JERA

Corporate Profile

# Corporate Philosophy

## mission

Contribute to better the lives of people and bring greater vitality to economies and industries not only in Japan but also all over the world, through the globally competitive supply of power and energy

## vision

Establish a global energy company which is competitive worldwide

Realize a new business model which balances both "Origination" and "Optimization" in the energy chain

Establish a corporate culture that is agile, creative and always ready to take on new challenges

## values

In order to establish a new corporate culture, we will share as our core values agility, creativity, readiness for challenges, excellence, diversity, and fairness

## message

JERA Co., Inc. (“JERA”) was established on April 30, 2015 based on the comprehensive alliance entered into between Tokyo Electric Power Company (since renamed and referred to herein as “TEPCO”) and Chubu Electric Power Company (“Chubu”) encompassing the entire energy supply chain from upstream fuel investment and fuel procurement through power generation. In July 2016, JERA succeeded its parent companies’ fuel business and the overseas power generation business, and aims to become one of the world’s leading energy firms. The energy business is exposed to a large number of uncertainties, such as fluctuating fossil fuel prices and the impact of deregulation. To address these uncertainties, we will use our strengths, which include the scale of the businesses inherited from TEPCO and Chubu and our wide-ranging business domain that allows involvement in the entire supply chain. The roots that TEPCO and Chubu have cultivated up to this point will be the foundation upon which we further expand the size and realm of our business and pursue JERA’s mission, which is to make active contributions to ensure an internationally competitive supply of power and energy and to invigorate the standard of living, industry and economy in Japan and around the world.

Hendrik Gordenker
Chairman

Yuji Kakimi
President

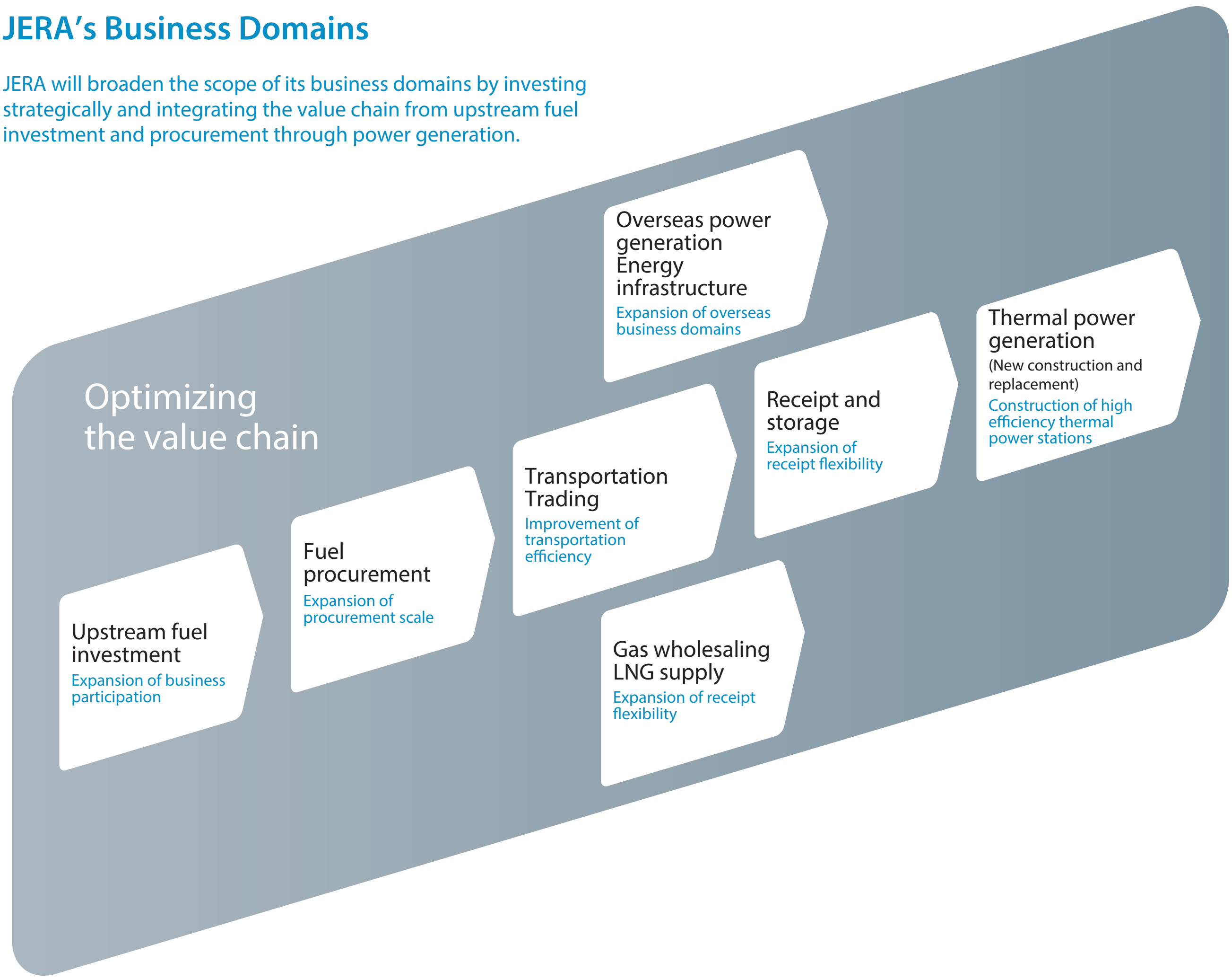
# Corporate Philosophy and Message

# Business Domains

**We will optimize the entire value chain to effectively create enhanced value on a global basis**

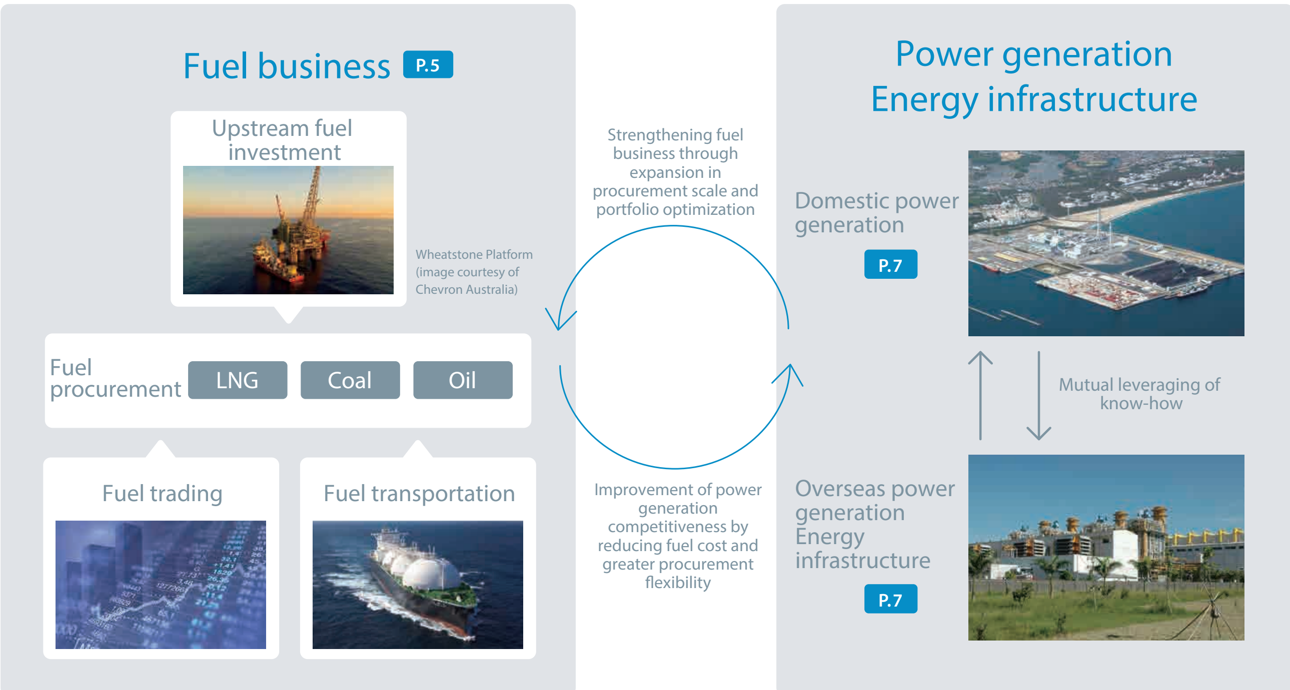
## JERA's Business Domains

JERA will broaden the scope of its business domains by investing strategically and integrating the value chain from upstream fuel investment and procurement through power generation.



## Synergy Effects

In conjunction with our fuel procurement, we will extend our upstream investments, trading, and transport functions to achieve reductions in fuel costs and the greater flexibility needed for competitiveness in the power generation market. This leads to growth which in turn positively reinforces the scale of fuel procurement, thereby creating a virtuous cycle.



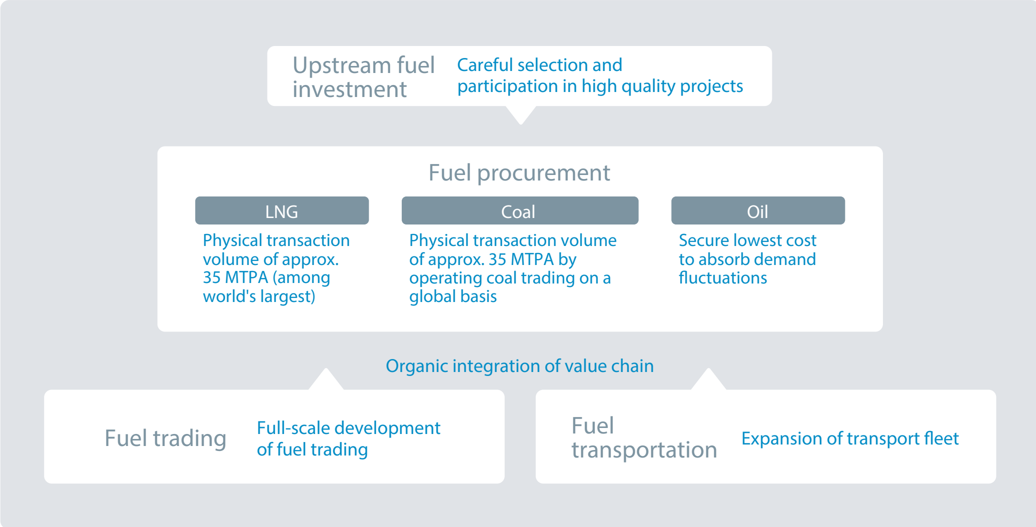

# Business Domains

# Fuel Business

**We will emerge as a global leader in the fuel market by achieving a robust fuel value chain from upstream to downstream underpinned by world top-class offtake volume.**

The key building blocks are in place: Strengthen the competitiveness of LNG procurement; pursue strategic investments in the upstream business; build a strong business framework capable of responding to changes in the business environment; consolidate and enhance LNG trading; and fully utilize our LNG transport fleet. Through such initiatives we will continue to lead the transformation of the LNG market.

## Fuel business




## Upstream investment

### Investing in steady forward-looking business development

In preparation for future LNG demand, we identify high-quality projects and pursue strategic investments, aimed at steady business development. This provides stable revenue and improves resilience against fluctuations in fossil fuel prices. Upstream LNG participation also enables expansion of our trading business.

Wheatstone Platform
(image courtesy of Chevron Australia)

## Procurement

### Enhancing competitiveness underpinned by world top-class offtake volume

Taking advantage of world top-class offtake volume enables procurement stability, economic efficiency and flexibility. A combination of highly flexible short-term /spot contracts and economically efficient /stable long-term contracts results in a strong procurement framework that can easily adapt to changes in the business environment.

## Trading

### Strengthening functions and consolidating organization to create new added value

While realizing well-timed and flexible procurement, we are also ramping up sales to third parties. JERA Trading is operating coal trading on a global basis. By early 2019, JERA Trading would become the exclusive LNG optimizer for JERA and EDF Group, managing their collective spot and short-term optimization activity in the LNG markets.

## Transportation

### Expansion of company's fleet for optimized transport

While securing LNG without destination restrictions, we are expanding our transport fleet to realize optimized operations. Investing in vessel ownership also provides stable revenue.

# Domestic / Overseas Power Generation Business

**Expanding our power generation domain globally.**
**Enhancing competitiveness while mitigating environmental burden.**

In the Japanese domestic power generation business, we are continuing the process of updating and replacing existing facilities utilizing latest technology.
In the overseas arena, we are actively gauging local needs and are implementing various business development projects utilizing our “energy full lineup”, which spans fuel supplies from projects that we invest in to power generation.

## Power generation and infrastructure business

**Domestic power generation**

The well-timed development of competitive power will enable us to maintain and further increase our competitiveness and position in the domestic market. The introduction of high-efficiency facilities contributes to the mitigation of the environmental burden.

Mutual leveraging of know-how

**Overseas power generation**
**Energy infrastructure**

Leveraging our full energy lineup provides advantages that differentiate us from competitors and will enable growth. Sophisticated technology developed for Japanese domestic utilities is also contributing to mitigate environmental burden overseas.

## Domestic power generation
### (New construction and replacement)

### The combination of existing infrastructure and new technology boosts competitiveness and mitigates the environmental burden

Competitive power sources will be selected in replacing the existing thermal power stations of TEPCO Fuel & Power, Inc. and Chubu and in constructing new power stations. Introduction of the latest high-efficiency equipment significantly mitigates the environmental burden.

## Overseas power generation

### Business development utilizing our "energy full lineup"

Utilizing our "energy full lineup", we are able to develop projects that span from fuel supplies from upstream projects that we participate in to power generation. We are applying our extensive experience and highly sophisticated thermal power technology to meet overseas needs. And in turn, the knowledge acquired through the construction and operation of overseas projects will benefit our domestic business and enhance competitiveness.

## U.K
- JERA Trading London Branch

## Netherlands
- JERA Power International B.V.
- Rietlanden Coal Terminal

## Oman
- Sur Gas Thermal IPP

## U.A.E.
- Umm Al Nar Gas Thermal IWPP

## India
- ReNew Power Wind and Solar Power IPP

## Qatar
- Ras Laffan B Gas Thermal IWPP
- Ras Laffan C Gas Thermal IWPP
- Mesaieed Gas Thermal IPP
- Facility D Gas Thermal IWPP

## Thailand
- JERA Power (Thailand) Co., Ltd.
- EGCO IPP
- Ratchaburi Gas Thermal IPP
- Cogeneration Project in Industrial Areas
- Rice Husk Biomass Power Generartion
- Wind Power IPP
- Solar Power IPP

## Vietnam
- Phu My Gas Thermal IPP

## Indonesia
- Paiton Coal Thermal IPP
- Cirebon Coal Thermal IPP

## Australia
- JERA Australia Pty Ltd
- Darwin LNG
- Gorgon LNG
- Wheatstone LNG
- Ichthys LNG

# JERA's Global Network

(as of July 2018)

## Canada

- Goreway Gas Thermal IPP

## U.S

- JERA Americas Inc.
- JERA Energy America LLC
- Tenaska Gas Thermal IPP
- Carroll County Gas Thermal IPP
- Cricket Valley Gas Thermal IPP
- Linden Gas Thermal IPP
- Freeport LNG

## Japan

- JERA Co., Inc.
- LNG Marine Transport Co., Ltd.
- Hitachinaka Generation Co., Inc.

## Taiwan

- Chang Bin, Fong Der, and Star Buck Gas Thermal IPP

## Philippines

- TeaM Energy IPP

## Mexico

- Valladolid Gas Thermal IPP
- Falcon Gas Thermal IPP

## Singapore

- JERA Trading Pte. Ltd.
- JERA Energy Development Asia Pte. Ltd.

Background

## Background

| | |
|---|---|
| October 7, 2014 | TEPCO and Chubu conclude a memorandum of understanding to enter into negotiations on a comprehensive alliance. |
| February 9, 2015 | Both companies conclude a joint-venture agreement on forming a joint venture to implement a comprehensive alliance covering the entire supply chain from upstream fuel investment and fuel procurement through power, and agree the road map for the joint venture's formation. |
| April 30, 2015 | JERA established, assumes responsibility for new business development. |
| October 1, 2015 | JERA succeeds to parent companies' existing fuel transportation and fuel trading businesses. |
| July 1, 2016 | JERA succeeds to parent companies' existing fuel and overseas power businesses including upstream assets; sales and purchase agreements; and overseas power generation and energy infrastructure businesses. |

TEPCO CHUBU Electric Power jera

Energy for a New Era

## JERA—What's in a name?

From Japan to the world
JAPAN'S ENERGY FOR A NEW ERA

By combining the strengths of the Tokyo Electric Power Group and the Chubu Electric Power Group, JERA can fulfill the public interest of providing internationally competitive energy to Japan while ensuring a strong position on the increasingly competitive international energy market. A new era of energy is about to begin.
JERA Co., Inc. will maximize corporate value through a stable supply of energy on an internationally competitive basis.

## What's in a logo?

Harmonious Society

The concept of contributing to a clean and harmonious society through a new energy business model is expressed in the soft and rounded lower-case lettering of the logo. It evokes a personal and close involvement with the daily life of consumers.
The letters "J" and "R", "E" and "A" occupy the same rectangular shape, standing out in reverse from the background, and evoking the circulation of borderless energy in society.

Corporate Profile

## Corporate Profile

| | |
|---|---|
| Trading Name | JERA Co., Inc. |
| Headquarters | Tokyo Nihonbashi Tower 14th floor, 2-7-1 Nihonbashi, Chuo-ku, Tokyo<br>Tel: +81-(0)3-3272-4631 |
| Establishment | April 30, 2015 |
| Paid in Capital | JPY 5 billion |
| Shareholding Ratio | TEPCO Fuel & Power, Inc. 50%<br>Chubu Electric Power Co., Inc. 50% |
| Business Description | Upstream fuel investment<br>Fuel procurement<br>Fuel transportation<br>Fuel trading<br>Replacement and construction of domestic thermal power plants<br>Overseas power generation and energy infrastructure |
| Number of Employees | 307 (consolidated 703)<br>As of end of March 2018 |

Directors & Officers

## Directors & Officers

| | | | |
|---|---|---|---|
| Chairman | Hendrik Gordenker | Corporate Auditors | Koji Nishimura |
| President | Yuji Kakimi | | Hiroshi Ito |
| Managing Director | Yukio Kani | Senior Executive Vice President | Sunao Nakamura |
| | Tatsunori Miwada | | Toshiro Kudama |
| Director (non-executive) | Toshihiro Sano | | Hiroki Sato |
| | Satoshi Onoda | | Masahiro Takizawa |

Group Companies

## Main Subsidiaries and Business Domains

| | |
|---|---|
| LNG Marine Transport Co., Ltd. [Japan] | Maritime LNG transportation |
| Hitachinaka Generation Co., Inc. [Japan] | Thermal power station operation/ maintenance and power sales |
| JERA Trading Pte. Ltd. [Singapore] | Coal trading |
| JERA Energy Development Asia Pte. Ltd. [Singapore] | Project development in energy related fields of business in Asia |
| JERA Power (Thailand) Co., Ltd. [Thailand] | Power generation operation/maintenance and engineering services in Thailand |
| JERA Power International B.V. [Netherlands] | Investment in overseas business |
| JERA Australia Pty Ltd [Australia] | Gas resource development and LNG production in Australia |
| JERA Americas Inc. [USA] | Managing Power and Fuel related business in Americas |
| JERA Energy America LLC [USA] | Exporting US LNG from Freeport Project |

Organization

## Company Organization (as of July 2018)

- Chairman
- President
- Corporate Auditors

- **Corporate Strategy Department** — Formulating a business strategy that will achieve synergies in business development and optimization, supported by functional capabilities
  - Planning Group — Formulating mid- to long-term overall strategy, business plan and organization design, and conducting investment management and research
  - Information and Communication Technology Group — Developing ICT structure and providing ICT systems
  - Strategic Legal Section — Providing business legal affairs function, and implementing regulatory compliance
  - O&M Integration Section — Formulating business management plan in the area of O&M business
  - Globalization Section — Establishing a long-term foundation and framework for global business
- **Finance, Accounting, Public Relations and IR Department** — Formulating strategy and providing functions in the areas of finance, accounting, public relations and IR
- **Human Resources Department** — Providing human resources function
- **General Affairs Department** — Corporate social responsibility, crisis management and providing general affairs, purchasing and internal audit functions
- **Power Generation Business Department** — Formulating an asset portfolio strategy regarding domestic and overseas IPP projects, supporting the development, operation and management of power-generating facilities, and providing overseas consulting
  - Energy Infrastructure Group — Developing and promoting new domestic and overseas IPP businesses and energy infrastructure, as well as providing management support and business operation management for existing domestic and overseas power generation companies
- **Energy Transactions and Projects Department** — Developing upstream fuel businesses, and conducting fuel sales and procurement, fuel transport, and fuel business in general
  - Energy Transactions Management Group — Developing and managing strategy regarding LNG portfolio structure
  - Energy Solution Strategy Group — Market analysis, developing strategy on power and gas sales
  - Energy Solution Sales Section — Managing power and gas sale contracts
  - Optimization Group — Developing and managing risk management and optimization business, and planning and implementation of optimization
  - LNG Transactions Group — Fuel procurement and sales operations, and related contract management
  - Value Chain Business Development Group — Developing and managing value chain business including upstream fuel businesses and fuel transport

Energy for a New Era ——

Sixth Edition Published in July 2018

JERA Co., Inc.

Tokyo Nihonbashi Tower 14th floor, 2-7-1 Nihonbashi, Chuo-ku, Tokyo
Tel: +81(0)3-3272-4631 Fax: +81(0)3-3272-4635
www.jera.co.jp