Creating organizations that contribute to safety and growth

Increasing business value

In April 2018, following a review of outstanding issues and an examination of the JR-West Group Railway Safety Think-and-Act Plan 2017, we identified two objectives: to continue addressing new safety-related policies and regulations, a strict execution of each individual's duty, and improvements in technology and expertise, and built up through ceaseless efforts.

The most important actions for ensuring safety are to execute basic motions, to rigorously enforce safety checks, and to implement flawless communication.

To ensure safety, we must make a concerted effort, irrespective of our organizational affiliation, rank or assignment.

When uncertain about a decision, we strive to create a company at which employees find job satisfaction and in which they can take pride.

We, acting in a sincere and fair manner in compliance with the spirit of legal imperatives, and working to enhance corporate ethics, will seek to be a company trusted by communities and society.

Safety Charter

We, ever mindful of the railway accident that occurred on April 25, 2005, conscious of our responsibility for protecting the truly precious lives of our customers, and incessantly acting on the basis of safety first, will build a railway that assures our customers of its safety and reliability.

3. We, valuing interaction with customers, and considering our business from our customers’ perspective, will provide comfortable services that satisfy our customers.

4. We, together with our group companies, will consistently improve our service quality by enhancing technology and expertise through daily efforts and practices.

5. We, deepening mutual understanding, and respecting each individual, will strive to create a company at which employees find job satisfaction and in which they can take pride.

We, with a central focus on railway business, will fulfill the expectations of our customers, shareholders, employees and their families by supporting the lifestyles of our customers, and achieving sustainable growth into the future.

3. We, valuing interaction with customers, and considering our business from our customers’ perspective, will provide comfortable services that satisfy our customers.

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Thirteen years have passed since the Fukuchiyama Line accident of April 25, 2005. We will continue our efforts to build a corporate culture that prioritizes safety, guided by our Corporate Philosophy and Safety Charter.

In April 2018, following a review of outstanding issues and an examination of our plan performance over the preceding years, we adopted the JR-West Group Medium-Term Management Plan 2022 as well as the JR-West Group Railway Safety Think-and-Act Plan 2022. In order to ensure our sustained evolution along a path to the future, we identified two objectives: to continue addressing new challenges and to carry out our Group mission by working with our local communities. Through this effort, we want to provide every Group stakeholder with value and reasons to smile.

“Sustaining our evolution along a path to the future”

Based on a foundation of greater safety for the railway industry, all members of the JR-West Group remain committed to a future in which growth is achieved via constant innovation.

JR-West Corporate Philosophy

1. We, being conscious of our responsibility for protecting the truly precious lives of our customers, and incessantly acting on the basis of safety first, will build a railway that assures our customers of its safety and reliability.

2. We, with a central focus on railway business, will fulfill the expectations of our customers, shareholders, employees and their families by supporting the lifestyles of our customers, and achieving sustainable growth into the future.

3. We, valuing interaction with customers, and considering our business from our customers’ perspective, will provide comfortable services that satisfy our customers.

4. We, together with our group companies, will consistently improve our service quality by enhancing technology and expertise through daily efforts and practices.

5. We, deepening mutual understanding, and respecting each individual, will strive to create a company at which employees find job satisfaction and in which they can take pride.

We, acting in a sincere and fair manner in compliance with the spirit of legal imperatives, and working to enhance corporate ethics, will seek to be a company trusted by communities and society.

Safety Charter

We, ever mindful of the railway accident that occurred on April 25, 2005, conscious of our responsibility for protecting the truly precious lives of our customers, and based on the conviction that ensuring safety is our foremost mission, establish this Safety Charter.

1. Safety is ensured primarily through understanding and complying with rules and regulations, a strict execution of each individual’s duty, and improvements in technology and expertise, and built up through ceaseless efforts.

2. The most important actions for ensuring safety are to execute basic motions, to rigorously enforce safety checks, and to implement flawless communication.

3. To ensure safety, we must make a concerted effort, irrespective of our organizational affiliation, rank or assignment.

4. When uncertain about a decision, we must choose the most assuredly safe action.

5. Should an accident occur, our top priorities are to prevent concomitant accidents, and to aid passengers.

JR-West Group Railway Safety Think-and-Act Plan 2022

The JR-West Group Railway Safety Think-and-Act Plan 2022 forms the core of our Medium-Term Management Plan. In an effort to instill prioritization of safety awareness by improving organizational safety management and ensuring every employee implements the Safety Think-and-Act Plan, we are committed to improving our railway system for maintaining safety and to instituting safety management in a comprehensive manner. In this way, we remain dedicated to preventing serious incidents and industrial accidents.

Safety management with the participation of all employees

Each employee considers specific risks

To ensure the safety of not only customers but also Miller Group employees, each JR-West Group employee must bear a mission to think carefully about potential risks. From there, we must consider the objectives that influence the JR-West’s rules, and only then can we ensure decisions that prioritize safety above all else.

Enhancement of railway systems that maintain safety

Improving and putting the preventive efforts described in the safety orientation provided by the Fukuoka Line Safety and Health Promotion Committee into practice.

Ensuring the spread of safety-first awareness

The JR-West Group Railway Safety Think-and-Act Plan 2022
Railway Operations

The JR-West railway network extends over a total distance of 4,900.6 km, covering 18 prefectures. With the objective of enhancing safety, the JR-West Group is united in action to implement its JR-West Group Railway Safety Think-and-Act Plan 2022. Meanwhile, to ensure that our railway inspires trust and a sense of reliability in the customer, we work to instill an ethos of customer satisfaction, to deliver convenient and user-friendly facilities, and to improve the quality of our customer-service operations.

Transportation Revenues
(Fiscal year ending March 31, 2018)

Shinkansen: 447.7 billion yen
35.6%

Conventional Lines: 867.8 billion yen
51.6%

Conventional Lines (Okayama, Hiroshima, San'in, and Kagawa areas): 303.5 billion yen
12.8%

Note: Baggage income is excluded as insignificant

Map of Rail Lines in Kyoto-Osaka-Kobe Area

Times of Major Shinkansen Routes
(As of March 17, 2018)

Fastest travel times are shown.

Note: ICOCA can be used at only some of the stations (except for JR-West lines, only major lines are shown).

Boundary stations of JR-West
indicates stations operated by other companies.

Note: The information is current as of June 1, 2018.
**Development Business**

JR-West will continue to provide high-quality products and services to railway passengers and communities throughout its service area.

- **Retail Sales**
  - T-Eleven Heart-in, T-Eleven Kiosk, ERI MARCHE, ENTREE MARCHE, Daimyoza, Deli Cafe, Drip-X, Cafe, and others.

- **Real Estate Leasing and Sales**
  - The areas within and around our stations house a wide variety of shops including convenience stores, restaurants, souvenir shops, and the like.

- **JR-West develops towns that are popular for residents and tourists while contributing to the development of communities and areas along railway lines.**
  - ViPRA, MK Building, J. GRAN, DAIESTA MO, Daisaka COURT, and others.

- **Shopping Centers**
  - JR-West is developing numerous unique shopping centers that showcase luxurious lifestyles.
  - LUCIA Osaka, Tennoji MO, Gion HIMEJI SUITA GREEN PLACE, and others.

- **Hotels**
  - JR-West is developing multiple hotel brands both within and outside our territory to better respond to the needs of customers who seek our services.
  - HOTEL GRANZA, HOTEL VISCHIO, VIA INN, Hotel FIRST CABIN, and others.

- **Department Stores**
  - JR-West continues to showcase new lifestyles by offering products and services with high added value.

- **Credit Cards and Electronic Money**
  - JR-West provides services usable in everyday life on railways and in stations and towns.

- **Travel Services**
  - Nippon Travel Agency has a history extending back more than 170 years. It continues to offer a wide range of quality travel packages.

- **Investment by JR West INNOVATIONS Co., LTD.**
  - In collaboration with local communities, JR-West has been working on the opening and extension of the Hokuriku Shinkansen Line, creating bustling towns by enhancing transportation between cities.

**Major Projects**

**Extension of the Hokuriku Shinkansen Line**

In collaboration with local communities, JR-West has been working on the opening and extension of the Hokuriku Shinkansen Line, creating bustling towns by enhancing transportation between cities.

The Hokuriku Shinkansen Line is a project listed under the Tokyo-to-Osaka development plan based on the National Shinkansen Railway Development Law. Building on the benefits of the extension, JR-West is enhancing areas to the north and south of Fukui, and between Maizuru and Koyasan in Ishikawa Prefecture. This will enable their downtowns and surrounding areas to better respond to the needs of current and future generations.

**Kinki Area Projects**

With a focus on Umeda, the Greater Osaka area, JR-West will continue to provide high-quality products and services to railway passengers and communities throughout the area.

- **Development of Umeda’s Umeda Neighborhood**
  - Umeda Station is an integrated railway hub comprising JR Central, JR West, and private railway lines. The lines to Tateyama-shi, Kanazawa, and Hakusan Town are connected via Umeda Station. In the spring of 2023, JR-West will start service between Kanazawa and Tenaga Station.

**Setouchi Palette Project**

We launched the Setouchi Palette Project as a cooperative venture of our railway business and development business as well as local communities with the objective of creating new attractions.

Recognizing that the revitalization of Western Japan will help sustain the growth of our Group, we are working closely with local communities. Our extensive network of railways, our safe and high-quality transport services, our development of numerous sightseeing attractions featuring diverse content held by our group, and our development and support of regional businesses will help to increase nonresident populations and expand resident communities.

**Taking up the Challenge Presented by New Businesses**

- JR-West focuses on business-to-business (B2B) e-commerce.

**Operating Revenue by Segment**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Fiscal year ended March 31, 2019 (billion yen)</th>
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<tbody>
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<td>Transportation business</td>
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<tr>
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**Spring 2019**

**Osaka Higashi Line Start of Service**

The Osaka Higashi Line is the new line of JR West that connects the eastern part of Osaka to Kita-Ku. It is designed to disperse the traffic in the Kita-Ku area and to promote the revitalization of the area.

**Opening of New Station Between Kyoto and Tamba in the Sagano Line**

This station will be opened on the Sagano Line in spring 2019, allowing for easier access to the Kansai International Airport while expanding our reach into the Setouchi region.

**Development of Osaka’s Umeda Neighborhood**

Umeda Station is an integrated railway hub comprising JR Central, JR West, and private railway lines. The lines to Tateyama-shi, Kanazawa, and Hakusan Town are connected via Umeda Station. In the spring of 2023, JR-West will start service between Kanazawa and Tenaga Station.

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