

TOBU Group  
Integrated Report  
2025



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## Business Strategy and Business Overview

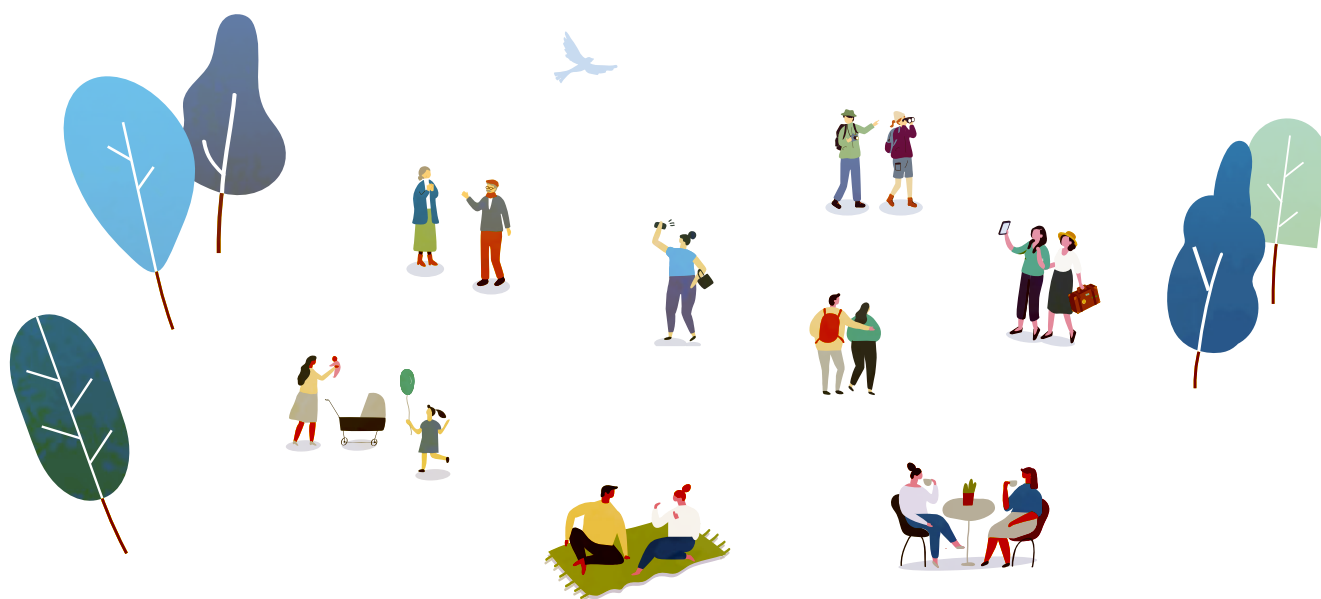
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## Editorial Policy

Our aim in preparing this report was to provide a comprehensive overview of the Tobu Group's operations, ranging from its history and activities to date to its strategies and measures for long-term value creation, as well as financial and non-financial information. In editing this report, we have referenced the International Integrated Reporting Framework advocated by the IFRS Foundation, the GRI Sustainability Reporting Standards developed by the Global Reporting Initiative (GRI), and the Guidance for Integrated Corporate Disclosure and Dialogue for Value Co-Creation by the Ministry of Economy, Trade and Industry. Through this report, we hope to provide all stakeholders, including shareholders and investors, with a deeper understanding of the Tobu Group.

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## Sections of Integrated Report 2025

Section	Content
<b>Message from the President</b>	<ul style="list-style-type: none"> <li>President Tsuzuki outlines our progress toward achieving our Long-term Management Vision, and the track record and positive response that reinforce its feasibility</li> <li>The Company's approach to the cost of capital and stock price, and its message to investors</li> </ul>
<b>Value Creation Story</b>	<ul style="list-style-type: none"> <li>An outline of how our main businesses have developed in the context of the changing times, and an easy-to-grasp look at our value creation progress and growth process</li> </ul>
<b>Material Issues</b>	<ul style="list-style-type: none"> <li>The Governance Committee reviewed <i>Integrated Report 2024</i>, discussed the proposed layout of the FY2025 edition, including material issues, and reported its findings to the Board of Directors. Those findings are discussed in this section.</li> </ul>
<b>Long-term Management Vision</b>	<ul style="list-style-type: none"> <li>Revision of target figures</li> <li>Key project roadmap and actions for achieving the Long-term Management Vision</li> <li>New business initiatives and a message from the person in charge of the SAKULaLa project</li> </ul>
<b>Financial and Capital Policy (Message from the Executive Officer in Charge of Finance)</b>	<ul style="list-style-type: none"> <li>Start of the new Long-term Management Vision and medium-term business plan</li> <li>Policies and key measures for enhancing corporate value</li> <li>Cash allocation policy</li> <li>The balance sheet direction we are aiming for in the medium- to long term</li> <li>Shareholder return policy</li> <li>Deepening Dialogue with Shareholders and Investors</li> </ul>
<b>Human Resources Strategy</b>	<ul style="list-style-type: none"> <li>Message from head of HR</li> <li>Priority initiatives under the HR Strategy</li> <li>Internal recognition program</li> </ul>
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>Message from an outside director</li> </ul>

## Report Scope

TOBU RAILWAY CO., LTD. ("Tobu Railway," "the Company") and Group companies (collectively, "the Tobu Group," "the Group")

## Period Covered

From April 1, 2024 to March 31, 2025 (One Japanese fiscal year)  
Note: Some information before and after this period is included.

## Information Disclosure

See the IR REPORT section on our Company website.  
<https://www.tobu.co.jp/en/corporation/ir/>

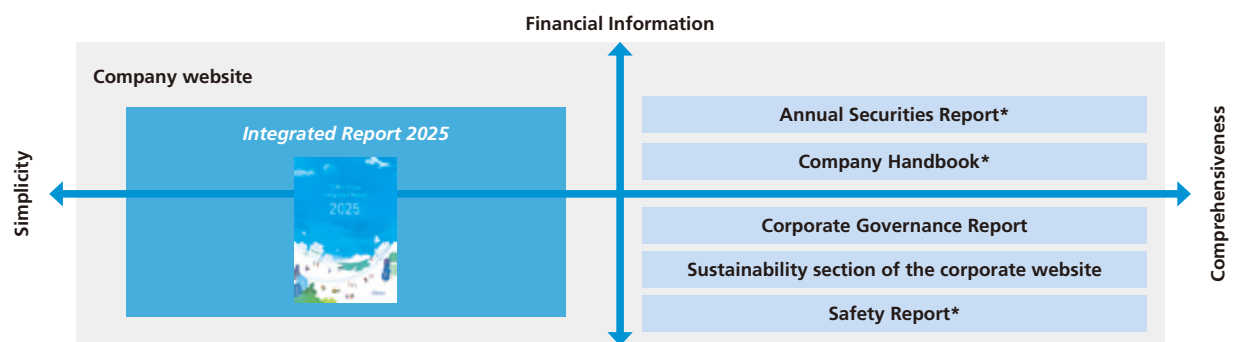
## Reference Guidelines

- International Integrated Reporting Framework of the IFRS Foundation
- GRI Sustainability Reporting Standards developed by the Global Reporting Initiative
- Guidance for Collaborative Value Creation issued by the Ministry of Economy, Trade and Industry

## Cautionary Note on Forward-Looking Statements

Forward-looking statements such as results forecasts in this report are based on industry trends related to the business of the Company and Group companies and other factors that may impact business results, including the economy in Japan and other countries. These forward-looking statements are made based on the information currently available to the Group. Actual business results may differ from these forecasts due to changes in the business environment and other such factors.

## Positioning of Publications



① Specific documents are available from our website: <https://www.tobu.co.jp/en/> (Some segments are in Japanese language only)

Annual Securities Report	Company Handbook	Corporate Governance Report	Sustainability Site	Safety Report
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## Tobu Group Management Philosophy

**The Tobu Group has set forth the concepts of “dedication,” “enterprising spirit” and “affinity” as the cornerstones for its management**

### Dedication

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

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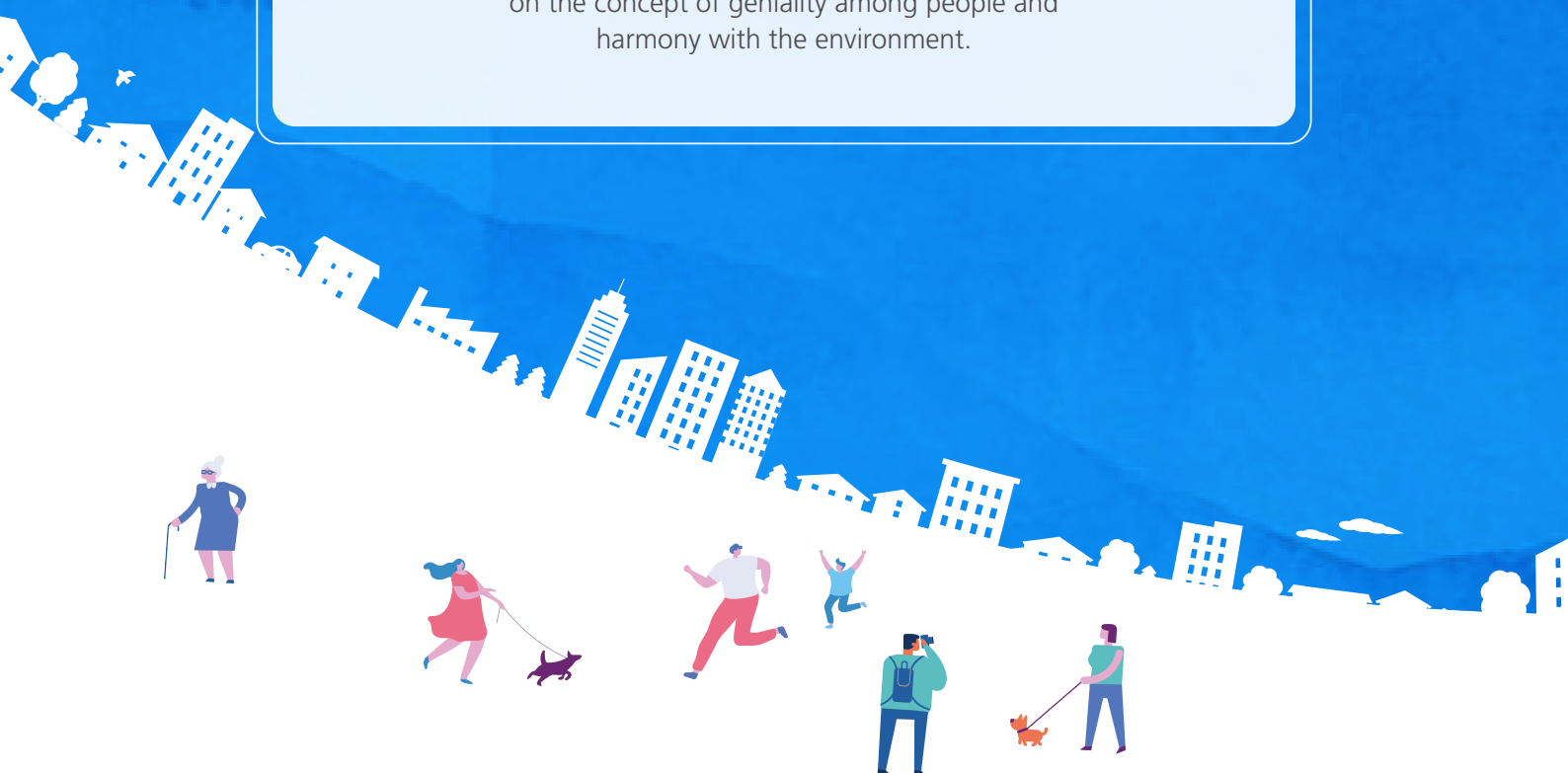
### Enterprising Spirit

The Tobu Group will keep taking up challenges with a pioneering spirit to pave the way to a new era through constant self-improvement without complacency.

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### Affinity

The 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 geniality among people and harmony with the environment.





## Tobu Group Management Policy

The 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.

The 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.



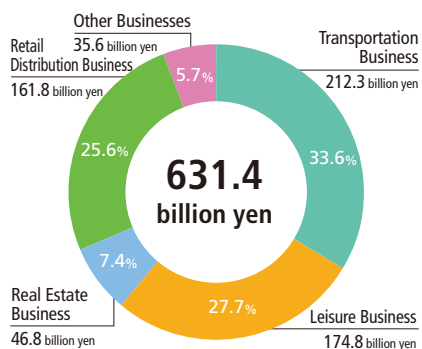
## At a Glance

Since its establishment in 1897, the Tobu Group has continued to operate its core railway business (as Tobu Railway) while expanding into other markets including transportation, leisure, real estate, and retail distribution. Today, the Tobu Group consists of Tobu Railway, 67 consolidated subsidiaries, and three equity method affiliates.

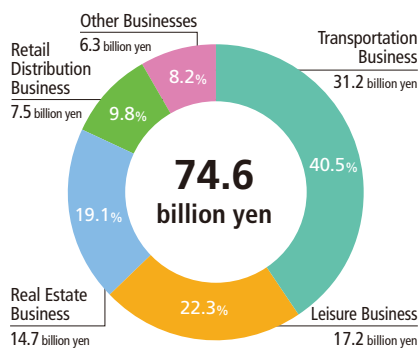
The Tobu Group's lines provide access to the World Heritage site and national park at Nikko, as well as the Asakusa area and TOKYO SKYTREE TOWN, which together are visited by more than 30 million tourists every year, and the Kawagoe area with its charming old-Japan atmosphere. We will promote our businesses while improving the value of the areas along our railway lines with the objective of generating sustainable growth for the Tobu Group.

### Tobu Group Operations and Performance (As of March 31, 2025)

#### Operating Revenues



#### Operating Profit



#### Profit Attributable to Owners of Parent

**51.3**  
billion yen

#### Interest-Bearing Debt to EBITDA Multiple

**6.1** times

#### Dividend Payout Ratio

**23.7%**

#### ROE

**9.4%**

### Tobu Group Businesses (As of March 31, 2025)

#### Group Companies



Consolidated Subsidiaries: **67**  
Equity Method Affiliates: **3**

#### Group Employees



**18,247**

#### Bus Network Length



**10,928** km

#### Group Hotels and Guest Rooms



**18** hotels  
**3,383** guest rooms

#### Cumulative Number of Visitors to TOKYO SKYTREE TOWN



**400** million



#### Department Store Operating Revenue



**61.3** billion yen

## Tobu Railway Primary Business Areas (As of March 31, 2025)



 Tobu Railway lines  
 Other railway and Shinkansen lines

Railway Distance

**463.3 km**

Passenger Stations

**205**

Rolling Stock

**1,788 cars**

Passengers Carried Annually

**8.5 million**

Passenger Revenue

**137.5 billion yen**

## Message from the President



We will position leisure, real estate and new businesses as growth drivers to achieve our Long-Term Management Vision and expand corporate value over the medium to long term guided by our principles of cooperative creation and taking on new challenges.

Yutaka Tsuzuki  
President



## Working toward Achieving Our Long-Term Management Vision

We at the Tobu Group are advancing our Medium-Term Business Plan 2024–2027 (“the medium-term business plan”) as part of the implementation process for our Long-Term Management Vision, which articulates and quantifies our aspirations for the 2030s.

On April 30, 2025, we announced a revision to our operating profit target in our Long-Term Management Vision, setting the goal of increasing the level to over 100 billion yen by the mid-2030s. At the same time, we established a policy to maintain and improve ROE at 8% or higher over the medium to long term, as part of our commitment to management that is conscious of cost of capital. We will work to hit these targets by strengthening profitability through growth strategies and by concentrating investment in the growth areas of tourism and area development.

Our ROE target of 8% or higher reflects our commitment to continuously pursuing both profit growth and capital efficiency. As for shareholder returns, we have revised the total return ratio target for the medium-term business plan, raising it from the previous 30% or higher to 40% or higher, and have introduced a new KPI: a gradual increase of dividend on equity (DOE) to a target of 2.2%. Looking beyond 2028, we are considering further enhancements to shareholder returns. With regard to financial soundness, we have set a target equity ratio of 30% or higher by the mid-2030s.

To help enhance our corporate value, we have named three core pillars: strengthening profitability by promoting growth strategies, using financial leverage while maintaining financial soundness, and increasing the expected growth rate. Among these, we are placing particular emphasis on strengthening profitability by promoting growth strategies. In both our Long-Term Management Vision and the medium-term business plan, we have positioned two core growth drivers: Tourism, where market expansion is expected, and area development along our railway lines, which offers significant untapped potential.

Following the easing of COVID-19-era travel restrictions, inbound tourism demand has rebounded sharply, with the number of visitors to Japan reaching approximately 37 million in 2024, surpassing pre-pandemic levels. The Group will capture this growing inbound and broader tourism demand while advancing area development projects centered around key locations including the Ikebukuro Station West Exit project and the Oshiage area, home to the TOKYO SKYTREE.

To ensure we achieve targets of 100 billion yen in operating profit and an ROE of 8% or higher, we will concentrate management resources on these priority business areas, while also continuing to strengthen our core operations along railway lines and actively cultivate new businesses to optimize our portfolio.

Looking ahead, we intend to clearly communicate the growth story—driven by these proactive strategic investments—by leveraging new IR channels such as small-group meetings with top management. Through these efforts, we aim to raise medium- to long-term growth expectations in the capital markets and ultimately bring about a reduction in our cost of capital.

Examining the current business environment, we see strong tailwinds supporting the Group’s business development, exemplified by the full-scale launch of the Tokyo Metro Yurakucho Line extension project.

While inflation continues to drive up costs, labor expenses, and interest rates, inbound tourism demand has been stronger than expected. As a result, the Group has maintained its profit growth trend, achieving record-high consolidated financial results for the second consecutive year. We have decided to accelerate our growth strategy execution in light of these results.

We have also revised the target year of our Long-Term Management Vision and made a significant upward revision to numerical targets (taking into account changes in the business environment over the past year), including adjustments to our investment plans and the timing of major project completions.

As part of these revisions, we also reflected feedback received from shareholders and investors. To provide greater clarity around the Group’s growth potential, we presented a more detailed roadmap, including diagrams illustrating the progress and projected completion timelines of individual projects. Some investors have also suggested that we consider placing greater emphasis on investments with faster capital recovery, such as those in the real estate sector. We intend to carefully evaluate whether investments with shorter recovery periods will contribute to enhancing the Tobu Group’s corporate value and will proceed accordingly.

Next, allow me to provide an overview of our initiatives by business segment.

Overall, the Group’s business activities, including forward-looking investments, are progressing well. Starting with the strong-performing inbound and tourism sector, we are planning new hotel developments

in Tokyo in the Nihonbashi 3-chome area and in Ginza 7-chome, and are also preparing for a major renovation of the Nikko Kanaya Hotel in historic Nikko. The new hotels are scheduled to be completed around 2030, with the renovated Nikko Kanaya Hotel also set to reopen around the same time. In the area development sector, while the start of construction on the Ikebukuro Station West Exit Redevelopment Project has been pushed back by three years, we view this delay positively. It provides an opportunity to reassess the project's viability in light of a significant rise in construction costs.

The railway business continues to advance labor-saving and workforce optimization efforts through digital transformation (DX), drawing on the experience and insight gained from our early adoption of single-driver train operation. By the end of FY2025, we plan to implement single-driver train operation on the local service section of the Tobu Skytree Line between Kita-Senju and Kita-Koshigaya stations. In addition, we will look into introducing single-driver operation on the Tobu Urban Park Line as part of our efforts to further improve railway transport efficiency.

Regarding new businesses expected to serve as future revenue streams, we are focusing on expanding the market presence of SAKULaLa, a service that enables hands-free shopping through biometric authentication. SAKULaLa can be deployed independently of our railway service areas, offering expansion opportunities across a wide area. In April 2025, we implemented SAKULaLa at two Joshin Denki stores in Osaka. Going forward, we aim to roll out SAKULaLa to all Joshin Denki locations and introduce it at hotels within the Group. Outside the Kanto region, we will focus on increasing the number of participating stores primarily in the Osaka and Fukuoka areas.

Japanese society is entering a period of major transformation, driven by a low birthrate, leading to population decline and an aging population, alongside other factors like the advancement of DX, and growing environmental awareness

among the public. In an increasingly uncertain environment, achieving sustainable growth and maximizing corporate value will require us to anticipate changes in external conditions and social needs, work in close collaboration with internal and external partners, and create new forms of value that could not be delivered under the Group's traditional, rail-centered business model.

The Tobu Group has long built on its railway operations as a foundation and has diversified its business domains and stabilized its earnings by developing a variety of lifestyle-related services across its network in collaboration with partners. The principles best representing our management approach are taking on challenges and cooperative creation. Cooperative creation involves not only collaboration with external partners but also pursuing intra-Group synergies. While there are still many challenges in advancing these cooperative efforts, we are gradually seeing results.

As examples of successful external collaboration, several projects stand out as clear embodiments of the principles of the principles mentioned above: The new Tobu Card developed in partnership with JCB; through service operations between the Tobu Skytree Line and the Tokyo Metro Yurakucho Line, made possible by Tobu's initial proposal to Tokyo Metro; and the "International Eco Resort Nikko" project, developed in collaboration with local governments and startups.

Among the key initiatives under the medium-term business plan, the new Tobu Card is particularly noteworthy. Unlike the previous version of the card, which was primarily geared toward Tobu Department Store users, the new card is held by a broader range of customers along our railway lines. With its high level of convenience and scalability, this groundbreaking card has enjoyed great feedback from users. Since 2020, Tobu Railway has been working on digitizing customer touchpoints and integrating customer data IDs. The new Tobu Card also makes it possible to capture data from outside the Group, enabling more precise tracking of customer behavior. By effectively leveraging accumulated data, we aim to promote usage across a wide range of Group business domains—from department stores to railway lines—and further expand consolidated revenue.

The recent review of our Long-Term Management Vision has brought greater clarity to our trajectory beyond the medium-term business plan. The initiatives set out in the current plan are progressing steadily and are positioned to plant the seeds of future growth toward achieving our vision.

With that said, there remain management challenges that require stronger responses as we work toward achieving our vision. In the tourism and area development sectors, soaring labor and construction costs, and rising interest rates, are pushing up financing expenses. Due to labor shortages, the risk of being unable to begin construction of hotels and similar facilities or to carry out large-scale renovations has increased alongside risks of project delays.



In response to rising costs, we are working to establish appropriate pricing structures that reflect inflation across businesses such as hotels and the TOKYO SKYTREE. Meanwhile, we are tackling these challenges by generating synergies through cooperative creation both within and outside the Group, such as the integrated promotion of railway and area development projects. To address labor shortages, we will strengthen coordination with general contractors, while accelerating decision-making within the Group to respond swiftly and effectively to issues. We are also seeking to actively generate synergies by engaging in cooperative creation across and beyond the Group.



## Transformation in the Business Portfolio

In the review of our Long-Term Management Vision, we set a new target of achieving 100 billion yen or more in operating profit. We also revised the breakdown of this target's allocation of 30 billion yen from the railway business and 50 billion yen from non-railway businesses to 30–32 billion yen from the transportation business and over 70 billion yen from other businesses, respectively. The upward revision of our operating profit target reflects our intention to move beyond business as usual by setting a goal in the 100-billion-yen range—a scale vastly different from past levels—with the aim of rallying the collective strength of Group employees to successfully complete major projects.

While shifting the target achievement timeframe from FY2033 to the mid-2030s, we also revised the breakdown of our operating profit target to clarify that the engines driving the Group's sustainable growth are the leisure, real estate, and new business segments. We plan to allocate approximately 270 billion yen in total toward growth investments over the four years of the medium-term business plan, with a focus on priorities such as tourism and area development. We will coordinate efforts across individual investment projects and work to balance our investments.

We have devised growth strategies for the key growth-driving leisure and real estate businesses. In the leisure segment, we have centered business development around hotels and the TOKYO SKYTREE. The new hotels in Nihonbashi 3-chome and Ginza 7-chome, along with the renovated Nikko Kanaya Hotel, are scheduled to open around 2030, while our new hotel in Osaka is expected to be completed in the mid-2030s. Our intention is to stagger the timing of large-scale investments, and we are committed to

ensuring steady progress on each project. We anticipate the first earnings contributions to materialize around 2030. While subsequent hotel openings will bring associated cost burdens, we aim to disperse these as much as possible through the mid-2030s, pursuing stable and sustained profit growth. As for the TOKYO SKYTREE, we plan to revise ticket prices in April 2026. To help disperse visitor traffic, we also intend to introduce a dynamic pricing system that flexibly adjusts admission fees based on crowd levels.

The real estate business plays a key role in expanding Group profits—not only through rental income, but also by offering strong potential for synergies with other segments including the railway and leisure businesses. We will continue to steadily implement effective strategies and measures, with a focus on area development. In particular, the Oshiage area around TOKYO SKYTREE is benefiting from several favorable trends, including further growth in inbound tourism demand, the expansion of flight slots at Narita Airport, and the planned through service connection with the Tokyo Metro Yurakucho Line. Following ongoing track elevation work, we plan to begin phased development of the TOKYO SKYTREE TOWN area around 2030, and we hope stakeholders will look forward to what lies ahead.

To achieve both business growth and sustained maintenance and improvement of ROE, it is essential to formulate and execute appropriate business portfolio management. We will manage our business portfolio with a clear focus on synergies between businesses and returns on a consolidated basis, on the premise that each business and each investment project generate solid profits.

## Achieving Management That is Conscious of Cost of Capital and Stock Price

On April 30, 2025, we issued a release titled “Implement Management that is Conscious of Cost of Capital and Stock Price.” In this release, we recognized that improving ROE and lowering capital costs are imperative to enhancing corporate value. Meanwhile, we also set forth a forward-looking policy to revise medium- to long-term financial targets including business profitability and shareholder returns. The policy will also see us using financial leverage to boost both profitability and the market’s expected growth rate while maintaining financial soundness.

The driving force behind the Group’s decision to introduce this policy was our awareness of the issues surrounding our price-to-book (P/B) ratio and stock price. The Tobu Group has consistently practiced management with a strong emphasis on capital efficiency. In recent years, we have also been pursuing structural reforms of our business with a medium- to long-term outlook, while anticipating the changes of the times. However, our P/B ratio, which had previously exceeded 1.0,

fell below 1.0 in 2024, and our stock price has remained at a low level. The April 30 release reflected our view that one factor behind the continued low P/B ratio and stock price was our inability to effectively convey the pathway to enhancing the Tobu Group’s corporate value. Therefore, we concluded that there is a need to reassess our financial strategy and capital policy from a medium- to long-term perspective.

While the Group has traditionally practiced management that prioritized financial soundness, going forward, while preserving this strength, we intend to place greater emphasis on balancing growth investments with shareholder returns, and to remain more acutely aware of capital costs and stock price than ever before, working to improve capital efficiency. By deepening our dialogue with shareholders and investors, and clearly communicating both the pathway to and feasibility of enhancing the Group’s corporate value, we aim to maintain and improve ROE and raise our P/B ratio.

## Contributing to the Sustainability of the Global Environment and Society

The Group counts contribution to the sustainability of the natural environment and local communities as a key management priority. Efforts such as the International Eco Resort Nikko project and the promotion of sustainable development in communities along our railway lines are among the Group’s most important. In addition, as articulated in our Long-Term Management Vision under the management strategy policy of “Establishing a sustainable business management structure,” we also recognize that enhancing our own sustainability is a critical management imperative

for continuing to create social value. In the medium-term business plan, we have designated the reduction of environmental impact and the enhancement of human capital as priority initiatives.

Starting in FY2025, as part of our efforts to promote sustainability management, we have strengthened our initiatives by establishing the Sustainability Promotion Committee, among other measures, to ensure steady progress in addressing the material issues identified by the Group.

In terms of reducing CO<sub>2</sub> emissions, we are promoting initiatives across the Group with the goal of achieving a 30% reduction by FY2030 compared to FY2022 levels. In March 2025, we introduced the energy-efficient 80000 series train on the Tobu Urban Park Line, enabling a significant reduction in CO<sub>2</sub> emissions through fleet replacement. We are also advancing the use of renewable energy, including solar power and geothermal heat from hot springs, at Group facilities in the Oku Nikko area. In August 2025, we established a locally produced, locally utilized energy cycle among Group companies in Tochigi Prefecture, including the Nikko area. This included the launch of full-scale operation of biofuel-powered buses and the installation of a new plant to refine biofuel-blended diesel from waste cooking oil. Nine Group facilities within Tochigi Prefecture contribute waste cooking oil for processing, enabling this local energy cycle.

Going forward, the Group will continue to approach initiatives to reduce environmental impact not only from the





perspectives of decarbonization and energy conservation, but also proactively from the standpoint of securing new business opportunities. We are committed to contributing to the resolution of social issues while at the same time generating economic value through our business activities.

To maintain and enhance tourism resources, we are laying the groundwork for sustainable regional development by positioning natural capital—as exemplified by International Eco Resort Nikko project—as a key management asset to differentiate ourselves from competing tourist destinations. Although the issue of overtourism has not yet become an issue in the Nikko area, we believe it is crucial to steadily advance the development of secondary transportation systems and accommodation facilities, in close partnership with the local community, in anticipation of further increases in inbound tourism demand.

Development along our railway lines is not something that can be achieved overnight. The Tobu Group will continue to take on challenges without pause, working to enhance the value of the regions where the Tobu Group operates and to expand our own corporate value.

As for human capital management, we are implementing an effective talent strategy based on three pillars: recruitment, development, and skill development and talent retention. Human resources are the foundation of value creation and the driving force behind sustainable growth. First, we aim to foster and develop individuals who can think and act independently and who possess the drive to take on uncharted challenges with fresh ideas. To that end, we have introduced a variety of initiatives including training programs that deepen the knowledge required for long-term career success, and educational opportunities that emphasize communication.

As for recruitment, we are facing significant challenges in securing talent amid a declining labor force and an increasingly fluid job market. However, from the standpoint of retention, we have begun implementing concrete initiatives like improving working environments and reviewing HR systems to enhance motivation and foster a workplace where employees genuinely want to stay. These efforts aim to raise both job satisfaction and productivity, from the dual perspectives of employee development and corporate growth.

## To Our Shareholders and Other Investors

The Group is a corporate group that possesses a wealth of management assets. Our railway network serves some of Japan's most iconic destinations, including Ikebukuro—one of Tokyo's premier terminal stations—as well as Asakusa, the TOKYO SKYTREE, Nikko and Kinugawa, Tochigi Prefecture's Ryomo district, Kawagoe and other areas. Among these, the area surrounding TOKYO SKYTREE stands out for its high potential thanks to its convenient access to both Haneda and Narita airports. When through service with the Tokyo Metro Yurakucho Line is launched, it will also gain a direct link to the bayfront area, further expanding its potential.

Centered on the TOKYO SKYTREE TOWN area and the Ikebukuro Station West Exit redevelopment area, we aim to further enhance the value of locations along our railway lines by advancing area development that brings these areas into the next generation, linking a wide range of sectors including railways, leisure, real estate, and retail. At the same time, we will focus on reliably capturing inbound tourism demand in our tourism business, while also actively laying the groundwork for new businesses such as SAKULaLa.

Corporate value comprises both social and economic value, but I believe that social value must come first. Economic value will follow as a result. It is only by proposing and delivering optimal solutions to the diverse challenges facing today's economy and society, and earning the trust and support of our stakeholders in doing so, that I believe true economic value can be realized. Without the recognition of our stakeholders, there is no meaning in conducting our business.

Since our establishment in 1897, the Group has continued to grow steadily with the support of a wide range of stakeholders, including customers, local communities, shareholders and investors, and business partners. At the same time, we take pride in having delivered our own unique social value to so many.

We have also established a framework to incorporate dialogue with shareholders and investors into our management practices. In some cases, I personally bring the opinions and suggestions we receive from shareholders and investors to management meetings and reflect them directly in our management decisions. In October 2025, we established a new Investor Relations Office within the Corporate Planning Department. Going forward, I am committed to holding small-group meetings to further deepen communication with investors.

For the Group to continue existing 50 or even 100 years into the future and to maintain the trust of society, it is essential that, firstly, we maintain safety and peace of mind for our customers. We must additionally strengthen our railway infrastructure, expand our non-railway business and increase the populations of people living and visiting areas along our railway lines, to enhance the value of our businesses in these areas. We will steadily implement the strategies set forth in our medium-term business plan and aim to further enhance the value of areas along our railway lines.

To our shareholders and investors, we will continue striving to meet your expectations by delivering steady profit growth and robust shareholder returns. We sincerely ask for your continued understanding and support for the Tobu Group.

# The Path to Value Creation

1897–

## Tobu Railway is established, rail network expanded



1899: Trial operation before commencing business

1945–

## Tobu improves value along its railway lines



1951: The Nikko-Kinugawa Line Limited Express (5700 Series) car, the first newly built after the war, is put into service

1960–

## Transportation capacity is expanded and business grows



1962: Ikebukuro Tobu Department Store opens

### Historical Backdrop

- Japan modernizes
- Government sets policy of encouraging new industry
- Post-war reconstruction
- Lifestyles improve and stabilize
- Rapid economic growth
- Oil crisis

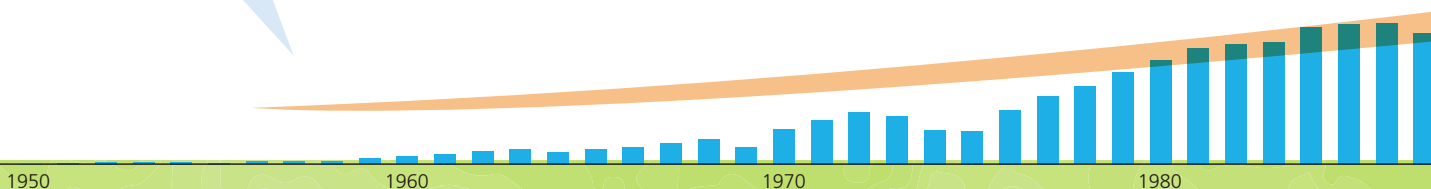
### Societal Needs and Main Business Developments

- Extension of railway lines
- Activity is stimulated along railway lines with opening of the Asakusa Station building and residential land development at Tokiwadai Station
- Shared vehicle operations begin in the Kawagoe area
- The Group expands business to include "Kegon-go" and "Kinu-go" limited express trains and more with an eye on growth in tourism demand
- Entry into Merchandise Sales business begins with opening of Tobu Store's first location, Tobu Supermarket Kasumigaoka Store
- Tokyo Metro Hibiya Line begins mutual through services with other companies' lines begin
- Promotion of housing development
- Promotion of labor saving through mechanization and business consolidation/restructuring, and more

## Unwavering Conviction Since Our Founding

### Operating Profit Trends (Millions of Yen)

\*Consolidated accounting from FY1977



1980–

## Tobu diversifies its business



1993: The "I'M Fujimino" condominium opens

2000–

## Selection and concentration of businesses



2012: TOKYO SKYTREE TOWN opens

2020–

## A 100-year age of collaboration and new challenges begins



Redevelopment of Ikebukuro Station's West Exit area (concept image)

- Yen strengthens as U.S. dollar weakens
- The Bubble Era

- The bubble collapses
- Aging population and declining birthrate

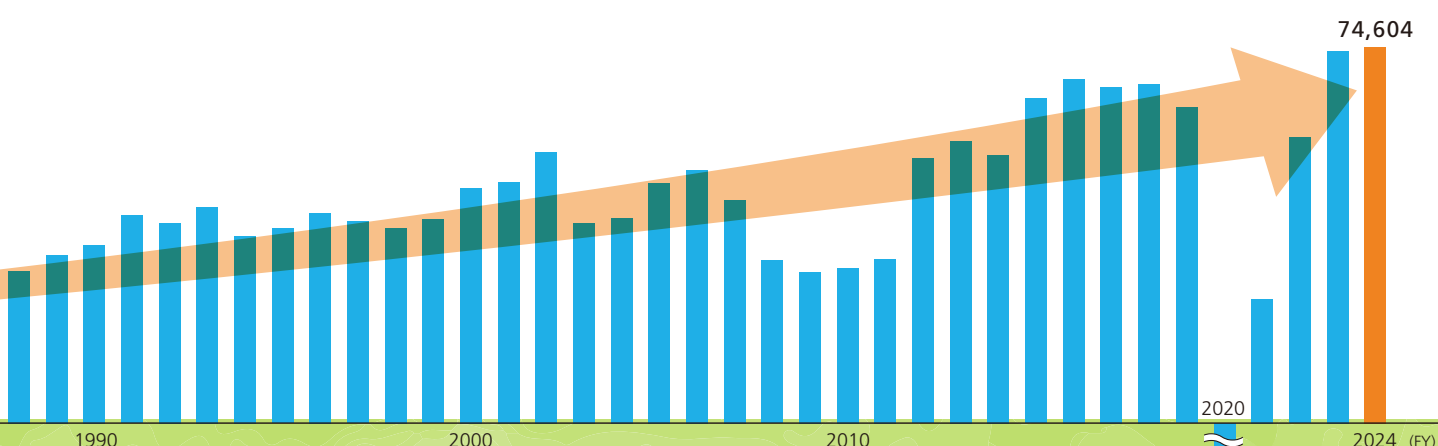
- The COVID-19 pandemic
- Digital technology rapidly advances

- Expansion of business domains, including the opening of Tobu Zoo and Tobu World Square
- The Group expands into new domains to meet diversifying lifestyles and changes in needs, such as with New Town, I'm Fujimino and more

- Business restructuring and strengthening of financial position
- Completion of the longest quadruple-track railway in the private railway sector and interoperability with other companies' lines further expands railway network
- Concentration of investment into high-profit businesses such as TOKYO SKYTREE TOWN

- Expansion of non-railway business with concentrated investment in tourism and development businesses
- Strengthening profitability by capturing tourism demand
- Building a sustainable framework by strengthening human capital to respond to the declining labor force and reduce environmental impact

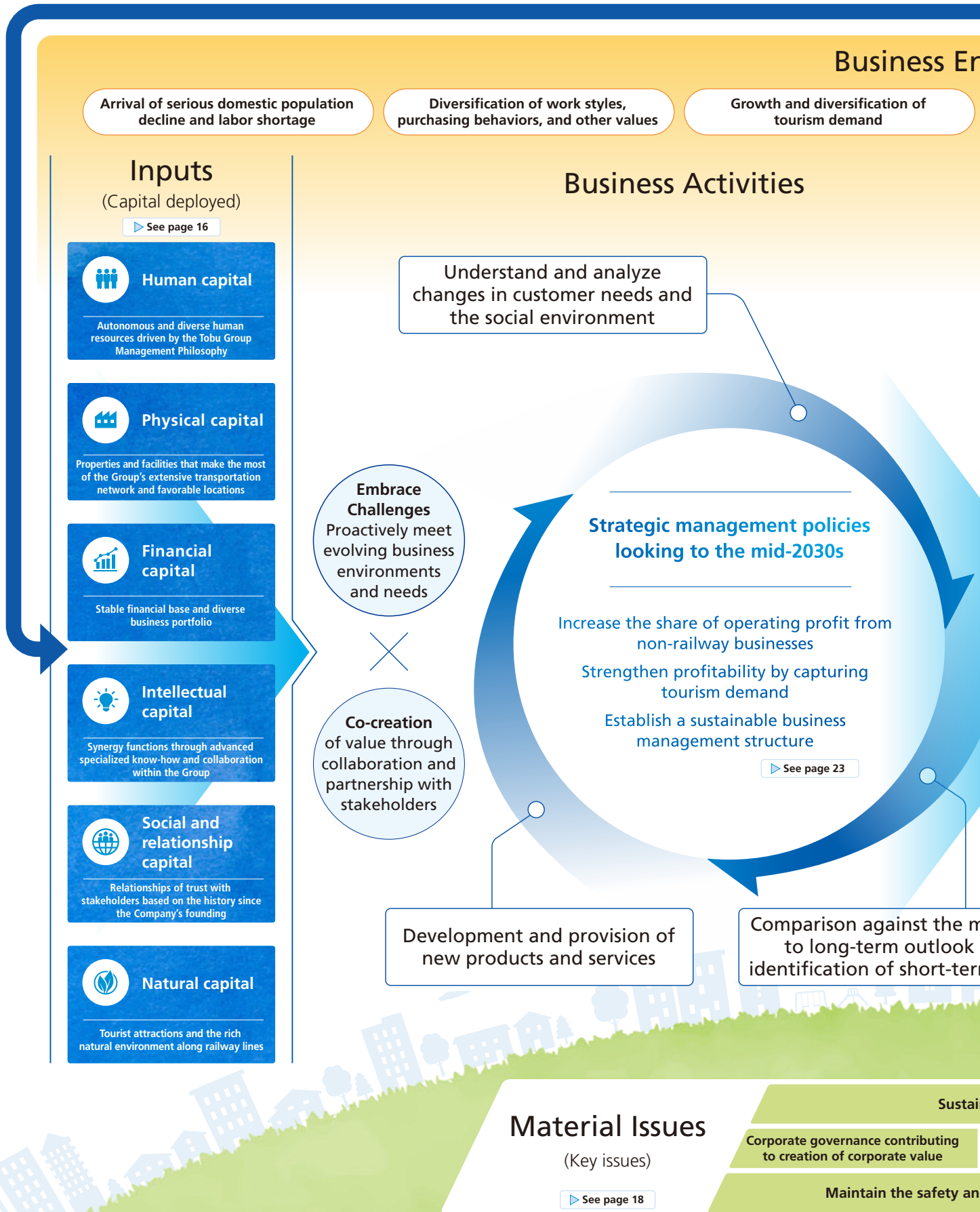
## Balancing Development along Railway Lines with Business Growth



# Value Creation Process

The Tobu Group's business foundation is the areas along the railway lines that span its extensive network, and we believe that achieving the sustainable development of society centered on these areas is the most important issue we face.

The external environment surrounding the Tobu Group is facing various social issues, and it is necessary to solve these issues and build new business models.





Since its establishment in 1897, the Tobu Group has sought to become a corporate group that is indispensable for society by working to solve social issues through its business and by realizing a society that is “a human-friendly society where people and communities continue to flourish together.”

Based on this approach, the process of creating sustainable social development and corporate value by solving issues (value creation process) is shown as follows.

Deploy capital to create additional value

## Environment

Advances in digital technology

Increasing severity of climate change, demand for further reduction in environmental impact

Heightened need to strengthen human capital

### Outputs

(Products and services provided)

#### Everyday products and services

- Safe, secure, comfortable and highly convenient transportation services that are environmentally friendly
- Regular provision of advanced social infrastructure, including radio towers
- Commercial facilities that revitalize the communities around them
- Living spaces that match the values and life stages of customers
- Retail distribution services that address diverse lifestyles
- Revitalization of the Tokyo East Area through the “Asakusa - TOKYO SKYTREE TOWN Area” project
- Collaboration with communities on area development that attracts customers, provides services and brings new appeal
- Expansion of the flow of people from the station to surrounding neighborhoods, creating a “Station town,” through the Redevelopment of the Ikebukuro Station West Exit project
- Provision of convenient and comfortable services that employ digital technology
- High-quality and attractive tourism transportation services
- Restaurant and accommodation services that meet a wide range of needs
- Provision of leisure experiences that enrich people's lives

#### Extraordinary products and services

Evolve society and areas along railway lines

### Outcomes

(Value provided)

#### Customers and Local Communities

- Comfortable, convenient, and rich lifestyles
- Sustainable, healthy development, revitalization and value enhancement of local communities that make use of the characteristics of the area
- Realization of a sustainable society by maintaining a healthy natural environment

#### Shareholders and Other Investors

- Substantial returns to shareholders and increased share price through initiatives to enhance corporate value and generate profits that exceed the cost of capital

#### Personnel

- Greater career autonomy and engagement
- Enhanced employee skills
- Further growth for employees and the Tobu Group

#### Business Partners

- Stable management and sound business growth based on strong relationships of trust

#### Environment

- Mitigation of climate impact
- Contribution to decarbonization
- Enhanced sustainability of natural capital, including in the Nikko area

Long-Term Management Vision

Evolving society and areas along our railway lines by taking on challenges and engaging in cooperative creation

Medium- and long-term issues

Sustainable development of local communities

Improvement of skills and capabilities of diverse employees

Reducing environmental impact through further improvement of environmental advantage, etc.

Security that are the backbone of all Group businesses



# Capital Employed in the Value Creation Process

The Tobu Group fully deploys the strengths of each form of capital in the value creation process.

Capital

Features

Current Metrics by Numbers



## Human capital

Autonomous and diverse human resources with the Tobu Group Management Philosophy as their guiding principle

Consolidated employees: 18,247  
Managers who are women: 2.8%  
Employees with disabilities: 3.37%



## Physical capital

Properties and facilities that make the most of the Group's extensive transportation network and favorable locations

Bus network length: 10,928 km  
Department store operating revenue: 61.3 billion yen  
Number of Group hotels and guest rooms: 18 hotels, 3,383 rooms



## Financial capital

Stable financial base and diverse business portfolio

Equity ratio: 31.6%  
Operating profit: 74.6 billion yen  
Interest-bearing debt to EBITDA multiple: 6.1 times  
Issuer rating: A+, Stable  
(The Japan Credit Rating Agency)  
A, Stable  
(Rating and Investment Information, Inc.)



## Intellectual capital

Synergy functions through advanced specialized know-how and collaboration within the Group

Intellectual property: 341 patents, trademarks & other rights  
"SAKULaLa" biometric authentication service in use at 75 stores, serving 7,500 members



## Social and relationship capital

Relationships of trust with stakeholders based on the history since the Company's founding

Tobu Point app downloads: 870,000  
Tobu Card cardholders: 643,837



## Natural capital

Tourist attractions and the rich natural environment along railway lines

Natural and regional heritage sites in Asakusa, Nikko, Kinugawa, Kawagoe, and elsewhere  
Annual tourists  
Asakusa: More than 30 million  
TOKYO SKYTREE TOWN: Approx. 37 million  
Nikko City: Approx. 10 million  
Kawagoe City: Approx. 7.35 million

## Commentary

The Tobu Group aims to cultivate individuals who can think and act independently, enabling us to refine existing businesses, build trust and create new value through bold innovation, and seek to connect business opportunities with the sustainable growth of local communities. Our employees are the driving force of our businesses. As such, we will improve the performance of the organization by maximizing the capabilities of each person employed by the Group. We will also engender a work environment in which people will want to continue working for the Group for the long term.

The Tobu Group has complemented its railway network totaling 463.3 kilometers across five prefectures by creating a secondary transportation network of bus routes that provide comfortable and convenient commuting services for businesses and schools and high-quality and attractive transportation services for tourists. Centered on these transportation services, we will continue to develop communities by providing commercial facilities and housing with a focus on the areas around our stations, and also develop tourist hubs such as TOKYO SKYTREE TOWN and hotels, with the aim of further improving value along our railway lines.

The Group has a stable revenue base centered on the railway business, and is able to generate consistent operating cash flow every year by leveraging the diverse businesses of the Group companies in its portfolio. Furthermore, we will maintain sound finances over the medium to long term as we generate sustainable growth and increase corporate value by efficiently allocating funds to strategic investments for future growth and safety measures. In July 2025, Japan Credit Rating Agency, Ltd. raised our issuer rating from A (Positive) to A+ (Stable), and Rating and Investment Information, Inc. maintained our credit rating at A (Stable).

The Tobu Group has accumulated a wealth of knowledge, including advanced railway business know-how on accurately and safely operating up to 36 trains per hour, and expertise in area development that integrates real estate activities and related businesses linked to the railway network, as well as experience with authentication technology integrating biometric information with digital IDs. As such, the Group's business is divided into five segments: the transportation business, the leisure business, the real estate business, the retail distribution business, and other businesses. We will continue to create new value in ways such as providing new products and services, pursuing synergies between businesses and Group companies, addressing local characteristics and the needs of stakeholders, and combining the know-how and expertise of each business and Group company.

Since its establishment in 1897, the Tobu Group has built and merged many railway lines to expand its network. We have also identified and reflected various needs to increase the value of communities and the Tobu Group while collaborating with local stakeholders to undertake development projects and expand into various related businesses. Tokiwadai Residential Area is a representative example (from 1936) because it was the first residential development along our railway lines that we developed and marketed ourselves. Based on the strong relationships of trust we have built with stakeholders, including local communities and local governments, we will continue working to achieve sustainable development along our railway lines with roots in the local community as we work together with stakeholders both inside and outside the Group.

The areas around the Tobu Group's railway lines feature rich natural environments, including the diverse natural beauty of Nikko National Park and its mountains, lakes, marshes, wetlands and waterfalls. Our lines also serve many international tourist destinations and other attractive tourist resources with convenient transport links. These include the World Heritage Site shrines and temples of Nikko; the area around Nikko and Kinugawa, which is home to large-scale hot spring resorts; the TOKYO SKYTREE area that encompasses Asakusa and TOKYO SKYTREE TOWN; and the Kawagoe area's charm of historical old Japan.



# Material Issues

The Tobu Group is made up of 70 Group companies centered on Tobu Railway, and the Group's businesses are wide-ranging. Based on these businesses and the importance of environment, social, and governance (ESG) values in corporate management, we analyzed risks and opportunities and identified five material issues (key issues) that have a substantial impact on the value creation process. We need to address our five material issues as priorities from a medium- to long-term perspective, and we believe that "sustainable development of local communities" has the greatest impact on value creation. The other four material issues are positioned as extremely important elements that are indispensable for the realization of sustained value creation.

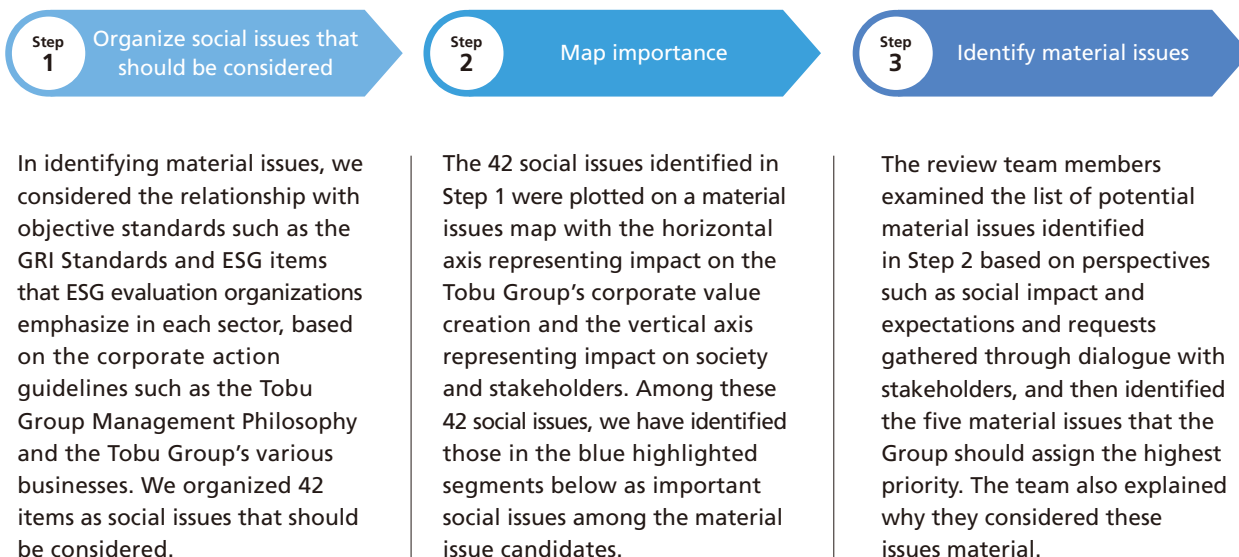
In preparing *Integrated Report 2025*, the Governance Committee, chaired by an independent Outside Director, met on August 5, 2025 to review *Integrated Report 2024* and deliberate on the proposed content of *Integrated Report 2025*, including material issues. The chairperson reported the following to the Board of Directors at a meeting on August 27, 2025.

## Governance Committee Report to the Board of Directors (August 5, 2025)

Committee deliberation regarding the production of *Integrated Report 2025* concluded that it was advisable to proceed with edits based on the secretariat's proposed content. The following two points require attention:

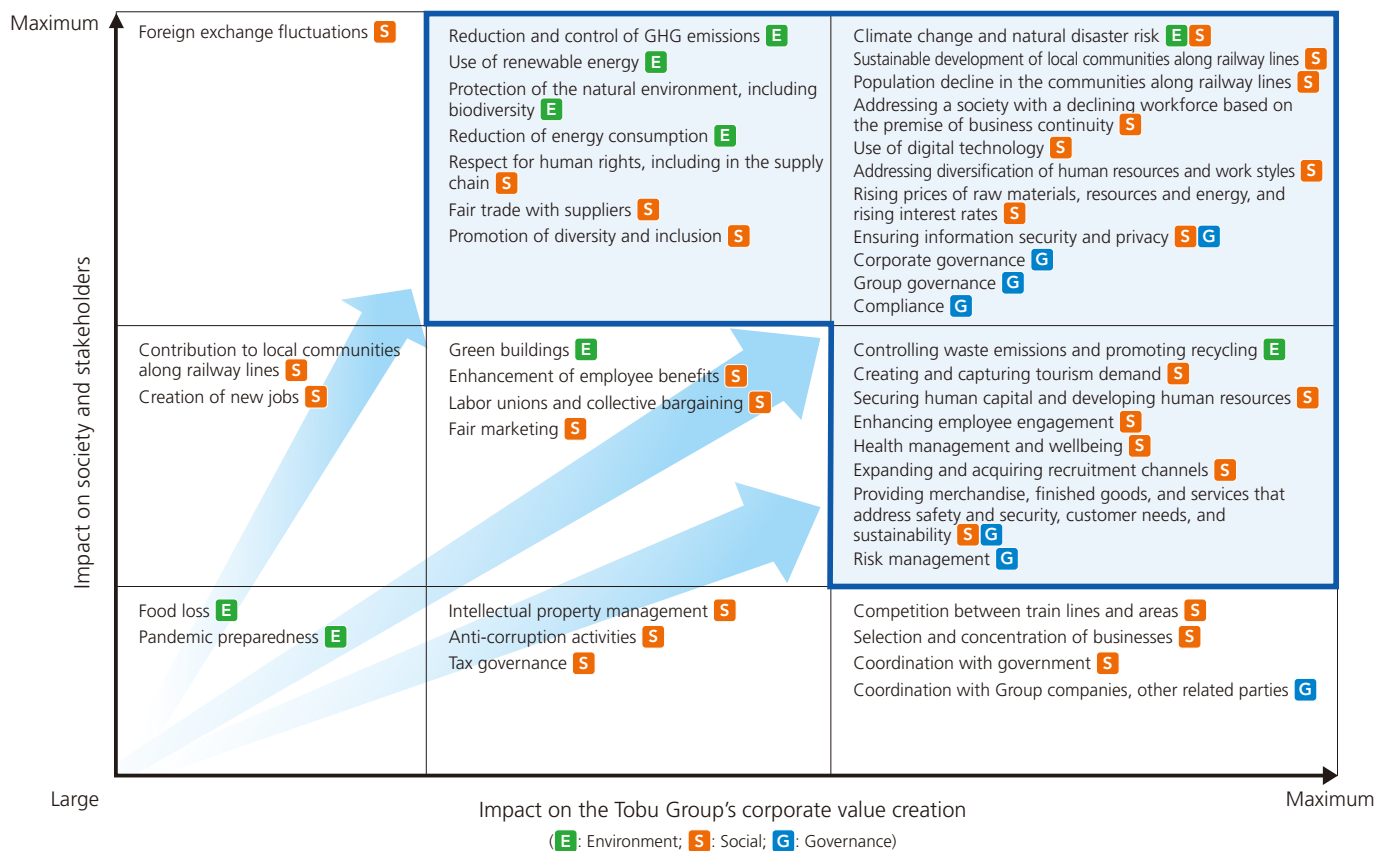
- We need to draw on our shareholder relationships and other means to gather a wide range of opinions from institutional investors regarding *Integrated Report 2024* and address them in *Integrated Report 2025*. However, institutional investors have differing focuses and perspectives, so we believe we should carefully consider the data and information we disclose.
- The key to highlighting the Group's appeal is sharing not only financial information but also effectively sharing non-financial information. The audience for our integrated reports encompasses employees and job-seeking students as well as investors, so we must remain cognizant of the varied stakeholders we wish to serve and retain.

## Process for Identifying Material Issues





## Material Issues Map



## Material Issues Identified

### Sustainable development of local communities

► For details, see Initiatives for Stakeholders on page 68

### Corporate governance contributing to creation of corporate value

► For details, see Corporate Governance on page 72.

### Improvement of skills and capabilities of diverse employees

► For details, see Human Resources Strategy on page 48, Workplace Safety and Health on page 55, and Respect for Human Rights on page 70.

### Reducing environmental impact through further improvement of environmental advantage, etc.

► For details, see Initiatives to Reduce Environmental Impact on page 64

### Securing of safety and security, the backbone of all Group businesses

► For details, see Safety and Security on page 58

## Material Issues Identified

### Sustainable development of local communities

► For details, see [Initiatives for Stakeholders](#) on page 68

The Tobu Group's businesses are intrinsically connected to its extensive railway network. Recently, economic stagnation and increased regional competition due to factors such as Japan's declining birthrate and an aging society have become apparent. The Group has, through collaboration and co-creation with local communities, created significant business value and mutual growth, and we believe that these strong ties with local communities are the basis for further development. We will continue to enhance collaborative efforts with local communities and stakeholders, and work with local communities to discover and communicate the appeal of these areas, while also promoting community development and new services that meet the needs of a society with increasingly diverse work styles and values. The objective of these initiatives is to ensure that the areas along our railway lines are comfortable places to live for all generations and are appealing places to visit. We want to support the satisfaction of residents of these areas, while also increasing the number of people who visit those areas, creating sustainable area development.

### Corporate governance contributing to creation of corporate value

► For details, see [Corporate Governance](#) on page 72.

Based on the Tobu Group Management Philosophy, we believe that establishing a flexible and fair corporate governance system is essential for the Tobu Group to achieve sustainable growth and enhance medium- to long-term corporate value. The main role of the Board of Directors is to make management decisions and supervise business execution. Under the direction and supervision of the representative directors, executive officers carry out business execution and enhance management flexibility. Further, by appointing multiple independent Outside Directors with extensive experience and insight, we are working to ensure that the Board of Directors is diverse and well-balanced in terms of knowledge, experience and ability. In addition to strengthening the functions of the Board of Directors through the Nomination and Remuneration Committee and the Governance Committee, we are also working to ensure fairness by promoting compliance management based on the Tobu Group Compliance Basic Policy as a code of conduct, establishing a crisis management system, and strengthening and enhancing the monitoring functions for the Company and Group companies.

### Improvement of skills and capabilities of diverse employees

► For details, see [Human Resources Strategy](#) on page 48, [Workplace Safety and Health](#) on page 55, and [Respect for Human Rights](#) on page 70.

With businesses based around areas along a geographically extensive railway network, the Tobu Group aims to achieve a "human-friendly society where people and communities continue to flourish together." To achieve this goal, we require human resources who uphold the Group's management philosophies of dedication, enterprising spirit and affinity as behavioral principles, and who are able to think and act independently, take on new business challenges, and develop varied business models that connect towns to towns, people to towns and more.

Furthermore, over many years we must encourage contribution from such employees by continuously nurturing and developing skills, including safety techniques, as well as skills that will help create value through the provision of new products and services within a constantly changing business environment. We have incorporated this basic philosophy into our Human Resources Development Policy and Human Resource Management Strategies. As the future unfolds, we aim to improve the skills and capabilities of diverse employees and boost the sustainability of our corporate value.

### Reducing environmental impact through further improvement of environmental advantage, etc.

► For details, see [Initiatives to Reduce Environmental Impact](#) on page 64

The seriousness of climate change is increasing on a global scale, creating the urgent need for action such as preventing global warming and building a sustainable, recycling-oriented society.

The Tobu Group will further improve its high level of environmental superiority centered on the railway business. In addition to reducing environmental and climate change impact, the Group will promote initiatives to reduce GHG emissions and strengthen the resilience of business facilities in all business fields. The Group will also work to reduce the threat of natural disasters in contributing to the creation of a sustainable society, while also aiming to achieve corporate growth.

### Securing of the safety and security, the backbone of all Group businesses

► For details, see [Safety and Security](#) on page 58

The Group provides a wide variety of products and services to customers, who in recent years have become increasingly concerned about safety and security in their daily lives due to natural disasters, terrorism, infectious diseases, and other factors. The Group strives to provide safe and reliable products and services based on its belief that safety is the foundation of all of its businesses. We will continue to ensure safety and security by further enhancing education to raise awareness among all employees and teach them to think and act independently, which is an essential foundation for business operations.

We will also implement measures such as safety investments, while providing products and services that customers can use with even greater peace of mind.

#### Relevant items

- Sustainable development of local communities along railway lines
- Population decline in the communities along railway lines
- Use of digital technology
- Addressing the diversification of human resources and work styles
- Rising prices of raw materials, resources and energy, and rising interest rates
- Creating and capturing tourism demand
- Providing merchandise, finished goods, and services that address safety and security, customer needs, and sustainability
- Fair trade with suppliers



#### Relevant items

- Corporate governance
- Group governance
- Compliance
- Ensuring information security and privacy
- Risk management



#### Relevant items

- Addressing a society with a declining workforce based on the premise of business continuity
- Securing human capital and developing human resources
- Health management and wellbeing
- Respect for human rights, including in the supply chain
- Enhancing employee engagement
- Promotion of diversity and inclusion
- Expanding and acquiring recruitment channels



#### Relevant items

- Climate change and natural disaster risk
- Reduction and control of GHG emissions
- Protection of biodiversity and the natural environment
- Controlling waste emissions and promoting recycling
- Use of renewable energy
- Reduction of energy consumption
- Rising prices of raw materials, resources and energy, and rising interest rates



#### Relevant items

- Providing merchandise, finished goods, and services that address safety and security, customer needs, and sustainability
- Climate change and natural disaster risk



# Long-Term Management Vision

## Analysis of Business Environment

The Group's businesses are broadly divided into two categories: transportation, lifestyle services, and other businesses related to daily life that serve the population of residents along our railway lines; and businesses that offer special, singular experiences at leisure facilities and tourist areas. The Group is also committed to sustainable business operations and recognizes the necessity to address environmental impact and enhance human capital.

Six major factors in the external environment significantly impact the Group's businesses: 1) the arrival of a serious domestic population decline and labor shortage; 2) the diversification of values, such as work styles and purchasing behavior; 3) the growth and diversification of tourism demand; 4) the advances in digital technology; 5) the demands for further reductions in environmental impact and the increasing severity of climate change; and 6) the heightened need to enhance human capital.

These factors will have both positive and negative effects, but by responding flexibly to changes in the business environment the Group aims to achieve sustainable growth.

### The Group's Operating Environment

#### External Factors

- Continued strong inbound demand
- Rising prices, labor costs, and interest rates
- Intensifying labor shortages
- Spread of varying work styles, such as remote work

#### Internal Factors

- Solid Group profitability
- Strong initiatives to capture tourism demand
- Deeper involvement in Oshiage area redevelopment plans
- New inter-operator through service on the Tokyo Metro Yurakucho Line

**Accelerate implementation of growth strategies and promote investments based on changes in the business environment**

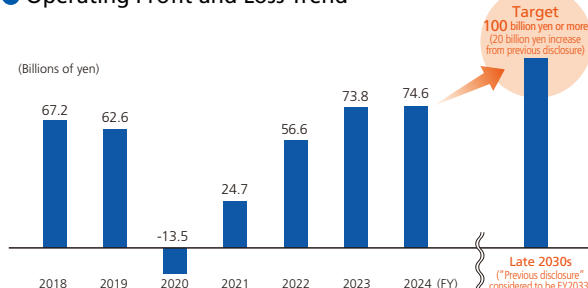
Revise numerical targets and timeframe in the Long-Term Management Vision based on changes in the internal and external environment

## Financial Targets

The Group aims to achieve operating profit above 100 billion yen by the mid-2030s by accelerating growth businesses such as tourism (including hotels), development (area development) and by implementing new through services such as those with the Tokyo Metro Yurakucho Line.

We will also improve corporate value through management that is conscious of cost of capital, and provide balanced shareholder returns while investing in growth and maintaining sound finances.

### Operating Profit and Loss Trend



## Other Management Indicators and Expected Values to Watch

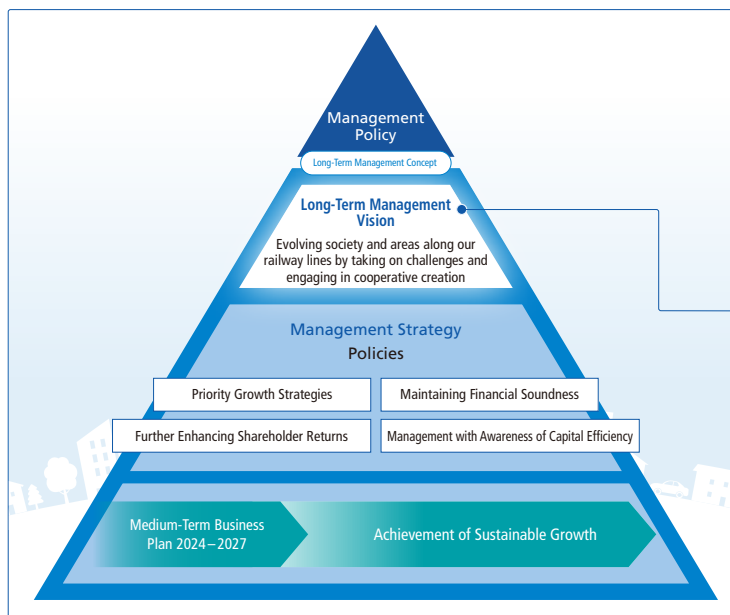
Management that is conscious of cost of capital	Shareholder returns	Financial soundness
	Until FY2027	From FY2028
<b>ROE</b> Into mid-2030s Maintain at <b>8%</b> or exceed that level	<b>Total return ratio</b> Projected for period of the Medium-Term Business Plan (FY2024–FY2027) <b>40%+</b>	<b>DOE</b> Projected for period of the Medium-Term Business Plan (FY2024–FY2027) Increase in phases with 2.2%+ in mind
	<b>FY2028 and beyond</b> Consider further increase	<b>Interest-bearing debt to EBITDA multiple</b> Into mid-2030s <b>6x range</b>
		<b>Equity ratio</b> Into mid-2030s <b>30%+</b>



## Positioning of Long-Term Management Vision and Basic Policies

Despite growth trends in inbound tourism demand and other areas, our business environment will feature increasingly uncertain and rapid change due to the diversification of work styles and values, advances in digital technology and other factors. Further, the Group expects the predicted decline in the population of the Tokyo Metropolitan Area beginning around 2030 to make conventional business approaches unviable. The Group's medium- to long-term management stance will therefore involve taking on challenges that address changes in needs and the business environment with an enterprising spirit and embrace cooperative creation that generates value through cooperation and collaboration with partners both inside and outside the Group. This will enable us to grow by maintaining and increasing revenue and earnings Group-wide, through the sustainable development of the areas along the railway lines that underpin our businesses, and strengthened profitability stemming from the expansion of growth businesses in non-railway sectors. The Tobu Group's Long-Term Management Vision for achieving its goals through the mid-2030s

is to evolve society and areas along the Group's railway lines by taking on challenges and engaging in cooperative creation. We will build our business according to this vision with the objectives of achieving sustainable growth for the Tobu Group and a human-friendly society where people and communities continue to flourish together. We will continue to serve as a corporate organization that is essential to society.



### Management Policy

Evolving society and areas along our railway lines by taking on challenges and engaging in cooperative creation

Embracing the  
**challenge**  
of adapting to changes in  
needs and the business  
environment

**Co-creation**  
of value through  
collaboration and partnership  
with stakeholders

## Focal Points Aligned with Strategic Management Policies

### 1. Increase the share of operating profit from non-railway businesses

We have positioned tourism and area development as growth areas in which we will focus investment to strengthen our non-railway businesses. We will also develop and expand the scope of businesses that help increase revenue and earnings over the medium- to long-term.



### 2. Strengthen profitability by capturing tourism demand

The Group intends to maximize earnings from tourism operations by upgrading facilities, creating new services, and enhancing branding and marketing to capture demand from inbound tourists and the diversifying domestic tourism market.



### 3. Establish a sustainable business management structure

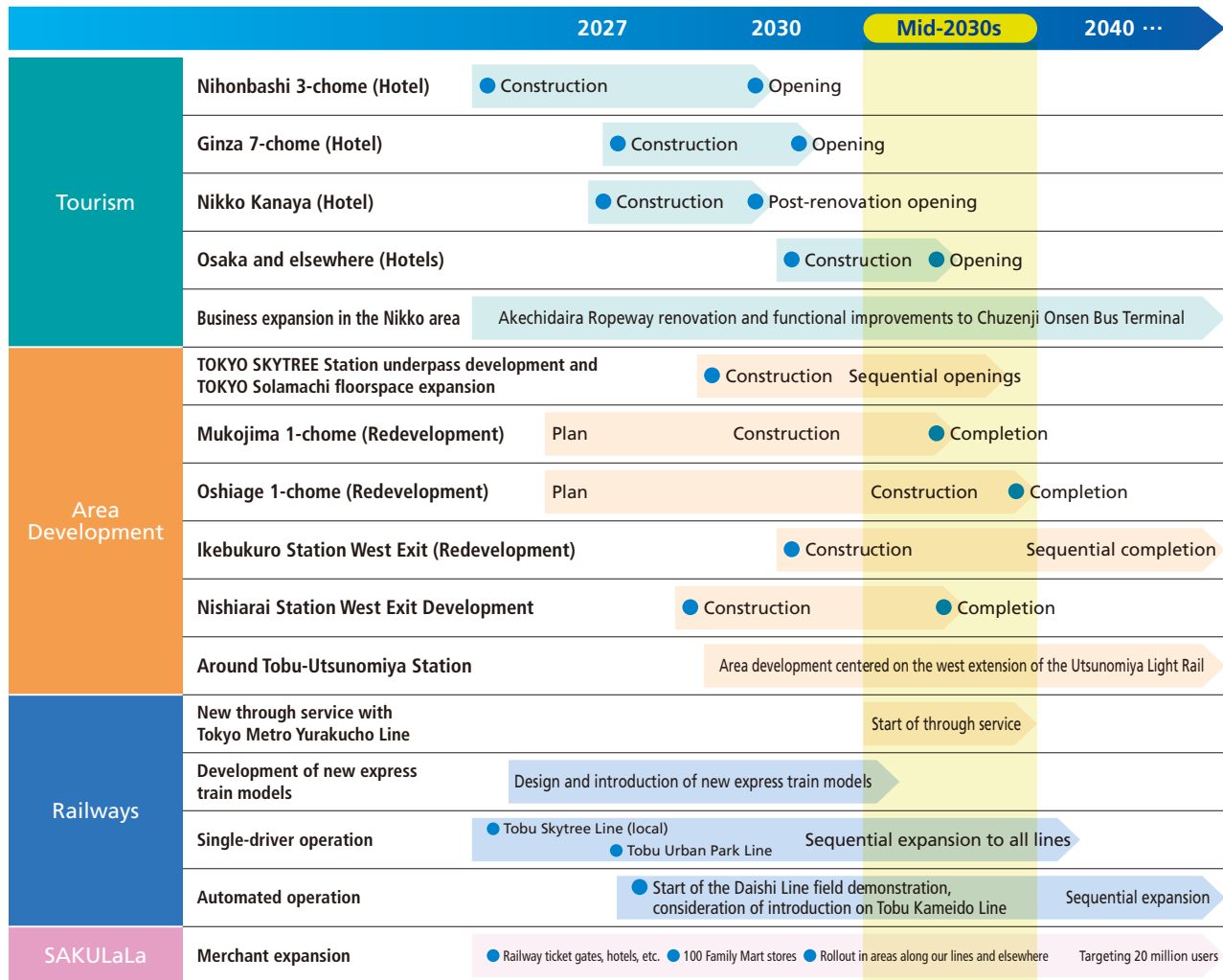
The Group will structure management for sustainability with a focus on reducing environmental impact and strengthening human capital to address Japan's declining population and labor force through efforts such as more single-driver train services and digital transformation.



## Roadmap of Major Projects in the Strategic Management Policies for Achieving the Long-Term Management Vision

We aim to achieve the numerical targets of our Long-Term Management Vision by executing numerous projects on schedule through to the mid-2030s. These projects center on hotels, the Group's core tourist hub in Nikko and other ventures in the tourism business, development plans for the TOKYO SKYTREE TOWN area and Ikebukuro Station West Exit, as well as a new through service linking the Tobu Skytree Line and the Tokyo Metro Yurakucho Line.

### Major Projects for Achieving the Long-Term Management Vision



### Operating Profit by Segment

#### Portfolio toward the mid-2030s

100 billion+

5 to 10 billion yen

18 to 22 billion yen

25 to 27 billion yen

14 to 15 billion yen

30 to 32 billion yen

New  
Businesses/  
M&A

Real Estate

Leisure

Retail  
Distribution,  
Other

Transportation

#### Growth driver businesses

Cultivate new businesses (e.g. making SAKULaLa profitable), and consider M&A in growth areas

#### Growth driver businesses, foundational businesses

Growth: Accelerate development of areas with future growth potential, such as Oshiage and Nishiarai  
Foundational: Secure stable cash flow through real estate leasing

#### Growth driver businesses

Develop hotels in major cities in Japan, expand businesses in the Nikko area, and expand profit by changing Tokyo Skytree prices

#### Co-creation and strategically selected businesses

Retail distribution: Pursue efficiency and co-creation capabilities in business formats and locations; Expand profit accumulation by strengthening the card business  
Other: Expand profit by winning more orders and passing on costs

#### Foundational businesses

Promote automation and save manpower using digital technology, invest in comfort and convenience, and revise fares to quickly address labor shortages, thereby ensuring business sustainability

## Initiatives by Roadmap

### Tourism

**Increase the share of operating profit from non-railway businesses**  
**Strengthen profitability by capturing tourism demand**

### Strengthen the Group hotel network to capture tourism demand

The hotel industry is forecast to continue growing due to strong inbound demand. The Group is therefore formulating aggressive investment plans to position its hotel business to contribute significantly to earnings.

We are developing new hotels and renovating existing properties to benefit fully from their locations and traditions to enhance the Group's hotel network along our railway lines and elsewhere with an emphasis on major cities in Japan where we expect elevated demand and higher room rates. The objectives of our strategy are to achieve the targets of our Long-Term Management Vision, maximize operating profit despite fluctuations in the business environment, and establish the business as a pillar alongside the railway and development businesses.

	New Nihonbashi 3-chome Hotel	New Ginza 7-chome Hotel	Renovation Nikko Kanaya Hotel
Concept	Leverage advantageous locations near Tokyo Station and explore partnerships with foreign investors to capture domestic and international tourism demand.	Consider approaches to develop this hotel to specialize in "longer stays and visits" to differentiate it from two existing hotels in the vicinity.	With the aim of attracting inbound tourists, explore partnerships with foreign investors with the goal of maximizing the brand value of Kanaya Hotel, the oldest classic resort hotel in Japan.
Schedule	<b>FY2024: Start of design</b> <b>FY2030: Scheduled to open</b>	<b>FY2025: Start of design</b> <b>FY2031: Scheduled to open</b>	<b>FY2025: Start of design</b> <b>FY2029: Scheduled to open</b>

Objective: Maximize earnings by expanding in areas with elevated demand and higher room rates

Financial Targets for Mid-2030s (Vs. FY2024)

Guest rooms	Operating revenue	Operating profit
3,383 → <b>4,500+</b>	34.9 billion yen → <b>Approx. 60 billion yen</b>	7.5 billion yen → <b>Approx. 12 billion yen</b>

### New business development in the tourism sector with a view to future expansion of business domains

Leveraging Location to Expand Glamping Business From August 2025	New Businesses through Open Innovation From August 2025
<p>The Group has opened a villa in Nikko with the first and largest all-weather private dog park in the Kanto area</p> <p><b>Collaborative partners</b></p> <ul style="list-style-type: none"> <li>Nishigaki Group</li> <li>TOBU TOP TOURS CO., LTD.</li> </ul> <p>The Group will leverage its expertise to sequentially open glamping spaces at places like Tobu Zoo and Nasu</p> <p>Grand Forest Villa Nikko Private Dog Resorts</p> <p>Creating new appeal and enhancing value through collaboration</p>	<p>Promoting renovating and repurposing of historic warehouses (symbols of the Kawagoe area) into lodging facilities available for full private rental</p> <p><b>Collaborative partners</b></p> <ul style="list-style-type: none"> <li>Enjoyworks</li> <li>Kawagoe City</li> <li>The Kawagoe Chamber of Commerce and Industry</li> <li>Risona Koedo Terrace</li> <li>(Regional Design Laboratory of Saitama Co., Ltd.) etc.</li> </ul> <p>After renovation (Enjoyworks) Example: The Bath&amp;Bed Hayama</p> <p>Local governments along our railway lines, regional businesses and startups have begun examining regional revitalization models</p>

Collaborating with companies within and outside of the Group to create and develop new businesses

Area  
Development

Increase the share of operating profit from non-railway businesses  
Strengthen profitability by capturing tourism demand

## Develop the TOKYO SKYTREE TOWN area to attract people from Japan and abroad

Asakusa, one of Tokyo's foremost tourist destinations, and TOKYO SKYTREE TOWN—a new symbol of Japan—form a major tourism zone visited by approximately 30 million people from Japan and abroad each year. In addition, Asakusa and Oshiage stations are conveniently connected to both Haneda and Narita airports. The number of visitors is expected to increase further, supported by factors including an increase in inbound tourists due to the planned expansion of Narita Airport's takeoff and landing slots.

The Group will collaborate with the government to redevelop its landholdings in the surrounding area to create a premier Tokyo East Area hub encompassing tourism, transportation, commerce, and office space.

- Make use of space under elevated railways around TOKYO SKYTREE Station and expand TOKYO Solamachi

Develop the space created by the elevated railways around TOKYO SKYTREE Station, and consider increasing the floorspace of TOKYO Solamachi

Scheduled to open sequentially  
from FY2030 onward

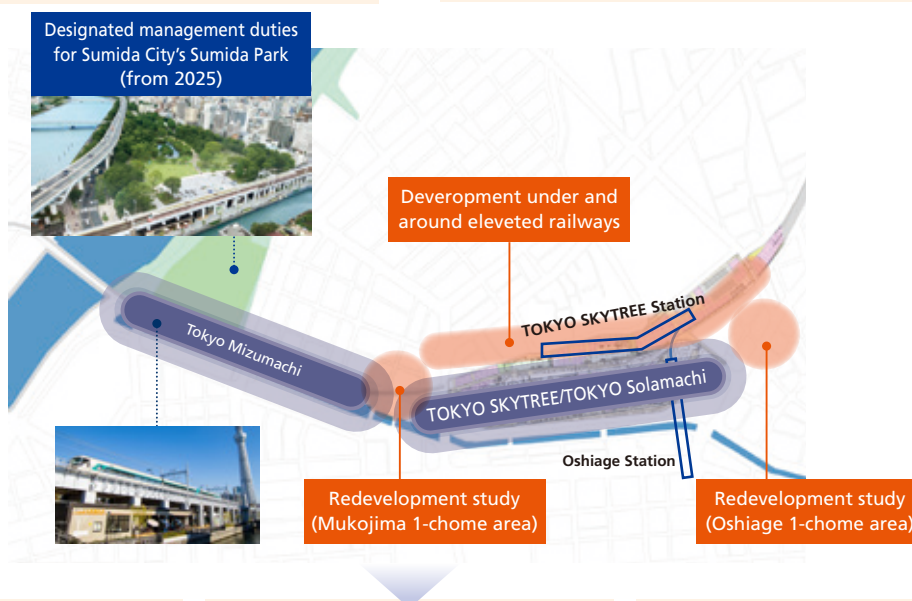
Expand commercial area to attract more  
customers and increase profits

- Undertake redevelopment to strengthen the area's east-west axis

Redevelop areas in Mukojima 1-chome and Oshiage 1-chome with emphasis on luxury hotels suitable for an international tourist hub, and residential development that helps increase the value of the area

Target completion in Mukojima 1-chome by  
mid-2030s and in Oshiage 1-chome in 2030s

Enhance the attractiveness of the entire East Tokyo  
area, including Asakusa and its surroundings



Estimated investment

Approx. **80** billion yen

Consolidated yield on cost

Target **6%** or higher

Ripple effects towards  
existing areas

**Exceeding current  
attendance figures**



## Strengthen the development business by executing the Ikebukuro Station West Exit redevelopment project

The planned Ikebukuro Station West Exit development site is conveniently located in front of the West exit of one of the world's busiest stations in terms of passenger numbers, served by four railway companies and eight lines. The station is close to cultural resources such as the Tokyo Metropolitan Theatre and the Global Ring Theatre, and the Ikebukuro area features a diverse range of arts and culture, from traditional to cutting-edge, from high culture to subculture.

This plan encompasses two development projects being executed in unison: the Ikebukuro Station West Exit Area Urban Redevelopment Project under the leadership of the eponymous Association created for the project; and the Aboveground Ikebukuro Station West Area Urban Redevelopment Project under exclusive Tobu Group leadership (the Tobu Group Block). We will integrate the development of the station and the surrounding neighborhood under the Tobu Group Block, with the objectives of facilitating pedestrian flows inside and outside the railway hub and increasing revenue for the Tobu Group.

### ● Policy

- Promote walkable area development
- Introduce urban functions befitting an international city of arts and culture to attract people from all over the world
- Strengthen disaster prevention response capabilities and reduce environmental impact

### ● Plan Overview

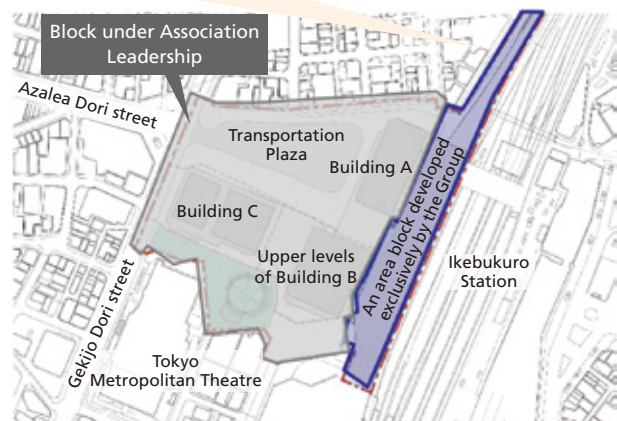
#### Exclusive Tobu Group Block

- Create atriums as nodes that facilitate pedestrian traffic between station and neighborhood.
- Create plazas above the Tojo Line tracks as a center for art and culture activities
- Convert Ikebukuro Station from a 3-platform/3-track layout to a 3-platform/4-track layout and create a high-quality station space

Improve accessibility within the Ikebukuro area and facilitate pedestrian flow inside and outside the railway hub.



Ikebukuro Station West Area Urban Redevelopment Project (illustration)



## Railways

## Establish a sustainable business management structure

### Implement new through service with the Tokyo Metro Yurakucho Line; make the rail network more effective.

We have reached a basic agreement with Tokyo Metro Co., Ltd. to commence new through service operations with the Tokyo Metro Yurakucho Line, aiming to expand the network effect of our rail services. We have long been interested in extending services through the Yurakucho Line, which would increase the convenience of Tobu Group lines as they would connect them to the Tokyo Bay area. The start of direct service will reduce travel and transfer times to Tobu Group lines, and we aim to serve more than 26,000 passengers per day. In addition, the extension will significantly improve access from the Tokyo Bay area to Tobu Group railway hubs such as TOKYO SKYTREE TOWN. We also aim to increase the permanent population along the Tobu Skytree Line through development in Oshiage, Nishiarai, and other areas that we expect to continue growing in the future. This new through service will help to increase the value of our railway lines and expand earnings.

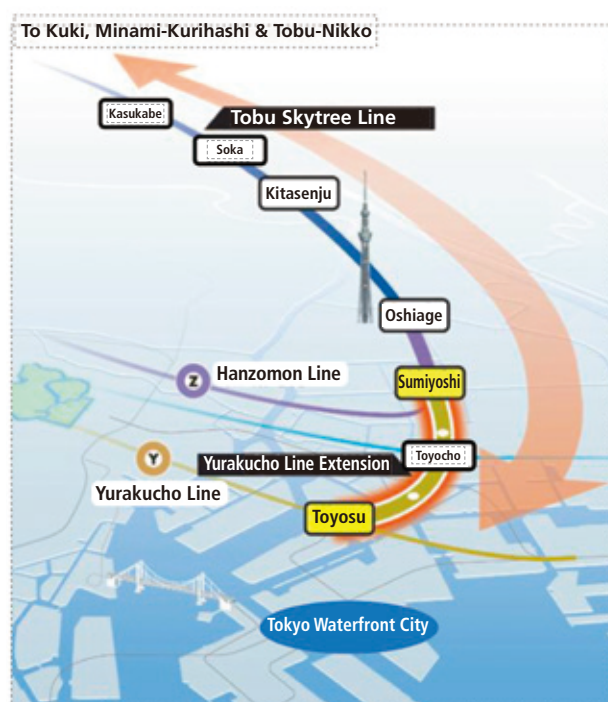
#### Through Service Outcomes

	Travel time	Number of transfers
Kasukabe↔Toyosu	Approx. 61 min. ▶ Approx. 53 min. (Approx. 8 min. shorter)	2 ▶ 0
Soka↔Toyochō*	Approx. 40 min. ▶ Approx. 29 min. (Approx. 11 min. shorter)	2 ▶ 0
Toyosu↔Oshiage	Approx. 22 min. ▶ Approx. 14 min. (Approx. 8 min. shorter)	2 ▶ 0

\* Tentative name of the new station

Through service will greatly improve convenience, and we aim to serve 26,000 passengers per day.

New through service linking the Tobu Skytree Line and the Tokyo Metro Yurakucho Line will help increase earnings and the value of areas along our railway lines.



## Aiming to Establish a Sustainable Railway Business

We are committed to maintaining a sustainable railway network into the future, and recognize we must promptly and systematically address issues including increasing material and labor costs due to rising prices and Japan's shrinking working population. The Tobu Group has taken action to maintain a sustainable railway business by restructuring businesses and employing a barrier-free fare system. However, the Group is targeting further reductions in environmental burden, headcount, and labor by introducing new rolling stock that excels in comfort and environmental performance, implementing driverless autonomous operation, increasing sections with single-driver operation, and introducing a system that monitors facility conditions using digital technology. Furthermore, we are targeting fare revisions in the near future that will accelerate these initiatives.

### Introduce new rolling stock with superior comfort and environmental performance



New 90000 series cars on the Tojo Line (illustration)

- New 80000 series cars on the Tobu Urban Park Line and new 90000 series cars on the Tojo Line
- Improve comfort and convenience and reduce environmental impact by reducing power consumption

### Implement driverless operations Reduce labor by expanding single-driver operation sections



New rolling stock for autonomous operation (illustration)

- Put new rolling stock designs into service and employ other measures to implement driverless operations, beginning with the Daishi Line and expanding to the Kameido Line and other lines in the future
- Increase single-driver operation sections to provide stable transportation even with a contracting labor pool

### Improve safety and efficiency by using digital technology for facility monitoring



Facility monitoring systems (illustration)

- Equip cars with cameras and measuring and inspection equipment to monitor overhead contact lines, tracks, etc.
- Improve safety and efficiency by continuously monitoring facilities during operation and precisely tracking and managing their condition

### Accelerate platform barrier installation Construct continuous, multilevel, intersecting architecture to further improve safety



Movable platform barrier

- Install platform barriers at approximately 100 stations by the mid-2030s
- Further improve safety by implementing continuous, multilevel, intersecting architecture projects at the Tojo Line Oyama Station, the Tobu Skytree Line Kasukabe Station, and elsewhere

New Businesses

Increase the share of operating profit from non-railway businesses

SAKULaLa is a service that connects biometric data with digital identity to seamlessly integrate into daily life, enabling hands-free living. We are working with Hitachi, Ltd. to develop SAKULaLa's platform functions and expand its use through integration with external systems.

The SAKULaLa business model involves generating revenue in the form of usage fees from affiliated merchants. We see SAKULaLa as a business that is independent of the areas along our railway lines, and we are developing and strengthening it as a new business with a timeline through the mid-2030s.



## Promote SAKULaLa, a biometric authentication service, with the goal of creating a profitable new business for the Tobu Group

SAKULaLa went into service at Tobu stores in April 2024. We have subsequently introduced the system at our Koshigaya and Kawagoe stores, the electronics retailer Joshin Denki, and hotel check-in machines.

In November 2025, we launched a service at all Tobu Utsunomiya Line and some Tobu Nikko Line stations, allowing commuter pass holders to board and disembark trains using facial recognition. During FY2025, we also plan to enable payment with facial recognition using general-purpose payment terminals simply by installing an application compatible with SAKULaLa. From FY2026 onwards, we plan to introduce the system to sports clubs and 100 Family Mart stores and will continue to accelerate its integration into daily life.

### Strategy 1

**Collaborate with JCB,**  
which operates one of the largest  
merchant networks in Japan

- Use JCB's existing merchant network to accelerate relationships with new merchants.
- Enhance services through collaboration with JCB in their areas of expertise, such as payment methods and points

### Strategy 2

**Dominance strategy**  
targeting area-wide deployment in  
specific regions

- Emphasize Kanto, Osaka, and Fukuoka as priority regions for promoting relationships with new merchants
- Registered users can experience the convenience of shopping without a wallet or smartphone

### Strategy 3

**Enhance the system**  
by adding facial recognition capability and  
deploying in general-purpose terminals, etc.

- Complementing finger vein authentication with the addition of face authentication capability enables use in a variety of situations
- We can quickly expand the merchant network by installing this capability on general-purpose terminals nationwide

○ Annual targets (mid-2030s)

Members

Over **20** million

Business profit

Over **5** billion yen



## Message from the SAKULaLa Project Manager



Collaborative innovation to establish new revenue streams beyond our railway lines

Yoshiharu Tatsue

Executive Officer, Business Planning Department

The Tobu Group has three strategic management policies to achieve its Long-Term Management Vision: increase the share of operating profit from non-railway businesses; strengthen profitability by capturing tourism demand; and establish a sustainable business management structure. Japan's population is expected to continue to decline, and the impact on our core railway business is expected to become apparent over the medium- to long term. Therefore, increasing the share of operating profit from non-railway businesses is the most important of our three strategic management policies in achieving sustainable Group growth. The Group is targeting operating profit of 100 billion yen or more by the mid-2030s. We see the area development business and the tourism business as the growth drivers for achieving this goal. We also need to grow earnings by venturing into new businesses, and will continue to develop SAKULaLa with a long-term perspective.

SAKULaLa is a collaborative initiative that combines the Tobu Group's diverse consumer business knowledge spanning the ordinary and extraordinary aspects of people's lives with Hitachi, Ltd.'s patented Public Biometric Infrastructure\* (PBI) technology and other digital technologies. We have been expanding this service since April 2024 as a shared platform business for digital identity, which is a collective term for personal attribute information in the digital space. Companies that introduce this system benefit from reduced personnel requirements at self-checkouts through strict age verification and its ability to prevent fraudulent purchase and resell. Registered users benefit because they can use the system simply by showing their finger or face, which will help to eliminate the digital divide. Stores that have introduced the system

have seen quantifiable benefits, such as increased frequency of use because of its simplicity and improved register turnover. Building on these success stories, we will continue to enhance our sales initiatives so that companies throughout Japan can use the system.

SAKULaLa stores the crucial biometric information of registered users using patented PBI technology that empowers strict administration. Our goal is to incorporate it as next-generation social infrastructure that is linked to various registered IDs to enable customers to use only the information they need, when they need it.

The Tobu Group owns and operates two forms of social infrastructure: A 463.3 km railway network and Tokyo Skytree, the world's tallest radio tower. Our responsible stewardship of such social infrastructure lends great meaning to taking on the challenge of the SAKULaLa business.

Conventionally, the Tobu Group primarily conducted business along its railway lines. However, SAKULaLa has the potential to grow into a business that serves Japan and even the world, not just the area along our railway lines. We invite our stakeholders to follow this business, which embodies the fundamental principles of taking on challenges and engaging in cooperative creation that are central to the Group's Long-Term Management Vision.

\*A proprietary technology that enables extremely secure storage of biometric information by generating a public key and a private key when biometric information is registered. PBI stores only the public key on the cloud and generates a private key each time it performs biometric authentication.

# Medium-Term Business Plan

## Positioning of the Medium-Term Business Plan

While aiming to meet our targets for the mid-2030s in our Long-Term Management Vision, we are also implementing our four-year medium-term business plan for FY2024 through FY2027.

Under this plan, while anticipating continued population decline in the Tokyo area into the 2030s, we will promote business development that contributes to increased revenue and profit over the medium to long term. To achieve this, we aim to expand non-railway businesses and increase their contribution to operating profit.

During this period, throughout the Group we will also expand business capturing inbound tourism demand, and as we work to strengthen our revenue bases we will develop new business with a firm eye on planting seeds for expansion into new domains.

We will flexibly revise our plan in response to changes in the business environment and updates to other plans.

## Achieving the Long-Term Management Vision

Medium-Term Business Plan  
2024–2027

Flexibly evolve strategy according to  
changes in the business environment while  
generating sustainable growth

## Financial Targets

We will increase profit level by implementing our growth strategy with an operating profit target of 74 billion yen in FY2027. We will also balance shareholder returns, growth investments and financial soundness with a target total return ratio of 40% or higher and a target dividend on equity (DOE) of 2.2% or higher, which we will increase in phases. Concurrently, we will emphasize the control of assets and liabilities with an awareness of cost of capital.

## Priority Strategies

- 1) Establishment of businesses to drive growth
- 2) Ongoing strengthening of business foundation (along railway)
- 3) Development of new businesses to expand domain
- 4) Reduction of environmental impact and enhancement of human capital

## Tourism Business

### Increase the share of operating profit from non-railway businesses Strengthen profitability by capturing tourism demand

#### Promote the tourism business to capture strong inbound demand

##### Strengthen development of new markets

- Enter and develop new markets and areas  
2024: India, Germany, U.S. (West Coast)  
2025: China (Chongqing, Chengdu)
- Public relations through expansion of owned media and collaborative ventures in key markets (U.S., China, Taiwan, Thailand, Australia)



A travel expo booth

##### Promote upselling with high added value

- Strengthen network for development and sales of products and services for wealthy consumers  
SPACIA X Nikko Cruiser luxury chartered bus service (launched in October 2025)  
Leverage Sky Restaurant 634 Grand Room



SPACIA X NIKKO CRUISER

##### Promote cross-selling by utilizing synergies

- Promote cross-selling through Group collaboration  
Example: SPACIA X and TOKYO SKYTREE
- Expand sales channels  
Launched ticket site for inbound tourists in June 2025
- Collaborate with municipalities  
Collaborate at local seminars, travel expos, etc.

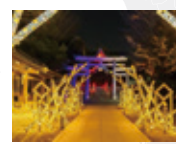


Ticket site for inbound tourists

Attract customers from around the globe to Tobu Railway lines

##### Increase rate of repeat business through strengthened branding

- Measures to enhance attractiveness of major tourist areas  
Expand events linked to existing initiatives, such as the bamboo light event held in Sumida City  
Strengthen Chuzenji Onsen bus terminal functions
- Improve readiness to receive foreign tourists  
Place interpreter-guides on SPACIA X and conduct tours in Nikko as guide training  
Prepare guidebooks, etc.



Bamboo light event at Ushijima Shrine

Target 36 billion yen (12 billion yen increase over previous target) in Group revenue from inbound tourists in FY2027 through Group-wide measures

#### Maximize the value of International Eco Resort Nikko

##### Promote autonomous bus operation in the Oku Nikko area

- Maintain stable operations despite driver shortage
- Target greater added value by providing tour guides and early morning service  
Carry out field trials in FY2025 with the aim of achieving Level 4 autonomous driving throughout the Oku Nikko area



Oku Nikko low emission bus

##### Strengthen Chuzenji Onsen bus terminal functions

- Promote a shift to public transportation by enhancing the convenience of locations
- Increase time spent in the Oku Nikko area by better publicizing activities and attractions  
Renovate the area around Chuzenji Onsen bus terminal as a sightseeing base in the Oku Nikko area (renewed operation scheduled for 2027)



Chuzenji Onsen bus terminal (illustration)

##### Launch full-season express bus service

- Mitigate overtourism by encouraging a shift from private cars to public transportation
- Promote decarbonization through active use of public transportation  
Express buses will run daily between Tobu Nikko Station and Chuzenji Onsen bus terminal via the Nikko Utsunomiya Road from April to November 2025



Express bus between Tobu Nikko Station and Chuzenji Onsen

Establish the International Eco Resort Nikko brand

##### Renewal of Akechidaira Ropeway

- Increase revenue and alleviate parking lot congestion by strengthening transportation capacity through the replacement of aging facilities in Akechidaira
- Promote decarbonization by establishing an Oku Nikko area tour route that integrates buses  
Coordinate with related organizations with the aim of starting service in FY2026



Akechidaira Ropeway

Target increased revenue by promoting Nikko as a sustainable tourist area for the future through eco-branding

## Area Development

### Increase the share of operating profit from non-railway businesses

Promote development to create areas along our railway lines where people want to move to and live in

#### Residential supply in non-urban areas with good living environments

- Solaie Tokiwadai**
Fully occupied    Occupancy began March 2025
  - Rental apartment complex furnished with a drug store and convenience store, designed to support comfortably, healthy living
  - Made up of 69 rental units and two commercial spaces, plus the self-service Tanita Café, themed around mental wellbeing
- Solaie Minami-Sakurai**
Occupancy began March 2026
  - A “compact city” concept integrating the train station, green spaces, and commercial, learning and living facilities
  - Large-scale residence of 146 units just a 4-minute walk from the station



Solaie Tokiwadai's Tanita Café



Solaie Minami-Sakurai

#### Develop commercial facilities that increase the appeal of the areas they are located in

- Soka Varie Renovation**
Planned December 2025 open
  - The opening of the third phase area, currently under construction, will complete the facility renovation that began in 2022
  - Improve profitability by restructuring store layouts, constructing a new annex, and converting part of the station office into retail space
- EQUiA Koshigaya retail area expansion**
Opened in October 2025
  - Retail area expanded by effectively utilizing space created by relocating some station facilities
  - Seven shops, primarily restaurants, were renovated and reopened under the elevated tracks at Koshigaya Station's East Exit



Soka Varie (illustration)



EQUiA Koshigaya

### Strengthen the stable revenue base and increase the value of areas along railway lines

## Railways

### Establish a sustainable business management structure

Broadly expand childcare support services to further drive desire to move to and live around Tobu railway lines

#### Effectively free rail travel for children

Greatly expand the Child PASMO point system for parent-child users

Gradual rollout from January 2026

Child fare effectively refunded in full through commensurate point accrual with the TOBU POINT app

#### Initiatives along railway lines supporting next-generation child rearing

Implementation of the “Train School”



Safety education outreach classes at nearby schools



#### Installation of “Tano-seat” space inside train cars



A corner space designed for the comfort and convenience of families traveling with small children

- Sequential rollout began in spring 2025 at the Tobu Urban Park Line
- Interior design inspired by kid's rooms
- A design that allows parents with strollers to sit next to the stroller



Winner of the 19th Kids Design Awards Program, “Ease of having and raising kids design” category

#### Childcare support program for parents with preschool-aged children

Services offering temporary daycare for preschoolers and career exploration at Tobu Group facilities



### Advance area development along railway lines tailored toward easy childrearing from both tangible and intangible perspectives



## Aiming to Establish a Sustainable Railway Business

Committed to a sustainable railway business, we are implementing a wide range of multifaceted initiatives, including setting express fares during peak and off-peak periods using accumulated data, leveraging digital marketing, expanding single-driver operation, and investing in human resources to prepare for future labor shortages. One of these initiatives enabled us to set express train fares based on demand forecasts created from database analysis, with a view to leveling out demand and adding an estimated 200 million yen to revenue compared to FY2024. We will continue to push common frameworks and implement cutting-edge initiatives to further enhance the sustainability of our business.

### Use database to expand revenue

#### Leverage various forms of data to expand revenue

- Set peak and off-peak pricing for limited express trains  
Implement pricing based on demand forecasts to level out demand and increase revenue during peak hours  
Revenue increase effect: +200 million yen (vs. FY2024)
- Rollout of the new ticketless service, Tobu-Chike!  
Increase number of eligible members to enhance marketing



SPACIA X

### Introduce new rolling stock to improve comfort and environmental performance

#### Reduce power consumption by more than 40% compared to older train cars

- Introduce the 80000 series on the Tobu Urban Park Line  
Introduced 5 trains in March 2025 and plan to introduce a total of 25 trains by FY2028
- Introduce the 90000 series on the Tojo Line  
Introduction of 7 trains starting in spring 2026



New 80000 series cars on the Tobu Urban Park Line

### Save labor by expanding single-driver operation sections

#### Roll out single-driver operation with the goal of covering all sections

- Tobu Skytree Line (Local)  
Section between Kita-Senju and Kita-Koshigaya to start at end of FY2025
- Tobu Urban Park Line  
Targeting start during FY2026



Tobu Skytree Line (local)

### Securing human resources for railway operations

#### Continue to invest in human capital to strengthen talent retention and acquisition

- Retain human resources and strengthen capabilities through greater motivation  
Actively invest in human capital  
Promote measures to inspire greater potential in human resources
- Consider employment of older and foreign talent  
Promote long-term success of current personnel and diversify recruitment channels



Employees inspecting a railway switch

## Card Business

## Increase the share of operating profit from non-railway businesses

### New Tobu Card service launched with enhanced product quality and smartphone compatibility

#### Increase profitability

- **Reform cost structure**  
Achieve fixed cost reduction and unified legal compliance costs through business partnership with JCB
- **Transform revenue model**  
Target higher fee revenue from users by improving convenience, complementing existing fee revenue from merchants
- **Capture new revenue opportunities**  
Achieve revenue growth by expanding usage opportunities with stylish design, powerful product features, and support for smartphone payment

#### Strengthen marketing

- **Expand data collection**  
Improve product features to increase access to usage data outside the Group, then use that data to visualize customer preferences and drive use within the Group
- **Strengthen communication with users**  
New Tobu Card app will provide users with offers and deals that drive changes in behavior
- **Promote transition to app**  
Limit missed opportunities by creating an environment in which consumers always have their Tobu Card on hand

Establish the foundation to generate operating profit of 2 billion yen and expand Group revenue.



With tourism and area development as growth areas, we will maximize our medium- to long-term cash generation capabilities and further improve corporate value.

Yoshimi Yokota

Director  
Senior Managing Executive Officer  
Executive Officer in charge of Finance

## Start of the New Long-Term Management Vision and Medium-Term Business Plan 2024-2027

In FY2024, as the global recovery from the COVID-19 pandemic proceeded, we launched our new Long-term Management Vision and medium-term business plan. In our FY2024 business performance, profits exceeded initial projections by a significant margin. This is attributable to a combination of favorable external factors, such as continued strong inbound tourism demand, and the effects of internal factors, such as cost-cutting measures across the Group, and a strategy prioritizing unit prices in the hotel business. It was a very productive year in which we got off to a good start toward achieving many targets in the Long-term Management Vision and the medium-term business plan.

Additionally, given these near-term results and the changes in the internal and external operating environment, in April 2025 we raised the target figures in the Long-term Management Vision and revised the timeframe, from operating profit of 80 billion yen by FY2033 to operating profit of 100 billion yen or more by the mid-2030s. We will advance our business towards achieving new goals, such as accelerating growth areas like the tourism and area development businesses and implementing new measures such as two-way through service with the Tokyo Metro Yurakucho Line.

### FY2024 Results and FY2025 Forecast

		FY2024 Results			FY2025 Forecast <sup>2</sup>	
			YoY change	Actual vs. forecast <sup>1</sup>		YoY change
Operating revenue	(Millions of yen)	631,461	-0.7%	-1.2%	650,000	+2.9%
Operating profit	(Millions of yen)	74,604	+1.0%	+20.3%	69,000	-7.5%
Ordinary profit	(Millions of yen)	72,716	+0.9%	+25.4%	64,000	-12.0%
Profit attributable to owners of parent	(Millions of yen)	51,330	+6.6%	+19.4%	51,500	+0.3%
ROE	(%)	9.4%	-0.1P	+1.6P	9.0%	-0.4P
Interest-bearing debt to EBITDA multiple	(Times)	6.1	+0.2P	-0.6P	6.5	+0.4P

1. Results compared to projected figures announced on April 30, 2024

2. Projected figures published on November 5, 2025

## Medium- to Long-Term Balance Sheet Direction

The Tobu Group will further increase the cash flow generation capability of its core transportation business and rental business while utilizing the cash flow generated from these businesses to actively invest in new growth-driving businesses, including the leisure business, proactive area development in the TOKYO SKYTREE area and elsewhere, and biometric authentication, while maintaining a focus on capital efficiency. As a result, in addition to achieving operating profit of 100 billion yen or more, we will strive to improve asset efficiency by reducing cross-shareholdings (to less than 10% of net assets by the end of FY2027), among other measures, to maximize medium- to long-term cash flow generation potential.

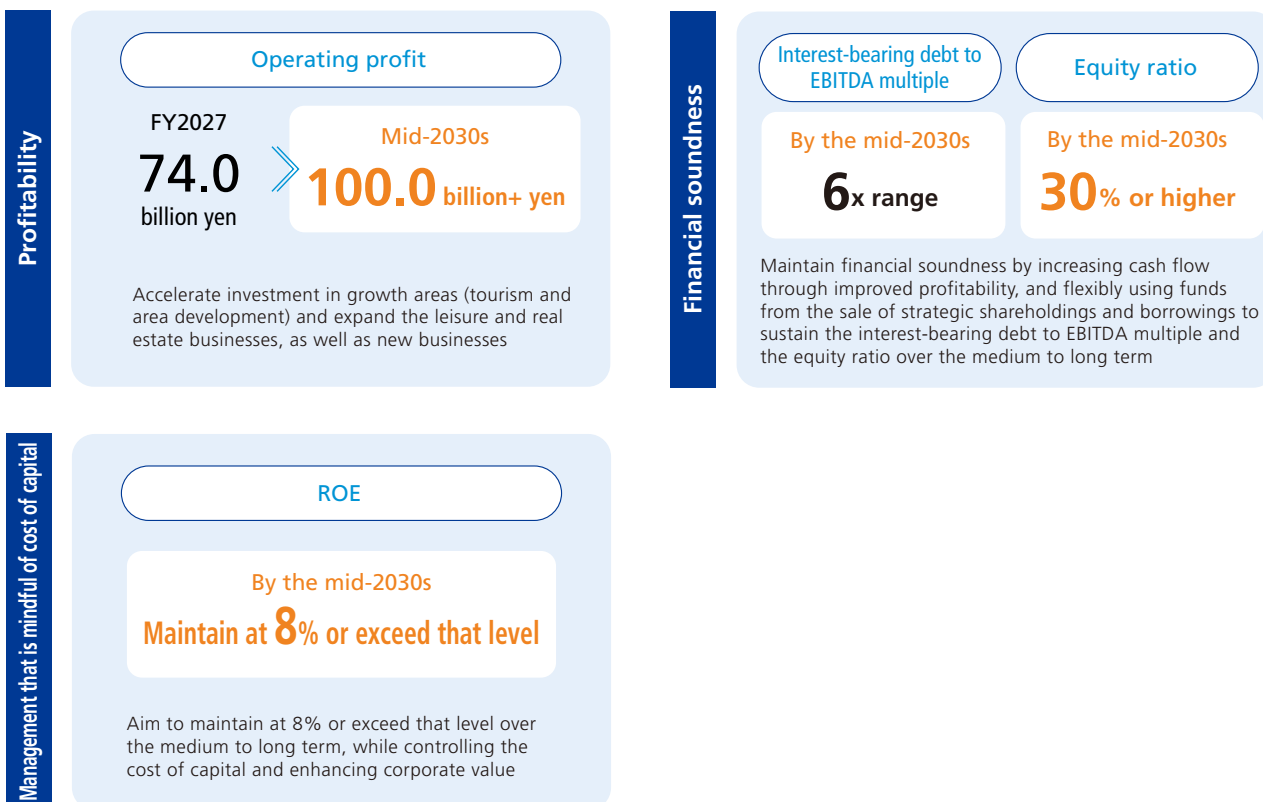
In addition, in executing our growth strategy we will flexibly utilize financial leverage while ensuring financial soundness with an interest-bearing debt to EBITDA multiple in the 6x range and an equity ratio of 30% or higher. Being mindful of the current environment of rising interest rates, we will maintain the 6x range, but we will have ample room to take on more interest-bearing debt as EBITDA increases in line

with future growth. We will flexibly utilize financial leverage in line with the progress of investments in growth areas centered on tourism and area development.

Strengthening dialogue with capital markets and our ability to communicate our medium- to long-term growth strategy, we will improve the price-earnings ratio through enhanced growth in line with market expectations and reduction of the cost of capital, leading to improvement of our market valuation.

By executing these initiatives, we will aim to maintain ROE at 8% or exceed that level over the medium to long (term), while controlling the cost of capital and pursuing continuous improvement of the Group's corporate value. This ROE of 8% or higher is an important prerequisite in the positioning of our capital policy and shareholder returns. We will continue to pursue optimization of capital while aligning it with other indicators such as financial leverage and a dividend on equity (DOE) ratio.

### Medium- to Long-Term Financial Targets



## Cash Allocation Policy

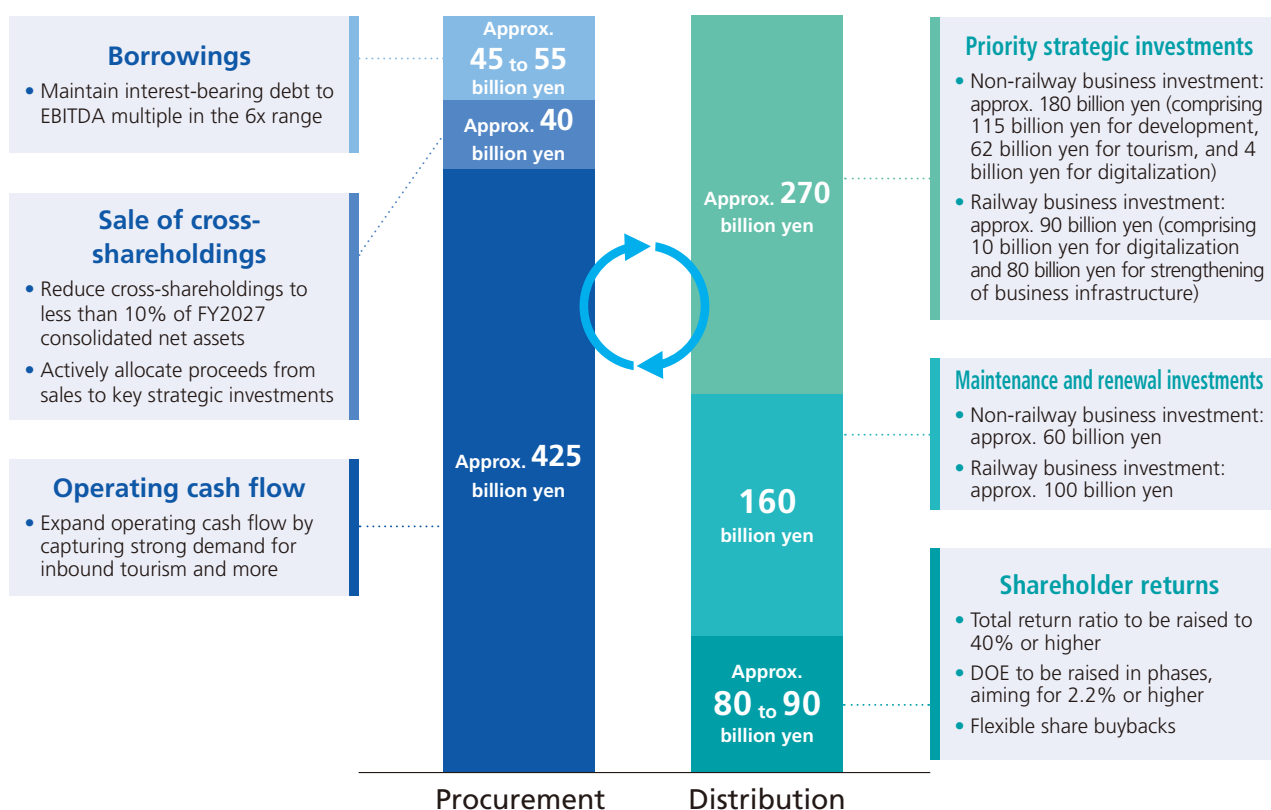
The Tobu Group's basic policy for financial management and capital strategy is to allocate cash for capital efficiency while maintaining financial soundness.

For cash allocation in the four-year period from FY2024 to FY2027, the timeframe covered by the medium-term business plan, we expect to secure capital totaling 510-520 billion yen, with approximately 425 billion yen from operating cash flow, 40 billion yen from sales of cross-shareholdings, and 45-55 billion yen from borrowings. Of that total, we plan to allocate approximately 270 billion yen to priority strategic investments, 160 billion yen to maintenance and renewal investments, and 80-90 billion yen to shareholder returns.

Regarding priority strategic investments, we will invest approximately 180 billion yen into non-railway businesses, and approximately 90 billion yen in upgrading safety and comfort in the railway business.

Leveraging our funding capacity based on stable cash flows from the railway and real estate businesses, along with increased borrowing capacity driven by continuous EBITDA growth, we will actively utilize debt for growth investments while controlling the interest-bearing debt to EBITDA multiple, while additionally enhancing capital efficiency by considering factors such as WACC in investment decisions.

### Cash Allocation During the Medium-Term Business Plan 2024-2027



Implement cash allocation to improve capital efficiency while maintaining financial soundness



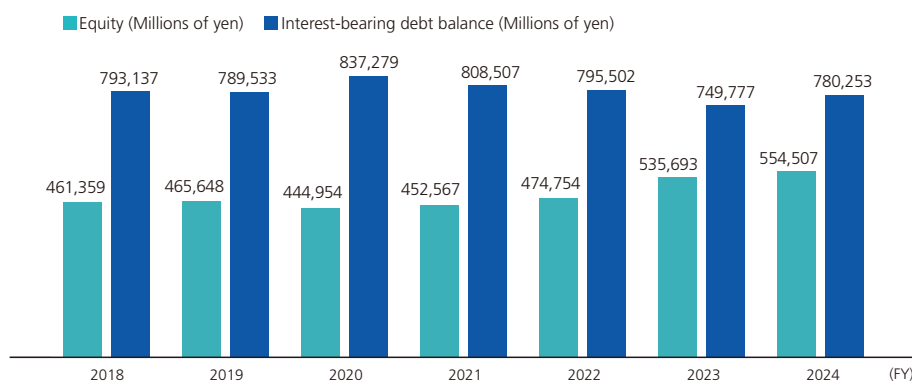
## Medium- to Long-Term Balance Sheet Direction

Regarding the balance sheet direction the Tobu Group is targeting in the medium to long term, we plan to promote management that is more conscious of capital efficiency while maintaining financial soundness, with an equity ratio of 30% or higher as a minimum benchmark. In order to ensure financial soundness and improve capital efficiency, we will maintain a financial base that allows us to maintain a stable “A” or equivalent credit rating, while balancing this with shareholder returns and increasing EBITDA through sustainable growth. We will effectively use capital by directing the funds secured with this strategy to investments for medium- to long-term growth.

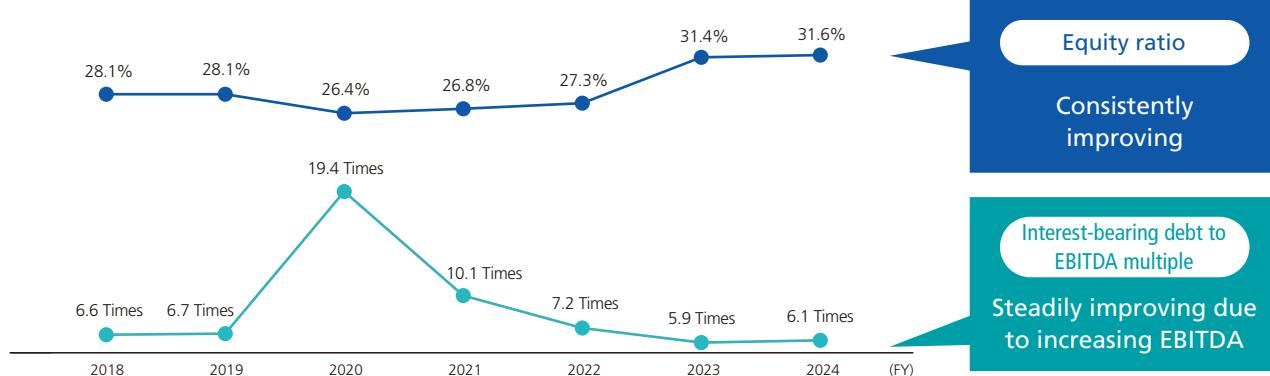
As an example, the major Ikebukuro West Exit Redevelopment project is expected to commence in FY2030, accompanied by the need for serious levels of investment. However, construction will take place over a long period of time, and as such we believe we can achieve a balance between the average annual investment amount and operating cash flow while appropriately controlling the level of interest-bearing debt, making it possible to enhance shareholder returns at the same time.

In the future, we will maintain our relationship of trust with capital markets based on financial stability as we work to steadily increase corporate value through optimal allocation of funds to growth investments and shareholder returns.

### Changes in Equity and Interest-Bearing Debt Balance



### Changes in Equity Ratio and Interest-Bearing Debt to EBITDA Multiple



Shareholder Return Policy

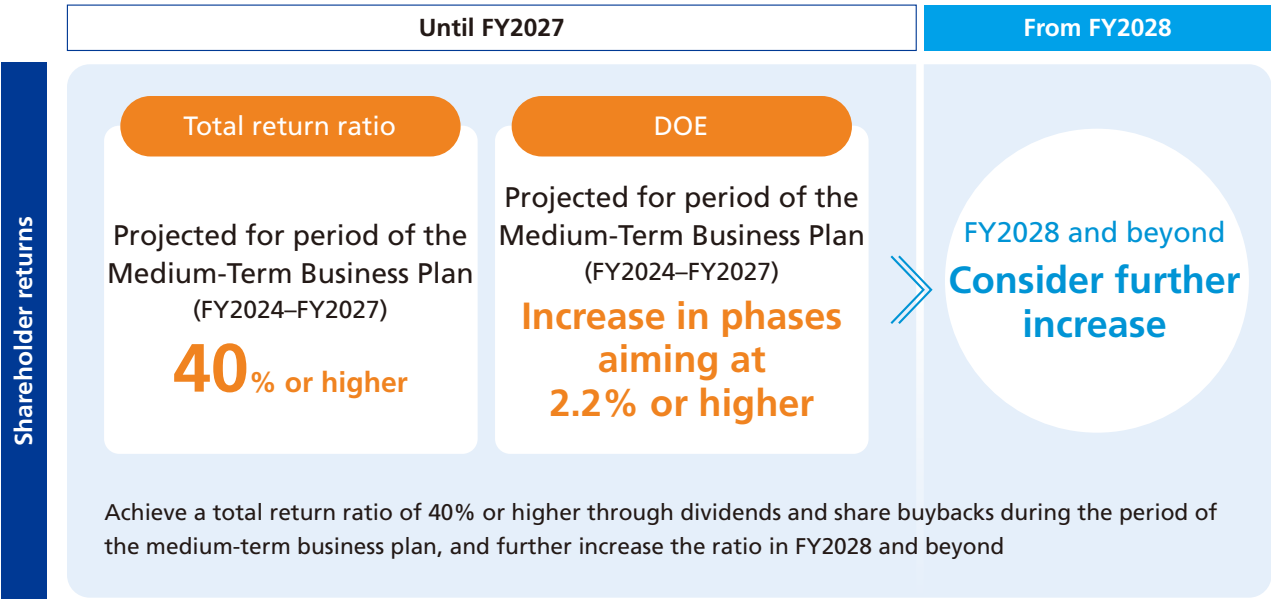
Based on our stock price, the PBR level, and the feedback we received in direct dialogue with shareholders and investors, we have revised the shareholder return policy in the medium-term business plan as part of our shift to management that is conscious of cost of capital and stock price, in order to enhance the Group's medium- to long-term corporate value.

Previously, our goal for the total return ratio, which combines dividends and share buybacks, was 30% or higher, but going forward, we will target a total return ratio of 40% or higher, and will take a more proactive approach to returning profits, including through a new commitment to achieving a dividend on equity (DOE) ratio of 2.2% or higher. Although

the operating profit target in the medium-term business plan has not changed, after considering the strong performance of the last two years, our current solid financial foundation, and the outlook for medium- and long-term profit growth, we have determined that raising the total return ratio will not impact the financial soundness of the Group.

We will consider further increases in shareholder returns in FY2028 and beyond while monitoring trends in the operating environment and earnings. We will continue to focus on balancing sustained growth with enhancement of shareholder returns to flexibly and appropriately evolve our profit return policy.

Medium- to Long-Term Shareholder Returns



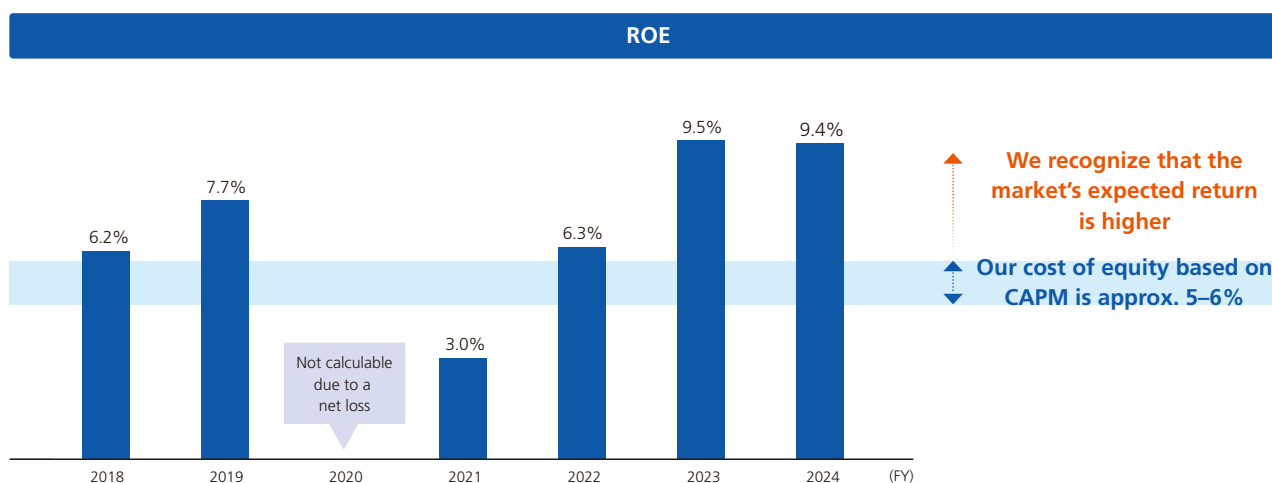
## Deepening Dialogue with Shareholders and Investors

We believe it is important to further strengthen our dialogue with the capital markets, and to accurately reflect the knowledge and insights gained from that dialogue in our management and business operations. For example, ROE, which is a measure of return on capital, is being maintained at a level above our 5-6% cost of equity based on the Capital Asset Pricing Model (CAPM). However, in engaging with shareholders and other investors, we have realized that the return the market expects from us is even higher. To meet the expectations of market participants and stakeholders, we must execute highly effective growth investments with awareness of the return on capital.

The revised financial targets we have announced also reflect our evaluation from the market based on our performance. By continuing to engage in dialogue with shareholders and the investment community, we will gain an understanding of market expectations, and we will actively

communicate our growth strategy and measures to increase capital efficiency, as well as the progress of these endeavors, through multiple channels including this integrated report and our Company website. In October 2025, we carried out an organizational restructuring, and established the Investor Relations Office in the Corporate Planning Division. We plan to hold small-group meetings with top management to further enhance our communication and dialogue.

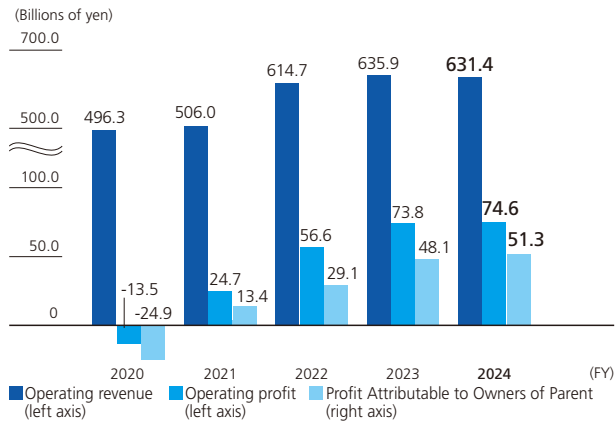
Through this dialogue, we will deepen mutual understanding with shareholders and investors, which will lead to proper valuation of the Tobu Group in the capital market and drive the sustainable increase of corporate value. Moving forward, we will implement appropriate cash allocation and pursue sustainable growth and maximization of shareholder value, while keeping financial soundness and capital efficiency in mind.



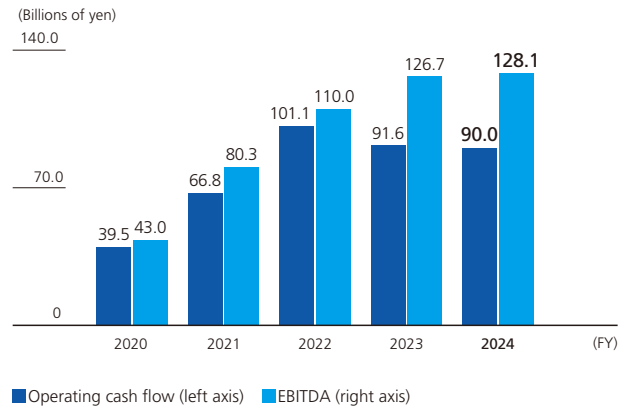
# Financial and Non-Financial Highlights

## Financial Data

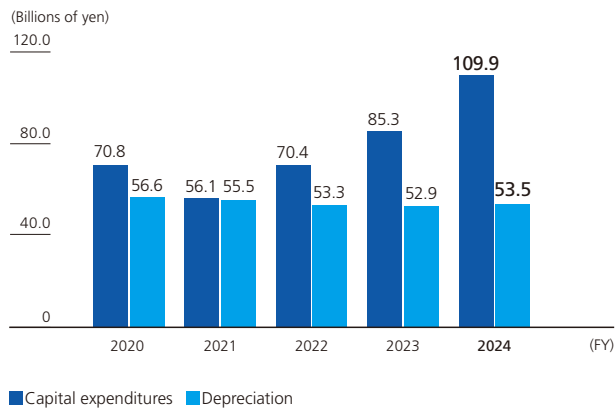
### Operating Revenue/Operating Profit/ Profit Attributable to Owners of Parent



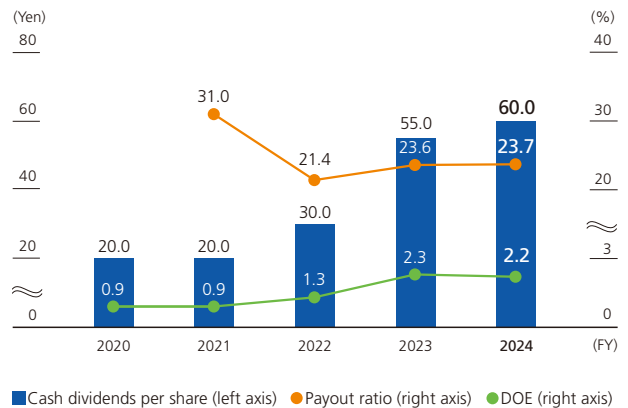
### Operating Cash Flow/EBITDA



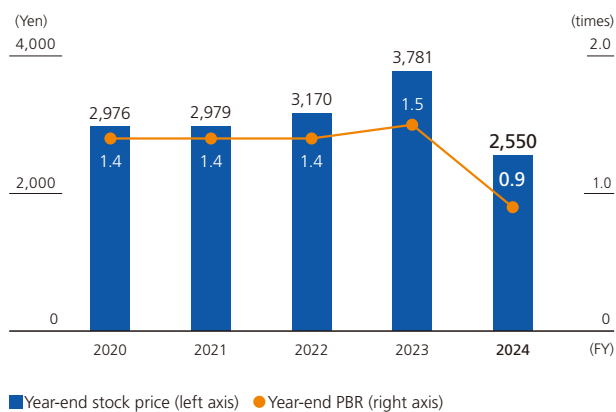
### Capital Expenditures/Depreciation



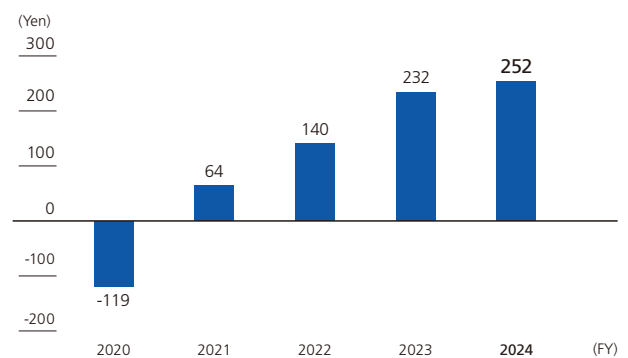
### Cash Dividends per Share/Payout Ratio/DOE (Dividend on equity ratio)



### Year-end Stock Price/Year-end PBR



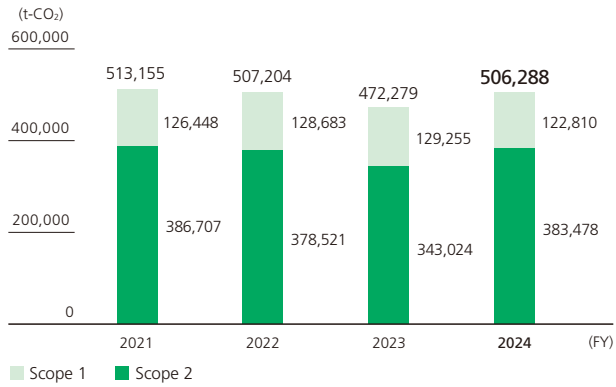
### Basic Earnings Per Share





## Non-Financial Data

### GHG Emissions (CO<sub>2</sub> equivalent)



Scope 1 Scope 2

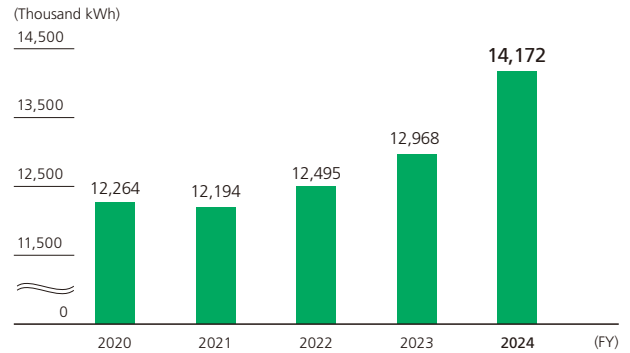
1. Began aggregating data for consolidated companies in FY2021

Applicable gases: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

2. We obtained third-party certification from LRQA Limited to ensure the reliability of our Scope 1 and Scope 2 GHG emissions figures for FY2024.

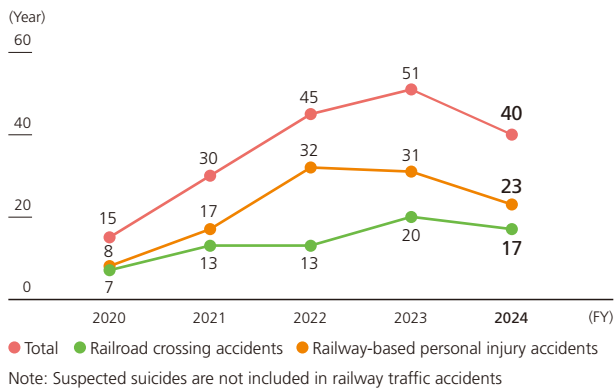
For details, see the following (LRQA Independent Assurance Statement)  
<https://www.tobu.co.jp/corporation/kankyo/data/> (Japanese language only)

### Volume of Renewable Energy Produced

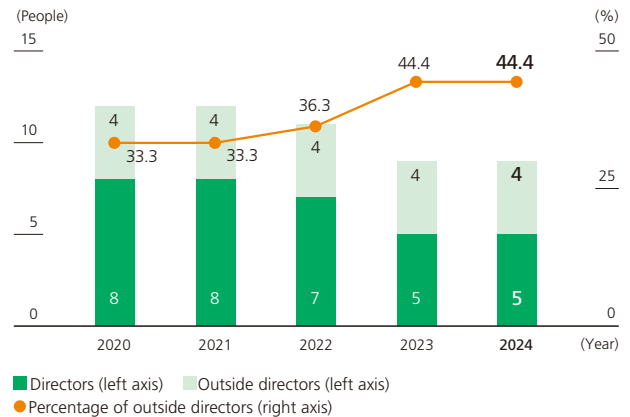


Note: Totals through FY2021 include feed-in tariff (FIT) electricity sales

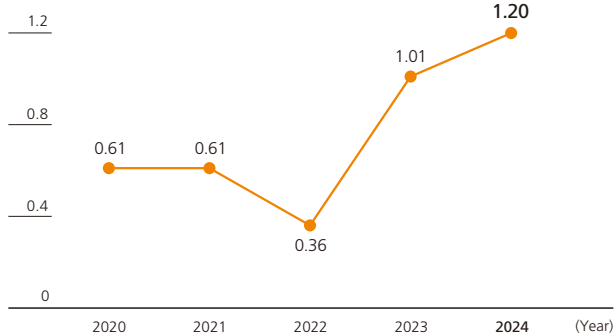
### Number of Railway Accidents\*



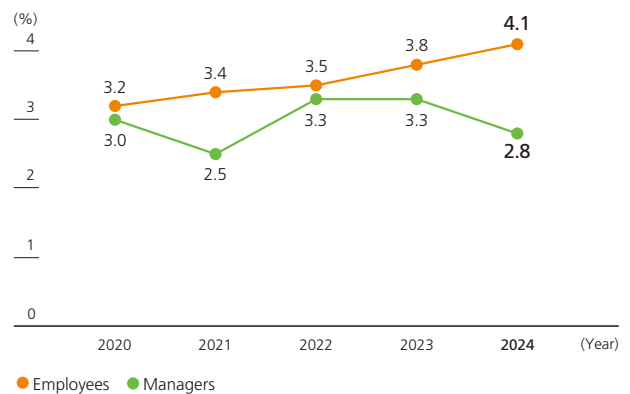
### Composition of Board of Directors



### Rate of Accidents That Cause Work Absence



### Percentage of Women Employees and Managers



# Business Overview

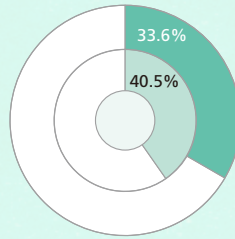
## Business

## Operating Revenue/ Operating Profit Ratio

## Business Description



### Transportation

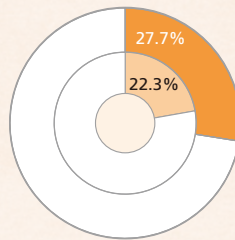


■ Operating revenue ■ Operating profit

The transportation business encompasses rail, bus, taxi, and cargo transportation. With transportation safety as its highest priority, it provides precise, attentive services as well as next-level logistics services.



### Leisure

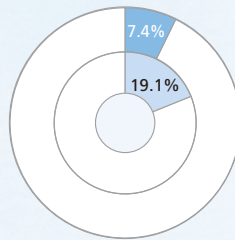


■ Operating revenue ■ Operating profit

The leisure business encompasses tourism, hotels, amusement parks, theme parks, skiing, golf, sports clubs, ropeways, and pleasure boats, satisfying a diverse range of customer needs.



### Real Estate

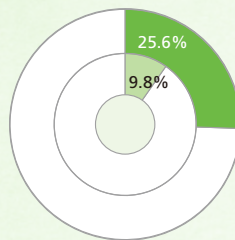


■ Operating revenue ■ Operating profit

The real estate business encompasses real estate sales, leasing, and brokering, as well as building and property management businesses. It is also engaged in high-quality real estate information consulting to optimize the use of real estate and assets, and the commercial management of TOKYO Solamachi.



### Retail Distribution

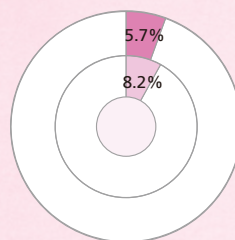


■ Operating revenue ■ Operating profit

The retail distribution business comprises department stores and retail stores. It operates urban department stores leveraging the characteristics of terminal stations, while Tobu Store aims to create the most convenient shopping experience in the communities it serves to enhance value.



### Other



■ Operating revenue ■ Operating profit

Other businesses include construction, facility and equipment management, building materials supply and heat supply businesses. Group companies collaborate with each other to help build communities where residents can live with peace of mind.

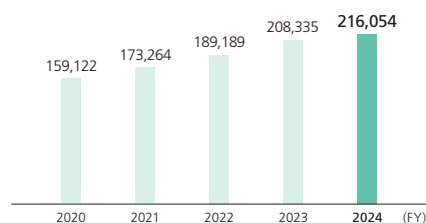
## Major Group Companies

## Performance

- Tobu Railway
- Asahi Motor
- Tobu Bus
- Tobu Transportation
- Tobu Delivery

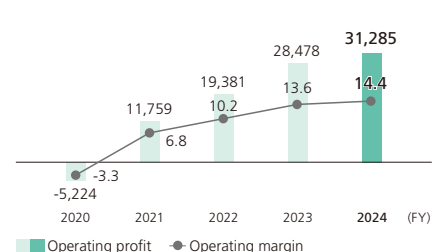
### Operating Revenue

(Millions of yen)



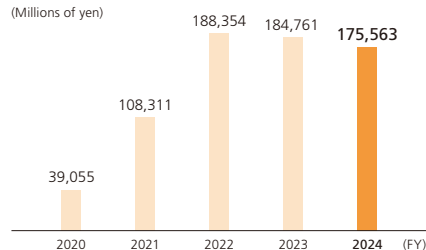
### Operating Profit/Operating Margin

(Millions of yen/%)

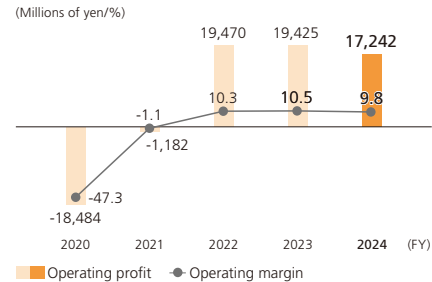


- Tobu Railway
- Tobu Kogyo
- Tobu Top Tours
- Tobu Hotel Management
- Tobu Tower Skytree

(Millions of yen)

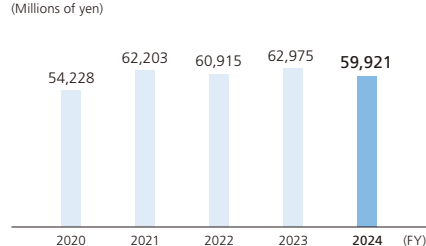


(Millions of yen/%)

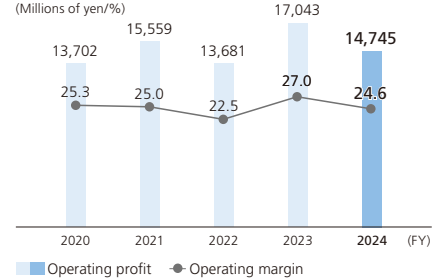


- Tobu Railway
- Tobu Real Estate
- Tobu Town Solamachi

(Millions of yen)

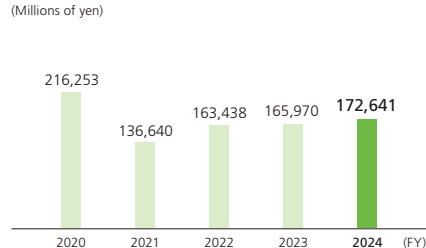


(Millions of yen/%)

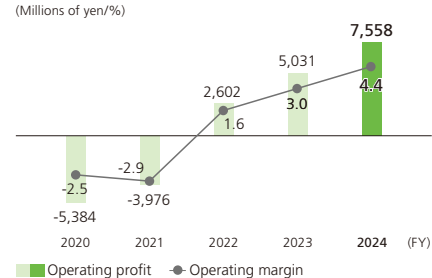


- Tobu Department Store
- Tobu Utsunomiya Department Store
- Tobu Store
- Tobu Card Business  
(Company name changed to TOBU Marketing Inc. on April 1, 2025)
- Tobu Shoji

(Millions of yen)

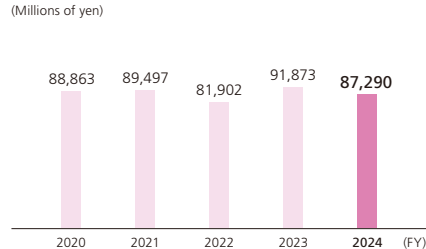


(Millions of yen/%)

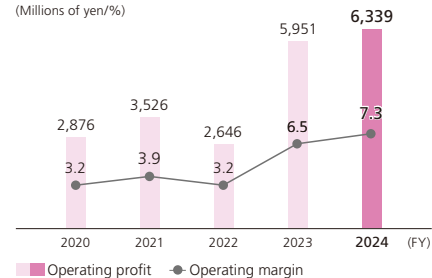


- Tobu Construction
- Tobu Yachida Construction
- Tobu Building Management

(Millions of yen)



(Millions of yen/%)



Figures for FY2023 are presented after retrospective application of the change in accounting treatment for expenses related to Group businesses, including TOBU POINT, implemented in FY2024.

Currently, as of March 2025, the Tobu Group includes Tobu Railway, 67 consolidated subsidiaries and 3 equity-method affiliates in the scope of consolidation, and is made up of five segments consisting of a railway business, leisure business, real estate business, retail distribution business and other businesses.

The Group earned operating revenue of 631.4 billion yen in FY2024 and employed 18,247 workers as of the end of FY2024.

### Transportation

#### FY2024 Performance Highlights

Operating revenue increased 3.7% year-on-year to 216 billion yen and operating profit increased 9.9% to 31.2 billion yen. Factors included an increase in commuter and non-commuter passengers due to a rebound in commuting and increased use for leisure trips during Golden Week and the autumn foliage season.

#### Major Initiatives

We have launched peak and off-peak express fares in the railway business based on seasonal demand. We are operating SPACIA X, which served a cumulative total of one million passengers between start of operation and February 2025, and other special express trains to increase service availability and facilitate visits to the Nikko and Kinugawa areas. We have also improved service by revising the timetable on the Tojo Line and introducing the new 80000 series trains on the Tobu Urban Park Line. Furthermore, we have been promoting the appeal of the regions we serve by collaborating with local governments along our lines in operating the “Berry<sup>2</sup> Happy Train” and the “SL Taiju” from Tochigi Station to Shimoimaichi Station, and by conducting joint projects with sports teams.

As part of our commitment to safety, we have taken on track elevation work. Near TOKYO SKYTREE Station, we elevated part of the track, eliminating a street-level crossing. We also switched to a temporary up-bound track near Kasukabe Station. Additionally, we have been installing platform barriers to enhance platform safety.

In the bus and taxi business, the Tobu Bus Group conducted demonstration experiments of autonomous buses in the Kashiwa-no-ha and Wako City areas, and also operated express buses and mixed passenger and freight buses between Tobu Nikko Station and Chuzenji Onsen to maximize the value of the International Eco Resort Nikko project.



The “Berry<sup>2</sup> Happy Train”



The “SL Taiju” Koedo Tochigi train

### Leisure

#### FY2024 Performance Highlights

Operating revenue decreased 5.0% year-on-year to 175.5 billion yen, and operating profit decreased 11.2% to 17.2 billion yen. Revenue and earnings increased in the SKYTREE business and in the hotel business because they captured inbound tourist demand, but commission earnings decreased in the tourism business.

#### Major Initiatives

In the SKYTREE business, we implemented strategies to increase the number of visitors at TOKYO SKYTREE by extending business hours, holding collaborative events with pop culture IPs, and strengthening promotions in cooperation with overseas online travel agencies. We also proactively implemented measures to attract inbound tourists by enhancing the distribution of promotional coupons, and revised prices to increase revenue.

In the hotel business, the Company and Tobu Hotel Management Co., Ltd. worked to increase occupancy and room rates by capturing strong inbound demand, particularly at hotels in Tokyo. In particular, Marriott Ginza Tobu Hotel reopened all rooms after a period of renovation and added five new shops, revitalizing the hotel and contributing to increased revenue.

In the travel industry, Tobu Top Tours took action to increase revenue by capturing group travel demand that resulted from increased corporate activity and growing travel to Japan, and also by taking on regional revitalization projects to resolve local issues.



The entrance to Courtyard Marriott Ginza Tobu Hotel



A Tobu Top Tours Regional Resource Experience tour



## Real Estate

### FY2024 Performance Highlights

Operating revenue decreased 4.8% year-on-year to 59.9 billion yen, and operating profit decreased 13.5% to 14.7 billion yen. Factors included a decrease in planned condominium unit sales.

#### Major Initiatives

In the SKYTREE TOWN business, TOKYO SKYTREE TOWN held numerous events throughout the year, including a beer garden and winter light event, to capture domestic and international tourism demand and achieve record annual sales for the second consecutive year.

In the real estate leasing business, we opened the new property EQUIA Takenotsuka and reopened Shin-Koshigaya Varie after renovations with the objectives of increasing revenue and improving customer convenience. In addition, we added stable revenue by opening “Solaie I’ll Tokiwadai,” a rental apartment complex that included a retail facility in front of Tokiwadai Station, as well as an apartment complex for students in front of Sakado Station.

In the real estate sales business, we sold condominiums at the Solaie Shin-Kashiwa Premist complex in Kashiwa City and Well Bind City Dokkyodaigakumae complex in Soka City, with the aim of increasing each railway area’s value and long-term population.



EQUIA Takenotsuka



Solaie Shin-Kashiwa Premist

## Retail Distribution

### FY2024 Performance Highlights

Operating revenue increased 4.0% year-on-year to 172.6 billion yen, and operating profit increased 50.2% to 7.5 billion yen.

#### Major Initiatives

In the department store business, Tobu Department Store addressed changes in the competitive environment in the areas surrounding stores and took action to attract customers and increase revenue by holding collaborative events with popular characters, engaging in regional collaboration and industry-academia collaboration, and proactively attracting inbound tourists by improving information dissemination.

In the supermarket business, Tobu Store opened Tobu Store Takenotsuka within the EQUIA Takenotsuka shopping facility, and also worked to attract customers and increase revenue by holding special sales events as part of its 65th anniversary campaign while also focusing on the development and sale of its own original products.



A Tobu Department Store Ikebukuro industry-academia collaboration event



Tobu Store Takenotsuka

## Other

### FY2024 Performance Highlights

Operating revenue decreased 5.0% year on year to 87.2 billion yen as a decrease in completed construction caused lower revenue. However, operating profit increased 6.5% to 6.3 billion yen due to an increase in profit margin.

#### Major Initiatives

In the construction business, Tobu Construction completed construction of a lodging facility in Otaki Town, Isumi District, Chiba Prefecture, while Tobu Yachida Construction completed public facilities in Sumida City, Tokyo.

Additionally, Tobu Building Management worked to increase revenue, such as by winning an order for cleaning services for a hospital in Setagaya City.



Public facilities in Sumida Ward

# Human Resources Strategy

The Tobu Group is holding to its Long-term Management Vision of “Evolving society and areas along our railway lines by taking on challenges and engaging in cooperative creation.” Cooperative creation and taking on new challenges are rooted in our management philosophy of dedication, enterprising spirit and affinity that we have nurtured over our 128-year history. With this management vision, we have formulated a human resources strategy to drive the sustainable development of local communities along our railway lines and of society as a whole, and to achieve further growth ourselves.

## Message



Human resources who can create new value while improving existing businesses

Tetsunori Iwahiro

Executive Officer, General Manager of HR Department  
Executive Officer in Charge of Human Resources

The Tobu Group's HR policy is to seek talent who can think and act independently and link trust gained through improving existing businesses and value creation through bold ideas with new opportunities for the sustainable growth of local communities.

Our growth to date has been largely driven by the railway, bus and other transportation businesses. Based on our commitment to pursuing transportation safety cultivated in the transportation business, providing safety for customers along our railway lines has become our code of conduct in all businesses, and I believe it is at the forefront of all our employees' minds. Across all our businesses, in order to deliver safe, high-quality services, we will continue to cultivate human resources with the ability to continue refining the businesses in which they operate.

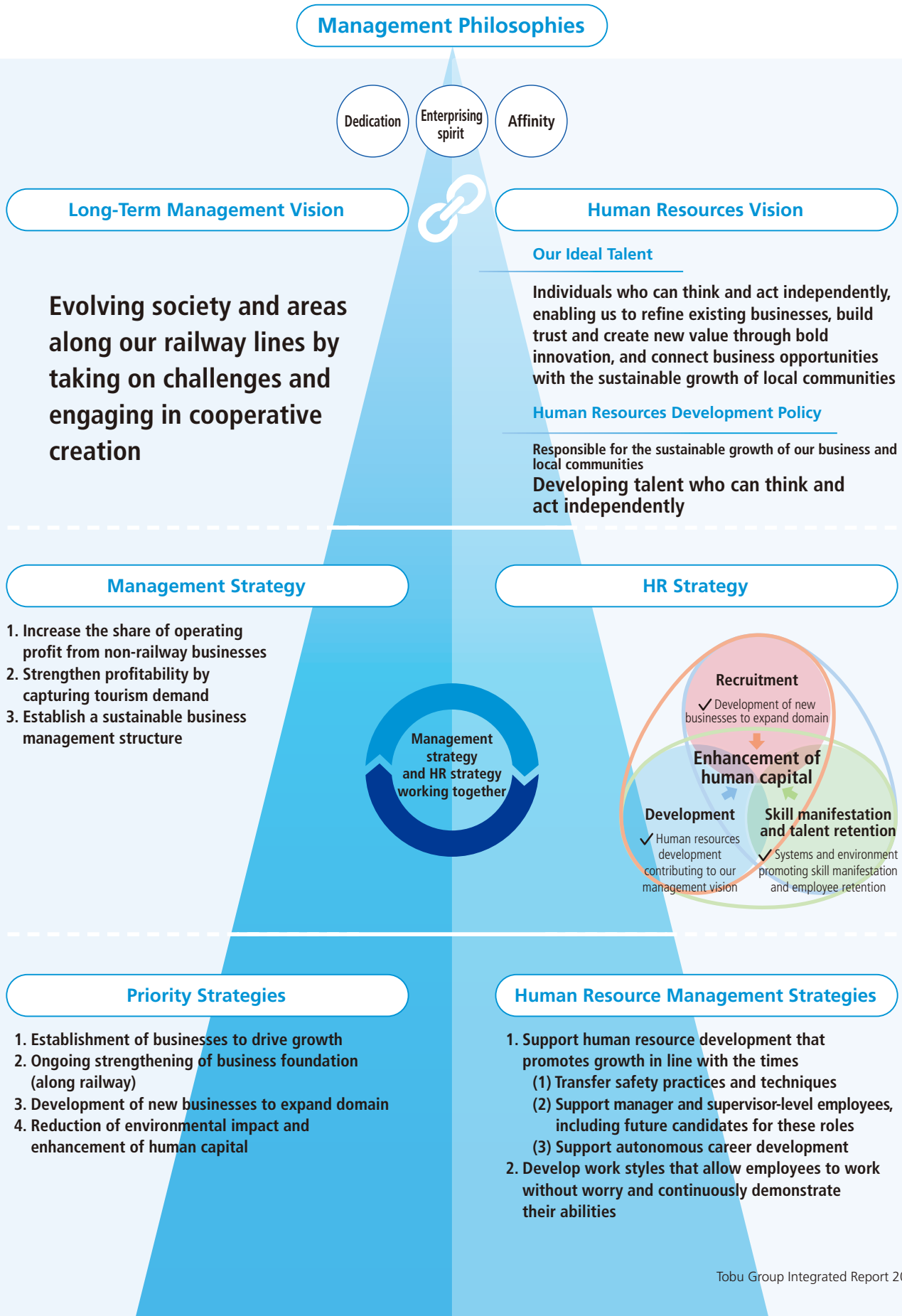
On the other hand, with the accelerating decline in the population of working age individuals, we cannot rely on significant growth in the railway business. In addition, the business environment is rapidly changing, and it is important to grasp customer needs and provide new value. Therefore, we are focusing on recruiting and developing talent who can create value with new ideas and who are not afraid of change.

In our human resources strategy, we will strategically link three approaches: Recruitment, individual growth, and skill manifestation and talent retention. As specific HR management measures, with the transfer of safety practices and techniques at the core, we will support manager- and supervisor-level employees who promote diverse values and work styles, and we will encourage autonomous career development. Moreover, we are also establishing work styles that help employees feel motivated and supported in the workplace.

We believe that the driving force behind the sustainable growth of our businesses and local communities will be the employees who uphold our management philosophies of dedication, enterprising spirit and affinity in their activities while contributing to the cooperative creation and taking on of challenges set forth in our Long-term Management Vision. Based on this belief, we will take a strategic approach to steadily promote mechanisms and support structures that will link and maximize the performance of the organization with that of its diverse employees. In this way, we are aiming for cooperative creation between our desired human resources and the organization to cultivate new customers.

## HR Strategy Overview

The Tobu Group has formulated its Human Resources Development Policy, ideal personnel profiles, and each of its human resource-related measures in line with its long-term management vision and management strategy, which are part of the Group's Management Philosophy framework.



## Priority Initiatives under the HR Strategy

### 1 Human Resources Development and Support for Autonomous Career Development

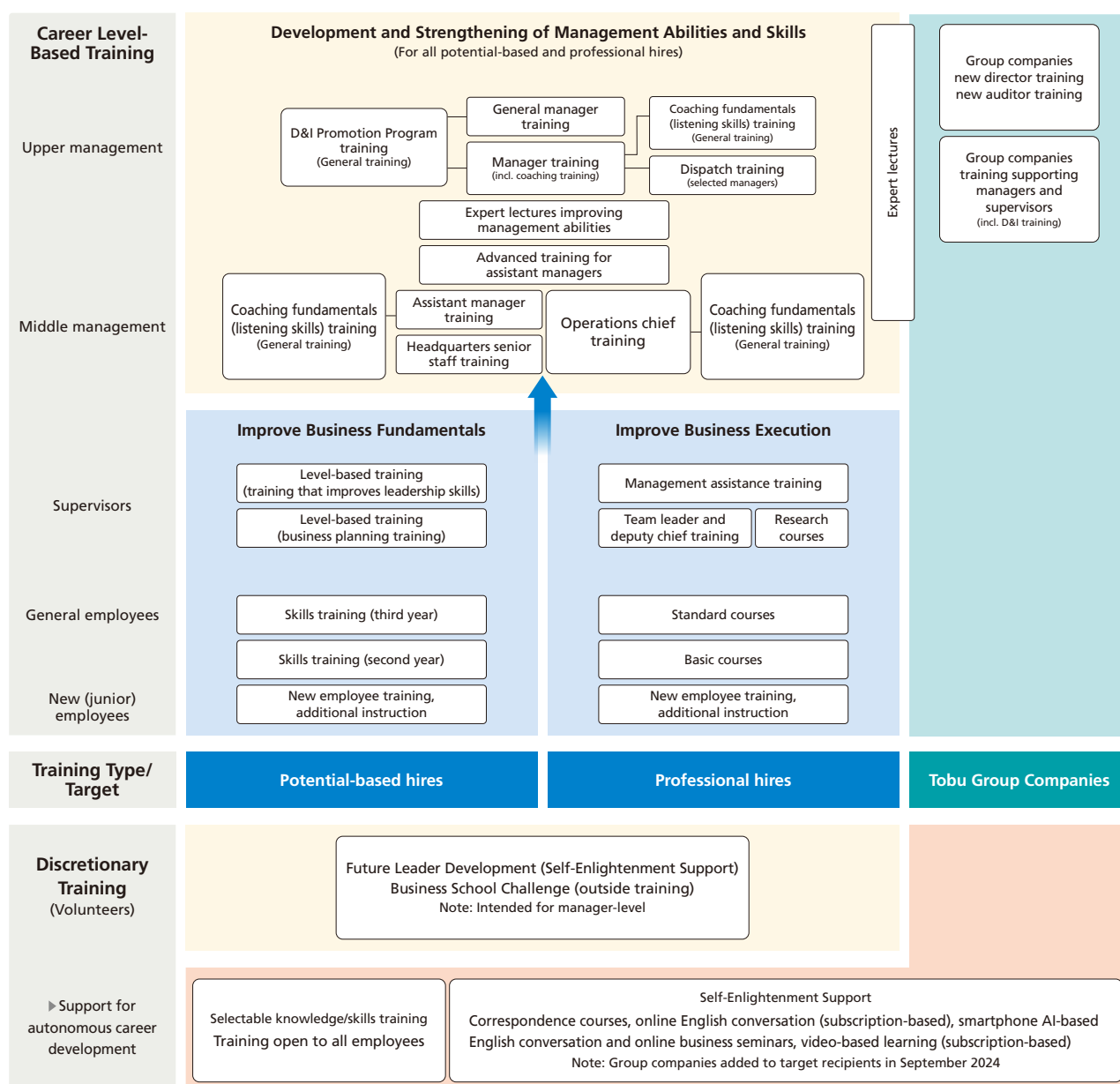
Development

Skill manifestation and talent retention

We have reaffirmed that the driving force that will cultivate trust by improving the safety and security offered by the Tobu Group, promote taking on challenges and cooperative creation, as well as create value, is our employees. We are actively implementing measures such as the enhancement of on-the-job training, off-the-job training, training conducted at outside schools and various kinds of discretionary training to develop employees capable of thinking and acting on their own, as set forth in the Human Resources Development Policy. To coordinate the performance achieved by both diverse human resources and the organization and to build an upward growth spiral, we will incorporate into our educational systems an increased level of support and a set of training programs aligned with employees' objectives. This will lead to human resources development that contributes to the organization and supports autonomous career development as employees build their knowledge and skills.

We also hold an educational council (chaired by our company President), through which we set annual education-related priorities taking into account the commitment pledged by upper management, and examine current conditions based on the Plan-Do-Check-Act (PDCA) cycle.

#### ● Educational Systems Plan: Off-the-job Training/Outside Training and Self-Enlightenment Support (including educational support for Tobu Group companies)





## ● Major Indicators and Trends

Indicators	Target	FY2023 Results	FY2024 Results
Implementation of dialogue skills (listening, one-on-one dialogue) training	From FY2023-FY2025, general training provided to all applicable assistant managers and operations chiefs	206 persons (79.2%)	98 persons (100% *)
Implementation of support training for Group company managers and supervisors	Conducted each year on a continuous basis	20 persons (17 companies)	33 persons (23 companies)
Expansion of voluntary training to Group company employees	50% or more of all participants	46.7% (589 persons/1,260 persons)	52.1% (552 persons/1,060 persons)

Note: All eligible employees had taken the training as of the end of FY2024.

### Example 1 Training Supporting Managers and Supervisors

#### General Training: Support for Employee Career Development and Dialogue Skills (listening, one-on-one dialogue) to Bring Out Employee Potential

Between FY2023 and 2025, we prioritized general training (harassment awareness, dialogue skills, coaching, etc.) directed at managers and supervisors, who act as the starting point for personal development and organization building. This training provides knowledge required of management personnel, and by offering dialogue training, we aim to promote a new awareness among managers and push environmental changes that make it easier for managers to talk with their subordinates. We consider this as part of the development and enhancement of the foundation required for coordinating improvements to employee engagement and productivity.

To develop and enhance a common foundation for management personnel at all Tobu Group companies in the same way, we have launched support training for Group company managers and supervisors, and will steadily implement these support measures for all Group company management personnel going forward.



A Group company manager and supervisor support training session

### Example 2 Research Course: Leadership Development Support Training

The next generation of managerial candidates expected to perform capably as workplace managers and leaders in the future volunteer to participate in this group training held for 1.5 months. Based on the themes of “Know the outside and make use of it on the inside” and “Acquire a multifaceted sensitivity seamlessly,” participants move beyond the confines of their own workplaces and learn by visiting other sections of their own company, Group companies, other companies in the same industry and other types of businesses. Through this, they discover issues to share with their team and discuss and propose solutions. In this way, this training, which has been implemented since FY2022, encourages employees to think for themselves and conduct activities that lead them to take on challenges and engage in cooperative creation.



A Leadership Development Training session

Total attendees since FY2022

57

### Example 3 Expanding Discretionary Training to Accommodate Diverse Learning

We are expanding the scope of discretionary training as a way of supporting autonomous career development, including for Group company employees. Our group training courses range widely, from the basics such as marketing and PC skills to unique courses including, “Human Error Countermeasures Learned from ANA,” and “Business Talk Secrets Learned from Announcers.” In e-learning, our courses span a wide range of categories, including online English conversation, smartphone AI-based English conversation, and business seminars. We have also set up a business school for acquiring specialized business knowledge, and are expanding voluntary training to accommodate diverse learning styles.



Poster design training

Attendees in FY2024

1,060

## 2 Promotion of Diversity and Inclusion

Recruitment

Development

In accordance with the Tobu Group Diversity & Inclusion Declaration, the Tobu Group aims to foster a suitable work environment and organizational climate and improve employee engagement and productivity by ensuring that, regardless of any individual's gender, age, nationality, disability, sexual orientation, gender identity, values or work style, employees engage with each other in mutual respect and can cooperate and grow together with each individual maximizing their potential.

For further details, please visit the following link: Tobu Group Diversity & Inclusion Declaration (Japanese language only)  
<https://www.tobu.co.jp/corporation/employee/dai/>

### Major Indicators and Trends

Indicators	Target	FY2023 Results	FY2024 Results
Diversity and Inclusion Training	Implemented on an ongoing basis; Attendance by all applicable employees	100% (manager-level)	100% (all employees)
Rate of men taking paternity leave <sup>1</sup>	Promote use of childcare leave	92.0% <sup>2</sup>	100%
Recruitment rate of persons with disabilities	Maintain a level higher than the legally mandated hiring rate of 2.5%	3.35%	3.37%

1. Parental leave within eight weeks of childbirth 2. Rate of leave taken for childcare purposes

#### Example 1 Promotion of Diversity and Inclusion

To promote diversity and inclusion, it is essential that we endeavor to shape an environment where all employees, who are valuable human resources that serve as the source of our sustainable growth, can continue to work while supporting each other, so that they can make maximum use of their individual abilities.

In FY2023, we provided skills training focused on areas including listening and dialogue to management personnel (general managers and managers) at the heart of workplace management so that they may build relationships of trust with subordinates and fulfill a guiding role that enables subordinates to make use of their talents and abilities. In FY2024, we expanded training to all employees, and focused on the theme of workplace harassment, which is an impediment to workplace engagement and enthusiasm. The training serves as an opportunity for employees to confront and rethink the problem of harassment, while reflecting on their own words and actions. We will continue our efforts to raise awareness of diversity and inclusion through ongoing education.



Diversity and inclusion materials

#### Example 2 Support for Balancing Work and Childcare

We conduct work-life balance support interviews to help employees experiencing significant life events to balance those events with their job so they can continue to work. Taking into account the support available in the person's household, we explain work style options after employees return from leave, and the balance support systems available to them. In providing support, our hope is that employees who complete the interview will find it useful to both themselves and their supervisors, and we hear positive feedback from participants including increased positivity and a sense that they are able to communicate their work-life balance hopes to their supervisors.

To encourage men to take paternity leave, we have made the first five days of leave fully paid, and provide work-life balance support while confirming their intentions so they can devote their full attention to childcare without worry, according to their own household circumstances.



Online interviews for employees on childcare leave

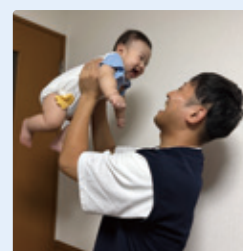
#### Comments from a Man Who Took Childcare Leave



Kohei Ogawa  
Conductor  
Nanakodai Operating  
Area, Transport  
Department

I took three months of childcare leave because I wanted to be part of the growth of our first child, and to lighten the burden on my wife. Closely watching my baby grow day by day gave me a real sense of being a parent, despite the hardships involved in raising a child, and I also experienced growth myself. Although childcare can be a challenge in some respects, the rewards are so much greater, and it was a valuable experience.

Since I returned to work, my perspective on the customers who use our railways has also changed. For example, I make a more conscious effort to offer help to passengers with children, and I try to make sure they can use our services with greater comfort and peace of mind.



### Example 3 Employment and Empowerment of Persons with Disabilities

The 92 persons with disabilities employed primarily at our special subsidiary Symphonia Tobu, as well as at Tobu Railway, Tobu Intertech, Tobu Engineering and TOBU STATION SERVICE, are actively supporting their businesses, such as through cleaning services and business card printing. We are gradually expanding the range of jobs for which persons with disabilities are hired. At Symphonia Tobu, as part of our support and promotion of sports activities for people with disabilities, we make our sports field facility available to adaptive sports so that those with disabilities can improve their physical fitness and engage in more active communication, which also leads them to use the facility in their free time.



Participants posing at a tee-ball meet

## 3 Optimization of Human Capital and System Planning

Recruitment

Skill manifestation and talent retention

We are strengthening recruitment communications and external information dissemination functions to attract talent, while also designing systems that enable each employee to fully utilize their abilities over the long term and feel motivated to continue working for the Group. This approach aims to optimize our workforce by fostering an internal environment conducive to talent retention.

### Major Indicators and Trends

Indicators	Target	FY2023 Results	FY2024 Results
Percentage of managerial candidates who are women (assistant managers)	50% increase (to 6.9%) from 4.6% at the end of FY2020	5.7%	6.3%
Gender wage gap (wages of women compared to male peers)	Promote success of employees regardless of gender	83.3%	85.5%
Rate of transition to rehiring	Maintain level close to 100%	88.6%	90.1%
Hiring of human resources with diverse knowledge and experience	Recruitment channel expansion and employee hiring (hiring of human resources other than new graduates)	22.6%	30.8%

### Example 1 Recruitment Channel Expansion

Amid a shrinking working-age population and diversifying values in regards to work styles, we are implementing growth strategies in railway and non-railway businesses as well as strengthening recruitment outreach and hiring channels to secure talent that can take on challenges in new fields. As part of this push, we will target talent pools such as new graduates, recent graduates changing jobs, experienced workers, rehires and alumni.



Potential-based hire internship participants

### Example 2 Revision of Employee Evaluation System

We have overhauled our evaluation system to upgrade our mechanisms for measuring the abilities of employees so that they can make full use of their abilities across a range of business domains for a long time after they join the Company.

As a major modification, we narrowed down the evaluation criteria to make the system easier to understand. Our objective is to clarify the vision of the Company or the department, and for employees to recognize their own role in achieving that vision, as well as for individual employees to proactively execute their duties for their assigned responsibilities and tasks, which will ultimately lead to higher levels of performance and productivity.

Additionally, as a measure to contribute to appropriate personnel assignment and improved work efficiency, we have introduced a talent management system designed to accelerate human capital management by grasping the aptitudes of each individual, and accumulating and visualizing the information obtained.

4

## Promotion of Health Management and Well-being

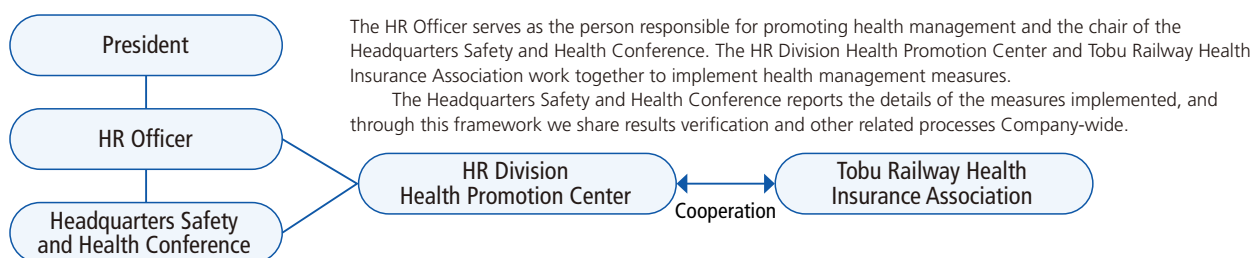
Development

Skill manifestation and talent retention

### Health Declaration and Health Management Promotion System

Tobu Railway's mission is to maintain safe and secure railway operation to support the comfort of our customers in their daily lives. To accomplish this, employees must be able to work in good physical and mental health. We believe that attaining that goal will lead to sustainable growth for the Company.

We hereby declare that the Company, employees and Health Insurance Association will work in unison to contribute to society through our businesses. We will actively engage in measures supporting good health so as to prevent employees and their families from suffering physical and mental health illnesses and to ensure they can demonstrate their abilities without worrying about negative impacts on their health.



### Major Indicators and Trends

Indicators	Target	FY2023 Results	FY2024 Results
Percentage of employees receiving regular health screenings	Maintaining a rate of 100%	100%	100%
Percentage of paid holidays taken per employee	80% or more taken	86.3%	84.2%
Employees reporting high stress	Lower figure than the previous year	15.4%	14.7%

#### Example 1 Health Guidance for Younger Employees

One health issue of concern at our Company is obesity, while some employees, even some among the younger age group, suffer from other lifestyle-related diseases. Most of them have few, if any, subjective symptoms. After the age of 40, they often have difficulty losing weight and improving lifestyle habits as they grow older, even if they receive specific health guidance, can be difficult. Therefore, as part of a collaborative health initiative with the Health Insurance Association that started in FY2024, and to promote good health among younger employees, we are creating opportunities for specific health guidance using information technology. The program will target employees (25, 30 and 35 years of age) who have been identified as at high risk for lifestyle-related diseases and who were assessed a guidance level of "Active support" or "Motivational support." In FY2024, all eligible employees received health guidance.

Obesity Rate Among Men Aged 39 or Younger	
Company average (2024)	31.0%
National average (2023)	24.4%

Note: Percentages taken from Company health screening data from FY2024 and from the National Health and Nutrition Survey from 2023.

#### Example 2 Improvement Toward Health Issues Specific to Women

Women face specific health problems related to menstruation, pregnancy, childbirth and menopause, and may report feeling ill during work. We have therefore provided management personnel with training aimed at improving understanding of health issues specific to women.

In January 2022, we established the Women's Health Consultation Desk, which is run by a public health nurse, as a place where women workers can discuss their concerns freely.

From the standpoint of health management, we conduct many initiatives to promote the well-being of each and every employee. For this reason, we have been certified as one of the Outstanding Organizations of KENKO Investment for Health in the large enterprise category for four consecutive years

For further details, please visit the following link: Health Management (Japanese language only)  
<https://www.tobu.co.jp/corporation/employee/health/>



The Women's Health Consultation Desk





## Workplace Safety and Health

### Workplace Safety/Safety and Health Philosophy

To guarantee the safety and health of workers at workplaces and to promote the creation of comfortable work environments, and in conformance with goals set forth by Japan's Industrial Safety and Health Law, the Company has established Safety and Health Management Regulations that stipulate requirements related to employee safety and health management, prevention of workplace accidents and promotion of health maintenance. In this way, we are engaging in safety and health management on a Company-wide basis.

Indicators	2023	2024
Work accident severity rate <sup>1</sup>	0.08	0.08
Work accident frequency rate <sup>2</sup>	1.01	1.20
Number of deaths due to workplace accidents	0	0

<sup>1</sup> Severity rate = Days of lost labor/Total number of actual work hours x 1,000

<sup>2</sup> Frequency rate = Number of injuries or deaths due to workplace accidents/Total number of actual work hours x 1,000,000

### Workplace Safety/Safety and Health Management Systems

As persons responsible for safety and health management, we have appointed 1) central safety and health managers, 2) senior safety and health managers, 3) safety and health managers, 4) general safety and health managers, 5) safety managers, 6) health managers, 7) safety and health promotion officers, 8) medical officers, and 9) work supervisors or other personnel as Safety and Health Operations Managers, and we have clarified their roles, for which they have carried out corresponding duties.

We have also investigated and deliberated safety and health matters and established a Safety and Health Committee comprised of persons from labor and management for the purpose of preventing workplace labor accidents and promoting health maintenance.

This committee promotes safety and health, and is made up of three organizational bodies: the Headquarters Safety and Health Conference, Divisional Safety and Health Committee and Workplace Safety Committee.

Furthermore, through the Accident Prevention and Disaster Prevention Liaison Conference, we strive to prevent accidents and disasters involving contracting companies dealing with railway construction.

### Initiatives to Improve Workplace Safety and Health (1) - Education and General Awareness

In accordance with annual plans for safety and health management operations, we hold the following types of training and educate employees through medical officers, the persons in charge of health and safety operations and outside lecturers.

Training for KYT (*Kiken Yochi Training*, or "hazard prevention training") trainers, training for psychological counselors, lectures by industrial physicians on safety and health, safety and health management courses, support for obtaining health manager licenses

We also provide information to all employees about disaster prevention, the prevention of lifestyle-related diseases, and good health practices through internal bulletins, posters and other means.

### Initiatives to Improve Workplace Safety and Health (2) - Health Screenings and Environmental Surveys

In addition to regular health screenings conducted twice a year, we strive to manage aspects of safety and health for employees through the health screenings listed below.

Special health screenings for applicable persons, physical function examinations, lifestyle-related disease examinations for age-specific recipients and interested persons, colon cancer examinations for interested persons and diagnosis through stress check surveys

In the area of workplace environment health, we also conduct workplace environment surveys at legally mandated workplaces, and when countermeasures are needed, address those matters in a timely and appropriate manner and carry out improvements.

## In FOCUS

## Role Models for Taking on Challenges and Engaging in Cooperative Creation

In the Tobu Group, employees in each workplace create corporate value through their daily work, based on the spirit of independent thinking and action. We utilize an internal recognition system as an opportunity to showcase employees who can serve as role models. For the awarded employees, receiving recognition for their actions boosts their motivation and encourages them to contribute even more. As a ripple effect, this fosters a culture of praise, and we view it as an opportunity to pass on the skill of sharing exemplary thinking and conduct to other employees.

Example  
1

## Tobu Group Contribution Award

The Tobu Group honors companies that make a significant contribution through the business performance and management efforts of Group companies. We also present the Tobu Group Contribution Award to organizations, departments, teams and individuals who contribute to improving the Group's image through expanding business profitability and improving customer satisfaction with new initiatives, discoveries and inventions that contribute to business operations. Through this award, we showcase positive values and standards of conduct to our approximately 70 Group companies, and by sharing success stories we set examples that can serve as goals and behavioral guidelines for each Group employee.

Example  
2

## Best Prize Award

We grant the Good Prize Award to employees who have been praised by customers for their kind behavior and customer service, and for helping to raise the image of the Company by gaining awards from other companies and organizations. Among the recipients of the Good Prize Award, employees whose particularly resourceful and proactive actions set a good example for others are elected, and honored with the prestigious annual Best Prize Award.

Example  
3

## Customer Service Skills Presentation (Station Staff) and SPACIA X Hospitality (Train Crew)

To enhance employee skills and improve service quality at station workplaces, we hold a Customer Service Skills Presentation where station staff selected from all 14 station districts compete in customer service attitude, communication, knowledge, and response capabilities. This initiative fosters exemplary service practices and facilitates the transfer of these skills.

In addition, through hospitality in operations designed by SPACIA X train crew themselves, employees reaffirm that train driving duties are linked to customer value, and receiving appreciation and praise from customers leads to increased motivation for employees.



SPACIA X hospitality



Customer Service Skills Presentation



## Internal Recognition

Below is a sampling of awards initiatives that not only increase profitability but enable employees to demonstrate their individuality and abilities by serving as role models in customer service, hospitality and more for their colleagues, leading to the taking on of new challenges and cooperative creation.

Example  
4

### In-House Proposal Program

We broadly encourage employees to submit ideas, with the aim of boosting productivity through originality and ingenuity, and increasing employees' motivation to make work improvements. This program has been revised over many years, since the establishment of proposal regulations in 1955. In FY2022, we updated the program so that, in addition to improvement proposals directly connected to operations, it is now possible to make suggestions including new plans and business planning ideas. By assessing and encouraging employees' ideas and concepts, the program contributes to the development of self-reliant personnel. There were 31 submissions in FY2024, of which 12 won awards after an internal review.



(Example) Chinese restaurant "stamp rally"  
People can obtain benefits by collecting stamps at Chinese restaurants located along our railway lines. This project rode the Chinese restaurant boom and was well received.

## External Recognition: Results of Support and Initiatives

### ● FY2024 Certification as Tokyo Sports Promotion Model Company

Tobu Railway has been certified for 10 consecutive years since FY2015 as a "Sports Promotion Company." This award is given to companies and other organizations that conduct social contribution activities in the field of sports by the Tokyo Metropolitan Government. In FY2024, we were recognized for particularly advanced initiatives and for initiatives that achieved broader ripple effects. We were the first railway company to be certified as a Tokyo Sports Promotion Model Company.

This certification was in recognition of the 15,000 staff members who volunteered for youth baseball and soccer tournaments in areas along Tobu Railway lines. This initiative, which started with sponsorship by the Tobu Museum, supports the development of the young boys and girls who will lead the next generation. It also supports the promotion of sports for people with disabilities. We will continue to contribute to further regional development based on our approach of connecting communities through sports to expand our reach along our railway lines.



### ● Platina Kurumin and Health and Outstanding Organization of KENKO Investment for Health

In February 2024, we were awarded Platina Kurumin special certification for our support for balancing work with childcare and for continuously implementing measures that contribute to maintaining a comfortable work environment. In addition, in recognition of our initiatives for employee health and productivity management and mental health, we have been certified as one of the Outstanding Organizations of KENKO Investment for Health in the large enterprise category for four consecutive years.



## Basic Policies in Ensuring Transportation Safety

### Safety Policy

Based on our corporate motto and creed, we pledge to observe the following policies to ensure safety and security for our customers.

1. We believe that safety is the foundation of all businesses operated by Tobu Group, and pledge to make it our highest priority, with the aim of earning the highest public trust.
2. We pledge to comply with laws, ordinances and regulations in the spirit of the Tobu Group Compliance Basic Policy.
3. We will continuously review our safety framework, while keeping in mind that the work of ensuring safety never ends.
4. Each and every officer and employee will promote a culture of safety by reflecting on lessons learned, and thinking and acting in the interest of safety on their own.

## Safety Objectives

Based on our Safety Policy and Safety Action Standards, we have built and established a culture of safety within the Company, and thoroughly comply with safety-first principles and related laws. We have also taken measures to further improve safety, with the goal of continuing to operate free of major accidents or incidents. As a result, in FY2024, we achieved continuous operation with zero major accidents or incidents. To ensure safety and security for customers in FY2025 and beyond, we will strive to continue operations with zero major accidents or incidents, and take proactive steps to guarantee transportation safety.

## Review of Safety Initiatives in FY2024

In FY2024, in addition to achieving our objective of operating free of major accidents or incidents, we took a number of actions based on our safety management system and FY2024 priority safety measures. To further enhance safety, we added two new objectives to our FY2024 priority safety measures: Promoting our “Safety II” initiative, and enhancing safety through the use of cutting-edge technology.

For the latter, we introduced and gained proficiency with communication and information sharing tools, and implemented digital transformation initiatives.

As for natural disaster countermeasures, during our Disaster Prevention Week program, we conducted training that reviewed Tobu Railway’s response to the 2011 Great East Japan Earthquake, and looked back at past events to raise awareness around natural disasters and improve our ability to respond to them.

## FY2025 Priority Safety Measures

In FY2025, we are prioritizing the implementation of the following items, with the safety objective of continuous operation with zero major accidents or incidents.

### 1 Further Foster a Culture of Safety

- 1) Provide training to teach the value of safety from past accident case studies
- 2) Further enhance training to pass down skills and technologies
- 3) Promote “Safety II” initiatives

### 2 Promote Measures Based on Safety Management Systems

- 1) Further enhance drills
- 2) Further strengthen objective-driven communication
- 3) Analyze near-misses and causes of incidents to prevent accidents and recurrences
- 4) Implement safety measures against natural disasters and terrorism (including strengthening warning and security measures for Expo 2025 Osaka, Kansai, Japan)

### 3 Promote Safety Improvement Measures

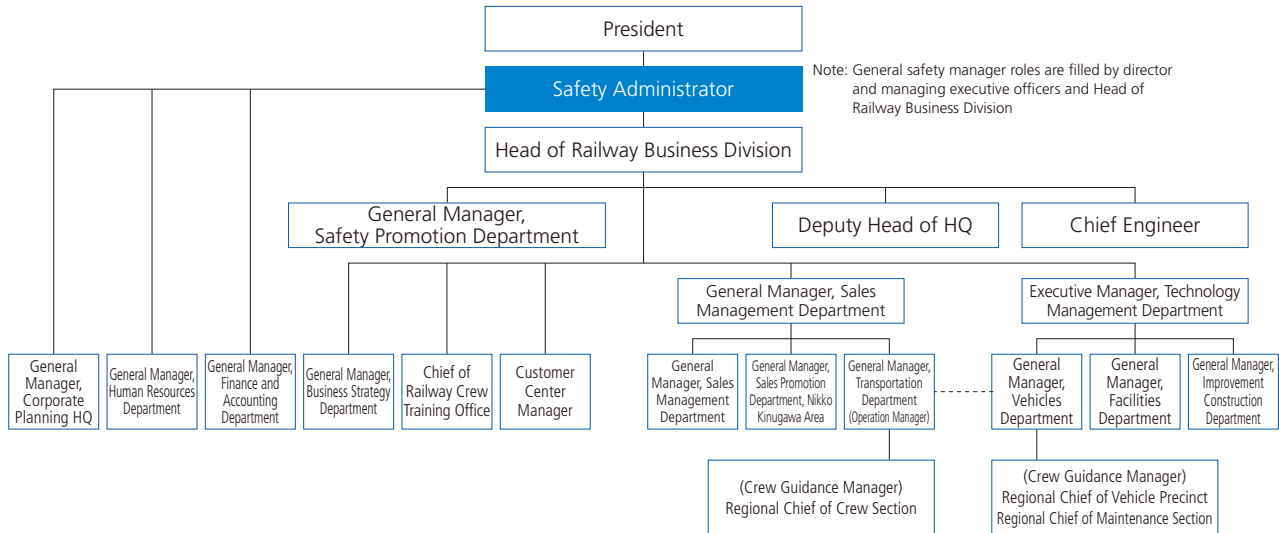
- 1) Take accident prevention measures in train station facilities, vehicles and railroad crossing equipment
- 2) Enhance safety using cutting-edge technology



## Safety Promotion Structure

In accordance with our Safety Management Regulations, we define matters such as the roles and powers of the responsible persons in each division and the in-house systems that promote and manage safety, through general safety managers selected by the President.

### ● Structure Used to Guarantee Safety (As of April 2025)



Through the following conferences for maintaining transportation safety, employees ranging from upper management to on-site staff work together to apply revisions and improvements to safety management systems. At these conferences, employees discuss wide-ranging safety initiatives and strive to ensure the ongoing implementation of safety measures and the introduction of autonomous and continuous improvements.

### ● Internal Systems for Promoting and Managing Safety



#### President, general safety managers, Head of Railway Business Division, officers in the railway business, GM of Transport Dept., and GMs of related departments

General safety managers and the Head of the Railway Business Division report the status of the safety initiatives of the Railway Business Division overall to top management, and also submit reports on revisions to safety management systems.

#### General safety managers, Head of Railway Business Division, officers in the railway business, and department managers and section managers in the Railway Business Division

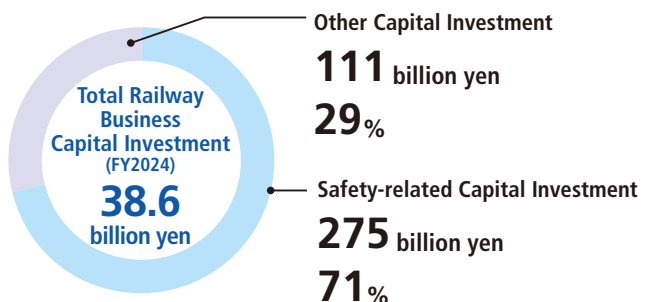
Accident prevention for railways in general, disaster prevention, terrorism countermeasures, and safety measures planned by each department are discussed by the Railway Business Division in order to enhance our safety promotion system.

#### Department managers, section managers, assistant managers, and on-site operations departments (including the three functional companies\*)

Through communication between on-site staff and head office, we verify challenges to implementing measures.

\* Tobu Railway outsources station operations to Tobu Station Service, certain vehicle maintenance tasks (general maintenance and inspection of important parts) to Tobu Intertech, and maintenance of track facilities, electrical facilities, and building facilities to Tobu Engineering. These three companies are referred to as the "three functional companies."

Safety-related capital investment totaled 27.5 billion yen (71% of railway business capital investment) in FY2024. Through equipment-related measures such as maintaining the safety of railroad crossings, installing elevators, platform barriers (movable and fixed types) and other equipment, renovating tracks and electrical facilities, and augmenting and improving rolling stock, we continue to strengthen and enhance safety.



### Initiatives to Maintain and Improve Transportation Safety

To maintain and improve transportation safety, we have established a Safety Day so that employees Company-wide can reaffirm the importance of transportation safety. We are also carrying out other initiatives, such as the exchange of views between headquarters and on-site staff, safety patrols and safety audits.

#### Safety Audits (Internal Audits of Rail Transportation Safety)

The purpose of safety audits is to confirm conformity with initiatives dealing with the building and improvement of safety management systems by each division and also verify the effectiveness of those safety management systems, while establishing structures that will continuously improve all in-house safety management systems. During audits, the auditing officer (Safety Division General Manager) and other auditing staff perform tasks such as conducting interviews and browsing records.

In FY2024, we set the following as priority audit items:

- 1) Implementation status of safety management systems that incorporate case studies from inside and outside the Group
- 2) Initiatives related to natural disasters (measures, drills, training and education, etc.)
- 3) Counterterrorism, warning and security initiatives

We confirmed the status of initiatives as well as issues to address in each division, and made recommendations such as proposals for improvement.



Safety audit

#### Safety Day

We have designated August 1 of each year as “Safety Day” to present a Company-wide opportunity to reaffirm our commitment to railway safety, and for all employees and executives to reinforce a safety-first mindset.

For the FY2024 Safety Day, the President issued a safety briefing and Shiro Kawamoto (professor at the College of Risk Management at Nihon University) presented a lecture on railway safety. Each department also held presentations on its safety initiatives, with the aim of increasing engagement with safety activities and promoting mutual understanding across departmental lines. We will work to further raise the level of safety efforts at each operating site.



A presentation of initiatives at Safety Day

#### Safety Patrols

The President and other officers in the railway business make rounds at on-site locations, converse directly with on-site employees and perform checks around initiatives and actual operations dealing with safety.

Having divided all train lines into seven areas, we patrol on-site workplaces across all work functions within each area and strive to improve safety awareness through communication with on-site employees.



An on-site workplace safety patrol

#### Exchange of Views between Headquarters and On-Site Staff

Managers of on-site departments, the President and other officers in the railway business, and relevant staff from head office departments meet to exchange views, share safety-related information, and strengthen collaboration.

In FY2024, cross-functional meetings were held to further enhance communications and exchange views on preparedness for contingencies such as accidents and natural disasters in each area.



Headquarters and on-site staff exchange views

#### Tobu Group Transportation Business Operators Safety Liaison Committee

This committee meets to share information within the Tobu Group about safety initiatives. It was formed in FY2011 with the objective of enhancing safety measures at every Group company.

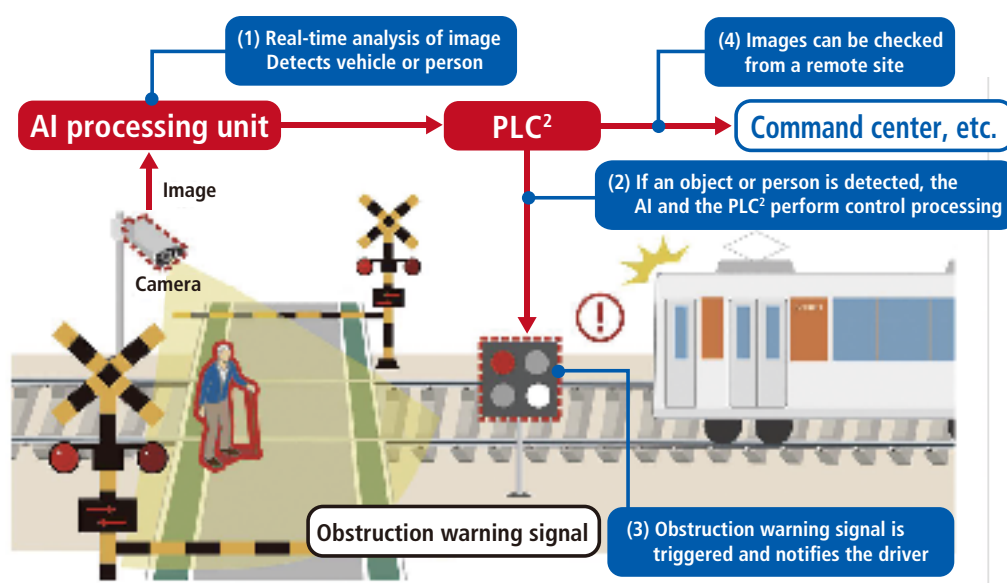
It has since reported on the implementation of safety training with Group companies, and enabled the exchange of ideas with officers in the railway business.

## Initiatives Promoting Customer Safety

So that customers can use our railways safely and securely, we ensure that safety checks are performed by station staff and train crew, and carry out equipment-related measures and response drills.

### AI System for Detecting Obstructions in Closed Railroad Crossings

This system uses pose estimation, edge AI computing, and other technologies to perform precise, real-time AI processing of images from railroad crossing cameras. When a person is detected within the crossing area after the gates have been lowered, the system immediately triggers a special obstruction warning signal<sup>1</sup> and alerts approaching train drivers to the abnormal situation. In January 2025, we installed the system at four locations along our railway lines. We expect it to lead to a reduction of accidents caused by people, bicycles or other objects at railroad crossings.



1. A signal device that notifies train drivers of abnormal situations at railroad crossings. When an abnormal situation occurs, a light is activated and a stop signal is displayed.
2. Programmable logic controller

### Emergency Response Measures

In accordance with the Response Guidelines for Terrorism Conducted on Trains drafted by the Ministry of Land, Infrastructure, Transport and Tourism, we have prepared the Manual for Responding to Suspicious Persons or Items, and to deter the outbreak of terrorism on trains, we have been conducting initiatives such as the installation of security cameras and emergency intercoms, implementing measures preventing trespassing and enacting patrols by officers wearing security armbands.

To improve our ability to respond to suspicious persons and items, we are cooperating with police and fire departments in conducting response capability improvement training and self-defense classes based on scenarios simulating a terror attack or other emergency. Additionally, to prepare for possible injury incidents on station property or aboard rolling stock, we conduct training and drills covering initial response by train crew members, customer evacuation guidance, and defense against knife attacks.

#### Stations



Protective shield



Sasumata restraining device

#### Rolling stock



Protective shield



Cut-resistant gloves

#### Terrorism response drills



Response training at Kawagoe Station

## Human Resources Development

For the purpose of ensuring transportation safety, we conduct training enabling employees to acquire important knowledge and techniques based on internal training regulations. We are improving training effectiveness by using actual machinery and materials at the General Educational Training Center for all work categories, including station personnel, train crew and technical staff.

### Training and Drills in Each Division

#### Initiative Example 1

##### **Simulator Training for Station Staff and Train Crew (Drivers and Conductors)**

We are providing more practical training by effectively combining classroom-based instruction with training simulators recreating train operations.



#### Initiative Example 2

##### **Emergency Simulation Workshop**

##### **Simulation training to boost emergency response capabilities in the event of a derailment accident**

In the Railway Vehicles Department, we are conducting classroom-based scenario simulation training to improve our ability to respond to unforeseen events.



## IN FOCUS

### The Exhibition Room for Learning from Accidents and Our Commitment to Safety

We have established an Exhibition Room for Learning from Accidents and a Commitment to Safety at the General Educational Training Center. The purpose of these is to pass along the valuable lessons gained through major accidents so that rather than letting serious accidents that occurred in the past be forgotten, we can convey to trainees the true toll of train accidents, and make sure the same mistakes leading to them are not repeated.

The center examined major accidents that have occurred inside and outside the Group, and selected those that became a turning point in terms of safety measures, and that served as lessons or had a significant impact on society due to the number of injuries or deaths. We have also introduced digital signage and are adapting training materials to video form to visually present the details of accidents in a way that is easier to understand, and use these in our internal training.



Digital signage about accidents



Commitment to Safety

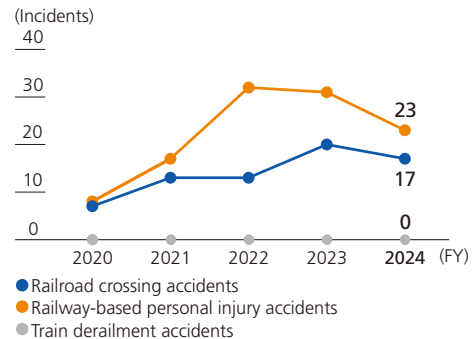


## Occurrence of Accidents

### Number of Railway Accidents

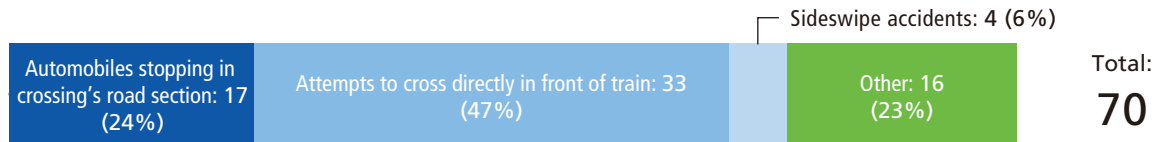
In FY2024, the railway accidents experienced by the Company consisted of 17 railroad crossing accidents and 23 railway-based personal injury accidents.

Note: Railway accidents consist of accidents involving train collisions, train derailments, train fires, railroad crossing obstructions, road obstructions, railway-based personal injuries and physical damage to railways.



### Major Causes of Railroad Crossing Accidents

Railroad crossing accidents occur when a train or rolling stock collides or makes contact with a person or vehicle crossing the road section of a railroad crossing. The Company has experienced 70 railroad crossing accidents in the most recent five-year period, the majority of which were caused by automobiles stopping in a crossing's road section or attempts to cross as a train approaches.



### Major Causes of Railway-Based Personal Injury Accidents

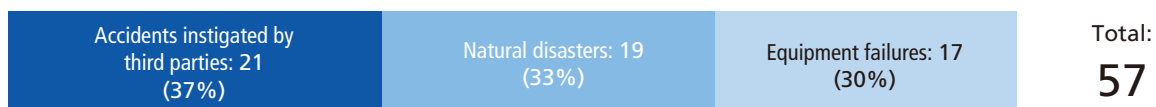
Railway-based personal injury accidents denote accidents resulting in injury or death of an individual due to the operation of a train or rolling stock. The Company has experienced 111 railway-based personal injury accidents in the most recent five-year period, the majority of which were caused by persons on railroad tracks or those coming in contact with trains from the station platform.



### Disruptions to Transportation

The Company experienced a total of 57 disruptions to transportation in FY2024, the majority of which were caused by accidents instigated by third parties (e.g., persons entering restricted areas) or natural disasters.

Note: Disruptions to transportation are defined as events that hinder transportation by rail other than railway traffic accidents.



For further details, please visit the following link: Safety Report (Japanese language only)  
[https://www.tobu.co.jp/pdf/corporation/2025\\_anzenhoukokusyo.pdf](https://www.tobu.co.jp/pdf/corporation/2025_anzenhoukokusyo.pdf)

# Initiatives to Reduce Environmental Impact

## Basic Policy

The Tobu Group will further increase its strong environmental advantage with a focus on the railway business and reduce its environmental impact and address climate change risks. Across all areas of business, we will conduct initiatives that include reducing CO<sub>2</sub> emissions and other greenhouse gases, while promoting initiatives that mitigate risks related to natural disasters, such as by strengthening the resilience of business facilities. We will thereby contribute to the building of a sustainable society, while maintaining an appropriate balance with our corporate growth objectives.

For further details, please visit the following link: Tobu Railway Environmental Philosophy and Environmental Policy  
<https://www.tobu.co.jp/corporation/environment/en/index.html>

## Countermeasures Against Climate Change

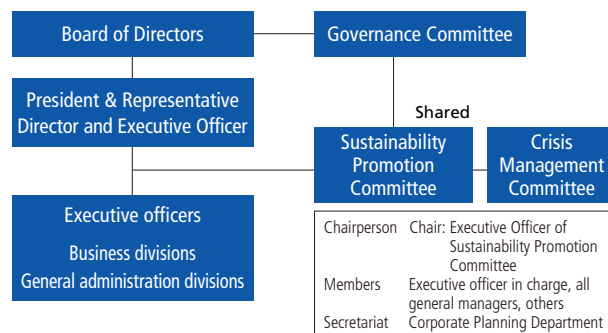
### Governance and Risk Management

The Tobu Group employs an environmental management system that sets targets for environmental conservation activities, including emissions reduction, and activities mitigating risks from natural disasters across all business sectors. Through this system, we continuously improve and review our efforts to advance these initiatives.

To promote these initiatives, the Group has established the Sustainability Promotion Committee. The committee is chaired by the executive in charge of the committee and is made up of division heads, and executive officers and heads of each department and office. Through this committee, we discuss and verify risks and opportunities related to climate change (hereafter, climate change risks and opportunities).

The chair of this committee formulates environmental and climate change risk reduction activity plans, submits reports on those activities and makes proposals. These plans and proposals are submitted to the Governance Committee, consisting of representative directors, outside directors and full-time Audit & Supervisory Board members. The Governance Committee builds governance structures for initiatives concerned with climate change risks and opportunities, such as by deliberating and evaluating the corresponding items and providing reports to the Board of Directors.

Considering that such initiatives also play an important role during crisis management conducted by the Group, we share that information with the Crisis Management Committee and create appropriate management systems.

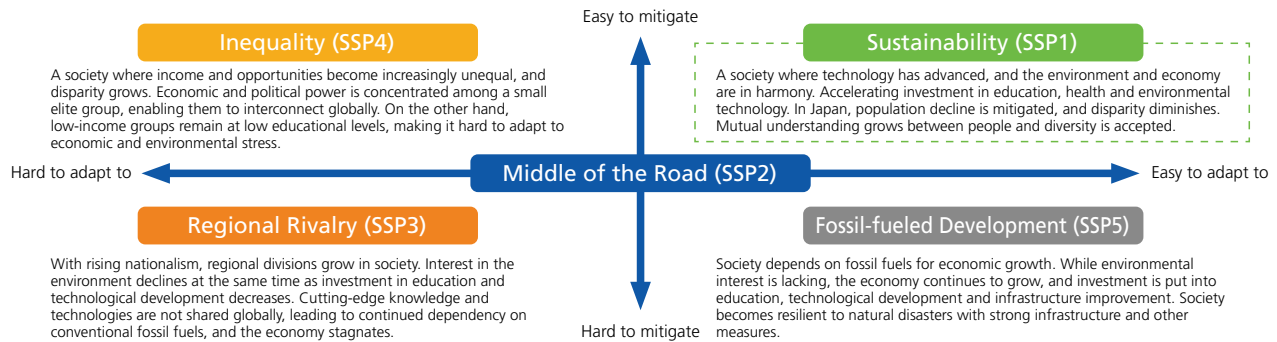


### Strategy

In our consolidated accounts, we looked at the impact of climate change on the railway business, which is subject to the largest financial impact. Among the socioeconomic scenarios ("shared socioeconomic pathways," or "SSP" scenarios) used by the National Institute for Environmental Studies in the field of climate change research, we compared the sustainable society scenario (SSP1, scenario with warming under 2°C) and the divided region society scenario (SSP3, scenario with warming of 4°C), and analyzed the risks and opportunities of each scenario and the impact on revenue.

For both SSP1 and SSP3, we classified the physical risks (e.g., destruction caused by abnormal weather such as flooding or rainstorms) and transitional risks and opportunities (e.g., the strengthening of regulations and introduction of new technologies due to the shift to a low carbon economy, changes in markets and reputation due to changes in consumer preferences and behavior) that may impact the Group's railway business due to climate change, and carried out the following analysis.

## ● SSP Scenarios



## Physical Risk

We analyzed the financial impact on the railway business's facilities and equipment from water hazard risks resulting from an increase in abnormal weather. As part of this analysis, we used a flood risk evaluation model<sup>1</sup> and climate forecast database<sup>2</sup> and assessed the extent to which each railway business asset (station buildings, tracks, electrical equipment, etc.) might be physically damaged by flooding. Based on past weather data, we calculated the amount of damage that would result in a so-called "once-in-a-century" level disaster. We also made an approximate calculation of the impact on our income if rail operation is impeded due to the occurrence of disasters.

As a result, regarding the impact of water hazard risks on the railway business as a whole, while both SSP1 and SSP3 present the risk of damage totals increasing beyond current levels, we observed that the damages under SSP1 would be smaller. Therefore, as we operate our business, and in view of the potential for decreased water hazard risks, we recognize the importance of realizing a sustainable society and keeping the global temperature rise under 2°C.

Meanwhile, the Company has been working to increase the resilience of rail facilities, such as by reinforcing slopes and bridges. Into the future, while striving to reduce our environmental impact, we will also promote initiatives that decrease risk.

1. Computer model that virtually replicates and evaluates tens of thousands of precipitation possibilities based on past weather data

2. Large-scale weather prediction database produced by the *Climate Change Risk Data Creation Project* under the Ministry of Education, Culture, Sports, Science and Technology

## Transitional Risks & Opportunities

SSP1 entails the risk of greater financial burden if new carbon taxes, more stringent decarbonization regulations, and other factors increase the cost of procuring energy and materials. On the other hand, the Group projects opportunities from the proliferation of next-gen technologies such as clean energy technology, and also from its field testing of mobility as a service (MaaS) and autonomous driving. These present opportunities to increase earnings by reducing costs related to railway operations and improving operational efficiency. By maintaining its environmental advantage, the Group can also promote a shift to rail from other modes of transportation and the like, presenting further earnings increase opportunities.

## Impact on Revenue

We analyzed the impact on railway revenue due to future demographic changes. SSP1 posits a scenario in which society creates structures conducive to having children. In contrast, SSP3 posits a scenario of further population decline due to economic stagnation and other factors.

As a result, our analysis indicates that railway income would be significantly lower in FY2050 in the SSP3 scenario. Therefore, as we operate our business with a view to securing future revenue, we recognize the importance of realizing a sustainable society and keeping the global temperature rise under 2°C.

Based on the above, we consider the goal of realizing SSP1 to be crucial in conducting our business, and will continue to implement climate change initiatives to that end.

## Indicators and Targets

We have declared that the Group will aim to reduce FY2030 CO<sub>2</sub> emissions by 30% compared to FY2022, reach net-zero CO<sub>2</sub> emissions by FY2050 and achieve carbon neutrality in the Oku Nikko area, a Decarbonization Pioneer Region as designated by the Ministry of Environment.

The railway business is the foundation of the Tobu Group's business. We project that we will reduce FY2030 CO<sub>2</sub> emissions by approximately 50% compared to FY2013. We will achieve that reduction by carrying out initiatives to reduce our environmental impact, with a focus on initiatives to replace existing rolling stock with energy-saving models.

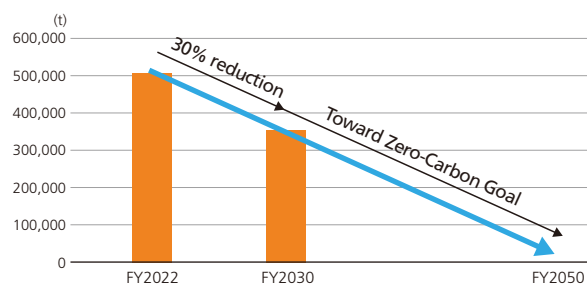
## Initiatives to Reduce Environmental Impact

Most notably, we have already achieved train operations free of CO<sub>2</sub> emissions in the Nikko and Kinugawa areas. We have also expedited the environmentally friendly NIKKO Maas project and other initiatives in collaboration with Nikko City and the local region, with the aim of strengthening the International Eco Resort Nikko brand.

The Tobu Group will continue to promote initiatives that reduce its environmental impact to achieve the goal of net-zero CO<sub>2</sub> emissions in FY2050. Further, to achieve our goals, we will actively promote energy-saving initiatives such as introducing energy-efficient vehicles, LED lighting, and high-efficiency air conditioning systems in our facilities. We will also advance the adoption of renewable energy sources like solar power generation to reduce CO<sub>2</sub> emissions.

- For further details, please visit the following link: Task Force on Climate-related Financial Disclosures  
<https://www.tobu.co.jp/corporation/kankyo/tcfd/en/index.html>

### Roadmap for Tobu Group Decarbonization



- For further details, please visit the following link: Reduction of CO<sub>2</sub> Emissions  
[https://www.tobu.co.jp/corporation/kankyo/emissions\\_reduction/en/index.html](https://www.tobu.co.jp/corporation/kankyo/emissions_reduction/en/index.html)

### Promoting Decarbonization Through Local Production and Consumption in the Oku Nikko Area

- Tobu Bus Nikko is undertaking CO<sub>2</sub> reduction initiatives and in August 2025 commenced full-scale commercial operation of buses that run on environmentally friendly biofuel made from used cooking oil on routes within the Nikko Business Office jurisdiction, which includes buses to the Chuzenji Onsen and Yumoto Onsen bus stops. Supporting the operation of biofuel buses, Tobu Bus Nikko constructed a plant at the sales office site to refine the B5 biodiesel blend made with waste cooking oil generated at Tobu Group facilities in Tochigi Prefecture.



In addition, Tobu Bus Nikko plans to progressively introduce renewable energy systems including rooftop solar power and geothermal heat utilization systems at Tobu Group affiliated Oku Nikko area hotels.

### SBT Certification

- In June 2025, Tobu Top Tours received SBT certification of the scientific basis for the greenhouse gas emission reduction targets of the Tobu Top Tours Group, including its three subsidiaries. The international Science Based Targets initiative (SBTi) recognized and certified these targets as consistent with the Paris Agreement target of limiting the rise in global temperature to 1.5°C above preindustrial levels.



Baseline fiscal year	Target fiscal year	Scope	Target
FY2023	FY2030	Scope 1, 2	42% or greater reduction
		Scope 3	25% or greater reduction



## Energy-Saving Initiatives

- Transitioning from the older Limited Express Spacia (100 series) to Spacia X (N100 series), which consumes approximately 40% less power



- Reduced power consumption by approximately 70% with LED lighting equipment for the ceiling lights at Takenotsuka Station's ticket gate



## Use of Renewable Energy

### Solar Power Generation

Tobu Shoji has installed three solar power plants on the roof of Tobu Transport's logistics warehouse. The electricity generated is utilized by Tobu Transport through an off-site PPA. One of these plants supplies power to Tobu Zoo, located approximately 4 kilometers away, utilizing the self-delivery system.



A Tobu Shoji solar power generating station



Tobu Zoo receives power from the solar stations

### Adoption of Green Buildings

(Certification by the Building-Housing Energy-efficiency Labeling System (BELS))

We are actively introducing green buildings to promote energy conservation in commercial facilities. As part of this effort, the Tobu-Dobutsu-Koen Station West Exit Commercial Facility and one other property have obtained BELS certification, a third-party certification system that certifies the energy efficiency performance of buildings. These facilities generate approximately one-third of their electricity consumption through solar power generation, earning the highest five-star rating and demonstrating their commitment to green buildings and environmental considerations.



Commercial facilities at Tobu-Dobutsu-Koen Station's West Exit have received a five-star rating by BELS

## Conservation of Forest/Water Resources and Maintenance of Biodiversity

The Tobu Group strives to properly conserve forests under its ownership so that it can maximize CO<sub>2</sub> absorption and water conservation functions. Under our proper care, the CO<sub>2</sub> absorbed is repurposed into nationally certified credits. We also collaborate with local governments along our railway lines, other companies, and associations to conduct seminars about the maintenance of natural areas near towns and villages and engage in other activities that broaden understanding of forest conservation.

We are helping to maintain biodiversity by raising fireflies naturally in Nikko, and are also working to preserve species through animal breeding at Tobu Zoo.

- For further details, please visit the following link: Conservation of Forest & Water Resources and Maintenance of Biodiversity  
[https://www.tobu.co.jp/corporation/social\\_contribution/conservation/en/index.html](https://www.tobu.co.jp/corporation/social_contribution/conservation/en/index.html)

### Forest Conservation

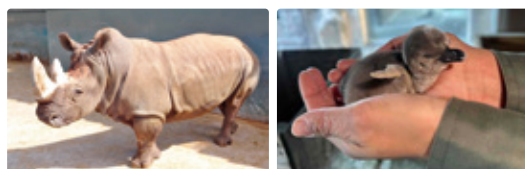
- At Dobutsu no Mori Central Tochigi, we collaborate with partners such as the village of Mibu in Tochigi Prefecture and conduct hands-on seminars in nearby natural areas directed at elementary school students living along railway lines



Seminar participants trying their hand at trimming and weeding

### Conservation of Biodiversity

- Tobu Zoo is committed to exhibiting and breeding numerous rare animals and is also actively breeding the Southern White Rhinoceros, introduced from Taiwan's Leofoo Village Theme Park for species conservation, as well as the rare Humboldt Penguin



A southern white rhinoceros introduced for the purpose of species preservation and a reticulated giraffe parent and child at the Kuragasaki SL Flower Field

# Initiatives for Stakeholders

## Basic Policy

Together with our various stakeholders, including residents living along our railway lines, customers, and business partners, the Tobu Group has created significant value through coexistence and co-creation with local society in railway areas and has achieved growth alongside the development of local communities. On into the future, we will intensify initiatives in collaboration with our stakeholders, such as by creating a sense of community, developing local communities that are easy to live in and creating appealing features within local communities. While discovering and publicizing those appealing features together with people and institutions in these local areas, we will promote community-building that meets needs, including the new services required of a society with diverse work styles and values. Through such initiatives, we aim to create communities that will fulfill residents, providing all generations with a comfortable lifestyle and maintaining railway areas that attract visitors. While increasing the population that interacts with these locations, we will contribute to the sustainable development of local areas.

## For Our Customers

The Tobu Group is committed to improving customer convenience by understanding customer needs and creating and providing a variety of services addressing those needs, such as by establishing the Tobu Railway Customer Center. Through efforts including the publishing our magazine *Monthly Tobu*, we look to showcase the services provided by the Tobu Group and also provide customers with useful information and create a sense of community, with the goal of increasing customer loyalty and achieving the sustainable development of both business and local railway areas.

- ▶ For further details, please visit the following link: For Our Customers  
[https://www.tobu.co.jp/corporation/social\\_contribution/customer/en/index.html](https://www.tobu.co.jp/corporation/social_contribution/customer/en/index.html)

### Customer Opinion Initiatives

- Through our Customer Center, we strive to improve upon and deliver new services based on customer feedback. In December 2024, we introduced a new chatbot to further enhance information dissemination.
- Pictured: Our newly integrated chatbot (top) incorporates user input, allowing unlimited changes to boarding times within the original travel dates for purchased express Tobuchike! tickets (bottom)



### Monthly Tobu PR magazine

- Launched in April 1951, *Monthly Tobu* has helped us build loyalty in local railway areas for over 70 years by providing customers with information about the Tobu Group and other topics, as well as developing a community that has sprung from the magazine.
- ▶ For further details, please visit the following link (Japanese language only): Monthly Tobu  
<https://www.tobu.co.jp/monthly/>



## For Local Society

Local communities along our railway lines are a vital source of business for the Tobu Group. We collaborate with residents, local governments, schools and other stakeholders in initiatives to build communities and make them more attractive while developing commercial facilities and residential projects.

- ▶ For further details, please visit the following link: For Local Society  
[https://www.tobu.co.jp/corporation/social\\_contribution/region/en/index.html](https://www.tobu.co.jp/corporation/social_contribution/region/en/index.html)

### Commercial, Residential and Community Development

- Emphasizing cooperation with the community, the Tobu Group is developing residential and commercial facilities in the Soka Matsubara area near Dokkyo University. In FY2024, we concluded an agreement involving industry, government and academia and began selling homes in the Well Bind City Dokkyodaigakumae detached housing development. We have also fostered a sense of community and attachment to the local area by hosting a market called Picnigood Sokamatsubara in collaboration with local residents.



Detached homes in the Well Bind City Dokkyodaigakumae housing development



The bustling Picnigood Sokamatsubara market

### Integrating the Asakusa and TOKYO SKYTREE TOWN Areas to Enhance Their Appeal

- The Tobu Group is integrating the Asakusa and TOKYO SKYTREE TOWN areas. In 2020, we joined a public-private partnership that created an integrated space around Sumida Park, encompassing the waterfront, space beneath the elevated railway tracks, roads, and parks. Since April 2025, the Sumida Park Management Group, under Tobu Group leadership, has served as the designated manager of Sumida Park. We are employing our expertise to maintain the park and promote the use of public space, increase the value of the area, and create sustainable vitality for the area.



Sumida Park

## Supplier Engagement

The Tobu Group is strengthening relationships that facilitate coexistence and co-creation with our business partners, with the goal of improving supplier engagement with Group businesses and promoting sustainable business. Specific initiatives include a Partnership Building Declaration with respect to our suppliers; communication sessions with suppliers based on the themes of safety and security; and the creation of our Green Purchasing Guidelines in consideration of the environment.

- ▶ For further details, please visit the following link: Supplier Engagement  
[https://www.tobu.co.jp/corporation/supplier\\_engagement/en/index.html](https://www.tobu.co.jp/corporation/supplier_engagement/en/index.html)

### Partnership Building Declaration

- To demonstrate our commitment to building relationships with business partners that help us to work and thrive together, we have made a Partnership Building Declaration.



- ▶ For further details, please visit the following link (Japanese language only): Partnership Building Declaration  
<https://www.biz-partnership.jp/declaration/28388-08-00-tokyo.pdf>

### Hosting the Accident and Disaster Prevention Liaison Conference with Contracting Companies

- The Tobu Group hosts the Accident and Disaster Prevention Liaison Conference to help prevent accidents and disasters, such as through sharing examples of safety initiatives with contracting companies involved in railway construction involving engineering and electrical work. We also engage in accident and disaster prevention efforts by carrying out certifications for various in-house qualifications, training for the renewal of qualifications and safety inspections and checks at construction sites and other locations in a timely and appropriate manner. On a daily basis, we engage in these initiatives so that accidents and disasters do not occur.



The Accident and Disaster Prevention Liaison Conference

### Green Purchasing Guidelines

- The Tobu Group has established its Green Purchasing Guidelines to promote its environmental conservation activities with a commitment to green purchasing that prioritizes products that minimize environmental impact. These guidelines aim to improve supplier engagement from an environmental perspective by specifying the purchase of materials and other products based on criteria that include minimizing resource and energy consumption during manufacturing and use, sustainable extraction from and use of natural resources such as forests, use of recycled materials and reused parts, and purchases from businesses that strive to reduce their environmental impact.
- ▶ For further details, please visit the following link: Green Purchasing Guidelines  
[https://www.tobu.co.jp/corporation/supplier\\_engagement/en/index.html](https://www.tobu.co.jp/corporation/supplier_engagement/en/index.html)

# Respect for Human Rights

## Tobu Group Human Rights Policy

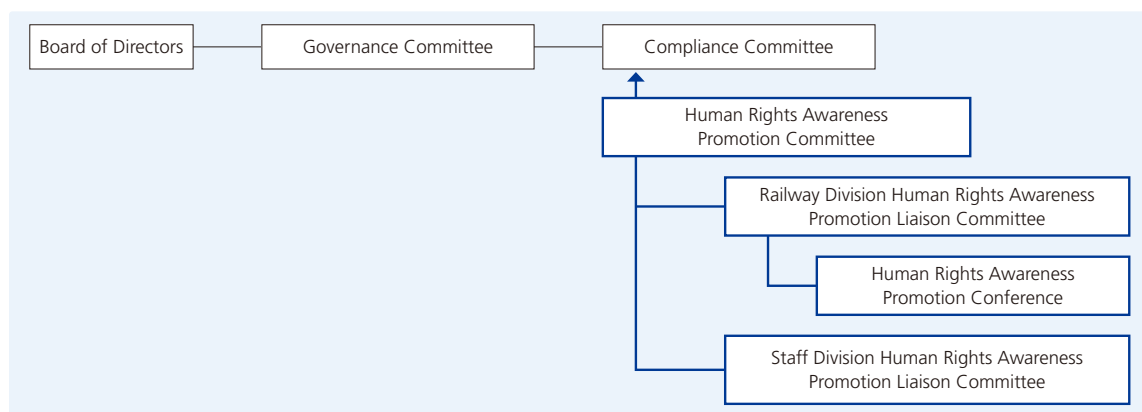
Considering the expanding scope of human rights infringement risks that companies must consider in their business activities, the Tobu Group has set forth the Tobu Group Human Rights Policy in accordance with the United Nations' Guiding Principles on Business and Human Rights, for the purpose of further promoting initiatives establishing respect for human rights.

In parallel with the enactment of this policy, we will work to widely spread awareness of its content, and through collaboration between the Human Rights Awareness Promotion Committee governing body and relevant internal departments and Group companies, we will promote initiatives instilling respect for human rights in employees. Measures include continuous awareness and enlightenment exercises, as well as required due diligence-related initiatives supporting the awareness and prevention of human rights infringement risks.

For further details, please visit the following link. Tobu Group Human Rights Policy (Japanese language only)  
<https://www.tobu.co.jp/corporation/employee/humanrights/>

## Respect for Human Rights Promotion Structure

We have established the Human Rights Awareness Promotion Committee as the governing body that will oversee the promotion of human rights awareness, as well as deliberate and determine important matters and basic plans for initiatives promoting respect for human rights among all persons related to our business activities. With this committee playing the central role, we have established a structure that can ascertain the progress of human rights awareness and promote enlightenment exercises throughout the Group. It also gauges the impact of business activities on human rights, and promotes communication and coordination between all divisions.



## Continuing Education Regarding Respect for Human Rights

Since 1980, the Tobu Group has tackled human rights issues such as the problem of harassment and social class discrimination, and has continued to conduct awareness-raising activities and education related to human rights. Based on the Tobu Group Human Rights Policy established in 2024, we have expanded the scope of human rights issues covered and broadened the scope of human rights education to all Tobu Group employees. We also provide human rights awareness education, primarily through e-learning. The curriculum used in new employee training and level-based training includes materials for preventing human rights violations and discrimination. We will continue to work on specific, easy-to-understand awareness-raising activities to ensure that employees can respond appropriately to corporate human rights risks. At the same time, we will bolster initiatives for respecting human rights in order to deepen awareness of human rights and understanding of the need for companies to address them.

**3. 人権侵害に該当する行為例**

○企業で実際に引き起こされてしまった人権侵害例に基づき、どんな行為が該当するのか見ていきましょう。

<b>○外国人労働者の権利</b> 外国人技能実習生に低賃金、賃金未払い、長時間労働を強いていた。	<b>○差別（不適切な採用選考）</b> 応募者本人の適性や能力に関係ない、出身地や親の職業・性のあり方などを面接で聞く。後日、応募者からハローワークに申し出があり、企業側が指導を受ける。
<b>○過剰・不当な労働時間</b> ノルマが多く、長時間労働、上司からのハラスメントにより休職。その後、自殺にまで追い込まれてしまうケースもあり。	<b>○プライバシーの侵害</b> SNSや掲示板などで、度を越えた誹謗中傷や悪意のある投稿。投稿された本人はメンタル不調に陥り、企業イメージも失墜。

Some of the educational materials used to promote human rights awareness

## Human Rights Consultation Desk

The Tobu Group has established the Harassment and Human Rights Consultation Desk to create a framework for receiving questions and concerns about human rights. While working to build and maintain a comfortable workplace, we have also set up the Compliance Hotline internally and at an outside law firm as a reporting and consultation contact for handling compliance matters.

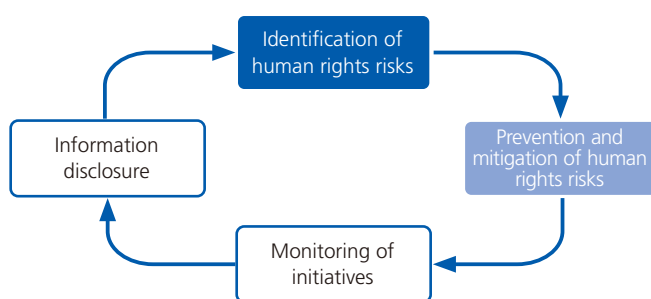
In FY2024, one matter was raised with the Harassment and Human Rights Consultation Desk.



## Human Rights Due Diligence

To promote initiatives for human rights across the Tobu Group, we conducted surveys at each company and created opportunities to reflect on the actual situation regarding human rights violations and the likelihood of occurrence, based on “Identification of Serious Human Rights Risks,” the yearly theme determined by the Human Rights Awareness Promotion Committee. After analyzing the survey results, we identified human rights risks that are serious and should be given priority.

Going forward, we will promote actions that lead to prevention and mitigation of risks. In addition, we will establish a cycle of actions for monitoring the effectiveness of awareness-raising efforts and initiatives, while keeping a close watch on the issues surrounding human rights.



Human Rights Due Diligence Cycle

September 2024	Tobu Group Human Rights Policy (in Japanese language only) Enacted the Tobu Group Customer Harassment Prevention Policy
December 2024	Shared the reorganized human rights awareness promotion structure with management of Group companies
November 2024 - February 2025	Conducted human rights awareness and training promotion education (e-learning)
February - June 2025	Conducted a survey to identify serious human rights risks
November 2025	The Human Rights Awareness Promotion Committee identified the most serious human rights risks

Initiatives to Date

### Identification of Serious Human Rights Risks

We created a human rights risk map with two axes—likelihood of occurrence and severity—and after considering the order of priority, identified the five most serious issues. As a concrete initiative, we are sharing each Group company's approach to the identified risks, as well as measures for prevention and mitigation with other Group companies. With this and other actions, we hope to raise awareness in the Group as a whole while linking human rights awareness and education programs.

#### Risk Identification Method

We assigned scores based on our judgment of whether each Group company was addressing risks, whether the likelihood of the risks could potentially increase, and the severity of the risks.

##### ✓ Likelihood of Occurrence

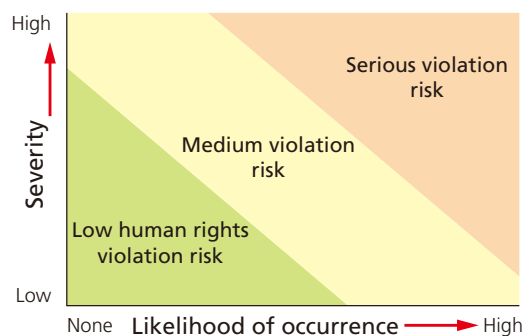
→ We reviewed and determined whether or not each risk had already occurred in the company. For issues that had not happened, we also determined whether or not they could possibly occur in the future.

##### ✓ Severity

→ We reviewed and determined whether there is a high likelihood that each human rights risk could lead to loss of life, and whether each was a risk with the potential to affect a wide range of people. Risks included those that could impact not only our employees, but also customers and local communities.

The five most serious human rights issues identified:

- 1) Harassment
- 2) Workplace safety and health
- 3) Right to privacy
- 4) Forced labor
- 5) Working hours

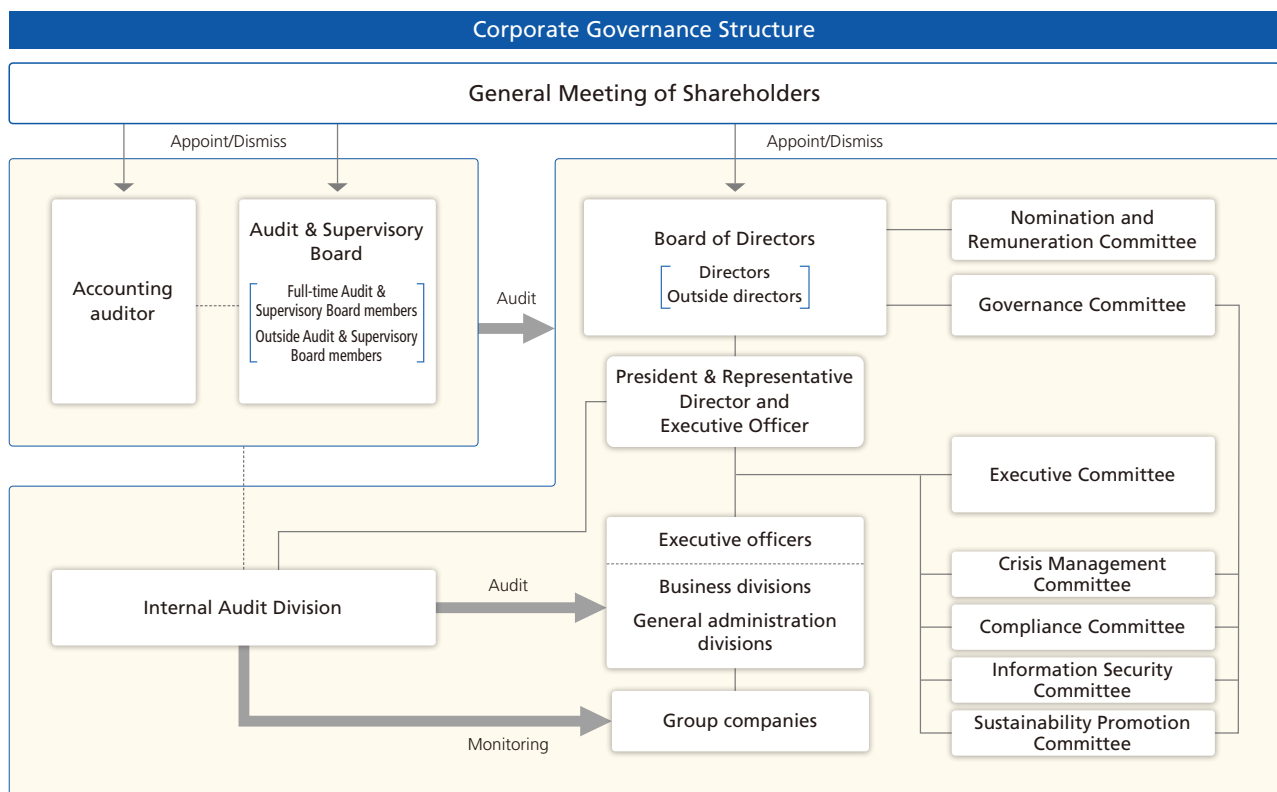


Risk Identification

## Basic Approach and Policy

The Tobu Group believes that it must have a fair and transparent management structure to ensure sustainable growth, increase corporate value over the medium- to long-term and maintain the trust of its shareholders and other stakeholders. We will further reinforce the Board of Directors, the executive officer system, and the Audit & Supervisory Board system, and actively disclose information in a timely manner. Furthermore, we are committed to our approach to enhancing corporate governance through conscientious corporate activities aligned with business ethics and legal and regulatory compliance.

Guided by this approach, the Company will also comply with the letter and spirit of all the principles of Japan's Corporate Governance Code as a means to enhance corporate value.



## Notable Corporate Governance Changes

Year	Description
2015	Increase in the number of outside directors from one to two; first woman outside director appointed
2016	Establishment of the Nomination and Remuneration Committee
2018	Introduction of an executive officer system; number of directors reduced (20 to 15) → Separated execution and supervision, and strengthened the functions of the Board of Directors Implementation of a system to evaluate the effectiveness of the Board of Directors utilizing a third-party organization Establishment of the Governance Committee Partial revision of the Nomination and Remuneration Committee Regulations (the chairperson appointed from among the outside directors presides over meetings)
2019	Introduction of a stock remuneration system for directors
2020	Increase in the number of outside directors from two to four (including one woman) → No fewer than one third of directors are outside directors
2023	Partial revision of the Nomination and Remuneration Committee Regulations → Increase the number of outside directors comprising the Committee from two to three
2025	Environment Promotion Committee renamed as the Sustainability Promotion Committee to promote initiatives for identified material issues

Changes in the Composition of the Board of Directors			
	Directors	Outside directors	Percentage of outside directors
2022	7	4	36.3%
2023	5	4	44.4%
2024	5	4	44.4%

## Main Meeting Bodies

Based on the Tobu Group Management Philosophy, we believe that flexible and fair corporate governance is essential to achieve sustainable growth and enhance our medium- to long-term corporate value. The main role of the Tobu Group's Board of Directors is to make management decisions and supervise business execution. Under the direction and supervision of the representative directors, executive officers carry out business execution, enhancing management flexibility. In addition, by appointing multiple independent outside directors with a wealth of experience and insight, we are ensuring that the Board of Directors is diverse and balanced in knowledge, experience and ability.

In addition to strengthening the functions of the Board of Directors through the establishment of the Nomination and Remuneration Committee and the Governance Committee, we are also working to ensure fairness by promoting compliance management based on the Tobu Group Compliance Basic Policy as a code of conduct, establishing a crisis management system, and strengthening and enhancing the monitoring functions for the Company and Group companies.

Meeting Body	Members		Roles and Objectives	Number of Meetings and Main Topics of Discussion in FY2024	
Board of Directors	Chair	Chairperson	In addition to matters stipulated in laws and regulations and the Articles of Incorporation, the Board of Directors makes decisions regarding important management matters, such as specific management strategies and management plans, in accordance with the provisions of the Board of Directors Regulations and with reference to the Tobu Group Management Philosophy and Tobu Group Management Policy. The Board also supervises the status of execution of duties.	Number of meetings	12
	Composition	5 full-time directors 4 outside directors  2 full-time audit & supervisory board members 3 outside audit & supervisory board members		Major topics of discussion	<b>Resolutions</b> <ul style="list-style-type: none"> <li>• Matters related to shares and the General Meeting of Shareholders</li> <li>• Corporate governance</li> <li>• Management strategy and management planning</li> <li>• Budgeting/Debt</li> <li>• Key personnel</li> <li>• Key business execution matters, etc.</li> </ul> <b>Reports</b> <ul style="list-style-type: none"> <li>• Status of sales</li> <li>• Governance Committee actions and outcomes</li> <li>• Resolution implementation outcomes, etc.</li> </ul>
Nomination and Remuneration Committee	Chair	Outside directors	This committee strengthens the functional independence and objectivity of the Board of Directors as an advisory body for the Board regarding matters related to the nomination and compensation of directors.	Number of meetings	4
	Composition	2 representative directors 3 outside directors		Major topics of discussion	<ul style="list-style-type: none"> <li>• Appropriateness of the proposed appointment of candidates for director and the proposed selection of representative directors</li> <li>• Appropriateness of remuneration levels</li> </ul>
Governance Committee	Chair	Outside directors	The committee works to improve the effectiveness of the Company's corporate governance by deliberating and evaluating activity plans, activity reports, and proposals from the chairs of bodies including the Risk Management Committee, Compliance Committee, Information Security Committee, Sustainability Promotion Committee, and Asset Management Committee. It then reports outcomes to the Board of Directors to strengthen the Board's supervisory functions.	Number of meetings	2
	Composition	2 representative directors 3 outside directors  2 full-time audit & supervisory board members		Major topics of discussion	<ul style="list-style-type: none"> <li>• Crisis prevention</li> <li>• Compliance hotline, compliance incident reporting</li> <li>• Compliance education plan/implementation results</li> <li>• Information security management implementation plans/implementation status</li> <li>• Environmental management system (EMS) action goals/implementation results</li> <li>• Carbon Disclosure Project (CDP) response and outcomes</li> <li>• Pension asset investment policy/results report</li> </ul>
Executive Committee	Chair	Executive Officer in charge of Corporate Planning Department	The Executive Committee supplements the functions of the Board of Directors and improves management efficiency by deliberating on important management matters to be submitted to the Board. It also makes decisions on business execution delegated by the Board and shares important management information.	Number of meetings	21
	Composition	Full-time directors, head of Group Administration Division, head of Railway Business Division, head of Lifestyle Service Creation Division, and other persons appointed by the president, as well as full-time Audit & Supervisory Board members		Major topics of discussion	<ul style="list-style-type: none"> <li>• Items to be discussed or reported at Board of Directors meetings</li> <li>• Management planning</li> <li>• Personnel</li> <li>• Business execution matters etc.</li> </ul>

## Approach to the Composition of the Board of Directors and Skill Matrix

The Company believes it is desirable to enhance corporate value by structuring its Board of Directors with directors possessing deep expertise in the Company's business operations and supporting functions, in addition to independent outside directors who strengthen oversight and contribute to ensuring management fairness and transparency. The Company also strives to create a balanced composition in terms of diversity, knowledge, experience, and skill sets.

In terms of the future business environment, the Company expects rapid and uncertain change, and a decline in the population of the Tokyo area beginning around 2030. Accordingly, the medium- to long-term management direction of the Group is to maintain and increase the profits of the entire Group through sustainable development of areas along our railway lines, and to strengthen profitability through expansion of growth businesses in non-railway divisions.

Based on the above, we have identified the areas of expertise and insight that we consider important in light of the material issues we have identified, our Long-term Management Vision of "Evolving Society and Areas along our Railway Lines by Taking on Challenges and Engaging in Cooperative Creation," and the priority strategies in our medium-term business plan. The Board of Directors of the Company appoints candidates for the Board who are expected to demonstrate these qualities.

Further, the Company has introduced an executive officer system, ensuring that the necessary qualities for each business field across the entire Group are collectively possessed by all relevant parties, including the executive officers in charge. In addition, the functioning of the Board of Directors is strengthened by having executive officers attend Board of Directors meetings as necessary.

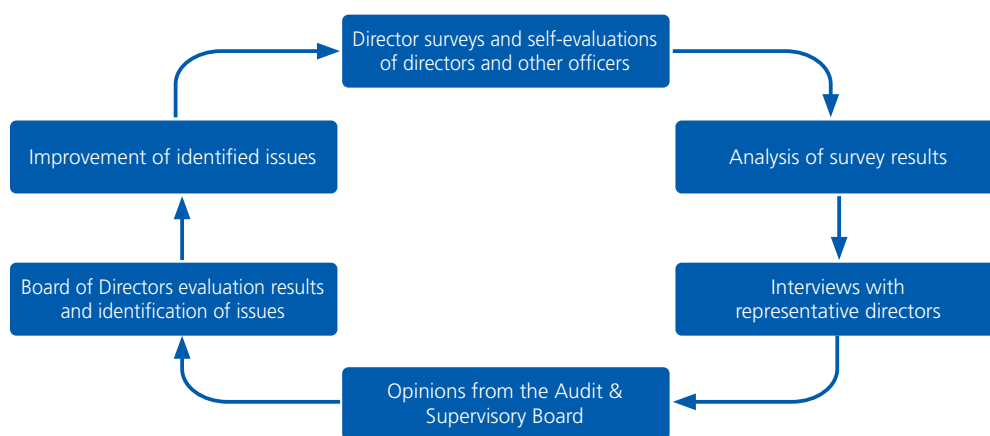
► See the Skill Matrix on page 79 for details

## Evaluation of the Effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors every year based on self-evaluations of each director, etc., and discloses a summary of the evaluation results in the Corporate Governance Report. To enhance objectivity, the Company engages a third-party organization once every three years to conduct a survey.

### Evaluation Method

The Company uses an evaluation method that begins with compiling and analyzing the results of the surveys from each director. We then draw on interviews with the representative directors that encompass the survey results and issues for the Board of Directors, and also solicit opinions from the Audit & Supervisory Board, to compile the final evaluation results.





## FY2023 Issues and Initiatives

Opinions on and initiatives toward functional enhancement measures determined from the previous round of evaluations are:

	Issue	Initiatives	Opinions
1	Provide information regarding dialogue with shareholders, including institutional investors, and enhance opportunities to share information among outside officers.	<p>Changes in shareholder composition, the results of vulnerability assessments regarding shareholder activism, and other issues reported to the Board of Directors</p> <p>Conducted on-site inspection tours for outside directors to learn about the development status of the “Tobu icourt” and “Well Bind City Dokkyodaigakumae” projects and the surrounding areas</p> <p>Held liaison meetings with outside directors to share information, and provided detailed explanations regarding the role of the Independent Committee after the abolition of takeover defense measures</p>	Lunch meetings are held as a part of each Board of Directors meeting to facilitate information exchange, and informal gatherings, inspection tours, and meetings with outside directors are held as appropriate to enhance communication.
2	Further enhanced opportunities for outside directors to confirm the qualifications and suitability of next director candidates, including advancement of human resources development through reports on performance and issues, and increased opportunities for communication	<p>All executive officers attended Board of Directors meetings where quarterly financial results were deliberated, and executive officers other than directors explained proposals</p> <p>Convened roundtable meetings attended by all officers, including outside officers</p>	The desire to further advance the development of successors, and, while all executive officers attend Board of Directors meetings, the need to create more opportunities for explanation and questioning.
3	Share information with outside directors for the purposes of decision-making, while also engaging in ongoing discussions regarding management progress and enhancing disclosure practices to improve stakeholders’ understanding of the Company.	<p>Resolution of the new Long-Term Management Vision and the medium-term business plan, and explanation of hotel business strategy</p> <p>Explanation of progress of biometric authentication services</p> <p>Announce the publication of the Integrated Report</p>	Agenda items on corporate value enhancement and sustainable growth over the medium- to long term (including those based on the Long-Term Management Vision and integrated report) have increased, and that ongoing improvement initiatives are under way

## FY2024 Issues and Responses

Going forward, through more constructive discussions we will work to strengthen and improve the strategic, decision-making and supervisory functions of the Board of Directors. In addition, we believe that the Board of Directors should further strengthen its functionality with regard to the following:

1

In light of active discussion at Board of Directors meetings about ways to achieve management that is mindful of capital cost, stock price and other matters, create timely and appropriate opportunities for officers to stay up to date and acquire new knowledge, such as through regular seminars.

2

Enhance the environment for outside directors so that they can easily confirm the qualifications and suitability of the next director candidates, such as by increasing opportunities for executive officers to speak and explain proposals at Board of Directors meetings.

3

Enhance discussions on sustainability and other issues including the Tobu Group Human Rights Policy and the Tobu Group Customer Harassment Prevention Policy, which were established in FY2024.

## Training of Directors and Audit & Supervisory Board Members

In order to help directors and Audit & Supervisory Board members to understand and carry out the roles and duties expected of them, the Company organizes lectures as appropriate, while arranging for them to attend external events such as seminars and symposiums. In addition, we have introduced a web-based executive training program that provides timely information that is relevant and practical. We are proactively providing support that includes paying for program expenses.

Newly appointed directors and Audit & Supervisory Board members are offered opportunities to better understand the roles and duties expected of them and other relevant matters, while newly appointed outside directors and outside Audit & Supervisory Board members shall be offered opportunities to become privy to corporate information that includes the management environment.



Outside officers touring a Company facility

## Dialogue with Investors

We believe it is important to enhance dialogue and communication with shareholders and investors and reflect their input in our management. With this in mind, we enacted the below initiatives. Additionally, in October 2025, we established an Investor Relations Office within the Corporate Planning Department to take on the responsibility of further promoting communication with investors and shareholders.

### ● Status of Dialogue Implementation

Primary opportunities for dialogue	Primary contacts	Times implemented (FY2024)
Shareholders' meeting	Directors and Auditors	1
Financial results briefing	President, financial officers, heads of businesses	2
IR meeting	Corporate Planning Department, etc. department/division managers	64
Shareholder relations meeting	Corporate Planning Department, etc. department/division managers	9
Perception study	—	9
Facility tours	Corporate Planning Department, Finance and Accounting Department heads	1
<b>Dialogue main themes and points of interest:</b> <ul style="list-style-type: none"> <li>• Evaluation of Long-term Management Vision, medium-term business plan</li> <li>• Initiatives to enhance corporate value, stock valuation</li> <li>• Voting rights exercise criteria revision direction</li> <li>• Evaluation of the integrated report</li> </ul>		

### ● Feedback to the Group on the Content of Dialogue

Recipients	Frequency	Main content
Board of Directors Management Meeting	As needed	<ul style="list-style-type: none"> <li>• Shareholder status</li> <li>• IR, Shareholder relations, perception study implementation reports</li> <li>• Assessment and issues identified</li> </ul>

### ● Primary Responses Based on Dialogue

#### Management strategy formulation based on opinions received

- Revision of target figures in the Long-Term Management Vision
- Future initiatives to achieve management practices that are mindful of costs of capital and stock price

#### Strengthen governance systems

- Evaluation metrics for executive remuneration tied to company performance partially revised

## Strategic Shareholdings

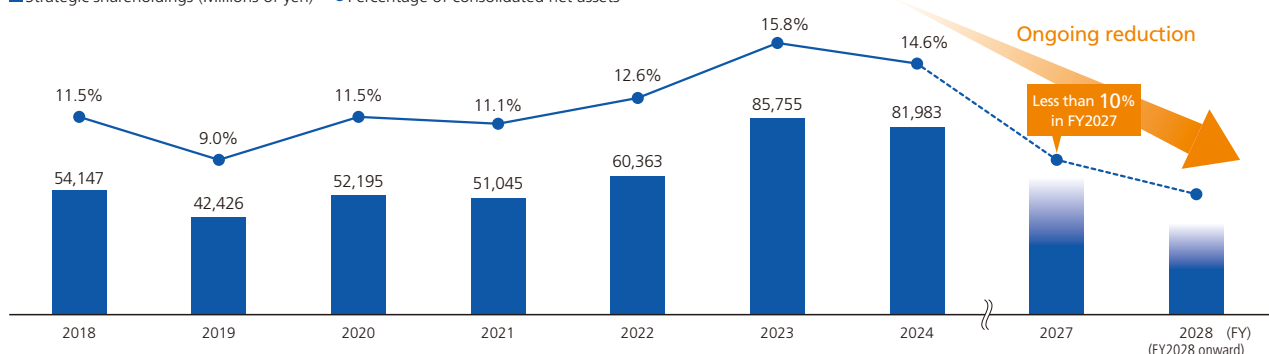
The Company retains strategic shareholdings pursuant to comprehensive consideration of facilitating business operations through maintaining and strengthening relationships with business partners of the Company, and through the synergistic effects on the businesses of the Tobu Group. Our basic policy is to gradually reduce strategic shareholdings when they are no longer justified based on an adequate rationale from a medium- to long-term perspective, based on the following verifications.

The Board of Directors carefully examines each listing in the shareholding portfolio to check progress toward achievement of the initial objective for acquiring the shares, and to verify whether the benefits and risks associated with each listing are in line with profitability based on capital cost and other factors, considering whether initial objectives, such as maintaining and reinforcing business transactions and synergistic effects on the businesses of the Group, have been met as the primary criteria. The Board also verifies each listing held as a strategic shareholding 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 consideration of whether or not doing so contributes to a medium- to long-term increase in the corporate value of both the Tobu Group and the investees. Regarding proposals that could potentially undermine the medium- to long-term corporate value of the Tobu Group and its investee companies, we carefully consider the exercise of voting rights based on dialogue with the investee companies.

Description		Unit: Millions of yen
Consolidated net assets on the balance sheet	(A)	560,753
Strategic shareholdings	Unlisted shares	1,044
	Shares other than unlisted shares	80,939
	Total	(B) 81,983
(Number of investees)		97
Percentage of consolidated net assets		(B)/(A) 14.6%

■ Strategic shareholdings (Millions of yen) ● Percentage of consolidated net assets



- The Tobu Group divested strategic shareholdings totaling approximately 10 billion yen during FY2024. Strategic shareholdings accounted for 14.6% of consolidated net assets as of March 31, 2025.
- We intend to reduce strategic shareholdings to less than 10% of consolidated net assets by the end of FY2027, and will subsequently reduce them further.

## Director Remuneration

In the Policy for Determining Remuneration for Directors determined by the Board of Directors, after the Board of Directors consults with and receives a report from the Nominating and Remuneration Committee, remuneration for directors is determined in consideration of factors such as each individual's position, their duties, 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. Regarding the portion of compensation linked to Company performance, after consulting with and receiving reports from the Nomination and Remuneration Committee, the Board of Directors decided at a meeting on June 24, 2025 to use progress toward the consolidated operating profit and return on equity targets of the medium-term business plan as the indicators for determining corporate performance-linked compensation, with the objective of promoting management that is mindful of capital cost and stock price. In addition, the Board may make necessary adjustments within reasonable limits in consideration of external factors such as economic conditions and inclement weather affecting operations.

Stock-based compensation that is medium- to long-term incentive remuneration is intended to make the link between remuneration of directors (excluding outside directors) and the value of the Company's stock clearer, and to raise awareness of the need to contribute to the improvement of medium- to long-term business performance and the increase of corporate value by having directors share the profits and risks of stock price fluctuations with shareholders. The Company has established a Board Benefit Trust, and in principle, the Company's stock and monetary compensation are extended through this trust at the time of retirement based on the points granted according to the position of the director.

Outside directors only receive basic monetary compensation with a view to ensuring independence.

### Composition of Director Remuneration

Monetary compensation		Stock-based compensation
Basic remuneration 55–65%	Short-term incentive remuneration 20–30%	Medium- to long-term incentive remuneration Approx. 15%

Remuneration by type		Description
Basic compensation		Determined by position
Short-term incentive remuneration	Individual performance-linked portion	Determined according to individual job performance based on factors such as financial results and contribution to increased corporate value
	Corporate performance-linked portion	Evaluated based largely on the achievement of the figures set out in the medium-term business plan for consolidated operating revenue and consolidated operating profit  ⇒ <b>Determined on June 24, 2025</b> <b>Determined using progress toward the consolidated operating profit and return on equity targets of the medium-term business plan as indicators</b>
Medium- to long-term incentive remuneration		Stock delivery trusts, determined by position

### Total Remuneration for Each Executive Category, Total by Type, and Number of Eligible Executives (FY2024)

Executive category	Total remuneration remuneration (Millions of yen)	Total compensation by type (Millions of yen)			Number of eligible executives
		Monetary compensation		Stock-based compensation	
		Basic compensation	Short-term incentive	Medium- to long-term incentive	
Directors (excluding outside directors)	235	139	61	34	5
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	45	45	—	—	2
Outside directors	63	63	—	—	7

Note 1: The above short-term incentive compensation is largely performance-linked, and consists of individual performance-linked compensation and corporate performance-based compensation.

Note 2: The above medium-to long-term incentive is largely non-monetary, through a board benefit trust, and is the amount recognized in expenses for FY2024.

# Management Team (As of June 24, 2025)

## Directors



**Yoshizumi Nezu**

Representative Director  
& Chairman

Significant concurrent positions  
Outside Director, Matsuya Co., Ltd.  
(from May 2022)  
External Audit & Supervisory Board  
member, FUKOKU MUTUAL LIFE  
INSURANCE COMPANY  
(from July 2002)

April 1974 Joined the Company  
April 1988 General Manager with special assignment of Group Administration  
Office  
May 1990 General Manager of Group Administration Office  
June 1990 Director, General Manager of Group Administration Office  
April 1991 Managing Director  
June 1993 Representative Director (current)  
June 1993 Senior Managing Director  
June 1995 Vice President and Representative Director  
June 1999 President and Representative Director  
April 2018 President & Representative Director, and Executive Officer  
June 2023 Chairman and Representative Director (current)



**Yutaka Tsuzuki**

President &  
Representative Director  
and Executive Officer

April 1984 Joined the Company  
July 2008 General Manager of Transport Department, Railway Business  
Division  
July 2013 President & Representative Director of Tobu Engineering Co., Ltd.  
June 2015 Director, Deputy Head of Railway Business Division, and General  
Manager of Transport Department of the Company  
April 2016 Director, Head of Railway Business Division  
June 2017 Managing Director, Head of Railway Business Division  
April 2018 Managing Director and Managing Executive Officer, Head of  
Railway Business Division  
June 2018 Managing Executive Officer, Head of Railway Business Division  
October 2019 Vice President and Representative Director of Tobu Shoji Co., Ltd.  
June 2020 President & Representative Director of Tobu Shoji Co., Ltd.  
April 2023 Executive Officer of the Company  
June 2023 Representative Director (current)  
June 2023 President & Representative Director and Executive Officer (current)



**Yoshimi Yokota**

Director,  
Senior Managing  
Executive Officer

April 1984 Joined the Company  
June 2012 General Manager of Corporate Planning Department  
April 2015 General Manager of Corporate Planning Department and General  
Manager of Ikebukuro Development Project  
June 2015 Director, General Manager of Corporate Planning Department and  
General Manager of Ikebukuro Development Project  
January 2016 Director, General Manager of Corporate Planning Department  
June 2017 Managing Director, General Manager of Corporate Planning Department  
July 2017 Managing Director, Deputy Head of Corporate Planning Division  
April 2018 Managing Director and Managing Executive Officer, Deputy Head  
of Corporate Planning Division  
June 2018 Managing Executive Officer, Deputy Head of Corporate Planning Division  
July 2018 Managing Executive Officer  
June 2019 Managing Executive Officer, Executive Manager of Area Development  
Management Department of Lifestyle Service Creation Division  
June 2020 Director and Managing Executive Officer, Executive Manager of  
Area Development Management Department of Lifestyle Service  
Creation Division  
June 2021 Director and Managing Executive Officer, Head of Lifestyle Service  
Creation Division  
June 2022 Director and Managing Executive Officer, Head of Lifestyle Service  
Creation Division and Executive Manager of Railway Area Value  
Creation Management Department  
April 2023 Director and Managing Executive Officer  
April 2024 Director and Senior Managing Executive Officer (current)



**Atsushi Shigeta**

Director,  
Managing Executive  
Officer

April 1979 Joined The Fuji Bank, Limited  
March 2006 Executive Officer of Mizuho Corporate Bank, Ltd.  
April 2008 Managing Executive Officer of Mizuho Corporate Bank, Ltd.  
May 2010 Senior Managing Director of TOBU DEPARTMENT STORE CO., LTD.  
May 2011 Representative Senior Managing Director, TOBU DEPARTMENT  
STORE CO., LTD.  
April 2013 President and Representative Director of TOBU DEPARTMENT  
STORE CO., LTD.  
June 2015 President of Tobu Hotel Management Co., Ltd.  
June 2020 Director and Managing Executive Officer of the Company  
June 2021 Director and Managing Executive Officer, Head of Group  
Administration Division  
June 2022 Director and Managing Executive Officer, Head of Group  
Administration Division and Executive Manager of Group Business  
Management Department  
April 2023 Director and Managing Executive Officer, Head of Group  
Administration Division  
April 2024 Director, Managing Executive Officer (current)



**Takao Suzuki**

Director,  
Managing Executive  
Officer  
Head of Railway  
Business Division

April 1986 Joined the Company  
April 2012 General Manager of Railway Facilities Department, Railway Business  
Division  
April 2016 General Manager of Transport Department, Railway Business Division  
and Office Manager of Train Crew Training Center  
June 2019 General Manager of Railway Vehicles Department, Railway Business  
Division  
June 2021 Executive Officer, Deputy Head of Railway Business Division,  
Executive Manager of Technology Management Department and  
General Manager of Railway Vehicles Department  
June 2022 Director and Managing Executive Officer, Head of Railway Business  
Division (current)



**Mitsuyoshi Shibata**

Outside Director Independent Director  
Director  
Significant concurrent positions  
Special Adviser of Furukawa  
Electric Co., Ltd. (from June 2023)  
Outside Director, Isuzu Motors  
Limited (from June 2018)  
Outside Statutory Auditor, Asahi  
Mutual Life Insurance Company  
(from July 2018)

April 1977 Joined Furukawa Electric Co., Ltd.  
June 2008 Corporate Vice President of Furukawa Electric Co., Ltd.  
June 2009 Corporate Senior Vice President of Furukawa Electric Co., Ltd.  
June 2010 Director, Corporate Senior Vice President of Furukawa Electric Co., Ltd.  
April 2012 President and Representative Director of Furukawa Electric Co., Ltd.  
April 2017 Chairman of the Board of Furukawa Electric Co., Ltd.  
June 2018 Director of the Company (current)  
April 2023 Director of Furukawa Electric Co., Ltd.  
June 2023 Special Adviser of Furukawa Electric Co., Ltd. (current)



**Takaharu Ando**

Outside Director Independent Director

Director  
Significant concurrent positions  
External Director, AMUSE INC. (from June 2016)  
Outside Director, ZENSHO HOLDINGS CO., LTD. (from June 2017)  
Outside Director (Audit & Supervisory Committee Member),  
The Nissin Seifun Group Inc. (from June 2022)  
Outside Director, Rakuten Group, Inc. (from March 2023)

April 1972 Joined National Police Agency  
August 1999 Director of Public Security Bureau of Tokyo Metropolitan Police  
Department  
August 2004 Director-General of Commissioner General's Secretariat of National  
Police Agency  
June 2009 Commissioner General of National Police Agency  
(retired in October 2011)  
June 2018 Director of the Company (current)



**Noriko Yagasaki**

Outside Director Independent Director  
Director  
Significant concurrent positions  
Professor, Department of Economics  
and Management, School of Arts and  
Sciences, Tokyo Woman's Christian  
University (from April 2025)  
Outside Director, Japan Freight Railway  
Company (from June 2014)  
Outside Director, East Nippon  
Expressway Company Limited  
(from June 2021)

April 1987 Joined Sumitomo Bank  
October 1989 Presiding Chief Researcher of Consulting Division of the Japan  
Research Institute  
October 2008 Director of the Japan Tourism Agency, Ministry of Land,  
Infrastructure, Transport and Tourism (in charge of Tourism  
Promotion)  
July 2011 Associate Professor of Faculty of Urban Environmental Sciences at  
Tokyo Metropolitan University  
April 2014 Associate Professor of Faculty of Regional Development Studies at  
Toyo University  
June 2015 Director of the Company  
April 2018 Professor of Faculty of International Tourism Management at Toyo  
University  
April 2019 Professor of Department of Community Design, Division of Global  
Social Sciences, School of Arts and Sciences at Tokyo Woman's  
Christian University  
June 2020 Director of the Company (current)  
April 2022 Vice President, Professor of Department of Community Design,  
Division of Global Social Sciences, School of Arts and Sciences at  
Tokyo Woman's Christian University  
April 2024 Professor of Department of Community Design, Division of Global  
Social Sciences, School of Arts and Sciences at Tokyo Woman's  
Christian University  
April 2025 Professor of Department of Economics and Management, School  
of Arts and Sciences at Tokyo Woman's Christian University  
(current)



- ▶ Reasons for appointing the outside directors and outside Audit & Supervisory Board members (Please see Corporate Governance Report)  
[https://www.tobu.co.jp/ir/governance/pdf/governance20250107\\_en.pdf](https://www.tobu.co.jp/ir/governance/pdf/governance20250107_en.pdf)



**Masanori Yanagi**

Outside Director Independent Director

Director

Significant concurrent positions  
 President, The Japan Economic  
 Research Institute (from August 2018)

April 1974 Joined Japan Development Bank  
 October 2006 Senior Executive Director of Development Bank of Japan  
 (now Development Bank of Japan Inc.)  
 October 2008 Director and Managing Executive Officer of Development Bank of  
 Japan Inc.  
 June 2011 Deputy President of Development Bank of Japan Inc.  
 June 2015 President & CEO, Development Bank of Japan Inc.  
 (retired in June 2018)  
 August 2018 President, The Japan Economic Research Institute (current)  
 June 2020 Director of the Company (current)

## Reasons for Selecting the Items in the Skill Matrix Below

Item	Reason for Selection
Corporate management & strategy	To promote our priority strategies (growth strategies) by taking on "challenges" to look ahead at changes in the business environment and needs and engaging in "cooperative creation" to create value through cooperation and collaboration with stakeholders, as well as to achieve the "sustainable growth of the Tobu Group" and "a human-friendly society where people and communities continue to flourish together."
Finance & accounting	To achieve accurate and appropriate financial reporting and maintain financial soundness, as well as to promote accurate financial and capital strategies that support growth investment and enhance shareholder returns to sustainably increase corporate value
Human resources development & organizational strategy	To promote human capital strategies in accordance with management and business direction, recognizing that human capital is the foundation of the Group's business
Legal affairs & risk management	To establish flexible and fair corporate governance based on compliance management and appropriate risk management, and to promote the Group's sustainable growth and medium- to long-term enhancement of corporate value
Sustainability	To promote further efforts to reduce environmental impact, including the realization of environmental branding and long-term energy cost reduction, as well as sustainable development with local communities
Digital transformation	To promote business transformation that increases revenues and reduces costs through the active use of digital technology
Transportation business	To promote sustainable development of the business base encompassing areas along our railway lines by improving transportation services and establishing a sustainable operation system
Area development business	To improve profitability by developing areas along our railway lines with potential for development as a core business that will drive future growth
Tourism business	To improve profitability of the tourism business as a core business that will drive future growth in light of expected growth of this market, centering on inbound tourism

## Skill Matrix of the Board of Directors

Name	Expertise and knowledge								
	Corporate management & strategy	Finance & accounting	Human resources development & organizational strategy	Legal affairs & risk management	Sustainability	Digital transformation	Transportation business	Area development business	Tourism business
Yoshizumi Nezu	○		○		○				
Yutaka Tsuzuki	○	○	○	○	○	○			
Yoshimi Yokota	○	○		○	○			○	
Atsushi Shigeta	○	○	○					○	○
Takao Suzuki	○			○		○	○		○
Mitsuyoshi Shibata	○	○		○	○	○			
Takaharu Ando			○	○	○				
Noriko Yagasaki			○				○		○
Masanori Yanagi	○	○		○			○	○	

### Audit & Supervisory Board Members



**Tomoya Sugiyama**

Full-time Audit & Supervisory Board Member

April 1985 Joined the Company  
June 2013 General Manager of Finance and Accounting Department  
June 2015 General Manager, Internal Audit Department  
September 2017 Managing Director of Tobu Hotel Management Co., Ltd.  
June 2019 Executive Officer of the Company  
June 2020 Executive Officer, General Manager of Group Administration Department (Group Administration Section)  
June 2021 Full-time Audit & Supervisory Board Member (current)



**Tatsuo Yoshida**

Full-time Audit & Supervisory Board Member

April 1982 Joined the Company  
April 2009 General Manager of Real Estate Business Department, Real Estate Subdivision Business Division  
April 2010 General Manager with special assignment of Railway Area Development  
June 2012 General Manager of Asset Management Department  
April 2018 Executive Officer, General Manager of Asset Management Department  
June 2020 Executive Officer, General Manager of Asset Strategy Department, Lifestyle Service Creation Division  
June 2021 Executive Officer, Executive Manager of Asset Strategy Department, Lifestyle Service Creation Division  
April 2023 Executive Officer, Deputy Head of Lifestyle Service Creation Division  
June 2023 Full-time Audit & Supervisory Board Member (current)



**Yuzaburo Mogi**

Outside Director Independent Director

Audit & Supervisory Board Member

Significant concurrent positions  
Honorary CEO and Chairman of the Board of KIKKOMAN CORPORATION (from June 2011)  
External Executive Director, Oriental Land Co., Ltd. (from June 2016)  
Outside Director, Calbee, Inc. (retired June 25, 2025)  
Outside Director (Audit & Supervisory Committee Member), FUJI MEDIA HOLDINGS, INC. (retired June 25, 2025)

April 1958 Joined Noda Shoyu Co., Ltd. (currently KIKKOMAN CORPORATION)  
March 1979 Director of KIKKOMAN CORPORATION  
March 1982 Managing Director of KIKKOMAN CORPORATION  
March 1989 Senior Managing Director of KIKKOMAN CORPORATION  
March 1994 Director and Deputy President of KIKKOMAN CORPORATION  
February 1995 Representative Director and President of KIKKOMAN CORPORATION  
June 2001 Audit & Supervisory Board Member of the Company (current)  
June 2004 Representative Director, Chairman of the Board and Chief Executive Officer of KIKKOMAN CORPORATION  
June 2011 Honorary CEO and Chairman of the Board of Directors of KIKKOMAN CORPORATION (current)



**Shuji Fukuda**

Outside Director Independent Director

Audit & Supervisory Board Member

Significant concurrent positions  
Honorary Advisor of TAIHEIYO CEMENT CORPORATION (from April 2024)

April 1974 Joined Onoda Cement Co., Ltd. (now TAIHEIYO CEMENT CORPORATION)  
April 2008 Executive Officer of TAIHEIYO CEMENT CORPORATION  
August 2010 Director, Managing Executive Officer of TAIHEIYO CEMENT CORPORATION  
April 2012 President and Representative Director of Furukawa Electric Co., Ltd.  
April 2018 Chairman and Representative Director of TAIHEIYO CEMENT CORPORATION  
June 2020 Audit & Supervisory Board Member of the Company (current)  
April 2022 Director and Executive Advisor of TAIHEIYO CEMENT CORPORATION  
June 2022 Executive Advisor of TAIHEIYO CEMENT CORPORATION  
April 2024 Honorary Advisor of TAIHEIYO CEMENT CORPORATION (current)



**Nobuhide Hayashi**

Outside Director Independent Director

Audit & Supervisory Board Member

Significant concurrent positions  
Advisor, Mizuho Financial Group, Inc. (from April 2024)  
Outside Director, NSK Ltd. (from June 2024)  
Outside Company Auditor, JTB Corp. (from June 2019)

April 1980 Joined The Fuji Bank, Limited  
April 2007 Executive Officer of Mizuho Corporate Bank, Ltd.  
April 2009 Managing Executive Officer (in charge of Sales), Mizuho Corporate Bank, Ltd.  
June 2011 Managing Director, Executive Officer of International Banking Unit of Mizuho Corporate Bank, Ltd.  
April 2013 Deputy President and Executive Officer, Deputy President in charge of International Unit of Mizuho Financial Group, Inc., Deputy President & Executive Officer, Deputy President in charge of MHC International Unit Cooperation of Mizuho Bank, Ltd., Director and Deputy President, Deputy President in charge of International Unit, Mizuho Corporate Bank, Ltd.  
June 2013 Director and Deputy President, Deputy President in charge of International Unit of Mizuho Financial Group, Inc.  
July 2013 Director and Deputy President, Deputy President in charge of International Unit of Mizuho Bank, Ltd.  
April 2014 President & CEO of Mizuho Bank, Ltd.  
April 2017 Chairman of Mizuho Bank, Ltd.  
April 2019 Standing Advisor of Mizuho Bank, Ltd.  
June 2020 Audit & Supervisory Board Member of the Company (current)  
April 2023 Advisor, Mizuho Financial Group, Inc. (current)



## Management Team

### 1 Yoshizumi Nezu

Representative Director &  
Chairman

### 2 Yutaka Tsuzuki

Representative Director &  
Chairman

### 3 Yoshimi Yokota

Director

### 4 Atsushi Shigeta

Director

### 5 Takao Suzuki

Director

### 6 Mitsuyoshi Shibata

Outside director

### 7 Takaharu Ando

Outside director

### 8 Noriko Yagasaki

Outside director

### 9 Masanori Yanagi

Outside director

### 10 Tomoya Sugiyama

Full-time Audit & Supervisory  
Board Member

### 11 Tatsuo Yoshida

Full-time Audit & Supervisory  
Board Member

### 12 Yuzaburo Mogi

Outside Audit & Supervisory  
Board Member

### 13 Shuji Fukuda

Outside Audit & Supervisory  
Board Member

### 14 Nobuhide Hayashi

Outside Audit & Supervisory  
Board Member

Leveraging managerial experience and insight to enhance governance effectiveness and drive sustainable growth for the Group

Mitsuyoshi Shibata  
Outside Director



### The Outside Directors' Mission and Role

I joined Furukawa Electric Co., Ltd. in 1977 and, after gaining experience in technical roles, went on to serve in positions including corporate senior vice president, president and representative director, and chairman of the board. I currently serve as a special advisor to Furukawa Electric, and also as an outside director at two companies other than Tobu Railway. I was born and raised in Mukojima, Sumida-ku, Tokyo, an area now known as the home of TOKYO SKYTREE. I've used Tobu Railways' services from a young age, and with my father also having worked for the Company, my appointment as an outside director of Tobu Railway in June 2018 was a deeply meaningful event for me.

In fulfilling my duties as an outside director, I place particular importance on applying the knowledge and insight I have developed throughout my career to contribute to the Tobu Group's governance. I've always kept a mindset of improving fairness and effectiveness in corporate governance, using my perspective as an engineer and, above all else, my many years of corporate management experience to guide me. I also believe that the role of independent outside

directors at the Group carries significant weight and responsibility. For 128 years, the Group has grown alongside the communities it serves and has been guided throughout that journey by the Tobu Group Management Philosophy, which upholds dedication, enterprising spirit, and affinity as core principles. As an outside director of the Group, I see it as my responsibility to take an independent perspective in monitoring whether these three values are being effectively embodied in the Group's governance and business strategies, and to provide advice accordingly. In all things, there are inevitably opposing forces. For example, while some gain profits, others may incur losses; what one person sees as good, another may see as bad; and as humanity prospers, the environment can suffer as a result. Internal discussions at a company can be one-sided, which is why it is essential to listen to outside perspectives and viewpoints that differ from our own. As an outside director, I strive to provide an objective external perspective to directors and executive officers, who tend to be inward-looking. In doing so, I aim to contribute to raising the quality of management.



## Assessment of Current Corporate Governance and Recommendations for Enhancing Effectiveness

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How corporate governance is executed can differ from one company to another. As an outside director at multiple companies, I have found that the required roles and the expected skills also vary between companies. The Group has long centered its operations on the railway business, where safety and security are paramount. Because of this, it has cultivated exceptionally strong organizational and employee management capabilities. This is a major strength from a governance standpoint. That said, I will highlight two key governance challenges for the Group.

The first challenge is strengthening Group-wide governance. The Tobu Group operates a diverse portfolio of businesses across the five key areas of transportation, leisure, real estate, retail distribution, and other business and encompasses 70 Group companies, including equity-method affiliates. While the Tobu Group has pursued a management approach that respects the individuality of each subsidiary, there is growing recognition that enhancing the effectiveness of Group-level governance, ensuring rigorous compliance, and strengthening the Group's overall public perception and credibility are critical management priorities. In this context, reinforcing governance across the entire Group is essential. While the present framework remains sound, it is also necessary to take governance a step further.

The second challenge lies in strengthening the supervisory function of the Board of Directors. The Group has adopted a traditional governance structure with an Audit & Supervisory Board, and historically places strong emphasis on the management board's advisory role in key business decision-making. Going forward, it will be increasingly important to further deepen and broaden high-level discussions that shape the Group's overall framework and its medium- to long-term direction. In April 2025, the Group announced a policy to achieve management that is conscious of cost of

capital and stock price. Since then, discussions within the Board of Directors on capital efficiency and growth investment have seen an unprecedented increase. These changes should serve as a starting point for more robust discussions. Achieving this would further strengthen the Board's supervisory function.

The Group is now on the cusp of a significant transformation under the Long-Term Management Vision looking toward the 2030s. I believe the Group has reached a stage where it must also re-examine the structure and function of its corporate governance in line with this significant shift. To that end, I believe it is only appropriate that greater demands be placed on outside directors as well.

A key factor in this will be how the Board of Directors' agenda is set. The topics selected for discussion at board meetings play a critical role in ensuring effective governance. In addition to substantive discussions, it will be important to formulate a structured, year-round schedule of Board deliberations that allows for more strategic discussion on agenda items expected to increase in the future like growth investments and new businesses. The more robust the Board of Directors' agenda becomes, the more the nature of the information provided in advance must evolve. While outside directors currently receive prior briefings on Board agenda items as needed, there will be a growing need for more detailed explanations that are closely linked to the Group's management policies. For example, in the case of investment plans, it will be increasingly important to explain how the projects fit within the Group's overall medium- to long-term management and investment strategies, and how effective they are from a cost of capital perspective. Robust, high-level discussions are easy to call for in principle, but in practice, they are extremely challenging to achieve. This is something that many companies struggle with. But if we can achieve it, board meeting discussions will become more impactful.

## Nomination and Remuneration Committee: Operating Principles and Future Areas of Focus

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I also serve as chair of the Nomination and Remuneration Committee. We've secured a framework for establishing the ideal executive leadership model, along with its development and transparent selection process, laying the groundwork for advancing to a new stage. In the area of executive compensation, we are ensuring objectivity. Executive motivation related to promotion and advancement, as well as whether compensation appropriately reflects the value of their contributions, are fundamental matters that underpin the Group's prosperity and sustainable growth. However, these are often difficult

issues to tackle from within the organization. Helping to advance those efforts is also an important part of the Nomination and Remuneration Committee's role.

At the same time, from the standpoint of an outside director, there are inherent limitations in accessing internal human resources, and identifying and evaluating talent is not an easy task. At present, the committee plays more of a restraining role, expressing opinions on the outcomes of the executive side's deliberations. Still, each committee meeting effectively functions as a forum for discussions about leadership

and other management matters between top management and outside directors. While this approach is sufficient for now, going forward it will likely also be necessary for the committee to enter into the executive-side deliberation process itself. While full involvement is not required, it would be beneficial to have a process in place to confirm, at key points, objectivity from an external perspective. Succession

planning for top leadership, the formulation of development plans for successor executives, and the establishment of a rational executive remuneration framework are all fundamental to corporate management. Going forward, the Nomination and Remuneration Committee aims to serve as a catalyst for progress in these areas.

## An Outside Director's Perspective: Key Management Issues Requiring Stronger Action

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The Tobu Group stands at a historic turning point. Japan's declining birthrate and aging population, the rapid permeation of cutting-edge technologies such as AI and growing public awareness of sustainability mark major shifts in the external environment. Meanwhile, the Group itself is also undergoing transformation at an unprecedented scale. This includes practicing management that is conscious of cost of capital and stock price and overhauling the business portfolio. While it is imperative to uphold core commitments such as ensuring safety and security and delivering unique social value, clinging to past successes will leave the Tobu Group unable to chart new horizons in an increasingly uncertain time. For the Tobu Group to achieve sustainable growth in this era of transformation, it must execute an effective growth strategy.



The Tobu Group has long focused on initiatives related to human capital management and sustainability-driven management. To continue sustainably generating value, I believe it will be essential to accelerate these efforts going forward. From this perspective, the Tobu Group Medium-Term Business Plan 2024–2027 designates the reduction of environmental impact and enhancement of human capital as key strategic priorities, alongside other goals including the establishment of businesses that drive growth. It is crucial to invest in nurturing and deploying the talent that will lead the next generation of the Tobu Group, while preserving a corporate culture that values individuality and embraces challenge. For the Tobu Group to continue delivering unique value to its stakeholders, it must also contribute to the sustainability of the natural environment and local communities. Alongside our decarbonization efforts, we will continue investing in the foundation needed to ensure the Group's long-term viability through business portfolio transformation, accelerated DX, and an enhanced governance framework.

However, given limited management resources, it is not advisable to pursue every strategy and initiative independently, particularly from the standpoint of capital efficiency. Creating new value requires the adoption of external technologies and knowledge, as well as collaboration with both internal and external partners. Now is the time for the Tobu Group to fully embody the values of taking on challenges and cooperative creation. These are principles it has long championed across all areas of its management and business operations. Enhancing the diversity of the organization and its talent through external interaction and the recruitment and appointment of outside talent who can bring new insights to the Tobu Group is also an important initiative for maintaining a vibrant corporate culture.

## To Shareholders and Other Investors

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In its consolidated financial results for the fiscal year ended March 2025, the Tobu Group recorded record-high profits for the second consecutive year. The strategies and initiatives under the Long-Term Management Vision and medium-term

business plan are steadily progressing. However, the P/B ratio remains below 1.0, and the stock price continues to trend at relatively low levels compared to previous fiscal years. The stock price can be viewed as a reflection of shareholder

perception of the Group's value. Setting aside stock price, it is imperative we first sincerely listening to how shareholders and investors view the Group must consistently strive to understand their perspectives, identify what needs to be addressed, and reflect those needs in the Group's strategies and initiatives.

As I mentioned at the top of this message, the Tobu Group has a highly developed organizational management structure and day-to-day operational standards, firmly rooted in its commitment to safety and security. They are fully utilizing this foundation in our strategic focus areas such as tourism and area development, as well as in new business initiatives. Building on the solid defensive foundation the Group has maintained, the key question now is what kind of offensive approach the Group will pursue next. I see this as one of the major challenges the Group is being called upon to address in the years ahead.

I recognize that independent outside directors serve as representatives of all stakeholders, including the readers of this integrated report, and that we are entrusted with your significant expectations. We are determined to meet these expectations and contribute to the advancement of the Tobu

Group, while remaining firmly committed to enhancing corporate value. I sincerely ask for your continued support and hope you will follow our journey ahead with great expectation.



## Comment from the Chairman of the Board

Yoshizumi Nezu

Director Shibata came to the Group as an independent outside director in 2018. We sought to incorporate his objective opinions and advice, based on his extensive management experience leading a publicly listed company, in addition to his engineering experience.

As Mr. Shibata has stated, he was born and raised in an area along our railway lines. His father also worked for us. So, it's no surprise he holds a deep affection for our railways and is an extremely loyal leader.

It is, in fact, because of this that he consistently offers exacting opinions at Board meetings, from a broad and high-level perspective. While instilling a sense of urgency on the executive side, he also guides discussions

in the right direction. As Chairman, I believe he plays a significant role in invigorating discussions and ensuring proceedings play out smoothly.

He sits on the Nomination and Remuneration Committee, but additionally holds the crucial role of Chair of the Governance Committee, where he oversees a number of other committees, including those involved in crisis management, compliance, sustainability promotion and information security. He remains deeply respectful of our corporate history and culture, while providing broad advice and oversight regarding overall management, fully fulfilling his role as an outside director.

Beyond Board meetings, we've established more opportunities to interact with Mr. Shibata and our other outside directors. These interactions include the likes of facility tours and informal networking gatherings. While outside directors and executive directors occupy different roles, we regularly engage in diverse discussions together, united in our shared interest in the company's management direction and corporate philosophy.

The Tobu Group now sits at a historical turning point. Going forward, we will pursue sustainable growth, in part by seeking the opinions and advice of Director Shibata and our other outside directors as we determine our offensive strategies to build upon our defensive foundation.

## Basic Approach to Compliance

The Tobu Group understands and appreciates that it is supported by its stakeholders, and has established the Tobu Group Compliance Basic Policy to set forth principles for conduct related to compliance and to ensure that directors, executive officers, and employees act with integrity and in an appropriate manner as trusted representatives of the Tobu Group and maintain a high level of ethical awareness while complying with laws and regulations. The Group is also upgrading and expanding its compliance management system, such as by raising awareness of compliance through new educational and training programs, with the goal of being a corporate group that is trusted by society at large.

### Tobu Group Compliance Basic Policy

Every Tobu Group employee shall ensure integrity and proper conduct to promote trust in the Tobu Group.

#### For our customers

We will meet the expectations of our customers by placing the highest priority on safety and security and continuing to provide high-quality services and products that meet their needs.

#### For investors

Working from a base of investor trust established through timely and appropriate information disclosure, we aim to increase corporate value through business development that responds to changes in the business environment, and further enhance integrity in our corporate activities.

#### For business partners

To build mutual trust with our business partners, we will conduct fair, impartial and transparent transactions in accordance with the law.

#### For society

We will strive to enhance the appeal of local communities through our business activities, and act as a good corporate citizen through communication with society and based on consideration of the global environment.

#### As members of the Tobu Group

We will create and maintain a healthy workplace by observing the law, respecting civility, and fulfilling our roles with pride and responsibility.

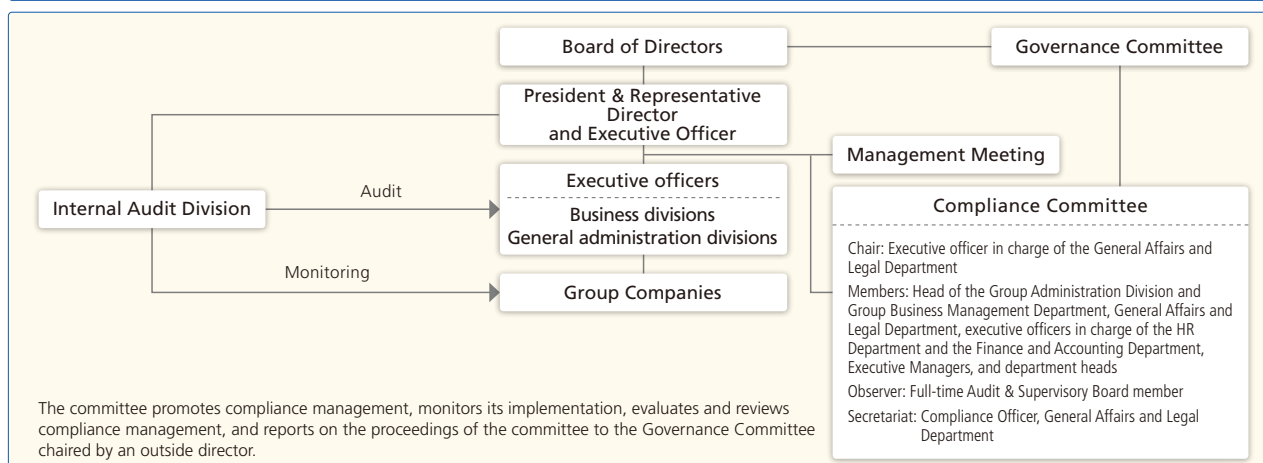
## Compliance Promotion Structure

In accordance with the Tobu Group Compliance Basic Policy, we have created a compliance manual and compliance card as action guidelines, and has distributed them to all directors, executive officers, employees, and other eligible individuals. We are also implementing ongoing education and training. Furthermore, in addition to establishing a specialized department to oversee compliance initiatives across the Company and a compliance-related reporting and consultation framework, we are working to build and promote a compliance management system that will include taking actions such as establishing a Compliance Committee to monitor the progress of compliance initiatives.

Moreover, we have established a dedicated department to oversee and manage subsidiaries, etc., and, based on the Group Company Management Regulations, this department provides management and support for the management and business operations of subsidiaries, etc. We have further established systems for reporting to the Company, crisis management systems, and systems to ensure the efficiency of business execution in subsidiaries, etc. In addition, based on the Group Company Monitoring Regulations, we work with the auditors of subsidiaries, etc., to share and accumulate information, while monitoring these entities to provide guidance on improvements, further strengthening Group governance.

In addition, Tobu Group Corporate Meetings are held regularly to communicate the Group's management policies and share information on the progress of business and management at subsidiaries, among other action items. Further, a compliance management system for the entire Group is being established in collaboration with subsidiaries and other stakeholders.

## Compliance Management Structure



## Compliance Training and Education

The Tobu Group and its railway business affiliates\* provide compliance education for new employees and candidates for new management and supervisory positions, and also provide compliance-themed education for all employees. In addition, we closely monitor legal amendments and social trends, and conduct compliance education Company-wide or to individual departments and specific Group companies as necessary.

In addition, the Tobu Group Compliance Seminar was held to promote compliance initiatives Group-wide. It focused on educating participants on the New Freelance Act and the relevant components of the Antimonopoly Act and the Subcontract Act.

\* Tobu Intertech Co., Ltd., Tobu Engineering Co., Ltd., TOBU STATION SERVICE Co., LTD., TOBU Shared Services CO., LTD.

### ○ Main Compliance Education Conducted in FY2024 (Tobu Group and the Group's railway business affiliates)

Courses	Total Enrollment
Training for new employees and candidates for new management and supervisory positions	244
Compliance-themed education (proper performance of duties and creation of a healthy work environment)	7,662
Tobu Group Compliance e-learning	8,576



A Tobu Group compliance seminar

## Internal Reporting System (Compliance Hotline)

The Tobu Group has established the Tobu Railway Compliance Hotline (operating both internally and externally) as a compliance-related reporting and consultation service, and has put in place a system to facilitate the early detection and correction of compliance violations. The Tobu Railway Compliance Hotline handled eight cases in FY2024.

Furthermore, we have established the Whistleblower Protection Regulations to prohibit any wrongful treatment of whistleblowers. We have also established measures to correct and prevent recurrence of violations, including a system for submitting details of reports and consultations to the Compliance Committee to ensure appropriate responses.

## Anti-Corruption Initiatives

To build relationships of mutual trust with our business partners, the Group stipulates in its Compliance Manual that it will conduct fair, impartial and transparent partner selection and transactions in accordance with laws and regulations and sound business practices, and we are engaged in the prevention of bribery and corruption through means such as training and education.

In addition, we are working to ensure the prohibition of insider trading by strictly managing insider information and providing education through e-learning and other methods.

Furthermore, the Tobu Group takes a resolute stance against anti-social forces and, in order to prevent their involvement in our businesses, holds the Tobu Group Liaison Council to strengthen defenses against the possibility of anti-social forces within the Group and to build a system for action that includes sharing information and countermeasures. In addition, we have introduced an antisocial force exclusion clause in the wording of contracts in the event that we discover that a counterparty is an anti-social force after initiating a transaction.

In April 2023, we announced our Declaration of Partnership Development with the aim of building a relationship of coexistence and co-prosperity with our business partners. The initiatives of this declaration will contribute to business continuity and proper transactions among our business partners.



## Basic Approach to Risk Management

We define a crisis as any incident or event that has a significant impact on our business operations, including compliance issues, natural disasters such as earthquakes, the leakage of personal information, and the unauthorized infringement of our assets, including intellectual property. Our principle is to prevent crises from occurring, and we work to reduce or disperse the causes of crises. In the event of a crisis, we minimize damage to our customers, shareholders, business partners, and other stakeholders, as well as to the Company and employees, in order to maintain and improve trust in the Company and to fulfill our social mission.

For details of our privacy policy, see the following:  
<https://www.tobu.co.jp/en/privacy/>

## Risk Management Framework

In order to systematize the risk management framework and minimize the risk of various losses associated with business activities, we have established Crisis Management Regulations and built and promoted a crisis management framework led by the Crisis Management Committee, an organization that oversees crisis management, to prevent and respond to any risks and share information.

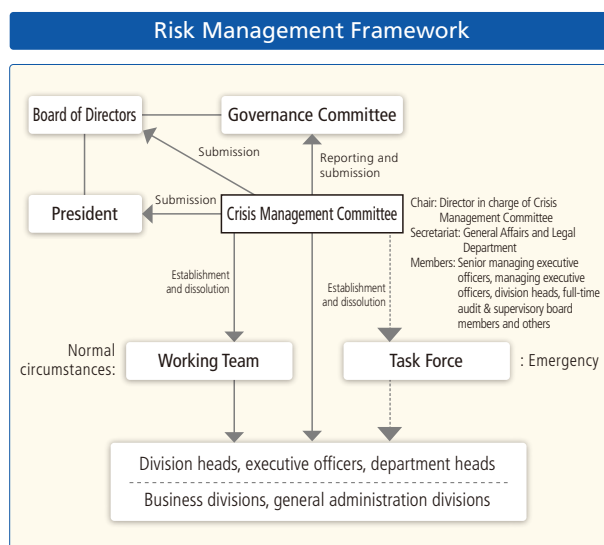
The Crisis Management Committee is chaired by a director in charge of the committee and consists of the executive officers in charge of each division. In addition to holding regular meetings once every six months, it also holds extraordinary meetings as necessary.

To prevent crises that affect multiple departments, we also have established a working team for crisis prevention made up of relevant departments.

Each business division and department collects and analyzes information to create a risk map that visualizes the likelihood of occurrence and impact of each risk, as well as a Crisis Prevention Report that lists responses for each event, and we are working to reduce or disperse the causes of crises in order to prevent crises from occurring. The Crisis Management Working Team compiles these contents once every six months and reports them to the Crisis Management Committee.

The Risk Management Committee reports important matters that may affect the Company as a whole to the President, the Governance Committee, and the Board of Directors. In addition, the chair reports on the committee's activities and activity plans, and makes proposals in the Governance Committee.

In the event of a crisis, we will establish a task force under the Crisis Management Committee, and in addition to the Disaster Task Force established in the event of an earthquake or other disaster, and the Railway Business Division Accident and Disaster Task Force established in the event of a railway accident, we will consider and implement countermeasures, and provide customers with prompt and accurate information as necessary, fulfilling our social mission as a company.



## Crisis Management

In accordance with our Crisis Management Regulations, we have established Accident and Disaster Countermeasures Regulations and victim support plans for railway accidents, and we have also established Tobu Railway's Standard Rules on Information Security and operate TOBU-CSIRT for information security. We have also established emergency public relations guidelines for handling public relations, and have established emergency response systems in advance to minimize the risk of a crisis occurring and the damage caused in the event of a crisis, according to the event and response.

## Business Continuity Plans

As part of our crisis management, we have formulated business continuity plans for use in the event of an earthquake or the outbreak of a new strain of influenza or other infectious disease.

Each plan prioritizes the work of each department according to the situation of the head office building, the state of infection in the case of infectious illness, and other circumstances, and selects the work that will continue. In addition, we review the plans once a year to ensure that they remain as effective as possible.

## Information Security

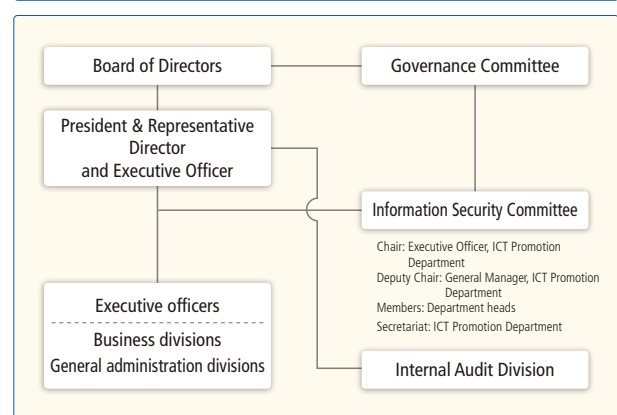
### Operating Framework

In accordance with the Tobu Railway Information Security Policy, we have established a Company-wide operating framework as a company that possesses important social infrastructure.

As a governance structure for information security management, we have established an Information Security Committee, chaired by the executive officer in charge of the ICT Promotion Department, which reports on the status of management implementation and implementation plans, as well as reporting on the proceedings of the committee to the Governance Committee.

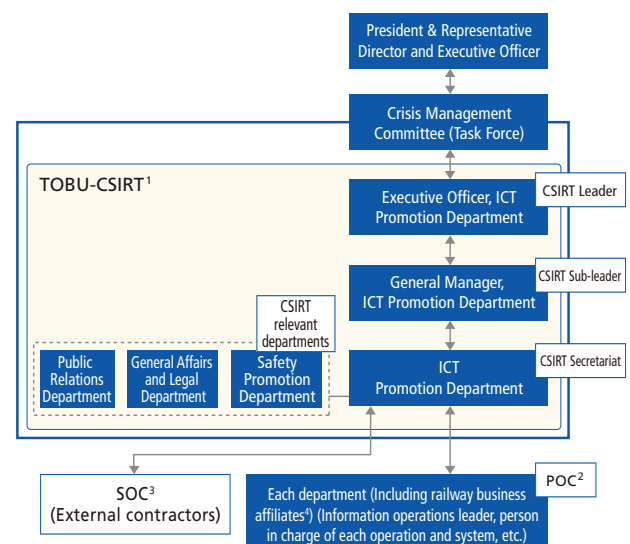
We are also working to raise awareness of information security among all employees who use computers for work, including executives, through measures such as information security e-learning and hands-on training simulating targeted email attacks.

### Information Security Management Structure



### Operation of TOBU-CSIRT

In order to respond to information security incidents such as increasingly sophisticated and complex cyber attacks, a specialized team, TOBU-CSIRT, is working on rapid responses in emergencies and preventative activities during times of normal operation. We have a system in place where external experts continuously monitor our business network and can respond quickly in the event an abnormality is detected, and we also conduct training in preparation for the event of an information security incident within the Company.



1. CSIRT: Computer Security Incident Response Team.  
This is a system and team set up to respond effectively to security incidents and is often established at government agencies and corporations.
2. POC: Point of Contact. A liaison and reception point for each department.
3. SOC: Security Operation Center. Its role is to provide advice and technical support from external information security specialists.
4. Railway business affiliates: Tobu Intertech Co., Ltd., Tobu Engineering Co., Ltd., TOBU STATION SERVICE Co., Ltd., TOBU Shared Services CO., LTD.

For further details, please visit the following link. Tobu Railway Information Security Policy (Japanese language only)  
<https://www.tobu.co.jp/corporation/policy/#ANC03>

## Financial and Non-Financial Data

FY	2014	2015	2016	2017
<b>Consolidated Operating Results</b>				
Operating revenue	583,268	574,334	568,887	569,519
Operating profit	53,158	64,399	68,335	66,645
Ordinary profit	46,138	56,006	62,128	62,286
Profit attributable to owners of parent	30,653	27,277	36,137	36,025
Capital expenditures	168,798	85,411	71,936	84,971
Depreciation	51,629	52,912	52,780	52,499
EBITDA	104,787	117,311	121,115	119,144
<b>Consolidated Financial Position</b>				
Total assets	1,596,725	1,592,475	1,597,733	1,618,274
Net assets	394,826	411,282	442,772	460,582
Equity	376,012	391,189	421,870	446,987
Interest-bearing debt	830,035	823,474	799,737	790,290
<b>Consolidated Cash Flows</b>				
Cash flows from operating activities	94,825	78,114	87,470	91,967
Cash flows from investing activities	(142,903)	(63,593)	(55,881)	(66,951)
Cash flows from financing activities	46,830	(12,102)	(29,907)	(34,111)
Free cash flow	(48,078)	14,521	31,589	25,016
<b>Per Share Data</b>				
Profit (EPS) (yen)	28.70	25.54	168.79	168.87
Net assets (BPS) (yen)	352.17	365.43	1,970.65	2,115.70
Dividends (DPS) (yen)	30.00	30.00	32.50	35.00
Dividend payout ratio (%)	20.9	23.5	19.3	20.7
<b>Management Indicators</b>				
Return on sales (%)	9.1	11.2	12.0	11.7
ROE (%)	8.7	7.1	8.9	8.3
Operating profit ROA (%)	3.5	4.0	4.3	4.1
Equity ratio (%)	23.5	24.6	26.4	27.6
Interest-bearing debt to EBITDA multiple (times)	7.9	7.0	6.6	6.6
Total asset turnover (times)	0.37	0.36	0.36	0.35
Financial leverage (times)	4.3	4.1	3.8	3.6
Dividend on Equity (DOE) (%)	1.8	1.7	1.7	1.7
<b>Non-Financial Indicators</b>				
Number of employees (consolidated)	19,559	19,770	19,514	19,211
Hiring rate of persons with disabilities	3.00	3.25	3.33	3.48
Number of railway accidents	28	23	17	14
GHG emissions (t-CO <sub>2</sub> )	—	—	—	—
Renewable energy generated (thousand kWh)	3,231	8,266	10,823	10,689

Notes: 1. The Company carried out a 1-for-5 reverse split of common stock, effective October 1, 2017.

The actual dividends paid up to FY2017 are the amounts converted after the reverse stock split.

2. Capital expenditures are listed on a construction basis.

3. GHG emissions have been calculated for companies included in the scope of consolidation from FY2021. Applicable gases: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, SF<sub>6</sub>, PFCs, NF<sub>3</sub>. For FY2024 emissions, we have obtained third-party assurance from LRQA Group Limited ensuring the credibility of the figures presented.

► For more information, see the LRQA Independent Assurance Statement (Japanese language only):

<https://www.tobu.co.jp/corporation/kankyo/data/>

(Millions of yen)

2018	2019	2020	2021	2022	2023	2024
617,543	653,874	496,326	506,023	614,751	635,964	<b>631,461</b>
67,295	62,653	(13,577)	24,732	56,688	73,883	<b>74,604</b>
62,972	58,414	(9,892)	27,406	54,815	72,033	<b>72,716</b>
28,024	35,530	(24,965)	13,453	29,179	48,164	<b>51,330</b>
87,466	103,116	70,871	56,149	70,458	85,349	<b>109,941</b>
53,477	55,442	56,664	55,570	53,354	52,916	<b>53,539</b>
120,772	118,095	43,087	80,302	110,043	126,799	<b>128,144</b>
1,643,190	1,656,092	1,682,497	1,689,855	1,738,195	1,704,063	<b>1,753,200</b>
469,276	473,969	453,103	459,219	480,575	541,713	<b>560,753</b>
461,359	465,648	444,954	452,567	474,754	535,693	<b>554,507</b>
793,137	789,533	837,279	808,507	795,502	749,777	<b>780,253</b>
88,191	101,136	39,504	66,851	101,115	91,690	<b>90,072</b>
(76,094)	(75,621)	(66,283)	(30,964)	(52,711)	(61,625)	<b>(86,778)</b>
(8,598)	(22,577)	40,362	(35,005)	(25,285)	(67,918)	<b>321</b>
12,097	25,515	(26,779)	35,887	48,404	30,065	<b>3,294</b>
132.65	168.84	(119.67)	64.49	140.06	232.99	<b>252.99</b>
2,183.82	2,232.01	2,132.83	2,169.34	2,296.65	2,591.47	<b>2,777.78</b>
35.00	40.00	20.00	20.00	30.00	55.00	<b>60.00</b>
26.4	23.7	—	31.0	21.4	23.6	<b>23.7</b>
10.9	9.6	(2.7)	4.9	9.2	11.6	<b>11.8</b>
6.2	7.7	—	3.0	6.3	9.5	<b>9.4</b>
4.1	3.8	—	1.5	3.3	4.3	<b>4.3</b>
28.1	28.1	26.4	26.8	27.3	31.4	<b>31.6</b>
6.6	6.7	19.4	10.1	7.2	5.9	<b>6.1</b>
0.38	0.39	0.29	0.30	0.35	0.37	<b>0.36</b>
3.6	3.6	3.8	3.7	3.7	3.2	<b>3.2</b>
1.6	1.8	0.9	0.9	1.3	2.3	<b>2.2</b>
20,347	20,112	20,345	19,621	18,599	18,384	<b>18,247</b>
3.38	3.39	3.37	3.43	3.37	3.35	<b>3.37</b>
19	16	15	30	45	51	<b>40</b>
—	—	—	513,155	507,204	472,279	<b>506,288</b>
11,563	11,535	12,264	12,194	12,495	12,968	<b>14,172</b>

# List of Group Companies (As of March 31, 2025)

## Transportation business: 28 companies (including 1 equity method affiliate)

Company name	Main business lines
Tobu Intertech Co., Ltd.	Rolling stock inspection and maintenance
Tobu Engineering Co., Ltd.	Railway engineering/electrical inspection and maintenance
TOBU STATION SERVICE CO., LTD.	Railway business
TRAVEL SERVICE CO., LTD.	Railway business
Jomo Electric Railway Co., Ltd.	Golf practice ranges
Joden-Kosan Co., Ltd.	Commuter pass and multi-ride ticket sales
ASAHI Motor Corporation	Passenger vehicle transportation business
BANDO BUS inc.	Passenger vehicle transportation business
Nikko-koutsu co.,ltd.	Passenger vehicle transportation business, cableway business
Kan-Etsu Kotsu Co., Ltd.	Passenger vehicle transportation business
KAWAGOE Motor Corporation	Passenger vehicle transportation business
IBAKYU Motor Corporation	Passenger vehicle transportation business
Kokusai Juo Co., Ltd.	Passenger vehicle transportation business
KIRYU-ASAHI Motor Corporation	Passenger vehicle transportation business
ASAHI CAR MAINTENANCE Co., Ltd.	Vehicle maintenance business
TOHOKU KYUKO BUS Co., Ltd.	Passenger vehicle transportation business
TOBU BUS CO., LTD.	Operations management company
TOBU BUS WEST CO., LTD	Passenger vehicle transportation business
TOBU BUS CENTRAL CO.,LTD,	Passenger vehicle transportation business
TOBU BUS NIKKO CO., LTD	Passenger vehicle transportation business
Tobu Transportation Corporation	Freight forwarding business, warehouse business
Tobu Physical Distribution Service Co., Ltd.	Truck transportation business, warehouse business
Gunma Logistic Systems Co., Ltd.	Truck transportation business, warehouse business
Tochigi Logistic Systems Co., Ltd.	Truck transportation business
Tokai Logistic Systems Co., Ltd.	Truck transportation business
Saitama Logistic Systems Co., Ltd	Truck transportation business
TOBU DELIVERY CO.,LTD.	Truck transportation business, warehouse business, distribution processing business
YAGAN TETSUDO RAILWAY Co., Ltd.	Railway business

## Leisure business: 16 companies (including 2 equity method affiliates)

Company name	Main business lines
Tobu Leisure Planning Co., Ltd.	Zoo business, amusement park business
TOBU WORLD SQUARE Co., Ltd.	Tourist facilities business
TOBU SPORTS Co., Ltd.	Sports club business
Tobu Kogyo Co., Ltd.	Golf course business, driving school, hotel business, pleasure boat business, hot spring supply business
Tobu Golf Service Co., Ltd.	Golf course business
TOBU TOP TOURS CO.,LTD.	Travel business
TOPSTAFF.INC.	Temporary staffing business
TTA INC.	Travel business
TOPTOUR EUROPE LIMITED	Travel business
SENDAI KOKUSAI HOTEL Co., Ltd.	Hotel business
Tobu Hotel Management Co., Ltd.	Hotel business
KANAYA HOTEL Co., Ltd	Hotel business
Lakeside Hotel Systems Co., Ltd.	Hotel business
TOBU TOWER SKYTREE Co., Ltd.	Facility leasing business (broadcasting tower), tourism business (observation deck)
Nikko Natural Science Museum Co., Ltd.	Management and operation of the Tochigi Prefectural Nikko Natural Science Museum
Zao Ropeway Co., Ltd.	Ropeway, lift, hotel and restaurant business

## Real estate business: 3 companies

Company name	Main business lines
Nihon Parking Building Service Co., Ltd.	Parking lot management and operation
TOBU REAL ESTATE CO., LTD.	Real estate distribution, real estate consulting, parking lot management and operation
TOBU TOWN SOLAMACHI CO., LTD.	Building management business

## Retail distribution business: 8 companies

Company name	Main business lines
TOBU DEPARTMENT STORE CO., LTD.	Department store business
TOBU UTSUNOMIYA DEPARTMENT STORE CO., LTD.	Department store business
Tobu Tomonokai Co., Ltd.	Specified prepaid transactions business
TOBU STORE CO., LTD.	Store business
TOBU Keibi Support Co., Ltd.	Security business, maintenance business
TOBU CARD BUSINESS CO.,LTD.*	Credit card business
Tobu Foods Service Co., Ltd.	Restaurant business, hotel business
Tobu Shoji Co., Ltd.	Convenience stores, oil wholesale business

\*Company name changed to Tobu Marketing Inc. on April 1, 2025.

## Other businesses: 15 companies

Company name	Main business lines
TOBU DENSETSU KOGYO CO.,LTD.	Electrical construction business
TOBU CONSTRUCTION Co., Ltd.	General construction business
TOBU Tochiginamakon Co., Ltd.	Production and sale of ready-mixed concrete
TOBU KAIHATSU Co., Ltd.	Sale of construction materials and ready-mixed concrete
Tobu Yachida Construction Co.,Ltd	General construction business
Tobu Ryokuchi Co., Ltd.	Landscape gardening business, golf course maintenance business
TOYO Co., Ltd.	Water supply and drainage plumbing work
TOBU Shared Services CO., LTD.	Deposits and loans with group companies, general affairs, accounting, and social insurance calculation outsourcing
TOBU Insurance Service Co., Ltd.	Insurance agency business
Tobu Building Management Co., Ltd.	Building management business, cleaning business, parking business, retail store leasing business
Nishi-Ikebukuro Heating & Cooling Supply Co., Ltd.	Heat supply business
Kinshicho Heating & Cooling Supply CO., LTD	Heat supply business
TOBU ENERGY MANAGEMENT CO.,LTD.	Heat supply business
Symphonia Tobu Co., Ltd.	Cleaning business, in-house mail. sorting and shipping business
Tobu Business Solution Corp.	Information service business



# Company Profile / Stock Information (As of March 31, 2025)

**Company Name:** TOBU RAILWAY CO.,LTD.  
**Date of Establishment:** November 1, 1897  
**Registered Office:** 1-2 Oshiage 1-chome, Sumida-ku, Tokyo 131-8522, Japan  
**Head Office:** 18-12 Oshiage 2-chome, Sumida-ku, Tokyo 131-8522, Japan

**Common Stock:** 102,135,971,747 yen  
**Consolidated employees:** 18,247  
**Fiscal year:** From April 1 to March 31

## Business lines

1. General transportation business by rail, track, and cableway
2. Vehicle transportation
3. Real estate sales, leasing, brokerage, appraisal, and management services
4. Information provision and processing services, telecommunications services, and cable broadcasting
5. Management of entertainment, sports and educational institutions, as well as the hotel business, food and beverage business, goods sales business, travel business, advertising business and other service businesses
6. Design and construction contracting business for civil engineering, construction, landscaping, and electrical work
7. Electricity generation and supply business
8. Businesses incidental or related to the preceding items

## Stock Information

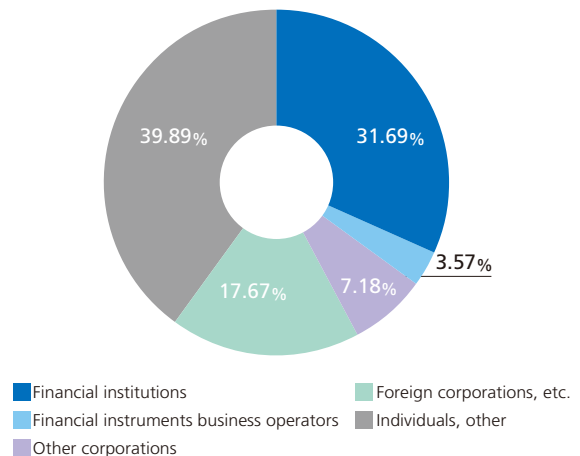
Total Number of Shares Authorized: 400,000,000 shares  
 Total Number of Shares Issued and Outstanding: 201,215,421 shares

Number of Shareholders: 83,630

## Major Shareholders (Top Ten)

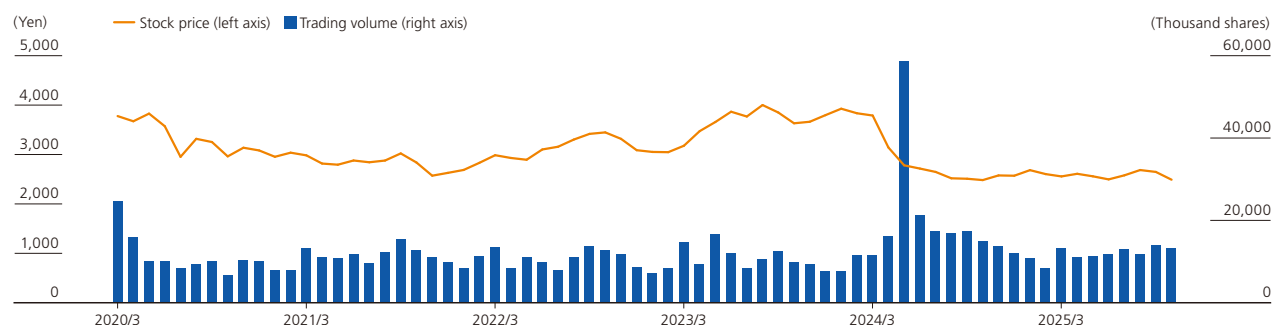
Shareholder	Number of shares held (thousands of shares)	Percentage of total shares outstanding (%)
The Master Trust Bank of Japan, Ltd. (trust account)	31,314	15.63
Custody Bank of Japan, Ltd. (trust account)	10,009	4.99
FUKOKU MUTUAL LIFE INSURANCE COMPANY	5,235	2.61
JP MORGAN CHASE BANK 385781	2,829	1.41
GOVERNMENT OF NORWAY	2,731	1.36
STATE STREET BANK AND TRUST COMPANY 505001	2,515	1.25
STATE STREET BANK AND TRUST COMPANY 505103	2,450	1.22
Mizuho Bank, Ltd.	2,326	1.16
STATE STREET BANK WEST CLIENT - TREATY 505234	2,182	1.08
Saitama Resona Bank, Limited	2,031	1.01

## Shareholders by Type



Notes: 1. Percentage of total shares outstanding is calculated excluding the number of treasury shares  
 2. Apart from the shares above, FUKOKU MUTUAL LIFE INSURANCE COMPANY holds as trustee 1,164,000 shares in the Company in a retirement benefit trust, where the Company retains the authority to give instruction on the exercise of voting rights.

## Stock Price/Trading Volume



Note: Stock prices and trading volume are as of the end of each month.

