

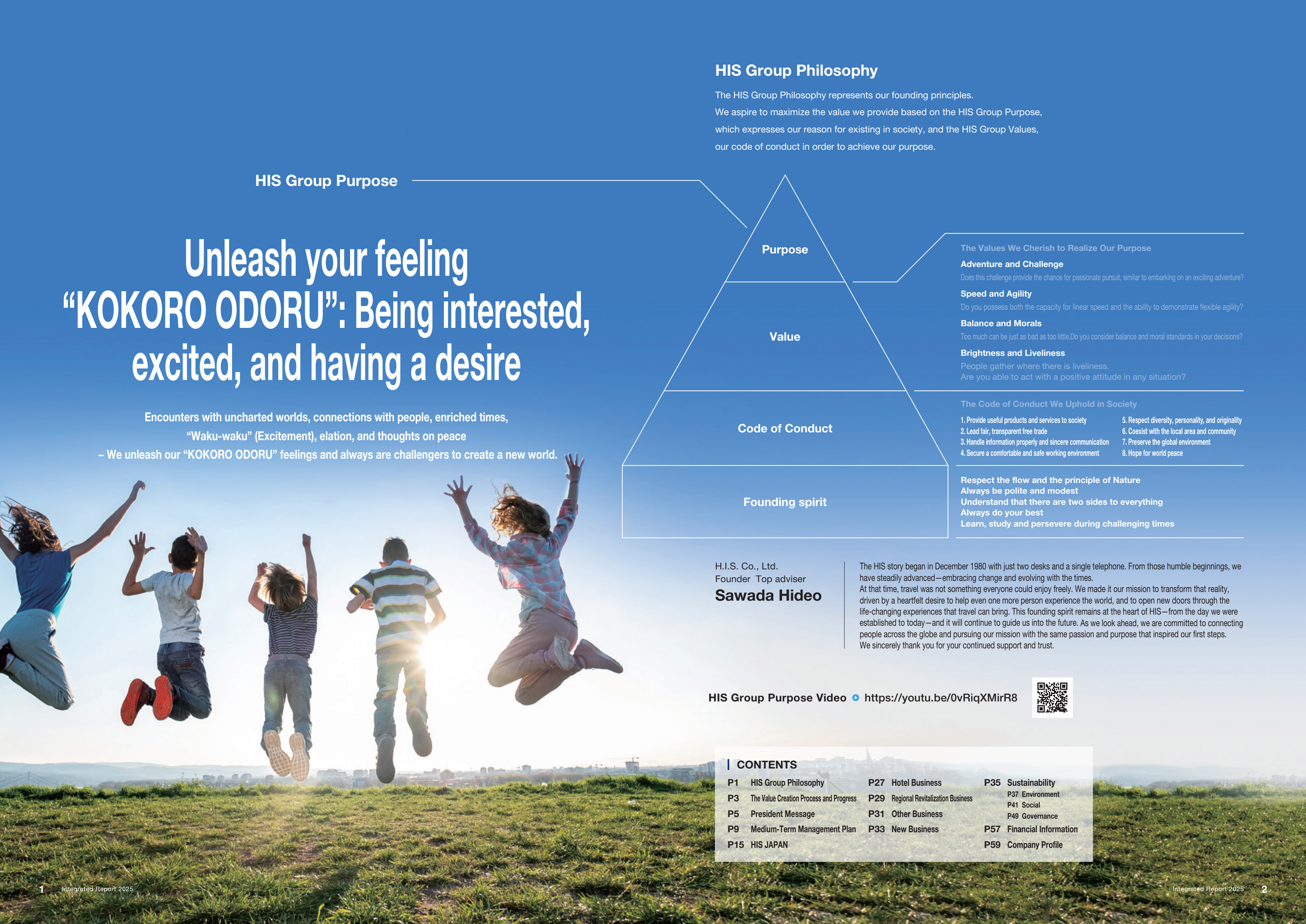
HIS Group

Integrated Report 2025

Unleash your feeling
"KOKORO ODORU"
:Being interested, excited,
and having a desire

HIS

HIS



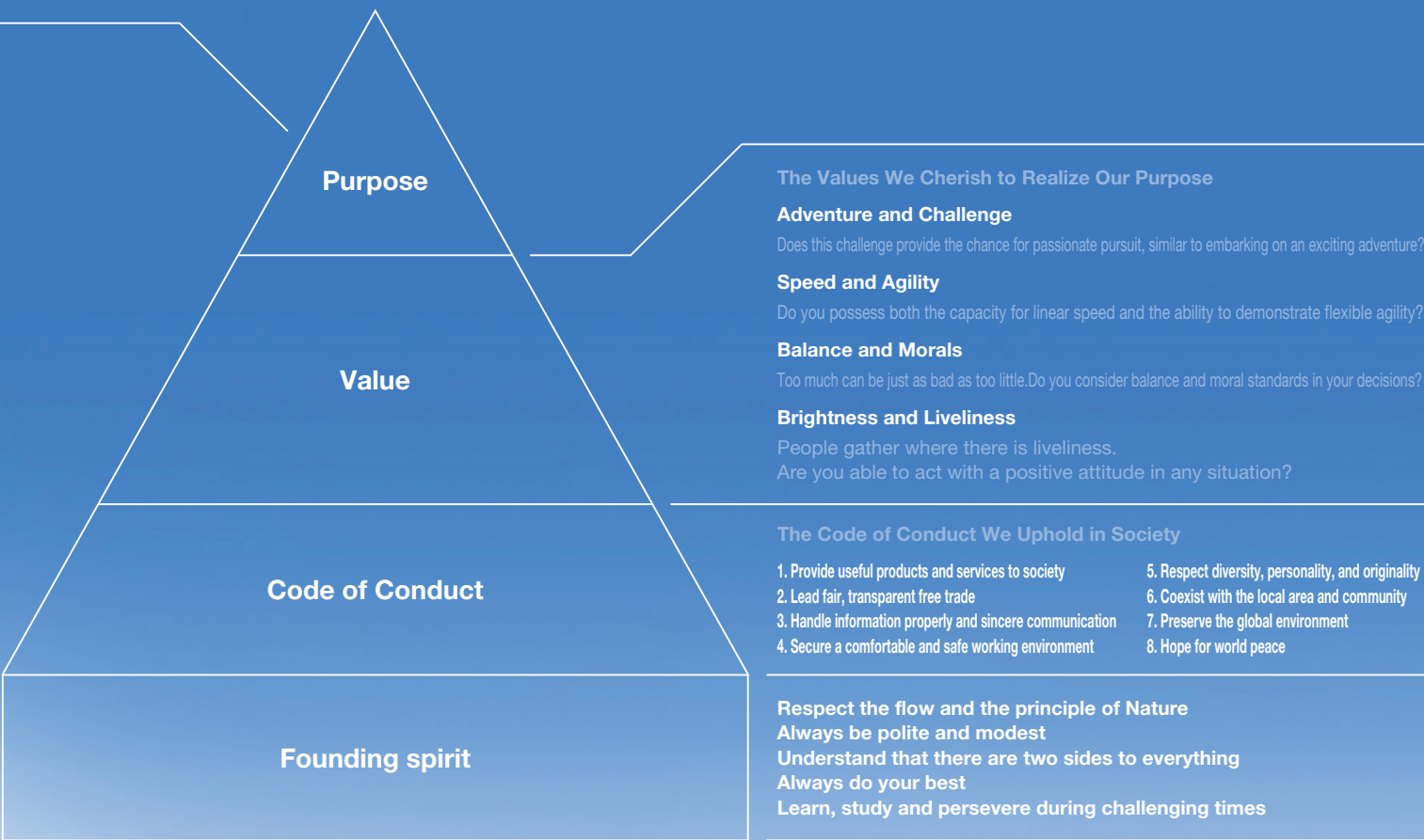
HIS Group Purpose

Unleash your feeling “KOKORO ODORU”: Being interested, excited, and having a desire

Encounters with uncharted worlds, connections with people, enriched times,
“Waku-waku” (Excitement), elation, and thoughts on peace
– We unleash our “KOKORO ODORU” feelings and always are challengers to create a new world.

HIS Group Philosophy

The HIS Group Philosophy represents our founding principles.
We aspire to maximize the value we provide based on the HIS Group Purpose,
which expresses our reason for existing in society, and the HIS Group Values,
our code of conduct in order to achieve our purpose.



H.I.S. Co., Ltd.
Founder Top adviser
Sawada Hideo

The HIS story began in December 1980 with just two desks and a single telephone. From those humble beginnings, we have steadily advanced—embracing change and evolving with the times.
At that time, travel was not something everyone could enjoy freely. We made it our mission to transform that reality, driven by a heartfelt desire to help even one more person experience the world, and to open new doors through the life-changing experiences that travel can bring. This founding spirit remains at the heart of HIS—from the day we were established to today—and it will continue to guide us into the future. As we look ahead, we are committed to connecting people across the globe and pursuing our mission with the same passion and purpose that inspired our first steps. We sincerely thank you for your continued support and trust.

HIS Group Purpose Video ▶ <https://youtu.be/0vRiqXMirR8>

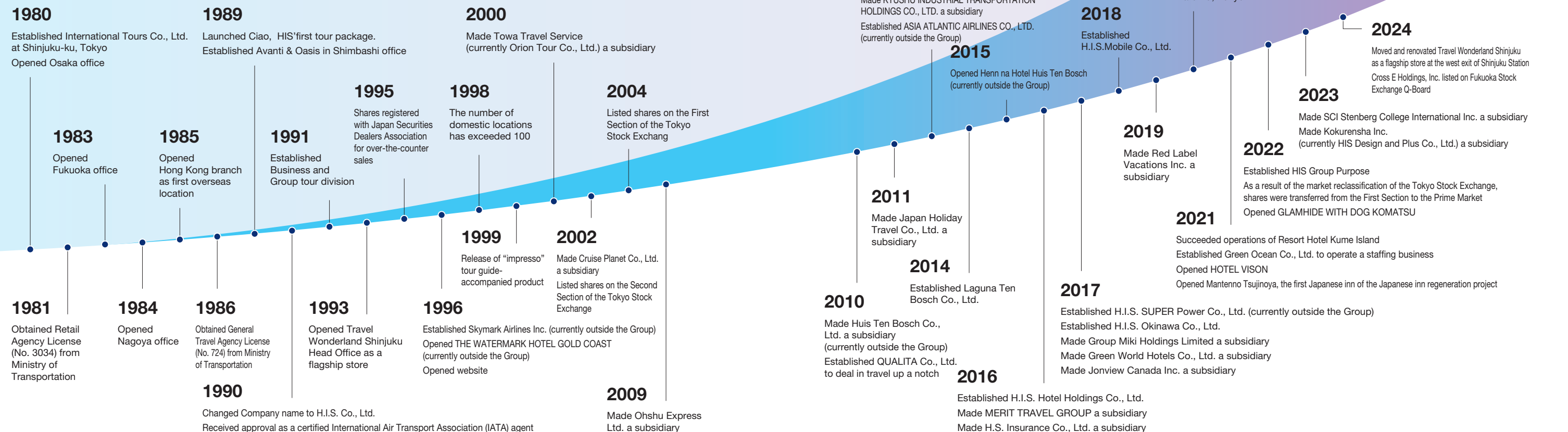
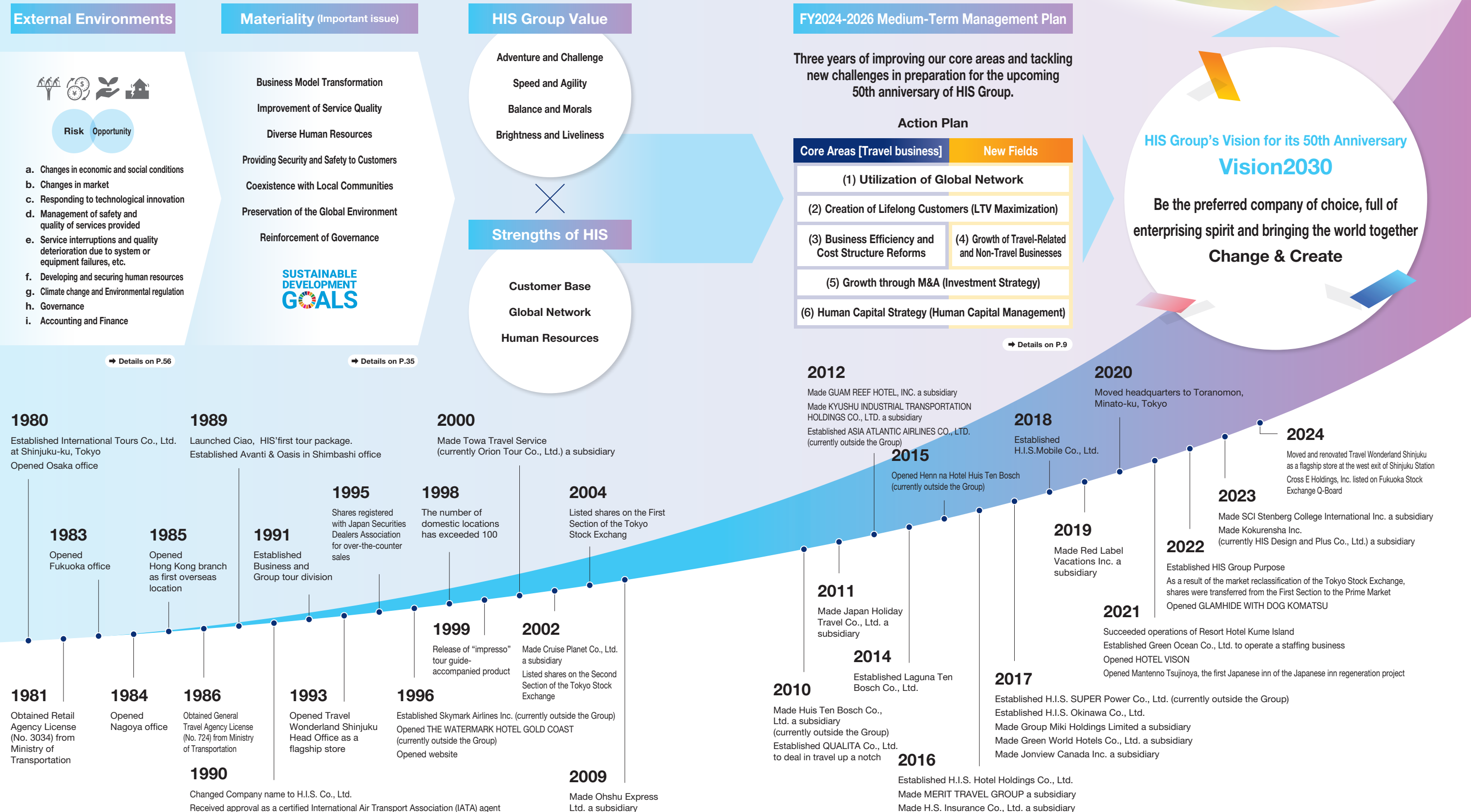


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The Value Creation Process and Progress

HIS Group was founded in 1980 selling low-priced airline tickets, and though it was expensive at the time, we popularized overseas travel at affordable prices, providing support for encounters with uncharted worlds, connections with people, and other “Kokoro Odoru” experiences. Today, we are expanding our travel-related business by leveraging this enterprising spirit and our global network while seeking to diversify into the restaurant business, education business, public transportation business, trading business, and telecommunications services business, and we will continue evolve so that we remain the preferred company of choice in the future.



CEO Message



Be the Preferred Corporate Group of Choice, Providing "KOKORO ODORU" Value.



Toward Achieving Our Purpose

We extend our sincere gratitude for your continued patronage. The HIS Group Purpose, "Unleash your feeling 'KOKORO ODORU,'" was established in December 2022 based on our history of unlocking encounters with uncharted worlds through travel and questioning conventional wisdom, as well as our identity as a perpetual challenger. As we enter the third year since its establishment, I believe what is crucial for the HIS Group is for each of us to be committed to advancing our purpose based on solidarity fostered across the group, and furthermore, for each employee to act spontaneously with our purpose in mind. In an effort to further instill our purpose, starting in April 2024, we launched "Mirai no Jikan (Time for the Future)" as a place for volunteers from the staff and management, regardless of their age or position, to come together and offer new suggestions from diverse perspectives on the theme of "what we want HIS to be in the future." It

has been held on three occasions so far, and it has been a precious opportunity to share our purpose and generate concrete action toward achieving it. In addition, as we work toward achieving our purpose, we have set forth Vision 2030 "Be the preferred company of choice, full of enterprising spirit and bringing the world together - Change & Create" for the upcoming 50th anniversary of our founding in 2030. This vision is an important guide to achieving our purpose. We will emphasize the enterprising spirit we are founded on, grow together with society by supporting enterprises around the world while continuing to pursue our own, and aspire to a better future. Furthermore, we will utilize our global network, bring the world closer together in wide-ranging business fields from local communities to outer space, create value which only HIS Group can provide, and do our best to be the preferred company of choice for all stakeholders.

Promoting the Medium-Term Management Plan

We are promoting the Medium-Term Management Plan (FY 2024 to FY 2026 ending in October) as a detailed road map for achieving Vision 2030 set forth for 2030. This plan centers on improving our core areas and tackling new challenges, aspiring to sustainable growth and increased corporate value. In the first year of the Medium-Term Management Plan (FY 2024 ending in October), operating income exceeded the initial forecast and achieved steady growth, despite economic factors such as the weak yen, high fuel surcharges, and rising cost of living. In particular, we facilitated the recovery of leisure demand in the travel business, and by utilizing our global network, a strength of HIS Group, our Japanese foreign travel business, overseas travel businesses, and hotel business sustained our profits. With the second year in progress (FY 2025 ending in October), we are currently advancing organizational reforms and restructuring our business portfolio toward the goal of achieving sales of 390 billion JPY and operating profits of 12 billion JPY. We established HIS Japan for the purpose of centralizing management of travel business in Japan, and reorganized into a more agile organization capable of allocating management resources more quickly and flexibly than before and better able to pursue overall optimization. In addition, we set the goal of achieving a 1:1 profit ratio for travel business and non-travel business (including travel-related business) by 2030, seeking further growth in our non-travel business.

corporate credit card, which has been rebranded to TAVICA, and establishing multiple points of contact with customers, including retail stores, online sites, and call centers, with the aim of creating lifelong customers (maximizing lifetime value). We have also positioned M&A and startup investment as one of our growth strategies, and we are working to establish a stable investment cycle for sustainable growth. In the travel and travel-related sectors, we are supplementing and expanding our existing businesses, while in the non-travel sector, we are actively exploring investment in promising new businesses. Specifically, we aim to diversify income and disperse risk, expanding our business areas and diversifying our business portfolio, by utilizing a rollup strategy to make a well-balanced array of small, medium, and large proposals, both foreign and domestic. Following M&A, we will seek to maximize synergy throughout the group and contribute to the group's performance through a post-merger integration process.

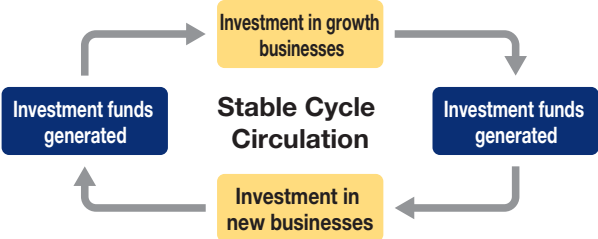
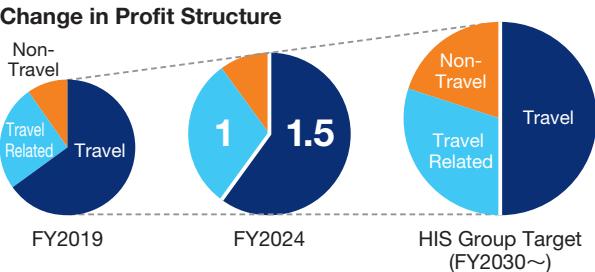


Image of investment strategy for sustainable growth



[Travel]:[Travel Related+Non-Travel]= 1:1

As for our action plan, for travel business, we will utilize our global network to make inroads into new destinations such as northern Europe and South America while striving to bolster the global market and expand non-travel businesses such as the hotel business. Moreover, we will create our own financial ecosystem and increase profitability by evolving our

While actively pursuing new development and brand expansion for hotels in the travel-related business, we continue to challenge new fields in the non-travel business such as restaurants and telecommunications, producing steady results. Specifically, we have acquired shares in Develop Co. which engages in the container hotel business with 107 establishments in 26 prefectures across Japan (as of March 2025), and we aim to further expand the business by making it an equity method affiliate. Additionally, in our newly developed restaurant business, we opened Iroha Toyosu Seafood Buffet at Toyosu Senkyaku Banrai (Commercial complex adjacent to Toyosu Market), serving a buffet-style menu of 50 dishes including carefully-selected fresh fish, which has received high ratings from many customers. We will continue to steadily execute the strategy set forth in the Medium-Term Management Plan.

> Implementation of Human Capital Management

Based on the belief that human resources are a source of value creation, we are working to create an environment in which every employee feels their job is rewarding, and they are able to do “KOKORO ODORU” work. To draw strength from diversity, we have established a foundation which enables employees to take on challenges and grow in their own way through the promotion of DEIB (Diversity, Equity, Inclusion, and Belonging). Particularly with regard to empowering women, we have developed projects with numerical targets aiming to increase the ratio of women in management and executive positions. We are also devoting our efforts to building an environment which will enable a healthy balance between work and parenting regardless of gender. Moreover, to advance utilization of multinational personnel to support global business expansion, we are supporting the growth of diverse personnel across nationalities and cultures, such as setting the goal to increase the ratio of non-Japanese managers in our

overseas affiliates to 65% by FY 2026 ending in October.

In addition, we are striving to establish a comfortable and safe working environment in which employees can work with peace of mind, and making efforts to improve employee satisfaction while ensuring their physical and mental safety. In the employee satisfaction survey, which we use as an indicator of the worthwhileness of work, the results of the survey conducted in FY 2024 ending in October showed a record high of 64.5% satisfaction rating at HIS. Furthermore, starting from this year's survey, we expanded the target from HIS alone to the entire group, recording a rating of 65.1%. We will continue working toward the goal of achieving a rating of 80% or higher worldwide.

We will achieve sustainable growth and create value by developing a satisfying workplace and supporting the growth of personnel while listening carefully to the voices of every employee and respecting diversity.

> Financial Strategy



To achieve sustainable growth and enhance corporate value, we have positioned strengthening our financial base as one of our most important tasks. In particular, we will work to build a more stable management base to improve our equity ratio through recapitalization and reducing interest bearing debt. In the travel business, while recovery from the

Covid-19 pandemic has been slower than predicted, it is recovering steadily, and we will further increase profits by working to improve profitability in FY 2025 ending in October. In addition, we will strive for efficient operations in all group businesses, and make efforts to improve the profitability of HIS Group overall. As for reducing interest-bearing debt, we were able to reduce our interest-bearing debt by approximately 32.4 billion JPY by repurchasing our HQ building in October 2024. Furthermore, we will thoroughly enforce management of cash and deposits within the group, and promote the effective utilization of funds. Finally, in order for HIS Group to continuously grow, we will focus our limited resources on businesses with high profitability and potential, and continue to actively engage in aggressive investment into growth fields toward the goal of further increasing corporate value. We intend to resume stable and continuous returns to shareholders as our business performance improves. We will continue to achieve sustainable growth and maximize value through this financial strategy.

> Toward a Sustainable Future

HIS Group respects diversity and human rights across differences in nationality, ethnicity, culture, and religion, etc., and we aspire to a society in which everyone can live with peace of mind, and to preserve the global environment. To build a society of coexistence, symbiosis, and mutual prosperity, we will earnestly confront social and environmental issues through our businesses, and create a “KOKORO ODORU” future. In FY 2024 ending in October, we advanced our understanding of our qualitative performance on greenhouse gas emissions, invested in the field of SAF (sustainable aviation fuel), and promoted the introduction of electric vehicles for hotels in Okinawa Prefecture and sightseeing in Bangkok, Thailand. In addition, HIS Group considers respect for human rights to be central to sustainability, and we emphasize business management in which there is mutual respect between executives and employees, and respect for human rights throughout the supply chain. To clearly define our ideas and fulfill our responsibility, we established the HIS Group Human Rights Policy in

December 2024. In addition to working to disseminate it within the group and institute it in our business activities, we will seek the understanding and agreement of our business partners regarding this policy, and build and implement a framework for human rights due diligence.

In order to become the trusted and preferred company of choice, we consider sustainable growth, improving corporate value, and increasing the effectiveness of corporate governance to be essential. Every employee is working to foster a corporate culture and climate which respects sound business ethics and the rights and positions of every stakeholder in accordance with the HIS Group Philosophy, and we will strive to make further improvements such as strengthening our risk management systems, enhancing the expertise of our board members, and setting quantitative goals for non-financial information.

HIS Group will continue to promote sustainability management, and endeavor to increase corporate value and realize a sustainable future.

About the Handling of Employment Adjustment Subsidies, etc.

We sincerely apologize for the great concern and trouble we have caused our customers and stakeholders regarding the handling of employment adjustment subsidies, etc., in the entire HIS Group. We are treating this situation seriously and instituting concrete measures to prevent recurrence. Also, in accordance with the HIS Group Philosophy which expresses the value we wish to consistently provide to society, our code of conduct, and our founding spirit, the entire group

will strive to bolster our governance structure and increase corporate value by strengthening internal controls, and thoroughly enforcing compliance in order to restore your trust. I appreciate your unwavering support and guidance for HIS Group.

March 2025

CEO

Yada Motoshi

Core Areas **New Fields**

Changes in profit structure in overseas businesses



Overseas human resource training business and staffing business to Japan

We have started a human resource training business in countries with large labor populations, such as Indonesia. We work with local organizations with a track record of sending students on internships, study abroad, technical internship training and specified skilled worker programs, and provide specialized skills in Japanese language education and the tourism industry. By supporting students to find employment in Japan after graduation, we aim to address social issues of Japan's declining labor force while also serving as a bridge between Japanese companies and talented Indonesian human resources.



Results/Targets in Indonesia

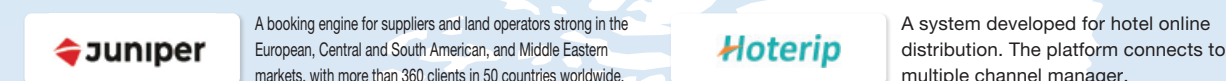
FY2024 **10** students FY2025 **50** students

Collaboration with Partners Specializing in Local Markets

Collaboration with strong partners in the local market drives our businesses overseas. In the future, we will continue to promote partnerships, and work to bolster our global network.



By promoting API connections with overseas platforms, we will expand our sales channels in the global market.



Tourism Management Implementation of New Destinations

We will create new travel destinations, take measures against overtourism (dispersing tourists), and generate local employment opportunities (coexistence with the local community).

**Satisfaction Improvement
from Customer's Perspective**

Local Exchange & Community Revitalization

Expanding into South America

HIS Bolivia subsidiary, which was established in July 2024, will not only handle travel reservations and arrangements, but will also expand its business into the field of service provider offering travel services itself in the future. As a DMC (local service provider) that targets the global market, it will deliver the diverse charms of Bolivia to travelers around the world. ➡ [Details on P.20](#)



Action Plan (2) Creation of Lifelong Customers (LTV Maximization) Core Areas New Fields

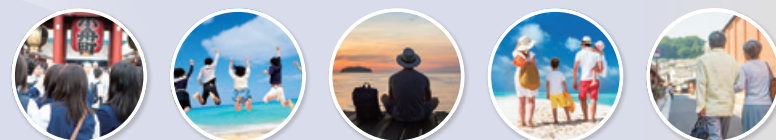
Becoming a Company that Continues to be Chosen in Every Aspect of Life

HIS Group will increase the number of points of contact for using HIS Group products and services not only in the extraordinary scene of “travel” but also in various scenes of daily life throughout the customer’s life

In Various Travel Situations in Life

Core Areas (Travel)

Training/School trips Traveling with friends Traveling alone Family trip Couple trip



Child Student Working adult Marriage/Childcare Senior



First trip Traveling with your dog Incentive trip Honeymoon Three generation trip Universal tourism

Affiliated cards rebranded to “TAViCA”

Adding New Tabinaka Courtesy Services and Enhancing its Appeal as a Travel Card

We rebranded our Skywalker Card, a partnership with Orico, as TAViCA, created an all-new card design, and added new Tabinaka courtesy services. As a “traveling companion card” to relieve worries and save money while traveling, it is equipped with services that are appealing in everyday life in addition to using it with HIS.



Examples of preferential services

- ◆ Earn 5 times the points when paying with HIS
- ◆ Airport lounge access during flight delays
- ◆ Travel support from 52 HIS locations overseas
- ◆ Japanese-language remote medical treatment service when traveling abroad
- ◆ 1-day ticket for Honolulu’s LeaLea Trolley
- ◆ Earn 3 times the points when paying with ENEOS

Orion Tour Co., Ltd.



By planning and selling domestic travel, we will bring a variety of dreams, excitement, healing and peace to each person, and provide services that will be chosen repeatedly.

QUALITA Co., Ltd.



We offer highly rare trips such as overseas trips in business or first class, music appreciation trips, and domestic trips on luxury trains.

TOUR WAVE Co., Ltd.



Tour Wave creates and runs original package tours leaving from major airports in Japan.

Cruise Planet Co., Ltd.



A leading cruise company that handles everything from individual travel to escorted tours. We arrange attractive cruises around the world, from casual ships to luxury cruise ships.

Ohshu Express Limited



Selling 29 types of overseas rail passes in 36 countries. One of the largest land operator businesses in Japan. Capable of arranging travel in 46 countries worldwide. In addition, we have also developed airline ticket wholesaler and hotel reservation website businesses.

H.I.S. Canada Travel Inc.



HIS Canada merged with Jonview Canada, one of Canada’s leading tour operators, and Red Label Vacations, a Canadian travel company with strong online retail and wholesale divisions.

Group MIKI Holdings Limited



Group MIKI is a global tour operator which has been developing business for more than 50 years in Europe and Asia. We offer high quality travel with reliable purchasing and arranging capabilities.

Japan Holiday Travel Co., Ltd.



The company has grown through its inbound travel business, primarily targeting the Chinese market, and in recent years has seen an increase in transactions not only from China, but also from East Asia and Southeast Asia.

H.I.S. Okinawa Co., Ltd.



By strengthening destination travel and investing in travel infrastructure, we aim to spread the appeal of Okinawa and thereby improve customer satisfaction and contribute to the local community.

H.I.S. Hotel Holdings Co., Ltd.



We currently operate 48 hotels under 13 brands, including Henn na Hotels and Watermark Hotels, in seven countries and regions around the world, including Japan, the United States, and South Korea.

H.S. Insurance Co., Ltd.



We are a non-life insurance company that continues to grow by entering the pet insurance market in addition to our mainstay travel insurance. We cover a wide range of risks and operate sustainably.

KYUSHU INDUSTRIAL TRANSPORTATION HOLDINGS CO., LTD.



We are a corporate group that has various businesses under its umbrella, including bus services, real estate rental, tourism, food and beverage, and retail. We operate our business by responding to the needs and expectations of our customers, working together with the local community, and contributing to the development of society.

Merit Travel Group



A Canadian travel company that offers individual trips such as skiing, cruises, and golf.

Cross E Holdings Co., Ltd.



A pure holding company that owns HTB TECHNICAL CENTER CO.,LTD, and Nishinippon Engineering Co., Ltd.. In August 2024, it was listed on the Q-Board of the Fukuoka Stock Exchange.

Blue Sky Education



We are a school management company that oversees Canadian schools including Canadian College, a business college in Vancouver, and Stenberg College, a vocational training school that primarily offers medical programs.

GREEN OCEAN Co.,Ltd.



We introduce overseas talent to the agriculture and accommodation industries, working to alleviate the labor shortage in the region.

SYS Inc.



We develop and provide a direct sales reservation system for accommodation facilities, as well as a direct sales reservation system that enables direct sales and crossselling of attractive content such as food and beverages, spas, and activities within accommodation facilities.

hapi-robo st, Inc.



We are a robot company with a vision to make people happy by “bringing out people’s abilities and helping them grow.”

H.I.S.Mobile Co.,Ltd.



We provide a wide range of communication services and devices, allowing you to easily and conveniently use the communications environment that is essential to your daily life.

HIS Design and Plus Co., Ltd.



We have been providing services in the advertising and promotion field. We will expand our business to provide new value through creative design, not limited to media intermediation.

In Daily Life

Group Synergies and New Fields



Laguna Ten Boach Co., Ltd.



A complex marine resort overlooking the naturally rich Mikawa Bay, with a variety of facilities including a theme park, fish market, and Laguna Festival Market.



We operate a soba restaurant and a seafood buffet with the aim of spreading Japanese food culture to people around the world.



HIS Thailand is collaborating with Nishimatsuya to sell baby and children’s clothes.



UKA, a kaiseki restaurant operated by HIS U.S.A. in Los Angeles, was awarded one star in the Michelin Guide California 2024.

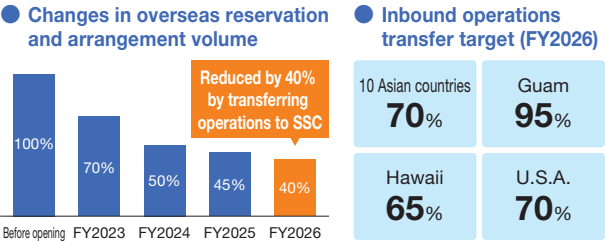
...Examples of HIS Group companies

...Examples of brands

Action Plan (3) Business Efficiency and Cost Structure Reforms Core Areas

Global Initiatives

Expansion of Manila Shared Services Center (SSC)
SSC was established in December 2017 to consolidate and transfer reservation arrangement operations in each country, and currently handles operations entrusted to it by 20 overseas corporations, 6 departments at HIS headquarters, and 1 group company. In addition, it provides a wide range of support and a series of operational tasks, such as hotel sales and contract signing, sales price adjustment, and reservation and settlement management, and is expanding the scope of transferred operations, such as setting up sales teams for Japanese companies.



Initiatives in Japan

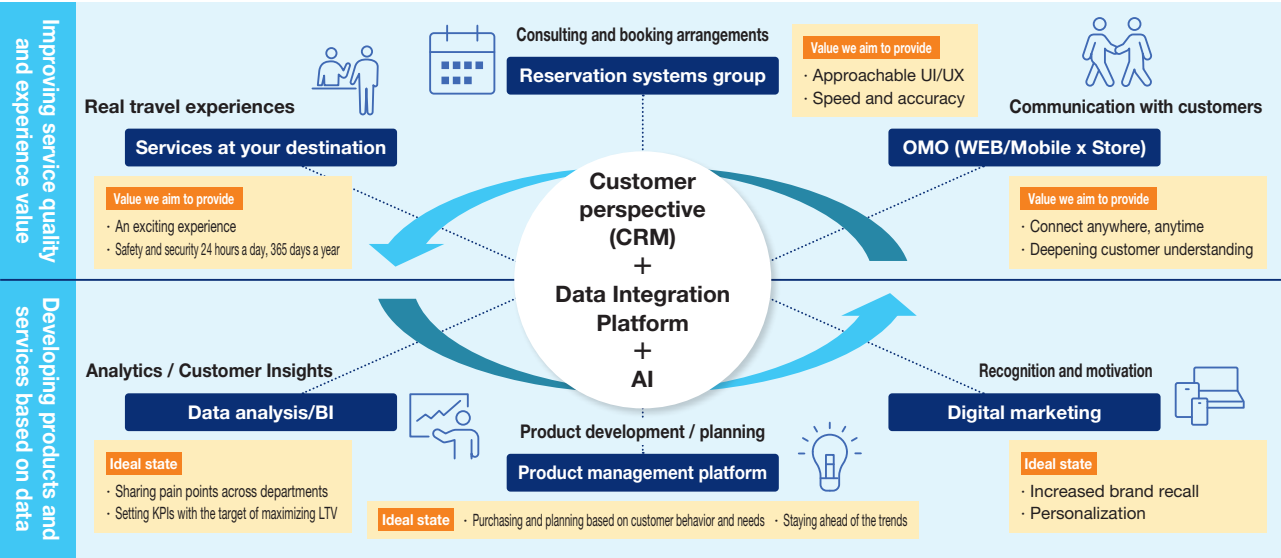
Alongside development of the systems, we are working to revise business processes via a task force and optimize our products, driving digital transformation throughout the organization.

Operational efficiency leading to improved service
We are working to reduce work time by reviewing and simplifying the wide range of registration and reporting tasks performed by travel consultants. We are also working to streamline payment procedures to improve customer convenience. We are working to improve services by meeting customer needs through operational efficiency and creating touch points.

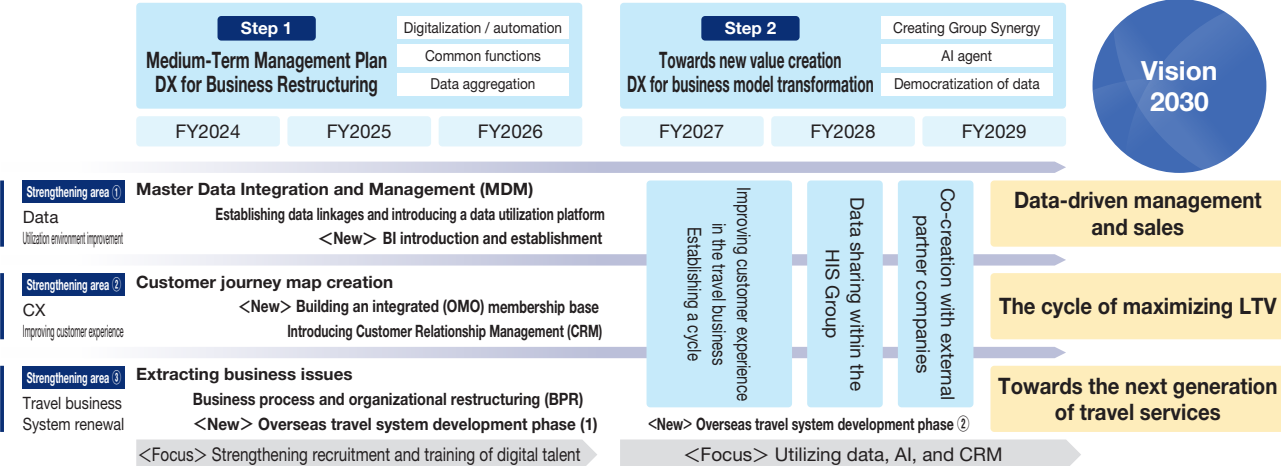
Optimization of travel products
We are verifying data on the viewing and conversion trends of tour brochures and products posted on the web. By optimizing the currently huge number of tour products, we are working to develop products that are easy for customers to choose from and to improve the efficiency of operations related to product creation. In conjunction with this effort, we will redefine our tour brand and review our advertising strategy to deliver better products to customers in an easy-to-understand manner.

Promoting DX in Action Plans (2) and (3)

A customer experience value improvement cycle for customer-oriented data-driven implementation (Vision)

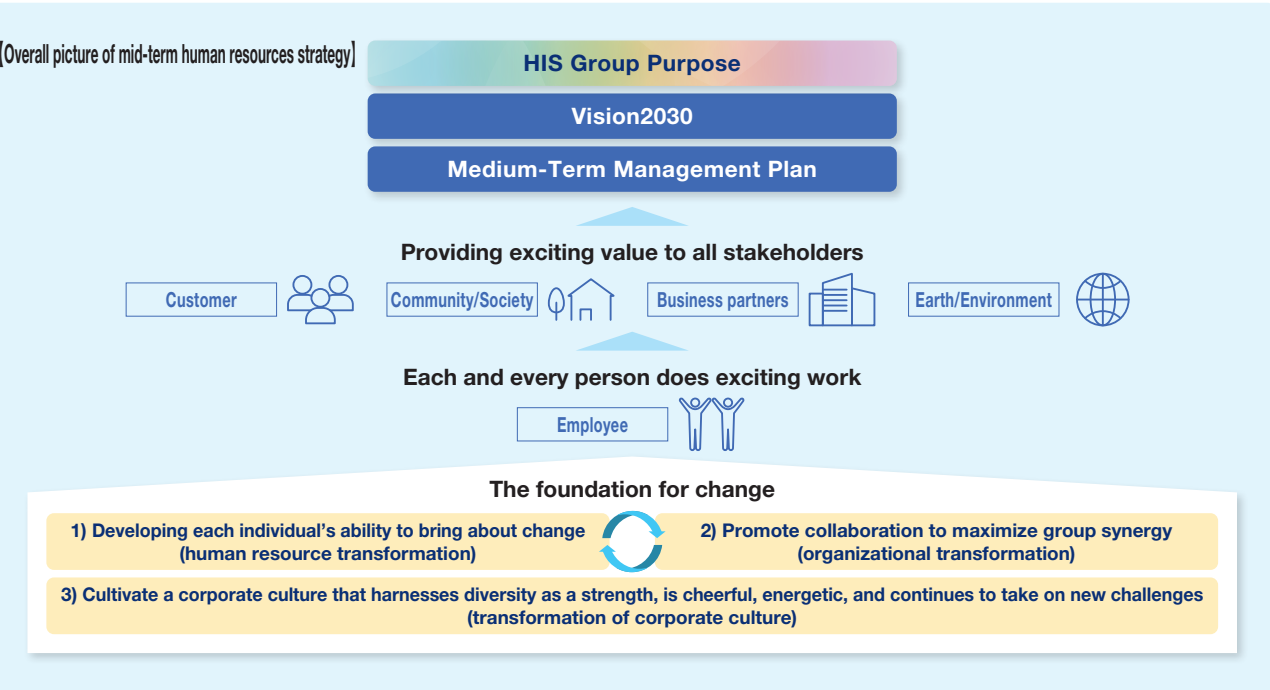


Progress of the Medium-Term Management Plan and Roadmap to 2030
Initiatives to use data to improve the value of customer experiences



Action Plan (6) Human Capital Strategy (Human Capital Management) Core Areas New Fields

For our medium-term human resources strategy, we are working toward building a foundation which unleashes the each person's "Kokoro Odoru" feelings, and catalyzes innovation. Every employee feels that their job is worthwhile, and is able to do "Kokoro Odoru" work. By continuing this work, we will bring about innovation in the HIS Group, as well as sustainable growth.



FY2026 Main KPI

Job satisfaction index Employee satisfaction survey	"It's a great place to work" - 80% worldwide			Transformation Index (Man-hour Productivity)	1.6 times compared to FY2023 (HIS)	
	FY2023 Results	FY2024 Results	FY2026 Targets			
Job satisfaction index	56.1%	65.1%	80.0%			
Transformation index	1	1.24	1.6			

Priority issues and individual strategies in the Mid-Term human resources strategy

Priority issues	Individual strategy	Main initiatives	Main KPI
Accelerating management speed	Human Resources Development / Recruitment	Developing leaders who will lead the transformational era Supporting recruitment and advancement in the IT digital field	[HIS Group] Job satisfaction index Employee satisfaction survey (for all employees) "It's a great place to work": 80% "HIS Group Philosophy" penetration level: 3.0 (5-point scale/measured by employee satisfaction survey)
	DEIB promotion	Promoting the advancement of women Human resource advancement at overseas bases Respecting diversity	
Ensuring diversity	Work style reform	Promoting health management Promoting diverse work styles	[HIS] Transformation index (man-hour productivity) 1.6 times higher than FY2023 Ratio of female executives and managers 20% Rate of males taking childcare leave 80% Ratio of foreign managers 65% Average paid leave taking rate 75% Rate of secondary health checkup attendance 70% Rate of stress check attendance 70%
Increased engagement	Philosophy Management	Empathy and penetration of the "HIS Group Philosophy"	
	Career autonomy	Creating independent career development and diverse growth opportunities	

➡ Please see P.43 for specific human capital initiatives.

Established HIS JAPAN

“Creating a New Future for HIS Japan”



H.I.S. Co.,Ltd.
Director

HIS JAPAN President

Yamanobe Atsushi

Starting the second term of the Medium-Term Management Plan, we established HIS Japan as a new organization which will oversee FIT tours, corporate sales, inbound travel to Japan, product purchasing, and the regional divisions.

Until now, each business was independent, and achieved steady results recovering from Covid-19 and challenging new business areas. In order for HIS Group to grow sustainably going forward, we felt it would be critical to allocate management resources and make decisions quickly and flexibly in response to changes in the outside environment and market.

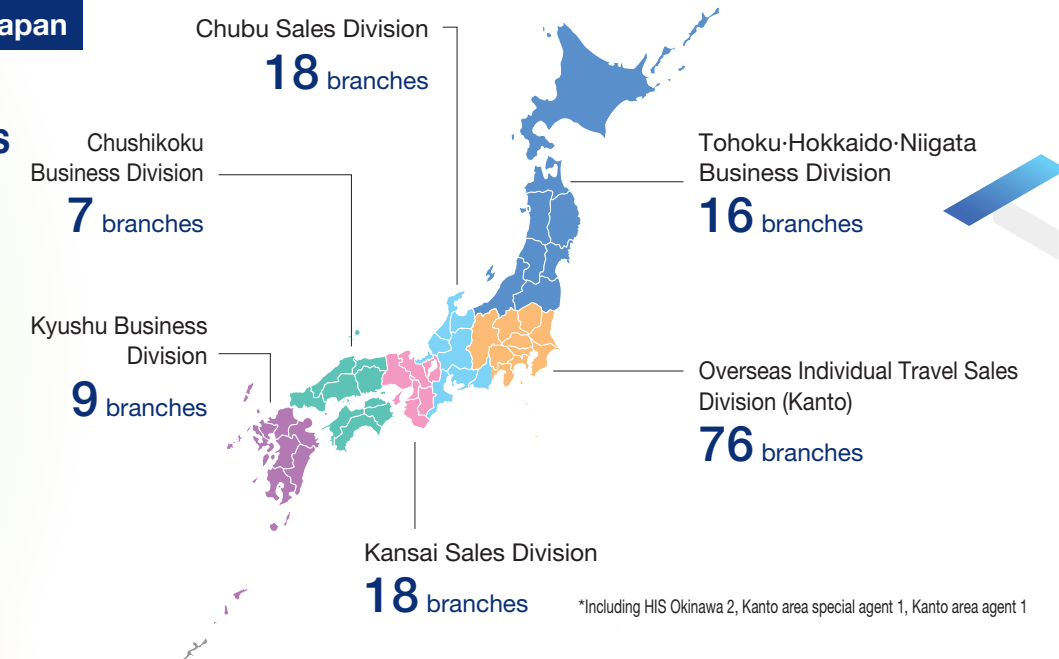
Through this reorganization, we will consolidate our businesses, and pursue further innovation and challenges as a core business organization which promotes growth from the perspective of overall optimization of the group.

FIT tours account for much of our profits, but based on the theme of restructuring our business portfolio, we also wish to actively promote parts which each separate business was unable to explore or implement, such as improving the profitability of businesses, shifting to solution sales, promoting the regional revitalization business, promoting inbound travel to Japan, and developing new businesses.

Our network in Japan

148 branches

As of October 31, 2024



Flagship store “Travel Wonderland Shinjuku” reopens after renovation

Concept PLAY WORLD! A Place to Encounter “Kokoro Odoru” Travel

With technological developments reducing the points of contact between people, we reopened in June 2024, and as a travel agency, we communicate the joy of engaging in and thinking about travel through the unexpected encounters and unpredictability created by communication between people, and the unique experience of encountering travel in real life in order to be a “store focused on travel” that is in line with the times. We aspire to be a store which can provide value to customers as the starting point for enjoying the world with HIS.

1F

Providing encounters with “Kokoro Odoru” travel and exciting experiences for all customers who love travel



3F

Providing an environment enabling comfortable travel consultation to customers seeking expertise



- ◆ Across No.1 Travel 【Multilingual support】
- ◆ Sports Event Section 【Sports experience/watching】
- ◆ Language Training Desk 【Language study abroad】
- ◆ Eco Tour Desk 【Nature experience/learning】
- ◆ Study Tour Desk 【Volunteering/Cultural experience】
- ◆ World Travel Specialist Desk 【Around the world】
- ◆ Overseas Airline Ticket Specialist Desk 【Departing/Arriving from overseas】
- ◆ Nature World 【Unexplored areas/World Heritage sites】
- ◆ Universal Tourism Desk 【Wheelchair/Sign language support】
- ◆ Qualita Shinjuku 【Business/First class】
- ◆ Music Appreciation Desk 【Music Appreciation】

Earning No. 1 for Customer Satisfaction in the Travel Industry in the JCSI (Japanese Customer Satisfaction Index)

HIS ranked number one for customer satisfaction in the travel industry in the second JCSI (Japanese Customer Satisfaction Index) survey for FY 2024 released by the Japan Productivity Center Service Industry Productivity Council. In addition, of the nine indices related to customer satisfaction, HIS was rated number one in five indices, including customer satisfaction, recommendation intent (likeliness of recommendation), and excitement index, which are three indices particularly useful for management targets.

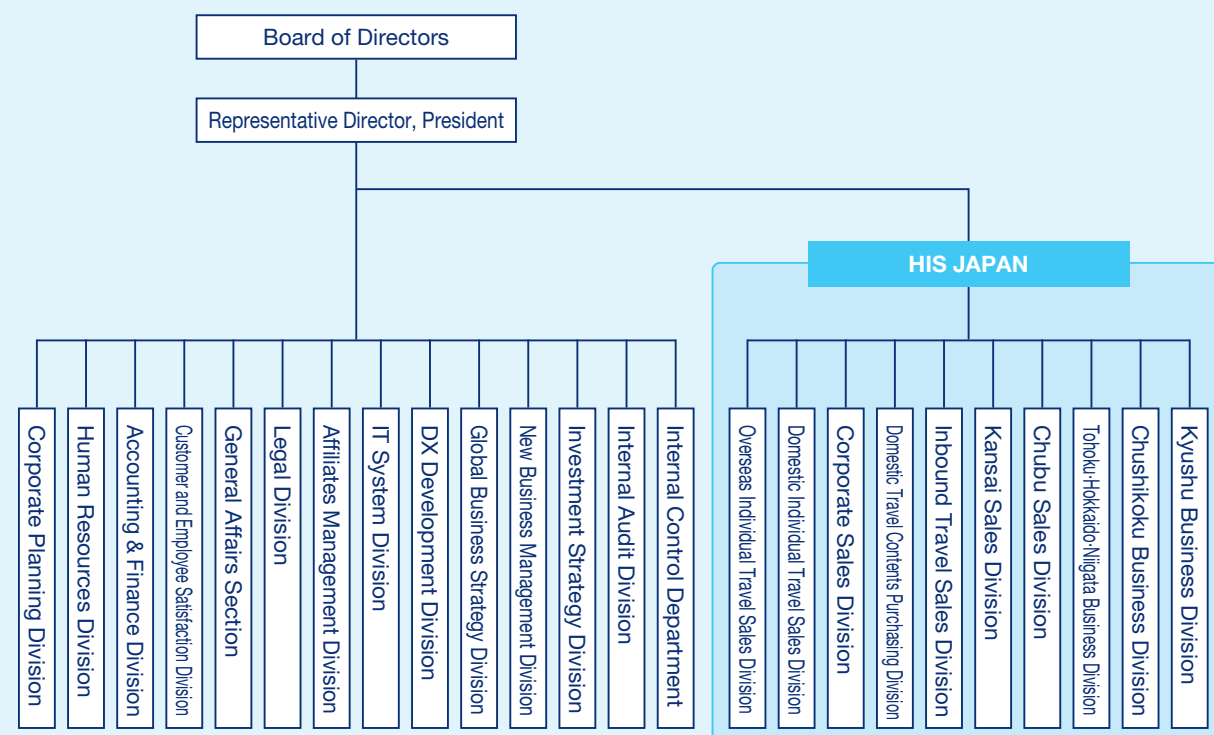
The JCSI (Japanese Customer Satisfaction Index) survey is one of Japan's largest customer satisfaction surveys, which is intended to be used as data to assist the growth of companies and industries by quantifying and visualizing factors such as customer satisfaction important for measuring productivity in the service industry, and it is conducted for approximately 400 companies and brands in more than 30 industries and business categories.

For the second survey of FY 2024, survey results were released for the travel, telecommunications sales, entertainment, fitness, banking, gas retail, QR code payments, and digital money industries.



◆ Customer satisfaction: 1st ◆ Intention to recommend: 1st ◆ Emotional index: 1st ◆ Loyalty: 1st ◆ CSR index: 1st

Management Structure and Organization Chart



Overseas Travel

A special journey to make your heart leap

Discover the unknown, create first-time experiences, and live out dreams come true. Here, you'll find moments that stir the soul, uncover new wonders, and leave you with unforgettable emotions. Leveraging our own ideas and negotiation expertise, HIS has crafted a journey that will leave a lasting mark on your heart.



Machu Picchu ruins, Peru (image)

"Kokoro Odoru" Travel

Trips with once-in-a-lifetime value, realizing the dream of circling the globe

A 25-day trip around the world in business class

Round-the-world trips everyone dreams of, offered by HIS. We prepared extraordinary trips to "unleash your excitement." Since you will be traveling in business class, the long 25-day trip will be elegant and comfortable. A tour conductor with a high customer satisfaction rating will guide you through 20 cities and 13 World Heritage Sites in 8 countries: France, England, Egypt, Morocco, Spain, Peru, Canada, and the United States. This is a fulfilling trip that includes sightseeing where you can experience history, culture, and nature, as well as local cuisine. HIS also offers many other special trips.



"Kokoro Odoru" Travel <https://www.his-j.com/theme/kokoroodoru/kanto.html>

Luxon, Prime Minister of New Zealand visits HIS Launching the "Tabipa" Joint Promotion

On June 18, 2024, New Zealand Prime Minister Luxon visited HIS headquarters and confirmed that the three companies - Tourism New Zealand, Air New Zealand, and HIS - will jointly promote New Zealand and advance cooperation aimed at promoting outbound tourism. We launched a promotion for New Zealand as a country with excellent "Tabipa" (travel performance), offering rich, unforgettable experiences and high satisfaction in a single trip.



New Zealand Prime Minister Luxon visited HIS headquarters

<https://www.his-j.com/kaigai/oceania/newzealand/feature/tabipa/kanto.html>



Launching the New AirZ International Airline Tickets + Hotel Brand

We launched AirZ in December 2024 as a new "international airline tickets + hotel (purchasing at the same time via a dynamic package agent-organized tour or arranged tour)" brand which allows freely combining international airline tickets with hotel accommodations.

With AirZ, you can freely combine available flights and hotel rooms at the time of booking, allowing you to confirm your reservation on the spot. Prices are variable and change in real time, but reservations can be made online 24 hours a day.

AirZ's points

- We handle over 400 airlines and about 70,000 hotels
- We manage all travel arrangements from pickup and drop-off to activities and insurance
- We provide support in Japanese 24 hours a day during your stay

We aim to offer tours which more closely align with customers' desires by clearly demarcating traditional package tours composed of international airline tickets and hotel accommodations, and increasing the travel options for customers.

<https://www.his-j.com/kaigai/air-hotel/feature/kanto.html>



Domestic Travel

Let's travel around Japan! Domestic travel with HIS

HIS offers a variety of services to help you enjoy your trip with peace of mind and convenience, both before and during your trip.



Co-sponsorship as a PR Golden Partner Selling Expo 2025 Osaka Kansai Tours

HIS is selling tours that include admission tickets for the 2025 Japan World Expo (Expo 2025 Osaka Kansai) held in Yumeshima, Osaka starting from April 13, 2025.

In addition, HIS is co-sponsoring Expo 2025 Osaka Kansai as a PR Gold Partner. As well as creating an environment which makes it easier for people from all over Japan to visit Expo 2025 Osaka Kansai, we wish to communicate the appeal of Expo 2025 Osaka Kansai.

Started handling domestic express buses and night buses

HIS has begun handling express bus and night bus reservations throughout Japan on its travel booking site. Previously, HIS's domestic travel booking site offered tours, flights, accommodation, activities, rental cars, and more, but now it has begun handling express bus and night bus reservations throughout Japan. Online reservations and purchases for over 550 service on approximately 120 routes nationwide can now be made up to 45 minutes before departure.



<https://highway-bus.his-j.com/>



HIS original one-day sightseeing bus service operates in Hokkaido

For a limited time from May 25 to September 30, 2024, HIS operated its original one-day sightseeing bus tour of popular tourist spots in Hokkaido, with two routes: the Asahiyama Zoo, Biei, and Furano route, and the Upopoy and Lake Toya route. In addition, the HIS Hokkaido Concierge (consultation counter) was set up for a limited time in the arrival lobby of New Chitose Airport. The company supported customers' stay in Hokkaido by providing local information and distributing discount coupons.



Early summer flower fields (Farm Tomita) in Nakafurano, Hokkaido

Pick Up The 5th "HIS Overseas Travel Thanksgiving Festival" was held

The 5th "HIS Overseas Travel Appreciation Festival" was held for two days on March 8th and 9th, 2025, with the aim of allowing people to rediscover the charm of travel while having fun through "seeing, listening, eating, and experiencing," and was attended by a total of approximately 11,000 people. There were 14 stage events with different themes, where travel professionals introduced the latest information from each country, various events were held at booths in each country, and food trucks where people could enjoy food from around the world were also on display. In addition, as a charity event to support the recovery efforts following the 2024 Noto Peninsula Earthquake, an indoor LED lantern launching experience was held, with a portion of the proceeds donated to the Ishikawa Prefecture 2024 Noto Peninsula Earthquake Disaster Relief Fund.



Pick Up Communicating the Appeal of Little-Known Japanese Sightseeing Areas Announcement of the Results of the Second Tourist Card Grand Prix

The Second Tourist Card Grand Prix was held from the 8th to the 29th in August 2024 using "tourist cards," on which local governments and facilities introduce attractions in the sightseeing areas, in order to discover potentially popular sightseeing areas based on the number of cards taken by visitors. The announcement of the results and the award ceremony for the top-ranking prize winners were held at the HIS booth at Tourism EXPO Japan 2024, held at Tokyo Big Sight.



The award-winning local governments

<https://kcgp.jp/>



Inbound Travel

Contributing to regional revitalization by allowing people to experience the charms of Japan

In order to spread the spirit of hospitality to people all over the world, we are proposing a form of travel to Japan with an eye to the next 10 years.

Providing Japan Inbound Travel Services which Accommodate Diverse Cultures, and Approaching Overseas Markets

Utilizing our global network, we are promoting Japan inbound travel which accommodates diverse needs.

We provide information about halal-certified restaurants and worship spaces for Muslim customers, and arrange meals for vegetarian and vegan customers, etc., to accommodate the needs of customers flexibly.

In order to enhance cooperation between HIS overseas subsidiaries and local agents, we are strengthening our relations with overseas partners through Japan inbound travel product sales and travel expositions, leveraging our market knowledge, and providing the ideal travel experience for every customer, contributing to further growth in Japan inbound travel.



Exhibiting at NATAS, Singapore's largest travel fair

Strengthening Tabinaka (Tourist Information Centers)

Tourist information centers are important hubs for providing information to foreign travelers to Japan, playing a role in communicating the appeal of local communities. We are promoting enhanced multilingual support and the utilization of digital technologies to provide information in real time and enrich our booking services. In addition, by providing a place for cultural exchange and experience content unique to the area, they increase traveler satisfaction while serving as a hub connecting travelers with the community, and also contribute to stimulating the local economy.



Harajuku Tourist Information Center

- Harajuku Tourist Information Center
- Kyoto Tourist Information Center

Collaborating with Local Governments and Concentrating on Creating and Promoting Tours

Through collaboration with local governments and businesses, we are planning and selling Japan inbound travel products which will enable customers of all nations and regions to experience the beauty of Japan to the fullest.

In August 2024, we reached an agreement with Atami, Shizuoka Prefecture to strengthen measures to attract tourists from Taiwan. We are also actively deploying promotions in overseas markets, such as travel expositions in Thailand.

We are working together with local communities to create diverse and extraordinary travel experiences, further stimulating the market for Japan inbound travel, and contributing to local communities.



Inbound tourism promotion agreement signed with Atami City

Developing Original Products which Accommodate Diverse Cultures

Many customers participate in the Hiroshima and Miyajima 1-Day Bus Tour, and we provide lunches which take into account a wide range of food cultures.

There has been a positive reception to products targeting customers from India which include an Indian curry lunch because of the various dietary restrictions due to differences in religion and culinary culture, and customers from countries other than India have been participating as well.



Guide multinational customers around Hiroshima city

Pick Up Discovering Local Attractions! Offering Unique Experiences Tours for Foreign Visitors to Japan

At HIS, we are developing original content which allows visitors to experience the unique local culture and natural environment, offering a new style of travel.

In the Tohoku region, we prepared day-trip bus tours visiting Zao Fox Village and Ginzan Onsen, while in the Chubu region, we prepared tours to enjoy the illumination at the Shirakawago world heritage site.

Going forward, we will contribute to stimulating the Japan inbound travel market by discovering local attractions and providing unique experiences which pique the curiosity of customers.



Foreign visitors to Japan visiting Ginzan Onsen

Overseas travel business

We will continue developing our business tailored to regional needs, creating new demands and trends

Thailand・Vietnam Traveling by EV for Sustainable Tourism

HIS Thailand and HIS Vietnam are operating local tours using eco-friendly electric vehicles. More than 500 guests per year have already participated in our tour packages with EV tuk-tuks in Bangkok.

In Vietnam, we launched new tours using EV buggies, and more than 100 customers have joined it. We will continue our efforts to raise environmental consciousness among travelers, and aspire to achieve sustainable tourism throughout Asia.



EV Tuk-Tuk

EV Buggy

U.S.A. Challenge to an Innovative Travel Utilizing the Future Mobility

At our project base in Silicon Valley, we are focusing on fields with a strong affinity for travel, including cutting-edge technologies associated with MaaS and AI-based travel services.

Among these, we are participating in a project to implement transport service using eVTOL as a new form of travel and future means of transport. eVTOL has less environmental impact and CO₂ emissions than traditional vehicles, and are superior in terms of environment, quietness, convenience, and cost. It is also capable of autonomous flight and vertical takeoff and landing, and has features that match more daily, short-distance transport needs.

We are currently conducting commercial viability studies in collaboration with other companies toward early public implementation of this technology within Japan. At Tourism EXPO Japan in September 2024, we introduced this as an attainable form of travel in the future. We aim to produce short-distance, domestic flight products in 2027 and develop new travel products in the future, thereby revitalizing the tourism industry and contributing to local communities.



eVTOL (Image)

Picture Provided by Marubeni Corporation

Philippines HIS SPECTATOR TOUR - Japanese Basketball League Collaboration



Japanese Basketball League (Image)

SpectatorTour

In order to cultivate new demand for travel to Japan, HIS Philippines has collaborated with the Japanese men's professional basketball league to conduct tours to watch games by teams with Filipino players. The participants enjoyed watching games from special courtside seats and meeting with the players after games. We conveyed the appeal of Japan to the Filipino basketball fans through sightseeing in Hiroshima Prefecture, the venue of the game, and a cooking experience of Okonomiyaki, a local delicacy. Also, we launched tours of the All-Star Game at a promotional event held at MITSUKOSHI BGC in the Philippines in September 2024. We will continue to cooperate with events related to the basketball league and promote the attractiveness of Japanese various regions through the spectator tours.

Bolivia New Branch Opening

HIS Bolivia opened a La Paz branch in July 2024 in order to develop new destinations.

Targeting customers from the U.S., Mexico, and Brazil, and customers touring South America from Japan, we are arranging guides, shuttle service, hotels, and Bolivian domestic flights, focusing mainly on tour products for Uyuni Salt Flat, one of the world's most spectacular views. We will aim to attract more global customers from Asia beyond South America in the future.



HIS Bolivia Members

Uyuni Salt Flat Mirror of the Sky

Canada TravelBrands Celebrates Multiple Wins at 2024 Agents' Choice Awards Gala

At the 2024 Agents' Choice Awards Gala, which determines the best travel agencies based on the votes of 6,938 travel advisors in Canada, TravelBrands (the collective name for several travel brands owned by H.I.S. Canada Travel Inc.) won in four categories: Favourite Tour Operator FIT, Favourite Tour Operator - Niche, Favourite Air Consolidator, and Favourite Supplier Representatives. The award ceremony was held at The Carlu in Toronto on June 20, 2024, 12 people including executive members and staff attended from H.I.S. Canada Travel Inc. Trust in the company, cutting-edge technology, and the efforts of teams dedicated to creating extraordinary travel experiences contributed to high evaluations in multiple categories.



Executive Members and Staff of H.I.S. Canada Travel Inc.

Beyond Travel

Travel is one choice

HIS will support our customers in solving their problems with its “power to move hearts.”

Business partners that co-create the future

Corporation/Company

The HIS Corporate Sales Department aims to be a partner to help companies solve their problems by proposing optimal solutions that go beyond the scope of a travel agency.

Corporate Events (MICE)

We support the planning and management of various events and meetings held by companies from the perspective of solving business issues. In addition to company trips, induction ceremonies, employment acceptance ceremonies, and department head meetings, we offer a wide range of solutions such as incentives, overseas training, and anniversary events.

Incentive

We plan and manage incentive programs aimed at improving employee engagement. In addition to events such as award ceremonies and incentive trips, we are also involved in the planning and design of prize presentations and the entire program, contributing to the growth of the company by creating experiences that stimulate “employee honor.”



Overseas Training

We plan and operate overseas training programs grounded in an understanding of the company's human resources strategy. For overseas training which is effective for polishing employees' sensibilities and acquiring hands-on training, it is essential to understand the company's human resources strategy. We link the objectives and implementation of the training. We search for the most suitable destination among cities worldwide, make proposals tailored to the training content, and support the studies of the people who will build the company's future.



Anniversary Projects

We plan and manage anniversary events that look back on a company's history and share its vision for the future. Anniversaries such as the 50th and 100th anniversaries are the perfect opportunity for stakeholders to come together. We support the company's next step by thoroughly understanding the path the company has taken and its vision for the future, and by directing events that resonate with stakeholders.



BTM (Business Travel Management)

We achieve lower business travel expenses and stronger governance without degrading comfort for business travelers.

By revising the overall management of business travel, it is possible to optimize spending and strengthen governance from the standpoints of fraud prevention and risk management. When doing so, we give consideration to the comfort of business travel, and reduce dissatisfaction from business travelers by managing it holistically rather than looking at individual business trips point by point in order to promote acceptance of the management system.

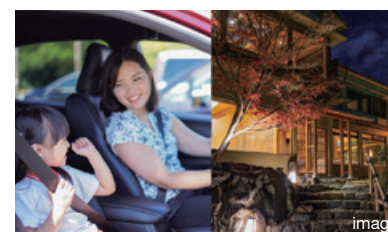


BPO/BENEFIT business

We plan and manage campaigns implemented by companies and act as secretariat for member organizations.

Prize Travel

By creating synergy between “travel” and “brand,” we plan and manage prize travel with high return on investment. Rather than ending prize travel organized for promotional purposes by companies as a simple gift, we elevate it to a campaign that evokes the brand experience, bringing the appeal of travel closer to the worldview of the brand.



Consumer campaigns/office operations

We plan and manage campaigns targeted at consumers and member organizations that are conducted by companies. We make multifaceted proposals in line with the objectives of the campaign, and with our extensive track record and sophisticated hospitality, we handle everything from secretariat operations to high levels of user satisfaction, thereby contributing to increased customer loyalty.



Benefits

We plan and manage employee and member benefits such as travel discounts, long service rewards, and incentive trips. Our original benefit package service “Liive” offers a variety of services, including centralized management of health checkup result data, e-learning to improve skills, and discounts at popular restaurants and leisure facilities.

リーヴェ
Liive
produced by HIS

Hcross

Our vision is to become an “open innovation platform” for HR practices. By promoting knowledge sharing between companies and functioning as a place to create new value, we will support HR departments in companies to function more efficiently and effectively, contributing to the development of the entire industry.



Revitalizing Japan with regional potential

Government office / Local government

We undertake projects implemented by central government ministries and local governments, and contribute to solving social issues such as regional revitalization.

Regional Branding

We support activities for regional development and revitalization carried out by local governments. We make the most of the characteristics and charms of the region, and plan and manage measures to attract domestic and international tourists and revitalize the local economy and society by promoting local products and tourism resources, etc., based on the promotion of local products and tourism resources.

Utilizing HIS's domestic stores and global network, we support local governments in solving social issues with a wide range of solutions such as creating high-value-added content, rep activities, and promotion through SNS, etc.



Event / conference management

We plan and manage domestic and international events, conferences, symposiums, business meetings, etc., held by government agencies and local governments. Not only do we arrange transportation and accommodation, but we also provide comprehensive solutions from planning to implementation, maximizing the effectiveness of your initiatives.



Office management

We conduct project management for application offices for financial support and subsidies, etc., implemented by government agencies and local governments.

By conducting planning based on the social problems underlying the project implementation which need to be solved, and carrying out plans based on our wealth of receptions experience and office management track record, we can maximize their results as a government policy.



Regional Revitalization Project

New Community Revitalization Utilizing HIS Group's Management Resources

We are working to create "earning power" for communities using not only our travel business know-how and global network, but also our knowledge cultivated in businesses such as hotels, theme parks, and community revitalization, as well as HIS Group's management resources, always striving toward lasting rather than temporary solutions to the various problems facing communities.

By rediscovering good old-fashioned Japanese content and rebranding it through projects that utilize the local culture and environment, we aim to increase its potential value, creating new business models and stimulating the community.

By collaborating with partners who share our aspirations to challenge new business areas, we will expand the possibilities of the regional revitalization business.



Destination Create Project –New Destination Creation Project–

Through a joint project with Satoyume, a business production company that specializes in supporting regional revitalization, we will create a new movement for regional revitalization. In recent years, as the revival of inbound tourism has brought about the issue of "overtourism" in famous tourist destinations, we aim not only to attract and manage existing tourist destinations, but also to create "new destinations" across the country, including areas that have not previously been considered tourist destinations.

Designated management business

Contributing to Communities Utilizing Local Characteristics and Know-How Cultivated in the Travel Industry

We are working in the designated management business, in which the operation and management of public facilities owned by regional governments is contracted to private-sector companies and organizations. In tourism and lodging facilities operations, developing original marketing strategies and promotional activities, and utilizing local tourism resources to the fullest extent enables us to contribute to stimulating the local economy. In facilities management, as well as aiming to build an efficient management system to achieve cost reduction and improved service, by holding a wide variety of events based on the local characteristics and needs, we are also promoting development of appealing facilities local citizens and tourists will love, contributing to the development of local tourism promotion and culture.



"Poporokko" (hot spring accommodation facility) in Yurihonjo, Akita



"Gifu Seiryu Satoyama Park" in Minokamo, Gifu

HIS's management business is not limited to operating facilities. It also contributes to creating sustainable communities by working with local communities to promote tourism and revitalize the regional economy.

Creating successful experiences that foresee students' growth

Schools and educational institutions

We support off-campus educational programs conducted by educational institutions and contribute to the development of schools. We create successful experiences that foresee the growth of students in all learning situations, not just school trips and training trips.

School trips

In response to rapid social changes, we propose exploratory and active learning trips that hone students' thinking, judgment, and expression skills. Rather than viewing school trips as standalone events, we plan and manage them comprehensively, focusing on linking them to the school's educational policies and pre- and post-trip learning programs, contributing to an improved learning experience.



Career Support

From the perspective of developing global human resources, we propose career programs such as overseas internships and work experience. For overseas internships, we utilize our global network to not only send students to HIS's overseas bases but also to local companies in other industries, contributing to the creation of skills and mindsets for students to work in society.



Study Abroad/Language Training

We comprehensively plan and manage study abroad programs, reducing the burden on schools and creating more effective study abroad/training experiences. After understanding the school's educational policy and objectives, as well as the tendencies of students, we utilize our extensive track record and global network to support safe and effective study abroad programs. We support you with a wide range of solutions, including domestic study abroad depending on your purpose, collaboration with study abroad destinations, and comprehensive management including application management.



Others

Sports business

We fully support athletes and teams aiming to be successful on the world stage, and deliver excitement to the fans and companies that support them.

With a focus on "watching," "doing," and "supporting" sports, we provide support for athlete expeditions and spectator tours to make sports feel more familiar to people. We will continue to take on the challenge of delivering excitement as a partner that is close to sports, including through sports hospitality and tournament administrative work.

For general customers

Sports viewing and experience tours

We offer sports trips for those who are interested in sports, such as overseas marathons and European soccer viewing tours. Our staff with extensive knowledge and expertise will guide you.

Sports Hospitality

In addition to the usual viewing of matches, we offer high-value-added activities such as meeting foreign athletes and visiting stadium backstage areas during overseas sports tours, allowing you to maximize the value of your sports content.



For sports organizations

Support for athlete trips, training camps, teams, and sports organizations

We make arrangements for sports associations, athletes, and teams with an emphasis on safety, security, and speed. We will continue to support everyone involved in sports by utilizing our strength, footwork.

International tournament secretariat operation

We provide total coordination for sporting tournaments held in Japan, from secretariat operation, accommodation, transportation, and meals for athletes and related parties, to ticket sales and hospitality planning.

FOOD BUSINESS

By utilizing the resources HIS has cultivated in the travel business, we aim to energize people and regions and revitalize the world by delivering "products" and "businesses" with a food theme to the world. Our main initiatives include exporting and selling high-quality Japanese products such as tea and rice, and supporting business expansion through domestic and international franchises as a partner for Japanese food and beverage brands.



We serve a fun experience and convenience for vacationing tourists and business travelers

We promise to pursue the five core values: “Be connected” “Relaxing atmosphere” “Advanced” “Fun experience” “Productive” With the aim of maximizing operational efficiency, we promise to deliver a unique and memorable experience at a reasonable price for our guests. HIS Hotel Holdings currently operates 48 facilities under 13 brands in 7 countries and regions.



Henn na Hotel



The Henn na Hotel's policy is “A hotel that promises to keep changing.” They continue to pursue “strangeness” without being bound by preconceived notions or patterns. They were recognized by the Guinness World Records® as the world's first hotel where robots work. From 2024, the Henn na Hotel brand will be subdivided, and the top-level brand “Henn na Hotel Premier” will be newly established, and the three brands “Henn na Hotel” and “Henn na Hotel Express” will be developed.

Henn na Resort&Spa



As part of the Henn na Hotel multi-brand strategy, hotels located in resort areas with hot spring facilities will be developed as “Henn na Resort & Spa.” The first store, “Henn na Resort & Spa Kansai Airport,” was rebranded and reopened in November 2024.

Watermark Hotel

A resort hotel used by guests from all over the world. We have two facilities in Miyakojima, Okinawa Prefecture, and Bali, Indonesia.



VISION HOTELS



This is the official hotel of VISON, one of the largest commercial facilities in Japan. It consists of 6 independent villas, a hotel building with 155 rooms called “HOTEL VISON”, and 4 buildings with 40 rooms each with a different theme called “HATAGO VISON”.

Guam Reef Hotel

A beachfront resort hotel located in the Tumon district in the center of Guam. Japanese staff available.



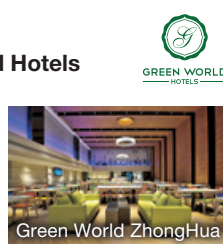
Hotel Inspira-S Tashkent

A 140-room 4-star hotel equipped with a full-scale spa, a large restaurant, and conference rooms.



Green World Hotels

Taiwan's largest hotel chain with 13 hotels in Taipei city. Japanese language support available at all hotels.



Cappadocia Marriott Hotel

A large resort hotel with 295 rooms in total, featuring two restaurants, a pool, a spa, large banquet rooms, and more.



In 2024, we carried out major renovations of the lobby, front desk, guest rooms, large public baths, and other areas, and also created new suite rooms.

MANTENNO TSUJINOYA

A traditional Japanese-style hot spring inn in Awazu Onsen, Ishikawa Prefecture, where you can enjoy natural hot springs, kaiseki cuisine, and garden strolls. Renovation work on the entire building was completed in the fall of 2024.

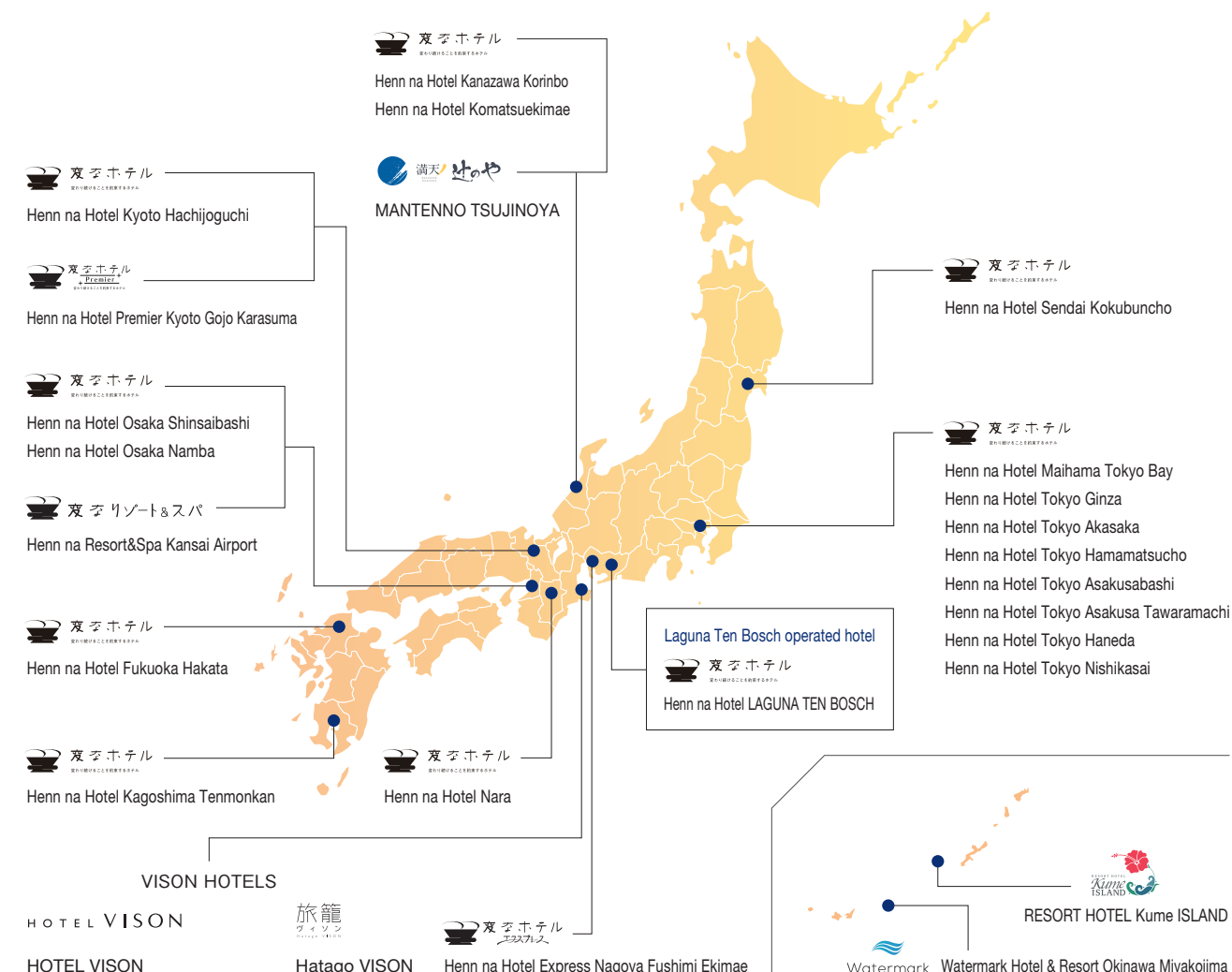


RESORT HOTEL Kume ISLAND

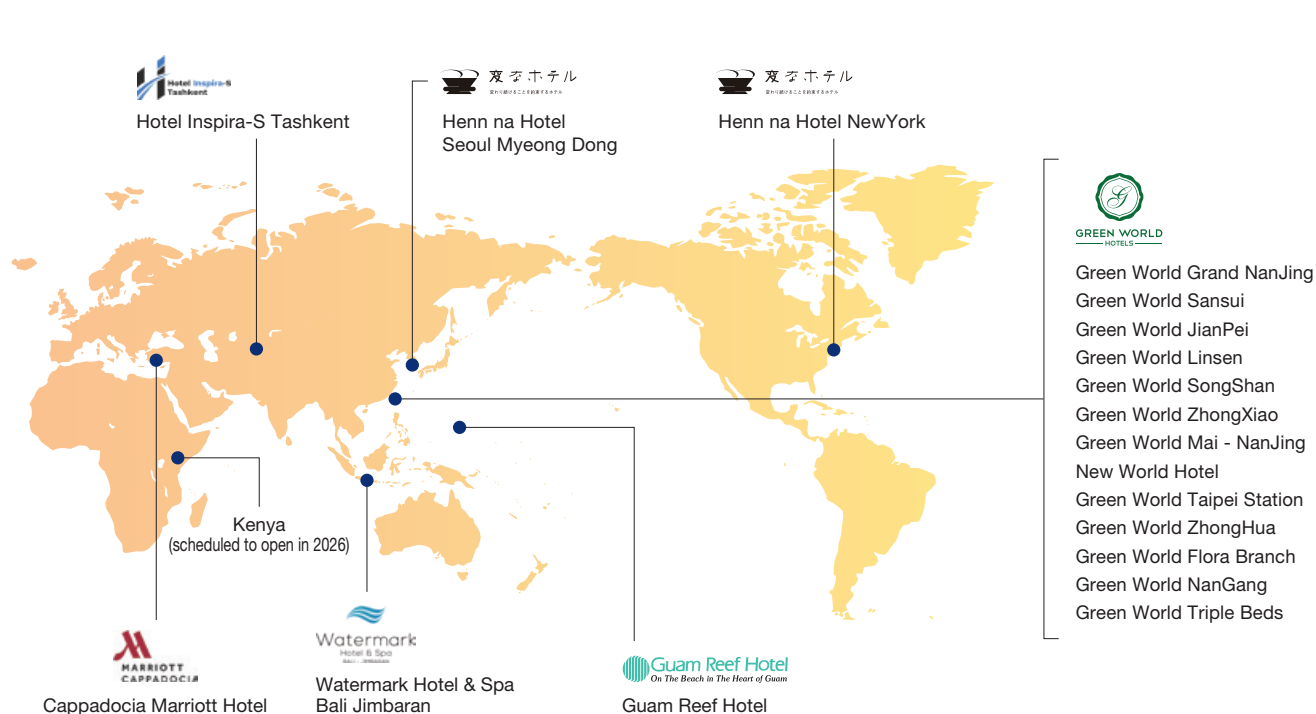


The largest resort in Kumejima, Okinawa Prefecture, with a total of 142 rooms, including suites. Major renovation work was completed in the summer of 2024.

Hotel lineup in Japan



Hotel lineup in Overseas



We aim to be a company that contributes to Kumamoto and will meet your needs and expectations.



SAKURA MACHI Kumamoto

KYUSHU INDUSTRIAL TRANSPORTATION HOLDINGS CO.,LTD. 九州産交グループ

Corporate philosophy

Provide customer-oriented services, prosper with the region, contribute to social development.

Corporate vision

Respond to the needs and expectations of society and customers with services and aim to become a leading company in Kyushu progressing continuously.

KYUSHU INDUSTRIAL TRANSPORTATION HOLDINGS CO.,LTD.

Opening the Kyushu Sanko Bus Counter in Aso Kumamoto Airport - Supporting Kumamoto Travel at the Gateway to Kumamoto by Air -

We established the Kyushu Sanko Bus counter inside Aso Kumamoto Airport on December 20, 2024. At this new counter, we offer customers arriving at Aso Kumamoto Airport from Japan, Taiwan, South Korea, and Hong Kong bus ticket booking and sales, merchandise sales, one-way bus ticket and luggage forwarding service, as well as SIM card and Wi-Fi router rental services, etc., so that they can enjoy a smooth and comfortable trip in Kumamoto. With the one-way bus ticket and luggage forwarding service, after customers arrive at the airport, we deliver their heavy suitcases and other luggage to specified hotels in the cities of Kumamoto and Aso, enabling them to enjoy sightseeing in Kumamoto comfortably without having to carry luggage. For our SIM card and Wi-Fi router rental service, we offer a wide variety of telecommunications plans to accommodate both foreign and domestic customers. They are able to use the Internet and social media platforms with a high-speed, stable connection. Through the Kyushu Sanko Bus counter, we will contribute to the future development of local tourism by cooperating with the local community to make transportation more convenient for customers.



Kyushu Sanko Bus counter

KASSE JAPAN Co., Ltd.

Supporting Aso's Nature Preservation and Grasslands Conservation Activities - Donating a Portion of the Mt. Aso Caldera Shuttle Profits -

The Mt. Aso Caldera Shuttle operated by KASSE JAPAN began service in November 2020, and it makes nine round trips daily (18 buses total, not including chartered buses) from the Aso Sanjo Terminal to the Aso Nakadake Crater. We believe it is our mission to provide safe and secure service to customers amid Aso's magnificent natural environment, as well as working to protect and preserve this nature, and to pass on the precious natural environment of Aso to future generations. Therefore, we donate a portion of the Mt. Aso Caldera Shuttle profits to the Aso Environmental Symbiosis Fund, supporting conservation of the Aso grasslands and protection of the natural environment, and contributing to the sustainable development of the local community. Going forward, we will work hand in hand with the local people to protect the beauty of Aso, and preserve it for the future.



Mt. Aso

Kyushu Sanko Bus Co., Ltd.

Collaboration between TV Anime "Oshi no Ko" and Takachiho, Miyazaki Prefecture - Developing Only1 Products -

Kyushu Sanko Bus is operating buses wrapped with an original design and selling commemorative bus tickets for a collaboration between the TV anime "Oshi no Ko" and Takachiho, Miyazaki Prefecture. The original design is mainly focused on Ai, a character appearing in the TV anime "Oshi no Ko," interweaving scenery of Takachiho to evoke the setting of the Season 2 "Private Arc" of the TV anime, in the hope that it will attract many visitors to Takachiho.

The wrapped buses were Tokyu Takachiho-go intercity buses (Kyushu Sanko Bus routes) providing service between Kumamoto, Takachiho, and Nobeoka, operating from November 1, 2024 to March 31, 2025

We will continue to work to develop Only1 products, and help to increase the presence of the Kyushu Sanko Group as a whole.



Original design wrapping bus (image)

Kyushu Sanko Retail Co., Ltd.

Doragashi Anan Wins Grand Prix in the Kumamoto Confectionery Festival Oshidora Grand Prix - Held in Kumamoto for the First Time Ever! Receiving the Most Customer Votes in "Dorayaki General Election" to Decide Best Dorayaki -

Doragashi Anan, a dorayaki specialty shop operated by Kyushu Sanko Retail on the basement level of SAKURA MACHI Kumamoto, won the grand prix in the Kumamoto Confectionery Festival Oshidora Grand Prix (Organizer: Kumamoto Prefecture Confectionery Industry Association) held on the 7th and 8th of December 2024 in fine style, with the Anan Dorayaki (Tsubu-an), a product sold by Doragashi Anan, receiving the most votes. The Kumamoto Confectionery Festival Oshidora Grand Prix is an events held as the "Dorayaki General Election," in which customers vote on which among the 24 types of dorayaki entered by 16 shops in Kumamoto Prefecture is the most delicious dorayaki ("Oshi no Dorayaki"). Held in Kumamoto for the first time ever, we received the most votes in this noteworthy inaugural election.

Anan Dorayaki (Tsubu-an) is a dorayaki featuring two layers of cake with a soft and fluffy texture, made mainly with ingredients produced in Kumamoto Prefecture, filled with anko bean paste with the prefect amount of sweetness, and each one is made and baked by hand. At 6cm across, the smaller size is also well-received as "easy to eat" and "moreish." In addition to a light snack, many people also buy them as souvenirs these days, and they are enjoyed by many both in Kumamoto Prefecture and beyond. Going forward, Kyushu Sanko Retail will work to share the appeal of Kumamoto's culinary culture through food.



Anan Dorayaki (Tsubu-an)



Official Emblem of Oshidora Grand Prix



Situation on the day of the event

At the complex type resort which enjoys nature rich Mikawa bay, you can enjoy the sea in various styles such as entertainment, gourmet, shopping.



Pirate Blast

Laguna Ten Boach Co., Ltd.

LAGUNASIA



A dream filled theme park We offer a variety of entertainment throughout the year, including attractions, fireworks, and illuminations.

Laguna Pool June 14th - September 28th

There are six different types of pools to enjoy, including one of Japan's largest wave pools and a 230m long lazy river.

〈New kids pool opening in late July〉

"Whale Splash Garden" will open this summer, where you can enjoy play equipment inspired by sea creatures.



Gioia Mare Beach



Whale Splash Garden (image)

Sanrio Character Festival in Laguna Ten Bosch

February 15th to May 18th

The world of Sanrio Puroland is recreated at the venue, where you can enjoy taking photos at photo spots and greeting characters.

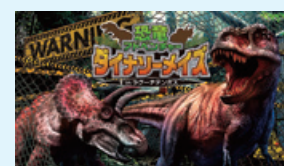


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APPROVAL NO. SP650748

Dinosaur Adventure Dinosaur Maze in Laguna Ten Bosch

March 15th to May 15th

This is the first dinosaur maze in Aichi Prefecture where you can encounter giant, realistic dinosaurs that move and roar, including the popular Tyrannosaurus.



W Hero SPRING Festa! 2025 in Laguna Ten Bosch

April 19th - June 29th

There will be exhibits of past heroes, including "Number One Sentai Gojuger" and "Kamen Rider Gab," as well as photo spots.



© Ishimori Productions, TV Asahi, ADK EM, Toei AG, Toei

Tomica Plarail Festival in Laguna Ten Bosch

July 12th to October 13th

An event will be held where you can enjoy the worlds of Tomica and Plarail together.



© TOMY "Tomica" and "Plarail" are registered trademarks of Takara Tomy Co., Ltd.

Laguna Festival Market

A shopping mall and restaurant where you can fully enjoy the resort atmosphere

This shopping spot offers a fish market selling fresh seafood, as well as a wide variety of fashion and goods, as well as restaurants overlooking the sea.



Laguna Festival Market

Henn na hotel Laguna Ten Bosch

Hotel directly connected to LAGUNASIA

The latest smartphone systems are available in the guest rooms to support a comfortable hotel stay. Guests can enter LAGUNASIA through the hotel's designated gate.



Reception

A comfortable communication environment whether you're traveling or at home

H.I.S.Mobile Co., Ltd.

HIS Mobile

We will continue to offer communication services and devices that are indispensable for both travel and daily life.

Low-cost SIM

We offer cost-effective low-cost SIM cards that allow you to use both voice and data communications for just 280 yen per month, with calling rates of just 9 yen per 30 seconds, the lowest in the industry. The service uses the NTT Docomo network, and has been highly praised for its stable communication quality.



image

Wi-Fi Rental

We offer rental Wi-Fi routers that are convenient for domestic and international travel and business trips. Our overseas Wi-Fi rentals offer unlimited data and are compatible with the largest number of countries and regions in the industry, so you can watch videos and use social media with peace of mind.



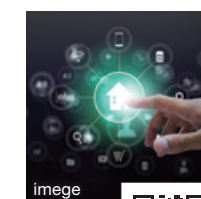
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Corporate Services

We provide a full range of solutions and communications suitable for IoT and M2M, from mobile devices to tracking inventory management, security cameras, vehicle management, and nursing care robots.

Handling of devices related to mobile communication

We rent and sell various types of communication devices for various purposes, such as smartphones, tablets, Wi-Fi routers, translators, mobile devices, etc. We also provide a purchase service for devices that are no longer needed.



image

<https://his-mobile.com/>



Towards becoming a group that contributes to the local economy and grows sustainably

Cross E Holdings Corporation Limited



Creating a Brighter Future with Thoughtful Technology

In November 2022, we established a holding company with two subsidiaries, HTB Technical Center, which engages in facility management and building facilities construction, etc., and Nishinoh Engineering, which installs equipment for waste processing facilities, etc. It was listed on the Fukuoka Stock Exchange Q-Board in August 2024.

We conduct our business for the purpose of "creating a brighter future with thoughtful technology." Huis Ten Bosch Technology Center protects the happiness of



image



image

stakeholders through tireless efforts day after day in order to provide safety and security through facilities management and building construction, etc. Nishinoh Engineering works to "create an environment friendly to people and nature" through construction and maintenance of environmental plants which support our lives, including garbage processing, exhaust gas treatment, and sewage treatment. We share a thoughtfulness toward people and the environment. We accept the responsibility to create a beautiful environment, a safe and secure lifestyle, and happiness for future generations through our technology, and will continue contribute to society going forward.



Introduction of New Business

Digital service promotion

We plan, build, and provide “comparison sites” that allow users to compare similar products and services from multiple sites at once. In today’s information-saturated society, we aim to provide a simple, easy-to-understand platform where anyone can fairly compare products and services and make purchases with confidence and satisfaction.

TabiPro allows users to compare the lowest domestic hotel rates from over 20 affiliated sites, and also offers a wide range of services and products such as hometown tax donations and water servers, and has many feature pages to answer users’ questions. All of the sites maintain a high level of organic search traffic of around 90%, ensuring reliable information provision.

We have also launched a new comparison site for “online English conversation lessons.” We will continue to expand our services, provide reliable information based on objective data, and provide high-quality content that offers users great deals and convenience.



<https://www.his-vacation.com/> <https://hikaku.his-j.com/furusato/> <https://www.his-j.com/waterserver/> https://hikaku.his-j.com/online_english/

Restaurant Business

Taking advantage of the compatibility between “food” and “travel,” we operate a soba restaurant, hotel breakfast, and seafood buffet restaurant with the aim of revitalizing and preserving Japan’s food culture.

In February 2024, we opened a new store, “Seafood Buffet Iroha,” in the commercial facility “Toyosu Senkaku Banrai” adjacent to Toyosu Market. We provide high-quality Japanese food to domestic and international tourists, and since opening, approximately 100,000 people (as of the end of January 2025) have used our store.

In the future, we are considering opening a second store and also opening stores overseas. We will develop a business that combines “food” and “travel” by utilizing the strengths of operating a travel agency.



“Seafood Buffet Iroha” Meal Image

Currently operating stores

- Manten no Hide Soba (Yotsuya, Tokyo)
- Jurassic Diner (inside Henn na Hotel Maihama Tokyo Bay)
- Seafood Buffet Iroha (Toyosu, Tokyo)

Seafood Buffet Iroha
<https://restaurant-iroha.com/>

Manten no Hide Soba
<https://hidesoba.com/>



“Seafood Buffet Iroha” Exterior

Glamping



With the vision of “making everyone smile through rich experiences in nature,” GLAMHIDE WITH DOG KOMATSU is the first glamping facility in the Hokuriku region dedicated to spending time with your beloved dog, which opened in Komatsu City, Ishikawa Prefecture in October 2022. It operates as a facility that meets the needs of those who want to enjoy traveling with their beloved dog. In addition to offering seasonal scenery and meals that match the season, we also hold a variety of events that you can enjoy with your beloved dog. As a facility that continues to evolve while listening to customer feedback, we will continue to provide exciting experiences.



Facility exterior



Dinner image

<https://www.glamhide.com/wdog/komatsu/>

Community Business

The “VTuber Business” promotes a business that combines travel with Virtual YouTubers (VTubers), whose market value has been increasing in recent years. We will attract new HIS fans and approach the younger generation, providing new experiential value that enhances the added value of travel. In addition, the travel community “TABIFLEEEEEK” operates an online salon where travel lovers from Japan and abroad can freely gather, and will contribute to improving the value of the HIS brand by disseminating the appeal of the most current travel trends from a traveler’s perspective.

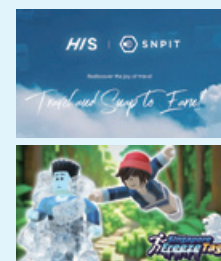
<https://his-vtabi.com/>



©Balus
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©Satou Holmes

Web 3.0/Virtual

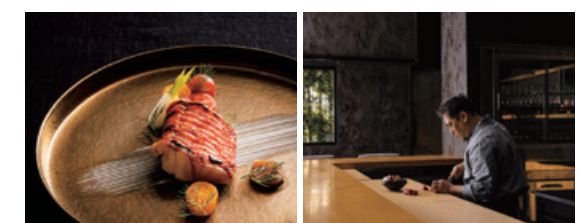
We are taking on the challenge of creating new excitement by utilizing cutting-edge technologies such as blockchain and the metaverse. Through services on entertainment tools such as “SNPIT” and “Roblox,” we aim to acquire new HIS fans, create experience value, revitalize the region, and develop solutions.



<https://his-wvp.com/>

U.S.A. Kaiseki Restaurant "UKA" Awarded One Michelin Star

In August 2024, the kaiseki restaurant “UKA” operated by HIS U.S.A. (Location: Los Angeles) was awarded one Michelin star in the Michelin Guide California 2024. UKA is a restaurant serving authentic kaiseki cuisine, which opened in June 2023 inside JAPAN HOUSE Los Angeles in Hollywood. In just One year after opening, we were honored to receive one Michelin star in recognition of the quality of its flavors and original design.



A course featuring seasonal ingredients from Japan and the U.S.

Chef Yoshitaka Mitsue of UKA

France Japanese Culture Experience Concept Store Opening



Interior design by Goliath Dyèvre

Entrance with a selection of Japanese liquor

HIS France opened a Japanese culture experience store in the Marais district in the heart of Paris, in September 2024. We aim to create a place where people do not simply purchase products, but have an inspirational experience through exposure to Japanese culture. In order to set it apart from other stores, we sell traditional arts and crafts from across Japan and carefully selected local specialty products, providing a place for “KOKORO ODORU” experiences through encounters with Japanese culture from various regions as an “experience store” targeting everyone.

Sustainability

Sustainability Policy

The HIS Group is developing its business globally under the purview of “Unleash the ‘Excitement’”.

- Encounters with the unknown, connections with people, rich time, excitement, elation, and a desire for peace - these are the premises upon which people around the world can be “enlivened.

We believe that a prerequisite for people around the world to be “inspired” is a society in which diversity is alued and human rights are respected, regardless of nationality, race, culture, or religion, where people around the world can live in peace, and a healthy global environment that is the foundation for all animals and plants, including humans, to live.

In order to realize a society of coexistence, symbiosis, and co-prosperity, we will sincerely address social and environmental issues through the business of the HIS Group and aim for an “exciting” future.

Identifying Materiality (Important issue)

By taking on social and environmental issues in our own unique way through the combination of HIS Group Values and HIS Strengths, we hope to remain a company chosen by customers which grows sustainably with society. For this reason, we have identified the materialities (important issues) which HIS Group must confront, and we are working toward solutions.

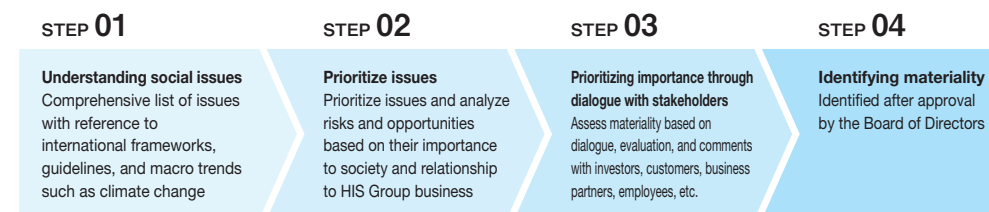
Formulation step

Materiality was identified through the following process.

Starting with a comprehensive understanding of social issues, the Risk / Compliance Committee identified risks based on short-, medium-, and long-term business plans by the managers of each division and group company.

Next, the Sustainability Committee conducted an external environmental analysis and discussed its importance to society and its relationship to the HIS Group's business.

Then we prioritized important issues based on their importance based on dialogue with stakeholders, and identified materiality after receiving approval from the Board of Directors.



Referenced frameworks, guidelines, etc.

- UNWTO The Global Code of Ethics for Tourism
- SDGs: Sustainable Development Goals
- The OECD Guidelines for Multinational Enterprises
- TCFD: Task Force on Climate-related Financial Disclosures
- Paris Agreement
- EU circular economy
- IIRC: International Integrated Reporting Council "International Integrated Reporting Framework"
- Requests for various ESG surveys

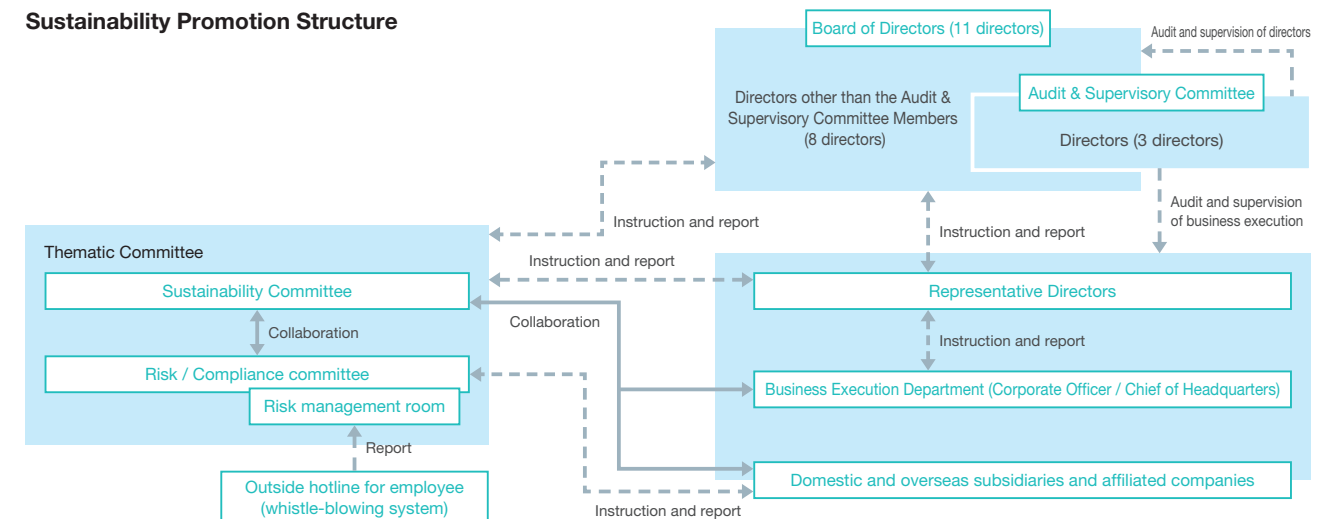
Materiality

Materiality	Related risks/opportunities	Main targets/KPI	Contributing to SDGs
Business Model Transformation	a. Changes in economic and social conditions b. Changes in market c. Responding to technological innovation	• Expansion and strengthening of global market • New destination development • Improve operational efficiency/cost structure reform • Promotion of new business KPI (Consolidated) FY2026 Net sales 430 billion yen	
Improvement of Service Quality	a. Changes in economic and social conditions b. Changes in market c. Responding to technological innovation	• Improving customer experience value through DX promotion • Seamless sales channel (OMO promotion) • Expansion of high value-added products	
Diverse Human Resources	b. Changes in market f. Developing and securing human resources	• DEIB promotion • Management leader development • Work style/culture reform KPI FY2026 Work satisfaction index 80%, (non-consolidated) FY2026 female executive/manager ratio 20%	
Providing Security and Safety to Customers	d. Management of safety and quality of services provided e. Service interruptions and quality deterioration due to system or equipment failures, etc.	• Preparing and updating various safety guidelines and manuals • System security measures KPI (non-consolidated) e-learning training participation rate (100% personal information/100% security)	
Coexistence with Local Communities	a. Changes in economic and social conditions g. Climate change and Environmental regulation	• Providing services that connect everyone with the world (universal tourism, online travel) • Co-creation with local communities 50 governments, NGO/NPO)	
Preservation of the Global Environment	g. Climate change and Environmental regulation	• Initiatives to reduce environmental impact in business • Promotion of energy and resource conservation KPI (non-consolidated) FY2026 Plastic reduction 70%, paper resource reduction 70% (compared to FY2019)	
Reinforcement of Governance	h. Governance	• Strengthening the effectiveness of the Board of Directors • Strengthen response to risk, compliance, and sustainability KPI (non-consolidated) FY2024 Compliance training held 6 times a year, 100% attendance rate	

Sustainability Promotion Structure

Its Sustainability Committee, which is chaired by CEO, takes the lead in discussing important policies and measures, monitoring progress toward targets, and promoting sustainability initiatives. This is done in collaboration with the Risk / Compliance Committee, business execution departments, and domestic and overseas subsidiaries. The Committee brings up or reports important matters to the Board of Directors, and receives necessary instructions and advice as appropriate.

Sustainability Promotion Structure



Promotion Projects to Enhance Effectiveness

Sustainability Promotion Project

This project is attended by leaders of HIS JAPAN's business divisions and examines and promotes the promotion of sustainability through business.

In addition to our own initiatives, we are working with domestic and international partners, such as airlines, to develop and provide products and services that contribute to sustainability.



Sustainability Promotion Project

Human Rights Project

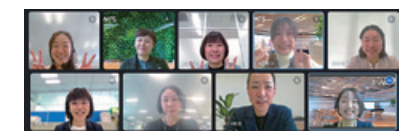
Managers from the Human Resources Division, CS/ES Management Division, Corporate Planning Division, and Risk Management Office are working together to advance initiatives in accordance with the HIS Group Human Rights Policy. We are building systems for education, human rights due diligence, relief and remediation, and disclosure, working toward the aim of creating systems which respect the human rights of all people involved using a PDCA process.



Human Rights Project

DEIB Promotion Project

The Human Resources Division DEIB Promotion Office, human resources managers nationwide, and the Corporate Planning Division are participating to advance the projects while engaging in horizontal information sharing. In this drive, we are treating the empowerment of women to be a high-priority issue, as they exceed 60% of employees, set separate KPI for each regional division, and conduct and encourage training, etc., tailored to the issues in each region.



National DEIB Promotion Project Meeting

HIS Americas Sustainability Promotion Committee

HIS Americas (Mainland U.S.A., Hawaii/Micronesia, Latin America) has formed a Sustainability Promotion Committee and is divided into three regional working groups, which set and promote KPIs in line with the issues in each region. In cooperation with HIS JAPAN, it is leading the global sustainability promotion activities.



HIS Americas Sustainability Promotion Committee

HIS Sustainability

<https://www.his.co.jp/sustainability/>



> Environment

Environment

Preserving the Global Environment

Policy

We believe that a healthy global environment is essential for the lives of plants and animals, including humans, as well as for sustaining HIS Group's business. Accordingly, we work to conserve resources and reduce the environmental footprint of our business activities. Moreover, we consider it our mission to provide opportunities for people to experience and learn about our planet's rich environment and biodiversity as something we can do for a sustainable world as a company with a heritage in the tourism industry.

Greenhouse gas reduction

Greenhouses gases emitted by the tourism industry are said to account for 8 to 10% of the total for all industries. We will collaborate with our business partners as we make efforts to reduce emissions from our business activities, while also working to suggest sustainable options to customers.

➔ Please see P.39 for disclosure in accordance with the TCFD framework.

Specific initiatives

- Introduction of EV cars (Okinawa hotels (Kumejima, Miyakojima), Vietnam, Thailand) 🏆*1
- Reducing rental car use by operating trolley buses and shuttle buses (Okinawa, Hawaii, Bali)
- Providing CO₂ offset plans to customers (eco-tours)
- Planning and selling domestic tours using rental bicycles
- Demonstration experiments using film-type perovskite solar cells
- Engine cut-off by introducing an idling and start system (Kyushu Sanko Bus, Sanko Bus)
- Promoting eco-driving using digital tachographs (Kyushu Sanko Bus, Sanko Bus)
- Using groundwater in the cooling tower facilities of the Kumamoto Sakuramachi Building (Kyushu BM Service, Kyushu Sanko Landmark)
- Reducing private car use by implementing public transport use promotion days (Kyushu Sanko Bus, Sanko Bus)

*1 Received 3 stars in the Sustainable Tourism Acceleration Rating (S.T.A.R.) by the Tourism Authority of Thailand (2024)



EV Tuk-Tuk (Thailand)

A trip to learn about sustainability and SDGs

Through travel, we provide opportunities to experience sustainability, including the global environment and biodiversity, and we hope to work with our customers to realize a sustainable society.

Specific initiatives

- Opening of a special page on sustainable tourism
- Initiatives for Malama Hawaii with the Hawaii Tourism Board (Hawaii) 🏆*1
- Planning and implementing study tours
 - A journey to reexamine our relationship with clothing (Thailand) 🏆*2
 - Volunteering to care for elephants at an elephant conservation facility (Sri Lanka), etc.
- Planning and implementing eco-tours to experience the great outdoors
- Planning and implementing group trips to learn about sustainability and SDGs
- Hawaii SDGs marine environment volunteer program (Hawaii)
- Mangrove forest planting program (Philippines)
- Installing a water server in the city of Cairns and distributing personal bottles to tour participants (Australia)
- Traveling SDGs website: Special feature on earth-friendly travel (Japan)

*1 Winner of the Encouragement Award in the Global Environment category at the 2nd JATA (Japan Association of Travel Agents) SDGs Awards (2024)

*2 Winner of the Special Jury Award at the 8th Japan Tourism Awards (2024)



Special feature on sustainable tourism

TOPICS Installing Water Dispensers in Cairns and Suggesting Eco-Friendly Trips

HIS Australia installed free water dispensers at 10 locations in the city of Cairns and in the Palm Cove and Kuranda areas, and is promoting the use of reusable water bottles while traveling. In addition, HIS gives an aQuAs reusable water bottle made from eco-friendly materials with a design featuring cute characters as a special bonus to customers who book tours. We hope to provide services which will enable customers visiting Australia to help preserve the global environment, so that people will always be able to visit the beautiful great outdoors in Cairns.



aQuAs My Bottle

Environmental protection and biodiversity conservation

In order to pass on a rich global environment to the future, we will work to protect the environment and preserve biodiversity.

Specific initiatives

- Setting up a Malama Station to learn about marine conservation (HIS Hawaii)
- Free rental of beach clean-up kits and trash collection (HIS Hawaii)
- Donation to nature conservation and grassland conservation activities in Aso (KASSE JAPAN)
- Volunteer clean-up activities on the revetment of Omura Bay in Nagasaki (Cross E Holdings)
- Sale of Asian Elephant Conservation Donation NFT

➔ For details on Aso's nature conservation efforts, see P.29



Volunteer clean-up activities on the revetment

TOPICS

Promoting Regenerative Tourism in Hawaii

Many endangered species of plants and animals live in Hawaii, and at the same time, there are local communities that cherish this land and its historic culture. Tourism is the main industry in Hawaii, and it is a global leader in actively working toward responsible tourism. Under the slogan "Malama Hawaii," which means "care for Hawaii" in the Hawaiian language, they are communicating the importance of protecting the natural environment, traditions, and culture of Hawaii to visitors. In September 2022, HIS signed a partnership agreement with Hawaii's state tourism agency to protect its natural environment, traditions, and culture, and promote regenerative tourism which will help the community and tourists to build a sustainable society together. So far, we have worked on various Malama Hawaii initiatives including employee training, such as workshops for travel consultants, as well park and beach cleanup, etc. In November 2024, we established a Malama Station in a corner of the LeaLea Lounge and set up exhibits to enable travelers to learn about Hawaii's natural environment, traditions, culture, and rich local communities, and to raise awareness of Malama Hawaii through experience. Up to June 2025, we are offering the following four experiences on the theme of marine conservation.



Malama Station

- 1. Free rental of beach clean-up kits** : Beach clean-up kits will be available for free rental so that tourists can easily collect microplastics. Those who present the collected microplastics at Malama Station will receive a one-day LeaLea Trolley pass.
- 2. Reef-safe sunscreen** : Complimentary pump bottles will be provided at stations.
- 3. Presenting picture books about dolphins and sea turtles** : We present picture books that teach environmental issues in a fun way to those who participate in tours that are environmentally conscious and contribute to "Malama Hawaii," such as dolphin and sea turtle watching tours. 5% of sales are donated to each tour operator.
- 4. Discount on Malama Hawaii's new experience tour** : Present any of the following non-plastic items (eco bag, reusable bottle, reusable straw, reusable chopsticks) to receive a half-price discount on the Malama Hawaii's new experience tour, "Waikiki Walk Connected by the Spirit of Aloha." (Ends in February 2025)

HIS Hawaii obtained certification in all six categories of the Qurator official certification system operated by the Hawaii Tourism Authority (Environment, Cultural Support, Equity, Safety, Community, and Guest Experience), and was granted the Qurator Honored tier of overall certification.

HIS Hawaii has made it our mission as a travel agency rooted in the local community to promote responsible tourism through Malama Hawaii, as well as regenerative tourism which build a better future for Hawaii.



Resource and waste management

In order to protect the earth's limited resources, we are working to reduce resource consumption in our business activities and switch to more environmentally friendly materials.

Specific initiatives

- Digitization of internal documents such as meeting materials and reports
- Digitization of documents handed over to customers such as customer surveys and itineraries
- Adoption of FSC® certified copy paper to protect forests
- Reducing the use of plastic products in the travel business
- Replacing plastic bags with paper bags for home delivery
- Reducing the use of plastic products by installing amenity bars (adoption rate 96%) (hotels)
- Adoption of amenities that reduce environmental impact (HOTEL VISON, HATAGO VISON)

	FY2024 usage	Reduction rate (compared to FY2019)	FY2026 target
Copy paper	68.2 t	−79.1%	−70%
Plastic products	3.5 t	−86.2%	−70%



HIS Sustainability Environment

<https://www.his.co.jp/sustainability/environment/attempt/>



Initiatives Against Climate Change

Disclosure in line with the TCFD framework



The HIS Group has expressed its support for the recommendations of the Climatedelated Financial Disclosure Task Force (TCFD) and joined the TCFD consortium to understand the impact of climate change-related risks and opportunities on HIS' business activities through (1) governance, (2) strategy, (3) risk management, and (4) indicators and targets. We will continue to promote and improve our disclosure in line with the TCFD recommendations.

(1) Governance

In accordance with the value we strive to consistently provide to society, our code of conduct, and the HIS Group Philosophy which represents our founding spirit, HIS Group is working to establish and utilize internal governance mechanisms toward the aims of strengthening sustainability promotion systems, increasing corporate value, and being the preferred company of choice. Under the leadership of the Sustainability Promotion Committee chaired by the representative director and president, the Risk Compliance Committee, operational divisions, and foreign and domestic subsidiaries are coordinating to discuss key initiatives and policies, as well as monitoring progress toward goals, etc., and promoting sustainability efforts. Furthermore, to enhance effectiveness on materialities (critical issues), we established the Sustainability Promotion Project, DEIB Promotion Project, Human Rights Project, and HIS Americas Sustainability Promotion Committee as subordinate organizations of the Sustainability Promotion Committee composed of the members of operational divisions, engaging in regular activities under the oversight of this committee. In addition, this committee presents or reports important matters to the board of directors, and receives appropriate instructions and advice.

➡ For details on the organizational chart and promotion system, see P.49

(2) Strategy

The HIS Group has conducted a climate change scenario analysis in accordance, and has compiled climate change risks, opportunities, associated impacts, and corresponding measures that are relevant to its businesses. We will promote priority measures for items with high risk significance and long-term impact.

Type of risk	Item of risk/opportunity	Impact*1	Period*2	Measures
Physical risks	- Increasing frequency of typhoons, heavy rains, heat waves, etc. and increasing severity of damage	High	Short-Long	- Customer response based on crisis management manual - Enhancement of Pre-travel support services (cancellation support) - Providing safety and security using a global network (DX promotion) - Thorough disaster prevention manuals and disaster prevention training for owned facilities and vehicles - Improvement of stockpiles and evacuation system
	- Suspension or delay in service provision due to data center (DC) damage caused by natural disasters	Medium	Short-Medium	- Review data center configuration - Migrate servers to the cloud - Make critical data redundant
Transition Risks	- Increase in business operating costs due to restrictions on vehicle operation and taxation according to emissions because of stricter regulations on GHG (greenhouse gas) emissions	Low	Medium-Long	- Promoting the conversion of owned buses and vehicles to EVs, FCVs, etc. - Investing in and introducing environmentally friendly means of transportation - Understanding supplier GHG emissions and considering sustainable procurement
	- Increase in business operating costs due to the introduction of carbon pricing	Low	Long	- Energy saving and introduction of renewable energy - Promoting the conversion of owned buses and vehicles to EVs, FCVs, etc. - Reducing plastic products and promoting paperless use
	- Cooling consumer sentiment due to rising service prices due to soaring fuel prices	Medium	Short-Long	- Promotion of micro tourism - Stimulating demand for travel - Providing new experience value
	- Changes in customer behavior and preferences due to increased interest in climate change	High	Short-Long	- Reducing plastic products and promoting paperless use - Providing environmental protection experience programs - Promoting the conversion of owned buses and vehicles to EVs, FCVs, etc. - Providing carbon neutral products - Providing new experience value - Introduction of environmentally friendly means of transportation - Proactive information disclosure
	- Decline in services due to environmental changes such as rising temperatures and sea levels, and the enactment of new regulations, laws, and ordinances.	Medium	Medium-Long	- New product development/destination development - Development of products aimed at protecting the natural environment (in collaboration with tourism bureaus and local governments) - Expansion of businesses other than travel industry
	- Decrease in corporate value and decrease in investment and business partners when climate change efforts are judged as insufficient	Medium	Short-Long	- Proactive information disclosure - Investment in renewable energy

Short (~FY2024) 、Medium (FY2025~FY2026) 、Long (FY2027~FY2030)

(3) Risk management

Within the HIS Group, the Sustainability Committee and the Risk / Compliance Committee collaborate to identify, evaluate, and manage climate-related risks. The Risk Management Office collects information on business risks for the Group as a whole, including risks related to climate change, and shares its findings with the Risk / Compliance Committee. The committee develops a management system for identifying, analyzing, evaluating, and responding to potential risks, and conducts activities to prevent risks from materializing. The Sustainability Committee engages in activities such as ascertaining risks associated with climate change, analyzing them in accordance with the framework of the TCFD recommendations, discussing important policies and measures related to the environment, and monitoring progress toward targets. It provides reports to the Board of Directors as deemed necessary.

(4) Indicators and Targets

At HIS Group, one of our materialities (critical issues) is preserving the global environment, and we are also advancing efforts on climate change. In FY 2024, we introduced a system to calculate CO₂ emissions based on the GHG Protocol in order to compute Scope 1, 2 and 3 for HIS, and Scope 1 and 2 for the two main group companies in Japan. Using this as a standard, we will set CO₂ targets and implement efforts to reduce emissions.

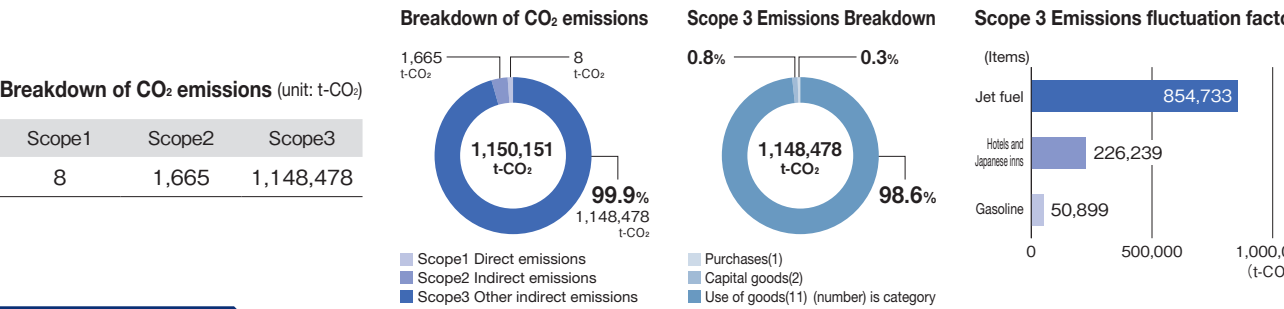


*HIS Hotel Holdings, Kyushu Sanko Group

HIS Co., Ltd.

CO₂ emissions in FY2024 were approximately 1.15 million t-CO₂, with Scope 3* accounting for 99.9% of the total emissions of Scope 1 to 3. In addition, 98.6% of Scope 3 emissions were from category 11 (use of sold products), and 75.5% of category 11 was from jet fuel for domestic and international aircraft use.

*For Scope 3, we calculate all applicable categories (categories 1 to 7, 11, and 13) in our business activities.



Reduction Efforts

Regarding Scope 1 and Scope 2, the Scope 2 of 99.4% is high, and this is due to electricity use by business offices. As many business offices are tenants unable to choose their own power sources, etc., we are investigating promoting the reduction of electricity usage and emissions through the use of non-fossil fuel certificates. Regarding Scope 3, which accounts for the majority of total emissions, in order to reduce Category 11 (Use of Sold Products), we will collaborate with business partners, invest in new decarbonization services, and advance efforts to reduce emissions through providing sustainable options to customers, etc. In addition, to reduce emissions from Scope 3 Category 1 (Purchased Goods and Services), at HIS we are promoting reduction efforts toward the goal of reducing the usage of plastic products and copier paper at HIS by 70% (compared to FY 2019) by FY 2026.

➡ For specific initiatives and progress, see P.37 & P.38.

Major domestic group companies (2 companies)

Breakdown of CO₂ emissions (unit: t-CO₂)

	Scope1	Scope2
H.I.S. Hotel Holdings Co., Ltd.	2,599	6,489
Kyushu Sanko Group	98,710	7,180

Reduction Efforts

At HIS Hotel Holdings, we performed trial installations of the PowerGuard, a solution to reduce waste of electricity, and successfully reduced electricity usage by roughly 10% at one hotel. Going forward, we plan to expand the number of hotels equipped with this device. Moreover, at Kyushu Sanko Group, we are promoting eco-friendly driving in the bus business via installing idling and starting systems to cut the engines, and using digital tachographs. At Kyushu Sanko Landmark and Kyushu BM Service, we use groundwater in the cooling tower equipment for the Kumamoto Sakuramachi Building to reduce radiant heat, and we are working to reduce carbon dioxide emissions.

HIS Sustainability Environment Disclosure in line with the TCFD framework

<https://www.his.co.jp/sustainability/environment/policy/>



Respect for Human Rights

Basic Approach

The HIS Group primarily engages in businesses that connect people across various regions both domestically and internationally, with respect for human rights forming the foundation of our group's sustainability. We believe it is important for each of our executives and employees to respect one another's human rights, while also conducting business in a manner that respects the human rights of our customers, business partners, local communities, and others within the supply chain. To clarify our group's stance on respecting human rights and to fulfill our corporate responsibility in this regard, we established the "HIS Group Human Rights Policy" in December 2024. We will work to ensure this policy is thoroughly understood within the HIS Group and firmly integrated into our business activities. Additionally, We encourage our business partners to understand and support this policy so that, together, we conduct activities that respect human rights and address related issues. And we will build and implement a framework for human rights due diligence.

Formulation Process

We support and respect the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Global Code of Ethics for Tourism, and in accordance with the UN Guiding Principles on Business and Human Rights, we formulated a policy in line with the process contained in the Guidelines on Respecting Human Rights in Responsible Supply Chains.



Key Issues

Human rights issues that are at risk of having a negative impact as a result of the HIS Group's business activities have been mapped out according to the likelihood of occurrence and severity, and the following 11 items have been identified as important issues that should be addressed as a matter of priority.

Key Issues and Commitments

- 1) Discrimination** : We do not tolerate any form of discrimination based on nationality, race, gender, religion, creed, social status, employment status, disability, sexual orientation, or gender identity. We also ensure that our services, products, and advertisements do not contain discriminatory content.
- 2) Harassment** : We prohibit any form of harassment that threatens the mental or physical well-being of others or violates their dignity.
- 3) Excessive Labor and Occupational Health and Safety** : We comply with all relevant labor and occupational health and safety laws in each country or region of operation, ensuring a safe and comfortable work environment.
- 4) Right to Privacy** : We respect the privacy of all stakeholders, including employees and customers, and manage personal information in compliance with data protection laws and regulations.
- 5) Consumer Safety and Right to Know** : We are committed to providing safe products and services and to openly sharing information that helps customers make informed purchasing decisions.
- 6) Respect for Intellectual Property Rights** : We respect intellectual property rights and refrain from any actions that would infringe upon the rights of individuals, companies, or organisations.
- 7) Unethical Business Practices and Unjust Favouritism** : We prohibit the exchange, solicitation, or receipt of financial or other benefits for business convenience, upholding a firm stance against unethical business practices.
- 8) Human Rights Issues in the Supply Chain** : We expect our suppliers to uphold human rights standards and we will evaluate their compliance to ensure alignment with our values.
- 9) Rights of Indigenous Peoples and Local Communities** : We respect the rights of indigenous and local communities, taking measures to prevent any direct or indirect negative impact on their lives, culture, or religious practices, especially in our core travel and tourism operations.
- 10) Environmental and Climate Change-Related Human Rights Issues** : We actively avoid environmental degradation, such as air or water pollution, which may violate the rights of local communities to a healthy environment. We refrain from funding activities that could accelerate environmental damage or global warming.
- 11) Forced Labor and Child Labor** : We strictly prohibit forced labor, child labor, and human trafficking, including in our supply chain.

Specific initiatives

We will respect human rights by promoting the dissemination of this policy and its incorporation into our business activities through education, human rights due diligence, remediation and correction, and information disclosure, while engaging in dialogue with stakeholders. If an incident that violates the policy occurs, we will promptly confirm the facts and identify the cause, and strive to take appropriate action and prevent recurrence.

	Content of execution				
Penetration	<ul style="list-style-type: none"> • Instill HIS Group's Human Rights Policy in HIS Group employees • Deploy HIS Group's Human Rights Policy to the supply chain 				
Training/e-learning	<ul style="list-style-type: none"> • Compliance training - Harassment - (held in February 2023, 91% participation rate) • Intellectual property rights e-learning (held in December 2023, 80% participation rate) • Unconscious bias e-learning (held in April 2023) • Online training for planners (held 66 times in February and March 2024)(Display and premium regulations, intellectual property rights, safety and quality management, Travel Agency Act and terms and conditions, Subcontract Act, risk management, etc.) • E-learning for domestic travel planners held twice • Universal tourism online training for travel consultants held twice 				
Assessment questionnaire	<table border="1"> <tr> <td>For employees</td><td> <ul style="list-style-type: none"> • Employee satisfaction survey (conducted in July 2024, response rate 91.3%) • Compliance awareness survey for management (conducted in April 2024 at domestic HIS Group companies) • Compliance questionnaire (conducted in March 2024, response rate 70%) </td></tr> <tr> <td>For customers</td><td> <ul style="list-style-type: none"> • Post-trip survey, store usage survey </td></tr> </table>	For employees	<ul style="list-style-type: none"> • Employee satisfaction survey (conducted in July 2024, response rate 91.3%) • Compliance awareness survey for management (conducted in April 2024 at domestic HIS Group companies) • Compliance questionnaire (conducted in March 2024, response rate 70%) 	For customers	<ul style="list-style-type: none"> • Post-trip survey, store usage survey
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For customers	<ul style="list-style-type: none"> • Post-trip survey, store usage survey 				
Relief and correction	<table border="1"> <tr> <td>For employees</td><td> <ul style="list-style-type: none"> • Internal consultation service • External consultation service by external specialist agencies • Health consultation service • Consultation form for overseas employees </td></tr> <tr> <td>For customers and supply chain</td><td> <ul style="list-style-type: none"> • Customer service center (telephone, form) </td></tr> </table> <p>➡ See P.55 for information on the status of reports made through the internal reporting system</p>	For employees	<ul style="list-style-type: none"> • Internal consultation service • External consultation service by external specialist agencies • Health consultation service • Consultation form for overseas employees 	For customers and supply chain	<ul style="list-style-type: none"> • Customer service center (telephone, form)
For employees	<ul style="list-style-type: none"> • Internal consultation service • External consultation service by external specialist agencies • Health consultation service • Consultation form for overseas employees 				
For customers and supply chain	<ul style="list-style-type: none"> • Customer service center (telephone, form) 				

Enabling Everyone to Freely Enjoy Travel at Any Time, Without Discrimination

HIS established the Universal Tourism Desk (formerly the Barrier Free Desk) in 2002, appointing staff with expert knowledge of nursing and welfare and staff proficient in sign language to provide services for customers who require special considerations.

In 2024, the "Sign Language Travel College" initiative was recognized, winning the JATA SDGs Awards 2024 award for excellence, and the Tour Grand Prix 2024 judge's special prize.



JATA SDGs Award 2024 Award Ceremony



JATA supports the Sustainable Development Goals (SDGs)



Traveling in a wheelchair (Türkiye)

At all HIS retail stores in Japan, to enable those with health concerns and physical disabilities to enjoy travel, we have them fill out a health questionnaire when booking, and suggest and arrange trips tailored to the customer based on knowledge of their condition. In addition, we utilize the HIS global network to establish an accommodations system by arranging accessible vehicles and hotel rooms, and providing tourism guidance with routes that take wheelchair accessibility into consideration, etc. In addition, in response to the Act for Eliminating Discrimination against Persons with Disabilities entering force in April 2024, we conduct regular universal tourism training for travel consultants at HIS retail stores in Japan, and share the knowledge cultivated by the Universal Tourism Desk, precautions when arranging travel, and up-to-date information with tour guides, planning staff, and the Customer Consultation Office, etc. Through these activities, we aim to improve the service level of universal tourism at HIS overall, and hope to provide services that allow everyone to enjoy travel freely at any time.



HIS Sustainability Society Respect for human rights

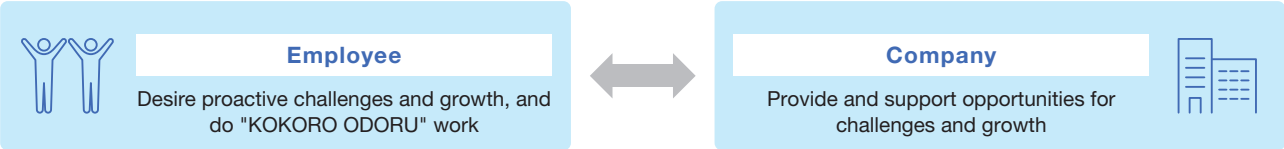
https://www.his.co.jp/sustainability/social/human_rights/



Diverse Human Resources

Basic Concept of Human Capital

In HIS Group, we believe that human resources are a source of value creation for HIS, and promote the creation of a foundation that allows every employee to feel that their job is worthwhile and they are able to do “Kokoro Odoru” work. The history of HIS Group began with challenging the conventional wisdom of the travel business. HIS was founded in 1980. At the time, there were roughly 4 million overseas travelers annually, and the scale of the market was one-fifth of its size in 2019. In the overseas travel market focused on expensive group tours of the time, as a pioneer in arranging FIT (Foreign Independent Tours) using low-cost airline tickets, we endeavored to develop the new markets of individual travel and independent tours. As our target to achieve by 2030 (Vision 2030), the 50th anniversary of our founding, we settled on “Be the preferred company of choice, full of enterprising spirit and bringing the world together Change & Create,” placing the “enterprising spirit” that inspired our founding prominently in our message. Challenges are the history of HIS Group, and by supporting each person so that they can pursue “Kokoro Odoru” challenges, we aim to revolutionize HIS Group and achieve sustainable growth.



➡ For details on our mid-term human resources strategy, see P.14

TOPICS

Celebrating “Kokoro Odoru” Challenges with the HIS Group Award

We started the HIS Group Awards in FY 2024 to honor the individuals, teams, and projects, etc., in HIS Group that challenged themselves most during the year based on the concept of “continuing to pursue new challenges.” This is a reworking of the internal award system, which was put on hiatus due to the coronavirus pandemic, expanded to HIS Group as a whole. We also established a Purpose category, and made efforts to solicit “Kokoro Odoru” episodes from all companies in HIS Group, deciding the first prize based on employee voting, and celebrating each other’s challenges with employee participation to propagate our purpose. Winners and their families were invited to the awards ceremony in Japan from around the world, and those who could not attend, as well as the families and coworkers supporting the winners, were able to watch the award ceremony via online streaming, giving the opportunity to express our gratitude.

HIS Group Award winners

The HIS Group Award ceremony

Introduction of main initiatives

Human Resources Development and Recruitment

Human resource development policy

In accordance with Vision 2030 "Be the preferred company of choice,full of enterprising spirit and bringing the world together Change & Create," we will work to develop human resources who have big dreams and goals, who are not bound by conventional thinking, who think freely, who are unafraid of failure, and who take on new challenges.

Developing leaders who will lead the transformation

- Manager training
- Next-generation leader training
- Public offering of 20% projects
- Town hall meeting with management "Mirai no Jikan"
- In-house venture program "HIS Start-Up Program"

Mirai no Jikan

Recruitment and support for the digital sector

- Setting up "IT/Digital Course"

IT/Digital Course

DEIB Promotion

DEIB promotion policy

We promote DEIB (Diversity, Equity, Inclusion, Belonging) with the aim of each employee respecting each other, taking on challenges in their own way, continuing to grow, and turning diversity into a strength. At the HIS Group, we aim to realize "everyone's thriving" and provide value that "Unleash your feeling "KOKORO ODORU"" to people all over the world.

Support for women's participation and work-life balance

- Establishment of the DEIB Promotion Office and launch of the DEIB Promotion Project nationwide
- Implementation of roundtable discussions for those on childcare leave and maternity leave before returning to work
- Promotion of diverse work styles such as a system of reduced working hours for childcare
- Promotion of men taking childcare leave
- Provision of maternity leave for spouses

[Main certifications] Childcare Support Support Company (Kurumin) 2021 (HIS) Company promoting women's participation in the workforce (Eruboshi 3rd level) (HIS, Miki Tourist) Nagoya City Work-Life Balance Promotion Company (HIS) Kumamoto Prefecture Gender Equality Promotion Business (Kyushu Sanko Tourism, Sanko Bus) Childcare Support Excellent Company Certification (Kyushu Industrial Transportation Holdings and 6 other group companies) Best Workplaces™ Managed by Women2024 (Red Label Vacations)

Results and KPIs (HIS)

	FY2024 Results	FY2026 Targets	FY2030 Targets
Female manager ratio	17.5%	20.0%	30.0%
Female executive ratio	18.2%	20.0%	30.0%
Male childcare leave rate	70.0%	80.0%	100.0%

Respect for diversity

- Implementation of unconscious bias training through e-learning
- Application of employee benefits to common-law marriages and same-sex partners
- Installation of a prayer room in the office

Results and KPIs (HIS overseas affiliates)

	FY2024 Results	FY2026 Targets
Ratio of Non-Japanese Managers	59.0%	65.0%

Work Style Reform

Health Management Declaration

The wellbeing of all employees working at HIS Group is the foundation for achieving the HIS Group Purpose of “Unleash your feeling ‘KOKORO ODORU’: Being interested, excited, and having a desire.” At HIS Group, companies and employees work together to advance efforts toward maintaining and promoting health, with the aim of being a group in which employees and their families can remain happy, energetic, and healthy in both mind and body.

1. Employees work to increase awareness of health, and to maintain and promote the health of themselves and their family.
2. Companies actively support health management and improvement by employees.
3. Companies promote creating a workplace which ensures the physical and mental wellbeing of employees.
4. HIS Group spreads joy throughout the world by providing “Kokoro Odoru” value, promoting health and peace for all.

Company environment improvement policy

At the HIS Group, our Code of Conduct stipulates that we "Secure a comfortable and safe working environment." We aim to improve work engagement by promoting the creation of a workplace that ensures not only physical safety but also psychological safety so that employees can continue to take on challenges with a bright, energetic, and lively attitude.

Promoting health and productivity management

- Launch of a wellness promotion project
- Convening a health committee
- Establishment of a health consultation desk for employees
- HIS's unique vacation system (long-term vacation, anniversary vacation, special vacation for long years of service)
- Introduction of an accumulated paid vacation system (a vacation system that accumulates annual paid vacation days that will expire and can be used when taking time off work for personal injury, fertility treatment, or bone marrow donor treatment)



Wellness Promotion Project

Results and KPIs (HIS Group)

	FY2024 Results	FY2026 Targets
Average paid vacation acquisition rate	68.2%	75.0%
Health checkup and secondary health check attendance rate	45.0%	70.0%
Stress check attendance rate	64.6%	70.0%

Promoting diverse work styles

We have introduced a variety of systems to accommodate the diversity of lifestyles and values.

- Flextime system
- Working from home/travel consultant system
- Side job system
- Childcare reduced working hours and reduced working hours / days system for reemployment after retirement
- Re-entry system for former employees
- Overseas accompanying leave system

Engagement Indicators Results and KPIs (HIS Group)

	FY2024 Results	FY2026 Targets
Job Satisfaction Index*	65.1%	80.0%

*Percentage of employees who answered "This is a rewarding company to work for" in an employee satisfaction survey

Philosophy Management

Empathy and penetration of the "HIS Group Philosophy"

We will create opportunities for each individual to deepen their understanding and empathy with the "HIS Group Philosophy," which consists of our purpose, values, code of conduct, and founding spirit, and what makes us unique as the HIS Group, and to discover where this overlaps with their own personal values and aspirations.

- Publication of the "Philosophy Handbook"
- Philosophy training for staff around the world



Overseas philosophy training

Career autonomy

Creating independent career development and diverse growth opportunities

We will create a system that allows each employee to build their career independently.

- Career vision system for self-reporting career plans
- Career vision training



Career vision training

Providing Safety and Security to Customers

Basic idea

The HIS Group believes that providing safety and security to our customers is an important responsibility for us as we provide a wide range of services both domestically and overseas. We have prepared guidelines and manuals, and are working sincerely to provide better services by disseminating them to employees and business partners through training and other means. We will also utilize technology to provide customers with more convenient and reassuring services.

We ranked first in the "Customer Satisfaction" category of the travel industry in the 2024 JCSI (Japanese Customer Satisfaction Index).

➔ For details, see P.16

Travel safety and quality control

At the HIS Good Trip Lab, we set various guidelines, including the Basic Guidelines for Travel Arrangements, Service, and Quality and Safety Management, and conduct regular research and studies on safety and quality management as well as the provision of appropriate product information.

Specific initiatives

- Preparation of various guidelines and dissemination to business partners
- Training for overseas guides, vehicle checks
- Undercover safety investigations for tours
- Online training for planners (product labeling and prize regulations, intellectual property rights, safety and quality management, travel agency law and terms and conditions, subcontracting law, etc.), e-learning
- Preparation of business partner selection criteria
- Preparation and dissemination of a crisis management manual

➔ See P.56 for crisis management system



Vehicle check

TOPICS Inspecting Safety Systems in Vietnam and India

In 2024, the HIS Good Trip Lab visited Vietnam and India in order to inspect the safety systems of our overseas subsidiaries and conduct training. We always request that local car service companies and optional tour operators observe HIS standards via HIS subsidiaries overseas, create and distribute informational videos for safety awareness and traffic accident prevention, and devise ways to make them easier to understand for partners with different languages and cultures. In addition, we also introduced frameworks and systems for checks tailored to each country, overseeing safer operations. During our inspections, we visited the car service companies at regular intervals to confirm the status of checks, and conducted training for guides as well as inspections of restaurants, etc. During guide training, we asked questions about the cultural differences, etc., the local guides experienced with Japanese people, and encouraged mutual understanding, creating an opportunity to help improve the service of guides. Going forward, we will strive to improve customer travel safety management systems and quality.



Training for guides

Protection of customer information

HIS has obtained the P Mark, conducts continuous training to spread awareness among employees and business partners, and manages information related to customers and individuals associated with HIS appropriately in accordance with our privacy policy. In addition, to protect the data assets containing customer information which HIS handles, we have established an organization specializing in security measures, and strive to prevent unauthorized access and data leaks by promoting the enhancement of security based on our basic information security policy, and establishing organizational and technological oversight systems.

Specific initiatives

- Responding to cyber attacks using IT asset management tools and EDR
- Establishing a monitoring system for security analysts
- Introducing a system to detect fraudulent credit card transactions
- Implementing e-learning on personal information protection
- Implementing e-learning on information security

➔ For information security, see p.56

Main KPI

- 100% participation rate in information security e-learning training
- 100% participation rate in personal information protection e-learning training

Customer peace of mind

HIS utilizes the largest network of overseas branches among Japanese travel agencies to improve the quality of service through employee training and an internal qualification system, and develops new services so that customers can enjoy themselves with peace of mind and feel satisfied before, during, and after their trip. Furthermore, at our Customer Consultation Office, we listen to feedback from customers, conduct customer surveys, and strive to improve the service we provide.

Specific initiatives

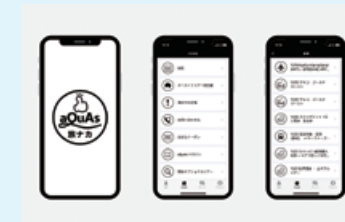
- Consultant qualification system for travel consultants
- Various destination training for travel consultants
- Universal tourism online training for travel consultants
- Tour conductor award system
- Providing services via travel apps during travel (Hawaii, Australia)
- Providing services via LINE at travel destinations (Guam, Bali)
- "Cancellation Support Insurance" to cover travel cancellation costs
- "TAVICA" credit card with peace of mind support when traveling abroad, including remote medical treatment in Japanese at travel destinations
- Conducting customer surveys
- Responding to inquiries by phone and email through the customer service center



Tour conductor award ceremony

TOPICS Improving Peace of Mind and Convenience at Destinations with the Tabinaka App

At HIS Hawaii and HIS Australia, we offer the Tabinaka app which is accessible by those who apply for HIS tours. In addition to a travel schedule, the app allows users to confirm flight times, hotel information, and optional tours, etc., and easily check maps of meeting places and precautions when participating in tours, etc. Furthermore, they can chat with local Japanese-speaking staff, receive push notifications with information about flight delays or emergencies, etc., allowing them to enjoy traveling abroad with peace of mind. We will continue to provide comfortable overseas trips with a convenient app that is paperless, eco-friendly, and offers coupons usable at destinations to save money.



Australia "aQuAs Travel App"

Improved accessibility

To ensure that you can travel with peace of mind, we conduct a health questionnaire when you make a reservation and propose services that suit your circumstances. In addition, for those who find it difficult or are anxious about visiting the destinations in person, we offer the opportunity to experience tourist destinations around the world through online tours. We will continue to work to ensure that everyone can enjoy the world freely.

Specific initiatives

- Providing a video chat travel consultation service
- Setting up a "Parental Consultation Desk" to ease concerns about traveling with children
- Checking health conditions before traveling through health questionnaires
- Product planning and implementation by the Universal Tourism Desk
- Implementing online training on universal tourism for travel consultants
- Providing "online experience tours" to travel the world at any time
- Planning local tours (Türkiye, Egypt) for wheelchair users
- Publication of "Salute! HIS," a regular HIS booklet on the themes of "travel" and "health"

➔ For universal tourism initiatives, see P.42



Video chat (image)

HIS Sustainability Society Providing safety and security to customers
<https://www.his.co.jp/sustainability/social/safety/>



Co-creation with Local Communities

Basic idea

HIS Group believes that business develops alongside communities around the world and the people who live there. By contributing to the development of local communities and encouraging mutual understanding through our business activities, we strive toward a society in which people around the world can live in peace.

Collaboration with local communities

We believe that it is our mission to connect Japan with the world in order to promote mutual understanding and world peace, and we partner with communities around the world to engage in business activities. In addition, Japan is a country with a unique culture and cuisine, and it is brimming with appeal as a tourism destination where visitors can also enjoy nature throughout the four seasons. We will continue to partner with local governments in order to shine a light on local attractions and increase the nonresident population, as well as to contribute to measures to prevent over-tourism.

Specific initiatives

- Concluding partnership agreements overseas (FY2024, 3 regions) • Concluding a memorandum of understanding on partnership cooperation to promote regenerative tourism (Malama Hawaii) (Hawaii) • Concluding partnership agreements and personnel dispatching with local governments (FY2024, 4 municipalities) • Selected as the designated manager of public facilities (FY2024, 2 facilities) • Concluding a capital and business alliance with Sato Yume, a producer of regional revitalization • Distributing videos promoting the charm of the region (#HIS ga ojamashimasu) • Planning and implementing study tours in collaboration with local NPOs, such as "Interacting with children at a Cambodian elementary school and extracurricular lessons"
- ➡ For information on Malama Hawaii's initiatives, see P.38
- ➡ For information on regional revitalization projects, see P.24

Preservation of local culture and traditions

We engage in activities to increase value through sharing Japanese traditional and culinary culture, protecting local traditional culture, and providing experiences which leverage the unique character of the community, etc. By interacting with many people through our business activities, we will continue contributing to preserving and sustaining culture and traditions.

Specific initiatives

- Concluded a partnership agreement with the Japan Arts Council regarding the use of facilities such as the National Theater
- Operated a concept shop promoting Japanese food and culture (6 stores in Europe)
- Operated a project to support Mayan embroidery and women's support for the Mayan minority (Mexico) 🏆*1
- Created a learning space to support the future of Maasai children (Kenya) 🏆*2
- Implemented green tourism to think about SDGs through a rice harvesting experience (Shiga Prefecture)
- Planned a gastronomy tour to introduce regional Korean city cuisine (Korea) 🏆*3
- Operated the Japanese cuisine and kaiseki restaurant UKA (USA) 🏆*4

*1 Winner of the Encouragement Award in the Co-Creation Category at the 2nd JATA (Japan Association of Travel Agents) SDGs Awards (2024)
*2 Winner of the 8th Japan Tourism Awards (2024)
*3 Winner of the Japan Association of Travel Agents Award at the 2024 Korea Top 30 Gourmet Products Contest (2024)
*4 Winner of one star in the Michelin Guide California 2024 (2024)

➡ Please see P.34 for more information about Kaiseki Restaurant UKA.



Mayan people and project members

TOPICS Traditional Culture Experience for Inbound Tourists at the National Theater of Japan

In September 2024, HIS signed a partnership agreement with the Japan Arts Council involving the use of the National Theater and other facilities. The National Theater, operated by the Japan Arts Council, was opened in 1966 as a place to preserve and revitalize traditional Japanese performing arts like kabuki, puppet theater, traditional dance, traditional music, and court music. Since then, it has been used as a central hub for holding a variety of performances to popularize traditional arts and train successors to preserve traditional arts for future generations, but the decision to rebuild it was made in order to address the deterioration of the facilities and accessibility issues, closing at the end of October 2023. Until its reopening, HIS aims to make good use of the National Theater and other facilities to carry out projects in order to fulfill its roles as a center for the preservation and revitalization of traditional performing arts and a hub for cultural tourism to communicate the beauty of Japan's traditional arts to the world. As the first project, we sold day trip bus tours focused on kabuki to inbound tourists. We held backstage tours of the stage facilities and dressing rooms, etc., and sessions to take photos in kabuki costumes worn by actors in actual performances, which were very well-received.



Backstage, we heard an explanation of the tools used to create onomatopoeic effects.

Reconstruction support and social contribution activities

We aim to create a society where people can live in peace through supporting recovery from disasters that occur all over Japan and the world and through social contribution activities.

Specific initiatives

- Donation to Canadian Children's Healthcare through charity golf event (cumulative total of 2.44 million Canadian dollars) (RedLavel)
- Supporting reconstruction efforts in eastern Turkey following the earthquake in cooperation with Japanese companies in Turkey (Türkiye)
- Donation to reconstruction efforts for the Noto Peninsula earthquake through a sky lantern event (approx. 300 participants)
- Donating to Cambodian pediatric medical care through an online charity walk event (109 participants)
- Donating to a project to support the poor by purchasing handicrafts (Fiji)
- Volunteering at the Oxfam Rice Event (Hong Kong)
- Running a children's cafeteria in cooperation with a local welfare facility (Laguna Ten Bosch)



Sky lantern event

TOPICS A Project to Bring Fun to Children in Disaster Areas (Turkey)

In response to the earthquake which struck eastern Turkey in February 2023, HIS Türkiye conducted a large-scale social contribution project aimed at assisting children affected by the disaster, particularly children with disabilities. Through these efforts, we provided exposure to travel and art experiences to more than 600 children in all, giving them time to express themselves freely and heal. In February and May 2024, we provided trips to Ankara for about 40 children. In June, we also held workshops for children on painting, games, and dancing, etc., in various communities in earthquake disaster areas. Japanese volunteers introduced the children to origami, and held cultural exchanges as well. Furthermore, in December, we invited about 130 children from the Istanbul disaster area, and provided special tours to visit sightseeing spots, museums and aquariums, enjoy archery and horseback riding, and meet with a professional basketball team. Employees of HIS Türkiye were the main participants in this project, and since it was achieved with the cooperation of many organizations in the tourism industry, government, academia, and private sector, it was a social contribution project of unprecedented scale in the Turkish tourism industry, receiving major attention from the media. HIS Türkiye will continue to join forces with the Turkish tourism industry to promote accessible tourism, and contribute to realizing a society in which everyone can enjoy travel.



Art workshop

Industry-academia collaboration and educational support

We hope to provide practical learning opportunities for children who will create the society of the future, and to encourage their interest in the tourism industry. We will deepen our ties with local communities and educational institutions and contribute to human resource development.

Specific initiatives

- Student company visits, internship acceptance, and on-site lectures
- Online work experience program (28 sessions in FY2024) 🏆*
- Remote medical consultation service by Japanese doctors for international students
- Participation in the Toyosu Food Education Festival (Restaurant business, Seafood Buffet Iroha)
- Investment in "Social Bonds" issued by the Japan Student Services Organization (H.S. Insurance)
- Implementation of a work experience program at Aso Kumamoto Airport (Kyushu Sanko Tourism)

*Received the Encouragement Award at the 2nd JATA (Japan Association of Travel Agents) SDGs Awards (2024)



Work experience at Aso Kumamoto Airport

HIS Sustainability Society Co-creation with local communities
<https://www.his.co.jp/sustainability/social/comunity/>



> Governance

Governance

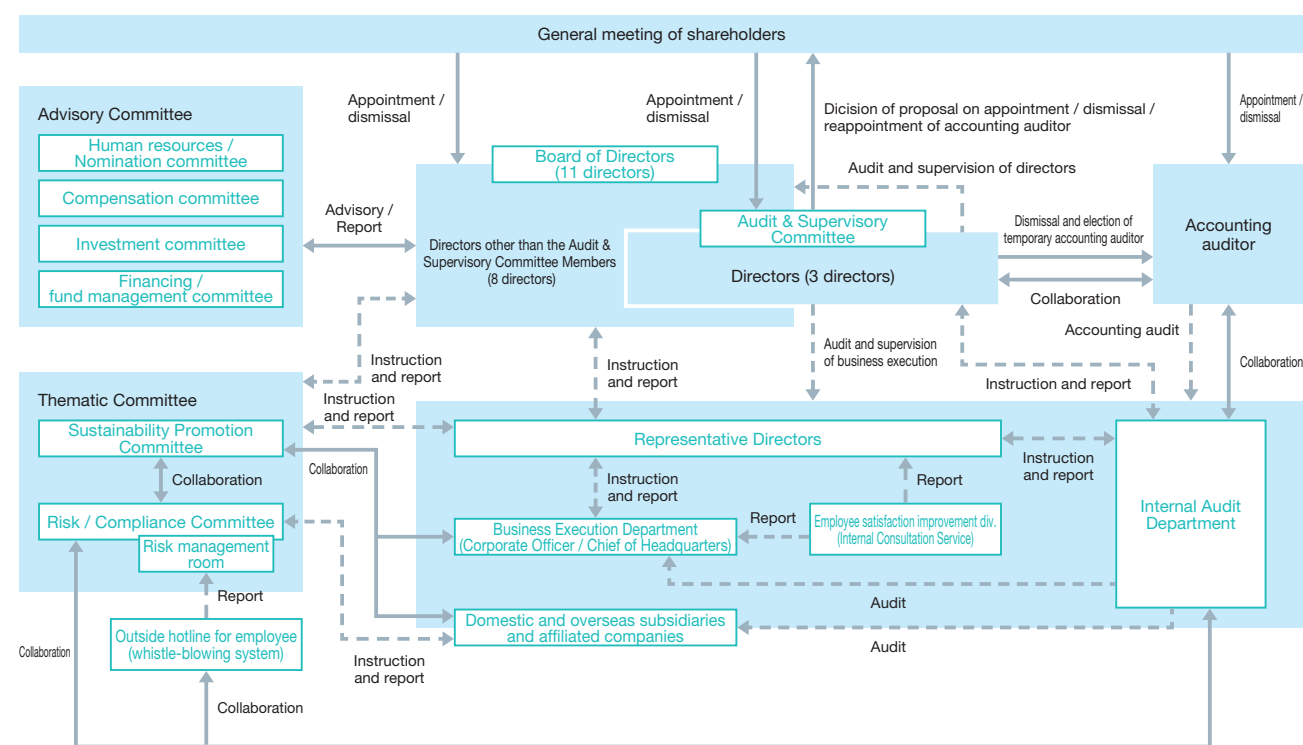
Governance Initiatives

Basic Concept of Corporate Governance

HIS Group considers “Reinforcement of Governance” to be a materiality, and we aspire to be a company which is trusted and chosen by stakeholders based on the HIS Group Philosophy. In addition, each employee is working to engender a corporate culture and climate which respects the HIS Charter of Corporate Behavior and the rights and positions of every stakeholder in accordance with the code of conduct.

Corporate Governance System

Diagram of Corporate Governance System



Board of Directors

The board of directors decides on important business operations by vote in accordance with legislation, bylaws, and internal regulations, and receives reports on the business operations status of board members and the performance of the main group companies. Board members makes decisions promptly and appropriately in accordance with their role and authority based on the regulations on the board of directors, division of administrative responsibilities, and administrative authority, executing their duties expeditiously at all times. Important matters before the board of directors are recorded, retained, and managed appropriately, and as much as possible, appropriate disclosures are made in accordance with the timely disclosure regulations for corporations or financial instruments exchanges, or when the company determines that it would be useful to shareholders and investors in making appropriate decisions. The board of directors makes decisions involving matters stipulated by law, basic management policy, and important management matters, as well as monitoring the performance of the duties of the board members and executive officers, with board meetings generally held on a monthly basis.

FY2024

Number of times held
13
*Separately, there were seven written resolutions.

Attendance rate
99.3%

Main matters discussed and reported

• Progress check and rolling of mid-term management plan • Financial strategy • Promotion of sustainability • Governance and risk management
• Consideration of investment and loan projects • Formulation of succession planning • Feedback on IR activities • Evaluation and exchange of opinions on the effectiveness of the board of directors • Reporting on business conditions of affiliated companies, etc.

➔ For details on developing successors, see P.53

Audit and Supervisory Committee

The Audit Committee conducts audits in accordance with legislation, bylaws, internal regulations, and the annual audit plan, etc. It holds separate exchanges of views and briefing sessions on important matters with board members and executive officers, sessions to receive regular reports from the Internal Audit Department and Internal Governance Department, and regular sessions to exchange views and information with accounting auditors. Audit working papers for operational departments, etc., by permanent auditors will be presented to non-permanent external auditors for inspection, and additional verifications and recommendations will be made as necessary. Regular audit committee meetings, including summaries of day-to-day audit operations, are generally held on a monthly basis.

FY2024

Number of times held
13

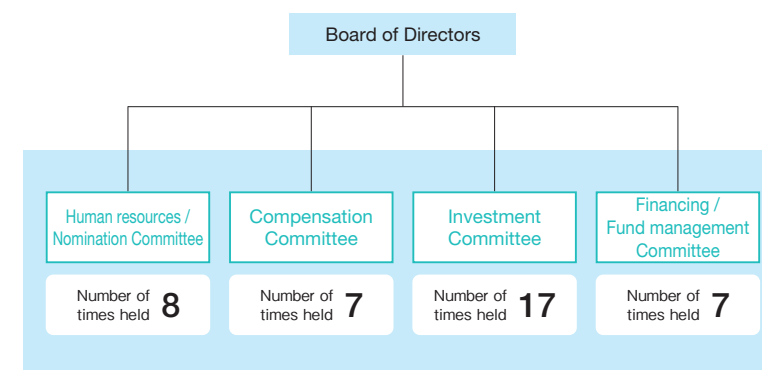
Attendance rate
100%

Main topics discussed and exchanged opinions

- Opinion exchange meetings with directors, executive officers, etc.
- Opinion exchange meetings with outside directors who are not audit and supervisory committee members
- Audit reports from accounting auditors and opinion and information exchange meetings
- Methods and items for evaluating the effectiveness of the board of directors and audit and supervisory committee
- Information exchange at group auditor liaison meetings
- Investigations and audits related to compliance issues

Advisory Committee

There are four advisory committees attached to the board of directors. Matters decided by and reported to the board of directors are discussed and reviewed by the relevant committee following thorough deliberation by the committee members, including external directors, with the Human resources / Nomination Committee responsible for the human resources affairs of the board members and executive officers, the Compensation Committee responsible for the compensation of board members and executive officers, the Investment Committee responsible for proposals involving investment, and the Financing / Fund management Committee responsible for important matters related to raising and managing capital, etc. The board of directors will respect the verdict of the committees when deciding on issues.



Thematic Committee

Sustainability Promotion Committee

The Sustainability Promotion Committee, chaired by CEO, collaborates with the Risk Compliance Committee, business execution divisions, and domestic and overseas subsidiaries to advance sustainability initiatives. This involves discussing significant policies and strategies, tracking progress toward goals, and engaging in related activities. Additionally, to enhance the effectiveness of materiality issues, subcommittees and project teams in each sustainability area conduct regular activities to deepen discussions, deliberations, and effectiveness.

Number of times held
4

Promotion project for improving effectiveness

- Sustainability Promotion Project
- DEIB Promotion Project
- Human Rights Project
- HIS Americas Sustainability Promotion Committee

➔ Details on P.36

Risk / Compliance Committee

The committee, chaired by the President and Representative Director, is responsible for developing systems to ensure risk management and compliance within the HIS Group. The committee was established to ensure the appropriateness of business operations by promoting these activities. It is also responsible for sharing information and making decisions on compliance-related matters within the HIS Group.

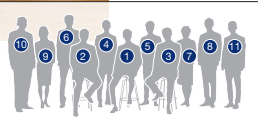
Number of times held
4

Efforts to Prevent Recurrence of Issues Involving Receipt of Employment Adjustment Subsidies

Regarding the issues involving receipt of employment adjustment subsidies in HIS Group, based on the points indicated by the investigation report of the special investigation committee and its recommendations, etc., we devised a six-point plan to prevent recurrence: (1) Fostering compliance awareness, (2) Strengthening group governance, (3) Revising internal governance of applications for public subsidies, (4) Thorough enforcement of labor management, (5) Increasing awareness of the internal reporting system and encouraging its use, and (6) Revising the internal auditing system. In order to enhance group governance, we will restructure internal governance with a “three-line model” in mind, and with the front-line departments (First Line), administrative departments (Second Line), and internal auditing departments (Third Line) each playing their roles, we will increase the effectiveness of measures to prevent recurrence, implementing them swiftly.

Officer Structure

(As of November 2024)



Director Skills Matrix

Name	In charge	Advisory Committees	FY2024 The Board of Directors/ Skills/Experience							
			FY2024 The Board of Directors/ Advisory Committees Number of meetings	Corporate management	Travel business	Business strategy Innovation	Financial/ Accounting	Human resources Labor affairs	Legal affair Compliance	Digital strategy ICT
1 Yada Motoshi Representative Director, President and CEO	In charge of Corporate Planning & HR	Chair of Human resources / Nomination Committee Chair of Compensation Committee Chair of Investment Committee Chair of Financing/Fund Management Committee	13/13 8/ 8 7/ 7 17/17 7/ 7	○	○	○	○	○		
2 Nakamori Tatsuya Senior Managing Director	Representative Director and President, Japan Holiday Travel Co., Ltd. In charge of Domestic Affiliates and Tourism Industry Promotion	Member of Human resources / Nomination Committee Member of Financing/Fund Management Committee	13/13 8/ 8 4/ 4 5/ 5	○	○	○				○
3 Oda Masayuki Managing Director	In charge of Global Business Strategy, Accounting, Finance and M&A	Member of Compensation Committee Member of Investment Committee	13/13 4/ 4 7/ 7 17/17 2/ 2	○	○	○	○			
4 Yamanobe Atsushi Director	HIS JAPAN President	Member of Financing/Fund Management Committee Member of Financing/Fund Management Committee	13/13 12/12 5/ 5	○	○	○				
5 Gomi Mutsumi Director	In charge of New Business Strategy, Risk Compliance, CS/ES and General Affairs	Member of Financing/Fund Management Committee	13/13	○	○	○			○	
6 Sawada Hidetaka Director Senior Executive Officer	HIS JAPAN Vice President, In charge of Information System DX Promotion and CISO General Manager of Domestic Travel Sales Division and Investment Strategy Division	Member of Human resources / Nomination Committee Member of Compensation Committee	13/13 8/ 8 7/ 7 2/ 2	○	○	○				○
7 Owada Junko Independent Outside Director	—	Member of Human resources / Nomination Committee Member of Compensation Committee Member of Investment Committee	13/13 4/ 4 3/ 3 16/17			○		○	○	○
8 Kagawa Shingo Independent Outside Director	—	Member of Investment Committee Member of Financing/Fund Management Committee	13/13 14/17 5/ 5	○		○				○
9 Sekita Sonoko Director Member of Audit and Supervisory Committee	—	Member of Financing/Fund Management Committee	13/13 7/ 7				○		○	
10 Nabeshima Atsushi Independent Outside Director Member of Audit and Supervisory Committee	—	Member of Human resources / Nomination Committee Member of Compensation Committee	13/13 8/ 8 7/ 7	○				○	○	
11 Kaneko Hiroto Independent Outside Director Member of Audit and Supervisory Committee	—	Member of Human resources / Nomination Committee Member of Compensation Committee Member of Investment Committee Member of Financing/Fund Management Committee	12/13 4/ 4 3/ 3 11/12 7/ 7	○		○	○			○

■ The Board of Directors *2 ■ Investment Committee *2
■ Human resources / ■ Financing/Fund
Nomination Committee *3 Management Committee *3
■ Compensation Committee *3

*1 As of March 2025
*2 In addition to the above number of Board of Directors meetings, there were seven written resolutions deemed to have been approved by the Board of Directors meetings.
*3 Due to changes in the advisory committee composition during the term, the number of meetings will vary depending on the committee.

Board of Directors Effectiveness Evaluation

The HIS Board of Directors conducts an annual analysis and evaluation of its own effectiveness to ensure continued improvement. Following the evaluation, the board confirms the contents of all questionnaires and shares its opinions.

Evaluation process

Those evaluated	Evaluation method
Internal Director (6 people) Independent Outside Director (2 people) Director, Member of Audit and Supervisory Committee (1 person) Independent Outside Director, Member of Audit and Supervisory Committee (2 people)	Implementation method: questionnaire (named) Implementation period: August 2024 to October 2024
Questionnaire items	1. Composition of the Board of Directors (personnel and diversity). 2. Operation of the Board of Directors (activation of deliberations, materials, and time allocation). 3. Content of board discussions (governance, risk management, sustainability, the medium-term management plan, and other key strategies). 4. Structure Supporting the Board of Directors (Operation of Advisory Committees, Knowledge Acquisition and Continuous Updating, Succession Planning) 5. Communication between the Board of Directors and stakeholders

Main improvements in FY2024

- Although a succession plan for the CEO and other officers has been formulated and put into operation, further consideration is needed on how to achieve greater diversity on the Board of Directors.
- To restructure the business portfolio, we discussed and implemented investments that would increase the proportion of travel-related and non-travel businesses.
- Progress was made in disclosing quantitative greenhouse gas emissions in the Environmental (E) section of the sustainability report, and a human rights policy was formulated in the Social (S) section.

Future issues to be addressed

- Strengthening of ongoing discussion and oversight at board meetings regarding the risk management and governance system for the entire group.
- Establishment of policies and action plans to improve the diversity and expertise of directors.
- Stimulation of discussion regarding the medium- to long-term strategy of the entire group, including the restructuring of the business portfolio.
- Setting of quantitative targets for non-financial information such as sustainability, and strengthening their effectiveness.

Executive Compensation

Policy for determining executive compensation

At the Board of Directors meeting held on February 25, 2021, a resolution was passed on the policy for determining the details of compensation for individual directors.

[Method of calculating compensation and regulations regarding compensation determination]

Compensation amounts paid by the Company to its officers are set within the overall limit of compensation approved by the General Meeting of Shareholders. The amounts allocated to directors (excluding directors serving as members of the Audit & Supervisory Committee) are determined by the Board of Directors based on recommendations from the Compensation Committee, and the amounts allocated to directors who concurrently serve as members of the Audit & Supervisory Committee are determined through deliberation by members of the Audit & Supervisory Committee. The policy for determining compensation amounts is in accordance with the internal compensation regulations established through deliberation by the Board of Directors and members of the Audit & Supervisory Committee and covers provisions related to the compensation structure, compensation determination criteria, and standard compensation amounts.

[Compensation policy]

- A highly fair and competitive compensation system
- A compensation system and compensation levels that will enable the acquisition and retention of talented personnel based on job responsibilities and performance, regardless of nationality or gender
- A compensation system that emphasizes increasing corporate value and shareholder value
- A compensation system and composition that is highly linked to business performance and emphasizes the improvement of medium- to long-term corporate value and shareholder value

Compensation system for HIS directors (excluding audit and supervisory committee members)

Remuneration type		Objective/summary
Fixed	a. Basic monthly remuneration	The Company determines amounts commensurate with directors' roles and positions, and pays these as basic monthly remuneration.
	b. Performance-linked remuneration (linked to ordinary profit)	To calculate performance-linked remuneration, the Company uses the average of the three highest ordinary profit amounts recorded in the last 10 consolidated fiscal years as a reference value. As a rule, the Company pays an amount equivalent to 7% of the amount obtained by subtracting this reference value from the ordinary profit amount for the current fiscal year. However, based on earning performance trends, the Company may adjust the abovementioned 7% by 1-2 points. • Concrete amounts are determined within a range of 0-200% of the standard amount in accordance with the degree of earnings achievement in each fiscal year. • Paid as a lump-sum at the end of each fiscal year
	c. Stock option	The Company has established a stock option program as a form of remuneration that aims to enhance corporate value over the medium to long term. The total amount is kept within the annual amount (within 100 million yen) approved by the General Meeting of Shareholders.
	d. Restricted stock compensation	The Company allots restricted stock to directors (excluding directors serving as members of the Audit & Supervisory Committee, non-executive directors, part-time directors, and outside directors), and accordingly aims to motivate directors to work toward continuous improvement of corporate value, and further align their interests with those of its shareholders. (The total amount is kept within the annual amount [within 100 million yen] approved by the General Meeting of Shareholders.) • Standard amount is calculated as monthly remuneration x multiple based on position at the Company

Compensation level The compensation system and compensation levels for directors and executive officers are reviewed by the Compensation Committee and determined by resolution of the Board of Directors from the perspective of ensuring objectivity and transparency of the decision-making process.

Composition Ratio of Compensation

	Basic remuneration	Directors' bonuses	Stock-based compensation	
Remuneration type	a. Basic monthly remuneration	b. Performance-linked remuneration	c. Stock option	d. Restricted stock compensation
Performance-linked or not	Fixed	Performance-linked	Performance-linked	Not linked to performance
Time of payment	Monthly	Once a year	Upon completion of medium-term management plan	Upon retirement of each officer
Share of remuneration	40%~48%	32%~40%	5%~9%	11%~15%

Officer Structure

(As of November 2024)



Executive Officers

Name	In charge
1 Takano Kiyoshi	General Manager of Information Systems and DX Promotion Headquarter
2 Fukushima Ken	Representative Director and President HIS Design and Plus Co., Ltd.
3 Iwama Yuji	Representative Director and President Kyushu Industrial Transportation Holdings Co., Ltd.
4 Hatano Hideo	General Manager of Global Business Unit Headquarters H.I.S. Canada Holdings Inc. President and CEO
5 Arita Kozo	General Manager of Outbound Travel Sales Headquarters
6 Kataoka Yuka	H.S. Insurance Co., Ltd. In charge of Finance and Accounting and General Manager of Finance and Accounting Dept.
7 Oda Konosuke	Regional Company President of North, Central and South America, Hawaii and Micronesia
8 Hine Katsumi	Representative Director and President Miki Tourist Co., Ltd.

Name	In charge
9 Hanazaki Osamu	General Manager of Accounting and Finance Headquarters
10 Segawa Katsu	General Manager of Corporate Planning Headquarters
11 Kumamoto Tomohisa	General Manager of Central and South America General Manager of HIS Mexico
12 Fukui Shigeru	Group Miki Holdings Ltd. President and CEO Europe, Middle East, Africa Regional Company
13 Akao Shohei	General Manager of Human Resources Headquarters
14 Tsuda Norikazu	Regional Company President of Asia Oceania Regional Company
Hirasawa Atsushi	General Manager of Inbound Travel Sales Division

Succession Planning

Aims of Formulating Succession Plans for the CEO, etc.

To enhance the sustainable growth and medium and long-term corporate value of HIS Group, we believe it is important to train managers to lead business growth in order to contribute to the creative development of humanity and world peace, and to achieve the HIS Group Purpose to “Unleash your feeling ‘KOKORO ODORU’: Being interested, excited, and having a desire” based on our founding spirit. In order enable decision-making responsive to the speed of change in the business environment, technological innovations, and market trends in accordance with the HIS Group Philosophy, and to be able to maintain a richly diverse management system not conditioned on nationality, ethnicity, gender, or age, etc., we established the personnel requirements sought for potential successors to the CEO and board members, and will promote our training plan.

Human resource requirements for CEO and director candidates: "Three capabilities"

- 1) Core strength: "ability to connect vision and philosophy to the next generation"
Human resources who aim to be a company that will last 100 years, who have high aspirations, who set short-term, medium-term, and long-term management visions, who manage the company to realize those visions, and who can connect the philosophy that has been passed down since the company's founding to the next generation.
- 2) Conceptual ability: "the ability to conceive corporate management and strategies that contribute to the progress of society"
Human resources with a global perspective who can conceive corporate strategies that contribute to the progress of society, the creative development of humanity, and world peace, and who can lead management.
- 3) Ability to realize: "Ability to value human resources and realize strategic concepts"
The source of value creation generated through corporate activities is "human resources." Human resources are people who foster the "spirit of challenge" of each individual, maximize their strengths and diverse individuality, train successors who will lead the next generation, are respected by others as managers, discipline themselves, demonstrate fairness, openness, and sincerity in their actions, and continue to realize strategic concepts.

Dialogue with Shareholders and Investors

Approach to dialogue with shareholders and investors

We believe that constructive dialogue with our shareholders and investors contributes to the long-term corporate value and sustainable growth of HIS. Such dialogues provide an opportunity to deepen understanding of the HIS Group Philosophy, business environment, management, policies, and business measures. It also allows us to better grasp our reputation from the perspective of shareholders and receive valuable feedback.

- In order to promote constructive dialogue with shareholders and other parties, HIS is working to establish a system based on the following basic policy.
- (1) HIS has established a specialized department (IR Office) to plan and carry out activities for dialogue with shareholders, etc.

(2) In order to promote understanding of HIS's management activities and business operations, we strive to have constructive dialogue with shareholders, etc. by holding general shareholders' meetings and financial results briefings as well as one-on-one interviews, IR events, facility tours, etc.

(3) The IR Office is responsible for overall dialogue with shareholders, etc., and is overseen by the President. Management will also engage in dialogue to a reasonable extent, taking into account shareholders' requests and the topic of the dialogue, etc.

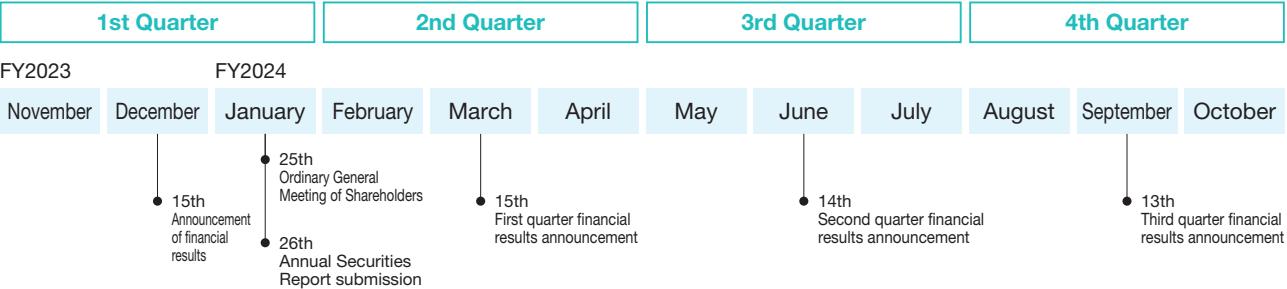
(4) In order to promote smooth dialogue with shareholders, etc., the IR Office will cooperate organically, for example by sharing information with related departments on a regular basis, and will also exchange information with each business segment company as appropriate.

(5) Opinions, requests, concerns, etc. obtained from dialogue with shareholders, etc. will be reported to management and the Board of Directors in a timely manner and will be used in management activities and business operations.

(6) Unpublished important facts will not be disclosed in dialogues with shareholders, etc.

FY2024 Main activities

IR Calendar



Target	Event	Results	Responder	Holding method/Theme
Shareholders	General Meeting of Shareholders	January 2024	CEO, etc.	Face-to-face format
Individual investor	Nikko WEB IR (Sponsor: SMBC Nikko Securities Co., Ltd.)	February 2024	CEO	Web distribution Company introduction and business strategy
Institutional investors/ Analysts (domestic/ overseas)	Financial results briefing	December 2023 June 2024	CEO, etc.	Held a hybrid format both on-site and online Year-end financial results / Half-year financial results
	Conference call	March 2024 September 2024	CEO, etc.	Held online First and third quarter financial results
	Small meeting with CEO	4	CEO	Face-to-face format Financial results and Mid-term management plan
	Facility tour	March 2024	Officer in charge	Various facility tours (Past events) Henn na Hotel Tokyo Asakusa Tawaramachi
	Overseas IR	June 2024	CEO In charge of IR	Face-to-face format Financial results and Mid-term management plan
	Individual interview	180 items 248 companies	In charge of IR	Online or face-to-face interaction Financial results and Mid-term management plan

Feedback and response to dialogue with shareholders and investors to management

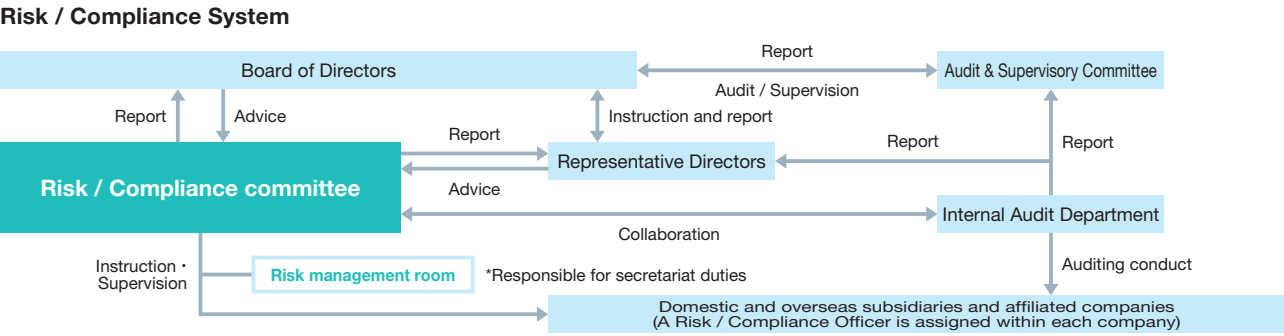
Questions and answers from individual interviews with shareholders, etc., as well as opinions, requests, and concerns, are reported to management at the Board of Directors in a timely manner and utilized in management activities and business operations, and analyst reports issued by securities companies are also shared with them each time they are issued. In addition, by referring to the points heard from shareholders, etc., we aim to expand the information disclosed and improve the contents of the integrated report.

Compliance / Risk Management

Basic Compliance Policy "Fair and Square"

We aim to always stay in tune with society's changing tides, act with honor and integrity, understand these shifts, and maintain balance and morals. To continue being trusted by all stakeholders, HIS Group adheres to this basic policy, with the awareness that each one of us is the face of the organization.

Compliance System —Organization and Management—

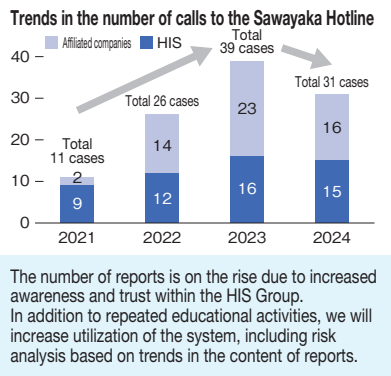


Risk / Compliance Committee
Chaired by the President and CEO, the committee aims to develop the necessary systems for thorough risk management and compliance within the HIS Group, and to ensure the appropriateness of business operations through the promotion of these. It meets quarterly to share information, consider, and make decisions on compliance-related issues within the HIS Group.

Risk Management Office
Acting as the secretariat for the Risk and Compliance Committee, the committee collects information on risks across the entire HIS Group and shares it with the Risk and Compliance Committee. The committee works to develop a management system for identifying, analyzing, evaluating, and responding to possible risks, and to prevent risks from materializing. The committee works with the risk and compliance managers of each HIS Group company by holding subcommittee meetings, etc., to promote compliance across the entire group.

Internal Reporting System

With the aim of early detection of any risk and taking measures, we have set up various consultation and reporting desks to handle a wide range of issues, including those related to compliance and the work environment. In addition to the internal desks, we have set up an external desk, the "Sawayaka Hotline," outsourced to a specialist institution, and we strictly manage the confidentiality of those involved and keep all related information secure so that no one is treated disadvantageously for consulting or reporting. These measures have created an environment where users can easily consult or report, enhancing self-cleansing.



Compliance Promotion Activities

Implementer	Activity	Results	Method
Committee Member	Risk / Compliance Committee <ul style="list-style-type: none">Annual activity report and reviewTraining implementation reportCompliance awareness survey results and reviewGroup company, subcommittee, implementation reportRelated regulations formulation and discussionTrend analysis of personal information accidents and discussion of countermeasuresInformation security measures and discussionNext activity plan review	4 times	Face-to-face format (partly online)
	Compliance training <ul style="list-style-type: none">Intellectual property rights trainingCompliance training sponsored by JATA*Personal information protection training <p>*JATA = Japan Association of Travel Agents</p>	3 times	Video viewing/e-learning
Risk Management Office	Compliance-related information distribution <ul style="list-style-type: none">Monthly NewsletterMail magazine for managersCase studies for HIS employees	12 times 12 times 6 times	Intranet distribution Email distribution
	Sharing of risk and compliance related information <ul style="list-style-type: none">Report list from each group companyRisk / Compliance Committee	12 times 4 times	List submission/committee report Sharing session after committee
	Compliance awareness survey	Once a year	Questionnaire

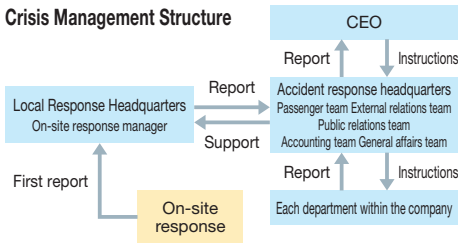
Business risks

The main items identified as risks for the HIS Group are listed on the right. We will work to reduce and prevent risks by establishing a system to implement preventive measures and regularly checking and reviewing risk management. Additionally, from the perspective of group-wide risk management, immediate and periodic reports are conducted from subsidiaries and affiliated companies.

- a. Changes in economic and social conditions
- b. Changes in market
- c. Responding to technological innovation
- d. Management of safety and quality of services provided
- e. Service interruptions and quality deterioration due to system or equipment failures, etc.
- f. Developing and securing human resources
- g. Climate change and Environmental regulation
- h. Governance
- i. Accounting and Finance

Crisis Management System

In the event of an accident or disaster, HIS establishes an Incident Response Headquarters to determine the policy for countermeasures against such events. In cooperation with the relevant departments, the Headquarters implements a prompt and appropriate crisis response. While we cannot control all potential risks, such as natural disasters, we acknowledge them and have a crisis management system in place to minimize their impact on the HIS Group and its stakeholders. We promptly confirm the safety and status of each company's customers and employees, and respond to ensure the early recovery and business continuity of each company.



Information Security

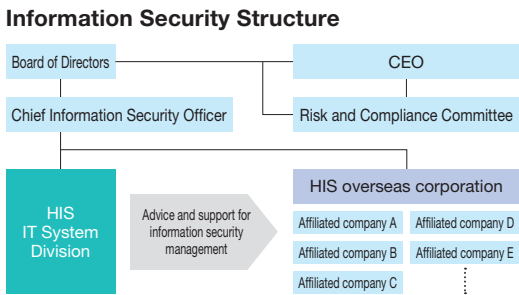
In order to protect the information assets we handle, the HIS Group implements strict security measures to ensure confidentiality, integrity, and availability. Based on our basic information security policy, we are working to strengthen security and protect our information assets, and we are promoting this initiative throughout the entire Group.

Basic Policy

By taking drastic and advanced measures against the risk of information leaks, we aim to gain the trust of our customers and society. To that end, HIS has formulated the "Basic Policy on Information Security" and all employees, from executives to employees, comply with and practice this policy.

System

To ensure information security, we have established organizational and technical management systems to prevent unauthorized access and information leaks. We have also established a management system centered on the Chief Information Security Officer and established an organization specializing in security measures. By coordinating various measures across the entire group, we have created an even more robust system.



Countermeasure

We use the latest technologies, such as IT asset management tools and EDR (Endpoint Detection and Response), to respond to increasingly sophisticated cyberattacks. We have also established a Security Operations Center (SOC) that is monitored by security analysts. Additionally, we use the Cyber Security Framework (CSF) of the National Institute of Standards and Technology (NIST) and the CIS Controls of the Center for Internet Security (CIS) to regularly review and evolve our security measures. We regularly review the contents of our countermeasures to evolve our security measures.

Threat and attack monitoring

We monitor log data collected from PCs and servers, and we have a system in place for the early detection of suspicious communications and signs of malware infection. We collect the latest vulnerability information and attack methods from security organizations and vendors, responding promptly. Additionally, we use SIEM (Security Information and Event Management) to correlate log data and detect increasingly complex attacks early on.

Security diagnosis

Neglecting system vulnerabilities increases the risk of attacks on networks and systems. Our in-house security engineers conduct thorough vulnerability assessments and promptly implement solutions for any issues identified. Even after release, we continue our efforts to minimize security risks through ongoing diagnosis and countermeasures.

Security Education

To ensure all employees understand the importance of information security, we conduct educational activities to promote the proper handling of information assets. We have established and disseminated "Security Manners," basic security rules that must be followed. We also conduct security training and confirmation tests to improve employees' knowledge. Through these efforts, we raise awareness of IT security and promote the thorough protection of personal information.

Continuous Improvement

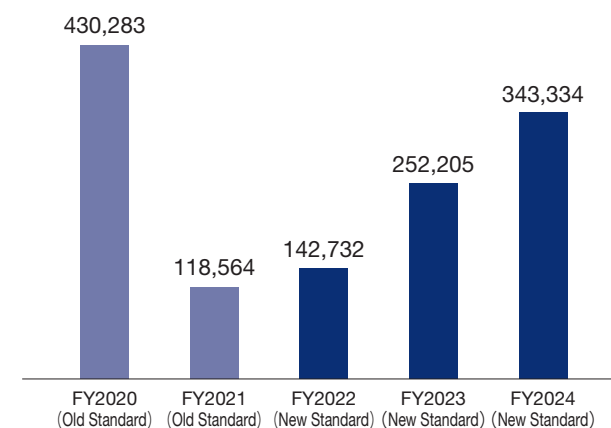
In response to the evolution of digital technology and increasingly sophisticated cyberattacks, we enhance security by introducing the latest technology, training employees, and developing experts. We regularly evaluate, review, and improve the effectiveness of our information security measures to ensure an optimal security system at all times.

Consolidated Results

*All data is based on HIS's October fiscal year financial results.
*The accounting standards applied are based on revenue recognition from the term ending October 2022.

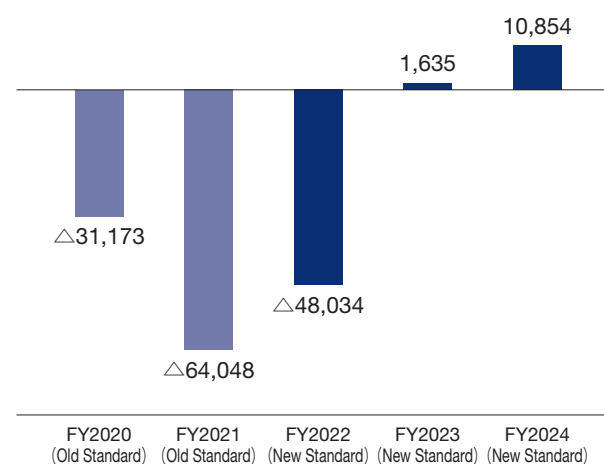
Net sales

*Unit: millions of yen



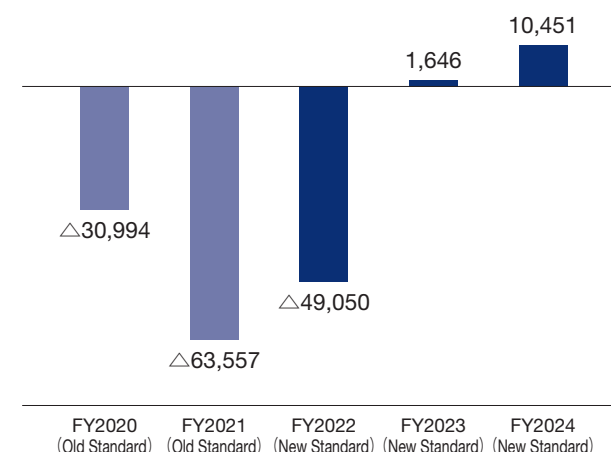
Operating profit (loss)

*Unit: millions of yen



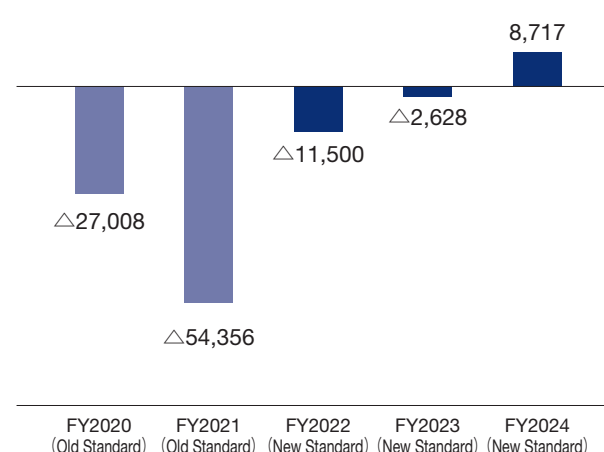
Ordinary profit (loss)

*Unit: millions of yen



Profit (loss) attributable to owners of parent

*Unit: millions of yen

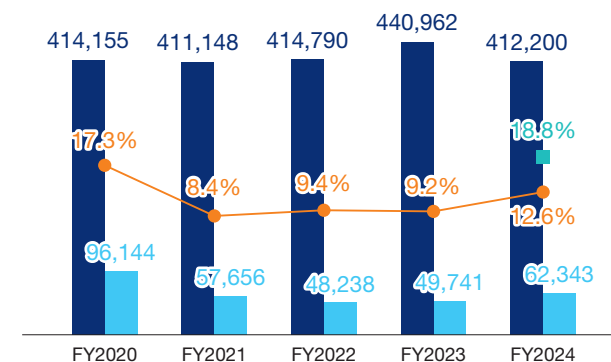


Total assets, Net assets, Shareholders' equity ratio, ROE

*Unit: millions of yen

■ Total assets ■ Net assets ■ Capital adequacy ratio ■ ROE

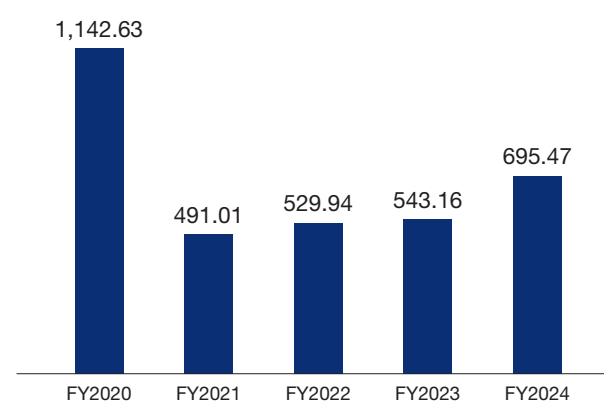
*Shareholders' equity ratio = (Net assets - Non-controlling interests) ÷ Total assets
ROE (Return on equity) = Net income ÷ Average equity during the period x 100



(Note) Years in which losses were recorded are omitted.

BPS (Net assets per share)

*Unit: yen



Financial Policy

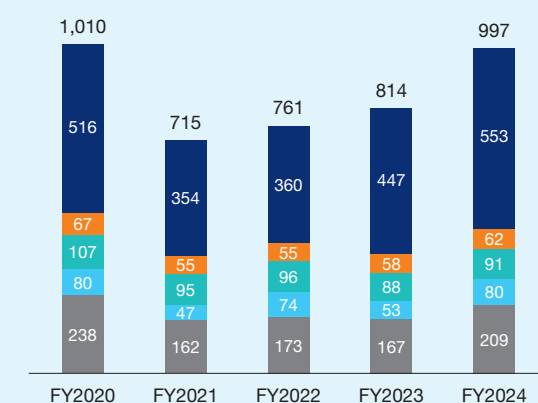
Strengthening the Financial Base

- Expand growing businesses and review unprofitable businesses
- Focus limited investment budget on businesses with high profitability and future potential

Trends in SG&A expenses

*Unit: 100 million yen

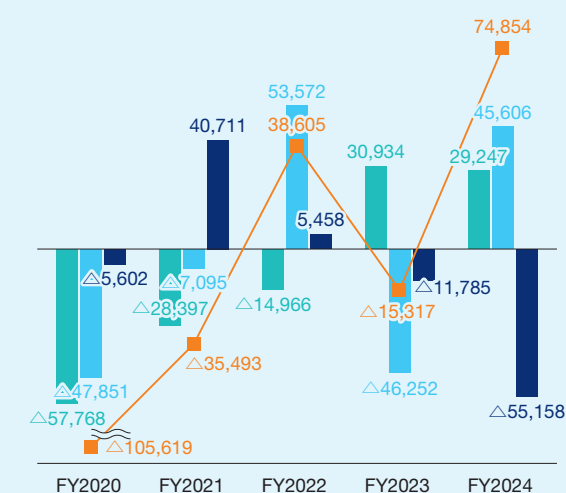
■ Personnel costs ■ Leasing fees ■ Depreciation and goodwill amortization
■ Advertising expenses ■ Others



Cash flow

*Unit: millions of yen

■ Sales CF ■ Investment CF ■ Finance CF ■ Free cash flow



*Figures are based on the fiscal year ended October.

Policy of measures

(1) Shareholders' equity ratio : Target 20%

- ➔ Increase capital (Accumulate profits from your main business)
- ➔ Reduction of interest-bearing debt

(2) Improved Free cash flow

- ➔ Improving profitability in each business segment
- ➔ Review of capital investment

As of October 31, 2024

Name	H.I.S. Co., Ltd.
Listed market	Prime Market of the Tokyo Stock Exchange (9603)
Licensed No.	No.724 by Commissioner of Japan Tourism Agency
Common stock	100 Million Yen
Established	December 19, 1980
Address	4-1-1 Toranomom, Minato-ku, Tokyo 105-6905, Japan
Net sales	Consolidated: 343.3 billion yen
Number of employees	Consolidated: 12,372
Affiliations	Japan Association of Travel Agents International Air Transport Association, Japan
Bank references	Sumitomo Mitsui Banking Corporation Mizuho Bank,Ltd.
Provision of information on the website	HIS Group Corporate Website https://www.his.co.jp/



HQ entrance

HIS

Editorial policy

This report contains a comprehensive range of information covering management approaches and strategy, a survey of the business, and other non-fiduciary considerations like Sustainability, and serves to convey details on management of the HIS Group and its activities across the board. In addition, all pictures in this report are images.

Note on projections

Forecasts and outlooks included herein are based on information available at the time of writing and may include some risks and uncertainties. Note that, for that reason, the forecasts and outlooks listed in this report may differ markedly from actual outcomes.

Edit

H.I.S. Co., Ltd.					
Segawa Katsu	Hanazaki Osamu	Umitsu Masayuki	Ohashi Hironao	Nakamura Shigeki	Koizumi Yuki
Horie Yoshihiko	Hayashi Koji	Miura Tatsuki	Usami Kana	Noda Megumi	Munematsu Suzuna
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Sato Kota	Yoshida Shiina	Amari Hinano	Obata Takayuki	Sato Mari	
H.I.S. Hotel Holdings Co., Ltd.					
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KYUSHU INDUSTRIAL TRANSPORTATION HOLDINGS CO., LTD.					
Suzuki Richika					
Laguna Ten Bosch Co., Ltd.					
Nakagawa Ayaka					
H.I.S. Mobile Co., Ltd.					
Yoshizawa Koji					
Cross E Holdings Corporation Limited					
Tabata Miharuru					

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