



June 25th, 2026

To whom it may concern

Company Name: Tohoku Electric Power Company, Incorporated
Name of Representative: Kazuhiro Ishiyama, Representative Director & President
(Code No. 9506 TSE Prime)
Contact for inquiries: Akihiro Sasaki, Manager, Office of Secretaries
(Phone: 022-225-2111)

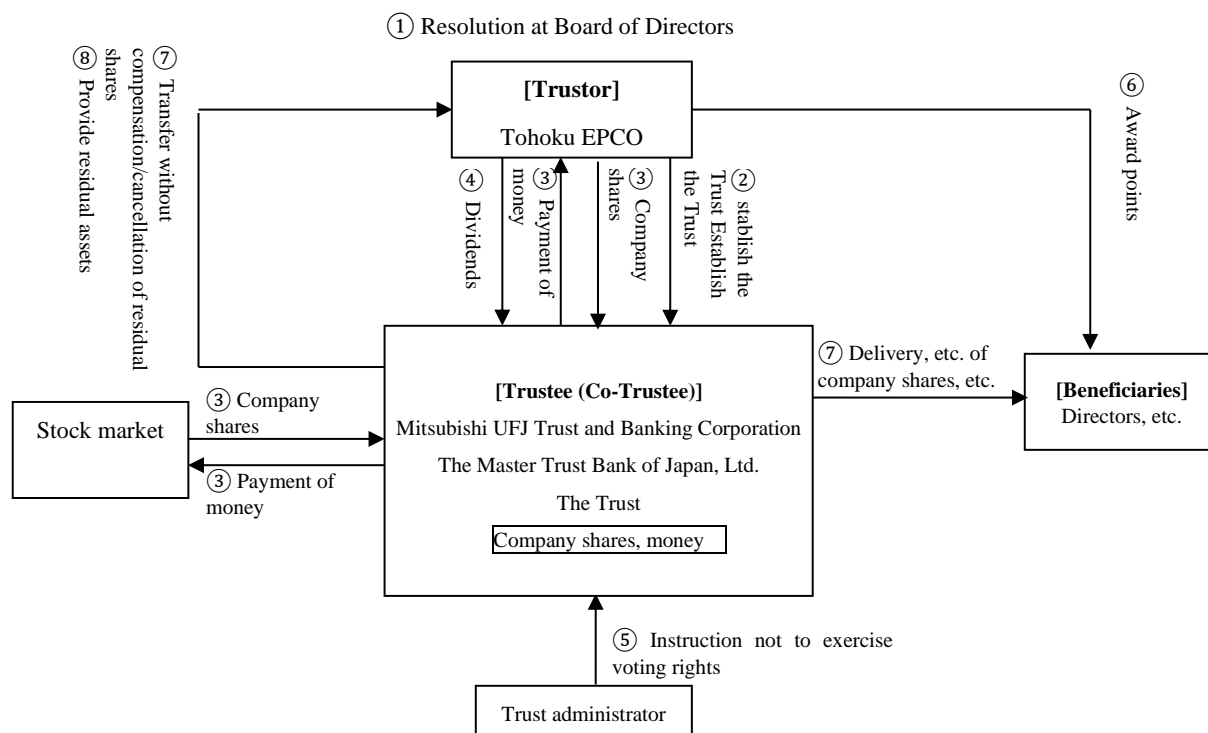
Notice concerning continuation of the "Performance-Linked Stock Compensation System" for Directors, etc. and additional contributions thereto

Tohoku Electric Power Co., Inc. hereby announces that at a meeting of the Board of Directors held on June 25, 2026, the Board resolved to continue the performance-linked stock compensation system (the "Compensation System") for our directors excluding outside directors, (excluding those who are audit and supervisory committee members; the "Directors") and executive officers (the "Directors, etc.", including the Directors), which was introduced in fiscal year 2020, as described below.

1. Continuation of the Compensation System

- (1) In order to realize the Tohoku Electric Power Group Medium- to Long-Term Vision, Tohoku Electric Power Co., Inc. ("Tohoku EPCO") will continue the Compensation System for the Directors, etc. with the aim of solidifying the link between their compensation and our company's performance and stock value and enabling the Directors, etc. to share corporate value with our shareholders, and to increase their motivation to contribute to improving medium- to long-term performance and increasing corporate value.
- (2) The Compensation System employs a mechanism called the Board Incentive Plan (BIP) Trust for Executive Compensation (the "BIP Trust"). The BIP Trust is an incentive plan for executives similar to the Performance Share System and Restricted Stock System common in Europe and the United States. It is a system in which company shares and cash equivalent to the proceeds from the sale of company shares (the "Company Shares, etc.") are delivered or provided to the Directors, etc. (the "Delivery, etc.") according to their position and the degree to which they have achieved their performance targets.
- (3) In connection with the continuation of the Compensation System, we plan to make additional contributions to the BIP Trust currently established by our company (the "Trust") and continue to utilize the Compensation System.

2. Overview of the Compensation System



- ① The Board of Directors of Tohoku EPCO has resolved to continue the Compensation System. Furthermore, we have already established regulations regarding the delivery of shares under the Compensation System.
- ② We will extend the term of the Trust by placing additional funds into the Trust, within the scope approved by a resolution at the 96th Ordinary General Meeting of Shareholders held on June 25, 2020 (the "2020 General Meeting of Shareholders").
- ③ The Trust will acquire company shares from the stock market or from our company (through the disposal of treasury stock), using the funds contributed in ② as the source of funds, in accordance with the instructions of the Trust administrator. The number of shares to be acquired by the Trust will be within the range approved at the 2020 General Meeting of Shareholders.
- ④ Dividends will be paid on the company shares held within the Trust, in the same manner as other company shares.
- ⑤ With respect to the company shares held in the Trust, voting rights will not be exercised throughout the period of the Trust.
- ⑥ During the period of the Trust, the Directors, etc. will be awarded a certain number of points at a specific time each year, based on their position and the degree to which they have achieved their performance targets for each fiscal year. The Directors, etc. who meet certain beneficiary requirements will be granted company shares, etc., in proportion to their accumulated points upon their retirement.
- ⑦ If residual shares remain at the end of the Trust period due to failure to meet performance targets, etc., we plan to either continue using the Trust by amending the trust agreement and establishing an additional trust, or transfer such residual shares from the Trust to our company without compensation, and our company will cancel them by resolution of the Board of Directors.
- ⑧ Upon termination of the Trust, any remaining assets after distribution to the beneficiaries will revert to our company, the beneficiary, within the limits of the trust expense reserve, which is the Trust fund minus the funds used to acquire the shares.

(Note) If the Trust no longer holds any of our company's shares due to the Delivery, etc. of our company's shares to the Directors, etc. who meet the beneficiary requirements, the Trust will terminate before the expiration of the Trust period. Furthermore, within the scope approved by the 2020 General Meeting of Shareholders, we may entrust additional funds to the Trust to acquire our company's shares.

(Reference)

[Details of Trust Agreement]

- | | |
|---|--|
| ① Type of Trust | Monetary trust other than a specified solely-administered monetary trust (third-party benefit trust) |
| ② Purpose of the Trust | Providing incentives to the Directors, etc. |
| ③ Trustor | Tohoku EPCO |
| ④ Trustee | Mitsubishi UFJ Trust and Banking Corporation (Co-Trustee: The Master Trust Bank of Japan, Ltd.) |
| ⑤ Beneficiaries | Retired eligible Directors, etc. who satisfy the beneficiary requirements |
| ⑥ Trust administrator | Third party with no conflict of interest with Tohoku EPCO |
| ⑦ Trust agreement date | August 24, 2020 (amendment planned for August 2026) |
| ⑧ Trust agreement term | From August 24, 2020 to August 31, 2026 (subject to a planned extension to August 31, 2029 through an amendment of the Trust Agreement in August 2026) |
| ⑨ Start date of the Compensation System | September 2, 2020 |
| ⑩ Exercise of voting rights | No voting rights will be exercised. |
| ⑪ Type of shares to be acquired | Shares of Tohoku EPCO common stock |
| ⑫ Amount of additional contribution | 645 million yen (planned) (including trust fees and trust expenses). |
| ⑬ Share acquisition period | August 2026 (planned) (excluding the period from the fifth business day prior to the last day of the accounting period (including semiannual and quarterly accounting periods) to the last day of the accounting period). |
| ⑭ Share acquisition method | Acquire from the stock market or from the company (disposal of treasury stock) |
| ⑮ Rights Holder | Tohoku EPCO |
| ⑯ Residual assets | The residual assets that Tohoku EPCO, as the rights holder, may receive will be within the extent of reserves for trust expenses, which are calculated by deducting funds to acquire shares from the trust funds. |

End