

SASB INDEX

The TEPCO Group systematically disclosed information in line with “Electric Utilities & Power Generators”, an industry standard put forth by the SASB, in the “TEPCO Integrated Report 2019,” as the first Japanese electric power company to do so. Stakeholders all over the world were highly interested in the SASB Standard, and many questions were asked during subsequent engagements. This section provides answers to key questions, as well as the latest performance metrics for the SASB standards.

FAQs from stakeholders

Why the SASB Standards?

The primary reason is to respond to the growing interest of global financial stakeholders in the SASB Standards. We also highly evaluate the fact that the standards themselves have been organized in accordance with the characteristics of each of the 77 industries, and that each disclosure item has been developed through a detailed materiality extraction process.

The fact that the metrics to be dealt with have been narrowed down to the minimum necessary has also led to a reduction in the practical burden.

What effects do you expect?

We expect that appropriate corporate evaluations will be made by evaluating companies in the same industry based on materiality items according to business characteristics.

We also expect that both companies that disclose information and institutional investors that reference and analyze information will handle only material information, thereby achieving efficient and effective engagement.

How do you use GRI standards differently?

We have referred to GRI standards for a long time and have worked to enhance non-financial information disclosure. In order to ensure the completeness of information, we will continue our efforts to disclose information on our website and other media based on this standard.

Did you have any difficulties dealing with the SASB standards?

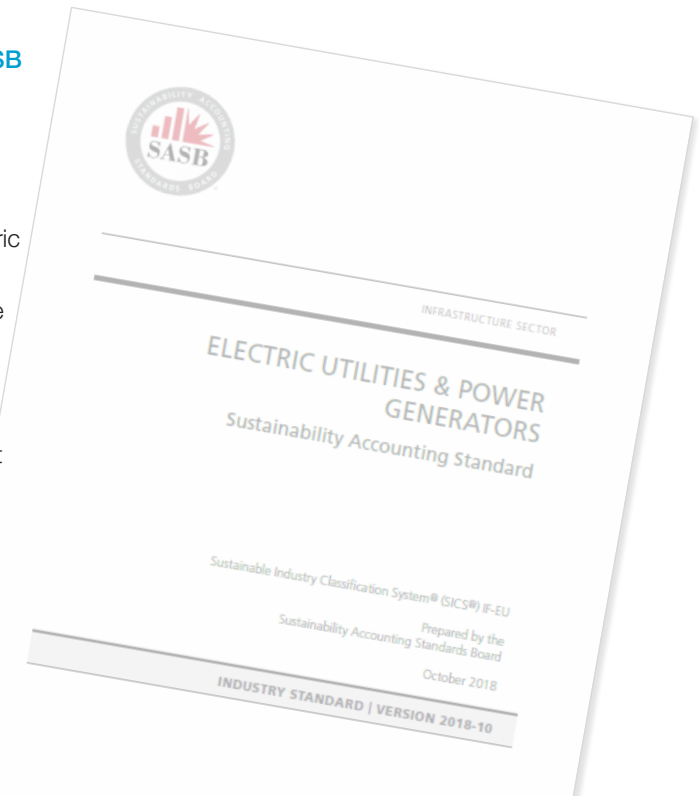
Since the SASB standards were created primarily for companies and markets in the United States there are disclosure topics that do not apply to Japanese domestic business activities or situations as an electric company in the accounting metrics. With respect to this metric not only is it stated that “N/A” but also the reason for not being applicable is explained.

Is there anything you want from SASB?

It is hoped that the new standards will be applied not only to companies in the United States but also to global companies. Since TEPCO also participated in the “Standard Advisory Group” we would like to express our opinions regarding Japanese situations when the guidelines are revised.

What are the future improvements in information disclosure?

The 2019 report was a tabular disclosure of results for a single fiscal year. In the 2020 report, however, we would like to disclose results for multiple fiscal years and devise ways to show results for each metric.



Activity Metrics with TEPCO

* Based on consolidated data published by each company

Number of Customers Served
IF-EU-000.A

Residential
16,990,000

Commercial & Industrial
218,000

Others
7,290,000

Total Electricity Delivered
IF-EU-000.B

Residential
60.2TWh

Commercial & Industrial
145.4TWh

Others
16.7TWh

Network Length
IF-EU-000.C

Transmission (Circuit Length)
Overhead
28,391km
Underground
12,413km

Distribution (Line Length)
Overhead
342,222km
Underground
38,806km

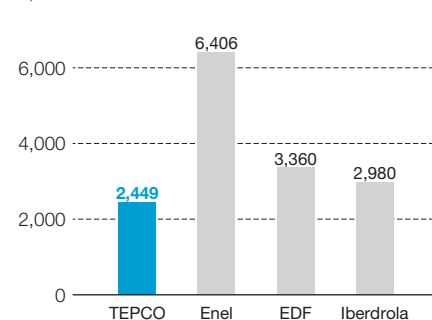
Total Electricity Generated
IF-EU-000.D

FY2018
191.3TWh

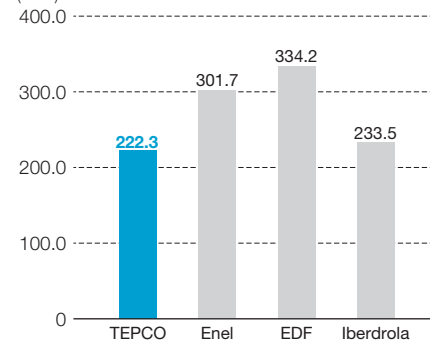
FY2019
11.6TWh

* Since the fuel and thermal power business was transferred to JERA in April 2019, it has been decreased significantly.

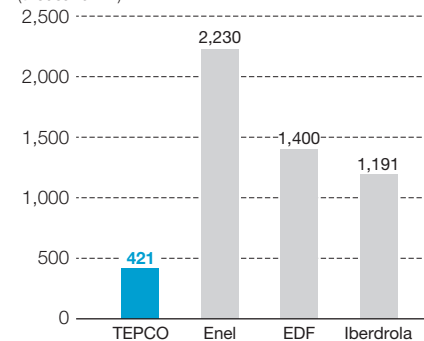
Number of Customers Served
(thousand)



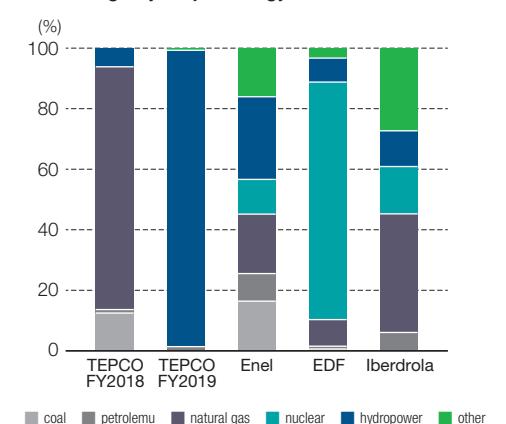
Total Electricity Delivered
(TWh)



Network Length
(thousand km)



Percentage by Major Energy Source



Accounting Metrics with TEPCO's Value Chain

(Fuel Procurement & Thermal Power Generation)

Power Generation

JERA

TEPCO

TEPCO Renewable Power

TEPCO

Tokyo Electric Power Company Holdings



Development



Procurement



Transportation



Natural Gas



Coal



Oil



Biomass



Hydro



Solar



Wind



Nuclear

IF-EU-540a.1
Number of Nuclear
Power Units: 17

Metrics for Power Generation

	Greenhouse Gas Emissions IF-EU-110a.1	Air Emissions IF-EU-120a.1					Water Management IF-EU-140a.1		Incidents of Non-Compliance Associated with Water IF-EU-140a.2	Coal Ash Management IF-EU-150a.1	
	Scope-1 [t-CO ₂]	NOx [t]	SOx [t]	PM10 [t]	Pb [t]	Hg [t]	Total Water Withdrawn [1,000m ³]	Total Water Consumed [1,000m ³]	Number	Amount [t]	Recycle [%]
2017	84,300,000	18,000	7,000	N/A	N/A	N/A	63,761,486	9,634	0	742,000	99.9
2018	81,600,000	18,000	6,000	N/A	N/A	N/A	56,289,497	9,939	0	741,000	99.9
2019	200,000	2,000	1,000	N/A	N/A	N/A	50,037,979	6	0	0	N/A

* It should be noted that, with the establishment of JERA in April 2019, data relating to thermal power generation after FY2019 will be excluded from the boundary of the TEPCO Group.

Transmission & Distribution



TEPCO Power Grid



Retail Sales



TEPCO Energy Partner



Metrics for Transmission & Distribution

	Smart Grid Technology IF-EU-420a.2	Power Outage IF-EU-550a.2		
	Rate of Smart Meters Installed [%]	SAIDI [min]	SAIFI [times]	CAIDI [min/times]
2017	56	6	0.09	66.66
2018	74	19	0.13	146.15
2019	87	200	0.33	606.06

* The number has been increased due to the power outages caused by typhoon Faxai in 2019.

Metrics for Retail Sales

	Greenhouse Gas Emissions Associated with Power Deliveries IF-EU-110a.2	Average Retail Electric Rate IF-EU-240a.1		Typical Monthly Electric Bill for Residential Customers IF-EU-240a.2		Residential Customer Electric Disconnections for Non-Payment IF-EU-240a.3
	Emissions [t-CO ₂]	Residential [JPY]	Commercial & Industrial [JPY]	500kWh [JPY]	1,000kWh [JPY]	Number
2017	115,000,000	25.3	19.83	12,367	26,738	21,928
2018	108,000,000	24.47	23.05	13,188	28,453	50,435
2019	102,000,000	27.05	20.57	13,180	28,494	75,143

* The term "disconnections" means cancellation of contracts.

Accounting Metrics

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

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

Fatality Rate IF-EU-320a.1

2017 <Employee> 0 [person]
<Contractor/Consignors> 0 [person]
2018 <Employee> 0 [person]
<Contractor/Consignors> 1 [person]
2019 <Employee> 0 [person]
<Contractor/Consignors> 2 [person]

Renewable Portfolio Standards IF-EU-110a.4

The RPS law established RPS regulations in Japan was abolished in 2012 and has shifted to a feed-in tariff system.

We purchase electricity generated by renewable energy at a fixed price.

Decoupled and Lost Revenue Adjustment Mechanism IF-EU-420a.1

Not Applicable

- * There are no decoupled or LRAM system customers in Japan
- * With regard to sales that have declined due to progress in energy conservation, we will increase sales by providing gas sales and various services that meet customer needs.

Near Miss Frequency Rate (NMFR) IF-EU-320a.1

2017 <Employee> 0.083
<Contractor/Consignors> 0.18
2018 <Employee> 0.083
<Contractor/Consignors> 0.17
2019 <Employee> 0.076
<Contractor/Consignors> 0.21

Total Recordable Incident Rate (TRIR) IF-EU-320a.1

2017 <Employee> 0.032
<Contractor/Consignors> 0.129
2018 <Employee> 0.022
<Contractor/Consignors> 0.137
2019 <Employee> 0.012
<Contractor/Consignors> 0.125

Customer Electricity Savings IF-EU-420a.3

Offering Electricity Saving Solutions to
Approx. 750 Companies
Approx. 39,000 Households

Offering Online Services to
9,294,043 Members

Total Wholesale Electricity Purchased IF-EU-000.E

Not Disclosed

- * Due to competition through electricity market liberalization

Cybersecurity IF-EU-550a.1

Not Disclosed

- * We do not disclose the results in light of the risks of cyber attacks that may be caused by disclosing the results.

Discussion & Analysis

Accounting Metric	Code	Response
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IF-EU-110a.3	<p>Since the TEPCO Group transferred its fuel and thermal power operations to JERA in April 2019, scope 1 emissions are extremely low, at 200,000 t-CO₂. On the other hand, electric power retailers are required to calculate and report greenhouse gas emissions at the retail stage, which are major part of Scope 3 emissions, in accordance with the "Act on Promotion of Global Warming Countermeasures". For this reason, the TEPCO Group has set a target of reducing CO₂ emissions from retail electricity sales by 50% by fiscal 2030 (compared to fiscal 2013). CO₂ emissions were 139.2 million tons in fiscal 2013, and were reduced to 92.6 million tons in fiscal 2019 due to the spread of renewable energy and the procurement of electricity from high-efficiency thermal power plants. In the future, we will work to expand renewable energy further and to restart nuclear power in order to contribute to achieving the target.</p>
Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-EU-140a.3	<p>The TEPCO Group operates hydroelectric power plants in more than 200 locations in Honshu, Japan, and the amount of power generation accounts for about 98% of the total. The use of water resources is essential for a clean hydroelectric power generation business that does not emit CO₂ during power generation, and the following risk management is carried out.</p> <p>At dams and downstream of embankments at hydroelectric power plants, the water necessary to maintain the environment of the river is discharged, and the amount of water withdrawn from the river for power generation complies with the amount of water intake permitted by law. In addition, when river flooding due to heavy rain is expected, water will be discharged in advance from the dam based on the flood control agreement with the national government, and it plays an important role in reducing heavy rain damage in regional disaster prevention.</p> <p>The results of verifying water stress in the area where our facility is located by using "WRI Aqueduct Water Risk Atlas" tool to identify water risk are as follows.</p> <p>According to the "Baseline Water Stress", water stress is "Medium-high" at the maximum in the business area of the TEPCO Group. So there are no facilities such as hydroelectric power plants in water-stressed areas, and it is assumed that the frequency of water-related risks such as drought is low. In "Future Water Stress", there is a suggestion that water stress may be higher. With reference to this result, we will carry out risk assessment based on the actual water usage conditions at specific rivers and basins, as well as at power plants locations, and will continue to strive for risk management.</p> <p>In the future, we will consider long-term strategies regarding the impact of physical risks on our facilities such as floods due to climate change.</p>
Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	IF-EU-240a.4	<p>According to Electricity Business Act, "A General Electricity Utility shall not refuse to supply electricity to meet general demand in its service area (excluding, however, demand at the Point of Business Commencement and Specified-Scale Demand) without justifiable grounds." Thus, we do not recognize there are any areas without electricity in all the service areas of the TEPCO group.</p> <p>We also recognize that external factors which impact electricity rates are fluctuations in the price of thermal power fuels and levies from the Feed-in-tariff law for renewable energies.(price based regulations: requires electricity companies to purchase renewable energy at a certain price)</p>
Description of efforts to manage nuclear safety and emergency preparedness	IF-EU-540a.2	<p>TEPCO has been moving ahead with nuclear safety reforms in accordance with the "Reassessment of the Fukushima Nuclear Accident and Nuclear Safety Reform Plan" formulated on March 29, 2013. Reform progress is checked and reported on quarterly.</p> <p>(cf. https://www7.tepco.co.jp/about/corporate/reform/nuclear-e.html)</p>