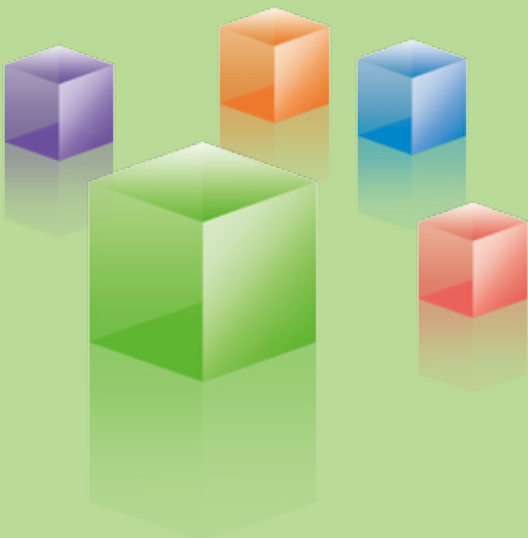


Providing Innovative Solutions for a Better Environment

Construction firms consume resources in great quantity, and our operations have a major impact on the natural environment. Kajima seeks to be sensitive and respectful to the environment, and regards conservation of the global environment as its responsibility to the next generation. Furthermore, Kajima works to present customers with forward-looking project proposals, and pays close attention in its daily operations to minimize the stress it places on the environment.



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From Protecting the Environment to Creating a Better Environment

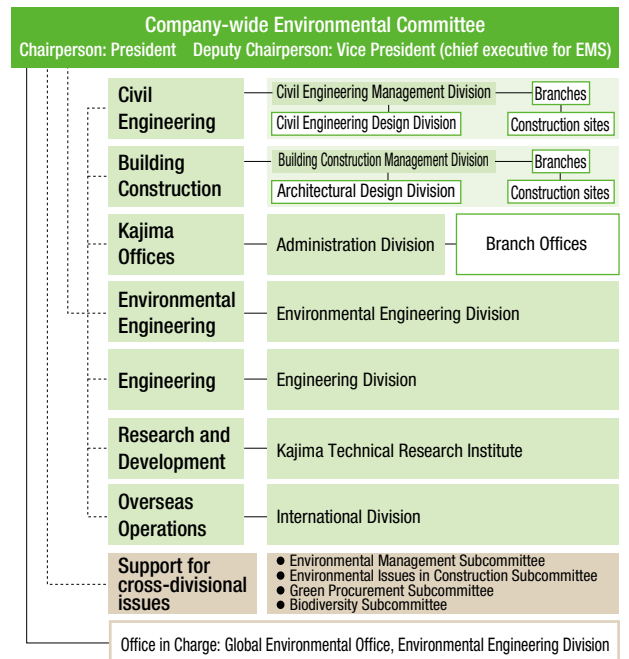
As a company with "a vision for all eras," Kajima aims to create a sustainable society through its construction projects. From a long-term perspective that looks beyond the present to users in the next generation, we will pursue sustainability through the three facets of low carbon, resource recycling, and co-existence with nature.

Environmental Management

The construction industry is unique for its consumption of resources on a vast scale, for the long-term usage of the buildings and structures it creates, and for its very transformative impact on the natural environment. Based on these characteristics, Kajima has established four priority issues in its environmental management activities: combating global warming, resource recycling and effective use, hazardous substance management, and conservation of biodiversity.

Kajima established an environmental management system based on ISO 14001 in 1997, and expanded its scope in 2003 by integrating it with company-wide systems involving all employees. Under a Company-wide Environmental Committee chaired by the president, the promotional structure for environmental management establishes seven sections: civil engineering, building construction, offices, environmental engineering, general engineering, R&D, and overseas businesses. These sections act according to environmental targets set by the Company-wide Environmental Committee, conducting activities in accordance with each section's characteristics. Cross-sectional issues are addressed by four subcommittees: Environmental Management, Environmental Issues in Construction, Green Procurement, and Biodiversity.

Environmental Management System (EMS) Structure





Summary of Fiscal 2010

Fiscal 2010 marked the second year of the medium-term environmental goals we launched in fiscal 2009. Also in 2010, Nagoya hosted the 10th Conference of the Parties to the Convention on Biological Diversity (COP10) in October, which drew attention from within and outside Japan to the issues of biodiversity in addition to the long-standing issue of combating global warming.

Priority Issue 1
Global Warming Prevention
 Kajima has set a medium-term target of a 30% reduction in CO₂ emissions over the entire life cycle of buildings (from construction to demolition) compared to the fiscal 1990 level. However, our 25% reduction for fiscal 2010 did not meet the 28% target for that year. In CO₂ emissions from construction, Kajima did achieve a 17% reduction in emissions per unit compared to 1990 levels, beating the target of 15% and showing a steady progress in emission cuts.

Priority Issue 3
Hazardous Substance Management
 To address the revised Soil Contamination Countermeasures Act that took effect in April 2010, we held briefings at the Head Office and all branch offices prior to enforcement to raise employees' knowledge about points of revision and related requirements. Moreover, we update our KARISMA-NET intranet as appropriate with information related to soil contamination and hazardous substance management.

Priority Issue 2
Resource Recycling and Effective use
 In resource recycling, Kajima's shift to zero emission of construction waste is steadily yielding results, and we have already lowered our final disposal rate below the medium-term target of 5% to achieve a 2.4% rate. In green procurement for materials, our adoption rate has risen for some items such as carpet tiles, through proposals from our own construction sites. However, for priority items overall, the rate has remained flat from the previous year.

Priority Issue 4
Conservation of Biodiversity
 Kajima is working to strengthen urban biodiversity through projects that it proposes based on its concept of conserving biodiversity in urban areas, and the Company is steadily increasing the number of biodiversity proposals it includes in projects. We also set up our own booth at the COP10 Interactive Fair for Biodiversity, showcasing Kajima initiatives over the course of three weeks as the only representative of the construction industry at the exhibit.



Four Priority Issues	1 Global Warming Prevention	2 Resource Recycling and Effective use	3 Hazardous Substance Management	4 Conservation of Biodiversity
Medium-term goals	Reduce carbon over the life cycle of buildings <ul style="list-style-type: none"> Reduce CO₂ emissions over the life cycle of buildings by 30% compared to the fiscal 1990 level Reduce CO₂ emissions per unit from construction by 16% compared to the fiscal 1990 level 	Advancing zero emissions activities <ul style="list-style-type: none"> Final disposal rate (excluding sludge) of less than 5% 	Completely eliminate accidents involving hazardous substances	Conserve biodiversity in urban areas
Fiscal 2010 goals	28% reduction / 15% reduction	Less than 5%	No serious accidents or problems	Expanding biodiversity proposals in branch projects
Fiscal 2010 results	25% reduction / 17% reduction	2.4%	No serious accidents or problems	15 projects
Degree of achievement	🌿🌿	🌿🌿🌿	🌿🌿🌿	🌿🌿🌿
Fiscal 2011 goals	30% reduction / 16% reduction	Less than 5%	No serious accidents or problems	Make use of proposals for biodiversity in projects and prepare standardized documentation

Ensuring Compliance

Being a Company that People Are Proud to Work For

Providing Innovative Solutions for a Better Environment

Working Together with Local Communities

Communicating with Stakeholders