
■ Financial Result for the Year Ended March 31, 2021

May 13, 2021

Hokkaido Electric Power Co., Inc.

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■ Consolidated – Business Results/Financial Status

【 Business results】

(Billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Comparison (A)/(B) %
Operating Revenue	740.7	748.4	(7.6)	(1.0)
Operating Profit	53.7	42.4	11.3	26.8
Ordinary Profit	41.1	32.6	8.5	26.1
Profit attributable to owners of parent	36.1	26.7	9.4	35.3
Basic Earnings per Share [Yen]	169.09	123.16	45.93	

*There is no change from the consolidated earnings forecast announced on April 26, 2021.

【 Financial status】

(Billion yen)

	As of March 31, 2021(A)	As of March 31, 2020(B)	Increase/ Decrease (A)-(B)
Assets	2,001.6	1,959.0	42.5
Net Assets	289.7	247.3	42.3
Shareholders' Equity Ratio	13.8%	12.0%	1.8%

Consolidated – Statement of Operations

(Billion yen)

		April 1, 2020 – March 31, 2021(A)	April 1, 2019 – March 31, 2020(B)	Increase/Decrease (A)-(B)	Comparison (A)/(B) %
Ordinary Revenue	Operating Revenues	740.7	748.4	(7.6)	(1.0)
	Electricity utility operating revenue	702.9	712.6	(9.7)	(1.4)
	Other business operating revenue	37.8	35.7	2.0	5.8
	Non-operating Income	1.6	3.1	(1.4)	(45.7)
Subtotal		742.4	751.5	(9.1)	(1.2)
Ordinary Revenue	Operating Expenses	687.0	706.0	(19.0)	(2.7)
	Electricity utility operating expenses	651.7	674.6	(22.9)	(3.4)
	Other business operating expenses	35.2	31.3	3.9	12.5
	Non-operating Expenses	14.3	12.8	1.4	11.0
Subtotal		701.3	718.9	(17.6)	(2.4)
[Operating Profit]		[53.7]	[42.4]	[11.3]	[26.8]
Ordinary Profit		41.1	32.6	8.5	26.1
Provision or reversal of reserve for fluctuation in water levels		(0.2)	(0.7)	0.5	–
Profit before income taxes		41.4	33.4	7.9	23.8
Income taxes		5.0	6.3	(1.2)	(19.7)
Profit		36.3	27.1	9.2	34.0
Profit (Loss) attributable to non-controlling interests		0.1	0.3	(0.2)	(54.1)
Profit attributable to owners of parent		36.1	26.7	9.4	35.3

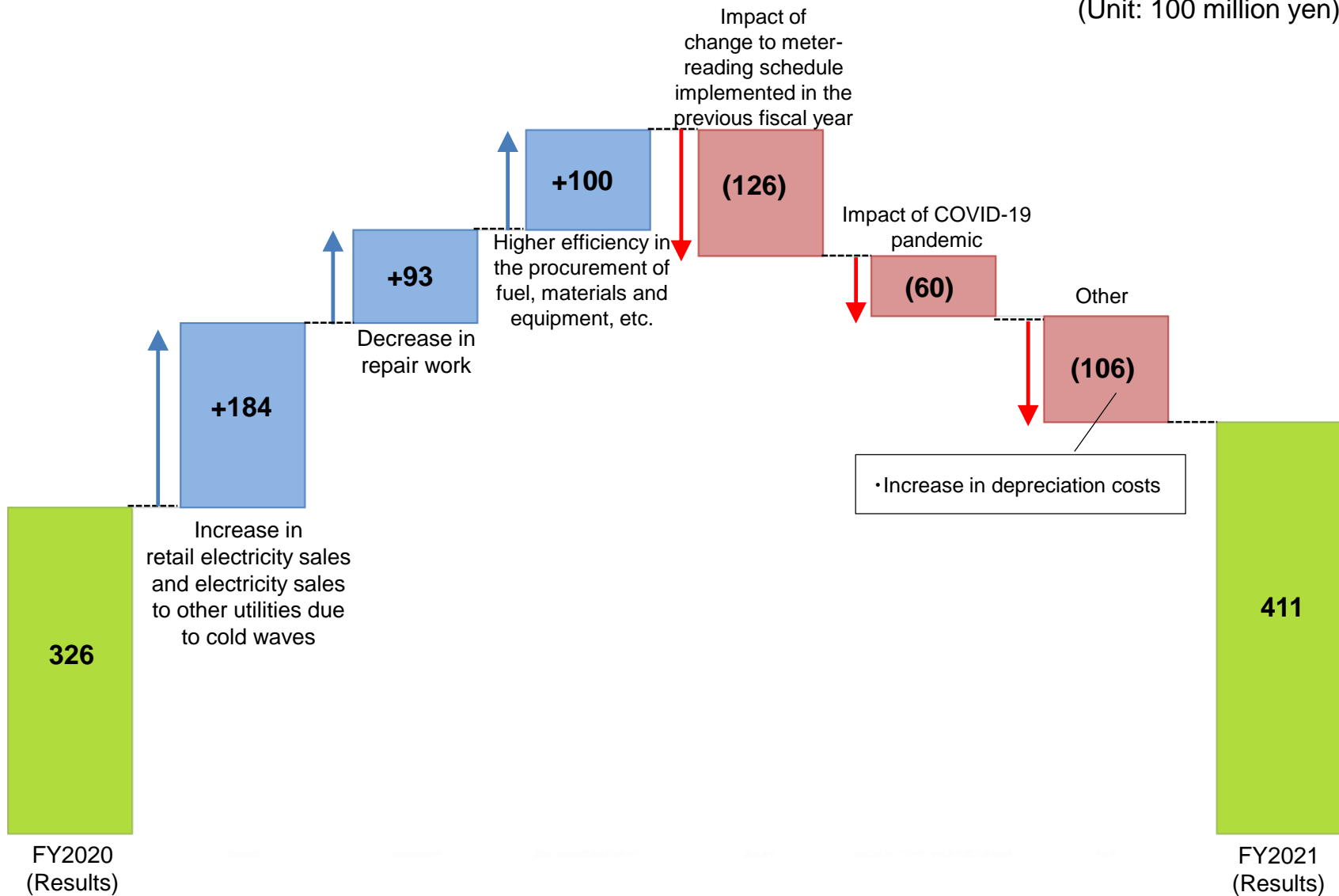
(Appendix)

Comprehensive Income	46.0	24.3	21.7	89.4
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<p>Operating Revenue (Decreased)</p>	<p>Although there was an increase in electricity sales due to the effect of the cold waves in winter, operating revenue decreased by 7.6 billion yen to 740.7 billion yen year on year for reasons such as the impact of the fuel cost adjustment system resulting from a drop in fuel prices and a decrease in electricity sales caused by the COVID-19 pandemic.</p>
<p>Ordinary Income (Increased)</p>	<p>Ordinary profit increased by 8.5 billion yen to 41.1 billion yen year on year, against the backdrop of the influence exerted by the change to the meter-reading schedule in some of the agreements concluded with high-voltage customers in the previous fiscal year, a decrease in profit caused by the COVID-19 pandemic, and efforts to reduce costs by decreasing repair work and streamlining the procurement of fuel and materials and equipment, in addition to the effect caused by cold waves.</p>
<p>Profit attributable to owners of parent</p>	<p>Profit attributable to owners of parent increased by 9.4 billion yen to 36.1 billion yen year on year.</p>

FY2021 Achievements (Consolidated Financial Results); Factors Involved in Change to Ordinary Profit (Year-on-Year Comparison)

(Unit: 100 million yen)



■ Outline of Consolidated Financial Results (Comparison with Forecasts in January 2021)

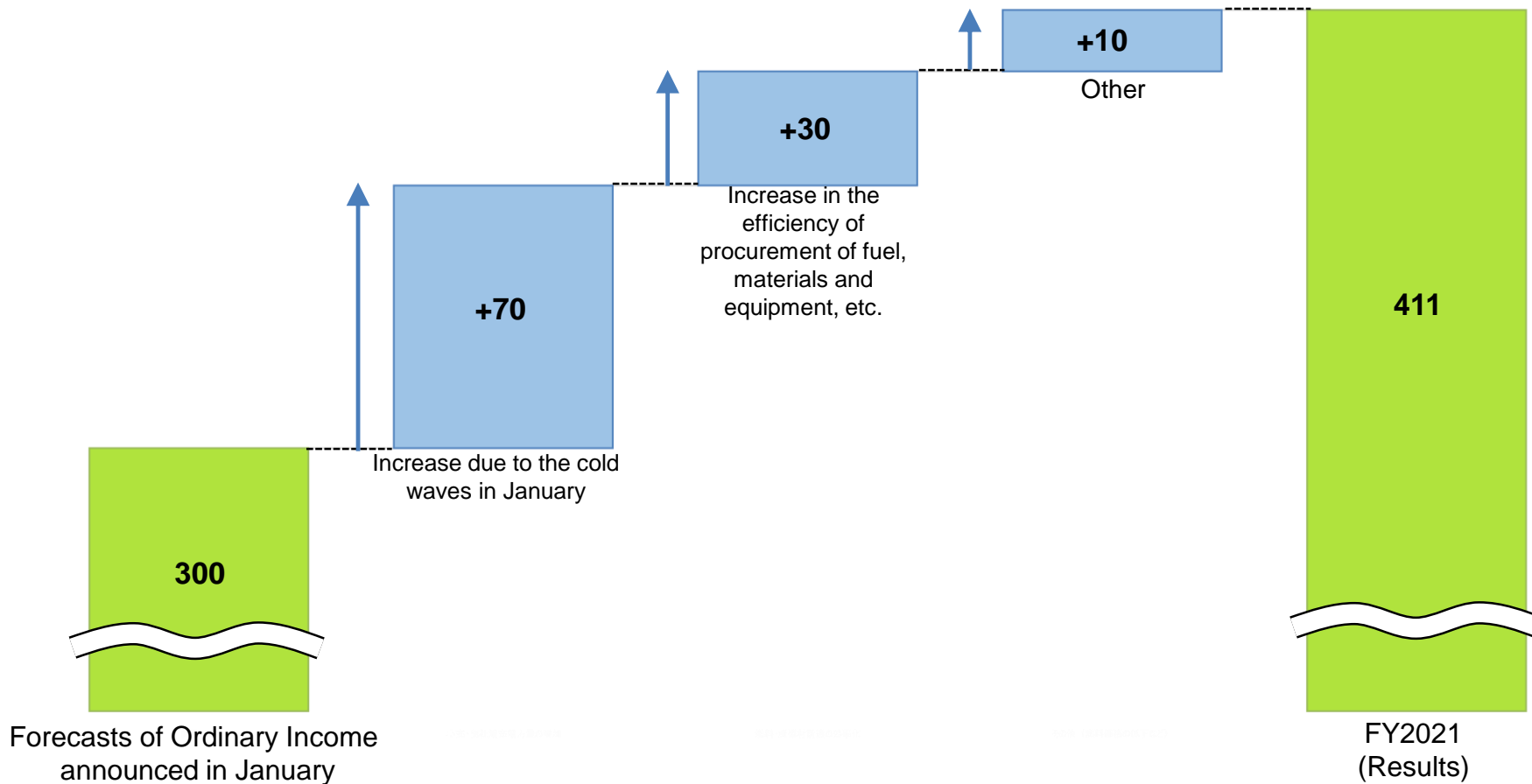
Consolidated ordinary income for FY2021 increased by approximately 11 billion yen compared to the forecasts announced in January, due to an increase in efficiency in the procurement of fuel, materials and equipment, etc. in addition to an increase in income due to the cold waves in January.

(Billion yen , TWh)

	FY2021		
	Results (A)	Forecasts in January 2021 (B)	Increase/Decrease (A)-(B)
Operating Revenue	740.7	Approx. 719.0	Approx. 22.0
Operating Profit	53.7	Approx. 39.0	Approx. 14.0
Ordinary Profit	41.1	Approx. 30.0	Approx. 11.0
Profit attributable to owners of parent	36.1	Approx. 26.0	Approx. 10.0
[Comparison to last fiscal year] Electricity Sales	[[4.3%] 22.7	[Approx. (5.0%)] Approx. 22.5	Approx. 0.2

FY2021 Achievements (Consolidated Financial Results); Factors Involved in Change to Ordinary Profit (Comparison with Forecasts in January)

(Unit: 100 million yen,
approx. 100 million yen)



■ Forecasts of Consolidated Financial Performance for FY2022 (Ending March 2022)

The consolidated earnings forecast for FY 2022 is announced as follows.

(Billion yen , TWh)

	April 1, 2021 – March 31, 2022 Forecast (A)	April 1, 2020 – March 31, 2021 (B)	Increase/Decrease (A)-(B)
Operating Revenue	Approx. 575.0	585.2	Approx. (10.0)
Operating Profit	Approx. 33.0	53.7	Approx. (21.0)
Ordinary Profit	Approx. 23.0	41.1	Approx. (18.0)
Profit attributable to owners of parent	Approx. 20.0	36.1	Approx. (16.0)
[Comparison to last fiscal year] Electricity Sales	[Approx.(1.1%)] Approx. 22.4	[(4.3%)] 22.7	Approx. (0.3)

Key Factors

Foreign Exchange Rate [yen/\$]	Approx. 110	Approx. 106	Approx. 4
CIF Crude Oil Price [\$/barrel]	Approx. 60.0	Approx. 43.4	Approx. 17.0

From FY2022, the Ordinance on Accounting at Electricity Utilities has been revised in line with the application of Accounting Standards for Revenue Recognition, so the impact on the feed-in tariff system for renewable energy will no longer be recorded as revenue and expenses.

As a result of this change, sales for FY2022 will decrease by approximately 170 billion yen compared to those based on the conventional method, but there will be no impact on operating profit, ordinary profit, and profit attributable to owners of parent.

*Reclassifications have been made to the results for FY2021 on the assumption that the results are subject to the change above.

[Impact of COVID19] Taking into account that the economy in Hokkaido remains in a severe situation with little sign of recovery, electricity sales in the retail market are expected to decrease by approximately 400 GWh in FY2022 due to the COVID-19 pandemic.

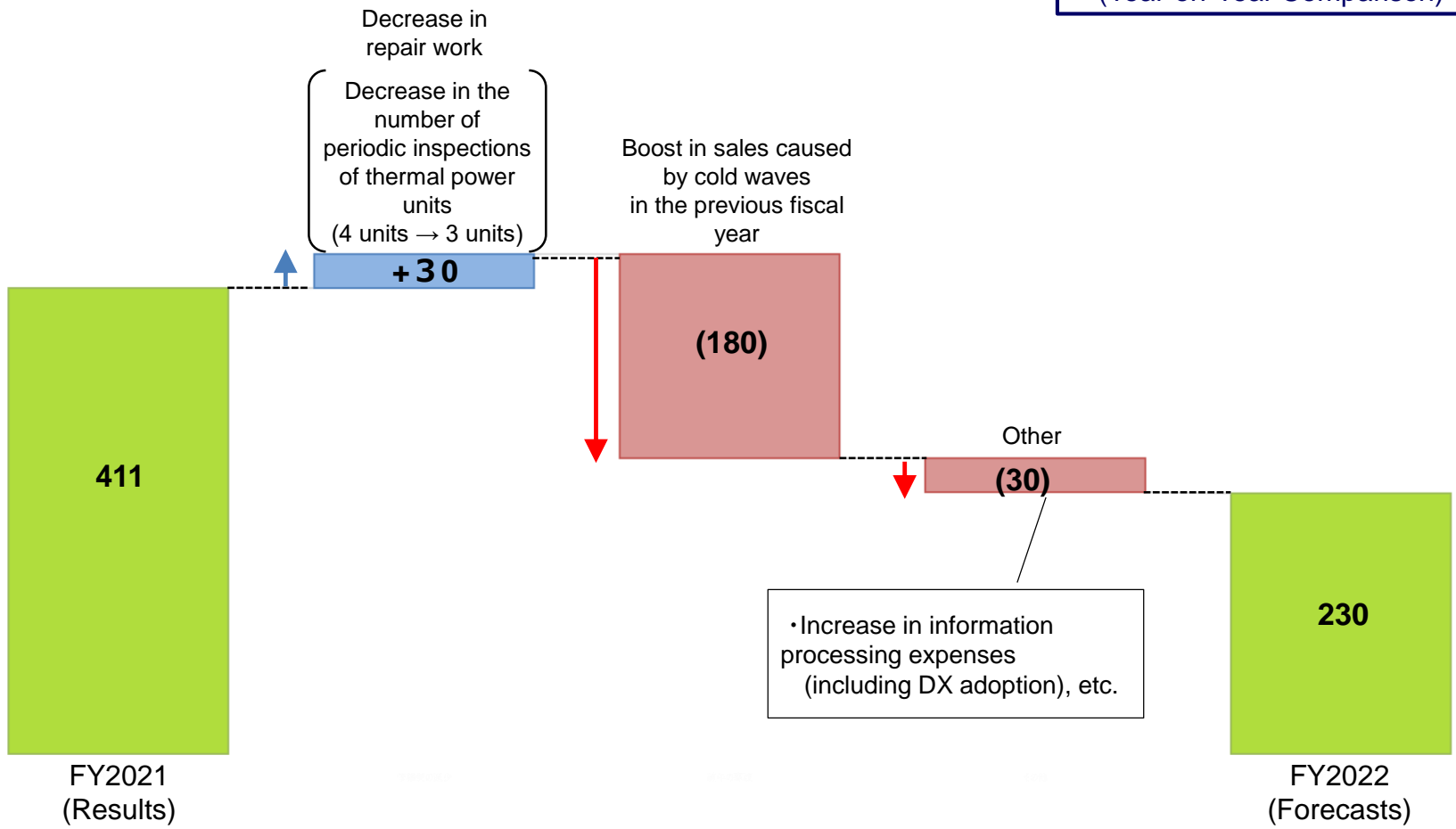
■ Outline of Forecasts of Consolidated Financial Performance for FY2022 (Ending March 2022)

Electricity sales in the retail market	Some increase in sales to high-voltage and extra high-voltage customers as a result of sales promotion in consideration of customer needs is expected, but due to the boost in sales caused by cold waves in the previous fiscal year and an increase in the number of low-voltage customers who switched their contracts to other electric power companies, sales are expected to decrease year on year by approximately 1.1%.
Operating Revenue (Decreased)	Despite the impact of the fuel cost adjustment system due to an increase in fuel prices, operating revenue is expected to decrease by approximately 10 billion yen to 575 billion yen year on year for reasons such as the boost in sales caused by cold waves in the previous fiscal year.
Ordinary Income (Decrease)	Although repair work costs are expected to decrease due to a decrease in the number of periodic inspections of the thermal power units, ordinary income is expected to decrease by approximately 18 billion yen to around 23 billion yen year on year, due to the boost in sales caused by cold waves in the previous fiscal year.

■ Forecasts of Consolidated Financial Performance for FY2022
 (Ending March 2022); Factors Involved in Change to Ordinary Profit (Year-on-Year Comparison)

(Unit: 100 million yen, approx. 100 million yen)

Forecasts of Financial Performance for FY2022 (Year-on-Year Comparison)



■ FY2021 Year-End Dividend

As for the year-end dividend, the Board of Directors at a meeting held today made a resolution to submit the proposal as detailed below to the 97th session of the ordinary meeting of shareholders to be held on June 25, 2021, in comprehensive consideration of FY2021 financial performance and the future management environment.

- | | | | |
|---------------------------|---|---|---------------------------|
| • Common stock | → | ¥15.00 per share | (Total 3,079 million yen) |
| | | (increased by 10 yen compared to the previous year) | |
| • Class-B preferred Stock | → | ¥1,500,000 per share | (Total 705 million yen) |

■ FY2022 Dividend Forecasts

The following shows the forecasts for mid-term and year-end dividends to be paid in FY2022, which we have made by comprehensively taking into consideration the medium- to long-term management environment and the income and expenditure situation.

【 Cash Dividend per Share 】

	Common stock			Class-B preferred Stock		
	Interim	Year-ended	Annual total	Interim	Year-ended	Annual total
FY2021	¥5.00	¥15.00	¥20.00	¥1,500,000	¥1,500,000	¥3,000,000
FY2022 (forecast)	¥10.00	¥10.00	¥20.00	¥1,500,000	¥1,500,000	¥3,000,000

■ Financial Results Supplementary Materials

Electricity Sales

Monthly Electricity Sales

Statement of Operations (Revenue)

Power Supply

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Time Lag Impact Incurred by Fuel Cost Adjustment System

Expense breakdown (Two Companies Total)

Personnel

Fuel and Purchased Power、Key Factors

Maintenance、Depreciation

Interest Expenses、Other Expenses

Key Factors・Sensitivity Factors

Consolidated Statements of Balance Sheets

Consolidated Statements of Comprehensive Income

Effect of the feed-in-tariff scheme for renewable energy

Consolidated; Electricity Sales

- Electricity sales in the retail market decreased due to the impact of change to the meter-reading schedule in some of the agreements concluded with high-voltage customers in the previous fiscal year and effects caused by the COVID-19 pandemic, in spite of an increase in the number of high-voltage and extra high-voltage customers who switched to our company as a result of sales promotion in consideration of customer needs as well as the effect of the cold waves in winter. Specifically, sales decreased year on year by 4.3% to 22,683 million kWh in total. (Impact of COVID-19 pandemic: decrease of approx. 400 million kWh)
- As for sales of electricity to other companies, the volume of electricity traded in the market increased due to the cold waves in winter as well as the purchase of renewable energy, although there are some impacts caused by COVID-19 and other factors. Specifically, sales increased year on year by 35.6% to 3,820 million kWh in total.

(GWh)

			April 1, 2020 – March 31, 2021(A)	April 1, 2019 – March 31, 2020(B)	Increase/Decrease (A)-(B)	Comparison (A)/(B) %
Retail electricity sales	Low-voltage customers	Residential	8,804	9,064	(260)	(2.9)
		Commercial and Industrial	2,059	2,105	(46)	(2.2)
		subtotal	10,863	11,169	(306)	(2.8)
	High-voltage and Extra high-voltage customers	11,820	12,532	(712)	(5.7)	
	Total	22,683	23,701	(1,018)	(4.3)	
Electricity sales to other utility			3,820	2,818	1,002	35.6
Total			26,503	26,519	(16)	(0.1)

Monthly Electricity Sales

(GWh, %)

		FY2021												
		Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
Low-voltage customers	Residential	787	780	545	590	650	592	592	739	761	1,097	876	795	8,804
	Commercial and industrial	174	126	79	86	102	89	88	123	190	401	329	272	2,059
	Subtotal	961	906	624	676	752	681	680	862	951	1,498	1,205	1,067	10,863
High-voltage and Extra High-voltage customers		901	821	876	967	1,004	950	946	975	1,111	1,165	1,043	1,061	11,820
(Rate of increase / decrease in the same month of the Previous year) Total		[(4.2)] 1,862	[(4.0)] 1,727	[(2.0)] 1,500	[3.8] 1,643	[(1.8)] 1,756	[(4.5)] 1,631	[(1.8)] 1,626	[0.7] 1,837	[0.9] 2,062	[3.7] 2,663	[(25.0)] 2,248	[(6.0)] 2,128	[(4.3)] 22,683

(GWh, %)

		FY2020												
		Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.*	Mar.	Total
Low-voltage customers	Residential	800	768	574	594	683	629	603	757	807	1,078	922	849	9,064
	Commercial and industrial	193	124	87	90	111	96	92	130	224	365	324	270	2,105
	Subtotal	993	892	661	684	794	725	695	887	1,031	1,443	1,246	1,119	11,169
High-voltage and Extra High-voltage customers		951	907	869	899	994	983	960	937	1,012	1,125	1,750	1,145	12,532
(Rate of increase / decrease in the same month of the Previous year) Total		[(5.4)] 1,944	[(4.1)] 1,799	[(4.5)] 1,530	[(4.5)] 1,583	[2.9] 1,788	[6.4] 1,708	[6.9] 1,655	[3.3] 1,824	[3.0] 2,043	[3.4] 2,568	[27.2] 2,996	[7.6] 2,263	[4.1] 23,701

* The amount of electricity sold in February 2020 includes the impact of changing the high-voltage meter reading date.

(°C)

		Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Average temperature (2020~2021)	actual	2.6	6.0	12.7	17.3	20.2	22.4	19.3	12.5	6.0	(2.1)	(5.1)	(2.9)	3.1
	year-on-year	0.9	(0.9)	(1.8)	0.8	(0.5)	0.9	0.7	(0.2)	2.4	(0.8)	(2.0)	(0.1)	0.5
	deviation	2.5	(0.2)	1.3	1.6	0.8	1.2	1.9	1.3	1.5	(0.7)	(0.8)	0.8	3.0

Consolidated; Statement of Operations (Revenue)

(Unit: billion yen)

	April 1,2020– March 31, 2021 (A)	April 1,2019– March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Comparison (A)/(B)%	Major cause of increase/decrease
Operating Revenue	740.7	748.4	(7.6)	(1.0)	
Electric utility operating revenue	702.9	712.6	(9.7)	(1.4)	
Two companies total					
Commercial and Industrial	495.9	557.8	(61.9)	(11.1)	<ul style="list-style-type: none"> • Decrease in retail electricity sales, etc. due to the impact of COVID-19 pandemic, etc. [(10.9)] • Impact of the fuel cost adjustment system [(35.8)]
Others	208.2	155.9	52.3	33.6	<ul style="list-style-type: none"> • Increase in power sold to other utilities & power sold to other suppliers and Transmission revenue due to the cold waves in winter [40.0]
Sold power to other utilities & Sold power to other suppliers (Repost)	57.8	31.7	26.1	82.4	<ul style="list-style-type: none"> • Increase in grant under act on purchase of renewable energy sourced electricity (13.3)
Transmission revenue (Repost)	50.0	36.0	13.9	38.5	
Subsidiary / consolidation revision	(1.2)	(1.1)	(0.1)	–	
Other business operating revenue	37.8	35.7	2.0	5.8	
Non-operating Income	1.6	3.1	(1.4)	(45.7)	
Ordinary Revenue	742.4	751.5	(9.1)	(1.2)	

*The total amount of the two companies represents the sum of the results of Hokkaido Electric Power Co., Inc. and Hokkaido Electric Power Network Co., Inc. after elimination of internal transactions.

Consolidated; Power Supply

- We were able to maintain a stable supply by appropriately managing the supply equipment during a time when all units at the Tomari power plant were suspended and the flow rate was below the annual average at 92.3%.

(GWh)

		April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Comparison (A)/(B)%
HEPCO Group	【Water flow rate %】 Hydroelectric	[92.3%] 3,450	[88.7%] 3,277	[3.6%] 173	5.3
	Fossil Fuel	18,007	18,020	(13)	(0.1)
	【Nuclear capacity ratio%】 Nuclear	[-] -	[-] -	[-] -	-
	Renewable	129	128	1	0.2
	Subtotal	21,586	21,425	161	0.7
Other companies*		7,945	7,546	399	5.3
Power used for pumped storage		(225)	(244)	19	(7.8)
Total		29,306	28,727	579	2.0

※Other companies include the amount of power received from consolidated subsidiaries Hokkaido Power Engineering Co., Inc. and HOKUDEN ECO-ENERGY Co., Inc..

Consolidated; Statement of Operations (Expenses and Ordinary Profit)

(Unit: billion yen)

	April 1,2020 – March 31, 2021(A)	April 1,2019 – March 31, 2020(B)	Increase / Decrease (A) - (B)	Comparison (A)/(B)%	Major cause of increase/decrease	
Electric utility operating expenses	651.7	674.6	(22.9)	(3.4)		
Two companies total	Personnel	56.5	56.6	(0.0)	(0.1)	
	Fuel	88.7	117.7	(28.9)	(24.6)	[Cause of increase] • Increase in renewable energy purchasing cost [19.1] • Burning more fuel due to cold waves in winter
	Purchased Power	173.4	157.2	16.1	10.3	[Cause of decrease] • Drop in fuel prices [(28.3)] • Burning less fuel due to impact of COVID-19 pandemic • Higher efficiency of fuel procurement [(4.6)]
	Maintenance	69.9	79.9	(10.0)	(12.6)	• Decrease in repair work [(9.3)] • Higher efficiency in procurement of materials and equipment [(0.7)]
	Depreciation	72.1	68.7	3.4	5.0	• Increase in depreciation cost due to the start of depreciation of the newly acquired equipment [2.1]
	Other Expenses	193.0	197.2	(4.2)	(2.1)	• Decrease in levy under act on purchase of renewable energy sourced electricity [(2.6)] • Higher efficiency of procurement of materials and equipment [(0.2)]
	Subsidiary / consolidation revision	(2.1)	(2.9)	0.7	–	
Other business operating expenses	35.2	31.3	3.9	12.5		
Non-operating Expenses	14.3	12.8	1.4	11.0		
Interest Expenses(Repost)	10.4	11.1	(0.7)	(7.1)		
Ordinary Expenses	701.3	718.9	(17.6)	(2.4)		
Ordinary profit	41.1	32.6	8.5	26.1		

Consolidated; Segment Information

- The operating revenue for the Hokkaido Electric Power Company segment was 669.5 billion yen. As for the segment income, ordinary income was 36.2 billion yen due to the boost in income caused by cold waves in winter as well as efforts to reduce costs through higher efficiency of procurement of fuel and materials and equipment, although there was a decrease in profit caused by the COVID-19 pandemic.
- The operating revenue for the Hokkaido Electric Power Network segment was 268.4 billion yen. As for the segment income, ordinary income reached 1.1 billion yen due to efforts to reduce costs including higher efficiency in the procurement of materials and equipment, although there was a decrease in demand for electricity due to the impact of the COVID-19 pandemic, in addition to electricity and energy conservation awareness that has been established among customers.

(Unit: billion yen)

	April 1, 2020 – March 31, 2021
Operating Revenue	740.7
Hokkaido Electric Power Company	669.5
Hokkaido Electric Power Network	268.4
Other *1	139.6
Adjustments *2	(336.8)
Segment Income (Ordinary Income)	41.1
Hokkaido Electric Power Company	36.2
Hokkaido Electric Power Network	1.1
Other *1	4.7
Adjustments *2	(1.0)

*1 “Other” refers to the results of consolidated subsidiaries other than Hokkaido Electric Power Company and Hokkaido Electric Power Network segments.

*2 “Adjustments” refer to the amount of elimination of inter-segment transactions in the consolidated financial results.

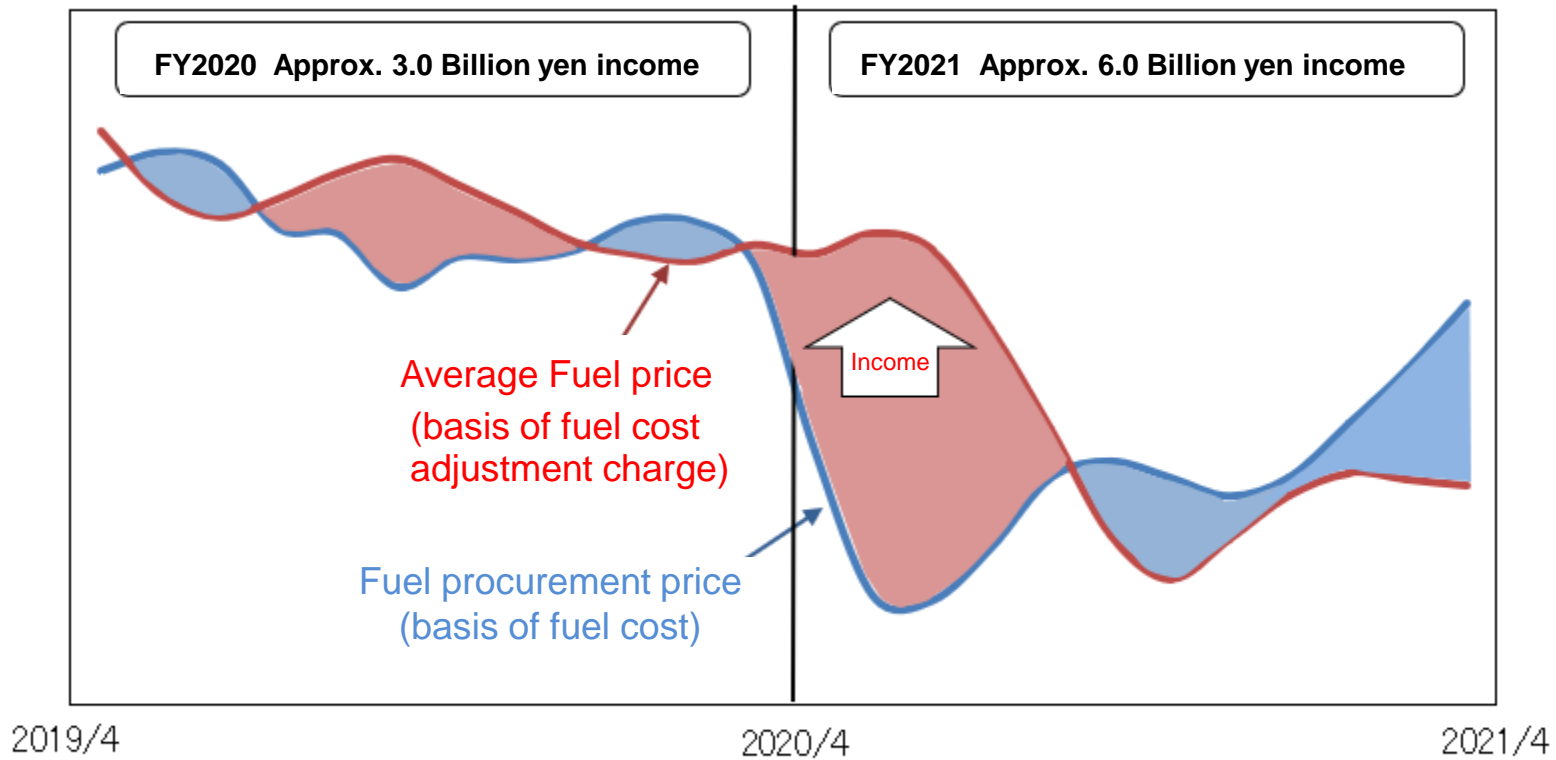
Consolidated; Statements of Cash Flow

- Cash flow from operating activities increased by 33.8 billion yen to 136.5 billion yen year on year for reasons such as increases in profit before income taxes and in depreciation and amortization.
- Cash flows from investing activities decreased by 41.1 billion yen to 85.6 billion yen year on year for reasons such as a decrease in the purchase of non-current assets.
- Cash flows from financing activities decreased by 34.4 billion yen to 24.6 billion yen year on year for reasons such as a decrease in interest-bearing debt.
- As a result of the above, cash and cash equivalents increased by 26.2 billion yen to 83.7 billion yen year on year.

(billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase / Decrease (A) - (B)
I . Cash flows from operating activities	136.5	102.6	33.8
II . Cash flows from investing activities	(85.6)	(126.7)	41.1
Deductible cash flow [I + II]	50.9	(24.0)	74.9
III . Cash flows from financing activities	(24.6)	9.8	(34.4)
IV . Net increase (decrease) in cash and cash equivalents [I + II + III]	26.2	(14.2)	40.5
V . Net increase (decrease) in Cash & Cash Equivalents	83.7	57.4	26.2

Time Lag Impact Incurred by Fuel Cost Adjustment System



*The time lag impact is a mechanical calculation of the difference between the "actual fuel cost adjustment amount" and the "fuel cost adjustment amount that does not take into account the time lag."

Expense breakdown (Two Companies Total*)

Personnel

(Billion yen)

	April 1, 2020 –March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Personnel	56.5	56.6	(0.0)	

【Amortization of actuarial gains and losses】

*Actuarial gains and losses are being amortized in the following 5 years in which the gains or losses are recognized by the straight-line method.

(Billion yen)

	Amount accrued	Amortizati on of the previous year	April 1, 2020 – March 31, 2021		
			Amortization	Unamortized Balance	Ending FY [remaining year]
FY2015	6.9	1.4	–	–	–
FY2016	5.0	1.0	1.0	–	–
FY2017	1.4	0.3	0.3	0.3	2022 (1 year)
FY2018	(0.6)	(0.1)	(0.1)	(0.2)	2023 (2 years)
FY2019	1.4	0.3	0.3	0.8	2024 (3 years)
FY2020	3.7	–	0.7	3.0	2025 (4 years)
FY2021	(4.6)	–	–	(4.6)	2026 (5 years)
Total		2.8	2.2	(0.7)	

*The total amount of the two companies represents the sum of the results of Hokkaido Electric Power Co., Inc. and Hokkaido Electric Power Network Co., Inc. after elimination of internal transactions.

Expense breakdown (Two Companies Total*)

Fuel and Purchased Power

(Billion yen)

		April 1, 2020 –March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Fuel and Purchased Power		262.2	274.9	(12.7)	[Cause of increase] • Increase in renewable energy purchasing cost [19.1]
Break down	Fuel	88.7	117.7	(28.9)	• Burning more fuel due to cold waves in winter
	Purchased Power	173.4	157.2	16.1	[Cause of decrease] • Drop in fuel prices [(28.3)] • Burning less fuel due to impact of COVID-19 pandemic • Higher efficiency of fuel procurement [(4.6)]

Key Factors

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)
Foreign Exchange Rate (yen/\$)	106	109	(3)
CIF Crude Oil Price (\$/barrel)	43.4	67.8	(24.4)
CIF Coal Price (\$/t)	79.1	101.3	(22.2)

*The total amount of the two companies represents the sum of the results of Hokkaido Electric Power Co., Inc. and Hokkaido Electric Power Network Co., Inc. after elimination of internal transactions.

Expense breakdown (Two Companies Total*)

Maintenance

(Billion yen)

		April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Maintenance		69.9	79.9	(10.0)	【Cause of decrease】 ・Decrease in repair work [(9.3)] ・Higher efficiency in procurement of materials and equipment [(0.7)]
Break Down	Generation	36.2	40.6	(4.4)	
	Others	33.6	39.3	(5.6)	

Depreciation

(Billion yen)

		April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Depreciation		72.1	68.7	3.4	【Cause of increase】 ・Increase in depreciation cost due to the start of depreciation of the newly acquired equipment [2.1]
Break Down	Generation	40.6	39.4	1.2	
	Others	31.4	29.2	2.1	

*The total amount of the two companies represents the sum of the results of Hokkaido Electric Power Co., Inc. and Hokkaido Electric Power Network Co., Inc. after elimination of internal transactions.

Expense breakdown (Two Companies Total*)

Interest Expenses

(Billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
[Interest(on average)%] Interest Expenses	(0.72) 10.4	(0.77) 11.1	(0.7)	

Other Expenses

(Billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Other Expenses	193.0	197.2	(4.2)	【Cause of decrease】 ・Decrease in levy under act on purchase of renewable energy sourced electricity [(2.6)] ・Higher efficiency of procurement of materials and equipment [(0.2)]

*The total amount of the two companies represents the sum of the results of Hokkaido Electric Power Co., Inc. and Hokkaido Electric Power Network Co., Inc. after elimination of internal transactions.

Key Factors・Sensitivity Factors

Key Factors

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/Decrease (A)-(B)
Foreign Exchange Rate (Yen/\$)	106	109	(3)
CIF Crude Oil Price (\$/barrel)	43.4	67.8	(24.4)
Water Flow Rate (%)	92.3	88.7	3.6

Sensitivity Factors

(Billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/Decrease (A)-(B)
Foreign Exchange Rate (1Yen/\$)	0.7	1.0	(0.3)
CIF Crude Oil Price (1\$/barrel)	0.5	0.7	(0.2)
Water Flow Rate (1%)	0.3	0.4	(0.1)

Consolidated Statements of Balance Sheets

(Unit: billion yen)

	As of March 31, 2021(A)	As of March 31, 2020(B)	Increase/ Decrease (A)-(B)	Major factors for increase/decrease
Assets	2,001.6	1,959.0	42.5	• Increase in cash and deposits [26.2]
Liabilities	1,711.9	1,711.6	0.2	• Increase in notes and accounts payable-trade [5.7] • Increase in accrued taxes [6.0] • Decrease in interest-bearing debt [(19.6)]
Net Assets	289.7	247.3	42.3	• Posting net income [36.1] • Year-end dividend for FY2020 [(3.4)]

(Billion yen, %)

	As of March 31, 2021(A)	As of March 31, 2020(B)	Increase/ Decrease (A)-(B)
Interest-bearing Debt Outstanding	1,397.3	1,416.9	(19.6)
Shareholders' Equity Ratio	13.8	12.0	1.8

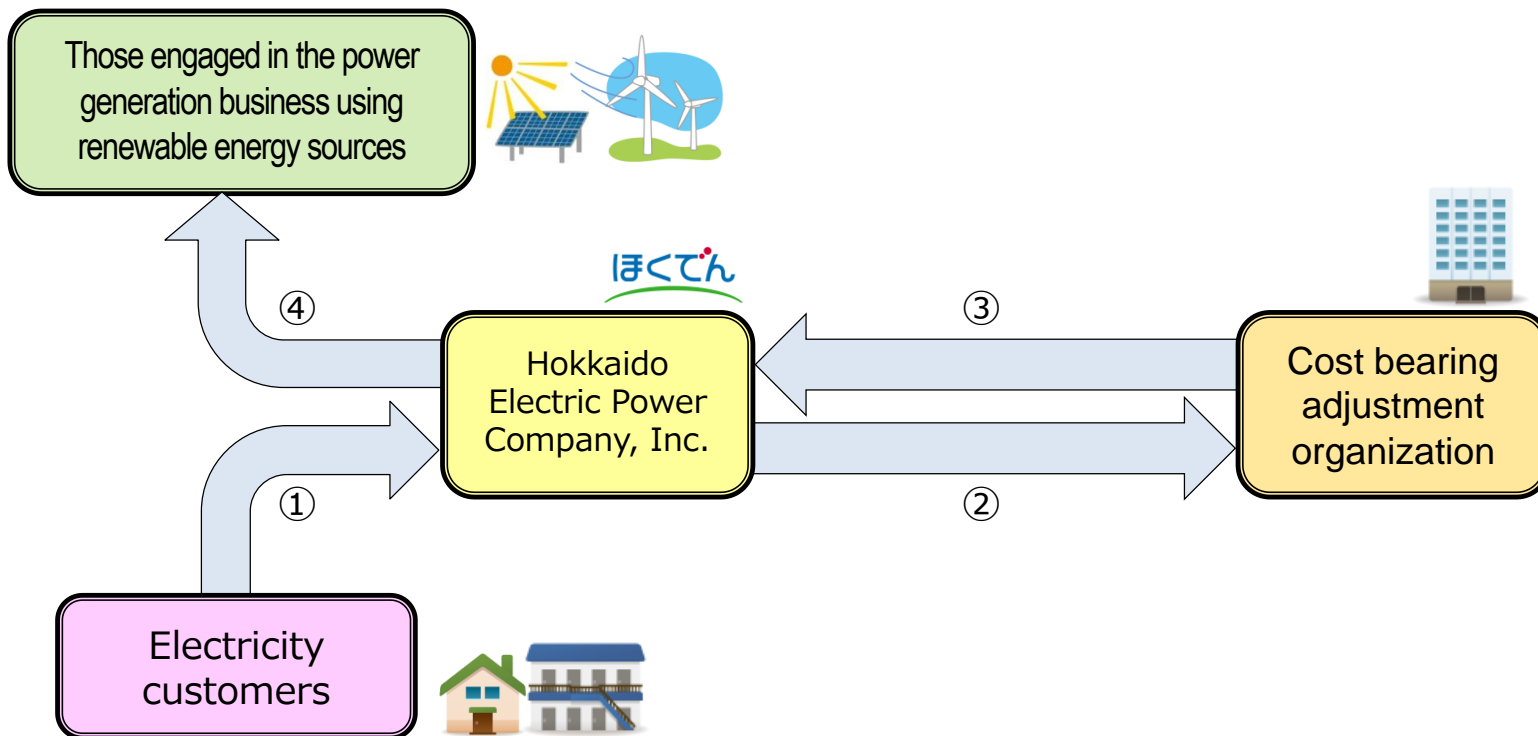
Consolidated Statements of Comprehensive Income

Consolidated Statements of Comprehensive Income

(Billion yen)

	April 1, 2020 – March 31, 2021 (A)	April 1, 2019 – March 31, 2020 (B)	Increase/ Decrease (A)-(B)
Profit	36.3	27.1	9.2
Other Comprehensive Income	9.7	(2.8)	12.5
Valuation difference on available-for-sale securities [included in “Other Comprehensive Income”]	3.0	(2.0)	5.0
Deferred gains or losses on hedge [included in “Other Comprehensive Income”]	(0.0)	0.0	(0.0)
Remeasurements of defined benefit plans [included in “Other Comprehensive Income”]	6.6	(0.7)	7.4
Comprehensive Income	46.0	24.3	21.7
Comprehensive income attributable to owners of parent [included in “Comprehensive Income”]	45.7	23.7	22.0
Comprehensive income attributable to non-controlling interests [included in “Comprehensive Income”]	0.3	0.5	(0.2)

Financial Results - Effect of the feed-in-tariff scheme for renewable energy



Effect of the feed-in-tariff scheme for renewable energy [Details of FY 2021]

(Billion yen)

① Surcharge for renewable energy	60.3	② Levy under Act on Purchase of Renewable Energy Sourced Electricity	60.3
Collection of surcharge together with the electricity charge		Submission of the collected surcharge	
③ Grant under Act on Purchase of Renewable Energy Sourced Electricity	95.2	④ Cost of Purchased power	133.7
Deliver of purchase cost excluding saved fuel cost and others made by purchasing electricity from renewable energy sources.		Purchase of electricity at a fixed price for a government guaranteed period	

■ Management Approach

Conformity Review: Active Fault Assessment on the Premises

September 10 and 11, 2020 [On-site inspection]	<ul style="list-style-type: none"> • The Nuclear Regulation Authority (NRA) carried out an on-site inspection and confirmed the results of additional surveys conducted after last November.
November 20 [Conformity review meeting]	<ul style="list-style-type: none"> • We explained the progress of the survey and review based on the matters pointed out in the on-site inspection in September.
February 12, 2021 [Conformity review meeting]	<ul style="list-style-type: none"> • We explained data that had been analyzed after the on-site inspection conducted last year. • A member of the NRA said, “Although data should be expanded, it is very likely that the upper strata is older than the Late Pleistocene.” • While conducting the analysis of data expansion, we decided to conduct assessments of earthquake ground motion and to start reviewing other issues as soon as they are ready.



Conformity Review: Assessment of earthquake ground motion from an active fault off the northwestern coast of the Shakotan Peninsula

March 19, 2021 [Conformity review meeting]	<ul style="list-style-type: none"> • We explained earthquake ground motion developed by specifying hypocenters for each site. • We decided to continue to give explanations while enhancing and organizing materials.
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Main Issues: Active Fault Assessment on the Premises

- (1) Validity of the assessment that the displacement and deformation caused by the minor fault stop just beneath the basal surface of the upper stratum (red circle in the figure below)
- (2) Clarification of the differences between the upper stratum and the overlying embankment by sorting out their characteristics
- (3) Enhancement of quantitative data on stratigraphic classification in order to identify the depositional age of the upper stratum

Confirmations

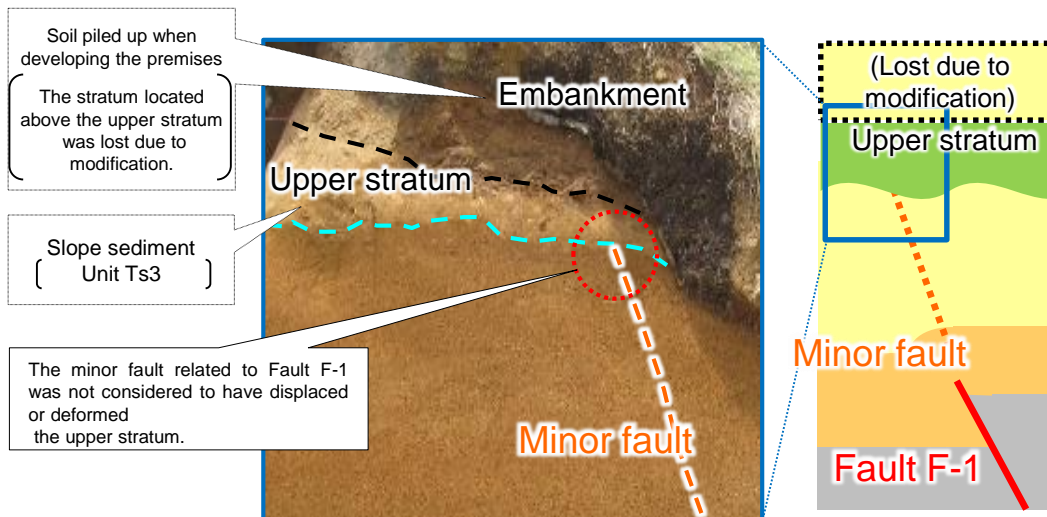
- (1) The minor fault did not displace or deform the upper stratum.
- (2) The upper stratum and the overlying embankment are different layers.

Confirmed by the on-site inspection in September 2020

Explanation at the next conformity review meeting

- (3) We will explain the results of collected data showing that the upper stratum contains no volcanic ash deposited after about 120,000 to 130,000 years ago.

The upper stratum was evaluated to be more than 120,000 to 130,000 years old.



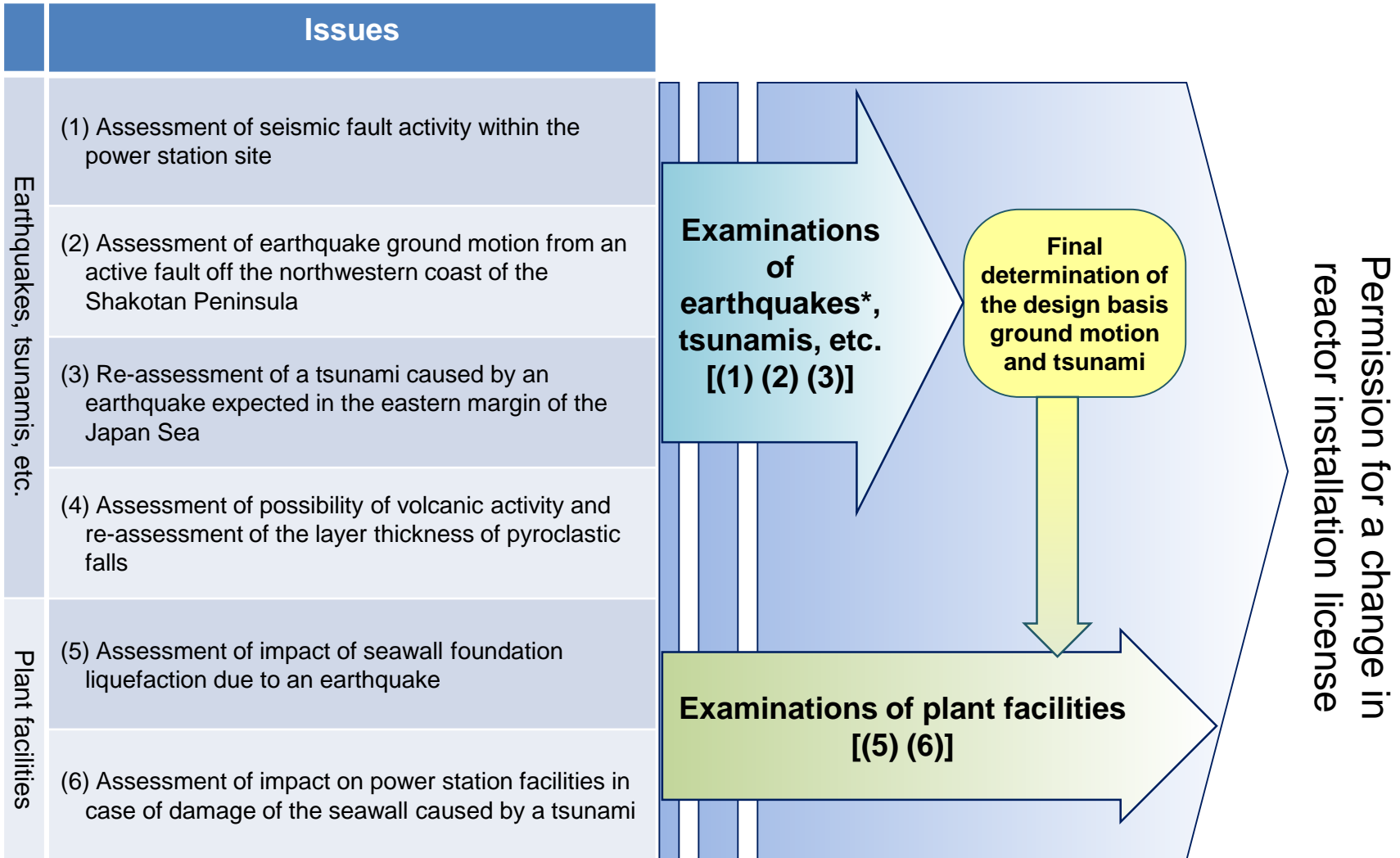
<Diagram and enlarged photo of excavation survey point (south side)>

Responses to Major Issues Revealed at the Conformity Review

- For the determination of the design basis earthquake ground motion and design basis tsunami, we have been conducting an on-site active fault assessment, an assessment of earthquake ground motion from an active fault off the northwestern coast of the Shakotan Peninsula, and a re-assessment of a tsunami caused by an earthquake expected in the eastern margin of the Japan Sea.
- We have also been conducting examinations of the issues concerning seawalls and breakwaters and will provide explanations about them in consideration of the results above at the review meeting, thereby gaining understanding from the NRA.

	Issues		Status of response
Earthquakes, tsunamis, etc.	(1) Assessment of seismic fault activity within the power station site	Explain that the seismic fault within the power station site is not an active fault	Under discussion at recent conformity review sessions
	(2) Assessment of earthquake ground motion from an active fault off the northwestern coast of the Shakotan Peninsula	Assess the magnitude of shaking at the power station site assuming that an active fault exists off the northwestern coast of the Shakotan Peninsula for the determination of the design basis earthquake ground motion	
	(3) Re-assessment of a tsunami caused by an earthquake expected on the eastern margin of the Japan Sea	Assess a tsunami caused by an earthquake expected in the eastern margin of the Japan Sea for the determination of the design basis tsunami	A tsunami that would have the greatest impact on Tomari Nuclear Power Station is being studied based on the latest findings and the examination results by other companies.
	(4) Assessment of possibility of volcanic activity and re-assessment of the layer thickness of pyroclastic falls	Explain that volcanic events that cannot be addressed on a design basis are sufficiently unlikely to affect the Tomari Power Station and also explain the thickness of pyroclastic falls (volcanic ash) that could affect the power station	Evaluation of the possibility of volcanic activities has been conducted, and the layer thickness of potential pyroclastic falls is currently under re-assessment.
Plant facilities	(5) Assessment of impact of seawall foundation liquefaction due to an earthquake	Assess the liquefaction of the ground and the soundness of seawalls against earthquakes and tsunamis based on the specifications of a base rock layer-supported structure.	The impact of earthquakes and tsunamis will be assessed based on the design basis earthquake ground motion and design basis tsunami to be developed in the future, and most of the assessments have been already explained, other than those related to earthquakes and tsunamis.
	(6) Assessment of impact on power station facilities in case of damage of the seawall caused by a tsunami	Assess the impact that seawall damage from a tsunami may have on the power station facilities by using the results of analyses of seawall movement and subsidence as well as hydraulic model experiments	

Image of the restart process



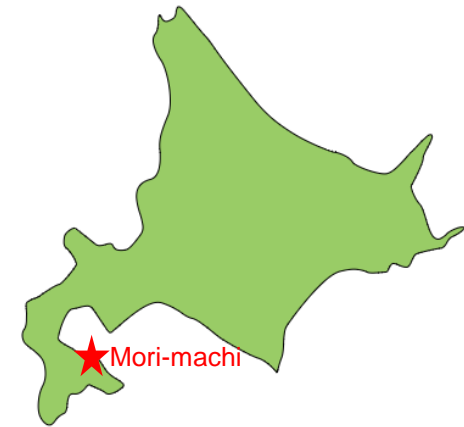
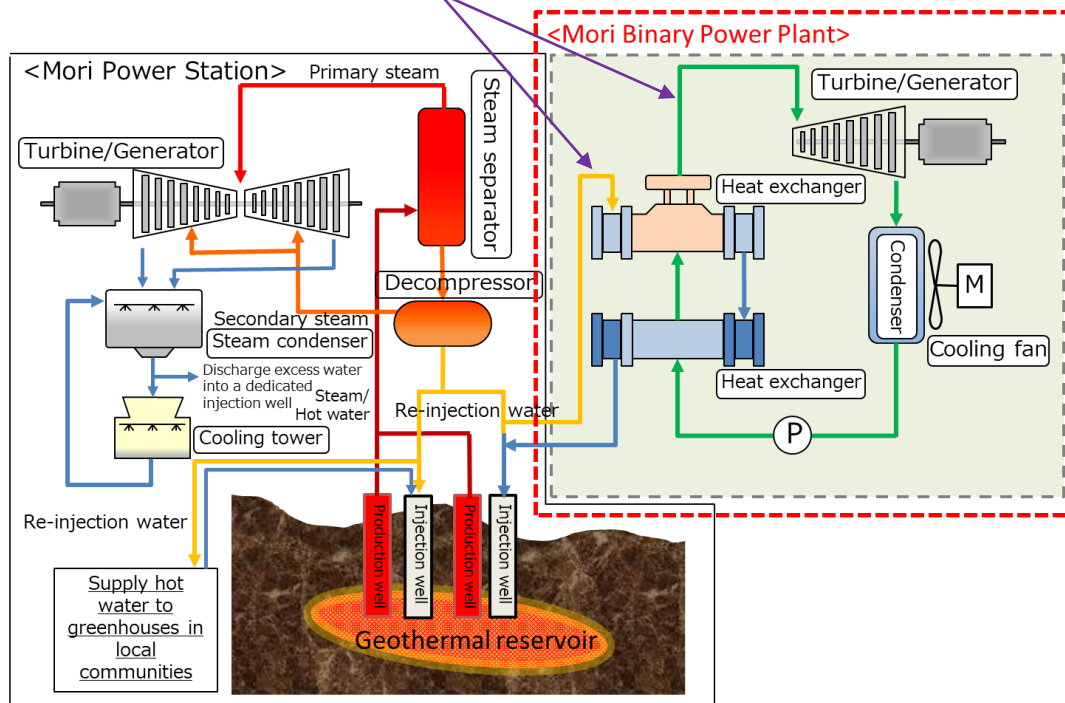
*We will appropriately address the earthquake ground motion that is developed without specifying hypocenters of earthquakes. (Revision of the examination guide in April 2021)
The assessment of earthquake ground motion from an active fault off the northwestern coast of the Shakotan Peninsula falls under the earthquake ground motion that is developed by specifying hypocenters for each site.

Renewable Energy-Based Power Generation; Geothermal binary power generation

Construction of new “Mori Binary Power Plant” to use the surplus heat generated from the Mori Geothermal Power Station

- Power output: 2,000kW
- Power generation method: Binary power generation system using re-injection water
- Start of operation: November 2023 (tentative)
- Management entity: A special purpose corporation will be established by three participating companies including HEPCO

Binary power generation: A power generation system with binary (two) heat cycles: one based on a heat source and the other on a medium (a system that drives generators)



- Low-voltage customers: The shift to electrification and the spread of EVs provide business opportunities for us.
We will begin discussing the enhancement of customer services.
- High-voltage customers: We will respond to customer needs for energy conservation and decarbonization by enhancing solution activities, etc.

	Our future initiatives
Low-voltage customers	Shift to all-electric houses <ul style="list-style-type: none"> • Promotion of smart electrification and ZEH*¹ consulting Full-scale spread of EVs <ul style="list-style-type: none"> • New price plans and services • Establishment of charging infrastructures • Building of alliances
High-voltage and extra high-voltage customers	Proactive marketing of CO ₂ -free plan Promotion and expansion of ZEB* ¹ consulting and ESP business* ²

*1 ZEH (Net Zero Energy House) and ZEB (Net Zero Energy Building): A house and a building that aim to achieve a zero balance of annual energy consumption through energy conservation, the introduction of renewable energy and the installation of high-efficiency equipment.

*2 ESP (Energy Service Provider) business: The business of providing one-stop services for the installation and operation of energy-related facilities and the procurement of energy

■ Measures to Expand the Electricity Retail Business; Low-voltage residential sector

- Promote diversification of services such as a loyalty points program (Enetoku Point Plan) and a membership-based website (Hokuden Ene Mall) to encourage subscriptions
- Build alliances with a wide range of businesses to secure contact with customers
- City gas retail business
→ Package sales of gas and electricity + Growing into new profitable business
- Strengthen activities for the shift to all-electric houses



Retain existing customers, regain former customers and gain new customers

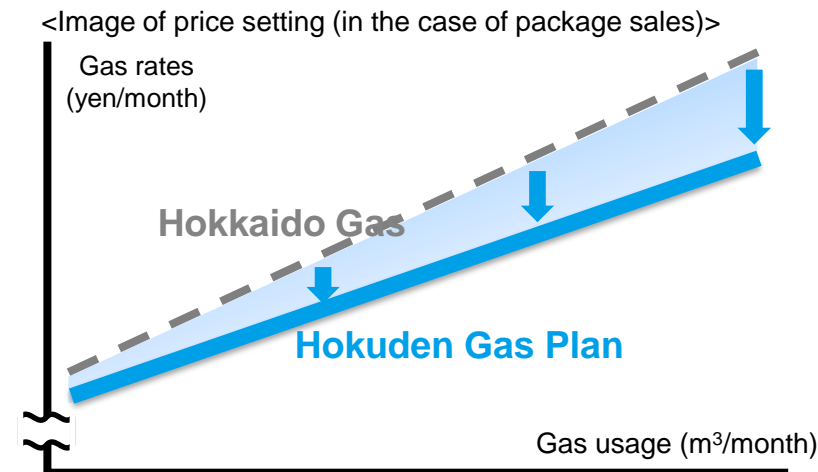
Business alliance with KDDI



Sales of our electricity and gas through au shops and other sales channels

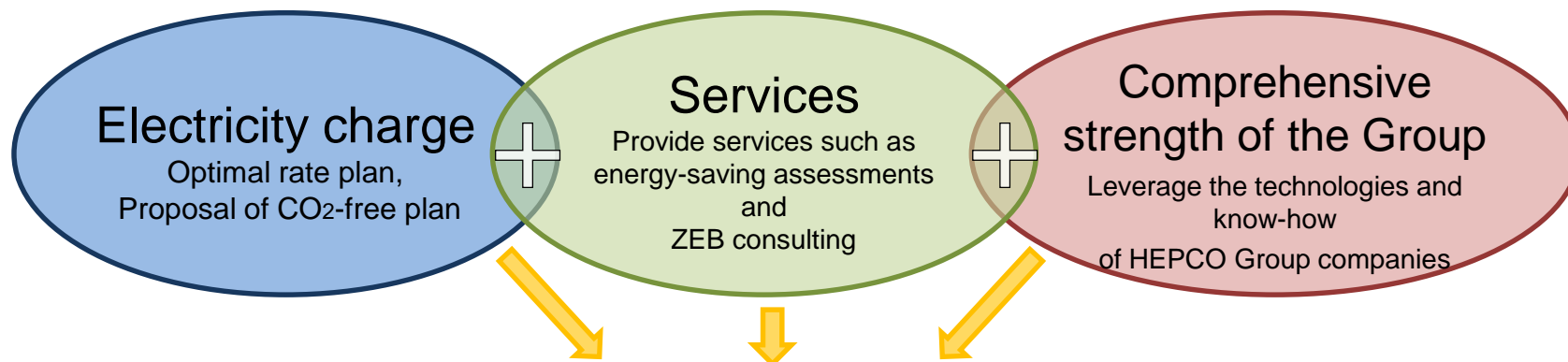
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Setting electricity rates 5% lower than those of Hokkaido Gas



■ Measures to Expand the Electricity Retail Business; High-voltage and extra high-voltage sector, Electricity sales in the Tokyo metropolitan area

■ High-voltage and extra high-voltage sector



Strengthen our proposal capabilities to have customers choose the HEPCO Group

Aim to recover and further expand market share

■ Sales in the Tokyo metropolitan area <Low-voltage,

- Proactive proposal activities by using direct mail and other tools
- Expand number of alliance partners

*Steadily acquire customers through campaigns and our original measures for low-voltage household customers



Acquire new electric service contracts totaling approximately 70,000 kW as of the end of March 2021

■ Reference Materials

- As a designated public institution that provides the lifeline service of electricity, the entire HEPCO Group is committed to ensuring a stable power supply to help people in Hokkaido to use electricity with peace of mind by taking thorough infection prevention measures.

<Internal system>

- We launched our COVID-19 Response Headquarters headed by the HEPCO President in April 2020. The Headquarters checked and made appropriate revisions to our Business Continuity Plan (BCP) and put in place a system to ensure a stable supply.

<Business continuity system and measures>

- For our power stations, Central Load Dispatching Center and other facilities that are key to supplying electricity, organize an alternative shift system together with a support system and other arrangements to prepare for any cases of infection, by taking measures to prevent infection, such as prohibiting unauthorized persons from entering those facilities in principle and restricting contact with operators.
- Build a mutual support system between branch offices and other sites for the maintenance of power transmission and distribution facilities against an infection event.
- Implement measures such as staggered working hours, telecommuting, expansion of split shifts, and installation of partitions to prevent droplet infection.
- Let employees telecommute in principle at our business offices in Sapporo with an eye on an increase in infections (response based on quasi-emergency measures and the medical emergency declaration issued for Sapporo city)

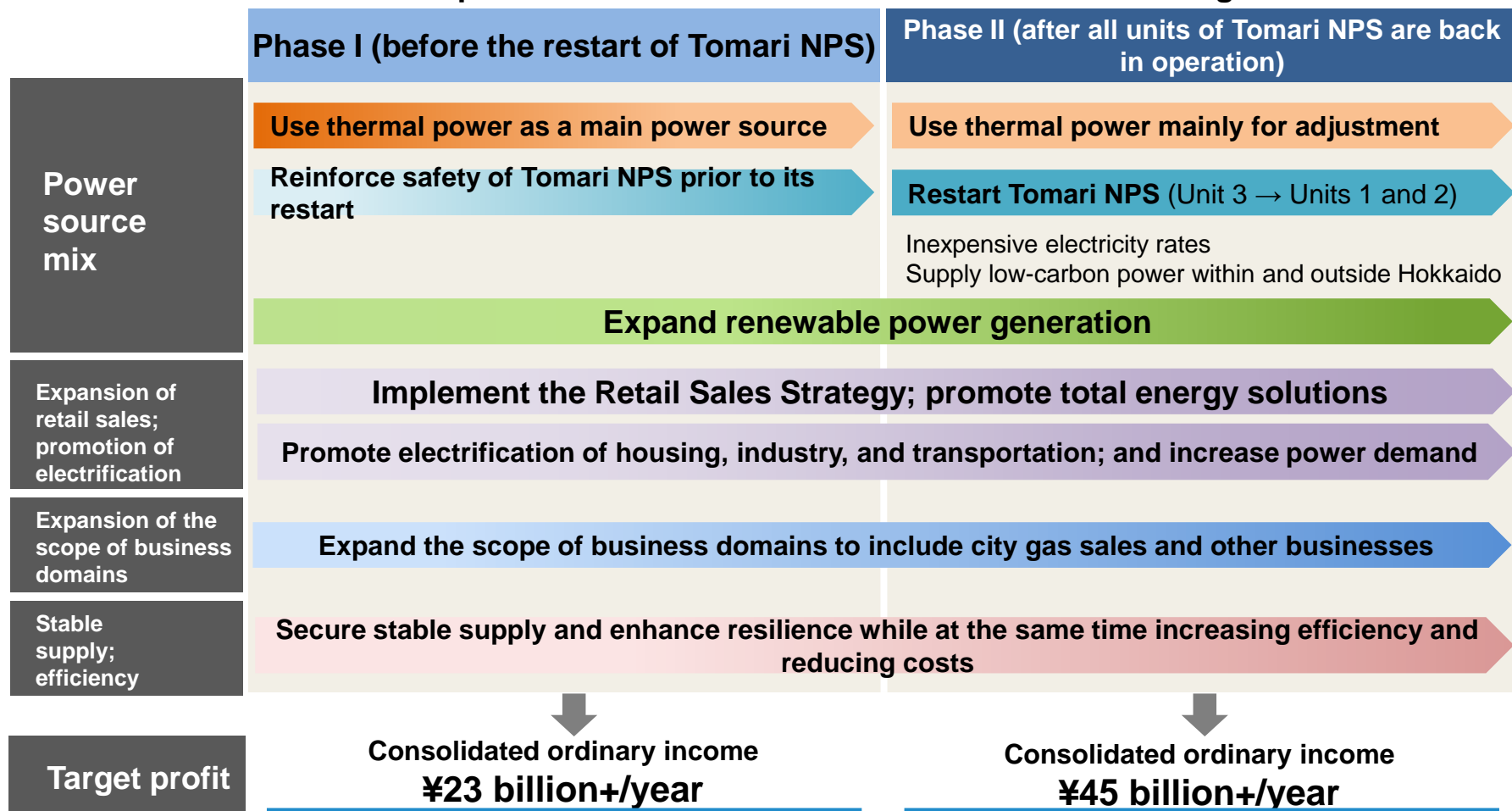
<Toward the with/post-COVID-19 era>

- Upgrade the functions of information equipment and enhance communication networks for the development and promotion of a working environment suitable for telecommuting.
- Take the measures against COVID-19 as an opportunity for change and expand the scope and content of the telecommuting system to actively promote work style reforms.

■ [Reference]HEPCO Group Management Vision 2030; Management Goals for 2030



- Our business environment will change substantially around the time the Tomari Nuclear Power Station, our major power source, is restarted.
- While aiming to return the Tomari Nuclear Power Station to operation as early as possible under the fundamental provision of safety being assured, we have and will continue to work hard to increase management efficiency prior to the restart of the power station in order to secure profits. We will also endeavor to expand our business domains to ensure sustainable growth.



■ [Reference]HEPCO Group Management Vision 2030; Management Goals for 2030

Financial target

- Consolidated capital ratio: **15%+** We will continue our efforts to further improve the figure.

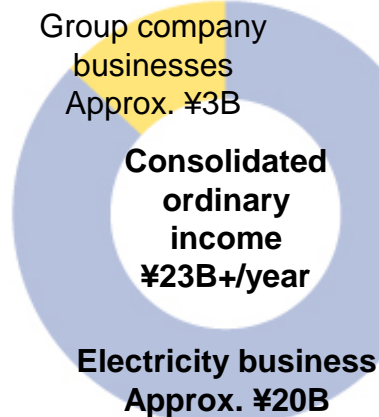
Cash flow

- Investment of **¥50B+** on new priority businesses
- Investment for renewing existing equipment
- Enhancement of price competitiveness
- Reinforcement of financial base
- Return to shareholders
 - We aim to return more profits to shareholders to meet their expectations while endeavoring to restore equity capital.

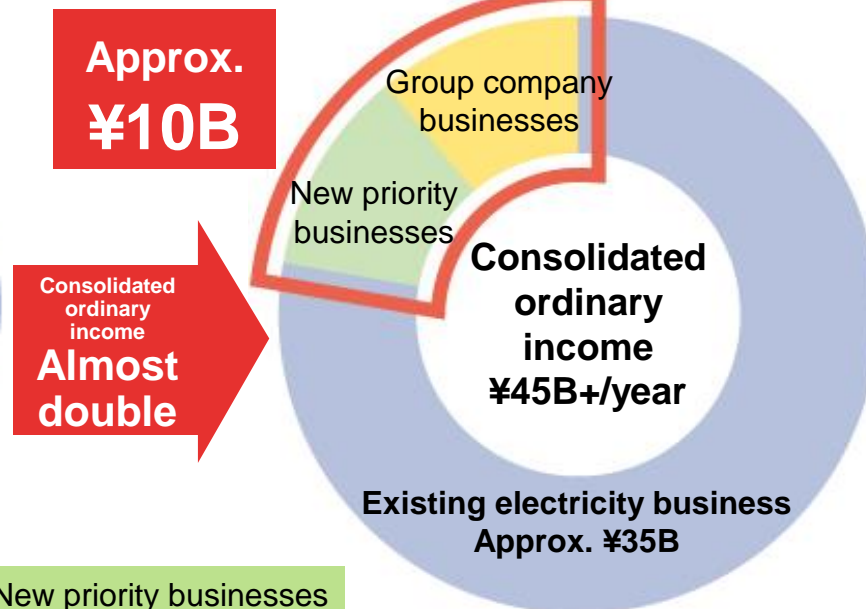
Growth indicators

- Electricity retail and wholesale: **30TWh+/year**
- Gas supply: **100,000t+/year**
- Renewable energy generation (incl. generation outside Hokkaido): **up by 300MW+**

[Phase I (before the restart of Tomari NPS)]



[Phase II (after all units of Tomari NPS are back in operation)]



New priority businesses

Renewable power generation, overseas electricity business, and other energy-related businesses

Cost reduction

- Ceaseless efforts for efficiency improvement and cost reduction

Environmental target

- CO₂ emissions: **Reduction by 50%+ (or 10Mt+/year)** from 2013 levels through the restart of Tomari NPS and the use of LNG thermal generation

■ [Reference] For a More Competitive Energy Mix


- We aim to achieve a competitive energy mix that is balanced from the S + 3E (Safety, Energy Security, Economic Efficiency and Environment) perspective and also ensure a future stable supply of electric power by constructing new power sources as well as suspending or decommissioning aging facilities.

FY2022 Power Source Development Plan

		Power generation facility	Output (10,000 kW)	Start date	Operation start/suspended or decommissioned
HEPCO	Under construction	Kyogoku Unit 3 (Pumped storage hydropower)	20	September 2001	FY2032 or later*
		Shintoku (Hydropower)	2.31	April 2019	June 2022
	In preparation for construction	Ishikariwan Shinko Unit 2 (LNG-fired thermal)	56.94	March 2023	December 2030
		Ishikariwan Shinko Unit 3 (LNG-fired thermal)	56.94	March 2027	December 2035
	Suspended or Decommissioned	Onbetsu Units 1 & 2 (Oil-fired thermal)	(14.8) [(7.4)×2Units]	—	Pending (to be decommissioned)
		Kamiiwamatsu Unit 1 (Hydropower)	[2.0]	—	July 2021 (to be decommissioned)
HOKUDE N ECO- ENERGY	Under construction (Output increase)	Kamiakubetsu (Hydropower)	0.465(+0.05)	July 2018	December 2021
		Abuta (Hydropower)	2.079(+0.129)	September 2018	December 2022

*The operation start time has been postponed from “FY2031 or later” which was included in the “FY2021 supply plan” to “FY2032 or later”.

Construction of new power sources and record of suspension or decommissioning of facilities

Newly constructed	Ishikariwan Shinko Power Station Unit 1 (LNG Thermal)	56.94	August 2015	February 2019
 Suspend or decommission aging facilities along with the construction of new power sources				
Suspended or decommissioned	Naie Power Station Unit 1 and 2 (coal-fired)	(35) [(17.5) × 2units]	—	March 2019 (suspended)

■ [Reference] Outline of Thermal Power Plants

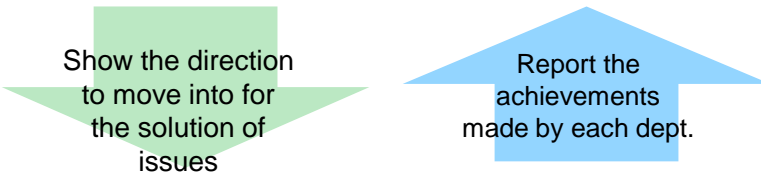
Power generation facility		Unit	Rated output (10,000 kW)	Period of Operation*	Power generation method	Record of suspension or decommissioning of facilities
Coal	Naie	1	17.5	52 years and 10 months	Sub-C	March 2019 (suspended)
		2	17.5	51 years and 1 month	Sub-C	March 2019 (suspended)
	Sunagawa	3	12.5	43 years and 9 months	Sub-C	
		4	12.5	38 years and 10 months	Sub-C	
	Tomatoh -Atsuma	1	35	40 years and 5 months	Sub-C	
		2	60	35 years and 5 months	SC	
		4	70	18 years and 9 months	USC	
Oil	Tomakomai	1	25	47 years and 4 months	—	
	Date	1	35	42 years and 4 months	—	
		2	35	41 years and 0 month	—	
	Shiriuchi	1	35	37 years and 3 months	—	
		2	35	22 years and 6 months	—	
	Onbetsu	1	7.4	42 years and 10 months	—	Pending (to be decommissioned)
		2	7.4	42 years and 10 months	—	Pending (to be decommissioned)
LNG	Ishikariwan Shinko	1	56.94	2 years and 1 month	—	

*as of the end of March 2021

■ [Reference] Drastic Measures for Higher Efficiency and Cost Reduction

- Implement drastic measures for greater management efficiency and cost reduction under the Leadership of the Management Infrastructure Enhancement Promotion Committee (chaired by the president of HEPCO)
- 1,044 kaizen projects at the HEPCO Group Head Office and Hokkaido Electric Power Network have been launched so far
- Conduct kaizen activities at each group company and strengthen our business foundation throughout the entire HEPCO Group

Management Infrastructure Enhancement Promotion Committee



Drastic measures for higher efficiency and cost reduction

Procurement of materials and equipment

Review operations and specifications

Reduce the amount

Reduce the unit price

Procurement examination committee

- Examine materials procurement principles
- Examine procurement methods for large projects

Each dept. and Group company

Kaizen

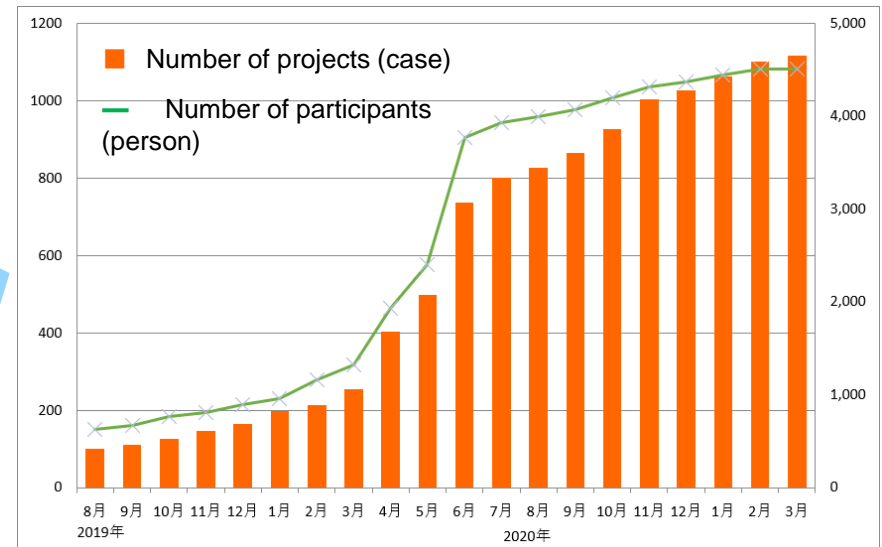
Introduced to “visualize” operations and change employee awareness
→ Aim for drastic efficiency

Spread and expansion of kaizen initiatives

- The number of projects implemented and participants significantly increased to 1,044 and 4,510 respectively through cooperation with group companies and the spread of kaizen initiatives across the company with the aim of **quadrupling productivity**.

Number of projects (case)

Number of participants (person)



■ [Reference] Drastic Measures for Higher Efficiency and Cost Reduction

- Achieve drastic improvement of efficiency and cost reduction through unrelenting efforts to review all operations
- Strongly promote kaizen activities by steadily promoting large-scale kaizen projects that are expected to be highly effective and further expanding kaizen activities to Group companies, and accumulate concrete results with the aim of quadrupling productivity

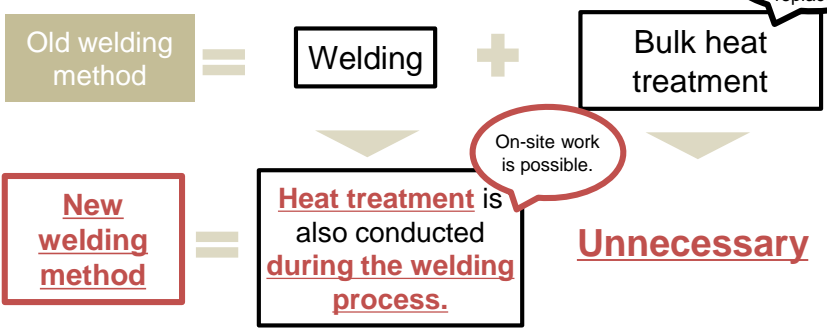
◆ Expand the application of a new welding method requiring no heat treatment

- ✓ We have developed a new welding method requiring no heat treatment for an entire target object after welding.
- ✓ By using the new welding method, we have realized on-site welding and repair work of a steam drum which would have been required to be replaced as it could not be heat-treated on site due to its large size.
- ✓ As the new welding method has been certified by the Japanese government, we will work with Hokkaido Power Engineering Company Co., Inc. to promote the application of the method to other steel types and power plants.



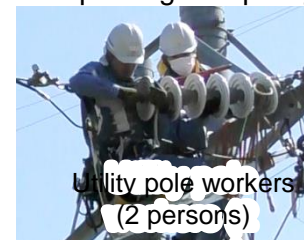
New welding method

Large size equipment needs to be replaced.



◆ Perform the process of replacing insulators with one person

- ✓ The replacement of insulators was previously implemented by five people because of its high-place work handling heavy objects nature. However, as it is possible to hang insulators in a position where they can be easily removed by using a newly developed “bowsprit arm” and an electric winch, the replacement work can be done by one person, while improving the quality of the work.



Utility pole workers (2 persons)



Bowsprit arm



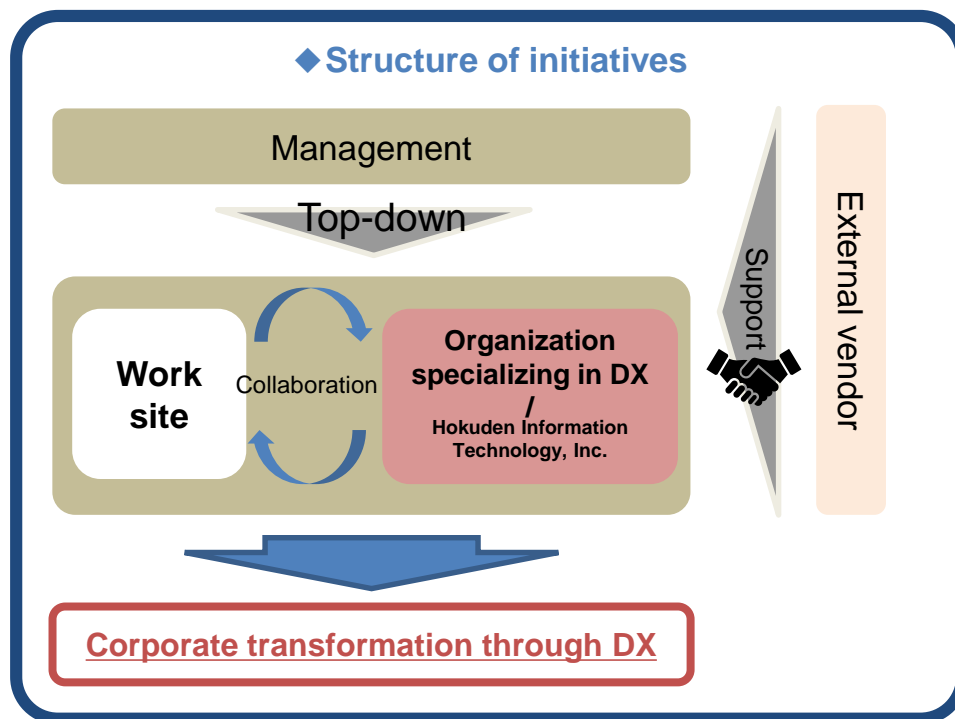
Lift the middle part of an insulator string

+
Ground workers (3 persons)
(Manual lifting)

Implementation of replacement work by one person

■ [Reference]Promotion of DX (Digital Transformation)

- Establish a new organization specializing in DX to accelerate corporate reform initiatives through “operational reform using digital technology” and “mindset reform to continue taking on the challenge of change.”



*HMD (Head Mount Display): A head-mounted display device

*Private BWA (Broadband Wireless Access): A wireless communication network in a specific area

Key initiatives

◆ On-site work support using HMD*

- ✓ We are aiming to achieve more sophisticated and efficient maintenance and inspection work by allowing technicians in remote locations to share the same video and audio in real time with on-site workers.



◆ AI-based automated response interaction for Customer Center

- We are aiming to improve our customer services by using high-precision AI to respond to inquiries such as procedures for moving house.



◆ Demonstration experiment for establishing a communication network within a power plant

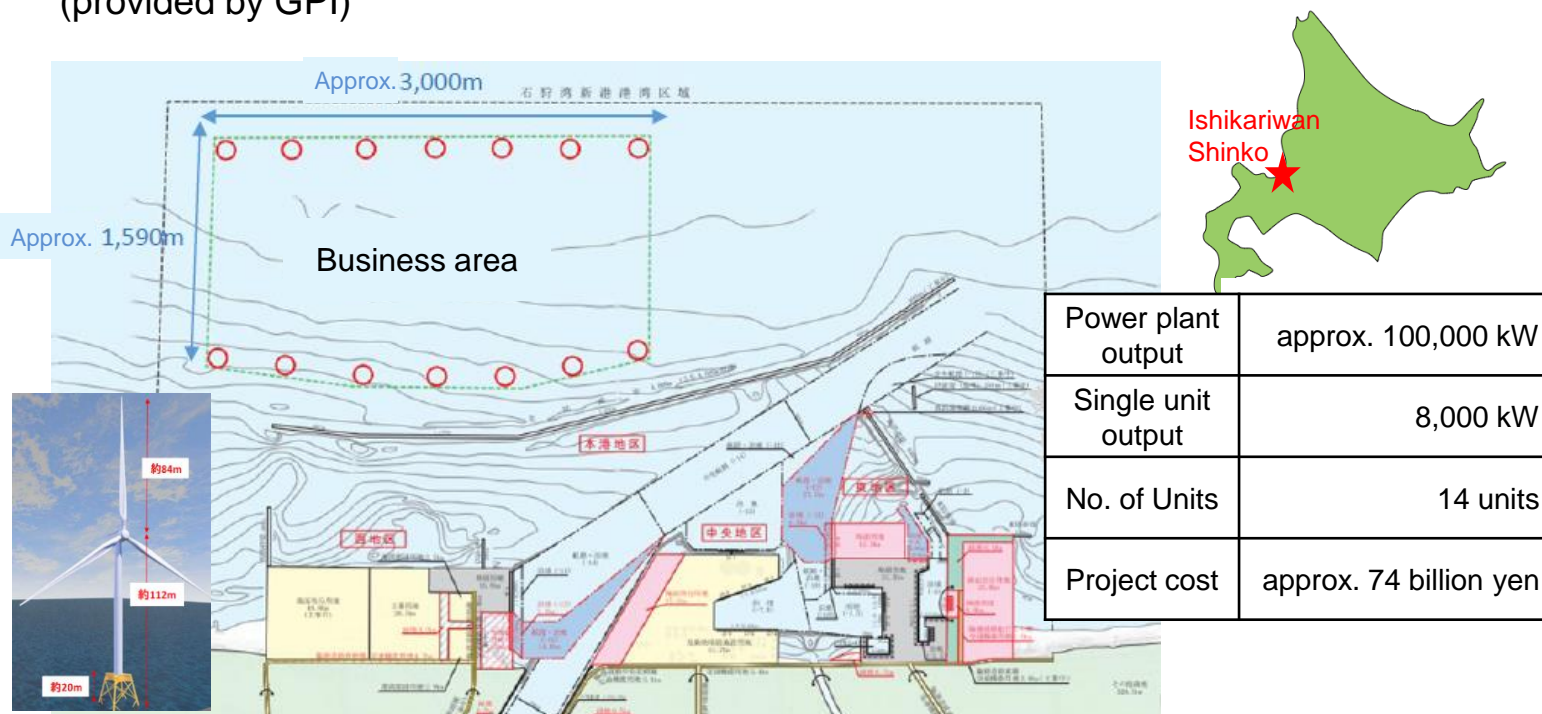
- ✓ Hokkaido Telecommunication Network Co., Inc. has established a low-cost, private BWA with a wide communication area inside power plant buildings, and we are aiming for advanced monitoring of equipment, etc. by using the high-speed, high-capacity communication with high security.



Signed a partnership agreement with Green Power Investment Corporation (GPI)

- Approx. 100,000 kW bottom-mounted offshore wind power generation facility will be operated in the port area in FY2024 (onshore construction is currently underway).

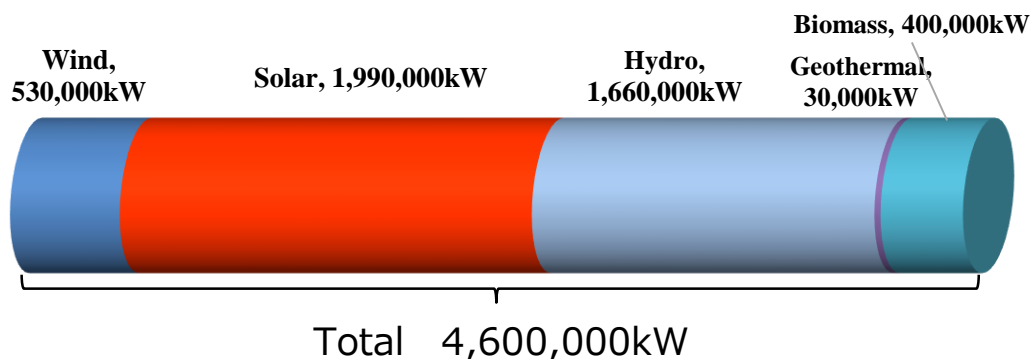
Outline of Ishikariwan Shinko Offshore Wind Power Plant (provided by GPI)



*For the general sea area, the project area and size will be determined, after the government designates the area as a promotion zone under the Act on Promoting the Utilization of Sea Areas for the Development of Marine Renewable Energy Power Generation Facilities and we conduct detailed examinations including local adjustment.

- While maintaining the quality of electricity supplied in Hokkaido, implement measures to expand the acceptance of renewable energy.

Amount of renewable energy adopted (as of the end of February 2021)



The amount of renewable energy adopted as of the end of February 2021 was **approximately 4.6 million kW**, of which solar and wind accounted for approximately 2.52 million kW in total, which is equivalent to **about 70%** of our annual average power generation (about 3.5 million kW) in FY2021.

Solicitation process for wind power generation projects based on the use of grid-side storage batteries

- Started solicitation for wind power generation projects (output of 600,000 kW for Phase I) based on the precondition that participants share the costs related to the grid-side storage batteries. (For Phase I, the implementation of 15 projects (162,000 kW) has already been decided.)
- **Redox flow batteries were decided** to be used as the grid-side storage batteries.
- We are preparing for the grid connection of wind power generation by the end of FY2023, making use of the knowledge gained from past demonstration tests.

Outline of redox flow battery

Facility scale	Capacity: 51,000 kWh (17,000 kw x 3 hours)
Facility location	Minami Hayakita Substation (Abira town)
Operation period	April 2022 - March 2043 (tentative)

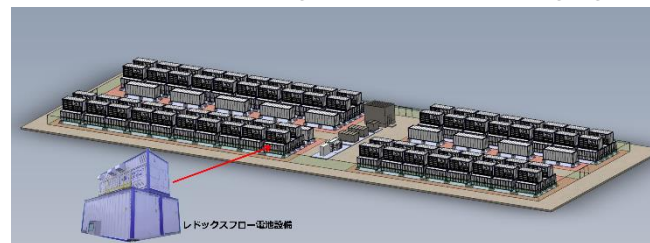


Image of completed container type redox flow battery system

■ [Reference]Promotion of Health Management

- In order to fulfill our role as a responsible energy supplier and to contribute to the sustainable development of Hokkaido, it is important for each of our employees, who are the foundation of our business, to maximize their abilities and improve their productivity while promoting their health.
- We do not only rely on each of our employees to maintain their own health, but we also have companies and health insurance associations actively participate in promoting health management as part of our aim to provide a workplace where everyone is able to work healthily and enthusiastically.

HEPCO's Health Management Declaration

HEPCO President announced our Health Management Declaration, which embodies the health management philosophy that we seek to achieve, to people both inside and outside the company, and has also taken the lead in promoting health measures.

Health promotion

- Examples of initiatives to establish exercise habits: Set up a group-wide health promotion period and hold events which encourage all employees to join
- Examples of initiatives to establish health awareness: Occupational health staff providing health guidance to all employees

Create a comfortable workplace

- Examples of initiatives to improve the workplace environment
Health literacy education to improve our employees' ability to utilize health knowledge and e-learning for managers to create a workplace that is safe and healthy both in mind and body

HEPCO was consecutively recognized as "Certified Health & Productivity Management Outstanding Organization (White 500)" (for two consecutive years).

As a result of our continuing efforts to improve the effects of our initiatives in a virtuous cycle by making use of the know-how we have accumulated and repeatedly checking the effects of each health management measure through the PDCA cycle, we were recognized as a White 500 company in March 2021 under the 2021 Certified Health & Productivity Management Outstanding Organization Recognition Program. Organizations are selected jointly by the Ministry of Economy, Trade and Industry (METI) of Japan and the Nippon Kenko Kaigi.



2021
健康経営優良法人
Health and productivity
ホワイト500

-- We will continue to accumulate the know-how to promote health management and implement initiatives to enhance our corporate value. --

See the link below for more details on our health management:

https://www.hepco.co.jp/corporate/human_rights/health_management/index.html

Hepco Group Report 2020 (Integrated Report)

(Published September 24, 2020)



URL:https://www.hepco.co.jp/english/ir/pdf/hepco_group_report_2020.pdf

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