

Ensuring Compliance

Compliance is a fundamental social responsibility for a corporation, and necessary for its continued operation. The construction industry is also expected to act in an equitable manner with regard to quality, safety, environmental and personnel management, and disclosure of information, in accordance with the principles of compliance.

As Kajima's president stated repeatedly during meetings with managers and employees of branch offices held throughout 2006, at its core the objective of compliance is to "protect the livelihoods of a company's employees and their families." Each and every employee, confident in the knowledge that top management stands firmly behind them, works to prevent the occurrence of compliance issues.

Revision to the Code of Corporate Conduct and Publication of Handbook

The Kajima Code of Corporate Conduct (formulated in 1994) is the root of Kajima's compliance policy, and is applicable to the entire Kajima Group. The content of this code has been revised, and the title changed to Kajima Group Code of Conduct.

To help ensure that the revised policy is understood and followed, we have prepared a handbook for practical application of the revised code of conduct, and distributed this throughout the Group. We also plan to begin offering an e-learning program from financial year 2007 to foster a deeper understanding of the handbook.



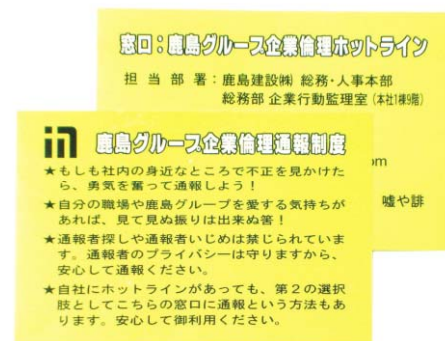
Handbook for Practical Application of the Code of Conduct (Left)
The Kajima Group Code of Conduct (Right)

* Kajima Code of Corporate Conduct webpage: <http://www.kajima.co.jp/prof/governance/pdf/kihan-e.pdf>

Corporate Ethics Reporting System Expanded to the Entire Kajima Group

Kajima's Corporate Ethics Reporting System, the hotline through which individuals can report instances of compliance or legal violations (or those about to occur), has been revised as follows.

- The range of persons able to report violations has been extended to include employees of Group companies.
- The type of information that can be reported has been extended to include compliance or legal violations at Group companies or by their employees.



All Group employees are provided with cards outlining compliance guidelines.

Compliance Training Sessions

Training sessions focused on antitrust laws were stepped up during financial year 2006. Workshops on the details of the revised laws, and the types of sales activities considered to be in compliance with such laws, were conducted at the head office and all branch offices. A total of 1,116 managers and sales representatives attended the sessions.

Training sessions on laws and regulations relevant to human rights, health and safety, design, and other areas were also conducted on a regular basis or as necessary.

Compliance Measures to Prevent Additional Violations of Antitrust Laws

Kajima's efforts to raise awareness of and ensure compliance have generally centered on education, though as part of our efforts to prevent a reoccurrence of antitrust violations we have focused on establishing structural measures to prevent bid-rigging or other illegal activities.



President Nakamura lectures branch managers on the importance of compliance.

Date	Measures Taken
Dec. 2005	Resolutions made by the Antitrust Law Committee (Chairman: President)
Apr. 2006	Manual on compliance with antitrust laws, "Sales Activities and the Antitrust Law," extensively revised and distributed to all sales personnel
May to July 2006	Lectures by the president and compliance training sessions at all branch offices
Oct. 2006	Procedural guidelines formulated and implemented regarding bidding on public projects, participation in industry organizations or external meetings, and internal audits related to the prevention of bid-rigging



Manual on compliance with antitrust laws, "Sales Activities and the Antitrust Law"