

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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(Progress of Matters for Disclosure)

Notice Concerning the Board of Directors' Opinion on Shareholder Proposals

As disclosed in its "Notice Concerning Receipt of Shareholder Proposals" dated April 30, 2026, Electric Power Development Co., Ltd. (J-POWER) has received a written notice from two of its shareholders stating their intention to co-file shareholder proposals to request the inclusion of provisions regarding the handling of the climate change issue in the Company's Articles of Incorporation with respect to the agenda for the 74th annual general shareholders' meeting scheduled to be held on June 25, 2026, as set forth in the Attachment (hereinafter referred to as the "Shareholder Proposals").

J-POWER hereby announces that at the meeting of the Board of Directors held today, it resolved to oppose the inclusion of provisions in the Company's Articles of Incorporation as requested in the Shareholder Proposals for the reasons set forth below.

1. Details of the Shareholder Proposals

Please refer to the Attachment.

2. The Board of Directors' Opinion on the Shareholder Proposals

Note: The following is a tentative translation of the Japanese original text of the Board of Director's Opinion on the Shareholder Proposals. The English translation could be changed for the convocation notice for the annual general shareholders' meeting.

(The Company's Policy and Initiatives on Climate Change)

Based on its corporate philosophy of "meeting people's needs for energy without fail, and playing its part in the sustainable development of Japan and the rest of the world," the Company engages in its businesses with the establishment of a balance between the reliable supply of energy and response to climate change as its key management priority (materiality).

Additionally, as a signatory to the Paris Agreement, Japan seeks to realize carbon neutrality by 2050 while ensuring energy security.

Given these government policy trends and the nature of the businesses of the Company, in February 2021, its Board of Directors formulated “J-POWER BLUE MISSION 2050,” the Company's long-term vision based on the three pillars of "Expanding CO₂-Free Power Sources," "Push for Zero-Emission Power Sources," and "Power Network," and is currently pursuing these initiatives.

J-POWER “BLUE MISSION 2050” roadmap

CO₂ emission reduction target of domestic power generation business (compared to FY2013)

Target achieved
-9.2 million tons
(Actual emissions: -13.0 million tons)

-22.5 million tons
-46%

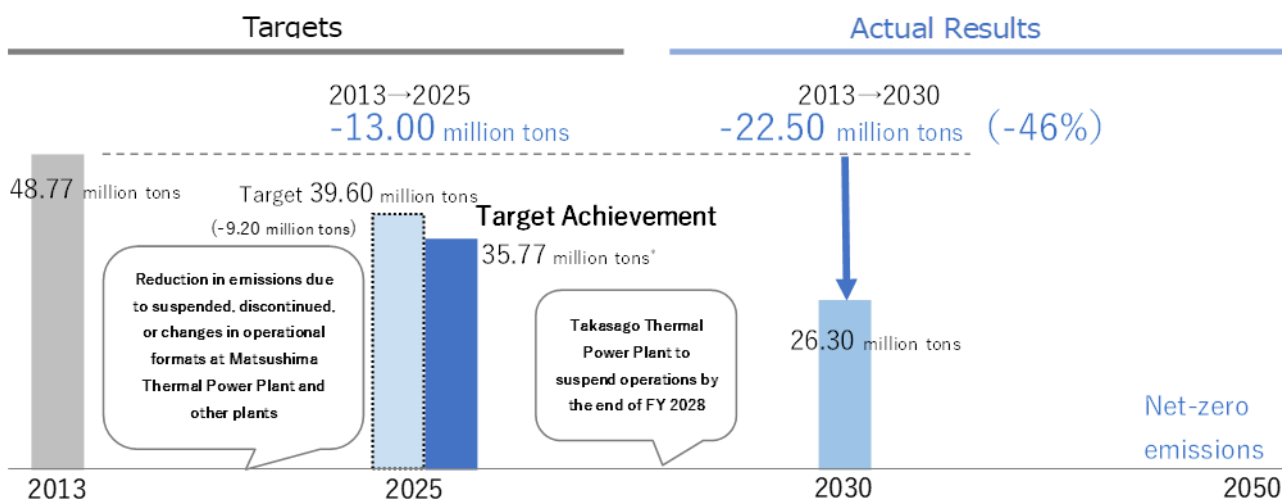
Realization of carbon neutrality
Net-zero emissions

		2025	2030	2040	2050
Expanding CO ₂ -free power sources	Renewable energy	Increase of domestic power generation volume by 4.0 billion kWh Global development of new renewable energy projects		Additional new developments, upcycling of existing facilities, and maximum use of existing assets	
	Nuclear	Construction and start of operations at Ohma Nuclear Power Station			
Push for zero-emission power sources	Domestic coal-fired thermal power	Gradual phase-out of aging power plants	CO ₂ reduction initiatives (Expansion of biomass mixed combustion, introduction of ammonia mixed combustion, etc.)		
	CCS	Development of business environment, design and construction of facilities		Injection and storage	Achievement of CO ₂ -free thermal power generation (Hydrogen, ammonia, IGCC+CCS, biomass mixed combustion +CCS, etc.)
	Hydrogen power generation	Demonstration tests in Japan	Upcycling (adding gasifiers to existing assets)		
	Fuel production (CO ₂ -free hydrogen)	Feasibility study on overseas production		Utilization in other industries	
Power network	Stabilization	Hydroelectric power generation, improvement of load tracking performance by upcycling (adding a gasifier to existing assets), and expansion of distributed energy service			
	Reinforcement*	Completion of reinforcement of the New Sakuma Frequency Converter Station, etc.		Contribution to power network enhancement	

*Strengthening the power network is an initiative of J-POWER Transmission Network Co., Ltd.

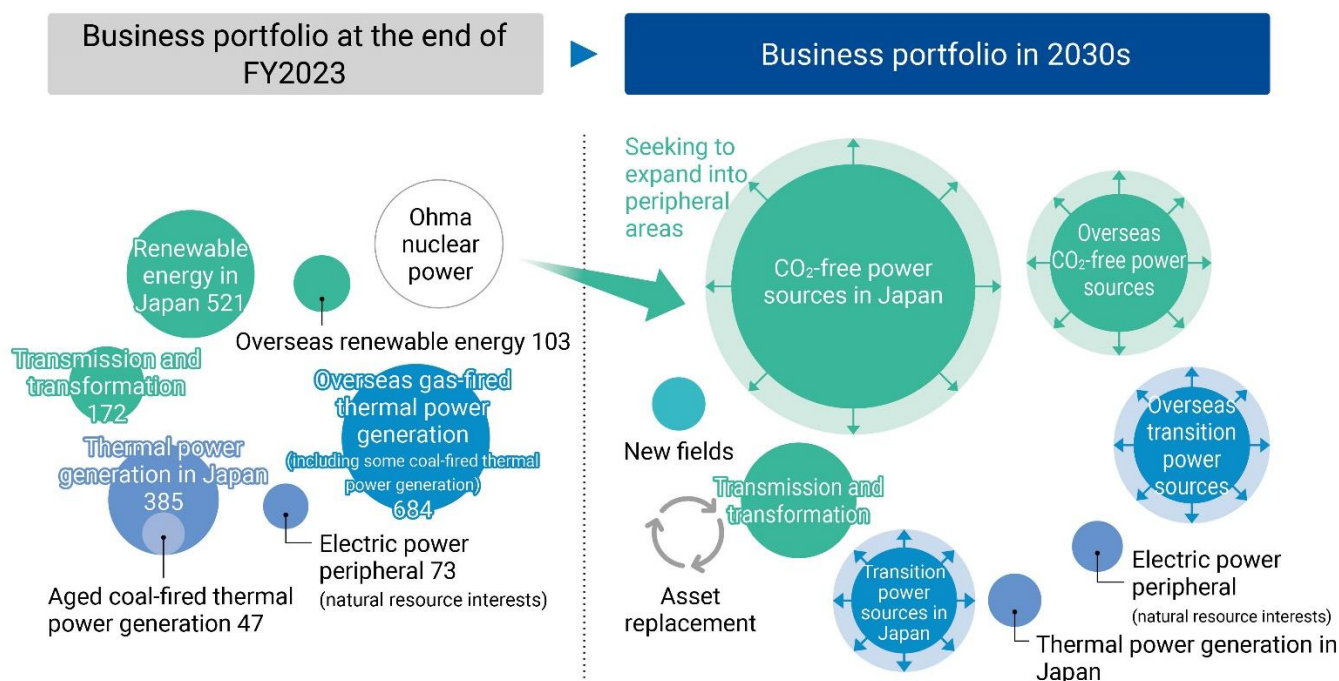
This plan will be updated, reviewed, and refined as needed according to the government's GX policies (including the energy master plan, global warming mitigation measures, NDC), the electricity supply and demand situation, the electricity system design, the progress of industrial development, and other conditions.

Under this vision, the Company has set the goal of achieving a 46% reduction over FY2013 in CO₂ emissions from its domestic power generation business by FY2030, and has established a roadmap of interim targets to meet as it pursues this goal. As a result, in FY2025, the Company achieved actual reductions that exceeded its interim target.



*Figures are preliminary

The Company's response to climate change is defined by how the Company transforms its business portfolio itself based on a timeline as opposed to relying on a single technology. Its policy in the immediate term is to reduce emissions while utilizing existing power sources and, by the 2030s, engineer a gradual transition to a business portfolio centered on CO₂-free power sources that include renewable energy and nuclear power.



The size of each bubble represents the total amount of business department fixed assets (in billion yen).



On the other hand, capital investments that benefit response to climate change continue to involve uncertainty with respect to technological maturity, economic viability, and the nature of government policy support. Moreover, uncertainty in the Company's operating environment has also grown due to geopolitical risk and fluctuations in energy markets, among other factors. Under these circumstances, the Company's Board of Directors recognizes that indicating its overall direction and timeline is a fundamentally different issue than that of making fixed external disclosures of detailed economic evaluations of individual capital investment projects.

Through its integrated reports, disclosures based on TCFD recommendations, and other means, the Company will continue to disclose information on its response to climate change and engage in dialogue with investors while simultaneously making management decisions that contribute to enhancing corporate value over the long term under the supervision of the Board of Directors.

For reference the materials cited in the Board of Directors' opinion are available at the following links:

- Disclosure based on the TCFD recommendations (released May 20, 2026)
<https://www.jpowers.com/english/ir/library/pdf/2026/2605tcfde.pdf>
- J-POWER Group Integrated Report 2025 (The 2026 edition is scheduled to be published in September 2026)
https://www.jpowers.com/english/ir/library/pdf/2025/jpower_integrated2025_e_all.pdf
- J-POWER Group Medium-Term Management Plan 2024–2026 (released May 9, 2024)
<https://www.jpowers.com/english/ir/pdf/2405medium-termmanagementplan.pdf>

(Regarding the Inclusion of Provisions on Climate Change Response in Our Articles of Incorporation)

The Articles of Incorporation set forth the fundamental matters concerning the Company's organization and other aspects. We believe it is inappropriate to stipulate specific policies or plans regarding particular management issues—such as climate change initiatives—or other specific matters related to business operations in the Articles of Incorporation. Doing so could significantly hinder our ability to execute business operations and formulate or revise policies in a flexible and timely manner in response to changes in the business environment, and could potentially undermine the Company's corporate value.

(Proposal: Regarding Partial Amendments to the Articles of Incorporation)

Oppose this Proposal

As mentioned earlier, we have announced our target business portfolio for the 2030s, are working toward that transition, and have disclosed our progress. When making investments, we set a hurdle rate—an expected rate of return that exceeds the cost of equity (an investment criterion based on the cost of equity that takes into account regional business risks, the project duration, and other factors)—and use it to assess whether each investment opportunity is expected to generate sufficient returns to meet this standard. We have already disclosed these investment criteria and governance frameworks in our integrated reports and disclosures based on the TCFD recommendations, etc. We will continue to enhance our information disclosure, taking into account the views of our investors.

On the other hand, routinely disclosing detailed economic analyses, comparable marginal costs, and risk-adjusted return calculations for individual investment projects could put the Company at a competitive disadvantage and weaken its future bargaining power, which could ultimately undermine corporate value.

Furthermore, since the Articles of Incorporation set forth the fundamental matters of the Company, it is not appropriate to stipulate provisions concerning specific business execution within them.

Therefore, we oppose this Proposal.

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.

Resolution

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

The Company shall disclose in annual reporting:

1. An investment framework demonstrating how the Board evaluates major investments, especially those significantly exposed to climate-related transition risks or dependent on long-term policy support; and
2. A comparative analysis of the estimated abatement cost and greenhouse gas emissions reduction potential of the Company's major investment options, presented in a manner that enables investors to assess the expected risk-adjusted return profiles of these options.

Supporting Statement

This Resolution is made to promote the long-term value of the Company, given the risks and opportunities associated with the Company's commitment to achieve carbon neutrality by 2050.

It requests disclosure of a high-level 1) investment framework and 2) comparative abatement cost and potential of major investment options. Peer disclosures demonstrate that this decision-useful information can be provided.

Decisions by the Board in relation to major investment options have a material impact on future cash flows, emissions outcomes and risk exposure. Therefore, investors seek greater disclosure on return thresholds, how risks are reflected in investment criteria, and how capital is prioritised across business areas and technologies. Disclosure of the comparative abatement costs and potential of investment options would assist shareholders in evaluating capital discipline and risk-adjusted return profiles.

Enhanced disclosure requested by this Resolution would enable investors to assess how the Company's transition strategy is aligned with long-term corporate value.