

Corporate Governance

True to its corporate philosophy, the Kajima Group strives to continually advance its business operations and contribute to society. The Group's objective is to earn the trust and regard of all stakeholders, including shareholders, customers, business partners, local communities and employees.



Message from the Chairman of the Board of Directors

Kajima strives to improve corporate value by delivering sustainable growth in order to fulfill its corporate philosophy of contributing to society by advancing its business operations. In today's constantly evolving business environment, strengthening corporate governance, which is a prerequisite for business management, is a critical task. As part of this effort, we are working to reform our Board of Directors.

Since the appointment of three outside directors in 2015, Kajima has been working to further enhance the function of its Board of Directors. We are regularly evaluating the Board's effectiveness, providing feedback at outside directors meetings, and ensuring adequate deliberation time for important meeting agenda items.

The Board of Directors ascertains the progress made under the business plan and the current status and issues for each business area based on monthly performance reports, deliberations on important issues, and reports from each division. It also oversees the activities of the executive officers. Any regrettable news such as accidents, disasters, and legal violations are required to be reported in a timely manner at the beginning of each Board of Directors meeting. This reinforces the Board's supervisory functions, including confirmation of the post-incident response and measures to prevent reoccurrence. In addition, before the Board discusses key agenda items such as the business plan or officer assignment, an effort is made to ensure objectivity and transparency by providing opportunities for the board members to consult with the outside directors.

In order to shape the new Medium-Term Business Plan, Board members, including the outside directors, deliberated and examined the issues over a sufficient time period at four meetings of the Board of Directors and confirmed the course that the Kajima Group should take. In the previous fiscal year, experts in corporate governance were invited to give lectures, and workshops were held on the latest trends in corporate governance. This enabled the Board to acquire valuable external knowledge.



Recently, after a series of investigations, charges were filed against Kajima for suspected violation of Japan's Antimonopoly Act. They stemmed from Chuo Shinkansen construction projects carried out for the Central Japan Railway Company. After the charges were filed, we immediately retained an outside attorney to conduct a thorough in-house investigation, and an objective investigation report was delivered to the Board of Directors.

Going forward, we are determined to ensure that the Board of Directors provides even more thorough compliance oversight. We will carefully follow progress on the Medium-Term Business Plan to ensure sustainable growth and improve corporate value. In addition to achieving performance targets, Kajima will steadily advance the other priority measures set forth in the Medium-Term Business Plan, including Kajima work-style reform, the promotion of R&D, as well as domestic and overseas real estate development. The Board of Directors is committed to further deepening its discussions to ensure that Kajima succeeds.

In order to strengthen compliance and risk management across the entire Kajima Group, a new Administration Division was established in a resolution of the Board of Directors in March 2018. This was accomplished via a reorganization and strengthening of the head office organization. In addition, we set up the new Compliance and Risk Management Committee, which is chaired by the president, and tasked it with driving the effort to build an ESG management foundation, as mandated in the Medium-Term Business Plan.

Our efforts to enhance corporate governance are not yet complete, and I will do my utmost to lead Kajima forward steadily step by step, while taking into account objective feedback from external sources including our outside directors. You can count on Kajima to keep strengthening corporate governance and improving corporate value over the medium to long term to meet the expectations of society and our shareholders.

Mitsuyoshi Nakamura

Chairman and Representative Director

Corporate Governance

Fundamental Stance

Kajima's fundamental commitment on corporate governance is to ensure fair and transparent corporate activities using enhanced management supervision by the Board of Directors and Audit & Supervisory Board. This is combined with risk management and accountability achieved via internal controls and systematic steps to secure compliance.

Kajima will continue to strengthen its corporate governance based on the Corporate Governance Code outlined by the Tokyo Stock Exchange.

Kajima has elected to use a Board of Corporate Auditors structure with a Board of Directors to make key business

decisions and monitor business execution and to use an Audit & Supervisory Board to audit the execution of duties by directors.

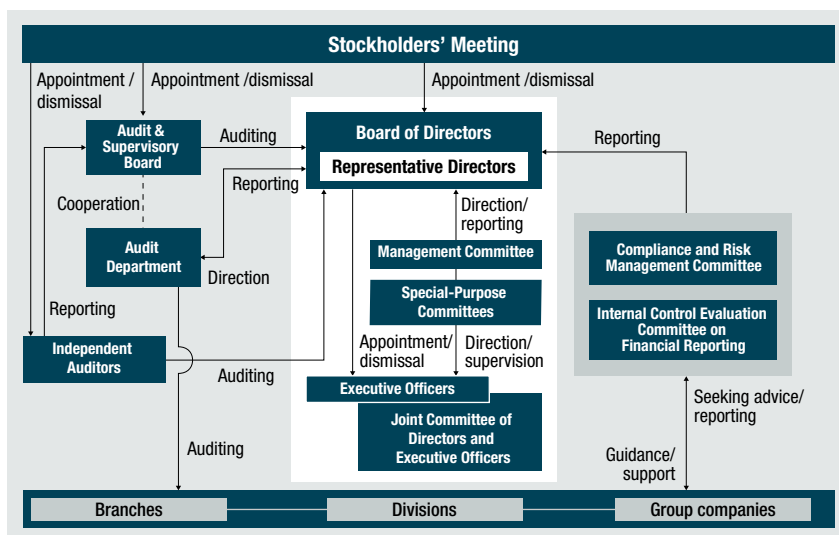
The Board of Directors meets once a month and additionally as needed. In addition to 11 internal directors with expert knowledge of the Company's businesses, the Board has three outside directors, who add an independent perspective on key decisions and enhance management supervision. The total membership of the Board of Directors is 14 persons.

To support the sustainable growth and progress of the Group for years to come, appointees to the Board of Directors must have the ability to apply the knowledge they have cultivated in their respective fields, such as business, finance, and technology. Candidate selection is performed based on the corporate philosophy, and by taking into consideration the diversity and appropriate size of the Board of Directors, while pursuing the needed balance of knowledge, experience and abilities. When nominating a candidate for the Board of Directors, the chairman, president and outside directors are consulted in advance. Based on their advice and recommendations, the Board of Directors then deliberates and makes a decision. Five Audit & Supervisory Board members, including three outside Audit

Governance Structure

Board of Corporate Auditors

Directors:	14 persons (including three outside directors) Term: 2 years
Audit & Supervisory Board Members:	5 persons (including three outside members)
Executive officer system:	Yes
Independent directors:	6 persons



Board of Directors

Chaired by the Chairman and meets once a month, and additionally as needed, to discuss and make decisions on basic management direction and other important matters and to supervise business execution.

Management Committee

Chaired by the President and meets three times a month to discuss and report on important management issues, consistent with guidelines designated by the Board of Directors.

Joint Committee of Directors and Executive Officers

Chaired by the President and meets once a month to inform all executive officers of decisions made at the Board of Directors and Management Committee, and reports on and evaluates business execution.

Audit & Supervisory Board and Its Members

Designates audit policies and audits the execution of duties by directors. Meets once a month to discuss reports from its members and prepare audit reports.

Audit Department

Works independently of all departments that execute business operations. Conducts internal audits on the appropriateness of the accounting and business activities of Kajima and its group companies, as well as the effectiveness of internal controls over financial reporting.

Independent Auditor

Kajima has elected to use Deloitte Touche Tohmatsu LLC as an independent auditor to conduct fair and impartial audits of Kajima's business practices.

Special-Purpose Committees

Special-purpose committees conduct risk assessments and discuss measures regarding important investments and loans. These include the Development Steering Committee, Overseas Business Steering Committee, Overseas Development Project Steering Committee, and PFI Civil Engineering and Building Committee.

& Supervisory Board members, also attend the Board of Directors meetings.

The outside directors and outside members of the Audit & Supervisory Board apply their experience and provide insight regarding the appropriateness and validity of decisions made by the Board of Directors. They also provide input from a third-party perspective to enhance objectivity and neutrality.

In 2005, Kajima adopted an executive officer system to clarify the responsibilities and functions of directors who execute business. Also, a Management Committee headed by the President meets three times a month to discuss important management issues, endeavoring to increase the efficiency and speed of business execution.

The Audit & Supervisory Board comprises two inside and three outside members, including finance and accounting experts. They attend important meetings, including Board of Directors meetings, and audit the appropriateness and validity of business execution by directors, with the support of the Office of Audit & Supervisory Board Members.

They also work closely with independent auditors and the Audit Department, receiving information from the Compliance and Risk Management Committee and Internal Control

Evaluation Committee on Financial Reporting concerning the implementation of internal controls, and working to enhance the effectiveness and efficiency of auditing.

Current Outside Directors and Outside Members of Audit & Supervisory Board

Kajima appoints three outside directors and three outside members of the Audit & Supervisory Board, with an emphasis on securing a high degree of independence. Appointees must satisfy certain requirements for independent directors laid down by stock exchanges, and all are on file as independent directors with the Tokyo Stock Exchange and Nagoya Stock Exchange.

Major Internal Meetings in FY2017	
Board of Directors	14 meetings
Management Committee	38 meetings
Joint Committee of Directors and Executive Officers	11 meetings
Audit & Supervisory Board	16 meetings

Basis for Appointing Outside Directors

Name	Independent Director	Major Concurrent Positions	Reason for Appointment	Attendance in FY2017
Koji Furukawa	Yes	Advisor, Mitsubishi Corporation	Furukawa provides valuable insight from his extensive experience in senior management positions with leading organizations in different industries, including Mitsubishi Corporation, Mitsubishi Motors Corporation, Japan Post Bank Co., Ltd., and Japan Post Network Co., Ltd. His appointment was based on his past advice to Kajima management and his appropriate oversight of business execution.	14 of 14 Board of Directors meetings
Masahiro Sakane	Yes	Councilor, Komatsu Ltd.; Outside Director, Takeda Pharmaceutical Company Limited	Sakane provides valuable insight from his experience leading a global manufacturer. He served as President and later Chairman and then Councilor at Komatsu Ltd. He is also an External Director for Takeda Pharmaceutical Co., Ltd. His appointment was based on his past advice to Kajima management and his appropriate oversight of business execution.	13 of 14 Board of Directors meetings
Kiyomi Saito	Yes	President, JBond Totan Securities Co., Ltd.; Outside Audit & Supervisory Board Member, Showa Denko K.K.	Saito provides valuable insight from her extensive experience gained as a business leader and entrepreneur. She served as Executive Director at Morgan Stanley and is the President & Representative Director of JBond Totan Securities Co., Ltd. (which she founded as JBond Co., Ltd.). She is also an Outside Audit & Supervisory Board Member at Showa Denko K.K. Her appointment was based on her past advice to Kajima management and her appropriate oversight of business execution.	14 of 14 Board of Directors meetings

Corporate Governance

Basis for Appointing Outside Members of Audit & Supervisory Board

Name	Independent Director	Major Concurrent Positions	Reason for Appointment	Attendance in FY2017
Masahiro Nakagawa	Yes	—	Nakagawa possesses considerable knowledge relating to finance and accounting. He served as Director at Sumitomo Mitsui Banking Corporation and President & CEO of SMBC Trust Bank Ltd. His appointment was based on the neutral and objective opinions he is able to provide by drawing upon his extensive experience with financial institutions.	Newly appointed in FY2018
Shuichiro Sudo	Yes	—	Sudo provides valuable input from a neutral and objective perspective, based on insight gained from his extensive experience in senior management positions at insurance companies including The Dowa Fire and Marine Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd. His appointment was based on these credentials.	14 of 14 Board of Directors meetings 16 of 16 Audit & Supervisory Board meetings
Yukio Machida	Yes	Attorney, Outside Statutory Auditor of Asahi Mutual Life Insurance, and Outside Director of Mizuho Bank Ltd.	Machida brings specialized knowledge as a prosecutor and attorney, and provides valuable input from a neutral and objective perspective based on insight gained from his extensive legal experience. His appointment was based on these credentials.	14 of 14 Board of Directors meetings 16 of 16 Audit & Supervisory Board meetings

Remuneration for Directors

Kajima has established policies for the determination of officer remuneration, etc.

When deciding remuneration for directors, the chairman, president and outside directors are consulted in advance. Based on their advice and recommendations, the Board of Directors then deliberates and makes a decision.

Kajima pays directors monthly wages as fixed payments and variable compensation in conjunction with a business performance bonus, decided according to their positions (including operating officer positions for directors concurrently serving in that role) and tenure, within parameters determined by resolution at Stockholder's Meetings. Non-executive directors, however, are paid only monthly wages.

Total remuneration for Audit & Supervisory Board members is decided at Audit & Supervisory Board meetings according to working conditions, within parameters determined by resolution at Stockholder's Meetings.

FY2017 Remuneration for Board of Directors and Audit & Supervisory Board Members

(¥ million)

Position	Total remuneration	Monthly remuneration	Bonus	No. of persons
Directors (excluding outside directors)	718	513	205	12
Audit & Supervisory Board members (excluding outside members)	55	55	-	3
Outside directors and members of the Audit & Supervisory Board	100	100	-	6

Evaluating the Effectiveness of the Board of Directors

Kajima evaluates the effectiveness of its Board of Directors once a year in order to enhance the Board's function and effectiveness. Each year, external experts are also asked to improve the evaluation method and identify opportunities to improve it.

As part of the evaluation process, the Board of Directors receives a report on its management in the previous fiscal year and on progress made following resolutions on major projects. Then, all members including outside directors and outside Audit & Supervisory Board members discuss ways to enhance the Board's effectiveness while identifying issues and points for improvement.

The results of the recent Board of Directors evaluation indicate that the Board has been supplied in advance with appropriate information for its deliberations and has been carrying out appropriate management. It was also determined that opinions of the outside directors have been actively incorporated by the Board and that there have

Major agenda items discussed by the Board of Directors in fiscal 2017

- Setting important issues to be addressed over the medium to long term
- Formulation of the Kajima Group Medium-Term Business Plan (2018 to 2020)
- Revision of the compliance and risk management system
- Promotion of Kajima work-style reform
- Composition of Kajima's private REITs
- Implementation of a large-scale multi-use development project in Myanmar
- Acquisition of IFE, an engineering company based in Singapore

been ongoing efforts to raise effectiveness. Moreover, the deliberation and decision-making for some important executive matters were handed over to the management team. The opinion was that further discussion should be carried out with respect to the Company's medium- and long-term direction, including the management policy and targets.

The Board of Directors is working to improve its effectiveness by revising the agenda item submission criteria to focus on topics for discussion, and by enhancing deliberation on the medium to long-term business plan for the entire Group.

Outside Director Support System

The Executive Office is responsible for providing support to outside directors, and the Office of Audit & Supervisory Board Members is responsible for providing support to outside Audit & Supervisory Board members. In addition to providing orientations prior to Board of Directors meetings, these offices also supply outside directors and board members with the information they need to serve in their positions.

While also meeting on their own, the outside directors regularly meet with Kajima management. In addition, they receive tours of branch offices and construction sites. This enhances management supervision by ensuring that



Meeting of outside directors

the outside directors have an incisive understanding of Kajima's business.

Policy on Constructive Dialogue with Stockholders

Kajima has instituted the following systems and measures to foster constructive, mutual dialogue with stockholders and investors that helps ensure sustainable growth and increasing corporate value for the Kajima Group over the medium to long term.

- (1) The financial director and the executive officer in charge of the Corporate Planning Department oversee dialogue with stockholders and investors.
- (2) The Corporate Communication Group within the Corporate Planning Department plays the central role in fostering this dialogue. The group shares information as needed to encourage organic coordination among all involved departments.
- (3) In addition to one-on-one meetings, earnings briefings and construction site tours are held regularly to increase opportunities for dialogue between the Company and its stockholders and investors.
- (4) The opinions expressed by stockholders and investors during these dialogues are regularly reported in a timely and appropriate manner to the Board of Directors and other bodies.
- (5) Insider information is appropriately handled in the context of dialogue with stockholders and investors in accordance with prescribed internal rules.



Overseas operations briefing

Main IR Activities in FY2017

Activity	Times conducted	Description
Briefing for analysts and institutional investors	4	Earnings briefing with the president held at the end of Q2 and the fiscal year. IR teleconference briefings were held at the end of Q1 and Q3.
Site tours for analysts and institutional investors, etc.	2	Overseas operations briefings and tours of the Seisho Experimental Field
IR activities for institutional investors outside of Japan	Regularly	Participated in three conferences arranged by securities companies, mainly holding one-on-one meetings with institutional investors. Telephone and individual meetings were also provided upon request.
Release of documents at IR website	Regularly	Released earnings briefing documents, Fact Book, quarterly earnings reports, and data on contract awards at Kajima's investor relations website: https://www.kajima.co.jp/english/ir/

Risk Management

With appropriate and efficient risk management systems established, the Kajima Group has made its best effort to identify risks in day-to-day operations and prevent them. The Group also strives to keep improving corporate value by winning the trust of shareholders, clients, and others with timely information disclosure.

Company-Wide Risk Management System

Kajima conducts company-wide activities to eliminate or reduce operational risks. The Management Committee and special-purpose committees deliberate on countermeasures to deal with such risks, including for new businesses and development investments.

Operational risks, such as legal compliance violations, are identified and addressed company-wide as major business risks that must be controlled. Kajima seeks to raise awareness of these risks and undertakes risk management initiatives using the PDCA cycle. Group companies in and outside of Japan have adopted standardized systems and have independently introduced risk management initiatives.

In April 2018, a reorganization was carried out to further strengthen the compliance and risk management system for the entire Group.

The Administration Division was established to supervise the Administration and Legal Departments, and a Risk Management Group was set up in the Administration Department. The compliance sections in the Legal Department were reorganized to form a new Compliance Office. A new Compliance and Risk Management Committee chaired by the president was created, replacing previous organizations. With these changes, compliance and risk are now managed comprehensively for the entire Kajima Group.

In April 2018, general manager positions for compliance

Risk Management Framework



Special-purpose committees to ascertain business risk and deliberate measures

Committee name	Chairperson	Purpose
Development Steering Committee	Real Estate Development Division General Manager	Deliberates and reports on investments in Japanese real estate development projects, and on the commercialization or sale of important real estate properties and other ongoing projects
PFI Civil Engineering Committee PFI Building Committee	General Manager, Civil Engineering Management Division General Manager, Building Construction Management Division	Deliberates and reports on company-wide response policies and frameworks related to PFI and other projects, individual projects involving business risks such as investment, and response policies concerning the formation of consortia of companies
Overseas Development Project Steering Committee	General Manager, Real Estate Development Division	Deliberates and reports on plan content and profitability, etc., regarding investment in major real estate development projects of overseas subsidiaries and of the Overseas Operations Division, as well as major plan changes, and any transfer of a relevant development project
Overseas Business Steering Committee	General Manager, Overseas Operations Division	Deliberates and reports on important matters concerning overseas business (overseas subsidiaries and overseas operations directly controlled by head office)
Business Investment Review Committee	General Manager, Corporate Planning Department	Identifies and discusses risks and issues regarding alliances, M&A, company establishment and new investment projects, other than the above; also provides support for the promotion of such projects
Important Construction Project Review Committee	General Manager, Civil Engineering Management Division General Manager, Building Construction Management Division	Confirms the technical, construction and contractual risks prior to estimate submission for important construction projects in Japan, and articulates policy on estimate submission
Overseas Civil Engineering Project Review Committee Overseas Building Construction Project Review Committee	General Manager, Civil Engineering Management Division General Manager, Building Construction Management Division	Investigates and reports on technical, construction, and contractual risks at the time of order receiving for major overseas construction projects; also investigates and reports on measures to address any serious problems that may occur during construction

and risk management were set up under every branch manager. At major subsidiaries in Japan, administrative leaders were made responsible for compliance and risk management. The people in these positions, the Administration Division, the divisional planning management departments, and the branch management departments collaborate to ensure total compliance at every level.

Information Security

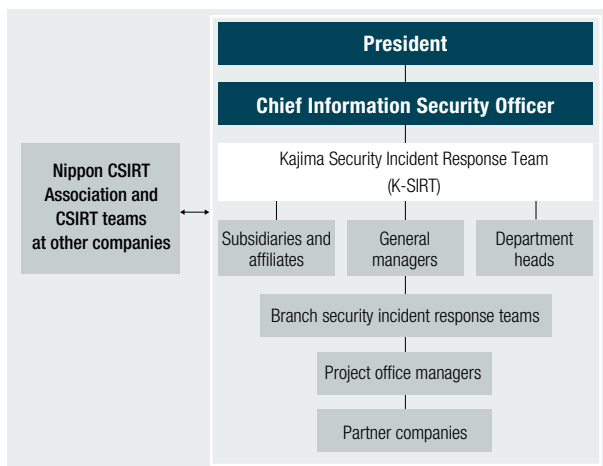
Kajima firmly prioritizes constant risk management and operates an information security policy. Employees of the Kajima Group and its business partners receive an annual online course on information security. Special emphasis is placed on response to targeted cyber-attacks, which have increased in recent years.

In the construction industry, project offices are often housed in temporary structures, and there is frequent communication with clients and partner companies during the construction process. These factors increase information security risk. Accordingly, Kajima regularly inspects and audits to verify that physical, personal, and technical measures are in place, while it also continues enhancing such measures.

In fiscal 2017, information security audits at 22 sites uncovered eight issues. After improvements were made, the measures were deployed horizontally to other sites.

For partner companies, Kajima also provides standard check sheets and online educational materials prepared by the Japan Federation of Construction Contractors. The Company is working to improve the level of information security at its partners.

Information Security Management Framework



Kajima is addressing today's proliferating cybersecurity threats in accordance with the Cybersecurity Management Guidelines from Japan's Ministry of Economy, Trade and Industry. The Company has set up the Kajima Security Incident Response Team (K-SIRT), a member of the Nippon CSIRT Association. The team stays on top of the latest trends in computer security and cyber-attacks, cooperating with other organizations and CSIRT teams. Kajima is also monitoring for unauthorized access, computer viruses, and other incidents and quickly addressing all potential threats.

**1 KAJIMA Security Incident Response Team*

Business Continuity Plan: Preparing for Disasters

When an earthquake or other natural disaster occurs, the construction industry must quickly mobilize to ensure business continuity and rapidly restore vital social infrastructure. As a member of the Japan Federation of Construction Contractors, Kajima operates and updates a business continuity plan (BCP) and conducts regular drills to prepare for contingencies. The Company has earned the Business Continuity and Disaster Recovery Certification for Construction Companies*¹ and Resilience Certification.*²

Kajima is also enhancing its cooperation with local governments and public infrastructure operators via disaster preparedness agreements to support recovery after a disaster.

**1 A program offered by the Kanto Regional Development Bureau under the Ministry of Land, Infrastructure, Transport and Tourism to evaluate and certify the basic business continuity capabilities of construction companies.*

**2 With the aim of enhancing disaster preparedness in Japan, this program provides certification to entities that are actively engaged in business continuity efforts. They are certified as organizations that contribute to national resilience by being prepared for large-scale natural disasters.*

Addressing Risks Outside of Japan

Kajima has established an International Emergency Response Committee to oversee the Group's response and ensure the safety of employees and their families when emergencies arise outside of Japan. In the event of a terrorist attack, major earthquake or other disaster outside of Japan, Kajima focuses first on gathering information to verify the safety of employees and their families and next on providing aid to the affected area.

Kajima has compiled a manual on preparedness measures and emergency response in areas where it operates and is currently educating employees on assignment outside of Japan on these topics.

Compliance

Kajima recognizes that compliance is the foundation for all corporate activities and has established the Kajima Group Code of Conduct to articulate this stance.

Compliance Framework

The Corporate Conduct Committee, with the president as its chair and the Legal Department as its secretariat, meets once a year to examine the implementation results of various compliance-related measures and to check the plan for the following fiscal year. Over the years, its efforts have established corporate ethics and thorough legal compliance at Kajima. As of April 2018, group-wide compliance is now being comprehensively promoted by the new Compliance and Risk Management Committee, which has replaced the Corporate Conduct Committee, as works to reinforce the Group's compliance and risk management framework.

Major Compliance Initiatives

- Preparation and distribution of the Handbook for Practical Application of the Code of Conduct (August 2016 revised version)
- Implementation of e-learning to deliver Code of Conduct training to all employees of the Kajima Group (Participants in fiscal 2017: 16,446 employees, including 7,457 employees at 37 group companies)



Prevention of Bid Rigging

An Antitrust Law Committee has been established under the Compliance and Risk Management Committee. A range of ongoing initiatives have also been implemented to establish a bid-rigging prevention framework within the Kajima Group.

On March 23, 2018, Kajima and one of its employees were charged with a suspected violation of the Antimonopoly Act. The charge related to the construction of stations in Shinagawa (Tokyo) and Nagoya as part of the Chuo Shinkansen line project for the Central Japan Railway Company. On March 28, 2018, Kajima Road Co., Ltd. was ordered to pay a penalty by the Fair Trade Commission for violation of the Antimonopoly Act. This related to pavement work ordered by Narita International Airport Corporation.

Kajima Group Code of Conduct

1 Fair and Honest Corporate Conduct

- 1 Observing the law and social norms
- 2 Emphasizing the needs of society and clients
- 3 Fair, transparent and free competition, and appropriate trade
- 4 Protection of intellectual property, rights and assets
- 5 Transparent relations with government
- 6 Eradication of antisocial activity
- 7 Maintaining adequate accounting

2 Harmony with Society

- 1 Building solid community relations
- 2 Respecting cultures and customs of all nations and people
- 3 Timely and appropriate disclosures and communications of information

3 Respect for All People Connected to the Kajima Group

- 1 Prohibiting discrimination and unfair treatment
- 2 Providing a safe and secure workplace environment
- 3 Respecting employees' unique characteristics and promoting individual development
- 4 No child labor or forced labor

4 Responsibility to the Environment

- 1 Approach to environmental issues

5 Implementation of Corporate Code of Conduct

- 1 Education and awareness
- 2 Establishment of an effective internal monitoring structure

6 Occurrence of Code Violations

- 1 Accountability and preventive measures
- 2 Disciplinary action

Kajima is thoroughly investigating the details of the charges relating to the Chuo Shinkansen construction project and will defend itself in court. Along with the penalty imposed on its subsidiary, the Company takes these charges very seriously. In order to further strengthen the Group's compliance and risk management, the entire framework was reorganized in April 2018 (see page 58, "Risk Management Framework"). In addition, the Civil Engineering Sales Division was integrated into the Civil Engineering Management Division to better control bidding activities. Also established was a new General Affairs & Compliance Group within the Administration Department of the Civil Engineering Management Division, giving the civil engineering business a better framework for ensuring total compliance in daily operations.

In addition, based on thorough analysis and review of the recent indictment, Kajima will make the necessary revisions to its internal regulations and will thoroughly inform employees through continuing education. The Group will continue to promote sweeping measures to prevent bid rigging and to preclude any possibility of suspected or actual legal violations in the future.

Other major measures being implemented for bid-rigging prevention include:

- Preparation and distribution of the Manual for Compliance with the Antimonopoly Act (revised in July 2016)



- Antimonopoly Act workshops held across Japan by an attorney with relevant expertise (participants in fiscal 2017: 1,062 employees including 232 from 23 group companies)
- Bidding process record keeping and regular audits
- Establishment of rules concerning contact with other companies in the same industry and participation in external meetings, as well as pre-approval procedures

Whistleblower System

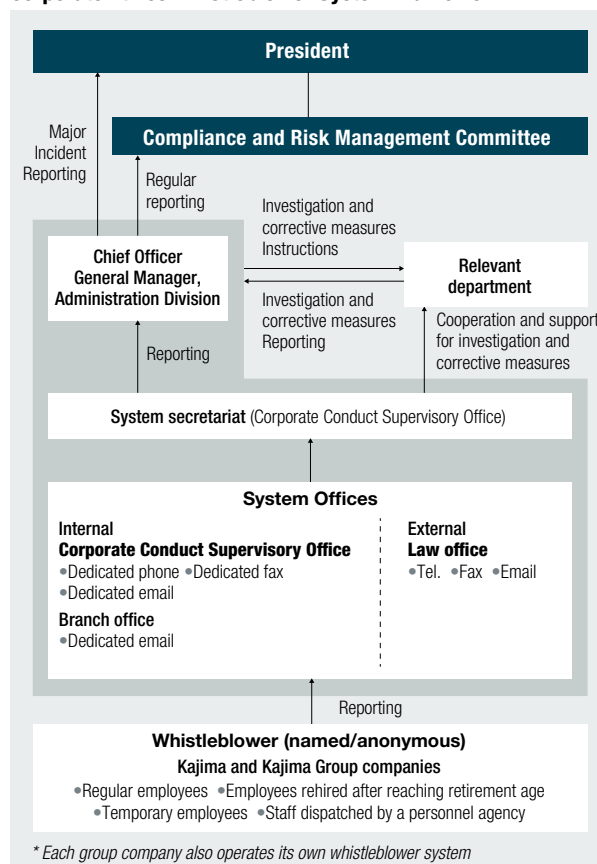
The Kajima Group has established a whistleblower system that allows employees and others to report facts or suspicions concerning wrongdoing in the Group. Anyone can report, anonymously if desired, misconduct or legal violations, including corruption such as bribery involving officers or employees.

In order to ensure the convenience and effectiveness of the system, a contact office has also been established outside the company.

The system prohibits retaliatory actions against whistleblowers and any kind of disadvantageous treatment. Through e-learning and the distribution of information cards to everyone in the Group, employees are being made thoroughly aware of the system and are urged to use it without hesitation.

The system also provides consultation for external stakeholders. Consultation details and personal information are treated as confidential information.

Corporate Ethics Whistleblower System Framework



Directors and Auditors (As of June 26, 2018)



Chairman;
Representative Director

Mitsuyoshi Nakamura

1965 Joined the Company
1996 Director
1999 Managing Director
2002 Senior Managing Director; General Manager, Sales and Marketing Division; and General Manager, Kansai Sales and Marketing Division
2005 President; Representative Director
2015 Chairman; Representative Director (to the present)



President;
Representative Director

Yoshikazu Oshimi

1974 Joined the Company
2005 Executive Officer; General Manager, Yokohama Branch
2008 Managing Executive Officer
2009 General Manager, Building Construction Management Division
2010 Senior Executive Officer
2013 General Manager, Kansai Branch
2015 Executive Vice President; President (to the present); Representative Director (to the present)



Representative Director;
Executive Vice President

Naoki Atsumi

1986 Joined the Company
1995 Director
1997 Managing Director
2000 Senior Managing Director
2002 Representative Director; Executive Vice President; Responsible for Executive Office, Human Resources and Audit
2005 Representative Director (to the present); Executive Vice President (to the present); General Manager, Corporate Planning Division; Responsible for CSR and Overseasing Executive Office, Audit Department, New Business Department, Affiliated Business Department and IT Solutions Department



Representative Director;
Executive Vice President

Tamiharu Tashiro

1971 Joined the Company
2005 Executive Officer; General Manager, Tokyo Civil Engineering Branch, Tokyo Metropolitan Business Division
2007 Managing Executive Officer; General Manager, Civil Engineering Management Division; Overseasing Machinery and Electrical Engineering Department
2008 Senior Executive Officer
2009 Director
2010 Representative Director (to the present); Executive Vice President (to the present)



Representative Director;
Executive Vice President; General Manager,
Building Construction Management Division

Hiroyoshi Koizumi

1973 Joined the Company
2004 Managing Director, Kajima Overseas Asia Pte Ltd
2008 Executive Officer
2010 Managing Executive Officer
2013 Senior Executive Officer; General Manager, Building Construction Management Division (to the present)
2015 Representative Director (to the present); Executive Vice President (to the present)



Director; Executive Vice President;
General Manager,
Sales and Marketing Division

Takashi Hinago

1968 Joined the Company
2003 Director
2005 Executive Officer
2006 Managing Executive Officer
2007 General Manager, Sales and Marketing Division (to the present)
2008 Senior Executive Officer
2011 Executive Vice President (to the present)
2012 Director (to the present)



Director; Executive Vice President; General Manager, Civil Engineering Management Division, Responsible for International Civil Engineering Operations

Masayasu Kayano

1974 Joined the Company
2001 Secretary Senior Manager
2007 Executive Officer; General Manager, Tokyo Civil Engineering Branch
2009 Managing Executive Officer
2011 General Manager, Civil Engineering Management Division (to the present); Overseasing Machinery and Electrical Engineering Department
2012 Senior Executive Officer
2014 Director (to the present); Executive Vice President (to the present)
2015 Responsible for International Civil Engineering Operations (to the present)



Director; Executive Vice President;
Responsible for Sales and Marketing

Hiroshi Ishikawa

1989 Joined the Company
1997 Representative Director; Vice President, Kajima Leasing Corporation
2000 Director
2002 Managing Director
2004 Senior Managing Director
2005 Director (to the present); Senior Executive Officer; General Manager, Sales and Marketing Division
2007 Responsible for Sales and Marketing (to the present)
2016 Executive Vice President (to the present)



Director; Managing Executive Officer;
General Manager, Treasury Division

Ken Uchida

1979 Joined the Company
2012 President, Kajima Europe Ltd.
2015 Executive Officer
2017 Managing Executive Officer (to the present); General Manager, Treasury Division (to the present); Director (to the present)



Director

Nobuyuki Hiraizumi

1984 Joined the Company
2005 Principal Economist, Research Department, Policy Research Institute, Ministry of Finance
2007 Senior Manager, Asset Management Service Department, Real Estate Development Division
2009 Retired from the Company; Advisor, Avant Associates, Inc. (to the present)
2012 Director (to the present)



Director;
Senior Advisor

Shoichi Kajima

1953 Director
1959 Executive Vice President; Representative Director
1978 Vice Chairman; Representative Director
1984 President; Representative Director
1990 Co-Chairman and CEO; Representative Director
1994 Director (to the present); Senior Advisor (to the present)



Director*

Koji Furukawa

1962 Joined Mitsubishi Corporation
1999 Director, Senior Executive Vice President, Mitsubishi Corporation
2004 Vice Chairman of the Board, Mitsubishi Motors Corporation
2007 Chairman and CEO, Representative Director, Japan Post Bank Co., Ltd.
2009 Chairman and CEO, Representative Director, Japan Post Network Co., Ltd.
2012 Chairman and CEO, Representative Director, Japan Post Co., Ltd.
2013 Advisor, Japan Post Co., Ltd.; Advisor, Mitsubishi Corporation (to the present)
2015 Director (to the present)



Director*

Masahiro Sakane

1963 Joined Komatsu Ltd.
1989 Director, Komatsu Ltd.
1999 Executive Vice President, Representative Director, Komatsu Ltd.
2001 President, Representative Director, Komatsu Ltd.
2003 President and CEO, Representative Director, Komatsu Ltd.
2007 Chairman of the Board, Representative Director, Komatsu Ltd.
2010 Chairman of the Board, Director, Komatsu Ltd.
2013 Councillor, Komatsu Ltd. (to the present)
2015 Director (to the present)



Director*

Kiyomi Saito

1973 Joined Nikkei Inc.
1975 Joined Sony Corporation
1984 Joined Morgan Stanley
1990 Executive Director, Morgan Stanley
2000 President, JBond Co., Ltd. (currently JBond Totan Securities Co., Ltd.) (to the present)
2015 Director (to the present)



Audit & Supervisory Board Member

Toshinobu Nakatani

1976 Joined the Company
2010 General Manager, Accounting Department, Treasury Division
2011 Executive Officer; Deputy General Manager, Treasury Division
2015 Managing Executive Officer; Overseeing Audit Department
2016 Audit & Supervisory Board Member (to the present)



Audit & Supervisory Board Member

Koji Fukada

1980 Joined the Company
2007 General Manager, Accounting Department, Yokohama Branch
2013 General Manager, Administration Department, Yokohama Branch
2015 General Manager, Audit Department
2017 Audit & Supervisory Board Member (to the present)



Audit & Supervisory Board Member**

Masahiro Nakagawa

1981 Joined the Sumitomo Bank, Limited
2010 Director and General Manager, Real Estate Corporate Business Office, Sumitomo Mitsui Banking Corporation
2013 President and CEO, SMBC Trust Bank Ltd.
2015 Representative Director & Deputy Chief Executive, SMBC Trust Bank Ltd.
2018 Audit & Supervisory Board Member (to the present)



Audit & Supervisory Board Member**

Shuichiro Sudo

1964 Joined The Dowa Fire and Marine Insurance Co., Ltd.
1991 Director, The Dowa Fire and Marine Insurance Co., Ltd.
1996 Managing Director, The Dowa Fire and Marine Insurance Co., Ltd.
1998 President, Representative Director, The Dowa Fire and Marine Insurance Co., Ltd.
2001 President, Representative Director, Nissay Dowa General Insurance Co., Ltd.
2006 Chairman, Representative Director, Nissay Dowa General Insurance Co., Ltd.
2010 Representative Director, Aioi Nissay Dowa Insurance Co., Ltd.
2012 Audit & Supervisory Board Member (to the present)



Audit & Supervisory Board Member**

Yukio Machida

1969 Public Prosecutor, Tokyo District Public Prosecutor's Office
2002 Director-General, Public Security Investigation Agency
2004 Superintending Prosecutor, Sendai High Public Prosecutor's Office
2004 Deputy Prosecutor-General, Supreme Public Prosecutor's Office
2005 Retired from Public Prosecutors' Office; Admitted to the bar
2015 Audit & Supervisory Board Member (to the present)

* Outside Director as defined in Article 2, Item 15, of the Companies Act.

** Outside Company Auditor as defined in Article 2, Item 16, of the Companies Act.