

Overview of the FY2027 HEPCO Group Management Plan

April 28, 2026

Hokkaido Electric Power Co., Inc.

We at the HEPCO Group would like to express our sincere gratitude for your continued support of our business.

Hokkaido, the base of our operations, is facing social issues such as a declining regional vitality due to a shrinking and aging population and falling birthrates. However, the establishment of GX* industry facilities, such as next-generation semiconductor plants and data centers, is steadily progressing. Accordingly, electricity demand, which had been on a downward trend, is now expected to see a turn around, and increase significantly over the medium to long term.

The HEPCO Group Management Vision 2035 was formulated in March 2025 and outlines a vision for the HEPCO Group to contribute to regional development and achieve robust growth by leveraging Hokkaido's potential. We strive to achieve growth in the HEPCO Group's business and the development of Hokkaido by relentlessly working on the initiatives set out as the Group's Management Agenda: the Realization of GX for Hokkaido's Growth, the Challenge of Creating New Value, and pursuing a Robust Business Foundation for Sustainable Growth.

In FY2026, we made progress toward the restart of Tomari NPS Unit 3 and advanced various initiatives aimed at achieving carbon neutrality by 2050 and ensuring our Group's sustainable growth. These included the formulation of a concept for a new energy supply chain centered on the Tomakomai and Atsuma regions.

In FY2027, even as tensions in the Middle East escalate, we will strive to ensure a stable supply of electricity and respond effectively to changes in the current business environment. We will continue to pursue our management targets by aligning our business operations with our management agenda and optimizing our business portfolio, thereby working to enhance our corporate value on a sustainable basis.

We ask for your continued understanding and support for our business.

* GX (Green Transformation): An initiative that aims to transform the entire economic and social system by viewing the shift toward carbon neutrality as a growth opportunity and enhancing international industrial competitiveness.

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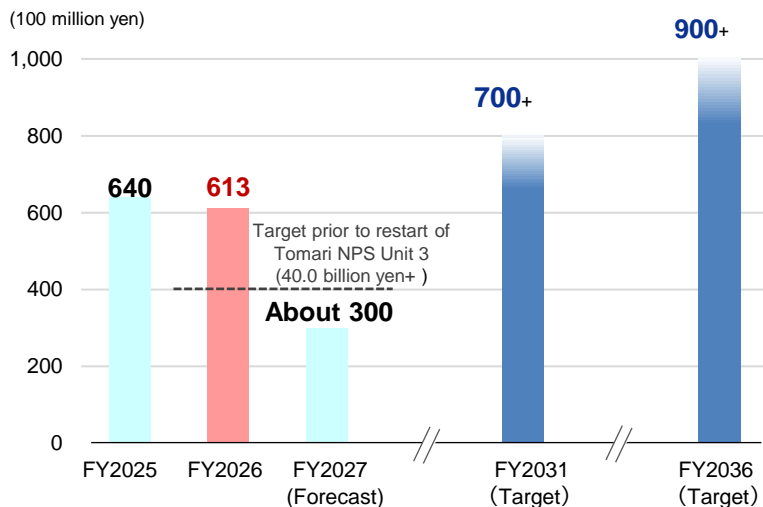
I. Progress with Management Targets and Direction of Initiatives



Progress in Management Targets (1): Financial Indicators

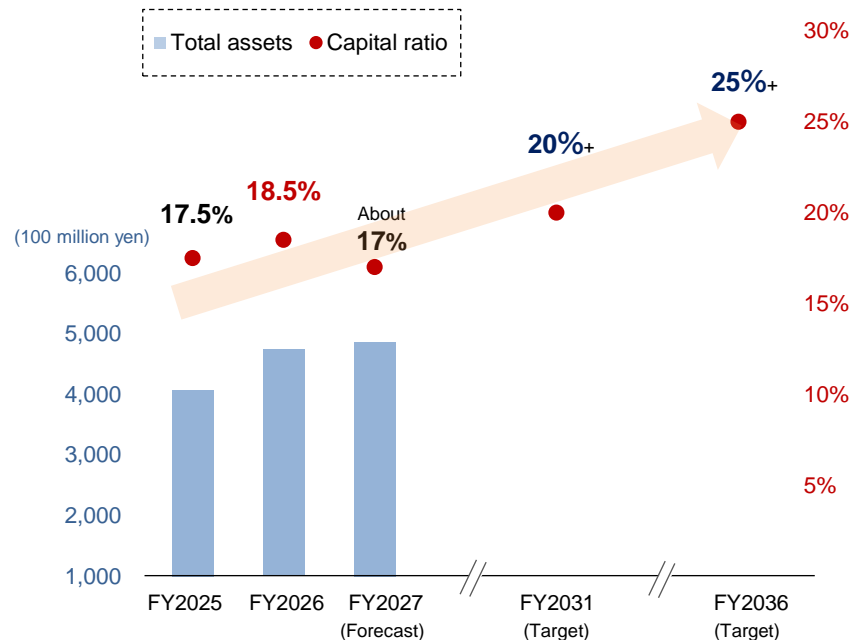
- The HEPCO Group Management Vision 2035 (the “Management Vision”) sets forth a target of “consolidated ordinary income of 40 billion yen or more” before the restart of Unit 3 of the Tomari Nuclear Power Station. In contrast, consolidated ordinary income for FY2026 amounted to 61.3 billion yen.
- In addition, the consolidated capital ratio at the end of FY2026 stood at 18.5%.

Changes in consolidated ordinary income, ROIC and ROE



ROIC	-----▶	2.8%	About 1.6%	-----▶	3.0%+	-----▶	3.5%+
ROE	-----▶	10.4%	About 4.8%	-----▶	8.0%+	-----▶	8.0%+

Changes in consolidated capital ratio

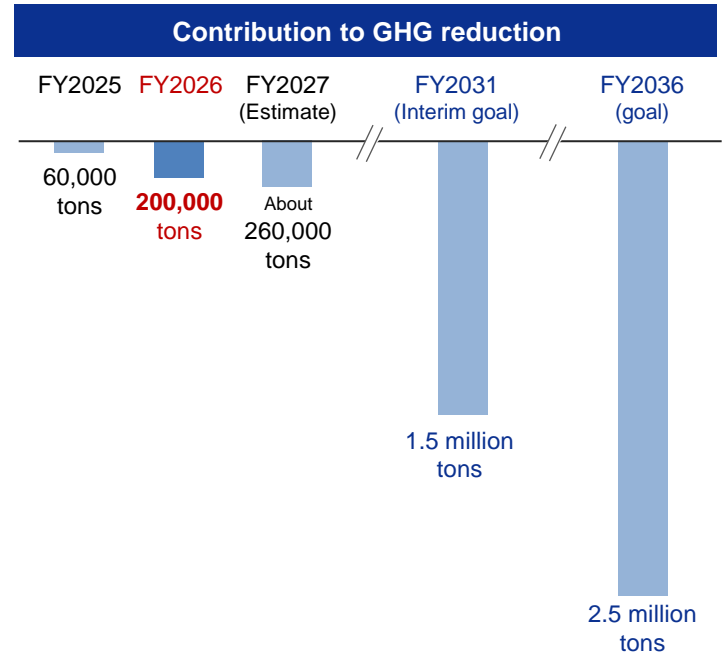
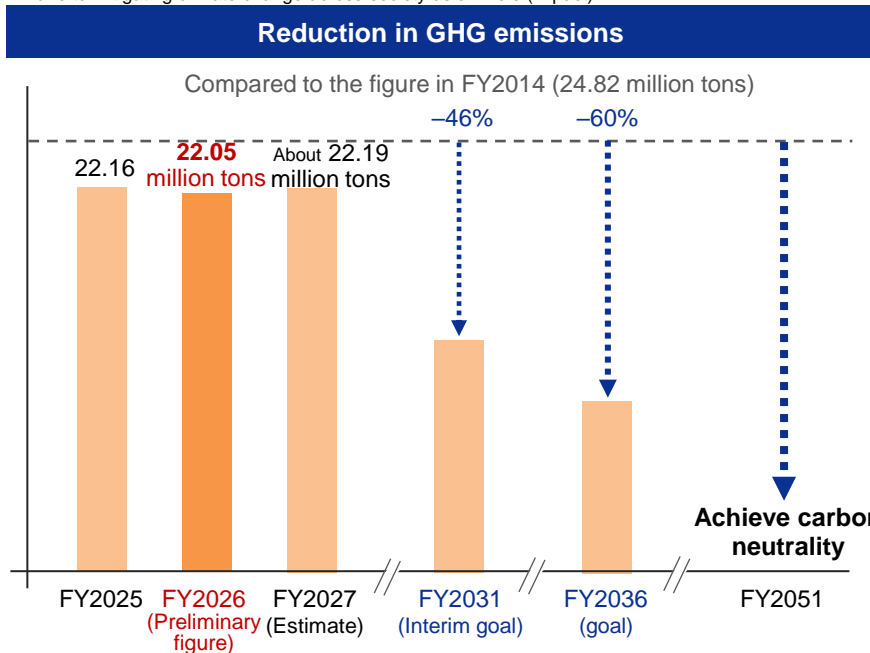


Progress in Management Targets (2): Key Non-Financial Indicators

- In the Management Vision, we have set targets for reducing the HEPCO Group's supply chain emissions (Scopes 1, 2, and 3^{*1}) and for the contribution to reducing greenhouse gas (GHG) emissions^{*2} through renewable energy development projects and the promotion of electrification via heat pump equipment and other means.
- We aim to achieve our targets by steadily advancing the decarbonization of our power sources, through measures such as the restart of the Tomari NPS, the greater integration of renewable energy, and the fuel conversion of thermal power stations, as well as by promoting electrification.

*1. Scope 1: Direct emissions from HEPCO Group business sites (mainly thermal power plants). Scope 2: Indirect emissions associated with the use of electricity, heat, etc., that HEPCO Group receives as a user. Scope 3: Other indirect emissions (mainly indirect emissions associated with electricity purchased from other companies).

*2. This represents the difference in GHG emissions between the existing products and services (baseline) and the new products and services, and quantifies the contribution these products and services make to mitigating climate change across society as a whole (impact).



Progress in Management Targets (3): Summary

- The actual results for FY2026 and the forecast for FY2027 with regard to the respective management targets are shown in the table below.
- We will continue striving to achieve the targets at each milestone: Before the restart of Tomari NPS Unit 3, in FY2031, and in FY2036.

	FY2026 (Results)	FY2027 (Forecast)	Before restart of Tomari NPS Unit 3	FY2031	FY2036
Electricity sales (retail)	22.1 TWh	About 21.8 TWh		29 TWh+	33 TWh+
Reduction in GHG emissions	-11%*1	About -11%		Compared to FY2014: -46%	Compared to FY2014: -60%
Contribution to GHG reduction	0.2 million tons	About 0.26 million tons		1.5 million tons	2.5 million tons
CN-related investment	22.3 billion yen	About 28.3 billion yen		About 400 billion yen (cumulative from FY2026 to FY2036)	
Renewable energy target (gross)	209 MW	—*2		1,000MW + *300 MW+ net	3,000 MW+ *1,000 MW+ net
Ordinary income	61.3 billion yen	About 30.0 billion yen	40 billion yen+	70 billion yen+*3	90 billion yen+*3
ROIC (WACC)	2.8%	About 1.6%	3.0%+ (about 2.2%)		3.5%+ (about 2.4%)
ROE	10.4%	About 4.8%		8%+	
Capital ratio	18.5%	About 17%	20%+		25%+ (Future target: 30%)
Debt-to-EBITDA ratio	10.3×	About 13.8x	About 11x		8x or lower
Dividends (annual) Dividend on Equity (DOE)	32 yen/share (1.8%)	33 yen/share (About 1.8%)	Stable dividend using a guideline of 2% DOE (Until Tomari NPS Unit 3 is restarted, we will aim for a 2% DOE and make a comprehensive determination while being mindful of rebuilding our financial foundation.)		
Next-generation energy investment	1.2 billion yen	—*2		About 250 billion yen (cumulative from FY2026 to FY2036)	
Human capital investment (added value/personnel expenditures)	1.1×	About 1.0×	—		Compared to FY2025: about 1.5 times
DX investment	2.0 billion yen	About 3.6 billion yen		About 30 billion yen (cumulative from FY2026 to FY2036)	

*1. Preliminary figure. *2. The FY2027 forecasts for "Renewable energy target (gross)" and "Next-generation energy investment" are not disclosed for business strategy reasons. *3. Reflects the rate reduction resulting from the restart of the Tomari NPS.

HEPCO Group Management Agenda

- In the Management Vision, we established the management agenda of Realization of GX for Hokkaido's Growth and Challenge of Creating New Value, as well as Robust Business Foundation for Sustainable Growth to underpin the above. By untiringly promoting initiatives in line with these agendas, we aim to achieve both growth in the HEPCO Group's business and the development of Hokkaido.

HEPCO Group Management Agenda toward 2035

HEPCO Group's Business Growth and Hokkaido's Development

Realization of GX for Hokkaido's Growth

To contribute to digital industries clustering in Hokkaido, we will steadily improve the power infrastructure in anticipation of greater demand as well as buildout of renewable energies, and take up the challenge to decarbonize energy.

Challenge of Creating New Value

To contribute to the promotion of industry in Hokkaido and resolution of regional issues, we will also take up the challenge of developing non-energy businesses while maintaining our focus on the energy business.

Robust Business Foundation for Sustainable Growth

We will bolster our business foundation so that we may move forward to transform our operations and take up challenges, including those listed above.

Material Issues for HEPCO Group (Materiality)

- The HEPCO Group has positioned its Management Agenda as material issues (materiality) and defined each of the three agenda items as a task, under which subtasks are specified. We will also contribute to achieving the SDGs by promoting initiatives with a focus on sustainability and ESG.

Task	Subtask (key work)	Relevant SDGs
Realization of GX for Hokkaido's Growth	Stable Power Supply in Anticipation of Growing Power Demand and Greater Integration of Renewable Energy	
	Energy Decarbonization	
Challenge of Creating New Value	Value Expansion and Creation for Customers	
	Value Creation through Business Co-creation	
Robust Business Foundation for Sustainable Growth	Kaizen & DX Application to Transform Business	
	Promotion of Human Capital Management	
	Exercise Thorough Compliance and Risk Management	
	Enhance Corporate Governance	



SDGs: Sustainable Development Goals.

Adopted at the UN Summit in September 2015, the SDGs involve a declaration of 17 goals related to poverty, hunger, energy, climate change, and other areas to be achieved by 2030

II. Main Initiatives for FY2027

1. Realization of GX for Hokkaido's Growth

2. Challenge of Creating New Value

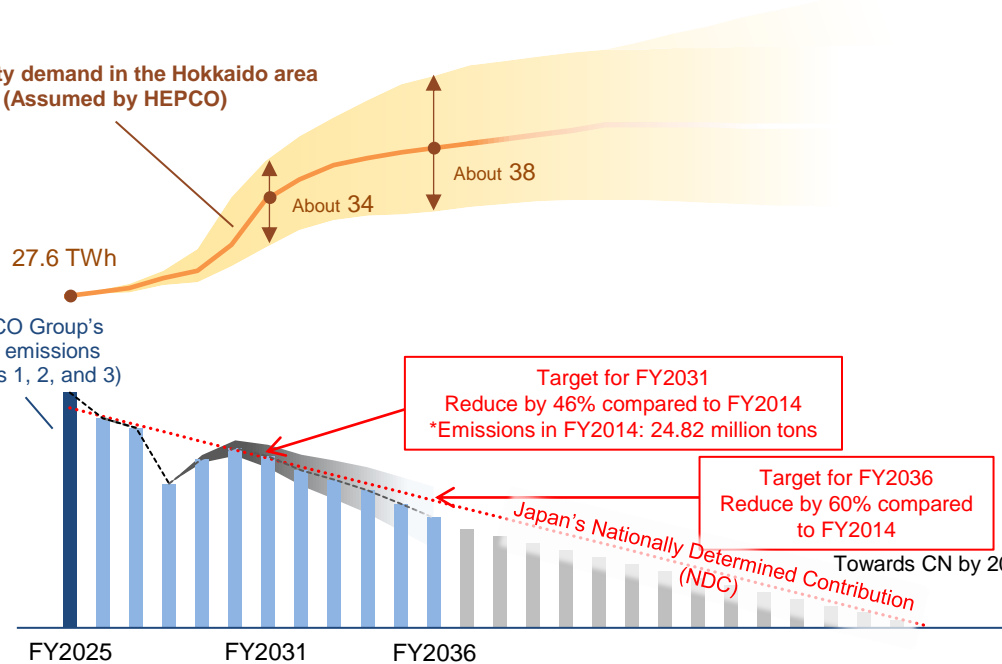
3. Robust Business Foundation for Sustainable Growth



Initiatives in Anticipation of Medium- to Long-term Growth in Electricity Demand

- In the Hokkaido region, medium- to long-term growth in electricity demand is anticipated as GX projects advance, including the next-generation semiconductor plant by Rapidus Corporation and the large-scale data center by SoftBank Corp.
- As a provider of energy, the HEPCO Group is committed to fulfilling its responsibility to ensure a stable supply of electricity. At the same time, by accurately addressing our customers' needs, we will secure business opportunities and drive revenue growth.

Electricity demand in the Hokkaido area
(Assumed by HEPCO)



*Excerpt from the Management Vision (with some modifications)

Initiatives to Ensure Supply Capacity

- ▶ To ensure a stable supply of electricity and achieve carbon neutrality (CN) by 2050 even as thermal power stations age, we will press ahead with efforts for the early restart of the Tomari NPS and the greater integration of renewable energies.
(For more information about initiatives for restart of Tomari Nuclear Power Station, see [p. 11](#).)
(For more information about initiatives for the greater integration of renewable energy sources, see [p. 13](#).)
- ▶ In addition, we are steadily working to start operation of Units 2 and 3 of the Ishikariwan Shinko Power Station (planned output: 580,000 kW per unit; scheduled operation start dates: FY2031 for Unit 2, FY2034 for Unit 3), which are under construction. We are also examining the potential for future fuel conversion to hydrogen.
(For more information about thermal power decarbonization initiatives, see [p. 14](#).)

Proposal and Sales Activities to Meet Customers' Needs

- ▶ By supporting GX industry's site development, contributing to our customers' carbon neutrality goals, and addressing various other needs, we will work to capture the growing demand for electricity.
(For details, see pp. [22 to 24](#).)

Initiative for Restart of Tomari Nuclear Power Station

- Nuclear power plays a vital role in supporting both a stable supply of electricity and the achievement of CN, thanks to its characteristics such as stable fuel supply, long-term price stability, and zero CO₂ emissions during operation.
- Tomari Nuclear Power Station Unit 3 obtained permission for a change in reactor installation license on July 30, 2025. We are making utmost efforts to proceed with the design and construction plan approval, security regulations change approval review, pre-use operator inspection, and the construction of seawalls and other safety measures, in preparation for the earliest possible restart of Tomari NPS Unit 3 in 2027.
- Following the restart, we will lower electricity rates by taking full account of cost reductions resulting from the restart, as well as further cost savings achieved through enhanced operational efficiency, including continuous improvement initiatives and the promotion of digital transformation.

	Major items	-FY2025	FY2026	FY2027	FY2028
Review and inspections of conformity with new regulations	Review for permission to change the installation	▼ July 30, 2025: Permission to change the installation			Restart
	Approval for design and construction plans	▼ July 10, 2025: Amendment			
	Design and construction plan approval review	[Progress bar]			
	Security regulations change approval review	[Progress bar]			
	Pre-use operator inspection	[Progress bar]			
Safety measures construction	Seawalls	Preparatory work	Construction of new seawalls (expected to take approximately three years and several months, starting in March 2024)		
		[Progress bar]			
	Other safety measures	Seismic reinforcement work for buildings, etc.			

Initiatives to Further Improve Safety at the Tomari Nuclear Power Station

- With a strong determination to never allow any critical accident like the one at the Fukushima Daiichi Nuclear Power Station to occur, we are working to further reduce the risk of serious accidents, going beyond implementing existing safety measures.
- We will continue to maintain and enhance our technical capabilities with the goal of achieving the highest global standards of safety. At the same time, we will use a range of engagement activities to actively communicate our safety improvement efforts in an easy-to-understand manner, striving to earn the trust of all stakeholders.

Promoting a Shared Commitment to the Safety First Value

- ▶ The upper management visits power stations in person to convey their commitment to enhancing safety and exchange views in order to instill the value of “safety first” throughout the workforce.



Dialogue between the President and power station staff

Efforts to Maintain and Enhance Technical Capabilities

- ▶ Based on the belief that “safety relies on people,” we are committed to maintaining and enhancing our staff's technical skills even while operations remain suspended. We are pursuing this through simulator training, knowledge transfer from experienced staff, and practical experience in equipment inspections as well as safety measure works aimed at resuming operations.
- ▶ We continue to conduct practical training and education aimed at improving our emergency response capabilities.



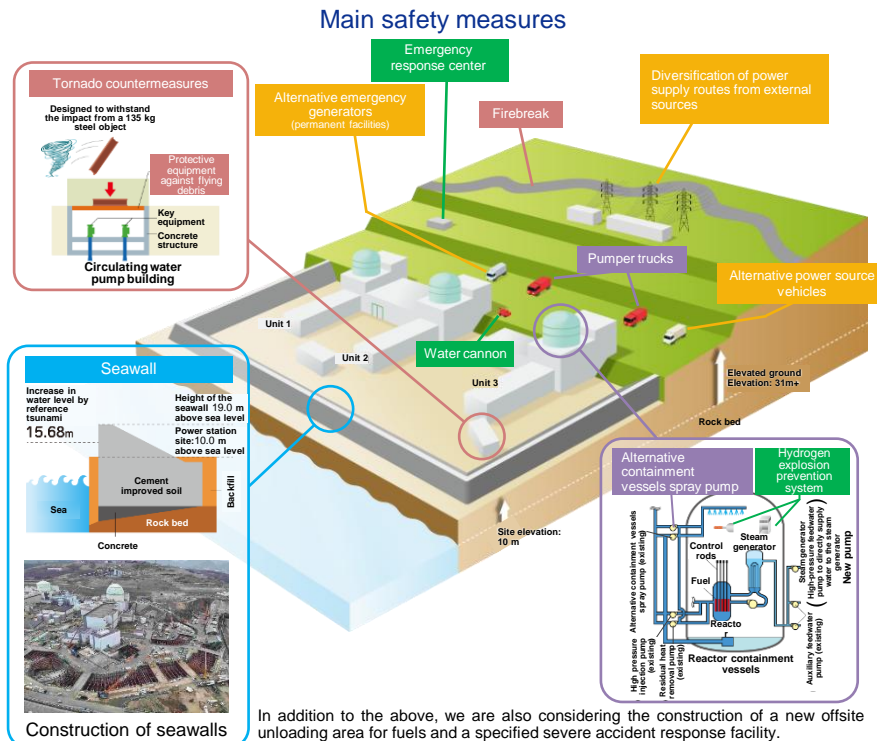
Training

Promotion of Communication Activities

- ▶ In FY2026, HEPCO held public information sessions on safety measures related to the Tomari Nuclear Power Station in 29 municipalities across Hokkaido.
- ▶ We will continue to take various opportunities to actively provide information to people in the region on how we are improving the safety of the Tomari Nuclear Power Station.



An information session



Initiatives to Promote Greater Integration of Renewable Energies

- Regarding renewable energy sources, we have set a target of achieving an increase of over 3,000 MW in renewable energy sources by FY2036 (gross).
- To achieve the target, we are developing new sites, making investment in renewable energy projects, and retrofitting hydroelectric power stations.

Renewable-Energy Power Generation

- ▶ The Group is working together on the greater integration of renewable energy sources. It is currently proceeding with environmental impact assessment procedures for the offshore wind power generation project off the coast of Hiyama and the onshore wind power generation projects in Date City, Kaminokuni Town, Shimamaki Village, and Sobetsu Town.
- ▶ We will continue to contribute to the realization of a carbon-neutral Hokkaido through the development of renewable energy sources such as wind, solar, geothermal, and hydroelectric power.

Key projects thus far (examples)



Offshore wind farm in Ishikariwan Shinko (put in service from January 2024)



Solar power facility in Eniwa City (put in service starting in August 2025)



Biomass power generation station in Tomakomai City (put in service starting in February 2026)

R&D Related to Renewable Energy

- ▶ In collaboration with Mitsubishi HC Capital Inc. and EneCoat Technologies Co., Ltd., we are conducting verification tests on the power generation characteristics and other aspects of perovskite solar cells* in low-temperature environments.

*These solar cells are thin, lightweight, and flexible, making them suitable for installation in locations where conventional panels were difficult to install, such as building walls and windows.



Perovskite solar cells

Initiatives for Making Full Use of Hydroelectric Power Generation

- ▶ To make the most of our precious water resources, we are retrofitting, in stages, the aged hydroelectric power stations operated by our company and **Hokuden Eco-Energy, Co., Ltd.**



Renewal work

Hydroelectric power stations under renewal work

Name of power plant	Location	Maximum output		Scheduled start of operation
		Current	After renewal	
Kamikawa Power Station	Kamikawa Town	12,000 kW (no change)		March 2027
Moiwa Power Station	Sapporo City	12,600 kW	13,400 kW	March 2029
Konbu Power Station	Rankoshi Town	9,000 kW (no change)		September 2026
Shibinai Power Station	Higashikagura Town	1,600 kW	1,700 kW	January 2028

Renewable Energy Development-Related Business (O&M)

- ▶ HEPKO Group companies provide the following services for equipment operated with renewable energy.

HOKKAIDENKO CORPORATION	Design, construction, equipment maintenance, and more
Hokuden Integrated Consulting Service, Co., Inc.	Environment survey, design, diagnosis, supervision of works, and more
Hokkaido Power Engineering Co., Inc.	Maintenance of power generation equipment and more

Initiatives for Decarbonization of Thermal Power Generation

- We are promoting the large-scale integration of renewable energy. However, due to the potential for sudden output fluctuations caused by changes in the weather, maintaining a stable power supply will continue to require the flexibility of thermal power generation.
- With the aim of decarbonizing thermal power generation in the future, we will move forward with initiatives such as switching to decarbonized fuels like ammonia and hydrogen.

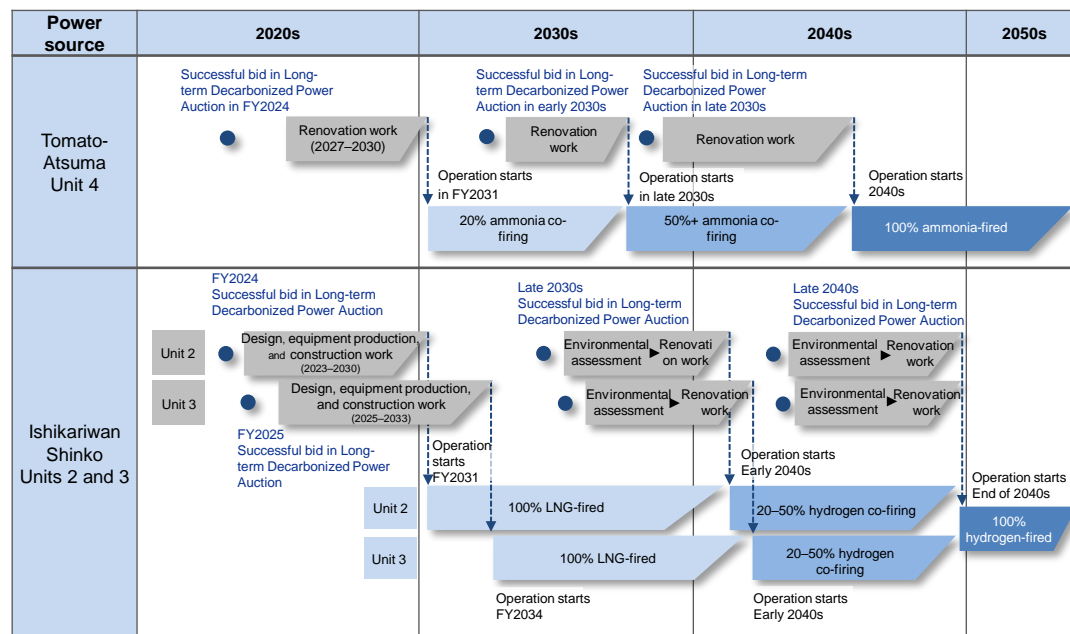
Initiatives at Tomato-Atsuma Power Station and Ishikariwan Shinko Power Station

- ▶ Unit 4 of the Tomato-Atsuma Power Station runs on coal. We are working toward its decarbonization through measures such as fuel conversion to ammonia and utilizing CCUS* technology. Regarding the fuel conversion, we plan to convert 20% of our fuel (by calorific value) to ammonia by FY2031, and then gradually expand this ratio thereafter.

*Carbon dioxide Capture, Utilization and Storage

- ▶ The Ishikariwan Shinko Power Station, which runs on LNG, aims to achieve decarbonization by switching its fuel to hydrogen.

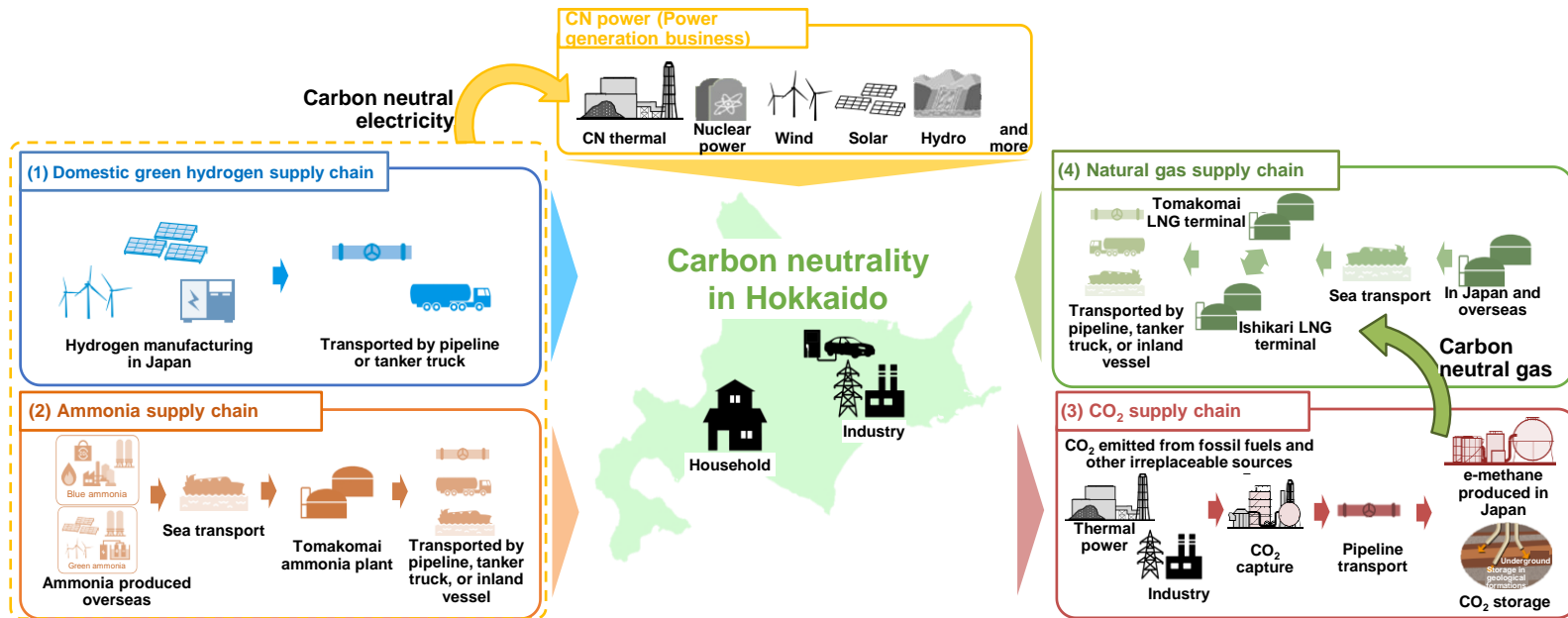
Roadmap to Decarbonization



Initiative to Build a New Energy Supply Chain (1)

- In Hokkaido, oil and coal account for a high proportion of final energy consumption. Therefore, to achieve a carbon-neutral society, it is necessary to promote low-carbonization and decarbonization through the transition to electricity and gas. In addition, Hokkaido is projected to see a significant increase in future energy demand.
- In addition to restarting the Tomari NPS, working on the greater integration of renewable energy, and promoting electrification, we are moving forward with plans to fully enter the gas business, develop next-generation LNG power sources and LNG terminals, and explore the social implementation of next-generation energy technologies. By establishing a new energy supply chain centered on the Tomakomai and Atsuma region and providing a diverse range of decarbonization solutions, we will contribute to achieving a carbon-neutral Hokkaido by 2050.

Concept for achieving carbon neutrality in Hokkaido

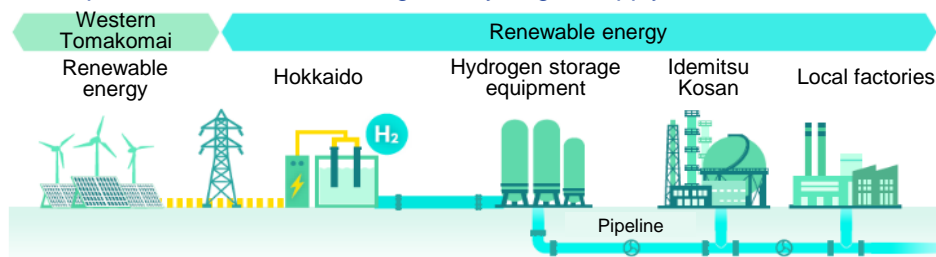


Initiative to Build a New Energy Supply Chain (2)

Study into the Development of Domestic Green Hydrogen Supply Chain

- ▶ We are currently conducting joint studies with the aim of establishing a hydrogen supply chain by FY2031. This involves constructing one of the country's largest hydrogen production plants equipped with a water electrolyzer that will supply renewable hydrogen via pipelines and tanker trucks.

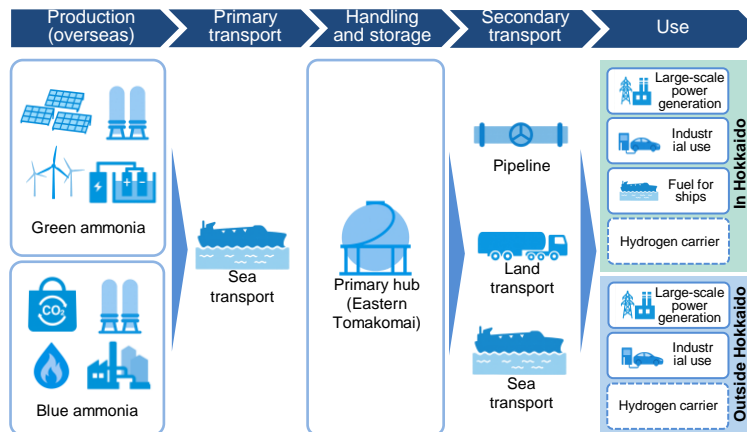
Conceptual model of a domestic green hydrogen supply chain in Tomakomai,



Study into the Development of an Ammonia Supply Chain

- ▶ We are conducting joint studies with the aim of establishing an ammonia hub by FY2031, converting the fuel for Unit 4 of the Tomato-Atsuma Power Station to ammonia, and building a supply chain to deliver ammonia throughout Hokkaido and across Japan.
- ▶ This project has been certified under the national government's Support Focusing on the Price Gap (December 2025) and Hub Development Support Program (March 2026) subsidy programs.

Conceptual model of an ammonia supply chain



Study into the Commercialization of CCUS

- ▶ By FY2031, we aim to establish a supply chain for the separation, capture, utilization, and storage of CO₂ by installing separation and capture facilities for CO₂ from Unit 4 of the Tomato-Atsuma Power Station, as well as transportation facilities and other related infrastructure.
- ▶ We are also looking into the possibility of expanding the hub and cluster type of CCUS business* as well as accepting CO₂ emitted by other industries.

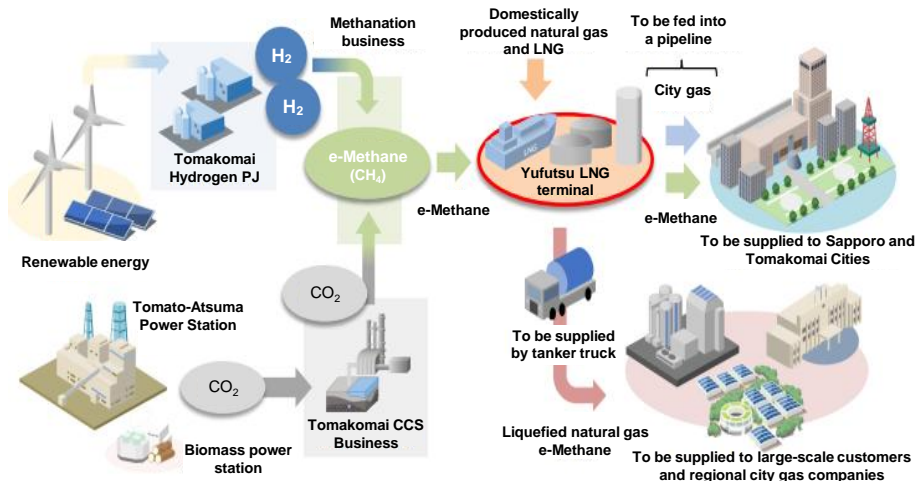
* Hub and cluster CCUS business:
In addition to the CCS business, which captures and stores CO₂ from a single source of emission, the CCUS business encompasses many sources of emissions in the region and uses these emissions effectively to reduce overall emissions as a society.

Initiative to Build a New Energy Supply Chain (3)

Full-Scale Entry into Gas Business

- ▶ We are expanding our business scope beyond our existing gas retail operations and will be making a full-scale entry into the gas business.
- ▶ We will acquire the gas production, sales, and pipeline operations currently managed by Japan Petroleum Exploration Co., Ltd., in Hokkaido (scheduled for FY2027) and establish an integrated gas supply chain from production to sales.
- ▶ In addition, by combining with related businesses and projects, and utilizing e-methane produced from green hydrogen and CO₂, we aim to offer carbon-neutral gas.

Conceptual model of the gas supply chain utilizing the transferred business



Development Plan for Future LNG Power Stations and LNG Terminals

- ▶ We are currently exploring the possibility of constructing a new LNG-fired power station.
- ▶ We are also studying the establishment of a terminal for handling LNG and other fuels, with a focus on supplying fuel for future power generation as well as utilizing it for our gas business.

Development Plan for Future LNG Power Stations and LNG Terminals

Next-generation LNG power generation	
Start of operation	By FY2036
Construction site	Tomato site
Power output	Under investigation
Power generation method	Gas turbine combined cycle, etc.
Type of fuel	100% LNG-fired
LNG terminal	
Start of operation	By FY2036
Construction site	Tomato site
Main facilities	Facilities for receiving ocean-going vessels, large-scale LNG tanks (above-ground), liquefaction facilities, shipping facilities, etc.

*Aiming to transition to decarbonized fuels (such as hydrogen) approximately 10 years after operations begin

Initiatives for Greater Integration of Renewable Energy

- **Hokkaido Electric Power Network** is determined to increase connections with power generated from renewable energy resources while ensuring stable power supply using new technologies so that the rich renewable natural resources in Hokkaido are fully used.

*To increase neutrality, power transmission and distribution has been carried out by our wholly owned subsidiary, Hokkaido Electric Power Network, since April 2020.

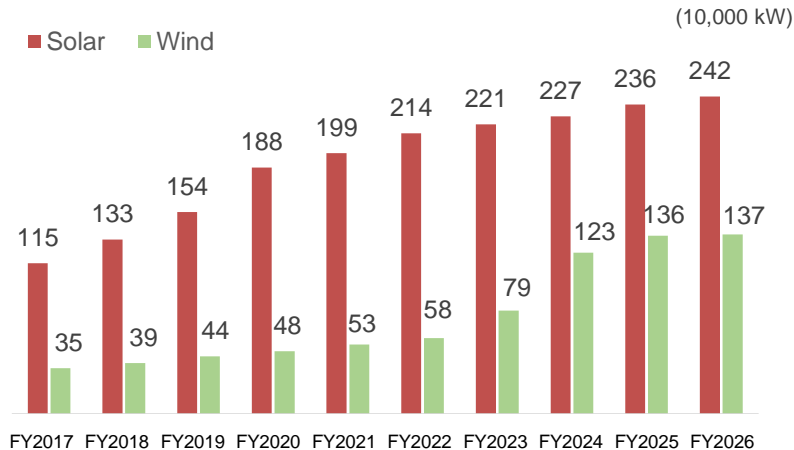
Renewable Energy Production in Hokkaido

- ▶ As of the end of February 2026, the installed capacity of renewable energy in Hokkaido was 5,960 MW,^{*1} exceeding the peak power demand^{*2} for the Hokkaido region.

*1. Solar power: 2.42 million kW; wind power: 1.37 million kW; biomass: 540,000 kW; hydropower (excluding pumped-storage): 1.6 million kW; geothermal: 30,000 kW

*2. Actual peak power demand for the winter of FY2026 (as of 11:00 a.m. on January 26, 2026): 5.07 million kW

- ▶ As solar and wind power output fluctuates significantly depending on weather conditions, we will work to further expand their use while conducting technical evaluations to ensure that they do not adversely affect the quality of the electricity supply.



Initiatives for the Effective Use of Renewable Energy

- ▶ We are promoting the integration of renewable energy by making the most of the existing infrastructure through measures such as introducing non-firm connections,^{*1} implementing redispatching^{*2} during grid congestion, and utilizing dynamic line rating^{*3}

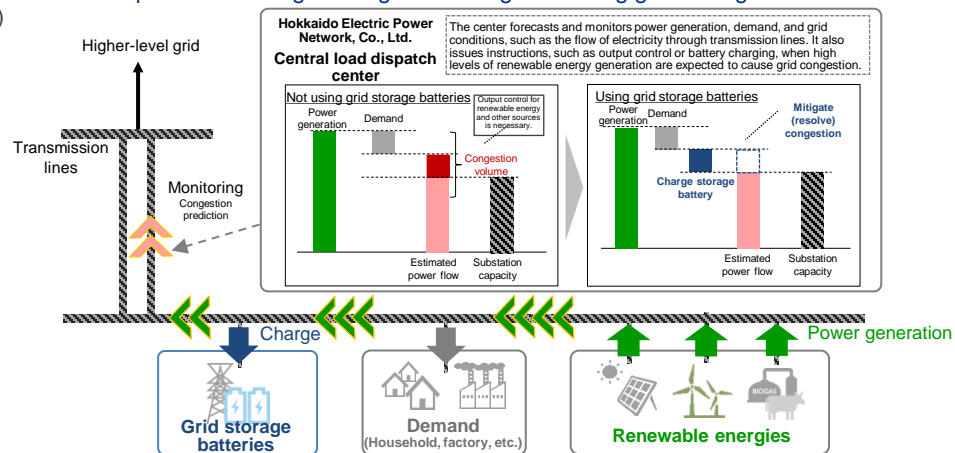
- ▶ In collaboration with Mitsubishi Research Institute, Inc., we are conducting a pilot program into the development of technology to mitigate grid congestion using charge control of grid storage batteries.

*1. A connection subject to capacity constraints of transmission lines at peak times where grid reinforcement is not conducted

*2. A method for prioritizing renewable energy power generation that curtails thermal power output first

*3. Technology that can increase the carrying capacity of transmission lines based on weather conditions and other factors

Conceptual model of grid congestion mitigation using grid storage batteries



■ Main Initiatives for FY2027: 1. Realization of GX for Hokkaido's Growth Grid Enhancement in Anticipation of Growing Power Demand and Greater Integration of Renewable Energy

- **Hokkaido Electric Power Network** is developing a next-generation power network with a medium- to long-term perspective. We aim to achieve decarbonization through greater integration of renewable energy, strengthen resilience to prevent large-scale and prolonged blackouts, and appropriately respond to future developments such as the large-scale expansion of energy demand.

Publication of the Welcome Zone Map for Demand

- ▶ We publish a Welcome Zone Map on “Hello New Hokkaido,” a platform for regional co-creation and decarbonization. The Map provides information on grid locations, available capacity on the demand side, and land areas.

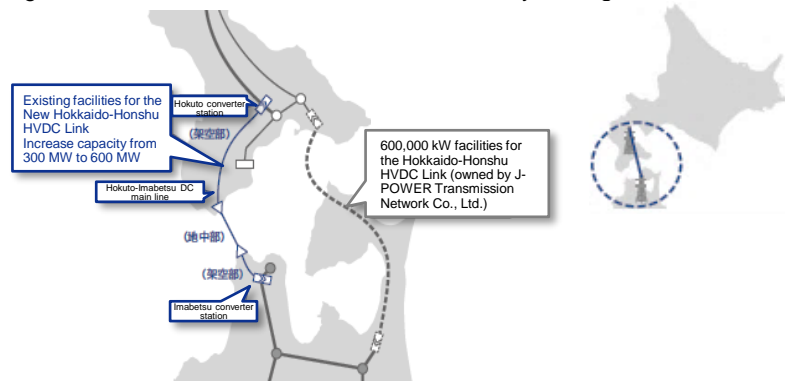
We will continue to enhance the content to support companies exploring the feasibility of expansion into Hokkaido.

Click [here](#) to read it.



Development and Reinforcement of New Interconnection Lines

- ▶ We are adding 300,000 kW of capacity to interconnection lines along the same route as the current New Hokkaido-Honshu HVDC Link, and aiming to start operations in March 2028. Following the start of operations, the lines are expected to facilitate further integration of renewable energy, enhance grid resilience, and activate wide-area electricity trading.



- ▶ Also, we are jointly considering proposals with other operators to enhance interconnecting facilities between Hokkaido and Honshu (via the Sea of Japan route) based on the Master Plan.*

* Available supply capacity is an estimate at the time of publication. For more information, please inquire with Hokkaido Electric Power Network, and refer to the preliminary supply-side interconnection assessment.

* Long-term vision outlining the specific future configuration of the cross-regional grid network, formulated by the Organization for Cross-regional Coordination of Transmission Operators, with a focus on achieving carbon neutrality by 2050, along with initiatives to implement this vision

Strengthen Our Resilience

- As a responsible energy provider, HEPCO Group companies are working together to strengthen the resilience of our electric power infrastructure and ensure a stable supply of power, even in the face of intensifying natural disasters.
- In anticipation of cyberattacks, we implement robust information security measures to ensure the continued functionality of our power control systems.

Conducting Drills for Large-Scale Disasters

- ▶ We conduct drills that simulate various scenarios—including severe storms, earthquakes, tsunamis, and volcanic eruptions—to review and verify our procedures for initial response, damage assessments, coordination among internal departments and with external agencies, and rapid dissemination of information. Through these efforts, we are enhancing our preparedness for increasingly severe disasters.
- ▶ We have entered into agreements with local governments, Japan's Self-Defense Forces, and private companies to prepare for disasters, and have established systems to ensure the rapid restoration of power, including transporting personnel and equipment as well as clearing roads.
- ▶ We actively participate in joint training exercises with our partner organizations and in municipal training programs, building personal relationships with them even in peacetime.



We are also conducting group-wide drills that simulate cyberattacks on a regular basis to improve our response capabilities.



A scene from the company's basic training session Drill in collaboration with the Maritime Self-Defense Force

Rapid Provision of Information Regarding Power Outages

- ▶ We will strive to reduce customer inconvenience by quickly communicating information regarding power outages.

- Get information regarding power outages in your registered area through **LINE** push notifications

Scan here to add HEPCO as a friend. ▶▶



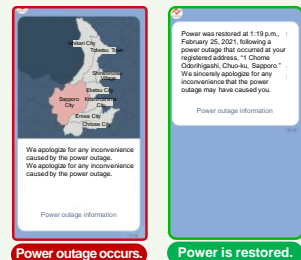
- You can inquire about power outages and facility downtimes through **chat**

Scan here to make inquires. ▶▶



- **AI will give you power outage information about the address over the phone.**

AI automatic response service ☎:0120-165-597



Power outage information

- ▶ We conduct 24/7 security monitoring and gather relevant information to ensure the early detection of cyberattacks and a swift response, within a framework in which the Executive Officer in charge of Information and Communications serves as the Information Security Supervisory Manager.
- ▶ We are also conducting group-wide drills that simulate cyberattacks on a regular basis to improve our response capabilities.

II. Main Initiatives for FY2027

1. Realization of GX for Hokkaido's Growth
- 2. Challenge of Creating New Value**
3. Robust Business Foundation for Sustainable Growth



Providing Services to Solve Customer Issues

- We provide solutions that meet the diverse needs of our corporate and other customers, such as optimizing energy use and utilizing renewable energy, thereby contributing to enhancing of the value of their businesses.

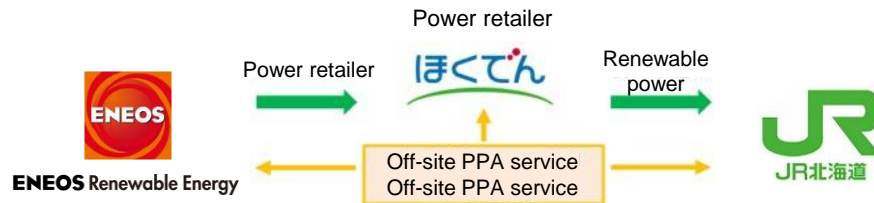
Energy Service Provider business

- ▶ We utilize the technological capabilities and expertise of HEPCO and other Group companies to provide energy services that help streamline customers' energy-related operations and reduce their initial investment costs. Click [here](#) to read it.
- ▶ We offer a one-stop solution covering everything from the introduction of energy-saving, high efficiency equipment—such as heat pump systems—to energy procurement, efficient facility operation, and maintenance. This solution has been adopted by clients such as Es Con Field Hokkaido.

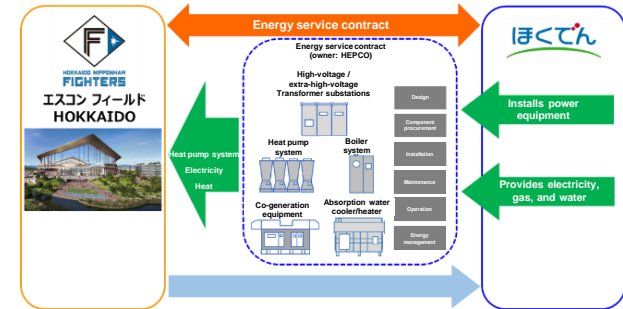
CN solutions

- ▶ We provide solutions such as PPA* and renewable energy aggregation that leverage the value of Hokkaido's abundant renewable energy.
 - *A service in which HEPCO owns and installs renewable energy generation facilities on or off the customer's premises and supplies the generated electricity to the customer (Power Purchase Agreement)
- ▶ In collaboration with Hokkaido Railway Company and ENEOS Renewable Energy Corporation, we have been supplying electricity to JR Tomakomai Station and Kitahiroshima Station since April 2026 using solar power generated on the site of the discontinued Hidaka Line.

Offsite PPA scheme using the discontinued Hidaka Line site



HEPCO's ESP business



CN consulting

- ▶ **Hokuden Integrated Consulting Service** helps customers to achieve carbon neutrality by providing consultation services on the creation and use of J-Credit* and proposals for utilizing environmental value, implementing energy-saving measures, and introducing renewable energy.

**A J-Credit represents an amount of greenhouse gases reduced or removed through initiatives such as introducing energy-saving devices, certified by the national government under the J-Credit Scheme.



■ Main Initiatives for FY2027 2.Challenge of Creating New Value Promotion of Smart Energy Housing etc.

- We contribute to customers' energy-saving and CO₂ emissions reduction through initiatives such as the promotion of Smart Energy Housing and consulting on net zero energy buildings (ZEB).
- **Hokuden Service Co., Inc.**, provides information about smart electrification in Hokkaido and valuable tips through their portal site [Denpota](https://denpota.com).

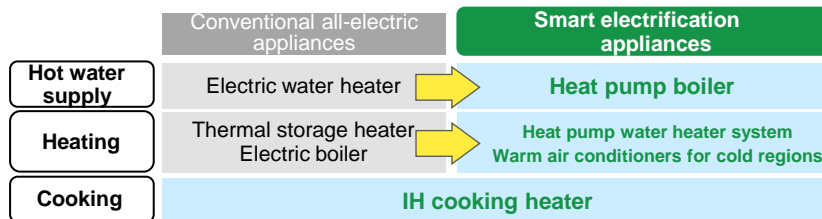
Promoting the Popularization of Smart Energy Housing

- ▶ We are promoting wider adoption of Smart Energy Housing, which incorporates high efficiency heat pump systems into houses that meet the net Zero Energy House (ZEH) criteria.
- ▶ Thanks to superior housing performance and highly energy efficient systems, it is possible to significantly reduce household energy consumption.



“Eco-upgrades” to Smart Appliances

- ▶ We recommend “eco-upgrades,” which enhance home comfort and reduce operating costs by replacing conventional all-electric appliances with high efficiency heat pump appliances (smart appliances).



Next-generation Energy Efficient Design

- ▶ As the leading provider of ZEB consulting in Hokkaido, we work alongside **Hokuden Integrated Consulting Service, Co., Inc.** and **HOKKAIDENKO CORPORATION** to provide comprehensive support to our clients—from planning, design, and construction to post-completion analysis of energy use and operational improvements.



Iwanai Municipal Iwanai Chuo Gakuen
(Opened April 2026)



HEPCO is registered as a ZEB Planner.

- ▶ **Hokuden Kogyo Inc.** is enhancing added value by acquiring ZEB Ready *1 and ZEH-M Oriented *2 certifications for its real estate development business.

*1. Certification given to buildings that meet the criterion of reducing their primary energy consumption by 50% or more from the standard primary energy consumption, excluding renewable energy.

*2. Certification given to housing complexes that meet the standard insulation performance and the criterion of reducing their primary energy consumption by 20% or more (excluding renewable energy) compared to the standard primary energy consumption for the entire building, including common areas.



Ena Square Oodori Building
(ZEB Ready certified)

Providing a Range of Services for Comfortable Safe Living

- We are enhancing our lineup of services that solve customer problems or social issues through communication with customers and communities.

Hokuden Hikari

- ▶ We offer the simple, fast, and affordable Hokuden Hikari optical fiber internet service to support customers' daily lives. Click [here](#) to read it.

ほくてん光の 魅力

Perks for all plans

Perk
①

Simple pricing that includes the provider fee.

Perk
②

Faster than conventional networks

Perk
③

Exclusive benefits are available to customers who sign up

Home Repair Support

- ▶ We offer a one-stop service that handles electrical equipment and plumbing issues 24 hours a day, 365 days a year—from receiving a call and arranging a repair technician to completion—all with a single phone call.
- ▶ We expanded our service area in November 2025 and now serve customers throughout Hokkaido (excluding certain areas and remote islands).

Click [here](#) to read it.



Healthcare Services

- ▶ We offer Hokuden Healthcare, a service which allows users to access health and medical consultations via chat, as well as receive medical examinations online.

Click [here](#) to read it.



- ▶ In addition, we offer services such as the “Enemall Hoken” insurance, which is exclusive to Ene Mall members, and the “SalivaChecker” cancer risk screening kit.

Click [here](#) for information on “Enemall Hoken” and [here](#) for “SalivaChecker.”

Kira-make Store

- ▶ We operate Kira-make Store, an e-commerce site that sells high quality products from across Hokkaido, widely promoting the region's appeal and helping local businesses and producers market and sell their products.

Click [here](#) to read it.



Business Co-creation Initiatives (1)

- To contribute to the sustainable development of Hokkaido, the HEPCO Group strives to uncover new business opportunities by identifying the region's strengths and potential, as well as the challenges facing local communities. We will create new value through co-creation initiatives across a wide range of sectors, including agriculture, forestry, fisheries, tourism, and social welfare, with the aim of revitalizing local communities and addressing social issues.

Operating a Vegetable Production Factory to Solve Problems in Agriculture

- ▶ In the Niseko area, we are working with Plants Laboratory Inc. to supply leafy greens all year round by growing them in a small, energy efficient production facility, thereby saving energy and reducing food miles.



- ▶ In collaboration with Torahuku Co., Ltd., we are exploring the development of a large-scale solar-powered plant factory in Mukawa Town, with the goal of creating a sustainable agricultural model that addresses climate change and labor shortages while achieving high productivity.

Tourism Promotion and Experience Tours Utilizing Imaging Technology

- ▶ In collaboration with forestdigital, inc., we held a tourism promotion event in Tokyo that featured unique VR video technology which requires no headset. It allowed people to experience Hokkaido's lesser-known tourist attractions.
- ▶ In collaboration with Nippon Travel Agency Hokkaido Co., Ltd., we organized an infrastructure tour that visited our hydroelectric power facilities as an experience tourism program.
- ▶ Going forward, we will continue to create new value by identifying and utilizing local landscapes, culture, and infrastructure as tourism resources. We remain committed to boosting tourism in Hokkaido.



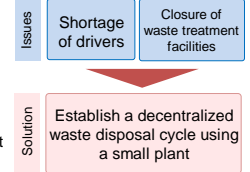
A shot from the event. Images from the Kachimai Fireworks Festival in Obihiro City (August 2025) are projected.

Initiatives Toward Sustainable Solutions for Waste Management Issues

- ▶ In partnership with JOYCLE Co., Ltd., we are working to establish a decentralized waste disposal cycle using a small upcycling plant that "converts waste into resources without needing transportation or incineration."
- ▶ In the demonstration in Ishikari City, we confirmed that the plant operates normally at low temperatures, and we will continue our efforts to achieve its implementation in society.



JOYCLE BOX, a compact IoT upcycling plant



Aging Alcoholic Beverages in Hydroelectric Facilities

- ▶ We are conducting a pilot study in collaboration with Kamikawa Taisetsu Co., Ltd., using the tunnels in Kyogoku Power Station to create premium, high-value Hokkaido sake. The sake is sold after a year of aging, and has received high praise for its soft, mellow flavor.
- ▶ In September 2025, we started ageing sake from Niseko Shuzo, gin from Shakotan Spirit Co. Ltd., and sparkling wine from Hirakawa Winery Co. Ltd. All of these products are made using the bountiful natural resources of Hokkaido, such as sake rice, water, and grapes.



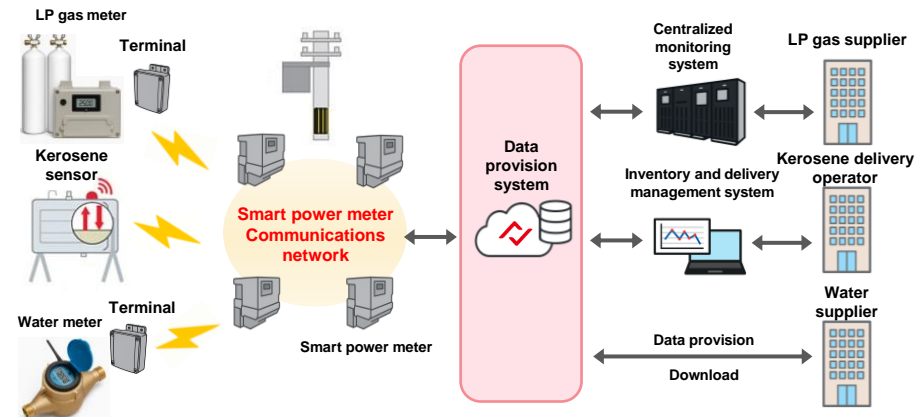
Aged Junmai Ginjo and Tokubetsu Junmai

Business Co-creation Initiatives (2)

- **Hokkaido Electric Power Network** and other Group companies are advancing initiatives to further activate the co-creation of businesses and industrial development.

IoT Communication Service with Smart Meters

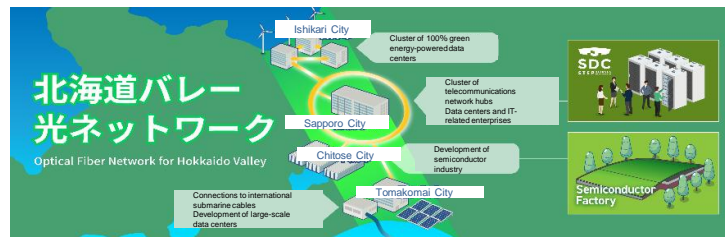
- ▶ In light of social challenges such as the shortage of workers resulting from the declining and aging population, **Hokkaido Electric Power Network, Inc.**, is providing IoT communication services that leverage the communication network of smart power meters to help improve operational efficiency.
- ▶ The company offers a service that provides information such as meter readings to water and gas utilities. Since the service launched in April 2024, local governments and utilities have installed a cumulative total of approximately 28,000 units.
- ▶ For kerosene delivery operators, the company has partnered with ZEROSPEC, Inc. to provide a service that allows remote monitoring of kerosene levels in storage tanks.



Building an Optical Fiber Network for Hokkaido Valley

- ▶ **Hokkaido Telecommunication Network Co., Inc.**, will promote the development of communication networks to support the Hokkaido Valley Initiative, which aims to build a cluster of cutting-edge industries in the central Hokkaido region stretching from Ishikari City to Tomakomai City.
- ▶ Specifically, the following use cases are envisioned.
 - Data center-IX* connection networks
 - Networks for semiconductor manufacturing facilities
 - Network for connecting outside of Hokkaido
- ▶ Our all-fiber network features 10G, 100G, and 400G connections and delivers high speed, high capacity, low latency, and high reliability. The company is also exploring options for even higher speeds in the future.

*Internet Exchange. A connection point where multiple Internet service providers (ISPs), data centers, cloud service providers, and other entities exchange data with one another.



II. Main Initiatives for FY2027

1. Realization of GX for Hokkaido's Growth
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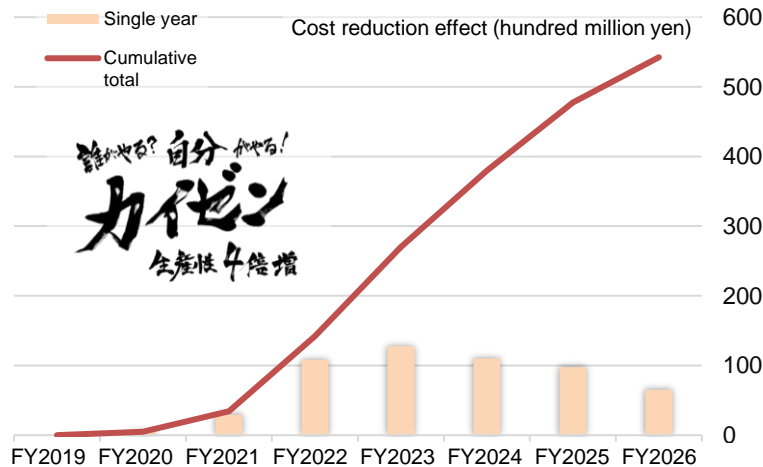


Promotion of Kaizen (1)

- We will achieve drastic efficiency improvements and cost reductions by constantly reviewing our operations.
- We will advance kaizen activities by steadily implementing large-scale kaizen projects with a high expected impact, rolling them out across Group companies. Our goal is to achieve a fourfold increase in productivity.

Promoting and Expanding Kaizen

- ▶ Our Kaizen initiative has steadily been expanding and taking root across the HEPCO Group.
- ▶ To date, approximately 4,700 projects have been implemented across the group, steadily generating cumulative cost reduction benefits.

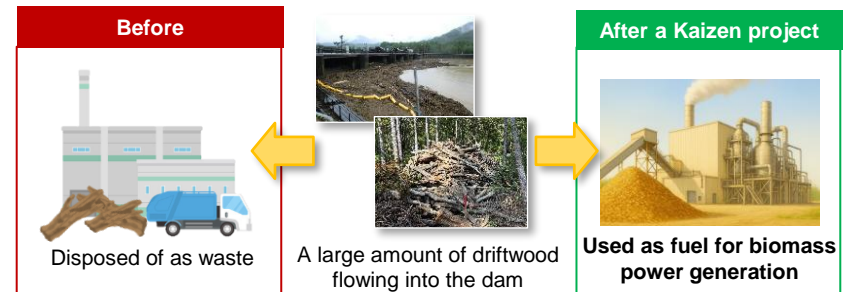


* Total value of cost reduction efforts at HEPCO and Hokkaido Electric Power Network
 * In the respective totals, achievements that are expected to be realized over the medium to long term and those in which our resources are reallocated to other business operations are included.

Kaizen for Driftwood Management at a Hydroelectric Power Station Dam

- ▶ Large amounts of driftwood and other debris flow into the dams of hydroelectric power stations due to heavy rain and melting snow. In order to prevent equipment malfunctions and for other reasons, we have been retrieving and disposing of them as waste.
- ▶ In collaboration with local biomass power generation operators, we are promoting the use of the collected driftwood as fuel for biomass power generation at some of our power stations.

We expect this initiative to increase revenue and reduce costs, and to contribute to the effective utilization of forest resources. Therefore, we plan to roll it out to other power stations.



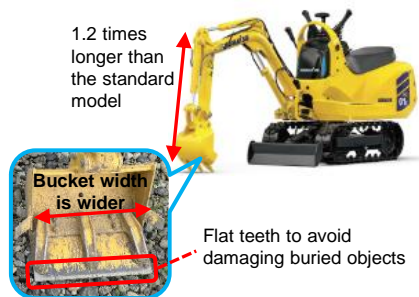
Promotion of Kaizen (2)

- **Hokkaido Electric Power Network** and our other Group companies are working to improve operational efficiency and reduce costs through Kaizen initiatives, with a focus on future declines in construction capacity.

Kaizen Projects Related to Utility Pole Installation

- ▶ Pole installation involves setting up new utility poles when constructing or replacing power lines. Approximately 16,000 poles are installed annually across Hokkaido. During pole installation, the ground at the installation site is excavated to a depth of approximately 2.5 meters, and utility poles are then hoisted into place using a heavy machine known as a “pole-erection truck.”
- ▶ **HOKKAIDENKO CORPORATION** used to perform excavation work manually to avoid damaging underground utilities such as water and gas pipes. However, switching to a micro excavator modified specifically for pole installation work has allowed for mechanized operations, resulting in a roughly 3.5-fold increase in productivity.
- ▶ **Hokkaido Electric Power Network, Co., Inc.** performed pole-hoisting operations with multiple workers to avoid contact with power lines and other equipment. The company is working to reduce the workload and enable operations with fewer workers by implementing a new method that utilizes jigs equipped with newly developed electric screwdrivers.

Modified Micro Excavator (Illustration)

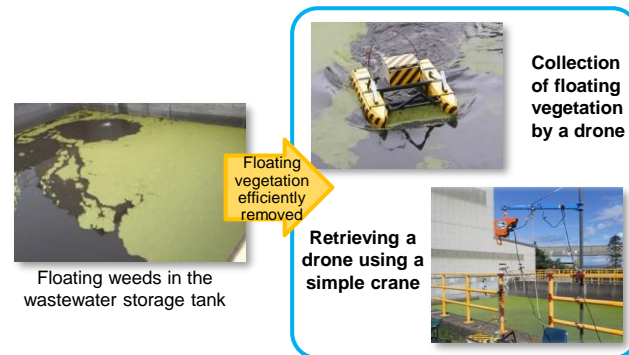


Improving the Efficiency of Hoisting Operations Using Pole-Erecting Trucks



Kaizen Project to Remove Floating Weeds

- ▶ The drainage reservoir, which temporarily stores rainwater that falls on the coal storage facility at the Tomato-Atsuma Power Station, accumulates large amounts of floating weeds from spring to summer. These weeds must be removed regularly.
- ▶ **The Tomatoh Coal Center Co., Inc.** has achieved a fourfold increase in productivity by utilizing a drone designed to collect floating weeds—developed in collaboration with our Research Institute and Kuribayashikou Co., Ltd.—and a simple crane used to retrieve the drone.



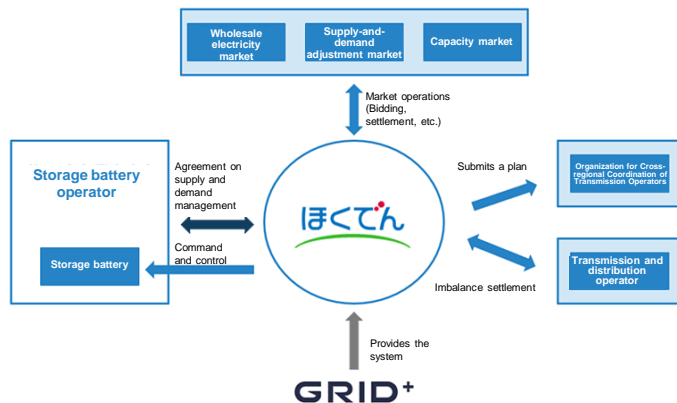
DX Promotion

- The HEPCO Group has formulated and is promoting a group-wide digital transformation (DX) policy based on three pillars: DX Business Strategy, Data-Driven Strategy, and DX Management Infrastructure. By doing so, we aim to transform our operations and values without being constrained by traditional frameworks, thereby enhancing added value and achieving sustainable growth.

AI-Powered Grid Battery Supply and Demand Management Service

- In April 2026, the company launched Enerista, a grid storage battery supply and demand management service that utilizes cutting-edge AI.
- This service is designed for businesses nationwide that own grid storage batteries. We handle all operations necessary for supply and demand management, including the formulation of charge/discharge plans, system control, bidding in various markets, and settlement procedures.
- For market operations in particular, we utilize a supply and demand management system that combines our extensive expertise in supply and demand management cultivated over many years with the cutting-edge AI developed by Grid Co., Ltd., enabling us to execute optimal trades aimed at maximizing profits.

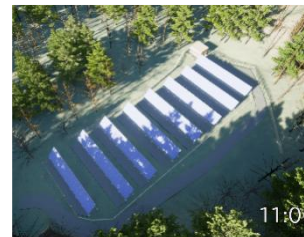
Service Overview



Optimal Design of Solar Power Generation Systems Using Digital Transformation

- HOKUDEN Integrated Consulting Service Co., Inc.** utilizes DX to perform power generation simulations, enabling the company to propose optimal solar power system designs that minimize the impact of shading.
- In the simulation, trees, structures, and terrain are modeled in 3D, and by taking into account the sun's annual path, the shaded area of the solar panels during each season and time of day is determined. This enables more accurate power generation forecasts and efficient panel layout planning.

Simulation Examples



Shadow condition at 11:00 a.m. on the winter solstice



Shadow condition at 11:00 a.m. on the summer solstice

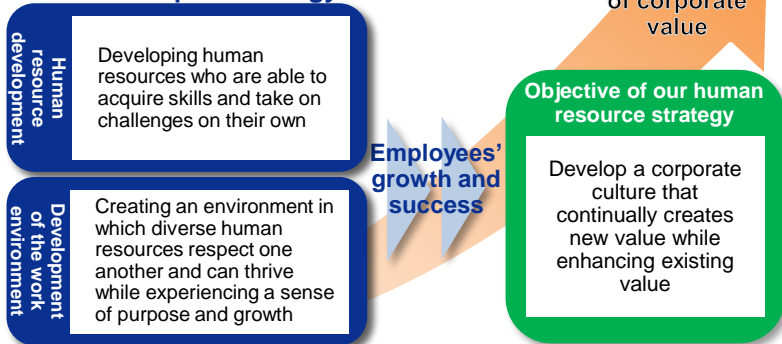
Promotion of Human Capital Management

- Recognizing that our people are the driving force behind the HEPCO Group's sustainable growth, we are committed to developing our workforce and creating a supportive environment based on the HEPCO Group Human Capital Strategy, so that every employee can find fulfillment in their work and achieve personal and professional growth.

HEPCO Group Human Capital Strategy

- We are advancing initiatives for human resource development and work environment improvement under the HEPCO Group Human Capital Strategy.
 - Click [here](#) for more information on the HEPCO Group Human Capital Strategy.
- We will enhance our corporate value by supporting the growth and success of our employees, and enhancing our existing value* while developing a corporate culture that continually creates new value.
 - *Work carried out and services provided by each employee, along with the associated rules, technical skills, and expertise

Two basic concepts of our human capital strategy



Promotion of Diversity and Inclusion

- Recognizing that diverse perspectives and values are essential for business transformation and sustainable growth, we are implementing initiatives to ensure that a diverse workforce can fulfill their potential regardless of gender or other factors.
- To promote women's advancement, we hold in-house seminars and roundtable discussions with other companies and across different industries, with the aim of raising awareness about career development among female managers and candidates for management positions.



A scene from a gathering with representatives from other industries

Indicator	Results			Targets (FY2027-FY2030)
	FY2024	FY2025	FY2026	
Female employment rate	11.0%	15.9%	18.1%	16%+*1
Female manager rate	2.3%	2.8%	2.8%	at least 1.5 times*2
Rate of men taking paternity leave	33.6%	47.0%	50.3%	50%+

*1. The proportion of women among new hires must be at least 16% on a four-year average.
 *2: Increase the proportion of women in management positions by at least 1.5 times by the end of FY2030 compared to the start of FY2026 (2.8%)

Promotion of Health Management

- We are committed to health management, which we promote as a core management pillar in order to create an environment in which employees can work with vitality. We have been recognized as an Outstanding Organization of KENKO Investment for Health (White 500) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for seven consecutive years.



KENKO Investment for Health® is a registered trademark of the Nonprofit Organization Kenko Keiei.

Initiatives for Local Communities

- Amid a constantly changing business environment, the HEPCO Group is strengthening its ties with the local community through initiatives rooted therein, so that we can continue to grow alongside local residents.

Tree Planting with Students of a Forestry Academy

- Since 2021, we have been conducting tree planting activities at Domin no Mori (Tobetsu Town) in collaboration with the *Kita no Morizukuri Academy of Hokkaido*.
- We have completed tree planting in all planned areas by 2025, and starting in 2026, we will enter the tree nurturing phase.



Tree planting activity in 2025

Support for SDG-related Education

- Approximately 160 certified facilitators from our Group across Hokkaido are engaged in supporting SDG-related education for the elementary school students who will shape the future of the region.

Results	FY2026	Total
Number of schools visited	48	263
Number of class attendees	Approximately 2,800	Approximately 15,700



Dosanko Athlete RISE Project

- We support the challenges of young Dosanko athletes who were born and raised in Hokkaido, with the aim of expanding their opportunities and possibilities.



Four Dosanko Athletes supported by the Group

- **Daiya Hino** (Tennis) (photo on the left)
- **Cocona Hiraki** (Skateboarding, Park)
- **Hotaru Ishimizu** (Alpine skiing) (photo in the center)
- **Kizuna Takahashi** (Snowboarding, Freeride) (photo on the right)

Click [here](#) to read it.

Contributing to the Preservation and Use of Historical Buildings

- Hokuden Integrated Consulting Service, Co., Inc.** has received contracts from local governments regarding the development of conservation and utilization plans for Important Cultural Properties, seismic assessments, various design tasks, and construction supervision. Through these efforts, we contribute to the preservation and effective use of cultural heritage and tourism resources in local communities.



Former residence of Takeshiro Nagayama and former dormitory of Mitsubishi Mining Company, Sapporo City



Gansuien, Iwanai Town

Exercise Thorough Compliance and Risk Management

- To ensure the continued transparency and fairness of our business operations, we are working to develop a corporate culture that emphasizes strict compliance, while appropriately identifying business risks in light of changes in internal and external environments and strengthening our risk management practices.

Response to the Recommendations for Improving Operations from the Electricity and Gas Market Surveillance Commission

- In July 2025, HEPCO and Hokkaido Electric Power Network Co., Ltd., received a recommendation for business improvements from the Electricity and Gas Market Surveillance Commission of the Ministry of Economy, Trade and Industry regarding an incident in which our employees possessed, viewed, and used documents containing non-public information* in the course of their work related to the power generation business.
 - Our company and Hokkaido Electric Power Network Co., Ltd., take this matter very seriously, and are working to implement measures to prevent a recurrence, firmly committed to ensuring that such an incident never happens again.
- We will continue to strengthen our commitment to preventing a recurrence and move forward with our efforts.

* Information regarding a wheeling service and an electricity quantity adjustment service that a general electricity transmission and distribution utility conducts that has not been publicized, and that may affect electricity retail, electricity generation, or specified wholesale supply.

Measures to prevent recurrence

HEPCO	<ul style="list-style-type: none"> (1) HEPCO will strive to transform employee mindsets, improve understanding, and foster a healthy corporate culture through messages communicated by the President, training that is specifically focused on conduct regulations, and other measures. (2) HEPCO will strengthen information coordination and management frameworks by separating HEPCO and Hokkaido Electric Power Network servers and constructing mechanisms to prevent the viewing of non-public information. (3) HEPCO will maintain and strengthen checks and countermeasures by establishing a Conduct Regulation Compliance Committee, constructing mechanisms to reflect the opinions of external and other experts, and bolstering self-inspections and monitoring. (4) HEPCO will reinforce safety controls on contractors by identifying those requiring safety controls and establishing confidentiality agreements that include compliance with conduct regulations.
Hokkaido Electric Power Network	<ul style="list-style-type: none"> (1) Hokkaido Electric Power Network will strength internal controls, including establishing a specified organization dedicated to compliance with conduct regulations. (2) Hokkaido Electric Power Network will reform employee mindsets through messages communicated by the President, instructions issued by executive officers, the formulation of guidelines for communication with HEPCO employees, enhanced education and training specifically focused on conduct regulations, and other measures. (3) Hokkaido Electric Power Network will improve employees' level of understanding of conduct regulations by enhancing internal websites describing these regulations as well as providing education and training. (4) Hokkaido Electric Power Network will implement appropriate, effective measures based on extracted and evaluated risks and monitoring specifically focused on conduct regulations. (5) Hokkaido Electric Power Network will ensure thorough information management by setting appropriate access privileges for, and managing data on, systems and information-sharing tools handling non-public information, as well as by maintaining rules for managing paper documents. (6) Hokkaido Electric Power Network will reinforce safety management measures on contractors handing non-public information by supporting these contractors in creating conduct regulation training systems and concluding comprehensive confidentiality agreements.

Thorough Risk Management

- In accordance with our Integrated Risk Management Regulations, we will accurately assess changes in both internal and external environments and implement highly effective measures to minimize risks.

For details on our risk management structure, please click [here](#).

Respect for Human Rights

- The HEPCO Group respects the human rights of all people involved in the business activities of the Group and has formulated the HEPCO Group Human Rights Policy.
- We promote respect for human rights by continuously conducting human rights due diligence and establishing grievance mechanisms.

Click [here](#) for more information on the HEPCO Group Human Rights Policy.

Enhance Corporate Governance

- To achieve sustainable growth in corporate value, we will enhance the effectiveness of our corporate governance to support transparent, fair, and prompt decision-making.

Basic Policy Regarding Corporate Governance

- ▶ With the fundamental belief that enhancing corporate governance is essential for the sustainable enhancement of corporate value, we are actively working to enhance corporate governance based on the basic policies formulated from the following perspectives.

Appropriate collaboration with shareholders

Appropriate protection of shareholders' rights

Creating relationships of trust through continued dialogue

Appropriate collaboration with stakeholders other than shareholders

Collaboration with stakeholders such as employees, customers, business partners, and local communities

Ensure appropriate disclosure and transparency

Appropriate and timely disclosure of financial and non-financial information

Responsibility of the Board of Directors

Rapidly respond to changes in the business environment; ensure transparency in management

Disclosure of ESG Information

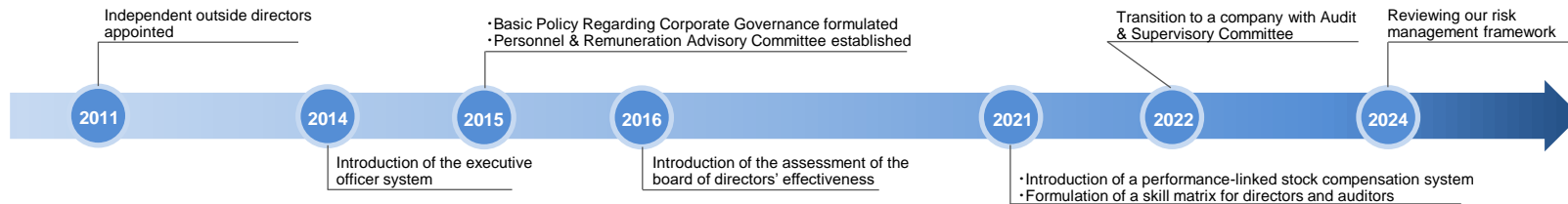
- ▶ We disclose ESG-related information in accordance with globally recognized disclosure frameworks.

Click [here](#) to read it.
















TCFD: Task Force on Climate-related Financial Disclosures
 TNFD: Taskforce on Nature-related Financial Disclosures
 SASB: Sustainability Accounting Standards Board
 CDP: NGO based in the United Kingdom

Initiatives taken thus far to enhance corporate governance



List of Group Companies

(As of April 2026)

	Hokkaido Electric Power Network, Co., Inc.	General electricity transmission and distribution utility; power generation on remote islands
	HOKKAIDENKO CORPORATION	Electrical and telecommunications works; civil engineering and construction; piping, air-conditioning and water supply/drainage facility works; disaster prevention equipment works; and the manufacture, maintenance, and sale of electricity meters, as well as agency business of inspection
	Hokuden Kogyo Inc.	Energy-saving projects and building maintenance, effective utilization of coal ash, civil engineering and landscaping, sales of materials, leasing, insurance agency services, travel agency services, rental apartment and condominium management, parking lot management and operation, utility pole advertising, public bathhouse business, procurement of fuel for power generation
	Hokuden Integrated Consulting Service, Co., Inc.	Comprehensive construction consulting services in civil engineering, construction, electricity, environment, and energy
	Hokkaido Power Engineering Co., Inc.	Thermal power generation business; commissioned operation of thermal power stations; construction, maintenance, repair, and operation of power generation facilities and other types of plants; and consulting services
	The Tomatoh Coal Center Co., Inc.	Unloading, storage, and delivery of imported coal; marine transport agency services; customs clearance
	Hokuden Eco-Energy, Co., Ltd.	Power generation business utilizing hydroelectric power, photovoltaic power and wind power; commissioned operation and maintenance of power generation facilities; and consulting services
	Hokuden Service Co., Inc.	Proposals and billing for electricity and gas, one-stop service for issues with home appliances, energy-saving proposals, and energy-saving solutions
	Hokkaido Telecommunication Network Co., Inc.	Telecommunications services, such as Ethernet communication networks and Internet connections; installation, maintenance, supervision and consulting of information communications networks; Internet data center operations; sales of network-related machinery and equipment; and security business
	Hokuden Information Technology, Inc.	Consulting, development, operation and management, and education regarding information processing systems; sales of information processing equipment and software; Internet data center services; other information processing-related services
	HOKUDEN ASSOCIA Co., Inc.	Design, printing and bookbinding; production of closed captions; business support; healthcare; retail sales of products such as Karamatsu soap
	Ishikari LNG Terminal Co., Ltd.	Leasing of LNG fuel receiving facilities
	Hokkaido Records Management Co., Ltd.	Document management improvement business, confidential document destruction and recycling services

ともに輝く明日のために。
Light up your future.



This document is based on data as of April 28, 2026.

Also, these are not disclosure materials under the Financial Instruments and Exchange Act, and neither the accuracy nor completeness of the information provided in these materials is guaranteed. Although these materials contain statements about future performance, such statements do not constitute warranties of future performance and include risks and uncertainties. Please note that future performance may change due to various changes in the conditions of the operating environment.