

[TRANSLATION]

May 28, 2020

To: Shareholders

Name of Company: Central Japan Railway Company
Name of Representative: Shin Kaneko,
President and Representative Director
(Code: 9022, First Sections of the TSE and NSE)
Contact Person: Kentaro Takeda
Corporate Officer and General Manager of the Public Relations Department
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**Supplementary Explanation on the Proposal
at the 33rd Ordinary General Meeting of Shareholders**

With regard to Proposal No. 2 (Election of sixteen (16) Directors) at the 33rd ordinary general meeting of shareholders of Central Japan Railway Company (the “Company”) to be held on June 23, 2020 (the “General Meeting of Shareholders”), we would like to provide additional information regarding the matters that some shareholders have inquired about, as follows.

Our shareholders are kindly requested to confirm the following and approve the above Proposal.

1. Number and ratio of outside directors

We propose the election of directors at general meetings of shareholders upon duly selecting candidates for directors by resolutions of the Board of Directors from among those who are deemed to be the most appropriate, by comprehensively taking into account their abilities, insights and background and other factors, regardless of gender, age or nationality.

Upon approval and adoption of Proposal No. 2 at the General Meeting of Shareholders, three (3) out of sixteen (16) directors will be outside directors. With regard to outside directors, we believe that they will contribute to the maintenance and further development of the sound management of the Company by, for example, providing many helpful opinions on the execution of the Company’s business in light of their varied experiences outside the Company and their deep insights.

Mr. Takashi Saeki, Candidate No. 14, held key positions, including President and Representative Director of TOHO GAS Co., Ltd. (“TOHO GAS”) and Chairman of the Aichi Prefecture Public Safety Commission, and has provided the Company with many helpful opinions on the management of the Company based on his wide experience and deep insights, from standpoints of corporate management, finance and accounting, compliance, and the maintenance and development of local communities.

Mr. Haruo Kasama, Candidate No. 15, held key positions, including Superintending Prosecutor of the Tokyo High Public Prosecutors Office and thereafter Prosecutor-General, and has wide experience and deep insights in the area of law, and we believe that he will provide many helpful opinions on the management of the Company from a legal point of view, particularly in the field of corporate governance and legal compliance.

Mr. Taku Oshima, Candidate No. 16, is currently demonstrating his outstanding management skills as President and Representative Director of NGK INSULATORS, LTD., has wide experience with and deep insights into corporate management, and we believe that

he will provide many helpful opinions on the management of the Company, particularly from the perspectives of manufacturing and technology.

As members of the Board of Directors, outside directors have participated in important management deliberations and have properly supervised the execution of directors' duties. In addition, prior to meetings of the Board of Directors, all outside directors and management personnel exchange opinions on matters including important management issues, such as nomination and compensation of directors, which leads to constructive discussion at such meetings of the Board of Directors.

Therefore, we believe that these three candidates to be outside directors as indicated in Proposal No. 2 at the General Meeting of Shareholders will play major roles as outside directors, including exercising appropriate supervision of the status of execution of directors' duties, based on their past achievements, varied experiences outside the Company and deep insights, regardless of the ratio of outside directors to the total number of directors and the ratio of outside directors and outside audit and supervisory board members to the total number of the directors and the audit and supervisory board members.

2. Absence of female director candidates

We propose election of directors at general meetings of shareholders, upon duly selecting candidates for directors by resolutions of the Board of Directors, from among those who are deemed to be the most appropriate, by comprehensively taking into account their abilities, insights and background and other factors, regardless of gender, age or nationality.

The Government of Japan is strongly promoting the empowerment of women as one of the pillars of growth strategies and we are fully aware of its importance and have no intention to exclude women from becoming directors. Nevertheless, the Company has never appointed women as directors. At this General Meeting of Shareholders as well, there are no female candidates for directors in Proposal No. 2. However, we consider that, if this proposal is approved and adopted, the Company will be able to secure the most appropriate system for the execution of the Company's business. In order to manage the Company, which is centered on the railway business, it is crucial that management personnel have a thorough understanding of the nature of our business based on their extensive experience. Under the Labor Standards Act that was in effect at the time of the establishment of the Company, women were prohibited from conducting late-night work in principle with the exception of some limited types of jobs. Therefore, the Company had no choice but to hire only a limited number of women. Subsequently, in response to the amendment to the Labor Standards Act in 1997, the Company began to significantly increase the hiring of female employees. As a result, the percentage of female employees of the Company has risen from 1.3% as of the end of FY 1996 to approximately 11% as of the end of FY 2019. The Company currently has a large number of female managers, but it does not have any female directors yet. In March 2016, we announced the "Common Employers' Action Plan Based on the Act on Promotion of Women's Participation and Advancement in the Workplace" with a five-year planning period up to March 2021 and we are taking actions based on this action plan.

We intend to continue to appoint, as directors, those who will be able to contribute to the maintenance and further development of sound management of the Company, by comprehensively taking into account their abilities, insights, background and other factors, regardless of gender. We ask for our shareholders' understanding.

3. Independence of outside directors

(1) Mr. Takashi Saeki, Candidate No. 14

We determine the independence of each outside director in accordance with the independence criteria stipulated by the Tokyo Stock Exchange, Inc. Mr. Takashi Saeki served as an officer of TOHO GAS Co., Ltd., including as President and Representative Director, and is currently serving as Advisor to TOHO GAS. Although the Company pays gas fees to TOHO GAS, TOHO GAS supplies gas to the vast majority of companies in the Tokai region, and the Company is just one of such companies which receive gas supply for use at their offices in the Tokai region. In addition, the annual amount paid by the Company to TOHO GAS in the last three fiscal years was less than 0.1% of the annual gross revenue of TOHO GAS. Accordingly, we consider that such fact shall not constitute a factor hindering Mr. Saeki's independence in any way.

(2) Mr. Taku Oshima, Candidate No. 16

We determine the independence of each outside director in accordance with the independence criteria stipulated by the Tokyo Stock Exchange, Inc. Mr. Taku Oshima is currently serving as President and Representative Director of NGK INSULATORS, LTD. We consider that, although the Company purchases insulators for train lines from NGK INSULATORS, it shall not constitute a factor hindering Mr. Oshima's independence in any way, because the annual amount paid by the Company to NGK INSULATORS in the last three fiscal years was less than 0.1% of the annual gross revenue of NGK INSULATORS.

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