

Providing Innovative Solutions for a Better Environment

Protecting and Creating the Environment through Construction Business

As a construction contractor responsible for maintenance and improvement of social infrastructure, Kajima is aiming to contribute to the environment through its main business; for example, facilitating creation of a low-carbon society through high-quality construction projects. For this purpose, we conduct business taking into account environmental matters in each process of a project until its completion.

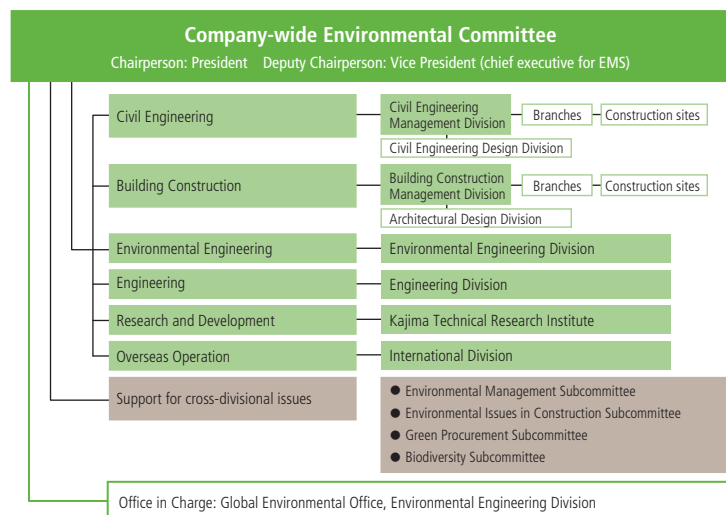
As a company with "a vision for all eras," Kajima contributes to the building of a sustainable society in terms of low carbon emissions, resource recycling, and environmental co-existence.



Environmental Management System

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 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. Under a Company-wide Environmental Committee chaired by the president, the environmental management system structure consists of six sections by business segment. Cross-sectional issues are addressed by each subcommittee.

Environmental Management System (EMS) Structure



* Office division was excluded from the scope of external audit since fiscal 2012.

■ Environmental management system audit

Internal audit of activities by individual divisions and their relevant sections has been implemented. In fiscal 2011, 17 cases of immaterial non-conformity were found overall. In relation to all of them, corrective measures have already been or are to be taken. In external examinations, appropriate and effective operation of the system was confirmed, without any non-conformities reported. We will enhance targets to contribute to business expansion through the environment; for example, improvement in risk management and a higher level of proposals to clients.

Construction firms consume resources in great quantity, and their 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 burdens it places on the environment.



Achievements in Fiscal 2011 and New Medium-term Goals

Fiscal 2011 was the final year of the medium-term environmental goals we launched in fiscal 2009. In relation to three-year activities mainly in fiscal 2011, achievements of four priority issues were analyzed and evaluated in comparison with the respective goals. Based on evaluation of them and social trends, we started making efforts for achieving the new medium-term goals in fiscal 2012.

Priority issue 1: Global warming prevention

Kajima set a medium-term target of a 30% reduction in CO₂ emissions over the life cycle of buildings compared to the fiscal 1990 level. However, CO₂ emissions were reduced only 27% due in part to a rapid increase in the percentage of plant construction in which a significant reduction over the life cycle cannot be expected. In the new medium-term goals, we are aiming at a 35% reduction in CO₂ emissions of buildings in use, changing the baseline to standard values stipulated in the Act on the Rational Use of Energy. While the medium-term goal in construction was a 16% reduction in CO₂ emissions per unit of construction value compared to the fiscal 1990 level, we accomplished a 16.4% reduction in fiscal 2011. Our power-saving activities in the summer also contributed largely to the result. In the new medium-term goals, we will aim at an 18% reduction compared to the fiscal 1990 level, as continuing power saving activities.

Priority issue 2: Resource recycling and effective use

At construction sites, zero emission activities have been conducted to reduce the amount of waste generated and its final disposal rate by

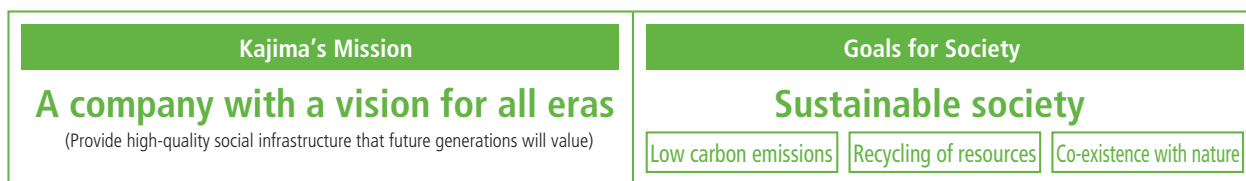
restricting waste generation, thoroughly separating it, and using recycling by makers. These activities are steadily yielding results, and we achieved a final disposal rate of 3.1%, largely exceeding the medium-term goal of less than 5%. Also from the viewpoint of risk management, only designated contractors are used for disposal. In the new medium-term goals, we will aim at a final disposal rate of less than 3% with an eye to continuously maintaining and improving the activities.

Priority issue 3: Hazardous substance management

In response to the revised Soil Contamination Countermeasures Act, we have promoted proactive management based on accurate knowledge from an early stage, by continuously providing follow-up seminars for all relevant employees in the entire Company. In the wake of occurrence of problems with insufficient management of asbestos, management criteria have been reviewed and enhanced. Regarding prevention of serious accidents as a new medium-term goal, we will take measures against soil contamination and asbestos as a priority issue.

Priority issue 4: Conservation of biodiversity

Kajima has participated in the Japan Business Initiative for Biodiversity (JBIB) as a sub-principal company. The goal of this initiative is to “conserve biodiversity in urban areas” by reinforcing networks of ecological systems in cities through business. Achievements included an increase in proposals on biodiversity in projects, as well as regional expansion. In the new medium-term goals, continuing to “conserve biodiversity in urban areas,” we will conduct activities to increase the number of proposals in projects, and to promote Communication, Education and Public Awareness (CEPA),* in order to gain employee and social recognition.



Four Priority Issues	Medium-term goals (Fiscal 2009–Fiscal 2011)	Fiscal 2011			New medium-term goals (Fiscal 2012–Fiscal 2014)
		Goals	Results	Degree of achievement	
1 Global warming prevention	Reduce carbon emissions over the life cycle of buildings ● Reduce CO ₂ emissions over the life cycle of buildings by 30% compared to the fiscal 1990 level ● Reduce CO ₂ emissions per unit from construction by 16% compared to the fiscal 1990 level	30%	27%		● CO ₂ emissions of buildings in use 35% reduction in compared to criteria of the Act on the Rational Use of Energy ● Reduce CO ₂ emissions per unit from construction by 18% reduction per unit compared to the fiscal 1990 level
		16%	16%		
2 Resource recycling and effective use	Advancing zero emissions activities ● Final disposal rate (excluding sludge) of less than 5%	Less than 5%	3.1%		Final disposal rate of less than 3%
3 Hazardous substance management	Completely eliminate accidents involving hazardous substances	No serious accidents or problems	One serious accident or problem		Completely eliminate accidents involving hazardous substances Priorities: soil contamination, asbestos
4 Conservation of biodiversity	Conserve biodiversity in urban areas	10 priority projects or more per year	10 projects		● An increase in biodiversity projects ● Promote activities for Communication, Education, and Public Awareness (CEPA).*

* A term which means dissemination and awareness raising as defined in Article 13 of the United Nations Convention on Biological Diversity and Article 24 of Japan's Basic Act on Biodiversity.