

Coexistence with communities

The value we provide

- We provide safe and sustainable railway operation and transportation services and help communities where people want to visit and live and realize their visions for the future of their communities
- As a corporate group providing social infrastructure centered on railway services, we support people's lifestyles by offering safe and high-quality railway and lifestyle services

Message from the officer responsible

Helping build attractive communities for visiting and residing for a safe and flourishing society

Communities in Japan are facing a severe social and economic outlook as the country's shrinking population leads to smaller markets and a diminishing labor force. In addition, the changing climate is expected to bring more intense weather events and environmental impacts. On the positive side, several trends and developments in our business region will bring opportunities for growth, including the growing number of tourists from overseas, benefits from the extension of the Hokuriku Shinkansen and the openings of the Umekita (Osaka) underground station and Naniwasuji Line, and major international events such as the Osaka-Kansai World Expo 2025.

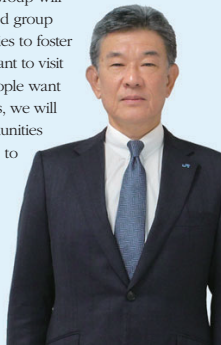


In fiscal 2019, the first year of the JR-West Group Medium-Term Management Plan 2022, we steadily advanced the Setouchi Palette Project, a plan to work with communities to revitalize the regional appeal, along with measures to increase the value of railway belts by taking advantage of opportunities to add new train lines and stations to our railway network. Although our

group operations were strongly impacted by the series of natural disasters that included the Northern Osaka Prefecture Earthquake, the Heavy Rain Event of July 2018, and direct hits from large typhoons, the local governments and citizens in the afflicted regions are working together to bring about a quick rehabilitation and reconstruction.

As a provider of social infrastructure centered on railway services, the JR-West Group will continue advancing a concerted group effort working with communities to foster cities and towns that people want to visit and train lines along which people want to live. Through those activities, we will contribute to stimulating communities and economies and do our part to create a safe and flourishing society filled with meetings among people and smiles.

Atsushi Sugioka
Director and Senior Executive Officer
Senior General Manager of
Corporate Planning Headquarters



Initiatives in fiscal 2019

- Launched the Setouchi Palette Project to boost the appeal of the Setouchi region and attract repeat visitors from across Japan and overseas
- Increased the value of railway belts by expanding our railway network with the extension by linking the Shin-Osaka and Hanaten stations of the Osaka Higashi Line and adding the new Umekoji-Kyotonishi Station on the Sagano Line
- Joined with local citizens and governments in areas afflicted by natural disasters, such as the Heavy Rain Event of Japan, to rehabilitate and reconstruct communities

Future issues

- Enhancing wide-area railway networks, centered on the Shinkansen
- Presenting the western Japan area as an appealing destination for inbound tourism
- Establish the Kansai metropolitan brand by raising railway belt value in the Kansai Urban Area
- Promoting wide-area tourism zones and implementing city development initiatives to create convenient, lively cities, centered on core cities in western Japan

Preparing with communities for earthquake and tsunami

Training safety evacuation leaders in anticipation of a major earthquake along the Nankai Trough

The Kinokuni Line is a long, scenic railway line running along the coast of the Kii Peninsula. Due to its proximity to the ocean, we made various safety preparations for the event of an earthquake and subsequent tsunami affecting the line. The preparations included equipping trains with pamphlets of tsunami hazard maps for all passengers, placing evacuation markers and guides on telephone poles along the line, and conducting evacuation drills using actual trains for passengers and local citizens.

In addition, we opened our tsunami preparation activities to a wider group of the local population by enlisted Wakayama University associate professor Kazuhiro Nishikawa to create a special *Tetsugaku** course integrating disaster response for trains and a real train to practice the drills to provide an engaging way to practice evacuation from a train and increase the number of evacuation leaders in the area.



View from outside the Company

The JR-West Wakayama Branch Office has been conducting tsunami disaster drills with employees, their families, local governments, and others since before the 2011 Tohoku Earthquake. High school students make up the greatest proportion of passengers on the Kinokuni Line. I realized that high school students would make ideal evacuation leaders and began planning hands-on safety drills that they could participate in.



holding the drills could give a community a reputation as a dangerous place to live or visit. The *Tetsugaku* course combining disaster preparation education and a real local train car for practice

I also realized a few truths that make communities reluctant to conduct about disaster drills: 1) they are costly and a lot of work to present, 2) the participants are only people who already know the danger of disasters, and 3)

drills was created to overcome these issues. To date, we are pleased to have offered the course seven times as it is being incorporated to package tours and the disaster preparation lessons at high schools. I am hoping the course will become a mainstay and an important part of our connections with the communities.

In February 2019, Wakayama University and the JR-West Wakayama Branch created a cooperative agreement to create programs ranging from disaster prevention and tourism to local citizen's education to contribute to making more connections among the people in the communities. I want to also play an active role in those activities.



Kazuhiro Nishikawa
Associate Professor,
Wakayama University

Working with Local Citizens to Build Disaster Ready Communities

I was part of the team that presented the *Tetsugaku* tsunami evacuation drills. I acted as the train conductor, and my role was to run ahead to the evacuation grounds and call out as loud as I could to tell people leaving the train car which way to go. The uneven ground beside the tracks made it difficult to move quickly, but everyone helped each other along, encouraging each other to keep moving. The evacuation went smoothly and safely. I think that if people helped each other like that in a

real situation, they would arrive safely at the evacuation grounds even more quickly.

On the train line where I usually conduct the trains, they say that a tsunami could reach us as quickly as 11 minutes after an earthquake. I want to continue increasing the knowledge and skills of our passengers and providing safety practice drills so that all of the people in our local communities are prepared to respond in the event of an emergency.



Sae Aoki
Train Driver, Wakayama Train Driver's Unit
Wakayama Branch

* *Tetsugaku* is railway safety training course that includes visiting local train lines and facilities and practicing evacuating from an actual train in the event of a tsunami.

Fostering local business

Land-based aquaculture business — Promoting industry and creating jobs

The JR-West Group also contributes to local economies by promoting new industries and creating employment opportunities. One of these activities was the launch of our land-based aquaculture business in June 2017. Land-based aquaculture is a sustainable production method that enables proper management of the cultivation and safe, secure, and consistent quality seafood. In addition, it is unaffected by weather or natural disasters and does not contribute to the depletion of natural resources from overfishing. Our first venture in the land-based aquaculture field is currently underway in Tottori Prefecture, where we are raising mackerel.

Land-based aquaculture is still a developing industry the quality of the seafood being produced is not yet widely recognized. We established the Premium Organic Fish certification brand,

known as the PROFISH brand, based on our high standards for land-based seafood production to establish a recognizable standard for high-quality production management methods in this promising industry. We will continue to increase awareness of this growing part of the seafood industry, and through our operations contribute to local industry and employment.



"Ojosaba" mackerel raised in Tottori Prefecture

Looking for ways to stimulate industry and employment beyond our own businesses



Hiroaki Ishikawa
Chief Manager
Business Development Headquarters

When we started focusing our attention on community revitalization, the first primary industry that came to mind was agriculture. In our first foray, we joined with Tottori Prefecture to cultivate mackerel for raw consumption, which had been considered extremely difficult. After this initial success, we are now looking to team with Tottori again to cultivate flounder and also considering producing new specialty products of masu salmon in Toyama Prefecture, oysters and kuruma prawns in Hiroshima Prefecture, and tiger pufferfish in Yamaguchi Prefecture.

These ventures would not be

successful if we approached the idea of helping revitalize communities merely with the desire to "do something for the community." Our approach is to work closely with the communities by meeting with various people and listening to their ideas and then considering what is in our ability to do. Also, in addition to looking to start a new business, we also give significant thought to its ability to promote local industry and create jobs. Our land-based aquaculture business is leading to the creation of new activities, such as the branding of locally produced seafood products, and I would like to continue building the business until it is as large as our station building and real estate businesses.

Building attractive urban spaces

City development planning with local governments and medical institutions

The cities of Suita and Settsu are developing a health and medical zone outside of Kishibe Station on the JR Kyoto Line. Centered on the National Cerebral and Cardiovascular Center, the area will be known as "Kento," an abbreviation of Northern Osaka Health and Biomedical Innovation Town. The JR-West Group is seeking to complement Kento with our VIERRA Kishibe Kento project at the Kishibe Station. The project's development concept is focused on providing commercial space to serve a "health promotion

function" in line with the Kento concept and to serve a "lifestyle convenience function" for the local population.



VIERRA Kishibe Kento

Safe and sustainable railway and transportation services

As elsewhere, the environment for our public transportation business is changing on almost a daily basis amid evolving transportation needs, Japan's declining birthrate and aging population, and the intensifying natural calamities.

We will continue to promote the economic activity along our railway belts and support local urban development plans with safe and reliable railway operation and transportation services.

We conduct various activities to promote the special attractions of the western Japan. One example is our collaboration with the Japan Agricultural cooperative JA Kinosato to present a Food & Train tour to travel and enjoy the abundant farm-fresh fruit available along the Wakayama Line.

Actively promoting and advertising attractions along our train lines supports our ability to provide safe and sustainable railway operation and transportation services.



On the Food & Train tour

Featuring our railway assets to boost a local economy

The former Uzui Station on the unused JR Sanko Line in Onan, Shimane Prefecture is a local sightseeing destination known as the "Station in the Sky" because its boarding platform is some 20 meters above the ground. Although no longer in use, the station was one of several railway assets that JR-West bequeathed to Onan in June 2019. We will be providing technical support and tourism expertise to the city's plan to create a railway park using the railway assets.

View from outside the Company

When the old JR Sanko Line became obsolete, we thought that there must be some way the city could use the railway facilities as a "local resource" to stimulate economic activity. We knew that the "Station in the Sky" was popular among train enthusiasts and thought it could be developed into a tourism asset for the town.

In fiscal 2019, JR-West loaned the station and tracks to a local NPO who conducted a special event to gauge public interest in the site. The event attracted a large crowd to ride a special dolly on the tracks, enjoy noodles sliding down a watery chute on the 116 steps from the train platform, and an evening illumination show. The success led in the city accepting ownership of the Uzui and Kuchiba stations and their railway grounds in June 2019.

The town is currently arranging to develop the facilities into a railway park. We are teaming with JR-West, local citizens, and government agencies to bring in top-level eateries, plan cultural events, and other attractions that will appeal to train enthusiasts and tourists across the country. We expect the park to have a positive impact on the economic activity in our region.



Ryoji Ishibashi
Mayor
Onan Town



The trolley car on the former Uzui Station tracks