Relationship with Employees

Demonstrating the power of human resources

In order to provide services that will satisfy customers, it is vitally important for us to create an environment where JR East's personnel can fully exercise their abilities. Our success in enabling our people to be able to personally decide what they need to achieve and then act on their decisions will determine the future of our entire organization.

We also have to face the fact that society is in a continual state of change, and this includes both the awareness of working people and their working environments. As a result of this, we believe that JR East, as a part of the nation's infrastructure and as an organization that aims for extreme levels of safety, must constantly respond to the motivation of all our employees as they work to meet their responsibilities, and thereby bring about improved safety and increased customer satisfaction.

JR East continues to work to provide an environment in which all employees can enjoy their jobs while Constantly striving to attain even higher goals. To that end, we are determined to face the challenge of creating a company where people grow through their work from the perspectives of how to respond to the motivation of each employee to meet challenges, how to ensure a suitable work-life balance, and how to make full use of the diversity of our human resources. In JR East Vision 2020, JR East advocated the following goals: the fostering of motivated young employees, the upgrading of the skills of management-level employees, the encouraging of veteran employees to pass on their technical knowledge and their skills to the next generation of employees who will shoulder the burdens of the 21st century, the utilization and fostering of diverse human resources, and the instigation of a strategic reform of our human resources system.

Recruitment

JR East's main supports are the capabilities of each and every employee. In regard to human resources, it is JR East's basic philosophy to employ people based chiefly on their personalities and abilities and then to steadily nurture them until they reach the full flowering of their abilities. Because of the large number of employees reaching retirement age by the end of this fiscal year (March 2012), and the constant necessity of human resources development and the transference of knowledge and technologies to the next generation, we have recruited 1,820 new employees.

■Number of new employees by fiscal year (Persons) 2,000 1,860 1,820 1,860 Employees for specific jobs 1.760 1.800 ■Potential management employees -1,530 1.600 1,450 1,420 1,400 1,370 1,370 1,350 1,310 1,370 1,400 1.200 1,000 800 1,150 - 1,120 - 1,120 - 1,120 - 1,110 - 1,180 - 1,260 - 1,240 - 1,360 - 1,670 - 1,570 - 1,660 - 1,630 600 400 200 250 250 250 230 200 190 190 180 170 190 190 200 190 '01 '02 '03 '04 '05

Employing Persons with Disabilities

As of June 2011, 2.21% of our workforce consisted of employees with disabilities. These members of staff work alongside other employees in a broad range of positions. We further increased our ability to employ people with disabilities in April 2008, when we established JR East Green Partners Co., Ltd. which was charged with the task of promoting their employment and helping us meet our social responsibility to improve the work environment for such employees. The company was certified as a special subsidiary in May 2009.

■JR East Technical Academy

In order to motivate our young employees and encourage them develop into professionals capable of playing leading roles in all fields of railway technology, in March 2009 we established the JR East Technical Academy. The third year class that started in May 2011 consists of 29 employees from 10 technological fields who will spend the year on leave from their regular positions in order to concentrate on technological studies at the Head Office. The program has been designed to enable participants to thoroughly learn the theory and structure of their individual professional fields as well as to provide them with a comprehensive overview of railway technologies and systems in general. Through research at universities and from practical training sessions at manufacturers, furthermore, we hope to enable all participants to acquire a broad range of knowledge.

Skills Development

The development of human resources and the steady but continuous introduction of new technologies and skills are vital to the sustainable growth of the JR East Group. Based on a perspective of nurturing quality through work, we are striving to enhance the organizational power of the Group and to develop human resources capable of shouldering the burdens of the future. With this in mind we constantly conduct training programs at our General Education Center and in branch offices, and many kinds of seminars at our Head Office. And as part of our support for all employees to set their own challenges in regard to self-education and to thereby heighten their abilities, we offer both internal and external correspondence courses. The internal courses are aimed at the acquisition of knowledge and skills directly connected to our employees' duties while the external courses target the acquisition of knowledge indispensable for businesspeople in terms of management know-how, qualifications acquirement, languages, and office automation.

■My Project

In order to encourage our employees to face the challenges of taking the next steps in their careers, in January 2011 we upgraded our small groups and proposal activities and initiated the My Project program. This program is comprised of three aspects: self-starting, freedom of method and importance of process, with the fruit being the employee's personal growth. The project is based on the belief that the tackling of improvements in itself is an opportunity for the fostering of human resources, and, thereby, aims to nurture employees capable of thinking and acting independently.

Skills Training Centers—Develop engineers for future railways

Integral to our efforts to ensure that veteran employees pass on their technologies and skills to the next generation of technical staff, who will carry the burdens of future railways, is our establishment of skills training centers designed to support the continuity of railway-specific knowledge in individual workplaces. In our rolling stock maintenance center, for example, railway car mockups, such as power collection equipment, door opening-closing devices, braking equipment, etc., have been set up, while at our facilities maintenance center railway facilities including tracks, turnouts, platforms, overhead line equipment, signal devices, etc., have been installed, so training sessions can take place in virtually real environments. By the fiscal year ending 2014, we plan to establish a total of no less than 104 skills training centers including those that make use of existing facilities. The development of this project commenced in the fiscal year ended March 2011.

Promotion of Workplace Gender Equality Plan

■Promotion of Work-Life Program

JR East has been actively promoting the betterment of the working environment for women and striving for the achievement of a work-childcare balance. With the goal of further promoting workplace gender equality, in 2009 we instigated the Work-Life Program as part of our effort to become a company in which all employees can fully demonstrate their abilities in a work atmosphere they regard as rewarding.

■Objective of the promotion

The objective of this program is to enable JR East to become a company in which diverse human resources can fully demonstrate their abilities and fulfill their work responsibilities while benefiting from satisfying and rewarding careers.

■Basic concept ■Three pillars of the program Gender Work-life **Diversity** Support a balance balance equality Enable employees to between work and fully demonstrate childcare-nursing their abilities responsibilities Improve employee culture to create a new culture

In particular, we have been working on the provision of support for the achievement of balanced work-childcare and work-nursing care levels, as well as instigating forums aimed at the achievement of workplace gender equality, and the operation of the gender equality portal site on our intranet.

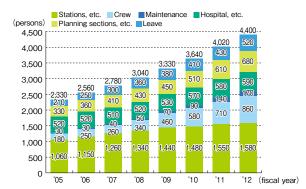
Measures taken to support the achievement of balanced work and childcare/nursing

- Extended the availability of childcare leave for one year until the child reaches three years of age (April 2010)
- Introduced a system of reduced daily working hours and increased holiday entitlement (April 2010)
- Established workplace nursery schools (two in Tokyo and one in Sendai) and a hospital nursery school (JR Tokyo General Hospital)

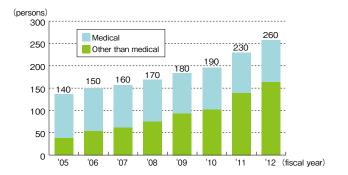


Established workplace nursery schools

■Expansion of workplace opportunities for female employees



■ Changes in the number of female manager



■Nikkei Child-Raising Support Award

In recognition of our efforts to support the achievement of a balance of work and childcare, JR East was awarded the 5th Nikkei Child-Raising Support Award 2010, sponsored by the Nihon Keizai Shimbun. This was the first time that a transport-related business won the award.







■General Business Operator Action Plan

JR East has formulated a 2nd phase action plan in line with the Law for Measures to Support the Development of the Next Generation (formulated in October 2008, revision notification submitted in March 2010).

■Action Plan

Duration: October 25, 2008-March 31, 2012 (revision notification submitted in March 2010)

[Basic Policy]

JR East's goal is to become a company in which diverse human resources can fully demonstrate their abilities and achieve their work responsibilities while benefiting from satisfying and rewarding careers.

Target 1: Introduce a new program that remains one step ahead of regular positive action measures within the scheduled period, and implement measures and information provision aimed at the achievement of workplace gender equality.

Target 2: Further enhance the system that supports improved work-childcare and work-nursing care environments within the scheduled period.

Target 3: Establish and operate workplace nursery schools within the scheduled period.

Target 4: Actively expand and enhance nursery schools near stations and other childcare support facilities with the goal of increasing the social participation of women and engendering a diversification of lifestyles.

In November 2008 we were certified by the Minister of Health, Labour and Welfare as a company supporting the raising of the next-generation of children.



Next-generation certified logo (colloquially named: Kurumin)

Improved Work Environment

Mental Health Care

In order to maintain and improve the mental health of our employees, we believe it is vitally important for all our employees to recognize stress in their everyday lives and deal with it promptly. As a result, we are taking various support measures, such as the distribution to all employees of a pamphlet about self-care with the aim of increasing their awareness of this issue. We have also set up a counseling service in conjunction with a JR East medical facility and, through this, respond individually to our employees' needs. In order to promote front-line care in the workplace, beginning in the fiscal year ended March 2008, we also organized training programs for on-site supervisors.

■Elder Employee System

During the fiscal year ended March 2009, JR East introduced the Elderly Employee System that encourages employees who have reached retirement age to continue working for Group companies that can benefit from their individual capabilities and skills. Through this plan we hope to enable retired employees to stabilize their lives until they reach their fully pensionable ages, as well as to encourage them to continue to contribute to our Group-wide accumulation of know-how.

■Human Rights Enlightenment

In order to educate our employees in the necessity of enhanced human rights, we have established human rights enlightenment promotion committees at Head Office and in regional offices.

Specifically, these committees conduct training for those personnel in charge of human rights enlightenment in regional offices and Group companies. To propagate human rights awareness, lectures are also conducted on human rights enlightenment in training sessions attended by new recruits, new train crews, work-implementation managers, and new managers. Even further, human rights education for both our staff and their families has been instigated through articles that spotlight human rights problems that could occur in our environment in our newsletter *JR Higashi*.

We have also joined the Industrial Federation for Human Rights, Tokyo, and are conducting human rights enlightenment activities as well as information exchanges.



Human rights enlightenment training

Employment of People with Disabilities

■JR East Green Partners Co., Ltd.

JR East Green Partners, a special JR East subsidiary, was launched in April 2009 and charged with the task of overall management of uniforms used in JR East. Afterwards, the new subsidiary has taken up such additional business as printing and maintenance and management of tree planting in continued efforts to expand work opportunities for people with disabilities. In addition to organizing the employment of people with disabilities, JR East Green Partners now cooperates with support organizations and special support schools and provides work training opportunities for disabled persons wishing to secure corporate positions. By carrying out a broad range of activities, the company supports the entire Group in the fulfillment of its social responsibilities.



JR East Green Partners Co., Ltd. headquarters



Typical work scene