



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-to-day 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 Actively

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)

	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





Human Resources and Career Development

Believing employment is a corporate social responsibility, Kajima continuously employs a certain number of new graduates in light of its basic policy of hiring. Kajima hires its employees based on job categories* such as civil engineering, building construction, and general administration, because the specialty needed for each business operation and the major of university graduates differ. In recent years, in order to respond to expanding overseas markets, strategic employment and human resource development have been conducted.

* Administration, civil engineering, building construction, building design, facilities, electrical machinery, mathematics, and development

An overview of Kajima's human resource development

Employees are provided with training programs centering on on-the-job training at each workplace, including complementary training to improve expertise and skill set for each job category, and theme-based training, regardless of job category, covering subjects such as compliance and management skills. Kajima also sends employees to graduate schools and business schools in Japan and overseas with an eye to supporting improvement in their business skills and techniques.

■ Aiming at early improvement of management ability

In the aim of fostering managers responsible for the next generation, we have provided management training consisting of two steps, primary and intermediate courses. The training aims to raise self-awareness of being responsible for the future of Kajima, through group discussion and dialogue with executive managers about present management issues and recent topics. In fiscal 2012, we reviewed programs of said training and integrated the two courses into one in order to improve management ability of young employees early on.

In addition, using external seminars for executive managers, we allow employees to improve their ability through cross-industrial exchange.

Fostering excellent engineers

The construction industry does not involve manufacturing multiple products at a single factory, but rather produces only a single product outdoors. As construction conditions vary in each case, the skills and experience of a constructor significantly impact the quality of structures. In order to create high-quality structures useful to society, we have continued to develop technological ability based on knowledge and experience, and pass on Kajima's spirit of craftsmanship to future generations.

■ Fostering engineers in the Civil Engineering Division

With a goal of fostering excellent engineers capable at worksites, the Civil Engineering Division has tackled creation of a corporate culture in which employees voluntarily work hard and learn from each other. The fundamental human resource development system consists of a program to master basic civil engineering skills for five years after joining the Company, and one to master fundamental skills by job category, such as tunnels and bridges, from the sixth to the tenth year. In this way, the training curriculum clarifies the knowledge that must be acquired each year. Training is conducted in the form of exercises and discussion. As for those who have worked at the Company for six years or more, applicants who want to participate in training are invited. Lecturers are also sought publicly, with an eye to creating a system with which participants and lecturers grow up together.

Furthermore, employees are sent overseas to study or work at other companies in an attempt to improve systematically their abilities in risk management, conclusion of contracts, and management in relation to overseas projects. We also promote employment of foreign students for comprehensive work and strive to foster civil engineers who can actively work globally.

Basic training for new employees

This experience-based training aims to help employees not only master basic knowledge in civil engineering, but also to eliminate anxieties and leave behind the passive learning style of their school days. All new employees participate in residential training for about ten days at the Fuji Education and Training Center, which covers topics from management of daily life to simulated exercises assembling stages and frames. The training aims to foster mastery of the independence needed to think and act with initiative, as well as recognition of the importance of teamwork.



Practical training in measurement

VOICE

Hoping to work overseas as a Kajima civil engineer Aneigawa Tunnel JV Construction Office, Chubu Branch Rafael Lustoza Dantas

At age 18, I came to Japan on a scholarship from Japan's Ministry of Education, Culture, Sports, Science and Technology from Brazil, where I started studying civil engineering at university. I majored in civil engineering at university in Japan, and joined Kajima Corporation after graduating in 2011.

A year has passed since then, and I have learned from my seniors every day while also experiencing several failures. As each employee is required to maintain a high level of ability and skills, I can work with a sense of satisfaction. Encountering a lot of unfamiliar technical terms, I am learning them through communication with colleagues. Precisely because I came from Brazil, I can feel the sincerity of Japanese

society, as well as the steadfastness and diligence of its working people.

If I have an opportunity to be engaged in an overseas project in the future with experience at

construction sites and with designing, I would like to provide what is required by the local community with excellent Japanese quality, using the cultural advantage of Japan which people overseas feel. As a member of Kajima, "a company with a vision for all eras," I wish to continue to build structures that will be used for a long time. In the hope of being someday engaged in a project in Brazil using my experiences, I am making efforts every day.





Comprehensive training for employees in their sixth year

This training for employees in their sixth year with the Company aims to help them master skills from design to estimation to making proposals. Using a simulation including a response to bidding with the actual comprehensive evaluation method, training is conducted in a practical form, with each team competing for scores in techniques and prices. Participants highly appreciate this training as they can feel a sense of accomplishment through striving for mastery of skills and presentation ability.



Discussion by team

Training for fostering project managers for the next generation (forum to pass on the spirit of craftsmanship)

The tasks of a project manager require expertise in management of profit and loss, negotiation with external parties, and response to industrial accidents, in addition to techniques, which are difficult to compile in a manual. Therefore, this training takes the form of a forum with senior project managers, where experiences are shared to allow participants to respond to their own problems in reference to the experiences.

■ Fostering engineers in the Building Construction Division

The Building Construction Division has set a goal of fostering engineers who can accurately respond to the needs of clients and society early in their careers. For this purpose, in a program consisting of three stages, the image of the ideal engineer in each stage is shared in order to facilitate steady development of employees. We regard the period of five years after joining the Company as an intensive education period, and five years from employees' sixth year in the Company as a period to master more advanced techniques and skills to manage worksites.

By giving young employees experience of worksites at overseas projects early on, we aim to accumulate knowledge by increasing the number of employees with overseas experience. To be more specific, soon after completing the intensive education period, an employee experiences worksites of overseas projects for three to five years, studying local commercial practices, etc. Like this, we will enhance our systems for fostering engineers who can use the expertise they obtain overseas to meet clients' needs widely.

Basic training for new employees

The first year training focuses on on-the-job-training but is also complemented by various off-the-job training programs, such as introductory education and night school in order to enable new hires to master the basic skills of construction techniques



Group exercise in introductory education

and site management. As a culmination of this training, new employees master skills to read design drawings and establish foundation of site management in the program to confirm basic skills for new employees. Consequently, they will be able to be active at worksites early in their careers.

Management education for mid-career employees

We consider it important to encourage mid-career employees with various experiences at several worksites to go back to the starting point before advancing to the next stage. Through programs covering ethics for engineers, compliance, and other topics, in addition to OJT at worksites and e-learning education programs on quality assurance and safety, the mid-career employees can master key points and improve their site management abilities.

Management education for candidates of project managers

A project manager is responsible for worksite management in the stage of construction, including quality assurance, safety, and environment, as an engineer of building construction, who is appointed from among engineers with various experiences and skills. In order to play an important role in fostering young engineers and building relationships with outside parties, such as clients and neighborhood residents, project



Role-playing seminar for human skill education

managers are required to have management ability to make comprehensive judgments, accurately understanding legal compliance issues underlying various operations, as well as social trends and needs. Education programs for candidates will be further enhanced.

■ Career development grounded in fair evaluation

To create optimum working conditions for employees, Kajima has implemented an employee evaluation system designed to be fair and impartial, so that all employees can demonstrate the best of their abilities. Every six months, the performance of each employee is evaluated in relation to set goals, and the employee is interviewed by a supervisor to discuss the progress of his or her overall career development.

In addition, Kajima carries out a survey to identify changes that employees would like to see in their workplace and job responsibilities. The survey results are useful for aligning the right people with right jobs, and assisting employees on their career path. Likewise, Kajima implements a job rotation system for certain positions, in which employees are transferred to different workplaces and given new job responsibilities for fixed periods of time.

Thorough radiation management for families' peace of mind

Reducing radiation exposure of employees and workers and steadily controlling radiation doses has become further important in work at nuclear power plants after the Great East Japan Earthquake.

Setting limits equal to 80% of statutory limits, Kajima has conducted strict voluntary management with two types of dosimeters.



At the worksite, we have made our best efforts for preventing radiation exposure; for example, double-checking conditions of hazmat suits. We have also provided careful follow-up activities, such as measurement of internal exposure

which is more frequent than designated by law, ionization medical checkups, and health consultation with an industrial physician. With employees educated by a radiation management specialist company, systems to control and record these initiatives have been established.



Radiation management team at Fukushima Iwaki Office of TEPCO

In addition to the maintenance of good health for employees and workers who are working at the site, we have made efforts to ensure their families have peace of mind about their work.



Creating a corporate culture with optimum working conditions

Since people have only limited time, life and work should be balanced to ensure self-development and self-fulfillment, as well as to provide a rich and healthy life throughout which they can find purpose and happiness. This should also be the foundation for a company's continuous development. Based on this perception, Kajima considers it essential to achieve good work-life balance for employees while involving their families as broad-sense stakeholders.

Promoting work-life balance

It is required for the construction industry to ensure quality, safety, and due date while exactly responding to each unexpected event, as well as the constraints of the natural environment. Consequently, the industry tends to have a problem with overtime.

In an attempt to resolve this problem, Kajima has participated in the Program for Model Businesses Promoting Work-Life Balance, organized by Japan's Ministry of Health, Labour, and Welfare since fiscal 2008. Kajima has strived to reduce overtime work and improve the rate of leave utilization, as well as paying attention to employees' way of working. From the viewpoint of promoting support for work-life balance, we have also improved and enhanced various systems to assist childcare and nursing so that employees can choose ways to work suitable to their families' circumstances.

■ Establishing user-friendly leave systems and their framework

The work schedule and hours of employees who work at a construction site may be different from those of offices according to construction period and contents. Therefore, we have flexible leave systems in place, such as site-transfer leave, a system allowing employees who work at construction sites to take several days of paid leave when transferring between sites. In fiscal 2011, approximately 71% of eligible employees took this leave, and approximately 63% of eligible employees took special incentive leave, a paid holiday leave system offering a fixed number of days corresponding to the length of employment.

In fiscal 2010, Kajima introduced an anniversary day leave system to allow employees to take one day off per year to celebrate a special anniversary. In fiscal 2011, the rate of taking this leave increased 5 percentage points from a year earlier to approximately 72%. It is a system that allows workers at construction sites in particular to take time off more easily. Going forward, we aim to further solidify the system and work with the Employees' Association in launching campaigns to encourage employees to take leave.

Third phase of action plan from fiscal 2011 to fiscal 2013

Third Phase of Action Plan

1. Five or more eligible male employees utilize childcare leave or flextime working system for child rearing

2. Eighty percent or more of eligible female employees utilize childcare leave

3. Providing internal education to correct a sense of giving priority to work and a traditional gender-role attitude.

■ Providing support for balancing work and home life

In support of striking a balance between work and family life, Kajima has established various systems and measures to allow employees to have a broader range of options of how to work according to personal circumstances. A guide to work-life balance is available to employees over our intranet. We took this issue as a theme of training for managers with an eye to promoting employees' understanding. Kajima is working toward the targets set in fiscal 2011 for the third phase of its action plan.

Support for employees' healthcare

Kajima holds a health committee meeting once a month, aiming to improve the workplace environment and health management of its employees. To help employees manage their health, industrial physicians are available to discuss physical and mental health needs, and to provide personal health consultations and specific advice whenever needed. We also offer a rehabilitation system to assist employees who have had to take long-term leave, due to unavoidable reasons such as injuries, in making a smooth transition back to the workplace. The system sets up back-to-work programs tailored for each individual to minimize the burden on both the employee and his or her workplace, and to provide support for a comfortable return to work.

Dialogues with the employees' association

Kajima conducts wage negotiations and negotiations on the revision of any type of personnel system with the Employee's Association (total number of members: 7,153). In addition, we set up opportunities for the exchange of opinions on a regular basis every year to discuss themes including employees' working attitude, in order to promote a healthy labor-management relationship in realizing a positive work environment. Employees and managers work together especially to improve employees' motivation for work and to reduce working hours.

