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Kintetsu Group Holdings Co., Ltd.

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Securities code: 9041
https://www.kintetsu-g-hd.co.jp/ (in Japanese)

The corporate governance of Kintetsu Group Holdings Co., Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Key Information

1. Basic Views

As summed up in our management philosophy—To Support Daily Life, To Create More Value—our goal is to support safety in people's lives and boldly take on the challenge of creating new value, through sincere corporate activities. We also aim to collaborate with a diverse range of people to make our society better. Through these activities, we hope to maintain and strengthen our engagement with multiple stakeholders (customers, local communities, shareholders, business partners, employees, etc.) and to this end, we are working to enhance our corporate governance and the soundness of our management.

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

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

[Disclosure Based on each Principle of the Japan's Corporate Governance Code] Updated

Principle 1.4

The Company may own shares of a counterparty for purposes other than pure investment if, after comprehensively considering factors such as the maintenance and reinforcement of relationships with the counterparty in a business alliance, it is determined that doing so will contribute to the medium- to long-term improvement of the Company's corporate value, with this decision being made after verifying the counterparty's credit strength and safety.

The rationale and appropriateness for holding currently held shares is determined each year at a meeting of the Board of Directors by comprehensively considering factors such as the profitability of the held company, the Company's capital cost, and business returns from maintaining and reinforcing the business alliance.

The Company sells shares as needed when the business significance of holding the shares has weakened based on the results of the verification.

When exercising voting rights on strategic shareholdings, the Company makes comprehensive judgements after thoroughly examining the contents of a proposal, considering whether it contributes to the sustainable growth and the medium- to long-term corporate value of the Company and the counterparty.

Principle 1.7

When the Company engages in transactions involving conflict of interest as defined in the Companies Act with any of its Directors, this is done upon the approval of the Board of Directors in accordance with the Criteria for Submitting Matters to the Board of Directors for Deliberation. In addition, for uncommon transactions with related parties, the results of the transactions are reported to the Board of Directors following prior review by full-time Audit and Supervisory Committee Members in accordance with internal regulations.

Supplementary Principle 2.4.1

We believe the active participation of employees with diverse strengths is vital for the sustained growth of the Company. The ratio of female managers at the Company is 5.8%, and we aim to achieve 7% or higher by fiscal 2026. With the aim of increasing candidates for appointment, we are strengthening the hiring of female employees, with the ratio of female career-track hires reaching 37.5% in fiscal 2025, and above the 30% set as the target.

In addition, the Company is taking steps to strengthen mid-career recruitment of people with diverse experience as candidates for core human resources, with mid-career hires accounting for 17.5% of career-track hires in fiscal 2025. Since we do not differentiate in terms of employee treatment, including managerial appointments, based on employment classification or nationality, we have not set goals for the dedicated appointment of managers who are mid-career hires and foreigners.

On a consolidated base, the ratio of female managers at the Kintetsu Group is 22.0% and the ratio of mid-career hires (only domestic companies) is 39.6%, with the Kintetsu Group aiming to ensure diversity.

In addition, so that our employees embody the Group management philosophy "To Support Daily Life, To Create More Value," we recruit diverse employees who have different knowledge, experience and personal qualities and develop personnel who are highly motivated and possess the abilities and personalities to step into a new world while protecting what must be protected. Furthermore, we aim to create a positive work environment, improve engagement and promote health so that all employees are able to reach their full potential. We are taking steps to expand support systems such as those that enable individuals to balance childcare or nursing care with work, and to enhance childcare centers and clinics for employees.

Principle 2.6

The Company adopts contract type defined benefit corporate pension plans and entrusts consulting operations (including the monitoring of asset managers) to specialized institutions that are highly independent from financial institutions concerning asset management.

The asset management committee comprises the trust caretaker and beneficiaries' agent, in addition to the officers and managers in charge of the Human Resources Division and Finance and Accounting Division, as well as external consultants. The committee considers investment management and notifies the status of system operations and other matters to employees every year, managing so that there is no disadvantage to beneficiaries.

Principle 3.1 (i)

Please refer to the Kintetsu Group Management Philosophy, the Kintetsu Group Long-Term Vision 2035 and the Medium-Term Management Plan 2028, which are disclosed on the Company's website below.

Kintetsu Group Management Philosophy
https://www.kintetsu-g-hd.co.jp/corporate/philosophy.html (in Japanese)

Kintetsu Group Long-Term Vision 2035 and Medium-Term Management Plan 2028
https://www.kintetsu-g-hd.co.jp/ir/plan/ (in Japanese)

Principle 3.1 (ii)

Please refer to basic views on corporate governance as described in Section I. 1. in this report.

The basic policy on corporate governance is as follows.

[Securing the Rights and Equal Treatment of Shareholders]

The Company provides that "We will disclose information as appropriate and ensure transparency of management" in our Corporate Code of Conduct, and strives to ensure the rights and equal treatment of shareholders through appropriate information disclosure to shareholders. The Company does all it possibly can to avoid convening the General Meeting of Shareholders on the so-called Peak Day, and sends the notice of convocation approximately three weeks prior to the meeting day while also disclosing the information on TDnet and the Company's website before sending the notice. In addition, the Company appoints eight External Directors who have no risk of a conflict of interest with general shareholders, in a structure that supervises and audits the status of business execution by the management team from an independent and neutral position.

[Appropriate Cooperation With Stakeholders Other Than Shareholders]

The Company has formulated the Group management philosophy, the Corporate Code of Conduct and Legal and Ethical Guidelines, etc. and all officers and employees work as one, striving for appropriate cooperation with stakeholders. The Board of Directors and the management team take the lead on this, and proactively promote various measures that should help the development of our local communities.

[Ensuring Appropriate Information Disclosure and Transparency]

The Company provides that "We will disclose information as appropriate and ensure transparency of management" in our Corporate Code of Conduct and puts this into practice. In addition, for matters that do not fall under disclosure items required by laws and regulations, if the Company deems them important, the Company announces them in a timely and appropriate manner on the Company's website, etc. when such matters arise. Ensuring the accuracy of published materials goes without saying, and we also focus on making the content easy to understand details and hope that many shareholders will refer to them.

[Responsibilities of the Board of Directors]

The Company aims for clarity of the management decision-making and execution framework and the supervision framework. The Board of Directors undertakes ample discussion necessary to aim for the Company's sustainable growth, to improve corporate value over the medium to long term and to improve profitability and capital efficiency, etc. Eight External Directors supervise and audit the validity and legality of the Company's business execution. Also, in the case of External Directors, we appoint myriad of individuals—such as executives of other companies, attorneys at law, legal scholars, accounting scholars and scholars specializing in information science. We have a framework to supervise and audit the status of the Company's business execution from various perspectives.

[Dialogue With Shareholders]

The Company is supported by approximately 260,000 shareholders, and we hope to hear the views of shareholders to the maximum extent possible. In addition, the Company provides briefings on matters such as the Company's management plans and financial details through IR briefings and other measures to people holding the Company's shares as investments for pension assets, etc. The Company strives to ensure there is understanding for the acquisition and holding of the Company's shares.

Principle 3.1 (iii)

Please refer to "Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods" under [Director Remuneration] described in Section II. 1. in this report.

Principle 3.1 (iv)

Please refer to Section II. 2. in this report.

Principle 3.1 (v)
Please refer to the Reference Documents for the General Meeting of Shareholders in the Notice of the General Meeting of Shareholders listed on the Company's website shown below for the individual reasons for appointment of Directors.

Notice of the General Meeting of Shareholders
https://www.kintetsu-g-hd.co.jp/ir/kabunushi/ (in Japanese)

In the event of dismissal of senior management personnel, the reason is announced through procedures for timely disclosure prescribed by the stock exchange, etc.

Supplementary Principle 3.1.3
In the Kintetsu Group Long-Term Vision 2035 and Medium-Term Management Plan 2028, released in March 2025, the Company promoted the creation of a sustainable society through community development in a way unique to the Kintetsu Group together with five initiatives to develop shared infrastructure for strengthening group management: (1) advancing sustainable management, (2) advancing human capital management, (3) advancing DX management, (4) evolving Group-wide collaboration, and (5) evolving through branding. We aim for the Group's growth through the development of this shared infrastructure. In addition, seven "Priority Issues for Sustainability," including human capital related issues are stipulated in the Kintetsu Group Sustainability Policy. The initiatives to put these into practice and ESG data are disclosed in our integrated reports and on the Company's website (https://www.kintetsu-g-hd.co.jp/csr/) (in Japanese), as well as being explained at opportunities such as IR briefings.
In relation to climate change, to address the risks and opportunities of climate change from a long-term perspective, the Company has identified the risks and opportunities and the management measures for each business and considered the world view in line with the TCFD framework, while calculating the costs of the impacts from a rise in temperature on the railway business as of 2030 and 2050. This information is disclosed in our integrated reports and on the Company's website (https://www.kintetsu-g-hd.co.jp/csr/environment/en_tcfd.html) (in Japanese), and we continue to enhance both qualitatively and quantitatively.

Supplementary Principle 4.1.1
The Board of Directors, in accordance with the Board of Directors Regulations, makes resolutions regarding items stipulated by laws, regulations, and the Company's Articles of Incorporation, as well as medium- to long-term management plans and annual plans. Meanwhile, it delegates the majority of the authority to make decisions on important business execution to the President and Representative Directors, utilizing the systems available to a company with an Audit and Supervisory Committee to enable swift and agile business execution.

Principle 4.9
Please refer to "Matters Concerning Independent Officers" under [Independent Officers] described in Section II. 1. in this report.

Supplementary Principle 4.10.1
The Personnel and Compensation Advisory Committee has been institutionalized so that all External Directors (excluding Directors who are Audit and Supervisory Committee Members) are its members, thereby ensuring the independence of the committee structure with independent External Directors being in the majority. In addition, this committee, as an advisory body for the Board of Directors, has the authority and role to deliberate on personnel and compensation matters concerning Directors, etc. and reports the results of such deliberation to the Board of Directors and the Audit and Supervisory Committee.

Supplementary Principle 4.11.1
Please refer to disclosure details as described in Section II. 2. in this report. Please refer to the separate sheet for the skills matrix that discloses the combination of skills, etc. that Directors possess.

Supplementary Principle 4.11.2
All Directors devote sufficient time and effort required to appropriately fulfill their respective roles and responsibilities. Important positions concurrently held, such as concurrently serving as an officer of another listed company, are disclosed in the Business Report and the Reference Documents for the General Meeting of Shareholders in the Notice of the General Meeting of Shareholders posted on the Company's website, shown below.

Notice of the General Meeting of Shareholders
https://www.kintetsu-g-hd.co.jp/ir/kabunushi/ (in Japanese)

Supplementary Principle 4.11.3
In order to evaluate its own effectiveness, following on from last year, the Company's Board of Directors carried out self-assessments for all Directors and Audit & Supervisory Board Members. The findings of these are analyzed and appraised. An overview of those results is as follows.
The Board of Directors was given a positive evaluation, overall. It was deemed that efforts are being made to consciously enhance functions, meaningful discussion is carried out, and the supervisory function is being fulfilled.
In response to issues identified in last year's evaluation—that Directors want to have deeper discussion concerning the environment and new initiatives for each business and on matters such as the Group's human resources development and human resources strategy for the steady progress towards realization of the Medium-Term Management Plan 2028, and that it could be beneficial to aim for further revitalization by recruiting suitable persons with management experience in areas including merchandise sales, service and IT as External Directors—the board was deemed to be making productive reports and discussions regarding the status of the promotion of the Medium-Term Management Plan 2028 and is sincerely acknowledging issues by

striving to enhance governance. On the other hand, there was also some feedback that discussions concerning a number of issues such as human resources strategy and appointment of external officers are insufficient.
With the transition to a company with an Audit and Supervisory Committee, there was also the suggestion that the Company should deepen discussions on themes that contribute to improvement of the Group's corporate value (creation of conglomerate premiums), such as management issues and strategies for each of the main businesses, strategy revisions based on changes in the macro environment, and risk governance, as well as the suggestion that the Company continue to provide and enhance opportunities for communication between external officers and the management team as well as establishing a forum for the exchange of opinions among external officers only.
Taking these ideas on board, we will continue to work to improve the Board of Directors' functions.

Supplementary Principle 4.14.2
Directors are appointed from people with broad knowledge and experience in areas including business, finance and accounting, management, law and information science, and they provide legal knowledge, and information concerning the industry and business details required of an officer.

Principle 5.1
The Company regularly holds IR briefings and small meetings by the President, etc., inviting analysts and fund managers and others, with the aim of them understanding the Company's management policy and management plans. How to respond to requests for an interview from a shareholder or investor is considered through collaboration among the division in charge of IR, the division in charge of SR, the division in charge of ESG and our Group companies according to the purpose of the interview, the importance of the content, and the attributes of the interviewee. Shareholder feedback and concerns gathered through IR briefings and interviews are reported to the President or the Board of Directors as and when needed. To ensure their effectiveness, the Company has established a department and an officer in charge of IR within the Corporate Strategy and Planning Headquarters. The Company takes care to manage insider information such as by not creating opportunities for dialogue from the day following the account closing date of each quarter until the announcement of that quarter's results. The President supervises overall dialogue with these shareholders.

[Status of Dialogue With Shareholders]
The Company promotes the establishment of systems and initiatives to promote proactive dialogue to deepen the understanding of shareholders and investors concerning the Company's management policy and management plans. In addition, the Company works to increase corporate transparency and strives to build long-term relationships of trust by increasing the opportunities to provide shareholders and investors with information and to convey the latest information in an easy to understand manner.
In addition to IR briefings attended by the President and officers in charge of the Corporate Strategy and Planning Headquarters and the Accounting Division, Administration Headquarters being held every six months, the person in charge of IR and the person in charge of SR hold individual meetings and meetings dedicated to ESG according to the needs of analysts and institutional investors in Japan and overseas (approximately 180 held during fiscal 2025). The feedback, etc. obtained through dialogue is regularly reported and shared with senior management. In addition, as well as statutory disclosures including the Annual Securities Reports and the Notices of convocation of the General Meeting of Shareholders, the Company releases Integrated Reports and Fact Books, etc. The Integrated Reports include messages from External Directors to shareholders and other stakeholders.

(Key Dialogue Topics)
- Recent results (financial results, earnings forecast, qualitative topics, etc.)
- Medium and long term business strategies (overview and progress, etc.)
- Financial strategies (reduction of interest-bearing debt, shareholder return policy, etc.)
- Corporate governance (Composition and diversity of the Board of Directors, etc.)
- ESG-related initiatives (Contributing to a decarbonized and recycling-oriented society, development of diverse human resources, strengthen corporate governance and risk management)

The Company has commenced initiatives for small meetings attended by the President and the officer in charge of the Corporate Strategy and Planning Headquarters aimed at deepening the understanding of the Company's management policy and management plans in part because of requests from analysts and others. Additionally, with the aim of enhancing information dissemination to individual investors, the Company holds company briefings in the form of dialogues between the President and a facilitator.

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]

Content of Disclosure	Disclosure of Initiatives (Updated)
Availability of English Disclosure	Available
Date of Disclosure Update $\boxed{\text{Updated}}$	May 15, 2026

Supplementary Explanation $\boxed{\text{Updated}}$

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]
The Kintetsu Group has a basic policy to pay stable dividends by introducing a progressive dividend policy with a minimum DOE (Dividend on Equity) of 2.5% (raised from 2.0% to 2.5% in May 2026), and to deliver shareholder returns in line with medium-

and long-term growth, not limited to single-year fluctuations in profit. While creating value through co-creation with multiple stakeholders that include customers, local communities, shareholders, business partners, employees, etc., this is based on the idea that we should distribute that value among stakeholders in a well-balanced way, and continue to generate profits that exceed the cost of capital. In paying dividends, the Group also considers the dividend payout ratio (around 30% for the FY2028 Plan) and aims to diversify shareholder returns based on the achievement of the Medium-Term Management Plan.

The Company newly introduced ROIC (return on invested capital) as a management indicator in the Kintetsu Group Long-Term Vision 2035 and Medium-Term Management Plan 2028, and is striving to implement management with a stronger focus on the cost of capital. In FY2025, the first year of the plan, the Company achieved its initial targets in terms of profit. However, the ROIC-WACC spread, which is one of the factors that affect stock prices, has compressed, due primarily to a temporary increase in interest-bearing debt, resulting mainly from construction of general rolling stock for replacement and growth investments for the future in the Real Estate segment, as well as a rise in the weighted average cost of capital (WACC) caused by higher-than-expected interest rates. Partly due to the above, the Company's stock price remained relatively low compared to the overall market and the railway industry, and did not receive adequate valuation from the capital markets. Based on this, the Company revised the model for Group management to increase the effectiveness of the ROIC-WACC approach, and updated the Medium-Term Management Plan 2028 to make progress on reforming invested capital (balance sheet (B/S)) through selection and concentration. Following the update, the Company plans for management indicators in FY2028 of operating profit of ¥100.0 billion or more, to control net interest-bearing debt to approximately ¥900.0 billion, maintain an ROE of 8% or more, an equity ratio of approximately 30%, and a net interest-bearing debt/EBITDA ratio of approximately 6.0 times. Regarding ROIC, the target of "WACC +1.0% or more" originally set for FY2035 has been advanced to the FY2028 Plan. (https://www.kintetsu-g-hd.co.jp/ir/plan/) (in Japanese).

We are aware that the current (as of March 31, 2026) cost of capital (WACC based on CAPM) for the Kintetsu Group is 4.0%. To ensure a return on capital required by the market even when there are increases in the cost of capital due to higher interest rates, etc., we will redirect the model for Group management from profit (P/L-based) management to balance sheet (B/S-focused) management, make progress on reforming invested capital (B/S) through selection and concentration, and strive to qualitatively improve B/S. From these perspectives, to revise the business portfolio, and liquidate assets with nothing off limits, we aim to expand the ROIC-WACC spread for the overall Group by implementing ROIC management, which includes thoroughly evaluating viability through the use of returns on businesses and assets, promoting the rotation and allocation of businesses and assets, and controlling B/S by creating cash in developing projects using outside capital and swiftly recovering invested capital.

2. Capital Structure

Foreign Shareholding Ratio	10% or more but less than 20%

[Status of Major Shareholders] Updated

Name	Number of Shares Owned (Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	23,639,300	12.40
Custody Bank of Japan, Ltd. (Trust Account)	7,347,700	3.85
Aya Nomura (Standing Proxy: Mita Securities Co., Ltd.)	5,214,000	2.73
Nippon Life Insurance Company	2,939,055	1.54
JP MORGAN CHASE BANK 385781 (Standing Proxy: Mizuho Bank, Ltd.)	2,781,925	1.46
STATE STREET BANK AND TRUST COMPANY 505001 (Standing Proxy: Mizuho Bank, Ltd.)	2,267,940	1.19
Meiji Yasuda Life Insurance Company	1,629,194	0.85
JP MORGAN CHASE BANK 385642 (Standing Proxy: Mizuho Bank, Ltd.)	1,605,330	0.84
STATE STREET BANK AND TRUST COMPANY 505103 (Standing Proxy: Mizuho Bank, Ltd.)	1,419,181	0.74
Mie Kotsu Co., Ltd.	1,343,891	0.70

Name of Controlling Shareholder, if applicable (excluding Parent Company)	—
Name of Parent Company, if applicable	Not applicable

Supplementary Explanation Updated

1. Based on the shareholder registry as of March 31, 2026.
2. The shareholding ratio is calculated excluding 213,735 treasury shares.
3. The statement of changes pertaining to the Statement of Large-Volume Holdings made available for public inspection by Sumitomo Mitsui Trust Bank, Limited and its joint holders on September 19, 2025, states that they owned the following shares as of September 15, 2025. However, because the Company is unable to confirm the actual number of shares held as of March 31, 2026, the status of major shareholders above is based on the number of shares owned as recorded in the shareholder registry.

[Name (Number of shares held, etc., Holding ratio of shares, etc.)]

Sumitomo Mitsui Trust Bank, Limited (438,000 shares, 0.23%)
Sumitomo Mitsui Trust Asset Management Co., Ltd. (5,059,100 shares, 2.65%)
Amova Asset Management Co., Ltd. (3,736,000 shares, 1.96%)
<Total 9,233,100 shares, 4.84%>

4. The statement of changes pertaining to the Statement of Large-Volume Holdings made available for public inspection by Mitsubishi UFJ Financial Group, Inc. and its joint holders on February 2, 2026, states that they owned the following shares as of January 26, 2026. However, because the Company is unable to confirm the actual number of shares held as of March 31, 2026, the status of major shareholders above is based on the number of shares owned as recorded in the shareholder registry.

[Name (Number of shares held, etc., Holding ratio of shares, etc.)]

MUFG Bank, Ltd. (1,316,900 shares, 0.69%)
Mitsubishi UFJ Trust and Banking Corporation (4,983,300 shares, 2.61%)
Mitsubishi UFJ Asset Management Co., Ltd. (1,092,500 shares, 0.57%)
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (241,092 shares, 0.13%)
<Total 7,633,792 shares, 4.00%>

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Business Sector	Land Transportation
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

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

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5. Other Special Circumstances which May have a Material Impact on Corporate Governance Updated

◎ Approach and policy toward Group management and contracts related to the same details

Amidst a rapidly changing and complicated business environment, our shift to a pure holding company structure has encouraged our group companies to pursue independent management operations. While taking advantage of the characteristics of this structure, and based on group-wide management policy, we at Kintetsu Group Holdings, the holding company, work on the optimal allocation of management resources and to organize cooperation between the different group companies. In this way, we endeavor to raise management efficiency and develop internal controls and to achieve robust growth and development for the Kintetsu Group as well as increasing corporate value.

We hold three listed subsidiaries—Kintetsu Department Store Co., Ltd., KNT-CT Holdings Co., Ltd., and Kin-Ei Corp.—and two listed affiliates—Mie Kotsu Group Holdings, Inc. and The Kinki Sharyo Co., Ltd. We work to construct a governance system that is appropriate for the Group, and monitor it, ensuring the independence of these listed subsidiaries and listed affiliates (collectively, "listed group companies") and respecting the rights of their minority shareholders.

From the perspective of group governance, we have established the Kintetsu Group Management Regulations to cover the fundamental roles and similar that group companies are expected to fulfill. These regulations provide for independent decision-making by listed group companies, but ask them to provide reports and similar information about topics for which group-wide risk management would be beneficial from an internal controls standpoint.

Additionally, as part of the process of formulating our medium-term management plans, we hold repeated and sufficient discussions about our business portfolio, which also covers the businesses of our listed group companies. We also take reports from each listed group company on the medium-term management plans that they formulate, and verify whether their management policies and business strategies will contribute to the medium- and long-term growth of both the listed group companies themselves and the entire Kintetsu Group.

Going forward, we and the relevant listed group companies will, based on a shared group strategy, look to develop our businesses and aim for growth in each, while maximizing group synergies.

◎ Significance of possessing listed group companies

Of our subsidiaries, there are three that are listed on Tokyo Stock Exchange's Standard Market: Kintetsu Department Store Co., Ltd., KNT-CT Holdings Co., Ltd., and Kin-Ei Corp. Of our affiliates, there is one that is listed on Tokyo Stock Exchange's Prime Market (Mie Kotsu Group Holdings, Inc.) and one on its Standard Market (The Kinki Sharyo Co., Ltd.).

Kintetsu Department Store Co., Ltd. and KNT-CT Holdings Co., Ltd. are the core companies responsible for the Group's major business and the Company also considers them to be vital for demonstrating the Group's comprehensive strength, including value creation at terminals and tourist destinations alongside our railway lines, as well as inbound strategies. In addition, Kin-Ei Corp. and Mie Kotsu Group Holdings, Inc. engage in group collaboration with the railway business, real estate business, merchandise sales business and others in the Company's dominant areas such as Abeno and the Tokai region, particularly in Ise-Shima, providing added value unique to the Kintetsu Group. Furthermore, The Kinki Sharyo Co., Ltd. is an important company forming part of the railway business supply chain.

For these listed group companies, having them listed increases their autonomy and is also an advantage in terms of improving competitiveness by gaining the trust of society, securing diverse personnel, and enhancing brand value. We believe that in this way we can synergistically raise the quality of the Kintetsu Group's management. Moreover, as the companies are listed, customers can participate in their management as individual shareholders. This makes it easier to reflect important opinions from a customer perspective in management. We also believe it plays a big part in creating fans who feel love and loyalty for our companies and their products and services.

On the other hand, collaboration with these listed group companies is important for "advancing human capital management" and "evolving Group-wide collaboration," which are initiatives for shared infrastructure for strengthening group management in the Kintetsu Group Long-Term Vision 2035 and Medium-Term Management Plan 2028. Improving the corporate value of such group companies though listing also contributes to improve the value of the Kintetsu Group as a whole. We believe this is the driving force behind the goal of the Kintetsu Group to tackle challenges that "only the Kintetsu Group can address."

In light of this type of positioning of each company and the significance of listing, the Company has chosen the current capital relationship because of our desire to maximize group synergies and to achieve sustainable growth and development while maintaining the autonomy and independence of listed group companies.

◎ Measures to ensure the effectiveness of the governance systems at listed group companies.
For our oversight of group management, we take care not to adversely affect the listed group companies' independence or the profits of their minority shareholders. For vital transactions between the listed group companies and ourselves in the parent company, we make sure to receive approval from our Board of Directors, which includes several independent external directors. Where needed, we also take on board third-party opinions to ensure the fairness of any such dealings.
The listed group companies have also established voluntary committees with the majority of members being independent officers to act as advisory bodies with the rights and responsibilities to discuss personnel affairs pertaining to officers and similar matters. In terms of the exercise of voting rights related to the appointment or dismissal of officers at listed group companies, we have taken a policy of respecting the decisions of the listed group companies that take into account the results of deliberations by those committees.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System Updated	Company with Audit and Supervisory Committee,

[Directors]

Number of Directors Stipulated in Articles of Incorporation Updated	15
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairman (excluding those concurrently serving as President)
Number of Directors Updated	15
Election of Outside Directors	Appointed
Number of Outside Directors Updated	8
Number of Independent Officers Directors Updated	8

External Directors' Relationship with the Company (1) Updated

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Toshiko Katayama	Attorney at law											
Takashi Nagaoka	From another company					△						
Yuji Mikasa	From another company								○			
Kosuke Takahashi	From another company					△						
Keiko Yokoyama	From another company								△			
Kazumi Suzuki	Academic											
Michiko Inoue	Academic											
Maki Saito	Academic											

* Categories for "Relationship with the Company"
* "○" when the Director presently falls or has recently fallen under the category;
"△" when the Director fell under the category in the past
* "●" when a close relative of the Director presently falls or has recently fallen under the category;
"▲" when a close relative of the Director fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary
b. Executive or non-executive director of the parent of the Company
c. Executive of a fellow subsidiary of the Company
d. Party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the Company or an executive thereof
f. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides officers' remuneration
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)
h. Executive of a client or supplier of the Company (which does not correspond to any of d., e., and f.) (the Director himself/herself only)
i. Executive of a corporation to which external officers are mutually appointed (the Director himself/herself only)
j. Executive of a corporation that receives a donation from the Company (the Director himself/herself only)
k. Other

External Directors’ Relationship with the Company (2) Updated

Name	Audit and Supervisory Committee Member	Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Toshiko Katayama		○	——	Toshiko Katayama has extensive experience and deep insight gained through addressing social issues and working in consumer protection both as an attorney at law and as an expert on consumer issues. We expect her to leverage this experience and insight to contribute to strengthening the supervisory function of the Board of Directors and to provide advice on the Company’s management policies and improvements from diverse perspectives. She has had no involvement in company management other than as an External Director and External Audit & Supervisory Board Member, but for the reasons given above, we believe Toshiko Katayama to be qualified as an External Director who will be able to perform duties appropriately. In addition, Toshiko Katayama has no business relationship, etc. with the Company and meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.
Takashi Nagaoka		○	Takashi Nagaoka is a former executive of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.). The Group has transactions such as borrowing funds with the bank and the amount borrowed from the bank as of the end of the most recent fiscal year represents approximately 6.1% of consolidated total assets of the Company. In addition, he is a former executive of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. The Group has transactions regarding the issuance of bonds, etc. with the company and the transaction amount for the most recent fiscal year represents less than 1% of the annual consolidated operating revenue of both the Company and the company. He has retired as executive of both companies and of their parent company and approximately four years have	Takashi Nagaoka has engaged in corporate management, primarily in the financial sector, for many years. He has extensive experience and deep insight as a business leader, as well as a global perspective cultivated through international transactions and other activities and expertise in enhancing brand value. We expect him to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to provide advice on the Company’s management policies and improvements from diverse perspectives. Therefore, we believe that Takashi Nagaoka is a qualified candidate for External Director. In addition, as stated on the left, Takashi Nagaoka meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.

Name	Audit and Supervisory Committee Member	Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
			passed since his most recent retirement. Based on the foregoing, he meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange.	
Yuji Mikasa		○	Yuji Mikasa serves as Executive Vice Chairman of Nippon Life Insurance Company. The Group has transactions such as borrowing funds with the company and the amount borrowed from the company as of the end of the most recent fiscal year represents less than 1% of consolidated total assets of the Company. Although the company is a shareholder of the Company, it holds only approximately 1.6% of the Company's total voting rights. Based on the foregoing, he meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange.	Yuji Mikasa has engaged in corporate management in the life insurance sector for many years. He has extensive experience and deep insight as a business leader, as well as a global perspective cultivated through overseas assignments and other experiences and expertise in the fields of IT and digital transformation (DX). We expect him to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to provide advice on the Company's management policies and improvements from diverse perspectives. Therefore, we believe that Yuji Mikasa is a qualified candidate for External Director. In addition, as stated on the left, Yuji Mikasa meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.
Kosuke Takahashi		○	Kosuke Takahashi is a former executive of Development Bank of Japan Inc. The Group has transactions such as borrowing funds with the bank and the amount borrowed from the bank as of the end of the most recent fiscal year represents approximately 6.3% of consolidated total assets of the Company. He has retired as executive of the company and approximately nine years have passed since his retirement. Based on the foregoing, he meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange.	Kosuke Takahashi has engaged in corporate management in the financial and air transport sectors for many years. He has extensive experience and deep insight as a business leader, as well as expertise gained through various community contribution and support activities in the air transport sector. We expect him to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to provide advice on the Company's management policies and improvements from diverse perspectives. Therefore, we believe that Kosuke Takahashi is a qualified candidate for External Director. In addition, as stated on the left, Kosuke Takahashi meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a

Name	Audit and Supervisory Committee Member	Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
				conflict of interest with the general shareholders.
Keiko Yokoyama		○	Keiko Yokoyama serves as Audit & Supervisory Board Member of NTT WEST, Inc. and is a former executive of the company. The Company has transactions regarding IT-related services, etc. with the company and the transaction amount for the most recent fiscal year represents less than 1% of the annual consolidated operating revenue of both the Company and the company. Based on the foregoing, she meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange.	Keiko Yokoyama has engaged in sales promotion and marketing for IT-related services, etc., and corporate management in this field for many years. She has extensive experience and deep insight as a business leader, as well as expertise gained through fostering female talent. We expect her to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to provide advice on the Company's management policies and improvements from diverse perspectives. Therefore, we believe that Keiko Yokoyama is a qualified candidate for External Director. In addition, as stated on the left, Keiko Yokoyama meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.
Kazumi Suzuki	○	○	——	Kazumi Suzuki has extensive academic knowledge and deep insight as an accounting scholar and certified public accountant, as well as expertise gained through fostering talent as a university professor. We expect him to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to conduct appropriate audits from an independent standpoint and with an objective perspective. He has had no involvement in company management other than as an External Director and an External Audit & Supervisory Board Member, but for the reasons given above, we believe Kazumi Suzuki to be qualified as an External Director who is an Audit and Supervisory Committee Member who will be able to perform duties appropriately. In addition, Kazumi Suzuki has no business relationship, etc. with the Company and meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.

Name	Audit and Supervisory Committee Member	Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Michiko Inoue	○	○	——	Michiko Inoue has extensive academic knowledge and deep insight as a scholar specializing in information science, as well as expertise gained through fostering talent as a university professor. We expect her to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to conduct appropriate audits from an independent standpoint and with an objective perspective. She has had no involvement in company management other than as an External Audit & Supervisory Board Member, but for the reasons given above, we believe Michiko Inoue to be qualified as an External Director who is an Audit and Supervisory Committee Member who will be able to perform duties appropriately. In addition, Michiko Inoue has no business relationship, etc. with the Company and meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.
Maki Saito	○	○	——	Maki Saito has extensive academic knowledge and deep insight as a legal scholar specializing in the Companies Act, as well as expertise gained through fostering talent as a university professor. We expect her to leverage these strengths to contribute to strengthening the supervisory function of the Board of Directors and to conduct appropriate audits from an independent standpoint and with an objective perspective. She has had no involvement in company management, but for the reasons given above, we believe Maki Saito to be qualified as an External Director who is an Audit and Supervisory Committee Member who will be able to perform duties appropriately. In addition, Maki Saito has no business relationship, etc. with the Company and meets the Criteria for Determining Independence of Independent Officers established by the Company in accordance with the independence standards of the Tokyo Stock Exchange. Thus, the Company has determined that there is no risk of a conflict of interest with the general shareholders.

[Audit and Supervisory Committee]

Composition of Audit and Supervisory Committee and Attributes of the Chairperson Updated

	All Committee Members	Full-time Members	Inside Directors	External Directors	Chairperson
Audit and Supervisory Committee	5	2	2	3	Inside Director

Appointment of Directors and/or Staff to Support the Audit and Supervisory Committee Updated	Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Directors/Reasons for Adopting Current System Updated

Dedicated staff are appointed as a framework for assisting with the duties of the Audit and Supervisory Committee, and in order to ensure the independence of said staff, any matters related to their transfer, performance evaluation, etc. are to be discussed in advance with the Audit and Supervisory Committee.

Cooperation among Audit and Supervisory Committee, Financial Auditors and Internal Audit Departments Updated

The Audit and Supervisory Committee and the Internal Audit Department take reports on audit plans and audit results from and exchange opinions with the Financial Auditor KPMG AZSA LLC from time to time. In addition, full-time Audit and Supervisory Committee Members attend the audit conducted by the Financial Auditor as necessary.
The Audit and Supervisory Committee takes reports on audit plans and audit results from and exchange opinions with the Audit Division, which is the Internal Audit Department, from time to time. In addition, full-time Audit and Supervisory Committee Members attend the internal audit conducted by the Audit Division as necessary.

[Voluntary Established Committee(s)]

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntary Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson Updated

	Committee's Name	All Members	Full-time Members	Inside Directors	External Directors	External Experts	Other	Chairperson
Committee Equivalent to Nomination Committee	Personnel and Compensation Advisory Committee	7	0	2	5	0	0	Inside Director
Committee Equivalent to Remuneration Committee	Personnel and Compensation Advisory Committee	7	0	2	5	0	0	Inside Director

Supplementary Explanation Updated

The Personnel and Compensation Advisory Committee was established to act as an advisory body for the Board of Directors, and it aims to discuss the personnel and compensation affairs of directors, and to assist with the board's decisions. More than half of its members are independent External Directors and it meets at least once each year. The committee holds the functions of both a directorial candidate selection committee and a remuneration committee, and is currently composed of the Chairman of the Board, President and five independent External Directors (excluding Directors who are Audit and Supervisory Committee Members).

[Matters Concerning Independent Directors]

Number of Independent Directors Updated	8

Other Matters Concerning Independent Directors and Independent Audit & Supervisory Board Members

The Company has designated all external officers who meet the independent officer criteria as independent officers. Independent officers are external officers who will not have a conflict of interest with general shareholders. An external officer who does not fall under any of the following items shall be deemed to be independent:

1. a person whose major client or supplier is the Group (with transactions valued at 2% or more of the person's annual consolidated operating revenue in the most recent fiscal year), an executive thereof, or an executive of the group thereof;
2. an executive of a major client or supplier of the Group (with transactions valued at 2% or more of the Company's annual consolidated operating revenue in the most recent fiscal year) or an executive of the group thereof;
3. an executive of a major lender to the Group (whose outstanding loan balances account for 2% or more of the Company's consolidated total assets as of the end of the most recent fiscal year) or an executive of the group thereof;
4. an accounting professional who belongs to the audit firm that serves as Financial Auditor of the Company;
5. a consultant, accounting professional, or legal professional who receives monetary consideration or other profit on property of ¥10 million or more per year besides officers' remuneration from the Group (if the recipient is a corporation or other entity, a person who belongs to such corporation or other entity);
6. an executive of an organization that receives donations or grants totaling ¥10 million or more per year from the Group;
7. a major shareholder of the Company (holding 10% or more of total voting rights), an executive thereof, or an executive of the group thereof;
8. an executive of a company in which the Group is a major shareholder (holding 10% or more of the total voting rights) or an executive of the group thereof;
9. an executive of a company that accepts an external officer from the Group or an executive of the group thereof;
10. a person falling under any of the above items within the past three years;
11. a spouse or a relative within the second degree of kinship of a person falling under any of the above items (limited to those in important positions);
12. a spouse or a relative within the second degree of kinship of an executive of the Group (limited to those in important positions), either currently or within the past ten years;
13. a person whose total tenure as an external officer of the Company exceeds eight years at the time of election; and
14. a person other than the aforementioned items with special circumstances which precludes him/her from fulfilling duties as an independent external officer.

[Incentives]

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme and others

Supplementary Explanation Updated

The amount paid to each director (excluding Directors who are Audit and Supervisory Committee Members) is determined by the Board of Directors after deliberations by the Personnel and Compensation Advisory Committee, more than half of whose members are independent External Directors, while compensation for full-time directors (excluding Directors who are Audit and Supervisory Committee Members) is made up of a fixed pecuniary reward, a performance-linked pecuniary reward, and remuneration in shares.

Persons Eligible for Stock Options	

Supplementary Explanation

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[Director Remuneration]

Status of Disclosure of Individual Director's Remuneration	No individual disclosure

Supplementary Explanation Updated

The total amount of remuneration by category of officer, the total amount by remuneration type and the number of eligible officers for the most recent business year (from April 1, 2025 to March 31, 2026)

Directors	15	¥404 million (Of which, fixed pecuniary reward ¥257 million, performance-linked pecuniary reward ¥126 million, and remuneration in shares ¥20 million)
Of which, External Directors	5	¥38 million (All fixed pecuniary reward)
Audit & Supervisory Board Members	6	¥88 million (All fixed pecuniary reward)
Of which, External Audit & Supervisory Board Members	3	¥28 million (All fixed pecuniary reward)

Policy on Determining Remuneration Amounts and Calculation Methods Updated	Established

Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods

For the remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members), it was resolved that, at the 115th Ordinary General Meeting of Shareholders held on June 19, 2026, the amount of pecuniary rewards shall be no more than ¥480 million per year (of which no more than ¥60 million per year for External Directors), and the amount of remuneration in shares shall be no more than ¥60 million per year (with the number of shares not exceeding 15,000 shares per year). At the 115th Ordinary General Meeting of Shareholders held on June 19, 2026, it was resolved that the amount of compensation for Directors who are Audit and Supervisory Committee Members shall be no more than ¥100 million per year. The retirement golden handshake system for corporate officers was scrapped on the day of the 92nd Ordinary General Meeting of Shareholders held on June 27, 2003.
Compensation for full-time directors (excluding Directors who are Audit and Supervisory Committee Members) is made up of a fixed pecuniary reward, a performance-linked pecuniary reward, and remuneration in shares. Performance-linked pecuniary rewards are determined based on the percentage of change and other factors from the previous fiscal year using consolidated ordinary profit and profit attributable to owners of parent as indicators. Such indicators are considered appropriate and selected to measure the results of business execution.
The decision-making policies on remuneration for individual directors are as follows. These policies were decided at the Board of Directors meeting held on April 24, 2026, after deliberations by the Personnel and Compensation Advisory Committee, which was established by the Company as an advisory body to the Board of Directors.

Decision-making policies on remuneration for individual directors

With the belief that remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) should act as a further incentive to raise corporate value and performance, it comprises three parts: a fixed pecuniary reward, a performance-linked pecuniary reward, and remuneration in shares. Individual amounts are determined in line with the following policies.
The remuneration for Directors who are Audit and Supervisory Committee Members is determined through discussions among the Directors who are Audit and Supervisory Committee Members.

1. Decision-making policy on fixed pecuniary rewards
   Fixed pecuniary rewards are set in accordance with rank and consider duties, etc.
2. Decision-making policy on performance-linked pecuniary rewards
   Full-time directors are provided with performance-linked pecuniary rewards. The amount is set in accordance with rank, and calculated based on the amount of two indicators: consolidated ordinary profit and profit attributable to owners of parent.
3. Decision-making policy on remuneration in shares
   For full-time directors’ remuneration in shares, they are given transfer-restricted shares that come with certain conditions—such as not being able to be disposed of until after leaving their position—and the number of shares is set in accordance with rank.
4. Decision-making policy on pecuniary proportion of different compensation levels
   The ratio between fixed pecuniary rewards, performance-linked pecuniary rewards, and remuneration in shares is set to appropriate proportions to contribute to raising corporate value and performance.
5. Decision-making policy on when rewards are provided
   Pecuniary rewards are paid each month. A year’s worth of remuneration in shares is provided each July, but should the Board of Directors have deemed that a major legal breach, or other specific event, has occurred, the Company may forfeit the granted shares without compensation.
6. Decision-making method on individual remuneration amounts
   The amount of individual remuneration is determined by the Board of Directors, following deliberations by the Personnel and Compensation Advisory Committee, based on plans created by the company.

[Support System for External Directors] Updated

The Administrative General Affairs Division, Administration Headquarters supports External Directors, and in addition, the Office of Audit and Supervisory Committee supports External Directors who are Audit and Supervisory Committee Members. Materials on agenda items for deliberation and reporting are distributed to External Directors prior to the meeting of the Board of Directors and in the event of questions or doubts, they may contact the Administrative General Affairs Division, Administration Headquarters or the Office of Audit and Supervisory Committee, etc., to obtain further information or clarification. In addition, for agenda items considered particularly important, there may also be explanation to External Directors prior to the meeting of the Board of Directors and in the event that External Directors are absent from a meeting of the Board of Directors or meeting of the Audit and Supervisory Committee, explanation of the details of the agenda items is provided and feedback listened to as necessary.

[Status of Persons who have Retired as Representative Director and President, etc.]

Retired Representative Director, President, etc. Holding Advisory or Any Other Position in the Company Updated

Name	Title/ position	Responsibilities	Working Form and Conditions (Full-time/Part-time, Paid/Unpaid, etc.)	Date of Retirement From Position Such as President	Term of Office
Tetsuya Kobayashi	Executive Advisor	Economic group activities, Social contribution activities, etc. (Not involved in the Company's management, but serving as a director at some group companies)	Part-time, Paid	June 21, 2024	1 year
Yoshinori Yoshida	Advisor	Economic group activities, Social contribution activities, etc. (Not involved in the Company's management)	Part-time, Paid	June 19, 2020	2 years

Total Number of Retired Representative Directors, President, etc. Holding Advisory or Any Other Position in the Company Updated	2

Other Matters

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2. Matters Concerning Functions of Business Execution, Audit and Supervision, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

(1) Matters pertaining to business execution

1) Board of Directors

The Company has 15 directors, eight of whom are External Directors who do not have any special interest in the Company, and seven are full-time Directors. In addition, the Company has implemented various measures such as shortening the term for directors to one year, abolishing the retirement golden handshake system for Directors and Audit & Supervisory Board Members, introducing an officer system, introducing a performance-linked remuneration plan and a share-based remuneration plan for full-time Directors and officers, and transition to a company with an Audit and Supervisory Committee, and strives to clarify management responsibilities and improve management efficiency. The Board of Directors meets, in principle, once a month. In addition to resolving matters stipulated by laws and the Articles of Incorporation, it regularly receives progress reports on business activities, including on the status of efforts to establish and operate internal controls. Business execution is then overseen by the board's executive directors and officers.

2) Other bodies

In order to ensure information sharing and efficient decision-making among Executive Directors, Officers and presidents of major Group companies, the Company has established meeting bodies, such as the Management Committee and Board of Managing Directors. In addition, the Company has established the Kintetsu Group Management Regulations, and in addition to gathering information about important matters including risks at each Group company, it forms assorted project teams comprised of cross-Group members, and considers individual management issues from time to time.

(2) Matters pertaining to supervision and audit

Of the five members of the Company's Directors who are Audit and Supervisory Committee Members, three are External Directors, and we aim to enhance the stringency and thoroughness of the auditing process. Moreover, we ensure members have the required expertise to discuss matters of a financial, accounting, legal, or informatics nature. In principle, the Audit and Supervisory Committee meets once a month. In addition to determining basic policies toward auditing, each Audit and Supervisory Committee Member will report on their ordinary auditing activities, and members will then exchange opinions among themselves. We have also established the Office of Audit and Supervisory Committee as a dedicated body to take instructions from Audit and Supervisory Committee Members and to deal with tasks related to the Audit & Supervisory Board and its members' audits. It currently has a staff of seven.

The Company has established a system to conduct internal audits by the Audit Division (with a staff of 15) in a timely manner from the perspective of contributing to the promotion of business improvement, enhancement of management efficiency, etc. and to ensure the properness of operations at Group companies.

The Company has entered into an audit contract with KPMG AZSA LLC for the accounting audit, and for the current business year, in addition to three Designated Limited Liability Partners (Tomoya Kurokawa, Toshiyuki Maeda, and Yohei Onishi) of such auditor, the audit was conducted by 32 Certified Public Accountants, 15 persons who have passed an accountant examination and 32 others.
The Audit and Supervisory Committee and the Audit Division take reports on audit plans and audit results from and exchange opinions with the Financial Auditor KPMG AZSA LLC from time to time. In addition, full-time Audit and Supervisory Committee Members attend the audit conducted by the Financial Auditor as necessary.
The Audit and Supervisory Committee takes reports on audit plans and audit results from and exchanges opinions with the Audit Division from time to time. In addition, full-time Audit and Supervisory Committee Members attend the internal audit conducted by the Audit Division as necessary.

(3) Matters pertaining to nominations and remuneration
The Personnel and Compensation Advisory Committee was established to act as an advisory body for the Board of Directors, and it aims to discuss the personnel and compensation affairs of directors, and to assist with the board's decisions. More than half of its members are independent External Directors and it meets at least once each year.
Candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are determined by the Board of Directors after deliberation by the Personnel and Compensation Advisory Committee, more than half of whose members are independent External Directors, for Directors (excluding Directors who are Audit and Supervisory Committee Members) appointed from inside the Company taking into account their experience, knowledge, abilities, personalities, and other attributes in a comprehensive manner and for Directors (excluding Directors who are Audit and Supervisory Committee Members) appointed from outside the Company, considering their extensive experience and deep insight, as well as an understanding of the Company's business.
In addition candidates for Directors who are Audit and Supervisory Committee Members are determined by the Board of Directors with the consent of the Audit and Supervisory Committee, with appointment of Directors who are Audit and Supervisory Committee Members from inside the Company taking into account their experience, knowledge, abilities, personalities, and other attributes in a comprehensive manner and appointment of Directors who are Audit and Supervisory Committee Members from outside the Company from persons with extensive knowledge and experience in finance, accounting, etc.
For dismissal of senior management, when it becomes clear that there have been inappropriate facts and behavior as senior management, depending on the motives, means, objectives and results, representative directors or executive directors are dismissed by resolution of the Board of Directors following deliberation by the Personnel and Compensation Advisory Committee.
For matters pertaining to remuneration, please refer to "Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods" under [Director Remuneration] described in Section II. 1. in this report.

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Articles 29 of the Articles of Incorporation of the Company, the Company has entered into a contract with all External Directors to limit their liabilities for damages under Article 423, paragraph (1) of the same Act. In accordance with the contract, the limit of liability shall be equivalent to the amount determined under laws and regulations.

3. Reasons for Adoption of Current Corporate Governance System

As noted in 2. above, the current governance system combines both functions to supervise and monitor management and systems for improved efficiency and is thought to be valid for ensuring the validity and suitability of management decision-making and business execution, which is why it has been adopted.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights Updated

	Supplementary Explanation
Early Notification of General Meeting of Shareholders	At the 115th Ordinary General Meeting of Shareholders, the documents were sent out on May 28, 2026, which is 22 days prior to the date of the meeting.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The 115th Ordinary General Meeting of Shareholders was held on June 19, 2026.
Allowing Electronic or Magnetic Exercise of Voting Rights	Voting rights can be exercised from the website for exercising voting rights designated by the Company.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company has participated in the electronic voting platform for institutional investors operated by ICJ, Inc.
Providing Convocation Notice in English (Translated Fully or Partially)	The English version of the notice of convocation (summary of the notice of convocation, reference documents, the Business Report, the Consolidated Financial Statements, and the Non-Consolidated Financial Statements) is posted on the Company's website and the stock exchange's website at the same time as the Japanese version is posted.
Other	We strive to conduct easy to understand general meetings of shareholders such as by using visual equipment when reporting the details of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements at the General Meeting of Shareholders.

	The Notice of the General Meeting of Shareholders was posted on the Company's website on May 21, 2026, prior to being sent out. https://www.kintetsu-g-hd.co.jp/ir/kabunushi/ (in Japanese)

2. Status of IR-related Activities Updated

	Supplementary Explanation	Explanation by Representative
Formulation and Publication of Disclosure Policies	Overview of the timely disclosure system is described in section V. 2. of this report as well as on the Company's website. https://www.kintetsu-g-hd.co.jp/csr/structure/cgovernance.html#STR-CGOV_31 (in Japanese)	
Holding Regular Investor Briefings for Individual Investors	The Company holds company briefings in the form of dialogues between the President and a facilitator.	Yes
Holding Regular Investor Briefings for Analysts and Institutional Investors	The Company conducts IR briefings and small meetings by the President, etc., inviting analysts and fund managers and others, in principle, once every six months.	Yes
Posting IR Materials on Website	The Kintetsu Group Management Plan, timely disclosures, Consolidated Financial Results, Annual Securities Reports, Corporate Governance Reports, IR briefings, integrated reports, FACT BOOK, sustainable finance, monthly report of operations, External evaluation report (QUICK), IR calendar, Articles of Incorporation and Share Handling Regulations, Notices of the General Meeting of Shareholders, etc., reports on business activities, the guide to shareholder benefits, the guide to stock administration, stock price information, notices to shareholders, electronic public notice and other materials are posted on the Company's website. URL: https://www.kintetsu-g-hd.co.jp/ir/ (in Japanese)	
Establishment of Department and/or Manager in Charge of IR	The Company has established a department and an officer in charge of IR within the Corporate Strategy and Planning Headquarters, engages in various initiatives and responds to inquiries from investors, and handles media interviews.	

3. Status of Measures to Ensure Due Respect for Stakeholders Updated

	Supplementary Explanation
Provisions to Ensure Due Respect for Stakeholders in Internal Regulations, etc.	The Company has formulated its Corporate Code of Conduct and the Kintetsu Group Sustainability Policy, which explicitly stipulates that respect will be shown to the positions of customers, shareholders and other investors, as well as employees and others. In addition, the Company has formulated various policies including the Kintetsu Group Management Philosophy, as well as Legal and Ethical Guidelines, the Fundamental Policy on Human Rights of the Kintetsu Group and the Kintetsu Group Basic Policy on Customer Harassment, which are shared goals of officers and employees. These policies, etc. are disclosed on the Company's website.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Company has set Kintetsu Group Environmental Policy, established Kintetsu Group Environmental Targets, and conducts environmental preservation activities and social contribution activities. Specific initiatives and ESG data are described in integrated reports and posted on the Company's website (https://www.kintetsu-g-hd.co.jp/csr/) (in Japanese). In addition, the Kintetsu Group Long-Term Vision 2035 and Medium-Term Management Plan 2028 have redefined sustainability initiatives as important management issues, and initiatives to realize this have been accelerated through the formulation of specific action plans to progress this.
Formulation of Policies for Information Provision to Stakeholders	The Corporate Code of Conduct explicitly stipulates that there will be accurate information disclosure. In addition, various information relating to stakeholders is disclosed in the integrated reports and on the Company's website.

	Supplementary Explanation
Other	[Appointment of women as officers and managers] Officers and managers are appointed regardless of gender taking into account their experience, knowledge, abilities, personalities, and other attributes in a comprehensive manner. The ratio of female officers on a consolidated base for the Kintetsu Group is 6.5% (54 persons) and the ratio of female managers is 22.0% (1,134 persons). We would like to continue appointing valuable personnel as officers and managers. [Initiatives for the empowerment of women] We are conducting initiatives to promote the empowerment of women from the perspective of it being important for management to utilize female perspectives. The Company conducts assessments according to ability and achievements, regardless of gender, in situations including recruitment, deployment and promotion. In addition, since the empowerment of women and other diverse human resources are vital for the Company's sustainable growth, we strive to create a positive work environment and to improve motivation such as by enhancing support systems such as those for balancing work and childcare/ nursing care and initiatives to enhance childcare centers and clinics for employees. [Health and productivity management] Kintetsu Group is actively engaged in health and productivity management with the objective of improving the health of employees. In September 2021, we formulated the Kintetsu Group Health & Productivity Management Declaration as our health management policy to further promote health and productivity management, and established a health and productivity management framework centered around the Sustainability Promotion Committee chaired by the Company's President.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development Updated

The Company decided at the Board of Directors to establish a system to ensure that the execution of duties by Directors of the Company complies with laws and regulations and the Articles of Incorporation and other systems necessary to ensure the properness of operations in the Company, and strives to establish internal control systems based on that decision.
An overview of the details of the decision at the Board of Directors is as follows, but this will be revised whenever the need arises.

[1] System to ensure that the execution of duties by Directors and employees of the Company complies with laws and regulations and the Articles of Incorporation

In the Corporate Code of Conduct, which acts as the foundation for how officers and employees behave, we shall clearly state our belief that compliance with laws and regulations and corporate ethics is the foundation of management, and formulate the Legal and Ethical Guidelines to serve as concrete indicators and take measures to ensure awareness.
In addition, we shall establish the Legal & Ethical Affairs Committee to promote corporate behavior in accordance with laws and regulations and corporate ethics, place legal and ethical standards managers and persons in charge in each department, and carry out internal training programs systematically. The Company shall also establish a legal and ethical consultation system to handle reports and queries from employees in order to quickly detect and correct infractions of laws and regulations, corporate ethics, and internal regulations.
The Company shall not have any relationship with antisocial forces, and shall take a firm stand against any unreasonable demands, which is clearly stated in the Corporate Code of Conduct and Legal and Ethical Guidelines.
Regarding internal control over financial reporting based on the Financial Instruments and Exchange Law, the Company shall fully recognize the importance of proper financial reporting in accordance with laws and regulations, and shall properly establish and operate the necessary systems, etc.

[2] System for storing and managing information on the execution of duties by the Company's Directors

In addition to establishing internal regulations for the storage and management of information, such as the Document Handling Regulations, Document Management Regulations, and Information Security Regulations, each department shall appoint a person in charge of document management and a person in charge of information security to properly store and manage information in accordance with these regulations, and shall conduct inspections of storage and management conditions, etc.

[3] Regulations and other systems for managing risk of losses of the Company

In order to properly manage business and other risks, the Company shall formulate the Risk Management Regulations as comprehensive regulations and establish the Risk Management Committee. The Risk Management Committee shall identify important risks through the identification and evaluation of various risks, and report the status of such risks to the Board of Directors on a regular basis.
In addition, important matters including risks shall be discussed and reported, as necessary, at meetings of the Board of Directors and other meeting bodies such as the Management Committee and Board of Managing Directors.

Furthermore, for the management of risks deemed particularly important, such as matters related to risk management for accidents, disasters, etc., and compliance with laws and regulations and corporate ethics, in addition to the overall risk management system, the Company shall establish individual management systems by appointing a dedicated person in charge and formulating internal regulations and manuals.

[4] System to ensure the efficient execution of duties by Directors of the Company

As a company with an Audit and Supervisory Committee, the Company delegates the majority of the authority to make decisions on important business execution from the Board of Directors to the President and Representative Directors, and establishes a proper business organization and segregation of duties, and clearly defines the responsibilities and decision-making authority of Executive Directors and Officers through internal regulations, and by doing so, ensures an effective business execution system.
In addition, in order to ensure information sharing and efficient decision-making among Executive Directors, Officers and major subsidiaries' presidents, the Company shall establish its own meeting bodies, such as the Management Committee and Board of Managing Directors, and form project teams for each individual management issue.
For daily business processing, internal regulations, manuals, etc., which should serve as standards from the viewpoint of standardization, shall be prepared. Furthermore, the department in charge of internal audits shall conduct internal audits from the perspective of contributing to the promotion of business improvement, enhancement of management efficiency, etc.

[5] System to ensure the properness of operations in the corporate group

(1) System for reporting to the Company on matters pertaining to the execution of duties by Directors of subsidiaries
The Company shall establish the Kintetsu Group Management Regulations to be complied with by each Group company, and in accordance with predetermined standards based on this, collect information from each Group company in a timely and proper manner to accurately grasp the actual status of operations and financial position. In addition, in order to review, evaluate and correct the situation, a system shall be established to conduct audits by the Company's Internal Audit Department and other departments.

(2) Regulations and other systems for managing risk of losses of subsidiaries
In order to properly manage business and other risks within the Company group (the "Group"), the Risk Management Committee shall identify important risks across the Group through the identification and evaluation of various risks, and report the status of such risks to the Board of Directors on a regular basis. In addition, important matters including risks at each Group company shall be discussed and reported at meetings of the Board of Directors and other meeting bodies as necessary.

(3) System to ensure the efficient execution of duties by Directors of subsidiaries
The Company shall stipulate whether or not the Company is required to approve the execution of business by each Group company, and establish a system that enables each company to execute its business promptly, except for important matters. From the perspective of enhancing the corporate value of the entire Group, the Company shall coordinate and adjust operations between Group companies as appropriate, and the departments in charge at the Company shall provide support and guidance as necessary for each company's legal and accounting-related operations.

(4) System to ensure that the execution of duties by Directors and employees of subsidiaries complies with laws and regulations and the Articles of Incorporation
In addition to the legal and accounting-related operations of each Group company, the departments in charge at the Company shall provide support and guidance as necessary for education and training conducted by each company to ensure compliance with laws and regulations and corporate ethics. In addition, a system shall be established to handle reports and queries from officers and employees of each Group company regarding infractions of laws, regulations, and corporate ethics, etc.
Furthermore, the Internal Audit Department of the Company shall conduct audits of each Group company from time to time in cooperation with the internal audit departments of each company to confirm the status of compliance with laws and regulations and to exchange information with each company.
In addition, in order to ensure the fairness of transactions between the Company and its subsidiaries, the Company shall utilize specially established review procedures for transactions that can be deemed uncommon.

[6] System for execution of duties by the Audit and Supervisory Committee

(1) Matters concerning Directors and employees who assist the duties of the Audit and Supervisory Committee of the Company
The Company shall establish the Office of Audit and Supervisory Committee to deal with tasks related to the Audit and Supervisory Committee's audits. The Office shall have a general manager, a manager and other employees as dedicated personnel, as necessary, to assist the duties of the Company's Audit and Supervisory Committee.

(2) Matters concerning the independence of such Directors and employees from the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members)
Employees belonging to the Office of Audit and Supervisory Committee shall be under the direction of the Audit and Supervisory Committee Members, outside the control of the Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company, and their transfer and evaluation shall be subject to the consent of the full-time Audit and Supervisory Committee Members.

(3) Matters related to ensuring the effectiveness of instructions given by the Company's Audit and Supervisory Committee Members to such Directors and employees

Employees belonging to the Office of Audit and Supervisory Committee shall receive instructions directly from and report directly to the Company's Audit and Supervisory Committee Members without the assistance of the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members), Officers, or employees under their direction.

(4) System for reporting to the Audit and Supervisory Committee of the Company

a. System for reporting to the Company's Audit and Supervisory Committee by the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees

The Company's Directors, Officers and employees shall deliver to the Company's Audit and Supervisory Committee documents related to the execution of operations and other important documents, and shall promptly report the details of business and other risks, and other important matters, in addition to statutory matters, whenever they become aware of the occurrence of such matters. In addition, the Company shall actively cooperate with the Audit and Supervisory Committee when they request reports and investigations in the course of their duties. In addition, Executive Directors and Officers shall meet regularly with full-time Audit and Supervisory Committee Members to report on their duties.

In addition, the Internal Audit Department of the Company shall regularly report the results of internal audits to the Audit and Supervisory Committee. When the legal and ethical consultation system receives reports or queries on infractions of laws and regulations, corporate ethics, etc., the details of such reports or queries shall be reported to the Company's Audit and Supervisory Committee as necessary.

b. System for reporting to the Company's Audit and Supervisory Committee by Directors, Audit & Supervisory Board Members and employees of subsidiaries or those who receive reports from them

Directors, Audit & Supervisory Board Members and employees of subsidiaries shall, upon request from the Company's Audit and Supervisory Committee, submit reports and conduct investigations regarding their business and actively cooperate with the Company's Audit and Supervisory Committee, and shall report any important internal control matters in accordance with the Kintetsu Group Management Regulations. In addition, the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members), Officers and employees shall report to the Company's Audit and Supervisory Committee as necessary on matters reported by subsidiaries.

(5) System to ensure that persons who report to the Company's Audit and Supervisory Committee are not subjected to any disadvantageous treatment

The Company shall take necessary measures such as clearly stipulating in the Regulations for Legal and Ethical Consultation System that no disadvantageous treatment shall be accorded to any person for reporting to the Company's Audit and Supervisory Committee.

(6) Matters concerning the policy for handling expenses and debts incurred for executing duties by the Audit and Supervisory Committee Members of the Company

In the event that the Company's Audit and Supervisory Committee requests advance payment of expenses, reimbursement of expenses and interest paid, or reimbursement of liabilities incurred in connection with the execution of his/her duties, the Company shall promptly comply with such request, unless it is obvious that such payment is unnecessary for the execution of the Audit and Supervisory Committee Member's duties.

(7) Other systems to ensure effective audits by the Audit and Supervisory Committee of the Company

The Company's full-time Audit and Supervisory Committee Members may attend and express their opinions at the Company's important meeting bodies such as the Management Committee and Board of Managing Directors, and the Audit and Supervisory Committee may request the attendance of Directors (excluding Directors who are Audit and Supervisory Committee Members), Officers, employees, Financial Auditor and other related persons as necessary.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The Company strives to gain the trust from society as a good corporate citizen and shall not have any relationship with anti-social forces or organizations, and shall take a firm stand against any unreasonable demands. In addition, that fact is clearly stated in the Corporate Code of Conduct and the Legal and Ethical Guidelines.

Specifically, the Corporate Code of Conduct, which is the foundation for how officers and employees behave, and the Legal and Ethical Guidelines, which is a set of guidelines pertaining to compliance with laws, regulations, and corporate ethics, clearly state "We will outright refuse any relationship with anti-social forces or organizations" and this is also disclosed on the Company's website. Furthermore, the Legal and Ethical Standards Manual, which corresponds to a manual based on the Legal and Ethical Guidelines, indicates the specific significance and points to note in relation to "We will outright refuse any relationship with anti-social forces or organizations," and in addition to raising awareness within the Company, we also conduct initiatives such as internal training.

In the event of unreasonable requests from anti-social forces and organizations, related departments such as the Administrative General Affairs Division, Administration Headquarters, where a person formerly with the police is employed full-time, shall collaborate with external organizations including attorneys at law and the police, with the Company taking a resolute stance and exchanging information as necessary.

Moreover, when transacting, the Company will thoroughly check whether or not the counterparty is an anti-social force or organization or involved with such entities, and in the unlikely event that there is a relationship with an anti-social force or organizations, the policy is to promptly implement appropriate measures including the cancellation of transactions.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

The Company has determined a basic policy regarding the persons who control decisions on the Company's financial and management policies.
The details of the basic policy, the details of special efforts to realize the basic policy, the details of efforts to prevent decisions on financial and business policies from being controlled by persons deemed inappropriate in light of the basic policy, and the judgment of the Board of Directors of the Company regarding the efforts and the reasons for its judgment are as follows.

(1) Basic policy regarding the persons who control decisions on financial and management policies
Under the Kintetsu Group Management Philosophy and management plan, we believe that conducting corporate activities from a long-term perspective, giving due consideration to ensuring safety and public interest in the Group's core railway business and maintaining trust with various stakeholders, as well as striving to further strengthen our corporate governance system, will contribute to enhancing corporate value and securing the shared interests of shareholders. With respect to a person who conducts or intends to conduct a large-scale purchase of the Company's shares, the Company has determined that shareholders themselves should decide whether or not to accept such an act from the above viewpoint. However, in instances where shareholders are inadequately informed about such purchase, such purchase is made without sufficient time for consideration, management after purchase compromises the safety or public interest of the railway business, or there is no genuine intention to engage in management, resulting in harm to the Group's synergistic effects, the Board of Directors believes it is crucial to take appropriate measures, in compliance with laws and regulations, to secure corporate value and the shared interests of shareholders while maintaining objective judgment.

(2) Specific details of efforts for the above basic policy

a. The Kintetsu Group has set its target direction as "As a Partner of Communities and Toward a New Era," and engages in corporate activities based on the Kintetsu Group Long-Term Vision 2035, which outlines its ideal vision for 10 years hence, and the Medium-Term Management Plan 2028, which defines midterm targets and measures. In order to realize the Long-Term Vision "Evolving into a corporate group that continuously creates value by uniting the collective strengths of the Group and boldly taking on new challenges, centered on businesses that support lifestyles and interactions in Japan and overseas," the Kintetsu Group aims to sustainably enhance engagement with multiple stakeholders and leverage services, information and other means to support society. As priority strategies for realizing this vision, we promote to deepen and revitalize value along railway lines by enhancing the appeal of Abeno, Uehommachi, and Namba, strengthening the brand value of Ise-Shima area, expanding business through the development of the bay area around Yumeshima, and expanding incorporation of inbound tourism demand. Additionally, we work to deepen and expand business away from railway lines and globally by strengthening business infrastructure in non-railway lines and expanding business domains in the Tokyo metropolitan area, etc., and deepening/expanding business and enhancing presence globally. The Medium-Term Management Plan 2028 is positioned the fiscal 2025 to fiscal 2028 term as a period of sowing and growing for the Long-Term Vision 2035. During this period, the Company will steadily execute the above priority strategies and key measures in each segment, and implement management with a stronger focus on capital efficiency, aiming for building a new foundation and achieving steady growth to evolve into a value-creating corporate group.

b. The Board of Directors of the Company shall request a person who conducts or intends to conduct a large-scale purchase of the Company's shares to provide information necessary for shareholders to make a decision, such as the purpose of the purchase and the management policy of the Group after the purchase, and shall disclose such information in a timely and proper manner. In addition, the Board of Directors of the Company shall evaluate and examine the information provided by the purchaser from the perspective of enhancing corporate value and securing the shared interests of shareholders, and shall hold discussions and negotiations with the purchaser as necessary.

(3) Judgment by the Board of Directors of the Company with respect to the efforts described in (2) above and the reasons for such judgment
We believe that our corporate activities based on our Management Plan described in (2) above are in line with the basic policy regarding the persons who control decisions on financial and management policies, and will enhance our corporate value and contribute to securing the shared interests of shareholders.
In addition, the Board of Directors' policy for dealing with persons who conduct or intend to conduct a large-scale purchase of the Company's shares is to request the purchaser, etc. to provide information necessary for shareholders to make a decision and to disclose such information from the perspective of enhancing corporate value and securing the shared interests of shareholders, and is not intended to favor or reject any particular shareholder or investor.
Therefore, the Board of Directors of the Company has determined that the efforts described in (2) above are in line with the basic policy, do not impair the shared interests of shareholders, and are not intended to preserve the positions of officers.

2. Other Matters Concerning the Corporate Governance System

[Issues for further consideration, etc.]

We will continue to work on enhancing our corporate governance, such as by constantly considering the appropriateness of the current framework and undertaking appropriate revisions as necessary so that we can build a highly transparent, fair management framework that can gain trust from society.

[Overview of the timely disclosure system]

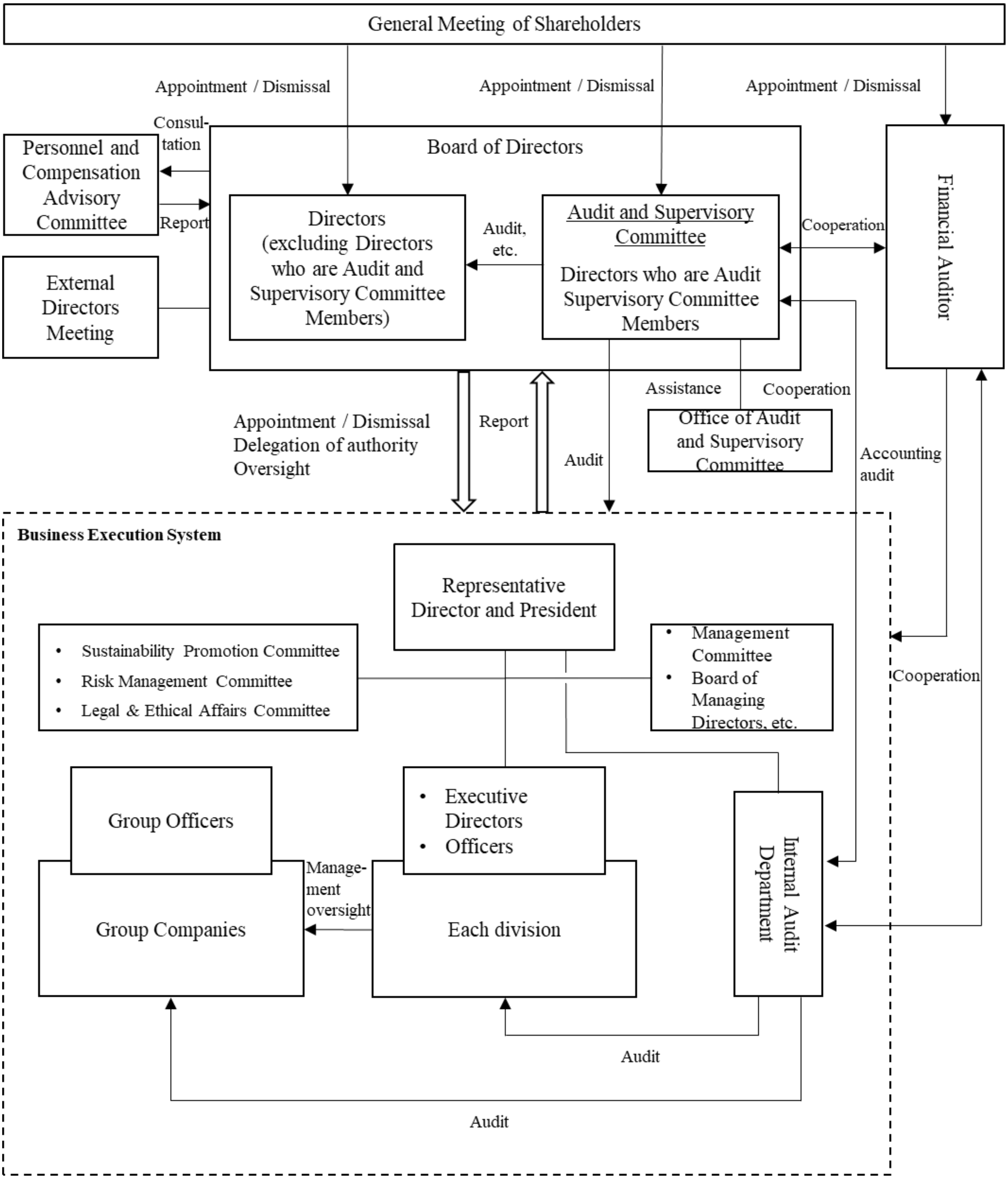
The Company stipulates in both its Information Security Regulations and Insider Trading Prevention Rules that officers and employees of the Company shall not communicate internal information of the Company, its subsidiaries, or its business partners, which they have come to know through the course of their duties, to any person other than those deemed necessary for the performance of their duties, and endeavors to strictly manage internal information to prevent its leakage.
In addition, in the event of any doubt that trading by an officer or employee of the Company in stock of the Company as well as the Company's subsidiaries and business partners could be construed as insider trading, there is a requirement to submit an inquiry to the Administrative General Affairs Division, Administration Headquarters. In particular, officers and managers are required to submit a notice in advance when buying or selling using a method other than the purchase of a fixed monthly amount through the Company.
We have established a unified system to capture matters of internal information of the Company and the Company's subsidiaries that should be subject to timely disclosure at the Administrative General Affairs Division, Administration Headquarters. Specifically, the department in charge of the facts (the Group Management Division, Corporate Strategy and Planning Headquarters for subsidiary-related facts) reports the details of the facts to the Administrative General Affairs Division, Administration Headquarters and the Administrative General Affairs Division, Administration Headquarters determines the specific method of disclosure with the approval of the President, after discussion with the relevant departments for such facts and the Public Relations Division. The Public Relations Division shall disclose such facts based on this decision.

The timing of disclosure shall be as follows according to the type of fact.

(1)	In the case of decision facts	When the Company or the body that determines the business execution of the Company's subsidiary determined that such matters should be conducted, or when such body determined that matters pertaining to such decisions (limited to published information) should not be conducted
(2)	In the case of occurrence facts	When the facts are confirmed
(3)	In the case of financial results information	When the figures relating to the financial results are determined
(4)	In the case of other information	When the facts are confirmed

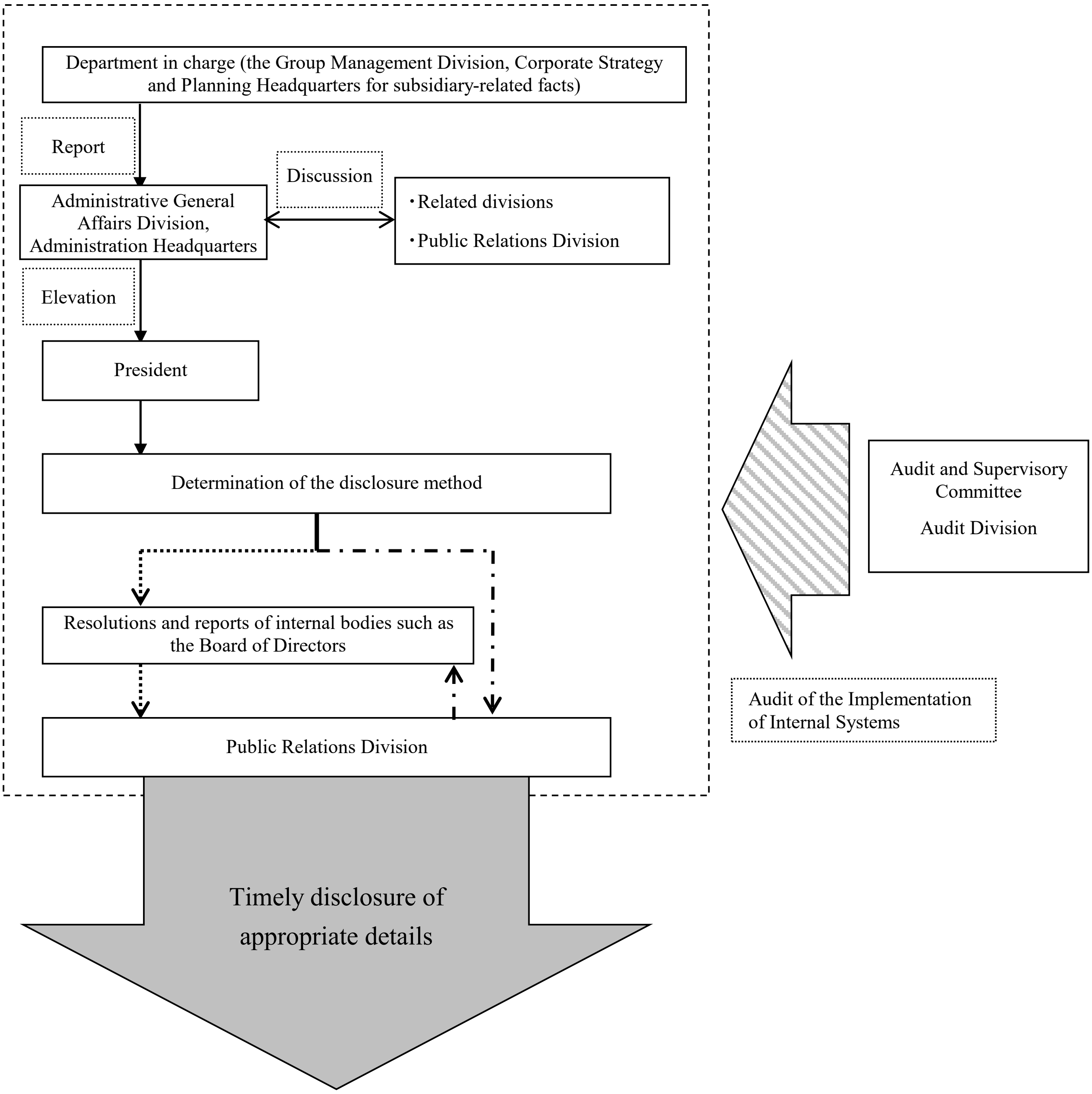
In addition to the audit by the Audit and Supervisory Committee, to check that internal information is being strictly managed, the Company has established a framework for the Audit Division, which is a dedicated department with jurisdiction over the internal audit, to conduct the audit.

Outline of Corporate Governance System (schematic diagram)



Outline of Timely Disclosure System (schematic diagram)

The internal framework pertaining to the timely disclosure of the Company's corporate information is as follows.



Attachment

Director Skill Matrix

The Company is promoting initiatives aimed at improving both corporate and shareholder value as a partner of communities supporting the daily lives and interactions, based on the Kintetsu Group Long-Term Vision 2035 and the Medium-Term Management Plan 2028.
In order to respond to rapid changes in the business environment and achieve sustainable value creation and further growth for the Group, the Board of Directors of the Company believes that, it is crucial not only to supervise management but also to set strategic directions from a medium- to long-term perspective and encourage its management team to take on challenges swiftly and boldly. The Company has identified nine items as skills required to fulfill these roles, taking into account the nature of the Group's business, as well as shared infrastructure and priority strategies outlined in the management plan. The Company strives to select candidates for Directors in a way that ensures the Board of Directors as a whole possesses the necessary skills.
The skills and the reasons for the selection thereof, and the skills of each Director are as follows.

Skills	Reasons for selecting the skills
Business management	To accurately assess the business environment and ensure group management and effective supervision from the perspective of overall optimization in promoting initiatives aimed at improving both corporate and shareholder value.
The Group's main businesses	To ensure appropriate management and supervision of key matters, etc. related to the Group's main businesses (Transportation, Real Estate, International Logistics, Merchandise Sales and Hotels and Leisure) by accurately assessing the nature, challenges and other factors of each business.
Global	To ensure appropriate management and supervision of operations, including the promotion of businesses by accurately assessing the various business opportunities, risks, etc. associated with overseas expansion efforts across multiple business sectors, such as International Logistics.
Human resource development/ Diversity	To formulate a group-wide human resources strategy from the perspective of strengthening human capital, which is a key management foundation, and to promote initiatives related to human capital development, ensuring diversity and other related matters based on this strategy.
IT/DX	To promote initiatives such as the creation of new value through the use of data and digital technologies, and to ensure appropriate management and supervision of operations, including establishing cybersecurity systems.
Marketing/Branding	To review the business strategies and other matters for each of the Group's businesses by accurately identifying market and customer needs as well as business opportunities, and to maximize the value of the Group by leveraging the brand strength it has cultivated.
Environment/Society	To accurately identify environmental issues and challenges facing local communities, and to ensure appropriate management and supervision of the policies for balancing the Group's sustainable growth and these issues and challenges, as well as the initiatives based on those policies.
Finance/Accounting	To formulate and implement a financial strategy that strikes a balance between financial soundness, growth investments, and other factors, and to ensure appropriate management and supervision of operations, including ensuring the fairness of financial information.
Legal affairs	To promote proper corporate activities in compliance with laws and regulations and corporate ethics, and to ensure appropriate management and supervision by accurately identifying legal risks that may arise in group management.

		Business manage-ment	The Group's main busi-nesses	Global	Human resource develop-ment/ Diversity	IT/DX	Market-ing/ Brand-ing	Environment/ Society	Finance/ Account-ing	Legal affairs
Directors	Takashi Tsuji	●	●		●			●		
	Takashi Wakai	●	●						●	●
	Akimasa Yoneda	●	●	●		●				
	Nobu Hayashi		●		●					●
	Kensuke Nakanobo		●	●			●			
	Toshiko Katayama				●		●	●		●
	Takashi Nagaoka	●		●			●		●	
	Yuji Mikasa	●		●		●			●	
	Kosuke Takahashi	●	●					●	●	
	Keiko Yokoyama	●			●	●	●			
Directors who are Audit and Supervisory Commitee Members	Akihiko Matsumoto				●					●
	Tetsuo Nakamura					●			●	
	Kazumi Suzuki				●				●	
	Michiko Inoue				●	●				
	Maki Saito				●					●