

*This is an English translation of the Japanese original version.  
Please note that if there is any discrepancy, the original Japanese version will take priority.*

**May 13, 2022**

**Electric Power Development Co., Ltd. (J-POWER)**

## **Notice Concerning Receipt of Shareholder Proposals**

Electric Power Development Co., Ltd. (“J-POWER”) hereby announces that J-POWER has received shareholder proposals for the 70<sup>th</sup> annual general shareholders’ meeting to be held in June, co-filed by four shareholders.

The contents of the shareholder proposals are as follows.

J-POWER will carefully consider the content of these shareholder proposals and will disclose the opinions of the Board of Directors as soon as they are determined.

(Contents of the shareholder proposals)

Note: The following is the tentative translation of the Japanese original text of the shareholder proposals. The English translation may be changed in the Convocation Notice for the annual general shareholders’ meeting.

### **Proposal 1**

Partial amendment to the Articles of Incorporation

#### **(1) Details of the proposal**

The following clause shall be added to the Articles of Incorporation of the Company:

Article X

1. To promote the long-term corporate value of the Company, given the risks and opportunities associated with climate change, and in accordance with the Company’s commitment to achieve carbon neutrality by 2050, the Company shall set and disclose a business plan with science-based short- and mid-term GHG emissions reduction targets aligned with Articles 2.1(a) and 4.1 of the Paris Agreement.
2. The Company shall report, in its annual report, on its progress against the business plan specified in the preceding paragraph on an annual basis.

#### **(2) Reason for the proposal**

Long-term institutional investors in the Company see its corporate value depending upon a credible decarbonization strategy and science-based short-, medium- and long-term GHG emissions reduction targets aligned with the goals of the Paris Agreement and investor expectations.

While we welcome the Company's intention to achieve carbon neutrality by 2050, the Company's targets are not yet aligned with the goals of the Paris Agreement. This presents a range of material financial risks to shareholders. We consider that setting science-based targets, and disclosing a business plan to achieve them, would best manage these risks and protect corporate value.

## **Proposal 2**

Partial amendment to the Articles of Incorporation

### **(1) Details of the proposal**

The following clause shall be added to the Articles of Incorporation of the Company:

Article Y

The Company shall disclose, in its annual report, details of how it assesses the alignment of the Company's capital expenditure with its GHG emissions reduction targets.

### **(2) Reason for the proposal**

Long-term institutional investors in the Company see its corporate value depending upon a credible decarbonization strategy and science-based short-, medium- and long-term GHG emissions reduction targets aligned with the goals of the Paris Agreement and investor expectations.

Capital expenditure aligned with such targets is of particular significance for the Company's corporate value given the high GHG emissions from its coal-fired power generation business, and the low level of economic rationality and feasibility certainty attaching to the decarbonization technologies of thermal power detailed in the Company's "BLUE MISSION 2020." We consider that corporate value would be protected with greater disclosure of how the Company assesses the alignment of its capital expenditure with GHG emissions reduction targets.

## **Proposal 3**

Partial amendment to the Articles of Incorporation

### **(1) Details of the proposal**

The following clause shall be added to the Articles of Incorporation of the Company:

Article Z

The Company shall disclose, in its annual report, details of how the Company's remuneration policies facilitate the achievement of the Company's GHG emissions reduction targets.

**(2) Reason for the proposal**

Long-term institutional investors in the Company see its corporate value depending upon a credible decarbonization strategy and science-based short-, medium- and long-term GHG emissions reduction targets aligned with the goals of the Paris Agreement and investor expectations.

We consider that a direct linkage between remuneration and the achievement of GHG emissions reduction targets to be in the Company's interests as an important mechanism to facilitate executive performance against decarbonization goals, which would result in protecting corporate value.