

Social Activity Report

[January 1 – December 31, 2017]



SHIMANO

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Issuance of Social Activity Report



In 2017, the global economy largely regained its vitality. In cultural programs and sports events, we saw many people sharing joy with one another, transcending differences in nationalities. On the other hand, unprecedented natural disasters took place, as well as armed conflicts and social unrest, leading to serious divisions in society.

To transcend barriers between different cultures and ways of thinking, we need effective communication tools more than ever before. In this global environment, we believe that bicycles and fishing tackle products function as global common communication tools. Using these tools, Shimano can offer more opportunities for comfortable and exhilarating experiences to people all over the world. I believe this is an essential role of Shimano, as well as a means of fulfilling its mission: To promote health and happiness through the enjoyment of nature and the world around us.

In 2021, three years from now, Shimano will celebrate its centennial. Toward this important milestone and beyond, as a developed-oriented manufacturing company based in Japan, Shimano will continue to dedicate itself to precise manufacturing of its original products, while responding to the progress of digital innovation both promptly and adequately. At the same time, we will make steady and down-to-earth efforts to fulfill our corporate social responsibility.

Moreover, we are determined to strive further to long remain as a Value Creating Company that helps create new and enriched cycling and fishing cultures.

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

Yozo Shimano
President, SHIMANO Inc.

Enhancing Corporate Value

Offering "Captivating Products"

Bicycle Components Business

■ Road racing components

SHIMANO ULTEGRA R8000 series

The SHIMANO ULTEGRA R8000 series features the latest technologies that were developed for the DURA-ACE R9100 series, whose outstanding durability has been proved in extremely harsh conditions during world-class professional road races. The SHIMANO ULTEGRA R8000 series further enhances riders' performance with its stress-free operability, highlighted by its accurate shifting and stable braking functions.



SHIMANO ULTEGRA R8000 series

■ Electric assist components for sports bicycles

SHIMANO STEPS E8000 series

SHIMANO STEPS E8000 is Electric assisted unit developed for new category of E-MTB* showing considerable growth mainly in Europe. Being the next step in further evolution of E6000 for conventional Trekking Bikes, "SHIMANO STEPS E8000" realized natural ride feeling while keeping compactness and high riding efficiency.

*E-MTB: Electric assisted mountain Bikes



SHIMANO STEPS E8000 series

■ PRO : Stealth saddle

The new PRO Stealth is the Formula 1 saddle in the PRO line-up – lightweight, strong and designed to win races. Direct power transfer for pure performance. All day comfort thanks to its decreased friction, pressure mapping for increased blood flow and vibration absorption.



PRO Stealth Saddle

Lifestyle Gear Business

■ The S-PHYRE series, a high-end soft good series

The S-PHYRE series, designed for professional racers and other expert cyclists, comprises shoes and wear that feature the highest functions and sophisticated designs. In 2017, Shimano launched various type of wears including racing skin suits, wind resistant jerseys, and winter gloves, following the debut of the RC9 shoes in 2016. These soft good items employ various technologies to maintain a suitable body temperature during cycling under any conditions.



S-PHYRE
WINTER GLOVES

S-PHYRE
WINDRESISTANT JERSEY

S-PHYRE
RACING SKIN SUIT

Fishing Tackle Business

■ The Best New Reel Award at the EFTTEX 2017

In 2017, the European Fishing Tackle Trade Exhibition (EFTTEX), a trade show that attracts keen attention in Europe, was held in Budapest, Hungary. At this 36th EFTTEX, 231 companies/organizations from nearly 40 countries displayed their latest products and flagship models. Shimano's TWIN POWER XD won the Best New Reel Award for 2017.



The TWIN POWER XD, which won the Best New Reel Award

■ Shimano's products awarded at ICAST

More than 200 companies from around the world participated in this year's International Convention of Allied Sport-fishing Trades (ICAST), the largest trade show of fishing tackle products in the world, which was held in Florida, the US. At this show, the SUSTAIN, developed and produced mainly by Shimano Malaysia, won the Best Saltwater Reel Award, while the CURADO K was honored with the Best Freshwater Reel Award.



The SUSTAIN, which won the Best Saltwater Reel Award

■ G.Loomis : CONQUEST Bass Rods

Bringing together G. Loomis design expertise and proven rod actions with Shimano's core blank technology gave birth of Conquest rod for bass anglers. Through the combined Spiral X and Hi-Power X technologies, the Conquest rods provide longer, more accurate casts, along with increased fish-fighting power and solid hook-setting leverage.



CONQUEST Bass Rods

■ LAZER : E-Bike helmet

The lightweight Lazer Anverz NTA E-Bike helmet provides spoiled and demanding E-bike and speed-pedelecs users with all of it. The removable Urban lid protects the rider from the elements, while revealing a well-ventilated helmet when taken off. The large screen visor combines a great and wide view with protection from wind, rain and dust. The integrated MIPS layer provides additional protection against rotational impacts making safety even safer.



Lazer Anverz
NTA E-Bike Helmet

■ Bikefitting.com : Shoe cleat adjuster

New SHOE CLEAT ADJUSTER enables all sales people and bike fitters to adjust cleats on shoes accurately, easily and quickly. This is possible to do with all brands and types of cleats and shoes. This tool is helpful for dealers to have next to their shoe and pedal shelves, or of course in their fitting studios.



New Shoe
Cleat Adjuster

■ PEARL iZUMi : Versa bike-focused apparel

PEARL iZUMi introduced the Versa line of bike-focused casual apparel. Every piece is designed for a minimum one hour ride; what type of bike is up to the rider. Equally at home on singletrack, dirt roads or around town, Versa has received glowing reviews from cycling, outdoor and broad market media outlets.



Versa
Casual Jacket

Internal Control Systems

Internal control systems are designed to ensure the proper management of our business operations, which is a basic requisite for enhancing our corporate value. This page introduces Shimano's Code of Conduct, which became effective in April 2017, and the Compliance Guidelines, which were revised concurrently.

Preparation of the Code of Conduct

The Code of Conduct, which was formulated in December 2016 and became effective in April 2017, comprises 15 principles in the following four categories: laws, regulations and ethical standards; business activities; environmental protection and social contribution; and work environment. All employees must observe these principles in their day-to-day activities in order to contribute to the global community as its members through sound business operations, and to gain trust from all stakeholders, including customers, shareholders, and business partners.

The Code of Conduct, stipulating the compliance vision shared by all Shimano employees worldwide in the form of concrete standards, presents the values that should be shared by all of Shimano's employees as global citizens.

Code of Conduct (Excerpt of articles)

1 Laws and regulations and ethical standard

- 1-1 We comply with the laws and regulations of each country while respecting their culture and customs.
- 1-2 We will utilize our established reporting system appropriately and will not engage in retaliation or harassment of those who report such violations.
- 1-3 We do not have any relationship with anti-social forces.

2 Business activities

- 2-1 We strive to provide reliable, safe, and trustworthy services and products.
- 2-2 We conduct business that is fair, transparent, and in the spirit of free competition.
- 2-3 We thoroughly comply with trade controls and other international trade rules.
- 2-4 We maintain a sound and normal relationship with related parties including politicians, government officials and business partners.
- 2-5 We respect our intellectual property as well as those of others and prohibit unfair competitive actions.
- 2-6 We appropriately manage and use company assets.
- 2-7 We conduct accurate financial reporting as well as timely information disclosure, while prohibiting insider transactions.
- 2-8 We will not take any such action as would harm Shimano for personal gain.

3 Environmental protection and social contribution

- 3-1 We undertake environmental protection activities.
- 3-2 We contribute to the local community as a corporate citizen.

4 Work environment

- 4-1 We appreciate diversity and prohibit discrimination and harassment.
- 4-2 We maintain sound work force, promote cooperation and provide a safe working environment.

For further information of the Code of Conduct, visit Shimano's corporate website.

Revision of the Compliance Guidelines

In 2013, prior to the preparation of the Code of Conduct, Shimano adopted the Compliance Guidelines for its companies inside Japan. The Compliance Guidelines stipulate the rules and norms that Shimano should comply with as a corporate citizen of the global community, and which are essential to observe in order to gain and maintain social trust in Shimano. Given the enactment and revision of laws and regulations of corporate activities, Shimano revised the Compliance Guidelines in April 2017, when the Code of Conduct became effective. The revised version reflects our belief that in addition to corporate behaviors, employees' behaviors and their awareness of social responsibility are essential.

To ensure that the internal control systems function effectively, Shimano continues to provide compliance seminars to all of its employees worldwide, aimed at promoting thorough understanding of the Code of Conduct. At the same time, Shimano will strive to conduct its business activities with the utmost sincerity.

The Compliance Guideline revised in April 2017



Seminar on legal compliance

Creating Human Resources Needed to Support Shimano — Employee Education

New employee training

Shimano provides its new employees with a special training program to promote their understanding of the corporate history and corporate visions. In addition to lectures, the program includes bicycle rides and fishing classes. These curricula have been prepared to foster the spirit of Shimano, and to encourage new employees to think and act as Shimano's employees. In 2017, Shimano Kunshan (China) began organizing training programs for its new employees who graduated from university.



Promotion of commuting by bicycle since 2014

Shimano Czech supports a bicycle commuting campaign organized by a group working to improve the living environment in the Czech Republic. During a one-month campaign period, a competition is held in which participating teams compete with each other in the frequency and distance of bicycle commuting. In 2017, 13 teams (38 people) participated in the competition from Shimano Czech.



Fire drill since 2016

Shimano Philippines held a fire drill during the Philippines Fire Prevention Month. All employees participated in the drill, in which they confirmed the emergency routes and learned the actions to take in an emergency.



First Aid Training since 2016

Following last year's program, Shimano Philippines held a first aid training seminar in compliance with the Philippines Labor Safety and Hygiene Standard. At this seminar, participants learned first-aid procedures.



Leadership training since 2017

Shimano Philippines held a Leadership Training for its Appointment holder employees to develop their management capabilities and leadership.



A seminar on handling chemicals since 2017

At Shimano Philippines, the Chemical Substance Control Committee held a seminar on how to handle petroleum and chemical substances.



A seminar on breast and womb cancers since 2017

Inviting a specialist surgeon, Shimano Philippines held an in-house seminar on breast and womb cancers. After the seminar, the surgeon provided free breast examination and consultation.



Improving disaster preparedness since 2015

Shimano Malaysia annually conducts disaster drills pursuant to the ISO 14001, the OHSAS 18001, and regional safety acts. In 2017, a local fire station and the Malaysian Red Crescent Society joined the drill at the request of the company.



Training that expands horizons since 2012

Shimano Europe annually organizes its Inspirience* Workshop by inviting professional guest speakers who give lectures on various topics to employees.

*Inspiration + Experience

Shimano Academy since 2013

The Shimano Academy is a European training program for a wide range of employees. Including executives, young leaders, and new employees. All training programs are designed to promote the capacity building of employees at different stages of their career. Through the training of individuals and teams, Shimano also seeks to develop its business and reinforce its core competences.



Creating Human Resources Needed to Support Shimano — Recreation



Sports events

since 1996

Shimano Batam (Indonesia) annually holds sports events to develop employees' sportsmanlike spirit and awareness toward both their physical and mental health. The company believes that these programs are also effective in improving its productivity. From March to May in 2017, members representing their sections/ departments joined games in six sports events (including soccer, volleyball and table tennis).



Cycling event

since 2005

Shimano Batam annually holds a cycling event along a 10-km course around the factory. Every year, more than 200 employees participate in the event to enjoy cycling.



Fishing event

since 2007

Shimano Batam annually holds in-house fishing competitions at a nearby fishing pond. In 2017, around 200 participants were sorted into 10 teams and competed on the size of the fish they caught, as well as the time it took them to catch the fish. To encourage beginners to participate in the event, a fishing seminar was held before the competition. The participants enjoyed the fishing, using the products produced by their company.



QEHS campaign

since 2014

Shimano Batam annually organizes various events to develop its employees' awareness toward Quality, Environment, Health, and Safety (QEHS). In addition to the safety cycling seminars provided by a local police station, the company holds various enjoyable programs in which participants can learn about QEHS, such as a relay game in which participants compete in assembling a bicycle.



Sports event

since 2009

Shimano Europe annually organizes various sports events to promote friendships among its employees. In 2017, some 90 employees participated in various events, including a marathon race held in Eindhoven in the Netherlands, a predator (large fish) fishing event, mountain bike riding, and a tour of Nijmegen (the Netherlands).



Kids' fishing day

since 2011

To promote the enjoyment of fishing, Shimano Europe organizes an annual kids' Fishing event among employees' children. The company presented tool boxes and fishing rods to the children who participated in the event.



Cycling event

To promote cycling culture and enhance employees' satisfaction, Shimano Kunshan Cycling Club organized a cycling tour to Qiandao Lake, which is well known as one of the most beautiful lakes in the world. 20 participants in the tour enjoyed cycling along the 141-km course.



Table tennis competition

since 2017

To promote employees' health and sense of unity, Shimano Tianjin held a table tennis competition.



Summer Outing

since 2016

Shimano Philippines held a recreation event at Water Park in the nearby community. The aim of the event was to express gratitude to employees for their daily endeavors, and to provide them with an opportunity to refresh themselves. Participants enjoyed various water activities and fostered friendships among one another.



Support of sports activities

since 2017

In 2017, Shimano Czech began offering financial support for employees' sports activities. The company donated funds for organizing in-house badminton matches, supported the Shimano Czech hockey team, and provided funds to be allocated to participation awards in the Spartan Race*.

*Spartan Race: a grueling long-distance race



Creating Exhilarating Joy

— Offering enjoyment and fun for everyone

“Captivating Products” are designed to enable their users to enjoy cycling and fishing to their hearts’ content. We believe it is an important part of our mission to convey the fun and excitement of cycling and fishing and to offer the opportunity to enjoy these activities to as many people as possible. With this view, we organize and support various cycling and fishing events, where people can enjoy not only the outdoor activities but also friendly interactions with many other people. This page introduces SHIMANO SQUARE, a facility opened in February 2017 in Osaka, to promote cycling and fishing lifestyles.

A New Urban Lifestyle, Highlighted by Cycling and Sport Fishing

On February 8, 2017, SHIMANO SQUARE opened at Knowledge Capital, Grand Front Osaka, a large commercial complex in downtown Osaka.

SHIMANO SQUARE is designed to offer visitors opportunities to encounter both people and ideas, appreciate the value offered by Shimano, have inspiring experiences, and simply rest and relax. In the spacious café, visitors can relax completely, while in the galleries they can gain the latest information on cycling and fishing.

We hope that the displays of Shimano’s products will inspire people who have not been particularly interested in cycling or fishing to enjoy outdoor activities and share with us the value that new urban sports can provide them.

The ultimate goal of SHIMANO SQUARE is to create a completely new value, culture, and lifestyle highlighted by cycling and sport fishing, transcending conventional frameworks.



SHIMANO SQUARE

Address: Knowledge Capital, Grand Front
Osaka North Building (4F)
3-1 Ofuka-cho, Kita-ku, Osaka 530-0011
Open: 10:00–21:00 (Closed on Mondays)
Phone: +81-6-4256-6789
[WEB] <http://www.shimanosquare.com>



SHIMANO SQUARE

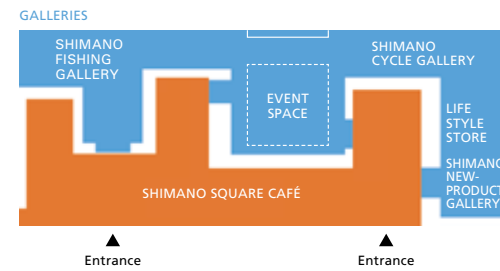
A café is located adjacent to the passage so that people who are not particularly interested in cycling or fishing can feel free to enter SHIMANO SQUARE. Along the partitions between the café and the galleries, book shelves are arranged, on which small dioramas reproducing scenes of road races and fishing are located, together with books. Moreover, visitors to the café can see beautiful displays in the adjacent galleries through windows arranged in the partitions. The layout of SHIMANO SQUARE has been designed to stimulate visitors' interest in the world of cycling and fishing.

SHIMANO SQUARE CAFÉ

In this spacious café with its comfortable atmosphere, visitors can relax completely. All foods on the menu are made from rigorously selected ingredients. On the shelves attached to the partitions between the café and the adjacent galleries are displayed books on cycling, fishing, travel, outdoor activities, and lifestyle.

GALLERIES

In addition to Shimano's products, the expansive gallery space behind the café features panels and a large screen displaying exciting scenes of cycling and fishing.



The library is designed to enhance the pleasure of teatime.

The bar opens in the evening.



SHIMANO SQUARE CAFÉ

EVENT SPACE

A wide range of events are held here to promote interactions between visitors so they can inspire one another.

In 2017, lectures and workshops were held on cycling and sport fishing. In addition, cycling events were organized outside the facility.

SHIMANO CYCLE GALLERY

The gallery illustrates the structure of the bicycle, the history of its development, and the functions of its components in an easy-to-understand manner. Panels introduce a wide range of bicycles, including trendy models, and the potential of bicycles.

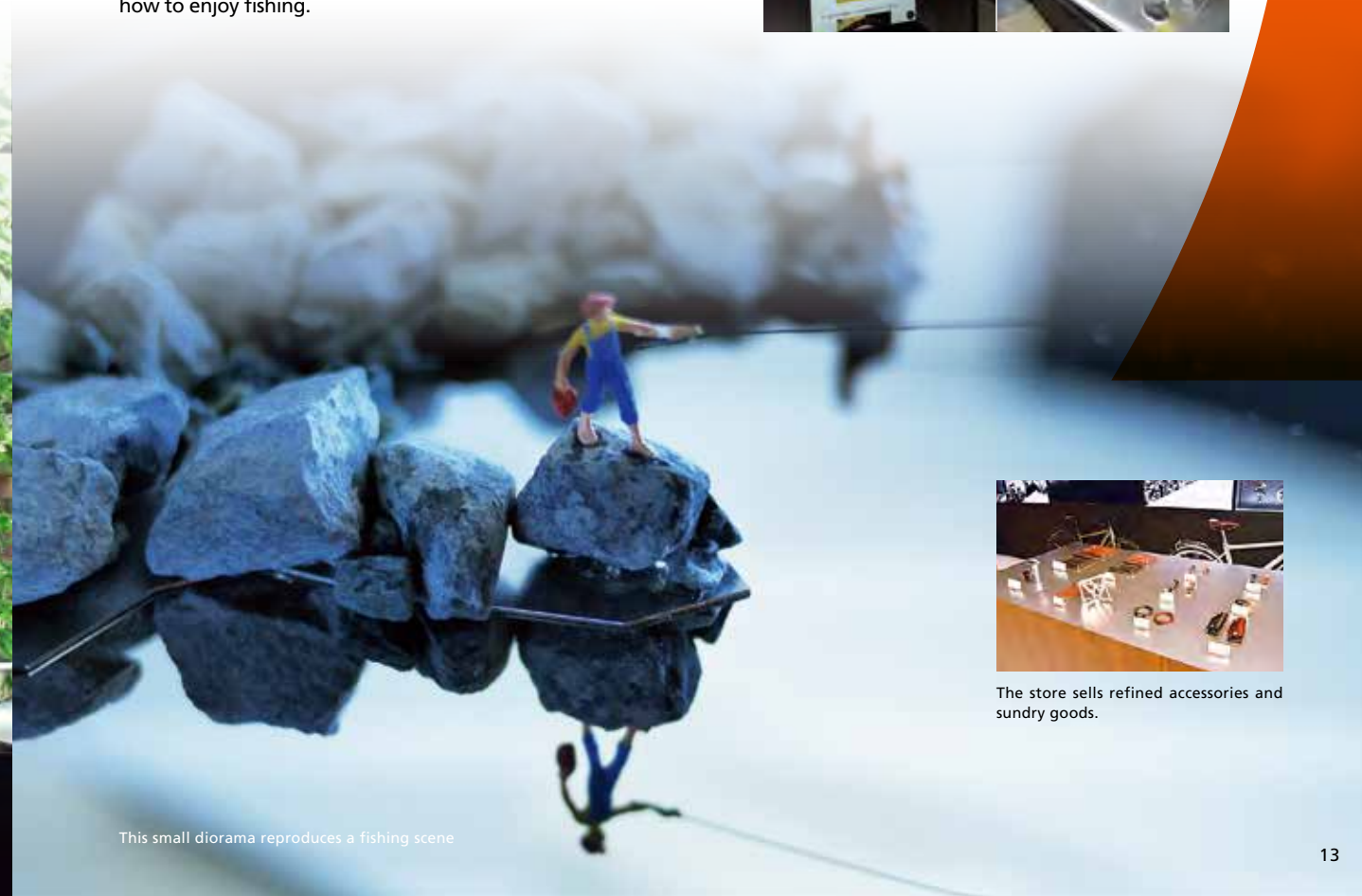
SHIMANO FISHING GALLERY

Enjoyment of fishing varies, depending on the season and location, as well as the various bodies of water, such as rivers, lakes, and the sea. In addition to the exhibition of Shimano's fishing tackle products, this gallery presents various ideas on how to enjoy fishing.



A fishing instructor explains to beginners how to use a rubber jig for red sea bream fishing.

Concierges respond to a wide range of inquiries and requests from visitors concerning cycling and fishing.



This small diorama reproduces a fishing scene



The store sells refined accessories and sundry goods.

Cooperation in the Operation of the Bicycle Museum Cycle Center since 1992

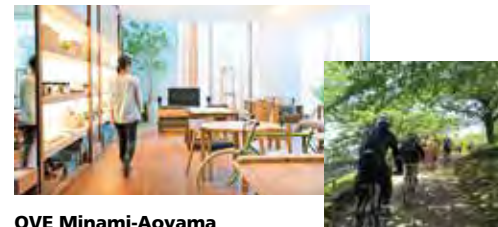
The Bicycle Museum Cycle Center (operated by the Shimano Cycle Development Center) opened in 1992 in Sakai City, Shimano's hometown. As the only museum in Japan dedicated to bicycles, the museum possesses around 300 bicycles, ranging from a reproduction of the Draisine, the first bicycle invented in 1818, to cutting-edge models used by Olympic athletes. In addition to its exhibition of bicycles, the museum holds various events and lectures to promote enriched lifestyles highlighted by the use of bicycles.



Access : A 13-minute walk from Mozu Station on the JR Hanwa Line
Address : 18-2 Daisen-nakamachi, Sakai-ku, Sakai, Osaka 590-0801
Phone : +81-72-243-3196
Open : 10:00-16:30 (Closed on Mondays)

LIFE CREATION SPACE OVE since 2006

OVE is an activity base offering information on bicycles to help create a new cycling culture. OVE proposes "sanso," or riding a bicycle through the town just like taking a stroll. The essence of "sanso" is to enjoy riding for its own sake, rather than to reach a destination. By organizing various events, OVE offers to visitors various suggestions on how to enrich their lifestyles through the use of bicycles.



OVE Minami-Aoyama
Access : An 8-minute walk from either Omotesando Station on the Tokyo Metro (Ginza Line or Hanzomon Line) or Gaenmae Station on the Ginza Line
Address : KDX Residence Minami-Aoyama (1F), 3-4-8 Minami-Aoyama, Minato-ku, Tokyo 107-0062
Phone : +81-3-5785-0403
Open : 10:00-19:00 (Closed on Mondays)

Shimano Cycling World since 2014

Shimano Cycling World (SCW) is a cycling-themed hands-on exhibition facility, opened in September 2014 in Singapore with the threefold purpose of developing cycling culture, promoting cycling as a lifestyle, and spreading Shimano brand awareness across Southeast Asia. SCW proposes to visitors more enriched lifestyles highlighted by the use of bicycles. Visitors can attend various events, such as workshops on excellent cycling courses and maintenance methods. The number of visitors in 2017 reached 57,711.



Tools for Disseminating Bicycle and Life-style-Related Information — Cyclingood since 2013

Shimano publishes a magazine and website titled Cyclingood to help more people enjoy a healthy and enriched lifestyle highlighted by cycling. Shimano hopes that the Cyclingood will help boost bicycle culture by offering a wide range of information on the relationship between cycling and health, including the results of a joint research project with a university.



Website:
Cyclingood Web

Free magazine:
Cyclingood

Fishing Café Project & Shimano TV since 2000

The Fishing Café Project is designed to enable anglers to freely interact with one another, and to create a new sport fishing culture. Various topics and information on sport fishing are provided by the following three media: a magazine issued three times a year, TV programs on Sky PerfecTV! BS Fishing Vision, and a website sharing the latest information. In 2007, Shimano began a worldwide fishing channel on the website Shimano TV. The program, accessible 24 hours a day and 365 days a year, offers useful content designed to satisfy a wide range of anglers, from beginners to experts.



Fishing channel: Shimano TV
<http://tv.shimano.co.jp/>

magazine:
Fishing Café

SHIMANO Racing since 1973

The Shimano Racing Team was founded in 1973. The team's crucial mission is to promote the development and spread of sport cycling in Japan, as well as providing feedback for product development. Recently, the team adopted yet another objective: to develop the world's top-level riders.

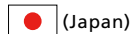


Other Activities

Organizing and Supporting Various Events



Bicycle events (either organized or supported by Shimano)



(Japan)

since 1984

Shimano Suzuka Road (Mie Prefecture, Japan) ①

On August 19 and 20, 2017, Shimano Suzuka Road, one of Japan's largest sport cycling events, was held by Shimano at the Suzuka International Racing Course with a total of 12,000 participants. About 90 Team Shimano members supported this 34th event as staff members.

since 1991

SHIMANO Biker's Festival (Nagano Prefecture, Japan) ②

On July 29 and 30, 2017, the 27th Shimano Biker's Festival was held for mountain bike riders at Fujimi Panorama Resort in Nagano Prefecture. Despite unfavorable weather, more than 2,000 MTB riders enjoyed participating in various races and cycling tours.



(Brazil)

since 2010

Shimano Fest 2017 ③④

The number of visitors to the first Shimano Fest, held in 2010 in Brazil, was around 1,700. By contrast, the total number of visitors for the four days of Shimano Fest 2017, held in São Paulo (Brazil), reached 25,500. The visitors enjoyed viewing short track MTB races, cyclocross and Criterium close at hand. The races were highlighted by thrilling competitions between leading racers from Latin America. Moreover, booths were installed at the venue to display products of some 200 brands, and music concerts were held to attract even more people and promote cycling and bicycle culture to the general public.



(Malaysia)

since 2017

RHB Shimano Highway Ride ⑤

On April 15 and 16, 2017, RHB Shimano Highway Ride was held along the LEKAS Highway in Malaysia. A total of some 4,000 cyclists participated in races along five routes, ranging from a 7-km course for children to a 105-km course for top-level riders.



(The Philippines)

since 2011

2017 Shimano Dirt and Play ⑥

Some 1,500 cyclists participated in the seventh Shimano Dirt and Play, held on May 28, 2017. In addition to the main event, a cross country MTB race along an off-road course, the seventh event featured the Bike-Plant-Bike race, in which the participants raced along urban streets early in the morning.



(Australia)

since 2017

Cape to Cape ⑦

Shimano Australia became a main sponsor of Cape to Cape, the largest MTB stage race in Australia, held in the latter half of October 2017.

since 2017

Shimano Sprint Series ⑧

To provide cyclists with more opportunities to join road races, in 2017, Shimano Australia organized the first Shimano Sprint Series in Launceston, Sydney and Melbourne. All the venues were packed with cyclists and enthusiastic spectators.



(Canada)

since 2014

Canadian Cyclocross Nationals

Since 2014, Shimano Canada has been a title sponsor of the Canadian Cyclocross Nationals.

since 2017

Sponsorship for the H&R Block Pro Cycling Team ⑨⑩

Shimano Canada sponsors the H&R Block Pro Cycling Team, a Canadian road racing team. In addition to supporting the team in its participation in races, members of Shimano Canada visit schools with the team's members to promote sport bicycles.

since 2016

Shimano Gran Fondo ⑪

Since 2016, Shimano Canada has annually organized Shimano Gran Fondo, an event that brings many cyclists together.

since 2017

Dispatching staff to track cycling events ⑫

Shimano Canada dispatches its staff to the Velodrome (banked tracks) to support cycle races.

Shimano organizes and supports cycling and fishing events in various parts of the world. Through these events, Shimano promotes the enjoyment of cycling and fishing, not only in Japan, but also in other Asian countries and emerging countries. This page introduces the part of activities.



Dispatch of Technical Support Cars

Shimano dispatches technical support cars and staff to a wide-range of cycling events worldwide, including both top-level professional races and those for entry-level riders. Our priority is to guarantee the safety of all participants and to ensure that they all fully enjoy the events. The races that Shimano supports include but are not limited to the following events:

since the latter half of the 1990s
Paracycling (Europe)

since 2005
Tour of Qinghai Lake (China)

since 2006
Tour of Hainan (China)

since the latter half of the 2010s
Tour of China (China)

since 2012
Tour of Zhoushan Island (China)

since 1996
Tour of Japan (Japan)



Sport fishing events (organized by Shimano)



(Australia)

since 1993

Gold Coast Flathead Classic

Shimano Australia is the main sponsor of the Flathead Classic, the largest fishing event in Australia, highlighted by the catch-and-release fishing of flatheads. In 2017, the company dispatched its fishing team to the event, where the participants had great fun, catching as many as 5,669 flatheads in all.



(Japan)

since 1984

Shimano Japan Cup

Shimano organized the first Japan Cup in 1984 with the aim of creating an opportunity for anglers to enjoy fishing competitions. Currently, tournaments in several fishing categories are held in various locations across Japan. The Shimano Japan Cup has won high acclaim in recognition of its outstanding competition levels and the fairness of its competing conditions.

Other events

In addition to competitions, Shimano organizes various events to promote the enjoyment of sport fishing among many more people. We will continue to work hard to further develop fishing culture.



Taking Care of the Environment

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

Protecting the natural environment is the primary requisite for enjoying outdoor sports. Naturally, striving to preserve a natural setting is a basic responsibility for Shimano. With this in mind, Shimano is actively involved in cleanup campaigns for seashores and rivers, and other environmental preservation activities, in addition to improving and innovating its facilities and technologies to minimize the environmental impacts of its manufacturing process. As an example of Shimano's environmental initiatives, this issue introduces the new eco-friendly office building of Shimano Europe.

Shimano Europe's new head office, friendly to the environment and friendly to people

Shimano Europe's new head office, completed in January 2017, features a design that best reflects Shimano's corporate tagline: "Closer to Nature, Closer to People." The glass façade represents the company's approach of transparent management. This design was also adopted to maintain good harmony with the surrounding setting of the HIGHTECH CAMPUS. The new building features various eco-friendly measures, such as solar panels installed on the roof. Moreover, a grass field and trees have been arranged around the office building to surround it with abundant greenery.



HIGHTECH CAMPUS
(The white circle in the top right of the photo shows the location of Shimano Europe's head office.)

HIGHTECH CAMPUS EINDHOVEN

Eindhoven is the fifth largest city in the Netherlands and home to various manufacturing industries. Currently, more than 160 companies have located their facilities at the HIGHTECH CAMPUS, which attracts cutting-edge technologies and high tech specialists. The CAMPUS is considered to be the smartest km² in the Netherlands and the Tech Hot Spot in Europe.

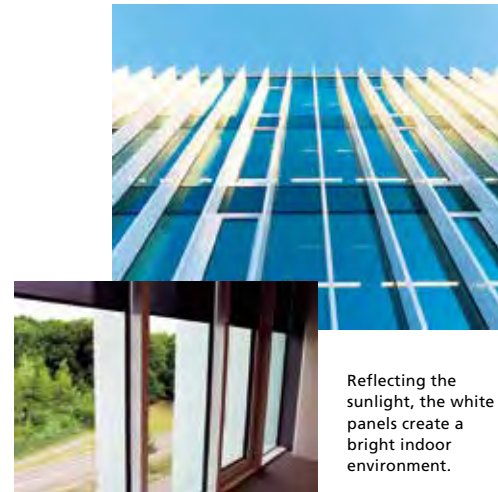
Shimano Europe Group

The Shimano Europe Group, headquartered in Eindhoven in the Netherlands, is involved in a broad range of business activities, primarily in Europe. The Group governs the sales companies/offices of bicycle components, fishing tackle products and rowing equipment in Benelux (Belgium, the Netherlands, and Luxembourg), France, Sweden, Finland, Norway, and Denmark, Poland, Turkey, Germany, Italy, and the UK.



Eco-friendly building

The office building incorporates many eco-friendly measures that help make it more sustainable and harmonious with nature. The solar panels on the roof generate around 60% of the estimated power needed throughout the year. The remaining 40% is supplied by a green energy supplier. The thin white panels vertically installed outside on the glass façade protect staff inside the office from direct sunlight. At the same time, the panels reflect the sunlight to make every room very bright, thereby minimizing the use of lighting. In addition, the entire building exclusively uses LED light bulbs, which are effective in cutting power consumption. In the future, when the present building is dismantled, 80% of the building materials can be reused in a new building. Accordingly, the present building also functions as a storehouse of building materials for future use.

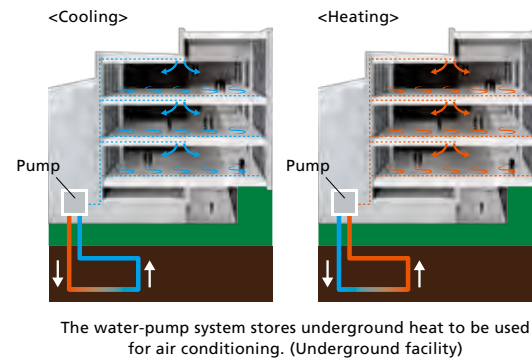


Reflecting the sunlight, the white panels create a bright indoor environment.

Air-conditioning system integrated with the ceiling

The new building features an air-conditioning system integrated with the ceiling. By using a water-pump system, special panels installed in the ceiling transfer underground heat* to constantly maintain the room temperature at a predetermined level. In addition, the building has been designed to take in fresh air and control air flow to create a comfortable indoor environment.

*Underground heat: The underground temperature from 10 to 200 meters below the ground surface remains at around 17 degrees Celsius throughout the year, since it is unaffected by air temperature changes.



Outdoor environmental measures

<Consideration for small animals>

Nesting boxes for bats have been attached to the building's exterior walls. The nesting boxes provide bats with an ideal environment for breeding during summer. Moreover, twigs have been piled close to the building to provide shelter for reptiles, amphibians, and small mammals.

<Planting heathers*>

To create a habitat for insects, heathers have been planted in an area between the grass field and a thicket of temple junipers. A flock of sheep regularly come to the grass field, helping to trim the grass. Shimano Europe hopes that the heathers planted in the compound will function as a bridge that links the compound with surrounding ecosystems.

*Small evergreen trees with small bell-type flowers native to Eurasia.



Worker-friendly office environment

The office areas located on the first to third floors comprise open spaces without walls or partitions. Under a flexible desk policy, none of the staff has their own desk. Staff members can work at any unused desk, and store their belongings in lockers after finishing the day's tasks. The height of the desks is adjustable, so workers can adjust it to their desired height; they can also work standing at the desk if they like. To promote the office workers' health and vitality, a basketful of fruit is delivered to the office on Monday and Wednesday. Employees can freely take any fruit in the basket.



An open meeting space on the spacious office floor

Employees can freely take any fruit in the basket.

The height of desks is electronically adjustable, allowing staff to work standing at the desk if they like.



Solar panels installed all over the roof



Shimano Green Plan since 2004

In 2004, Shimano adopted the Shimano Green Plan (SGP), guidelines for promoting manufacturing with reduced environmental impact. In joint efforts with its suppliers, Shimano has been making constant efforts to comply with the SGP.

■ Responses to laws and regulations, and efforts to optimize the SGP

The SGP is a procurement standard that Shimano has adopted with the purpose of providing its customers around the world with products with minimum impact on both the environment and users' health. To share understanding of related regulations with its suppliers, Shimano has clarified the regulated levels of chemical substances contained in raw materials, parts, and products to be used in Shimano products. In addition to taking measures in response to regulations that have become increasingly rigorous year by year, the company has revised the SGP to meet the demands of the market and customers. At the same time, we have improved our autonomous environmental standards to optimize the SGP, particularly in terms of improvement of the efficiency of responses to relevant laws and regulations.

■ Activities to address risks

Since the establishment of the SGP in 2004, compliance with the standard has significantly improved. Meanwhile, we have gained a clearer picture of high-risk materials and parts whose content of chemical substances should be controlled most rigorously in order to reduce the levels of hazardous chemicals in our products.

In 2017, we placed priority on risk management activities. To share our knowledge on risk management and concrete techniques useful for daily risk management activities, we held seminars for staff of the sections that handle raw materials and components for which particularly rigorous control is necessary. We also evaluate the risk management operations of our suppliers, based on the Self-Check Sheet, on which the respective suppliers autonomously recorded their management situations. When we consider that the risk management of a certain manufacturer should be improved, we suggest plans for improvement, and continue to ensure that the plans are implemented thoroughly. In this way, we continue to take consistent initiatives to ensure compliance with the SGP across our supply chain. At the same time, using various analyzers, Shimano's factories both inside and outside Japan inspect materials and components to confirm their conformance to the SGP. In this way, Shimano is striving to create dependable products.



A briefing held by Shimano Philippines for local suppliers

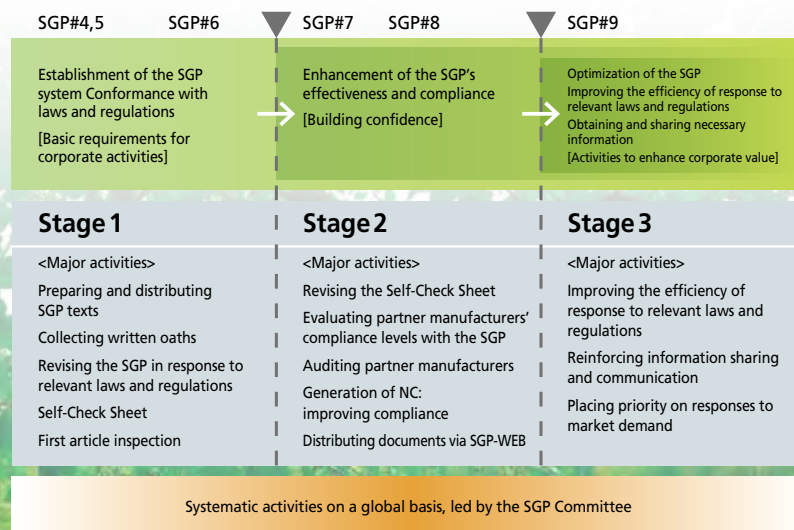


Inspection of products by using special apparatus

■ Roadmap

Currently, Shimano is at Stage 3 on the roadmap. That is, in compliance with the ninth version of the SGP, the company is working to improve the efficiency of its responses to relevant laws and regulations, and to reinforce information sharing and communication. To reinforce our corporate activities, we are collaborating with SGP Committee members both inside and outside Japan, maintaining close communications with them by leveraging web conference systems and other advanced technology. By issuing the SGP NEWS, we share relevant information between headquarters factory and factories/sales companies outside Japan. By reinforcing partnerships with suppliers, we will continue to work to create eco-friendly and health-conscious products.

Shimano Green Plan Roadmap



Initiatives to Reduce Environmental Impact

Wastewater treatment since 1997

To protect water resources, Shimano Kunshan has constructed a wastewater purification facility in its factory.

Noise control since 1999

To mitigate the impact of noise on nearby residential areas and improve the workplace environment, Shimano Kunshan has installed noise monitoring systems.

Use of eco-friendly compressed pallets since 2014

In 2014, Shimano Kunshan began using pallets made from compressed agricultural waste. Ninety-five percent of the materials used in these pallets are rice and wheat straw and bamboo chips. Containing no formaldehyde, the pallets conform with ISPM 15.* Moreover, the company selling the pallets donates 1 U.S. dollar for each pallet it sells to the World Wildlife Fund (WWF) and related organizations.

*International Standards for Phytosanitary Measures (international regulation of packaging materials)

Energy saving activities

In February 2017, Shimano Philippines received ISO50001 certification, an accreditation for energy management systems.

Water efficiency management system since 2015

Shimano Singapore introduced a water efficiency management system to promote the efficient use of water. The company reduced its water consumption by 10% by the end of 2016. On 4 April 2017, Shimano Singapore received Water Efficiency Management System certification from TÜV SÜD.*

*A German-based global company that provides inspection and certification services

The EENP Award

In October 2017, Shimano Singapore received the Energy Efficiency National Partnership (EENP) Award from the National Environment Agency. After rigorous screening, the agency awards this honor to an organization that has radically reduced its energy consumption. Since 2014, when Shimano Singapore prepared a roadmap to improve its energy efficiency, the company has been striving to the company has been striving to carry out energy efficiency management programme.



Initiatives to Preserve Local Environment

<Tree-planting campaigns>



In November 2017, Shimano Turkey planted 500 trees together with its customers.



Turkey



Since 2009, employees of Shimano Kunshan Bicycle & Fishing and Shimano Tianjin have participated in the Million Trees Project, a campaign to plant one million trees in the desert of Inner Mongolia. To expand green areas into the desert, members of the three companies are eagerly involved in plant cultivation activities.



China



As in 2016, Shimano Singapore engaged in a tree-planting campaign. In 2017, the company planted about 50 trees in Pang Sua Garden Park Connector.



Singapore



Shimano Australia sponsored a tree-planting campaign organized by a volunteer group. In 2017, participants in the campaign planted more than 1,000 trees to improve the riverbanks in Dubbo, a city adjacent to the company's hometown. Local fishers and residents were also involved in this campaign.



Australia



Preserving abundant greenery is an essential means for Shimano Malaysia to fulfill its corporate social responsibility. Based on this view, the company annually organizes tree-planting events. On November 14, 2017, 53 employees and their families planted 500 mangroves in Tanjung Piai National Park, located at the southernmost point of mainland Eurasia.



Malaysia

<Cleanup activities>



Together with local residents and staff of other companies, employees of Shimano Philippines cleaned the banks of the San Juan River, which flows through the First Philippine Industrial Park. The river water has been seriously polluted due to the recent rapid industrial development.



The Philippines



Employees of Shimano Philippines who live in the barangay adjacent to the First Philippine Industrial Park cleaned ditches in the barangay. The cleanup has proved effective in preventing the inflow of waste from the ditch to the San Juan River in rainy season.



The Philippines



Employees of Shimano Malaysia planted mangroves and cleaned the mangrove forest. The cleanup has proved effective in preserving the forest's ecosystems and promoting the growth of mangrove saplings.



Malaysia



Shimano joined a cleanup activity conducted on Sakai-hama Beach. From Shimano, 57 employees participated, picking up as much as 400 kg of waste.



Japan



Capivara's Ride

since 2011

Since 2011, Shimano Latin America has annually held a bicycle ride along the Pinheiros River, which flows through São Paulo city. The event and a debate are designed to raise awareness of river pollution. These initiatives have gained public attention which will help to change the river situation in the near future.



Capivara of the Pinheiros River that had been decreasing in number has begun to increase gradually



Participation in the EARTH HOUR charity market

since 2016

Shimano Kunshan participated in a charity market, an event held in China to support the EARTH HOUR campaign. EARTH HOUR is a global environmental campaign organized by the World Wildlife Fund.



Cooperation in promoting environmental education

since 2006

Every year, Shimano employees visit elementary schools in Sakai City, the seat of SIC, to provide environmental education programs. In 2017, a papermaking workshop was held in which children made postcards using reeds cut from the banks of the Ishizu River, which flows through the city. Through these activities, Shimano helps promote environmental education for children.



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 with them for mutual benefit. To this end, Shimano companies in various parts of the world play an active role in community activities. This year's report introduces our community activities under the following four themes: Toward the Safe and Enjoyable Use of Bicycles; Education Program for Children; Donations and Relief Activities; and Corporate Citizenship Activities.

To build confidence in Shimano, around 50 Team Shimano companies around the world are consistently and steadily involved in community activities. These companies frequently share related information and sometimes collaborate with each other to develop their respective community programs. The number of reports on these activities is increasing year by year. Here we introduce only a part of these activities in four sections, each for one of the four themes.

Toward the Safe and Enjoyable Use of Bicycles

This section introduces activities to promote the safety and enjoyment of cycling among many more people, including technical support for a charity cycling event, designed to support patients with cancer (in the Netherlands), and traffic safety programs (in France).

Education Program for Children

Reports on education programs for children include visits to a local elementary school to describe the features of sports bicycles and how to ride them (in Japan).

Donations and Relief Activities

As donations and relief activities, this section introduces blood donation drives (in Indonesia, the Philippines, Malaysia, and Japan) and a fundraising relay event for cancer patients (in Australia).

Corporate Citizenship Activities

Shimano employees worldwide are involved in community activities, including visits to orphanages and nursery homes for the elderly (in Indonesia and China) and the promotion of employment in a local community (in the Netherlands).



Toward the safe and enjoyable use of bicycles



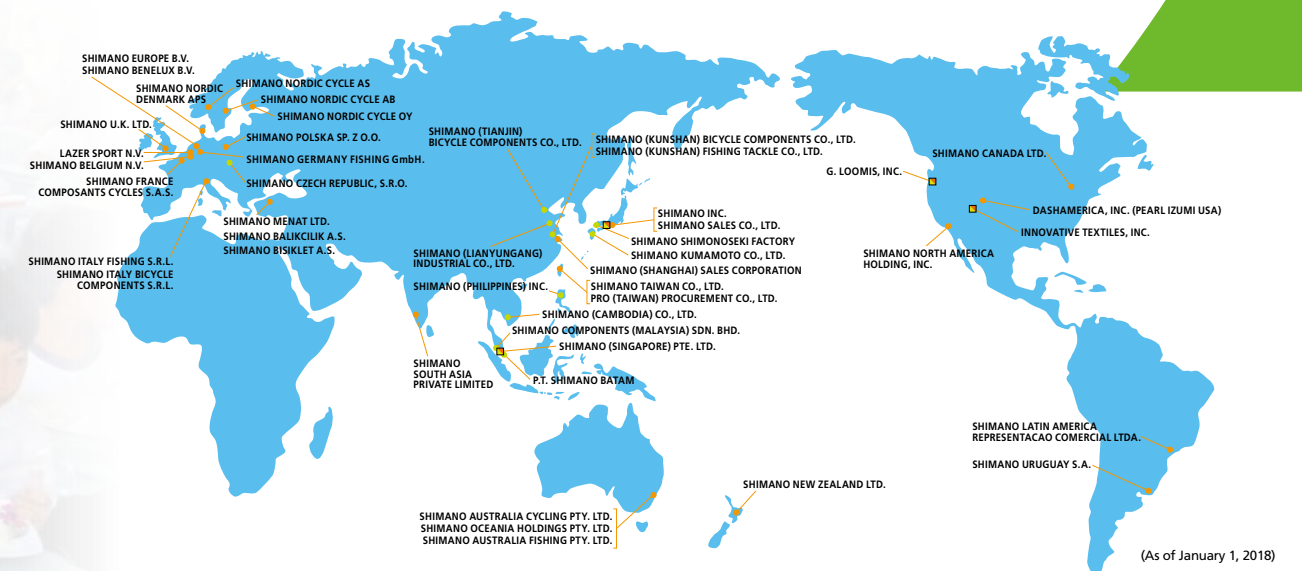
An education program for children



A donation and relief activity



A corporate citizenship activity



Toward Safe and Enjoyable Use of Bicycles



Donation of recycled bicycles

since 2017

Shimano Poland began a campaign to collect and repair old and/or broken bicycles to donate them to children in orphanages.



Offering technical support to a charity cycling event

since 2016

Shimano Benelux provided technical support to a charity cycling event, designed to support patients with cancer. Participants in the event rode bicycles along a 1,000-km course over four days. The participation fee collected from some 4,000 cyclists was donated to a research institution of cancer combination therapy.



Support for a cycling event held by the DigestScience Foundation

since 2016

Shimano France supports cycling events organized by the DigestScience Foundation in France, which is dedicated to research on digestive diseases and nutrition. By holding these events, the foundation inspires patients to take on challenges and maintain a positive attitude towards life.



Volunteer programs to promote traffic safety

since 2017

Employees of Shimano Lianyungang instructed traffic manners to passersby around the crossing near its factory, to promote traffic rules among members of the community.



Providing a maintenance service for children's bicycles

since 2008

Shimano Singapore repaired and maintained bicycles in the Road Safety Community Park, to ensure that children can enjoy riding without mechanical problems.



Participation in the school charity ride

since 2017

On July 29, 2017, Shimano Malaysia supported a charity cycling event organized by a local elementary school. The fund collected from participants and sponsors was used for school activities. Many employees of Shimano Malaysia participated in the event and enjoyed cycling.



Support for the maintenance of local trails

since 2017

Shimano Canada donated 1% of its sales to a local trail management organization.



Support for the Pedal for Hope

since 2006

Shimano Canada supported a charity cycling event, the Pedal for Hope, organized to support children fighting cancer. The raised funds were donated to an institution dedicated to the research of pediatric cancer.

*Pedal for Hope: a charity cycling event held in Canada to support patients of pediatric cancer



Education Program for Children



Support for local job training programs

since 2016

To support vocational training programs of local high schools, Shimano Italy receives high school students at specific departments, where students can gain practical working experience within Shimano for two weeks.



Support for a local elementary school

since 2016

Employees of Shimano Philippines visited a local elementary school. They cleaned classrooms, repaired equipment, and donated cleaning tools and trash boxes.



Educational program on hygiene and children's health

since 2016

Together with community members of the First Philippine Industrial Park, where the factory of Shimano Philippines is located, employees of the company visited a local elementary school and held a program to develop children's awareness toward their own health and nutrition.



Shimano Racing Team visits local elementary school

since 2016

Members of Shimano Racing Team visited an elementary school in Sakai City, the hometown of Shimano, and explained to the children about Shimano and the history of Sakai. In addition, they introduced bicycle traffic rules, features of road bicycles, and professional road races.



Donations and Relief Activities



Visiting an orphanage

since 2006

Employees of Shimano Batam visited an orphanage and donated money collected from its employees.



Donation to a local orphanage

since 2014

Since 2014, Shimano Cambodia has monthly donated 1,000 kg of rice to a local orphanage.



Visiting an orphanage for disabled children

since 2016

Employees of Shimano Lianyungang visited an orphanage for disabled children and offered gifts.



Fundraising relay for cancer patients

since 2017

Shimano Australia is involved in a fundraising campaign for cancer research and support for patients and their caregivers. Company employees participated in a 24-hour relay walking event to raise funds for cancer treatment.



Angel Tree program

since 2011

In collaboration with a local Rotary Club, employees of G. Loomis bought Christmas presents for less fortunate children in the company's hometown.



Donation to the Shop with a Cop program

since 2013

G.Loomis holds fundraisers through out the year to raise money for the Woodland Police Department's "Shop with a Cop" program. In 2017 our employees raised and donated \$718 to the local program. These funds truly make a difference in the lives of local youth as they are able to shop for holiday gifts and warm clothing with an Officer.



Nobel Gift

since 2015

As an annual event in the Christmas season, employees of Shimano Poland participate in a Polish charity program, known as Nobel Gift. The aim of this program is to ensure all people feel they are not alone. In 2017, the members were involved in fundraising, the selection of families that needed assistance, and the purchase and shipment of presents.



Donation of IT equipment to the Youth Sports Fund Netherlands

since 2015

Since 2015, the IT section of Shimano Europe has annually donated IT equipment to the Youth Sports Fund Netherlands, a foundation that helps children join sports clubs, by paying dues and providing sporting goods.



Donation to hospitalized children

since 2014

Shimano Benelux offered free technical services at more than 30 cycling events, while raising donations to CliniClowns Netherlands. Through the donation, the company supported "clown care" to cheer up hospitalized children.



Donation of school supplies to kindergarten children

since 2016

As part of its corporate citizenship activities, Shimano Philippines offered school supplies to children of local kindergartens.



Donation of school supplies to orphans

since 2017

Together with a volunteer group, employees of Shimano Lianyungang visited a local school and donated books and school supplies to orphans at the school.



Support for SOS Children's Village

since 2016

Shimano Tianjin supports SOS Children's Village, an organization that provides care for children who need protection.



Corporate Citizenship Activities

Promoting employment in local communities since 2001

For many years, in joint efforts with a local company in Nunspeet, the Netherlands, Shimano Europe has been providing local people with a disadvantage to the labor market employment opportunities such as garden maintenance, lunch service, and product repackaging, under a safe and comfortable workplace environment.



Support for the Topsport for Life since 2010

Shimano Benelux supports Topsport for Life, a Dutch foundation that supports people with critical diseases.



Partnership with the Association of Parents of Children and Boys with Muscular Dystrophy since 2017

In partnership with the Association of Parents of Children and Boys with Muscular Dystrophy, Shimano Italy supported a project to offer four-wheel vehicles to children who have difficulty walking.

Support for the activities of Greenacres since 2006

Shimano Australia has been supporting the activities of Greenacres, a welfare facility for the disabled. For more than 10 years, the company has provided the disabled with vocational training and job opportunities.



Support for a fishing competition to protect fishing sites since 2017

Shimano Australia supported a fishing competition of a huge fish called the barramundi. 600 people participated in this event, which was held for fundraising to protect fishing sites and fishery resources. The event is very popular because, in addition to the fishing competition, the participants can enjoy various fun programs, including the release of fish and interactions with animals.



Visiting a home for the elderly since 2009

Employees of Shimano Kunshan annually visit a local nursing home for the elderly shortly before the Double Ninth Festival (the ninth day of the ninth lunar month). In 2017, the employees took the elderly people to a botanical garden, where they planted flowers in pots and harvested vegetables, while appreciating beautiful autumnal landscapes together.



Visiting employees' hometowns since 2013

On behalf of employees who were unable to return home during the Mid-Autumn Festival due to the company's business, managers of Shimano Kunshan visited the employees' hometowns, expressed their gratitude to the employees' families, and offered presents.



Inviting elementary school children on a factory tour since 2014

To introduce Shimano and bicycles, Shimano Kunshan invited children from a local elementary school to its factory.



Shimano scholarship since 2014

Shimano scholarship in Tianjin, aimed at do CSR, to provide financial assistance to academically good students that are less financially independent.



Blood donation drive since 2007

In cooperation with the Indonesian Red Cross Society in Batam, Shimano Batam holds blood donation drives three times a year.



Blood donation drive since 2016

Together with the Philippines Red Cross Society, Shimano Philippines held a blood donation drive. 60 employees cooperated with the drive in 2017.



Blood donation drive since 2000

Shimano Malaysia held a blood donation drive with cooperation provided by a national hospital.



Blood donation drive since 1981

As part of its corporate citizenship activities, Shimano holds annual blood donation drives. In 2017, 68 employees donated blood.



Some Thoughts about the Social Activity Report 2017

In 2017, we often heard the term "worldwide economic boom" used to describe the favorable global economy. In this trend, many companies in America, Europe, Asia, and Japan achieved excellent performances. At the same time, we have seen rapid progress in innovation, known as the fourth industrial revolution, resulting from the synergy of globalization and the mobilization of digital technologies, along with the fusion of the Internet of Things (IoT), artificial intelligence (AI), big data analysis, and virtual reality (VR) technologies. Meanwhile, the progress of work style reform is expected to provide workers with more time to enjoy leisure activities. This in turn presents a new kind of challenge to workaholic people.

Reading this year's Social Activity Report, I recognized Shimano's policy that prioritizes both immutability and innovation. I understand that this policy underlies Shimano's quality products that integrate advanced technologies and keen sensitivity. This corporate approach has convinced me of Shimano's potential to create sustainable corporate value. I believe this report can be used as an effective communication and engagement tool with investors and many other stakeholders.

Concerning the bicycle component business, which is Shimano's core business, priority is placed on ease of operation and riders' comfort, both constituting basic elements of usability. The debut of the SHIMANO STEPS E8080 series, electric assist components for sports bicycles, in the Japanese market will surely stimulate cyclists' expectations. The DURA-ACE R9100 series won the iF Design Award 2017, a German design award for worldwide industrial products of excellent designs. Moreover, the SHIMANO DEORE M6000 series won the Good Design Award from the Japan Institute of Design Promotion. At present, in addition to technical functions, industrial products are expected to have excellent artistic designs to inspire users. In the fishing tackle business, the Soare XTUNE series won the Good Design Award. This means that Shimano won this award for both a bicycle component and a fishing tackle product. Moreover, the TWIN POWER XD won the Best New Reel Award at the European Fishing Tackle Trade Exhibition (EFTTEX). The SUSTAIN and the CURADO K, developed and produced mainly by Shimano Malaysia, also received awards at the International Convention of Allied Sport-fishing Trades (ICAST), the largest trade show of fishing tackle products in the world. These honors given to Shimano's products have further enhanced the company's brand value.

In response to growing market demand for listed companies to establish solid internal control systems, Shimano has established its Code of Conduct and concurrently revised its Compliance Guidelines. To obtain global stakeholders' confidence in the company, the Code of Conduct stipulates Shimano's policies in the following four categories: laws, regulations and ethical standards; business activities; environmental protection and social contribution; and work environment. Meanwhile the Japanese government has revised the Companies Act, enacted the Corporate Governance Code, and introduced the Stewardship Code to vitalize the investment chain (the channel from investors to the end-users of the funds, particularly companies). Whereas the former two laws address companies, the last one is designed to encourage institutional investors to reform their governance systems. In this context, I value Shimano's adoption of its Code of Conduct as an appropriate response to this series of initiatives taken by the Japanese government. In the section titled "work environment," however, I believe remarks on LGBT (lesbian, gay, bisexual and transgender) people should have been included, even though the provision "We appreciate diversity" (Article 4-1) implies consideration of LGBT people. The section titled "Creating Human Resources Needed to Support Shimano" describes seminars, training programs and educational events held in various parts of the world. The reports on these programs indicate Shimano's enthusiasm to foster human resources with outstanding technologies, expertise and knowledge, regarding them as essential assets for enhancing Shimano's corporate value.

Shimano is also committed to promoting the enjoyment of urban sport life, particularly cycling and fishing, highlighted by the use of its Captivating Products. The company has opened SHIMANO SQUARE at Knowledge Capital, Grand Front Osaka, a large commercial complex in downtown Osaka. This facility is designed to offer people who have not been particularly interested in cycling or fishing the opportunity to take a "customer journey," ushering them from the "awareness" stage to the "advocacy" stage. SHIMANO SQUARE appears to embody "Marketing 4.0," suggested by Philip Kotler. I believe the facility deserves to be called a place of "Exhilarating Joy."

Protecting the natural environment is the primary requisite for enjoying outdoor sports. With this view, Shimano is striving to preserve its natural settings. The new office of Shimano Europe in Eindhoven in the Netherlands, for example, features various eco-friendly measures, such as a glass façade designed to create a bright indoor environment, and solar panels on the roof, which generate around 65% of the power needed throughout the year. Moreover, 80% of the building materials can be reused when the present building is dismantled in the future. The new building features an air-conditioning system integrated with the ceiling. Various measures have been taken to protect small animals and insects on the grass field and trees planted around the office building. The photograph of the spacious office floor without partitions shows an open atmosphere, highlighted by a flexible desk policy. In 2004, Shimano adopted the Shimano Green Plan (SGP), guidelines for promoting manufacturing with reduced environmental impact. The company has also revised its autonomous environmental standards in response to increasingly rigorous regulations. To collaborate with its partner manufacturers both inside and outside Japan, the company maintains close communications by leveraging web conference systems and other advanced technology. It is worth noting that Shimano is involved in tree-planting and river/forest clean-up campaigns in various parts of the world to protect the global environment.

The last chapter, "Building Confidence," introduces the community activities of some 50 Team Shimano companies worldwide under four themes. The first section, "Toward the Safe and Enjoyable Use of Bicycles," introduces activities to repair preowned bicycles and donate them to orphanages. The second section, "Education Program for Children," describes activities to repair school equipment, clean classrooms, and donate trash boxes, along with programs to hold classes on bicycle traffic rules. The third section, "Corporate Citizenship Activities," sheds light on visits to facilities to support disabled children and orphans, as well as homes for the elderly, and a program to reduce the number of children suffering from acute malnutrition. The last section, "Donations and Relief Activities," reports a wide variety of activities, including the donation of Christmas presents to less fortunate children, the provision of school supplies to orphans, and blood donation drives. I was particularly impressed by the abundance of support programs for children, who have great potential. This, I believe, attests to Shimano's deep consideration and thoughtfulness toward people and society.

On the last page, this report carries Team Shimano's Social Activity Policy. This section introduces the three pillars of the social activity guiding principles, along with the corporate mission. In the past, companies were evaluated primarily by their financial statements. Today, however, the focus is on their intangible assets and Environmental, Social, and corporate Governance (ESG) programs. This report shows Team Shimano members actively committed to social contribution in line with their shared corporate vision. I truly believe and expect that Shimano will continue to evolve as a Value Creating Company in this radically changing environment.



Toshihiko Fujie

Professor Emeritus, Chiba University of Commerce
Vice Chairman, Japan Business Management Association

Team Shimano's Social Activity Policy

"To promote health and happiness through the enjoyment of nature and the world around us." Upholding this motto, all Team Shimano members commit to social activities based on the following three pillars of the company's guiding principles: "Creating Exhilarating Joy," "Taking Care of the Environment," and "Building Confidence as a Corporate Citizen."

At the same time, we believe it is important to steadily and consistently carry out programs that are suitable for Shimano. In principle, Shimano is involved social activities that are related to its business and that will contribute to the local communities concerned.



Cultural Activities that Offer Enjoyment and Fun for Everyone

- Proposing ways to enrich lifestyles :**
Implementing activities to enrich lifestyles highlighted by cycling and sport fishing
- Operating facilities for learning :**
Operating facilities to share a wide variety of knowledge and information, including the history and mechanism of bicycles
- Promoting sports :**
Holding and supporting events where visitors can enjoy firsthand experience of cycling, fishing and rowing



Improvement and Preservation of the Fields of Outdoor Activities

- Natural environment :**
Implementing activities to preserve and foster the natural environment, such as cleanup and tree-planting campaigns, as well as environmental education
- Living environment :**
Taking measures, such as noise control, energy conservation, and wastewater treatment; and improving facilities to protect the surrounding environment
- Reducing the environmental impact of manufacturing processes :**
Producing items friendly to people and the environment through thorough legal compliance (Shimano Green Plan) and other measures



Collaboration with Local Communities as a Corporate Citizen

- Educational support :**
Promoting the safety of cycling by providing opportunities to learn about how to ride a bicycle appropriately, traffic regulations, and related themes
- Donations and relief activities :**
Carrying out activities as a good corporate citizen, such as donating to orphanages, supporting the disabled, providing scholarships, and cooperating in blood donation drives
- Contribution to local communities :**
Cooperating with local communities and authorities in creating an even better environment for cycling (e.g., cooperating to improve the infrastructure) and for sport fishing (e.g., releasing young fish)



SHIMANO INC.

Corporate Communications

3-77 Oimatsu-cho, Sakai-ku, Sakai, Osaka 590-8577, Japan

Phone : +81-72-223-3957

Fax : +81-72-223-6045