

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



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

Electric Power Development Co., Ltd. (J-POWER) announced today the receipt of shareholder proposals, co-filed by three shareholders, for the 71st annual general shareholders' meeting to be held in June 2023.

Outlines of the shareholders' proposals are shown below.

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

Outlines of the shareholders' proposals

Note: The following is a tentative translation of the Japanese original text of the shareholders' proposals. The English translation could be changed for 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 value of the Company, the Company shall set and disclose a business plan to achieve science-based short- and medium-term GHG emissions reduction targets aligned with the goals of the Paris Agreement.
2. Every business year, the Company shall report, in its annual reporting, on its

progress against the targets specified in the preceding paragraph at reasonable cost and omitting confidential information.

**(2) Reason for the proposal**

Long-term institutional investors in the Company see its corporate value depending upon a credible decarbonisation 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. In particular, the Company has presented no indicative schedule for the retirement of its coal-fired power assets and has instead presented a plan that involves capital expenditure into speculative technology prolonging the life of these assets. This presents material financial risks to shareholders, including the risks arising from anticipated changes in GHG emissions-related public policy.

Setting science-based targets, and disclosing a business plan to achieve them, would best manage these risks and protect corporate value. A disclosure of the Company's assessment of whether material capital expenditure aligns with the goals of the Paris Agreement in such business plan would assist shareholders.

**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 reporting, details of how the Company's remuneration policies will incentivise progress against the Company's science-based short- and medium-term GHG emissions reduction targets, at a reasonable cost and omitting confidential information.

**(2) Reason for the proposal**

Long-term institutional investors in the Company consider a direct linkage between remuneration and achievement of GHG emissions reduction targets to be in the Company's interests and protect corporate value, as an important mechanism to incentivise executive performance against decarbonisation goals.