

## What actions does the JR East Group take to create a favorable work environment?

The JR East Group is taking many steps to create a favorable work environment where, as a driving force of our development, all of our employees can take on the challenge of achieving a higher level of standards with pride, and feel highly satisfied with their work.

### Human resources management

#### Basic concept for personal affairs and employment

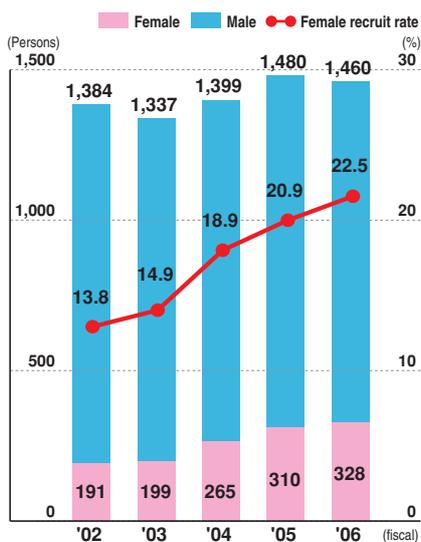
Based on the *New Frontier 2008* medium-term management plan, JR East has set the policy of hiring and developing an employee “who can take on the challenge of achieving a higher level of standards without being daunted by any change,” and “who can think and act in his or her own initiative.”

In the railway operation that is at the center of JR East’s business, we basically ensure a long-term employment, in the belief that work experience will eventually lead to improved skills and stable business operation.

#### Status of recruitment

In order to ensure a stable railway operation into the future, JR East has hired about 1,400 new recruits every year so as to avoid any imbalances in the age composition of our employees. We have also

▶ Number of new recruits and female recruit rate



selected and hired new employees in a fair and equal manner in respect for basic human rights.

#### Employing persons with disabilities

As part of our social responsibility initiatives, JR East has actively employed persons with disabilities, and as of June 2006, they accounted for 2.07% of our workforce. Although government safety regulations and others put some restrictions on the types of work available for those with disabilities in the railway business, we have secured positions for them in our company, based on our commitment to treating them exactly the same as others.

### Human rights education

#### Raising employees’ awareness of human rights

JR East is striving to raise awareness of human rights among all of our employees by establishing the Human Rights Committees at our Head Office and branch offices, and our own *Basic Policy on Human Rights*. We have also held work-specific training and issued newsletters for our employees and their families, with the aim of further raising awareness of this issue.

#### ▶ Work environment data

Rate of disabled employees	2.07%
Total annual working hours	1,847 hours
Overtime working hours	127 hours
Rate of annual paid-vacation taken	91%

\* The rate of disabled employees is as of June 2006.

### Creation of a favorable work environment

#### F Program

JR East has increased the number of female recruits and their positions since the amendment to the Labor Standards Law and the Equal Employment Opportunity Law in 1999. We have also implemented various measures under the “F Program,” to expand female recruits and their work opportunities to play an active role; to enhance systems for supporting a balance between work and childcare; and to improve their work environment and our corporate culture.

The number of female recruits has steadily increased, and in fiscal 2006, we hired 328 women, which accounted for 22.5% of all new recruits. We aim to achieve the goal of reaching a female employment rate at 20% or higher.

The number of women in management positions also steadily increased by 0.1 percentage point year-on-year to 1.0%. As of April 2006, there were about 40 female train drivers, about 220 female conductors, and a growing number of female employees at ticket gates, showing that their range of positions at JR East has been expanding.

#### Reducing working hours

JR East is making efforts to reduce working hours in order to boost job satisfaction and increase productivity of our employees, by introducing new systems and automating our operations. The average annual working hours in fiscal 2005 was 1,847 hours, which was about 340 hours less than when JR East was established in 1987.

### Acquisition of Occupational Health and Safety Management System Certification

In March 2002, JR East's Tokyo General Rolling Stock Center became the first facility in Japanese railway industry to acquire OHSAS 18001 certification. Since then, the number of certified centers and offices of JR East has been on the rise.

#### ▶ OHSAS certified centers

Center	Date of acquisition	Certification
Tokyo General Rolling Stock Center	February 2002	OHSAS 18001
Omiya General Rolling Stock Center	May 2003	OSHMS
Shinkansen General Rolling Stock Center	March 2005	OSHMS
Koriyama General Rolling Stock Center	March 2005	OHSAS 18001

### Prevention of occupational accidents and diseases

The entire JR East Group is working together to prevent occupational accidents with the aim of achieving "zero customer and employee fatalities and injuries" under our Safety Plan 2008 (see page 18). Despite our efforts, unfortunately, four employees of our Group companies lost their lives in fiscal 2005, due to electric shock, traffic accidents, and other causes. We have renewed our resolve to make continuous efforts to identify potential risks and improve safety at work.

## Human resources development

### Basic policies on human resources development

JR East Group is striving to develop an independent employee who can not only perform his or her assigned duties, but also take on a challenge on his or her initiative. We are actively developing human resources, based on our principles of "improving technological and management capabilities at work," "providing better services from customer perspectives," "developing the next generation of employees," and "facilitating the growth of JR East Group as a whole."

### Small group and proposal activities

Our employees form small groups voluntarily to identify and resolve the issues related to their day-to-day work. In fiscal 2005, approximately 36,400 employees who belonged to about 5,300 small groups participated in such activities.

In proposal activities, our employees make valuable proposals on matters regarding their work. In fiscal 2005, about 680,000 proposals, or 12.7 proposals per employee, were made.



Presentation meeting for small group activities held at our Head Office.

### Various training programs

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

Besides offering a wide range of group training programs relating to safety, service, and management at the JR East General Education Center and our branch offices' training facilities, we have also provided external correspondence courses to acquire general knowledge and specific skills, as well as internal correspondence programs on the railway business, as part of our efforts to develop our personnel. To help our employees broaden their perspectives and creativity, we also encourage employees to take part in external programs, including public seminars, ship-board and overseas training, and courses at domestic colleges or universities.

#### ▶ Training programs

##### Training participants

##### Training for Human Resource Development 31,200 participants

<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 at the Small Group Activities Support Office

##### Training to Enhance Knowledge and Technical Skills 56,200 participants

<Major programs>  
Training for train drivers and conductors  
Training at training centers and business training centers  
Training to enhance business knowledge and technical skills

##### External Training 3,300 participants

<Major programs>  
Management training and cross-industrial exchanges  
Training to acquire various certifications  
Overseas and ship-board training

Total 90,700 participants