

Creating a favorable work environment

The main driving force of Group development is job satisfaction of each and every employee.

We will continue to make improvements in the creation of a workplace where employees can have pride in their work and constantly strive for higher ideals, and a system where all employees respect individual lifestyles and enjoy their work.

Human resources management

Basic concept for employment

Based on the New Frontier 2008 medium-term management plan, JR East has promulgated a policy of hiring and developing employees “who can take on the challenge of achieving a higher level of standards without being daunted by any changes,” and “who can think and act on their own initiative.”

In railway operations, which form the core of JR East’s business, we basically guarantee long-term employment in the belief that work experience will eventually lead to improved skills and support stable business operations.

Recruitment

As a cornerstone of corporate development into the future and from the perspective of advancing organizational vitalization and strategic management, JR East annually hires approximately 1,400 new recruits. Our selection and hiring of new employees is done in a fair and equal manner with due respect for human rights.

Employing persons with disabilities

Believing the employment of people with disabilities to be an important social responsibility, JR East has actively recruited them, and as of June 2007, they accounted for 2.09% of our workforce. Although government safety regulations and ordinances place some restrictions on the types of work available in the railway business for people with disabilities, we are striving to secure positions for them based on the principle of normalization*1.

Trends in the recruitment rate of persons with disabilities (%)

Year	Recruitment rate (%)
June 2005	1.91
June 2006	2.07
June 2007	2.09

*1 Normalization

A concept under which the normal form of society is seen to have senior citizens, persons with disabilities and healthy people live together in a community of mutual help and assistance, instead of a system of segregation.

Human resources development

Acting independently and with initiative

It is indispensable for the development of JR East as whole to develop independently minded employees who can not only perform his or her assigned duties but also take on challenges at their own initiative. From this perspective, we are actively developing human resources based on our principles of “improving technological and management capabilities at work”, “providing better services from customer perspectives”, and “developing the next generation of management.”

Small groups and proposal activities

Our employees voluntarily form small groups to solve issues they discover in their workplaces. In fiscal 2006, for example, approximately 35,800 employees belonging to approximately 5,300 small groups participated in such activities.

Proposal activities which solicit ideas and opinions on improvements concerning employee tasks are also very actively carried out. In fiscal 2006, approximately 620,000 proposals, around 12 proposals per employee, were made.

Variety of training programs

JR East has established many training programs to help employees develop their own skills.

Besides offering a wide range of training programs relating to safety, service, and management at the JR East General Education Center and branch office training facilities, we also provide external correspondence courses to support employee learning of general knowledge and to enable them to earn specific qualifications. We also offer internal correspondence programs on railway business subjects as part of our effort to develop our personnel.

In order to assist our employees in broadening their perspectives, we also provide many opportunities for them to voluntarily take part in programs designed to develop their capabilities, including public seminars, ship-board training, and courses at domestic colleges or universities. In fiscal 2006, a total of 86,300 employees participated in such training programs.

Corporate venture system

The corporate venture system was re-named J-Tomorrow in 2000 and has been revitalized to operate in the fields such as finding and fostering human resources, and the expansion of our lifestyle services businesses.

From fiscal 2000 to 2006, approx. 1,400 applications had been received and five have been commercialized, including Chabuzen station restaurants and a private mailbox service for Suica card members called Eki-ad.

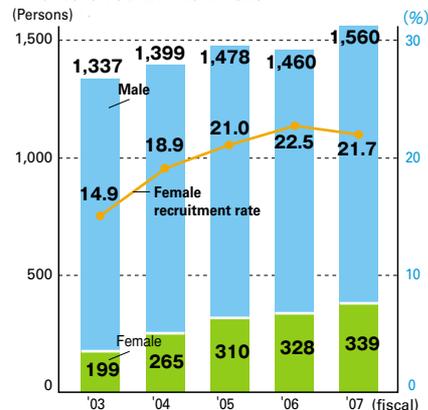
Creation of a favorable work environment

Successful female employees (F Program)

Since the amendment of the Labour Standards Law and the Equal Employment Opportunity Law in 1999, JR East has actively implemented measures to employ more females and to expand their scope of employment. In April 2004, the “F Program” was inaugurated to encourage female employees to play more active roles. Under the auspices of the “F Program, in addition to the above-mentioned measures” efforts are also being made to improve systems that support a balance between work and child-care, and to improve the work environment and our corporate culture for female employees.

The percentage of female employees hired has exceeded 20% since fiscal 2005, and in fiscal 2007, we hired 339 women. Their choice of position is expanding steadily, and as of April 2007, among our 3,040 female employees, there are about 60 train drivers, about 280 train conductors, and women who are Group company managers and in other important roles.

Number of new recruits and the female recruitment rate



Childcare and nursing care leave

At JR East, 134 employees took childcare leave in fiscal 2006; five of them were male employees. Since the introduction of the system, a total of over 70 male employees have benefited from this system.

For nursing care, a system is now in place where up to one year of leave can be taken; this far exceeds the legal requirement of 93 days. In fiscal 2006, 20 people benefited from this system.

Senior citizen reemployment

A Reemployment Opportunity System has been inaugurated to provide work opportunities in Group companies for those wishing to continue to work after retiring at the mandatory age of 60.

Work environment data

Total annual working hours	1,849 hours
Overtime working hours	129 hours
Rate of annual paid-vacation taken	91%

(Number of vacation days granted: 19.6 / Number of vacation days used: 17.9)

Raising employee awareness of human rights

JR East is constantly striving to raise awareness of human rights among all employees by establishing Human Rights Committees, providing training programs, and publishing newsletters.

COLUMN

Key to success is reform of employee awareness

JR East is continuing with the “F Program” with the aim of developing an environment where female employees can fully demonstrate their abilities. After its introduction three years ago, as the cases below show, the number of employees achieving a good balance between work and childcare is increasing.

In the belief that if we are to achieve a balance between work and childcare, the understanding and support of all those in the workplace, including male employees, are indispensable, we are actively working to reform employee awareness.

Five pillars of the F Program

- 1 Expand the number of female recruits and their work opportunities to play an active role
- 2 Enhance systems for supporting a balance between work and childcare
- 3 Increase the number of women in management positions
- 4 Improve workplace culture and atmosphere
- 5 Improve the self-esteem of female employees

Case 1



A warm “Are you OK?”

Akiko Yamada
Manager
Strategy & Planning Project
Transport & Rolling Stock Department JR East Head Office

I am involved on a strategic work reform project with the goal of providing safer, more comfortable transport to customers.

For me, the workplace is a place for self-fulfillment, but to achieve this, I need the support of all people in the workplace as well as the support of my family. Fortunately, the number of employee families with double incomes has increased around me and I sense a growing awareness of the necessity of a balance between work and family from most employees, no matter whether male or female. When an overnight business trip is being planned, for example, someone will ask “are you OK?” That kind of warm atmosphere helps considerably. I myself have taken one year of childcare leave for each of my two children, and was able to resume work smoothly.

I thank all workmates for their support and I am determined not to take too much advantage of it; instead, I would like to design each day carefully.

Case 2



A culture of mutual help

Sumiko Noguchi
Manager
Musashi-kosugi Station View Plaza
Yokohama Branch Office

With the warm support and encouragement of others in my workplace, I am spending fulfilled days of work and childcare.

What is most memorable is that just after assuming the position of office manager, I had to leave early twice a week to pick up my child, but, as a manager, I was reluctant to leave before other members of staff who were still working to meet deadlines. Sensing my feelings they cheerfully said to me “You needn’t worry. It’s all right. Please leave.” I will never forget my feeling of gratitude at that time.

I keenly feel that we can work to the best of our abilities, not just because there are systems of childbirth and childcare leave in place, but because the company has a culture of mutual help.