

JR-WEST GROUP

Long-Term Vision 2032

Medium-Term Management Plan 2025

- Post-pandemic challenges -



Connect more. Spring into the future.



West Japan Railway Company

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1 Formulation of the Plan

Review of Revised Medium-Term Management Plan 2022

In light of the impact from the COVID-19 pandemic, JR-West created four basic aims and four strategic axes to guide reforms aimed at transformation and reconstruction.

Four basic aims

Protect mission as a social infrastructure company

Protect safety of customers and employees

Protect hiring of employees

Protect supply chain

Four strategic axes

Enhancing safety, with the Fukuchiyama Line derailment accident as the starting point

- Sincere response to the victims of the Fukuchiyama Line train accident
- Advance initiatives based on essential perspectives in achieving safety
- Implement safety measures at train platforms and crossings

Enhancing coexistence with local communities and taking on the challenge of creating new value

- Advance city development with major station projects (near Osaka Station, Hiroshima Station, etc.)
- Discuss state of regional transportation systems (local lines) with communities
- Incorporate coexistence with local communities into business models, create new business pillars

Strengthening management

- Advance cost structure reforms, such as productivity improvements in each department
- Improve ability to address rapid changes in business environment and reinforce financial foundation through capital increases

Reforming the company to enhance our ability to address change

- Accelerate Groupwide measures in digital strategies and new business domains, etc.
- Create a framework for human resource training to support self-guided career formation

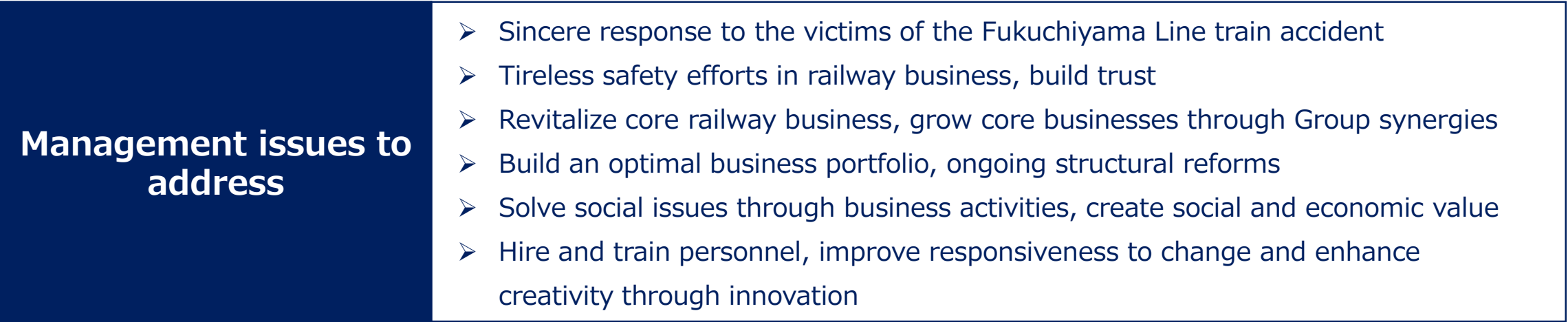
Missed numerical targets but made steady progress in transformation and reconstruction

| | FY21.3 | FY22.3 | FY23.3 | |
|---------------------------------|-----------------|-----------------|-----------------|---|
| | | | Results | Targets in revised medium-term management plan* |
| Consolidated operating revenues | ¥920.0 billion | ¥1031.1 billion | ¥1395.5 billion | ¥1450.0 billion |
| EBITDA | ¥(70.8) billion | ¥42.9 billion | ¥243.6 billion | ¥330.0 billion |

*Figures are before the application of the "Accounting Standard for Revenue Recognition"

Recognized Issues and Business Strategy Aims

Steadily advance ongoing initiatives and address management issues in light of rapid changes in business environment



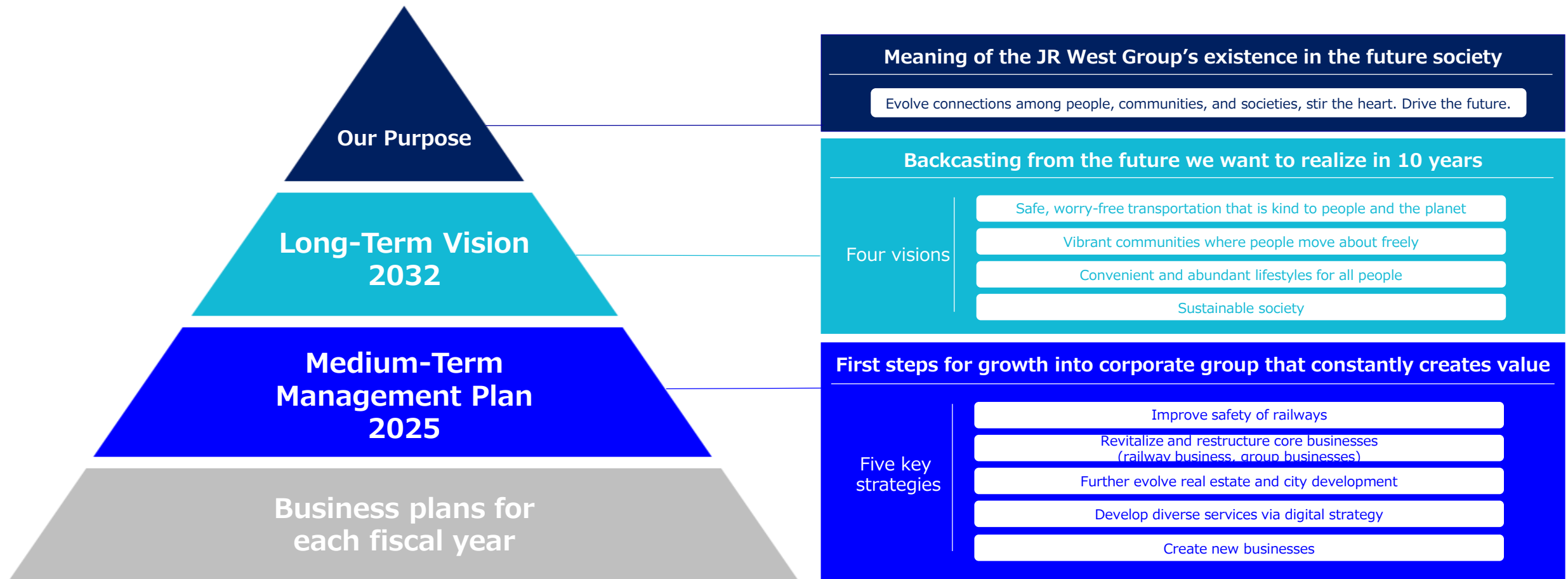
- JR-West created Our Purpose as a vision for its future self, revisiting the meaning of the JR West Group’s existence to become a corporate group able to constantly create value in future society.
- JR-West drew up the medium-term management plan for 2025 as the first step toward its Long-Term Vision for 10 years from now.



2 Our Purpose and Long-Term Vision

JR-West Group's Value Creation System

JR-West aims to evolve into a corporate group that creates value in the future while striving to achieve Our Aspirations in light of future society and issues.



Our Purpose

Evolve connections among people,
communities, and societies,
stir the heart. Drive the future.

We continuously work to enhance safety and security.

While connecting people to people, people to communities and people to society in the real and digital worlds, we strive to solve regional issues, starting in western Japan.

With the aim of creating a sustainable and vibrant future, we cooperate with our various partners to realize the lifestyles desired by all people.

| Value provided to stakeholders | Customers | Communities and society | Partners | Shareholders | Coworkers |
|-----------------------------------|---|--|--|--|---|
| | Convenient and abundant lifestyles with ideal services that all people can trust and rely upon for safety | A sustainable and vibrant future with attractive city development and solutions for local issues | Co-creation of new value through relationships and trust with various partners | Sustained improvement in corporate value and shareholder value | Workplaces where all employees are motivated and can utilize their skills to the utmost, work environments where employees pull together and create synergies |

Long-Term Vision 2032

Realizing Our Purpose and Long-Term Vision for 2032

Our Purpose

Evolve connections
among people,
communities and
societies

Stir hearts

Drive the future

Long-Term Vision 2032

Four visions

**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

The future we want to realize

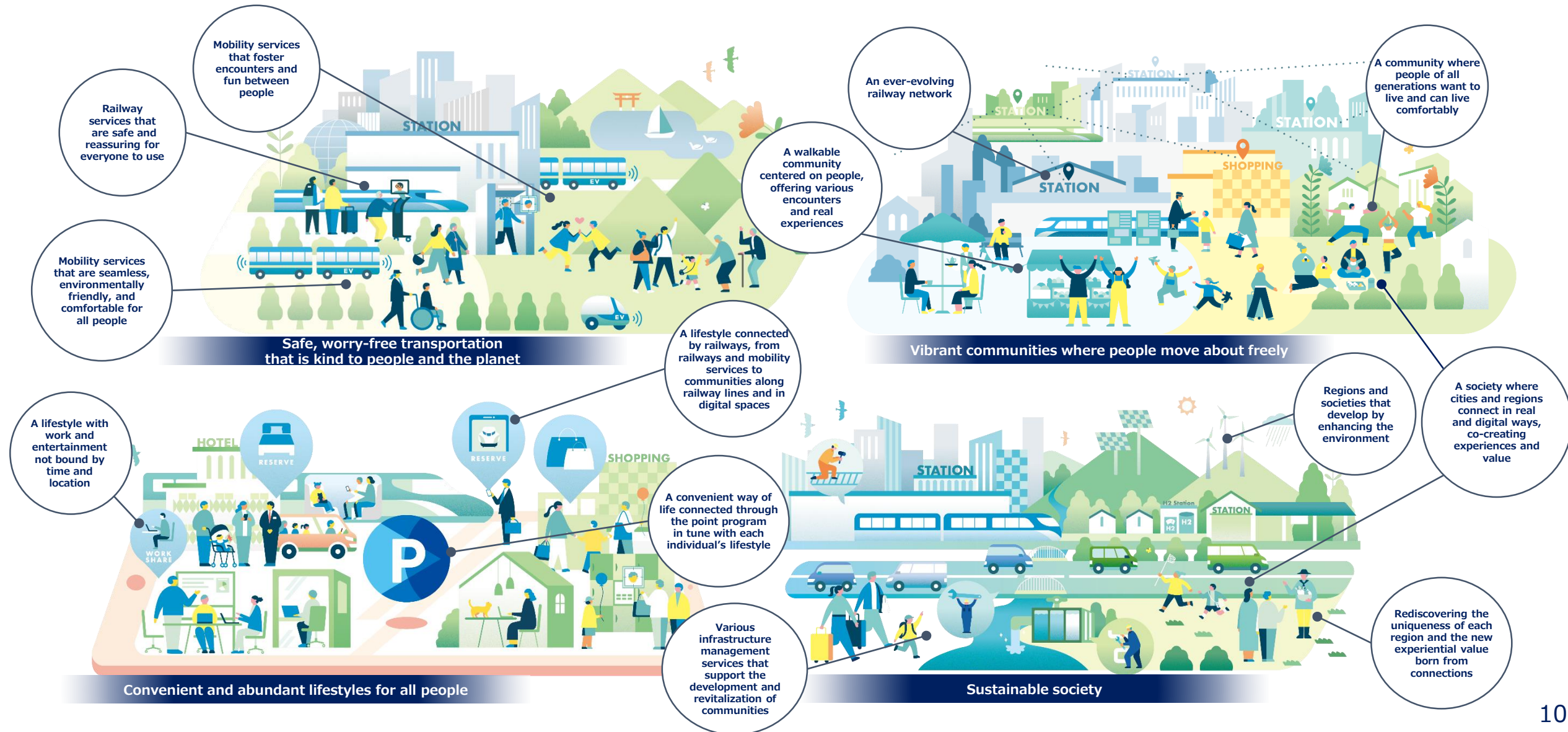
A future where transportation is established and recognized as a seamless service

A future where the allure of communities improves, leading to an increase in permanent residents, exchange, and related populations

A future where the combination of good aspects of the real world and the digital world greatly enhances individual experiences

A future where a sustainable social system is built through collaboration with various partners

The future we want to realize



Striving to Realize Our Long-Term Vision

Making the enhancement of railway safety the foundation of our efforts, we challenge ourselves to revitalize railways and expand in the field of life design.

2023

Medium-Term Management Plan 2025

2025

2027

2032

Accelerate growth by making the most of our measures and opportunities

Return to pre-pandemic levels* by revitalizing railways

Consolidated operating Income ¥185.0 billion
Transportation revenues At least ¥870.0 billion
*Excluding the rising cost of energy

Realize our
Long-Term
Vision

Expand in the life design field and build an optimal business portfolio

Life design field
40% of total
(Consolidated
operating income)

Improve safety of railways

Mobility service field

Railways/ transportation, retail (sales of goods and food services, etc.), hotels, travel

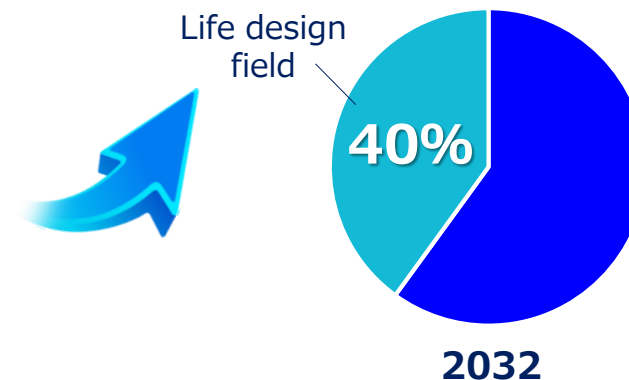
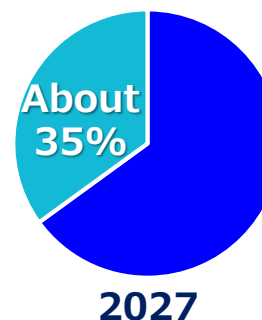
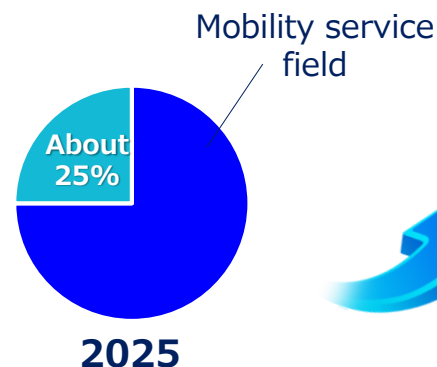
Life design field

Real estate, shopping centers, community/city development, digital strategy, new domains

Breakdown
of
consolidated
operating
income

Life design field
Under 20%

2018 (pre-pandemic)



Main Projects for Realizing Our Long-Term Vision

Establish Kansai metropolitan area brand Build seamless public transportation focused on railways, develop walkable and attractive cities

Create value that maximizes measures and opportunities, develop areas along train lines in tune with local needs

Osaka/Kansai Expo an opportunity to create value

Create foundations for further development of Kansai area and economy

Expand access transportation for Osaka/Kansai Expo 2025, stimulate prosperity in Kansai and western Japan regions by promoting "plus one trips"



Hub of innovation
JR WEST LABO
(Osaka Station's Umekita Area)

Bentencho Station remodeling

Contribute to creation of compelling international cities through upgrades to railway networks centered on cities

Tap into foreign tourist demand

Set up complete reception system in tune with diverse needs, disseminate information and lure visitors to Kansai and western Japan regions

Shorten time required to reach Osaka/Kyoto by improving access to Kansai International Airport
More comfortable excursions from Japan's gateway to various parts of western Japan

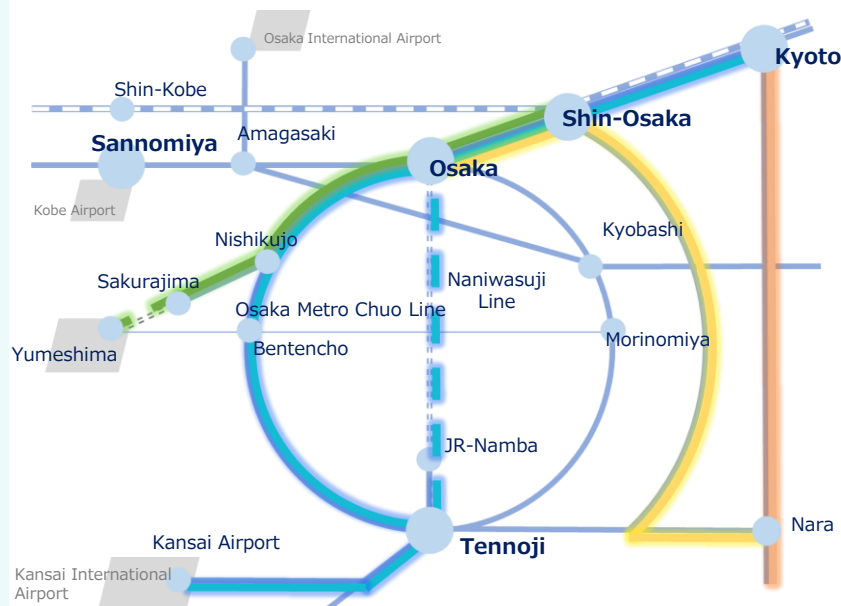


Haruka limited express train to Kansai International Airport

Improve convenience of access to eastern Osaka and Nara



Kansai Urban Network



Create systems for connecting with customers 24/365

Convenient and affordable service using data and digital technology



Develop vibrant hubs that people want to visit, foster the creation of lifestyle-centric areas along train lines that cater to diverse lifestyles

Evolve area around Osaka Station into an even more enjoyable and bustling town



Development of Osaka Station's western district



Osaka Station City



Umekita area new station building



New Osaka Station building

Develop new station building that further enhances value of Sannomiya Station area



New Sannomiya Station building



Open-air deck area in front of station

Develop hubs that offer more valuable experiences as gateway to Kyoto



Kyoto Station building

Further revitalization of areas in western Japan

Develop regions to that foster well-being life in the future

Bring visitors from all over to western Japan, which is rich in tourism resources

Promote wide-area tourism for people in Japan and foreign visitors, who are likely to come in greater numbers, by spurring tourism demand in collaboration with regions

Setouchi/Chugoku Areas

Discover and disseminate more compelling content, promote wide-area tourism in areas with convenient access for touring



SEA SPICA



Sightseeing train etSETORa

San-in Area

Convenient access to San-in area, where old and new Japan can be found, on new rolling stock for Limited Express Yakumo train



New Limited Express Yakumo train



Sightseeing train Ametsuchi



Hokuriku Area

Extension of Hokuriku Shinkansen to Tsuruga and eventually to Shin-Osaka will increase appeal of Hokuriku area; more convenient access from a wider area

Japanese
Beauty
Hokuriku



New sightseeing train



Hokuriku Shinkansen W7 Series

Kyushu Area

Key area connecting the bustle of western Japan and Kyushu



Sanyo
Shinkansen
N700S

Nanki Area

Optimal "plus one trip" with abundant tourism resources



フカカツ
Limited Express
Kuroshio Rocket
KAIROS



Create sustainable and livable regions

Promote development of more livable regions by creating unique town spaces around train stations, solving regional issues and promoting sustainable transportation systems

2023

2025

2032

▼Hyogo destination campaign (DC)

▼Umekita 2nd Project opening

▼Hokuriku DC

▼IR Osaka development plan

▼60 million foreign tourists

Completion of double-track
Nara Line

Opened on March 18, 2023

Kansai MaaS app

Planned for summer 2023

Expand Nozomi transportation
capacity

Implemented in FY24.3

Mobile ICOCA and WESTER
points

Service launched in March 2023

New Yakumo rolling stock

Planned for spring 2024

Hokuriku Shinkansen
extension to Tsuruga

Scheduled opening
in spring 2024

Umekita area new station building

Opening in spring 2025

Development of new Osaka Station
building

Scheduled opening in summer 2024

Development of Osaka Station's
western district

Scheduled opening in summer 2024

Osaka/Kansai Expo

Development of under elevated
tracks at Osaka Station

Plan to open in autumn 2024 to spring
2027

Development of new Hiroshima
Station building

Opening in spring 2025

Newly constructed Naniwasuji
Line

Scheduled opening in spring 2031

Development of new Sannomiya
Station building

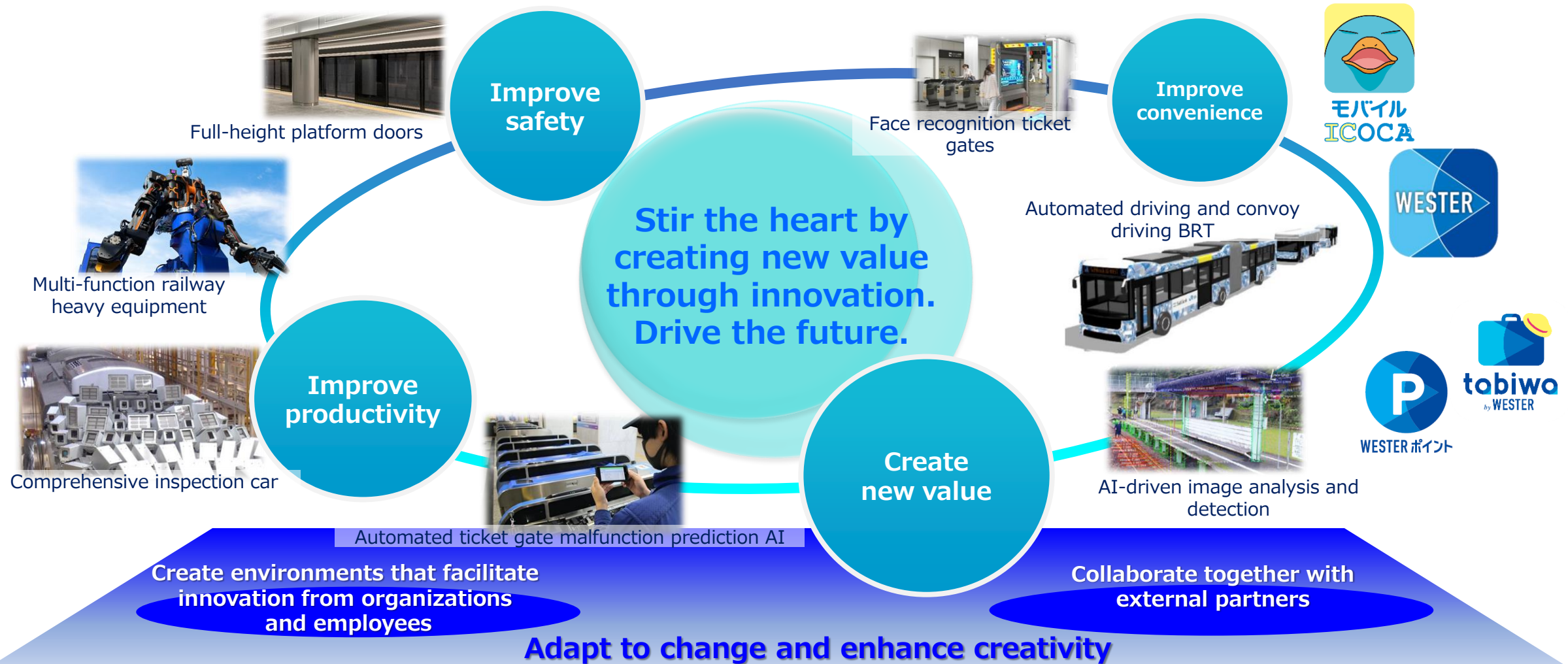
Plan to open in FY30.3

Hokuriku
Shinkansen
extension to
Shin-Osaka

Timing
not yet
determined

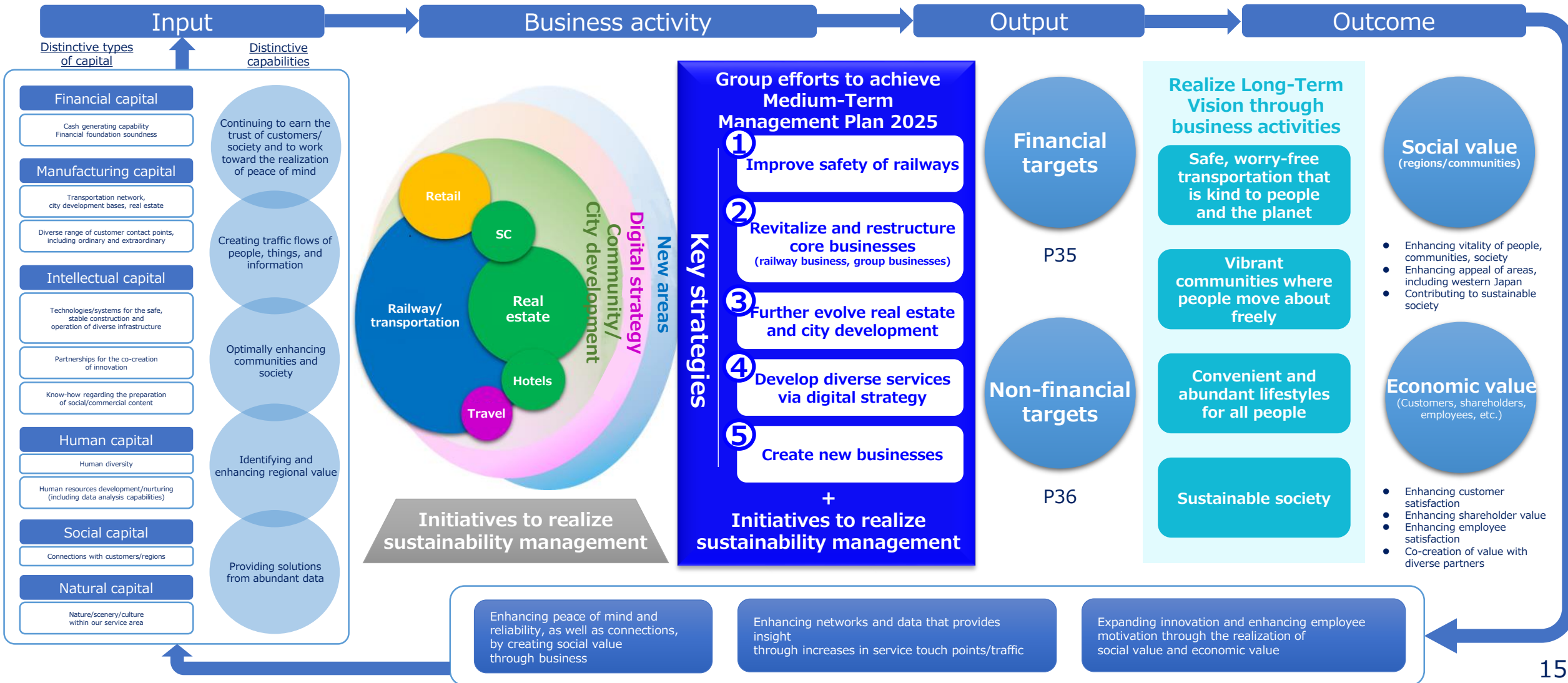
Contribute to revitalization of community and society while creating new value through innovation

Realization of Our Long-Term Vision Through Innovation



Value Creation Model for Realizing Our Long-Term Vision

Our Purpose Evolve connections among people, communities, and societies, stir the heart. Drive the future.





3 Medium-Term Management Plan 2025

– Post-pandemic challenges –

①-1 Improve safety of railways

With the Fukuchiyama Line derailment accident as our starting point, we sincerely pursue safety and remain steadfast in our efforts

Sincere response to the victims of the train accident

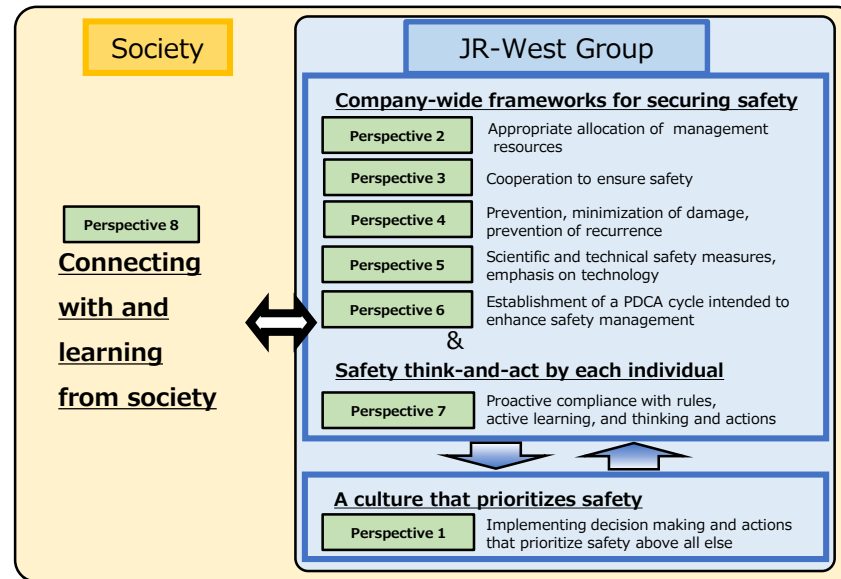
We must never forget the derailment accident on the Fukuchiyama Line. We are sincerely pursuing safety to those who were affected by this accident and make every effort to prevent its fading from memory.

Promotion of JR-West Group Railway Safety Think-and-Act Plan 2027

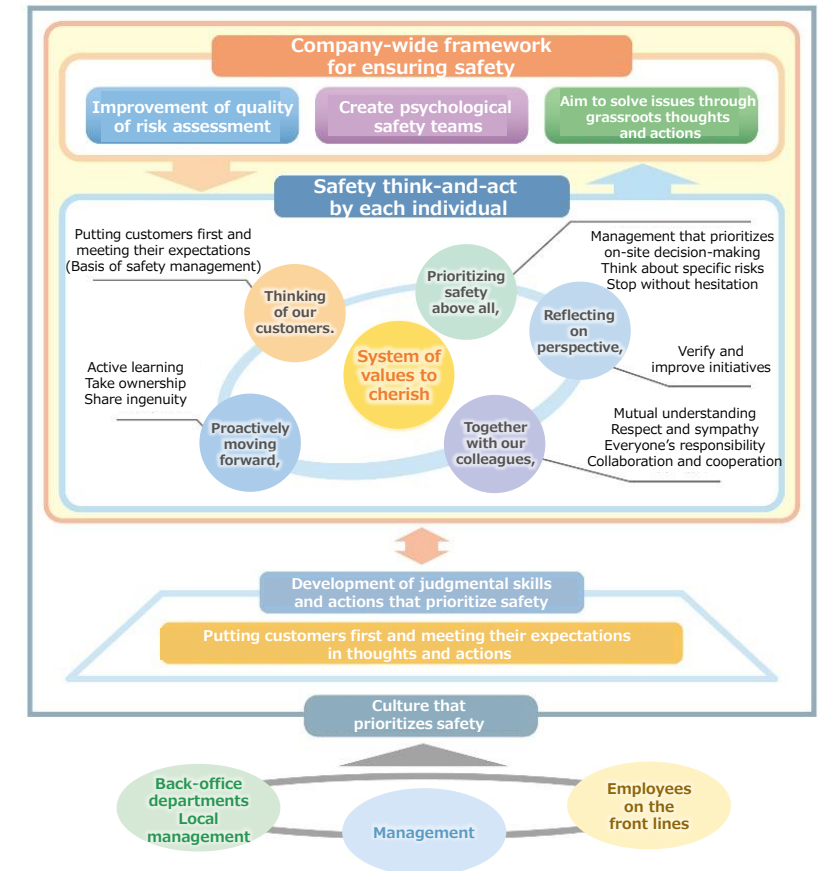
The JR-West Group has a duty, an unwavering duty, to never let an accident like the Fukuchiyama Line train accident happen again. With this commitment, under our newly formulated JR-West Group Railway Safety Think-and-Act Plan 2027, we will improve safety by focusing on “putting customers first and meeting their expectations.” By taking stronger measures to ensure safety, we will build “safe and reliable railways that offer peace of mind.”



Memorial Grove (Inori no Mori) at the accident site



Essential perspectives in achieving safety



①-2 Improve safety of railways

Key Initiatives in JR-West Group Railway Safety Think-and-Act Plan 2027

<Platform Safety>

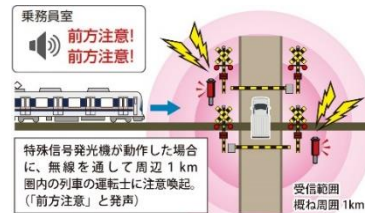
- Maintain platform gates and safety screens to prevent train-involved accidents caused by customers falling off the platform



Moveable platform gates

<Railway Crossing Safety>

- To prevent collisions between trains and large vehicles at railroad crossings, install devices that verbally notify train drivers when a large vehicle is stuck on the crossing



Install radio alarms

<Earthquake Countermeasures>

- Promote earthquake safety measures such as seismic reinforcement and prevention of derailment to improve safety during earthquakes



Derailment prevention guards

<Improve Functions of Hardware and Software>

- Improve both hardware and software to enhance safety
- Provide safe and reliable transportation (improve transportation quality)

<Create a Culture that Puts Safety First>

- Establish management that prioritizes on-site decisions
- Promote a mindset of putting customers first and meeting their expectations



Training to stop trains without hesitation

<Strengthen Framework to Ensure Safety Throughout Organization>

- Improve quality of risk assessment
- Create a psychological safety team
- Aim to solve issues through on-site thinking and actions



Collaboration across systems and organizations

<Safety Think-and-Act Initiatives by Each Individual>

- Share and actively practice five values we want to cherish



Inspect wheels

<Connect with Society and Learn from Outside the Company>

- Engage in dialogue with relevant organizations regarding responses to natural disasters and other incidents
- Promote efforts to learn from and implement safety measures used by other railway companies and related organizations

②-1 Revitalization and Structural Reform of Railway Services

Enhance the railway network with the Shinkansen lines at the core, and increase population of people interacting and connecting with each other

● Further enhance wide-area network and take steps to expand demand

Areas Along Sanyo Shinkansen

- Promote use by increasing convenience
 - New rolling stock (N700S)
 - Expand EX service functions (reservations one year in the future, EX-MaaS (povision name))
- Upgrade and promote tourist spots with local communities
 - Update arrival content centered on Shin-Yamaguchi (Nagato Yumoto - Hagi)
 - Strengthen special materials with Hyogo DC



Propose fun ideas for Setouchi

Collaborate with local events

Hold campaigns in each area



etSETOr



SEA SPICA



Mori Art Festival, Sunny Country Okayama



Hyogo DC



50th anniversary of Sanyo Shinkansen opening

Hokuriku Area

- Improve tourism resources and develop tour routes in conjunction with opening of Kanazawa to Tsuruga extension (spring 2024) and Hokuriku DC (autumn 2024):
 - Through the Fukui Prefecture Tourism Development Project, create and strengthen travel offerings to Fukui Prefecture in collaboration with prefectural government and travel companies
- Improve tour convenience of secondary access
 - Increase visitation to Wakura Onsen with Waku Liner train



Propose ways to enjoy railway travel (operation of new tourism trains)

Maintain compelling content

Upgrade secondary access



First step: Start operation of trains between Tsuruga Station and Wakasa, and between northern Kyoto and Kinosaki Onsen Station



Autumn 2024



Fukui Prefecture Tourism Development Project



Operate Fukui FUN Bus

San-in Area / Nanki Area

【San-in area】

- Enhance appeal of travel with new train cars



Spring 2024
New Yakumo rolling stock

Seating for groups of travelers

【Nanki area】

- Propose new travel experiences through regional collaboration and special trains



Rocket KAIROS train



Kinokuni Line Bicycle Train

Use of digital technology

- Marketing with WESTER Myguru
- Improve convenience in tourist destinations by expanding functions of tabiwa
- Implement projects with high affinity to digital content

Sales measures in tune with diverse needs

- Work style not bound by time or place (+PLACE, S Work P seat, etc.)
- Initiatives tailored to hobbies and preferences, such as for railway fans
- Deepen approach to targeted Z generation and seniors



Conveniently connect to your trip in western Japan area with tabiwa, a travel guide



Japanese
Beauty
Hokuriku

②-2 Revitalization and Structural Reform of Railway Services

Aim for an attractive Kansai Urban Area where various customers from Japan and abroad come and go, through initiatives to improve access from Kansai International Airport and in conjunction with the 2025 Osaka/Kansai Expo

● Further evolve Kansai urban network

Enhance overall attractiveness of Kansai Urban Area

- Maximize impact from double-track Nara Line operations
- City development centered on stations, creation of vibrancy
 - New Osaka Station building(Summer 2024)
 - Osaka Station West District [JP Tower Osaka] (Summer 2024)
 - Under elevated tracks at Osaka Station (autumn 2024-spring 2027)
 - New Sannomiya Station building (FY2030.3)

Upgrade access to Kansai International Airport

- Direct connection to Osaka Station, shorten travel times (start using new ticket gates at Osaka Station's West Exit, Umekita)
- Promote Naniwasuji Line project (scheduled to open in 2031) with an eye on the future



Umekita area new station building

Initiatives in conjunction with the Osaka/Kansai Expo

- Improve venue access and remodel stations
- Build Kansai MaaS (release app in summer 2023)
- Promote new value creation initiatives with various partners at JR WEST LABO



Courtesy of Japan Association for the 2025 World Exposition

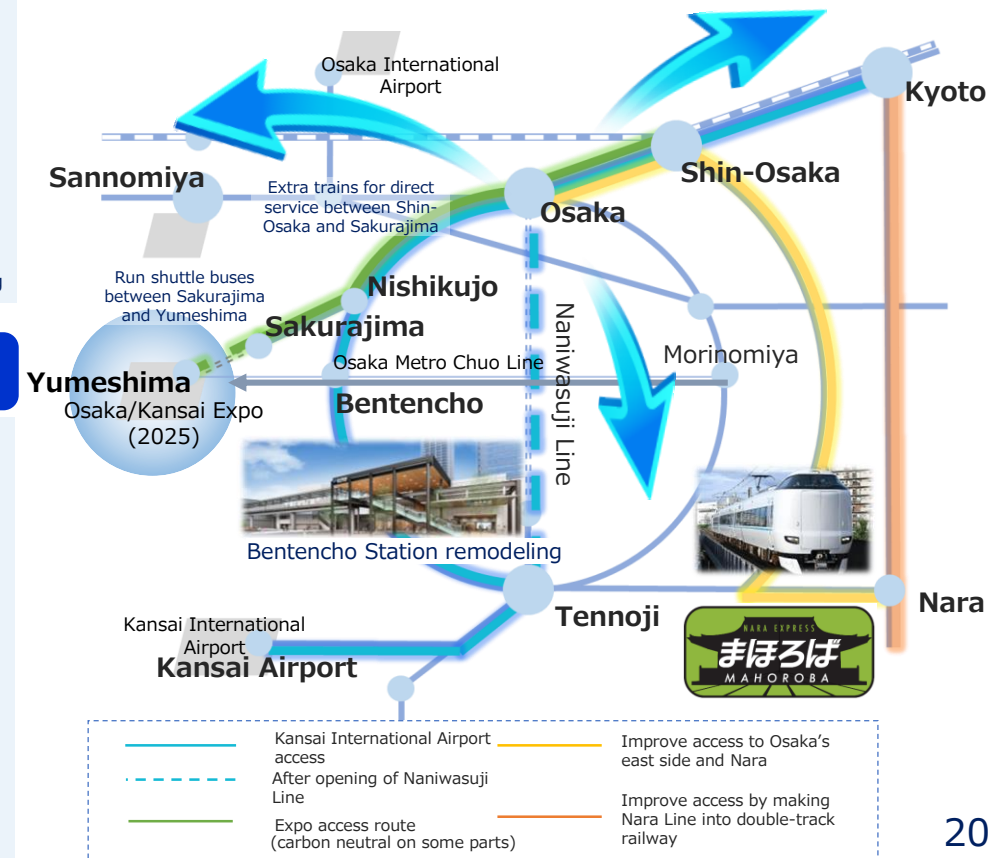


Depiction of JR WEST LABO

Update welcome systems for foreign tourists

- Promote wide-area tourism in western Japan through inter-regional cooperation with DMOs, etc.
- Provide Groupwise services
 - Improve convenience with QR-based ticket boarding, online seat reservations, tourism experience reservations, etc.
 - Open new brand hotels for affluent customers
- Develop welcome system at Kansai Airport station, etc.
- Strengthen approach to markets in Europe, U.S., Australia, etc.

Promote tourism in western Japan by creating content to promote "Expo Plus One Trip"



②-3 Revitalization and Structural Reform of Railway Services

In addition to responding to constantly changing needs, we are creating services that make travel more convenient and life more enriching.

- Enhance railway services that enrich travel and life



Topics

モバイルICOCA

for Android™

March in 2023
Launch of
services

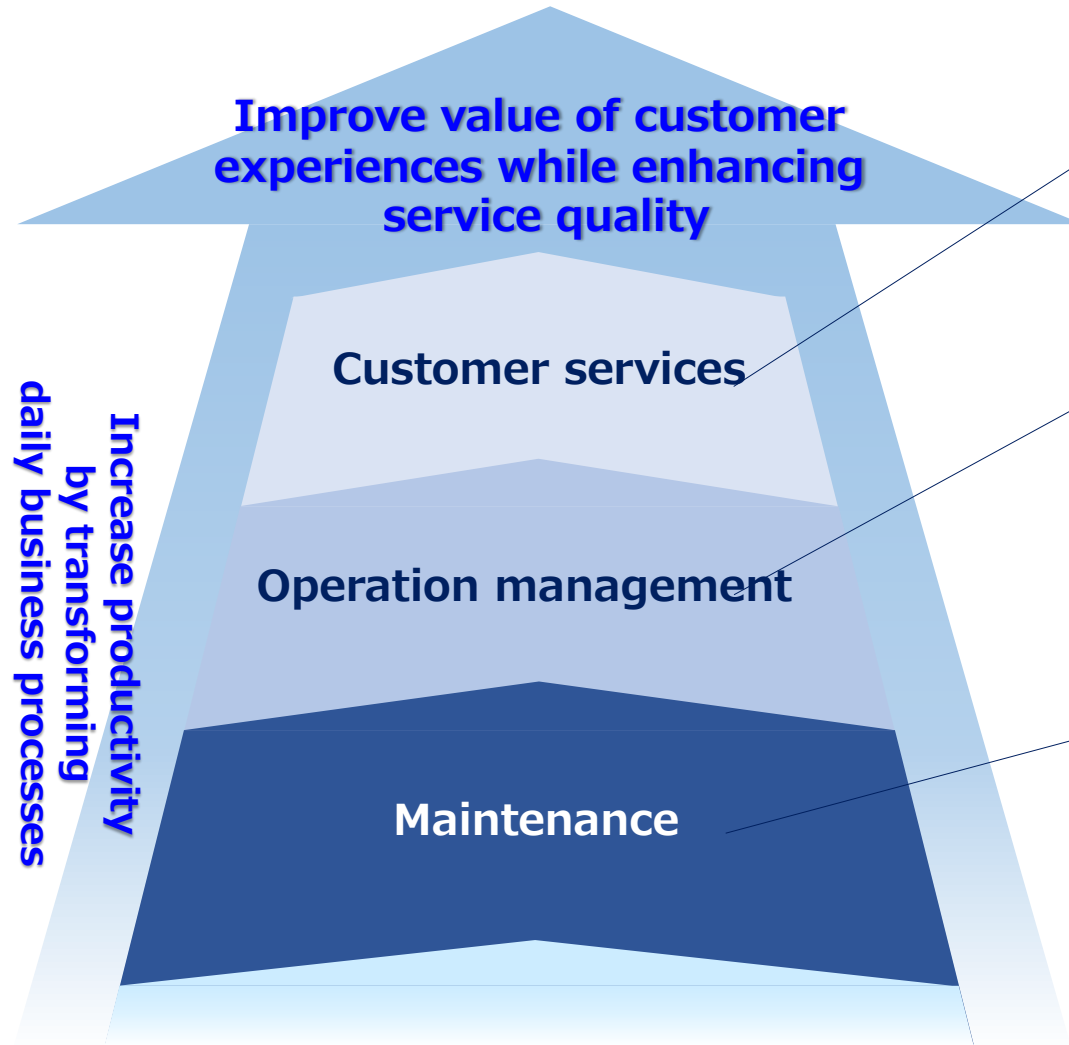


- ICOCA services can be used with smartphones
- Greatly improves convenience, such as being able to recharge and purchase commuter passes anywhere
- Provide functions that allow customers to enjoy various services linked to WESTER app

* iPhone and Apple Watch compatibility coming this 2023

②-4 Revitalization and Structural Reform of Railway Services

Transform daily business processes, achieve productivity improvements and sustainable system construction that support revitalization of railway business



Change customer service

- Promote digitalization of station services by improving functions of green ticket vending machines
- Provide customer guidance using tablet devices
- Offer products in tune with needs (S Work P seat, ticketless service, etc.)



Green ticket vending machine plus

Change train operations

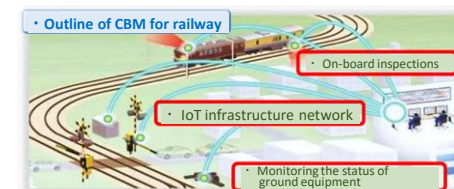
- Planned rolling stock updates in each area of western Japan
- Switch to one-person operations
- Reduce environmental load by improving rolling stock performance
- Create flexible timetables, including extra trains based on demand projections



New rolling stock introduced in Okayama and Bingo areas

Change preventive maintenance procedures

- Realize CBM*
- Install sensors, etc. for monitoring the condition of ground facilities
- Vehicle-based inspection by introducing comprehensive inspection cars
- IoT infrastructure network using existing communication networks



Outline of CBM transition for railway

*CBM (Condition Based Maintenance): A preventive maintenance concept that monitors and understands the condition of equipment at all times, and performs maintenance only when necessary to achieve both quality and efficiency

②-5 Revitalization and Structural Reform of Sales of Goods and Food Services

Polish up ability to respond in detail to daily needs of customers and help everyone attain a kind, convenient and abundant life

Basic Strategy

Create the future of lifestyles and travel for customers by generating new added value through collaboration and challenge



Key Measures



Improve competitiveness through external collaboration



Refine existing stores



Rebuild Via Inn brand

Key Initiatives

- ✓ Further expansion of alliance stores (7-Eleven, Starbucks, Uniqlo, etc.)
- ✓ Improve store operation capabilities for maximizing alliance effects
- ✓ Discover and commercialize local products, strengthen souvenir business through external collaboration, using the Osaka/Kansai Expo as an opportunity
- ✓ Increase efficiency of store operations with digital technology
- ✓ MD optimization through renewal at each area train station
- ✓ Improve quality of service through the launch of “Via Inn Prime” and promote strategic branding of entire chain
- ✓ Improve profitability by strengthening proper price management

②-6 Revitalization and Structural Reform of Hotels

Create connections with people and promote the charms of travel, provide hospitality with bright smiles and teamwork, and help improve the value of cities

Basic Strategy

Offer high-value-added services through “branding” and “Cuisine of Granvia” initiatives



Key Measures

JP Tower Osaka New brand hotels



Rebuild value
of existing
store brands



New Hiroshima
Station building
Opening of new
hotels

Key Initiatives

- ✓ Propose a unique and timeless travel experience with Marriott's alliance brand Osaka Station Hotel, Autograph Collection
- ✓ Enhance status of entire brand as a symbolic hotel
- ✓ Rebuild brand in conjunction with Osaka Station Hotel, Autograph Collection
- ✓ Differentiate and improve level of service with “Cuisine of Granvia” as a key, and engage in proper price management
- ✓ Offer extraordinary experiences that give customers a feel of the charm of travel and regions
- ✓ Provide refined facilities as a base for quality travel
- ✓ Respond to a wide range of needs in collaboration with surrounding group hotels

②-7 Revitalization and Structural Reform of Shopping Centers

Capitalizing on our real-world strengths, connect customers and tenants at every point of contact, whether digital or otherwise, to realize the best area platform in the region

Basic Strategy

Leveraging the power of our chain of stores, create shopping centers tailored to local characteristics, and propose a high-quality lifestyle suitable for each customer



Key Measures



Real content that aligns with changing consumption trends



Expand and strengthen customer touchpoints through real and digital mediums



Create shopping centers that reflect local characteristics

Key Initiatives

- ✓ Pursue valuable store lineups that meet the needs of local residents
- ✓ Encourage visits and stays through real experiences, create "small occasions"
- ✓ Build communities and fan bases where customers participate
- ✓ Promote conversions to loyal customers through membership unification
- ✓ Expand customer touchpoints through the WESPO app
- ✓ Create individual customer experiences through OMO, the fusion of real and digital worlds
- ✓ Develop large retail facilities that generate buzz around terminal stations (Osaka, Hiroshima, Sannomiya, etc.)
- ✓ Develop life-support type shopping centers that reflect everyday needs closely tied to communities
- ✓ Expand business scope through consulting business

③-1 Further Develop Real Estate and Cities

Collaborate with everyone in regions to form a community where people can live and spend time with peace of mind, and help solve regional and societal issues

Basic Strategy

Enhance our marketing and management skills, and promote city development that increases the attractiveness of stations and towns, focusing on terminal stations and areas along train lines



● City Development Starting from Stations

Realize city development by collaborating with local businesses and leveraging the strengths of our transportation network

<Nishi-Akashi Station South District>

- Create towns desirable to live in, utilizing “Make PLACE”* and our wide-area network
* “Make PLACE” represents our commitment to helping solve social issues by adding mechanisms and devices that encourage community formation to the properties and services we provide.



<Mukomachi Station East District>

- Create towns where people want to work, with a concentration of startups and cutting-edge companies

● Further Expansion of Development Districts

Strengthen our organizational capabilities and achieve sustainable growth through the accumulation of high-value-added real estate assets

- Accumulate know-how in logistics, healthcare, and other areas
- Asset expansion in Tokyo metropolitan area and elsewhere



Cold storage logistics facilities (Tsuzuki Ward, Yokohama City)



Healthcare facilities (Shinjuku Ward, Tokyo)



Rental residences (Shibuya Ward, Tokyo)

● Strengthen Management Fields and Improve Asset Efficiency

- Renewal of property management system
(Become a management company able to solve issues faced by tenants and building owners)
- Establish and expand scale of private REITs
- Collaborate with local areas in private funds

③-2 Further Develop Real Estate and Cities

Promote large-scale development of train stations, conduct area management, advance neighboring city development, create bustling cities that people want to visit

● Development of major stations

<Development of new Osaka Station building>

Scheduled opening
in summer 2024



Develop station buildings that are tremendously convenient by directly connecting to Osaka station, while accommodating diverse workstyles.

<Development of Osaka Station's western district> (JP Tower Osaka)



Scheduled opening
in summer 2024

By setting up one of the largest offices in western Japan, accompanied by retail facilities, a theater, and our group's symbolic hotel, we aim to enhance the experiential value of the city center.

* Joint venture with Japan Post Co., Ltd. and JTB Corporation

<Development of new Hiroshima Station building>

Scheduled opening
in spring 2024



In conjunction with the creation of a vibrant environment with new station buildings, enhance the charm of towns through a more convenient transportation network, such as streetcar access to JR station ticket gates.

<Development of new Sannomiya Station building>

Scheduled opening
in FY2030.3



Develop a new station building to showcase the charm of Kobe, and improve the hub functionality of the area through the construction of a network of pedestrian walkways and city development in collaboration with local governments and nearby businesses.

● Enhance experiential value of city center

- Enhance the overall attractiveness of town centers through area management in collaboration with surrounding businesses, etc.



- Improve experiential value and customer draw by continually updating content
(JR Kyoto Isetan, shopping centers, station buildings, etc.)



- Update spaces in front of stations to augment flow of people and improve circulation with the town

④ Deploy Diverse Services Through Digital Strategy

Utilizing data and digital technology, stir hearts by connecting all customers to a variety of services offered by the Group
Provide a “WESTER experience” that makes people think they want to continue living here or return to visit again

A “WESTER experience” that stirs hearts and drives the future

Initiate diverse services based on data and individual customers, forge connections with customers 24 hours a day, 365 days a year

Our Initiatives — Three Evolutions —

Advance our connections with customers

- Improve functions of our apps (WESTER, tabiwa by WESTER, WESPO), expand areas covered, including digital tourism and inbound response
- Expand services in digital space through Group’s e-commerce services
- Advance and expand payment tools that meet customer needs, such as improving the functionality of mobile ICOCA

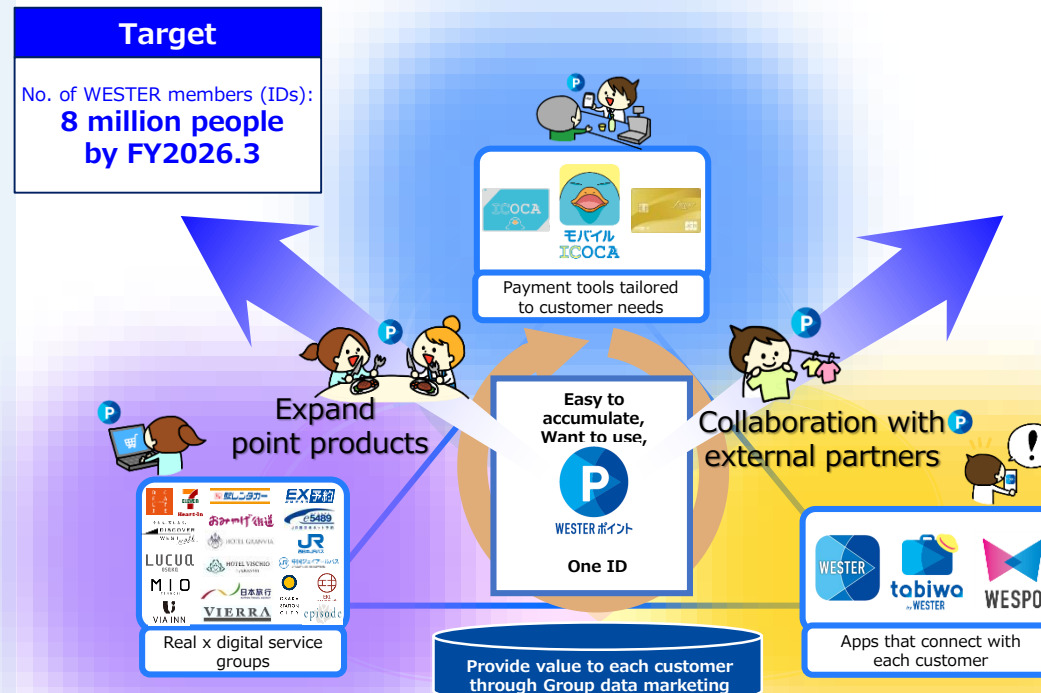
Advance towards easy to accumulate, want to use points

- Expand unique WESTER point products and collaborate with external parties

Advance Group’s marketing capabilities

- Provide timely, convenient, affordable and fun experiences to every customer through data-driven marketing based on customer journeys

Offer unprecedented convenience, value and fun



Digital Tourism Business

- Through **WESTER x tabiwa**, construct digital customer touchpoints for both daily life and extraordinary occasions. Provide new experiential value suited to each customer, from everyday life to pre-travel / post-travel, spur demand for travel and movement within and outside western Japan
- Forge alliances and launch projects aimed at realizing digital tourism

⑤-1 Create New Businesses

Create connections with western Japan as a stage, aim at city development for a future where new payments, points and data are interconnected

- Introduce new payment services that support the “WESTER experience”

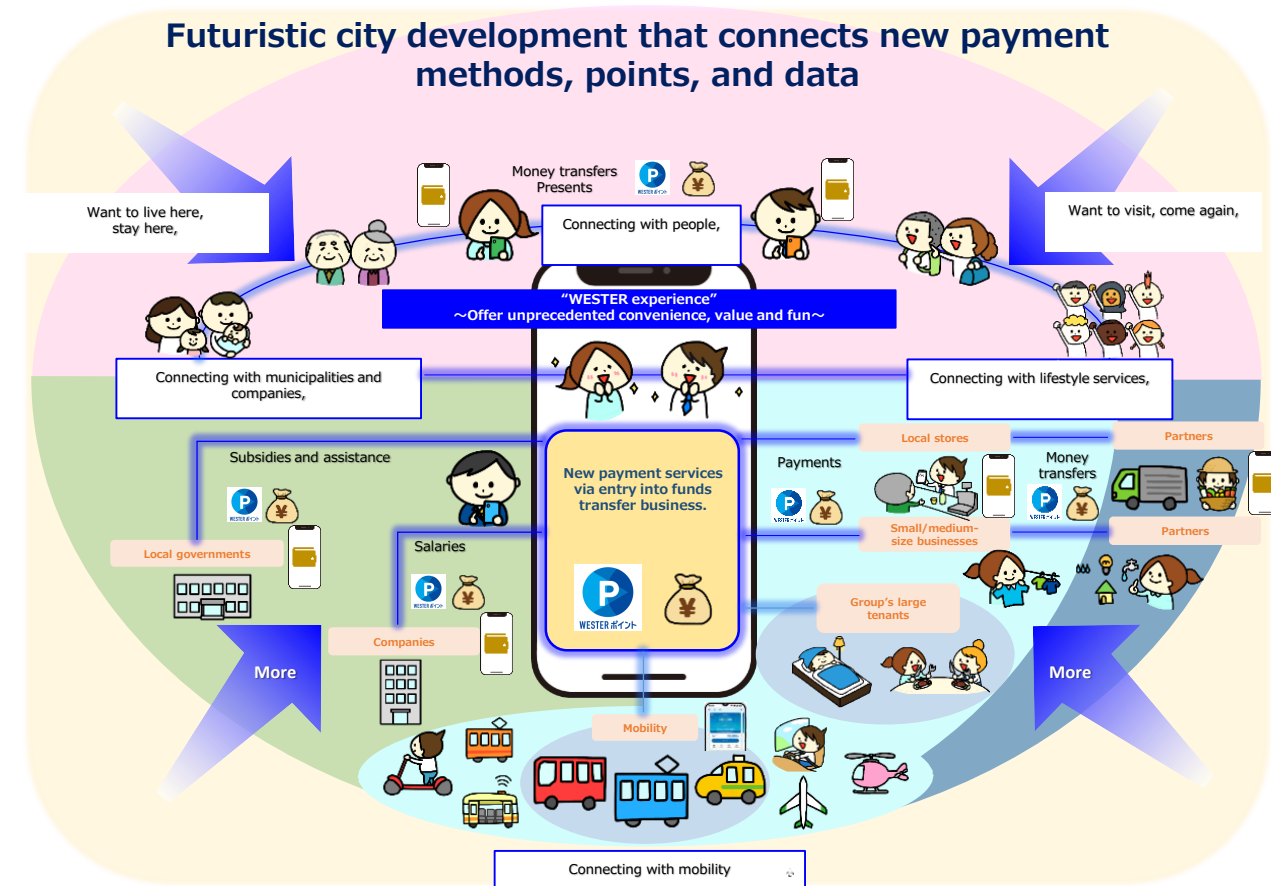
- In addition to mobile ICOCA and J-WEST cards, introduce new payment services to add “more” to convenient, affordable and fun “WESTER experiences,” and connect with everyone through WESTER points
- Enter the funds transfer business, promote cashless transactions in western Japan for inter-corporate transactions, employee salaries*, and subsidy payments from municipalities. Take on challenge of city development in a future where people from around the world would want to live and visit

*We plan to apply for designation by the Minister of Health, Labor and Welfare.

- Expand data solution business with “Yokoten”

- Expand the data-informed consulting business, which horizontally deploys (Yokoten) data solutions developed for internal use with data analysis and AI, to other railway companies and industries that share strong similarities

JRW Data Analytics
BEYOND the RAILWAY



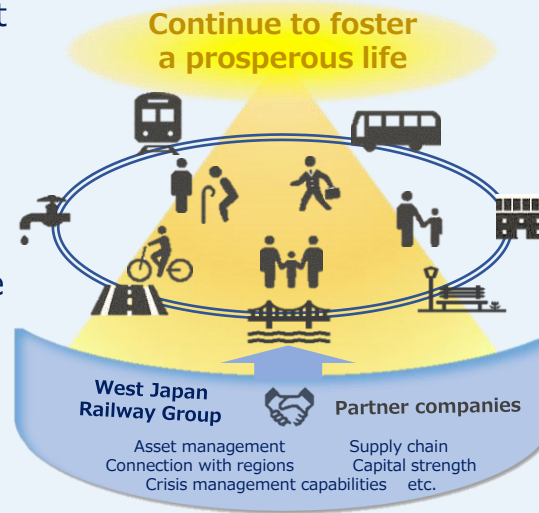
⑤-2 Create New Businesses

By advancing businesses that enhance sustainability together with the region and society, move people, communities and society into the future

● Integrated Infrastructure Management Business helps realize sustainable living

- Leverage know-how and experience that supports railway infrastructure to tackle issues, such as aging infrastructure and facilities* and securing engineers, faced by society amid ongoing population decline
- Evolve connections with municipalities and regional business partners, promote wide-area infrastructure management and more comprehensive business operations to drive industrialization of the region

* Roads, bridges, water supply and sewage systems, public facilities, etc.



● Promote Solutions Business for Regional Issues

Leverage diverse strengths of the Group, including the nationwide branch network of Nippon Travel Agency Co., Ltd., to contribute to solving various regional issues, such as industrial revitalization and education



Hold educational programs for students with aim to realize a sustainable society

● Business Challenges that Create the Future

Amid rapid societal changes, continue to create new businesses that drive the future with various partners

[Example] XR* Business:

Promote various developments, such as constructing a metaverse of “stations” with diverse functions and social attributes, and augment this metaverse with new fields for co-creating value



* XR (cross reality) is a general term for technologies that allow people to perceive things that do not exist in reality, by merging the real world with the virtual world

Topics Innovation Creation Program

- As a foundation for value creation activities of the Group, the Innovation Creation Program was launched in April 2023
- Widely solicit ideas from inside and outside the Group, promote commercialization while verifying hypotheses, continue to create new value



Open call for ideas

Innovation training



Demonstrations

Commercialization

Proposals

Coexistence with Local Communities

Achieve well-being in lifestyles, contribute to solving regional issues and creating sustainable and prosperous communities

● Promote the development of sustainable and abundant communities

Evolve connections between people and communities in both real and digital worlds, contribute to the creation of a vibrant future through the expansion of exchanges, relationships and related activities

Focus on people's tastes and preferences, support fulfilling leisure activities

Provide lifestyle services utilizing digital technologies such as MaaS and region point program

Realize easy-to-use and sustainable regional passenger transport services

Together with local residents, refine and broadcast appeal of regions and its local products

Contribute to an environmentally-conscious and sustainable lifestyle

● Promote easy-to-use and sustainable transport services with the community

- Taking into account local needs, foster dialogue with local residents to ensure regional passenger transport services, including the vertical separation of railway lines
- Advance the development and realization of solutions, such as autonomous driving / caravan BRT (Bus Rapid Transit) services, demand-driven transportation reservation systems, and simplified onboard ICOCA systems

Topics

Initiatives for societal adoption of autonomous driving / caravan BRT

- Collaborate with industry, academia, and government entities in research to strengthen the functions and enhance the appeal of public transportation in urban hubs, contribute to the realization of livable cities through improved mobility functions



* In November 2022, JR-West entered into a collaborative agreement with Hiroshima University and Higashi-Hiroshima City, and conducted verification experiments.

Global Environment

As a corporate group responsible for social infrastructure, JR-West aims to improve the overall sustainability of society through efforts to protect the global environment.

Main initiatives

Prevent global warming and address climate change

- ✓ Promote the introduction of energy-saving vehicles
- ✓ Utilize renewable energy
- ✓ Promote modal shift in passenger transportation



Contribute to creation of a circular society

- ✓ Recycle waste, such as railway materials
- ✓ Move away from plastic use
- ✓ Advance horizontal recycling of PET bottles

Coexist with nature

- ✓ Replace materials, such as paint, with low environmental impact versions
- ✓ Construction work that considers ecosystems of rivers and native species
- ✓ Reduce water usage

Instill eco-consciousness in every Group employee, steady hand in environmental management, as the foundation for efforts

Environment-related Investment Plan

About ¥85 billion in FY24.3-FY26.3
About ¥110.0 billion in FY24.3-FY28.3

* Eligible green projects are shown in JR-West's sustainability bond framework

Long-term environmental targets in JR-West Group Zero Carbon 2050

CO2 emissions for entire JR-West Group

* Scope 1+2 (consolidated)

2025

35% reduction
compared with FY14.3

2030

50% reduction
compared with FY14.3
(Upward revision from previous 46% reduction target)

2050

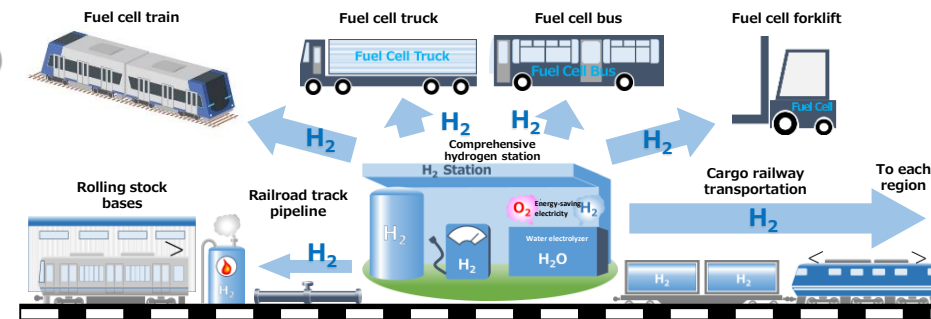
Achieve carbon neutrality

Topics

Challenges for carbon neutrality

- Establish comprehensive hydrogen stations utilizing railway assets such as stations
- Develop with eye on introduction of hydrogen fuel cell trains
- Participate in society's efforts to decarbonize, such as CO2 capture and storage (CCS) projects

(Depiction of comprehensive hydrogen station installation)



Human Capital Management

People that can transform and grow by themselves are the driving force behind our Long-Term Vision.
We support their growth while enhancing diversity and motivation, with the aim of developing creative human resources who can adapt to change.

Realization of Long-Term Vision

Grow each employee, demonstrate and integrate their individual strengths

Promote Groupwide human resource strategy

- Build a portfolio of creative human resources who can adapt to change -

Human resources cultivation

- Establish an environment with options for autonomous career development
- Secure employees with specialized skills in each business through medium- and long-term training plans
- Implement career programs*¹ that allow employees to acquire diverse expertise and experiences

Diversity and inclusion

- Evolve into a corporate group that turns each individual's diverse characteristics into strengths
- Position empowerment of women as highest priority and accelerate related efforts
- Expand recruitment of mid-career professionals and promote employment of people with disabilities

Work engagement

- Cultivate a corporate culture where employees are highly engaged and sense their growth (improve the "motivated workplace ratio"*²)
- Timely grasp of situations and shorten the PDCA cycle
- Help employees maintain and improve their physical and mental health through the Medium-Term Health Management Plan 2027 *³

*¹ A systematic program that includes job rotations, training, and self-development courses that help improve adaptability and facilitate autonomous career development

*² Ratio of "low-stress and high work engagement workplaces" in all workplaces, as measured by employee awareness surveys

*³ A five-year action plan to support health activities in workplaces and each employee. Targets are set for 11 indicators, including ratio of medical checkup participation and percentage of smoker

Governance, Risk Management, Human Rights

Further enhance corporate governance to increase corporate value through appropriate risk-taking activities and the realization of the Long-Term Vision

Reinforce Corporate Governance

- Continuously achieve a proper Board of Directors composition based on a skill matrix linked to strategy
- Launch of the internal Railway Company (in April 2023) with aim of improving safety and autonomy across the entire railway value chain, and corporate-led creation of synergies among internal companies and group companies
- Implement a mechanism to promote key strategies and allocate resources, such as balancing revenue and resource allocation, and synergy creation for the entire portfolio

Enhance Risk Management

- Establish a risk management system that identifies significant risks in Groupwide management, ensure continuous and appropriate responses and operations (to demographics, climate change, information security, etc.)

Initiatives in corporate ethics and respect for human rights

- Initiatives to prevent organizational misconduct
- Commitment to respecting human rights for all stakeholders in business activities

Financial Targets (Financial KPIs)

| | | FY23.3 (Results) | | FY26.3 (Objectives in this plan)*2 | | FY28.3 (Targeted pre-pandemic level)*3 |
|--|---|---------------------|---|---------------------------------------|---------------------------------------|---|
| Ability to generate profits | Consolidated operating income | ¥83.9 billion | Recovery in profit generation ability | ¥150.0 billion | Generate more profits | ¥185.0 billion |
| | EBITDA | ¥243.6 billion | | ¥340.0 billion | | ¥380.0 billion |
| | Transportation revenues | ¥694.5 billion | | ¥860.0 billion | | ¥870.0 billion |
| | Cost Structure Reform (vs. FY2020.3) | ¥(26.0) billion | | ¥(40.0) billion | | ¥(50.0) billion |
| | (Reference) | | | | | |
| Management efficiency | Consolidated ROA | 2.3% | Improve capital and asset efficiency | Approximately 4% | Further improvement | Approximately 5% |
| | Consolidated ROE | 8.8% (4.4%)*1 | | Approximately 8% | | Approximately 9% |
| Financial discipline | Net interest-bearing debt / EBITDA | 5.6× | Recovery in ability to generate cash flow | Under 5x | Create more cash flow and reduce debt | Under 4x |
| | | | | | | |
| Breakdown of operating income in life design field | | | | Approximately 25% | Further advances | Approximately 35% |

*1 Figures do not reflect tax effects

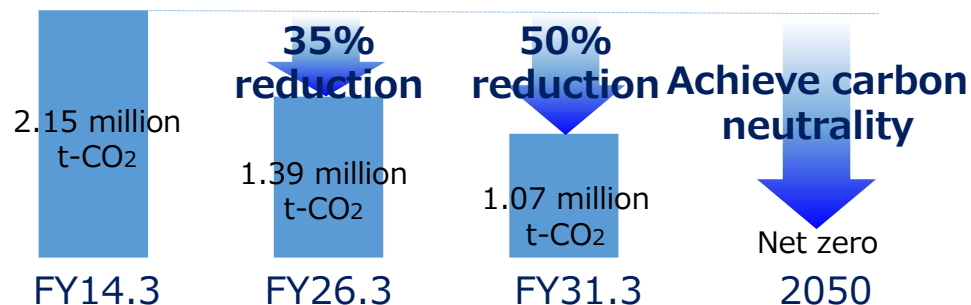
*2 This plan excludes impact from higher revenues related to Osaka/Kansai Expo, track usage fees and higher revenues associated with opening of Tsuruga extension on Hokuriku Shinkansen

*3 Targeted pre-pandemic levels exclude impact from higher energy costs

Non-Financial Targets (Key Non-Financial KPIs, excluding Safety Targets)

CO2 emissions

(Group consolidated total, compared with FY14.3)

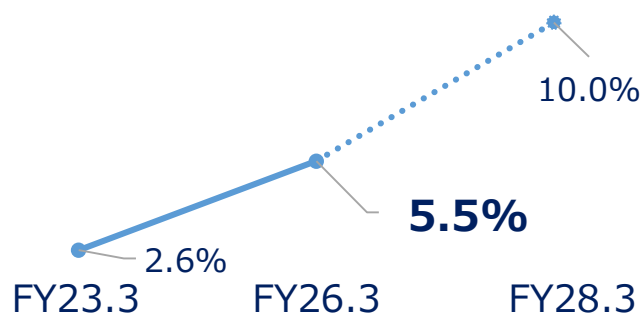


Motivated workplace ratio*

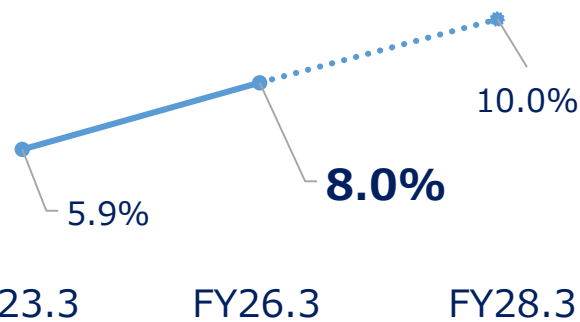
Percentage of responses stating "low stress and high work engagement workplace to all workplaces" in employee awareness survey



Ratio of women in management positions*

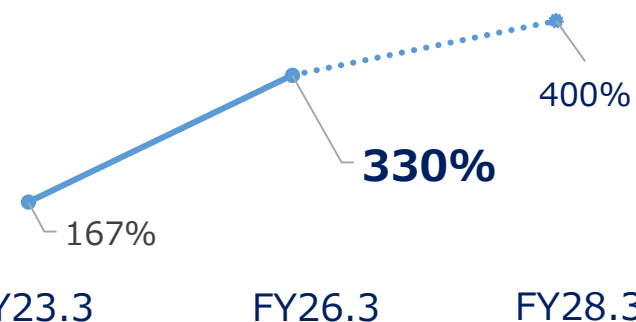


Ratio of women in leadership positions*



Preparation ratio of personnel to be next-generation officers*

Preparation ratio of candidates able to take on key posts



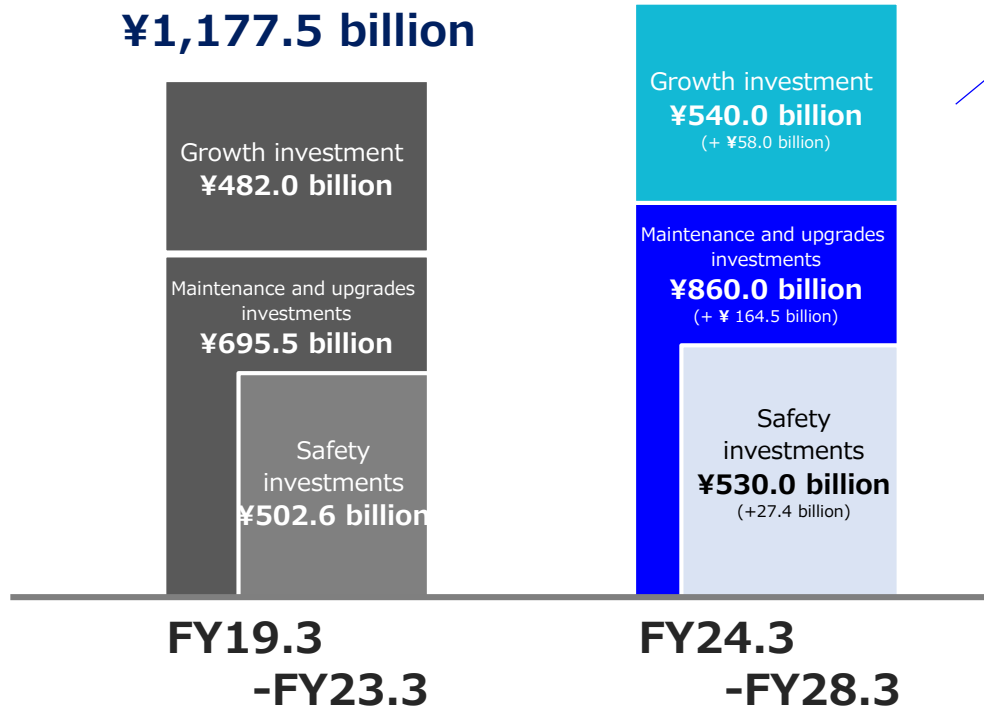
*JR-West non-consolidated indicators

Explore appropriate non-financial KPIs as indicators of growth in residents, exchanges and related populations along train lines

Investment Plan

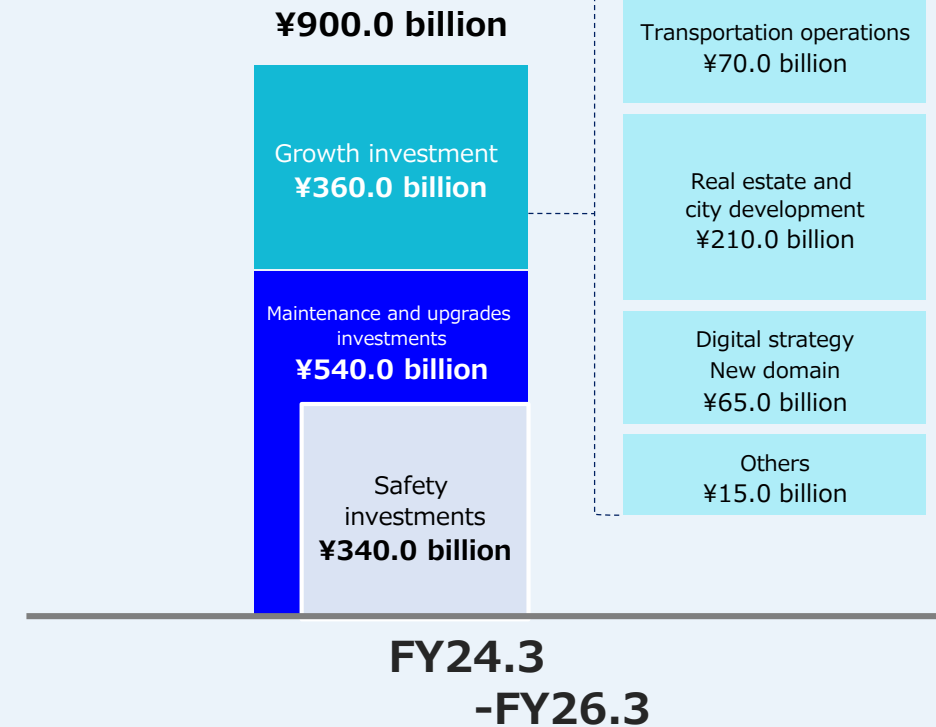
Steadily invest in safety, concentrate resources in growth fields

(Reference)
Five-year comparison



() indicate change from the period shown on the left

Investments in Medium-Term
Management Plan 2025



*Includes investment amount

Financial Strategy/Shareholder Returns

Establish ability to generate cash flow in a post-pandemic world and maintain proper financial discipline while building an optimal business portfolio

Promote sustainable improvements in corporate and shareholder value with steady long-term shareholder returns

Financial discipline

- Net interest-bearing debt / EBITDA Under 5x (FY26.3)

Shareholder returns

- Pay a stable dividend targeting a dividend payout ratio of at least 35%
- Implement a capital policy that takes into account opportunities while aiming for sustained improvements in corporate value



- Forward-looking statements -

Forward-looking statements in this presentation, such as JR-West Group plans and targets, are based on projections as of the creation of this document, and are subject to change in the event of major variances in actual earnings caused by fluctuations in the business environment and other factors.