

[TRANSLATION]

May 26, 2023

To Whom It May Concern:

Name of Company: Central Japan Railway Company  
Name of Representative: Shunsuke Niwa,  
President and Representative Director  
(Code: 9022, Prime Market of TSE and Premier Market of NSE)  
Contact Person: Ataru Kimura  
Corporate Executive Officer and General Manager of the Public Relations Department  
(Telephone No.: +81-52-564-2549)

**Supplementary Explanation on the Proposals  
at the 36th Ordinary General Meeting of Shareholders**

With regard to Proposal No. 2 (Election of thirteen (13) Directors) and Proposal No. 3 (Election of four (4) Audit and Supervisory Board Members) to be made at the 36th ordinary general meeting of shareholders of Central Japan Railway Company (the “Company”) to be held on June 23, 2023, (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 read the descriptions in the reference materials for the ordinary general meeting of shareholders, as well as the following, and approve the above Proposals.

1. Proposal No. 2 “Election of thirteen (13) Directors”

(1) Number of female directors

We propose the election of directors at the general meetings of shareholders upon duly selecting the most appropriate candidates for directors through prior deliberations by the Personnel Remuneration Committee, followed by a resolution of the Board of Directors, by comprehensively taking into account their abilities, insights and background, and other factors, regardless of their gender, age, or nationality.

Based on such policy, we had our first female director elected in June 2022, and the approval and adoption of Proposal No. 2 at the General Meeting of Shareholders will ensure the continued appointment of one (1) female director (Ms. Hiroko Kiba, Candidate No. 12) out of thirteen (13) directors in total. We expect each and every one of the candidates to contribute to the maintenance and further development of the sound management of the Company, based on their varied and extensive experiences as well as their deep insights.

The Company’s approach and efforts to promote the active participation of women are as follows.

Under the Labor Standards Act that was in effect at the time of the establishment of the Company, women were generally prohibited from conducting late-night work, with the exception of certain 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 employment of female employees. As a result, the percentage of female employees in the Company has risen from 1.3% as of the end of FY 1996 to approximately 12% as of the end of FY 2022, and there are a number of women currently serving in managerial positions.

To further promote the advancement of female employees, we have formulated the “Common Employers’ Action Plan Based on the Act on Promotion of Women’s Participation and Advancement in the Workplace,” for a five-year period ending in March 2026, under which we are working to achieve certain goals with specific numerical targets, such as “secure 25% or more for the proportion of women in our new graduate recruitment” and “increase the number of women in managerial positions by 150% or more (compared to the end of FY 2020).” As of the end of FY 2022, we have already achieved some of our numerical targets, including, among others, the proportion of women in new graduate recruitment and percentage of male employees who have taken childcare leave, while we have also made steady progress in achieving other targets within the period of the plan. We focus on fostering a workplace culture that enables our employees to balance work and child-rearing, and on other initiatives to create a workplace where each and every one of our employees can fully demonstrate their abilities with satisfaction, and, through these actions, we strive to further promote the active engagement of women in the workplace and reinforce the number of women in managerial positions. We believe that, through these efforts, we are enhancing the opportunities for women to become director candidates.

With these initiatives in mind, we will continue to appoint, as directors, those who are capable of contributing to the maintenance and further development of the sound management of the Company. We ask for our shareholders’ understanding.

## (2) Mr. Taku Oshima, Candidate No. 10

While Mr. Taku Oshima, one of the director candidates, currently serves as Chairman and Representative Director of NGK INSULATORS, LTD., he is also an outside director of TOHO GAS Co., Ltd. and the Company. For the past year, he has attended all meetings of the Board of Directors as well as those of the Personnel Remuneration Committee of the Company, where his advice, based on his extensive experience in company management, has contributed to the maintenance and development of the sound management of the Company. While he serves as a director in multiple listed companies, we would like to assure that his service as an outside director of the Company is in no shape or form hindered by his concurrent posts whatsoever.

## 2. Proposal No. 3 “Election of four (4) Audit and Supervisory Board Members”

## (1) Number of Audit and Supervisory Board Members

To date, the audit and supervisory board of the Company has consisted of five (5) members, i.e., three (3) full-time audit and supervisory board members (including two (2) outside audit and supervisory board members) and two (2) part-time audit and supervisory board members (both of which are outside audit and supervisory board members), but, upon approval and adoption of Proposal No. 3, the audit and supervisory board of the Company will consist of four (4) members, i.e., three (3) full-time audit and supervisory board members (including two (2) outside audit and supervisory board members) and one (1) part-time audit and supervisory board member (who is an outside audit and supervisory board member).

Members who are expected to be elected to the audit and supervisory board, including Mr. Makoto Hayashi who is expected to be newly elected, have appropriate and suitable experience, abilities and necessary knowledge concerning finance, accounting and legal affairs to audit the execution of duties by directors. Although the number of outside audit and supervisory board members of the Company will be reduced by one, based on the status of the development of systems to support audit and supervisory board members, the enhancement of cooperation with relevant divisions including the internal auditing division, and the fact that three (3) of the candidates who will assume the position of full-time audit and supervisory board members will be reappointed, as a whole, we believe that the new audit and supervisory board structure of the Company is sufficient to continue to ensure effectiveness of corporate governance and to carry out audit work of the Company.

According to results from an annual survey on the structure of audit and supervisory board members after an ordinary general meeting of shareholders published by the Japan Audit & Supervisory Board Members Association in February 2023, the average number of full-time audit and supervisory board members at listed companies is 1.39 members (including 0.39 outside audit and supervisory board members), whereas, upon approval and adoption of Proposal No. 3, the Company will have three (3) full-time audit and supervisory board members (including two (2) outside audit and supervisory board members) in addition to one (1) part-time outside audit and supervisory board member. Therefore, we believe that the number of the audit and supervisory board members of the Company is at a sufficient level even compared with other companies.

## (2) Mr. Hajime Ishizu, Candidate No. 2

The Company determines the independence of each outside audit and supervisory board member in accordance with the independence criteria stipulated by the Tokyo Stock Exchange, Inc.

Mr. Ishizu has held a number of executive positions, including, in the past, Director-General of the Kinki District Transport Bureau of the Ministry of Land, Infrastructure, Transport and Tourism and Vice-Minister of the Ministry of Land, Infrastructure, Transport and Tourism, etc., and, since 2014, has served as a full-time audit and supervisory board member of the Company by taking advantage of his experience and deep insights in transportation administration, etc. He has also contributed to the maintenance and further development of the sound management of the Company by, for example,

providing many helpful opinions to the Company.

We note that there has been some questions about the independence of Mr. Ishizu as an outside audit and supervisory board member because the Company has an account payable to the Japan Railway Construction, Transport and Technology Agency and Mr. Ishizu is from the Ministry of Land, Infrastructure, Transport and Tourism that is the supervisory authority of said agency. However, Mr. Ishizu retired from the Ministry of Land, Infrastructure, Transport and Tourism and has no relationship with said agency, so we believe that there is no risk of a conflict of interest between Mr. Ishizu and general shareholders and there are no issues with the independence of Mr. Ishizu as an outside audit and supervisory board member.

We believe that Mr. Ishizu will continue to contribute to the maintenance and further development of the sound management of the Company.

End of Document