

02 Being a Company That People Are Proud to Work For

Kajima has operations in 1,900 locations, including its Head Office, branch offices, and construction offices. On construction sites, Kajima employees work alongside a large number of subcontractors and workers. The safety and health management of all persons working on Kajima projects, regardless of their affiliation, is one of the Company's central responsibilities. With approximately 10% of Japan's entire workforce said to be involved in the construction industry, Kajima considers it a critical mission to build a truly appealing construction industry so that everyone involved can take pride in their work.

Targets in fiscal 2012

- Carry out safety-first activities once again from the beginning, aiming to completely eliminate fatalities, serious injuries, and major accidents at worksites
- Continue training employees, especially engineers
- Continue promoting work-life balance

Achievements in fiscal 2012

- The frequency rate for accidents resulting in four or more days off of work stood at 0.76, with a frequency rate of 1.73 for accidents resulting in one or more days off of work, and a severity rate of 0.40
- Continued to reinforce training for engineers in all departments, while making improvements to the programs implemented
- Developed and expanded various systems, promoted work-life balance, and bolstered our approach to mental health care for employees

Targets in fiscal 2013

- Work toward the goal of eliminating fatalities, serious injuries, and major accidents by establishing company-wide initiatives designed to make the measures related to health and safety management in the workplace implemented through fiscal 2012 even more effective
- Focus on employee education, especially training for engineers
- Continue promoting work-life balance

Initiatives in fiscal 2012

Having reduced the number of serious injuries in the previous fiscal year, we focused in fiscal 2012 on a comprehensive reevaluation of the safety and health improvement plan drawn up in May in recognition that safety is the Company's highest priority. Despite this, there were 85 industrial accidents resulting in four or more days off of work, and we did not achieve our targets for either frequency or severity rates. In fiscal 2013, we are working to improve safety and health management and curtail minor and major accidents by further expanding and bolstering the measures carried out in the previous fiscal year.

One example of our efforts in this area is the introduction of a patrol relay system. To generate a variety of perspectives on workplace conditions, these patrols by the Head Office, branch offices, departments and divisions. The findings, particularly with regard to whether noted issues have been remedied, are systematically shared via the Company intranet to ensure that this information is immediately available to all. In this way, we are working to accelerate our PDCA cycle.

In addition, we continued to focus on creating a better work environment for our employees by promoting work-life balance. As we have in previous fiscal years, Kajima continued offering courses to educate employees on managing work hours and taking leave in order to further reduce overtime hours and encourage more people to take paid leave. We also focused on mental health care for employees and introduced e-learning training courses designed to prevent harassment.

Kajima has developed engineer training programs for each engineering profession, and also conducts theme-based training, as needed, across professions. In particular, as intellectual property law has become more stringent in recent years, Kajima has added content addressing this issue to all of the profession-specific programs.





Working on safety in the workplace

Circumstances at construction sites change every day and involve a diverse group of people. In order to ensure safety on the worksite under these conditions, it is important to assess risks during the planning and preparation stages, verify conditions and share information before the main construction begins, and practice dynamic and open communication.

Reinvigorating a corporate culture that prioritizes safety

Kajima has long incorporated quality (Q), safety (S), and environment (E) as the basis of line management by the civil engineering and construction departments on its construction sites. With regard to safety, we have established a system by which the Safety and Environmental Affairs Department provides guidance and monitoring of performance by each department.

To monitor response to conditions resulting from major accidents, Kajima conducted a Full Emergency Safety Inspection in August that focused on safety in extraordinary conditions. In addition, we held safety meetings attended by all directors, branch office managers, and department heads in order to convey management's views and policies related to the safety of every individual in the workplace and reaffirm our commitment to maintaining a corporate culture under which safety is the highest priority.



Top management visits the frontlines to encourage employees to maintain safety as the top priority

Implementing regular safety and health inspections

Kajima's goal is to prevent minor and major accidents. Toward this end, we evaluate compliance and initiatives related to all laws and regulations, as well as the Company's own rules and policies, regarding health and safety management across the Company's departments and branch offices throughout Japan. When necessary, guidance and instructions are issued to specific organizations. As part of these efforts, we introduced regular safety and health inspections in fiscal 2012 and intend to continue conducting these inspections.

Changes in safety results

	2009	2010	2011	2012
Accident frequency rate (at least 4 days off work)	0.56	0.66	0.82	0.76
Accident frequency rate (at least 1 day off work)	—	—	—	1.73*
Accident severity rate	0.23	0.02	0.58	0.40
No. of accidents	59	64	89	85
No. of fatalities	3	0	8	5
Cumulative working hours (millions of hours)	105.73	97.07	108.19	112.16

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

* Statistics from fiscal 2012

They provide a good opportunity to review employee understanding and directly evaluate the support provided on these matters in each workplace.

Major items for fiscal 2013

Having fallen short of our safety performance targets in fiscal 2012, we will work to create PDCA cycles that spiral upwards through inspections and patrols in order to make our initiatives more effective. Based on major accident scenarios, we will develop new systems and activities for Kajima and our affiliates and work to ensure that they are well understood and utilized by all workers.

Spot work and irregular work have been primary factors in the majority of recent minor and major accidents. As a rule, we manage these factors by temporarily suspending work in order to conduct a risk assessment. We also plan to focus actively on creating positive work environments and incorporating outstanding examples of this in order to bolster communication among Kajima employees, subcontractors and other workers so that this type of work will proceed smoothly.

Ensuring safety management in the workplace

Introducing the patrol relay system

Always keeping in mind the *sangen* principle (go to the site, make a direct observation, and determine the facts), the Head Office and branch offices conduct patrols based on the idea that more eyes inspecting will result in a safer workplace. To facilitate this, Kajima introduced a patrol relay system at all worksites in November 2012 that standardizes patrols carried out by the Head Office, branch offices, bases and other units by allowing findings to be shared and initiatives to be developed concurrently.



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This new system allows those conducting patrols to systematically inspect issues that have been noted at a specific worksite in the past and check whether improvements have been made. Once completed, patrol findings, including citations of excellence and items requiring improvement, can be input into the system so that this information can be shared. This helps those at a particular worksite to immediately correct issues that have been noted and implement instructions that have been given. Reporting in this manner helps to ensure the effectiveness of the patrols and allows for an accurate understanding of conditions at a specific worksite whenever needed.

In fiscal 2012, a total of 1,555 patrols at 188 civil engineering worksites and 346 construction sites were conducted after the system was introduced, with 6,943 items requiring correction and 931 citations of excellence noted.

■ Preliminary studies and adjustments before work begins

Under the conventional system, branch offices and bases used to hold advance planning meetings before construction began to review building techniques and go over the risks associated with construction based on specific site conditions. Recently, however, the engineering and construction departments revised the operational guidelines.

In addition, construction teams hold coordination meetings that focus on worksite patrol findings, the work to be done and the path for people to follow the next day, as well as an assessment of the risks involved. The system, still under development, will be introduced at all construction sites to allow immediate access to the results of these meetings on construction sites.

■ Updating causal analysis

In order to prevent minor and major accidents, it is essential that contributing factors are identified after an accident and measures are introduced to prevent the recurrence of anything similar. Until now, Kajima had used a type of accident analysis that generates characteristic factor diagrams that focus primarily on identifying violations of law and deviations from standards. Kajima introduced an original form of causal analysis in fiscal 2012 as part of its company-wide approach to eradicating minor and major accidents. This causal analysis is designed to identify the causes of an incident, identifying not only violations of law and deviations from standards, but also those factors related to Kajima management and other circumstances.

Beginning in fiscal 2013, Kajima will include this causal analysis in its safety and health education programs, aiming to increase safety awareness among all employees.

■ Introducing e-learning courses for outside personnel

In order to increase the safety and health management knowledge and skill sets of non-Kajima personnel, the Company added new e-learning training in fiscal 2012 to the group courses that have been held at branch offices since 2005 to teach workers from outside the Company about safety environments. This online course is offered to all non-Kajima workers involved in construction management.

Kajima currently asks that workers who are engaging for the first time in construction management on a Kajima project complete this course within one week of beginning work at a site. The course is designed to expand the foundation of safety management by ensuring that workers involved in construction management clearly understand Kajima's approach and rules regarding health and safety.

■ Revision of *Safety Digest*

Kajima publishes and distributes the *Safety Digest* to provide a clear summary of the laws and regulations associated with construction planning and management. These laws and regulations form the basic principles of the Company's safety and health management in the workplace. When the *Safety Digest* was partially revised in fiscal 2012, we created a downloadable format to make it available via tablet in the field. This new version allows employees to immediately reference applicable laws and rules to answer any questions that may arise on construction sites.

■ Ensuring appropriate labor management

Kajima continues to raise awareness and provide guidance through posters designed to eliminate hidden industrial accidents. The Safety and Environmental Affairs Department plans to carry out direct inspections of branch offices in fiscal 2013 to ascertain the current circumstances with regard to hidden industrial accidents. We will focus on daily communication as part of our efforts to eradicate hidden industrial accidents and improve the quality we deliver at Kajima by building even better relationships.



Safety poster put up at worksites

■ Controlling radiation exposure

Kajima continued in fiscal 2012 to conduct training on minimizing radiation exposure for workers engaged in reconstruction work at the Fukushima Daiichi Nuclear Power Plant and decontamination work in the surrounding local communities. We also continued to take protective measures and utilize equipment to accurately measure exposure



Working with subcontractors

For construction companies, the subcontractors who perform specialized construction work are extremely important partners on construction sites. Protecting the safety of and creating an appropriate working environment for these subcontractors, their employees and other workers, as well as our own employees, is an immense social responsibility that Kajima is determined to fulfill.

Subcontractors as part of the supply chain

Since the supply chain for the construction industry directly affects not only the safety and environment of human resources, but also the quality and progress of construction, it is vital that Kajima build long-lasting relationships with subcontractors.

Kajima has organized the Rokueikai, a group whose primary purpose is activities designed to prevent accidents, and the Kajima Business Cooperative, which works to facilitate mutual assistance in a variety of business endeavors. Through these groups, Kajima works with subcontractors on business projects while ensuring quality, safety, health and respect for the environment.

Specifically, in the course of our business operations, we evaluate and manage subcontractors using external organizations and our own systems to select subcontractors that operate in an appropriate and capable manner. We provide assistance for securing and training engineers and have established a bonus system to reward excellence (dubbed the E Prize). This prize is awarded to engineers who make a significant contribution to construction work, directors who set an excellent example, and engineers who demonstrate outstanding performance in their field. In fiscal 2012, the prize was awarded to 641 people. Kajima looks forward to the winners' continued dynamism in the workplace and to their contributions to the development of the next generation of workers.

volume and worker health conditions. Relevant departments at the Head Office, branch offices and construction offices participate in regularly scheduled meetings, and patrols focused on radiation management are carried out to confirm that the proper measures are being taken and to instruct workers on issues that need to be corrected.

■ National commendations of outstanding improvements at subcontractors

In partnership with the Kajima Business Cooperative and Rokueikai, Kajima holds its annual National Commendation of Outstanding Improvements at Subcontractors. Begun in 1981 at the National Convention of Quality Control Circles and held annually ever since, the purpose of these presentations is to raise standards for construction management and corporate structure through business improvement activities carried out at worksites and subcontractors.



In fiscal 2012, 9 partner companies were recognized for their improvement efforts

In October 2012, the 33rd National Commendations were held for 48 groups selected from a total of 212 cases presented at branch office conferences. As was the case last year, the presentations were divided into four categories (engineering, construction, facilities, and general) and recognition was given for extensive improvements and for achievements directly linked to technical proposals, as well as for activities leading to continuous daily improvements. With some 600 persons in attendance, this major event served to motivate Kajima and subcontractors to work together to achieve an even higher level of performance and remain committed to these efforts.