



# Risk management

## JR-West Group's approach to risk management and internal control

To facilitate efforts aimed at creating new value in line with the Long-Term Vision and Medium-Term Management Plan 2025, we are establishing a company-wide risk management system in fiscal 2024 that will monitor, as well as track the current status of management of, important operational risks to be addressed by the Group.

Also, following our transition to being a company with an audit and supervisory committee, we are working to increase the effectiveness of our internal control system as a foundational element of value creation by pursuing more monitoring-focused management and developing a more robust Group management structure. In line with this, we are revising our basic policy to prioritize and summarize its content and are creating new internal regulations to clarify and systematize director duties as well as the allocation of duties with regard to specific initiatives.

### Group risk management

As part of the company-wide risk management system, the Group Risk Management Committee, chaired by the president, looks at the risks identified and selected by each department within JR-West (corporate), as well as each of our group companies (including in-house companies), compiles a list of those that must be addressed by management, and then monitors the status of their management.

A president's management review of the status of risk management confirmed by the committee is carried out. The results of this are reflected in risk management planning for the

next fiscal year, and the state of discussion by the committee is reported to the Board of Directors.

#### ■ Company-wide risk management system



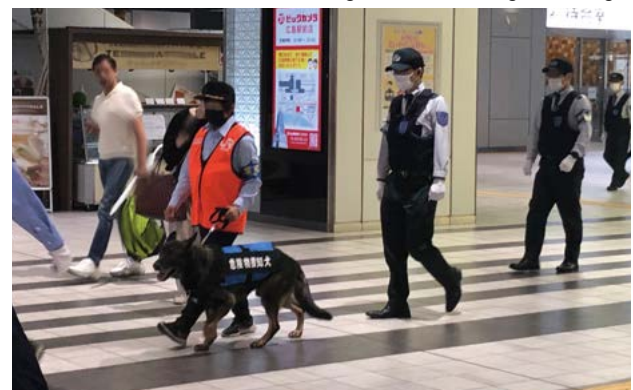
### Crisis management

- In order to ensure a swift and appropriate first response in the face of a diverse array of possible crisis situations, such as natural disasters, infectious diseases, or terrorism, we have developed systematized rules and manuals, established an emergency information communication system, conduct regular drills, and undertake various other measures.
- In light of current events and concerns, during large-scale events like the G7 Summit, the entire JR-West Group is working to ensure heightened vigilance and security by conducting strengthened patrols of stations, trains, and important facilities. We also take other steps such as implementing high-tech security measures utilizing AI cameras and other state-of-the-art technology.
- We have created a BCP (business continuity plan), which ensures that we can flexibly adapt our business execution structure to the level of crisis faced.
- In order to mitigate risks to customer safety, we are pursuing food safety and building and equipment safety initiatives. For both, we have formulated common guidelines for the JR-West Group and are working to improve and maintain

safety and quality levels for the entire Group.

Regarding food safety, we collaborate with specialized consulting companies to carry out initiatives that will prevent food poisoning, health hazards, and legal violations. These efforts include improving the effectiveness of daily hygiene management, quality control and internal audits, and adapting to changing laws and regulations.

#### ■ G7 Hiroshima Summit: Detection dogs look out for dangerous things



(Photo: Central Security Patrols Co., Ltd.)