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CORPORATE GOVERNANCE REPORT

TOBU RAILWAY CO., LTD.

Last Update: July 4, 2025

TOBU RAILWAY CO., LTD.

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The corporate governance of TOBU RAILWAY CO., LTD. (the “Company”) is described below.

I Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views Updated

1. The mission of the Company (management philosophy, etc.), management strategies and management plan
The Company has set out “Tobu Group management philosophy” and “Tobu Group management policy” as its mission (management philosophy, etc.). In addition, to realize the sustainable development of society and the Group as a corporate group indispensable for society, the Company has identified “materiality (key issues)” and discloses them together with the “value creation process” on the Company’s website, etc. Based on these ideas, the Company also discloses its long-term management vision with an eye toward the mid-2030s and medium-term management plan that explains its specific initiatives from fiscal 2024 through fiscal 2027 at the financial results briefings and on the Company’s website, etc.

- (1) Tobu Group management philosophy

Tobu Group laid down the concepts of “dedication,” “enterprising spirit” and “affinity,” as the corner stone for its management.

Dedication:

Tobu Group will contribute to materializing an affluent society, based on the profound awareness that all of its businesses are supported by society.

Enterprising spirit:

Tobu Group will keep challenging with pioneering spirit to break a pathway to a new era, through constant self-improvement without complacency.

Affinity:

Tobu Group will contribute to the evolution of society by promoting its business as well as the welfare of its employees, based on the concept of congeniality among people and harmony with environment.

- (2) Tobu Group management policy

Tobu Group will operate diversified and composite businesses on the basis of safety and security, including “transportation,” “leisure,” “real estate” and “retail distribution,” as a corporate group contributing to the development of the areas along its railway lines, through the businesses that closely support customers’ daily lives.

We will provide innovative and inventive services of high quality based on customer’s viewpoint, thereby aiming to create attractive destinations full of energy along the Tobu lines, providing the residents with comfortable lifestyle.

Tobu Group will fulfill its corporate social responsibility through achieving sustainable growth along

with local communities, as a corporate group that supports customers' lives by promoting eco-friendly management while constantly generating profit from its business operations.

- (3) Long-term management vision
Evolving Society and Areas along our Railway Lines by Taking on Challenges and Engaging in Cooperative Creation.

Five items identified as materiality (key issues)

- (1) Sustainable development of local communities
- (2) Corporate governance contributing to creation of corporate value
- (3) Improvement of skills and capabilities of diverse employees
- (4) Reduction of environmental burden through further improvement of environmental advantage, etc.
- (5) Securing of safety and peace of mind, the backbone of all Group businesses

Based on the materiality described above, the specific value creation process of the Group has been prepared in accordance with The International <IR> Framework published by the International Integrated Reporting Council (IIRC).

- 2. Basic views and policy on corporate governance

In order to earn trust of all its stakeholders including shareholders, and to ensure sustainable growth and enhancement of corporate value over medium to long-term, the Company believes that it is essential to establish fair and transparent management structure. We will further reinforce the Board of Directors, the Executive Officer system, and the Audit & Supervisory Board Members system, and actively make appropriate information disclosure on a timely basis. Furthermore, we will be committed to the enhancement of corporate governance, through conscientious corporate activities based on business ethics and compliance with laws and regulations.

In addition, under the views mentioned above, the Company will comply with all of the principles set forth in the Corporate Governance Code, respecting the purpose and intention ingrained therein, in an effort to enhance its corporate value.

- 3. The Company has, based on the awareness about the support it receives from the stakeholders, as well as the appreciation that it is vital to establish and practice code of conduct for its officers and employees, etc., set out "Tobu Group Compliance Basic Policy" (<http://www.tobu.co.jp/corporation/policy/>) as follows.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company complies with all principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code] Updated

[Principle 1-4 Strategic Shareholdings]

The Company retains strategic shareholdings in comprehensive consideration of the smooth running of business through maintenance and reinforcement of relationships with business partners of the Company, and of synergy effects on the businesses of the Group. Our basic policy is to gradually reduce strategic shareholdings when they are no longer justified by an adequate rationale from a medium- to long-term perspective, based on the following verifications.

Regarding each listed stock held as strategic shareholdings, the Board of Directors annually conducts careful examinations to check progress regarding the achievement of the initial objectives of the acquisition of such holdings, and to verify whether the benefits and risks associated with such holdings are in line with profitability based on capital costs, etc., considering whether the initial objectives, such as “maintenance and reinforcement of business transactions” and “synergy effects on the businesses of the Group” have been met as the primary criteria. The Board also verifies listed stock held as strategic shareholdings by comprehensively taking into account the economic rationality, necessity and future prospects associated with continuing such holdings from a medium- to long-term perspective.

Voting rights for strategic shareholdings are exercised based on the consideration on whether or not such exercise contributes to a medium- to long-term increase in the corporate value of both the Group and the investees. Thus, with respect to proposals that are likely to impair the increase in corporate value of the Group and the investees over the medium- to long-term, we shall conduct a careful review regarding the exercise of voting rights, based on dialogue with the investees.

[Principle 1-7 Related Party Transactions]

Competing transactions and conflict of interest transactions conducted by Directors shall, in accordance with the laws and regulations as well as internal rules, be subject to prior approval by, and post-transaction report about their outcome to, the Board of Directors.

In addition, regular checks are carried out on whether there are any transactions, etc. between the Company or its consolidated subsidiaries, etc., and their officers and close relatives of those officers.

[Supplementary Principle 2-4 (1) Ensuring Diversity in the Promotion, etc. of Core Human Resources]

<Approach to Ensuring Diversity as well as Voluntary and Measurable Targets, and Progress>

To foster awareness among employees, who are the driving force behind achieving sustainable growth of the Group, of maximizing their abilities while mutually embracing each individual's diversity, including gender, age, nationality, disability, sexual orientation, gender identity, values, and workstyles, and to bring about business results by doing so, we have formulated the “Tobu Group Diversity & Inclusion Declaration” and is advancing specific initiatives.

We are promoting female Executive Officers through internal promotions in regard to the appointment of managerial positions that play a central role in management.

The percentage of females in managerial positions is 2.8%. With an aim to appoint more women to managerial positions, we have also set goals of increasing the ratio of females among candidates for managerial positions (assistants to Managers) by 50% to 6.9% from 4.6% when the target was set.

The Company recruits foreign nationals to provide comprehensive support for foreign tourists visiting Japan in our Tourism business.

Amid a declining workforce and diversifying values about work styles, we aim to expand recruitment channels including hiring experienced, rehired, alumni, and other personnel, as an indispensable approach to realize our growth strategy not only in railway business but also non-railway business, and to secure human resources who can take on the challenge of new fields.

We are striving to develop an internal environment where anyone can demonstrate their abilities to their fullest and are motivated to keep working over the long term, including by promoting women's active participation. As a result of such efforts, we have received “Platinum Kurumin” certification (in February 2024) by continuously providing work-life balance support that enables employees to continue working with peace of mind even through having a child and child rearing. Additionally, in recognition of our initiatives for investing in health from the perspective of health and productivity management, the Company was recognized as an “Outstanding Organization of KENKO Investment for Health” (large enterprise category) for four consecutive terms.

<Human Resources Development Policy and Internal Environment Development Policy for Ensuring Diversity, and Progress>

Under “enhancement of human capital,” which is one of the Group's priority strategies, we aim to maximize the performance of our diverse human resources and organization through the combination of increased engagement

and improved productivity.

The Company's human resources development policy is to "develop human resources who can act in accordance with the management philosophy and think and act for themselves to play a role in the sustainable growth of business and local communities," and the human resources that we look for is "those who will link the development of business opportunities to the sustainable growth of local communities, with 'trust' gained by further improving existing businesses and 'value creation' through new ideas without fear of change."

To develop human resources that will realize sustained improvement in corporate value, we regard our internal environment development policy as an approach to employee support necessary for the development of the above-mentioned human resources and have established it as follows:

(Policy 1) Support human resources development that promotes changes in line with the times

(Policy 2) Develop workstyles that allow employees to work with peace of mind and continue to demonstrate their abilities

Our basic views on human resources, support for active participation of diverse human resource and diverse workstyles, and health and productivity management initiatives and their progress are disclosed on the Company's website and in other publications.

(<https://www.tobu.co.jp/corporation/>)

[Principle 2-6 Roles of Corporate Pension Funds as Asset Owners]

In order to ensure constant pension payments to each participant in the years to come, the Company has developed the “Basic Policy for Pension Asset Management,” which shall serve as the basis for managing and investing pension assets.

For the investment of pension assets, the Company holds the “Asset Management Committee” in which the Executive Officers in charge of the Finance and Accounting Department and Human Resources Department, along with the General Managers of these Departments serve as Committee members, in order to ensure the safe and efficient management of pension assets. This Committee develops and reviews basic asset management policies, as well as strategic asset allocation (strategic asset mix), while evaluating, reviewing and monitoring external asset managers. In each Committee meeting, minutes are prepared to disclose the proceedings and results of the meeting. The secretariat of the Asset Management Committee is staffed with adequately qualified personnel from the Finance and Accounting Department, while the Human Resources Department serves as an observer.

The activities of the “Asset Management Committee” are reported to the “Governance Committee,” which is comprised of Representative Directors, Outside Directors and Audit & Supervisory Board Members for review and evaluation.

[Principle 3-1 Full Disclosure]

(i) The mission of the Company (management philosophy, etc.), management strategies and management plan
These are stated in “I. 1. Basic Views” of this report.

(ii) Basic views and policy on corporate governance
These are stated in “I. 1. Basic Views” of this report.

(iii) Policy and procedure for determining remuneration for Directors
The Company has established the “Nomination and Remuneration Committee,” the majority of whose members and its chairperson are Independent Outside Directors, as an advisory body to the Board of Directors. The “Policy for Determining Remuneration for Directors” is determined by the Board of Directors after the Board of Directors consults with and receives a report from the Committee. In this policy, it is stipulated that remuneration for Directors shall be determined in consideration of factors such as each individual’s position, responsibilities according to the duties they are in charge of, corporate and individual performance, management environment, and social conditions, with the objective of raising awareness of enhancing corporate value and social evaluation, as well as contributing to an increase in shareholder value. Remuneration for Directors is comprised of monetary compensation consisting of position-based basic remuneration and short-term incentive remuneration (individual performance-linked portion and the corporate performance-linked portion), and stock-based compensation as medium- to long-term incentive remuneration. Both types of remuneration are determined by Representative Director delegated through resolution of the Board of Directors, based on the results of consultations with, and reports from the Nomination and Remuneration Committee with regard to the appropriateness of remuneration levels.

(iv) Policy and procedure for nominating candidates for Directors and Audit & Supervisory Board Members
The Company believes in “safety as the foundation of all businesses operated by the Tobu Group,” and thus is aware that ensuring safety in all businesses including railway business which provides social infrastructure, is the basis for earning trust from stakeholders as well as for achieving sustainable growth into the future. On such basis, the Company believes that it is desirable to have the Board of Directors composed of Directors promoted internally, who are not only well acquainted with the characteristics of the Company business, but also familiar with the indirect divisions that support each business and its operation, along with Independent Outside Directors who can contribute to enhancing supervisory function of the Board, as well as to ensuring fairness and transparency of management, as part of an effort to increase its corporate value. Maximum number of Directors is set at 15 on a combined basis of Inside/Outside Directors.

Currently, the Board of Directors is comprised of nine Directors including four Independent Outside Directors who have a wealth of experience and insight as corporate executives and as outside directors of other listed companies, or as academics, having served important positions such as Commissioner General of National Police Agency, in an effort to attain a well-balanced mix of knowledge, experience, competence, gender, nationalities, career backgrounds, and age of the Board.

In order to strengthen the independence and objectivity of the functions of the Board of Directors, the Company has established the “Nomination and Remuneration Committee,” comprised of three Independent Outside Directors and two Representative Directors, as an advisory body to the Board of Directors. The

chair of the Committee is selected from among the Independent Outside Directors.

The “Nomination and Remuneration Committee” shall review proposals for the nomination of candidates for Directors based on the Criteria for Nominating Candidates for Directors, etc., taking into consideration the balance between knowledge, experience and competence and the gender, nationalities, career backgrounds and age of the Board of Directors as a whole, and report the results thereof to the Board of Directors.

(Criteria for Nominating Candidates for Directors)

Candidate for Inside Director

- Well acquainted with the characteristics of the Company’s business, and familiar with the indirect divisions that support each business and its operation
- Possessing the personality, knowledge, experience and initiative that can lead and contribute to an increase in corporate value

Candidate for Outside Director

- Possessing a broad-based insight into management, and capable of providing opinions and advice regarding the business execution of the Directors from a standpoint that is independent from the management and from an objective point of view, thereby contributing to ensuring the efficiency and fairness of management
- Possessing a career background, experience and expertise that differs from those of the Directors elected from within the Company

The nomination of candidates for Directors shall be resolved by the Board of Directors, while respecting the content of the report obtained from the “Nomination and Remuneration Committee.”

Any member of the “Nomination and Remuneration Committee” may convene the Committee meeting as necessary, in order to enable the Committee to deliberate whenever a Director is deemed to be inadequately performing his/her role, or to have failed to meet the Criteria for Nominating Candidates for Directors.

The nomination of candidates for Audit & Supervisory Board Members is proposed at the General Meeting of Shareholders, following the deliberation at the Board of Directors, subject to the consent of the Audit & Supervisory Board.

The election and removal of Executive Officers shall also be deliberated and resolved at the Board of Directors meetings, which are attended by outside officers including Independent Outside Directors.

In the event that an Executive Officer is found to have committed a fraudulent act, wrongdoing or breach of faith, or there are concerns over his/her suitability for the position, such Executive Officer shall be removed based on the resolution of the Board of Directors.

(v) Explanation about the nomination, election and removal of individual Directors and the Audit & Supervisory Board Members

The reasons for the election of each candidate for Director or Audit & Supervisory Board Member are presented in the “Notice of the Annual General Meeting of Shareholders.” The “Notice of the Annual General Meeting of Shareholders” is posted on the Company’s website.

(<https://www.tobu.co.jp/ir/meeting/>)

[Supplementary Principle 3-1 (3) Sustainability Initiatives, etc.]

The Company discloses the Group’s approach to sustainability and specific initiatives on the Company’s website.

The Company discloses its management strategy for sustainability, which effectively utilizes accumulated equity capital, and also discloses and provides specific information on the distribution of management resources in a manner that is easy to understand on the Company’s website, in order to contribute to the sustainable growth of the Company.

Regarding human capital, we have established our human resources development policy and internal environment development policy in line with the Tobu Group management philosophy, which are disclosed on our website.

To allocate human resources to growth fields in keeping with management strategies and management issues, we carry out organizational reforms and invest in necessary human capital. We disclose any organizational reforms that have been implemented on the Company’s website.

The Company has announced support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Based on the TCFD framework, we analyze the impact and effect on financial condition in the four thematic areas of (i) governance, (ii) strategy, (iii) risk management, and (iv) metrics and targets, develop countermeasures for each of the impacts, and disclose them on the Company’s website.

Details of the Company’s approach to and initiatives for sustainability are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company’s website. (<https://www.tobu.co.jp/ir/fr/>)

[Supplementary Principle 4-1 (1) Scope of Matters Delegated to Management]

For the purpose of making decisions on the important management-related matters as well as of supervising business execution by individual Directors, a framework has been established in which the Board of Directors prescribe in the “matters subject to deliberation at the Board of Directors” matters including formulation of medium- to long-term business plan and decisions on important businesses, along with the matters stipulated under laws and regulations, and the Articles of Incorporation, while the Management Meeting deliberate on decision-making in the course of business execution, etc., delegated from the Board of Directors, and the Executive Officers execute business under the command and supervision of the Representative Directors based on the “Regulation on the Execution of Duties.”

[Principle 4-9 Independence Standard and Qualification for Independent Outside Directors]

The Company elects as Independent Outside Directors persons with broad insight into management, who can contribute to ensuring the efficiency and fairness of management, through offering opinions and advice on Directors’ business execution, from an objective point of view, being independent from the management of the Company.

The standards for independence from the management are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company’s website. (<https://www.tobu.co.jp/ir/fr/>)

[Supplementary Principle 4-11 (1) Balancing Diversity and the Appropriate Scale of the Board of Directors, and Disclosure of the Skill Matrix, etc.]

Views on the balance, diversity, and scale of the Board of Directors are presented in “(iv) Policy and procedure for nominating candidates for Directors and Audit & Supervisory Board Members under I. 1. [Principle 3-1 Enhanced Information Disclosure]” of this report.

As of the Annual General Meeting of Shareholders held in June 2021, the approach to the composition of the Board of Directors and the skill matrix are presented in the “Notice of the Annual General Meeting of Shareholders,” and as of the Annual General Meeting of Shareholders held in June 2024, the reasons for selecting each item of the skill matrix have also been presented. The “Notice of the Annual General Meeting of Shareholders” is posted on the Company’s website. (<https://www.tobu.co.jp/ir/meeting/>)

At least one person who has management experience at other companies is appointed as an Independent Outside Director.

[Supplementary Principle 4-11 (2) Status of Concurrent Positions of Directors and Audit & Supervisory Board Members]

The status of concurrent positions of Directors and Audit & Supervisory Board Members is presented in the “Notice of the Annual General Meeting of Shareholders.” The “Notice of the Annual General Meeting of Shareholders” is posted on the Company’s website. (<https://www.tobu.co.jp/ir/meeting/>)

We believe that the current number of their concurrent position is within a reasonable range, in view of their attendance to the Board of Directors meetings and the Audit & Supervisory Board meetings.

[Supplementary Principle 4-11 (3) Analysis and Evaluation of Effectiveness of the Board of Directors and the Outline of the Results Thereof]

To ensure the effectiveness of the Board of Directors, an analysis and evaluation of the effectiveness of the Board of Directors is carried out annually on the basis of the self-evaluations conducted by each Director, etc., and the outline of the evaluation results thereof shall be disclosed in the Corporate Governance Report. In order to ensure greater objectivity, a questionnaire shall be conducted once every three years by a third party. Evaluation was carried out first by conducting a questionnaire with each Director, etc., whose results were summarized and analyzed. Then evaluation results were finalized based on interviews with Representative Directors on the results of the questionnaire along with challenges facing the Board of Directors, together with the opinion of the Audit & Supervisory Board.

The evaluation results, namely, self-evaluation results mainly based on questionnaires with each of the Directors, etc., confirmed that a system for ensuring free discussions had been developed overall, and that the Board had been promoting measures to further enhance its functions based on the results of the effectiveness evaluation in the previous fiscal year. Accordingly, the Board of Directors was found to be largely functioning adequately, whereby its effectiveness was ensured. Initiatives and opinions on measures to enhance the functions identified in the previous evaluation are as follows:

- Enhance information sharing regarding dialogue with shareholders, including institutional investors, and opportunities to share information among outside officers

[Initiatives]

- Report at the Board of Directors meetings on the status of response to changes in the composition of shareholders
- Holding of site visits for outside officers to learn about the development status and environmental improvements in the surrounding areas of “TOBU icourt” and “WELL BIND CITY Dokkyodaigakumae”
- Holding of liaison meetings of outside officers to share information among outside officers, and providing detailed explanation of the role of the “Independent Committee” after the abolition of anti-takeover measures at the Board of Directors meetings

[Opinions]

- We received opinions that communication has been enhanced, as lunch meetings are held at each meeting of the Board of Directors to exchange information, and roundtable meetings, site visits, and liaison meetings of outside officers are held in a timely manner.
- Further enhance opportunities for Outside Directors to confirm the qualifications and suitability of the candidates to become the next Directors, including advancement of human resources development through reporting about financial results and issues as well as greater opportunities for communication

[Initiatives]

- Attendance of all Executive Officers at Board of Directors meetings deliberating quarterly financial results, as well as explanations of proposals by Executive Officers other than Directors
- Holding of all officers roundtable meetings attended by all officers including outside officers

[Opinions]

- We received opinions indicating a desire to further develop successors, and opinions on the need to create more opportunities for providing explanations and receiving questions even though all Executive Officers attend the Board of Directors meetings.
- Share information forming the basis of decision making by outside officers as well as continual discussions concerning management progress and discussions to enhance information disclosures to help improve stakeholders’ understanding of the Company

[Initiatives]

- Resolution of new “Long-term Management Vision” and “Tobu Group Medium-Term Business Plan,” as well as explanation of hotel business strategy
- Explanation of progress of biometric authentication services
- Report on the publication of the Integrated Report

[Opinions]

- We received opinions that agenda items on corporate value enhancement and sustainable growth over the medium- to long-term, including the long-term management vision and Integrated Report, have increased, and that continuous improvement efforts are being made.

Going forward, through more constructive discussions, we will work to strengthen and improve the strategic, judgment and supervisory functions, which are the roles of the Board of Directors. In addition, we believe that the Board of Directors needs to further strengthen its functions with regard to the following:

- (a) In light of active discussion at the Board of Directors meetings on response to achieving management with awareness of capital cost and stock price and other matters, enhance opportunities for timely and appropriate updating and acquisition of knowledge such as attending seminars on a regular basis
- (b) Enhance the environment in which Outside Directors can easily confirm the qualifications and suitability of the candidates to become the next Directors, such as by increasing opportunities for Executive Officers to speak and explain proposals at the Board of Directors meetings
- (c) Enhance discussions on sustainability and other issues including “Tobu Group Human Rights Policy” and “Tobu Group Customer Harassment Prevention Policy,” which were set forth in fiscal 2024

[Supplementary Principle 4-14 (2) Policy for Training of Directors/Audit & Supervisory Board Members]

In order to help Directors/Audit & Supervisory Board Members to understand and carry out the roles and duties expected of them, the Company organizes lecture presentations as appropriate, while arranging for them to attend external seminars and symposiums, etc., if necessary, and also introduces a web-based officer training program to provide them with practical and timely information, that can help them to carry out their duties, by actively providing support including payment of associated expenses.

Newly appointed Directors/Audit & Supervisory Board Members shall be offered opportunities to have better understanding about the roles and duties expected of them and other relevant matters, while newly appointed Outside Directors/Outside Audit & Supervisory Board Members shall be offered opportunities to receive explanations about the corporate information including its management environment, etc.

[Principle 5-1 Policy for Constructive Dialogue with Shareholders]

The Company appreciates that it must take appropriate measures to gain the understanding and trust of shareholders who are the providers of capital, with a view to achieving sustainable growth and enhancement of corporate value over medium to long-term. For such purpose, we are engaged in constructive dialogue with shareholders/investors as follows, in order to promote the understanding among, and support from shareholders/investors, in addition to securing the rights and equal treatment of shareholders.

- (i) Dialogue with shareholders/investors in general is promoted jointly by the Executive Officer in charge of General Affairs and Legal Department and the Executive Officer in charge of Finance and Accounting Department.
- (ii) To facilitate constructive dialogue with shareholders/investors, a framework has been established in which general affairs and legal division, finance and accounting division, corporate planning division, public relations division, etc. collaborate and share information.
- (iii) The Company is engaged in dialogue with shareholders through offering thorough explanation in response to queries from shareholders at the General Meeting of Shareholders, while organizing financial results briefings for institutional investors twice a year, a tour of our business establishments along the Tobu railway lines also for institutional investors once a year, and an event for individual shareholders once a year

In order to facilitate dialogue and build stable relationships with institutional investors who hold the Company's shares, the Company conducts perception studies.

The Company posts on its corporate website, timely and as appropriate, IR information such as financial results and materials for timely disclosure, information for shareholders on the matters such as General Meeting of Shareholders and shareholder special benefits, and transmission of business information in the form of news release, in an effort to provide outgoing information flow as the basis for the dialogue with shareholders.

- (iv) As for dialogue with shareholders and investors, implementation results of the financial results briefings for institutional investors, SR activities, perception studies, and individual interview with each investor shall be reported, on a regular basis, at the Board of Directors meetings, in an effort to share information.
- (v) To prevent leakage of insider information in the course of dialogue with shareholders and investors, we implement thorough management of and training on insider information. Moreover, we arrange "silent period" from the day after the closing date up to the announcement of the financial results, during which no comment shall be made in response to any inquiries, including interviews.

[Status of Engagement in Dialogue with Shareholders, etc.]

Our representatives for, and the status of the dialogue and feedback are noted in "I. 1. [Principal 5-1]" and "III. 2. IR Activities" of this report. Additionally, an overview of the shareholders we engage in dialogue with and the main topics of dialogue are as follows.

The number of IR and SR meetings held with domestic and foreign institutional investors and analysts: 73

The number of perception studies with domestic and foreign institutional investors: 9

Topics: Overview of financial results and forecasts, overview and progress with the long-term management vision and medium-term management plan, ESG initiatives, corporate governance, etc.

[Response to Achieving Management with Awareness of Capital Cost and Stock Price]

Contents of description Updated	Disclosure of initiatives (updated)
Disclosure in English	Available
Date of update Updated	July 4, 2025

Explanation Updated

The Company has set ROE and other indicators as indicators in its long-term management vision with an eye toward the mid-2030s, to achieve management with awareness of capital cost and stock price, and strives to achieve its long-term management vision and growth to be properly and fully valued by the market. To achieve its long-term management vision, the Company has formulated its medium-term management plan covering the four-year period of fiscal 2024 through fiscal 2027 and manages progress toward achieving its long-term goals. Details of the Company's response to achieving management with awareness of capital cost and stock price is posted on the Company's website.

(https://www.tobu.co.jp/cms-pdf/disclosure_documents/20250430153917eUXfl-PyGijQA0TaFJWUaQ.pdf)

2. Capital Structure

Foreign Shareholding Ratio **Updated**

From 10% to less than 20%

[Status of Major Shareholders] **Updated**

Name / Company Name	Number of Shares Owned (Shares)	Percentage (%)
Master Trust Bank of Japan, Ltd. (trust account)	31,314,400	15.63
Custody Bank of Japan, Ltd. (trust account)	10,009,500	4.99
FUKOKU MUTUAL LIFE INSURANCE COMPANY	5,235,600	2.61
JP MORGAN CHASE BANK 385781	2,829,479	1.41
GOVERNMENT OF NORWAY	2,731,717	1.36
STATE STREET BANK AND TRUST COMPANY 505001	2,515,054	1.25
STATE STREET BANK AND TRUST COMPANY 505103	2,450,498	1.22
Mizuho Bank, Ltd.	2,326,609	1.16
STATE STREET BANK WEST CLIENT – TREATY 505234	2,182,100	1.08
Saitama Resona Bank, Limited	2,031,769	1.01

Controlling Shareholder (except for Parent Company) —

Parent Company None

Supplementary Explanation **Updated**

1. Apart from the shares listed in the Status of Major Shareholders above, FUKOKU MUTUAL LIFE INSURANCE COMPANY holds as trustee 1,164,000 shares in the Company in a retirement benefits trust, where the company retains the authority to give instruction on the exercise of voting rights.
2. Although the Report of Possession of Large Volume and the Report of Possession of Large Volume (the Change Report) relating to the Company has been submitted, the Company could not verify the number of shares effectively held by the aforementioned parties as of March 31, 2022, and thus prepared the Status of Major Shareholders above on the basis of the shareholder registry. Details of the Report of Possession of Large Volume and the Report of Possession of Large Volume (the Change Report) are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime Market
Fiscal Year-End	March
Type of Business	Land transportation business
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100.0 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 50 to less than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

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1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairman (excluding those concurrently serving as President)
Number of Directors	9
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Mitsuyoshi Shibata	From another company											
Takaharu Ando	Other											
Noriko Yagasaki	Academic											
Masanori Yanagi	From another company								△			

* Categories for "Relationship with the Company"

- * "○" when the Director presently falls or has recently fallen under the category;
"△" when the Director fell under the category in the past
- * "●" when a close relative of the Director presently falls or has recently fallen under the category;
"▲" when a close relative of the Director fell under the category in the past
- a. Executive of the Company or its subsidiaries
- b. Non-executive Director or executive of a parent company of the Company
- c. Executive of a fellow subsidiary company of the Company
- d. A party whose major client or supplier is the Company or an executive thereof
- e. Major client or supplier of the Company or an executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as a Director or Audit & Supervisory Board Member
- g. Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
- i. Executive of a company, between which the Company's Outside Directors/Audit & Supervisory Board Members are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
- k. Others

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Mitsuyoshi Shibata	○	—	<p>Mr. Mitsuyoshi Shibata has rich experience and broad insight as a corporate manager. He has contributed to ensuring the efficiency and fairness of the management by providing opinions and advice regarding business execution from an objective point of view, being independent from the management. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we have elected him as an Outside Director.</p> <p>In addition, as the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” he has been designated as an Independent Director of the Company.</p>

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Takaharu Ando	○	—	<p>Mr. Takaharu Ando has rich experience of serving in important positions, such as Commissioner General of National Police Agency, and broad insight, as well as experience of serving as outside directors at other companies. He has contributed to ensuring the efficiency and fairness of the management by providing opinions and advice regarding business execution from an objective point of view, being independent from the management. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we have elected him as an Outside Director.</p> <p>In addition, as the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” he has been designated as an Independent Director of the Company.</p>

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Noriko Yagasaki	○	—	<p>Ms. Noriko Yagasaki has rich experience and broad insight as an academic in transport policy and tourism policy, as well as experience as an outside director of other corporations. She has contributed to ensuring the efficiency and fairness of the management by providing opinions and advice regarding business execution from an objective point of view, being independent from the management. She also served as an Outside Director of the Company from June 2015 to May 2018, providing useful opinions and advice regarding business execution from an objective point of view, being independent from the management. We have determined her to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we have elected her as an Outside Director.</p> <p>In addition, as the Company has determined that she is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” she has been designated as an Independent Director of the Company.</p>

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Masanori Yanagi	○	Outside Director Mr. Masanori Yanagi engaged in the business execution of Development Bank of Japan Inc., but since June 2018, he has not engaged in the business execution of the bank, and six years have already passed. The Group has transactions of borrowing with the bank, and the amount of the Company's borrowing from the bank as of March 31, 2025 (¥181,262 million) was less than 11% of the Company's total consolidated assets. The bank is one of several lenders and not a lender on which the Company relies on to the extent that there are no alternatives for funding.	<p>Mr. Masanori Yanagi has rich experience and broad insight as a corporate manager. He has contributed to ensuring the efficiency and fairness of the management by providing opinions and advice regarding business execution from an objective point of view, being independent from the management. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we have elected him as an Outside Director.</p> <p>In addition, as the Company has determined that he is adequately independent by the "Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members," he has been designated as an Independent Director of the Company.</p>

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee

Established

Committee's Name, Composition, and Attributes of Chairperson
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	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination and Remuneration Committee	Nomination and Remuneration Committee
All Committee Members	5	5
Full-time Members	0	0
Inside Directors	2	2
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

Supplementary Explanation

In order to review important matters regarding the nomination of, and remuneration for, Directors of the Company, the Company has established the Nomination and Remuneration Committee as an advisory body to the Board of Directors, with a view to reinforcing functional independence and objectivity of the Board.

The Nomination and Remuneration Committee is comprised of three Outside Directors and two Representative Directors. In addition, the chair of the Committee is selected from among the Outside Directors to ensure the independence of the Committee.

The Nomination and Remuneration Committee reviews the adequacy of the proposal of nomination of Director candidates and the selection plan for Representative Directors, as well as the adequacy of the level of remuneration, organizing the Committee's opinion on these subjects, and reports to the Board of Directors.

[Audit & Supervisory Board Members]

Establishment of the Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Independent Auditor, and Internal Audit Division

Cooperation among Audit & Supervisory Board Members, Independent Auditor, and internal audit division is contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Yuzaburo Mogi	From another company													
Shuji Fukuda	From another company													
Nobuhide Hayashi	From another company										△			

* Categories for "Relationship with the Company"

* "○" When the Audit & Supervisory Board Member presently falls or has recently fallen under the category;

"△" When the Audit & Supervisory Board Member fell under the category in the past

* "●" When a close relative of the Audit & Supervisory Board Member presently falls or has recently fallen under the category

"▲" When a close relative of the Audit & Supervisory Board Member fell under the category in the past

a. Executive of the Company or its subsidiary

b. Non-executive Director or accounting advisor of the Company or its subsidiaries

c. Non-executive Director or executive of a parent company of the Company

d. Audit & Supervisory Board Member of a parent company of the Company

e. Executive of a fellow subsidiary company of the Company

f. A party whose major client or supplier is the Company or an executive thereof

g. Major client or supplier of the Company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as an Audit & Supervisory Board member

i. Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)

k. Executive of a company, between which the Company's Outside Directors/Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board member himself/herself only)

l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)

m. Others

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Yuzaburo Mogi	○	—	<p>Mr. Yuzaburo Mogi has used his extensive experience and broad insight as a corporate manager in audit duties of the Company. By offering his opinions and advice on business execution of Directors from an objective point of view, being independent from the management of the Company, he plays an appropriate role in securing the sound and sustainable growth of the Company and in establishing a quality corporate governance system that earns the trust of society, by making use of his extensive experience.</p> <p>Therefore, we have elected him as an Outside Audit & Supervisory Board Member.</p> <p>In addition, as the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” he has been designated as an Independent Audit & Supervisory Board Member of the Company.</p>

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Shuji Fukuda	○	—	<p>Mr. Shuji Fukuda is expected to use his rich experience and broad insight as a corporate manager in audit duties of the Company. By offering opinions and advice on business execution of Directors from an objective point of view, being independent from the management of the Company, he plays an appropriate role in securing sound and sustainable growth of the Company and in establishing a quality corporate governance system that earns the trust of society. Therefore, we have elected him as an Outside Audit & Supervisory Board Member.</p> <p>In addition, as the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” he has been designated as an Independent Audit & Supervisory Board Member of the Company.</p>

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Nobuhide Hayashi	○	<p>Outside Audit & Supervisory Board Member Mr. Nobuhide Hayashi engaged in the business execution of Mizuho Bank, Ltd., but since April 2017, he has not engaged in the business execution of the bank, and eight years have already passed. The Group has transactions of borrowing with the bank, and the amount of the Company's borrowing from the bank as of March 31, 2025 (¥82,760 million) was less than 5% of the Company's total consolidated assets. The bank is one of several lenders and not a lender on which the Company relies on to the extent that there are no alternatives for funding.</p>	<p>Mr. Nobuhide Hayashi is expected to use his rich experience and broad insight as a corporate manager in audit duties of the Company. By offering opinions and advice on business execution of Directors from an objective point of view, being independent from the management of the Company, he plays an appropriate role in securing sound and sustainable growth of the Company and in establishing a quality corporate governance system that earns the trust of society. Therefore, we have elected him as an Outside Audit & Supervisory Board Member.</p> <p>In addition, as the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” he has been designated as an Independent Audit & Supervisory Board Member of the Company.</p>

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/ Audit & Supervisory Board Members	7
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Matters relating to Independent Directors/Audit & Supervisory Board Members

1. The Company has designated all Outside Directors and Outside Audit & Supervisory Board Members who meet the standards as Independent Directors/Audit & Supervisory Board Members.
2. Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)
3. The Company has, in the "Supplementary Explanation of the Relationship" concerning Independent Directors/Audit & Supervisory Board Members, not mentioned transactions that are similar to general consumer transactions involving immaterial amount of payment.

[Incentives]

Incentive Policies for Directors

Other

Supplementary Explanation **Updated**

Remuneration for individual Directors is comprised of monetary compensation consisting of position-based basic remuneration and short-term incentive remuneration (individual performance-linked portion and the corporate performance-linked portion), and stock-based compensation as medium- to long-term incentive remuneration. Incentive policies for Directors are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

Recipients of Stock Options

Supplementary Explanation

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[Director Remuneration]

Disclosure of Individual Director's Remuneration

No Individual Disclosure

Supplementary Explanation

The amounts of remuneration paid in consideration of the execution of duties by Directors and the Audit & Supervisory Board Members of the Company are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The policy on determining remuneration amounts and calculation methods is contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

[Supporting System for Outside Directors and/or Outside Audit & Supervisory Board Members]

Staffs of the department in charge of providing support to Outside Directors and Outside Audit & Supervisory Board Members, or staffs of General Affairs and Legal Department, provide explanation to Outside Directors and Outside Audit & Supervisory Board Members themselves or through their secretaries, by telephone or visit in person.

[Details of persons who have retired from Representative Director and President, etc.]

Names, etc. of Consultants, Advisors, etc. who are former President and Representative Director, etc.

Name	Title/Position	Description of Duties	Working Arrangement/ Compensation (Full-time/ Part-time, With/Without Compensation, etc.)	Date of Retirement from the President, etc.	Term of Office
—	—	—	—	—	—

Total Number of Consultants, Advisors, etc., Who Are Former President and Representative Director, etc.

0

Other Matters

Though the Articles of Incorporation prescribe that “The Company may appoint Consultants by resolution of the Board of Directors,” the Company has no Consultants at the moment.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

Matters on functions of business execution, auditing, oversight, nomination and remuneration decisions (overview of current corporate governance system) are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company’s website. (<https://www.tobu.co.jp/ir/fr/>)

3. Reasons for Adoption of Current Corporate Governance System

Reasons for adoption of the current corporate governance system are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company’s website. (<https://www.tobu.co.jp/ir/fr/>)

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanation
Early Notification of General Meeting of Shareholders	<ul style="list-style-type: none"> - The “Notice of the Annual General Meeting of Shareholders” is mailed 21 days prior to the scheduled date of the meeting every year. - Prior to the mailing, the “Notice of the Annual General Meeting of Shareholders” is posted on the websites of Tokyo Stock Exchange as well as the Company 28 days prior to the scheduled date of the meeting every year. (https://www.tobu.co.jp/ir/meeting/)
Scheduling General Meeting of Shareholders Avoiding the Peak Day	From the Annual General Meeting of Shareholders held in June 2017, the Company has been holding the meeting by avoiding the peak day.
Allowing Electronic Exercise of Voting Rights	The Company started adopting this method from the Annual General Meeting of Shareholders held in June 2014.
Participation in Electronic Voting Platform	The Company started to participate in the electronic voting platform from the Annual General Meeting of Shareholders held in June 2014.
Providing Convocation Notice (Summary) in English	English version (summary) of the “Notice of the Annual General Meeting of Shareholders” is posted on the websites of Tokyo Stock Exchange as well as the Company at the same time as the Japanese version 28 days prior to the scheduled date of the meeting every year. (https://www.tobu.co.jp/ir/meeting/)
Other	- From the Annual General Meeting of Shareholders held in June 2021, the Company started live video streaming of the meeting (hybrid participation-type virtual shareholder meeting) online.

2. IR Activities **Updated**

	Supplementary Explanation	Presentation by Representative
Preparation and Publication of Disclosure Policy	This information is published on the Company's website (https://www.tobu.co.jp/ir/outline/)	
Regular Investor Briefings for Analysts and Institutional Investors	Twice a year (after the year-end settlement as well as the second quarter settlement), the President personally explains about the financial results, the progress of business plan, and other matters. Furthermore, we organize a tour of our business establishments along the Tobu railway lines for institutional investors once a year as a basic rule to promote dialogue.	Yes
Posting of IR Materials on Website	This information is published on the Company's website (https://www.tobu.co.jp/ir/). Contents of the information posted: Financial results, TSE disclosure materials, etc., financial results briefing materials, Monthly Report of Operations, securities reports, etc., Corporate Governance Report, news releases, Integrated Report	
Establishment of Department and/or Manager in Charge of IR	Department in charge: Finance and Accounting Department Responsible person: General Manager of the Finance and Accounting Department Responsible person for administrative liaison: Manager in charge of IR in the Finance and Accounting Department	

3. Measures to Ensure Due Respect for Stakeholders **Updated**

	Supplementary Explanation
Stipulation of Internal Rules for Respecting the Position of Stakeholders	For the purpose of conscientious and appropriate corporate activities for stakeholders, action guidelines are set out in the “Tobu Group Compliance Basic Policy” and the “Compliance Manual.”
Implementation of Environmental Activities, CSR Activities, etc.	This information is contained in the Company’s Integrated Report (https://www.tobu.co.jp/ir/integrated_report/). Contents of the information: Human resources strategy, safety and security, initiatives aimed at reducing environmental impact, initiatives for stakeholders, respect for human rights, corporate governance
Development of Policies on Information Provision to Stakeholders	For the purpose of timely and appropriate information disclosure, action guidelines are set out in the Tobu Group Compliance Basic Policy and the “Compliance Manual.”
Other	<p>Since railway business involves working early morning/late night shifts, the Company did not actively recruit female staff, especially in field operations work, until 1999 when regulation restricting female workers from working late at night was lifted. However, the Company currently does not set hiring criteria based on gender, and strives to create an internal environment where everyone can fully demonstrate their abilities over the long term and wants to continue working. Going forward, the Company will continue to promote awareness of diversity and inclusion, as well as initiatives to secure diverse human resources by expanding recruitment channels, and furthermore, to contribute to the retention of human resources so that they can continue to work for a long time with peace of mind.</p> <p>We have various unique systems to support employees, such as a shortened working hour system for parents with a child who is in the third grade of elementary school or younger, a staggered working hour system, a re-employment system that allows employees who resigned due to pregnancy, childbirth, childcare, nursing, or other unavoidable circumstances to resume working, company housing with childcare support, and a day-care center for employees. Thus, the Company strives to develop an internal environment from the perspective of both workstyles and work environments.</p> <p>Further details are contained in the Company’s Integrated Report as well as published on the Company’s website (https://www.tobu.co.jp/ir/integrated_report/) (https://www.tobu.co.jp/corporation/employee/worksupport/).</p>

1. Basic Views on Internal Control System and the Progress of System Development

Basic views on internal control system and the progress of system development are contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

2. Basic Views on Eliminating Anti-Social Forces**1. Basic principles**

The Company shall stand firmly against the anti-social forces that threaten order and security of civic society, rejecting categorically any demand, etc. therefrom.

2. Status of development

The Company has, with a view to preventing the anti-social forces from interfering with its management activities, as well as from inflicting damage, introduced the anti-social forces exclusion clause in the wording of contracts with business partners, while including in the Compliance Manual the procedure to deal with the anti-social forces, as measures to ensure that such procedure be known to all officers and employees. In order to be prepared against undue demand by the anti-social forces, General Affairs and Legal Department has been appointed as the department responsible for coordinating actions against the anti-social forces, including development of close collaboration, from peacetime, with the external expert organizations such as the police authority, Tokyo Metropolitan Center for Elimination of Crime Syndicates and attorneys, for gathering and managing information on the anti-social forces, while relevant trainings are provided to the Group companies as appropriate through the "Tobu Group Liaison Council." In the event of undue demand by the anti-social forces, actions to be taken shall follow the basic and specific procedures to deal with such demand as part of the countermeasures against the anti-social forces including organized crime groups, as presented by Tokyo Metropolitan Center for Elimination of Crime Syndicates, etc.

1. Adoption of Takeover Response Policies

Adoption of Takeover Response Policies	Not Adopted
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Supplementary Explanation Updated
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The Company's basic policy with respect to the attitude which ought to be taken by persons who control over the decisions on the financial as well as business policies of the Company is contained in the Annual Securities Report. The Annual Securities Report is posted on the Company's website. (<https://www.tobu.co.jp/ir/fr/>)

2. Other Matters concerning Corporate Governance System

[Outline of Timely Disclosure System]

1. Basic Stance on Timely Disclosure

The Company has, for the purpose of ensuring management transparency to shareholders, investors and society in general, set out the policy for active disclosure of information such as operating results and status of business under the IR guidelines, which is posted on the Company's website.

Furthermore, the "Tobu Group Compliance Basic Policy" has been established as guidelines for the officers and employees of the Group, in which our primary attitude is described in a statement "On the basis of the trust of investors earned through timely and appropriate information disclosure, we will promote conscientious corporate activities, aiming to enhance corporate value through business development flexibly adapting to the change in business environment," in an effort to have it known across the Group.

2. Internal System for Timely Disclosure

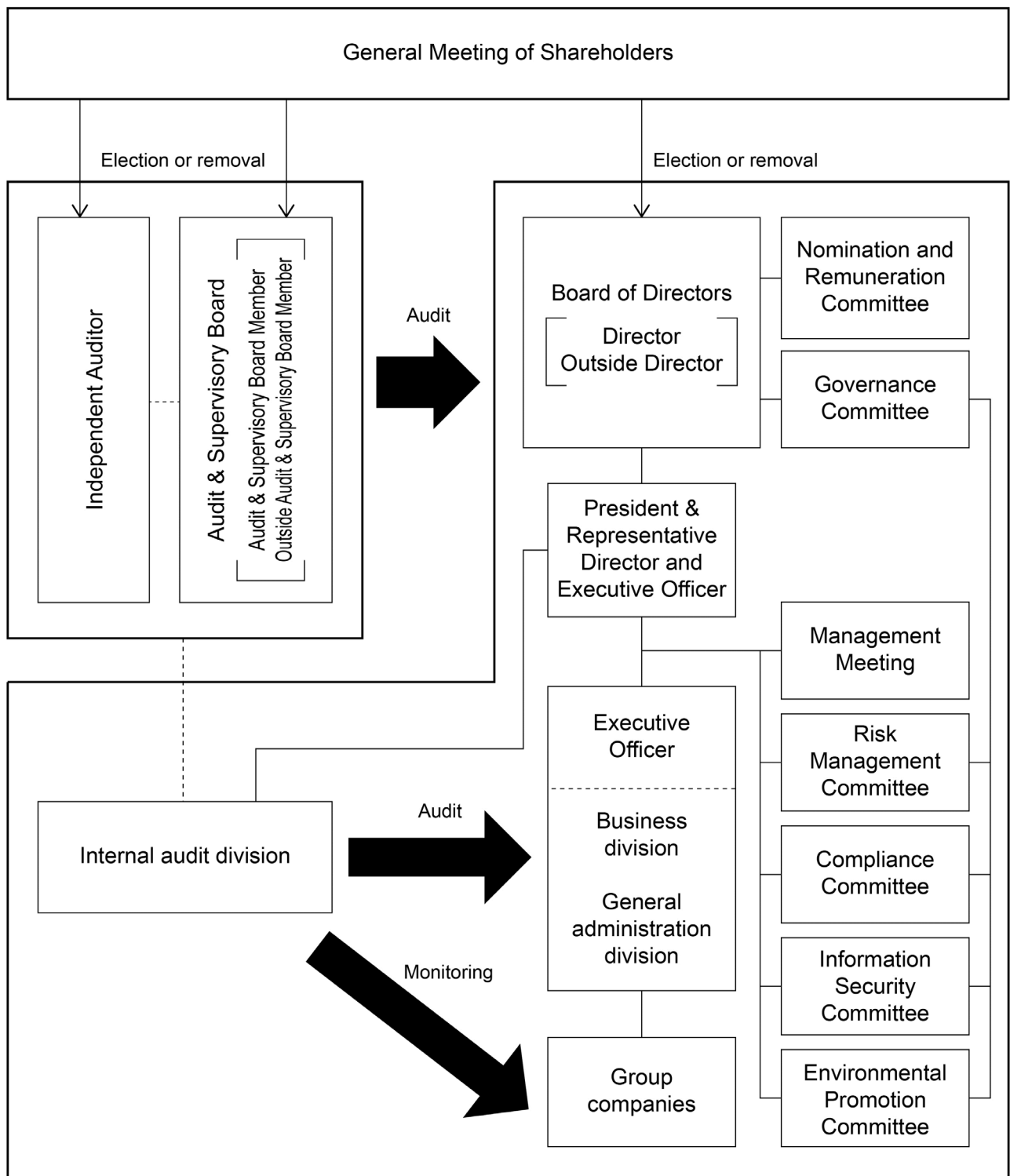
Timely disclosure of the corporate information subject to timely disclosure in accordance with the rules of Tokyo Stock Exchange, and other information that may influence the share price of the Company (hereinafter collectively the "information for timely disclosure") is managed as follows, by the Executive Officer in charge of General Affairs and Legal Department acting as the officer responsible for handling information.

(1) Collection of information for timely disclosure and decision to make timely disclosure

In the event of information for timely disclosure arising at each department as well as the Group company, the concerned department (Group Administration Division of the Company in the case of information arising in the Group companies) verifies such information, and reports it to the General Affairs and Legal Department. If it is not certain whether such information constitutes the information for timely disclosure, concerned officers including primarily the Executive Officer in charge of General Affairs and Legal Department consults to determine whether such information should be subject to timely disclosure.

(2) Timely disclosure to Tokyo Stock Exchange

Management decisions and financial information are approved first by the Board of Directors, and then they are further approved by the President, Representative Directors, and the officer in charge of the General Affairs and Legal Department and served for timely disclosure by the General Affairs and Legal Department. Regarding occurrences of events, they are approved by the President, Representative Directors, and the Executive Officer in charge of General Affairs and Legal Department and served for timely disclosure by the General Affairs and Legal Department after the events occurred.



Outline of the timely disclosure system

Information for timely disclosure

Information on the Group companies	Financial information	Management decisions	Occurrence of events
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Department in charge

Group Administration Division	Finance and Accounting Department	Corporate Planning Department, Group Administration Division, General Affairs and Legal Department, Finance and Accounting Department, etc.	
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Collection of information for timely disclosure

General Affairs and Legal Department

Decision to make timely disclosure

Subject to discussion by the concerned officers including primarily the Executive Officer In charge of General Affairs and Legal Department (officer responsible for handling information)
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Approval for the management decisions and the financial information

The Board of Directors, etc.

Approval for the disclosure of the information for timely disclosure

President, Executive Officer in charge of General Affairs and Legal Department
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Timely disclosure

General Affairs and Legal Department

Tokyo Stock Exchange
