

Social Activity Report

[January 1 – December 31, 2015]



SHIMANO

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*The generic term for employees working at the consolidated subsidiaries of Shimano spread over various countries and regions.

Issuance of Social Activity Report



“To promote health and happiness through the enjoyment of nature and the world around us”
This statement represents Shimano’s corporate mission as a company dedicated to creative manufacturing.
Since its founding in 1921, Shimano has constantly adhered to the policy expressed in this statement.

In 2021, five years from now, Shimano will celebrate its centennial.
Toward this important milestone, we are striving to grow our business further, based on the belief that the action we take today will determine the state of Shimano five years or even 10 years from now.

As a development-oriented manufacturing company based in Japan, Shimano is striving to develop and launch what we call “Captivating Products,” products that many people will find exciting to use.
Moreover, we believe that Shimano should continue to advance, step by step, along the path of a Value Creating Company, creating common value for both the company and society at large.

The design of this year’s Social Activity Report features the corporate logo and the lines in three colors, which we have used before. The light green represents lush green land, while the blue represents clear skies, and the deep blue, the boundless ocean.

Using the tricolor lines as a symbol of our CSR and cultural initiatives, we will continue to dedicate our resources to the development of harmonious relations between people and nature.

We will continue to strive to offer more options for outdoor activities, and create new bicycle and fishing cultures. To this end, we will convert our manufacturing process to a more knowledge-intensive and creative one.

It is our sincere hope that this Social Activity Report will help deepen your understanding of our social activities..

Yozo Shimano
President, SHIMANO INC.

Enhancing Corporate Value

— Offering “Captivating Products”

Shimano offers what we call “Captivating Products,” including bicycle components that ensure comfortable riding and ease of operation, fishing tackle characterized by a fusion of technology and human sensitivity, and sportswear and shoes that further enhance the enjoyment of outdoor activities.

By promoting cycling and fishing, both enjoyed in the natural environment, Shimano aims to help enrich the lifestyles of all those who use our products.

Bicycle Components

■ TIAGRA, equipped with the basic features of a sport road bike

The new TIAGRA series adopts key advanced technologies featured on Shimano's higher-end models. Equipped with highly-functional systems, such as a dual control lever, which allows gear shifting without taking the hands off the handlebar, and a transmission that provides accurate and sharp gear changes, TIAGRA offers stress-free, comfortable riding even for entry level riders.



■ Electronic mountain bike shifting system : XTR Di2 Model

XTR Di2 electronic shifting system, befitting Shimano's top-tier XTR-series mountain bike components, brings seamless control and instant response through the Di2 digital platform, which has a proven record on road models. The XTR Di2 offers revolutionary shifting, allowing the rider to control both the front and rear derailleurs with a single shifter and select the optimum gear position.



■ New standard for mountain bike components : DEORE XT

Mountain biking is the sport of riding off-road in nature. Mountain bikes therefore need robust performance that can function even better in harsh conditions. Such high technological demands have shaped the history of technological innovation in mountain bikes. The DEORE XT has undergone a full model change, setting a new benchmark for off-road components. The new DEORE XT features an 11-speed drivetrain system (Dynasis 11) that integrates cutting-edge technologies under the “Rider Tuned” concept, allowing users to choose between different drivetrain options to suit each rider's individual riding style. The new DEORE XT surely stimulates MTB fans' spirit of adventure.



Fishing Tackle

■ iF Award : STELLA

The flagship model of Shimano's spinning reels, "STELLA," won the iF Design Award 2015. The iF Design Award is a prestigious German design award honoring outstanding designs selected from among industrial products worldwide. This Award evaluates not only the form and surface treatment of a product as part of design elements, but also the product's background and even technological innovation in its development and manufacture. The STELLA, manufactured under the Shimano reel design concept HAGANE, is the crystallization of Shimano's planning, design, development and manufacturing technologies.



STELLA, the flagship model of Shimano's spinning reel

■ Best of Show Award at the ICAST 2015

The world's largest sportfishing trade show “ICAST” was held in July in Orlando, Florida, in the United States. Each year, new products submitted to the show are grouped into 24 categories, within each of which the product with the most votes is awarded the “Best of Show” for that category. In FY2015, 270 companies entered 889 new products, and Shimano won the Best of Show award for three products.



Freshwater Reel Category
STRADIC C3000HG-K

Freshwater Rod Category
E6X Bass



Line Category
Maxcuatro PowerPro



Shimano Bicycle Commuting System

The number of employees who commute by bicycle is increasing because bicycle commuting is good for the health and there is no need to worry about crowded trains or traffic congestion.

Shimano, as a bicycle component manufacturer, has actively supported bicycle commuting, as it is in line with our corporate mission.

■ Facilities for bicycle commuters to freshen up before work

A welfare building known as Team Shimano Square (TSS), constructed concurrently with the new headquarters factory, has a large bicycle parking area with a capacity of about 550 bicycles on the first floor. TSS also has facilities for bicycle commuters to use to freshen up before work, such as bathrooms, shower booths and locker rooms. The parking area is equipped with air compressor bicycle pumps and maintenance tools to enable bicycle commuters to repair and maintain their bicycles.

Parking area where 13 bicycles can be accommodated in the space required for one car



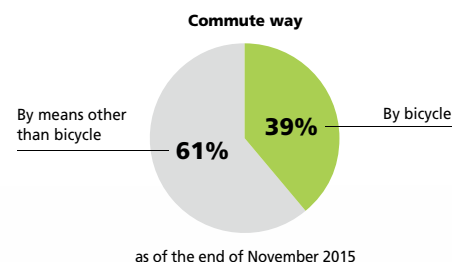
Large bath for men



■ About 40% of headquarters employees commute by bicycle

Of 1,161 people, 448 employees (direct employees at the headquarters) commute by bicycle.

Employees who commute by bicycle are encouraged to register as bicycle commuters. However, non-registered employees are also allowed to use facilities such as the bicycle parking area.



■ Provision of a bicycle commuting allowance

To encourage bicycle commuting, a bicycle commuting allowance is provided—5,000 yen per month for those wearing a helmet, and 2,600 yen per month for those not wearing a helmet.

■ Provision of subsidies for purchasing bicycles and helmets

A certain subsidy amount is provided depending on the purchase price of a bicycle and helmet.



Creating the human resources needed to support Shimano

Shimano Academy since 2013

The Shimano Academy is a European training program for a wide range of Team Shimano members. Target groups in this program are: Directors, Managers & Teamleaders, Young Professionals and New Colleagues. All training modules are related to personal-, team- or business-development and represent the Shimano core competences. The Shimano Academy ensures and help stimulate the development of the Team Shimano members in different stages of their career.



Global New employee training

Shimano Kunshan (China) organized new employees group orientation & training.



Training that expands horizons since 2012

Each year Shimano Europe organizes various Inspirience Workshops for our European Team Shimano members. For each workshop, a professional guest speaker is invited to give an informing and inspiring presentation. In 2014, workshops have been organized on the topics of what will the Future bring, CSR & Sustainability, Work-Life balance, Customer centricity, and Team building.

*Inspiration + Experience



SHIMANO Day since 2014

Shimano Tianjin (China) offers SHIMANO Day that is the Platform between the company and the University. Build the Company brand image and attract excellent staffs from this University.



Enhancing awareness on life and safety issues

Shimano Lianyungang (China) gave its employees lectures on life planning and safe travel.



Boat rowing event since 2015

A boat rowing event was held at the Rowing Center located in Takaishi City, Osaka Prefecture, to give employees an opportunity to experience the joy of rowing and become more familiar with Shimano-produced rowing equipment.



Cycling event in Shimano Philippines



Shimano Philippines hold 25km cycling event for their employees.

Fire extinguisher training

We held Fire Extinguisher training as part of our Safety Training.



Creating Exhilarating Joy

—Offering enjoyment and fun for everyone

Offering “captivating products”—that’s nothing other than broadening the enjoyment of cycling and fishing.

We believe that it is also an important part of our activities to convey to as many people as possible the fun and excitement of cycling and fishing and to offer an opportunity for people to enjoy these sports.

With this belief, we organize various cycling and fishing events to give people a chance to have fun and meet other people.

Here we will introduce “the 25th Shimano Biker’s Festival.”



SHIMANO BIKER'S FESTIVAL

IN FUJIMI PANORAMA RESORT

25th
Anniversary



25th Shimano Biker's Festival

On July 25 and 26, the 25th Shimano Biker’s Festival was held at Fujimi Panorama Resort (Fujimi Town, Nagano Prefecture). Many members of Team Shimano supported the event as staff members. This festival has been held every year to foster bicycle culture. This year, we have fine weather and more than 2,000 riders participated in this event. They enjoyed their race!



■ Various off-road race options to allow participants to choose a race best suited to their abilities

The mountain bike (MTB), a bike specially built for riding off-road trails over rough terrain, is said to have been born in the late 1970s in the United States. In the 1980s, the MTB boom spread all over the world, including Japan. There are still quite a number of diehard MTB fans across Japan.

For such MTB fans, the Shimano Re-Ex Cross Country, the predecessor of the Shimano Biker's Festival, was started in 1991. At the 25th Shimano Biker's Festival, various types of races were held on specially built courses at the main venue, the Fujimi Panorama Resort.

Such races include: a newly-introduced event, "Beginner Cross-Country"; "Enduro," in which teams compete to cycle a number of laps within a set time while changing riders; a "Cross-Country Marathon," in which riders can go at their own pace according to their skills and fitness levels; and "Kid's Cross-Country" for elementary school children. One of the features of the Shimano Biker's Festival is a wide variety of races that participants can choose from according to their biking skill level.

Downhill races are also very popular events at the Festival, in which riders race down steep, downhill terrain at great speed. There are various downhill racing events, such as "Team Downhill," in which participants compete in a team format, and "Downhill Enduro," which incorporates cross-country elements.

We have continued to make improvements each year to ensure that the composition of the races is in line with the original purpose of the event, i.e., providing as many people as possible with the opportunity to enjoy bicycle riding.



■ A wide variety of touring menus

Another feature of the Shimano Biker's Festival is a wide variety of touring menus, from a touring event in which participants can ride at their own pace while enjoying the beautiful nature of Shinshu, to competition-style touring in which riders compete for the best time on each section of the course.

Participants can choose a course from a wide variety of attractive touring menus, including a guided tour for bicycle-touring beginners, a one-way touring course that includes gondola and shuttle bus rides, a fun touring course featuring local gourmet foods and a treasure hunting, and a new event called "Bikerogaining."* The Festival offers not only events for MTB, but also on-road touring events in which people can participate with their road bikes, cross bikes, and small wheel bikes.

We believe that through the 25th Festival, which was operated totally from the perspective of participants, we were able to convey the fun of bicycles to many people.

*A rogaining-type touring event in which participants visit checkpoints to accumulate as many points as possible within a time limit.



Facebook

The Shimano Biker's Festival provides the latest information to its numerous cycling fans on its Facebook page.



■ **Tool for disseminating bicycle and lifestyle-related information—"Cyclingood"**

🇯🇵 since 2013

With the aim of helping more people enjoy a healthy and enriched lifestyle through cycling, Shimano has launched a magazine and website titled Cyclingood. We hope that Cyclingood will contribute even a little to boosting the bicycle culture, by disseminating a wide variety of information, including the results of a research project on the relationship between cycling and health, jointly conducted by Shimano and the university.



Free information magazine "Cyclingood"

Website "Cyclingood"

■ **Cooperation in the operation of the Bicycle Museum Cycle Center**

🇯🇵 since 1992

The Bicycle Museum Cycle Center (operated by the Shimano Cycle Development Center) opened in 1992 in Sakai City, where Shimano headquarters is located. As the only museum in Japan dedicated to bicycle culture, the Museum possesses about 300 bicycles, including a variety of bicycles ranging from the reproduced Draisine, the first bicycle invented in 1818, to a road bike used at the Olympic games. The belief is that the museum is not only a place to showcase the history of bicycles but also a place to introduce and help create a lifelong interest in bicycles.



Access : 13-minute walk from Mozu Station on the JR Hanwa Line
Address : 18-2 Daisen Nakamachi, Sakai-ku, Sakai City, Osaka

■ **SHIMANO Cycling World**

🇸🇬 since 2014

Shimano Cycling World (SCW) opened in September 2014 in Singapore. SCW is a cycling-themed hands-on exhibition facility established for the threefold purposes of expanding bicycle culture, promoting cycling as a lifestyle, and spreading the Shimano brand throughout Southeast Asia. SCW proposes more enriched lifestyles through cycling to visitors. In addition to excellent cycling courses, visitors can enjoy a variety of workshops, such as a maintenance workshop. SCW attracted a total of 43,899 visitors in 2015.

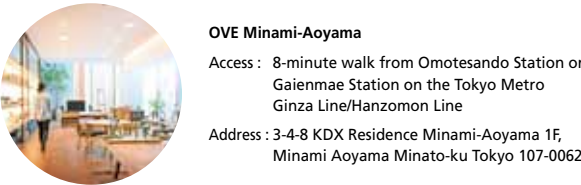


SHIMANO Cycling World

■ **LIFE CREATION SPACE OVE**

🇯🇵 since 2006

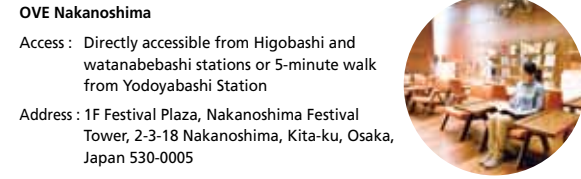
OVE is designed to serve as an activity base from which information on bicycles will be disseminated to the public to help create a new bicycle culture. One of the proposals being put forward under OVE is the concept of riding a bicycle just like taking a stroll through the town, the essence of which is to ride a bicycle to enjoy riding itself, not to reach the destination. People riding a bicycle this way, which we call "OVE Sanso," enjoy every moment of riding without deciding on a destination. We are also proposing various lifestyles through numerous events and a library in order to enrich people's cycling lives.



OVE Minami-Aoyama

Access : 8-minute walk from Omotesando Station or Gaenmae Station on the Tokyo Metro Ginza Line/Hanzomon Line

Address : 3-4-8 KDX Residence Minami-Aoyama 1F, Minami Aoyama Minato-ku Tokyo 107-0062



OVE Nakanoshima

Access : Directly accessible from Higobashi and watanabebashi stations or 5-minute walk from Yodoyabashi Station

Address : 1F Festival Plaza, Nakanoshima Festival Tower, 2-3-18 Nakanoshima, Kita-ku, Osaka, Japan 530-0005

■ **SHIMANO Racing**

🇯🇵 since 1973

The Shimano Racing Team was founded in 1973. In addition to providing feedback for product development, the team's most important mission is to promote the development and spread of cycling sports in Japan. In recent years, upholding the objective of developing the world's top-level riders, the team has been working to develop riders who can compete in the Tokyo Olympics.



■ **Other Activities**

Organizing and supporting various events

Shimano organizes and supports cycling and fishing events in various parts of the world. As a result of our activities to promote the fun of cycling and fishing, they are becoming increasingly popular not only in Japan, but also in other Asian countries, Brazil, and other emerging countries.

Cycling events organized and supported by Shimano

🇨🇳 (China) since 2011
..... since 2011

SHIMANO Biker's Festival (Shenzhen) ①
About 1,100 people join.

..... since 2007

SHIMANO Biker's Festival (Beijing) ②
About 2,400 people join.

..... since 2010

Shop-in-shop racing (Nanjing) ③
About 400 people join.

..... since 2010

Giant&SHIMANO cup racing (Harbin city) ④
About 500 people join.

🇯🇵 (Japan) since 1984

Shimano Suzuka Road ⑤
The Shimano Suzuka Road is one of Japan's largest sport cycling events. This event, organized by Shimano, was held for two days, on 22 and 23 August, 2015, attracting about 12,000 participants. A total of 86 Team Shimano members supported the event as staff members.

🇧🇷 (Brazil) since 2010
🇦🇷 (Argentina) since 2012

Shimano Fest 2015 ⑩

The Shimano Fest was started in 2010 in Brazil. The first event had only about 1,700 visitors, but it has grown into a large event. The 2015 event was held in São Paulo for the first time, attracting a total of about 15,000 visitors over two days. The event featured short track races where visitors could watch up close powerful and exciting racing by Latin America's top racers, and an exhibition of related products (about 60 brands) and a band performance. The event was an opportunity to introduce people to the fun of cycling and fishing and boost interest in them.



Dispatch of technica support cars

Shimano dispatches technical support cars and staff to wide-ranging cycling events. There is a variety of events including beginner and top-level professional events, Olympic games. We provide technical support giving first priority to ensuring that all participants can enjoy the events safely.



..... since 2010

Tour of China ⑤

..... since 2005

Tour of Qinghai Lake ⑥

..... since 2006

Tour Hainan ⑦

..... since 2012

Tour of Zhoushan Island ⑧

Fishing events organized by Shimano

🇯🇵 (Japan) since 1984

Shimano Japan Cup
We have taken a long-term perspective on creating a fishing culture, popularizing fishing as a sport that can be enjoyed throughout one's life and fostering countless fishing aficionados. We will continue activities to further develop the fishing culture.



🇨🇳 (China) since 2014

Shimano Shanghai fishing competition (Kunshan)

About 150 people join.



Taking Care of the Environment

—Cooperation in taking care of the natural,
living and product-use environments

In addition to diligently pursuing technological improvement and innovation to reduce environmental impacts that could arise in the process of product manufacturing, we actively participate in field cleaning and environmental improvement activities. Here we will introduce our environmental activities, focusing on tree planting activities undertaken by our operation bases around the world.



Tree Planting Activities in 2015

Clean & Green Singapore 50th Tree Planting

2 Oct 2015 Changi Beach Park—Presence of trees not just providing good environment but trees also make the surrounding more cooling, serene and peaceful. As part of Clean and Green Singapore and in conjunction with Singapore's SG50 Jubilee celebration, more than 5,000 new trees are planted at more than 50 sites island-wide. Taking this opportunity, SPL took part in this meaningful campaign. On 2-Oct-15, SPL staff planted 50 trees at Changi Beach Park, located at the eastern part of Singapore. This location is significant to Shimano as our CSR cycling activities are held along this site. Most of us were first timer in planting trees so it was interesting to watch NPARKS (the National Parks Board) staff demonstrate proper tree planting technique. Amazingly we completed planting 50 trees in less than 1.5hours. The NPARKS was impressed with the speed and energy of Shimano staff. It was fun getting our hands dirty in mud and this activity makes us feel closer to nature and closer to people. It promotes camaraderie among staff and all members felt satisfied and delighted having completed this meaningful Green mission. There is an old and meaningful Chinese saying : 前人栽树, 后人乘凉 that best summaries the team feeling. And we wish the 50 trees grow bigger and stronger each day, just like all Team Shimano Factories.



Shimano Staff and NPARKS members at the site, planted 50 trees.

This image is used as example of tree planting.



The Mangrove Tree Planting since 2015

SCM has organised a tree planting activity on 7 May 2015. About 100 Team Shimano members has been participated in this program. This was a special activity organised in conjunction of 19th Regional Small Group Activities (RSGA) which held in SCM from 6 to 8 May 2015. The Mangrove Tree Planting activity was carried out in the Malaysia National Park at Tanjong Piai, Pontian, Johor which is the southernmost tip of Mainland Asia. A total of 400 Mangrove trees has been planted during the activity.



Million Tree Project since 2009

The employees of Shimano Kunshan (China) and Shimano Tianjin (China) have since 2009 participated in the "Million Tree Project" which seeks to plant one million trees in the desert areas of Inner Mongolia. As in the previous year, in 2015, Shimano donated 2,000 trees to this project, and has been actively engaged in cultivation efforts to further develop and expand the forests.



since 2011



Energy conservation efforts

In conjunction with the renovation of the headquarters factory which commenced in FY2011, the Energy Saving Promotion Council was set up to promote energy saving through the efficient use of energy.

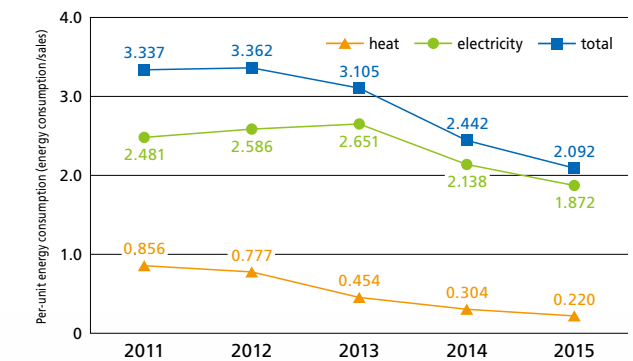
The Council has been working to visualize energy data (energy data for the factory overall and by production division, and energy data by incidental/production facility) by introducing an energy management system, and to reduce energy consumption on a per unit basis. Energy-saving activities have been actively carried out not only at the headquarters factory, but also at the Shimonoseki Factory. In FY2015, per-unit energy consumption (electricity and heat) was reduced by 14.3% at the headquarters factory and by 13.4% at the Shimonoseki Factory, compared to the previous year.

<Headquarters Factory>

Per-unit energy consumption has continuously decreased since FY2013.

14.3% reduction from the previous year

- Per-unit energy consumption has been significantly reduced since the new factory went into operation in FY2013. This is due to increased production efficiency at the new factory. In FY2015, per-unit energy consumption decreased by 37% compared to FY2011.

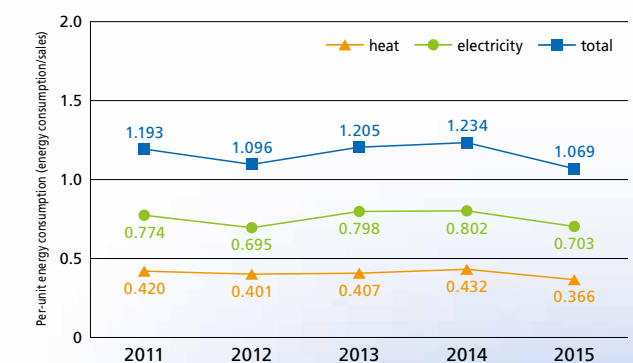


<Shimonoseki Factory>

Per-unit energy consumption significantly decreased in FY2015.

13.4% reduction from the previous year

- Although per-unit energy consumption had deteriorated since FY2013, in FY2015, owing to the improved energy efficiency, per-unit energy consumption declined by 13.4% compared to the previous year.



Receiving "Casbee Sakai Architecture Environment Award"

Shimano's headquarters factory, located in Sakai City, received the "CASBEE Sakai Architecture Environment Award," which recognizes owners and designers of environmentally considerate buildings. This award was given in recognition of the factory's energy-saving measures such as the installation of super-insulated heat-reflective glass and high-efficiency equipment, and rooftop greening.



This image is used as example of tree planting.

Shimano has been making a constant effort to comply with the Shimano Green Plan (SGP) with our suppliers, which provides guidelines for producing products with reduced environmental impact.

■ Responding to new laws and regulations

The SGP is a procurement standard aimed at providing customers around the world with eco-friendly products and peace of mind by clearly stipulating the standard values of chemical substances contained in raw materials, components and products comprising Shimano products, and familiarizing business partners with these. In response to increasingly strict legal and regulatory requirements and the changing demands of customers and markets, in FY2015, we again revised the SGP and reviewed our voluntary standards, so as to more efficiently respond to new laws and regulations.

■ Activities to address risk

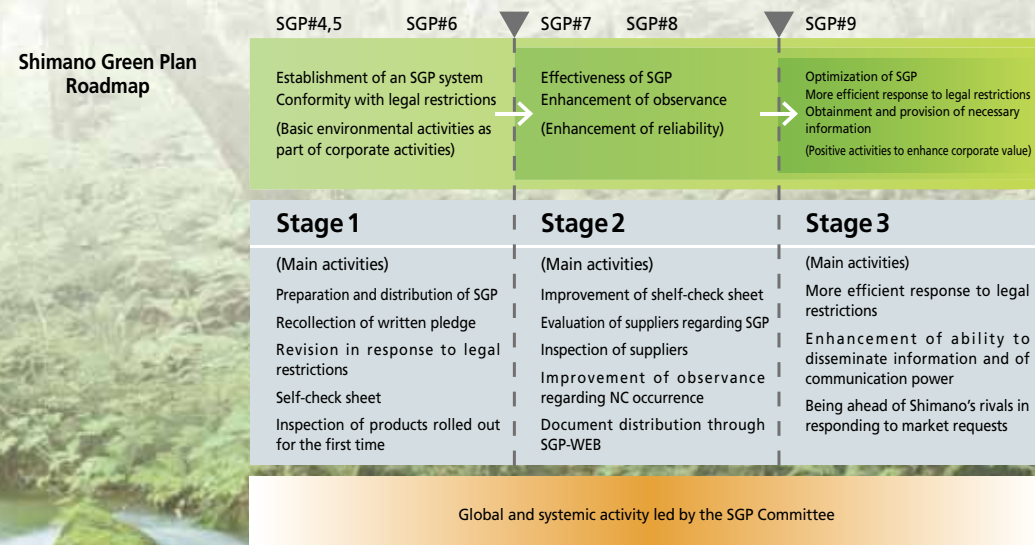
The SGP was introduced in 2004. Compliance with the SGP has significantly improved over the past several years. Meanwhile, we have gained a clearer picture of high-risk materials and parts requiring priority management, to ensure appropriate management of chemical substances used in products. In FY2015, we thoroughly reviewed the 8th edition of the SGP and identified the areas that need revision. In the next 9th edition (to be issued in the first half of FY2016), a list of restricted substances will be divided into two lists for easier understanding—one for bicycle components/fishing tackle/rowing products and the other for apparel products.

We will also revise the Self-Check Sheet, making it more accurate and sophisticated, which will enable business partners to self-assess their management status of chemical substances in products and make improvements.

We are thus working to reduce the environmental impact of our entire supply chain by not only requesting compliance with standards but also closely cooperating with our partners while providing necessary information to each other.

■ Road Map — From Stage 2 to Stage 3

Over the past few years we have worked to improve compliance and boost the reliability of Shimano products. In FY2016, we aim to issue the ninth edition of the SGP, and step up to Stage 3, seeking to boost our products' added value as well as our own corporate value. While pursuing global activities centered on the SGP Committee, we will work to ensure more effective information sharing between the headquarters factory and overseas factories/sales companies. As part of such efforts, we plan to publish SGP NEWS. We will pursue the manufacture of reliable products that earn customers' trust and confidence, in close collaboration with our business partners, thereby contributing together to society.



SGP committee members



Analysis of ingredients of harmful substances

Initiatives to Preserve Local Environment

Earth Day activities since 2012

Shimano Tianjin (China) organized cleanup activity on "World Earth Day" to protect the earth for the future. Members cleaning factory surroundings.



River cleaning

With the rapid industrial development in recent years, the pollution of the San Juan River, a major tributary of Laguna de Bay (the largest lake in the Philippines) has become increasingly serious. On November 24, 2015, Members of Shimano (Philippines) Inc., cleaned up the river together with neighboring companies and local residents, collecting about 700 kg of garbage.



Yamato River reed-Cutting

On February 14, 2015, the "Yamato River Reed-Cutting and Cleanup Campaign" was held along the Yamato River, which forms the border between Sakai City and Osaka City. About 50 members from Team Shimano participated as volunteers. Approximately 300 kg of reeds were cut and approximately 560 kg of garbage were collected. The cut reeds were used as compost or to make paper.



Cooperation in promoting environmental education since 2006

Team Shimano members visit elementary schools in Sakai City, where the Shimano headquarters is located, to provide environmental education programs. On February 24, 2015, a papermaking workshop was held in which children made paper using reeds cut from the Ishizu River banks. Through these activities, Shimano helps promote environmental education for children.



Sennan Satoumi Park cleanup since 2002

On October 17, 2015, Shimano joined the cleanup activity at Sennan Satoumi Park in Osaka Prefecture. During the cleanup, we kept track of the variety and amount of garbage collected. This year, about 80 members and their families participated, picking up 90 kg of garbage.



River cleanup activities since 2011

Shimano Latin America (SLA) organized a cycling tour to call for decontamination of the Pinheiros River, which flows through São Paulo, the largest city in South America. On December 9, 2015, a debate on river environment issues was held in São Paulo, in which about 30 people from NGO, government, industry and media participated and engaged in meaningful discussions.



Initiatives to Reduce Environmental Impact

Water treatment since 1997

SKC has been taking measures to protect water resources. Waste water are well treated before discharged.



Noise control since 1999

SKC/SKF established a good system to monitor the noise in the factory. Every month, person in charge will monitor the noise and make record for improvement. We protect hearing of our employees. We also reduce noise pollution and give least impact to vicinity residents.



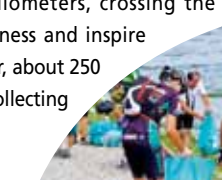
Acquisition of ISO50001 Certification

Shimano Singapore has introduced an energy management system as part of its energy conservation efforts to protect the environment. On November 26, 2015, it obtained ISO50001 certification.



Holding World Environment Day

Together with several partners, Shimano Turkey organized World Environment Day in Istanbul and Izmir. In Istanbul, about 7,000 cyclists cycled 19 kilometers, crossing the Bosphorus Bridge, to raise awareness and inspire action for the environment. In Izmir, about 250 cyclists participated in the event, collecting trash from the shore.



Building Confidence

— Collaboration with local communities as a corporate citizen

As a corporate citizen, Shimano seeks to maintain close contact with respective local communities and work together for mutual harmony and benefit.

To this end, Team Shimano companies in various parts of the world take an active role in community activities.

This year, we introduce our local community activities, focusing on those undertaken by Shimano Czech Republic, S.R.O. REPUBLIC S.R.O.



Corporate Citizenship Activities in Czech Republic

Shimano Czech Republic S.R.O. (SCRS), located in Karvina, about 400 km east of Prague, the capital of the Czech Republic, commenced corporate citizenship activities in 2008 in the form of donations to local authorities concerned. Since then, the company has been pursuing various CSR initiatives. In fiscal 2015, SCRS put particular emphasis on support for safe biking education programs for children.

■ Since 2008 Donations to local authorities

SCRS has regularly donated to local police and fire stations to help them upgrade their equipment and provide better professional training to their staff.

■ In 2009 Donations for flood victims

SCRS donated daily living necessities and adult diapers to support the victims of torrential rains that hit the south of Czech Republic in June 2009.

■ In 2011 Open Day

SCRS held "Open Day 2011" in cooperation with other neighboring companies in the Karvina Industrial Area. The event was open to local residents to give them an opportunity to learn more about companies in the District.

■ In 2012 Donation to a blood donation center

SCRS made a donation to the local blood donation center to support its blood donation activities.

■ In 2012 Support for animal therapy

SCRS made a donation to provide special training to horses so that they can assist children with autism and motor disabilities.

■ In 2012 Support for schools for physically and mentally handicapped children

SCRS made donations to schools for physically and mentally handicapped children to help them purchase educational toys and school supplies.

■ In 2012 Support for dog shelters

SCRS donated dog foods, blankets and toys for dogs living in dog shelters.



■ In 2014 Support for a cycling tour for elderly people

To support elderly people's travel and to help them have fun together, SCRS cooperated with the City Hall to organize a cycling tour for elderly people in Karvina. About 90 elderly people participated in the tour, which ended with a visit to SCRS, where participants were given an explanation of its business activities, shown around its plant, and offered lunch at its cafeteria.



■ In 2014 and 2015

Warning children of the risks of traffic accidents

To make children more aware of the risks of traffic accidents, SCRS held a painting contest for children in childcare centers and kindergartens. The winners were awarded prizes, and their works were displayed in SCRS's showroom.



■ In 2014 and 2015

Support for bicycle traffic safety education for children

SCRS supported an event for children held by the Ministry of Transport, which aims to help children learn about safe bicycle riding and traffic rules, as well as first aid. SCRS donated funds for offering prizes to children who demonstrated excellent performance.



■ In 2015 Support for activities for enhancing bicycle culture

SCRS encouraged bicycle commuting to promote good health, interaction among employees, and a cleaner environment. It also supported various activities for enhancing bicycle culture.

■ In 2015 Donation to a local school

SCRS made a donation to a local technical school in Karvina on the school's anniversary. SCRS members also introduced the company to students.



■ In 2015 Support for Christmas events for children

SCRS provided support for local Christmas events for children.



Toward Safe and Enjoyable Use of Bicycles



Road Sign Project

since 2014

Peterborough City, where Shimano Canada is located, is known for its cycling-friendly environment, but the road conditions were not conducive to cycling. In cooperation with the local tourism board, Shimano Canada installed over 300 km of 160 signs to allow cyclists to ride safely.



Installation of bicycle air-pump stations

since 2015

Shimano (Singapore) Pte. Ltd. (SPL) set up a bicycle air-pump station in the Road Safety Community Park to enable all riders to inflate their tires easily.



Servicing kids' bicycles

since 2012

As part of its social contribution activities, SPL repaired and serviced bicycles in the Road Safety Park, to help children enjoy bicycle riding without mechanical problems.



Support of bicycle ride for students

since 2011

SPL held a bicycle-ride event, which aims to encourage students to learn safe bicycle riding and enjoy nature through cycling.



Educational Program for Children



Donating bicycles and helmets to the Museum of Children

since 2015

Shimano Latin America Argentina (SAR) donated bicycles and helmets to the Museum of Children in Buenos Aires to help children learn about bicycle culture.



Providing scholarships to university and vocational school students

since 2014

Shimano Tianjin (China) provided scholarship grants to a total of 20 students from Tianjin University and Tianjin Vocational Institute, who demonstrated excellent academic achievements, active participation in social activities, and high potential in terms of personality and ability.



Corporate Citizenship Activities



Cooperation in a bicycle road race

since 1982

Shimano has supported the holding of the "Tour of Japan (TOJ)," one of the largest bicycle road races in Japan, by dispatching its members to serve as referees and provide various other support. In the Sakai Stage, held in Shimano's home city of Sakai, Shimano members serve as voluntary security guards. Shimano has continued to support this local bicycle road race since the first International Road Race (1982), a predecessor of TOJ.





Sports Life Fund

since 2010

Shimano Benelux is partner from Topsport for Life and supports the foundation since 2010 in various ways. The foundation organizes unforgettable events and provides life-coaching session from former athletes with the aim to create a "better" life for adults that suffer from a life threatening disease.



Promoting employment in local communities

since 2001

For many years, Shimano Europe has been cooperating with a local social workplace to promote the employment of people with a disadvantage to the labor market. The company provided job opportunities for such services as the maintenance of the garden, lunch service, and repackaging of products, under a safe and comfortable working environment.



Support for students and firefighter

G.Loomis supported to a fund raising banquet and fire fighters at a recognition event.



Donation to orphans through an event

since 2015

Shimano Batam held an event named "Buka Puasa Akbar" (Let's break fasting together), bringing together its staff members and their families. The theme of the event was "Interaction between staff and orphans." Donations collected from staff and the labor union were given to orphans.



Support for physically disabled people

since 2015

Shimano Lianyungang (China) provided support for local handicapped people, including help with house cleaning.



Visit to a nursing home

since 2015

Members of Shimano Lianyungang (China) visited a local nursing home to help with cleaning and hair cutting.



Gifts to a nursing home

since 2009

Before the Double Ninth Festival, Shimano Kunshan (China) visited a nursing home together with Kunshan Volunteer Association members, to express their respect for the elderly. Small gifts were presented to elderly home residents.

Sponsorships



Sponsoring a para-cycling team

since 2015

Shimano-Pearl Izumi Europe has welcomed the opportunity to sponsor the German Paracycling Team as of 2015. Along with our partner, Paul Lange, we look forward to supporting the team 100% with their main apparel needs for some 30 persons. We are excited to be able to share in this experience and in the stories and challenges of this team.



Donations and Relief Activities



Trek100 Charity Ride

Shimano American Corporation made donations to activities jointly organized by the Midwest Athletes against Childhood Cancer (MACC), which is dedicated to funding research into childhood cancer and related blood disorders, and Mr. Bob Burns from Trek.



Donation to the Sportive4Kids Foundation

In March 2015, Shimano Europe donated € 50,000,- to the foundation Sportive4Kids. The foundation has the mission to support children with a difficult start . They collect money by organizing various sports events like charity bike rides and a 200km speed skating tour to get people into action. In addition, to create more understanding and awareness Sportive4Kids informs and actively involves Dutch elementary school children via special education programs.



Support for charity events

since 2015

Shimano Taiwan Co., Ltd. supported the "Wheel 4 Life" charity project, which provides bicycles for free to people living in remote areas, with neither access to nor the means to afford public transportation.



Donation to CliniClowns to support clowns' visits to hospitalized children

since 2014

Shimano Benelux B.V. (SBX) offered free technological support at more than 30 cycling events. At these events, SBX collected voluntary contributions amounting to € 5,000,- which SBX donated to CliniClowns (Clown Care) in the Netherlands, a program involving visits of clowns to pediatric hospitals.



Blood donation drive

since 2010

Shimano Components Malaysia (SCM) held a blood donation drive, in cooperation with a national hospital and the Red Crescent Society in Johor. More than 330 employees of SCM donated their blood, and a total of 280 bags of blood were collected.



Digest Science

since 2013

Shimano France Composants Cycles supports since 2013 the French foundation Digest Science by providing neutral support during every cycling event . For every repair a small donation of €10,- is asked, in 2015 the repairs summed a total of € 1,500,-. Digest Science is the research foundation in France on chronic digestive system and nutrition diseases, via cycling events the foundation brings amateur and professional athletes together to fight this disease, it is a way to engage, to face challenges and to bring hope.



Donating a handbike

Shimano Poland donated a handbike to a disabled man who due to serious injuries had lost his right leg and has hand motion problems, to show admiration for his daily efforts to overcome his physical handicaps and improve his independence. We hope that this specially built handbike will help accelerate his recovery process and help him return to his daily activities and work.



photo by Mr. Laurent sanson



Some Thoughts about the Social Activity Report

Operating its business on a global scale, Team Shimano achieved a solid performance in 2015 while the world saw uncertainties such as falling oil prices, an economic downturn in China, an influx of refugees and migrants into Europe, and a financial crisis. The fiscal 2015 report on social activities shows how Shimano has worked on creating shared value while carrying out its business activities. In this report, Shimano's social activities are divided into four categories, and there is a focus on one topic chosen from each category, with many visual images to more clearly highlight the activities. The report is also effective in symbolically expressing the concept behind Shimano's social activities by using three-color lines on the cover, representing the green earth, the blue sky, and the navy blue ocean.

Shimano has produced racing components such as "TIAGRA" and "XTR Di2 models" that enable riders to shift gears as they like. This would not have been realized without Shimano's excellent manufacturing technology, but I believe that these accomplishments can also be attributed to their business practice of user Innovation, where Shimano improves and develops its products by asking users for their opinions and compiling their advice. Shimano has also developed the spinning fishing reel "STELLA," not only with its technology based on its "HAGANE" reel design concept, but also through user Innovation. Shimano evolves its products with fans communicating with each other in the real world or on internet forums and exchanging all kinds of information to assist in product improvement. Such a creative style may be a key factor in Shimano's ability to keep producing successful, top-notch products.

It is surprising that about 40 percent of Shimano's employees who strive to enhance its corporate value commute to work by bicycle. In addition, Shimano has a system for offering support to its employees, involving a bike-commuting allowance and subsidies to purchase a bicycle and helmet, which should be appreciated as a pioneering measure. Shimano also provides employees across the world a variety of training, seminars, and opportunities for club activities, which made me realize how seriously Shimano considers the development of its human resources.

Shimano organizes the Shimano Biker's Festival in Shinshu in July, one of the largest cycling events held in Japan, which brings much fun and joy to those who attend. The two-day event provides off-road racing and touring, through which a broad range of fans—from men and women, to children; and from beginners to experts—can enjoy cycling. In addition, Shimano introduces a wide array of information from both Japan and abroad through hybrid media, cooperates in the operation of the Bicycle Museum, develops racing team members, and hosts events at Shimano Cycling World, an experience-based facility in Singapore, to carry out its mission, "Bringing Greater Joy to People."

Furthermore, regarding the earth's environment as a field for enjoying outdoor activities and sports, Shimano works on reducing the environmental impact of its manufacturing processes, including improvement of its facilities, and carries out activities to preserve the environment. In Singapore, Shimano participated in a tree-planting program to celebrate the 50th anniversary of the country's independence. This activity will contribute to protecting the environment for a long period and further deepening ties with local people. In terms of energy-saving, Shimano established a committee to oversee its activities and realized satisfactory results, achieving 14.3 percent reduction year on year at the headquarters factory and 13.4 percent reduction at Shimonoseki factory. To comply with increasingly strict legal and regulatory requirements, Shimano has followed the Shimano Green Plan (SGP) as a procurement standard since its implementation in 2004. In the next SGP 9th edition (to be released in spring 2016), Shimano will review the Self-Check sheet used by its business partners to check their compliance status and share information with them to go to Stage 3. It would have been better if the report had a description of the relationship between these activities and the disaster management system that Shimano has implemented to counter possible dangers such as large earthquakes said to be imminent in the next few years and torrential rainfalls.

As a corporate citizen, Shimano establishes reliable relations with local communities around the world. Among these activities, the fiscal 2015 report on social activities focuses on activities conducted by Shimano Czech Republic, s.r.o. located in Karvina, 400 kilometers from Prague. In 2008, Shimano offered a donation to local authorities and started social activities: offering aid for flood damage, holding a company open day, making a contribution to a blood donation center, providing support for a cycling tour for elderly people, and instigating traffic safety education for children. Its activities are comprehensive and should contribute to building reliable relations with the local communities. Eastern Europe should be a promising market for Japanese companies in the future. In terms of realizing a mutually beneficial society, I placed high value on these efforts in the region. Needless to say, these initiatives will be highly valued in other countries as well, and supporting children, in particular, is important and significant.

Having read the fiscal 2015 report on social activities, I was able to recognize that Shimano has been striving to create shared value with communities through its activities in the four categories. Creating shared value, however, has been realized based on the reliable relations between the company, users, employees, and local people, and this could never have been achieved without their "creative" exchanges. If surprising ideas and plans are created from the interaction of the wide range of stakeholders involved in the Shimano Brand Community, and Shimano incorporates such "creative" achievement into its corporate management and its business plans and strategies, Shimano will be able to ensure its action policy, creating even more shared value.



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The Team Shimano Philosophy

From our founder, we have inherited an enthusiastic commitment to producing high-quality and reliable items. Team Shimano, comprising staff members of affiliated companies worldwide who are united by a common philosophy, work to fulfill our common goals, following common processes.

Mission Statement

To promote health and happiness through the enjoyment of nature and the world around us.

[Business Policy]

- We strive to provide quality products and services that are reliable and trustworthy.
- We pledge to continually increase our corporate value and to ensure corporate management worthy of the trust placed in us.
- We strive to provide a fair and vibrant work environment where all can share in the pleasure and satisfaction that comes with achievement.
- We pledge to be a good corporate citizen by preserving the environment and contributing to the prosperity of our community.

[Team Shimano Guiding Principles]

- To inspire ourselves to think creatively and to strive for continuous self-improvement.
- To continually improve our technical skills in order to meet the challenges of our dreams.
- To achieve our objectives through innovation and responsiveness to the challenges we face.



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Published April 15, 2016. ©2015 SHIMANO INC. All rights reserved. Printed in Japan XBC IDM K-033