

We consider environmental conservation critical to its business. We make steady efforts to protect the environment, together with local communities.

Tohoku Electric Power Group Environmental Policies

Basic Stance

Through our environment-friendly energy service, we work together with the local communities and our customers, aiming for a sustainable society where future children can live safely and in peace.

We strive to ensure a stable supply of energy that is compatible with environmental conservation and economic efficiency, with the premise of ensuring safety as a corporate group aligning with the local communities.

This is our mission, and it will not change in any way in the future.

We appreciate the earth and its bounty, and we respect the traditional values of the people of this region as they coexist with nature. We aim for sustainable growth along with the local communities and our customers. Through good and faithful communications with them, we seriously consider our commitment to environmental issues and take actions to achieve our goal.

Four Principles of Conduct

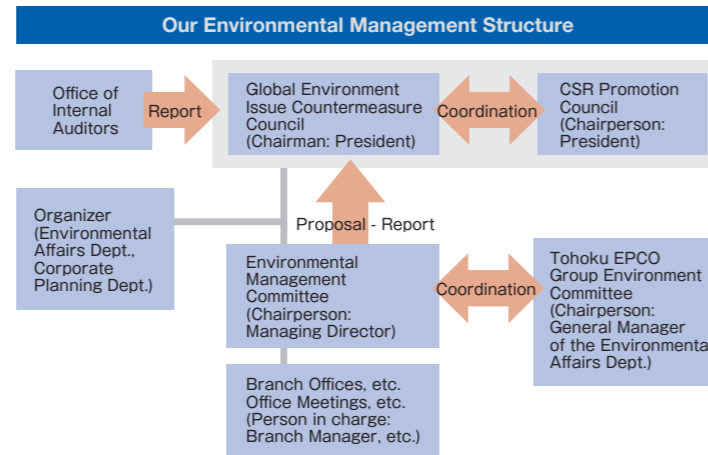
1. Appreciate the bounty of the earth and carefully use its limited resources
2. Minimize environmental impact
3. Protect and coexist with the rich natural environment
4. Think and act with the local communities and our customers

Our Environmental Management Structure

We pursue environmental management and continue to improve our efforts to protect the environment.

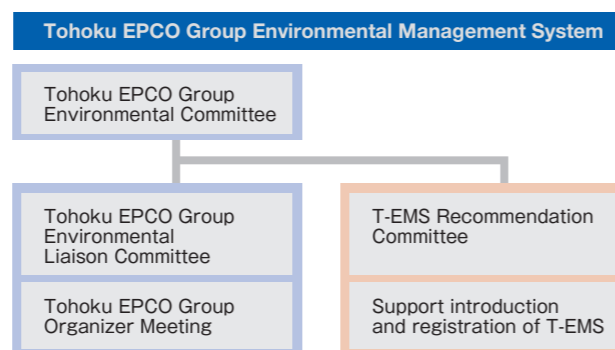
The Council for Global Environment Issue chaired by the president discusses company-wide environmental management across departments from a comprehensive perspective. The environmental management we pursue aims to achieve sustainable development with local communities.

Furthermore, the Environmental Management Committee has cross-departmental discussions about the company-wide policy and plans for environmental management, individual measures and performance evaluation, in order to make suggestions and reports to the Global Environment Issue Countermeasure Council



The 27 companies in our enterprise group set up the Tohoku EPCO Group Environmental Committee to develop group-wide policies and plans for environmental activities, and review and evaluate the Group's performance to continue improving our actions to protect the environment.

We also introduced the Tohoku EPCO Group Environmental Management System (T-EMS), which we developed as our own system to meet ISO 14001. We support the operation of T-EMS to pursue group-wide environmental management.

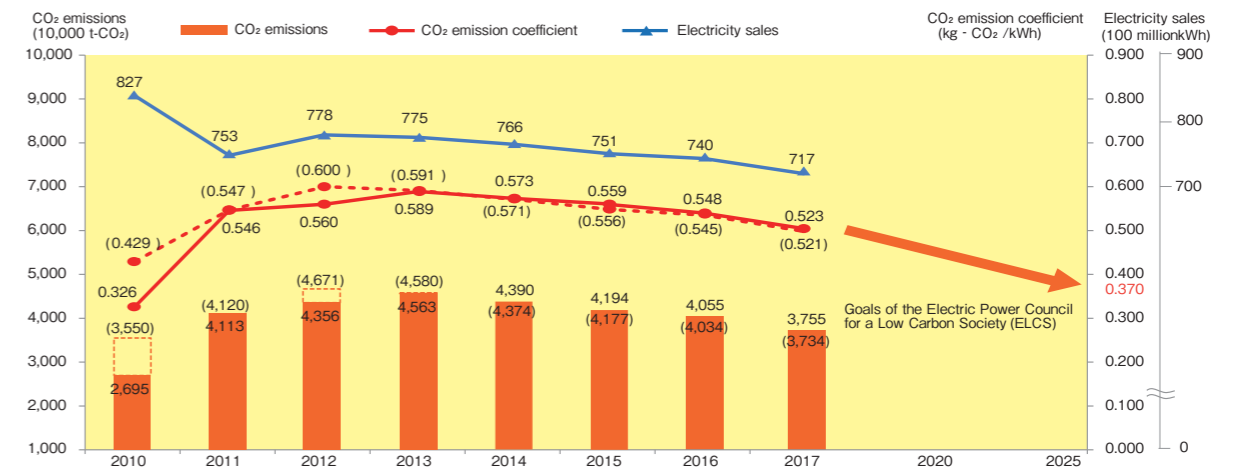


Greenhouse Gas Emission Control to Develop a Low-Carbon Society

We give safety the highest priority, and believe that achieving the following three goals at the same time is our mission as an energy business (S+3E): Energy security, Environmental conservation, Economy. Specifically, we are working to resume the operation of our nuclear power station as part of our efforts to help develop a low-carbon society, with safety as our top priority. We are also committed to harnessing renewable energy sources, enhancing the efficiency of thermal power generation, and maintaining the appropriate level of thermal efficiency. Moreover, we assist our customers with their courses of action to save energy and reduce CO2 emissions, in order to maximize our efforts to cut CO2 emissions on the parts of

suppliers and consumers.

Furthermore, as a member of the Electric Power Council for a Low Carbon Society, we pursue action to reach the goals set in the Action Plan for Low-Carbon Society, such as achieving a CO2 emission factor of around 0.37kg of CO2 / kWh in FY2030 throughout the electricity business. FY2017 saw electricity generated by thermal power decrease because the flow rate of water from dams increased and more renewable energy was put into use. Our CO2 emissions (as a retailer) dropped by 4.6% to 37,550,000 tons of CO2 from the previous year, and our CO2 emission factor decreased by 2.0% to 0.523 kg of CO2/kWh from the previous year.



We take advantage of the Tohoku region's rich natural environment to expand the use of renewable energy sources, and properly handle customers' requests for connection to our transmission lines. (See Pages 17, 18 and 21.) We have started working toward the verification test of a hydrogen energy system called the "Fukushima Hydrogen Energy Research Field" (FH2R), in collaboration with Toshiba Energy Systems and Solutions Corporation, and Iwatani Corporation, with the support of NEDO* in the town of Namie,

Fukushima Prefecture.

This system will have a 10,000 kW class hydrogen production facility with world largest electrolysis. We plan to start operating it for verification and transporting hydrogen by July 2020. We aim to help develop a CO2-free, hydrogen-driven society through this project.

*NEDO: New Energy and Industrial Technology Development Organization

