



Dialogue between the Chairman of the Board of Directors,
an External Director and an External Corporate Auditor
Katsuno Satoru, Chairman of the Board of Directors, Kudo Yoko, Director (external) and
Takada Hiroshi, Corporate Auditor (external)

Responding to a Variety of Social Demands By “Generating, Sending, and Using Energy”



Katsuno Satoru
Chairman of the Board
of Directors

Kudo Yoko
Director (external)

Takada Hiroshi
Corporate Auditor
(external)

Katsuno Satoru, Chairman of the Board of Directors

Katsuno Satoru earned a bachelor's degree in electronics and electrical engineering study, from Keio University and 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.

Kudo Yoko, U.S. Certified Public Accountant

Kudo Yoko is involved in accounting audits, etc. at PricewaterhouseCoopers, Ernst & Young and Ernst & Young ShinNihon LLC. She retired from Ernst & Young ShinNihon LLC and was appointed as External Director of the Company in June 2022. Born in 1961 in Hokkaido.

Takada Hiroshi, Representative Director, Japan General Incorporated Association of Professionals for Medium and Small Sized Business Management Ltd.

Takada Hiroshi joined TOYOTA MOTOR CORPORATION in 1969. He has held positions such as General Manager of Advertising Division, member of the Board of Directors, Managing Officer and Senior Managing Director at TOYOTA MOTOR CORPORATION. He was appointed as External Corporate Auditor of the Company in June 2020. Born in 1961 in S.hizuoka Prefecture.

1. | Permeate Compliance Awareness in Step with an Evolving Business Environment

Katsuno: System reforms are advancing in the electric power industry and we are now in an age when we are being asked to supply customers with stable and affordable energy as well as protect the global environment while engaging in competition. Our mission is to respond to an assortment of social demands as we carry out our business of “generating, sending and using” electricity. Even in undertaking this mission, however, some improprieties have occurred at Group companies. These included the leakage of customers’ information obtained through the wheeling business and suspected violations of the Antimonopoly Act by the Japan Fair Trade Commission. As our business environment dramatically evolves, we must further promote compliance to realize both “value in public interest” and “value in competition.”

Kudo: Besides splitting off Chubu Electric Power Grid and Chubu Electric Power Miraiz into separate companies in the electric power business, the number of Chubu Electric Power Group companies such as ES-CON JAPAN is increasing in tandem with an expansion in business areas. This increase in companies also makes internal control as a Group more difficult and so it is essential to consider an optimal internal control system for the Group. Additionally, upon indicating the ideal form of compliance, management needs to firmly instill and communicate a unified awareness of compliance throughout the entire Chubu Electric Power Group. Precisely because of times like this, I believe the Group’s corporate culture will remain static unless it encourages everyone to adhere to compliance while valuing human resources through a reform of awareness.

Takada: In the existing electric power business, even prior to liberalization Chubu Electric Power undertook business activities in close collaboration with other



electric power companies. However, the introduction of competition spurred significant changes in the environment and awareness. In other words, recognizing the value of public interest and the value of competition is extremely important when implementing compliance. Here let me touch upon the incident involving the leakage of customer information. The concept of customer first in the electric power business, which is a public utility, should not be limited just to our customers. In undertaking the electric power business across the country, power companies must supply more-affordable, better-quality electricity through fair competition. In the case of this incident, the problem was a lack of this awareness.

Ultimately, the way each and every employee understands and acts on compliance is vital. With this in mind, I believe that promoting an understanding of compliance such as by holding discussions in the workplace to the point that employees regard compliance as their own personal matter is highly effective

Katsuno: You are right. To further raise the Group's compliance, we report to the Board of Directors on the status of the implementation of Thorough Compliance Measures and under the supervision of the Board of Directors we are striving to ensure a deep awareness of compliance among all executives and employees. Furthermore, at the Board of Directors meetings we will take measures such as discussing the ideal ways of governance for the entire Group and will implement and consider improvement measures and strengthen the Group's responses.

Additionally, upon understanding compliance and expressing the direction of compliance, it is important that management promote compliance to ensure that it becomes deeply instilled at each workplace to the level of each and every employee. In striving to transform the mindsets of employees, we hold workplace discussions on compliance, convene opinion-exchange sessions with front-line business sites, and implement initiatives to promote an understanding of compliance within the scope of each individual's work. Fair and transparent management is of paramount importance for gaining the trust of stakeholders. For this reason, we must place top priority on thorough compliance.

Takada: For the officers to express a clear direction, it is also necessary to improve the effectiveness of the Board of Directors. From this perspective when I was sounded out about becoming a corporate auditor, I was told, "We want you to speak your mind about everything." When I attended an actual board meeting, I was surprised to find that external officers voiced extremely numerous opinions in an atmosphere where it was easy for them to express their views. In my experience, there is no other company like Chubu Electric Power where resolutions are passed after lively discussions at the Board of Directors. Highly diverse external directors express their opinions by drawing on their own experiences and perspectives in their fields of expertise and because of this, discussions sometimes become so passionate that meetings extend beyond the scheduled time and continue all the way through the entire lunch-break.

Katsuno: I feel that we lack knowledge about new value that is in accordance with the expansion of our business areas. As Chairman of the Board of Directors, time management is difficult, but I am grateful that I can always listen to the diverse opinions of external directors. I believe these external officers and their wide variety of opinions enables us to transcend conventional

thinking and obtain numerous opinions that are not expressed within the company.

2. | Ensuring Stable Supplies and Prices by Strengthening the Value Chain

Katsuno: Even prior to liberalization, the mission of electric power companies has been to assure a stable supply and affordable prices. Although attaining both is difficult, Chubu Electric Power has responded by striking a balance between these imperatives. As an extension of this, the principle of competition was introduced. This makes it necessary to generate profits through competition while maintaining stable supplies.

Takada: Just like water, a stable supply of electricity is absolutely essential. The Japanese government also demands that electric power companies provide a stable supply of electricity. In reality, we can provide stable supplies only if we can secure actual fuel. The difficulty of such fuel procurement is clearly evidenced by the war in Ukraine.

Katsuno: Ultimately, securing stable supplies boils down to risk dispersion. To ensure a stable supply, we have diversified energy sources, procurement periods, and procurement price formulas. Nonetheless, to prevail in competition, electric power companies reduced the proportion of long-term, stable fuel procurement and have instead relied on short-term, low-cost procurement. This has increased the risk of fuel shortages.

Furthermore, because retailers became less conscious of securing supply capacity, they shifted to short-term procurement through markets such as JEPX (Japan Electric Power Exchange). As a result, the fixed cost burden associated with power supply equipment by new entrants decreased and power supply investment was curtailed, causing a shortage of power supply facilities.

The combination of these factors triggered a tight-



ening of supply and demand and soaring prices in the wholesale electricity market from about two to three years ago. The issue now is how and who will bear the cost of risk diversification for assuring a stable supply.

Takada: Global players are strong in fuel procurement and so it is difficult to make purchases with favorable terms without expanding scale and having a strong presence. In that respect, JERA secures long-term contracts and skillfully utilizes its domestic supplies and overseas trading and it can also supply Chubu Electric Power and other companies in the event of a contingency. Given this, I have high expectations for the role that JERA will play in securing stable supplies.

Kudo: Alongside supply stability, price stability is also an important factor for corporate management and customers. For corporate activities in particular, instability of electricity prices makes it difficult to forecast costs and to create medium- to long-term plans for the production system. Conversely, stabilized electricity prices enhance the predictability of management.

Katsuno: That is correct. I have heard this said repeatedly by our customers and stabilizing electricity prices is a key mission for us. Long-term fuel contracts are an effective means of ensuring stable supply and price stability. Moreover, maximizing the use of nuclear power is also essential for assuring stable supply, price stability, and energy security.

The continuous operation of power transmission and distribution networks even when a disaster strikes is also indispensable for assuring stable supplies. In 2018, typhoons No. 21 and No. 24 caused power outages lasting about two weeks in Mie, Gifu, and Aichi prefectures. Back then, our digitization of maintenance work was not yet advanced. Even though there was on-site damage to power distribution lines, repair work was stopped when we undertook restoration of operations. Quickly grasping overall circumstances by utilizing digital technology such as drones and learning how to undertake restoration

quickly is important. In undertaking restoration work, like when Typhoon No. 15 struck in 2022, we utilized such digital technology as patrol drones to quickly discover collapsed steel towers.

Kudo: Maintaining a stable supply even during repeated disasters is an outstanding achievement. Moreover, utilizing the most-advanced drones and other technologies will increase resilience and speed up and enhance the efficiency of restoration work, further strengthening stable supply functions.

3. | Promoting Decarbonization Together with Customers and Local Communities

Katsuno: The enactment of the Green Transformation GX Law will spur the issuance of GX bonds and the introduction of growth-oriented carbon pricing. GX bonds are an incentive for so-called upfront investment while carbon pricing is a disincentive for latecomers. Implementing a decarbonization strategy as quickly as possible based on these two policies is important. Let me give an example in the energy field. The government's 20 trillion yen investment support using GX bonds will also be allocated to support price differentials* for hydrogen and ammonia. Although we are promoting nuclear power and renewable energy, I believe ammonia and hydrogen, which are used in low-carbon thermal power generation, will also serve as a vital element.

* The basic policy for the realization of GX states that support will be provided for upfront investments toward the realization of GX and also states that support for price differentials with existing fuels will be promoted at an early stage in moving toward the transition to hydrogen/ammonia.

Kudo: I think the price differential support for hydrogen and ammonia represents an opportunity for the Chubu Electric Power Group. Although JERA has a high ratio of thermal power generation, it leads the industry in ammonia co-firing. If JERA uses price differential



support, it can thus achieve both decarbonization and expand profits through competitive clean thermal power sources.

Takada: In technology development, it is very important who creates global standards and specifications. If Chubu Electric Power and JERA can take the lead in building a supply chain for ammonia, there is a possibility that we can secure global standards and specifications.

Katsuno: That is right. We will also make large-scale investments in the CCUS (CO₂ collecting, utilization, and storage), ammonia, and hydrogen value chains and this means we must deploy our business globally and earn profits. To do so, it is important that we cooperate with domestic and overseas businesses to acquire international standards as quickly as possible. Chubu Electric Power also established a Chief Standardization Officer (CSO) to promote standardization activities at Chubu Electric Power and we will contribute to the realization of carbon neutrality and economic growth in Japan.

Kudo: JERA is planning to co-combust ammonia at the Hekinan coal-fired power plant and gradually increase the co-combustion ratio. However, in reality the demand side can also use ammonia as a heat source and thus the demand side must also promote innovation to expand the use of ammonia.

Looking at renewable energy, the supply of power encompassing solar power sometimes exceeds demand such as during Japan's Golden Week holidays, so the renewable energy output is limited during that period. I think the reason carbon-neutral renewable energy still cannot be utilized effectively even though its use has



spread widely is due to problems such as the lagging adoption of storage batteries.

Katsuno: We are making efforts to operate without restricting the output of renewable energy by making responses to the greatest degree possible in terms of supply and demand. These efforts include lowering the minimum output of thermal power generation and maximizing the use of pumped-storage power generation. On top of that, managing supply and demand based on local production for local consumption is an effective means for responding to mismatches between supply and demand. Distributed power sources and batteries are essential elements of an energy management system. Utilizing ICT in these areas will help us expand the amount of connectable renewable energy and to improve resilience while enabling independent operation even during interruptions to the energy supply, which improves resilience. With a view toward overall efficiency, I believe we can build next-generation energy systems by combining large-scale centralized power sources and conventional grids together with decentralized grids for local production for local consumption.

Ammonia and hydrogen can also be burned in the heat process on the demand side in addition to being used for co-firing at coal-fired power plants and LNG-fired power plants. The Chubu region is home to one of Japan's premier ports as well as autoparts, steel, and chemicals manufacturing industries. In view of this, there expectation for the large-scale utilization of hydrogen and ammonia in manufacturing processes. This makes me believe the Chubu region is the ideal location

in Japan to build a transition model toward decarbonization where both demand and the power generation sides are in harmony. In this sense, the Central Region Hydrogen and Ammonia Supply Chain Vision has the potential to expand globally, with the Chubu region as a starting point.

Takada: Speaking of the characteristics of the Chubu region, in energy conservation, the Toyota Motor Group has worked around the clock pursuing ideas for reducing electricity bills and CO₂ emissions. Giving shape to these ideas depends on power companies, which have expertise in this field. For example, Chubu Electric Power's energy consultants helped Toyoda Gosei improve the operation of its production processes at domestic production bases and also provides overseas energy conservation support services that deploys these improvements at overseas production hubs. These energy consultants apparently proposed energy reductions ranging from 3% to 8% at each overseas production base. Broadly speaking, Toyota Motor Corporation generates 30% of its CO₂ emissions in Japan and 70% overseas. As such, if we devise technology for reducing CO₂ emissions in Japan, this technology can be transferred overseas.

Kudo: I think the Chubu region is a suitable location for the CCUS project being considered at the Port of

Nagoya under an agreement concluded with bp because of the relatively large amount of CO₂ emissions from steelmaking, processing, chemicals and petroleum refining plants. The volume of CO₂ emitted from the port of Nagoya accounts for about 5% of the total amount generated by manufacturing industries in Japan. We are considering collecting and storing CO₂ and using it effectively both in Japan and overseas. By deploying this technology globally, I believe we can contribute to reducing CO₂ emissions worldwide and expand the Chubu Electric Power Group's earnings.

Katsuno: I think that the point of social change toward carbon neutrality along with digitization is attaining compatibility with economic growth and enjoying new affluence. To that end, it is important to realize the "early social implementation" of innovative technologies and to implement "overseas deployment" along with "international standards and specifications." The Chubu region is the center of *monozukuri* (manufacturing) in Japan and possesses manufacturing and innovation capabilities. I believe that by joining these strengths together as a foundation that supports the Chubu region, we can build a business model that achieves both carbon neutrality and economic growth and deploy this overseas. I would like to contribute to the development of a sustainable society together with the people of the Chubu region.





Corporate Governance

Basic concept regarding corporate governance (Excerpt from Chubu Electric Power Group Basic Corporate Governance Policy)

The Chubu Electric Power Group believes it is necessary to practice our corporate philosophy and for us to “continue to grow as a group with our customers and society” so as to maintain the trust of shareholders, investors, and other stakeholders, as well as remain the customer’s definitive choice of energy supplier.

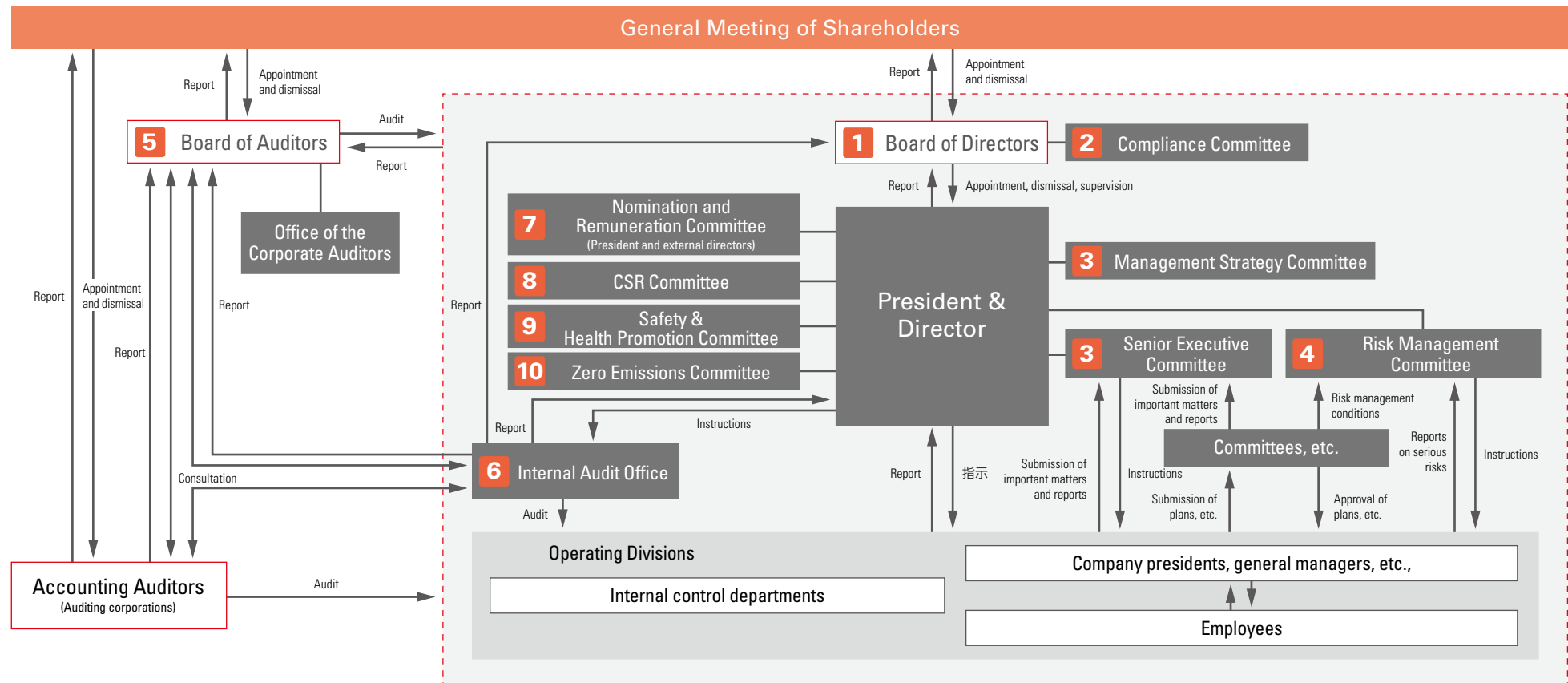
For this reason, bold steps have been taken to improve corporate governance, including positioning fairness and transparency at the core of business, ensuring proper oversight of management and operations

execution, and providing mechanisms for swift decision-making, as espoused in the Chubu Electric Power Group CSR Declaration.

[Link](#) Chubu Electric Power Group Basic Corporate Governance Policy

[Link](#) Chubu Electric 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. In order to strengthen supervisory functions, external directors have been introduced.

Nine directors including external directors
Held **25** 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 Board of Auditors

The Board of Auditors works to allocate the roles of the Corporate Auditors and share 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.

Corporate Auditors audit every aspect of the performance of duties by the Directors, for which purpose they deepen their understanding of the Directors, the internal audit divisions, and operating divisions, 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.

To assess the effectiveness of the Board of Auditors, we implemented a questionnaire survey of all Board of Auditors members and determined that effectiveness is being assured, including for responses to risk events that occurred during the fiscal period.

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 companies and provides other support.

Five auditors including external auditors
Held **18** times/year*

7 Nomination and Remuneration Committee

The Committee consists of the President and independent external directors. In developing appointment proposals for directors, corporate auditors, and executive officers and determining the remuneration of directors 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 **8** 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 regularly convenes, chaired by the President of Chubu Electric Power Co., Inc. and composed of the management team, including the presidents of Chubu Electric Power Grid and Chubu Electric Power Miraiz as well as labor unions and other members.

The committee also invites outside experts and shares issues to cultivate safety culture and promote health management and deliberates and decides measures to resolve these issues. 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 FY2022.



Directors and Corporate Auditors (As of July 1, 2023)



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 FY2022: 24/25 (96%)

Chairman of the Board of Directors
Katsuno Satoru
Reappointed



General Manager of Human Resource Strategy Office and Corporate Planning & Strategy Division, and CIO*

Apr. 1985: Joined Chubu Electric Power
Apr. 2016: Executive Officer, General Manager of Electrical Engineering Dept. of Power Network Company
Apr. 2018: Executive Officer, General Manager of Tokyo Office
Apr. 2021: Senior Managing Executive Officer, General Manager of Corporate Planning & Strategy Division, Chief Information Officer
June 2021: Director and Senior Managing Executive Officer, General Manager of Corporate Planning & Strategy Division and CIO
Apr. 2022: Director & Executive Vice President and General Manager of Human Resource Strategy Office and Corporate Planning & Strategy Division, and CIO. (incumbent)

Reasons for selecting:

Ito Hisanori has a career history in the Company that, thus far, includes General Manager of Electrical Engineering Dept. of Power Network Company, General Manager of Tokyo Office 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, Ito Hisanori is considered capable of carrying out management that improves corporate value.

Attendance:

The Board of Directors meetings in FY2022: 25/25 (100%)

*CIO: Chief Information Officer

Director & Executive Vice President
Ito Hisanori
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 FY2022: 25/25 (100%)
Nomination and Remuneration Committees in FY2022: 8/8 (100%)

Director (External)
(Independent Officer)
Shimao Tadashi
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 FY2022: 23/25 (92%)
Nomination and Remuneration Committees in FY2022: 8/8 (100%)

President & Director
Hayashi Kingo
Reappointed



General Manager of Nuclear Power Division, CNO*

Apr. 1984: Joined Chubu Electric Power
Jul. 2015: Executive Officer, General Manager of Hamaoka Nuclear Power Station of Hamaoka Nuclear Power Executive Headquarters
Apr. 2017: Executive Officer, General Manager of Nuclear Power Dept., Nuclear Power Division
Apr. 2021: Senior Managing Executive Officer, General Manager of Nuclear Power Division and Nuclear Power Department, CNO
June 2021: Director, Senior Managing Executive Officer, General Manager of Nuclear Power Division and Nuclear Power Department, CNO
Apr. 2022: Director and Senior Managing Executive Officer and General Manager of Nuclear Power Division, CNO. (incumbent)

Reasons for selecting:

Ihara Ichiro has a career history in the Company that, thus far, includes General Manager of Hamaoka Nuclear Power Station of Hamaoka Nuclear Power Executive Headquarters, General Manager of Nuclear Power Department, Nuclear Power Division, and General Manager of Nuclear Power Division. As he possesses detailed knowledge of the Company's operations and ample ability to find solutions to managerial issues, Ihara Ichiro is considered capable of carrying out management that improves corporate value.

Attendance:

The Board of Directors meetings in FY2022: 25/25 (100%)

*CNO: Chief Nuclear Officer

Director and Senior Managing Executive Officer
Ihara Ichiro
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 FY2022: 25/25 (100%)
Nomination and Remuneration Committees in FY2022: 8/8 (100%)

Director (External)
(Independent Officer)
Kurihara Mitsue
Reappointed



General Manager of Corporate Management Division and CFO*1, and CCO*2

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 Chief Kaizen Officer
June 2022: Director & Executive Vice President and General Manager of Corporate Management Division, CFO, Supervisor of Chief Kaizen Officer and CCO (incumbent)
Apr. 2023: Director & Executive Vice President and General Manager of Corporate Management Division and CFO, and CCO. (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 FY2021: 25/25 (100%)

*1: CFO: Chief Financial Officer *2: CCO: Chief Compliance Officer

Director & Executive Vice President
Mizutani Hitoshi
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 FY2022: 25/25 (100%)
Nomination and Remuneration Committees in FY2022: 8/8 (100%)

Director (External)
(Independent Officer)
Hashimoto Takayuki
Reappointed



U.S. Certified Public Accountant

Apr. 1982: Joined Somo Japan Insurance Inc.
June 1989: Retired from Somo 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 FY2022: 20/21 (95%)
Nomination and Remuneration Committees in FY2022: 7/7 (100%)

Director (External)
(Independent Officer)
Kudo Yoko
Reappointed



* The number of attendances is for FY2022.

* Sawayanagi Tomoyuki and Nakagawa Seimei assumed office in June 2023.



Senior Corporate Auditor
(full-time)
Kataoka Akinori
Incumbent

Apr. 1981: Joined Chubu Electric Power
July 2011: Executive Officer, General Manager of Finance & Accounting Dept.
July 2013: Executive Officer, General Manager of Mie Regional Office, assigned to Environmental Affairs & Plant Siting Division
Apr. 2016: Senior Managing Executive Officer, General Manager of Finance & Accounting Dept. and Purchasing & Contracting Dept.
June 2016: Director & Senior Managing Executive Officer, General Manager of Finance & Accounting Dept. and Purchasing & Contracting Dept.
Apr. 2017: Director & Executive Vice President, General Manager of Legal Affairs Dept., General Affairs Dept., Finance & Accounting Dept. and Purchasing & Contracting Dept.
Apr. 2018: Director & Executive Vice President, General Manager of Legal Affairs Office, General Affairs Office, Finance & Accounting Office, Purchasing & Contracting Office, and Business Solutions & Corporate Communications Center and Finance & Accounting Center
Apr. 2019: Director & Executive Vice President, General Manager of Legal Affairs Office, General Affairs Office, Finance & Accounting Office, Purchasing & Contracting Office, and Business Solutions & Corporate Communications Center, Finance & Accounting Center and IT System Center

Apr. 2020: Director
June 2020: Senior Corporate Auditor (full-time) (incumbent)

Reasons for selecting:

Kataoka Akinori has a career history in the Company that, thus far, includes General Manager of Finance & Accounting Dpt., Legal Affairs office., General Affairs office., Finance & Accounting Office, Purchasing & Contracting Office, Business Solutions & Corporate Communications Center, Finance & Accounting Center and IT System Center, and has specialized knowledge and a wealth of experience in finance and accounting.

Attendance:

The Board of Directors meetings in FY2022: 24/25 (96%)
The Board of Auditors meetings in FY2022: 18/18 (100%)



Corporate Auditor
(external)
Nagatomi Fumiko
Incumbent

Attorney at law

Apr. 1981: Registered as lawyer
Joined Hachisuka Law Firm
Mar. 1989: Retired from Hachisuka Law Firm
Apr. 1989: Established Nagatomi Law Firm (incumbent)
June 2016: External Auditor of Chubu Electric Power (incumbent)

Reasons for selecting:

Nagatomi Fumiko has specialized knowledge and a wealth of experience as a lawyer, and can be expected to neutrally and objectively use her auditing abilities based on her viewpoints as a legal specialist.

Attendance:

The Board of Directors meetings in FY2022: 24/25 (96%)
The Board of Auditors meetings in FY2022: 18/18 (100%)



Corporate Auditor
(full-time)
Sawayanagi Tomoyuki
New appointment

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 (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 and Corporate Auditor of Chubu Power Grid Co., Inc., and possesses detailed knowledge of the Company's operations.

Attendance:

The Board of Directors meetings in FY2022: --/-- (%)
The Board of Auditors meetings in FY2022: --/-- (%)



Corporate Auditor
(external)
Takada Hiroshi
Incumbent

Representative Director, Japan General Incorporated Association of Professionals for Medium and Small Sized Business Management Ltd.

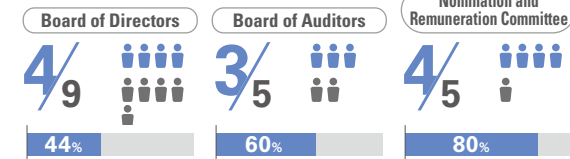
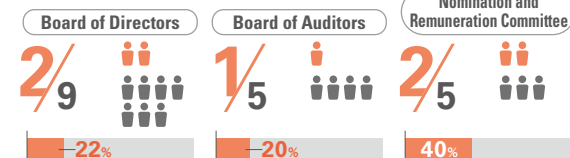
Apr. 1969: Joined TOYOTA MOTOR CORPORATION
Jan. 1995: General Manager of Advertising Division, TOYOTA MOTOR CORPORATION
June 2001: Member of the Board of Directors, TOYOTA MOTOR CORPORATION
June 2003: Managing Officer, TOYOTA MOTOR CORPORATION
June 2005: Senior Managing Director, TOYOTA MOTOR CORPORATION
June 2009: Chairman of the Board of Directors, TOYOTA Mobility Tokyo Inc.
June 2009: Chairman, TOYOTA Nagoya Education Center, Inc.
Oct. 2009: President, Member of the Board of Directors, TOYOTA Marketing Japan Corporation
Dec. 2009: President, Member of the Board of Directors, Toyota Motor Sales and Marketing Corporation
July 2012: Chairman & CEO, Organization for Small & Medium Enterprises and Regional Innovation, JAPAN
July 2019: Representative Director, Japan General Incorporated Association of Professionals for Medium and Small Sized Business Management Ltd (incumbent)
May 2020: External Director, Broadleaf Co., Ltd. (incumbent)
June 2020: External Corporate Auditor, Chubu Electric Power (incumbent)

Reasons for selecting:

Takada Hiroshi was involved in corporate management as a Senior Managing Director at TOYOTA MOTOR CORPORATION in the past and is currently involved in corporate management as Representative Director, Japan General Incorporated Association of Professionals for Medium and Small Sized Business Management Ltd. and can be expected to neutrally and objectively use his auditing abilities based on his viewpoints as a corporate management specialist.

Attendance:

The Board of Directors meetings in FY2022: 25/25 (100%)
The Board of Auditors meetings in FY2022: 18/18 (100%)

Percentage of external members in the Board of Directors, the Board of Auditors, and the Nomination and Remuneration Committee (As of July, 2023)**Percentage of female members in the Board of Directors, the Board of Auditors, and the Nomination and Remuneration Committee (As of July, 2023)**

Corporate Auditor
(external)
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 (incumbent)

Reasons for selecting:

Nakagawa Seimei has held prominent posts including Director-General of the Public Security Intelligence Agency and Superintending Prosecutor of the Nagoya High Public Prosecutors Office, and can be expected to neutrally and objectively use his auditing abilities based on his wealth of experience and highly specialized insight of the law.

Attendance:

The Board of Directors meetings in FY2022: --/-- (%)
The Board of Auditors meetings in FY2022: --/-- (%)

Selection of directors and auditors

To ensure fairness and transparency in the election of directors and auditors, candidates are proposed to the Board of Directors after scrutinized by the Personnel Affairs Committee, which consists mainly of the Chairman, the President, and other directors, and with the Nomination and Remuneration Committee consisting of the President and independent external directors. Furthermore, corporate auditor candidates are required to be approved by the Board of Auditors, in addition to the scrutiny at a Personnel Affairs Committee meeting attended by senior corporate auditors, to strengthen the independence of corporate auditors.

External directors and external corporate auditors

At Chubu Electric Power, four external directors and three external corporate auditors currently hold office. All of our external directors and external corporate auditors 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 representative directors and auditors regularly to exchange opinions.

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



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 and Corporate Auditors are disclosed as a skill matrix.

Through the concerted efforts of the directors and auditors, 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

	Name	Position in the Company	Directors' and auditors' outstanding expertise, experience							
			Corporate Management	Finance / Accounting	Legal	Risk Management	Technologies Contributing to Electric Power Supply and Environment	DX (Digital transformation) / Business Development	Marketing	Internationality / Diversity
Directors	Katsuno Satoru	Chairman of the Board of Directors	●			●	●			
	Hayashi Kingo	President & Director	●			●			●	
	Mizutani Hitoshi	Director, Executive Vice President	●	●	●					
	Ito Hisanori	Director, Executive Vice President				●	●	●		
	Ihara Ichiro	Director, Senior Managing Executive Officer					●			
	Hashimoto Takayuki	Director (external)	●					●		●
	Shimao Tadashi	Director (external)	●						●	●
	Kurihara Mitsue	Director (external)	●	●						●
Auditors	Kudo Yoko	Director (external)		●				●		●
	Kataoka Akinori	Senior Corporate Auditor (full-time)	●	●		●				
	Sawayanagi Tomoyuki	Corporate Auditor (full-time)				●	●			
	Nagatomi Fumiko	Corporate Auditor (external)			●	●				●
	Takada Hiroshi	Corporate Auditor (external)	●			●			●	
	Nakagawa Seimei	Corporate Auditor (external)			●	●				●

* 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

Once a year, Chubu Electric Power surveys all directors and auditors on the makeup, operations, governance, and other aspects of the Board of Directors, and all directors and auditors 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 further enhance the effectiveness of the Board of Directors, the Board that consists of members possessing diverse expertise and experience will engage in wide-ranging discussions while continuing to make further improvements such as ensuring compliance and strengthening risk management for the entire Chubu Electric Power Group and enhancing deliberations at the Board of Directors regarding important issues such as nuclear power.

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

[Status of response to issues identified in the FY2021 assessment]

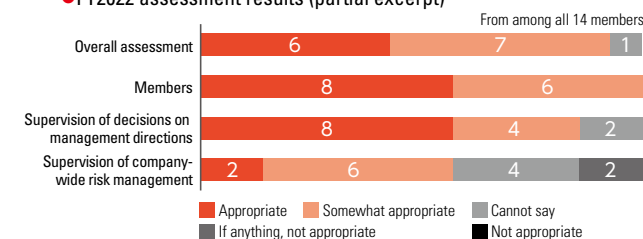
Issues confirmed in FY2021

- Composition of directors and auditors in anticipation for the future
- Ensuring governance over Group companies

State of initiatives in FY2022

- Further diversification of composition of directors and auditors by appointing a new outside director
- Formulating a system for swiftly reporting to our management meeting when signs of risks materializing appear at Group companies

● FY2022 assessment results (partial excerpt)



Board of Directors Agenda

Main topics for deliberation (FY2022)

- Items regarding the purpose of the General Meeting of Shareholders
- Executive personnel
- Approval of account settlement and financial statements
- Formulation of the Chubu Electric Power Group Medium-term Management Plan
- Sales of policy stocks
- Investment in geothermal company Eavor Technologies Inc.

[Link](#) Main Resolutions in the Board of Directors(FY2022) (Japanese version only)



Director remuneration

Directors' 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. However, remuneration for external directors is limited to monthly remuneration and the impact on corporate performance is limited.

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. 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. Points granted can be revoked in the event of any serious malfeasance or legal violation by directors.

The proportion of monthly remuneration, performance-based bonus and performance-based stock remuneration to total remuneration shall be around 60%, 30% and 10%, respectively, when the management targets are achieved.

Matters related to individual remuneration of Directors 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, and other Representative Directors and at the Nomination and Remuneration Committee consisting of the President and independent external directors.

The remuneration of Corporate Auditors shall be limited to monthly remuneration to limit the impact on the Company's business performance and is determined through discussions among all Corporate Auditors.

*¹ Evaluation of initiatives for strategic investment areas *² Degree of attainment of "2025 targets registered with GX League" for CO₂ emissions

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

(FY2022)

Category	Total remuneration (million yen)	Amount by type of remuneration (millions of yen)			Number of directors/ auditors in the category
		Monthly remuneration	Performance-linked bonus	Performance-based stock remuneration	
Directors (excluding external directors)	365	241	77	46	6
Auditors (excluding external auditors)	76	76	—	—	2
External board members	98	98	—	—	7

* Remuneration limit determined by a resolution by the General Meeting of Shareholders

Directors' monthly remuneration and performance-based bonus:

900 million yen per year (including 84 million yen to external directors)

Directors' performance-based stock remuneration:

530 million yen and 470,000 shares per every four fiscal years (excluding external directors)

Auditors: 20 million yen per month

Policy on director and auditor training

Chubu Electric Power provides training in management, accounting and finance, legal affairs, and other areas to newly appointed corporate directors and auditors, and periodically organizes events such as presentations given by attorneys, CSR seminars spearheaded by experts, and other learning opportunities.

Newly appointed external directors and auditors 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.

Introducing New External Corporate Auditor Nakagawa Seimei

Mr. Nakagawa has been active as a prosecutor for many years and has held important positions that include Director-General of the Public Security Intelligence Agency and Superintending Prosecutor of the Nagoya High Public Prosecutors Office.

Backed by his extensive experience in the legal industry and his high level of professional knowledge, we expect Mr. Nakagawa to appropriately audit the execution of duties by the Directors from a neutral and objective standpoint and to provide his opinions from a wide range of perspectives.



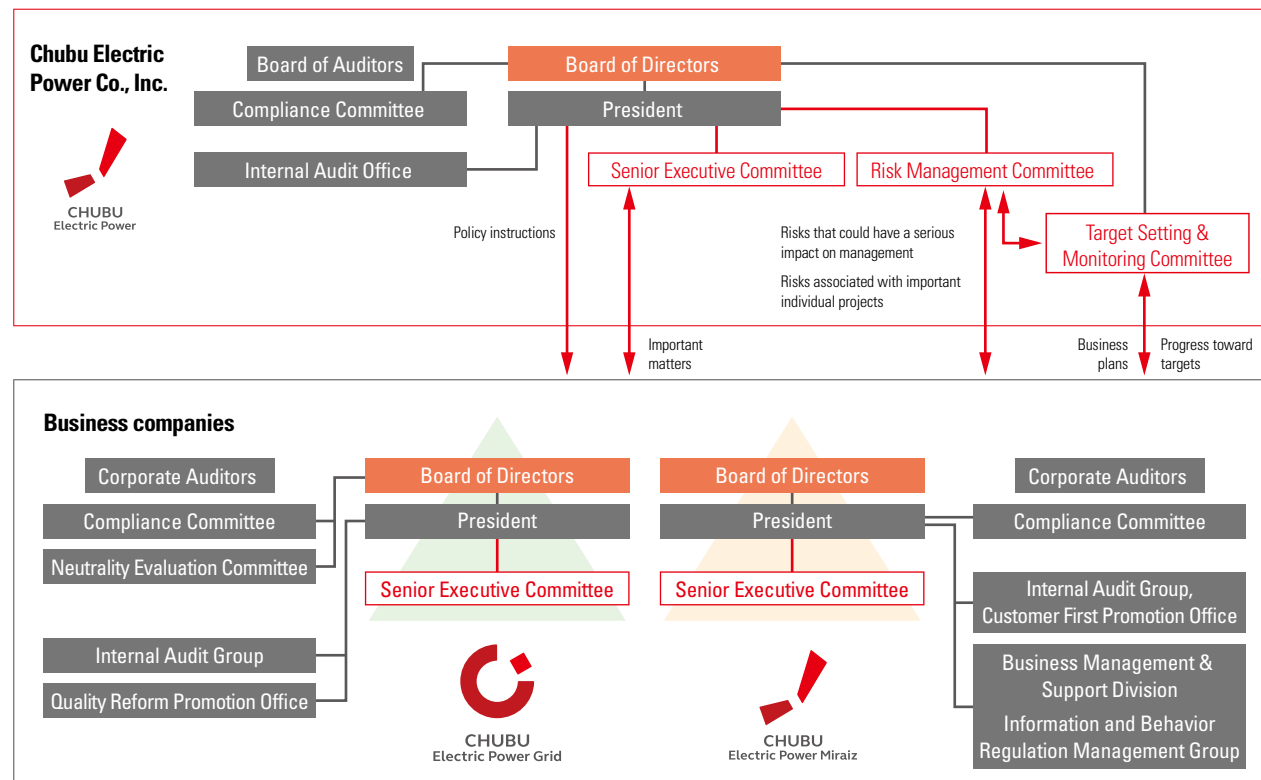
Operating Company Governance Structure

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

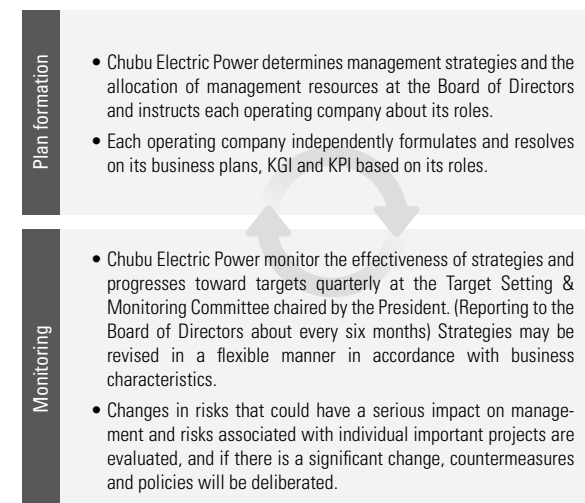
Chubu Electric Power and its operating companies have individually established governance structures consisting of the Board of Directors, Senior Executive Committee, and Audit & Supervisory Board (Board).

As part of efforts to develop a system for dealing with information leaks and other incidents, in April 2023, at Chubu Electric Power Grid we established the Quality Reform Promotion Office, which is responsible for ensuring compliance with laws and regulations such as conduct regulations, as well as the Neutrality Evaluation Committee centered on outside experts. At the same time, at Chubu Electric Miraiz we established the "Information and Behavior Regulation Management Group" as a supervising department for information management and conduct.



Management of risks associated with individual projects, such as investments

Chubu Electric Power seeks to optimize the management through 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.

[Link](#) Risk Management

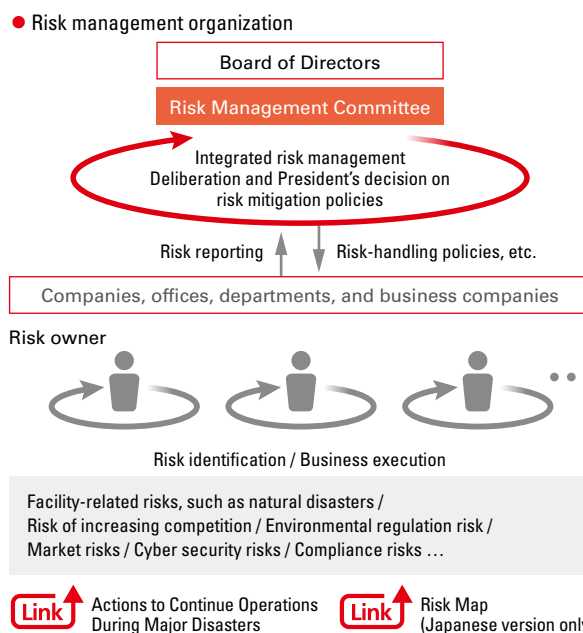
Management of risks that could have a serious impact on the company

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 CIO and other members, 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

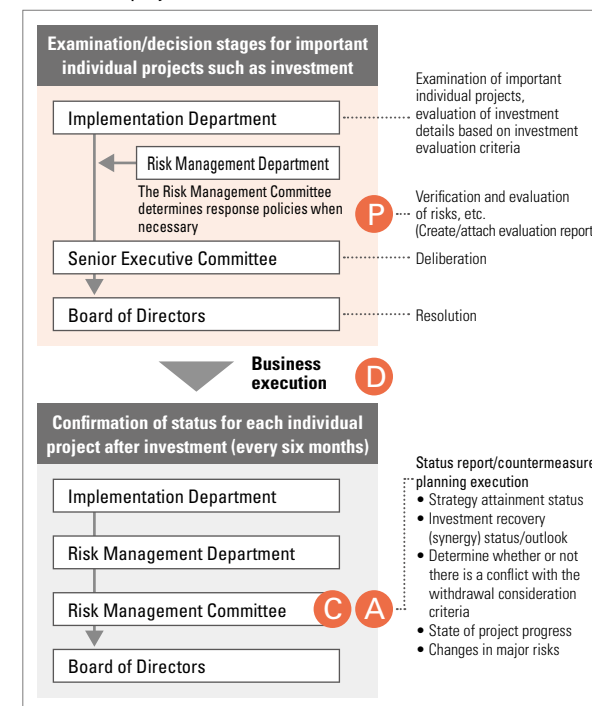
Risk identification	The president of each company and the general manager of each department in the headquarters are responsible for the identification of business execution risks as risk owners
Integrated risk management Deliberation and decision on risk mitigation policies	<ul style="list-style-type: 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.
Development and implementation of risk mitigation measures (business execution)	Risk mitigation policies are reflected in business plans and risk mitigation measures for execution
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

For business and other Risks, see [page 89](#).

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 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





Ensuring Compliance Management

The biggest underlying factor that determines the survival and development of a company is the trust it garners from its customers, hosting communities, shareholders, and society at large.

Based on the Chubu Electric Power Group CSR Declaration, the Chubu Electric Power Group established the Chubu Electric Power Group Basic Compliance Policy on the belief that “without compliance, there is no trust, and without trust, there is no growth.” As we are strongly conscious of the fact that being totally compliant is the foundation of management, we foster a corporate culture of action in accordance with compliance requirements and aim to be a “good corporate citizen” that is highly trusted and supported.

Compliance Promotion System

[Link](#) Chubu Electric Power Initiatives Compliance Promotion System

[Link](#) Ensuring Compliance Management Group Efforts

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 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

[Link](#) Chubu Electric Power Group Anti-Bribery and Anti-Corruption Policy

[Link](#) System for prevention of bribes to foreign public officials (Japanese version only)

[Link](#) Chubu Electric Group Tax Policy

Chubu Electric Power Group Basic Compliance Policy

The biggest underlying factor that determines the survival and development of a company is the trust it garners from its customers, host communities, shareholders, and society at large. The Chubu Electric Power Group believes that “without compliance, there is no trust and, without trust, there is no growth.” We foster a corporate culture of action in accordance with compliance requirements and aim to be a “good corporate citizen” that is highly trusted and supported by society.

With the aim of realizing this goal, we act in accordance with the following principles.

- **Assurance of Full Compliance**
We adhere to laws, regulations, internal rules, and corporate ethics.
- **Fair and Sincere Corporate Activities**
We deal with our customers, business partners, and community residents in a fair and sincere manner.
- **Proper Information Management and Disclosure**
We place strict controls on our handling of information and provide disclosure in a timely manner.
- **Establishment of a Wholesome Corporate Culture**
We respect human rights and create a wholesome corporate culture.
- **Maintenance of Sound Relationships with Politicians, Government Officials and Others**
We strictly refrain from acting in a manner that might raise suspicion about the propriety of our business activities.
- **Proper Management and Use of Assets**
We appropriately manage company assets and use them in line with company objectives.
- **Environmental Conservation**
We strive to conserve the global environment
- **Assurance of Safety, Health and Security**
We strive to ensure and maintain occupational safety, health and security.



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.

[Link](#) 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 consulter. Regarding post-consultation responses, we appropriately confirm whether or not there is any disadvantageous treatment of the consulter and take necessary measures.

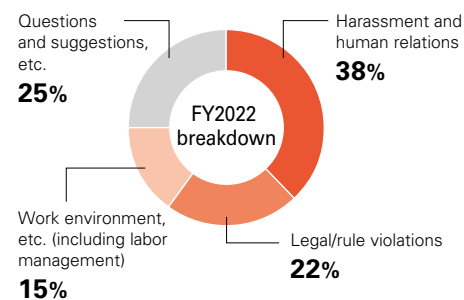
In addition, upon deleting the consulter's information, all consultations are promptly reported after the event to the Compliance Committee and approval of details is received. However, important matters are consulted on in advance with the Compliance Committee and are handled in accordance with decisions 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

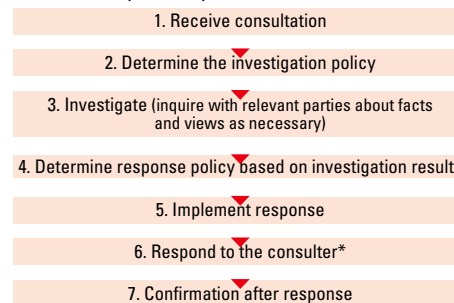
From the perspective of preventing recurrences and raising compliance awareness, after deleting the consulter's information, on the Company intranet we publish a summary of the details of the consultations that are deemed desirable for horizontal deployment across the entire Company or related departments.

● Number of consultations in FY2022

87 cases



● Flow of helpline response



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

Main Activities in FY2022

[Revision of the compliance promotion system]

We have revised systems within the Group, which includes establishing the CCO.

[Communicating messages from management]

The Chairman of the Compliance Promotion Committee and the CCO communicating 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 staffs, newly appointed executives, and newly appointed managers.

● Training for key personnel in each workplace

We implemented case method training and developed educational tools, mainly for managers, encompassing group companies.

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

Implemented training compliance e-learning (Chubu Electric Power Group Basic Compliance Policy, Anti-Bribery and Anti-Corruption Policy, introduce Helpline desks)

[Publicize the Helpline]

Published articles in the company newsletter and created and displayed posters.

[Link](#) Chubu Electric Power Initiatives (Japanese version only)