

# INTEGRATED REPORT 2025

## ODAKYU Electric Railway Co., Ltd.

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<https://www.odakyu.jp/ir/en/>



## Group Corporate Message

### *Omou Dareka o Kyou mo*

The Group Corporate Message succinctly encapsulates the ideal state of the Odakyu Group as expressed in its Group Management Principle, Management Vision, and other declarations.

Underlining this message is the thought that “Just as thinking of the people who are important to us gives shape to our daily life, at the Odakyu Group, we envision a better life for each individual, and this starts with caring for someone.”

#### Group's Management Principle

#### Action Guidelines

The Odakyu Group will contribute to helping customers create “irreplaceable times” and “rich and comfortable lifestyles.”

In order to realize our management principle, we will provide “excellent quality” and “a moving experience” to our customers, without forgetting our three guiding principles:

##### Sincerity

We sincerely promote all of our businesses based on safety and peace of mind.

##### Enterprise

We take on the challenge of pursuing even better services that are unbound by precedent or convention.

##### Harmony

We strive for collaboration with outside entities and symbiosis with society and the environment, rather than focusing exclusively within the Odakyu Group.

#### Management Vision

### UPDATE Odakyu—Becoming a Community-Based Value Creation Company

In order to grow together with communities along the Odakyu Line and in areas where we operate businesses, we will evolve into a company that creates new value in communities, such as customer experience and lowering of the environmental load, by constantly striving to think outside the box.

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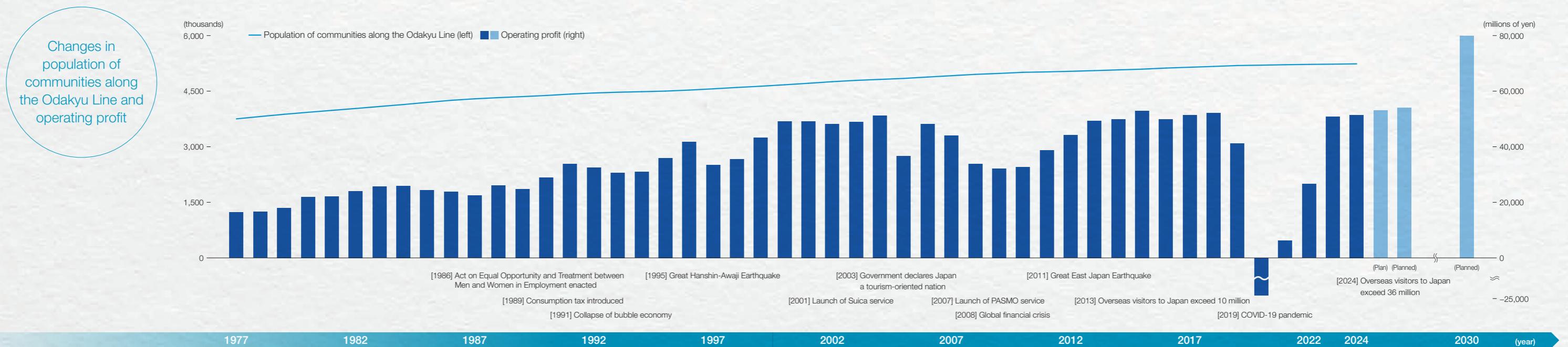
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Editorial Policy	Integrated Report 2025 aims to relay information to the Odakyu Group's wide range of stakeholders, including shareholders and investors, regarding its medium- to long-term value creation based on the management vision, UPDATE Odakyu, and its management principle, achieved by comprehensively utilizing the Group's value creation process, as well as provide financial and non-financial information.
	For editorial purposes, this document references the Integrated Reporting Framework advocated by the IFRS Foundation and Guidance for Collaborative Disclosure and Dialogue for Value Creation, created by the Ministry of Economy, Trade and Industry.
Disclosure Policy	Applicable Period: FY3/2025 (April 1, 2024 to March 31, 2025) (Some statements relate to before and after the period in question)
	Organization: Odakyu Electric Railway Co., Ltd., and the Odakyu Group

Guidance for Collaborative Value Creation

Environmental Social Governance

# History of the Odakyu Group



## Transportation

1923 Odawara Express Railway Co., Ltd. established	1974 Tama Line (Shin-Yurigaoka-Odakyu Nagayama) opened
1927 Odakyu Line (Shinjuku—Odawara) opened	1975 Tama Line extended (Odakyu Nagayama—Odakyu Tama Center)
1929 Enoshima Line (Sagami-Ono—Katase-Enoshima) opened	1978 Mutual through service with Tokyo Metro Chiyoda Line commenced

## History of multiple double tracking

1997  
Multiple double track operations commenced between Kitami and Izumi-Tamagawa



2009  
Multiple double tracking on Tamagawa Bridge completed  
Triple track operations commenced between Noborito and Mukogaoka-Yuen



2022  
Flat 50-yen fare for children with IC cards

FY3/2028  
100th Anniversary of the Odakyu Line

## Community Development

1961 Odakyu Department Store established	1984 SHINJUKU MYLORD opened	1992 Shin-Yurigaoka L-MYLORD opened
1962 Odakyu Department Store (currently HALC Building) opened		
1963 Odakyu entered supermarket sector (OX established)		
1964 Odakyu Real Estate established		
	1996 Odakyu Sagami-Ono "Station SQUARE" opened	

## Recent large-scale development along the Odakyu Line

2002 VINAWALK opened  
Development of Ebina Station East Gate undertaken in conjunction with Ebina City. Development is currently underway at the West Gate



2007 Withdrawal from construction sector (Odakyu Construction excluded from consolidation)

2011 KYODO CORTY opened  
Comprehensive development of the area from Kyodo Station to the former train depot east of Kyodo Station



2022 Odakyu Department Store Shinjuku Main Building closed  
2024 Construction began on Shinjuku West Gate Development Project



2025 Shinjuku MYLORD closed

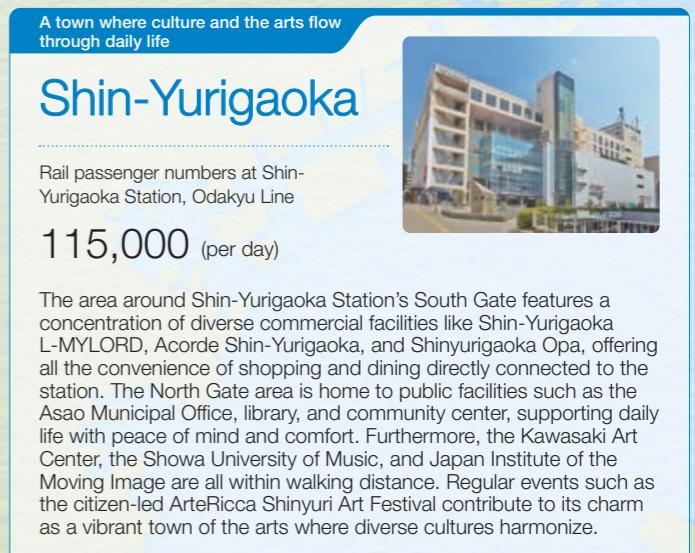
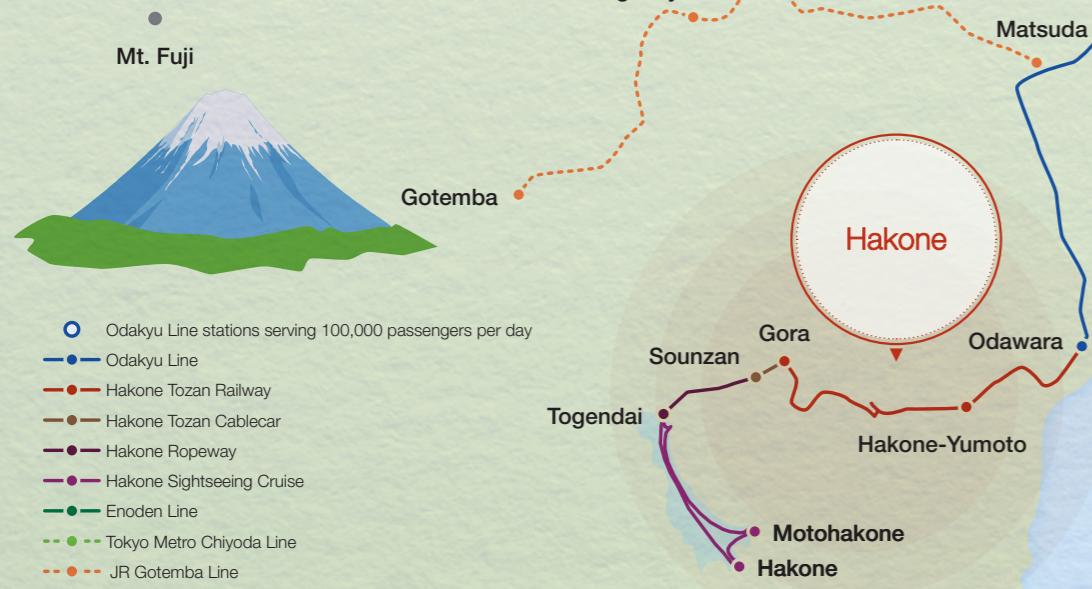
FY3/2030 Shinjuku West Gate Development Project completed (planned)

## Tourism

1960 Hakone Golden Course round-trip route opened	Limited Express Romancecar introduced				
1967 Hakone Freepass sales commenced					
1968 Odakyu Department Store established					
1969 Odakyu Department Store (currently HALC Building) opened					
1970 Odakyu entered supermarket sector (OX established)					
1971 Odakyu Real Estate established					
1972 Odakyu Tama Center opened					
1973 Odakyu Yutowa (Gora) opened					
1974 Tama Line (Shin-Yurigaoka-Odakyu Nagayama) opened					
1975 Tama Line extended (Odakyu Nagayama—Odakyu Tama Center)					
1976 Act on Equal Opportunity and Treatment between Men and Women in Employment enacted					
1977 Odawara Express Railway Co., Ltd. established					
1978 Enoshima Line (Sagami-Ono—Katase-Enoshima) opened					
1979 Odakyu Line (Shinjuku—Odawara) opened					
1980 Consumption tax introduced					
1981 Collapse of bubble economy					
1982 Odakyu Department Store established					
1983 Odakyu Department Store (currently HALC Building) opened					
1984 SHINJUKU MYLORD opened					
1985 Odakyu entered supermarket sector (OX established)					
1986 Odakyu Real Estate established					
1987 Odakyu Tama Center opened					
1988 Odakyu Yutowa (Gora) opened					
1989 Great Hanshin-Awaji Earthquake					
1990 Tama Line extended (Odakyu Tama Center—Karakida)					
1991 Great Hanshin-Awaji Earthquake					
1992 Odakyu Tama Center opened					
1993 Odakyu Yutowa (Gora) opened					
1994 Hotel de Yama (Motohakone) opened					
1995 Great Hanshin-Awaji Earthquake					
1996 Odakyu Sightseeing Service Center opened					
1997 Odakyu Yutowa (Gora) opened					
1998 HOTEL CLAD (Gotemba) opened					
1999 Odakyu Yutowa (Gora) opened					
2000 HOTEL CLAD (Gotemba) opened					
2001 Launch of Suica service					
2002 Odakyu Yutowa (Gora) opened					
2003 Government declares Japan a tourism-oriented nation					
2004 Odakyu Yutowa (Gora) opened					
2005 Odakyu Yutowa (Gora) opened					
2006 Odakyu Yutowa (Gora) opened					
2007 Launch of PASMO service					
2008 Global financial crisis					
2009 Multiple double tracking on Tamagawa Bridge completed					
2010 Triple track operations commenced between Noborito and Mukogaoka-Yuen					
2011 KYODO CORTY opened					
2012 VINAWALK opened					
2013 Comprehensive development of the area from Kyodo Station to the former train depot east of Kyodo Station					
2014 Odakyu Yutowa (Gora) opened					
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# Business Fields of the Odakyu Group

The Odakyu Line starts at Shinjuku Station, the world's busiest station in terms of passenger numbers, and the communities along the Odakyu Line include numerous core cities and Japan's top tourist attractions, such as Hakone and Shonan. It enjoys multi-tiered and affluent regional resources, with a gathering of corporate, commercial, research, and educational facilities. The Odakyu Group operates extensively in this high-potential area, possessing transportation infrastructure, real estate, tourist facilities, and more. It leverages numerous strengths, including a sense of trust built up over years of business operations and a proven track record of collaboration with local governments and communities, to advance its initiatives.



# Value Co-Creation with Stakeholders

Our corporate activities are built upon relationships with a vast number of stakeholders.

We value communication with our customers, local communities, business partners, shareholders and investors, and above all, our employees and their families, as we strive to build strong, trusting relationships based on mutual respect.

Furthermore, we incorporate feedback from stakeholders and our employees into our business activities and operations, always working to enhance corporate value.



## Message from President & CEO

# The Odakyu Group continues to seek challenges

We will steadily pursue our growth story toward FY3/2031, pursuing sustainable growth and enhancing corporate value as a community-based value creation company.



Shigeru Suzuki

Representative Director  
President & CEO  
President and Executive Officer

### Setting new consolidated financial targets

In FY3/2026, the Odakyu Group entered the second year of a period of rapid growth. Having been through a period of structural reform through FY3/2024, focused on restoring financial soundness, FY3/2025 marked the first fiscal year of a period of rapid growth. Upon assuming the presidency, I engaged in extensive dialogue with our investors based on the Medium-Term Management Plan (FY3/2025–FY3/2027) announced in May of that year. As a result of these discussions, I was reminded once again of the fundamental reason why shareholders and investors choose Odakyu Electric Railway. While addressing both our strengths and our differences with competitors, we have actively demonstrated the immense potential of the Odakyu corridor, as well as our business expertise and management capabilities used to leverage it. We have vigorously debated all kinds of scenarios, including within the Board of Directors, to draft a larger and more effective growth story as we move toward FY3/2031. The present business environment and the performance of our Group companies remain robust. Reflecting our commitment to further growth, we raised our consolidated financial targets for FY3/2031 in the Medium-Term Management Plan announced this past May to “ROE of 10% or more” and “operating profit of ¥80 billion.” These figures represent unprecedentedly high targets for our Group. We will steadily advance toward accomplishing them by consistently improving ROE to widen the equity spread, controlling the cost of equity, and

moving forward with management practices that are even more mindful of capital costs and stock prices than before.

Of course, appropriately responding to changes in the macro environment and to diverse business risks is also essential for future growth. Furthermore, we believe that the expansion of inbound demand in Japan, changes in lifestyles, heightened awareness of sustainability, and the evolution of digital technology all represent significant business opportunities for Odakyu.

Conversely, factors such as population decline and aging, inflation and rising interest rates, soaring construction and labor costs, and the intensification of natural disasters due to climate change could impact our future growth strategies and business portfolio. While preparing flexible countermeasures to address such risks, we will make the most of any opportunity. As a community-based value creation company that grows alongside the communities bordering the Odakyu Line, we aim to build our corporate value.

### Three cornerstone policies for achieving our growth story

One of our new consolidated financial targets for FY3/2031 is an ROE of 10% or more. We consider improving ROA to be particularly crucial for achieving this ROE growth. We will enhance asset efficiency by rigorously pursuing maximization of profits and managing operating profit ROA targets across all business segments. Additionally, we will strive to expand financial leverage, including leveraging our

### New consolidated financial targets/Expanding equity spread



\* Profit attributable to owners of parent/shareholders' equity (average of the start and end of the fiscal year; excluding unrealized gain on securities)

## Message from President &amp; CEO

substantial funding capacity and reducing our equity capital. Furthermore, to widen the equity spread, controlling the cost of equity—which complements ROE improvement—is crucial. This involves steadily advancing sustainability management, including enhancing external evaluation through strengthened governance and expanded disclosure of non-financial targets. The entire Odakyu Group is united in pursuing sustainability management. By enhancing both non-financial and financial disclosures, we will also strengthen our dialogue with the market.

Among our initiatives, we intend to vigorously advance three cornerstone policies to bring our growth story to fruition: active investment in growth areas, strengthening shareholder returns, and enhancing human capital.

Regarding active investment in growth areas, we have planned total growth investments of 400 billion yen from FY3/2026 to FY3/2031. This includes: 260 billion yen for Real Estate, including large-scale developments centered on the Shinjuku Station West Gate area; 84 billion yen for Transportation, covering our new Limited Express Romancecar trains, labor-saving investments, and safety/disaster prevention measures; and 56 billion yen for Life Services, including new hotel openings and renovations. Furthermore, the Medium-Term Management Plan announced this past May designated tourism—a core strength of the Odakyu Group—as a new growth area. The tourism domain spans the Real Estate, Transportation, and Life Services sectors. Through 60 billion yen in investment, we will work to drive growth, capture inbound demand, and enhance service value.

## Management with an awareness of capital cost and stock prices

## Improving ROE by improving ROA and increasing financial leverage/Controlling the cost of shareholders' equity

Active investment in growth areas (including M&As, FY3/2026–FY3/2031)		Strengthening shareholder returns (FY3/2026–FY3/2031)	Enhancement of human capital
<b>Growth investments</b>	<b>¥400 billion</b>	<b>Shareholder returns</b>	<b>¥200 billion</b>
• Real Estate	<b>¥260 billion</b> Shinjuku West Gate Development Project, etc.	• Reducing net assets to a shareholders' equity ratio of 30%	• Driving structural reforms and securing human resources
• Transportation	<b>¥84 billion</b> Investment in the development of a new model of Romancecar and labor-saving measures, etc.	• FY3/2025 dividends ¥40 (Revised upward from initial FY3/2025 forecast of ¥30)	• Improving ease of work and job satisfaction
• Life Services	<b>¥56 billion</b> Opening new hotels and renovating existing ones, etc.	FY3/2026 dividends ¥50 (forecast)	• Intensive human investment in growth areas
* Tourism	<b>¥60 billion</b> Included within Real Estate, Transportation, and Life Services	• Flexible share buybacks (Actual performance in FY3/2025: ¥20.4 billion)	• Well-planned development of next-generation management personnel

Regarding strengthening shareholder returns, our basic policy is to implement stable dividends and flexible share buybacks, targeting a consolidated total payout ratio of 40% or more on average between FY3/2024 and FY3/2027, while ensuring a 30% equity ratio. While the equity ratio at the end of FY3/2025 was approximately 36.8%, we intend to reduce it to 30% by FY3/2031 to maintain an optimal balance sheet. We will be implementing cumulative shareholder returns totaling 200 billion yen from FY3/2026 to FY3/2031. As to the breakdown of the 200 billion yen, at this time we can only confirm that we plan to pay a dividend of 50 yen per share for FY3/2026 (a 10-yen increase from the previous fiscal year). Moving forward, we will continue to review dividend amounts in accordance with our basic policy, and implement share buybacks in a timely and appropriate manner, taking into account changes in the business environment, performance, and the balance of stock supply and demand.

Regarding enhancing human capital, the Odakyu Group strives to be strategic in advancing its investment in human capital, positioning talent as the true source of corporate growth. We will promote structural reforms to resolve labor shortages and secure human resources, improve workplace environments to enhance ease and job satisfaction, focus human investment on growth areas, and systematically develop next-generation management talent. By advancing these initiatives, we will enhance both employee engagement and labor productivity, establishing an organizational structure that is resilient to change and capable of sustainable growth.

## Basic policy on shareholder returns and trends in dividends per share

## Basic policy (FY3/2024–FY3/2027)

Based on the assumption of a 30% shareholders' equity ratio, the Company will implement stable dividends and flexible share buybacks, with a target consolidated total payout ratio of 40% or more\* on average for FY3/2024 through FY3/2027

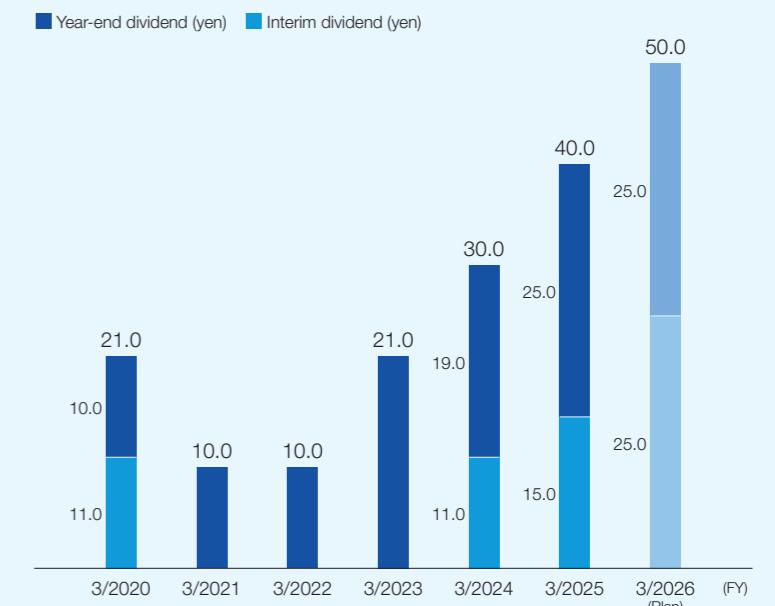
\* Total amount of shareholder returns for the four years / total amount of profit attributable to owners of parent for four years ≥ 40%

## Dividends

FY3/2025: Planning to pay annual dividend of ¥40 per share (The forecast amount of annual dividend was revised from ¥30.)  
FY3/2026: Planning to pay annual dividend of ¥50 per share

## Share buybacks

Consider the timing of implementation, comprehensively taking into consideration changes in the business environment, business performance, and other factors  
Also considering measures to address the deterioration of share supply-demand balance resulting from the sale of the Company's shares by financial institutions, etc.  
(Actual acquisition value) FY3/2024 & FY3/2025 Total: ¥32.7 billion

Tourism as the Core of Future Growth:  
Odakyu's Strength

Earlier, I mentioned growth investments. In the Medium-Term Management Plan (FY3/2026–FY3/2027) announced this past May, we strongly emphasized tourism initiatives leveraging the Odakyu Group's strength: the abundant management resources along our railway lines. Our targets for FY3/2031 are tourism revenue of 120 billion yen and operating profit of 15 billion yen, with inbound tourism contributing 45 billion yen in revenue and 6 billion yen in income.

To achieve these goals, we aim to turn Shinjuku, the starting point of the Odakyu Line, into Japan's premier hub for inbound tourism. Shinjuku boasts the world's highest volume of rail passengers and represents Japan's foremost concentration of both commercial and accommodation facilities. It is also a multifaceted neighborhood, featuring entertainment districts such as Kabukicho as well as green space. We will seek to capture tourism demand based on three cornerstone policies with Shinjuku serving as a hub—a location with significant potential to attract tourists both domestically and internationally.

The first policy is to increase revenue at tourism strongholds. We will actively capture demand for accommodations and shopping, including inbound tourism, across three key hubs: Shinjuku, Hakone, and Shonan, which are among Japan's premier tourist destinations. We are placing particular emphasis on advancing the hotel business. In addition to increasing room rates and

occupancy rates by renovating existing hotels, we will also actively pursue development of new high-value-added hotels, take on management contracts, and utilize M&As, investing 36 billion yen from FY3/2026 to FY3/2031, with the goal of achieving an operating profit of 5 billion yen by FY3/2031.

The second cornerstone policy is to maximize travel demand among tourism hubs. Currently, we are moving forward with construction of new Limited Express Romancecar trains, aiming to begin service in FY3/2029. By enhancing the appeal, comfort, and convenience of the Romancecar—making it the go-to choice for trips from Shinjuku to Hakone and Shonan—we will increase both the number of rail passengers and the average revenue per

## Three policies to strengthen the business based on development of Shinjuku into an inbound tourism hub

## Shinjuku, Hakone, Shonan 1. Increasing revenue at tourism strongholds

Tapping into demand for accommodation, shopping, etc. aggressively to increase sales at Hakone and Shonan in low seasons

## Shinjuku ↔ Hakone and Shonan 2. Maximizing the demand for travel between tourism strongholds

Increasing the number of passengers using the Odakyu Lines and average customer spend by increasing the appeal of limited express trains and through coordination of digital initiatives

## All areas along the Odakyu Lines 3. Increasing tourism strongholds along the Odakyu Line

Attracting tourists to the Odakyu Lines by developing and increasing new destinations and contents

## Message from President &amp; CEO

passenger.

The third cornerstone policy is to diversify tourism destinations along the Odakyu Line. Beyond the three major hubs mentioned earlier, the Odakyu Line boasts numerous attractive tourist spots with significant potential for an increased profile. Furthermore, Odakyu aims to cultivate and expand new destinations and new points of interest to attract even more visitors to the line.

By strengthening promotions and enhancing digital strategy coordination across the entire Odakyu Group, we will effectively advance these initiatives. This will ensure we capture robust tourism demand, including strong inbound demand, and leverage our unique strengths to make tourism a key growth driver for the Odakyu Group.

FY3/2031 tourism targets (included within Transportation, Real Estate, and Life Services)	
<b>Total investment</b> (FY3/2026-FY3/2031)	<b>¥60 billion</b>
<b>Tourism Revenue</b> * Including tax-free sales	----- Of which inbound -----
FY3/2025 ¥78.9 billion	↑ <b>¥120 billion</b>
FY3/2025 ¥24.2 billion	↑ <b>¥45 billion</b>
<b>Operating profit</b>	----- Of which inbound -----
FY3/2025 ¥8.9 billion	↑ <b>¥15 billion</b>
FY3/2025 ¥3.6 billion	↑ <b>¥6 billion</b>

## Promotion of sustainability management

To achieve the new growth story outlined thus far, advancement of sustainability management—seeking sustainable development alongside local communities—is becoming increasingly essential. The Odakyu Group has grown by contributing to community development through social infrastructure such as rail lines and buses, as well as through community development across our diverse businesses. Even in this era of rapid change, addressing social issues and enhancing local value creates a virtuous cycle that leads to achieving financial goals and further capital investment in the region. We aim to grow our business on a large scale into the future, while simultaneously creating both social and economic value.

Based on this approach, we have significantly expanded our goals and monitoring indicators for material issues, keeping in mind their links to the management challenges we face and our business performance. Regarding material issues in our core business areas—"Community Development and Local Communities" and "Daily Life and Tourism Experiences"—we have newly established targets such as passenger numbers at focus stations in areas being

strengthened as well as group-wide tourism revenue and inbound tourism revenue. Improvements in these areas directly contribute to revitalization of local communities, and, ultimately, enhanced performance. With regard to the material issue of human capital, which is the foundation of business growth, we have added operating revenue per employee as an indicator alongside the employee engagement score. The goal is to both cultivate fulfillment, pride, and empathy among employees and enhance their contribution to business performance. Furthermore, we will monitor related indicators such as staffing levels in the transportation sector, where labor shortages are a challenge, and the number of specialized personnel in growth areas such as real estate.

With regard to the "Environment," a material issue significantly impacting regional growth, we have made substantial progress. This includes switching 100% of the electricity used for Odakyu Group railways and ropeways to renewable energy, implementing carbon offsets for the Hakone Sightseeing Cruise, and steadily advancing energy conservation across Group companies. As a result, we achieved our FY3/2031 CO<sub>2</sub> emissions reduction target well ahead of schedule. We will continue to advance our efforts steadily yet energetically toward our ultimate goal of achieving carbon neutrality by FY3/2051. Furthermore, we are advancing biodiversity-related disclosures based on the TNFD framework, setting new targets for reducing waste emissions and water intake, and exploring a wide range of options for decarbonizing our bus operations while balancing economic rationality.

In promoting sustainability management, it is essential that we build sound and constructive relationships with a variety of stakeholders. As we do so, we recognize that respect for human rights is the most critical issue, and we are strengthening measures aimed at increasing our understanding and response. We are expanding the scope of our sustainability surveys for business partners, based on the human rights policy and sustainable supply chain policy we implemented last year. Internally, we are continuing and expanding human rights training and lectures at all levels of the company, including directors and other officers. We are also advancing operations based on our Customer Harassment Response Policy and Anti-Corruption Policy established in FY3/2025, in pursuit of an environment in which Group employees can work with peace of mind.

Enhancing human capital:  
The source of our growth story

To steadily make our Medium-Term Management Plan a reality and further build our corporate value, we need to evolve beyond complacency with our traditional private railway business model, instead embracing change as opportunity and fostering an organizational culture that

values the spirit of challenge. This can only be achieved when not just the executive team, but also management and every individual on the front line of service share this mindset.

As a first step, we are rigorously implementing a management style that encourages setting ambitious goals and boldly meeting challenges across all departments and Group companies. To achieve our consolidated financial targets for FY3/2031—that is, ROE of 10% or more and operating profit of 80 billion yen—we must not aim for these goals by simply building on past practices. Instead, we must work backward from our desired state and intended targets, think proactively without being constrained by conventional methods, and take firm action. Furthermore, management needs to make strategic decisions based on overall optimization, while each department and field operation needs to demonstrate analytical capabilities grounded in knowledge, experience, and data, coupled with rapid execution.

I firmly believe that our Group employees care deeply for the communities along our railway lines, act based on the spirit of self-benefit through benefiting others—where our contributions to the benefit of others will in turn bring us personal fulfillment—and hold genuine pride and passion for their work. These values represent Odakyu's unique intangible assets that cannot be built merely by pursuing short-term performance and numbers. I believe the true measure of management success lies in how effectively we leverage these assets.

Personally, I often gain significant knowledge and courage from observing employees working in customer-facing positions. Their daily commitment to sincerely listening to customer feedback and tackling challenges through mutual support from their colleagues firmly underpins our organizational culture. To transform this positive energy from individuals into dynamic energy for the entire organization, management will continuously evolve our personnel systems, evaluation frameworks, and development mechanisms, focusing on creating structures that reward initiative and challenge. As the one responsible for management, I am reminded once more that maximizing the power of our human resources is an essential element in the sustainable growth of the Odakyu Group.

## Toward the Future of Odakyu

As the Odakyu Line opened in 1927, we are soon approaching our 100th anniversary. Since our founding, we have walked alongside the lives of residents in local communities, contributing to local development through infrastructure, urban development, tourism promotion, and the provision of life services. This is not merely a matter of the company enduring—rather, it is a proud history that



stands as proof of our continued meeting of the trust and expectations of communities along the Odakyu Line, and it also represents a significant responsibility.

Looking ahead to the future, we must focus more than ever on sustainable growth and enhancing our corporate value through creating value for local communities. I believe enhancing corporate value is not merely about expanding sales or profits; rather, it is a process of building trust through dialogue and collaboration with stakeholders while creating value as an indispensable force for the sustainable growth of local communities.

Presently, we strongly emphasize an approach focusing on business performance. However, this does not simply mean prioritizing income. It is a declaration of our resolve regarding the very nature of our management approach—building a highly profitable business portfolio and transforming into a structure that consistently generates returns exceeding our cost of capital. This enables us to simultaneously address societal challenges and achieve sustainable growth as a company.

For this reason, we view the quantitative targets set forth in our Medium-Term Management Plan—an ROE of 10% or more and operating profit of 80 billion yen by FY3/2031—as merely milestones. Looking beyond these milestones, we intend to further accelerate our pace of transformation by deepening our identity as a community-based value creation company that generates value through co-creation with local communities.

Grateful for the legacy built by our predecessors over the past century, we will continue to embrace challenges as we look toward the next 100 years. With sincerity and humility, we ask for your continued interest in and support for the journey of the Odakyu Group.

## Management Capital

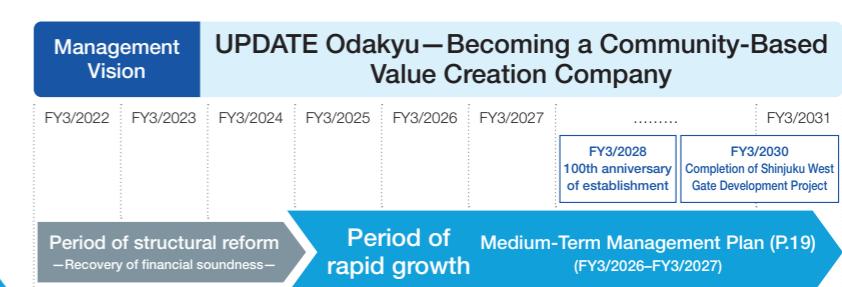
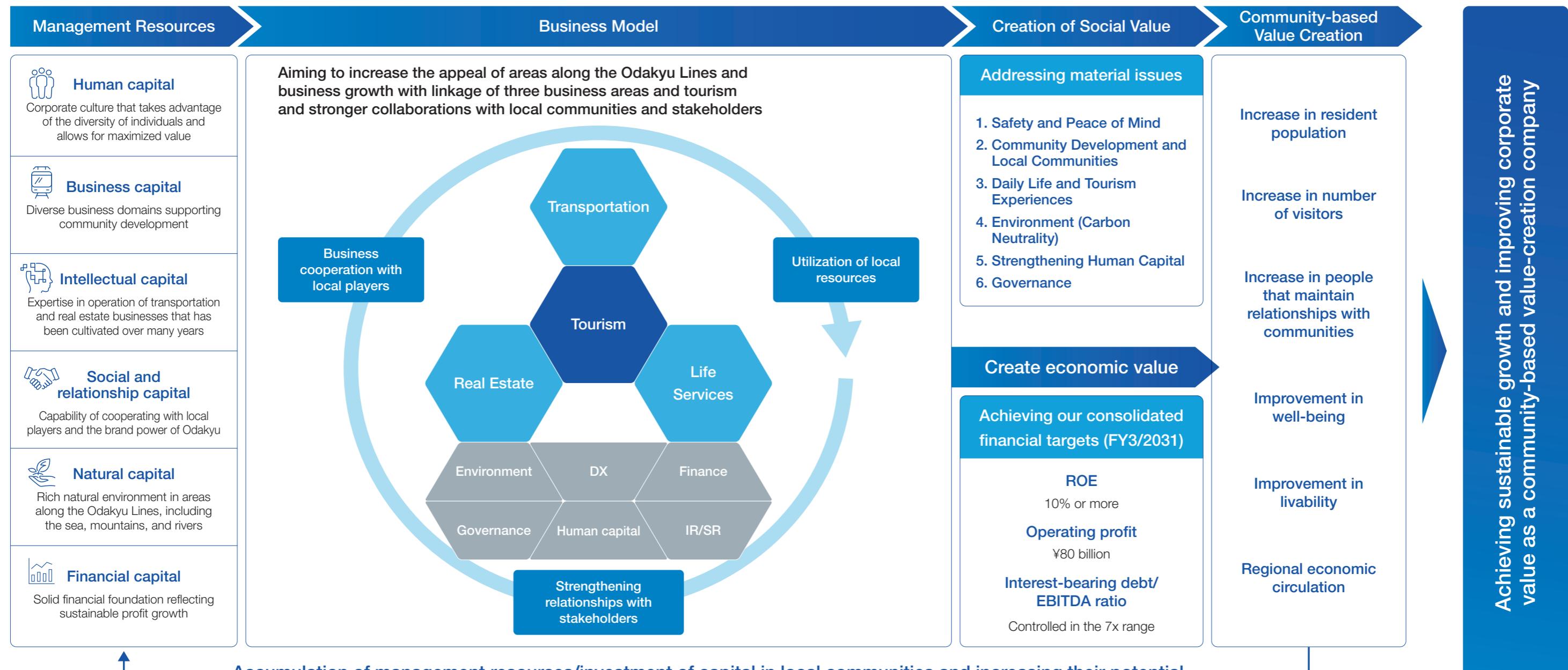
● Consolidated financial targets ◆ Material issues targets □ Material issues monitoring indicators

						
	Human Capital	Business Capital	Intellectual Capital	Social and Relationship Capital	Natural Capital	Financial Capital
Specific management resources (FY3/2025)	<p>Number of employees (consolidated): <b>11,517</b> (By segment) Transportation: 6,760 Real Estate: 1,763 Life Services: 2,500 Head Office: 494 (By gender) Women: 1,706 Men: 9,811 Operating revenue per employee: <b>¥36 million</b> Corporate culture that allows value-creating diverse talent to thrive climbers Business Idea Solicitation System Number of proposals (total): <b>215</b></p>	<p>Total length of routes (rail &amp; bus): <b>Approx. 8,000 km</b> Major commercial facilities: <b>51 stores</b> Hotels: <b>8 hotels</b> Restaurants: <b>161 stores</b> Odakyu Point (OP) Card members: <b>1,550,000</b> Number of downloads of Odakyu app: <b>1.15 million</b> Number of downloads of EMot app: <b>780,000</b></p>	<p>Transport infrastructure and community development along the Odakyu lines <b>Extensive business expertise</b> Number of Odakyu ONE Members: <b>410,000</b> Research and development costs: <b>¥146 million</b> Patents/Trademarks: <b>196</b> Amount handled through MaaS Japan: <b>¥3.3 billion</b> WOOMS introduced: <b>28</b> Number of Idea Palette (Odakyu Group survey site) members: <b>Approx. 9,800 members</b></p>	<p>Area of local communities along the Odakyu Line: <b>1,226 km<sup>2</sup></b> Population of communities along the Odakyu Line: <b>5,230,000</b> Number of annual passengers (railway + bus business): <b>1.1 billion</b> Stations with 100,000-passenger volume: <b>11 stations</b> Agreements with governments, companies, or universities: <b>34</b> Romancecar users: <b>10.93 million</b> Annual tourists to Hakone, Shonan &amp; Oyama: <b>Approx. 53 million</b></p>	<p>Natural and local resources, including Hakone, Enoshima, Oyama, etc. Contribution to CO<sub>2</sub> reduction: <b>1.36 million tons</b> * Compared to automotive transportation when using Odakyu Group transportation network Waste recycling rate: <b>41.9%</b> Donation from sales of Hakone-no-Morikara beverage: <b>¥3.445 million</b></p>	<p>Total assets: <b>Approx. ¥1.3 trillion</b> EBITDA: <b>¥95.3 billion</b> Capital investments: <b>¥65.3 billion</b> Shareholders' equity ratio: <b>36.8%</b> High rating assessment: Japan Credit Rating Agency, Ltd. <b>AA-</b> Rating and Investment Information, Inc. <b>A+</b></p>
Major KPIs (FY3/2031)	<p>◆ Ratio of female employees (full-time): <b>20%</b> ◆ Ratio of women in management roles: <b>15%</b> ◆ Ratio of male employees taking paternity leave: <b>100%</b> ◆ Ratio of female officers: <b>30%</b> □ Employee engagement survey score □ Operating revenue per employee □ Staff sufficiency rate (rail &amp; bus) □ Number of specialized personnel (real estate growth sectors)</p>	<p>● Operating profit Transportation: ¥32 billion/Real Estate: ¥30 billion/Life Services: ¥18 billion/Tourism: ¥15 billion (included within each business segment) ◆ Number of users at focus stations in areas being strengthened (per day) Shinjuku: 470,000/Shin-Yurigaoka: 120,000/ Machida: 270,000/Ebina: 150,000 ◆ Number of operating accidents/incidents caused by the Company in the railway business: 0 (each fiscal year) ◆ Number of fatalities or serious injuries in the bus and taxi businesses: 0 (each fiscal year) ◆ Number of serious information security incidents: 0 (each fiscal year) ◆ Odakyu Group tourism revenue: ¥120 billion ◆ Inbound tourism revenue: ¥45 billion □ Number of Odakyu ONE IDs □ Number of users of children's IC cards other than commuter passes □ Number of Romancecar users</p>	<p>◆ Number of major legal violations: 0 (each fiscal year) ◆ Implementation rate of sustainability survey for business partners: 100% □ Total level of satisfaction in railway services □ Population of communities along the Odakyu Line □ Total level of satisfaction by local residents □ Total level of satisfaction with how to live (well-being)</p>	<p>◆ Odakyu Group CO<sub>2</sub> emissions: 50% reduction compared to FY3/2014 ◆ Odakyu Group waste emissions (intensity per unit of revenue): Reduction compared to previous fiscal year (each fiscal year) ◆ Odakyu Group water intake (intensity per unit of revenue): Reduction compared to previous fiscal year (each fiscal year) □ Number of Freepasses sold (Hakone) □ Number of visitors to tourist areas along the Odakyu Line (Hakone and Fujisawa)</p>	<p>● ROE: 10% or more ● Operating profit: ¥80 billion ● Interest bearing debt/EBITDA ratio: Controlled in the 7x range</p>	
Enhancement measures	<ul style="list-style-type: none"> <li>Promoting structural reforms in anticipation of labor shortages and securing human resources</li> <li>Improving work environment &amp; job satisfaction</li> <li>Prioritizing human investment in growth areas</li> <li>Systematic development of next-generation management talent ► <b>P.65 Strengthening Human Capital</b></li> </ul>	<ul style="list-style-type: none"> <li>Tapping into tourism demand</li> <li>Expansion of hotel business ► <b>P.23 Tourism</b></li> <li>Strengthening the real estate business ► <b>P.29 Real Estate</b></li> <li>Evolution of transportation business ► <b>P.25 Transportation</b></li> </ul> <ul style="list-style-type: none"> <li>Strengthening stores and retail business ► <b>P.33 Life Services</b></li> <li>Creating businesses with digital technologies ► <b>P.19 Medium-Term Management Plan</b></li> </ul>	<ul style="list-style-type: none"> <li>Co-creating value by strengthening collaboration with local players ► <b>P.45 Community Development and Local Communities</b></li> <li>► <b>P.47 Special Feature: Odakyu Group Community Development Story</b></li> <li>Ensuring respect for human rights throughout the supply chain ► <b>P.87 Respect for Human Rights Initiatives</b></li> </ul>	<ul style="list-style-type: none"> <li>Promoting environmental strategies (realizing a decarbonized society, realizing a resource-recycling society, conservation and utilization of nature)</li> <li>Promoting sustainable tourism ► <b>P.53 Environment (Carbon Neutrality)</b></li> </ul>	<ul style="list-style-type: none"> <li>Extending the equity spread</li> <li>Improving ROE (improving ROA/increasing financial leverage)</li> <li>Controlling the cost of shareholders' equity (promoting sustainability management/strengthening dialogue with the market) ► <b>P.35 Message from Division Director of Corporate Strategy &amp; Planning Division</b> ► <b>P.19 Medium-Term Management Plan</b> ► <b>P.80 Dialogues with Shareholders</b></li> </ul>	

# Value Creation Process

As a community-based value creation company, the Odakyu Group achieves sustainable growth and enhances its corporate value through a value creation process based on sustainability management.

The Odakyu Group leverages its abundant management resources to develop its businesses and contribute to development of local communities by creating social and economic value.



# Medium-Term Management Plan (FY3/2026–FY3/2027)

## Financial Policy for Improving Corporate Value

We intend to focus on improving ROE to extend the equity spread and controlling the cost of equity capital. Specifically, to enhance ROE, we will concentrate on managing targets based on segment-specific operating profit ROA, ongoing asset replacement, and strengthening shareholder returns.

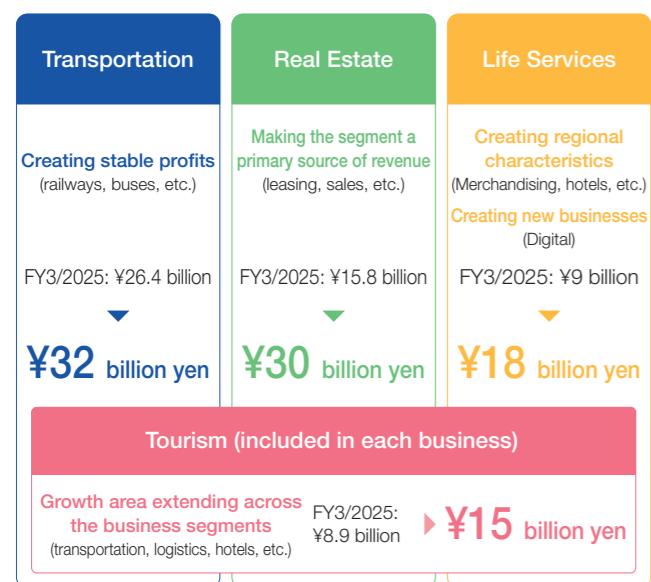
[Consolidated Financial Targets]

Key Indicators	Plan for FY3/2027		Targets for FY3/2031	
	ROE <sup>*1</sup>	8.0%	Previous target <sup>*2</sup> 6.2% (+1.8P)	10% or more
Profit growth	Operating profit	¥54 billion	Previous target <sup>*2</sup> ¥50 billion (+¥4 billion)	¥80 billion
Securing of financial soundness	Interest-bearing Debt/EBITDA ratio		Controlled in the 7X range	

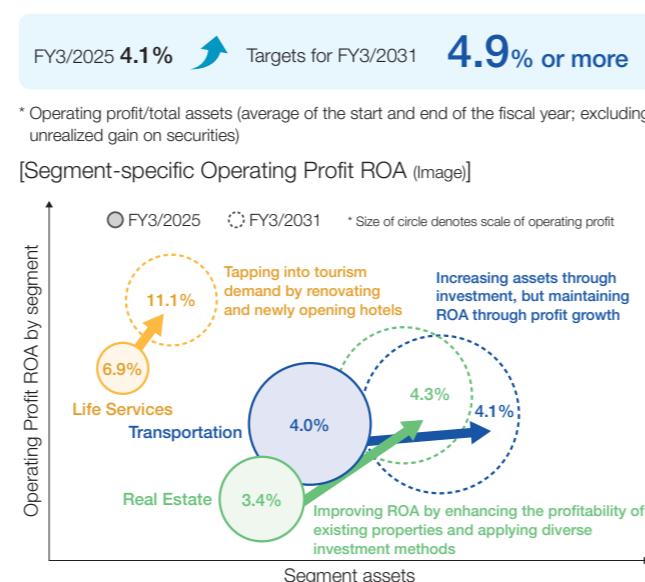
\*1 Profit attributable to owners of parent/shareholders' equity (average of the start and end of the fiscal year; excluding unrealized gain on securities)

\*2 Targets announced in May 2024

[FY3/2031 Operating Profit Target]



[FY3/2031 Operating Profit ROA\* Target]



## Key measures for achieving consolidated financial targets (strengthening business/ enhancing management foundation)

Odakyu will pursue initiatives to strengthen its business and management foundation, identified as key measures, by recognizing opportunities arising from expanding inbound demand, changing lifestyles, advances in digital technology, and heightened awareness of sustainability.

Key Measures	Business	Tapping into tourism demand	Expansion of hotel business	Strengthening the real estate business
		Evolution of transportation business	Strengthening stores and retail business	Creating businesses with digital technologies
Management foundation	Enhancement of human capital (P.65)	Environment (P.53)	DX	Governance (P.73)

## 1. Tapping into tourism demand

Centering on Shinjuku, which aims to become Japan's premier inbound tourism hub, and the tourist destinations of Hakone and Shonan, Odakyu will attract Japanese and international tourists along its entire railway line. We will strive to expand revenue at tourism hubs, maximize travel demand among hubs, and achieve multi-hub tourism along the line. Furthermore, by simultaneously strengthening promotions and coordinating digital initiatives, we aim to achieve tourism revenue of 120 billion yen and operating profit of 15 billion yen by FY3/2031. Specifically, we will focus on capturing demand for accommodation, shopping, and other services, while also working to boost revenue during the off-peak period in Hakone and Shonan. Additionally, we will seek to increase the number of passengers using our lines and raise average revenue per customer by enhancing the appeal of our limited express services, as well as attracting tourists to our lines by developing and increasing new destinations and content offerings.

[Development of Shinjuku into an inbound tourism hub (rough idea)]



## 2. Expansion of hotel business

The Odakyu Group will pursue renovations of existing hotels and development of new hotels, primarily in the Shinjuku and Hakone areas, to capture robust inbound demand, aiming to achieve an operating profit of 5 billion yen by FY3/2031. Specifically, by FY3/2031, we will move ahead with renovations of the former Hakone Lake Hotel, Hakone Highland Hotel, and Hotel Century Southern Tower, alongside new developments of high-value-added hotels and hotel management contracts.

[Direction of Improvement]

Shinjuku, Hakone	1. Renovation of existing hotels
	Enhancing the value of three hotels by FY3/2031
Hakone	2. Developing new high value-added hotels
	Opening two or three hotels by FY3/2031
Hakone	3. Operation in trust and M&A
	Winning three to four new projects by FY3/2031 by leveraging the network in the area

[Schedule of major renovations and openings]

<b>edit x seven FUJI GOTEMBA (Gotemba)</b>	Starting to operate a new hotel brand in trust at the time of its openings (September 2025)
<b>RETONA HAKONE (Togendai)</b>	The former Hakone Lake Hotel will be renovated into a luxury hotel for guests with their beloved dogs (December 2025)
<b>Hakone Highland Hotel (Sengokuhara)</b>	Renovating it into a spacious hotel with a vast garden and a commanding view (FY3/2028)
<b>Hotel Century Southern Tower (Shinjuku)</b>	Enhancing the capacity to cater to demand from inbound tourists through overall renovation of guestrooms (FY3/2029)

## 3. Strengthening the real estate business

We will not only continue our long-term holdings of development and renewal projects and measures to enhance the profitability of existing properties, but also strengthen approaches to quick-return investments (domestic SPCs, overseas real estate, asset rotation model, residential sales). By reviewing our portfolio, we aim to achieve an operating profit of 30 billion yen and an operating profit ROA of 4.3% in the real estate business by FY3/2031. Specifically, we will work to enhance value and maximize profits in the Shinjuku area

through initiatives such as advancing the Shinjuku West Gate Development Project and upgrading existing facilities in the surrounding area. We will also continue to pursue real estate development along our railway lines, including moving ahead with the Ebina Station Area Development Plan. Furthermore, regarding approaches to quick-return investments, we intend to allocate investments in consideration of external environments, past performance, and risk diversification, aiming to secure short-term profits and improve ROA.

## [Maximizing profits with diverse investment approaches]

We will enhance the profitability of existing properties, replace assets, and enhance investment methods for quick returns to expand profit scale and improve ROA while managing the balance sheet appropriately.

## Investment for long-term holding

## 1. Development/renovation and improving profitability of existing properties

## Investment for quick returns

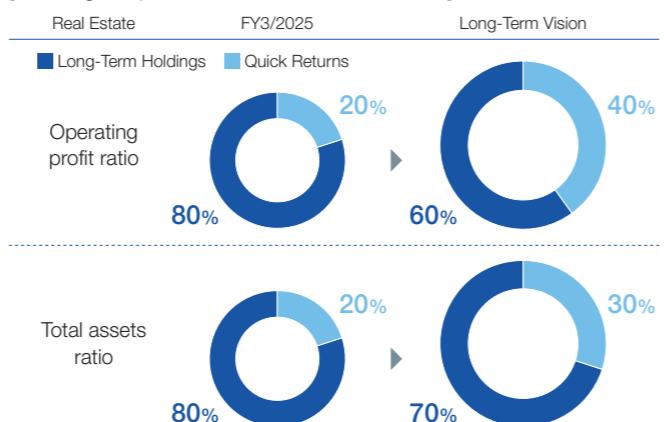
## 2. Core investment and investments in development-type domestic SPC projects

## 3. Investment in overseas real estate in Australia and the United States, which are promising markets

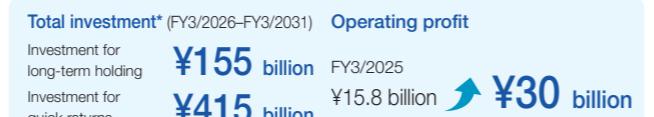
## 4. Strengthening asset rotation model by leveraging the track record of value enhancement and development

## 5. Increasing the number of residential units for sale in residential sales inside and outside areas along the Odakyu Lines

## [Revising the portfolio of investment methods]



## [FY3/2031 numerical targets of real estate business]



\* Total of ¥260 billion growth investment in real estate and ¥310 billion strengthening of asset rotation model

## Long-Term Holding

- In Shinjuku, the Company will enhance the area's value with the project directly above the station (commercial facilities, offices, etc.), which will be the symbol, to maximize revenue, including revenue at surrounding facilities.
- In areas along the Odakyu Lines, the Company will drive development plans, including redevelopment plans, by leveraging cooperation with local governments and its development expertise.

## Maximizing revenue in the Shinjuku area (P.31)

## Maximizing revenue from the Shinjuku West Gate Development Project

- Making specific development plans for enhancing the area's value
- Introducing functions for making Shinjuku an inbound tourism hub
- Opening the facilities ahead of redevelopment projects in the surrounding area

## Maximizing the value of surrounding existing facilities

- Renovating the Hotel Century Southern Tower

## Real estate development in areas along the Odakyu Lines

- Advancing plans to develop luxury condominiums in areas along the Odakyu Lines in Tokyo
- Developing commercial facilities and other development plans in the Ebina area
- Considering future redevelopment schemes for Shin-Yurigaoka and Machida areas, etc.

## Quick Returns

- Allocating investments for quick returns in consideration of diversification of risk in addition to the external environment and achievements from initiatives, thereby controlling the portfolio
- For FY3/2026-FY3/2031, we are aiming for cumulative investment of 415 billion yen and cumulative operating profit of 50 billion yen to achieve short-term earnings and improved ROA

## Domestic SPC

Total investment ¥45 billion  
Cumulative operating profit ¥7.5 billion  
(of which FY3/2031 ¥2 billion)

## Overseas real estate

Total investment ¥60 billion  
Cumulative operating profit ¥14 billion  
(of which FY3/2031 ¥5 billion)

## Asset rotation model

Total investment ¥130 billion  
Cumulative operating profit ¥15 billion  
(of which FY3/2031 ¥8 billion)

## Residential sales

Total investment ¥180 billion  
Cumulative operating profit ¥14 billion  
(of which FY3/2031 ¥3 billion)

## [Major Development Pipelines in Areas along the Odakyu Lines]

## Leasing

Area	Asset type	3/2026	3/2027	3/2031 (FY)
Shinjuku West Gate Development	Office/commercial			
Minami-Shinjuku	Residence			
Development of Ebina Station area	Commercial facility			
Mukogaoka-Yuen	Residence			
Redevelopment of Noborito Station area	Commercial facility			
Shin-Yurigaoka Community Development				
Machida Community Development				

## Sale (condominiums)

Area	Assumed number of units	3/2026	3/2027	3/2031 (FY)
Mukogaoka-Yuen	80			
Kurihira	130			
Sagami-Ono	140			
Hon-Atsugi	30			
Yoyogi-Uehara	10			
Komae	290			
Ebina	530			
Noborito	70			
Isehara	80			

## 4. Evolution of transportation business

We will pursue revenue growth by strengthening measures for safety and emergency preparedness, improving services, building sustainable operational systems, and enhancing the added value of tourism experiences. Specifically, within our railway operations, we will implement large-scale facility updates including platform door installations utilizing a barrier-free fare system, seismic reinforcement works, and the relocation of the Ono General Train Depot; also, in anticipation of a declining labor force, we will introduce driver-only operations and streamline

## [Sustainable revolution of the Company's railway business]

## Enhancing safety and disaster control measures and improving services

- Installing platform doors
- Countermeasures against natural disasters, which are growing more serious
- Large-scale facility updates

## [Capital investments in the Company's railway business]



## Building a sustainable operation system

- Reducing workforce by 30% by FY3/2036 (compared to FY3/2021 level) –
- Introduction of driver-only operation (Starting the operation between Odawara and Hakone-Yumoto Stations in FY3/2026 and a trial operation between Shinjuku and Mukogaoka-yuen Stations around 2030)
- Achieving labor savings in station work by consolidating, centralizing, and automating passenger services
- Use of image analysis and behavior recognition AI (safety confirmation in station)

## Aim to revise fares at the right time

station operations to achieve a 30% reduction in staffing levels by FY3/2036 (compared to FY3/2021). Furthermore, to steadily advance these initiatives, we will seek to revise fares as appropriate. Regarding tourism initiatives, we intend to enhance the appeal of the Hakone area through measures such as the opening of the new Chikyu no Tani (Earth Valley) observation area at Owakudani Station on the Hakone Ropeway. Furthermore, the new model of Limited Express Romancecar is scheduled to commence operation in FY3/2029.

## [Tapping into tourism demand]

## Increasing the added value of tourism experience

- FY3/2026: Chikyu-no Tani (Earth Valley, Owakudani), a new observation deck area, to be opened at Owakudani Station
- FY3/2029: A new model of Limited Express Romancecar to go into service

## Increasing revenue by increasing passengers and unit prices

- Selling EMot digital tickets for inbound tourists through linkage with Klook, an overseas reservation website
- Revising fares of Hakone transportation network, Hakone Freepass, etc.

Number of Hakone Freepass tickets sold  
FY3/2025: 870,000 → FY3/2031 target: 1,000,000

## 5. Strengthening stores and retail business/Creating businesses with digital technologies

We aim to achieve an operating profit ratio exceeding 3% for store/retail business by FY3/2031. This will be pursued by expanding business scale through proactive new store openings, while also enhancing productivity through strengthening store operational capabilities and implementing DX initiatives. We will also strive to create new businesses with digital technologies, leveraging our strengths in solution development and provision. Specifically, in the store/retail

business, we will strive to establish lean staffing systems by renovating existing stores and maximizing sales floor space. We will also enhance operational efficiency through self-checkout systems and AI-powered recommendation ordering systems, while carrying out MD strategies and operational reforms. In the digital domain, we will explore new businesses originating along rail lines and aim for early profitability in new ventures, including WOOMS waste management.

## [Strengthening stores and retail business]

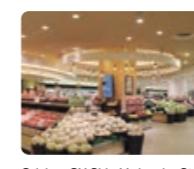
## New store openings and store renovations

- Driving new store openings aggressively in both stores and the Seven-Eleven businesses
- Renovating existing stores to build a structure for operation by a reduced number of staff members and to maximize the sales floor area

## Utilization of DX

- Streamlining operations with self checkout and a proposal-based order placement system using AI
- Strengthening digital marketing based on customer analysis through cooperation within the Group and data of OP Card members, etc.

No. of OP Card members 1.55 million  
(As of March 31, 2025)

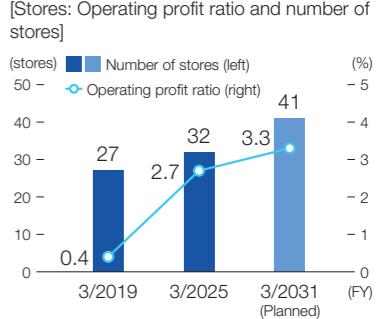


## Improving store operating capability

- Aiming to achieve an operating profit ratio exceeding 3% by FY3/2031 through a merchandising strategy, operational reform, and human resource development

## Number of stores

FY3/2031: 30% increase  
(compared with FY3/2025)



## Store Operating Profit Ratio

FY3/2031: 3.3%

## [Creating businesses with digital technologies]

- Creating businesses with a focus on areas along the Odakyu Lines, leveraging development and the provision of solutions for customers as a strength, from an on-site perspective
- Considering a new business following WOOMS

Number of projects commercialized 7  
Number of projects in progress 4

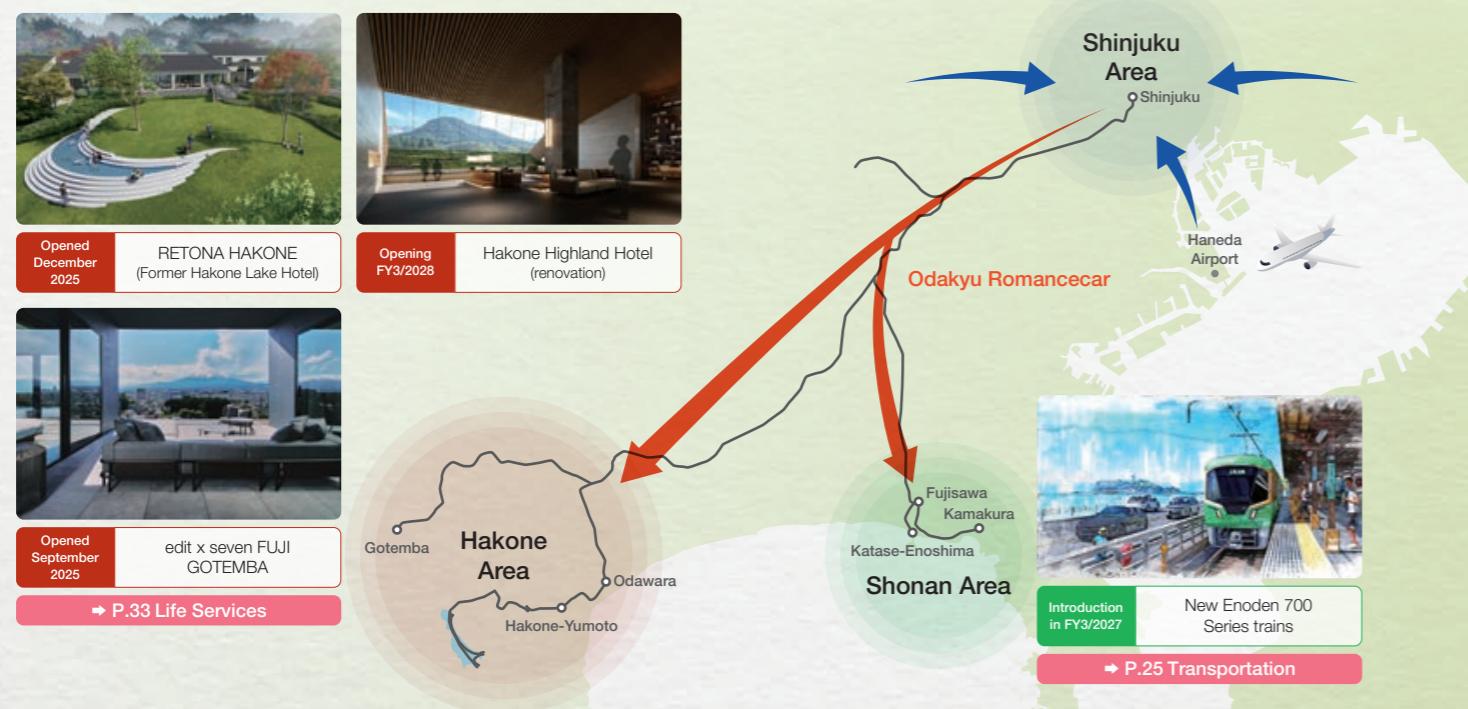
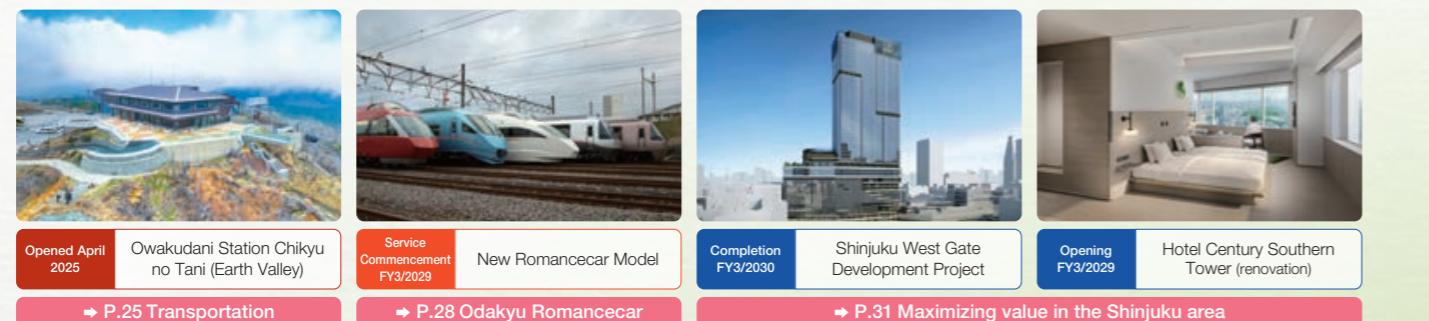
WOOMS  
Provision of a system that streamlines waste collection  
Winner of 2024 Good Design Gold Award

# Tourism

The Odakyu Group operates tourism businesses leveraging its transportation network connecting Shinjuku with Japan's leading tourist destinations including Hakone, Enoshima, and Kamakura, along with diverse accommodation and tourist facilities.

We aim to achieve tourism revenue of 120 billion yen and operating profit of 15 billion yen by FY3/2031, and plan to invest a cumulative 60 billion yen\* in growth initiatives from FY3/2026 to FY3/2031. Specifically, we aim to achieve sustainable tourism and while maximizing revenue by creating tourism value that integrates "travel," "stay," and "experience" through initiatives such as building new Romancecar trains, improving the Hakone transportation network, enhancing hotel value, and expanding digital sales.

\* Included within investments in Real Estate, Transportation, and Life Services segments



## Risks

- Increased fluctuation of demand
- Increases in abnormal weather and natural disasters
- Increased environmental impact
- Destruction of landscape
- Infringement on local living environments
- Shifts toward a stronger yen
- Localized congestion and reduced satisfaction during peak seasons
- Labor shortages

## Opportunities

- Expansion of inbound demand
- Ongoing trend toward weaker yen
- Expansion of accommodation facilities
- Evolution of digital tools
- Promotion of sustainable tourism
- More tourism promotion by government and local authorities



## Interview

Making the most of the diverse tourism resources along our lines, we will advance our tourism operations—a cornerstone of the Odakyu Group's growth—and pursue sustainable development.

Akinori Tateyama

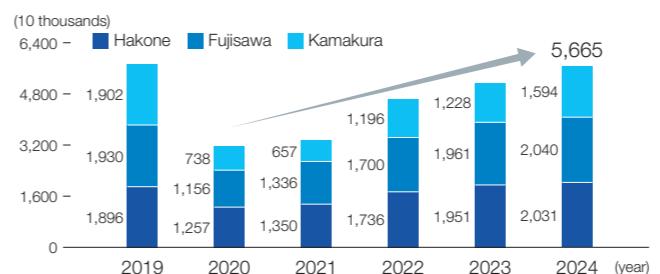
Director and Senior Managing Executive Officer

### Point 1 The potential of the Odakyu line to connect cities and tourist destinations

Our railway line connects Shinjuku, one of the world's leading urban hubs, with Hakone and Shonan, two of Japan's premier tourist destinations. Hakone is an attractive region boasting magnificent natural scenery, including Owakudani and Lake Ashi, as well as hot spring resources, drawing over 20 million tourists annually. The Shonan area is also blessed with beautiful coastlines, such as Enoshima and Inamuragasaki, attracting over 30 million visitors annually. The Odakyu Group has been deeply involved in these tourist destinations for many years through transportation, lodging, and tourist facilities.

Shinjuku is a massive rail terminal boasting the world's highest passenger volume, and through our future development, we aim to transform it into Japan's No. 1 tourism hub. Our tourism strategy aims to increase the appeal of Shinjuku, to strengthen the circulating routes connecting Hakone and Shonan, and to attract Japanese and international travelers to the Odakyu line. Tourism development not only enhances each destination but also connects cities and hubs, and has the power to revitalize entire local communities along transportation corridors.

### [Tourist Numbers to Hakone/Shonan Area]



\* Based on Hakone Town's "Visitor Arrivals" and Kanagawa Prefectural Government's "Visitor Arrivals by Municipality"

### Point 2 Key measures to tap into tourism demand

The Odakyu Group will invest a cumulative total of 60 billion yen by FY3/2031. We intend to meet Japanese and international demand through new hotel construction,

renovations, asset acquisitions, and the expansion of services targeting inbound travelers, thereby driving revenue growth at our locations. Additionally, we will further capture travel demand by undertaking initiatives such as the new model of Romancecar scheduled for service in FY3/2029, an enhanced station experience at Shinjuku Station, and bundled sales of accommodation and Freepasses with limited express tickets.

Diversifying tourism destinations is also of crucial importance. The Odakyu Group will create new destinations by collaborating with promising external companies and content providers across various development plans and location services, while also strengthening destination-based products that make the most of tourism resources unique to each region. To organically connect these initiatives through effective promotion, utilizing digital technology is essential. Using the EMot app by MaaS, we will stimulate demand by increasing the uptake of handy digital tickets, thereby boosting per-use spending and frequency, ultimately maximizing tourism revenue.

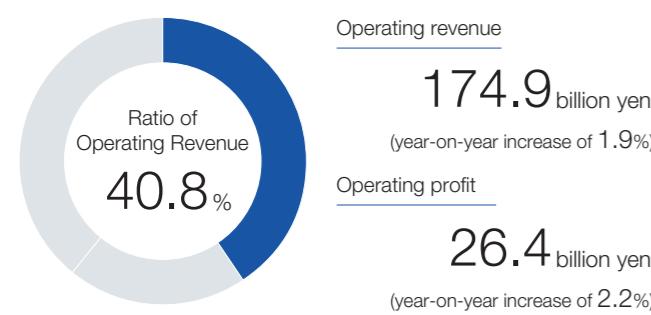
Needless to say, collaboration with local communities is essential for developing the appeal of tourist destinations. To address overtourism, which impacts not only traveler satisfaction but also the lives of residents in local communities, we will implement measures to smooth out demand during peak periods. For example, in the Shonan area where tourism tends to peak during the day, we will enhance early morning and nighttime offerings to encourage more even distribution of visitors, while also creating fresh demand.

Tourism represents comprehensive, multifaceted value created through interaction with a region's nature, history, culture, and people. We firmly believe that the mission of Odakyu, an infrastructure-oriented company with deep roots in the community, will serve as the central pillar supporting this. We aim to discover new value in local resources through tourism and develop a business model that grows sustainably alongside the community. Creating local communities that residents can be proud of, and developing railway lines that make visitors want to return again and again, represents precisely the co-creation model by which "tourism promotes the town, and the town promotes tourism." The Odakyu Group will continue to pioneer the future of our railway line through the power of tourism.

# Transportation

Odakyu Electric Railway operates three lines: the Odawara Line (which connects Shinjuku and Odawara), the Enoshima Line, and the Tama Line, which cover a total 120.5 km (70 stations). Group companies provide methods of transportation, such as railways, buses, and taxis, mainly in Tokyo and Kanagawa Prefecture, which support the transportation infrastructure of local communities.

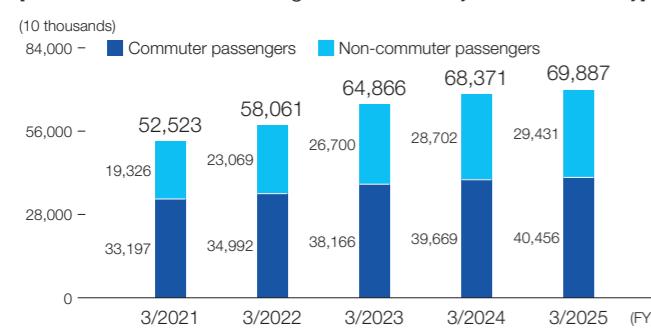
Diverse communities along the Odakyu Line have a combined population of approximately 5.2 million people in 27 cities, districts, towns, and villages. The line is dotted with stations that are the hubs for an average of around 100,000 daily passengers, from urban areas and suburbs to tourist spots such as Hakone and Shonan.



## [Operating Revenue/Operating Profit]



## [Annual Numbers of Passengers on the Odakyu Electric Railway]



### Sub-segments >>

- Railways ..... In addition to the Company's railways business, Odakyu Hakone Co., Ltd. and Enoshima Electric Railway Company, Limited provide transportation services for work and school commutes as well as tourist destinations.
- Buses ..... We operate both local buses and express buses in the Tokyo and Kanagawa areas.
- Other ..... We operate tourism-oriented transport services such as boats and ropeways in the Hakone area, as well as taxi services.

### Risks

- Increases in abnormal weather and natural disasters
- Declining birthrate and aging population
- Declining demand for commuting to work or school
- Emergence of new infectious diseases
- Deteriorating rail infrastructure
- Widespread adoption of remote working
- Labor shortages
- Service disruptions due to cyberattacks

### Opportunities

- Relatively high maintenance rate of population along the line
- Concentration of businesses and educational institutions along the Odakyu Line
- Greater number of young people who don't own cars
- Enhancing safety measures
- Promoting barrier-free access
- Expanding tourism demand
- Evolution of digital tools
- Promoting utilization of station spaces
- Streamlining business operations and train services
- Increasing environmental awareness of transportation

## Main Initiatives in FY3/2025

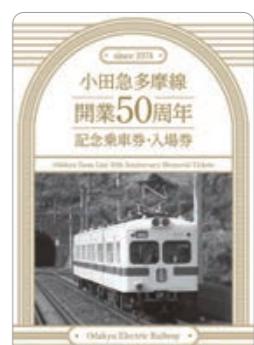
On the transportation side of the railway business, in March 2025 we revised the timetables to enhance convenience by increasing the number of Limited Express Romancecar trains on weekday evenings, which are in high demand, and by reviewing the number of stops for each train type. In addition, we strived to enhance transportation services by adding two 5000-series commuter trains and installing wheelchair and stroller spaces in every car across three 3000-series commuter trains to meet the diverse needs of customers, while also implementing environmentally friendly renovations.

On the sales side, in April 2024 we began selling EMot Romancecar Passport, a subscription electronic ticket for access to the Limited Express Romancecar service at a discount. Furthermore, we continued to implement various measures utilizing the EMot MaaS app, including the launch in September 2024 of a digital ticketing service for inbound travelers, enabling them to use EMot Online Tickets to issue tickets for transportation, experiences, etc. purchased through Klook, a travel and leisure booking site visited by 65 million people per month. In addition, the Company strived to increase revenue by aggressively attracting passengers, including holding of various events to commemorate the 50th anniversary of the Tama Line. With regard to facilities, we installed platform doors at Sagami-Ono Station, Ebina Station, Chuo-Rinkan Station, and Yamato Station to further improve the safety of train operations and carried out seismic retrofitting work on bridges, etc. between Sagami-Ono Station and Higashi-Rinkan Station to mitigate the risk of damage by large-scale earthquakes. In addition, in order to deter crime and resolve incidents quickly, onboard security cameras were installed in two limited express trains and 32 commuter trains.

In the bus business, Odakyu Bus Co., Ltd. introduced the "Odakyu Odekake Points" boarding point service in October 2024, and began awarding Odakyu Points to customers who use PASMO when boarding the bus, thereby enhancing convenience. In addition, in light of the shortage of drivers at each company, we revised the timetables to ensure an appropriate working environment and revised fares to improve compensation, etc., in order to continue to provide stable transportation services in the future.



Wheelchair/stroller spaces (Series 3000 commuter train)



Commemorative tickets for 50th anniversary of Tama Line opening



In-vehicle security cameras (commuter trains)

## Initiatives for the future

The Odakyu Group positions transportation as a core business supporting its regional base, serving as vital infrastructure connecting the lives of approximately 5.2 million residents along its lines, as well as premier tourist destinations like Hakone and Shonan. While providing diverse transportation options including railways, buses, taxis, and tourist transport, we strive to balance safety and efficiency. We are moving ahead with establishing a sustainable operational framework and enhancing convenience and appeal for both local communities and our users.

In our Medium-Term Management Plan announced in May 2025, we have designated "Evolution of Transportation Business" as one of our key measures. Focusing on strengthening safety and emergency preparedness measures, improving operational efficiency, and responding to tourism demand, the Odakyu Group aims to advance its business foundation while achieving stable revenue generation.

First, as part of our efforts to improve safety, we are utilizing the railway station barrier-free fare system and moving to install platform doors at all stations between Shinjuku and

Hon-Atsugi, as well as at Chuo-Rinkan, Yamato, and Fujisawa stations, by FY3/2033. We are also moving ahead with large-scale facility updates, including seismic reinforcement work on bridges and elevated structures, and the relocation of our general rolling stock depot.



Platform doors at Sagami-Ono Station

Meanwhile, given Japan's declining birthrate, aging population, and shrinking working-age population, addressing labor shortages is also of urgent importance. We are actively implementing labor-saving measures in our railway operations, progressively introducing initiatives such as considering specifications for driver-only operations, station safety checks using image recognition AI, and streamlining station operations. Through these efforts, we plan to reduce railway operations personnel by 30% by FY3/2036 compared to FY3/2021. Furthermore, to fund these investments, we will seek to revise fares as appropriate.

On the revenue front, we are seizing the opportunity presented by increased tourism demand, including inbound visitors, to create value through the integrated approach of rail, bus, and tourism transportation. In April 2025, we opened the new Chikyu no Tani (Earth Valley) observation area at Owakudani Station on the Hakone Ropeway, where visitors can enjoy the majestic natural scenery of rising steam, as part of our efforts to enhance the appeal of tourist destinations. We are also promoting sales through the EMot digital ticketing platform and strengthening promotions targeting visitors to Japan. We also plan to introduce the new Romancecar model in FY3/2029, and are continuously reviewing and implementing measures to tap into tourism demand.

In the Shonan area, Enoshima Electric Railway introduced contactless payment at all stations in FY3/2024 as part of its efforts to enhance convenience. Introduction of the new 700 Series vehicles is scheduled for FY3/2027. These next-generation vehicles are anticipated to harmonize with the landscape while offering enhanced comfort. These advancements in both facilities and services contribute directly to enhancing our brand value.



Enoshima Electric Railway contactless payment terminal



Enoshima Electric Railway new 700 Series model (concept)



New Chikyu no Tani (Earth Valley) observation area at Owakudani Station



Screen for use of EMot digital ticket

Parallel to these railway initiatives, in the bus segment too we are moving ahead with sustainability efforts such as fare revisions. Our focus remains on serving as the region's transportation backbone by adjusting schedules and improving services based on user needs. Furthermore, to achieve the Odakyu Group's long-term environmental goals, individual bus companies are undertaking various measures including the introduction of electric buses and operational efficiency improvements.

Looking ahead, we will further enhance the profitability and service quality across our entire transportation segment. This includes developing smart mobility integrating physical and digital elements, strengthening transportation hub functions through collaboration with local players, and introducing strategic pricing based on demand forecasting. Through these initiatives, the Odakyu Group aims to achieve an operating profit of 32 billion yen and an operating profit ROA of 4.1% in the transportation segment by FY3/2031.

The Odakyu Group's transportation business will continue to evolve alongside local communities, transcending mere transportation to serve as a value-providing platform connecting people, regions, and experiences.



## Odakyu Romancecar

The Odakyu Romancecar provides comfortable reserved-seat travel—both as a tourist express line connecting Shinjuku and Kita-Senju with Hakone-Yumoto, Katase-Enoshima, and Gotemba, and as a commuter express line linking stations along the line with central Tokyo. The very first Romancecar made its debut in 1957, with many models having seen service since that time. Currently, the EXE, EXEα, MSE, and GSE models are in operation.

The GSE model made its debut in March 2018, framed by the concept of a Romancecar that speeds gracefully to Hakone. The observation-style seating, so symbolic of the

EXE  
(Series 30000)MSE  
(Series 60000)GSE  
(Series 70000)

### New Romancecar model scheduled to begin service in FY3/2029!

Development of the new limited express train, the first since the GSE, began in September 2024, aiming for launch of service in March 2029. The new Romancecar model will inherit the tradition, history, and the Romancecar brand cherished by countless passengers, while aiming to provide a higher quality travel experience for both Japanese and international passengers. It will replace the EXE, beloved as a commuter and shopping train, and is positioned as the successor to the VSE (Series 50000) that was discontinued in 2023.



VSE (Series 50000)

### Partner Message

New designer appointed for the new Romancecar model design! We asked for their thoughts regarding this new challenge.



Michiko Okano/Ryo Chosokabe  
Co-Directors, Chosokabe Okano Architecture

aspirational, yet familiar, offering a sense of the extraordinary within the everyday—a truly captivating presence.

#### Q1. So, what is the appeal of designing rail carriages?

While it shares many similarities with architectural design in the pursuit of exterior beauty, harmony with the surrounding environment, interior comfort, and scenic views, the major difference is that railways are a moving space, so the scenery is always flowing by. It is just fascinating to imagine passengers spending their time as they wish—gazing at the passing scenery while longing for their destination, enjoying lunch, or chatting with family and friends.

#### Q2. What does the Romancecar represent for the local community?

Seeing the Romancecar gliding through stations and towns evokes thoughts of journeys to Odawara and Hakone. I believe the Romancecar is a symbol along the Odakyu line, one that energizes local communities on a daily basis. Its presence is

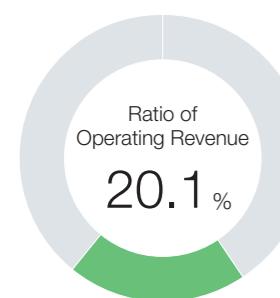
#### Q3. What kind of train will the new Romancecar model be?

I envision the future Romancecar transcending the confines of conventional rail vehicles, striving instead to become an entity closer to nature. My hope is that it will draw out the unique characteristics and charm of the surrounding environment, truly resonating with the local community. The aim is to create a Romancecar that has a soft, gentle impression and that offers people a sense of familiarity.

# Real Estate

We are developing our real estate business, with local communities along the Odakyu Line at the core, by supplying housing, in addition to leasing and operating commercial facilities, office buildings, and other properties. We are investing capital intensively to make this our primary pillar of earnings, with our largest project, the Shinjuku West Gate Development Project, presently underway.

We are also carrying out development in areas around core stations such as Shimo-Kitazawa and Ebina, based on the characteristics of each location and the surrounding environment, as well as expanding our investment methods, including an asset rotation model and overseas real estate business, with external partners.

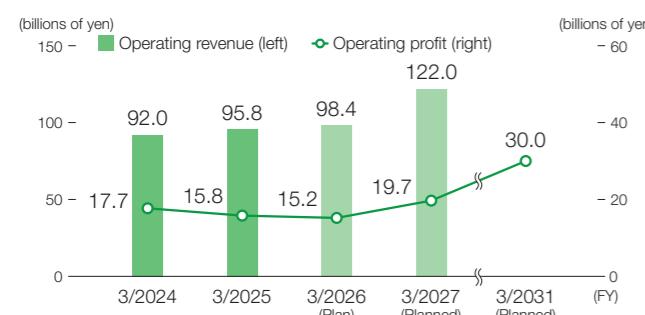


**Operating revenue**  
95.8 billion yen  
(year-on-year increase of 4.2%)

**Operating profit**

15.8 billion yen  
(year-on-year decrease of 10.7%)

## [Operating Revenue/Operating Profit]



## [Major leased properties]

Office buildings	Area	Leased space
Odakyu Southern Tower	Shinjuku	Approx. 20,000 m <sup>2</sup>
VINA GARDENS OFFICE	Ebina	Approx. 12,000 m <sup>2</sup>
Commercial facilities	Area	Leased space
Shinjuku West Gate HALC	Shinjuku	Approx. 27,000 m <sup>2</sup>
Flags	Shinjuku	Approx. 9,500 m <sup>2</sup>
Shin-Yurigaoka L-MYLORD	Shin-Yurigaoka	Approx. 41,000 m <sup>2</sup>
Odakyu Sagami-Ono "Station SQUARE"	Sagami-Ono	Approx. 26,000 m <sup>2</sup>
VINAWALK	Ebina	Approx. 65,000 m <sup>2</sup>

## Sub-segments >>

- Real estate sales ..... We operate sales and brokerage businesses in the Tokyo and Kanagawa areas.
- Real estate leasing ..... We lease commercial facilities operated by Odakyu SC Development Co., Ltd. as well as offices and residences.
- Other ..... Odakyu Building Service Co., Ltd. provides building management and maintenance services for stations, offices, and commercial facilities.

## Risks

- Rising construction costs
- Rising interest rates
- Labor shortages
- Increased maintenance and repair costs for aging properties

## Opportunities

- Large-scale developments including Shinjuku West Gate Development Project
- Advancement of community development through co-creation with local communities
- Increased demand for properties near stations
- Promotion of property development with strong environmental performance
- Examination and execution of redevelopment plans in areas along the Odakyu Line
- Expansion of public-private partnerships and industry-academia-government collaboration
- Intensified intercity and interregional competition

## Main Initiatives in FY3/2025

In the real estate sales business, Odakyu Real Estate Co., Ltd. worked to secure revenue through the sale of detached houses such as those in the LEAFIA Komae Sousui-no-Machi development, and of condominiums, including LEAFIA Residence Chofu Kojimacho.

In the real estate leasing business, in the Shinjuku West Gate Development Project, which has been promoted by the Company, Tokyo Metro Co., Ltd., and Tokyu Land Corporation as the project sponsors, we continued construction of a new building and demolition of the underground and other portions of the main building of the former Odakyu Department Store Shinjuku Store. In addition, the Company enthusiastically promoted development plans for each area, including reopening after renovation in June 2024 of Fujisawa City Kugenuma Seaside

Park as Kugenuma Seaside Park HUG-RIDE PARK, with a larger skate park and new commercial functions, etc., in collaboration with Odakyu SC Development Co., Ltd. and others. In addition, Odakyu SC Development Co., Ltd. held the Shinjuku Mylord Finale Campaign prior to the closure of Shinjuku Mylord due to the progress of the Shinjuku West Gate Development Project, and worked to attract customers by holding various events, as well as to enhance and revitalize its commercial facilities, including the renewal of the commercial facilities Shin-Yurigaoka L-Mylord and Hon-Atsugi Mylord.

In addition, Odakyu Real Estate Co., Ltd. made efforts to expand the scope of its business, including the completion of its logistics facility, the Odakyu Real Estate Logistics Center Kanie, in September 2024.

## Initiatives for the future

The Odakyu Group is focusing on strengthening its real estate business as a core pillar of business alongside transportation infrastructure. Based on our management vision UPDATE Odakyu, we are advancing strategies to make real estate a key source of revenue. The Medium-Term Management Plan announced in May 2025 clearly states the Odakyu Group's goal of achieving 30 billion yen in operating profit for the real estate business and an ROA of 4.3% by FY3/2031. This will be achieved through undertaking development along the railway lines, centered on core urban clusters along our lines, and expanding business through diverse investment methods.

Central to our real estate strategy is portfolio optimization combining long-term holdings for the development and renewal of stable-income properties with investment approaches for quick returns (domestic SPCs, overseas real estate, asset rotation model, and residential sales). The Shinjuku West Gate Development Project is a leading example of the long-term holdings approach. This development involves constructing a super high-rise complex featuring commercial, office, and business development functions. It aims to enhance the value of the Shinjuku area by linking with existing assets in the surrounding areas while reinforcing Shinjuku's role as Japan's premier tourism hub.

In terms of development along rail lines, the Odakyu Group is moving ahead with redevelopment plans in core urban clusters such as Ebina (including redevelopment of the Ebina area), Machida, and Shin-Yurigaoka, alongside land utilization around stations. These community development initiatives are advanced through co-creation in partnership with local governments and regional players, embodying the Odakyu Group's stance as a company focused on creating regional value.

Concurrently, the Group is actively pursuing quick-return investments, planning cumulative investments totaling 415 billion yen over the six-year period from FY3/2026 to FY3/2031. Through agile investments and property turnover

in Japanese and international real estate markets, along with achieving recovery via residential sales, we simultaneously aim to maximize revenue opportunities and improve ROA. Overseas, we are moving ahead with participation in joint ventures with Japanese and local partners for office and residential developments in Australia and the United States particularly, while also considering risk reduction through regional diversification.

To achieve our long-term holdings portfolio targets in real estate, we will enhance the profitability of long-term holdings, which accounted for 80% of both operating profit and total assets as of FY3/2025. Concurrently, we aim to increase the share of quick-return investments in operating profit from 20% in FY3/2025 to around 40%, while controlling total assets to approximately 30%.

Moving forward, the Odakyu Group will continue to undertake real estate development that contributes to the sustainable growth of the region. Through flexible, agile business operations that address societal challenges, we will achieve both corporate value and regional value.

## [Reviewing our portfolio of investment approaches]



# Maximizing value in the Shinjuku area, aiming to be Japan's premier tourism hub

At Shinjuku Station, the world's busiest terminal station and starting point of the Odakyu Line, the Shinjuku West Gate Development Project—a landmark project directly above the station symbolizing the Shinjuku area—is presently underway. This project aims to enhance the overall value of the Shinjuku area, including existing Odakyu Group businesses, and maximize profits.



\*1 Source: "2024 Foreign Visitor Behavior Survey by Country/Region," Tokyo Metropolitan Government's Bureau of Industrial and Labor Affairs  
\*2 Source: 2021 Economic Census for Business Activity

[Other Business Locations in the Shinjuku Area]

① Shinjuku West Gate HALC (commercial)

② Shinjuku West Building (offices)

③ Odakyu Ace (retail)

\* Underground shopping center in front of the West Gate

④ Flags (retail)

⑤ Shinjuku Southern Terrace (retail)

⑥ Odakyu Southern Tower (hotel, offices, etc.)



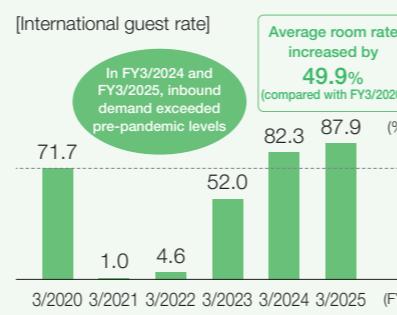
## Shinjuku West Gate Development Project

Scheduled for completion in FY3/2030, this project commenced construction in March 2024. In March 2025, Shinjuku MYLORD (part of Zone B) closed, and the demolition work began. In addition to commercial functions that offer new experiences and high-grade office functions, the project will develop customer-driven business development functions taking advantage of the location's characteristics, developing functions aimed at becoming a tourism hub, and will undertake community development that contributes to strengthening international competitiveness and creating new value.



## Renovation of Odakyu Hotel Century Southern Tower

Renovation of the Odakyu Hotel Century Southern Tower, which opened in 1998, is planned. The hotel, which already boasts high occupancy rates for international guests, will undergo a full renovation and reopen in FY3/2029. This will enhance its capacity to meet inbound demand, enabling further increases in both average daily rates and occupancy rates.



## Interview

We will enhance the appeal of the Odakyu Line corridor through Odakyu-style community development, aiming to increase local residence, interactions, and people that maintain relationships with communities.

Koichi Kutsuzawa

Director and Managing Executive Officer

## Enhancing the value of the Shinjuku area centered on the Shinjuku West Gate Development Project

Construction on our largest project, the Shinjuku West Gate Development Project, commenced in March 2024, marking the full-scale start of work toward completion in FY3/2030. This approximately 260-meter-tall super-high-rise complex will feature state-of-the-art office spaces, commercial functions, and a multifunctional facility designed to foster business development, bringing new vitality and value to the Shinjuku area. The business development function is a distinctive element of this project. Leveraging Shinjuku's status as Tokyo's premier commercial district, attracting a diverse array of consumers, we are developing this space as a hub to stimulate the creation of new customer-driven businesses and value. Furthermore, this project places strong emphasis on environmental considerations, including pursuing ZEB Ready certification, in order to create a city of the future that blends urban convenience with true sustainability.

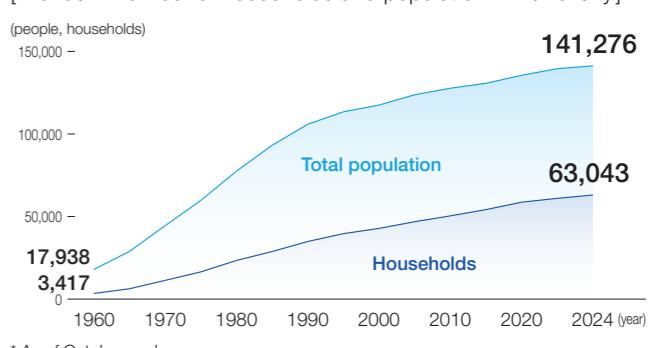
Starting with this project, we intend to increase the overall appeal of the Shinjuku area by restructuring the Odakyu Group's assets in the region. For example, we are planning a full renovation of the Hotel Century Southern Tower by FY3/2029. We also own numerous assets such as Shinjuku West Gate HALC and Flags at the South Exit. Through integrated collaboration around Shinjuku Station, we will work to enhance the area's diverse value. These initiatives will directly contribute to strengthening the Group's overall revenue base.

## Odakyu-style plans to develop rail corridor areas

Naturally, beyond Shinjuku, we are also accelerating our development efforts in areas along our rail lines. At Ebina, a core station along the Odakyu Line, we are advancing the creation of a livable community with "work, residence, commerce, education, recreation, and wellness" that embodies a modern sense of affluence. Through our continuous large-scale development, beginning with the opening of ViNAWALK in 2002, Ebina has grown into an area supported by multiple generations while achieving

population growth. Furthermore, starting in FY3/2031, we plan to move ahead with redevelopment projects based on Odakyu's own assets at core urban hubs such as Shin-Yurigaoka and Machida. All these projects rely on the development experience we have built up in areas like Ebina and Shimo-Kitazawa. We are working to ensure that these developments are implemented in a uniquely Odakyu way, collaborating with local governments and regional players to create regional value through community development.

[Trends in number of households and population in Ebina City]



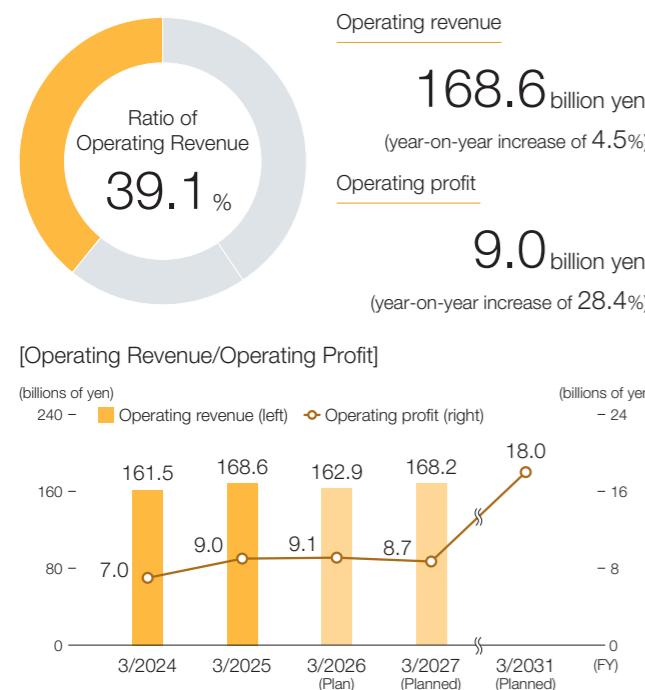
## The future of the Odakyu Group's real estate business

Through these initiatives, the Odakyu Group aims to achieve an operating profit of 30 billion yen and an ROA of 4.3% in the real estate segment by FY3/2031. We place particular emphasis on improving ROA as a key management challenge. Alongside enhancing the profitability of existing properties and property turnover, we will also focus on utilizing the quick-return approach through domestic SPCs, overseas real estate, and residential sales. We plan to grow our real estate segment into a core revenue pillar for the Odakyu Group by reviewing our portfolio and appropriately managing our balance sheet.

Urban development represents nothing less than building people's futures. Taking pride and responsibility in shaping the futures of those who live along Odakyu rail lines or will live there in the future, we will steadily work to achieve community development in a uniquely Odakyu way.

# Life Services

This segment consists of our department stores and stores/retail, as well as restaurants, that provide services and exciting content highly relevant to daily life, as well as our hotels business, which helps elevate the appeal of various tourist destinations along our rail lines, such as Shinjuku and Hakone. Seeking to create rail lines that consumers will choose and visit in the future, we are undertaking initiatives to create regional value by providing services that meet customer needs, promoting sustainable tourism, and developing new areas of business that address social issues in the region.



## Risks

- Increased use of e-commerce and mail order
- Labor shortages
- Sluggish demand due to rising prices
- Consumers growing more price-conscious
- Operational restrictions and reduced pedestrian traffic due to outbreaks of infectious disease
- Increased cost of new store openings and construction works

## Opportunities

- Operational efficiency achieved through store DX
- Expanded demand for high-value-added products and services
- Digitalization of customer touchpoints
- Rising consumer wages and increased disposable income
- Expansion of sustainable and ethical consumption
- Expanded demand for experiential value and higher value-added offerings

## Main Initiatives in FY3/2025

In the department store business, all stores of Odakyu Department Store Co., Ltd. introduced "d POINT," a point service provided by NTT DOCOMO, INC. in September 2024, and aggressively implemented various sales measures including events in order to secure revenue.

In the stores and retail business, the new Aiko-Ishida store of the Odakyu OX supermarket operated by Odakyu Shoji Co., Ltd. was opened, and the specialty store floor of the Komae store was reopened after renovation. In addition, we worked to further enhance customer convenience in line with its efforts to create sales floors that facilitate the shopping experience at various stores.

In the hotel business, although UDS Ltd. was transferred to an external party, the Hotel Century Southern Tower operated by Odakyu Hotels Southern Tower Co., Ltd. worked to provide a more convenient and comfortable dining experience, mainly by enhancing the menu of the Southern Tower Dining and increasing the capacity of dining space with a view, in June 2024.

In the restaurant business, GIRAUD RESTAURANT SYSTEM CO., LTD. developed new business format, and Odakyu Restaurant System Co., Ltd. opened new restaurants, aiming to strengthen their ability to attract customers.

## Initiatives for the future

Under the Medium-Term Management Plan announced in May 2025, the Life Services segment is moving ahead with high value-added offerings and strengthening community connections through initiatives like strengthening the store/retail business and creating new businesses using digital technology.

In the store and retail segment, we are continuing to open new Odakyu OX stores and renovate existing ones, aiming to establish a lean operating structure and maximize sales floor space. We aim to balance productivity and customer satisfaction through efficiency improvements using digital transformation (DX), such as introducing self-checkout systems and AI ordering systems.

In the hotel segment, the former Hakone Lake Hotel is scheduled to open in 2025 as RETONA HAKONE, a luxury hotel exclusively for guests with their beloved dogs. Furthermore, renovations are planned for the Hakone Highland Hotel and the Hotel Century Southern Tower to accommodate inbound tourists and long-stay guests. We are also expanding our hotel network through M&As and operational management contracts.

In the restaurant and food services segment, we are developing new concepts and opening outlets at facilities along Odakyu lines to increase touchpoints with local residents while enhancing convenience. In the digital domain, we are tackling regional challenges and creating new business models by utilizing the WOOMS waste collection support service and the Odakyu ONE membership service.

In the Life Services segment, we are aiming for sustainable revenue growth and co-creation of social value as infrastructure enriching daily life within regional economic spheres.



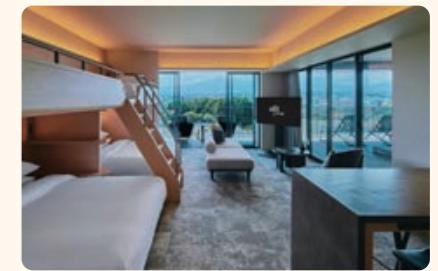
Odakyu OX

Operation of edit x seven FUJI GOTEMBA hotel (offering panoramic views of Mt. Fuji) commenced from September 2025

ODAKYU Resorts Co., Ltd., which operates hotels and hot spring facilities primarily in the Hakone and Gotemba areas, entered a management contract for the newly opened edit x seven FUJI GOTEMBA hotel in September 2025. The hotel features diverse room styles, including rooms with bunk beds suitable for large groups, rooms with saunas, and dog-friendly rooms. Its BASE445 dining venue serves dishes using local ingredients, catering to diverse needs, both Japanese and international. Furthermore, the introduction of cashless payment systems and touch-panel self-check-in

systems has enabled the company's first small-staff operation.

The Odakyu Group plans to expand its hotel segment by securing three or four similar management contracts by FY3/2031 and opening two or three new high-value-added hotels.



# Message from Division Director of Corporate Strategy & Planning Division



We will work to improve capital efficiency and progress our journey toward sustainable growth to remain a company that consistently meets stakeholder expectations.

Hideo Mizuyoshi

Director and Managing Executive Officer

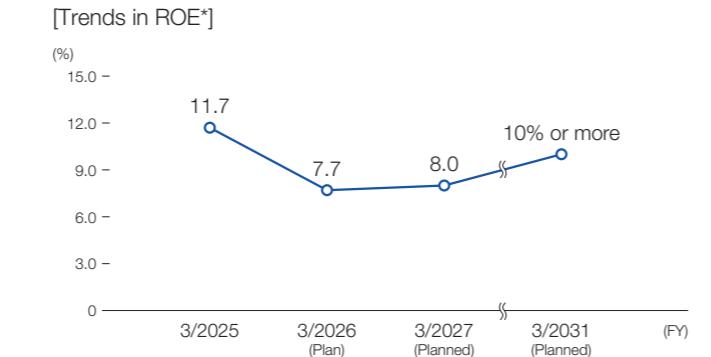
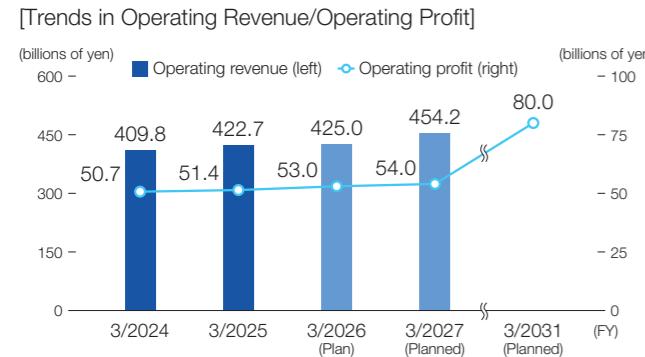
## Reflecting on FY3/2025: The first year of a period of rapid growth

FY3/2025 was a pivotal year for the Odakyu Group. Guided by our UPDATE Odakyu management vision, we stepped into a new growth stage—a period of rapid growth—after completing three years of structural reform.

In our initial projections for FY3/2025, we anticipated consolidated operating revenue of 424 billion yen and operating profit of 42 billion yen—an increase in revenue but a decrease in income compared to the previous year. This was due to factors such as changing the fiscal year-end for our department store business and stores and retail business to a 13-month period under the Japanese Group Relief System, as well as an increase in the number of planned unit sales to be recorded in the real estate sales segment. However, operating expenses were projected to rise due to increased facility update costs in our rail segment. However, actual FY3/2025 results significantly exceeded the initial operating profit forecast, reaching 51.4

billion yen. This was due to higher-than-expected passenger volumes in our railway operations and Hakone area ropeway and ferry services, as well as lower-than-anticipated facility update costs. Furthermore, as a result of additionally reviewing and selling cross-shareholdings, which we had already been reducing, profit attributable to owners of the parent reached 51.9 billion yen, exceeding the initial forecast by 13.9 billion yen. As a result, ROE also exceeded our initial forecast by 2.9 percentage points to 11.7%.

As the Director in charge of Corporate Strategy & Planning and Finance, I am determined to redouble my efforts to ensure these FY3/2025 results are not fleeting. The entire Odakyu Group will continue to work to enhance business profitability and capital efficiency, while establishing a structure and framework that enables the sustained improvement of corporate value.



\* Profit attributable to owners of parent/shareholders' equity (average of the start and end of the fiscal year; excluding unrealized gain on securities)

## Raising consolidated financial targets and further undertaking management practices with an awareness of capital costs and stock prices

In May 2024, we set consolidated financial targets for FY3/2031 as an ROE of 7% or more and operating profit of 70 billion yen. However, based on the current business environment and dialogue with investors, we strongly felt the need to raise these targets further, and in order to achieve them, to undertake management that is even more aware of capital costs and stock prices. After extensive internal discussions, in May 2025 we announced new consolidated financial targets for FY3/2031: a ROE of 10% or more and operating profit of 80 billion yen. These targets demonstrate our strong commitment to growth to our stakeholders, aiming to achieve both enhanced business profitability and improved capital efficiency at a higher level during this period of rapid growth. This significant upward revision of our targets is not merely an update of numerical indicators. It also reflects our strong determination to continue demonstrating corporate sustainability and competitiveness

while responding effectively to the increasingly demanding standards required across economic, social, and environmental spheres.

Regarding this revision, while we appreciate that our ambition for future growth has been recognized, we also recognize that attention is focused on the likelihood of significantly raising our previous targets, and so we aim to earn your trust by steadily building our future performance.

We place a particular emphasis on achieving growth sustainably. This means not only increasing sales and profits, but also maximizing the return on investment to reflect results in ROA, an indicator of capital efficiency. Consequently, our ideal financial strategy is to enhance our credibility in financial markets, leading to lower funding costs and ultimately improving market valuation. To achieve this, we recognize that even more strategic and meticulous financial management is essential.

## Thoroughly breaking down factors to widen equity spreads

Since the announcement of our Medium-Term Management Plan in May 2024, our stock price has remained sluggish, with PBR falling to around 1x. We estimate that our shareholders' equity cost has risen to approximately 6–7.5% due to factors including rising interest rates.

In implementing management practices with an awareness of capital cost and stock prices, we recognize that key challenges for the Odakyu Group, given this current situation, include improving ROE and controlling the cost of shareholders' equity to extend the equity spread. We believe

that addressing this challenge and extending equity spread is essential to fulfilling our responsibility as a company to all stakeholders, including our shareholders.

We have published a tree diagram (see Message from President & CEO on P.10) that breaks down the elements necessary to widen equity spread and details specific measures for each element. Among these, we consider improving ROE—which we have also set as a significantly increased consolidated financial target—to be the most critical for us.

### Trends in Our Stock Prices\*



## Message from Division Director of Corporate Strategy &amp; Planning Division

## Working as a united Group to improve ROE

To improve ROE, we must first work on improving ROA and increasing financial leverage.

Regarding the first point—improving ROA—we have set a Group-wide target of 4.9% or more for operating profit ROA by FY3/2031. To steadily increase this from the operating profit ROA of 4.1% in FY3/2025, we have also set segment-specific ROA targets. In the Real Estate segment, we will combine improving the profitability of existing properties with diverse investment approaches to raise ROA from the current 3.4% to 4.3% by FY3/2031. The Life Services segment encompasses a wide range of industries. Focusing on the growing hotel business, we will significantly

increase ROA from the current 6.9% to 11.1% by FY3/2031 by tapping into tourism demand through renovations and new store openings.

Furthermore, alongside setting segment-specific ROA targets, we have established a system to regularly monitor the progress of investments and profit generation. By promptly identifying areas for improvement and rapidly implementing effective measures, we will steadily achieve our targets.

Additionally, we will actively pursue continuous asset replacement. We will improve ROE by reducing cross-held listed shares and replacing existing real estate properties to recover funds, which will be allocated to growth investments and shareholder returns. Regarding cross-held listed shares, we have been continuously selling them, starting with Sotetsu Holdings Inc. shares in March 2025, and we plan to sell over 30 billion yen worth over the six-year period from FY3/2026 to FY3/2031. This will reduce our consolidated holdings, valued at 42.4 billion yen at market price as of the end of FY3/2025, to approximately 10 billion yen by FY3/2031.

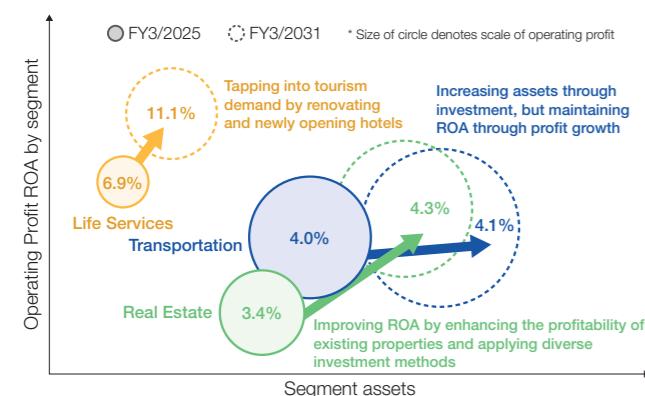
Regarding replacement of real estate assets, we will focus on the asset rotation model to acquire short-term revenue and improve ROA, while also actively reviewing and selling off existing properties based on market suitability and assessments of future potential. During the three-year period of structural reform that ended in FY3/2024, we already carried out sales totaling approximately 140 billion yen, including the Odakyu Century Building, Odakyu Dai-ichi Seimei Building, and our headquarters building in Nishi-Shinjuku. We will continue to aim for sales of at least 10 more properties, totaling 20 billion yen or more, over the next six years.

## FY3/2031 Operating Profit ROA Target\*

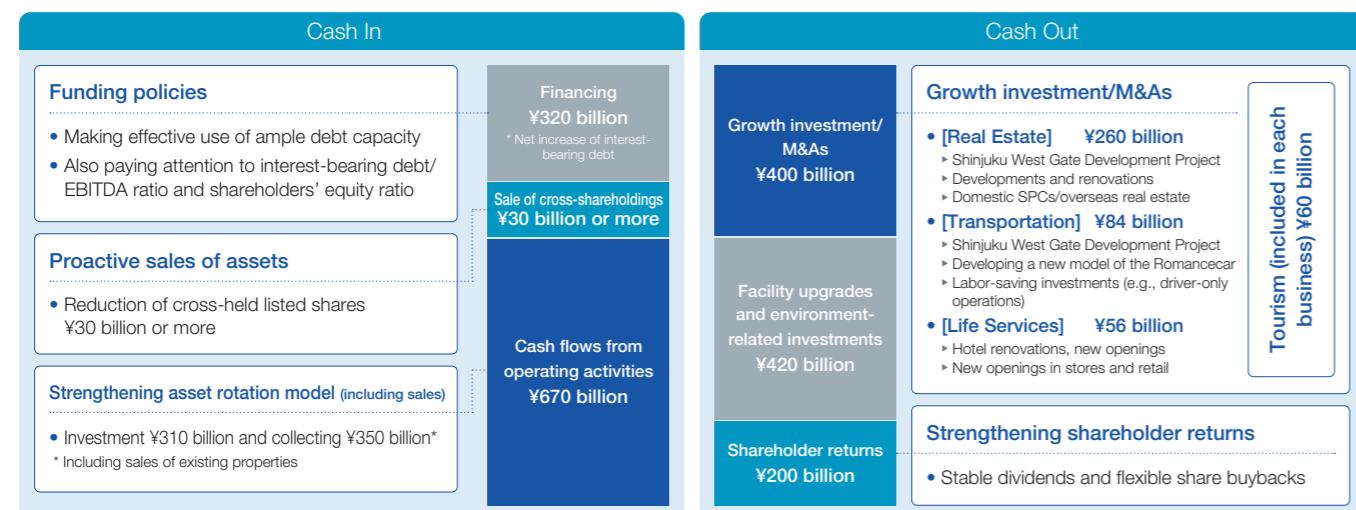
FY3/2025: 4.1%  Targets for FY3/2031: **4.9% or more**

\* Operating profit/Total assets (average of the start and end of the fiscal year; excluding unrealized gain on securities)

## Segment-specific operating profit ROA (Image)



## Capital allocation for FY3/2026–FY3/2031



Regarding the second initiative, increasing financial leverage, we plan to reduce the equity ratio to 30% by FY3/2031 and implement cumulative shareholder returns totaling 200 billion yen between FY3/2026 and FY3/2031. Based on our shareholder return policy of aiming for a consolidated total payout ratio of 40% or more\* on average from FY3/2024 to FY3/2027 as well as our return plan of 200 billion yen, we plan to pay an annual dividend of 40 yen per share in FY3/2025 (a year-on-year increase of 10 yen) and 50 yen per share in FY3/2026 (a year-on-year increase of 10 yen). Regarding buybacks of treasury shares, we will consider the timing and scale while comprehensively evaluating changes in the business environment and performance. We will also take into account the need to address any

deterioration in the supply–demand balance caused by the sale of our shares by financial institutions and others.

Furthermore, leveraging our ample funding capacity, we will accelerate growth investments by utilizing external funds such as issuing of corporate bonds and borrowing, investing a cumulative total of 400 billion yen over six years. We plan to invest 260 billion yen in real estate, including the Shinjuku West Gate Development Project and quick-return investment approaches, and 60 billion yen in tourism, a growth area, to tap into tourism demand including inbound visitors. We believe the leverage effect from utilizing debt will significantly contribute to improving overall capital efficiency.

\* Total returns over four years/Total profit attributable to owners of parent over four years ≥ 40%

## Controlling the cost of shareholders' equity alongside improving ROE

In terms of controlling the cost of shareholders' equity, another approach to extending the equity spread, we have set two key targets—promoting sustainability management and strengthening dialogue with the market.

As part of promoting sustainability management, we will steadily move forward with initiatives toward our vision and toward the targets set for material issues, closely disclosing our progress to deepen stakeholders' understanding of Odakyu as a company. We will also refine our disclosure materials in swift response to any changes in the external environment surrounding sustainability and market demands, aiming for continuous improvement in ESG ratings.

Furthermore, as part of strengthening dialogue with the market, we regularly arrange meetings with institutional investors and analysts. We will also promote understanding of our Group's growth story by integrating financial and non-financial information into our integrated reports and earnings presentation materials. We also provide feedback gathered through dialogue on market opinions to the Board of Directors and the Board of Executive Officers, incorporating these into management decisions, which strengthens engagement and builds long-term trust with investors. In this way, by reinforcing trust from both the

market and investors, we aim to reduce the cost of shareholders' equity.

These initiatives—aimed at improving ROE and controlling the cost of shareholders' equity—function not independently but in synergy, ultimately enabling maximization of our equity spread. Moving forward, we will continue to drive forward with integrated advancement of our financial strategy and sustainability management to achieve continuous enhancement of corporate value and sustainable growth.



## Toward Achieving Our Goals

In pursuing enhanced corporate value, we believe it is essential to constantly return to the fundamental questions: To whom does the company belong? What is its purpose? In doing so, we must consider not only our customers, but also our shareholders, investors, business partners, local communities, and our employees—all our stakeholders—

while meeting their expectations and achieving creation of both social and economic value. Achieving ambitious goals is never an easy thing. The entire Odakyu Group is united in strong determination and passion to make our growth story a reality.

# List of Material Issues/Targets & Indicators

As the Odakyu Group encompasses several of Japan's leading tourist destinations and core cities with certain populations, which possess diverse regional characteristics and, accordingly, face various social issues. By addressing these issues as a business and forming towns with unique qualities, we will open up new business opportunities and create new value.

The material issues selected, along with the targets and monitoring indicators set for each issue and the latest results, are as follows. Through improving these results and achieving our targets, we will address our material issues and ultimately promote sustainability management.

Material issues		Key social issues to be faced		Targets and Monitoring Indicators		Performance for FY3/2025	
1	<b>Safety and peace of mind</b>  ▶ Provision of public transportation services that prioritize safety and peace of mind ▶ Pursuit of a society where anyone can live with peace of mind	<ul style="list-style-type: none"> <li>Safe and reliable public transportation</li> <li>Barrier-free society</li> <li>Cyber crime and natural disasters</li> </ul>		Target	Number of operating accidents/incidents caused by the Company in the railway business: 0 (each fiscal year)	1 case	
					Number of fatalities or serious injuries in the bus and taxi businesses: 0 (each fiscal year)	Deaths: 0/Serious injuries: 4 incidents	
				Monitoring Indicators	Total level of satisfaction in railway services	65.2% (-1.3 P year-on-year)	
2	<b>Community development and local communities</b>  ▶ Community development combining work, residence, business, education, recreation, and wellness ▶ Community development that utilizes local assets	<ul style="list-style-type: none"> <li>Declining birthrate and aging society</li> <li>Decrease in vitality of local communities</li> <li>Intensified competition between urban and local communities</li> <li>Innovation of technology</li> </ul>		Target	Number of users at focus stations in areas being strengthened (per day) (FY3/2031 / FY3/2041) Shinjuku: 470,000/530,000 users Shin-Yurigaoka: 120,000/140,000 users Machida: 270,000/300,000 users Ebina: 150,000/160,000 users	Shinjuku: 451,000 users (+2.5% year-on-year) Shin-Yurigaoka: 115,000 users (+1.7% year-on-year) Machida: 259,000 users (+1.6% year-on-year) Ebina: 136,000 users (+2.7% year-on-year)	
					Population of communities along the Odakyu Line Overall level of satisfaction by local residents Overall level of satisfaction with how to live (well-being)	5.23 million people (+0.2% year-on-year) 69.0% (-0.7 P year-on-year) 53.0% (+0.4 P year-on-year)	
				Monitoring Indicators	Odakyu Group's tourism revenue: ¥120 billion (FY3/2031) Inbound tourism revenue: ¥45 billion (FY3/2031)	¥78.9 billion (+9.8% year-on-year) ¥24.2 billion (+24.7% year-on-year)	
3	<b>Daily Life and Tourism Experiences</b>  ▶ Promotion of rich lifestyles that utilize technology ▶ Provision of region-specific tourism experiences	<ul style="list-style-type: none"> <li>Diversification of lifestyles</li> <li>Increase in mobility impaired people</li> <li>Innovation of technology</li> <li>Over-tourism and inbound tourism</li> </ul>		Target	Number of users of children's IC cards other than commuter passes Number of Romancecar users Number of Odakyu ONE IDs Number of Freepasses sold (Hakone)	5.412 million people (+6.3% year-on-year) 10.93 million people (-0.3% year-on-year) 410,000 IDs (+90,000 IDs year-on-year) 860,000 passes (+6.2% year-on-year)	
					Number of visitors to tourist areas along the Odakyu Line (Hakone and Fujisawa)	Hakone: 20.31 million people (+4.1% year-on-year) Fujisawa: 20.40 million people (+4.0% year-on-year)	
				Monitoring Indicators	Odakyu Group CO <sub>2</sub> emissions: 50% reduction from FY3/2014 (FY3/2031) Net zero (FY3/2051)	-56.4% from FY3/2014 (-44.1% year-on-year)	
4	<b>Environment (carbon neutrality)</b>  ▶ Realization of a decarbonized society through energy conservation, renewable energy, electrification, and collaboration with local communities ▶ Realization of a resource recycling society aimed at Beyond Waste	<ul style="list-style-type: none"> <li>Response to climate change (decarbonization and resource recycling in local communities)</li> <li>Shift to public transportation with a low environmental impact</li> <li>Conservation of forests, the countryside, rivers, and oceans</li> </ul>		Target	Odakyu Group waste emissions (intensity per unit of revenue): Year-on-year reduction (each fiscal year)	+0.2% year-on-year	
					Odakyu Group water intake (intensity per unit of revenue): Year-on-year reduction (each fiscal year)	-2.7% year-on-year	
				Monitoring Indicators	Ratio of female employees (full-time): 20% (FY3/2031)/35% (FY3/2051) Ratio of women in management roles: 15% (FY3/2031)/30% (FY3/2051) Ratio of male employees taking paternity leave: 100% (FY3/2031)/100% (FY3/2051)	14.8% (-0.7 P year-on-year) 8.6% (-4.3 P year-on-year) 76.5% (+6.1 P year-on-year)	
5	<b>Strengthening human capital</b>  ▶ Cultivation of a corporate culture that enables all employees to work in their own unique way ▶ Development and allocation of value-creating human resources for achieving sustainable growth	<ul style="list-style-type: none"> <li>Diversity and inclusion</li> <li>Labor shortage</li> <li>Work style diversification</li> </ul>		Target	Employee engagement survey score (non-consolidated) Operating revenue per employee	Overall comprehensive score 3.24/Average workplace recommendation rating 5.46 ¥36 million (+5.9% year-on-year)	
					Staff sufficiency rate (rail & bus) Number of specialized personnel (real estate growth sectors)	Railways*: Train personnel 104.1%, Station personnel 99.3%, Technical personnel 100.0% Buses: Drivers 95.8%, Maintenance engineers 82.7% Redevelopment planners: 2/ARES Certified Masters: 17	
				Monitoring Indicators	Number of major legal violations: 0 (each fiscal year) Ratio of female officers: 30% (FY3/2031)	0 23.1% (3 out of 13)	
6	<b>Governance</b>  ▶ Realization of an optimal governance structure that supports the expectations of all stakeholders	<ul style="list-style-type: none"> <li>Disclosure of non-financial information</li> <li>Sustainable corporate management</li> </ul>		Target	Number of serious information security incidents: 0 (each fiscal year) Implementation rate of sustainability survey for business partners: 100% (FY3/2031)	0 Share of total value of transactions with Odakyu Electric Railway: 97%	
					Ratio of independent outside directors	46.2% (6 out of 13)	

\* Railway is on a non-consolidated basis.

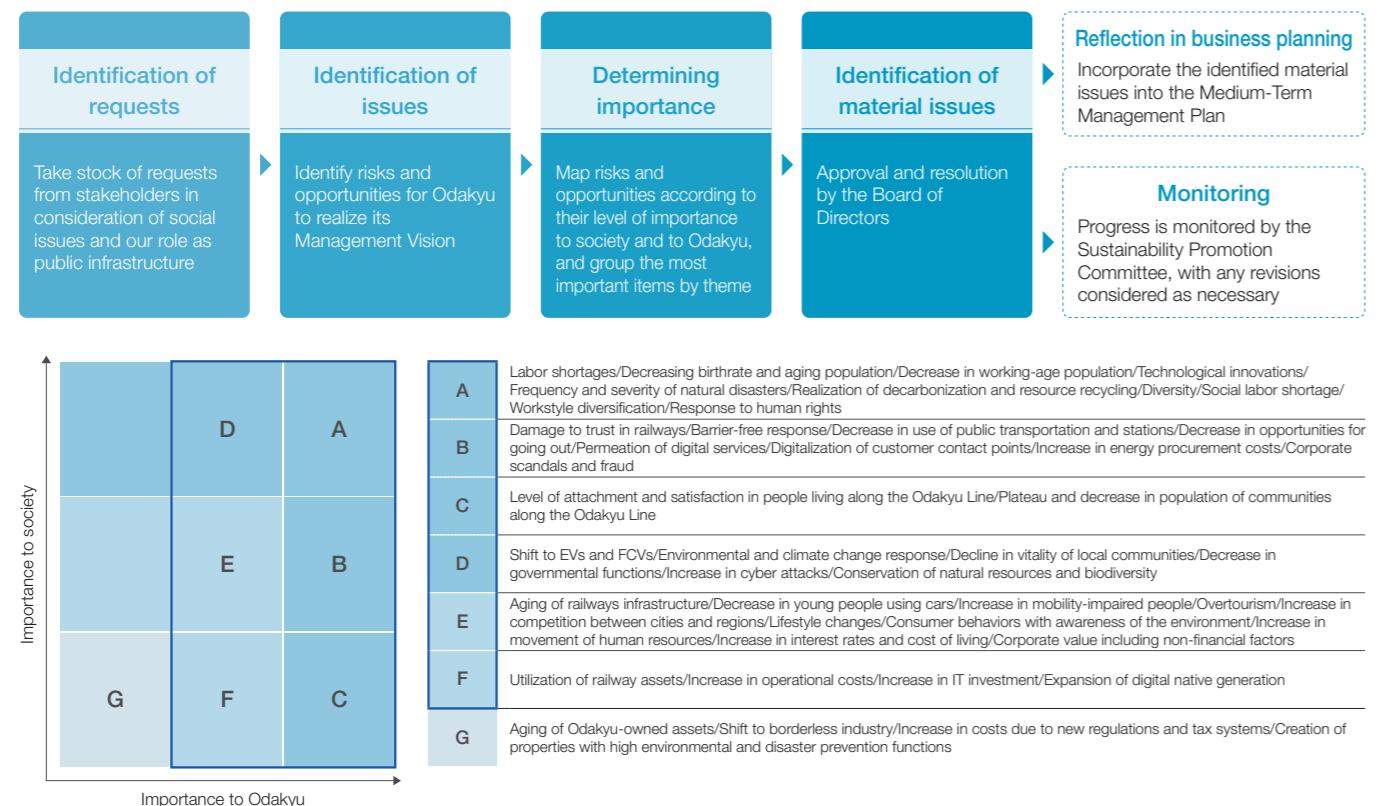
## Identification of Material Issues

We have organized social issues tied to multiple themes by consolidating SDGs, which are global social issues, detailed business risks and opportunities of the Odakyu Group, and various environmental perceptions shared in discussions by the Future Creation Committee, which formulates annual plans through a system where all members of the organization

participate, and discussions at the management level.

Moreover, we categorize these social issues according to their level of importance, and after repeated evaluations of their importance in light of the Odakyu Group's business development and management resources, we identify particularly important social issues as material issues.

[Process for Identifying Material Issues]



### Message from the Sustainability Promotion Committee Secretariat

Masakazu Murohashi  
Executive Officer and Manager of Management Strategy Department

### Positioning of sustainability

Within its business planning structure, the Odakyu Group has positioned "Promoting Sustainability Management" as an overarching and unchanging principle above its Management Vision. This principle underpins the management foundation, aiming to simultaneously balance economic value with social value while remaining attentive to the needs of the environment and society.



Since our founding, we have grown as a company while contributing to the sustainable development of local communities through transportation services and community development. We recognize this journey is the embodiment of sustainability itself. However, to achieve new growth going forward, we believe it is crucial to reaffirm a shared understanding of the Group's approach to sustainability management, expand our initiatives, and disclose and refine the details of these efforts to enhance corporate value.

Our Business Planning Structure

The pyramid diagram illustrates the Odakyu Group's business planning structure, starting from the base:

- Medium-Term Management Plan (2024-2026)**
- Management Vision**: **UPDATE Odakyu** – Becoming a Community-Based Value Creation Company
- Promotion of Sustainability Management**
- Group Management Principle**

## Promotion System

Odakyu has established the Sustainability Promotion Committee to promote sustainability across the Group. The committee is chaired by the Executive Officer in Charge of Sustainability, with the Management Strategy Department serving as secretariat, and it discusses issues including

formulation of all policies, planning for specific measures based on material issues, setting of promotion targets and indicators, and status of progress, in collaboration with each related internal department and Group company.

[Structure of the Sustainability Promotion Committee]



[FY3/2025 Agenda of Sustainability Promotion Committee]

Key Topics	Summary of Agenda
Setting of material issues targets & monitoring indicators	Discussing and approving of new targets and monitoring indicators set for material issues to promote sustainability management
TNFD compliance	Consideration of analysis targets and methods based on TNFD recommendations, and discussion on specific disclosure content and setting of new targets
New disclosure of GHG emissions	Discussion on calculation methods for Scope 3 and Scope 4 (reduction contributions) and specific disclosure content
Support for human rights	Progress reports focusing on integration into risk management, internal education/training, and communication with business partners, plus discussion on new initiatives
Response to customer harassment	Formulation of Customer Harassment Response Policy and creation of operational guidelines based on this Policy
Electrification of buses	Discussion on decarbonization efforts within Odakyu Group bus operations, including promoting the shift toward EVs

### Progress of material issue-related initiatives

The Sustainability Promotion Committee is composed of executives and general managers from across the business and corporate departments, who have discussions from diverse perspectives not only to report on the progress of material issue-related targets and monitoring indicators, but also to continuously review these targets and indicators, to link them to business planning, to conduct external disclosure, and to improve evaluations in order to respond flexibly to the ever-changing business environment.

This approach has led to steady progress toward achieving individual targets and indicators. It has also strengthened Group-wide, unified promotion because of significant new targets and indicators that relate to solving our management challenges, improving performance, and leveraging our strengths and uniqueness.

Furthermore, as part of our CO<sub>2</sub> emissions reduction efforts toward carbon neutrality, we have actively promoted the introduction of

renewable energy, achieving our FY3/2031 target ahead of schedule. We have also commenced disclosure based on the TNFD recommendations, thus expanding the scope of our environmental support initiatives. Furthermore, to help achieve decarbonization in our bus operations, we are scrutinizing multiple approaches and undertaking studies toward building more sustainable transportation infrastructure.

### Toward further evolution of sustainability management

To continuously evolve our sustainability management, it is essential to accurately determine stakeholder expectations through dialogue and reflect these in our initiatives. As a comprehensive evaluation of the Group, we have been included in the FTSE ESG Index and the Sompo Sustainability Index. We will continue to work to build trust and further enhance evaluations through proactive disclosure of information.

## Material issues

### 1 Safety and Peace of Mind

- ▶ Provision of public transportation services that prioritize safety and peace of mind
- ▶ Pursuit of a society where anyone can live with peace of mind

**Key social issues to be faced**

- Safe and reliable public transportation
- Barrier-free society
- Cyber crime and natural disasters

Target
• Number of operating accidents/incidents caused by the Company in the railway business: <b>0 (each fiscal year)</b>
• Number of fatalities or serious injuries in the bus and taxi businesses: <b>0 (each fiscal year)</b>

➡ FY3/2025 performance for Targets and Monitoring Indicators is on P.40

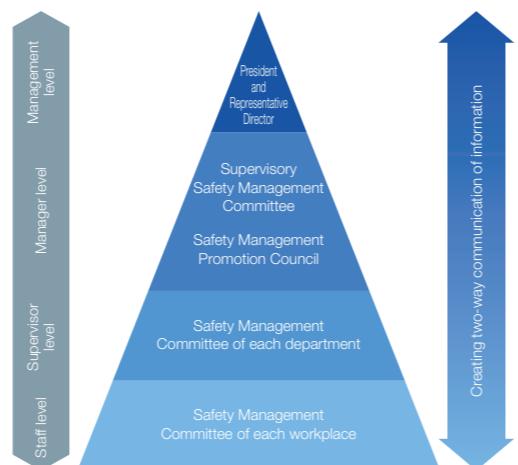
Monitoring Indicators
• Total level of satisfaction in railway services

## Safety Management System

We have established a safety management organizational structure centered on the Chief Safety Management Officer, who oversees all safety-related operations, with the President & CEO as the chief safety officer responsible for safety management. To facilitate operation of the safety management system, we have ensured it allows for two-way communication of information between top management and all levels, from executives to staff, rather than just top-down issuing of instructions.

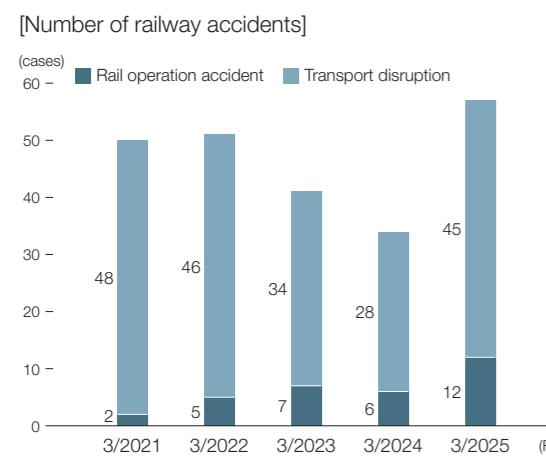
### Topic Strengthening safety management systems across the Group

We hold the Odakyu Group Transportation Operators Chief Safety Management Officers Meeting annually, attended by Chief Safety Management Officers and operations managers from Odakyu Group transportation operators. This meeting facilitates the sharing of beneficial safety management initiatives and information exchange.

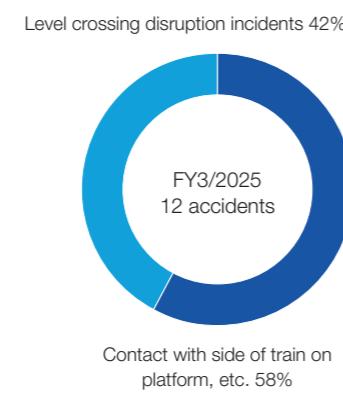


## Accidents & Incidents

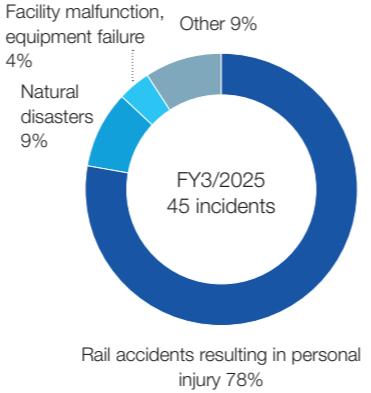
As a material issue, we have set a goal to reduce the number of operating accidents/incidents caused by the Company in the railway business to zero each fiscal year. However, in FY3/2025, an accident occurred at Shin-Matsuda Station in which a train departed while a passenger was caught in a door, resulting in injury.



### [Causes of railway accidents]



### [Causes of transport disruptions]



## Measures to prevent recurrence for the rail injury accident occurring at Shin-Matsuda Station in FY3/2025

Following the rail injury accident that occurred in FY3/2025, we are implementing initiatives as safety measures aimed at preventing recurrence.

### SOFT COUNTERMEASURES

1. Codify criteria for conductors giving departure signals into operational standards
2. Implement twice-yearly (June/December) training to prevent complacency
3. Improve organizational culture (both headquarters and in the field)
  - Risk prevention & management
  - Enhance safety awareness
  - Strengthen communication
4. Promote safety awareness activities

### HARD COUNTERMEASURES

1. Review vehicle door clearance dimensions, add soft-close function
2. Identify platforms with scope to improve visibility and renovate as necessary
3. Promote safety measures on platforms



## Human resource development and passing down of techniques for safety

The Odakyu Group conducts education and training tailored to the duties and characteristics of each department, always aiming to enhance the knowledge and skills of our personnel. After first confirming their ability to perform duties on an individual basis, we conduct three years of follow-up training for train personnel, and regularly implement aptitude tests. We also periodically check the status of operational knowledge retention and practical work implementation. Furthermore, we maintain and enhance knowledge and skills through training and guidance in line with the introduction of new trains and changes to regulations and seminars at each workplace.

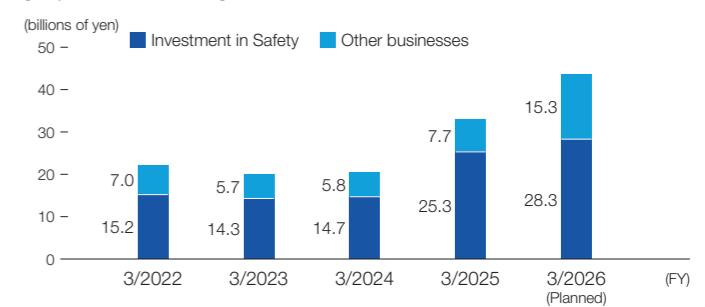
[Platform doors plan & installation status]

Stations already equipped	Completion by FY3/2029	Completion by FY3/2033
15 stations	27 stations	37 stations

\* As of April 2025

\* All stations between Shinjuku and Mukōgawa-Yuen, including some stations served by express trains

[Capital investments]



## Installation of in-train security cameras

Aiming to deter crimes and resolve incidents ahead of time, we are moving ahead with installation of in-train security cameras on commuter trains that currently lack them. In FY3/2026, we will install a total of 440 cameras across 19 commuter trains, completing our planned installation on all target vehicles.



### Topic Building a safety confirmation system using image analysis AI

In joint collaboration with Cybercore Co., Ltd., we developed the Universal Anomaly Detection algorithm, which automatically detects and alerts for two scenarios during train departures—when a person is present between the yellow dotted blocks at the platform edge and the train, and when an umbrella or similar object is caught after the doors close. Proof-of-concept testing was conducted at Shin-Yurigaoka Station. By applying the algorithm in an actual station environment, we sought to build up missed detections and false detections to train the AI, thereby improving detection accuracy for practical implementation.



## Material issues

## 2

## Community Development and Local Communities

- Realization of community development that combines work, residence, commerce, education, recreation, and wellness
- Community development that utilizes local assets

## Key social issues to be faced

- Declining birthrate and aging society
- Decrease in vitality of local communities
- Intensified competition between urban and local communities
- Innovation of technology

## Target

- Number of users at focus stations in areas being strengthened (per day) (FY3/2031 / FY3/2041)
- Shinjuku: 470,000/530,000 users
- Machida: 270,000/300,000 users
- Shin-Yurigaoka: 120,000/140,000 users
- Ebina: 150,000/160,000 users

FY3/2025 performance for Targets and Monitoring Indicators is on P.40

## Monitoring Indicators

- Population of communities along the Odakyu Line
- Overall level of satisfaction by local residents
- Overall level of satisfaction with how to live (well-being)

## Area Management

The Odakyu Group undertakes diverse initiatives aimed at enhancing the value of our railway corridor areas. These include community development in core cities along the line such as Shin-Yurigaoka, Ebina, and Fujisawa; planning and implementing events that make the most of our connections with local communities; and participating in area management consortiums. In the Shimo-Kitazawa area, we collaborated with the local community to develop the Shimokita Senrogai district, utilizing the former railway site created by the multiple double track expansion project and the undergrounding of rail lines associated with Tokyo Metropolitan Government's grade-separated crossing project. All 13 areas opened in May 2022. Unlike conventional community development, this project addresses area management through a new "supportive development" style. Local players take the lead, while as the operator, we provide support that prioritizes the community's values. This collaboration with local residents has truly made the most of the area's charm and resources.

## 下北線路街



Events at Shimokita Senrogai

## HOME/WORK VILLAGE – A mixed-use facility utilizing a former school site

In July 2025, the Odakyu Group fully opened the mixed-use facility HOME/WORK VILLAGE, utilizing the former site of Setagaya Municipal Ikejiri Junior High School. This facility is part of Setagaya City's project to create hubs to revitalize industry. It integrates diverse functions such as work, play, and learning, aiming to promote vibrancy through revitalizing the local community. In addition to co-working spaces, offices, restaurants, and retail shops, it features functions that promote communication, such as shared kitchens and streaming studios. It is also utilized as a hub with strong community roots, hosting events like markets and sports experiences in its plaza and gymnasium.



Exterior of HOME/WORK VILLAGE building

## meedo mixed-use complex

In spring 2025, Odakyu Bus opened "meedo," a mixed-use complex that combines living and working spaces that support diverse livelihoods, within the route bus turnaround area in Jindaiji Higashi-machi, Chofu City, Tokyo. This complex comprises mixed-use residences of varying sizes, shared shops, a plaza with a well, and a bus waiting area. This facility follows on from "hocco," a complex centered around a livelihood rental residence combining shops and residences that opened in 2021 at a bus turnaround in Musashino City, Tokyo. Staying true to its former concept of integrating human activities with water, it aims to revitalize the local community by providing shop operators and residents with a new space for relaxation and interaction.



Exterior of meedo building

## WOOMS Waste Management Business

This business aims to help create a sustainable, prosperous recycling society toward a world "Beyond Waste." It provides two core services: collection & disposal support, which offers systematic solutions to challenges such as optimizing resource/waste collection, transportation, and disposal operations; and resource recycling support, which includes services contributing to achieving a recycling economy, starting with solving waste disposal problems. It delivers optimized co-creation solutions for municipalities and businesses to address waste and resource collection challenges within local communities.



WOOMS introduced: 28 cases



## Sponsorship of FC Machida Zelvia

Since 2009, we have sponsored FC Machida Zelvia, a soccer team located along the Odakyu Line that is currently performing well in the J1 League. During home games, we hold events and run specially decorated buses in collaboration with the Odakyu Group's bus company. Furthermore, when home games are held at Japan National Stadium, we conduct promotional activities at Machida Station, Shinjuku Station, and Shimo-Kitazawa Station. Through our collaborative activities with FC Machida Zelvia, we work to enhance the value of local communities.



Decorated bus operations (Kanagawa Chuo Kotsu)

## Odakyu Location Service

This service supports filming for movies, dramas, commercials, magazines, and similar projects, primarily utilizing railway facilities such as trains and stations. Launched in 2022, the service has supported over 100 projects (as of August 31, 2025).

Locations like Kyodo and Setagaya-Daita have been revitalized through activities such as shooting location tours.

Filming location for drama "silent": Setagaya-Daita Station



## Bicycle sharing

We collaborate with bicycle-share operators to promote the introduction of bicycle sharing services in areas around stations. We have installed rental and return stations (ports) for e-bikes (electric-assist bicycles) in bicycle parking lots at locations such as Shimokita Senrogai, Odakyu Tama-Center Station, and Minami-Rinkan Station. We are considering expanding these installations based on usage trends.



Image of station

## [Basic Cooperation Agreement Partners]

• Senshu University	• Bunka Gakuen University
• Seijo University	• Tamagawa University
• Keio University	• Tama Art University
• Tokai University	• Tama University
• Tokyo University of Agriculture	
• Sagami Women's University	

## Collaboration with educational institutions along the Odakyu Line

By collaborating with educational institutions such as universities located along the Odakyu Line, we utilize the broad fields of business of the Odakyu Group as "points of contact between students and society." These activities contribute to fostering talent with a broader perspective and help contribute to local communities along the line.

## [Ando Kinen Syougakukin Scholarship Disbursement Record]

FY3/2022 FY3/2023 FY3/2024 FY3/2025

Number of recipients	91	95	94	91
Actual amount granted (thousands of yen)	21,288	21,954	21,984	23,196

## [Research Grant Disbursement Record]

FY3/2022 FY3/2023 FY3/2024 FY3/2025

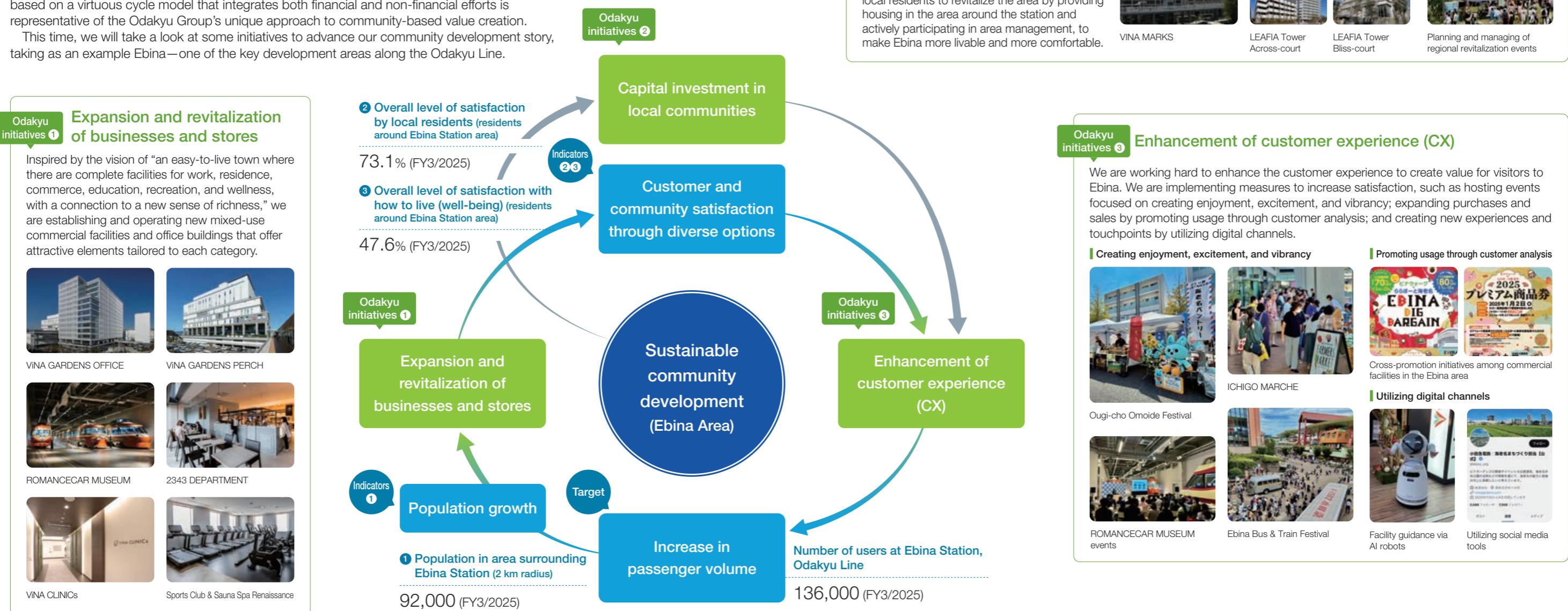
Number of recipients	3	3	2	2
Actual amount granted (thousands of yen)	3,000	3,000	2,000	2,000

## Special Feature

Odakyu Group Community Development Story [Ebina Area]

For the material issues “Community Development and Local Communities,” we have set four targets/monitoring indicators: the number of users at focus stations; population of communities along the Odakyu Line; overall level of satisfaction by local residents; and overall level of satisfaction with how to live (well-being). These KPIs are closely interrelated, and improving performance in one effectively boosts performance in the others. To enhance these KPIs, we believe various initiatives are necessary, including expanding and revitalizing local businesses, enhancing the customer experience (CX), and capital investment in local communities through our operations. Achieving sustainable regional development based on a virtuous cycle model that integrates both financial and non-financial efforts is representative of the Odakyu Group’s unique approach to community-based value creation.

This time, we will take a look at some initiatives to advance our community development story taking as an example Ebina—one of the key development areas along the Odakyu Line.



## Message from the Head of Department



Hideo Shibata  
General Manager of Area  
Business Creation Department,  
Odakyu Electric Railway Co., Ltd

## Potential of the Ebina Area

Located in central Kanagawa Prefecture, Ebina has seen improved accessibility in recent years, with three railway lines including the Odakyu Line and enhanced expressway access. Furthermore, it boasts an environment harmonizing urban functions with abundant natural beauty. Development around the station and city hall is well underway, and in addition to increasing appeal as an urban area, Ebina has one of the highest population growth rates recorded in Kanagawa Prefecture. The influx of new families is particularly noticeable, and the population is expected to continue growing.

## Initiatives in the Ebina Area

The Odakyu Group is engaged in community development in the Ebina Station area, focusing on the VINA GARDENS and VINA WALK facilities, and addressing both physical infrastructure and social (community) infrastructure. On the physical infrastructure side, in 2022 we completed construction of ViNA GARDENS OFFICE, the largest rental office complex in the central Kanagawa area, and also opened the wellness-themed mixed-use commercial facility VINA GARDENS PERCH. On the social infrastructure side, through our area management, we collaborate with local businesses to host over 100 events annually. By co-creating value with the community, we are fostering a sense of attachment to the town and its vibrant energy.

## Vision for Ebina's Future Development

Moving forward, we aim to further enhance urban functions encompassing work, residence, commerce, education, recreation, and wellness. Construction is now underway on the third tower condominium within VINA GARDENS—LEAFIA Tower Ebina Chronos Court. Development plans for the remaining blocks are also progressing steadily. The entire Odakyu Group is united in further evolving Ebina into a city where people want to live, work, and visit.

## Material issues

### 3 Daily Life and Tourism Experiences

- ▶ Promotion of rich lifestyles that utilize technology
- ▶ Provision of region-specific tourism experiences

## Target (FY3/2031)

- Odakyu Group tourism revenue: 120 billion yen
- Inbound tourism revenue: 45 billion yen

➡ FY3/2025 performance for Targets and Monitoring Indicators is on P.40

## Monitoring Indicators

- Number of users of children's IC cards other than commuter passes
- Number of Romancecar users
- Number of Odakyu ONE IDs
- Number of Freepasses sold (Hakone)
- Number of visitors to tourist areas along the Odakyu Line (Hakone and Fujisawa)

## Key social issues to be faced

- Diversification of lifestyles
- Increase in mobility impaired people
- Innovation of technology
- Over-tourism and inbound tourism

## Providing tourism experiences utilizing technology

## Expansion of digital tickets

The Odakyu Group has implemented EMot, a digital transportation ticket service enabling advance purchase via smartphone of Hakone Freepasses, Romancecar limited express tickets, and admission tickets to popular facilities. In September 2024, we commenced system integration with the Klook travel and leisure booking site for inbound tourists. This allows tickets purchased on Klook's website to be presented directly via a QR code displayed on a smartphone, eliminating the need for physical tickets, significantly improving convenience, and reducing congestion.



## QR code boarding now available at all Enoshima Electric Railway stations

Enoshima Electric Railway has launched QR code boarding using electronic tickets at all stations, in addition to existing contactless payment methods (credit, debit, prepaid cards) and smartphone-based contactless boarding. This applies to various passes sold through our EMot MaaS app and the EMot Online Tickets website. This eliminates the need to present tickets to staff, allowing passengers to pass through gates smoothly and without waiting.

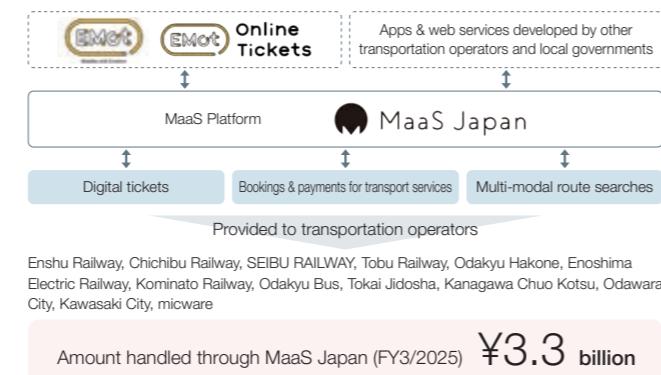


## Expanding our MaaS (Mobility as a Service) platform

To turn MaaS—the next-generation mobility concept gaining increasing attention—into a reality, we developed the open, common data platform "MaaS Japan" and started providing services to other companies. This has now grown into a service platform utilized by private railways across the Kanto region, such as Tobu Railway and SEIBU RAILWAY, as well as local municipalities and businesses nationwide, including Enshu Railway.

We also developed the EMot MaaS app and the EMot Online Tickets website utilizing this platform to provide electronic ticket sales and user services. In this way, it contributes to revenue growth and enhanced customer convenience through the widespread adoption of electronic ticketing.

## [Service Overview]



## Expansion of New Tourism Promotion Initiatives

## Promoting tourism to Hakone through a more functional booking site

The Odakyu Travel booking site allows users to choose their own affordable travel plans. These include Dynamic Packages, where users can freely combine the Limited Express Romancecar and accommodation with the Hakone Freepass and local experience products, as well as Best Packs, which bundle popular items. Users can also centrally manage their limited express tickets, regular tickets, and local experience products via smartphone in order to enjoy a smart, ticketless travel experience.



Number of Romancecar users (FY3/2025)

10.93 million



## Digital stamp rallies

We conduct stamp rallies in areas such as Enoshima/Kamakura and Tanzawa/Oyama to encourage exploration within these regions and promote the appeal of their lesser-known tourist spots. Furthermore, to enhance customer convenience and service flexibility, we are effectively utilizing digital tools (smartphone apps) allowing for easier participation. We are implementing all kinds of initiatives, such as regional café hopping and hiking spot tours.



Number of Hakone Freepasses sold (FY3/2025)

860,000 passes



## Enriching daily life with digital content

We are developing new services to enrich daily life along Odakyu rail lines, focusing particularly on digital touchpoints.

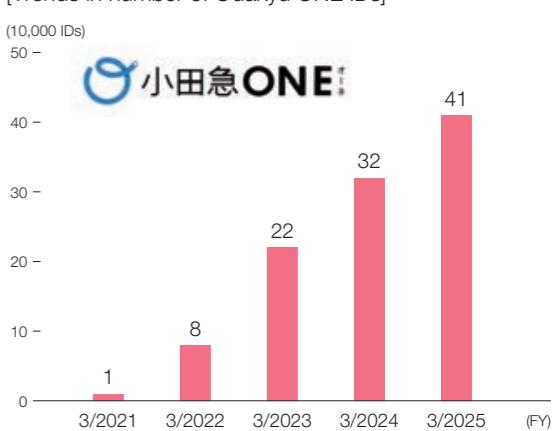
## Increasing LTV\* for users through Odakyu ONE

Odakyu ONE, designed as a "personal lifestyle page" to enrich daily life along the line with just a smartphone, offers convenient and rewarding services. These include services related to housework, member-exclusive events, and earning points for daily train and bus travel.

In FY3/2025, it sold limited-time products such as digital tickets for touring cafes along the Odakyu Line and a subscription service combining limited express tickets with coupons usable at local shops. Membership numbers are also growing steadily. Going forward, we will contribute to increasing LTV, primarily for customers along the line, while strengthening online communication with members.

\* LTV: Lifetime Value

[Trends in number of Odakyu ONE IDs]



## Expanding services for parents and families

### Child-Rearing Support Policy

The Child-Rearing Support Policy was compiled primarily by Odakyu employees passionate about childcare. It articulates the shared values of our employees across past, present, and future initiatives. The Odakyu Group has declared itself a “childcare partner,” united in thought and action together with all those who wish for children’s happiness and smiles. Moving forward, we will continue to co-create initiatives supporting childcare, run events that families can enjoy along our railway lines, and collaborate with companies and local governments who share our policy vision, always aiming to be a childcare-friendly rail line.

### Child’s IC fare: Flat 50-yen fare across all zones

Since March 2022, the child fare when using an IC ticket on the Odakyu Line has been a uniform 50 yen. This fare structure is designed to be clear and easy to use, making outings more accessible for the elementary school children who represent our future. Furthermore, this service—which permanently sets the child fare (when using an IC card) at a uniformly low rate of less than half the adult fare—was pioneered by Odakyu among railway operators nationwide.

### Child-rearing support cars

To help passengers traveling with young children feel more at ease, since March 2022 our commuter trains have operated the third car as a child-rearing support car. This has also been implemented on Limited Express Romancecar from April 2025 (excluding some services). These cars seek to provide a warm, supportive environment for children, encouraging understanding and cooperation among all passengers.

### Child-friendly station facilities

To ensure convenient and worry-free train travel for passengers with children, we have installed child-friendly restrooms (at 66 stations) and mobile baby care facilities (at 14 stations) within station premises (out of 70 total stations).



Child-friendly restrooms



Baby care facilities

### ROMANCECAR MUSEUM

Opened in April 2021, the ROMANCECAR MUSEUM features exhibits of 11 rail cars across 6 models, primarily focusing on the historic Limited Express Romancecar. It offers other diverse content, including a large-scale diorama (approx. 190 m<sup>2</sup>) recreating our railway lines and a Romancecar train driving simulator.



### AOi School

Guided by its mission to “turn school refusal into possibilities to learn,” this alternative school supports students in their future social independence by starting with their own interests.

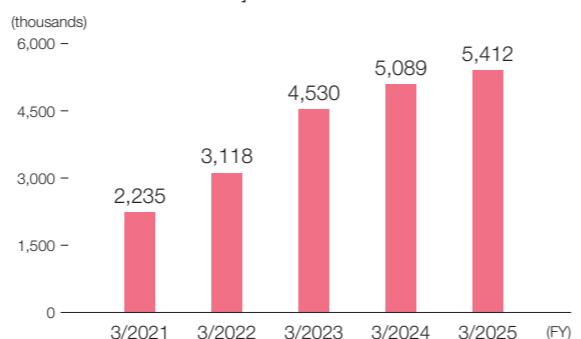
Officially opened in October 2024, it offers not only in-person classes but also courses utilizing online tools, providing enjoyable learning that connects to the future.



Class scene at Zengyo Classroom



[Trend in Number of Users of Children’s IC Cards Other than Commuter Passes]



## Running events and promotional initiatives for parents and families

### Odakyu Family Fun Festival

This event is held at Ebina Chuo Park, located by the east exit of Ebina Station. Participating companies include local businesses, railway companies, and group companies that endorse our Child-Rearing Support Policy. The event offers all kinds of activities, including booths where employees introduce and provide hands-on experiences of railway work, experience-based booths by partner organizations (workshops and local/facility promotions), and interactions with lovable mascot characters such as “mocoron.” It is an event designed for children and their families to enjoy together.



### Odakyu Child-Rearing Support Navigator: FunFan Odakyu

This website provides a variety of information to support families with children along Odakyu rail lines. It includes events organized by the Odakyu Group and local community events, as well as station facilities and services useful for families with children. It also offers information about “mocoron”—a mascot character symbolizing Odakyu’s child-rearing support.



### Odakyu parent-child seminars

Targeted at parents and children of elementary school grades 3 to 6, these events offer behind-the-scenes access to the railway operations that support the Odakyu Line’s safe running. Participants can tour and experience various facilities with guided explanations. Sessions include: Station Personnel & ROMANCECAR MUSEUM Tour, Train Personnel & Maintenance Engineers, and Track Maintenance & Electrical Crew.



### Comments from External Experts



Megumu Murakami

Promoting child-rearing support is truly beneficial for Odakyu, as it contributes to the development of communities along the Odakyu Line and enhances corporate value

Chief Specialist, Center for the Strategy of Emergency Director, The Institute for Societal Values in Future Generations The Japan Research Institute

However, to date, the linkage between such initiatives and corporate value may not have been widely recognized by investors and others. Accordingly, there are two things I would like to see Odakyu achieve. Firstly, Odakyu needs to firmly position “Number of users of children’s IC cards other than commuter passes” (positioned as one of the Monitoring Indicators in the Medium-Term Management Plan) within the company. At present, this is linked to the material issue of “Daily Life and Tourism Experiences,” but an environment in which children can move wherever they want is inextricably tied to other material issues such as “Safety and Peace of Mind” and “Community Development and Local Communities,” making this a potentially crucial indicator.

Secondly, Odakyu needs to re-examine its policies and initiatives through the lens of “Children’s Rights and Business,” as grounded in the UN Convention on the Rights of the Child, ratified by 196 countries worldwide, to meet global expectations. By treating each child as an individual customer and a member of the community and truly listening to their voices, Odakyu can expect to build a foundation to last the next 100 years.

**Material issues**

## 4 Environment (Carbon Neutrality)

- Realization of a decarbonized society through energy conservation, renewable energy, electrification, and collaboration with local communities
- Realization of a resource recycling society aimed at Beyond Waste

**Key social issues to be faced**

- Response to climate change (decarbonization and resource recycling in local communities)
- Shift to public transportation with a low environmental impact
- Conservation of forests, the countryside, rivers, and oceans

**Target**

- Odakyu Group CO<sub>2</sub> emissions: 50% reduction from FY3/2014 (FY3/2031)  
Net zero (FY3/2051)

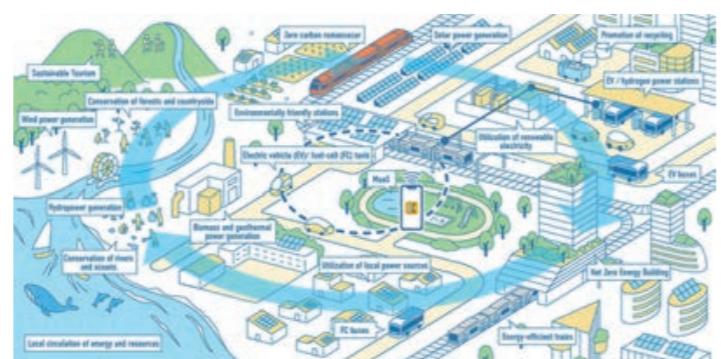
► FY3/2025 performance for Targets and Monitoring Indicators is on P.40

**Target (compared to previous year)**

- Odakyu Group waste emissions (intensity per unit of revenue):  
Year-on-year reduction (each fiscal year)
- Odakyu Group water intake (intensity per unit of revenue):  
Year-on-year reduction (each fiscal year)

### Environmental Vision

The mission of the Odakyu Group is to pass on a beautiful global environment and a kind society to future generations and actively engage in solving environmental issues, such as reducing CO<sub>2</sub> emissions, recycling resources, conservation, and utilization of natural resources, through our business activities.



### Long-Term Environmental Targets\*

#### Odakyu Group aims for net zero CO<sub>2</sub> emissions by FY3/2051

To achieve this goal, we will reduce CO<sub>2</sub> emissions by 50% by FY3/2031 (compared with FY3/2014)  
With the transition of the Group's transportation network to 100% renewable energy, we achieved  
the FY3/2031 target ahead of schedule with our FY3/2025 results

\* Scope for long-term environmental targets: Scope 1 and Scope 2 at all consolidated subsidiaries

### Environmental Strategies

The Odakyu Group formulated the following UPDATE 1–3 based on Odakyu Group Carbon Neutrality 2050 and is taking on climate change issues as both risks and opportunities with regard to its growth strategies. Accordingly, we are carrying out Group-wide initiatives for addressing climate change.

**UPDATE 1**

Realize a decarbonized society

**Action 1**  
Achieve net-zero CO<sub>2</sub> emissions at the Odakyu Group

**Action 2**  
Resolve issues in local communities to realize a decarbonized society

**Action 3**  
Shift to environmentally friendly public transportation

**UPDATE 2**

Realize a resource recycling society

**Action 1**  
Promote the 5Rs within the Odakyu Group

**Action 2**  
Resolve issues in local communities to realize a resource recycling society

**Resource recycling target**  
• Waste emissions (intensity per unit of revenue)  
Year-on-year reduction Scope: Odakyu Group (consolidated)

**UPDATE 3**

Conserve and utilize nature

**Action 1**  
Conserve forests, the countryside, rivers, and oceans

**Action 2**  
Utilize natural resources

**Water usage target**  
• Water intake (intensity per unit of revenue)  
Year-on-year reduction Scope: Odakyu Group (consolidated)

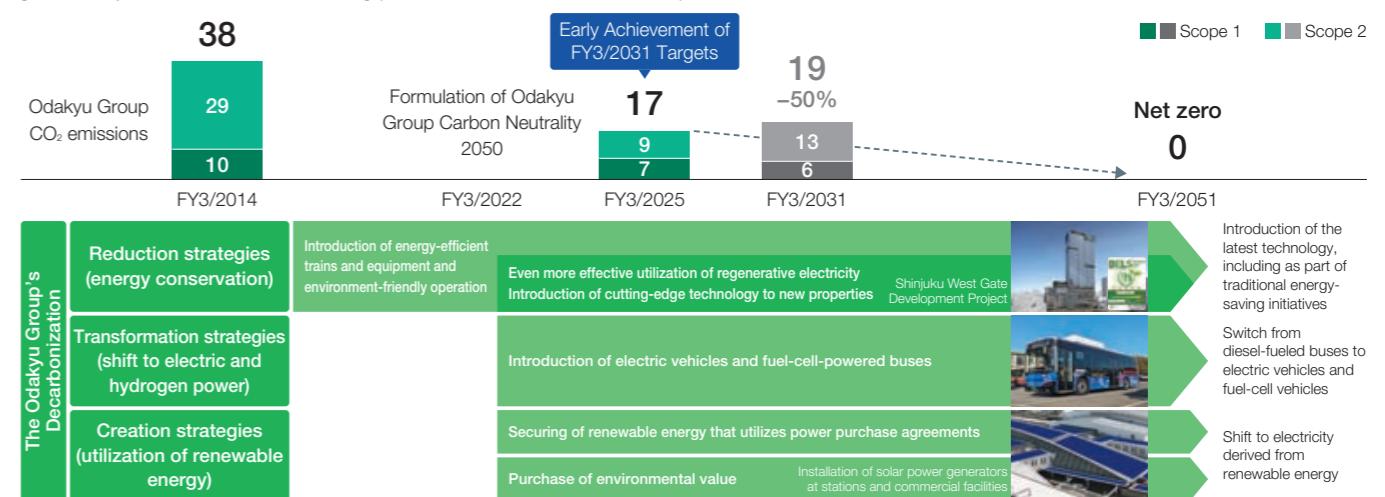
For more details, please see the Odakyu corporate website. [Website](https://odakyu-global.com/company/sustainability/) https://odakyu-global.com/company/sustainability/

### Realize a decarbonized society

In recent years, natural disasters such as torrential rains, floods, extreme heat, and droughts caused by global warming have become more frequent and severe, resulting in increasingly devastating damage. The Odakyu Group recognizes that such climate change is a critical environmental issue significantly impacting its business activities.

The Odakyu Group has formulated the action guidelines Odakyu Group Carbon Neutrality 2050, with the aim of achieving net-zero CO<sub>2</sub> emissions in FY3/2051. In order to achieve decarbonization, we will take on the challenge of achieving our long-term environmental goals by promoting Reduction strategies (energy conservation), Transformation strategies (shift to buses with electric and hydrogen power), and Creation strategies (utilization of renewable energy).

[Road map toward decarbonization] (UNIT: TEN THOUSAND T-CO<sub>2</sub>)



\* Images for reference only

Group transportation network runs on 100% renewable energy

From April 2024, practically all electricity used for the Odakyu Line including the Limited Express Romancecar, Hakone Tozan Railway, Hakone Tozan Cablecar, Hakone Ropeway, Enoshima Electric Railway, and Oyama Cable Car will be derived from renewable energy sources and operate with net zero CO<sub>2</sub> emissions.



#### Introduction of on-site PPA

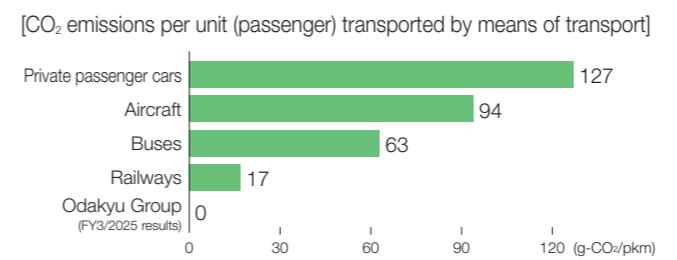
The ROMANCECAR MUSEUM has been using a roof-mounted PPA solar power plant to power its operations. Around 20% (140 MWh) of its annual electricity consumption is converted to renewable energy through this power generation.



ROMANCECAR MUSEUM  
(Ebina)

#### Contribution to reduction (Scope 4)

The per-unit CO<sub>2</sub> emissions of the Odakyu Group's transportation network (railways and cable cars) in FY3/2025 were 0 g-CO<sub>2</sub>/person-km, contributing to an annual emissions reduction of 1.36 million tons-CO<sub>2</sub> compared to automotive transportation.



Source: "CO<sub>2</sub> emissions in the transportation sector" by the Ministry of Land, Infrastructure, Transport and Tourism (excluding Odakyu data)

#### Promotion of ZEB & ZEH

The Odakyu Group pursues acquisition of certification for environmentally conscious real estate, including residential and office buildings.



Top: Shinjuku Grand Terminal (Zone A, Office Use)  
Bottom: LEAFIA Komae Sousui-no-Machi



#### Advancing decarbonization in bus operations

The Odakyu Group will introduce approximately 30\* EV buses by the end of FY3/2026. Moving forward, we will continue to promote the further introduction of EV buses while utilizing national and local government subsidies, and reduce CO<sub>2</sub> emissions through efficient operations and other measures.

\* Including Kanagawa Chuo Kotsu Co., Ltd., which is not covered by long-term environmental targets



EV buses introduced by Hakone Tozan Bus

## Information Disclosure Based on TCFD Recommendations

The Odakyu Group has announced its endorsement of the recommendations of the Task Force on Climate-related Disclosures (TCFD), which were established by the Financial Stability Board (FSB). We will disclose information based on TCFD recommendations.



### Governance

We have formulated the action guidelines Odakyu Group Carbon Neutrality 2050, which includes long-term environmental targets, and have promoted initiatives to achieve them. We established the Sustainability Promotion Committee as an institution that discusses matters related to this promotion, identifies climate-related risks and opportunities, and is chaired by the Executive Officer in Charge of Sustainability.

Furthermore, the Sustainability Promotion Committee reports to the President & CEO, observes the status of progress toward goals and climate-related risks and opportunities. These details are also reported to Board of Executive Officers and the Board of Directors, who, after discussion, issue instructions as necessary. Issues discussed by the Sustainability Promotion Committee are shared and collaborated on across all departments and the entire Group to promote initiatives.

### Strategies

#### (1) Risks and Opportunities

The Odakyu Group has considered the following results of scenario analysis in terms of key risks and opportunities in the transportation, real estate, and life services industries. Furthermore, we have classified risks brought about by climate change into risks associated with the shift to a low-carbon society (transition risks, mainly under the 1.5°C scenario<sup>\*1</sup>) and risks associated with physical impacts (physical risks, mainly under the 4°C scenario<sup>\*1</sup>), in line with TCFD recommendations, while also analyzing said risks. These analyses referenced scenarios from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

Risks and Opportunities	Item	Key details of impact on business	Target businesses			Level of impact <sup>*2</sup>	Period <sup>*3</sup>
			Transportation	Real Estate	Life Services		
Transition Risks A world with only a 1.5°C rise in temperature	Policies and regulatory schemes	Increase in costs following introduction of carbon tax, etc. to reduce CO <sub>2</sub> emissions through non-fossil fuel consumption	●	●	●	Medium	[Medium term] [Long term]
		Increase in costs following introduction of vehicles to comply with stricter emission regulations (EV buses)	●			Major	[Medium term] [Long term]
		Increase in installation costs due to the reinforcement of the Act on the Rational Use of Energy and to the enforcement of energy-conservation standards (such as shift to net zero energy building/housing)		●		Minor	[Medium term] [Long term]
	Market	Increase in costs following introduction of low-carbon railcars in response to changing consumer preferences	●			Major	[Medium term] [Long term]
		Loss of business (customer reluctance to buy) due to higher material costs and increased procurement costs passed on to prices for service and products as a result of introduction of the carbon tax			●	Major	[Medium term] [Long term]
	Evaluation	Decrease in customers due to changing preferences resulting from increased environmental awareness			●	Medium	[Medium term] [Long term]
Physical Risks World with 4°C rise in temperature due to failure to respond	Acute	Decrease in revenues due to increased and prolonged wind and rain damage, resulting in suspension of services and closure of facilities along the line (assuming flooding of the Sagami River)	●	●	●	Medium	[Short term] [Medium term] [Long term]
		Increased disaster recovery costs due to increased and prolonged wind and rain damage (assuming flooding of the Sagami River)	●	●	●	Major	[Short term] [Medium term] [Long term]
		Increased risk of damage to facilities due to wind and flood damage	●	●	●	Major	[Short term] [Medium term] [Long term]
		Decrease in revenues due to inability to maintain railway equipment, including rolling stock, and service suspensions following separation of the supply chain	●			Minor	[Short term] [Medium term] [Long term]
		Decrease in services provided and closure of operations due to damage suffered by suppliers			●	Medium	[Short term] [Medium term] [Long term]
	Chronic	Decrease in passengers due to changes in natural resources and damage to tourism resources	●			Major	[Medium term] [Long term]
		Loss of natural resources and higher purchasing costs due to changes in production areas			●	Medium	[Medium term] [Long term]
		Decrease in revenues due to declining passenger and customer numbers due to outbreak of new infectious diseases	●	●	●	Major	[Short term] [Medium term] [Long term]
		Decrease in revenues due to people staying at home during summer	●		●	Major	[Medium term] [Long term]
		Decrease in revenues due to fewer people using hot springs, as a result of declining shallow-layer hot spring waters due to a decrease in precipitation			●	Minor	[Medium term] [Long term]

(continued on next page)

Risks and Opportunities	Item	Key details of impact on business	Target businesses			Level of impact <sup>*2</sup>	Period <sup>*3</sup>
			Transportation	Real Estate	Life Services		
Opportunities	Products & services	Increase in passengers and revenues due to decarbonization and enhancement of eco-friendly products to meet changing environmental preferences and needs.	●		●	Medium	[Medium term] [Long term]
		Increase in revenues due to higher demand for low-carbon (ZEB, ZEH) and disaster-resistant buildings and properties		●		Major	[Medium term] [Long term]
	Market	Expansion of and participation in businesses that resolve issues in local communities to realize a decarbonized and resource-recycling society	●	●	●	Not disclosed	[Medium term] [Long term]

\*1 Increase in average global temperatures at the end of the current century compared with pre-industrial levels

\*2 Level of impact—Major: At least 5 billion yen, Medium: Less than 5 billion yen, Minor: Up to 1 billion yen

\*3 Short term means between zero and less than three years, medium term indicates between three and less than 10 years, and long term equates to at least a decade

### (2) Response to Risks and Opportunities

In response to key risks and opportunities, we will implement Odakyu Group Carbon Neutrality 2050 at the same time as the following countermeasures.

Risks and Opportunities	Countermeasures
Transition Risks	Introduction of energy-efficient trains and equipment
	Introduction of advanced technology to new properties
	Introduction of electric vehicles and fuel-cell-powered buses
	Further introduction of renewable energy
Physical Risks	Implementation of safety measures for abnormal weather at facilities
	Establishment of systems to prepare for evacuation and recovery when natural disasters occur
	Implementation of emergency drills

Status of Response in FY3/2025	
Transition Risks	Construction of two new 10-car Series 5000 commuter trains
	Odakyu Southern Tower achieves S Rank in Certification for CASBEE for Real Estate
	Introduction of 18 EV buses total (as of end of FY3/2025)
	Achieving 100% renewable energy in the Group's transportation network
	Commencement of on-site PPA operation at ROMANCECAR MUSEUM
Physical Risks	Slope and bridge reinforcement (Sannogawa Bridge replacement project, slope work between Tokaidaiigaku-mae Station and Hadano Station)
	Revision of vehicle evacuation plans and flood evacuation timetables
Opportunities	Changes to overhead line voltage and substation output voltage
	Promotion of WOOMS Connect (support service for waste generators)

### Risk Management

To realize Odakyu Group Carbon Neutrality 2050, the Sustainability Promotion Committee—which is chaired by the Executive Officer in Charge of Sustainability—meets quarterly to plan, draft, and manage the progress of initiatives for reducing the Group's CO<sub>2</sub> emissions. Furthermore, the Sustainability Promotion Committee discusses updates to analyses of and progress with regard to initiatives concerning the risks and opportunities of climate change, which have been identified in strategies, and reports to the Board of Directors, the Board of Executive Officers, and the President and Representative Director as necessary. The issues discussed by the Sustainability Promotion Committee are then shared and collaborated on across all departments and offices across the entire Group to promote initiatives.

Additionally, we respond to risks brought about by natural disasters based on crisis management regulations and business continuity plans. We endeavor to strengthen our resilience by periodically reviewing said regulations and plans in meetings of the Risk Management Committee, which is chaired by the Executive Officer in Charge of Risk Management.

### Indices and Targets

Under Odakyu Group Carbon Neutrality 2050, we have formulated long-term environmental targets.

## Realize a resource recycling society

The Odakyu Group promotes the recycling of waste generated from its business activities, including the recycling of end-of-life vehicles and the conversion of food waste into animal feed, and is working to reduce the amount of resources used—for example, using water recycling facilities to process wastewater from vehicle washing for effective reuse. We are also promoting the WOOMS project (supporting local resource recycling), aiming to realize a resource recycling society in conjunction with local communities. ► P.45 Community Development and Local Communities

### Resource circulation in the Ebina area

This project aims to reduce environmental impact by recycling food waste generated from Odakyu Group commercial facilities in the Ebina area, including VINA GARDENS OFFICE, together with nearby partner companies, instead of sending it to incineration.

- JAPAN FOOD ECOLOGY CENTER, INC. converts the above food waste into animal feed. Any portion that cannot be converted into feed is used as liquefied raw material for power generation.
- Sagamihara Biogas Power Co., Ltd. further processes these raw materials and generates electricity from the methane gas produced by fermentation.
- All electricity generated here is purchased through the Green Basic Plan (FIT Non-Fossil Certificate), part of which is used at the Odakyu Electric Railway Head Office in Ebina, located in the VINA GARDENS OFFICE building, thereby creating a cycle of energy and resources within the Odakyu Group.



### Local Production for Local Consumption & Food Loss Reduction Initiatives

Hotel Odakyu Southern Tower is working to reduce the environmental impact of distribution by deepening ties with producers and purchasing Tokyo-grown vegetables directly from farmers. We are working to reduce food loss by purchasing produce that does not meet sales standards (i.e., destined for disposal) and incorporating more cooking methods that include vegetable peels.



### Efforts to extend equipment lifecycles (station restrooms)

For station restrooms, given their extremely high frequency of use, we extend equipment lifecycles by refinishing (polishing ceramic surfaces and applying glass coatings) rather than completely replacing deteriorated fixtures. This approach not only reduces waste material generation but also halves the time needed for maintenance works. (Odakyu Building Service Co., Ltd. received an Incentive Award in the Social Activities category at the JTA Toilet Award 2023 hosted by the Japan Toilet Association.)



South Gate, Shinjuku Station, Odakyu Line

### Local recycling initiatives, including collection of unwanted items

Odakyu SC Development Co., Ltd. runs the “City and Citizen Project Re:born—Repurposing Items as Gifts for Children” at nine commercial facilities along the Odakyu Line, donating needed childcare support items to local municipalities.

We collect unwanted items from customers, after which our partner companies, such as recycling shops that support the initiative, convert these items into cash. Combined with proceeds from charity events, this funding is used to purchase childcare support items needed by the local municipalities where each commercial facility is located, which are then donated.



### Construction utilizing sustainable building materials

Odakyu Real Estate Co., Ltd. relocates and reuses high-quality reclaimed timber from traditional Japanese houses across Japan that have become difficult to maintain. This approach reduces waste from dismantling old houses, decreases building material usage in new construction, and supports the transfer of carpentry skills to a new generation.



KATARITSUGI Project  
<https://www.odakyuchukai.com/kataritsugi/>  
(in Japanese only)

## Conserve and utilize nature

The Odakyu Group recognizes that land development, land modification, procurement of materials and food, and the generation of noise and vibration in its business activities both significantly depend on and impact natural capital and ecosystem services. Furthermore, the decline in natural disaster prevention functions caused by natural resource depletion poses risks such as landslides and sediment disasters. Therefore, the conservation of natural capital and biodiversity is a critical issue.

### Information Disclosure Based on TNFD Recommendations



The Odakyu Group believes that to achieve sustainable growth for both the region and the Group, it is essential to understand the relationship between our business and the natural environment, identify business risks and opportunities, and address them. In March 2025, we disclosed information in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), which provides a framework for assessing and disclosing the relationship between natural capital and business, along with associated risks and opportunities. (Registered as a TNFD Adopter that same month.)

### Governance

#### (1) Sustainability Framework

Please refer to the Governance section in the TCFD (see P.55).

#### (2) Stakeholder Policy

In promoting sustainability management, it is essential that we build sound and constructive relationships with all kinds of stakeholders. The Odakyu Group has established the Odakyu Group Human Rights Policy as a commitment to respect human rights. We have also established the Odakyu Group Sustainable Supply Chain Policy to ensure that our procurement and supply chain are built with respect for human rights and sustainability. These policies apply across the entire supply chain, including Odakyu Group employees, customers, local communities, and business partners involved in Odakyu Group operations. Through compliance with these policies, we ensure respect for the human rights of all stakeholders as we move ahead with green procurement initiatives.

### Strategies

To minimize the negative impacts of our business activities on the natural environment, and maximize the positive impacts, we must first understand the relationship between our business and nature, along with the associated risks and opportunities. Thus, starting in FY3/2025, we are conducting assessments of dependencies, impacts, risks, and opportunities for each Odakyu Group segment in line with the TNFD framework. The analysis for FY3/2025 considered the Transportation, Real Estate, and Life Services businesses—our core segments—as well as the production and manufacturing processes (upstream) of procured items for these businesses. This comprehensive approach aims to fully comprehend the relationship between the Odakyu Group’s operations and the natural world. For the Life Services segment, which encompasses diverse fields of business, the analysis focused on department stores, store operations, hotels, and restaurants, as these were deemed to have strong natural connections from the perspective of procured goods such as food, beverages, and clothing. Natural capital connections, risks, and opportunities are analyzed and evaluated using the LEAP approach—the analysis method recommended by the TNFD framework for assessing nature-related issues.

#### (1) Identifying dependencies on and impacts to natural capital

To identify points of contact between our business and the natural world, we use ENCORE\*, one of the analysis tools recommended by TNFD. Based on the results of analysis, we recognize that in our Railway and Real Estate segments, construction and maintenance processes using heavy machinery have a significant impact on nature. In the Life Services segment, the production processes of procured goods like food and beverages also depend heavily on nature.

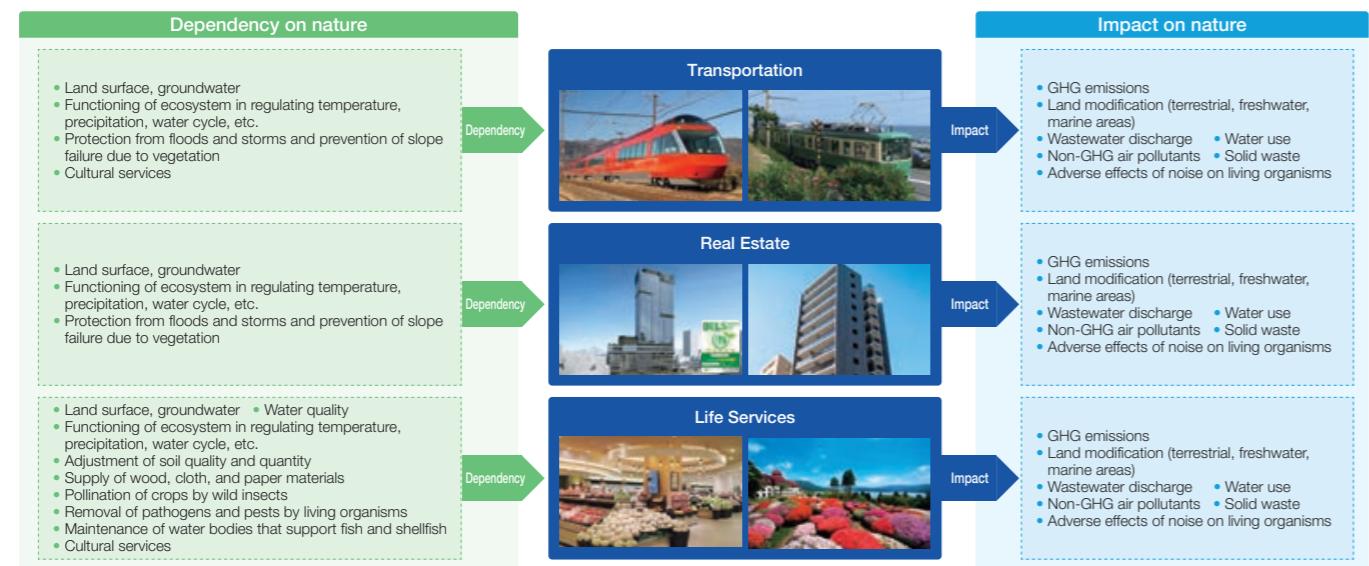
\* ENCORE: A tool developed by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and other organizations to analyze dependency and impact relationships between economic activities and nature. (Analysis as of June 2024)

For details on “Identifying Business Processes Related to Natural Capital and Heatmap Evaluation,” please visit our website.

**Website** <https://www.odakyu.jp/sustainability/carbon-neutral/tnfd/> (in Japanese only)

Based on the results of the ENCORE analysis, items evaluated as having particularly high dependency and impact (High or Very High) were assessed as significant natural capital on which the Odakyu Group's businesses depend, or as significant impacts on nature caused by the Group's business operations. The results, summarizing the relationship between these significant dependency and impact items and the Odakyu Group's businesses, are shown in the figure below.

[Relationship between biodiversity and natural capital in Odakyu Group operations]



(2) Priority areas

Priority areas under TNFD are defined as the collective of "areas of concern" with high natural vulnerability and importance for biodiversity, and "material areas" in which significant dependencies, impacts, risks, and opportunities for business exist.

To identify areas of concern, the Odakyu Group conducted regional analysis targeting our own operational sites and railway lines. Using the TNFD guidance as a reference, we analyzed these areas from the perspectives of biodiversity significance and water stress. For areas of high biodiversity significance, we used IBAT<sup>\*1</sup> and QGIS<sup>\*2</sup> to analyze whether they were located within a 1 km radius of our operating sites or along our railway lines, specifically within Key Biodiversity Areas (KBAs) or protected areas registered in the World Database of Protected Areas (WDPA). Additionally, the Aqueduct Water Risk Atlas<sup>\*3</sup> was used to assess water stress at our operating sites. The details of analysis are as follows.

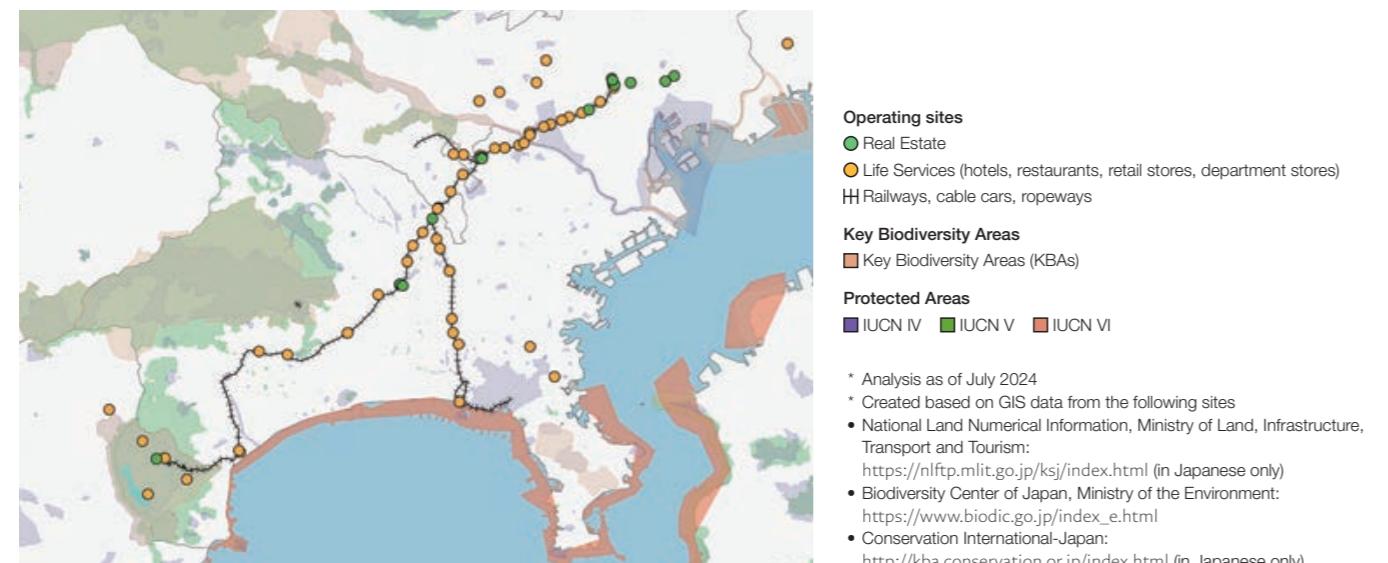
\*1 IBAT (Integrated Biodiversity Assessment Tool): A biodiversity assessment tool developed by UNEP-WCMC and others

\*2 QGIS: GIS software for handling geospatial data

\*3 Aqueduct Water Risk Atlas: A water-related risk assessment tool developed by the World Resources Institute

Reference: Guidelines for Applying Protected Area Management Categories and TNFD Guidance on the identification and assessment of nature-related issues: the LEAP approach v1.1

The figure below shows the KBAs, protected areas, and Odakyu Group locations in the Kanto region, where many of our operating locations are located.



The analysis identified areas of highly significant biodiversity, such as Hakone, Enoshima, and Mount Oyama in Kanagawa Prefecture, and the Tamagawa area in Tokyo. Railways, accommodation facilities, and restaurants located in these areas were found to be situated within KBAs (Key Biodiversity Areas), protected areas, or both. On the other hand, it was confirmed that none of the Group's domestic locations are located in areas subject to high water stress. Hakone and Enoshima are considered regions of material significance, as they utilize natural capital such as landscapes and green spaces as tourism resources in the course of our business operations. Moving forward, we will undertake initiatives to address nature-related challenges, taking these significant priority regions into consideration.

(3) Risks and Opportunities

The results of analyzing business risks and opportunities as anticipated from the identified dependencies and impacts are as follows. In identifying nature-related risks and opportunities, we referenced the TNFD guidance on scenario analysis to examine how elements critical to the Odakyu Group's businesses might change in the future, resulting in two scenarios representing extreme future worlds. We assessed what risks and opportunities would materialize under each scenario and how impacts would change.

Reference: TNFD Guidance on scenario analysis v1.0

Scenario ① Conservation Scenario	Scenario ② Deterioration Scenario
As regulations on climate change and nature conservation advance and as market interest grows, degradation of nature is curbed, and the Odakyu Group also accelerates its efforts to address nature-related issues.	A world in which regulations on climate change and nature conservation never advance beyond existing initiatives, and market interest remains low, leading to further degradation of natural resources and no progress in the Odakyu Group's efforts.

[List of Risks and Opportunities] \* Risks and opportunities linked to the impact items "Climate Regulation Function"

and "GHG Emissions" are disclosed within the TCFD Strategy

Impact Assessment Major Medium Minor

Risks and Opportunities	Item	Dependencies & impacts * indicates all dependencies/impacts apply	Key details of impact on business	Target businesses			Level of impact	
				Transportation	Real Estate	Life Services	① Conservation Scenario	② Deterioration Scenario
Physical Risks	Chronic/Acute	• Modification of terrestrial, freshwater, marine areas	If ecosystem services (such as disaster prevention) decline due to land development or degradation of vegetation, costs will increase due to flood/landslide damage and revenue will decrease due to operational shutdowns, especially at facilities located in mountainous areas					
		• Protection from floods and storms and prevention of slope failure due to vegetation						
		• Water use	In the event that water shortages occur due to impact of climate change, etc.					
		• Land surface, groundwater	• Supply instability for water-intensive products such as food, leading to reduced sales and loss of income • Increased costs from measures such as changing water sources due to depletion of well water used in operations					
Transition Risks	Policies and regulations	• Cultural services	When cultural services such as landscapes, etc. are impaired due to degradation of ecosystems, revenues will decrease due to a decline in tourism demand that draws on natural capital such as the natural setting of Hakone					
		• Other materials such as wood or fabric (food, beverages, etc.)	If loss of natural capital causes the supply of raw materials for products such as food and clothing to grow unstable, costs will increase following review of procurement, and revenues will decrease due to procurement instability					
	Evaluation	• Modification of terrestrial, freshwater, marine areas	If regulations are imposed on the use of protected areas, costs will increase due to regulatory compliance at facilities located within protected areas					
		• Non-GHG emissions	If regulations on air-polluting emissions are strengthened, costs will increase due to necessary responses such as facility updates and initiatives to reduce emissions					
Opportunities	Products & services	• Wastewater discharge	If an accident occurs at a facility, etc., leading to the release of water pollutants, soil contaminants, or hazardous waste, it could result in reputational damage and liability for compensation					
		• Solid waste	If nighttime operations or construction works impose adverse effects such as noise, light, or vibrations on nearby residents and the surrounding ecosystem, it could result in reputational damage and liability for compensation					
	Capital flow and funding	• Adverse effects of noise on living organisms						
		• Cultural services	Increased consumer interest in nature leads to rising passenger numbers and revenue at railway-related businesses, accommodation facilities, and restaurants in areas such as Hakone and Enoshima that leverage their rich natural surroundings as attractions					
Sustainable use of natural resources	Evaluation	• Other materials such as wood or fabric (food, beverages, etc.)	Increased revenues following the switch to products that meet demand for ethical consumption and environmentally certified products					
		–	Increased financing from green finance or ESG investments through promoting initiatives that contribute to nature conservation					
	Sustainable use of natural resources	–	Appropriate disclosure of contributions to environmental conservation through expanded use of renewable energy fuels and public transportation, leading to greater customer preference and improved investor reputation through dialogue with diverse stakeholders					

Through assessments of risk and opportunity, we have identified that advancing natural degradation exposes our operations to risk in tourist destinations such as Hakone and Enoshima. As these regions are also designated as areas of concern, we recognize the high significance of our operations in these locations. As part of our Environmental Vision initiatives, we prioritize the conservation and utilization of natural resources. We contribute to land restoration through afforestation and beautification/cleanup activities, and advance nature conservation efforts in priority areas through donations to environmental conservation activities, always aiming for a sustainable and harmonious existence. The Odakyu Group recognizes that countermeasures for the risks and opportunities identified at this time are matters to be considered in future Group-wide business strategies.

### Managing risks & impacts

The Odakyu Group has established a promotion system, centered on the Risk Management Committee based on the Odakyu Group Risk Management Policy\*, to identify risks and address each one while sharing information and communicating through the Odakyu Group Risk Management Liaison Committee, which comprises key Group companies. Our basic principle of risk management is conducting appropriate decision-making and implementing the decisions in two steps: preventive measures to identify risks and prevent their materialization; and business continuity activities to plan and prepare for recovery should risks occur. Specifically, in the prevention step, we identify significant risks across the entire Group each year using a unified methodology and have introduced a management system for implementing and reviewing countermeasures.

Sustainability-related issues are discussed within the Sustainability Promotion Committee, chaired by the Executive Officer in Charge of Sustainability. To identify nature-related issues, we utilize external tools to assess dependencies and impacts—points of contact between our business and the natural world—focusing on production of procured items and manufacturing processes within our direct operations and upstream supply chain stages. We carry out qualitative assessments of nature-related risks and opportunities based on evaluation results for relevant dependencies and impacts, information on whether areas are significant in terms of biodiversity, business scale, likelihood of occurrence, and other factors. Updates to the analysis of nature-related issues and progress on initiatives are discussed within the Sustainability Promotion Committee alongside other sustainability issues. Reports are made to the Board of Directors, the Board of Executive Officers, and the President and Representative Director as necessary. The issues discussed by the Sustainability Promotion Committee are then shared and collaborated on across all departments and offices across the entire Group to promote initiatives.

\* Odakyu Group Risk Management Policy [\[Website\]](https://www.odakyu.jp/sustainability/governance/risk-management/) <https://www.odakyu.jp/sustainability/governance/risk-management/> (in Japanese only)

### Indices and Targets

Based on the global core indicators recommended for disclosure by the Taskforce on Nature-related Financial Disclosures (TNFD), the Odakyu Group has established the following nature-related indicators and targets in regard to dependencies and impacts on nature. Additionally, in compliance with legal regulations, the Odakyu Group manages the quantities of substances that could lead to water or soil pollution. Going forward, we will continue to examine other indicators that the Odakyu Group needs to manage, based on the identified dependencies, impacts, risks, and opportunities, as we continue striving to gather information and set targets.

Indicators	Unit	Scope	Goal	Performance for FY3/2024	Performance for FY3/2025
Waste	Waste emissions (intensity per unit of revenue)	t/¥100 million	Odakyu Group (consolidated)	5.60	5.61
Water	Water intake (intensity per unit of revenue)	1,000 m <sup>3</sup> /¥100 million	Year-on-year reduction	0.72	0.70

### Initiatives for nature conservation

Analysis of our business's relationship with nature has identified that areas of concern are those possessing important tourism resources for our business, and that upstream natural capital such as building materials, food and beverages, and clothing have significant dependence on and impact upon the natural world. The Odakyu Group has established Odakyu Group Carbon Neutrality 2050 as its mission to pass on a beautiful global environment and a caring society to future generations. This policy is comprised of three pillars: the Environmental Vision, long-term environmental targets, and environmental strategies. Beyond climate change countermeasures, we are moving ahead with initiatives to realize a resource-recycling society and to conserve and utilize nature. Here, we introduce examples of our Group's initiatives concerning significant dependencies on, impacts to, risks to, and opportunities for natural capital.

### (1) Conservation and effective utilization of natural resources in the Hakone area

#### Donation from sales of Hakone-no-Morikara beverage

Utilizing natural water sourced from within the grounds of Odakyu Group hotels in Hakone and the bounty of nature located along the railway line, such as Ashigara tea leaves, we have commercially released natural mineral water and green tea products under the "Hakone-no-Morikara" brand, primarily sold along the Odakyu railway line. A portion of the sales proceeds is donated to Hakone Town Resource Conservation Fund and used for environmental preservation activities in Hakone, such as conservation of cedar trees along the old Tokaido highway in Hakone and the Sengokuhara Grasslands preservation project.

From "Thanks for the meal" to "Thanks to the forests of Hakone." Guided by this concept, this initiative—aimed at preserving the natural environment of Hakone, a world-renowned tourist destination, for future generations alongside our customers—has been continuously implemented since FY3/2010.



#### Delivering tourism experiences that demonstrate Hakone's appeal

To balance nature conservation in Hakone with expansion of business, we offer tourism plans that convey the appeal of Hakone's natural environment. For example, we develop ethical travel plans that balance environmental conservation with tourism. A portion of the revenue is used to purchase J-Credits equivalent to the CO<sub>2</sub> emissions generated by customers during their trip and to donate to environmental conservation efforts in Hakone. We also offer package deals combining railway tickets with local accommodation facilities.

We have also opened HAKONATURE BASE as a hub for co-creation and communication with local businesses about new ways to enjoy Hakone, under the theme of nature-based experiences. Through activities like nature tours led by local guides, we share the appeal of Fuji-Hakone-Izu National Park.



### (2) Effective utilization of resources

#### Reuse of water

Washing trains consumes large amounts of water. At our Kitami Inspection Depot, we have installed a reclaimed water system to effectively utilize wastewater from vehicle washing. The purified reclaimed water from this system is reused for flushing toilets within the Kitami rail depot and at Kitami Friendship Square, located above the rail depot.



#### Initiatives to reduce water consumption

Hotels generate large volumes of laundry when washing linens. At the Hotel Century Southern Tower, as part of our efforts to reduce laundry water consumption and prevent water pollution from detergents, we ask guests staying multiple nights to indicate via a card whether or not they require bed linen (sheets) and towels to be replaced. Furthermore, environmentally conscious water-saving devices are installed on all guest room faucets and showers, helping to reduce water consumption.



#### Tokyo trees: Using timber produced in Tama

For forests to fulfill their various functions—purifying water and air, absorbing CO<sub>2</sub>, and preventing disasters—a cycle of harvesting, utilization, planting, and nurturing is essential. The renovation of Sangubashi Station, the closest station to Meiji Jingu Shrine, made extensive use of timber produced in Tama. This transformed the station into a space evoking all the warmth of wood, while also contributing to the effective utilization of forestry resources.



(3) Conservation of biodiversity

**Donations to the Japanese Crested Ibis Conservation Fund**

Odakyu OX supports the activities of the Japanese Crested Ibis Conservation Fund, which aims to support environmental creation, experimental research, and other efforts for the protection, breeding, and reintroduction into the wild of the endangered Japanese crested ibis. By donating a portion of the sales proceeds from koshihikari rice from Sado Island in Niigata Prefecture, we participate in the fund's activities, contributing to nature conservation on Sado Island and the propagation of the Japanese crested ibis. This initiative has been continuously implemented since FY3/2007.



The critically endangered Japanese crested ibis

**Supporting Kanagawa Prefecture's Forest Regeneration Partner Program through endorsements and donations**

The Odakyu Foundation, a public interest incorporated foundation, supports Kanagawa Prefecture's "Forest Regeneration Partner Program" through donations, and holds naming rights for the "Odakyu Forest" in Miyagase, Kiyokawa Village, Kanagawa Prefecture. This contributes to forest conservation (ecosystem services like disaster prevention and water retention) and the absorption of approximately 50 tons of CO<sub>2</sub> annually.

Period: March 1, 2022 – February 28, 2027



Odakyu Forest, named for the Odakyu Group

**Proper management and treatment of contaminants**

For equipment containing PCBs (polychlorinated biphenyls), we strive to achieve strict management in accordance with the storage standards for specially controlled industrial waste, while progressively moving ahead with proper disposal by the treatment deadline (March 2027).



**External environmental assessments & initiative endorsements**



Climate change B  
Water security B-



30by30 Alliance for Biodiversity

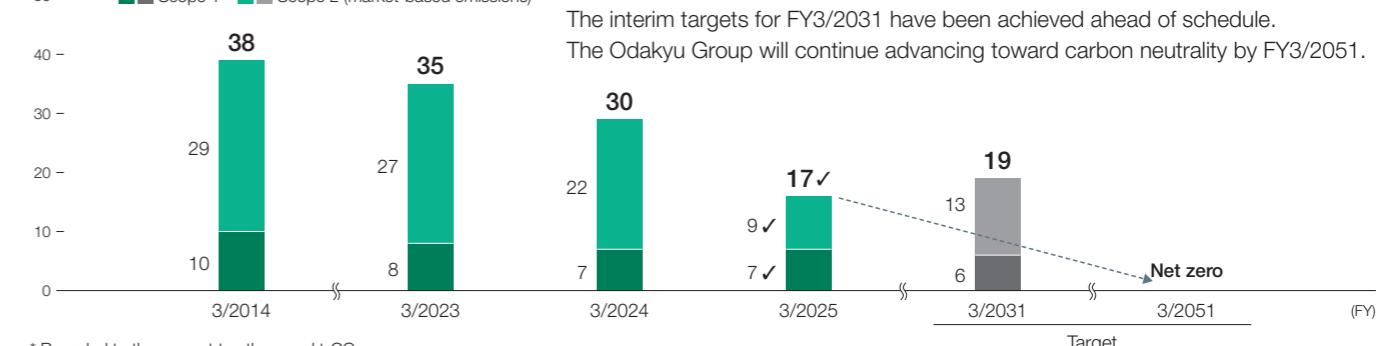


**Environmental Data**

**GHG Emissions (Odakyu Group)**

[Scope 1 and Scope 2: Targets and Progress]<sup>\*1\*2</sup>

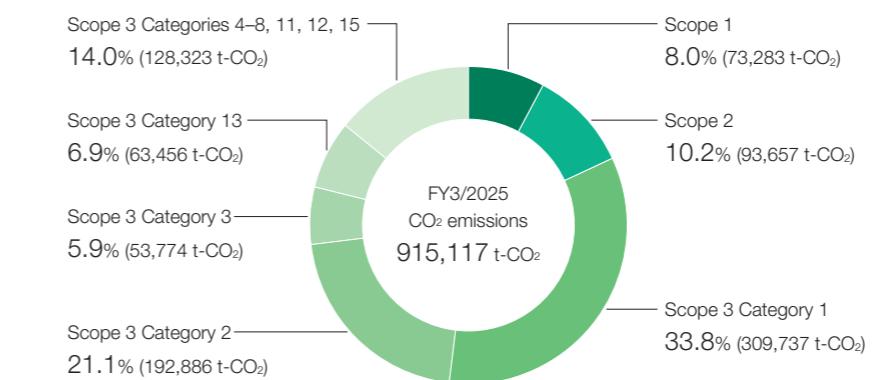
(ten thousand t-CO<sub>2</sub>)  
50 – Scope 1 Scope 2 (market-based emissions)



\* Rounded to the nearest ten thousand t-CO<sub>2</sub>

\* In FY3/2025, Scope 2 location-based emissions were 240,000 t-CO<sub>2</sub> ✓

[By Scope & Category]<sup>\*1\*2</sup>



Scope	Category	FY3/2025 (t-CO <sub>2</sub> )
Scope 1		73,283 ✓
Scope 2		93,657 ✓
Scope 3	Category 1	309,737
	Category 2	192,886
	Category 3	53,774
	Category 4	6,238
	Category 5	19,148
	Category 6	1,502
	Category 7	5,936
	Category 8	141
	Category 11	39,668
	Category 12	2,940
	Category 13	63,456
	Category 15	52,750
	Subtotal	748,177
	Total	915,117

\* The total for Categories 1–3 and 13 in Scope 3 was 619,853 t-CO<sub>2</sub> ✓

**Energy consumption, water resources, waste emissions, etc.**

**Energy consumption<sup>\*1\*2</sup>**

	Unit	FY3/2025
Energy	GJ	5,995,135 ✓
Electric power	MWh	554,012
City gas	thousand m <sup>3</sup>	4,894
LPG	t	1,658
CNG	thousand m <sup>3</sup>	18
Gasoline	kl	243
Diesel oil	kl	20,880
Kerosene	kl	575
A-type heavy oil	kl	511
Steam	GJ	25,604
Cold water	GJ	37,958
Hot water	GJ	45

**Water resources<sup>\*2</sup>**

	Unit	FY3/2025
Water supply	thousand m <sup>3</sup>	2,410
Groundwater	thousand m <sup>3</sup>	528
Rivers & lakes	thousand m <sup>3</sup>	29
Rainwater	thousand m <sup>3</sup>	0
Seawater	thousand m <sup>3</sup>	—
Recycled/reused water	thousand m <sup>3</sup>	2
Total water intake	thousand m <sup>3</sup>	2,968 ✓
Sewage	thousand m <sup>3</sup>	2,810
Groundwater	thousand m <sup>3</sup>	0
Rivers & lakes	thousand m <sup>3</sup>	35
Total wastewater	thousand m <sup>3</sup>	2,844 ✓
Water intake (Intensity per unit of revenue)	1,000 m <sup>3</sup> /¥100 million	0.70

**Solar power generated<sup>\*3</sup>**

	Unit	FY3/2025
Solar power generated	MWh	912 (238 MWh consumed in-house and 675 MWh sold)

**Paper usage<sup>\*3</sup>**

	Unit	FY3/2025
Paper usage	Sheets	5,860,136

**Hazardous Substances<sup>\*3</sup>**

	Unit	FY3/2025
PCB disposal	t	33
NOx emissions	kg	30

\*1 Based on the Act on Rationalization of Energy Use and Shift to Non-fossil Energy and the Act on Promotion of Global Warming Countermeasures. Prior-year data has been revised due to the exclusion of UDS Ltd. and Okinawa UDS from the scope of consolidation as of April 1, 2024. The overall impact is minor.

\*2 The scope of aggregation includes the Company itself and consolidated subsidiaries of the Odakyu Group. Starting with the FY3/2025 aggregation, the companies covered for Scope 3, energy consumption, water resources, and waste emissions have been expanded from only the Company itself to include the Company and consolidated subsidiaries of the Odakyu Group. Additionally, for Scope 3, Categories 4, 8, 11, and 15 have been added.

\*3 The scope of aggregation is only the Company itself.

(Scope of environmental data guarantee) Environmental data is subjected to a limited guarantee to ensure its reliability and information covered by the guarantee is marked with a ✓ symbol. We disclose the third-party verification report, scope structure, and criteria on our website (in Japanese only).

Website <https://www.odakyu.jp/sustainability/carbon-neutral/assurance/> (in Japanese only)

Material issues

## 5 Strengthening Human Capital

- ▶ Cultivation of a corporate culture that enables all employees to work in their own unique way
- ▶ Development and allocation of value-creating human resources for achieving sustainable growth

**Key social issues to be faced**

- Diversity and inclusion
- Labor shortage
- Work style diversification

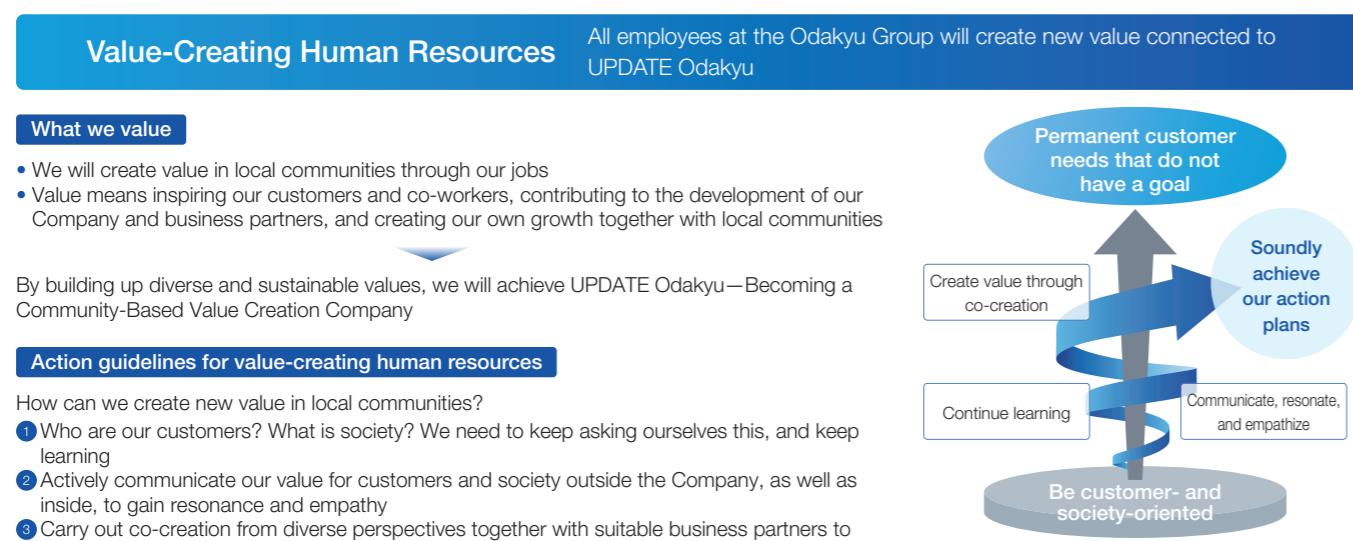
Target	Monitoring Indicators
• Ratio of female employees (full-time): 20% (FY3/2031) / 35% (FY3/2051)	Employee engagement survey score (non-consolidated)
• Ratio of women in management roles: 15% (FY3/2031) / 30% (FY3/2051)	Operating revenue per employee
• Ratio of male employees taking paternity leave: 100% (FY3/2031) / 100% (FY3/2051)	Staff sufficiency rate (rail & bus)
▶ FY3/2025 performance for Targets and Monitoring Indicators is on P.40	Number of specialized personnel (real estate growth sectors)

### Priority tasks for strengthening human capital



We undertake strategic investment in human capital based on priority tasks, aiming for business growth through enhanced employee engagement and labor productivity. Furthermore, we visualize and improve measures to enhance employee engagement and labor productivity through regular monitoring.

[Human Resource Management Policy]



## Priority task 1 Driving structural reforms and securing human resources in anticipation of decline in working population

We are undertaking investment in human capital to achieve the highest labor productivity in the private railway industry (our track record). Specifically, we are building a sustainable operational framework for our railway business and implementing measures such as raising the annual income base by approximately 18% over a three-year period starting from FY3/2024.

### Establishing a sustainable operating structure for railway operations

We are moving ahead with introduction of driver-only operation and streamlining station operations through consolidation and automation of customer service tasks. We will aim to establish an operational structure requiring lower staffing levels by utilizing technologies such as image analysis and behavior recognition AI. (30% reduction in necessary personnel by FY3/2036 compared to FY3/2021)

### Recruitment

Against a backdrop of increasing need to secure a stable supply of highly skilled human resources, following the advancement and complication of operations, we engage in mid-career recruitment throughout the year. In April 2024, we started comeback hiring, taking advantage of the values, skills, knowledge, and experience that an increasing number of employees have cultivated in various fields after retirement.

Number of hires:  
Mid-career recruitment and comeback hiring

FY3/2024: 7 FY3/2025: 27

### Improving compensation

To secure human resources, we have consistently raised starting salaries. Furthermore, in the 2025 spring labor negotiations, we implemented a full acceptance of union demands for the first time in history, resulting in an increase in annual income of up to 1.5 million yen (compared to FY3/2023, model annual income). Managers achieve an annual income in excess of 10 million yen as early as age 31.

### Support for younger employees

The Odakyu Group has enhanced its onboarding initiatives to ensure that younger employees can smoothly adjust to the organization and demonstrate their abilities once they join. Specifically, we implement training for new graduate employees (four times), training during their second year, and a follow-up system at dormitories for single employees and support program for returning travel expenses.

Turnover rate for personal reasons (FY3/2025): 1.9% Retention rate after three years with Company (new graduates) (FY3/2025): 88.9%

## Priority task 2 Improving comfort of work and job satisfaction

### Encouraging male employees to take paternity leave and promoting the active participation of women on an ongoing basis

We strive to be an organization in which diverse talent can thrive. We set goals for encouraging women's active participation in the workforce, and we work toward their realization. In addition to creating value through decision-making from diverse perspectives and addressing social issues, this will also address labor shortages.



Mai Yamanouchi  
Deputy Section Manager,  
Personnel Department  
Odakyu Electric Railway Co., Ltd.

[Odakyu Group Achievements and Targets]

	Performance for FY3/2025	Targets for FY3/2031	Targets for FY3/2051
Ratio of female employees (full-time)	14.8%	20.0%	35.0%
Ratio of women in management roles	8.6%	15.0%	30.0%
Ratio of male employees taking paternity leave	76.5%	100.0%	100.0%

### Fostering an environment encouraging women's active participation in the workforce

The Odakyu Group promotes D&I initiatives to support female employees in building their careers autonomously. Workshops for our female employees on balancing work and childcare provide an opportunity to reflect on past experiences and proactively shape future careers, fostering a positive mindset through dialogue among participants. Additionally, for supervisory roles, we conduct career support training that teaches managers how to provide assistance tailored to the diverse work styles and stages of life of those who work under them. This deepens their understanding of employees raising children while helping them acquire management techniques that support career development. Through these initiatives, we are steadily fostering a workplace culture where everyone can thrive authentically.

## Topic

## Employee engagement survey scores

We revised the employee-focused surveys we previously conducted up to FY3/2024. From FY3/2025, we now conduct an engagement survey targeting all employees, including those in operational workplaces, with the aim of encouraging dialogue between management and employees.

Based on the survey results, we recognize “positive interpersonal relationships”—which scored highly—as one of our strengths. Simultaneously, we are moving ahead with measures to improve areas that scored low, such as “pleasant workplace environment.” We intend to conduct the engagement survey annually. Based on the trends of scores, we will identify and prioritize challenges in our human resources strategy and advance concrete measures to address these.

In our workplaces, a culture has been established where employees can converse freely, regardless of position. We are also moving ahead with environmental improvements, such as changing office layouts, to encourage conversation naturally.



## INITIATIVES TO IMPROVE ENGAGEMENT

## Voluntary workshop for young employees: Future Cafe FIND

**Eligibility** A volunteer group of younger employees (admin, technical personnel)  
\* Voluntary study sessions outside of working hours

**Content** They hold dialogues and workshops based on themes to deepen understanding of the company, self, and others

**Goals** Creating job satisfaction and personal growth, solving various challenges, improving engagement

## [Results and Future Outlook]

- Held twice with nearly 80 total participants; over 90% gave high ratings (based on participant surveys)
- In FY3/2025, the emphasis will be on improving the quality of interpersonal relationships and deepening understanding of self/company

## [Future Cafe FIND]

**Feedback from participants**

- Opportunities for interaction and dialogue between general employees who usually have no contact in the course of work duties are valuable, so I hope this continues.
- Unlike previous study sessions, I hope this session will lead not only to dialogue but also to concrete initiatives.
- I hope that opinions and dialogue arising from these meetings have opportunities to be communicated to management.

## SCORE DISCLOSURE (FY3/2025)

Response Rate: **99.4%**

Overall comprehensive score: **3.24** points/5 points

Average workplace recommendation score: **5.46** points/10 points

## ACTIONS TOWARD ESTABLISHING A PLEASANT WORKPLACE ENVIRONMENT

- Expansion of meal subsidies
- Improvement of workplace environment, including major upgrades to AC systems and other operational facilities
- Enhancement of welfare benefits, such as establishing new bachelors' dormitory for Group employees

## Strengthening internal communication

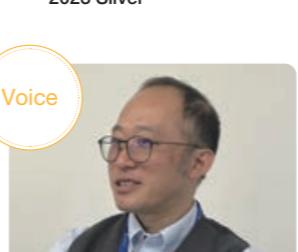
We provide many opportunities for dialogue among employees, including the Future Creation Committee, where all members of the company participate in the formulation of annual plans. Odakyu conducts coaching training, mainly for managers, to improve the communication skills of supervisors, and also provides opportunities for career and life dialogue between supervisors and juniors at least once annually for all full-time employees.

## External evaluation



**Career Ownership Management Award 2025**

Of the companies responding to the human capital survey (sponsored by HR Technology Consortium, HR Research Institute (ProFuture, Inc.), and MS&AD InterRisk Research & Consulting, Inc.), those recognized as having particularly outstanding human capital management and information disclosure efforts are awarded as Human Capital Leaders or for Human Capital Management Quality. In February 2024, Odakyu was selected as one of 19 Silver-rated companies, following 16 Gold-rated companies recognized as having the highest level of effort.



**12th Japan HR Challenge Awards**

The Japan HR Challenge Awards (hosted by the HR Challenge Awards Executive Committee and supported by the Ministry of Health, Labour and Welfare) are presented to companies that actively conduct new and exemplary initiatives by means of “bold endeavors in the human resource domain to invigorate Japanese society.” The award aims to promote the revitalization of Japanese society through presentation to companies who take on challenges in the human resource domain. In June 2023, the Odakyu Group was highly evaluated for the innovation of corporate culture to generate business transformation and as a system to encourage employees to take on challenges, being awarded first prize among 98 candidates.



**Tsubasa Nishihara**

Assistant Manager, Kitami Depot  
Rolling Stock Operations Department

## Career discussions in the workplace

While we had previously strived to improve relationships with our members by creating opportunities for dialogue with younger staff and changing workplace layouts to make daily conversations easier, career-related discussions were largely absent. Starting in 2024, we started statements of career goals for all employees and initiated 1-on-1 meetings based on these statements. During these 1-on-1 meetings, many staff members were able to positively envision and articulate their future careers. There were also moments where new aspects were discovered during the dialogue, making it a highly stimulating opportunity for the listeners as well. Challenges remain, such as the difficulty of securing time for dialogue with staff members who are on duty daily, and some staff members feeling hesitant about expressing their career aspirations. However, we aim to continuously work towards achieving higher-quality dialogue.



## Promoting health management

We believe that ensuring the physical and mental health of our employees and the families who support them leads to individual vitality and revitalizes the organization, leading to sustainable corporate growth. For this reason, we actively engage in health management, placing an emphasis on health support to prevent illness through health management.

Through individual health management measures, we aim to succeed in reducing absenteeism<sup>\*1</sup>, reducing presenteeism<sup>\*2</sup>, and improving work engagement in order to provide safe, stable services.

<sup>\*1</sup> Absence from work due to illness

<sup>\*2</sup> A situation in which employees are present at work but their work efficiency is reduced due to some health problem

## Certified as a KENKO Investment for Health Outstanding Organization 2025

The KENKO Investment for Health Outstanding Organizations Recognition Program is an award system recognized by Nippon Kenko Kaigi. It aims to make corporations, including large corporations and SMEs, that practice particularly excellent health management more visible so they can be recognized by their employees and prospective job seekers. Many corporations in the Odakyu Group have been certified.



## Large Enterprise category

- Odakyu Electric Railway Co., Ltd.
- Odakyu Group Health Insurance Association
- Odakyu Bus Co., Ltd.
- Tokai Jidisha Co., Ltd.
- Odakyu Shoji Co., Ltd.
- Tokai Bus Co., Ltd.
- Enoshima Electric Railway Company, Limited

## SME category

- Odakyu Highway Bus Co., Ltd.
- Odakyu Group Health Insurance Association
- Odakyu Bus Co., Ltd.
- Tokai Jidisha Co., Ltd.
- Odakyu Shoji Co., Ltd.
- Tokai Bus Co., Ltd.
- Enoshima Electric Railway Company, Limited

## Accelerating actions that create value

The Odakyu Group implements measures to fully demonstrate the approaches and skills of each employee while accepting and leveraging diverse personalities and individual strengths. Through our in-house system for business idea suggestions, employees have created new businesses that understand social issues including measures that contribute to enhancing the sustainability of local communities, and have participated in 42 in-house projects to date across divisional boundaries. New value creation is also well underway, including the development of a system for outside work.

**IN-HOUSE SYSTEM FOR HUMAN RESOURCE PROJECT SUGGESTIONS**

A system for utilizing human resources across departments with the goal of discovering and utilizing human resources with ambition

Projects implemented: 42 Total participants: 202  
\* As of August 2025

### climbers Business Idea Solicitation System

A system that empowers employees to freely propose businesses.

Total number of proposals: 215 Projects in progress: 2 Commercialized projects: 6 \* As of August 2025

HUNTER BANK

A service that matches hunters with local communities and agriculture/forestry businesses facing problems of animal damage. Launched for commercial use in 2022, this service is currently operating in four areas, including Odawara City. The service is attracting attention, and was awarded the Good Design Award Best 100 in 2023 in recognition of its platform for solving regional issues.

AOI SCHOOL

Details see the "Daily Life and Tourism Experiences" section for parenting-focused services



► P.51

## Promoting active participation of diverse human resources

### Creation of a stable working environment for employees with disabilities

We established the special-purpose company WELLHEARTS ODAKYU Co., Ltd., to promote a working environment where employees with disabilities can exercise their individual capabilities and play an active role, supporting their participation and independence in society.

#### EMPLOYMENT RATE FOR PEOPLE WITH DISABILITIES

3.4%

\* As of June 1, 2025  
\* Mandatory rate of 2.5% (as of March 31, 2025)  
\* Anticipates phased increase of mandatory rate (2.7% scheduled for 2026)



### Balancing work and home life

To create a work environment where diverse human resources can easily balance their work and family responsibilities, we are introducing various support systems that go beyond the legal requirements as well as promoting understanding, penetration, and utilization of these systems.

#### Childcare-related programs

Company system that exceeds legal stipulations

- Childcare leave
- System for reduced working hours
- System for exemption from night work
- System for exemption from/restriction upon overtime work

Unique Odakyu systems not stipulated by law

- System for exemption from overnight work that requires accommodation
- System for paternity leave
- System for early return-to-work support
- "Pre-maternity-leave" counseling
- System to subsidize babysitters
- Online health and medical consultations
- Reduced working hours for nursing care
- Use of unused lapsed paid leave for nursing care

#### Nursing care-related programs

Company system that exceeds legal stipulations

- Nursing care leave (consecutive period)
- Nursing care leave (designated days)
- Reduced working hours for nursing care
- Use of unused lapsed paid leave for nursing care

## Respect for human rights

Based on the Odakyu Group Human Rights Policy, we are strengthening training and opportunities for employees, including holding seminars on human rights as part of our level-specific training to ensure that this policy is thoroughly disseminated throughout the Group.

► P.87 Respect for Human Rights Initiatives



Priority task 3

## Intensive human investment in growth areas

### Building a human resources portfolio

While realizing sustainable growth as a Group, we aim to realize an optimal human resource portfolio through training and recruitment based on clearly identifying the human resource profile for each business domain necessary to become a community-based value creation company. Specifically, we set KPIs for developing qualified personnel in real estate, hotels, stores, tourism, and digital domains, and we undertake initiatives such as talent exchanges with industry specialists. To achieve these KPIs, we systematically implement various training programs tailored to qualifications and roles in all areas. We also identify the specialized expertise and advanced skills required in each domain and advance our talent development initiatives accordingly. We will also move ahead with recruitment of external specialized and industry-ready personnel, such as executive-level personnel and business promoters from financial institutions and specialized real estate companies.

#### Developing Human Resources in Areas for Growth

##### • Human resources in real estate

As a measure to develop human resources capable of driving growth in the real estate domain, which we have positioned as a cornerstone of our revenues, we promote the exchange of human resources with real estate companies both inside and outside the Odakyu Group, as well as encouraging acquisition of advanced qualifications\*.

\* Examples of qualifications we encourage employees to acquire

- Real Estate Notary
- Certified Building Administrator
- Certified Property Manager
- Certified Shopping Center Business Administrator
- ARES Certified Master
- Redevelopment Planner
- Real Estate Appraiser
- First-class Architect
- Construction Management Engineer
- Electrical Chief Engineer
- Electrician

etc.

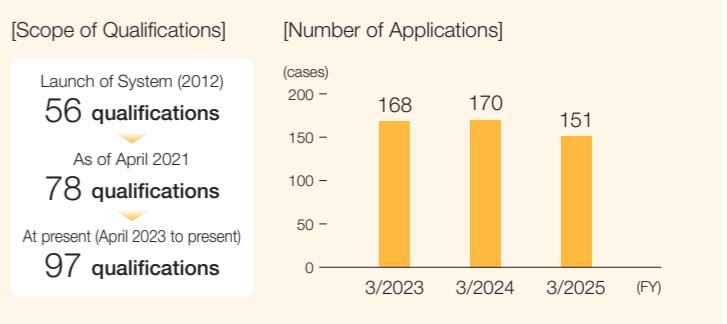
##### • Human resources in the digital domain

To move ahead with DX (digital transformation), we conduct training based on our Digital Talent Development Master Plan. Specifically, we run specialized, practical training programs to cultivate highly skilled human resources capable of planning and carrying out DX initiatives. In FY3/2025, a total of 270 employees completed this program. Additionally, we provide foundational digital education, primarily through e-learning, for all employees. We are committed to these ongoing efforts to cultivate digital talent, focusing on both mindset and knowledge.



### System that supports acquiring qualifications

Odakyu established this system in 2012 with the goals of enhancing the desire for self-improvement among its employees and of contributing to the development of employees' capabilities, in addition to securing employees with the qualifications necessary for business management. Employees receive monetary incentives according to the level of their qualifications and support equivalent to examination fees. Employees can acquire diverse qualifications regardless of current position or department, which contributes to further career autonomy.



Priority task 4

## The well-planned development of next-generation management personnel

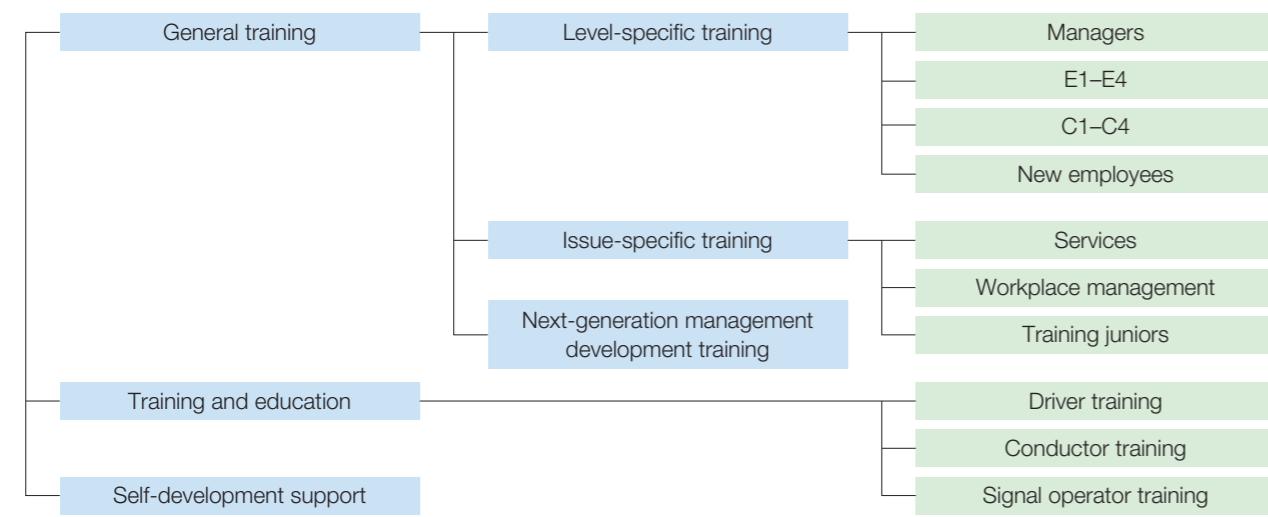
We establish model career paths enabling the acquisition of management skills and specialized business expertise. Based on these models, we implement proactive placement and training initiatives, such as promoting young employees. Furthermore, General Managers—who are candidates for executive positions—participate in cross-functional training programs designed to develop the skills and mindset required of top business leaders, which enhances their decision-making and organizational management abilities. In this way, we secure a talent pool of future management candidates.

### Foundation for strengthening human capital

#### ► Human resource development system

We systematically conduct diverse training programs in accordance with qualifications and roles, with the aim of developing value-creating human resources. We are also constructing a talent management system that takes into consideration the characteristics of each employee, as well as a self-development support system to help employees take on new challenges. Furthermore, through diverse training programs, many employees working in the Railway Department have expanded their capacities significantly as human resources responsible for safe operations.

#### [Human resource development structure]



#### ► Labor-management relations

The Odakyu Group is working on measures to enhance employee engagement and labor productivity while deepening mutual understanding between labor and management through regular consultations with labor unions. The robust relationship of trust between labor and management we have built over many years—a source of pride compared to our competitors—truly serves us as a major strength. It is the driving force that maximizes the potential of our people and organization.

### Interview

#### Interview with Director in Charge of Human Resources

We are committed to further accelerating initiatives to enhance employee engagement and labor productivity.

Kaori Tsuyuki Director and Managing Executive Officer



#### Toward strengthening human capital

To strengthen human capital, the Odakyu Group has identified four key priorities—① driving structural reforms and securing human resources in anticipation of decline in working population; ② improving comfort of work and job satisfaction; ③ intensive human investment in growth areas; and ④ the well-planned development of next-generation management personnel. We are moving forward with strategic investments in human capital based on these priority tasks, aiming for business growth through enhanced employee engagement and labor productivity.

Of all the challenges, we recognize securing talent as the most urgent and critical. Beyond regularly raising starting salaries, we have implemented industry-leading improvements in employee compensation. These included granting the union's full demands for the first time in history during the 2025 spring labor negotiations and paying out our highest-ever summer bonus. Furthermore, we are enhancing welfare benefits, strengthening the quality and quantity of communication through initiatives such as rolling out 1-on-1 meetings for all employees, and creating an environment in which individuals with diverse talents can work in a flexible manner. In light of the current recruitment environment, we conduct year-round “comeback” hiring for people changing careers and returning professionals. This has led to an increase in employees who contribute immediately as valuable assets, utilizing their strong expertise and the values, skills, knowledge, and experience cultivated in various fields after leaving our workforce. We are committed to continuing our efforts to ensure our employees feel that joining Odakyu was the right choice and that they are happy.

#### Topics 1 Received Grand Prize in Corporate Culture Transformation category at Career Ownership Management Award 2025

By drawing out the diversity of every individual employee, the Odakyu Group seeks to develop human resources who can continue creating community-based and social value. Previously, our career support initiatives have primarily focused on employees in head office departments. In order to extend career support to our railway operations staff—who comprise over 70% of our workforce—we

expanded our career dialogue program to all employees starting in FY3/2025. This initiative was strongly acclaimed, leading us to receive the Grand Prize (Large Enterprise) in the Corporate Culture Transformation category of the Career Ownership Management Award 2025 in May 2025, as the first company in the transportation industry to win this award. We view this achievement as the outcome of the sincere commitment to hold conversations about their career by our many employees who work day and night in railway operations.

It is not only those employees making extra effort who have autonomous ownership of their careers—all employees who work sincerely and constantly, day in and day out, serving our customers and ensuring safety and security, also have a proud sense of career ownership. I feel these insights, revealed through career dialogues, are what make the Odakyu Group truly distinctive. Moving forward, we will continue to make progress toward career support for all employees, encouraging them to take ownership of their careers. This is also closely linked to securing and retaining skilled human resources—one of our priority tasks.

#### Topics 2 Conducting engagement surveys

In FY3/2025, we conducted our first engagement survey targeting all employees, including those in operating workplaces, with the aim of encouraging dialogue between management and employees. The incredibly high response rate, in excess of 99% right from the outset, reflects our employees' sincere attitudes and their strong interest in engagement. Based on the survey analysis, we recognize “positive interpersonal relationships”—which scored highly—as one of our strengths. Simultaneously, we are moving ahead with measures to improve areas such as “pleasant workplace environment” that scored lower, including expanding meal subsidies and renovating workplace facilities. We are currently analyzing the results of the second round of engagement surveys. Beyond identifying challenges by comparing scores with the previous survey, we will continue to drive forward with initiatives to enhance engagement and carefully consider responses to improvement measures implemented based on previous results.

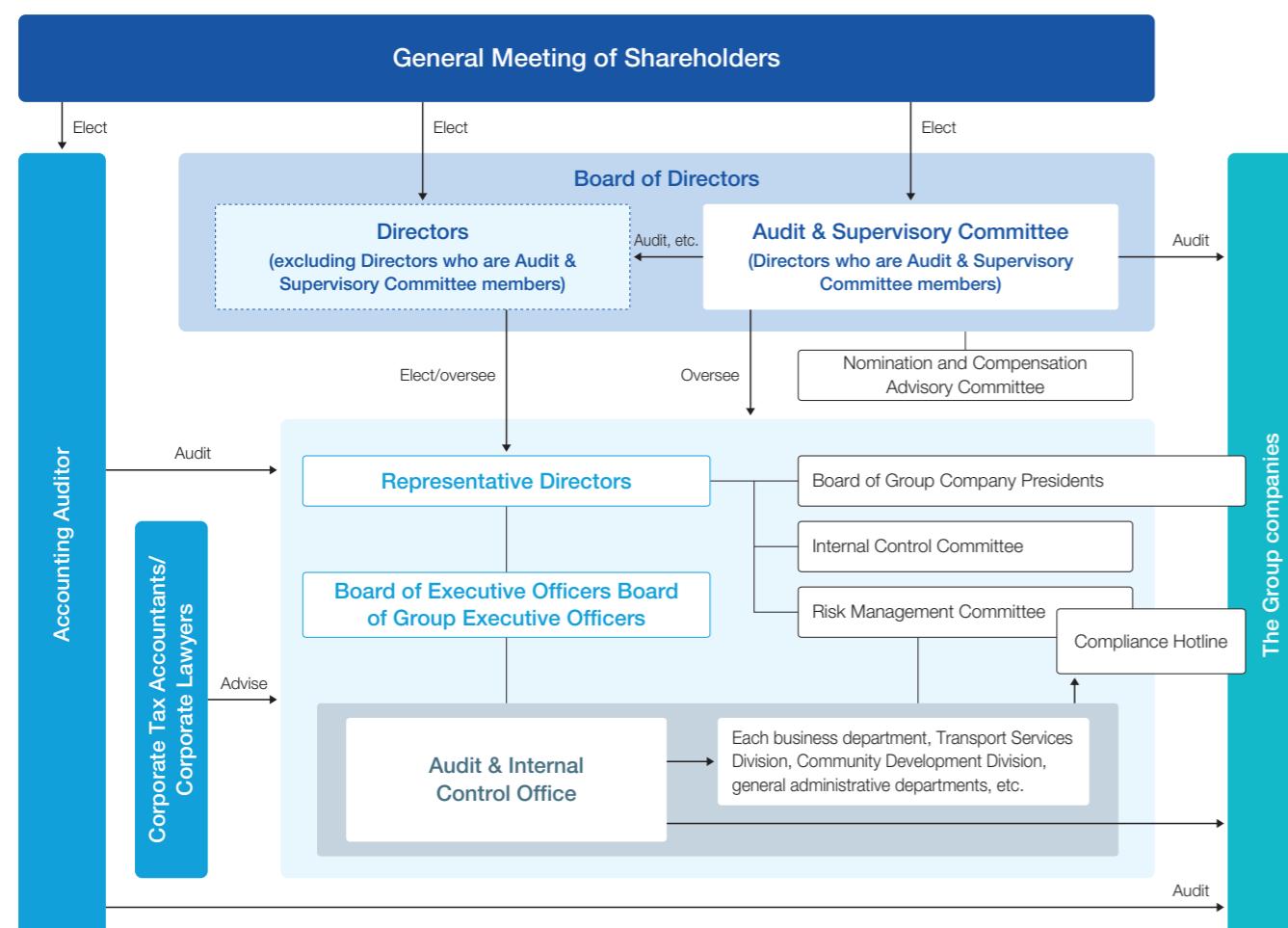


### Basic View on Corporate Governance

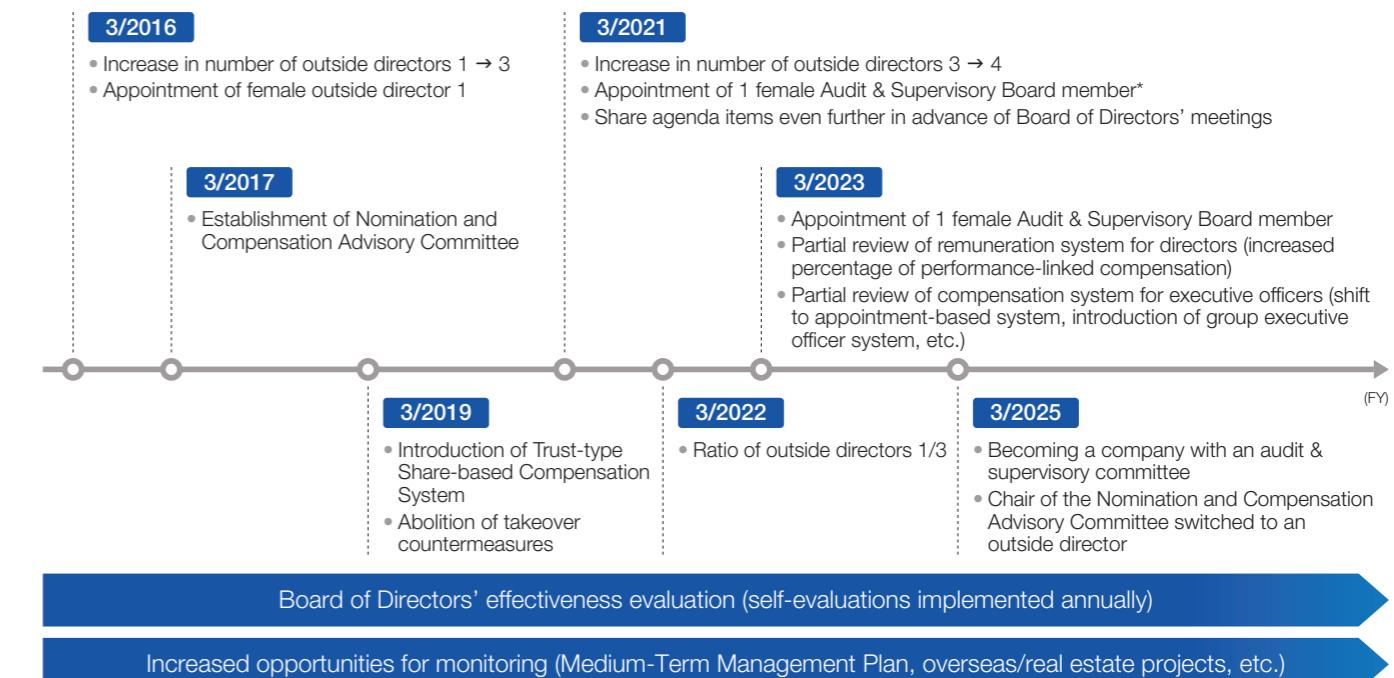
With regard to enhancing and strengthening the Company's corporate governance, the Company is implementing various measures with the recognition that it is vital to strengthen the function to make decisive decisions unshackled by precedents or customs as well as to strengthen the supervisory function for business execution, by ensuring transparency, fairness,

and speed when carrying out key strategies. The aim is to maximize the interest of various stakeholders, including our shareholders as well as our customers, business partners, creditors, and local communities, and achieve sustained growth as well as enhance the medium- to long-term corporate value of the Company.

### [Corporate Governance System]



### Progress of Corporate Governance



\* Resigned on August 26, 2021

### Key Topics Discussed by the Board of Directors

The Board of Directors makes decisions on the execution of important strategies and business operations such as the Medium-Term Management Plan, and other matters required by law, and it supervises the execution of said strategies and operations.

The following key topics were among those discussed in FY3/2025:

Key Topics Discussed	Key Topics Discussed and Reported Items (Debate, Monitoring, and Inspection)
Sustainability/Medium-Term Management Plan	<ul style="list-style-type: none"> <li>• Setting additional targets and indicators for material issues to promote sustainability management</li> <li>• Progress on material issue-related initiatives (including progress on Odakyu Group Carbon Neutrality 2050)</li> <li>• Policies for formulating the next Medium-Term Management Plan</li> <li>• Status of deliberations on the next Medium-Term Management Plan</li> <li>• Key Performance Indicators (KPI) for achieving consolidated ROE targets</li> </ul>
Individual Strategies & Challenges (excluding railway and real estate businesses)	<ul style="list-style-type: none"> <li>• These individual strategies: Hotel Strategy, Tourism and Inbound Business, Financial and IR Challenges and Specific Measures, DX Strategy, Measures to Strengthen Human Capital</li> </ul>
Related to railway business	<ul style="list-style-type: none"> <li>• Formulation of policies for railway business initiatives</li> <li>• Capital investment plans for railway operations</li> </ul>
Related to real estate business	<ul style="list-style-type: none"> <li>• Direction of initiatives based on real estate strategy</li> <li>• Status of review of Medium-Term Management Plan and measures to enhance business in the real estate segment</li> <li>• Investment in overseas real estate business</li> <li>• Domestic SPC investment</li> <li>• Progress of Shinjuku West Gate Development Project</li> </ul>
Monitoring of all business items	<ul style="list-style-type: none"> <li>• Initiatives based on real estate strategy</li> <li>• Performance and progress of overseas businesses</li> </ul>
Response to Corporate Governance Code	<ul style="list-style-type: none"> <li>• Voting results at the Annual General Meeting of Shareholders</li> <li>• Results of implementing Board of Directors' effectiveness evaluations</li> <li>• Significance of holding cross-shareholdings</li> <li>• Sale of cross-shareholdings</li> </ul>
Initiatives for environmental issues	<ul style="list-style-type: none"> <li>• Information disclosure based on TNFD recommendations</li> </ul>
About Group companies	<ul style="list-style-type: none"> <li>• Financing of Group companies</li> <li>• State of business of Group companies</li> </ul>
Other	<ul style="list-style-type: none"> <li>• Review of Basic Policy on Determining Director Remuneration, etc.</li> <li>• Operating status of the whistleblowing system (compliance hotline)</li> </ul>

## View on Balance between the Knowledge, Experience, and Skills of the Board of Directors as a Whole and on the Diversity and Size of the Board of Directors

The Company's Board of Directors comprises a combination of Executive Directors who are well versed in the Company's operations, as well as several Outside Directors who have career history, experience, and professional knowledge that differ from those of in-house Directors and are fully capable of fulfilling roles and functions to enhance management supervising functions. In this way, the Company strives to ensure the balance between knowledge, experience, and skills of the Board of Directors as a whole, and diversity. The Company also works to have an appropriate size for the constitution of the Board of Directors in light of factors such as business scale and type of operations. The Articles of Incorporation stipulate that the number of Directors shall be 20 or fewer (among them, the

number of Directors who are Audit & Supervisory Committee members shall be five or fewer). Based on the policy above, the Board of Directors currently comprises nine Directors (excluding Directors who are Audit & Supervisory Committee members) and four Directors who are Audit & Supervisory Committee members. Among them, the professional background of the three Independent Outside Directors (excluding Directors who are Audit & Supervisory Committee members) consists of three corporate managers, and the professional background of the three Independent Outside Directors who are Audit & Supervisory Committee members (including two women) consists of a corporate manager, an attorney-at-law, and a certified public accountant.

## Training Policy for Officers

The Company provides information on the Company's business, among other things, as needed to Outside Directors, in addition to mainly creating opportunities to inspect the Company's facilities and areas along the Odakyu Line as appropriate to support efforts to deepen understanding of the Company's business. Furthermore, the Company invites outside lecturers to have them give lectures every year on topics such as internal control to in-house Directors. For Executive Directors, the Company

also explains and provides information on the details of business of the department they will be in charge of. The Company takes these measures for each Director and also provides financial support required for such measures.

In FY3/2025, in addition to learning sessions on the Company's industries, outside directors visited stores operated by the Group's store operations company (Odakyu Shoji Co., Ltd.), and exchanged opinions with the company's directors.

## Skills Matrix

Our Board of Directors strives to ensure that the Board as a whole has a balance and diversity in terms of knowledge, experience, and skills. In light of the management vision and the medium-term management plan based thereon as well as of the business characteristics of the Odakyu Group, the Company believes that the Board of Directors should

possess skills related to important matters for the supervisory function (corporate management, finance & accounting, law & risk management, human resources & labor management, sustainability (ESG), IT & digital, transportation business, and real estate business), the specific details of which are outlined below.

	Definition	Reason for selection
Corporate management	Experience in corporate management as a director or other member of the management team, or advanced knowledge based on such experience	To make appropriate management decisions and conduct highly effective oversight in order to realize the Group's Management Principle and enhance corporate value over the medium to long term
Finance & accounting	Knowledge and experience of finance and accounting in a financial department or other professional occupation	To establish a stable financial base and implement financial strategies that contribute to achieving management objectives, including consolidated financial targets
Law & risk management	Knowledge and experience of corporate legal affairs, compliance, and risk management	To deal appropriately with increasingly complex and diverse business risks, based on the premise of compliance with laws and regulations
Human resources & labor management	Knowledge and experience of human resources and labor management, including human resources development in personnel departments, etc.	To promote the creation of value-creating human resources that create value for local communities while drawing out individual diversity in order to enhance human capital
Sustainability (ESG)	Knowledge and experience of sustainability overall (material issue selection, goal setting, and initiatives to achieve them), the environment, or governance	To steadily implement promotion of sustainability management, which forms the basis of our Management Principle, based on the six material issues in order to realize sustainable growth through solving social issues.

(continued on next page)

	Definition					Reason for selection			
	IT & Digital	Transportation	Real estate						
IT & Digital	Knowledge and experience of IT and digital domains					To promote business transformation through digitalization, such as by streamlining business operation systems through digital transformation (DX) and creating new businesses as growth areas			
Transportation	Knowledge and experience of the transportation industry (including buses, taxis, etc.) with a focus on the railway industry					To provide comfortable and high-quality transportation services with safety as our first priority, as this business is the foundation of all our business domains			
Real estate	Knowledge and experience of real estate development, real estate investment, and area management, both along and away from the Odakyu Line					To expand operating profit and improve profitability and asset efficiency, as this business is positioned as our primary pillar of revenue, as well as contributing to sustainable development of local communities			
	Corporate management	Finance & accounting	Law & risk management	Human resources & labor management	Sustainability (ESG)	IT & digital	Transportation	Real estate	
Directors	Koji Hoshino	●		●	●		●		
	Shigeru Suzuki	●		●	●	●	●		
	Akinori Tateyama	●			●			●	
	Koichi Kutsuzawa	●			●				●
	Hideo Mizuyoshi	●	●		●	●	●	●	
	Kaori Tsuyuki	●		●	●				●
	Toru Ohara	●	●			●			
	Takehide Itonaga	●							●
	Shiro Kondo	●					●		
Directors and Audit & Supervisory Committee members	Takashi Hayama	●	●				●		●
	Takeshi Hayashi	●		●	●				
	Yukako Wagatsuma			●					
	Junko Taki		●			●			

\* This table does not state all of the skills possessed by each director.

## Nomination and Compensation Advisory Committee

The Company has established the Nomination and Compensation Advisory Committee, in which independent outside directors comprise a majority of members, as an advisory body to the Board of Directors in order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors on matters such as the nomination of directors and compensation of directors (excluding directors who are Audit & Supervisory

Committee members). The committee discusses basic policy for issues, such as nominations and compensation, drafts agenda items for the Annual General Meeting of Shareholders, and then reports the results to the Board of Directors. In FY3/2025, a total of three meetings were held. Of the Committee members, Toru Ohara, Koji Hoshino, and Takehide Itonaga attended all three meetings, while Shiro Kondo attended two meetings.

Members	Chairperson	Koji Hoshino Representative Director, Chairman and Director	Takehide Itonaga Outside Director	Shiro Kondo Outside Director
	Toru Ohara Outside Director			

### [Key Topics for the Nomination and Compensation Advisory Committee]

Key Topics Discussed	Key Topics Discussed and Reported Items
Appointment of Directors	<ul style="list-style-type: none"> <li>Draft proposals of the General Meeting of Shareholders regarding appointment of directors</li> </ul>
Compensation for Directors	<ul style="list-style-type: none"> <li>Draft proposals of the General Meeting of Shareholders regarding compensation for Directors (excluding Directors who are Audit &amp; Supervisory Committee members)</li> <li>Revision of basic policy on determining compensation for Directors (excluding Directors who are Audit &amp; Supervisory Committee members)</li> <li>Partial revision of the executive compensation table</li> <li>Individual performance-linked compensation for directors</li> </ul>
Other	<ul style="list-style-type: none"> <li>State of progress of CEO succession plan</li> </ul>

## Appointment of Directors

In electing the senior management (Directors concurrently serving as Executive Officers) and nominating candidates for Directors, persons with outstanding personality and insights are required. In addition, in the case of in-house candidates, persons who are well versed in the Company's operations based on experience gained at several departments are elected and nominated for the senior management and Directors (excluding Directors who are Audit & Supervisory Committee members), and persons who have expertise regarding finance, accounting and legal affairs as well as knowledge of the Company's business are elected and nominated for Directors who are Audit & Supervisory

Committee members. In the case of candidates who come from another company or institution, for both Directors, the Company nominates those capable of fulfilling roles and functions to enhance management supervising functions, along with career history, experience and professional knowledge, etc. that differ from those of in-house candidates. In addition, election and nomination are conducted by considering the balance between knowledge, experience, and skills of the Board of Directors as a whole, and diversity. Also, the dismissal of the senior management is decided in light of the election policy.

### Reasons for Appointment of Outside Directors

Toru Ohara	He has management experience and broad insight based on his work at financial institutions. The Company elects him as Outside Director as he is expected to fulfill his role to enhance the management supervising function through activities including deliberations at the Board of Directors and the Nomination and Compensation Advisory Committee from an independent and objective perspective by drawing on such experience.
Takehide Itonaga	He has management experience, broad insight based on his work at financial institutions as well as knowledge regarding the real estate business. The Company elects him as Outside Director as he is expected to fulfill his role to enhance the management supervising function through activities including deliberations at the Board of Directors and the Nomination and Compensation Advisory Committee from an independent and objective perspective by drawing on such experience.
Shiro Kondo	He has management experience and broad insight into the engineering field. The Company elects him as Outside Director as he is expected to fulfill his role to enhance the management supervising function through activities including deliberations at the Board of Directors and the Nomination and Compensation Advisory Committee from an independent and objective perspective by drawing on such experience.

### Reasons for Appointment of Outside Directors and Audit & Supervisory Committee Members

Takeshi Hayashi	He has management experience and broad insight based on his work at financial institutions. The Company renominates him as a candidate for director who is an Audit & Supervisory Committee member expecting him to fulfill his role to enhance the audit function and management supervisory function through activities including deliberations at the Board of Directors from an independent and objective perspective by drawing on such experience.
Yukako Wagatsuma	She has as an attorney at law and professional knowledge based on such experience. The Company elects her as Outside Director who is an Audit & Supervisory Committee member as she is expected to fulfill her role to enhance the audit function and management supervisory function through activities including deliberations at the Board of Directors from an independent and objective perspective by drawing on such experience.
Junko Taki	She has experience as a certified public accountant and professional knowledge based on such experience. The Company elects her as Outside Director who is an Audit & Supervisory Committee member as she is expected to fulfill her role to enhance the audit function and management supervisory function through activities including deliberations at the Board of Directors from an independent and objective perspective by drawing on such experience.

## Cross-Shareholdings

The Company considers it necessary to maintain and develop business relations with various companies in order to achieve the Group Management Principle. To this end, the Company holds shares that are deemed necessary as a policy based on comprehensive consideration of factors such as business relationships with the issuing company.

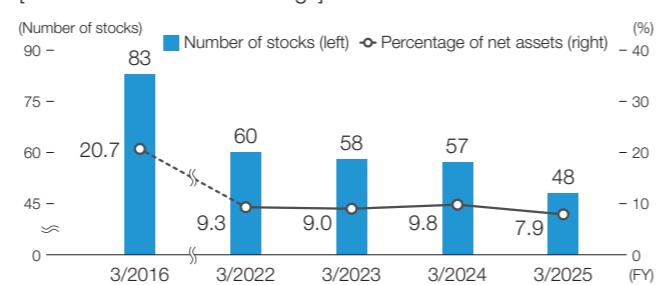
The Board of Directors annually reviews the aim and rationale of cross-shareholdings held by the Company. This review considers qualitative aspects such as contribution to the maintenance and development of business relations with the issuing company, as well as quantitative aspects such as cost of capital and dividend income.

Based on the outcome of this review, we aim to reduce shares for which the significance of holding has diminished through sale and other means. In FY3/2025, we sold nine issues of shares totaling approximately 9 billion yen. As of the end of FY3/2025, cross-shareholdings accounted for

7.9% of consolidated net assets.

Furthermore, the Odakyu Group has indicated in its Medium-Term Management Plan its intention to sell cross-held listed shares totaling over 30 billion yen between FY3/2026 and FY3/2031.

### Trends in cross-shareholdings



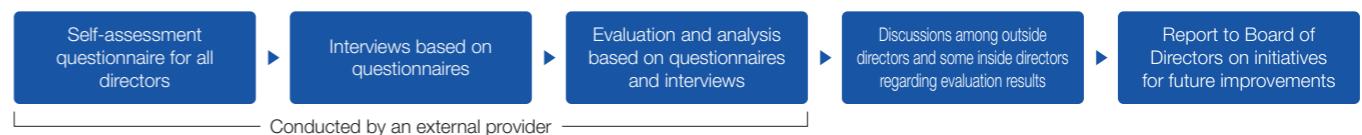
## Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole

The Company evaluates and analyzes the effectiveness of the Board of Directors annually as outlined below. To further enhance effectiveness, in FY3/2025, we conducted an external evaluation (including questionnaires and interviews with each director). The overview is as follows.

With the aim of achieving sustainable growth and enhancing medium- to long-term corporate value, the Company recognizes as key issues the strengthening of functions for making bold decisions unbound by precedent or convention and the strengthening of its oversight functions over business execution, while maintaining the Board of Directors' transparency, fairness, and promptness when executing important policies and strategies. As part of efforts to reinforce corporate governance, the Company conducts annual analyses and evaluations of the effectiveness of the Board of Directors as a whole.

From the FY3/2025 evaluation, building on the Company's ongoing efforts to strengthen its corporate governance, we

### Evaluation and analysis process (FY3/2025)



### Implementation period

Questionnaire: January 2025  
Interviews: February–March 2025  
Reporting of results and analysis/evaluation to Board of Directors: May 2025

### Items evaluated

- ① Board composition and operations
- ② Management strategy & business strategy
- ③ Corporate ethics & risk management
- ④ Management evaluation & compensation
- ⑤ Dialogues with shareholders & other stakeholders
- ⑥ Measuring effectiveness of responses to previous year's issues

### Evaluation results

Based on the results of the questionnaire and interviews, along with their analysis and evaluation, we assess that our Board of Directors is functioning effectively by recognizing changes in the business environment and conducting multifaceted deliberations aimed at sustainable enhancement of corporate value. Furthermore, regarding the issues identified last fiscal year—i.e., optimizing

- Enhancing deliberations on corporate-wide strategy (for example, identifying the capital profitability targets to be achieved over the medium- to long-term for enhancing corporate value, and discussing and monitoring individual business strategies based on identified risk tolerances and expected returns)
- Further strengthening Group governance and enhancing discussions on development and recruitment of senior management members

### Addressing identified issues

In response to the issues outlined above, between July and August 2025, the directors (outside directors and some inside directors) held discussions and formulated the following specific measures for improvement.

- Expanding discussions on business portfolios and key strategies (transportation, tourism, etc.)
- Undertaking deliberations on strengthening Group governance
- Improving Board of Directors operations

We will vigorously undertake these initiatives to address the issues identified.

## Compensation

### Basic Policy on Determining Director Remuneration

Compensation for Directors (excluding Directors who are Audit & Supervisory Committee members and Outside Directors) and Officers consists of the fixed compensation, determined in accordance with position, in addition to the performance-linked compensation, determined based on certain standards including consolidated operating profit, adjusted for the status of each Director's achievement of targets, and stock compensation plan with stronger linkage with the shareholder value that uses a trust to provide incentives for improving business performance over the long term. The ratio of the performance-linked compensation to the total amount of compensation will be set to increase as the position rises and in the case of the President & CEO, is approximately 30%.

Compensation for Outside Directors (excluding Directors who are Audit & Supervisory Committee members) is determined only by the fixed compensation in light of the fact that their major role is management supervising function.

With regard to the performance-linked compensation, 80% of the criteria for determining the performance evaluation that forms the basis for calculation is quantitative target evaluations and 20% is qualitative target evaluations. Evaluations of quantitative targets are determined based on achievement levels for each fiscal year regarding consolidated performance indicators (consolidated operating profit, interest-bearing debt/EBITDA ratio, ROE, and indicators related to sustainability) established from a Group management perspective, and indicators according to the roles of each Director (excluding Directors who are Audit & Supervisory Committee members). Evaluations of qualitative targets are

determined based on achievement levels of individual issues established from a management standpoint from a medium- to long-term perspective. Performance-linked compensation is determined based on the final evaluations calculated according to the results of these evaluations. As a result of the final evaluations, performance-linked compensation will, in principle, fluctuate within a range of 0% to 200% of standard amount for each position.

Fixed compensation is paid regularly while Directors are in office. Performance-linked compensation is paid in a lump sum following the end of the fiscal year. Stock compensation that uses a trust is granted and paid as shares of the Company and cash at the time of retirement, in principle.

Stock compensation that uses a trust is determined in accordance with the position. In the event that a recipient of stock compensation is dismissed or resigns from his/her office as Director due to damages he/she caused to the Company or in other similar cases, all or part of granted beneficiary rights to shares of the Company will be invalidated by a resolution of the Board of Directors.

Remuneration amounts for individual Directors (excluding Directors who are Audit & Supervisory Committee members) are deliberated at the Nomination and Compensation Advisory Committee by comprehensively considering this basic policy, general norms, etc., and the results thereof are reported to the Board of Directors. The Board of Directors resolves to leave the matter to the Representative Director on the premise of payment of amounts in line with reports of the Nomination and Compensation Advisory Committee on amounts of compensation for individual directors.

### [Reference: Diagram of executive director compensation payment ratio]

- The following rates apply to the President & CEO (standard assessment rates) and vary by position.

Fixed compensation (cash) 56%	Performance-linked compensation (cash) 30%	Stock compensation 14%
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### [Summary of Compensation in FY3/2025]

Category	Total amount (millions of yen)	Total amount by type (millions of yen)			Applicable officers (persons)
		Cash compensation	Performance-linked compensation	Stock compensation	
Directors (excluding directors who are Audit & Supervisory Committee members or outside directors)	331	175	124	31	9
Directors who are Audit & Supervisory Committee members (excluding outside directors)	19	19	–	–	1
Auditors (excluding outside auditors)	11	11	–	–	2
Outside directors	73	73	–	–	10

### [Goals and Results of Performance Indicators Used to Calculate Performance-Linked Compensation for FY3/2025]

Evaluation indicators	Goal	Result
Consolidated operating profit (millions of yen)	42,000	51,431
Interest-bearing debt/EBITDA ratio (times)	7.6	6.8
ROE (%)	8.8	11.7
Sustainability-related indicator (CDP Climate Change Score)	*	B
Role indicators	Operating profit from railway business of Odakyu Electric Railway (millions of yen)	16,403
	Operating profit from real estate business of Odakyu Electric Railway (millions of yen)	11,280
		20,873
		11,438

\* Regarding sustainability-related indicators (CDP Climate Change Score), we conduct evaluations based on actual performance.

## Dialogues with Shareholders

In FY3/2025, we conducted the following key activities.

### Status of Key IR Activities

Scope	Activities	Number of times	Details
For shareholders, analysts, and institutional investors	Briefing sessions for institutional investors	2	Briefing sessions regarding the Medium-Term Management Plan and its progress and financial results conducted by the President & CEO and other responsible executive officers
	Small meetings	1	Dialogue with President & CEO and responsible executive officers
	Management consultations	37	Individual consultations conducted by responsible executive officers and general manager of the IR Office
	Shareholder relations meetings	13	Individual consultations conducted by responsible executive officers and general manager of the IR Office
	Individual interviews	67	Individual consultations conducted by the Director in charge of IR
For individual investors	Company briefing sessions	1	Online company briefing sessions
Other IR activities	Promotional activities for investors	As needed	Update website information (Summary of Financial Results, Monthly Trends of Operations, Factbook, Integrated Report, etc.) Production of President's Message video

### Examples of improvement based on dialogues with investors

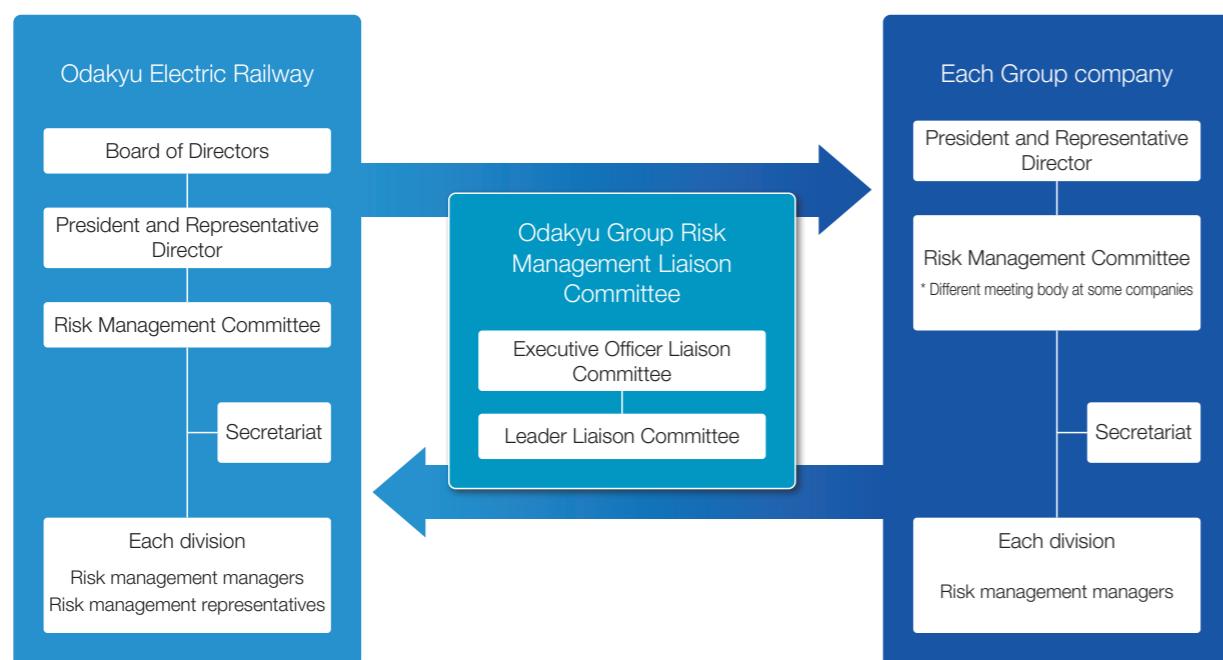
 Investor feedback	 Improvement
<p>1 The FY3/2031 ROE target (7% or more) and estimated cost of shareholders' equity (approximately 5.5%) announced in May 2024 need to be revised as they are lower than the levels investors expect and calculate.</p>	<p>1 In the Medium-Term Management Plan announced in May 2025, new consolidated financial targets were set, raising the FY3/2031 ROE target to 10% or more. The estimated cost of shareholders' equity was also reviewed; after the method of calculation was presented, it was announced as approximately 6–7.5%.</p> <p>→ P.19 Medium-Term Management Plan</p>
<p>2 ROA analysis should be conducted, and the target balance sheet should be disclosed for control of total assets.</p>	<p>2 In the Medium-Term Management Plan announced in May 2025, the FY3/2031 operating profit ROA target was set at 4.9% or more, with target management conducted by segment. The intention to reduce the equity ratio to 30% by FY3/2031 was also announced.</p> <p>→ P.19 Medium-Term Management Plan</p>
<p>3 We would like the Company to disclose its policy for further reduction of cross-shareholdings.</p>	<p>3 In the Medium-Term Management Plan announced in May 2025, it was stated that the market capitalization of cross-held listed shares will be reduced to approximately 10 billion yen. We will proceed with the sale of over 30 billion yen in cross-held listed shares during FY3/2026 to FY3/2031.</p> <p>→ P.77 Cross-shareholdings</p>
<p>4 Regarding the material issue "Community Development and Local Communities," having a target that reflects Odakyu's unique approach to expanding its economic sphere would be ideal.</p>	<p>4 Regarding material issue targets, in addition to management challenges and performance-linked targets, we considered Odakyu's strengths and uniqueness. As a "Community Development and Local Communities" target, we added "number of users at focus stations in areas being strengthened."</p> <p>→ P.39 Material Issues</p>
<p>5 We would like the Company to disclose specific details regarding the Board of Directors' effectiveness.</p>	<p>5 An external provider conducted an evaluation and analysis of effectiveness for FY3/2025. Responses to issues identified through this evaluation and analysis are disclosed in this Integrated Report.</p> <p>→ P.78 Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole</p>

# Risk Management/Compliance

## Initiatives Related to Risk Management

We formulated the Odakyu Group Risk Management Policy in October 2008 that sets out basic matters in risk management promotion. Based on this policy, the Company has established a Risk Management Committee chaired by the director in charge of general affairs, who is the Group's Chief Risk Management Officer. This committee is directly under the President & CEO and oversees risk management for the entire Group. Each Group company has also established a management framework centered on its own Risk Management Committee, conducting its own risk identification and addressing individual risks.

[Odakyu Group Risk Management Structure]



## Business Continuity Activities

As a company that is responsible for regional infrastructure and owns large-scale commercial facilities, we have formulated crisis management regulations that clarify organizations and authority during emergencies based on the assumption that risks can materialize and crisis situations can occur at any time. We have also created a business continuity plan (BCP) to ensure the achievement of business continuity and quick recovery from interruptions due to incidents such as earthquakes, railway accidents, building fires, personal information leaks, and infectious diseases. Furthermore, to ensure we can act appropriately from management to the front lines during emergencies, we implement drills for each role.



Furthermore, the Odakyu Group Risk Management Liaison Committee, encompassing the Company and key Group companies, meets twice a year. This committee facilitates information sharing and collaboration, enabling the identification of various Group-level risks, including ESG-related items, and consideration of countermeasures.

Reporting the number and topics of risk incidents, corruption-related acts, and compliance hotline cases to the Board of Directors ensures the effectiveness of the risk management process.

## Information Security

The Odakyu Group recognizes that maintaining information security is a key management issue. We have established the Odakyu Group Basic Policy for Information Security in Information Systems, and also set "zero serious information security incidents" as a material issue target, driving group-wide information security efforts. Furthermore, we have created the role of Information Security Supervisor (equivalent to a CISO) within the Risk Management Committee and appointed an executive officer in charge of IT. We have also appointed an Information Security Response Representative (equivalent to a CSIRT) to coordinate system-related information, such as security breaches.

Hardware countermeasures include implementing necessary security measures for key information systems and networks. We also promote vulnerability assessments for the websites of the Company and some Group companies, as well as the SaaS services they utilize. On the software side, we implement security awareness and

education for employees. Specifically, we implement information security training and targeted attack email drills for all Odakyu employees and some Group companies. For employees engaged in our railway operations, we conduct incident response drills simulating security breaches of railway systems.

[The Company's major security training achievements (FY3/2025)]

- Company-wide training  
Verification of knowledge on basic terminology, trends in cyberattacks, DX security, etc. Response Rate: 99.5%

- Management-level (Section Manager and above) training  
In addition to the themes outlined above, this adds security topics from the administrator perspective Response Rate: 100%

## Compliance Initiatives

The Odakyu Group has positioned compliance as part of risk management and defined it as our approach and efforts to comply with rules, such as laws, internal regulations, and socially accepted practices, and to sincerely implement business activities.

## Compliance Manual

We have formulated a compliance manual, which compiles compliance standards for behavior and regulations for handling information to be followed by executive officers and employees, and distributed it to employees.

## Compliance Hotline

By establishing a Compliance Hotline\* as a point of contact that enables employees to report compliance violations that they have discovered, we can quickly bring violations to light, as well as take appropriate corrective action and implement measures to prevent recurrence.

\* The hotline can be utilized by anyone connected to the Company, including employees, probationary employees, part-time employees, contract employees, temporary employees, and business partners. Additionally, we have implemented a thorough system to ensure that the details of reports are handled only by authorized persons in a completely independent and private room at all times so that information does not leak.

## Compliance Training

Odakyu has introduced position-based compliance training to enhance employee awareness of compliance, which has a 100% attendance rate. In addition to basic compliance and case studies, training for new employees familiarizes them with the necessary reporting mechanism. In training for newly-appointed supervisors, we provide in-depth

education on points to prevent compliance violations in the workplace and the role of managers in practicing compliance through case studies.

In training for newly-appointed managers, we position compliance within corporate management (the foundation of sound management) and align awareness with the Group's Risk Management Policy while also holding seminars by lawyers about compliance and preventing harassment.

[Usage Rate for Compliance Hotline]

FY3/2023	FY3/2024	FY3/2025
72 cases	73 cases	75 cases

[Number of Compliance Training Attendees (Odakyu Electric Railway)]

	FY3/2023	FY3/2024	FY3/2025
Training for newly-appointed managers	25	29	31
Training for newly-appointed supervisors	29	42	65
Training for new employees	18	34	66
Total (people)	72	105	162

\* Including the above, since 2000, a cumulative total of approximately 9,000 Group employees have attended compliance training.

# Directors and Audit & Supervisory Board Members (As of June 27, 2025)

## Directors



**Koji Hoshino**  
Representative  
Directors  
Chairman and  
Director



**Shigeru Suzuki**  
Representative  
Director  
President & CEO  
President and  
Executive Officer



**Akinori Tateyama**  
Director  
Senior Managing  
Executive Officer

Apr. 1978 Joined the Company  
Jun. 2003 Executive Officer of the Company  
Jun. 2008 Director of the Company  
Jun. 2010 President & CEO (Representative Director) of Odakyu Bus Co., Ltd.  
Jun. 2013 Managing Director of the Company  
Jun. 2013 Executive Officer of the Company  
Jun. 2013 Division Director of Transportation Services Division of the Company  
Jun. 2015 Executive Director of the Company  
Apr. 2017 President & CEO (Representative Director) of the Company  
Jun. 2022 President and Executive Officer of the Company  
Apr. 2024 Assumed the Office of Chairman and Director (Representative Director) of the Company (to present)

► **Responsibilities at the Company**  
Responsible for Audit & Internal Control Office



**Koichi Kutsuzawa**  
Director  
Managing Executive  
Officer



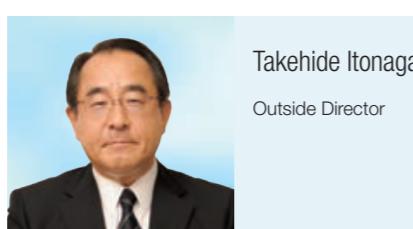
**Hideo Mizuyoshi**  
Director  
Managing Executive  
Officer

Apr. 1992 Joined the Company  
Apr. 2020 Executive Officer of the Company  
Apr. 2024 Assumed the Office of Managing Executive Officer of the Company (to present)  
Apr. 2024 Assumed the Office of Division Director of Community Development Division of the Company (to present)  
Jun. 2024 Assumed the Office of Director of the Company (to present)

► **Responsibilities at the Company**  
Division Director of Community Development Division and Responsible for Digital Business Creation Department



**Toru Ohara**  
Outside Director



**Takehide Itonaga**  
Outside Director

Apr. 1978 Joined Tokio Marine & Fire Insurance Co., Ltd.  
Jun. 1992 Director of Tokio Marine MC Asset Management Co., Ltd.  
Jun. 1999 Executive Officer of Tokio Marine Asset Management Co., Ltd.  
Sep. 2000 Joined Franklin Templeton Investments Japan Limited  
Oct. 2000 Senior Managing Director of Franklin Templeton Investments Japan Limited  
Dec. 2009 Special Advisor of Franklin Templeton Investments Japan Limited  
Apr. 2010 Joined Okasan Asset Management Co., Ltd.  
Jun. 2015 Senior Managing Director of Okasan Asset Management Co., Ltd.  
Jun. 2018 Board Member of Okasan Asset Management Co., Ltd.  
Jun. 2020 Assumed the Office of Director of the Company (to present)

## Directors who are Audit & Supervisory Committee members



**Takashi Hayama**  
Director  
Audit & Supervisory  
Committee member  
(full-time)



**Takeshi Hayashi**  
Outside Director  
Audit & Supervisory  
Committee member



**Yukako Wagatsuma**  
Outside Director  
Audit & Supervisory  
Committee member

Apr. 1985 Joined the Company  
Jun. 2013 Executive Officer of the Company  
Jun. 2015 President & CEO (Representative Director) of Odakyu Housing Co., Ltd.  
Jun. 2017 Director of the Company  
Apr. 2020 Managing Director of the Company  
Apr. 2022 Executive Officer of the Company  
Apr. 2022 Director of the Company  
Jun. 2022 Assumed the Office of Division Director of Transportation Services Division of the Company (to present)  
Apr. 2024 Assumed the Office of President & CEO (Representative Director) of the Company (to present)  
Jun. 2022 Managing Executive Officer of the Company  
Apr. 2024 Assumed the Office of Senior Managing Executive Officer of the Company (to present)

► **Responsibilities at the Company**  
Division Director of Transportation Services Division and Responsible for Tourist Business Development Department

Apr. 1982 Joined Nippon Life Insurance Company  
Jul. 2012 Director and Managing Executive Officer of Nippon Life Insurance Company  
Jul. 2013 Managing Executive Officer of Nippon Life Insurance Company  
Mar. 2015 Senior Managing Executive Officer of Nippon Life Insurance Company  
Apr. 2018 Assumed the Office of President and Representative Director of Nissay Leasing Company, Limited  
Jun. 2020 Auditor of the Company  
Jun. 2024 Assumed the Office of Director and Audit & Supervisory Committee member (full-time) of the Company (to present)

Apr. 1988 Registered as Attorney-at-Law (Dai-Ichi Tokyo Bar Association)  
Apr. 1988 Joined Nagashima & Ohno  
Feb. 1993 Registered as Attorney-at-Law in New York State, United States  
Mar. 1997 Joined Philip Morris Co., Ltd.  
Nov. 1998 Joined Mitsui, Yasuda, Wani & Maeda  
Jan. 2002 Partner of Mitsui, Yasuda, Wani & Maeda  
Jul. 2004 Partner of Ito & Mitomi  
Jul. 2014 Partner of HAYABUSA ASUKA LAW OFFICES  
Oct. 2015 Partner of PwC Legal Japan  
Jan. 2016 Representative Partner of PwC Legal Japan  
Jul. 2020 Partner of PwC Legal Japan  
Jun. 2022 Auditor of the Company  
Jul. 2022 Appointed as a partner at Isshiki & Partners (to present)  
Jun. 2024 Assumed the Office of Director and Audit & Supervisory Committee member of the Company (to present)



**Kaori Tsuyuki**  
Director  
Managing Executive  
Officer

Apr. 1992 Joined the Company  
Apr. 2021 Executive Officer of the Company  
Apr. 2024 Assumed the Office of Managing Executive Officer of the Company (to present)  
Jun. 2024 Assumed the Office of Director of the Company (to present)

► **Responsibilities at the Company**  
Responsible for Customer Value Creation Department, General Affairs Department, Corporate Communications/Environment Department, and Personnel Department



**Junko Taki**  
Outside Director  
Audit & Supervisory  
Committee member

Apr. 1990 Joined ORIX Corporation  
Oct. 1997 Joined Asahi & Co.  
Mar. 2001 Registered as a certified public accountant  
Nov. 2017 Joined Suminoe Textile Co., Ltd.  
Sep. 2019 General Manager of Global Strategies Department, Administration Headquarters, General Manager of Corporate Planning Department of Suminoe Textile Co., Ltd.  
Feb. 2021 Assumed the Office of Representative of Taki CPA Office (to present)  
Jun. 2024 Assumed the Office of Director and Audit & Supervisory Committee member of the Company (to present)

## Executive Officers

### Masakazu Murohashi

Manager of Management Strategy  
Department

### Takeshi Yamamoto

Manager of Finance & Accounting  
Department and Investor Relations Office

### Toshiaki Nonaka

Manager of Rolling Stock Operations  
Department

## Group Executive Officers

### Goichi Inoue

President & CEO of  
Odakyu Shoji Co., Ltd.

### Hisashi Fukami

President & CEO of  
Odakyu Restaurant System Co., Ltd.

### Atsushi Yamaguchi

President & CEO of  
Odakyu Agency Inc.

### Yoshikazu Nakajima

President & CEO, Odakyu  
Department Store Company Limited

### Hiroyuki Tajima

President & CEO of  
Odakyu Bus Co., Ltd.

### Satoru Suzuki

President & CEO of  
Tachikawa Bus Co., Ltd.

# Interview with Outside Director



I will continue to support the Odakyu Group as it takes a new leap forward by building on diverse perspectives and a strong commitment to achieving goals as the foundation for growth

Takehide Itonaga Outside Director

## Changes in the Board of Directors' supervisory functions and effectiveness

Having served as an Outside Director since 2020, I have witnessed the evolution of the Company's corporate governance functions. The proportion of Outside Directors has increased, with lawyers and certified public accountants joining former corporate executives and officers. This has encouraged discussions from diverse perspectives. The introduction of an appointment-based system for executive officers has advanced the separation of executive and supervisory functions, further strengthening the monitoring of management. Furthermore, once it became regular practice to provide Outside Directors with advance explanations of materials for Board of Directors meetings, the detailed questions and clarifications at those meetings have helped them to better understand the content of the proposals, leading to more substantive discussions at meetings.

Furthermore, I believe Chair Hoshino's fair and impartial management of proceedings has significantly contributed to ensuring the effectiveness of the Board of Directors. His approach of freely inviting comments and embracing all opinions undoubtedly creates a robust foundation for diverse discussions.

## Evaluation of the Medium-Term Management Plan

I highly commend the decision to substantially increase the consolidated financial targets for FY3/2031. Simply setting incremental targets in a piecemeal manner cannot drive significant growth for any organization. Lately, I have noticed a real strength of will at the company and from its top management. The bold target that has been set, including the processes needed to achieve it, is the result of extensive discussions. That is precisely why stakeholders and the market received the news with surprise and high expectations. Considering the future potential, I personally do not view this as an unreasonably high target.

The increased emphasis on management aimed at maximizing

corporate value and the active discussions surrounding the cost of capital and stock price to achieve this reflect a heightened awareness of shareholder and investor perspectives. Even within the Board of Directors, while discussions in the past were often based on overall impressions, each individual figure is now scrutinized for its validity and contribution to enhancing corporate value.

At the same time, given the nature of our business—where we constantly support our customers in daily life—I emphasize that it is crucial to undertake management while fully considering the perspectives of all stakeholders: not only shareholders and investors, but also customers, employees, and business partners. To advance the three pillars outlined in our Medium-Term Management Plan – active investment in growth areas, strengthening shareholder returns, and enhancement of human capital—in a balanced manner, we believe diversity within the Board is crucial. This diversity encourages the pursuit of our ultimate goals through multifaceted perspectives.

## Working to extend the equity spread

To improve ROE, we need to further advance cost structure reforms through fixed cost reductions and operational efficiency gains by implementing DX measures. Beyond streamlining operational duties, digital technology also offers significant potential to shift away from labor-intensive approaches in maintenance and inspection work. Even if they pressure earnings in the short term, initiatives we deem essential for long-term corporate growth should be pursued proactively.

It may also be necessary to consider withdrawing from businesses that are unlikely to become profitable even in the long term. While still recognizing the important reasons we started these businesses, we need to scrutinize each business based on market changes and its compatibility with our core operations. All of the world's most competitive companies have clear criteria for withdrawing from businesses, avoiding excessive hesitation. While the nature of the industry plays a role, we need to keep in mind that stability can often signal a lack of urgency and a tendency toward complacency.

Regarding controlling the cost of shareholders' equity, we need to further enhance our IR activities, including strengthening our communication capabilities. Investors are people too. It is crucial that we build trust through face-to-face mutual discussions to encourage understanding of our policies on investments for growth and shareholder returns.

## Strengthening human capital

Achieving ambitious financial goals necessitates developing foundational human capital, particularly by acquiring and enhancing diverse skills. Beyond digital and language skills, improving problem-finding, issue-solving, and the resilience needed to adapt to difficult situations is crucial. However, these skills are not acquired solely through HR training, and becoming immersed in daily tasks often narrows one's perspective. Personally, creating opportunities to constantly learn from people in completely different industries and hear about the latest trends has greatly benefited my own work. How can we provide these types of learning opportunities? This is also a challenge for the company.

On top of that, we need to firmly build trust within the workplace. If we are asking "What is your dream?", then taking that extra step in communication—empathizing with those dreams and challenging ourselves together to achieve them—is also crucial for building trust.

## Sustainability & corporate culture

As a transportation infrastructure company with nearly 100 years of history, we have contributed to the sustainable development of the communities along the Odakyu Line. Therefore, I feel the concept of sustainability management is already well-established throughout the entire company.

If I had to put it into words, it would be about moving ahead with management that further prioritizes our corporate culture and employees. When I interact with Odakyu executives and employees, whether in meetings or during site visits, what strikes me is their genuine earnestness, sincerity, and steadfastness and the depth of their courtesy. The Odakyu Group is also well ahead of the industry in addressing diversity and work-life balance. I think it is fantastic that management strongly believes in properly rewarding employees, including through compensation and good



treatment. On the other hand, this very sincerity and steadfastness can sometimes make breakthroughs harder to achieve. Just as moderate practice alone will not get you to the Olympics or the Major League, achieving significant results sometimes requires periods of relentless effort. We must once again recognize that the growth of the company comes from maximizing motivation and growth for our employees.

## Role as an Outside Director

Building on the knowledge and experience I have cultivated to date, I hope to actively contribute to shaping management strategy. Viewing Odakyu's real estate operations from my perspective in the industry, I also recognize some challenges that will require attention moving forward. While a high-turnover business model is great for profitability, it literally collapses if the turnover ever stops. As we review the Odakyu Group's portfolio of long-term and short-term holdings, I hope that these discussions incorporate the perspectives of Outside Directors, recognizing that maintaining quality real estate holdings—without losing sight of the importance of developing alongside local communities—can contribute to stable operations.

Furthermore, from a governance and risk management perspective, preventing misconduct across the entire Group is crucial. The Odakyu Group is engaged in many fields of business: some directly related to customer safety and some involving the direct handling of cash. Therefore, it is essential to establish a system that creates both "the tension of always being watched" and "the reassurance of always being looked after." This principle applies broadly to relationships between superiors and junior employees, and by extension, between parent and subsidiary companies.

## Expectations for the Odakyu Group

I believe greater synergy can be achieved between the transportation operations and non-transportation businesses of the Odakyu Group, including real estate, logistics, and hotels. I think that at the Odakyu Group, we can sometimes overlook the potential of synergy. Given our abundance of management resources, it might be beneficial to establish mechanisms for gathering opinions and ideas from very different divisions to plan and develop initiatives in an integrated manner.

When community development is understood as a community-based value-creating enterprise, the perspective of what local residents truly desire becomes particularly crucial. Having worked in sales for many years, I frequently encountered the gap between the company's sales approach and what customers were genuinely seeking. Far too many companies move forward based solely on their own biases and assumptions. I hope that the Odakyu Group will be a company that continues to listen, even more closely, to the voices and wishes of the community. This sort of approach has already produced successful examples. As one of the Odakyu Group's directors, I will dedicate my efforts to help us achieve community development that comprehensively addresses diverse needs and maximizes the Group's synergistic effects.

# Respect for Human Rights Initiatives

## Odakyu Group's approach to human rights

The Odakyu Group's Management Principle, through all of our businesses, is our commitment to being a good partner with our customers, helping them make their precious time more comfortable and pleasant by creating and providing them with "irreplaceable times" that contribute to "rich and comfortable lifestyles." Respect for human rights is the foundation for each and every one of us to realize our Management Principle and to develop sustainably together with society, and to this end, we need to respect the human rights of all kinds of people (stakeholders), including customers, business partners, and employees.

To ensure that people's dignity is protected and respected, as a commitment to respecting the human rights, we have established the Odakyu Group Human Rights Policy, based on the United Nations Guiding

Principles on Business and Human Rights, etc. Based on this policy, we have formulated the following to strengthen relationships with stakeholders—the Odakyu Group Sustainable Supply Chain Policy to build procurement and supply chains that take human rights and sustainability into consideration; the Odakyu Electric Railway Multi-Stakeholder Policy, which clearly states our stance on appropriate distribution of profits and results, with a focus on giving back to employees and consideration for business partners; the Customer Harassment Response Policy to maintain and ensure a safe, secure, and rewarding work environment for our employee; and the Anti-Corruption Policy to ensure we act with common sense and responsibility based on an understanding of social norms and corporate ethics.



For more information on respect for human rights, please see here.

[Website](https://www.odakyu.jp/sustainability/governance/human-rights/) <https://www.odakyu.jp/sustainability/governance/human-rights/> (in Japanese only)



## Reflecting on risk management

Regarding the formulation of risk management plans for the Odakyu Group, we work to identify critical risks that could have a significant impact on management and we monitor these on an ongoing basis. However, we recognize that there are a wide range of perspectives that require attention when it comes to human rights risks, and that a wide range of considerations and responses are required. The Odakyu Group has established a comprehensive risk management plan for each individual company, which is based on a comprehensive set of risk scenario examples that cover factors that could infringe on the human rights of individuals

and groups affected by its corporate activities.

Based on the human rights risks identified in this process, and while also referring to guidelines and directives from governments and international organizations, we have identified and organized the major human rights risks within the Odakyu Group into those common to all fields of business and those that exist primarily in individual fields of business. We are committed to deepening understanding of respect for human rights throughout the Group and addressing human rights risks that require particular attention.

## Major Human Rights Risks for the Odakyu Group



## Communication with business partners

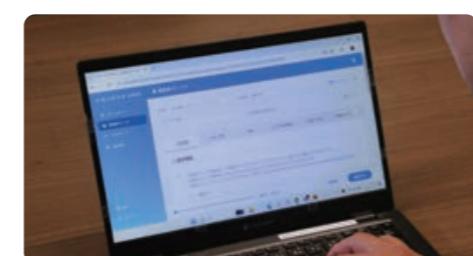
Having established the Odakyu Group Sustainable Supply Chain Policy, we are working to build a sustainable and strong supply chain by providing safe, reliable products and services to our customers and building positive relationships with our suppliers through fair and equitable transactions.

As a central element of this effort, since FY3/2025, we have conducted sustainability surveys to check the status of our business partners' sustainability efforts. The survey covers diverse topics, including human rights, labor, and the environment, as well as fair business practices, quality and safety, and information security measures. It enables us to gain an understanding of each business partner's current status and facilitates the identification and improvement of any issues. This survey also utilizes a dedicated website to complete the entire process online—from responses to

aggregation and feedback. This not only ensures security and convenience but also enhances effectiveness, as it facilitates complex risk analysis by combining content across various responses.

At Odakyu Electric Railway (non-consolidated), the survey has already been implemented for business partners with annual transaction amounts exceeding 1 million yen, which covers 97% of our total transaction value. Feedback has been provided based on the responses, and there has been a track record of direct improvements and guidance, including the establishment of a whistleblowing system. Going forward, we will expand the survey to business partners of Group companies while also working to expand communication with business partners across the Group.

[Survey response screen]



[Response feedback screen]



Responses and feedback are managed centrally online

[Implementation rate of sustainability survey (as of July 2025)]

### Conducted for business partners with annual transaction value of 1 million yen or more

Business partners under the administration of our procurement department 187 companies

Business partners under the administration of our Transportation business departments 68 companies

Business partners under the administration of our Real Estate business departments 60 companies

Surveys have been conducted for business partners accounting for 97% of our total transaction value

Planned implementation targets for FY3/2026 and beyond

- Business partners under the administration of our other departments
- Business partners across Group companies

\* Implementation will proceed sequentially as data on business partners is organized and consolidated

Main survey questions  
About 60 questions in total

Human rights and labor

Environment

Fair corporate activities

Quality and safety

Information security

Supply chain

Coexistence with local communities

Foreign workers

- Scores are calculated for each item, and overall feedback on efforts is provided
- Based on individual responses, the situation is reviewed, and guidance is provided for improvement

## In-house education and training

### Level-specific training

We provide appropriate education and training for a wide range of company officers and employees to promote understanding and adoption of our various policies on human rights, and to ensure that business activities and daily actions are in compliance with these policies. For directors and other officers, we deepen their understanding by sharing perspectives from law firms and human rights experts on the overall human rights responsibilities expected of companies and the necessary mindset for management.

Regarding level-specific employee training, we have expanded the scope beyond previous programs for newly-appointed managers, newly-appointed supervisors, and new employees to include young general staff. We also incorporate content promoting understanding and dissemination of business and human rights into onboarding training for the increasing number of mid-career hires.

### Seminars by external experts

To deepen our understanding of business and human rights, it is highly effective not only to convey information from our in-house departments but also to invite external experts to share new perspectives and insights on the rapidly changing external environment. These seminars are primarily held for

### Seminars by external experts to date

#### “Business & human rights” as a new management challenge for Japanese companies

As human rights issues increase in importance as risks for companies and businesses, this session identifies key considerations for comprehensively identifying and addressing human rights risks. It also explores future regulatory trends and appropriate responses based on case studies from industries relevant to the Odakyu Group.



A management-level seminar targeting our company's executive officers was also held (distributed to executives of Group companies)

#### The social value of measures for child-rearing support Business development from human rights & children's rights perspectives

Encouraging the healthy growth of children through business operations is a crucial aspect of any company's human rights responsibilities. From the perspective of "enhancing corporate value through respect for children's rights," we re-examine the importance and value creation of the various initiatives to support child-rearing undertaken by our Group.

- 1. What are children's rights?
- 2. Children's rights and business
- 3. Social value and impact assessment
- 4. Considering the importance and value creation of Odakyu Group child-rearing support measures
- 5. Management that respects children's rights

### Topic **Participation in international initiatives (UN Global Compact)**

In January 2025, the Odakyu Group signed the UN Global Compact, a worldwide initiative advocated by the United Nations. We endorse the Ten Principles across four areas—Human Rights, Labour, Environment, and Anti-Corruption—set forth by this organization and we undertake our sustainability initiatives accordingly.



Number of participants & companies

Human rights training (from FY3/2025)	
Training for newly-appointed company officers (Odakyu Group)	46
Human rights seminars (Odakyu Group)	26
Training for newly-appointed executive officers (Odakyu Electric Railway)	10
Training for newly-appointed managers (Odakyu Electric Railway)	56
Training for young general staff (Odakyu Electric Railway)	10
Training for newly-appointed supervisors (Odakyu Electric Railway)	146
Training for new employees (Odakyu Electric Railway)	158
Training for mid-career hires (Odakyu Electric Railway)	25

\* As of September 2025



## Respect for human rights of employees

To ensure we can keep providing services that prioritize and support our customers into the future, we have established the Odakyu Group Customer Harassment Response Policy. We have also formulated common operational guidelines based on this policy, which incorporate rapid identification and response to customer harassment, reporting and consultation systems for incidents, and measures to prevent occurrences.

By creating an environment that enables us to respond firmly to any harassing behavior, we improve employees' sense of security, motivation, and performance, ultimately strengthening our human capital. In addition, we have set up harassment hotlines\* both inside and outside the company as points of contact for any harassment-related issues. Our aim is to detect various types of harassment, including power harassment and sexual harassment, as early as possible and to pursue appropriate corrective measures as well as measures to prevent recurrence. In addition to training for newly-appointed managers, we provide training every year at each employee level about situations in which harassment is likely to occur, how to proceed when a response is required, etc.

\* A system is in place to protect privacy, and the service can be used anonymously



Odakyu Group customer harassment prevention poster

### Comments from External Experts



Looking forward to proactive problem-solving through business activities to drive further evolution of initiatives that ensure respect for human rights

Ayumi Yamori

COO (Chief Operating Officer), Partner  
Owls Consulting Group, Inc.

As international rule-making around business and human rights accelerates and calls for corporate action intensify, I find it very meaningful that the Odakyu Group is undertaking various initiatives to ensure respect for human rights. Key efforts that I encourage Odakyu to continue include identifying company-wide salient human rights risks while also prioritizing risks specific to each business sector, as well as providing individual feedback and guidance for improvement to its business partners.

Furthermore, as befits a business with notably frequent consumer contact, Odakyu's focus on countermeasures against customer harassment also represents a very important initiative. Going forward, the question will be how to deepen the understanding of human rights risks—not only among direct business partners but throughout the

entire supply chain—and how to implement specific preventive and corrective measures for each significant risk. In addition, I hope to see further strengthening of the effectiveness of grievance mechanisms for providing appropriate relief when human rights violations occur.

Beyond such "defensive" measures, I also hope to see a more "proactive" stance of actively addressing diverse human rights issues through Odakyu's own business activities. As the Odakyu Group aims to contribute to "rich and comfortable lifestyles" for each and every individual, there are undoubtedly countless human rights issues that could be resolved through its business activities.

I sincerely hope that Odakyu will continue to evolve its human rights initiatives to bring about positive change throughout society.

## Eleven-Year Financial Summary

	FY3/2015	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025
<b>Operating results-related</b> (millions of yen)											
Operating revenue	518,715	529,812	523,031	524,660	526,675	534,132	385,978	358,753	395,159	409,837	422,700
Operating profit	49,858	52,934	49,946	51,464	52,089	41,103	-24,190	6,152	26,601	50,766	51,431
Ordinary profit	44,098	45,695	46,638	47,891	49,687	38,299	-31,223	4,699	25,119	50,670	50,474
Income before income taxes	47,258	42,575	39,711	43,940	45,194	35,998	-41,261	23,227	58,767	101,610	72,054
Profit attributable to owners of parent	30,147	27,497	26,067	29,328	32,468	19,923	-39,804	12,116	40,736	81,524	51,958
Comprehensive profit	50,028	15,503	28,471	33,333	30,279	8,855	-34,078	809	44,468	96,789	50,514
Capital investments	54,612	59,619	74,805	68,288	82,215	91,599	62,943	64,693	52,889	83,402	65,388
Depreciation	46,691	47,307	46,936	45,347	46,727	49,628	51,258	49,363	47,866	45,785	43,954
EBITDA <sup>1</sup>	96,549	100,242	96,883	96,811	98,817	90,731	26,355	55,515	74,468	96,552	95,386
<b>Cash flow-related</b> (millions of yen)											
Cash flows from operating activities	71,126	78,702	79,494	85,394	72,733	74,897	27,178	48,617	62,928	71,626	55,877
Cash flows from investing activities	-43,194	-49,276	-67,053	-52,681	-80,094	-85,454	-43,582	-45,515	34,712	23,435	-74,495
Cash flows from financing activities	-38,997	-21,473	-20,473	-8,099	-15,083	17,171	37,207	-30,573	-51,056	-102,079	-7,040
Net increase (decrease) in cash and cash equivalents	-11,066	7,953	-8,032	24,613	-22,444	6,613	20,803	-27,471	46,584	-7,017	-25,658
Cash and cash equivalents at end of the year	19,371	27,326	19,293	43,907	21,636	28,464	49,267	21,852	67,474	60,532	34,952
Free cash flows <sup>2</sup>	27,931	29,426	12,441	32,712	-7,361	-10,557	-16,403	3,101	97,641	95,062	-18,618
<b>Balance sheet-related</b> (millions of yen)											
Net assets	308,209	317,023	338,703	366,577	389,180	390,183	352,456	349,257	388,490	460,176	479,263
Shareholders' equity	259,677	280,609	299,987	322,157	346,997	363,053	319,609	327,726	364,589	421,329	441,860
Total assets	1,253,849	1,257,332	1,270,102	1,294,498	1,312,433	1,328,303	1,326,996	1,285,230	1,279,976	1,301,578	1,299,991
Interest-bearing debt	730,375	715,876	702,578	719,197	715,293	741,027	782,822	756,537	706,479	626,950	652,789
<b>Per share information-related</b> (yen) <sup>3</sup>											
Net assets per share	422.33	433.93	927.30	998.98	1,061.37	1,066.01	963.40	954.58	1,066.07	1,283.65	1,385.44
Dividend amount per share	8.5	9.0	19.0	20.0	21.0	21.0	10.0	10.0	21.0	30.0	40.0
Profit per share	41.80	38.14	72.31	81.36	90.11	55.08	-109.60	33.36	112.11	225.28	147.51
<b>Financial indicator-related</b>											
Ratio of operating profit to operating revenue (%)	9.6	10.0	9.5	9.8	9.9	7.7	-6.3	1.7	6.7	12.4	12.2
ROA (ratio of operating profit to total assets) (%) <sup>4</sup>	4.1	4.4	4.1	4.2	4.2	3.2	-1.9	0.5	2.1	4.0	4.1
ROE (ratio of profit to shareholders' equity) (%) <sup>5</sup>	11.9	10.1	9.0	9.4	9.7	5.6	-11.6	3.7	11.6	20.3	11.7
Interest-bearing debt/EBITDA ratio (times)	7.6	7.1	7.3	7.4	7.2	8.2	29.7	13.6	9.5	6.5	6.8
Shareholders' equity ratio (%)	24.3	24.9	26.3	27.8	29.1	29.1	26.4	27.0	30.3	35.3	36.8
D/E ratio (debt-to-equity ratio) (times) <sup>6</sup>	2.8	2.6	2.3	2.2	2.1	2.0	2.4	2.3	1.9	1.5	1.5
Interest coverage ratio (times) <sup>7</sup>	8.4	10.0	11.1	13.3	12.3	14.0	5.0	10.0	13.8	16.7	11.7
PER (price-to-earnings ratio) (%)	29.3	32.1	30.0	26.5	29.8	43.1	-	61.1	15.3	9.2	10.0
PBR (price book-value ratio) (times)	2.9	2.8	2.3	2.2	2.5	2.2	3.1	2.1	1.6	1.6	1.1
Consolidated dividend payout ratio (%)	20.3	23.6	26.3	24.6	23.3	38.1	-	30.0	18.7	13.2	26.8
DOE (dividend on equity ratio) (%) <sup>8</sup>	2.4	2.4	2.4	2.3	2.3	2.1	-	1.0	2.1	2.6	3.0
<b>Other</b>											
Total number of issued shares (shares) <sup>3</sup>	736,995,435	736,995,435	368,497,717	368,497,717	368,497,717	368,497,717	368,497,717	368,497,717	368,497,717	368,497,717	368,497,717
Number of employees (consolidated) (persons)	13,226	13,283	13,560	13,914	13,938	14,019	13,960	13,272	12,629	11,661	11,517
Number of employees (non-consolidated) (persons)	3,593	3,593	3,637	3,726	3,792	3,847	3,760	3,758	3,712	3,682	3,682

<sup>1</sup> EBITDA = Operating profit + Depreciation<sup>2</sup> Free cash flows = Cash flows from operating activities + Cash flows from investing activities<sup>3</sup> The Company implemented a 1-for-2 reverse stock split with an effective date of October 1, 2016.<sup>4</sup> ROA = Operating profit/Total assets (average of the start and end of the fiscal year; excluding net unrealized gain on securities)<sup>5</sup> ROE = Profit attributable to owners of parent/shareholders' equity (average of the start and end of the fiscal year; excluding net unrealized gain on securities)<sup>6</sup> D/E ratio = Interest-bearing debt/Shareholders' equity<sup>7</sup> Interest coverage ratio = Operating cash flows/Interest paid<sup>8</sup> DOE = Annual dividend payout/Shareholders' equity (average of the start and end of the fiscal year)

Note: Odakyu adopted Partial Amendments to Accounting Standard for Tax Effect Accounting, etc. (ASBJ Statement No. 28, February 16, 2018) in FY3/2019 and restated the figures for FY3/2018 accordingly.

Note: While standards such as the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) have been applied since FY3/2022, we have not restated figures for FY3/2021.

Note: Odakyu adopted Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) in FY3/2025 and restated the figures for FY3/2024 accordingly.

## Communication with Stakeholders/Stock Price and Ratings Information

### Communication with Stakeholders

Our basic policy for IR activities is to actively communicate with all of our stakeholders, including shareholders and investors, and fairly and promptly disclose our corporate information, such as business results and the status of our businesses.

Regarding information disclosure, the Company carries out appropriate disclosure of material information as required by the Financial Instruments and Exchange Law and the Tokyo Stock Exchange. In addition to this Integrated Report, we are also committed to proactively sharing both

financial and non-financial information and the sustainable growth stories of local communities and the Odakyu Group to help others make investment decisions through our website and other disclosure tools and channels.

In addition, we are committed to building long-term relationships of trust with our customers through information disclosure and dialogue, and we regularly share the opinions and requests of our stakeholders with management so they can be utilized in the management of the Group to enhance corporate value.

### Information posted on the website

#### Non-financial information

##### Environment of the Odakyu Group ①

[Website](https://www.odakyu.jp/sustainability/) <https://www.odakyu.jp/sustainability/> (in Japanese only)



##### Corporate Governance Report ②

[Website](https://www.odakyu.jp/ir/integratedreport/o5oaa10000020qh9-img/CGE.pdf) <https://www.odakyu.jp/ir/integratedreport/o5oaa10000020qh9-img/CGE.pdf>



##### Safety Report ③

[Website](https://www.odakyu.jp/sustainability/safety/safety_report/) [https://www.odakyu.jp/sustainability/safety/safety\\_report/](https://www.odakyu.jp/sustainability/safety/safety_report/) (in Japanese only)



##### Factbook ④

[Website](https://www.odakyu.jp/ir/en/factbook/) <https://www.odakyu.jp/ir/en/factbook/>



#### Financial information

##### Investor Relations Information ⑤

[Website](https://www.odakyu.jp/ir/en/) <https://www.odakyu.jp/ir/en/>



Investor Relations Information



### Stock Price & Yield\*



\* The stock price and yield reflect values after adjustment for a reverse stock split implemented on October 1, 2016.

### Credit Rating Information

Japan Credit Rating Agency, Ltd.

[Long term] AA- (Stable) [Short term] J-1+

Rating and Investment Information, Inc.

[Long term] A+ (Stable) [Short term] a-1

### Inclusion in ESG indices

FTSE Blossom Japan Sector Relative Index

MSCI Japan Empowering Women Index (WIN)

Morningstar Gender Diversity Tilt Index (excluding REITs)

MSCI Japan Equity ESG Select Leaders Index

S&P/JPX Carbon Efficient Index

Sompo Sustainability Index

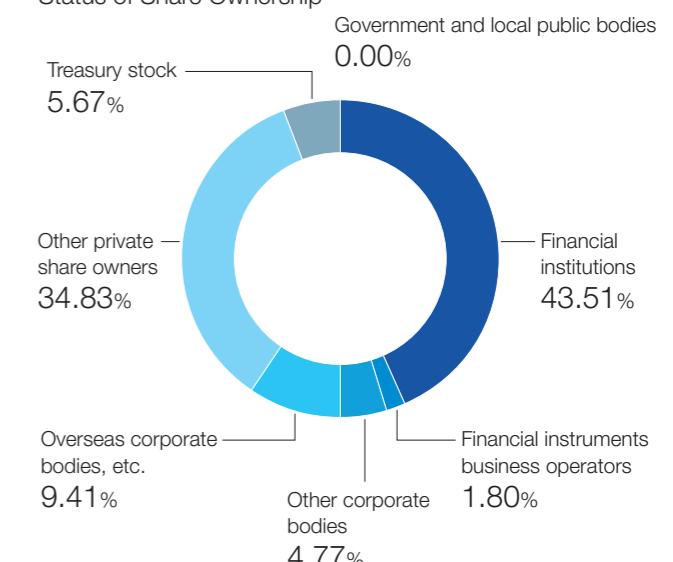
## Corporate Information

### Corporate Profile (as of March 31, 2025)

Company Name	Odakyu Electric Railway Co., Ltd.
Established	June 1, 1948 (Predecessor Odawara Express Railway Co., Ltd., established on May 1, 1923)
Head Office	2-7-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0713
Capital	60.359 billion yen

Representative	Shigeru Suzuki President & CEO (Representative Director), President and Executive Officer
Description of business	Railway business, real estate business, life services business
Total number of issued shares	368,497,717 shares
Number of shareholders	76,291
Number of employees	3,682

### Status of Share Ownership



### Status of Principal Shareholders (Top 10)

Name	Number of shares held (thousand shares)	Percentage of shares held in terms of total shares issued* (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	53,962	15.52
Custody Bank of Japan, Ltd. (Trust Account)	15,773	4.54
Nippon Life Insurance Company	14,763	4.25
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account/Mitsubishi Electric Corporation Account)	12,908	3.71
The Dai-ichi Life Insurance Company, Limited	12,622	3.63
Meiji Yasuda Life Insurance Company	6,909	1.99
SUMITOMO LIFE INSURANCE COMPANY	5,500	1.58
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank Limited, Retirement Benefit Trust Account)	4,562	1.31
Kanagawa Chuo Kotsu Co., Ltd.	4,493	1.29
STATE STREET BANK WEST CLIENT - TREATY 505234	3,670	1.06

\* Excludes treasury stock.

### 29 Consolidated Subsidiaries and 1 Affiliated Company (as of July 1, 2025)

#### Transportation

[Tourism (Transportation)] Odakyu Hakone Co., Ltd.	[Taxis] Odakyu Kotsu Co., Ltd.
[Railways] Enoshima Electric Railway Company, Limited	[Railway maintenance] Odakyu Engineering Co., Ltd.
[Buses] Hakone Tozan Bus Co., Ltd.	
Odakyu Bus Co., Ltd.	
Tachikawa Bus Co., Ltd.	
Tokai Jidisha Co., Ltd.	
Enoden Bus Co., Ltd.	
Tokai Bus Co., Ltd.	
Odakyu Highway Bus Co., Ltd.	

#### Life Services

[Department stores] Odakyu Department Store Company Limited	[Information and media] Odakyu Agency Inc.
[Stores and retail] Odakyu Shoji Co., Ltd.	[Staffing services] HUMANIC Co., Ltd.
[Hotels] ODAKYU Resorts Co., Ltd.	[Accounting outsourcing] Odakyu Financial Center Co., Ltd.
Odakyu Hotels Southern Tower Co., Ltd.	[Insurance] ODAKYU INSURANCE SERVICE CO., LTD.
[Restaurants] Odakyu Restaurant System Co., Ltd.	[Food manufacturing] Odakyu Food Co., Ltd.
GIRAUD RESTAURANT SYSTEM CO., LTD.	[Food & beverage sales] Odakyu Travel Co., Ltd.
[Travel] Odakyu Travel Co., Ltd.	[Food & beverage sales] Hakone Pleasant Service Co., Ltd.
[Golf] ODAKYU SPORTS SERVICE Co., Ltd.	

#### Real Estate

[Real estate sales] Odakyu Real Estate Co., Ltd.	[Building management & maintenance] Odakyu Building Service Co., Ltd.
Odakyu Housing Co., Ltd.	
[Real estate leasing] Odakyu SC Development Co., Ltd.	

#### Affiliated company

Kanagawa Chuo Kotsu Co., Ltd.

### Forward-Looking Statements

The plans, strategies, and other forward-looking statements in this report that are not based on historical fact reflect the assumptions and beliefs of management based on currently available information. However, it should be noted that there is a possibility for actual results to differ significantly owing to such factors as changing social and economic conditions.