

Social Activity Report

[January 1 – December 31, 2021]



SHIMANO

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

In line with this corporate mission, Shimano has dedicated itself to providing its customers with not only Captivating Products but also opportunities to use them to promote healthy and enriched lifestyles. We believe that cycling and fishing, which are target areas of our main business, can help people promote both mental and physical health through activities in natural settings. At Shimano, we will continue to promote wonderful features of cycling and fishing to many more people, work to protect the natural environment where these sports can be enjoyed, and engage in activities to help realize a sustainable society, as it has always done.

Team Shimano's Social Activity Policy

All Team Shimano members are committed 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."

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



Offering enjoyment and fun for everyone



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



Collaboration with local communities as a corporate citizen

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On Issuance of Social Activity Report



Since 1921, we have continued efforts in our business inheriting Shimano's innovative technologies after Shozaburo Shimano opened a small ironworks in Sakai, Osaka. Thankfully Shimano was able to celebrate the centennial of its founding in March 2021, and I would like to express my sincere gratitude to your generous support over the past century.

Looking back at last year, amid the COVID-19 pandemic, people all over the world were faced with various difficulties and felt stagnation. This has made people long for a healthy lifestyle as well as a rise of awareness about health and environmental issues among people all over the world. In this trend, greater than ever attention was paid to outdoor activities and healthy lifestyles, which led to the rediscovery of the value of cycling and fishing in favorable wind to Shimano.

Today, we frequently hear the term "sustainable." In the next century of Shimano's corporate history, the company will continue our corporate mission, "To promote health and happiness through the enjoyment of nature and the world around us", dedicating to build a sustainable society by promoting environment-conscious manufacturing and beneficial activities to local communities.

At the same time, to create enriched cycling and fishing cultures, Shimano will continue to provide its customers with not only Captivating Products but also opportunities to use them to promote a healthy lifestyle in line with our corporate mission.

It is my sincere hope that this report will deepen your understanding of Shimano's wide-ranging commitment to social responsibility.

Taizo Shimano
President, SHIMANO INC.

Enhancing Corporate Value

Offering “Captivating Products”

Shimano offers what we call “Captivating Products,” including bicycle components that ensure a comfortable ride and ease of operation, fishing tackle products characterized by a fusion of advanced technologies and human sensitivity, and sportswear and shoes that further enhance the enjoyment of outdoor activities. By promoting cycling, fishing, and rowing, all pastimes enjoyed in natural settings, Shimano aims to help enrich the lifestyles of all users of our products.

<Bicycle Components Business>

■ The DURA-ACE R9200 series — For those who never compromise —

A completely new series has been released for the DURA-ACE, Shimano’s flagship model of road bike components. In quest of unprecedented speed, Shimano has spent several years to improve the functions of individual components to their utmost limit. The result is the new series, featuring the highest speed and performance of all DURA-ACE products ever launched.



DURA-ACE R9200 series

■ The SHIMANO ULTEGRA R8100 series — Leave time behind —

A completely new series has been released for the ULTEGRA, the second-highest-end groupset for road bikes following the DURA-ACE. Just like the DURA-ACE, a semi-wireless 12-speed shifting system has been adopted to ensure that all road bike users can enjoy cycling even more.



SHIMANO ULTEGRA R8100 series

<Fishing Tackle Business>

■ A strong reel, capable of handling large marine species TWIN POWER SW

Saltwater game reels are expected to have various properties, including toughness and rigidity to withstand hard use, strong waterproof properties to prevent penetration of saltwater, and excellent reeling power, which is the most important. Having unparalleled reeling power and durability, the new TWIN POWER SW series supports anglers in battling large marine species in both shore and offshore fishing.



TWIN POWER SW

■ A racing rod of utmost lightness POISON GLORIOUS

Since its debut in 2011, the bass rod POISON GLORIOUS has been supported by anglers who seek high-performance rods to win in tournaments. The third-generation model for this series, released in 2021, has evolved into a racing rod for use in a wider variety of occasions. In addition to the characteristics of major tournament sites, those of various fishing sites across Japan were surveyed to determine a new standard action. Moreover, the Spiral X Core and other cutting-edge technologies have been adopted in the new model to ensure that anglers feel the rod is extremely light when they choose the most suitable rod operation for the lures they use.



POISON GLORIOUS

■ G.LOOMIS rod awarded at ICAST NRX+ T2S

In 2021, G.LOOMIS’s fly fishing rod NRX+ T2S was recognized as “Best of Category: Fly Fishing Rod” at the International Convention of Allied Sportfishing Trades (ICAST), the largest trade show of fishing tackle products in the United States. Combining innovative materials, technologies, and designs, the NRX+ T2S ensures that anglers can fully exert their skills even under extremely difficult conditions.



NRX+ T2S



Award plaque



Developing Human Resources Needed to Support Shimano

Team Shimano companies worldwide organize seminars to share with their employees Shimano's corporate mission, spirit of manufacturing, and corporate culture. In 2021, various films were used at these seminars, including films on the corporate history, product development, initiatives to create a new culture, and establishment of new companies. Participants in these seminars learned the essence of Shimano's corporate culture, which has been nourished over the past century and which has remained unchanged and will stay unchanged for the coming years. Seminars are also designed to deepen employees' understanding of Shimano and to strengthen the unity of Team Shimano members throughout the world. In 2021, due to the COVID-19 pandemic, most seminars were held online. In this way, Shimano continues its employee education even under difficult situations.



*The photos have been processed in consideration of privacy protection.



The orientation for prospective employees and internship programs held online

Shimano Academy since 2013

The Shimano Academy is a training program of Shimano Europe Group for a wide range of its members, from new employees to executives. Through the training of individuals and teams, the program is designed to promote capacity building, develop Shimano's business, and reinforce its core competence. The program proved to be effective in employees' career development.



Vitalizing Team Shimano since 2017

The aim of this program is to develop employees' vitality and to augment organizational power. Team Shimano employees across Europe participate in the program to enhance their vitality and well-being.



Training for employees in their third year

The headquarters of Shimano annually holds a training program for employees in their third year to encourage them to be self-reliant. In 2021, the training was held online. During the two-day training, participants reviewed how self-reliant they were, considered their future careers, and set their goals to achieve at Shimano.

Online classes

In addition to progressive training for employees in specific career stages and seminars for leaders, the headquarters of Shimano offers online classes on various themes, including language lessons, preparation courses for licenses for professional skills, and liberal arts classes. The headquarters also offers subsidization of part of the tuition fees of online classes operated by external organizations.

Number of applications for online classes (2017-2021)					
Year	2017	2018	2019	2020	2021
Applications	197	187	187	160	156

Language classes (2017-2021)						
Year	Language	2017	2018	2019	2020	2021
Class activities	English	55	46	26	-	-
	Chinese	16	14	18	-	-
Online	English	44	77	111	192	96
	Chinese	-	-	-	35	13
Total		115	137	155	227	109

*Only online classes were held in 2020 and 2021.

Training for leaders of production lines since 2017

Shimano Batam holds training and briefing sessions for leaders of production lines twice a week. Evaluation tests are given to participants after they share knowledge about the company and its production.



Plan to foster management successors since 2021

Shimano Batam fosters management successors by using a career matching system.

Seminars on how to relieve stress since 2020

To help employees relieve stress and relax themselves, Shimano Turkey holds a seminar on how to fight against stress and enhance organizational skills.

English classes since 2019

Shimano Turkey holds English language classes by inviting excellent instructors. As a result, most of its employees achieved skills sufficient to communicate with the headquarters and other Team Shimano companies.

Survey of employees' awareness evaluation since 2021

Shimano UK surveyed how the members are perceived by themselves and by their colleagues. The purpose of the survey is to facilitate communications and reduce misunderstanding by knowing each other well.



Cross-training programs since 2017

Innovative Textiles, Inc. transfers its employees to various in-house sections so that they can develop a wide range of skills. This system proved to be effective in enhancing their motivation and engagement.

Training program for new employees since 2021

G.Loomis provides a comprehensive orientation and training session for all new employees. This gives the employees a sense of purpose and promotes their understanding of the corporate culture. At the same time, the session provides new employees with great opportunities to build good relationships with the company and their colleagues.

Seminar for new employees who have just graduated from university since 2011

Shimano Kunshan annually holds seminars for new employees who have just graduated from university.



Offering calligraphic works on the Spring Festival since 2021

Shortly before the Spring Festival, Shimano Lianyungang asked calligraphers to write couplets* on sheets of paper, which were given to its employees.

*Couplets: From an auspicious poem, a pair of lines are selected and written on red paper. People affix the paper to walls of their houses, especially at the entrance.



 **First-aid drill** since 2021

Inviting an instructor from the Red Cross Society, Shimano Tianjin organized first-aid training for rescue team members. Training was provided concerning cardiopulmonary resuscitation (CPR), arrest of bleeding, and application of a bandage. In an emergency, the rescue team members will provide first aid before the arrival of medical professionals.



 **Long-service awards** since 2014

Shimano Kunshan commends the employees who have served the company for many years in recognition of their dedication to the company's growth. In 2021, 166 employees were awarded.



 **Continued training of first-aid responders** since 2006

Innovative Textiles, Inc. has appointed first-aid responders for each shift. They have been trained to respond to and control any emergency medical situation until the arrival of medical professionals.

 **Emergency drills** since 2021

To improve disaster preparedness, emergency drills are conducted at various Team Shimano companies.

Shimano Tianjin



Shimano Kunshan



Shimano Kumamoto

 **Company trip** since 2018

PRO Taiwan, a subsidiary of Shimano Taiwan, annually organizes a company trip for all employees and their families. In addition to rewarding employees for their efforts, the trip is expected to deepen friendly relationships among participants.



Measures against Counterfeits of Shimano's Products

Shimano has noticed that counterfeits of its products and parts for repairs are marketed in various regions in the world. We are firmly determined to take strict measures and work to eliminate counterfeits since they are disadvantageous to our customers and suppliers, and using them involves risks of accidents and injuries.

<Specific measures>

- Provides relevant authorities with related information to enable them to take administrative and criminal procedures against manufacturers and distributors of counterfeits.
- Issues warnings and files civil suits against manufacturers and distributors of counterfeits.
- Provides customs with related information to enable them to reinforce border control of counterfeits.
- Requests providers of EC sites to eliminate the counterfeits posted on their sites.
- Shares related information with the consumers and retailers of Shimano's products.
- Adopts anti-counterfeiting measures in products themselves, such as use of special materials that are difficult to counterfeit in packages, introduction of an app to identify genuine products, and affixing of anti-counterfeiting labels on packages.

Counterfeits confiscated in China



Packages made from special materials that are difficult to counterfeit



Use of an app to identify genuine products

Measures against Suspicious Sites in the Guise of Shimano's

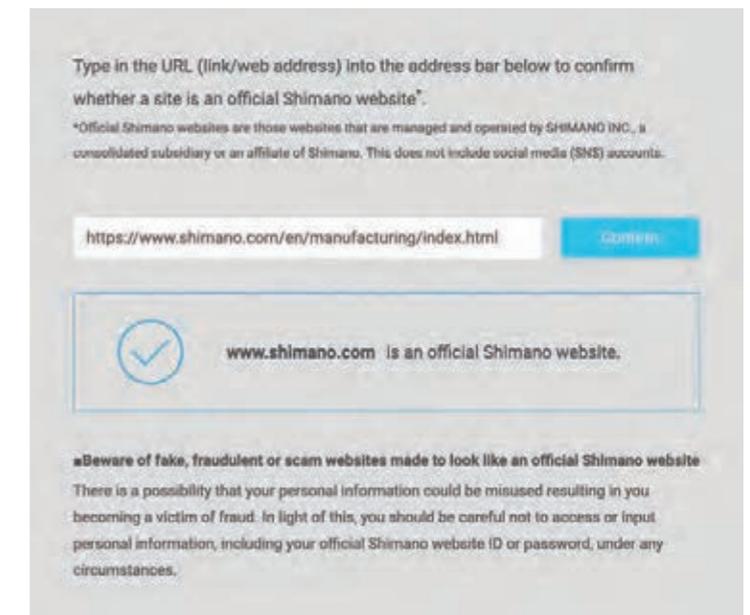
Shimano has found a few suspicious sites that pretend to be the sites of Shimano or its group companies. To prevent possible damage to its customers, Shimano has determined a workflow to follow when any suspicious site is detected. The company also took measures against such sites immediately after they were detected.

<Examples of measures>

- Requests elimination of suspicious sites and sends written warnings to related parties.
- Requests cooperation from the police.
- Calls for attention on Shimano's corporate site.

To prevent damage from suspicious sites in advance, on Shimano's corporate site, we have established a system to identify whether or not the input URL is one belonging to Shimano's official site.* We will reinforce measures against suspicious sites to ensure that our customers can continue to purchase our products without concerns.

*Sites managed and operated by Shimano, its consolidated subsidiaries, and affiliated companies (excluding SNS accounts)





Initiatives to Promote Compliance

Shimano has set its Code of Conduct, which stipulates policies that all Team Shimano members should observe in their business activities. Pursuant to the Code of Conduct, Shimano has also compiled the Compliance Rules and the Compliance Guidelines. Moreover, the company conducts questionnaire surveys concerning employees' compliance awareness and operates a compliance hot line. By engaging in these activities on a continual basis, Shimano seeks to establish a solid compliance system particularly in the following three essential areas: cultivation of awareness, mastery of knowledge, and encouragement of action.

To ensure that human rights are respected not only at Team Shimano companies but throughout their supply chain, in 2021, Shimano established the Vendor Code of Conduct and started a campaign to promote partner manufacturers' understanding and encourage their observation of the code. In 2021, Shimano continued to provide all its employees with regular online seminars using the e-learning system introduced in 2019. At each monthly seminar, participants in the seminars studied about a theme selected from among the 22 important themes stipulated in the Compliance Guidelines. The seminar participation rate reached 97%.

The company also conducted a questionnaire survey targeting all its employees to assess the level of their compliance awareness.

Based on the survey results, Shimano will further promote compliance activities to encourage its employees to obtain relevant knowledge and engage in their business activities while upholding a law-abiding spirit and embracing high awareness of their responsibility as businesspersons.

Compliance activities

Compliance activities in Japan

- **Progressive training**
Target: new employees, new managers, and managers
- **E-learning training**
Number of topics: 12 (important issues, including product safety, power harassment, human rights, and environmental protection)
Participation rate: 97%
- **Awareness-raising activities**
Raising awareness through monthly morning broadcasts and theme-specific tips posted on the company's electronic bulletin board
- **Specialized committee activities**
Quarterly meetings to ensure compliance with the Sub-Contractor Act

Compliance activities carried out both inside and outside Japan

- **E-learning training**
Target: all managers
Number of topics: 2 (social responsibility of companies and ESG)
Participation rate: 91%



Seminar on the Competition Law

Shimano Turkey held a seminar on the Competition Law. Participants learned how to address dealers when they request things to be done.

E-learning on compliance

Shimano Batam provides all its employees with online seminars on compliance. The themes of the seminars include product safety, management of the company's confidential information, and protection of personal information. Tests are given to participants to confirm the level of their understanding.

A seminar for new employees about the internal control report system

To its new employees, Shimano Batam offers a seminar on the internal control report system.

E-learning on compliance

Shimano Singapore has launched an in-house e-learning program on compliance. Staff members are encouraged to complete a course of 22 compliance topics within a six-month duration. Through the training, participants can learn how to conduct their daily business by adhering to Shimano's guidelines. The ultimate goal of the program is to long maintain Shimano as a Value Creating Company and to ensure sustainable growth of Shimano's business.

E-learning on compliance

Shimano Shanghai started an e-learning program for all staff members concerning basic compliance issues, including the protection of personal information, observance of anti-monopoly laws, and compliance with import and export laws. The course materials and tests have been prepared by translating the materials compiled at the headquarters into Chinese and by modifying some parts to meet Chinese laws and regulations.

Compliance seminar

For managers and staff members responsible for compliance issues, Shimano Shanghai holds compliance seminars twice a year. To ensure that the responsible staff members can better conduct compliance management in their daily activities, a detailed explanation is given by a legal professional about topics related to the revision of relevant Chinese laws and regulations. The topics in the 2021 seminar were "securing product safety" and "consumer protection and warranty services."

Compliance seminar

Shimano Kunshan used to hold monthly compliance seminars for new employees. In February 2021, the target audience of the seminars was expanded to cover all employees, to whom online tests are also given.



Seminars for all employees

Shimano Taiwan provides all its employees with various training programs. For example, presentations are given at monthly meetings about compliance issues and company rules. After these programs, online tests and quizzes are given to the employees to confirm the level of their understanding. Test results are shared with employees and correct answers are announced so that employees can learn from their mistakes. Concerning topics of particular importance, seminars are held by professionals to deepen employees' understanding. In 2021, seminars were held on the anti-monopoly law, unfair competition, and subcontracting.



Initiatives to ensure compliance

PRO Taiwan holds monthly compliance seminars for all its employees.

Building Cutting-Edge Factories in Various Parts of the World

Upholding “Value Creating Company” as its corporate vision, Shimano seeks to develop itself further as a development-oriented digital manufacturing company. To fulfill this vision, it is indispensable for Shimano to evolve its front-line facilities for the entire process of manufacturing, including product planning and development stages. To this end, Shimano is innovating its manufacturing systems by integrating its manufacturing functions and building cutting-edge facilities, including intelligent plants in Japan and Singapore.



A facility to forge the future of Shimano Technology Innovation Center

The Technology Innovation Center (TIC), which integrates offices of the planning, design, R&D, and other sections related to manufacturing, plays an essential role in creating new value, which is the mission of Shimano as a development-oriented digital manufacturing company. Captivating Products for tomorrow are being created at this new facility, where cutting-edge equipment is used for both R&D and production. On TIC's basement floor, a new factory has been built for assembling bicycle components. This TIC Factory pursues ultimate production efficiency while ensuring thorough safety management. At the same time, radical automation is pursued through the introduction of unstaffed systems. The factory has an electromagnetic anechoic chamber to test electronic components, the number of which is sharply increasing, along with an acoustic anechoic chamber to measure sound levels of chains, motors, and gears. Moreover, cutting-edge measurement and analysis equipment and 3D printers have been installed there.

TIC is expected to lead the innovation of the development process by using these precise measurement technologies, as well as advanced simulation technologies that have been developed for use in various processes, from design to production. Under an integrated production system that covers all stages of manufacturing, TIC has already launched completely new manufacturing activities, which are interlocked with the Shimano Digital Manufacturing (SDM) project.



Technology Innovation Center
(Sakai, Osaka)



Electromagnetic anechoic chamber

The hub of factories outside Japan Shimano Singapore Intelligent Plant

The Shimano Singapore Intelligent Plant, completed in January 2022, is expected to lead product R&D and manufacturing. In addition, it is also expected to play an essential role as the Asian regional headquarters. Concerning manufacturing, in addition to engaging in the development of new products, the Shimano Singapore Intelligent Plant will lead the improvement and promotion of production technologies, including those related to cold forging, sheet metal, machining, and heat treatment. At the same time, the plant is expected to fulfill various other tasks, including support of other factories' management, development of management staff, and distribution of products as a logistic hub. To implement diverse tasks at an advanced level, the plant adopts IIoT.* At every stage of manufacturing, the plant collects, manages, and visualizes information so as to build an entire plant management system that governs all aspects of its operations, ranging from the energy and security systems to the operational status of robots. At the same time, the plant is promoting full automation more radically than ever to build a safe workplace environment.

*Industrial Internet of Things

Realizing next-generation manufacturing Shimano's intelligent plants

In various parts of the world, Shimano has built and will build intelligent plants that feature cutting-edge manufacturing methods and improved production efficiency.



Sakai Intelligent Plant
(Sakai, Osaka)



Shimano Singapore Intelligent Plant
(Bulim Walk, Singapore)



Shimano Shimonoseki Factory Intelligent Plant
(Shimonoseki, Yamaguchi Prefecture)



Kunshan Intelligent Plant
(Kunshan, China)



Initiatives to Prevent Infections

Infection prevention measures

Shimano is involved in various activities to prevent COVID-19 infections, which emerged during the period from the end of 2019 to early 2020 and is still raging all over the world. All Team Shimano companies will continue to take every possible measure to protect their employees, their families, communities, and society at large.

Initiatives taken by the headquarters

The headquarters of Shimano prepared the Guidelines for Preventing COVID-19 Infections in early March 2020, when infections began spreading in Japan. The guidelines have been revised in accordance with the spread of the infections while various prevention measures were taken based on partnerships with the occupational physician and the labor union. As a result of such efforts, the headquarters was able to prevent the occurrence of clusters throughout 2021.



A notice to limit the number of people in the elevator
Marks to indicate where to stand

<Initiatives to prevent infection>

Avoiding the three 'C's (closed spaces, crowded places, and close-contact settings) at the workplace

- Introducing a work-from-home system
- Encouraging remote work by improving online meeting systems
- Controlling the number of people in a limited space, such as meeting rooms, company cars, and elevators
- Avoiding crowdedness of the cafeteria by changing dining hours from group to group (increasing the number of shifts from 3 to 7)
- Installing acrylic boards on the tables of the cafeteria and meeting rooms



Effective use of the online meeting system

Increasing the number of sanitizer sprays

Measures taken when infection occurs

- Identifying persons who were seated close to a patient at the cafeteria (Tracing close contact people by checking the list of cafeteria users)
- Identifying and isolating close contact people by seeking collaboration of the occupational physician
- Sterilizing the workplace of a patient



Acrylic boards in the cafeteria

Providing workplace vaccinations

- Vaccination service was provided to Shimano's employees, their families, and employees of partner manufacturers.



A list of cafeteria users
(Employee numbers are entered.)

Working from home on Fridays since 2021

In July 2021, Lazer Sport N.V. started to test the feasibility of working from home one day a week. Based on the test results, the company decided to make Friday the day of remote work.

Establishing a remote work system since 2021

Pursuant to regulations set by the government, Shimano New Zealand has established a remote work system to ensure the safety of its employees and people in the nearby community.

Thorough measures against infection since 2020

To protect its employees from infection, Shimano UK installed protection screens in the office and carries out a regular strict health check. Visitors are asked to undergo lateral flow tests and bring the certificate of the negative test result.

Thorough measures against infection since 2021

At the onset of the pandemic, Shimano Iberia adopted a work-from-home system. To protect the warranty and QC team members from becoming infected, the company established a rotation system to let half of the members work at the office while letting the remaining half work from home.



Reinforcing Occupational Health and Safety

■ ISO 45001 certification

In September 2021, the headquarters of Shimano obtained ISO 45001 certification, which is an international standard for management systems of occupational health and safety. While the target audience of the conventional standard, OHSAS 18001 (terminated in March 2021), comprised only employees of Shimano, ISO 45001 covers all stakeholders, including residents in the nearby community, customers, and partner manufacturers. In addition, while only physical risk sources (such as scissors and cutters) were covered by the conventional standard, the new standard also targets social risks, such as harassment and bullying.

In 2018, the headquarters started the Shu-Ha-Ri Project, aimed at creating a healthy workplace free from occupational injuries. In addition to creating a safe workplace environment, the project aims at raising safety awareness of individual staff members since this is essential to maintain workplace safety. Pursuing both a safe environment and safety-conscious workers, Shimano will continue its commitment to improve the safety of all stakeholders.



■ Adopting different designs for leaders' helmets (caps)

To ensure that new workers can easily find out who they should consult with concerning problems at the front line, different designs have been adopted for the helmets and caps of leaders.

<Examples of the designs>



For managers and front-line leaders



For leaders of temporary staff

■ Handing out Safety Rule Books at Sakai Intelligent Plant (SIP)

Safety Rule Books were prepared and handed out to all workers of the Sakai Intelligent Plant (SIP) to ensure that they can easily check the rules that have been designed to eliminate risks from the factory floor. The book covers information on various topics, including the dress code on the factory floor, emergency responses, properties of automated guided forklifts (AGFs), and eligibility for engaging in specific tasks.



Reinforcing Safety and Quality Education

● Team Shimano's space for safety and quality education

since 2020

In 2020, the Space for Safety and Quality Education opened at the headquarters. The space comprises two booths, one dedicated to safety education and the other to quality education. Both have been designed to share empirical knowledge, particularly lessons gained through material accidents and quality problems in the past, through the display of related materials showcased in an easy-to-understand manner. Visiting these booths, staff members are expected to recognize the importance of maintaining workplace safety and producing quality items.



■ Training programs on risk prediction and safe behaviors

since 2021

Shimano Batam organizes two training programs, one to develop employees' sensitivity towards risks and the other to encourage them to engage in safe behaviors. Through these two programs, the company seeks to prevent labor accidents.



■ Enhancing industrial safety

since 2021

Shimano Tianjin underwent an audit by the authorities concerning the company's data management and workplace safety situations. Since the result was 90.2 points (out of 100 points), the company was recognized to be at level II (at least 75 points) in the work safety standard. Regarding this point as a milestone for improving safety management, Shimano Tianjin will continue to improve its safety management to ensure the company's healthy, sustainable development.



■ Enhancing employees' safety and health awareness

since 2020

Shimano Singapore annually organizes campaigns to promote employees' awareness about workplace safety & health, environmental issues, etc. In 2021, the main subjects of the campaign were cleaning the factory floor, particularly around machines, to eliminate risks of slipping, keeping to the left on staircases, and stopping use of cellular phones while walking.

■ Employees' medical examination and health consultation

since 2002

Shimano Kunshan annually holds medical examinations and health consultation services to enhance health awareness of its staff members.



■ Emergency drills

since 2005

Shimano Tianjin holds emergency drills to prevent environmental pollution and protect employees' lives and property, as well as the surrounding environment. In 2021, employees learned the properties of hazardous chemicals and measures to take in case of their leakage in order to avoid or diminish the impact of leakage and minimize damage.



■ Employees' health examination

since 2018

PRO Taiwan annually holds a health examination for all staff members to make them aware of their own health conditions and encourage them to engage in health management.

● In-house safety education

since 1995

Shimano Kumamoto provides its employees with safety education upon the introduction of new equipment and revision of relevant laws or regulations.

Promoting Bicycle Commuting

Shimano encourages its employees to commute by bicycle. Increasing numbers of its employees have begun commuting by bicycle since it is good for their health and they can avoid rush hours/traffic jams, as well as the risk of COVID-19 infections.

■ Initiatives taken by the headquarters to promote bicycle commuting

• Facilities for bike commuters

On the first floor of the headquarters' welfare wing (known as Team Shimano Square or TSS), there is a parking area to accommodate about 550 bicycles. In addition, TSS houses bathrooms, shower booths, locker rooms, and a bike maintenance space equipped with compressor bicycle pumps and other tools.

• About 40% of employees commute by bicycle

At the headquarters, about 40% of its employees (including contract employees) have registered as bicycle commuters.

• Provision of bicycle commuting allowance

To promote bicycle commuting, the headquarters provides bike commuters who wear helmets with a monthly allowance amounting to 5,000 yen.

• Subsidizing part of the cost for a bicycle and a helmet

The headquarters subsidizes part of the cost for a bicycle and a helmet for commuting.

■ In-house seminars on traffic safety

At the headquarters, seminars on traffic safety are organized for beginners of sports bicycles. Participants learn daily inspection and maintenance methods by using real sports bikes.

*In 2021, seminars were not held due to the COVID-19 pandemic.

■ Travel allowance for bike commuters since 2020

Lazer Sport N.V. provides bike commuters with a travel allowance and rents bicycles to employees who desire to commute by bike.

■ Establishment of a mobility hub since 2021

To promote bicycle commuting, Shimano Italy has established a mobility hub, a space dedicated to bicycle commuters.

■ "Go Carless" program since 2009

PEARL iZUMi is promoting the "Go Carless" program to encourage commuting without using a car. Points are provided to employees who do not use cars in accordance with the miles of commuting, and some gifts are offered according to the points they gain.



Bicycle parking area, which can house 13 bicycles in a space for one car



In-house seminar on traffic safety (photo taken in 2018)



In-house Activities to Promote Cycling and Fishing

■ Shimano Drinking since 2021

Shimano Drinking is the name of a cycling club formed in 1978 at the headquarters. In addition to providing its members with opportunities to enjoy cycle races, the club plays the essential role of feeding back findings gained by the members in actual races.



■ Social ride event since 2021

In September 2021, Shimano Belgium held a 3-hour ride event for its employees in the Hageland district, which is close to its office.

■ A cycling event for employees since 2016

Lazer Sport N.V. holds a cycling event every Tuesday. The program is aimed at strengthening bonds with colleagues, keeping employees' physical and mental health, and testing products. In 2021, limited numbers of events were held due to the COVID-19 pandemic.

■ Summer Ride & Go Outside Challenge since 2020

PEARL iZUMi transformed its program called "Summer Ride Challenge" into a new one named the "Summer Ride & Go Outside Challenge," evolving the previous program into a more inclusive one. More people are invited to the new event, including those who seldom go out and who are physically unable to ride a bike. Employees can also invite their families and friends. The program is designed to encourage participants to ride and enjoy outdoor activities more often. Participants log their miles of rides, for which points are given and prizes are awarded.

■ Bike Mentor Program since 2021

PEARL iZUMi holds the Bike Mentor Program for its employees who seek information about bicycles and cycling courses in the region. Employees who know well about bikes and the region serve as mentors and teach participants in the program how to ride and how to maintain bikes so that they will be able to enjoy cycling with more confidence.



■ Establishment of a cycling club since 2021

Shimano Shanghai established a cycling club to promote a healthy and eco-friendly lifestyle. Engaging in practical activities, members of the club are expected to promote their health. At the same time, they are expected to cultivate self-confidence and courage to take on challenges.



■ Establishment of a fishing club since 2021

Shimano Shanghai established a fishing club for its employees with the aim of promoting their knowledge of Shimano's fishing tackle products and letting them enjoy fishing in a relaxed atmosphere. Fishing in natural settings proved to be effective in relieving them from work stress and enhancing their sense of well-being.



■ Organizing cycling tours since 2013

To promote a cycling culture, Shimano Kunshan organizes cycling tours. In 2021, 38 employees participated in the tour from the Xin'an River to Qian-dao Lake.



■ Fishing competitions since 2009

Shimano Kunshan began organizing fishing competitions in 2009. In 2021, the event was held by the company's fishing club to celebrate the 100th anniversary of Shimano's founding, to enrich the staff's leisure life, and to promote a fishing culture.



■ Encouraging cycling activities since 2020

PRO Taiwan encourages its employees to participate in cycling activities. Through cycling activities, the company intends to improve their knowledge of bicycles and stimulate their interest in cycling. Participation in these activities is also included in the items of the Key Performance Indicator (KPI) assessment.

Creating Exhilarating Joy

— Shimano's programs to create new cultures

"Captivating Products" are designed to enable their users to enjoy cycling, fishing, and rowing to their hearts' content. Shimano believes that it is an important part of its mission to convey the fun and excitement of these activities and to offer the opportunity to enjoy them to as many people as possible. With this view, Shimano organizes and supports various cycling, fishing, and rowing events, where people can enjoy not only outdoor activities but also friendly interactions with many other people.

This year's publication sheds light on the programs to create new cultures that Shimano has been engaged as a Value Creating Company. Under the headline "To Create New Cycling and Fishing Cultures," these programs are introduced with the following four themes: "Creation of New Value," "Creation of Fascinating Fields," "Expansion of Enjoyable Places and Opportunities," and "Establishment of Facilities for Cultural Promotion."

**To Create New Cycling and Fishing Cultures
To offer the opportunity to enjoy cycling and fishing to as many people as possible**



The cultural value and social roles of cycling and fishing change with the times. In response to such changes, Shimano has redefined the cultural value of cycling and fishing and is supporting the creation of new lifestyles by offering relevant information, as well as products.



Top-level athletes competing in road races. Fishing instructors exhibiting their excellent fishing techniques. Shimano is eager to support these dream makers in all aspects, helping them create exciting scenes by securing the fields of their activities, where dreams are born.



Shimano has organized and co-sponsored cycling and fishing events around the world by adopting creative ways to make them enjoyable not only for participants but also for spectators. Shimano has also been working to hold various events in countries where cycling and fishing cultures are still developing.



Shimano's responsibilities are not limited to developing products and holding related events. Sharing knowledge and information on the history and culture of cycling and fishing is also its key responsibility. To put this responsibility into practice, Shimano is operating facilities for cultural promotion, where visitors can share new experiences and value that Shimano proposes.



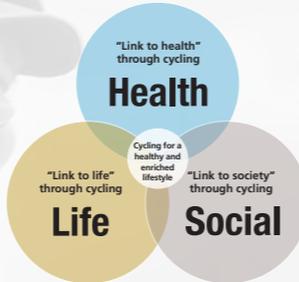
Theme 1
Creation of New Value

To promote research programs on effects of cycling on health, Shimano is engaged in activities in three areas: survey and research, promotion and cultivation of awareness, and sharing information.

01

Cycling and Good Health / Cyclingood

Offering suggestions for a healthier and more enriched lifestyle highlighted by the use of bicycles



In collaboration with universities and research institutions, Shimano is engaged in research programs on the effects of cycling in maintaining and improving energy metabolism and muscle strength, as well as the relation between cycling and mental health. Results of such programs are shared with various companies and local governments to promote health improvement. Meanwhile, to share research results with bicycle dealers, fitness facilities, and users, Shimano publishes Cyclingood, a free newspaper and website on the relation between cycling and health. In addition, Shimano issues MIND SWITCH, a website proposing bicycle commuting, and Health Data File, downloadable data that shows study results in an easy-to-understand manner. Data in Health Data File are used for various purposes, including urban planning and health promotion programs for residents and employees of various companies.

In the current changing society, greater than ever attention is being paid to how to maintain good health. Shimano will continue its efforts to enrich people's daily lives by sharing the value and attractive features of cycling with as many people as possible. Through these endeavors, Shimano hopes to contribute to the development of society at large, as well as the bicycle industry.



MIND SWITCH



Cyclingood, a free newspaper

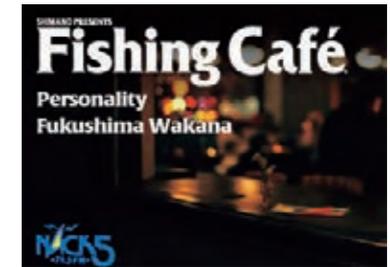
02

Promoting Attractive Features of Fishing Fishing Café, Tsuru Hyakkei, OTONA TSURI CLUB, and Shimano TV

Shimano believes that it is an important task for the company to promote the enjoyment of fishing, which has been developing over its long history as part of a culture. In Japan, as part of its efforts to fulfill this task, Shimano is engaged in collaboration with professional anglers and cross-media activities to disseminate related information. Shimano continues these activities to create a new fishing culture and develop the fishing tackle industry in the long run.

Fishing Café

Shimano started the "Fishing Café" project with the aim of promoting friendly conversations about fishing by involving as many anglers as possible. The project imparts the latest information on fishing through various media, including magazines, its website, and videos on the YouTube channel. In addition, a radio program began on April 3, 2021.



On air between 18:40 and 19:00 on Saturdays on FM NACK 5

Tsuru Hyakkei (lit. one hundred fishing scenes)

This TV program sheds light on celebrities who love fishing and expert anglers, introducing their fishing styles, policies, and personalities. The program also portrays characters of individual anglers and a wide variety of their fishing styles against the backdrop of magnificent natural settings.



Tsuru Hyakkei, a fishing travel show

OTONA TSURI CLUB (lit. a fishing club for seniors)

This program is aimed at proposing leisure activities, particularly fishing, for senior citizens to enrich their lifestyle. In addition to TV, videos are available on the YouTube channel.



OTONA TSURI CLUB on the YouTube channel

Shimano TV

Shimano TV is a fishing contents channel that provides videos, accessible anytime from anywhere in the world. While the website service ended on November 30, 2021, video streaming began on the YouTube Shimano TV official channel.



YouTube Shimano TV official channel



Cycle races and other cycle events held around the world range from international professional races to local amateur races. At the forefront of fishing, on the other hand, the evolution of fishing methods and tackle products has expanded the enjoyment of fishing. By constantly providing on-site support to diverse programs held around the world, Shimano is striving to promote cycle sports and fishing culture and to improve their social value.

01

Supporting the 2020 Tokyo Olympics and Paralympics as the Sole Supplier

Shimano supported cycling events of the 2020 Tokyo Olympics and Paralympics as the sole supplier of racing equipment and repair service. Team Shimano members from Japan and other countries provided neutral support (see P. 28) and other services to help the operation of relevant events.



02

Supporting Sports Events Held by A.S.O. as a Neutral Support Partner

In 2021, Shimano became a neutral support partner of cycling events held by A.S.O.* The term "neutral support" refers to a service involving following racers in a car loaded with repair and replacement equipment and offering services to all racers in trouble so that they will be able to resume racing as soon as possible.

Taking advantage of its experience and expertise in neutral support services, Shimano will work even harder to support cycle events and to further enhance users' trust in the Shimano brand.

*A.S.O.: Amaury Sport Organisation, a French sports and media company that organizes the Tour de France and other world-class sporting events



03

Support for Riders and Cycling Teams

Support for the development of the cycle sport culture

Sponsorship of professional and amateur riders and teams around the world

Shimano widely sponsors road races and other cycle races. A worldwide network of Shimano's marketing teams shares relevant information so that the teams and riders who are sponsored by Shimano can enjoy the same high-level services wherever in the world they are racing.



Sponsoring racers and races around the world, Shimano works to enhance the cycle sport culture.



Support of professional and amateur riders around the world

Support for para-cycling

Since the latter half of the 1990s, through a partnership with the Union Cycliste Internationale (UCI), Shimano has been supporting para-cycling or cycle races for disabled riders.

In addition to sponsoring para-cycling events and offering related products, Shimano organizes an exhibition hand bike race at Shimano Suzuka Road to promote recognition of para-cycling.



An exhibition hand bike race at Shimano Suzuka Road in 2019

Technical support to ensure riders' safety



04

Support for Races

Efforts to ensure rider safety and well-organized race operations

In addition to the Olympic and Paralympic games and the races organized by the A.S.O., Shimano provides technical support at various other events, ranging from the world's leading professional races to grassroots cycling events, so that participants can enjoy their ride safely.



2021 Tour of Japan



All Japan Cycling Championship Road Race 2021

05

Shimano Racing Team

Working to develop and expand cycle sports in Japan

The Shimano Racing Team is a powerhouse that has produced national champions and Olympians since its establishment in 1973. It has also played an important role as a group of test riders who give feedback about the products they use for training and races so that their views can be reflected in product development. At present, the team is committed to creating a cycle sports culture from a long-term, broad perspective. Specifically, the team is supporting a series of cycle races in Japan, offering cycling-related information to its supporters, and occasionally holding bicycle classes for beginners and children.



A bicycle class for children, held by members of the Shimano Racing Team

06

Fishing Instructors

Further elevating fishing culture with the mindset of anglers

Shimano constantly searches for new ideas for fishing on the front line. To create a new fishing culture, the company collaborates with its fishing instructors, who are active on the front line of fishing, and skippers of leisure fishing boats, who best know customer demand for both boat fishing and surf fishing. Benefiting from the relationships of mutual trust with them, Shimano has embodied their ideas and proposals one after another, which in turn has led to the enhancement of the fishing culture.



Conveying the excitement of big-game fishing in saltwater





Shimano organizes cycle sports events, including Shimano Suzuka Road and the Shimano Biker's Festival, as well as fishing events, such as the Shimano Japan Cup, which conveys the true joy of fishing competitions. In addition to these events held in Japan, Shimano organizes and supports various cycling and fishing events around the world to provide both professionals and ordinary people with opportunities to enjoy these activities.

01

Shimano Suzuka Road

One of Japan's largest cycle sports events, held by Shimano

Shimano Suzuka Road is one of Japan's largest cycle sports events participated in by a wide range of cyclists, from children to adults and from beginners to top-level racers, from around the world. To make the road race enjoyable and exciting not only for racers but also for spectators, since the first edition held in 1984, Shimano's employees have constantly supported this event behind the scenes. They are eager to engage in the event from its planning phase, driven by their strong aspiration to make the event even more enjoyable for visitors and to benefit the bicycle industry in the long run. At the venue, while sharing the exciting atmosphere with visitors, Shimano's staff serve participants on various occasions of races, some as receptionists, others as course guides, still others as judges and first-aid assistants. Shimano Suzuka Road has been enjoyed by visitors and has been evolving with their support. Shimano will continue to offer even more opportunities to enjoy cycling.

*In 2021, the event was not held because of the pandemic.



At the 28th edition (2011), a women's class was added to the Team Time Trial.



02

Shimano Biker's Festival

One of Japan's largest events featuring sports bikes, particularly mountain bikes

The Shimano Biker's Festival is a two-day event held in rich natural settings surrounded by the Japanese Southern Alps and the Yatsugatake Mountains. It offers an opportunity to enjoy a wide range of sports bike events, from cross-country, downhill and other off-road races to trail rides, long rides, and other touring events. In recent years, a variety of subevents have been organized in collaboration with local people, such as a welcome party that serves local foods and a market that sells locally produced vegetables.

*In 2021, the event was not held because of the pandemic.



03

Shimano Japan Cup Events in Different Fishing Categories

To promote fishing in Japan as a competitive sport and to create opportunities to enjoy a wide variety of fishing styles

Shimano Japan Cup Japan's highest-level fishing tournament

In 1984, when few fishing tackle manufacturers in Japan hosted fishing competitions, Shimano started a fishing tournament in response to requests from enthusiastic anglers. The event was designed to offer opportunities to enjoy fishing as a competitive sport and to improve the social value of fishing. 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.

In addition to competitions, various side events are held for a wide variety of fishing fans. Shimano will continue to engage in various activities to promote the fishing culture.

*In 2021, the event was not held because of the pandemic.



04

Organizing and Supporting Various Events

Shimano organizes and supports cycling and fishing events (races, tournaments, and other events) in various parts of the world, ranging from Europe and North America, both being advanced regions of cycle races, to Asia and Latin America.

Cycling events

 (Brazil)
Cultural and Social Program
..... since 2019

Support of cultural and social cycle tours

Shimano Latin America sponsors the São Paulo cycling tour in partnership with Shimano's exclusive distributor. All that applicants need to do is to send an application from the relevant webpage and donate food (at least 2kg). There is also a free bicycle rental service. During the bike tour, a guide explains the history and culture of various tourist spots on the way. An audio guide of these explanations is available in English and Spanish.



 (USA)
Organizing an MTB ride event ①
..... since 2017



 (USA)
Organizing a media event ②
..... since 2021



 (USA)
Organizing Tuesday Night Thunder (race) ③
..... since 2018



 (Turkey)
Supporting Tour of Turkey (race) ④
..... since 2008



 (Turkey)
Creating an e-bike culture ⑤
..... since 2021



 (Italy)
Organizing an e-MTB fun race ⑥
..... since 2021



 (New Zealand)
Supporting a cycling event ⑦
..... since 2019



 (New Zealand)
Supporting young racers
..... since 2021



 (Singapore)
Organizing an online cycling event ⑧
..... since 2021



 (Singapore)
Organizing Tour de France event ⑨
..... since 2021

 (Singapore)
Organizing "Train It Yourself" program
..... since 2021



 (China)
Supporting Tour de France Shanghai Lin-Gang Criterium ride ⑩
..... since 2021

 (Taiwan)
Organizing an MTB promotion event ⑪
..... since 2021

 (Taiwan)
Organizing a vendor cycling event ⑫
..... since 2018



 (Spain)
Organizing an online cycling event
..... since 2021

 (The Netherlands)
Supporting a cycling event ⑬
..... since 2019

Fishing events

 (Turkey)
Supporting a fishing competition to protect the environment
..... since 2014



 (China)
Organizing Shimano Cup here (deep-bodied crucian carp) fishing tournament ①
..... since 2021



 (China)
Organizing Shimano Lure Festival ②
..... since 2019

 (China)
Organizing Shimano Fishing Caravan
..... since 2015

 (China)
Co-organizing an event with a fishing pond manager ③
..... since 2021



 (UK)
Organizing a fishing event for employees ④
..... since 2020

Theme 4
Establishment of
Facilities
for Cultural
Promotion

Shimano has established cultural hubs in and outside Japan to share the enjoyment of cycling and fishing with many more people by stimulating their interest in these activities. In addition to programs to create new cycling and fishing cultures, Shimano has been expanding the range of its activities to encompass programs of regional development and international exchange.

01

Life Creation Space OVE (Japan)

Proposing an enriched lifestyle highlighted by use of bicycles by redefining the value of cycling

In 2006, Shimano opened Life Creation Space OVE to further develop cycling culture and to provide a wider range of people, including those who seldom ride a bicycle, with opportunities to learn attractive features of cycling. "OVE" stands for the following three elements: Opportunities, Value, and Ease. It is also infused with the idea of going beyond oneself or growing beyond one's current self and pursuing a more attractive lifestyle. The facility has a shop with selected items of furniture and sundries, as well as a hall to hold events and seminars. Through these activities, OVE aims to enhance the value of cycling and eventually to create a new cycling culture.

On January 23, 2021, the facility celebrated its 15th anniversary. On that occasion, in consideration of a need to avoid physical contacts, OVE held an online event to introduce its activities, including seminars and events. The online program proved to be a good opportunity to introduce OVE's activities to a broader range of people while enjoying interactions with them.



Sanzo
Riding slowly, just like taking a stroll, while enjoying encounters with people and things on the way



The top page of the online event to celebrate the 15th anniversary
The site explains various activities of OVE in an easy-to-understand manner.



Staff members welcoming visitors to the online event to celebrate the 15th anniversary

02

Shimano Cycling World (Singapore)

To develop cycling culture and promote the Shimano brand in Southeast Asia

Shimano Cycling World opened in 2014 at the Singapore Sports Hub, one of Asia's largest sports complexes in the center of Singapore. This hands-on exhibition facility on the theme of bicycles has an area of about 650m² and is operated with the threefold purpose of developing cycling culture in Singapore, promoting cycling as a lifestyle, and spreading Shimano brand awareness across Southeast Asia. Shimano Cycling World proposes various new ideas so that visitors can feel more familiar with bicycles and enjoy a new lifestyle.



Cycle Cassette
A section that showcases the history and evolution of bicycles



The Forge
An area for hands-on learning of technologies and functions of bicycles

03

SHIMANO SQUARE (Japan)

An urban platform for intellectual creation and interaction to share attractive features of cycling and fishing

SHIMANO SQUARE opened in 2017 in the Knowledge Capital at the Grand Front Osaka commercial complex (Kita Ward, Osaka City). Taking advantage of its location in a busy downtown district of Osaka, the facility proposes a new lifestyle highlighted by cycling and fishing and promotes the value of both cultures, as well as attractive features of products created by Shimano. The facility has a café, a library, galleries that display items related to cycling and fishing, and a store with stylish items. SHIMANO SQUARE also holds various events, including lectures, workshops, and sanso (slow cycling just like taking a stroll) and other cycling events. In 2021, SHIMANO SQUARE started the RIDE & FISH event to offer the opportunity to enjoy both sanso and fishing to a wide variety of people, including beginners.



RIDE & FISH
An event to enjoy both sanso and fishing

04

Shimano Experience Center (the Netherlands)

To share the enjoyment of cycling, fishing, and rowing with many more people

The Shimano Experience Center (SEC) opened in 2019 in Valkenburg, a city in the southern region of the Netherlands and close to the national borders with Germany and Belgium. Valkenburg is well known to cyclists as a venue of a professional road race. The facility covers all the business fields of Shimano — bicycle components, fishing tackle products, and rowing equipment. In addition to seeing exhibits, visitors can have virtual reality experiences of cycling, fishing, and rowing by using virtual displays and simulators. Moreover, they can have real experiences of using Shimano's latest products in the pictorial natural settings. In the lounge and workshop area at SEC, various events for children are held by SEC. In addition, businesses, local schools, cycling clubs, and other groups can hold events there. SEC will continue to promote the enjoyment of cycling, fishing, and rowing and will work to enable visitors to discover and experience something new each time they visit the facility. In 2021, the trail that SEC opened in Valkenburg was commended as the most sustainable MTB trail in the Netherlands.



Outdoor event



Bike World



Fishing World

05

Shimano Experience Center (China)

To revive the market of sports bicycles

In 2019, the Shimano Experience Center was established in Nanjing, Jiangsu Province, China, with the aim of reviving the Chinese market of sports bicycles. Visitors to this facility will find various books about bicycles, a demonstration stand of shifting systems, video shows, virtual ride equipment, and testing bicycles, all of which are ready for use. In addition, the center disseminates web contents of various themes on social media.



06

Shimano Bicycle Museum [former Bicycle Museum Cycle Center] (Japan)

Aiming to create a rich cycling culture

The Bicycle Museum Cycle Center, Japan's only registered museum dedicated to bicycles, was established by the Shimano Cycle Development Center (a public interest incorporated foundation) in April 1992 in Sakai City, Osaka Prefecture. In March 2022, the facility was relocated from Daisen Park to a new building close to Sakaihigashi Station of the Nankai Railway and was renamed as the "Shimano Bicycle Museum." The new museum has about three times the exhibition area of the former facility. Upholding the motto "Making every visitor want to ride," the museum plans to promote attractive features of bicycles from diverse viewpoints and to inspire visitors to confirm the enjoyment and true value of cycling.

Even after the museum's relocation, several programs will continue to be held at Bicycle Square in Daisen Park. These programs include beginners' classes, test rides of historical bicycles, and cycling safety classes for children.

Shimano Bicycle Museum to open in March 2022



Cycling safety class



Painting competition for children



Shimano Bicycle Museum

Taking Care of the Environment

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

It is an important task for Shimano to continue its activities to improve and preserve the global environment in which its products are used. With this in mind, the company is actively involved in cleanup campaigns for seashores and rivers, as well as other environmental preservation activities, while improving and innovating its facilities and manufacturing processes, and saving resources in packaging, in order to minimize the environmental impact of its business activities. This report introduces Shimano's basic approach to a sustainable environment and its activities in fiscal 2021.



Shimano Shimonoseki Factory (Shimonoseki, Yamaguchi Prefecture)
Photo: courtesy of PLACEMEDIA

Creating a Sustainable Environment for Future Generations

Preserving the global environment is a critical issue for all people. It is an essential mission particularly for Shimano since it offers products to be used in natural settings. In addition to engaging in a variety of environmental conservation activities, Shimano takes comprehensive environmental initiatives throughout its manufacturing process, including the production, packaging, and logistics stages. Shimano is gradually building on its achievements in a number of detailed activity areas, including the reduction of CO₂ emissions in the manufacturing process, reducing disposable plastics, and reducing water intake.



Shimano Kunshan (Kunshan, China)



Shimano Malaysia (Johor, Malaysia)



Shimano Europe (Eindhoven, the Netherlands)

Activities to Protect the Beauty of the Global Environment

To ensure customers can continue to enjoy Shimano products, it is important for Shimano to improve and preserve the global environment. The company actively promotes new activities in the belief that activities which contribute to creating a sustainable environment also strengthen the competitiveness of the Shimano Group.



1. Reducing our climate change-causing CO₂ emissions

In June 2021, The Head Office Factory and Shimano Kumamoto began using electricity from renewable energy sources, as did the Shimonoseki Factory in July 2021, and certain overseas factories are purchasing renewable energy certificates.

Considering energy conservation as one important task, Shimano takes various systematic measures to improve energy efficiency by seeking an optimal balance between productivity and energy conservation.

CO₂ emissions (scope1 + scope2)

*Calculation boundary: All domestic and overseas factories



*2021 CO₂ emissions are calculated using actual amounts for January through November and an estimate for December.
*The way of applying the CO₂ emission factor was changed in 2021. This change has been applied retroactively to figures for previous years.

2. Reducing the amount of disposable plastic used

Shimano began reducing the use of plastic bags and others for packaging in 2020.

By reducing the amount of disposable plastics that it uses, Shimano has eliminated the wasteful use of resources and has contributed to the realization of a resource-recycling economy.

<Practical measures to reduce use of plastics>

- Eliminating or reducing plastic packaging materials, and replacing them with paper
- Using recycled paper as much as possible
- Reducing printing to cut ink consumption.
- Reduction of packaging size
- Using recycled/recyclable materials for packages

Reducing the use of disposable plastic film for packaging



Reducing the use of disposable plastic covers



3. Tracking our water intake and minimizing the effect of water shortages and other water-related risks

Shimano is identifying and mitigating risks from water shortages by continuously monitoring our water intake, using Aqueduct*, and conducting surveys at business locations. As of 2021, no business locations were deemed to have any high water shortage-related risks.

*Aqueduct is a set of water risk-related tools developed by the World Resources Institute, an international environmental NPO.

In 2020, Shimano began to visualize water intake at all of its factories in the world and it is now working to reduce the volume of water intake. In addition to building wastewater treatment systems to reduce environmental impacts, Shimano's factories have built facilities to reuse treated wastewater.

Water Intake

*Calculation boundary: All domestic and overseas factories



*2021 water intake is calculated using actual amounts for January through November and an estimate for December.

Initiatives Taken by Companies Outside Japan

Shimano's business locations around the world have visualized their energy use and efficiency, and by innovating both their work and their organizations, have achieved energy savings.

Shimano Singapore, Shimano Malaysia and Shimano Tianjin have acquired ISO50001 energy management system* certification. Other overseas factories are implementing improvements and innovations in order to achieve the same certification.

*A set of international standards to visualize the energy performance of an organization, and realize cost reductions by improving this performance.

1. Cutting CO₂ Emissions

Installation of highly energy-efficient equipment since 2021

Shimano Malaysia is reducing CO₂ emissions by identifying equipment with high energy consumption through data analysis and replacing air conditioning equipment and other plant auxiliary equipment, such as cooling towers and compressors, with more energy-efficient equipment.



Installation of a solar power generation system since 2021

Shimano Australia has reduced CO₂ emissions by installing a solar power generation system.



Promotion of energy-saving activities

Shimano Tianjin acquired ISO 50001 certification on September 26. This certification demonstrates that the company has established an effective management system that reduces energy consumption and improves energy use efficiency.



2. Reducing the Use of Plastics

Introducing environmentally-friendly packaging since 2021

Lazer Sport N.V. introduced a new line-up of packaging in 2021. As a result, the cost of plastics and ink used per item has clearly been reduced. (Plastics were reduced by approximately 11g/item).



Reducing the use of plastics since 2019

To achieve "Zero Waste" at its factory, Shimano Batam has prioritized activities to reduce CO₂ emissions, including not only plastics, but also anything that has an impact on the environment.

Donations to The Ocean Cleanup, a non-profit organization since 2021

Shimano Europe donates to The Ocean Cleanup, an organization that rids oceans of plastic. This organization designs and develops advanced technologies to rid the world's oceans of plastic by means of ocean cleanup systems and river interception solutions.

Reducing the use of plastics since 2020

Shimano Tianjin is effectively reducing the amount of plastics that it uses. It has increased the consideration of 3R, and strives not to use or minimize the use of plastic materials in product packaging and transportation.

Switching packaging materials to corrugated paper since 2021

In order to reduce plastic consumption, Shimano Kunshan has improved the filler in the finished bulk packing box and used corrugated paper instead of plastic foam.



Investigating waste plastic since 2021

PRO Taiwan has investigated the amount and weight of waste plastic used in packaging, and discussed with its vendors how to reduce waste plastic for packaging.

Reducing the use of plastics since 2021

Shimano Iberia provides all employees with ceramic mugs and bottles. Instead of using disposable plastics, each employee is responsible for cleaning their own mugs and bottles so that they can be used repeatedly over time.

3. Water Resource Activities

Recycling water since 2012

On its premises of seven acres (about 28,000m²), PEARL iZUMi has nine infiltration basins, which collect all the stormwater runoff from the building exterior, premises, and parking facility. The stormwater is fed back to the ground after being filtered through seven types of sand and soil in the basins.



Recycling water since 2020

Shimano Batam reuses distilled water discharged by ED coating to refill its cooling tower.

Ongoing implementation of water saving program since 2015

Since 2015, Shimano Singapore has aimed to monitor and report on the water consumption of its factories. It has implemented a number of improvement projects, such as reducing water consumption in the cooling tower and reusing air conditioning condensate in the cooling tower.



Reducing water use and recycling water since 2021

Shimano Tianjin is reducing the amount of water used and recycling water in its manufacturing processes.

1. Control of quality and automatic supply of galvanizing cleaning water using conductivity
2. Reuse of cleaning water from the degreasing process in the galvanizing cleaning process
3. After E-coating, the paint impurity content is reduced through advanced filtration equipment and washing is eliminated

Protecting water resources since 1997

Shimano Kunshan has been taking measures to protect water resources. Waste water is treated thoroughly before being discharged.



Recycling water since 2015

Shimano Kunshan recycles the waste water from the production line into pure water after advanced treatment that meets the facility treatment requirements.



Initiatives to Preserve the Local Environment

<Tree-planting campaigns>

Support for reforestation projects since 2021

As a commitment to reduce its impact on the environment, Shimano Europe contributes to Treedom, a platform for reforestation. Together with Treedom, it supports reforestation projects around the world. The company is creating a Shimano MTB Clothing Forest in Madagascar and Guatemala.

Support for million tree project since 2009

Shimano Kunshan cooperates with the "Million Tree Project" tree-planting activity of Shanghai Roots & Shoots, a non-profit organization. It donated 5,000 trees in Maowusu sandy land of Ningxia this year.

Social contribution activities since 2019

PRO Taiwan participates in CSR beach cleaning, tree planting and other environmental protection activities which are held by Shimano Taiwan on holidays.



Ongoing implementation of tree-planting campaigns since 2017

After a massive forest fire that occurred all over Mediterranean coastline, Shimano Turkey donated a total of 2,500 trees to two different nature preservation and animal protection NGOs.

<Cleanup activities>

Implementation of cleanup activities since 2019

In all the fishing tournaments, a cleanup of the area was organized and sponsored by Shimano Turkey.

Trail building and cleanup activities since 2018

Every year, employees of PEARL iZUMi engage in volunteer activities to build and maintain trails. In addition to helping the cycling community, the activities help promote teamwork among employees. This year, in addition to trail-building, employees also cleaned the local bicycle paths.



Implementation of cleanup activities since 2005

As part of its contribution to the community, Shimano Kumamoto continuously implements cleanup activities in the local area.



Support for cleanup activities at fishing locations since 2021

Shimano UK sponsors angling clubs that collect litter around rivers, lakes, canals, beaches and other waterways in the UK.

Participation in reservoir cleanup activities since 2021

Shimano Lianyungang used the National Day holiday to participate in cleanup activities at a reservoir in Chaoyang City.



Participation in Earth Hour activities since 2016

Shimano Kunshan participated in the Earth Hour public welfare activities held in Ting Lin Park, Kunshan. The company promoted environmental protection through green cycling, environmental propaganda, garbage sorting and lights-out.



Implementation of lake cleanup activities since 2021

Led by a team of carp angler employees, Shimano Italia organized a cleanup in the surroundings of Lake Ampollino in the Calabrian Sila basin, in order to protect the clean and waste-free environment that is the essential condition for fishing. Many valuable fish species live in the waters of this lake.

<Reducing environmental impacts>

Reducing electricity use at the office since 2014

At Shimano Turkey, all the appliances in the office are set to consume the least energy possible and the heating is based on isolation first.

Recycling program since 2014

Shimano Singapore has embarked on 3R initiatives to promote waste reduction, reuse and recycling activities. At the waste collection center, waste is segregated into categories such as general, metal, paper, plastic, and e-waste. To improve awareness and manage recycling, since 2021 all types of waste are centralized and reported.

Converting horticulture waste to compost since 2020

Shimano Singapore promotes environmental conservation by creating compost from dead plants. Composting not only reduces waste, but also reduces the use of soil ameliorants and fertilizers. Since 2020, approximately 200kg of compost has been used around the company's premises.



 **Digitizing documentation** since 2021

Shimano Singapore has shifted its review and approval processes from hard-copy to digital format. Information is shared through an e-Notice Board, helping to promote efficiency and record retention management, while minimizing the use of paper and printing.



 **Recycling in break rooms and office spaces** since 2015

Innovative Textiles, Inc. places receptacles in all of its break rooms so that its employees can deposit their recyclables. In addition, boxes for the collection of reusable paper have been placed throughout the office.

 **Acetone recycling** since 2019

At Innovative Textiles, Inc., scrap dye is processed through an industrial solvent recycler that distills out the acetone component of the dye. This acetone can be reused to create new dyes. In this way, the company has reduced the amount of hazardous waste produced by its facilities, and made it possible to ultimately eliminate such waste entirely.



 **Reduction of wastewater from machine cleaning** since 2020

Innovative Textiles, Inc. has installed an evaporative boiler to reduce the volume of wastewater generated by the cleaning of machine components. The use of an ultrasonic tank has improved cleaning efficiency and reduced the need for chemicals. The cleaning process employs the scrubbing power of water to decompose contaminants.

 **Recycling of electronic components and steel** since 2021

Innovative Textiles, Inc. has systematically worked to identify electronic components (computers and keyboards) and steel pieces (drums and scraps) that are no longer usable within its factory. All components and pieces have been recycled through a partnership with a local company.

 **Separation and recycling of paper** since 2021

Instead of garbage bins in the office, Shimano Iberia has placed recycling containers for paper, plastic, and organic garbage (in the canteen). All paper is recycled, so it is all placed in the same container and is not mixed with other materials.

Shimano Green Plan

 since 2004

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

Reducing impact on the environment and users' health

The SGP is a procurement standard that Shimano has adopted with the purpose of providing its customers around the world with products that have a minimum impact on both the environment and users' health. To this end, Shimano has clarified the regulated levels of chemical substances contained in raw materials, parts, and products to be used in Shimano's own products to share the information thoroughly with its partner manufacturers. Shimano occasionally revises the SGP to meet the changing demands of the market and customers, as well as regulations that become increasingly rigorous year by year. While seeking understanding and cooperation from partner manufacturers, Shimano's factories inspect products to confirm their conformance to the SGP by using various analyzers and asking external organizations for analyses when necessary. In this way, Shimano is striving to create the most dependable products.



Initiatives to promote legal compliance

In 2021, Shimano took the following initiatives to further promote legal compliance:

- Preparing to publish a revision of the SGP in response to new laws and regulations
- Sharing information with SGP committee members inside and outside Japan to respond to regulations as a team



Online meeting with SGP committee members located outside of Japan

Responses to inquiries about chemical substances

As a result of growing concern for environment- and health-related issues, increasing numbers of bicycle manufacturers have begun to ask Shimano to comply with their own environmental standards, as well as laws and regulations of relevant countries/regions, including the EU's REACH*1, POPs*2, and RoHS Directive*3. When Shimano receives inquiries from its customers, the company confirms product conformity with the SGP and prepares either reports or declarations of conformity to provide them to the customers concerned.

In addition, the registration and disclosure system for Substances of Very High Concern has begun in the EU, and we have begun disclosing the necessary information in line with its requirements.

*1: Registration, Evaluation, Authorization and Restriction of Chemicals
*2: Convention on Persistent Organic Pollutants
*3: Restriction of Hazardous Substances Directive

Initiatives to enhance Shimano's corporate value

To enable the company to respond in a timely way to the revision of laws and regulations, the requirements of which are becoming increasingly complex, it is essential to detect relevant information in a short time from among accumulated data. To meet this need, Shimano is building online systems that improve the efficiency of information communication and which also reduce paperwork. To enhance Shimano's corporate value, the company will continue to reinforce the control of chemical substances contained in its products throughout the supply chain and promote the development of products that have minimum impacts on the environment and users' health.

Renewal of energy dispersive X-ray fluorescence spectrometer to improve screening inspection capability

In May 2021, Shimano replaced the spectrometer at its headquarters. This is expected to produce the following benefits.

- Expansion of screening targets by increasing the number of elements that can be analyzed by four elements
- Shortened analysis time due to improved functionality
- Realization of increased microanalysis due to improved detection limits
- Improved maintainability by eliminating the need to replenish the liquid nitrogen*4 used for cooling

*4: A liquid that requires careful handling due to its low temperature of -196°C.

Building Confidence

— Collaboration with local communities as a corporate citizen

Donations and Charity Activities

Donating 120,000 masks to Batam since 2021

Shimano Batam in collaboration with Shimano Singapore donated 120,000 masks to the Batam City government in response to COVID-19. These masks were received directly by the Regional Secretary of Batam City.



Donating to a child welfare facility in South Africa since 2021

Shimano Europe has donated to day care centers and schools for children aged 0 to 6 in Banbanani, South Africa, to reduce the risk of malnutrition and child abuse.

Donating to the sports and culture youth support foundation since 2021

Shimano Europe has donated to a foundation that supports the development of physical, mental and social abilities through sports and cultural events for children at risk of poverty.

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

With this in mind, Team Shimano companies across the world play an active role in community activities.

All of the Team Shimano companies plan their original programs to build confidence and carry out these programs steadily on an annual basis. Although continuing some programs involves challenges due to the COVID-19 pandemic, Shimano will offer whatever services within its capacity to help people who need support.

Donating to Make-A-Wish Foundation since 2021

Shimano Europe has donated to this foundation to support seriously ill children fulfill their wishes.

Donating to World Wide Fund for Nature (WWF) since 2021

Shimano Europe has made donations to the WWF to contribute to the bolstering of the connection between people and nature globally in line with Shimano's corporate mission.

Holding and supporting a charity event since 2019

Shimano Experience Center held a charity event in cooperation with hospitals and other public institutions.



Supporting the renovation of a local social welfare foundation building since 2021

To support the local community of Nunspeet, Shimano Benelux has made donations to Het Venster. Founded in 1979, Het Venster is a large social welfare organization jointly run by the private sector and other volunteers. Donations are used as a portion of the cost of building renovations.



Participating in the Heart Foundation campaign since 2020

The national charity fund Heart Foundation runs a campaign which is focused on creating awareness with employees about the risk of high blood pressure. Shimano Benelux B.V. participates in this campaign to raise employee awareness and to establish an annual blood pressure measurement day.

Participation in Nobel Gift activities since 2015

Shimano Polska continues to participate in the uniquely Polish philanthropic "Nobel Gift" program during the Christmas season, where people make donations and give gifts to the disadvantaged to give them joy and happiness during the holidays.

Donating sanitizer to local communities since 2021

Shimano Malaysia has donated disinfectants in order to stem the spread of COVID-19 in local groups such as schools, fire departments and police stations, and facilities for the elderly.



Donating masks to local communities since 2021

In response to a local COVID-19 cluster outbreak in Pekan Nanas, Shimano Malaysia donated masks in cooperation with affiliate companies to protect employees, customers, surrounding areas, society as a whole, and all stakeholders.



Supporting a charity fishing event since 1999

Together with ambassadors from sports, media, and business, Shimano Germany supports "Royal Fishing Kinderhilfe," a charity fishing event for underprivileged children.



Supporting a charity event since 2009

Shimano Germany provides products, cooperate in promotions, and make donations to support activities for young people such as children's hospice and charity events.



Orphanage donation activities since 2014

Each month, Shimano Cambodia visits local orphanages and training facilities to make a one-ton donation of rice.

Donating food to charity groups since 2010

During Shimano Fest, Shimano Latin America bicycle event, we solicit participants for 1 kilogram donation of food. This year, since Shimano Fest was held online for the first time due to COVID-19, a large-scale campaign was launched nationwide through SNS, and service centers in each region acted as reception locations for food donations. In the end, we donated over six tons of food collected at 95 bicycle dealers in 70 cities nationwide to charities.



China **Activities for the benefit of children** since 2021

Employees of Shimano Lianyungang visited children in a rehabilitation hospital.



China **Activities to promote the health and hygiene of local residents** since 2021

To promote health and hygiene during COVID-19, Shimano Singapore and Shimano Cambodia collaborated to donate 1,098 boxes of masks, 450 liters of disinfectant, and 1,200 bottles of drinking water to Shimano Cambodia employees, neighborhood residents, and local governments.

Malaysia **Supporting single mother employees** since 2017

Shimano Malaysia provides support to single-mother employees during the Islamic Eid al-Fitr holiday.



United Kingdom **The Fox Fishing & Golf Festival** since 2021

Shimano New Zealand (SNZ) hosted the Fox Fishing & Golf Festival event at Waihi Beach. Participants competed in fishing and golf skills in groups of four. SNZ staff participated alongside our customers to help collect donations in order to assist local coastal security and lifesaving.



Support of Education

Hungary **JINC (work training / support program)** since 2021

Shimano Europe held "Baasvan morgen, Tomorrow's boss" as part of the JINC program. The goal of the JINC program is to ensure that the future careers of children are not affected by the environments in which they were raised.



Hungary **Planning and implementing programs for children** since 2019

Shimano Experience Center plans and implements programs to allow children to learn how to safely handle bicycles and fishing rods, and to experience nature for themselves.



Malaysia **Providing scholarships to university students** since 2019

Shimano Malaysia has teamed up with Tunku Abdul Rahman University College (TARUC) to provide scholarships to outstanding students who merit a higher education.



USA **Internship program for students** since 2014

In partnership with Colorado Mesa University, Innovative Textiles, Inc. provides internship programs for students majoring in human resources, engineering, information technologies, and accounting/finance.

USA **Inviting university students to the factory** since 2014

To reinforce partnerships with Colorado Mesa University, Innovative Textiles, Inc. annually invites students of the university to the company to tour the factory.

USA **Apprenticeship programs for high school students** since 2014

In partnership with an occupational training program in the local school district, Innovative Textiles Inc. provides high school students with apprenticeship programs in which they can learn the roles of logistics technicians and maintenance technicians.



China **Interaction with local elementary school students** since 2014

Shimano Kunshan held a painting contest in Qianjing Primary School with the theme of "cycling and fishing", and awarded prizes to the winning students.



Taiwan **Cleaning at an independent support group facility** since 2018

Shimano Taiwan employees and their families headed out to help clean the facilities of organizations that train and support children with intellectual disabilities to become independent, confident, and capable in their daily lives.



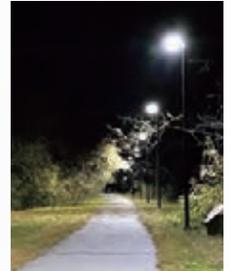
Promoting Use of Bicycles in Local Communities

Hungary **Supporting bicycle safety for children** since 2021

Shimano Europe has donated to VVN (Dutch Traffic Safety Association) to help improve traffic safety for children who bike to school. The goal of this activity was to raise awareness towards the correct use of bicycle lights.

Canada **Donating to get lights installed on bicycle roads** since 2021

Shimano Canada supported a project in its hometown of Peterborough, Ontario, Canada. In the middle of Peterborough there is an old railway that has been converted to a bicycle and walking path. This path is heavily used by many cyclist including SCL staff when they are commuting by bicycle to work. SCL made a donation to help install lights along the "Rotary Trail".



Singapore **Bicycle air-pump station** since 2015

Although there are fewer events at our traffic safety park to prevent COVID-19 infections, Shimano Singapore regularly cleans and cares for bicycle pumps and maintains bicycle air pump stations.

Hungary **MTB TRAIL REWARDS: Gold medal** since 2019

As one of the toughest mountain bike tracks in the Netherlands, the Valkenburg Shimano Track, which starts near the Shimano Experience Center, won the gold medal at the MTB TRAIL REWARDS.



USA **Pedal to Zero campaign** since 2021

PEARL iZUMi introduced a new consumer campaign called Pedal to Zero that measures the CO2 equivalent of producing each BikeStyle garment and then calculates how far the consumer needs to ride their bike instead of driving a car to create their own carbon offset.



Some Thoughts about the Social Activity Report 2021



Toshihiko Fujie

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

The COVID-19 pandemic has continued to drag on and people want to return to their normal lives. However, a feeling of hopelessness at how powerless even modern civilization is against infectious disease has made it difficult for people to fully envision the future. In light of this all, I believe that Shimano has played an important role in providing people with happiness and health through nature and the world around us, bicycles, and fishing. The company's increase in income and profits is proof of that.

This year's Social Activity Report tackles the subject of the kind of value that only Shimano can create, while showing how each company has cleverly adapted to the times in conducting social activities. My summary here focuses on four main topics.

<Enhancing Corporate Value>

Concerning the bicycle components business, the company increased the speed of their flagship road bike components "DURA-ACE" to the maximum, and introduced a new "ULTEGRA" model in order to provide a better quality ride, meeting the demands of users. Concerning the fishing tackle business, the company brought their powerful and durable reels and rods to the next level for use in all kinds of fields, for increased rod stability and reliability. "NRX+T2S" received the "Fly Fishing" award at ICAST, one of the largest fishing tackle exhibition in the US, and I believe that this product will definitely serve a role in helping to create value with users.

Concerning educational and training programs for its employees, Shimano continues to hold seminars and online classes on the foundations and essentials of enhancing corporate value. Of particular note from a mental health perspective is the stress reduction training conducted in Turkey.

In Tianjin, China, employees conduct drills on providing first-aid while waiting for medical workers to arrive, showing how serious they are about occupational health and safety. I hope the company will continue to conduct disaster response drills in its locations all over the world, to prepare for the effects of climate change and global warming.

As the strength of the "SHIMANO" brand increases, we have begun to see the release of counterfeit goods. Counterfeit goods including repair parts have been found in markets all over the world, and the company is taking action. They should adopt

a tough stance. Although the company has taken action against suspicious sites online falsely carrying the Shimano name, this problem will only get worse as the world shifts increasingly toward digital. Implementing a system to determine the URL of official sites was the right thing to do, but the company will need to continue to ensure that it adopts the latest security measures.

With regard to promoting compliance, Shimano has established a "Code of Conduct," "Compliance Rules," and "Compliance Guidelines," and has continued to enhance "cultivation of awareness," "mastery of knowledge," and "encouragement of action" toward ensuring compliance with these documents. One of the 22 topics included in the guidelines is covered each month, and I was shocked to hear that 97% of employees attend. Shimano conducts compliance awareness surveys on all employees, and then reflects the results in e-learning. This shows how serious they are about developing "awareness of their responsibility as businesspersons." The company has also established the so-called "Vendor Code of Conduct" and requests that partner manufacturers understand it and put it into practice, in order to enhance the protection of human rights throughout its supply chain. This is truly a praiseworthy effort. Some European companies are required to accept rules on surveying human rights protections and compliance. Shimano will need to go beyond simply complying with rules, and will need to become capable of sufficiently explaining and advocating its own ideas.

As a "development-oriented digital manufacturing company," the Technology Innovation Center serves a central role in creating value to advance manufacturing planning, R&D, and design. Shimano already has intelligent plants that make use of IoT running in Sakai (head factory) and Shimonoseki in Japan, in Singapore, and in Kunshan City in China. These will be important sites for taking the lead in planning and production for future societies.

Shimano prepared "Guidelines for Preventing COVID-19 Infections" in March 2020, and implemented other measures as required, in order to help prevent the spread of COVID-19. The company took an orthodox stance in implementing these measures, and it is due to the serious efforts of employees that there were no clusters of infection at the headquarters. At its European locations, the strong focus on health of Team Shimano was seen in various efforts, such as implementing total or partial remote work policies, installing protective screens in offices, and providing workplace vaccinations for employees, their family members, and employees of partner manufacturers. Shimano obtained certification in ISO45001, an international standard on occupational health and safety, in September. This applies not to only Shimano employees, but also to nearby residents, customers, and even partner manufacturers. Social factors such as harassment and bullying were added as hazard sources, further increasing the sociality of the company. "Safety Rule Book" was prepared at Sakai Intelligent Plant, containing information such as dress codes and emergency response measures. It should serve as an effective tool in spreading knowledge among employees. The Space for Safety and Quality Education located in the headquarters building serve as "places to learn about safety and quality" where employees can drill and experience events based on serious accidents and quality issues that have occurred in the past, in an intuitive manner. Having these resources near at hand should serve to increase both awareness and understanding among employees.

The COVID-19 pandemic has resulted in an increase in bicycle traffic even in urban areas. Around 40% of employees at

Shimano's headquarters are registered as commuting to work by bicycle, and the company provides various benefits and facilities for these employees. I would have liked the company to discuss this and provide some future goals in their report. I also would have liked to see coverage of some of the new work styles that have been adopted recently, such as remote work and "workations."

<Creating Exhilarating Joy>

In order for people to fully enjoy cycling, fishing, and rowing, Shimano has introduced four pillars for creating culture, as "endeavors to create new cycling and fishing cultures." The first pillar is to engage in joint research with universities and research institutions on the topic of bicycles and health, share results with regional governments, and release information on websites and in free newspapers.

These in combination with publishing information in PR magazines, websites, and other cross-media under the belief that "fishing is culture" are what I believe to be activities of cultural significance. The second pillar is to support bicycle races, from the professional to the amateur level. Shimano was selected as the sole supplier of racing equipment and repair service during the Tokyo Olympic and Paralympic Games, and served as a neutral support partner during races held by A.S.O., a French organization that holds worldwide sporting events. Shimano also sponsors both professional and amateur teams, provides support during para-cycling events, and contributes significantly to the sport of racing in general. The third pillar is to hold and support various events in order to create new opportunities for enjoyment. Shimano provides opportunities such as "Shimano Suzuka Road," one of Japan's largest cycling events open to participation by anyone, from children to adults. It also holds and supports all kinds of races in locations all over the world. Although some events may have been canceled due to the COVID-19 pandemic, the company's continuous cultural endeavors are worth noting. The fourth pillar is developing locations to spread culture, by setting up locations all over the world to broaden the minds of people interesting in cycling and fishing. Shimano has continued to play an important role in developing cycling and fishing culture through such events as "OVE" in Aoyama, Tokyo (15th straight year), "CYCLING WORLD" in Singapore (7th year), and "SHIMANO SQUARE" in Umeda, Osaka (4th year). These events surely play an important role in attracting new customers and fans to the company. The "Shimano Bicycle Museum" located in Shimano's hometown of Sakai City was relocated and reopened in March 2022. It should serve as an excellent site for exhibiting and experience cycling under its concept of "making every visitor want to ride."

<Taking Care of the Environment>

Shimano sees the preservation and improvement of the environment as a critical issue, and continues efforts to reduce its environmental impact. The company has introduced renewable energy in its Sakai Head Factory, Shimano Kumamoto Co., Ltd., and its Shimonoseki Factory in order to reduce CO2 emissions, has identified "energy conservation" as an important issue to tackle, and has pursued a policy of achieving total energy efficiency balanced with productivity. Impressively, while the CO2 emissions graph included in this report shows a decreasing trend from 2017, company sales have actually increased. The company has been meticulous in its efforts to reduce its carbon footprint, such as reducing the use of plastic bags used as packaging and using paper or recycled paper instead. Their efforts to visualize and reduce water intake in their factories both inside and outside Japan are especially worth noting, and their forward-thinking stance on water shortage risks is particularly praiseworthy. The company is also engaged in several meaningful SDG efforts, including conserving energy in factories in locations all over the world, making use of solar power, reducing the use of plastic, reusing water, and conserving water resources. Since 2004, Shimano has notified and worked together with partner manufacturers on the Shimano Green Plan (SGP), which the company continues to revise in response to law and regulations revisions and customer requests, while also contributing toward improving and preserving the environment.

<Building Confidence>

Shimano has locations all over the world, and participating in and working with local communities as a corporate citizen is described as the ideal for Shimano in this report. In order to build confidence during the COVID-19 pandemic, Team Shimano companies installed lighting on roads used by bicycle commuters, donated masks and sanitizer to local communities, and engaged in a wide range of social contribution activities.

This report revealed the results of many activities conducted in order to create value through nature and the world around us and to bring health and happiness to people, as the pandemic continues to spread around the world. I would like to recognize Shimano for its efforts toward achieving SDGs in regions all over the world. Shimano works with people to create value through its bicycle and fishing products as well as the wide range of social contribution activities in which the company is engaged, and I hope that it will give hope to people for a life "beyond COVID-19." I believe that this will lead to social empowerment.

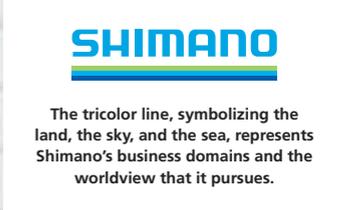


SHIMANO Corporate Profile



Shimano Tricolor Project

On the centennial anniversary of Shimano's founding, we adopted our new corporate brand logo, featuring a tricolor line representing our mission. We then launched the Shimano Tricolor Project, in which we engage with the environment, society, and culture under the key words of humanity and nature.



Shimano sees nature as a field for business development. We value "environment (Preserving a beautiful global environment)," "society (Supporting healthy and safe daily lives of people)," and "culture (Promoting cultural creation)," and actively participate in various activities in order to play a role as a corporate citizen in realizing a sustainable society.



Preserving a beautiful global environment



Supporting healthy and safe daily lives of people



Promoting cultural creation

Development-oriented Digital Manufacturing Company

As a development-oriented digital manufacturing company, Shimano makes use of digital technology in research and development, manufacturing systems, and in our products themselves.

We are engaged in Shimano Digital Manufacturing (SDM) and other Digital Transformation (DX) efforts in order to respond to changes in social and business environments, and we continue to transform our business model in order to meet the needs of customers, society, and our employees.



Growth as a "Value Creating Company"

Shimano creates new value to promote health and happiness through the enjoyment of nature and the world around us.

Based on this mission, Shimano makes use of advanced technology to manufacture truly reliable products.

We will continue to develop as a "Value Creating Company" that contributes to the creation of bicycle and fishing culture, by providing "captivating products" as a development-oriented digital manufacturing company.

Captivating products

■ Bicycle components

Modern society is pursuing environmental policies at a global level. Bicycles are an excellent means of transportation with only a minimal environmental impact, and are attracting much attention as means of smart mobility appropriate for the coming age. Shimano provides high-quality, high-performance parts for bicycles used all over the world, from bicycles used by the best racers in the world during competitions, to bicycles used for daily transportation and enjoyment.



■ Fishing tackle

Fishing is now covered in literature, science, and documentaries. We provide fishing tackles and value activities aimed at introducing more people to the joy of fishing, in order for people to enjoy fishing as a cultural activity and to create a new fishing culture.



■ Rowing Equipment

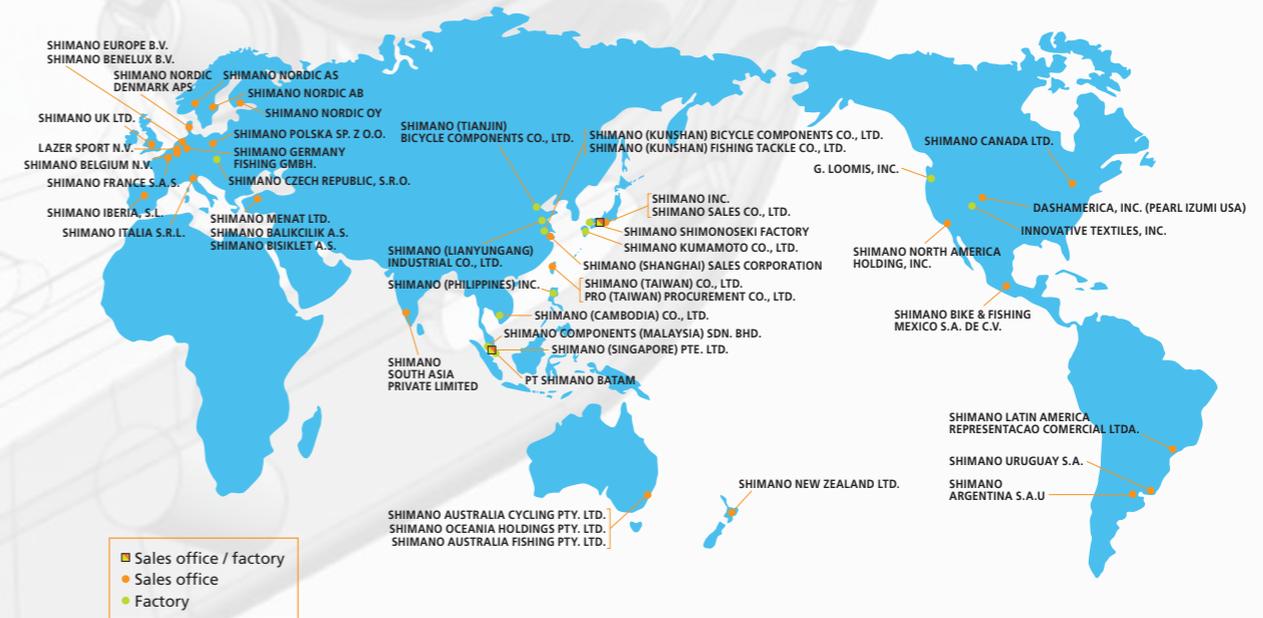
The sensation of gliding on water, the feeling of unity with one's teammates, and the sense of nature and the world around us. People all over the world find much to enjoy about boat races. Shimano is now taking the technologies we have developed and leveraging them in the world of rowing.



Photo: courtesy of PLACEMEDIA

Company Profile

Company Name:	SHIMANO INC.
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Contact Information:	General Affairs Administration TEL: +81-72-223-3210 Corporate Communications TEL: +81-72-223-3957
URL:	www.shimano.com
Date of Establishment:	February 1921
Date of Incorporation:	January 1940
Paid-in Capital:	JPY 35.6 billion
Stock Exchange Listings:	The First Section of the Tokyo Stock Exchange
Number of Employees:	1,526 (SHIMANO INC. only) 13,198 (consolidated) (As of December 31, 2021)
Main Business:	Development, production and distribution of bicycle components, fishing tackle and rowing equipment
Consolidated Subsidiaries:	51 (As of December 31, 2021)





SHIMANO INC.

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