

Relationship with Employees

■ Demonstrating the power of human resources

In order to ensure safe and reliable rail transport and 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 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.

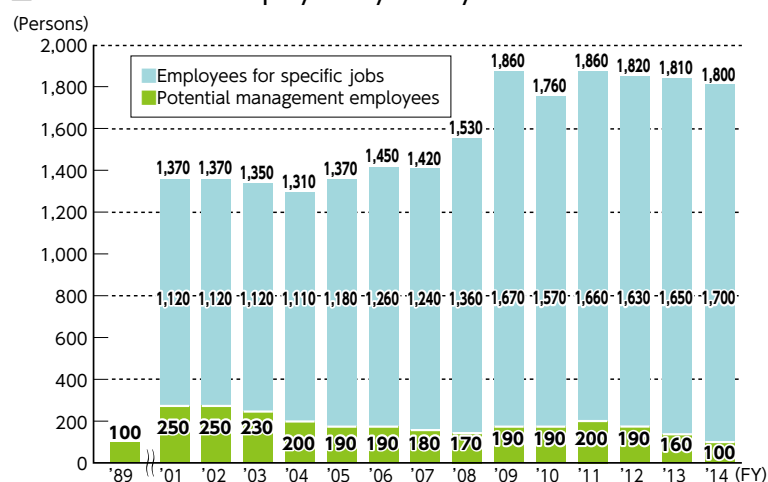
JR East continues to work to provide an environment in which all employees can enjoy their jobs while constantly striving to attain even higher goals. To that end, we are determined to face the challenge of creating a company where people grow through their work from the perspectives of how to respond 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 Group Management Vision V-Ever Onward", the company advocated reforms to its culture, including opening up our organization to young employees and giving to motivated people increased opportunities to apply for inclusion in training and other new projects, to exchange with people in other companies, passing on technical knowledge and skills to the next generation, and participating in technological innovation and overseas railway projects.

Recruitment

JR East's main supports are the capabilities of each and every employee. Our basic philosophy is 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 in March 2014 and the constant necessity for human resources development and the transfer of knowledge and technologies to the next generation, we have recruited 1,800 new employees.

■ Number of new employees by fiscal year



Employing Persons with Disabilities

As of June 2013, 2.35 % 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 5th year class that started in March 2013 consists of 48 employees from 11 technological fields who will spend the year on leave from their regular positions in order to concentrate on technological studies at the Head Office. From the 5th year of the Academy, young employees who are sent by group companies can attend the lecture as listeners, so that the whole Group will cooperate to improve our technical capability and strength. 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.

VOICE

JR East Technical Academy gave me a clue as to how I should think about all aspects of the railway

I applied to attend the Technical Academy more than five years after I joined JR East, when I wanted to identify what I had, what I didn't have and how I could improve my weak points. I



joined the company after working with a general contractor for seven years. The company has a policy of fostering new non-graduates and developing them. I had a strong desire to learn, to gain more and more knowledge and to get to know the whole railway system, so that I could become a professional in track maintenance.

My twelve months in the Technical Academy were really fulfilling. The study program is based on 3 courses: "expert knowledge of the area of the job in which the individual member is in charge," "the concept and theory of the entire

system" and "skills necessary for problem solving." In respect of the expert knowledge of the assigned job, we first learned the concept and the basics in class, and then progressed to on-site learning. So we were really satisfied with the on-site learning and training.

Students in the Academy have similar intentions, are highly motivated, respond quickly and never give up. Though their jobs are different, all students of the Academy are on the same wavelength. I wanted to be a professional track maintenance engineer, but encounters with highly-motivated students doing different jobs made me decide that I wanted to be an engineer who can take care of the whole railway rather than merely of my own "track maintenance" work. The methods of thinking and of organizing documents that I learned in "Necessary skills for problem solving" are very useful in my current job. If I say that I can organize my plan theoretically - locating the problem; defining it, deciding how it may be solved and knowing what to do - I owe all that to the Academy. Now I am always conscious that my thoughts are accurately understood by others. And so I can speak with confidence. It is very useful for me.

This Academy, which gives us time to concentrate on research and to improve our skills, proves how seriously JR East tries to foster human resources internally and externally. I had many chances to hear lectures by leading authorities in various fields, and now one of my dreams is to give a lecture at the Academy some day.



It will be nice if I can become an authority capable of giving a special lecture to the students of the 20th class. I will do my best to make this dream come true.



Tsugutada Kobayashi

Deputy manager, Track Maintenance Group
Maintenance Div., Facilities Dept.
Takasaki Branch Office

Skills Development

The development of human resources and the steady and 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 experienced employees pass on their technologies and skills to the next generation of technical staff, who will carry the responsibilities for railways in the future, 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 component mockups, such as power collection equipment, door opening-closing devices, and braking equipment, have been set up, while at our facilities maintenance center, railway facilities including tracks, turnouts, platforms, overhead line equipment and signals 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.



Training for installing and removing shunt accessory devices

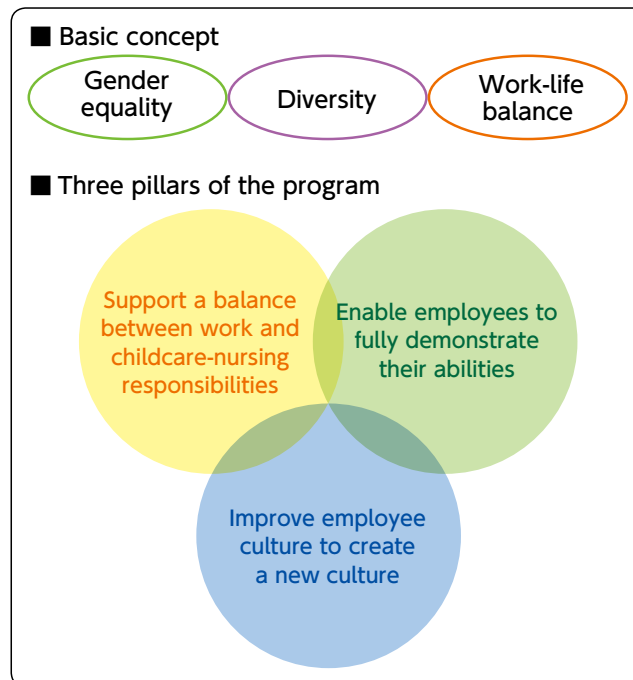
■ Promotion of Diversity

JR East believes that employees who derive satisfaction from doing challenging work and who can maximize their skills are able to enhance the company's competitiveness. We have initiated a "Work-Life Program" whose aim is to encourage all employees, both male and female, to participate independently.



We are encouraging employees to be well aware of Work-Life Program, by using program's nickname "Wara-Pro" and logo.

■ Concept of Work-Life Program



Specifically, individual organizations hold seminars and forums and operate a Male-Female Joint Participation Portal (Gender Equality Portal). They also participate in the various activities of a Work-Life network, upon which the Work-Life program in the workplace is based, with the aims of encouraging employees to revise their way of thinking and of creating a new corporate culture.

For enhancing the employees' awareness of Work-Life balance, the company invites its employees' families to come to its Family Day event.



Family Day at Head Office

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)
- Implementing a seminar to support the achievement of a balance between work and home life (childcare/nursing)

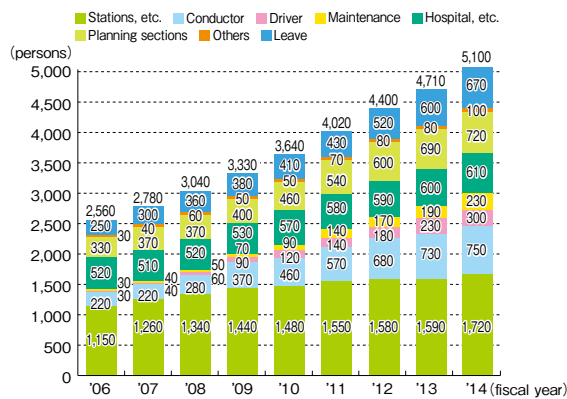


A seminar for supporting the achievement of balanced work and life (childcare)

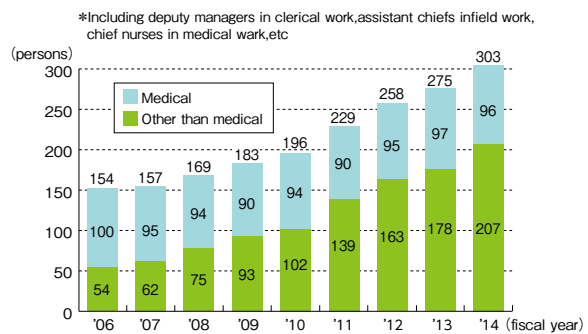
Expansion of workplace opportunities for female employees

The workplaces, both field and office, in which female employees can work are growing in numbers every year. For example, about 40% of the train crew members on the Yamanote Line are female employees. The number of female managers is also increasing every year, with female employees taking important positions such as Head Office and Branch Office managers, chiefs of field office (station masters) and Board members of group companies.

Expansion of workplace opportunities for female employees



Changes in the number of female managers



Health, Labor and Welfare (HLW) Minister's Excellent Performance Award, Family Friendly Company Section of "2012 Equality & Work-Childcare Balance Promotion Company Commendation"

In recognition of our support in the achievement of work-childcare/nursing balance, JR East was given the HLW Minister's Excellent Performance Award in the Family Friendly Company Section of "2012 Equality & Work-Childcare Balance Promotion Company Commendation".

For our efforts in encouraging the employment of female employees' capabilities, we were also given the Tokyo Labor Department Award in the Equality Promotion Company section of the said commendation. We are the first company in the transport industry to receive the HLW Minister's awards in both Sections.



General Business Operator Action Plan

JR East has formulated a 3rd phase action plan in line with the Law for Measures to Support the Development of the Next Generation

Duration: April 1, 2012- March 31, 2017

In November 2008 and in August 2012 we were certified by the Minister of Health, Labor and Welfare as a company supporting the raising of the next-generation of children.



Next-generation certified logo ("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. This percentage corresponds to 90% of the total. 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 for enhanced human rights, we have established human rights enlightenment promotion committee at Head Office. Specifically, the activities of this committee include human rights seminars for officers and employees of JR East Group and for those in charge of human rights enlightenment in organizations and Group companies. To propagate human rights awareness, it also conduct lectures on human rights enlightenment in training sessions attended by new recruits, new train crews, work-implementation managers, and new managers. Furthermore, human rights education both for our employees and for their families has been promoted through articles, spotlighting human rights problems that could occur in our environment, that appear in our newsletter *JR Higashi*. We have also joined the Industrial Federation for Human Rights, Tokyo, and are conducting human rights enlightenment activities externally by sending lecturers to seminars on human rights enlightenment organized by local government, along with information exchanges and mutual enlightenment discussions with member companies of the Federation.



Human Rights Seminar

Employment of People with Disabilities

JR East Green Partners Co., Ltd.

JR East Green Partners, a special JR East subsidiary, was started in April 2009 and charged with the task of overall management of uniforms used in JR East. Since then, the new subsidiary has begun additional business such as printing and maintenance and management of tree planting, in our 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.



Uniform sorting



Plant maintenance