

We are committed to making our customers feel secure by stepping forward for a higher level of safety.

Our goal is to make our customers feel secure about JR East

Our number-one mission is to carry the 16 million passengers using our rail services each day safely to their destinations. Additionally, we consider it our corporate social responsibility (CSR) to make our customers feel secure and comfortable. Safety is an absolute prerequisite, and we aim to take further steps forward to make our customers feel secure about JR East. It is our belief that we can fulfill our CSR as a group by pursuing a higher level of safety through not only our safe and reliable train operations, but also our sincere services in the lifestyle business, including hotel and station building operations. To this end, it is vital for each of our employees to understand the enormous social importance of their work.

In 1988, we had an accident at the Higashi Nakano Station that caused the death of one of our customers. Following this accident, we completely reviewed our safety

measures from the beginning. We have changed the human aspect of our measures, and strived to create a corporate culture that values safety through our “Challenge Safety Campaign” aimed at making each employee address safety issues independently.

The physical aspect of our measures has also been revised, and more than 40% of our annual capital investment

allocated to safety measures. Despite the fact that these efforts had succeeded in reducing the number of accidents, in December of 2005, we suffered an accident on the Uetsu Line that took the lives of five of our customers, and injured 30. Although the cause of the accident is not yet known at the time of the publication of this report, this fatal accident in effect betrayed the trust that our customers place in our rail services. This tragedy drove home to us the fact that efforts to ensure safety are never complete, and we still have much left to do. It also renewed our resolve to achieve the utmost level of safety.

Although it is essential to harness advances in science and technology to reinforce physical measures, in the end it is our employees who must ensure safety. We must strive to create a culture of safety, by providing practical training and education to our employees based on potential accident scenarios, and by carrying out activities to encourage our employees to identify safety-related problems in their day-to-day work and propose measures for safety improvements. If our reputation is described in such a phrase as “JR is just the old Japanese National Railways, after all,” then there will be no future for us. I believe that we must fulfill our responsibility with pride and self-awareness as professionals.

Offering new lifestyle choices through friendlier railways and stations

We are making efforts to provide our potential customers with more opportunities to utilize our train services by making our existing railway networks more convenient. The Shonan-Shinjuku Line is a good example of the efforts. Making our train services more convenient for our customers should expand our customer base, which in turn will help vitalize local communities and tourist destinations. I believe that this is also part of our corporate social responsibility.

We are also promoting our “Rail & Rent-a-Car” service, which enables our customers to travel to their destinations by our trains, and then drive around there by our rental cars. If this service can further take root, it will help



improve the environment as well as alleviate traffic jams on the expressways.

In addition, we are committed to improving our stations. We are working to attract customers and vitalize the areas surrounding our stations by making them more convenient. Moreover, we are also making our stations increasingly barrier-free through the installation of elevators and escalators. We will continue to improve our facilities in step with social progress.

A station is a place that people must pass through in order to utilize railway services. In this sense, it is an extremely important point of contact with its local community. My hope is to continuously find other ways to utilize our stations through dialog. We have already established nursery schools particularly along the Saikyo Line as part of our Station Nursery Schools business. I would like to expand this business in the future.

As an example of offering lifestyle choices, we are recruiting seniors to set up clubs for various hobbies and interests. As *haiku* poetry lovers gather for workshops, their interest in traveling on a *haiku*-composers' tour might increase. Our aim is to help enrich people's lives by providing opportunities to broaden their interpersonal networks.

We have also reached a new stage in creating new value through the *Suica*, our integrated-circuit fare-card. In 2007, we plan to make the *Suica* usable at nearly all private railways, subways, buses, and other facilities in the Tokyo Metropolitan Area. This will allow passengers to travel seamlessly, without purchasing a ticket each time.

We are committed to developing a fuel-cell hybrid railcar

Our economic activities have become truly massive, and we have now arrived at a stage where we must think seriously of our impact on the climate and wildlife. My belief is that both companies and individuals have a role to play in this respect. Companies can put their energy to reduce their use of fossil fuels, use natural energy, and minimize their waste, while individuals can do such things as bringing their own bags to the supermarket.



One of our initiatives is the development of the NE Train, a prototype train using a hybrid power system. The train is ready for practical use, and we plan to begin its commercial operation on the Koumi Line in the summer of next year.

We have also begun developing a fuel-cell hybrid railcar based on this prototype train. Although there are extremely high hurdles to overcome, we must not be daunted by the difficulty of the tasks ahead of us. If we can commercialize this railcar, we will be able to reduce our environmental impacts and the very concept of the railway could change. It means that power lines will no longer be required to carry electricity, completely changing our cityscapes. There is a possibility of achieving this within the next 10 or 20 years. In a sense, that may simply end up as a dream, but a company without a dream has no future.

We are determined to continuously take various measures to make our customers feel secure not only about our railway services, but also our Group as a whole. This is not something that we can accomplish overnight, but the entire JR East Group is united in our commitment to making our customers feel secure by taking one step forward for a higher level of safety.

Satoshi Seino

President
East Japan Railway Company

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