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(Translation)

(Securities Code: 9504)

June 5, 2025

(Date of Commencement of Electronic Provision Measures: May 26, 2025)

To our shareholders:

Ashitani Shigeru  
Representative Director, Chairperson of the Board  
**The Chugoku Electric Power Company,  
Incorporated**  
4-33 Komachi, Naka-ku, Hiroshima City,  
Hiroshima

## Convocation Notice of the 101st Annual General Meeting of Shareholders

You are cordially notified of the 101st Annual General Meeting of Shareholders of The Chugoku Electric Power Company, Incorporated (the “Company”), which will be held as indicated below.

In convening this General Meeting of Shareholders, the Company provides information contained in the reference materials, etc. for the general meeting of shareholders electronically (“matters to be provided electronically”), which is posted on each of the following websites on the Internet. Please access either of those websites to confirm the available information.

[Company’s website]

<https://www.energia.co.jp/ir/irkabushiki/soukai.html> (in Japanese)

[Website for posted informational materials for the general meeting of shareholders]

<https://d.sokai.jp/9504/teiji/> (in Japanese)

If you will not be attending the General Meeting, you are encouraged to make use of exercising your voting rights beforehand via the enclosed Form for Exercising Voting Right or via the internet, etc.

For exercising your voting rights beforehand, please review the “Reference Materials for General Meeting of Shareholders” and **exercise your voting rights before 5:20 p.m. on Wednesday, June 25, 2025.**

1. **Date and Time:** Thursday, June 26, 2025, at 10:00 a.m. (JST)
2. **Venue:** Head Office of the Company  
4-33 Komachi, Naka-ku, Hiroshima City, Hiroshima

3. **Purpose of the Meeting:**

**Matters to be reported:**

Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements for the fiscal year 2024 (from April 1, 2024 to March 31, 2025), and audit report of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee

**Matters to be resolved:**

**<Proposals by the Company (Resolutions No. 1 - No. 2)>**

**Resolution No. 1:** Dividends of Surplus

**Resolution No. 2:** Election of 9 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**<Proposals by the Shareholder (Resolutions No. 3 - No. 8)>**

**Resolution No. 3:** Partial Amendments to the Articles of Incorporation (1)

**Resolution No. 4:** Partial Amendments to the Articles of Incorporation (2)

**Resolution No. 5:** Partial Amendments to the Articles of Incorporation (3)

**Resolution No. 6:** Partial Amendments to the Articles of Incorporation (4)

**Resolution No. 7:** Election of 2 Outside Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**Resolution No. 8:** Dividends of Surplus

The Board of Directors is opposed to all of the Resolutions No. 3 - No. 8.
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Particulars of the Resolutions described above are as stated in the Reference Materials for General Meeting of Shareholders described in the matters to be provided electronically.

- If any changes are made to the matters to be provided electronically, a statement to that effect and the matters before and after the change shall be posted on each of the websites described on the previous page.

## Reference Materials for General Meeting of Shareholders

### Resolutions and Reference Information

#### <Proposals by the Company (Resolutions No. 1 - No. 2)>

**Resolutions No. 1 and No. 2 were proposed by the Company.**

#### **Resolution No. 1: Dividends of Surplus**

The Company's policy regarding profit distribution to shareholders was to set the dividend payout ratio of 10% until the consolidated equity ratio was recovered to 15% in performance, assigning top priority to the recovering and strengthening of its financial base.

In addition, if the consolidated equity ratio exceeds 15% at the end of the fiscal year 2024 (the fiscal year ended March 31, 2025), the dividend policy is set to be revised from the fiscal year 2025, and as for the fiscal year ended March 31, 2025, the dividend was to set to be distributed based on the policy before revised.

In light of the above policy and the business results, the Company proposes to pay a year-end dividend of ¥22 per share for the fiscal year ended March 31, 2025. Accordingly, together with the interim dividend paid in November last year, the annual dividend for the fiscal year ended March 31, 2025 will be ¥27 per share.

Furthermore, the Company will set aside an amount as a general reserve as follows to contribute to strengthening its business base.

#### **1. Matters regarding year-end dividends**

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and total amount thereof  
¥22 per share of the Company  
Total amount: ¥7,930,858,342
- (3) Effective date of year-end dividends of surplus  
June 27, 2025

#### **2. Other appropriation of surplus**

- (1) Item of surplus to be increased and amount of increase  
General reserve: ¥73,000,000,000
- (2) Item of surplus to be decreased and amount of decrease  
Retained earnings brought forward: ¥73,000,000,000

## Reference Materials for Dividend Policy for the Fiscal Year 2025 and beyond

As of the end of the fiscal year ended March 31, 2025, the consolidated equity ratio has exceeded 15%. The dividend policy has therefore been revised from the fiscal year 2025.

A large amount of investment will be required for Shimane Nuclear Power Station Unit 3 and the replacement of Yanai Power Plant Unit 2, both of which are essential for the stable supply of electricity, decarbonization, and management stability in the future. In light of the fact that we will continue to prioritize the recovery and strengthening of our financial base, we have decided to pay dividends as follows.

Through these efforts, the Company will strive to enhance the corporate value of the Group for the future and to meet the expectations of its shareholders.

[Dividend policy for the fiscal year 2025 and beyond]

- Taking into consideration the Company's current financial situation and the risk of future fluctuations in business performance, the Company will continue to pay dividends based on performance in accordance with its dividend payout ratio.
- Regarding the level of the Company's dividend payout ratio, the Company is still in the process of restoring its financial base and will therefore aim for a basic dividend payout ratio of 12%.
- Going forward, the Company will strive to pay an annual dividend of at least ¥10 per share, assuming it keeps increasing management stability.
- Based on the above policies, the Company will pay dividends following the standard of dividend according to the profit attributable to owners of the parent.
- However, in the event that profit attributable to owners of the parent fluctuates significantly due to extraordinary gains or losses or other special factors, dividend will be set in light of the impact of such fluctuations without relying on the standard of dividend.
- The Company will consider revising this dividend policy when the consolidated equity ratio is expected to return to 20%.

[Standard of dividend]

Profit attributable to owners of the parent (Billions of yen)			Annual dividend per share (Yen)
	to	less than 33.0	10
From 33.0	to	less than 36.0	11
As follows, the annual dividend per share will increase by ¥1 for every ¥3.0 billion increase in profit attributable to owners of the parent			
From 36.0	to	less than 39.0	12
	⋮		⋮
From 45.0	to	less than 48.0	15
	⋮		⋮
From 60.0	to	less than 63.0	20
	⋮		⋮
From 75.0	to	less than 78.0	25
	⋮		⋮
From 90.0	to	less than 93.0	30
	⋮		⋮
From 105.0	to	less than 108.0	35
	⋮		⋮
From 120.0	to	less than 123.0	40
	⋮		⋮
From 135.0	to	less than 138.0	45
	⋮		⋮

Note: Dividend will be determined based on the above standard even when profit attributable to owners of the parent is equal to or exceeds ¥138.0 billion.

## Resolution No. 2: Election of 9 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this general meeting of shareholders, the terms of office of all 9 Directors excluding Directors who are Audit and Supervisory Committee Members will expire. Accordingly, in order to further enhance the effectiveness of the Board of Directors, the Company has decided to decrease the number of internal Directors by one and to increase the number of Outside Directors by one, and proposes the election of 9 Directors excluding Directors who are Audit and Supervisory Committee Members.



Matters with respect to this resolution have been appropriately determined by the Board of Directors based on the deliberations carried out in the meeting of the Nominating Committee (Committee Chair: Outside Director) a majority of which consists of 5 Outside Directors including 3 Audit and Supervisory Committee Members, and accordingly, the Audit and Supervisory Committee has furnished its opinion that no particular issues have been identified in that regard.



Candidates for Directors excluding Directors who are Audit and Supervisory Committee Members are as follows:

Candidate No.	Name	Gender	Current position in the Company
1	Ashitani Shigeru <span>Reelection</span>	<span>Male</span>	Representative Director, Chairperson of the Board
2	Nakagawa Kengo <span>Reelection</span>	<span>Male</span>	Representative Director, President & Chief Executive Officer
3	Kitano Tatsuo <span>Reelection</span>	<span>Male</span>	Representative Director, Vice President & Senior Managing Executive Officer
4	Minamoto Kyosuke <span>Reelection</span>	<span>Male</span>	Managing Executive Officer, Member of the Board
5	Sotobayashi Hiroko <span>Reelection</span>	<span>Female</span>	Managing Executive Officer, Member of the Board
6	Nakamura Kimitoshi <span>New election</span>	<span>Male</span>	Managing Executive Officer
7	Shobuda Kiyotaka <span>Reelection</span> <span>Outside</span> <span>Independent</span>	<span>Male</span>	Outside Director
8	Tanaka Hiroki <span>New election</span> <span>Outside</span> <span>Independent</span>	<span>Male</span>	
9	Okajima Rena <span>New election</span> <span>Outside</span> <span>Independent</span>	<span>Female</span>	



Outside : Candidate for Outside Director Independent : Candidate for Independent Director

- Notes: 1. There are no special interests between each candidate and the Company.
2. The Company has entered into a directors and officers liability insurance policy, under which Directors, etc. are insured, as provided for in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The insurance policy will cover compensation for damages and legal costs, etc. incurred by the insured party arising from claims for damages made against it as a result of the insured party's action (including inaction) in the capacity of Director, etc. of the Company.
- If the election of each of the candidates for Director is approved and adopted at this general meeting of shareholders, and each of the candidates assumes the office of Director, they will be insured by such insurance policy. The Company plans to renew such insurance policy under the above contents during their terms of office.

Candidate No. <b>1</b>	<b>Ashitani Shigeru</b> (April 7, 1956)	Reelection	Number of the Company's shares owned 33,600 shares
	<div>[Career summary, position and responsibility]</div> <div>Apr. 1979      Joined the Company</div> <div>June 2017      Managing Executive Officer, Member of the Board &amp; Deputy Chief Operating Officer of Power Generation Div.</div> <div>June 2018      Managing Executive Officer, Member of the Board &amp; Deputy Chief Operating Officer of Power Generation Div. &amp; Chief Operating Officer of International Business Div.</div> <div>June 2020      Representative Director, Vice President &amp; Senior Managing Executive Officer &amp; Chief Operating Officer of Power Generation Div. and Information System &amp; Telecommunications Div.</div> <div>June 2022      Representative Director, Vice President &amp; Senior Managing Executive Officer &amp; Chief Operating Officer of Power Generation Div.</div> <div>June 2023      Representative Director, Chairperson of the Board (to the present)</div> <div>[Significant concurrent positions outside the Company] Chairman of Chugoku Economic Federation</div>		
<div>[Reasons for nomination as candidate for Director]</div> <div>Ashitani Shigeru has been overseeing the supervision of business execution, drawing on his business experience, including enhancement of the competitiveness of the Company's power generation, and his extensive knowledge related to overall management from an appropriate perspective. The Company has nominated him as a candidate on the basis of expectations that he will improve the Company's governance and contribute to heightening its corporate value, including organizational climate reform.</div>			
Candidate No. <b>2</b>	<b>Nakagawa Kengo</b> (June 29, 1961)	Reelection	Number of the Company's shares owned 31,206 shares
	<div>[Career summary, position and responsibility]</div> <div>Apr. 1985      Joined the Company</div> <div>June 2020      Executive Officer &amp; Chief Operating Officer of Supply &amp; Trading Div.</div> <div>June 2021      Managing Executive Officer &amp; Chief Operating Officer of Supply &amp; Trading Div.</div> <div>June 2023      Representative Director, President &amp; Chief Executive Officer</div> <div>Apr. 2024      Representative Director, President &amp; Chief Executive Officer &amp; Chief Operating Officer of Power Balancing Optimization Project</div> <div>Oct. 2024      Representative Director, President &amp; Chief Executive Officer (to the present)</div>		
<div>[Reasons for nomination as candidate for Director]</div> <div>Nakagawa Kengo has been overseeing the execution of business operations as President &amp; Chief Executive Officer, drawing on his flexible ideas in addition to his extensive knowledge related to overall management. Furthermore, he has steadily advanced initiatives under his strong leadership to strengthen the profitability of the Comprehensive Energy Business and other businesses. Accordingly, the Company has nominated him as a candidate on the basis of expectations that he will adequately run operations through leading the Company with an enterprising and daring spirit.</div>			


Candidate No. <div>3</div>	<div><b>Kitano Tatsuo</b> (February 5, 1958)</div>	<div>Reelection</div>	<div>Number of the Company's shares owned 36,200 shares</div>
	<div>[Career summary, position and responsibility]</div> <div><div>Apr. 1983</div><div>Joined the Company</div></div> <div><div>June 2020</div><div>Managing Executive Officer, Member of the Board &amp; Deputy Chief Operating Officer of Power Generation Div. &amp; General Manager of Shimane Nuclear Power Headquarters</div></div> <div><div>June 2023</div><div>Representative Director, Vice President &amp; Senior Managing Executive Officer &amp; Chief Operating Officer of Power Generation Div.</div></div> <div>(to the present)</div>		
<div>[Reasons for nomination as candidate for Director]</div> <div>Kitano Tatsuo has excellent expertise based on extensive work experience and knowledge in the nuclear field and successfully achieved the resumption of operation of Unit 2 of the Shimane Nuclear Power Station. He has also achieved results by overseeing the management of and enhancing understanding towards the operation of Unit 3 of the Shimane Nuclear Power Station, etc. The Company has nominated him as a candidate on the basis of expectations that he will ensure steady business operations with calm and strong execution capabilities amid significant changes in the business environment.</div>			
Candidate No. <div>4</div>	<div><b>Minamoto Kyosuke</b> (November 15, 1959)</div>	<div>Reelection</div>	<div>Number of the Company's shares owned 19,800 shares</div>
	<div>[Career summary, position and responsibility]</div> <div><div>Apr. 1982</div><div>Joined the Company</div></div> <div><div>June 2020</div><div>Managing Executive Officer &amp; Chief Operating Officer of Regional Relations Div.</div></div> <div><div>June 2023</div><div>Managing Executive Officer, Member of the Board &amp; Chief Operating Officer of Regional Relations Div.</div></div> <div><div>Apr. 2024</div><div>Managing Executive Officer, Member of the Board &amp; Chief Operating Officer of Profitability Reinforcement Project and Regional Relations Div.</div></div> <div><div>Oct. 2024</div><div>Managing Executive Officer, Member of the Board &amp; Chief Operating Officer of Regional Relations Div.</div></div> <div>(to the present)</div>		
<div>[Reasons for nomination as candidate for Director]</div> <div>Minamoto Kyosuke has long engaged in corporate legal affairs and has extensive experience and knowledge. He has been playing a core role in obtaining the trust from local communities and contributing to community development, etc. as Chief Operating Officer of Regional Relations Div. More recently, he has served as Chief Operating Officer of Profitability Reinforcement Project, working on key issues to improve the profitability of the electricity retail business. The Company has nominated him as a candidate on the basis of expectations that he will appropriately run operations, leveraging his excellent dynamics, and with his ability to make judgments from a broad perspective and legal mindset.</div>			




Candidate No. <b>5</b>	<b>Sotobayashi Hiroko</b> (July 24, 1960)	Reelection	Number of the Company's shares owned 13,500 shares
	<p>[Career summary, position and responsibility]</p> <p>Apr. 2004                      Joined the Company</p> <p>June 2020                    Executive Officer &amp; General Manager of Corporate Planning Div. (Group Management)</p> <p>June 2023                    Managing Executive Officer &amp; General Manager of Corporate Planning Div. (Group Management)</p> <p>Feb. 2024                    Managing Executive Officer &amp; Chief Operating Officer of Internal Audit Div.</p> <p>June 2024                    Managing Executive Officer, Member of the Board, Supervisor of Female Empowerment &amp; Chief Operating Officer of Internal Audit Div.</p> <p style="text-align: right;">(to the present)</p>		
<p>[Reasons for nomination as candidate for Director]</p> <p>Sotobayashi Hiroko has long been involved in group governance and project investment evaluation, and has been playing a leading role in efforts to enhance the sophistication of internal audits as Chief Operating Officer of the Internal Audit Division. More recently, she has also demonstrated strong leadership as Supervisor of Female Empowerment. The Company has nominated her as a candidate on the basis of expectations that she will appropriately run operations, leveraging her multifaceted and highly responsive thinking and analytical skills, and that she will further contribute to enhancing corporate value.</p>			
Candidate No. <b>6</b>	<b>Nakamura Kimitoshi</b> (November 29, 1960)	New election	Number of the Company's shares owned 16,600 shares
	<p>[Career summary, position and responsibility]</p> <p>Apr. 1983                    Joined the Company</p> <p>June 2019                    Executive Officer &amp; General Manager of Corporate Finance and Procurement Div. (Accounting)</p> <p>June 2022                    Managing Executive Officer &amp; General Manager of Corporate Finance and Procurement Div. (Accounting)</p> <p>June 2024                    Managing Executive Officer &amp; Chief Operating Officer of Corporate Planning Div.</p> <p style="text-align: right;">(to the present)</p>		
<p>[Reasons for nomination as candidate for Director]</p> <p>Nakamura Kimitoshi has contributed to development of financial planning and other related activities, such as efficient fundraising in the Accounting Division, and more recently has been playing a leading role in shaping the Company's management policy as Chief Operating Officer of the Corporate Planning Division. The Company has nominated him as a new candidate on the basis of expectations that he will further contribute to enhancing corporate value by leveraging his excellent insight and precise analytical skills, which have been cultivated through his extensive work experience amid significant changes in the business environment.</p>			

Candidate No. <b>7</b>	<b>Shobuda Kiyotaka</b> (April 11, 1959)	Reelection	Outside	Independent	Number of the Company's shares owned 1,900 shares
<div>  <div> <p>[Career summary, position and responsibility]</p> <p>June 2016      Director, Senior Managing Executive Officer of Mazda Motor Corporation Oversight of Quality, Brand Enhancement, Production and Business Logistics</p> <p>Apr. 2017      Director, Senior Managing Executive Officer of Mazda Motor Corporation Oversight of Quality, Brand Enhancement, Purchasing, Production and Business Logistics</p> <p>June 2021      Representative Director and Chairman of the Board of Mazda Motor Corporation (to the present)</p> <p>June 2023      Outside Director of the Company (to the present)</p> <p>[Significant concurrent positions outside the Company] Representative Director and Chairman of the Board of Mazda Motor Corporation</p> </div> </div>					
<p>[Reasons for nomination as candidate for Outside Director and a summary of expected roles]</p> <p>Shobuda Kiyotaka has extensive work experience in Japan and overseas, including at Mazda Motor Corporation and its overseas affiliates, and has broad insight into business management. The Company has nominated him as a candidate on the basis of expectations that he will leverage his extensive insight as a corporate manager to manage the Company from an objective standpoint. Furthermore, since he has been involved in deliberations concerning nomination and compensation of Directors with a view to enhancing transparency and objectivity as Committee Chair of the Nominating Committee and the Compensation Committee, the Company has expectations that he will continue to contribute to improving the Company's governance.</p>					

- Notes:
1. Shobuda Kiyotaka is a candidate for Outside Director, and has been notified to Tokyo Stock Exchange, Inc. as independent director.
  2. Shobuda Kiyotaka is currently an Outside Director of the Company, and at the conclusion of this general meeting of shareholders, his tenure as Outside Director of the Company will be two years.
  3. The Company has entered into an agreement with Shobuda Kiyotaka to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages under such agreement is the amount provided for under laws and regulations.  
If the election of Shobuda Kiyotaka is approved and adopted at this general meeting of shareholders, and he assumes the office of Director, the Company plans to continue such agreement with him.
  4. In March 2021, while Shobuda Kiyotaka was serving as Director of Mazda Motor Corporation ("Mazda"), Mazda received a recommendation from the Japan Fair Trade Commission based on the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors with regard to a part of a centralized purchase of materials for automobile parts, which was found to be in violation of said Act.
  5. In June 2024, while Shobuda Kiyotaka was serving as Director of Mazda, Mazda announced that there had been an inappropriate incident regarding applications for Type Designation.

Candidate No. <b>8</b>	<b>Tanaka Hiroki</b> (October 18, 1958)	New election	Outside	Independent	Number of the Company's shares owned 0 shares
<div>  <div> <p>[Career summary, position and responsibility]</p> <p>May 2008 Director-General of the Financial System and Bank Examination Department of Bank of Japan</p> <p>May 2010 Executive Director of Bank of Japan (Resigned in May 2014)</p> <p>Oct. 2018 Chairman of the Board of Directors of JTC Holdings, Ltd. Director of Japan Trustee Services Bank, Ltd. Director of Trust &amp; Custody Services Bank, Ltd. (The above three entities are currently Custody Bank of Japan, Ltd.)</p> <p>July 2020 Chairman of the Board of Directors of Custody Bank of Japan, Ltd. (Resigned in June 2024)</p> <p>June 2024 Chairman of TANSHI KYOKAI</p> <p>(to the present)</p> </div> </div>					
<p>[Reasons for nomination as candidate for Outside Director and a summary of expected roles]</p> <p>Tanaka Hiroki has broad insight into financial markets and monetary policy, cultivated over many years in key positions at the Bank of Japan. He also has extensive insight as a corporate manager. The Company has nominated him as a new candidate on the basis of expectations that he will leverage this experience and insight to manage the Company from an objective standpoint. Furthermore, as a member of the Nominating Committee and the Compensation Committee, he is expected to be involved in deliberations concerning the nomination and compensation of Directors from an objective, fair, and neutral standpoint.</p>					

- Notes:
1. Tanaka Hiroki is a candidate for Outside Director, and will be notified to Tokyo Stock Exchange, Inc. as independent director.
  2. If the election of Tanaka Hiroki is approved and adopted at this general meeting of shareholders, and he assumes the office of Director, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, and the maximum amount of liability for damages under such agreement shall be the amount provided for under laws and regulations.
  3. In June 2023, while Tanaka Hiroki was serving as Chairman of the Board of Directors (Outside Director) of Custody Bank of Japan, Ltd., the bank publicly announced that misconduct had occurred in connection with outsourced operations, including conflicts of interest and breaches of duty by a former director. Tanaka Hiroki was not aware of this misconduct until it was uncovered. However, even prior to its discovery, he had made continuous efforts to invigorate discussions at the Board of Directors' meetings and to ensure that the Board fulfilled its supervisory functions appropriately. After the misconduct was revealed, he fulfilled his responsibilities by leading discussions at the Board of Directors' meetings based on the investigation and review by the third-party committee, and by formulating improvement measures, including the transition to a company with the Audit and Supervisory Committee.

Candidate No. <div>9</div>	<div>Okajima Rena</div> <div>(February 19, 1979)</div>	<div>New Reelection</div>	<div>Outside</div>	<div>Independent</div>	<div>Number of the Company's shares owned 0 shares</div>
<div></div>		<div>[Career summary, position and responsibility]</div> <div>July 2009<div>Chief Operating Officer (COO) of LS-Partners Co., Ltd. (Resigned in December 2011)</div></div> <div>Sep. 2011<div>Founder &amp; Chief Executive Officer (CEO) of ALE Co., Ltd. (to the present)</div></div> <div>[Significant concurrent positions outside the Company]</div> <div>Founder &amp; Chief Executive Officer (CEO) of ALE Co., Ltd.</div>			
<div>[Reasons for nomination as candidate for Outside Director and a summary of expected roles]</div> <div>Okajima Rena has broad insight into corporate management as an entrepreneur, including her leadership at ALE Co., Ltd. She also has expertise in corporate finance and investment evaluation. The Company has nominated her as a new candidate on the basis of expectations that she will leverage this extensive insight to manage the Company from an objective standpoint. Furthermore, as a member of the Nominating Committee and the Compensation Committee, she is expected to be involved in deliberations concerning the nomination and compensation of Directors from an objective, fair, and neutral standpoint.</div>					

- Notes:
1. Okajima Rena is a candidate for Outside Director, and will be notified to Tokyo Stock Exchange, Inc. as independent director.
  2. If the election of Okajima Rena is approved and adopted at this general meeting of shareholders, and she assumes the office of Director, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, Paragraph 1 of the Companies Act, and the maximum amount of liability for damages under such agreement shall be the amount provided for under laws and regulations.

## Reference Materials for Composition of the Board of Directors after the election

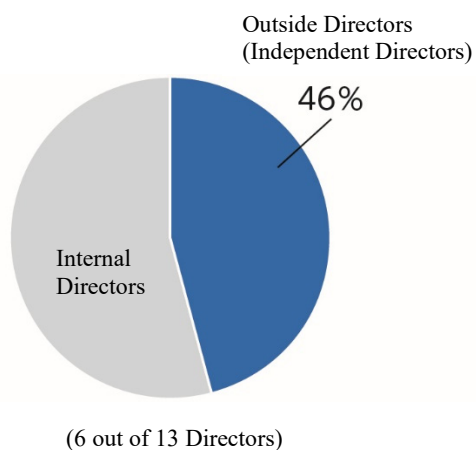
If the Resolution No. 2 is approved and adopted as proposed, the Board of Directors will be composed as follows:

Name	Gender	Position in the Company	Professional skills and experience required for Directors							
			Corporate management /Managerial strategy	Finance /Accounting	Legal affairs /Risk management	Sales /Marketing	Technology /Research	Governance	Group management /Overseas business	Environment /Society /Regional contribution
Ashitani Shigeru	Male	Representative Director, Chairperson of the Board	●					●	●	●
Nakagawa Kengo	Male	Representative Director, President & Chief Executive Officer	●			●	●			●
Kitano Tatsuo	Male	Representative Director, Vice President & Senior Managing Executive Officer					●			●
Minamoto Kyosuke	Male	Representative Director, Vice President & Senior Managing Executive Officer			●			●		●
Sotobayashi Hiroko	Female	Managing Executive Officer, Member of the Board	●						●	●
Nakamura Kimitoshi	Male	Managing Executive Officer, Member of the Board	●	●				●	●	
Shobuda Kiyotaka	Male	Outside Director	●			●		●	●	
Tanaka Hiroki	Male	Outside Director	●	●	●			●		
Okajima Rena	Female	Outside Director	●	●			●			●
Maeda Koichi	Male	Director, Audit and Supervisory Committee Member (full-time)	●	●			●		●	
Otani Noriko	Female	Outside Director, Audit and Supervisory Committee Member						●		●
Kuga Eiichi	Male	Outside Director, Audit and Supervisory Committee Member			●			●	●	
Fujimoto Keiko	Female	Outside Director, Audit and Supervisory Committee Member			●			●		

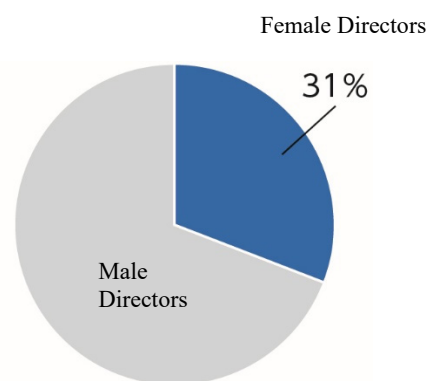
Note: The above matrix indicates up to the four major professional skills and experience among all of the professional skills and experience possessed by each individual.

It does not indicate all expertise and experience possessed by each Director.

## ■ Composition of the Board of Directors



(6 out of 13 Directors)



(4 out of 13 Directors)

The Company's approach to the balance and size of the composition of the Board of Directors is as follows:

- The size and composition of the Board of Directors are determined based on a comprehensive assessment of factors such as the activation of discussions within the Board, effective supervision, the Company's management environment and business conditions at any given time, and the balance of each individual's character, abilities, insight, and achievements, etc.

[Professional skills and experience required for Directors]

"Corporate management/Managerial strategy," "Finance/Accounting," "Legal affairs/Risk management," "Sales/Marketing," "Technology/Research," "Governance," "Group management/Overseas business," and "Environment/Society/Regional contribution."

- To strengthen the supervisory function of the Board of Directors and to reflect external perspectives, the Company appoints multiple Outside Directors.
- At least three members consisting of the Board of Directors shall be Directors who are Audit and Supervisory Committee Members. In addition, at least one of them shall serve on a full-time basis in order to enhance the effectiveness of the audit function.

**<Proposals by the Shareholder (Resolutions No. 3 - No. 8)>**

**Resolutions No. 3 through No. 8 were proposed by Shareholders (74 Shareholders).  
The proposing Shareholders hold 1,341 voting rights.**

**Resolution No. 3: Partial Amendments to the Articles of Incorporation (1)**

Any business that generates “radioactive waste” with no prospects for treatment or disposal options shall not be conducted

**▼ Proposal Details**

“Any business that generates ‘radioactive waste’ with no prospects for treatment or disposal options shall not be conducted” and the related provisions shall be added as Chapter 8 to the Articles of Incorporation.

Chapter 8. Any business that generates “radioactive waste” with no prospects for treatment or disposal options shall not be conducted

Article 42. Any of the following businesses shall not be conducted.

- (1) Operation of Unit 2 of the Shimane Nuclear Power Station
- (2) “Plutothermal” (plutonium-thermal) power generation at the Shimane Nuclear Power Station
- (3) Human resource cooperation, financial contribution, etc. for the operation of reprocessing plants, and other related businesses
- (4) Plans for construction of the Kaminoseki Nuclear Power Station
- (5) Operation of Unit 3 of the Shimane Nuclear Power Station
- (6) Construction of interim storage facilities for spent nuclear fuel

**▼ Grounds for Proposal**

Since nuclear power stations were first developed and operated, they have been referred to as “apartments without toilets.” Operation produces lethal radioactive fallout, spent nuclear fuel. In a single year of operation, Unit 2 of the Shimane Nuclear Power Station produces radioactive fallout equivalent to around 800 Hiroshima-type atomic bombs.

In addition, the following problems have been identified with nuclear power generation: (1) safety concerns, such as the risk of accidents, (2) the lack of prospects for the treatment of spent nuclear fuel and final disposal of high-level radioactive waste, (3) the rising costs of construction and safety measures, and (4) power generation not being economically viable.

From an economic standpoint, nuclear power is now the most costly power sources in the world.

These problems have not yet been resolved, and there are concerns that the accelerated resumption of operation and the extended operation period will exacerbate them.

Future generations may be saddled with the risks and costs associated with radioactive waste disposal, decommission, etc.

We should urgently change our management policy to one that does not rely on nuclear power generation.

**○ Opinion of the Board of Directors**

**The Board of Directors is opposed to this resolution.**

The Company believes that nuclear power plays an important role as an energy source from the perspectives of stable supply, economic efficiency, and environmental compatibility. Furthermore, as a well-established decarbonization technology, it must be utilized on a sustainable scale, on the basic premise of ensuring safety. In the future, based on the belief that “there is no end to the Company’s efforts to improve safety,” the Company will not only meet the New Regulatory Requirements established by the Nuclear Regulation Authority but will also tirelessly pursue further safety

improvements by reflecting new findings. Based on this approach, the Company will endeavor to ensure the stable operation of Unit 2 of the Shimane Nuclear Power Station and the early commencement of operations for Unit 3 of the Shimane Nuclear Power Station, while also continuing development efforts for the Kaminoseki Nuclear Power Station.

The Seventh Strategic Energy Plan formulated by the Japanese government states that the policy of the government, in which spent nuclear fuel is reprocessed and the recovered plutonium, etc., are effectively utilized from the viewpoints of effective use of resources and reduction in volume and hazardousness of high-level radioactive waste, and the Company will promote the nuclear fuel cycle in accordance with the national policy.

There is no problem with the storage of spent fuel to be generated at the Shimane Nuclear Power Station for the time being, since the spent fuel will be systematically removed to the reprocessing facilities by utilizing the fuel pool in the power station after the resumption of operation of Unit 2 of the Shimane Nuclear Power Station. On the other hand, in order to ensure the stable operation of the Shimane Nuclear Power Station, the Company is advancing a survey and assessments related to the installation of an interim storage facility on the Company's property in Kaminoseki Town as a temporary storage facility until the spent fuel is taken out to the reprocessing facilities.

Accordingly, the Board of Directors believes that it is unnecessary to include the provisions in the Articles of Incorporation as has been proposed.

#### **Resolution No. 4: Partial Amendments to the Articles of Incorporation (2)**

Provide evacuation assistance to local residents in the event of the occurrence of an accident at a nuclear power station

##### **▼ Proposal Details**

Provisions of "Provide evacuation assistance to local residents in the event of the occurrence of an accident at a nuclear power station" shall be added as Chapter 9 to the Articles of Incorporation.

Chapter 9. Provide evacuation assistance to local residents in the event of the occurrence of an accident at a nuclear power station

Article 43. In the event of the occurrence of an accident at a nuclear power station, the following evacuation assistance to local residents shall be provided.

- (1) In the event of the occurrence of a major accident at a nuclear power station that results in the leakage of large volumes of radioactive materials, requiring the evacuation of local residents, the Company shall assume full responsibility for the accident, as well as for ensuring the safety of local residents and compensating damages.
- (2) The Company shall assist local residents in evacuating safely so that they do not exceed the annual radiation exposure limit of 1 millisievert.
- (3) The Company shall guarantee the livelihood of evacuees until they are able to return to their former lives, and shall be responsible for their health care and medical coverage. The Company also shall compensate local residents for their damages suffered.
- (4) The Company shall consult and cooperate with local government bodies when providing evacuation assistance.
- (5) As a mandatory part of training for all employees, they shall be required to learn from the victims of the nuclear accident at the Tokyo Electric Power Company's Fukushima Daiichi Nuclear Power Station.

##### **▼ Grounds for Proposal**

Following the accident at the Fukushima Nuclear Power Station, the New Regulatory Requirements were established to prevent the escalation of a nuclear accident. Operators are now duty-bound to comply with these requirements.



However, the Nuclear Regulation Authority has nevertheless stated that even if they pass the Regulatory Requirements, nuclear power stations cannot be considered safe. We must assume that a faulty assessment of a natural disaster could result in a nuclear accident on the same scale as that of the accident at the Fukushima Nuclear Power Station.

As an operator that handles nuclear material, we should be aware that we bear full responsibility not only for any accidents, but also for the health hazards suffered by local residents due to radiation exposure, the destruction of their lives, environmental pollution, and the suspension of economic activities and the enormous damage to local government functions, etc. In order to fulfill our responsibilities, we should take responsibility for providing evacuation assistance, etc. to affected local residents.

Furthermore, in order to foster sense of responsibility, it is imperative to provide opportunities for them to know about the experiences of victims of the nuclear accident and learn about the impacts. To keep the memory of the accident at the Fukushima Nuclear Power Station from fading away, we should provide opportunities to listen to the victims.

○ **Opinion of the Board of Directors**

**The Board of Directors is opposed to this resolution.**

With regard to nuclear disasters, under the Act on Special Measures for Responding to Nuclear Disasters and other relevant laws, local governments are responsible for formulating regional disaster prevention and evacuation plans, while the Company, as a nuclear operator, is required to prepare a nuclear operator disaster management operation plan. Under this plan, the Company is committed to taking necessary measures, including dispatching personnel and providing disaster prevention equipment and materials to relevant local governments as needed for disaster preparedness.

These plans are consolidated as the “Emergency Response in the Shimane Region” through discussions at the Shimane Regional Nuclear Disaster Prevention Council, which is organized under the Cabinet Office. This “Emergency Response” has been reviewed with the NRA EPR Guide and has been acknowledged by the Japanese government as being specific and reasonable.

Furthermore, the Company has been working to strengthen coordination with relevant authorities by participating in nuclear emergency drills organized by local governments.

Accordingly, the Board of Directors believes that it is unnecessary to include the provisions in the Articles of Incorporation as has been proposed.

**Resolution No. 5: Partial Amendments to the Articles of Incorporation (3)**

Expanding the renewable energy power generation business

▼ **Proposal Details**

Provisions of “Expanding the renewable energy power generation business” shall be added as Chapter 10 to the Articles of Incorporation.

Chapter 10. Expanding the renewable energy power generation business

Article 44. 80% of all power sources shall be from renewable energy by 2030.

- (1) The power generation business on renewable energy sources of natural origin, such as hydropower, wind power, and solar power shall be operated.
- (2) The energy storage facility business shall be expanded to stabilize power from renewable energy power generation.

▼ **Grounds for Proposal**

Through the Paris Agreement and other initiatives, the world collectively faces the challenge of responding to global warming and limiting the rise of global temperatures to within 1.5°C of pre-industrial averages.

Many countries are already devising plans to achieve a decarbonized society, with renewable energy as their main power sources by 2030.

Compared to nuclear power, the costs of generating power from renewable energy is very low. Furthermore, as the renewable energy can be supplied domestically within Japan, the costs of importing fuel can be avoided.

As companies that work on measures against global warming increase their value as targets of investment, companies from around the world, including Japan, are participating in “RE100” as companies committed to using 100% renewable energy.

However, Japanese companies participating in RE100 are currently unable to procure enough renewable electricity to meet their targets due to a lack of electrical power generated from renewable energy sources in Japan.

The Company needs to set numerical targets with a longer-term perspective and focus on creating an environment in which renewable energy can become a major power source.

○ **Opinion of the Board of Directors**

**The Board of Directors is opposed to this resolution.**

In February 2021, the Group announced its commitment to take on the challenge of “Carbon Neutral 2050” in “Chugoku Electric Power Group Carbon Neutral 2050.” Since then, the Group has been working to expand the introduction of renewable energy, make use of nuclear power generation, and facilitate the gradual transition toward decarbonization (transition) of thermal power generation.

In order to achieve carbon neutrality by 2050, it is essential to ensure a balanced energy mix that does not overly rely on any specific power source or fuel, from the perspective of achieving both stable energy supply and decarbonization. Since renewable energy output is affected by weather and seasonal fluctuations, the Company is working to maximize its adoption by utilizing grid balancing measures such as storage batteries and pumped storage plants. Nuclear power does not emit CO<sub>2</sub> during operation, making it an energy source which plays an import role when considering both stable supply and decarbonization. Thermal power plays a crucial role in providing balance and inertia, and the Company believes it is necessary to utilize both energy sources while promoting the decarbonization of thermal power.

Accordingly, the Board of Directors believes that it is unnecessary to include the provisions in the Articles of Incorporation as has been proposed.

**Resolution No. 6: Partial Amendments to the Articles of Incorporation (4)**

The ratio of female directors shall be 30% or more

▼ **Proposal Details**

Paragraph of “The ratio of female directors shall be 30% or more” shall be added as Article 21, Paragraph 4 to Chapter 4 “Directors and Board of Directors (Appointment)” of the Articles of Incorporation.

Chapter 4. Directors and Board of Directors

(Appointment)

Article 21.

4. The ratio of female directors shall be 30% or more.

▼ **Grounds for Proposal**

Under our management philosophy of “Trust. Creation. Growth,” one of our priorities in promoting sustainability management is to “promote the efforts of every team member.”

To what extent are women included within the scope of “every team member”? Looking at the composition of the Board of Directors, only 3 out of 13 Directors are women, while all 9 Managing

Executive Officers and all 27 Executive Officers are men. It is clearly male-dominated.

It is far short of the government's target of 30% by 2025 in the Fifth Basic Plan for Gender Equality. We believe the reason for this is that the men who currently make up the Board of Directors have a strong sense of gender roles, and women therefore do not enter within their purview.

The world today values diversity and promotes efforts to increase the percentage of women in the Board of Directors. Companies that have raised their ratios have undoubtedly achieved positive results, while homogeneous organizations with a high percentage of men in decision-making positions are unlikely to see any changes in their management. In order to achieve new creations and growth in management, it is essential to promote women with rich experiences and perspectives on life.

- **Opinion of the Board of Directors**

**The Board of Directors is opposed to this resolution.**

For the composition of the Board of Directors, the Company has set a target to achieve a ratio of Outside Directors to be 50% or more and the ratio of female Directors to be 30% or more by the fiscal year 2030, and is working to further enhance the effectiveness of the Board. If Resolution No. 2 is approved as originally proposed, the ratio of females on the Board of Directors will reach 30% or more.

Accordingly, the Board of Directors believes that it is unnecessary to include the provisions in the Articles of Incorporation as proposed.

### **Resolution No. 7: Election of 2 Outside Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

#### **▼ Proposal Details**

As an energy business, we are expected to aim for the “enhanced corporate value and sustainable growth.” To this end, in order to withdraw from nuclear energy and adopt a management policy of promoting renewable energy, the following two persons will be elected as Outside Directors (excluding Directors who are Audit and Supervisory Committee Members).

1. Yasue Ashihara, former Matsue City Council member
2. Tomoko Tezuka, Representative Member of Citizen Energy Tottori

#### **▼ Grounds for Proposal**

If we, as an energy business operator, are to look to the future and anticipate change, we need to undertake “offensive” reforms to transform business environment changes into opportunities, rather than “defensive” reforms in response to government policies and systems.

Nuclear power stations carry many risks in terms of safety and economics. We have therefore set forth a new corporate direction and management strategy of utilizing renewable energy, adopting the corporate model in line with the new brand message of “Ichinichimo, Hyakunenmo.”

In order to incorporate the withdrawal from nuclear power into our management policy, we need Outside Directors who are not responsible for any particular divisions, but are tasked with checking and supervising the management situation. Outside Directors are expected to perform their duties without concern for internal interests.

Based on these criteria, we propose to elect Ms. Yasue Ashihara, who has extensive experience in activities related to de-nuclearization in her hometown of Matsue City, and Ms. Tomoko Tezuka, a researcher and practitioner of renewable energy generation and lives in Tottori City, as Outside Directors.

- **Opinion of the Board of Directors**

**The Board of Directors is opposed to this resolution.**

The Company has established a policy whereby the size and composition of the Board of Directors are determined based on a comprehensive assessment of factors such as the activation of discussions within

the Board, effective supervision, the Company's management environment and business conditions at any given time, and the balance of each individual's character, abilities, insight, and achievements, etc.

Based on this policy, the Board of Directors selects candidates for Directors, and for candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members), it consults with the Nominating Committee and submits the proposal as Resolution No. 2; as such, the Board of Directors believes that the proposal is the most appropriate.

## **Resolution No. 8: Dividends of Surplus**

### **▼ Proposal Details**

The annual dividend for shareholders shall be ¥90 per share. Dividends shall be paid in cash. The total amount shall be ¥30,641,952,685, and the effective date of the dividends shall be the day following the General Meeting of Shareholders.

### **▼ Grounds for Proposal**

What shareholders want from the company is a higher share price and higher dividends. We shall therefore set the annual dividend at ¥90 per share.

When the plans for construction of the Kaminoseki Nuclear Power Station were first announced, the construction costs of the two new clear stations were estimated at approximately ¥900 billion. At present, the construction costs of the nuclear power station are expected to exceed ¥1 trillion per plant.

Forty-three years have passed since the plans for construction of the Kaminoseki Nuclear Power Station became public, but the plan has been deadlocked, and the construction costs have become a waste. The costs spent thus far on the Kaminoseki Nuclear Power Station are not known, but the amount has not reached ¥900 billion. The plans for construction of the Kaminoseki Nuclear Power Station should be scrapped, the employees stationed in Kaminoseki Town should be withdrawn, and the real estate should be disposed.

If the decision is now made to suspend operation of Unit 3 of the Shimane Nuclear Power Station, then no further costs will be incurred. Storing the spent nuclear fuel from Unit 2 in the nuclear fuel storage pool at the same nuclear power station and avoiding the generation of any more spent nuclear fuel will remove any need to construct an interim storage facility in Kaminoseki Town.

### **○ Opinion of the Board of Directors**

#### **The Board of Directors is opposed to this resolution.**

The Company believes that nuclear power plays an important role as an energy source from the perspectives of stable supply, economic efficiency, and environmental compatibility. Furthermore, as a well-established decarbonization technology, it must be utilized on a sustainable scale, on the basic premise of ensuring safety. The Company will endeavor to ensure the stable operation of Unit 2 and the early commencement of operations for Unit 3 of the Shimane Nuclear Power Station, while also continuing development efforts for the Kaminoseki Nuclear Power Station.

The Company's policy regarding profit distribution to shareholders is to set the dividend payout ratio of 10% until the consolidated equity ratio is recovered to 15% in performance, assigning top priority to the recovering and strengthening of its financial base. Thus, the Board of Directors believes that the Resolution No. 1, which is based on this policy, is the most appropriate.

As the consolidated equity ratio at the end of the fiscal year 2024 exceeded 15%, the dividend policy from the fiscal year 2025 onward has been revised, as noted in the "Reference" section of Resolution No. 1.

End