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(Stock Exchange Code 9003)

June 4, 2026

(Start of electronic provision measures: May 28, 2026)

To Shareholders with Voting Rights:

Takamasa Kato
Representative Director, President
Sotetsu Holdings, Inc.
3-23, Kitasaiwai 1-chome, Nishi-ku,
Yokohama-shi, Kanagawa

NOTICE OF THE 158TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continuous support and patronage.

We are pleased to notify you that the 158th Annual General Meeting of Shareholders of Sotetsu Holdings, Inc. (the “Company”) will be held for the purposes as described below.

When convening this general meeting of shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures on the following Company’s website as Notice of the 158th Annual General Meeting of Shareholders.

The Company’s website: <https://www.sotetsu.co.jp/ir/stock/meeting/?wovn=en>

The Company also has posted this information on the website of the Tokyo Stock Exchange (TSE).

The TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

* To review the information, please access the TSE website (Listed Company Search), input “Issue name (Sotetsu Holdings)” or “Code (9003),” click on “Search,” and then click on “Basic information” and select “Documents for public inspection/PR information.”

In addition to the websites shown above, the Company also has posted the information on the following website.

Website containing materials for the general meeting of shareholders: <https://d.sokai.jp/9003/teiji/>

If you choose not to attend the meeting, you may exercise your voting rights in advance either via the Internet, etc. or in writing (mail).

Please review “Guide to Exercise of Voting Rights” below and exercise your voting rights.

- 1. Date and Time:** Friday, June 26, 2026 at 10:00 a.m. Japan time
(The reception desk will open at 9:00 a.m.)
- 2. Place:** NICHIRIN, 5F, Yokohama Bay Sheraton Hotel & Towers
3-23, Kitasaiwai 1-chome, Nishi-ku, Yokohama-shi, Kanagawa
- 3. Meeting Agenda:**
- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the Company's 158th Fiscal Year (April 1, 2025–March 31, 2026) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 158th Fiscal Year (April 1, 2025–March 31, 2026)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 7 Directors
- Proposal 3:** Election of 1 Audit & Supervisory Board Member
- Proposal 4:** Revision of the Amount of Remuneration for Directors
- Proposal 5:** Determination of Remuneration for the Allotment of Restricted Shares to Directors (excluding Outside Directors)

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- When attending the meeting, please submit the Voting Rights Exercise Form at the reception desk. Additionally, to preserve resources, please bring this document with you.
 - If circumstances arise whereby revisions should be made to matters subject to the electronic provision measures, such revisions will be posted on the respective websites where the matters are posted.
 - Of the documents mailed to shareholders who requested delivery of documents, the following matters are provided on the respective websites on the Internet pursuant to the provisions of laws and regulations, and the Company's Articles of Incorporation. The matters posted on the respective websites have also been audited by the Audit & Supervisory Board and the Accounting Auditor.
Business Report: Principal business and major offices, status of employees, principal lenders, matters regarding the Company's shares, status of Accounting Auditor and corporate structures and policies
Consolidated Financial Statements: Consolidated Statements of Changes in Net Assets and Notes to the Consolidated Financial Statements
Non-consolidated Financial Statements: Non-consolidated Statements of Changes in Net Assets and Notes to the Non-consolidated Financial Statements

Guide to Exercise of Voting Rights

Exercise of voting rights in advance (Recommended)

- Via the Internet, etc.

Please review the “Guide to exercising voting rights via the Internet, etc.” on the next page, and input your vote for or against the proposals.

Exercise deadline: By Thursday, June 25, 2026 at 5:30 p.m.

- Via mail

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it by mail.

- If there is no indication of your vote for or against the proposals, it shall be deemed as an indication of approval.

- If indicating your vote for or against some of the candidates in the proposals for election of officers:

⇒ Mark a circle on the “approval” or “disapproval” field and indicate the candidate numbers.

Exercise deadline: Arrival by Thursday, June 25, 2026 at 5:30 p.m.

Exercise of voting rights on the day of the meeting

Please submit the Voting Rights Exercise Form at the reception.

*Please bring this “Notice of Convocation” with you.

About handling of multiple exercises of voting rights

If voting rights are exercised multiple times, the last voting rights exercised shall be deemed the valid exercise of voting rights. If voting rights are exercised both via the Voting Rights Exercise Form and the Internet, the final voting rights to arrive shall be deemed the valid exercise of voting rights. If the Voting Rights Exercise Form and the exercise via the Internet arrive on the same date, the voting rights exercised via the Internet shall be deemed the valid exercise of voting rights.

To institutional investors

Institutional investors may utilize the Electronic Voting Platform operated by ICJ, Inc.

Guide to exercising voting rights via the Internet, etc.

Exercise deadline: By Thursday, June 25, 2026 at 5:30 p.m.

If exercising voting rights from a smartphone:

The “voting rights exercise code” and “password” are not required by reading the “Voting Rights Exercise Website Login QR Code for Smartphone”

1 Read the QR code and tap the “Exercise Voting Rights” button

Use a smartphone or a tablet and read the “Voting Rights Exercise Website Login QR Code for Smartphone” on the enclosed Voting Rights Exercise Form.

2 Input your vote for or against the proposals by following the on-screen instructions.

* If changing your vote after exercising your voting rights once, you need to read the QR code again and enter the “voting rights exercise code” and the “password” indicated on the enclosed Voting Rights Exercise Form.

* QR Code is a registered trademark of DENSO WAVE CORPORATION.

The “voting rights exercise code” and “password” are not required.

Use a smartphone or a tablet and read the “Voting Rights Exercise Website Login QR Code for Smartphone” indicated on the bottom right of the enclosed Voting Rights Exercise Form.

If exercising voting rights from a personal computer:

1 Access the voting rights exercise website

<https://www.web54.net>

Click the “Next” button.

2 Enter the “voting rights exercise code”

Enter the “voting rights exercise code” indicated on the bottom left of the enclosed Voting Rights Exercise Form and click the “Login” button.

The “voting rights exercise code” and the “password” are indicated on the enclosed Voting Rights Exercise Form.

3 Enter the “password”

Enter the “password” indicated on the bottom left of the enclosed Voting Rights Exercise Form and click the “Next” button.

*Create a new password on the next screen. Please keep your password safe.

Input your vote for or against the proposals by following the on-screen instructions.

Inquiries:

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Department “Web Support” (dedicated line)
Telephone: 0120-652-031 (Hours of operation: 9:00 a.m. to 9:00 p.m.)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Sotetsu Group is in a highly public industry with the railway business as its core business, and as healthy management over an extended period is desirable, the Company holds as a basic policy to consider the management environment and capital investment plans, etc., and work to enrich internal reserves while making distribution of profits corresponding to business results.

Regarding year-end dividends for the fiscal year under review, the Company proposes the following in view of the above policy and the current circumstances.

1. Type of dividend property

Cash

2. Matters concerning the allotment of dividend property to shareholders and the total amount

40 yen per share of common stock of the Company

Total amount: 3,838,762,920 yen

Dividends for the fiscal year under review are 70 yen per share, including the interim dividends paid of 30 yen per share.

3. Effective date of distribution of surplus

June 29, 2026

Proposal 2: Election of 7 Directors

The terms of office of all 7 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 7 Directors is proposed.

The candidates for Directors have been approved by the Nomination & Remuneration Advisory Committee, more than half of which are Independent Outside Directors.

The candidates for Director are as follows:

[Reference] List of candidates

No.	Name		Current positions and responsibilities		Attendance at Board of Directors meetings
1	Hideyuki Takizawa	Male	Representative Director, Chairman of the Board of Directors	Reelection	11 out of 11 (Attendance rate: 100%)
2	Takamasa Kato	Male	Representative Director, President and Executive President	Reelection	9 out of 9 (Attendance rate: 100%)
3	Ryoichi Goto	Male	Director, Executive Officer, in charge of the General Affairs Department, and in charge of the Labor Department	Reelection	11 out of 11 (Attendance rate: 100%)
4	Yoshie Hirose	Female	Director, Executive Officer, Division Manager, Corporate Strategy Division	Reelection	9 out of 9 (Attendance rate: 100%)
5	Yoshimitsu Onji	Male	Director	Reelection Outside Independent	11 out of 11 (Attendance rate: 100%)
6	Yukiko Fujikawa (Name on family register: Yukiko Kobayashi)	Female	Director	Reelection Outside Independent	11 out of 11 (Attendance rate: 100%)
7	Mieko Yoshinaka (Name on family register: Mieko Hata)	Female	Director	Reelection Outside Independent	9 out of 9 (Attendance rate: 100%)

(Note) Attendance at Board of Directors meetings for candidates for Director, Takamasa Kato, Yoshie Hirose and Mieko Yoshinaka, shows the Board of Directors meetings held after they took office as Directors on June 27, 2025.

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
1	Hideyuki Takizawa (October 5, 1959) [Male] [Reelection]	April 1984 June 2010 June 2011 July 2011 June 2012 June 2013 June 2015 June 2016 June 2019 June 2019 June 2019 June 2025	Joined the Company Senior Managing Director, Sotetsu Building Management Co., Ltd. Executive Officer, the Company General Manager, Corporate Strategy Division (Department 1) Director Division Manager, Corporate Strategy Division and General Manager, Corporate Strategy Division (Department 2) Senior Managing Director, SAGAMI RAILWAY Co., Ltd. Director, President, SAGAMI RAILWAY Co., Ltd. Director, the Company (to the present) Representative Director (to the present) President and Executive President Chairman (to the present)	19,321
Attendance at Board of Directors' meetings 11 out of 11 (attendance rate: 100%)				
Reasons for selection as a candidate for Director Mr. Hideyuki Takizawa has served as Director, President of SAGAMI RAILWAY Co., Ltd., which is a core Group subsidiary, and has a wealth of experience in management. He is currently engaged in the management of the Company as Representative Director, Chairman of the Board of Directors. As he has significant capabilities as Director of the Company, his continuous election is requested as a candidate for Director.				
2	Takamasa Kato (January 30, 1963) [Male] [Reelection]	April 1985 April 2009 June 2013 June 2014 June 2015 June 2019 June 2019 June 2020 June 2020 June 2020 June 2020 June 2025 June 2025 June 2025	Joined the Company General Manager, Group Corporate Strategy Division (Department 3) Executive Officer Director Division Manager, Corporate Strategy Division Managing Executive Officer, in charge of the General Affairs Department, and in charge of the Labor Department Director, President, Sotetsu Hotels Co., Ltd. Director, President, Sotetsu Hotel Management Co., Ltd. Director, President, Sotetsu Hotel Development Co., Ltd. Director, President, Sotetsu Inn Co., Ltd. Director, President, Sunroute Co., Ltd. Director, the Company (to the present) Representative Director (to the present) President and Executive President (to the present)	12,276
Attendance at Board of Directors' meetings 9 out of 9 (attendance rate: 100%)				
Reasons for selection as a candidate for Director Mr. Takamasa Kato has experience in business execution as Division Manager of the Corporate Strategy Division of the Company, as well as a wealth of experience in management, including serving as Director, President of hotel business companies of the Group. He is currently engaged in the management of the Company as Representative Director, President. As he has important qualities as Director of the Company, his continuous election is requested as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
3	Ryoichi Goto (January 13, 1967) [Male] [Reelection]	April 1989	Joined the Company	6,982
		July 2014	General Manager, Corporate Strategy Division (Department 2)	
June 2019	Director, President, SOTETSU BUSINESS SERVICE CO., LTD.			
June 2019	Director, President, SOTETSU Insurance Service Co., Ltd.			
June 2023	Director, the Company (to the present)			
June 2023	Executive Officer, in charge of the General Affairs Department, and in charge of the Labor Department (to the present)			
Attendance at Board of Directors' meetings 11 out of 11 (attendance rate: 100%) Significant concurrent positions Director, President (Representative Director), SOTETSU WISH Co., Ltd. Director, President (Representative Director), SOTETSU Next Stage Co., Ltd. Reasons for selection as a candidate for Director Mr. Ryoichi Goto has a wealth of experience in management, serving as Director, President of business companies of the Group. He is currently involved in business execution as Director of the Company. As he has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.				
4	Yoshie Hirose (January 29, 1967) [Female] [Reelection]	April 1990	Joined the Company	2,967
		July 2018	General Manager, Operation Department, Operation Division, Sotetsu Hotel Management Co., Ltd.	
July 2019	General Manager, Corporate Strategy Division (Department 2)			
July 2022	General Manager, Corporate Strategy Division (Department 1)			
June 2023	Director, President, SOTETSU BUSINESS SERVICE CO., LTD.			
June 2023	Director, President, SOTETSU Insurance Service Co., Ltd.			
June 2025	Director, the Company (to the present)			
June 2025	Executive Officer (to the present)			
June 2025	Division Manager, Corporate Strategy Division (to the present)			
Attendance at Board of Directors' meetings 9 out of 9 (attendance rate: 100%) Reasons for selection as a candidate for Director Ms. Yoshie Hirose has a wealth of experience in management, serving as Director, President of business companies of the Group. She is currently involved in business execution as Director of the Company. As she has important qualities as Director of the Company, her continuous election is requested as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
5	Yoshimitsu Onji (November 1, 1954) [Male] [Reelection] [Outside] [Independent]	April 1994	General Manager of Corporate Planning Division, The Daiei, Inc.	0
		September 1998	Director and Vice President, R.E. PARTNERS Co., Ltd.	
		December 1999	Director of Oz-corporation (Representative) (to the present)	
		June 2010	President & CEO and Representative Director, RECOF Office (currently RECOF Corporation)	
		October 2016	Chairman and Representative Director, RECOF Office (currently RECOF Corporation)	
		June 2020	Director, the Company (to the present)	
	Attendance at Board of Directors' meetings 11 out of 11 (attendance rate: 100%)			
	Significant concurrent positions Director of Oz-corporation (Representative) External Director, Tokyo Tatemono Co., Ltd. Outside Director, NIHON CHOUZAI Co., Ltd.			
	Reasons for selection as a candidate for Outside Director and expected roles, etc. Mr. Yoshimitsu Onji is nominated as a candidate for Outside Director because he has expressed valuable opinions at the Board of Directors' meetings based on his wealth of experience and wide knowledge as a manager. The Company requests his continuous election as a candidate for Outside Director, expecting him to guide and supervise the Company's management in the same manner upon election.			
6	Yukiko Fujikawa (Name on family register: Yukiko Kobayashi) (March 16, 1965) [Female] [Reelection] [Outside] [Independent]	March 1992	Registered as Certified Public Accountant	0
		June 1998	Financial Securities Inspector, Inspection Department, Financial Supervisory Agency (currently Financial Services Agency)	
		July 2000	Chief, Yukiko Fujikawa CPA Office (to the present)	
		December 2004	Registered as Tax Accountant	
		January 2012	Representative Member, Kaikei Jissen Kenkyujyo (Tax Accountancy Corporation) (to the present)	
		June 2020	Director, the Company (to the present)	
	Attendance at Board of Directors' meetings 11 out of 11 (attendance rate: 100%)			
	Significant concurrent positions Certified Public Accountant (Chief, Yukiko Fujikawa CPA Office) Tax Accountant (Representative Member, Kaikei Jissen Kenkyujyo [Tax Accountancy Corporation]) Supervisory Director, Hoshino Resorts REIT, Inc. Director (Outside), Audit Committee Member, Lacto Japan Co., Ltd. External Director, Audit and Supervisory Committee Member, ADEKA CORPORATION			
	Reasons for selection as a candidate for Outside Director and expected roles, etc. Ms. Yukiko Fujikawa is nominated as a candidate for Outside Director because she expressed valuable opinions at the Board of Directors' meetings based on her specialized knowledge and extensive experience in finance and accounting as a certified public accountant. The Company requests her continuous election as a candidate for Outside Director, expecting her to guide and supervise the Company's management in the same manner upon election.			

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
	Mieko Yoshinaka (Name on family register: Mieko Hata) (December 28, 1963) [Female] [Reelection] [Outside] [Independent]	April 1996 August 2001 April 2003 April 2020 April 2024 April 2025 June 2025	Registered as an Attorney-at-law (Dai-Ichi Tokyo Bar Association) Human rights volunteer, Ministry of Justice Partner, Hata & Yoshinaka Law Office (to the present) Managing Director, Japan Federation of Bar Associations Vice Chairperson, Dai-Ichi Tokyo Bar Association Permanent Member, Dai-Ichi Tokyo Bar Association Director, the Company (to the present)	0
7	<p>Attendance at Board of Directors' meetings 9 out of 9 (attendance rate: 100%)</p> <p>Significant concurrent positions Lawyer (Partner, Hata & Yoshinaka Law Office) Outside Member of the Board (Member of the Audit and Supervisory Committee), TV Asahi Holdings Corporation</p> <p>Reasons for selection as a candidate for Outside Director and expected roles, etc. Ms. Mieko Yoshinaka is nominated as a candidate for Outside Director because she expressed valuable opinions at the Board of Directors' meetings based on her specialized knowledge and extensive experience in laws and regulations, etc. as an attorney. The Company requests her continuous election as a candidate for Outside Director, expecting her to guide and supervise the Company's management in the same manner upon election. Additionally, although she has not been involved in corporate management aside from roles as Outside Director and Outside Member of the Board (Member of the Audit and Supervisory Committee), due to the above reasons, the Company believes that she can appropriately execute the duties of Outside Director.</p>			

- (Notes)
- There are no special interests between each candidate for Director and the Company.
 - Attendance at Board of Directors meetings for candidates for Director, Mr. Takamasa Kato, Ms. Yoshie Hirose and Ms. Mieko Yoshinaka, shows the Board of Directors meetings held after they took office as Directors on June 27, 2025.
 - Mr. Yoshimitsu Onji, Ms. Yukiko Fujikawa and Ms. Mieko Yoshinaka are candidates for Outside Director. Furthermore, the Company has designated them as Independent Directors as defined by the Tokyo Stock Exchange, and submitted them to said Exchange.
 - As of the conclusion of this General Meeting of Shareholders, the terms of office as Outside Directors are six years for Mr. Yoshimitsu Onji and Ms. Yukiko Fujikawa, and one year for Ms. Mieko Yoshinaka.
 - The Company has concluded a liability limitation agreement with Mr. Yoshimitsu Onji, Ms. Yukiko Fujikawa and Ms. Mieko Yoshinaka to limit the liability for damages of Article 423, Paragraph 1 of the Companies Act, and the limit of liability for damages under said agreement is the minimum amount of liability as stipulated by Article 425, Paragraph 1 of the Companies Act. Upon the approval of the reelection of the candidates for Director, the Company plans to maintain the agreement with them.
 - The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure Directors and Audit & Supervisory Board Members of the Company and some of its subsidiaries. The insurance premiums including riders are fully paid by the Company and some of its subsidiaries at effectively no cost to the insured. The said insurance contract covers compensation for damages and litigation costs to be borne by the insured arising from claims for damages arising from actions taken (or inaction) in their role as an officer of the Company during the insurance period. Provided, there are certain exclusions such as no compensation for damage arising from actions taken with the knowledge that they were in violation of laws and regulations. In addition, a deductible amount is provided in the insurance contract, and damage up to the deductible amount is not be covered. The candidates will be included as insureds under the insurance contract. In addition, we plan to update it with the same content at the time of the next update.

Proposal 3: Election of 1 Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Shohei Miki will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal. This proposal has also been approved by the Nomination & Remuneration Advisory Committee, more than half of which are Independent Outside Directors.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience and positions		Number of shares of the Company held
Junjiro Tabata (October 1, 1963) [Male] [New election] [Outside] [Independent]	March 2013 March 2017 March 2020 April 2023	Executive Officer, Nippon Life Insurance Company Managing Executive Officer, Nippon Life Insurance Company Senior Managing Executive Officer, Nippon Life Insurance Company Representative Director, President, Nissay Insurance Agency Co., Ltd. (to the present)	0
Significant concurrent positions Representative Director, President, Nissay Insurance Agency Co., Ltd. Outside Director, KOMAIHALTEC Inc.			
Reasons for selection as a candidate for Outside Audit & Supervisory Board Member and expected roles, etc. Mr. Junjiro Tabata has experience and wide knowledge as a manager. The Company requests his election as a candidate for Outside Audit & Supervisory Board Member, since it believes that his experience and knowledge will be a valuable asset to its auditing operations.			

- (Notes)
1. There are no special interests between the candidate for Audit & Supervisory Board Member and the Company.
 2. Mr. Junjiro Tabata is a candidate for Outside Audit & Supervisory Board Member. Furthermore, the Company intends to designate him as Independent Officer as defined by the Tokyo Stock Exchange, and to submit him to said Exchange.
 3. If the election of Mr. Junjiro Tabata is approved, the Company will enter into a liability limitation agreement with him to limit the liability for damages of Article 423, Paragraph 1 of the Companies Act, and the limit of liability for damages under said agreement is the minimum amount of liability as stipulated by Article 425, Paragraph 1 of the Companies Act.
 4. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure Directors and Audit & Supervisory Board Members of the Company and some of its subsidiaries. The insurance premiums including riders are fully paid by the Company and some of its subsidiaries at effectively no cost to the insured. The said insurance contract covers compensation for damages and litigation costs to be borne by the insured arising from claims for damages arising from actions taken (or inaction) in their role as an officer of the Company during the insurance period. Provided, there are certain exclusions such as no compensation for damage arising from actions taken with the knowledge that they were in violation of laws and regulations. In addition, a deductible amount is provided in the insurance contract, and damage up to the deductible amount is not covered. The candidate will be included as insured under the insurance contract. In addition, we plan to update it with the same content at the time of the next update.

[Reference] Skills Matrix after the Conclusion of this General Meeting of Shareholders

In order to enhance the functions of the Board of Directors as a whole and to achieve lasting success of the Group, the Company has defined the knowledge, experience, competencies and other skills required for Directors and Audit & Supervisory Board Members of the Company, in light of its management environment, characteristics and scale of the business, medium- to long-term management direction and business strategy.

The skills the Company believes as necessary for its Directors and Audit & Supervisory Board Members are twofold: those for ensuring effectiveness and appropriateness of the Board of Directors and for promptly and properly responding to changes in the management environment, which include expertise in Corporate Management & Strategy, Finance & Accounting, HR & Labor, Legal & Risk Management, Sustainability, and DX & ICT. The other includes specialized skills in the areas in which the Group is engaged, namely, Transportation, Merchandising, Real Estate, Hotel and Overseas Business. The definitions, reasons for selection, and the skills matrix subject to the approval of Proposals 2 and 3 as originally proposed, are as follows.

1. Definitions of skills required of the Board of Directors and reasons for selection

	Definition	Reason for selection
Corporate Management & Strategy	Experience as a member of a company's management team, and knowledge and skills necessary for high-level management decisions based on such experience.	To promote medium- to long-term corporate strategies in response to changes in the business environment, such as the "creation of the railway line of choice" and the "expansion of business areas," and to make appropriate management decisions to maximize the comprehensive strength of the Group.
Finance & Accounting	Knowledge and skills for building a sound financial base, including financial strategy and accounting management.	To ensure the accuracy of financial reporting, further strengthen the balance between growth investment and financial soundness, and execute management that is conscious of cost of capital and stock price.
HR & Labor	Knowledge and skills related to optimizing the human capital of the entire Group, developing workplace environments that are comfortable and provide job satisfaction, and strategic human resource development and management.	To promote the "creation of workplace environments that are comfortable and provide job satisfaction," to realize an organization in which diverse human resources feel job satisfaction and thrive, and to realize an organization that continues to be chosen by them as "the Sotetsu Group that offers comfortable working environments."
Legal & Risk Management	Knowledge and skills related to establishing legal risk management, governance, and compliance systems for corporate activities, as well as crisis management and appropriate responses to risks when they arise.	To build a robust governance system for appropriately managing diversifying risks, establish a risk-resilient organization, and maintain social trust through legal and regulatory compliance.
Sustainability	Knowledge and skills related to sustainability management (improvement of the global environment for future generations, diversity, etc.) that integrates business strategies with ESG initiatives to contribute to the realization of a sustainable society.	To become a company capable of contributing to the realization of a sustainable society through initiatives aimed at resolving environmental and social issues affecting the Sotetsu Group, and contribute to the development of local communities.
DX & ICT	Knowledge and skills related to business transformation utilizing digital technology, promotion of marketing strategies, and cybersecurity measures.	To drive the Sotetsu Group's business transformation and maximize customer value by utilizing digital technologies and data.
Transportation	Knowledge and skills related to the operation, management, safety, and service quality of transportation infrastructure business (railways and buses).	To contribute to the development of local communities by fulfilling the social responsibility of providing safe and comfortable transportation services, as the core business of the Sotetsu Group and the foundation for value creation along the Sotetsu lines and urban development.
Merchandising	Knowledge and skills related to the operation of retail and distribution businesses (such as supermarkets and convenience stores), product development, understanding customer needs, and supply chain management.	To respond to changes in the consumption environment, implement product and sales reforms, and create stores that meet social needs, as a business domain closely connected to the Sotetsu lines and local community and supporting the daily lives of residents.
Real Estate	Knowledge and skills related to the know-how and management of real estate development, facility management, fund operations, and urban development both along and beyond the railway lines.	To expand our business areas to engage in comprehensive real estate business, aiming to fundamentally strengthen the Real Estate Business as a pillar of our growth strategies, and to pursue developments that contribute to sustainable value creation.
Hotel	Knowledge and skills in hotel management, facility development, response to diversifying accommodation and tourism needs, and brand strategy.	To strengthen the Group's ability to meet accommodation needs and drive business development based on market research and analysis, as hotel development in Japan and overseas is a major business that diversifies the Group's earnings and contributes to the development of local communities both along and beyond the railway lines.
Overseas Business	Knowledge and skills for managing international businesses, developing global human resources, and addressing international business risks and cultural diversity.	To organically link the Group's funds, know-how, and human resources to contribute to the development of local communities across national borders, as overseas expansion builds a foundation for creating new value and drives the Group's growth.

Skills matrix of Directors and Audit & Supervisory Board Members, subject to approval for Proposals 2 and 3

		Corporate Management & Strategy	Finance & Accounting	HR & Labor	Legal & Risk Management	Sustainability	DX & ICT	Transportation	Merchandising	Real Estate	Hotel	Overseas Business
Directors	Hideyuki Takizawa	Male	●	●				●		●		
	Takamasa Kato	Male	●		●						●	●
	Ryoichi Goto	Male	●	●		●	●			●		
	Yoshie Hirose	Female	●	●		●	●				●	
	Yoshimitsu Onji [Outside]	Male	●			●			●	●		●
	Yukiko Fujikawa [Outside]	Female		●		●	●		●		●	
	Mieko Yoshinaka [Outside]	Female			●	●	●					
Audit & Supervisory Board Members	Yasuhiro Minegishi	Male		●	●	●						
	Mitsuo Minai	Male		●		●	●					
	Satoru Nakanishi [Outside]	Male	●	●								●
	Yasutaka Nozawa [Outside]	Male	●	●		●						
	Junjiro Tabata [Outside]	Male	●		●	●						

- (Notes) 1. In the skills matrix above, ● indicates only the key areas in which each individual is highly specialized among his or her skill set.
2. The ratio of Outside Directors to the total number of Directors on the Board will be 42.9%, or 50% if Audit & Supervisory Board Members are included.

The Company has introduced the Executive Officer System to implement the Group's management strategies and management plans approved by the Board of Directors and execute various measures effectively, and the Sotetsu Group Executive Officer System with an eye to exchanging opinions on the Group's management strategies and management plans, and ensuring the thorough implementation of such strategies and plans. The skills matrix of Executive Officers who do not concurrently serve as Directors and Sotetsu Group Executive Officers, effective after the conclusion of this General Meeting of Shareholders, is as follows.

			Corporate Management & Strategy	Finance & Accounting	HR & Labor	Legal & Risk Management	Sustainability	DX & ICT	Transportation	Merchandising	Real Estate	Hotel	Overseas Business
Executive Officers	Junta Asaoka	Male					●				●		
	Masamune Suzuki	Male	●		●				●		●	●	
Sotetsu Group Executive Officers	Masayuki Hirano	Male	●		●		●	●	●				
	Jun Saito	Male	●								●		
	Makoto Sato	Male	●								●		
	Kiyotaka Soga	Male	●		●			●	●	●			
	Masahiro Kaneshiro	Male	●						●				
	Yuki Kaneta	Male	●		●	●			●				
	Hiroto Sato	Male	●								●	●	●
	Hirokazu Nagashima	Male	●	●	●	●					●		
	Tsutomu Kato	Male	●						●		●		
	Hirohisa Yamada	Male	●		●					●		●	●
	Fumio Nishiguchi	Male	●		●				●		●		

(Note) In the skills matrix above, ● indicates only the key areas in which each individual is highly specialized among his or her skill set.

Proposal 4: Revision of the Amount of Remuneration for Directors

The amount of remuneration for Directors of the Company was approved at the 147th Annual General Meeting of Shareholders held on June 26, 2015 to be within 300 million yen per year (including up to 20 million yen for Outside Directors, and excluding employee salaries for Directors serving concurrently as employees). This is the provision as it currently stands. The amount of remuneration for Outside Directors was revised to be within 40 million yen per year by a resolution of the 151st Annual General Meeting of Shareholders held on June 27, 2019.

The Company recently revised its officer remuneration plan, clarifying its incentive structure to focus on enhancing medium- to long-term corporate value in addition to short-term performance. In conjunction with this, given the increasing importance of Directors' responsibilities and the revision of the remuneration system, the Company will reduce the proportion of basic remuneration for Directors (excluding Outside Directors) and increase the weight of performance-linked remuneration.

As such, the Company requests approval for revising the amount of monetary remuneration for Directors to be within 400 million yen per year, including basic remuneration and performance-linked remuneration (including up to 40 million yen for Outside Directors, and excluding employee salaries for Directors serving concurrently as employees).

Following the conclusion of this General Meeting of Shareholders, Directors (excluding Outside Directors) will receive basic remuneration and performance-linked remuneration, while Outside Directors will receive basic remuneration, both within the remuneration limits set forth above.

The amount of remuneration under this proposal is separate from the restricted stock remuneration for which approval is requested in Proposal 5 "Determination of Remuneration for the Allotment of Restricted Shares to Directors (excluding Outside Directors)."

With respect to individual monetary remuneration for Directors, it is proposed that the Board of Directors resolves that the Representative Director, Chairman of the Board of Directors shall determine the allocation of individual remuneration within the remuneration limits approved under this proposal, based on recommendations from the Nomination & Remuneration Advisory Committee. It is also proposed that the Representative Director, Chairman of the Board of Directors shall determine such allocations in accordance with the internal regulations on officer remuneration resolved by the Board of Directors, following deliberations by the Nomination & Remuneration Advisory Committee.

Subject to the approval of this proposal, the Company plans to revise the policy for determining remuneration for individual Directors to the content described in the "Reference" section of this proposal. This revision will be made at a meeting of the Board of Directors following the conclusion of this General Meeting of Shareholders to ensure consistency with the approved content. The current policy is described in the Business Report under "III. Matters concerning Company Officers, 2. Remuneration for Directors and Audit & Supervisory Board Members for the fiscal year, (1) Matters concerning the policy for determining remuneration for individual Directors."

There are currently 7 Directors (including 3 Outside Directors), and if Proposal 2 is approved as proposed, the number of Directors subject to this proposal will remain unchanged at 7 Directors (including 3 Outside Directors).

This proposal was determined by the Board of Directors based on the recommendations of the Nomination & Remuneration Advisory Committee, comprehensively taking into consideration such factors as the Company's business scale, the level of officer remuneration, the responsibilities of each Director, and their contributions to the Company. Accordingly, the Company believes that the content of this proposal is appropriate.

[Reference] Changes in the policy for determining remuneration for individual Directors

1. Basic policy

The Company's basic policy is that the remuneration system for Directors is linked to shareholder interests so that it fully functions as an incentive to sustainably enhance our corporate value and that remuneration for each Director is determined at an appropriate level that comprehensively takes into consideration his or her responsibilities, the Company's business scale and performance. Specifically, given the highly public nature of the Group's core railway business, the remuneration system shall comprehensively reflect not only short-term performance but also medium- to long-term growth, financial soundness, sustainability initiatives and other relevant factors. Remuneration for Directors (excluding Outside Directors) shall consist of basic remuneration (fixed remuneration), performance-linked remuneration as a short-term incentive, and stock-based remuneration as a medium- to long-term incentive. Outside Directors, who are responsible for independent supervisory functions, shall receive only fixed remuneration that is not linked to business performance, in light of the nature of their duties. The specific details and operation of the remuneration system for Directors shall be set forth in the internal regulations deliberated by the Nomination & Remuneration Advisory Committee (the "Internal Regulations on Officer Remuneration"), taking into comprehensive consideration such factors as the Group's business scale, performance, and employee salary levels.

2. Policy for determining individual basic remuneration (monetary remuneration)

The basic remuneration for Directors of the Company shall be fixed monthly remuneration, determined based on their positions, responsibilities, experience and other relevant factors.

3. Policy regarding the content and calculation method of performance-linked remuneration

Performance-linked remuneration for Directors of the Company shall be monetary remuneration paid in monthly installments based on the previous fiscal year's performance. As a short-term incentive aimed at raising awareness of the Group's performance improvement, it shall consist of a "Group performance component" and an "individual performance component." The composition ratio of these components shall vary according to the position category.

(1) Group performance component

The Group performance component is calculated based on standard amounts set for each position category and qualification level, and may range from 0% to 165% based on the Group's consolidated performance. Metrics include financial indicators such as consolidated operating profit, profit attributable to owners of parent, and the interest-bearing debt/EBITDA ratio, as well as non-financial indicators such as environmental and employee engagement indicators. The Group's contribution to sustainable growth and medium- to long-term enhancement of corporate value shall be comprehensively evaluated.

(2) Individual performance component

The individual performance component is calculated based on standard amounts set for each position category and qualification level, and may range from 0% to 200% based on the degree of achievement of individual performance targets established according to each Director's duties, responsibilities, and roles.

4. Policy regarding the content and determination of the amount of stock-based remuneration (non-monetary remuneration)

Stock-based remuneration (non-monetary remuneration) for Directors of the Company shall be provided under a restricted stock (RS) plan, with the aim of enhancing the Group's corporate value over the medium to long term and further promoting the sharing of value with shareholders. Eligible Directors (excluding Outside Directors) shall receive allotments of restricted shares at a certain time each year, through an in-kind contribution of all monetary remuneration claims in an amount determined based on qualification level. In principle, such restricted shares shall be subject to transfer restrictions during the term of office. If continuous service conditions or other requirements are not satisfied, the Company shall acquire the shares without consideration.

5. Policy for determining the ratio of each remuneration category

The composition ratio of basic remuneration, performance-linked remuneration, and stock-based remuneration for Directors of the Company shall vary according to their positions and responsibilities, and shall be prescribed in

the Internal Regulations on Officer Remuneration. In general, the remuneration system shall consist of basic remuneration of approximately 50–60%, performance-linked remuneration of approximately 30–40%, and stock-based remuneration of approximately 10–20%, structured to provide appropriate incentives to enhance business performance over the short, medium and long term.

Position	Basic remuneration	Performance-linked remuneration (standard amount)		Stock-based remuneration
		Group performance component	Individual performance component	
Director, Chairman of the Board of Directors	52%	36%	0%	12%
Director, Executive President	52%	36%	0%	12%
Director, Executive Vice President	55%	34%	0%	11%
Director, Senior Managing Executive Officer	55%	27.2%	6.8%	11%
Director, Managing Executive Officer	55%	27.2%	6.8%	11%
Director, Executive Officer	60%	24%	6%	10%

6. Matters concerning the determination of individual Directors' remuneration

The Board of Directors shall resolve that the Representative Director, Chairman of the Board of Directors shall determine the allocation of individual remuneration within the remuneration limits approved at the General Meeting of Shareholders. In doing so, the Representative Director, Chairman of the Board of Directors shall, in accordance with the Internal Regulations on Officer Remuneration resolved by the Board of Directors, consult the Nomination & Remuneration Advisory Committee regarding the draft proposal and obtain its recommendations. The allocation shall be determined in light of such recommendations.

7. Reasons for the Board of Directors' determination that individual remuneration is in line with the determination policy

The Company has established a Nomination & Remuneration Advisory Committee, composed of 5 Directors (including 3 Outside Directors) and chaired by an Outside Director. The Committee is intended to gain opinions from an impartial standpoint regarding the remuneration of individual Directors and to reinforce the independence and objectivity of the functions of the Board of Directors.

When determining the remuneration of individual Directors, the Nomination & Remuneration Advisory Committee conducts a multifaceted review based on the Internal Regulations on Officer Remuneration, including consistency with the determination policy. Accordingly, the Board of Directors in principle respects the Committee's deliberations and considers them to be consistent with the policy.

Proposal 5: Determination of Remuneration for the Allotment of Restricted Shares to Directors (excluding Outside Directors)

In Proposal 4 “Revision of the Amount of Remuneration for Directors,” the Company requests approval to set the amount of monetary remuneration for Directors of the Company within 400 million yen per year (including up to 40 million yen for Outside Directors, and excluding employee salaries for Directors concurrently serving as employees).

In order to incentivize Directors (excluding Outside Directors) to sustainably enhance the Group’s corporate value and to further promote the sharing of value with shareholders, the Company proposes to introduce a restricted stock-based remuneration plan, separately from monetary remuneration.

As such, the Company requests approval for providing remuneration for the allotment of restricted shares to Directors (excluding Outside Directors) in an amount of up to 50 million yen per year, separately from the aforementioned amount of monetary remuneration.

It is also proposed that the specific timing of payment and allotment to each Director be left to the discretion of the Board of Directors. The Board of Directors shall make such determinations by comprehensively considering various factors, including each Director’s level of contribution.

The upper limit on the number of restricted shares to be allotted each fiscal year, as set forth in 2. below, is approximately 0.03% of the total number of issued shares (representing approximately 0.3% if the upper limit of the number of restricted shares is issued over a 10-year period). Given that this results in only a minor level of dilution, the Company considers the content of this proposal to be appropriate.

Subject to the approval of this proposal, the Company plans to revise the policy for determining remuneration for individual Directors as necessary. This revision will be made at a meeting of the Board of Directors following the conclusion of this General Meeting of Shareholders to ensure consistency with the approved content. The current policy is described in the Business Report under “III. Matters concerning Company Officers, 2. Remuneration for Directors and Audit & Supervisory Board Members for the fiscal year, (1) Matters concerning the policy for determining remuneration for individual Directors.”

There are currently 4 Directors (excluding Outside Directors), and if Proposal 2 is approved as proposed, the number of Directors subject to this proposal will remain unchanged at 4 Directors.

Details and Maximum Number of Restricted Shares for Eligible Directors

1. Allotment of and payment for the restricted shares

Allotment of restricted shares shall be made by either of the following methods, based on a resolution of the Board of Directors of the Company.

- 1) A method in which restricted shares are allotted to eligible Directors as restricted stock remuneration, without requiring payment for the issuance or disposal of such shares (“Delivery Without Consideration”)
- 2) A method in which eligible Directors receive monetary remuneration claims as restricted stock remuneration within the maximum annual amount described above, and restricted shares are allocated to each eligible Director through in-kind contribution of all such monetary remuneration claims (“Delivery by Contribution in Kind”)

(1) Delivery Without Consideration

In the case of Delivery Without Consideration, no payment is required for the issuance or disposal of restricted shares. The amount of restricted stock remuneration for eligible Directors shall be calculated based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Company’s Board of Directors pertaining to the issuance or disposal (or, if no trading is reported on that day, the closing price on the most recent trading day preceding that day), and shall be within the maximum annual amount described above.

The aforementioned restricted shares shall be allotted on the condition that the eligible Directors have entered into a restricted stock allotment agreement containing the provisions set forth in 3. below.

(2) Delivery by Contribution in Kind

In the case of Delivery by Contribution in Kind, the amount to be paid for the restricted shares shall be determined by the Company's Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution pertaining to the issuance or disposal of the restricted shares (or, if no trading is reported on that day, the closing price on the most recent trading day preceding that day), within a range that is not particularly favorable to eligible Directors receiving the restricted shares.

The aforementioned monetary remuneration claims shall be provided on the condition that the eligible Directors agree to the above contribution in kind and enter into a restricted stock allotment agreement containing the provisions set forth in 3. below.

2. Total number of restricted shares

The maximum total number of restricted shares to be allotted to eligible Directors shall be 30,000 shares in each fiscal year.

However, if a stock split (including a gratis allotment of the Company's common stock) or a reverse stock split of the Company's common stock is conducted on or after the date of the resolution of this proposal, or if any other event occurs that requires an adjustment to the total number of restricted shares to be allotted, the total number of such restricted shares may be reasonably adjusted.

3. Outline of the restricted stock allotment agreement

Upon allotment of restricted shares, a restricted stock allotment agreement to be entered into between the Company and the eligible Directors to whom the restricted shares are allotted pursuant to the resolution of the Company's Board of Directors shall include the following provisions.

(1) Transfer restrictions

Eligible Directors who have received an allotment of restricted shares shall not transfer, pledge, create a security interest in, gift inter vivos, bequeath or otherwise dispose of the restricted shares allotted to such eligible Directors (the "Allotted Shares") to any third party (the "Transfer Restrictions") during the period from the date of delivery thereof to the date of resignation or retirement from the position predetermined by the Company's Board of Directors (the "Transfer Restriction Period").

(2) Acquisition of restricted shares without consideration

In the event that an eligible Director who has received an allotment of restricted shares resigns or retires from the position predetermined by the Company's Board of Directors during the period from the commencement date of the Transfer Restriction Period until the day before the first Annual General Meeting of Shareholders of the Company held thereafter, the Company shall automatically acquire the Allotted Shares without consideration, unless there are reasons deemed justifiable by the Company's Board of Directors.

If any Allotted Shares remain subject to the Transfer Restrictions at the expiration of the Transfer Restriction Period referred to in (1) above pursuant to the provisions concerning the lifting of the Transfer Restrictions in (3) below, the Company shall automatically acquire such Allotted Shares without consideration.

(3) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions on all Allotted Shares at the expiration of the Transfer Restriction Period, provided that eligible Directors who have received an allotment of

restricted shares have continuously served in the positions predetermined by the Company's Board of Directors from the commencement date of the Transfer Restriction Period until the date of the first Annual General Meeting of Shareholders of the Company held thereafter.

However, if the eligible Director resigns or retires from the positions predetermined by the Company's Board of Directors during the period from the commencement date of the Transfer Restriction Period until the day before the first Annual General Meeting of Shareholders of the Company held thereafter due to reasons deemed justifiable by the Company's Board of Directors, the number of Allotted Shares for which the Transfer Restrictions are to be lifted and the timing of such lifting shall be reasonably adjusted as necessary.

(4) Treatment in the event of reorganization

If, during the Transfer Restriction Period, a merger agreement in which the Company becomes a non-surviving company, a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other reorganization proposal is approved by a general meeting of shareholders of the Company (or by the Board of Directors of the Company where such approval is not required for the reorganization), the Company shall lift the Transfer Restrictions by resolution of its Board of Directors. In such case, the Transfer Restrictions shall be lifted prior to the effective date of the reorganization with respect to the number of Allotted Shares reasonably determined in consideration of the period from the commencement date of the Transfer Restriction Period to the date of approval of such reorganization.

Any Allotted Shares for which the Transfer Restrictions have not been lifted shall then be automatically acquired by the Company without consideration immediately after the lifting of the Transfer Restrictions in accordance with the provisions above.

[Reference]

Following the conclusion of this General Meeting of Shareholders, the Company plans to allot similar restricted shares (Delivery by Contribution in Kind) to Executive Officers of the Company and the Sotetsu Group.