FY2023 1st Quarter Financial Results (April 1 – June 30, 2023)

Tokyo Electric Power Company Holdings, Inc.

TEPCO

Overview of FY2023 1st Quarter Financial Results

(Released on August 2, 2023)

(Note)
Please note that the following is an accurate and complete translation of the original Japanese version prepared for the convenience of our English-speaking investors. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

Key Points of FY2023 1st Quarter Financial Results

<FY2023 1st Quarter Financial Results>

- Operating revenue increased due to an increase* in fuel cost adjustments.

  *Includes 130.7 billion yen of subsidies provided through government measures to alleviate sudden fluctuations in electricity prices.
- Ordinary income/loss and quarterly net income/loss increased due to a gain incurred by fuel cost adjustment system time lag into income.

< FY2023 Consolidated Performance Forecast >

- To be determined.

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1. Consolidated Financial Results

(Unit: Billion Yen)

	FY2023 Apr-Jun (A)	FY2022 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue ※1	1,615.1	1,534.1	+81.0	105.3
Operating Income/Loss	151.1	-44.2	+195.4	-
Ordinary Income/Loss ※2	233.1	-30.0	+263.2	-
Extraordinary Income/Loss	-50.3	-25.2	-25.0	-
Net Income Attributable to Owners of the Parent ※2	136.2	-48.1	+184.4	-

(Unit: Billion kWh)

	FY2023 Apr-Jun (A)	FY2022 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Total Electricity Sales Volume	51.0	54.8	-3.9	92.9
Retail Electricity Sales Volume ※3	43.5	41.8	+1.6	103.9
Wholesale Electricity Sales Volume ※4	7.5	13.0	-5.5	57.7

※1 The amount of impact felt due to changes to accounting processing for adjustment transactions is also reflected in April-June 2022
※2 The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has also been reflected in April-June 2022
※3 Total of EP consolidated (EP/TCS/PinT) and PG (last resort supply/islands)
※4 Total (excluding indirect auctions) of EP consolidated (EP/TCS/PinT), PG (including inter-regional), and RP consolidated (RP/Tokyo Electric Generation)

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(Reference) Key Factors Affecting Performance

Area demand

(Unit: Billion kWh)

	FY2023 Apr-Jun(A)	FY2022 Apr-Jun(B)	Comparison	
			(A)-(B)	(A)/(B) (%)
Area demand	57.3	60.8	−3.5	94.2

Foreign Exchange Rate/CIF

	FY2023 Apr-Jun(A)	FY2022 Apr-Jun(B)	(A)-(B)
Foreign Exchange rate (Interbank,yen/dollar)	137.5	129.7	7.8
Crude oil price (All Japan CIF,dollar/barrel)	84.0 ※	110.7	-26.7

※Crude oil price for FY2023 is tentative figure released on July 20, 2023

2. Overview of Each Company

(Unit: Billion Yen)

		FY2023 Apr-Jun (A)	FY2022 Apr-Jun (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue	※1	1,615.1	1,534.1	+81.0	105.3
TEPCO Holdings (HD)		152.2	131.1	+21.1	116.1
TEPCO Fuel & Power (FP)		0.9	0.9	-0.0	99.1
TEPCO Power Grid (PG)	※1	485.2	586.6	-101.4	82.7
TEPCO Energy Partner (EP)		1,359.3	1,201.8	+157.4	113.1
TEPCO Renewable Power (RP)		50.8	46.7	+4.1	108.9
Adjustments		-433.5	-433.2	-0.2	-
Ordinary Income/Loss	※2	233.1	-30.0	+263.2	-
TEPCO Holdings (HD)		142.4	109.9	+32.5	129.6
TEPCO Fuel & Power (FP)	※2	83.6	9.2	+74.4	908.5
TEPCO Power Grid (PG)		48.9	36.1	+12.8	135.6
TEPCO Energy Partner (EP)		82.8	-90.8	+173.6	-
TEPCO Renewable Power (RP)		22.1	21.6	+0.5	102.3
Adjustments		-146.8	-116.1	-30.7	-

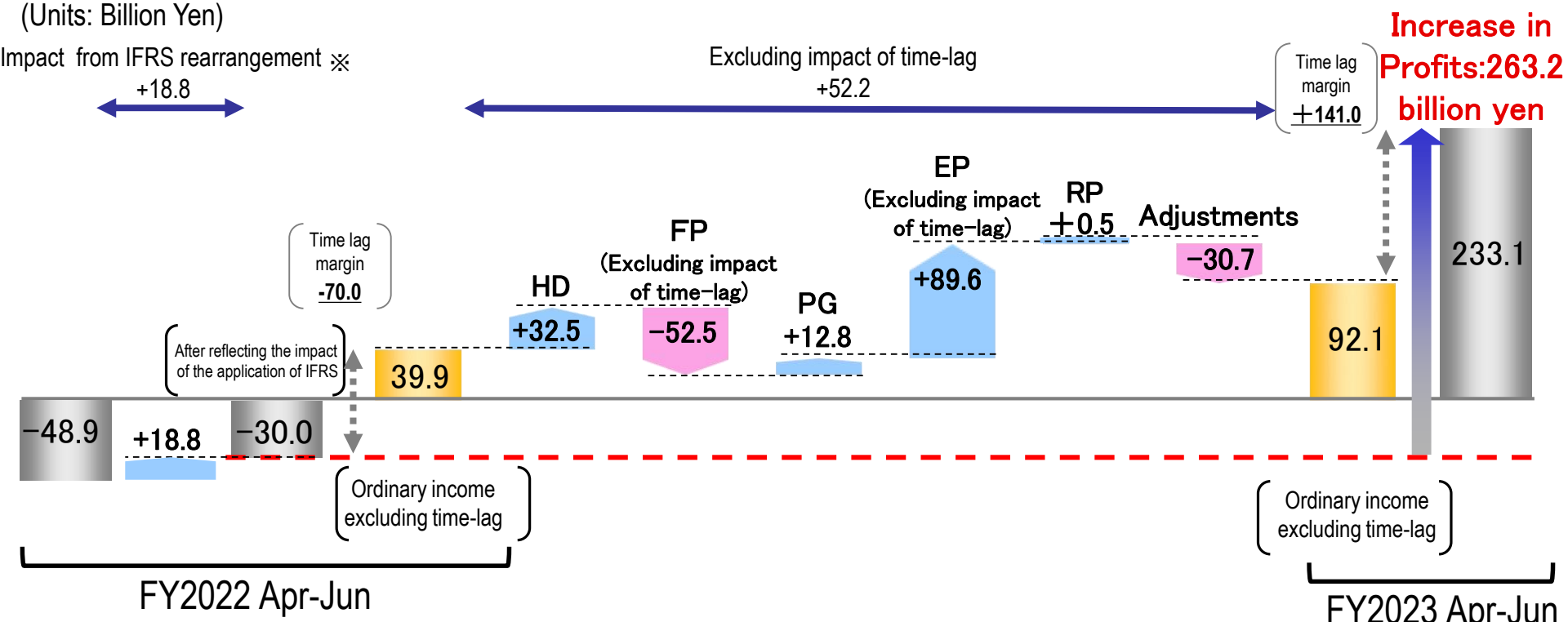
※1 The amount of impact felt due to changes to accounting processing for adjustment transactions is also reflected in April-June 2022
※2 The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has also been reflected in April-June 2022

3. Points of Each Companies

- HD :Ordinary income increased due mainly to an increase in received dividends from core operating companies.
- FP :Ordinary income increased due mainly to a positive turn in the effects of the time-lag from the fuel cost adjustment system at JERA.
- PG : Ordinary income increased due mainly to an increase in lighting and power fees and a decrease in electricity procurement expenses.
- EP : Ordinary income increased due mainly to a positive turn in the effects of the time-lag from the fuel cost adjustment system.
- RP : Ordinary income increased due mainly to an increase in wholesale electricity sales.

Ordinary income/loss

(Units: Billion Yen)



※ The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has been reflected in last year's figures as well.

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4. Consolidated Extraordinary Income/Loss

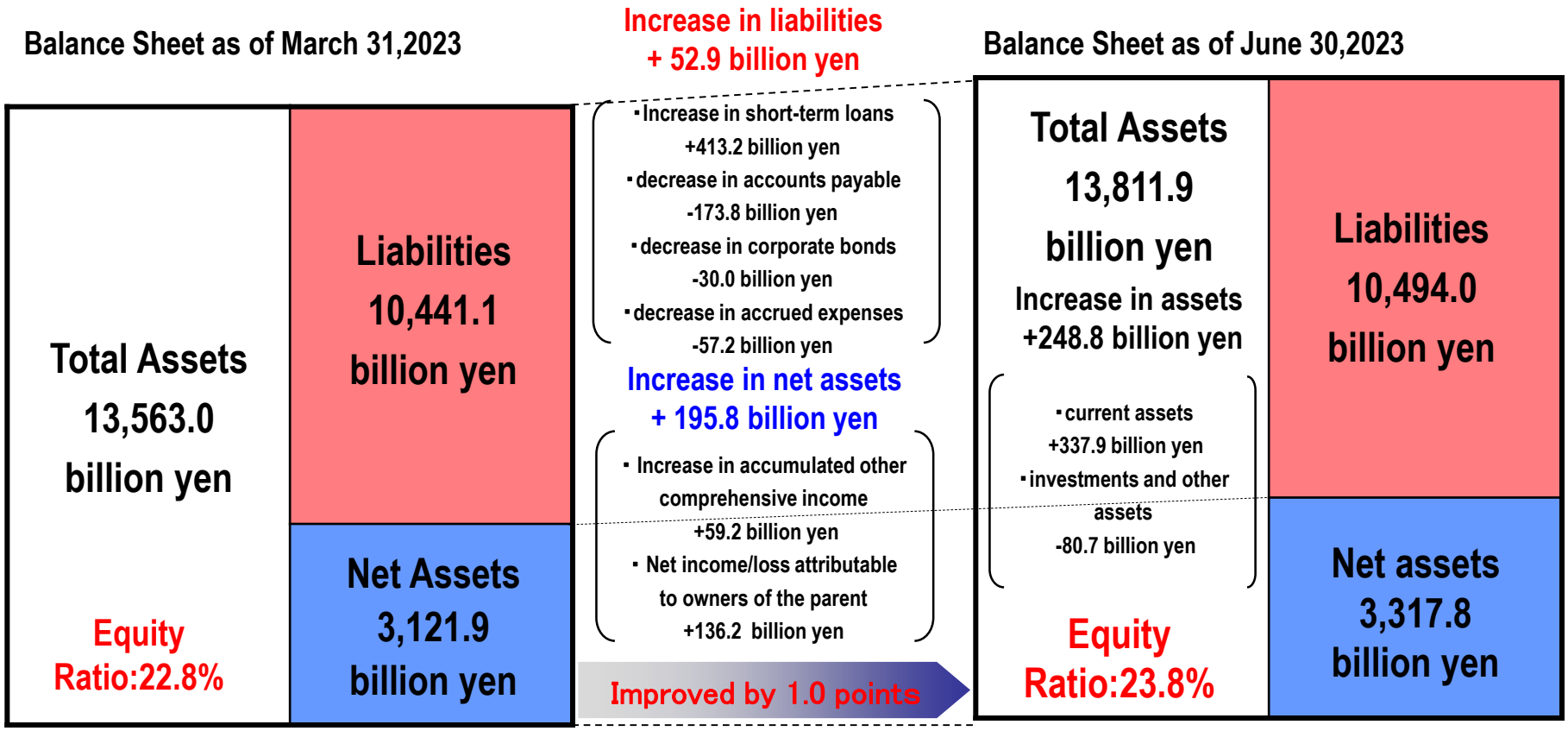
(Unit: Billion Yen)

	FY2023 Apr-Jun	FY2022 Apr-Jun	Comparison
Extraordinary Income	-	-	-
Extraordinary Loss	50.3	25.2	+25.0
Expenses for Nuclear Damage Compensation	※ 50.3	25.2	+25.0
Extraordinary Income/Loss	-50.3	-25.2	-25.0

※ Extended estimation period and payment increases, etc. related to ordinary loss, reputational damage and indirect damage, etc.

5. Consolidated Financial Position

- Total assets balance increased by 248.8 billion yen due mainly to an increase in current assets.
- Total liabilities balance increased by 52.9 billion yen due mainly to increases in short-term loans.
- Total net assets balance increased by 195.8 billion yen due mainly to an increase in net income attributable to owners of the parent.
- Equity ratio improved by 1.0 points.



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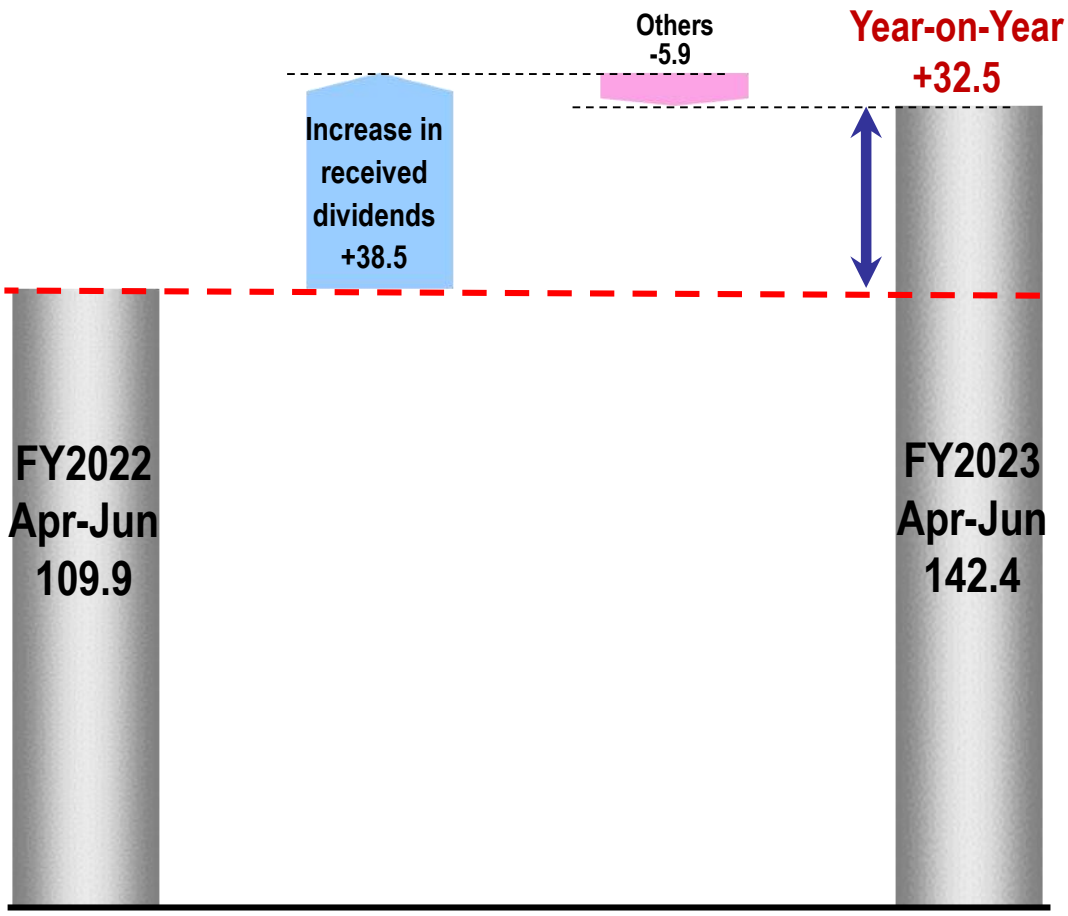
(Reference) Year-on-Year Comparisons for TEPCO Holdings

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Profit is dividend income, decommissioning charges profit, management consultation fees, wholesale power sales of nuclear power, etc.

Ordinary income

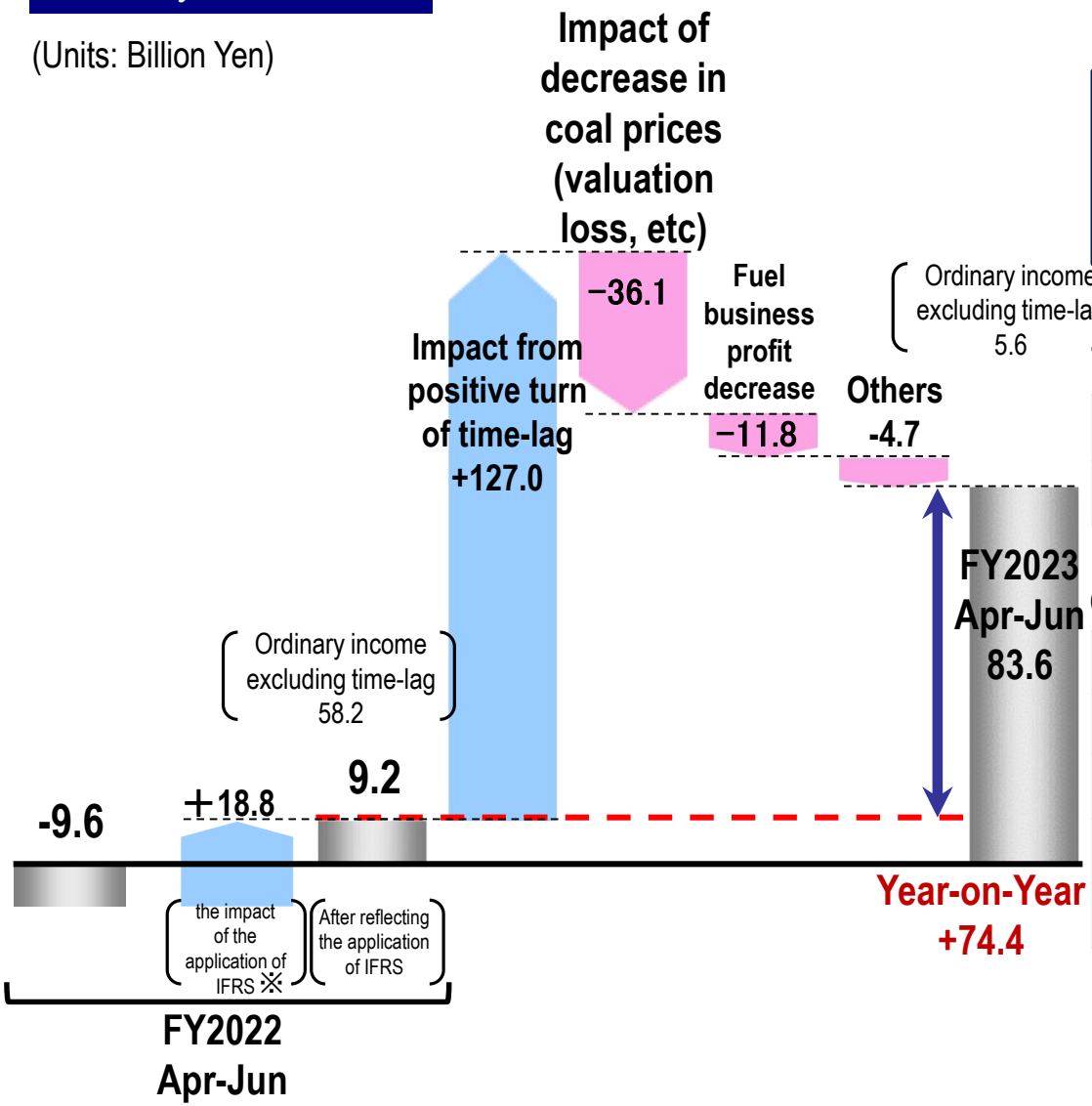
(Units: Billion Yen)

	FY2022	FY2023	Comparison
Apr-Jun	109.9	142.4	+32.5
Apr-Sep	86.8		
Apr-Dec	47.4		
Apr-Mar	67.0		

(Reference) Year-on-Year Comparisons for TEPCO Fuel & Power

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Main profit is profit of entities accounted for using equity method, such as generation business at JERA.

Timing Impact (JERA equity impact)

(Units: Billion Yen)

	FY2022	FY2023	Comparison
Apr-Jun	※-49.0	+78.0	+127.0

Ordinary income

(Units: Billion Yen)

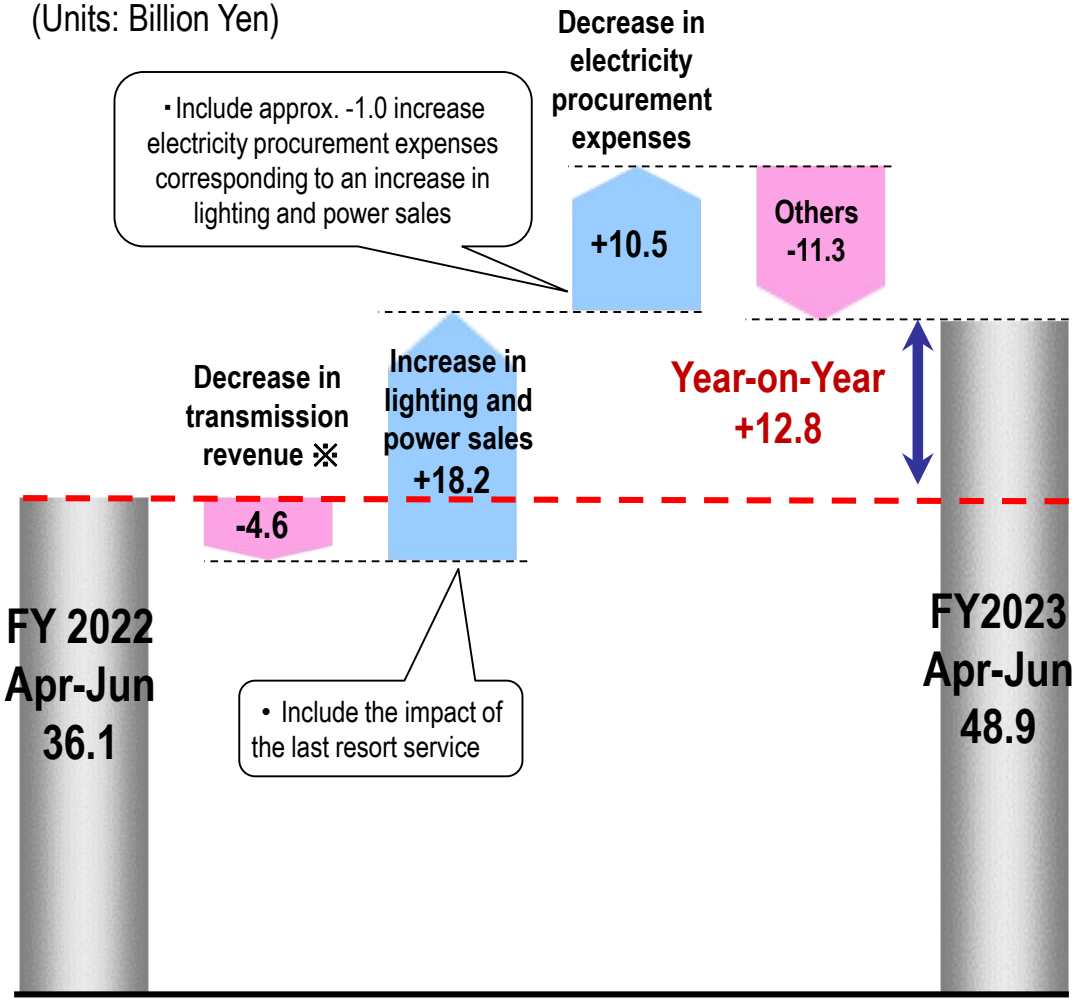
	FY2022	FY2023	Comparison
Apr-Jun	9.2	83.6	+74.4
Apr-Sep	-87.3		
Apr-Dec	-81.5		
Apr-Mar	-30.3		

※ The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has also been reflected in last year's figure

(Reference) Year-on-Year Comparisons for TEPCO Power Grid

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Operating revenue is mainly transmission revenue, and this is fluctuated by area demand.
Expenses is mainly for repairs and depreciation costs of transmission and distribution facilities.

Area demand

(Units: Billion kWh)

	FY2022	FY2023	comparison
Apr-Jun	60.8	57.3	-3.5

Ordinary income

(Units: Billion Yen)

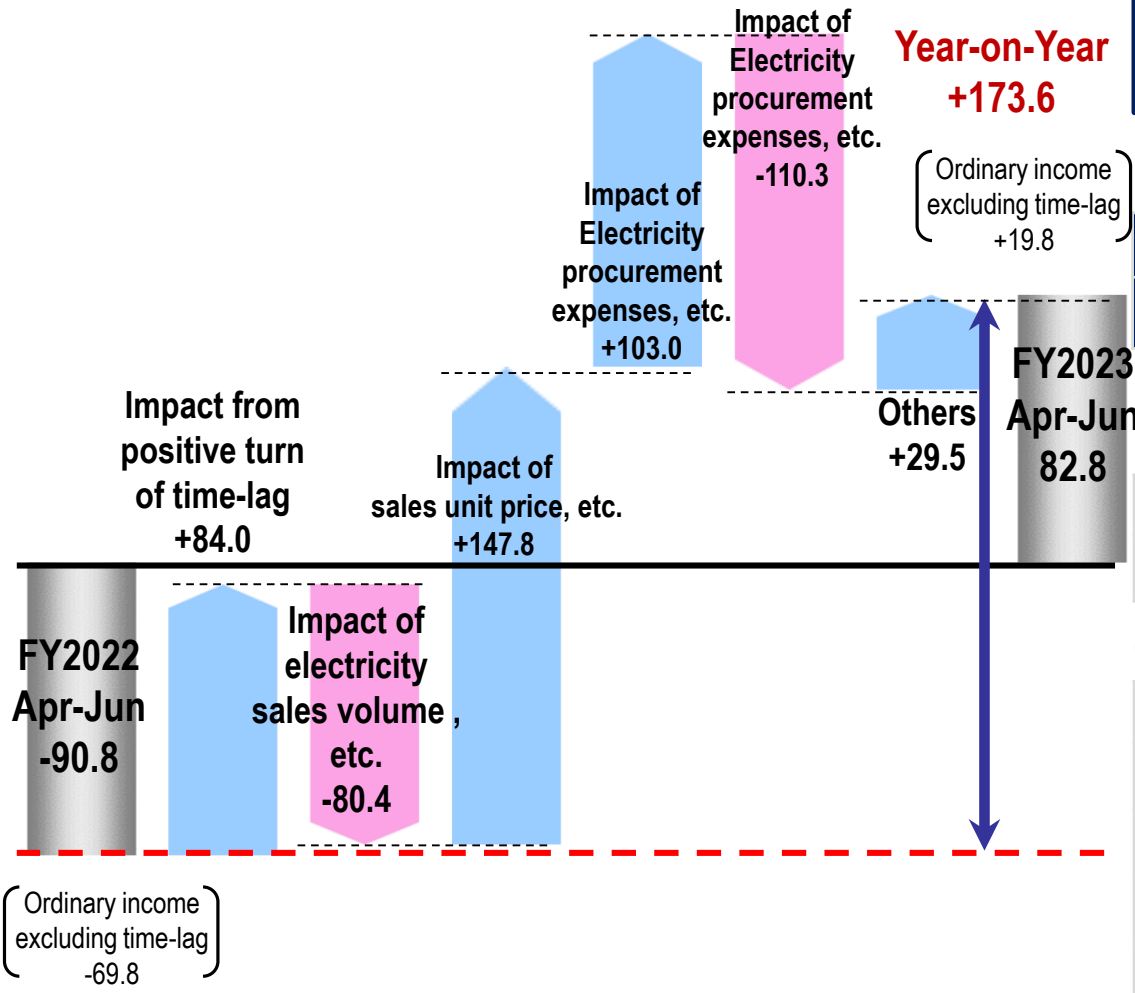
	FY2022	FY2023	Comparison
Apr-Jun	36.1	48.9	12.8
Apr-Sep	62.1		
Apr-Dec	115.0		
Apr-Mar	71.9		

※ Consigned transmission revenue excludes the impact of imbalance earnings and expenditure.

(Reference) Year-on-Year Comparisons for TEPCO Energy Partner

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Operating revenue is mainly electricity sales revenue, and this is fluctuated by electricity sales volume.
Expenses are mainly power purchasing costs and transmission fees of connected supply.

Electricity sales volume (EP consolidated)

(Units: Billion kWh)

	FY2022	FY2023	comparison
Apr-Jun	41.4	42.5	+1.1

Competition +3.3, Temperature -0.4, Others -1.8

Gas contracts (EP non-consolidated)

As of March 31, 20223	As of June 30, 2023
Approx. 1.39 million	Approx. 1.39 million

Ordinary income

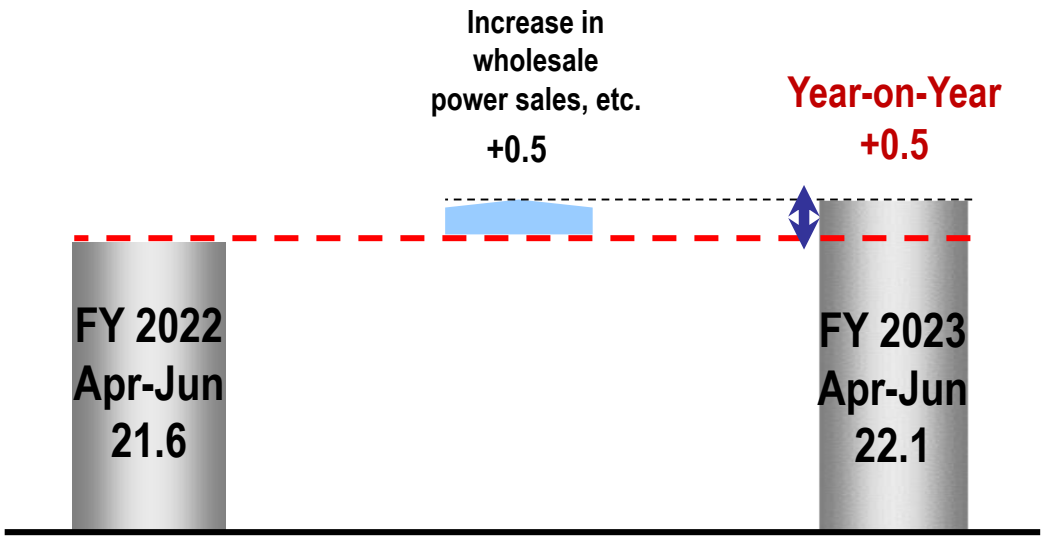
(Units: Billion yen)

	FY2022	FY2023	comparison
Apr-Jun	-90.8	82.8	+173.6
Apr-Sep	-227.3		
Apr-Dec	-368.9		
Apr-Mar	-328.2		

(Reference) Year-on-Year Comparisons for TEPCO Renewable Power

Ordinary income/loss

(Units: Billion Yen)



Profit Structure

Profit is mainly wholesale power sales of hydroelectric and new energies.
Expenses is mainly for depreciation and repairs.

Flow rate

(Unit : %)

	FY2022	FY2023	comparison
Apr-Jun	103.0	98.7	-4.3

Ordinary Income

(Units: Billion yen)

	FY2022	FY2023	comparison
Apr-Jun	21.6	22.1	+0.5
Apr-Sep	43.4		
Apr-Dec	51.3		
Apr-Mar	51.9		

Supplemental Material

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FY2023 1st Quarter Financial Results

Detailed Information

Consolidated Statements of Income

(Unit: Billion Yen)

	FY2023 Apr-Jun(A)	FY2022 Apr-Jun(B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Operating Revenue ※1	1,615.1	1,534.1	81.0	105.3
Operating Expenses ※1	1,464.0	1,578.3	-114.3	92.8
Operating Income / Loss	**151.1**	**-44.2**	**195.4**	**—**
Non-operating Revenue ※2	104.0	27.3	76.6	380.6
Investment Gain under the Equity Method ※2	93.4	25.2	68.1	369.3
Non-operating Expenses	21.9	13.1	8.8	167.3
Ordinary Income / Loss ※2	**233.1**	**-30.0**	**263.2**	**—**
Provision or Reversal of Reserve for Fluctuation in Water Levels	—	0.2	-0.2	—
Provision or Reversal of Reserve for Preparation of Depreciation of Nuclear Power Construction	—	-9.4	9.4	—
Extraordinary Income	—	—	—	—
Extraordinary Loss	50.3	25.2	25.0	—
Income Tax, etc.	45.8	1.9	43.8	—
Net Income Attributable to Non-controlling Interests	0.6	0.0	0.6	—
Net Income Attributable to Owners of Parent ※2	**136.2**	**-48.1**	**184.4**	**—**

※1 The amount of impact felt due to changes to accounting processing for adjustment transactions is also reflected in April-June 2022.
※2 The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has also been reflected in April-June 2022.

The status of Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation and Expenses for Nuclear Damage Compensation

(Unit: Billion Yen)

Item	FY2010 to FY2022	FY2023 Apr-Jun	Cumulative Amount
◇Grants-in-aid from Nuclear Damage Compensation and Decommissioning Facilitation Corporation			
○Grants-in-aid based on Nuclear Damage Compensation and Decommissioning Facilitation Corporation Act	* 8,061.1	—	* 8,061.1
◆Expenses for Nuclear Damage Compensation			
●Compensation for individual damages ・Expenses for radiation inspection, Mental distress, Damages caused by voluntary evacuations, and Opportunity losses on salary of workers, etc.	2,477.6	-2.5	2,475.1
●Compensation for business damages ・Opportunity losses on businesses, Damages due to the restriction on shipment, Damages due to groundless rumor and Package compensation, etc.	3,403.1	52.4	3,455.5
●Other expenses ・Damages due to decline in value of properties, Housing assurance damages, Decontamination and other expenses, etc.	7,322.8	0.4	7,323.3
● Amount of indemnity for nuclear accidents from the Government	-188.9	—	-188.9
●Grants-in-aid corresponding to decontamination and other expenses	-4,953.8	—	-4,953.8
Total	8,060.9	50.3	8,111.3

Note: Journal Entry: Grants-in-aid receivable from Nuclear Damage Compensation and Decommissioning Facilitation Corporation is debited on the balance sheet.

* Numbers above are those after deduction of a governmental indemnity of 188.9 billion yen, and Grants-in-aid corresponding to decontamination and other expenses of 4,953.8 billion yen respectively.

Consolidated Balance Sheets

(Unit: Billion Yen)

	Jun. 30 2023 (A)	Mar. 31 2023 (B)	Comparison (A)-(B)	Comparison (A)/(B) (%)
Total Assets	**13,811.9**	**13,563.0**	**248.8**	**101.8**
Fixed Assets	11,397.7	11,486.8	-89.0	99.2
Current Assets	2,414.1	2,076.2	337.9	116.3
Liabilities	**10,494.0**	**10,441.1**	**52.9**	**100.5**
Long-term Liability	6,339.6	6,284.0	55.6	100.9
Current Liability	4,154.3	4,157.1	-2.7	99.9
Net Assets	**3,317.8**	**3,121.9**	**195.8**	**106.3**
Shareholders' Equity	3,125.9	2,989.5	136.3	104.6
Accumulated Other Comprehensive Income	165.0	105.8	59.2	156.0
Non-controlling Interests	26.8	26.5	0.3	101.2

<Interest-bearing debt outstanding>

(Unit: Billion Yen)

	Jun. 30 2023 (A)	Mar. 31 2023 (B)	(A)-(B)
Bonds	3,369.6	3,400.4	△30.7
Long-term Debt	134.9	150.9	-15.9
Short-term Debt	2,596.3	2,183.1	413.2
Commercial Paper	26.0	22.0	4.0
Total	6,126.9	5,756.4	370.5

<Reference>

	FY2023 Apr-Jun (A)	FY2022 Apr-Jun (B)	(A)-(B)
ROA(%) ※	1.1	-0.3	1.4
ROE(%) ※	4.3	-1.5	5.8
EPS(Yen) ※	85.06	-30.07	115.13

ROA: Operating Income / Average Total Assets

ROE: Net Income attributable to owners of parent / Average Equity Capital

※ The amount of impact felt in conjunction with the application of IFRS by an equity method affiliate (JERA) has also been reflected in April-June 2022.

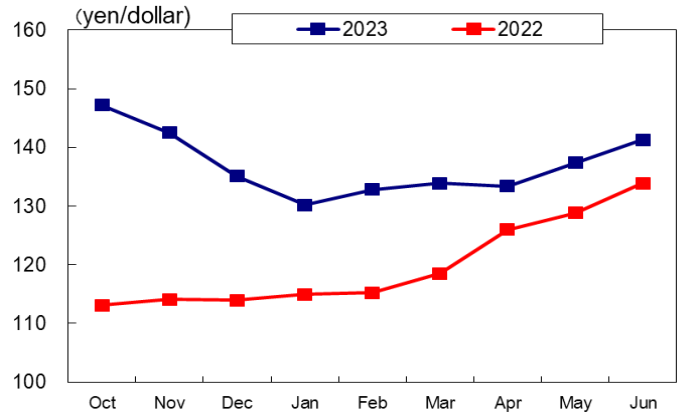
Key Factors Affecting Performance

Key Factors Affecting Performance（Results）

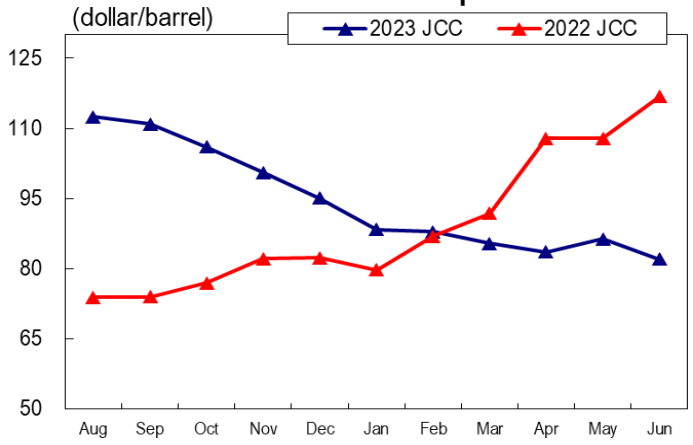
※1 Total of EP consolidated (EP/TCS/PinT) and PG (last resort supply/islands)
※2 Total (excluding indirect auctions) of EP consolidated (EP/TCS/PinT), PG (including inter-regional), and RP consolidated (RP/Tokyo Electric Generation)
※3 Crude oil price for FY2023 is tentative figure released on July 20, 2023

	FY2023 Apr-Jun	FY2022 Apr-Jun	[Reference] FY2022
Total Electricity Sales Volume (Billion kWh)	51.0	54.8	242.8
Retail Electricity Sales Volume (Billion kWh)※1	43.5	41.8	184.8
Wholesale Electricity Sales Volume (Billion kWh)※2	7.5	13.0	58
Gas Sales Volume (Million ton)	0.47	0.58	2.72
Foreign Exchange Rate (Interbank; yen per dollar)	137.5	129.7	135.5
Crude Oil Price (All Japan CIF; dollars per barrel)※3	84.0	110.8	102.7
Nuclear Power Plant Capacity Utilization Ratio (%)	-	-	-

<Fluctuation of Foreign Exchange Rate>



<Fluctuation of All Japan CIF>



Seasonal Breakdown of Retail Electricity Sales Volume and Total Power Generated

Retail Electricity Sales Volume（EP consolidated）

Unit: Billion kWh

	FY2023			
	Apr	May	Jun	Apr-Jun
Lighting	4.21	3.69	3.61	11.51
Power	9.82	10.00	11.12	30.94
Total	14.03	13.69	14.73	42.45

	FY2022				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Lighting	4.90	3.94	3.78	12.62	91.2%
Power	9.58	9.17	10.02	28.77	107.5%
Total	14.48	13.11	13.80	41.39	102.6%

Total Power Generated

Unit: Billion kWh

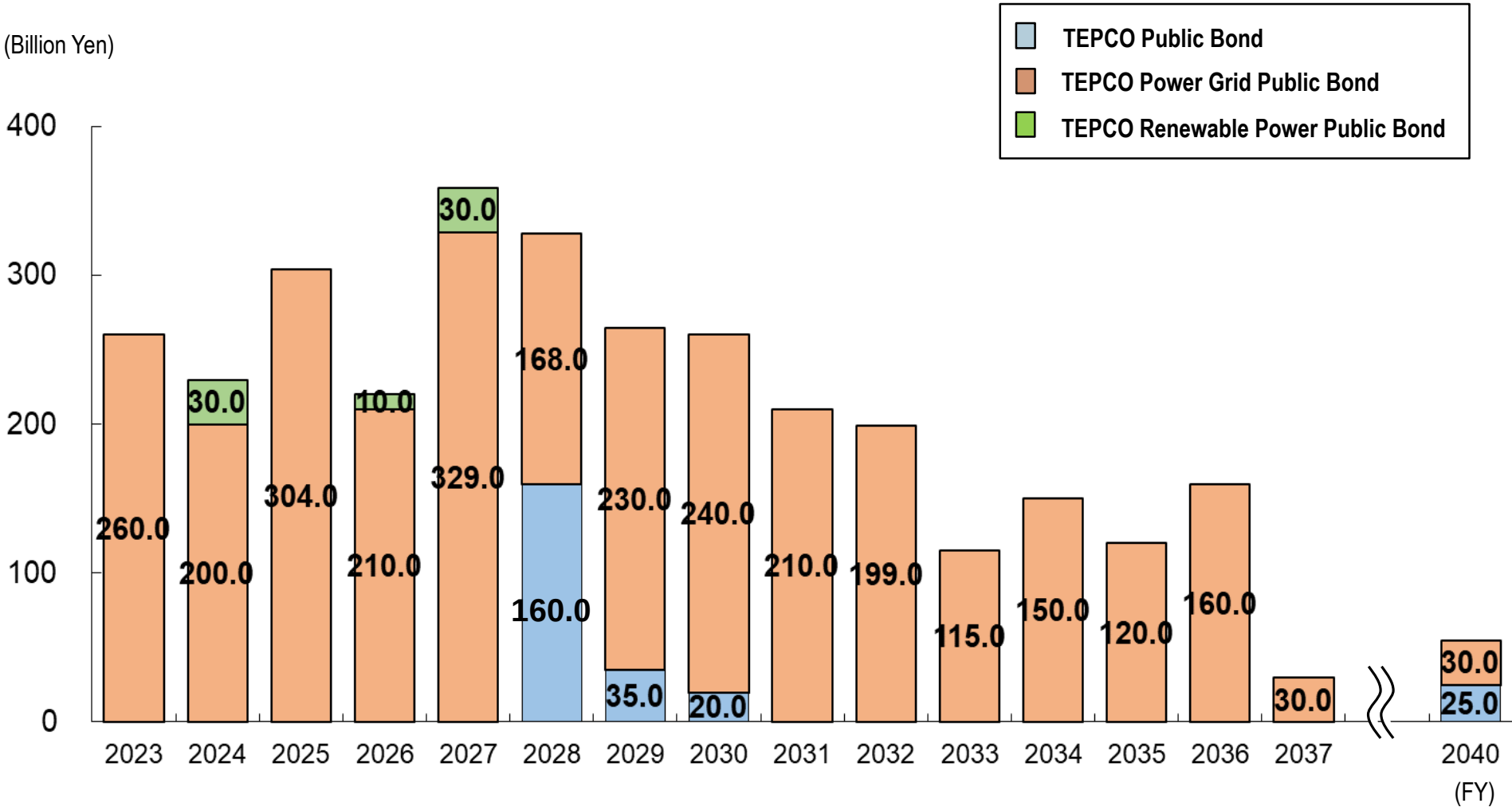
	FY2023			
	Apr	May	Jun	Apr-Jun
Hydroelectric	1.14	1.35	1.16	3.65
Thermal	0.01	0.01	0.01	0.03
Nuclear	-	-	-	-
Renewable etc.	0.01	0.01	0.00	0.02
Total	1.16	1.37	1.17	3.70

	FY2022				[Ref.]Year-on-year Comparison (Apr-Jun)
	Apr	May	Jun	Apr-Jun	
Hydroelectric	1.29	1.38	1.32	3.99	91.5%
Thermal	0.01	0.01	0.01	0.03	96.0%
Nuclear	-	-	-	-	-
Renewable etc.	0.01	0.00	0.01	0.02	99.0%
Total	1.31	1.40	1.33	4.04	91.6%

※Total power generated includes part of consolidated subsidiaries.

Schedules for Public Bond Redemption

Amount at Maturity (As of Jun. 30 2023)



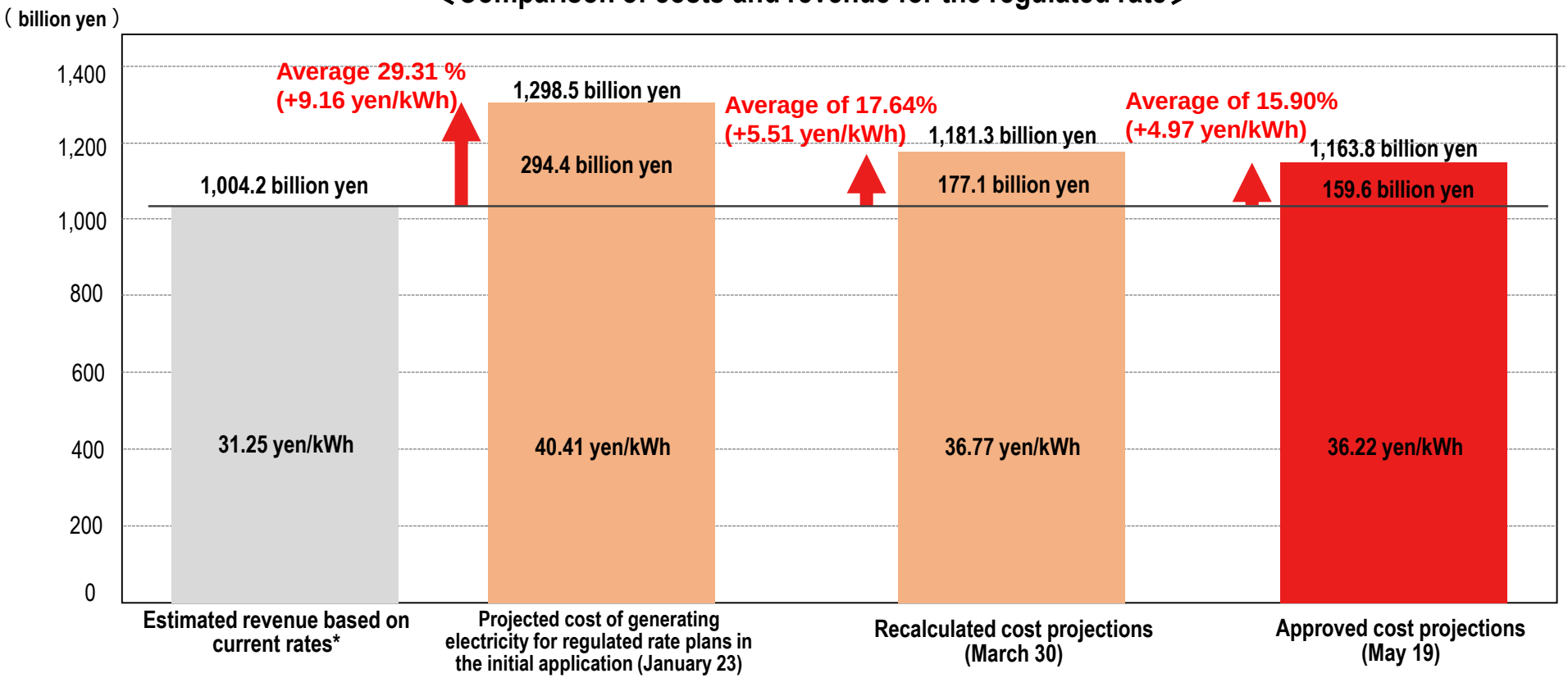
Note: The amount redeemed for Apr. - Jun. of fiscal 2023 totaled 150.0 billion yen.

Initiatives of TEPCO Energy Partner

Approval of the regulated rate increases

- ✓ On January 23 of this year, TEPCO Energy Partner applied for approval of changes to the Specified Retail Supply General Provisions for Retail Supply (regulated rates). Upon receiving the application, the METI Minister requested that we recalculate the costs on which the new regulated rates are based. We submitted the recalculated costs that reflect the current resources market on March 30.
- ✓ Having received a cost correction order from the METI Minister informed by the discussions in the Expert Panel on the Rates System and the opinions in the public hearing, we submitted an amendment application on May 16, which was approved on May 19. With this approval in hand, we raised regulated rates by an average of 15.9% on June 1, 2023.

＜Comparison of costs and revenue for the regulated rate＞



*Annual average revenue with the regulated rates from before for the cost calculation period assuming fuel prices and amount of electricity sold from the calculation basis for this application
(unit price before the April 1, 2023 wheeling charge hike)

2023 TEPCO Energy Savings Program

- ✓ In FY2022, in addition to providing electricity stably, TEPCO Energy Partner implemented the 2022 TEPCO Energy Savings Program to reduce the burden on customers by assisting them in conserving electricity, which led to energy savings of approx. 2.5 billion kWh of energy.
- ✓ To instill energy saving practices among the public and realize a carbon neutral society, TEPCO Energy Partner launched the 2023 TEPCO Energy Savings Program.
- ✓ By assisting customers in introducing solar power generation systems and high-efficiency air conditioning that can continuously reduce energy use, TEPCO Energy Partner aims to reduce energy use by 3.2 billion kWh in FY2023 and 6.0 billion kWh by FY2024.

2022 TEPCO Energy Savings Program

Initiatives focused on conserving electricity
(encouraging everyday changes that save electricity)

Saved 2.5 billion kWh of electricity

2023 TEPCO Energy Savings Program

Initiatives focused on saving energy
(assisting customers in introducing equipment that saves energy)

Goal of saving 3.2 billion kWh of energy

Services in the 2023 TEPCO Energy Savings Program

Households

①Assist in introducing energy saving/energy creating equipment

- Present customers who introduce solar panels and storage batteries as part of our flat rate equipment lending service “Enekari” and “Enekari+” or buy them from TEPCO Home Tech, Inc. with gift certificates
- Present customers who buy and install certain EcoCutes with gift certificates

②Assist in reducing energy use in households

- Offer an air conditioning cleaning service that increases air conditioning efficiency at 20% off
- Together with LIXIL, recommend installing new highly insulating windows taking advantage of government subsidies
- Introduce electricity conservation tips in a bingo card format. Give out points to those who win in a lottery

③Demand response (by behavioral change)

- Points will be given out based on the amount of energy saved during a specified time.

Corporations

①Assist in introducing energy saving/energy creating equipment

- Subsidize a part of cost of introducing high-efficiency air conditioning, air compressor, and solar panels

Equipment name	High efficiency air conditioning	Air compressor	Solar panels
Application period	July to September 2023		
Payment period	To be paid after a performance review by TEPCO EP (may take until May 2024)		
Conditions	APF* (energy savings performance) exceeds the criteria	Comes with an inverter	Meets certain installation conditions
Subsidy amount	[Stores] 3000 yen/kW [Buildings] 6000 yen/kW (per cooling performance)	16,000 yen/kWh (per output)	11,300 to 26,500 yen/kW (per solar panel capacity)

*APF: annual performance factor (cooling and heating per 1kWh when the air conditioner is used in specific conditions throughout the year)

②Assistance for businesses in saving energy

- Recommend ways that small to medium corporate customers can improve equipment operations or replace their equipment with more efficient ones
- Support customers in navigating government subsidy applications

[Target audience] Small to medium businesses

Status of response to address the series of incidents including a nuclear material protection incident

Status of response to address the series of incidents including a nuclear material protection incident
Nuclear reform measures

- ✓ Initiatives outlined in the Report on Improvement Measures for the Inappropriate Use of ID Cards and the Partial Loss of Function of the Physical Protection Equipment at Kashiwazaki Kariwa NPS are being implemented with the aim of improving the quality of the physical protection function.
- ✓ On March 8 of this year, six challenges were identified in the additional inspection from the 27 confirmation perspectives, based on the Three Pillars of the Confirmation Policy presented by the NRA Chief Commissioner, and on May 17, the continuation of additional inspections was decided for four inspection findings of the six challenges (Four Challenges.)

27 confirmation perspectives and Four Challenges

Confirmation policy	Item	27 confirmation perspectives
1 (Realize a solid physical protection function)	①	Are equipment past their durable life being replaced (replacement and modification based on soundness assessment)?
	②	Are diverse sets of biometric authentication systems that use many different detection methods employed to further strengthen protection management?
	③	Are equipment that assists personal identification being deployed?
	④	Are existing entry restricted areas improved and operated based on 2 (installation and operation of protection equipment that accommodate the natural environment of the siting region) and 3 (development and strengthening of maintenance management framework)?
	⑤	Is the planned location and structure of the new entry restricted area appropriate?
	⑥	Are the demonstration testing results and analysis of the causes of unnecessary alarms reflected in the specification selection process for equipment?
	⑦	Is the installation environment developed appropriately? Are wind, snow, sand deposit, and salt damage measures implemented?
	⑧	Is the number of unnecessary alarms decreased by installing equipment adapted to the natural environment?
	⑨	Is there a maintenance plan that stipulates appropriate maintenance methods for each type of physical protection facilities?
	⑩	Is there a structure in place to support the field in permanently stationing maintenance and repair staff and securing backup parts?
	⑪	Are equipment that lose function being restored quickly according to the maintenance plan?
	⑫	Can the protection headquarters accommodate expansions of the physical protection organization?
	⑬	Has the work environment been improved? Has the monitoring screen been made larger?
2 (Establish mechanisms for autonomous improvement)	⑭	Is there a structure in place/being executed to ensure the implementation of PDCA cycles, not regarding physical protection as special?
	⑮	Do parties concerned have a close relationship with each other under the proactive command and supervision of PP managers?
	⑯	Are the distribution of management resources for physical protection work clearly stated in the management plan? Is that being implemented?
	⑰	Do PP managers lead the field? Is information shared between power stations? Are substantive discussions being had?
	⑱	Are findings made by contractors as well as utility employees in routine work being discussed freely?
	⑲	Is deadline management being implemented appropriately based on objective technical assessments? Is it being processed appropriately?
	⑳	Is there a system for administrative processes? Is the system being operated and being shared among all those involved?
	㉑	Is the target of assessments clearly identified? Are reviews, verifications and appropriateness assessments being performed?
	㉒	Is there a mechanism in place to ensure work progresses steadily e.g., by establishing hold points where the next step cannot be performed until necessary structures are in place?
	㉓	Are there opportunities to share opinions freely within contractors, other utilities, and workplace? Are active discussions being had?
	㉔	Are utility employees open to contractor opinions and are they willing to use their opinions in their own work?
	㉕	Is there an awareness within the whole power station of the need to work on physical protection? Are concrete actions being taken based on this awareness?
	㉖	Is the workplace no longer bound by the mentality of "operator first"? Is the emotional distance between other workers and operators eliminated? Is the workplace environment less stressful?
(Building a mechanism to ensure the improvement measures are not just transient)		
3	㉗	Is there a mechanism in place to maintain awareness of the importance of physical protection and to promote actions based on that awareness through continuous improvement measures?

Black: Items deemed to have been corrected (23 items)
Red：Four Challenges identified by the NRA on May 17.

Status of response to address the series of incidents including a nuclear material protection incident
Response to the Four Challenges　(1) Realize normal monitoring

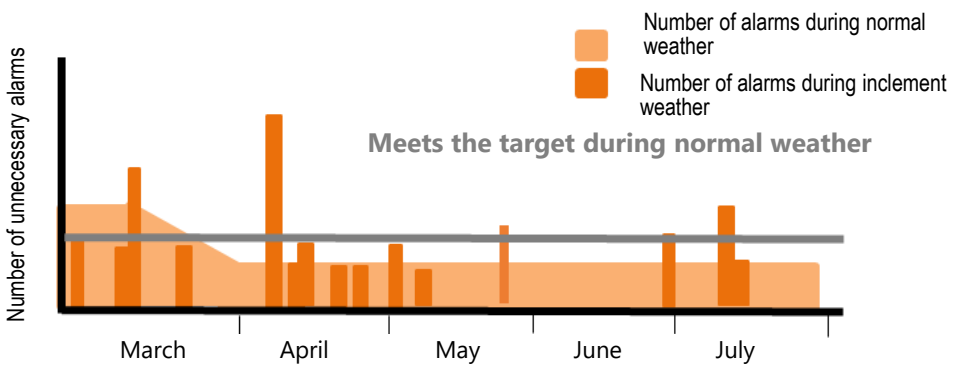
＜Inspection findings identified in the additional inspection＞
① Concrete actions to address the unmet goal in reducing the number of unnecessary alarms
② Build a monitoring structure for inclement weather

■ Concrete actions
① Replace all sensors for each types of equipment and check the sensors in the area where a large number of unneeded alarms are issued to identify the cause and implement countermeasures.
② Consider implementing a structure that monitoring is gradually strengthened in case of inclement weather such as strong winds and snow
Develop monitoring rules and manuals; perform desktop training simulating strong wind conditions.
Continually implement measures to increase the effectiveness of monitoring e.g., improving processes and capabilities by identifying area that monitors struggle with or are careful with, and implementing training

■ Current state of actions
① The target figure for the number of unnecessary alarms has been met by implementing a mechanism where causes are identified, and countermeasures are implemented for each sensor that tends to issue a lot of unnecessary alarms.
②A structure for strengthening monitoring in inclement weather has been developed and field training is being performed.
The structure is being improved by assessing the effectiveness of the structure based on training performance, and continually implementing trainings

[Recent trends in the declining number of unnecessary alarms]

Comparison of normal weather and inclement weather (March 2023 onwards)



Status of response to address the series of incidents including a nuclear material protection incident
Response to the Four Challenges (2) Realize effective PPCAP

＜ Inspection findings identified in the additional inspection ＞

① CRs not being written up for every single finding and not enough information is being shared.

② Discussions in meeting where there are a lot of deputized attendees tend to be slow going.

■ Concrete actions

①Develop a tool that make it easy to write up CRs and educate workers on the importance of writing up CRs.

②Review training and meetings operations to revitalize discussions, and perform effectiveness assessments.

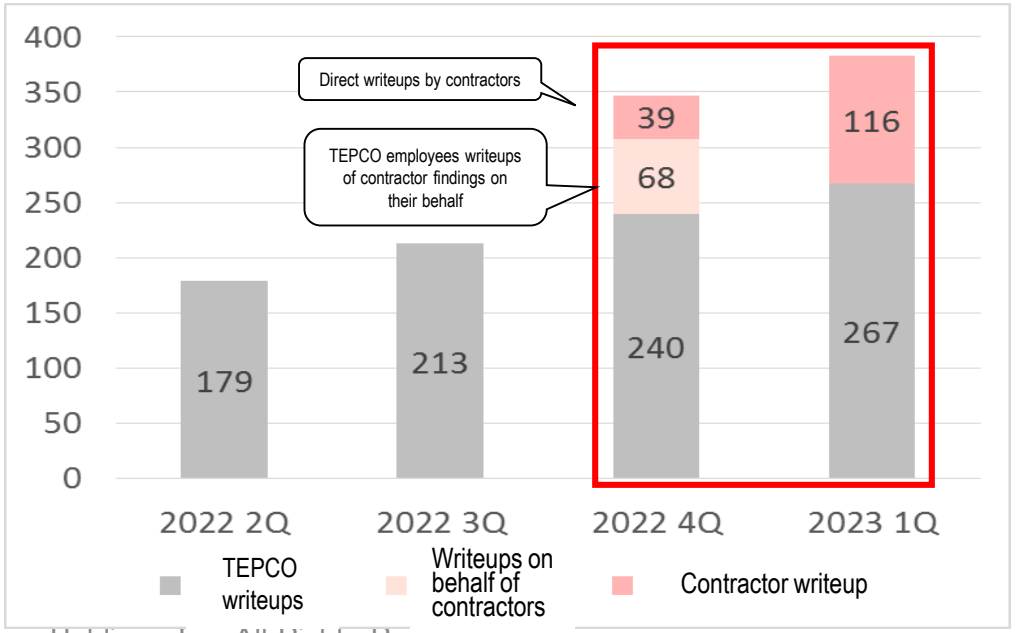
■ Current state of actions

① The number of CRs has increased due to the development of a tool that make it easy to write up CRs and education performed on the importance of CRs

② Trainings and the operation of meetings to revitalize discussions have been reviewed.

③ Effectiveness assessment is being performed on continuity and standardization.

【Number of CR writeups】



Response to the Four Challenges (3) Implement improve change management

＜ Inspection findings identified in the additional inspection ＞

・While there were hold points for performing impact assessments, they were not functioning in actual processes. It was not being operated according to the mechanism.

■ Concrete actions

・The 15 non-conformances related to change management have been written up as CRs and are being dealt with.

・To ensure the hold points function, and impact assessments (e.g., risk extraction, effects on other work) can be performed, the change management manual will be revised and change management processes will be performed as stipulated (based on instructions from the President)

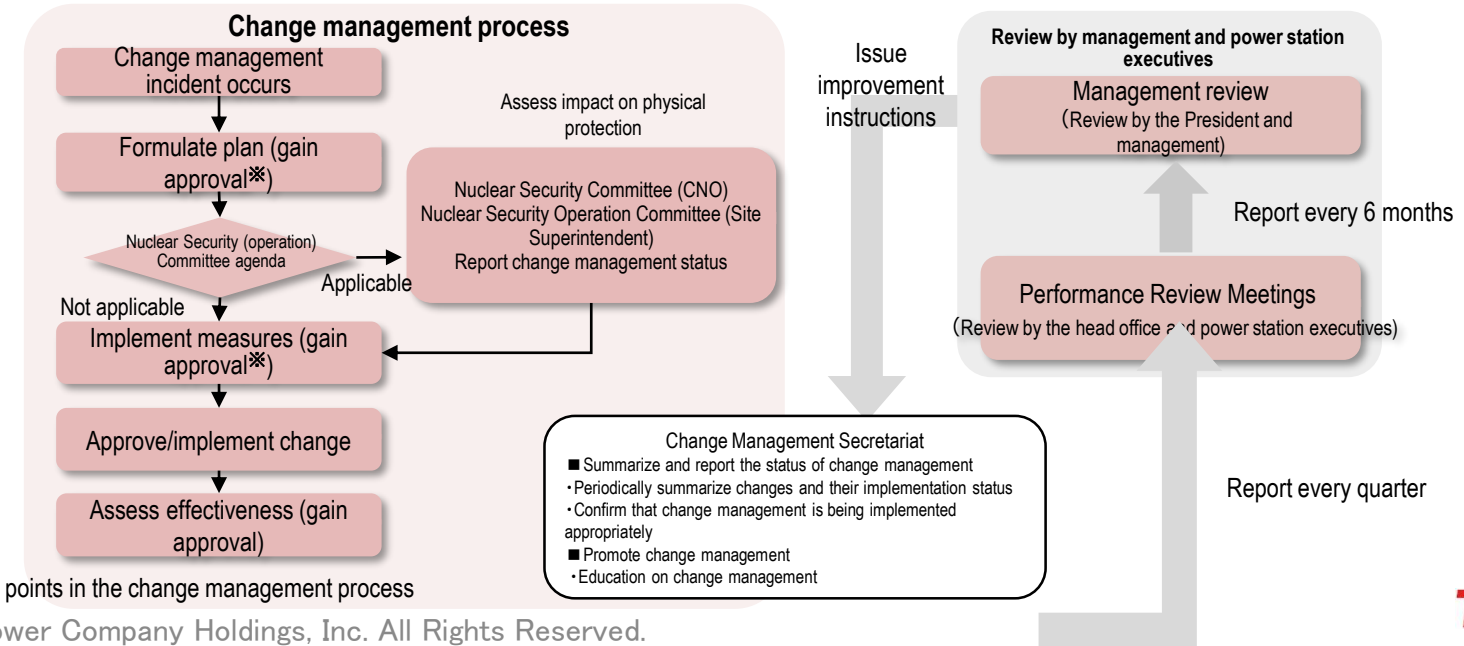
・ Change management based on the revised manual will be operated in power station physical protection work.

■ Current state of actions

・The 15 change management incidents that had been identified by the NRA has been written up in CRs, and corrective actions have been completed.

・Based on this challenge that the NRA has identified, the change management manual was revised and change management process is being implemented as appropriate.

・An effectiveness assessment is being performed for this revised change management process.



＜Concrete actions＞

① Persons with expertise in physical protection are not performing their role as observers.

② The findings from the observations are not shared with management.

■ Concrete actions

①A Physical Protection Monitoring Office was established on May 1, 2023.

- This Office is dedicated to monitoring initiatives related to physical protection, independent from the Nuclear Division as an organization directly under the purview of the President.
- The position of the Office as an independent organization, its responsibilities and authorities were clearly written in the Physical Protection Rules (enacted June 1)
- Office staff either have expertise and experience in physical protection work or are from divisions other than the Nuclear Division to secure a third party perspective.

②Mission of the monitoring organization

- Taking into account the observations from the additional inspection, the Office will observe the behavior on the field for around 10 days per month checking for actions that may affect physical security.
- The Office will report the monitoring results to the President every week (in the short term), and will promote swift improvements at times based on instructions from the President.
- An Improvement Measures Assessment Committee comprised of experts from outside of the company well-versed in law, media, regional relations and other topics, was established and the first meeting was held on June 1. Recommendations from the Committee members will be used to continually improve nuclear security.

■ Current state of actions

- The Monitoring Office was established where the actions and behavior of station personnel and contractor employees are continually being monitored.
- The state of the field and findings observed in the behavioral observation are reported to the President. Improvement measures are implemented based on instructions from the President.
- Reports are made to the Improvement Measures Assessment Committee as necessary, and further improvement measures are implemented based on their guidance and advice.
- Effectiveness assessments are performed for the above voluntary improvement initiatives.

【Greetings campaign】

【The President and station personnel in dialogue】

Initiatives to further improve station safety

- ✓ To spread and establish the need for continuous improvement within the whole station, findings from our efforts to strengthen security were developed and expanded to safety improvement initiatives.
- ✓ **Voluntary improvement and risk reduction/quality control initiatives were strengthened from a field-first and actual goods-first perspective.** Safety will be improved voluntarily and sustainably (e.g., further strengthen Safety CAP, operate change management processes appropriately.)
- ✓ We will aim to realize a power station where everyone puts themselves in the shoes of the local community and the people of society and they act with safety as the top priority from both security and safety perspectives.

President

- **Leadership from the top**
- ✓ Conformance to the 7 promises in the Safety Regulations
- ✓ Invest management resources (e.g., people, things, funds)

CNO

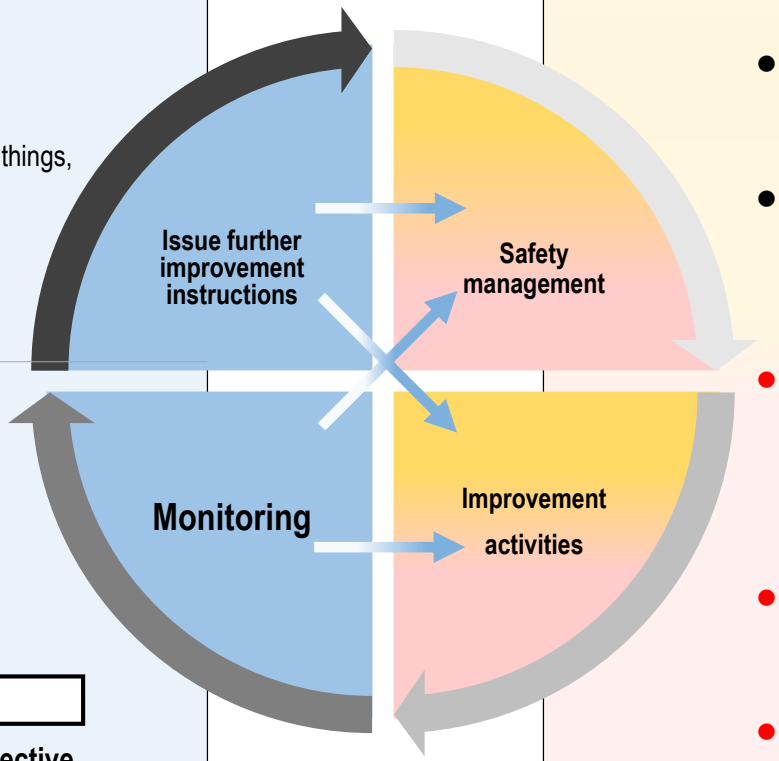
- ✓ Management review
- ✓ Roll out to other power stations, etc.

Internal: Nuclear Safety Oversight Office / Senior Reactor Engineer

- **Monitor improvement, identify signs of deterioration**
- **Report to the President and CNO in a timely manner (as needed, every quarter)**

External: Nuclear Reform Monitoring Committee

- **Strictly monitor from an outside perspective**
- **Recommend additional improvements,** etc.



Power Station/Nuclear Division

- **Operation**
  - ✓ Manipulations
  - ✓ Patrol/inspection
  - ✓ Training
- **Facility maintenance**
  - ✓ Maintenance
  - ✓ Safety measures work etc.

- **Voluntary improvement**
  - ✓ **Continuous improvement using Safety CAP**
    - CR writeup
    - Non-conformance review/decision making
    - Corrective action depending on the CR grade
    - Effectiveness assessment
- **Risk reduction/quality management**
  - ✓ **Ensure thorough change management processes**
  - ✓ Risk management
- **Establish an awareness of safety and community focused perspective,** etc.

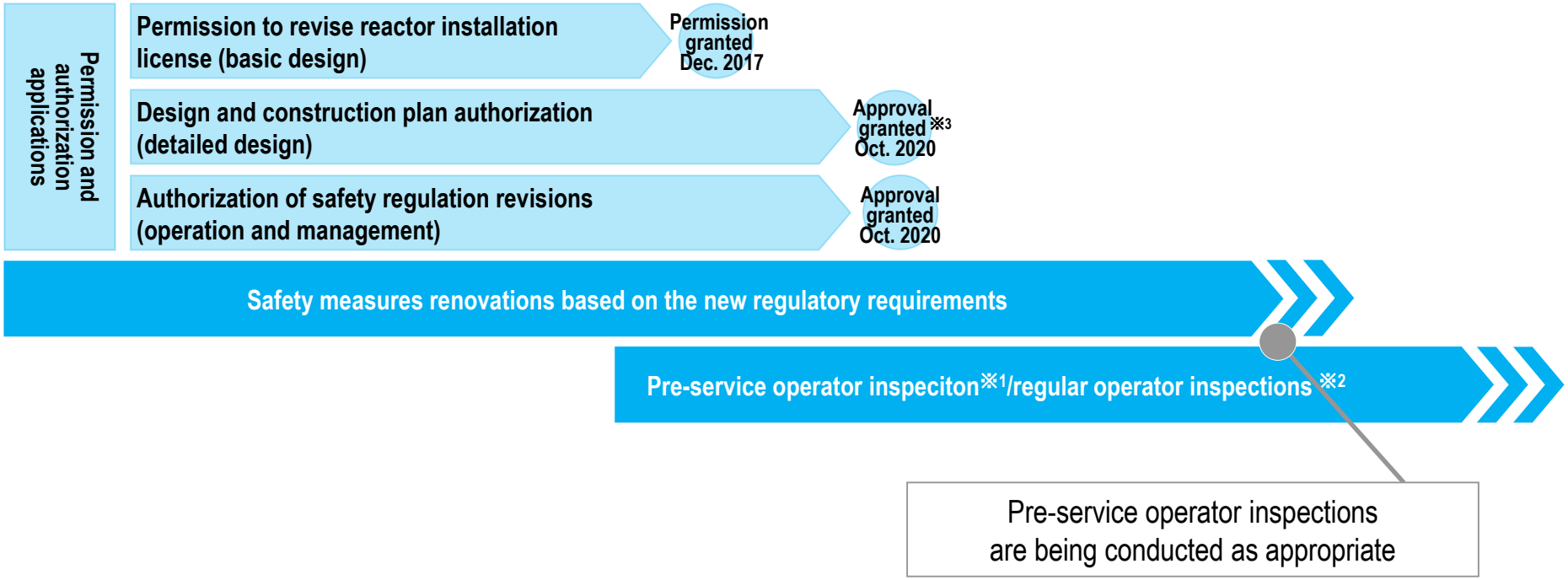
Red: Findings regarding further safety improvement from a security perspective

General inspections implemented after discovering partially incomplete safety measure renovations

Progress in the safety measures work at Kashiwazaki Kariwa Nuclear Power Station

- ✓ The initial comprehensive inspection in response to the incomplete safety measures work at Kashiwazaki-Kariwa NPS was completed in September 20, 2022.
- ✓ Any items found to require additional attention in the pre-service operator inspection will be addressed as needed.
- ✓ With nuclear power reform in mind, TEPCO will continue to pursue safety not letting this reform of Kashiwazaki-Kariwa NPS be a temporary endeavor.

【Reference: History of new regulatory requirements conformance review】



※1 Pre-service operator inspection: Inspections conducted by TEPCO to confirm that the safety measures work based on the new regulatory requirements are being implemented according to the approved design and construction plan
※2 Regular operator inspection: Inspections conducted by TEPCO regularly on whether the major equipment meet national government standards
※3 To reflect changes made to the design and construction plan and to correct some minor typographical errors, the revision authorization plan were applied to the NRA on December 2020 and approved on January 2021.(A notice of minor changes were also submitted on December 2020 and March 2021.)

The Current Status of Fukushima Daiichi Nuclear Power Station and Future Initiatives

Current Situation and Status of Units 1 through 4

✓ Spent fuel removal from Units 3 & 4 is complete.
✓ Currently, preparation for Units 1 & 2 spent fuel removal and Units 1-3 fuel debris retrieval is being conducted.

Main decommissioning work and steps

✓Please visit our website for latest information about the progress of decommissioning, etc.

Fuel Removal from SFP

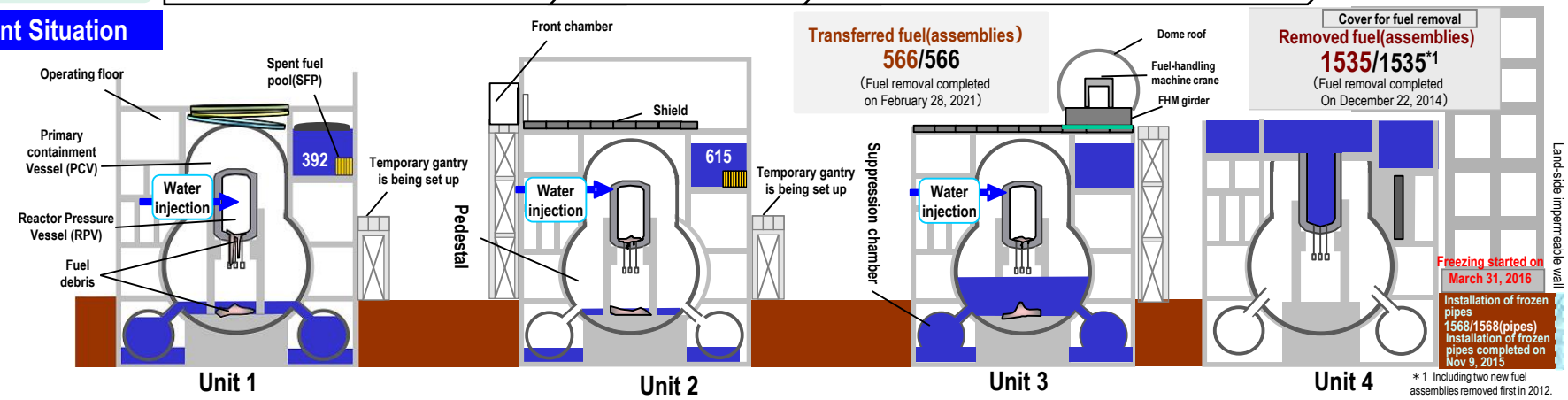
Units 1 & 2: Rubble removal and dose reduction → Installing fuel removal machine → Fuel removal

Unit 3 & 4: Fuel removal → Storage and handling

Fuel Debris Retrieval

Unit1 & 3, Unit2: Ascertaining the status inside the PCV/examining the fuel debris retrieval method, etc. → Fuel debris retrieval → Storage and handling

Current Situation



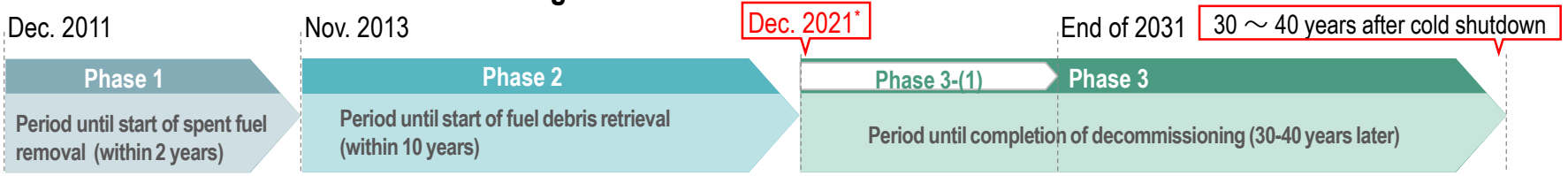
*1 Including two new fuel assemblies removed first in 2012.

	Unit 1	Unit 2	Unit 3	Unit 4
Works towards removal of spent fuel	- Outside of the premises, a temporary gantry is being assembled since late April 2021 as part of preparations to install a large cover. - On the premises, anchors and base plates are being installed. Temporary gantries are being set up starting with areas where the installation of anchors and base plates have been completed. Temporary gantries were installed on the west, north, and east sides in March 2023. Construction of the lower part of the steel frame was started in June 2023.	- Inside the building, suction decontamination of the ground of the operating floor with a remote controlled robot was started in April 2023 to reduce the dosage. - Outside of the building, the steel frame, assembled in a low dose area off the premises, was carried in. On the south side of the reactor building, the steel frame for fuel removal is being assembled. As of June 26, 2023, 24 out of the 45 steel units has been installed.	-Spent fuel removal work was completed for Unit 3, the first among units in which the core had melted. (February 2021) - Removal of high dose equipment stored in the spent fuel pool was started in March 7, 2023.	- Fuel removal from the SFP was completed in December, 2014. - The status of high dose equipment stored in the spent fuel pool was confirmed and a dose survey was conducted in May 2022 to verify that no new concerns have materialized. Detail has been discussed to start high-dose equipment retrieval in the second half of FY2024.
Works towards removal of fuel debris	- Deposits from four locations were sampled in the reactor containment vessel survey. The solid deposit part of the samples, once separated into the deposit and the supernatant, will be sent to an offsite analysis laboratory for detailed analysis.	- Improvements such as updating the control program based on the mockup test of the robot arm are being implemented. - In April 2023, an isolation room was completed in which the X-6 penetration hatch will be opened. Hatch bolt severing was started in June 2023, The hatch will be released as soon as possible.	-As decommissioning progresses, samples are now able to be taken during the containment vessel internal investigation, similarly to the investigations in Units 1 and 2. Analysis of the samples taken from the containment vessel found information that may be helpful in accident progression analysis.	

Milestones and progress in the 5th revision of Mid-and-Long-Term Roadmap(December 2019)

Maintain Overall Framework of Decommissioning Schedule

*To accommodate the effects of COVID-19 and to ensure the safety and reliability of the work, the trial removal was rescheduled to start in the second half of FY2023.



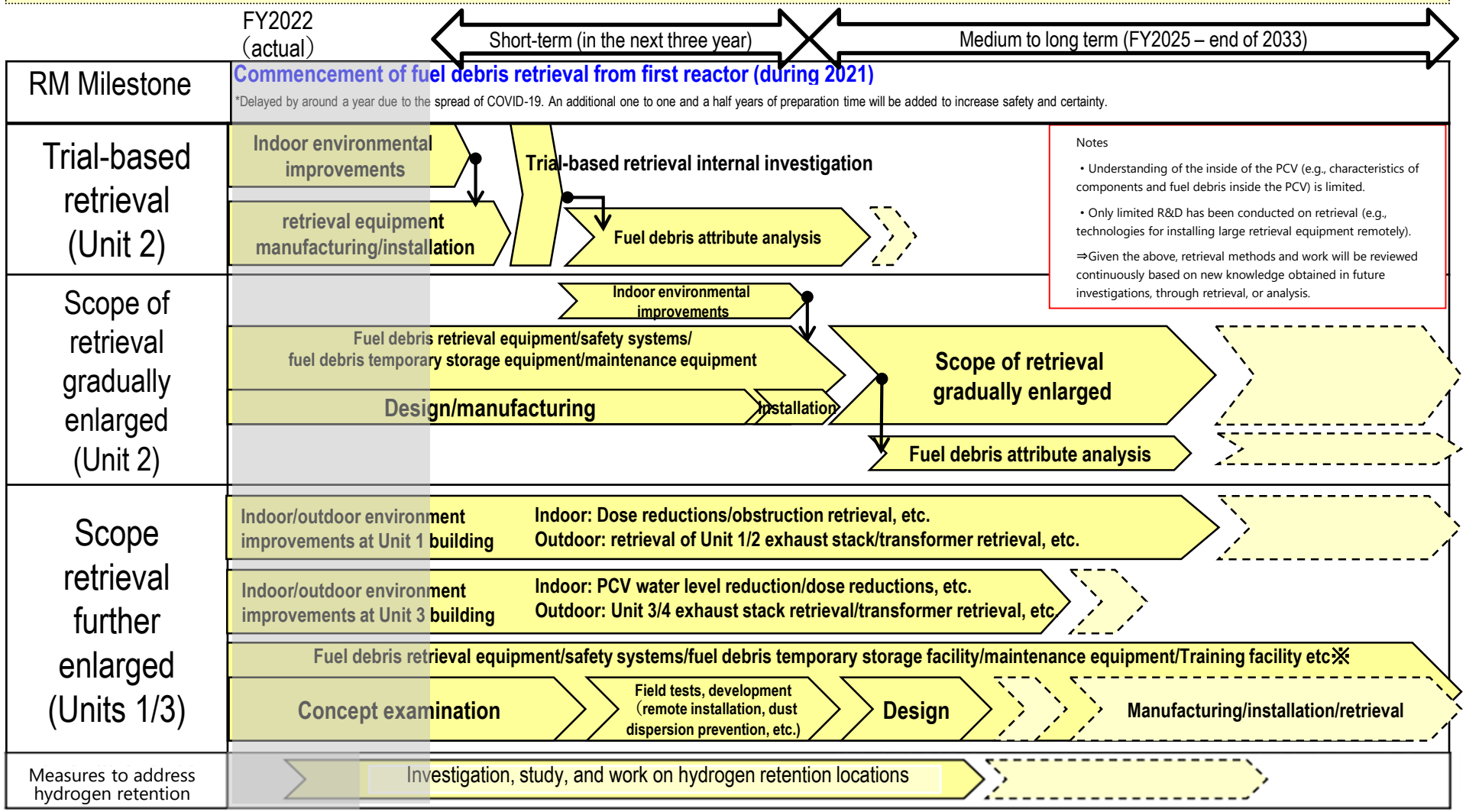
Major milestones

Field	Details		Period	Status
Contaminated Water management	Amount of contaminated water generated	Reduce to about 150m^3 /day	Within 2020	Completed
		Reduce to about 100m^3 / day or less	Within 2025	Have reduced the amount to approx. 90m^3 / day (FY2022)
	Stagnant water treatment	Complete stagnant water treatment in buildings※1	Within 2020※1	Completed
		Reduce the amount of stagnant water in buildings to about a half of that in the end of 2020	FY2022-2024	Completed
Fuel removal	Complete of fuel removal from Unit 1 – 6		Within 2031	Completed removing fuel from Units 3 and 4
	Complete of installation of the large cover at Unit 1		Around FY 2023	Working on installing the large cover
	Start fuel removal from Unit 1		FY2027-2028	Same as above
	Start fuel removal from Unit 2		FY2024-2026	Steel bars of the gantry for fuel removal were started
Fuel debris retrieval	Start fuel debris retrieval from the first Unit (Start from Unit 2, expanding the scale gradually)		Within 2021 *To accommodate the effects of COVID-19 and to ensure the safety and reliability of the work, the trial removal was rescheduled to start in the second half of FY2023.	Conducting performance verification tests for the trial retrieval device
Waste management	Technical prospects concerning the processing/ disposal policies and their safety		Around FY2021	Completed※3
	Eliminating temporary storage areas outside for rubble and other waste※2		Within FY2028※2	Working on based on the storage maintenance plan

※1：Except for the reactor building of Units 1 through 3, the main process building, the high temperature incinerator building.
※2：Except for the secondary waste from the water treatment and other waste that will be reused.
※3: Considered finalized as "Technical outlook on methods for treatment and disposal of solid waste, and their safety" was included in the "2021 Technical Strategy for Decommissioning of TEPCO Holdings' Fukushima Daiichi Nuclear Power Station" published by the Nuclear Damage Compensation and Decommissioning Facilitation Corporation (published on October 29, 2021).

Fuel Debris Retrieval Schedule and Process Based upon the Mid-to-Long Term Decommissioning Implementation Plan 2023

- ✓ The Decommissioning Long-term Implementation Plan 2023 was published on March 30, 2023 with the progress made in decommissioning work and new challenges identified in FY2022.
- ✓ Regarding Unit 2, to gradually expand the scale of retrieval from experimental retrieval, discussions for an RPV internal investigation in FY2024 will be conducted.



※ These tasks shall be carried out for Unit 3 first and then expanded for Unit 1

Contaminated Water Measures

✓ Progress is being made on the three contaminated water initiatives detailed in the 5th revision of the Mid-and-long-term Roadmap (December 2019).

(1) Initiative to promote contaminated water measures following the three basic policies
(1) Remove the contamination source, (2) don't let water near the contamination source, (3) don't let contaminated water leak out

- The strontium treated water treated using equipment other than multi-nuclide removal equipment, is treated again using multi-nuclide removal equipment and stored in welded tanks.
- The amount of contaminated water generated has fallen to around 90 m^3/day*1 (FY2022) due to multilayered contaminated water measures such as measures on the roof to prevent rainwater from flowing in and paving of the area around the building, less rainfall (1,192 mm) than the average year (Approx. 1,470 mm), and no torrential rain (100mm/day or more). (The amount was around 540 m^3/day (May 2014) before the measures.)
- More contaminated water reduction measures will be implemented to reduce levels to below 100 m^3 /day within 2025.

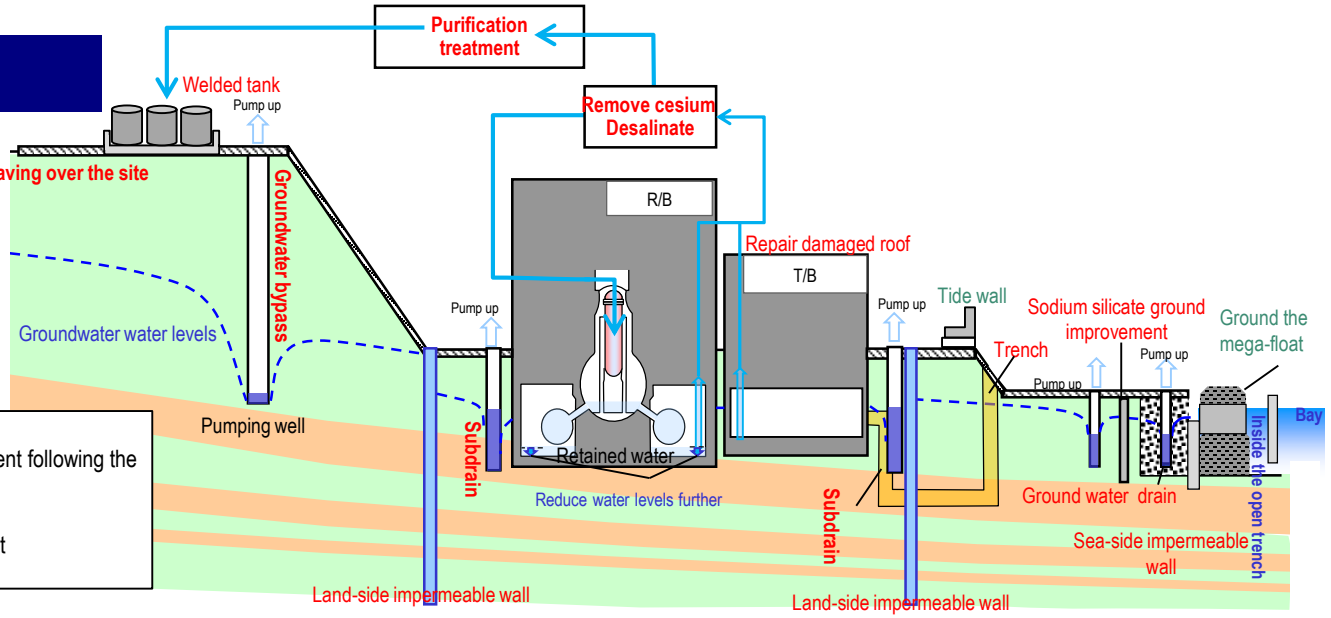
*1 : The amount of contaminated water generated had there been an average amount of rainfall is estimated to be around 110m^3/day.

(2) Initiatives for the completion of retained water treatment

- Construction to build another retained water transfer equipment is underway to reduce building retained water levels according to plan.
- In 2020, treatment of retained water in buildings other than the reactor buildings for Units 1-3, main processing building, and high temperature incinerator building was completed.
- The amount of retained water in the buildings was successfully reduced while also monitoring for the effects of dust. In March 2023, target water levels were reached in all buildings. The goal of "reduce reactor building retained water to around half of levels in end of FY2020 in the FY2022 to FY2024 period" was successfully achieved for the reactor building for Units 1 - 3.
- Measures to reduce dose levels in and stabilize the zeolite sandbags that were installed in the basement of the main processing building and high temperature incinerator building immediately after the Accident as part of contaminated water measures, are being discussed.

(3) Initiative for the stable contaminated water management

- As a tsunami countermeasure, the openings of buildings were closed and a tide wall is being built. As a countermeasure for torrential rain, sand bags will being installed to reduce the amount of water that will directly flow into the building and drainage channels will be fortified in a planned manner.



Red : (1) Promote contaminated water management following the three basic policies
Blue : (2) Completion of retained water treatment
Green : (3) Stable contaminated water management

TEPCO Holdings' Response Regarding the Handling of ALPS Treated Water
– 1 TEPCO Holdings' Approach to the Discharge of ALPS Treated Water

- ✓ The "Basic Policy on handling of ALPS treated water at the Tokyo Electric Power Company Holdings' Fukushima Daiichi Nuclear Power Station" (hereinafter government policy) was decided at the 5th Inter-Ministerial Council for Contaminated Water, Treated Water and Decommissioning Issues held on April 13, 2021.
- ✓ TEPCO will work to ensure that responses based on this government policy will be implemented.
- ✓ In December 2022, the standards of compensation have been compiled for reputational damage occurs as a result of ALPS treated water discharge. We will continue to debate the matter based on opinions from parties concerned and review the standards as needed.

＜TEPCO Holdings' Approach to the Discharge of ALPS Treated Water＞

Basic position	• In discharging ALPS treated water*1 into the sea, we will ensure that the discharged water is safe by conforming to safety standards based on laws, and relevant international laws and practices, while conducting radiation impacts assessments on people and the environment*2 . Thus we will secure the safety of the public, the surrounding environment as well as agricultural, forestry and fishery products.
Strengthening and enhancing the scope of monitoring	• In discharging ALPS treated water into the sea, we will further expand and strengthen our sea area monitoring efforts to minimize the adverse impacts on reputation. • Objectivity and transparency of monitoring will be secured by asking for the cooperation of experts and the people in the agricultural, forestry, and fishery industry.
Preventing leaks from tanks	• On-site tank that store ALPS treated water will be continuously monitored for leaks and will be maintained and managed appropriately in preparation for natural disasters.
Information dissemination and minimizing rumors	• To dispel concerns and foster understanding domestically and internationally, we will continuously provide accurate information in a highly transparent manner, regarding the impacts on the environment such as the results of measurements/analysis on the concentration of radioactive materials in the ALPS treated water before discharge; status of the discharge and the results of sea area monitoring; as well as the results of assessment of the radiation impact on the public and the environment. • To minimize the adverse impacts on reputation, we will do our utmost in supporting industries that may be subject to potential adverse impacts on reputation at each stage from production, processing, distribution, and consumption (cultivating new markets).
Appropriate compensation	• If reputational damage is incurred as a result of the discharge of ALPS treated water despite these efforts, we will provide swift and appropriate compensation.

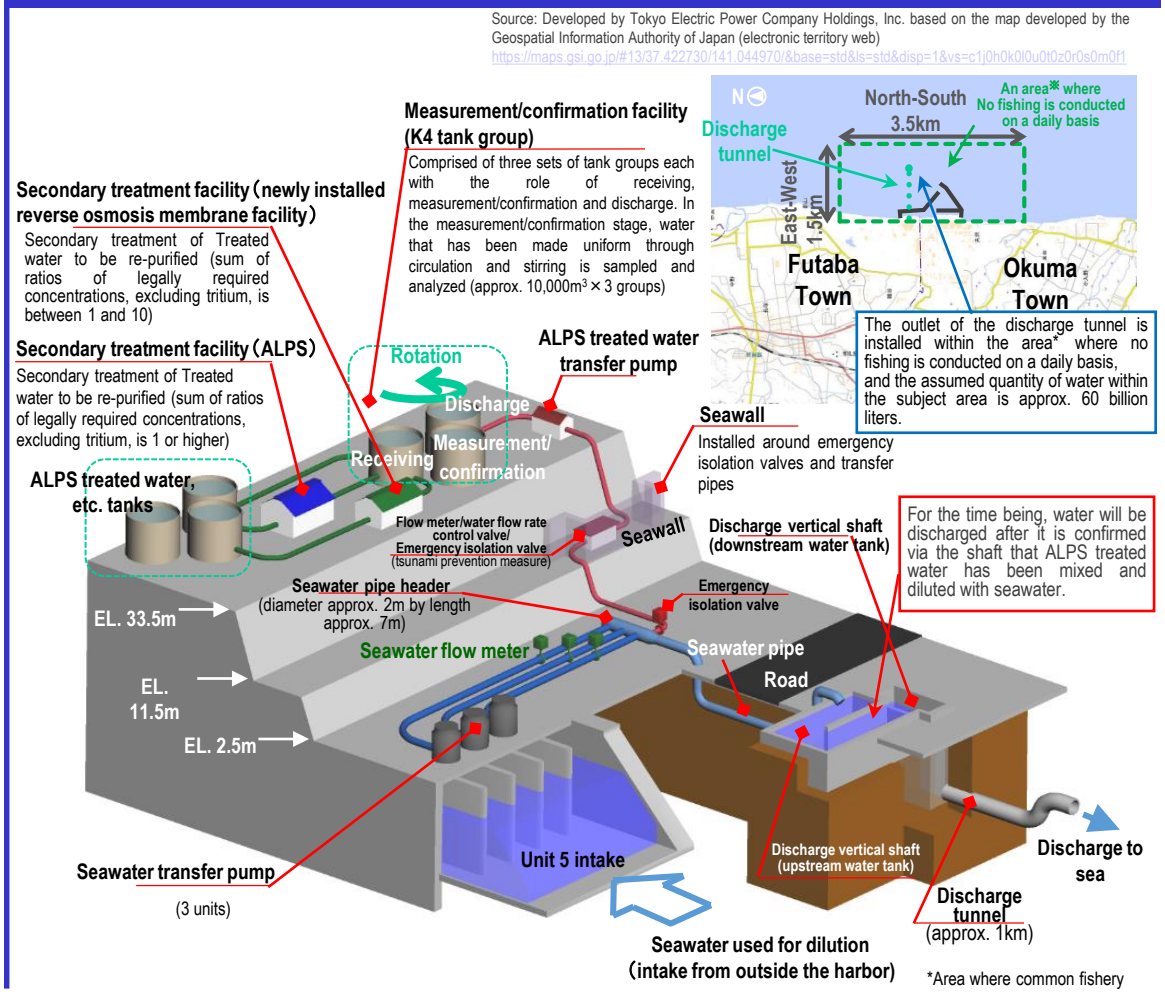
•*1 Water that has been purified and treated in ALPS until levels of radioactive materials excluding tritium is lower than the regulatory standard value for safety.
•*2 Includes any latent effects the ALPS treated water may have on the marine environment

TEPCO Holdings' Response Regarding the Handling of ALPS Treated Water – 2 Status of Review Regarding Design and Operation of Necessary Facilities and Plan

- ✓ In August 2021, we published where we stood at the time on our discussions on handling of ALPS treated water. In December of the same year, we submitted the Application for Approval to Change the Implementation Plan for the Fukushima Daiichi Nuclear Power Station Specified Nuclear Facilities based on the discussions to the NRA, which was approved on July 22, 2022. Construction according to the plan was started on August 4, 2022 and was completed on June 26, 2023. The NRA performed a pre-service inspection on the facilities from June 28 to 30, and issued a completion certificate on July 7.
- ✓ To initiate discharge around spring to summer of 2023 as set forth in the Basic Policy, we will proceed with the review by continuing to listen to opinions from people in the region and parties concerned carefully and reflecting them onto facility design and operations as appropriate.

Overview of facilities for securing safety

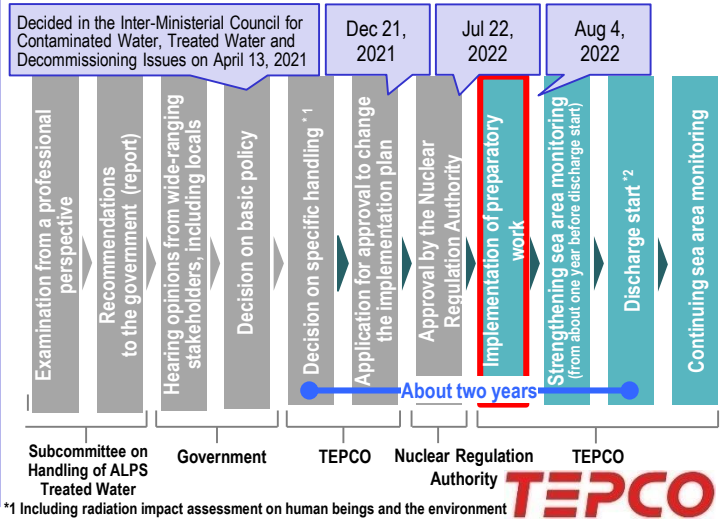
Source: Developed by Tokyo Electric Power Company Holdings, Inc. based on the map developed by the Geospatial Information Authority of Japan (electronic territory web)
https://maps.gsi.go.jp/#13/37.422730/141.044970/&base=std&ls=std&disp=1&vs=c1j0h0k0l0u0t0z0r0s0m0f1



Operation Method

- ✓ Ensure that radioactive materials other than tritium are purified before diluted discharge so that their concentration level sufficiently satisfies the regulatory standards. And ALPS treated water is diluted by more than 100 times with a large amount of seawater so that the concentration of tritium falls below the regulatory standards, and discharged through a discharge tunnel stretching 1 kilometer out to the sea.
- ✓ In the event of an abnormality, discharge will be stopped immediately by closing the emergency isolation valve and shutting down the pump.
- ✓ An assessment of the impact of radiation on people and the environment from ALPS treated water discharged into the sea based on the TEPCO's facility design and operation has found that impact would be minimal.

Plan

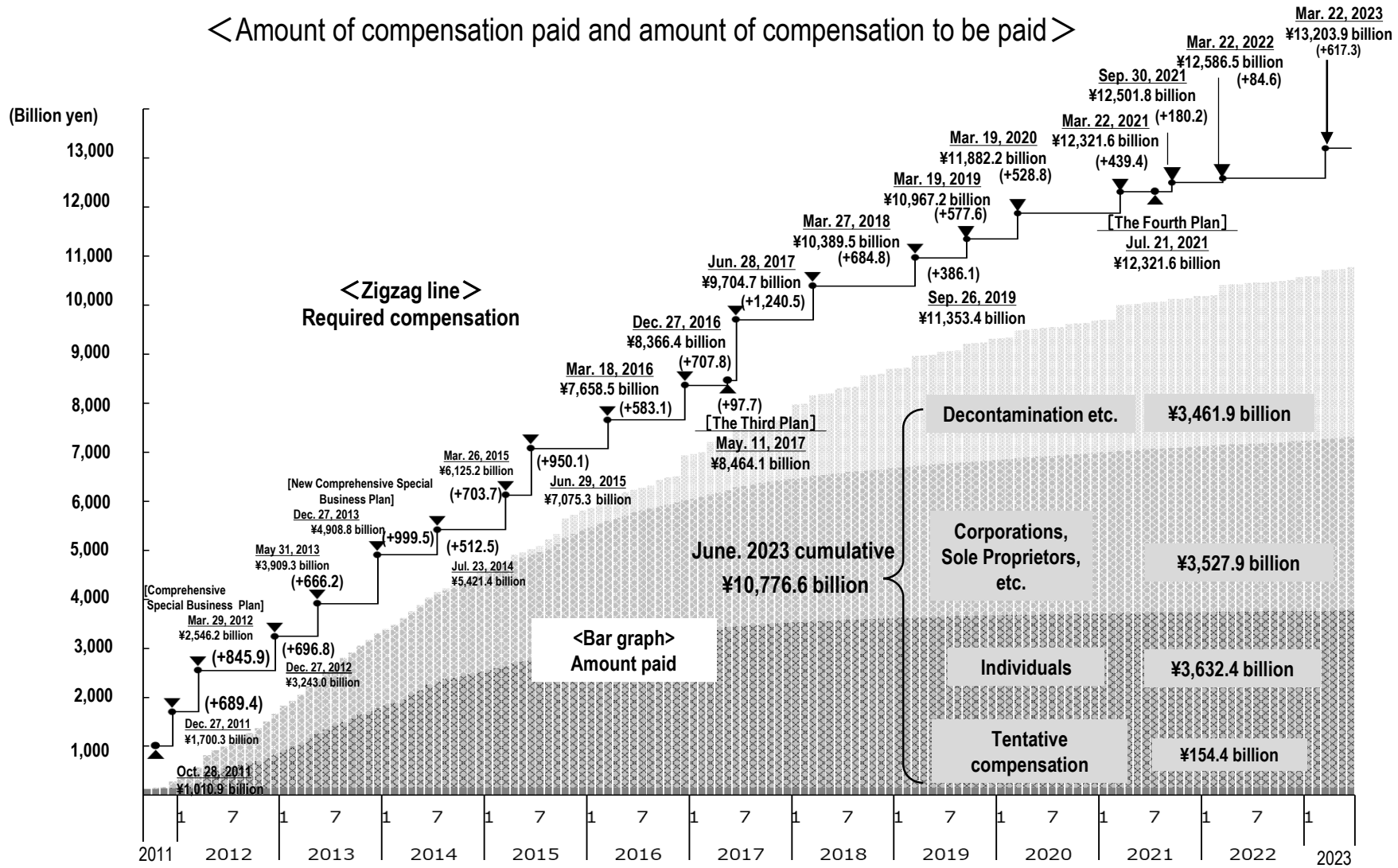


*1 Including radiation impact assessment on human beings and the environment
*2 Discharges into the sea will be conducted gradually during the initial phase

Efforts to compensate for nuclear damages

- ✓ The amount of damages paid as of the end of June 2023 was 10,776.6 billion yen.
- ✓ We started receiving applications for additional compensation based on the 5th Supplement to the Interim Guideline.

＜Amount of compensation paid and amount of compensation to be paid＞



Other Initiatives

Main Efforts to Increase Corporate Value -1

<TEPCO Holdings>

April 27,2023	Odakyu Electric Railway Co., Ltd., Idemitsu Kosan, Ltd. and TEPCO HD announced that they will be collaborating to realize regional decarbonization led by the Odakyu Group.
May 29,2023	Toyota Motor Corporation and TEPCO HD have jointly developed a stationary storage battery system that can be combined with existing PCS with the aim of addressing the demand and needs for electricity storage from both the price and the capacity sides in an expanding storage battery market. These two companies as well as Toyota Tsusho and Eurus Energy Holdings Corporation will start a demonstration testing in the fall of this year.
May 30,2023	J-Power, Chubu Electric Power Co., Ltd., Kawasaki Kisen Kaisha, Ltd., Albatross Technology and TEPCO HD signed a joint research contract for the small scale demonstration study on the sea for a next generational floating axis wind turbine—a next generational windmill that could be low cost and increase Japan's self-sufficiency rate for wind power technology.

<TEPCO Power Grid>

June 7,2023	Narashino-shi, Shizuoka University, Nagaoka University of Technology and TEPCO PG signed an Agreement on Research into Electrical Fire Prediction and Detection Using IoT Equipment in the Home to commercialize electrical fire prediction and detection technology, specifically the tracking phenomenon which is said to be cause of electrical fires.
June 23,2023	"Power Outage Information Notification Service" was launched. In this new service, power outage information from utilities is sent automatically to these companies that TEPCO PG collaborates with, and the companies deliver power outage information widely through websites, official LINE channels (messaging app similar to Whatsapp), and other apps.

Main Efforts to Increase Corporate Value -2

<TEPCO Energy Partner>

April 21,2023	Kawasaki-shi, Asahi Tanker, and TEPCO EP started the commercial operation of Akari, the second carbon free EV tanker in the world, to build a shipping infrastructure service and create a cyclical and sustainable society with a low environmental burden (started commercial operation in April 13, 2023).
May 29,2023	The Tokyo Electric Generation Company, Incorporated and TEPCO EP launched several carbon neutral initiatives that contribute to the local community at Gungin Oze Katashina Plant, a new hydropower plant built in Katashina-mura, Gunma prefecture. Initiatives include providing 100% renewable electricity using FIT non-fossil certificates with a tracking feature, fostering an awareness of the environment in the next generation by giving plant tours to local residents and schools, and revitalizing the area by becoming an infrastructure tourism spot for the Oze and Katashina area.
May 30,2023	Started receiving applications for the Tokutoku Gas Plan, a household city gas rate plan, on June 1, 2023. In addition to the existing service area in the Kanto, Kansai and Chubu regions, started supplying gas to the city gas distribution areas of Bushu Gas (Saitama prefecture), Daito Gas (Saitama prefecture) and Tobu Gas (Ibaraki prefecture).
June 1,2023	Received the METI Agency for Natural Resources and Energy Director General Award in the 2023 Demand Side Management, System division for our efforts to load leveling through the Toranomon Energy Network jointly established with Mori Buildings, Co., Ltd. and TEPCO EP.

<TEPCO Renewable Power>

June 30,2023	As the first geothermal project in which TEPCO RP will be investing and participating in, obtained 15% of the shares issued by Mitsui Oil Exploration Co., Ltd. for Oyasu Geothermal Co., Ltd., a company that is developing a geothermal plant in Yuzawa-shi, Akita prefecture.

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