

JR East Group Report 2021

INTEGRATED REPORT Published July 2021

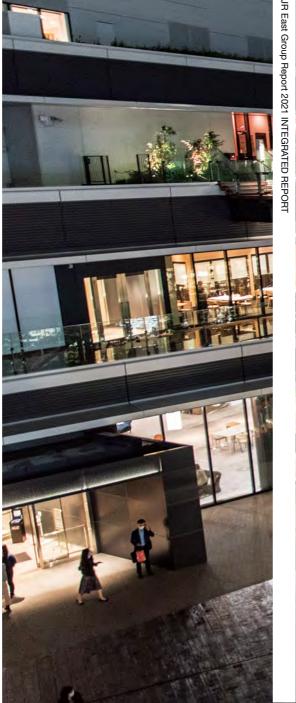
East Japan Railway Company 2-2, Yoyogi 2-chome, Shibuya-ku, Tokyo 151-8578, Japan https://www.jreast.co.jp/e/

Overseas Offices

East Japan Railway Company Paris Office 3, rue de Faubourg St. Honoré, 75008 Paris, France Phone: (33)-1-45-22-60-48

East Japan Railway Company London Office 4th Floor, 30-31 Furnival Street, London EC4A 1JQ, United Kingdom Phone: (44)-20-7786-9900

East Japan Railway Company Singapore Office 20 Anson Road, #11-01, Twenty Anson, Singapore 079912 Phone: (65)-6536-1357









INTEGRATED REPORT 2021

JR East Group Report

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Editorial Policy for This Publication

The JR East Group is focusing on contributing to the growth of local communities as well as the achievement of the Sustainable Development Goals (SDGs) by implementing management that is oriented toward environmental, social, and governance (ESG) factors and by addressing social issues through the Group's businesses. JR East Group Report 2021 INTEGRATED REPORT is an integrated report published to communicate with our diverse stakeholders. This report also serves as the "safety report" that the JR East Group publishes pursuant with the Railway Business Act.

Structured around a value creation story, the report explains the value that the JR East Group has provided to society as well as the management strategies and vision that the Group Company has established based on this value. Moreover, by including comments from the Group employees who are actually working on sustainability initiatives, the report communicates the shared awareness of the employees who tackle sustainability initiatives related to safety, society, the environment, and governance. The aforementioned features of the report are intended to further stakeholders' understanding of the JR East Group.

Going forward, we will continue fostering a deeper understanding of our business operations, and we would be happy to hear our stakeholders' frank opinions on these efforts.

Takashi Takaoka

Executive Officer and General Manager of Management Planning Department. Corporate Planning Headquarters East Japan Railway Company



References

International Integrated Reporting Framework [International Integrated Reporting Council (IIRC)] Guidance for Collaborative Value Creation [Ministry of Economy, Trade and Industry in Japan] Environmental Reporting Guidelines 2018 [Ministry of the Environment in Japan]

Reporting period

This report basically covers our activities from April 1, 2020 to March 31, 2021, although some events presented here happened earlier or in the period between the end of March 2021 and the publication of this report in July 2021.

Boundary of reporting

East Japan Railway Company JR East Group (consolidated subsidiaries [68 companies]) Economic reporting: JR East, consolidated subsidiaries, and equity-method affiliates (six companies) Environmental report: JR East, consolidated Japanese subsidiaries

Social report: JR East, consolidated subsidiaries

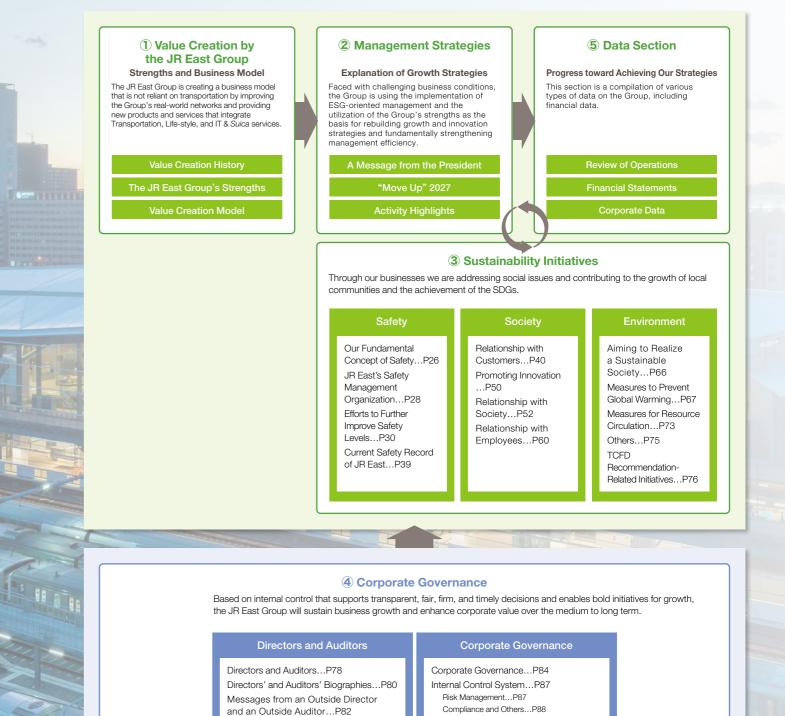
Figures in this report

Totals may not match the sum of individual figures due to rounding.

The Structure of the JR East Group Report 2021

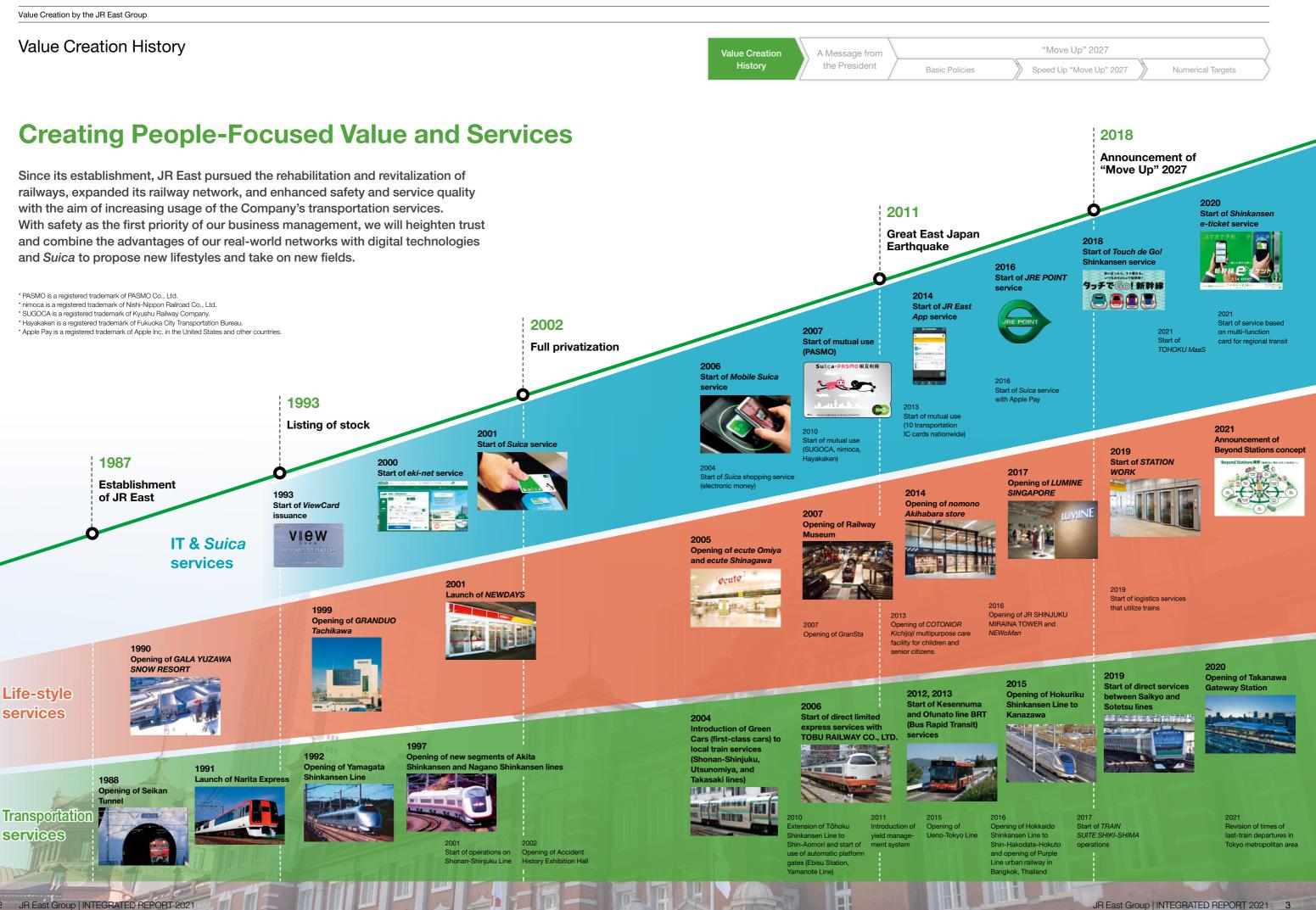
The JR East Group Report 2021 aims to further readers' understanding of how the Group will create value over the medium to long term and to invigorate communication with stakeholders.

We have constructed a story line that runs through the entire report with the aim of presenting information in a comprehensive, cohesive manner that enables readers to grasp how pursuit of the JR East Group Management Vision "Move Up" 2027 will achieve robust growth. We hope that the chart below, which shows how information has been structured in the report, serves as a useful reference for readers.



The File





The JR East Group's Strengths

Value Creation History

A Message from the President

Basic Policies

Building the Foundations of Trust through Three Business Domains

Our strengths lie in a multilayered "real" network, which supports social infrastructure, and in our stations (mainly in the Tokyo metropolitan area), which act as hubs for interaction and the exchange and gathering of people, products, money, and information. By leveraging these unique strengths together with technological innovation and data on transportation, shopping, and payment, JR East will create new value in the form of trust and affluence. Focusing on people and advancing initiatives in cities, regions, and the world at large, we will offer value by realizing "Safety", enhancing "People's daily lives", and contributing to the "Happiness of our employees and their families."

Strengths by Service Type



Transportation Services

Transportation network covering Eastern Japan

The advantages of our Transportation services are infrastructure-including a multilayered real-world railway network that spans eastern Japan as well as railway stations that are hubs for interaction—and **technological** capabilities that underpin safety.

By fulfilling its role as a provider of social infrastructure, JR East has earned the trust of customers and local communities

We will continue pursuing ultimate safety levels and improving service quality to strengthen our transportation services even further.



Fiscal 2021 conventional revenues from passenger tickets

¥954.3 billion Fiscal 2020 ¥1.792.8 billion

Number of passengers served daily

About **12** million

Fiscal 2020 About 18 million

Number of stations 1,676

* Including BRT stations

Passenger line network* **7,401.7**km Shinkansen lines Conventional lines 6,207.5 km * Including BRT route







Life-style Services

Creating cities that offer appealing lifestyles

The strength of our Life-style services lies in having a base on which to develop cities and lifestyles that are attractive to customers and local communities. This base mainly comprises railway stations, which have evolved with our development of transportation services to become dynamic, real-world gathering places.

We will enable affluent lifestyles by continuing wide-ranging business development through our real estate businesses and through partnerships with start-ups and by utilizing our relationships with and networks comprising local communities and municipal authorities.



Office business

193^{*}

As of March 31, 2021

IT & Suica Services

IC card with the no. 1 market share

The strength of IT & Suica services is a digital network centered on Suica. Based on our railway network, we have expanded and improved Suica as a form of infrastructure for both transportation and payment.

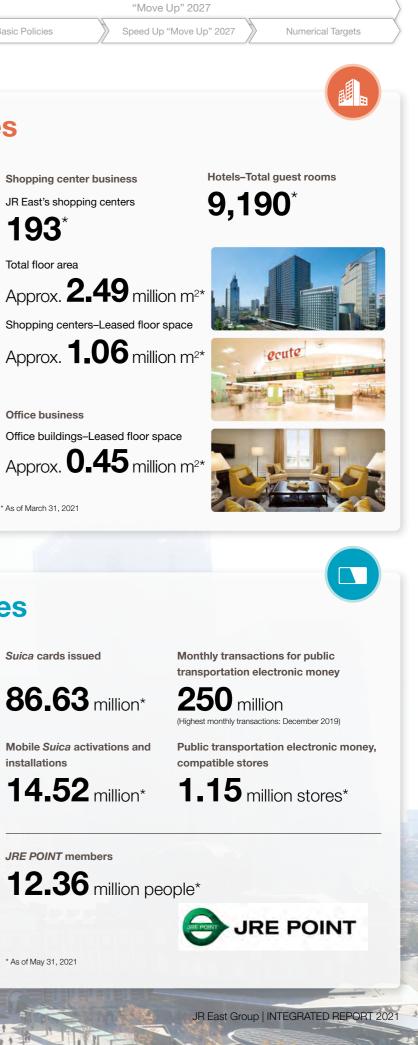
Going forward, we will further enhance this digital network, which already includes Mobility as a Service (MaaS) and JRE POINT functionality, create new field-transcending services, and use data to realize personalized marketing.



installations

JRE POINT members

As of May 31, 2021

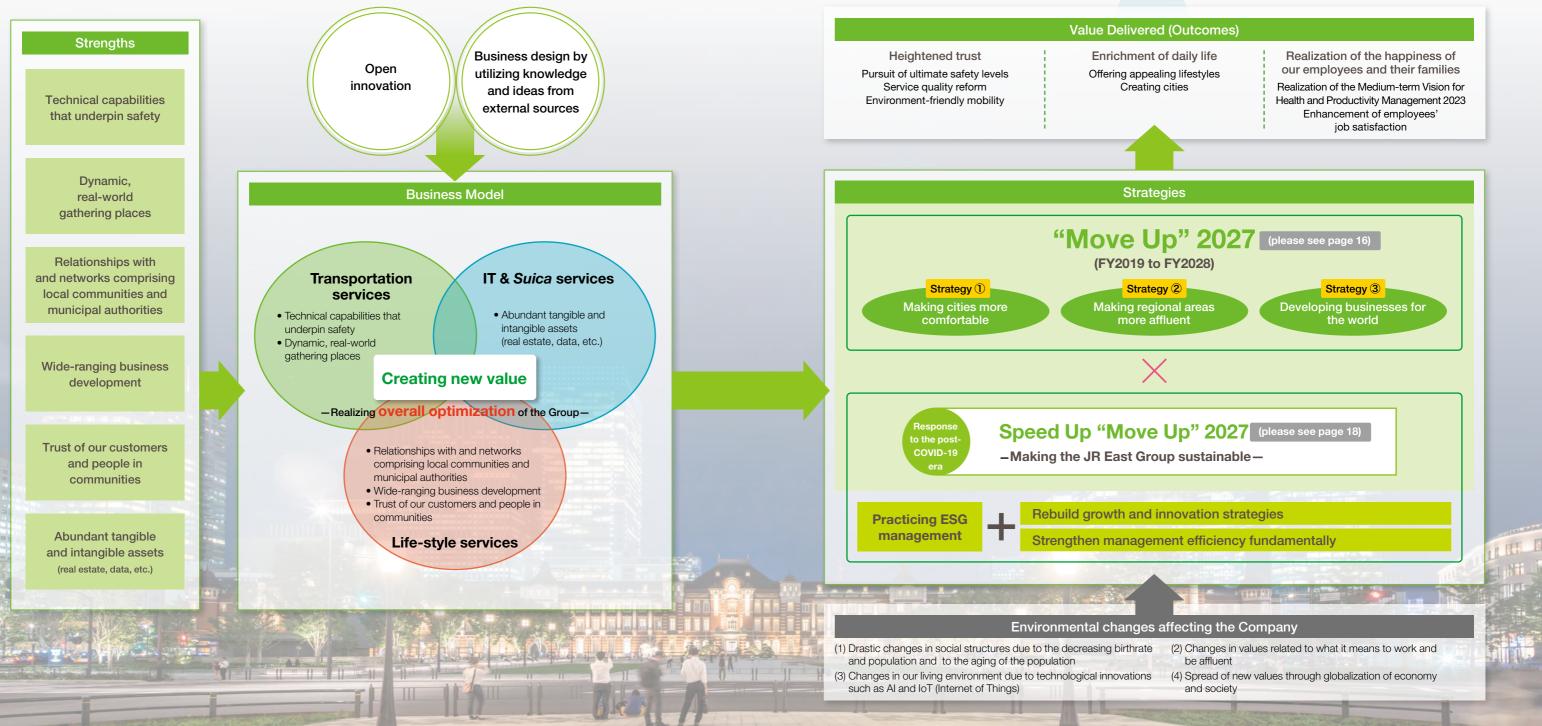


Value Creation Model

 Value Creation History
 A Message from the President
 Basic Policies

A Business Model Based on Strengths

To date, the JR East Group has utilized its real-world networks to provide customers with an array of value. Going forward, the Group will offer new value to stakeholders through improvements in its real-world networks; the marketing of new products and services that integrate Transportation, Life-style, and IT & *Suica* services; and the creation of a business model that is not reliant on transportation. At the same time, we will contribute to the achievement of the Sustainable Development Goals (SDGs).







A Message from the President

Viewing adversity as opportunity, we will achieve Speed Up "Move Up" 2027 to enable continuous value creation and growth.

> President and CEO Yuji Fukasawa

Value Creation History

Pursuing

safety

By pursuing ultimate

safety levels, we will

offer a peace of mind to

our customers.

A Message from the President

Basic Policies

We will earn the trust of our customers as a whole group by aiming for ultimate safety levels as our top priority. We will strengthen our network capabilities focusing on technologies and information, and we are committed to helping our customers and people in communities to realize affluent lives.

Customer oriented We will offer quality services to rise to the expectations of our customers.

Close to regional society By utilizing our network capabilities, we will contribute to the development of regional society.

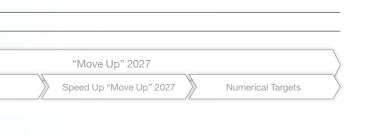
Fiscal 2021, a Year Profoundly Impacted by the COVID-19 Pandemic

In fiscal 2021, the year ended March 31, 2021, the COVID-19 pandemic dramatically Despite the difficult environment, the concerted efforts of all Group employees enabled

changed lifestyles and workstyles. For the JR East Group, it was an extremely challenging fiscal year. Due to a major downturn in customers' service usage, we recorded the first loss since our establishment in 1987. As a leader of the management team, I take this result very seriously, and I am determined to achieve renewed growth by advancing a range of initiatives. us to fulfill our social mission through the provision of transportation and other services that are part of society's infrastructure. To us, this achievement reconfirmed the fundamental robustness of the Group. In addition, we completed forward-looking projects for the Tokyo 2020 Olympic and Paralympic Games on schedule. For example, we completed large-scale renovations of railway stations, which included the establishment of barrier-free facilities, and opened new station buildings and hotels.

Issues that the fiscal year underscored were the size of fixed costs in the Group's business structure and the weaknesses in business development focusing on railway stations. As demand for transportation services declines, how much we can reduce fixed costs will be critical. In fiscal 2021, we urgently reduced our operational costs. Going forward, we will make our cost structure more flexible by continuing to reform fundamental components of our businesses and by advancing structural reforms through digital transformation. In conjunction with these efforts, we must revamp our employees' workstyles. In particular, I believe that our employees have realized that they can no longer take for granted the stability of JR East as an organization. As a result, I sense the emergence of a mindset whereby each employee is considering what needs to be done in their workplace and then taking the initiative to put their ideas into action.

Although the COVID-19 pandemic has had a tremendous impact on the Group, I view the crisis as a great opportunity for transforming the Company and moving forward positively to achieve further growth. While taking on forward-looking challenges, we will continue to make safety our first priority in business management, and all of the Group employees will work as one in pursuit of ultimate safety levels.



JR East Group Philosophy

Basic Principles

Autonomous and self-standing

With a broad perspective and willingness to confront challenges, we will think and act on our own initiative

JR East Group's development

By fulfilling our social responsibility, we will aim to achieve sustainable growth by JR East Group.

Specifically, we will develop a railway system with even higher levels of safety in accordance with Group Safety Plan 2023, our five-year safety plan.

In addition, we will foster personnel who have a thorough understanding of the true nature of their work and who are able to adapt. Also, we will steadily implement natural disaster countermeasures, install automatic platform gates, and put in place safety measures for level crossings.

Recovering and Advancing Steadily toward Renewed Growth in Fiscal 2022

We view fiscal 2022, ending March 31, 2022, as a year of "decisions and actions." Through the implementation of structural reforms and the production of concrete results based on a medium- to long-term perspective, we will make fiscal 2022 a year of achieving steady progress. Our timetable revision in March 2021 marked the beginning of two priority measures for a post-COVID-19 society.

The first measure has made last-train departures up to 30 minutes earlier in the Tokyo metropolitan area. The measure aims to secure time for maintenance and realize workstyle reform for those engaged in construction work. While the volume of construction work at railway stations, such as the installation of automatic platform gates is increasing, the number of construction workers is decreasing due to the decline and aging of the population. Consequently, heightening construction efficiency as much as possible has become an important task. The 30 minutes gained by bringing forward last-train departures will shorten overall construction periods. Also, we will establish efficient operations by promoting mechanization. Furthermore, shorter construction periods will allow us to speed up the introduction of automatic platform gates and other facilities, enhancing safety and service quality.

Our second measure entails "shifting" or mitigating peak travel periods. Here, we are referring to peaks that occur in two different time frames: seasonal and daily. We experience seasonal peaks when more passengers use our services during the Golden Week spring holiday, the Bon Festival summer vacation period, and the New Year period. The key to mitigating daily peaks lies in leveling demand during the morning peak period. As a first step to this end, we have launched the Off-Peak Point Service. Ever-increasing numbers of customers want to avoid crowded places. But the efficacy of simply asking customers to stagger their commuting times is limited. Customers need to accrue concrete benefits from commuting in off-peak periods. For this reason, our efforts will not stop at awarding points. We are also considering off-peak commuter passes with fares that are differentiated by time period. We envision reducing the prices of commuter passes that can only be used in off-peak periods, while implementing widespread but marginal increases in the prices of commuter passes that can also be used during peak periods. With a view to realizing such commuter passes, we want to resolve issues through discussions with companies that pay for their employees' commuter passes and authorities that have jurisdiction over the fares system. The spreading out of the usage peaks that occur at certain times and seasons will enable us to realize cost reductions by operating with fewer facilities and employees - the numbers of which have been determined by high passenger volumes during peak periods. Such medium- to long-term structural reform will be an indispensable part of our efforts to make the railway business more sustainable.



The Real Meaning of Speed Up "Move Up" 2027

When we announced the JR East Group Management Vision "Move Up" 2027 in 2018, our goal was to look 10 years ahead and transform our business model based on the changes in lifestyles that were likely to accompany a decreased population and the spread of e-commerce. Due to the COVID-19 pandemic, however, scenarios we had envisioned for the future suddenly appeared in the present, making rapid realization of "Move Up" 2027 an urgent task. Although we have not changed the overall goal we should pursue, we must raise the level and speed of our efforts to achieve this goal while catering to new types of demand in a post-COVID-19 society. This stepping up of efforts is what our updated vision Speed Up "Move Up" 2027 really entails.

Further, as a new target for fiscal 2026, we aim to realize a ratio of 6:4 between the operating revenues of the Transportation segment and those of non-transportation segments. Moreover, we hope to change this ratio to 5:5 as early as possible. Until now, the JR East Group has primarily developed and provided services in a limited field comprising railways and railway stations, which have been used by numerous customers. Going forward, however, people are expected to have fewer opportunities to travel and gather. Consequently, it is important to adopt an approach to value provision that is focused on individual customers. The Group has three businesses: Transportation, Life-style, and IT & *Suica* services. The key to realizing the aforementioned target ratios for operating revenues lies in expanding the areas where these three businesses overlap because increased overlapping will enable us to meet more customer needs and create synergies among the businesses. For example, we will offer products based on an understanding of each customer's needs acquired through *JRE POINT*. Also, we will create services that use the overlapping of business fields to provide new value, such as logistics services that utilize trains.

Beyond Stations Concept—Transitioning toward Platforms for Connected Lifestyles

In creating new businesses, the Beyond Stations Concept will be a central strategy. Under this concept, the Group aims to connect all of its real-world advantages with the digital technology space to transform railway stations from transportation hubs into platforms for "connected lifestyles" in which people, products, and services are interconnected. To this end, we will roll out new services based on tie-ins with e-commerce and the sharing of our 5G antenna infrastructure. Further, the mitigation of peak travel periods will allow us to use the freed-up space in railway stations for the development of a variety of businesses. In the aforementioned ways, by going beyond the use of railway stations simply as physical spaces, we will utilize railway stations as a multi-layered form of infrastructure.

Takanawa Gateway Station, which opened in 2020, epitomizes the new type of multilayered railway station that will be created under the Beyond Stations Concept. In addition to featuring new functions, such as unstaffed convenience stores, cafes that accept orders made via smartphones, and shared offices, the railway station has served as a testing ground for leading-edge technologies, including cleaning and security robots as well as avatars that offer a range of travel-related information. Also, the new station is the centerpiece of our initiative to realize town development that "anticipates the coming century" by integrating railway stations and towns. In fiscal 2025, the opening of the town adjacent to the railway station will reveal this integration in its completed form. As the site of Japan's first railway 150 years ago, the Takanawa district is steeped in the history of railways. Thus, Takanawa Gateway Station will become the hub of a district linking both the history and the future of railways, which were the Group's inaugural business.

Workstyle Reform and the Provision of Value for New Lifestyles

Until now, we have mainly engaged in improving the convenience of services centered on railway stations and railways, but we will adopt a new approach to service development that is focused on catering to changes in lifestyles and workstyles. For example, we will cater to new workstyles by providing value in the form of satellite offices, shared offices, and "workations". Also, with an eye on regional revitalization, we will take measures to enable the purchase of regional specialties and fresh foods through *JRE MALL*.

Major structural reform will be required to realize a ratio of 5:5 between the operating revenues of the Transportation segment and those of non-transportation segments.

Currently, station personnel primarily sell paper tickets and provide information over the counter. However, the further introduction of ticketless boarding will allow customers to use train services more conveniently, without visiting ticket counters or automated ticket vending machines in railway stations. Meanwhile, as they will have fewer regular and routine duties to perform, station personnel will work more flexibly. Of course, providing information and responding to emergencies at railway stations will remain as important duties. At other times, however, personnel will be able to perform multiple tasks. In the regional areas, for example, our personnel can develop tourism businesses with a view to revitalizing local economies. In the Tokyo metropolitan area, meanwhile, it will be possible for personnel to provide life-style services and perform station duties. We are fully committed to realizing this kind of workstyle reform in order to offer new value.

Financial Policies and Other Policies Designed to Strengthen Management Efficiency Fundamentally

To create new businesses, it is important to strengthen the management foundations that support them. First of all, we will focus on normalizing cash flows, which became negative due to the COVID-19 pandemic. In fiscal 2021, we reduced costs by ¥150.0 billion Groupwide as an emergency measure, and our plans call for an additional ¥70.0 billion in cost reductions in fiscal 2022. Although we are lowering overall investment, we will continue to steadily implement the investment needed to ensure safety and future growth. Our current revenue situation is tough, but we expect that the use of our services will gradually recover if the COVID-19 vaccination program proceeds smoothly. We intend to enhance our financial stability while carefully monitoring revenue trends. Further, the Group will expand its real estate business. In April 2021, we established JR East Real Estate Asset Management Co., Ltd., as a "rotational" business tasked with efficiently monetizing the large number of our properties. We will accelerate the formation and increase the scale of the private placement funds that we have already established. Looking ahead, we will then build a structure similar to that of a real estate investment trust to attract more funds. At the same time, we will seek an early recovery in consolidated return on assets (ROA), which we view as an important indicator.

With regard to the reduction of fixed costs—our most important task—we will steadily implement medium- to long-term structural reforms. Specifically, we will create a leaner operation system by increasing driver-only services, reform railway station duties by expanding ticketless or smartphone-enabled boarding to establish an efficient sales system, advance smart maintenance by introducing condition-based maintenance (CBM) and mechanization, and streamline facilities. Further, Group companies will improve their productivity through such measures as the introduction of multitasking. Aiming to achieve a ¥100.0 billion reduction in the operating costs of the railway business by fiscal 2028 compared with those of fiscal 2020, we will create a flexible cost structure that can adapt to changes in customers' usage of our services as a result of COVID-19 and population decline. In addition, we will make the operational management of local railways more efficient while working with local communities to fully understand their needs and develop appropriate sustainable transportation systems.

Realizing a Sustainable Society through ESG initiatives

The business creation that is accompanying our drive toward the vision of "Move Up" 2027 is helping to address social issues and achieve the Sustainable Development Goals (SDGs). In these initiatives, putting ESG-oriented management into practice is paramount. With respect to the environmental component of this management approach, the Group will take steps to realize Zero Carbon Challenge 2050, which sets reducing CO₂ emissions to "net zero" by 2050 as a target for the entire the Group. Also, as the owner of power plants, the Group will reduce electricity-related CO₂ emissions in three areas: generation, transmission and storage, and consumption. Further, the use of hydrogen will be a key factor going forward. Committed to realizing a hydrogen-based society, we will collaborate with different companies to promote initiatives focused on such areas as hydrogen power generation, fuel cell railcars, and integrated hydrogen stations. Also, in 2020 we began disclosure in compliance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD). In fiscal 2021, we used data on demographics and past losses

incurred as a result of natural disasters to analyze the future financial effects of climate change on our businesses and disclosed our findings. In the fiscal 2022, we will conduct an analysis of future financial effects based on scenarios in which climate change-related events cause river flooding that leads to damage, such as the damage caused by typhoons in 2019. Moreover, we will use our findings to verify the appropriateness of our countermeasures for natural disasters. In the years ahead, we plan to disclose the results of such analysis even more actively.

As for the social component of ESG-oriented management, we will focus on regional revitalization. In addition to further expanding our tourism programs, we will take on the challenge of new measures, including local digital transformation in the form of Mobility as a Service (MaaS). For instance, we will build a system that enables the seamless completion of procedures from reservation through to transportation and payment, and then connect the system to local sales networks to improve customer convenience and boost tourism. On-demand transport is one example of systems that enhance convenience. We also intend to actively participate in regional town development. The reality is that regional populations are declining and are expected to decrease even further in the future. In response, we will work with the municipal authorities of Akita, Aomori, and other core regional cities to develop towns that are focused on railway stations. With the increase in digital transformation and telecommuting, relocation to rural areas has become a new option for those who want to change their workstyles. To meet these needs, we will advance a workation-focused business and develop attractive towns. Also, as a new form of tourism, we will create services that combine tourism and support for agriculture, a major regional industry. In March 2021, we opened the experiential tourism farm JR Fruits Park Sendai Arahama. Through agritourism, we will create new exchanges and revitalize regions.

Enhancement of the governance component of ESG-oriented management is crucial for efforts to steadily advance the aforementioned initiatives, sustain the Group's growth, and increase corporate value over the medium to long term. The Group will grow its value not



only by ensuring compliance, safety and security, financial loss prevention, and financial soundness but also by developing risk management with a view to forays into new business fields. In April 2022, the Tokyo Stock Exchange will restructure its market segmentation. Ahead of this change, Japan's Corporate Governance Code was revised in June 2021. In light of this revision and other considerations, the JR East Group will enhance its governance even further.

Using Adversity as an Opportunity to Provide Our Stakeholders with Medium- to Long-Term Value

We are grateful to our employees who, even amid the extremely challenging conditions of the COVID-19 pandemic, have never once looked back and are forging ahead with new initiatives in their respective workplaces. Their positive attitude also gives us a sense of new possibilities. Individual employees will play a key role in "Move Up" 2027, and heightening employee engagement will support the growth of the Group. By more closely aligning the Group's goals with those of each employee, JR East will create an upward spiral of participation and growth. In addition, we will create a more flexible work environment, which we hope will broaden the scope of employees' work and allow the emergence and realization of various ideas from frontline operations.

Reflecting a continued commitment to "Thriving with Communities," our business development has been rooted in local communities for more than 30 years. Until now, we have mainly been involved with local communities through railway operations. However, by expanding the scope of our involvement through the initiatives we mentioned earlier, which include the promotion of local digital transformation, regional town development, and relocation support, we will contribute even more to the development of local communities.

In conclusion, let us assure our stakeholders, who have continued to support us even in these difficult times, that we will accomplish medium- to long-term structural reforms — thereby transforming the Company and putting it back on a trajectory of sustained growth. Although challenging conditions are likely to continue for another one or two years, We would like to ask our stakeholders to adopt a medium- to long-term perspective and provide us with their continuous support.

July 2021

President and CEO

juji Fukajawa

JR East Group Management Vision "Move Up" 2027

Providing Services That Match Customers' New Ways of Working and Living

We have been facing an extremely challenging business environment due to the decrease in usage of both rail and life-style services as a result of the COVID-19 pandemic. The clock has jumped forward 10 years, and changes in the business environment envisioned in "Move Up" 2027 have suddenly become today's reality. On the other hand, the initiatives we need to take have not changed. Therefore, we must heighten the level and speed of initiatives aimed at realizing "Move Up" 2027. To this end, Speed Up "Move Up" 2027, announced in September 2020, calls on the Group to rebuild growth and innovation strategies and strengthen management efficiency fundamentally through ESG-oriented management.

Accordingly, the JR East Group will combine the advantages of its real-world networks with digital technologies to propose new lifestyles and take on new ventures. Further, by adopting a people-focused approach, we will evolve our railway-based business model and advance structural reforms, thereby enabling us to work in partnership with local communities to become a sustainable corporate group.

Changes in the Business Environment

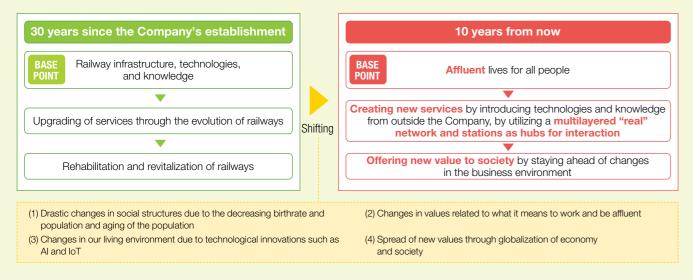
The economic situation in Japan has been greatly affected by the COVID-19 pandemic. For some time to come, the JR East Group is likely to continue experiencing a very challenging environment due to a decline in demand for transportation and other factors.

Over the medium to long term, a transformation of the business environment is expected to result from the further decline and aging of the population, technological innovations such as autonomous driving technology, and changes in the nature of globalization.

Further, as the Group was established over 30 years ago, we must address various tasks arising from changes to railway systems and the rapid transition to the next generation of employees.

Basic Policies of "Move Up" 2027

During the 30 years following its establishment, JR East developed a business model that generated profits by encouraging many customers to use railway services and railway stations through the enhancement of their convenience. With the affluence of everyone in their daily lives as our starting point, we will create new services and provide society with them by utilizing "real" networks and introducing technologies and knowledge from outside the Company.

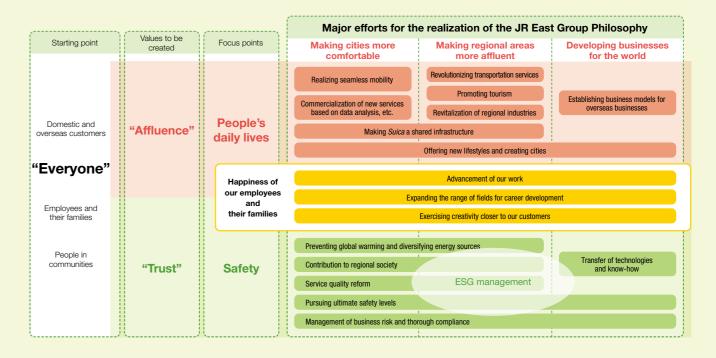


Value Creation History

A Message from the President

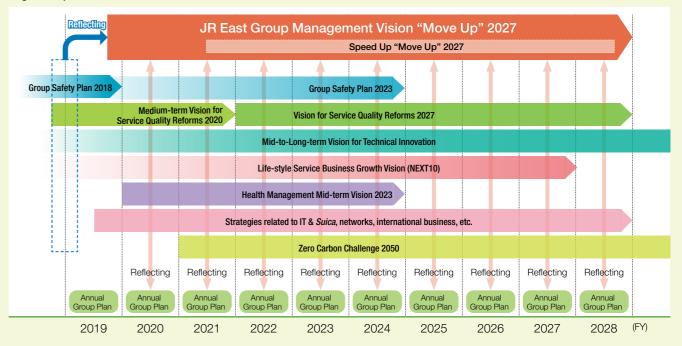
Overview of "Move Up" 2027

With people ("everyone") as our starting point, and with "Safety," "People's daily lives," and "Happiness of our employees and their families" as our focus, we will continue to create the values of "Trust" and "Affluence" in cities, regional areas, and around the world.



Business Plans for Achieving "Move Up" 2027

To achieve "Move Up" 2027, we are taking concrete action. Medium-term plans for our individual businesses and fields establish medium-term goals as well as clear measures and milestones for each fiscal year, and we also monitor and disclose progress toward these milestones on a single fiscal year basis.





JR East Group Management Vision "Move Up" 2027

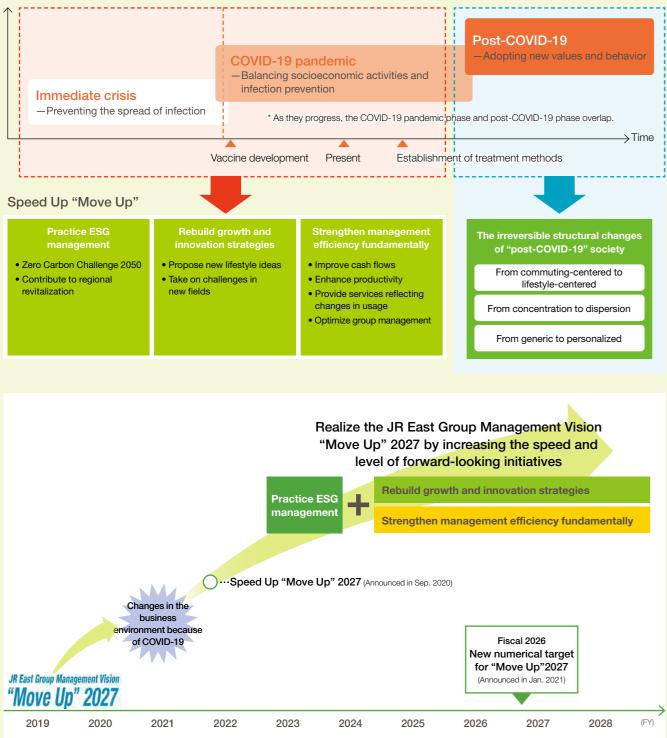
Value Creation History

A Message from Basic Policies

Speed Up "Move Up" 2027

Anticipating a society in a post-COVID-19 era that is completely different from the one we have known, we will redouble the speed of our efforts to realize "Move Up" 2027. By reflecting changes in the values and behavior of customers, we will rebuild our growth strategies and create new value.

Structural change



Practicing ESG Management

the President

Priority Environmental Issues • Realize a carbon-free society -Prevent global warming -Diversify energy sources • Realize a resource recycling-based society -Reduce waste -Recycle plastic resources	Priority Social Issues Ensure product quality Contribute to regional revitalization Enhance the quality of life (workstyles and lifestyles) Contribute to education and cultural development in society 	 Priority Corporate Governance Issues Realize ultimate safety levels Exercise internal control Conduct risk management Ensure compliance
Preserve biodiversity	Promote diversity Reduce food wastage	

"Move Up" 2027 Specific Measures – Targets and Progress

Values to Focus create points		Numerical targets for specific actions FY2021 results	New targets for the fiscal year ending March 31, 2026 (Announced in January 2021)		
		Ticketless service usage rate for JR East Shinkansen	33.2% The highest number (October 2020)	70%	
		Handling percentage of eki-net	28.2% The highest number (October 2020)	60%	
		Mobile Suica cards issued	14.1 million	25.0 million	
		Number of transactions for usage of the services of the MaaS platform, <i>Mobility Linkage Platform</i> , provided by JR East	0.21 million transactions/month The highest number (March 2021)	75 million transactions/month	
Affluence	People's daily lives	E-money usage such as Suica	250 million transactions/month The highest number (December 2019)	500 million transactions/month	
		Value of transactions on JRE MALL	¥1.2 billion	¥130 billion	
		Number of JRE POINT members	12 million people	25 million people	
		Number of shared offices	134 locations in total	1,200 locations in total	
		Number of childcare support facilities	145 locations in total	170 locations in total	
		Number of homes	About 1,600 homes in total	3,800 homes in total	
	5G installation locations	3 places in total	100 Places in total		
	Accidents due to internal causes	0	0		
		Serious incidents	0	0	
		Railway accidents	24% reduction* ³ (21 reduction from FY2020)	20% reduction (from FY2019 level)*	
		Of which accidents on platforms involving personal injuries	43% reduction*3 (33 reduction from FY2020)	30% reduction (from FY2019 level)	
Trust	Safetv	Transport disruptions due to internal causes			
11404		Conventional lines within 100 km of Tokyo	35% reduction*3	70% reduction (from FY2019 level)	
		JR East Shinkansen	8% reduction*3	75% reduction (from FY2019 level)	
		Total delay time for conventional lines within 100 km of Tokyo	2% reduction*3	70% reduction (from FY2019 level	
		CO2 emissions from the railway business	9.8% reduction	50% reduction (from FY2014 level	
		Development of renewable energy power sources	82,000kW	700,000kW*2	

*1 Targets for the FY2024 *2 Targets for the FY2031 *3 Preliminary figures



JR East Group Management Vision "Move Up" 2027

Value Creation A Message from History the President **Basic Policies**

"Move Up" 2027: Numerical Targets

Given the dramatic changes in the business environment triggered by the COVID-19 pandemic, we have set fiscal 2026 as the new target year for achieving the numerical targets of "Move Up" 2027 that were previously set for fiscal 2023.

JR East

pre-COVID-19 level

[Main initiatives going forward]

Consolidated management targets	Fiscal 2026 Targets (Announced in January 2021)	1
Operating revenue	¥3,090.0 billion (¥3,325.0 billion)*1	ŀ
Operating income	¥450 billion	
Consolidated accumulated operating cash flow	¥3,693.0 billion*2	
ROA* ³	Around 4.5%	•
Net interest-bearing debt/EBITDA*4	5 times or less	

Number in brackets for consolidated operating revenue is a reference values excluding an effect of application of "Accounting Standards for Revenue Recognition" and other standards. Total amount covering five years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026 Consolidated ROA = Operating income ÷ Total assets Net interest-bearing debt means Balance of consolidated interest-bearing debt minus Balance of consolidated cash and cash equivalents . EBITDA means Consolidated operating income plus Consolidated depreciation expense

Transportation



Personnel expenses: Approximately the same as the fiscal 2021 level Maintenance: Approximately ¥285.0 billion

Conventional revenues from passenger tickets

[Operating expenses outlook] (end of fiscal 2026)

Non-personnel expenses (other): Approximately the same as the fiscal 2021 level, excluding revenue-related expenses

Introduce Green Cars (first-class cars) to the Chuo Rapid Line, Implement sales promotion initiatives (yield management, etc.), Ensure the capturing of demand from visitors to Japan

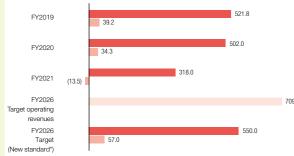
End of 2021 → Approximately 85% of pre-COVID-19 level, End of 2022 → Approximately 90% of

Cost reductions will partially absorb increases in expenses, such as depreciation and revenuerelated expenses. As a result, overall operating expenses will only rise marginally compared with the fiscal 2021 target.

Japan Transport Engineering Company (J-TREC) [Main initiatives going forward]

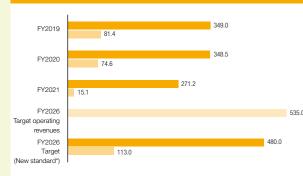
Order received for the delivery of 344 railcars to the Metro Manila Subway in the Philippines

Retail & Services



Operating revenue (Billions of yen)

Real Estate & Hotels



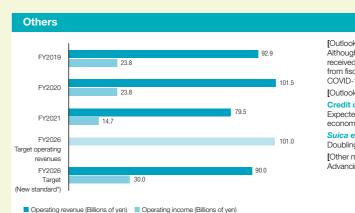
Operating revenue (Billions of yen) Operating income (Billions of yen)

[Outlook for operating revenues of respective businesses] Ekinaka stores (inside railway stat Until the post-COVID phase (during fiscal 2023), recovering in tandem with flows of railway passengers End of fiscal 2022 → At least 80% of the pre-COVID-19 level, End of fiscal 2023 → Approximately 90% of the pre-COVID-19 level [Main initiatives going forward] Growing existing stores by remodeling areas inside railway stations through reorganization of the Company, etc. Advertising and publicity

End of fiscal 2022 → Approximately 90% of the pre-COVID-19 level, expected to return to the pre-COVID-19 level in the post-COVID phase (during fiscal 2023) [Other main initiatives]

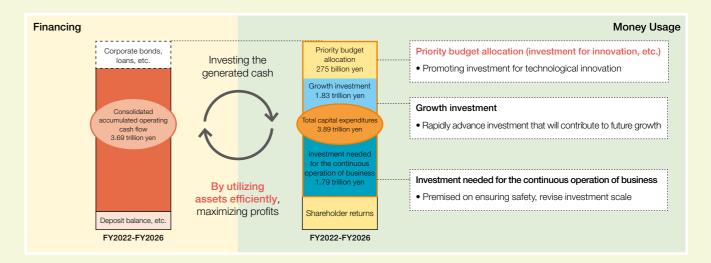
Shared offices, "lifestyle delivery" services (logistics services that utilize trains)

[Outlook for operating revenues of respective businesses] Until the post-COVID phase (during fiscal 2023), approximately 90% of the pre-COVID-19 level, End of fiscal 2023 → Approximately same as the pre-COVID-19 level [Main initiatives going forward] Growth of the revenues of existing stores, Shinagawa Development Project Growing revenues in step with the opening of development projects as businesses [Main initiatives going forward] Shinagawa Development Project, new offices (Kawasaki, Nishi-Gotanda) End of fiscal 2022 \rightarrow Approximately 70% of the pre-COVID-19 level, End of fiscal 2023 \rightarrow Approximately 80% of the pre-COVID-19 level [Main initiatives going forward] Opening new hotels (Taipei, Akita, Iwaki)



* "New standard" indicates operating revenues after the application of the Accounting Standard for Revenue Recognition.

Financing and Money Usage



Shareholder Returns

- In the medium to long term, we are targeting a total return ratio of 40% and a dividend payout ratio of 30%.
- In light of performance trends, we will stably increase dividends and flexibly buy back our shares.

(Billions of yen) 100 32.3% 60 20

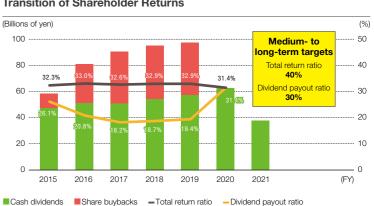


Speed Up "Move Up" 2027

- [Outlook for operating revenues and expenses of the business segment]
- Although they have decreased amid the absence of the major system development contracts received in fiscal 2019 and fiscal 2020, revenues and profits are expected to trend upward from fiscal 2022 onward due to the accelerated introduction of cashless transactions in post-COVID-19 society.
- [Outlook for operating revenues of respective businesses]

Credit card b

- Expected to surpass the pre-COVID-19 level at end of fiscal 2022 due to the recovery of economic activity and the accelerated introduction of cashless transactions
- Doubling fiscal 2021 operating revenues in fiscal 2026
- [Other main initiatives]
- Advancing of renewable energy power generation business (JR East Energy Development Co., Ltd.)



Transition of Shareholder Returns

Activity Highlights

Proposing New Lifestyles

Providing New Value That Reflects Changes in Commuting Styles

Due to the COVID-19 pandemic, many companies have reviewed their workstyle and work environments and decided to increase telecommuting, stagger commuting times, and decentralize workplaces. As a result, our customers' commuting styles and preferences have changed dramatically. To cater to the diversified commuting styles of the customers who use our railway services, we have launched two new services based on JRE POINT. Also, we are advancing STATION WORK, which facilitates new ways of working, as well as logistics services that take advantage of the rapid delivery capabilities of trains.



Off-Peak Point Service

- Supporting Comfortable Staggered Commuting-

Over a fixed period, customers who use Suica commuter passes that are registered with JRE POINT receive points for avoiding the peak commuting hours by beginning journeys during either the "early riser time slot" or the "leisurely time slot" on weekday mornings in specified areas and then ending their journeys in specified areas.

Repeater Point Service -Giving Customers More Freedom to Choose Times and Locations-

Customers who use Suica card or mobile Suica that are registerd with JRE POINT receive points equivalent to one fare if the Suica card's balance is used on segments with the same train fare 10 times in the same month and receive points equivalent to 10% of the fare for each subsequent journey on segments with the same train fare in that month





Increase in Services That Incorporate JRE POINT

Initially, JRE POINT was used mainly for shopping and short-distance trips. However, the launches of the Off-Peak Point Service, the Repeater Point Service, and the use of JRE POINT for STATION WORK have broadened the scope of JRE POINT services to meet the needs of commuters. Moreover, we are adding some new services of leisure travel to JRE POINT services. For example, since the end of June 2021 customers have been able to use reservations website eki-net to exchange their points for JRE POINT Discount Tickets. In this way, we will continue to activate a cycle of granting and using points by extending the scope of JRE POINT.



Marketing Strategy Group Marketing Department, Railway Operations Headquarters

Shared office business "STATION WORK"

Based on the concept of "valuing workers' every single second," STATION WORK will continue offering and enabling new workstyles. Catering to diverse workstyles, we will not only roll out STATION WORK in railway stations but also step up the pace of our partnerships with hotels that provide spacious individual rooms designed for use as work spaces. We will expand the STATION WORK network nationwide with a view to establishing 1,000 locations by the end of fiscal 2024.

Logistics Services That Utilize Shinkansen and Other Trains

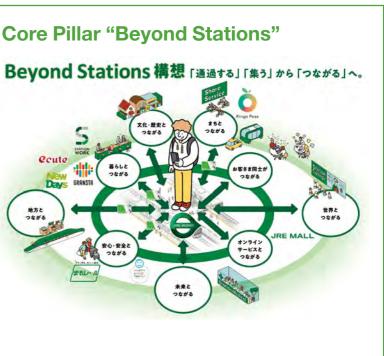
Aiming to promote regional revitalization, increase revenue, and expand businesses in the post-COVID-19 era, the JR East Group is advancing logistics services that utilize Shinkansen and other trains. Capitalizing on the advantages of railways in terms of rapid delivery capabilities, regularity, and network coverage, we are collaborating with a wide range of businesses to transport various products to destinations inside and outside railway stations. Cargos include fresh fish and produce-for which a high degree of freshness adds value-and fresh confectioneries with short shelf lives. As goods are delivered to customers on the same day, this service has been very well received.

Group Strategic Vision as a Core Pillar "Beyond Stations"

Under the "Beyond Stations" Concept, we are pursuing initiatives aimed at creating and maximizing customer value that enriches everyday life. JR East Group will interconnect all of our real-world advantages with the digital technology space and combine our tangible and intangible assets in innovative ways. These initiatives will transform railway stations from transportation hubs into platforms for "connected lifestyles." By extending the scope of JRE POINT and building connections with the lifestyles of our customers and the residents of line-side areas, we will enrich everyday life in the kinds of ways that only we can







Activity Highlights

"Vision for Service Quality Reforms 2027"

Becoming a Corporate Group Trusted by Customers

In fiscal 2022, the JR East Group launched Vision for Service Quality Reforms 2027, as a new vision for the Group's services. To provide high-quality services, meet customer expectations, and become a corporate group that is trusted by customers, we will add to the services that we have already realized and continue creating new value.



STEP



Service Quality Reforms to Date

Since the establishment of JR East, all Group employees have made a concerted effort to reform the quality of transportation and services. Thanks to these efforts, we have achieved steady improvement in service quality in such areas as transportation reliability, ability to respond to emergencies, initiatives for an inclusive society, and multilingual compatibility.

STEP

2

Initiatives Aimed at Creating a Comfortable Environment for Passengers

In addition to initiatives to provide information on the status of train services and improve convenience for customers with disabilities, we are enhancing passenger comfort by offering information on congestion at railway stations and in railcars to help customers avoid congestion and complete their journeys unimpeded.

A color LCD at Tokyo Station



Free space on E235 Series train



Making congestion at railway stations visible





動いている人 上まっている人

Real-time train congestion information



STEP

3

Toward a New Stage in Service Quality Reforms

Changes in society stemming from the COVID-19 pandemic are having a major impact on the Group's management base, and responding to new challenges is an urgent task.

With this in mind, we have launched the Vision for Service Quality Reforms 2027. Rather than treating Transportation, Life-style, and IT & *Suica* services in isolation, the vision calls for the creation of new value through coordination among business areas and optimization of the Group as a whole.

Creating New Value—Enhancing Services through Kodo

The Vision for Service Quality Reforms 2027 uses the Japanese word *kodo* as shorthand for an approach to service provision in which Group employees think and act on their own initiative. More specifically, we will encourage each employee to adopt a thoroughly customer-oriented viewpoint as they take steps to improve services and realize their individual potential. By putting *kodo* into practice, each employee will meet the expectations of customers and make the JR East Group a trusted company.



An Example of Kodo: Measures for Customers Who Become Unwell

The JR East Health Promotion Center supports overall health management, through checkups and a range of consultation services, so that our employees can work with peace of mind. The center recently received an inquiry from station personnel asking if it would be possible to provide more effective assistance to customers who suddenly fall ill. In response, the center and related departments worked together to make a training video that explains key points for dealing with customers who become unwell. Station personnel with confidence in their ability to assist unwell customers will be able to respond to them swiftly and appropriately. Furthermore, having these skills in-house will help us to resume operations faster. Going forward we will continue helping to improve service quality throughout the Group from a health management perspective.





JR East Health Promotion Center

Safety

Priority commitment goals



Related goals

Our Fundamental Concept of Safety

Since the establishment of JR East, safety has been our top management priority, and we have worked relentlessly to heighten our levels of safety. Our earnest efforts to learn from unfortunate accidents in the past have enabled JR East to further the prevention of future accidents with our continued developments in both tangible and intangible aspects. To further reduce potential risk, JR East is committed to steadily improving tangible countermeasures and also to ensure that each one of its employees takes all possible intangible measures. Our quest to ensure safety is never over. The JR East Group will continue to work together to take on the constant challenge of improving safety.

General principles of safety

JR East has prescribed General Principles of Safety in the code of conduct for its safety-related employees.

- I. Safety is the most important mission in transportation.
- II. Ensuring safety is based on exact observance of rules and procedures, and is achieved through constant practice.
- III. Enforcement of confirmation and complete contact is most important for ensuring safety.
- IV. For ensuring safety, we should cooperate together and go beyond our official responsibility.
- V. When we have guestions or must choose among several options, we should remain calm, think by ourselves, and take the safest course after thorough consideration.

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Group Safety Plan 2023

Since our establishment, JR East has been implementing a series of 5-year safety plans. In November 2018, we formulated Group Safety Plan 2023, which is our 7th safety plan. Together with JR East Group companies, partner companies, and affiliated companies, JR East as a whole group will aim for "Ultimate Safety Levels" starting with the "Safety Actions" of each person.

JR East "Group Safety Plan 2023" consists of two building blocks: "Evolution" and "Move Up", which are based on 3 Pillars: 1 Evolution and moving up of each person's "safety actions", 2 Evolution and moving up of "safety management", and

3 Maintenance of safety equipment by actively utilizing new technologies. In consideration of rapid environmental changes both within and

outside the Group, we will take specific measures to properly respond to these changes.

Further evolution of our safety culture

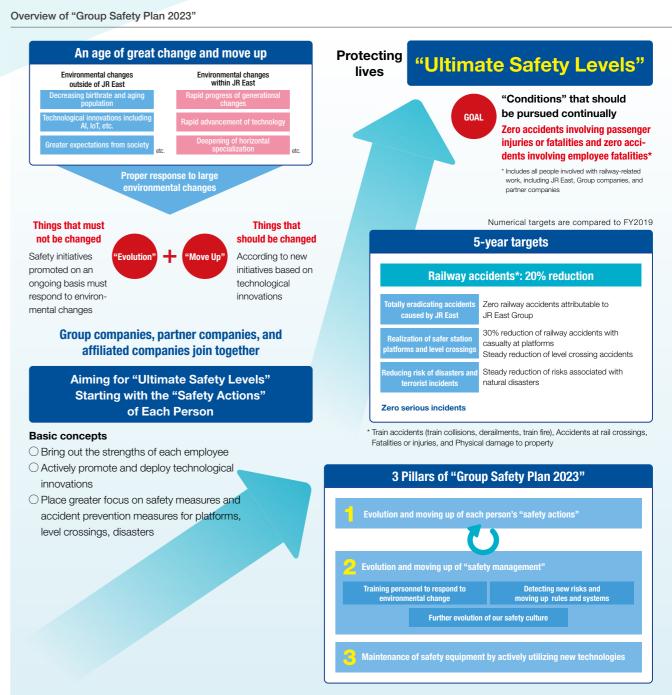
The safety culture, which JR East Group has continually placed great value on, including the "5 Cultures," the "CS (Challenge Safety) Activity," and the "Three Actualities Principle," is the foundation of various safety initiatives.

Stop the train if we feel something is dangerous

Safe and stable transport is important for our railways. Safety means protecting lives, while stability means ensuring the on-time operation of our trains. However, although stable transport is important for us, safety comes first. Trying too hard to keep to schedule sometimes results in not properly following safety confirmation procedures, which leads to risking the safety of train operations.

To secure the safety of our railway operations, the whole JR East Group will always follow our firm code of conduct to "Stop the train if we feel something is dangerous."





For more information, please see: https://www.jreast.co.jp/e/data/pdf/group_safety_plan.pdf

Further ingraining the 5 Cultures

С

A culture of proper reporting	The prompt and proper reporting of accide
•	
A culture of noticing	The recognition and sharing of information accidents and incidents.
▼	
A culture of direct confrontation and debate	The open and honest discussion and exch in order to identify the causes of accidents
▼	
A culture of learning	The continuous awareness of others, learn not just in one's own workplace, and the ir
▼	
A culture of action	Safety can be ensured only by taking safe

dents and incidents, and the prevention of the recurrence of accidents.

on regarding the potential sources of accidents in order to prevent

change of opinion in investigating the causes of accidents and incidents ts and to take truly effective countermeasures against their recurrence.

rning from accidents and incidents that occur in all places of work, implementation of appropriate countermeasures.

e actions. Think and act by yourself. This is at the core of our safety.

Our Fundamental Concept of Safety

JR East's Safety Management Organization

CS (Challenge Safety) Activity

We encourage all employees to be autonomous (take the initiative) in taking charge of safety, and we promote initiatives to share in safety-related deliberation in the workplace.

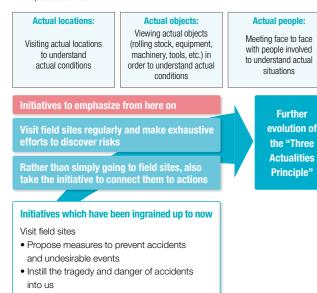
Through our CS Activity, we aim to change our emphasis from "reactive safety" to "proactive safety", such that each employee thinks about safety and acts autonomously. We cultivate a culture of ongoing efforts to enhance safety, where individual employees are aware of safety, and where field sites, branch offices and the head office, are united in the process of discussing safety and formulating safety measures.

To share information useful to these activities, we periodically publish a safety newsletter, "Challenge Safety Aoshingo."

The "Three Actualities Principle"

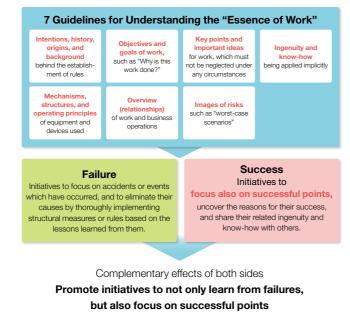
Accidents and incidents always occur at the Genba*. This means that the sources of accident prevention can also be found at the Genba.

JR East Group continues to search for answers which cannot be found on paper, using on the "Three Actualities Principle" as its standard for action: actual locations, actual objects, and actual people. * Genba: "Genba" means actual locations, objects, and people directly related to the safety of our operations including points of contact with our customers and fields or workplaces of transport or services.



Facilitate understanding of the "Essence of Work"

To properly respond to large environmental changes, rather than merely learning the procedures and methods of work, we must be conscious of the "7 Guidelines" which include the purposes of work, the origins of rules, and the operating principles of equipment, to deepen our understanding of the "Essence of Work."



JR East's Safety Management Organization

Safety management regulations

In response to a revision of the Railway Business Act, JR East formulated its safety management regulations in October 2006. These stipulate various safety management-related matters such as the responsibilities of top management executives in ensuring the safety of operations and on organizational matters and the selection of chief safety management officers, operation managers, and train crew training managers. To ensure transportation safety, we have built a system to promote operations centered on safety management officers and involving executives responsible for safety through to front-line staff.

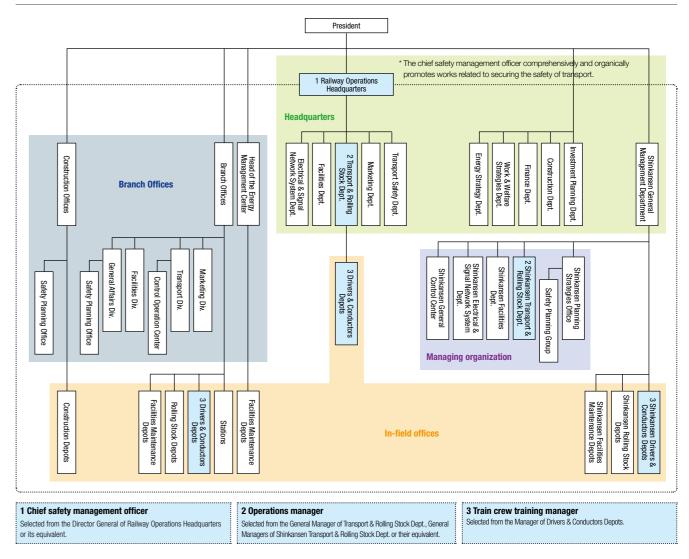
In April 2019, we established the Shinkansen General Management Department to integrate and specialize in managing Shinkansenrelated operations.

Structures to Promote Safety Measures

In 1987, we established the Railway Safety Promotion Committee, chaired by the director general of The Railway Operations Headquarters, at Head Office. This committee aims to enhance railway safety and prevent accidents by elucidating the causes of major accidents, formulating measures to prevent recurrence, and determining and promoting measures for safety-related equipment and rolling stock.

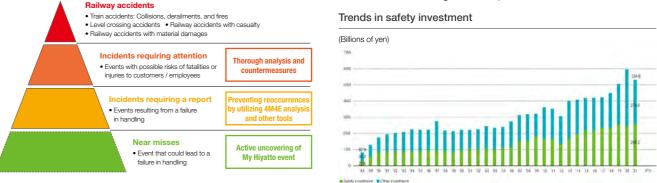
We also have Regional Safety Promotion Committees, which are chaired by the heads of the Shinkansen General Management Department, branch offices, and construction offices. These committees enhance railway safety at branch offices and seek to prevent accidents. They also liaise with the Railway Safety Promotion Committee to conduct specific measures.

Management structure for transport safety



Rules for reporting accidents and incidents

We endeavor to accurately understand accidents and incidents, analyze their causes, and implement measures to prevent them from occurring and recurring. To this end, we work to further enhance safety through accident reporting and by establishing rules pertaining to classes of accidents.



Investment in safety facilities

JR East has invested more than ¥4.7 trillion in safety since its establishment. In its Group Safety Plan 2023, JR East plans to invest approximately ¥1.2 trillion in safety measures during the five years from fiscal 2020 to fiscal 2024. We will continue to focus on putting safety facilities in place. At the same time, we will more actively embrace new technologies and respond to new risks.

Efforts to Further Improve Safety Levels

Fostering safety-oriented personnel

Safety education and training

To heighten safety awareness among employees by placing priority on safety education and training, JR East is offering educational and training opportunities to its employees at the JR East General Education Center (Shirakawa City, Fukushima Prefecture) and General Training Centers (branch offices), and through on-the-job training in each workplace.

The JR East General Education Center offers group training for personnel development and the improvement of knowledge and skills, fostering the development of new train crews and also providing the necessary training for job transfers.



JR East General Education Cente



Practical drills on training tracks

Accident History Exhibition Hall

In November 2002, we established the Accident History Exhibition Hall within the JR East General Education Center. This facility provides opportunities for all employees to learn about and reflect on the tragedies of past accidents and the major social responsibility railways bear. In October 2018, we expanded the Accident History Exhibition Hall and placed on exhibit the rolling stock involved in a 2014 accident involving a derailed Keihin-Tohoku Line train at Kawasaki Station, as well as a road-rail vehicle. We also opened the Interactive Learning Hall to encourage consideration from various perspectives of the train derailment accidents.



Accident History Exhibition Hall

Promoting the use of educational and training facilities

As one aspect of its efforts toward training personnel to respond to environmental change, JR East is promoting the establishment of educational and training facilities that facilitate an understanding of the "essence of work."

By the end of fiscal 2020, we had installed crew training simulators at all transportation-related workplaces. We also opened the Shinkansen Education and Training Center with the aim of teaching staff about the specific rules and mechanisms of the Shinkansen through the use of related equipment.

In addition, at each branch office we have educational facilities for learning about major incidents and accidents that occurred within that branch office's jurisdiction, looking at preceding events and countermeasures. We are promoting better safety awareness among all employees of JR East, Group companies, and partner companies to achieve "ultimate safety levels".



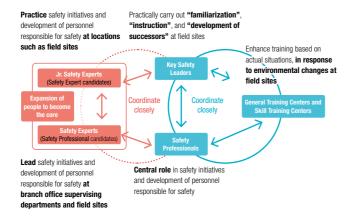


Center-Kokku Benrei Sha

Crew member simulator bringing the training experience to life using actual video

Development of personnel responsible for safety

We are responding to the rapid transition to the next generation of employees by moving forward on a variety of initiatives that emphasizes cultivating employees that put safety at the core.



Safety Storytellers (Narrators of Oral History)

To educate employees who can share and pass on safety-related knowledge, leadership, and technological capabilities within the Company, we have appointed highly experienced and

technologically capable personnel



Safety Storyteller swearing-in ceremony

in various specialized fields as Safety Storytellers (Narrators of Oral History).

The Railway Safety Symposium

To further enhance rail safety, each year we hold the Railway Safety Symposium. We strive to gain knowledge through discussion among local experts and share examples of good practice at workplaces.



Railway Safety Symposium

Safety Activities at JR East and Group companies

The division of work continues between JR East and Group companies. In order to improve safety, however, we must have the same sense of values. We built JES-Net (JR East Safety Network), and 39 companies have now joined it. JES-Net

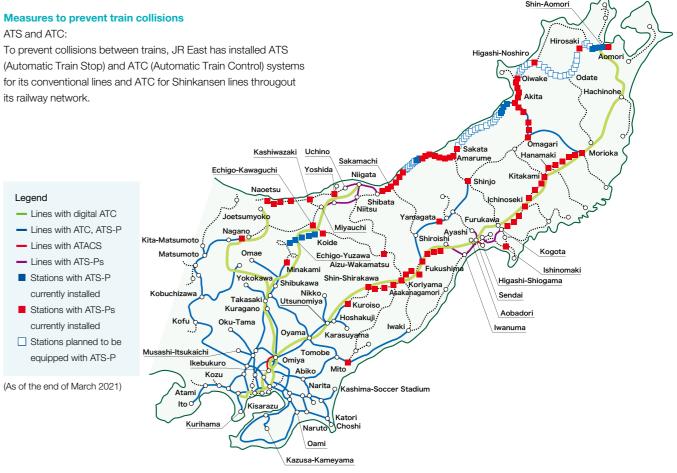


Confirmation of the work by JES-Net

carries out checks that safety works have been carried out correctly, facilitates the exchange of opinions, and works to solve problems and improve safety levels across JES-Net.

Safety measures for train operation and maintenance work

(Automatic Train Stop) and ATC (Automatic Train Control) systems for its conventional lines and ATC for Shinkansen lines througout its railway network.



Installation plan for ATS-P and ATS-Ps systems

	Areas for planned installation	Installation status as of the end of FY2021
ATS-P system	Mainly for railway sections with frequent train operations in the Tokyo metropolitan area	Completed installation in 16 major stations and railway sections for 2,484.7 km (service km)
ATS-Ps system	Provincial city areas and major railway sections excluding the Tokyo metropolitan area	Completed installation in 71 major stations and railway sections for 210.8 km

Safety Initiative: JR Morioka Railway Service Co., Ltd

At another workplace, a problem occurred when, due to an oversight, a filth extraction hose was not put away before a train began to move. Realizing that this problem could happen in our workplace too, we developed a device that uses sound and light to alert personnel if a hose has not been put away correctly. The device is solar powered, and was developed in collaboration with a number of employees



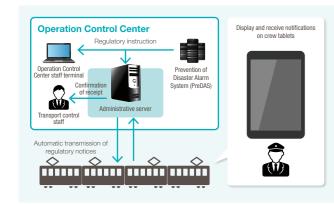
The filth extraction hose connecting with the train and the device we developed

JR Morioka Railway Servic Co., Ltd. Hachinohe Office

Driving restriction notification system

If observed values exceed specified limits at times of heavy rain or strong winds, train speeds are restricted to ensure safety. In the past, the dispatcher transmitted the restrictions to the driver by wireless, but in September 2019, we introduced an automated notification system, thereby helping prevent human error.

Image diagram

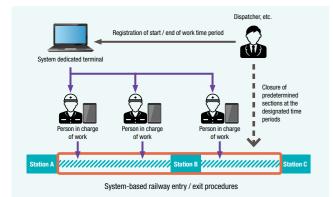


Improving the safety of maintenance work

During track maintenance work, we ensure the safety of workers by using a track closure procedure, which prevents trains from entering the area during the work.

This involves meetings between the person in charge of the works and the person in charge of managing train operations. Recognizing the possibility of human error in communication between people, from December 2020 we introduced a system that closes the track in advance in a predetermined section for a particular period of time. Staff working on the track enter and leave using the system. This eliminates the need for meetings on the day of work, reduces human error during communications, and eliminates complicated procedures to improve safety.

Image diagram



Shinkansen safety measures

In April 2019, we established the Shinkansen General Management Department as a new department for the centralized and dedicated control of Shinkansen-related measures. Through this department, we aim to strengthen our response to and management of unknown risks, training of Shinkansen specialists, maintenance and enhancement of unique technologies, and rapid decision-making.

In terms of Shinkansen-related safety measures, we are steadily implementing seismic retrofitting of viaduct columns and piers, and installing equipment to prevent rails from overturning. We have installed a trolley snow melting system at Okama Station on the Tazawako Line to reduce the amount of snow brought in on high-speed sections of the Komachi service . We have also built a full-scale simulator facility in preparation for large-scale renovation of the Shinkansen. In the future, we will promote technological progress in areas such as the development of repair materials and the mechanization of work.

Furthermore, we are conducting various types of test runs using the ALFA-X test railcar, which is under development with a view to realizing the next-generation Shinkansen.





Full-scale training simulator

The ALFA-X, a type E956 Shinkansen test railcar

Introduction of Shinkansen operating regulations in response to abnormal weather

Our Shinkansen network has a structure that is relatively resistant to rainfall, with a high proportion of bridges, viaducts and tunnels. However, in response to the unusually heavy rainfall observed in recent years, in order to ensure safe transportation, we have introduced new rules that require the Shinkansen to stop temporarily when it is raining heavily, until confirmation is received that it is safe to continue. With this system, instead of installing additional rain gauges along the railway tracks, we have adopted "analytical rainfall", which is calculated by correcting the observed data from weather radar owned by the Japan Meteorological Agency (JMA) and the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) with rain gauge data from all over Japan. The amount of rainfall in 1 km-square areas along the railway line can be confirmed precisely, making it possible to identify the places

where it is raining heavily. Sections to inspect can be defined in detail, which we expect to reduce the time required for inspections. We will continue to review these rules while monitoring the status of rainfall and equipment.



Shinkansen General Management Department

Preparedness against natural disaster

Our measures against earthquakes

Seismic reinforcement measures

Since 1993, we have been enacting measures to prevent bridge collapses and to seismically reinforce elevated railway track pillars and bridge piers. Since fiscal 2013, following the Great East Japan Earthquake, we have proceeded with measures on sections identified as high priority. Based on knowledge gained from leading-edge earthquake research, in fiscal 2018 we expanded the countermeasure area and began new reinforcement measures targeting Shinkansen girder seams. The Fukushima Prefecture Offshore earthquake on February 13, 2021, caused damage to utility poles in particular, and we have been working to review countermeasure priorities and improve reinforcement methods. In addition, we are implementing new measures for facilities that would severely impact transportation in the event of a disaster.



Seismic reinforcement of elevated railway tracks Structural reinforcement of utility poles

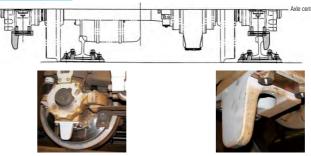
Emergency train stopping measures

We are constructing systems to ensure that high-speed trains can stop as quickly as possible in the event of an earthquake. For the Shinkansen, we have installed seismographs along our railway lines, in coastal areas and inland, to provide early warnings of even minor movements. In addition, we employ earthquake early warnings from the Japan Meteorological Agency and underwater seismograph information from the National Research Institute for Earth Science and Disaster Resilience in our Shinkansen early-stage earthquake warning system.

Using the seismic information provided by this Shinkansen system, we have also installed an early earthquake warning system on conventional lines to provide emergency stop notification if large-scale earthquakes are observed.

Measures to prevent derailment on Shinkansen lines We have measures in place to prevent Shinkansen trains from departing from their path of travel even in the event of derailment due to an earthquake.

L-shaped car guide



haped car guide

L-shaped car guide

Preventing breaks at glued insulated joints







General emergency drills

Every year, we conduct a comprehensive disaster-preparedness drill, assuming an earthquake has struck. These drills are timed around disaster prevention week, which includes September 1. Training includes countermeasure headquarters operational drills, rescue/ lifesaving training, and training on evacuation guidance. We conduct such training in cooperation with local government agencies.





Drills to operate an on-site disaster countermeasure headquarters

Drill to rescue passengers with firefighters

Preparing rescue kits and first aid kits

In the case of an earthquake with an epicenter directly beneath the Tokyo metropolitan area, many passengers could be injured and we might need to save the lives of passengers with the help of a limited number of our employees. For a major earthquake, JR East has prepared first aid kits and is also conducting drills to give personnel the necessary first aid skills.



JR East Japan rescue/lifesaving course



Rescue kits

Measures against tsunami

Before the Great East Japan Earthquake, we had set operational restriction methods and tsunami danger zones for each location, prepared manuals, and were holding study sessions and conducting drills on guiding passengers to alight from trains for evacuation. We believe that these efforts led to the prompt evacuation of passengers away from tsunami danger zones at the time of the earthquake.





Drill to guide passengers to alight from a train for evacuation

Formulating action guidelines for evacuation to avoid tsunamis To prepare for a case when there is no time before the arrival of a tsunami, JR East formulated action guidelines for evacuation during tsunamis for each one of its employees to follow in January 2012.

Action guidelines for evacuation to avoid tsunamis

- 1. At a time of a large earthquake, be prepared for tsunamis
- Gather information by yourselves and if communication lines are disconnected, make your own decisions for evacuation. (Do not be afraid to make a mistake.)
- Once decided to evacuate, by judging the conditions of customers, promptly guide customers to evacuate.
- 3. In alighting from trains, evacuating and gathering information, ask customers and local people to cooperate.
- 4. Even after evacuation, go to a higher place without being satisfied and thinking this would be high enough.
- Stay evacuated with customers and do not return to field offices or trains while tsunami warnings are still issued.

Tsunami evacuation navigation system

Learning from the tsunami evacuation at the time of the Great East Japan Earthquake, we have developed and introduced tools to help crew on operating trains to guide passenger evacuations in unfamiliar locations.



Measures for rainfall

To prevent landslides due to rainfall, JR East takes disaster prevention measures for wayside embankments in all railway sections in accordance with its plans. Especially in the Tokyo metropolitan area and for all Shinkansen routes, we take thorough measures to secure safe and stable transport.



Cutting slope protection (spray framework)

Embankment slope protection (spray framework)

Initiatives to address flooding

We have been working to enhance flood-response measures, having suffered significant damage from Typhoon No. 19 (Hagibis) in October 2019, when overflowing rivers caused damage to railcars on the Hokuriku Shinkansen.

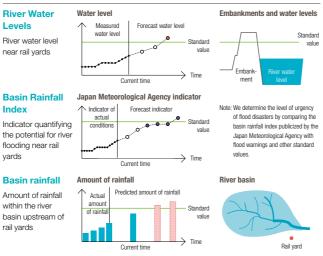
For railway facilities, we have been setting priorities for each facility and implementing hardware measures. In addition, utilizing hazard maps, we have introduced a "Vehicle Evacuation Judgment Support System" at rail yards where there is a risk of flooding, to promptly evacuate vehicles in the event of a disaster. With this system, we have developed indicators to support decisions on vehicle evacuation, and when each indicator reaches the set value, an alarm sounds to notify the people concerned.

Vehicle Evacuation Judgment Support System



 Evacuation of railcars judged based on comprehensive consideration of the system and general meteorological information

Indicators to aid decisions about evacuating railcars



Note: In addition to these indicators, we use general meteorological information to make a comprehensive decision on railcar evacuation.

Protecting against strong winds and gusts

Since a train accident on the Uetsu Main Line in December 2005, we have introduced the major wind-related initiatives described below.

Increased number of anemometers (wind meters) We typically install multiple anemometers on sections where windbased operating restrictions are in effect. We have also increased the number of anemometers in locations where windbreaks have been installed. To ensure accuracy, we are also moving toward the installation of dual anemometers. Installation of windbreak fences We install windbreaks to protect railcars from the wind.

Expanded introduction of the gale warning system With this system, operations are halted if the values measured by

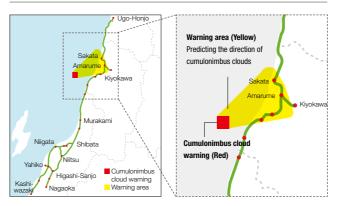


Uetsu Main Line, between Sagoshi and Kita-Amarume

anemometers exceed regulation levels. Wind speed regulations also call for the halting of operations if the maximum predicted wind speed a short time in the future is expected to exceed regulation levels, based on measured values on a time axis. We have installed this system on all sections of conventional lines where wind restrictions are in place.

Utilizing meteorological information for operation control We have developed a method to restrict operations using meteorological information, such as rain intensity measured by the Japan Meteorological Agency's weather radar and the agency's "nowcasts" on the likelihood of tornadoes, to predict gusts of wind that could be generated by cumulonimbus clouds. We are currently using this system along sections on the Sea of Japan during winter.

Display of operation control area using meteorological information (image)

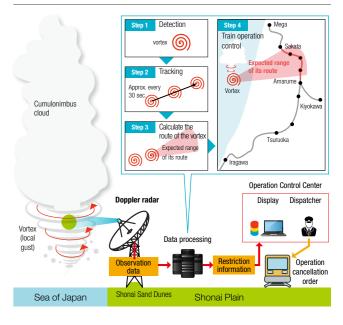


Operation control method against wind gusts using Doppler radar We have collaborated with the

Meteorological Research Institute (MRI) of the Japan Meteorological Agency on a system that detects vortexes by using Doppler radar to measure the movement of raindrops in the air, and sounds an alarm if these vortexes come near train lines. We have put in place operating restrictions using this system in winter on the Uetsu Main Line and sections of the Rikuu West Line. Since the start of operations in 2017, we have conducted further joint research with the MRI to expand the range of observations used to regulate operations and to commercialize Al-based methods for detecting gusts of wind.



Doppler radar installed at Kuromori, Sakata



Operation control method against wind gusts using Doppler radar

Safety measures at level crossings

We are working to reduce accidents on roads that cross railways.

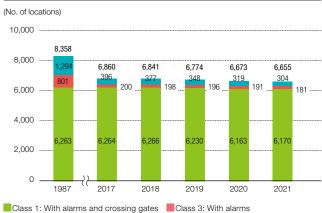
Our efforts to eliminate level crossings

Our principal measure for preventing accidents at level crossings is to eliminate such crossings. We are working with people in local communities to elevate, consolidate, and eliminate tracks. Where eliminating level crossings is difficult, such as for Class 3 and Class 4 crossings, we are converting them to Class 1 crossings.

No. of level crossings eliminated over past five years (including those transferred to third-sector operators)

FY	2017	2018	2019	2020	2021
Reduction	42	19	67	101	18

Changes to the number of level crossings (as of April 1)



Class 1: With alarms and crossing gates Class 3: With alarm Class 4: Without alarms and crossing gates

Efforts to Further Improve Safety Levels

Installing obstacle detectors To prevent train derailment due to collisions with automobiles (including large ones), we are installing equipment to detect automobiles stuck at level crossings where trains will be passing through.

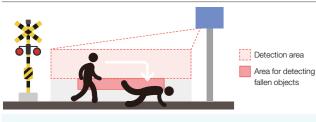


3D laser radar obstacle detector

Our obstacle detectors use 3D laser radar to detect the

overall level crossing areas. Going beyond conventional functionality, the new devices feature technologies to detect people who have fallen. We began installing these devices in fiscal 2020 and are steadily increasing their number.

Increasing the Level of Sophistication of Obstacle Detectors with 3D Laser Radar



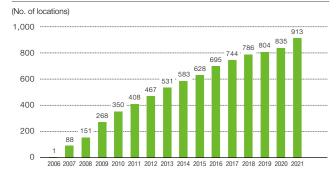
Function for detecting fallen objects

In the past, devices did not detect objects in certain areas to avoid oversensitivity, such as detecting small animals. We overcame this shortcoming by adding a function that broadens the detection area around the object in question.

Noise removal function

We added a function to reduce false positives for floating objects such as snowfall

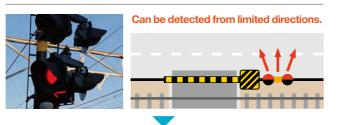
No. of locations of 3D laser radar obstacle detectors (as of March 31)



Installing omnidirectional warning lights

Regarding level crossing warning lights to notify the approaching of a train, we are replacing conventional warning lights with omnidirectional warning lights so that they can be easily detected by elderly people with lower sight lines and automobile drivers who enter level crossings from roads.

Conventional warning light



Omnidirectional warning light



Level crossing for easier passage

Based on the Act on Promotion of Level Crossings, we are elevating and widening roads at level crossings designated for improvement. In addition, where necessary we are using colored pavements or adopting other approaches for roads that cross railways such as building pedestrian overpasses, and making improvements as dictated by local conditions.



In cooperation with road administrators, we are increasing the width of level crossings and separating crossings for pedestrians from those for automobiles by changing the colors of the roads and walkways

Initiatives involving Class 4 level crossings

Class 4 level crossings are not equipped with alarms or crossing gates. We are working with local communities to eliminate such crossings or upgrade them to Class 1 level crossings. In addition, as another measure to prevent accidents at level crossings we are erecting signs



calling for caution and erecting whistle boards to warn people at crossings of approaching trains.

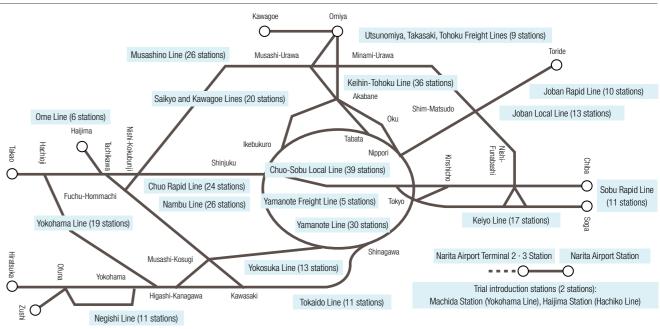
Safety measures at platforms

- Stations to be upgraded from FY2022

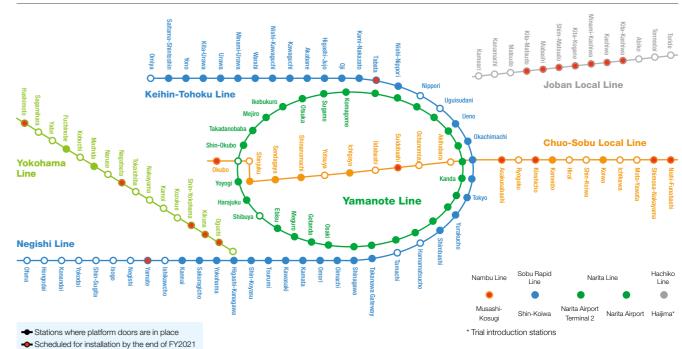
To prevent accidents involving customers falling from platforms or coming into contact with trains, we are installing platform doors. By the end of fiscal 2021, we completed the installation of platform doors at 61 stations (a total of 72 stations* by line) mainly on the Yamanote, Keihin-Tohoku, and Negishi lines.

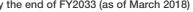
Going forward, we plan to proactively deploy newly developed Smart Platform Doors. As a result, by around the end of fiscal 2033 we plan to have installed platform doors at all stations on the major conventional lines in the Tokyo metropolitan area (330 stations by line, including the 243 stations where we have completed the installation to date). * No. of stations is counted by line, e.g., Yurakucho Station is counted as two stations, one for the Yamanote Line and one for the Keihin Tohoku Line.

Railway lines where platform doors are scheduled for installation by the end of FY2033 (as of March 2018)



Stations where platform doors are installed or scheduled for installation in FY2022 (as of April 2021)





Efforts to Further Improve Safety Levels

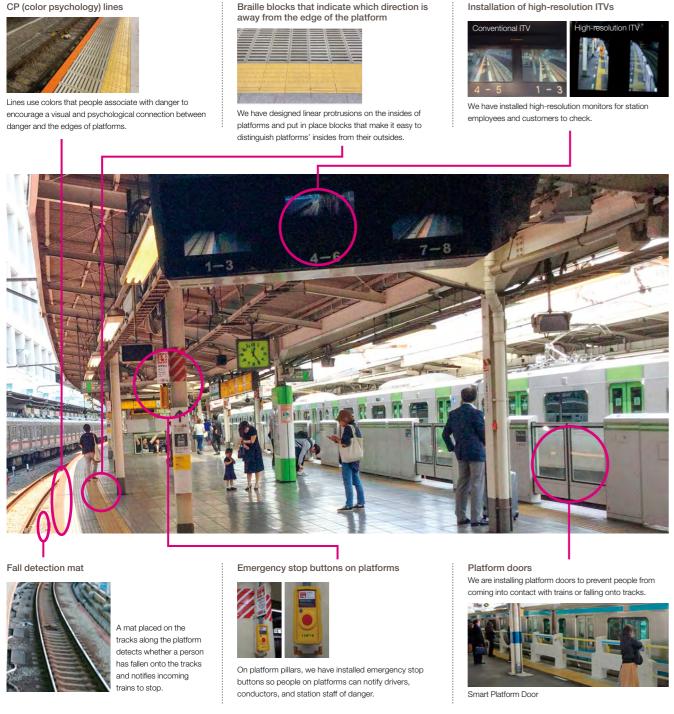
Current Safety Record of JR East

In fiscal 2021, JR East recorded 116 railway accidents, down significantly from the level at the Company's foundation. "Railway accident with casualty" account for approximately 80 percent of the total number of "railway accidents." Regarding train accidents, in the year

under review there was a train derailment on the Sotobo Line

between Awa-Kamogawa and Awa-Amatsu stations due to a train

riding up on ballast on the rails at a level crossing, and a train derailment on the Joban Line between Tsuchiura and Kandatsu due to a collision



Safety efforts with customers and people in local communities

Rather than conducting initiatives on our own as a railway operator, we engage with the people who use our services and elicit their cooperation in our efforts to enhance the safety of station platforms and level crossings. We also collaborate with related institutions in conducting awareness-raising activities for schools. Every year we carry out joint campaigns with other railway companies, broadcasting awareness videos and radio commercials in East Japan.



with a passenger car entered train trucks. Occurrences of railway accidents

Railway accidents

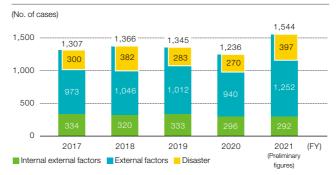


Transport disruptions

JR East recorded 1,544 cases of transport disruption in fiscal 2021. Compared with the previous fiscal year, there was a particular increase in the number of accidents involving collisions with animals and disaster.

Transport disorders	Except railway accidents, there are transport disruption, which encompass train service cancellations due to failures of trains or facilities, mishandling by employees, or disasters, or delays to passenger trains by over 30 minutes or other trains by over 1 hour.
Disaster	Natural phenomena such as powerful storms, heavy rainfall, heavy snowfall, flooding, high tides, earthquakes, tsunamis, etc.
External factors	External factors such as trespassing or suicide
Internal factors	Internal factors such as those related to staff, trains, or facilities

No. of transport disruptions



Train accidents	Train collisions, derailments, and train fires
Level crossing accidents	People or automobiles being hit by trains
Railway accidents with casualties	People killed or injured by train operation excluding suicide
Railway accidents with material damages	Accidents causing more than ¥5 million damage to property by train operation

* From the third quarter of FY2014, incidents which could not be determined as suicides are classified as level crossing accidents or railway accidents with casualties.

Incidents

JR East recorded one incident (equipment failure) in fiscal 2021.

Incidents

"Incidents" mean situations that could lead to a railway accident. The definitions of incidents are stipulated by the rules and regulations for railway accidents that require reporting.

Employee accident

In fiscal 2021, there were a total of four fatal accidents and 178 accidents that required time off from work (including those involving employees of JES-Net and other partner and affiliated companies).



Accidents with lost work time and fatality (employees of JES-Net, etc.) (persons)



Society

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Priority commitment goals



Related goals

3 ADDREAMS

Relationship with Customers

Building on JR East's "Medium-term Vision for Service Quality Reforms 2027," all Group employees strive to always think and act with the customer's point of view as their primary focus. Through these efforts we aim to continue to meet the expectations of our customers and contribute to society as a trusted corporate group.

Implementing measures such as bringing forward the last train time

To help ensure that railways continue to contribute to society in the future, in March 2021, we brought forward the last train time on major lines, mainly within a 100 km radius of Tokyo. This will allow us to promote changes in how people structure their working lives and increase the amount of time available for maintenance work, thereby speeding up the installation and maintenance of platform doors and other railway equipment. Through these efforts we aim to improve the safety and reliability of our transportation and services.

Expanding the rail network and shortening travel times

With the March 2021 timetable revisions, we also introduced a new maximum speed of 130 km/h between Ueno and Omiya to shorten traveling times. By increasing the speed of the Jōetsu and Tōhoku Shinkansen lines, constructing the Yamagata Shinkansen approach line to Fukushima Station, and extending the Hokuriku Shinkansen to Tsuruga, we are improving accessibility between Tokyo and rural areas, thereby creating significant benefits for regional economies. In addition, the Haneda Airport Access Line (provisional name) received a railway business license from the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in January 2021, and we will move forward with plans to start construction.

Changes in travel times (Compared with 1987)

	() 1	2	3	4	5	6		7 ours)
Section	Name of Train								1
Tokyo–Hakodate	Yamabiko–Hatsukari				4:25	.	-178 m	ninutes	
IUKyu—Hakuuale	Hayabusa–Hakodate Liner		0.5		150 min				17
Tokyo–Aomori	Yamabiko-Hatsukari		2:5	8	-153 min	utes			
Tokyo-Shin-Aomori	Hayabusa								
Tokyo–Sendai	Yamabiko	1:29	-48 min	utes					
TUKYU—Senual	Hayabusa	1 00							
Tokyo-Niigata	Asahi	1:36	-41 min	utes					
iukyu—iniiyala	Toki		100						
Tolaro Nagana	Asama	1:19	-106 mi	nutes					
Tokyo–Nagano	Kagayaki		0.07						
Tokvo–Kanazawa	Asahi–Hokuetsu		2:27	-1:	52 minutes				
IUKYU—Ndiidzawa	Kagayaki	1							

 Tokyo to Hakodate segment's top line shows time required after schedules were revised in March 1988 (when the Seikan Tunnel was opened)
 The shortened time between Tokyo and Hakodate is as a result of the time saved by high speed travel through the Seikan Tunnel.

Initiatives to tackle the COVID-19 pandemic

The JR East Group is taking measures to ensure that customers can use railways with peace of mind in accordance with the government's "Guidelines for Railway Operators to Prevent the Spread of COVID-19." In addition to regular disinfection and sterilization at stations and the wearing of masks by staff, disinfection and sterilization are carried out inside trains, and train windows are opened for ventilation. Moreover, our JR East App provides information on congestion, and we are working on providing reserved seats with more space between seats, seat selection using seat maps, and clarifying the language on signs displayed on the floors of train carriages.

Constant attention to passenger comments

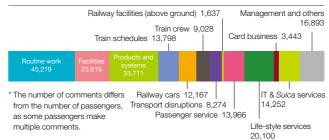
Collection and analysis of customer opinions

We collect and analyze customer opinions on a daily basis in order to understand the concerns and frustrations of our customers and to respond to them promptly.

We are endeavoring to collect passenger comments, including those which are received by our employees directly from passengers. We collect approximately 200,000 customer comments a year including those posted on the internet or given over the telephone, in addition to direct feedback received by staff from customers. These comments are promptly shared and analyzed via a Companywide database, New Green Information System.

In fiscal 2021, about half of the comments were related to such matters as station operations, facilities, and ticket systems.

Itemized breakdown of passenger comments in FY2021 (Total number of comments 216,104)



Utilization of social media

One way we learn about passengers' needs is through the feedback they provide directly to us. We also recognize the need to actively gather and analyze passenger feedback from a range of other sources. To this end, we foster communications with customers through our official Facebook and Twitter pages. We proactively send out information about various measures and campaigns, while working to understand customer needs



and opinions through "Like!" responses and other customer postings.

Service quality "Yokusuru Project"

Using posters, videos, and other media, we provide customers with employee insights on our policies and actions to improve the quality of our services. Individual sites use posters and other communication tools to highlight improvements and deepen customer understanding of and trust in our company.



Service quality "Yokusuru Project"

Management of transportation services

Five main tasks

In the field of railway transportation services, which forms the core of our business, we are working on five priority areas that include preventing transport disruptions and creating a comfortable environment for customers. All employees of the Group are striving together to enhance the quality of our transportation services.



Preventing transport disruptions

We are working to prevent transportation problems by focusing on and analyzing the causes of such problems, identifying priority issues that need to be addressed, and taking action to prevent transport disruption.

Initiatives to prevent transport disruption

In order to improve the quality of transportation, we are striving to prevent transport disruptions. We are also seeking to minimize the impact on customers when disruptions do occur by resuming operations as soon as possible and preventing the impact from spreading to other routes.

Rolling stock

- Introduction of new rolling stock, such as the E235 Series, with enhanced reliability though backup systems for major equipment
- Upgrading of rolling stock equipment Equipment
- Promotion of condition-based maintenance (CBM) using monitoring data
- Simplification and integration of electrical facilities (simple overhead wire configuration)

Other

 As part of our suicide prevention efforts, our employees call out to people at stations. We have also been using former employees to patrol stations, and making use of station displays and social media to draw attention to counseling services.



Suicide prevention measures

• To prevent animal collisions, we have been spraying repellents and introducing repellent devices using laser light and sound.

Minimizing impact on customers

We make our customers our top priority and seek to minimize the impact of any incident on them by considering the best way to resume operations as quickly as possible.

Prompt resumption of train operations after transport disruptions and minimization of the effects of disruptions to other sections

To minimize the impact on passengers, we try to turn trains back before they enter the disrupted section or operate other routes wherever possible. Measures we are taking include shuttling back and forth between serviceable sections of a train line or operating alternative tracks. In addition, through training and other means, we continue to improve our ability to respond to customer needs after a transport disruption occurs.

Furthermore, after a transport disruption occurs, we look back and reflect on the status of each worksite at the time of the response. Based on our findings, we consider measures to prevent recurrence. By sharing information about countermeasures widely throughout the company we strive to enhance individual employees' performance levels.



Exit guide drill

Joint training with police and firefighting personnel on restoring service following a personal-injury accident

Response to the Fukushima Prefecture Offshore Earthquake

After the earthquake off the coast of Fukushima Prefecture on February 13, 2021, we started operating a substitute bus service in response to a request from the Sendai Branch of JR East for a train substitute. In addition, when the Töhoku Shinkansen could



Transportation Group, JR Bus Tohoku Sales Department

not operate, we set up an emergency task force to respond to the situation. With the cooperation of group companies and partners, we were able to maximize alternative transportation to the Shinkansen, which was used by more than 10,000 passengers. Through cooperation with the national and local governments and collaboration with related companies, we used the experience we gained from the Great East Japan Earthquake to ensure a smooth response by JR East as a train company. Building on this experience, we will all continue to work to ensure that we can respond more flexibly in times of emergency.

Provision of information at abnormal times

Seeing things from a customer point of view, we provide information to help people make quick, appropriate decisions about transportation.

Information enhancement

We share details about train operation and other useful information with our customers through various media. We also provide information to foreign customers in multiple languages.

Web services

Our website "DOKOTORE"

In the event of transport disruptions, we provide information on the operation of trains and the cancellation of limited express trains on conventional lines. We also provide information on train delays and

the location of trains (available in Japanese, English, Chinese, and Korean), especially in regional areas.



Social media

Providing information via Twitter (Japanese, English) and Weibo We provide real-time information on the status of damage caused by natural disasters, and we also provide information on operations and operation plans.



4月13日16時13分 配信 『一部運休』 特急「ときわ67号・84号」 は、常磐線内での強風の影響で、 全区間で運休となっています。#特 急・急行 #Limited_express #Express jreast.co.jp/t_j/chyokyori.



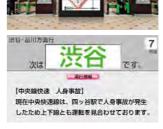
Multilingual broadcast guidance at stations and on trains We use tablets and other devices owned by our employees to broadcast information according to the situation in stations and on trains. In the event of an emergency, audio data for multilingual guidance is distributed to stations and train crews, and broadcasts (available in Japanese, English, Chinese, and Korean) provide information to customers from overseas.



Guidance displays in case of abnormalities, LCD displays in trains In addition to providing information on services in the event of transport disruptions, such as suspended operations, we also provide passengers with details of other lines to which they can transfer.

- Large display (top right)
- Guidance display in case of abnormalities (bottom left)
- LCD display in train (bottom right)





Announcement of train service resumption times during disruptions

When a disruption has occurred, we aim to announce the anticipated time at which operations should resume within about 30 minutes of the occurrence of transport disruptions (within 15 minutes in the case of accidents resulting in casualties) and the announcement rate was 93% in fiscal 2021. We will continue to provide information promptly to help customers make decisions on their next moves.

Planned suspension of operations

Planned suspensions are implemented to minimize damage and transport disruptions by adjusting the number of trains operated in advance, when weather conditions and other factors are expected to have a significant impact on passengers due to prolonged suspensions or major delays.

In the case of typhoons, we make comprehensive assessments of the typhoon's path and magnitude, and provide information to customers and employees from an early stage using a variety of media (internet, emergency information displays, social media, etc.) to help them decide what to do. Once inspections and restoration work are completed, we review the specific operation resumption plan and announce the operation schedule to customers.

Customer services attentative to customer needs

We are striving to further improve the mindsets and skills of the entire Group by accurately understanding the kinds of situations that develop, the reactions of our customers, and how to respond to them appropriately.

Assistance and Support campaign

To help realize a harmonious society, we are working with transportation companies and organizations for people with disabilities throughout Japan. Initiatives include calling out to all customers, including those



with disabilities, who need assistance, and asking for the cooperation of all customers using our rail services.

In fiscal 2021, a drive to strengthen the Assistance and Support campaign was conducted in collaboration with 83 company bureaus and seven organizations. We intend to take the lead in creating an environment where all customers can live safely and with peace of mind by nurturing a culture that supports customers in need throughout society.



Assistance and Support campaign poster

Ensuring that Help Mark customers can use our services with peace of mind

The Help Mark was created by the Tokyo Metropolitan Government in order to make it easier for people with "invisible disabilities" who need assistance or care to get help by making people around them aware of their situation. To make it easier for customers who use the Help Mark to use the train, we have put up posters at stations in the Tokyo metropolitan area to inform people about the Help Mark, and we have also put up Help Mark stickers near priority seats on conventional trains.

Improving passenger service

We use the Green Handbook, which sets out the concepts necessary for our company's services and the basics of hospitality required of employees, at workplace study sessions in an effort to enhance passenger service among all employees.



Green Handbook

Acquiring Service Care-Fitter Qualifications

We encourage our staff to acquire qualifications aligned with the "spirit of hospitality and assistance skills" to help them assist our customers and ensure that they can use our services with peace of mind. As of the end of March 2021, more than 23,300 employees had acquired the certification.



Qualified employees wear name badges with "Service Care-Fitter" written on them

An easy-to-use, comfortable environment for customers

By accurately understanding various changes in social trends, legal revisions, and customer needs, we are working to create an environment in which diverse customers can use our services comfortably and without stress.

Barrier-free stations

Installing elevators

JR East has been working with local governments and other entities to install equipment at stations in accordance with the "New Barrierfree Law" (the Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc.). As of the end of March 2021, we had completed the installation of equipment in 521 stations.

Upgrading environments for people in wheelchairs

To narrow the gap between station platforms and railcar doors, we are installing platform doors equipped with slopes that lift up when trains arrive. To reduce the gap between the train and the platform, comb-shaped materials have been installed at each end of the platforms (two per platform) at some stations on the Yamanote Line, the Keihin-Tohoku/Negishi Line, and the Chūō-Sōbu Local Line. At

some stations on the Yamanote and Keihin-Tohoku/Negishi lines, we are reducing wait times at train stations for customers who prefer to get off the train on their own by eliminating the need to contact stations where they will disembark.



Comb-shaped sections

Barrier-free railcars

In order to provide a safe and comfortable ride for wheelchair and baby carriage users, we have added priority seating in every carriage of the new E235 Series commuter trains that have been introduced on the Yamanote Line and the Sobu-Yokosuka Rapid Line. In addition, free spaces have been installed in all E235 railcars .

From July 2021, a portion of Hokuriku Shinkansen trains are equipped with free spaces for wheelchairs in accordance with the revised standards for facilitating public transport based on the Transportation Accessibility Improvement Act.

We have also installed multi-purpose rooms and large toilets with improved handles for electric wheelchairs in the new E259 limited express trains and post-E5 series Shinkansen trains.

large toilet



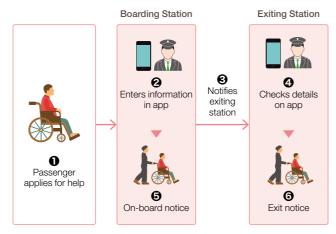


E7 Series Shinkansen free space for wheelchairs

F7 Series Shinkanser Multi-purpose room for E7 Series Shinkansen

App to alert personnel to passengers boarding and exiting

We have developed an app to automatically notify stations and railcar attendants when passengers in wheelchairs request assistance with boarding and disembarking from trains. We introduced the system on the Nambu Line in March 2020, the Keiyo Line in November 2020, and on the Yamanote Line in March 2021. We plan to expand the app's coverage, mainly in the Tokyo metropolitan area, in order to reduce customer waiting time and to provide more reliable assistance.



* The figure above shows the flow of information when using the app.

Escalator safety measures

We are carrying out safety enhancements, including measures to keep sandals from getting caught, protect against falls during emergency stops, and prevent steps from descending when escalators stop.

We are also working together with other railway companies, retailers, and other facilities on campaigns that use posters and other means to call for the safe and proper use of escalators.



campaign poste

Measures against fmolestation

In addition to introducing women-only cars and installing onboard security cameras in various railway sections in the Tokyo metropolitan area, we have been continuing to install SOS buttons on all railcars to alert the crew if women feel unsafe. Furthermore, in cooperation with police and other railway operators we are actively conducting a campaign to eliminate molestation on trains, strengthening surveillance on trains and in stations and calling for the prevention of molestation, so that passengers can use our services with greater safety and peace of mind. These are some of the ways in which we are working to make our services safer and more secure for all.



We have implemented a range of initiatives to spread out our customers' boarding times and promote off-peak commuting. Since congestion is one of the causes of delays during morning commuting, we have been notifying passengers of congestion trends for trains and road traffic using apps and posters displayed at stations on some lines. At stations where congestion is particularly high, we have established designated queuing areas and no-stopping zones to ensure the smooth flow of passengers. We also launched the Off Peak Point Service, which rewards passenger with JRE POINTs for staggered commuting on weekday mornings using Suica commuter passes.



Using unique characters to urge passengers to cooperate with train-riding

Queuing lines on the platform

System to respond to inquiries

Our contact center fields several thousand inquiries each day. To help us respond promptly and accurately, we are working to improve the quality of our responses through regular call monitoring and evaluation.

On our official LINE account, we use the JR East ChatBot to respond to inquiries on matters such as lost property, as part of our efforts to enhance passenger convenience.



Free public wireless LAN service for overseas visitors



We offer a free public wireless LAN service at all stations on the Yamanote Line and other stations that are frequently used by overseas visitors to Japan (159 stations as of the end of March 2021). In addition, free public wireless LAN service is available at all stations where the

Shinkansen stops, using "JR-EAST FREE Wi-Fi" or services provided by local governments or telecommunications companies.

In addition to the Shinkansen, Narita Express, and Chuo Line Limited Express E353 Series trains, we are gradually expanding the service to the Sobu-Yokosuka Rapid Line E235 Series trains, which are being introduced from December 2020.

Improving service quality from the perspective of front line and planning departments

I work as a train conductor about once a week as well as carrying out planning work at the Tokyo Branch Office. While on duty at the station, I strive to prevent accidents through the thorough performance of essential procedures and the provision of prompt information so that passengers can use the trains safely and



Service Quality Reform Office General Affairs Department, Tokyo Branch Office

with peace of mind. In the planning department, meanwhile, I am in charge of etiquette management, and the feedback I receive and the feelings I experience while interacting with customers allow me to recognize issues and provide important insights for the implementation of measures.

Confirming results and making improvements

Identifying issues and using service quality diagnosis to confirm the effectiveness of measures

We provide a wide range of services and we believe it is important to analyze whether they meet our customers' needs. We therefore conduct service quality diagnosis to gain a quantitative understanding of the overall evaluation of our transportation services and levels of customer satisfaction, and to further improve the quality of our services for our customers. In light of changes in the social environment caused by the COVID-19 pandemic, we are conducting analysis that includes changes in customer needs and the implications for evaluations of the company.

The results of the diagnosis are used as a "Service Quality Diagnosis Chart" to understand the results for each branch office. In fiscal 2021, 11 out of 12 branches improved their evaluations compared to fiscal 2020. By analyzing the results by branch office, we are able to understand the strengths and weaknesses of each region and reflect them in our regional goals and measures.

Relationship with Customers

Toward ticketless rides

Renewal of eki-net

We upgraded our eki-net reservations site on June 27, 2021 to improve convenience. Improvements include



adding a new train reservations method, expanding the scope of applications available through smartphones, offering services using JRE POINT, and broadening options for payment methods.

Upgraded user interface (UI)

The UI has been greatly improved so that people can search for trains directly by entering such information as the boarding station and departure date and time on the top page of eki-net.



New products and services

In addition to promoting discounts such as those through the Otonano-Kyujitsu Club and Shareholder Benefit programs, we are promoting ticketless travel. This includes eki-net TOKUDANE (paperless limited express ticket) as part of our efforts to facilitate simple and easy train use. In addition, travelers can apply for the Otona-no-Kyujitsu Club Pass and other discount tickets through eki-net.

We have also established the JRE POINT Reward Ticket and the JRE POINT Upgrade, which allow customers to exchange their accumulated JRE POINTs to ride JR East's Shinkansen and limited express trains or to upgrade the class of their ticket.

JR-EAST Train Reservation

In addition to its existing reserved seat reservation service, JR-EAST Train Reservation has also started handling rail passes both for foreign residents and visitors to Japan, and the Shinkansen e-ticket service as well as other services. We intend to provide even more stress-free services. The number of languages supported has been increased from four to nine*.

* Nine languages: English, Chinese (simplified and traditional), Korean, Thai, Indonesian, French, German, Spanish

JR-EAST Train Reservation

Expanding the Touch de Go! Shinkansen service area

On March 13, 2021, we expanded the service area of Touch de Go! Shinkansen to cover JR East's entire Shinkansen service area.



* GALA Yuzawa Station is open only when GALA YUZAWA SNOW RESORT is open.

New seating service introduced for Tokaido Line limited express services

The SHONAN limited express, a 🛛 🖌 convenient service for commuters that came into operation in March 2021, and the upgraded ODORIKO limited express, which connects the Tokyo metropolitan area with the Izu area, have introduced a



new seating service and started the eki-net Ticketless Service, which allows passengers to receive seat allocations on their smartphones.

Reform of station operations (Plus Value)

The Shonan Izu Surprise Project involves station employees, drivers, facility employees, and promoters who have been encouraging people to visit Izu through events, social media campaigns and other marketing materials Recently, we have been working to revitalize the region by offering Izu's local specialties on ODORIKO express trains. In fiscal 2022, we will continue to work on new measures to attract more customers to Izu and encourage them to visit the region by train.



Odawara Regional Center, Yokohama Branch Office (Shonan Izu Suprise Project)

IT and Suica business

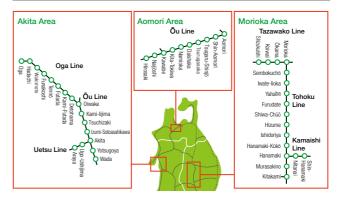
As of April 1, 2021, Suica can be used in 840 stations in our service area. It can also be used at approximately 5,000 stations nationwide, including those of other companies.

We collaborate with other transportation operators throughout Japan, as well as companies outside the Group, to enhance passenger convenience and promote the use of Suica cards. We also cultivate member stores where Suica cards can be used as e-money and promote their use to encourage the transformation toward a cashless society.

Expansion of Suica service area into three northern **Tohoku prefectures**

In order to improve convenience for our customers, we will expand the area where Suica can be used to lines in Aomori, Iwate and Akita prefectures from spring 2023. In this expansion, we plan to use a new ticketing system that integrates the functions of ticket gates into a central server.

Suica service area (Planning to expand the area from spring 2023)



Mobile Suica: Offering greater convenience



More than 14 million Suica cards have been issued on Mobile Suica. We are cooperating with other companies in order to improve user experiences, such as new top-up options for the Mobile Suica platform

The Mobile Suica system underwent a major system upgrade in March 2021 to enhance performance in response to increased usage. Screen design and operability have been reviewed to make the application even more user-friendly.

Multi-function card for regional transit

We developed multi-function cards for regional transit, that make region-specific services and Suica services available in a single card. The service was launched in the Utsunomiya and Morioka areas in March 2021. We plan to expand the service to other regional transportation operators in the East Japan area.







Utsunomiya area Morioka area "Iwate Green Pass"

Target functionality

JRE POINT

JRE POINT, the Group's shared loyalty points program, has more than 12 million members and represents an important customer base for the Group

As a payment service provider, we are participating in the Individual Number Card Points Project implemented by the Ministry of Internal Affairs and Communications, and we are working to enable people to accumulate Individual Number Card Points with Suica. We are also conducting Groupwide campaigns to encourage people to use their accumulated points within the Group, thereby achieving a continuous cycle of granting and using points.

Through these efforts, we aim to promote the usage and increase the attractiveness of various services provided by the Group.



Materials promoting the campaign

Promotion of data marketing

In addition to Suica, JRE POINT, and ViewCard data, we analyze a range of other data within the Group and use it for marketing and various Group promotions in accordance with relevant laws and regulations.

For example, since December 2020, we have been evaluating Fujisawa City's tourism promotion measures using Suica data statistical information analysis reports, which are processed so that they do not identify individual customers.

We also provide a corporate service that streamlines the administrative processes of corporate travel expense reimbursement procedures by providing the Suica usage history of consenting employees.

Utilizing data, we aim to expand and accelerate the introduction of new services. whilst providing fine-tuned responses to individual needs, and offering a one-stop shop for a variety of services.



Data-based Marketing Department MaaS & Suica Headquarters

Relationship with Customers

Expanding of the network of Suica member stores

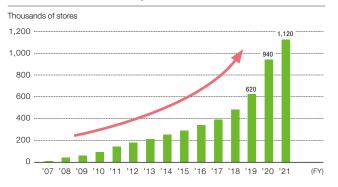
The number of stores where *Suica* can be used is increasing not only among *ekinaka* outlets (shops inside stations) but also at in-town stores.

 \bigcirc Stores where the Suica cards can be used:

Approximately 1.12 million stores

(including approximately: **410** thousands *Suica* member stores) In addition to the Tokyo metropolitan area, we are also focusing on expanding the network of *Suica*-capable merchants in the Tohoku area in conjunction with the Tohoku Destination Campaign, to facilitate use of *Suica* e-money in the region.

Number of stores that accept Suica



Promoting MaaS

With Mobility as a Service (MaaS), we are building Mobility Linkage Platform (MLP) to provide customers with all-in-one information, purchasing, and payment for mobility, aiming to offer seamless mobility, reduce total transport time, and support stress-free travel.

Ringo Pass

Besides increasing the number of cabs linked to Ringo Pass, which integrates the procedures for using various mobility services into a single system, we piloted a new insurance service with Tokio Marine & Nichido Fire Insurance Co. Ltd. from December 2020 to February 2021.



JR East App

With the JR East App, we have started to collaborate with other railway companies on a real-time route search function that also considers other options for optimal travel for customers, including buses, airplanes, and walking. In addition, we have expanded the provision of real-time train congestion information to major lines in the Tokyo metropolitan area.



The JR East App provides real-time information on operations, congestion, etc.

MLP and tourism-oriented MaaS initiatives

Mobility Linkage Platform (MLP) is JR East's MaaS platform. It combines the essential functions of search, reservation, and payment. We are adding new functions as we develop tourismoriented MaaS tailored to the region.

For example, in Maebashi City's implementation of MaeMaaS within the second phase of Gugutto GunMaaS, a function to link *Suica* cards and Individual Number Cards was introduced for the first time, from December 2020 to March 2021. People who link their *Suica* card with their Individual Number Card in advance can purchase and use Maebashi City bus digital free passes and on-demand transport. Maebashi City residents can receive discounted transport simply by touching in with their *Suica* cards, without needing to present their Individual Number Card.



Deployment of MaaS outside our service areas

From October 2020 to January 2021, we provided MLP for OKUKYOTO MaaS, a tourism-oriented MaaS demonstration experiment conducted by another operator. This was the first time that MLP was used in a MaaS experiment conducted by another company in another company's area.

TOHOKU Destination Campaign (DC)

In the TOHOKU DC, which is being held from April to September 2021, the JR Group aims to realize the reconstruction of the Tohoku region through tourism and to create a new type of DC experience through local digital transformation (DX) that combines real and digital technologies.

Special TOHOKU DC train

On April 3, 2021, we launched the TOHOKU DC Fukko-go (TOHOKU DC Reconstruction Edition), an extra train for the Tōhoku Shinkansen group, as the inaugural train for the TOHOKU DC, in addition to the trains in our Joyful Trains series including the Koshino Shu * Kura (built around the concept of sake reflecting neighboring Niigata Prefecture's prominence in locally brewed sakes), the TOHOKU EMOTION restaurant train, and KAIRI (marine village, which serves regional foods aboard the train). These trains operate in areas different from the usual routes to convey the appeal of Tohoku.



TOHOKU MaaS: Seamlessly enjoy your trip to Tohoku

TOHOKU MaaS, an online service that supports convenient and comfortable travel, is being rolled out in eight areas in six prefectures in the Tohoku region. TOHOKU MaaS is a "travel marketplace" that, through a single smartphone, provides everything from pre-departure preparations to actual transport and suggestions for activities at the destination. This includes tickets for JR lines, buses, on-demand transport, and other services, as well as trip planning, and the Tohoku MaaS Ticket, a ticket that provides easy access to local cuisine and one-day bathing options.



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The path to TOHOKU MaaS

Developing TOHOKU MaaS in conjunction with the TOHOKU DC has been our goal since we launched our MaaS initiative.

We held workshops with local governments to discuss the region's issues and needs, and conducted a pilot project in Sendai in February 2020, moving out to Miyagi Prefecture from September to November 2020. In our second pilot project, we conducted our first on-demand transport demonstration, aiming to create a service that is useful not only for tourists but also for local residents.

After the completion of the TOHOKU MaaS project, which runs from April to September 2021, we will continue to make innovations and improvements to provide sustainable services that contribute to the revitalization of the region.



MaaS Strategy Design & Management Department, MaaS & Suica Headquarters

Smart phone site JR New Style Navi TOHOKU

Using the concept of "take a trip from the palm of your hand," the website shares information on the TOHOKU DC, suggesting ways to enjoy trips and contributing to smooth travel arrangements through the provision of information on special programs and sightseeing as well as services offered by JR East.



TOHOKU MONO project: A branding business for revitalizing the Tohoku region

TOHOKU MONO is an ongoing project to provide an outstanding showcase to highlight the appeal of Tohoku's people and merchandise, and to use the TOHOKU DC to further accelerate the recovery of tourism in the Tohoku region. We are creating a new Tohoku brand, organizing direct markets, product exhibitions and food produce fairs, and networking with local businesses as we promote tourism.



Promoting Innovation

Technical innovation

The Group's medium- and long-term vision for technical innovation, as formulated in November 2016, is to accelerate research and development activities so as to create new AI-based value from data gathered through business activities of the entire Group, highlighting four key areas; namely Safety and Security, Services and Marketing, Operations and Maintenance, and Energy and the Environment.

Development of next-generation Shinkansen

The ALFA-X train was launched as a testing platform in May 2019, running mainly on the Tōhoku Shinkansen between Sendai and Shin-Aomori.

In fiscal 2021, we undertook tests to assess the impact of the high-speed operation on ground facilities, and to confirm various aspects of development, including environmental impact and braking performance.

Introduction of robots

The Mobility Innovations Consortium was formed in 2017 as a forum for fostering mobility through open innovation. Membership includes more than 140 companies and organizations, including Japanese and overseas manufacturers and research institutes. The Consortium is conducting various pilot projects, some involving the use of robots. As part of these activities, Takanawa Gateway Station, which opened in March 2020, features state-of-the-art station services. Robots provide guidance using AI, and autonomous mobile security and cleaning robots have been deployed on a trial basis. We have also introduced AI-based guide robots at four stations in the Tohoku region and at Kaihin-Makuhari Station.



Takanawa Gateway Station robot trials

Challenge of automated driving

JR East is conducting test runs on E235 series rolling stock on the Yamanote Line to develop a high-performance ATO* for driverless operation. We have also been conducting ATO* tests using E7 Series

Shinkansen cars. In fiscal 2022, we plan to conduct demonstration tests of automatic operation of a train circulating between Niigata Station and Niigata Shinkansen Rolling Stock Center. * ATO: Automatic Train Operation



Automated driving test

Practical application of bus rapid transport (BRT) automated driving

In preparation for the realization of BRT automated driving, we buried the magnetic markers required for automated operation in the dedicated road between Yanagizu and Rikuzen-Yokoyama on the Kesennuma Line BRT in December 2020. In January 2021, we built a large automated bus exclusively for BRT, and conducted tests until March 2021, and in fiscal 2022, we will continue to conduct a series of demonstration tests with a view to commercializing automated driving.



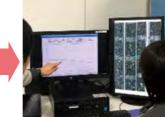
Bus rapid transit (BRT) bus

Realization of smart maintenance

JR East is drawing up plans to optimize spending on maintenance management by transitioning to CBM,* which is based on equipment degradation forecasts and breakdown predictions, for managing maintenance that has focused on periodic inspection to date, for rolling stock and aboveground equipment that supports railway operations.

While proactively innovating on the technological front for situational awareness, we are focusing on the evaluation duties performed by maintenance engineers to raise safety and quality to higher levels. * CBM: Condition Based Maintenance





Traditional rail track inspection

Examples of CBM

ion Confirmation of monitoring data

Rolling stock The status of major equipment is monitored to identify

 signs of failure and for reviewing inspection methods.

 Track
 We collect data on track displacement (slight distortion and/or gap of track width), track materials (rail fastening

and/or gap of track width), track materials (rail fasteni devices), etc. and use it for prediction of track displacement, confirmation of the material condition, planning support, etc.

Electricity We collect data on abrasion of trolley wires (wearing of wires caused by friction), etc. and use the data for wear prediction and factor analysis.

In order to achieve "smart maintenance" we are installing monitoring devices on commercial trains to observe the status of railway equipment, tracks, and electric power facilities.

For E235 Series rolling stock, which has railcar equipment with condition monitoring functions installed, JR East has taken a new approach to maintenance: utilizing condition monitoring data. Since June 2018, some scheduled inspections have been replaced with data-driven functional verifications during operations. In addition, some rolling stock allows for the accumulation of condition monitoring data. For this rolling stock, railcar equipment data is analyzed to gain insights about the degradation of equipment and predict serviceable life, and we are looking into the use of such data in future maintenance.

By the end of fiscal 2021, we had installed monitoring equipment on approximately 6,500 km of track, or about 70% of the track in our service area, on a total of 50 lines. By acquiring monitoring data, we are able to carry out preventive maintenance, including implementing timely repairs.

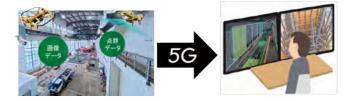


Track equipment monitoring systems (conventional lines)

The SMART-i dedicated maintenance railcar features Shinkansen track equipment monitoring systems for Shinkansen Lines.

Use of digital twin technology and 5G in construction work

We will promote the improvement of workstyles at construction sites by conducting demonstration tests. Initiatives include using digital twin technology to reproduce the construction site in a virtual space through images and data acquired at the site, and utilizing 5G, which offers high-speed and large-capacity communications, to transmit the data so that quality confirmation and other operations can be performed in real time at offices and other locations far from the site.



Use of Joi-Tab tablet computers

We began deploying Joi-Tabs (tablet computers) in fiscal 2015 to improve customer services, business operations, and education and training. We currently have approximately 55,000 terminals in use by all employees, including those who do not have PCs at work.

As Joi-Tabs have become more widespread, they are being applied as a human resource development tool that fosters autonomy, with employees developing their own creative and ingenious ways of using them, and they have recently become indispensable as web conference tools for both internal and external use. In the future, we will

position Joi-Connect365 as a core device for total communication, including employees who are away from our business offices on childcare leave, or for other reasons, to enhance job satisfaction for our employees.



Using Joi-Tab at a work site

GNSS wireless railway crossing control system

JR East is developing a new GNSS wireless railway crossing control system for rural line crossings that uses satellite position data technology and common wireless technology. By using satellites to pinpoint the location of trains and common wireless technology to transmit data, we aim to improve safety and reduce maintenance costs for railway crossing equipment.

Accelerating digital transformation (DX) through collaboration between railway operations facilities and planning departments

The JR East Group is promoting initiatives to improve the level of safe and reliable transport using the latest technology.

The Sendai Transport District, where I work, collaborated with the Technology Innovation Headquarters to develop technology for an application to support crew members in their driving duties. By including IT companies outside the company in the system and sharing roles through agile development, we were able to complete the application just three months after being set the task.

Since then, we have continued to enhance its functions from the user's point of view, and we are now using this application in

our work. We will continue to develop this approach not only in our own workplace but also across the Company, in order to improve the level of safe and reliable transport in the Group and to further reform our operations utilizing data.



Sendai Transportation Depot, Sendai Branch Office

Relationship with Society

Strengthening collaboration with communities

Development of large-scale terminal stations

JR East develops large-scale terminal stations while modernizing areas around the stations through collaboration with local governments and residents, in addition to efforts to increase the convenience and pleasantness of the stations. Aiming to enhance the overall value of the area, we develop stations with the cooperation of local communities.

At Tokyo Station, a new ticket gate and waiting space, Square Zero, were built in conjunction with the construction of the North Passage connecting the Marunouchi North Exit and Yaesu North Exit, and Gransta Tokyo *ekinaka* commercial space was opened.

At the west exit of Kawasaki Station, we are working with the local community to prepare a local pedestrian network in conjunction with the development of KAWASAKI DELTA, a large-scale mixed-use urban development project that is now fully open.



Tokyo Station North Passage: Square Zero



KAWASAKI DELTA

Establishment of a lineside brand that will be chosen by passengers

Across the metropolitan Tokyo network, we are working on "creation of preferred lineside brands" that will make people want to visit or live in those areas by promoting development and renewal of not only the areas around stations but also locations under elevated tracks between stations, through projects such as the Chuo Line Mall Project on the Chuo Line and FUN TOKYO!, as well as by providing information about areas along the lines.



Chuo Line Mall Project: Chuo Line Beer Festival

Town development focused on stations in core regional cities JR East is promoting town development focusing on central stations in conjunction with central urban district revitalization projects, urban planning projects, and other initiatives being undertaken by local governments in the vicinity of Akita Station, Niigata Station, Iwaki Station, and Aomori Station. In addition, we have concluded collaboration agreements with municipalities and business operators in Matsumoto, Morioka, Hirosaki, Aizuwakamatsu, Tono, Matsushima, and Senboku. Through such means, we aim to stimulate regional urban centers in coordination with local town development.



Aomori Station East Entrance development plan (rendering)

JRE MALL

This is an e-commerce mall operated by the JR East Group, where people can earn and use *JRE POINTs*. Visitors can purchase our unique products such as railway-related goods, tasty regional foods and locally made produce.

In March 2021, our capital and business partner Senshukai Co., Ltd. (operator of Belle Maison) also opened a store in the mall. We are also developing the Net de *Ekinaka* service, which allows customers to reserve products online and pick them up at *ekinaka* stores, such as Ecute.



Hometown tax payments

We established a new *JRE MALL* Furusato Nozei (hometown tax, a system that lets people donate to a Japanese municipality or prefecture of their choice in exchange for local produce, handicrafts, or tour packages) website in October 2020, directly operated by JR East, where customers can earn and use *JRE POINTs*. Utilizing the regional networks and other resources we have acquired over the past 10 years through our Rediscover the Region Project, we will work to revitalize communities by combining real and online activities. By making a donation, you can not only support the local government of your choice, but also receive a return gift and earn *JRE POINTs*.





リふるさと納税とは?

JR Fruits Park Sendai Arahama

In March 2021, JR Fruits Park Sendai Arahama (operated by Sendai Terminal Building Co., Ltd.), the Group's first pick-it-yourself tourist farm, opened in the Arahama area as part of a project to utilize a Sendai City post-Great East Japan Earthquake relocation site. We will promote the group's agricultural business based on the concepts of "picking seasonal fruits throughout the year," "supplying highquality fruits to the city," "collaborating with agricultural producers and businesses participating in the reconstruction project in the eastern coastal area," and "operating a café restaurant and direct sales store using seasonal fruits and vegetables".





JR Fruits Park Sendai Arahama

"Workation" business

We are promoting new ways of working and living, such as telecommuting from vacation-like settings and training in rural areas, utilizing the Group's railway network and business bases. Through the promotion of "workations" at the Gala Yuzawa mountain resort and comprehensive cooperation with Seibu Holdings, we aim to expand the penetration of "workations" and create new lifestyles. We also hope to help revitalize regions by promoting mobility and increasing the number of related residents.



"Workation" monitoring tour at Gala Yuzawa, October 2020.

Housing business

To promote the development of railway lines that offer attractive living environments, we are working on housing development, with a focus on rental housing. In fiscal 2021, we started operations on a large new rental housing complex in central Tokyo and a rental housing complex with commercial facilities in the Sendai area, the first of its kind in a regional area. We will continue to promote the project as an important menu item for realizing the "proposal of new lifestyles (creation of diverse and attractive communities)" as stated in Speed Up "Move Up" 2027, aiming to develop 3,800 units by the end of fiscal 2026.





Large-scale urban rental housing (View Lieto Gran Shiniuku Tovama)

First regional rental housing development (Lieto Terrace Asuto Nagamachi)

Issuance of Sustainability Bonds

The proceeds of sustainability bonds are used to finance projects that contribute to solving both environmental and social problems.

We issued our first sustainability bonds in January 2020, followed by our second sustainability bond issue in January 2021. The funds will be used to finance renewable energy (solar and wind power generation) and the E235 Series trains (Yokosuka and Sobu Line rapid services). These initiatives are designed specifically for the "Zero Carbon Challenge 2050."

Our 1st Sustainability Bonds received a bronze award at the second ESG Finance Awards Japan (Fundraiser Category) organized by the Ministry of the Environment in February 2021 for their contribution to the expansion of ESG finance.



Childcare support services HAPPY CHILD PROJECT

JR East has opened childcare support facilities such as "nursery schools near stations" located in easily accessible areas usually within a five-minute walk from stations in order to support the combination of childcare and work for families with children living along our train lines. In addition to nursery schools, we are developing a variety of other facilities, such as "after-school care programs near stations" and "exchange community squares." In the spring of 2021, we opened five new "nursery schools near stations", achieving our goal of opening 150 such facilities one year ahead of schedule. We will continue to promote a wide range of initiatives, such as the opening of various childcare support facilities and the development of lifestyle support services, with the aim of enriching the lives of working families with children.





Life-style Business Development Headquarters

Cargo transportation by train

In fiscal 2022, we started regular transportation of seafood to Ekisoto ("out of station") stores using the Hokkaido and Tōhoku Shinkansen and the Hokuriku Shinkansen. We plan to apply the advantages of the Shinkansen to deliver fresh seafood to more people. In the future, we will take on the challenge of transporting large volumes, to create local communities, increase revenue, and expand our business



Corporate Strategy Division Life-style Business Development Headquarters



Recovery from the Great East Japan Earthquake

With the understanding and cooperation of local communities we managed to restore approximately 400 kilometers of Pacific Coast railway lines that were severely damaged by the 2011 tsunami, starting with the sections where safety could be assured. By March 2020, all sections were back in operation.

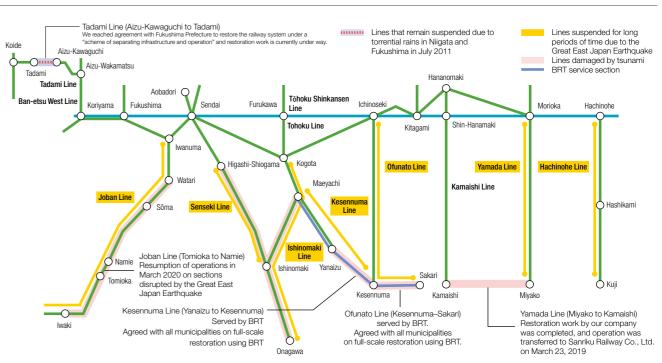
Since the resumption of full operations, we have been working to revitalize the affected areas and the entire Tohoku region as the "second stage" of reconstruction.

We are working to make Kesennuma Line BRT and Ofunato Line BRT more convenient, by linking them with highway buses to improve

Status of the Tadami Line (between Aizu Kawaguchi and Tadami) which was damaged by the Niigata-Fukushima torrential rains in July 2011

In response to strong requests from Fukushima Prefecture and local governments along the railway line, we reached an agreement with Fukushima Prefecture in June 2017 to restore the railway by separating infrastructure and operation, and we are now working on restoration work with a view to resuming operations by the end of 2022.

Restoration status as of April 2021







Boarding a Kesennuma Line BRT at Oya-Kaigan Station

anniversary of the resumption of operation of the Joban Line

Restoration of sections where operations were suspended for long periods of time due to disasters

access to Sendai, enabling boarding of BRT vehicles at roadside stations, building or relocating stations based on requests from people living or working along the lines, and by constructing dedicated roads.

With the Joban Line area, which includes the difficult-to-restore areas within a 20 km radius of the Fukushima Daiichi Nuclear Power Plant, we are also striving to increase personal interaction and the number of visitors through tourism promotions, such as the Hamakaido Reconstruction Support Campaign, the Joban Line First Anniversary Campaign, and the showcasing of local specialties by Marche retail markets.

Hamakaido Gourmet Ride to commemorate the first



Tadami Line Restoration Work (No. 7 Tadami River Bridge)

Contribution to community medicine

In response to an increase in chronic diseases of elderly people due to the aging of society, we opened a regional comprehensive care hospital ward in JR Sendai Hospital in 2015 and JR Tokyo General Hospital in 2018, and established an orthopedic trauma unit to perform wide-ranging musculoskeletal diagnosis and a lymph trauma unit as distinctive characteristics of JR hospitals. We provide safe and high-quality medical services that meet the needs of local patients.

We are also reinforcing hospital functions in terms of both environment and skill by arranging environments and conducting periodic training to enable continuous provision of medical services in the event of natural disasters like an earthquake in the metropolitan area, infectious diseases, etc., in an aim to become a "selected hospital" in response to trust from local people.

We are working with government bodies to help fight COVID-19 through the provision of testing and hospital care. JR Tokyo General Hospital and JR Sendai Hospital provide COVID-19 vaccinations for residents of Shibuya Ward and Sendai City respectively.



Collaboration with venture companies to solve social issues

We established JR East Start UP Co., Ltd. to encourage swifter open innovation. By investing in and collaborating with venture companies, we aim to cultivate new businesses and services to invigorate regional development and contribute to more affluent lifestyles.



Unmanned AI payment system (TOUCH TO GO)

Cultural activities

East Japan Railway Culture Foundation

In order to continuously utilize management resources for social contribution, in 1992 we established the East Japan Railway Culture Foundation, which became a public interest incorporated foundation in April 2010. This organization has successfully promoted local culture through our railway business, studies and research on railways, and taken part in driving international cultural exchange related to railways.

Major Initiatives

- Operation of the Railway Museum
- Operation of the Tokyo Station Gallery
- Operation of the Former Shimbashi Station
- Operation of the Former Manseibashi Station
- Operation of Ome Railway Park
- Support for regional cultural projects
- Holding of concerts
- (Sendai Station, Ueno Station, Former Shimbashi Station)
- Hosting of railway company trainees from other Asian countries (JR East Fellowship Training, JR East Fellowship Course)



Mamorail child watching-over service

Mamorail is a service we provide jointly with Central Security Patrols Co., Ltd. that puts parents at ease by confirming the location of their children when they travel on trains unaccompanied. With the addition of Toei Kotsu and Tokyo Metro in April 2020, the service is now available at 496 stations in the Tokyo metropolitan area. From January 2021, the scope of the service has been expanded to include senior citizens (65 years and older) and people with disabilities (19 years and older).

Support for regional cultural projects

(Honio, Saitama Prefecture)



Developing our business on the world stage

Working as a unified team for the Indian High Speed Rail Project JR East provides support in inter-governmental negotiations, while

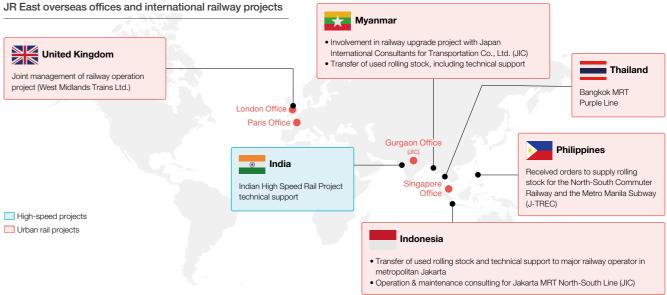
Japan International Consultants for Transportation Co., Ltd. (JIC) prepares the detailed design documents, bidding documents, as well as training program and materials for National High Speed Rail Corporation Limited (NHSRCL) core staff.





Image of Indian High Speed Rail (courtesy of JICA)

NHSRCL training institute lodging facility



Participation in the Purple Line Project

The JR East Group provided rolling stock for the Purple Line, an urban railway in Bangkok, Thailand, that opened in August 2016. Maintenance services for rolling stock and ground facilities are provided by Japan Transportation Technology (Thailand) Co., Ltd., a local affiliate established by JR East in conjunction with corporations Marubeni and Toshiba, contributing to reliable railway services for Bangkok on par with those in Japan.



Joint management of railway operation project in the U.K.

West Midlands Trains Ltd. (owned jointly by JR East, Mitsui & Co., Ltd. and Abellio UK) began operation in December 2017. As environmentally friendly railways draw more attention throughout Europe, JR East can make use of its years of experience toward optimizing the franchise's operations.



Frains operated by West Midlands Trains Ltd.



Birmingham Snow Hill Station, a major train station

Technical support for railway operators overseas

In response to a request from an Indonesian railway operator, we transferred 812 Series 205 rolling stock to the operator in 2013, and have been providing a range of technical support in such areas as rolling stock maintenance, crew skills improvement, and service quality enhancement.

We will continue these support activities and expand cooperation into new fields, as we seek to further promote Japanese technology in the region



Series 205 trains transferred from Japan in service in Jakarta

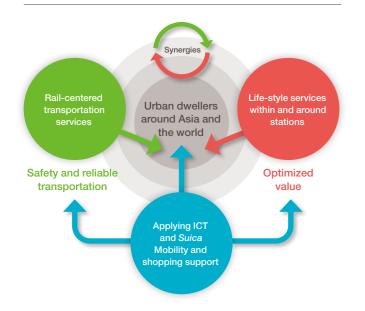


PT Kereta Commuter Indonesia (KCI conductors learning pre-departure inspection procedure during technical support training

New business undertakings

Through the challenge of overseas projects, the JR East Group is nurturing new talent and constantly honing its technology for the future. This new technology and expertise can in turn benefit domestic initiatives as well. With careful risk management, we are raising up a business model for our international operations that combines and integrates the Group's strengths and will remain sustainable over the long term. In so doing, our hope is to make a worthwhile contribution to the lifestyles of people around the world, particularly in Asia.

JR East Group business concept



Developing lifestyle business overseas

The JR East Group is using the expertise and experience it has gained in Japan to promote business overseas.

In Singapore, we are promoting the development of a commercial zone within the Thomson-East Coast Line station, and in Taiwan, we are promoting the development of the Hotel Metropolitan Premier Taipei, a luxury hotel scheduled to open before the end of 2021, as our first overseas hotel business.

In addition, Lumine Co., Ltd. operates stores in Singapore and Jakarta, and atré Co., Ltd. has an atré store inside Breeze Nanshan, a shopping center in Taipei.

Leveraging the business experience it has cultivated to date, the JR East Group intends to further promote its business overseas.



atré in Breeze Nanshan (Taiwan)

Activities for International Standardization

In the overseas projects in which our Group has participated to date, we have faced various challenges due to differences in technical specifications between Japan and overseas, including the need to comply with international and European standards.

To resolve these issues, the Standardization Strategies and Promotion Group is promoting activities to incorporate and harmonize Japan's technical specifications with international standards for railways developed by organizations such as the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), as well as industry standards specific to high-speed railways (High-speed IRS) published by the UIC (International Union of Railways). There are very challenging tasks. While I find them very rewarding, I am keenly aware I have a lot to learn from the technologies of other countries, and I try to listen with an open mind to ideas that differ from those in Japan.

We will continue to contribute to the expansion of our Group's overseas business by spreading Japanese technology overseas through standardization activities.



Promotion Group, International Business Division

Improving international business skills

Our group is responsible for identifying risks in advance for each international business project and examining countermeasures.

In order for the JR East Group to raise the level and speed of its transformation and improve the profitability of its international business, each and every employee involved in each business must hone their sensitivity to risk and control it more thoroughly than ever before.

To this end, we are currently creating educational materials and planning training programs that will enable a wide range of employees to learn about the risks of international business, regardless of their workplaces or area of work, with the aim of developing risk-sensitive global human resources. We will continue to promote this initiative and contribute to improving the profitability of our international business.



Global Business Risk Management Group, International Affairs Headquarters

Contributing to world society by international cooperation and through international institutions

In fiscal 2020, a total of 630 people from overseas railway companies from about 40 countries visited our company's facilities, and by receiving these visitors and having discussions with them, we contributed to the promotion of mutual understanding. We also actively gather and disseminate information through international conferences and events coordinated by organizations that we are members of such as the International Union of Railways (UIC) and the International Union of Public Transport (UITP).





(UITP Asia Pacific Regional Board Meeting)

Observing Shinkansen under maintenance

Human resource development

We provide overseas on-the-job-training programs in which employees from Japan receive guidance from local experts and take part in actual work for about three months to enhance their knowledge, experience, and technical skills.

In fiscal 2021, we also conducted training aimed at further enhancing overseas business skills, including those related to international commercial affairs and languages. In addition to overseas study and training, we will continue to utilize online training to develop human resources who can play an active role in overseas projects.



On-the-job trainee explains their products at an Overseas Travel Expo



Meeting with a British company

Developing international railway personnel

As one aspect of ESG management, we are working to develop international railway personnel.

In April 2019, we began offering JR East Technical Intern Training. Under the program, a total of 11 trainees from Vietnam Railways and KAIZEN Yoshida School (a Japanese language school in Ho Chi Minh City), were invited to study at JR East Rail Car Technology & Maintenance Co., Ltd. and the Omiya General Rolling Stock Center. The program provided instruction on the maintenance of rolling stock air-conditioning equipment, bogies, and wheel sets. In the future, we will implement such measures at other general rolling stock centers in addition to Omiya.







Relationship with Employees

Efforts to help individual employees play a leading role

Under "Move Up" 2027, safety is designated a top management priority. We strive to improve the human resources capabilities of the entire Group by consistently passing on the technologies and skills to ensure ultimate safety levels. We help employees develop their career plans and cultivate employee motivation, working together as a group to support each other's growth.

Steady succession of technologies

To ensure ultimate safety levels, we endeavor to improve the human resource capabilities of the entire Group by passing on the technologies and skills to ensure ultimate safety levels, help employees develop their career plans, and cultivate employee motivation, working together as a group to support growth.

Besides deploying simulators that allow training with actual images of all crew workplaces, we are pursuing ultimate safety levels by teaching the "essence of work," including the purposes of work and the origins of rules by key personnel involved in safety and technology.

Expansion of activities to satisfy the motivations of employees

We are expanding our elective training and online education options to motivate individual employees and elicit their potential capabilities. We offer a number of educational programs, such as practical manager development training and senior chief seminars to develop future managers, while our Technological Academy aims to nurture engineers of the future.

Besides traditional group training, we are also expanding our online training by using online tools to create an environment where employees can learn what they want, when they want.

In addition to training, we conduct online head office exchange programs and online head office visits to promote the exchange of opinions among employees.



Practical manager development training

Worksite learning

We have introduced the My Project system in which employees are encouraged to improve their work and solve problems based on their own initiatives. We see My Project activities as opportunities for human resource development, and this is part of our effort to develop employees who can think and act using their own initiative. In fiscal 2021, we launched the My Project portal to disseminate information on the best practices of the My Project program to all employees. We are also encouraging employees to develop their skills by providing training based on initiatives by employees in the field, who plan and manage what they want to learn at each site.

Developing human resources to lead DX

To promote digital transformation (DX), it is vital to develop human resources who have acquired skills in digital technology (digital human resources) in addition to knowledge of their particular business field.

To develop digital human resources throughout the company, we are striving to improve the digital literacy of our employees by encouraging them to obtain the IT Passport basic qualification.

Transferring to the Life Service Department through the open recruitment system

When I was engaged in station work, I was acutely aware of the rapid changes in customers' workstyles amid the COVID-19 pandemic. There was an opportunity to join the Life Service Department under our open recruitment system STATION WORK for fiscal 2022, and I applied with the hope of contributing to the reform of workstyles in Japanese society.

Based on the concept of "valuing every second of the working day," we are constantly responding to the diversifying needs of teleworkers and proposing new ways of working.



New Business Creation Division, Business Creation Headquarters

Conducting new job rotation

To realize flexible personnel management that responds to employees' willingness to take on new challenges, we are implementing a "new job rotation" program starting in fiscal 2021.

By providing opportunities for all employees to gain varied experience and fully demonstrate their abilities, we aim to expand the scope of employee activities and develop employees who can contribute to the creation of new value in transportation services and further enhance productivity.

A Groupwide project

We are promoting "cross-organizational projects" with the aim of creating job satisfaction for our employees by bringing their creativity to serving our customers while achieving sustainable growth for the Group. As of July 2021, 29 projects were underway, involving problem-solving by teams of employees from different workplaces and responsibilities.

My project is focused on the theme of "exploring new ways of working that are not bound by the conventional division of roles." We are working to create a system that allows employees at each site to work in a variety of workplaces and occupations beyond the bounds of their normal duties and designated worksites.





Yamagata Station, Sendai Branch Office

Crew member broadcasting at a station

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Human resource education with the entire JR East Group working as one

Education of next-generation executives and managers of Group companies

We conduct the JR East Group Seminars for Fostering Management Personnel (General Manager Course and Section Manager Course) to cultivate next-generation executives and managers of Group companies. We have been implementing the General Manager Course since fiscal 2016, the Section Manager Course since fiscal 2017, and the Next Generation Manager course since fiscal 2021. The Practical Manager Development Training and Technological Academy are also open to employees of Group companies to develop human resources who will play an active role in our Group.



JR East Group Manager Development Seminar

Groupwide improvement activities

We hold the My Project Exchange Meeting and the JR East Group Improvement Activity Report Meeting every year to share examples of improvement activities at each company in our Group. Since fiscal 2021, we have presented the KAIZEN President's Award to examples of improvements that serve as guide for operations within the Group. Since fiscal 2021, we have been distributing various debriefing sessions online to share best practices with non-participants, giving added impetus to improvement activities.



JR East Group Improvement Activity Report Meeting

Promotion of diversity management

We recognize that a key strength of our Group is the diversity of our employees and the different perspectives and values that reflect their wide range of skills and experience. We are proactively implementing various measures to promote diversity so that we can become a corporate group where a wide range of our employees feel empowered to demonstrate their potential to the full.

Empowering women and General Business Owner Action Plan

Since our inception we have been doing all we can to promote the activities of female employees by creating an environment in which women can work comfortably, recognizing it is common for employees in the railway business to work irregular hours. We employ women in every area of the Company and their average length of



employment is growing. According to our First General Business Owner Action Plan covering the five years starting in 2014, we engaged in initiatives to promote the employment of women, support them in childcare and continued employment, and encourage promotions of women to higher positions. In fiscal 2020, we implemented a revised Second General Business Owner Action Plan, which calls for continuation of our initiatives to promote the employment of women and lengthen the average years of service for women, strengthens measures to support female employees with childcare, and encourages the promotion of female employees to higher positions. As of April 1, 2021, the Company employed 8,605 women

(17.3% of the workforce), 695 of whom were in administrative roles at their current organizations or in management positions at planning departments (7.2% of managers). JR East received the highest rating, "Eruboshi (Grade 3)," from

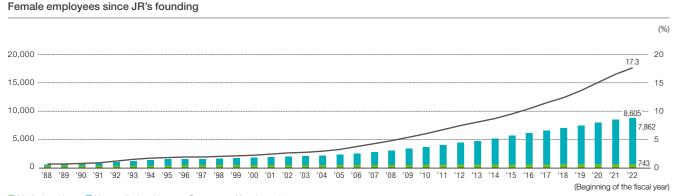
the Ministry of Health, Labour and Welfare based on the Act on Promotion of Women's Participation and Advancement at the Workplace.

Setting goals to promote women in the workplace

- Aim for new graduate employees to comprise at least 30% women.
- Promote the establishment of women's facilities in workplaces and
- Promote the establishment of women's lacinities in workplaces and
- create an environment at all workplaces in which women can
- Improve the convenience of on-site daycare centers at workplaces
- and give ample support to employees who are working while engaged in childcare or nursing care.
- Accommodate a range of workstyles and create an environment in which all employees can happily continue working for the Company.
- Have women fill at least 10% of management positions.

Eruboshi certification ratings for Group companies

Company name	Eruboshi
JR East Management Service Co., Ltd.	***
JR East Logistics Co., Ltd.	***
JR East Information Systems Company	***
JR East Personnel Service Co., Ltd.	***
JR East Marketing & Communications, Inc.	***



Medical positions Non-medical positions – Percentage of female employees

Change in the number of women managers



Support for employees engaged in childcare or nursing care

To create an environment in which a diverse range of employees can thrive, we offer support to employees who are engaged in childcare or nursing care regardless of sex. Our current system surpasses the support required by law (three years of childcare



leave, one year of nursing care leave), including options to take time off, work shorter hours, and work fewer days. Moreover, we are moving forward with changes that will add measures such as granting time off for spouses of those who have recently given birth and the expansion of leave for childcare and nursing care. Also, we have established on-site nurseries in all 12 branch office areas, which provide 24-hour childcare and other support for employees who work irregular hours. We plan to implement training and seminars to promote understanding when it comes to employees working and engaged in childcare or nursing care. We will also sponsor our Work-Life Program at workplaces. The program delivers information about working while juggling childcare or nursing care responsibilities.

Employing persons with disabilities

We will continue to create an environment in which employees with disabilities can work actively in various positions in addition to active recruitment. We have about 800 employees with disabilities as of June 2021, and an employment rate of 2.59%, which is above the statutory rate of 2.3%. We will continue our efforts to create a comfortable working environment for employees with disabilities.

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, we have been striving to expand the places where the disabled can be active such as the newly started printing business, crop

maintenance business, collection



carefully handmade by staff with disabilities, one by one, with care and attention

and delivery/sorting business for business goods, management of amenity goods of TRAIN SUITE SHIKI-SHIMA, and manufacture of wooden straws.

Employment of senior employees

Since fiscal 2009, we introduced a reemployment system, the Elder Employees System, for those between the ages of 60 and 65, so that employees nearing retirement age can count on a stable lifestyle before they become eligible to draw their national pension. The system, which has been extended to include JR East and its Group companies, is also designed to ensure personnel training and the passing on of technical knowledge throughout the Group as large numbers of employees of Japan's national railways retire at once. As of April 2021, approximately 10,220 employees are enrolled and active as Elder Employees.

Promoting foreign employees

We strive to employ the best candidates regardless of nationality. As of April 2021, we employed approximately 90 foreign nationals in a wide range of areas including at stations and on train crews, as well as in the planning department and other areas.



Foreign employees representing JR East at an employment fair for students

Initiatives to promote understanding of LGBTQ employees

We recognize members of the LGBTQ community as an important part of diversity and consider it our duty to create a comfortable work environment free from discrimination. Up until the present, we have expanded the scope of our human resources



and benefits systems to include same-sex partners. We have also implemented training and seminars for executives and all Group employees. In addition, in 2017 we added a section on the importance of understanding LGBTQ employees to our Compliance Action Plan Handbook. We strive to educate all employees on these issues every year. Further, for three consecutive years the Company has received a rating of "Gold" (the highest) on the PRIDE Index, which evaluates companies' LGBTQ initiatives.

Opening diversity consultation counters

We are establishing a Diversity Consultation Window offering consultation for our employees on all diversity-related issues.

Human rights enlightenment

We have established a human rights enlightenment promotion committee at Head Office, which is working to improve employees' awareness of human rights. In addition, we are striving to establish an inclusive workplace environment for everyone.

(Concrete measures)

- Implement human rights seminars and study conferences
- Implement measures to increase thinking about human rights
- (company reports, creation of a human rights awareness slogan)Exchange information with other corporate members of the
- Industrial Federation for Human Rights, Tokyo Corporate Correspondence Society to mutually increase awareness

Renewal of uniforms

We have been updating our uniforms since May 2020, as a symbol of our employees taking on new challenges with a renewed spirit, in order to realize enriched lives for all our people, as stated in the Group's management vision "Move Up" 2027.

The new uniforms are designed to be less gender specific to reflect expanding opportunities for female employees and LGBTQ people, and also to respond to employee opinions on improved functionality and comfort.



Changing the way we work

We believe that having a diverse workforce working together to increase work productivity will not only lead to opportunities for growth for each employee, but also to the growth of the company and the creation of new value for society.

Introduction of remote working, expansion of flextime

Since 2019, JR East has allowed some employees to work remotely as a flexible workstyle that can be done anywhere. We believe a better work-life balance can be attained by reducing the amount of time spent commuting to work and working more efficiently, and using the freed-up time to enhance personal lifestyles. Since 1997, JR East has had a flextime system in place for the corporate planning division and other departments, allowing employees to adopt more flexible work schedules. In 2019, JR East adjusted its systems in view of actual conditions, introducing a flextime system without a core work time alongside the rollout of remote work, while also expanding its satellite offices. In 2020, the Company expanded its flextime system to include construction offices, general rolling stock centers, power plants, and other worksites and we will continue to support diversification of workstyles.

Expansion of the reemployment support system

Since 1994, we have been implementing a reemployment support system for employees who leave the Company in order to raise children or provide nursing care. This system offers such employees information on job vacancies within the JR East Group. In 2019, we removed eligibility restrictions, making it available to all regardless of the reason cited for leaving the Company, and revised the system to allow us to attract a broad range of human resources who used to work for the Company.

Improving our work environment

Health Management Mid-term Vision 2023

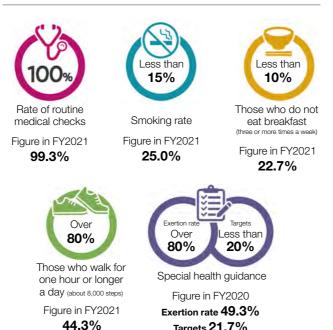
The JR East Group aims to ensure the physical and mental health of all our employees. To maximize their enthusiasm and capabilities and facilitate vigor at work, we are promoting employee health improvements based on our "Health Management Mid-term Vision 2023."

Health Management Declaration

The health and vitality of each employee is paramount for the JR East Group to realize "Our Ideal Future" set forth in the management vision "Move Up" 2027 as employees assume the leading role in realizing this vision.

We aim to become a company group that takes the lead for the health and longevity of Japanese society by realizing a spiritually rich life for all people through the practice of health management.

Numerical targets for the end of FY2024



Health management promotion system

The system to promote health management consists of dedicated departments at the Head Office and branch offices, JR East Health Promotion Center, JR Sendai Hospital Health Management Center, and seven other Railway Medical Checkup Centers. In addition, we support employees' health needs in collaboration with two hospitals under our management, the JR Tokyo General Hospital and JR Sendai Hospital, and contribute to local healthcare.

Targets **21.7%**

Health management activities

Each workplace is voluntarily taking proactive measures to promote health management, with health promotion committees and My Project teams encouraging employees to create healthy habits through walking and exercise, improved diet, and access to accurate health information. In addition, we present awards to workplaces and Group companies that have gone the extra mile and achieved outstanding results, and publicize their efforts in our PR magazines and other media to promote employee health improvements in workplaces throughout the Group, in line with our "Health Management Mid-term Vision 2023."



In recognition of our various efforts, we have been certified as an "Excellent Health Management Corporation 2021 (Large-scale Corporation Category)" by the Japan Health Council and the Ministry of Economy, Trade and Industry (METI).





Center

Efforts to achieve "Health Management Mid-term Vision 2023"

The Morioka Branch Office area is focusing on reducing smoking among employees at the Morioka Branch Office. The smoking rate among employees at our branch office is significantly higher than the national average, which has negative implications for the health of our staff in the future. We conducted a survey on the status of smoking among employees, which found that both smokers and non-smokers have misconceptions about smoking, such as that it relieves stress. To help change people's perceptions, we conduct anti-smoking education using videos we have made ourselves. We are also promoting a policy discouraging all indoor smoking to create a smoke-free environment and prevent passive smoking. We are beginning to see steady results in response to our efforts, with the smoking rate decreasing 4.4 points from the start of the initiative in fiscal 2019 to fiscal 2021.

We will continue our efforts to improve the health of our employees, aiming for a smoking rate of less than 15%, as set out in the "Health Management Mid-term Vision 2023".

Support for recreational club activities

We support various recreational activities through our workplaces in addition to employee-managed clubs (30 in all) to make workplaces more cheerful through employee interactions outside of work hours.

Company sports initiatives

Company sports teams such as JR East Baseball Team (Tokyo), JR East Tohoku Baseball Team (Miyagi), JR East Running Team (Tokyo), JR East Women's Judo Team (Tokyo), and JR East Akita Basketball Team (Akita) are active in their respective regions and actively contribute to their communities by organizing initiatives such as sports classes for local elementary schools.



JR East Akita Basketball Team



JR East Running Team

Environment

Priority commitment goals

9 NOUSTRY INVOLUTION AND REASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES			7 AFFORDABLE AND CLEAN ENERGY	
Related	goals			
12 RESPONSIBLE CONSUMPTION AN PRODUCTION	13 CLMATE	14 BELOW WATER	15 UFE ON LAND	

Measures to Prevent Global Warming 67 TCFD Recommendation-Related Initiatives...... 76

Measures to Prevent Global Warming

Toward decarbonization of the entire JR East Group

We are promoting efforts throughout the Group to achieve Zero Carbon Challenge 2050. As a medium-term goal, by fiscal 2031 we aim to achieve objectives in line with the measures in the Paris Agreement adopted at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change.

Targets for reducing CO₂ emissions and energy consumption by FY2031

Performance indicators		Numerical targets
Total as duration	Railway business CO ₂ emissions (t-CO ₂)	50% reduction (versus FY2014)
Total reduction	Energy consumption from railway business activities (Billions of MJ)	40% reduction (versus FY2014)
	Electricity consumption for train operation (Shinkansen lines) (kWh/car-	m)
Reduction in energy consumption intensity	Electricity consumption for train operation (conventional lines) (kWh/car-	(m) Annual reduction of 1% (versus FY2021)
concernption interiory	Energy consumption at branch offices, etc. (kL/m²)	
Performance indicators		Numerical targets

Performa	nce indicators
Reduction in energy consumption intensity	Energy consumption by all Group co

Other goals for reducing energy consumption by FY2031

	Numerical targets	
Details of initiative	Switching all platform and concourse lighting to LEDs	Total of 415,000 units
	Improving efficiency of large-scale air-conditioning systems	Total of 38 locations
	Improving efficiency of small-scale air-conditioning systems	3,300 units
	Developing renewable energy-based power sources	700MW

Targets for reducing energy consumption by FY2021

	Performance indicators	Reference value (FY2014)	Numerical targets	FY2021 result
Total reduction	Energy consumption from railway business activities (Billions of MJ)	51.7	48.5 (6.2% reduction)	47.3 * (8.5% reduction)
Reduction in	Electricity consumption for train operation (Shinkansen lines) (kWh/car-km)	2.49	2.36 (5.1% reduction)	2.31☆ (6.9% reduction)
	Electricity consumption for train operation (conventional lines) (kWh/car-km)	1.59	1.46 (8.3% reduction)	1.47 * (7.3% reduction)
	Energy consumption at branch offices, etc. (kL/m²)	0.0407	0.0366 (10.0% reduction)	0.0331* (18.7% reduction)

Performance indicators		Numerical targets	FY2021 result
Reduction in energy consumption intensity	Reduction rate of energy consumption intensity of each JR East subsidiary	Every year 1% reduction in each Group company	11% increase by all Group companies

Other goals for reducing energy consumption by FY2021

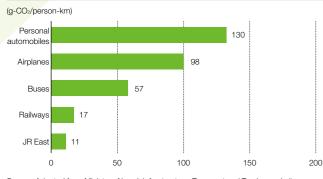
Performance indicators		Numerical targets	FY2021 result
	Implementation of more ecoste model stations	Total of 12 Stations	Total of 12 Stations
Details of initiative	Switching platform and concourse lighting to LEDs	Total of 62,000 units	Total of 83,000 units
	Improving efficiency of large-scale air-conditioning systems	Total of 10 Locations	Total of 10 Locations

Targets for Group companies

Aiming to Realize a Sustainable Society

Within the transportation sector, railways are an environmentally friendly mode of transport with relatively low CO₂ emissions per transportation volume. The JR East Group is promoting efforts to contribute to the realization of a "decarbonized society," while aiming to further improve its environmental friendliness and realize a sustainable society.

CO₂ emissions per transportation amount (FY2020 passengers)



Source: Adapted from Ministry of Land, Infrastructure, Transport and Tourism website

Zero Carbon Challenge 2050

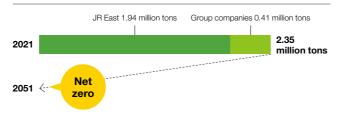
Our Group management vision "Move Up" 2027 positions ESG at the center of our management, while "Zero Carbon Challenge 2050", long-term environmental objectives, announced in May 2020 sets out our aim for net zero CO2 emissions in the railway business by fiscal 2051.

In October 2020, we announced that Zero Carbon Challenge 2050 would be the goal of the entire JR East Group, and that the Group would work together to achieve effectively net zero CO2 emissions by fiscal 2051.

With the collective strength of the group, we are taking on the challenge of achieving effectively zero CO₂ emissions in all phases, from creating energy through to utilizing energy.



FY2051 CO₂ emission reduction objectives



Note: External Assurance on environmental performance KPMG AZSA Sustainability Co., Ltd. has been engaged in providing external assurance on a set of selected environmental performance indicators on pages 67–75 so that the reliability of the data in this report is ensured. The particular indicators that are assured are marked with a $\stackrel{\leftrightarrow}{\simeq}$ for clarity.

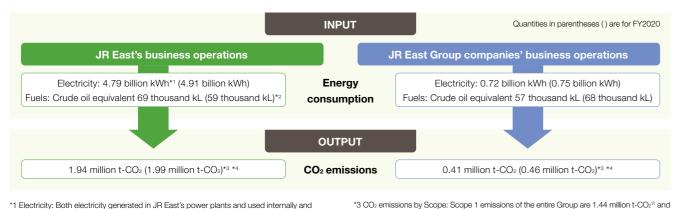
Annual 1% reduction at each Group company (five-year average) mpanies

Sustainability Initiatives

Measures to Prevent Global Warming

Energy consumption and CO₂ emissions of the entire JR East Group

FY2021 results



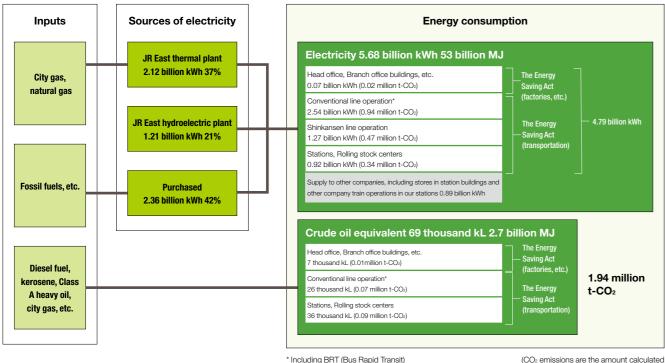
*1 Electricity: Both electricity generated in JR East's power plants and used internally and electricity purchased from electric companies are included. For details about electricity generation and use please refer to "JR East Energy flow map"

*2 Fuels: Natural gas and other fuels used for generating electricity in JR East's thermal power plants are not included.

Scope 2 emissions are 1.39 million t-CO2* *4 CO₂ emissions attributable to electricity purchased from external suppliers are calculated based on the adjusted emission factors.

Energy flow map

This shows the flow at the company from energy input through to consumption. Power supplied by our own power plants and power companies is used for train operation and for station and office lighting and air-conditioning. Diesel fuel and kerosene, etc. are also used to operate diesel trains and stations and office air-conditioning.



with adjusted emission factors)

Boundary

Though, in principle, the boundary for energy consumption is only JR East, it nonetheless includes energy consumption for the applicable operations of the companies with whom we entrust station operations. On the other hand, the energy consumption of shops on station premises which are operated by Group companies is not included in the boundary. We match the boundary for the energy consumption for the entire JR East business with that of transportation, plants, and others defined by the Act on the Rational Use of Energy (The Energy Saving Act).

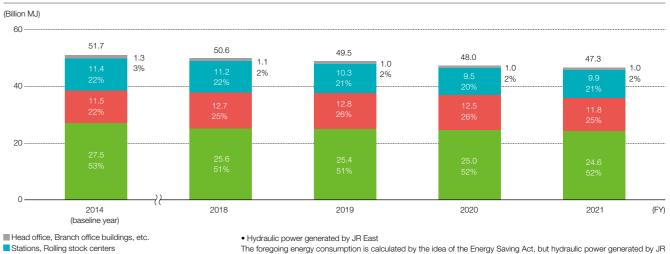
Calculation method

Energy consumption was calculated by the method defined by the Energy Saving Act.

Energy consumption

This chart shows the energy consumption of the railway business and its breakdown. Train operation accounts for about 80% of the energy consumed, and the remaining 20% is used at stations, rolling stock centers, and head office and branch office buildings. The amount of energy consumed in fiscal 2021 was 47.3 billion MJ, a reduction of 4.4 billion MJ compared to fiscal 2014.

Energy consumption in railway business activities*



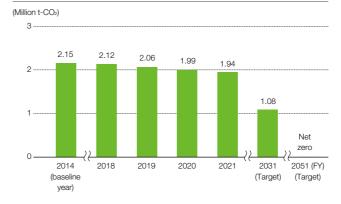
Shinkansen line operations Conventional line operations Energy Saving Act are reported by the OMJ.

Trends in total CO₂ emissions

The chart below shows changes in CO₂ emissions related to the railway business. Our CO2 emissions in fiscal 2021 totaled 1.94 million tons, a decrease of 210 thousand tons compared with fiscal 2014 (the reference year). In this report, we are also reporting CO2 emissions in Scopes 1, 2, and 3 in accordance with the definition of the GHG Protocol*.

* GHG Protocol: The standard for calculation and reporting of greenhouse gas emissions which was formulated by the organization which was established mainly by the WRI (World Resources Institute) and WBCSD (World Business Council for Sustainable Development).

CO2 emissions from railway business*



Boundary of data

The total scope of CO₂ emissions is the same as the total scope of energy consumption described above

Calculation methods

Our calculation of CO_2 emissions is based on the methods set forth in the Act on Promotion of Global Warming Countermeasures. However, for CO2 emissions on energy provided from external sources and used as electric power in railway transport, our calculations use adjusted emission factors for each electric power company. Using basic emission factors, CO₂ emissions for fiscal 2021 were 1.96 million t-CO₂ (down 0.05 million t-CO₂ year on year).

East is calculated by multiplying by 9.76MJ/kWh. As for hydraulic power generated by JR East, reports required by the

CO₂ emissions by scope (non-consolidated)

Item Scope 1*		Scope 2☆	Scope 3
CO ₂ emissions in FY2021	1.35 million t-CO2	1.15 million t-CO2	4.09 million t-CO2

Scope 1: All CO₂ emissions directly attributable to fuel consumed in the operation of diesel railcars, operation of JR East thermal electric power plant, etc.

Scope 2: CO2 emissions indirectly emitted from the use of electricity purchased from electric power companies

Scope 3: CO₂ discharged by the other companies which are related to our business activities.

- * The sum of the Scope 1 and Scope 2 emissions and the total CO₂ emissions do not match. since the former includes emissions associated with the production of electricity supplied to other companies.
- * Scope 3 emissions include 0.98 million t-CO₂☆ (1.03 million t-CO₂) for Category 1, 2.38 million t-CO2⁺ (2.71 million t-CO2) for Category 2, 0.46 million t-CO2⁺ (0.34 million t-CO2) for Category 3, and 0.27 million t-CO₂[☆] (0.67 million t-CO₂) for Category 13. Figures in parentheses are values for FY2020.

Calculation methods

Calculation standards for each category are as follows.

Category 1: Calculated as the amount spent on the purchase of products and services (only JR East) in relation to repairs or for system use x emission factor \star_1 for each product and service

Category 2: Calculated as the amount of capital expenditure (only JR East) x emission

factor*2 per unit price of capital goods in the railway transport department Category 3: Calculated as purchased fuel, electricity, and heat used (only JR East) x emission factor*3 for each type of energy by amount used

Category 13: Calculated as total floor area of buildings owned by JR East x emission factor*2 per building used and unit of total floor area for food and beverage shops *1 Uses emission factor data from the Embodied Energy and Emission Intensity Data for

- Japan Using Input-Output Tables (3EID) (2005 edition) *2 (FY2021): Uses emission factor data from the Emission Intensity Database for the
- Calculation of an Organization's Greenhouse Gas Emissions Generated by the Supply Chain, Ministry of the Environment. Uses the basic unit data of Database (Ver.3.1) (March 2021) (Emission Intensity Database V3.1). In the calculations of Category 13, for multipurpose facilities, the basic unit of usage with the highest usage rate for usage as restaurants, original unit per unit area, is adopted as the representative value. (EY2020): Uses emission factor data from the Emission Intensity Database for the Calculation of an Organization's Greenhouse Gas Emissions Generated by the Supply Chain, Ministry of the Environment. Uses Database (Ver.2.6) (March 2019). Calculations for category 13 uniformly apply the intensity data for usage as restaurants, original unit per unit area.
- *3 (FY2021): For fuel, uses IDEA (Inventory Database for Environmental Analysis). Emission Intensity Database for the Calculation of an Organization's Greenhouse Gas Emissions Generated by the Supply Chain (Ver. 2.3) (December 27, 2019), for electricity and heat, uses emission factor data from Datebase (Ver.3.1). (FY2020): For fuel, uses intensity data from the Basic Database for the Carbon Footprint Communication Program, Ver. 1.01, Ministry of the Environment; for electricity and heat, uses emission factor data from*2

Measures to Prevent Global Warming

Overview of JR East Group's energy initiatives

The Group aims to optimize energy at various stages: creating, delivering, storing, and utilizing. Moreover, approximately 25% of energy consumed during train operations, etc., is renewable energy such as hydroelectric, solar, and wind power, which produce zero CO₂ emissions.



Electricity generated by JR East's own power plants

JR East operates a thermal power plant in Kawasaki City, Kanagawa Prefecture with total output of 809,000kW, fueled by city gas and natural gas. We are proceeding with the introduction of an efficient combined cycle power generation facility. Through the plant's renewal, it is being equipped with combined-cycle power generation units* with improved efficiency and reduced CO2 emissions. The renewed Unit 1 came into operation in June 2021.

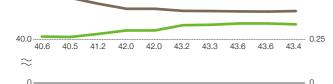
JR East runs its own hydroelectric power plants in Tokamachi City and Ojiya City, Niigata Prefecture with a total output of 449,000kW. These plants support our railway transportation operations as a clean energy power source that does not generate CO₂. We also aim to harmonize with the river environment and coexist with the local community through the development of fishways and the release of salmon fry.

* A combined-cycle power generation unit is a power generation unit that combines gas turbines propelled by combustion of gas with steam turbines driven by steam generated using the exhaust heat

CO2 emission factors and power generation efficiency at thermal power plant of JR East

(%)	(kg-CO	₂/kWh)
60.0		0.75

0.490 0.488 0.454 0.425 0.425 0.413 0.412 0.410 0.409 0.412 50.0 0.50



2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 (FY) Generation efficiency (left) =CO₂ emission factors (right)

Calculation method

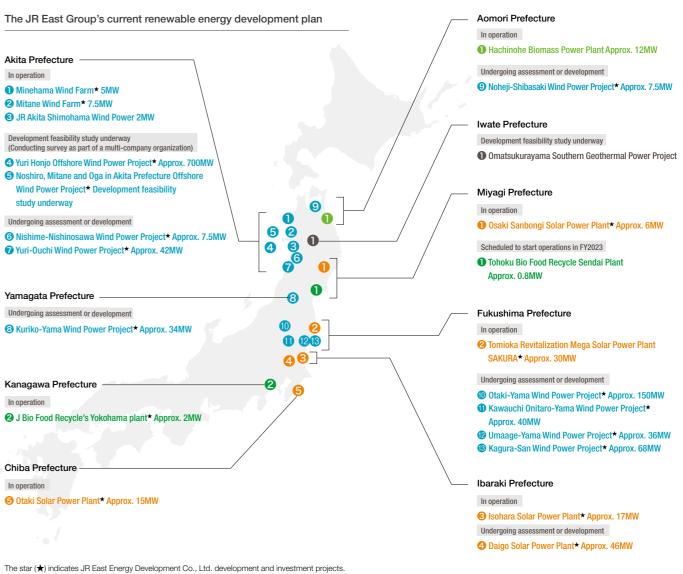
CO2 emission factor for JR East's thermal power plant is based on the Act on Promotion of Global Warming Countermeasures, and power generation efficiency is based on the method stipulated in the Energy Saving Act.

• CO2 emission factor of electricity generated by JR East (thermal power and hydroelectric power): The emission factor adjusted in FY2021 was 0.283 (kg-CO₂/kWh).

Progress in introducing renewable energy

We place solar panels on the roofs of platforms and station buildings and in rolling stock centers, using the energy they generate for our own use or for other trains passing through our tracks. In July 2018, we installed a compact wind power turbine at Oga Station. In addition to covering that station's electricity requirements, some power from the turbine is used for the ACCUM train, which is driven by an AC storage battery. Through such efforts, in fiscal 2021 we generated approximately 2.10 million kWh for our own consumption.

In addition to working with JR East Energy Development Co., Ltd. to develop renewable energy, we are actively introducing renewable



 Wind power generation
 Solar power generation
 Geothermal power generation Wood biomass power generation

We plan to work with JR East Energy Development Co., Ltd., collaborating with local communities on further study and development to promote solar and wind power generation plants. By fiscal 2051, we aim to develop enough renewable energy to cover around 30-40% of the energy we use in the railway business. This figure rises to 50-60% for renewable energy if the hydroelectric power plants we operate are included.

energy (wind, solar, and geothermal) initiatives, centered on the Tohoku region. Taking advantage of the feed-in tariff (FIT) system, we have steadily launched operations at mega solar power plants and large wind power generation plants. In fiscal 2021, we generated approximately 91.50 million kWh of electricity. Through the use of "non-fossil fuel certificates" obtained from renewable energy and the supply of CO₂-free electricity, we aim to achieve zero CO₂ emissions for our train operations in the Tohoku area by fiscal 2031.

Our targets for renewable energy power development are 0.7 GW in fiscal 2031 and 1 GW in fiscal 2051.

Measures to Prevent Global Warming

Measures for Resource Circulation

Reducing energy consumption for train operations

Regarding trains, we are promoting the introduction of energy-saving vehicles equipped with regenerative braking that converts kinetic energy during deceleration into electrical energy, as well as VVVF inverters (Variable Voltage Variable Frequency inverters that convert direct currents to alternating currents) for efficient motor control. In addition, we have replaced some diesel vehicles in non-electrified sections of the railway with diesel hybrid vehicles and battery-powered trains (nicknamed ACCUM). Besides trains on the Karasuyama Line, all vehicles on the Oga Line have been operating by ACCUM since March 2021. As of the end of March 2021, 98.5% of the vehicles (12,198 railcars) were energy-saving vehicles.





EV-E801 series (Oga Line)

Train crew energy-saving activities

To reduce power consumption in operating the Yamanote Line, we have launched an energy-saving operations project team (PT) to collect and analyze data

The amount of power saved by replacing old vehicles with new ones is about 3%, but we expect this energy-saving project to reduce power consumption by 10% or more.

We will continue our efforts to spread awareness of the importance of energy-saving operations throughout the company



Ikebuburo Transportation Depot. Tokvo Branch Office

Ecoste

Through our "ecoste" initiative, we are introducing a variety of elements at stations under the four headings of Energy Conservation, Energy Creation, Eco-Awareness, and Environmental Harmonization. Joining our 12 pilot ecoste stations, Takanawa Gateway Station was completed as an ecoste station in March 2020, and Sendagaya Station followed in December of the same year. We will continue to develop ecoste stations by leveraging the knowledge we have accumulated so far.





Sendagaya Station (Energy creation using solar power generation) (Environmental harmony through using cross laminated timber [CLT] building materials)

Utilization of hydrogen energy

Initiatives we have taken thus far relating to the use of hydrogen energy include introducing fuel cell (FC) buses and FC vehicles, and opening hydrogen stations.

From around March 2022, we will start trials of hybrid (fuel cell) test trains (nicknamed HYBARI for HYdrogen-HYBrid Advanced Rail vehicle for Innovation) on the Tsurumi Line and the Nambu Line, and promote their adoption in the future based on the outcome of the trials.

In addition, JR East has signed an agreement with Toyota Motor Corporation aiming to contribute to the creation of attractive communities by building a hydrogen supply chain with bases at stations. This is an effort to promote hydrogen-based mobility collaboration between railways and automobiles.

Going forward, we will continue to work to diversify our energy sources, and we will accelerate efforts to realize a hydrogen society based on our station and railway line resources.



Hydrogen stations



Fuel cell bus (JR Takeshiba Hydrogen Shuttle Bus)



Hybrid railcar EV-E991 (HYBARI)

Resource recycling targets by FY2031

Performance indicators				
	Recycling rate for waste generated	94		
Raise recycling ratios	Recycling rate for PET bottles in wa	100		
(per fiscal year)	Recycling rate for waste generated	96		
	Recycling rate for waste generated	96		
		Reduction in single use plastic	25	
Reduce emission	Provided by B2C (Business to Consumer)	Switching from single use plastic containers and packaging to renewable materials	60	
factors (FY2021	Consumery	Reduction rate of final disposal amount of food waste	50	
standard)	Waste (general/industrial)	Reduction ratio*2	32	
	reduction rate and recycling rate*1	Recycling rate*2	73	

Single-year goals and achievements in FY2021

	Performance indicators	FY2021 goal (%)	FY2021 result (%)
	Recycling rate for waste generated at stations and on trains	94	93
Raise recycling ratios	Recycling rate for waste generated at general rolling stock centers, etc.	96	94
(per fiscal year)	Recycling rate for waste generated in facility construction projects	96	85
	Implementation rate of recycling by group companies	100	100*3

Targets for Group companies

*1 Excludes overseas Group companies *2 Excludes companies that do not generate waste

*3 Waste recycling rates at group companies

Groupwide waste generation, amount recycled, recycling rate (FY2021 results)

JR East waste generation, amount recycled, recycling rate*3



*1 Other field offices: Technical centers, equipment maintenance centers, and other locations such as train crew offices

*2 Construction projects: Waste generated by our construction projects, but for which contractors legally become the waste-discharging entities, is included in industrial waste *3 Waste includes salable waste

Water and office paper usage by the entire Group

JR East usage volume



* Water consumption is the total of tap water, industrial water, and groundwater consumption

Quantities in parentheses () are for FY2020

Group company waste generation, amount recycled, recycling rate*3



Recycling includes thermal recycling* where general waste is treated at incineration plants, etc. and industrial waste is incinerated as intermediate treatment for heat recovery.

Thermal recycling is a recycling method in which the heat arising from the incineration of waste is used to create steam and hot water, which in turn is used to generate electricity and for hot-water supply

Quantities in parentheses () are for FY2020

JR East Group companies' usage volumes

Water use*☆ 6.77 million m³ (9 23 million m³)



Office paper use 914t (1,005t) (of which 85% [84%] is recycled paper)

Measures to Prevent Global Warming

In order to realize a resource recycling-based society, the Group is working as one on the three Rs (Reduce, Reuse, Recycle) to reduce the amount of various types of waste generated and disposed of in its business activities.



* RPF (Refuse derived paper and plastics densified fuel): High-grade solid fuel from used paper and waste plastics mainly in industrial waste

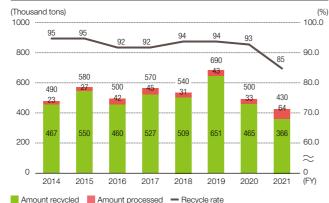
Collection and reuse of waste from stations and trains

JR East Tokyo Materials Recycling Center (operated by JR East Environment Access Co., Ltd.) carefully sorts waste from stations and trains that contains recyclable materials. Such waste as magazines and newspapers is recycled into office paper that is used within the Group. Used tickets are all recycled into such items as toilet paper (recycling rate of 100%).

Reducing and recycling waste from construction projects and general rolling stock centers

With construction projects, which account for about 70% of the waste we generate, we are working to reduce waste by appropriately treating construction by-products and standardizing in-house design and construction methods. In addition, at general rolling stock centers, we rigorously separate waste into about 30 types and promote waste reduction and recycling.

Waste from stations, trains, general rolling stock centers, and construction projects



Recycling rates

	FY2014	FY2019	FY2020	FY2021
Waste from stations and trains	94%	94%	93%	93%
Waste from general rolling stock centers	93%	96%	95%	94%
Waste from facility construction projects	96%	94%	93%	85%
Total	95%	94%	93%	85%

Initiatives to reduce use of plastics

From October 2019 through September 2020, we implemented a Get Rid of Plastic Waste campaign to reduce plastic waste and raise awareness of plastic waste issues. Stores directly managed by Group companies had by the end of September 2020 completed the replacement of plastic shopping bags and straws with biodegradable alternatives. In December of the same year, we received an award for excellence in the corporate category from the Ministry of the Environment for our efforts in support of its campaign to reduce the use of carrier bags. In fiscal 2021, we set medium- to long-term targets for reducing the use of and using alternatives to single-use plastics.

Initiatives to tackle food waste

In addition to measures already in place, in fiscal 2021, we set a medium- to long-term target for reducing the final disposal amount of food waste by fiscal 2031.

Food recycling through biogas power generation

We recycle food products and operate a biogas electricity generation business through J Bio Food Recycle (jointly established by JR East Environment Access Co., Ltd. with the JFE Group). Since 2018, J Bio Food Recycle has been operating a power generation business that converts food waste to biogas at its Yokohama plant.

Others

Biodiversity Initiatives

Since fiscal 2005 we have been planting indigenous trees to regenerate forests. In fiscal 2021, we carried out a tree planting project in Nakanojo Town, Gunma Prefecture.

In addition, WATERS takeshiba has been developing tidal flats and conducting observations and surveys of aquatic organisms in cooperation with local schools, and constantly conducts environmental surveys.



In our first venture in biogas power generation outside the Tokyo metropolitan area, we established Tohoku Biofood Recycling Co., Ltd. in Sendai City, Miyagi Prefecture, in partnership with Tohoku Railway Transport Co., Ltd., JFE Group, and Tokyo Gas Co., Ltd. Tohoku Biofood Recycling's Sendai plant is scheduled to open in the spring of 2022.



J Bio Food Recycle's Yokohama plant



Tohoku Bio Food Recycle's Sendai plant (Conceptual drawing)

Reduction of food waste by food sharing

JR East Start UP Co., Ltd. and JR East Cross Station Co., Ltd. conducted an experiment in collaboration with CoCooking Co., Ltd., TABETE Rescue Deli, to purchase surplus food items that "*Ekinaka*" stores inside Tokyo Station have been unable to sell and sell them on to station employees after the stores have closed. The experiment began in January 2000 and so far we have achieved a reduction of about 4.3 tons of food waste. Full-scale operations began in March 2021.

Chemical substance management

Under the Act for Rational Use and Proper Management of Fluorocarbon

We endeavor to reduce the use of substances specified as controlled substances under the Act on the Protection of the Ozone Layer and adopt substitutes that have less impact on the environment. Under the Act on Rational Use and Appropriate Management of Fluorocarbons, we reported a leakage amount of 4 thousand t-CO₂e⁺ for fiscal 2021.

Chemical substance management and reduction

The Company is classified as a business operator handling over a certain amount of specified chemical substances under the PRTR system*. Accordingly, 11 of our sites reported emissions and transfer amounts to the relevant local government bodies in fiscal 2021.

Also, considering the impact on ecosystems, we are working to reduce and substitute chemical substances, for example, by introducing stainless steel railcars that do not require painting.

^{*} PRTR system: A system where companies notify their releases and transfers of chemical substances as required by the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (Law concerning Pollutant Release and Transfer Register [PRTR]). It encourages the monitoring and control of toxic chemical substances emitted into the environment and measures to prevent negative impact on the environment.

TCFD Recommendation-Related Initiatives

Since the adoption of the Paris Agreement, the countries and governments of the world have made a major shift toward decarbonization. Companies now must ascertain the financial impact of climate change-related risk and disclose relevant information. In January 2020, JR East announced its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Based on objective data, JR East undertakes the quantitative evaluation of the financial impact of future climate change in the transportation service business. This business is vulnerable to natural disasters, which have been worsening as climate change progresses. We are proactively disclosing information using the TCFD framework.

Disclosure of information based on TCFD recommendations

Recommendations	JR East's initiatives	
Governance	We have established a Sustainability Strategy Committee chaired by our president and representative director to manage sustainability- related initiatives, set goals regarding climate change mitigation, and confirm progress versus targets. In October 2020, we set "Zero Carbon Challenge 2050" as the goal of the entire Group, which is taking on the challenge of "substantially zero" CO ₂ emissions by fiscal 2051.	
Strategy	We pinpoint risks and opportunities associated with climate change, conduct impact assessments of our business activities, and verify the adequacy of our business strategies. Specifically, we identify physical risks related to natural disasters as important risks, and carry out detailed scenario analysis using hazard information published by the government.	
Risk Management	We identify climate change-related risks for each department and strive to prevent or reduce them. Specifically, we are strengthening and promoting efforts to reduce physical risks in the transportation service business.	
Metrics and Targets	As indicators and targets related to climate change, we have set environmental goals for the CO ₂ emissions of the entire Group to be "net zero" by fiscal 2051 and, for the railway business, for a 50% reduction in CO ₂ emissions and a 40% reduction in energy consumption by fiscal 2031.	

Details of strategies

(1) Awareness of risks and opportunities

The risks and opportunities associated with climate change are those that result from the transition to a new framework, such as the strengthening of regulations and technological progress that occurs in the process of decarbonization, and those that result from physical changes, such as severe weather caused by global warming. We examined physical risks after estimating passenger income based on future demographics as a baseline for analysis. We recognize the following points as major climate change risks and opportunities.

		Main risks and opportunities	Timeframe
	Physical	Damage to railway facilities and equipment and suspension of operations due to wind and water disasters	Short term
	risks	Decrease in the number of passengers due to extreme weather events (heavy rain, extreme heat)	Long term
		Cost increases due to the introduction/strengthening of a carbon pricing system	Medium term
	Transition risks	Decrease in passenger numbers due to competition with other means of transportation such as electric vehicles	Long term
		Decrease in passenger numbers due to damage/change to tourist attractions	Long term
	Opportunities	Increase in passenger numbers due to preference for low-CO $_{\rm 2^-}$ emissions transportation	Long term

(2) Details of scenario analysis (physical risks)

The scenario analysis targeted the transportation services business. The number of passengers in the business is expected to fall due to population decline (declining birthrate and aging population), and it is predicted that the impact will be particularly significant in rural areas. In order to ascertain the financial impact of these factors and to verify the adequacy of our business and environmental strategies, we conducted the following scenario analysis with 2050 as the target year.

1 Estimated change in passenger income based on business area demographics	+	2 Estimated physical risk caused by natural disasters	
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1 Estimated change in passenger income based on business area demographics

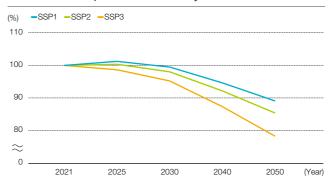
We estimated changes in passenger income up to 2050 based on data such as the Shared Socioeconomic Pathways (SSPs)^{*1} data on population and GDP^{*2}, which are used across a range of fields in climate change research. There was an 11% difference in the population estimate for 2050 between the scenario of "Sustainability" (SSP1), which is our goal, and the opposing scenario of "Regional Rivalry" (SSP3), and a ¥350 billion difference in estimated passenger income. In the estimation of passenger revenue, we take into account the post-COVID-19 era.

*1 Shared Socioeconomic Pathways (SSPs): Scenarios of projected socioeconomic global changes up to 2100.

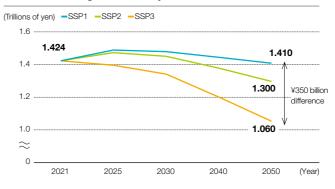
*2 Population data taken from the National Institute for Environmental Studies' "Japan Shared Economic Pathways Population Estimates by Municipality." GDP data taken from the International Institute for Applied Systems Analysis (IIASA)'s "Global Dataset of Gridded Population and GDP Scenarios."

Scenario	State of domestic society	Birthrate	Mortality rate
SSP1 (2°C)	Sustainability: Development of renewable energy and environmental technology, urban concentration, compact development with robust networks	High	Moderate
SSP2 (Middle)	Middle of the Road: Maintain the status quo, current trends progress relatively unchanged	Moderate	Moderate
SSP3 (4°C)	Regional Rivalry: Uniform population decline, depopulation of regional areas	Low	Moderate

Business Area Population Estimates by Scenario



Trends in Passenger Revenue by Scenario



2 Estimated physical risk caused by natural disasters

Most of our major railway assets and lines with large passenger revenues are concentrated in and around the Tokyo metropolitan area, and a widespread disaster in this area would have a significant financial impact.

Based on this, flooding caused by the overflow of Class A rivers flowing through the Kanto region (due to projected rainfall) was selected as a specific disaster event for scenario analysis, and the overflow scenario of the Arakawa River, which could be expected to have the greatest financial impact, was chosen.

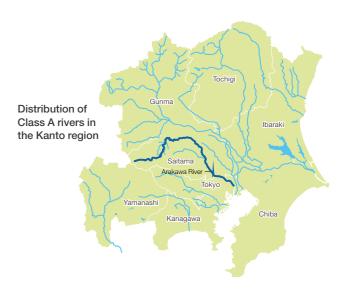
We conducted a quantitative assessment of the financial impact of this scenario using the inundation assumptions published by the government, the asset value of major lines, and passenger revenue trends.

(3) Analysis results and future approach

1 Impact on passenger income and facilities

This scenario suggested that if the Arakawa River flooded, many major railway lines from the Tokyo metropolitan area to the Kanto suburbs would be inundated, causing financial loss as a result of damage to railway assets such as stations and railways. It became

Presence or absence of	Scenario Period		Increase in financial impact (Billions of yen) (decrease in fares and increase in disaster recovery expenses)		
inundation measures			FY2051	Estimate period, total	
No inundation measures	RCP2.6 (2°C)	0001 0050	+3.4	+51.4	
(hardware / software)	RCP8.5 (4°C)	2021–2050	+4.0	+60.0	
Inundation measures in	RCP2.6 (2°C)	0001 0050	+1.3	+19.8	
place (hardware / software)	RCP8.5 (4°C)	2021–2050	+1.6	+24.4	



clear that there would also be financial losses caused by the loss of passenger income as a result of the suspension of railway operations due to the flooding and in the period required for restoration.

2 Financial impact

Based on this scenario and the increase in future flood probability*³, we analyzed the financial impact until 2050. In the single year of 2050, the estimated financial impact (the sum of the decrease in passenger income and the increase in disaster recovery costs) came to ¥3.4 billion under the Representative Concentration Pathway (RCP)*⁴ 2.6 (2°C) scenario and ¥4.0 billion under the RCP8.5 (4°C) scenario.

3 Effect of natural disaster countermeasures

JR East, based on an assumed scale of rainfall, has been raising the height of electrical equipment considered of critical importance to operations and installing water stop plates at building openings. In addition, we have developed a decision support system on railcar evacuation and we have prepared a vehicle evacuation manual (see "Initiatives to address flooding" on page 34), and are promoting counter measures for natural disasters according to the importance of equipment from both perspectives of hardware (physical facilities) and software (human responses). Taking this into account, the increase in financial impact in the RCP2.6 (2°C) scenario becomes ¥1.3 billion while under the RCP8.5 (4°C) scenario it becomes ¥1.6 billion. From here on, we will estimate the financial impact of other major scenarios and confirm the effectiveness of the countermeasures.

*3 Hirabayashi Y. et al, 2013. Global flood risk under climate change. Nature Climate Chnage, 3 (9), pp. 816-821.

*4 Representative Concentration Pathways (RCPs): Representative Concentration Pathway Scenarios used in the IPCC Fifth Assessment Report

Directors and Auditors

(As of July 2021)



Directors

- 1 Chairman Tetsuro Tomita
- 2 President and CEO Yuji Fukasawa
- 3 Executive Vice President Yoichi Kise
- 4 Executive Vice President Katsumi Ise
- 5 Executive Vice President Totaro Ichikawa
- 6 Executive Director Kiwamu Sakai
- 7 Executive Director Atsushi Ouchi
- 8 Executive Director Atsuko Itoh
- 9 Director (Outside Director) Motoshige Itoh
- 10 Director (Outside Director) Reiko Amano
- 11 Director (Outside Director)
- Hiroko Kawamoto

Auditors

- 12 Full-time Corporate Auditor (Outside Auditor) Keiji Takiguchi
- 13 Full-time Corporate Auditor (Outside Auditor) Takashi Kinoshita
- 14 Corporate Auditor (Outside Auditor) Seishi Kanetsuki

15 Corporate Auditor (Outside Auditor) Kimitaka Mori

16 Corporate Auditor Nobuyuki Hashiguchi

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Directors' and Auditors' Biographies

Directors



1974 Entered Japanese National Railways 1987 Entered JR East

1988 Entered JR East

2018 Senior Executive Officer

- 2000 Director and General Manager of Management Administration
- Department, Corporate Planning Headquarters 2003 Executive Director and Deputy Director General of Corporate
- Planning Headquarters 2008 Executive Vice President and Representative Director and Director
- General of Life-style Business Development Headquarters
- 2009 Executive Vice President and Representative Director and Director General of Corporate Planning Headquarters
- 2012 President and Representative Director
- 2018 Chairman and Representative Director (current position)

2015 Life-style Business Development Headquarters

and Chief Safety Officer (current position)

(dispatched to JR East Logistics Co., Ltd.) 2017 Executive Officer and General Manager of Transport & Rolling

Stock Department, Railway Operations Headquarters

2021 Executive Vice President and Representative Director and

Assistant to President and Director General of Railway Operations

Tetsuro Tomita

Chairman



President and CEO Yuji Fukasawa



Executive Vice President Totaro Ichikawa



Personnel Deliberation Committee member neration Deliberation Committee membe

- 1993 Professor of the University of Tokyo, Faculty of Economics
- 1996 Professor of the University of Tokyo, Graduate School of Economics
- 2007 Dean of the University of Tokyo, Graduate School of Economics and Faculty of Economics
- 2015
 Director of JR East (current position)

 2016
 Professor of Gakushuin University, Faculty of International
 Social Sciences (current position)

Outside Director Motoshige Itoh





Executive Director

Kiwamu Sakai

2011 General Manager of Intellectual Property and License Department 2014 Advisor of Intellectual Property and License Department Executive Director of Research Center for Reinforcement of Resilience Function, National Research Institute for Earth Science

Outside Director

Full-time Corporate Auditor

Takashi Kinoshita

Reiko Amano

(current position) 2016 Executive Director of National Research Institute for Earth Science and Disaster Resilience Director of JR East (current position)

2019 Auditor of the Japan Atomic Energy Agency (current position)

2015 Auditor of National Institute for Environmental Studies

1978 Entered Japanese National Railways

1985 Entered Japanese National Railways

2012 General Manager of Finance Departmen

Personnel Deliberation Committee membe

Engineering Management Division

1980 Entered Kajima Corporation

and Disaster Resilience

eration Deliberation Committee member

2005 Senior Manager of Technology Development Department Civil

1987 Entered JR East

2017

2003 General Manager of Investment Planning Department, Corporate

2018 President and CEO and Representative Director (current position)

2014 Executive Officer and General Manager of Management Planning

2020 Executive Director and Director General of Corporate Planning

Executive Officer and General Manager of Sendai Branch Office

Headquarters; In charge of Customer Service Quality Reformation

rtment, Railway Operation Headquarters (current position)

Department, Corporate Planning Headquarters

Planning Headquarters 2006 Director and General Manager of Personnel Department and

Director of JR East General Education Center

2012 Executive Vice President and Representative Director

1987 Entered JR East

2008 Executive Director



Yoichi Kise

- 1989 Entered JR East 2014 General Manager of Personnel Department and Director of JR East General Education Center
- 2015 Executive Officer and General Manager of Personnel Department 2017 Executive Officer and General Manager of Management Planning
- Department, Corporate Planning Headquarters 2018 Executive Director and Director General of Corporate Planning Headquarters
- 2020 Executive Director and Director General of Life-style Business Development Headquarters 2021 Executive Vice President and Representative Director and
- Assistant to the President and Director General Life-style Business Development Headquarters; In charge of Shinagawa Development; In charge of Work & Welfare Strategies Department; In charge of Regional Revitalization (current position)



- 1988 Entered JR East 2014 General Manager of System Planning Department, Corporate
- Planning Headquarters 2016 Executive Officer and General Manager of Morioka Branch Office 2018 Senior Executive Officer and Deputy Director General of
- Technology Innovation Headquarters 2021 Executive Director, Deputy Director General of Technology
- Innovation Headquarters; In charge of Electrical & Signal Network System Department, Railway Operations Headquarters; In charge of Energy Strategies Department (current position)

Executive Director Atsushi Ouchi



Division: General Manager of Inflight Services Center 2014 Executive Director and Executive Officer; In charge of Women's Promotion; Deputy Director of Operating Division; General

Manager of Inflight Services Center 2015 Executive Director and Executive Officer; In charge of Women's Promotion; In charge of ANA Brand Inflight Services Division 2016 Director and Senior Executive Officer: In charge of Women's Promotion of ANA Group; Promotion Officer for the Tokyo Olympic

2013 Director and Executive Officer; Deputy Director of Operating

Personnel Deliberation Committee member

1979 Entered All Nippon Airways (ANA)

eration Deliberation Committee membe

Outside Director Hiroko Kawamoto

- and Paralympic Games 2017 Vice President and Representative Director of ANA Strategic Research Institute Co., Ltd.
- 2020 Chairman and Director of ANA Strategic Research Institute Co., Ltd. Director of JR East (current position)
- 2021 Adviser of ANA Strategic Research Institute Co., Ltd. (current position)

Auditors



Full-time Corporate Auditor Keiji Takiguchi

- 1979 Entered Ministry of Transportation 2007 Director-General of Air Traffic Services Department, Civil Aviation Bureau, Ministry of Land, Infrastructure, Transport and Tourism (MLIT)
- 2008 Assistant Vice-Minister of Minister's Secretariat, MLIT 2010 Vice-Director-General of Policy Bureau, MLIT 2012 Director-General of Railway Bureau, MLIT
- 2014 Director-General of Policy Bureau, MLIT 2016 Ambassador Extraordinary and Plenipotentiary to Croatia
- 2019 Full-time Corporate Auditor, JR East (current position)
- 2014 Manager of Security Planning Division, Security Bureau, 2014 Manager of Security Planning Division, Security Bureau, National Police Agency General Manager of Organized Crime Department, Criminal

Metropolitan Police Department

1985 Entered National Police Agency

Investigation Bureau, National Police Agency 2016 Director of Fukuoka Police Headquarters

2010 Director of Iwate Police Headquarters 2012 General Manager of Organized Crime Bureau, Tokyo

2013 Manager of Public Safety Division. Security Bureau.

- 2017 General Manager of Criminal Investigation Bureau
- National Police Agency 2019 Full-time Corporate Auditor, JR East (current position)



Corporate Auditor Seishi Kanetsuki

- 1969 Assistant Judge of the Tokyo District Court
- 1990 Judge of the Tokyo District Court (Presiding Judge)1998 Director-General of Personnel Bureau, General Secretariat of the Supreme Court
- 2002 President of the Legal Training and Research Institute
- 2005 Chief Judge of the Tokyo District Court 2006 President of the Osaka High Court
- 2009
 Justice of the Supreme Court

 2015
 Chairman of Japan Bar Association (current position)
- 2016 Corporate Auditor, JR East (current position)



Kimitaka Mori

- 1980 Entered Shinwa Audit Corporation (currently KPMG AZSA LLC) 2000 Representative Partner of Asahi Audit Corporation (currently KPMG AZSA LLC)
- 2004 General Manager of Financial Service Headquarters of KPMG AZSA & Co. (currently KPMG AZSA LLC)
- 2006 Executive Board Member of KPMG AZSA & Co. 2011 Chairman of KPMG Financial Services Japan, KPMG AZSA LLC
- 2013 Chairman and President of The Japanese Institute of Certified Public Accountants
 - Established Mori Certified Public Accountant Office;
 - Managing Partner (current position)
- 2016 Adviser of The Japanese Institute of Certified Public Accountants (current position)
- 2017 Corporate Auditor, JR East (current position)

Corporate Auditor



- 1969 Entered Japanese National Railways
- 1987 Entered JR East
- 1992 General Manager of Health & Welfare Department

- Headquarters 2004 Executive Vice President and Representative Director and Director



1988 Entered JR East

- 2015 Executive Officer and General Manager of Investment Planning Department, Corporate Planning Headquarters 2016 Executive Officer and General Manager of Facilities Department, Railway Operations Headquarters
- 2018
 Senior Executive Officer

 2021
 Executive Vice President and Representative Director and
 Assistant to President and Director General of Technology Innovation Headquarters (current position)

Executive Vice President Katsumi Ise



Executive Director Atsuko Itoh

- 1990 Entered JR East
- 2018 Executive Officer and General Manager of Finance Department 2020 Executive Officer and General Manager of Management Planning Department, Corporate Planning Headquarters
- 2021 Executive Director; In charge of Inquiry & Audit Department, Public Relations Department, Finance Department, and Corporate & Legal Strategies Department (current position)

Corporate Auditor

Nobuyuki Hashiguchi

1996 Director and General Manager of Morioka Branch Office 1998 Director and General Manager of Construction Department 2000 Executive Director and General Manager of Sendai Branch Office 2002 Executive Director and Deputy Director General of Railway Operations

General of Railway Operations Headquarters 2008 President and Representative Director of Tekken Corporation 2014 Chairman and Representative Director of Tekken Corporation 2016 Chairman and Director of Tekken Corporation. 2019 Corporate Auditor, JR East (current position)

Messages from an Outside Director and an Outside Auditor



About the Board of Directors

It has been five years since I was appointed an outside director of the Company. In discussions of management policies, investment projects, and various reports at meetings of the Board of Directors, executive directors make comments not only on their own areas of responsibility but also on related areas, and outside directors actively speak from their own professional perspectives. The chairperson of the meeting takes the lead in responding to the comments of each member, and my impression is that discussions have been becoming livelier every year.

I have worked as a researcher and research manager in the civil engineering field at a construction company. I participate in the social implementation of research and development results at several national research and development agencies specializing in disaster prevention, the environment, and energy. To realize a new JR East in line with "Move Up" 2027 in the midst of the critical situation caused by the COVID-19 pandemic and rapid changes in social trends, more precise and prompt decisions are needed, and the importance of the Board of Directors is greater than ever. At board meetings, I express my opinions based on the knowledge I have gained from my experience, with the mottoes of "speak frankly" and "don't waste opportunities."

JR East's Corporate Governance

I believe that we have an excellent system of governance from the standpoint of the railway business. In order to develop the business toward the realization of "Move Up" 2027, by utilizing the enormous amount and range of data that JR East possesses, collaboration across the entire group is vital, and our corporate governance is becoming more and more Groupwide in nature.

However, because the established governance system derives from the railway business, my perception is that we can hesitate to push forward with new businesses. To be able to compete in the post-COVID-19 era, we need quickly to establish a new business model based on JR East's version of "Society 5.0." And we need to build a corporate governance system centered on risk management. We must not be trapped by past successes, but eagerly absorb knowledge and take on new challenges.



Audit initiatives

The Board of Corporate Auditors is keenly aware of the importance of cooperation and information sharing with the internal audit division and auditing firms in order to constantly obtain a wide range of information when conducting auditing activities in a large corporate group such as ours.

As a lawyer, I believe that I have a responsibility to make full use of my expertise in the area of legal compliance, which is the foundation of corporate governance. In particular, I think that the perspective of "preventive law" is particularly important; that is, to anticipate potential legal problems and prevent them beforehand. While utilizing my legal experience in auditing, I strive to look at things from an objective perspective as an outside corporate auditor. On the other hand, to conduct audits based on the actual situation of the company, I try to get to know things on the front lines as much as possible and listen to the voices of the company's employees.

Now that the company is facing a severe business situation, having incurred the first loss in the company's history, I believe that improving the high ratio of fixed costs in the railway business is one of the major problems in establishing a profitable structure. I intend to keep a close watch to ensure, from an auditing perspective, that cost reductions are appropriately implemented while ensuring safety.

Corporate governance of the company

We have an excellent tradition of good governance in safe and stable operations in our railway business. On the other hand, management risks in the Life-style services business, which we are aiming to expand, are quite different from those in the railway business. For example, we expect to generate high returns in the Real Estate & Hotels business, but that entails a high degree of risk. I think the problem is how to take risks while conducting appropriate risk assessment.

Through various measures taken to realize "Move Up" 2027, I believe that our corporate governance vision has become broader. However, people's attitudes are constantly changing. I believe that for governance to evolve effectively, each and every employee must hone his or her sensitivity to the ethics and other issues that the company should observe.

Corporate Governance

Basic corporate governance philosophy

To achieve sustained business growth and to improve its medium- to long-term corporate value, JR East pursues achievement of ultimate safety to enhance reliability for customers, and the creation of affluent lives for people as our business, so that the expectations of all our stakeholders including shareholders, customers, and local communities will be met by making transparent, fair, firm, and timely decisions.

JR East has set Corporate Governance Guidelines which were developed by the Board of Directors as the material which shows the basic concept of our corporate governance and its concrete activities and presents it on our corporate website.

Governance system

Our Board of Directors consists of 11 members including three outside directors (as of July 2021), and it generally meets monthly to decide statutory requirements and other key operational matters and to supervise overall operations. The Board of Directors has established an Executive Committee consisting of 8 directors and 12 senior executive officers. This Executive Committee generally meets once a week and deliberates on matters to be decided by the Board of Directors and other important management issues. In addition, the Group Strategy Formulation Committee consisting of 8 directors, 12 senior executive officers, and 3 executive officers was formed with the aim developing all JR East groups, and meets as required to discuss important group issues such as management strategies for each business field.

Before resolving agenda items to appoint or dismiss directors or the president and representative director, in the interests of objectivity, appropriateness, and transparency we consult first with the Personnel Deliberation Committee, which comprises independent outside directors and other directors. When determining director compensation, we first consult with the Remuneration Deliberation Committee, which is made up of independent outside directors and other directors.

Directors

11 (Including three outside directors)

Auditors

(Including **four** outside auditors)



Reasons for adopting our current corporate governance system

We have established a Board of Directors due to the need to make decisions that reflect various types of expertise and experience in such areas as safety assurance in the railway business, which accounts for a majority of earnings, and from a medium- to long-term perspective. We also have in place a Board of Corporate Auditors, which is made up of corporate auditors and is independent from the Board of Directors.

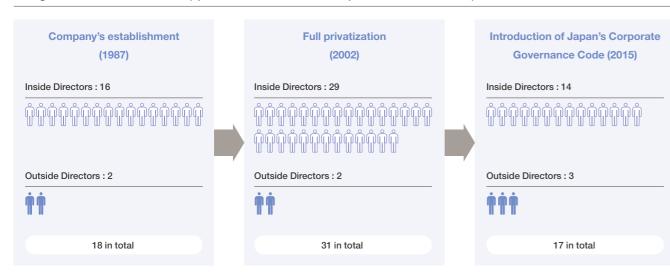
Audits by corporate auditors, internal audits, and accounting audits

The Company has five corporate auditors, two full-time and three part-time (four of whom are outside corporate auditors). One of the part-time corporate auditors is qualified as a certified public accountant and has extensive experience related to finance and accounting. We assign around 10 dedicated staff members to assist the corporate auditors

In accordance with the policy determined by the Board of Corporate Auditors, the corporate auditors attend the Board of Directors and other important meetings, listen to reports on the status of execution of duties from directors and the Internal Audit Department, inspect important approval documents, audit the status of business and financial assets, listen to reports on the status of execution of duties from the accounting auditor, and discuss major audit matters with the accounting auditor. Furthermore, the corporate auditors communicate with and exchange information with directors and corporate auditors of Group companies, and obtain reports as needed on the operations of Group companies. In fiscal 2021, due to the COVID-19 pandemic, some audit activities were conducted online. The Company's representative directors and outside directors regularly exchange opinions.

For internal audits, JR East has assigned approximately 100 full-time employees at Inquiry & Audit Department (Head Office) and at Audit Divisions (branch offices). We have a system in place to evaluate and make recommendations on the status of business execution and risk control from the perspectives of effectiveness, efficiency, and legality, and conduct audits of the head office, managing organizations, branch offices, and in-field offices based on audit plans. If there is need for improvement, we ask for a report on the situation and provide advice. We also conduct audits of Group companies, and report the audit results to the president and representative directors approximately once a quarter.

Changes in the number of directors (up to the introduction of the Corporate Governance Code)



Approach to evaluating the effectiveness of the Board of Directors

Ev

	Analysis and asses	sment of Board of
	Item	Highly evaluated asp
valuation Items	Decision-making relating to business execution	 Discussions are taking Outside directors are
Decision-making relating to business execution	Supervision of the execution of duties by directors	Compliance and risk r Increasing transparent
	Management of the Board of Directors	 Improving support for and advance explanat
Supervision of directors'		
execution of duties	Item	Areas for improveme
Management of the	Decision-making relating to business execution	 Deeper discussions of Formulation of strateg
Board of Directors	Supervision of the execution of duties by directors	 Balance of reporting b Further improvement
	Management of the Board of Directors	Improvement of board Further enhancement

There were no major violations of laws or regulations in the matters relating to products and service in fiscal 2021. KPMG AZSA LLC (an accounting auditor), which has an audit agreement in place with the Company, conducts audits during and at the end of the fiscal year.

As for the mutual cooperation between internal audits, audits by corporate auditors and accounting audits, regular liaison meetings are held between corporate auditors and officers in charge of the internal audit division and others. Corporate auditors listen to reports and discuss the status of the execution of duties by the accounting auditor, and corporate auditors, the internal audit division, and the accounting auditor exchange opinions.

Ensuring effectiveness of the Board of Directors

Once each year, an analysis and assessment of effectiveness of the Board of Directors is performed, as described below.

- The effectiveness of the Board of Directors is assessed from the perspective of the Board's roles and responsibilities, including transparent, fair, quick, and decisive decision-making.
- As to the assessment method, all directors independently evaluate the Board of Directors' effectiveness. These results are analyzed, independent outside directors are asked for their opinions, and the Board of Directors' method of operations may be revised, if necessary.

Results of the analysis and assessment of Board of Directors' effectiveness at the Board of Directors meeting on May 14, 2021 The results of the self-assessment confirmed that the Board of Directors appropriately considers matters for deliberation, conducts

sufficient reporting to fulfill its role in supervising business execution, and that it has a compliance system in place. On the basis of these results, the Company determined that its Board of Directors is sufficiently fulfilling its roles and responsibilities, and judged the Board as being effective.

Reflecting the opinions of the independent outside directors, to further enhance the effectiveness of the Board of Directors we have

br Directors' effectiveness in FY2021 spects ing place in accordance with "Move Up" 2027 re becoming more forthright in expressing their opinions k management levels are improving ency in procedures for executive nomination and remuneration or outside directors, including site visits nations of board meeting agendas. nent con management strategies in light of the COVID-19 pandemic egies that further emphasize synergies between businesses g between the railway business and other businesses

oard meeting materials ent of director training augmented director training through such measures as holding site visits for independent outside directors and hosting lectures by outside experts. In addition, we have worked to strengthen the reporting of the status of progress toward realizing the Group's management vision "Move Up" 2027 and to accelerate discussions on business direction and strategy beyond the COVID-19 pandemic.

Executive compensation

The Company pays directors who are not outside directors base compensation based on their roles as consideration for their everyday business execution, within the scope of compensation amount resolved at the General Meeting of Shareholders. In addition, these directors receive performance-linked compensation based on management performance, shareholder dividends, and their degree of contribution to operating performance and the achievement of the Company's medium-term management vision during that fiscal year.

In consideration of their job responsibilities, outside directors and corporate auditors receive no performance-linked compensation.

They receive base compensation as consideration for business execution within the scope of the compensation amount resolved at the General Meeting of Shareholders.

Details of the Company's executive compensation for fiscal 2021 are shown in the table below.

	People	Total Amount
Directors (excluding outside directors)	11	¥364 million (base compensation: ¥364 million)
Corporate auditors (excluding outside auditors)	1	¥12 million (base compensation: ¥12 million)
Outside executives	9	¥142 million (base compensation: ¥142 million)
Total	21	¥518 million (base compensation: ¥518 million)

(Notes)

1 These figures include compensation paid to four directors who stepped down at the close of the 33rd Ordinary General Meeting of Shareholders on June 23, 2020.

2 In response to the impact of COVID-19 on our business performance, directors (excluding outside directors) voluntarily returned 10% or 20% of their base compensation from May 2020 to March 2021. The amount of base compensation for directors in the above table includes the amount of compensation voluntarily returned.

Executive compensation



Indices for performance-linked compensation and the reason for their selection

In addition to "a director's performance during the year," a director's success during a given business year is measured through an overall assessment of indices including "operating results including operating income and profit attributable to owners of parent during the year" and "shareholder returns" (business characteristics strongly associated with cooperation among business departments) and "level of contribution to 'Move Up' 2027" (business characteristics associated with a long span of time from the planning stage to the appearance of results). To assess performance during the year and the level of contribution, the President and Representative Director conducts goal-setting and tracing interviews with individual directors regarding the achievement level of annual plans and "Move Up" 2027. Performance-linked compensation is paid as cash remuneration at a fixed time each year. In fiscal 2021, however, we decided not to pay performance-linked compensation in view of the impact of the

COVID-19 pandemic on business performance both in fiscal 2021 and fiscal 2022.

No non-monetary remuneration is paid.

Ratio of base compensation and compensation linked to performance

The ratio of base compensation to performance-linked compensation for directors who are not outside directors is typically around 4:1, excluding the variable portion for individual director's performance so that performance-linked compensation accounts for a certain percentage of total compensation. Of this amount, performancelinked compensation will be added to or subtracted from the basic amount for each position within the range of 30% to 40%, depending on the performance of each director. Further reductions may be made taking into account circumstances related to the Company's management, including the business results for the current fiscal year and the business forecast for the next fiscal year.

Internal Control System

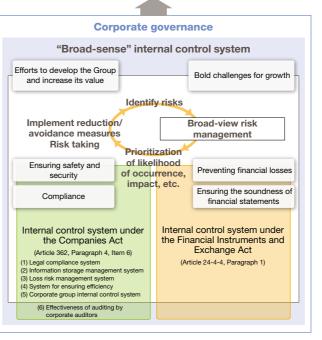
Basic concept of internal control system

In the midst of a drastically changing environment surrounding our Group, in order to speed up our transformation and steadily achieve "Move Up" 2027, it is essential to develop and properly operate an internal control system that is appropriate for our management and business environment.

The Group considers its internal control system to be the combination of efforts by all Group employees to realize the Group's philosophy and the Group's management vision in an appropriate and efficient manner. In addition to compliance, ensuring safety and security, preventing financial losses, and making sure of the soundness of financial statements, the Group is working on risk management from the perspective of expanding into new business fields, with the aim of developing the Group and increasing its value. The internal control system also motivates employees and supports staff in taking on new challenges that will lead to the Group's growth and structural reforms. We view it as a broad concept that includes systems to ensure the appropriateness of business operations based on the Companies Act and systems to ensure the appropriateness of financial information, based on the Financial Instruments and Exchange Act.

JR East Group's basic approach to its internal control system

Group Philosophy / Realization of the JR EAST Group Management Vision "Move Up" 2027



Risk management

In addition to the development and operation of the Company's System for Ensuring the Appropriateness of Business Operations based on the Companies Act and the System for Ensuring the Appropriateness of Financial Information based on the Financial Instruments and Exchange Act, we have also been striving to improve our risk management system by identifying various risks* faced by the Group, prioritizing them based on their likelihood of occurrence and impact, and implementing the PDCA (Plan-Do-Check-Act) cycle to consider and implement measures to avoid or reduce them, in an effort to curb the occurrence of risks and minimize their impact if they do occur.

Nevertheless, in order for the Group to improve profitability and undertake structural reforms to speed up "Move Up" 2027, we recognize the importance of broad-based risk management from the perspective of proactively increasing the value of the Group, including risk-taking, in addition to considering risks from the perspective of reducing negative factors such as avoiding losses. In addition to ensuring stable and appropriate business operations, the Group's risk management is designed to support and encourage all Group employees to boldly take on challenges toward growth.

* These include not only risks related to compliance, safety assurance, and natural disasters, but also those related to market changes, competitor trends, social and economic conditions in Japan and overseas, and management decisions related to new businesses.

From risk reduction to increased willingness to take up challenges

To realize "Move Up" 2027, it is essential to establish and properly operate an internal control system that responds to changes in the environment. To achieve sustainable growth as a provider of a wide range of services, while avoiding and minimizing risks, the JR East Group continuously identifies, analyzes, and evaluates risks. Also, we clarify priorities, and take measures with a strong awareness of the importance of initial responses and collaboration.

In addition, to increase the value of the Group, it is important that these efforts promote reforms that are compatible with the business environment and consistent with internal controls and governance. We also need to identify risks in challenges to growth and to promote broad risk management that embraces risk-taking. The key here is the initiative of our employees and I believe that it is important to encourage their engagement from a bottom-up perspective.

To respond flexibly to various changes in the business environment, we need to promote and deepen cooperation between corporate planning, audit, and other divisions, and to put in place systems that facilitate the reduction of risk in each unit. We are also trying to develop risk management.



Risk Management Unit Corporate & Legal Strategies Department

Basic concept of compliance

JR East positions Compliance as a basic policy of the corporate management to build a better relationship of trust with regional communities and society. We adopted the Policy on Legal and Regulatory Compliance and Corporate Ethics as the Group's corporate activity guidelines, and we comply with all related laws including the Railway Business Act in our various business fields such as Transportation services, Life-style services and the IT & *Suica* services, and we thus conduct business in accordance with corporate ethics.

Overview of compliance at the JR East Group



Policy on Legal and Regulatory Compliance and Corporate Ethics

We uphold regulatory compliance and corporate ethics in accordance with the Group's philosophy and principles. To improve the efficacy of

this policy, we have distributed the Compliance Action Plan Handbook to all members of the Group. This handbook outlines the actions expected of every employee. It is revised periodically to reflect changes in laws and the social environment.

Furthermore, in conjunction with the development of overseas business, we formulated and announced the "Basic Policy for the Prevention of Bribery Relating to Foreign Public Officials."



Compliance Action Plan Handbook

Promoting compliance

We conduct compliance education for all staff each year, to help all Group employees better understand the importance of compliance. In fiscal 2021, we used e-learning to deepen understanding of how to tackle power harassment. In addition to deepening employee understanding of violations that have occurred at other companies, we worked to instill knowledge and awareness by discussing these issues in relation to our own workplaces.

In addition, we hold annual compliance seminars to consider compliance from a broad perspective, and talks are given by outside lecturers to provide an alternative perspective, which will be useful for future business operations.

The head of each workplace regularly checks operational appropriateness using questionnaires. We use the Confirmation Support Sheet of Basic Issues, which summarizes fundamental compliance-related matters, for ongoing checking and confirmation. To ascertain potential compliance risks inherent in customization activities, we distribute questionnaires to all Group employees in an effort to detect any early signs of major scandals.

Compliance hotline

We have established consultation desks both internally and outside the Group to facilitate consultation and reporting related to compliance. We accept consultations and reports from business partners and retirees and publish how we respond to them on our website. To enhance the effectiveness of our internal reporting system, we have registered for certification with Japan's Whistleblowing Compliance Management System (WCMS), through the program's "self-declaration of conformity" process.

In fiscal 2021, we received 249 consultations and messages on a wide range of issues from the handling of laws and regulations to problems in human relations including harassment, and we responded to them properly and respectfully.

Ensuring information security

JR East has designed and introduced an information security management system outlined by the JR East Group's Basic Policy for Information Security and led by the Chief Information Security Officer (CISO).

We strive to minimize information security risks by promoting security measures based on the following basic concepts: in-depth defense with multiple security measures, development of a system to promptly detect and respond to cyber attacks, timely software upgrades to address vulnerabilities, and Groupwide deployment of security measures. In addition, we continuously conduct information security education to raise employee awareness of cybersecurity and undertake training to confirm initial responses in the event of a security incident.

(Specific initiatives)

- Detection of fraudulent communications by the Security Operations Center (SOC)
- Vulnerability assessment and countermeasures for business PCs and systems
- CSIRT (Computer Security Incident Response Team) training on the assumption of cyber attacks
- Thorough familiarization of all employees with "10 Points on Information Security" (rules for using information equipment)
- Annual security training for all employees and periodic targeted email training, etc.

Personal data protection

Pursuant to applicable laws and regulations including the "Act on the Protection of Personal Information", JR East Group has published its "Basic Policy for Personal Information Handling" and formulated the "Regulations for the Management of Personal Information", and we improve our handling of personal information in tandem with legal revisions. In addition, we are revising our rules to reinforce our personal information management system and

作	情報セキュリティ		
	10.3 %		
#1#	会社のパソコンやタブレットは定められた目的以外で使用しない		
828	パスワードは第三者に「数えない」「約5れない」「推測されない」 【パスワード三原則】		
	不要な電子メールは開発しない		
848	モデメールやFAXを送る時は、開先に通びの注意を払う		
858	テータ記録メディアは会社が認めたもの以外は使用しない		
	テーク記録メディアを使用する前に、必ずウイルスチェックをする		
878	会社外への情報の持ち出しは必要能低限とする		
	機会情報や個人情報は影響に管理し、不要となった際は確実に応 分する		
-	LANケーブルは、「(ハフから)扱わない」「(ハプに)得さない」「良た目で判断しない」 【LANケーブル三原用】		
#10#	ウイルス検出等の保護が発生した特は、「職業」「産業」「「職業」「職業」「「職業」」「取扱保存」 「営業的三原則」		

10 Points on Information Security



Leaflet entitled "Points of Caution on the Handling of Personal Information"

reduce the risk of information leaks. We have also appointed chief privacy officers who have the responsibility of strictly protecting personal data. Furthermore, as one of several measures responding to the European Union's General Data Protection Regulation (GDPR), which came into force in May 2018, we have now published an English-language version of our privacy policy and other materials on our website.

Through leaflets for raising employee awareness, articles in our internal magazines, and compliance education, we are also working to ensure that all employees remain fully aware of the need for the strict handling and management of personal data. Furthermore, in order to ensure proper control of personal data, the Group conducts periodical internal workplace audits.

Dialogue with investors and shareholders

We create opportunities for constructive dialogue with shareholders and investors to deepen their understanding of the JR East Group's businesses and to build long-term, trust-based relationships. As a result, we strive to ensure sustainable business growth and build corporate value over the medium to long term.

(Specific initiatives)

- Financial results briefings, individual meetings, overseas investor relations, meetings on themes of particularly high interest and site visits to facilities
- Shareholder-only events (examples include night-time visits to the Railway Museum, special tours of a Shinkansen General Rolling Stock Center, and tours of the Marunouchi Station Building at Tokyo Station)





Communication with employees

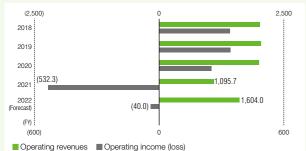
Through on-site visits and other means, executives and other senior staff at the head office and branch offices actively communicate with JR East employees. In fiscal 2019, we began holding "Move Up" 2027 Discussion, in which executives and head office management share opinions and hold discussions with employees in each area, to embed "Move Up" 2027 in each workplace and encourage Group employees to take on challenges and make changes through their own initiatives. In fiscal 2021, in response to the COVID-19 pandemic and other factors, executives and head office management hosted around 50 online discussions with employees, as well as visiting each area in person.

Review of Operations

Transportation



Operating revenues and operating income (loss) by segment (Billions of Yen)



The Group made concerted efforts to rigorously implement measures to prevent the spread of COVID-19 and ensure service quality and safe, reliable transportation. Also, JR East sought to improve convenience by encouraging the use of contactless service enabled by Suica and Shinkansen e-tickets. Nonetheless, the revenues of the railway business and bus services decreased significantly due to the COVID-19 pandemic. As a result, the Transportation segment recorded operating revenues of ¥1,095.7 billion and an operating loss of ¥532.3 billion, compared with operating income of ¥250.5 billion in the previous fiscal year.

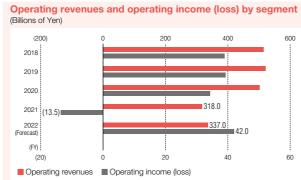
Group companies by segment

JR BUS KANTO Co., Ltd. JR Bus Tohoku Co., Ltd. Tokvo Monorail Co., Ltd. JR EAST VIEW Travel Service Co., Ltd. JR East Rental & Lease Co., Ltd. JR East Net Station Co., Ltd. JR East TESSEI Co., Ltd. JB Fast Transportation Services Co. 1 td JR Fast Station Service Co., I td. JR Takasaki Railway Services Co., Ltd. JR Mito Railway Services Co., Ltd. JR Chiba Railway Services Co., Ltd. JR East Techno Service Co., Ltd JR Morioka Railway Service Co., Ltd.

JR Akita Railway Services Co., Ltd. JR Niigata Railway Services Co., Ltd. JR Nagano Railway Services Co., Ltd. JR Higashinihon Linen Co., Ltd. JR East Service Creation Co., Ltd. JR East Design Corporation JR East Environment Access Co., Ltd. JR East Facility Management Co., Ltd. Union Construction Co., Ltd. Japan Railway Track Technology Consultants Co., Ltd. Japan Transport Engineering Company JR East Rail Car Technology & Maintenance Co., Ltd.

Retail & Services





We enhanced value by opening new commercial facilities inside railway stations and upgrading existing businesses. These efforts included GranSta Tokyo in Tokyo, which is JR East's largest commercial facility inside a railway station; ecute EDITION Yokohama in Kanagawa; and Kimchi, Durian, Cardamom,,, Food Lab in Tokyo. However, reflecting the impact of the COVID-19 pandemic, stores inside railway stations as well as advertising and publicity saw a drop in revenues. Consequently, the business segment recorded operating revenues of ¥318.0 billion and an operating loss of ¥13.5 billion, compared with operating income of ¥34.3 billion in the previous fiscal year.

Group companies by segment

JR East Cross Station Co., Ltd. KINOKUNIYA Co., Ltd. JR East TOHOKU SOUGOU SERVICE Co., Ltd. East Japan Railway Trading Co., Ltd. JR East Logistics Co., Ltd. JR East Sports Co., Ltd.

GALA YUZAWA Co., Ltd. JR East Marketing & Communications, Inc. JR East Media Co., Ltd. The Orangepage, Inc. JRE Business Development Taiwan, Inc. JR East Business Development SEA Pte. Ltd.

Real Estate & Hotels

Operating revenues and operating income (loss) by segment (Billions of Yen)



Operating revenues Operating income (loss)

Working with local communities, the Group developed large-scale terminal stations and line-side areas to create cities that offer appealing lifestyles. These initiatives included the openings of the WATERS takeshiba complex in Tokyo and the JR SENDAI EAST GATE BLDG. in Miyagi. Despite such initiatives, the COVID-19 pandemic caused a sharp decline in the revenues of station buildings and hotels. Amid these conditions, the business segment booked operating revenues of ¥271.2 billion and a year-on-year decrease of 79.7% in operating income, to ¥15.1 billion.

Group companies by segment

atré Co., Ltd.	JR East Niigata City Create Inc.
LUMINE Co., Ltd.	Station Building MIDORI Co., Ltd.
Yokohama Station Building Co., Ltd.	JR East Building Co., Ltd.
Shonan Station Building Co., Ltd.	Nippon Hotel Co., Ltd.
JR Chuo Line Community Design Co., Ltd.	Sendai Terminal Building Co., Ltd.
JR East Department Store Co., Ltd.	Morioka Terminal Building Co., Ltd.
Kinshicho Station Building Co., Ltd.	Akita Station Building Co., Ltd.
Chiba Station Building Co., Ltd.	JR East Urban Development Corporation
JR East Aomori Business-Development Company Co., Ltd.	JR East Real Estate Asset Management Co., Ltd.

Others



Operating revenues and operating income (loss) by segment (Billions of Yen)



The Group increased usage of Suica, and advanced railway projects overseas. As for *Suica* e-money, we continued to develop the network of participating stores and business establishments by introducing Suica e-money to cafes and supermarkets. Nevertheless, revenues from the data processing business declined, and due to the COVID-19 pandemic revenues from credit card operations also decreased markedly. As a result, the business segment's operating revenues were ¥79.5 billion, while operating income was down 38.2% year on year to ¥14.7 billion.

Group companies by segment

JR East Information Systems Company JR East Management Service Co., Ltd. JB Fast Personnel Service Co I td JR East Green Partners Co., Ltd. Viewcard Co., Ltd. JR East Consultants Company

JR East Mechatronics Co., Ltd. Japan International Consultants for Transportation Co 1 td JR East Energy Development Co., Ltd. Shinjuku South Energy Service Co., Ltd. Ekimachi Energy Create Co., Ltd. JR East Start UP Co., Ltd.

Consolidated 11-Year Financial and Non-Financial Summary

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	
erations Results							·			_
ating Revenues	¥2,537,353	¥2,532,174	¥2,671,823	¥2,702,917	¥2,756,165	¥2,867,200	¥2,880,802	¥2,950,157	¥3,002,043	
ing Expenses	2,192,266	2,172,149	2,274,260	2,296,123	2,328,643	2,379,379	2,414,492	2,468,861	2,517,182	
ting Income (Loss)	345,087	360,025	397,563	406,794	427,522	487,821	466,310	481,296	484,861	
Loss) Attributable to Owners of Parent	76,224	108,738	175,385	199,940	180,398	245,310	277,925	288,957	295,216	
rehensive Income	73,644	109,304	197,740	214,632	229,293	217,419	293,471	300,647	295,928	
ting Revenues by Segment*1										
ortation	¥1,721,922	¥1,705,794	¥1,809,554	¥1,827,467	¥1,852,040	¥1,954,588	¥1,989,839	¥2,017,877	¥2,038,195	
Services	385,891	396,168	404,207	400,948	396,368	399,960	502,414	514,963	521,878	
ate & Hotels	223,293	229,637	238,945	251,070	254,997	255,979	326,312	340,144	349,014	_
	206,247	200,575	219,117	223,432	252,760	256,673	62,237	77,173	92,956	-
	2,537,353	2,532,174	2,671,823	2,702,917	2,756,165	2,867,200	2,880,802	2,950,157	3,002,043	-
l Position	·									-
ets	¥7,042,900	¥7,060,409	¥7,223,205	¥7,428,304	¥7,605,690	¥7,789,762	¥7,911,115	¥8,147,676	¥8,359,676	-
ated Interest-bearing Debt	3,433,010	3,340,233	3,307,483	3,288,401	3,275,523	3,241,979	3,211,074	3,179,660	3,163,731	-
ers' Equity	1,809,355	1,874,404	2,030,666	2,180,633	2,285,658	2,442,129	2,653,419	2,859,330	3,067,174	_
ws										-
/s from Operating Activities	¥ 508,846	¥ 558,650	¥ 588,529	¥ 562,764	¥ 622,762	¥ 673,110	¥ 652,907	¥ 704,194	¥ 663,801	_
from Investing Activities	(433,179)	(370,685)	(465,952)	(474,698)	(476,844)	(499,575)	(557,539)	(541,857)	(594,426))
s from Financing Activities	(27,512)	(152,428)	(101,151)	(91,367)	(86,636)	(110,266)	(116,280)	(135,100)	(120,693))
ormation										-
r Share	¥ 193	¥ 275	¥ 444	¥ 507	¥ 459	¥ 626	¥ 714	¥ 749	¥ 773	-
rs' Equity per Share	4,574	4,739	5,136	5,529	5,818	6,232	6,826	7,427	8,047	-
ends per Share* ²	110	110	120	120	120	130	130	140	150	_
Indicators										_
rating Revenues (%)	3.0	4.3	6.6	7.4	6.5	8.6	9.6	9.8	9.8	_
Average Equity (ROE) (%)	4.2	5.9	9.0	9.5	8.1	10.4	10.9	10.5	10.0	
perating Income to Average Assets (ROA) (%)	4.9	5.1	5.6	5.6	5.7	6.3	5.9	6.0	5.9	
io (%)	25.7	26.5	28.1	29.4	30.1	31.4	33.5	35.1	36.7	-
earing Debt to Shareholders' Equity (times)	1.9	1.8	1.6	1.5	1.4	1.3	1.2	1.1	1.0	-
overage Ratio (times)	4.8	5.5	6.2	6.3	7.6	8.8	9.2	10.9	10.5	-
aring Debt / Net Cash Provided by Operating Activities (times)	6.7	6.0	5.6	5.8	5.3	4.8	4.9	4.5	4.8	-
Irn Ratio (%)			31.8	29.3	32.3	33.0	32.6	32.9	32.9	-
										-
ation	¥ 366,415	¥ 358,704	¥ 346,808	¥ 348,042	¥ 353,251	¥ 359,515	¥ 364,129	¥ 367,998	¥ 368,723	-
xpenditures*3	425,835	370,199	480,717	525,708	522,127	541,949	506,727	550,478	629,925	_
(penses	105,918	101,073	95,312	88,279	81,962	76,332	70,258	64,733	62,545	_
ancial Data								·		-
Consolidated Subsidiaries (As of March 31)	75	72	72	73	72	67	67	69	70	-
Employees	71,749	71,729	73,017	73,551	73,329	73,053	73,063	73,193	72,402	_
Expenses	¥ 707,951	¥ 692,663	¥ 716,700	¥ 728,000	¥ 721,676	¥ 728,296	¥ 722,279	¥ 725,320	¥ 727,627	-
· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·		32.3	32.4	32.8	31.8	32.0	31.6	32.1	-

*1 Due to a change in the reporting segment classification from fiscal 2018, figures for fiscal 2017 onward have been reclassified to reflect the new segment classification. *2 The total amount of dividends for each fiscal year consists of interim dividends and year-end dividends. *3 Total capital expenditures do not include expenditures funded by the government or other third parties.

Millions of Yen

Consolidated Balance Sheet

East Japan Railway Company and Subsidiaries March 31, 2020 and 2021

		Millions of Yen		
	2020	2021	2021	
Assets				
Current Assets:				
Cash and cash equivalents	¥ 153,794	¥ 197,960	\$ 1,783	
Receivables:				
Accounts receivable-trade	565,251	499,105	4,496	
Unconsolidated subsidiaries and affiliated companies	10,685	12,725	115	
Other	4,359	5,628	51	
Allowance for doubtful accounts	(1,937)	(2,572)	(23)	
	578,358	514,886	4,639	
Inventories	69,652	83,647	754	
Real estate for sale	1,876	4,081	37	
Other current assets	53,945	97,833	881	
Total current assets	857,625	898,407	8,094	
Investments:				
Unconsolidated subsidiaries and affiliated companies	94,536	80,410	724	
Other	203,462	237,317	2,138	
	297,998	317,727	2,862	
Property, Plant and Equipment:				
Buildings	2,944,258	3,166,124	28,524	
Fixtures	6,311,831	6,413,547	57,780	
Machinery, rolling stock and vehicles	2,933,448	2,976,147	26,812	
Land	2,121,844	2,145,695	19,331	
Construction in progress	412,754	361,627	3,258	
Other	288,526	302,586	2,725	
	15,012,661	15,365,726	138,430	
Less accumulated depreciation	8,050,627	8,247,575	74,303	
Net property, plant and equipment	6,962,034	7,118,151	64,127	
Other Assets:				
Deferred tax assets	217,782	344,825	3,107	
Other	201,621	237,310	2,138	
	419,403	582,135	5,245	
	¥ 8,537,060	¥ 8,916,420	\$ 80,328	

		Millions of Yen	Millions of U.S. Dollar
—	2020	2021	202
Liabilities and Net Assets			
Current Liabilities:			
Current portion of long-term debt	¥ 235,293	¥ 523,320	\$ 4,71
Current portion of long-term liabilities incurred for purchase of railway facilities	4,308	4,215	38
Prepaid railway fares received	96,781	77,526	698
Payables:			
Accounts payable-trade	45,736	50,255	45
Unconsolidated subsidiaries and affiliated companies	118,912	104,521	94
Other	671,762	640,184	5,76
	836,410	794,960	7,16
Accrued expenses	116,429	100,680	90
Accrued consumption taxes	6,833	7,857	7
Accrued income taxes	32,252	22,074	19
Other current liabilities	220,931	502,218	4,52
Total current liabilities	1,549,237	2,032,850	18,31
Long-Term Liabilities:	0 000 740	0.000.404	07.00
Long-term debt	2,600,742	3,089,181	27,83
Long-term liabilities incurred for purchase of railway facilities	323,405	318,874	2,87
Net defined benefit liability	512,063	482,222	4,34
Deposits received for guarantees	151,234	151,849	1,36
Deferred tax liabilities	4,830	5,221	4
Allowance for partial transfer costs of railway operation	1,759	1,131	1
Provision for large-scale renovation of Shinkansen infrastructure	96,000	120,000	1,08
Other long-term liabilities	124,363	157,731	1,42
Total long-term liabilities	3,814,396	4,326,209	38,97
Contingent Liabilities			
Net Assets:			
Common stock:			
Authorized 1,600,000,000 shares;			
Issued, 2021 – 377,932,400 shares;			
Outstanding, 2021 – 377,240,114 shares	200,000	200,000	1,80
Capital surplus	96,796	96,523	87
Retained earnings	2,809,369	2,181,571	19,65
Treasury stock, at cost, 692,286 shares in 2021	(5,547)	(5,554)	(5
Accumulated other comprehensive income:			
Net unrealized holding gains (losses) on securities	32,976	54,322	48
Net deferred gains (losses) on derivatives under hedge accounting	2,405	2,137	1
Revaluation reserve for land	(418)	(434)	(
Foreign currency translation adjustments	(115)	(25)	
Remeasurements of defined benefit plans	10,630	6,487	5
Non-controlling interests	27,231	22,334	20
		-	23,03
Total net assets	3,173,427	2,557,361	

Consolidated Statements of Operations and Comprehensive Income

East Japan Railway Company and Subsidiaries Years ended March 31, 2020 and 2021

(I) Consolidated Statement of Operations

		Millions of Yen	Millions of U.S. Dollars
	2020	2021	2021
Operating Revenues	¥2,946,639	¥1,764,585	\$15,897
Operating Expenses:			
Transportation, other services and cost of sales	1,933,704	1,724,645	15,537
Selling, general and administrative expenses	632,094	560,298	5,048
	2,565,798	2,284,943	20,585
Operating Income (Loss)	380,841	(520,358)	(4,688)
Other Income (Expenses):			
Interest expense on short- and long-term debt	(39,312)	(39,396)	(355)
Interest expense incurred for purchase of railway facilities	(21,474)	(21,267)	(192)
Loss on sales of fixed assets	(1,452)	(160)	(1)
Impairment losses on fixed assets	(7,578)	(80,032)	(721)
Interest and dividend income	6,151	5,044	45
Equity in net income (loss) of affiliated companies	5,614	(13,417)	(121)
Gain on sales of fixed assets	7,296	11,660	105
Environmental conservation costs	(11,191)	(36,983)	(333)
Subsidies for employment adjustment	_	5,091	46
Other, net	(34,720)	(13,773)	(124)
	(96,666)	(183,233)	(1,651)
Income (Loss) before Income Taxes	284,175	(703,591)	(6,339)
Income Taxes:			
Current	83,722	13,264	120
Deferred	1,965	(134,154)	(1,209)
Profit (Loss)	198,488	(582,701)	(5,250)
Profit (Loss) Attributable to Non-Controlling Interests	(59)	(4,801)	(44)
Profit (Loss) Attributable to Owners of Parent	¥ 198,429	¥ (577,900)	\$ (5,206)
		Yen	U.S. Dollars
Earnings per Share	¥525	¥(1,532)	\$(14)
Cash Dividends Applicable to the Year	165	100	1

(II) Consolidated Statements of Comprehensive Income

		Millions of Yen	Millions of U.S. Dollars
-	2020	2021	2021
Profit (Loss)	¥198,488	¥(582,701)	\$(5,250)
Other Comprehensive Income:	(25,159)	16,930	153
Net unrealized holding gains (losses) on securities	(23,561)	20,844	188
Net deferred gains (losses) on derivatives under hedge accounting	815	(260)	(2)
Foreign currency translation adjustments	(9)	(10)	(0)
Remeasurements of defined benefit plans	(458)	(4,439)	(40)
Share of other comprehensive income of associates accounted for using equity method	(1,946)	795	7
Comprehensive Income	¥173,329	¥(565,771)	\$(5,097)
Comprehensive Income Attributable to:			
Comprehensive income attributable to owners of parent	¥173,303	¥(560,990)	\$(5,054)
Comprehensive income attributable to non-controlling interests	26	(4,781)	(43)

Consolidated Statement of Changes in Net Assets

Shares

East Japan Railway Company and Subsidiaries Years ended March 31, 2020 and 2021

	Sildies										10	
	Number of Issued Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Net Unrealized Holding Gains (Losses) on Securities	Net Deferred Gains (Losses) on Derivatives under Hedge Accounting	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Non- Controlling Interests	Total
Balance at March 31, 2019	381,822,200	¥200,000	¥96,797	¥2,705,184	¥(5,508)	¥58,966	¥1,584	¥(418)	¥ (6)	¥10,575	¥27,205	¥3,094,379
Cash dividends												
(¥165 per share)				(59,764)	-							(59,764)
Profit attributable to owners of parent	_	_	_	198,429	_	_	_	_	_	_	_	198,429
Increase/decrease due to merger	_	_	_	_	_	_	_	_	_	_	_	_
Purchase of treasury stock	_	_	_	_	(40,019)	_	_	_	_	_	-	(40,019)
Disposal of treasury stock	_	_	_	(0)	1	_	_	_	_	_	_	1
Retirement of treasury stock	(3,889,800)	_	_	(40,122)	40,122	_	_	_	_	_	_	_
Increase/decrease in treasury stock arising from change in equity in entities accounted for using equity method		_	_	(,,	(143)	_		_	_		_	(143)
Change in scope of equity				-	(140)							
method Purchase of shares of	-	-	_	5,642	_	-	-	_	-	-	_	5,642
consolidated subsidiaries Increase/decrease caused by organization restructuring	_	-	(1)	-	_	-	-	_	-	-	-	(1)
of companies to which the equity method is applicable	-	-	-	_	_	_	-	-	-	-	_	-
Reversal of revaluation reserve for land	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	(25,990)	821	-	(9)	55	26	(25,097)
Balance at March 31, 2020	377,932,400	¥200,000	¥96,796	¥2,809,369	¥(5,547)	¥32,976	¥2,405	¥(418)	¥(15)	¥10,630	¥27,231	¥3,173,427
Cash dividends (¥100 per share)				(50,032)	_							(50,032)
Loss attributable to owners of parent	_	_	_	(577,900)	_	_	_	_	_	_	_	(577,900)
Increase/decrease due to merger	_	_	_	134	_	_	_	_	_	_	_	134
Purchase of treasury stock		_	_	_	(8)	_	_	_	_	_	_	(8)
Disposal of treasury stock		_	_	_	1	_	_	_	_	_	_	1
Retirement of treasury stock	_	_	_	_		_	_	_	_	_	_	
Increase/decrease in treasury stock arising from change in equity in entities accounted for using equity method	_	_	_	_	_	_	_	_	_	_	_	_
Capital increase of consolidated subsidiaries	_	_	(66)	_	_	_	_	_	_	_	_	(66)
Purchase of shares of consolidated subsidiaries		_	(207)	_	_	_	_		_	_	_	(207)
Increase/decrease caused by organization restructuring of companies to which the		_	(207)	_	_	_	_	_	_		_	(207)
	_											
equity method is applicable Reversal of revaluation	_	_	_	_	_	_	_	_	_	_	_	_
equity method is applicable	_	_	_	_	_	- 21,346	(268)	(16)	(10)	(4,143)	(4,897)	

Shares

	Number of Issued Shares of	Common	Capital	Retained	Treasury	Net Unrealized Holding Gains (Losses) on	Net Deferred Gains (Losses) on Derivatives under Hedge	Reserve for	Foreign Currency Translation		Non- Controlling	Tel
Balance at March 31, 2020	Common Stock 377,932,400	Stock \$1,802	Surplus \$873	Earnings \$25,310	Stock \$(50)	Securities \$297	Accounting \$21	Land \$ (4)	Adjustments \$ (0)	Benefit Plans \$ 95	Interests \$245	Total \$28,589
Cash dividends	311,332,400	φ1,002	φ010	ψ20,010	Φ(00)	φ231	ψ2 Ι	Φ(4)	φ(0)	ψ 35	Ψ240	φ20,000
(\$1 per share)	-	_	_	(451)	_	-	-	-	-	_	_	(451)
Loss attributable to owners of parent	_	_	_	(5,206)	_	_	_	_	_	_	_	(5,206)
Increase/decrease due to merger	_	_	_	1	_	_	_	_	_	_	_	1
Purchase of treasury stock	-	-	-	_	-	-	-	-	-	-	-	0
Disposal of treasury stock	-	-	-	_	-	-	-	-	-	-	-	0
Retirement of treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Increase/decrease in treasury stock arising from change in equity in entities accounted for using equity method		_	_	_	_	_	_	_	_	_	_	_
Capital increase of consolidated subsidiaries	_	_	(1)	_	_	_	_	_	-	_	_	(1)
Purchase of shares of consolidated subsidiaries	_	_	(2)	_	_	_	_	_	_	_	_	(2)
Increase/decrease caused by organization restructuring of companies to which the equity method is applicable	_	_	_	_	_	_	_	_	_	_	_	_
Reversal of revaluation reserve for land	_	_	_	_	_	_	_	_	_	_	_	_
Other	-	-	-	-	-	192	(2)	-	-	(37)	(44)	109
Balance at March 31, 2021	377,932,400	\$1,802	\$870	\$19,654	\$(50)	\$489	\$19	\$ (4)	\$ (0)	\$ 58	\$201	\$23,039

Millions of Yen

Millions of U.S. Dollars

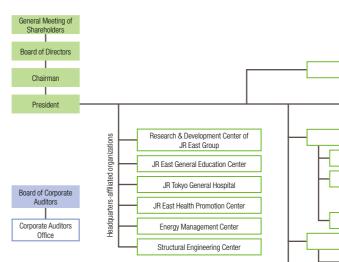
Consolidated Statement of Cash Flows

East Japan Railway Company and Subsidiaries Years ended March 31, 2020 and 2021

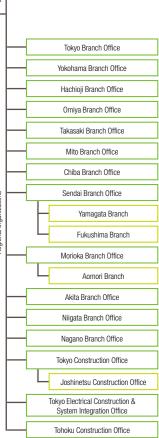
		Millions of Yen	Millions of U.S. Dollars
-	2020	2021	2021
Cash Flows from Operating Activities:	2020	2021	2021
Income (Loss) before income taxes	¥ 284,175	¥(703,591)	\$(6,339)
Depreciation	374,743	388,828	3,503
Impairment losses on fixed assets	7,578	80,032	721
•	10,089		101
Amortization of long-term prepaid expense		11,170	216
Net change in provision for large-scale renovation of Shinkansen infrastructure	24,000	24,000	
Net change in net defined benefit liability	(42,863)	(36,057)	(325)
Interest and dividend income	(6,151)	(5,044)	(45)
Interest expense	60,786	60,663	547
Construction grants received	(45,660)	(28,957)	(261)
Loss from disposition and provision for cost reduction of fixed assets	74,662	55,783	503
Net change in major receivables	20,121	67,593	609
Net change in major payables	(42,263)	6,715	60
Other	674	(15,650)	(141)
Sub-total	719,891	(94,515)	(851)
Proceeds from interest and dividends	8,157	6,498	58
Payments of interest	(60,883)	(60,555)	(547)
Payments of Disaster-damage losses	(4,832)	(12,375)	(111)
Payments of partial transfer costs of railway operation	(4,520)	(997)	(9)
Payments of income taxes	(109,120)	(28,024)	(252)
Net cash provided by (used in) operating activities	548,693	(189,968)	(1,712)
Cash Flows from Investing Activities:			
Payments for purchases of fixed assets	(703,909)	(765,483)	(6,896)
Proceeds from sales of fixed assets	13,777	13,921	125
Proceeds from construction grants	40,798	30,699	277
Payments for purchases of investment in securities	(29,541)	(7,125)	(64)
Proceeds from sales of investment in securities	1,522	1,356	12
Other	(24,248)	(22,765)	(205)
Net cash used in investing activities	(701,601)	(749,397)	(6,751)
Cash Flows from Financing Activities:			
Net change in short-term loans	-	300,000	2,703
Commercial Paper	150,000	265,000	2,387
Proceeds from long-term loans	129,100	281,700	2,538
Payments of long-term loans	(110,453)	(115,293)	(1,039)
Proceeds from issuance of bonds	105,000	430,003	3,874
Payments for redemption of bonds	(125,000)	(120,000)	(1,081)
Payments of liabilities incurred for purchase of railway facilities	(4,414)	(4,624)	(42)
Payments of acquisition of treasury stock	(40,019)	(8)	(0)
Cash dividends paid	(59,764)	(50,032)	(451)
Other	(1,040)	(3,360)	(30)
Net cash provided by financing activities	43,410	983,386	8,859
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(98)	(18)	(0)
Net Change in Cash and Cash Equivalents	(109,596)	44,003	396
Cash and Cash Equivalents at Beginning of Year	263,740	153,794	1,386
Increase in Cash and Cash Equivalents from Newly Consolidated Subsidiary		_	_
Increase in Cash and Cash Equivalents due to Merger	_	163	1
Increase in Cash and Cash Equivalents Resulting from Absorption-Type Demerger	(350)	_	_
Cash and Cash Equivalents at End of Year	¥ 153,794	¥ 197,960	\$ 1,783

Organization

June 30, 2021



	External Relations Office	Managing organization	[Shinkansen General Management Department
		- 5		
	Corporate Planning Headquarters		[Tokyo Branch Office
-[Shinagawa & Large-scale Developments Dept.		—[Yokohama Branch Office
-[Management Planning Dept.		[Hachioji Branch Office
	Reconstruction Planning Office		[Omiya Branch Office
-[Investment Planning Dept.		-[Takasaki Branch Office
_	Technology Innovation Headquarters		—	Mito Branch Office
	ICT Research Center		—[Chiba Branch Office
	Intellectual Property Center	suo	—	Sendai Branch Office
	MaaS & Suica Headquarters	Regional organizations		Yamagata Branch
	International Affairs Headquarters	ional or		Fukushima Branch
	Overseas Offices	Reg	—[Morioka Branch Office
	(Paris, London, Singapore)			Aomori Branch
	Inquiry & Audit Dept.		—	Akita Branch Office
-	Railway Operations Headquarters		—	Niigata Branch Office
	Transport Safety Dept.		—	Nagano Branch Office
	Customer Service Quality Reformation Dep			Tokyo Construction Office
	Marketing Dept.			Joshinetsu Construction Office
	Tourism Strategy Office		<u> </u>	Tokyo Electrical Construction &
	Hokuriku Marketing Center			System Integration Office
	Transport & Rolling Stock Dept.		_	Tohoku Construction Office
	Rolling Stock Technology Center			
	TRAIN SUITE SHIKI-SHIMA Conductors Depot			
	Facilities Dept.			
	Mechatronics Technology Management Center			
	Track Maintenance Technology Management Center			
	Electrical & Signal Network System Dept.			
	Signalling System Management Center			
	Electric Power Technology Management Center			
-	Shinanogawa Power Station Improvement Dept.			
	Shinanogawa Power Station Improvement Office			
l	Life-style Business Development Headquarters			
	Construction Dept.			
	Energy Strategies Dept.			
	Public Relations Dept.			
	Finance Dept.			
	Work & Welfare Strategies Dept.			
	Corporate & Legal Strategies Dept.			



Corporate Data

As of March 31, 2021

Paid-in Capital

¥200,000 million

Rating Information

AA+ (Rating and Investment Information, Inc.) A+ (S&P Global Ratings Japan Inc.) A1 (Moody's Japan K.K.)

Comparison of Market Capitalization

INTERNATIONAL

Total Stock Millions of U.S. [Market Value Dollars	
JR East		26,641
IAG	-	7,746
Lufthansa	-	7,576
Union Pacific		139,472
FedEx		34,201
UPS		146,009

DOMESTIC

Total Stock Billions of Yen	Market Value	
JR East		2,957.1
ANA		1,209.7
Tokyu		890.4
Kansai Electric Power	_	1,069.9
NTT		10,293.7

Railway Operations in Japan

SHARE OF DOMESTIC RAILWAYS

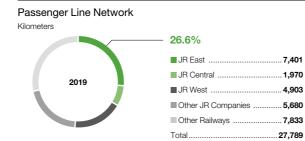
TRANSPORTATION MARKET

International Railway Comparisons*

Railway Line	e Networks	
JR East		7,401
U.K.		15,878
Germany		33,440
France		28,183
U.S.		34,439

Number of Passengers

Millions	
JR East	6,
U.K.	1
Germany	2
France	1
U.S.	





Stock Information

As of March 31, 2021

Fiscal Year

April 1 to March 31

Number of Shareholders

Total Number of Shares Issued 377,932,400

Custody Bank of Ja

Stock Exchange Listing Tokyo

Transfer Agent

270,984

Mitsubishi UFJ Trust and Banking Corporation 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan **Major Shareholders**

The Master Trust B

The JR East Emplo

treasury stock.



* Figures are for the years ended March 2019 for JR East, September 2018 for the U.K. (Office of Rail and Road), December 2018 for Germany (Deutsche Bahn), December 2018 for France (Societe Nationale des Chemins de fer Francais [SNCF]), and September 2018 for the U.S. (Amtrak).

Name of Shareholders	Number of Shares Held (Shares)	Shareholding Percentage (%)
The Master Trust Bank of Japan, Ltd. (as Trustee)	30,082,700	7.97
Custody Bank of Japan, Ltd. (as Trustee)	15,975,400	4.23
Mizuho Bank, Ltd.	13,000,000	3.44
The JR East Employees Shareholding Association	11,912,252	3.15
MUFG Bank, Ltd.	8,138,000	2.16
Nippon Life Insurance Company	8,015,560	2.12
The Dai-ichi Life Insurance Company, Limited	8,000,000	2.12
Sumitomo Mitsui Banking Corporation	6,845,000	1.81
GIC PRIVATE LIMITED - C	5,905,415	1.56
STATE STREET BANK WEST CLIENT - TREATY 505234	5,709,144	1.51

The shareholding percentage is calculated based on the total number of issued shares excluding 331,630 shares of



Independent Assurance Report

To the President and CEO of East Japan Railway Company

We were engaged by East Japan Railway Company (the "Company") to undertake a limited assurance engagement of the environmental performance indicators marked with \ddagger for the period from April 1, 2020 to March 31, 2021 (the "Indicators") included in its JR East Group Report 2021 INTEGRATED REPORT (the "Report") for the fiscal year ended March 31, 2021.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' and the 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements' issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company's responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and recalculating the Indicators.
- Visiting two of the Company's domestic business sites selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KpMG AZOA Sustanability Co., Ltd.

KPMG AZSA Sustainability Co., Ltd. Tokyo, Japan October 19, 2021