

Part 5

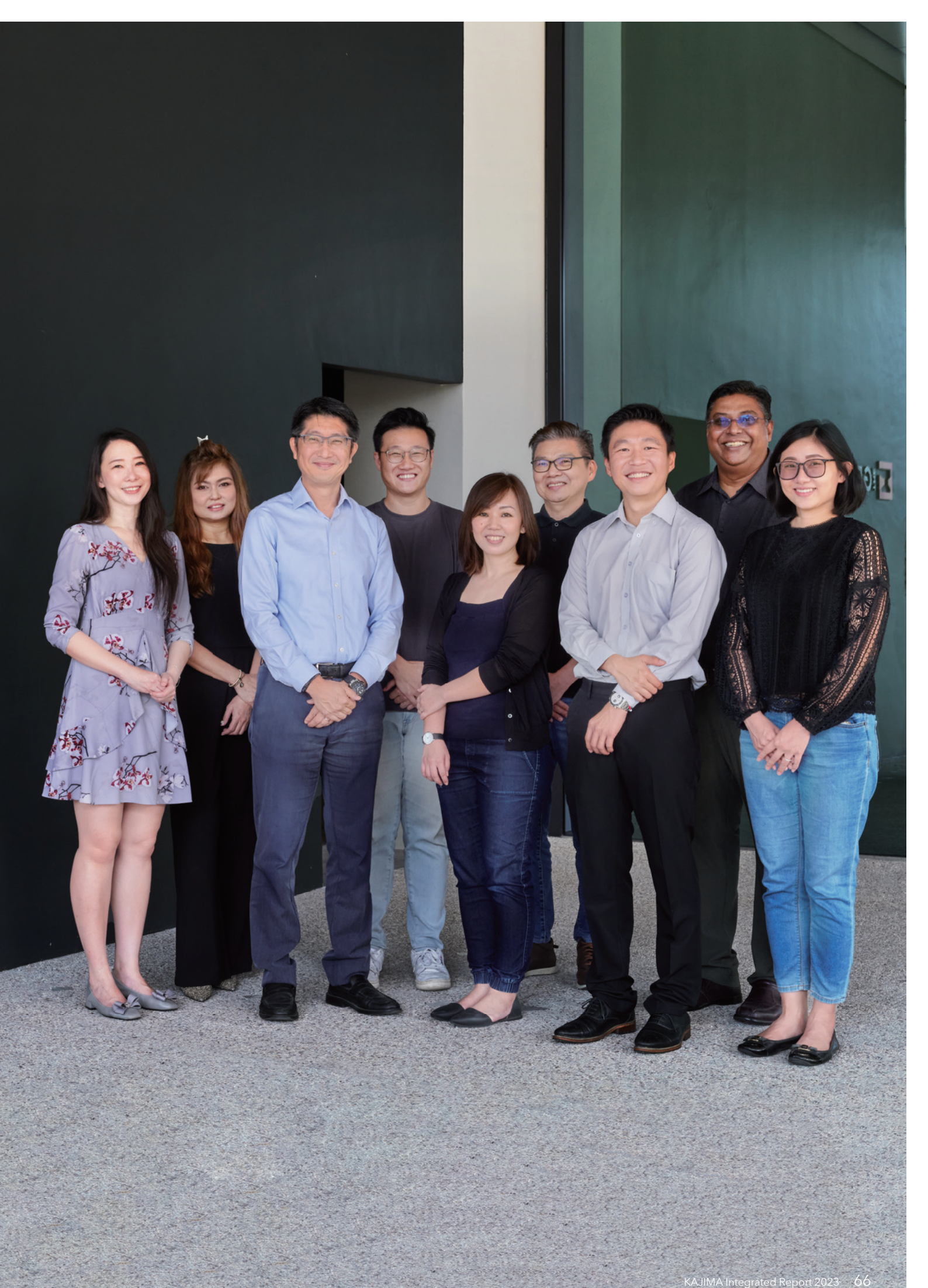
Strengthening the Foundation that Supports Sustainable Growth —ESG Initiatives

Aiming to realize lifestyles and cities that share abundance for a sustainable global environment. We continue to refine our strengths in people, technology, and organization based on our enterprising spirit.

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Photo: Employees at the newly opened innovation hub The GEAR in Singapore





Research and Technology Development

Sources of Value Creation: Technology

Technology is essential in creating buildings and civil engineering structures that must withstand the tests of time and serve multiple generations. For over 180 years, Kajima has used its portfolio of advanced technologies to create spaces for people's lives and activities.

Our Starting Points

- First in Japan's construction industry to open a technical research institute, in 1949
- A foundation of a technology-driven company that has taken on difficult construction projects such as Western-style buildings and railroads since its founding
- Foresight in inviting leading experts in structural dynamics (Kiyoshi Mutoh) and seismic damping structure research (Takuji Kobori, etc.)

How We Encourage Cultural Continuity

- Making tacit knowledge visible and digital, so wisdom and experience can be passed on
- Promoting joint research and development with various partners, including universities, research institutes, leading companies, and startups in Japan and abroad
- Exploring advanced technologies through open innovation networks in Japan, Singapore, and the U.S.

Research and Technology Development to Address Social Issues

Kajima established its Technical Research Institute in 1949, and since then has met the expectations of society and customers by completing difficult projects through the development of superior technologies.

In recent years, in addition to developing technologies to build conventional social infrastructure, we have been focusing on addressing new social issues. For example, the shortage of successors due to the declining birthrate and aging population is a major challenge. To improve productivity and safety, we are developing technologies to reduce labor through mechanization and automation, as well as using unmanned labor. We are introducing various digital technologies such as AI, ICT, and even robotics in these developments. Our next-generation construction system A⁴CSEL and Kajima Smart Future Vision are typical examples.

New Value Created by R&D

By establishing a system of technological development centered on our own research laboratories, we are able to develop new technologies on our own, as well as take a long-term view and incorporate many advanced technologies from outside the company. To this end, we are promoting open innovation beyond the scope of the construction industry with startups, universities, and advanced technologies from different industries around the world. We are also leveraging outside expertise to provide a variety of new values, such as reducing environmental impact, including decarbonization, realizing safety and security in light of natural disasters such as typhoons and torrential rains, which are becoming more severe due to global warming, and creating spaces for wellbeing, including a sense of health and happiness.

R&D Promotion Structure



New R&D Base, The GEAR

Opened in Singapore in August 2023, The GEAR aims to serve as a global innovation hub for the entire Kajima Group. In addition to the partnerships with local universities and government agencies that we have cultivated since opening the Kajima Technical Research Institute's Singapore office in 2013, we are advocating for the creation of new value through collaboration with cutting-edge technologies in Japan, Silicon Valley, and other parts of the world.



The GEAR (Opened in August 2023)

Intellectual Property Management

Kajima places importance on intellectual property and intangible assets as the foundation for new value creation and sustainable business growth. We are working on the creation, protection, utilization, and risk management of intellectual property, while being aware of using them as tools to promote competition in the construction business and co-creation in situations such as open innovation. In addition, we have measures in place to minimize the intellectual property risks inherent in construction companies.

System for Promoting Intellectual Property Activities

The Intellectual Property Promotion Meeting is held twice a year, with management and department managers as members, to deliberate on management policies for intellectual property activities and report on the implementation status and results. Under policies formulated at the meeting, the Intellectual Property and License Department, the R&D functions, and business divisions work together to promote intellectual property activities.

Creation, Protection and Utilization of Intellectual Property

Kajima's R&D achievements cover a wide range of fields, including civil engineering, building construction, and the environment. Over and above these, ideas are "created" from out in the field. We protect them as intellectual property and apply them in our business. Our intellectual property drives the revenue and growth of our business and is a source of open innovation.

Risk Management for Intellectual Property

Kajima does construction at many sites in Japan and overseas, each using different construction methods, materials, equipment, etc., so there is a wide variety of intellectual

property risks. We therefore monitor and evaluate the intellectual property of other companies to identify and reduce intellectual property risks and prevent infringements and disputes.

Intellectual Property Education

We provide extensive intellectual property education to ensure that employees recognize the importance of intellectual property and intangible assets and incorporate an intellectual property perspective into their own work.

Regular Training	New employee training, job-specific training, selection training, intellectual property search training, etc.
Special Training	Training for specific departments, training for group companies, training for compliance with legal amendments, etc.

Reward System and Internal Recognition System

We promote intellectual property activities by providing filing, registration, and performance incentives for employee inventions.

In addition, three new internal awards (President's Award) related to intellectual property were established in 2022 to raise employee awareness and stimulate intellectual property activities.

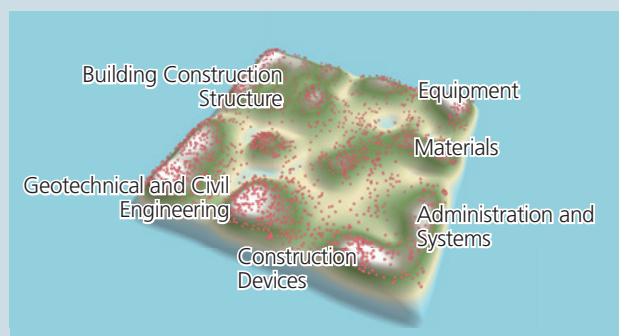
(1) Intellectual Property Achievement Award	For inventions that have made an outstanding contribution to the business
(2) Intellectual Property Merit Award	For employees who have made long-standing contributions in the field of intellectual property, such as by training younger employees
(3) Intellectual Property Encouragement Award	For mid-career and young employees with a promising future in the field of intellectual property

TOPICS

Business Support with IP Landscapes

We are promoting efforts to utilize IP landscapes when devising business strategies, etc. We apply intellectual property information to analyze our strengths and weaknesses, search for key technological fields that will become sources of competitiveness, and provide the information in meetings related to technological development.

In cooperation with each division, we discuss the results of IP information analysis, while taking into account market information, etc., to strengthen core businesses, create new businesses, and search for business partners.



Analysis by IP Landscapes (created by Kajima using PatSnap)

Focus ■ Strengthening the Future Foundation 1 DX of Kajima

Creating value through three forms of DX to support customers, society, and the construction industry in resolving issues

Aiming to Realize the Kajima DX Vision

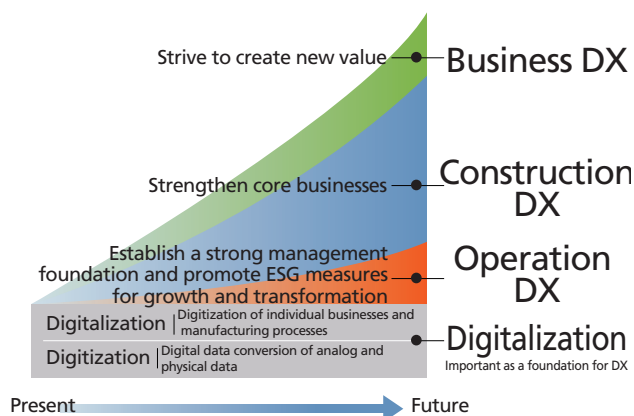
To meet the new needs of society and customers, against the backdrop of emerging advanced digital technologies such as AI, robotics, and the metaverse, as well as the advent of a data-centric society, Kajima has committed ¥55 billion to R&D and digital domains in the Kajima Group Medium-Term Business Plan (FY2021–2023).

With the Digital Strategy Office, established in January 2021 under the direct control of the president, at its core, we are working to disseminate our digital strategy throughout the company and promote DX in an integrated manner in each division, aiming to realize three forms of Digital Transformation: Construction DX, Business DX, and Operation DX, in cooperation with external companies and research institutions.

Image of Kajima DX Vision and Progress of Initiatives

Kajima DX Vision

Connect digitally with customers and society, proactively discover and solve problems, and create a more convenient, comfortable, and safe world.



Construction DX

We strive to create a better industry, by addressing its key challenges, including enhancing productivity, quality, and safety, as well as ensuring the acquisition of skilled workers.

In addition to the Kajima Smart Future Vision in the building construction business, the conversion of construction sites into factories in the civil engineering business, and data linkage throughout the entire construction value chain using BIM/CIM. We are also working to empower the next generation by efficiently leveraging our construction expertise, transforming tacit knowledge into digital formats for easy accessibility and learning.

Business DX

We are enhancing the value of the Kajima Group's physical structures by integrating digital solutions, thereby creating a new dimension of value.

We are reinforcing our response to the growing needs for smart buildings with new forms of value such as wellness spaces and carbon neutrality, and smart cities that provide safety and security through city-scale risk assessment and



Kajima's Smart Building Concept

area management using urban OS, utilizing advanced technologies such as digital twin.

Operation DX

To deal with the urgent issue of the Work-Style Reforms, we are working to bring about appealing work styles by reforming business processes through the use of RPA, AI/OCR, etc. and developing a remote work environment.

Improving the Management Foundation towards the Kajima DX Vision

Developing Digital Human Resources

In terms of human resource development, we are strengthening our education system to integrate construction and digital knowledge, ranging from e-learning for all employees to promote acquisition of basic knowledge and improve literacy, to a program to train people with advanced digital skills so they can implement DX measures in the field by applying data science. To date, more than 5,000 employees have taken the course.

Technology Development and Risk Management Related to DX

Led by the Kajima Technical Research Institute, the entire construction process is being digitized through the use of AI and robots. We are actively co-creating with universities and other research institutions as well as leading external companies, including start-ups, to promote DX through open innovation. We are also working to effectively take advantage of the latest technologies, such as generative AI and metaverse, while addressing risks they present.

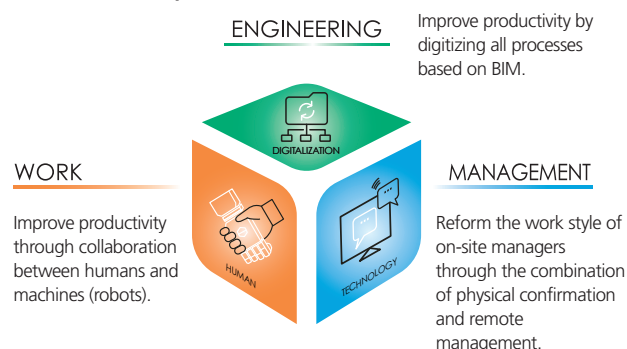
Toward Strategic Promotion of DX: Building Construction Business

Basic Strategy

Kajima Smart Future Vision

Kajima has been an early adopter of production process reforms in building construction, including the commercialization of welding robots in 2016. Based on these achievements, the Kajima Smart Future Vision was announced in 2018 with three core concepts. We are working to develop robotics and automation technologies and innovate on-site management methods for repetitive and hazardous tasks, as well as tasks where automation can improve efficiency and quality.

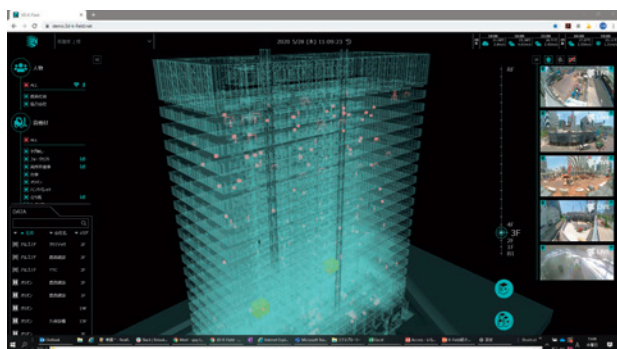
Three Core Concepts



Development Technology Case Study

3D K-Field

A digital twin digitizes all information generated in the building process from pre-planning and design to construction, maintenance, and operation, and reproduces the construction site and facility operation status in a virtual space using BIM. Using this technology, Kajima has developed 3D K-Field, a construction site remote-management system that combines data of the location of materials, equipment, and workers at



3D K-Field

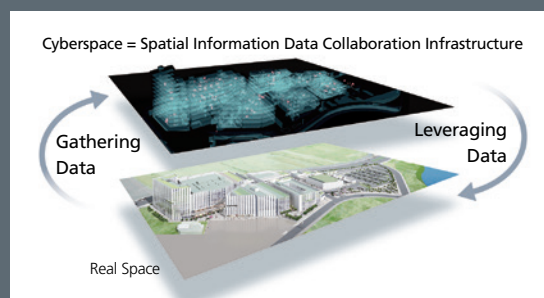
a construction site with data on the operation of equipment and building drawings. It enables multiple parties to remotely check the site and the status of individual pieces of equipment in detail.

In addition to use at construction sites, this will enable visualization, analysis, and improvement of human movement and building facility operating conditions in offices, hospitals, and other facilities after construction is completed, and is being developed for a wide range of applications.

Creating Innovation in Smart Cities with Digital Twin

HANEDA INNOVATION CITY, a large-scale complex operated by Haneda Mirai Kaihatsu Co., Ltd., in which nine companies including Kajima have invested, is implementing various smart city technologies in our society.

3D K-Field is applied in facility operations. The digital twin is deployed at the area level to visualize the congestion and operational status of facilities, autonomous buses, facility management staff and service robots, and analyze the collected data to streamline facility operations.



In addition, as cutting-edge research and demonstrations in the mobility and robotics fields, for example, we have achieved more than 800 regular and accident-free operations on public-road routes between HANEDA INNOVATION CITY and Haneda Airport, in preparation for the regular operation of Level 4 automated buses.



Automated Bus Routes and Vehicles

Toward Strategic Promotion of DX: Civil Engineering Business

Basic Strategy

Conversion of Construction Sites into Factories

The Civil Engineering DX project aims to transform construction sites into factories by leveraging digitalization and data in the virtual space, as well as mechanization and automation in the physical space.

This enables us to accelerate construction accuracy and efficiency, while dramatically improving productivity and safety.

We are committed to transforming construction sites from qualitative to quantitative systems, creating a safer and more efficient infrastructure for the future.

Development Technology Case Study

A⁴CSEL Next-Generation Construction System

The A⁴CSEL Next-Generation Construction System is the world's first construction production system that enables autonomous and automated operation of multiple machineries without a break. It is expected to improve productivity, safety, and quality, while also saving on labor.

Full-scale application was carried for the Naruse Dam embankment casting work, with five models and more than 10 heavy machines working together to perform automated construction. In October 2022, we recorded the highest monthly amount of casting at a dam embankment construction project in Japan.

We are also developing A⁴CSEL for Tunnels technology and conducting full-scale construction tests at the Kamioka Test Tunnel in Gifu.

Three Technologies Comprising A⁴CSEL

A⁴CSEL

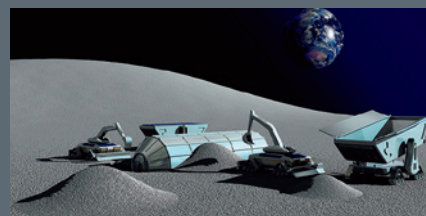
- Technology 01 Automated conversion of general-purpose construction machinery
- Technology 02 Automated driving technology with data from skilled engineers and AI
- Technology 03 Highly productive operation through optimal construction planning



To promote the deployment of automated construction systems outside the company, we have established a joint venture company, KNC Planning Co., Ltd. with NEC Corporation.

Toward Unmanned Construction on the Moon – A⁴CSEL for Space

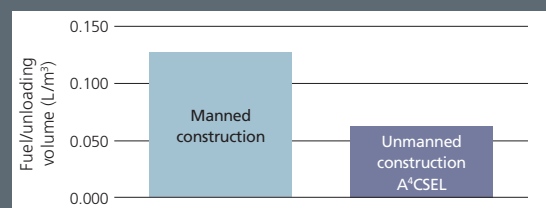
Since 2016, JAXA and Kajima have been promoting joint research on a remote construction system to build a manned base for space exploration using A⁴CSEL. In 2021, Development of Autonomous Remote Construction Technology Adaptable to the Construction Environment utilizing A⁴CSEL was also selected as an R&D project under the Space Unmanned Construction Innovative Technology Development Promotion Project led by the Ministry of Land, Infrastructure, Transport and Tourism. Kajima plans to develop a simulation platform that can reproduce construction work in a lunar environment in virtual space.



Confirmed CO₂ Emission Reduction Effects

The introduction of A⁴CSEL in the Naruse Dam embankment casting work resulted in significant labor savings and increased pouring volume, as well as improved operating efficiency and accuracy of construction machinery, leading to a reduction in travel distance. Fuel consumption per 1 m³ of CSG* unloading work can be reduced by approximately 40-50% compared to manned operation, which has been confirmed to reduce CO₂ emissions.

* CSG: Material made by mixing local materials (stone or sand rubble) with cement and water.

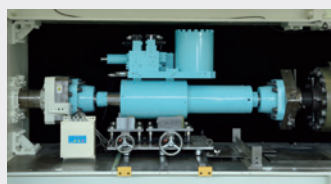


Comparison of fuel consumption during CSG bedding (maximum vs. minimum)

Leading the field of seismic damping technology in Japan, including the development of technology to cope with long-period seismic motion in skyscrapers

Pioneer in Seismic Damping Technology

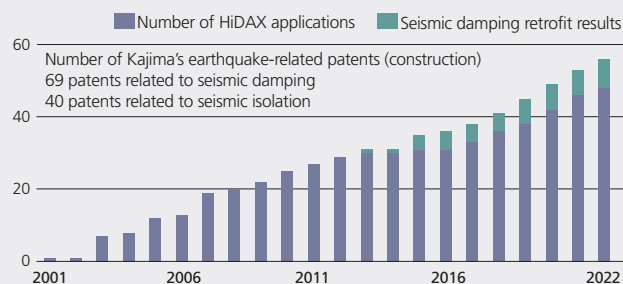
Kajima has been an industry leader in seismic damping technology in Japan, a country known for its earthquakes. Kajima's mainstay seismic damping device, HiDAX^{*1}, is a device that controls building sway by applying oil damper technology. It has been adopted in approximately 60 skyscrapers, mainly in urban areas. The HiDAX-R developed in 2015 is equipped with the world's first vibration energy regeneration system, a revolutionary technology that



HiDAX-R oil damper for seismic damping

temporarily stores a building's vibration energy in the device and converts it into control energy, making it about four times more efficient at seismic damping than ordinary oil dampers.

Number of HiDAX applications (new construction) and seismic damping retrofit results



D³SKY Series Technology for Countermeasures against Long-Period Seismic Motion

After the Great East Japan Earthquake, long-period seismic motion, in which skyscrapers in the central area of Tokyo swayed slowly and significantly for a long time, attracted great interest. In 2013, Kajima developed D³SKY, a technology for countermeasures against long-period seismic motion in existing skyscrapers. This device improves the seismic damping



D³SKY-L with multi-layered rubber

performance of a building by installing ultra-large weights called TMD^{*2} on the roof of the building. The scope of work is generally limited to the rooftop, so seismic retrofitting can be performed with minimal impact on tenants, views, and effective floor area.

The newly developed D³SKY-L^{*3} was applied to the YEBISU GARDEN PLACE TOWER seismic damping work completed in August 2022 in Shibuya-ku, Tokyo. Three large multi-layered rubber TMDs (weighing 450 t) were connected to achieve a significant space saving, and it was confirmed that the shaking of the building in all directions was reduced by half against the same level of seismic motion as that of the Great East Japan Earthquake.

^{*1} HiDAX: High DAmpling system in the neXt generation

^{*2} TMD: Tuned Mass Damper

^{*3} D³SKY-L: Dual-direction Dynamic Damper of Simple Kajima stYle-Layered system

Technology Developers behind Kajima's Seismic Damping Brand



Haruhiko Kurino

Dputy Director, Kajima Technical Research Institute and Principal Engineer, Architectural Design Division

For more than 30 years since joining Kajima, I have been responsible for research and development on Kajima's seismic damping technology. HiDAX, created in 2000, realized a vibration energy absorption capacity twice that of vibration control systems available at the time, and was adopted in many skyscrapers, including the Roppongi Hills Mori Tower. Since then, we have developed the HiDAX-e, which does not use electricity for its control mechanism, and the HiDAX-R, the world's first and highest-efficiency model with an energy regeneration mechanism, and have expanded the range of variations to provide technology that meets customer requirements. This is also true for D³SKY.

One of Kajima's strengths is its ability to collect seismic data from the abundant properties we have built and feed it back into technological development. We are also proud that we can provide optimal tailor-made services for buildings by integrating sales, design, and construction. Japan's seismic damping technology is highly regarded overseas, and HiDAX-R and D³SKY have attracted a great deal of attention at international conferences on seismic control (World Congress on Structural Control).

(Photo courtesy of Asahi Shimbun)

Human Resources Strategy

Human Resources: Source of Value Creation

Kajima's people have a proactive and resolute enterprising spirit that has led the industry in taking on challenges in new fields. The mindset cultivated through the fusion of knowledge and experience is passed down to the next generation. We develop professionals who can create buildings and structures to the highest standards.

Our Starting Points

- An enterprising spirit passed along since our foundation
- A family-oriented corporate culture based on a humanitarian outlook

How We Encourage Cultural Continuity

- Incorporation of systems to retain diverse employees, support various work styles, and encourage them to take on challenges
- Development of talent management system
- Expanding facilities to train the next generation leaders

The Kajima corporate philosophy advocates "As a group of individuals working together as one, we pursue creative progress and development founded on both rational, scientific principles and a humanitarian outlook." To prepare for the upper limits on overtime work to be implemented from FY2024, we pursue further labor streamlining and continue to enhance individual employees' abilities and take on challenges,

with the aim of building a win-win corporate culture to sustain growth and competitive advantage.

To achieve one of the goals we have set for 2030, which is to build free and open organizations with diverse human resources, we will swiftly encourage developing people and systems to promote growth and transformation.

Human Resource Strategy Overview



Collaborate

Systems that encourage diverse people to collaborate and improve through mutual development

Hiring and Retention

Kajima's recruitment policy is to consistently secure high-potential human resources who can inherit the knowledge, technologies, values, and customer trust that we have accumulated over time, and who can help create the future of Kajima together. We have proactively employed diverse human resources, including those who promote our core businesses of construction and real estate development, as well as highly specialized human resources who can adapt to technological advancements and business globalization.

To enhance our human resources foundation that is essential to business development, we have increased the number of both new graduate and mid-career hires, taking into account factors such as the medium- and long-term business scale and personnel outlook, and compliance with the upper limits on overtime work to be implemented from FY2024.

Diversity & Inclusion

We emphasize the building of an environment in which human resources with diverse backgrounds and characteristics can achieve their full potential.

Kajima has increased the employment of women on the managerial track since the revision of the Equal Employment Opportunity Law in 1999. We have expanded the scope of employment to construction management in 2005 and have assigned female engineers to construction sites. In 2014, we set the goal of doubling the number of female engineers and managers in 5 years from FY2014 and tripling it in 10 years so that they can play active roles. The ratio of female employees among new graduate hires has improved and remained above 20% since 2016. Furthermore, we continuously organize career training across job types for networking to retain female employees. As a result, we achieved the initial goal for women

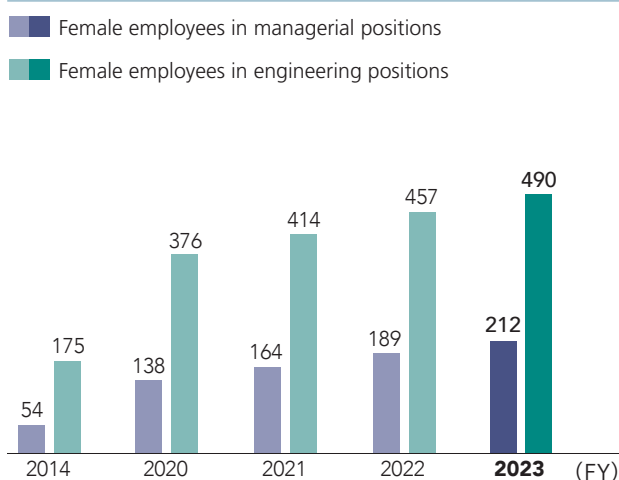
in managerial positions in FY2021 and have continued to increase their number. We have also steadily increased female engineers to nearly 500.

Recently, we have particularly been promoting various measures to help employees balance work and childcare. We started a pilot temporary childcare service for infants to elementary school pupils, using company housing in Tokyo in August 2023, which was in addition to enhancing flex-time hours for parents, organizing workshops on balancing work and childcare (targeting employees taking extended parenting leave and their supervisors), and operating the Childcare Community, which is a bulletin board for information sharing among employees.

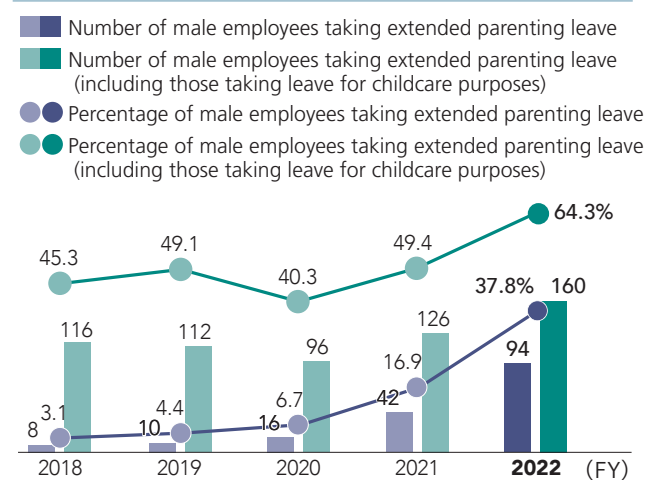
In October 2022, we started a new postnatal extended parenting leave (extended parenting leave for fathers after childbirth) system. As we have encouraged male employees to take extended parenting leave, the percentage of male employees taking extended parenting leave (37.8%) and the percentage including those who took leave for childcare purposes (64.3%) increased significantly in the same fiscal year. We will continue to upgrade the work environment while the person in charge of work-life balance in each department proactively supports employees in taking extended parenting leave.

We are also continuing educational activities related to diversity & inclusion. We are working on realizing a work environment in which diverse human resources can work comfortably, for example by providing opportunities for training and discussion for employees to become aware of unconscious biases, while promoting further understanding through online courses on human rights, diversity & inclusion, and harassment, targeting the whole Kajima Group.

Number of Female Employees in Managerial and Engineering Positions



Trend in the Number/Percentage of Male Employees Taking Extended Parenting Leave



Develop

Encourage employees to be self-directed who continuously take on challenges, and deploy this talent flexibly

Ability Development

Kajima is actively cultivating human resources with both high levels of specialism to consistently meet the expectations of customers and society and management capabilities to organize operations and promote projects.

For new graduate hires, we define the 13 years after employment as the critical development period to gain specialisms, and we provide annual OFF-JT group training in addition to OJT education at workplace. We carefully support reliable ability development and career formation for young employees. For management, we provide training intended to improve management capabilities for each ability level according to changes in social conditions.

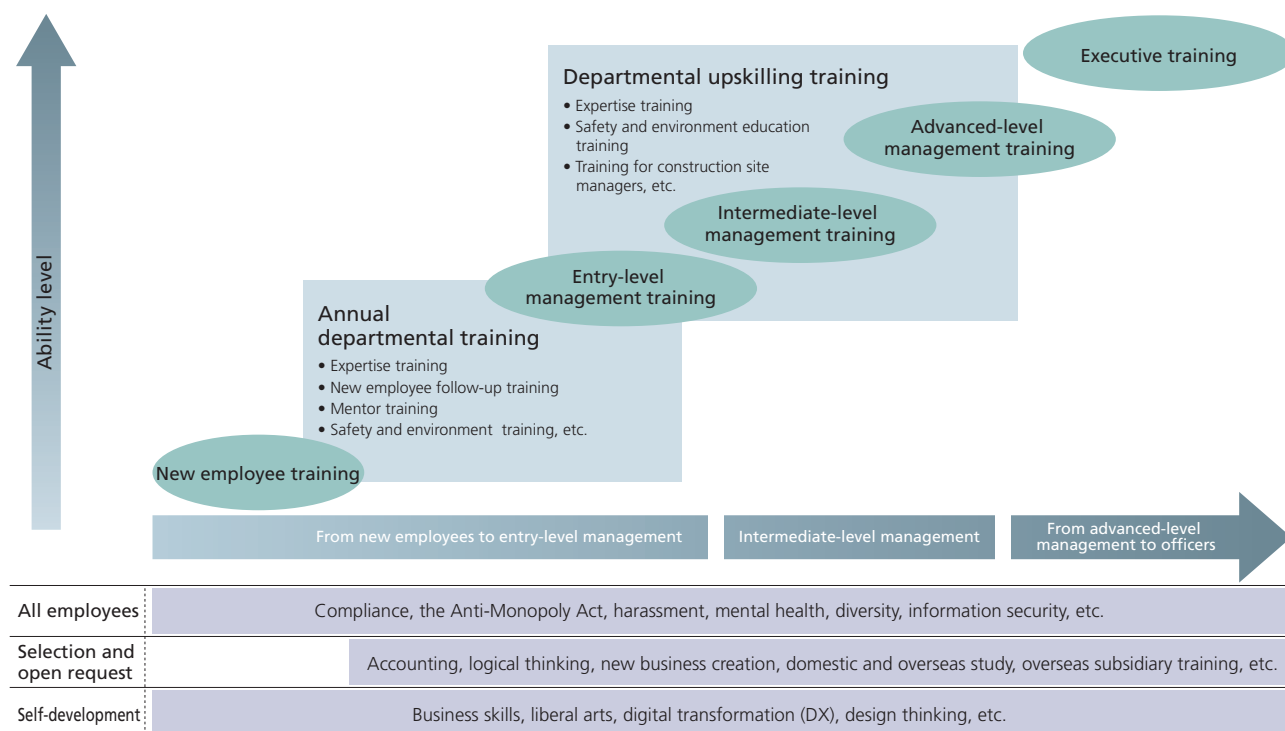
We have also enhanced video lectures and online course contents on subjects including various business skills, liberal arts, and digital transformation, as well as the domestic and overseas study system and language study support. Thus we are upgrading this environment to address the diversifying learning needs and study initiatives of employees.

Talent Management

In the talent management system introduced in 2020, employees can register information on their own experience, skills, and special qualifications, mutually view their information, and periodically have an interview with their supervisor based on their registered career goals. We are using it as a strategic system to understand accurately the diversification of the attitudes toward work, particularly among young employees, to develop engineers in the civil engineering and construction fields, and to explore, develop, and allocate the human resources who will take on new business domains.

We organize workshops and events at our training facilities, KX-LAB and KX-SQUARE in Tokyo, which have expanded since FY2020. These events provide opportunities for self-development and encourage employees to participate. For example, in an online event "KX CAREER TALKS," we send information based on the theme to employees, such as male employees who have taken extended parenting leave and engineers who work at construction sites, which resulted in nearly 100 participants from across Japan.

Education and Training System Diagram



Flexible

Achieve high productivity through flexible work styles and other measures

Work-Style Reforms

Kajima is building work environments that adapt to changes in social structure and enable diverse human resources to play active roles. To realize flexible work styles in which employees who have children and family members to take care of can produce good results and improve career within a limited time, we provide a support system for babysitter users, in addition to promoting male employees taking extended parenting leave and the use of flex-time hours. We have also started introducing a hybrid work system combining office work and telework.

Compliance with the upper limits on overtime work to be implemented from FY2024 is an urgent issue. We have positioned the three years from FY2021 as the preparation period, and departments and branches have each formulated a roadmap to achieve their goals. The Work-Style Reforms Promotion Committee chaired by the President is taking the initiative in working on this matter.

These upper limits on overtime work are also a good opportunity to shift to work-styles that can produce good results within a limited time. We are currently digitalizing operations across the Company by breaking down internally accumulated heuristic experience and tacit knowledge into factors by using ICT tools. This facilitates business transfers between employees and of course also leads to a daily reduction in working hours and leave acquisition as well as to the realization of diverse work styles for employees experiencing time pressure to take care of children or family members.

Health and Productivity Management

Kajima understands that healthy employees are an important management resource and is continuously implementing health and productivity management. Our clinic treats employees who are physically or mentally sick and proactively provides preventive healthcare to maintain and improve health, such as health guidance.

We are also actively involved in the mental healthcare of employees through stress checks, etc. In FY2022, 94.5% of our employees took a stress check and the comprehensive health risk was 82. These figures have remained at the same level since the Company started the stress check in 2017. In particular, the comprehensive health risk score has continued to be good and below the nationwide average of 100.

Health and Productivity Management Cycle of the Kajima Group

We will create a vibrant, safe, and secure workplace environment.
We will help individual employees take care of, maintain, and promote their health.



VOICE



The extended parenting leave period for good childcare

Daisuke Nagashima

Assistant Manager
Kaminokuni Second Wind Power Plant
Hokkaido Branch

In February 2022, I took a one-month parental leave when my second child was born. During my leave, I mainly took care of my first child. I was able to take leave without disrupting my work because I had a supportive workplace. As my wife and I had a baby in an unfamiliar place, I learned about my wife's hardships that continue day and night, such as feeding times, during my parental leave. It also helped to understand my children better. This experience has led to my continued work-life balance.



If you try, you can do it! Raising a child while working at a construction site

Ikumi Nakano

Assistant Manager
Kyukan Hakata Ekimae 3-chome Building
(tentative building name)
Construction project office
Kyushu Branch

I took an 8-month maternity leave in 2021 and am now involved in construction management. During my pregnancy, I worked with my boss and colleagues to identify tasks that pregnant women could safely perform on site. After returning from maternity leave, I was able to adjust my work hours to accommodate childcare, and I could transfer my duties to my coworkers when my child was sick. Thanks to such support, I can continue working at construction sites which I love while raising my children.

Focus ■ Investment in Human Capital 1 New Facility for Practical Experience and Hands-on Training

Kajima Technical Center to Develop the Special Skills and Judgement Capabilities of Technical Employees at Construction Sites

Learning the Knowledge and Techniques that are Difficult to Gain through Hands-off Programs

To address the workforce shortage, Kajima is promoting various initiatives to improve employment, training and education, and productivity under the concepts of Collaborate, Develop, and Flexible. One example of this is the purpose-specific training facility established to enhance the development of the next-generation of human resources who will support the construction industry.

The Kajima Technical Center, which opened in April 2023, is a training facility for employees involved in building construction and equipment in Kajima Corporation and the Kajima Group. The center aims to help employees gain the skills needed to maintain and enhance construction quality and to inherit the spirit of Kajima, of valuing quality.

We face a difficulty when developing technical employees due to a characteristic of the construction industry of being one-of-a-kind production, which is behind the establishment of this training facility. You cannot learn the whole work of

construction management in university lectures and must learn through hands-on experience, because the scale and usage of building, as well as the technologies used and construction method, will be different depending on the project.

However, if we only rely on OJT education, the techniques and expertise that can be learned will be different depending on the construction site to which employees are assigned.

Developing Judgement Capabilities at Construction Sites from the Concept of Feel & Think

Kajima opened the Kajima Technical Center as a hands-on training facility to help employees develop the ability to feel and think independently and make accurate decisions about diverse issues related to SEQDC (safety, environment, quality, delivery and cost) at construction sites under different conditions. The center is part of Kajima's human resources development program, which focuses on developing judgment capabilities in building construction engineers during the first 13 years of employment.

Development System for Building Construction Engineers (for the First 13 Years)

Number of years worked at Kajima	1–5 years	6–10 years	11–13 years
Position	•New employees	•Staff	•Construction chief
Process of proficiency	Construction manager at general construction site		•Deputy construction manager
Things to learn and do	<ul style="list-style-type: none"> • Experience basic construction sites (offices, housing complexes, small-scale construction, RN construction, RC, SRC, and S) • Acquire first-class national qualifications • Learn framework construction techniques • Learn equipment techniques related to waterproofness and framework <p>Critical development period</p>	<ul style="list-style-type: none"> • Experience small-scale / renewal work • Experience overseas assignment (selected employees) • Learn exterior work techniques • Learn M&E equipment systems • Experience the branch office administration department 	<ul style="list-style-type: none"> • Experience medium-scale construction work • Experience construction sites with a small number of workers as a manager • Learn M&E equipment work techniques • Experience profit and loss management at construction sites
Training and education	Annual group education at the Head Office (such as introductory basics and construction management techniques) * Provided at the Kajima Technical Center		
	Education to gain the first-class architect qualification	Training in the Kajima Technical Research Institute (selected attendees)	Manager management training
	Basic education on safety and environment	Wholehearted construction training (cafeteria-style technical education)	Employee safety and environment manager training
	Onsite tour and training at a branch office, etc.		
	Online courses (BIM education, safety and environment, and quality)		



A training center where you can experience construction sites with all five senses

The facility features a training center where real structures are reproduced with various construction methods and technologies. The center is designed to help learners sharpen their five senses and learn with their body. Employees can experience the weight of materials and equipment, assemble scaffolds, rebars, and formworks, and find errors in RC mockups and steel frames for inspection.

Questions and new ideas from the workplace and equipment can be immediately discussed at the workshop space next to the training center. In this workshop space, various events are also organized, such as topic-specific workshops and lectures by employees dispatched from offices across Japan.

MESSAGE

We proactively support highly-motivated human resources who actively work to improve their skills.

In the construction industry, the number of people involved is decreasing year by year, and the upper limit on overtime work is approaching. In this context, we need to improve labor productivity while improving safety and quality management accuracy at construction sites. We believe that companies need to change not only the provision of learning contents but also the way of learning.

To address these challenges, we have devised a training style that centers on “learning by noticing,” which is the driving force behind learning. We also came up with the idea of using whole actual buildings as educational materials. We aimed to create a facility that can support active human resources who work to improve their skills.

Satoru Nakachi
Principal
Kajima Technical Center
Building Construction
Management Division



The Kajima Technical Center, which was born as a result of these efforts, is a place where we can develop the awareness to be able to see the workplace, equipment, and site conditions carefully and to make accurate decisions in a timely manner and properly. In the future, we will continue to link the autonomous career formation of engineers who have realized growth on their own initiative to the further improvement of construction quality and productivity and the creation of new value. ▶Page 75

Opening Two Places for New Transformation

KX-LAB

In November 2020, we opened KX-LAB to develop the next generation of leaders under the concept of it being a place for independent growth through insight, learning, and practice. Here, mid-career employees and executives who will forge the future of Kajima come together and talk about diverse topics in the conference hall, lounge, cafeteria, and meeting rooms.



The concept is for it to be a place for independent growth through insight, learning, and practice.

KX-SQUARE

In May 2022, Kajima opened KX-SQUARE as a facility for communications that every employee can use regardless of their department or generation. KX-SQUARE consists of a multi-purpose space, satellite office, and relaxation space, and it is used as a place to find new possibilities where employees interact with each other on their own initiative.



DX Challenge Program for Interaction across Lines of Work at KX-SQUARE

Focus ■ Investment in Human Capital 2 Development of Skilled Workers

Continuously Developing Skilled Workers at Partner Companies — Kajima Partner College

Practical Programs Provided in Two Courses

It is essential to develop and secure human resources systematically based on a plan in cooperation with partner companies to continue to demonstrate high level construction capabilities and to ensure safety and quality in the future.

As one of the specific measures, Kajima opened the in-house training system “Kajima Partner College” in cooperation with the Kajima Business Partners’ Association [▶Page 89](#) in April 2021. The college offers two courses: the technical course to develop future Kajima Meisters and the management course to develop executive candidates. The college aims to develop

human resources with leadership skills and a broad vision to see the big picture of construction projects and the construction industry as a whole, as well as master their own job type and the construction project of which they are in charge.

In the management course, attendees are coached by employees who are familiar with each field, including at our state-of-the-art construction sites, and they attend a wide range of lectures and practical training, from construction in general to management and liberal arts at partner universities or educational institutes.

A total of 34 people completed the predefined training and graduated from either the technical course or management course in the 2 years up until FY2022.

	Technical Course – To develop future Kajima Meisters	Management Course – To develop future management executives
Eligible persons	<p>For Kajima Meister candidates</p> <ul style="list-style-type: none"> • In principle, members of the Kajima Business Partners’ Association (members of Rokueikai and secondary subcontracting partner companies with exclusive agreements are also eligible) • A company employee for at least 3 years and under 36 years old (in principle) • CCUS* skilled worker registered individuals (mandatory) 	<p>For executive management candidates</p> <ul style="list-style-type: none"> • Member of Kajima Business Partners’ Association (primary subcontracting partner companies only) • A company employee for at least 3 years and under 41 years old (in principle) • CCUS* skilled worker registered individuals (mandatory)
Overview	Attend short-term and one-off training including classroom lectures and practical classes organized by branch offices while working at construction sites and aim to acquire predefined credits within three years. This course has been well received by both trainees and their company owners and education managers, as it “leads to the enhancement of technological skills, safety management, leadership, and other capabilities as well as improving operations.”	Managerial track candidates will work just like employees of Kajima at branches and state-of-the-art construction sites for two years in principle, and attend lectures and practical training on construction management, business, and liberal arts at the Head Office and partner educational institutes.

* The Construction Career Up System (CCUS) is an industry-wide registration system and database for skilled construction workers that tracks qualifications, social insurance enrollment status, on-site work histories, and other information. It is a registered trademark of the Fund for Construction Industry Promotion.

Promoting Support to Enhance the Productivity of Partner Companies and to Improve the Working Conditions of Skilled Workers

Kajima has operated the Incentive System for Activities to Strengthen Productivity for members of the Kajima Business Partners’ Association since FY2021. Through this system, we subsidize the costs of initiatives that help to strengthen productivity. We share subsidized activities as model cases with partner companies.

To improve working conditions for skilled workers, we operate the Kajima Meister System, which is a registration and direct financial incentive system for outstanding forepersons that offers incentives that are among the highest in the construction industry, and the New E Award, which is an incentive system for outstanding skilled workers. For the New E Award, we have established a youth quota (as a temporary measure from FY2021 to FY2023) in which we prioritize the selection of skilled workers under the age of 40.

Registration and Direct Financial Incentive System for Outstanding Forepersons (Kajima Meister System)

Supermeister Approx. 100 Supermeisters certified from among the Meisters (FY2023: 140 people) Per-day incentive of ¥4,000	Meister Approx. 500 Meisters (FY2023: 410 people) Per-day incentive of ¥2,000
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Incentive System for Outstanding Skilled Workers (New E Award)

Approx. 400 people each year (Quota increased from FY2021 to FY2023 to include youth quota; FY2023: 768 people) Per-year incentive of ¥100,000
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Accelerating Work-Style Reforms to Realize an Appealing Construction Industry

Productivity Improvements Using ICT

Construction sites characterized by one-of-a-kind production face the issue of the difficulty of streamlining uniform operations because employees in charge of construction management perform many different tasks at the same time under various conditions and environment.

To solve this issue, we have established the Work-Style Reforms Promotion Committee chaired by the President to further enhance activities to reduce working hours and to implement productivity improvement measures across the Company.

For example, in the area of Operation DX [▶Page 69](#), whose expansion is being accelerated by the Digital Strategy Office under the direct control of the President, we visualize expertise and knowledge related to construction that we have accumulated over time through digitalization and standardization using ICT tools to reduce time employees spend in planning and considering various construction projects.

Furthermore, we are reducing employee workloads through outsourcing general-purpose operations, such as by establishing One Team Inc., a company dedicated to construction site support to assist with the inspection and establishment of IT infrastructure at construction sites.

Initiatives for a Five-Day Work Week

As the entire construction industry will be required to comply with the overtime work limit regulations starting in the FY2024, it is essential to achieve a five-day workweek at construction sites (closing sites for 104 days annually). In addition, to attract more young workers, it is also required to improve working conditions to make it easier for employees to take leave.

In FY2022, the implementation rate of a five-day work week at our construction sites was 32%, remaining the same level as the previous year, due to causes such as busy periods associated with high construction demand and construction periods requested by clients.

To enhance the effectiveness of work-style reforms at construction sites, including those of partner companies, we need not only the self-help efforts of the construction companies, but also the understanding of clients. To this end, Kajima uses a brochure to promote the understanding of clients about the construction industry's situation and the importance of work-style reforms.

Kajima will also work with partner companies to improve productivity and maintain a strong production base, while seeking the understanding of clients, designers, and other parties with the sustainable development of the construction industry in mind.

Work-Style Reforms in Smart Construction Project Offices

The Omiya Sakuragicho 1-chome Project (tentative name) is a model construction site of the Kajima Smart Future Vision and a smart construction project office equipped with various functions that utilize IT. We have realized remote monitoring through construction site information projection using a triple multi projector and a communication environment that connects construction sites and office employees through a large screen, which is rarely used in construction site offices, as proposed by the Digital Strategy Office. In addition, operations are automated with RPA (robotic process automation) and documentation, including drawings, are paperless in this office. We have realized both productivity improvements and work-style reforms.



Reducing the travel time between construction sites and offices using digital tools

Sustainability Committee

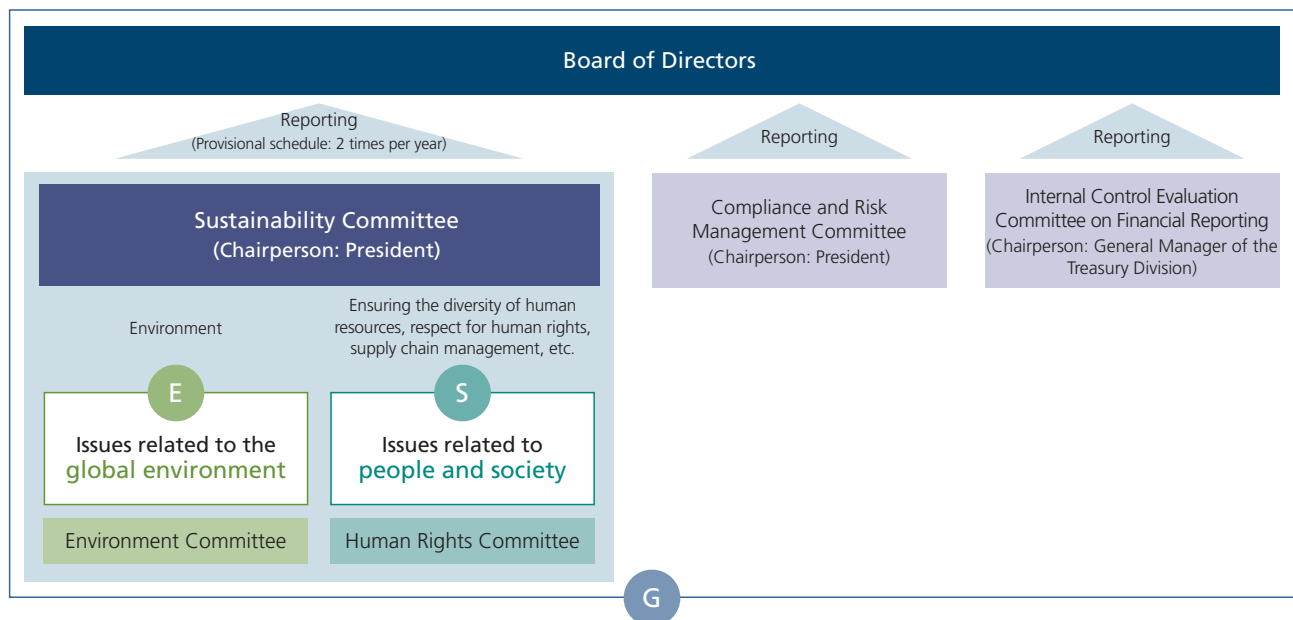
Kajima has established the Sustainability Committee with the aim of increasing the Group-wide commitment to ESG management and improving corporate value.

The Sustainability Committee is chaired by the President, and its members include relevant executive officers. The Committee is responsible for considering and making decisions on sustainability policies covering fields such as the environment (E), ensuring the diversity of human resources, respect for human rights, and supply chain management (S), as well as monitoring their implementation, and it

regularly reports to the Board of Directors (G). Based on the Sustainability Committee's discussions, we are working to further promote ESG management through cooperation within the Company, as well as with subsidiaries and affiliates in Japan and overseas.

For the management of sustainability-related risks and other risks, the Compliance and Risk Management Committee, which is chaired by the President, encompasses and verifies every risk and promotes activities according to their importance. [▶Page 103](#)

Promotion Structure



Number of Meetings and Main Themes in FY2022

Number of meetings: 4 Number of reports to the Board of Directors: 2

Typical Themes in FY2022

Topic	Description
Carbon Neutrality	<ul style="list-style-type: none"> Review of the CO₂ reduction goal to acquire SBT certification Determination of FY2023 reduction policies in light of actual CO₂ emissions in FY2022 (identification of construction projects subject to priority measures, suppression of emissions, and goal setting by branch office) Consideration to introduce internal carbon pricing in domestic construction projects
Human Capital and Diversity	<ul style="list-style-type: none"> Setting of goals for the ratio of female employees on the managerial track in total employment, the ratio of male employees who take extended parenting leave and leave for childcare purposes, etc. Checking the progress of initiatives to achieve the goals
Ensuring Workers (Skilled Construction Workers)	<ul style="list-style-type: none"> Checking the progress and policy for future initiatives to ensure workers and to maintain and enhance the supply chain (such as the operations of Kajima Partner College and promoting the spread of the Construction Career Up System (CCUS)) Checking the progress and policy for future initiatives to promote the multilayered subcontracting structure reforms and closing sites for 8 days out of every four-week period (closing sites for 104 days each year)

Kajima Environmental Vision: Triple Zero 2050

In June 2023, we partly revised the carbon neutrality targets in the Kajima Environmental Vision: Triple Zero 2050. To realize carbon neutrality (in Scopes 1, 2, and 3) in 2050, we set the goal of reducing CO₂ emissions from the whole Group in FY2030 by 42% compared to FY2021 in Scopes 1 and 2. (The goal in Scope 3 remains unchanged.)



Kajima Environmental Vision: Triple Zero 2050 (Formulated in 2013; revised in June 2023)

	Social Goals	Triple Zero 2050	Target 2030
Achieving a More Sustainable World	Carbon Neutrality A society that balances greenhouse gas emissions from human activities with the Earth's capacity for CO ₂ absorption	Zero Carbon We are aiming to achieve <u>carbon neutrality</u> for the Kajima Group's greenhouse gas emissions (Scope 1, 2 and 3 emissions).	<p>[Group-wide] Reduce Group-wide greenhouse gas emissions (Scope 1 and 2 emissions) per unit of sales by 42% or more compared to FY2021 (equivalent to a 42% reduction of total emissions with a fixed construction amount). Reduce Scope 3 emissions (classified as Category 1 during construction material production and Category 11 during building operations) by 25% or more.</p> <p>[Architectural Design] Implement ZEB/ZEH levels for all building construction projects starting in or after FY2030 Note: The target for contracts for construction projects starting in or after FY2025 is for at least 50% to meet ZEB/ZEH levels.</p>
	Recycle Resources A society that pursues zero emissions by employing state-of-the-art infrastructure maintained and operated using sustainable resources	Zero Waste We are aiming to eliminate waste from construction operations by ensuring zero final waste disposal during construction, utilizing sustainable materials, and making buildings last longer.	<ul style="list-style-type: none"> • Completely eliminate final waste disposal from construction operations • Achieve a usage rate of recycled materials of at least 60% for principal construction materials (steel, cement, ready-mixed concrete, crushed stone and asphalt)
	Natural Symbiosis Society A society that values the continuous benefits of ecosystem services by minimizing the impact of human activities on the environment and living creatures	Zero Impact We are aiming to minimize the overall environmental impact of construction operations by limiting their effect on nature and living creatures while promoting the restoration of biodiversity and new ways to make use of its benefits.	<ul style="list-style-type: none"> • Promote biodiversity restoration projects • Build a portfolio of effective projects and make them hubs for biodiversity-related networking
	Common Foundation Initiative Areas	<p>Management of hazardous substances: Thoroughly implement preventative measures (especially for soil contamination and asbestos)</p> <ul style="list-style-type: none"> • Conduct technology development • Actively distribute information in and outside the Company 	

Summary of Environmental Activities for FY2022

The environmental activities of Kajima Corporation (non-consolidated) are managed with three-year goals (FY2021 to FY2023) and fiscal year goals. In FY2022, the CO₂ emissions per unit of sales during construction increased by 14.9% against the goal of a 3.5% reduction compared to FY2021. One of the factors behind the rise was that we had undergone processes with high CO₂ emissions in large-scale construction projects. For resource recycling, the final waste disposal rate including sludge was 2.7% compared to the goal of less than 3%. There were no environmental problems affecting the natural environment.

► For details, see Environmental Data 2023.
https://www.kajima.co.jp/english/sustainability/data/pdf/data_report2023.pdf

Acquiring SBT Certification

In July 2023, the CO₂ emissions reduction goal in FY2030 of the Kajima Group was certified as a 1.5°C standard of SBT (Science Based Targets).

Kajima's Environmental Management Systems

Kajima operates environmental management systems (EMS) that are ISO 14001 compliant. The Environment Committee implements initiatives in five sectors; civil engineering, building construction, environmental engineering, engineering, and research and development. The subcommittees and working groups, including for environmental management, construction environments, resource recycling, and harmonious co-existence, are organized to address cross-sector issues.

Zero Carbon

Aim to Reduce CO₂ Emissions from the Whole Supply Chain by 25% with M+3R





A large amount of CO₂ is emitted throughout the lifecycles of buildings. The fuel of heavy machinery and electricity used at construction sites also emit CO₂, in addition to the large CO₂ emissions during the production of construction materials such as concrete and iron. Buildings are used for a long time after they are delivered to customers, during which time a large amount of CO₂ is again emitted. The emissions for which we are directly responsible as a construction company and to which we can easily reflect reduction efforts are the CO₂ emitted during construction (Scopes 1 and 2), but the CO₂ emissions in these scopes only account for 2 to 3% of lifecycle emissions.

On the other hand, carbon neutrality during operations is a big issue for building owners because CO₂ emissions during

a building's operations are their responsibility and the emission period is long.

Kajima has set the goal of reducing CO₂ emissions by 25% of FY2021 by FY2030, including emissions in Scope 3, during construction material production and building operations. Specifically, we are promoting reductions, for example by developing low-carbon construction materials and proposing thorough energy-saving buildings such as ZEB. In addition, we have internally set up a cross-departmental organization named the Carbon Neutrality Task Force that makes proposals combining the four carbon neutrality methods of M+3R (Monitor, Reduce, Replace, and Remove) in a comprehensive way with the aim of achieving carbon neutrality across the whole construction supply chain.

M+3R, the four carbon neutrality methods that achieve carbon neutrality

	Monitor 	Reduce 	Replace 	Remove 
Scope 3 (Supply chain upstream) During construction material production, and more	<ul style="list-style-type: none"> Platform to calculate CO₂ emissions during concrete production and transportation Calculation of CO₂ emissions from construction materials in individual construction projects 	<ul style="list-style-type: none"> More efficient construction site logistics 	<ul style="list-style-type: none"> Wood-frame, mass-timber construction materials Eco-friendly concrete Development and procurement of low-carbon materials 	<ul style="list-style-type: none"> CO₂-absorbing concrete CO₂-SUICOM
Scopes 1 and 2 Construction and real estate development projects, and more	<ul style="list-style-type: none"> Calculation of CO₂ emissions during design and estimation Planning and tracking of CO₂ emissions edes and Genba de Eco 	<ul style="list-style-type: none"> Optimal design Reduction in CO₂ emissions during construction Optimization of construction machinery operations Low-carbon soil remediation construction method Low-carbon demolition construction method Thorough materials recycling 	<ul style="list-style-type: none"> Achievement of carbon neutrality in construction machinery Motorization and alternative fuel to diesel oil Use of green electricity 	<ul style="list-style-type: none"> Carbon-zero construction Combination of technologies to reduce CO₂ emissions and carbon offsets to achieve virtually zero CO₂ emissions Creation of carbon credits from Group-owned forests
Scope 3 (Supply chain downstream) During building operations, and more	<ul style="list-style-type: none"> Tracking of energy used for building operations Kajima Smart BM and Ene-Viz for predicting energy consumption, etc. with AI 	<ul style="list-style-type: none"> ZEB/ZEH and energy-saving design Optimization of building management and operation 	<ul style="list-style-type: none"> External procurement of renewable energy Renewable energy generation business Onsite energy generation and storage 	<ul style="list-style-type: none"> Carbon offset support Blue carbon Restoration and conservation of large seaweeds, creation of carbon offset credits

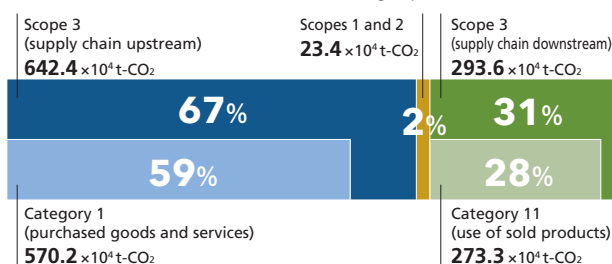
Development of CO₂ Emissions Calculation System During Construction Material Production, Construction, and Building Operations



It is important to first ascertain the status of CO₂ emissions in order to reduce them efficiently. Kajima tracks energy usage during construction by using an internally developed environmental data evaluation system (edes). We have also developed a system to calculate CO₂ during construction material production and have started a trial run. In addition, we publish the indirect reductions in CO₂ emissions from the contributions of energy-saving designs for buildings designed by us.

Supply Chain CO₂ Emissions in FY2022

Non-consolidated: Total of 959.5 × 10⁴ t-CO₂ (Entire group: Total of 1,605.2 × 10⁴ t-CO₂)



* Life cycle after delivery is calculated at 30 years. For the 60-year period, 546.6 × 10⁴ t-CO₂ for the non-consolidated.

Accelerating Reduction in CO₂ Emissions from Our Business through Internal Carbon Pricing



Reduce

We have set goals for each branch office that reflect their construction details and processes to reduce CO₂ emissions during construction. Since FY2023, we have assisted introductions of alternative fuel to diesel oil and low-carbon heavy machinery that cost more than conventional fuel and machinery by evaluating the CO₂ reduction amount using a fuel and certain unit price.

Developing Low-Carbon Concrete That Leads to Carbon Neutrality of Construction Materials



Replace

The construction material used the most in the construction industry is concrete, and a large amount of CO₂ is emitted during its production. Kajima has developed various types of low-carbon concrete that reduces CO₂ emissions by replacing part of the cement with blast furnace slag, which is an industrial by-product, and we use one of them according to application conditions.

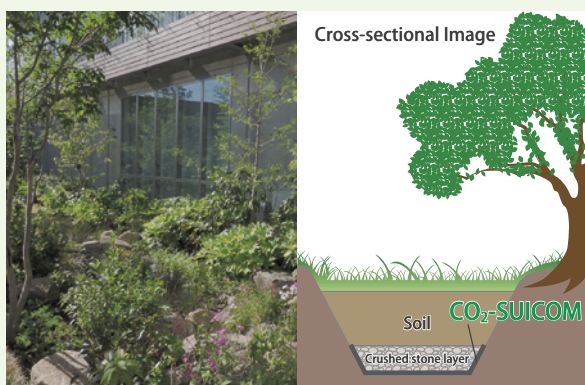
Adopting Carbon-Negative CO₂-SUICOM in the Kajima Technical Center



Remove

CO₂-SUICOM is the ultimate environmentally friendly concrete that emits less than zero net CO₂ emissions by absorbing and fixing CO₂ during the concrete solidification process. The amount of CO₂ absorbed and fixed by 1 m³ of CO₂-SUICOM is equivalent to the CO₂ absorbed by a 20-m high cedar tree in one year.

In addition, while ordinary concrete is highly alkaline with a pH of 12-13, CO₂-SUICOM is characterized by its plant-friendly characteristics, as it has a near-neutral pH and does not raise soil pH during the carbonation curing process. Taking advantage of this feature, CO₂-SUICOM was used for the bottom and side panels of the exterior greenery at the Kajima Technical Center ▶Page 77 completed in 2022. This is a new application and is expected to spread and develop in the future.



Adopted CO₂-SUICOM for the bottom and side panels of the exterior greenery system, DEW Rain Garden

Toward the Promotion and Expansion of ZEB



Reduce

Kajima proposes the Zero Energy Building (ZEB) concept to reduce energy during building operations, which is when a large amount of CO₂ is emitted for the longest period in the lifecycles of buildings. Mita S-Garden (Minato-ku, Tokyo), which was designed and constructed by Kajima and completed in November 2022, acquired the ZEB Ready certification by approximately halving primary energy consumption compared to standard office buildings. We save energy, for example, by introducing LED lighting and monitor sensors, installing highly efficient outdoor units, and normalizing lighting intensity. This building became a model case for the acquisition of ZEB certification in medium-scale tenant buildings in the center of Tokyo.

ZEB Ready

Energy saving
50%
or more

Net 50%
or less



Mita S-Garden

Joint Development of FR Wood, a Laminated Pure-Wood, Fire-Resistant Structural Lumber



Replace

Wood materials are construction materials that contribute significantly to carbon neutrality because they keep carbon fixated with them when they are changed from standing timber to wooden parts. Kajima has jointly developed* FR Wood, a laminated pure-wood, fire-resistant structural lumber made of cedar material in Japan to promote the use of thinned wood. In March 2023, we completed the Jutec headquarters building (Minato-ku, Tokyo), an eight-story above-ground office building that uses this FR Wood as a structural material.



* Joint development with Tokyo University of Agriculture and Technology, Forestry and Forest Products Research Institute, and T.E. Consulting Inc.

Use of Group-Owned Forests



Remove

The Kajima Group owns forests covering 5,500 hectares across Japan. Lumber from Group-owned forests is used as a construction material in Group-owned facilities, such as an interior material for the Kajima Technical Center. In addition, we perform sustainable forest management using the multidimensional values of forests, including by creating carbon credits through appropriate forest operation and management.

Zero Waste

Initiatives for a Circular Economy

Although the construction industry emits a large amount of waste from construction sites, Kajima thoroughly separates and manages waste to recycle as much waste as possible and properly treats waste that is difficult to recycle to reduce the final disposal rate to 2.7%.

In addition, Kajima publishes data such as the generation amount and recycle rate of waste plastic as an operator that

emits a large amount of industrial waste of plastic products, and it promotes high-quality recycling by separating PVC pipes and other items. In addition to the systematic collection and recycling of used helmets and work clothes, we have also started collecting and recycling plastic badges since FY2021.

► See Environmental Data 2023 for more details.
https://www.kajima.co.jp/english/sustainability/data/pdf/data_report2023.pdf

Zero Impact

For the Restoration and Reclamation of Nature

At Kajima, we aim to minimize the overall environmental impact of construction operations by reducing their effect on nature and living creatures while promoting the restoration of biodiversity and new ways to make use of its benefits.

Acquiring J Blue Credit

The activity to create seaweed beds by the Hayama Eelgrass Council, of which Kajima is a member, acquired the J Blue Credit* in February 2023. Carbon credits were generated for a total of 46.6 t-CO₂/year (equivalent to 3,300 cedar trees) absorbed by the beds for wakame seaweed and sea trumpet using Kajima's seaweed bed regeneration technology and seaweed cultivation. The 31st Global Environment Award by the Fujisankei Communications Group was granted to these technologies in March 2023.

* Distinct carbon credit that the Japan Blue Economy Association (JBE) certifies, issues, and manages in light of a review by and opinions of a third-party committee independent of the JBE

Acquiring the (Ranked as) Accreditation in the OECM Project of the Ministry of the Environment

At a harmonious co-existence site (a zone where biodiversity is conserved by private initiatives, etc.), demonstration project that the Ministry of the Environment conducted in 2022 to achieve the 30 by 30 global target to conserve at least 30% of the Earth's land and oceans, one of our Group-owned forests, Hikageyama and Bonari forest (Fukushima Prefecture, 111.2 hectares), was certified to be ranked as accredited. We are preparing for official accreditation in cooperation with Fukushima University in FY2023.

We not only conserve Group-owned forests to contribute positively to nature to stop the loss of biodiversity and restore it, but we also use our biodiversity maintenance expertise obtained through this initiative to manage customers' land.

Starting Consideration According to the TNFD (Taskforce on Nature-related Finance Disclosures) Framework

Kajima has trialed the identification and evaluation of nature-related risks and opportunities in the direct operations of the construction and real estate development businesses and the supply chain of cement, which is the main construction material, according to the β version of the TNFD framework (v0.4).

Although we confirmed that the environment management framework works effectively to control direct operation risks during construction, the result showed that risk management using indices needs to be improved for risks associated with the supply chain of cement. On the other hand, we confirmed that the development of ecosystem regeneration technologies and alternative products of cement is effective in terms of opportunities.

In the future also, we will set strategies and goals related to natural capital and take other initiatives in light of social demands, such as nature positivity.

Identified Risks and Opportunities

		Risks and opportunities	Countermeasures
Natural risks	Direct Business	Damage to the ecosystem caused by construction	• Thorough environment management during construction
	Supply Chain	Damage to the ecosystem caused by resource mining	• Engagement with mining companies (such as cooperation for ecosystem regeneration)
Transition risks	Supply Chain	Decrease in the supply amount and cost increase due to more stringent mining restrictions	• Distribution of suppliers that comply with mining restrictions • Development and deployment of alternative products to cement
		Accused of causing damage to the ecosystem at resource mines (reputation damage)	• Engagement with mining companies (such as cooperation for ecosystem regeneration)
Physical risks	Supply Chain	Occurrence of disasters due to mining (such as landslides) and decrease in the supply amount	• Distribution of suppliers • Cooperation for disaster recovery
Opportunities	Direct Business	Expansion of ecosystem regeneration and mitigation markets	• Development and deployment of ecosystem regeneration technologies
	Supply Chain	Cement saving technologies to address the decrease in the supply amount	• Development and deployment of alternative products to cement

* The supply chain analysis was only conducted for cement materials.

Disclosure of Climate Change-Related Information (Disclosure in line with the TCFD Recommendations)

Kajima recognizes that addressing environmental issues including climate change is a key management issue and includes “providing technologies and services for disaster preparedness that support safety and security” and “contributing to society’s transition to a carbon-free footprint” among its material issues. Having expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in December 2019, we have been establishing a governance structure to manage the issue of climate change, which is a major risk factor for the Group.



Furthermore, we have identified risks and opportunities associated with climate change, clarified their impacts, and strengthened our efforts by setting targets.

► For more information on the TCFD, see the following page.
<https://www.kajima.co.jp/english/sustainability/environment/tcfid/index.html>

Governance Measures	Important policies and measures related to the environment, including responses to climate change, are discussed and decided on by the Sustainability Committee, which is chaired by the President. The committee reports the details of those discussions and other information regularly (about twice a year) to the Board of Directors, which then discusses and makes decisions on particularly important policies. In addition, in order to ensure substantial discussions and flexible follow-ups, the Environment Committee has been established as a special-purpose subcommittee under the Sustainability Committee, and it is comprised of the heads of business divisions and the general managers of related departments as its members. Under the Medium-Term Business Plan (FY2021–2023), carbon neutrality measures are positioned as a priority initiative, and as such their implementation has been incorporated into each department’s business plan. Moreover, the Sustainability Committee and the Environment Committee will continue to work across the PDCA cycle, which will lead to further improvements and new initiatives.
Strategy	The construction industry uses materials that conventionally emit a large amount of greenhouse gases during manufacture, such as cement and steel, while the long operating lives of buildings and structures have a significant impact on the greenhouse gas emissions of clients. Accordingly, we have identified public policies related to carbon pricing and carbon emissions, zero energy buildings (ZEB) and renewable energy-related construction markets, and low-carbon construction technologies as highly relevant transition risks and opportunities. Due to the social mission of the construction industry, which includes contributing to disaster prevention and mitigation, as well as the frequent outdoor work characteristic of the industry, we have identified the impact of changing weather patterns, the intensification of extreme weather events, the effect of rising temperatures on labor productivity, and the corresponding labor legislation as physical risks and opportunities. In March 2021, Kajima revised the setting of the 2°C scenario to a 1.5°C scenario and estimated the impact on domestic construction projects in FY2030.
Risk Management	The Office of Global Environment of the Environmental Engineering Division, which serves as the secretariat for the Environment Committee, leads cross-organizational assessments of environmental impact by the Environmental Management Subcommittee and other relevant internal departments. Lastly, the Environment Committee deliberates on and determines risks and opportunities. All operational risks, including climate change-related risks, are assessed by the Compliance and Risk Management Committee, which is chaired by the President and reports to the Board of Directors twice a year. In addition, Kajima is working to further improve its disaster preparedness and business continuity capabilities through means such as practical BCP drills for torrential rain and other scenarios.
Indicators and Targets	In 2013, Kajima formulated and announced the Kajima Environmental Vision: Triple Zero 2050 as the basis for its environmental initiatives. At the same time, Kajima is implementing activities under Target 2030, which sets specific quantitative milestones for FY2030. In 2023, Kajima revised its CO ₂ emissions reduction targets and is now aiming to reduce the amount of CO ₂ emitted during construction (Scopes 1 and 2) by 42% compared to FY2021 by FY2030 and to achieve total elimination (carbon neutrality) by FY2050. Kajima manages its environmental activities by assessing climate change-related risks and opportunities and reviewing indicators and targets every three years based on this environmental vision. The period for environmental targets is synchronized with the Medium-Term Business Plan. Kajima thus aims to increase its corporate value and help to solve environmental issues in an integrated manner.

Risks, Opportunities, and Countermeasures

+ : Positive impact on profit and loss
 - : Negative impact on profit and loss

Category		Risks and opportunities	Impact on FY2030 profit and loss		Countermeasures
			1.5°C scenario	4°C scenario	
Transition risks	Policy	Increase in costs due to carbon tax	- - -		(1) Promotion of activities to reduce CO ₂ emissions during construction ► edes ►Page 83 (2) Development and introduction of low-carbon construction materials ► CO ₂ -SUICOM ►Page 84 (3) Securing of renewable electricity supplies
		Contraction of construction market due to higher taxes	-		
		Restrictions on business based on CO ₂ emission allowances	-		
	Markets	Change in the energy mix (reduction of fossil fuels)	-		(1) Selection of focus fields based on the energy mix (2) Development of design and construction technologies for renewable energy facilities ► Offshore wind power generation facilities ►Page 41 (3) Pursuing ZEB business feasibility and comfort ► ZEB ►Page 84
		Increase in demand for renewable energy	+ +	+ +	
		Expansion of ZEB market	+ +	+	
Physical risks	Chronic	Effects of rising temperatures on working conditions	-	- -	(1) Development of labor-saving construction technologies ► A ⁴ CSEL ►Page 71 (2) Promotion of technological developments related to disaster prevention and mitigation, and BCP (2) Development and application of hazard maps that leverage proprietary knowledge (3) Construction work that contributes to national resilience and the resilience of buildings and structures
	Acute	Disaster prevention and mitigation, and national resilience	+ +	+ +	
		Relocation from disaster risk areas		- +	

Quality Vision

Kajima's quality policy is to provide construction and services that satisfy clients, from marketing to follow-up services, enabling them to place orders with a sense of reassurance and trust.

Societal demand for ensuring good quality has increased year by year due to the revisions to the relevant laws, such as the Civil Code and the Construction Business Act, as well as the diversification

of customers' requirements and the higher level of demanded standards.

We properly address requirements and other requests from customers and thoroughly repeat the PDCA process to ensure and improve product quality.

We also improve both quality and productivity and operational efficiency by advancing technological developments and improvement activities.

Initiatives for Quality Assurance

Quality assurance is essential for our construction activities, along with safety, health, and environmental protection. Each division establishes and improves management systems to comply with relevant laws and regulations. We strive to conduct efficient construction activities that earn the trust of clients and society. We have maintained and improved quality by providing continuous quality education [▶Page 77](#) for engineers and promoting digitalization, including BIM. [▶Page 69](#)

Civil Engineering

For civil engineering work, we have defined a quality control system based on ISO standards in the Civil Engineering Work Manual, Civil Engineering Work Management Procedure, and Construction Plan Creation Procedure. We control quality according to the system, clarify problems and preventive measures in the construction plan, and perform follow-ups through appropriate construction site management and periodic internal inspections. We improve and reform processes as needed.

Building Construction

In our building business, we have defined the KTMS (Kenchiku koji (building construction) Total Management System) as a unique quality control method based on ISO standards, and we control quality according to this system.

For design and construction projects, the design and construction departments work together to assure building quality. In the design phase, the DR (design review) and drawing check processes are strictly operated and managed based on the KTMS. Design and construction risk management is progressed for early solutions through cooperation with the construction department in the early phase (front loading) and information feedback after construction. In addition,

construction supervision operations are conducted to confirm that the construction is conducted according to the design documentation and assure quality.

For building construction, we create documentation such as working drawings and plans based on the KTMS guidelines, clarify important management points, and manage production processes to build quality. We also provide an organizational quality control method in the KTMS Basic Operation Procedure. The branch office administration department conducts and follows up the periodic internal inspection, in addition to the daily quality control at construction sites. Furthermore, the administration department in the Head Office conducts a strict audit to confirm that quality is controlled based on the KTMS and improves processes at branch offices and construction sites if it finds a problem.

Overseas Operations

For overseas construction, we deploy and operate the overseas version of the KTMS. Through specialized committees such as the Overseas Building Construction Project Review Committee, we strive to anticipate and prevent quality risks and take follow-up actions against the risks. We are establishing a system linked with overseas subsidiaries so that the Head Office can check quality control records and other data in a timely fashion if quality problems occur.

Action in Case of Quality Problem

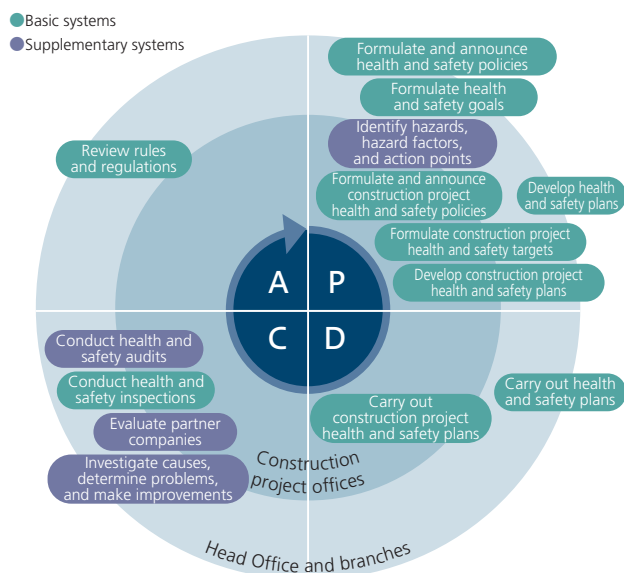
Preventing quality problems, we hold construction reviews before groundbreaking and have a rigorous reporting system in place to notify branch office and Head Office immediately of quality incidents. We identify root cause and take measures to prevent problems from spreading across the Group. We also prevent recurrence by sharing information and providing training using quality incident cases.

Occupational Safety and Health

Framework for Ensuring Safety and Results in FY2022

Kajima implements safety and health management in conformance with the Construction Occupational Health and Safety Management System (COHSMS).

We review our safety and health policies as necessary based on the performance and circumstances of the previous fiscal year, and then formulate Company-wide safety and health targets and plans for the current fiscal year. Starting from the Company-wide policies formulated through the PDCA (plan, do, check, and action) cycle, we narrow down the range of issues to determine the priority items to be implemented at individual construction project offices, as well as those for the Head Office, branches and partner companies supporting them. We then use these priority items to be implemented as the foundation for establishing construction safety and health



policies, targets, and plans for each construction site, and we share them with our partner companies carrying out the construction work.

In FY2022, there were 61 occupational accidents (lost work time of 4 or more days) at Kajima construction sites in Japan. The frequency rate of accidents resulting in lost work time of four or more days was 0.67, and the rate for accidents resulting in lost work time of one or more days was 1.34, resulting in a severity rate of 0.02. There were no accidents involving fatalities.

Improving Safety and Hazard Awareness

In recent years, more safety equipment than ever before has been installed at construction sites. Now that construction workers experience fewer incidents and occupational accidents, their risk sensitivity, that is their sense of danger, is said to be lower. It is important to raise this sensitivity.

Kajima holds safety dialogues in which employees of Kajima Corporation, forepersons of partner companies, and other workers gather to talk about safety only, based on real cases involving past accidents at construction sites, and we also



Impact experience training for falls

provide accident simulation training that fosters an understanding of what happens when an accident occurs to improve safety awareness and risk sensitivity.

Preventing Occupational Accidents through Risk Assessment

Kajima conducts risk assessments to identify dangers and harms that could cause occupational accidents or diseases, estimates and evaluates the scale of these risks, and considers the needs and details of risk reduction measures.

Specifically, we examine disaster risks depending on the progress of the construction process in light of its particular circumstances, such as past disaster cases during similar types of construction, items pointed out during safety and health patrols, and construction conditions at the construction site. At each construction site, we make sure to conduct a risk assessment during the hazard prediction activity in which all workers participate when planning the construction, creating the construction procedure, and starting work. Kajima and partner companies work together to set up safe work environments to reduce occupational accidents.

At overseas construction sites, we conduct activities to strengthen safety management, such as holding the disaster prevention conference every six months (mainly for local subsidiaries in Asia), with the purpose of further raising and harmonizing safety management standards.

Safety Performance

(FY)

		2020	2021	2022
Accident frequency rate	Lost work time of 4 or more days	0.61	0.65	0.67
	Lost work time of 1 or more days	1.13	1.21	1.34
Accident severity rate		0.20	0.22	0.02
No. of accidents		52	55	61
Cumulative working hours	(millions of hours)	84.80	85.11	91.28
No. of fatalities	Non-consolidated (domestic)	2	2	0
	Non-consolidated (overseas)	0	0	0
	Domestic Group companies*1	0	0	0
	Overseas Group companies*1	0(1)*2	0(0)*2	1(0)*2

- Accident frequency rate: The number of fatalities and injuries at worksites per one million cumulative working hours
- Accident severity rate: The severity of illnesses and injuries represented by the number of workdays lost per one thousand cumulative working hours

Note: Calculations include partner company workers.

*1 Subsidiaries involved in construction

*2 Figures in parentheses indicate the number of fatal accidents for which the local authorities did not hold the Group responsible.

Human Rights

Kajima Group Human Rights Policy

In March 2021, we formulated the Kajima Group Human Rights Policy based on the UN Guiding Principles on Business and Human Rights to clarify our approach to respecting human rights. This policy applies to all the officers and employees of the Kajima Group. We also expect our business partners making up our global supply chain to understand and support this policy.

In the construction industry, construction activities are conducted on various lands with the help of many specialized construction companies (partner companies) according to customers' requests. We recognize that the construction industry is characterized by this regionality and wide scope and that it is important to respect the human rights of a wide range of stakeholders, including not just our employees but also local residents, partner companies, and skilled workers.

Human Rights Due Diligence

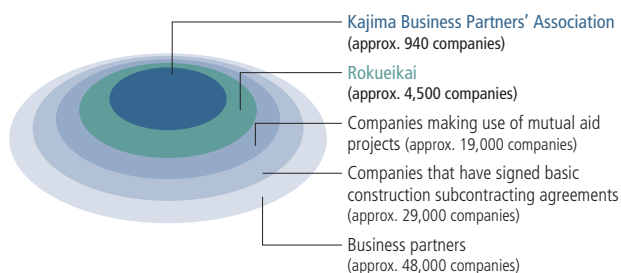
We undertook human rights due diligence in FY2021 and examined and identified serious potential issues in the Kajima Group from the perspectives of "internal structures and systems" and "individual issues" related to respect for human rights up to the end of FY2022. We conducted a self-assessment of Kajima Corporation and a risk analysis of domestic and overseas Group companies based on the results of the above activities in FY2023. In the future, we will reduce, avoid and mitigate the identified human rights risks.

In addition, the Japanese government is currently considering reviewing the Technical Intern Training Program, etc. After the revision of the system, we will not only continue to comply with laws but also work with partner companies to ensure appropriate working conditions for foreign human resources.

Supply Chain Management

Working with Partner Companies

Kajima's partner companies have formed the Kajima Business Partners' Association, which engages in various projects in the spirit of mutual aid, and also Rokueikai, whose primary purpose is accident prevention activities. By coming together with partner companies through these organizations, Kajima is forming strong partnerships that will ensure safety and quality, and provide other benefits.



Opinion exchanges with partner companies

Kajima Group Conduct Guidelines for Business Partners Details of the Guidelines

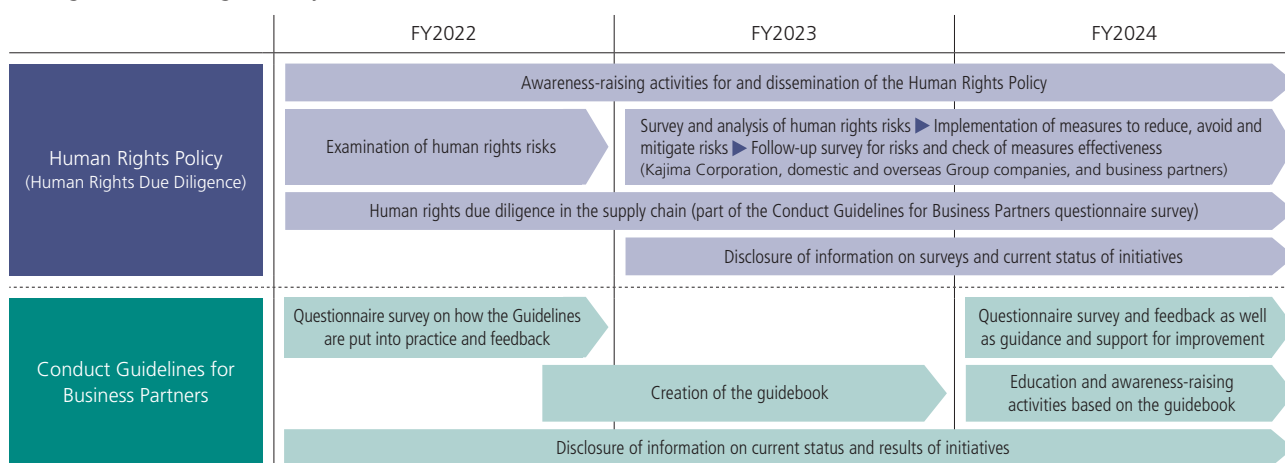
We have established the Kajima Group Conduct Guidelines for Business Partners and share them with business partners who make up our supply chain. The Guidelines set forth matters we request their compliance with, respect for, and strict adherence to—in particular, compliance with laws and regulations, respect for human rights, consideration for the environment, ensuring quality, and other matters.

In addition to items related to compliance with laws and regulations, safety, elimination of involvement with antisocial forces, prevention of corruption, and restrictions on child labor, which are included in the basic construction subcontracting agreements, and the basic labor safety and health pledges that we ask our partner companies to sign, the Guidelines also incorporate the Kajima Group Code of Conduct.

Approach to Partner Companies

To check our partner companies' understanding of and compliance with these Guidelines, we conducted a questionnaire survey of 906 members of the Kajima Business Partners' Association (equivalent to approx. 60% of monetary value of orders) in FY2022. We will continue to conduct this survey regularly. We are also creating a guidebook that clearly explains the Guidelines with specific cases to support partner companies' active initiatives. We will put the Guidelines into practice in concert with partner companies through education and awareness-raising activities using the guidebook.

Putting the Human Rights Policy and the Conduct Guidelines for Business Partners into Practice



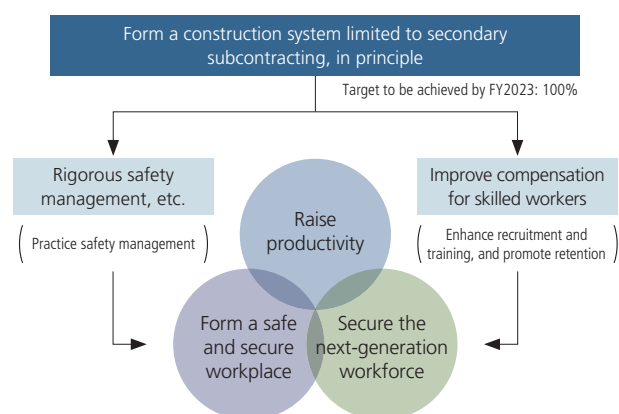
Restructuring Multilayered Subcontracting

In Japan, the construction industry's subcontracting structure, which has been in place for many years, is multilayered, consisting of primary subcontractors, secondary subcontractors, and lower-tier subcontractors who are responsible for intermediate construction management, provision of labor, and other direct construction functions under the prime contractor, which in turn is responsible for the overall management and supervision of the entire construction project.

This multilayered subcontracting structure not only hinders construction facilitation and productivity improvements, but it also prevents safety and quality in guidance and management advancing to the latest levels, and it keeps the wages of skilled workers low.

Since FY2021, Kajima has been tackling the challenge of restructuring multilayered subcontracting (while complying with all laws and regulations) by clarifying where responsibility lies in the construction process to ensure rigorous safety management, etc., and to improve compensation for skilled workers and to raise productivity.

First, we organized opinion exchange meetings with partner companies at branch offices and construction sites across Japan to identify the causes of the multilayered structure, and we found that its causes include the need to assign additional skilled workers for aid in response to sudden requests from construction sites and projects of which the prime contractor is a trading company or a manufacturer that is not involved in construction.

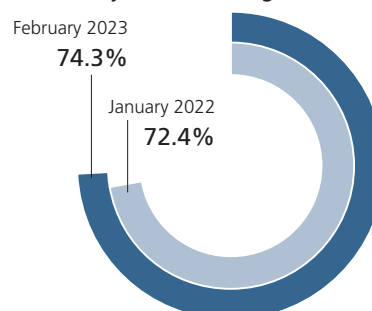


We have implemented various measures to remove these causes. For example, we have tried to allocate proper construction periods, constantly place orders, and eliminate middlemen with little effective involvement. We have also been supporting primary subcontractors' initiatives for direct employment, as well as upskilling and the multi-skill development of skilled workers in medium- to long-term. The ratio of the scope of contracts to secondary subcontractors has improved slowly but steadily for the past two years as a result of these measures. As partner companies engaged in equipment work that requires high expertise and that tends to be multilayered have also actively taken initiatives to avoid multilayered structures, and construction systems with fourth-order subcontractors or higher have dramatically decreased in equipment work.

A construction system limited to secondary subcontracting will lead to improved compensation (higher wages for skilled workers) and make the construction industry more attractive to work in, and by extension, it is expected to increase the number of young workers who will lead the next generation. In addition, we believe that creating a management system in which the prime contractor can more effectively keep an eye on the entire project will lead to appropriately focused safety management that enables the primary subcontractor's foreperson to properly supervise the secondary subcontractors' forepersons, and to provide appropriate instruction and guidance.

Kajima will continue to work to ensure a construction system that limits the scope of contracts to secondary subcontractors.

Progress in Establishing a Construction System with Only Primary or Secondary Subcontracting*



* The ratio of primary and secondary subcontractors among all partner companies entering the site.

Dialogue with Outside Directors

Kiyomi Saito, an outside director who chairs the Nomination Advisory Committee and the Governance and Remuneration Advisory Committee, and Tamotsu Saito, a Kajima outside director since 2022, discussed a variety of topics ranging from discussions during Board of Directors' meetings and other occasions, diversity, and challenges to be overcome for future growth.



Tamotsu Saito

Outside Director

Member of the
Governance and Remuneration
Advisory Committee
Member of the Nomination
Advisory Committee

Kiyomi Saito

Outside Director

Chairperson of the
Governance and Remuneration
Advisory Committee
Chairperson of the Nomination
Advisory Committee

Impression and Observed Characteristics of Kajima

Tamotsu Saito I am strongly impressed that Kajima truly values customers. As I have gradually come to understand Kajima as a director, I feel that the company can maintain high profitability precisely because of work that is of course backed up by our technologies. I was especially surprised to see a large percentage of sole-source orders, which show customers' trust in us.

Kiyomi Saito Your perspective is different from mine, as I expected. I have been an outside director for eight years and now strongly feel that Kajima is an unyielding company in a good sense. Kajima sticks to its policy no matter what happens. In this sense, my impression is that the company is extremely serious. In other words, Kajima's culture is to never cut corners. In some cases, the company seems to be too concerned with quality and accuracy.

Tamotsu Saito I believe that our long history has led to self-confidence. A common point of engineering companies is that engineers never compromise. Even if they know that costs will

be temporarily high, they do not compromise from a long-term standpoint. This is a good aspect of the Kajima brand.

For example, initial design specifications are often changed later in construction projects. How flexibly the company addresses such changes is an important evaluation point from the customers' viewpoint. It is necessary to consider how to deal with a redesign within budget rather than simply increase costs. Kajima has superior capabilities to handle such situations. Communication and relationships of trust with customers and construction sites are critical for this.

Discussions during Board of Directors' Meetings

Kiyomi Saito As you may expect, other Kajima officers seemed somewhat defensive when the first outside directors were appointed in 2015. However, as communication between them gradually progressed, they became ready for a mutual understanding after a few years had passed. While I wouldn't go so far as to say there was conflict between executive officers and non-executive officers, but there was that sort of atmosphere on the Board of Directors. It no longer has

this atmosphere. In this sense, the Board of Directors has become very sound. Because my remarks at Board of Directors' meetings and meetings before them are properly accepted inside the company and related actions are considered, I obtain a large sense of satisfaction from being an outside director.

Tamotsu Saito We must break down the functionality of the Board of Directors into the supervision function and the function to be involved in management. The supervision function works sufficiently, as issues are brought up for discussion according to rules. However, when it comes to the function of advising management, they should probably propose more topics to be deliberated, since outside directors have many different experiences. After all, it is difficult for us to understand every detail because we have less information. If inside directors propose topics on which they want advice, we will surely have meaningful discussions.

Kiyomi Saito I don't feel that anything is wrong, because topics on the agenda are selected according to standards. In particular, many medium- to long-term topics have recently been included on the agenda and the discussion on a topic leads to another discussion on its medium- to long-term effects, rather than staying on the same topic. So, I think we can pat ourselves on the back as we have become a good Board of Directors.

Tamotsu Saito It is not really effective for the Board of Directors to discuss issues that management has already sufficiently deliberated. Instead, we should determine and discuss topics such as medium-term and long-term plans or how we conduct businesses outside Japan as the Japanese market shrinks as a result of the low birthrate. Then, we can have active discussions with directors inside and outside the company. How to determine topics is important. We may as well have an informal gathering, etc., after Board of Directors' meetings.

Kiyomi Saito Certainly. If we have offsite opinion exchange meetings, the situation will be quite different because everyone can express their opinions freely.

Tamotsu Saito Although the Board of Directors is operated very respectfully, if I were to say something about its composition, we should increase the ratio of female directors. The company will also have to consider foreign directors or executive officers in the future.

Kiyomi Saito The Board of Directors may change greatly if foreign directors join it. Foreign nationals may be able to

join as observers instead of directors. I hope that the Board of Directors will change little by little in this way. We could consider starting by inviting the presidents of overseas subsidiaries to Board of Directors' meetings to create opportunities to exchange opinions.

Governance and Remuneration Advisory Committee and Nomination Advisory Committee

Kiyomi Saito The Governance and Remuneration Advisory Committee has discussed the recent revision of the officer remuneration system. Remuneration sends a message to show what the company prioritizes. Evaluation must cover every aspect, including the promotion of ESG and diversity, in addition to profit. I am sure that a system in which the people who contributed in development and growth of the company are appreciated and that this appreciation is reflected in their remuneration will be understood both inside and outside the company. All committee members agree on introducing the performance-linked part into the stock remuneration.

We will continue to consider better evaluation methods, such as personal evaluation. ▶Page 102

Tamotsu Saito I think that evaluation should be basically based on performance, although evaluation factors could change over time. On the other hand, the evaluation for



Dialogue with Outside Directors



medium-term and long-term incentives should be based on long-term growth, rather than be completely in proportion to performance.

Kiyomi Saito Our future challenge is to balance evaluation in terms of medium-term and long-term growth and an evaluation based on an increase in the contribution to society as well as to the company.

In the Nomination Advisory Committee, we have recently discussed what human resources Kajima needs with an eye to the future. The people selected as management sends a message outside the company to show how the company will change. So we should actively continue this discussion from a long-term perspective. We must consider a development plan for two generations later, in addition to immediate nominations. We will go as far as to examine how to develop and select candidates from the young generation.

Tamotsu Saito Kajima has three main business units; civil engineering, building construction, and overseas businesses. It is important to determine which business unit future management executives must gain experience in. We should determine core posts, select candidates for the next generations of two generations later and so on, and create career plans. Meanwhile, we are having some candidates experience overseas businesses and others experience working at subsidiaries to develop them. In addition, the Nomination

Advisory Committee must regularly report what they have discussed to the Board of Directors, although specific details are not necessary.

Kiyomi Saito Although presidents often come from Kajima's business divisions, we will probably have to increase opportunities for future presidents to experience working in the administration departments in the Head Office as part of the successor plan.

Diversity

Kiyomi Saito I have an impression that women who choose the construction industry are aspirational from the start and many of them are active and powerful. However, in my opinion, the company is not yet utilizing 100% of their abilities.

We might have to wait for a while to assign female employees as directors or executive officers because excellent candidates are currently being developed. At first, I thought that male employees did not understand female employees at all based on my impression that the general contractor world is male dominated. However, I was happy to find out that many male employees actually look out for female employees. Kajima also provides reliable training to support female employees who play active roles and has a properly organized personnel system and other services for those who raise children.

Tamotsu Saito Regarding the promotion of female employees, it is important to create career models for each job type and steadily increase the number of female executives.

Many employees of engineering companies majored in math and science, but female students account for only about 10% of students on science courses at universities and graduate schools. There are inherently fewer female students. As a result, engineering companies tend to be male dominated. For example, it would be difficult for female employees to improve their career without a special performance evaluation for those who take maternity leave. The company may need to change these parts.

Recognition of Medium- to Long-Term Issues as Outside Directors

Tamotsu Saito Unlike many companies, Kajima does not add its name to the beginning of the company name when acquiring overseas companies. Kajima is strongly committed to keeping high levels of independence among acquired

companies and letting them exercise their autonomy. However, one issue is how to increase the awareness of the Kajima brand across the world at such a time. However, we cannot unconditionally deny independence because construction is local work in which human networks are emphasized.

Kiyomi Saito How to balance them is a major topic. Kajima's success with M&As has been based on human relationships and trust relationships, and we have entrusted local management to acquired companies. In other words, each acquired company conducts its business independently. The next step is to consider how to progress large-scale businesses with the Kajima brand in the future.

The world has changed greatly in the past three years. First, AI is becoming greatly recognized and is being applied a lot in fields relevant to Kajima. In this sense, Kajima is transforming from a company based on people to a company that masters AI and other tools. If we consider Kajima from today, we may fall off if we consider a line extending into the future. How should the company ride out the storm into this new world? To do so, the company must overcome what could not be overcome so far. For example, how to overcome the labor shortage and other challenges will be decisive factors to take a commanding lead in the industry.

Tamotsu Saito Immediate large issues are the 2024 issue and the low birthrate, which have been recently talked about. As you may expect, the construction industry must largely rely on manpower. How can we proceed with construction if the number of workers decreases? Although one of the solutions is to invite foreign human resources, they will not easily come to Japan because effective wages are low due to the recent weak yen. In addition, many foreign nationals now want to play active roles in their own countries. In this situation, action for GX (green transformation) is also essential. We must specifically consider how to reduce CO₂ emissions and solve the labor shortage.

On the other hand, on a global scale, infrastructure has not yet been established in many regions, particularly in the Global South. Although infrastructure will be eventually established, how to address this issue is a major point.

Kiyomi Saito For example, although the current businesses of many companies are now different from the classifications by industry on the Tokyo Stock Exchange, in terms of the construction field, it is basically the same as the classification. In this sense, the industry has remained unchanged so far, but this cannot continue forever. Although Kajima will not only conduct business in Japan but locally expand overseas to areas that will develop, we must prepare for other new businesses

and changes in business category.

Tamotsu Saito In this sense, the meaning of the company's growth may not be limited to growth only of sales and profits. How the company grows and improves its corporate value is the most important issue that the Board of Directors should continue to discuss in the future.



Kajima is committed to fair and transparent corporate activities. To this end, it strengthens its corporate governance through enhanced management supervision by the Board of Directors and the Audit & Supervisory Board, as well as through risk management and accountability achieved via internal controls and systematic compliance measures. Kajima will continue to strengthen its corporate governance based on the Corporate Governance Code outlined by the Tokyo Stock Exchange.

Overview of the Corporate Governance Structure

Kajima has elected to use a Company with an Audit & Supervisory Board structure, in which the Board of Directors makes key business decisions and monitors business execution and its Audit & Supervisory Board audits the execution of duties by directors.

To strengthen the management supervisory function, Kajima has established two advisory committees to the Board of Directors: the Nomination Advisory Committee and the Governance and Remuneration Advisory Committee. In addition, an executive officer system has been introduced to separate and bolster the supervisory and operational execution functions, as well as to increase the efficiency and speed of management. To further improve the efficiency of operational execution, Kajima has established the Management Committee and the Joint Committee of Directors and Executive Officers.

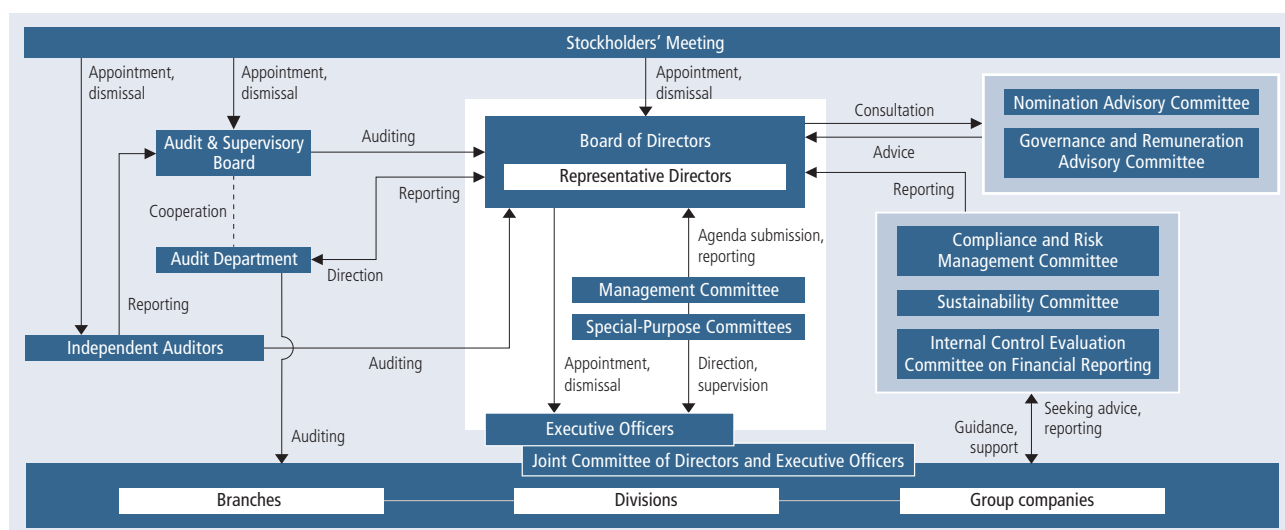
Governance Structure: Company with an Audit & Supervisory Board

Directors	12 persons (including 5 outside director)
Term	1 year
Number of Board of Directors' meetings (FY2022)	14 meetings
Audit & Supervisory Board members	5 persons (including 3 outside members)
Number of Audit & Supervisory Board meetings (FY2022)	15 meetings
Executive officer system	Yes
Independent directors	8 persons

Progress in Strengthening Corporate Governance

Progress in Strengthening Corporate Governance									(FY)
	To 2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of outside directors [ratio]		3			4	3	4	5 [38%]	5 [42%]
Improving effectiveness of the Board of Directors		Implemented effectiveness evaluation						Conducted questionnaire survey for effectiveness evaluation	
Improving the objectivity and transparency of the nomination and remuneration decision-making processes				Governance Committee		Nomination Advisory Committee and Governance and Remuneration Advisory Committee			
Officer remuneration					• Introduction of a system for allotting stock with a restriction on transfer	• Bonus KPIs review			• Bonus KPIs review • Introduction of performance-linked stock remuneration

Corporate Governance Structure



Nomination Advisory Committee and Governance and Remuneration Advisory Committee

The Nomination Advisory Committee, which is comprised of outside directors and the President, deliberates on personnel-related matters for directors and other officers. The Governance and Remuneration Advisory Committee, which is comprised of outside directors and outside members of the Audit & Supervisory Board, deliberates on important matters related to corporate governance, including the remuneration of directors and other officers. Both committees were established to provide recommendations to the Board of Directors with the aim of ensuring objectivity and transparency.



	Nomination Advisory Committee	Governance and Remuneration Advisory Committee
Roles	The Nomination Advisory Committee was established as a meeting body that deliberates on personnel-related matters for directors and other officers, and it provides recommendations to the Board of Directors with the aim of ensuring objectivity and transparency.	The Governance and Remuneration Advisory Committee was established as a body that deliberates on important matters related to corporate governance, including the remuneration of directors and other officers, and it provides recommendations to the Board of Directors with the aim of ensuring objectivity and transparency.
Main themes for discussion	<ul style="list-style-type: none"> Composition of the Board of Directors, executives on management team, requirements, and nomination guidelines 	<ul style="list-style-type: none"> Officer remuneration system (including composition, standards, and guidelines for determining remuneration) Diversity Promotion of Work-Style Reforms
Meeting administration	The Executive Office functions as secretariat and is responsible for providing support.	The Executive Office serves as secretariat and provides administrative support. The President and other executives may also be invited to attend Governance and Remuneration Advisory Committee meetings to provide briefings, depending on the content of the meeting agenda.
Number of meetings in FY2022	3 meetings	4 meetings
Chairperson	Outside director	Outside director
Members	President 3 outside directors	5 outside directors 3 outside members of the Audit & Supervisory Board

Appointment of Outside Directors and Outside Members of the Audit & Supervisory Board

Kajima has appointed five 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 / auditors

as defined by stock exchanges, and all are registered with the Tokyo Stock Exchange and the Nagoya Stock Exchange as independent officers.

Outside Director and Outside Member of the Audit & Supervisory Board 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 members of the Audit & Supervisory Board. In addition to providing briefings prior to Board of Directors' meetings, these offices also supply outside officers with the information they

need to serve in their positions.

Outside officers meet regularly with Kajima management. In addition, they receive tours of branch offices and construction sites. This enhances management supervision by ensuring that the outside officers have an accurate understanding of Kajima's business.

Skills Matrix

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 takes into consideration the diversity and appropriate size of the Board of Directors, while pursuing a balance of knowledge, experience and abilities as a whole. To ensure

objectivity and transparency in selecting candidates for Director, the Nomination Advisory Committee deliberates on the basic approach to the nomination and the composition of the Board of Directors, among other matters, and it provides advice and recommendations, based on which the Board of Directors deliberates and makes final decisions.

Name	Positions and assignments at the Company	Main areas of expertise and experience							
		Corporate management	Finance/Accounting	Technology/IT	Sales/Marketing	Legal/Risk management	Government and public policy	Global business	Knowledge of the construction and real estate development business
Yoshikazu Oshimi	Chairman, Representative Director	✓		✓	✓				✓
Hiromasa Amano	President, Representative Director	✓		✓	✓				✓
Keisuke Koshijima	Representative Director, Executive Vice President, General Manager, Overseas Operations Division	✓			✓	✓		✓	✓
Masaru Kazama	Representative Director, Executive Vice President, General Manager, Civil Engineering Management Division, Overseeing Machinery and Electrical Engineering Department	✓		✓	✓			✓	✓
Hiroshi Ishikawa	Director, Executive Vice President, General Manager, Sales and Marketing Division	✓			✓				✓
Takeshi Katsumi	Director, Senior Executive Officer, General Manager, Administration Division, Overseeing Audit Department, Safety and Environmental Affairs Department and IT Solutions Department	✓	✓			✓			✓
Ken Uchida	Director, Senior Executive Officer, General Manager, Treasury Division	✓	✓					✓	✓
Kiyomi Saito Outside Director Independent Director	Director	✓	✓					✓	
Yoichi Suzuki Outside Director Independent Director	Director					✓	✓	✓	
Tamotsu Saito Outside Director Independent Director	Director	✓		✓				✓	
Masami Iijima Outside Director Independent Director	Director	✓				✓		✓	
Kazumine Terawaki Outside Director Independent Director	Director					✓	✓		

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 functions. The method for analyzing and evaluating the effectiveness of the Board as

a whole and the results for the period from June 2022 to May 2023 are described below.

Analysis and evaluation method

- (1) Entrust an external organization to conduct a questionnaire survey of all Directors and members of the Audit & Supervisory Board
- (2) Based on the results of the questionnaire and quantitative and qualitative analysis of matters such as the content of agenda items submitted to the Board of Directors' meetings and the deliberation time, all members of the Board of Directors discuss actions taken in response to the recommendations and issues raised in the evaluation of effectiveness conducted in past fiscal years, the activities of the Nomination Advisory Committee and the Governance and Remuneration Advisory Committee, as well as future issues and other topics
- (3) Review by external experts to ensure objectivity

Evaluation results for the current period

The Board of Directors evaluated that the Board, the Nomination Advisory Committee and the Governance and Remuneration Advisory Committee are functioning appropriately and their effectiveness is being ensured.

- The results of the quantitative and qualitative analysis, as well as the results of the questionnaire survey conducted by an external organization, confirm that the current composition, administration, and discussion of Board meetings are appropriate.
- Steady actions in response to the recommendations and issues raised in the previous fiscal year were confirmed.
- It was confirmed that the number of members and composition of the Nomination Advisory Committee and the Governance and Remuneration Advisory Committee were appropriate and that the committees' discussions were substantial.

(Reference) Overview of questionnaire survey results

The questionnaire consists of ratings on certain issues (on a five-point scale) and open-ended responses to items regarding the composition, administration, and discussions of Board of Directors' meetings. The ratings improved for all the items from the previous fiscal year in the FY2022 questionnaire survey result.

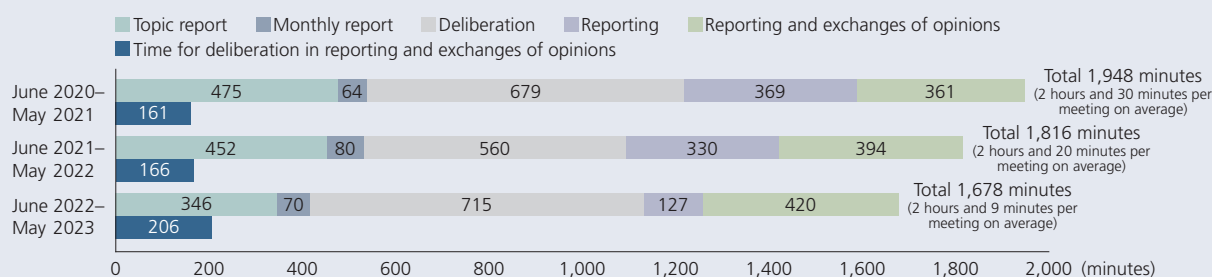
	vs. the previous fiscal year	Evaluation points
Composition of the Board of Directors	➔	<ul style="list-style-type: none"> • Increase in female officers (2 in FY2022 ➔ 3 in FY2023) • Increase in the ratio of outside directors (33.3% in FY2021 ➔ 38.5% in FY2022 ➔ 41.6% in FY2023)
Operation of the Board of Directors	➔	<ul style="list-style-type: none"> • Explanatory materials devised to sufficiently convey what the executive divisions have considered • Start of pre-board meeting briefings to outside members of the Audit & Supervisory Board
Discussions in Board of Directors' meetings	➔	<ul style="list-style-type: none"> • Enhanced discussions by securing time for deliberations • Discussions about medium- to long-term issues

Main Initiatives Implemented during the Evaluation Period (June 2022–May 2023)

(1) Efforts to Improve the Administration of Board Meetings

- It was confirmed that business execution-related agenda items are being submitted to the Board after sufficient discussions in the Management Committee, special-purpose committees and other committees, and that outside directors and outside members of the Audit & Supervisory Board attend Board meetings after appropriately receiving pre-meeting briefings.
- It was confirmed that, as a result of efforts to improve the administration of Board meetings, the time for deliberations increased compared to in the previous fiscal year for reporting and exchanges of opinions, thereby enhancing discussions.
- It was confirmed that the progress made by each division for the Medium-Term Business Plan (FY2021–2023) was reported and thoroughly deliberated, and that appropriate information was provided on risk management related to initiatives such as major investments and new businesses.

Changes to Times for Deliberation and Question-and-Answer Sessions by Agenda Item



(2) Actions Taken in Response to the Recommendations and Issues Raised in the Previous Fiscal Year

Recommendations and issues raised in the previous fiscal year	Progress made with initiatives during this evaluation period	Advice for improvements in the next fiscal year
Issue 1 Enhancement of discussions about medium- to long-term issues	The following topics were set for discussion at the Board of Directors' meetings. August Overseas business strategies September Reporting by the Sustainability Committee (carbon neutrality initiatives) November Progress made for the Medium-Term Business Plan January Research and technology development by Kajima March Reporting by the Sustainability Committee (carbon neutrality initiatives and diversity) April Issues related to market valuation Kajima's intellectual property	<ul style="list-style-type: none"> • Could an explanation of the agenda be simplified at Board of Directors' meetings? • Could we freely deliberate outside the Board of Directors' meetings? • Could we consider gender equality and diversity in the composition of directors from a wider point of view without worrying too much about gender?
Issue 2 Continuous review of the composition of the Board of Directors	<ul style="list-style-type: none"> • Increase in the ratio of outside directors (33.3% in FY2021 ➔ 38.5% in FY2022) • Increase in female officers (2 in FY2022 ➔ 3 in FY2023) 	
Issue 3 Greater opportunities to engage in dialogue other than at Board of Directors' meetings	Start of pre-board meeting briefings to outside members of the Audit & Supervisory Board * The requested construction site tour was postponed due to COVID-19.	

(3) Nomination Advisory Committee and Governance and Remuneration Advisory Committee

- The Nomination Advisory Committee met three times and the Governance and Remuneration Advisory Committee met four times, and it was confirmed that all the members of each committee, most of whom are outside directors, expressed their opinions at the respective meetings based on their expertise and experience and actively engaged in discussions.
- At the Board of Directors' meetings, the outside director serving as chairperson of both Committees explained the discussion results and made recommendations on officer personnel-related matters and remuneration.

The Board of Directors further deliberated and made decisions based on these explanations and recommendations. This process helped to ensure the objectivity and transparency of the Board of Directors' meetings and to secure its effectiveness. The Governance and Remuneration Advisory Committee also tabled and deliberated on the officer bonus and monthly remuneration amounts, and the progress made for diversity and other issues. (Review of the officer remuneration system was discussed in FY2022.)

Future Issues

1	Further enhancement of deliberations at Board of Directors' meetings
2	Greater opportunities to engage in dialogue other than at Board of Directors' meetings (for example, tours of construction site and Group-owned facilities and free discussions)
3	Continuous review of the composition of the Board of Directors (ex., gender equality and diversity enhancement)

Officer Remuneration

Kajima has formulated a policy for determining officer remuneration. The content and methods of this policy are as indicated below.

Director Remuneration System

Basic Policy

- Remuneration standards are to be sufficient to secure and retain outstanding management personnel.
- Remuneration is structured to provide remuneration commensurate with the roles and responsibilities of each position.
- Remuneration linked to the achievement of management targets and to Kajima's stock price are to be introduced to increase medium- to long-term corporate value and to align officer values with those of stockholders.
- The remuneration decision-making processes must be objective and transparent.

To ensure objectivity and transparency in determining director remuneration, the Governance and Remuneration Advisory Committee, which is comprised of outside directors and outside members of the Audit & Supervisory Board and chaired by an outside director, discusses matters including the Basic Policy on Officer Remuneration, remuneration systems, and remuneration standards. The Board of Directors deliberates and decides on such matters based on the advice and recommendations of the Committee.

Kajima provides fixed remuneration to directors in

the form of monthly remuneration, performance-linked remuneration in the form of bonuses, and stock remuneration, determined by position (including the executive officer position for directors concurrently serving in that role).

The composition of respective forms of remuneration as percentages of total remuneration is as indicated below (assuming bonuses and stock remuneration equal to standard amounts).

The director remuneration system was revised in FY2023. (Main revisions to the director remuneration system [▶Page 102](#))

	Fixed remuneration (monthly remuneration)	Performance-linked remuneration (bonus)	Stock remuneration
President	50%	35%	15%
Other directors	The higher the position, the higher the percentage of the performance-linked bonus and stock remuneration.		

Fixed Remuneration (monthly remuneration)

- (1) The total amount of fixed remuneration (monthly remuneration) shall not exceed ¥60 million per month.
(Decided at the 108th Ordinary Stockholders' Meeting held on June 29, 2005; number of directors at the time: 14)
- (2) The amount of monthly remuneration depends on the position.
- (3) Revisions to the monthly remuneration amounts due

to the appointment of new directors or the resignation of current directors shall be applied from the month following the appointment of the director at the Stockholders' Meeting.

- (4) The monthly remuneration of directors who have received a promotion shall, in principle, be revised effective the day of said promotion.

Performance-linked Remuneration (bonus)

- (1) The total amount of bonuses shall not exceed ¥500 million per year. (Decided at the 126th Ordinary Stockholders' Meeting held on June 28, 2023; number of directors (excluding outside directors) at the time: 7)
- (2) Bonuses for the fiscal year (April 1–March 31) shall be based on officers' positions at the end of March and, following a resolution by the Board of Directors, be paid as a lump sum at the end of June the following year.
- (3) In principle, bonuses are calculated by multiplying the standard bonus amount determined for each position by the evaluation coefficient calculated determining the supply rates for net income attributable to owners of the parent for the current fiscal year, safety performance (accident frequency rate and accident severity rate), and employee

health (stress check) based on the evaluation weight of 8:1:1. The upper limit of each supply rate is 200% and values below a certain standard are regarded as 0%.

- (4) The President can propose a bonus reduction or another action if the supply based on the above calculation formula raises questions; for example, if the company committed a major compliance infraction.
- (5) In the event of an officer being newly appointed or resigning during the course of the fiscal year, in principle, the full calculation amount is to be paid if the officer is in office for nine months or longer, half of the calculation amount is to be paid if the officer is in office for six to nine months, and no bonus is to be paid if the officer is in office for less than six months.

We selected this evaluation coefficient as the index of bonuses paid as performance-linked remuneration to take safety performance and employee health into consideration, in addition to consolidated performance in light of the importance of actions for sustainability.

Formula

Bonus amount = Standard bonus amount × Evaluation coefficient

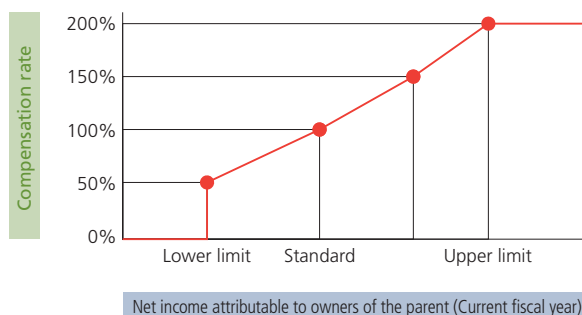
Evaluation coefficient:

Compensation rate based on the net income attributable to owners of the parent for the current fiscal year × 80% + supply rate based on safety performance (accident frequency rate*1, accident severity rate*2) × 10% + supply rate based on employee health (stress check*3) × 10%

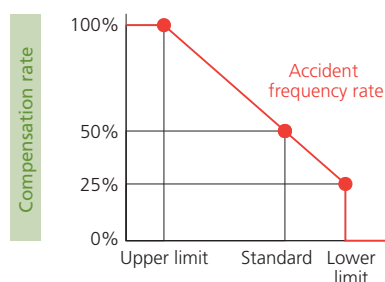
*1 Accident frequency rate: The number of fatalities and injuries at worksites per one million cumulative working hours.

*2 Accident severity rate: The severity of illnesses and injuries represented by the number of workdays lost per one thousand cumulative working hours.

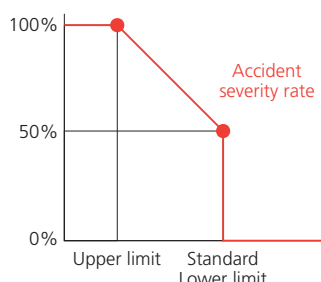
*3 Stress check: Annual examination to understand the degree of psychological load on employees. The lower the score (health risk), the lower the stress level.



Evaluation weight: 80%

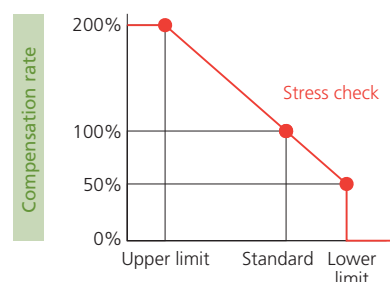


+



Safety performance

Evaluation weight: 10%



Employee health

Evaluation weight: 10%

Stock Remuneration

- (1) The total amount of stock remuneration shall not exceed ¥300 million per year. (Decided at the 126th Ordinary Stockholders' Meeting held on June 28, 2023; number of directors (excluding outside directors) at the time: 7)
- (2) The stock remuneration consists of the fixed remuneration for the position and the performance-linked remuneration. (The ratio is 1:1 for the standard amount.)
- (3) The fixed remuneration for the position depends on the position.
- (4) The performance-linked remuneration for the fiscal year (April 1–March 31) shall be based on officers' positions at the end of March. The performance-linked remuneration is calculated by multiplying the standard stock remuneration amount determined for each position by an evaluation

coefficient. The evaluation coefficient shall be the supply rate calculated based on the average net income attributable to owners of the parent for the previous three fiscal years. The upper limit of the supply rate is 200% and values below a certain standard are regarded as 0%.

- (5) In principle, remuneration of stocks with a restriction on transfer, consisting of the fixed remuneration for the position and the performance-linked remuneration, is paid as a lump sum in July or August.
- (6) The transfer restriction period shall extend from the day the shares are allotted through the day the recipient resigns from his/her position as director and/or executive officer.
- (7) The total number of stocks with a restriction on transfer shall not exceed 600,000 per fiscal year.

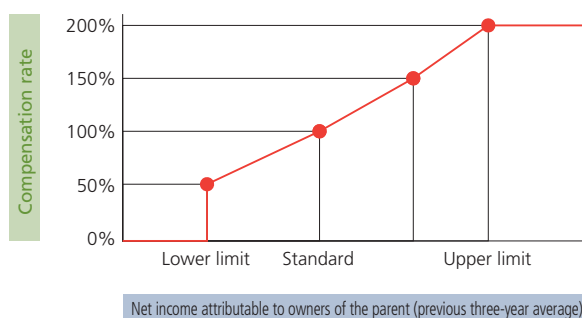
We selected this evaluation coefficient as the index of the performance-linked stock remuneration to provide management with incentives from a medium-term perspective.

Formula

Stock remuneration amount (performance-linked remuneration) = Standard stock remuneration amount × Evaluation coefficient

Evaluation coefficient:

Compensation rate based on the average net income attributable to owners of the parent for the previous three fiscal years (including the current fiscal year)



Audit & Supervisory Board Member Remuneration System

Members of the Audit & Supervisory Board are paid fixed remuneration in the form of monthly remuneration. The monthly remuneration amount paid to individual members of the Audit & Supervisory Board is decided through deliberations among Audit & Supervisory Board members according to

working conditions and other considerations.

The total amount of monthly remuneration shall not exceed ¥15 million per month. (Decided at the 97th Ordinary Stockholders' Meeting held on June 29, 1994; number of Audit & Supervisory Board members at the time: 5)

Details of Officer Remuneration

	Total remuneration	Directors*	Outside directors	Audit & Supervisory Board members
Monthly remuneration	Directors: Up to ¥60 million/month Audit & Supervisory Board members: Up to ¥15 million/month	●	●	●
Performance-linked remuneration (bonus)	Up to ¥500 million/year	●	—	—
Remuneration in stocks with a restriction on transfer	Up to ¥300 million/year	●	—	—

* Excluding outside directors

FY2022 Remuneration for Directors and Audit & Supervisory Board Members

(¥ million)

Position	Total remuneration	Monthly remuneration	Bonus	Stock remuneration	Recipients
Directors (excluding outside directors)	618	355	189	74	8
Audit & Supervisory Board members (excluding outside members)	57	57	—	—	2
Outside directors and outside members of the Audit & Supervisory Board	129	129	—	—	8

Notes: 1. Performance-linked remuneration (bonus) above shows the amount expended in FY2022 for officers' bonuses paid to seven directors.

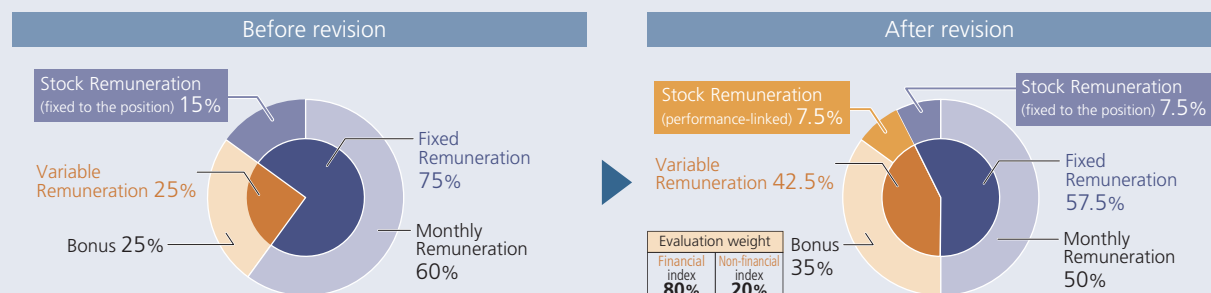
2. Stock remuneration above shows the amount expended in FY2022 for the remuneration in shares with a restriction on transfer allotted to six directors and the monetary equivalent of compensation for one director who resided overseas.

Main Revisions to the Director Remuneration System

(1) Increase in the composition percentage of performance-linked remuneration

The composition percentage of remuneration is roughly as follows.

* When the President's and variable remunerations are the standard amounts



(2) Change to the evaluation standard of the performance-linked bonus

Before revision		After revision	
Net income attributable to owners of the parent (Current fiscal year)	50%	Net income attributable to owners of the parent (Current fiscal year)	80%
+		+	
Net income attributable to owners of the parent (Three-year average)	50%	Safety performance	10%
		+	
		Employee health	10%

(3) Change to stock remuneration from "fixed to the position" to "part fixed to the position and part performance-linked"

Before revision		After revision	
Fixed to the position	100%	Fixed to the position	50%
		+	
		Net income attributable to owners of the parent (Three-year average)	50%

Risk Management

Based on effective and efficient risk management systems, the Kajima Group strives to identify risks in its businesses and operations and to prevent them from materializing. The Group also works to keep improving corporate value by winning the trust of stockholders, customers, and others with timely information disclosure.

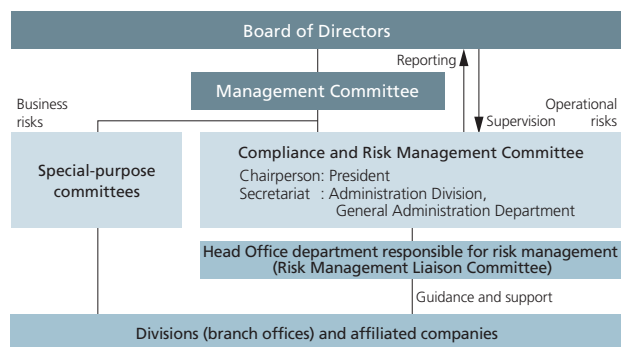
Group-Wide Risk Management System

The Management Committee and special-purpose committees ascertain business risks and deliberate on countermeasures, including for new businesses and real estate development investments. With respect to operational risks such as those related to legal or regulatory compliance violations, a department is designated to be responsible for each risk, and the Compliance and Risk Management Committee (chaired by the President) ascertains and evaluates the operational status of the risk management system and deliberates on the risk management policy and how to address major risks, among other matters. Results are reported to the Board of Directors, which supervises the operational status of the risk management system. The Risk Management Liaison Committee, which is comprised of the persons in charge at the Head Office department responsible for risk management, meets regularly to report and share risks that have materialized in the Group, revisions to laws and regulations, social trends, circumstances at other companies, and risk communication methodologies, and it reports important information to the

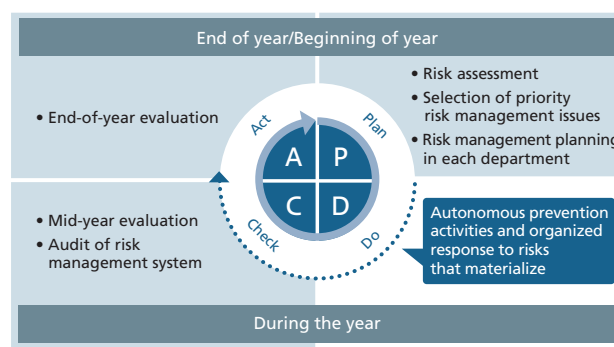
Compliance and Risk Management Committee as appropriate.

To improve the effectiveness of risk management activities, Kajima analyzes risks based on the frequency of their materialization and the impact, selects operational risk aspects of corporate activities requiring priority management as “priority risk management issues” to be applied across the Group, and implements risk management from the perspective of prevention at the beginning of each fiscal year. For risks that have materialized, we perform effective activities based on the PDCA cycle, including mandatory early reporting and organization-level measures to contain risks and to prevent them from recurring. The General Administration Department (Administration Division), which serves as the secretariat for the Compliance and Risk Management Committee, continually follows up on the measures addressing these materialized risks. The main domestic and overseas Group companies adopt standardized systems in line with those of Kajima, and they independently introduce risk management initiatives.

Risk Management Framework



Risk Management Activity Cycle



Special-Purpose Committees to Ascertain Business Risks and Deliberate on Measures

Committee name	Purpose
Overseas Business Steering Committee	It deliberates and reports on important matters concerning overseas business (overseas subsidiaries and overseas operations directly controlled by Head Office).
Overseas Development Project Steering Committee	It deliberates and reports on plan content and profitability, etc., related to investment in the 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 Civil Engineering Project Review Committee Overseas Building Construction Project Review Committee	It investigates and reports on technical, construction, and contractual risks at when an order is received for major overseas construction projects. It also investigates and reports on measures to address any serious problems that may occur during construction.
Development Steering Committee	It 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.
Important Construction Project Review Committee	It confirms the technical, construction and contractual risks prior to estimates being submitted for important construction projects in Japan, and it clarifies the policy for submitting estimates.
PFI Civil Engineering Committee PFI Building Committee	It deliberates and reports on Group-wide response policies and frameworks related to PFI projects and other, individual projects involving business risks such as investment, and response policies concerning the formation of consortia of companies.
Business Investment Committee	It identifies and deliberates on risks and issues regarding alliances, M&A, company establishment and new investment projects other than the above, and it also provides support for the promotion of such projects.

Information Security

The Kajima Group handles a wide range of information, including that relating to buildings, customers, management, technology and intellectual property. The Group adheres to an information security policy and conducts thorough risk management in order to protect such information, including from external attacks or leakage due to negligence. Employees throughout the Group take an annual online course on information security, which raises awareness to prevent incident recurrence. Course education and training topics include risks associated with the use of cloud services and threats such as targeted email attacks. At its offices, Kajima conducts regular inspections and audits to evaluate and improve physical, personal and technical measures. For partner companies, Kajima also distributes standard check sheets, awareness posters, and educational materials, such as video provided by the Japan Federation of Construction Contractors, to improve the level of information security at its partners.

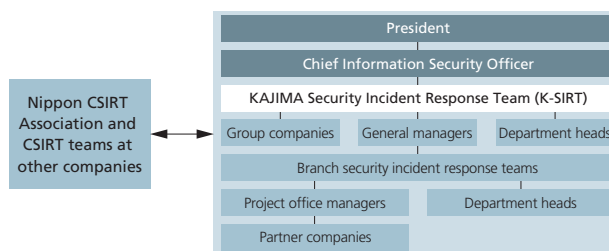
Kajima is addressing today's increasingly diverse and sophisticated cybersecurity threats in accordance with the Cybersecurity Management Guidelines from Japan's Ministry of Economy, Trade and Industry. The KAJIMA Security Incident Response Team (K-SIRT) is a member of the Nippon CSIRT Association and stays on top of the latest trends in security and cyber-attacks, cooperating on a regular basis with external organizations and CSIRT teams at other companies.

Kajima is also strengthening its protection and detection measures, as well as its systems for monitoring unauthorized access, computer viruses and other events, and it quickly addresses all potential threats to minimize potential damage. We also conduct cyber-attack simulation drills to enhance Kajima's organizational response and business continuity capabilities.

FY2022 results

- Training on targeted email attacks
 - Conducted for 29,169 persons
- Online course on information security
 - Participants: 24,294 persons (including 9,680 persons from 84 Group companies)
 - Participation rate: 100%

Information Security Management Framework



Multi-Hazard Business Continuity Plan (BCP)

When a major earthquake, wind or flood damage, or other natural disaster occurs, the construction industry must quickly mobilize to ensure business continuity and the rapid recovery of vital social infrastructure, including the reopening of roads and the repair of bridges.

As a member of the Japan Federation of Construction Contractors that receives requests from the Government of Japan, Kajima operates and updates a 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 the Resilience Certification^{*2}. Kajima is enhancing its cooperation with local governments and public infrastructure operators

via disaster preparedness agreements to support recovery after a disaster, as well as preparing Group-wide frameworks capable of rapidly responding to foreseeable disasters, such as wind and flood damage. Furthermore, Kajima continues to enhance its supply chain and business continuity capabilities by formulating and providing BCP manuals to partner companies.

^{*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 through their preparations for large-scale natural disasters.

Action for Overseas Risks

Kajima has established an International Emergency Response Committee (Chairperson: President) to ensure the safety of employees and their families when emergencies arise outside of Japan.

In the event of a terrorist attack, large-scale natural disaster, conflict or other emergency 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 is raising awareness of the manual on preparedness measures and emergency response among employees on assignment outside of Japan and is providing information and alerts on security, epidemics and other concerns to employees traveling internationally.

Business and Other Risks

Risk factors	Risks and opportunities	Response
Risks of changes in the business environment	<ul style="list-style-type: none"> If there are significant changes in the construction, real estate development or other business environments, such as a significant decrease in construction demand or a rapid contraction of the real estate market due to factors such as an economic downturn, there could be a decline in construction contract awards and a decrease in real estate sales and lease income. If competition with other general construction companies intensifies and the Group is unable to maintain its competitiveness in aspects such as quality, cost or service content, there could be a deterioration in the Group's business performance. 	<ul style="list-style-type: none"> The Group will continue to advance the measures in the Kajima Group Medium-Term Business Plan (FY2021–2023), which was formulated based on changing conditions and market trends, in order to achieve management targets and increase corporate value. <p>Medium-Term Business Plan Progress ▶ Page 31</p>
Risks of fluctuation in construction costs	<ul style="list-style-type: none"> Construction projects are subject to fluctuations in construction costs because they require the procurement of materials, equipment and labor over a long period of time. If a rapid rise in the prices of the main materials and labor costs results in unexpected increases in construction costs that the Group is unable to reflect in the contracted amount, there could be a deterioration in the profitability of construction work. 	<ul style="list-style-type: none"> The Group implements measures such as early procurement, diversifying suppliers and including price adjustment clauses in contracts with clients, in order to minimize the impact of construction cost fluctuations. <p>Building Construction ▶ Page 57</p>
Risks of fluctuations in prices and profitability of assets held	<ul style="list-style-type: none"> In the event of a decline in the profitability of real estate for sale (consolidated balance sheet balance of ¥144.7 billion as of March 31, 2023), or a significant decline in the market value of assets such as real estate for lease (¥252.3 billion) and investments in securities (¥356.1 billion), the Group could be required to register a valuation loss or an impairment loss. 	<ul style="list-style-type: none"> The Group manages real estate development business assets by ascertaining the risk of a decline in asset value for each project and maintaining total risk below a defined level in proportion to its consolidated equity capital. For consolidated equity capital, the Group maintains a financial foundation that can sufficiently accommodate future growth in domestic and overseas real estate development business assets during the period of the Medium-Term Business Plan. When investing in individual projects, the Head Office special-purpose committees (Development Steering Committee and Overseas Development Project Steering Committee) and others ascertain risks and deliberate on countermeasures. The Board of Directors and the Management Committee then deliberate on these investments in accordance with defined standards. Each fiscal year, the Board of Directors deliberates on all the listed shares held for strategic purposes based on an assessment of the rationality of continuing to hold them and asset efficiency from a medium- to long-term perspective, and it sells off, in principle, shares that no longer satisfy the relevant criteria. During the period of the Medium-Term Business Plan, the Group's policy is to sell at least ¥30 billion in cross-shareholdings. <p>Message from the General Manager of the Treasury Division ▶ Page 35</p>
Risks related to changes in political and economic conditions in other countries	<ul style="list-style-type: none"> As the Group develops its construction and real estate development businesses overseas in regions including North America, Europe, Asia and Oceania, the Group's policy is to further localize human resources and enhance business platforms worldwide by forming business and capital alliances in accordance with the Medium-Term Business Plan. If there are significant changes in political and economic conditions, legal systems or foreign exchange rates, in the countries in which the Group operates, there could be an impact on the Group's business performance. 	<ul style="list-style-type: none"> When conducting M&A and entering into new markets overseas, a Head Office special-purpose committee (Overseas Business Steering Committee) ascertains risks and deliberates on countermeasures. The Board of Directors and the Management Committee then deliberate on these matters in accordance with defined standards. Kajima has established an International Emergency Response Committee to ensure the safety of employees and their families and to provide local support in the event of incidents such as a terrorist attack or civil disturbance. <p>Risk Management ▶ Page 103</p>
Risks associated with the shortage of workers in the construction industry	<ul style="list-style-type: none"> In Japan, the number of skilled construction workers in the construction industry is on the decline, and unless sufficient measures are taken, it will be difficult to maintain the construction system. This could lead to effects including a decline in revenues or a decrease in the profit margin on construction projects due to higher labor procurement costs. 	<ul style="list-style-type: none"> The Group is further improving operational efficiency through greater productivity and improving working conditions through measures such as closing construction sites for a total of eight days out of every four-week period, while ensuring adherence to construction schedules. The Group is also implementing various measures to establish an environment that facilitates the creation of construction systems that limit the scope of contracts to secondary subcontracting, in principle, and that have other benefits in terms of improving employment conditions for skilled workers, stabilizing their income and making the profession more attractive to work in. The Group is implementing measures to support partner companies in improving employment conditions for skilled workers. The Group is also systematically developing automation, labor-saving and robot technologies to compensate for the shortage of construction workers. <p>Human Rights and Supply Chain Management ▶ Page 89</p>

Risk factors	Risks and opportunities	Response
Legal and regulatory risks	<ul style="list-style-type: none"> The Group's business activities are subject to a variety of laws and regulations, including the Construction Business Act, the Building Standards Act, occupational health and safety laws, environmental laws and the Anti-Monopoly Act. Therefore, in the event of revisions of laws and regulations, the enactment of new laws and regulations, or changes in applicable standards, there could be an impact on the Group's business performance due to the effect on the contract award environment and costs, depending on the content of these changes. In the event of the violation of a law or regulation by the Group, there could be losses due to criminal or administrative penalties, business restrictions, or damage to the Group's reputation, which could have an impact on the Group's business performance. 	<ul style="list-style-type: none"> In response to the enactment or revision of relevant laws and regulations, the content is disseminated by the departments in charge and necessary measures are taken. For example, we sufficiently consider the construction system including personnel allocation and submit estimates after considering the required construction period while taking various measures, such as work-style reforms, improvement of operational efficiency and quality through digitization, concentration suitable for work contents, and outsourcing to address the implementation of the upper limits on overtime work in the construction industry from April 2024. As its compliance manual, the Group updates the <i>Handbook for Practical Application of the Kajima Group Code of Conduct</i> as necessary to reflect revisions to laws and regulations and changes in social conditions. It is disseminated to all officers and employees. In order to further improve and instill an awareness of compliance, the Group conducts ongoing training on the Kajima Group Code of Conduct online for its officers and employees. In addition, the departments responsible for each field formulate rules and guidelines, and conduct training and audits to further ensure appropriate business activities. <p style="text-align: right;">Compliance ▶ Page 107</p>
Safety and health, environmental, and quality risks	<ul style="list-style-type: none"> In the event of a serious personal injury, environmental accident, or quality accident in the course of providing our services, including design and construction, there could be an impact on the Group's business performance due to the damage to its reputation, compensation for damages, delays in construction, and re-working costs. 	<ul style="list-style-type: none"> Safety and health, environmental management, and quality assurance are fundamental to production and corporate survival. Therefore, the Group has established a basic policy as well as a Safety and Health Policy, Environmental Policy, and Quality Assurance Policy, and it carries out production activities based on appropriate and effective management systems that comply with relevant laws, regulations and other social requirements. To ensure safety, Kajima has been implementing safety and health management in conformance with the Construction Occupational Health and Safety Management System (COHSMS). In terms of the environment, Kajima operates environmental management systems that are compliant with ISO 14001. With regards to quality, Kajima has received ISO 9001 certification in both its civil engineering and building construction operations. Individual overseas subsidiaries and affiliates have also obtained the relevant certifications. <p style="text-align: right;">Occupational Safety and Health ▶ Page 88 Environment ▶ Page 82 Quality ▶ Page 87</p>
Information security risks	<ul style="list-style-type: none"> The Group handles a wide range of information, including that relating to buildings, customers, management, technology and intellectual property, as well as personal information, in the course of providing various services, including design and construction. If such information is leaked, lost, or otherwise due to an external attack or the negligence of an employee, there could be an impact on the Group's business performance due to the damage to its reputation, compensation for damages, restoration costs, etc. 	<ul style="list-style-type: none"> The Group has established an information security policy and conducts intensive risk management. The Group conducts cyber-attack simulation drills to enhance our organizational response and conducts online education for its officers and employees, inspections, audits and awareness-raising activities targeting partner companies. <p style="text-align: right;">Risk Management ▶ Page 103</p>
Business partner credit risks	<ul style="list-style-type: none"> In the event of credit uncertainty at business partners such as clients and partner companies, there could be an impact on the Group's business performance due to the inability to collect payments for construction work, delays in construction, etc. The impact could be particularly significant if the payment for a large construction contract becomes uncollectible. 	<ul style="list-style-type: none"> Whenever the Group enters into a new project agreement, it reviews the creditworthiness, financial planning, and payment terms of the customer to avoid the risk of a payment becoming uncollectible. In the event of new forms of contract or unfavorable payment terms in which payments for construction work would still need to be collected after the completion of the construction, the Head Office ascertains the risks and takes countermeasures. The Management Committee also deliberates on these matters in accordance with defined standards. Whenever the Group enters into a new transaction with a partner company, in principle, it examines the financial position and other characteristics of the partner company before entering into a basic construction subcontracting agreement. In addition, the Group conducts regular visits to major partner companies to confirm their management conditions including their financial position.
Hazard risks (natural disasters, pandemics, etc.)	<ul style="list-style-type: none"> In the event of a large-scale natural disaster such as a major earthquake or wind or flood damage, there could be an impact on the Group's business performance due to damage to construction in progress, delays in construction, or damage to Group-owned buildings. In the event of a pandemic, there could be an impact on the Group's business performance, including a decline in construction contract awards due to an economic downturn or a decrease in revenues due to the suspension of construction work. 	<ul style="list-style-type: none"> The Group is working to further improve its disaster preparedness and business continuity capabilities through means such as the formulation of a BCP in the event of a disaster and conducting practical BCP drills assuming an earthquake directly under the Tokyo metropolitan area, torrential rain, and other scenarios. In response to the COVID-19 pandemic, the Group positioned preventing both initial infections and the spread of infections as top priorities. Moreover, in order to ensure business continuity and minimize damage, the Group is gathering information, assessing risk scenarios, and instructing employees in Japan and overseas and partner companies on the necessary measures. <p style="text-align: right;">Risk Management ▶ Page 103</p>

* Physical risks associated with climate change and risks to transition to a carbon-neutral society are disclosed in line with the TCFD Recommendations. ▶ Page 86

The Kajima Group recognizes that compliance is the foundation of all its corporate activities. To articulate this stance and to provide a common frame of reference for the directors, officers and employees of the Group, it has established the Kajima Group Code of Conduct, under which the entire Kajima Group works to promote compliance.

Compliance Framework and Implementation

The Compliance and Risk Management Committee (chaired by the President) receives reports on the progress of measures for compliance throughout the Group as appropriate, as well as on important matters as they arise, promptly gives instructions on necessary responses and improvement measures, and reports the details of its recommendations to the Board of Directors.

The Legal Department, which is part of the Administration Division, is in charge of compliance. It has formulated and regularly reviews a compliance manual and conducts training through online courses, while the departments responsible for each business field formulate rules and guidelines and conduct training as necessary. In

addition, the Audit Department, which is an internal audit division independent of operational divisions, conducts internal audits as part of its business audits.

Each Group company has also established and implements a compliance framework in line with that of Kajima.

Major Initiatives in FY2022

Revision of compliance manual (8th edition)

- Online course on compliance
 - Participants: 24,612 employees (including 10,464 employees from 47 Group companies)
 - Participation rate: 100%

Anti-Corruption Initiatives

Kajima has signed the United Nations Global Compact and supports the principle that “Businesses should work against corruption in all its forms.” We have also established the Kajima Group Anti-Bribery Principles to further clarify our stance on anti-corruption initiatives.

Maintaining Fair Relationships with Partner Companies

The Kajima Group Code of Conduct states that we shall maintain healthy and fair relationships with partner companies such as subcontractors and suppliers.

Specifically, we established and began enforcing strict Company-wide rules that not only prohibit coercion of partner companies but also, as a general principle, prohibit the acceptance of hospitality, entertainment, or gifts from partner companies. In addition, we work with partner companies to ensure thorough compliance, including anti-corruption measures, by requesting that they comply with the Kajima Group Conduct Guidelines for Business Partners as part of our quotation and ordering conditions. At the same time, we carefully examine and assess the details of individual transactions with the aim of ensuring fairness and appropriateness in the selection of partner companies and the drafting of contracts.

Maintaining Appropriate Relationships with Public Officials in Japan

For payments made to public officials in Japan and similar situations, we make sure that all employees are aware that they must act in accordance with the National Public Service Ethics Code. In addition, we require all employees to submit applications for entertainment expenses in advance, and also conduct strict checks regarding the legality and appropriateness of expenditures during subsequent expense processing.

Maintaining Appropriate Relationships with Public Officials Overseas

Regarding foreign public officials and the like, Kajima has established the Kajima Corporation Anti-Bribery Policy for Foreign Public Officials, etc., and has developed guidelines that define specific procedures and criteria for each type of conduct. Group companies in Japan and overseas are also working to formulate regulations and guidelines in line with those of Kajima, and they are implementing activities to prevent bribery risks in the Kajima Group.

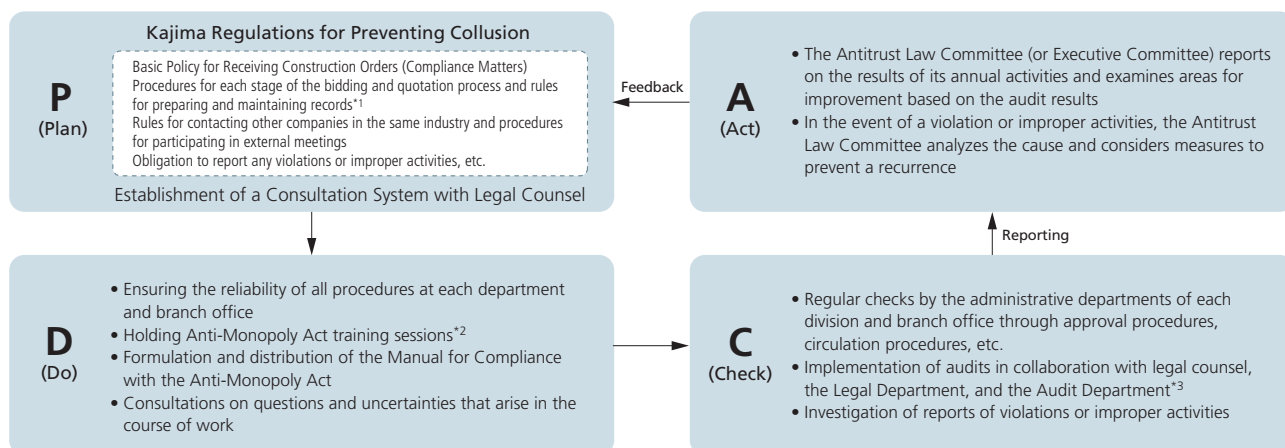
In FY2022, we organized a foreign public officials anti-bribery training session for the executives in relevant departments and domestic and overseas Group companies, inviting a lawyer well-versed in this field as the lecturer. About 150 people attended the session.

Ensuring Strict Compliance with the Anti-Monopoly Act

Kajima has established an Antitrust Law Committee under the Compliance and Risk Management Committee. The Legal Department, which serves as the Head Office secretariat, and the administration departments of each branch office, which serve as the branch office secretariats, play central roles in the ongoing initiatives to establish a bid-rigging prevention framework.

Group companies that are engaged in activities to receive orders related to public procurement have also established and are abiding by regulations in accordance with the Kajima Regulations for Preventing Collusion, and we are actively involved in confirming the implementation status of each company by assisting them in their anti-bid-rigging audits and checking their audit reports.

Cycle of Activities for Compliance with the Anti-Monopoly Act



^{*1} For public works and selected construction works ordered by private companies (such as subsidized construction work and construction work for clients acting in the public interest)

^{*2} Participants in FY2022: 1,892 employees (including 519 employees from 25 Group companies)

^{*3} Implemented for all 12 branches and 2 relevant Head Office departments in FY2022

Current Status of Trial Proceedings

- In March 2023, the Tokyo High Court rejected our appeal against the guilty judgement rendered by the Tokyo District Court (the first court) in the case involving violations of the Anti-Monopoly Act in connection with the construction of the Linear Chuo Shinkansen. We appealed to the Supreme Court against this judgement. In addition, Kajima filed a lawsuit with the Tokyo District Court to revoke the cease-and-desist order it received from the Japan Fair Trade Commission in December 2020. The trial is ongoing.
- Our subsidiary Kajima Road Co., Ltd. appealed to the Tokyo High Court after the Tokyo District Court rejected its claim to revoke the cease-and-desist order issued by the Japan Fair Trade Commission in connection with a violation of the Anti-Monopoly Act in relation to the manufacture and sale of asphalt mixture in March 2023.

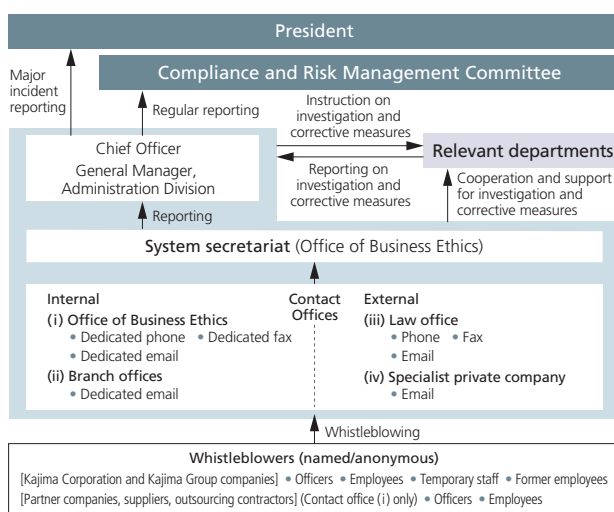
Whistleblower System

We have established a whistleblower system (a corporate ethics hotline) through which employees of Kajima, Group companies, partner companies, and others are able to report facts or suspicions concerning wrongdoing in the Group. Anyone can report, anonymously if they prefer, misconduct or legal violations, including corruption such as bribery involving officers or employees. In order to ensure the ease-of-use and effectiveness of this system, we have also established multiple contact offices outside the Company.

We provide online courses and distribute information leaflets throughout the Group to raise awareness of this system, foster an environment where employees can safely use this system for appropriate whistleblowing, and improve the effectiveness of the system.

FY2022 Whistleblowing Reports: 23

Corporate Ethics Whistleblower System Framework



Note: Each Group company also operates its own whistleblower system.

Board of Directors



Yoshikazu Oshimi

Chairman, Representative Director

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
2017 President, Representative Director
2021 Chairman, Representative Director (to the present)



Hiromasa Amano

President, Representative Director

1977 Joined the Company
2009 Executive Officer, General Manager, Planning Department
2012 Building Construction Management Division
2012 General Manager, Chubu Branch
2013 Managing Executive Officer
2014 Senior Executive Officer, General Manager, Tokyo Architectural Construction Branch
2017 Executive Vice President
2021 President (to the present), Representative Director (to the present)



Keisuke Koshijima

Representative Director, Executive Vice President
General Manager, Overseas Operations Division

1978 Joined the Company
2005 President and CEO, Kajima U.S.A. Inc.
2009 Executive Officer
2010 General Manager, Overseas Operations Division (to the present)
2012 Managing Executive Officer
2015 Senior Executive Officer
2018 Executive Vice President (to the present)
2021 Representative Director (to the present)



Masaru Kazama

Representative Director, Executive Vice President
General Manager, Civil Engineering Management Division, Overseeing Machinery and Electrical Engineering Department

1981 Joined the Company
2013 Executive Officer, Deputy General Manager, Civil Engineering Management Division
2015 Managing Executive Officer, Deputy General Manager, Kansai Branch
2017 Managing Executive Officer, General Manager, Tokyo Civil Engineering Branch
2021 Senior Executive Officer, General Manager, Tokyo Civil Engineering Branch
2022 Senior Executive Officer, General Manager, Civil Engineering Management Division (to the present)
2023 Executive Vice President (to the present)
General Manager, Civil Engineering Management Division (to the present)
Overseeing Machinery and Electrical Engineering Department (to the present)
Representative Director (to the present)



Hiroshi Ishikawa

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

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
2016 Executive Vice President (to the present)
2019 General Manager, Sales and Marketing Division (to the present)



Takeshi Katsumi

Director, Senior Executive Officer
General Manager, Administration Division, Overseeing Audit Department, Safety and Environmental Affairs Department and IT Solutions Department

1980 Joined the Company
2007 General Manager, Affiliated Business Department
2014 Executive Officer, General Manager, Corporate Planning Department, Overseeing Affiliated Business Department and IT Solutions Department (to the present)
2017 Managing Executive Officer
2020 Senior Executive Officer (to the present)
General Manager, Administration Division (to the present)
Overseeing Safety and Environmental Affairs Department (to the present)
2021 Director (to the present), Overseeing Audit Department (to the present)



Ken Uchida

Director, Senior Executive Officer
General Manager, Treasury Division

1979 Joined the Company
2012 Managing Director, Kajima Europe Ltd.
2015 Executive Officer
2017 Director (to the present), Managing Executive Officer, General Manager, Treasury Division (to the present)
2021 Senior Executive Officer (to the present)



Kiyomi Saito

Director*¹

1973 Joined Nikkei Inc.
1975 Joined Sony Corporation
1984 Joined Morgan Stanley
1990 Executive Director, Morgan Stanley
2000 President, JBond Co., Ltd. (currently JBond Tota Securities Co., Ltd.)
2015 Director (to the present)
2021 Representative Director, JBond Tota Securities Co., Ltd. (to the present)



Yoichi Suzuki

Director*¹

1975 Joined the Ministry of Foreign Affairs, Japan (MOFA)
2003 Deputy Director-General, Economic Affairs Bureau of MOFA
2005 Consul-General in Boston
2008 Director-General, Economic Affairs Bureau of MOFA
2010 Ambassador to Singapore
2013 Ambassador to France
2016 Government Representative and Ambassador in charge of the Kansai region
2017 Government Representative and Ambassador for International Economic Affairs
2018 Retired from MOFA
2021 Director (to the present)



Tamotsu Saito

Director*¹

1975 Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)
2008 Director, Executive Officer, President of Aero-Engine & Space Operations, IHI Corporation
2009 Director, Managing Executive Officer, President of Aero-Engine & Space Operations, IHI Corporation
2011 Executive Vice President, Representative Director, IHI Corporation
2012 President, Representative Director, CEO, IHI Corporation
2016 Chairman of the Board, Representative Director, CEO, IHI Corporation
2017 Chairman of the Board, Representative Director, IHI Corporation
2020 Senior Counselor, IHI Corporation (to the present)
2022 Director (to the present)



Masami Iijima

Director*¹

1974 Joined MITSUI & CO., LTD.
2008 Representative Director, Executive Managing Officer, MITSUI & CO., LTD.
Representative Director, Senior Executive Managing Officer, MITSUI & CO., LTD.
2009 Representative Director, President and Chief Executive Officer, MITSUI & CO., LTD.
2015 Representative Director, Chair of the Board of Directors, MITSUI & CO., LTD.
2021 Director, MITSUI & CO., LTD. (to the present)
2023 Counselor, MITSUI & CO., LTD. (to the present)
Director (to the present)



Kazumine Terawaki

Director*¹

1980 Public Prosecutor, Tokyo District Public Prosecutor's Office
2014 Director-General, Public Security Intelligence Agency
2015 Superintending Prosecutor, Sendai High Public Prosecutors Office
2016 Superintending Prosecutor, Osaka High Public Prosecutors Office
2017 Retired from Public Prosecutors Office, registered as attorney
2019 Audit & Supervisory Board member
2023 Director (to the present)

*¹ Outside Director as defined in Article 2, Item 15, of the Companies Act.

Audit & Supervisory Board



Masahiro Nakagawa

Audit & Supervisory Board member*2

1981 Joined the Sumitomo Bank, Limited
1980 Executive Officer 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 and Deputy Chief Executive Officer, SMBC Trust Bank Ltd.
2018 Audit & Supervisory Board member (to the present)



Takashi Kumano

Audit & Supervisory Board member

1983 Joined the Company
2011 General Manager, Nagano District Office, Kanto Branch
2015 General Manager, Administration Department, Kanto Branch
2017 General Manager, Audit Department
2020 Audit & Supervisory Board member (to the present)



Kazushi Suzuki

Audit & Supervisory Board member

1984 Joined the Company
2009 Group Leader, Internal Control Group, Corporate Planning Department
2013 Group Leader, Management Group, Corporate Planning Department
2014 General Manager, Affiliated Business Department
2021 Audit & Supervisory Board member (to the present)



Yukiko Fujikawa

Audit & Supervisory Board member*2

1988 Joined Chuo Shinko Audit Corporation
1992 Registered as Certified Public Accountant
1998 Financial Securities Inspector, Inspection Department, Financial Supervisory Agency (currently the Financial Services Agency)
2000 President, Yukiko Fujikawa CPA Office (to the present)
2004 Registered as Certified Public Tax Accountant
2012 Representative Member, Kaikei Jissen Kenkyujo (tax accountancy corporation) (to the present)
2020 Audit & Supervisory Board member (to the present)



Emiko Takeishi

Audit & Supervisory Board member*2

1982 Joined the Ministry of Labour (currently the Ministry of Health, Labour and Welfare)
1992 Joined NLI Research Institute
2003 Assistant Professor, Institute of Social Science, the University of Tokyo
2004 Senior Researcher, NLI Research Institute
2006 Assistant Professor, Faculty of Lifelong Learning and Career Studies, Hosei University
2007 Professor, Faculty of Lifelong Learning and Career Studies, Hosei University (to the present)
2023 Audit & Supervisory Board member (to the present)

Executive Officer

■ President

Hiromasa Amano

■ Executive Vice Presidents

Keisuke Koshijima

General Manager, Overseas Operations Division

Masaru Kazama

General Manager, Civil Engineering Management Division, Overseeing Machinery and Electrical Engineering Department

Hiroshi Ishikawa

General Manager, Sales and Marketing Division

Takao Nomura

General Manager, Yokohama Branch

Koichi Matsuzaki

General Manager, Building Construction Management Division

■ Senior Executive Officers

Jun Matsushima

General Manager, Tokyo Architectural Construction Branch

Takeshi Katsumi

General Manager, Administration Division, Overseeing Audit Department, Safety and Environmental Affairs Department and IT Solutions Department

Ken Uchida

General Manager, Treasury Division

Takaharu Fukuda

Responsible for Research and Development and Building Structures, Overseeing Digital Strategy Office and Intellectual Property and License Department

Norio Kita

General Manager, Architectural Design Division

Takeshi Tadokoro

General Manager, Kanto Branch

Yoshihiko Riho

Director, Kajima Technical Research Institute

Hiroshi Shoji

General Manager, Tohoku Branch

■ Managing Executive Officers

Yasuhiko Yamada

Deputy General Manager, Tokyo Architectural Construction Branch

Osamu Shimoyasu

Senior Supervisory Engineer, Civil Engineering Management Division

Koh Kimura

Senior Supervisory Engineer, Civil Engineering Management Division

Masahito Tanaami

Deputy General Manager, Architectural Design Division

Katsunori Ichihashi

General Manager, Executive Office, Overseeing Human Resources Department, Affiliated Business Department and Center for Shared Administrative Services

Eiichi Tanaka

Responsible for Nuclear Power

Michiya Uchida

General Manager, Environmental Engineering Division

Shuichi Oishi

CEO, Kajima Development Pte. Ltd.

Kazuyoshi Yonezawa

Deputy General Manager, Tokyo Architectural Construction Branch

Mitsuharu Kodoi

Deputy General Manager, Civil Engineering Management Division

Katsuhisa Takekawa

Deputy General Manager, Building Construction Management Division

Takeshi Kayano

General Manager, Kansai Branch

Nobuhiro Kobayashi

Deputy General Manager, Tokyo Architectural Construction Branch

Hidemitsu Yoshihiro

General Manager, Tokyo Civil Engineering Branch

Koji Ikkatai

General Manager, Engineering Division

Ryuzo Ikegami

Deputy General Manager, Building Construction Management Division, Responsible for Safety (Construction)

Tetsuya Ashida

Deputy General Manager, Civil Engineering Management Division

Hiroyuki Komori

General Manager, Kyushu Branch

Masami Moriguchi

Deputy General Manager, Civil Engineering Management Division, Responsible for Safety (Civil Engineering)

Jun Shimai

Deputy General Manager, Sales and Marketing Division

■ Executive Officers

Munehisa Yoshimi

Deputy General Manager, Sales and Marketing Division

Mitsuru Niizuma

Deputy General Manager, Administration Division, Overseeing Public Relations Office

Tadashi Fujimura

Deputy General Manager, Architectural Design Division

Miki Ito

Deputy General Manager, Building Construction Management Division

Takahiko Tsukaguchi

General Manager, Real Estate Development Division

Yoshinori Moriyama

Senior Supervisory Engineer

Noboru Sakata

General Manager, Technology Development Department, Civil Engineering Management Division

Kenichi Nakajima

General Manager, International Division

Yasuo Murakami

Deputy General Manager, Sales and Marketing Division

Yasushi Kurokawa

Deputy General Manager, Architectural Design Division

Toru Yamamoto

General Manager, Hokkaido Branch

Masaya Hiraoka

Deputy General Manager, Architectural Design Division

Hiroataka Takabayashi

General Manager, Corporate Planning Department

Toshio Taikoji

General Manager, Planning Department, Civil Engineering Management Division

Nobuaki Yoshioka

Deputy General Manager, Tokyo Architectural Construction Branch

Masafumi Kiryu

Deputy General Manager, Tokyo Architectural Construction Branch

Yoshinobu Ozaki

General Manager, Shikoku Branch

Yukio Chida

Deputy General Manager, Tokyo Architectural Construction Branch

Jirou Tsuneoka

General Manager, Chugoku Branch

Hiroto Ichiki

President and CEO, Kajima Europe Ltd.

Naoshi Nishizawa

Deputy General Manager, Administration Division

Shoichi Nomura

Deputy General Manager, Kanto Branch

Junji Kimura

General Manager, Hokuriku Branch

Daijiro Akita

General Manager, Chubu Branch

Daisuke Horiuchi

General Manager, Planning Department, Building Construction Management Division

Yukio Tada

General Manager, Civil Engineering Design Division

Tsuneo Narumi

Deputy General Manager, Sales and Marketing Division

*2 Outside Audit & Supervisory Board member as defined in Article 2, Item 16, of the Companies Act.