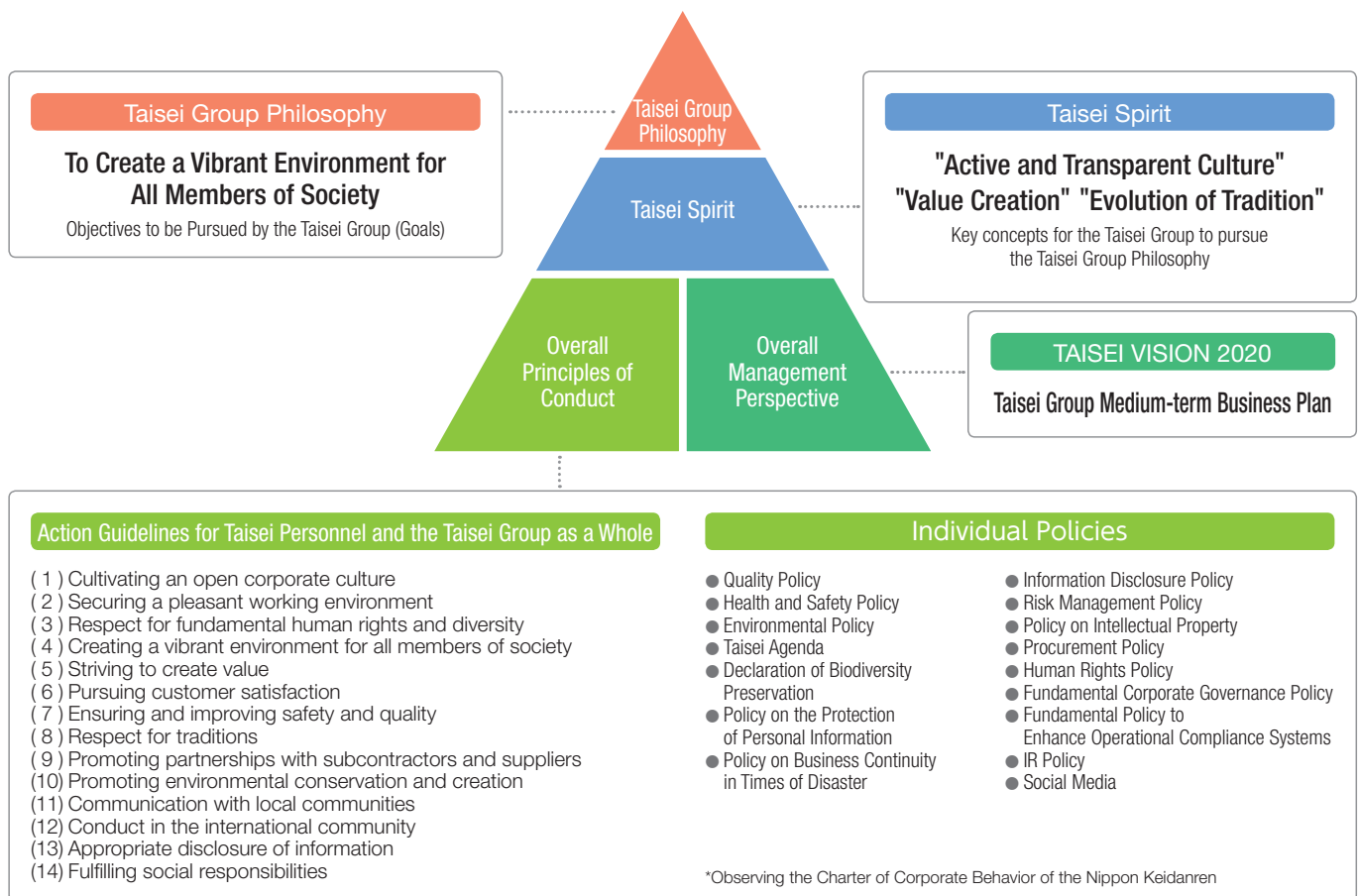


Corporate Social Responsibility of the Taisei Group towards Realizing Sustainability

Under its Taisei Group Philosophy of “To Create a Vibrant Environment for All Members of Society,” the Taisei Group strives to build safe and secure local communities and makes efforts to resolve social challenges in earnest, thereby contributing to building a sustainable society.



CSR & Our Structure of Values and Policies

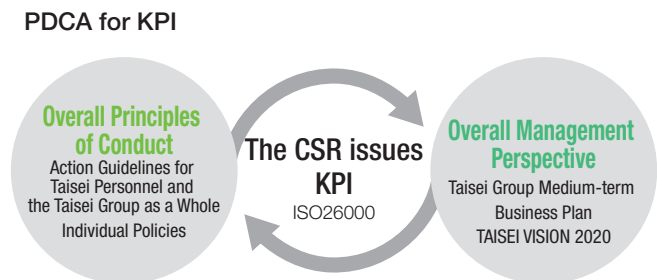
To Share the Group's Common Philosophy and Values

In 2010, the Taisei Group rebuilt its structure of values and policies. All officers and employees of the Taisei Group share the Taisei Spirit, and carry out corporate activities based on the Group Action Guidelines and Individual Policies in the Overall Principles of Conduct, and the long-term vision and Medium-term Business Plan in the Overall Management Perspective. We will contribute to the sustainable development of society by offering new value to our stakeholders through solving social issues.

Revision of KPI

In FY2011, we identified CSR issues and KPIs derived from both our Overall Management Perspective including our Medium-term Business Plan, and our Overall Principles of Conduct including our Group Action Guidelines and have been striving to improve them through a PDCA (plan-do-check-act) cycle.

In FY2016, we partially revised our KPIs in accordance with changes in the global social environment and in our business activities.



Process for Identifying Important Factors (Materiality)

To identify important factors, the Taisei Corporation reevaluated the CSR issues and KPI identified with reference to SDGs and ISO 26000 from the dual perspectives of the importance to stakeholders and the importance of the impact on Taisei Group management.

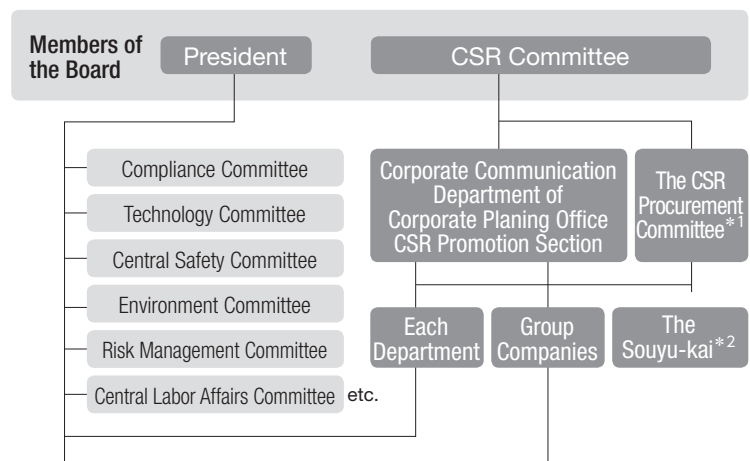


System for Promoting CSR

Taisei Corporation's CSR Committee (5 board members and officers) deliberates CSR activities and obtains the implementation status of initiatives.

The CSR Promotion Section provides training and guidance on CSR, and exchanges opinions with the various departments and Group companies to promote CSR activities.

Diagram of CSR Promotion System



*1 Composed of the Corporate Planning Office, Safety Administration Division, Building Construction Division, Civil Engineering Division and Procurement Division
 *2 The organization of the Taisei Corporation's main cooperating companies

CSR Management

ISO 26000 and CSR Activity Report

The Taisei Group implements CSR management in line with ISO 26000, the international standard for corporate social responsibility at organizations. We will promote the Overall Principles of Conduct and Overall Management Perspective in an integrated manner and we will aim for the sustainable development of society and to improve corporate value through our business activities.

G p.49	1. Organization Governance	2. Fair Operating Practices
	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (1)-(14)</p> <p>In order to secure the trust of society and at the same time to develop as a sustainable corporation, the Taisei Group regards swift, accurate, fair and transparent decision-making in management as the fundamental idea for corporate governance.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Developing the business foundation Establishing corporate governance for the next-generation 	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (9)(12)-(14)</p> <p>Taisei Group recognizes corporate ethics and compliance as the fundamentals of our business operations. We not only make this clear in our Action Guidelines to Taisei personnel and the Taisei Group as a whole, but also engage in a variety of measures to encourage self-awareness of each and every executive and employee on this matter.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Developing the business foundation Establishing corporate governance for the next-generation
S p.59	3. Consumer Issues	4. Community Involvement and Development
	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (4)-(7)</p> <p>The Taisei Group aims to contribute to society as a whole and to develop sustainably as a corporate group.</p> <p>For such purposes, we will continue to provide our customers and society as a whole with ensured quality in our products and services as well as such technologies as necessary for the resolution of social issues.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Actively contributing to improving infrastructures Participating in development of the major infrastructures for public security, safety and convenience Participating in projects for a steady supply of electricity ■ Promoting the development of nextgeneration technologies Upgrading technologies for earthquake-related problems ■ Improving the total strength of the Taisei Group Strengthening joint cooperation among the Group for urban housing renewal and development of new renewal technologies for infrastructures 	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (8)(11)</p> <p>Taisei Group, as a good corporate citizen, will build sound relationships with local communities and promote dialog and harmony with society. We will also contribute to the development of society as a whole.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Actively contributing to improving infrastructures Actively contributing to earthquake disaster reconstruction projects ■ Establishing next-generation business models in the focused fields Promoting introduction of smart communities in large-scale redevelopment projects, etc.
	5. Human Rights	6. Labor Practices
	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (1)-(3)</p> <p>At the Taisei Group, we create a corporate climate with good communication and respect for basic human rights and diversity. We do not condone discrimination based on ethnicity, religious beliefs, gender, nationality, social position, disability, or sexual orientation. It is a matter of basic policy to respect cultures and customs and to comply with local laws at our overseas businesses.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Developing the business foundation Promoting diversity management to support further active roles of women, foreigners, and elderly Nurturing and improving human resources 	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (1)-(3)</p> <p>Taisei’s basic concept on our Health and Safety Policy is that all work-related accidents are preventable.</p> <p>Safety must be our top priority as a member of the construction industry. To this end, we call for a safety first posture in the workplace, endeavoring to provide a safe, anxiety-free working environment.</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Strengthening domestic construction projects Improving construction capabilities Strengthening safety management systems ■ Developing the business foundation Utilizing ICT
E p.67	7. The Environment	
	<p>“Overall Principles of Conduct” Basic Conceptual Approaches (10)</p> <p>The taisei Group is formulating Environmental Policies aimed at the formation of an environmentally friendly society. We will determine objectives and measures for taking action, strive for “preservation and creation of the environment” and promote “advanced environmental business.”</p> <p>“Overall Management Perspective”</p> <p>Medium-term Business Plan (2015-2017) Management Goals</p> <ul style="list-style-type: none"> ■ Actively contributing to improving infrastructures Actively contributing to earthquake disaster reconstruction projects ■ Promoting the development of next-generation technologies Upgrading environment & smart community related technologies ■ Establishing nextgeneration business models in the focused fields Strengthening biodiversity offset management proposals 	