



Aiming for a Higher Level of Social Trust

Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz take seriously and sincerely apologize for improprieties that occurred within the Group that consisted of the inappropriate handling of customer information obtained through the wheeling business as well as suspicion of violating the Antimonopoly Act. Mindful that the trust of our customers and society forms the bedrock of our business operations, we will renew our efforts to promote compliance and ensure these efforts also lead to an increase in corporate value.

Initiatives by Chubu Electric Power Group

The Chubu Electric Power Group will continue to implement and strengthen traditional activities such as promoting autonomous and mutual learning and firmly establishing a system for legal compliance while working toward ensuring thorough compliance and improving governance across the entire Group.

Promotion of autonomous and mutual learning

- Formulate and implement action plans at each workplace (compliance with laws and regulations, and others)
- Improve compliance risk literacy (lectures, etc.)

Firmly establish mechanisms for legal compliance

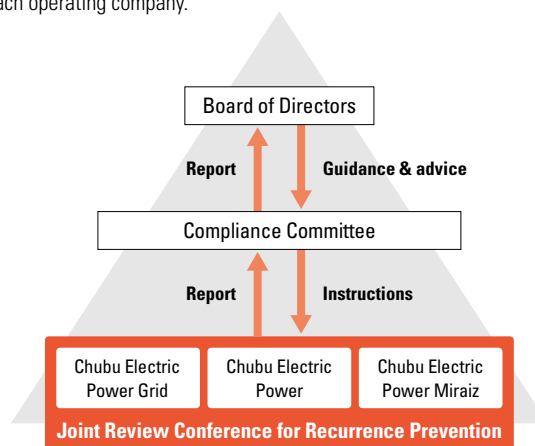
- Appropriate operation and establishment of various regulations such as rules for contact with competing companies
- Education for understanding and promoting rules for contact with competing companies

Group-wide compliance promotion

- Chief Compliance Officer Liaison Committee (Opinion exchanges among Group company compliance officers)
- Raise level of helpline awareness

[Study system concerning "improper handling of wheeling information"]

Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz set up the Joint Review Conference for Recurrence Prevention. Members of the Conference, which include outside corporate auditors and outside lawyers, are taking measures to block the leakage of information while confirming the appropriateness and response status of recurrence prevention measures being promoted by each operating company.



Strengthening Initiatives for Complying with the Antimonopoly Act

(1) On March 30, 2023, Chubu Electric Power received a surcharge payment order from the Japan Fair Trade Commission based on the Antimonopoly Act and Chubu Electric Power Miraiz received a cease and desist order and a surcharge payment order from the Commission based on the Antimonopoly Act. On the same date, Chubu Electric Power and Chubu Electric Power Miraiz decided to file a lawsuit to cancel the orders because of a difference of opinions with the Commission regarding fact finding and legal interpretation. In addition, (2) on July 14, 2023, Chubu Electric Power Miraiz received a business improvement order from the Minister of Economy, Trade and Industry based on the Electricity Business Act and Chubu Electric Power and Chubu Electric Power Miraiz Co., received an instruction document from the Director of the Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry, requesting response measures for realizing the sound development of the electric power industry.

To ensure that we will never again come under any suspicion concerning the Antimonopoly Act, we will steadily implement Measures for Thorough Compliance and the Business Improvement Plan to further strengthen initiatives for complying with the Antimonopoly Act that we have implemented to the present.

(1) Measures for thorough compliance

(announced on April 7, 2023)

1. Deepen awareness of compliance

- Program for raising awareness of compliance
- Improve effectiveness of training and education
- Implement behavior checkpoints

3. Foster a better organizational culture

- Create an open workplace
- Prevent any forgetting of past incidents

2. Strengthen mechanisms for compliance with the Antimonopoly Act

- Strengthen operation of rules for contact with competing companies
- Strengthen internal whistleblowing system
- Strengthen checking function

4. PDCA for thorough compliance measures

- Inspections by outside experts and internal audits

(2) Business improvement plan

(announced on July 28, 2023)

Newly establish the Business Improvement Plan Monitoring Committee with the majority of members consisting of outside human resources, etc.

Aiming for a Higher Level of Social Trust

Leakage and Viewing of Customer Information Obtained through the Wheeling Business

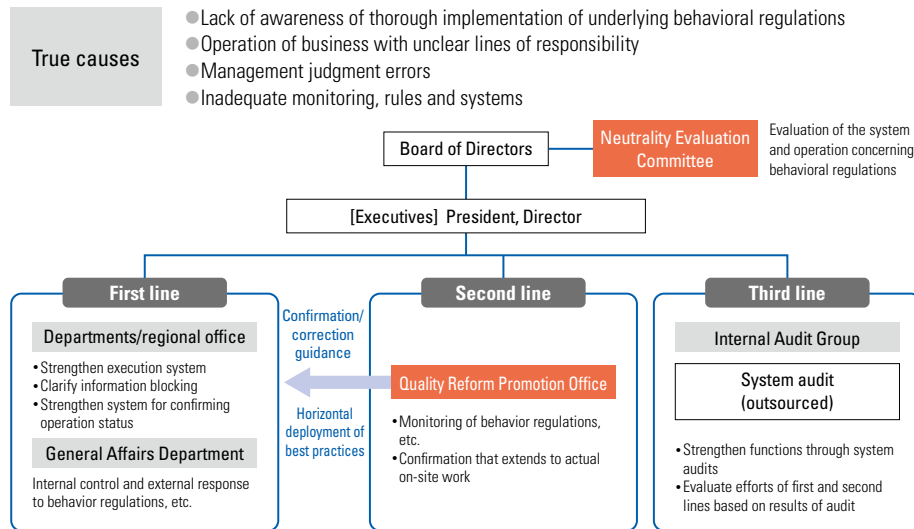
Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Miraiz caused an incident involving the leakage and viewing of customer information (hereinafter referred to as the “incident”) that was obtained in undertaking the wheeling business and on April 17, 2023 received a business improvement recommendation from the Electricity and Gas Market Surveillance Commission and guidance from the Agency for Natural Resources and Energy.

Furthermore, on June 29, 2023, Chubu Electric Power Miraiz received guidance and Chubu Electric Power Grid received guidance and a request for a report from the Personal Information Protection Commission. This incident was inappropriate and deviates from the neutrality of business operations of general power transmission and distribution companies and the business operations of retail electricity companies that are premised on this neutrality. We have investigated the cause of this incident and implemented measures to prevent recurrence. We will continue to implement thorough measures to prevent recurrence.

[Fundamental causes (true causes) of this incident and countermeasures against the true causes (establishment of organization and system)]

We are probing deeply into problematic points through interviews with persons in charge, including those in the field, and planning and implementing measures to prevent recurrence, such as by identifying the true causes and utilizing outside experts.

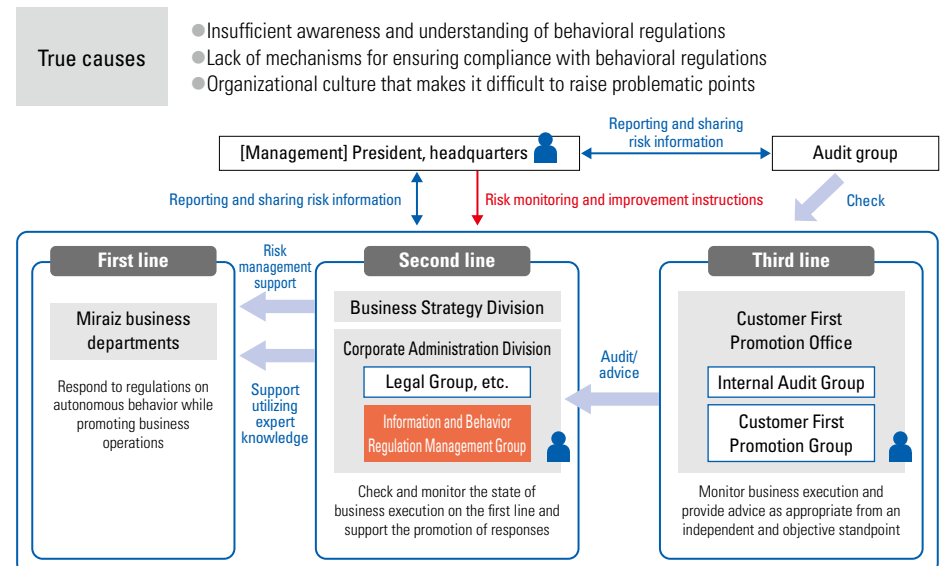
1 Chubu Electric Power Grid



Points of organization and system for ensuring neutrality

- Strengthen the first line system by appointing a person with overall responsibility for compliance with behavioral regulations.
- As the second line, establish Quality Reform Promotion Office as the department responsible for behavioral regulations
- Establish a system for Company-wide behavioral regulations by strengthening the functions for implementing system audits on the third line
- Establish Neutrality Evaluation Committee consisting mainly of outside experts as an advisory body to the Board of Directors

2 Chubu Electric Power Miraiz



Key Points for Rebuilding and Strengthening Internal Control

- Newly establish Information and Behavior Regulation Management Group as the department with overall responsibility for information management and behavior regulations as well as set up a consultation desk
- Clarify the roles from the first line to the third line.
- Utilize outside experts (👤 management level, second and third lines)



Chubu Electric Power Group Corporate Philosophy

Chubu Electric Power Group delivers the energy that is indispensable to people's lives and so contributes to the development of society.

Sincere and Sustained Effort

We make a constant and sincere effort to fulfill our unwavering mission and retain the trust of our customers and society.

Creativity and Spirit of Challenge

We continually act with creativity and an enthusiasm for new challenges in order to pursue excellence in our services and meet the expectations of our customers and society.

Independence and Cooperation

We work together as individuals showing respect for one another to create a vibrant and dynamic corporate culture.

Chubu Electric Power Group CSR Declaration

Fulfilling our responsibilities and meeting society's expectations

Chubu Electric Power Group, as a corporate group that continues to achieve growth with customers and society, is committed to:

Contributing to the development of a sustainable society by demonstrating total strengths in our businesses centered on energy while leveraging individualities of our group companies, giving top priority to safety and striving to both provide a stable supply of energy and protect the global environment;

Managing our businesses in a fair and sincere manner by observing national and international laws, regulations and social rules and by respecting corporate ethics; and

Respecting the human rights of all people involved in our business activities, giving priority to dialogue with all our stakeholders and maintaining high levels of transparency and openness in our corporate activities.

Customers

We are committed to providing our customers with safe, reliable, convenient, and affordable energy services, as well as other services of value that meet their needs.

Shareholders and Investors

We are striving to maintain and increase profits for our shareholders and investors through efficient management and effective investment.

Local Communities

We are determined to contribute to sustainable local development in partnership with local communities.

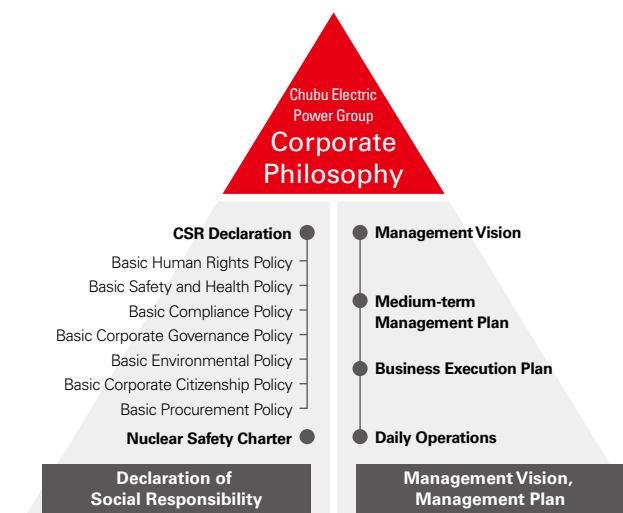
Business Partners

We promise to deal fairly with our suppliers as equal business partners and work together to increase the transparency and soundness of the entire supply chain.

Employees

We respect individuals and are endeavoring to create a cheerful and motivating workplace in which diverse human resources take active roles.

System of Declaration and Policy Regarding Social Responsibility





For Providing Value Desired by Stakeholders

Under its corporate philosophy, the Chubu Electric Power Group seeks to achieve sustainable growth together with stakeholders by providing value desired by them.

To this end, we capture stakeholders' expectations and matters of interest through stakeholder engagement and respond to the identified expectations and matters through business activities.

[Key stakeholder engagement]

Stakeholder	Customer	Shareholder/investor	Local community	Business partner	Employee
Method of engagement and results	<p>Communication with customers through various contact points</p> <ul style="list-style-type: none"> Interactive communication through web member services <p>[Results as of the end of FY2022] No. of members of "KatEne": 3.9 million No. of members of "BizEne": 0.57 million</p> <ul style="list-style-type: none"> Identifying difficulties facing customers and their needs through day-to-day operating activities 	<p>Identifying capital market trends through dialogue with analysts and institutional investors</p> <p>[FY2022 results] Financial results/management plan briefings: 4 times Facility tours/business briefings, etc.: 3 times Individual interviews: 207 times</p>	<p>Communication with members of the local community where the Hamaoka Nuclear Power Station is located</p> <p>[FY2022 results] Power station tours: 6,158 persons Opinion-exchange meetings: 1,672 persons Chuden Science Forum: 252 persons</p>	<p>Providing briefings to and conducting a survey on the status of ESG efforts of business partners</p> <p>[FY2022 results] Procurement overview briefing sessions: 330 companies Survey on the status of ESG efforts: 345 companies</p>	<p>Conducting an engagement survey and holding dialogue, etc., with executives</p> <p>Surveying the engagement of employees with the Company and their respective departments and analyzing the results by department</p>
Identified expectations and matters of interest	<ul style="list-style-type: none"> Outlook and stability of future electricity fees Interest in energy saving and decarbonization 	<ul style="list-style-type: none"> Specific measures to increase profit and roadmap for achieving Management Vision 2.0 Our approach to dividends Our approach to climate change Policy on ensuring governance, etc. 	<ul style="list-style-type: none"> Questions about the necessity of a nuclear power station Measures implemented in the Hamaoka Nuclear Power Station, given the accident at the Fukushima Daiichi Nuclear Power Station Matters concerning the final disposal of high-level radioactive waste, etc. 	<ul style="list-style-type: none"> Fair and equitable transactions Procurement giving consideration to ESG matters (human rights, the environment, etc.) Enhancing partnerships 	<ul style="list-style-type: none"> Being satisfied with the appropriate guiding ability of supervisors and a sense of social contribution arising from the Company's businesses Still remaining a room for improvement with regard to employees' expectations for and interest in the corporate philosophy and Management Vision 2.0
Response to expectations and matters of interest	<ul style="list-style-type: none"> Implementing measures to lighten the burden of electricity fees Providing support in three ways toward decarbonization, namely energy saving, energy creation and energy activation 	<ul style="list-style-type: none"> Promoting disclosure of quantitative data, including those recommended by the TCFD Appropriately sharing the results of surveys on governance-related issues as well as respective countermeasures 	<ul style="list-style-type: none"> Responding to expectations and matters of interest on a daily basis through various activities Annually reporting to the Minister of Economy, Trade and Industry 	<ul style="list-style-type: none"> Responding to expectations and matters of interest on a daily basis through day-to-day procurement activities Conducting various internal training, etc., for promoting ESG-conscious procurement 	<ul style="list-style-type: none"> Workplace improvement activities by each department Holding a workshop to instill Management Vision 2.0 (promoting activities to instill the vision) Disclosing the survey results to employees via an internal intranet

Sustainable growth together with stakeholders



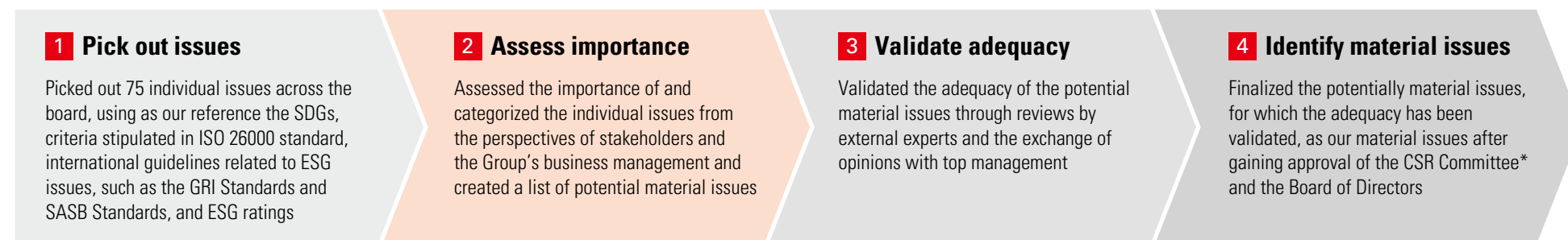
Materiality (Material Issues) for the Chubu Electric Power Group

Process to identify materiality

With a view to contributing to the sustainable development of society, the Chubu Electric Power Group intends to achieve growth with society by undertaking business activities in accordance with the Chubu Electric Power Group CSR Declaration, which serves as the Group's code of conduct, and by fulfilling our social mission stated in our Corporate Philosophy.

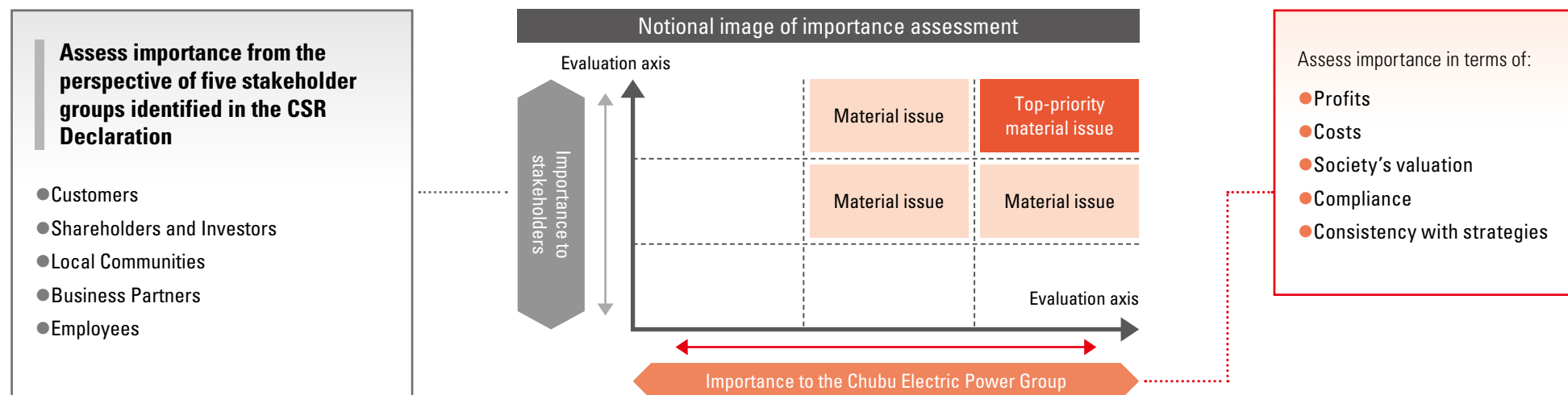
In doing so, we have identified materiality (material issues) for the Chubu Electric Power Group through the following process, set corresponding indicators and targets and given priority to the resolution of the identified issues.

The identified material issues may change depending on the environment surrounding our businesses and are subject to a periodic review.



* A committee for top management to deliberate on important matters concerning the promotion of CSR, established in October 2021 and chaired by the president

Method of assessing importance



Materiality (Material Issues) for the Chubu Electric Power Group

Key Material Issues and Corresponding Risks, Opportunities, Targets and Results

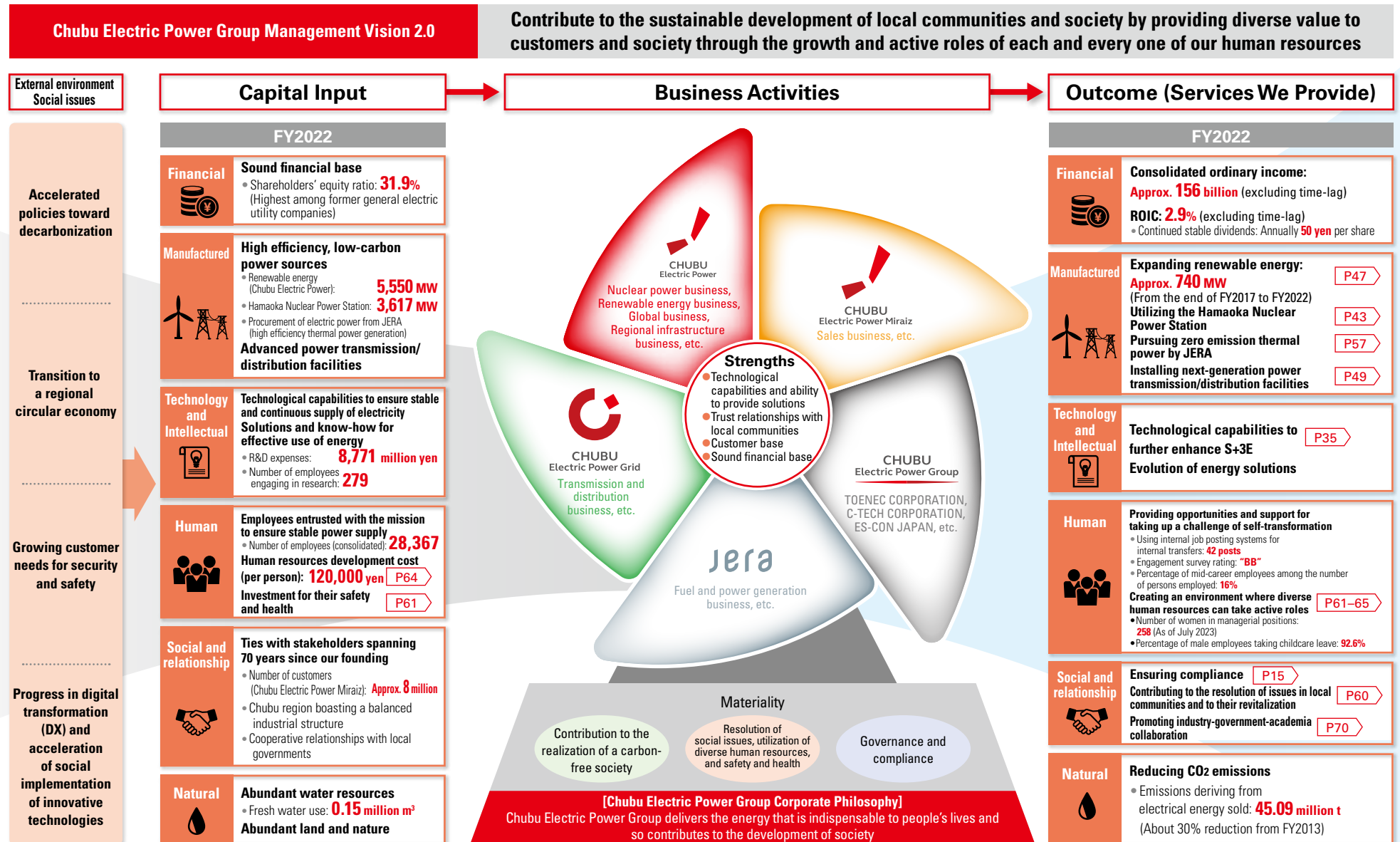
[Link](#) Details of the Chubu Electric Power Group's materiality (Japanese version only)

	Material issues	Risks	Opportunities	Key indicators and targets	Year of achievement	FY2022 results (assessment of progress*5)	Key relevant page
E Environment	Decarbonization together with customers and society*1	●Revisions to energy policies	●Strong social demand for decarbonization	●Reduce CO ₂ emissions deriving from sales of electrical energy by 50% or about 32.5 million t from FY2013	FY2030	Reduced 19.6 million t (about 30%) from FY2013	■ P37-42
				●Expand renewable energy by at least 3.2 GW	FY2030	740 MW	■ P47-48
	Increasing the safety of nuclear power and promoting its use	●Delay in inspections for confirming conformity to new regulatory requirements	●Basic policy for achieving GX	●Restart Hamaoka Nuclear Power Station	As early as possible	Steady progress in inspections by the Nuclear Regulation Authority to confirm conformance with new regulatory standards	■ P43-46
	Building next-generation networks for a decarbonized society	●Concerns about a stable electricity supply, resulting from increasingly complex flow of electricity due to the mass connection of renewable energy	●Increasing needs for introducing renewable energy	●Create facility plans using Distribution Future Energy Scenario (DFES) ●Make sure to implement initiatives for realizing Connect & Manage	FY2023-FY2027	Developed the DFES; Implemented initiatives for achieving the target shown on the left	■ P49-50
S Society	Contributing to local communities and society*2	●Local communities becoming diluted due to a declining population and slowdown in economic growth	●Increasing needs for resolving community issues	●Commercialize the childcare community business using Kizuna Net	FY2024	Examined possible commercialization through collaboration with KARADANOTE INC.	■ P55-56
	Pursuing customer satisfaction	●Intensifying competition with competitors	●Increasing customer needs for different and diverse services	●Increase NPS® score to 12.8 from FY2022	FY2025	Started using the NPS® in FY2022	■ P51-52
	Business transformation and new value creation utilizing digital transformation (DX)	●Delay in responding to DX-induced new workstyles and leading-edge technologies	●Business transformation utilizing digital technologies	●Launch a project for setting up a structure to support continued use of AI models, such as maintaining and improving forecast accuracy, and for establishing a foundation to develop and operate AI models: 1	FY2025	Launch planned for FY2023	■ P33
	Investment in human capital*3	●Growing gap between the ideal state and current state of human resources due to changes in the business environment ●Intensifying competition for human resources caused by a declining working population	●Diverse human resources needed to evolve stable supply and expand business areas taking active roles	●Enhance engagement and achieve "A" or higher rating	FY2025	"BB" rating	■ P31-32, 61-65
				●Achieve the percentage of male employees taking childcare leave of 100%	FY2025	92.6%	■
Development of global business to increase corporate value	●Destabilized political and economic situations overseas (increased country risk)	●Globally increasing interest in decarbonization business	●Make accumulated investment of about 400 billion yen (FY2021-2030) and achieve profit of about 20 billion yen	FY2030	Accumulated investment of about 33.1 billion yen (as of the end of FY2022) and profit of about 7.4 billion yen (FY2022)	■ P53-54	
G Governance	Ensuring compliance*4	●Decline in social credibility related to compliance	●Gaining trust from stakeholders	●Make combined efforts throughout the Chubu Electric Power Group to implement compliance promotion measures	FY2023	Worked to ensure compliance; Established the position of Chief Compliance Officer (CCO); Revised a structure to promote compliance	■ P15-16, 83-84
	Enhancing governance and risk management, including group companies	●Erosion of confidence of the entire Group caused by subsidiaries, etc. ●Cyberattacks and IT system defects	●Fairer and more transparent decision-making	●Make sure to conduct assessment on the effectiveness of the Board of Directors and work for constant improvement	Every fiscal year	Increased the ratio of External Directors; Appointed audit and supervisory board members at subsidiaries	■ P79-82
				●Cases where cyberattacks caused impact on business operations: 0	Every fiscal year	Cases where cyberattacks caused impact on business operations: 0	■ P82
Enhancing resilience and large-scale disaster response capabilities	●Natural disasters becoming increasingly severe	●Growing awareness for resilience ●Need for stable supply reacknowledged	●Power outages for low-voltage lighting customers per year (due to endogenous factors): 49 MWh	FY2023	46.7 MWh	■ P49-50	

*1 Including promotion of renewable energy, development and social implementation of decarbonization and other new technologies and implementation of environmental management; *2 Including creation of new communities and realization of a recycling-oriented society. For resolution of issues in local communities and society through industry-academia collaboration, visit the link to details of our materiality shown at the top of the page; *3 Including acquisition and development of diverse human resources as well as safety and health; *4 Including anticorruption and respect for human rights; *5 Assessed in three levels: ■ As targeted, ■ Slightly below the target and ■ Substantially below the target



Value Creation Process





Value Creation Process

Creating economic value

2025

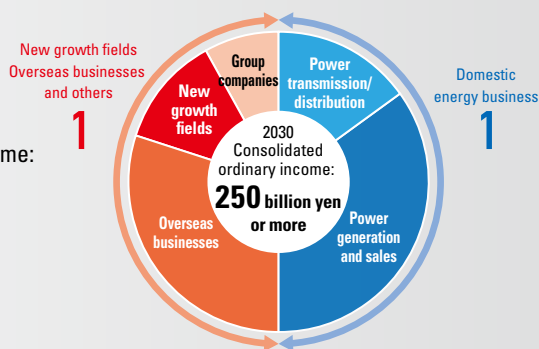
- Consolidated ordinary income: **180 billion yen or more**
- ROIC: **3.0% or higher**

P24 (Medium-term Management Plan)

2030

- Consolidated ordinary income: **250 billion yen or more**
- Realizing a well-balanced income portfolio

P24 (Management Vision 2.0)



2050

Our envisioned society

- Realization of a safe, secure, resilient and viable society
- Realization of a carbon-free society
Achieving net zero CO₂ emissions from our entire business



Safe and secure Society

Realize services tailored to diversifying senses of value and lifestyles and achieve sustainable growth with customers and society

Distributed and circular Economy

Carbon-free Environment



Creating social value

(Initiatives related to materiality (material issues))

2025

- Engagement survey rating of **"A"**
- Percentage of mid-career employees among the number of persons employed
- Using internal job posting systems for internal transfers: **300 posts** (about 10% of all transfers)
- Delivering new value to customers and society
- Promoting a next-generation power network

2030

- Reducing CO₂ emissions deriving from sales of electrical energy by **50%** from FY2013
- Expanding renewable energy by **3.2 GW**