

# Shimano Tricolor Report

— To Contribute to the Creation of a Sustainable World

[January 1 — December 31, 2022]



**SHIMANO**

## To Create a Sustainable World

Currently, a major concern of our society is how to achieve the Sustainable Development Goals (SDGs). Among the 17 goals, Shimano focuses its efforts particularly on the following three goals: decent work and economic growth, responsible consumption and production, and climate action. In 2021, on the 100th anniversary of Shimano's founding, the company started the Shimano Tricolor Project, comprising various programs concerning the environment, society, and culture, in line with the company's tag line: Closer to Nature, Closer to People. This report introduces these programs in the following two parts:

- I. Contributing to the Creation of a Sustainable World — Shimano's Initiatives to Achieve SDGs
- II. Fostering Corporate Culture — Closer to Nature, Closer to People

Shimano hopes that this report will help readers understand the view of the world Shimano is pursuing to achieve, along with the meaning of the company's existence.



On the centennial anniversary of its founding, Shimano started the Shimano Tricolor Project and established a new Corporate Brand Logo, which represents Shimano's corporate mission. The logo features a tricolor line with each color symbolizing the land, sky, and sea. At the same time, the tricolor line represents Shimano's business domains and the view of the world it is pursuing to achieve.

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## On Issuance of the Shimano Tricolor Report



Since 1921, when its founder, Shozaburo Shimano, opened a small ironworks in Sakai, Osaka, Shimano has consistently operated its business while constantly devoting itself to developing various innovative technologies. In this regard, I would like to express my deepest gratitude to you for your generous support of Shimano over the past century.

Looking back at last year, we saw various activities and interaction programs being resumed on a full scale, even though it remained difficult to forecast the termination of the COVID-19 pandemic. At the same time, people have begun to pay greater than ever attention to promoting good health and protecting the environment, partly driven by their own aspirations for a healthier lifestyle and partly by measures taken across the world to mitigate the impacts of climate change. In this environment, we have renewed our resolve to continue and evolve our social activities and to contribute further to the creation of a sustainable society in line with Shimano’s corporate mission. With this resolution, we decided to rename the annually published Social Activity Report as the Shimano Tricolor Report.

“Shimano Tricolor” refers to the tricolor line in Shimano’s Corporate Brand Logo. The light green symbolizes the land, blue symbolizes the sky, and deep blue symbolizes the sea. These colors represent Shimano’s business domains and the worldview that it pursues.

In line with its corporate mission, “To promote health and happiness through the enjoyment of nature and the world around us,” Shimano will continue to supply Captivating Products to help its users enjoy a healthy lifestyle. At the same time, we will dedicate ourselves to environmentally conscious manufacturing and activities to contribute to local communities so that we can help build a sustainable society and create enriched cycling and fishing cultures.

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

**Taizo Shimano**  
President, SHIMANO INC.

# I

## Contributing to the Creation of a Sustainable World

### — Shimano's Initiatives to Achieve SDGs

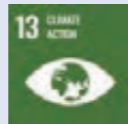
Shimano is engaged in various programs in line with its corporate mission. Fulfilling its corporate social responsibility is an essential part of its mission, and this also helps achieve the Sustainable Development Goals (SDGs). Among the 17 goals of the SDGs, Shimano focuses its efforts particularly on the following three goals: decent work and economic growth, responsible consumption and production, and climate action. This part introduces Shimano's initiatives to fulfill the SDGs, particularly those taken in 2022.



[8] Decent work and economic growth



[12] Responsible consumption and production



[13] Climate action



Photo credits: Place Media

### ■ Creating a Healthy Workplace Environment ..... 08

The relevant section in this report introduces various initiatives related to *people*, including initiatives to create a lively workplace atmosphere and to promote occupational health and safety.



### ■ Evolving as a Development-Oriented Digital Manufacturing Company ..... 14

Shimano makes effective use of digital technology in research and development, its production systems, and its products themselves. The relevant section in this report introduces Shimano's initiatives to develop innovative Captivating Products and to evolve Shimano as a development-oriented digital manufacturing company, along with the project of the Shimano Singapore Intelligent Plant, featuring high-efficient production systems.



### ■ Working to Protect the Global Environment ..... 18

Preserving the global environment is a critical issue for Shimano since it offers products to be used in natural settings. To contribute to the preservation of the environment, Shimano is engaged in various activities, including those to cut CO<sub>2</sub> emissions, reduce the use of single-use plastics, and install energy-efficient facilities, such as electric carburizing furnaces. These initiatives are introduced in the relevant section.



### ■ Promoting Bicycle Commuting ..... 26

Shimano encourages its employees to commute by bicycle. Over the past few years, increasing attention has been paid to bicycle commuting since it is good for health and riders can avoid rush hours/traffic jams, as well as the risk of COVID-19 infections. This section introduces various initiatives taken to promote bicycle commuting, particularly those taken at the headquarters.



## ■ Creating a Healthy Workplace Environment

### 1. Initiatives to Develop Human Resources

Team Shimano's companies worldwide organize seminars to share with their employees Shimano's corporate mission, spirit of manufacturing, and corporate culture. In 2022, various programs were carried out to build the capacity of individual staff members and enhance their spirit of teamwork. In addition to practical knowledge related to their business, participants in these programs learned the essence of Shimano's spirit, which has remained unchanged and will stay unchanged for the coming years. These programs were designed to deepen employees' understanding of Shimano and to strengthen the unity of Team Shimano members throughout the world.

#### ■ To Enhance the Capacity of Individuals and Organizations

##### Progressive training for employees at specific career stages (Japan)

The headquarters of Shimano annually holds progressive training for employees at specific career stages. The training for new employees is designed to cultivate participants' awareness of their responsibility as members of the society and to deepen their understanding about Shimano. The program for employees in their second year encourages them to review their achievements in the first year and to set their own goals to become self-reliant in the third year. Employees in their third year are encouraged to review how self-reliant they were, consider their future careers, and set their goals to achieve at Shimano. Practical training is also offered to employees who have been promoted to managing positions so that they can obtain perspectives necessary for their positions.

##### Online classes (Japan)

The headquarters of Shimano offers online classes to enable its staff members to learn spontaneously. In addition to language lessons, they can take preparation courses for licenses for professional skills and knowledge needed for businesspersons. The headquarters also offers subsidization of part of the tuition fees of online classes operated by external organizations.

##### English courses (Turkey) Since 2020

To enhance employees' communication capacity among Team Shimano members worldwide, Shimano Turkey offers online English courses twice a week.

##### Training courses to deepen self-understanding (United Kingdom) Since 2021

Shimano UK offers training courses to enable its staff members to have a good understanding of self, both strengths and weaknesses, to develop effective strategies for interaction, and to better respond to the demands of their workplace environment.



##### Training program for leaders of sales representatives (China) Since 2012

Shimano Shanghai annually organizes a training program for leaders of sales representatives. Themes of the program for the coming three years are determined based on the results of a survey about needs of employees and departments. Through this training program, participants are expected to enhance their business skills and personal abilities, including those related to leadership, communication, sales, and innovation.



##### Management competency training (China) Since 2012

Shimano Shanghai provides competency training to managers and supervisors twice a year. In addition to the knowledge and skills directly related to their tasks, they learn management methods and philosophy so that they can steadily improve their abilities and create value for Team Shimano.

##### Cross-training Programs (U.S.A.) Since 2017

Innovative Textiles provides its employees with the opportunity to move throughout the building to learn the skills they need to work in other departments. This system proved to be effective in enhancing their motivation and engagement.

##### Long-service awards (China) Since 2014

Shimano Kunshan commends the employees who have served the company for many years in recognition of their dedication to the company. In 2022, 195 employees were awarded.



### Internship program for students (U.S.A.)

Since 2014

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



### Inviting university students (U.S.A.) Since 2014

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



### Scholarship program (Malaysia) Since 2019

Shimano Malaysia operates a scholarship program to support excellent undergraduate students of selected colleges.



### Internship Cycling Engagement Program (Singapore)

Since 2017

Shimano Singapore conducts the Internship Cycling Engagement Program once or twice a year to raise students' interest in Shimano, offer better knowledge about bicycle components, and deepen their understanding of cycling as sports.



### To Create a Lively Workplace Atmosphere

#### Shimano Drinking (Japan)

Shimano Drinking is the name of an in-house cycling club formed in 1978. 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 so that they are reflected in the development of new models.



#### Enriching club activities (Japan)

At the headquarters of Shimano, there are various clubs, including baseball, futsal, flower arrangement, kimono dressing, baseball, and fishing. Since club activities, which are held regularly, promote friendship among staff members of different sections and generations, and are effective in creating a workplace atmosphere good for both physical and mental health.

#### Health seminars (Japan)

At the headquarters of Shimano, counselors of the in-house health management office hold seminars to offer self-care tips for working vigorously. Participants learn how to manage their stress, which is sometimes caused by favorable changes as well as unfavorable changes, and how to stay vivid in both private and business lives.

#### In-house fishing events on anniversaries (China)

To celebrate the 30th anniversary of Shimano Kunshan Bicycle Components and the 20th anniversary of Shimano Kunshan Fishing, a fishing competition was held in 2022. The event was designed to enrich the staff members' leisure activities and to promote fishing culture.



#### Running event (China) Since 2022

Shimano Tianjin organized an in-house running event with the theme "Running toward the sun, running toward happiness." Keeping both mental and physical health through running complies with the vision expressed in Shimano's tagline "Closer to Nature, Closer to People." At the same time, it helps employees battle against infectious diseases, including COVID-19.



## 2. Occupational Health and Safety

In 2018, the Sakai Intelligent Plant started the *Shu-Ha-Ri* Project, aimed at creating a healthy workplace free from occupational injuries. At present, the company takes the following two approaches: creating a safe workplace environment and raising safety awareness of individual staff members. As essential tasks at the frontline, an operation manual is prepared and training is provided to ensure that all frontline workers follow the methods and procedures specified in the operation manual. In addition, Shimano offers safety education to raise safety awareness of staff members so that they will become more sensitive to risks and able to take appropriate measures if they detect any.

In 2020, the *Shu-Ha-Ri* Project was launched at the Shimano Shimonoseki Factory. In this project, the Shimonoseki Factory prepares new operation manuals and is steadily cultivating employees' safety awareness. In addition to promoting the project inside Japan, Shimano launched this project in Malaysia in 2022. The company plans to launch the project in other countries, as well. Pursuing both a safe environment and safety-conscious workers, Shimano will continue its commitment to improve the safety of all stakeholders.

### BISH (Basic Industrial Safety & Health Incident Control) (Indonesia)

Since 2022

Shimano Batam offers a training program for members of the Safety Committee and executives. The program is aimed at deepening the understanding of participants about their roles and responsibilities for safety and health management and at building their capacity to identify occupational health hazards and determine control measures.



### Emergency drills (Indonesia) Since 2012

Shimano Batam annually conducts fire drills. In addition to preparing for fires, the drills include evacuation training in case of a natural disaster and any other emergency events.



### Emergency evacuation and fire drill (Cambodia) Since 2022

Shimano Cambodia conducted an emergency evacuation and fire drill, in which 513 employees participated. The drill also involved the company's Emergency Response Team, the Safety Committee, and experts from a local fire station. At the drill, employees learned the mechanism of extinguishers and fire hoses, as well as how to use them. They also learned how to evacuate from their workplace and reach a safe assembly site within five minutes.



### AED seminars (Japan) Since 2017

Shimano Sales holds seminars on an automated external defibrillator (AED) to raise its staff members' safety and health awareness. Inviting nurses and emergency medical technicians as instructors, the seminars offer practical training on how to use an AED and procedures of emergency medical care. The target audience of the seminars includes members of the fire and disaster prevention team responsible for emergency medical care, as well as other staff members desiring to attend the seminars. Offering a learning opportunity to as many people as possible, Shimano Sales intends to reinforce its occupational health and safety systems.

### Employee-friendly Workplace Environments

In line with its business policy of "striving to provide a fair and vibrant work environment where all can share in the pleasure and satisfaction that come with achievement," the headquarters of Shimano is diligently working to create employee-friendly workplace environments. It is striving to address each employee's diverse work-style needs and achieve a favorable work-life balance. In April 2022, headquarters expanded its flextime program, introduced a system for taking hourly paid leave, and implemented a remote work program to allow for flexible work styles without regard to "time" or "place."

### Consideration of Human Rights in Transactions with Business Partners

In addition to viewing Shimano's business partners as its equals, the company believes that Captivating Products start with building relationships of mutual support and sharing joy with business partners. Shimano revised the Vendor Code of Conduct in 2021 and has been working to obtain its acceptance and understanding from business partners inside and outside Japan, and it has received written agreements to observe the code from roughly 96% of the suppliers of Shimano products. Shimano is also putting in place a monitoring system (written evaluations using self-survey forms, on-site audits, visits, etc.) to ensure the compliance of its business partners.



## ■ Evolving as a Development-Oriented Digital Manufacturing Company



### 1. Developing Innovative Products

#### ■ Recognized as One of the Clarivate Top 100 Global Innovators 2022

In recognition of Shimano's achievements in relation to intellectual properties, Shimano has been certified as one of the top 100 global innovators by Clarivate Plc, a global company providing information services (headquarters in Philadelphia, U.S.A.). At Shimano, the development team and the intellectual property team begin collaborating in the early stage of inventions to promote value creation in joint efforts.



#### Clarivate Top 100 Global Innovators

Clarivate Plc selects the Top 100 Global Innovators, based on strict and objective data extracted from the Derwent World Patents Index (DWPI), a major global database possessed by Clarivate Plc that contains patent applications and grants, and Derwent Innovation, a platform for surveying and analyzing patents. The major criteria for the selection include being innovative, being eager to protect intellectual property rights, and having inventions of global influence. Candidate companies are evaluated in two steps. In the first step, they are evaluated based on volume of inventive activity. In the second step, evaluation is conducted based on the following four factors: Influence, Success, Globalization, and Rarity.

#### ■ A Groupset for Road Bicycles — the SHIMANO 105 R7100 Series

Developed with the concept of "It's a New Day," the groupset has been designed to meet a wide variety of riding styles of diverse users. Adopting an electronic shifting system, the groupset features a compact lever designed to reduce the load on the hands and improve the ease of shifting and riding. Users can also select the optimal gear ratio for any terrain, particularly a steep uphill. Moreover, the brake system ensures that users can control speed at their will. The SHIMANO 105 R7100 series ensures that users of a conventional mechanical groupset can enjoy even more exciting road cycling.



SHIMANO 105 R7100 series

#### ■ Spinning Reel — the Stella Series

The Stella series, the flagship model of Shimano's spinning reels, has been developed in the pursuit of optimal reeling and casting performances, both being major properties needed for reels. In addition to the improvement of specifications, Shimano has been seeking performance that appeals to human sensitivity. Moreover, a design of outstanding presence and deep dignity has been sought to represent the harmony between people and nature.



STELLA



## 2.Promoting Digital Transformation

Currently, manufacturers worldwide are shifting their labor-intensive production systems to autonomous systems featuring the use of digital data and AI. This change is known as the fourth Industrial Revolution. Amid this environment, Shimano has been innovating its manufacturing systems to transform itself into a knowledge-intensive company and ultimately to become a development-oriented digital manufacturing company. Under the Shimano Digital Manufacturing (SDM) project, the company is promoting thorough digitalization and automation to enhance manufacturing speed and efficiency. The time saved through digitalization will be used for a quest of the essential value that is recognizable only by human sensitivity, which is still difficult for digital technologies to satisfy completely, and for creating still more Captivating Products that appeal to users' five senses. In 2022, Shimano established the Shimano Digital Administration (SDA) Development Division, which is leading reforms of administrative sections responsible for personnel affairs, general affairs, accounting, corporate governance, etc. Through the reforms, the SDA Development Division works to improve business efficiency and create a workplace environment friendly to staff members. Unifying company-wide efforts, Shimano seeks to evolve further as a development-oriented digital manufacturing company.



## 3.Improving Manufacturing Efficiency to Create New Value Establishment of the Shimano Singapore Intelligent Plant

In 2022, the Shimano Singapore Intelligent Plant (SSIP) started its operations. To enhance manufacturing efficiency, the factory floors were made as flat as possible. On basement floors, there are chip recovery systems to collect chips discarded from production lines and a metal die factory. The office of the production team has large windows, through which the factory floors can be observed. Moreover, through the use of IIoT\*1, the SSIP adopts an integrated management system that covers all production processes, energy control, and building management. To reinforce its functions as a logistic hub, the SSIP has a larger logistic center than that of the former factory. In the biotope garden on the roof of the factory, dozens of plants are grown that suit the climate of Singapore. Moreover, the SSIP optimizes energy efficiency on its factory floors and uses LEDs for lighting of the entire building. As a result, the energy consumption has decreased from the level of the previous factory. For building materials, certified, low VOC\*2 emitting materials have been used in order to reduce the



negative impact on workers' health. In addition, sustainable construction methods were adopted to lower the carbon footprint\*3. Adopting various other measures to reduce impacts on the environment, the SSIP is operated as a "green factory" that serves sustainability.

\*1: Industrial Internet of Things

\*2: Volatile Organic Compound

\*3: The total greenhouse gas emitted throughout a product lifecycle (from the purchase of raw materials to discarding/recycling), expressed in terms of carbon dioxide equivalent



# Working to Protect the Global Environment

## 1.Measuring CO<sub>2</sub> Emissions and Addressing Climate Change

Preserving and restoring the global environment is a critical issue for Shimano since it offers products to be used in natural settings. To contribute to the preservation of the beautiful global environment, Shimano believes that the company must continue various initiatives that it is taking to reduce negative impacts on the environment. At the same time, Shimano believes that contributing to the creation of a sustainable society helps enhance Shimano's competitiveness. Based on this recognition, Shimano works to assess negative impacts of climate change on Shimano's business along with opportunities that the company can take to address the problems. To fulfill its responsibility as a development-oriented digital manufacturing company, Shimano is also promoting recycling of resources. Described below are a few of the initiatives taken by Shimano to help build a sustainable society.

### Addressing Climate Change

Shimano is striving to reduce CO<sub>2</sub> emissions by creating a highly efficient value creation structure that eliminates waste, by reducing energy consumption, and by promoting a transition to renewable energy.

- Constructing a new factory in Singapore that achieves highly efficient manufacturing and energy savings
- Switching from equipment that burns fossil fuels to electrical equipment
- Purchasing renewable energy certificates at certain overseas factories
- Continuing in 2022 the purchase of electricity generated by renewable sources, which began in roughly the summer of 2021, and achieving a level of renewable energy-derived electricity of 99% of the electrical power used at Japanese manufacturing sites



### Tree planting (Australia) Since 2017

Shimano Australia sponsors and supports the OZFISH tree planting program, which assists the replanting of native plants to ensure the sustainability of local waterways across Australia.



### Planting nursery trees (Taiwan) Since 2019

Shimano Taiwan was involved in a "planting nursery trees" campaign. Its employees and their family members participated in the tree planting program held by an NPO to preserve a healthy natural environment.

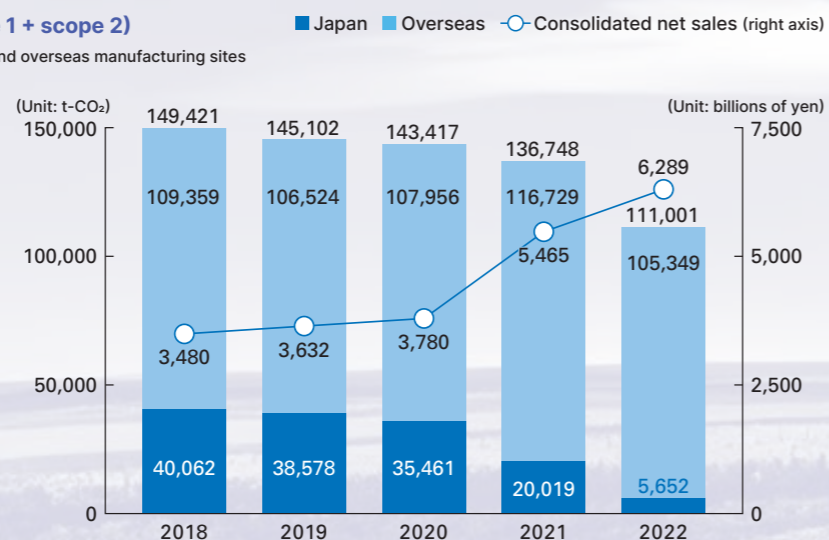


### Controlling room temperatures (Japan) Since 2017

To control CO<sub>2</sub> emissions, Shimano Sales has reviewed the room temperatures set by air conditioning systems in its facilities. Raising employees' awareness about the importance of controlling room temperatures, the company is promoting energy conservation of the entire building.

### CO<sub>2</sub> Emissions (scope 1 + scope 2)

\* Scope of aggregation: all domestic and overseas manufacturing sites



\* 2022 CO<sub>2</sub> emissions are calculated using actual amounts for January through November and an estimate for December.

## 2.Reducing the Use of Single-Use Plastics and the Recycling of Resources

### Recycling of single-use plastics used for logistics (Japan)

Since 2018

Shimano is dedicated to the recycling of plastics used for logistics, such as resin pallets, containers, and stretch films\*1.

At the Shimano Shimonoseki Factory, since 2018, the volume of disposed resin pallets and containers has been kept at zero. They are supplied to a nearby company as valuable resources\*2 for recycling. To reduce the volume of waste plastics, the headquarters and Shimano Sales also provide unnecessary resin pallets to nearby companies for reusing them.

To recycle stretch films, Shimano's partner manufacturers sort used stretch films and supply them to a recycling company as valuable resources. Shimano will further promote the recycling of stretch films to reduce the volume of waste plastics.

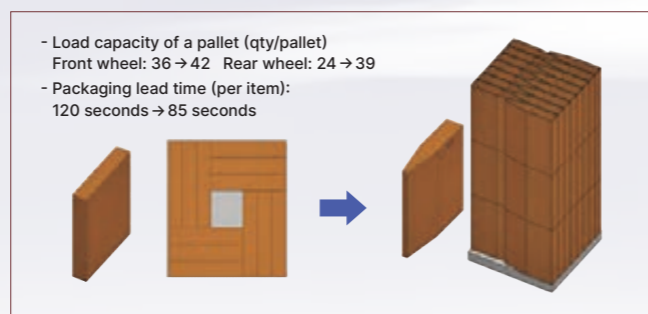


\*1: Plastic films used to wrap cargos on pallets to fix them

\*2: Unnecessary items that still have economic value

### Reduced use of plastics and enhanced transport efficiency resulting from changes in wheel package designs (Malaysia) Since 2022

At Shimano Malaysia, plastic bags were once used for packing wheels for the DURA-ACE and the SHIMANO ULTEGRA series. After putting them in rectangle cardboard boxes, they used to be inserted in plastic bags. A change in the design of the cardboard boxes, however, enabled the company to stop using plastic bags. The change in the box design also proved to be effective in increasing the load capacity of a pallet and in shortening the packaging lead time.



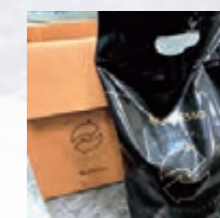
### Shimano REVO shorts made from discarded airbags

Shimano REVO shorts (short pants for mountain biking) are made from recycled polyester fibers and airbags collected from discarded cars. The shorts are comfortable to wear. Moreover, because of the use of airbag materials, they are extremely durable, the property of which is particularly desirable for trail cycling. In recognition of its excellent sustainability, design, and functionality, REVO shorts were honored with the iF Design Award 2022 (Product – Sports/Outdoor/Bicycles), a design award well known worldwide.



### Recycling coffee capsules (Taiwan) Since 2022

At Shimano Taiwan, 12 coffee capsules are used every day. Since the capsules are made from aluminum, which is 100% recyclable and changeable into various shapes, the company started recycling them to produce various items for daily use, including bicycles, knives, peelers, ladders, and window frames.



### “Say no to plastics” campaign (Cambodia) Since 2022

Shimano Cambodia is involved in the cleanup campaign titled “Say no to plastics.” Its staff members collected about 500 kg of waste plastics in two hours from the national highway running in front of the company.



### Recycling of shipping pallets (U.S.A.) Since 2022

In partnership with a local business, Innovative Textiles recycles old shipping pallets. The company collects pallets that are no longer usable to repurpose them as wood.

### Reducing the use of plastic water bottles (U.S.A.) Since 2022

To reduce the number of plastic bottles used by employees, Innovative Textiles has installed three water bottle refill stations in the facility. This allows employees to refill their bottles. Each station is equipped with a counter that indicates the number of plastic bottles whose use is avoided.

### 3. Introducing Energy-Efficient Facilities, Including Electric Carburizing Furnaces

#### Installing an electric carburizing furnace

In 2012, the Sakai Intelligent Plant installed an electric carburizing furnace to use it for thermal treatments of steel materials. As a result of this equipment investment, production efficiency increased by 1.6 times from the level achieved by a conventional gas carburizing furnace, while CO<sub>2</sub> emissions reduced to about one-third. Similar types of furnaces have been installed in the Shimano Shimonoseki Factory and Shimano Singapore, the regional headquarters in Asia. Shimano plans to introduce them to other factories, as well. Moreover, in 2021, factories inside Japan began using power derived from renewable energy sources. In 2021 and 2022, 99% of the power used for Shimano's business in Japan was derived from renewable energy sources. In addition, a few factories outside Japan began purchasing renewable energy certificates. In this way, Shimano is accelerating its commitment to reduce CO<sub>2</sub> emissions in its manufacturing activities.

#### Dispatching staff to sustainability seminars (Singapore) Since 2022

To improve the energy efficiency of its factory, Shimano Singapore dispatches its staff members to seminars on renewable energy and energy saving programs for manufacturing plants.



Sakai Intelligent Plant (Sakai, Osaka Prefecture, Japan)



Shimano Kunshan (Kunshan, China)



Shimano Czech Republic (Karvina, Czech Republic)



Shimano Shimonoseki Factory (Shimonoseki, Yamaguchi Prefecture, Japan)  
Photo credits: Place Media



Shimano Singapore (Bulim Walk, Singapore)

## 4. Preserving the Local Environment

### “Anglers Against Litter” campaign (United Kingdom) Since 2022

Shimano UK became the exclusive fishing tackle sponsor of the “Anglers Against Litter” campaign. In partnership with the Angling Trust\*1, Shimano UK encourages anglers to support action on litter, provides resources to enable anglers’ clubs to undertake litter picks, and encourages anglers to pledge their support to the “Take 5” campaign\*2.



\*1: An NPO engaged in protection of anglers’ rights, protection of fish, and preservation of fish habitats

\*2: A campaign to pick up five items of litter or spend five minutes at the end of a fishing session to collect and dispose of litter

### Seaside tree planting (Taiwan) Since 2019

PRO Taiwan and Shimano Taiwan jointly plant trees along the seashore to preserve a seaside forest and the natural environment.



### Reducing printings (China) Since 2016

Shimano Shanghai is promoting the reduction of printings used in daily business activities. The company is engaged in a zero-printing campaign and the digitization of catalogs and operation manuals. As part of efforts to protect the environment, the company uses an online platform to download necessary data in a digital format.



### Cleanup of a lakeside (Poland) Since 2022

Employees of Shimano Polska and their families participated in a cleanup campaign at a lakeside. In about an hour, they collected 38 bags (120 liters) of litter.

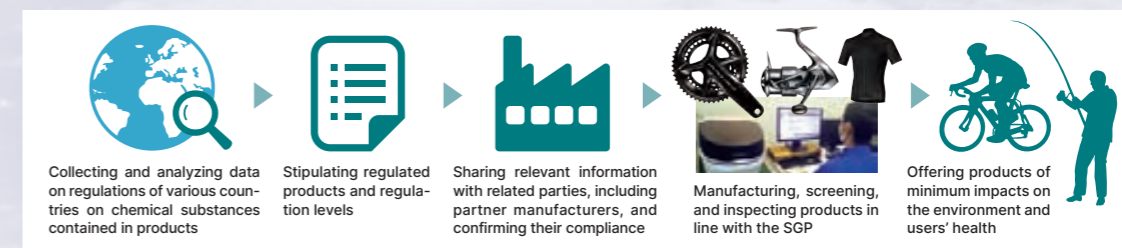


## Shimano Green Plan (Global) Since 2004

In 2004, Shimano adopted the Shimano Green Plan (SGP), guidelines for promoting manufacturing with reduced impact on the environment and users’ health. 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 and shares the information thoroughly with its partner manufacturers. Shimano occasionally revises the SGP to meet changing customer demands, as well as regulations that become increasingly rigorous year by year. While seeking understanding and cooperation from partner manufacturers, Shimano’s factories inspect the products they make 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 2022, Shimano took the following initiatives to further promote legal compliance:

- Preparing for the issuance of a revised version 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 members of the SGP committee outside 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, Shimano discloses necessary information to comply with the EU’s system to register and disclose the substance of very high concern (SVHC).

\*1: Registration, Evaluation, Authorization and Restriction of Chemicals

\*2: Convention on Persistent Organic Pollutants

\*3: Restriction of Hazardous Substances Directive (directive on the restriction of use of certain hazardous substances in electrical and electronic equipment)

### ■ Initiatives to Enhance Shimano’s Corporate Value

To enable timely responses 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 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.

## Promoting Bicycle Commuting

Shimano actively supports bicycle commuting. The value of bicycle commuting is being recognized more than ever since it is good for the environment and riders' health, and they can avoid rush hours/traffic jams.

<Initiatives taken by the headquarters to promote bicycle commuting>

- **Facilities designed to ensure that bike commuters feel comfortable at their workplaces**

In the headquarters' welfare wing, there is a parking area to accommodate about 550 bicycles. In addition, the wing 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 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 helmet**

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

- **In-house seminars on bicycles**

The headquarters holds seminars for employees who desire to attend them. At the seminars, they learn the types and features of bicycles and how to select the most suitable bicycles.

### Shimano Certified as an Excellent Company in the Declaration Project of Bicycle Commuting Promotion Companies

The Ministry of Land, Infrastructure, Transport and Tourism implements the Declaration Project of Bicycle Commuting Promotion Companies. In this project, the companies and organizations that are eager to promote bicycle commuting are recognized as "declaration companies." From among the declaration companies, the companies and organizations with particularly outstanding efforts are selected and commended as "excellent companies." In May 2022, Shimano was selected as one of the "excellent companies."

As a manufacturer of bicycle components, Shimano is striving to enhance cycling culture. At the same time, the company will continue to promote the use of bicycles, which is effective in preserving the global environment and maintaining good health.



### Bicycle commuting program (Czech Republic) Since 2010

Since 2010, Shimano Czech Republic has been taking part in the nationwide program known as "Go to Work by Bike." In 2022, 11 teams of the company participated in the campaign. The total of their bike commuting distance reached 7,320 km, which helped reduce CO<sub>2</sub> emissions.



### Establishment of a mobility hub (Italy) Since 2021

To promote bicycle commuting, Shimano Italia has established a mobility hub, a space dedicated to bicycle commuters. The mobility hub is designed to support the employees, collaborators and partners that select bike commuting and to create a positive impact on society in line with Shimano's corporate philosophy.



### Establishment of a mobility hub (Spain) Since 2022

To promote the use of a bike as a sustainable urban transport mode, Shimano Iberia has built a mobility hub inside the company.



# II

## Fostering Corporate Culture

— Closer to Nature, Closer to People

To promote health and happiness through the enjoyment of nature and the world around us. In line with this corporate mission, Shimano is dedicated to various unique programs that are related to its business fields.

At the core of these programs are efforts to foster Shimano's corporate culture. In particular, Shimano has been working for many years to create new cycling and fishing cultures, and the scope of related activities has been expanded. Shimano also believes that developing dynamic human resources is essential for fostering the corporate culture and creating the future of Shimano. Still another essential element to foster Shimano's corporate culture is contributing to local communities steadily and proactively.

### ■ Creating New Cycling and Fishing Cultures ..... 30

"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 section sheds light on various programs that Shimano has been engaged in to create new cultures as a Value Creating Company. They are introduced under the following four headlines: [1] organizing and supporting events, [2] bases for cultural promotion, [3] other cultural activities, and [4] media for cultural promotion.

### ■ Developing Dynamic Human Resources ..... 48

It is no exaggeration to say that each employee has significant influence on Shimano's corporate culture and determines the future state of the company. In addition to standard employee education, where participants are taught basic business manners, Shimano provides its staff members with opportunities to learn spontaneously and proactively so that they will be able to help evolve Shimano's corporate culture. As typical programs, this publication introduces an in-house college program titled "Shimano Campus" and the Learning Team Shimano Program (LTSP), which is designed to foster leadership unique to Shimano.

### ■ Contributing to Local Communities ..... 52

As a corporate citizen, Shimano seeks to maintain close communication with local residents and works to benefit their communities. Since Shimano has its offices and factories in various parts of the world, the company is working to foster a corporate culture that benefits communities worldwide in line with Shimano's tagline: "Closer to Nature, Closer to People." Moreover, Team Shimano companies worldwide are engaged in their original programs to foster even more trustworthy relationships with communities in their respective regions.



## ■ Creating New Cycling and Fishing Cultures

### 1. Organizing and Supporting Events

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.

### 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 cycling 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





## Shimano Suzuka Road

On August 20 and 21, 2022, Shimano held a road race festival that was enjoyable for all riders, from beginners to experts, at the Suzuka Circuit in Mie Prefecture, Japan. Concurrently with this event, Shimano also held Virtual Shimano Suzuka Road, an online event which everyone could join from any place. Moreover, all races held in the two-day event were live-streamed on the YouTube channel. In addition, the Shimano Suzuka Road Race Classic, the highest-class competition authorized by the JCF\*,

was held, which enabled spectators to view high-level heated races close at hand. At the venue, sponsor companies opened booths, which provided sport bike fans with an opportunity to see new products. A total of 6,449 people participated in the two-day event. Since the festival was suspended in previous years due to the pandemic, all visitors looked happy and excited to see and join cycle races for the first time in three years.

\* Japan Cycling Federation: a public interest incorporated foundation that governs, organizes, and promotes cycle racing in Japan

## Virtual Shimano Suzuka Road

Using Rouvy, a service that enables indoor cycling while viewing an actual course on a video, Shimano reproduced the complete course of the Shimano Suzuka Road in a virtual space. This virtual event had many entries, including those from outside Japan. A participant said, "Although I was unable to join the real event, it was truly exciting to take part in the online event."



## Shimano Biker's Festival

On July 30 and 31, 2022, the 30th Shimano Biker's Festival was held at Fujimi Panorama Resort in Nagano Prefecture, Japan. It is one of Japan's largest mountain bike events, held in rich natural settings surrounded by the Japanese Southern Alps and the Yatsugatake Mountains. The festival offers an opportunity to enjoy a wide range of sport bike events, from cross-country, downhill and other off-road races to trail rides, long rides, and other touring events. More than 100 members of Team Shimano supported the event as staff.

In the past two years, the event was canceled due to the COVID-19 pandemic. To resume it, Shimano took thorough anti-infection measures. To make the event even more enjoyable for many more people, Shimano also enhanced the attractive features of each program. The number of participants for the two-day event reached 1,467. They all looked excited to join the cycle sports event, held for the first time in three years.



## SHIMANO FEST 2022

SHIMANO FEST 2022 was held in São Paulo, Brazil. SHIMANO FEST is one of the largest cycling events in Latin America and has been annually held since 2010 by SHIMANO LATIN AMERICA. The 12th SHIMANO FEST held in 2022 had about 48,000 visitors, the largest number in its history. In addition to programs related to cycling, such as trial rides and a short track mountain bike races, various other programs were held, including an outdoor live concert, a *wadaiko* (Japanese drums) performance, and discussions on environmental challenges.

### ■ Outline

- Period: August 18–19: Trade Days (Only for people in the industry)  
August 20–21: Festival Days (Open to the public)
- Admission free  
(Visitors are requested to donate 1 kg of food for a charity organization.)
- Number of visitors: approximately 48,000 people  
(Total for the four days)
- Food donation: about 5 tons



In line with Shimano's tagline "Closer to Nature, Closer to People," SHIMANO FEST 2022 upheld the following slogan: "Environmental Protection and Social Responsibility." To raise environmental awareness among visitors and participating companies, more than 50 programs were held at the venue, including seminars and discussions on the theme "Protect Our Playground."

The event had tremendous economic effects on the bicycle market. This year, a few companies that do not belong to the bicycle industry sponsored the event, including a major insurance company and sports drink brand, a fact showing growing interest in the event in the bicycle industry and other industries.



## Cycling Events Held outside Japan

### Support for local events (Denmark)

- Support for mountain bike races held by a local club Since 2021
- Support for crossbike events organized by a local club and a community Since 2022
- Support for road bike events held in Denmark in connection with Tour de France Since 2022
- Support for various bike festivals for children in connection with Tour de France Since 2022
- Support for local gravel events Since 2022



### In-house mountain bike tours (Denmark) Since 2019

To promote team spirit, Shimano Denmark organizes mountain bike tours, involving all its employees.

### Encouraging visitors to come to a fair by bicycle (Italy) Since 2022

During the first edition of the Fair of the Cyclo-tourism held in Milan, Shimano Italia encouraged visitors to come to the venue by bicycle. Upholding the slogan "300 bikes instead of 30 cars," the company prepared a bike parking area in the space usually used for parking cars. Shimano Italia also asked local dealers to offer free bike inspection service for visitors who came to the venue by bike.



### Neutral support service (Turkey) Since 2008

Since 2008, Shimano Turkey has supported the Presidential Cycling Tour, one of the most prestigious sports events in Turkey. Many professional teams participate in the event to prepare for the three Grand Tours. In 2022, the company offered neutral support service in this event.



### Children's drawing contest (Turkey) Since 2020

Shimano Turkey held a drawing contest on the theme "bicycles" for children aged between 5 and 13. Participants were classified into three groups according to their age. The winners in each group were given bicycles.



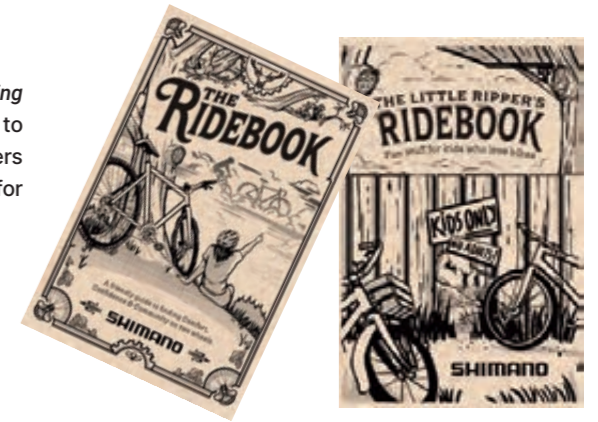
### Neutral support service for a road race (Singapore) Since 2022

The first edition of the Tour de France Singapore Criterium, held on October 30, 2022, was participated in by 32 riders from 8 World Tour teams, including Jonas Vingegaard (the winner of the 2022 Tour de France) and Mark Cavendish (the sprinter who holds the Tour de France stage victory record). Shimano Singapore supported the race by offering neutral support service to ensure that riders and participants could fully enjoy the race without concerns.



### Distribution of *The Ridebook* (U.S.A.)

Shimano North America issues "*The Ridebook: A friendly guide to finding Comfort, Confidence & Community on two wheels*" and distributes it to agencies for use as a sales tool for shops to offer to both beginners and enthusiasts of cycling. The publication contains articles for children and practical tips on how to enjoy riding a bicycle.



### Support for Project Bike Tech (U.S.A.)

Shimano North America supports the Project Bike Tech program, which uses bicycle education as a means to teach core academics, enhance lives, create career opportunities, and inspire new generations to be passionate about bicycles.



### Sponsorships of local races (Spain) Since 2022

To promote the use of bicycles among the public, Shimano Iberia supports local events in its hometown, Alcobendas.



## Shimano Japan Cup

Since 1984, Shimano has been organizing the Shimano Japan Cup with the aim of offering not only fishing tackle products but also opportunities to enjoy fishing. Although the event was canceled in 2020 and 2021 due to the COVID-19 pandemic, in 2022, Shimano held the event for the first time in three years by taking meticulous anti-infection measures. Anglers who used to join the event for many years were particularly delighted to have an opportunity to enjoy a reunion with other anglers. In 2022, Shimano set new rules for the tournament

to protect the "Life Below Water," one of the SDGs. Among the new rules designed to reduce negative impacts on fish are those limiting the number of fishhooks used, requiring the release of caught fish, and demanding the shortening of competition hours. By resuming the Japan Cup, Shimano was able to confirm anglers' expectation for the event, along with the importance of environmental protection. The event helped Shimano renew its resolution to continue to promote fishing culture as a leading manufacturer of fishing tackle products.



## Fishing Events outside Japan

### Shimano Kids Fishing Clinics (Australia) Since 2022

Shimano Australia sponsors Kids Fishing Clinics at local fishing clubs across Australia. In these programs, children learn the enjoyment of outdoor activities, as well as the basics of fishing. Shimano's gift bags are provided to the children who attend the clinics. In 2022, the company held 10 clinics.



### Project to promote the enjoyment of fishing (Italy) Since 2022

To increase the number of anglers and promote fishing culture, Shimano Italia started a project based on agricultural activities. Through partnerships with young entrepreneurs working in national parks, the company has developed fishing-related services and activities for tourists. It also organizes kids programs together with local schools. Moreover, with cooperation given by the National Park Management, Shimano Italia is preparing new fishing rules and supporting spawning programs to develop recreational fishing and invigorate the local economy.

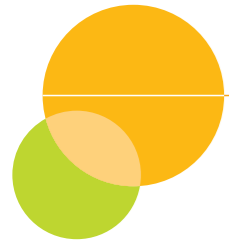


### Holding video contests with GoPro (China) Since 2022

Shimano Shanghai and GoPro are jointly promoting fishing and other outdoor activities that link people with nature. In collaboration, the two parties have launched a video contest to commend excellent video creators and share high-quality fishing videos with enthusiasts of outdoor sports so that they can experience the fun of fishing by viewing such works.



# ■ Creating New Cycling and Fishing Cultures



## 2. Bases for Cultural Promotion

### Life Creation Space OVE (Tokyo, 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 base has a shop with selected books and sundries, as well as a hall to hold events and seminars. Through these activities, OVE aims to create a new cycling culture.

In 2022, OVE organized events of “*sanso*” or riding a bicycle slowly—just like taking a stroll. These events, held under various themes, were designed to offer opportunities to enjoy encounters with things and events specific to respective places to visit as well as to the time of the visit. In addition, OVE School was held frequently to teach basic methods of bicycle maintenance for people hoping to enrich their lifestyle by using bicycles.



### SHIMANO SQUARE (Osaka, 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 base proposes a new urban lifestyle highlighted by cycling and fishing and promotes the value of both cultures, as well as attractive features of products created by Shimano. The base has a café, a library, and galleries that display items related to cycling and fishing. SHIMANO SQUARE also holds various events, including lectures, workshops, and *sanso* (slow cycling just like taking a stroll), and other cycling events.

In 2022, SHIMANO SQUARE extensively renovated its displays to impress visitors even more deeply by promoting the beauty of Shimano’s products to their vision and intuition. Moreover, the base promoted RIDE & FISH events to offer opportunities to enjoy both *sanso* and fishing, and to suggest the enjoyment of various outdoor activities, including camping.



## 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 base 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 and technologies in the pictorial natural settings. In the lounge and workshop area at the SEC, various events for children are held by the SEC. In addition, businesses, local schools, cycling clubs, and other groups can hold events there.

The 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 base.

## 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 base on the theme of bicycles has an area of about 650 m<sup>2</sup> 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.

In 2022, Shimano Cycling World organized various events, including cycling events using the virtual platform "Zwift" and cycling tours to various historical sites in Singapore.

## Shimano Bicycle Museum (Osaka, Japan)

**Aiming to create and pass on 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 base 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." Upholding the motto "Making every visitor want to ride," the museum is promoting attractive features of bicycles from diverse viewpoints to inspire visitors to confirm the enjoyment and true value of cycling. In addition to individual visitors, the museum is eager to accept groups of elementary school children on school excursions. In 2022, many children visited the museum to learn about bicycles.

The museum also holds the annual Summer Vacation Painting Competition for Children. In 2022, there were 33,271 entries of paintings on the theme of bicycles from elementary school students. From among the entries, the best works were commended and exhibited in the museum.



Shimano Bicycle Museum, which opened in March 2022

# ■ Creating New Cycling and Fishing Cultures

## 3. Other Cultural Activities

### Fifth "Social × Sanso" Planning Contest

"Sanso" or riding a bicycle slowly while enjoying views and other attractive features along a path is an element of a lifestyle friendly to people and the environment. To promote *sanso* and build a sustainable local society, Shimano organizes the "Social × Sanso" Planning Contest, in which the company encourages students who are eager to address social problems to submit *sanso* plans on the theme "environment, interactions, and health." From among the entries, excellent plans are commended. In 2022, the contest had entries from 40 teams (144 people involved), the number of which exceeded the past record. Six teams selected from among them participated in the final screening meeting, held in November 2022 at the Shimano Bicycle Museum (Sakai City, Osaka Prefecture), where the grand award and special award were presented.



### Donation to a Fund to Support a University Team's Entry at an Exhibition at Guggenheim Bilbao

At Guggenheim Bilbao, the exhibition "Motion, Autos, Art, Architecture" was held over the period from April to September 2022. The exhibition was curated by Lord Norman Foster, a leading architect in the world. At this exhibition, 15 university teams were invited from around the world to exhibit their works on the theme "Future" in the gallery "The Future." Shimano donated to the fund, established by Professor Manabu Chiba of the University of Tokyo, to aid students with their expenses to produce a work along with travel fees to attend the project held at the museum.

At the University of Tokyo, a team led by students of Professor Chiba's laboratory (in the Department of Architecture, Graduate School of Engineering) produced the work titled "Tokyo Plan 2021," which presented a future city image in the age of mobility innovation. In this work, the students sought new ways of transport, working, and living in cities in consideration of mobility innovation and the COVID-19 pandemic.

Shimano believes that urban planning should ensure the use of a broad range of transport means, including bicycles. Since bicycles emit no exhaust gases and are good for both physical and mental health, effective use of bicycles will help realize harmonious co-existence of people and nature.



### Shimano Racing Team

The Shimano Racing Team is a cycling club 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 Shimano's 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 in Japan 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 at a primary school in Sakai City, held by members of the Shimano Racing Team



# ■ Creating New Cycling and Fishing Cultures

## 4. Media for Cultural Promotion

### Cycling and Good Health *Cyclingood and MIND SWITCH*

#### 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.

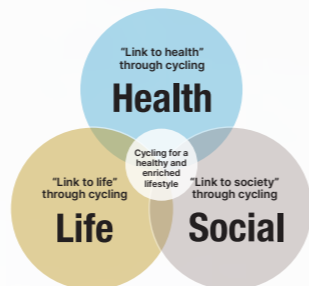
Meanwhile, to share research results with bicycle dealers, fitness facilities, and users, Shimano publishes *Cyclingood*, a free newspaper and website on the relation between cycling and health. The website contains *Health Data File*, downloadable data that shows study results in an easy-to-understand 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 addition, Shimano operates *MIND SWITCH*, a website introducing information useful for bicycle commuting to promote it.

In pursuit of a sustainable society, many people have begun to pay greater attention 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.



*Cyclingood*, a quarterly free newspaper



MIND SWITCH

### 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. To create a new fishing culture, the project introduces attractive features of fishing from cultural and social perspectives. The project, originating in the form of a magazine, currently uses various media, including a website, videos on the YouTube channel, and a radio program.



Triannual magazine *Fishing Café*

#### 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 the characters of individual anglers and their diverse 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 content channel that provides videos, accessible anytime from anywhere in the world. The number of subscribers reached around 430,000 at the end of November 2022. In addition to videos on new products, SHIMANO TV offers various programs to promote fishing culture, including fishing classes for beginners and talks by instructors who love fishing in natural settings.



YouTube SHIMANO TV official channel



## ■ Developing Dynamic Human Resources

### 1. Kickoff of the In-house College Program “Shimano Campus”

In March 2022, Shimano started the in-house college program titled Shimano Campus, which staff members can visit whenever they feel like and where they can select subjects of their own interest. Shimano Campus offers opportunities to obtain both academic and practical knowledge necessary for Shimano's employees as businesspersons and specialists in their own business. Upholding “Knowledge Creation” as its motto, the Shimano Campus is designed to enable staff members to encounter new knowledge, put the knowledge into practice, and create new knowledge through interactions with other Team Shimano members. The campus comprises both virtual (online) and real campuses, the latter of which is in the headquarters building.



SHIMANO CAMPUS (Web)

### Learning Contents

Shimano Campus has the following two faculties: the Faculty of Innovation, where students learn professional knowledge, and the Faculty of Team Shimano, where they learn liberal arts. Each faculty has a few departments. The Faculty of Innovation has departments of Production Engineering and Quality Assurance among others. These departments offer educational contents specialized for individual business fields. The Faculty of Team Shimano has the following two departments: the Department of Philosophy to cultivate the vision and mindset required for Team Shimano members and the Department of Liberal Arts to deepen knowledge needed for members of society. Web contents of various departments are accessible by Team Shimano members. In addition, they can attend lectures and sessions held on the real campus during their work hours.





## Four Components of Shimano Campus

### <Library>

The library has more than 700 books of various categories, including books recommended by young staff members, as well as executives. Through an online request, staff members can borrow a few books and ask the library to purchase new publications. They can also access web contents on a broad range of knowledge, including contents on Shimano's corporate history and visions, specialized knowledge related to business, and liberal arts.

### <Auditorium>

In the auditorium, various programs are held, including video shows of Shimano's history, coupled with presentations by senior staff members who have firsthand knowledge of historical events, and seminars to deepen understanding of bicycles, fishing, and liberal arts.

### <Plaza>

Staff members can freely post their questions. The office responsible for the plaza introduces appropriate staff members who reply, thus linking Team Shimano members with other members.

### <Field>

To deepen understanding about cycling, fishing, and rowing, various programs have been prepared in which staff members can visit the front lines (fields) where Shimano's products are produced, sold, and used.

Shimano Campus will continue to improve its programs by reflecting staff members' requests. As a learning platform, it will continue to evolve endlessly, constantly responding to social changes. Shimano plans to expand the "campus" to reach Team Shimano members outside Japan.

## 2. Learning Team Shimano Program to Foster Next-Generation Leaders for Companies outside Japan



A meeting with the chairman



Factory tour at Sakai Intelligent Plant

A visit to SHIMANO SQUARE — a base for cultural promotion



The program ended with expressions of the participants' views as to the state of themselves and the kind of organization they will pursue to achieve in three years.

A discussion held about the difference between leadership and management



The Learning Team Shimano Program (LTSP) was launched in 2015 in Sakai, Shimano's birthplace, with the aim of deepening participants' understanding about the vision of Team Shimano, sharing Shimano's history and future direction, and fostering the management ability the participants are expected to have as global leaders. Although the program was suspended for a couple of years due to the COVID-19 pandemic, it was resumed in 2022 for the first time in three years. The latest program was participated in by five candidates for the next-generation global leaders.

The major themes of the one-week program were [1] instilling Shimano's DNA/Spirit, [2] deepening understanding of Shimano's basic attitude towards manufacturing as a development-oriented digital manufacturing company, and [3] reinforcing the organizational viewpoint that leaders of any organization are expected to hold. The participants gained firsthand knowledge of Shimano through various programs available only at the headquarters—sessions provided by the chairman and the president, a factory tour, and a visit to SHIMANO SQUARE, a base for cultural promotion in Osaka City. Having learned the spirit of Team Shimano and its vision of leadership, the participants were determined to share what they had learned at the seminar in Sakai, Shimano's birthplace, with their colleagues in their home country and to use it to improve their own organizations.

Shimano plans to continue the LTSP and other training programs to foster next-generation leaders for companies outside Japan so that Shimano can continue to develop as a Value Creating Company.

### New employees orientation program (Malaysia)

Shimano Malaysia organizes a two-day training program for its new employees. Through lectures and discussions, participants in the program learn the essence of Shimano's business expressed in the motto "Harmony and Integrity," which represents the spirit of Team Shimano.

### Use of the contents of Shimano's 100th anniversary (Taiwan) Since 2022

To enhance the spirit of Team Shimano, Shimano Taiwan monthly implements a program to deepen employees' understanding of Shimano's history, products, and DNA by using the contents issued in 2021 on the centennial of Shimano's founding. Specific focus is on sharing important milestones in the corporate history, key persons, epochal products, and other key points.

### Strong Team Shimano Program (the Netherlands) Since 2019

Shimano Europe implements the Strong Team Shimano Program to strengthen the company's organizational power by vitalizing its employees. The program upholds the following five mottos: "Be Active," "Keep Learning," "Connect with Others," "Share with Others," and "Keep Awareness." In line with these mottos, various events are held, including cycling, cleanup, webinars, physical and mental health checks, and family parties.

## ■ Contributing to Local Communities

### <Activities in Japan>

#### Blood donation drives (Japan)

With cooperation from the Japanese Red Cross Society, the headquarters of Shimano held blood donation drives in June and November, 2022. A total of 128 employees donated blood. This is particularly notable since the number of donors has radically declined due to the spread of COVID-19, resulting in a severe shortage of blood.



#### Technical support for Tour de Tohoku (Japan) Since 2013

To support the revival of the regions affected by the Great East Japan Earthquake of 2011, Shimano Sales offers technical support to the annual cycling event "Tour de Tohoku." To ensure that all participants can enjoy cycling without safety concerns, staff members offer mechanical support at the venue and inspect the course in a support car.



### <Activities outside Japan>

#### Blood donation drives (Indonesia) Since 2017

Shimano Batam organizes blood donation drives as part of its contribution to the community. In July 2022, more than 200 employees donated blood at the drive held in partnership with the Indonesian Red Cross Society and Tzu Chi Indonesia Foundation.



#### Support for Royal Fishing Kinderhilfe (Germany) Since 1999

Since 1999

Shimano Germany supports the Royal Fishing Kinderhilfe, an event for socially disadvantaged children, in cooperation with celebrity ambassadors from sports, media and economic circles.



#### Hospital bed donation (Indonesia) Since 2022

Shimano Batam donated a total of eight beds to two hospitals on Batam Island so that health professionals can take care of more people.



#### Anti-COVID-19 program (Malaysia) Since 2021

To protect important stakeholders of Shimano Malaysia, including its employees, customers, nearby communities, and society as a whole, from the pandemic, the company donated test kits, masks, and sanitizers to communities, schools, and residents.



#### Rice donation to an orphanage (Cambodia) Since 2014

Every month, Shimano Cambodia contributes one ton of rice to an orphanage in the neighborhood. Staff members also visit the orphanage on every Khmer New Year's Day and Pchum Ben holiday to celebrate them with orphans.



**Donation to a secondary school (Czech Republic) Since 2022**

Shimano Czech Republic donated funds for building wheelchair access in a school building.

**Support for charity events for children (Poland) Since 2022**

Shimano Polska participated in two charity events. First, in the cycling event of the XII Special Olympics for Educational Centers and Schools for Children with Disabilities, the company offered technical support services, such as inspecting and repairing bicycles before the race. In addition, the company provided all participants with gadgets with Shimano's logo. Second, the company supported the Special School and Educational Center for Blind Children in Owieńska. At this facility, tandem bicycles attracted particular attention since they can be used for rehabilitation of children with eye diseases. The company also donated nine new bicycles for children.



**Maintenance of a bicycle air-pump station (Singapore) Since 2015**

In 2022, given the opening of the Road Safety Park to the public, increasing numbers of riders visited the park, where Shimano Singapore installed an air-pump station. Many riders, both adults and children, used the station, especially on weekends. Shimano Singapore consistently conducts maintenance of the station and cleans the surrounding area.



**JINC (work training/support program) (the Netherlands) Since 2021**

Shimano Europe supports 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 are raised.



**Support for an orphanage (Brazil) Since 2010**

Shimano Latin America has been supporting a local orphanage that is promoting the fun of mountain biking among children. The company also donates food to the orphanage.

**Support for developing bikefitting mechanics (the Netherlands) Since 2014**

bikefitting.com (BFC) provides educational institutions with free licenses so that future bike mechanics can receive education on bikefitting and bike geometry based on BFC's principles.

**Donation to the Ocean Cleanup (the Netherlands) Since 2021**

Shimano Europe donated to the Ocean Cleanup, a non-profit organization that is developing cutting-edge technologies to eliminate plastics from the ocean.



## Some Thoughts about the Shimano Tricolor Report 2022



Toshihiko Fujie

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

In 2022, we saw the decline of the COVID-19 pandemic, which led to the resumption of various economic and social activities. On the other hand, the Russian invasion of Ukraine impacted the logistics of energy sources and raw materials, which in turn caused a hike in commodity prices and inflation. In advanced countries, monetary tightening policies are underway, leading to the fluctuation of exchange rates. This environment is challenging for Shimano, which develops its business on the global market. It is in this climate that Shimano issued the Shimano Tricolor Report, which stresses the company's policy to work to fulfill the Sustainable Development Goals (SDGs).

While the company used to publish the Social Activity Report, it has changed the title of the publication to the Shimano Tricolor Report. "Shimano Tricolor" refers to the three colors symbolizing the land, sky, and sea, along with Shimano's business domains. The change in the title indicates the company's extraordinary passion to dedicate itself to fulfilling the SDGs.

This year's report comprises two parts, each based on a grand concept. The first part—Contributing to the Creation of a Sustainable World—describes Shimano's commitment to fulfill the SDGs with priority on the following three goals of the SDGs: decent work and economic growth, responsible consumption and production, and climate action.

In the first section of Part I, "Creating a Healthy Workplace Environment," the focus is on human capital as an essential managerial resource. Although labor shortage has been a serious problem in recent years, Shimano has been engaged in human resource development at its group companies all around the world. To name a few of their unique programs, in the United Kingdom, a training course is offered to promote interactions among staff members. In the United States, cross-training is provided to enhance employees' skills to work in other departments, which proved to be effective in enhancing the value of individual employees. To enhance employees' engagement with Shimano, Shimano Kunshan in China commends employees who have served the company for many years. In the United States, one of the group companies provides internship programs for university students and invites them to the company and its factory to raise their interest in Shimano, and ultimately to recruit them.

Concerning occupational health and safety, the Sakai Intelligent Plant prepares operation manuals and provides training to all frontline workers so that they follow the methods and procedures specified in the manuals. The training is also designed to raise safety awareness of individual staff members, which I recognize as a viable method. To ensure a favorable work-life balance, the headquarters of Shimano expanded its flextime program, introduced a system for taking hourly

paid leave, and implemented a remote work program. These initiatives show Shimano's consideration for its staff members. We also recognize Shimano's consideration of human rights in transactions with business partners. The company revised the Vendor Code of Conduct and has received written agreements to observe the code from roughly 96% of its business partners. Shimano is also putting in place a monitoring system to ensure the compliance of its business partners. In Indonesia, Shimano offers a training program for members of the Safety Committee and conducts fire drills, including evacuation training in case of a natural disaster, a serious accident, and any other emergency events. Since disasters happen more and more frequently, the importance of disaster preparedness is increasing. Similar risk management and training should be conducted at other group companies.

In the second section, "Evolving as a Development-Oriented Digital Manufacturing Company," we see that the development team and the intellectual property team begin collaborating in the early stage of inventions. Shimano's sincere attitude towards intellectual property rights has been recognized by Clarivate Plc, a global authority in intellectual properties, which selected Shimano as one of the top 100 global innovators 2022. Moreover, it is amazing to see Shimano's new products that have been developed to meet diverse user demands. To name a few, they include an electronic shifting system for bicycles that improves the ease of shifting and riding and a compact lever designed to reduce the load on the hands. Concerning fishing tackle products, Shimano launched new spinning reels of optimal reeling and casting performances that appeal to human sensitivity. To further evolve as a development-oriented digital manufacturing company, Shimano works to transform its systems into knowledge-intensive ones and promotes thorough digitalization to enhance manufacturing speed and efficiency. The time saved through digitalization will be used for creating still more Captivating Products that appeal to users' five senses. To this end, the company has established the Shimano Digital Administration (SDA) Development Division, which is leading reforms of administrative sections. In this way, Shimano has established a viable, company-wide system to support digitalization. In 2022, Shimano built a new factory in Singapore. It is one of the most advanced factories in terms of the fulfillment of the SDGs since it features various eco-friendly systems, including a flat floor design, chip recovery systems on the basement floor that collect chips discarded from production lines, the thorough use of IIoT to visualize and manage production processes and energy control, and the use of LEDs for lighting of the entire building to cut power consumption.

The third section, "Working to Protect the Global Environment," describes the measurement of CO<sub>2</sub> emissions and initiatives to address climate change. Replacing equipment that consumes fossil fuels with electrical equipment and using electricity generated by renewable sources, Shimano has radically reduced CO<sub>2</sub> emissions both inside and outside Japan, which should be valued. In Australia and Taiwan, group companies support tree planting campaigns. In Japan, Shimano Sales has reviewed the room temperatures set by air conditioning systems. I hope that Shimano will continue these down-to-earth efforts of energy conservation.

Single-use plastics impose a serious challenge on the global environment. In response, Shimano recycles plastics used for logistics, such as resin pallets, containers, and stretch films. To reduce the volume of waste plastics, the headquarters also provides unnecessary resin pallets to nearby companies for reusing them. This is an effective and beneficial way to recycle resources. Concerning a wheel package, a change in the design of cardboard boxes helped eliminate the use of plastic bags, increased the load capacity of a pallet, and shortened the packaging lead time. In short, the change in the design brought about threefold advantages. I would like to commend the untiring efforts of the party concerned. Moreover, using airbags collected from discarded cars, Shimano produces short pants for mountain biking.

As an additional outcome of the products, Shimano was honored with a design award well known worldwide.

In 2012, the Sakai Intelligent Plant installed an electric carburizing furnace to use it for thermal treatments of steel materials. As a result, production efficiency increased radically from the level achieved by a conventional gas carburizing furnace. Similar types of furnaces have been installed at the Shimano Shimonoseki Factory and factories outside Japan, including the one in Singapore. Moreover, 99% of the power used at the factories inside Japan are derived from renewable energy sources. In this way, Shimano is reducing its CO<sub>2</sub> emissions.

In 2004, Shimano adopted the Shimano Green Plan (SGP), guidelines for promoting manufacturing with reduced impact on the environment and users' health. In joint efforts with its partner manufacturers, Shimano has been making constant efforts to comply with the SGP. Shimano occasionally revises the SGP to meet changing customer demands, as well as regulations that become increasingly rigorous year by year. I hope that Shimano will continue to create dependable products by adequately responding to social changes.

Shimano actively supports bicycle commuting, which is good for the environment and riders' health. At the headquarters, about 40% of its employees have registered as bicycle commuters. In the headquarters' welfare wing, there are a bicycle parking area, bathrooms, and shower booths. Moreover, the headquarters provides bike commuters who wear helmets with a monthly allowance. In recognition of such efforts, Shimano was recognized as one of the "declaration companies" in the Declaration Project of Bicycle Commuting Promotion Companies implemented by the Ministry of Land, Infrastructure, Transport and Tourism. Furthermore, Shimano was commended as one of the "excellent companies," which were selected from among declaration companies, a fact that attests to Shimano's position as a model company in leading the creation of a cycling culture.

The second part — Fostering Corporate Culture —comprises several sections. The first section, "Creating New Cycling and Fishing Cultures," describes Shimano's efforts to offer opportunities to enjoy using Captivating Products. At cycling events, particularly those held by A.S.O., Shimano offers services to racers in trouble as a neutral support partner. These services help enhance users' trust in the Shimano brand. In August, Shimano held a road race festival, designed to be enjoyed by all riders, from beginners to experts, at the Suzuka Circuit. Concurrently with this event, Shimano also held Virtual Shimano Suzuka Road, an online event which enabled riders to join the event from any place inside and outside Japan. In addition, the Shimano Suzuka Road Race Classic, which is authorized by the JCF, and the Shimano Biker's Festival, a mountain bike event held at Fujimi Panorama Resort, are characterized by heated races, and they also provide Shimano with a good opportunity to promote its new products. In Brazil, Shimano organizes one of the largest cycling events in South America, featuring trial rides, a short track mountain bike race, and discussions on environmental challenges, which help raise visitors' environmental awareness. In various parts of Europe, Shimano supports a wide variety of events, including races held by local clubs and events held in connection with the Tour de France.

The company also offers a neutral support service for road races. Concerning fishing events, in 2022, the Shimano Japan Cup was held for the first time in three years. Fishing events for children were also held in Australia and Italy. While promoting fishing and fishing tackle products, Shimano is deeply involved in the protection of the "Life Below Water," one of the 17 SDGs.

The section "Bases for Cultural Promotion" describes cultural facilities. OVE in Tokyo proposes an enriched lifestyle highlighted by use of bicycles, while SHIMANO SQUARE in Osaka displays items related to cycling and fishing in its galleries and organizes various events. Moreover, in Sakai, Shimano opened Japan's only registered museum dedicated to bicycles. Hands-on exhibitions in the museum are truly appealing and effective in promoting cycling culture. Shimano also operates cultural facilities in the Netherlands and Singapore. At both facilities, visitors can have real experiences of using Shimano's products, which supports value creation through cultural activities.

The section "Other Cultural Activities" introduces a *sanso* (pottery) planning contest, a donation to a fund to support an exhibition at Guggenheim Bilbao, and activities of the Shimano Racing Team, a cycling team that has produced Olympians. Through these activities, Shimano promotes cycling culture. The section "Media for Cultural Promotion" introduces Shimano's publications and websites about cycling, fishing, and their impacts on health. In the section "Developing Dynamic Human Resources," the in-house college program titled Shimano Campus is introduced. It offers opportunities to obtain both academic and practical knowledge necessary for Shimano's employees. The program, which is also designed to foster connections among employees, comprises both virtual (online) and real campuses. Under this flexible system, participants are allowed to attend lectures held on the real campus during their work hours. The section "Contributing to Local Communities" describes donation of beds to hospitals, blood donation drives, anti-COVID-19 programs, and other activities carried out in various parts of the world. I hope that Shimano will provide even more support for healthcare and anti-infectious disease measures in Japan, as well.

Despite the limited space, this year's report introduces details of programs related to the SDGs and cultural activities held inside and outside Japan. I believe that the tricolors of the corporate brand logo introduced in this year's report present a holistic image of Shimano that helps readers understand the meaning of Shimano's existence along with its business domains.

Since Shimano is dedicated to social contribution so eagerly, I would like to recommend it to follow a strategy of purpose branding. In other words, Shimano should express the significance of its presence in the form of a story that can gain empathy and support from many people and which will inspire them to work with Shimano actively and voluntarily to fulfill the SDGs. Through this process, I expect that the tricolor project will be able to fuse with the Shimano brand and impart a unified image.



# SHIMANO INC.

## Evolving as a Value Creating Company

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

In line with this corporate mission, Shimano is dedicated to the manufacturing of truly trustworthy products while constantly making effective use of cutting-edge technologies.

As a development-oriented digital manufacturing company, Shimano will continue to supply Captivating Products. At the same time, Shimano will steadily contribute to the creation of new cycling and fishing cultures.

### Company Profile

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Corporate Communications  
TEL: +81-72-223-3957

URL: [www.shimano.com](http://www.shimano.com)

Date of Establishment: February 1921

Date of Incorporation: January 1940

Paid-in Capital: JPY 35.6 billion

Stock Exchange Listings: Prime Market of the Tokyo Stock Exchange

Number of Employees: 1,620 (SHIMANO INC. only)  
11,364 (consolidated)  
(As of December 31, 2022)

Main Business: Development, production and distribution of bicycle components, fishing tackle and rowing equipment

Consolidated Subsidiaries: 48 (As of December 31, 2022)



Closer to Nature,  
Closer to People



**SHIMANO INC.**

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