



The Okinawa Electric Power
Company, Incorporated

The Okinawa Electric Power Company Group Integrated Report 2025

With the community, for the community



With the community, for the community

**Empowering Okinawa through
energy business**

- Energise Okinawa -

The Okinawa Electric Power Company will support the livelihoods and economic activities of our customers with pride and a sense of duty and contribute to the creation of a vibrant future with full of dreams for Okinawa with high aspirations, overflowing passion, and abundant imagination.



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The Okinawa Electric Power Company Group Integrated Report 2025

● Editorial policy

We are involved in a variety of activities based on our corporate slogan "With the community, for the community". We are publishing this report by integrating financial and non-financial information so that all our stakeholders, including shareholders and investors, have a better understanding of the Group's initiatives for sustainable value creation.

● Organizations included in the report

OEPC and OEPC group companies (marked with G)

● Report period

FY2024 (Apr. 1, 2024 - Mar. 31, 2025)

* Some of the included information is outside of the report period.

● Guidelines used as a reference

- International Integrated Reporting Council (IIRC) "International Integrated Reporting Framework"
- GRI "The global standards for sustainability reporting"
- Task Force on Climate-related Financial Disclosures (TCFD) "TCFD Recommendations"
- Ministry of Economy, Trade and Industry "Guidance for Collaborative Value Creation 2.0"

● For inquiries

The Okinawa Electric Power Company,
Incorporated (OEPC)
Corporate Strategy Division,
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5-2-1 Makiminato, Urasoe City,
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comments and suggestions



1 Introduction



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Aiming for Group-wide transformation, we will boldly challenge
ourselves to achieve ultra-aggressive efficiency improvements and
further evolve as a company that continues to create new value.

MOTONAGA Hiroyuki

Representative Director / President,
The Okinawa Electric Power Company

Message from the President

We are engaged in daily business activities as a comprehensive energy provider that supports an important lifeline for the entirety of Okinawa Prefecture.

Q; Please tell us about the business environment within which the OEPC Group works.

Okinawa is an island prefecture consisting of various large and small islands scattered over a vast sea area extending 1,000 kilometers from east to west and 400 kilometers from north to south. The OEPC Group is a comprehensive energy company providing an important lifeline to the entire prefecture and is engaged in business activities with the core mission of ensuring a stable supply of energy essential for customers' lives and economic activity.

Looking at the business environment surrounding the Group, competition in the electricity business within the prefecture has progressed since full liberalization of the electricity market, such as with the transfer of contracts to other companies.

The economy of Okinawa Prefecture is currently experiencing revitalized economic activity, mainly in tourism, and is expanding gradually, as it did last year. In July 2025, the theme park Junglia Okinawa opened in the northern part of the main island, and the reconstruction of the Shuri Castle Main Hall is



scheduled to be completed in FY2026.

In addition, in May 2025, a grand design was announced for a large-scale urban development plan (hereinafter, "GW2050 PROJECTS") to make Okinawa a gateway open to the world. As such, we believe that the potential for future growth is quite large.

Q; What new challenges are you taking on in addition to your efforts to restore your income and financial base?

FY2025 will be the final year of the OEPC Group Medium-Term Management Plan 2025 (hereinafter, the "Medium-Term Management Plan"), and we have set the period up to FY2025 as a recovery period and have been working to restore our damaged financial base and improve capital profitability.

Although progress has been made in the restoration of our financial base since returning to profitability in FY2023, profitability remains in a recovery phase. Currently, factors that could lead to an increase in fixed costs are becoming prominent, including rises in material and equipment costs and labor unit prices due to inflation, soaring personnel expenses, and rising interest rates.

As a countermeasure to these urgent issues, our company launched the Okiden PX Project in January 2025. The "P" in PX signifies procurement, profit, productivity, performance (individual capabilities and company performance), while also carrying meanings such as proactive, proceed, and progress. It incorporates the message of "towards improving income and expenditure, in addition to strengthening procurement functions and enhancing productivity through the utilization of DX and similar tools, we will proactively advance as individual employees and progress as a company".

Through initiatives including strengthening our procurement functions by enhancing our ability to ensure proper pricing, as well as improving productivity in collaboration with Group companies, we aim to create effects of approximately 5 billion yen on a cash basis and about 3 billion yen on a profit basis by the end of 2026.

Effects beyond expectations are already starting to emerge, and we want to spread this momentum for transformation

not only to procurement operations but to all operations. We believe that by having each employee engage in ultra-aggressive efficiency improvements to boldly take on the challenge of Group-wide transformation without being bound by past conventions and without fearing failure, we can achieve further evolution as a company that continues to create new value.

Q; What kind of prospects do you have for the future growth of the Okiden Group?

With our comprehensive energy business as the core, the OEPC Group aims to create new value through services to support life and business. As a business group with a sense of solidarity, growing and developing hand-in-hand with the community, we look to contribute to the realization of a sustainable society.

Regarding the Group's solar third-party ownership model (PV-TPO) business, KarE-roof, the supply from solar power generation and storage batteries is effective as an emergency power source during power outages. We will propose this to the citizens of the prefecture as a new lifestyle combining decarbonization and disaster prevention measures and promote its introduction not only to business sites but also to schools and public facilities that serve as evacuation bases during disasters.

Outside the region and overseas, utilizing the experience accumulated through the introduction of renewable energy to remote islands within the prefecture and knowledge of grid stabilization technology, the Group has provided technical support and international cooperation to island regions in the Asia-Pacific area and beyond. Against this backdrop, in March 2025, our company established the local corporation OKIDEN PACIFIC ISLANDS CORPORATION in the Republic of Palau. The new company will install solar power generation and storage batteries at resort hotels in Palau to supply electricity, thereby contributing to the reduction of power generation fuel costs and CO₂ emissions. Furthermore, in October 2025, we signed a cooperation agreement regarding a feasibility study for de-dieselization in the Republic of Indonesia. We will provide our knowledge for efforts to reduce existing diesel power generation through solar power

generation, storage batteries, and grid stabilization measures in Indonesia's island regions. Going forward, in addition to the technical and other support we have been providing, we aim to expand our business in areas such as power generation, operation, and maintenance management.

The grand design has been announced for Okinawa's new urban development plan, GW2050 PROJECTS. It presents growth strategies in various fields, such as strengthening airport and port functions, expanding transportation functions, industrial urban development, and human resource development. Indicators such as nominal prefectural gross product and the number of employed persons is assumed to rise significantly, and increases in energy demand and the creation of new growth industries are expected. By linking this diverse growth potential of Okinawa with the Group's growth story, we aim for sustainable growth together with Okinawa.

We will continue to challenge ourselves toward realizing carbon neutrality in 2050.

Q; What is the directionality for achieving carbon neutrality by 2050?

To achieve carbon neutrality by 2050, we are proceeding with "Just Transition in the Okinawa area", based on our "OEPC Net-Zero CO₂ Emissions Roadmap".

Although it will be quite a serious challenge, we will take into account the uniqueness of the Okinawa area and promote measures based on the two directions of "mainstreaming of renewable energy" and "reducing CO₂ emissions from thermal power plants" in conjunction with promoting electrification, while also ensuring a stable electricity supply.

Q; What kind of initiatives are being implemented now?

Our company has implemented initiatives toward the "mainstreaming of renewable energy". For example, on Hateruma Island, we have installed collapsible wind turbines and an MG set, which combines motor generators and

storage batteries, and in 2020, we achieved 100% renewable energy supply for 10 consecutive days. In FY2025, utilizing a subsidy program the Cabinet Office made an open call for, we will construct renewable energy sources, storage batteries, and an energy management system on the island and start a demonstration test to control the entire system in combination with existing diesel generators. Through this, we aim to further expand the time of 100% renewable energy power supply while stabilizing the power grid on Hateruma Island.

In addition, we have newly introduced supply storage batteries on Miyako Island. As a supply capacity alternative to diesel power generation, which uses heavy oil, it can not only handle peak demand from 18:00 to 22:00 but also store renewable energy generated during the day, so it is expected to reduce renewable energy output curtailment on the island. Through this, we believe we can contribute to the expansion of renewable energy adoption in Miyakojima City, which is designated as a "decarbonization leading area". In addition, as a responsible energy operator in Okinawa, by concluding comprehensive cooperation agreements with each local government and promoting the introduction of KarE-roof to administrative facilities, we will contribute to regional decarbonization and sustainable urban development.

Given, however, that geographical, topographical, and electricity demand size constraints make it difficult to build hydroelectric and nuclear power generation in Okinawa Prefecture, we believe that thermal power sources will continue to play an important role in supporting stable supply.

Against this backdrop, toward reducing CO₂ emissions from thermal power sources, our company will steadily implement initiatives such as demonstration tests for hydrogen co-firing power generation at the Yoshinoura Multi-Gas Turbine Power Plant, with the aim of establishing operational technologies. Toward realizing carbon neutrality, we will continue to closely collaborate and cooperate with administrative bodies, companies, and research institutions and keep taking on challenges for technological innovation.



▲ Miyako No. 2 Power Plant Supply Storage Battery

In addition to building a relationship where employees and the company grow together, we will promote initiatives to ensure that the human rights of all parties, including business partners, are respected.

Q; What are your thoughts on the company's relationship with human resources moving forward?

The power of people is needed more than ever to realize our goals in becoming what we aim to be. Based on the Human Resource Strategy formulated in 2023, we will implement measures to build a relationship where individuals, organizations, and companies grow together.

In addition, our company is working on health management with the aim of solving employees' health issues. In March 2025, we were recognized for the seventh consecutive year as a "White 500", representing us as one of the top 500 "2025 Certified KENKO Investment for Health Outstanding Organizations (large enterprise category)". We believe that this certification is due to our repeatedly verifying the effects of various health initiatives such as workplace mental health measures and lifestyle disease countermeasures and feeding back the results to develop further measures according to employee needs. Under the policy that employee health is



the foundation of management and an irreplaceable valuable asset for the company, we aim for a workplace environment where people can work healthily and actively, and will continue to strive for the promotion and expansion of health management across the entire Group.

Furthermore, to express respect for the human rights of all people involved in the Group's business activities, we formulated the OEPC Group Human Rights Policy in October 2025. We have addressed human rights-related issues as part of risk management up until now. Going forward, we will closely engage with stakeholders and advance continuous processes to prevent and mitigate human rights violation risks so that the human rights of all parties, including business partners in our supply chain, are respected.

We will fulfill our social responsibility as a business supporting the lives of the prefectural residents.

We will fulfill our social responsibility as a business supporting the lives of the prefectural residents.

Q; Please tell us about the initiatives to ensure a stable supply.

We must give top priority to ensuring the safety of those engaged in company operations, and must thoroughly manage and maintain our supply facilities, devoting all our energies to achieving this. In order to achieve rapid recovery



in the event of a disaster, we will continue to prepare for and conduct training on a regular basis, as well as strengthen disaster preparedness measures that encompass all departments and companies.

As part of these efforts, in recent years, we have been improving the speed and efficiency of recovery operations using DX, and we have established a system for sharing failure areas identified during patrol activities in real time using mobile terminals.

Furthermore, in December 2024, we signed an "Agreement on Mutual Cooperation for Road Clearance and Power Outage Recovery during Disasters" with the Okinawa General Bureau of the Cabinet Office. This agreement stipulates mutual cooperation regarding matters including the establishment of a smooth communication system during disasters, provision of information on road and power outage situations, vehicle passage on national roads under disaster regulations, power outage recovery, and road clearance operations.

We will continue to deepen collaboration with related organizations and fulfill our social responsibility as a business supporting the lives of the prefectural residents.

In the gas supply business and energy service business, our company is striving to strengthen the operation and maintenance of facilities to improve reliability, and we are working to further strengthen the early recovery system in the event of a supply disruption.

The entire Group will continue to work together to realize the basic philosophy of "Energise Okinawa".

Q; Finally, what message do you have for stakeholders?

Since its establishment, our company, whose sole supply area is Okinawa Prefecture, has been operating under the corporate slogan of "With the community, for the community", with the understanding and cooperation of local residents. We believe that maintaining and contributing to universal services, even under extremely severe business conditions, is a vital mission of our company.

We will continue to make every effort not only to ensure

compliance, but to provide safety and security to customers and local communities through a stable energy supply, and to establish the trust that can be obtained as a result of this accumulation.

In FY2026, we plan to announce the next medium-term management plan. In the grand design of GW2050 PROJECTS, growth strategies for Okinawa toward 2050 are presented by field. In our company as well, while incorporating the opinions of young employees who will bear the Group's future growth, we will envision what we aim to be. We want to present to stakeholders our growth story in which we grow sustainably together and increase corporate value while contributing to Okinawa's future development. I would like to express my gratitude for your continued understanding and support.

Oct. 2025

The Okinawa Electric Power Company, Incorporated (OEPC)
Representative Director / President

本永 浩之



Business Environment of the OEPC Group

Okinawa is an island prefecture consisting of various large and small islands scattered over a vast sea area extending 1,000 kilometers from east to west and 400 kilometers from north to south.

OEPC supplies electricity to 38 inhabited islands including the main island of Okinawa. OEPC maintains 11 isolated systems that are not connected with the transmission lines of other power companies.



Features of Okinawa

1 Prefectural economy

- There are advantages and potential for economic growth, such as the growth of the tourism industry (recovery from the COVID-19 pandemic), which drives the economy of Okinawa Prefecture, and its geographical location at the center of East Asia.
- Taking advantage of these advantages and potential, measures are being taken to promote various industries such as tourism and to utilize sites after the return of military bases.

Demand is expected to continue to increase.

4 Geography and topography

- Development of hydroelectric power is difficult due to the topography of the region.
- Development of nuclear power is difficult due to the small scale of demand.
- Because of the small size of the prefecture, there is limited land on which photovoltaic generation facilities can be installed.
- Large-scale wind power generation facilities (500 kW or more) must be high strength as the area is prone to typhoons.

Although reliance on fossil fuels is unavoidable, we are boldly taking on new challenges, such as co-firing woody biomass with coal in thermal power plants and introducing motor-driven generators.

2 Demand weight Consumer > Industrial

- The demand structure is such that the weight of consumer demand from general households and hotels is higher than industrial demand from factories.

The demand structure is not easily influenced by the economy.



3 Urban development

- We will be actively involved in the urban development of the returned former U.S. military base sites, and will supply energy to the entire area.



This will lead to expanded sales of energy.

5 Small scale independent systems

- Systems not connected with the power systems of other areas are outside the framework of wide-area power sharing. Therefore, it is necessary to secure a high reserve capacity.

Stable supply is our core mission.



6 Insularity of islands

- Although Okinawa is dotted with islands over a vast sea area and has many remote islands with high supply costs, we are trying to maintain universal service by devising various measures.

We are working to improve profitability by introducing renewable energy to reduce fuel consumption and effectively using waste oil.

History of OEPC

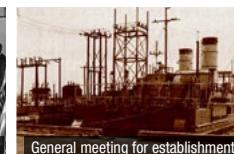
On May 15, 1972, when Okinawa returned to the mainland, our company took over the operations of the Ryukyu Electric Power Corporation and started operations as the special corporation "Okinawa Electric Power Co., Ltd.", which was funded by the government and Okinawa Prefecture.

1972 Electricity business in Okinawa before establishment

In 1954, the U.S. government established Ryukyu Electric Power Corporation. The U.S. military dispatched the power generating ships "Jacona" and "Impedance" from South Korea to meet the growing demand for post-war reconstruction. For a while, Gilbert Pacific, which was commissioned by the U.S. Military, operated the power generation and transmission, but the Ryukyu Electric Power Corporation decided to operate the power generation and transmission business on its own after the Kin Power Plant started operations in 1965.



General meeting for establishment



General meeting for establishment

1976 Integration of electricity business

Immediately after Okinawa's return to Japan, the electricity business in Okinawa Prefecture continued to be based on the so-called "one power, five power distribution" power supply system, which consisted of our company, which mainly handled power transmission, and five companies that mainly handled power distribution. In 1976, we acquired the assets and liabilities of the five power distribution firms and unified the electricity business in Okinawa.



Merger agreement signing ceremony



Article on centralization

1994 Diversifying fuels by introducing coal-fired power generation

The necessity to build coal-fired power plants to establish a management system that would not be impacted by the oil scenario increased as a result of the oil shock. At that time, our company lacked sufficient financial resources, construction experience, and know-how, so in 1986, Electric Power Development Co., Ltd. built a coal-fired power plant.

Subsequently, in 1994, our company's first coal-fired power plant, the Gushikawa Thermal Power Plant, and in 2002, the Kin Thermal Power Plant, began operation, significantly improving energy security and providing highly economical fuel. This has greatly contributed to improving our bottom line, including reducing electricity prices by about 40%.

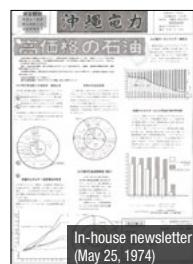


Kin Thermal Power Plant



Gushikawa Thermal Power Plant

Up to 1972



1973 Oil shock

The first oil shock occurred in 1973 as a result of the Fourth Middle East War. The government issued administrative directives to cut oil and power use by 10%, which had a significant impact on the social economy of Japan.

During the second oil shock in 1979, we were concerned that our business, which relies 100% on oil for power, would collapse. As such, we decided to raise electricity rates twice in 1980, but fell into insolvency in the same year. Discussions about introducing coal-fired power generation to reduce our company's complete reliance on petroleum were accelerated by the two oil shocks.



Our head office and the Makimino Thermal Power Plant (1982)

1973

1976

1978 Privatization

Due to insolvency caused by the previous oil crisis and the historical rise in electricity prices, the price differential with the mainland increased, and "securing a level of charges on par with mainland Japan" became an important management issue that could not be separated from privatization. From 1983, crude oil prices stabilized, and we were able to secure a level of charges comparable to that of the mainland due to improved income and expenditure conditions as well as achieve an increased degree of management stability against fluctuations in oil prices due to the construction of coal fired power plants by Electric Power Development Co., Ltd. In light of such a business environment, we achieved privatization on October 1, 1988.



Privatization commemoration ceremony

1988

1989

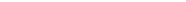
1989 Electrification of all islands realized

Eight areas in Okinawa (one main island and seven remote islands) were not supplied with electricity by our company even after it was established. The electrification of Okinawa's main island was achieved in 1982 after inhabitants of Genka, Nago City (common name: Oshittai), which was the sole unserved location on the main island, filed a petition.

Municipalities supplied power in the unsupplied areas of remote islands with private power generation, but in 1989, the entire island of Okinawa, including the remote islands, was electrified, realizing universal service.



Article on the electrification of all islands



Stone monument carved in Oshittai



2003 Miyako Island struck by Typhoon No. 14

On September 10 and 11, 2003, Typhoon No. 14, a violent typhoon with a maximum instantaneous wind speed of 74.1 m/s, hit Miyako Island, causing extensive damage to our facilities, including 882 damaged and collapsed electric poles, 125 damaged transformers, 915 broken distribution lines, and 3 collapsed wind power generation facilities, resulting in about 21,400 households, or 98% of the area under the jurisdiction of Miyako Branch, losing power.



Nacelle of the collapsed Nanamata Windmill No. 1

Continuous collapse of power poles

2012 Yoshinoura Thermal Power Plant start of operations

Unit 1 of the Yoshinoura Thermal Power Plant, which was our company's first plant to use liquefied natural gas (LNG), began operation in November 2012, and Unit 2 began operation in May 2013.

In addition to ensuring a stable supply system that can cope with increasing demand, our company has been able to reduce CO₂ emissions by using environmentally friendly LNG as fuel, and further improve energy security by diversifying fuels.



Yoshinoura Thermal Power Plant



Partnership agreement with Okinawa Prefecture



Biomass mixed firing at Kin Thermal Power Plant



KarE-roof

2020 2050 zero emissions declaration

To achieve net-zero CO₂ emissions by 2050, our company formulated a roadmap for the next 30 years by setting up two pillars: "Mainstreaming of renewable energy" and "Reducing CO₂ emissions from thermal power plants". We have also implemented various measures, such as developing the PV-TO business "KarE-roof", expanding the usage of LNG, and mixed firing of woody biomass in coal-fired power plants.

We are also working with industry, academia, and government to realize carbon neutrality in Okinawa Prefecture working together with the customer side.



KarE-roof

ZERO HALLGEN

2024 Makiminato Gas Engine Power Plant start of operations

The Makiminato Gas Engine Power Plant has started operation with the purpose of conversion from oil to LNG, reducing CO₂ by expanding the use of LNG, and leveraging the mobility of LNG power sources to respond to fluctuations in renewable energy output.

In addition, the Yoshinoura-Makiminato Gas Pipeline, which runs from Yoshinoura Thermal Power Plant to the head office through the Nishi-Futenma area, has started service with the aim of expanding LNG use and improving the energy utilization environment.



2003

2009

2012

2015

2020

2022

2024

2009 Introduced Japan's first tilttable wind power generation system

Our company introduced Japan's first tilttable wind power generation technology in 2009 with the goal of limiting CO₂ emissions and reducing fuel costs at our remote island power plants to realize a low-carbon society.



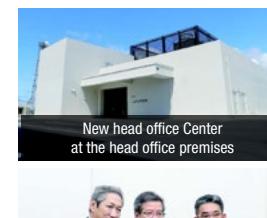
Tilttable Wind Power Generation System (Hateruma)



Hateruma Tilttable Wind Power Generation System installation ceremony

2015 Started comprehensive energy services

In the Okinawa energy market, where new energy demand is expected to increase due to large-scale development of urban areas such as former U.S. military bases, our company began its progress as a comprehensive energy provider with the start of the gas business by Progressive Energy Corporation (PEC) in 2015. Our company also entered the energy services business by establishing Reliance Energy Okinawa, Inc. (REO) in 2017.



New head office Center at the head office premises



REO inauguration press conference



Makiminato LNG Supply Center

2022 New head office completed

Our new head office was completed on the 50th anniversary since our founding. Based on the concept of a comfortable working environment for both officers and employees, it is designed to be disaster-resistant and safe, with a strong emphasis on BCP. In addition, the building receives power and heating/cooling energy from the adjacent energy center, and it began operation as a symbolic office building for a comprehensive energy services company.



New head office

Corporate Profile

Corporate Overview of OEPC

Company Name	The Okinawa Electric Power Company, Incorporated (OEPC)	
Headquarters Address	5-2-1 Makiminato, Urasoe City, Okinawa Prefecture, 901-2602 TEL: +81-98-877-2341 (Main phone)	
Description of business	Electricity business	
Share capital	7,586 million yen	
Company establishment	May 15, 1972	
Total number of shareholders	21,062 people	
Total number of issued shares	56,927 thousand shares	
Total assets	(Non-consolidated) 459.474 billion yen (Consolidated) 500.411 billion yen	
Electricity sales	Total electricity sales Lighting Power	7.341 billion kWh 2.963 billion kWh 4.378 billion kWh
Sales	(Non-consolidated) (Consolidated)	224.043 billion yen 236.540 billion yen
Employees	1,503 (Consolidated: 3,127)	

*Results as of March 31, 2025 and FY2024

Ratings

Rating agency	R&I	S&P
Rating	AA	A+

*Issuer ratings as of September 30, 2025

OEPC Group List As of April 1, 2025

Construction



Okidenko Company, Limited

TEL. 098-835-9888



Okinawa Enetech Company, Incorporated

TEL. 098-879-9031

Electric utility related



Okiden Kogyo Company, Limited

TEL. 098-876-0270



Okinawa Plant Kogyo Company, Incorporated

TEL. 098-876-2535



Okinawa Denki Kogyo Company, Incorporated

TEL. 098-929-1255

Information and communication



The Okiden Global Systems Company, Incorporated

TEL. 098-885-9709



FRT, Incorporated

TEL. 098-942-6609

Real estate



Okiden Kaihatsu Company, Incorporated

TEL. 098-878-3966

Overseas business



SeED Okinawa LLC

TEL. 098-877-2341
(inside OEPC Business Development Dept.)

OKIDEN PACIFIC ISLANDS CORPORATION

TEL. 098-877-2341
(inside OEPC Business Development Dept.)

Renewable energy



Okinawa New Energy Development Company, Incorporated

TEL. 098-923-2212



Tida Energy Okinawa LLC

TEL. 098-877-2341
(OEPC Carbon Neutrality Promotion Division, Environment Department)

Other Business



Quetech Company, Incorporated

TEL. 070-5815-0939



Okiden CplusC Corporation

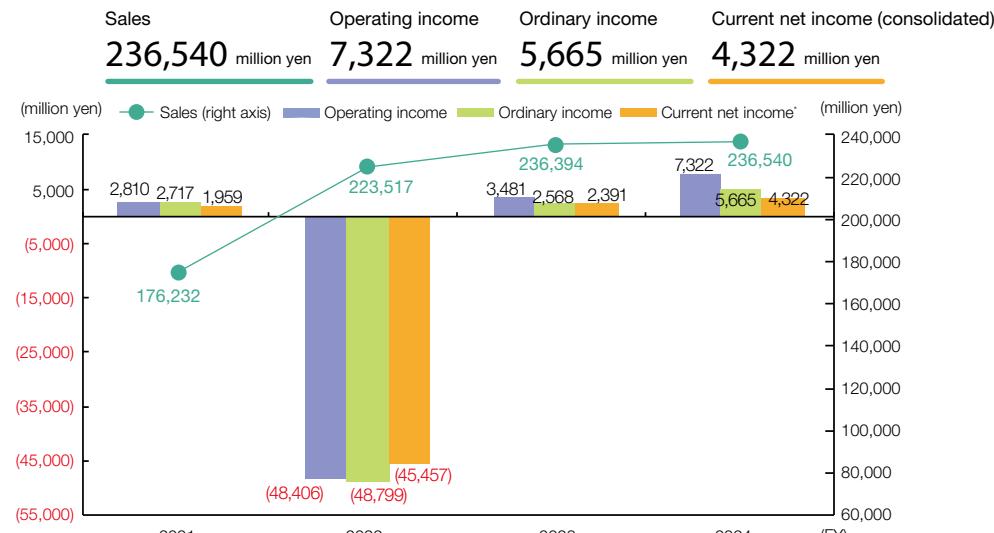
TEL. 098-870-9610

Learn more about
the OEPC Group



[Consolidated]

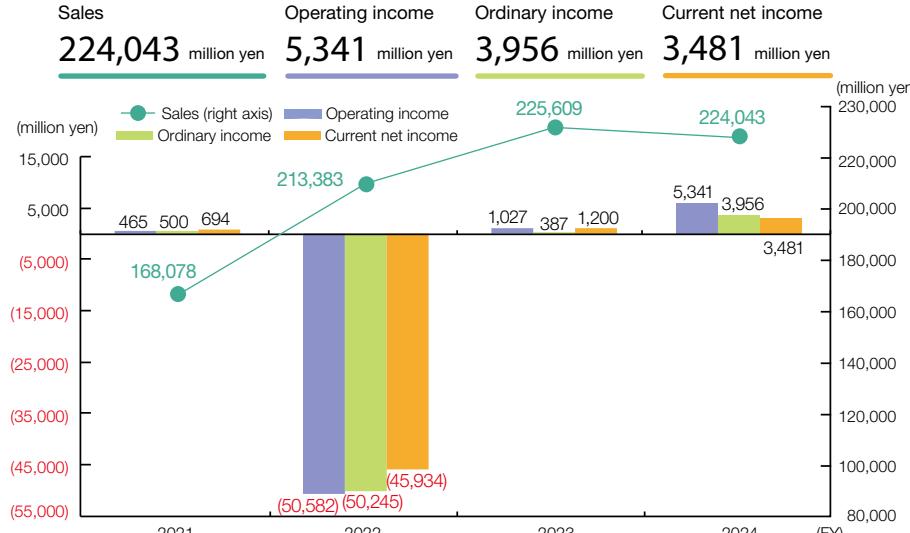
Sales, operating income, ordinary income, and current net income*



* Profit attributable to owners of the parent

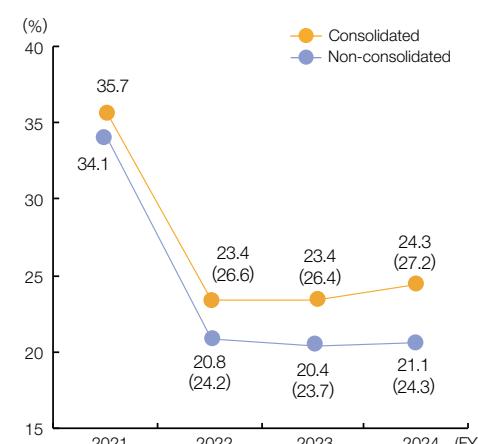
[Non-consolidated]

Sales, operating income, ordinary income, and current net income



Equity ratio

24.3 % (27.2%) 21.1 % (24.3%)

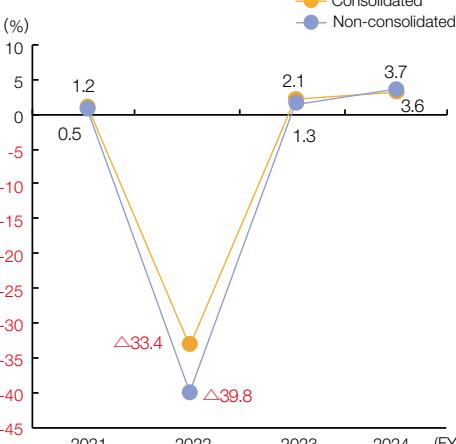


* Own capital ratio = Own capital/Total assets

() is of the 30 billion yen in outstanding hybrid bonds,
50% is held as equity capital.

ROE (Return on Equity)

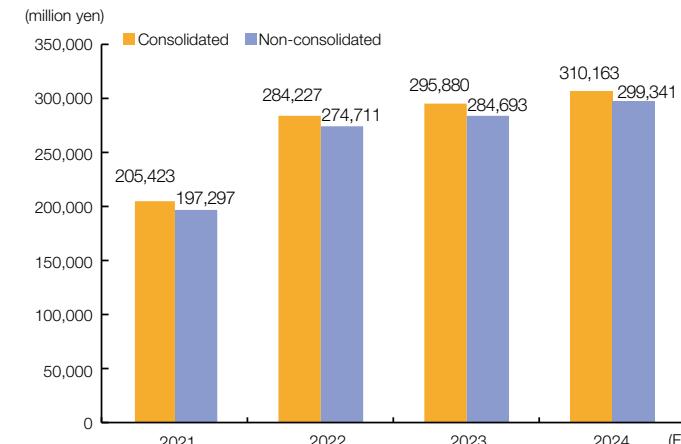
3.6 % 3.7 %



* ROE (Return on Equity) = Current net income/own capital

Interest-bearing debt outstanding

Consolidated Non-consolidated
310,163 million yen 299,341 million yen



Value Creation Process

The OEPC Group Vision OEPC Corporate Mission

Business Environment Surrounding the Group

Important Management Issues (Materiality)

Empowering Okinawa through energy business ~Energise Okinawa~

- Stable energy supply and enhanced resilience
- Initiatives to become carbon neutral in Okinawa's unique environment
- Providing value that exceeds customer expectations
- Strengthening governance and ensuring compliance
- Contributing to local communities
- Creating human resources that take on the challenge of creating new value
- Respect for human rights and diversity
- Improving competitiveness and strengthening the management base

Invested capital

Human resources
Employee strength/Organizational strength
- High sense of mission for stable energy supply
- Ability to make proposals as a comprehensive energy provider
- Investment in human resources
Number of Group employees **3,127**

Finance
Total assets **500.411 billion yen**

Production
Generating facilities **2,210,895 kW**
Transmission facilities **1,282 km**
Distribution facilities **11,400 km**

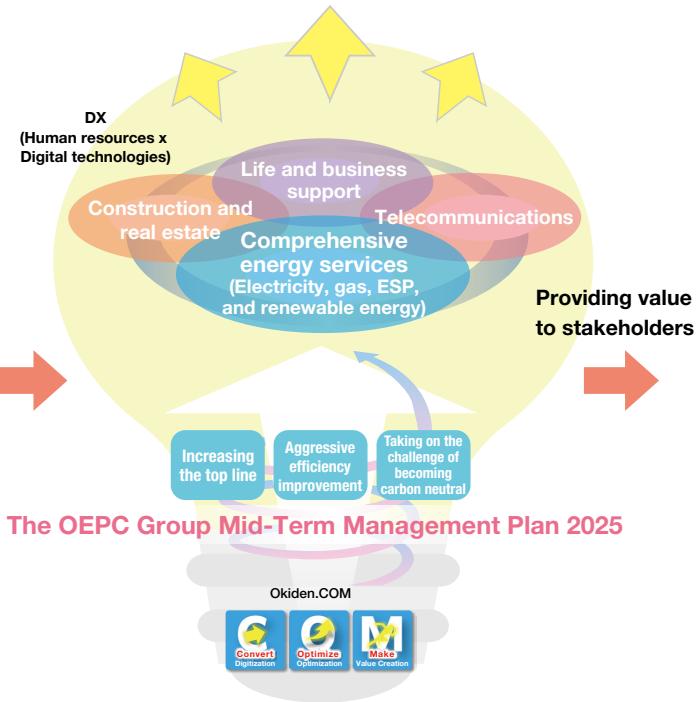
Intellectual property and technology
Knowledge, expertise, and technical capability for continued and consistent delivery of energy
- Power grid stabilization technology for small scale systems

Connection to society
Relationship of trust with the community
No. of Okiden more-E members:
Approx. 118,558

Abundant tourism resources
Beautiful clear blue sea
Okinawa's rich nature is registered as a world natural heritage site

Principles Business activities

Take on challenges in new fields



Infrastructure to support sustainable value creation

E (Environmental)
Initiatives to reduce environmental impact

S (Social)
Contribution to the community and society, human resources, safety and health

G (Governance)
Strengthen governance

CSR Charter

Value Creation

Comfortable and convenient

Peace of mind and safety

Health and medical care

[Comprehensive energy services]

Environmental conservation

Contribution to the community



We aim to become a company that our customers trust and select by creating new value in addition to stably supplying low-cost and high-quality energy.

We will practice efficient business management, aim for sustainable growth, and strive for the timely and appropriate disclosure of information.

Based on the basic management stance, "value our staff and help them grow", we will respect the diverse values and individuality of our human resources and strive to enable them to play an active role in various departments.

We will strive to procure materials and equipment of superior safety and quality while emphasizing compliance with laws, regulations, and social norms, establishing a relationship of mutual trust.

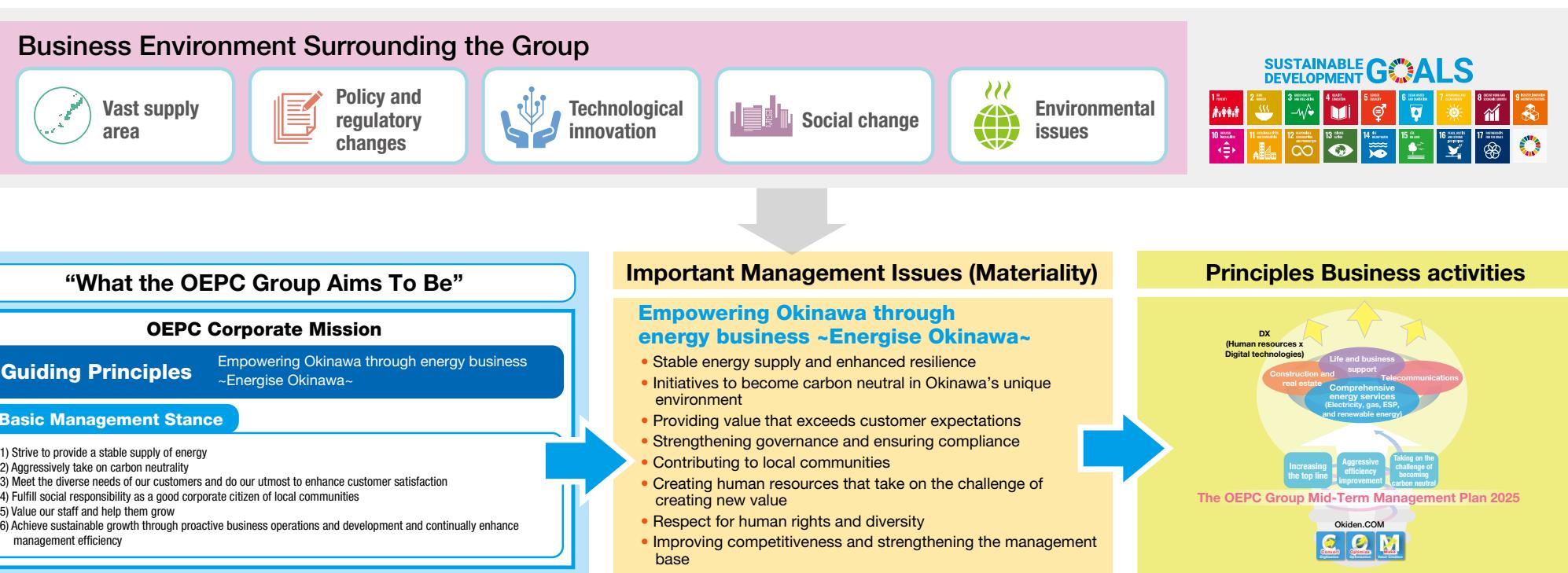
Under the corporate slogan of "With the community, for the community", we will contribute to the creation of a prosperous and vibrant future for Okinawa.

We will utilize the technology we have cultivated so far and work to balance a stable supply of energy and global warming countermeasures.

Important Management Issues (Materiality)

Systems for materiality, etc.

Our company has identified important management issues (materiality) based on our corporate mission, Group vision, the surrounding business environment, etc. To solve these issues, we are promoting initiatives to achieve both sustainable improvement of corporate value and the resolution of social issues based on the OEPC Group Medium-Term Management Plan 2025. We will continue to gather the wisdom of our executives and employees, incorporating it into concrete plans to accelerate various initiatives.



Materiality identification process

STEP 1 Extract issues

Taking the surrounding business environment into account, we analyze trends and relationships with stakeholders to identify and extract issues for each basic management direction.

STEP 2 Assess issues

Issues are assessed and classified from the perspective of “whether they are of high importance to stakeholders” and “if it is an issue that needs to be prioritized and focused on in order to achieve the company's targets and what the Group aims to be”.

STEP 3 Validation

The validity of each issue is verified based on comments from management, including outside officers, and investors.

STEP 4 Identify important issues

Important issues (materiality) are identified through discussions by management.

Important Management Issues (Materiality)

Empowering Okinawa through energy business ~Energise Okinawa~

Important Issues (Materiality)	Major Initiatives	Goals/Indicators		FY2024 Results	Target Year(s)	(Reference) Basic Management Stance	(Reference) Corresponding SDGs
Stable energy supply and enhanced resilience	<ul style="list-style-type: none"> ○ Construction, operation, and maintenance of facilities for a stable supply ○ Stable and inexpensive procurement of fuel ○ Initiatives for early recovery from intensifying natural disasters 	Planned renovation of aging facilities, etc.	Concrete poles: approx. 4,000 Power distribution cables: approx. 5 km	Concrete poles: approx. 1,200 Power distribution cables: approx. 1 km	5-year total (2023–2027)	1. Strive to provide a stable supply of energy	
		Measures of utility pole removal	Distribution line length of which poles are removed: approx. 29 km	Approx. 6 km			
		Annual number of power outages for low-voltage (lighting) customers *Excluding external factors such as natural disasters and power outages due to work	13 MWh or less	16MWh	2023–2027		
Initiatives to become carbon neutral in Okinawa's unique environment	<ul style="list-style-type: none"> ○ Promotion of carbon neutrality through "Just Transition in the Okinawa area" <ul style="list-style-type: none"> • Mainstreaming of renewable energy • Reduction of CO₂ emissions from thermal power plants • Promoting electrification 	Reduce CO ₂ emissions from power sold (compared to FY2005)	30% reduction	17% reduction	2030	2. Aggressively take on carbon neutrality	
		New development of renewable energy	100,000 kW	+ approx. 18,000			
Providing value that exceeds customer expectations	<ul style="list-style-type: none"> ○ Providing rate plans and value of electricity plus α that further enhances customer satisfaction ○ Creation of new value through new businesses 	Ratio of deregulated rate service plans	50% of electricity sales (kWh) for lighting	41%	2025	3. Meet the diverse needs of our customers and do our utmost to enhance customer satisfaction	
		Expand the CO ₂ -free service plan	sales of all non-FIT and non-fossil certificated electricity	90%	2030		
		Increase satisfaction with the membership site "Okiden more-E"	Total number of members: 150,000	Total number of members: 118,558 (achievement rate: 79.0%)	2025		
Strengthening governance and ensuring compliance	<ul style="list-style-type: none"> ○ Thorough compliance ○ Ensuring the neutrality and reliability of the network department 	Number of serious compliance violations	0	0	Every fiscal year	4. Fulfill social responsibility as a good corporate citizen of local communities	
		Number of serious information security incidents	0	0	Every fiscal year		
Contributing to local communities	<ul style="list-style-type: none"> ○ Strengthening cybersecurity measures ○ Steady promotion of CSR activities in local communities 	Conduct training to ensure network neutrality and reliability	Training through e-learning	Confirm the participation of all eligible	Every fiscal year		
		Promote marine plastic measures (beach and river cleanup activities)	30 times	130 times	Every fiscal year		
Creating human resources that take on the challenge of creating new value	<ul style="list-style-type: none"> ○ Developing and promoting new human resources strategies that enable a diverse range of human resources to flourish and grow ○ Promoting management with respect for human rights 	Percentage of women in management positions	1.5 times (compared to FY 2019)	1.65 times (compared to FY 2019)	2025	5. Value our staff and help them grow	
		Employment rate of people with disabilities	2.7%	2.98%	2025		
		Online learning rates	100%	Introduced in FY2024	2025		
Respect for human rights and diversity	<ul style="list-style-type: none"> ○ Further growth and development of the Group's businesses centering on comprehensive energy services ○ Initiatives for rebuilding the financial base ○ Promotion of "Okiden.COM" initiatives (improve operational efficiency and create new value through DX) 	Financial targets	Ordinary profit: 12 billion yen (Electricity business:Group business = 2:1)	5.6 billion yen	2025	6. Achieve sustainable growth through proactive business operations and development and the continual enhancement of management efficiency	
			ROE 5% or more	3.6%			
			Equity ratio 25%	24.3% [27.2%*]			

*Of the 30 billion yen in outstanding hybrid bonds, 50% is held as equity capital.

2 Initiatives for Value Creation by the OEPC Group



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The OEPC Group Vision

What the OEPC Group Aims To Be

With our comprehensive energy business as the core, we aim to create new value through services to support life and business. As a business group with a sense of solidarity, growing and developing hand-in-hand with the community, we will contribute to the realization of a sustainable society.

Basic management stance

1 Strive to provide a stable supply of energy

3 Meet the diverse needs of our customers and do our utmost to enhance customer satisfaction

5 Nurture and value people

2 Aggressively take on carbon neutrality

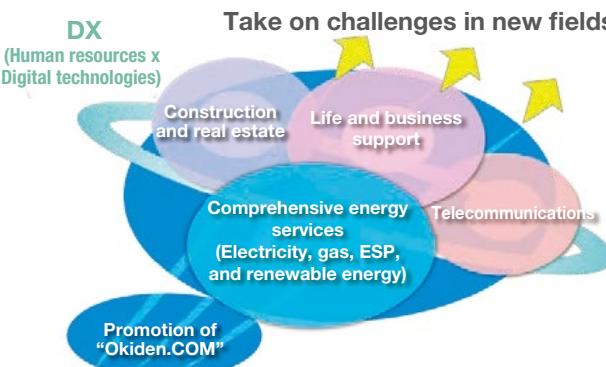
4 Fulfill social responsibility as a good corporate citizen of local communities

6 Achieve sustainable growth through proactive business development and continually enhancing management efficiency

Business fields

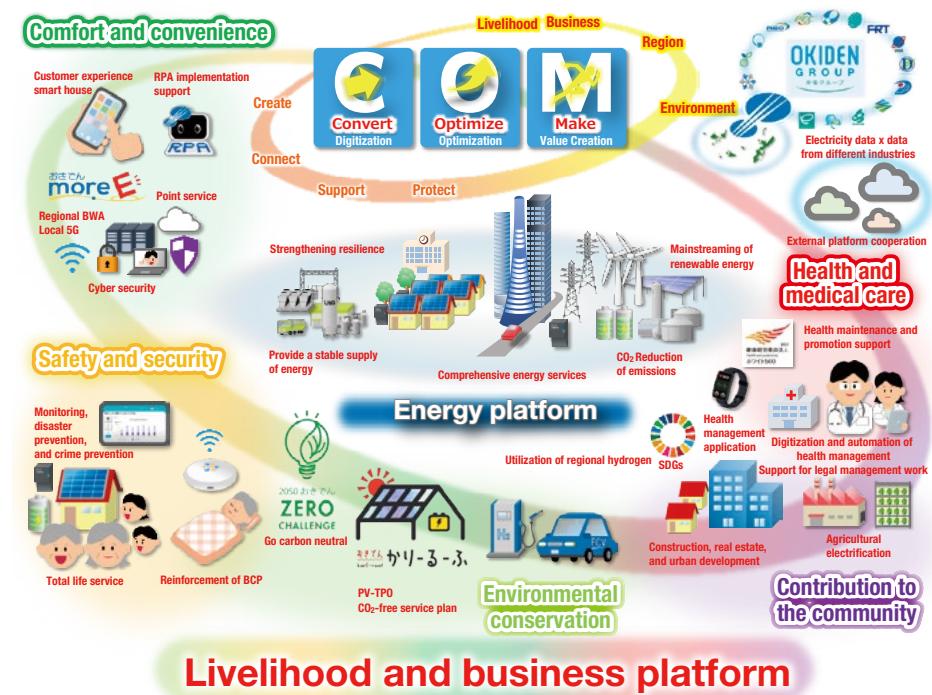
With the comprehensive energy business at its core, the OEPC Group will expand its business fields by further developing businesses in construction and real estate, information and communications, and support for life and businesses.

We will also leverage the strengths of the OEPC Group to develop new businesses.



Long-term vision for the future

- The OEPC Group will work together as a group through the initiatives of “Okinen.COM” to “create, connect, support, and protect” Okinawa’s “livelihood, business, community, and environment” and continue to provide value that contributes to “peace of mind and safety”, “comfort and convenience”, “health and medical care”, “contribution to the community”, and “environmental conservation”.
- We will contribute to the realization of a sustainable society through total life services that support the lives of the people of Okinawa while creating new value that meets the diverse needs of life and business.

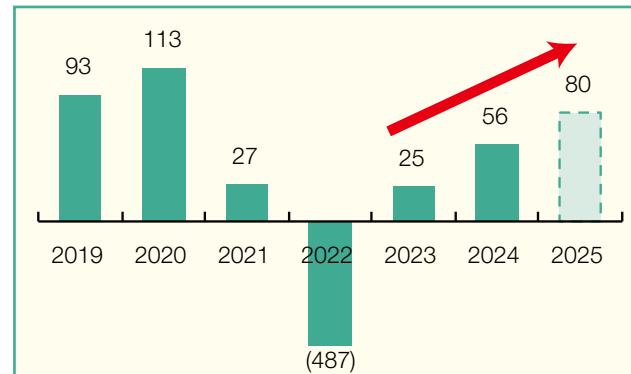


Progress of financial targets

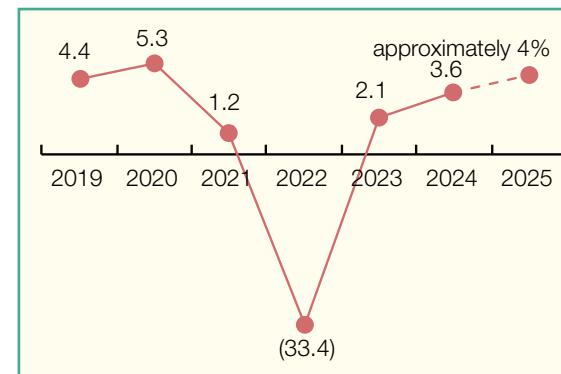
FY2025 is the final year of the OEPG Group Medium-Term Management Plan 2025, and since formulating the Medium-Term Management Plan in March 2022, the business environment has changed dramatically.

Since returning to profitability in FY2023, progress has been made in the restoration of our financial base damaged by the sharp rise in fuel prices, but profitability remains in a recovery phase. We plan to formulate new concepts by the end of FY2025 and compile the next Medium-Term Management Plan that incorporates specific measures for enhancing corporate value.

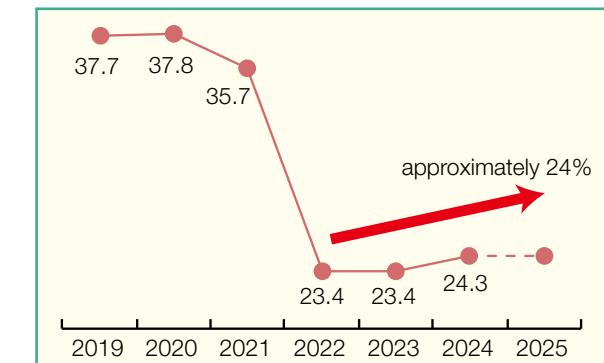
• Ordinary income (12 billion yen or more)



• ROE (Return on Equity) (5% or more)



• Equity ratio (25% or more)



Environmental changes since the formulation of the Medium-Term Management Plan (March 2022)

- Sharp fluctuations in fuel prices caused by the Ukraine war
- Rising costs of materials and labor due to inflation
- Increased interest rates following the Bank of Japan's policy rate review
- Persistent labor shortages across various industries as Okinawa's economy recovers following the COVID-19 pandemic

Implementing
“ultra-aggressive
efficiency improvements”
to adapt to environmental
changes through
the OPEC PX Project

Concept of investment

The basic mission of the OEPG Group is to provide stable energy to customers and contribute to the development of local communities and economies in Okinawa.

Investment for stable power supply

With regard to facilities necessary for stable supply, we will steadily implement investments to maintain and build facilities appropriately and efficiently, while reducing overall facility-related costs.

Investment for carbon neutrality

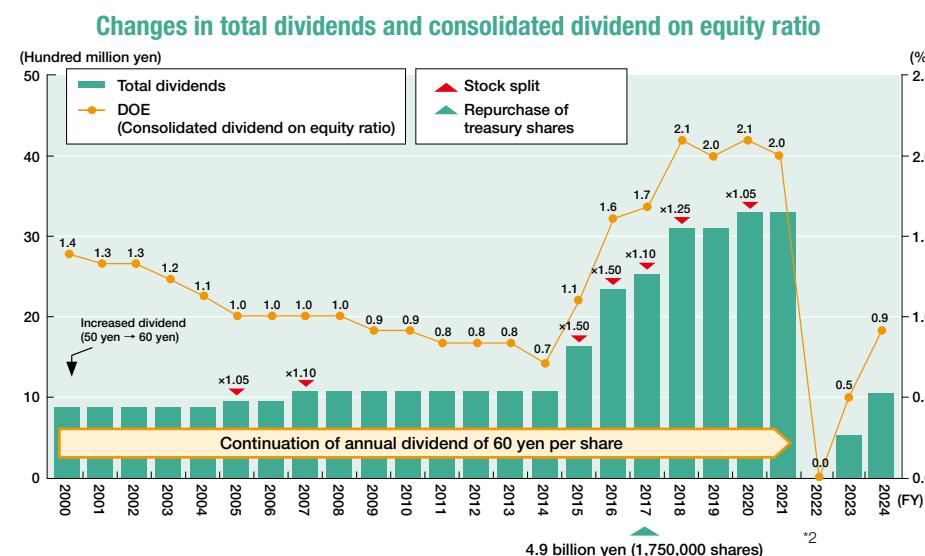
In order to achieve carbon neutrality, we will promote realistic and effective investment in cooperation with the national government, prefectural government, and other businesses based on policies and financial support.

Investment in growth sectors

In order to ensure the growth of the entire Group, we conduct appropriate risk management by means of a PDCA cycle based on a regular assessment of the quantity of risks involved, and then make investments for business development.

Basic policy on shareholder return

For the distribution of profits, our company will maintain a “consolidated dividend on equity ratio (DOE) of at least 2.0%” based on a “stable and continuous dividend” policy.*1



*1 The basic policy on shareholder returns is as described above. However, due to the significant loss in FY2022 and the substantial damage to the financial base, we have set the three-year recovery period up to FY2025 as a period for focusing on restoring the financial base. During this period, we will gradually raise the dividend level and aim to return to the previous dividend level after completion of the recovery period. The dividend amount for each fiscal year will be determined taking into consideration the balance between restoring the damaged financial base and shareholder return.

*2 In FY2022, due to extremely difficult earnings conditions, we decided not to pay interim or year-end dividends.

Relationships with shareholders and investors

General Meeting of Shareholders

Our company holds the general meeting of shareholders in June every year so that shareholders can resolve important matters related to management. Shareholders who are unable to attend the meeting in person can exercise their voting rights in advance by mail or online and can watch the general meeting of shareholders through a live stream.



IR (investor relations) activities (FY2024 results)

In addition to holding financial results briefings and small meetings for institutional investors and analysts, we also hold visits by management to reflect as many opinions as possible in our business activities. In order to improve the convenience for participants, financial results briefings have been held in a hybrid format, both in-person and online, since FY2021.

- Financial results briefings (Twice a year): A total of 109 people attended (both in-person and online)
- Small meetings for analysts: 4 people attended
- Briefing session for individual investors in the prefecture: 113 individuals attended
- Visiting activities: Two visits to a total of 10 companies in Japan
- Other activities: Conducted a total of 21 online interviews



▲ President Motonaga at the financial results briefing

Directionality of the Medium-Term Management Plan Initiatives

Directionality of initiatives to realize “What the OEPC Group Aims To Be”

To realize “What the OEPC Group Aims To Be”, we will promote “Increasing the top line”, “Aggressive efficiency improvement”, and “Taking on the challenge of becoming carbon neutral” under the concept of “Okiden.COM”, and continue to provide customers with new value of energy plus α .



Concept of initiatives to achieve goals (Concept of “Okiden.COM”)

We will promote initiatives based on the “Okiden.COM” concept to create new value and achieve “What the OEPC Group Aims To Be” and management goals.



Convert (Digitization)

“Give it a try and change”

Promote DX and review business processes to transform cost structures, sophisticate operations, and further improve efficiency



Optimize

“Connect and be connected”

Strengthen and further optimize business collaboration within and outside the Group from a broad perspective of the entire supply chain



Make (Value creation)

“Creating value”

Aim to create new value and enhance competitiveness under the concept of “Okiden.COM”

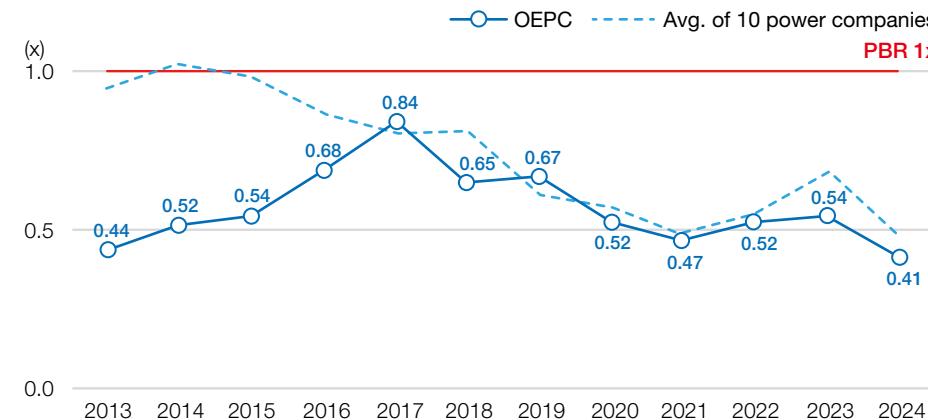
Action to Implement Management that is Conscious of Cost of Capital and Stock Price

Analysis of current situation to implement management that is conscious of cost of capital and stock price

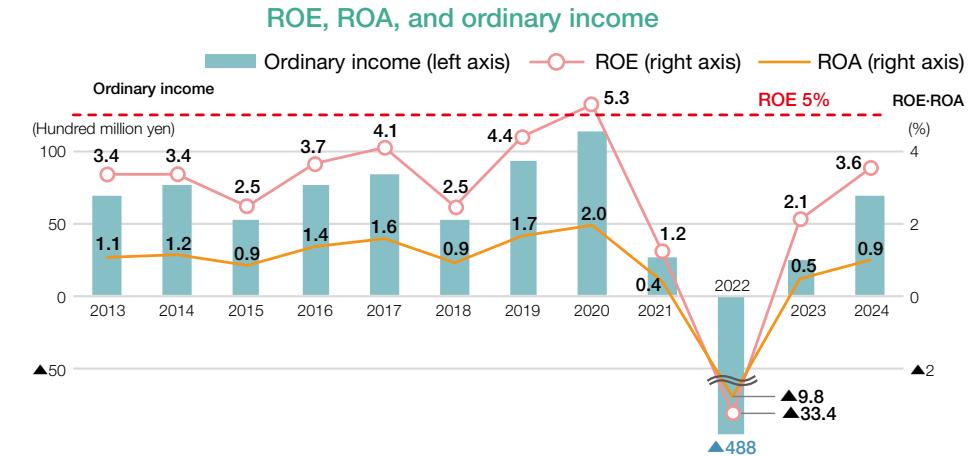
We established The OEPG Group Medium-term Management Plan 2025 in 2022, and have been promoting initiatives to provide new additional value on top of energy through increasing the top line, aggressive efficiency improvements, and taking on the challenge of becoming carbon neutral.

Going forward, we believe it will be necessary to strengthen our efforts to increase capital efficiency in light of changes in the external environment, etc.

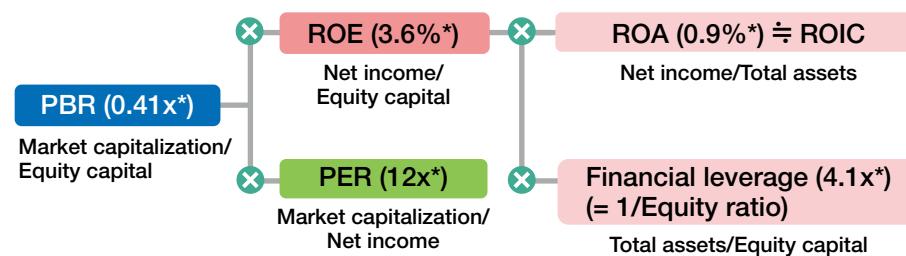
Company PBR



Changes in PBR factors (ROE (ROA), PER)



PBR factorization (current OEPG level*)



* Stock price, net income per share, net assets per share: As of March 31, 2025



*1 Fiscal years with net losses are excluded from the calculations for the 10-company average

*2 As we had a net loss for the fiscal year, our value for FY2022 is shown as zero

Examination of management methods to enhance corporate value

Given Okinawa's potential for growth, we believe that investment in both new and existing businesses, including the electricity business, will continue to expand in the future.

In order to achieve sustainable growth for the Group as a whole, we will place greater emphasis on capital efficiency and manage our operations to enhance corporate value (capital efficiency) while ensuring overall profitability that exceeds cost of capital.

Each business unit will set performance goals based on the characteristics of the business that contribute to the overall goals, and will establish systems that allow for autonomous management.

Example management methods to enhance corporate value (capital efficiency)



Current initiative policy for enhancing corporate value and achieving sustainable growth

For the time being, we will continue our efforts to improve capital efficiency and increase profits in growth businesses and Group businesses based on the electricity business. Going forward, we will strive to enhance corporate value and achieve sustainable growth by pursuing the potential for growth in each business and enhancing market dialogue through shareholder returns and IR activities.

Aim: Enhance corporate value and achieve sustainable growth

Issue ⇒ Direction of Response			Targets, KPIs, etc.	Major Initiatives
Improve ROA	0.9-2.0% (2013-2021)	<ul style="list-style-type: none"> Increasing the top line Aggressive efficiency improvement Improving capital profitability 	<p>[FY2025]</p> <ul style="list-style-type: none"> ◆ Consider management with an awareness of ROIC. <p>[FY2025]</p> <ul style="list-style-type: none"> ◆ Consolidated ordinary income: 12 billion yen or more ◆ Consolidated ROE: 5% or more * Pursue ultra-aggressive efficiency improvements to advance toward our financial goals. 	<ul style="list-style-type: none"> Provide the value of electricity plus a (point service, CO₂-free service plan, etc.) Create new value (Promote KarE-roof combined with All-electric, develop Mimamori Service, etc.) Fixed-rate repair service for household electrical equipment and plumbing Develop business Group-wide (Proposals in line with customer needs, such as comprehensive energy services and energy conservation, promotion of energy business outside the region, etc.) Increase the top line by promoting CRE strategies Initiatives to expand the number of fuel suppliers Steadily implement and establish the Value Engineering Proposal Solicitation System Optimize fuel and other inventories
	Financial base impaired due to large deficit Equity ratio 35.7%→23.4% (2021) (2022)	<ul style="list-style-type: none"> Restoring the financial base Optimal capital structure 	<p>[FY2025]</p> <ul style="list-style-type: none"> ◆ Consolidated equity ratio: 25% or more 	<ul style="list-style-type: none"> Restore the financial base and implement profit distribution that balances investment and shareholder returns
	No dividend since stock listing (FY2022) Establishment of a sustainable growth strategy in response to environmental changes	<ul style="list-style-type: none"> Consistent and sustainable shareholder returns Earn confidence regarding future growth and profitability Earn recognition for decarbonization efforts Create fundamental human resources, maximize individual capabilities 	<p>[Up to FY2025]</p> <ul style="list-style-type: none"> ◆ Set recovery period: We will gradually raise the dividend level taking into consideration balance with the recovery of the financial base. <p>[FY2030]</p> <ul style="list-style-type: none"> ◆ CO₂ emissions reduction: -30% (compared to FY2005) <p>[FY2023 onward]</p> <ul style="list-style-type: none"> ◆ Set Human Resources Strategy: Set various KPIs with target years 	<ul style="list-style-type: none"> Financial results briefings for institutional investors Individual dialogues regarding stewardship Company briefings for individual investors Enhance various media and explanatory tools

Long-term growth potential of Okinawa

Centered in East Asia, Okinawa has a geographical advantage and is attracting attention as a business base for capturing huge markets in Asian countries. Taking advantage of Okinawa's strengths, in addition to economic growth, we are aiming for sustainable growth and development of the OEPC Group as a whole.

Okinawa's strengths



Source: Okinawa Prefecture Industrial Site Guide

Urban development

Approx. 1,000 hectares (about the same as Chuo Ward, Tokyo) to the south of Kadena Air Base are expected to be returned



Restoration of Shuri Castle Main Hall (scheduled for completion in 2026)

Revitalizing the northern section of the main island (Theme park to be opened in 2025)

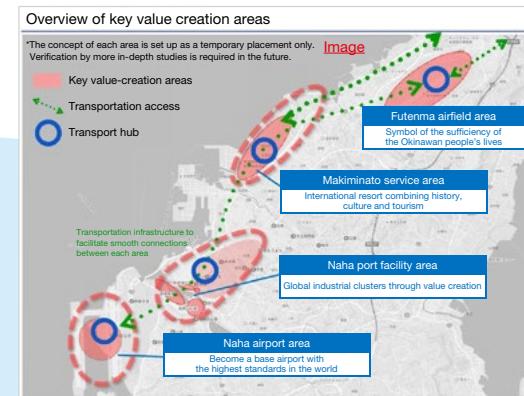
JUNGLIA: Approx. 60 ha
(Tokyo Disneyland: 51 ha)



Source: JUNGLIA homepage

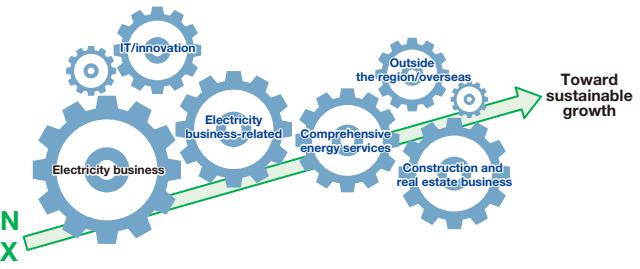
GW2050

Through the integrated use of returned sites and the strengthening of the functionality of Naha Airport, the aim is to develop Okinawa's economy so that it truly leads Japan as a "gateway open to the world."



Source: GW2050 PROJECTS Promotion Council press release

Sustainable growth and development of the OEPC Group



Tourism-related

- The number of inbound visitors is expected to return to pre-pandemic levels of 10 million per year.
- The number of hotel rooms has hit an all-time high (64,371 rooms in FY2024)
- Number of cruise ship calls: the highest number on record since the start of the COVID-19 pandemic.

沖縄県へのクルーズ船寄港回数



※2022年までは内閣府 沖縄総合事務局「2023 OKINAWA Cruise Report」の実績値。
2023年実績は那覇港管理組合および沖縄県、宮古島市、石垣市の寄港情報に基づきグラフを作成。
2024年実績は沖縄県オープンデータカタログの寄港情報を基にグラフを作成。

入域観光客数及び宿泊施設客室数の推移



注) 端数処理の関係で内訳と合計が合わないことがある。

出所: 沖縄県「観光要覧」、「入域観光客統計概況」、「令和6年宿泊施設実態調査結果」

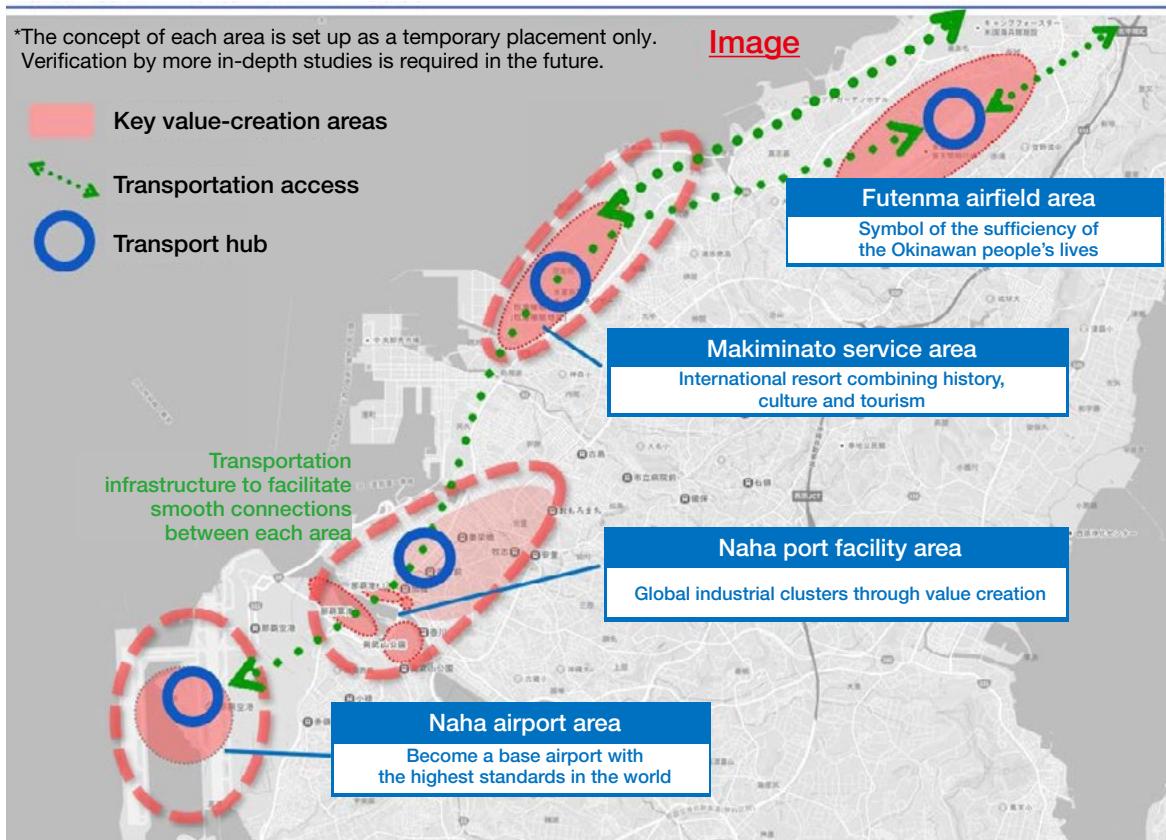
GW2050 PROJECTS Initiatives

Aiming to develop Okinawa's economy and to realize this future vision of becoming a "gateway open to the world" through the integrated use of former U.S. military base sites and the strengthening of Naha Airport's functions, the GW2050 PROJECTS Promotion Council" (hereinafter, "Promotion Council") was established in August 2024. This private-sector-led initiative brings together various prefectural economic organizations and relevant local governments.

The Promotion Council is conducting surveys and studies on the former U.S. military base sites to be returned to the prefecture to take advantage of large tracts of land with great development potential, such as Naha Airport and Futenma Airfield that can be redeveloped from scratch, with the aim of strengthening Okinawa's international competitiveness and achieving its sustainable development.

Overview of key value creation areas

*The concept of each area is set up as a temporary placement only.
Verification by more in-depth studies is required in the future.



GW2050 PROJECTS Promotion System

GW2050 PROJECTS Promotion Council

Led by the private sector, it brings together various economic organizations and relevant local governments in the prefecture. In addition, the Corporate Council consisting of 7 local companies supports its operations. OEPC participates as one of the member companies of the Corporate Council.

GW2050 PROJECTS Promotion System



In May 2025, the Promotion Council released a grand design that outlines the overall picture of growth industries to tackle, as well as the prefectural gross production in 2050. The Grand Design positions four pillars as growth industries: high value-added transformation of existing industries, blue economy sector, advanced medical sector, and aviation and space sector. It aims to solve challenges Okinawa is facing and achieve sustainable growth through investing in foundational initiatives and developing the human resources that support these pillars.

- Outline of the Grand Design

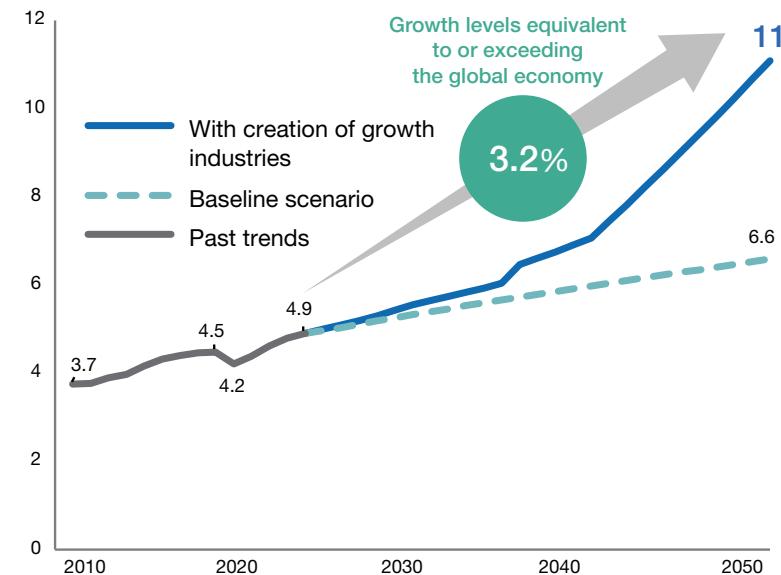
1. Growth industries based on Okinawa's strengths and global industrial trends



- Outcomes in 2050

	2024	2050
Nominal prefectoral gross production	4.9 trillion yen	11 trillion yen
Number of employed persons	770,000 people	930,000 people
Total population	1.47 million people	1.67 million people
Per capita prefectoral income	2.54 million yen	6.24 million yen

Nominal prefectoral gross production (trillion yen)



The OEPC PX Project, a New Challenge

Rising prices, wage increases, and the weak yen have significantly increased costs for procuring materials and equipment and for construction work compared to previous levels, and there is an urgent need to address high prices. Therefore, we launched the OEPC PX Project* to fundamentally strengthen our procurement capabilities.

With our fundamental mission of stable supply as the overriding priority, the entire OEPC Group will unite to take on this challenge through ultra-aggressive efficiency improvements proactively devising new working styles and further advancement of DX to enhance operational efficiency and drive unprecedented transformation.

*The “P” in PX

It signifies procurement, profit, productivity, performance (individual capabilities and company performance), while also carrying meanings such as proactive, proceed, and progress. It incorporates the message of “towards improving income and expenditure, in addition to strengthening procurement functions and enhancing productivity through the utilization of DX and similar tools, we will proactively advance as individual employees and progress as a company”.

OEPC PX Project



OEPC PX Project Initiatives in FY2025

Based on the S+3E philosophy, we will steadily advance necessary initiatives for stable supply, and through strengthening the procurement department, optimizing supply chains, and improving productivity using DX and other digital solutions, we will boldly take on challenges with new ideas beyond previous efforts, and strengthen the management foundation toward sustainable growth and corporate value enhancement.

The entire OEPC Group will work together as one to ensure these efforts become lasting transformation and drive sustainable growth.

Major initiatives for FY2025

Transformation of procurement activities

- Strengthening the procurement department
- Improvement of estimation skills, etc.

Cost optimization

- Supply chain optimization
- Optimization of usage in terms of frequency and quantity
- Optimization of materials and specifications, etc.

Productivity improvement

- Visualization of operations
- Utilization of DX, etc.

Further skill enhancement

- Enhancement of employee capabilities through training in finance, digital skills, etc.

Strengthening of management foundation with a view to FY2026 and beyond

- Provide a stable supply of energy
- Improvement of profitability (ultra-aggressive efficiency improvements)
- Promotion of DX
- Taking on the challenge of becoming carbon neutral

**Sustainable growth
Improve corporate value**



▲ Estimation training



▲ Results presentations



▲ MVP awards

Initiatives for Each Business: Electricity Business

- Directionality of initiatives

- ① OEPC will take initiatives to achieve the group's fundamental mission of maintaining a stable supply of energy even in the midst of competition.
- ② We will promote thorough cost reductions, provide electricity plus additional value as we review our business model through proposals for new lifestyles combining "KarE-roof" and all-electric home, and pursue improvements in the profitability of the electricity business.
- ③ OEPC will promote the establishment of infrastructure that gives each business sector the autonomy and flexibility to operate independently.
- ④ Aiming for carbon neutrality by 2050, while exploring the introduction of innovative technologies, we will pursue two approaches: mainstreaming of renewable energy and reduction of CO₂ emissions from thermal power sources.

Power generation business

- Power source development for stable supply
- Stable fuel procurement and further reduction of procurement costs
- Reduction of CO₂ emissions from thermal power sources
- Regional environmental conservation
- Reduction of power generation costs, improvement of profitability



Power transmission and distribution business

- Renewal of aging facilities
- Adoption of next generation of electric power networks
- Formation of appropriate and efficient facility structures
- Greater efficiency and monetization through power facilities and DX



Retail business

- Improvement of customer satisfaction
- Improvement of revenues
- Strengthening and expanding integrated energy services
- Providing value of electricity plus α
- Promoting electrification through proposals for new lifestyles



Initiatives for power generation business

• Fuel procurement

Liquefied natural gas (LNG) procurement

LNG is procured mainly from Australia as fuel for the Yoshinoura Thermal Power Plant and Makiminato Gas Engine Power Plant. LNG is a clean fuel that emits less CO₂ and contains no impurities compared to petroleum and coal. We are working to ensure stable procurement of LNG as it is an effective means of reducing our environmental footprint.

Fuel oil procurement

Fuel oil is procured mainly from domestic refineries in the form of heavy oil C, heavy oil A, light oil, and kerosene as fuel for the Makiminato and Ishikawa Thermal Power Plants, as well as power plants on remote islands. These fuel oils are procured stably through various means, such as oil tankers, trucks, and drums.

Coal Procurement

Coal is procured mainly from Indonesia and Australia as fuel for the Gushikawa and Kin Thermal Power Plants. We strive to reduce our environmental footprint, extend the life of ash treatment plants, and reduce fuel costs by using sub-bituminous coal, which has low sulfur and ash contents and a lower total cost, including transportation. We are making effective use of our dedicated coal carrier, "Shinryo Maru", built in March 2018, ensuring a stable and economical fare that is not affected by the chartered ship market.



▲ Receiving by LNG carriers



▲ Dedicated coal carrier "Shinryo Maru"

• Electric power development

Based on the premise of a stable supply of electricity to the Okinawa area, we are planning the development of electrical power sources of appropriate types and capacities at the right timing to achieve the best mix of power sources, based on demand forecasts and comprehensively taking into account economic efficiency, environmental friendliness, safety, energy security, and the soundness of existing facilities.

Each of the main island thermal power generation facilities owned by our company plays an important role and their use will be continued for the time being. In order to further expand the use of renewable energy in the future, it is important to secure adjustable power sources that can respond to the renewable energy fluctuation.

We will consider expanding the use of LNG thermal power plants because they are excellent as a power source for adjusting power and also contributing to reducing CO₂ emissions. As part of our efforts to achieve zero emissions from thermal power generation facilities as a whole, we will continue to steadily consider optimization of the entire power supply structure while keeping an eye on fuel trend and government policies with a view to introducing clean fuels. On the other hand, for the Okinawa's remote islands with the small scale electricity demand, it is difficult to introduce large-scale cost efficient power plant, and diesel power must be used. In this circumstances, we are operating the Yoshinoura Thermal Power Plant, which use LNG to peak-out CO₂ emissions while elevating our energy security measures.

Characteristics of each power source in thermal power generation

	LNG Thermal Power Plants	Oil Thermal Power Plants	Coal Thermal Power Plants
Stable supply*	Relatively low geopolitical risk compared to oil	Geopolitical risk is high Relative ease of extended storage	Lowest geopolitical risk among fossil fuels
Economic efficiency*	More expensive per calorific value than coal	Highest unit price per calorific value	Lowest unit price per calorific value
Environment	Lowest greenhouse gas emissions among fossil fuels	Greenhouse gas emissions second to LNG	Large amount of greenhouse gas emissions
Operating characteristics	Easy to fluctuate output in response to changes in electricity demand	Easy to fluctuate output in response to changes in electricity demand	Moderate output fluctuation is possible

* In general, as mentioned above, stable supply and economic efficiency are affected by the global situation.

- **Construction of facilities and maintenance of operations**

To ensure a stable supply of electric power and protect the environment, by considering the operational status of power generation facilities and carrying out appropriate daily management, periodic inspections, and measures to prevent aging, we are working to improve the efficiency and sophistication of operations by constructing efficient equipment from a long-term perspective and utilizing digital technology.

Daily management includes safe and environmentally friendly operations while preventing accidents through early detection, prompt handling of failures through patrol and inspection, and monitoring equipment status.

For periodic inspection of power generation facilities, we have established a quality control system based on laws and ordinances and prepared an instruction manual (procedure manual) to ensure the quality of inspections, clearly defining inspection plans, inspection methods, inspection records, and procedures for preparing and approving corrective measures. We strive to maintain the reliability of the power generation facilities and ensure a stable supply of electric power by implementing these activities consistently.

Regarding aged facilities, long-term stable operations are enabled by implementing measures for aging to replace the facilities at the required time based on predictive maintenance and diagnostics for effective remaining life, thereby playing a role in the stable supply of electric power.

- **Response to defects**

We are working to reduce the number of unplanned outages of power generation facilities by preparing a manual on how to respond to the problems of power generation facilities (identifying the cause, taking action, implementing measures to prevent recurrence, and informing the concerned parties).

We promptly share information on failures received from other companies in the industry and take prompt action on related matters.

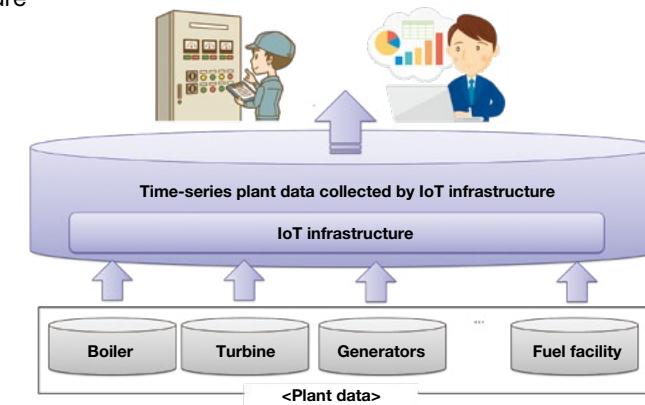
When the operations of power generation facilities are required to be stopped for repairs due to failures, the operations are stopped after confirming that the power supply capacity is secured.

- **Digitization and optimization**

- We have introduced an IoT infrastructure that supports the visualization of operating conditions and data analysis through long-term storage and centralized management of operating data of power generation facilities.
- With the introduction of the IoT infrastructure, a large amount of operating data can be managed on a common platform, enabling real-time monitoring of power plants, understanding of data correlation, and advanced operational management based on them.
- Going forward, we will use this system effectively to “detect early signs of abnormalities,” “improve the operability and efficiency of power generation facilities”, and “rationally inspect, repair, and upgrade facilities”, in an effort to further strengthen our independent safety capabilities.

<Illustration of IoT Infrastructure>

Advanced operation management and work efficiency through the use of IoT infrastructure



Initiatives for power transmission and distribution

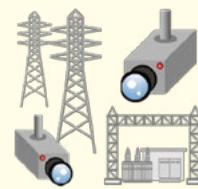
- Efforts to improve the sophistication and efficiency of operations (power transmission)
- We will use DX to enhance the sophistication and efficiency of power transmission and substation operations as a means of ensuring a stable supply of electricity and maintaining affordable wheeling charges.
- We will also consider creating new businesses using our company facilities.

Illustration of power transmission and transformation utilizing DX (sophistication and efficiency)

Improving the sophistication and efficiency of construction, maintenance, and management of power transmission and transformation facilities utilizing DX such as drones



Improving the efficiency of monitoring work by utilizing DX such as image monitoring equipment (cameras)



Enhancement of education through the use of VR and other sensory devices



Illustration of new businesses utilizing power transmission and transformation facilities (profit improvement)

Digital tower card sales utilizing NFTs



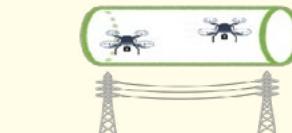
Lease of conference rooms at technical training facilities and steel towers



Lease of power transmission and transformation facilities (Steel towers, sites, fences, etc.)
* Antenna installation, parking, advertisements, signboards, etc.



Participation in Grid Sky Way
(Building drone routes to provide many operators with flying infrastructure)



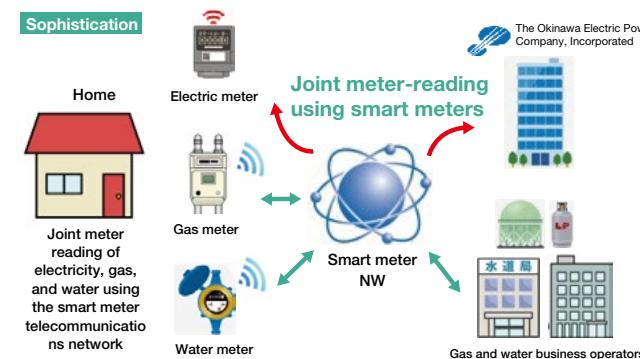
- Efforts to improve the sophistication and efficiency of operations (power distribution)

- We will develop businesses that take advantage of the strengths of our group companies.

- We will also make new revenue sources, utilizing distribution assets.

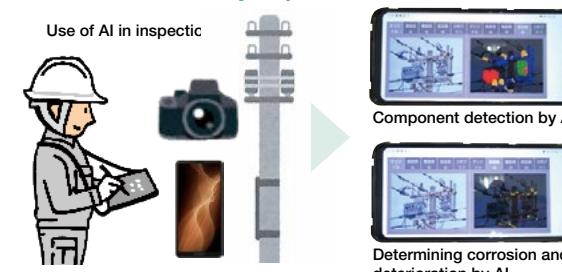
- Through mechanization, centralization, and outsourcing, we will shift our workforce to high-value-added works (sophistication and profitability) and to strengthening on-site capabilities.

Shift to high-value-added works



Advancement of facility inspections

Use of AI in inspection



[Business outline]
Digital signage and wrapping using ground equipment, advertising wrapped around utility poles, etc.

[Business targets]
Public institutions and advertisers

[Utilization of group companies]
Okiden Kogyo Company, Limited

Initiatives for stable energy supply

Our basic mission is to provide a stable supply of electricity, which is essential for our customers' lives and economic activities. We are keenly aware of our role as the most important lifeline in the local community and will do our utmost to ensure a stable supply of high-quality energy.

- Power System Management Department

Construction of facilities

The electricity generated needs to go through distribution facilities such as power lines and substations for delivery to customers. Therefore, we are effectively enhancing our distribution facilities to ensure electricity supply well into the future while considering local demand trends and supply reliability.

Operation and maintenance of power systems

A balance between consumption and generation is always required for electricity. We deliver stable, high-quality electricity to meet the ever-changing demand for electric power through 24-hour control that includes estimating the amount of electricity used by customers, regulating the output of each power plant, and adjusting the power flowing through transmission lines and transformers. We conduct regular patrols and inspections of power transmission lines and substations to ensure they always function correctly.

Countermeasures against natural disasters, etc.

In addition to steadily promoting equipment fortifications such as the installation of lightning protectors to ensure supply reliability during lightning and stable operation of the power grid, we are also working to establish double power lines and routes so that power outages will not occur even if power cannot be transmitted through some transmission lines during natural disasters. We are striving to ensure a stable power supply by automating the restoration of power lines to reduce the duration of power outages in the event of a power failure. We conduct disaster drills in line with the actual conditions, and our employees, affiliated companies, and partner companies work towards the early restoration of damaged facilities during disasters.



▲ Operation and monitoring of power systems

• Distribution Department

Construction of facilities, Operation and maintenance

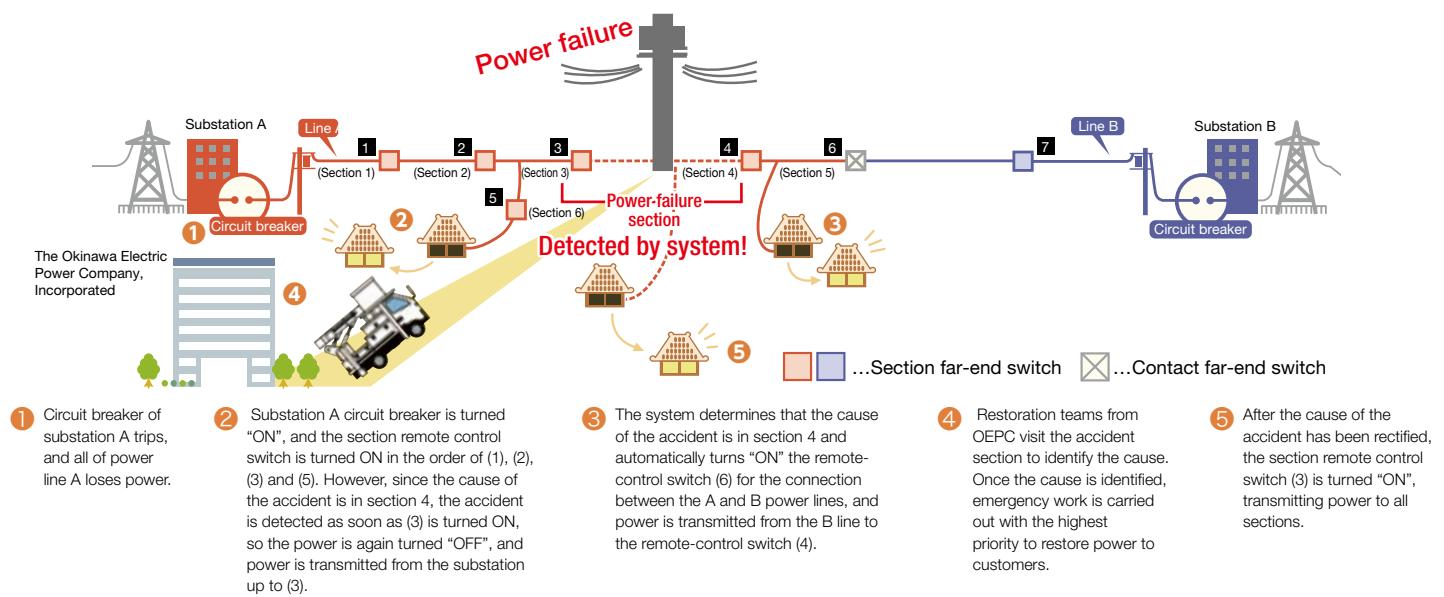
As a typhoon-prone area, Okinawa is often hit by strong winds, rains, and flying debris, causing extensive damage to power distribution facilities.

The Distribution Department strives to build facilities that are resistant to natural disasters, considering past damage (power outages) and other factors to ensure a stable power supply for the extensive power distribution facilities throughout Okinawa prefecture. We ensure that any irregularities in our distribution facilities are discovered early and swiftly repaired through regular power line patrols and inspections. Even in cases where incidents cause power outages, we are able to restore power quickly through an automated distribution system* operated from computers installed at each branch.

* The automated distribution system enables remote operation of switchgear on poles and automatic collection of information such as the voltage and current of distribution lines by connecting computers installed at each branch office and remote control equipment attached to poles with communication cables.

Outline of distribution line accident handling

When an accident occurs at a distribution line, the automated distribution system detects the section at which the accident has occurred and automatically sends electricity to all sections except the section where the accident occurred.



Measures of utility pole removal

Utility poles are removed by burying electric power cables under roads to ensure a safe and comfortable traffic flow and improve the urban landscape. In Okinawa prefecture, since the start of the project in 1991, about 135 km of utility pole removal has been completed as of March 31, 2025, and work is in progress for approximately 198 km. Since the funds required for the construction of a pole-free system is high compared to the construction of a system with utility poles, the route of the system will be determined through consultations between the national government, prefectures and municipalities, which manage the roads, and electric cable managers, including our company, based on the needs of the region and the effect of the system, and the system will be developed under an appropriate division of roles.

Before



After



▲ Examples of utility pole removal

• Remote islands

Stable supply of electricity to remote islands

We supply electricity to 37 inhabited remote islands, excluding the main island of Okinawa. Electricity is continuously supplied 24 hours a day by installing independent internal combustion power plants on each of the 10 remote islands, excluding the islands to which power is supplied by submarine power cables from the main island of Okinawa, and OEPG also strives to provide universal service by keeping rates for electricity on the island the same as those of customers on the main island of Okinawa.

The small scale of electricity demand in the remote islands makes it difficult to introduce large-scale power sources such as coal-fired thermal power generators. As such, the sales cost is significantly affected when there is a steep increase in the price of crude oil and fuel delivery costs are also high. Therefore, one of the important issues to be addressed is to make the remote island electricity business more efficient.

Submarine cable to remote islands

Cables are laid to supply power to some islands when the cost of laying submarine power cables to supply power is lower compared to installing a power plant on the island.

Submarine power cables have been laid over a total length of 220 km to 10 remote islands around the main island of Okinawa, 3 islands around Miyako Island, and 8 islands around Ishigaki Island to supply electric power.

We will continue to study the use of submarine cables, considering the cost of cable installation and trends in technological development.

Mobile power generation equipment (gas turbine and diesel engine)

Our company has several mobile power generation units (gas turbines and diesel engine). When an emergency arises, such as failure of a power generation system or an accident on a remote island, we have a system to deploy the mobile power generation systems to the island to meet the power demand.

Supply storage battery (Miyako Island)

In July 2025, we commenced commercial operation of the Miyako No. 2 Power Plant Supply Storage Battery, our first supply capacity measure of this type.

During the day, it stores electricity generated by diesel generators and by renewable energy sources such as solar power installed in households and discharges it during the evening peak from 17:00 to 22:00. In addition to the benefit of securing supply capacity of the Miyako Island power system, daytime storage of electricity is expected to reduce the need for curtailing renewable energy output, thereby contributing to the expansion of renewable energy adoption.



▲ Miyako No. 2 Power Plant Supply Storage Battery



▲ Tokashiki Island submarine cable installation



▲ Mobile power generation equipment

Initiatives for strengthening resilience

Our company is responsible for the lifeline of Okinawa, and we routinely work to eliminate any causes of disasters and create a disaster-resistant environment to reduce damage to electric power facilities and quickly recover from any damage that may occur. In light of the Great East Japan Earthquake and other natural disasters that have become increasingly intense in recent years, we have become more aware of the importance of our mission to provide a "Stable Energy Supply", and we will continue to implement initiatives to enhance our resilience.

• Accident and emergency response training

We conduct company-wide comprehensive disaster prevention training and participate in various drills organized by the national government (General Bureau), prefectures, and the Self-Defense Forces to improve disaster preparedness.

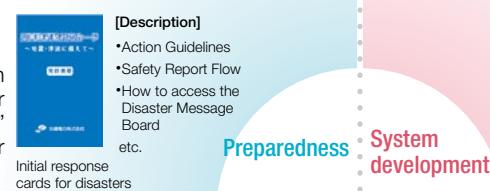


• Measures for network facilities

To minimize the damage caused by power outages due to natural disasters in power transmission, transformers, and electricity distribution facilities, we are implementing measures such as the construction of facilities that are resistant to natural disasters, prevention through periodic patrols and inspections, and automation of repair work.

• Use of initial response cards for disasters

We ensure rapid and accurate initial response as well as action guidelines and safety confirmation methods in the event of a disaster by giving all employees the "Initial Response Cards for Disasters" to carry with them at all times in preparation for an earthquake or tsunami and raise their awareness of disaster prevention daily.



• Disclosure of power outage information

Information on power outages during normal times, as well as during typhoons and other disasters, is published on our website. In addition to the transmission of power outage information through TV and radio stations in the prefecture, the community FM 17 station within the prefecture provides prompt and quick notification in a specialized format for each municipality in the prefecture based on agreements with our company.



• Power outage information tool

We have been providing the LINE Notification Service that notifies customers of power outage information during typhoons and other emergencies, an "Automatic Response Service for Power Outage Information" that verbally asks you to confirm your area and provides information on power outages in the relevant area, and a "Chat Support" regarding power outages and damage to our facilities.



• Disaster response organization

In the event of a disaster and depending on its scale, an emergency disaster countermeasures headquarter or a disaster countermeasures headquarter is set up, and predetermined personnel for measures will be ready to carry out their duties immediately, irrespective of nighttime or holidays.

Emergency Disaster Countermeasures Organization Chart



• Disaster Countermeasures Verification Committee

In addition to estimating damage to our facilities caused by an earthquake or tsunami based on the hazard map published by Okinawa prefecture, the "Disaster Countermeasures Verification Committee", chaired by the President, and five working groups, which are subordinate to the Committee, have been established to verify disaster response, restoration scenarios, and logistical support for electric power facilities based on the results of surveys on the damage and restoration status of electric power facilities after the Great East Japan Earthquake.

• Disaster Cooperation Plan

Ten general power transmission and distribution companies, including our company, formulated a Disaster Cooperation Plan for early restoration, including push support and joint use of materials and equipment, based on the provisions of the revised Electricity Business Act, which was enacted on July 1, 2020.

• Partnership agreement with local governments

Our company has been cooperating with Okinawa Prefecture and other municipalities in the event of a large-scale disaster. As of May 2025, we have entered into agreements for mutual cooperation in the event of a disaster with 34 out of 41 municipalities in the prefecture.

The agreements include the establishment of an emergency contact system, provision of activity centers, notification of power outages to residents, cooperation in removing obstacles, etc.

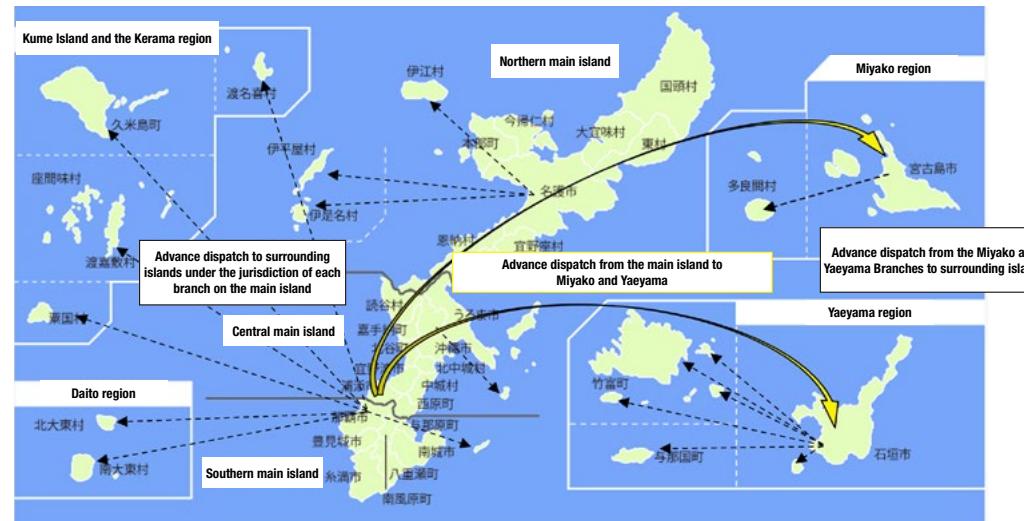


Initiatives for strengthening resilience

As we are geographically prone to typhoons, in order to strengthen the resilience of the entire area, including the remote islands scattered across the vast sea, we are working to utilize DX and establish rational recovery systems.

• Dispatch of recovery personnel to surrounding islands

In the event that a typhoon is expected to approach the Sakishima region or surrounding islands, recovery personnel are dispatched from the main island as necessary in advance, taking into consideration the predicted path to and impact on Okinawa's main island. In addition, we have entered into disaster agreements with the 15th Brigade of the Japan Ground Self-Defense Force and the 11th Regional Coast Guard Headquarters in an effort to secure the means to transport support personnel and equipment necessary for recovery. Furthermore, with the cooperation of local airlines, priority is given to our support staff when special flights are operated.



▲ Signing of the agreement on mutual cooperation with the 11th Regional Coast Guard Headquarters



▲ Dispatch by Self-Defense Force helicopters



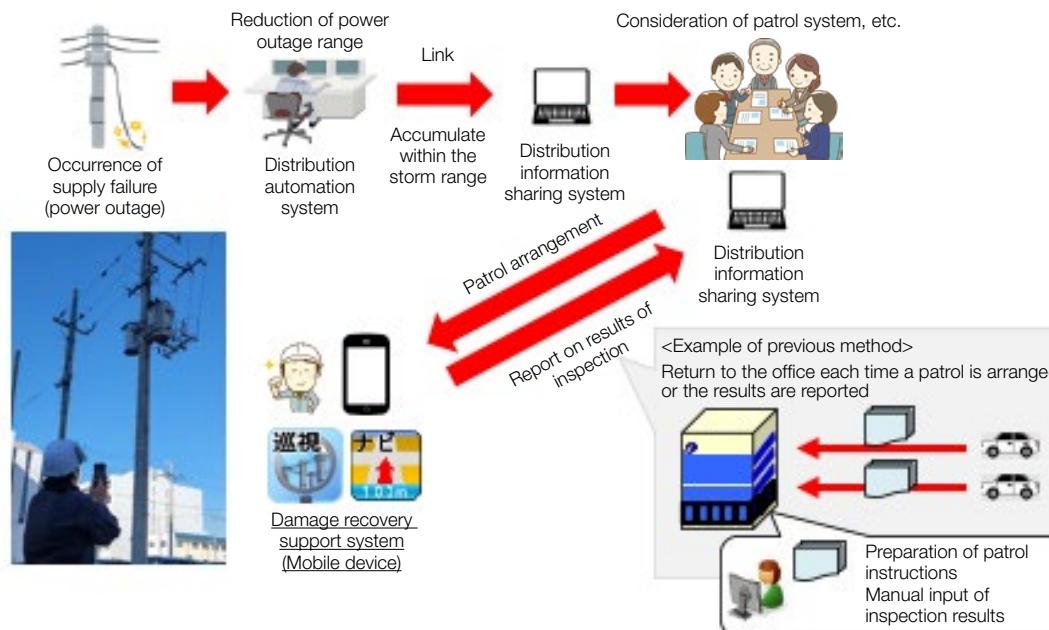
▲ Dispatch by ships of the Coast Guard Headquarters



• Streamlining typhoon recovery work through DX initiatives

Information on damage that occurs during a storm is stored in a power distribution information sharing system, and consideration is given to patrol systems, personnel allocations, and patrol priorities after the wind and rain subside. As soon as the wind and rain subside, the power distribution lines where power outages occurred are inspected. We respond with the largest number of employees possible, including clerical staff who provide support to the power distribution department as drivers.

In the past, this was all done on paper, so each time a patrol was completed, it was necessary to return to the branch office to receive new instructions and manually input the results into the system. However, by making it possible to give instructions and make reports using mobile devices, efficiency has been improved.



• Disseminating information on measures against typhoons, etc.

We create leaflets on measures against typhoons, and visit the Okinawa Prefecture Department of Agriculture, Forestry and Fisheries, JA Okinawa, and the Okinawa Prefecture Floriculture and Horticulture Cooperative every year before the typhoon season begins to raise awareness about measures to prevent the scattering of plastic agricultural sheets and preparations to take against power outages.

In response to Typhoon No. 6 in 2023, we held briefings for the mass media on recovery prospects and provided information on the status of power outages via social media.



▲ Typhoon countermeasure leaflet

• Introduction of TV conference terminals

Video conference terminals are installed at each business site, and each business site is connected 24 hours a day during periods of typhoon recovery.

They are used as a communication tool for both the head office and branch offices, such as for assessing the damage situation and sharing information with all departments.



▲ Briefing sessions for the media



▲ Sending out social media updates

Initiatives in retail business (corporate sector)

- Provision of finely tuned services to corporate customers

As an energy company that can provide both electricity and natural gas, we propose optimal energy systems, solar power generation (KarE-roof) , support for energy conservation, the most reasonable electricity rate plans based on electricity usage pattern, to meet various customers' requests such as cost reduction and decarbonization efforts. We will also enhance our follow-up activities for proposals, and strive to ensure customer satisfaction.



For more information, please visit our website.

Comments from customers who have introduced the services



Hotel

The most decisive factor in introducing natural gas is consideration for the environment. We thought it would be effective for reducing CO₂ emissions in addition to the safety and security of our customers. It was also attractive as it led to reduced costs.



Hospital

Considering that we are the kitchen of a medical institution, we decided to introduce an electrified kitchen without hesitation because we wanted to emphasize safety and hygiene. Electrified kitchens don't use fire and are safe and easy to clean. Furthermore, since they don't get hot during cooking, we can maintain a clean kitchen environment.



Commercial facility

We have adopted the energy service that is most suitable for us. Thanks to this, we are able to concentrate on our core business of running the stores without worrying about energy maintenance and management.

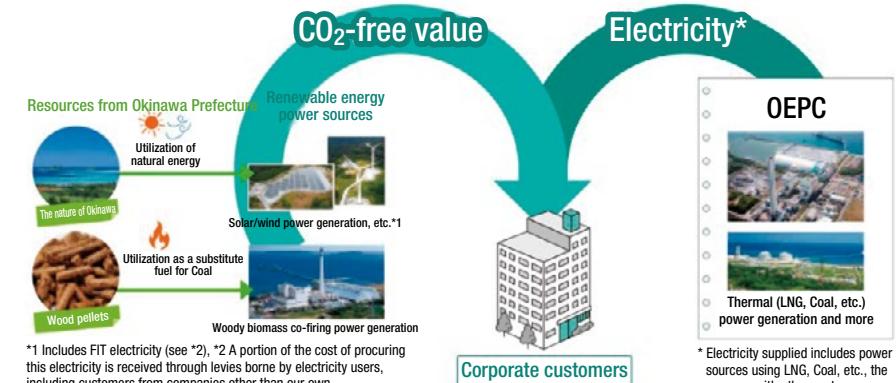
• Supply for "Uchinaa CO₂-free plan"

The service plan uses non-fossil certificates derived from renewable energy utilizing Okinawa's resources, such as power generated by the mixed firing of woody biomass produced in the prefecture that effectively uses the construction wood scrap, photovoltaic generation, etc. By applying this plan, all or part of the electricity used by customers can be considered to have essentially zero CO₂ emissions.

Number of contracted companies: 46 (as of the end of March 2025)

Based on non-fossil certificates using resources from Okinawa Prefecture,

"Local production for local consumption CO₂-free service plan"



Initiatives in retail business (life sector)

- Provision of finely tuned services to customers

CO₂-free ECOonchu Plan

This is a service plan that adds environmental value to the electricity we supply by using non-fossil certificates given to electricity derived from renewable energy, and it provides electricity that is effectively sourced 100% from renewable energy and CO₂-free. It is available as an option in our company's deregulated rate service plans for customers receiving low-voltage power supply.



Fixed-rate repair service for household electrical equipment and plumbing

By paying a fixed fee, we provide one-stop service from repair request to repair work for household electrical equipment and plumbing, which offers four assurances: affordable usage fees, zero out-of-pocket repair costs, arrangement complete with just one phone call, and reliable repair contractors.



- Various rate plans and a membership site

We offer electricity rate plans that can be selected according to lifestyle and the amount of electricity used.

"Okiden more-E" is our membership-based web service. If customers who have an electricity supply and demand contract with our company register as a premium member, they will earn "Okiden E-points" based on their electricity bills. The accumulated points can be exchanged for points and gift certificates for local supermarkets, financial services, and transportation, or can be donated to support local professional sports teams and help solve local problems.

Monthly electricity bills and usage can also be checked at any time using a smartphone or home computer.

OEPC Member's Site

Okiden more E

Become an Okiden More-E member and start earning points on your electricity bill! Use them!

Benefit 01
Can you really earn points with your electricity bill?

It's true! Becoming a premium member of Okiden more-E allows you to accumulate Okiden E points with electricity charges.

Also earn points by logging in monthly or reading columns!

Earn 1 point per 200 yen of electricity charges!

Benefit 02
What can earned points be used for?

Exchange for San-e points 100pt~
Exchange for Union points 100pt~
Exchange for RYUBO gift certificates 1300pt~

Exchange for OKICA points 100pt~
Exchange for JAL miles 100pt~
Exchange for ANA miles 100pt~
Exchange for Wallet+ myCoin 100pt~

Benefit 03
What other services are available?

As part of our regional support initiative, we introduce Okinawa and its excellent people, things, events, and places! First, check the official website!

Benefit 04
What's happening with my electricity bill?

Monthly electricity charges

Up to the past 24 months can be displayed.

Happy!1
Get monthly electricity charges and usage fees on LINE right away!

Happy!2
Easily check your Okiden E-Points on LINE! Exchanging them is simple!

Happy!3
Easy access to affordable and convenient information!

Link your OEPC more-E account with your LINE account here

By linking with your LINE account, you can easily log in, check your electricity bill and usage, and exchange points from LINE.

QR code for linking account

- Proposals for a comfortable life

Every year, more and more houses are becoming all-electric by adopting "IH cooking heaters", which generate heat in the pan itself without using fire, and "EcoCute", a water heater that boils water using aero-thermal energy. We promote all-electric homes by providing information through our website, social media, brochures, and consultations with customers. In addition, we offer the Rikka Denka Lease, an all-electric equipment leasing service in cooperation with Okiden Kigyo Company, Limited and Okidenko Company, Limited, both part of the Okiden Group, as well as KarE-roof, a free installation service for solar panels and storage batteries provided by Okinawa New Energy Development Company, Incorporated, offering a rich and comfortable lifestyle.

Under the slogan "likoto iroiro Okiden" (Many good things with OEPC), we comprehensively and cross-sectionally promote a variety of services, such as electricity fee plans that allow customers to choose what they like according to their needs, "Okiden more-E," a member site that allows customers to collect points on their electricity bills, All-electric homes, and KarE-roof, which allows customers to install solar panels and storage batteries free of charge.

Good Value Plan
OEPC's affordable electricity rate plan

Okiden more-E
Earn points with your electricity bill! Use those points!

All-electric homes
By not using fire, you can live a safe, comfortable, clean, and economical life!

KarE-roof
Free installation of solar panels and storage batteries



Details can be found here



Digital transformation

• Introduction of a Zero-Trust Environment

We have introduced a zero-trust information infrastructure to strengthen our business foundation.

This environment will further improve operational efficiency both inside and outside the company, accelerate the creation of new value-added services, and promote a more challenging mindset and faster decision-making.

Efficient and comfortable internal and external operations



We will further improve operational efficiency and accelerate the creation of new value-added services both internally and externally.

Utilization of Cloud Services

- Flexible and fast use of cloud services that will become mainstream in the future, while ensuring security
- Smoothly using big data in the cloud for advanced data utilization



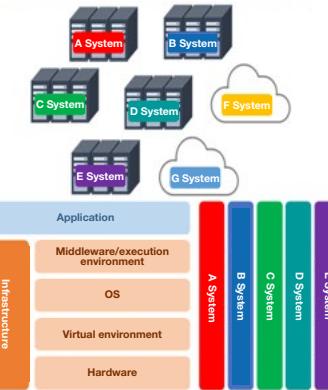
Utilizing the characteristics of the cloud, which is easy to introduce, expand, and withdraw, we will shift to a challenging mind set and faster decision-making.

• Examples of Cloud Utilization

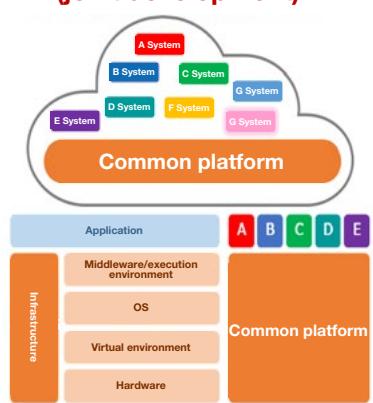
Building a Common Platform for AWS Migration

OEPC's on-premises-centric system environment faced challenges in terms of cost and speed. To improve agility and maintainability, reduce costs, and ensure security through cloud migration, we built a common platform on AWS that consolidates shared system functions and networks. We are now migrating our systems to the cloud in phases.

Until now (separate development)



From now (joint development)



Development, operation, and maintenance also handled separately because of separate development

→ Duplication of support and functions, dependency on individual system vendors

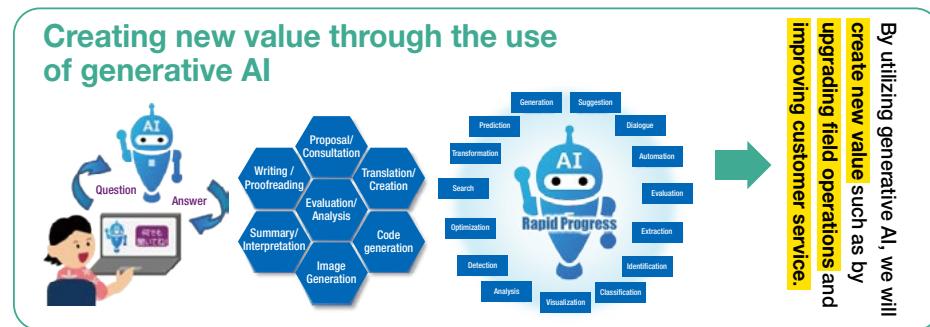
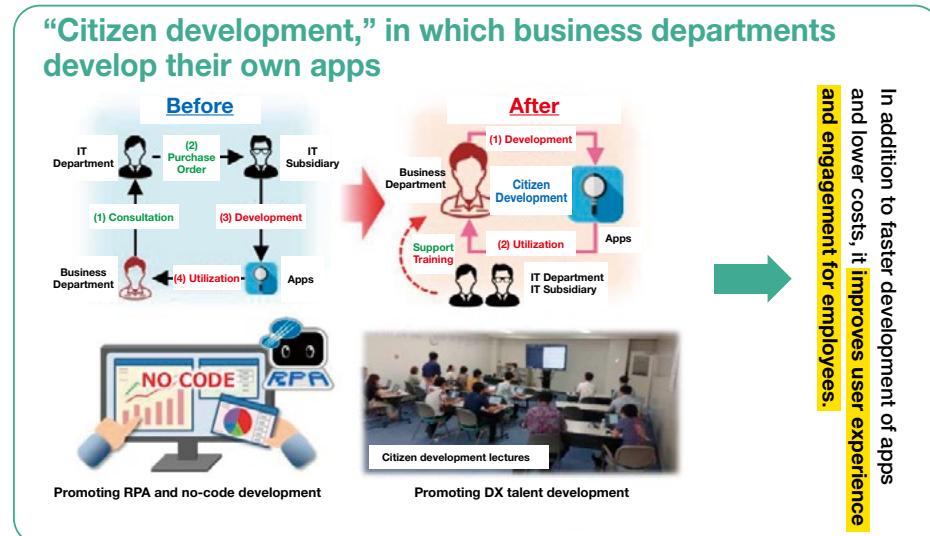
Centralized and standardized development, operation, and maintenance through a common platform

→ Streamlining of security measures, management, monitoring, etc.

• Promoting Citizen Development and Utilizing Generative AI

We are promoting “citizen development,” enabling employees to create apps that improve operational efficiency and productivity even without programming knowledge. We are also developing DX talent internally by having employees serve as instructors and by offering citizen development workshops to all employees. These efforts are taking root, with employee-developed apps being adopted across the company.

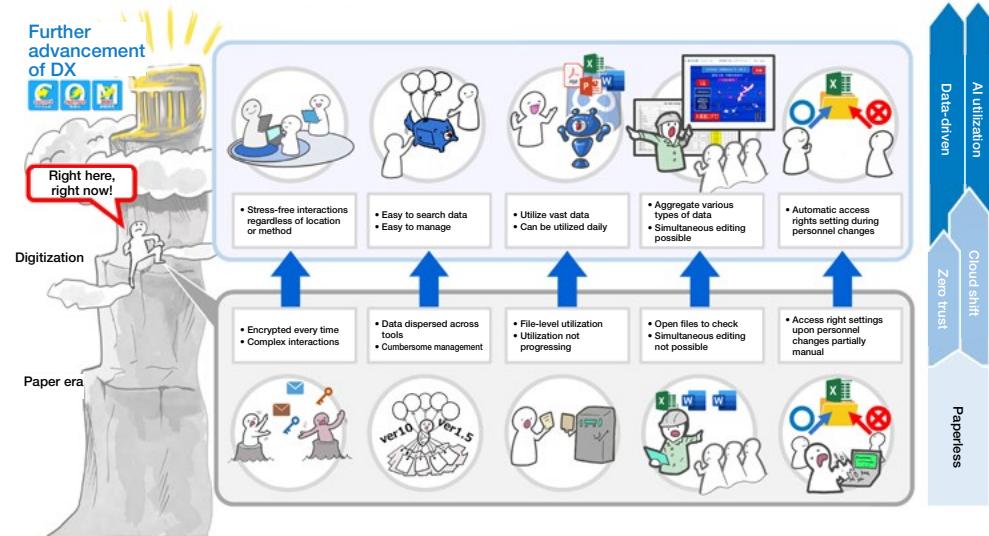
We aim to create new value and transform our business by combining people (talent) and digital technologies, including the company-wide roll out of a generative AI chat tool.



• Examples of DX promotion through utilization of knowledge

- By centralizing knowledge using tools such as Box, we maximize the use of individual knowledge as organizational knowledge, and this promotes collaboration and co-creation and enhances productivity throughout the entire Group.
- Through secure real-time communication, we enable the timely dissemination of field information, images, and videos to internal and external stakeholders in order to accelerate and enhance information sharing and coordination, including disaster response.
- By combining vast centralized data with generative AI, various insights can be obtained, leading to data-driven decision-making and creation of new services in line with customer needs.

Advancing the OEPC Group’s DX with Box



Initiatives for Each Business: Group Business

Directionality of initiatives

In addition to initiatives coordinated within each business field of the Group and responses to common issues, treating efforts toward carbon neutrality and DX as drivers contributing to sustainable growth, each OEPC Group company will act autonomously, demonstrate the group's potential, and realize sustainable growth.

Electricity business related

Through initiatives linked to the OEPC PX Project such as the transformation of procurement activities and cost optimization (optimization of the supply chain, optimization of usage frequency and quantity, and materials and specifications), we will address the key issues of securing construction capabilities and improving productivity, aiming for profit expansion with a view to future external sales growth.

Comprehensive energy services

We will construct a medium- to long-term plan formulation and execution system to expand our gas supply share and steadily advance and execution of initiatives that contribute to demand acquisition, such as employing strategies that employing approaches to potential demand along the Yoshinoura and Makiminato gas pipelines and within bases.

Construction and real estate business

We will promote corporate real estate (CRE) initiatives utilizing OEPC Group assets, and actively participate in PPP/PFI projects utilizing public assets. We will also collaborate with the GW2050 PROJECT and aim to acquire opportunities for sustainable revenue.

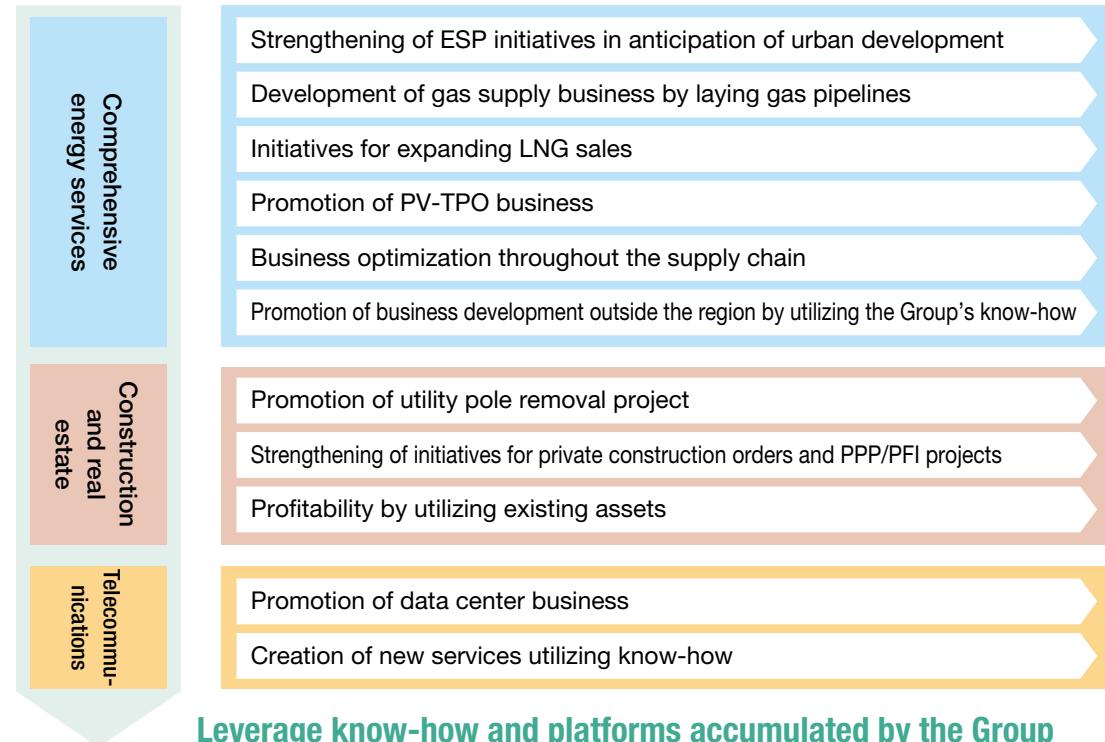
IT/innovation

We will aim for sustainable growth while raising the Group's potential in a variety of business fields by collaborating inside and outside the Group to establish a system that enables new business development, and by making steady progress towards the commercialization of a diverse array of fields, not only in areas adjacent to the core businesses of Group companies, in each business domain.

Outside the region/overseas

We will promote initiatives that take advantage of the know-how we have accumulated in the electricity business, such as the introduction of renewable energy in small-scale systems. We will advance our business to the next stage by expanding our offerings from their current focus on consulting and demonstration services to include power generation, operation, and maintenance management services, with the aim of further expanding the top-line.

[Initiatives]



Leverage know-how and platforms accumulated by the Group

Life and business support

Business support business centered on healthcare business

Promotion of initiatives for Mimamori (caring family monitor) service

Energy service provider (ESP) business

The energy service provider (ESP) business owns energy facilities and processes and supplies energy on behalf of customers. The Reliance Energy Okinawa, Inc., which is in charge of the ESP business, has been actively promoting proposal activities and currently has 12 customers using the service as of the end of March 2024.



The Reliance Energy Okinawa, Inc.

Increase in new energy demand

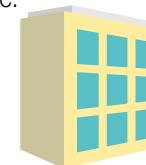
- Large-scale development of urban areas (e.g. former U.S. military bases)
- Construction of hotels in response to an increase in the number of tourists
- Construction of large-scale commercial facilities



Okinawa

Advancement and diversification of energy needs

- Reduce initial investments in energy use (e.g. electricity and gas)
- Reduce burdens involved in facility operation/maintenance, emergency response, etc.

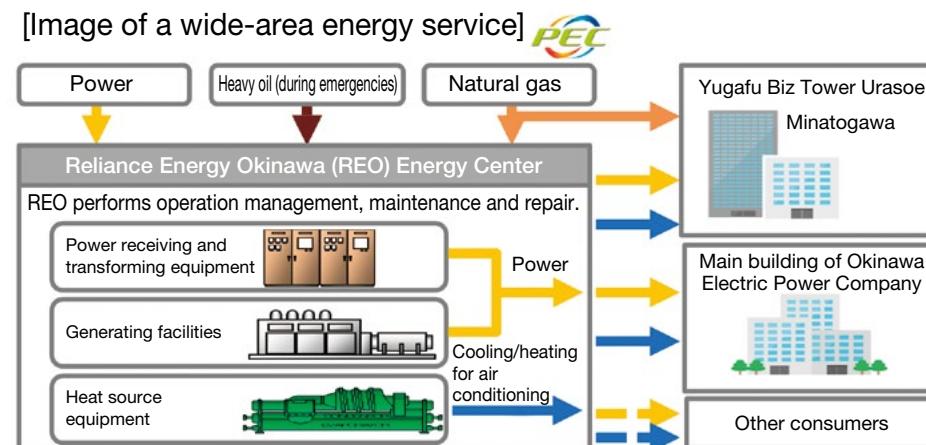


Customers

Developing wide-area energy services

As a comprehensive energy company, constructing an energy center within the premises of the OEPC Head Office, which has the advantages of reducing CO₂ emissions, ensuring a stable supply of energy, and strengthening the Business Continuity Plan (BCP). In the future, we will develop wide-area energy services modeled on this center.

[Image of a wide-area energy service]



- It owns energy facilities on behalf of customers.
- It provides electricity and gas in the forms of, for example, air-conditioning water (cold / hot), hot-water supply, and steam.

<Examples of businesses adopting>

San-A Urasoe West Coast PARCO CITY

Lab 4 of Okinawa Institute of Science and Technology

San-A Nishihara City (renovation)

Yuuakai Yuuai Medical Center

San-A Ishikawa City

San-A Naha Main Place (renovation)

San-A Miyakojima City

Yugafu Biz Tower Urasoe Minatogawa

FRT

Lab 5 of Okinawa Institute of Science and Technology

Jin-aikai Urasoe General Hospital

San-A Kyozuka City (renovation)

(Service start order)

First in the prefecture to win both the Minister of the Environment Awards for Climate Action and the Energy Conservation Grand Prize

Following the Energy Conservation Grand Prize(METI Minister's Award) received in FY2022, The Reliance Energy Okinawa, Inc. received the Minister of the Environment Awards for Climate Action in FY2023 sponsored by the Ministry of Environment for its energy service provider business for the large commercial facility in the prefecture, making it the first company in Okinawa to receive both awards.



▲ The Energy Conservation Grand Prize ceremony



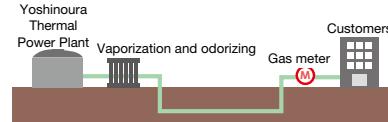
▲ The Awards for Climate Action ceremony

Gas supply business

OEPC began supplying natural gas in 2015. Since then, we have been working to expand the use of natural gas, which is superior in environmental and safety aspects, to customers throughout the main island of Okinawa by supplying natural gas via pipelines to Okinawa Gas customers and to customers around the Yoshinoura Thermal Power Plant, and by developing an area-wide supply network centered on our group-owned Natural Gas Supply Center. In addition, we have been supplying liquefied natural gas via lorry transportation to our satellite customers.

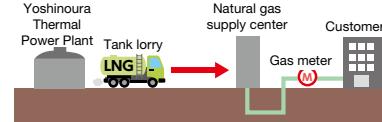
Pipeline supply

Supplying gas to customers in the vicinity of the Yoshinoura Thermal Power Plant through gas pipelines after vaporizing and odorizing liquefied natural gas (LNG).



LNG Supply Center

At former U.S. military base site and industrial parks, PEC* constructs supply centers and supplies gas through pipelines.



Lorry supply

Supplying LNG by tank lorry to customers in areas where development of pipelines is difficult.



List of Customer Suppliers

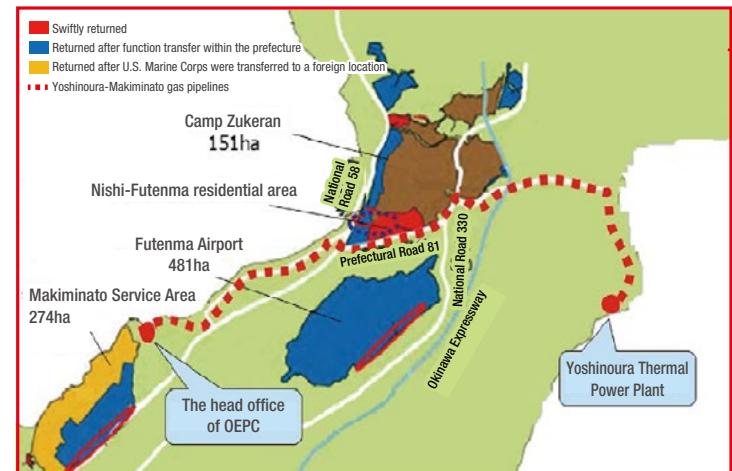
Many customers choose it because it is a clean energy source that is friendly to the environment and facilities, and because of its supply capacity and price stability.

Development of demand along the route by laying gas pipelines

Gas pipeline was laid from the Yoshinoura Thermal Power Plant to the head office of the Okinawa Electric Power Company in Urasoe City through the Nishi-Futenma area, where heat demand is expected due to the development of former military base sites, and operation began in February 2024.

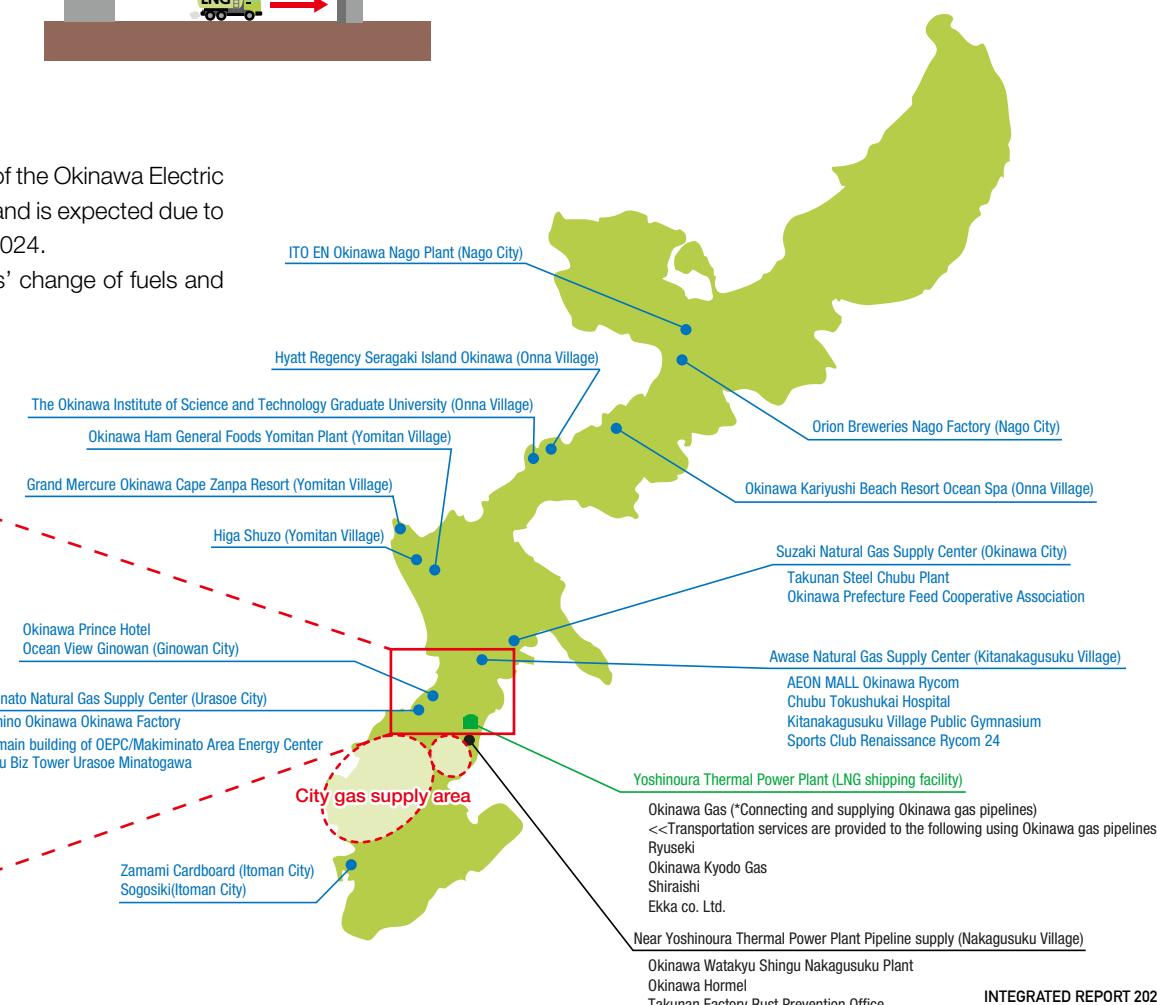
We will develop the pipeline network, and acquire demand in line with customers' change of fuels and urban development.

[Equipment specifications] Pressure (high pressure specification), diameter (300 mm), conduit extension (about 15 km)



Source: Material of the Okinawa Revitalization Council Chair and Specialized Committee Meeting (third session) presented on the Cabinet Office website

Note: The area values in the diagram above represent the total area of land scheduled for return.



Initiatives for growth sectors

The Company will strive to expand its business areas outside the region, utilizing its experience and know-how for the introduction of renewable energy and system stabilization in small-scale power systems.

Deployment of renewable energy business outside the region

- Established new companies, SeED Okinawa LLC, and OKIDEN PACIFIC ISLANDS CORPORATION to promote overseas business

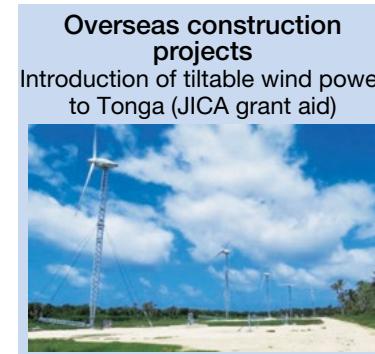
Established SeED Okinawa LLC in April 2021 with the aim of delivering renewable energy introduction technologies, etc., that leverage the strengths of the OEPC Group to customers around the world.

In March 2025, we established OKIDEN PACIFIC ISLANDS CORPORATION in the Republic of Palau, OEPC's first overseas subsidiary, to advance our business to the next stage by expanding our offerings from the consulting and demonstration services we had previously provided to include power generation, operation, and maintenance management services, with the aim of increasing the top-line through overseas business development.

As social demands for countermeasures against global warming increase further worldwide, we will use the knowledge and technologies cultivated by the OEPC Group to confront climate change risks and contribute to the realization of a low-carbon, sustainable society in overseas countries, especially in the island regions of Asia and the Pacific.



SeED Okinawa



100% supply of
renewable energy in
Hateruma Island

A regional micro-grid
construction project
in Kurima Island,
Miyakojima City

**Expand the Group's
earnings by further
developing overseas
business areas**

Expand the introduction of renewable
energy to remote islands in the prefecture
• Acquisition of grid stabilization technology

Overseas Consulting Project
Achievements
• NEDO demonstration study
• JICA technical cooperation project

**SeED Okinawa initiatives overseas and
outside the region**

- Papua New Guinea
- Republic of Palau
- Maldives
- Ecuador, Galapagos Islands
- Four Oceanic countries
(Fiji, Samoa, Micronesia, Palau)

**OKIDEN PACIFIC ISLANDS CORPORATION
initiative overseas**

- Republic of Palau

[The OEPC Group's projects related to the introduction of renewable energy outside the region]

Major projects to be undertaken

Road Map for Zero Fossil Fuel in Galapagos Islands Project (FY2023 to FY2026 JICA project)

Project for Energy Transition in the Pacific Islands Countries (FY2024 to FY2028 JICA project)

On-site PPA project at Palau Resort Hotel (under construction, operations scheduled to start in FY2025)



Renewable energy introduction initiatives at Palau Pacific Resort

At a resort hotel in Palau, we introduced renewable energy through solar power generation facilities and storage batteries with the aim of reducing energy costs by decreasing fuel consumption of the hotel's existing diesel generators and cutting CO₂ emissions.

Businesses outside the region/overseas

Leveraging the technical expertise and experience cultivated in the electricity business, the OEPG Group will work together to provide technical support for decarbonization in the energy sector in overseas island regions, primarily in Asia and the Pacific, with the aim of expanding Group revenue.

[Examples of past initiatives]

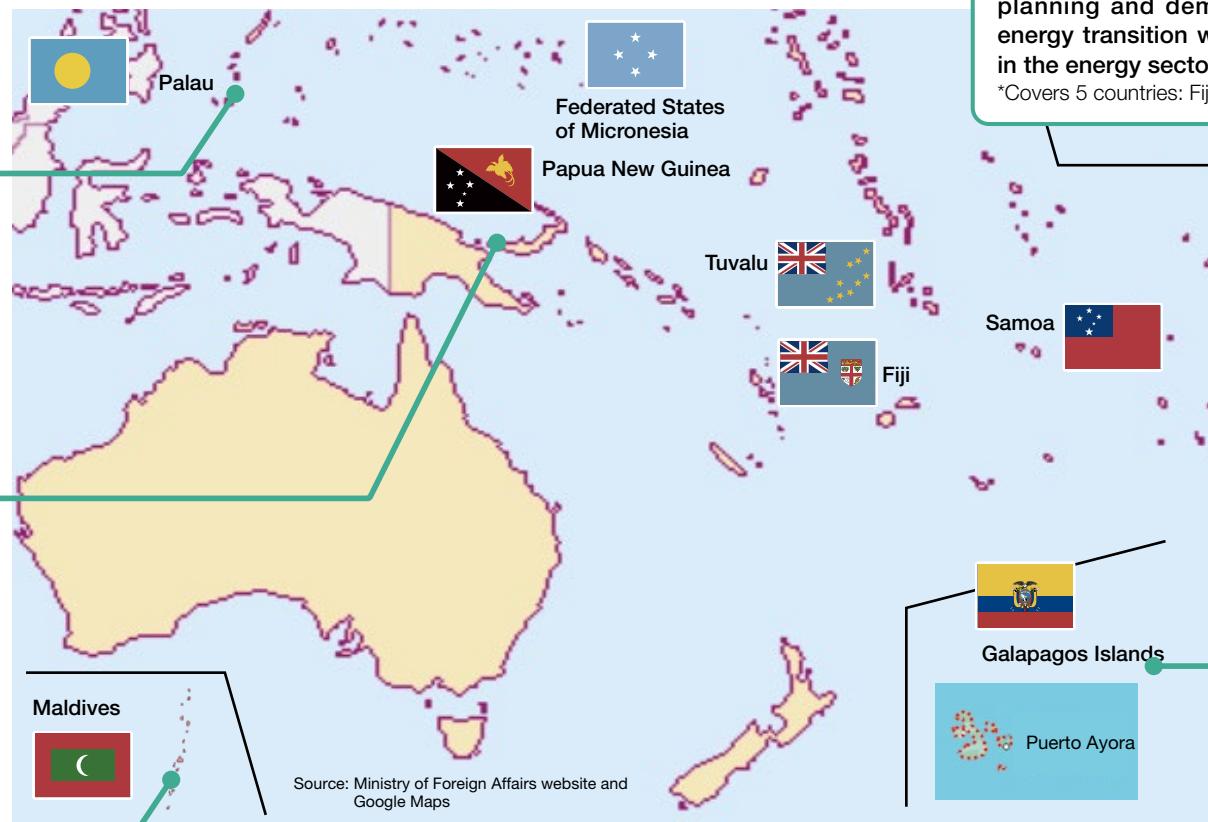
PV-TPO business in Palau

Implementation of a third-party ownership model for solar power and storage battery at a local resort hotel

Papua New Guinea power system planning and operation capability improvement project (JICA technical cooperation project)

Technical support to the local power company for power grid stabilization and issue resolution

Demonstration of a decarbonized seawater desalination system using solar power generation and storage batteries



Project for Energy Transition in the Pacific Islands Countries (JICA technical cooperation project)

Enhance capabilities related to power source and grid planning and demand-side measures toward promoting energy transition with the aim of achieving decarbonization in the energy sector

*Covers 5 countries: Fiji, Micronesia, Samoa, Palau, and Tuvalu

Road Map for Zero Fossil Fuel in Galapagos Islands Project (JICA technical cooperation project)

Life and business support

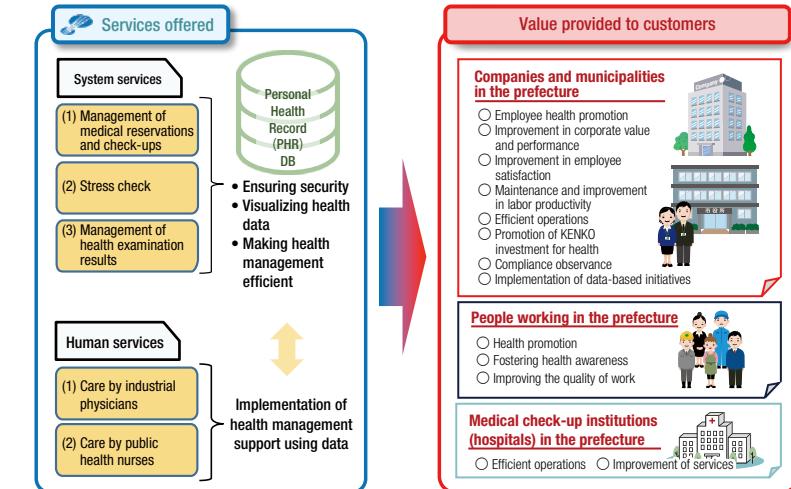
• OEPC Health Management Support Service “Well Porta”

In order to support the lives and economic activities of Okinawans with “health” and contribute to the creation of a vibrant future with full of dreams for Okinawa, we officially began offering “Well Porta” a health management support service, targeting people working in the prefecture since FY2022.

Well Porta is a service combining a cloud-based system for centralized management of health information such as health checkups and stress checks, with specialist support from industrial physicians, public health nurses, etc.

This service is provided to companies in Okinawa Prefecture.

As the Certified KENKO Investment for Health Outstanding Organization (White 500), our experienced professional staff (industrial physicians and public health nurses) will support in responding to legal matters and streamlining health management operations, thereby contributing to the promotion of KENKO Investment for Health in addition to improving the health of all workers.



• Participation in the “Okinawa KENKO Investment for Health Plus 1 Project”

We participate in the “Okinawa KENKO Investment for Health Plus 1 Project,” which was launched under the auspices of the Okinawa General Bureau of the Cabinet Office as an initiative in which companies in Okinawa Prefecture cooperate in KENKO Investment for Health.

As one of our Plus 1 initiatives, we provide the “Well Porta” Okiden health management support service to employees and related parties of various organizations, including companies and local governments in the prefecture, as well as health checkup institutions.



Three Objectives

- Maintaining and Improving Health through Public-Private Partnerships, Aiming to Restore the Healthy Longevity of Okinawa -

01

Participating companies not only carry out health maintenance and promotion activities for their own employees, but also implement one or more activities that contribute to the maintenance and promotion of health for local residents, thereby taking responsibility for the maintenance and promotion of the health of the people of Okinawa and the revival of healthy longevity in Okinawa.

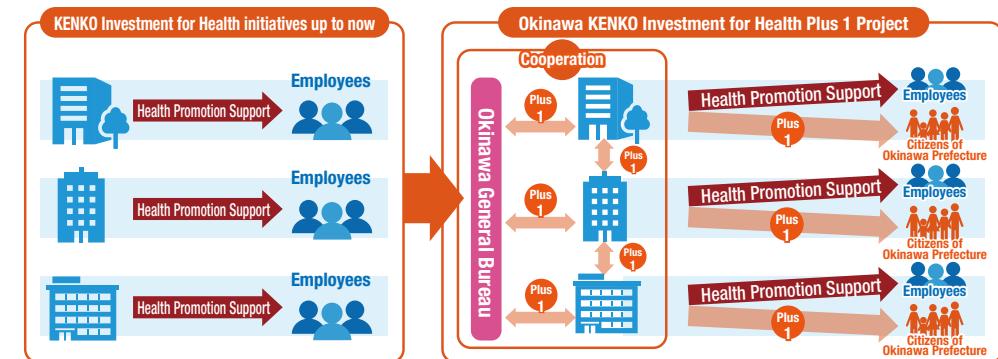
02

Aiming to achieve high quality KENKO investment for health within the Company, participating companies cooperate to synergize efforts related to KENKO investment for health.

03

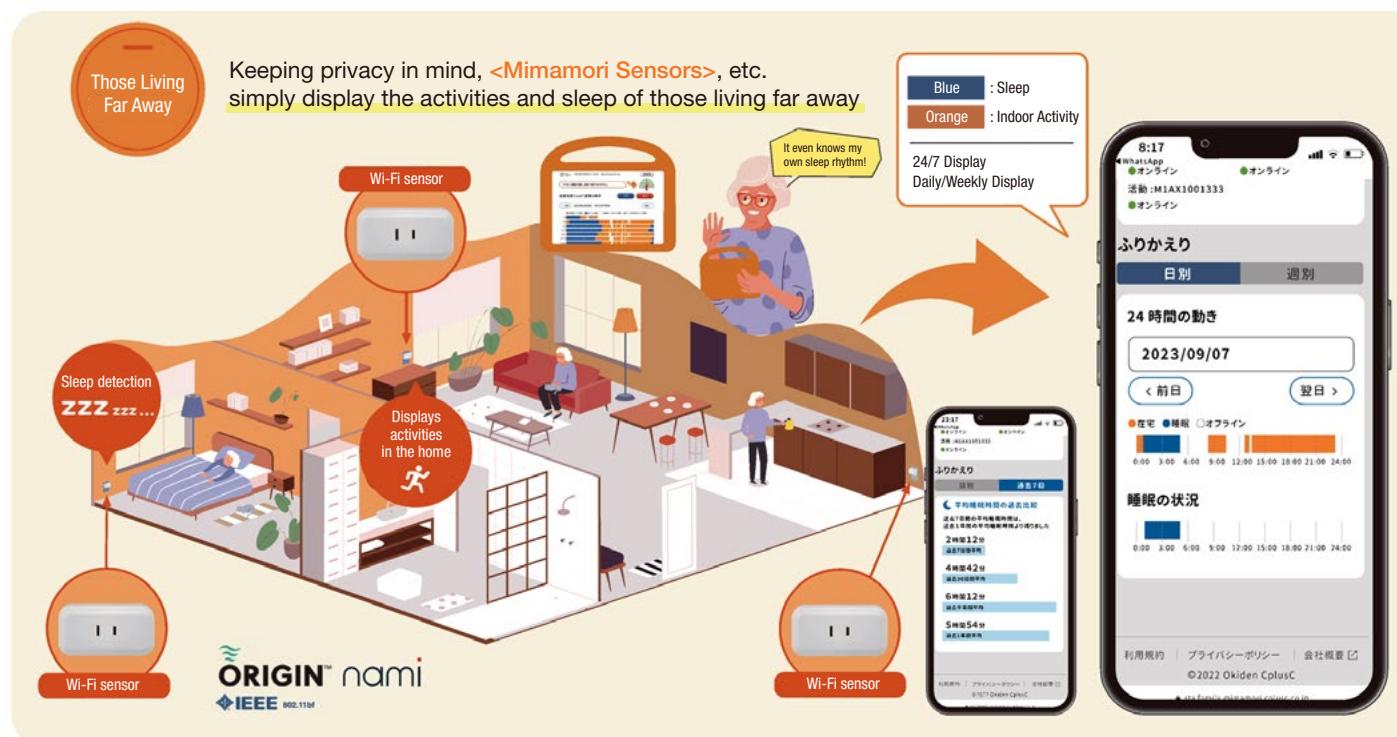
The goal is to maximize the number of companies in the prefecture that promote KENKO investment for health (expand the scope).

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Initiatives for Mimamori (caring family monitor) service

- We established Okiden CplusC Corporation with the aim of developing Mimamori (caring family monitor) Service (May 2021).
- Utilizing the world's most advanced Wi-Fi sensing technology, we can visualize the sleep and activity states of the elderly 24 hours a day, 365 days a year. "Friendly Mimamori" is designed for privacy, without cameras, microphones, or wearables.
- Since fiscal 2021, we have entered into agreements with 14 municipalities in Okinawa Prefecture through subsidized projects from the Cabinet Office and Okinawa Prefecture. In response to nationwide social issues such as the increasing burden on municipalities and local stakeholders due to rapid aging and the neglect of elderly solitary death, we aim to establish a monitoring system for the elderly that integrates self-help, mutual assistance, and public support.
- In the future, we will promote the Mimamori Service for the elderly from Okinawa to all throughout Japan, and will consider new services in the fields of energy management and security using Wi-Fi sensing technology. Furthermore, in the field of disaster prevention, we will consider how this can be used to support evacuations, such as establishing an emergency communication network and providing information on the presence or absence of people during a disaster.



▲ Development of new devices Wi-Fi sensor



Response to Climate Change

Initiatives to Achieve Carbon Neutrality

OEPC aims to achieve net-zero CO₂ emissions by 2050

As social demands for measures against global warming continue to increase, we established the long-term policy “Zero Emission Initiatives of OEPC” in December 2020. To achieve net-zero CO₂ emissions by 2050, we have presented a roadmap centered on two directions: “making renewable energy a mainstay” and “reducing CO₂ emissions from thermal power.” We are promoting initiatives across the OEPC Group based on this roadmap.



Just Transition in the Okinawa area

The government calls on the power industry to play a major role in decarbonizing the sector under its “Green Growth Strategy Through Achieving Carbon Neutrality in 2050,” and has set an ambitious FY2030 target to **reduce greenhouse gas emissions by 46% from FY2013 levels**, while continuing strenuous efforts toward the even higher goal of **a 50% reduction**.

The government’s goal of reducing greenhouse gas emissions by 46% **is equivalent to a reduction rate of 28%** in the case of the Okinawa area (refer to Table 1). A 28% reduction represents a significant challenge for Okinawa.

This 28% estimate is based on the 6th Strategic Energy Plan and reflects geographical, topographical, and grid-scale constraints that make the development of nuclear power plants and large-scale hydropower difficult. For example, installing large wind turbines is not feasible due to extreme wind speeds. Hydropower, wind power, geothermal power, and nuclear power—which are difficult to introduce in this region—are effectively substituted with existing thermal power in calculations.

For these reasons, in FY2030, Okinawa must pursue **a unique path toward carbon neutrality**, one that aligns with the region’s characteristics and avoids major negative impacts on the local economy—this is the concept of **“Just Transition in the Okinawa area,”** rather than adopting uniform national targets.

Taking into account Okinawa’s distinctive conditions, we will continue cooperating with the government’s goals while further accelerating initiatives toward carbon neutrality, based on the prerequisite of ensuring a stable supply of electricity.

Table 1 Zero-emission power supply that can be introduced in the Okinawa area

The 6th Strategic Energy Plan Power supply configuration		Applicable zero-emission power supply	
		Japan	Okinawa area
Renewable energy	About 36-38%		
Hydropower	About 11%	○	×
Wind power	About 5%	○	×
Solar power	About 14-16%	○	○
Geothermal power	About 1%	○	×
Biomass	About 5%	○	○
Nuclear power	About 20-22%	○	×
Hydrogen	About 1%	○	○
Ammonia		○	○
Thermal power	About 41%		
LNG	About 20%		
Coal	About 19%		
Heavy oil	About 2%		
Total	100%	About 57-61%	About 20-22%

* Zero-emission power supply: Power sources such as renewable energy and nuclear power that do not emit CO₂ during power generation.

* For wind power generation facilities of 500 kW or more, it is assumed that they can withstand calculated extreme wind speeds of approximately 90 m/s or higher. After reviewing construction plan notification forms, no wind turbines capable of withstanding such extreme wind speeds—nor large-scale wind turbines—have been introduced since 2016 when tightening of review standards.

* Due to the small land area, there are limitations to the development of solar power.

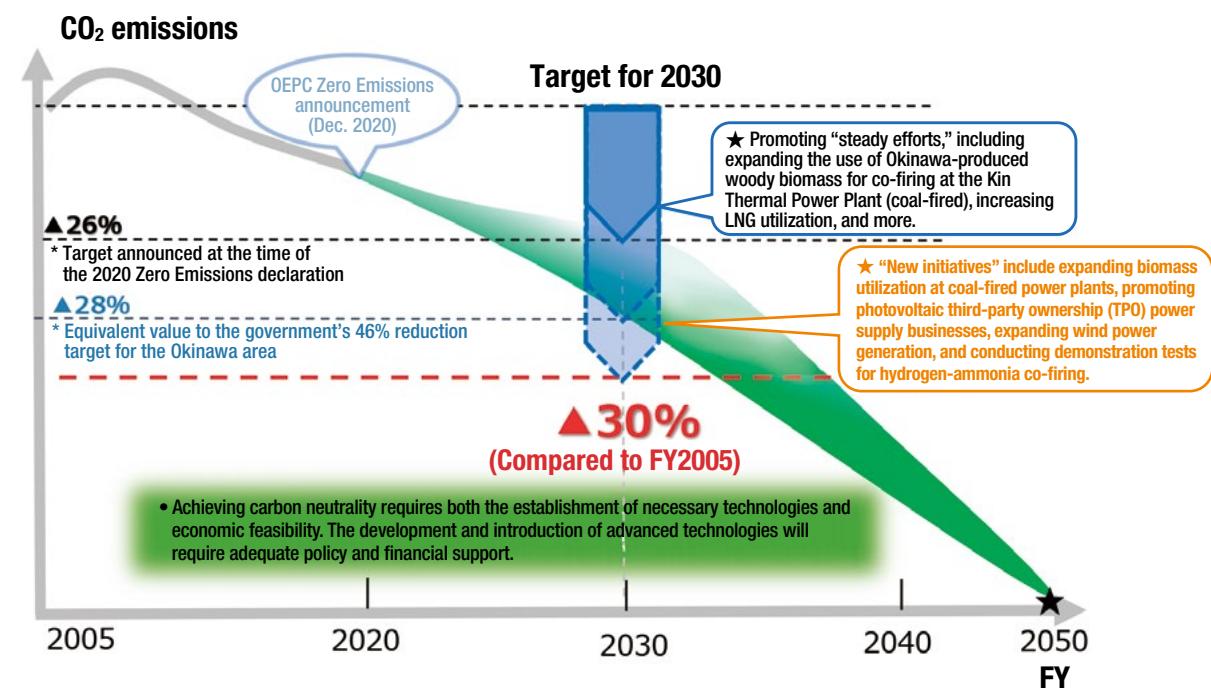
More ambitious goal for FY2030

OEPC has decided to pursue a more ambitious target than the 28% reduction—equivalent to the government's target—by aiming for **a 30% reduction in FY2030 (compared to FY2005)** under the concept of a “Just Transition in the Okinawa Area.” We will make every effort to accelerate the various carbon-neutral measures outlined in our roadmap.

In addition, to achieve both an inclusive decarbonized society and a sustainable economy in the Okinawa area, it is essential to establish a business environment supported by adequate governmental policies and financial measures.

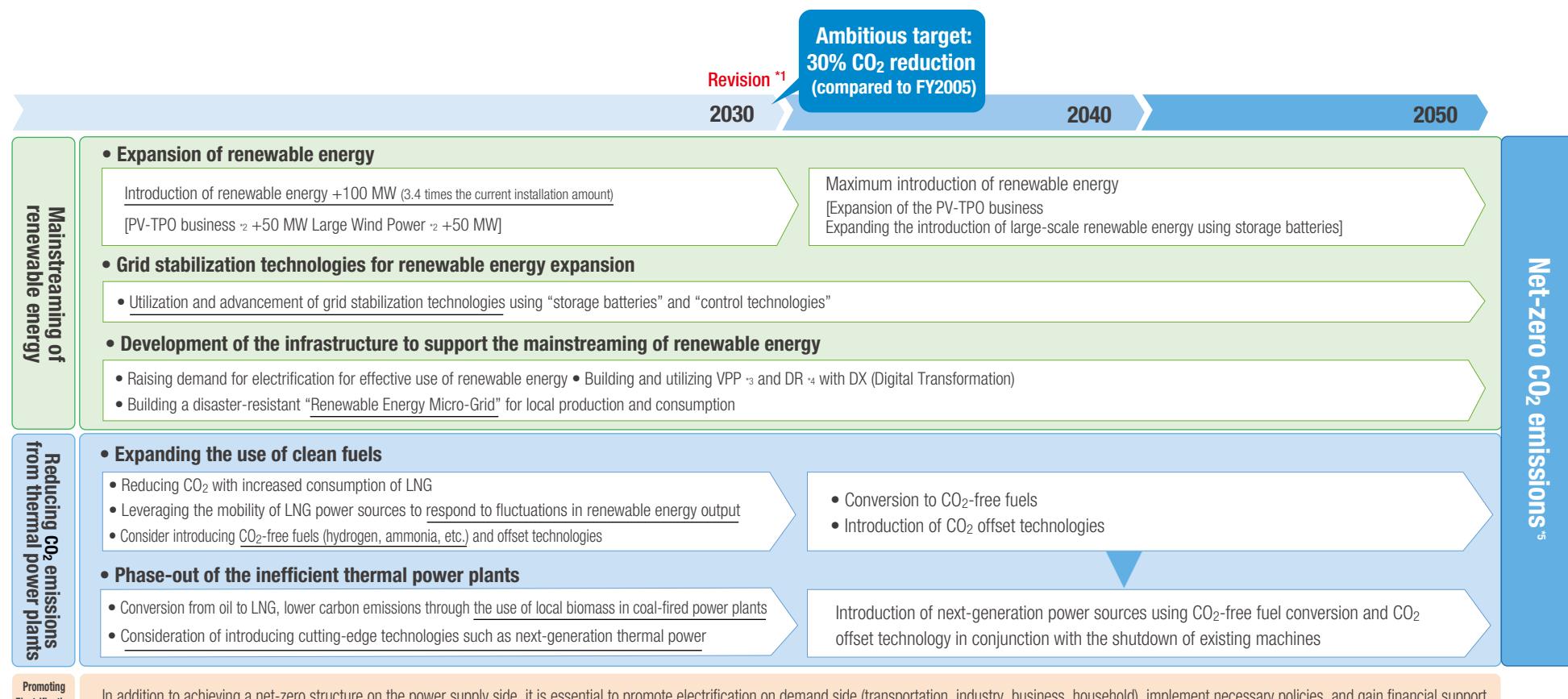
- Technological development that meets installation standards for large-scale wind power generation based on the extreme wind conditions unique to the Okinawa area, and the creation of a business environment that enables commercial deployment.
- To balance the capacity of thermal power plants—essential for maintaining stable electricity supply in the Okinawa area—with reductions in CO₂ emissions, it is necessary to establish a business environment that supports a Just Transition toward low-carbon and decarbonized thermal power generation. This includes measures such as co-firing CO₂-free fuels and other efforts to reduce and decarbonize existing facilities.
- To maximize the use of renewable energy, we aim to build a strong relationship with local communities by reducing the burden on the public, ensuring rational and balanced environmental regulations and securing suitable sites in a manner that harmonizes with local needs.
- To ensure the stable supply of necessary resources and fuels, costs related to the supply of decarbonized fuels and technologies must be sufficiently reduced. This will be achieved by establishing hydrogen and ammonia fuel supply chains in cooperation with partner countries and by promoting integrated efforts to secure suitable sites for carbon capture and storage (CCS).

Fig. 1 Conceptual Overview of Carbon Neutrality Initiatives



* Since the government's previous target of a 26% reduction compared to FY2013 (25.4% compared to FY2005) was also aligned with the FY2005 baseline, we set our own target of a 26% reduction based on FY2005—higher than the government's target—and have been working toward it. As part of our initiatives, we began biomass co-firing at the Gushikawa Thermal Power Plant in 2010 to counter global warming and introduced the Yoshinoura LNG-fired thermal power plant in 2012, which has become a key pillar of our measures. We continue to use FY2005 as our base year to accurately assess the progress of these initiatives.

2050 Net-Zero CO₂ Emissions Roadmap Ver. 1 (2022.10)



*1 The government's goal of reducing greenhouse gas emissions by 46% is equivalent to a reduction rate of 28% in the case of the Okinawa area, where zero-emission power sources are limited and it is a tough target for the Okinawa area. We have taken a step further by setting a new target of a 30% reduction.

The government's previous target included a target for the standard of FY2005, and as a countermeasure against global warming, we started with biomass mixed firing at Gushikawa Thermal Power Plant in 2010 and introduced Yoshinoura thermal power (LNG) as a pillar of the countermeasure in 2012. We decided to use FY2005 as the base year to clearly evaluate our initiatives.

*2 Service in which PV and storage batteries are installed free of charge and the electricity generated is sold to customers. Both PV-TPO and large-scale wind power are scheduled to be built and managed by our affiliated companies.

*3 Virtual Power Plant (VPP) refers to the collective control and management of a number of small-scale renewable power plants, etc., to make them function as a similar power plant.

*4 Demand Response (DR), according to the Ministry of Economy, is defined as "an act of changing the consumption pattern of electricity for consumers to curb their use of electricity in response to the setting of electricity prices or the payment of incentives when wholesale market prices or when grid reliability declines."

*5 We are aiming for net-zero CO₂ emissions by combining renewable energy power sources with thermal power sources that incorporate CO₂-free fuels and CO₂ offset technologies.

* This requires the establishment of necessary technologies along with economic feasibility. We will earnestly work to achieve these conditions. Further, policy and financial support are necessary for the development and introduction of advanced technologies.

Mainstreaming of Renewable Energy

Electricity generated from photovoltaic and wind power does not emit CO₂, and biomass power generation is expected to play an increasingly important role as a carbon-neutral energy source. On the other hand, output from photovoltaic and wind power fluctuates due to weather conditions and other factors. As a result, balancing the system through thermal power generation and storage batteries becomes essential, and these power sources must be integrated in a well-balanced manner within the overall energy mix. To achieve net-zero CO₂ emissions by 2050, we will continue to promote renewable energy as a mainstay while conducting demonstration projects aimed at ensuring both stable energy supply and increased use of renewable energy.

Achievement of supplying renewable energy 100% (Hateruma Island)

We have been entrusted with the "Smart Energy Island Infrastructure Development Project (Project for Maximum Introduction of Renewable Energy on Small Isolated Islands)", and introduced an MG set (Motor Generator) at our Hateruma Power Plant in February 2018.

Since the MG set is operated using a storage battery charged with surplus electric power from renewable energy as its power source, depending on the balance between demand and renewable energy output, it is possible to supply 100% renewable energy.

The MG set is connected to a commercial power grid as a device having the same functions as a diesel generator. This initiative for expanding the introduction of renewable energy is unparalleled anywhere in the world.

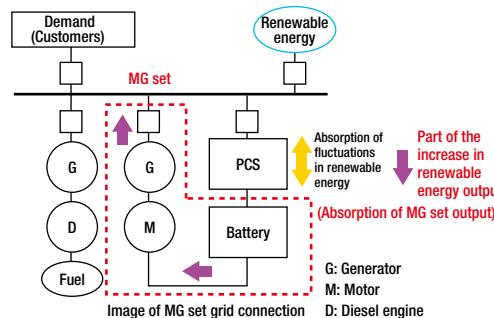


▲ Tiltable wind power generation system



▲ Appearance of the MG Set

Installation of the MG set on Hateruma Island



In 2020, combining tiltable wind power generation and a system stabilizer in the "Motor generator (MG Set)", 100% of the electric power on Hateruma Island was supplied with renewable energy for about 10 days (229 hours 27 minutes).

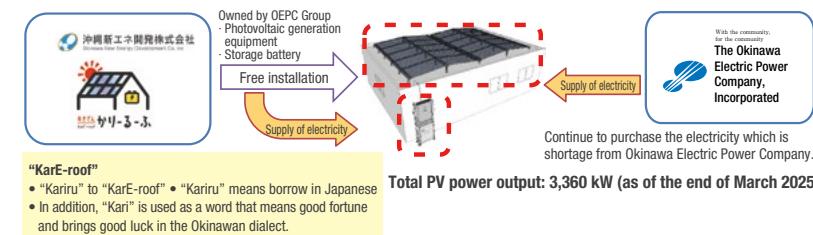
For more information, please visit our website.



Solar power generation + storage battery free installation service (PV-TPO business) "KarE-roof"

For general housing

Since April 2021, we have been offering a service called "KarE-roof" for general housing, which costs customers 0 yen for installation and maintenance of photovoltaic power generation facilities and storage batteries, and provides the generated electricity to the customers at reasonable rates. The advantage of "KarE-roof" is that you can use electricity from photovoltaic power and storage batteries in the event of power outage due to disasters such as typhoons, and if you install an EcoCute and IH cooking heater to create an all-electric home, you can further reduce your overall utility costs.



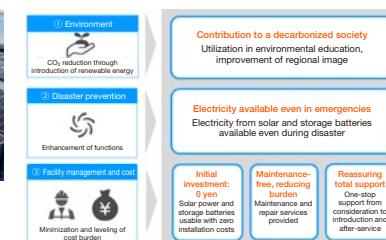
For business

As social demand for measures against global warming further increases, the number of inquiries from customers has been increasing, and we are now accepting applications from various businesses. In addition, in the event of power outages due to a typhoon or other disaster, electricity stored in storage batteries from photovoltaic power generation facilities can be used, making this a service that can also be available in the event of an emergency.



Nanjo City Hall (Service started in Dec. 2024)

- PV power generation facilities: 105 kW
- Storage batteries: 13.5 kWh
- CO₂ reduction: 138 tons/year



Total PV power output: 4,139 kW (as of the end of March 2025)

Acquisition of small-scale micro-grid technology

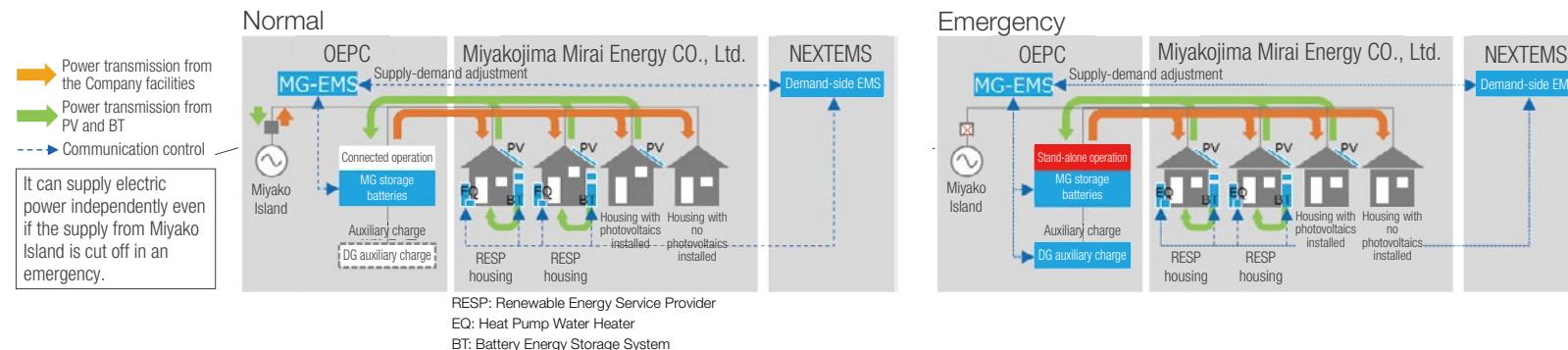
In response to a decision by the Ministry of Economy, Trade and Industry to grant a subsidy to the “Regional Micro-Grid Construction Project,” our company, NEXTEMS Co., Ltd., Miyakojima Mirai Energy Co., Ltd., and Miyakojima City started the operation of a regional micro-grid on Kurima Island in Miyakojima City on January 25, 2022.

Regional renewable energy can be used in an area of a certain size with a regional micro-grid (hereinafter referred to as an “MG”). This is a new energy system in which electricity can be supplied efficiently to the required area during normal times by utilizing renewable energy such as photovoltaic generation and storage batteries, whereas during an emergency, such as a large-scale power outage due to a disaster, etc., if the micro-grid is cut off from the main power transmission and distribution network (the Miyakojima grid in this project), electricity can be supplied independently to the area.

During the full blackout in Miyakojima City on April 25, 2024, we activated the MG for the first time in Japan, successfully reducing the blackout time in the target area of Kurima Island by 1 hour and 49 minutes. Currently, we are planning to deploy the technology cultivated in this project to the Cabinet Office subsidized project, the Hateruma Island Renewable Energy Introduction Expansion Demonstration Project.



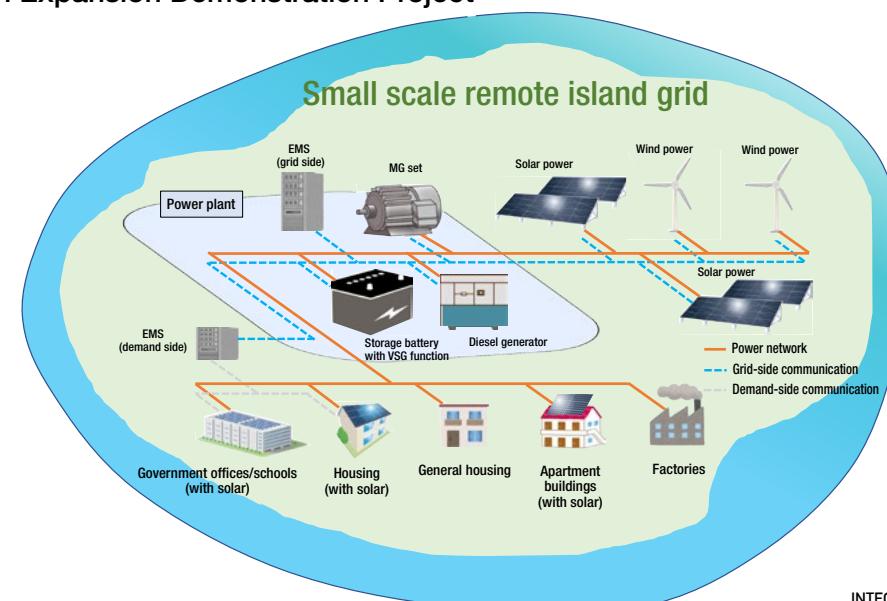
▲ Kurima Island



Implementation of the Hateruma Island Renewable Energy Introduction Expansion Demonstration Project

A consortium of four companies, comprising our company, Okinawa Electric Construction Co., Ltd., NEXTEMS Co., Ltd., and Ishigakijima Mirai Energy Co., Ltd., was selected for the Hateruma Island Renewable Energy Introduction Expansion Demonstration Project (hereinafter, the “Project”), which was submitted in response to the Cabinet Office’s open call for the “FY2025 Okinawa Clean Energy Introduction Promotion Research Program”.

Following the installation of the first collapsible wind power generation system in Japan in 2009 and the installation of motor generators (MG set) in 2018, this Project will construct renewable energy sources, storage batteries, a remote island EMS (energy management system), and a demand-side EMS, and by effectively combining them with existing diesel generators to control the entire system, it aims to further expand the period of 100% renewable energy power supply while stabilizing the power grid on Hateruma Island.



Reduction of CO₂ Emission From Thermal Power Plants

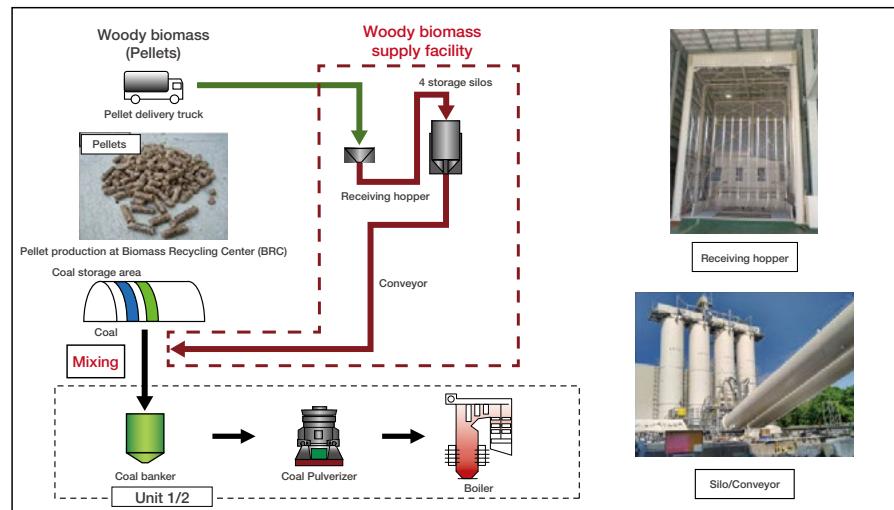
In Okinawa, the development of large-scale hydropower and nuclear power is difficult due to geographical, topographical, and electricity-demand constraints. In addition, the output of renewable energy sources such as photovoltaic and wind power fluctuates significantly depending on weather conditions. As a result, the region has no choice but to rely on thermal power generation using fossil fuels (coal, oil, and LNG).

To reduce CO₂ emissions from thermal power sources, we will expand the co-firing of locally produced biomass, increase the use of LNG, which emits less CO₂, and consider the introduction of clean fuels such as hydrogen and ammonia.

Biomass co-firing at a coal-fired power plant (Gushikawa/ Kin) using local woody biomass

In order to expand use of renewable energy and reduce CO₂ emissions, woody biomass (which is a carbon-neutral resource) and coal are co-fired at our coal power plants (Gushikawa/Kin).

We are contributing to the reduction of CO₂ emissions and coal consumption by using woody biomass produced from construction waste that used to be incinerated in Okinawa as fuel at our power plants. This project will also contribute to achieving the basic goal of "local production for local consumption of energy" set forth in Okinawa Prefecture's Clean Energy Initiative.



Amount of woody biomass used: approx. 30,000 tons* per year
CO₂ reduction: approx. 40,000 tons* per year (* Total for Gushikawa and Kin)
Possible amount of mixing: approx. 3% (weight ratio)

Makiminato Gas Engine Power Plant (natural gas) started commercial operation

Makiminato Thermal Power Station (45,000 kW) is being constructed as an adjustable power source started commercial operation in March 2024 with the goal of stabilizing the power system through frequency control and supply and demand balance regulation, thereby improving supply reliability.

Natural gas will be used as the fuel in this power plant. CO₂ emissions per unit calorific value of the natural gas are approximately 30% less compared to oil and does not generate sulfur oxides (SO_x).

In addition, the installation of denitrification equipment reduces the amount of nitrogen oxide (NO_x) emissions, and the use of radiators to cool the facilities provides environmentally friendly power generation facilities.



▲ Makiminato Gas Engine Power Plant

About Makiminato Gas Engine Power Plant started commercial operation



Stable operation of the Yoshinoura Thermal Power Plant (LNG combined cycle)

We are stably operating the Yoshinoura Thermal Power Plant, which uses liquefied natural gas (LNG) that emits less CO₂ than coal and oil, and adopts a combined cycle system that has a excellent power generation efficiency to reduce the CO₂ emissions.

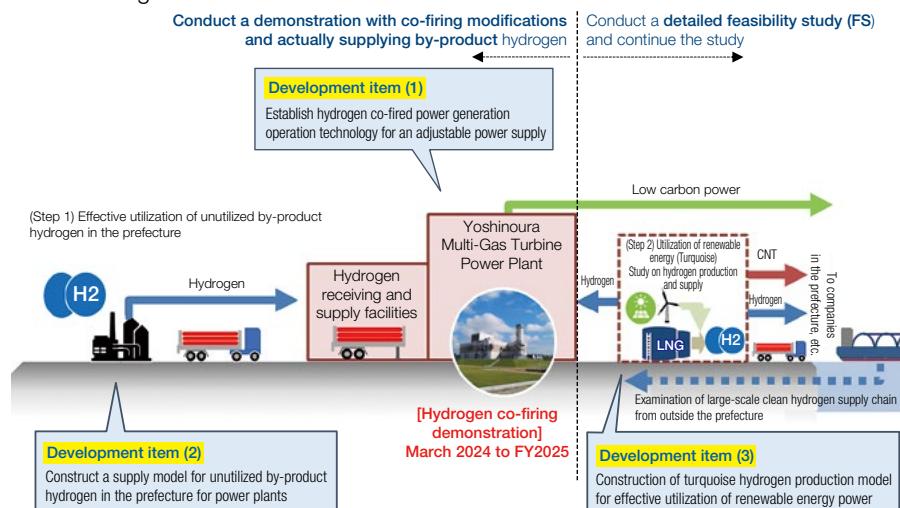
Demonstration experiment of hydrogen co-fired power generation

- In March 2024, we started a demonstration test of hydrogen co-fired power generation at the Yoshinoura Multi-Gas Turbine Power Plant (rated 35,000 kW). (Project implementation period: FY2023 to FY2025)
- In the test conducted on March 14, hydrogen co-firing at a ratio of 30% by volume was achieved at rated output. In fiscal 2024, we continued to conduct various tests, including frequency response tests with the aim of establishing hydrogen co-firing power generation technology for adjustable power sources.
- This is a pioneering effort in Japan for the adoption of hydrogen co-firing at an existing thermal power plant for commercial use.
- This demonstration is one of the pillars of our roadmap for achieving net-zero CO₂ emissions by 2050, and we will continue to conduct tests under actual commercial systems with the aim of establishing hydrogen co-firing power generation technology for adjustable power sources.
- We will actively contribute to the establishment of a hydrogen society by becoming a first mover in the utilization of hydrogen in the Okinawa area. At the same time, we will build a sustainable energy system and promote initiatives to balance the stable supply of energy with measures against global warming.

Overall business picture

NEDO subsidized project name

Development of Hydrogen Co-firing Operation Technology for Adjustable Power Supply Using Commercial Systems and Construction of Hydrogen Utilization Model in the Okinawa Region



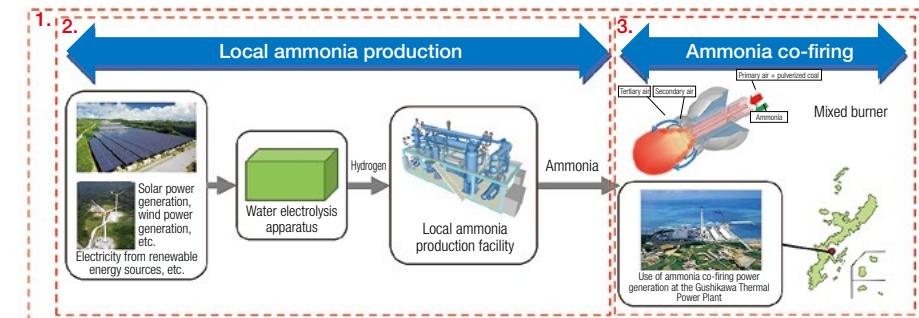
Research project on local consumption of ammonia in coal-fired thermal power stations

- We applied for the "FY2022 Okinawa Clean Energy Promotion Survey Project" in the open recruitment held by the Okinawa General Bureau of the Cabinet Office, and the "Survey Project on Consumption of Clean Fuel Ammonia in Local Production Areas in the Okinawa Region" was adopted.
- Ammonia co-firing in coal-fired power plants is expected to be an effective way to decarbonize thermal power sources in Okinawa, where reducing CO₂ emissions is an issue.
- In this survey, we investigated the feasibility and business profitability of using local production and consumption of ammonia as a clean fuel by co-firing ammonia at coal-fired power plants (local consumption) while contributing to the use of renewable energy through ammonia production (local production) using electricity derived from renewable energy. We will continue our efforts to realize a decarbonized society in the region.

Specific details of the investigation

- Investigate the possibility of co-firing ammonia produced locally at the Gushikawa Thermal Power Plant
- Investigate production and supply of local ammonia
- Investigate remodel for ammonia co-firing at the Gushikawa Thermal Power Plant

Overall business picture



Construction of a new power source at the Makiminato Thermal Power Plant

We have decided to construct new power generation facilities on the premises of our Makiminato Thermal Power Plant in order to enhance supply reliability and reduce CO₂ emissions from thermal power generation.

As the existing heavy oil thermal power units that have supported the power grid of Okinawa's main island have been in operation for over 40 years, we aim to systematically replace them with appropriate power generation equipment in view of achieving carbon neutrality by 2050, thereby realizing both stable power supply and decarbonization.

The facilities have the latest high-efficiency gas turbine combined cycle that uses natural gas, which has low environmental impact, as fuel. Furthermore, in order to enable the use of clean fuels (such as ammonia) that do not produce CO₂ during the generation process, we will select the specifications during the design and construction phases. This will contribute to our goal of achieving net-zero CO₂ emissions by 2050.

Aiming for the start of operations in FY2032, after conducting necessary permit applications such as environmental impact assessments for construction, we will proceed with construction works with safety first, while obtaining understanding and cooperation from local residents and related parties.

• Main specifications

1. Location : Premises of Makiminato Thermal Power Plant
2. Power generation method : Gas turbine combined cycle
3. Development capacity, number of units : Approximately 130,000 kW × 1 unit (generator end output)
4. Fuel : Natural Gas, conversion to the Clean fuel (In the future).
5. Fuel supply method : Supply via gas pipeline from Yoshinoura Thermal Power Plant Pipeline supply
6. Start of operation : FY2032 (planned)

Other Initiatives

Comprehensive partnership agreements with municipalities and private companies, etc. (Conclusion of comprehensive agreements: 13)



▲ Entering into the comprehensive partnership agreement with OIST

• Expected effects of concluding a partnership agreement

In signing this partnership agreement, we plan to introduce PV-TPO (a solar third-party ownership model), which is one of the initiatives to make renewable energy a mainstay, provide the “Uchinaa CO₂-free plan”, promote initiatives such as joint research and projects aimed at creating new technologies that help solve the problem of decarbonization and contribute to society, and conduct beach cleaning activities and environmental education, etc.

Participation in the GX League

The GX League is a forum where companies aiming to realize sustainable growth in current and future society by taking on the challenge of GX, with a view to achieving carbon neutrality in 2050 and social transformation, collaborate with groups of companies engaged in similar efforts, as well as government and academia.

We participate in the GX League because we believe that our company's initiatives and thinking toward zero emissions align with the direction aimed by the GX League.

Measures for TCFD Recommendations

One of the fundamental directions of the Company's management is to carry out its business activities "aggressively taking on carbon neutrality". Achieving carbon neutrality by 2050 is one of our responsibilities as a comprehensive energy company rooted in the region, and we believe that doing so will lead to the realization of a sustainable society in Okinawa by taking a unique path that does not have a significant impact on the local economy based on the characteristics of the region, namely a "Just Transition in the Okinawa area".

In order to steadily advance toward carbon neutrality, we will utilize the framework of the TCFD Recommendations to disclose information, appropriately respond to the risks and opportunities posed by climate change in our business activities, strive to increase corporate value, enhance information disclosure, and contribute to the realization of a sustainable society together with all stakeholders.

Governance

- Addressing climate change as an important management issue, we regularly hold meetings of the "Carbon Neutral Promotion Committee", chaired by the President, to discuss various measures and issues related to climate change, and strive to improve and enhance initiatives, etc. In addition to reporting the results of deliberations and management status to the Board of Directors, when significant issues related to climate change occur, reports will be made as appropriate and confirmation will be received.
- The Priority Action Policies were discussed by the "Carbon Neutrality Promotion Committee" and reflected in the management plan and policies. It was decided that the Board of Directors will discuss and decide the policy, and execution status of the business plan will be reported to the Board of Directors by each division.
- The OEPC Group Medium-Term Management Plan 2025 was formulated through the Board of Directors, including a long-term plan for achieving carbon neutrality by 2050.

■ Main matters to be reported to the Board of Directors (FY2024)

- Report on investment in the GX Acceleration Agency
- 2050 Zero-emission roadmap progress report
- Report on TCFD information disclosure



In September 2019, OEPC expressed to support the Recommendations adopted by the Task Force on Climate-related Financial Disclosures (TCFD).

* Task Force on Climate-related Financial Disclosure established by the Financial Stability Board (FSB) in response to the proposal of G20 Finance Ministers and the Central Bank

Board of Directors

Carbon Neutrality Promotion Committee

Chairperson: President
Vice Chairperson: General Manager of the CN Division
Committee Member: Executive Officers

Study Group on Mainstreaming of Renewable Energy

Chairperson: General Manager of the CN Division
Members: Heads of relevant departments

Study Group on Low-Carbon Thermal Power and Power Sources

Chairperson: General Manager of the CN Division
Vice Chairpersons: General Manager of the Planning Division, General Manager of the Power Generation Division
Members: Heads of relevant departments

Risk management

We check the status of risk management every year to prevent risks and quickly respond if risks occur. Business and financial risks, including risks related to climate change, are checked separately by coordinating with the relevant departments. Physical risks associated with climate change are assumed to be particularly important. The Equipment Department evaluates them from the perspective of protecting the equipment and ensuring the safety of employees. We prescribe regulatory documents such as risk management manuals, prepare for the occurrence of risks by conducting drills, simulate disasters caused by typhoons and tsunami, perform periodic evaluation and analysis of the effectiveness of our disaster prevention plan, examine risk mitigation measures, and take appropriate actions. The status of risk management is reported to senior management during management reviews.

Strategies — Referring climate change scenarios —

Since FY2020, we have been working to identify future climate change risks and opportunities by referring to multiple scenarios.

Possible events related to climate-related risks and opportunities in our company are summarized as follows: the 2°C Scenario, where necessary measures are taken to limit temperature rise to 2°C or less; the 1.5°C Scenario, where stricter measures are required than the 2°C Scenario; and the 4°C Scenario, where climate change measures exceeding the current level are not taken and decarbonization does not progress.

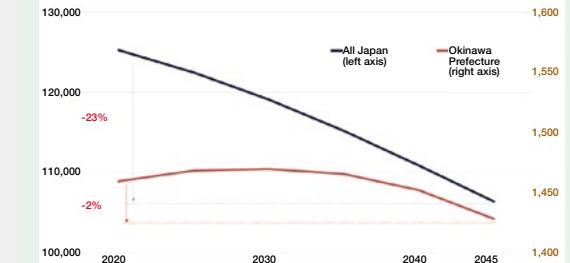
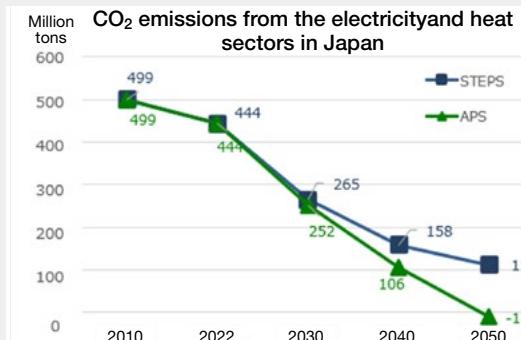
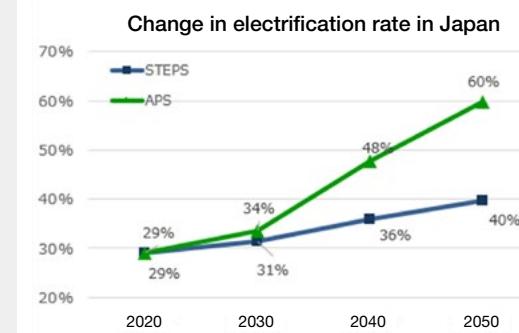
* In the midst of many long-term uncertainties, this is a summary of possible events for our company and it does not indicate future prospects.

Referring to the World Energy Outlook 2024 of the International Energy Agency (IEA), the transition risks and opportunities for a decarbonized society were summarized.

In the 2°C Scenario (APS), while a certain degree of growth in electricity demand is expected due to the increasing decarbonization of society, there is a possibility that the cost of strengthening policies and regulations will increase. Furthermore, these trends may be more pronounced in the 1.5°C Scenario (NZE). We also believe that a number of technological breakthroughs and economic benefits must be achieved in the transition process.

2°C Scenario

1.5°C Scenario



Source: Prepared by our company based on "Regional Population Projections for Japan (2018 estimate)" (National Institute of Population and Social Security Research) (<https://www.ipss.go.jp/pp-shichiyoson/shichiyoson18/t-page.asp>).

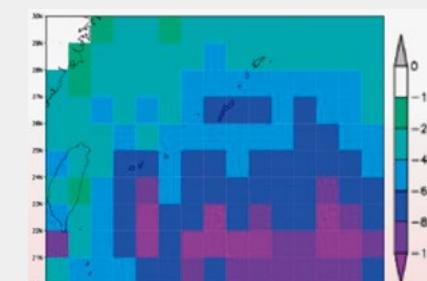
According to the National Institute of Population and Social Security Research, the population of Okinawa Prefecture is expected to decline by about 5% in 2050. Therefore, in Okinawa, the degree of impact on electricity demand due to population decline is limited, and electricity demand is expected to grow steadily, as electrification is expected to promote decarbonization.

4°C Scenario

We compiled physical risks, such as abnormal weather and opportunities by referring to RCP 8.5 of the IPCC (Intergovernmental Panel on Climate Change).

As a result of organizing future changes around Okinawa Prefecture around 2050 in the RCP 8.5 scenario from existing literature and existing data sets, it is possible that the number of future typhoons passing through the waters around Okinawa, especially in the southern part of the sea area, will decrease.

On the other hand, it is considered that the passing frequency of "strong" typhoons with high maximum wind speeds will increase.



Changes in the number of typhoons passing through the waters around Okinawa around 2050 (difference of future climate minus present climate) [units/10 years]

Strategies —Summary of risks and opportunities related to climate change—

We classify the “Risks and opportunities related to climate change” as shown in the table below.

Risk			Manifestation timing Short-to medium-term Long-term	Degree of impact	Risk Overview (Financial Impact)	OEPC Group Initiatives
Transition Risks	Policy/Regulatory Transition to decarbonization policies Increasing requirements to reduce CO ₂ emissions	1	Decline in the competitiveness of coal-fired power (Change in the role of thermal power plants)	High	Costs associated with policy-driven decommissioning of inefficient coal-fired power plants. These include increased investment and depreciation costs related to power plant replacement, the incurrence of removal costs for existing facilities, and higher fuel costs associated with the phase-out of coal-fired units.	<ul style="list-style-type: none"> Examination of expanding the introduction of clean fuels (biomass) Promotion of studies on ammonia co-firing and next-generation power sources
		2	Introduction of carbon pricing, etc	High	Substantial cost increases are expected if carbon pricing is introduced. On the other hand, reducing CO ₂ emissions through various climate-change initiatives would correspond to mitigating the financial impact by approximately 18 billion yen. <small>* IEA WEO 2024 carbon price estimates for 2030 Estimated based on (NZE: US \$140/t-CO₂, APS: US \$135/t-CO₂)</small>	<ul style="list-style-type: none"> To reduce GHG emissions, promote initiatives that contribute to “making renewable energy a mainstay” and “reducing CO₂ emissions from thermal power sources,” as outlined in the “Roadmap for Achieving Net-Zero CO₂ Emissions by 2050.”
		3	Impacts of fossil fuel costs due to reduced fuel supply	High	As the need for carbon neutrality increases, investment in upstream fossil fuel development is expected to stagnate and supply shortages may occur, making procurement more difficult and causing fuel prices to rise. If fuel costs were to increase by 1%, the estimated financial impact would be 850 million yen (based on FY2024 results).	<ul style="list-style-type: none"> Diversification of procurement sources Monitoring price trends Examination of introducing alternative fuels (such as hydrogen and ammonia)
		4	Impacts on fuel costs associated with the introduction of clean fuels (hydrogen, ammonia, etc.)	High	Utilizing clean fuels such as hydrogen and ammonia is effective for reducing CO ₂ emissions from thermal power sources. Although the government is promoting the deployment of decarbonized power sources using hydrogen and ammonia under its GX Promotion Strategy, island regions face small and dispersed demand, as well as technical challenges related to establishing multiple supply bases and transportation. As a result, fuel prices are expected to be higher compared to mainland regions.	<ul style="list-style-type: none"> Examination of supply chain development in cooperation with other demand sectors
		5	Impact on fuel costs due to the transition from coal to LNG (further utilization of LNG)	High	A financial impact is expected due to fluctuations in fuel costs associated with the shift from coal to LNG.	<ul style="list-style-type: none"> Monitoring price trends
Market/Service	Technology Advancement of low-carbon and decarbonization technologies	6	Increase in grid-stabilization costs (expanding renewable energy integration driven by technological progress)	Medium	As the introduction of renewable energy expands, thermal power plants are increasingly required to operate as balancing resources to respond to fluctuations in supply and demand, resulting in lower capacity factors and reduced thermal efficiency. In addition, the cost of capital investments—such as storage batteries—for grid-stabilization measures is expected to increase.	<ul style="list-style-type: none"> Utilization and enhancement of grid-stabilization technologies Development and utilization of VPP and DR systems leveraging digital transformation (DX)
	Market/Service Changes in customer preferences	7	Impact on sales due to shifts in customer preferences (growing environmental awareness)	Small to medium	There is a possibility that sales will not grow due to competition with other companies offering environmentally conscious products and a decline in electricity sales resulting from advances in energy-saving technologies.	<ul style="list-style-type: none"> Strengthening the deployment of decarbonization solutions and comprehensive energy services
	Reputation Change in corporate image	8	Decline in societal evaluation due to responses to climate change (CO ₂ emissions)	Small to medium	There is a risk that efforts to address climate change may be evaluated as insufficient by investors and other stakeholders, leading to higher funding costs. <small>If the interest rate on long-term financing in FY2024 were to fluctuate by 0.1%, the estimated financial impact would be 40 million yen.</small>	<ul style="list-style-type: none"> Expanding initiatives to address climate change Enhancing climate-related information disclosure Strengthening engagement with shareholders and institutional investors
Physical Risks	Acute Intensification of extreme weather events	9	Damage caused by the intensification of typhoon strength (increased recovery costs)	Small to medium	In the waters surrounding Okinawa, the number of typhoons passing through is expected to decrease, while the proportion of stronger typhoons is projected to increase. As a result, the likelihood of large-scale equipment damage and facility accidents may rise. <small>The potential impact is estimated at 1 billion yen (based on the most recent maximum damage recorded in FY2023).</small>	<ul style="list-style-type: none"> Introduction of equipment with high wind-resistance performance Appropriate maintenance and management of facilities Rapid response for early restoration Implementation of disaster-prevention and recovery drills to prepare for emergencies Strengthening cooperation with local governments and relevant organizations
		10	Damage caused by torrential rainfall	Small to medium	Damage to facilities may occur due to flooding caused by torrential rainfall and other extreme weather events associated with climate change, as well as landslides in vulnerable areas.	<ul style="list-style-type: none"> Strengthening transmission and distribution facilities Enhancing countermeasures in landslide-prone areas Rapid response for early restoration Strengthening cooperation with local governments and related organizations
		11	Impacts on fuel suppliers due to climate-change-related disruptions	Small to medium	There is a possibility that rising air and sea temperatures and drought conditions associated with climate change may hinder the operation of power generation facilities. <small>If fuel costs were to increase by 1%, the estimated financial impact would be 850 million yen (based on FY2024 results).</small>	<ul style="list-style-type: none"> Diversification of procurement sources Monitoring price trends
Chronic	Changes in climate patterns	12	Impacts on operations and other activities due to changes in weather patterns	Small to medium	There is a possibility that rising air and sea temperatures and drought conditions associated with climate change may hinder the operation of power generation facilities.	<ul style="list-style-type: none"> Improvement and upgrading of equipment

* Occurrence timing has been set as “short to mid: by 2030” and “long: by 2050”.

* The impact levels were rated as “Large: Impact would cause business to stop, or significantly shrink or expand”, “Medium: Impact a portion of business”, and “Small: Minor impact”.

* The contents of this table summarize events that the Company can think of in the midst of many uncertainties, and do not indicate future outlook.

Strategies —Summary of risks and opportunities related to climate change—

We classify the “Risks and opportunities related to climate change” as shown in the table below.

Opportunity			Manifestation timing Short- to medium-term	Degree of impact	Overview of Opportunities (Financial Impact)	OEPC Group Initiatives
Opportunity	Energy Source	1 Further expansion of LNG utilization				
	Products and Service/Market	2 Utilization of Low- and Zero-Carbon Power Sources (Expansion of services that contribute to increased renewable energy adoption, including distributed power sources)	Long-term	Small to medium	As the transition to a low-carbon and decarbonized society progresses, market demand for natural gas—which emits less CO ₂ than other fossil fuels—is expected to increase, leading to higher revenues in the gas business.	• Expanding LNG sales channels through collaboration within the OEPC Group
		3 Changes in Electricity Demand Structure Due to Climate Change	Long-term	Small to medium	As initiatives toward zero-emissions and other climate-change measures accelerate, revenue growth is expected through the expansion of overseas businesses that leverage the OEPC Group's expertise in integrating renewable energy into small-scale power systems and its knowledge of grid-stabilization technologies. SeED Okinawa LLC, which develops overseas businesses utilizing our Group's technical expertise, recorded sales of approximately 200 million yen in FY2024.	• Expanding overseas business through collaboration within the OEPC Group
		4 Increasing Customer Demand for Environmentally Conscious Menu Option	Long-term	Small to medium	Increase in electricity demand driven by advances in electrification. If electricity demand were to increase by 1%, the estimated increase in revenue would be approximately 1.8 billion yen (calculated based on FY2024 lighting and power service revenues).	• Strengthening the deployment of decarbonization solutions and comprehensive energy services • Implementing effective promotions based on customer needs
	Resilience	5 Enhancing corporate value through strengthened resilience accumulated over many years of typhoon response	Long-term	Small to medium	The spread of environmentally conscious services—such as “Kari-roof (PV-TPO),” which supports compliance with energy-efficient housing and ZEH standards, all-electric homes, and the “Uchinaa CO ₂ -Free Menu”—is expected to grow. Proactive measures—such as abrasion-resistant power lines and low-wind-pressure conductors—as well as the reinforcement of system redundancy to enable rapid restoration, have strengthened the OEPC Group's resilience to natural disasters and contributed to increased corporate value.	• Strengthening distribution facilities • Rapid response for early restoration • Study and development of new technologies

* Occurrence timing has been set as “short to mid: by 2030” and “long: by 2050”.

* The impact levels were rated as “Large: Impact would cause business to stop, or significantly shrink or expand”, “Medium: Impact a portion of business”, and “Small: Minor impact”.

* The contents of this table summarize events that the Company can think of in the midst of many uncertainties, and do not indicate future outlook.

Indicators and Targets

We announced our long-term guidelines, "OEPG's Approach to Zero Emissions – Towards 2050 Net-Zero CO₂ Emissions," in December 2020. Based on this 30-year roadmap, we will implement a variety of measures along two strategic directions: "making renewable energy a mainstay" and "reducing CO₂ emissions from thermal power."

We have set an ambitious target of achieving a "30% reduction in FY2030 (compared to FY2005)" and will accelerate the "Just Transition in the Okinawa area" through a full range of initiatives, including the various carbon-neutral measures outlined in our roadmap.

Reduce CO₂ emissions by
30%
in FY2030 compared to FY2005

Addition of
+100,000 kW
renewable energy in FY2030

→ See p.51 - p.56 for details on the roadmap.

- Progress and outlook of major measures toward CO₂ reduction targets

Supply chain greenhouse gas emissions

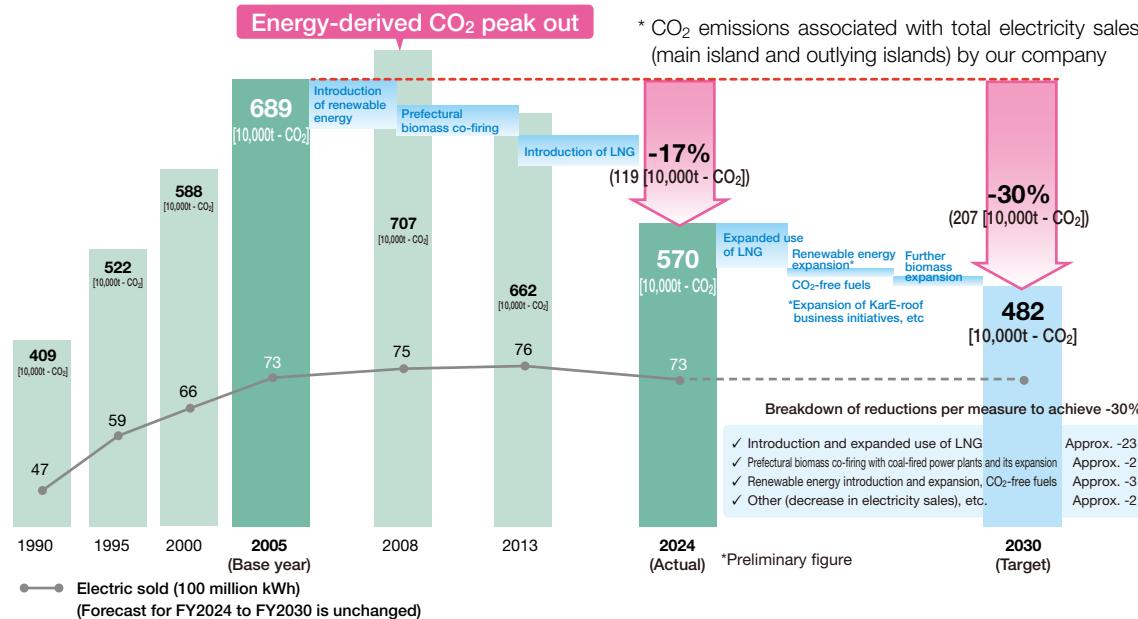
[10,000 t -CO₂]

Scope	2022	2023	2024
Scope 1 Direct emissions of greenhouse gases as defined in the Act on Promotion of Global Warming Countermeasures*	456	400	437
Scope 2 Indirect emissions from the use of electricity and steam purchased from other companies	0.3	0.2	0.3
Scope 3	153	171	181
Category 2 Capital goods	9.2	15.6	9.6
Category 3 Fuel- and energy-related activities not included in Scope 1 or 2	133.8	145.5	161.2
Category 4 Upstream transportation and distribution	0.02	0.007	<0.001
Category 5 Waste generated in operations	0.6	0.4	0.7
Category 6 Business travel	0.02	0.02	0.02
Category 7 Employee commuting	0.07	0.07	0.07
Category 11 Use of sold products	8.8	9.3	9.8

*1 Direct emissions of greenhouse gases as defined in the Act on Promotion of Global Warming Countermeasures (CO₂, N₂O, HFC, SF₆, etc.)

Energy-derived CO₂ peak out

* CO₂ emissions associated with total electricity sales (main island and outlying islands) by our company



Response to the TNFD Recommendations

One of the basic directions of our company's management is to "Fulfill social responsibility as a good corporate citizen of local communities". Under the OEPC Group Environmental Policy, we work to enhance environmental conservation measures at power plants and other places, while paying attention to biodiversity and striving for local environmental conservation.

In line with the TNFD Recommendations v1.0, we have recently advanced our considerations toward disclosing nature-related information.

* TNFD: Taskforce on Nature-related Financial Disclosures, which is an international framework to build a structure for companies to appropriately assess risks and opportunities related to natural capital and biodiversity and disclose financial information.

TNFD's recommended disclosures

Governance

Disclose the organization's governance of nature-related dependencies, impacts, risks and opportunities.

Strategy

Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organization's business model, strategy and financial planning where such information is material.

Risk and impact management

Describe the processes used by the organization to identify, assess, prioritize and monitor nature-related dependencies, impacts, risks and opportunities.

Metrics & targets

Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks, and opportunities.

Introduction

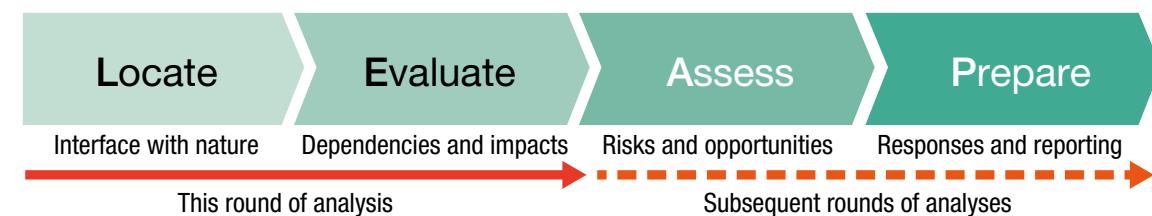
In disclosing information based on the TNFD Recommendations, we aim to follow the sequential processes of the four-phase LEAP approach, through which we progressively assess our interactions with nature, our dependencies and impacts, and the related risks and opportunities for disclosure.

In this round of analysis, to prepare for the disclosure of the **governance** and **strategy** pillars, we evaluated the dependencies and impacts of our business activities on natural capital.

(Locate phase and Evaluate phase)

Governance

To conduct environmentally conscious business activities, we have established the Environmental Affairs Committee chaired by the President and the Environmental Managers' Council as a subordinate body of the committee. These two bodies examine and implement overall environmental initiatives including nature-related issues. (For details, please see **P67 "Enhancement of Environmental Management".**)



Analysis scope and methodology

[Target businesses] Our core power generation business

[Facilities] Seven power plants on Okinawa Island (five thermal power plants, Ogimi Wind Power, Abu Mega Solar)

[Methodology] We utilized ENCORE, a global data-based assessment tool, to evaluate each business site in accordance with the characteristics of its operations and the conditions of the surrounding area.

In addition to analysis results from the tools, we conducted in-house analysis to examine our relationships with nature, which are important for our company, to more accurately reflect our business characteristics.

Strategy: Analysis and evaluation of dependencies and impacts

We utilized the ENCORE analysis tool to analyze and evaluate how much our business activities depend on and impact natural capital, covering the power generation business. Furthermore, drawing on ENCORE analysis results, we conducted evaluations that reflect actual operation of our power plants. The evaluation results are as shown in Tables 1 and 2 below.

- For thermal power generation, because cooling water mainly uses seawater and it is a low water risk area, dependency on water supply and water flow regulation is evaluated as low. Also, since it is less affected by climate, dependency on climate regulation is evaluated as low.
- For wind power generation and solar power generation, because they utilize the climate elements of wind and sunlight respectively, they are evaluated as being extremely highly dependent on climate regulation that regulates those climate elements.
- For thermal power generation, impacts on nature for items other than climate change (GHG emissions) are evaluated as low. This is because we implement appropriate environmental conservation measures such as installation of desulfurization and denitrification devices, electrostatic precipitators, and wastewater treatment equipment. It is also because we conduct monitoring of emissions and undertake various other environmentally conscious initiatives.
- For wind power generation, because it is constructed on existing developed land, impact on land use (terrestrial) is evaluated as low. In addition, because wind power generation and solar power generation use no water, water use is evaluated as having no relevance.
- In this round of analysis, the impact of thermal power generation (coal) on climate change (GHG emissions) is evaluated as very high, considering high CO₂ emission intensity and large power generation amount. At our company, to reduce GHG emissions in thermal power generation, we are expanding use of LNG with low CO₂ emission intensity and advancing biomass co-firing using construction waste generated in the prefecture in coal-fired power.

Table 1 Our dependencies on nature

Type of power generation		Dependencies							
		Provisioning services		Regulating and maintenance services					
		Water supply	Global climate regulation	Local climate regulation	Soil and sediment retention	Solid waste remediation	Water purification	Water flow regulation	Flood mitigation
Thermal power generation	Heavy oil	L	VL	VL	L	L	L	L	M
	Coal	L	VL	VL	L	L	L	L	M
	LNG	L	VL	VL	L	L	L	L	M
Wind power generation		—	VH	M	L	—	—	—	—
Solar power generation		—	VH	M	L	—	—	—	—

Table 2 Our impacts on nature

Type of power generation		Impact							
		Land and freshwater use change		Resource use	Climate change	Pollution			Other
		Terrestrial ecosystem use	Freshwater ecosystem use	Water use	GHG emissions	Non-GHG pollutants	Soil and water pollutants	Solid waste	Disturbances (e.g. noise, light)
Thermal power generation	Heavy oil	L	L	L	M	L	L	L	L
	Coal	L	L	L	VH	L	L	L	L
	LNG	L	L	L	M	L	L	L	L
Wind power generation		L	—	—	—	—	VL	VL	M
Solar power generation		L	—	—	—	—	VL	VL	VL

[Reference] Dependencies on nature in ENCORE

Type of power generation		Dependencies							
		Provisioning services		Regulating and maintenance services					
		Water supply	Global climate regulation	Local climate regulation	Soil and sediment retention	Solid waste remediation	Water purification	Water flow regulation	Flood mitigation
Thermal power generation	H	M	L	M	M	M	H	M	
Wind power generation	VL	VH	M	M	—	—	M	H	
Solar power generation	M	VH	M	M	—	—	M	M	

VH ...Very High

L ...Low

H ...High

VL ...Very Low

M ...Medium

— ...Not relevant

[Reference] Impacts on nature in ENCORE

Type of power generation		Impact							
		Land and freshwater use change		Resource use	Climate change	Pollution			Other
		Terrestrial ecosystem use	Freshwater ecosystem use	Water use	GHG emissions	Non-GHG pollutants	Soil and water pollutants	Solid waste	Disturbances (e.g. noise, light)
Thermal power generation	M	M	M	VH	VH	VH	H	VH	
Wind power generation	H	—	L	—	—	VL	VL	M	
Solar power generation	L	—	L	—	—	VL	VL	VL	

Going forward, we will continue our efforts to progressively expand the scope of our disclosures by identifying and evaluating nature-related risks and opportunities based on the dependencies and impacts we have identified.

3 Infrastructure to Support Value Creation by the OEPC Group



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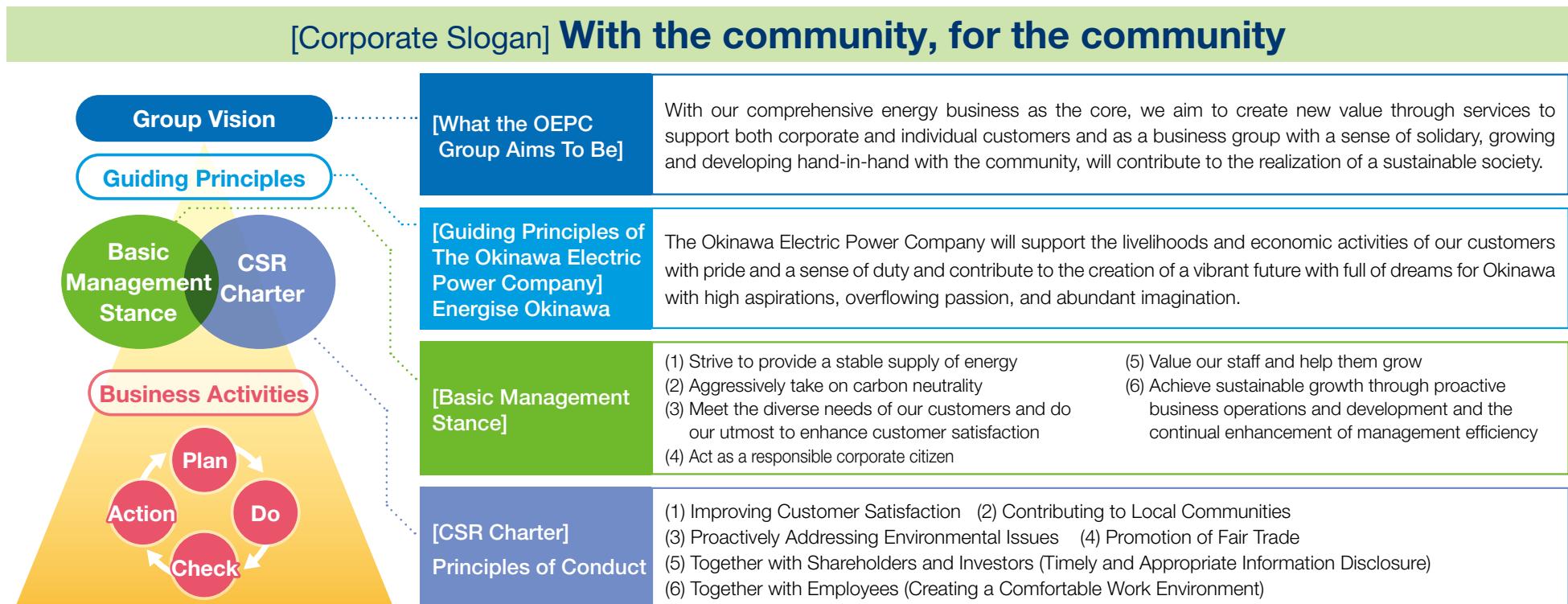
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CSR Initiatives

The goal that the OEPC Group aims to achieve through the CSR activities is to realize the OEPC Group Vision and Guiding Principles with our business activities. We will continue to do our best to realize this goal with the collective wisdom of each one of us.



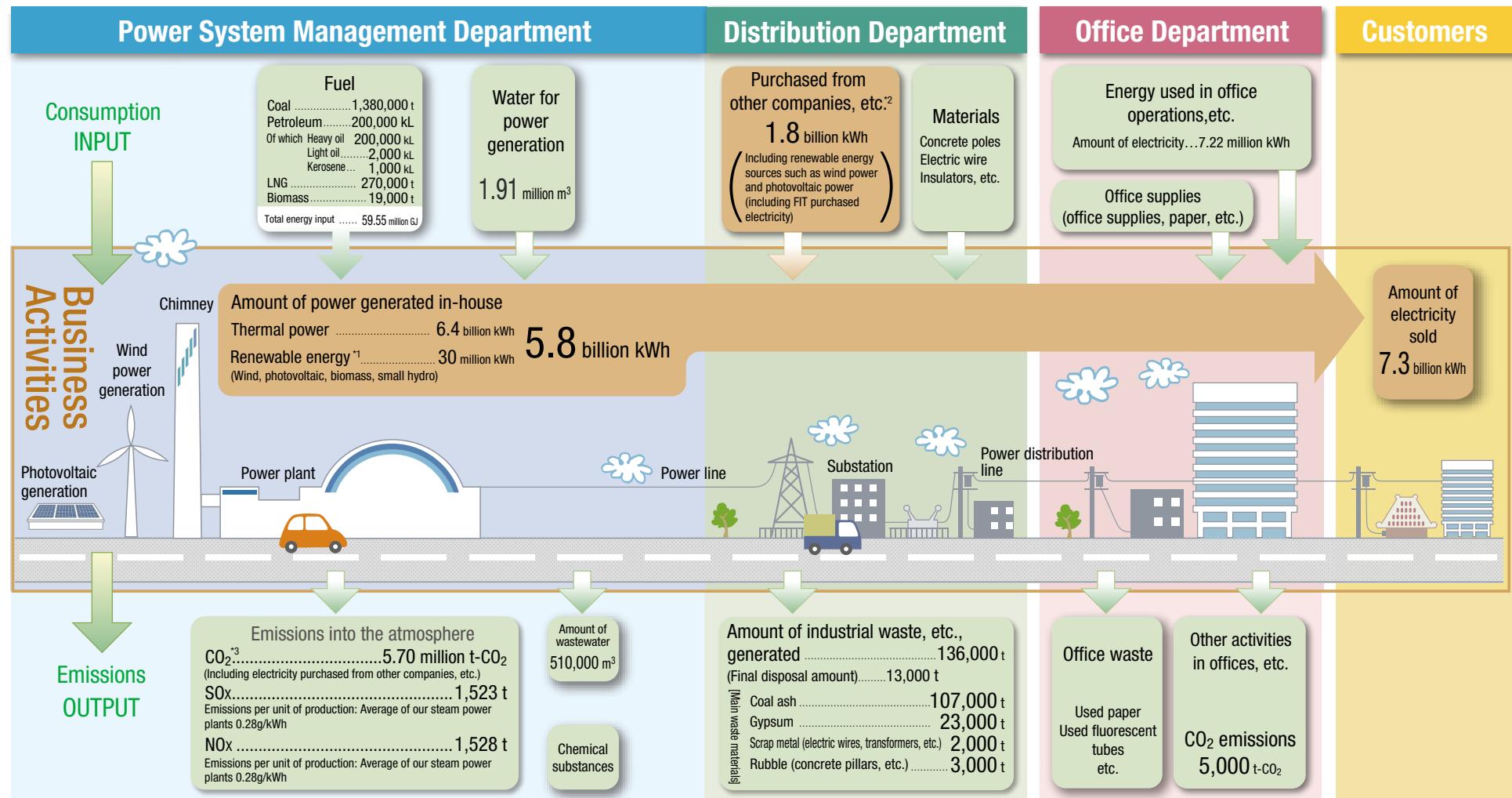
Our Group is engaged in various CSR initiatives in line with the management philosophy, including measures to effort to global warming countermeasures.

We will proactively address the Sustainable Development Goals (SDGs) adopted by the United Nations through initiatives such as zero emissions.



Overview of Environmental Footprint

To deliver electricity to our customers, the Power Generation and Distribution Departments use fuels and other materials to generate electricity, and CO₂ and waste materials are generated during this process. Our company strives to assess and reduce the environmental impact of our operations, including the resources used and office activities, to limit the environmental impact of our business as a whole.



*1 The amount of electricity generated from our own renewable energy sources is the amount of electricity at the transmission end.

*2 Including the amount of electricity received from other companies and the amount deducted from the transmission of electricity to other companies.

*3 Emissions related to the electricity sales for our Company (main island + remote islands) are estimated. (Total values may not match due to rounding.)

◇ For more information on our environmental initiatives, please refer to our website.

[Top Page](#) ▶ [OEPG Initiatives](#) ▶ [Our Environmental Activities](#)



Enhancement of Environmental Management

The OEPC Group considers environmental issues to be the most important management issues because we want to become a driving force for Okinawa through energy and connect Churashima (the pure beautiful islands) to the future. We are developing various initiatives based on the OEPC Group Environmental Policy as a corporate group responsible for the global environment to retain the trust of local communities and customers.

Proactive promotion of environmental action management system

We have established the “Environmental Action Management System”, which is operated to carry out environmentally friendly business activities and conduct environmental activities by setting environmental targets, using the results for further improvement.

• Promotion System

We have established the “Environmental Affairs Committee” chaired by the President, and the “Environmental Managers’ Council” and “Environmental Managers’ Council of the OEPC Group”, as subordinate bodies of the committee, for the proper operation of the Environmental Action Management System. The committee examines issues about environmental problems and decides policies and measures after deliberation.

We have also formed an “Environmental Action Promotion Committee” in each department, and each OEPC Group company and the entire Group engages proactively in environmental action. We conduct internal environmental audits to confirm that the environmental action system is functioning effectively.

• Promotion Structure



OEPC Group Environmental Policy

Environmental Philosophy

The OEPC Group strives to promote group-wide environmental action and enhance environmental management to enable us to leave a rich and beautiful global environment to future generations, conducting our business activities with maximum emphasis on the environment. Each individual employee proactively acts toward realization of the sustainable development of our society, with a high level of awareness.

Environmental Action Guidelines

1. Promotion of global warming countermeasures
2. Promotion of local environmental conservation
3. Promoting a recycling-oriented society
4. Promoting environmental communication
5. Enhancement of environmental management

Enacted: March 11, 2008 7th edition : Revised: June 12, 2023

OEPC Group Medium-Term Environmental Targets

We have set mid-term targets for environmental action in our “Environmental Action Guidelines” for improvements required over the medium term, and the promotions are progressing steadily.

Environmental Action Guidelines	No.	Item	Medium-Term Environmental Targets (FY2026)
Promotion of Global Warming Countermeasures	1	Reduction of CO ₂ emissions	Strive to achieve the ambitious target of reducing CO ₂ emissions by 30% by FY2030 (compared to FY2005) [Initiatives] • Mainstreaming of renewable energy (+100,000 kW) • Reducing CO ₂ emissions from thermal power plants • Promoting electrification
Promotion of Local Environmental Conservation	2	Proper disposal of PCB waste	Dispose of all waste by the legally mandated disposal deadline.
Promoting a Recycling-Oriented Society	3	Promotion of the 3Rs of industrial waste	Recycling rate: 95% or more
	4	Promotion of green purchasing	Green purchasing rate: 85% or more
Promoting Environmental Communication	5	Promotion of measures against marine plastics	Promote beach (river) cleaning activities.

(6th edition : Enacted: December 13, 2023)

Overall environmental targets and results for fiscal year

A report is presented here on the achievement status of the overall environmental targets of FY2024 that were set based on the “OEPC Group Mid-Term Environmental Targets” and “FY2024 Environmental Action Implementation Plan”.

Evaluation standards for FY2024 results		Qualitative goals	Implemented	Partially implemented	Not implemented	Numerical targets	Target achieved	80% or more achieved	Efforts can be confirmed.	Not implemented
Environmental Action Guidelines	No.	Item	FY2024 Targets				FY2024 Results			Evaluation
Promotion of Global Warming Countermeasures	1	Reduction of CO ₂ emissions	Strive to limit CO ₂ emissions through various measures, such as the stable operation of the Yoshinoura Thermal Power Plant, which uses LNG as fuel, and utilization of renewable energy, operation by the mixed firing of woody biomass fuel, conducting verification tests for the stable operation of photovoltaic and wind power generation, and maintaining thermal efficiency of thermal power plants.				We have strived to limit CO ₂ emissions through various measures such as the stable operation of the Yoshinoura Thermal Power Plant, which uses LNG as fuel, and utilization of renewable energy, mixed firing of woody biomass fuel for coal-fired thermal power, and conducting verification tests for the stable operation of photovoltaic and wind power generation.			
	2	Reduction of electricity consumption in offices  *1	1% reduction from the previous fiscal year				1.0% decrease			
Promotion of Local Environmental Conservation	4	Proper disposal of PCB waste	Appropriately store and manage all PCB waste, and continue to promote the treatment of PCB waste.				Properly stored and managed all PCB waste; promoted steady disposal of PCB-contaminated oil and PCB-contaminated equipment.			
Promoting a Recycling-Oriented Society	5	Promotion of the 3Rs of industrial waste	Recycling rate: 95% or more				90%			
	6	Promotion of green purchasing  *1	Green purchasing rate: 85% or more				89%			
Promoting Environmental Communication	7	Implementation of environmental action panel exhibitions  *1	12 times/year				14 times/year			
	8	Participation in environmental volunteer activities  *1*2	2 times/person/year				1.4 times/person/year			
	9	Promotion of measures against marine plastics  *1	Beach (river) cleanup activities 30 times/year				130 times/year			
	10	Conducting energy and environmental education  *1	50 times/year				50 times/year			

*1. For item , we aggregated data for 13 Group companies including OEPC. *2. Includes participation by family members, acquaintances, and friends of executives and employees.

Promotion of Local Environmental Conservation

The bountiful nature benefits our lives in a variety of ways. Our company engages in business activities by remaining connected with the local natural environment, including the air and sea. Our company gives due consideration to the environmental impact of our business activities, and we take various environmental protection measures while aiming to be in harmony with the local environment, so that we can pass on nature, which is invaluable for our company, to future generations. Our Power Generation Department is working to prevent environmental accidents and reduce our environmental impact through the Environmental Management System that is operated and continuously improved by the joint effort of all the power plants and Head Office departments.

Environmental conservation countermeasures at thermal power plants

We are taking various environmental protection measures related to air, water and noise, to reduce the environmental impact of power plant operation as much as possible.

[Main environmental protection countermeasures]

Measures to protect the atmosphere and water warm discharged water, measures to prevent noise and vibration, odor prevention measures, etc.

For more information on our environmental conservation measures, please refer to our website (environment-related information).



Monitoring the impact on the environment around the power plant

The power plants have entered into an environmental protection agreement with the Okinawa Prefecture and local governments to prevent environmental pollution and preserve the livelihood and natural environment. Based on the agreement, we will also measure the air, water, noise and vibrations, as well as conduct surveys to monitor their impact on the surrounding environment, and we will report the results of these measurements to the applicable parties on a regular basis.



Inspection of air pollution measuring instruments



Marine environment monitoring (coral survey)

Creating facilities in harmony with the environment

Our aim is to create a facility in harmony with Okinawa's blue skies and sea and the rich natural scenery unique to the subtropical region. We are working to create such a facility using a variety of ideas, considering the local landscape.



Power transmission line towers in environmentally harmonized colors (Nanjo City)
We adopted an environmentally friendly color for the transmission towers following the "Nanjo City Scenery and Town Planning Ordinance", taking into account the landscape.



Nagura Power Distribution Tower (Ishigaki Island)
We adopted a red-tiled roof and a building exterior that matched the landscape following the "Ishigaki City Landscape Planning Ordinance".

Environmental protection measures during construction

To protect Okinawa's nature, including the sea, rivers, flora, and fauna, we are taking various measures friendly to the local environment and biodiversity during the construction of power plants and substations and repairs.

Promoting a Recycling-Oriented Society

We promote the 3Rs, Reduce (reducing industrial waste generated from business activities), Reuse, and Recycle, and are working toward “Zero Emissions”, where the amount of final disposal will be reduced to near zero. We strive to appropriately manage and treat discharged industrial waste.

Reduce

• Use of sub-bituminous coal to reduce generation of coal ash and gypsum

Our company generates about half of its electric power in coal-fired power plants, and coal ash and gypsum comprise at least 90% of the industrial waste generated by our company. Our company introduces low-ash, low-sulfur sub-bituminous coal to reduce the amount of coal ash generated. In our effort to increase the life of our coal ash disposal facility and reduce flue gas treatment costs, we purchased 590,000 tons of sub-bituminous coal, which accounted for about 40% of our annual purchases in FY2024.

Reuse

• Reuse of electric wire drums

In FY2024, we collected and reused 317 units, contributing to the reduction of deforestation equivalent to about 73 trees.

• Reuse of materials and equipment for power

Concrete poles and pole top transformers removed during power distribution work are reused after determining whether or not they can be reused. We also repair and reuse energy meters and other equipment as much as possible.



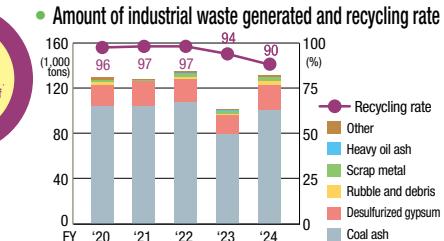
GANJYUDO HASAIZAI

Recycle

• GANJYUDO HASAIZAI [coal-fired power plant]

The coal ash and gypsum generated during power generation are used effectively by recycling as a raw material for cement and as a substitute for sand.

Our group company, Okinawa Plant Kogyo Company, Inc., produces “GANJYUDO HASAIZAI” as a substitute for sand in the coal ash utilization facility on the power plant premises, used for construction work and public works projects throughout the prefecture.



Animal Smile Project

Okinawa Electric Power Company, Incorporated and Okidenko Company, Limited provide Okinawa Zoo & Museum with some of the trees that are cut down to prevent power outages, making effective use of trees that would otherwise be disposed of as industrial waste and reducing the burden of food procurement for the animals.

This initiative is called the Animal Smile Project, and is continuously being carried out by the three parties.



▲ Entering into the agreement on the free provision of felled trees

[OEPC/Okidenko Company, Ltd.]
Cut down trees to prevent power outages



Provision of felled trees

[Okinawa Zoo & Museum]
Use the felled trees as food



Promoting Environmental Communication

We are developing various activities to make as many people as possible aware of the Group's environmental initiatives. We will continue to make efforts to improve and enhance the environmental activities of the OEPC Group through interactions with local communities and questionnaires related to environmental support activities.

Interaction with the local community

Churaumi Okiden Action

The Okiden Group conducted beach and river cleanup activities around its facilities as part of the "Churaumi Okiden Action", in which a total of 1,418 people took part and 278 bags of garbage were collected.



Urasoe West Coast (Urasoe City)



Ohama Beach (Ishigaki City)

Other coral conservation activities include participation in TEAM TYURA SANGO, planting coral seedlings at Okiden Kaihatsu Company, Incorporated and conducting educational activities.



TEAM TYURA SANGO planting

TEAM TYURA SANGO

The organization aims to spread the "heart of cherishing the beautiful sea" through activities such as coral planting. The program started in FY2004, and since then 4,652 people have participated in planting 19,532 coral seedlings.

TEAM TYURA SANGO website



TEAM TYURA SANGO



Community cleanup activities

As the Okiden Group, in order to contribute to the local community and raise the environmental awareness of our employees, in FY2024, 4,796 employees engaged in volunteer cleanup activities along roadsides, etc., around our offices.

The Okiden Group has set an annual target for participation in environmental volunteer activities such as cleaning at 2 times/person/year, and is promoting efforts to beautify the local environment and solve the problem of marine plastics.



Cleanup activities around the Okiden Head Office (Urasoe City)

Environmental conservation organizations that we are a member of or support

- The Japanese Coral Reef Society
- OCCN (Okinawa Clean Coast Network)
- Japan Greenery Research and Development Center
- TEAM TYURA SANGO
- Sea and Beach Environment Beautification and Oil Pollution Control Organization
- Forest Volunteer Okinawa
- Keidanren Committee on Nature Conservation



OCCN (Okinawa Clean Coast Network)

Environmental education support activities

Environmental education at elementary schools and other events

The OEPC Group offers delivery classes on the role of electricity in our daily lives, how electricity is produced, and energy and environmental issues such as global warming, with fun experiments.



Kumejima Otake Elementary School



Okiden presents the 47th Okinawa Youth Science Work Exhibition

Exhibition of environmental action panels

We hold "Environmental Action Panel Exhibitions" at events throughout the prefecture to inform the public about environmental issues and the OEPC Group's environmental efforts, and to listen directly to the opinions of local residents.



Remote Island Fair 2024

Disclosure and communication of environment-related information

Disclosure of environment-related information

We disclose environmental information on our website to report the environmental impact of the OEPC Group's business activities and to facilitate communication both internally and externally.



"Our Environmental Activities" on the OEPC website



Environment initiatives of group companies

Okidenko Company, Limited

- Carbon neutrality on remote islands

In the decarbonization leading area project in Miyakojima City, we are working to introduce renewable energy through the installation of solar power generation and storage batteries. In addition, as part of the Okinawa Clean Energy Introduction Promotion Research Program on Hateruma Island, we participate in a demonstration project that utilizes solar power generation and storage batteries to supply power primarily sourced from renewable energy. Furthermore, with the introduction of solar power generation and storage batteries at our Miyako Sales Office and Yaeyama Sales Office, we contribute to regional decarbonization.



Miyako office



Yaeyama office



Okinawa Plant Kogyo Company, Incorporated

Recycling of coal ash

We are engaged in the manufacture and sale of "GANJYUDO HASAIZAI", a soil substitute material made from coal ash, as well as the sale of coal ash and clinker.



GANJYUDO HASAIZAI

Okinawa Denki Kogyo Company, Incorporated

- Re-use of power meters

We repair, produce, and sell power meters that are used to measure the amount of electricity consumed, and endeavor to reuse the meters after performing repairs.



Repair of electronic power meters

Okiden Kaihatsu Company, Incorporated



Planting coral seedlings

- Planting coral seedling

We hold "coral seedling planting" for the purpose of preserving corals.

Okinawa New Energy Development Company, Incorporated

- Contribution to a decarbonized society

We are engaged in wind power generation and PV-TPO businesses (free solar panel and storage battery installation service).



Wind Power Plant

Okinawa Enetech Company, Incorporated

Life Cycle Assessment (LCA)

We support decarbonization efforts by calculating the environmental impact of our products and services throughout their life cycles.



FRT, Incorporated

FRT, Incorporated

- CN data center initiatives

In addition to our efforts to reduce power consumption in our Internet data centers, we have committed to transitioning our data center power to CO₂ free, renewable energy in 2023.

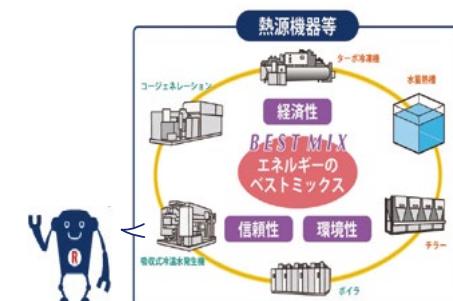


FRT Internet data center

The Reliance Energy Okinawa, Incorporated

- Achieve the best mix of energy

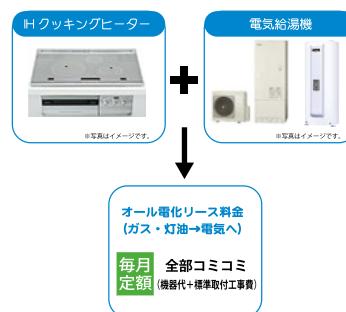
We provide our customers with an energy usage environment that saves energy and reduces CO₂ through our energy service business. We were the first company in Okinawa to win the Energy Conservation Grand Prize and the Minister of the Environment Awards for Climate Action.



Okiden Kogyo Company, Limited

- Promotion of the Rikka Denka Lease

We are working to popularize energy-saving devices by reducing energy prices at night and offering fixed monthly leases for electric water heaters (EcoCute and Electric water heaters) and IH cooking heaters, which are easy to clean and safe since there is no fire involved.



Progressive Energy Corporation

- Promotion of global environmental measures

We sell natural gas, which has a low environmental burden, to industrial and business purpose customers in the prefecture. Reducing CO₂ emissions is a major issue for customers who use petroleum-based fuels, but by using natural gas as fuel, it is possible to reduce CO₂ emissions.



Suzuki natural gas supply center

* ZEB stands for "Net Zero Energy Building," a building that aims to achieve a comfortable indoor environment while reducing its annual primary energy consumption balance to zero.

Relationship With Customers (Improving Customer Satisfaction)

Our goal is to be a company that is trusted and chosen by our customers by taking each customer's voice sincerely and delivering services that will satisfy them even more.

“Customers’ Voices” Feedback Policy

We will do our best to satisfy our customers.

We aim to be the company of choice for our customers by placing “customer satisfaction” at the center of all our operations, sincerely listening to the “voice” of each and every customer, and proactively applying it to our corporate activities.

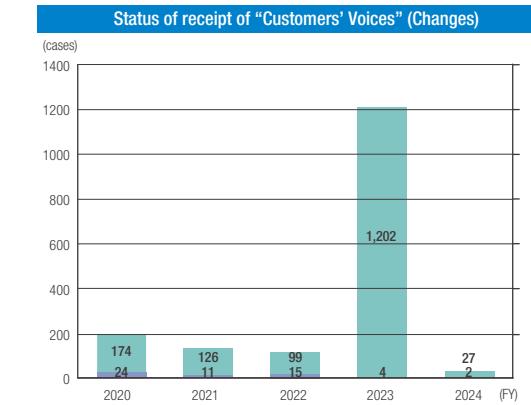
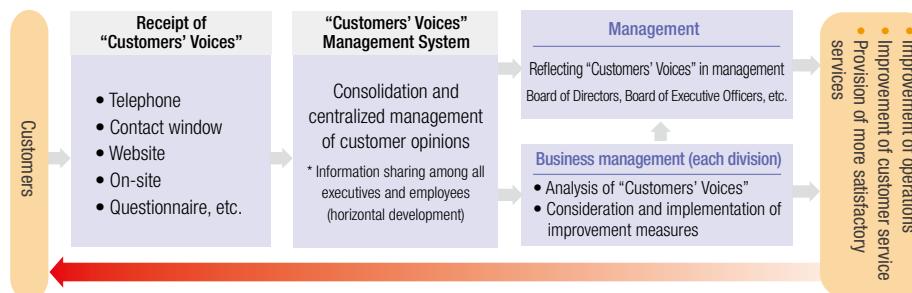
Basic Stance (Four Principles)

1. Listen sincerely to customers' voices.
2. Think thoroughly from the customer's perspective.
3. Do our utmost to meet our customer's expectations.
4. Take pride in our customer's satisfaction.

Initiatives to utilize customer feedback in business operations

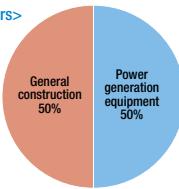
The valuable opinions and requests received from customers are shared with all executives and employees as “customers’ voices” in order to improve operations and provide services from the customer's perspective. In addition, we regularly report the collected and analyzed “customers’ voices” to our executives, who share the information and evaluate measures to improve our business operations, and take the initiative in applying “customers’ voices” to management.

• Utilization of “Customers’ Voices” (Image)

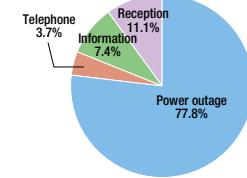


FY2024 “Customers’ Voices” (by category)

<Normal hours>



<Typhoon>



Implementation rate of improvement activities is the ratio of the number of cases in which improvement activities were implemented to the total number of customer comments (requests) excluding typhoons.

• Examples of improvements based on “Customers’ Voices”

<Customers’ Voices>

I always pay my electricity bill at a convenience store, but I'd like to be able to pay it with smart phone payment.

[Improvement made]

We introduced smart phone payment because it is not tied to the place or timing of payment, and it offers great benefits to customers such as earning points.

[How to use]

1. Download the app
2. Register customer information in the app
3. Read the barcode on the money transfer slip and make the payment



* Examples of improvements can be found on our website.



Relationships With Local Communities

With our corporate slogan, "With the community, for the community," at the center of our management, we are actively engaged in a variety of social contribution activities.

Regional community services development

We pursue a number of initiatives aimed at assisting the local economy, building the foundation for a thriving industry, and promoting technological development in Okinawa. Among initiatives, we include making proposals and providing support for industrial promotion by liaising with business organizations inside and outside of Okinawa, conducting collaborative research with industry, government, academia, and the private sector, and providing support to strengthen the capabilities of these organizations and dispatching Company staff to them.

• Self-produced TV program (Uchina Kibun) broadcast

Through the production, planning and provision of the TV program "Uchina Kibun", which focuses on Okinawa's culture, history, nature, and other subjects rooted in the local community, we aim to promote the local community and convey the changing customs of Okinawa as a record of time.



▲ Broadcasted every Sunday from 11:00 to 11:30 am on Ryukyu Broadcasting Corporation (RBC)



▲ Okinawa High School Robot Competition Sponsorship Presentation Ceremony



Self-produced TV program Uchina Kibun website



▲ Cleaning the Family House "Gajyumaru no Ie" facility



Family House "Gajyumaru no Ie" website



▲ Message activities
Energy and environmental education outreach program for elementary school students



Community service activities

Social welfare activities

We are working on the promotion of local social welfare through donations to social welfare organizations in Okinawa Prefecture and participation in and support for various welfare events. We are also actively engaged in activities through the "OEPC Group Volunteer Mutual Aid Association", which consists of executives and employees of OEPC Group companies.

[Details of activities (FY2024)]

• Donation activities

- Okinawa prefectural council for children's future "Okinawa Children's Future Fund"
- Children's homes in the prefecture (8 facilities)
- Council of Social Welfare, Okinawa
- Council of Social Welfare, Urasoe City
- NPO Mesh support (group supporter)
- 2024 Okinawa northern torrential downpour disaster donations



▲ Donations to Children's homes

• Material support activities

- Donated used stamps, spoiled and unused postcards to the Naha city council of social welfare.
- Donated food to NPO Food Bank Second Harvest Okinawa



▲ Food donation to food banks

• Family house "Gajyumaru no Ie"

The OEPC Group Momosoekai has donated Family House "Gajyumaru no Ie" to Okinawa Prefecture.

The facility is a low-cost and comfortable accommodation for families of children living in remote islands and remote areas who are receiving treatment at advanced medical centers. Every year we conduct a cleanup of the facility premises during "Okiden Taiwa Junkan".

• Okiden Taiwa Junkan (dialogue period of ten days)

The "Okiden Taiwa Junkan" has been held every year since 1978, with the aim of expressing our gratitude to the people in the community who help us on a daily basis.

Details of the initiative (FY2024) [Period: November 1-10, 2024]

Category	Number of events (departments)	Main activities
1 Community Service Activities	31 events (38 departments)	Cleaning activities (parks, welfare facilities, schools, overseas, etc.), Animal Smile Project, cutting trees at zoo and high places
2 Friendship Activities	12 events (14 departments)	Visit to related sites, IH cooking class and an exchange meeting with University of the Ryukyus students (information systems)
3 Sports Exchange Activities	4 events (3 departments)	Ground golf tournament, dodgeball tournament
4 Message Activities	3 events (4 departments)	Energy and environmental education, environmental action panel exhibitions

Arts and cultural events

We have been contributing to the promotion of the arts and cultural activities in Okinawa. We organized the "Okiden Sugar Hall Fresh Musicians' Concert Audition", the "Okiden 'Scenery of Light' Digital Photo Contest", and more.

• Okiden Sugar Hall Fresh Musicians' Concert Audition

Since 1994, the audition has been held jointly with Nanjo City and the Okinawa Times with the aim of discovering and fostering musicians with outstanding potential, promoting local music culture, and contributing to the promotion of international exchange. It is an international audition with many applicants from Japan and overseas, focusing on their competence.



Sugar Hall Fresh
Musicians' Concert



Miwa Sekine

The 30th Grand Prix Winner

• Okiden 'Scenery of Light' Digital Photo Contest

We hold a digital photo contest for anyone who wants to experience the warmth, floridness, and peace of mind of "electric light".



Digital Photo
Contest

Number of entries for the 17th contest (FY2024): 1,482



<Life>
"Joyful moment"
Nanae Tomimura



<Night view>
"Generating and
discharging power"
Ittetsu Mekaru



<Okinawa>
"If Mom does it,
I'll do it too"
Shinya Anezaki



<Junior Section>
"Because I want
to see your smile"
Suzura Asato



"Nightly routine"
Chiharu Sakiyama



▲ Sponsorship to "Kokoro no
Theatre" by Shiki Theatre Company

Academic, education and sports

We support academic and educational events to nurture a love for learning and a creative spirit in children, who will be the future leaders of Okinawa. We also offer a variety of educational opportunities, such as the Electrical Science Museum, where you can enjoy learning about how electricity works, take a tour of the power plant and participate in a craft workshop for parents and children.

• Exhibition of the Science-work by the students in Okinawa presented by OKIDEN

OEPC has run the Okinawa Youth Science Exhibition since 1978 to stimulate students' interest in science, promote science education, and contribute to the development of human resources in Okinawa. By fiscal year 2025, the event had been held 48 times.

The event features awards and displays of science-related works created by students from Okinawa Prefecture, as well as poster sessions by students, a science experiment stage show, a challenge experiment corner, science classes, and energy and environmental education programs. All activities are offered free of charge, providing an enjoyable opportunity for people of all ages to experience science up close.

Exhibition of the Science-work by the students in Okinawa



▲ Greetings from the organizer



▲ Poster session



▲ Electric energy corner

• Relationships with local communities

We provide internship programs to support the development of the next generation of human resources.

We hope that the internship program will provide students with a concrete image of their work, help them think about their own job aptitude and future plans, and motivate them to learn more.



▲ Work experience in power distribution work using a work truck

• Sports promotion

OEPC supports activities that promote and develop sports in Okinawa through sponsorship and volunteer involvement. These activities include sponsorship of sporting events such as the Okiden Pennant Elementary School Baseball Tournament, and a volunteer presence at sporting events for people of all ages, such as the Naha Marathon.

In addition, the Okiden Baseball Club is working for the sound upbringing of young people and the improvement of skills and the promotion and development of the baseball industry in the prefecture through baseball classes for children and lectures by the Okiden Baseball Club.



▲ Okiden Pennant Elementary School Baseball Tournament

• Craft workshop for parents and children

We hold "craft workshops" designed for parent-child participation at Gushikawa thermal power plant every year, enabling participants to understand the electricity business and energy, and to educate young people about electrical science. We also hold tours of the Electrical Science Museum and facility tours, which are attended by many parents and children every year.



▲ A scene from a parent-child craft class



▲ Electrical Science Museum

Training support

• JICA training and dialogue program:Power Distribution Grid(A)

These training programs aim to provide the development technology of the electricity distribution network in Japan to electric power companies in developing countries and help the trainees efficiently develop power distribution facilities in their countries.

• ASEAN training program

The program is conducted based on an agreement to develop human resources concluded by JEPIC (Japan Electric Power Information Center) with ASEAN countries.



▲ Training program

Basic Procurement Policy on CSR

To fulfill our Corporate Social Responsibility (CSR), we have established a seven-point “Basic Policy for the Procurement of Materials and Equipment”, which includes items such as “compliance with laws, regulations, and social norms” and “ensuring safety and quality”. We also ask our business partners to conduct their business activities with CSR procurement in mind.

Basic Policy for the Procurement of Materials and Equipment

1. Compliance with laws, regulations, and social norms

We will respect human rights and also comply with relevant laws and regulations, their spirit, and social norms both within Japan and overseas. Business partners are requested to comply with these rules.

2. Ensuring safety and quality

Our highest priority is on safety, and we comply with all applicable laws and regulations, and ensure the quality of the materials, equipment, and services we purchase while striving to prevent industrial accidents and ensure public safety and health.

3. Consideration for the global environment

We will cooperate with our business partners and strive to reduce the environmental load through green procurement and create a decarbonized and recycling-oriented society.

4. Ensuring fairness, justice, and transparency

We will comprehensively consider the quality and safety of our products while choosing the business partners and strive for transparent procurement and fair selection.

5. Open procurement

To procure high quality and economical products, we open our doors to a wide range of companies within and beyond Japan.

6. Establishing relationships of mutual trust and reciprocity

We shall establish a trust relationship between our business partners and our company, and work to realize the mutual value through cooperation.

7. Contribution to local communities and society

We and our business partners will become better partners that contribute to the local community through purchasing transactions.

Request to Our Business Partners

In order to conduct business activities with CSR procurement in mind together with our business partners, we are requesting the following six items.

1. Compliance with laws, regulations, and social norms

- Compliance with related laws and regulations and the spirit thereof

<Note> Laws and internal standards include not only laws and regulations related to commercial broadcasting, commercial law, anti-monopoly law, and intellectual property, but also those related to labor and basic human rights that must be complied with in fulfilling social responsibility.

2. Ensuring safety

- Thorough awareness of safety as top priority
- Preventing industrial accidents and ensuring public safety and health

3. Consideration for the global environment

- Compliance with related laws and regulations (waste disposal law, construction recycling law, etc.)
- Promotion of preferential purchasing of materials and equipment with a low environmental impact (green purchasing)

4. Ensuring proper price and quality

- Pursuing cost reductions based on quality, performance, and safety

5. Providing good after-sales service

- Cooperation in maintenance
- Prompt and sincere response to accidents and malfunctions

6. Promoting communication

- Opinions, requests, suggestions, etc.

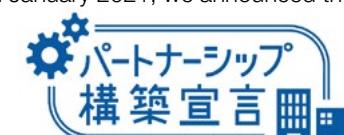


Basic Procurement Policy ▶

Initiatives

We are committed to procuring materials and equipment of superior safety and quality in order to ensure a stable supply of electricity, and place importance on the establishment of a relationship of mutual trust and compliance with domestic and international laws and regulations and social norms by both us and our business partners. In January 2021, we announced the “Declaration of Partnership Building” and are working to build relationships of mutual trust and mutual benefit with our business partners.

To understand the human rights initiatives of business partners, we have followed guidelines such as the Guidelines on Respecting Human Rights in Responsible Supply Chains Initiative and have asked our business partners to submit letters of undertaking and responses to questionnaires on compliance with laws and social norms. The results identified no human rights risks.



Relationship With Human Resources

Promoting the Human Resources Strategy

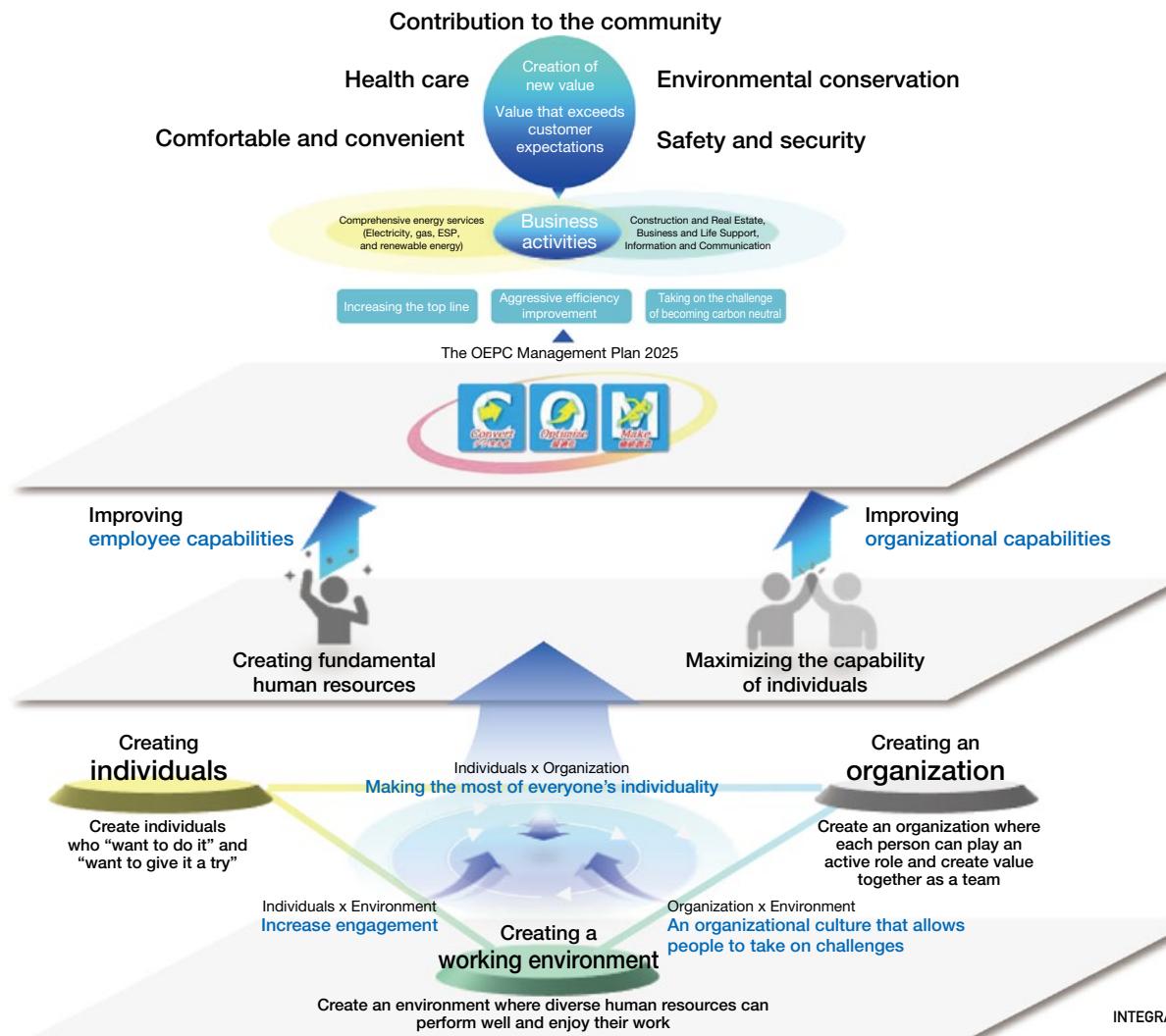
To make a lasting contribution to the realization of a sustainable society, we will promote “**Increasing the top line**”, “**Aggressive efficiency improvement**”, and “**Taking on the challenge of becoming carbon neutral**” under the concept of “**Okiden.COM**” and continue our efforts in the direction of providing customers with new value of energy with added value. We recognize the importance of improving employee and organizational capabilities in order to create new value and more strongly promote the achievement of our management strategies. We are implementing the **Human Resources Strategy** to ensure the creation of fundamental human resources and the maximization of individual capabilities (**maximizing employee and organizational capabilities**).

Strongly promoting the achievement of the management strategy

Maximizing employee and organizational capabilities

Development of the Human Resources Strategy

For more details, please visit our website.



Three directions of the Human Resources Strategy

In the area of “**Creating a working environment**”, we establish systems and mechanisms to maximize the performance of both employees and the organization. In the area of “**Creating individuals**”, we examine systems and mechanisms that stimulate employees’ desire to grow, promote behavioral change, and accelerate the “creation” of value. In the area of “**Creating the organization**”, we establish value co-creation systems and mechanisms that maximize individual capabilities.

The strategies are developed by organically linking these three directionalities.

Specific initiatives /

Creating a working environment

- Create a working environment where diverse human resources can perform well and enjoy their work -

Increasing employee engagement is essential to bring out the most potential of each employee. As the basis of our strategy, we will create an environment that promotes “ease of work”.

- **Maintaining and promoting both safety and health**
Continuing KENKO investment for Health, taking measures to ensure safety and health
- **Creating an environment where everyone can work well**
Flextime, telework, childcare/family care support, and more
- **Ensuring diversity**
Establishing model career paths for promoting women, employing people with disabilities

Direction (1)

Creating individuals

- Create individuals who “want to do it” and “want to give it a try” -

In order to achieve sustainable growth by creating new value for society while fulfilling our mission of providing a stable supply of energy, we encourage employees to grow and promote behavioral change.

- **Systems for supporting self-sustaining growth**
Setting of a profile for fundamental human resources (human resources that utilize DX and AI, etc.), career development support, etc.
- **Creating an environment that promotes learning opportunities**
Further enhancement of online learning, promotion of cross-border learning, etc.
- **Providing opportunities for challenges and self-realization**
Creation of growth opportunities that respect autonomy

Direction (2)

Creating an organization

- Create an organization where each person can play an active role and create value together as a team -

In order to take on unprecedented challenges, not only does each individual employee create value, but we “co-create” and maximize value as a team.

- **Securing human resources with diverse experiences**
Strengthen recruitment of new graduates, mid-career hiring, etc.
- **Strengthen management skills**
Promote co-creation style management, 360-degree feed back, etc.
- **Share goals and direction**
Setting and managing personal goals (MBO), feedback/1-on-1

Direction (3)

Status of Initiative Targets (Implemented in FY2024)

Safety

- ✓ Number of fatal accidents: 0 (0)

Health

- ✓ Percentage of routine medical check up: 100% (100%)
- ✓ Percentage of people with fixed exercise habits: Improve (77.6%)

Diversity

- ✓ Percentage of women in managerial positions: 1.5x by FY2025 compared to FY2019 (1.65x)
- ✓ Percentage of male workers taking childcare leave: Improve (80.4%)
- ✓ Employment of people with disabilities: 2.7% (2.98%)*

*This exceeds the current legal employment rate of 2.5%.

Work style

- ✓ Flextime utilization rate: 100% (93%)

*Excluding shift workers, etc.

Education

- ✓ Implementation of online learning system: FY2024 (Completed in FY2024)

Recruitment

- ✓ Career recruitment in specific fields: FY2024 (achieved)
- ✓ Percentage of women among technical recruitment: 20% (20.8% of new hires in FY2025)

Safety and health initiatives

Safety and Health Management Goals for FY2025

We have established the "Safety and Health Management Goals" and are implementing company-wide safety and health measures to achieve the management goals, from top management to every individual employee, to ensure our employees' safety and physical and mental health and promote the creation of a comfortable working environment.

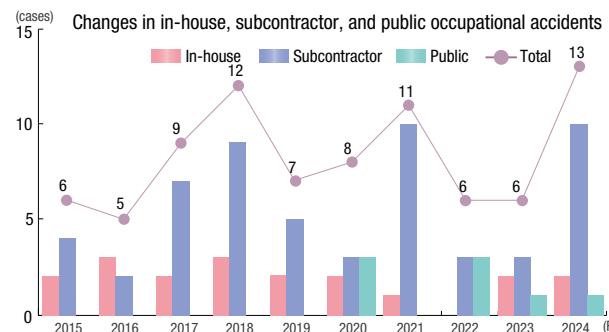
Central Safety and Health Conference

The OEPC Group holds a Central Safety and Health Conference in April every year to reaffirm our commitment to work together to ensure safety, prevent industrial accidents, and promote a comfortable working environment.



Pointing and chanting

Trend in occupational accidents (FY2015-FY2024)



Explanation of Terms

- (1) **In-house**: Personal injury of our employees (including contract employees, loaned employees).
- (2) **Subcontractor**: Injuries of contracted workers that occur during the performance of our contracted work on our premises or in the construction area, excluding the cases without lost workdays.
- (3) **Public**: Personal injury to the public caused in connection with our facilities, equipment, and materials, and personal injury to the public caused by our employees (including temporary employees, loaned employees, and temporary employees) in the course of their duties.

Initiatives for KENKO Investment for Health



MOTONAGA Hiroyuki
Representative Director
President

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Message from the president

Since the declaration of KENKO Investment for Health in 2019, our company has been working on health management based on the management policy of "Value our staff and help them grow". Our employees' health is the foundation of management and an invaluable asset of our company.

We believe that a company that enables employees to maximize their abilities gains vitality and strengthens its ability to create new value. To achieve this, we established the OEPC Group Health Management Promotion Policy. Going forward, the entire Group will unite to practice health management based on this policy. This will enable both our company and employees to grow together and contribute to the sustainable development of the local community.

OEPC Group Health Management Promotion Policy

The OEPC Group believes that ensuring every employee is physically and mentally healthy, finds meaning in their work, and can perform at their best vibrantly is an important management foundation for creating new value and contributing to the sustainable development of the local community, and we will actively promote health management as a unified Group.

[Basic Policy]

1. Creation of a work environment that supports fulfillment and growth

We will create a work environment where employees can be physically and mentally healthy, demonstrate their abilities to the fullest, and experience growth with motivation and a sense of accomplishment.

2. Supporting proactive health management

We will implement diverse support measures to help employees raise their awareness of their own physical and mental health and proactively engage in health management.

Purpose of health management

- Support the physical and mental health of employees, and enhance job satisfaction and vitality
- Contribute to improvements in productivity and corporate value
- Support the sustainable development of the local community

KENKO Investment for Health promotion system



Examples of health management initiatives

[Dialogue between the President and Representative Director and an in-house health nurse]

Aiming for a workplace where each employee is physically and mentally fulfilled and can feel a sense of fulfillment in their work, the President and Representative Director and the in-house health nurse held a dialogue in September 2024 on the theme of employee health and talked about health management, which is positioned as an important initiative in our company's human resources strategy. In the dialogue, they discussed how to create an environment that supports employee health, while the top executive himself talked about the promotion policy for health management, as well as his own ideas and methods for health management.



[Health support for senior employees]

Interview with an industrial physician



<Mental Health Training for Supervisors>

The Okiden Basic Plan for Promotion of Mental Health has been formulated to enhance mental health measures for primary prevention (promoting the maintenance of mental health and preventing problems before they occur), secondary prevention (early detection and treatment), and tertiary prevention (returning to work and preventing recurrence). In November 2024, we held mental health training for supervisors, led by industrial physicians with the aim of helping employees understand and prevent mental health issues, allowing them to fulfill their respective roles in promoting mental health.

Recognized as "The 2025 Certified KENKO Investment for Health Outstanding Organizations (large enterprise category)" (White 500) for the seventh consecutive year.

On March 10, 2025, for the seventh year in a row, we recognized as one of the "White 500," which corresponds to the top 500 among the certified corporations in the "2025 Certified KENKO Investment for Health Outstanding Organization (large enterprise category)" under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program*, jointly implemented by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaijiki.

* The Certified KENKO Investment for Health Outstanding Organizations Recognition Program: A program for certifying companies that are implementing KENKO Investment for Health in cooperation with insurers (health insurance societies, etc.).



Diversity initiatives

• Support for women's participation

We have drawn up a 5-year action plan, which spans from April 2021 to March 2026, and are working to create an environment where individuals can demonstrate their abilities and take on an active role regardless of gender.

<Major initiatives>

- e-learning training for all managers (unconscious biases)
- Re-examining careers and work styles by participating in cross-industry networking events
- Participating in external training for female managers
- Establishing career paths that serve as a model for women's participation and advancement
- Online events for female science students
- Roundtable discussions with internal role models for new female managers and section chiefs, etc.

FY	2019	2020	2021	2022	2023	2024
Ratio of female managers (%)	3.8	4.5	4.5	4.6	4.6	6.3

• Support for childcare and nursing care

Based on the General Employer Action Plan, we are enhancing our work-life balance support system, which goes beyond the Child Care and Family Care Leave Act, in order to create an environment in which employees who are involved in raising children and those who need to take care of their family members can work more easily.

<Support for childcare>

Childcare leave system

Available until the child reaches age 2

Shorten working hours system for child care

Can be used for up to 1 hour and 40 minutes until the end of the third grade of elementary school

Sick/injured child care leave system

Five days for one child, 10 days for two or more children, up to the time they enter junior high school

<Support for family care>

Family care leave system (long-term)

Can be used for one person in need of care or for the same family member for up to one year (can be divided)

Shorten working hours system for family care

Can be used for up to 2 hours in 30-minute increments for a period of 3 years or less

Family care leave system (short-term)

Five days for one person in need of care, 10 days for two or more people

Action plan based on the promotion of women's activities



▲ Roundtable discussion for new female managers

Work-life balance support plaza



• Employment of people with disabilities

With regard to employment of people with disabilities, from the viewpoint of creating a comfortable environment that is easy to work in, we have counselors assigned at both our head office and business offices and a system in place that allows them to receive advice and consultation at any time, ensuring that they do not encounter any obstacles to employment.

• Support for re-employed contract workers

In addition to career training for mid-career employees, which includes mindset and skill development training for the transition to becoming a re-employed contract worker, we are also considering expanding the scope of their work to provide an environment in which re-employed contract workers can demonstrate their abilities.

Approaches to work styles

In order for these employees to realize their full potential, we will enhance employee engagement by developing "workability" from an environmental perspective.

• Flextime work system

This system is being introduced as a trial allowing employees to determine their daily work start and end times and working hours, enabling employees to work more efficiently while maintaining a healthy work-life balance.

• Telework

We have introduced work from home on a trial basis as a new, flexible way of working to achieve a work-life balance for our employees. We aim to improve corporate value and productivity, employee satisfaction, and business continuity with this.

• Initiatives for harassment prevention

In accordance with our Harassment Prevention Regulations we have established a consultation service. We also regularly raise awareness regarding harassment through our in-house newsletter.

• Formulation of the OEPC Group Basic Policy on Customer Harassment

To ensure a work environment where each employee can engage in their duties with peace of mind, and to build good relationships with customers and business partners, we have formulated the OEPC Group Basic Policy on Customer Harassment.

Human resource development initiatives

Basic policy for human resource development

Based on the concept of "Okinen.COM", we aim to improve our employee and organizational strength in order to carry out our strategies and promote business activities. In order to steadily develop such human resources, we have set the "direction for human resource development to achieve our goals" and defined the "three fundamental human resources" that constitute our employee and organizational capabilities.

Direction for human resource development to achieve our goals

Employee strength/Organizational capabilities

Human resources that create value

Value that exceeds customer expectations



Creators

Those who can create new business areas with passion and imagination



Challengers

Those who see change in a positive light and aggressively take on challenges



Evolvers

Those who can evolve and deepen the provision of a stable supply of energy

Education and training system

We have implemented an education and training system based on our "Human Resource Development Plan" from the perspective that improving employee capabilities is essential for sustainable growth and development.

Going forward, we will support the growth of our employees by setting up skill maps and specifying the basic skills required for the three fundamental human resources. More specifically, we will actively develop human resources that possess skills and knowledge in the fields of DX and AI and are able to utilize such technology.

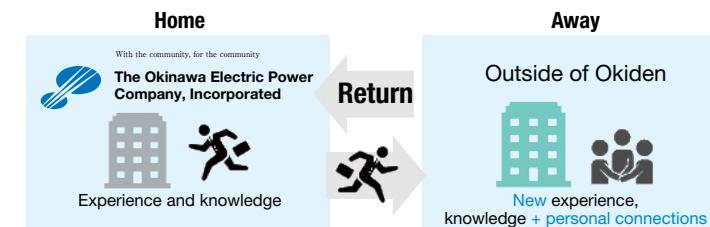
Category	Content
1. Training by level	Acquiring the basic attitude, knowledge, and skills necessary to perform the work that is required for each level
2. Departmental training	Acquiring the basic attitude, knowledge, and skills necessary to perform the work that is required for each department
3. Special training	Regardless of level or department, this training is designed to improve skills on a specific topic, solve problems, deepen knowledge, acquire advanced expertise and skills in specific fields, broaden employees' horizons, and develop character
4. Self-development	Correspondence education, language courses, online learning, etc.

Implementation of online learning system

In addition to traditional education and OJT, we have introduced an online learning system that allows employees to "actively" deepen their education regarding their careers anytime, anywhere.

Promotion of cross-border learning (side job system)

We encourage cross-border learning, including side jobs, as the skills and know-how acquired outside of the company not only lead to personal growth, but by applying them to our main business, they can also lead to the growth of the company itself.



Creation of growth opportunities that respect autonomy

We have launched an internal recruitment program to not only show that it is possible for employees to choose their own careers and not just be led by company initiatives, but also to foster motivation and enhance employee engagement.



Other

Initiatives for communication between labor and management

We regularly hold information exchange meetings to improve the working environment.

Symbolic sports Initiatives

We have positioned our baseball team as our symbolic sport, and in addition to training daily with the goal of national dominance, it also contributes to the local community by providing technical guidance to local youth baseball teams. At the 95th Intercity Baseball Tournament, our team made it to the finals as the second representative from the Kyushu region, fostering a sense of unity among all employees of the Group.



▲ Youth baseball classes



▲ Participating in the Intercity Baseball Tournament



▲ Cheering

About the Human Rights Policy

• Establishment of the Human Rights Policy

We have formulated and disclosed the “OEPC Group Human Rights Policy” in accordance with the “Guidelines on Respecting Human Rights in Responsible Supply Chains” established by the Ministry of Economy, Trade and Industry.

As part of risk management, our company has addressed issues related to human rights. Going forward, regarding human rights violation risks at our company, Group companies, and suppliers, we will establish a cycle of (1) identification and evaluation, (2) prevention and mitigation, (3) Evaluation of effectiveness, and (4) information disclosure, and while engaging in dialogue with stakeholders, we will advance continuous processes (**human rights due diligence**) to prevent and mitigate human rights violation risks.

[OEPC Group Human Rights Policy]

Introduction

The OEPC Group, based on its corporate slogan “with the community, for the community”, will contribute to the realization of the Group vision and basic philosophy through business activities, as well as to the development of a sustainable society.

To express respect for the human rights of all people involved in the OEPC Group’s business activities, we hereby establish the OEPC Group Human Rights Policy (hereinafter, the “Policy”) and promote initiatives to respect human rights.

1. Scope of application

The Policy applies to all officers and employees of the OEPC Group. In addition, we seek understanding and support for the Policy from business partners such as suppliers in the supply chain, and we will encourage respect for the Policy.

2. Commitment

The OEPC Group supports and respects international norms on human rights, such as the International Bill of Human Rights, the International Labour Organization (ILO)’s Declaration on Fundamental Principles and Rights at Work, and the United Nations’ Guiding Principles on Business and Human Rights. The OEPC Group complies with laws applicable in the countries and regions where it conducts business activities. We respect the following rights and dignity as our commitment to specific human rights issues.

- (1) We do not engage in any form of discrimination based on race, nationality, creed, gender, social status, disability, etc.
- (2) We do not engage in any form of harassment, including power harassment and sexual harassment.

- (3) We do not engage in human trafficking, forced labor, or child labor.
- (4) We respect freedom of association*1 and the right to collective bargaining.
- (5) We promote respect for diversity and equal opportunities.
- (6) We support securing minimum wages and living wages.*2
- (7) We properly manage working hours and reduce excessive working hours.
- (8) We ensure healthy and safe workplaces and work environments.
- (9) We protect personal information and privacy.
- (10) We strive to ensure the safety of local communities and protect the environment.

*1 The right of workers to form and join labor unions

*2 The minimum wages necessary for workers and their families to maintain a basic standard of living, including food, clothing, housing, and medical care.

3. Due diligence

The OEPC Group will build a human rights due diligence system and advance initiatives to identify, prevent, and mitigate negative impacts on human rights related to business activities.

4. Remedy

If the OEPC Group’s business activities cause or contribute to negative impacts on human rights, we will work to rectify and remedy such impacts through appropriate means.

5. Training and internal awareness raising activities

We will conduct the necessary training and awareness raising activities for officers and employees to ensure the Policy permeates and takes root in business activities.

6. Dialogue with stakeholders

The OEPC Group will disclose the Policy to stakeholders and strive for dialogue with stakeholders in response to changes in the external environment and business environment.

7. Information disclosure

The OEPC Group will appropriately disclose information regarding our initiatives based on the Policy.

Corporate Governance

Our company group will do its utmost to become a business group that continues to be chosen by customers by complying with the relevant laws and regulations, striving to conduct business with high ethical standards and morale, disclosing information promptly and accurately and establishing a more profound relationship of trust with shareholders, investors and customers. To achieve this, our Group is proactively enhancing corporate governance throughout the group.

Board of Directors, Board of Executive Officers, and Management Task Force Meeting

The Board of Directors, which meets twice a month in principle, consists of 11 directors (including four outside directors), and makes decisions on important matters related to the management of our company, receives status reports on operations from directors, and oversees the performance of their duties.

The Board of Executive Officers, which is composed of Executive Officers, has been established to discuss important matters related to operations management under the president's supervision and ensure that such operations run smoothly based on the policies established by the Board of Directors. In principle, the Board of Executive Officers meets 2-3 times per month where it discusses important matters related to business.

The Management Task Force Meeting has been established to discuss significant measures for ensuring sustained stability in management and measures to deal with various issues in all aspects of management.

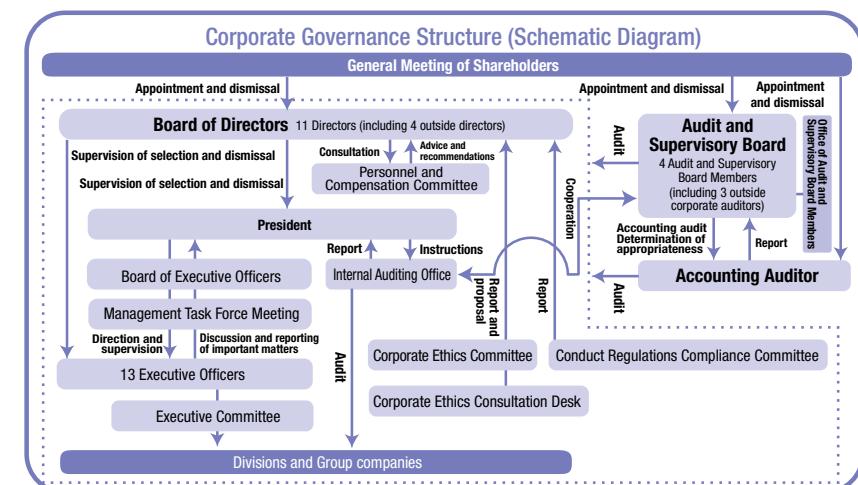
Audit and Supervisory Board

The Audit and Supervisory Board, which meets once every two months in principle, consists of 4 corporate auditors (including three outside corporate auditors) and receives reports on important matters related to audits to discuss and make resolutions in cooperation with accounting auditors and the Internal Auditing Office.

Corporate auditors audit individual directors' performance of their duties following the audit policies and plans established by the Audit and Supervisory Board, which is done by attending the Board of Directors and other important meetings, exchanging opinions with Representative Directors and outside directors regularly, conducting visits to every department, and communicating with directors and corporate auditors of subsidiaries.

Internal Auditing Office

The Internal Auditing Office was established as an organization under the direct supervision of the President and is operated with 17 full-time employees. The Internal Auditing Office evaluates whether the internal control system established under the Companies Act and the Financial Instruments and Exchange Act is functioning effectively. Striving to conduct audits that add value to management, the Internal Auditing Office confirms the development and operation status of the internal control systems in each organization and verifies that appropriate and effective business processes are implemented to achieve management goals. The internal audit plan and results for the fiscal year are reported to the Board of Directors. The results of audits are reported to the President, directors in charge, and the Audit and Supervisory Board Members each time an audit is conducted. The results are also reported to the Audit and Supervisory Board on a regular basis, and information is coordinated with the accounting auditors.



Governance of Group companies

For the management of our Group companies, we have established a group management division and introduced the "Operating Procedures for Affiliated Companies," which require Group companies to seek prior consultation or submit reports on matters that could significantly impact Group management.

We have also established the "OEPC Group Top Management Conference," comprising the President, Vice Presidents, the Group Business Management Division Manager, and the presidents of each Group company, to discuss key issues related to Group management and ensure effective execution.

Executives (as of July 1, 2025)



Representative Director / President

MOTONAGA Hiroyuki

Apr. 1988 Joined OEPC
 Jul. 2011 General Manager, Planning Dept., Planning Division
 Jun. 2013 Director, General Manager, General Administration Dept.
 Jun. 2015 Representative Director and Executive Vice President/Division Manager, Customer Services Division/CSR
 Jun. 2017 Representative Director and Executive Vice President/Division Manager, Planning Division/CSR
 Dec. 2017 Representative Director and President, The Reliance Energy Okinawa, Incorporated
 Apr. 2019 Representative Director and President, OEPC (to the present)/Division Manager, Planning Division/CSR
 Jun. 2019 Division Manager, Customer Services Division
 Jul. 2019 Division Manager, Sales and Marketing Division
 Jun. 2021 President (to the present)

Representative Director
Executive Vice President**NARISOKO Hayato**

Apr. 1987 Joined OEPC
 Jul. 2013 General Manager, Planning Dept., Planning Division
 Jun. 2015 Senior General Manager, General Administration Dept.
 Jun. 2016 Director, General Manager, General Administration Dept.
 Jun. 2019 Managing Director/CSR/Division Manager, Planning Division/Deputy Division Manager, Customer Services Division
 Jul. 2019 Managing Director/CSR/Division Manager, Planning Division/Deputy Division Manager, Sales and Marketing Division
 Apr. 2020 Managing Director/CSR/Division Manager, Planning Division/Division Manager, Sales and Marketing Division (to the present)
 Jun. 2021 Representative Director and President, Okinawa New Energy Development Company, Incorporated
 Jun. 2021 Director and Senior Managing Executive Officer, OEPC/CSR/Division Manager, Planning Division
 Jun. 2023 Representative Director (to the present) / Executive Vice President (to the present)

Representative Director
Executive Vice President**YOKODA Tetsu**

Apr. 1991 Joined OEPC
 Jul. 2014 General Manager, Power System Management Dept., Electric Power Engineering Division
 Jun. 2015 Senior General Manager, Power System Management Dept., Electric Power Engineering Division/Deputy Division Manager, Electric Power Engineering Division
 Apr. 2016 Senior General Manager, Power System Management Dept., Transmission and Distribution Division/Deputy Division Manager, Transmission and Distribution Division
 Jun. 2016 Director, General Manager, Power System Management Dept., Transmission and Distribution Division/Division Manager, Transmission and Distribution Division
 Jun. 2019 Director, Division Manager, Transmission and Distribution Division
 Jun. 2020 Managing Director/Division Manager, IT Promotion Division/Division Manager, Transmission and Distribution Division
 Jun. 2021 Director, Managing Executive Officer/Division Manager, IT Promotion Division/President, Remote Islands Company
 Jun. 2023 President & CEO, SeED Okinawa LLC (to the present)
 Jun. 2023 OEPC Representative Director (to the present) / Executive Vice President (to the present)/Division Manager, Transmission and Distribution Division
 Mar. 2025 President, OKIDEN PACIFIC ISLANDS CORPORATION (to the present)
 Jun. 2025 OEPC Division Manager, Corporate Strategy Division (to the present)

 <p>UEMA Jun Director/ Managing Executive Officer</p> <p>Apr. 1992 Joined OEPC Jul. 2015 General Manager, Planning Dept., Planning Division Jun. 2019 Director, General Manager, Planning Dept., Planning Division/Deputy Division Manager, Planning Division Jun. 2021 Director, Executive Officer, General Manager, Planning Dept., Planning Division/Deputy Division Manager, Planning Division Jun. 2022 Director, Executive Officer Jul. 2022 Director, Executive Officer/Division Manager, Corporate Strategy Division Jun. 2023 Director, Managing Executive Officer (to the present)/Division Manager, Corporate Strategy Division Jun. 2025 Division Manager, Carbon Neutrality Division (to the present)</p>	 <p>NAKAMURA Naomasa Director/ Managing Executive Officer</p> <p>Apr. 1992 Joined OEPC Jun. 2015 General Manager, Accounting & Finance Dept. Jun. 2019 Director, General Manager, Accounting & Finance Dept. Jun. 2021 Director, Executive Officer, General Manager, Accounting & Finance Dept. Jun. 2022 Director, Executive Officer Jul. 2022 Director, Executive Officer, Division Manager, Group Business Management Division Jun. 2023 Director, Managing Executive Officer (to the present)/Division Manager, Group Business Management Division</p>	 <p>NAKAHODO Hiraku Director/ Managing Executive Officer</p> <p>Apr. 1992 Joined OEPC Jul. 2017 General Manager, Power Generation Dept., Power Generation Division Jun. 2019 Senior General Manager, Power Generation Dept., Power Generation Division/Deputy Division Manager, Power Generation Division Jun. 2020 Director, General Manager, Power Generation Dept., Power Generation Division/Deputy Division Manager, Power Generation Division May 2021 Representative Director and President, Okiden CplusC Corporation Jun. 2021 Director, Executive Officer, General Manager, Power Generation Dept., Power Generation Division, OEPC/Division Manager, Power Generation Division (to the present) Jul. 2021 Director, Executive Officer, Director, Executive Officer/Deputy Division Manager, Carbon Neutrality Division Jun. 2022 Director, Executive Officer/Deputy Division Manager, Carbon Neutrality Division Jun. 2023 Director, Managing Executive Officer (to the present)/Division Manager, Carbon Neutrality Division</p>	 <p>ITOKAZU Masahide Director/ Managing Executive Officer</p> <p>Apr. 1992 Joined OEPC Jun. 2019 General Manager, General Administration Dept. Jul. 2020 Senior General Manager, General Administration Dept. Jun. 2021 Executive Officer, General Manager, General Administration Dept. Jul. 2022 Executive Officer, General Manager, Planning Dept., Corporate Strategy Division/Deputy Division Manager, Corporate Strategy Division Jun. 2024 Executive Officer, Deputy Division Manager, Corporate Strategy Division Jun. 2025 Director, Managing Executive Officer (to the present), Group Business Management Division (to the present)</p>
 <p>YOGI Tatsuki Outside Director</p> <p>Apr. 1989 Joined The Daido Fire and Marine Insurance Co., Ltd. Jul. 2010 General Manager, Business Dept. Jun. 2015 Director, General Manager, Business Dept. Jun. 2016 Director, General Manager, Sales Planning Promotion Dept. Jun. 2017 Managing Director Jun. 2018 Representative Director and President Jun. 2019 Outside Director, OEPC (to the present) Jun. 2024 Director / Chairman, The Daido Fire and Marine Insurance CO., Ltd. (to the present) Jun. 2025 Outside Director, Okinawa Cellular Telephone Company (to the present)</p>	 <p>NOZAKI Seiko Outside Director</p> <p>Oct. 2002 Joined Mori Hamada & Matsumoto Sept. 2006 Joined Miyazaki Law Office (currently Naha Sogo Legal Professional Corporation) Jan. 2013 Representative, Umuyasu Law Office (currently Umuyasu Law and Accounting Office) (to the present) May. 2015 Outside Director, SAN-A CO., Ltd. May. 2017 Outside Director (Audit & Supervisory Committee Member), SAN-A CO., Ltd. (to the present) Jun. 2019 Outside Director, OEPC (to the present) Apr. 2024 Chairman, Okinawa Bar Association Jun. 2025 Outside Director (Audit & Supervisory Committee Member), Okinawa Financial Group, Inc. (to the present)</p>	 <p>NAGAMINE Toyoyuki Outside Director</p> <p>Apr. 1980 Joined All Nippon Airways Co., Ltd. Apr. 2013 Director in charge of Human Resources Department and Labor Department Jun. 2015 Director and Executive Officer, ANA Holdings, Inc. Apr. 2016 Director and Managing Executive Officer Apr. 2017 Representative Director, Vice President, and Executive Officer Apr. 2020 Full-time Advisor Jun. 2020 Full-time Auditor Jun. 2022 Full-time Advisor Apr. 2023 Advisor, ANA Strategic Research Institute Co., Ltd. (to the present) Jun. 2023 Outside Director, OEPC (to the present)</p>	 <p>TAMAKI Emi Outside Director</p> <p>Dec. 2011 Specially Appointed Researcher, Graduate School of Arts and Sciences, The University of Tokyo Jul. 2012 President and Representative Director, H2L Co., Ltd. Apr. 2013 Assistant Professor, Department of Human Informatics and Cognitive Sciences, Faculty of Human Sciences, Waseda University Oct. 2015 Japan Science and Technology Agency PRESTO Sakigake Researcher Apr. 2017 Associate Professor, School of Creative Science and Engineering, Waseda University, and Adjunct Lecturer, School of Human Sciences, Waseda University Mar. 2021 President and Representative Director, H2L Co., Ltd. (to the present) Apr. 2021 Professor, Faculty of Engineering, University of the Ryukyus (to the present) Mar. 2023 Outside Director, ZENHOREN CO., Ltd Apr. 2023 Special Guest Lecture/Professor, Department of Systems Innovation, School of Engineering, The University of Tokyo (to the present) Jun. 2023 Outside Director, OEPC (to the present)</p>

	Standing Corporate Auditor ONKAWA Hideki		Outside Audit & Supervisory Board Member FURUSHO Miwa		Outside Audit & Supervisory Board Member SUGA Takashi		Outside Audit & Supervisory Board Member KAMIYA Shigeru
Apr. 1985 Joined OEPC Jun. 2008 General Manager, Accounting & Finance Dept. Jun. 2011 Director, General Manager, Accounting & Finance Dept. Jun. 2015 Managing Director Jun. 2019 Standing Audit & Supervisory Board Member, OEPC (to the present)	Dec. 2006 Joined KPMG AZSA & Co. (currently KPMG AZSA LLC) Nov. 2010 Partner, Furusho CPA firm (to the present) Jun. 2019 Outside Audit & Supervisory Board Member, OEPC (to the present)	Jan. 1991 Joined IDO Corporation (currently KDDI Corporation) Apr. 2016 Executive Officer, General Manager of the Consumer Sales Division and Consumer Marketing Division, KDDI Corporation Apr. 2017 Executive Officer, Deputy General Manager of Consumer Business Division Apr. 2018 Executive Vice President, UQ Communications Inc. Jun. 2019 Representative Director and President Apr. 2020 Senior Advisor, Okinawa Cellular Telephone Company Jun. 2020 Representative Director and Vice President Jun. 2021 Representative Director and President Jun. 2023 Outside Audit & Supervisory Board Member, OEPC (to the present) Jun. 2024 Senior Advisor, OCT (to the present) Outside Director, ZENHOREN CO., LTD. (to the present)	Apr. 1982 Joined The Bank of Okinawa, Ltd. May 2004 Representative Director, Okinawa Management Support Limited (to the present) Jun. 2019 Representative Director (Chairman), Okinawa Prefecture Small and Medium Business Management Consultant Association Jun. 2023 Outside Audit & Supervisory Board Member, OEPC (to the present)				
 Executive Officer SAKUMOTO Tatsuya	Apr. 1991 Joined OEPC Jun. 2015 General Manager, Planning Dept., Planning Division Jul. 2017 General Manager, Business Development Dept., Planning Division Jun. 2021 Executive Officer, General Manager, Business Development Dept., Planning Division/Deputy Division Manager, Planning Division Jun. 2022 Executive Officer, General Manager, Marketing Dept., Sales and Marketing Division/Deputy Division Manager, Sales and Marketing Division (to the present) Jun. 2024 Executive Officer (to the present)	 Executive Officer SHIROMA Toshihito	Apr. 1992 Joined OEPC Jul. 2017 Group Leader (General Manager), Planning and Control, Customer Services Division Jul. 2019 General Manager, Corporate Sales Department, Sales and Marketing Division Jul. 2022 General Manager, Corporate Sales Department, Sales and Marketing Division/Deputy Division Manager, Sales and Marketing Division Jun. 2023 Executive Officer, General Manager, Corporate Sales Department, Sales and Marketing Division Jun. 2024 Executive Officer/General Manager, General Administration Dept. (to the present)	 Executive Officer AHAGON Naoya	Apr. 1993 Joined OEPC Jun. 2022 General Manager, Distribution Dept., Transmission and Distribution Division Jun. 2024 Executive Officer, General Manager, Distribution Dept., Transmission and Distribution Division (to the present), Deputy Division Manager, Transmission and Distribution Division (to the present)		
 Executive Officer MATAYOSHI Norihiko	Apr. 1994 Joined OEPC Jul. 2022 General Manager, Planning Dept., Corporate Strategy Division Jun. 2024 General Manager, Planning Dept., Corporate Strategy Division (to the present) Jun. 2025 Executive Officer, Deputy Division Manager, Corporate Strategy Division (to the present)	 Executive Officer YAMASATO Kenichiro	Apr. 1992 Joined OEPC Jul. 2020 General Manager, Power System Management Dept., Transmission and Distribution Division Jul. 2022 General Manager, Power System Management Dept., Transmission and Distribution Division Jun. 2025 Executive Officer, Division Manager, Transmission and Distribution Division (to the present)	 Executive Officer NAMIHARA Tomonari	Apr. 1996 Joined OEPC Jul. 2022 General Manager, Power Generation Dept., Power Generation Division Jul. 2024 General Manager, Power Generation Dept., Power Generation Division (to the present) Jun. 2025 Executive Officer, Deputy Division Manager, Carbon Neutrality Division (to the present)/Deputy Division Manager, Power Generation Dept., Power Generation Division (to the present)		

Approach to the diversity and size of the board of directors

Article 19 of the Articles of Incorporation of our company stipulates that the number of directors shall be 15 or less and the current number of directors are 11. The Board of Directors consists of 4 appointed outside directors, and internal directors are appointed in a balanced manner with human resources having extensive knowledge, experience, and ability through work in the technical and administrative departments, respectively.

Expertise and experience of directors and auditors

Name	1. Corporate management and business strategy	2. Legal and risk management	3. Finance and accounting	4. Technology and development	5. Sales strategy and marketing	6. DX, IT	7. ESG	8. International, regional development, academic research
MOTONAGA Hiroyuki	●	●	●		●		●	
NARISOKO Hayato	●	●	●		●		●	
YOKODA Tetsu	●	●		●		●	●	
UEMA Jun	●		●			●	●	
NAKAMURA Naomasa	●		●				●	●
NAKAHODO Hiraku	●			●		●	●	
ITOKAZU Masahide	●	●	●		●			
YOGI Tatsuki	●	●			●			
NOZAKI Seiko	●	●						●
NAGAMINE Toyoyuki	●	●						●
TAMAKI Emi	●			●				●
ONKAWA Hideki	●	●	●					
FURUSHO Miwa		●	●					●
SUGA Takashi	●				●	●		
KAMIYA Shigeru	●		●		●			

* The table does not represent the all the expertise and experience of each executive.

Assessing the effectiveness of the Board of Directors

Regarding the effectiveness of the Board of Directors, we conduct a questionnaire survey of directors and auditors every year, report the analysis and evaluation results at the Board of Directors, and confirm that effectiveness is generally secured. In addition, the survey targeting fiscal year 2024 received opinions regarding the deepening of discussions on management plan realization and executive compensation incentives. We also hold meetings with outside officers, representative directors, and Audit and Supervisory Board Members to exchange opinions and enhance discussions through a shared understanding. We will strive to further improve the effectiveness of the Board of Directors.

Training plan for directors and audit and supervisory board members

In order for the directors to acquire the necessary knowledge about the company's management issues, financial and legal compliance, etc., the company provides the explanations on the contents of its operations from each department as appropriate, and provides opportunities to attend external seminars, etc. In order for the Audit & Supervisory Board Members to fully demonstrate their management supervision and auditing functions, auditors are provided with the opportunity to attend external seminars, etc., to acquire knowledge of relevant laws and regulations such as the Companies Act, as well as financial accounting.

To enhance understanding of the outside directors regarding the group, they are given the opportunity to understand the business and business contents from each department when assuming office and as necessary, and to inspect major business sites.

The company provides and mediates opportunities for each director and corporate auditor for self-improvement and supports their expenses.

Executive compensation

Remuneration amounts for Directors and Audit and Supervisory Board Members for FY2024 are as follows.

Category	Monetary compensation		Non-monetary compensation		Total amount of compensation	
	Fixed compensation (monthly compensation)		Performance-linked stock compensation			
	Number of executives	Payment amount	Number of executives	Payment amount		
Directors (excluding Outside Directors)	7	239 million yen	7	18 million yen	257 million yen	
Audit and Supervisory Board Members (excluding Outside Audit and Supervisory Board Members)	1	28 million yen			28 million yen	
Outside Director	4	20 million yen			20 million yen	
Outside Audit and Supervisory Board Member	3	15 million yen			15 million yen	

(Note) 1. Performance-linked stock compensation is paid to Directors (excluding Outside Directors) as non-monetary compensation. This stock compensation is granted through a trust (hereinafter, the "Trust"), in which company shares are acquired using money contributed by the company, and then shares and money equivalent to the market value of the shares (hereinafter, "Company Shares, etc.") are paid to the Directors in accordance with the Stock Benefit Regulation for Executives established by the company. In principle, a Director receives their payment of Company Shares, etc., at the time of their retirement as a Director.

2. The performance indicators for performance-linked stock compensation are the state of dividends and consolidated ordinary income. These indicators were selected because they are set as financial targets and that they are more closely linked to shareholders' interests. Consolidated ordinary income for the fiscal year was 2.5 billion yen, and the annual dividend per share was 10 yen. Performance-linked stock compensation is determined within a range of 50 to 100%, with 50% of the points being fixed and the remaining 50% being variable. A payout rate of 100% is given when targets are achieved.

3. The maximum amount of compensation (monetary compensation) for Directors was resolved at the 34th Ordinary General Meeting of Shareholders held on June 29, 2006 to be up to 310 million yen per year. There were 14 Directors subject to this resolution.

4. At the 49th Ordinary General Meeting of Shareholders held on June 29, 2021, it was resolved that the maximum amount of non-monetary compensation (performance-linked stock compensation) for Directors shall be "up to 100,000 points, up to 150 million yen per 3-fiscal year period." There were 8 Directors subject to this resolution.

5. The Board of Directors determines the compensation, etc., for each individual Director based on the advice and recommendations of the Personnel and Compensation Committee. Regarding the compensation, etc., for individual Directors for the fiscal year in question, the Board of Directors confirms that the method for determining the content of compensation, etc., and the contents themselves are in accordance with the applicable policies.

* Meeting of the Personnel and Compensation Committee held on April 8, 2025 and the Board of Directors meeting held on April 30, 2025

6. The maximum amount of compensation for Audit and Supervisory Board Members was resolved at the 44th Ordinary General Meeting of Shareholders held on June 29, 2016 to be up to 80 million yen per year. There were 5 Audit and Supervisory Board Members subject to this resolution.

7. The amount of compensation for Audit and Supervisory Board Members is fixed and determined in consultation with the auditors.

● Disclosure of the policy for determining amount of compensation and calculation method

At a meeting of the Board of Directors held on September 26, 2023, the company resolved to revise its policy for determining the compensation, etc., of individual Directors. The Board of Directors' resolution was made based on the advice and recommendations of the Personnel and Compensation Committee, which mainly consists of independent Outside Directors.

The details of the policy for determining the compensation, etc., of individual Directors is as follows.

- The compensation for Directors (excluding Outside Directors) shall consist of fixed compensation and performance-linked stock compensation. The compensation for Outside Directors shall consist only of fixed compensation.
- Fixed compensation shall be paid monthly in cash, set at an amount commensurate with each Director's duties based on comprehensive consideration of the company's performance, management, and business environment, within the total amount determined at the General Meeting of Shareholders (310 million yen per year).
- For performance-linked stock compensation, points (fixed points and variable points) shall be awarded to each Director in accordance with their position each fiscal year within the scope approved at the General Meeting of Shareholders (100,000 points, 150 million yen per 3-fiscal year period), and at the time of their retirement, one share of common stock of the company shall be paid per point based on the accumulated points awarded up to that point.
 - a) Indicators of said compensation
The state of dividends and consolidated ordinary income set forth in the financial targets.
 - b) How number of points are determined
They are determined within a range of 50 to 100%, with 50% of the points being fixed and the remaining 50% being variable. A payout rate of 100% is given when the target is achieved.
- The ratio of fixed compensation to performance-linked stock compensation for the total compensation of Directors (excluding Outside Directors) will be around 80 to 90% and 10 to 20%, respectively, upon achievement of targets, with 50% of the performance-linked stock compensation being linked to performance.
- From the viewpoint of transparency and fairness, the amount of compensation for each individual Director (fixed compensation and performance-linked stock compensation) shall be determined by the Board of Directors based on the advice and recommendations of the Personnel and Compensation Committee, which mainly consists of independent Outside Directors.

Risks in Business, Etc.

The main risks that could affect the Group's business performance and financial position are as follows.

Any forward-looking statements are based on the Group's judgment as of the end of this consolidated fiscal year.

System changes regarding the electricity business

With regard to electricity system reforms, following the establishment of the Organization for Cross-regional Coordination of Transmission Operators (JAPAN) and the full liberalization of the electric market, legal separation was implemented in April 2020 to further neutralize the power transmission and distribution sector. However, our company is positioned as an "the approved general electricity transmission and distribution utility" allows us to operate a retail electricity business and power generation business, and therefore maintain an integrated system of transmission and distribution.

That said, the Group's business performance may be affected by trends such as national energy policies, changes to systems related to the electricity business in accordance with said policies, the strengthening of environmental regulations, etc.

Businesses other than the electricity business

With the comprehensive energy business at its core, our Group is also further developing business in the fields of construction and real estate, information and communications, and life and business support.

Our Group's business performance may be affected by changes in the business environment, such as intensifying competition with other businesses.

Changes in the amount of electricity sold

In the electricity business, which is the core business of our Group, the amount of electricity sold fluctuates depending on weather conditions (such as the temperature and typhoons), economic trends, progress in energy conservation, the state of competition with other companies, and more. As such, the business performance of our Group is likely to be affected by these conditions.

Changes in fuel prices

Our Group's business performance may be affected by fluctuations in fuel prices and foreign exchange rates, as coal, heavy oil, and LNG are the major thermal fuels used in the electricity business.

However, we are working to disperse the risk of fuel price fluctuations through methods such as achieving a balanced power supply configuration.

The Fuel Cost Adjustment System, under which fluctuations in fuel prices and foreign exchange rates are reflected in electricity prices, mitigates the impact of these fluctuations on our Group's business performance to a certain extent, but it may not be possible to factor in all significant fluctuations in fuel prices, etc.

Financial market trends

Our Group's Interest-bearing debt outstanding was 310.1 billion yen as of the end of March 2025. The financial results of our Group may be affected by fluctuations in borrowing rates due to future changes in market interest rates or changes in credit rating.

However, since the majority of Interest-bearing debt outstanding is at fixed interest rates, the impact of interest rate fluctuations on business performance is expected to be limited.

Our Group's retirement benefit costs and obligations are calculated based on actuarial assumptions such as discount rates and the long-term expected rate of return on pension assets. Fluctuations in the discount rate or investment yields may affect our Group's business performance.

Special measures based on the Act on Special Measures for the Promotion and Development of Okinawa

Under the Act on Special Measures for the Promotion and Development of Okinawa, our company has been granted special measures to secure funds for the purpose of ensuring a stable and appropriate supply of electricity in Okinawa. Furthermore, we receive low interest loans from the Okinawa Development Finance Corporation.

We also receive special tax treatment (reductions in taxes for non-current assets, exemptions from petroleum and coal tax on coal and LNG), and the amount received from this treatment is refunded to customers. If these policies were to be abolished, it could impact our Group's business performance.

Occurrence of natural disasters/troubles

In the event of damage to facilities, equipment accidents, or other trouble due to natural disasters such as a large-scale earthquake, tsunami, or typhoon, our Group's business performance may be affected.

In order to reduce the risk of such natural disasters and troubles, we conduct systematic inspections, repairs, and improvements of facilities in order to maintain and improve their reliability and ensure a stable supply of energy.

In preparation for the early recovery of operations in the event of a disaster, we also participate in companywide comprehensive disaster prevention training as well as disaster prevention drills conducted by government agencies and organizations, based on the idea of power facilities and equipment being severely damaged by a large-scale earthquake, tsunami, etc.

Occurrence of cyber-attacks

If damage occurs due to a cyber-attack, our Group's business performance may be adversely affected due to factors such as disruptions in power supply, the deterioration of our social credibility, brand image, costs required for response, or the need to pay compensation for damages caused.

To address this risk, we are promoting organizational, human, and technical measures, such as establishing mechanisms and systems for early detection and quick response to cyber-attacks, conducting security education and training, and sharing information with other businesses and related organizations, in an effort to reduce cyber risks.

The timing and degree of the possibility that such a risk will materialize are not stated because they are difficult to reasonably foresee due to the nature of the risk.

Leakage of personal information

Our Group acquires and manages the personal information of customers (including specific personal information) for the purpose of conducting its business. If a leak should occur, our Group's business performance may be adversely affected due to factors such as the deterioration of our social credibility, brand image, or the need to pay compensation for damages caused.

We are taking the following measures against these risks.

- We have established a basic policy concerning the protection of personal information (privacy policy), which has been given to all of our employees and posted on our website.
- In order to ensure information is managed appropriately, we have developed an internal system and established regulations for the protection of personal information.
- We are striving to raise awareness and improve understanding of personal information protection with initiatives such as training through e-learning and publishing case studies which highlight problems related to the protection of personal information in the company newsletter.

The timing and degree of the possibility that the risk will materialize are not stated because they are difficult to reasonably foresee due to the nature of the risk.

Occurrences of acts that go against corporate ethics

If any situation occurs that goes against corporate ethics, our Group's business performance may be adversely affected due to factors such as the deterioration of our social credibility, brand image, or the need to pay compensation for damages caused.

We are taking the following measures to address these risks.

- The Corporate Ethics Committee, chaired by the President, was established to formulate rules and regulations regarding corporate ethics and action plans for corporate ethics activities.
- Activities related to corporate ethics include the dissemination of messages from the President, the holding of lectures on legal compliance and corporate ethics, the publication of problematic cases in the company newsletter, and awareness-raising activities for partner companies.
- We have also established a Corporate Ethics Consultation Desk for reporting and consulting on matters related to corporate ethics both within and outside the company. We continue to conduct awareness-raising activities for executives and employees and take thorough measures to protect whistleblowers.

The timing and degree of the possibility that such a risk will materialize are not stated because they are difficult to reasonably foresee due to the nature of the risk.

Risk Management

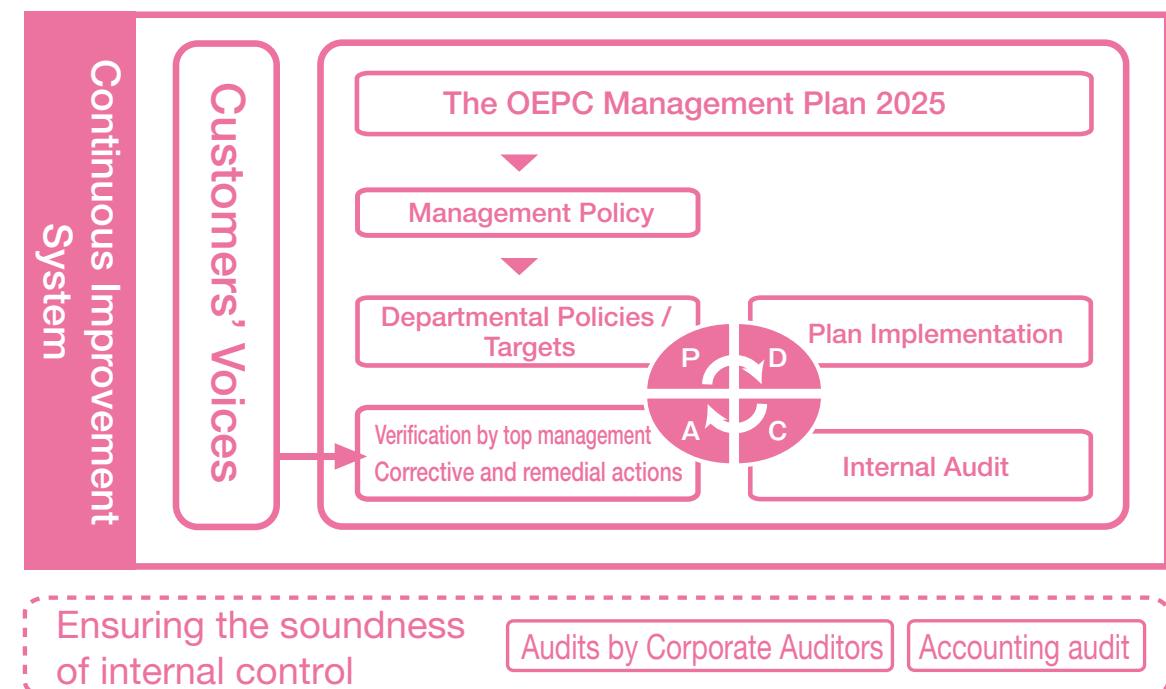
In order to respond quickly and accurately to the various risks surrounding our company, we have prepared a risk response manual and conduct drills assuming risks as appropriate.

Risk Management System G

Based on the “Basic Guidelines for Risk Management”, our company identifies, analyzes and evaluates risks in each department, assesses the effectiveness of response manuals, etc., that have been developed, and revises the system as necessary. We also report the status of risk management initiatives in each department and our response to risks to the Board of Executive Officers. The status of risk measures at each company under the Group, including our company, is collated and reported back to each company. Any important concern arising in the Group’s risk measures is reported to the OEPC Group Top Management conference.

Quality Management

We have built a Quality Management System (QMS) for the purpose of actively promoting operational efficiency and improving customer satisfaction.



Corporate Ethics and Legal Compliance

Each department of the Group strives to comply with laws and regulations by closely observing any revisions to laws and regulations related to its operations to ensure legal and regulatory compliance and corporate ethics, and is also working to develop related regulations and internal systems to ensure that all executives and employees are familiar with and understand them.

Establishment of rules and regulations G

Our company has established the “OEPC Ethical Code” and the “Regulations for Handling of Gifts and Entertainment” to ensure compliance with laws and regulations. Our company has established the “Guidelines for Responses to Antisocial Forces” to eliminate antisocial forces and do not have any relationship with antisocial forces with a resolute attitude.

The Group is committed to enhancing legal and regulatory compliance and corporate ethics, such as by establishing the “OEPC Group Code of Corporate Conduct” for the Group companies.

Establishment of Corporate Ethics Committee

We have established a Corporate Ethics Committee to ensure compliance with laws and regulations and corporate ethics in our corporate activities.

Structure	
Chairperson	President
Vice chairperson	Vice President
Committee member	Vice President, Director in charge of general administration, General Manager of General Administration Department, Chairperson of Labor Union Committee
Observer	Standing Corporate Auditor

Efforts to ensure corporate ethics G

The Group is taking the following initiatives to ensure thorough implementation of corporate ethics.

- ① Sending out top management messages on corporate ethics
- ② Holding compliance training for executives and employees
- ③ Raising awareness of the corporate ethics consultation desk
- ④ Conducting training for executives and employees on the corporate ethics consultation desk, etc.
- ⑤ Holding lectures on legal compliance and corporate ethics for executives and other participants
- ⑥ Holding briefings for employees on ethics lectures
- ⑦ Publishing articles on corporate ethics in the company newsletter (Okiden)
- ⑧ Conducting activities to raise awareness of corporate ethics among subcontractors

Establishment of Corporate Ethics Consultation Desk

We have set up a “corporate ethics consultation desk” for executives and employees of the company and affiliated companies to provide consultation in the case of any violations of the law or corporate ethics related to the company’s business operations. Since 2013, we have set up an external consultation desk with an outside lawyer to diversify our contact points.

In principle, the consultation details excluding consulter’s information are reported to the Corporate Ethics Committee, which investigates the facts and implements measures to prevent recurrences, discloses the details to the public and takes other actions as necessary.

We protect users of the desk from being treated disadvantageously as a result of their reporting or consulting



▲ In-house ethics lecture

Ensuring neutrality and transparency in the transmission and distribution sector

To ensure neutrality and transparency in the electric power transmission and distribution sector, the company has set forth basic matters regarding conduct regulations that must be observed by executives and employees performing operations by establishing the “Rules for Ensuring Fairness in General Electricity Transmission and Distribution Operations” based on laws and regulations. Our company has taken firm steps to comply with regulations such as the “Prohibition of Acts that Impede Competitive Relationships” and “Establishment of Appropriate Information Management Systems” in addition to the “Prohibition of Use or Provision of Information other than Intended Purposes” for customers of PPS (Power Producer and Supplier) and “prohibition of discriminatory treatment” in electricity transmission and distribution operations.

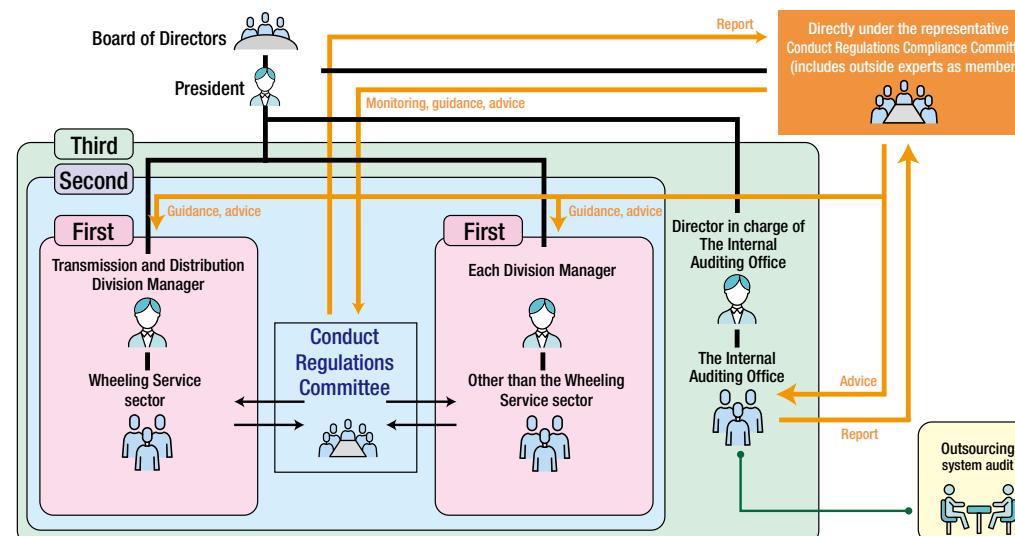
Our response to inappropriate incidents such as information leakage

In December 2022, incidents occurred that raised concerns about the neutrality of general electricity transmission and distribution utility, which are an essential foundation of the power supply system, including a case in which information of PPS customers was made available for viewing by our retail sector in wheeling service system managed by a general electricity transmission and distribution utility, and another case in which information held by the general electricity transmission and distribution utility was improperly handled.

In response to this, our company have taken the following new measures:

All executives and employees are working to raise awareness of the importance of complying with regulations as a major prerequisite for business operations, and will strive to prevent recurrence and further ensure compliance.

- We are working on a plan to eliminate the sharing of systems between the Retail Sector and the Power Transmission and Distribution Sector, as well as ensuring thorough ID management and strict compliance with regulations on conduct, including on-site regulations. We are also working to drastically strengthen internal controls in order to change the awareness of executives and employees.
- We analyze the access logs of the system used to manage non-public information, checking the log analysis results for suspicious access.
- As part of our efforts to build an effective system, we conduct industry-wide cross-checks with other general power transmission and distribution companies.



Legal (conduct regulations) compliance system (3-lines model risk management system)

Establishment of the Conduct Regulations Compliance Committee

The Conduct Regulations Compliance Committee, which includes outside experts as members, was established to provide guidance and advice on the status of compliance with laws and regulations on a company-wide basis, including the transmission and distribution sector.

Structure	
Chairperson	President
Vice chairperson	Vice president
In-house committee members	Directors (excluding the Chairman), Executive Officer in charge of general administration
Outside committee members	Outside experts
Observers	Standing Corporate Auditor, General Manager of the Internal Auditing Office

Establishment of the Conduct Regulations Committee

“The Conduct Regulations Committee” examines matters related to information management and legal compliance systems, examine policies and specific measures related to regulating conduct in general, and take measures as necessary.

In addition, in an effort to prevent the recurrence of inappropriate incidents and further enhance compliance, the committee meets once a quarter in principle, and the status of compliance with conduct regulations is reported to the Conduct Regulations Compliance Committee.

Structure	
Chairperson	Transmission and Distribution Division Director
Vice chairperson	Transmission and Distribution Deputy Division Manager or a person designated by the chairperson.
Committee member	Director of the Transmission and Distribution Division, General Managers of the Transmission and Distribution Division

Information Security

As a critical infrastructure operator, we recognize that it is our important responsibility to ensure a stable supply of electric power and to manage our information assets appropriately. To maintain and improve the level of information security, we are making concerted efforts to promote information security activities from organizational, personal, physical, and technological perspectives, including the establishment of a system for early detection and response to cyber-attacks, security education and training, and information sharing with other businesses and related organizations through JE-ISAC* and more.

Furthermore, we position the management of information assets and response to cyber risks as an important business issue, and we are strengthening our security measures in line with changes in our business environment, including the shift to cloud services and increased use of AI.

In addition to company-wide activities, our Group is also working on information security activities in the same manner. We have also formulated the “OEPC Basic Policy on Information Security”, which outlines the basic rules to be observed by executives and employees, and we have made it available on our website.

*JE-ISAC (Japan Electricity Information Sharing and Analysis Center) is an organization that shares and analyzes cyber security information and supports countermeasures.

The Okinawa Electric Power Company, Incorporated (OEPC)
Basic Policy on Information Security



Organizational measures

In addition to formulating the Basic Policy and the Information Security Guidelines, our company has established a security management promotion system and an incident response system headed by the director in charge of overall information security. We have also appointed an Information Security Officer in each department to promote information security activities across the company.

Personnel measures

We conduct annual training and self-assessments for all employees to improve their awareness and understanding of information security.

External cooperation through JE-ISAC, etc.

We participate in JE-ISAC and other industry-wide information sharing networks and work in close collaboration with other businesses and related organizations. Through this, we are working to identify threats early and improve our response capabilities.

SOC/CSIRT* system development

We have established an SOC that handles monitoring and analysis on a 24/7 basis, and in the event of a major incident, the CSIRT oversees everything from initial response to prevention of recurrence. The CSIRT is working to enhance overall response capabilities through collaboration with each Group company.

*SOC/CSIRT refers to a security monitoring system responsible for detecting and analyzing signs of cyberattacks and responding to security incidents.

Group-wide information security activities G

We established the OEPC Information Technology Promotion Committee, which is chaired by the director in charge of overall information security, to run the PDCA cycle including the formulation, implementation, evaluation, and improvement of the OEPC Information Security Activities Plan.

Personal Information Protection

Our company handles the personal information of many customers and strives to protect and appropriately manage personal information while making continuous improvements following the Act on the Protection of Personal Information.

Privacy Policy

We have established a basic policy concerning the protection of personal information, the “OEPC Personal Information Protection Policy (Privacy Policy)”, which is posted on our website and at each place of business to ensure that our employees and the public are well informed.

Personal Information Protection Policy



Establishment of rules and regulations

We have formulated the “Basic Guidelines for the Protection of Personal Information” and established an internal responsibility management system and rules for their implementation.

Employee training

We are striving to raise awareness and improve understanding of personal information protection with initiatives such as training through e-learning for all employees and publishing case studies in the company newsletter, which highlight problems related to the protection of personal information.

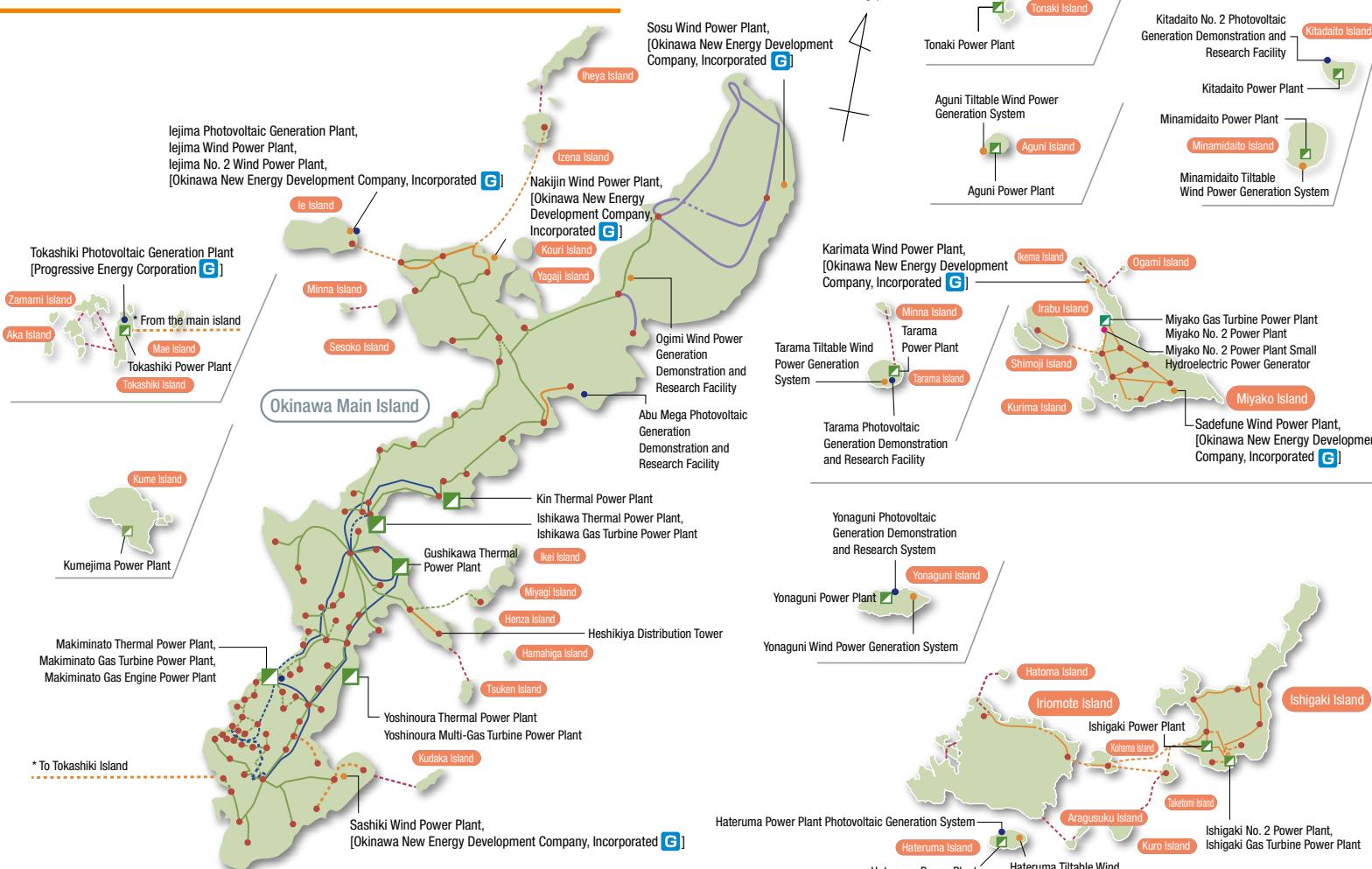
4 Finance and Company Information



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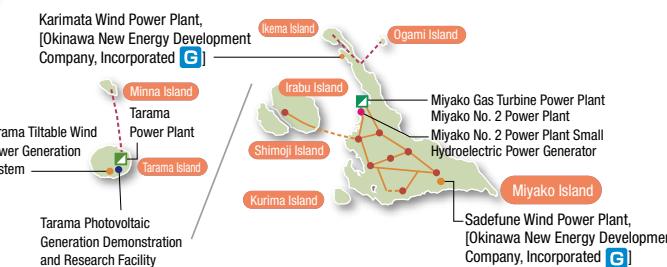
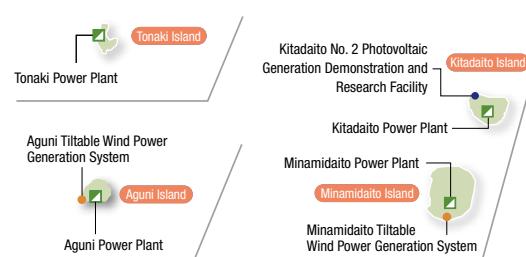
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Major Power Supply Facilities



Legend

- 132 kV (Overhead cables)
- 66 kV (Underground cables)
- 22 kV (Includes underground and submarine power cables)
- 13.8 kV (Overhead cables)
- 13.8 kV (Underground cables)
- 6.6 kV (Submarine power cables)
- Thermal power plant
- Substation/power distribution tower
- Photovoltaic generation
- Wind power generation
- Small hydroelectric power



■ Status of OEPG's electric power facilities as of March 31, 2025

Generating facilities, Total output (approved maximum output)
2,209,945 kW, (28 locations)

Distribution facilities

Total capacity of substation equipment 7,591,500 kVA, (129 locations)

Transmission line length 1,282 km
Distribution line length 11,400 km
[Breakdown] 10,789 km (overhead) 611 km (underground)

■ Steam power plants

Makimino Thermal Power Plant	125,000 kW
Ishikawa Thermal Power Plant	250,000 kW
Gushikawa Thermal Power Plant	312,000 kW
Kin Thermal Power Plant	440,000 kW
Yoshinoura Thermal Power Plant	502,000 kW
Total	1,629,000 kW

■ Gas turbine power plants

Makimino Gas Turbine Power Plant	163,000 kW
Ishikawa Gas Turbine Power Plant	103,000 kW
Yoshinoura Multi-Gas Turbine Power Plant	35,000 kW
Miyako Gas Turbine Power Plant	15,000 kW
Ishigaki Gas Turbine Power Plant	10,000 kW
Total	326,000 kW

■ Internal combustion power plants

Makimino Gas Engine Power Plant	45,000 kW
Kurejima Power Plant	16,500 kW
Tokashiki Power Plant	3,210 kW
Tonaki Power Plant	780 kW
Aguni Power Plant	1,400 kW
Minamidaito Power Plant	2,540 kW
Kitadaito Power Plant	1,440 kW
Miyako No. 2 Power Plant	79,000 kW
Tarama Power Plant	1,650 kW
Ishigaki Power Plant	20,000 kW
Ishigaki No. 2 Power Plant	76,000 kW
Hateruma Power Plant	800 kW
Yonaguni Power Plant	4,310 kW
Total	252,630 kW

■ Wind power generation systems

Yonaguni Wind Power Generation System	600 kW
Hateruma Tiltable Wind Power Generation System	490 kW
Ogimi Wind Power Generation Demonstration and Research Facility	(4,000 kW)
Minamidaito Tiltable Wind Power Generation System	490 kW
Aguni Tiltable Wind Power Generation System	245 kW
Tarama Tiltable Wind Power Generation System	490 kW
Total	6,315 kW

■ Photovoltaic generation systems

Tarama Photovoltaic Generation Demonstration and Research Facility	(250 kW)
Yonaguni Photovoltaic Generation System	(150 kW)
Kitadaito Photovoltaic Generation Demonstration and Research Facility	(100 kW)
Abu Mega Photovoltaic Generation Demonstration and Research Facility	(1,000 kW)
Hateruma Power Plant Photovoltaic Generation System	(10 kW)
Total	1,510 kW

■ Hydroelectric power generators

Miyako No. 2 Power Plant Small Hydroelectric Power Generator	(65 kW)
Total	65 kW

* The installed capacity of electric facilities for general and private use is indicated in parentheses and not included in the approved maximum output of the generation facilities

Key Data of the Electricity Business

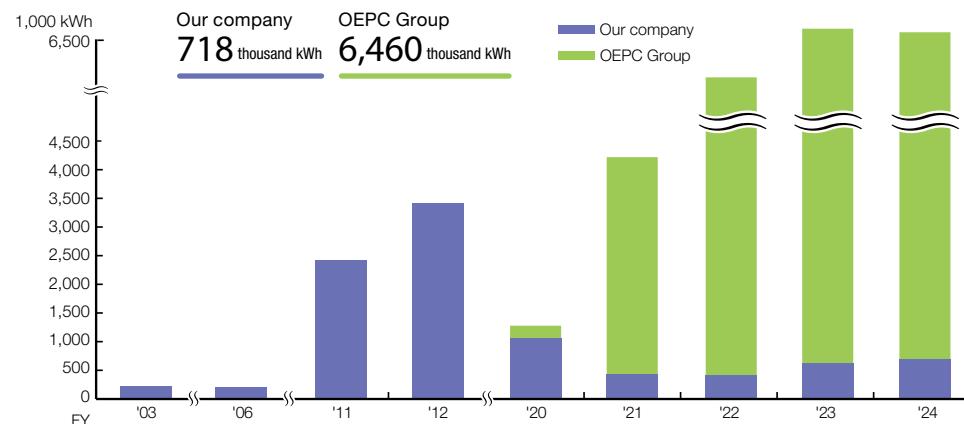
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Electricity sales (million kWh)	7,649	7,813	7,761	7,453	7,316	7,137	7,033	7,073	6,965	7,341
Lighting	2,953	3,115	3,140	2,960	2,946	2,983	2,895	2,842	2,714	2,963
Power	4,696	4,698	4,621	4,493	4,370	4,154	4,138	4,231	4,251	4,378
Power generation capacity (1,000 kW)	2,155	2,153	2,148	2,147	2,147	2,147	2,166	2,166	2,211	2,210
Thermal power	2,153	2,151	2,146	2,145	2,145	2,145	2,163	2,164	2,209	2,208
Steam power	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629
Gas turbine power	326	326	326	326	326	326	326	326	326	326
Internal combustion power	198	196	191	190	190	190	208	209	254	253
New energy power generation	2	2	2	2	2	2	2	2	2	2
Power generation capacity (million kWh)	7,984	8,109	8,055	7,743	7,613	7,421	7,276	7,349	7,214	7,636
OEPC's power generation	6,210	6,492	6,249	5,813	5,820	5,860	5,772	5,881	5,468	5,797
Thermal power	6,208	6,490	6,247	5,812	5,819	5,858	5,770	5,880	5,467	5,796
New energy power generation	2	2	2	1	1	2	1	2	1	1
Electric power from other companies	1,774	1,617	1,806	1,930	1,793	1,561	1,504	1,467	1,747	1,839
Amount of power used for pumping at pumped storage power plants	—	—	—	—	—	—	—	—	—	—
Number of employees (persons)	1,606	1,605	1,615	1,628	1,632	1,631	1,625	1,614	1,593	1,576

*1 Figures of the power generation capacity is at the end of the fiscal year. "α" indicates a number less than one unit.

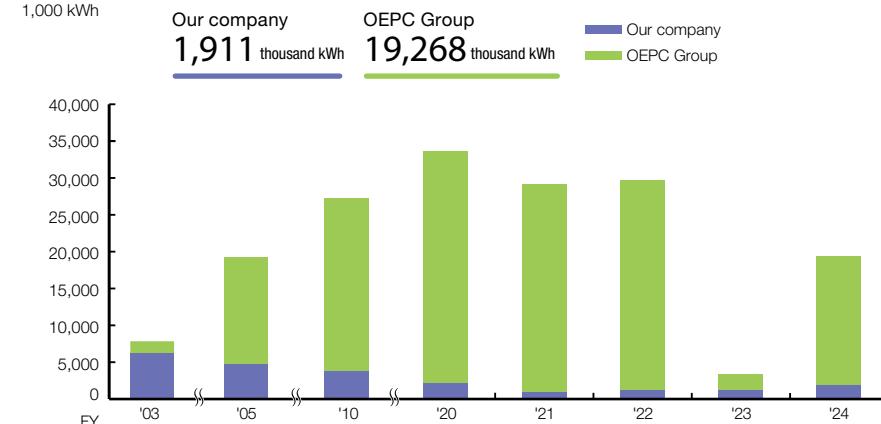
*2 The amount of electricity generated and received is the value at the transmission end.

*3 Only full-time employees at the end of the fiscal year are included in the number of employees.

Amount of electricity generated by photovoltaic facilities (transmission end)



Amount of electricity generated by wind power facilities (transmission end)



Trends of Key Management Indicators

[Consolidated]

Term		49th Term	50th Term	51th Term	52st Term	53nd Term
Fiscal year		March, 2021	March, 2022	March, 2023	March, 2024	March, 2025
Sales (Operating revenues)	(Millions of yen)	190,520	176,232	223,517	236,394	236,540
Ordinary income (loss)	(Millions of yen)	11,335	2,717	(48,799)	2,568	5,665
Net income (loss) attributable to owners of the parent	(Millions of yen)	8,341	1,959	(45,457)	2,391	4,322
Comprehensive income	(Millions of yen)	10,565	1,674	(45,146)	4,612	5,546
Shareholders' equity	(Millions of yen)	163,073	161,287	114,495	118,830	123,550
Total assets	(Millions of yen)	427,031	446,519	480,546	498,671	500,411
Net assets per share	(Yen)	2,966.84	2,936.44	2,073.44	2,150.50	2,234.49
Earnings (loss) per share	(Yen)	153.29	36.05	(836.98)	44.02	79.59
Diluted earnings per share	(Yen)	—	—	—	—	—
Equity ratio	(%)	37.8	35.7	23.4	23.4	24.3
Return on equity	(%)	5.3	1.2	(33.4)	2.1	3.6
Price-earnings ratio	(x)	10.1	38.2	—	26.6	11.5
Net cash provided by (used in) operating activities	(Millions of yen)	31,686	17,328	(38,062)	25,628	34,082
Net cash provided by (used in) investing activities	(Millions of yen)	(29,479)	(34,932)	(38,485)	(32,000)	(34,041)
Net cash provided by (used in) financing activities	(Millions of yen)	1,389	12,788	75,043	9,543	(3,438)
Cash and cash equivalents at end of period	(Millions of yen)	25,190	20,374	18,869	22,040	18,641
Number of employees (average number of outside, temporary employees)	(persons)	2,796 (504)	2,806 (519)	3,075 (276)	3,079 (257)	3,127 (240)

[Non-consolidated]

Term		49th Term	50th Term	51th Term	52st Term	53nd Term
Fiscal year		March, 2021	March, 2022	March, 2023	March, 2024	March, 2025
Sales (Operating revenues)	(Millions of yen)	180,638	168,078	213,383	225,609	224,043
Ordinary income (loss)	(Millions of yen)	8,939	500	(50,245)	387	3,956
Net income (loss)	(Millions of yen)	6,953	694	(45,934)	1,200	3,481
Share capital	(Millions of yen)	7,586	7,586	7,586	7,586	7,586
Total number of issued shares (1,000 shares)		56,927	56,927	56,927	56,927	56,927
Shareholders' equity	(Millions of yen)	142,180	138,984	91,786	93,538	96,737
Total assets	(Millions of yen)	391,496	407,311	441,260	458,330	459,474
Net assets per share	(Yen)	2,613.01	2,559.00	1,690.00	1,722.25	1,781.19
Dividend per share (of which, interim dividend per share)	(Yen)	60.00 (30.00)	60.00 (30.00)	— (—)	10.00 (5.00)	20.00 (10.00)
Earnings (loss) per share	(Yen)	127.78	12.77	(845.76)	22.11	64.10
Diluted earnings per share	(Yen)	—	—	—	—	—
Equity ratio	(%)	36.3	34.1	20.8	20.4	21.1
Return on equity	(%)	5.0	0.5	(39.8)	1.3	3.7
Price-earnings ratio	(x)	12.1	107.9	—	52.9	14.3
Dividend payout ratio	(%)	47.0	469.9	—	45.2	31.2
Employees	(persons)	1,536	1,532	1,536	1,504	1,503
Total shareholder return (comparative index: TOPIX including dividends)	(%)	85.4 (142.1)	79.4 (145.0)	63.5 (153.4)	68.9 (216.8)	56.5 (213.4)
Highest stock price	(Yen)	2,176 *2,073	1,552	1,393	1,267	1,276
Lowest share price	(Yen)	1,802 *1,357	1,366	921	1,025	875

(Note) *indicates the share price after ex-rights due to stock split.

Consolidated Financial Statements

Consolidated Balance Sheet

(Unit: millions of yen)

	2024	2025
Assets		
Non-current assets	418,660	429,319
Electric utility plant and equipment	320,680	325,995
Thermal power production facilities	88,854	83,211
Internal combustion engine power production facilities	34,677	34,655
Transmission facilities	54,306	58,279
Transformation facilities	41,563	44,673
Distribution facilities	86,886	91,176
General facilities	12,629	12,320
Other electric utility plant and equipment	1,762	1,679
Other non-current assets	41,282	41,491
Construction in progress	22,853	27,941
Construction and retirement in progress	22,853	27,941
Investments and other assets	33,844	33,890
Long-term investments	9,409	10,126
Retirement benefit asset	4,763	3,346
Deferred tax assets	16,250	16,452
Other	3,469	3,999
Allowance for doubtful accounts	(48)	(34)
Current assets	80,010	71,091
Cash and deposits	22,158	18,746
Notes and accounts receivable-trade	13,912	14,732
Inventories	18,132	18,401
Other	25,929	19,613
Allowance for doubtful accounts	(122)	(402)
Total	498,671	500,411
Liabilities and net assets		
Non-current liabilities	294,832	274,306
Bonds payable	135,000	126,000
Long-term borrowings	130,694	138,304
Retirement benefit liabilities	11,210	7,252
Other	17,927	2,748
Current liabilities	85,007	102,554
Current portion of non-current liabilities	26,727	43,643
Short-term borrowings	5,221	2,496
Notes and accounts payable-trade	14,816	13,976
Accrued taxes	2,204	3,960
Other	36,037	38,476
Total liabilities	379,840	376,860
Shareholders' equity	111,993	115,499
Share capital	7,586	7,586
Capital surplus	7,278	7,278
Retained earnings	102,522	106,029
Treasury shares	(5,393)	(5,394)
Accumulated other comprehensive income	4,803	5,857
Valuation difference on available-for-sale securities	3,234	3,817
Deferred gains or losses on hedges	108	54
Remeasurements of defined benefit plans	1,461	1,985
Non-controlling interests	2,033	2,193
Total net assets	118,830	123,550
Total	498,671	500,411

Consolidated Statement of Income

(Unit: millions of yen)

	2024	2025
Operating revenues	236,394	236,540
Electric utility operating revenue	219,716	217,620
Other business operating revenue	16,677	18,919
Operating expenses	232,912	229,217
Electric utility operating expenses	217,429	211,271
Other business operating expenses	15,483	17,946
Operating income (loss)	3,481	7,322
Non-operating income	1,186	1,075
Dividend income	202	246
Interest income	1	5
Gain on sale of non-current assets	135	124
Gain on sale of goods	259	223
Share of profit of entities accounted for using equity method	241	222
Other	346	252
Non-operating expenses	2,100	2,732
Interest expenses	1,660	1,926
Provision for doubtful accounts	-	280
Other	440	525
Total ordinary revenue	237,581	237,615
Total ordinary expenses	235,012	231,950
Ordinary income (loss)	2,568	5,665
Net income (loss) before income taxes	2,568	5,665
Income taxes - current	1,188	1,772
Income taxes - deferred	(1,162)	(600)
Total income taxes	25	1,172
Net income (loss)	2,542	4,493
Net income attributable to non-controlling interests	151	170
Net income (loss) attributable to owners of the parent	2,391	4,322

Consolidated Statement of Comprehensive Income

(Unit: millions of yen)

	2024	2025
Net income (loss)	2,542	4,493
Other comprehensive income		
Valuation difference on available-for-sale securities	797	582
Deferred gains or losses on hedges	71	△ 53
Remeasurements of defined benefit plans, net of tax	1,201	524
Total other comprehensive income	2,070	1,053
Comprehensive income	4,612	5,546
Comprehensive income attributable to:		
Owners of the parent	4,457	5,376
Non-controlling interests	155	170

Consolidated Statement of Changes in Equity

Year Ended March 31, 2024

(Unit: millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for- sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,586	7,278	100,403	(5,395)	109,873	2,440	37	259	2,737	1,884	114,495
Changes during period											
Dividends of surplus			(272)		(272)						(272)
Net income attributable to owners of the parent			2,391		2,391						2,391
Purchase of treasury shares				(1)	(1)						(1)
Disposal of treasury shares			(0)	2	2						2
Net changes in items other than shareholders' equity						793	71	1,201	2,066	148	2,214
Total changes during period	-	-	2,118	1	2,120	793	71	1,201	2,066	148	4,335
Balance at end of period	7,586	7,278	102,522	(5,393)	111,993	3,234	108	1,461	4,803	2,033	118,830

Year Ended March 31, 2025

(Unit: millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for- sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,586	7,278	102,522	(5,393)	111,993	3,234	108	1,461	4,803	2,033	118,830
Changes during period											
Dividends of surplus			(816)		(816)						(816)
Net income attributable to owners of the parent			4,322		4,322						4,322
Purchase of treasury shares				(0)	(0)						(0)
Disposal of treasury shares					-						-
Net changes in items other than shareholders' equity						582	(53)	524	1,053	160	1,214
Total changes during period	-	-	3,506	(0)	3,505	582	(53)	524	1,053	160	4,720
Balance at end of period	7,586	7,278	106,029	(5,394)	115,499	3,817	54	1,985	5,857	2,193	123,550

Consolidated Statement of Cash Flows

(Unit: millions of yen)

	Year Ended March 31, 2024	Year Ended March 31, 2025
Net cash provided by (used in) operating activities		
Net income (loss) before income taxes	2,568	5,665
Depreciation	21,569	23,459
Loss on retirement of non-current assets	715	350
Increase (decrease) in retirement benefit liability	(454)	60
Decrease (increase) in retirement benefit asset	(176)	(1,097)
Interest and dividend income	(203)	(252)
Interest expenses	1,660	1,926
Decrease (increase) in trade receivables	(391)	(819)
Decrease (increase) in inventories	1,971	(218)
Increase (decrease) in trade payables	(1,985)	(839)
Other	2,867	8,502
Subtotal	28,139	36,737
Interest and dividends received	213	262
Interest paid	(1,681)	(1,837)
Income taxes refund (paid)	(1,043)	(1,080)
Net cash provided by (used in) operating activities	25,628	34,082
Net cash provided by (used in) investing activities		
Purchase of non-current assets	(33,353)	(41,117)
Proceeds from sale of non-current assets	443	542
Investments and loan advances	(218)	(566)
Proceeds from divestments and collection of loans receivable	207	226
Other	919	6,871
Net cash provided by (used in) investing activities	(32,000)	(34,041)
Net cash provided by (used in) financing activities		
Proceeds from issuance of bonds	9,973	19,933
Redemption of bonds	-	(10,000)
Proceeds from long-term borrowings	15,890	22,128
Repayments of long-term borrowings	(17,238)	(15,120)
Net increase (decrease) in short-term borrowings	3,001	(2,724)
Net increase (decrease) in commercial papers	-	(16,823)
Dividends paid	(277)	(819)
Other	(1,805)	(10)
Net cash provided by (used in) financing activities	9,543	(3,438)
Net increase (decrease) in cash and cash equivalents	3,170	(3,398)
Cash and cash equivalents at beginning of period	18,869	22,040
Cash and cash equivalents at end of period	22,040	18,641

With the community, for the community



**The Okinawa Electric Power
Company, Incorporated**