



Decision on Debt Guarantee for Hokkaido Electric Power Company, Incorporated

March 31, 2026

GX Acceleration Agency has decided to provide financial support to Hokkaido Electric Power Company, Incorporated. The company aims to achieve carbon neutrality by 2050, and this project is expected to enhance industrial competitiveness through decarbonization in the Hokkaido region.

GX Acceleration Agency (GXA) has decided to provide a debt guarantee for loans provided to Hokkaido Electric Power Company, Incorporated (Hokkaido Electric Power) by Mizuho Bank, Development Bank of Japan, Sumitomo Mitsui Banking Corporation, and MUFG Bank.

This guarantee supports the financing of investments in decarbonized power sources, including nuclear and hydroelectric power generation, with the aim of Hokkaido Electric Power to achieve carbon neutrality. It will contribute to a stable supply of decarbonized electricity in the Hokkaido region, as well as to the progress of GX/DX-related projects across various regions.

This project is also based on the Hokkaido Electric Power Green/Transition Finance Framework, and falls under Category 3 of the GXA's Debt Guarantee Program: Debt guarantee for corporates raising funds through Transition Finance'.

1. Outline of the company

- 1) **Company Name:** Hokkaido Electric Power Co., Inc.
- 2) **Headquarters:** 2, Higashi 1-chome, Odori, Chuo-ku, Sapporo, Hokkaido
- 3) **Representative:** President and Director, Susumu Saito
- 4) **Established Year:** May 1, 1951
- 5) **Main Business:** Electric utility business

2. Policy Significance in Alignment with GX Policy

1) CO₂ emission reduction

- Around 40% of Japan's total CO₂ emissions come from the energy transformation sector (power generation and heat supply), which are then allocated to various downstream industries. Consequently, reducing emissions from power generation significantly helps the overall reduction of CO₂ across domestic industries.
- In its 'HEPCO Group Management Vision 2035' announced on March 26, 2025, the Group has set a target to reduce CO₂ emissions across its entire supply chain (Scopes 1, 2, and 3) by 46% by FY2030 and 60% by FY2035, compared to FY2013 levels.
- By promoting the decarbonization of thermal power sources through this support, substantial CO₂ reductions are anticipated for both Hokkaido Electric Power and businesses within the region.
- Furthermore, by supporting the steady execution of planned



decarbonization investments, this measure is expected to facilitate further future initiatives and contribute significantly to achieving carbon neutrality by 2050.

2) Industrial Competitiveness and Economic Growth

- The power sources are expected to meet rising electricity demand in the Hokkaido region, including that of newly constructed or planned data centers and semiconductor factories.
- It is anticipated that a stable supply of decarbonized electricity to these consumers will enhance industrial competitiveness and promote DX, in coordination with GX and DX-related policies.
- In the 7th Strategic Energy Plan, the Government of Japan outlined its vision for the FY2040 energy mix, projecting that renewable energy will account for approximately 40-50% of total power generation, with nuclear power accounting for around 20%.
- This measure is expected to contribute to energy self-sufficiency and strengthening Japan's energy security by decarbonizing power plants.

3. Overview of Debt guarantee

- 1) **Guarantee Amount:** Approx. 53 billion yen
- 2) **Participating Banks:**
Mizuho Bank, Development Bank of Japan, Sumitomo Mitsui Banking Corporation, MUFG Bank
- 3) **Guarantee Type:** Type 3 (Debt guarantee for corporates raising funds through Transition Finance)

GXA will continue to actively support companies that accelerate GX projects, aiming to catalyze over 150 trillion yen in investment through strategic public-private partnerships.

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