Safety and Health Management at Construction Sites— Working with Subcontractors

Work on our construction projects is undertaken by Kajima, the main contractor, in tandem with subcontractors, which are responsible for specialized construction work. In this manner, buildings and structures can only be erected through joint efforts made by everyone on the worksite toward the shared goal of project completion.

Kajima's Labor Safety and Health Management System

Kajima implements its safety and health activities based on guidelines specified in the Construction Occupational Health and Safety Management System issued by Japan's Ministry of Health, Labour and Welfare. Both the Civil Engineering Division and Building Construction Division also stipulate and manage safety and health operations and mechanisms as part of Kajima's integrated safety and health, quality and environmental management system.

Based on the results and conditions from the previous fiscal year, Kajima conducts an annual review of its safety and health policy and sets necessary safety and health targets and plans for the new fiscal year. Each of Kajima's branch offices and construction sites formulate a safety and health policy, targets, and plans tailored to each worksite in line with company-wide policy. These are in turn shared by Kajima and its subcontractors during each project. We also use the plan-do-check-act (PDCA) approach to continually improve our safety and health standards. This process entails carefully planning both daily and mid- to long-term risk assessments, as well as constant inspections and patrols, to eliminate factors that may lead to a worksite accident or disaster before one happens.

Results of Safety and Health Management System in fiscal 2011 and initiatives for fiscal 2012

In fiscal 2011, the Head Office, branch offices, and construction sites worked together toward the ultimate goal of zero disasters, serious accidents or fatalities by executing priority items. However, there were a total of 89 accidents at Kajima's worksites, including 8 fatalities, including the accident in the maritime shield work in Mizushima. As a result, the frequency rate stood at 0.82, while the severity rate was 0.58. In fiscal 2012, designated as a company needing to enhance its safety and health management systems by four labor bureaus in the metropolitan area, we will make our best efforts for ensuring safety with a basic principle of "placing safety and protection of human life as the first priority" in the entire Company.

In the company-wide safety and health plan for fiscal 2012, we will conduct operations at worksites in accordance with the Basic Safety Action based on the Basic Policy on Safety and Health, setting a goal of zero disasters, serious accidents or fatalities again.

Changes in safety results

	2008	2009	2010	2011
Frequency rate	0.73	0.56	0.66	0.82
Severity rate	0.19	0.23	0.02	0.58
No. of accidents	95	59	64	89
No. of fatalities	3	3	0	8
Cumulative working hours (millions of hour)	130.61	105.73	97.07	108.19

Frequency rate: The number of fatalities and injuries at worksites per one million cumulative working hours

Severity rate: The severity of illnesses and injuries represented by the number of workdays lost over one thousand cumulative working hours

Being a Company That People Are Proud to Work For

In the construction industry, companies work together with the aim to complete construction projects that involve personnel and subcontractors from many occupations and workplaces. As many people working at construction sites depend on each other for their safety, one of Kajima's responsibilities is to build morale and create an environment where everyone can take pride in their work, in line with the Company's mission to contribute to society.

Toward elimination of disasters and accidents at worksites

At worksites, day-to-day work is performed putting highest priority on safety in accordance with mid- and long-term construction plans, as well as more refined weekly and daily plans, each based on a comprehensive review of the entire project. Construction site safety and health management entails a detailed examination of the movements of people, heavy machinery and materials with understanding of varying conditions of the worksite, which provides for the greatest efficiency, safety and quality on the premise of ensuring quality.

Construction plan using risk assessment

Risk assessment should estimate and assess the risks of a disaster or accident occurring by identifying dangers or hazards in a variety of work processes. After assessing risks of dangers or hazards, ways to mitigate those risks and to prioritize them are considered. Results of these considerations are reflected in a construction plan and recorded.

Following new project review committee meetings, Kajima performs risk assessments during the formulation of the construction plan and at the construction preparation committee and pre-construction review committee, particularly before any heavy structural beam construction begins. In addition, risk assessment has been introduced in safety patrols undertaken by the head office and branch offices.

Information sharing and preventive activities

Each day on a construction site begins with a morning meeting, in which the day's schedule is outlined and safety notices are given. As for work to be done that day, job duties are coordinated between specialized workers at a communication and coordination meeting between teams. There are many opportunities like this to share information.

It is directly and visually inspected and confirmed whether employees of Kajima and supervisors of subcontractors at the worksite are performing operations in compliance with prescribed procedures, and whether unsafe behaviors and situations can be seen. When noticing something odd, we strive to ensure daily security with steady efforts based on the principle of "really checking actual things at a worksite"; for example, calling on individual workers in accordance with Kajima's Basic Safety Action. In addition, the head office and branch offices implement patrols in order to maintain a moderate feeling of tension and raise awareness of security with frequent visual checks.

Regular efforts

A meeting on construction site and occupational safety is held once a month together with subcontractors in order to reflect back on work undertaken in the previous month, notify all members about construction and job tasks for the current month, and prevent worksite accidents. In

addition, on the first of each month, a "safety assembly" is held for all construction workers to raise awareness of safety and examine the flow of the month's construction work. Specific examples of prior accidents are used as teaching tools.

Efforts for preventing reoccurrence of disasters and accidents

After occurrence of a disaster or accident, we take company-wide preventive measures against reoccurrence, in order not to repeat similar errors.

In the event of an accident, incident or fire, an immediate response is required that first involves notifying related organizations and cooperating with them internally and externally. In order to ensure a prompt response, an emergency contact list is made accessible onsite from the start of construction.

Formulation and implementation of preventive measures against reoccurrence

In fiscal 2012, a method for analyzing factors which caused a disaster or accident was renewed to enhance preventive measures against reoccurrence. In the procedures of "marshaling facts" in chronological order, deviant points are identified. After that, the factors are analyzed from six viewpoints to seek points to be improved for prevention of reoccurrence, retroactive to the stage of construction planning. Based on the analyses, we formulate measures to prevent the same and similar disasters from reoccurring, and apply additional new rules to the entire company and all branch offices as necessary, aiming at horizontal development of the measure. Furthermore, patrols are implemented to confirm whether relevant preventive measures against reoccurrence are appropriately executed with an eye to instilling the measures.

We also promptly share information on disasters and accidents all over the Company, and conduct emergency inspections at worksites as

needed. Cases of disasters and accidents stored on Kajima's intranet can be used at construction planning at worksites and for educational training if necessary. In fiscal 2011, a DVD titled "Moving Picture of Visualized Security" was produced, in which disasters and accidents are reproduced with CG to allow audiences to feel the real fear of potential danger at a worksite, and take advantage of that virtual experience in individual approaches to predicting dangers.



"Moving Picture of Visualized Security" consisting of five discs

Planning and implementation of safety and health training

Kajima has established a curriculum for employees to gain the abilities needed to perform steady safety and health management based on their knowledge and experiences by reviewing everyday work. Safety and health training for employees consists of four levels: first, basic training, which imparts knowledge on laws, ordinances and internal rules; second, management training, which provides a practical approach through case studies; third, comprehensive safety and health training for managers, which incorporates a risk management perspective; and fourth, project manager training, which imparts the correct frame of mind to an employee after becoming part of the Company's management. Each course was held a total of 16 times in fiscal 2011, with 466 employees participating. Safety and health training for supervisors and workers of subcontractors is also categorized by skill level, including unique

programs, apart from ones to provide basic knowledge on security. In this way, we foster personnel who support worksites as specialists together with Kajima's employees.



Considering preventive measures against accident reoccurrence at group work (upper right) Hearing about manager's actual experience at project manager training (below)

Co-existence and Co-prosperity with Subcontractors

Subcontractors are Kajima's important business partners. We work together with subcontractors to ensure quality and safety by organizing the "Rokueikai," which mainly conducts activities to prevent disasters, and the "Kajima Business Cooperative," which performs various businesses on the basis of a spirit of mutual assistance. It is said that persons engaged in construction business account for about 10% of the working population. We will exchange opinions on how to make construction business attractive enough to encourage young people to work in the industry, in efforts to improve the image and actual attractiveness of the construction business.

Ensuring appropriate labor management

Kajima has made efforts for elimination of hidden industrial accidents through day-today communication; for example, putting up posters to raise awareness of them at worksites. Kajima, a main contractor, strives to conclude appropriate contracts with subcontractors before starting work, and to ensure appropriate payment of subcontract proceeds.



Poster put up at worksites

Selecting subcontractors as a part of the supply chain

Supply chains of construction contractors largely depend on human resources, mainly from subcontractors, who work together to complete construction at a worksite, in addition to material and equipment factors. Kajima selects appropriate and capable subcontractors to conduct work by evaluating and managing subcontractors using external organizations and its own systems. We also secure engineers and conduct support activities to foster them, aiming to achieve co-existence and co-prosperity with subcontractors.

Being a Vigorous Company— Employment and Development of Employees

Kajima regards employees as important stakeholders of the Company and "precious assets" supporting corporate activities. We strive to be a vigorous corporate group by creating a working environment in which each employee can be proud of working for Kajima Corporation, in accordance with the Kajima Group Code of Conduct.

Improving the Environment to Enable Each Person to Work Atively

Kajima strives to ensure fair and equal treatment of employees, and to create a working environment and corporate culture in which each person can work actively. Respecting diversity in terms of various aspects including human rights and employment, we improve the environment to allow people to work with a sense of satisfaction.

Raising awareness of human rights

Kajima has established a Human Rights Awareness Committee chaired by the general manager of the Administration and Human Resource Department in order to handle such issues as discrimination against minorities and sexual harassment. The Company conducts training sessions for newly hired employees and holds workshops on a regular basis to raise human rights awareness at every branch office. In fiscal 2011, 480 employees participated in these workshops. In addition, 763 employees from all branch offices participated in a workshop on prevention of harassment, and a questionnaire survey on actual conditions was conducted for all employees.

Respecting the diversity of employees

Kajima is not only active in Japan but also in the global arena, hiring staff of various nationalities both in Japan and at its overseas subsidiaries. Whether in Japan or overseas, each Kajima employee plays an active role regardless of their nationality.

Employee data (As of March 31, 2012)

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	2008	2009	2010	2011	
Total employees	8,705	8,452	8,164	7,925	
Re-employed personnel	703	882	1,002	968	
Ratio of disabled employees	1.82%	1.90%	1.75%	1.83%	
Turnover rate ^{*1}	2.3%	3.1%	2.7%	2.1%	
Employees taking childcare/ nursing leaves	49	43	47	38	
Ratio of taking paid leaves* ²	35.1%	37.2%	35.4%	37.6%	
Employees using volunteer leave system	6	17	8	26	
			(As of April 1, 2012)		
	2009	2010	2011	2012	
Total new hires*3	189	185	185	191	
Female new hires from the total above	25	26	20	27	

*1 The turnover rate is defined as the proportion of employees who leave within their first three years of work from the total number of full-time hires.

*² Including special paid leave, in addition to annual paid leave

*³ Total new hires refers only to full-time employees