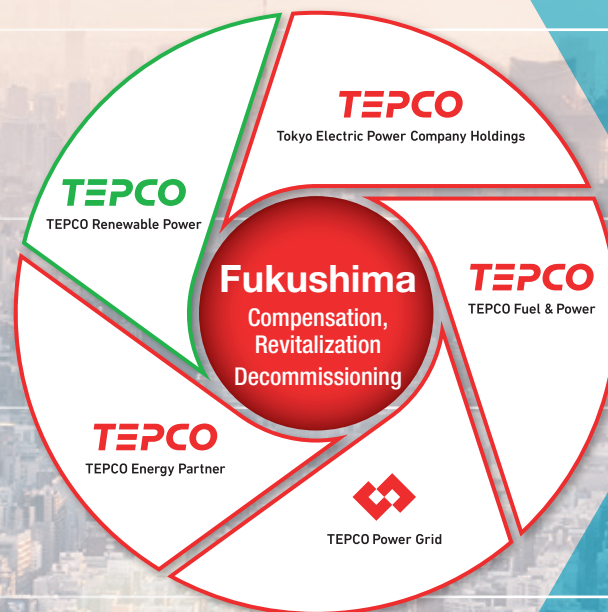


Social and  
Relationship Capital



Natural  
Capital

## ACTIVITY & OUTPUT



## OUTCOME

Increasing Corporate Value

Low-carbonizing and  
Improving Resiliences of  
Energy-supply Systems

Integrating Business  
and  
Enregy Technologies

Cultivating Human  
Resources that have  
earning power

Restoring Trust  
and Branding

Developing Oze's  
Value Creation Model

## OUTCOME

Creating Shared Value

Affordable and  
Clean Energy

Industry,  
Innovation and  
Infrastructure

Decent Work  
and Economic  
Growth

Sustainable  
Cities and  
Communities

Life on Land

*Increasing Profitability*



# Financial Capital

## Basic Information (Results of FY2018)

Ordinary Income	¥276.5 billion
Net Income	¥232.4 billion
Market Capitalization	¥1,124.9 billion

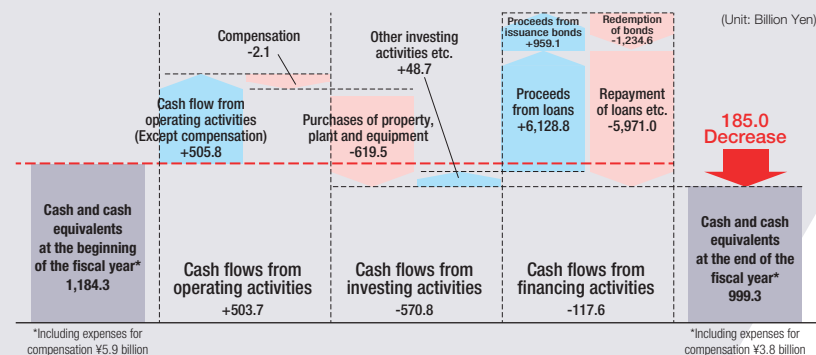
Based on our belief that the reason why companies exist is to “return to society the added value that the company has created through earning,” we position financial capital out of the six types of capital, as the foundation for the entire value creation process.

The TEPCO Group aims for increased future cash flow and management independence by growing into a company that has overwhelming “earning power” and securing the resources necessary for recovery in Fukushima and strategic investment.

### Overview of Consolidated Cash Flow:

Cash and cash equivalents as of March 31, 2019 decreased ¥185.0 billion to ¥999.3 billion.

- Cash flow from operating activities increased ¥503.7 billion mainly due to income before income taxes and minority interests
- Cash flow from investing activities decreased ¥570.8 billion mainly due to purchases of property, plant and equipment
- Cash flow from financing activities decreased ¥117.6 billion mainly because redemption of bonds and repayment of loans exceeded proceeds from issuance of bonds and those from loans



## INPUT: 6 capitals



## ACTIVITY & OUTPUT

### Tokyo Electric Power Company Holdings

¥100 billion

FY2030 revenue target of Renewable Energy Business

### TEPCO Power Grid

■ ¥150 billion

FY2025 reduction target of transmission and distribution costs

■ ¥100 billion

FY2026 sales target from other than transportation services

### TEPCO Energy Partner

■ ¥450 billion

FY2019 sales target of growth businesses

### TEPCO Fuel & Power, JERA

¥200 billion

FY2025 consolidated net profit target

**Reducing costs by adoption of Kaizen and promoting work efficiency**

## Work Efficiency

In addition to the cost reductions that has been made under the New Comprehensive Special Business Plan (TEPCO \*1: ¥4.8 trillion/10 years), TEPCO has been executing, under the Revised New Comprehensive Special Business Plan, unprecedented and recurrent streamlining of operations that includes “kaizen-centered doubling of productivity” and “use of digitalized technologies for bold technological and operational innovation” to be sure to achieve ¥1 trillion in even deeper cost reductions of over 10 years.

FY2018 results of TEPCO and its subsidiaries & affiliated companies were ¥953.8 billion and ¥82.0 billion, respectively, and targets were achieved.

### Cost Reduction \*2

	FY2018	
	Plan	Actual
TEPCO*1	¥809.1 billion	¥953.8 billion
Subsidiaries & Affiliated Companies	¥69.6 billion	¥82.0 billion

\*1 TEPCO means Tokyo Electric Power Company Holdings, Inc., TEPCO Fuel & Power, Inc., TEPCO Power Grid, Inc. and TEPCO Energy Partner, Inc.

\*2 Cost reductions given in the table were calculated using the pre-earthquake cost plan as the basis



OUTCOME: Increasing Corporate Value

Financial Impacts

OUTCOME: Creating Shared Value

Low-carbonizing and  
Improving Resilience of  
Energy-supply Systems

Integrating Business  
and Energy Technologies

Cultivating Human  
Resources that have  
earning power

Restoring Trust  
and Branding

Developing Oze's  
Value Creation Model

### Increasing Profitability Targets

Ordinary  
income

**¥300 billion**  
(10 years average, FY2017-2026)

Profit  
level

**¥450 billion/year**  
(FY2027-)

Market  
capitalization

**¥7.5 trillion**  
(FY2027-)

**Aiming for management independence  
by increasing cash flow**

**Fulfilling Our  
Responsibilities  
to Fukushima**

**Creating  
Additional Values**

### Tower Painting Kaizen: Development of a Method for Painting that Prevents the Dispersion of Dust, etc.

Getting rid of the net used to prevent the dispersion into the surrounding area of rust and paint that has been scraped off, and using a gondola sky chair to reach high locations where there is no scaffolding has enabled us to simultaneously improve safety while making work more efficient.

This has enabled us to triple productivity while reducing annual costs by ¥500 million.



By holding grinders vertically instead of horizontally we've been able to develop tools that simultaneously remove rust while collecting shavings



We have developed paint that is highly viscous and does not disperse into the air. The paint is applied using an auto-feed system that enables a single application of a thick coat.

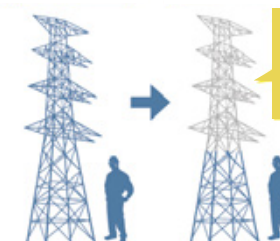
Conventionally brushes would be used to apply two coats



Conventional method of painting

Prior to kaizen:  
**1,539 man-hours**

After kaizen:  
**620 man-hours**



Productivity tripled and annual costs reduced by ¥500 million



Painting using a gondola sky chair

# Manufactured Capital

## Basic Information (As of March 31, 2019)

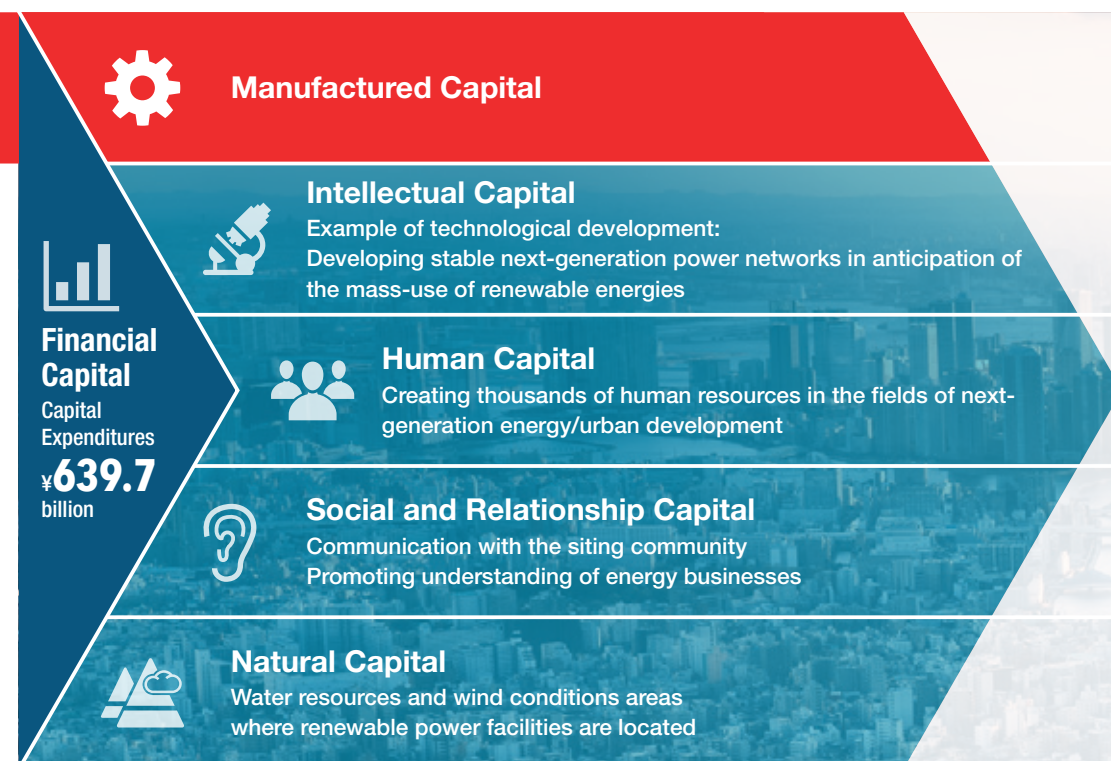
Power Stations		
Hydro	164	9,873MW
Internal combustion (Islands)	10	60MW
Solar and Wind	5	51MW
Nuclear	2	(under suspension)
Electric Power Supply Facilities		
Transmission lines	Overhead	28,314km
	Underground	12,349km
Substations	1,615	274 million kVA
Utility poles/Transformers		5,945,612/2,521,535
Installed number of smart meters (As of July, 2019)	22.8 million (coverage : 79%)	
Work Vehicles		
Total		6,700
Special Vehicles		1,800
Electric Vehicles		400

### Thermal power facilities

Inherited to JERA April, 2019

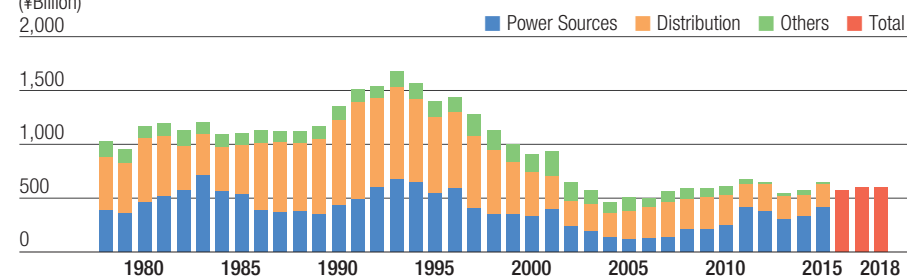
As a result of power system reforms, the needs of our customers and society are becoming more diversified as competition intensifies, large power sources are introduced, and renewable energies, for which suitable locations are unevenly distributed, are leveraged. In regards to power generation facilities, we are developing our domestic and overseas renewable energies business by leveraging the strengths of our business model that integrates everything from the planning and development to the operation and maintenance of existing power sources, such as hydroelectric and wind power plants, in light of diverse needs that aim to create a low-carbon society. In regards to power supply facilities, we shall create highly secure, stable, and efficient power transmission and distribution networks that are resilient and flexible by engaging in initiatives to increase regional collaboration and the amount of power generated by renewable energy sources that can be accessed, and build smart networks.

INPUT: 6 capitals



## Capital Investment (As of end of FY2018)

(¥Billion)  
2,000



1. "Distribution" includes transmission, transformation and distribution. "Others" includes nuclear fuels and operation facilities.  
2. Non-consolidated results before establishing holding company system. Consolidated Results after FY2016.



**ACTIVITY & OUTPUT****Power Generation P59, P63**

- Renewables: Developing a total of 6-7 GW in Japan and overseas
- Nuclear: Completion of safety measure renovations and pre-startup inspections of Kashiwazaki-Kariwa NPS Unit 7 (FY2020)

**Transmission and Distribution**

- Nationwide integrated control of demand frequency control apparatus in power system
- Promote interconnectivity between electric power companies (Enhance interconnectivity facilities in the Shinano direction)
- Increase connectivity to renewable energy sources
- Complete installation of all smart meters (29 million units by FY2020)

**Electric Vehicles P31**

- EV100: 2030 target of electrifying 4,400 work vehicles
- Build recharging infrastructure

**OUTCOME: Increasing Corporate Value****OUTCOME: Creating Shared Value**

## Reducing the Carbon Footprint and Improving the Resilience of Energy Supply Systems

**Financial Impacts**

**¥100 billion**

FY2030 revenue target of Renewable Energy Business

**¥90-110 billion/year**  
Reduction in costs from operating one nuclear reactor

**¥150 billion**

FY2025 reduction target of transmission and distribution costs

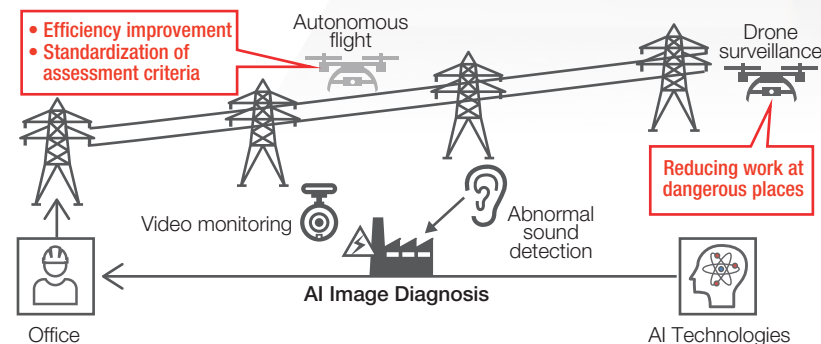
**Affordable and Clean Energy**

**Enhancing Resilience**

While considering cost-effectiveness we are engaging in initiatives to enhance system interconnectivity to connect the transmission and distribution networks of different electric utilities in order to assure a stable supply of power during times of disaster and also prepare for the increased use of renewable energies. To be prepared to quickly restore power in the event of power outages during a disaster we are coordinating with other electric utilities and related agencies to deliberate and implement measures for constructing a system to better dispatch human resources and materials/equipment to affected areas, and implementing training on gathering/sharing information. Through these efforts we will steadily strengthen our ability to respond to disasters.

**Smart Maintenance and Leveraging AI**

We are striving to improve equipment maintenance safety and productivity by leveraging digital technology and drones, etc., for automated equipment monitoring and remote maintenance. And, we aim to further improve quality by digitalizing individualistic work and standardizing criterion, such as leveraging AI technology for image analysis in order to diagnose abnormalities with equipment.





# Intellectual Capital

## Basic Information

- "The Energy industry in the year 2050  
-Game-changing Utility 3.0-" published, Sep. 2017
- Number of submitted patents: 4,706 (cumulative total FY2001-2018)
- R&D area

Think tank	Scenario analysis, Energy economics analysis, Energy demand and supply simulation	
Research & Development, Engineering	Advanced power network	Power grid innovation, Smart O&M of grid facilities, Off-shore wind power and DC transmission, Advanced distribution network, Distributed energy resources control, Battery application, Energy analysis and solution, Energy service development
	Environment, materials, chemistry	Decommissioning, Availability enhancement of coal-fired power, Innovation of thermal power O&M, Aging control of materials of power facilities

As an internal company of TEPCO Holdings, the TEPCO Research Institute links management strategies, the business strategies and technical strategies of each group company, and intellectual property strategies as it engages in scientific research and technological development for the entire Group. Current technological development centers on reducing costs and handling risks, such as natural disaster countermeasures, but in conjunction with unforeseen changes to the business environment of the TEPCO Group, the Institute is also addressing such issues as the impact of distributed power sources and the spread of the use of storage batteries, as well as institutional issues. Technological development is indispensable for addressing issues that cannot be rivaled by mere extensions of conventional business, such as next-generation power grids and expanding spheres of business.

The TEPCO Research Institute aims to maximize corporate value and optimize risk management by fully leveraging its role as a think tank and center for engineering and innovation, and fusing business and technology to find solutions for everything from issues in the field to mid/long-term management issues.

INPUT: 6 capitals



## Examples of Technological Development that We Aim to put into Practical Use in the Future

### MR: Mixed Reality Technology

We have jointly developed and commenced sale of an advanced system called QuantuMR that leverages MR in order to assist workers on the front lines in the field (November 2018). Going forward we will continue to develop and test this system in order to further improve functionality.





## ACTIVITY &amp; OUTPUT

## Think Tank

- Predicting management issues

## Engineering

- Digitalization and utilization of proprietary technologies
- Cost reductions, O&M labor saving, Work efficiency

## Innovation (2020-2030)

- Electrification of the transportation and industrial sectors
- Handling the distribution and spread of renewable energies
- Floating type off-shore wind power
- Balancing safety with economical nuclear power and decommissioning assistance

## OUTCOME: Increasing Corporate Value

## Integrating Business and Energy Technologies

## Financial Impacts

Areas of business to which the TRI contributes  
Turning renewables into primary energy sources

¥ **100** billion in revenues

Creation of next-generation grids fused with renewable energies

Stable supply/consigned transmission and distribution cost reductions

¥ **150** billion

New services, such as EV charging/storage battery use

JERA profit line goal

¥ **200** billion

Safely and steady decommissioning of Fukushima Daiichi

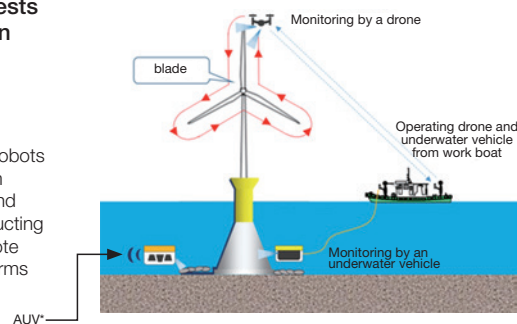
## OUTCOME: Creating Shared Value

**Industry,  
Innovation and  
Infrastructure**

### Remote Maintenance Verification Tests for Offshore Wind Power Generation Facilities off the Coast of Choshi

#### Robots and Drones

In order to make smart O&M a reality, we are conducting verification tests on submersible robots and aerial drones in order to remotely perform maintenance and inspections on off-shore wind power generation facilities. We are also conducting field tests using aerial drones to perform remote inspections on transmission lines and robot arms for the automated painting of towers.



\* Autonomous sailing test of Hobarin AUV (autonomous underwater vehicle) conducted as part of joint research with the National Institute of Maritime, Port and Aviation Technology. (Hobarin is a deep-sea exploration AUV developed as part of the Strategic Innovation Program (SIP) Next-Generation Maritime Resource Exploration Technology Research and Development of Multiple Methods for Using AUV)

# Human Capital

## Basic Information

Number of employees	31,726
Ratio of women in top management positions*	5.97%
Ratio of women in management positions	4.24%
Employment ratio of physically challenged individuals	2.41%
Number of newly hired employees	276
Number of career employees hired	76
Percentage of employees that have returned to work after taking leaves of absence for child rearing	100%

\* Top management position based on Companies Act, such as Director, Auditor, Executive Officer and Corporate Officer

### Work-style reform programs

- Work-from-home programs (Started in FY2017)
- Programs for balancing medical treatment and work (Planned in FY2019)
- Increase in the number of satellite offices (Planned in FY2019)

### Human resources training

- Kaizen education
- Training to improve earning power
- Reforms of groups in charge/Supporting human resources training

The TEPCO Group is developing personnel strategies to improve profitability and corporate value. We aim to cultivate personnel and create work environments that balance “job satisfaction and economic growth” by prioritizing and flexibly assigning human resources to highly profitable “earning” projects, improving employee motivation and creating diversity through work style reforms.

■ Certified L Star (eruboshi) company  
(the L Star is awarded to companies that promote women in the workforce)



TEPCO Holdings  
TEPCO Fuel & Power  
TEPCO Power Grid



TEPCO Energy Partner

■ Awarded Silver PRIDE index (Work with Pride promotes the support of the LGBT community in the workplace)



TEPCO Holdings  
TEPCO Fuel & Power  
TEPCO Power Grid  
TEPCO Energy Partner

INPUT: 6 capitals



## TEPCO Employee Given the Distinguished Female Engineer Award

General Manager of the North Kanto Office in the TEPCO Energy Partner, Inc. Sales Division, Mika Kosuge (Ms. Kosuge was serving as Superintendent of the TEPCO Power Grid Shinano River Power Station when she was submitted for consideration), has been awarded the Distinguished Female Engineer Award. Ms. Kosuge's achievements in creating diversity in the field of electronic communications were recognized thereby marking the first time an electric utility has received this award.  
(Photo: Ms. Kosuge is seated third from the right in the front row)







## ACTIVITY &amp; OUTPUT

**Improving Vitality of Employees**

- Improve "Level of Happiness" score on employee awareness survey

**Diverse Human Resources**

- **10%**  
2025 Target goal for the ratio of women in top management positions:

- **130**  
2019 Target goal for the hiring of career employees (highly skilled human resources):

**Work-Style Reforms**

- **1,840 hours/year**  
2019 Target goal for reducing the total average work time per person

\* Regular working hours (7 hours and 40 minutes) x Regular Working days (240 days)

### Allocating Human Resources

Improving work efficiency and Kaizen activities

Target of allocating human resources  
**8,000 people**  
(At the end of FY2019)

### Human Resources Training

- Training of future leaders in management
- Program of 100 entrepreneurs

## OUTCOME: Increasing Corporate Value

## OUTCOME: Creating Shared Value

## Cultivating Human Resources that have earning power

## Financial Impacts

Business areas to which human resources with earning power will be reallocated

Turning renewable energy sources into primary energy sources

## Additional profit

¥ **100 billion**

EV charge service business  
Storage battery solution business  
Digitalization business  
Real estate business  
Existing electricity business

## Decent Work and Economic Growth

### "The Future of the TEPCO Group" as Seen by New Employees

In April 2019, 276 employees joined the TEPCO Group (TEPCO Holdings, Inc., TEPCO Fuel & Power, Inc., TEPCO Power Grid, Inc., and TEPCO Energy Partner, Inc.). During the "cultivating future intentions" program implemented as part of new employee training, participants thought up catchphrases that capture their future vision of the TEPCO Group and presented them to other trainees with fervor.



#### An energy company that illuminates the world

We want to contribute to various endeavors to bring a smile to all and make Fukushima, and countries all over the world, plentiful!



#### Thinking 10 moves ahead to bring peace of mind to the world

Bringing new industries, such as wireless power transmission, to the world. As a company that will fulfill its responsibilities to recover from the Fukushima Daiichi Nuclear Power Station Accident, we will think not just one move ahead, but 10 moves ahead to bring peace of mind to the world!



#### Transitioning from creating electricity to creating with electricity ~Changing the future through electrification~

We aim to be a company at the heart of society that innovatively uses new technology to create the future. I want to be an employee that helps bring a bright future to Fukushima by becoming a decommissioning professional!



#### Hope from Fukushima to the World

I want to create places in Fukushima for interaction between people that can solve the world's food problems and protect the health of individuals. I want to spread hope to the world from Fukushima!



#### Connecting people and everything

I want us to connect not just customers, but everything, from employees, to the hearts of people, to land, etc. I want to help as much as I can to achieve this!



# Social and Relationship Capital

## Basic Information (As of end of FY2018)

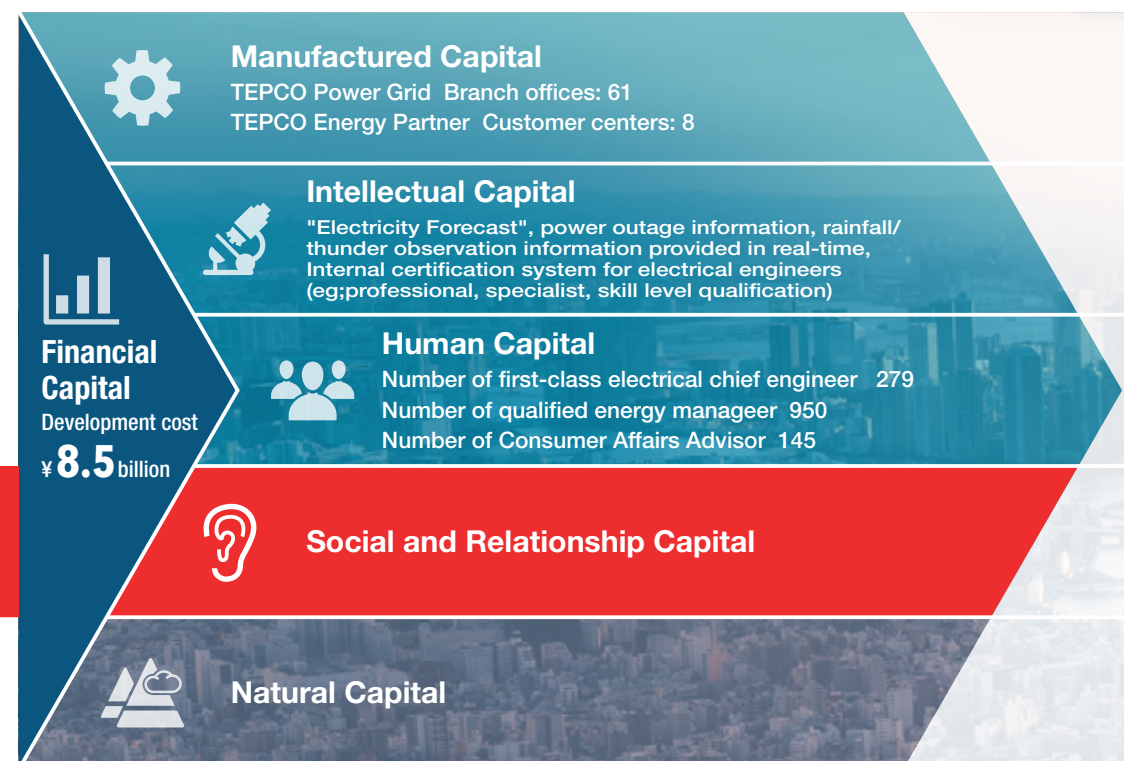
Number of customer contracts	
Residential	17,800,000
Commercial and industrial	216,000
others	7,450,000
Average retail electric rate	
Residential	¥24.47/kWh
Commercial and industrial	¥23.05/kWh
Typical monthly electric bill for residential customers	
500kWh	¥13,044
1,000kWh	¥40,549
Grid Resiliency	
System average interruption duration index (SAIDI)	19 minutes
System average interruption frequency index (SAIFI)	0.13 times
Customer average interruption duration index (CAIDI)	146.15 minutes/times
Environment	
CO <sub>2</sub> emissions intensity	0.455kg-CO <sub>2</sub> /kWh
Customer Satisfaction	
Number of improvements made based on customer opinions	62

We believe that creating value based on social and relationship capital entails engaging with communities and stakeholders related to the TEPCO Group to learn what they desire from the TEPCO Group's business endeavors and make it a reality.

The approach to this value creation process will differ depending on the attributes of the stakeholders, so here we will define our relationship with customers that purchase power from us, and the siting communities in which power supply facilities have been built.

On the following page we shall introduce TEPCO Group initiatives that aim to provide a stable supply of power, offer inexpensive rates, and consider the environment, which are the basic services demanded of an electric company by communities and customers, through engagement with the community and our customers that takes into consideration our initiatives based on financial and manufactured capital.

INPUT: 6 capitals



\*Cost of sales promotion of new services under the full liberalization of entry to electricity retail business

## Examples of "Livelihood Support Services": TEPCO Energy Partner (Japanese only)





# ACTIVITY & OUTPUT

## Responding to Power Outages

TEPCO Power Grid makes efforts to minimize the areas affected by a power outage and restore power quickly using automatic power restoring systems, manual circuit switchovers, which are conducted by personnel onsite 24 hours a day, and by sending maintenance personnel that reside at branch offices to the areas affected to make emergency repairs.

Based on the lessons learned from making repairs in the wake of Typhoon #15 we have implemented equipment countermeasures and made changes to our repair system an effort to further improve our resilience to such disasters by quickly ascertaining the extent of damage in the event of a power outage and disseminating accurate information.

## Demand Side Management

Saving energy, cost and CO<sub>2</sub> ⇒p57

Renewable energy sales Business ⇒p58

Value chain for renewable energy ⇒p62

EV ⇒p31

# OUTCOME: Increasing Corporate Value

## Restoring Trust and Branding

### Financial Impacts

### TEPCO Energy Partner

¥450 billion

FY2019 sales target for growth businesses

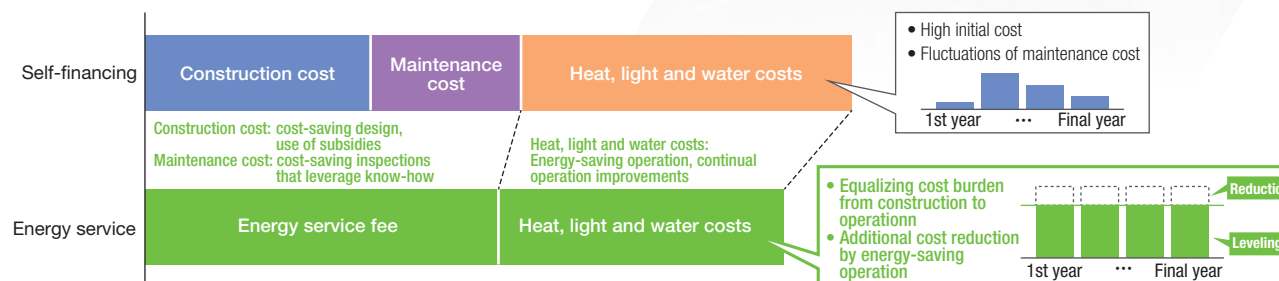
# OUTCOME: Creating Shared Value

## Sustainable Cities and Communities

## Energy Service Provider Business

TEPCO Energy partner is developing its business as an energy service provider (ESP) so as to provide one-stop shopping that offers everything from energy sales (electricity/gas) to the introduction, operation, and maintenance management of highly efficient systems. Through these efforts we shall contribute to large savings in energy, costs, and CO<sub>2</sub> emissions thereby enabling our customers to reduce and equalize total costs for everything from construction to operation.

TEPCO aims to transcend mere electricity sales and grow in other profitable business areas to meet the needs of our customers. And, through the promotion of ESP we shall improve the energy efficiency of society as a whole.



# Natural Capital

## Basic Information

The Oze National Park		
Land owned by TEPCO	<b>16,000ha</b>	approximately 40% of the entire Oze National Park, and approximately 70% of the special conservation zone
FSC-certified forests	<b>16,334ha</b>	
Wetlands registered under the Ramsar Convention	<b>8,711ha</b>	
※ Examples of quantitative evaluation of ecosystem services at Oze		
Forest carbon fixation	<b>10,000 t-CO<sub>2</sub>/year</b>	
Wetland carbon fixation	<b>1,000 t-CO<sub>2</sub>/year</b>	
Groundwater recharge	<b>120 million m<sup>3</sup>/year</b>	(average 2006-2010)
Soil-runoff prevention	<b>Reduced to 1/44</b>	Amount of soil runoff if no vegetation

<reference> Other natural capital that TEPCO owned;  
 Water conservation forests around hydro power plants : 68 ha, Forests around Transmission and transformation equipment : 338 ha, Forests in Atemakogen highlands, Niigata Pref.: 169 ha

The Oze National Park that straddles Gunma, Fukushima, Niigata, and Tochigi Prefectures is a special natural monument of Japan that has also been designated as a wetland of international importance under the Ramsar Convention. This land that was acquired by electric companies during the Taisho Era in order to build power plants was inherited by TEPCO when the company was founded, and over the 70 years that have followed community residents have worked together with Tokyo Power Technology, a TEPCO Group company, to conserve these wetlands.

When developing our value creation process the benefits from “ecology services” in Oze were quantitatively assessed and the value created through many years of nature conservation activities was deemed to be “natural capital” unique to the TEPCO Group.

The nature conservation activities in this region have a positive impact on the environment, preparedness, economy, and living of the aforementioned region and creates value in the form of improved resilience. Promoting business activities were rooted in the region, the TEPCO Group aims to prioritize “consideration for the environment” and “symbiosis with the region” and apply the value creation model from Oze to various business activities.

INPUT: 6 capitals



## Oze Rebranding Project

The goal of the TEPCO Group's Oze rebranding project is to coordinate not just with the local governments of the siting community and organizations/companies involved with the natural conservation of Oze, but also those people who can spread the appeal of Oze, to convey the natural value of Oze to as many people as possible, and especially the next generation, both within and outside of Japan, in order to share information about the problems that exist and find a solution.

In August 2019, we planned and held an Oze Yoga event for people to enjoy yoga in the natural beauty of Oze as an attempt to find new value in Oze. The event helped to revitalize the region and improve the appeal of both hiking and yoga through the synergistic effect caused by enabling hikers and yoga enthusiasts to share their sense of values. We will continue to discover new value in Oze and convey it to the world.



Oze Yoga, Aug. 2019





## ACTIVITY &amp; OUTPUT

## Promoting Initiatives based on "New Oze Vision"\*

\*The action plan formulated by Oze National Park Committee (representing executive branches, Oze preservation Foundation, land owners and administrators, including TEPCO, tourism associations and experts)

## Preserving Oze Together

- Continuous environmental conservation activities, (Development of STEM (Science, Technology, Engineering and Mathematics) educational program)

## Enjoying Oze Together

- Re-discovering the value of Oze

## Sharing Oze

- Elaborate and share with society the appeal of Oze by assessing and analyzing it using quantified data

**Adopting Oze's value creation model to all aspects of our corporate activities**

## OUTCOME: Increasing Corporate Value

## Developing Oze's Value Creation Model

## Financial Impacts

Examples of economic evaluation of ecosystem services in Oze

## Forest and wetland carbon fixation

**Equivalent to ¥ 100-150 million/year**  
(Estimated by the average price of J-credit, forest absorption, 2017)

## Soil-runoff prevention

**Equivalent to ¥ 15.9 billion/year**  
(Estimated using the construction cost of a check dam (¥5,780/m<sup>3</sup>))

## Economic effect of the area as a tourist attraction

**Equivalent to ¥ 9.8 billion/year**  
(Estimated using the number of visitors in 2015 (326,100))

## OUTCOME: Creating Shared Value

## Life on Land



Oze and TEPCO

[www7.tepco.co.jp/about/esg/environment/oze/index-e.html](http://www7.tepco.co.jp/about/esg/environment/oze/index-e.html)

## ※ "Quantitative Assessment of Ecological Services in Oze" overview

We performed an assessment of the ecological services created by the environment within the Oze National Park, which is owned by TEPCO Holdings and in which TEPCO Holdings engages in nature conservation activities, by looking at the physical amount of substances that can be calculated from geologic and statistical information, and performing an economic assessment of these substances where possible.

■ **Implementation Period:**  
August 2017~March 2008

■ **Scope of Assessment:**  
Area managed by TEPCO Holdings (approximately 16,000ha)

■ **Primary substances assessed**● **Fixed carbon content from forests:**

In this analysis, the carbon sequestration function of only those areas of forests in which forestry is performed was assessed under the assumption that there is no net carbon absorption affect in natural forests because the amount of carbon sequestered from the atmosphere through photosynthesis should be in equilibrium with the amount of carbon emitted into the atmosphere through the metabolic processes of respiration and apoptosis in sufficiently mature forests.

● **Fixed carbon content from wetlands:**

Just like forests, wetlands also sequester carbon and in general the ability of wetlands to sequester fixed carbon is high due to the fast rate of decomposition of plants. The quantity of fixed carbon dioxide per unit area for each type of wetland (high elevation wetland, intermediate elevation wetland, low-lying wetland) is calculated.

● **Groundwater replenishment:**

Lakes and marshes gradually enable water to flow downward by allowing precipitation to permeate into the ground. In this analysis we assessed the replenishment of Groundwater, which makes up part of this water. This was calculated by subtracting the amount of evapotranspiration, surface runoff and intermediate runoff from the amount of annual precipitation.

● **Soil-runoff prevention:**

the amount of Soil runoff prevented by forests and farmland was assessed because trees and plants have the ability to retain Soil in their systems. the difference in the amount of Soil runoff caused by the presence or absence of vegetation is calculated as the amount of Soil runoff prevented by vegetation.

● **Economic effect of the area as a tourist attraction:**

The number of visitors from Tokyo and the entire country was examined using lodging information from mountain cottages. In order to simplify the calculation, an average of ¥30,000/person in travel and accommodation costs was used as the standard unit.

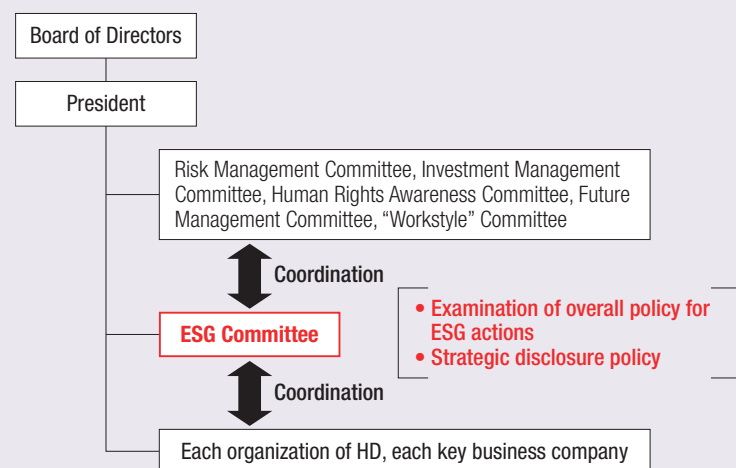


# ESG Highlights

## ESG Management Structure

In 2019, the TEPCO Group established an ESG Committee and ESG Office, a department dedicated to handling ESG, within TEPCO Holdings and appointed an ESG Officer (Vice President/CFO) in order to flexibly address ESG-related issues as we enhance our ability to address key management issues.

### Committee Structure



### Member Composition

Chair	President
Vice chair	<b>Executive Vice President (CFO / ESG Officer)</b>
Committee member	Executive Vice President (Corporate Planning / Investor Relations), Executive Vice President (Employee Relations & Human Resources / Shareholder Relations), Managing Executive Officer (Disaster Prevention / Safety), Managing Executive Officer (Accounting & Treasury), Managing Executive Officer (Corporate Communications), Executive Officer (Corporate Planning), President of each key business company
Observer	Organization, Employee Relations & Human Resources Office Manager, Business Promotion Office Manager, Corporate Planning Office Manager, ESG Office Manager, Corporate Communications Office Manager, Overseas Business Office Manager, Audit Committee Member
Secretariat	<b>ESG Office</b> , Corporate Planning Office



ESG Information

[www7.tepco.co.jp/about/esg/index-e.html](http://www7.tepco.co.jp/about/esg/index-e.html)

## 1<sup>st</sup> ESG Committee (February 22, 2019)

### Agenda

1. ESG Committee / Revise Management Principles
2. ESG Committee objectives and issues, FY 2019 measures for addressing these issues
3. Future issues/points for discussion

### Primary Discussions (Comments made during the meeting)

#### <Regarding inauguration of the committee>

As a body for debating and overseeing general measures for addressing ESG, this committee shall select ESG issues important to management strategies, deliberate the basic direction of these policies, and examine strategic measures for handling information disclosure. It is generally said that ESG information disclosure improves the reputation of an organization amongst institutional investors and attracts investment. However, this committee will not stop here and will rather also debate how the company can create an ideal future, how it should supply power in that future, and the form that ESG management should take in the future.

### Recent Issues

In regards to expressing support of TCFD recommendations/participation in "EV100," how each of these is positioned needs to be clarified upon giving an explanation of the direction of the company's ESG management to the Board of Directors.

### Mid/long-Term Issues

It is important to categorize current initiatives from the perspective of ESG and create a story for the direction that the company should take.

#### <ESG in General>

- Analyze the cause-and-effect relationship of ESG assessment scores, prioritize issues to address and measure effectiveness.
- Examine how to improve the reputation of our corporate brand from the perspective of ESG.

#### <Environment>

- In detail, what the company will do in order to support TCFD recommendations?
- In order to achieve the goals of EV100, I would like to narrow down strategies for assessing costs in creating leeway for negotiation in the market when purchasing large quantities of electric vehicles.
- In regards to rousing interests in "natural conservation activities in Oze," we need to make it easier to understand how these initiatives have had a positive impact on corporate management.

#### <Society>

- What should be given priority as we move forward with social initiatives?
- We need to debate whether or not Fukushima endeavors should be handled as ESG topics.
- Engagement with our customers and the regional communities is an important element
- It's important to have employees organize and understand social initiatives.

#### <Governance>

- I'd like to discuss boundaries and how we view Group companies and the supply chain.

## 2<sup>nd</sup> ESG Committee (August 22, 2019)

### Agenda

1. ESG Management Strategy
2. “TEPCO Integrated Report 2019” Overview
3. Addressing Environmental Goals Concerning Power Sources (Midterm Report)



### Primary Discussions (Comments made during the meeting)

#### ■ ESG Management Strategy

- All the Group's businesses were inventoried from the perspective of ESG, and several hundred products and businesses were analyzed to create a draft of a portfolio map. Sharing this information with the people implementing these projects will lay the foundation for supporting the deliberation of new forms of cooperation within the Group and how to pioneer new areas of business.
- When organizing our businesses, we must also figure out to what extent the TEPCO Group's boundaries encompass contractors and partners.
- We need to organize the objectives of portfolio map creation, such as what businesses should the TEPCO Group focus on from the perspective of ESG, and what is our thinking in regards to these objectives.
- If we're going to formulate objectives based on how we mix new businesses, classifying them based upon business structure rather than visibility will be more suitable for supervision.
- Manufacturers have a model where products are made in consideration of ESG and then provided to the customer, but the electricity business has a different nature/structure. But, we have to leverage the unique attributes of our business to our advantage



Tomoaki Kobayakawa  
Pres.



Seiji Moriya  
Executive Vice Pres./CEO/ESG Officer

#### ■ TEPCO Integrated Report 2019

- In regards to how Fukushima projects are being handled, we have to paint a portrait of the state of engagement with community residents and a Fukushima that is recovering.
- We should mention our stance on coal-thermal. Can't we mention that even though we are facing headwinds, such as the trend to divest, TEPCO can contribute both within and outside of Japan using technology for generating power from highly efficient coal life and thermal that reduces the burden on the environment?
- We should add a statement about the entire TEPCO Group's business portfolio and how we are going to balance stable supply with the environment into the future.
- TEPCO's current stance is that we have two missions: fulfilling our responsibilities to Fukushima and providing a stable supply of power. If we factorize stable supply we get a power portfolio and network reliability. We should indicate that in addition to our responsibilities to Fukushima, we also have the responsibility to provide a stable supply of low cost, low CO<sub>2</sub> electricity while taking into consideration Japan's state of affairs.

#### ■ Power Source Portfolio

- When we look forward to 80% reductions in greenhouse gases by 2050, we need to ascertain how our power mix will look from the market environment. Within this we should look at how to leverage coal-thermal from the standpoints of stable supply, economic feasibility, and environmental friendliness.
- As we predict higher ratios of renewable energies, we need to show how this will be achieved through in-house development of renewable energies and purchasing as a retailer.



Seiichi Fubasami  
Executive Vice Pres./Corporate Planning



Takeshi Nomura  
General Manager of ESG Office

# Environment

## Environmental Indicator Record

### 1. TEPCO Group (\*1)

#### (1) Global Environment



Initiatives for the Environment

[www7.tepco.co.jp/about/esg/environment/index-e.html](http://www7.tepco.co.jp/about/esg/environment/index-e.html)

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
1	Fuel consumption					
	Fuel/energy for power generation					
	Coal	kt	8,137	8,306	8,145	301-1
	Heavy oil, crude oil	ML	2,134	978	552	
	Gas (LNG, city gas, etc.)	kt	23,565	22,957	22,542	
	Biomass	kt	-	74	200	
2	Electricity production					
	Thermal power	TWh	190.3	184.2	179.2	-
	Hydropower (including pumped-storage hydroelectricity)	TWh	10	12.2	11.1	
	Solar Power	TWh	0.03	0.03	0.03	
	Wind power	TWh	0.03	0.04	0.04	
	Geothermal power	TWh	0.01	0.01	0.00	
3	Nuclear power	TWh	N/A	N/A	N/A	
	Direct GHG emissions (Scope 1 (*2))					
	CO <sub>2</sub> emissions from power generation	10 kt-CO <sub>2</sub>	8,890	8,420	8,200	305-1
	CO <sub>2</sub> emissions from vehicles (gasoline and diesel)	10 kt-CO <sub>2</sub>	1.4	0.9	0.8	
4	CO <sub>2</sub> emissions intensity / emissions (TEPCO Energy Partner)					
	Adjusted emissions intensity (Basic emissions intensity (*3))	kg-CO <sub>2</sub> /kWh	0.474 (0.486)	0.462 (0.475)	0.455 (0.468)	305-4 305-5
	Adjusted emissions (Basic emissions (*3))	10 kt-CO <sub>2</sub>	11,440 (11,740)	10,770 (11,080)	9,970 (10,270)	
5	Electricity sales (TEPCO Energy Partner)	TWh	241.5	233.1	219.4	-
6	Electricity sales (includes some of subsidiaries)	TWh	243.8	240.3	230.3	-
7	Gas sales (TEPCO Energy Partner)	10 kt	151	183	177	-
8	Electricity procured outside the TEPCO Group	TWh	53.0	47.9	42.6	-
9	N <sub>2</sub> O emissions					305-1 305-5
	From power generation	10 kt-CO <sub>2</sub>	5.8	6.0	5.9	
10	SF <sub>6</sub> emissions					305-2 305-5
	From gas insulated circuit breakers, etc.	10 kt-CO <sub>2</sub>	6.1	6.1	6.1	
11	SF <sub>6</sub> recovery rate					
	During equipment inspections	%	99	100	100	305-2 305-5
	During equipment removal	%	100	99	99	
12	HFC emissions					305-2 305-5
	Emissions submitted based on the law (*4)	10 kt-CO <sub>2</sub>	0.4	0.5	0.6	

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

\*2 Scope 1 refers to direct emissions of greenhouse gases (GHG)

\*3 CO<sub>2</sub> emissions intensity and CO<sub>2</sub> emissions prior to reflecting adjustments incidental to the renewable energy fixed rate purchasing system based on the Act on Promotion of Global Warming Countermeasures. The actual adjusted emissions intensity for FY2010 is 0.374 kg-CO<sub>2</sub>/kWh.

\*4 The Act on Promotion of Global Warming Countermeasures

\*5 The Act on Rational Use and Proper Management of Fluorocarbon

\*6 Scope 2 refers to indirect emissions from consuming electricity and the use of heat/steam

\*7 Total heat from fuel used for thermal power / electricity from thermal power

\*8 Renewable energy refers to hydroelectric power, geothermal power, solar power, wind power and biomass, etc.

\*9 Unused energy refers to heat, blast furnace gas and other gas byproducts produced from the incineration of waste not including waste heat and biomass from factories, etc.

\*10 Scope 3 refers to all other indirect emissions (not included in scope 2) that occur in the value chain

\*11 Results for FY2016 and FY2017 revised in accordance with revisions to calculation method

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
13	Fluorocarbon emissions					
	Amount of fluorocarbons leaked submitted based on the law (*5)	10 kt-CO <sub>2</sub>	0.7	1.1	1.3	305-2 305-6
14	Total amount of energy used for business activities (crude oil equivalent)	kL of crude oil equivalent	41,061,000	39,114,000	37,976,000	302-1 302-4
		GJ	1,591,525,000	1,516,054,000	1,471,920,000	
15	Indirect GHG emissions (Scope 2 (*6))	10 kt-CO <sub>2</sub>	370	350	310	305-2
16	Thermal power generation efficiency (lower-heating value) (*7) (TEPCO Fuel & Power)	%	49.0	49.6	49.7	302-3
17	Nuclear power plant capacity utilization rate	%	N/A	N/A	N/A	302-5
18	Renewable energy (*8) in electricity sales (TEPCO Energy Partner)					
	Volume	TWh	22.9	27.0	27.5	302-4 302-5
	Rate of use	%	9.48	11.6	12.5	
	Unused energy (*9) in electricity sales (TEPCO Energy Partner)					
	Volume	TWh	2.6	1.6	2.9	
	Rate of use	%	1.06	0.68	1.31	
19	Electricity transmission and distribution losses	%	4.1	3.8	4.1	-
20	Other indirect GHG emissions (Scope 3 (*10))					
	No. 1 Purchased goods and services	10 kt-CO <sub>2</sub>	0.2	0.2	0.2	305-3
	No. 2 Capital goods (*11)	10 kt-CO <sub>2</sub>	187.0	198.4	210.7	
	No. 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2) (*11)	10 kt-CO <sub>2</sub>	3,967.4	3,307.6	2,887.9	
	No. 4 Upstream transportation and distribution (*11)	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 5 Waste generated in operations	10 kt-CO <sub>2</sub>	3.1	2.9	2.9	
	No. 6 Business travel	10 kt-CO <sub>2</sub>	0.4	0.5	0.5	
	No. 7 Employee commuting	10 kt-CO <sub>2</sub>	-	-	-	
	No. 8 Upstream leased assets	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 9 Downstream transportation and distribution	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 10 Processing of sold products	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 11 Use of sold products	10 kt-CO <sub>2</sub>	-	-	-	
	No. 12 End-of-life treatment of sold products	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 13 Downstream leased assets	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 14 Franchises	10 kt-CO <sub>2</sub>	0.0	0.0	0.0	
	No. 15 Investments	10 kt-CO <sub>2</sub>	-	-	-	
	Total of Scope 3	10 kt-CO <sub>2</sub>	4,158.1	3,509.6	3,102.2	



## (2) Local Environment

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
1	Sulfur oxide (SOX) from thermal power plant (*12)					
	Emissions intensity	g/kWh	0.05	0.03	0.03	305-7
	Emissions	10kt	1.0	0.7	0.6	
2	Nitrogen oxide (NOX) from thermal power plant (*12)					
	Emissions intensity	g/kWh	0.10	0.09	0.09	305-7
	Emissions	10kt	1.9	1.7	1.6	
3	Rate of power lines underground (*13)					
	TEPCO Power Grid's service area	%	10.1	10.1	10.1	-
	Tokyo Metropolitan area (23 wards)	%	47.1	47.3	47.5	

## (3) Resource Environment

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
1	Industrial waste (*11)					
	Total volume	kt	1,140.8	1,094.1	1,084.0	306-2
	Recycling rate	%	99.5	99.6	99.8	
	Landfill treatment volume	kt	5.2	3.8	2.6	
2	PCB equipment (remaining units)					
	PCB contamination pole transformer	10,000 Units	41	32	27	-
	High-voltage transformer/capacitors (high contaminated)	Units	493	302	186	
3	PCB waste treatment volume					
	PCB waste treatment volume	10,000 Units	7.0	8.0	7.5	306-2
	Insulating oil inadvertently contaminated PCB	ML	4.2	5.1	4.2	306-4
	High-voltage transformer/capacitors (high contaminated)	Units	797	190	116	

## (4) Environmental Management

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
1	Building energy consumption intensity					
	Per floor space of office (headquarters, branch offices, etc.)	MJ/m <sup>2</sup>	1,427	1,400	1,410	302-3
2	Electricity consumption of office	GWh	156	146	140	302-1 302-4
3	Water withdrawals for power generation					
	Industrial water, etc.	10,000 m <sup>3</sup>	993	962	994	303-1
	River water (for hydropower)	100 mil. m <sup>3</sup>	510	553	491	
4	Water withdrawals for domestic use					
	Municipal water supplies	10,000 m <sup>3</sup>	129	119	110	303-1
	Groundwater	10,000 m <sup>3</sup>	3	2	2	
5	Discharged water (amount of wastewater treated)					
	From thermal power plants	10,000 m <sup>3</sup>	497	469	401	306-1

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
6	COD emissions					
	In wastewater from thermal power plants	t	-	15	14	306-1
7	Vehicle fuel consumption					
	Fleets (ICE, EV, PHV)	km/L	12.3	12.0	12.1	302-3 302-4
8	Number of EV	No.	478	503	470	302-4 302-5
9	Green procurement rate of total purchase amount					
	Office products	%	94.1	99.6	99.7	-
10	Copy/printer paper (A4 size conversion) (*11)	100 mil.	3.1	3.0	2.8	-
11	Non-compliance with environmental laws and regulations	No.	0	0	0	307-1
12	Significant spills					
	With a severe impact on surrounding environment due to spill of chemical substance or petroleum fuels	No.	0	0	0	306-3

## 2. Subsidiaries and Affiliates (\*14)

	Items	Units	Results			GRI Standard
			FY2016	FY2017	FY2018	
1	Direct GHG emissions (Scope 1 (*2, 11))	10kt-CO <sub>2</sub>	990	1,343	1,379	
	Energy consumption	kl. of crude oil equivalent	-	3,875,000	3,989,000	302-2
		GJ	-	150,176,000	154,620,000	305-1
2	Indirect GHG emissions (Scope 2 (*6, 11))	10kt-CO <sub>2</sub>	2	17	18	
	Energy consumption	kl. of crude oil equivalent	-	86,000	91,000	302-2
		GJ	-	3,344,000	3,525,000	305-2
3	CO <sub>2</sub> emissions by transport (*15)	10 kt-CO <sub>2</sub>	2.4	2.4	0.9	305-1
4	ISO14001 (environmental management system) certified locations	No.	29	28	35	-
5	Water withdrawals (*11)					
	For domestic use (municipal water supplies)	10,000 m <sup>3</sup>	82	105	115	303-1
	For power generation (industrial water and river water)	10,000 m <sup>3</sup>	500	489,000	380,000	
6	Capacity of solar power generation (*11)	MW	140	155	155	305-5
7	Capacity of wind power generation (*11)	MW	1,010	977	1,019	305-5
8	Capacity of generation from other renewable sources (*11, 16)	MW	80	467	559	305-5
9	Industrial waste recycling rate	%	95.5	95.5	96.8	306-2
10	Number of EV	No.	-	-	40	

\*12 Excludes internal combustion power generation in Tokyo islands

\*13 Rate of power lines underground = {(power cable underground length / (power cable overhead length + power cable underground length)) x 100 (%)}

\*14 The scope is TEPCO group's subsidiaries and affiliates that responded (excluding TEPCO HD, TEPCO Fuel & Power, TEPCO Power Grid and TEPCO Energy Partner) and totaled after dividing the results for each company by the voting ratio (however, values for category 4 and 10 are the total).

\*15 CO<sub>2</sub> emissions generated in accordance with the use of energy reported in measures related to the transporter as mentioned in the Act on the Rational Use of Energy

\*16 Hydroelectric power, biomass, etc.

# Social

## TEPCO Group (•1)

### (1) Employee-Related Indicators

	Category		Units	Performance				GRI Standard
				FY2010	FY2016	FY2017	FY2018	
1	Number of employees	Total	People	38,671	33,197	32,546	31,726	102-7 405-1
		Males		33,939	29,158	28,566	27,816	
		Females		4,732	4,039	3,980	3,910	
2	Average age	Total	Age	40.9	43.7	44.2	44.7	405-1
		Males		41.3	44.0	44.5	44.9	
		Females		37.8	41.7	42.2	42.7	
3	Average number of years on the job	Total	Years	20.9	23.2	23.6	24.1	-
		Males		21.4	23.5	23.9	24.3	
		Females		17.6	21.1	21.6	22.0	
4	Separation rate	Total	%	2.3	2.8	3.0	3.7	401-1
		Males		2.3	2.8	3.1	3.7	
		Females		2.2	3.0	3.0	3.3	
5	Management promotions	Age of youngest employee that management position is offered	Age	38	36	35	35	405-1
		Number of women in management positions	People	75	168	197	221	
		Ratio of women in management positions	%	1.45	3.26	3.78	4.24	
6	Employment of physically challenged individuals	Employment rate	%	2.09	2.12	2.19	2.41	405-1
7	Number of newly hired employees	Total	People	1,092	555	281	276	401-1
		Males		879	486	223	215	
		Females		213	69	58	61	
8	Number of career employees hired (highly skilled human resources)	Total	People	10	52	50	76	401-1
		Males		9	47	47	67	
		Females		1	5	3	9	
9	Number of employees that have used the system for taking leaves of absence for nursing care	Total	People	12	11	13	15	-
		Males		5	5	8	9	
		Females		7	6	5	6	
10	Percentage of employees that have used the system for taking leaves of absence for child rearing	Total	%	11.9	13.4	14.1	18.6	401-3
		Males		0.5	0.4	2.1	2.4	
		Females		100	100	100	100	
11	Percentage of employees that have returned to work after taking leaves of absence for child rearing	Total	%	94.7	95.6	96.4	100	401-3
		Males		100	100	100	100	
		Females		94.5	95.5	95.8	100	
12	Average age of executives (*2)	Age		60.4	56.1	54.8	55.3	-
13	Ratio of employees in unions	%		100	100	100	100	102-7

### (2) Health and Safety-Related Indicators

	Category		Units	Performance				GRI Standard
				FY2010	FY2016	FY2017	FY2018	
1	Number of injured employees	Total	People	28	9	11	6	403-2
		Males		23	7	11	5	
		Females		5	2	0	1	
2	Number of injured contractors/consignors	People		115	74	67	73	403-2
3	Lost time incident rate (LTIR) (employees)	-		0.42	0.15	0.20	0.11	403-2
4	Number of fatalities (employees)	Total	People	2	0	0	0	403-2
		Males		2	0	0	0	
		Females		0	0	0	0	
5	Number of fatalities (contractor/consignors)	Total	People	6	1	0	1	403-2
		Males		6	1	0	1	
		Females		0	0	0	0	

### (3) Human Resource Cultivation and Training-Related Indicators

	Category		Units	Performance				GRI Standard
				FY2010	FY2016	FY2017	FY2018	
1	Employee training expenses (common training for all companies etc.)	Million yen		-	-	161	235	404-1
2	Number of employee training hours (common training for all companies etc.)	Cumulative hours		-	-	110,778	82,123	404-1

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

\*2 Excludes outside directors and part-time workers

# 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.

## Management of the Board of Directors and Each Committee (As of October 1, 2019)

### Board of Directors

Number of outside directors



- The Board of Directors of TEPCO Holdings, which is a company with Nominating Committee, etc., is comprised of various people of different genders, expertise, and backgrounds. The board makes important executive decisions, receives reports about important management issues and performance from executives, and oversees the performance of duties.
- TEPCO Holdings also has a Nominating Committee and Audit Committee of which the majority of members are outside directors, and a Compensation Committee is comprised of all the outside directors.
- In FY2018, the Board of Directors met 19 times.

### Nominating Committee

Number of outside directors



- The Nominating Committee determines the details of proposals concerning the selection or dismissal of directors that is submitted to the general shareholders meeting based upon corporate law.
- Furthermore, whereas the committee has no authority based upon corporate law, it also debates issues related to executive officer selection and dismissal.
- During FY2018 the Nominating Committee met 9 times.



Corporate Governance Report

[www7.tepcoco.jp/about/ir/management/governance/report-e.html](http://www7.tepcoco.jp/about/ir/management/governance/report-e.html)

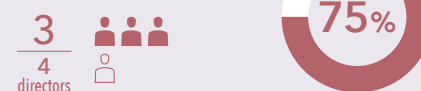
## Special Circumstances Which May Have Material Impact on Corporate Governance

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 outside directors



- The Audit Committee appropriately and adequately monitors the performance of duties by directors and executives based upon auditing plans, and verifies that duties are being performed while prioritizing safety and security, energy is being supplied in a stable manner, and initiatives are underway to strengthen earning power.
- The Audit Committee, Internal Audit Department and accounting auditors all perform strict audits in their fields of expertise, and mutually cooperate by periodically exchanging opinions in regards to auditing plans and audit results.
- During FY2018, the Audit Committee met 13 times and participated in opinion sharing meetings with auditors 10 times in addition to attending management meetings held by the board of executive officers. The Committee also engaged in opinion sharing meetings with accounting auditors and the Internal Audit Department, and conducted audits of headquarters and primary offices.

### Compensation Committee

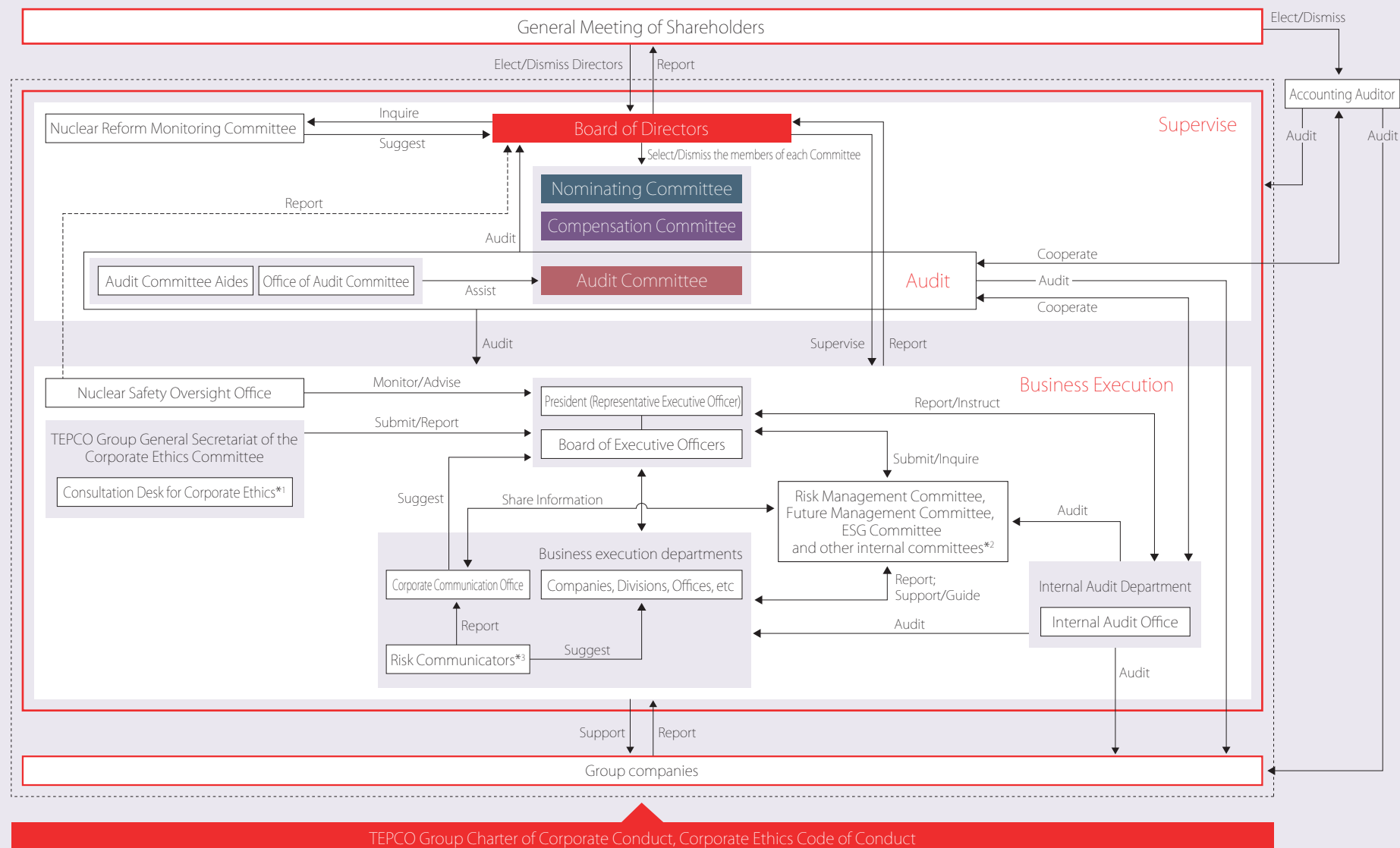
Number of outside directors



- The Compensation Committee formulates policies for determining the details of compensation for individual directors and executives, and decides on the compensation that individual directors and executives are to receive.
- During FY2018 the Compensation Committee met 6 times.



## Corporate Governance Structure (As of October 1, 2019)



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

## Indicators Related to Corporate Governance

	Units	Performance
<b>Structure of the Board of Directors</b>		
Number of directors	People	13
Number of employee representatives on the Board of Directors	People	0
Classified Board system	—	N/A
Number of auditors	People	0
Corporate officer system	—	Applicable
Number of directors also corporate officers	People	0
Ratio of directors also corporate officers	%	0.00
<b>Independency of the Board of Directors</b>		
Number of outside directors	People	6
Ratio of outside directors	%	46.15
Number of independent directors	People	6
Ratio of independent directors	%	46.15
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
<b>Diversity of the Board of Directors</b>		
Number of female directors	People	1
Ratio of female directors	%	7.69
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	3
Ratio of female executives	%	6.25
Age of youngest director	Age	49
Age of oldest director	Age	79
Range of ages of directors	Age	30
Average age of directors	Age	61.38
Upper age limit for directors	—	N/A
Term of office of directors (years)	Years	1
Term of office of executive directors	Years	1

\* When disclosing corporate ESG information, items for which there have been many requests for disclosure from assessment institutions are selected

\* Information on the number and age of directors is valid as of June 26, 2019

\* Number of meetings such as Board of Directors is the result of FY2018

\* Attendance ratio of meetings such as Board of Directors was calculated based on results for FY2018 for the directors selected at the regular general shareholders meeting held on June 26, 2019.

	Units	Performance
<b>Board of Directors</b>		
Number of meetings	Times	19
Attendance ratio of meetings	%	97.89
Attendance ratio of independent directors	%	96.49
Directors with a Board of Directors attendance rate of less than 75%	People	0
<b>Nominating Committee</b>		
Number of members	People	6
Number of independent directors	People	4
Ratio of independent directors	%	66.67
Independent chairperson	—	Applicable
Number of outside directors	People	4
Number of meetings	Times	9
Attendance ratio of meetings	%	96.30
<b>Audit Committee</b>		
Number of members	People	4
Number of independent directors	People	3
Ratio of independent directors	%	75.00
Independent chairperson	—	Applicable
Number of outside directors	People	3
Number of meeting	Times	13
Attendance ratio of meetings	%	97.44
<b>Compensation Committee</b>		
Number of members	People	3
Number of independent directors	People	3
Ratio of independent directors	%	100.00
Independent chairperson	—	Applicable
Number of outside directors	People	3
Number of meeting	Times	6
Attendance ratio of meetings	%	100.00
Outside compensation advisor nominations	—	N/A
<b>Board of Directors/Executive Board Activities</b>		
CSR/Sustainability Committee	—	Applicable
CSR Outside Directors	—	N/A
Executive Director (in charge of CSR)	—	Applicable
ESG-related executive compensation	Yen	0
ESG-related director compensation	Yen	N/A
<b>Stockholder's Rights</b>		
Poison pill provision	—	N/A
Poison pill plan stockholder approval	—	N/A
Poison pill TIDE provision	—	N/A
Poison pill sunset provision	—	N/A
Blank check preferred stock authorization	—	N/A
Dual class unequal voting rights	—	N/A

## Total Amount of Compensation

	Number of people paid (person)	Total amount of compensation (million yen)
Directors	7	92
Executive officers	15	340

Note 1. TEPCO Holdings does not pay director compensation to executive officers that also serve as directors, so the above numbers for the total number of people paid does not include the number of directors that also serve as executive officers.

Note 2. ¥69 million in of the above total was paid as compensation for 6 outside directors.

Note 3. The compensation amount for executive officers includes the ¥0.2 million difference between the productivity-linked compensation paid in FY2018 to 11 executive officers for their service during FY2017, and the productivity-linked compensation included in compensation disclosed in the FY2017 business report.

## Policy on Determining Remuneration for Directors and Executive Officers

The main duty of each Director and Executive Officer of TEPCO Holdings 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 for ensuring safety and under competitive conditions, while fulfilling TEPCO'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 duties of the Directors, who are in charge of supervising corporate management, and the Executive Officers, who are in charge of executing business operations. Officers who concurrently serve as Director and Executive Officer receive only the remuneration paid to Executive Officers.

## (1) 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 his/her job description.

## (2) Remuneration paid to Executive Officers

The remuneration paid to Executive Officers comprises basic remuneration and productivity-linked remuneration. The proportion of the 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 right to represent TEPCO and his/her job description.

<Productivity-linked remuneration>

The amount of productivity-linked remuneration paid to each Executive Officer is set based on his/her specific rank, whether he/she holds the right to represent TEPCO and his/her job description. It is also determined according to results of TEPCO and personal performance.

## (3) Level of remuneration to be paid

When determining the level of remuneration to be paid to Directors and Executive Officers, TEPCO takes into consideration its management environment, the remuneration levels of other companies 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.

# Group Companies

(As of March 31, 2019)

## Tokyo Electric Power Company Holdings

TEPCO Fuel & Power, Inc.  
TEPCO Power Grid, Inc.  
TEPCO Energy Partner, 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.  
The Tokyo Electric Generation Company, Incorporated  
Recyclable-Fuel Storage Company  
ATEMA KOGEN RESORT INC.  
TOSETSU CIVIL ENGINEERING CONSULTANT INC.  
TEPCO Innovation & Investments US, Inc.  
TOKYO RECORDS MANAGEMENT CO., INC.  
TRENDE  
TNcross CORPORATION  
THE Power Grid Solution Ltd.  
T. T. Network Infrastructure Japan Corporation  
Eurus Energy Holdings Corporation  
Fukushima Soden Godo Kaisha  
Viet Hydro Pte. Ltd.  
Hitachi Systems Power Services, Ltd.  
Energy Asia Holdings, Ltd.  
Conjoule GmbH  
Japan Nuclear Fuel Limited  
The Japan Atomic Power Company  
TOKYO ENERGY & SYSTEMS INC.  
Nuclear Fuel Transport Company, Ltd.  
JAPAN NUCLEAR SECURITY SYSTEM CO., LTD.  
International Nuclear Energy Development of Japan Co., Ltd.  
Sap-Japan Inc  
Battery Utility of Ohio, LLC  
Harajuku-no Mori Ltd.  
HAKUSAN CORPORATION

## TEPCO Fuel & Power

Bio Fuel Co., Inc.  
Fuel TEPCO  
TOMATOH OIL STORAGE CO., LTD  
FUKUI OIL STORAGE CO., LTD  
SHIBUSHI OIL STORAGE CO., LTD  
TOKYO WATERFRONT RECYCLE POWER CO., LTD.  
KAWASAKI STEAM NET CO., LTD.  
AKITA OIL STORAGE CO., LTD  
Ohgishima City Gas Supply Co., Ltd.  
FUKUI (OIL) STORAGE MARINE COMPANY, LTD  
NANSO SERVICE CO., LTD.  
FUKUI (OIL) STORAGE SECURITY SERVICE COMPANY, LTD  
JERA Co., Inc.  
Kimitsu Cooperative Thermal Power Company, Inc.  
KASHIMA KYODO ELECTRIC POWER Co., Ltd.  
Soma Kyodo Power Company, Ltd.  
Joban Joint Power Co., Ltd.  
Japan Coal Development Co., Ltd.  
AKITA (OIL) STORAGE MARINE SERVICE COMPANY, LTD

As of April 1, 2019, JERA Co., Inc. will be the only affiliate of TEPCO Fuel & Power, Inc. as a result of the merger.

FP

## TEPCO Power Grid

Tokyo Densetsu Service Co., Ltd.  
Tepco Town Planning Co., Ltd.  
Tokyo Land Management Corporation  
TEPCO IEC, Inc.  
TEPCO LOGISTICS CO., LTD.  
Energy Gateway, Inc.  
TEPCO OPTICAL NETWORK ENGINEERING INC.  
SHIN-NIHON HELICOPTER CO., LTD.  
Deep C Green Energy (Hong Kong) Limited  
Kandenko Co., Ltd.  
GREENWAY GRID GLOBAL PTE. LTD.  
TAKAOKA TOKO HOLDINGS CO., LTD.  
AT TOKYO Corporation  
The Japan Utility Subway Company, Incorporated  
Grid Data Bank Lab. LLP  
Daido Industrial Arts Co., Ltd.  
Transmission Line Construction Co., Ltd. (TLC)  
Toshiba Toko Meter Systems Co., LTD.

PG

## TEPCO Energy Partner

Tepco Customer Service Corporation Limited  
FAMILYNET JAPAN CORPORATION  
Japan Facility Solutions, Inc.  
TEPCO Frontier Partners, LLC  
Morigasaki Energy Service Co.  
PinT, Inc  
Houseplus Corporation, Inc.  
Japan Natural Energy Company Limited  
TEPCO HomeTech, Inc.  
HFP Laboratory, LLC  
Familynet Initiative Corporation  
Tokyo Energy Alliance Co., Ltd.  
TEPCO i-FRONTIERS, Inc.  
YeST Corporation  
TI Current Corporation  
LIXIL TEPCO Smart Partners Incorporated  
Evergreen Marketing Co., Ltd.  
Toranomom Energy Network Co., Ltd.  
TOKYO TOSHI SERVICE COMPANY  
HP Capital Co., Ltd.  
NF Power Service  
Houseplus Architectural Inspection, Inc.

EP

\* The TEPCO Group is composed of Tokyo Electric Power Company Holdings, Incorporated and its subsidiaries and affiliates.



# SASB INDEX

The relevant achievements of the TEPCO Group have been noted based on Electric Utilities & Power Generators, an industry standard put forth by the Sustainability Accounting Standards Board (SASB).

Since the SASB standard was created for primarily companies and markets in the United States there are disclosure topics that do not apply to Japanese domestic business activities in the accounting metrics, but an attempt has been made to disclose as much information as possible in light of the purpose of this standard.

Furthermore, through participation in the SASB Standard Advisory Group the TEPCO Group is proactively involved in the process to revise this standard to enable its use globally.

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Environment					
Greenhouse Gas Emissions & Energy Resource Planning	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Quantitative	t-CO <sub>2</sub> , %	IF-EU-110a.1	(1) 82,148,000 [t-CO <sub>2</sub> ] (2) 0 [%] (There is no "regulated market" in Japan.) (3) 100 [%] * Scope 1 emissions are direct emissions of GHG (CO <sub>2</sub> , N <sub>2</sub> O, SF <sub>6</sub> , HFC) based on the Act on Promotion of Global Warming Countermeasures.
	Greenhouse gas (GHG) emissions associated with power deliveries	Quantitative	t-CO <sub>2</sub>	IF-EU-110a.2	102,700,000 [t-CO <sub>2</sub> ] (99,700,000 [t-CO <sub>2</sub> ]) * CO <sub>2</sub> emissions from TEPCO Energy Partner. Figures in parentheses indicate the amount of CO <sub>2</sub> emissions after reflecting adjustments related to the renewable energy feed-in tariff system based on the Act on Promotion of Global Warming Countermeasures.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	—	IF-EU-110a.3	Based on the 2030 energy mix ("Long-term Energy Supply and Demand Outlook") and GHG reduction target set by the Japanese government, an emission factor (around 0.37kg-CO <sub>2</sub> / kwh(user end)) has been set as an industry-wide target for the ELCS (Electricity Low Carbon Society Council). We are working on the following to achieve our overall industry goals: ○ Turning renewable energy sources into primary energy sources ○ Making thermal power highly efficient ○ Utilization of nuclear power generation on the premise of ensuring safety Our Scope 1 emissions are decreasing year by year in FY2016 (89,037 thousand tons), FY2017 (84,335 thousand tons), and FY2018 (82,148 thousand tons). In May 2019, we announced that it would electrify about 4,400 commercial vehicles by 2030 and participated in the international initiative EV100. We will continue to examine and proceed with the necessary efforts to achieve our goal of reducing GHG emissions in 2030.
	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	Quantitative	Number, %	IF-EU-110a.4	(1) N/A (2) N/A * The RPS law established RPS regulations in Japan was abolished in 2012 and has shifted to a feed-in tariff system. We purchase electricity generated by renewable energy at a fixed price.
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Quantitative	t, %	IF-EU-120a.4	(1) 16,000 [t] (100%) * Excludes combustion power in islands. (2) 6,000 [t] (100%) * Excludes combustion power in islands. (3) Not disclosed (4) Not disclosed (5) Not disclosed * (3), (4), and (5) are not disclosed because they do not use the measurement method recommended by the SASB standard.

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Environment					
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	1000m <sup>3</sup> , %	IF-EU-140a.1	(1) 82,673,000 (Fresh Water:49,131,000, Sea water:33,542,000) [1000m <sup>3</sup> ], 0(%) * Main applications, Freshwater: Hydropower generation water, Seawater: Indirect cooling water in thermal power generation (2) 6,000 [1000m <sup>3</sup> ], 0(%)
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	IF-EU-140a.2	0
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	IF-EU-140a.3	TEPCO group manage risks about water resources which inevitable for power generation as below. The hydroelectric power generation business, which accounts for approximately 6% of the TEPCO Group's power generation, complies with the amount of water taken in accordance with laws and regulations, as calculated from river water flow measurement data. In addition, hydroelectric power plants above a certain scale(*) release water to maintain the river environment. In thermal power plants, water for power generation is collected and reused to reduce water intake. Moreover, seawater is used as indirect cooling water for power generation facilities, and the temperature difference between intake and discharge is monitored. (*) The length of the section where the river water flow is reduced by intake for hydropower generation is 10km and also water collection area is more than 200km <sup>2</sup> , etc.
Coal Ash Management	Amount of coal combustion residuals (CCR) generated, percentage recycled	Quantitative	t, %	IF-EU-150a.1	923,500 [t] (99.9%) * Amount of coal ash (fly ash and bottom ash) generated.
	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Quantitative	Number	IF-EU-150a.2	Not disclosed * Most of the coal ash generated at thermal power plants is reused, and landfill at disposal sites is about 0.1% of the total
Social Capital					
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Quantitative	JPY	IF-EU-240a.1	(1) 24.47[JPY] (2) & (3): 23.05[JPY] * We calculate (2) and (3) from contract types with a large number of contracts.
	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Quantitative	JPY	IF-EU-240a.2	(1) 13,044[JPY] (2) 40,549[JPY]
	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Quantitative	Number, %	IF-EU-240a.3	(1) 50,435 * We do not disclose the number of disconnections but cancellations * Except rate plan before liberalization of electricities (2) No results * It is stipulated that if the payment is not made even after the due date, the supply and demand contract will be canceled (contract canceled) based on the Terms and Conditions. * Shown as "No results" since supply suspension and resumption are not stipulated in the Terms and Conditions
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	N/A	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)
Human Capital					
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	%	IF-EU-320a.1	(1) <Employees>:0.022, <Contractor/Consignors>:0.134 (2) <Employees>:0 [person], <Contractor/Consignors>:1 [person] * Since calculation method for fatality rate is not indicated in SASB Standard, we report the number. (3) Not applicable * (3) is not disclosed because they do not use the measurement method recommended by the SASB standard.

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Business-Model & Innovation					
End-Use Efficiency & Demand	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Quantitative	%	IF-FU-420a.1	Not applicable * There are no decoupled or LRAM system customers in Japan * With regard to sales that have declined due to progress in energy conservation, we will increase sales by providing gas sales and various services that meet customer needs.
	Percentage of electric load served by smart grid technology	Quantitative	%	IF-EU-420a.2	The rate of smart meters installed in all service areas of the TEPCO Power Grid: 79% * Approx.22.77 million smart meters installed as of July 2019. (Target goals in FY2020: approx.29 million smart meters installed)
	Customer electricity savings from efficiency measures, by market	Quantitative	MWh	IF-EU-420a.3	We disclose the following quantitative data instead of customer electricity savings. • The number of customers to whom the TEPCO Group offers electricity saving solutions: Approx. 750 companies, and over 39,000 households * TEPCO Energy Partner provides various solutions electrification and energy saving solutions to customers. • Energy saving services introduced through online services: 8,277,559 (number of website registered members ) * Free online services offered by TEPCO Energy Partner, such as Denki-Kakei-Bo, Kurashi TEPCO, and Business TEPCO that provide useful information to customers, such as how to use graph comparisons of monthly electricity charges and usage.
Leadership & Governance					
Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Quantitative	Number	IF-EU-540a.1	17 Units (Fukushima Daiichi: 6 Units, Fukushima Daini: 4 Units, Kashiwazaki-Kariwa: 7 Units) * All units at Fukushima Daiichi are decommissioning. The decision has been made to decommission all units at Fukushima Daini. All units at Kashiwazaki-Kariwa have been shut down. * In the operation of the Kashiwazaki-Kariwa NPS, TEPCO makes efforts to gain the understanding of local residents. TEPCO will also sincerely respond to assessments conducted by the Nuclear Regulation Authority. Through these efforts, TEPCO will steadily implement safety measures at the nuclear power plant.
	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	N/A	IF-EU-540a.2	TEPCO has been moving ahead with nuclear safety reforms in accordance with the "Reassessment of the Fukushima Nuclear Accident and Nuclear Safety Reform Plan" formulated on March 29, 2013. Reform progress is checked and reported on quarterly. (cf. <a href="https://www7.tepco.co.jp/about/corporate/reform/nuclear-e.html">https://www7.tepco.co.jp/about/corporate/reform/nuclear-e.html</a> )
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative	Number	IF-EU-550a.1	Not disclosed * We do not disclose the results in light of the risks of cyber attacks that may be caused by disclosing the results.
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Quantitative	Minutes, Number	IF-EU-550a.2	(1) 19[minutes] (2) 0.13[times] (3) 146.15[minutes/times]

## Activity metrics

Accounting Metric	Category	Unit of Measure	Code	Response
Number of: (1) residential, (2) commercial, and (3) industrial customers served	Quantitative	Number	IF-EU-000.A	(1) 17,980,000 (2) & (3): 216,000 * In addition, there are 7,450,000 contracts for low-pressure supply contracts excluding household use.
Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Quantitative	MWh	IF-EU-000.B	(1) 64,900,000[MWh] (2) & (3) 146,500,000[MWh] (4) 188,800,000[MWh] (low-pressure supply contracts excluding household use) (5) Not disclosed * (5) is not disclosed due to competition through electricity market liberalization.
Length of transmission and distribution lines	Quantitative	km	IF-EU-000.C	• Transmission line: <Overhead>28,314[km], <Underground>12,349[km] (Circuit length) • Distribution line: <Overhead>341,184[km], <Underground>38,540[km] (Line length)
Total electricity generated, percentage by major energy source, percentage in regulated markets	Quantitative	MWh, %	IF-EU-000.D	(1) 191,000,000[MWh] (2) <Coal>12.52[%], <LNG>80.48[%], <Nuclear>0, <Petroleum>1.16[%], <Hydropower>5.80[%], <Solar>0.02[%], <Wind>0.02[%], <Other renewables>0.00[%], <Other gases>N/A * Rounded to the nearest hundredth (3) Not Applicable *There is no "regulated market" in Japan.
Total wholesale electricity purchased	Quantitative	MWh	IF-EU-000.E	Not disclosed * Due to competition through electricity market liberalization



# Financial Highlights

\* All dollar amounts refer to U.S. currency. Yen amounts have been translated, solely for the convenience of the reader, at the rate of ¥111.00 to US\$1.00 prevailing on March 31, 2019.

## 10-Year Financial Summary

	(Millions of yen)										(Millions of US dollars)
	2019/3	2018/3	2017/3	2016/3	2015/3	2014/3	2013/3	2012/3	2011/3	2010/3	2019/3
<b>FYs ended March 31:</b>											
Operating revenues	¥ 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	\$ 47,756
Operating income (loss)	312,257	288,470	258,680	372,231	316,534	191,379	(221,988)	(272,513)	399,624	284,443	2,306
Income (loss) before income taxes and non-controlling interests	258,625	327,817	146,471	186,607	479,022	462,555	(653,022)	(753,761)	(766,134)	223,482	1,306
Net income (loss) attributable to owners of the parent	232,414	318,077	132,810	140,783	451,552	438,647	(685,292)	(781,641)	(1,247,348)	133,775	1,184
Depreciation and amortization	541,805	561,257	564,276	621,953	624,248	647,397	621,080	686,555	702,185	759,391	5,030
Capital expenditures	639,725	602,710	568,626	665,735	585,958	575,948	675,011	750,011	676,746	640,885	5,430
<b>Per share data (yen):</b>											
Net (loss) income (basic)	¥ 145.06	198.52	82.89	87.86	281.80	273.74	(427.64)	(487.76)	(846.64)	99.18	\$ 0.74
Net income (diluted) <sup>3</sup>	46.96	64.32	26.79	28.52	91.49	88.87	—	—	—	99.18	0.24
Cash dividends	—	—	—	—	—	—	—	—	30.00	60.00	—
Net assets	1,179.25	1,030.67	838.45	746.59	669.60	343.31	72.83	491.22	972.28	1,828.08	7.47
<b>FYs ended March 31 (as of March 31):</b>											
Total net assets	¥ 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	\$ 20,935
Equity <sup>4</sup>	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	23,886
Total assets	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	109,436
Interest-bearing debt	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	53,525
Number of employees	41,086	41,525	42,060	42,855	43,330	45,744	48,757	52,046	52,970	52,452	—
<b>Financial ratios and cash flow data:</b>											
ROA (%) <sup>5</sup>	2.5	2.3	2.0	2.7	2.2	1.3	(1.5)	(1.8)	2.9	2.1	—
ROE (%) <sup>6</sup>	8.4	12.7	5.9	6.6	24.9	32.9	(72.0)	(66.7)	(62.0)	5.5	—
Equity ratio (%)	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	¥ 503,709	752,183	783,038	1,077,508	872,930	638,122	260,895	(2,891)	988,710	988,271	\$ 5,980
Net cash used in investing activities	(570,837)	(520,593)	(478,471)	(620,900)	(523,935)	(293,216)	(636,698)	(335,101)	(791,957)	(599,263)	(4,265)
Net cash provided by (used in) financing activities	(117,698)	12,538	(603,955)	(394,300)	(626,023)	(301,732)	632,583	(614,734)	1,859,579	(495,091)	(5,383)

### Notes:

- Amounts of less than one million yen have been omitted. All percentages have been rounded to the nearest unit.
- Net income per share after dilution by potential shares for the years ended March 31, 2011 and March 31, 2013 is omitted despite the existence of potential shares as the Company recognized a net loss per share for both years. Net income per share after dilution by potential shares for the FY ended March 31, 2012 is omitted as there were no potential shares and the Company recognized a net loss per share for this year.
- Equity = Net assets – Stock acquisition rights – Non-controlling interests
- ROA = Operating income / Average total assets
- ROE = Net income attributable to owners of the parent / Average equity



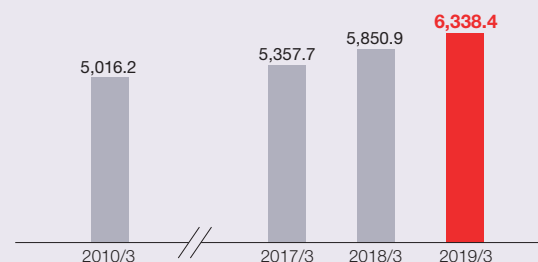
Presentations Back Number

[www7.tepcoco.jp/about/ir/library/presentations/backnumber-e.html](http://www7.tepcoco.jp/about/ir/library/presentations/backnumber-e.html)

## Major Financial Information

\* 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)



Although operating revenues for the March 2017 term decreased due to decreases in the unit price of electricity charge revenue caused by the fuel cost adjustment system, operating revenues increased in the March 2018 and 2019 terms due to increases in the unit price of electricity charge revenue caused by the fuel cost adjustment system.

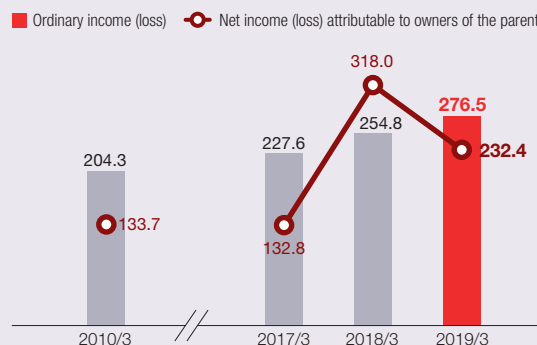
## Equity ratio (%)



- Although equity ratio decreased to 5.1% during the March 2012 term in conjunction with the worsening of income and expenditure, it has increased to 22.6% (as of the end of March 2019) due to decreases in interest-bearing debt balance and initiatives to secure profits through continual and thorough cost-cutting measures implemented by the Group.

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

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



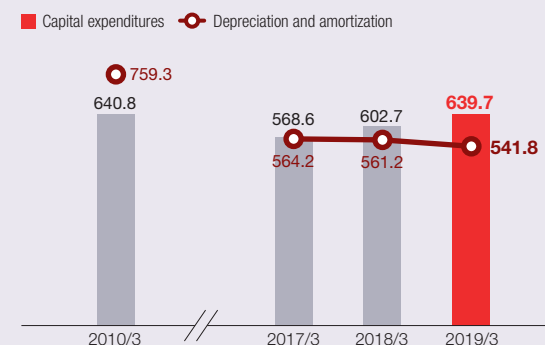
Due to the rate revisions made during the March 2013 term and various cost reductions, we have remained in the black for six consecutive years since the March 2014 term.

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



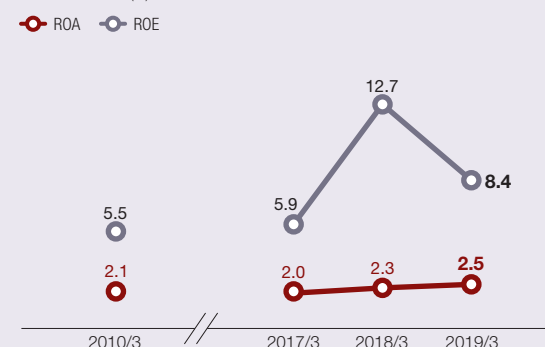
- Although interest-bearing debt balance increased to ¥9 trillion at the end of the March 2011 term due to a worsening of financial strength, it has continued to decrease due to the redemption of public bonds and was ¥5.8 trillion as of the end of March 2019.
- D/E ratio has dropped from 10.6 during the March 2012 term the after the disaster to 2.0, the level it was prior to the disaster, as a result of decreases in interest-bearing debt.

## Capital expenditures &amp; depreciation and amortization (billion yen)



- Capital investment (March 2019 term) increased YoY by 6% to ¥639.7 billion due to increases in investment in transmission equipment.
- Depreciation costs (March 2019 term) decreased YoY by ¥19.4 billion in conjunction with the course of fixed-rate depreciation.

## ROA &amp; ROE (%)



- Although ROA decreased to -1.8% during the March 2012 term as a result of worsening income and expenditure, it has continually increased and recovered to the 2.0% range since the March 2015 term due to the rate revisions made during the March 2013 term and the securing of profits in conjunction with various cost reduction measures.
- Although ROE decreased in conjunction with the worsening of income and expenditure during the March 2011 term, it recovered during the March 2014 term as a result of the rate revisions made during the March 2013 term and various cost reduction measures. ROE remains at the level it was prior to the disaster in conjunction with continual increases in equity ratio.

ROA = operating profit/(total assets at the end of the previous term + total assets at the end of the current term)/2  
ROE = net term income attributable owners of the parent/(equity at the end of the previous term + equity at the end of the current term)/2

## Consolidated Balance Sheet

	(Millions of yen)	(Millions of US dollars)	
FYs ended March 31:	2019/3	2018/3	2019/3
<b>ASSETS</b>			
<b>Property, plant and equipment:</b>			
Property, plant and equipment	¥ 31,086,231	¥ 30,715,733	\$ 280,056
Construction in progress	1,056,675	925,538	9,520
	32,142,907	31,641,272	289,576
Less:			
Contributions in aid of construction	432,056	414,446	3,893
Accumulated depreciation	23,773,747	23,433,688	214,178
	24,205,804	23,848,134	218,071
Property, plant and equipment, net	7,937,103	7,793,137	71,505
<b>Nuclear fuel:</b>			
Loaded nuclear fuel	120,482	120,509	1,085
Nuclear fuel in processing	536,542	539,858	4,834
	657,025	660,368	5,919
<b>Investments and other assets:</b>			
Long-term investments	122,192	129,869	1,101
Long-term investments in subsidiaries and associates	918,468	917,745	8,274
Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	552,504	593,701	4,978
Reserve for decommissioning of reactors	200,000	—	1,802
Net defined benefit asset	142,023	147,499	1,279
Other	128,401	127,371	1,157
	2,063,589	1,916,186	18,591
<b>Current assets:</b>			
Cash and deposits	1,000,681	1,187,283	9,015
Notes and accounts receivable—trade	618,306	587,907	5,570
Inventories	165,683	160,240	1,493
Other	320,088	297,845	2,884
	2,104,760	2,233,275	18,962
Less:			
Allowance for doubtful accounts	(5,011)	(11,144)	(45)
	2,099,748	2,222,131	18,917
<b>Total assets</b>	<b>¥ 12,757,467</b>	<b>¥ 12,591,823</b>	<b>\$ 114,932</b>

	(Millions of yen)	(Millions of US dollars)	
FYs ended March 31:	2019/3	2018/3	2019/3
<b>LIABILITIES AND NET ASSETS</b>			
<b>Long-term liabilities and reserves</b>			
Long-term debt	¥ 2,126,510	¥ 2,685,175	\$ 19,158
Other long-term liabilities	310,552	372,839	2,798
Provision for preparation of removal of reactor cores in the specified nuclear power facilities	6,099	1,929	55
Provision for removal of reactor cores in the specified nuclear power facilities	505	—	4
Reserve for loss on disaster	448,829	442,402	4,043
Reserve for nuclear damage compensation	549,042	600,647	4,946
Net defined benefit liability	374,919	386,735	3,378
Asset retirement obligations	949,784	784,581	8,557
	4,766,243	5,274,312	42,939
<b>Current liabilities:</b>			
Current portion of long-term debt	991,887	1,756,527	8,936
Short-term loans	2,772,395	1,581,266	24,977
Notes and accounts payable—trade	264,510	208,576	2,383
Accrued taxes	111,163	131,566	1,001
Other	940,378	974,829	8,472
	5,080,336	4,652,768	45,769
<b>Reserve under special laws:</b>			
Reserve for fluctuation in water levels	—	581	—
Reserve for preparation of the depreciation of nuclear power construction	7,188	6,895	65
	7,188	7,477	65
<b>Total liabilities</b>	<b>9,853,768</b>	<b>9,934,558</b>	<b>88,773</b>
<b>Net assets:</b>			
<b>Shareholders' equity:</b>			
Common stock, without par value:			
Authorized — 35,000,000,000 shares in 2019 and 2018			
Issued — 1,607,017,531 shares in 2019 and 2018	900,975	900,975	8,117
Preferred stock:			
Authorized — 5,500,000,000 shares in 2019 and 2018			
Issued — 1,940,000,000 shares in 2019 and 2018	500,000	500,000	4,504
Capital surplus	756,098	743,121	6,812
Retained earnings	741,070	508,584	6,676
Treasury stock, at cost:			
4,791,381 shares in 2019 and 4,765,505 shares in 2018	(8,469)	(8,454)	(76)
<b>Total shareholders' equity</b>	<b>2,889,675</b>	<b>2,644,226</b>	<b>26,033</b>
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities	3,663	8,679	33
Deferred gains or losses on hedges	2,723	(454)	25
Land revaluation loss	(2,362)	(2,291)	(21)
Foreign currency translation adjustments	(6,977)	(7,846)	(63)
Remeasurements of defined benefit plans	2,700	9,072	24
<b>Total accumulated other comprehensive income</b>	<b>(252)</b>	<b>7,158</b>	<b>(2)</b>
<b>Stock acquisition rights</b>	<b>—</b>	<b>0</b>	<b>—</b>
<b>Noncontrolling interests</b>	<b>14,276</b>	<b>5,880</b>	<b>128</b>
<b>Total net assets</b>	<b>2,903,699</b>	<b>2,657,265</b>	<b>26,159</b>
<b>Total liabilities and net assets</b>	<b>¥ 12,757,467</b>	<b>¥ 12,591,823</b>	<b>\$ 114,932</b>



## Consolidated Statement of Operations

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2019/3	2018/3	2019/3
<b>Operating revenues:</b>			
Electricity	¥ 6,032,729	¥ 5,601,362	\$ 54,349
Other	305,761	249,576	2,755
	6,338,490	5,850,939	57,104
<b>Operating expenses:</b>			
Electricity	5,735,057	5,332,369	51,667
Other	291,176	230,099	2,624
	6,026,233	5,562,469	54,291
<b>Operating income</b>	312,257	288,470	2,813
<b>Other income (expenses):</b>			
Interest and dividend income	1,527	2,251	13
Interest expense	(55,541)	(63,247)	(500)
Loss on disaster	(26,943)	(21,302)	(243)
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	159,806	381,987	1,440
Compensation for nuclear damages	(151,069)	(286,859)	(1,361)
Equity in earnings of affiliates	25,048	38,052	226
Other, net	(6,749)	(10,665)	(61)
	(53,921)	40,216	(486)
<b>Income before special items and income taxes</b>	258,336	328,686	2,327
<b>Special items:</b>			
Reversal of (provision for) reserve for fluctuation in water levels	581	(581)	5
Reversal of (provision for) reserve for preparation of the depreciation of nuclear power construction	(292)	(287)	(2)
<b>Income before income taxes</b>	258,625	327,817	2,330
<b>Income taxes:</b>			
Current	25,872	20,882	233
Deferred	198	(11,330)	2
	26,071	9,552	235
<b>Net income</b>	232,553	318,265	2,095
<b>Net income attributable to non-controlling interests</b>	138	187	1
<b>Net income attributable to owners of the parent</b>	¥ 232,414	¥ 318,077	\$ 2,094
<b>Per share information:</b>	Yen		U.S. dollars
Net assets (basic)	¥ 1,179.25	¥ 1,030.67	\$ 10.62
Net income (basic)	145.06	198.52	1.31
Net income (diluted)	46.96	64.32	0.42
Cash dividends	—	—	—

## Consolidated Statement of Comprehensive Income

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2019/3	2018/3	2019/3
<b>Net income</b>	¥ 232,553	¥ 318,265	\$ 2,095
<b>Other comprehensive (loss) income:</b>			
Valuation difference on available-for-sale securities	(3,799)	2,129	(34)
Foreign currency translation adjustments	(2,112)	875	(19)
Remeasurements of defined benefit plans	(6,140)	12,187	(55)
Share of other comprehensive (loss) income of affiliates accounted for under the equity method	4,712	(1,860)	42
Total other comprehensive (loss) income	(7,340)	13,332	(66)
<b>Comprehensive income</b>	¥ 225,212	¥ 331,597	\$ 2,029
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	¥ 225,074	¥ 331,409	\$ 2,028
Noncontrolling interests	138	187	1

## Consolidated Statement of Changes in Net Assets

	Year ended March 31, 2019														
	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	Noncontrolling interests	Total net assets
Balance at April 1, 2018	¥900,975	¥500,000	¥743,121	¥508,584	¥(8,454)	¥2,644,226	¥8,679	¥(454)	¥(2,291)	¥(7,846)	¥9,072	¥7,158	¥0	¥5,880	¥2,657,265
Net income attributable to owners of the parent	—	—	—	232,414	—	232,414	—	—	—	—	—	—	—	—	232,414
Purchases of treasury stock	—	—	—	—	(16)	(16)	—	—	—	—	—	—	—	—	(16)
Sales of treasury stock	—	—	(1)	—	1	0	—	—	—	—	—	—	—	—	0
Change in parent's equity interest due to noncontrolling shareholders	—	—	12,978	—	—	12,978	—	—	—	—	—	—	—	—	12,978
Reversal of land revaluation loss	—	—	—	70	—	70	—	—	—	—	—	—	—	—	70
Other	—	—	—	—	0	0	—	—	—	—	—	—	—	—	0
Net changes in items other than shareholders' equity	—	—	—	—	—	—	(5,015)	3,178	(70)	868	(6,372)	(7,410)	(0)	8,395	984
Total changes	—	—	12,977	232,485	(14)	245,448	(5,015)	3,178	(70)	868	(6,372)	(7,410)	(0)	8,395	246,433
Balance at March 31, 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

	Year ended March 31, 2018														
	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	Noncontrolling interests	Total net assets
Balance at April 1, 2017	¥900,975	¥500,000	¥743,123	¥193,404	¥(8,442)	¥2,329,061	¥5,109	¥(1,871)	¥(2,301)	¥17,098	¥(3,662)	¥14,373	¥—	¥5,244	¥2,348,679
Net income attributable to owners of the parent	—	—	—	318,077	—	318,077	—	—	—	—	—	—	—	—	318,077
Purchases of treasury stock	—	—	—	—	(15)	(15)	—	—	—	—	—	—	—	—	(15)
Sales of treasury stock	—	—	(2)	—	2	0	—	—	—	—	—	—	—	—	0
Change of scope of equity method	—	—	—	(2,888)	—	(2,888)	—	—	—	—	—	—	—	—	(2,888)
Reversal of land revaluation loss	—	—	—	(9)	—	(9)	—	—	—	—	—	—	—	—	(9)
Other	—	—	—	—	0	0	—	—	—	—	—	—	—	—	0
Net changes in items other than shareholders' equity	—	—	—	—	—	—	3,569	1,416	9	(24,944)	12,734	(7,214)	0	635	(6,579)
Total changes	—	—	(2)	315,179	(12)	315,165	3,569	1,416	9	(24,944)	12,734	(7,214)	0	635	308,586
Balance at March 31, 2018	¥900,975	¥500,000	¥743,121	¥508,584	¥(8,454)	¥2,644,226	¥8,679	¥ (454)	¥(2,291)	¥ (7,846)	¥ 9,072	¥ 7,158	¥ 0	¥5,880	¥2,657,265

	Year ended March 31, 2019														
	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	Noncontrolling interests	Total net assets
Balance at April 1, 2018	\$8,117	\$4,504	\$6,695	\$4,582	\$(76)	\$23,822	\$78	\$(4)	\$(21)	\$(71)	\$82	\$64	\$0	\$53	\$23,939
Net income attributable to owners of the parent	—	—	—	2,094	—	2,094	—	—	—	—	—	—	—	—	2,094
Purchases of treasury stock	—	—	—	—	(0)	(0)	—	—	—	—	—	—	—	—	(0)
Sales of treasury stock	—	—	(0)	—	0	0	—	—	—	—	—	—	—	—	0
Change in parent's equity interest due to noncontrolling shareholders	—	—	117	—	—	117	—	—	—	—	—	—	—	—	117
Reversal of land revaluation loss	—	—	—	0	—	0	—	—	—	—	—	—	—	—	0
Other	—	—	—	—	0	0	—	—	—	—	—	—	—	—	0
Net changes in items other than shareholders' equity	—	—	—	—	—	—	(45)	29	(0)	8	(58)	(66)	(0)	75	9
Total changes	—	—	117	2,094	(0)	2,211	(45)	29	(0)	8	(58)	(66)	(0)	75	2,220
Balance at March 31, 2019	\$8,117	\$4,504	\$6,812	\$6,676	\$(76)	\$26,033	\$33	\$25	\$(21)	\$(63)	\$24	\$(2)	\$—	\$128	\$26,159

## Consolidated Statement of Cash Flows

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2019/3	2018/3	2019/3
<b>Cash flows from operating activities</b>			
Income before income taxes	¥ 258,625	¥ 327,817	\$2,330
Depreciation and amortization	541,805	561,257	4,881
Decommissioning costs of nuclear power units	43,230	16,927	390
Loss on disposal of property, plant and equipment	30,319	25,442	273
Increase in provision for preparation of removal of reactor cores in the specified nuclear power facilities	4,721	1,929	43
Increase in reserve for loss on disaster	27,365	9,554	247
Net defined benefit liability	(13,015)	342	(117)
Increase in reserve for decommissioning reactors	(200,000)	—	(1,802)
Interest and dividend income	(1,527)	(2,251)	(14)
Interest expense	55,541	63,247	500
Equity in earnings of affiliates	(25,048)	(38,052)	(226)
Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	(159,806)	(381,987)	(1,440)
Compensation for nuclear damages	151,069	286,859	1,361
Increase in notes and accounts receivable	(30,396)	(76,145)	(274)
Increase in notes and accounts payable	60,064	33,961	541
Other	(137,583)	75,212	(1,239)
	605,366	904,115	5,454
Interest and cash dividends received	5,513	6,594	50
Interest paid	(62,378)	(64,822)	(562)
Payments for loss on disaster due to the Tohoku-Chihou-Taiheiyu-Okai Earthquake	(19,613)	(32,944)	(177)
Receipts of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation	797,000	893,900	7,180
Payments for nuclear damage compensation	(799,122)	(957,821)	(7,198)
Income taxes (paid) refunded	(23,055)	3,160	(208)
<b>Net cash provided by operating activities</b>	<b>503,709</b>	<b>752,183</b>	<b>4,538</b>

	(Millions of yen)		(Millions of US dollars)
FYs ended March 31:	2019/3	2018/3	2019/3
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	(619,566)	(562,006)	(5,582)
Contributions in aid of construction received	17,670	22,328	159
Increase in long-term investments	(7,751)	(10,077)	(70)
Proceeds from long-term investments	2,186	155	20
Other	36,623	29,006	330
<b>Net cash used in investing activities</b>	<b>(570,837)</b>	<b>(520,593)</b>	<b>(5,143)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of bonds	959,106	523,639	8,641
Redemptions of bonds	(1,234,634)	(1,499,805)	(11,123)
Proceeds from long-term loans	—	498,289	—
Repayments of long-term loans	(1,049,209)	(226,315)	(9,452)
Proceeds from short-term loans	6,128,876	3,939,019	55,215
Repayments of short-term loans	(4,937,578)	(3,217,974)	(44,483)
Proceeds from payments from noncontrolling shareholders	21,277	462	192
Other	(5,537)	(4,775)	(50)
<b>Net cash (used in) provided by financing activities</b>	<b>(117,698)</b>	<b>12,538</b>	<b>(1,060)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(194)</b>	<b>12</b>	<b>(2)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(185,021)</b>	<b>244,140</b>	<b>(1,667)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>1,184,384</b>	<b>940,243</b>	<b>10,670</b>
<b>Cash and cash equivalents at end of the year</b>	<b>¥ 999,362</b>	<b>¥ 1,184,384</b>	<b>\$ 9,003</b>



# Stock Information

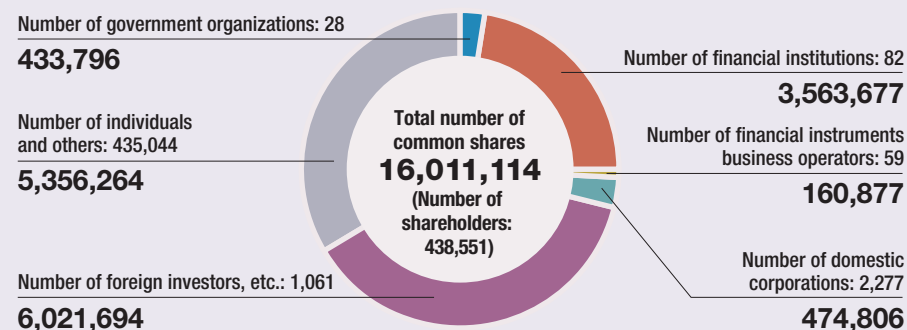
As of March 31, 2019

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

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

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



## Major Shareholders (Top 10 Shareholders)

Name of Shareholder	Number of Shares Held (Thousands)	Ratio (%)
Nuclear Damage Compensation and Decommissioning Facilitation Corporation	1,940,000	54.74
The Master Trust Bank of Japan, Ltd. (Trust Account)	59,195	1.67
TEPCO Employees Shareholding Association	50,545	1.43
Tokyo Metropolitan Government	42,676	1.20
Japan Trustee Services Bank, Ltd. (Trust Account 9)	39,145	1.10
Sumitomo Mitsui Banking Corporation	35,927	1.01
Japan Trustee Services Bank, Ltd. (Trust Account 5)	31,321	0.88
Nippon Life Insurance Company	26,400	0.74
Japan Trustee Services Bank, Ltd. (Trust Account)	24,707	0.70
STATE STREET BANK WEST CLIENT - TREATY 505234	24,505	0.69

The percentage of equity securities versus the total number of issued shares is calculated excluding treasury stock (3,221,148 common shares).

## Editor's Note

In April 2019, TEPCO Holdings established an ESG Office. This office will promote ESG management for the entire TEPCO Group and also further develop information disclosure in this report, which is an important tool for ESG communication.

Compiling information related to the climate, such as analyzing scenarios that address TCFD recommendations, and re-examining our value creation process based upon the six types of capital put forth in the IIRC Framework, has been a new challenge for us when writing this integrated report. We have also made a first attempt to mention indicators based on industry-based standards provided by the SASB in the hopes that it will be

useful for investors and other readers by improving comparability.

When making preparations to release this report, Typhoon #15, one of the largest typhoons to ever hit Japan, made landfall in the Kanto Region and a massive response from TEPCO was required to repair power outages. The TEPCO Group's most vital social mission is to provide a stable supply of power and quickly restore power in the event of power outages caused by an accident or disaster. We would like to once again deeply apologize for the great inconvenience that these widespread and persisting power outages caused. As we promote ESG management this report will be used going forward as one tool to disclose information on how we are enhancing countermeasures in light of our response to Typhoon #15.

We encourage and welcome the readers of this report to convey any frank opinions you may have.

October 2019

General Manager of ESG Office  
Tokyo Electric Power Company  
Holdings, Inc.

**Takeshi Nomura**



## Corporate Profile

<b>Company name</b>	Tokyo Electric Power Company Holdings, Incorporated
<b>Head office</b>	1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo 100-8560, Japan Phone: +81-3-6373-1111
<b>Representative</b>	Tomoaki Kobayakawa, President
<b>Established</b>	May 1, 1951 (Trade name was changed on April 1, 2016.)
<b>Equity capital</b>	¥1,400.9 billion
<b>Number of shareholders</b>	657,744 (as of end of FY 2018)
<b>Operating revenues (consolidated)</b>	¥6,338.4 billion (FY 2018)
<b>Ordinary income (consolidated)</b>	¥276.5 billion (FY 2018)
<b>Net income attributable to owners of the parent (consolidated)</b>	¥232.4 billion (FY 2018)
<b>Total assets (consolidated)</b>	¥12,757.4 billion (as of end of FY 2018)
<b>Number of employees (TEPCO Holdings and its consolidated subsidiaries)</b>	41,086 (as of end of FY 2018)
<b>Website</b>	<a href="http://www.tepco.co.jp/en/">www.tepco.co.jp/en/</a>



Facebook  
[www.facebook.com/OfficialTEPCOen/](https://www.facebook.com/OfficialTEPCOen/)



twitter  
[twitter.com/TEPCO\\_English](https://twitter.com/TEPCO_English)



Instagram  
[www.instagram.com/tepco.official/](https://www.instagram.com/tepco.official/)



youtube  
[www.youtube.com/user/OfficialTEPCOen](https://www.youtube.com/user/OfficialTEPCOen)



**Tokyo Electric Power Company Holdings, Inc.**

1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo 100-8560, Japan

Phone: +81-3-6373-1111