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(Securities Code: 9506)
June 6, 2023

To Our Shareholders:

Jiro Masuko
Representative Director &
Chairman of the Board
Tohoku Electric Power Co., Inc.
1-7-1 Honcho, Aoba-ku, Sendai City,
Miyagi

NOTICE OF CONVOCATION OF THE 99TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continuous support and patronage.

We hereby notify you about the 99th Ordinary General Meeting of Shareholders of Tohoku Electric Power Co., Inc. (the “Company”). The meeting will be held for the purposes as described below.

In convening this general meeting, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted the information contained in the Reference Documents for the General Meeting of Shareholders, etc. (matters subject to the electronic provision measures) on the Company website under the title “NOTICE OF CONVOCATION OF THE 99TH ORDINARY GENERAL MEETING OF SHAREHOLDERS.” Please access the following Company website to review the information.

The Company website: https://www.tohoku-epco.co.jp/ir/stock/g_metting/index.html

In addition to the website shown above, the Company has posted the information on the website of Tokyo Stock Exchange (TSE). To view the information, please access the following TSE website (Listed Company Search), enter the issue name (Tohoku Electric Power) or securities code (9506), click on “Search,” click on “Basic information” and select “Documents for public inspection/PR information.”

The TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are not attending the Meeting in person, you may exercise your voting rights via the Internet or by mailing the enclosed Voting Rights Exercise Form. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights **no later than the close of business (5:00 p.m.) on Tuesday, June 27, 2023 (Japan Time)**.

1. Date and Time: 10:00 a.m., Wednesday, June 28, 2023 (Japan Time)

2. Venue: Head Office of the Company
1-7-1 Honcho, Aoba-ku, Sendai City, Miyagi, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the fiscal year ended March 31, 2023 (April 1, 2022–March 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the fiscal year ended March 31, 2023 (April 1, 2022–March 31, 2023)

Proposals to be resolved:

Company Proposals (Proposal 1 and Proposal 2)

Proposal 1: Election of 11 Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

Proposal 2: Election of 2 Directors Who Are Audit and Supervisory Committee Members

Shareholder Proposals (Proposal 3 to Proposal 9)

Proposal 3: Partial Amendments to the Articles of Incorporation (1)

Proposal 4: Partial Amendments to the Articles of Incorporation (2)

Proposal 5: Partial Amendments to the Articles of Incorporation (3)

Proposal 6: Partial Amendments to the Articles of Incorporation (4)

Proposal 7: Partial Amendments to the Articles of Incorporation (5)

Proposal 8: Partial Amendments to the Articles of Incorporation (6)

Proposal 9: Partial Amendments to the Articles of Incorporation (7)

For details of these proposals, please refer to the attached “Reference Documents for the General Meeting of Shareholders” (pages 4–29).

- 4. Other decisions in relation to the convocation:**
- (1) Among the matters subject to electronic provision measures, the following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and Article 14, Paragraph 2 of the Articles of Incorporation of the Company.
 - (i) “Basic Policy on a System to Ensure Proper Business Operations and its Operation Status” in the Business Report
 - (ii) Consolidated Statements of Changes in Equity and Notes to Consolidated Financial Statements, which are part of Consolidated Financial Statements
 - (iii) Non-Consolidated Statements of Changes in Equity and Notes to Non-Consolidated Financial Statements, which are part of Non-Consolidated Financial StatementsItem (i) was audited as part of the Business Report when the Audit and Supervisory Committee prepared its audit report. Items (ii) and (iii) were audited as part of the Consolidated and Non-Consolidated Financial Statements by the Audit and Supervisory Committee and the Accounting Auditor in preparing their respective audit reports.
 - (2) In the case of duplicate voting done via both mail and the Internet, the vote received via the Internet will be considered valid.
 - (3) In the case of multiple and duplicate voting via the Internet, the last vote placed will be considered valid.
 - (4) If you do not indicate your approval or disapproval of any of the proposals on the Voting Rights Exercise Form you have returned, we will treat it as if you had voted in favor of the Company’s proposals and against the shareholder’s proposals.

- If you intend to attend the meeting in person, please present the enclosed Voting Rights Exercise Form to the receptionist on arrival at the meeting. Please also bring this Notice of Convocation with you.
- If any revisions to the matters subject to electronic provision measures arise, a notice to that effect and the matters before and after the revision will be posted on the Company website and the TSE website.

[Guidance Notes on the Exercise of Voting Rights]

If you intend to attend the meeting

For those attending, please present the enclosed Voting Rights Exercise Form to the receptionist on arrival at the meeting.

Date and time for the general meeting of shareholders: 10:00 a.m., Wednesday, June 28, 2023 (Japan Time)

If you do not intend to attend the meeting

By Mail

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return the form by mail.

Deadline for exercising voting rights: to arrive by 5:00 p.m. on Tuesday, June 27, 2023 (Japan Time)

Via the Internet, etc.

Please access the voting website (<https://www.evotet.tr.mufg.jp/>) from a PC or smartphone and enter your vote for or against each of the proposals in accordance with the guidance on the screen.

Deadline for exercising voting rights: by 5:00 p.m. on Tuesday, June 27, 2023 (Japan Time)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Company Proposals

Proposal 1 and Proposal 2 are proposed by the Company.

Proposal 1 (Company Proposal): Election of 11 Directors (Excluding Those Who Are Audit and Supervisory Committee Members)



Because the terms of office of all 11 members of the Board of Directors (excluding those who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders, the Company hereby requests that 11 Directors (excluding those who are Audit and Supervisory Committee Members) be elected.


Candidates have been elected through deliberation by the Nomination and Compensation Advisory Committee, a majority of which consists of Independent Outside Directors, and chaired by an Independent Outside Director, for the purpose of ensuring objectivity, timeliness, and transparency.


The following are the nominees for Director (excluding those who are Audit and Supervisory Committee Members).



No.	Name		Position, etc., in the Company	Attendance at the Board of Directors
1	Jiro Masuko	For reappointment	Representative Director & Chairman of the Board	11/11 times (100%)
		Male		
2	Kojiro Higuchi	For reappointment	Representative Director & President	11/11 times (100%)
		Male		
3	Kazuhiro Ishiyama	For reappointment	Representative Director & Executive Vice President	11/11 times (100%)
		Male		
4	Hiromitsu Takano	For reappointment	Representative Director & Executive Vice President	11/11 times (100%)
		Male		
5	Satoshi Isagoda	For reappointment	Representative Director & Executive Vice President	9/9 times (100%)
		Male		
6	Sadahiro Ohno	For reappointment	Director & Managing Executive Officer	9/9 times (100%)
		Male		
7	Sadao Kanazawa	For new appointment	Managing Executive Officer	-
		Male		
8	Tsutomu Kamijo	For reappointment	Outside Director	11/11 times (100%)
		Male		
		Independent Outside Director candidate		
9	Osamu Kawanobe	For reappointment	Outside Director	10/11 times (91%)
		Male		
		Independent Outside Director candidate		
10	Mikito Nagai	For reappointment	Outside Director	11/11 times (100%)
		Male		
		Independent Outside Director candidate		
11	Keiko Uehara	For reappointment	Outside Director	9/9 times (100%)
		Female		
		Independent Outside Director candidate		



- (Notes)
1. Each candidate's position, etc., in the Company is as of the time of this General Meeting.
 2. There are no special interests between the Company and any of the candidates.
 3. In the case of candidates Mr. Satoshi Isagoda, Mr. Sadahiro Ohno, and Ms. Keiko Uehara, "Attendance at the Board of Directors" covers the meetings of the Board of Directors held on or after June 28, 2022 when they were appointed.
 4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with candidates Mr. Tsutomu Kamijo, Mr. Osamu Kawanobe, Mr. Mikito Nagai, and Ms. Keiko Uehara to limit their liability under Article 423, paragraph (1) of the same act. The maximum amount of liability for damages under this agreement is limited to the amount prescribed by the applicable laws and regulations. If the election of candidates Mr. Tsutomu Kamijo, Mr. Osamu Kawanobe, Mr. Mikito Nagai, and Ms. Keiko Uehara is approved by shareholders, the Company intends to renew the above-mentioned agreement with each of them.
 5. The Company has entered into a liability agreement with Directors pursuant to the provisions of Article 430-2, paragraph (1) of the Companies Act, whereby the Company shall compensate Directors for expenses incurred under item (i) of the same paragraph, and any losses incurred under item (ii) of the same paragraph, to the extent permitted by laws and regulations. If the reelection of each incumbent candidate is approved, the Company intends to renew the above-mentioned liability agreement with each of them. Likewise, if the election of candidate Mr. Sadao Kanazawa is approved, the Company intends to enter into the same agreement with him.
 6. Pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act, the Company has entered into Directors' and Officers' liability insurance contract with an insurance company to cover damages and litigation expenses incurred by the insured as a result of claims for damages made against Directors as the insured. If the election of each candidate is approved, each candidate will be included as the insured under the above-mentioned insurance policy. The Company will renew the agreement in July 2023.
 7. Since January 2023, we have confirmed the leakage of information that should have been kept confidential at Tohoku Electric Power Network Co., Inc.; the Company's employees had access to the customer information of electricity retailers other than the Company, which was managed by Tohoku Electric Power Network Co., Inc. The Electricity and Gas Market Surveillance Commission has issued recommendations on business improvement to the Company and Tohoku Electric Power Network Co., Inc. Although Outside Directors Mr. Tsutomu Kamijo, Mr. Osamu Kawanobe, Mr. Mikito Nagai, and Ms. Keiko Uehara, who have been actively making suggestions from the perspective of thorough compliance at the Board of Directors meetings, were not aware of the incident in advance, they are fulfilling their responsibilities by conducting thorough investigations to determine the full extent and causes of the incident and proposing drastic measures to prevent a recurrence.

Candidate No. 1	Jiro Masuko	Born July 7, 1955	Number of the Company's Shares Held: 20, 800	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1980 Joined the Company</p> <p>June 2011 Executive Officer and General Manager of Aomori Branch Office</p> <p>June 2014 Executive Officer and General Manager of the Nuclear Power Department of the Thermal & Nuclear Power Division</p> <p>June 2015 Managing Director, Deputy General Manager of the Thermal & Nuclear Power Division, and General Manager of the Nuclear Power Department of the Thermal & Nuclear Power Division</p> <p>June 2016 Managing Director, Deputy General Manager of the Thermal & Nuclear Power Division</p> <p>April 2018 Representative Director & Executive Vice President, General Manager of the Nuclear Power Division, and QMS Supervising Manager</p> <p>April 2021 Representative Director & Chairman of the Board (to date)</p> <p>[Significant concurrent positions]</p> <p>Chairman, Tohoku Economic Federation</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Masuko has business experience mainly in nuclear power-related divisions since joining the Company including assignment as Executive Officer and General Manager of Aomori Branch Office and Executive Officer and General Manager of Nuclear Power Department, through which he has gained a thorough knowledge of business in general. He was appointed as a Managing Director in June 2015, appointed as a Representative Director & Executive Vice President in April 2018 and has served as the Representative Director & Chairman of the Board since April 2021. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			
Candidate No. 2	Kojiro Higuchi	Born October 26, 1957	Number of the Company's Shares Held: 13, 800	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1981 Joined the Company</p> <p>June 2011 General Manager of Haramachi Thermal Power Station</p> <p>June 2013 Executive Officer and General Manager of the Thermal Power Department of the Thermal & Nuclear Power Division</p> <p>June 2016 Managing Director, Deputy General Manager of the Thermal & Nuclear Power Division</p> <p>April 2018 Director & Managing Executive Officer, Deputy President of the Power Generation and Sales Company, and Deputy General Manager of the Nuclear Power Division</p> <p>June 2019 Representative Director & Executive Vice President in charge of CSR and Compliance Promotion, and Deputy General Manager of the Nuclear Power Division</p> <p>April 2020 Representative Director & President (to date)</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Higuchi has business experience mainly in thermal power-related divisions since joining the Company including assignment as General Manager of Haramachi Thermal Power Station and Executive Officer and General Manager of the Thermal Power Department, through which he has gained a thorough knowledge of business in general. He was appointed as a Managing Director in June 2016, appointed as a Director & Managing Executive Officer in April 2018, appointed as a Representative Director & Executive Vice President in June 2019 and has served as the Representative Director & President since April 2020. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			


Candidate No. 3	Kazuhiro Ishiyama	Born June 7, 1960	Number of the Company's Shares Held: 8,500	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1985 Joined the Company</p> <p>June 2016 General Manager of the Environmental Affairs Department</p> <p>April 2018 General Manager of the Corporate Planning Department</p> <p>June 2018 Executive Officer and General Manager of the Corporate Planning Department</p> <p>June 2019 Managing Executive Officer and General Manager of the Corporate Planning Department</p> <p>July 2020 Managing Executive Officer in charge of Corporate Administration and General Manager of the Corporate Strategy Division</p> <p>June 2021 Director & Managing Executive Officer in charge of Corporate Administration, and General Manager of the Corporate Strategy Division</p> <p>April 2022 Representative Director & Executive Vice President in charge of Corporate Administration, Investor Relations, and Sustainability (to date)</p>			
<div data-bbox="135 792 288 869" style="border: 1px solid black; padding: 2px; text-align: center;">For reappointment</div> <div data-bbox="135 878 288 922" style="border: 1px solid black; padding: 2px; text-align: center;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Ishiyama has business experience mainly in planning-related divisions since joining the Company including assignment as Executive Officer and General Manager of the Corporate Planning Department and Managing Executive Officer, through which he has gained a thorough knowledge of business in general. He was appointed as a Director & Managing Executive Officer in June 2021 and has served as a Representative Director & Executive Vice President since April 2022. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			

Candidate No. 4	Hiromitsu Takano	Born May 4, 1960	Number of the Company's Shares Held: 11,700	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1984 Joined the Company</p> <p>June 2015 General Manager of the General Affairs Department</p> <p>July 2017 General Manager of the General Affairs Department of the Internal Services Division and General Manager of the General Network Affairs Department of the Power Network Division</p> <p>April 2018 General Manager of the General Affairs Department of the Internal Services Division and General Manager of the General Affairs Department of the Transmission/distribution Company Network</p> <p>June 2018 Senior Executive Officer and General Manager of Niigata Branch Office</p> <p>April 2020 Managing Executive Officer and Vice President of the Power Generation and Sales Company and Deputy General Manager of the Nuclear Power Division</p> <p>April 2021 Managing Executive Officer and Deputy General Manager of the Nuclear Power Division, Vice President of the Power Generation and Sales Company</p> <p>June 2021 Director & Managing Executive Officer, Deputy General Manager of the Nuclear Power Division, and Vice President of the Power Generation and Sales Company</p> <p>April 2022 Representative Director & Executive Vice President in charge of Nuclear Power Plant Siting (to date)</p> <p>April 2023 Representative Director & Executive Vice President in charge of Nuclear Power Plant Siting, Compliance Promotion, and Crisis Management, Compliance and Check Conduct Regulations Manager (to date)</p> <p>[Significant concurrent positions] Director, Yurtec Corporation (scheduled to assume the position on June 27, 2023)</p>			
	<div data-bbox="140 1160 295 1234" style="border: 1px solid black; padding: 2px; text-align: center;">For reappointment</div> <div data-bbox="140 1245 295 1290" style="border: 1px solid black; padding: 2px; text-align: center;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Takano has business experience mainly in general affairs-related divisions since joining the Company including assignment as General Manager of the General Affairs Department and Senior Executive Officer and General Manager of Niigata Branch Office and Managing Executive Officer, through which he has gained a thorough knowledge of business in general. He was appointed as Director & Managing Executive Officer in June 2021 and has served as a Representative Director & Executive Vice President since April 2022. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>		


Candidate No. 5	Satoshi Isagoda	Born June 19, 1961	Number of the Company's Shares Held: 8,500	Attendance at the Board of Directors: 9/9 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1984 Joined the Company</p> <p>June 2016 Executive Officer, and General Manager of the Human Capital Department</p> <p>June 2017 Executive Officer, and General Manager of Iwate Branch Office</p> <p>June 2019 Managing Executive Officer, Deputy General Manager of the Internal Services Division, and Deputy General Manager of the Nuclear Power Division</p> <p>April 2022 Managing Executive Officer, General Manager of the Internal Services Division, and Deputy General Manager of the Nuclear Power Division</p> <p>June 2022 Director & Managing Executive Officer, General Manager of the Internal Services Division, and Deputy General Manager of the Nuclear Power Division</p> <p>April 2023 Representative Director & Executive Vice President, General Manager of the Internal Services Division, Chief Financial Officer (CFO), and Deputy General Manager of the Nuclear Power Division (to date)</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Isagoda has business experience mainly in business management-related divisions since joining the Company including assignment as Executive Officer and General Manager of the Human Capital Department, Executive Officer and General Manager of Iwate Branch Office, and Managing Executive Officer, through which he has gained a thorough knowledge of business in general. He was appointed as Director & Managing Executive Officer in June 2022 and has served as Representative Director & Executive Vice President since April 2023. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			
Candidate No. 6	Sadahiro Ohno	Born January 17, 1961	Number of the Company's Shares Held: 9,200	Attendance at the Board of Directors: 9/9 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1983 Joined the Company</p> <p>June 2017 Executive Officer, and General Manager of the Thermal Power Department of the Thermal & Nuclear Power Division</p> <p>April 2018 Executive Officer, and General Manager of the Thermal Power Department of the Power Generation and Sales Company</p> <p>June 2019 Managing Executive Officer, Vice President of the Power Generation and Sales Company, and Deputy General Manager of the Nuclear Power Division</p> <p>April 2022 Managing Executive Officer, President of the Power Generation Company, and Deputy General Manager of the Nuclear Power Division</p> <p>June 2022 Director & Managing Executive Officer, President of the Power Generation Company, and Deputy General Manager of the Nuclear Power Division (to date)</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Ohno has business experience mainly in thermal power-related divisions since joining the Company including assignment as Executive Officer and General Manager of the Thermal Power Department and Managing Executive Officer, through which he has gained a thorough knowledge of business in general. He has served as Director & Managing Executive Officer since June 2022. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			

Candidate No. 7	Sadao Kanazawa	Born November 19, 1958	Number of the Company's Shares Held: 10,900	Attendance at the Board of Directors: —
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 1983 Joined the Company</p> <p>June 2018 Executive Officer and General Manager of the Nuclear Power Department of the Nuclear Power Division</p> <p>April 2021 Managing Executive Officer, Deputy General Manager of the Nuclear Power Division and General Manager of the Nuclear Power Department of the Nuclear Power Division</p> <p>April 2023 Managing Executive Officer, General Manager of the Nuclear Power Division, and QMS Supervising Manager (to date)</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content;">For new appointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">Male</div>	<p>[Reason for nomination as a Director candidate]</p> <p>Mr. Kanazawa has business experience mainly in nuclear power-related divisions since joining the Company including assignment as Executive Officer and General Manager of the Nuclear Power Division and Managing Executive Officer, through which he has gained a thorough knowledge of business in general. As he has extensive business experience in the Company and strong knowledge of the management of electric power business in general, he has been nominated as a Director candidate.</p>			
Candidate No. 8	Tsutomu Kamijo	Born January 6, 1954	Number of the Company's Shares Held: 11,900	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>March 2011 President, Sapporo Holdings Limited and CEO of the Sapporo Group</p> <p>March 2011 President, Sapporo Beverage Co., Ltd. (current POKKA SAPPORO Food & Beverage Ltd.)</p> <p>March 2012 Resigned from the position of President of Sapporo Beverage Co., Ltd.</p> <p>January 2017 Chairman and Representative Director, Sapporo Holdings Limited</p> <p>June 2017 Outside Board Director, Mitsubishi Tanabe Pharma Corporation</p> <p>June 2017 Outside Director, Imperial Hotel, Ltd. (scheduled to retire on June 27, 2023)</p> <p>June 2018 Director, Tohoku Electric Power Co., Inc. (to date)</p> <p>March 2019 Chairman, Sapporo Holdings Limited</p> <p>March 2020 Senior Advisor, Sapporo Holdings Limited (to date)</p> <p>June 2020 Resigned from the position of Outside Board Director, Mitsubishi Tanabe Pharma Corporation</p> <p>June 2021 Outside Director, OKAMURA CORPORATION (to date)</p> <p>[Significant concurrent positions]</p> <p>Outside Director, OKAMURA CORPORATION</p> <p>External Member of the Board, TAISEI CORPORATION (scheduled to assume the position on June 27, 2023)</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">Male</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">Candidate for Independent Outside Director</div>	<p>[Reason for nomination as an Outside Director candidate and summary of expected roles]</p> <p>Mr. Kamijo has held positions such as the Chairman of Sapporo Holdings Limited and he has experience in the management of a company manufacturing and selling beverages and foods, etc. As he is expected to contribute to the management of the Company drawing on his extensive experience and excellent insight developed through his past experience and records, he has been nominated as an Outside Director candidate.</p> <p>He is expected to supervise the Company's management from an independent standpoint, as well as to provide advice on management policies and businesses by leveraging his wealth of experience as a corporate manager who has led large-scale M&A and business alliances in Japan and overseas, and global business development.</p>			


- (Notes) 1. Candidate Mr. Tsutomu Kamijo is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
2. Candidate Mr. Tsutomu Kamijo is an incumbent Outside Director of the Company and five years will have passed at the conclusion of this General Meeting of Shareholders since his first assumption of office.

Candidate No. 9	Osamu Kawanobe	Born June 6, 1954	Number of the Company's Shares Held: 3,900	Attendance at the Board of Directors: 10/11 times (91%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>June 2014 Executive Director and Director General, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2016 Executive Vice President (Representative Director), Assistant to President and Director General, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2019 Resigned from the position of Executive Vice President (Representative Director), East Japan Railway Company</p> <p>June 2019 President, JR EAST MECHATRONICS CO., LTD. (to date)</p> <p>June 2020 Director, Tohoku Electric Power Co., Inc. (to date)</p> <p>[Significant concurrent positions] President, JR EAST MECHATRONICS CO., LTD.</p>			
	<p>[Reason for nomination as an Outside Director candidate and summary of expected roles]</p> <p>Mr. Kawanobe is the President of JR EAST MECHATRONICS CO., LTD. and has held positions such as the Executive Vice President (Representative Director) of East Japan Railway Company. As he has experience in the management of public utility businesses and is expected to contribute to the management of the Company drawing on his extensive experience and excellent insight developed through his past experience and records, he has been nominated as an Outside Director candidate.</p> <p>He is expected to supervise the Company's management from an independent standpoint, as well as to provide advice on management policies and businesses by leveraging his wealth of experience as a corporate manager who has led business diversification based on railway-related businesses.</p>			
For reappointment				
Male				
Candidate for Independent Outside Director				

- (Notes)
- Candidate Mr. Osamu Kawanobe is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
 - There are electric power supply and other transactions between the Company and East Japan Railway Company, where candidate Mr. Osamu Kawanobe served as an Executive Vice President (Representative Director) until June 2019. However, the annual transaction amount accounts for less than 2% of consolidated net sales of both the Company and the entity.
There are electric power supply transactions between the Company and JR EAST MECHATRONICS CO., LTD., where candidate Mr. Osamu Kawanobe currently serves as President. However, the annual transaction amount accounts for less than 0.1% of consolidated net sales of the Company and net sales of the entity.
 - Candidate Mr. Osamu Kawanobe is an incumbent Outside Director of the Company and three years will have passed at the conclusion of this General Meeting of Shareholders since his first assumption of office.

Candidate No. 10	Mikito Nagai	Born October 28, 1955	Number of the Company's Shares Held: 3,200	Attendance at the Board of Directors: 11/11 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 2011 Deputy President, Mizuho Corporate Bank, Ltd. (current Mizuho Bank, Ltd.)</p> <p>April 2013 Executive Director, Mizuho Corporate Bank, Ltd.</p> <p>April 2013 Resigned from the position of Executive Director, Mizuho Corporate Bank, Ltd.</p> <p>May 2013 Executive Vice President and Executive Officer, Nippon Steel Kowa Real Estate (current Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p>June 2013 Executive Vice President, Nippon Steel Kowa Real Estate</p> <p>June 2014 President and CEO, Nippon Steel Kowa Real Estate</p> <p>April 2019 Director and Senior Advisor, Nippon Steel Kowa Real Estate Co., Ltd.</p> <p>June 2019 Senior Advisor, Nippon Steel Kowa Real Estate Co., Ltd.</p> <p>June 2019 Outside Director and Audit and Supervisory Committee Member, OKASAN SECURITIES GROUP INC. (to date)</p> <p>June 2020 Board Member, Nippon Suisan Kaisha, Ltd. (current Nissui Corporation) (to date)</p> <p>June 2021 Resigned from the position of Senior Advisor, Nippon Steel Kowa Real Estate Co., Ltd.</p> <p>June 2021 Director, Tohoku Electric Power Co., Inc. (to date)</p> <p>August 2021 Outside Director, OHBA CO., LTD. (to date)</p> <p>[Significant concurrent positions]</p> <p>Outside Director and Audit and Supervisory Committee Member, OKASAN SECURITIES GROUP INC.</p> <p>Board Member, Nissui Corporation</p> <p>Outside Director, OHBA CO., LTD.</p>			
	<p>For reappointment</p> <p>Male</p> <p>Candidate for Independent Outside Director</p>	<p>[Reason for nomination as an Outside Director candidate and summary of expected roles]</p> <p>Mr. Nagai was involved in the management of real estate businesses as the President and CEO of Nippon Steel Kowa Real Estate (current Nippon Steel Kowa Real Estate Co., Ltd.), and has also held positions such as the Deputy President (Representative Director) of Mizuho Corporate Bank, Ltd. (current Mizuho Bank, Ltd.), and is experienced in managing banking services. As he is expected to contribute to the management of the Company drawing on his extensive experience and excellent insight developed through his past experience and records, he has been nominated as an Outside Director candidate.</p> <p>He is expected to supervise the Company's management from an independent standpoint, as well as to provide advice on management policies and businesses by leveraging his wealth of experience as a corporate manager and his insight into finance.</p>		

- (Notes)
1. Candidate Mr. Mikito Nagai is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
 2. There are electric power supply transactions between the Company and Mizuho Corporate Bank, Ltd. (current Mizuho Bank, Ltd.), where candidate Mr. Mikito Nagai served as the Deputy President until March 2013, and Executive Director until April 2013. However, the annual transaction amount accounts for less than 0.1% of consolidated net sales of the Company and consolidated ordinary income of the entity. There are also funds borrowing transactions between the Company and the entity. However, the amount of such borrowing is less than 6% of the consolidated total assets of the Company.
 3. There are electric power supply transactions between the Company and Nippon Steel Kowa Real Estate (current Nippon Steel Kowa Real Estate Co., Ltd.), where candidate Mr. Mikito Nagai served as the President and CEO until March 2019, and Senior Advisor until June 2021. However, the annual transaction amount accounts for less than 0.1% of consolidated net sales of both the Company and the entity.
 4. Candidate Mr. Mikito Nagai is an incumbent Outside Director of the Company and two years will have passed at the conclusion of this General Meeting of Shareholders since his first assumption of office.

Candidate No. 11	Keiko Uehara	Born January 7, 1960	Number of the Company's Shares Held: 0	Attendance at the Board of Directors: 9/9 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 2009 Senior Managing Director, Daiwa Securities Group Inc.</p> <p>March 2011 Resigned from the position of Senior Managing Director, Daiwa Securities Group Inc.</p> <p>April 2011 Senior Executive Managing Director, Daiwa Securities Business Center Co. Ltd.</p> <p>June 2018 Outside Director, Marusan Securities Co., Ltd. (to date)</p> <p>March 2020 Resigned from the position of Senior Executive Managing Director, Daiwa Securities Business Center Co. Ltd.</p> <p>June 2022 Director, Tohoku Electric Power Co., Inc. (to date)</p> <p>[Significant concurrent positions]</p> <p>Outside Director, Marusan Securities Co., Ltd.</p>			
<div style="border: 1px solid black; padding: 2px; text-align: center;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">Female</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">Candidate for Independent Outside Director</div>	<p>[Reason for nomination as an Outside Director candidate and summary of expected roles]</p> <p>Ms. Uehara was involved in the management of back-office operations as the Senior Executive Managing Director of Daiwa Securities Business Center Co. Ltd., and has also held positions such as the Senior Managing Director of Daiwa Securities Group Inc. As she is expected to contribute to the management of the Company drawing on her extensive experience and excellent insight developed through her past experience and records, she has been nominated as an Outside Director candidate.</p> <p>She is expected to supervise the Company's management from an independent standpoint, as well as to provide advice on management policies and businesses by leveraging her wealth of experience as a corporate manager and her insight into finance.</p>			

- (Notes)
1. Candidate Ms. Keiko Uehara is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
 2. Ms. Keiko Uehara is an incumbent Outside Director of the Company and one year will have passed at the conclusion of this General Meeting of Shareholders since her first assumption of office.

<<Opinion of the Audit and Supervisory Committee>>

The Audit and Supervisory Committee reviewed matters such as the election and compensation of Directors who are not Audit and Supervisory Committee Members, based on the Company's policies and procedures for nominating candidates for Directors and those for determining Directors' compensation, both of which are separately stipulated. The review placed a focus on the deliberation and examination processes at the Nomination and Compensation Advisory Committee, a majority of which consists of Independent Outside Directors, and which is chaired by an Independent Outside Director.

As a result, the Audit and Supervisory Committee has no special remarks with regard to either the election, etc. of Directors who are not Audit and Supervisory Committee Members or their compensation, etc.

Proposal 2 (Company Proposal): Election of 2 Directors Who Are Audit and Supervisory Committee Members

Because the terms of office of Ms. Ikuko Miyahara and Ms. Akiko Ide, Directors who are Audit and Supervisory Committee Members, will expire at the conclusion of this General Meeting of Shareholders, the Company hereby requests that 2 Directors who are Audit and Supervisory Committee Members be elected.

Candidates have been elected through deliberation by the Nomination and Compensation Advisory Committee, a majority of which consists of Independent Outside Directors, and chaired by an Independent Outside Director, for the purpose of ensuring objectivity, timeliness, and transparency. The consent of the Audit and Supervisory Committee has been obtained for this Proposal.

The following are the nominees for Directors who are Audit and Supervisory Committee Members.

No.	Name		Position, etc., in the Company	Attendance at the Board of Directors	Attendance at the Audit and Supervisory Committee
1	Ikuko Miyahara	For reappointment	Outside Director and Audit and Supervisory Committee Member	11/11 times (100%)	13/13 times (100%)
		Female			
		Independent Outside Director candidate			
2	Akiko Ide	For reappointment	Outside Director and Audit and Supervisory Committee Member	11/11 times (100%)	13/13 times (100%)
		Female			
		Independent Outside Director candidate			

- (Notes)
- Each candidate's position, etc., in the Company is as of the time of this General Meeting.
 - There are no special interests between the Company and any of the candidates.
 - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with candidates Ms. Ikuko Miyahara and Ms. Akiko Ide to limit their liability under Article 423, paragraph (1) of the same act. The maximum amount of liability for damages under this agreement is the amount prescribed by the applicable laws and regulations. If the election of candidates Ms. Ikuko Miyahara and Ms. Akiko Ide is approved by shareholders, the Company intends to renew the above-mentioned agreement with them.
 - The Company has entered into a liability agreement with Directors who are Audit and Supervisory Committee Members pursuant to the provisions of Article 430-2, paragraph (1) of the Companies Act, whereby the Company shall compensate Directors for expenses incurred under item (i) of the same paragraph, and any losses incurred under item (ii) of the same paragraph, to the extent permitted by laws and regulations. If the election of candidates Ms. Ikuko Miyahara and Ms. Akiko Ide is approved, the Company intends to renew the above-mentioned agreement with them.
 - Pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act, the Company has entered into Directors' and Officers' liability insurance contract with an insurance company to cover damages and litigation expenses incurred by the insured as a result of claims for damages made against Directors who are Audit and Supervisory Committee Members as the insured. If the election of candidates Ms. Ikuko Miyahara and Ms. Akiko Ide is approved, they will be included as the insured under the above-mentioned insurance policy. The Company will renew the agreement in July 2023.
 - Since January 2023, we have confirmed the leakage of information that should have been kept confidential at Tohoku Electric Power Network Co., Inc.; the Company's employees had access to the customer information of electricity retailers other than the Company, which was managed by Tohoku Electric Power Network Co., Inc. The Electricity and Gas Market Surveillance Commission has issued recommendations for business improvement to the Company and Tohoku Electric Power Network Co., Inc. Although Outside Directors who are Audit and Supervisory Committee Members Ms. Ikuko Miyahara and Ms. Akiko Ide, who have been actively making suggestions from the perspective of thorough compliance at the Board of Directors meetings, were not aware of the incident in advance, they are fulfilling their responsibilities by conducting thorough investigations to determine the full extent and causes of the incident and proposing drastic measures to prevent a recurrence.


(Reference)

If Proposal 2 is approved as originally proposed, the composition of the Audit and Supervisory Committee will be as follows:

Name			Position, etc., in the Company	
Katsuaki Fujikura	Incumbent	Male	Director and Audit and Supervisory Committee Member	
Ikuko Miyahara	For reappointment	Female	Independent Outside Director candidate	Outside Director and Audit and Supervisory Committee Member
Kazuo Kobayashi	Incumbent	Male	Independent Outside Director candidate	Outside Director and Audit and Supervisory Committee Member
Akiko Ide	For reappointment	Female	Independent Outside Director candidate	Outside Director and Audit and Supervisory Committee Member

Candidate No. 1	Ikuko Miyahara	Born December 21, 1954	Number of the Company's Shares Held: 9,000	Attendance at the Board of Directors: 11/11 times (100%) Attendance at the Audit and Supervisory Committee: 13/13 times (100%)
	<p>[Brief biography, positions, assignment and status of important concurrent holding of positions]</p> <p>April 2008 Professor, Department of Business Planning, Faculty of Project Design , Miyagi University Professor, Doctoral Course (first and second terms), Graduate School of Project Planning, Miyagi University</p> <p>March 2016 Retired as Professor, Department of Business Planning, Faculty of Project Design, Miyagi University Retired as Professor, Doctoral Course (first and second terms), Graduate School of Project Planning, Miyagi University</p> <p>April 2016 Professor and Dean, Department of Contemporary Business, Faculty of Contemporary Business, Miyagi Gakuin Women's University</p> <p>April 2017 General Manager, Social Collaboration Center, Miyagi Gakuin Women's University</p> <p>July 2018 Emeritus Professor, Miyagi University (to date)</p> <p>June 2019 Director and Audit and Supervisory Committee Member, Tohoku Electric Power Co., Inc. (to date)</p> <p>April 2020 Professor, Department of Contemporary Business, Faculty of Contemporary Business of Miyagi Gakuin Women's University (to date)</p> <p>March2022 Emeritus Professor, Miyagi Gakuin Women's University (to date)</p> <p>[Significant concurrent positions] Professor, Department of Contemporary Business, Faculty of Contemporary Business of Miyagi Gakuin Women's University</p>			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Female</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Candidate for Independent Outside Director</div>	<p>[Reason for nomination as a Director, Audit and Supervisory Committee Member candidate and summary of expected roles]</p> <p>Ms. Miyahara has experience in conducting studies of the effective use of regional resources and earthquake restoration support and participating in industry academia government projects as a university professor. Given her extensive experience and excellent insight as a person of learning and experience developed through her past experience and records, she is considered capable of conducting audit and supervision from an objective and neutral perspective Thus she has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member. Although she has never been directly involved in corporate management in the past, she is considered capable of performing duties as an Outside Director who is an Audit and Supervisory Committee Member properly for the reasons stated above. She is also expected to audit and supervise the management of the Company from an independent standpoint by leveraging her wealth of expertise and knowledge as an academic expert and her experience in supporting the reconstruction of the Tohoku region after the earthquake.</p>			

- (Notes)
1. Candidate Ms. Ikuko Miyahara is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
 2. There are electric power supply transactions between the Company and the educational corporation Miyagi Gakuin which operates Miyagi Gakuin Women's University, where candidate Ms. Ikuko Miyahara serves as Professor. However, the annual transaction amount accounts for less than 0.1% of consolidated net sales of the Company and less than 2% of income from business activities of the educational corporation.
 3. Candidate Ms. Ikuko Miyahara is an incumbent Outside Director who is an Audit and Supervisory Committee Member of the Company and four years will have passed at the conclusion of this General Meeting of Shareholders since her first assumption of office.

Candidate No. 2	Akiko Ide	Born February 28, 1955	Number of the Company's Shares Held: 2,700	Attendance at the Board of Directors: 11/11 times (100%) Attendance at the Audit and Supervisory Committee: 13/13 times (100%)
	[Brief biography, positions, assignment and status of important concurrent holding of positions]			
	June 2006	Executive Officer and General Manager of Social Environment Promotion Department, NTT DoCoMo, Inc. (current NTT DOCOMO, INC.)		
	July 2008	Executive Officer and Executive General Manager of Chugoku Regional Office, NTT DoCoMo, Inc.		
	June 2012	Executive Officer and General Manager of Information Security Department, NTT DoCoMo, Inc.		
	May 2013	Representative Director and CEO, Radish Boya Co., Ltd. (current Oisix ra daichi Inc.)		
	June 2013	Executive Officer in charge of Commerce Business Planning, NTT DoCoMo, Inc.		
	May 2014	Resigned from the position of Representative Director and CEO, Radish Boya Co., Ltd.		
	June 2014	Resigned from the position of Executive Officer in charge of Commerce Business Planning, NTT DOCOMO, INC.		
	June 2014	Audit & Supervisory Board Member, NIPPON TELEGRAPH AND TELEPHONE CORPORATION		
	August 2018	Audit & Supervisory Board Member, NTT, Inc.		
	June 2020	Resigned from the position of Audit & Supervisory Board Member, NIPPON TELEGRAPH AND TELEPHONE CORPORATION		
	June 2020	Resigned from the position of Audit & Supervisory Board Member, NTT, Inc.		
June 2020	Outside Director, SUMITOMO CORPORATION (to date)			
June 2021	Director and Audit and Supervisory Committee Member, Tohoku Electric Power Co., Inc. (to date)			
	[Significant concurrent positions] Outside Director, SUMITOMO CORPORATION			
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">For reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Female</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">candidate for Independent Outside Director</div>	[Reason for nomination as an Outside Director, Audit and Supervisory Committee Member candidate and summary of expected roles] Ms. Ide served as an Audit & Supervisory Board Member of NIPPON TELEGRAPH AND TELEPHONE CORPORATION and an Audit & Supervisory Board Member of NTT, Inc., and also held positions such as Executive Officer of NTT DOCOMO, INC. As she is considered capable of conducting audits and supervision from an objective and neutral perspective drawing on her extensive experience and excellent insight developed through her past experience and records, she has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member. She is also expected to audit and supervise the management of the Company from an independent standpoint by leveraging her wealth of expertise and experience in the management of public service projects.			

- (Notes) 1. Candidate Ms. Akiko Ide is a candidate for Outside Director prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act and has been notified to the Tokyo Stock Exchange, Inc. as an independent officer prescribed in Article 436-2 of the Securities Listing Regulations of the Exchange.
2. There are electric power supply and other transactions between the Company and NTT DOCOMO, INC., where candidate Ms. Akiko Ide served as an Executive Officer until June 2014. However, the annual transaction amount accounts for less than 0.1% of consolidated net sales of both the Company and the entity.
3. Candidate Ms. Akiko Ide is an incumbent Outside Director who is an Audit and Supervisory Committee Member of the Company and two years will have passed at the conclusion of this General Meeting of Shareholders since her first assumption of office.

Reference for Proposal 1 and Proposal 2

1. Policies for the nomination of candidates for Directors

- In selecting candidates for Directors, the Nomination and Compensation Advisory Committee, a majority of which consists of Independent Outside Directors, and chaired by an Independent Outside Director, shall conduct deliberations with a view toward ensuring greater objectivity, timeliness, and transparency.
- With the aim of fulfilling the Tohoku Electric Power Group Medium- to Long-Term Vision “*Yori Sou next*,” candidates for inside Directors (excluding candidates for Directors, Audit and Supervisory Committee Members) shall be persons with
 - the “conceptual ability” to lead organizations by conceiving forward-looking visions and creative business models,
 - the “decisiveness” to make decisions based on knowledge, experience and principles
 - the “task completion ability” to bring together wisdom and resources inside and outside the Company to boldly tackle challenges and tenaciously achieve goals,
 - the “perceptivity” to discover business opportunities with keen insight and not overlook signs of risk, and
 - “integrity” born of a strong sense of ethics and a firm sense of mission to engage in public service, and shall be selected from among those who are knowledgeable in each field in consideration of the balance of their respective fields of specialization in addition to their technical expertise, extensive working experience, and knowledge concerning the general management of the electric power business, as well as knowledge about new business fields, taking into account factors such as characteristics of the electric power business in terms of being highly specialized and having a broad business domain.
- Candidates for Outside Directors (excluding candidates for Directors, Audit and Supervisory Committee Members) shall be selected by assigning weight to whether they are capable of realizing appropriate decision-making and management supervision in the Board of Directors, based on their practical experience stemming from corporate management and other relevant matters as well as deep insight into socioeconomic trends and other factors.
- Candidates for Directors, Audit and Supervisory Committee Members shall be selected by assigning weight to whether they can properly execute their duties as Audit and Supervisory Committee Members by drawing on their experience and insight, thereby implementing audits and carrying out supervision of the Directors’ execution of duties. In selecting candidates for Outside Directors, Audit and Supervisory Committee Members, emphasis shall be assigned to whether they can conduct audits and supervision from an objective and neutral standpoint.
- The independence of candidates for Outside Directors shall be evaluated in compliance with the “Independence Criteria for Outside Directors” prescribed by the Company.

2. Independence Standards for Outside Directors

The Company evaluates the independence of an Outside Director in compliance with the independence criteria established by the financial instruments exchange on which the Company is listed and based on the requirements set forth below.

Outside Directors are appointed by assigning weight to whether they understand the Company's management principles and social responsibilities, fully recognize the roles and responsibilities as Outside Directors, and are capable of realizing appropriate decision-making and management supervision in the Board of Directors, based on their practical experience stemming from corporate management and other relevant matters, and deep insight on socioeconomic trends and others.

Outside Directors, Audit and Supervisory Committee Members are appointed by assigning weight to whether they can fully recognize the roles and responsibilities as Outside Directors, Audit and Supervisory Committee Members, and they can conduct objective and impartial audits and supervision based on extensive experience and excellent insight.

[Independence Criteria of Outside Directors in the Company]

In principle, the Company designates a person who does not fall under any of the following criteria as an Independent Outside Director:

- (1) A person whose major business partner is the Company or an executive thereof
- (2) A major business partner of the Company or an executive thereof
- (3) A person who is a consultant, accounting expert or legal expert who receives a significant amount of money or other property from the Company other than compensation as Director of the Company (if the person who receives such property is an organization, such as a juridical person, association, etc., a person who belongs to such an organization)
- (4) A person who recently fell under any of (1) through (3) above
- (5) A close relative of a person who falls under any of a. through d. below (excluding those who are insignificant):
 - a. A person who falls under any of (1) through (4) above
 - b. An executive of a subsidiary of the Company
 - c. A Director who is not an executive of a subsidiary of the Company
 - d. A person who recently fell under b. or c. above or was an executive of the Company (in cases where Outside Directors, Audit and Supervisory Committee Members are designated as Independent Outside Directors, including Directors who are not executives)

3. Skills matrix of the Board of Directors subsequent to the General Meeting of Shareholders

Skills matrix of the Board of Directors will be as follows if the candidates of Directors stated in this Notice are elected as originally proposed. The seven items under areas of particular expectations are the skill categories that we classified by listing and grouping the skills generally required for the Board of Directors and the skills necessary for implementing the strategy as we advance to fulfill the Tohoku Electric Power Group Medium- to Long-Term Vision “Yori Sou next.”

	Name	Gender	Areas of particular expectations*1						
			Corporate management	Technology *2	Finance /accounting	Legal/risk management	Business development/ marketing	Social communication *3	Personnel / human capital development
Directors (excluding Audit and Supervisory Committee Members)	Jiro Masuko	Male	●	●				●	
	Kojiro Higuchi	Male	●	●		●			
	Kazuhiro Ishiyama	Male	●	●		●			
	Hiromitsu Takano	Male	●			●		●	
	Satoshi Isagoda	Male			●		●		●
	Sadahiro Ohno	Male		●				●	
	Sadao Kanazawa	Male		●				●	
	Tsutomu Kamijo	Male	●			●	●		
	Osamu Kawanobe	Male	●	●		●			
	Mikito Nagai	Male	●		●	●			
	Keiko Uehara	Female			●			●	●
Directors who are Audit and Supervisory Committee Members	Katsuaki Fujikura	Male				●		●	
	Ikuko Miyahara	Female					●	●	●
	Kazuo Kobayashi	Male	●		●		●		
	Akiko Ide	Female	●				●	●	

*1. The above list describes the top three areas of particular expectations based on the skills possessed by individual Directors, and does not indicate all areas of specialization and experience of each Director.

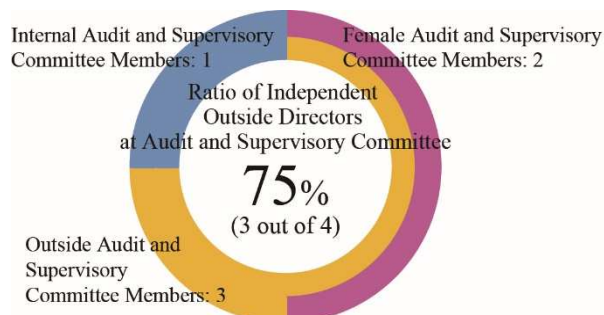
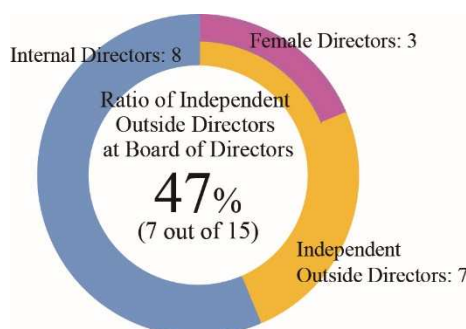
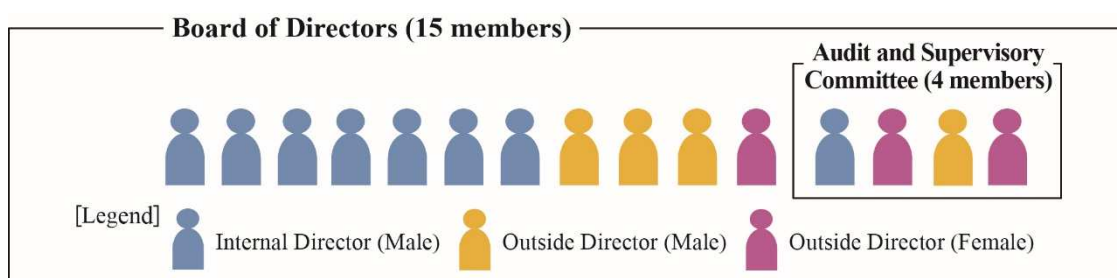
*2. “Technology” refers to capabilities related to electricity, machinery, and other technologies in general, **including skills involving the environment that will contribute to carbon neutrality.**

*3. “Social communication” refers to communication skills with local communities and other stakeholders.

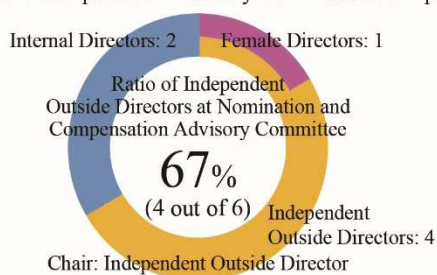
4. Corporate Governance Structure

Recognizing that enhancement of corporate governance is one of the key management issues, the Company will engage in initiatives to achieve sustainable growth and raise mid- to long-term corporate value, such as improving the agility, soundness and transparency of management, in order to meet stakeholders' expectations.

■ Composition of the Board of Directors (if the proposal for electing Directors is approved at the Meeting)



[Nomination and Compensation Advisory Committee as of April 2023]



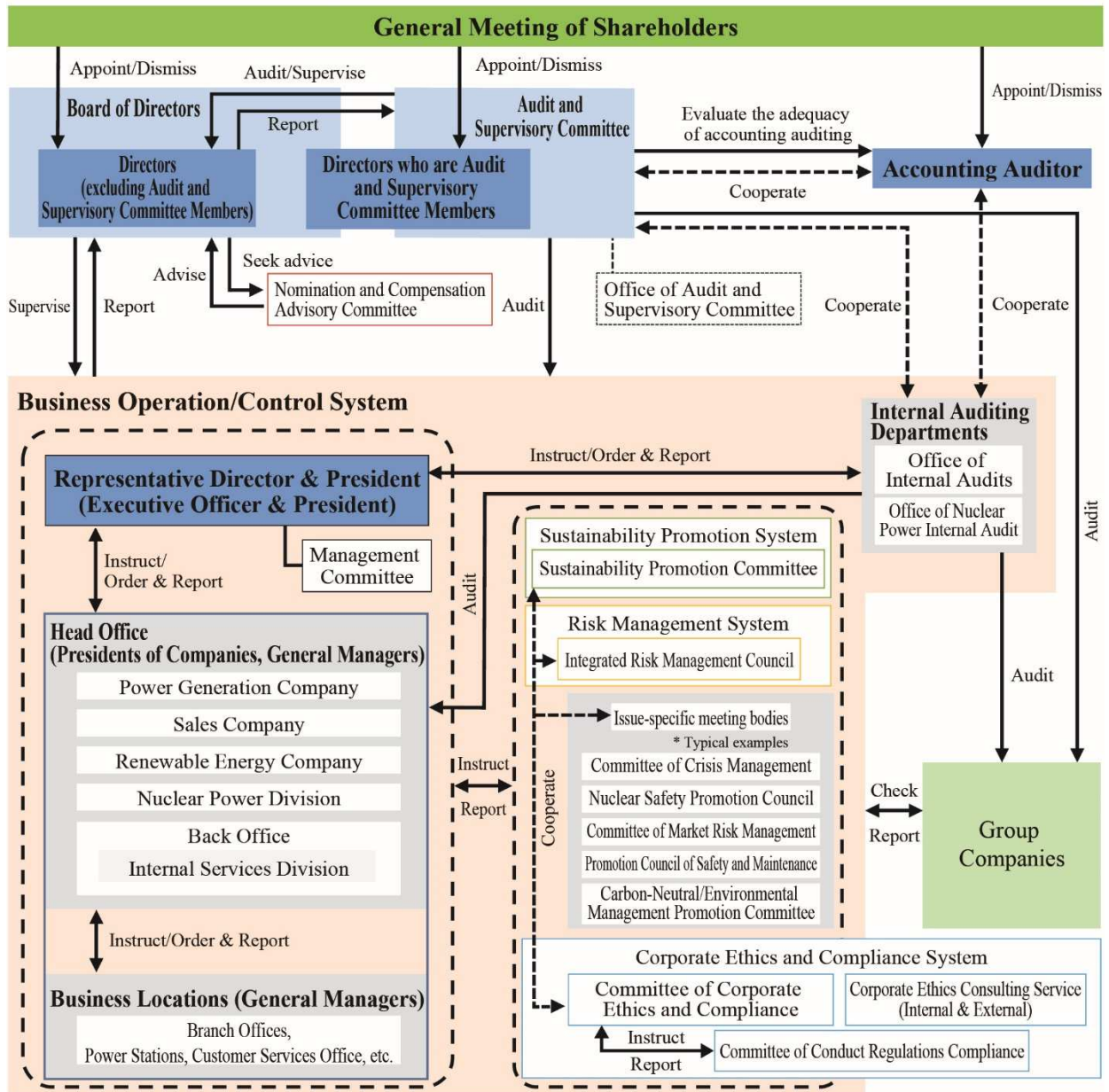
The Company's basic views on corporate governance, the operation policy and other matters related to corporate governance are stipulated in the "Basic Policy on Corporate Governance" and disclosed on the Company's website. Please refer to the following URL.

- Basic Policy on Corporate Governance
- Corporate Governance Report, etc.



URL: <https://www.tohoku-epco.co.jp/ir/policy/governance/index.html>

Corporate Governance System



Shareholder Proposals

Proposals from No. 3 to No. 9 are proposals made by shareholders. The total number of voting rights of proposing shareholders (205 persons) is 3,291.

Proposal 3 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (1)

○Proposal

To add the following chapter:

CHAPTER 7. WITHDRAWAL FROM NUCLEAR POWER GENERATION AND PROMOTION OF RENEWABLE ENERGY

Article 40 The Company shall withdraw from nuclear power generation and shall actively engage in the development of renewable energy.

○Reasons for the proposal

Twelve years have passed since the accident at the Fukushima Nuclear Power Station. However, the state of emergency declaration has yet to be lifted and decommissioning of the nuclear power plant has been in total impasse. The hardship of 21,000 people who fled from Fukushima prefecture is continuing and is still present today.

Regardless of such a situation, neither the Government nor the electric power company takes responsibility for the accident, while the policy change is taking place, attempting to restart and establish nuclear power stations, and extending the period of their operation. Their propaganda to support such attempts is totally groundless, and they include: *Electricity generated from nuclear power is cheap, Restarting nuclear power plants will lower electricity bills; and Safety is guaranteed by the new regulatory standards.*

Pushing the society backward and promoting nuclear power generation would further deteriorate problems associated with spent nuclear fuel processing and disposal of radioactive substances, which show no sign of resolution, even after over 50 years of full-fledged operation.

The global trend, undoubtedly, is to retreat from nuclear power generation and actively deploy renewable energies. The Company shall stipulate this in the Articles of Incorporation and shall begin to take a step toward the future.

○The Board of Directors' opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

In Japan, where energy resources are scarce, nuclear power generation is an important power source from the perspectives of stable supply, economic efficiency and environmental compatibility, with top priority given to ensuring safety. It is necessary to secure a certain scale of nuclear power generation into the future. In the Basic Energy Plan formulated by the government, nuclear power is positioned as "an important base-load power source."

In addition, the Basic Policy for the Realization of GX, which was approved by the Cabinet in February this year, aims to transform Japan to have clean-energy-oriented industrial and social structures and calls for maximum deployment of renewables and nuclear power, because they are highly effective decarbonized source of energy which can also enhance Japan's energy security.

Amid the unstable international situation with skyrocketing energy prices, energy security has become more important. The Company will continue to ensure a stable supply without excessive dependence on any particular power source or fuel source by achieving a well-balanced power source structure. Accordingly, in terms of nuclear power generation, the Company will steadily move toward the early restart, while implementing measures to further enhance the level of safety, in addition to complying with the new regulatory standards.

At the same time, as we believe it is important to promote renewable energy, we aim to develop a total of two million kilowatts from renewable energy, placing wind power as a major power generation source.

As the basic principle of the Companies Act is to delegate matters related to business execution to the Board of Directors and Directors, the Company believes that it is inappropriate to prescribe matters related to business execution, such as this proposal, in the Articles of Incorporation.

For these reasons, the Board of Directors objects to the proposal.

Proposal 4 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (2)

○Proposal

To add the following CHAPTER:

CHAPTER 8. DISCLOSURE OF POWER GENERATION COST AND UNIT COST

Article 41 The Company shall disclose all the costs of power generation and the unit cost with detailed breakdowns from different power sources, such as thermal, nuclear, hydro, renewables, and so on. Likewise, the Company shall disclose the cost of generation and the unit cost from different power generation facilities.

○Reasons for the proposal

Massive electricity rate hike by major electric power companies including the Company has thrown local residents and businesses into deeper hardship. Taking advantage of such a situation, propaganda such as *Electricity generated from nuclear power is cheap; Restarting nuclear power plants will lower electricity bills*, is rampant and works as an excuse for a return-to-nuclear-power policy such as construction of nuclear power plants and extension of their operational period.

In applying for the rate hike in November last year, the Company president Mr. Kojiro Higuchi commented that restarting Onagawa Nuclear Power Station Unit 2 would suppress the electricity rate hike by 5%, but the reasons are unclear.

Agency for Natural Resources and Energy provides cost estimates for power generation from different power sources which are also available on the Company's website. However, the new power generation facility is used for the comparison, and again, the cost incurred from "restarting the existing power plant" such as additional construction costs for security measures is not clear.

The Company should disclose all costs of power generation as well as the unit cost (which is the cost of power generation divided by the total unit of power generation) with breakdowns and reasons according to power sources such as thermal, nuclear, hydro renewables among others, and according to different major power generation facilities, and clarify the power generation cost of the real, not a model plant. The decision to select a power source should be conducted in this way.

○The Board of Directors' opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

Power generation cost and unit cost directly affect the Company's management strategy and cost competitiveness in an environment with accelerating deregulation. We believe the disclosure is inappropriate as it harms the interest of the Company and consequently our shareholders.

We are promoting value-chain optimization from fuel procurement, power generation to wholesaling. In wholesaling, we expand revenues by utilizing trading functions and by proposing solutions that deliver added value in aspects such as more market-sensitive price setting and flexible contractual terms and conditions. Releasing power generation cost and the unit cost under this situation would lead others to presume our wholesale price and diminish our revenues. This would also hamper our negotiating position for the price of materials and services as our investment amount according to power source is presumed.

Kindly note that restarting Onagawa Nuclear Power Station Unit 2 would massively cut the cost of fuel including coal and LNG, which is reasonably expected and is reflected in the price hike application in November last year. As the basic principle of the Companies Act is to delegate matters related to business execution to the Board of Directors and Directors, the Company believes that it is inappropriate to prescribe matters related to business execution, such as this proposal, in the Articles of Incorporation.

For these reasons, the Board of Directors objects to the proposal.

Proposal 5 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (3)

○Proposal

To add the following chapter:

CHAPTER 9. DISCONTINUATION OF INVESTMENT IN NUCLEAR POWER STATIONS

Article 42 The Company shall discontinue investing in nuclear power stations and shall give up restarting nuclear power stations considering the severe business situation that forced a rate increase of electricity.

○Reasons for the proposal

The Company raised the electricity rate, and local residents and businesses were made to suffer. On the other hand, the Company continues its investment and spending to the level that can be called wild for the restart of the Onagawa Nuclear Power Station.

Even after fiscal 2011, the Company has spent approximately 100 billion yen every year under the item “nuclear power generation fee” for the nuclear power station that does not produce a watt of electricity. Such expenditure has exceeded 1 trillion yen over the 12 years.

Moreover, additional expenditure has ballooned on security measures to restart nuclear power stations: from 154 billion (the sum of Onagawa and Higashidori Stations, released in February 2013) to three hundred and a few tens of billions of yen (the sum of Onagawa and Higashidori Stations, released in September 2014) to 340 billion yen (Onagawa Station only, released in March 2019) and to 570 billion yen (Onagawa Station only, released in November 2022). In addition, another 140 billion yen is estimated for Special Facility required to prepare for events such as terrorist infiltration. As a result, the grand total is estimated as a humungous 710 billion yen.

The cost to maintain and restart nuclear power stations clearly oppresses the Company’s business management and may have become a cause of the rate hike.

The responsibility of the Company’s executives on this matter is significant. The Company must stop further investment in nuclear power plants and give up restarting nuclear power stations.

○The Board of Directors’ opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

In Japan, where energy resources are scarce, nuclear power generation is an important power source from the perspectives of stable supply, economic efficiency, and environmental compatibility, with top priority given to ensuring safety. It is necessary to secure a certain scale of nuclear power generation into the future.

Concerning the cost for safety-related construction works, they include the implementation of additional measures based on new regulatory standards and reflect the most up-to-date expertise. We believe it is a necessary cost to ensure the safety of the power generation plants. We have also improved efficiency through optimized building designs and competitive bidding in procurement while keeping safety our utmost priority.

We believe resuming the operation of the nuclear power stations will not only reduce the cost of fuel including coal and LNG and mitigate the impact of the fuel price fluctuations, but also contribute to a stable supply and reduction of CO2 emissions. Assessing these advantages, we believe that we can recover our investment.

We aim to restart the nuclear power stations at an early opportunity, putting safety as our utmost priority and continuing to improve efficiency by reviewing specifications, procurement of materials and services, and with the understanding of the people in the local community.

As the basic principle of the Companies Act is to delegate matters related to business execution to the Board of Directors and Directors, the Company believes that it is inappropriate to prescribe matters related to business execution, such as this proposal, in the Articles of Incorporation.

For these reasons, the Board of Directors objects to the proposal.

Proposal 6 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (4)

○Proposal

To add the following chapter:

CHAPTER 10. ELECTRICITY SYSTEM REFORM

Article 43 The Company shall sell shares of Tohoku Electric Power Network Co., Inc. to promote electricity system reform and make it a separate firm with separate ownership.

○Reasons for the proposal

Since the end of last year, incidents have come to light where retail sectors of major electric power companies illegally accessed customer information of their rival power producers and suppliers. For the case of Tohoku EPCO, the number of such cases confirmed alone totaled around 37,000. This is a problem involving the core of the electricity system reform that would shake the total deregulation of the electric retail sector which began in 2016. There has been a discussion on whether to choose legal or ownership unbundling in the electric system reform which took place after the accident of Fukushima Daiichi Nuclear Power Station in 2011, and the government decided on legal unbundling due to backlash from the electric power companies. However, taking the issue of illegal access seriously, a task force at the Cabinet Office on March 2 this year recommended the ownership unbundling, which separates transmission and distribution sectors of major electric power companies according to ownership. The ownership unbundling was proposed by shareholders but was rejected at the 95th Ordinary General Meeting of Shareholders. However, time, certainly, has changed.

Now is the time for Tohoku EPCO to lead other electric power companies and unbundle ownership by selling the shares of Tohoku Electric Network Co., Inc. and live up to the trust of shareholders and society.

○The Board of Directors' opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

We take the incidents concerning access to customer information very seriously, and our deep apologies again for the matter.

The Company and the Tohoku Electric Network Co., Inc. are each establishing preventive measures against such incidents, which are based on thorough investigation and detailed cause analysis, and they include establishing a check system that incorporates a perspective from the third party. By thoroughly implementing these measures, we will make sure to fully comply with the code of conduct while ensuring neutrality and fairness in the transmission and distribution sector.

Regarding corporate structure, we believe that it should be considered from the standpoint of the contribution to benefit all stakeholders as well as shareholders. More specifically, we believe a system that allows rapid power recovery is essential in times of disaster and tight supply and demand, and we believe the present structure which allows prompt cooperation between the Company and Tohoku Electric Network Co., Inc. is most desirable in terms of stable power supply.

In addition, the present structure works best to implement our Medium- to Long-Term Vision “*Yori Sou next*” thereby sustainably improving the corporate value through introducing more renewable energy, enhancing resilience by maintaining transmission and distribution lines, and continuous investment to realize carbon neutrality and smart society.

For these reasons, the Board of Directors objects to the proposal.

Proposal 7 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (5)

○Proposal

To add the following chapter:

CHAPTER 11. RADIOACTIVE WASTE

Article 44 The Company shall not produce radioactive substances in the future. The Company shall be responsible for securely managing spent nuclear fuel and other radioactive substances from nuclear power generation and storing them on-site where they originated unless entirely safe processing, disposal, and transportation methods are established.

○Reasons for the proposal

The Japanese government has been calling for a “nuclear fuel cycle” in which MOX fuel, reprocessed and fabricated from spent nuclear fuel, is used to generate power in a fast reactor.

However, the prototype fast reactor “Monju,” the core of the cycle, has ended up in failure. In addition, the nuclear reprocessing plant in Rokkasho village of Aomori Prefecture is still not in operation. As for the final disposal site for high-level radioactive waste generated from the cycle, literature surveys are taking place in Suttu Town and Kamoenai Village in Hokkaido, but it is difficult to realize such projects because Hokkaido municipal government is against proceeding to the next step of preliminary investigation. Opposition is also strong among local residents, and no other local government became a candidate for the final disposal site. Therefore, in addition to the spent nuclear fuel itself becoming high-level radioactive waste, a large amount of radioactive waste will be generated by dismantling and removal work after the decommissioning of reactors. Producing radioactive materials that take over 100,000 years to become harmless to life is a heinous crime that deprives the right to life not only of mankind but also of all creatures. Moreover, they will likely spread radioactive substances and rays to the environment when being transported and encountered an accident, etc. This is why this proposal is made.

○The Board of Directors’ opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

In Japan’s energy policy, the nuclear fuel cycle is the basic policy based on the effective utilization of uranium resources and the reduction in volume and toxicity of high-level radioactive waste. JAPAN NUCLEAR FUEL LIMITED, a licensed nuclear fuel preprocessor, is working toward the completion of the reprocessing plant in Rokkasho Village at the earliest opportunity in the first half of fiscal 2024. It serves the core of the nuclear fuel cycle.

The government has a policy of implementing geological disposal of high-level radioactive waste. The government and the Nuclear Waste Management Organization of Japan (NUMO), the entity implementing the policy, are engaged in nationwide dialogue and publicity activities. Such engagement will be enhanced as the nationwide activities are clearly mentioned in the revised draft of the Basic Policy on the Final Disposal of Specified Radioactive Waste, revealed in February this year.

We will continue to support JAPAN NUCLEAR FUEL LIMITED toward the realization of the nuclear fuel cycle. At the same time, as a company responsible for waste generation, we will continue to work with the government and NUMO to promote understanding toward geological disposal project.

Concerning the transportation of radioactive waste and other materials, we implement safety measures, such as the use of containers fully complied with law. Should an accident occur, we will cooperate with transporters and take appropriate measures.

As the basic principle of the Companies Act is to delegate matters related to business execution to the Board of Directors and Directors, the Company believes that it is inappropriate to prescribe matters related to business execution, such as this proposal, in the Articles of Incorporation.

For these reasons, the Board of Directors objects to the proposal.

Proposal 8 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (6)

○Proposal

To add the following chapter:

CHAPTER 12. EQUITY PARTICIPATION AND DEBT GUARANTEES

Article 45 With the purpose of addressing liberalization and securing soundness of financial conditions, the Company shall overhaul investments made into the nuclear power generation business and nuclear fuel cycle business, which have already failed and have become a “negative legacy,” and accelerate investments into solar power generation, wind power generation, and other renewable energy businesses, in accordance with the global trend.

For this purpose, the Company shall cease equity participations and debt guarantees to the following companies:

1. The Company shall not make equity participation in or provide debt guarantees to The Japan Atomic Power Company, a pure-play company focused on the nuclear power industry; and
2. The Company shall not make equity participation in or provide debt guarantees for Japan Nuclear Fuel Limited, a licensee of nuclear fuel reprocessing activities.

○Reasons for the proposal

Out of four nuclear stations possessed by The Japan Atomic Power Company, two are undergoing decommissioning work, and operations at the other two are currently suspended. These power stations generate no electricity. However, though the Company has received zero electricity since the Great East Japan Earthquake of 2011, the Company has provided about 10 billion yen every year (or a sum of over 100 billion yen) under the item described as “electricity purchase from another company.” Moreover, loans guaranteed by the Company totaled approximately 18.9 billion yen as of the end of fiscal 2021. Its Tokai No. 2 Power Station is a “disaster-afflicted” and over-40-year-old “obsolete” nuclear power station. There is no prospect of restarting operation due to a suspension order by the Mito District Court two years ago, protests on resumption by local residents and those in the Kanto region, and delays in safety measure construction. The Company must end loan guarantees and payment of electricity purchases to The Japan Atomic Power Company.

Japan Nuclear Fuel Limited planned to complete the construction of the Rokkasho Nuclear Fuel Reprocessing Plant in 1997. In December last year, however, after more than 25 years from the originally-planned completion year, Japan Nuclear Fuel Limited announced that the completion was further postponed for two years. This was the 26th postponement. The construction cost has already surpassed 2.2 trillion yen. The decommissioning of “Monju” owned by the Japan Atomic Energy Agency has already been started. Plutonium no longer serves any purpose; the nuclear fuel cycle business has already failed. The Company made equity participation of 34.6 billion yen and made 44.6 billion yen of advance payment for reprocessing as of the end of fiscal 2021, but the Company should immediately stop them.

○The Board of Directors’ opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

Regarding The Japan Atomic Power Company, there will be advantages for the Company in that it will be able to reduce its fuel cost for thermal power generation plants when it resumes receiving electricity after the restart of Tokai No. 2 Power Station; in addition, it will be able to acquire knowledge from The Japan Atomic Power Company and effectively use such knowledge for the Company’s own business through providing support to Japan Atomic Power Company that is a pioneer of nuclear power generation. The Japan Atomic Power Company has successively obtained permission needed to restart the Tokai No. 2 Power Station. It is steadily proceeding with preparation to complete the work for safety measures in September 2024 and subsequently resume operation.

For effective use of uranium resources and realization of the nuclear fuel cycle which would contribute to reducing high-level radioactive waste as well as the overall hazardous level, it is extremely important to ensure that the construction work for the reprocessing plant and MOX fuel fabrication facility owned by Japan Nuclear Fuel Limited are completed and that these plants will be operated stably. The Company works to complete the reprocessing plant at an early opportunity in the first half of fiscal 2024, and the MOX fuel fabrication facility in the first half of fiscal 2024.

The Company has been making decisions to extend support, including equity participation and loan guarantees, to both companies while sufficiently evaluating the business continuity of these companies and the advantages for the Company. The Company will continue making decisions in a timely and appropriate manner in the future as well.

As the basic principle of the Companies Act is to delegate matters related to business execution to the Board of

Directors and Directors, the Company believes that it is inappropriate to prescribe matters related to business execution, such as this proposal, in the Articles of Incorporation. For these reasons, the Board of Directors objects to the proposal.

Proposal 9 (Shareholder Proposal): Partial Amendments to the Articles of Incorporation (7)

○Proposal

To add the following chapter:

CHAPTER 13 ABOLITION OF SPECIAL ADVISOR, ETC.

Article 46 In order to improve transparency and effectiveness of management and to further strengthen and enhance corporate governance, the Company shall abolish the positions of Special Advisor, etc.

○Reasons for the proposal

While the system of special advisors is unique to Japanese companies, as it is not stipulated in the Companies Act and has been generally accepted in practice, there has been criticism that the chairman or president remains in the company after retirement and exercises influence over the current management team in the form of virtually a “cloistered rule (insei),” and that they make a little visible contribution. Indeed, foreign investors have taken the lead in criticizing the transparency and other aspects of the system, and there is a growing trend to review it from the standpoint of improving corporate governance, and many domestic companies have already abolished the system, including Nissan, Sony, Panasonic, Fujitsu, Shiseido, Japan Tobacco, Kagome, and Itochu.

Following shareholders’ demand, the Company abolished the full-time Chairman Emeritus position in June last year, but, Mr. Hiroaki Takahashi, Mr. Makoto Kaiwa and Mr. Hiroya Harada have still been appointed as Special Advisors to the Company. In the midst of the full deregulation of electric power, they have been sticking to nuclear power stations that are not only dangerous and unstable power sources, but also costly and uneconomic, endangering its business. Consequently, they have created the cause for the Company to post a net loss.

In order to steer the company toward a new management strategy based on renewable energy and free from nuclear power as soon as possible, the system of Special Advisor, etc., which is nothing but a bad practice, should be abolished.

(This proposal was approved by 25% of shareholders last year and is being made once again.)

○The Board of Directors’ opinion on the shareholder proposal

The Board objects to the proposal for the following reasons:

The Company appoints a former chairman or a president as a part-time special advisor as necessary.

The role of Special Advisor, primarily, is to promote understanding of the Company’s business through activities in economic organizations and social contributions in the Tohoku and Niigata regions, which accordingly contributes to realizing “prospering with local communities,” our management philosophy.

The terms and conditions of Special Advisor, such as retirement age and maximum years of service, are fixed in advance, and the appointment is based on the deliberations of the Nomination and Compensation Advisory Committee, of which the majority member are independent outside directors and which is chaired by an independent outside director. The Committee discusses the appointment of the Special Advisor every year and checks the amount of compensation.

In addition, important decisions of the Company are made by the Board of Directors, of which at least one-third are independent outside directors, and Special Advisors will not be involved in any decision-making of the Company. Therefore, the corporate governance system is appropriately ensured.

With regard to the advisory system, it is appropriate to make decisions based on the deliberations of the Nomination and Compensation Advisory Committee, and the Company believes that it is inappropriate to stipulate in the Articles of Incorporation that the advisory system be abolished.

For these reasons, the Board of Directors objects to the proposal.