



Dialogue between the Chairman of the Board of Directors, External Director, and External Audit and Supervisory Committee Member

Discussion featuring Chairman of the Board of Directors Katsuno Satoru, an External Director Hashimoto Takayuki, and an Audit and Supervisory Committee member Nakagawa Seimei

Chubu Electric Power Group fulfills its responsibilities as a public utility that underpins social and community infrastructures and strives to increase corporate value and contribute to the sustainable development of society.



Katsuno Satoru
Chairman of the Board
of Directors

Hashimoto Takayuki
External Director

Nakagawa Seimei
Audit and Supervisory
Committee member

Katsuno Satoru, Chairman of the Board of Directors

Katsuno Satoru joined Chubu Electric Power in 1977. Before Katsuno was appointed director in 2015, holding the position of President & Director, he served as General Manager of Okazaki Regional Office, Managing Executive Officer, General Manager of the Tokyo Office, and Director, Executive Vice President and General Manager of Corporate Planning & Strategy Division. He has been in his present position since April 2020.

Born in 1954 in Aichi Prefecture.

Hashimoto Takayuki, Honorary Executive Advisor, IBM Japan, Ltd.

Hashimoto Takayuki joined IBM Japan, Ltd in 1978. He has held positions such as Director & Senior Managing Executive Officer, President & Representative Director and Chairman & Director at IBM Japan, Ltd. And he has been in his present position since May 2017. He was appointed as External Director of the Company in June 2016.

Born in 1954 in Aichi Prefecture.

Nakagawa Seimei, Attorney at law

Nakagawa Seimei was appointed Public Prosecutor of Tokyo District Public Prosecutors Office in 1984. He experienced positions such as Assistant Vice-Minister of Justice, Director of Public Security Department at Supreme Public Prosecutors, Director-General of Public Security Intelligence Agency and Superintending Prosecutor at Nagoya High Public Prosecutors Office. And he has been in his present position since December 2021. He was appointed as External Director in June 2023 and Audit and Supervisory Committee member of the Company in June 2024.

Born in 1958 in Toyama Prefecture.

1 Chubu Electric Power Group's Vision

Katsuno: The electric power business, the core business of the Chubu Electric Power Group, has witnessed moves to re-evaluate the ideal shape of the electric power business, as exemplified by the full liberalization of electric power retail sales along with reforms of electric power systems. Besides the traditional role of providing stable supplies of electricity that support Japan's economic growth, there have been calls for pursuing economic rationality via competition and at present for contributing to the transformation of the industrial structure toward decarbonization. Furthermore, the introduction of smart meters at each household coupled with the advance of digital technologies has enabled the visualization of lifestyle data through electricity usage. As a result, when combined with preceding industrial data, the visualization of society as a whole is advancing. In moving toward decarbonization, as electrification and digitization of daily lives and industry gathers pace, I believe that combining this data using AI and ICT to arrange a variety of customer-driven services could be possible. From this perspective, besides the electric power business as a public interest, Chubu Electric Power Group is launching and undertaking an assortment of businesses to create "new value" that contributes to the lives of each customer and to industrial development and to advance community support infrastructures as a utility. In promoting businesses, there inevitably tends to be a focus on individual services. However, it is also important to consider ways to link individual services with the overall vision of how we can respond as a utility that supports infrastructure to address the diversifying demands of society and communities.

At the same time, our vital mission of "providing a safe, affordable and stable supply of electric power"



remains unchanged. Another key mission is to respond to the multifaceted demands of society through the value chain of “Generating, Sending, and Using Energy.” I believe the Chubu Electric Power Group’s Vision is to further advance the concept of public interest and provide new value to local communities as a utility for various social infrastructures. In keeping with this fundamental recognition, I would like to discuss what roles the Board of Directors should play.

Hashimoto: The electric power industry originally grew as an energy infrastructure for society. Now, there are widening expectations of the electric power industry as people’s lives become more affluent and the industrial structure evolves dramatically. Besides its traditional role of providing a stable supply of electricity, the industry is being asked to play the role of providing “energy + community support” as a utility. Concurrently, contributing to the realization of carbon neutrality is also important and this requires a long-term commitment to investment. However, we are now in an age where management decisions are becoming difficult in terms of deciding how to combine this with digital-centered services that have different timelines.

Nakagawa: From the perspective of social responsibility as a public interest, I believe that providing a stable supply of electricity is in essence a social infrastructure serving as the foundation of economic activity and life in society. We have consumed large amounts of resources in this era of mass production and mass consumption. Today, however, we are transitioning to an age of a circular economy that considers how to use finite resources. Additionally, the frequent occurrence of natural disasters and changes in the natural ecosystem due to global warming are also major

issues and achieving carbon neutrality through decarbonization is becoming an urgent task. I believe that as a social responsibility there is a need for considering ways to contribute to addressing these issues as a private company through technological innovation and changes in organizational and individual awareness.

2 Strengthening execution and supervision by transitioning to a Company with an Audit & Supervisory Committee

Katsuno: To achieve the Chubu Electric Power Group Vision, we must improve the effectiveness of the Board of Directors in terms of both flexible decision-making and strengthening supervisory functions for business execution. Acting on this conviction, in June 2024 Chubu Electric Power transitioned from a company with a board of auditors to a Company with an Audit & Supervisory Committee.

Hashimoto: This is a huge change. With the transition to a Company with an Audit & Supervisory Committee, this will mark the first time ever at Chubu Electric Power that the number of external directors will exceed the number of internal directors while the Audit & Supervisory Committee members will have voting rights. This will enable even more-transparent management and earn positive responses from external stakeholders such as overseas investors and shareholders. I expect this to also serve as a huge tailwind for the Chubu Electric Power Group, which is undertaking its global business and expanding its business overseas. To further increase the effectiveness of the Board of Directors, I believe that proactive discussion about redefining the roles of execution and supervision is essential.

Nakagawa: I agree. For example, I think the Board of Directors of Chubu Electric Power, as a holding company, can further realize more-flexible decision-making

and strengthen governance by clarifying the roles of execution and supervision. This includes further sophisticating monitoring and delegating significant authority for business execution to each operating company.

Katsuno: We have discussed our organization that is transitioning its management structure. However, if we apply this to the work of each employee, I think that employees’ perception of the role he or she should play will differ because each role in the value chain of the electric power business is different. To accelerate each activity and achieve the Management Vision, we must make each employee understand their respective roles based on a thorough awareness of compliance.

Nakagawa: Organizational compliance is the sum of each individual’s compliance awareness. Alternatively, compliance awareness created by the organization also has an impact on each individual. Besides transforming the awareness of individuals, a company as a whole must continuously work to change compliance awareness. The term compliance tends to be a bit difficult to grasp because it can be summarized simply as obeying laws and regulations. However, I think the basis of compliance is to “follow the rules.” To do this, the background and reasons why rules were created in the first place need to be clearly explained.

That said, rules are difficult to convey if these are only written in a manual. A more positive way of understanding compliance is to regard compliance as one type of corporate social responsibility and rephrasing compliance as “acting in a manner that you would not be ashamed of no matter who sees you.”

Katsuno: You are correct. Whenever a problem occurs, the number of rules rapidly increases. However, rather than simply memorizing an ever-increasing number of rules, it is important to understand the fundamental reasons why these rules were created. Acting with a deep understanding of this will



Dialogue between the Chairman
of the Board of Directors, External
Director, and External Audit and
Supervisory Committee Member



eliminate the need for rules and similar problems can be handled without requiring new rules.

Hashimoto: When it comes to conveying something in an easy-to-understand manner, the same can be said about the company that Chubu Electric Power aspires to be, such as attaining its management target of fulfilling its public mission while growing as a private company. There is a “culture of ‘and’” and a “culture of ‘or’.” The “culture of ‘or’” is, for example, a tradeoff such as “either sociality or economics.” In recent years, a “culture of ‘and’” that aims at achieving both goals have become very important. The “culture of ‘and’” can be regarded as “management that transcends conflict,” and permeating this culture depends largely on the philosophy and spirit of the top managers. It is important for management to continually translate the words of top managers into their own words and communicate these to employees in an easy-to-understand manner so that employees can empathize with these and take actions as their own personal matters.

3 Maintaining a stable supply of electricity and progressing with decarbonization together with customers

Katsuno: Returning to the topic of the electric power business, public interest is premised on a safe, affordable, and stable supply of electricity. To maintain this, strengthening resilience in both physical and cyberspace is important. On the physical side, along with a large-scale power transmission and distribution network that covers long distances as an electric power system, I believe that rebuilding mechanisms for stable supply such as decentralized and independent facilities will help strengthen the resilience of Japan, which is a disaster-prone country.

Nakagawa: I was absolutely stunned when I saw the

areas devastated by the 2024 Noto Peninsula Earthquake. The restoration of infrastructure such as electricity and water supply will be crucial in formulating disaster recovery plans for stricken areas assuming the occurrence of the Nankai Trough earthquake. To restore infrastructure as quickly as possible, double- and triple-redundancy safety systems such as fail-safe systems are essential. Regardless of how far technologies and digitization advance, mechanisms that provide analog coverage are essential for strengthening resilience. To maintain a stable supply of electricity, besides security alone, it is also important to combine and operate a diversity of power sources that include thermal power and renewable energy.

Hashimoto: In the past, analog technology existed and machines assisted. Today, however, we are entering the age of “human-digital interface,” where analog technology assists digital technology. Given this situation, raising employees’ IT literacy to enable them to properly understand digital technology and use it effectively is also important.

Nakagawa: Strengthening cybersecurity is also important for fortifying resilience. Regarding information leaks, besides cyberattacks from outside the Company, we must also be careful about internal leaks. Recently, a law was passed in Japan for establishing a “security clearance” system, reflecting a rising awareness of the importance of protecting information in Japan as well.

Katsuno: I agree. To strengthen cybersecurity, besides of course implementing traditional analog security measures for society’s energy infrastructure as a public utility, Chubu Electric Power Group is promoting advanced measures that integrate information technology (IT) and operation technology (OT). What about decarbonization, which is another management issue?

Nakagawa: In thermal power, zero emission through technological innovation is progressing. I believe we can contribute to realizing carbon neutrality by combin-

ing thermal power with energy-efficient, environmentally friendly power sources such as nuclear power while ensuring safety as a top priority.

Katsuno: To achieve carbon neutrality, it is important that energy suppliers like Chubu Electric Power work together and mutually collaborate with the demand side to ensure a smooth transition for society as a whole. For this purpose, it is essential to quickly develop and implement transition technologies such as the use of hydrogen and ammonia. Although this is a difficult challenge, I believe that our role as an energy infrastructure is to commercialize and make this technology a global standard. Instead of only promoting energy decarbonization, we must also strive for both DX through digitization and GX that aims for carbon neutrality.

Hashimoto: You are right. Business opportunities can be created by transcending the boundaries of the electric power business and working with customers such as by making proposals and providing consulting on decarbonization solutions and supporting their factory operations. I think the time is ripe to implement these solutions across society through M&A and partnering to contribute to the realization of carbon neutrality. By combining these new initiatives with nuclear power and renewable energy, Chubu Electric Power can make a significant contribution to the realization of carbon neutrality.

Katsuno: Nuclear power can generate electricity cheaply and stably upon assuring safety and does not emit CO₂ during power generation. Given these benefits, nuclear power is one important source that contributes to energy security in the face of various geopolitical factors and to the realization of carbon



neutrality. However, ensuring a stable supply of electricity with nuclear power and renewable energy alone is difficult. For these reasons, it is important to keep “S+3E (Safety + Economy, Energy Security and Environment)” in mind and skillfully combine a variety of power sources such as zero-emission thermal power.

4 Aiming for further increases in corporate value and sustainable growth

Katsuno: To respond flexibly and promptly to changes in the environment and the demands of society, deepening human capital management as a foundation is essential.

Nakagawa: Creating an “organization that cultivates and utilizes people” is necessary for a company to grow sustainably. Even with a diverse workforce, a good organization cannot be created without a plan for cultivating human resources and policies linked to their career paths. Moreover, creating fertile ground for accepting diversity depends on changing the mindsets of employees. Rather than eliminating new insights and knowledge, it is also important to skillfully incorporate and consider ways to use these.

Following-up on employees who have taken leave or returned to the workplace is also important. Furthermore, proactively creating an environment in which women can play active roles is essential. Taking steps to raise employee motivation, such as by entrusting them with work with responsibilities regardless of gender and evaluating employees fairly and impartially, is also necessary.

Hashimoto: Creating an inclusive organization that accepts and utilizes diversity is important. We need to

be aware of differences in personality and mentality and utilize these differences while recognizing these as our characteristics. To achieve true diversity, we need to go beyond what I call the four limits of “knowledge,” “experience,” “thought,” and “field of vision.” If all employees, including managers, do not transcend these limits, there is a risk that Chubu Electric Power will stop thinking as an organization.

“Technology transfer” is also another important matter. In the Chubu Electric Group, technology transfer at frontline work sites is especially important for maintaining a stable supply of electricity.

Katsuno: That’s right. Chubu Electric Power Grid continues to hold technology transfer training. Also, to provide a deeper understanding, starting this year we will implement new initiatives to allow employees to learn about past research, knowledge, and findings, and to investigate on their own and internalize how technology has evolved over time. Furthermore, since last year, the Chubu Electric Power Group holds training sessions with other companies that also serve as mutual technology exchanges to deepen knowledge of construction technologies, safety measures, and construction management methods.

Turning to business, collaborative creation and cooperation with business partners are also essential for increasing corporate value and achieving sustainable growth. Simply investing in startups does not constitute a business. New value can be created and businesses established by working with business partners to verify and implement technologies. In our global business, we are involved in various fields such as power generation, transmission and distribution, and sales in various countries and regions. We will gain knowledge through investments in each value chain of “Generating, Sending, and Using Energy” and aim to monetize these as integrated businesses in the future.

Hashimoto: Without taking on the challenge of think-

ing about how to set up a business beyond just being only corporate venture capital, this cannot go beyond being just an investment. I think there are three main types of innovation, namely technology, process, and business model innovation. Chubu Electric Power Group is already working on technological innovation and improving operational efficiency and therefore it needs to devote efforts toward “business model innovation” going forward. To spur these innovations, it is important to firmly recognize the core strengths of the Chubu Electric Power Group, and to look outside the Company to incorporate any missing elements such as through mid-career hiring, co-creation with various partners, and open innovation.

Katsuno: To create new value by utilizing energy-related data from daily life and industry, we must reaffirm our own strengths in the value chain. I think we need to fully utilize our strengths and create business together with customers, local communities, and various business partners. With the stable supply of electricity as a major prerequisite, we will increase our corporate value and contribute to the sustainable development of society by fulfilling our responsibilities as a utility that underpins the infrastructure of society and communities and support the transformation of society as a whole based on the twin pillars of GX that aims for carbon neutrality and DX through digitization.





Corporate Governance

Basic concept regarding corporate governance

The Chubu Electric Power Group has been striving to improve corporate governance, including positioning fairness and transparency at the core of business, ensuring proper oversight of management and operations execution, and providing mechanisms for swift decision-making, as espoused in the Chubu Electric Power Group CSR Declaration.

In order to further deepen the separation of operation and supervision, and to achieve both flexible decision-making and a higher level of governance, the Company transitioned to a Company with an Audit and Supervisory Committee as of the Annual Shareholders' Meeting held in June 2024.

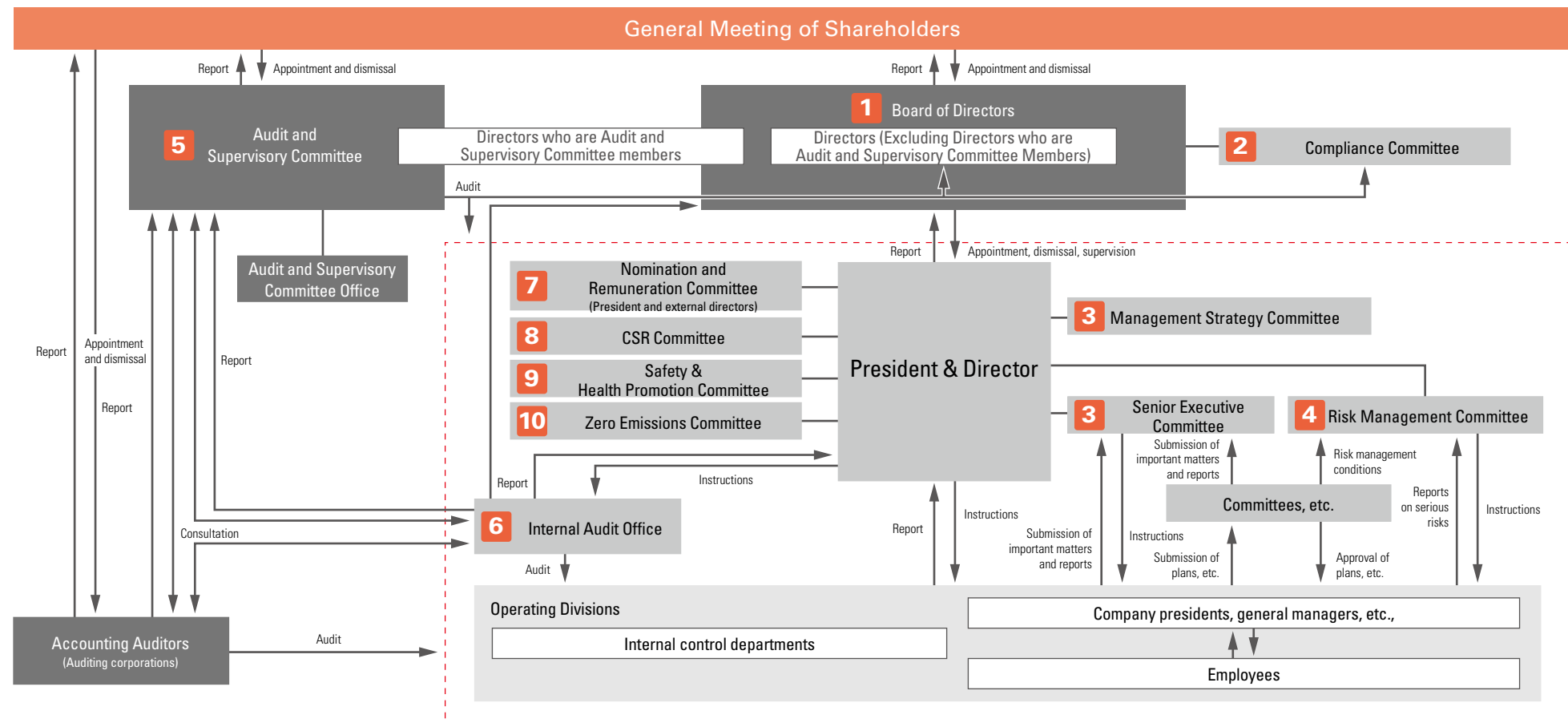


Chubu Electric Power Group Basic Corporate Governance Policy



Chubu Electric Power Group Corporate Governance Report

Corporate governance structure



**1 Board of Directors**

In principle, held once a month. Deliberates on and decides items concerning legislation and articles of incorporation, and important items related to management. Additionally, receives reports on the execution of duties from directors in order to supervise the execution of the duties of directors. By granting Directors who are Audit and Supervisory Committee members voting rights at Board meetings, the effectiveness of the auditing and supervisory functions has been further enhanced.

Nine directors including external directors
Held 29 times/year*

2 Compliance Committee

Chubu Electric Power established the Compliance Committee with the aim of comprehensively and reliably promoting compliance throughout the entire Chubu Electric Power Group. The committee is operated under the supervision of the Board of Directors and is chaired by the President through nomination by the Board of Directors.

The committee deliberates policies and measures concerning compliance promotion and conducts fact-finding research on compliance matters as well as provides advice, support, and guidance to Group companies.

3 Senior Executive Committee and Management Strategy Committee

The Senior Executive Committee, comprised of the President, Executive Vice Presidents, Senior Executive Officers and other officers, meets once a week in principle for preliminary deliberation of items on the agenda of the Board of Directors and to discuss other important business matters.

Meanwhile, the Management Strategy Committee, consisting of the Chairman, President, General Manager of Corporate Planning & Strategy Division and General Manager of Corporate Management Division and other officers, discusses the direction of the company's business in the medium to long term.

4 Risk Management Committee

The Risk Management Committee, which is chaired by the President and consists mainly of Executive Vice Presidents and Senior Executive Officers, deliberates and reports on items concerning serious risks.

5 Audit and Supervisory Committee

In principle, held once a month. The Audit and Supervisory

Committee allocates the roles of Directors who are Audit and Supervisory Committee Members and shares information in order to conduct audits more systematically and efficiently. It also issues decisions and approvals regarding matters of law and the items prescribed by the articles of incorporation.

The Audit and Supervisory Committee audits every aspect of the performance of duties by the Directors (excluding Directors who are Audit and Supervisory Committee members; the same applies hereinafter in this section). To this end, they deepen their understanding of the Directors, the internal audit divisions, and the operating divisions. The Directors who are Audit and Supervisory Committee Members attend meetings of the Board of Directors and other important meetings, hear from the Directors regarding the performance of their duties, and examine the circumstances of the company's operations and finances. They also perform their duties for the purpose of thoroughly monitoring and verifying resolutions made by the Board of Directors regarding establishment of systems to ensure the quality of corporate administration and the operating status of the system (internal control) developed by such resolutions.

With regard to Group companies, we maintain communication and share information with their directors and auditors, and keep ourselves informed of their business activities whenever necessary.

6 Internal Audit Office

The Internal Audit Office is an organization that reports directly to the President, is independent from operating divisions, and is responsible for performing internal audit functions. It performs audits on the activities of operating divisions such as quality control for safety at nuclear power plants, basing its perspective on internal control system effectiveness (including internal controls over financial reporting) and CSR. The results of each of these initiatives are reported to the president and Board of Directors and presented as advice and recommendations to the relevant divisions so that they can continuously make improvements.

The internal audit process is assessed internally as well as verified regularly by an independent organization as part of the company's efforts to improve and maintain the quality of audits.

The scope of internal audits by the office includes associated companies. To help improve internal control systems and practices across the group, the Internal Audit Office also shares information with internal audit divisions of associated compa-

Board of Auditors
Five auditors including external auditors
Held 24 times/year*

nies and provides other support.

7 Nomination and Remuneration Committee

The Committee consists of the President and independent external directors nominated by the President (including directors who are Audit and Supervisory Committee members). In developing appointment proposals for directors (including directors who are Audit and Supervisory Committee members) and executive officers and determining the remuneration of directors (excluding directors who are Audit and Supervisory Committee Members) and executive officers, the Committee ensures the fairness and transparency of the process by obtaining advice from the external directors.

President and four external directors
Held 12 times/year*

8 CSR Committee

The CSR Committee, which consists of the President, Executive Vice Presidents, Senior Managing Executive Officers, Managing Executive Officers and other officers, deliberates on such matters as the basic policies and medium-term directions of CSR promotion and reports on the status of activities.

9 Safety & Health Promotion Committee

The Safety & Health Promotion Committee chaired by the President of Chubu Electric Power Co., Inc. is composed of the management team, including the operating companies, as well as the labor union chairman and outside experts. The committee deliberates and decides policies and measures to foster a culture of safety and promote health management.

The committee monitors the status of safety and health promotion at each operating company, which also covers accidents at contractors, and rotates the PDCA cycle and continuously make improvements.

10 Zero Emissions Committee

In March 2021, the Zero Emissions Committee was established, chaired by the President, to take on the challenge of achieving net zero CO₂ emissions for the Chubu Electric Power Group's entire business in 2050.

The Committee sets ultra-long-term and medium- to long-term targets for Chubu Electric Power, operating companies and group companies and formulates and evaluates action plans for attaining these targets.

* The number of times the Board of Directors, the Board of Auditors, and the Nomination and Remuneration Committee met are the actual figures from FY2023.



- * The number of attendances is for FY2023.
 * Kazuhiro Nabeta assumed office in June 2024.
 * Independent directors are assessed for their independence in accordance with the criteria set by the financial instruments exchange where the company is listed.

Directors and Audit and Supervisory Committee Members (As of July 1, 2024)



Chairman of the Board of Directors
Katsuno Satoru
 Reappointed

Apr. 1977: Joined Chubu Electric Power
 July 2007: Managing Executive Officer and General Manager of the Tokyo Office
 June 2010: Director & Senior Managing Executive Officer, and General Manager of Corporate Planning & Strategy Division
 June 2013: Director & Executive Vice President and General Manager of Corporate Planning & Strategy Division
 June 2015: President & Director
 Apr. 2020: Chairman of the Board of Directors (incumbent)

Reasons for selecting:

Katsuno Satoru has a career history in the Company that, thus far, includes General Manager of Tokyo Office, General Manager of Corporate Planning & Strategy Division, and President & Director. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Katsuno Satoru is considered capable of carrying out management that improves corporate value.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)



President & Director
Hayashi Kingo
 Reappointed

Apr. 1984: Joined Chubu Electric Power
 Apr. 2016: Executive Officer, General Manager of Tokyo Office
 Apr. 2018: Senior Managing Executive Officer, President of Customer Service & Sales Company
 June 2018: Director & Senior Managing Executive Officer, President of Customer Service & Sales Company
 Apr. 2020: President & Director (incumbent)

Reasons for selecting:

Hayashi Kingo has a career history in the Company that, thus far, includes General Manager of Tokyo Office, President of Customer Service & Sales Company and President & Director. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Hayashi Kingo is considered capable of carrying out management that improves corporate value.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



Director, Executive Vice President
Mizutani Hitoshi
 Reappointed

General Manager of Corporate Management Division and CFO*1

Apr. 1984: Joined Chubu Electric Power
 Apr. 2018: Managing Executive Officer, General Manager of Nagoya Regional Office, General Manager of Nagoya Regional Office, Power Network Company
 Apr. 2020: Senior Managing Executive Officer, General Manager of Corporate Management Division
 June 2020: Director, Senior Managing Executive Officer, General Manager of Corporate Management Division
 Apr. 2021: Director, Executive Vice President, General Manager of Corporate Management Division, Chief Financial Officer
 Apr. 2022: Director, Executive Vice President and General Manager of Corporate Management Division, CFO and Supervisor of CKO*2
 June 2022: Director, Executive Vice President and General Manager of Corporate Management Division, CFO, Supervisor of Chief Kaizen Officer and CCO*3 (incumbent)
 Apr. 2023: Director, Executive Vice President and General Manager of Corporate Management Division and CFO, and CCO.
 Apr. 2024: Director, Executive Vice President, General Manager of Corporate Management Division and CFO (incumbent)

Reasons for selecting:

Mizutani Hitoshi has a career history in the Company that, thus far, includes General Manager of Nagoya Regional Office and General Manager of Corporate Management Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Mizutani Hitoshi is considered capable of carrying out management that improves corporate value.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)

*1: CFO: Chief Financial Officer *2: CKO: Chief Kaizen Officer *3: CCO: Chief Compliance Officer



Director, Executive Vice President
Nabeta Kazuhiro
 New Appointment

General Manager of Corporate Planning & Strategy Division and CIO*1

Apr. 1986: Joined Chubu Electric Power
 Apr. 2018: Executive Officer
 Apr. 2020: Managing Executive Officer, General Manager of Corporate Planning & Strategy Division
 Apr. 2020: Senior Managing Executive Officer
 Apr. 2023: General Manager of Research & Development Division, CTO*2, CSO*3
 Apr. 2024: Executive Vice President
 June 2024: General Manager of Corporate Planning & Strategy Division, CIO
 General Manager of Corporate Planning & Strategy Division, CIO (incumbent)

Reasons for selecting:

Nabeta Kazuhiro has a career history in the Company that, thus far, includes Manager of Corporate Planning & Strategy Division, General Manager of Research & Development Division and General Manager of Corporate Planning & Strategy Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Nabeta Kazuhiro is considered capable of carrying out management that earns trust from stakeholders and improves corporate value.

Attendance:

*1: CIO: Chief Information Officer *2: CTO: Chief Technology Officer
 *3: CSO: Chief Standardization Officer



External Director
 (Independent Officer)
Hashimoto Takayuki
 Reappointed

Honorary Executive Advisor, IBM Japan, Ltd.

Apr. 1978: Joined IBM Japan, Ltd.
 Apr. 2000: Director, IBM Japan, Ltd.
 Apr. 2003: Managing Executive Officer, IBM Japan, Ltd.
 Jan. 2007: Senior Managing Executive Officer, IBM Japan, Ltd.
 Apr. 2008: Director & Senior Managing Executive Officer, IBM Japan, Ltd.
 Jan. 2009: President & Representative Director, IBM Japan, Ltd.
 May 2012: Chairman & Director, IBM Japan, Ltd.
 Apr. 2014: Chairman, IBM Japan, Ltd.
 Jan. 2015: Vice Chairman, IBM Japan, Ltd.
 June 2016: External Director, the Company (to present)
 May 2017: Honorary Executive Advisor, IBM Japan, Ltd. (to present)
 Nov. 2019: President and Representative Executive Director, Yamashiro Management R&D Institute LTD. (incumbent)

Reasons for selecting:

Hashimoto Takayuki was involved in the management of IBM Japan for many years, and has a wealth of knowledge and experience as a management specialist.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director
 (Independent Officer)
Shimao Tadashi
 Reappointed

Executive Advisor, Daido Steel Co., Ltd.

Apr. 1973: Joined Daido Steel Co., Ltd.
 June 2004: Director, Daido Steel Co., Ltd.
 June 2006: Managing Director, Daido Steel Co., Ltd.
 June 2009: Executive Vice President and Representative Executive Director, Daido Steel Co., Ltd.
 June 2010: President and Representative Executive Director, Daido Steel Co., Ltd.
 June 2015: President & CEO, Representative Executive Director, Daido Steel Co., Ltd.
 June 2016: Chairperson of the Board of Directors, Representative Executive Director, Daido Steel Co., Ltd. (to present)
 June 2019: External Director, the Company (incumbent)
 June 2023: Executive Advisor, Daido Steel Co., Ltd. (incumbent)

Reasons for selecting:

Shimao Tadashi was involved in the management of Daido Steel Co., Ltd. for many years, and has a wealth of knowledge and experience as a management specialist.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director
 (Independent Officer)
Kurihara Mitsue
 Reappointed

Chairman of the Board of Directors, Value Management Institute, Inc.

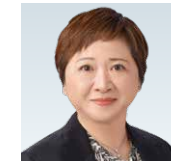
Apr. 1987: Joined Development Bank of Japan (DBJ)
 June 2008: International Policy Studies, Stanford University (Dispatch)
 June 2010: Deputy Director, Treasury Department, DBJ
 May 2011: Senior Vice President of Healthcare & Hospitality Industry Office, Corporate Finance Department, Division 4, DBJ
 Apr. 2013: General Manager, Head of Corporate Finance Department, Division 6, DBJ
 Feb. 2015: Audit & Supervisory Board Member, DBJ
 June 2020: External Director, the Company (incumbent)
 June 2020: Retired DBJ
 June 2020: Chairman of the Board of Directors, Value Management Institute, Inc. (incumbent)

Reasons for selecting:

Kurihara Mitsue has special knowledge and experience in the fields of finance, M&A, and business management, gained through her past involvement at Development Bank of Japan Inc., and now in management at Value Management Institute, Inc.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



External Director
 (Independent Officer)
Kudo Yoko
 Reappointed

U.S. Certified Public Accountant

Apr. 1982: Joined Sampo Japan Insurance Inc.
 June 1989: Retired from Sampo Japan Insurance Inc.
 Sept. 1993: Joined PricewaterhouseCoopers
 Nov. 1996: Retired from PricewaterhouseCoopers
 Dec. 1996: Joined Ernst & Young
 Apr. 2005: Ernst & Young ShinNihon LLC (loaned from Ernst & Young)
 Jan. 2006: Permanently transferred to Ernst & Young ShinNihon LLC
 May 2006: Principal, Ernst & Young ShinNihon LLC
 July 2020: General Manager of Unaudited Contract Review Department at Quality Control
 Division, Ernst & Young ShinNihon LLC
 June 2022: Retired Ernst & Young ShinNihon LLC
 External Director, the Company (incumbent)

Reasons for selecting:

Kudo Yoko possesses expertise and a wealth of experiences in the fields of accounting and financial management through her involvement in accounting audits and financial and accounting advisory services at major accounting firms in Japan and the U.S. for many years.

Attendance:

The Board of Directors meetings in FY2023: 29/29 (100%)
 Nomination and Remuneration Committees in FY2023: 12/12 (100%)



Corporate Governance

- * The number of attendances is for FY2023.
- * Shinji Furuta, Momoko Murase and Mitsumasa Yamagata assumed office in June 2024.
- * The number of attendances by Tomoyuki Sawayanagi and Seimei Nakagawa is for the Board of Directors and Audit and Supervisory Committee meetings held after taking office in June 2023.



Director, Senior Audit and Supervisory Committee member (full-time)

Furuta Shinji

New Appointment

Senior Audit and Supervisory Committee member (full-time)

Apr. 1983: Joined Chubu Electric Power
Apr. 2016: Executive Officer, General Manager of Mie Regional Office
Apr. 2018: Executive Officer, General Manager of Mie Regional Office, General Manager of Mie Regional Office of Power Network Company
Apr. 2020: Senior Managing Executive Officer, General Manager of Safety and Health Promotion Office General Manager of Business Service Division
Apr. 2021: Senior Managing Executive Officer, General Manager of Secretarial Services Office and Safety and Health Promotion Office, General Manager of Business Service Division
Apr. 2024: Audit and Supervisory Officer
June 2024: Director, Senior Audit and Supervisory Committee member (full-time) (incumbent)

Reasons for selecting:

Shinji Furuta has a career history in the Company that, thus far, includes General Manager of Mie Regional Office of Power Network Company, General Manager of Business Service Division, and Audit and Supervisory Officer. He possesses detailed knowledge of the Company's operations, financial management and accounting.

Attendance: -/- (-%)



Director, Audit and Supervisory Committee member (full-time)

Sawayanagi Tomoyuki

New Appointment

Audit and Supervisory Committee member (full time)

Apr. 1987: Joined Chubu Electric Power
Apr. 2017: Executive Officer, General Manager of Nagano Regional Office
Apr. 2018: Executive Officer, General Manager of Nagano Regional Office; General Manager of Nagano Regional Office, Power Network Company
Apr. 2020: Corporate Auditor, Chubu Electric Power Grid Co., Inc. (incumbent)
June 2023: Corporate Auditor of Chubu Electric Power (full-time)
June 2024: Director, Audit and Supervisory Committee member (full-time) (incumbent)

Reasons for selecting:

Sawayanagi Tomoyuki has a career history in the Company that, thus far, includes General Manager of Nagano Regional Office, Corporate Auditor of Chubu Electric Power Grid Co., Inc. and Corporate Auditor of the Company. He possesses detailed knowledge of the Company's operations.

Attendance:

The Board of Directors meetings in FY2023: 23/23 (100%)
The Board of Auditors meetings in FY2023: 19/19 (100%)



External Director, Audit and Supervisory Committee member (Independent Officer)

Nakagawa Seimei

New Appointment

Attorney at law

Apr. 1984: Public Prosecutor, Tokyo District Public Prosecutors Office
Aug. 2010: Assistant Vice-Minister of Justice
Jan. 2012: Chief Public Prosecutor, Kochi District Public Prosecutors Office
Apr. 2013: Public Prosecutor, Supreme Public Prosecutors Office
Aug. 2014: Chief Public Prosecutor, Shizuoka District Public Prosecutors Office
Oct. 2015: Director, Public Security Department, Supreme Public Prosecutors Office
Sep. 2016: Director-General, Public Security Intelligence Agency
May 2020: Superintending Prosecutor, Nagoya High Public Prosecutors Office
Sep. 2021: Retired
Dec. 2021: Registered as lawyer
June 2023: External Auditor of Chubu Electric Power
June 2024: External director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

Reasons for selecting:

Nakagawa Seimei experienced positions of significant responsibility, including Director-General, Public Security Intelligence Agency and Superintending Prosecutor of Nagoya High Public Prosecutors Office. He is expected to be capable of auditing the Company from a neutral and objective standpoint based on his abundant experience and advanced expertise in the legal profession.

Attendance:

The Board of Directors meetings in FY2023: 23/23 (100%)
The Board of Auditors meetings in FY2023: 19/19 (100%)

Selection of directors

To ensure fairness and transparency in the election of directors (including directors who are Audit and Supervisory Committee members), candidates undergo deliberations in the Personnel Committee consisting of the Chairman, President, other representative directors, and Senior Audit and Supervisory Committee members. Additionally, the Nomination and Remuneration Committee, which includes the President and independent external directors nominated by the President (including directors who are members of the Audit and Supervisory Committee), discusses these appointments. Final decisions are made by the Board of Directors. Furthermore, director candidates who are members of the Audit and Supervisory Committee must obtain the consent of this committee.

When selecting director candidates, we consider not only their character, insights, and experience, but also their capability to effectively address management challenges. We also assess their potential to conduct leadership that earns trust from stakeholders and contributes to enhancing corporate value. We comprehensively evaluate candidates based on diversity factors such as gender, international experience, and professional backgrounds.

External directors and external corporate auditors

At Chubu Electric Power, seven external directors (including three external directors who are Audit and Supervisory Committee Members.) All of our external directors retain a sufficient level of independence that meets the company's standards, and make the best use of their experiences and insight acquired through their respective careers to fulfill their supervisory and audit functions independent of the company's senior management. They also receive updated information on the current development and operational status of the company's internal control system, and meet all directors regularly to exchange opinions.

All of our external directors are registered as independent directors / auditors in all financial instruments exchanges on which the company is listed.



External Director, Audit and Supervisory Committee member (Independent Officer)

Murase Momoko

New Appointment

Attorney at law

Apr. 1996: Registered as an Attorney at Law, Joined Honmachi City Law Firm (formerly known as Tsutomu Saito Law Firm)
Dec. 2003: Retired from the above-mentioned firm
Jan. 2004: Partner lawyer, Hinoki Law Office (formerly known as Murase & Yazaki Integrated Law Firm) (incumbent)
June 2024: External Director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

Reasons for selecting:

Momoko Murase possesses expert knowledge and a wealth of experience as an attorney at law, and the Company expects her to carry out the function of auditing from the neutral and objective standpoint based on her point of view as an expert in law.

Attendance: -/- (-%)



External Director, Audit and Supervisory Committee member (Independent Officer)

Yamagata Mitsumasa

New Appointment

President, Hydrogen Factory, TOYOTA MOTOR CORP.

Apr. 1995: Joined TOYOTA MOTOR CORP.
May 2013: General Manager, Engine Structure Design Dept. No. 1, Engine Design & Engineering Div.
Jan. 2018: Chief Engineer, Powertrain Product Planning Div., Powertrain Company
Jan. 2019: Field General Manager, Powertrain System Development Field, Powertrain Company
Jan. 2020: Executive Vice President, Powertrain Company
Jan. 2022: President, Powertrain Company
July 2023: President, Hydrogen Factory (incumbent)
June 2024: External director, Audit and Supervisory Committee member of Chubu Electric Power (incumbent)

Reasons for selecting:

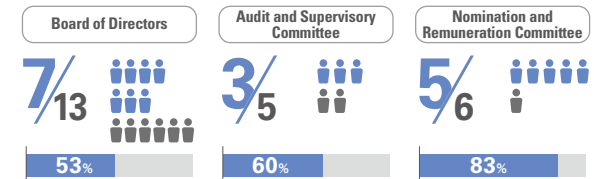
Mitsumasa Yamagata has held positions of significant responsibility, including President of Powertrain Company and President of Hydrogen Factory, TOYOTA MOTOR CORP. He is also Director of Commercial Japan Partnership Technologies Corporation amongst other positions. Therefore, he is expected to be capable of auditing the Company from a neutral and objective standpoint based on his abundant experience and advanced expertise.

Attendance: -/- (-%)

Percentage of external members in the Board of Directors, Audit and Supervisory Committee and the Nomination and Remuneration Committee

(As of July, 2024)

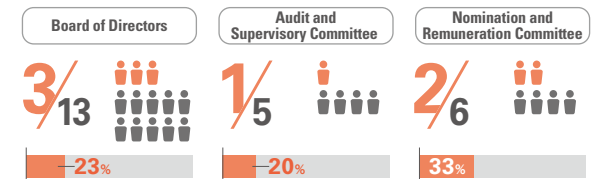
■ External ■ Internal



Percentage of female members in the Board of Directors, Audit and Supervisory Committee and the Nomination and Remuneration Committee

(As of July 2024)

■ Female ■ Male





Composition of the Board of Directors

Chubu Electric Power determines the composition and scale of the Board of Directors upon comprehensively considering various management issues such as enhancing deliberations at the Board of Directors, quick management decision-making, director supervision functions, as well as the attainment of “fulfilling of our unwavering mission” of providing high-quality energy that considers the global environment in a safer, more affordable and more stable manner, and “creating new value” which provides new services that respond to changes in the business environment that are set forth in the Chubu Electric Power Group’s Management Vision 2.0 and contributions to the realization of a carbon-free society while also considering the balance of knowledge, abilities, field of expertise, and practical experience of each director.

The expertise and experience required of Directors are disclosed as a skill matrix.

Through the consorted efforts of the director, we will deepen our ESG management and fulfill our CSR responsibilities in order to contribute to the sustainable development of the society together with our stakeholders.

● Skills matrix

Out of the 13 Directors and Audit and Supervisory Committee members, there are 10 men and 3 women, making the female representation 23%.

	Name	Position in the Company	Directors' and Audit and Supervisory Committee members' outstanding expertise, experience							
			Corporate Management	Finance / Accounting	Legal	Risk Management	Technologies Contributing to Electric Power Supply and Environment	DX (Digital transformation) / Business Development	Marketing	Global
Directors	Katsuno Satoru	Chairman of the Board of Directors	●			●	●			
	Hayashi Kingo	President & Director	●			●			●	
	Mizutani Hitoshi	Director, Executive Vice President	●	●	●					
	Nabeta Kazuhiro	Director, Executive Vice President				●	●	●		
	Hashimoto Takayuki <small>(Independent Officer)</small>	External Director	●					●		●
	Shimao Tadashi <small>(Independent Officer)</small>	External Director	●						●	●
	Kurihara Mitsue <small>(Independent Officer)</small>	External Director	●	●						●
	Kudo Yoko <small>(Independent Officer)</small>	External Director		●				●		●
Director, Audit and Supervisory Committee Member	Furuta Shinji	Director, Senior Audit and Supervisory Committee Member (full-time)	●	●		●				
	Sawayanagi Tomoyuki	Director, Audit and Supervisory Committee Member (full-time)				●	●			
	Nakagawa Seimei <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member			●	●				●
	Murase Momoko <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member			●	●				●
	Yamagata Mitsumasa <small>(Independent Officer)</small>	External Director, Audit and Supervisory Committee Member				●	●			

* The foregoing table shows up to three major expertise and experience of each person so that the table is not an exhaustive list of his/her expertise and experience.

Assessing the effectiveness of the Board of Directors



Assessing the effectiveness of the Board of Directors

Once a year, Chubu Electric Power surveys all directors (including directors who are Audit and Supervisory Committee members) on the makeup, operations, governance, and other aspects of the Board of Directors, and all directors discuss and exchange opinions based on the survey results.

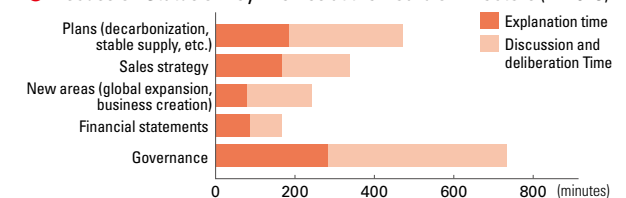
Based on these results, the Board of Directors analyzes and assesses their own effectiveness in order to confirm that it is effectively steering the company toward sustainable growth and greater corporate value in the medium to long term.

To enhance the effectiveness of the Board of Directors, we will strive to strengthen compliance and risk management across the entire Group. We will also focus on enriching discussions at the Board level regarding significant issues such as nuclear power, while implementing improvements such as further delegating authority to the executive team for specific matters.

Results of the Survey of the Assessment of the Effectiveness of the Board of Directors

[Status of response to issues identified in the FY2022 assessment]	
Issues confirmed in FY2022	<ul style="list-style-type: none"> ● Accelerating discussions on Group strategy and related matters ● Strengthening governance over Group companies
State of initiatives in FY2023	<ul style="list-style-type: none"> ● Establishment of forums for intensive discussions on medium- to long-term strategies ● Expansion of dialogue opportunities between Chubu Electric Power executives and top officials of Group companies
[Response to issues identified in the FY2023 assessment]	
Issues confirmed in FY2023	<ul style="list-style-type: none"> ● Strengthening the supervisory functions of the Board of Directors by deepening the separation of execution and supervision ● Creating opportunities to acquire the latest knowledge, including from overseas
State of initiatives in FY2024	<ul style="list-style-type: none"> ● Transition to a Company with an Audit & Supervisory Committee and further enhance monitoring and execute the delegation of authority ● Implement discussions with experts regarding advanced cases overseas

● Discussion Status of Key Themes at the Board of Directors (FY2023)



Board of Directors Agenda

Main topics for deliberation (FY2023)

- Items regarding the purpose of the General Meeting of Shareholders
- Executive personnel
- Approval of account settlement and financial statements

- Formulation of management plans for Chubu Electric Power Group
- Investment in decarbonization-related projects
- Transition to a Company with an Audit and Supervisory Committee



Main Resolutions in the Board of Directors(FY2023)
(Japanese version only)



Director remuneration

Directors' (excluding directors who are Audit and Supervisory Committee members) remuneration consists of monthly remuneration, performance-based bonus (short-term incentive remuneration) and performance-based stock remuneration (medium- to long-term incentive remuneration) with the aim of raising awareness of contributing to improvements in the Chubu Electric Power Group's business performance and increases in its corporate value. The total amount of remuneration is set at the medium level of the total remuneration for corporate officers at other listed companies when management targets are achieved.

External directors and members of the Audit and Supervisory Committee receive monthly remuneration and stock-based incentives designed to strengthen their oversight of management from an independent perspective and foster their contribution to the medium to long-term enhancement of corporate value within the Chubu Electric Power Group.

Performance-linked bonuses are set with consolidated ordinary income, the management target, as the indicator. In addition, along with the status and results*¹ of priority measures, these bonuses for the Chairman and President are determined based on consolidated net income and for other Directors these are determined giving consideration to such factors as the performance of each director individually and of the respective departments of which they are in charge.

Performance-linked stock remuneration consists of fixed points determined according to position and points linked to performance. However, remuneration for external directors and members of the Audit and Supervisory Committee is based solely on fixed points, reflecting their respective responsibilities. Performance-based points shall be determined every four fiscal years based on the degree of attainment of consolidated ordinary income targets and the results*² of medium- and long-term priority measures.

Matters related to individual remuneration of directors (excluding directors who are Audit and Supervisory Committee members) are decided by the President, who has been authorized by the Board of Directors, after consultations at the Personnel Affairs Committee consisting of the Chairman, President, other Representative Directors and Senior Audit and

Supervisory Committee member and at the Nomination and Remuneration Committee consisting of the President and independent external directors who the President nominated. For members of the Audit and Supervisory Committee, decisions are made through consensus among all committee members.

In case of significant misconduct or violations by a director, already disbursed remuneration (performance-linked bonuses and stock remuneration) can be partially or fully reclaimed from the director concerned.

*1 Evaluation of initiatives for strategic investment areas and ESG

*2 Degree of attainment of "2025 targets registered with GX League" for CO₂ emissions and TSR (Total Shareholder Return) rating

● Policy on Composition of Remuneration

		Monthly remuneration	Performance-linked bonus	Stock remuneration
Corporate directors	Executive Officers with Concurrent Roles	Approx. 50%	Approx. 25%	Approx. 25%
	Executive Officers without Concurrent Roles (excluding Audit and Supervisory Committee members)	Approx. 60%	Approx. 20%	Approx. 20%
External Directors and Audit and Supervisory Committee Members		Approx. 90%	—	Approx. 10%
Remuneration limit determined by a resolution by the General Meeting of Shareholders	[Directors]	◎Directors' monthly remuneration and performance-based bonus: 800 million yen per year (including 120 million yen to external directors) ◎Stock remuneration: 900 million yen per every four fiscal years (including 40 million yen to external directors)		
	[Audit and Supervisory Committee Members]	◎Monthly remuneration: 220 million yen per year ◎Stock remuneration: 80 million yen per every four fiscal years		

● Total amount of remunerations, etc., by director category and the number of directors

(FY2023)

Category	Total remuneration (million yen)	Amount by type of remuneration (millions of yen)			Number of directors/auditors in the Monthly remuneration category
		Monthly remuneration	Performance-linked bonus	Performance-based stock remuneration	
Directors (excluding external directors)	377	217	113	46	5
Auditors (excluding external auditors)	76	76	—	—	3
External board members	102	102	—	—	8

Policy on director (including Director who are Audit and Supervisory Committee members) training

Chubu Electric Power provides training in management, accounting and finance, legal affairs, and other areas to newly appointed corporate directors (including directors who are Audit and Supervisory Committee members), and periodically organizes events such as presentations given by attorneys, CSR seminars spearheaded by experts, and other learning opportunities.

Newly appointed external directors (including directors who are Audit and Supervisory Committee members) receive briefings on management policies, business issues, and other aspects unique to Chubu Electric Power. And, after assuming their new positions, they visit the company's important facilities and receive briefings from departments on their operations in order to deepen their understanding of Chubu Electric Power's business and operations.

Introduction to our new external directors and Audit and Supervisory Committee members, Murase Momoko and Yamagata Mitsumasa

Ms. Murase has long served as a prominent lawyer, bringing with her specialized knowledge and extensive experience. Mr. Yamagata has held key positions at Toyota Motor Corporation, including President of the Powertrain Company and President of the Hydrogen Factory. Additionally, he is involved in management as a director at Commercial Japan Partnership Technologies.

Both individuals bring extensive experience and knowledge to effectively audit and oversee the execution of director duties from a neutral and objective standpoint. We also look forward to receiving their broad perspectives aimed at enhancing corporate value.



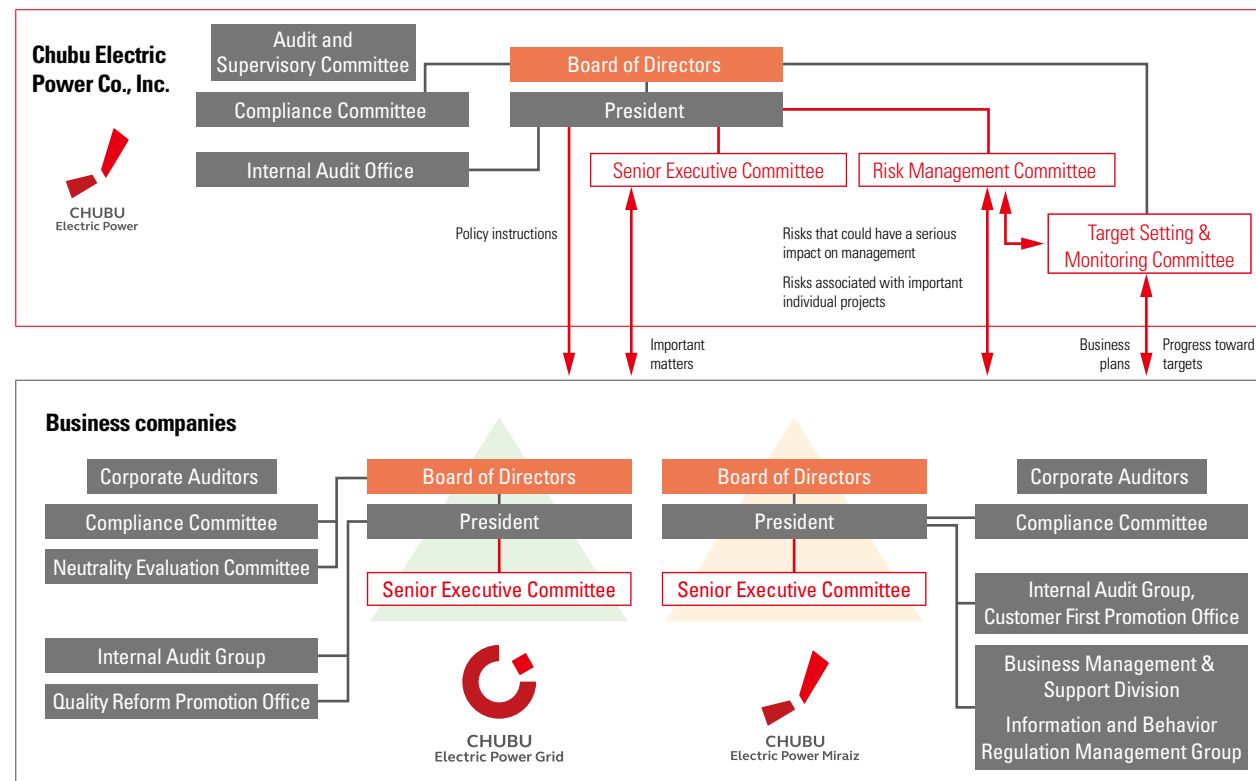
Operating Company Governance Structure

Our basic principle regarding the governance of operating companies Chubu Electric Power Grid and Chubu Electric Power Miraiz is to allow these companies to respond flexibly to various environmental changes through the establishment of an autonomous management structure within each company. On the other hand, Chubu Electric Power performs coordination and control functions to ensure the optimization of the Group as a whole from the standpoint of the parent company of these operating companies.

Governance Structures of Chubu Electric Power Grid and Chubu Electric Power Miraiz

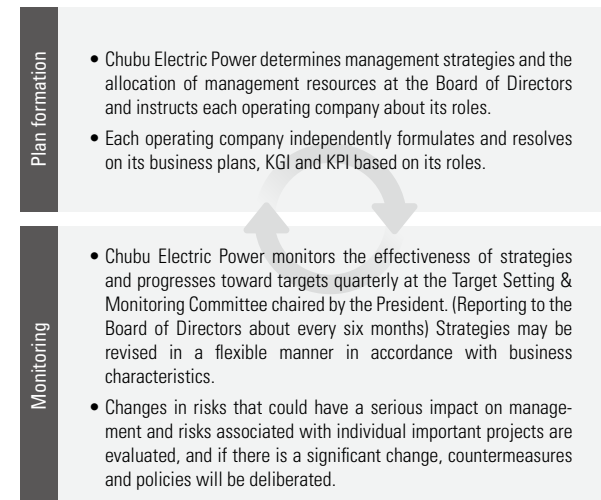
Chubu Electric Power and its operating companies have individually established governance structures consisting of the Board of Directors, Senior Executive Committee, and Audit and Supervisory Committee / Corporate Auditors.

In addition, we have established a framework to ensure effective governance primarily by promptly assessing any events significantly impacting Group management and reporting them to Chubu Electric Power's Audit and Supervisory Committee Members and the Senior Executive Committee.



Management of risks associated with individual projects, such as investments

Chubu Electric Power seeks to optimize the management though respecting each operating company's autonomous operations by instructions on plan formulation policies and progress management with regard to the achievement of targets and monitoring that focuses on the integrated management of risks, and thereby aims to maximize the value of the group as a whole.



Governance over JERA

As a shareholder, Chubu Electric Power implements governance measures, while ensuring JERA's autonomous business operation and swift decision-making. Including risk management, Chubu Electric Power engages in dialogue among officers during visits to shareholders by JERA and performs quarterly monitoring of JERA.



Risk Management

Chubu Electric Power believes that risk management should be conducted in an integrated manner with business execution, rather than separately from business execution for its own purposes. For this reason, we conduct risk management also through the formulation cycle of corporate management plans as well as business plans of each business execution department. In this manner, we make sure that risk management is conducted properly to help the Group achieve continuous and stable business development.



Risk Management

Management of risks that could have a serious impact on the company

At Chubu Electric Power, the president of each company and the general manager of each department in the headquarters are responsible (risk owners) for the management of business execution risks. Among such risks, risks with a significant impact on management are regularly reported to the Risk Management Department.

The Risk Management Department reports to the Risk Management Committee chaired by the President, which includes the vice presidents and executive officers on risks that are managed in an integrated manner from the perspective of the entire company based on the reports from the risk owners. The risk response policy is deliberated and decided by the President at the Risk Management Committee and the risk owners reflect the response policy in their annual management plans and risk countermeasures.

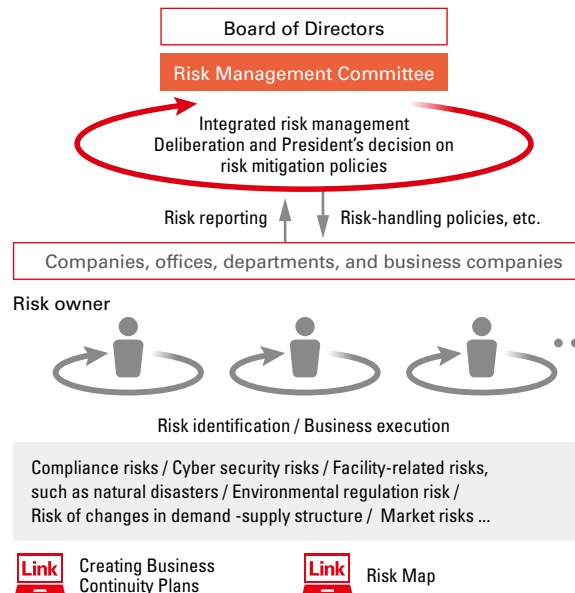
With respect to the risks involving Group companies, each company understands and assesses its risks, and those that are deemed to have a serious effect on management will be deliberated upon and reported regularly together with management measures to Chubu Electric Power.

The presidents of Chubu Electric Power Grid Co., Inc. and Chubu Electric Power Miraiz Co., Inc. act also as risk owners mentioned above.

● Risk management flow

Risk identification	The president of each company and the general manager of each department in the headquarters are responsible for the identification of business execution risks as risk owners	
Integrated risk management Deliberation and decision on risk mitigation policies	<ul style="list-style-type: none"> The risk management department identifies and assesses risks that could have serious effects on management in an integrated manner The Risk Management Committee deliberates on risk mitigation policies and the president makes the final decision. 	P
Development and implementation of risk mitigation measures (business execution)	Risk mitigation policies are reflected in business plans and risk mitigation measures for execution	D
Monitoring	<ul style="list-style-type: none"> Quarterly identification and assessment of changes in risks Risk mitigation policies are deliberated and reflected in risk mitigation measures as necessary 	C A

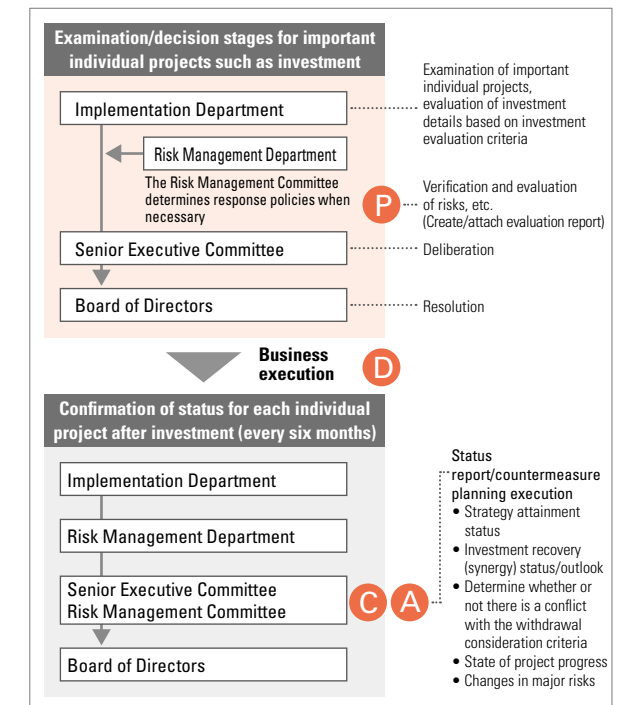
● Risk management organization



Management of risks associated with individual projects, such as investments

Regarding individual projects such as investments, risks are properly managed through risk evaluation at the time of decision-making by the Risk Management Department and through regular review of the status and countermeasure instructions by the Senior Executive Committee, the Risk Management Committee and the Board of Directors following the execution of these investments.

● Flow of risk management and review of the status of important individual projects such as investments



For business and other Risks, see [P90](#).



Uchida Tadashi

Executive Officer
Digital Transformation Promotion
Office
Chief Information Security Officer
(CISO)

MESSAGE

We are strengthening efforts in cybersecurity to ensure stable electricity supply and protect personal information.

Amid increasing cyberattacks targeting critical infrastructure operators and rising supply chain risks, we have implemented a 24/7, year-round monitoring system (SOC*1) and established an advanced incident response team (CHUDEN-CSIRT*2) to safeguard our information and control systems.

Furthermore, we prioritize developing an information security management system and nurturing skilled security professionals, while continuously updating our measures based on industry-standard risk assessments.

We also prioritize compliance with the Economic Security Promotion Act, considering future international developments, and collaborate closely with industry organizations such as the Japan Electricity ISAC*3 and local businesses.

Our ongoing efforts in cybersecurity are aimed at ensuring the safety and peace of mind of our customers.

*1 SOC: Security Operation Center

*2 CSIRT: Computer Security Incident Response Team

*3 ISAC: Information Sharing and Analysis Center

Initiatives to Strengthen Cybersecurity

The Chubu Electric Power Group is leveraging the latest digital technologies to deliver services that meet customer expectations and create new value in response to evolving trends. Simultaneously, in response to escalating cyberattacks each year and to ensure stable power supply and protect personal information, we are intensifying our efforts in cybersecurity.

Basic policy

Chubu Electric Power will contribute to the realization of a safe and secure society by working to properly manage systems, which includes the stable operation of information and power control systems as well as the protection of customers' personal information. In particular, Chubu Electric Power will place priority on the following four points.

[Legal compliance]

We comply with relevant laws such as the Act on the Protection of Personal Information, the Act on Prohibition of Unauthorized Computer Access, and the Economic Security Promotion Act, as well as other necessary laws related to our business operations.

Moreover, we conduct industry-standard risk assessments and implement a PDCA cycle to establish response policies.

[Information management and protection]

We ensure proper management of our information assets while implementing technical and operational security measures informed by the latest security intelligence. This approach enables us to effectively counter increasingly advanced and sophisticated cyber threats.

● **Physical measures:** We implement access restrictions based on importance levels, including the introduction of entry and exit management through advanced applications.

● **Technical measures:** To counter increasingly advanced and sophisticated cyberattacks, we are implementing the construction and operation of defense and detection mechanisms using state-of-the-art technologies.

[Education]

We provide ongoing information security education to executives, employees, and others to continuously enhance awareness. This includes comprehensive security education and training for all employees, including those in our Group companies. Moreover, specialized security education and training programs are conducted for security personnel across each company. We also support talent development through extended assignments to specialized security organizations.

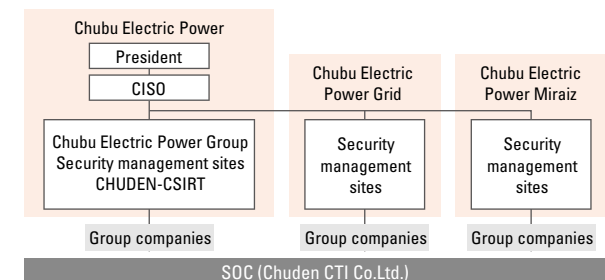
[Establishment of system]

We have established an integrated information management framework aimed at maintaining and enhancing information security measures across the entire Group, ensuring effective and efficient implementation.

Our Chief Information Security Officer (CISO), with a background in information-related departments, oversees and supervises cybersecurity in collaboration with the Chief Information Officer (CIO).

To enhance coordination and control of initiatives across all companies, we have set up the DX Committee chaired by the CIO, which regularly discusses specific DX and IT initiatives, including cybersecurity. Additionally, Chubu Electric Power has established a centralized security management department for the entire Group, with each business entity overseeing its respective Group companies to enhance overall security levels.

The SOC, operated by Chuden CTI, monitors the entire Group and initiates emergency responses centered around CHUDEN CSIRT under the supervision of the CISO in the event of incidents.





Hasegawa Satoshi

Senior Managing Executive Officer,
General Manager of Compliance
Division, Chief Compliance Officer
(CCO) and Chief Legal Officer (CLO)

MESSAGE

We are committed to further enhancing compliance.

In recent years, the Chubu Electric Power Group has experienced a series of events that have significantly undermined the trust of our stakeholders, including inappropriate handling of customer information and a directive from the Japan Fair Trade Commission.

“Without compliance, there is no trust, and without trust, there is no growth.” Once again, we reaffirm this principle and pledge as a Group to redouble our efforts to thoroughly enforce compliance across the board, ensuring that such situations do not occur again.

Moreover, the business environment surrounding the Chubu Electric Power Group is rapidly changing, with laws and regulations becoming increasingly complex and sophisticated, thus escalating compliance risks in our business operations.

Each individual will take ownership of compliance, heightening sensitivity to risks in their own duties. Additionally, we will continually align our awareness with changes in the business environment to ensure steadfast adherence to high standards of compliance.

Through these compliance efforts, we aim to enhance corporate value and foster an environment where everyone can work with fulfillment and freedom.

Ensuring Compliance Management

Establishment of Compliance Division

In April 2024, Chubu Electric Power established a new Compliance Division to strengthen its legal and compliance functions. This initiative aims to manage legal risks effectively during normal operations and ensure swift and accurate responses to any inappropriate incidents.

Compliance Promotion System



Chubu Electric Power Group
Compliance Committee



Group Initiatives

Under the Board of Directors, we established the Compliance Committee and through this structure matters deliberated at this committee are reported to the Board of Directors.

Furthermore, we have appointed a Chief Compliance Officer (CCO) as the person responsible for promoting compliance throughout the entire Chubu Electric Power Group.

Under the oversight of the Chubu Electric Power Group Compliance Committee, made up of top management of the Group companies, the Chubu Electric Power Group is promoting compliance within the entire Group by having each Group company introduce their own compliance promotion systems to undertake enlightenment activities.

Anti-bribery and anti-corruption initiatives

The Chubu Electric Power Group established the Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy based on the Chubu Electric Power Group Basic Compliance Policy. Targeting all executives and employees working in the Chubu Electric Power Group, this policy prohibits all forms of corruption beginning with bribery, embezzlement, betrayal of trust, unfair or unreasonable provision or receipt of entertainment or gifts, collusion with specific persons, and unfair preferential treatment of specific persons. In accordance with this policy, we provide education to all executives and employees (including part-timers and temporary employees) of Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz while making explanations via FAQs (frequently asked questions) to deepen their understanding. Furthermore, based on this policy, we have created Guidelines for Giving and Receiving Money and Goods. In accordance with these guidelines, we confirm whether executives and employees of Chubu Electric Power, Chubu Electric Power Grid, and Chubu Electric Power Miraiz have received inappropriate money or gifts and regularly report on this to the Compliance Committee.

Regarding the prevention of bribery of foreign public officials, we have created and comply with internal regulations that prohibit all types of bribery (including facilitation payments*), with the aim of preventing bribery throughout the entire Chubu Electric Power Group. Furthermore, Chubu Electric Power regularly convenes the Committee for the Prevention of Bribes to Foreign Public Officials, with the vice chairman of the Chubu Electric Power Compliance Committee serving as committee chief as we build and operate a system to prevent bribery.

As to the efforts to ensure tax transparency, we have formulated the Chubu Electric Power Group Tax Policy with the aim of permeating awareness of tax compliance throughout the Chubu Electric Power Group and to further improve governance.

*Payments of small amounts to facilitate procedures related to regular administrative services



Chubu Electric Power Group Basic Compliance Policy



Chubu Electric Power Group Anti-Bribery and
Anti-Corruption Policy



System for prevention of bribes to foreign public officials
(Japanese version only)



Chubu Electric Power Group
Tax Policy

Helplines—Points of contact for compliance queries

We set up respective Helplines and Chuden Group/Joint Helplines both internally and at Group companies for executives, employees, temporary employees, officers and workers of business partners, and for related retirees. These helplines aim at preventing illegal, unfair, and unethical acts, including corruption such as excessive entertainment, gift giving, power harassment, sexual harassment etc., and ensure compliance.

The Helplines and the Chuden Group/Joint Helplines have set up consultation desks both inside and outside the Company (outside consultation desks are handled by outside lawyers). These offer multiple methods of consultation, including e-mail, dedicated phone lines, letters, and face-to-face meetings (available 24 hours a day, except for dedicated phone lines and face-to-face meetings). The helplines can also be used anonymously.

In addition, each Group company strives to enhance its consultation system by establishing its own consultation desk.



Ensuring Compliance Management Chubu Electric Power Initiatives
(Japanese version only)

Protection of consulters and prohibition of disadvantageous treatment

The Helplines and the Chuden Group/Joint Helplines function as internal whistleblowing contact points as prescribed in the Whistleblower Protection Act and persons involved with contact points have an obligation to maintain confidentiality under this law. Furthermore, in accordance with internal regulations, we take strict disciplinary action and other measures to thoroughly ensure the protection of consulters in the event of any violation of confidentiality obligations or disadvantageous treatment.

Consultation flow

When receiving a consultation case, after investigating the facts we determine a response policy, take the necessary measures and respond to the consuler. Regarding post-consultation responses, we appropriately confirm whether or not there is any disadvantageous treatment of the consuler and take necessary measures.

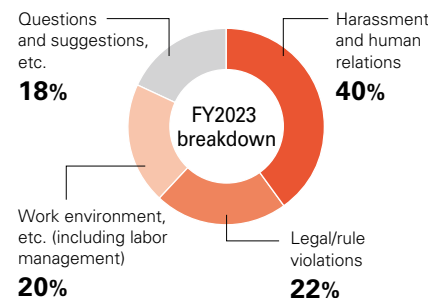
In addition, upon deleting the consuler's information, all consultations are promptly reported after the event to the Compliance Committee and approval of details is received. However, important matters are consulted on in advance with the Compliance Committee and are handled in accordance with decisions by the Chairman. In the event of a compliance violation, we take appropriate measures such as correcting the violation and taking strict disciplinary action against the perpetrator.

Publication of consultation cases

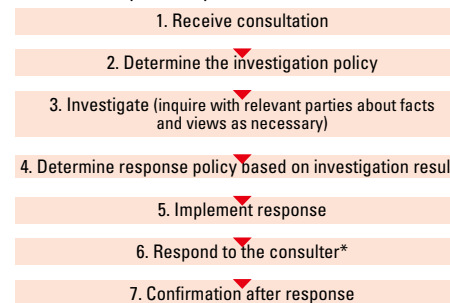
From the perspective of preventing recurrences and raising compliance awareness, after deleting the consuler's information, on the Company intranet we publish a summary of the details of the consultations that are deemed desirable for horizontal deployment across the entire Company or related departments.

Number of consultations in FY2023

118 cases



Flow of helpline response



*Additionally, if necessary, we will report progress and confirm intentions to the consuler at each stage.

Main Activities in FY2023

[Communicating messages from management]

The CCO communicates messages on compliance to all employees.

[Implementation of various types of education]

● Level-specific training

We implemented compliance training for new employees, newly appointed senior staff, newly appointed executives, and newly appointed managers.

● Training for all employees (including part-timers and temporary employees)

We implemented compliance e-learning, covering the Chubu Electric Power Group Basic Compliance Policy, Anti-Bribery and Anti-Corruption Policy, and Tax Policy, and introduced information about the helpline service.

● Training for helpline operators

We conducted training to enhance the response capabilities of helpline operators across Group companies.

[Conducting compliance seminars]

We held a seminar with a focus on building positive relationships with business partners for management personnel of the Company and Group companies.

[Publicize the Helpline]

We raised awareness of the helpline through various training sessions and the publication of articles in the company newsletter.



Main Activities
(Japanese version only)