

Pursuing to be a Trusted Corporate Group

Companies Cannot Fulfill their Social Responsibilities without Sound Management

The term corporate social responsibility (CSR) has recently come into widespread use with regard to the social responsibilities of corporations. There are various ideas concerning CSR, and I believe that sound management enables companies to fulfill their social responsibilities. In addition to fulfilling tax obligations, providing employment opportunities, and supplying goods and services needed by society, CSR is made up of what companies give back to society through corporate vitality, which is brought from sound management.

The Japanese National Railways, former company of East Japan Railway Company, was a government-run company. People might consider that as a public organization it was fulfilling its social responsibilities, but I do not think this was necessarily the case. The company accumulated tremendous debt and imposed a burden on the public, numerous labor strikes resulted in chaos in transportation, and the quality of services declined. After East Japan Railway Company was established as a private company, what needed to be done became much clearer. The key to fulfilling social responsibilities is to achieve sustainable growth under a system of sound corporate management.

Assisting Our Customers in Lead Enriched Lives

The railway business has a very close connection to the national life. In addition to fulfilling the function as a basic social infrastructure, I also believe that it is our social responsibility to respond to the needs of all stakeholders. I feel that the JR East Group exists expressly to provide a wide array of services centered on railway services so that we can assist our customers in leading enriched lives while constantly providing them with new value.

Efforts to Enhance Safety Have Reduced Accidents by 70%

The provision of safe and stable transportation services is an essential element of CSR in the railway business. It can even be said that ensuring safety above all else is the foundation of our CSR. We put considerable effort into ensuring safety, and about 40% of our annual investment goes into capital investments designed to improve safety.

As a result of our various efforts and innovations, the number of operational railway accidents has been reduced by more than 70% since the company was established. This achievement is even greater than the statistics indicate considering the fact that the number of train runs have increased.

Contrasting with this result are the inconveniences that our passengers experienced from train stoppages during the rail rerouting work on the *Chuo* Line during FY 2003. This project involved replacement of our most important line and since passenger inconvenience would have increased along with an increase in the number of times construction was performed, we had hoped to complete the work with the lowest possible frequency of construction. Unfortunately, our decisions could not prevent dissatisfaction among our passengers.

In response, we have inaugurated a special committee and have adopted a range of measures. Subsequently the large-scale rail rerouting work has been proceeding smoothly. We perform rail rerouting rather frequently to increase the convenience of passengers and local residents, and we vow to use the lessons gained from this construction experience in our future projects.





Needless to say, construction is not performed by JR East alone but is rather carried out with the cooperation of numerous other companies. In order to ensure that such incidents never recur, I personally visited each of the participating companies and took the time to express our concerns. I called on them to take thorough measures to restore the trust of our passengers.

Environmental Initiatives are an Important Aspect of CSR in the Railway Business

Trains are a mode of transportation that emit low levels of carbon dioxide (CO₂) and boast high energy efficiency per unit transportation volume. Nonetheless, we are aware that with our scale of business of approximately 13,000 train runs with 16 million passengers transported daily, the environmental impact is quite significant. To put it another way, even though the environmental impact per unit is low, the total impact is considerably high.

We have set goals for reducing CO₂ emissions and introducing energy-saving railcars by FY 2005, and are currently taking action to meet these goals. It appears that we will meet our goals in several categories by the end of FY 2004.

We are also developing technologies that will contribute to environmental conservation. One result of such developmental measures is an energy-saving railcar that consumes about half the electricity of conventional railcars. We have already replaced 72% of our total railcars with this energy-saving model. In addition, we are also developing the NE Train – a hybrid type of railcar – and a new *Shinkansen* that travels at speeds up to 360 km/h. We are conducting research and development to limit environmental impact including noise and vibration resulting from *Shinkansen* traveling at higher speeds.

Environmental conservation initiatives enhance our competitiveness in terms of technological development and lead to greater overall corporate strength.

Aiming for the Development of a Sustainable Society

We seek to be a corporate group whose customers enjoy happy and plentiful lives. We are making a particular effort to provide added value to passengers while they are on board. We provide “satisfaction” to customers by responding to a variety of customer needs that include, for example, the desire to get work done or watch the news while being on the train.

We are also making a special effort to remodel the railway stations. In the past, stations were simply places for passengers to get on and off trains, but in the future we hope to develop them into exciting locations that inspire people. The creation of interesting stations as the “lightning rods for the city” also serves to make the city itself a more interesting place. Based on the idea that “station development means urban development,” we hope to contribute to the revitalization of cities through the redevelopment of stations.

I am confident that Japan’s railway technology is at the highest level in the world. It is likely that railways, particularly in Asia, will be modernized and converted to high-speed lines in the near future. I hope to promote global CSR by contributing to the development of railway technologies in these countries.

This Sustainability Report introduces our efforts toward the development of a sustainable society. It is our sincere hope that, through this report, we will be able to raise the level of dialog with all interested persons and parties. I look forward to receiving your candid opinions concerning this report.



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