

▶ Our Relationship with Employees

What Actions Does the JR East Group Take to Ensure the Career Satisfaction of its Employees?

We are taking various initiatives so that all employees – the driving force of the JR Group's growth – can work with pride, set themselves high standards of achievement, and feel highly motivated in their work.

Policies on Human Resources

Basic approach to personnel and employment

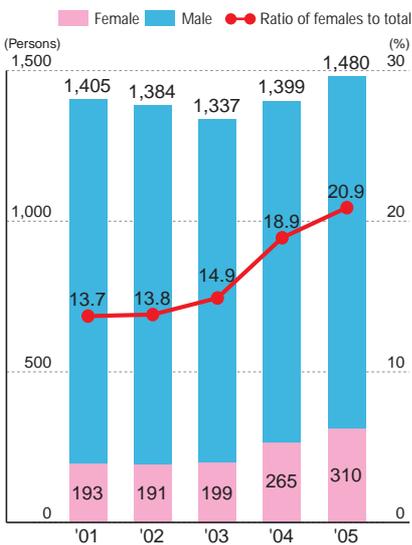
Guided by the *New Frontier 2008* medium-term business plan, JR East has made the principles of its hiring and personnel development "employees who work actively to achieve a high standard, without fear of change," and "employees who can think and act self-reliantly."

For the railway operations that are at the center of JR East's business, one core principle is that employees should have relatively long-term employment, considering the importance of linking work experience to the accumulation of ability, and to support the stable operation of the business.

Status of employment

Looking toward the future, in order to operate a stable railway business and avoid any imbalances in the age composition of its employees, JR East continues to hire about 1,400 persons per year, and conducts a fair and just hiring selection process that respects basic human rights.

▶ Number of new recruits



Employing persons with disabilities

As a part of its responsibility to society JR East employs persons with disabilities, and as of June 2005, they accounted for 1.91% of our work force. Although there are some restrictions on the types of work available in the railway business for persons with disabilities (due to constraints such as government safety regulations), JR East does make an effort to secure them a place of employment, to aid their integration into society.

Human Rights Education

Raising employee awareness of human rights

JR East works to raise human rights awareness, having established human rights committees at its corporate Head Office and branch offices, and has adopted a *Basic Policy on Human Rights*. Awareness-raising is accomplished through seminars that are adapted to different work categories and functions, and through a newsletter for employees and their families.

Developing Positive Work Environments

F Program

JR East has expanded the number of positions and range of work available to women since the amendment of the Labor Standards Law and Equal Opportunity Law in 1999. In April 2004, JR East launched the "F Program" to create a favorable working environment for female employees, and have been promoting measures on various fronts. Examples include expanding the opportunities for employment and active roles for female employees; improving programs to support women who want to balance work and child-raising; and improving the work environment.

The number of female employees has steadily increased; for fiscal 2005, JR East hired 310 women, or 20.9% of new recruits. JR East aims to keep this ratio at 20% or higher. The number of positions in which women work at JR East has increased to the point that, as of April 2005, there were about 30 female train drivers, about 220 female conductors, and a growing number of female employees at ticket gates.

JR East endorses further efforts, for example, offering seminars for managers to consolidate their understanding of the objectives of the F Program and holding meetings where female colleagues can share their views.

▶ Work environment-related data (FY 2004)

Disabled employees ratio	1.91%
Total annual working hours	1,837 hours
Overtime work	119 hours
Ratio of annual vacation time used	93%

* The percentage of disabled employees is as of June 2005



Women are working in a growing number of roles at JR East. About 30 women are now working on the front line as train drivers.

Reducing working hours

JR East is making an effort to reduce working hours in order to boost job satisfaction and increase productivity, by introducing new systems and automating operations. The average annual working time in fiscal 2004 was 1,837 hours. This is about 350 hours less than when JR East was established in 1987.

Acquiring certification for Occupational Health and Safety Management Systems

In March 2002, JR East's Tokyo General Rolling Stock Center became the first in Japanese railway industry to acquire OHSAS 18001 certification (OHSAS for Occupational Health and Safety Management System); in May 2003, the Omiya General Rolling Stock Center obtained the JISHA version of OSHMS certification (JISHA for Japan Industrial Safety and Health Association, OSHMS for Occupational Health and Safety Assessment Series); and in April 2004, the Koriyama General Rolling Stock Center obtained OHSAS 18001 certification. We aim to continue improving our health and safety systems, and to raise standards to even higher levels.

Preventing occupational accidents and work-related illness

Under the *Safety Plan 2008*, the entire JR East Group is working together toward preventing on-the-job accidents to achieve "zero customer and employee fatalities and injuries." Despite our efforts, unfortunately, during fiscal 2004, six employees of Group companies lost their lives due to various accidents, including electrocution and traffic accidents. We will continue with our efforts to seek out potential risks and to improve safety at work.

Human Resources Development

Basic policies on training

The JR East Group encourages employees not only to perform their assigned duties but also to engage in voluntary training on topics that they themselves select. JR East is actively promoting personnel development, underpinned by principles of "a strong customer-orientation," "ensuring reliability and raising technology standards," and "training the next generation of employees."

Small group activities; proposal activities

JR East supports and encourages small group activities and proposal activities which will result in a more dynamic workplace environment, and improvements in work performance and capacity development.

In these small group activities, employees form their own groups voluntarily, and take action to resolve any issues that may be of concern to them in the course of their day-to-day work. In fiscal 2004, about 36,100 employees in about 5,900 groups participated in such activities.

Proposal activities are ones in which employees submit their valuable opinions on matters relating to work. In fiscal 2004, about 690,000 proposals were submitted, about 12.6 proposals per employee.

A variety of training programs

JR East has established a variety of training programs to help employees develop their skills.

Besides offering a range of group training programs relating to safety, service, and management at the JR East General Education Center and the training centers of the JR East branch offices, we also promote personal development through external correspondence courses on general topics and to obtain specific qualifications as well as JR East's own internal correspondence courses on topics relating to the railway business. To help employees broaden perspectives and develop abilities, JR East also strongly encourages employees to pursue outside training, including enrolling in business management school, attending public seminars and ship-board training, training overseas, or taking courses at domestic colleges or universities.

▶ Training programs in FY 2004

Training participants	
Training for Human Resource Development	34,900
<Major Programs>	
Seminars for new directors and auditors of group companies	
Marketing seminars	
Training for new supervisors (on-site supervisors and assistant supervisors)	
Training for new recruits and junior staff	
Training for employees who passed promotion examinations	
Training for employees who support small group activities	
Training for instructors of the small group activities support office	
Training for Enhancing Knowledge and Technology Skills	63,600
<Major Programs>	
Training for train drivers and conductors	
Training at training centers and business training centers	
Training to improve business knowledge and technology skills	
External Training	4,400
<Major Programs>	
Training for management and exchanges between different industries	
Training for acquisition of various qualifications	
Training overseas and ship-board	
Total	102,900