

### ■Providing Technical Support to Overseas Railway Operators

In Jakarta, the capital of the Republic of Indonesia, there is extreme traffic congestion, and public transportation infrastructure is being developed to address this issue. Since the carrying capacity of existing railways also needs to be rapidly increased, over a period of three years starting in 2013, we transferred 476 205-series railcars formerly used on the Saikyo Line and other lines to the railway company that operates Jakarta's commuting trains, and during the three-year period starting in 2018, we are planning to transfer another 336 205-series railcars, formerly used on the Musashino Line. At the same time, to ensure stable operation of the transferred railcars in Indonesia, we have been providing support for rolling stock maintenance as well as providing various cooperation such as inspection and maintenance of rolling stock by crew members and service improvements.

In the Republic of the Union of Myanmar, since 2007 we have also been transferring rolling stock to Myanmar Railways, which operates passenger trains and freight transportations in Myanmar. In 2015, we transferred 19 diesel railcars (Kiha 40 series/Kiha 48 series) that had been used in the Tohoku and Niigata areas, in addition to providing technical support for rolling stock maintenance.



205-series train in service in Jakarta following transfer to commuting train company in Indonesia

Service improvement seminar



Diesel train transferred to Myanmar

### ■Developing Lifestyle Business Overseas

By placing "NOBIRU" ("Grow") in our Life-Style Service Business Growth Vision (NEXT 10), we are leveraging the JR East Group's track record and experience in the domestic market to promote our lifestyle business even overseas.

In December 2016, we opened the JAPAN RAIL CAFE in Singapore, which provides information about tours to Japan and offers a "venue" where locals with a strong interest in Japan interact with us. Furthermore, in March 2018, we established JRE Business Development Taiwan, Inc. a local company which is a wholly owned subsidiary of JR East and is working to develop business in Taiwan, raise awareness of the JR East Group brand, support overseas expansion of Group companies,

and develop services for travelers visiting Japan.

### ■International Cooperation

Our company actively offers railway-related professionals from overseas the opportunity to observe our operations; in FY2018, we hosted some 1,100 observers from around 60 countries worldwide. These observers included government- and railway-related persons from various nations as well as researchers from overseas research institutes. Their visits play a valuable role in promoting mutual understanding.



Observation of maintenance of Shinkansen railcars



Observation of coupling of Yamagata Shinkansen train

### ■Global Contribution through International Institutions

We actively collect and provide information through international conferences organized by the International Union of Railways (UIC), International Association of Public Transport (UITP), Community of European Railway and Infrastructure Companies (CER), Association of American Railroads (AAR), American Public Transportation Association (APTA), and other international railway organizations to which we belong. We have been working toward the global development of railways and public transportation and the resolution of various related issues by serving as president of the UITP from June 2015 to May 2017 and president of the UITP Asia-Pacific regional assembly since May 2017, among other activities.

In order to showcase features of Japanese railway systems to overseas railway-related parties, we have been actively participating in overseas exhibitions, seminars and so on as well as extending invitations for international conferences.



May 2017 to present Vice Chairman Ogata is serving as President of the UITP Asia-Pacific regional assembly



May 2017 UITP Global Public Transport Summit (Montreal)



November 2017 UITP Asia-Pacific regional assembly (Tokyo)

## Relationship with Employees

### In order to enhance the power of human resources

The nature of our work is "to have consciousness of social duty and to act up to it" that we should support daily life of passengers and contribute to the progress of the community. In order for JR East Group to continue its sustainable growth, it is indispensable to foster professionals of each area of endeavor who think and act by themselves and are trusted by passengers and people in the community. Therefore, in fostering human resources, we aim to enhance the power of human resources of the entire JR East Group by addressing measures to strengthen the managers' controlling power, to succeed technologies and to foster human resources including those of the Group companies while responding to the motivation of employees.

### ■Focused items to be implemented

	Target	Focused items to be implemented
Development of human resources	General employees	Responding to the motivation of employees and providing more challenges and growth opportunities
	Manager	Addressing measures to enhance managers' controlling power
	Group companies	Enhancing power of human resources of entire JR East Group
Succeeding technologies	Employees of all generations	Implementing assured succession of technologies and skills and education for learning the nature of work

### ■Responding to the motivation of employees and providing more challenges and growth opportunities

With the aim of responding to the motivation of employees and draw out their potential abilities, we have improved our "application-based training." In our "training for fostering practicing managers," which is the core of this training, we are developing foreman-class employees to become "managers who lead the next generation" by holding training camps lasting around two and a half months at the JR East General Training Center. In response to the motivation of employees, we plan to offer the courses to approximately 300 people in FY2019—a 20% increase over the previous fiscal year. In addition, we are providing opportunities for younger employees to take external seminars, as well as opportunities for employees who have completed the seminars to receive training from external instructors, including "Global" and "Technical Innovation" editions. Moreover, as a system for further responding to employees' diverse work-related motivations, we are transferring employees based on open recruitment, including employees aiming to become professionals in jobs that require specialized skills (e.g., finance, public relations) and employees who wish to pursue activities in strategic growth areas such as international business or tourism strategy.

In addition, we are striving to keep quality management at a high level through measures such as measuring the effects of seminars by implementing questionnaires to attending employees and endeavoring to improve the content of training.



Training for fostering practicing managers



On-site experience education at technology academy

### ■Addressing measures to enhance managers' controlling power

Since the essence of fostering human resources is with managers at workplaces, we strive to increase the opportunities to take trainings such as "Newly appointed field leaders training" for the purpose of letting manager-class personnel recognize the importance of fostering human resources and revitalization of workplaces.

Since FY2018, we have also been implementing "Training to Create the Work Environment of the Future" for employees who are expected to become field leaders in the near future and promoting workplace manager development that supports motivated employees.

### ■Addressing measures to enhance the power of human resources of the entire Group

Our company aims at realization of the integrated Group management and enhancement of the Group value, promoting positive human resource exchanges in terms of fostering human resources. Specifically, with such programs as the "JR East Group seminar for fostering management personnel (General Manager course and Section Manager course)" for the purpose of fostering managements of the Group companies to widen their views, and "JR East Group exchange training" for the purpose of creating sense of unity among the foreman-class employees of our company and Group companies, we are proceeding with endeavors to enhance the power of human resources of the entire Group.

### ■Addressing measures for the succession of technologies

Our company is facing a period of rapid generation



Safety



Society



Environment



change, and the succession of technologies has become an important issue to us. Therefore, we are proceeding with a countermeasure of designating employees having a high level of motivation to foster human resources and technology as "Technical specialists," employees who have been re-hired after reaching retirement age as "Advisers" or "Meisters," who will take pivotal roles to

overcome the issues. As part of this endeavor, we are enriching the training facilities at the "General Training Center" and "Skill Training Room" in each Branch Office in order to lead employees to understand the "essence of work" and implement practical and experience-based training at each workplace, introduction of crew simulation at each workplace and other efforts.

TICKET TO TOMORROW

## Succeed Instinct of Engineers

Assistant Manager, Tokyo Electrical Construction & System Integration Office

I am a member of the Power Distribution and Planning Section, and in my role as a technical specialist, I am involved in human resources development and technology succession for all workplaces within our office's power distribution department. During this time of rapid generational change, how to quickly and accurately pass on the essence of both documented technology and "tacit knowledge"-type technology that is difficult to explain in writing is an issue. With the methods used to date, it is becoming

difficult to keep up with the speed of generational change. I believe that it is not enough to wait until you are asked a question; even if people will think of me as being overbearing, I am determined to reach out to younger colleagues, identify their concerns, teach them the fundamentals, and pass on the technology I have cultivated for 40 years, the ability to sense danger, and the judgment capability and courage required to consider and resolve problems on your own.

### Promotion of Diversity Management

We recognize that the strength of JR East Group lies with the diversified viewpoints and differences in values that reflect gender and other attributes, experience and skills possessed by employees and others working at the JR East Group. While not only specific employees but also all generations from young persons to veteran employees work together in mutual cooperation, we promote "diversity management" with an aim to create a company group where such diversified personnel can exert their capabilities to the fullest. We make a recruitment plan for each fiscal year and aim to hire People as planned while forecasting the number of employees required for our services in the future, and hiring and developing our talented human resources.

### Efforts on globalization of corporate culture

In addition to the overseas study program for obtaining MBA, etc. (about 10 persons travel overseas every year) which we have been offering for some time, we have an "overseas experience program", in which employees are dispatched to various cities in the world (including non-English speaking countries) for three months to experience

local culture, mainly through learning the language while in a homestay or at other facilities.

Due to strong demand from employees for this program, in FY2019 we are planning to dispatch 150 people abroad, which is 50% more than the previous fiscal year.

There is also our "overseas railway consulting OJT training program" (for around 30 people), in which employees participate in an overseas railway consulting project centering on Japan International Consultants for Transportation Co., Ltd., which is our group company, for about three months. Other programs include overseas training (for about 500 people) taking place mostly in Southeast Asia, and altogether more than 600 employees are provided with opportunities for overseas experience every year. Many front-line employees participate in these overseas studies and trainings with the motivation. As an endeavor to improve the language skills of our employees, we encourage them to take the TOEIC® test at the company's expense (once a year). Each year, more than 4,000 employees take the test. In addition, with a view to developing our business overseas, we are striving to recruit global personnel irrespective of their nationality. At present, we have around 50 employees whose nationality is not Japanese.



TICKET TO TOMORROW

## A Special Ticket from Today to the Future

Assistant Manager, Hachioji Electric Power Technology Center, Hachioji Branch Office

After joining JR East, I mostly worked at electrical power workplaces in the Hachioji area, but in 2012, I applied to the overseas OJT training program and was assigned to a subway project in Egypt. After that, I spent two and half years working abroad in Thailand in order to set up a maintenance company for the Purple Line. In Thailand, I mainly established the organization for the electrical power department, was involved in recruitment of local personnel, and instructed on electrical equipment maintenance. Through my work overseas, I gained a renewed awareness of the JR East

Group's strengths: the precision and safety of our railway operations, the links between our employees, and our wealth of experience. Going forward, I will keep working hard on railway equipment maintenance in order to provide a basis for promoting the excellence of Japanese railways around the world. And I will devote particular effort to developing the next generation of employees to ensure that everyone can continue to use our railways with peace of mind into the future.

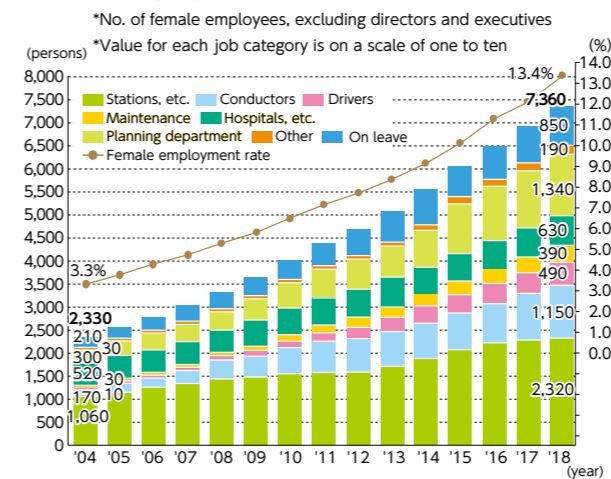
### Promoting Involvement of Female Employees

JR East Group is supported by the power of each single employee. The fundamental attitude of JR East for its human resources lies in its wish to recruit employees chiefly based on their personal character and real ability, foster them taking sufficient time, and let them show off their abilities. Among the measures to accomplish this with regard to promotions participation by female employees, as many employees are working under an irregular work schedule, we have treated involvement of female employees as a key test for diversity and have been strongly pursuing it with focused efforts. As a result of various measures to expand the positions available to women, including appointment as train crew, in order to realize gender equality, all positions now have working female employees. As we want to prolong the careers of female employees, we will swiftly implement necessary measures that develop personnel capable of playing an active role in management going forward. Specifically, we have set the following targets for each stage of "employment," "development" and "appointment."



JR East was certified as an "Eruboshi" company (the highest rank, Grade 3) from the Ministry of Health, Labour and Welfare based on the Act of Promotion of Women's Participation and Advancement in the Workplace.

### [ Expansion of Employment Opportunities for Female Employees ]



### [ Average length of service ]

	Overall	Male	Female
Average length of service	19.9 years	21.5 years	10.0 years

### Targets for promoting involvement of female employees

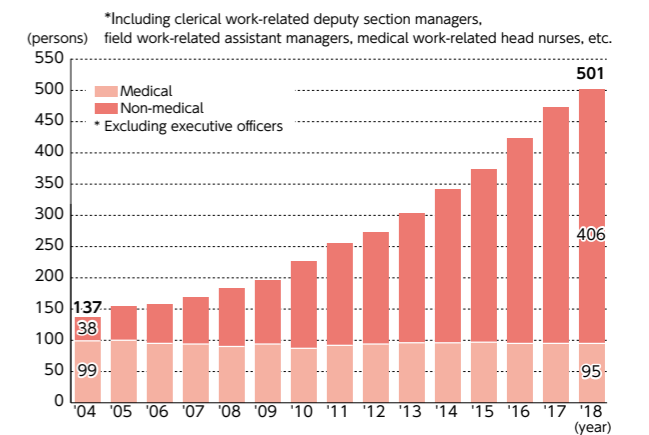
- Aim for a female new graduate employment rate of over 30% by the end of FY2019. Of the recruited, aim for 40% in the rate of female employees who wish to become train crew in the future.
- Develop an environment where diversified working styles are accepted and all employees can continue working with enthusiasm.
- Aim for a female manager rate of 5% by the end of FY2019.

	Target by the end of FY 2019	Result (as of April 1, 2018)
Female new graduate employment rate	Over 30%	30.8% (570 persons)
Rate of female employees who wish to become train crew among new graduates employed	40%	40.9% (317 persons)
Female manager rate	5%	4.7% (501 persons)

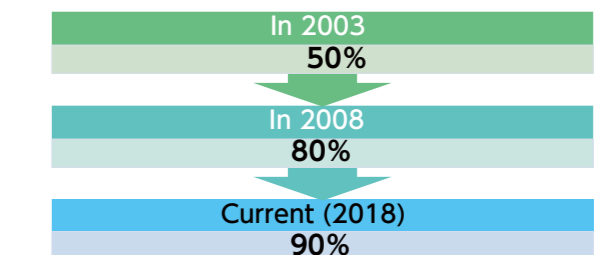
The number of female employees occupying important positions such as general managers at the head office and branch offices, supervisors of facilities in the field (station managers, etc.), and directors of group companies is on the rise. As of the end of June 2018, we have appointed one female outside director and three executive officers.

Rate of female employees out of all employees	13.4% (7,364 persons)
Rate of female executives in directors/ executive officers	Approx. 7% (4 persons)

### [ Changes in Number of Female Managers Over Time ]



### [ Female employee retention rate 10 years after joining JR East ]



**General Business Operator Action Plan**

JR East has formulated "general business operator action plans" in line with the Act of Promotion of Women's Participation and Advancement in the Workplace and the "4th phase general business operator action plan" based on the Law for Measures to Support the Development of the Next Generation.



Next-generation certified logo ("Kurumin")

Duration: April 2016– March 2019  
In November 2008, August 2012 and in January 2018, we were certified by the Minister of Health, Labour and Welfare as a company supporting the upbringing of the next-generation of children.

**Initiatives to Promote Understanding of LGBT Employees**

With the aim of promoting understanding of LGBT employees, we are undertaking initiatives based on the following approaches:

- 1) Understanding sexual minorities
- 2) Changing systems and conventional standards
- 3) Raising awareness and transforming perceptions

Specifically, through various training courses and seminars aimed at executives, employees, Group companies, etc., we are conducting educational activities to provide a deeper understanding of sexual minorities (LGBT). Moreover, in October 2017, we included a section on LGBT in the Compliance Action Plan Handbook and educated all employees about it. These initiatives have received positive feedback, and JR East was awarded the highest rating of "Gold" in the 2017 PRIDE Index (an index evaluating LGBT initiatives by companies and organizations).

We are also enhancing our systems. In April 2018, our HR system and benefits program were updated to recognize same-sex partners of LGBT employees.

**Diversity promotion with the entire JR East Group working as one**

We are addressing measures to establish corporate culture in which all people working in the JR East Group will mutually recognize diversity, under the theme, "Creating sense of unity" in the entire JR East Group. In addition, we have provided information for the purpose of deepening each company's endeavors in future, by holding in December 2017 the "JR East Diversity Forum," through which successful examples of each Group company were shared by all companies, and other events.

Moreover, since 2010, we have also been implementing networking activities in the respective organizations in which we discuss issues such as "diversity" and "work-life balance" via cross-organizational connections that transcend individual workplaces and job categories.

**Employing Persons with Disabilities**

As of June 2018, 2.56% 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.

**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, tree planting maintenance and management, and collecting, delivery and sorting of business items in our continued efforts to expand work opportunities for people with disabilities.

In addition to employing 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 JR East Group in the fulfillment of its social responsibilities.



Uniform sorting



Plant maintenance in collaboration with local communities

**Various systems aiming to realize work-life balance**

Believing that achieving a healthy work-life balance will produce a synergistic effect, JR East is proceeding with various initiatives such as revamping its systems.

In order to address working irregular hours, we have introduced initiatives such as "shorter working hours" and "fewer working days." Furthermore, as of April 2018, we had opened eight workplace daycare facilities that can provide 24-hour childcare, and we plan to open more in the future.

In April 2018, we improved the "banked leave system" for accumulating paid leave that would have been forfeited by increasing the number of reasons for which it can be applied and the number of days that may be accumulated. The system has been revised so that leave may be taken for reasons such as child care, nursing care, medical examinations, etc. Also, in order to dispel gender role stereotypes by encouraging male employees' involvement in child care, we have newly introduced "spousal childbirth leave." These initiatives have greatly expanded employees' options with regard to working while raising a child

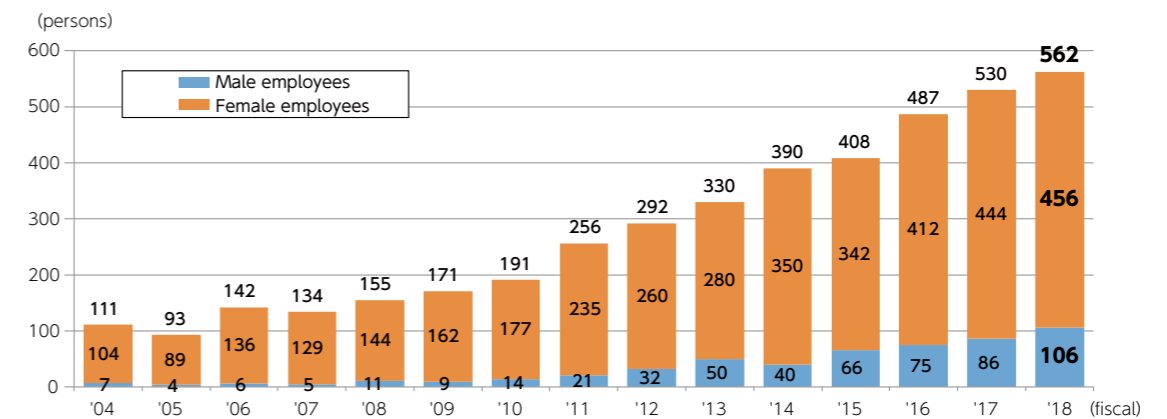
or providing nursing care. More than 100 male employees took childcare leave during FY2018, and approximately 20% of all employees taking childcare leave were men.

We are also providing support through activities such as seminars for supporting the achievement of balanced work and home life. As a result, our employee retention rate is steadily growing.



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

[ Number of employees taking childcare leave ]



**TICKET TO TOMORROW** Creating a work environment that facilitates taking childcare leave

Assistant Manager, Hachinohe Maintenance Center, Morioka Signal and Telecommunication Technology Center, Morioka Branch Office

When I took childcare leave, I was a member of the Signalling and Communications Section in the Facilities Department at the Morioka Branch Office, where I was involved in process management and ordering for various construction projects. At that time, since I was entrusted with important work, it actually required quite a lot of courage for me to apply for childcare leave. However, when I discussed it with my supervisor, senior colleagues, and other co-workers, they encouraged me, saying, "Work is something you can leave to us. Taking care of your family is something only you can do."

Today, although my workplace has changed as I became a manager, I believe that encouraging subordinates who need to take child care leave will be the repayment. I am therefore striving not only to thoroughly manage my team's work but also to develop a system that enables work to be surely passed between employees.





**Promotion of “Renovation of way of working”**

The JR East Group views “renovation of way of working” as follows:

- “Advancement of our work” by improving productivity through work reform and making employees focus on “creative roles that only humans can do”.
- Achieve sustained growth for both employees and the Group through fostering an open corporate culture and creating rewarding work for all employees in the Group by “expanding the range of fields for career development”.
- Achieve happiness of the Group’s employees and their families through making them have “a sense of achievement and satisfaction in their work” and “improving their working conditions”.

In order to achieve the future sustainable development of the JR East Group in alignment with this vision, we believe it is necessary to urgently move forward in a time conscious manner with measures relating to the issue of “work reforms and productivity improvements” based on technological innovation and the promotion of diversity. In the Planning Department in particular, where there is a tendency to work long hours, we are aiming to improve productivity by using RPA to streamline tasks and by realizing a flexible work style based on work style reforms such as telecommuting, and office innovations, in order to address the issue of long working hours and make employees’ work more rewarding.

\*RPA is the abbreviation of Robotic Process Automation. The aim is to have robots automate the work process.

**Elder Employee System**

As a means of enabling retired employees to enjoy more stable life-planning until they reach the age when they start receiving their full pension and to promote HR development and technology succession by leveraging these employees’ individual knowledge and skills at Group companies, we established an Elder Employee System in FY2009.

During this time of major upheaval in the environment surrounding our company, in order for the JR East Group to achieve sustained growth, it is essential that we ensure that the younger generation inherits fundamental technical skills and expertise from our veteran employees.

Beginning in FY2019, with the aim of applying the expertise possessed by retired employees not just at our Group companies but also in areas such as business operations, HR development, and further technology succession at JR East, we have expanded the scope of the work done by elder employees and also partially revised their working conditions from the standpoint of making their work more rewarding.

**Consultation Desk for Diversity**

In February 2017, we opened the “Consultation Desk for Diversity” as a system for providing individual consultations including those about career support and support for the achievement of balanced work and childcare and nursing to employees who need them, including those with disabilities, those having foreign nationalities, and sexual minorities (LGBT).

**To Improve Working Environment**

**Health Management**

At JR East, based on our belief that employees’ well-being is fundamental to our business, we are implementing various measures to maintain and improve their health, particularly through dedicated departments at the head office and branch offices, the JR East Health Promotion Center, JR Sendai Hospital Health Management Center, and seven other railway staff health checkup centers.

**Disease Prevention**


- Comprehensive medical examinations (for

**TICKET TO TOMORROW** Promoting Health Measures

Chief Nurse, JR East Health Promotion Center

At the JR East Health Promotion Center, we provide special health guidance (Smart Shift courses) for employees deemed to have metabolic syndrome or be at high risk of developing it, based on the results of routine medical checks or comprehensive medical examinations. Special health guidance was designated in the Act on Assurance of Medical Care for Elderly People in 2008, and we have adopted it as one of our measures for promoting health. It is offered on an ongoing basis for half a year. Seeing participating employees making an active effort to improve

their health is inspiring for staff such as myself, who feel a sense of reward as we are providing health guidance. Employees’ well-being is an asset for the company. Going forward, in order to support effective and enjoyable health improvement for employees, I will keep working to develop customized health guidance suited to the needs of each individual by emphasizing their own individuality.



- employees and spouses aged 35 or over)
- Influenza vaccination (FY2018: vaccination rate of 77.2%)
- Breast cancer and uterus cancer examinations (for female employees under 35; participation rate in FY2018: 32.8%)
- Special health guidance (for employees aged 40 or over; implementation rate in FY2017: 43.9%)

**Mental Health Care**

- Stress checks (for all employees; participation rate in FY2018: 78.9%)
- Distribution of “Kokorono Self-care” booklet (to all employees)
- Conducting mental health-related training (for onsite supervisors)

**Health education and fostering awareness**

- Providing training materials such as health-related e-learning (for managers)
- Conducting education and training for new employees and others of the young generation
- Providing health information via our internal magazine and intranet

In addition, if an employee requires a medical examination at a health care facility, we support their health needs in collaboration with two hospitals under our management, the JR Tokyo General Hospital and JR Sendai Hospital. These initiatives have received positive feedback, resulting in JR East being designated as a Company with Excellent Health Management (White 500), a joint initiative of the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Conference), in both 2017 and 2018.



**Human Rights Enlightenment**

In order to clarify our system for educations our employees on the necessity for enhanced human rights, we have established a human rights enlightenment promotion committee at the head office, which is working to improve awareness of human rights by holding seminars on this topic and training for employees who are in charge of human rights promotion. In addition, we are striving to establish an inclusive corporate culture for everyone.

Furthermore, we are undertaking initiatives that encourage employees and their families to think about human rights, such as articles on everyday human rights issues in our internal magazine and calling for human rights promotion slogans.

We have also joined the Industrial Federation for Human Rights, Tokyo, and are actively involved in external activities as well, such as information exchange and mutual education initiatives with other member companies, and apply the information we obtain to our internal activities.



Human Rights Seminar

**Company Sports Initiatives**

Company sports teams such as the JR East Hardball Club (Tokyo, Miyagi), JR East Running Team (Tokyo), JR East Women’s Judo Club (Tokyo), and JR East Basketball Club (Akita) are active while based in their respective regions and actively contributing to their communities by organizing initiatives such as sports classes for local elementary schools.



Judo class given by Women’s Judo Club



“Basket Clinic” held by Peckers, the basket ball club of Akita Branch Office



Safety



Society



Environment