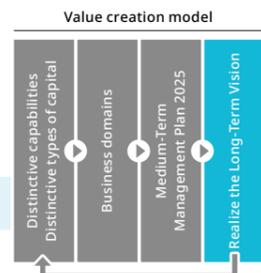


# Value creation for realizing the Long-Term Vision

## Long-Term Vision 2032 and key business issues (materiality)

In line with Our Purpose, the JR-West Group has formulated its Long-Term Vision 2032, which outlines the vision for the Group in 2032. As part of this, we have set four priority issues to address: creating safe, worry-free transportation that is kind to people and the planet, building vibrant communities where people move about freely, contributing to convenient and abundant lifestyles for all people, and fostering a sustainable society. Underpinning all of this are the two issues of caring for the global environment and recognizing human resource development as a source of value creation. Altogether, these six issues are designated as key business issues (materiality).



## Process for identifying key business issues (materiality)

From the perspective of making effective use of limited resources, we have held management-level discussions on key business issues (materiality) that are particularly connected with improving our corporate value. In order to identify materiality, we first needed to identify relevant social issues, from which we created a list of candidates that were then evaluated along two axes: social value (impact on society) and economic value

(impact on JR-West). Those deemed to have high social and economic value were selected. In addition, based on discussions for the formulation of Our Purpose, Long-Term Vision, and Medium-Term Management Plan, we tried to anticipate what changes and resulting social issues will emerge over the next 10 years and, given these, what sort of material issues will arise.

### Specific process leading to materiality identification

#### STEP 1 Comprehensive understanding of social issues

We identified social issues to be addressed from an ESG perspective, referring to the FTSE ESG external evaluation items and the SASB Standards for ESG disclosure. We also identified social issues from the perspective of the SDGs and created a candidate list of material issues.

#### STEP 2 Prioritizing issues from the perspective of the JR-West Group

We prioritized the issues to be addressed by comparing the list of materiality candidates identified in Step 1 with risks, opportunities, and relationship with our corporate philosophy.

#### STEP 3 Prioritizing issues based on the degree of impact on society and JR-West

Based on evaluations and comments from stakeholders, including investors, and ESG rating agencies, we prioritized issues to be addressed from the perspectives of impact on society and our company.

#### STEP 4 Identification of materiality

Based on the list of materiality candidates compiled in Step 2 and Step 3, we selected six material issues as priority areas with high social and economic value in discussions at the management level (Board of Directors). In the selection process, the discussions on the formulation of Our Purpose, Long-Term Vision, and Medium-Term Management Plan were also reflected. The Board of Directors regularly reviews the status of initiatives, and the Sustainability Committee monitors whether they lead to the creation of social value.

#### STEP 1-STEP 2 ■ Listing materiality candidates

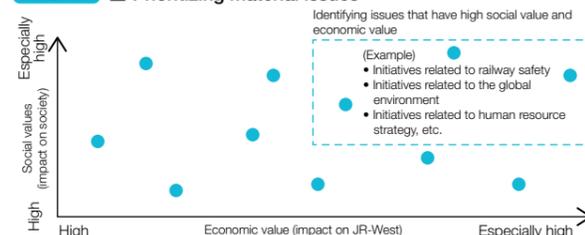
Identification of social issues based on ESG external evaluation items and ESG disclosure standards (example)

	E (environment)	S (social)	G (governance)
FTSE	<ul style="list-style-type: none"> <li>Biodiversity</li> <li>Climate change</li> </ul>	<ul style="list-style-type: none"> <li>Customer responsibility</li> <li>Human rights and the community</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Transparency of taxes</li> </ul>
SASB Standards	<ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Energy management</li> </ul>	<ul style="list-style-type: none"> <li>Product and quality safety</li> <li>Employee health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Business ethics</li> <li>Critical incident management</li> </ul>

Identification of social issues based on the SDGs (example)

Relevance to JR-West Group businesses	E (environment)	S (social)	G (governance)
Especially high	<ul style="list-style-type: none"> <li>Climate change measures</li> <li>Conserving marine resources</li> </ul>	<ul style="list-style-type: none"> <li>Customer responsibility</li> <li>Human rights and the community</li> </ul>	<ul style="list-style-type: none"> <li>Efficient public-private-civil society partnerships</li> </ul>
High	<ul style="list-style-type: none"> <li>Ensuring the sustainability of water and sanitation</li> <li>Securing sustainable energy</li> <li>Preventing loss of biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring women's participation and equal leadership</li> </ul>	
Low		<ul style="list-style-type: none"> <li>Poverty eradication</li> <li>Ensuring healthy lives</li> <li>Ensuring high-quality education</li> </ul>	

#### STEP 3 ■ Prioritizing material issues



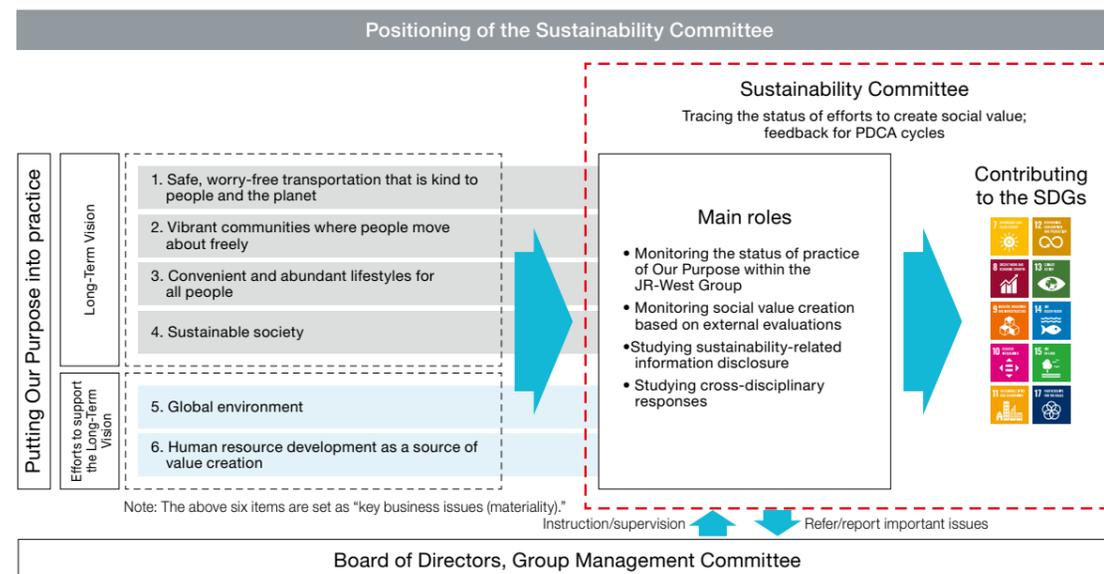
#### STEP 4 ■ 6 material issues

- Long-Term Vision**
  - Safe, worry-free transportation that is kind to people and the planet
  - Vibrant communities where people move about freely
  - Convenient and abundant lifestyles for all people
  - Sustainable society
- Efforts to support the Long-Term Vision**
  - Global environment
  - Human resource development as a source of value creation

## Sustainability management promotion system

We have established a Sustainability Committee to deliberate and report on sustainability-related risks, opportunities, and initiatives. The Committee, in principle, meets twice a year. It is chaired by the president and is comprised of executive directors in charge of Head Office departments and heads of related departments in charge of sustainability initiatives and information disclosure. Deliberation content and reports are reviewed at meetings of the Board of Directors and the Group Management Committee. The initiatives are confirmed following repeated discussions, which also include outside directors.

Part of sustainability management, we believe, is sharing and communicating the initiatives we are undertaking with regard to materiality, as well as Our Purpose, which underpins those initiatives. The Sustainability Committee implements a PDCA cycle that involves taking a comprehensive look at the progress being made in each area to put Our Purpose into practice and realize our Long-Term Vision; considering factors such as external evaluations, progress toward goals, and any issues identified; and then, providing feedback to the relevant departments.



## Third-party ESG evaluations

We have been selected as a constituent stock of the following ESG indices.

### 2024 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

THE INCLUSION OF West Japan Railway Company IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF West Japan Railway Company BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI, MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.



## Towards realizing our Long-Term Vision

To achieve our Long-Term Vision, we will continue working tirelessly to improve railway safety and to revitalize the mobility services field, centered on railways, as well as take on the challenge of expanding the life design field. By building an optimal business portfolio, we will grow into a corporate group that is continuously creating value well into the future.

