Pursuing Think-and-Act Initiatives to Realize Our Corporate Philosophy

The JR-West Corporate Philosophy and Safety Charter form the foundation of our management. Created in the wake of the Fukuchiyama Line accident, we consider our Corporate Philosophy to be a contract with society that we decided after extensive discussion among all executive officers and employees, based on our determination to be a company that places top priority on safety and to never again allow a serious accident to happen. Therefore, we consider putting our Corporate Philosophy into practice to be the CSR of JR-West. Our Corporate Philosophy and Safety Charter foster in all of our executive officers and employees a common attitude that they bring to work of steadily increasing safety and customer satisfaction, responding to the expectations of customers, society, shareholders, suppliers, and other stakeholders, and achieving sustainable development into the future. Toward that end, JR-West is committed to continuously thinking and acting as a unified entity.

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 other stakeholders, 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 community where employees find job satisfaction and in which they take pride.
6. 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.

Relationship between Stakeholders and the JR-West Group

Having employees who are motivated, take pride in their work, and provide high-quality service results in satisfaction and a sense of safety and peace of mind for customers, and contributes to the invigoration of the West Japan area. With the profits earned under such conditions, we will assure the sustainability of operations, and build good relationships with shareholders and suppliers.

Pursuing CSR by Thinking and Acting Based on the Field

In June 2015, FTSE Group confirms that JR-West has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. JR-West has been consecutively included in the index series since 2002. Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria, and are positioned to capitalise on the benefits of responsible business practice.
CSR Overview

Pursuing Think-and-Act Initiatives to Realize Our Corporate Philosophy

The JR-West Corporate Philosophy and Safety Charter form the foundation of our management. Created in the wake of the Fukuchiyama Line accident, we consider our Corporate Philosophy to be a contract with society that we decided after extensive discussion among all executive officers and employees, based on our determination to be a company that places top priority on safety and to never again allow a serious accident to happen. Therefore, we consider putting our Corporate Philosophy into practice to be the CSR of JR-West. Our Corporate Philosophy and Safety Charter foster in all of our executive officers and employees a common attitude that they bring to work of steadily increasing safety and customer satisfaction, responding to the expectations of customers, society, shareholders, suppliers, and other stakeholders, and achieving sustainable development into the future. Toward that end, JR-West is committed to continuously thinking and acting as a unified entity.

Corporate Philosophy

We, acting in a sincere and fair manner in compliance with the spirit of legal imperatives, will strive to create a company that people trust. We shall conduct our business in a manner that is equitable and fair so that our customers, shareholders, suppliers, employees, and communities will take pride.

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 take pride.

6. 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.

6. Should an accident happen, we consider putting our Corporate Philosophy into practice to be the CSR of JR-West. Our Corporate Philosophy and Safety Charter foster in all of our executive officers and employees a common attitude that they bring to work of steadily increasing safety and customer satisfaction, responding to the expectations of customers, society, shareholders, suppliers, and other stakeholders, and achieving sustainable development into the future. Toward that end, JR-West is committed to continuously thinking and acting as a unified entity.

Relationship between Stakeholders and the JR-West Group

Having employees who are motivated, take pride in their work, and provide high-quality service results in satisfaction and a sense of safety and peace of mind for customers, and contributes to the invigoration of the West Japan area. With the profits earned under such conditions, we will assure the sustainability of operations, and build good relationships with shareholders and suppliers.

Pursuing CSR by Thinking and Acting Based on the Field

In order to uphold our Corporate Philosophy and provide greater value to society through our business activities, we have specified eight high-priority CSR fields in reflection of society’s demands.

- To maintain reliable railways that passengers can use safely and with peace of mind, we believe it is important for all JR-West Group employees at all of our workplaces to maintain a constant awareness of customers, to share the common understanding of the various issues that arise at front-line work sites, and to autonomously and collaboratively work to solve them with a sense of urgency. The JR-West Group pursues CSR by having every one of our employees embrace the “thinking and acting based on the field” as the guiding principle of conduct.

FTSE4Good

In June 2015, FTSE Group confirms that JR-West has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. JR-West has been consecutively included in the index series since 2002. Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria, and are positioned to capitalise on the benefits of responsible business practice.
Fiscal 2015 Activity Results and Fiscal 2016 Initiative Plans for 8 Key Areas of CSR

In the area of safety, we advanced initiatives based on the Safety Think-and-Act Plan 2017, under recognition of safety as the most important issue forming the basis of our business. With regard to the other seven areas, we have established key initiatives and are engaged in activities under the CSR Promotion Committee, which is headed by the company President.

<table>
<thead>
<tr>
<th>Area</th>
<th>Initiatives in the Safety Think-and-Act Plan</th>
<th>Fiscal 2015 major initiatives</th>
<th>Fiscal 2016 key initiative plans</th>
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</thead>
<tbody>
<tr>
<td>Safety</td>
<td>Central efforts to make safe, reliable transport service</td>
<td>Review of internal rules for engineering-related employees working during intervals between operating trains / Creation of a workplace safety plan for operating trains / Implementation of risk assessments of all areas of the business / Ensuring safety of equipment and site maintenance / Establishment of Safety Promotion Office / Safety-related investment of about ¥200 billion.</td>
<td>Promotions of initiatives in both tangible and intangible aspects, to address issues including improvement safety on platforms and coping with increasing natural disasters / Evaluation of the scheme for safety management through third-party organizations, which was adopted in FY2016.</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>Continuously improving customer service / Enhancing the level of service required for effective business / Enhancing the safety of passenger facilities / Fostering awareness of the importance of customer service / Ensuring the quality of customer service / Establishing a customer information platform.</td>
<td>Promoting courteous and efficient treatment of customer voices / Fostering awareness of the importance of customer service / Enhancing the safety of passenger facilities / Fostering awareness of the importance of customer service / Ensuring the quality of customer service / Establishing a customer information platform.</td>
<td>Development of initiatives leveraging human networks, promotion of urban tourism, and improvement of value of railway services.</td>
</tr>
<tr>
<td>Coexistence with communities</td>
<td>Building a railway with high transportation quality / Promoting initiatives for the benefit of urban areas.</td>
<td>Establishment of the PDCA cycle for training based on understanding the individuals / Further developing and utilizing human resources / Promotion of personal development initiatives to create a sense of ownership.</td>
<td>Active communication of results of initiatives / Development of initiatives leveraging human networks, promotion of urban tourism, and improvement of value of railway services.</td>
</tr>
<tr>
<td>Human resources/ Motivation</td>
<td>Job satisfaction: Creating workplaces that are rewarding and vibrant</td>
<td>Promotion of human resources acquisition / Ensuring the required human resources for business operations.</td>
<td>Promotion of initiatives to contribute to resolution of local issues / Together with local partners, and continuation of initiatives to contribute to resolution of local issues.</td>
</tr>
<tr>
<td>Global environment</td>
<td>Energy-saving initiatives for the prevention of global warming</td>
<td>Adoption of energy-saving initiatives and promotion of the adoption of energy-saving rolling stock and high-efficiency equipment.</td>
<td>Promotion of initiatives in cooperation with local governments and regional authorities / Promotion of risk management in close cooperation; invigoration and expansion of systems in cooperation; invigoration and expansion of systems.</td>
</tr>
<tr>
<td>Compliance</td>
<td>Minerals supply chain initiative / Promotion of environmentally sound management system (EMS)</td>
<td>Promotion of initiatives to contribute to resolution of local issues / Together with local partners, and continuation of initiatives to contribute to resolution of local issues.</td>
<td>Promotion of initiatives in cooperation with local governments and regional authorities / Promotion of risk management in close cooperation; invigoration and expansion of systems.</td>
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<tr>
<td>Human rights</td>
<td>Promotion of “management of risks involving human rights”</td>
<td>Initiatives to gain understanding / Maintenance and improvement of foundations for public relations ability / Brief overview of initiatives for Group companies through face-to-face meetings / Secretariat system for prompt reporting of risk information to Group companies.</td>
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<tr>
<td>Disclosure</td>
<td>Public relations activity based on the viewpoints and sensitivities of society</td>
<td>Introduction of important risks in Group companies and execution of countermeasures / Implementation of questionnaires for Group companies / Improvement of whistleblower systems and making the system known well.</td>
<td>Ongoing promotion of risk management in close cooperation with Group companies / Promotion of sharing of information, countermeasures, etc. / Active communication of initiatives on the progress of the JR-West Group for the “Development of a New Regional Information Sharing System” / Role of the “My Number” national identification number scheme.</td>
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<tr>
<td>Crisis management</td>
<td>Promotion of Group-wide risk management / Reduction of important risks</td>
<td>Review of business continuity plans / Improvement of risk management in close cooperation; invigoration and expansion of systems / Improvement of important risks in Group companies and execution of countermeasures / Implementation of questionnaires for Group companies / Improvement of whistleblower systems and making the system known well.</td>
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<tr>
<td>Information</td>
<td>Establishment of the PDCA cycle</td>
<td>Implementation of education through e-learning, etc. / Implementation of emergency inspections centered on systems that handle customers’ personal information.</td>
<td>Ongoing implementation of education on the handling of personal information and cyber attack countermeasures / Promotion of adaptation to the “My Number” national identification number scheme.</td>
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See pages 42-47 for more details.

See pages 40-41 for more details.

See pages 38-39 for more details.

See pages 36-37 for more details.

See pages 34-35 for more details.

See pages 32-33 for more details.
## Fiscal 2015 Activity Results and Fiscal 2016 Initiative Plans for 8 Key Areas of CSR

In the area of safety, we advanced initiatives based on the Safety Think-and-Act Plan 2017, under recognition of safety as the most important issue forming the basis of our business. With regard to the other seven areas, we have established key initiatives and are engaged in activities under the CSR Promotion Committee, which is headed by the company President.

### CSR Overview

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<tr>
<td><strong>Safety</strong></td>
<td>Operations to make safe, reliable transport services</td>
<td>Revision of internal rules for engineering-related employees working during intervals between operating trains.</td>
<td>Promotions of initiatives in both tangible and intangible aspects to address issues including improvement of safety on platforms and coping with intensifying natural disasters. Evaluation of the scheme for safety management through third-party organizations, which was adopted in FY2016.</td>
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<tr>
<td></td>
<td>Coexistence with Communities</td>
<td>Creation of practical edition of risk assessment handbook / implementation of risk assessment plans.</td>
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<td>Establishment of Safety Perception Refinement Building</td>
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<td></td>
<td>Safety-related investment of about ¥90.2 billion</td>
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<tr>
<td><strong>Customer satisfaction</strong></td>
<td>Taking on board customer voices to promote the enhancement and improvement of services</td>
<td>Promoting courteous and considerate service, and improving the effectiveness of time required for inquiries / Reflection of customer success in products and services</td>
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<td></td>
<td>Perceiving customers' expectations and responding to diverse needs</td>
<td>Enhancement of barrier-free facilities, accessibility, and removal of barriers</td>
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<td></td>
<td>Building a railway with high transportation quality</td>
<td>Improvement of systems and promotion of measures to establish compliance</td>
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<td>Implementation of risk assessments for facilities</td>
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<td>Saving resources for the contributions to building a recycling-oriented society</td>
<td>Safety-related investment of about ¥90.2 billion</td>
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<td>Promotion of environmental management system (EMS)</td>
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<td>Human resource development: Initiatives aimed at individual employee growth</td>
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<td><strong>Information</strong></td>
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### Table

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<tr>
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**Note:** See pages for more details.
Safety

Value provided to society
- Safely transport passengers to their destinations
- Prevent all major occupational injuries and fatalities

Basic Approach
Safety is the highest priority at JR-West. To establish a corporate culture that places top priority on safety, we are moving forward with various tangible and intangible initiatives.

Safety is also the core strategy of the JR-West Group Medium-Term Management Plan 2017. Having caused the Fukuchiyama Line accident, JR-West will continue to focus on implementing, as a critical safety measure, the risk assessments we introduced in light of our inability to prevent this accident. In addition, we will move forward with various initiatives aimed at ensuring safety: the JR-West Group never forget the Fukuchiyama Line accident and can implement think-and-act measures putting human life and safety above all else. Supplementing these intangible steps with ongoing and proactive equipment maintenance and updates, new technology development, and other safety-related investments, we are committed to attaining higher levels of safety in our operations. Based on recommendations from the JR-West Safety Follow-up Meeting, we have introduced a framework where starting in fiscal 2016 we will receive objective evaluations and professional advice with regards to our safety management systems from a third-party organization. Utilizing these evaluations and advice, we will continually enhance safety management systems.

Safety Think-and-Act Plan
Eliminating railway accidents that result in casualties among our customers and labor accidents that result in fatalities among our employees

JR-West established Safety Think-and-Act Plan 2017 in March 2013 as a concrete plan for the fundamental strategy of “safety” in the JR-West Group Medium-Term Management Plan 2017. The pillars of this plan are continual effort to realize a safe, reliable transport service; increasing the level of risk assessment; increasing safety awareness and implementing think-and-act initiatives with the highest priority on human life and investment in safety. Our goals in these areas are expressed by a five-point numerical scale.

Increasing Level of Risk Assessments
Risk assessment consists of quantifying risks and taking appropriate actions for matters that should be addressed as high priorities. We are implementing risk assessment at all of our front-line work sites and branches, and at our head office. In March 2014, we created and utilized the Risk Assessment Handbook as a manual for sharing the definition of and approach to risk assessment as well as for encouraging greater action to be taken by each work site. We also prepared a new practical edition of this handbook in March 2015 in an effort to provide greater support to work sites by providing perspectives that can contribute to a higher level of risk assessment.

Increasing Safety Awareness and Implementing Think-and-Act Initiatives with the Highest Priority on Human Life
We are carrying out think-and-act initiatives that focus on remembering the Fukuchiyama Line accident in an effort to heighten employee awareness toward safety. Through these efforts, we are working hard to ensure all employees never forget the tragedy of accidents and importance of life, while carrying out accident prevention initiatives as part of their daily work. To realize the Safety Charter, we are working closely with the police, fire departments, and community members to conduct training exercises based on various scenarios, including the regular comprehensive railway accident training and tsunami evacuation guidance training. In conjunction with the Think-and-Act Training, which has been implemented, the training incorporates the same elements as found in crew resource management (CRM) training. In the airline industry in order for front-line members to be able to successfully assess the situation, think flexibly, and take the most suitable action for the prioritization of human life when faced with an earthquake or other large-scale disaster or emergency such as a fire or train accident.

Initiatives to Improve Safety on Platforms
Researching the behavioral patterns of inebriated passengers on the platform
Based on the fact that inebriated passengers across a large proportion of fatalities/platforms, we analyzed actual incidents where inebriated passengers fell on the tracks to act on an ongoing or departing train. The results of the analysis found that some 60% of the incidents involving inebriated passengers occurred because they fell from the platform. In the early stages of our research, we implemented a number of measures to prevent falls from the platform. We also had to fall onto the tracks after a series of preventive measures. Consequently, a considerable number of incidents involved the inebriated passenger standing up from a bench and falling immediately forward toward the tracks. We then identified the incident that the tracks. In the event of an earthquake, an inebriated passenger fell onto the tracks, we have placed benches by the tracks, in order to prevent falls.

Investment in Safety
Railway systems are operated using various equipment and facilities. In order to properly maintain those and improve safety, we invest in equipment and facilities that are specifically for safety and disaster prevention. In the Safety Think-and-Act Plan, we embark on to work to sustain and enhance the functions of existing facilities, and to realize higher levels of safety in our operations. We plan to invest a total of approximately ¥480 billion in safety measures over five years of the plan. In fiscal 2014, the first year of the plan, we invested ¥93.3 billion in safety, and in fiscal 2015, the second year, we invested ¥92.0 billion.
Safety

Value provided to society
- Safely transport passengers and freight
- Prevent all major occupational injuries and fatalities

Basic Approach
Safety is the highest priority at JR-West. To establish a corporate culture that places top priority on safety, we are moving forward with various tangible and intangible initiatives.

Safety is also the core strategy of the JR-West Group Medium-Term Management Plan, 2017. Having caused the Fukuchiyama Line accident, JR-West will continue to focus on implementing, as a critical safety measure, the risk assessments we introduced in light of our inability to prevent this accident. In addition, we will move forward with various initiatives aimed at ensuring employees of the JR-West Group never forget the Fukuchiyama Line accident and can implement think-and-act measures putting human life and safety above all else. Supplementing these intangible steps with ongoing and proactive equipment maintenance and updates, new technology development, and other safety-related investments, we are committed to attaining higher levels of safety in our operations.

Based on recommendations from the JR-West Safety Follow-up Meeting, we have introduced a framework where starting in fiscal 2016 we will receive objective evaluations and professional advice regarding our safety management systems from a third-party organization. Utilizing these evaluations and advice, we will continually enhance safety management systems.

Safet Think-and-Act Plan
Eliminating railway accidents that result in casualties among our customers and labor accidents that result in fatalities among our employees.

JR-West established Safety Think-and-Act Plan 2017 in March 2013 as a concrete plan for the fundamental strategy of "safety" in the JR-West Group Medium-Term Management Plan 2017. The pillars of this plan are: continuing efforts to realize a safe, reliable transport service; increasing the level of risk assessment; increasing safety awareness and implementing think-and-act initiatives with the highest priority on human life; and investment in safety. Our goals in these areas are expressed by a five point numeral scale.

Investment in safety
Processes and Implementing think-and-act initiatives with the highest priority on human life
- Think-and-Act training and exercises
- Measuring to learn from past accidents, disasters, etc.
- Analysis of factors that interrupt appropriate actions for matters that should be addressed as priority
- Maintenance of safety systems
- Implementation of effective safety measures

Increasing Level of Risk Assessments
Increasing the level of risk assessment, increasing safety awareness and implementing think-and-act initiatives with the highest priority on human life and investment in safety. Our goals in these areas are expressed by a five point numeral scale.

Safety Think-and-Act Plan 2017

Safety measures at level crossings
Installation of new safety measures to prevent customers from falling onto the tracks or contacting arriving or departing trains.

Initiatives to Improve Safety on Platforms

Researching the behavioral patterns of inebriated passengers on the platform
Based on the fact that inebriated passengers account for a large proportion of fatal incidents on platforms, we analyzed actual incidents where inebriated passengers fell onto the tracks or contacted an arriving or departing train. The results of the analysis found that some falls of the incidents involving fatal results are caused by an inebriated passenger occurred because they walked from the middle of the platform, where benches are placed, directly toward the tracks.

Inebriated passengers were also found to fall onto the tracks after a series of precursor behaviors in particular, a considerable number of incidents involved the inebriated passenger walking up from a bench and walking immediately toward the tracks. Based on these findings, we conducted a series of research in cooperation with the Isuzu University, the Fukuchiyama Line Accident Research and Study Committee. Based on the fact that the inebriated passenger often stands at the half-way point whereas the alcohol is coming to its peak, we implemented a series of measures to ensure that they can help to effectively and efficiently prevent inebriated passengers from falling onto the tracks or contacting arriving or departing trains.

- Falls from platforms involving inebriated passengers

In some instances we have repainted benches to face away from tracks in order to prevent falls.
Customer Satisfaction

Value provided to society
- Services that assure our customers of safety and reliability (including a railway with high transport quality)
- Comfortable and convenient services that perceive customer expectations and respond to diverse needs

Basic Approach
As the operator of a business with strong public service characteristics, the JR-West Group values communication with customers supported by the CS Vision and CS Think-and-Act Declaration, based on the confidence placed in us by our customers and society. Through this and by continuing the practice of customer-oriented management, we enhance the value we provide with the hope that we are developing customers into “fans of JR-West.” Specifically, it is critical that we grasp our customers’ needs and expectations, and steadily reflect this information in safety and services based on social trends. Increasing transport quality is an issue of particular great importance. By implementing meticulous, stable transport measures and ensuring our ability to provide information from the customer’s perspective, we will continue working so our customers can use our services with peace of mind and reliability. Furthermore, in addition to responding to customer voices swiftly and with sincerity to promoting the enhancement and improvement of services, we will broadly communicate our initiatives to obtain society’s understanding of JR-West.

In order to further enhance “fans of JR-West” we will embed such initiatives in the corporate culture and aim to achieve customer-oriented management.

Taking on Board Customer Voices to Promote the Enhancement and Improvement of Services
We take customer voices seriously and respond.
- Customer voices, which include opinions, requests, gratitude and praise, are solicited directly by station staff and train crew as well as obtained from customer suggestion boxes set up at major stations. Additionally, the JR-West Customer Center responds to telephone calls and email inquiries and other contacts from customers. We strive to address each individual customer voice in detail and make efforts to reduce the time it takes to provide responses. Moreover, we utilize such methods as adding all customer voices to our database to assess trends in requests as well as identifying issues that need to be addressed to promote measures from the customer’s point of view.

Aims of the JR-West Group’s CS Initiatives (Medium-Term Management Plan)

Group customer expectations and needs to meet diverse needs
- New projects to respond to expectations
  - The risk of online train theft and other crimes, etc.
  - Providing to reduced ticket fare, elderly
    ticket fare, lower first-class aging population

Advance service enhancement and improvement
- Such and stronger responses to “customer voices”
- Improvements based on “customer voices”

Enhance railway transport quality
- Stable transport services, reduced delay time
- Enhanced information provision

Enable customers to use our services with peace of mind
- Barrier-free access, prevention of second-hand smoke, and modernization measures

Safety initiatives (Safeguards and CS Plan)

Delivering happiness to more customers
- Providing happiness to more customers

Comfort without waiting
- Comfort without waiting

Peace of mind that only readers
- Peace of mind that only readers

II CS Vision 2017

Customer Voices in Fiscal 2015

<table>
<thead>
<tr>
<th>Response</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gratitude / praise</td>
<td>11,429</td>
</tr>
<tr>
<td>Other *</td>
<td>1,349</td>
</tr>
<tr>
<td>Responses for knowledge, skills</td>
<td>10,472</td>
</tr>
</tbody>
</table>

* Other includes share of total responses, such as complaints, suggestions, and other measures.

Improved internal carriage door signage from 2014
We added English language signage in response to customer feedback, wanting signage to be more easily understood by customers from abroad.

Building a Railway with High Transportation Quality
We are working to improve on-time performance and enhance information when there are service disruptions.

Preventing schedule disruptions and quickly restoring services
In addition to preventing schedule disruptions through maintenance and inspection of rolling stock and facilities, we have updated our train operation control system and set up new facilities for back operations throughout our service area in order to ensure service are quickly restored in the event disruptions do occur. Near Higashi-Kishiwada Station on the Hanwa line, we started a project to elevate the tracks in order to improve safety, alleviate traffic congestion, and promote exchange around the station. In fiscal 2015, we first completed elevation of the tracks bound for Fukayama and we are now continuing with construction work on the other set of tracks bound for Tennoji.

Speeding up announcements to customers
We are using IT to speed up announcements given to customers during service disruptions. This involves the distribution of tablet devices to station staff and train crew and the start of posting train operation information on our website.

An operating status information app utilizing push notifications that delivers train operating information to customers’ devices whenever a delay or other issue occurs on the line they have preregistered launched in July 2015.

Providing comfortable facilities to customers
JR-West is working to beautify and renovate restrooms and make facilities at stations accessible to all (barrier-free) in response to the needs of all customers who use them. In fiscal 2015, we renovated restrooms along the Osaka Loop Line and other lines.

Enhancing information provided to customers
We are expanding free Wi-Fi services in response to the rising number of inbound visitors and the greater use of IT. In fiscal 2015, we began providing information on train operations in different languages via our website in an effort to enhance user convenience for inbound visitors.

January 2015
- Services commenced first on the Osaka Loop Line
- Services commenced on the Nanba Line
- Services commenced on the Kintetsu Line
- Services commenced on the Hanwa Line

February 2015
- Services commenced first on the Osaka Loop Line
- Services commenced on the Nanba Line
- Services commenced on the Kintetsu Line
- Services commenced on the Hanwa Line

Operating status information app utilizing push notifications that delivers train operating information
Customer Satisfaction

Value provided to society
- Services that assure our customers of safety and reliability (including a railway with high transport quality)
- Comfortable and convenient services that perceive customer expectations and respond to diverse needs

Basic Approach
As the operator of a business with strong public service characteristics, the JR-West Group deepens communication with customers supported by the CS Vision and CS Think-and-Act Declaration, based on the confidence placed in us by our customers and society. Through this and by continuing the practice of customer-oriented management, we enhance the value we provide with the hope that we are developing customers into “fans of JR-West.”

Specifically, it is critical that we grasp our customers’ needs and expectations, and steadily reflect this information in safety and services based on social trends. Increasing transport quality is an issue of particularly great importance. By implementing meticulous, stable transport measures and promoting the enhancement and improvement of services, we will broadly communicate our initiatives to obtain society’s understanding of JR-West.

In order that even more customers become “fans of JR-West,” we will embed such initiatives in the corporate culture and aim to achieve customer-oriented management.

Taking on Board Customer Voices to Promote the Enhancement and Improvement of Services
We take customer voices seriously and respond. Customer voices, which include opinions, requests, gratitude and praise, are solicited directly by station staff and train crew as well as obtained from customer suggestion boxes set up at major stations. Additionally, the JR-West Customer Center responds to telephone calls and email inquiries and other contacts from customers. We strive to address each individual customer voice in detail and make efforts to reduce the time it takes to provide responses. Moreover, we utilize such methods as adding all customer voices to our database to assess trends in requests as well as identifying issues that need to be resolved to promote measures from the customer’s point of view.

Aims of the JR-West Group’s CS Initiatives (Medium-Term Management Plan)

- Advancing service enhancement and improvement
  - Enhance railway transport quality
    - Safe and secure responses to “customer voices”
    - Improvements based on “customer voices”
  - Enhance railway transport reliability
    - Stable transport services, reduced delay time
    - Enhanced information provision

- Enable customers to use our services with peace of mind
  - Barrier-free access, prevention of second-hand smoke, and sanitation measures

- CSR Value provided to society
  - Safety initiatives (Safety Think and Act Plan)

- Delivering peace of mind and assurance
  - Providing happenings to more customers

- Comfort without waiting
  - Making train stations more welcoming

- Peace of mind only natural
  - CS Vision 2017

Customer Voices in Fiscal 2015

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety</td>
<td>1,429</td>
</tr>
<tr>
<td>Services</td>
<td>1,362</td>
</tr>
<tr>
<td>Facilities, equipment, systems</td>
<td>11,394</td>
</tr>
<tr>
<td>Products</td>
<td>7,400</td>
</tr>
<tr>
<td>Other</td>
<td>44,915</td>
</tr>
</tbody>
</table>

Total 44,915

Building a Railway with High Transportation Quality

We are working to improve on-time performance and enhance information when there are service disruptions.

Preventing schedule disruptions and quickly restoring services
In addition to preventing schedule disruptions through maintenance and inspection of rolling stock and facilities, we have updated our train operation control system and undertaken measures to back operations throughout our service area in order to ensure services are quickly restored in the event disruptions do occur. Near Higashi-Kishiwada Station on the Hanwa Line, we have started a project to elevate the tracks in order to improve safety, alleviate traffic congestion, and improve traffic flow around the station. In fiscal 2015, we completed the first section of the tracks to be elevated from the station and we are now continuing with construction work on the other sets of tracks.

Speeding up announcements to customers
We are using IT to speed up announcements given to customers during service disruptions. This involves the distribution of tablet devices to station staff and train crew and the start of posting train operation information on our website. An operating status information app utilizing push notifications that deliver train operation information to customers’ devices whenever a delay or other issue occurs on the line they have preregistered launched in July 2015.

Providing comfortable facilities to customers
JR-West is working to beautify and renovate restrooms and make facilities at stations accessible to all (barrier-free) in response to the needs of all customers who use them. In fiscal 2015, we renovated restrooms along the Osaka Loop Line and other lines.

Enhancing information provided to customers
We are expanding free Wi-Fi services in response to the rising number of inbound visitors and the greater use of IT. In fiscal 2015, we began providing information on train operations in different languages via our website in an effort to enhance user convenience for inbound visitors.

- February 2015
  - Services commenced first on the Shikishima-bound elevated platform and trains on the Higashi-Kishiwada Station on the Hanwa Line
- December 2014
  - Begin free Wi-Fi on the Hakata-Limited Express in response to requests from inbound visitors
- March 2015
  - Launched the Wi-Fi services that do not require registration of onboard authentications at Kansai Airport Station
Coexistence with Communities

Value provided to society
- Development along railway lines that creates attractive communities to live and visit
- Tourism promotion with local partners that leverages the strengths of railways
- Working with local partners to invigorate communities through business development tailored to each area

Basic Approach
While the business risk brought by Japan’s declining population has become clearer than ever before, movements throughout Japan aimed at regional revitalization are accelerating, with positive outcomes from specific initiatives beginning to emerge. Given this situation, the JR-West Group remains steadfast in its commitment to build win-win relationships with local partners and work together with them toward the goal of invigoration. For the JR-West Group, which has railway operations as the core of its business, such efforts represent the key to its sustainable growth. That is why we emphasize being a “railway company that coexists with communities” under “Our Future Direction — The Ideal Form for JR-West” in the “JR-West Group Medium-Term Management Plan 2017,” which we are currently implementing.

Specifically, we believe it important to maintain dialog with local residents and establish human networks between residents and the Group in each area to achieve a common understanding of local issues and demands, and cooperate in exploring an ideal form for communities. We are also working to augment and improve lifestyle-related services so that stations can serve as the hub of each community.

Promoting collaborative efforts with local governments, businesses and schools
JR-West has worked alongside local governments, businesses and schools to enhance the value of railway belts through leveraging the characteristics of each area to create vibrancy and vigor in the community.

In the area of social contribution activities, the Group is continuing to engage in exchanges with the region in an operational level. At the same time, we hope to engage in initiatives that contribute to the resolution of local issues through leveraging the strengths of the JR-West Group.

Kansai Urban Area
- Enhance the value of our railway belts and urban areas. JR-West is working to create railway belts that are attractive to live near, visit, and travel in through development projects taking place mainly along its rail lines.

Enhancing the value of railway belts through station improvements and enhancement of lifestyle-related services
To enhance the value of railway belts while leveraging the unique characteristics of each area, we are working on integrated community development and redevelopment projects involving stations and the surrounding communities. We are also working to augment and improve lifestyle-related services so that stations can serve as the hub of each community.

Western Japan Area
- Develop businesses that leverage the attractions of each area. JR-West is working with local governments and businesses to develop projects that capitalize on the appeal of each station.

Improving the hub function of major stations and improving access to urban areas
In the Hiroshima urban area, we are working to enhance our city network and improve the hub function of Hiroshima Station and its surroundings by transitioning to an east-west line and the opening of Shink Hutchinson Station.

Further Enhancing Social Contribution Activities
JR-West continues to engage in activities focused on domains closely linked with its railway and other business operations.

Finding and sharing new local products in the Western Japan area
Leveraging its strengths, JR-West continues to search for and share appealing local products made in the Western Japan area.

Tourism promotion with local partners that leverages the strengths of railways
JR-West is working to promote tourism through the development of tourism resources and routes in partnership with local partners as well as Destination Campaigns (travel campaigns).

Working with local partners to find and share attractions in the Okayama area
JR-West has set up a special task force team to identify hidden tourism resources in the community in order to leverage the collective strengths of the JR-West Group in the Okayama area prior to the Okayama Destination Campaign set to be launched in the spring of 2016. This team is working with local community members to find traditional tourism resources in the area as yet unknown by the rest of Japan, such as scenery, arts and crafts, local cuisine and locally crafted alcohol. Those selected through a screening process will be promoted in various ways, either through pop-up shops set up inside stations, introductions on large screens at stations, or by being incorporated into hotel restaurant menus. The goal is to create visibility and create new tourism destinations while also expanding the sales channels of local products to help invigorate the community.
Coexistence with Communities

Value provided to society
- Development along railway lines that creates attractive communities to live and visit
- Tourism promotion with local partners that leverages the strengths of railways
- Working with local partners to invigorate communities through business development tailored to each area

Basic Approach
While the business risk brought by Japan’s declining population has become clearer than ever before, movements throughout Japan aimed at regional revitalization are accelerating, with positive outcomes from specific initiatives beginning to emerge. Given this situation, the JR-West Group remains steadfast in its commitment to build win-win relationships with local partners and work together with them toward the goal of invigoration. For the JR-West Group, which has railway operations as the core of its business, such efforts represent the key to its sustainable growth. That is why we emphasize being a “railway company that coexists with communities” under “Our Future Direction — The Ideal Form for JR-West” in the JR-West Group Medium-Term Management Plan 2017, which we are currently implementing.

Specifically, we believe it important for JR-West to maintain dialog with local residents and establish human networks between residents and the Group in each area to achieve a common understanding of local issues and demands, and cooperate in exploring an ideal form for communities. We furthermore aim to realize area management for long term, sustainable growth through building a win-win relationship with each community by strengthening cooperation with local governments and businesses, regarding development of stations and surrounding communities. We are also working to augment and improve railway-related services so that stations can serve as the hub of each community.

Invigorate the West Japan Area

Promoting collaborative efforts with local governments, businesses and schools
- JR-West has worked alongside local governments, businesses and schools to enhance the value of railway belts and urban areas through leveraging the characteristics of each area to create vibrancy and vigor in the community.

Coexistence with Communities—Overview

In the area of social contribution activities, the Group is continuing to engage in exchanges with the region on an operational level. At the same time, we hope to engage in initiatives that contribute to the resolution of local issues through leveraging the synergies of the JR-West Group.

Kansai Urban Area — Enhance the value of our railway belts and urban areas.

JR-West is working to create railway belts that are attractive to live near, visit, and travel in through development projects taking place mainly along its rail lines.

Enhancing the value of railway belts through station improvements and enhancement of lifestyle-related services
To enhance the value of railway belts while leveraging the unique characteristics of each area, we are working on integrated community development and redevelopment projects involving stations and the surrounding communities. We are also working to augment and improve railway-related services so that stations can serve as the hub of each community.

Western Japan Area — Develop businesses that leverage the attractions of each area.

JR-West is working with local governments and businesses to develop projects that capitalize on the appeal of each area.

Improving the hub function of major stations and improving access to urban areas
In the Hiroshima urban area, we are working to enhance our city network and improve the hub function of Hiroshima Station and its surroundings by transitioning to an over-track station and the opening of Shin-Hakushima Station.

Tourism promotion with local partners that leverages the strengths of railways
JR-West is working to promote tourism through the development of tourism resources and routes in partnership with local partners as well as Destination Campaigns (travel campaigns).

Finding and sharing new local products in the Western Japan area
Leveraging its strengths, JR-West continues to search for and share appealing local products made in the Western Japan area.

Further Enhancing Social Contribution Activities

Promoting initiatives that contribute to local communities
As a company closely engrained in the local community, JR-West carries out grassroots activities such as community events and safety classes. We also focus on contributing to solutions to issues faced by the community by utilizing the strengths of the JR-West Group.

Invigorate the Okayama Area

Promoting initiatives with local partners
- JR-West has set up a special task force team to identify hidden tourism resources in the community in order to leverage the collective strengths of the JR-West Group in the Okayama area prior to the Okayama Destination Campaign set to be launched in the spring of 2016. This team is working with local community members to find traditional tourism resources in the area as yet unknown by the rest of Japan such as scenery, art and crafts, local cuisine and locally crafted alcohol. Those selected through a screening process will be promoted in various ways, either through pop-up shops set up inside stations, introductions on large screens at stations, or being incorporated into hotel restaurant menus. The goal is to increase visibility to create new tourism destinations while also expanding the sales channels of local products to help invigorate the community.

| Image 345x419 to 487x524 |

| Image 346x120 to 427x217 |

| Image 970x575 to 1078x637 |

| Image 1084x575 to 1192x638 |

| Image 1088x392 to 1191x545 |
Human Resources/Motivation

Value provided to society
Greater customer peace of mind and reliability through human resources development and improved employee motivation

(Human resources development) Initiatives aimed at individual employee growth - individual vitality

(Job satisfaction) Creating workplaces that are rewarding and vibrant - organizational vitality

Basic Approach
JR-West requires individual employees to "think and act," which means independent thinking and acting.

In order to develop human resources with the ability to "think and act," we believe it is important to provide support for growth tailored to the individual aptitudes of employees. In addition, to support the growth of individual employees, we acquire and improve the knowledge, technology, skills, leadership, and management capabilities needed for accomplishing their work. We also provide support for employee growth through the establishment of a range of training programs as dictated by the themes and level of proficiency in conjunction with the job training (ODT).

We also make efforts to create workplaces that provide job satisfaction so that each employee can fully demonstrate their ability to "think and act." Through repeated active communication based on empathy between supervisors and subordinates and among colleagues, we share goals in the workplace, increase teamwork and motivation, and actively implement measures based on the insights and proposals of employees. (Thinking and acting based on the field).

We achieve goals and resolve issues as an organization through an accumulation of this kind of "thinking and acting." In addition, active participation and "thinking and acting" by diverse employees irrespective of age, gender, and other characteristics—including senior employees, female employees, employees with disabilities, employees who are juggling work with parenting or nursing—are essential for the growth of the JR-West Group. In addition to striving to enhance work-life balance, both in terms of programs such as reduced working hours and in terms of creating a workplace atmosphere that is conducive to the utilization of the programs, we also offer support for improving physical and mental health.

Moreover, human resources sustain the business operations of the JR-West Group. We believe that the demonstration of each employee's abilities to the fullest forms the driving force behind the improvement of safety and customer satisfaction, leading to trust from customers and eventually an increase in corporate value. We will continuously strive to develop human resources and improve job satisfaction in the future.

(Human Resources Development) Initiatives Aimed at Individual Employee Growth - Individual Vitality

JR-West is working to enhance practical ability and improve motivation at the individual employee level in an effort to achieve safety and peace of mind in daily railway operations and raise customer satisfaction (CS).

PDCA cycle for training based on understanding the individual
We assess each individual based on practical ability standards for the work-related skills and abilities necessary for every position and level, while visualizing the current situation of every employee. Training programs are decided based on this, with on-the-job training and group training tailored to the needs of the individual employees. This is part of the process for promoting a PDCA cycle for HR training in which the results of the training are reviewed and the individual is motivated to achieve the next target. We work to effectively improve the practical abilities of employees.

In fiscal 2015, we organized the status and issues of each branch of operations and worked to enhance the PDCA cycle implemented for human resource development.

As we approach the retirement of a large number of experienced employees, we pay attention to how to pass on the techniques and skills that underpin safety and CS, becoming an urgent matter. Accordingly, we are facilitating the transfer of knowledge and skills from experienced employees to younger ones, in addition to retaining retired employees.

Further developing and utilizing motivated employees
The basis for improving practical abilities can be found in continual efforts and innovation in daily work based on individual targets established by individual employees. Meanwhile, technology and expertise are continually improved through collaborative practical work with colleagues carried out based on the instructions or advice of supervisors and senior colleagues.

JR-West has myriad training programs intended to complement this type of on-the-job training. In addition to rank-based training that includes new employee orientation, we offer training based on occupational ability, where participants learn specialized knowledge, technologies, and techniques, and selective training that aims to develop future leaders of the company.

Additionally, we have an open "post-recruitment" system intended to develop highly motivated employees with a challenging spirit and ensure the right employees are placed in the right job assignment. In fiscal 2016, employees used the open post-recruitment system to apply for positions in rolling stock design and for the preparation of the opening of the Kyoto Railway Museum.

(Human Resources Acquisition)
Ensuring the Required Human Resources for Business Operations

JR-West is working to acquire human resources stability through diversity in hiring.

Securing human resources with a sense of mission and challenging spirit
To secure the needed human resources in the face of a changing employment environment, JR-West targets new graduates as well as contract workers, mid-career hires, and the re-hiring of employees that reached the age of mandatory retirement.

In fiscal 2016, we reached our goals for human resource hiring thanks to the expanded use of our corporate website to recruit workers. At the same time, we are working on labor-saving approaches to railway operations given the anticipated decline in the labor population going forward.

- Hiring in fiscal 2016

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>New graduates</th>
<th>Domestic contract workers</th>
<th>Mid-career hires</th>
<th>Re-hires</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>845 (21 females)</td>
<td>174 (56 females)</td>
<td>581 (135 females)</td>
<td>428 (1 female)</td>
</tr>
</tbody>
</table>

Furthermore, we have formulated initiatives in terms of both systems to support employees in the third "Kurumin mark" certification by the Ministry of Health, Labour and Welfare as a company complying with its standards.

- Work-life balance support book

This book, which is given to all employees, contains information about the company's childcare and nursing care leave systems as well as a compilation of employee stories about their experiences using such leave, in order to encourage greater work-life balance and support employees in their career development.

Women in the workplace
At JR-West, we believe in appointing the most suitable person for the job. This also applies to the promotion of women to executive and management positions.

The board of directors at JR-West comprises 14 members, which includes one woman. In June 2015, JR-West appointed its first-ever female executive officer. As for women in managerial positions, as of July 1, 2015, there are 41 female managers Group-wide, including one female holding the position equivalent to general manager (Group company president), which represents 3% of all managers and a 126% increase compared to fiscal 2006.

Since restrictions on women working late at night were abolished in a revision of the Labor Standards Act in 1999, we have prepared the necessary facilities and furthered the expansion of positions in which women can be active. Having continued to actively appoint women, the number of female employees stationed across all workplaces is 5,750 (approximately 16% of the total workforce) as of the fiscal year.

(Job Satisfaction)
Creating Workplaces that are Rewarding and Vibrant - Organizational Vitality

JR-West is working to harness the dynamism and contributions of each employee for positive organization-wide outcomes.

Supporting the development of workplaces that ensure positive mental and physical health
Based on the belief that corporate value is enhanced through a diverse workforce that includes both genders, as well as parents and caregivers, we are actively promoting work-life balance initiatives in terms of both systems to support employees in their professional and personal lives and the creation of workplace environments that make accessing these systems easier. For example, in fiscal 2015, some 500 employees, including 80 men, took childcare leave and nearly all of these employees returned to work after their leave was over, which shows that many employees take advantage of these systems.

Furthermore, we have formulated and are implementing a plan of action based on the Act on Advancement of Measures to Support Raising Next-Generation Children and have been awarded the third "Kurumin mark" certification by the Ministry of Health, Labour and Welfare as a company complying with its standards.
Value provided to society
Greater customer peace of mind and reliability through human resources development and improved employee motivation

Human resources development
Initiatives aimed at individual employee growth - individual vitality

Job satisfaction
Creating workplaces that are rewarding and vibrant - organizational vitality

Basic Approach
JR-West requires individual employees to "think-and-act," which means independent thinking and acting. In order to develop human resources with the ability to "think-and-act," we believe it is important to provide support for growth tailored to individual aptitudes of employees. In addition to dedicated training for individual employees to acquire and improve the knowledge, technology, skills, leadership, and management capabilities needed for accomplishing their work, we provide support for employee growth through the establishment of a range of training according to themes and levels of proficiency in conjunction with the daily training (DIT). We also make efforts to create workplaces that provide job satisfaction so that each employee can fully demonstrate their ability to "think-and-act." Through repeated active communication based on empathy between supervisors and subordinates and among colleagues, we share goals in the workplace, increase teamwork and motivation, and actively implement measures based on the insights and proposals of employees ("thinking and acting on the field"). We achieve goals and resolve issues as an organization through an accumulation of this kind of "thinking and acting." In addition, active participation and "thinking-and-acting" by diverse employees irrespective of age, gender, and other characteristics—including senior employees, female employees, employees with disabilities, employees who are juggling work with parenting or nursing—are essential for the growth of the JR-West Group. In addition to striving to enhance workplace atmosphere that is conducive to the utilization of the programs, we also offer support for improving physical and mental health. Green workplaces sustain the business operations of the JR-West Group. We believe that the demonstration of each employee’s abilities to the fullest forms the driving force behind the improvement of safety and customer satisfaction, leading to trust from customers and eventually an increase in corporate value. We will continue striving to develop human resources and improve job satisfaction in the future.

Human Resources Motivation

Human Resources/Motivation

Further developing and utilizing motivated employees
The basis for improving practical abilities can be found in continual efforts and innovation in daily work based on individual targets established by individual employees. Meanwhile, technology and expertise are continually improved through collaborative practical work with colleagues carried out based on the instructions or advice of superiors and senior colleagues. JR-West has myriad training programs intended to complement this type of on-the-job training. In addition to rank-based training that includes new employee orientation, we offer training based on occupational ability, where participants learn specialized knowledge, technologies, and techniques, and selective training that aims to develop the future leaders of the company.

Additionally, we have an open "post-recruitment" system intended to develop motivated employees with a challenging spirit and ensure the right employees are placed in the right job assignment. In fiscal 2016, employees used the open post-recruitment system to apply for positions in rolling stock design and for the preparation of the opening of the Kyoto Railway Museum.

Introduction

Human Resources Development
Initiatives Aimed at Individual Employee Growth - Individual Vitality

We believe that the demonstration of each employee’s abilities to the fullest forms the driving force behind the improvement of safety and customer satisfaction, leading to trust from customers and eventually an increase in corporate value. We will continue striving to develop human resources and improve job satisfaction in the future.
Global Environment

Value provided to society
- Energy efficient and resource-saving railway
- Avoiding environmental risks
- Co-existence with communities and nature

Basic Approach
Initiatives for protecting the global environment are an important social responsibility that corporations are called upon to fulfill. Based on this recognition, in order to further elevate the environmental advantage that railways possess (lower CO2 emissions per unit of transport volume), we have established environmental targets in the JR-West Group Medium-Term Management Plan 2017.

<table>
<thead>
<tr>
<th>Environment Targets</th>
<th>Fiscal 2015 Target</th>
<th>Fiscal 2015 Actual</th>
<th>Fiscal 2016 Target</th>
<th>Fiscal 2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumption volume (entire company) (vs. fiscal 2011)</td>
<td>(1%)</td>
<td>(2%)</td>
<td>(2%)</td>
<td>(2%)* 1, 2</td>
</tr>
<tr>
<td>Energy-saving rolling stock as a percentage of total rolling stock</td>
<td>79%</td>
<td>79%</td>
<td>81%</td>
<td>83%</td>
</tr>
<tr>
<td>Energy consumption rate (vs. fiscal 2011)* 1, 2</td>
<td>(1%)</td>
<td>(3%)</td>
<td>(1%)</td>
<td>(1%)</td>
</tr>
<tr>
<td>Recycled rate of disposable garbage from stations and trains</td>
<td>96% or greater</td>
<td>98%</td>
<td>96% or greater</td>
<td></td>
</tr>
<tr>
<td>Railway material recycle rate</td>
<td>Facility construction</td>
<td>96% or greater</td>
<td>99%</td>
<td>96% or greater</td>
</tr>
<tr>
<td>Rolling stock</td>
<td>91% or greater</td>
<td>91%</td>
<td>91%</td>
<td>91% or greater</td>
</tr>
</tbody>
</table>

1) The energy consumption rate is the amount of energy consumed per rolling stock-kilometer (RSL Rolling-km).
2) Includes initiatives in the Medium-Term Management Plan.
3) The Fiscal 2018 targets consider the estimated increase in energy consumption related to the start of Hakataaka 5K km/h service operations.

Energy-Saving Initiatives for Preventing Global Warming
We are working to reduce the energy consumption of rolling stock and stations to become a more environmentally friendly railway.

Reducing energy consumption
To reduce the amount of energy used to operate trains, which accounts for 89% of the energy JR-West consumes, we are moving forward with the adoption of more energy-efficient rolling stock. At the end of fiscal 2011, energy-efficient rolling stock accounted for 79% of our fleet and plans call for further additions in urban areas, where the energy-saving effect is rather large. We are also making efforts to operate trains with less energy, such as shortening acceleration and lengthening coasting.

Energy consumed at stations accounts for 14% of the total, so in addition to diligently cutting back on electricity usage, we have created Eco Station Design Guidelines to further reduce energy usage by segmenting power circuits and updating lighting as well as air conditioning equipment. We have also adopted nature-friendly designs at some new stations and renovated stations, which unlike sunlight, wind or rainfall.

Rolling out Eco Stations
We have established Eco Station Design Guidelines and are working to make environmentally conscious stations by adopting energy-saving devices, and utilizing natural illumination and rainwater in newly built and renovated stations.

As exemplified by Maya Station (provisional name), which is set to open in the spring of 2016 and will be equipped with a direct current electric power converter able to utilize regenerative electric power* at the station.

* Regenerative electric power: Electric power generated using motors that are driven when trains apply their brakes.

Contributions to Building a Recycling-Oriented Society (Savings Resources)
We are striving to reduce and reuse garbage from stations, garbage on board trains, and construction waste.

Initiatives to reduce waste from railways
With the helpful cooperation of passengers, we are separating and recycling garbage collected in stations and on board trains. In addition, we are working toward implementing the 3Rs (reduce, reuse, recycle) with regard to railway materials such as rolling stock, rails, crossties, and ballast. In fiscal 2015, we reduced waste from facility construction by 99% and waste from rolling stock by 91%.

- Construction waste is recycled into landscaping stones
- Status of 3Rs for Railway Material (Fiscal 2015)
- Recycling rate of recyclable garbage from stations and trains (Fiscal 2015)
Global Environment

Value provided to society
- Energy efficient and resource-saving railway
- Avoiding environmental risks
- Co-existence with communities and nature

Basic Approach
Initiatives for protecting the global environment are an important social responsibility that corporations are called upon to fulfill. Based on this recognition, in order to further elevate the environmental advantage that railways possess (lower CO2 emissions per unit of transport volume), we have established environmental targets in the JR-West Group Medium-Term Management Plan 2017.

[Basic Concepts]
1. Aiming to be a corporate group that is friendly to the global environment, we will engage in appropriate and effective resource usage.
2. We will develop technologies and engage in creative innovation to protect the global environment.
3. We will act with a constant awareness of the need to protect the global environment.

Corporate social responsibilities

Environment Targets

<table>
<thead>
<tr>
<th>Item</th>
<th>Fiscal 2015 Target</th>
<th>Fiscal 2015 Actual</th>
<th>Fiscal 2016 Target</th>
<th>Fiscal 2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumption volume (entire company) (vs. fiscal 2011)</td>
<td>(1%)</td>
<td>(2%)</td>
<td>(2%)</td>
<td>(2%) **</td>
</tr>
<tr>
<td>Same as above (for conventional line operation, station offices, etc.) (vs. fiscal 2011)</td>
<td>(5%)</td>
<td>(9%)</td>
<td>(8%)</td>
<td>(9%) **</td>
</tr>
<tr>
<td>Energy-saving rolling stock as a percentage of total rolling stock</td>
<td>79%</td>
<td>79%</td>
<td>83%</td>
<td>83%</td>
</tr>
<tr>
<td>Energy consumption rate (vs. fiscal 2011) **</td>
<td>(1%)</td>
<td>(2%)</td>
<td>(3%)</td>
<td>(3%) **</td>
</tr>
<tr>
<td>Recycling rate of recyclable garbage from stations and trains</td>
<td>96% or greater</td>
<td>98%</td>
<td>96% or greater</td>
<td>96% or greater</td>
</tr>
<tr>
<td>Railway material recycling rate</td>
<td>Facility construction 96% or greater</td>
<td>99%</td>
<td>96% or greater</td>
<td>96% or greater</td>
</tr>
<tr>
<td>Rolling stock 91% or greater</td>
<td>91%</td>
<td>91%</td>
<td>91% or greater</td>
<td></td>
</tr>
</tbody>
</table>

* The energy consumption rate is the amount of energy consumed per rolling stock-kilometer (MJ/Rolling stock-km).
** Includes initiatives for preventing global warming.
*** The Fiscal 2018 targets consider the estimated increase in energy consumption related to the start of Tokai 5th Plume system operations.

Energy-Saving Initiatives for Preventing Global Warming
We are working to reduce the energy consumption of rolling stock and stations to become a more environmentally friendly railway.

Reducing energy consumption
To reduce the amount of energy used to operate trains, which accounts for 89% of the energy JR-West consumes, we are moving forward with the adoption of more energy-efficient rolling stock. At the end of fiscal 2011, energy-efficient rolling stock accounted for 79% of our fleet and plans call for further additions in urban areas, where the energy saving effect is rather large. We are also making efforts to operate trains with less energy, such as shortening acceleration and lengthening coasting.

Energy consumed at stations accounts for 14% of the total, so in addition to diligently cutting back on electricity usage, we have created Eco Station Design Guidelines to further reduce energy usage by segmenting power circuits and using lighting as well as air conditioning equipment. We have also adopted a variety of energy-saving initiatives at stations and in offices and promoting energy-saving initiatives to attract a larger number of passengers to select rail as their choice for transportation. In conjunction with these efforts, we are putting increased effort toward having each and every employee reduce environmental impacts in his or her everyday business activities, while avoiding environmental risks with due regard for legal compliance.

Rolling out Eco Stations
We have established Eco Station Design Guidelines and are working to make environmentally conscious stations by adopting energy-saving devices, and utilizing natural illumination and rainwater in newly built and renovated stations.

We are aiming for new levels of energy-saving stations, as exemplified by Maya Station (provisional name), which is set to open in the spring of 2016 and will be equipped with a direct current electric power converter able to utilize regenerative electric power* at the station.

* Regenerative electric power: Electric power generated using motors that are driven when trains apply their brakes.

Contributions to Building a Recycling-Oriented Society (Saving Resources)
We are striving to reduce and reuse garbage from stations, garbage on board trains, and construction waste.

Initiatives to reduce waste from railways
With the help of cooperation from our passengers, we are separating and recycling garbage collected in stations and on board trains. In addition, we are working toward implementing the 3Rs (reduce, reuse, recycle) with regard to railway materials such as rolling stock, rails, crossties, and ballast. In fiscal 2015, we reduced waste from facility construction by 99% and waste from rolling stock by 91%.

- Construction waste is recycled into landscaping stones

- Status of 3Rs for Railway Material (Fiscal 2015)

- Recycling rate of recyclable garbage from stations and trains (Fiscal 2015)

Recycling rate of recyclable garbage from stations and trains (Fiscal 2015)