

# Governance

## Message from the Chairperson of the Board



Ashitani Shigeru  
Representative Director,  
Chairperson of the Board

## Our goal of improved corporate value can be achieved by incorporating diverse values and expanding and improving discussions

### Incorporating diverse perspectives and leading optimization as chair of the Board of Directors

As part of our efforts to bring about reforms to the Chugoku Electric corporate culture, we are working to energize cross-organizational discussions between employees of different levels. At the Board of Directors, too, as chair I do my best to encourage lively discussions from both external and internal directors. I recognize that my role as chair is to ensure I pick up the opinions of board members and tie them in to the wider discussion, in order to improve the quality of deliberations and enhance the Group's corporate value.

### Better, more diverse and deeper discussions unlock a more effective Board of Directors

For a governance system that places greater emphasis on the board's supervisory functions, I believe it is important to have secure time at Board of Directors meetings to deliberate important discussion points, and to work to enhance such discussions. As such, we have increased the delegation of authority for individual business execution items from the Board of Directors to the President & CEO. At meetings of the board, meanwhile, members, and the external directors in particular, are active in voicing their diverse opinions and each year discussions become increasingly dynamic. Some of these opinions have led to a change in direction.

To furnish members with what they need to form opinions properly, we also set agenda items that do not require a vote or official resolution and work to improve the quality of discussions. Our new Group Corporate Vision was formulated in this way, with open and thorough discussions allowing members to dig deeper into the topic.

With the goal of enhancing the efficacy of the Board of Directors, each year we evaluate its effectiveness. In FY 3/2025, we also set new FY 3/2031 targets related to the composition of the Board of Directors to try and enhance its supervisory functions and secure greater diversity. In my dialogue with Shobuda Kiyotaka, one of our external directors,

in last year's integrated report, I mentioned how my ideal would be to raise the proportion of external directors to about 50 percent. This has been incorporated into the targets of 50 percent or more of the board to be external directors and 30 percent or more to be women, goals we are now working to achieve.

Moreover, to further enhance discussions by the Board of Directors into priority discussion points, and taking into account the results of the FY 3/2025 effectiveness evaluation, we have identified three areas that warrant additional attention: the main direction of corporate strategies, risk management, and personnel strategies.

### Harnessing the power of diverse values to overcome management environment changes and bring about the Chugoku Electric Power Group Corporate Vision 2040

Going forward, the international situation looks set to become increasingly confused and the situation here in Japan is also predicted to face change at a blistering pace, from politics to the economy, environmental issues, and the energy industry.

Keeping a close eye on such societal changes and the management environment, we must strive to achieve our new Chugoku Electric Power Group Corporate Vision 2040. To do so, we will no doubt have to challenge ourselves to tackle issues in areas where we have no prior experience.

For those of us on the Board of Directors, I hope that we will draw on our diverse values as we discuss matters, make judgments accurately and flexibly, and tie what we do into improvements to the Group's corporate value.