

## 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.

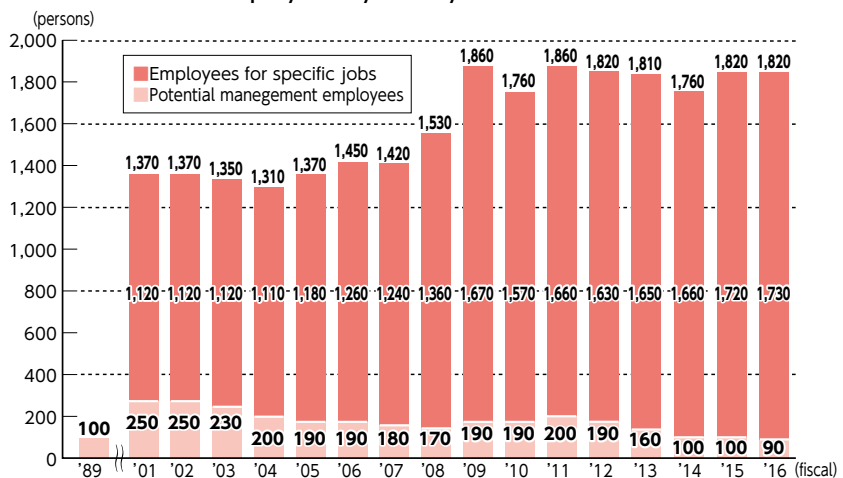
JR East continues to work to provide an environment in which all employees can enjoy their jobs while constantly striving to attain even higher goals. To that end, we are determined to face the challenge of creating a company where people grow through their work from the perspectives of how to respond 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 increased opportunities for motivated people to apply for inclusion in training and other new projects, exchanging people with 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 and the constant necessity for human resources development and the transfer of knowledge and technologies to the next generation, we have recruited about 1,800 new employees in the fiscal year ending March 2016.

■ Number of new employees by fiscal year



### 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 for 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 are connected to indispensable business skills and knowledge, including management know-how, qualifications acquisition, 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 working for personal improvement is an opportunity for the fostering of human resources, and, thereby, aims to nurture employees capable of thinking and acting independently.

## JR East Technical Academy

In order to motivate our young employees and encourage them to develop into professionals capable of playing leading roles in all fields of railway technology, we established the JR East Technical Academy in March 2009. The 7th year class which started in March 2015 includes 61 employees from 12 technological fields; 8 of them are from Group companies and partner companies, and 5 are participating only in some programs as listeners. They will be working together as a group for one year to improve their 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.

## Skills Training Centers: Develop engineers for future railway transportation

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 technologies and skills in individual workplaces. We have established 104 centers by also making use of existing training facilities. In our skills training center for rolling stock maintenance, for example, railway car component mockups (power collection equipment, door opening-closing devices, and braking equipment) have been set up, while in our facilities maintenance section, railway facilities (tracks, turnouts, platforms, overhead line equipment, signals, etc.) have been installed, so training sessions can take place in virtually real environments.



Training at skills training centers

## 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.

Specifically, individual organizations hold seminars and forums and operate a diversity 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.

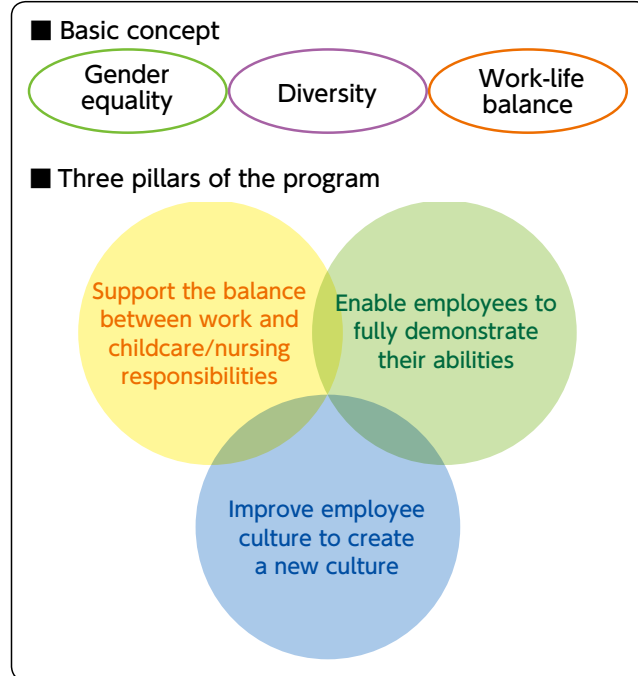


Family Day at Head Office



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

■ Concept of Work-Life Program



Main action contents

- Promoting the Work-Life Program, which is aimed at all employees regardless of gender.
- Introducing the first-ever program offered by a railway operator that allows employees to work shorter hours or a reduced number of days, including those working in positions that require alternating between day and night shifts (station staff, train crews, etc.).
- Introducing a multiple-track personnel promotion system that provides fair and equal opportunities and supporting career development.
- Creating a structure that enables employees with disabilities to participate actively at various worksites.
- Balancing business and CSR through the Happy Child Project’s nursery schools near stations.

These initiatives have been well received, and in FY2015, JR East became the first-ever railway operator chosen in the Ministry of Economy, Trade, and Industry’s “Diversity Management Selection 100.”



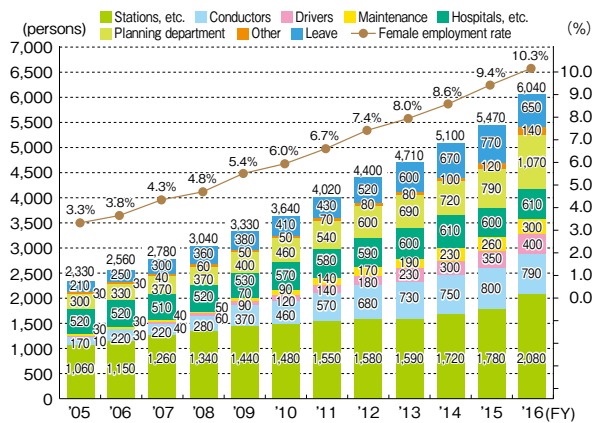
Other External Recognition

- 2012 Equality and Work-Childcare Balance Promotion Company Commendation (Ministry of Health, Labor, and Welfare)
- Excellent Performance Award, Family Friendly Company Section
- Tokyo Labor Department Award, Equality Promotion Company Section
- Excellence Award, 6th Annual Work-Life Balance Awards (Japan Productivity Center)
- 2010 Nikkei Child-Raising Support Award (Nihon Keizai Shimbun newspaper)

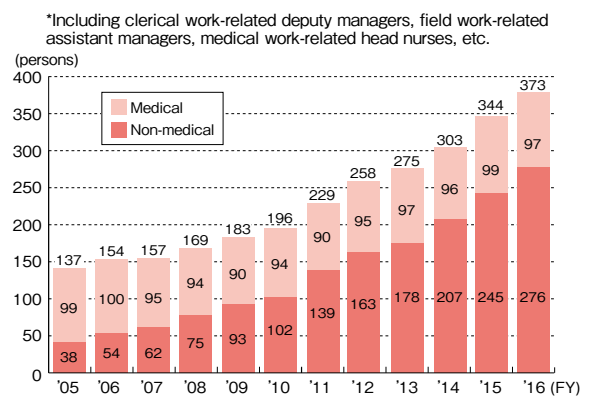
### Expanding Employment Opportunities for Women

In order to expand employment opportunities for women, first of all we have already achieved a female employment rate of over 20%, in addition to which we are also expanding the positions available to women in the field, planning department, and so forth, through the development of various child-rearing support programs and our internal culture. As well, we have increased the retention rate among female employees. The proportion of female employees, which was a mere 0.8% at the time of JR's inception, had reached 10.3% as of April 1, 2015. Today, for example, around 40% of the crew on the Yamanote Line are female employees, while the number of female managers is also increasing year by year, so that more and more women are now occupying important positions such as deputy general managers at the head office and branch offices, supervisors of facilities in the field (station managers, etc.), and executives of group companies. Employment opportunities for women are also expanding as seen in the fact that we now have the first female corporate officer and so forth.

■ Expansion of Employment Opportunities for Female Employees



■ Changes in Number of Female Managers Over Time

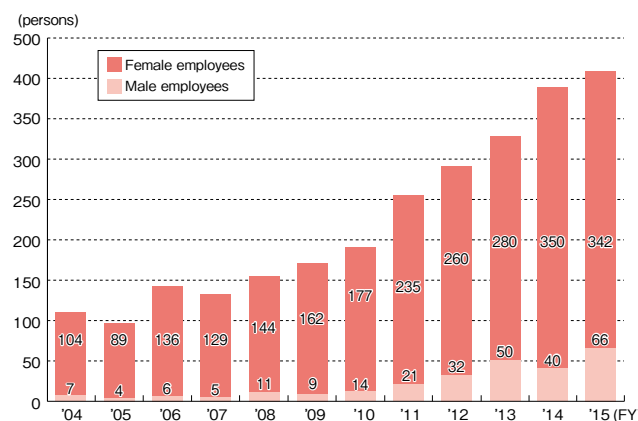


### Support the balance between work and childcare/nursing responsibilities

Based on the concept of increasing the options for achieving the balance between work and childcare/nursing, regardless of occupation, JR East introduced "Working with Childcare/Nursing A" in FY2011. In this program, all employees are eligible for shorter working days (six daytime hours) until their child reaches three years of age.

In addition, with the desire to continue to provide support thereafter as much as possible, we also introduced "Working with Childcare/Nursing B." In this program, employees with children who have not reached the third elementary school grade are entitled to four days a month as days off for childcare/nursing. Furthermore, Working with Childcare/Nursing A and B both also apply to "nursing" (care of other family members). We also revised programs, such as extending the availability of childcare leave to the time when the child reaches three years of age and expanding the scope of coverage of "parental leave" (entitled to take up to five days off a month for taking care of a child) and "sick/injured child care leave" (entitled to take up to five days off a year for looking after a child in the event of the child's sickness or injury; ten days permitted for those with two or more children), which also applies until the child reaches the third grade of elementary school. In this manner, there is a growing range of options for ways of working during childcare/nursing periods.

■ Changes in Employees Taking Childcare Leave



\*Data includes only the number of regular employees and does not include that of green staff or non-regular employees.

■ Changes in Employees Opting to Work Shorter Hours or Fewer Days

A = Working shorter hours  
B = Working fewer days

Gender	FY2010			FY2011			FY2012			FY2013			FY2014			FY2015		
	A	B	Total	A	B	Total	A	B	Total	A	B	Total	A	B	Total	A	B	Total
Male	2	2	4	2	4	6	2	2	4	2	0	2	5	6	11	2	10	12
Female	27	29	56	60	44	104	80	74	154	105	98	203	103	154	257	125	176	301
Total	29	31	60	62	48	110	82	76	158	107	98	205	108	160	268	127	186	313

Concrete action example

- 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 the balance between work and home life (childcare/nursing)



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

Welfare and Other Programs

We are also dedicating efforts to the establishment of welfare and other various programs, including annual paid leave, in order to support employees so that they may work with enthusiasm, feel challenged and have job satisfaction, and thereby demonstrating their fullest potential.

Average number of days of annual paid leave taken	Average rate of annual paid leave taken
17.7 days	Approx. 90.8% of allowed annual paid leave was actually taken

(for the fiscal year ended March 2015)

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")

Employing Persons with Disabilities

As of June 2015, 2.45% of our workforce consisted of employees with disabilities. These members of our 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 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 subsidiary has begun additional business such as printing and tree planting maintenance and management, in our continued efforts to expand work opportunities for people with disabilities.



Uniform sorting

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.



Plant maintenance in collaboration with local communities

### 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 is done by approximately 80% of the eligible employees.

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.

### To Improve Working 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 well as for the managers to take appropriate actions. Therefore, we are taking various support measures, such as the distribution to all employees of a pamphlet about self-care to increase their awareness of this problem. 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.

#### Human Rights Enlightenment

In order to educate our employees in the necessity for enhanced human rights, we have established a human rights enlightenment promotion committee in the 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 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. We have also joined the Industrial Federation for Human Rights, Tokyo, and are conducting human rights enlightenment activities externally along with information exchanges and mutual enlightenment discussions with member companies of the Federation.



Human Rights Seminar