

Shimizu's Environmental Vision of Creating Prosperity Beyond Zero



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The group environmental vision SHIMZ Beyond Zero 2050 was established while considering what we can do to leave behind a sustainable future society for our children. We believe it is our mission to not only eliminate the environmental footprint of our activities but also to provide positive environmental value to our customers and society.

Hydrogen energy utilization system



Hydro Q-BiC® Hydrogen Energy Utilization System for Buildings
* Hydro Q-BiC® is a registered trademark of Shimizu Corporation in Japan.

Saisei-no-Mori urban biotope



Proof-of-concept based on three themes of regeneration: Natural ecosystem, resources, and living environment

There is not much time left to solve environmental problems. The burden placed on the environment by human activities has grown rapidly since the Industrial Revolution, and effects such as climate change and loss of biodiversity have emerged as major threats. The Shimizu Group's business of building social infrastructure impacts the environment, so we have a responsibility to work earnestly on these problems. At the same time, our actions have the potential to contribute significantly to conservation and restoration of the global environment.

We included the word "beyond" in the group environmental vision SHIMZ Beyond Zero 2050 established in fiscal 2021, to express our desire to not only eliminate the environmental footprint of our activities but also to provide positive environmental value to our customers and society. Our vision for the society of 2050 is one that can be described as a zero-carbon society, a resource recycling society, and a society that coexists harmoniously with nature. We have set forth various initiatives towards realizing such a society. To achieve a zero-carbon society, we aim not only for zero CO₂ emissions from Shimizu's workplaces and offices but also for zero CO₂ emissions in the operations of buildings we design and construct. We will also contribute broadly by constructing renewable energy facilities, promoting renewable energy businesses, and developing technology for decarbonization.

To achieve a resource recycling society, we will work toward zero final waste from Shimizu's business and strive to recycle resources throughout the facility life cycle from material procurement to demolition. To achieve a society that coexists harmoniously with nature, we aim to increase biodiversity by introducing green infrastructure. These three ideals cannot be achieved independently of each other. For example, recycling resources reduces waste and contributes to decarbonization. In turn, decarbonization mitigates climate change, which leads to conservation of biodiversity. We have considered what the Group must do, backcasting from our vision of the future, and have already begun working on the initiatives introduced on the following pages.

There is a limit to what we alone can do to achieve this environmental vision. As such, going forward, we will need to promote further collaboration in the supply chain and coordination with different industries. We will contribute to the realization of a sustainable future society by promoting corporate activities centered on the environment and engaging in co-creation with our various stakeholders.



SHIMZ Beyond Zero 2050 (Japanese only)
<https://www.shimz.co.jp/beyondzero/>

Message from Outside Director



Junichi Kawada

Director

In recent years, the environment surrounding society has changed dramatically due to abnormal weather and soaring energy prices. Companies are required to respond quickly to environmental problems, especially by means of decarbonization.

There are two aspects to the response. One is working on the company's own environmental issues, and the other is responding to the demands of society. The former requires a response in line with changes in the world. In some cases, targets and plans will need to be revised along the way. As for the latter, the Company needs to more actively highlight the environmental activities it conducts in relation to social infrastructure and buildings while also tying activities conducted in response to social demands into business opportunities.

Reforms must be implemented in order to promote these efforts swiftly according to changes in the external environment. The Company has a long history and as such has cultivated a strong, internal discipline. As an outside director, I hope to use my experiences I have cultivated outside of the industry to ensure that discipline does not actually get in the way of future reform.

Carbon Neutrality

The continued emission of greenhouse gases from human causes since the industrial revolution is increasing the frequency and severity of abnormal weather patterns and threatening human activities.

The construction industry is said to account for roughly 40% of global CO₂ emissions from the combined sources of materials manufacturing, construction, and building operation. It could therefore contribute substantially to mitigating climate change. We are also pursuing zero carbon initiatives on many fronts, including construction of facilities equipped with renewable energy and the renewable energy business.

Ecological Mission 2030-2050

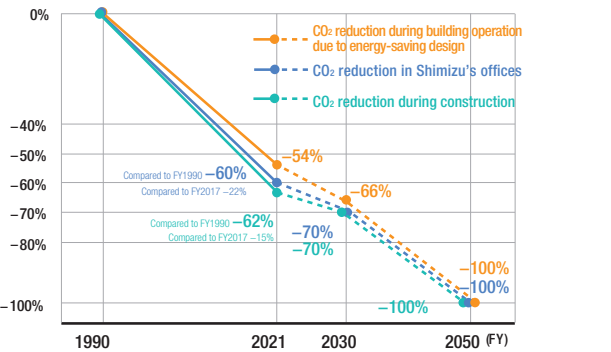
Shimizu took advantage of the opportunity presented when the Kyoto Protocol came into force in 2005 to establish medium and long-term goals for reduction of CO₂ emissions in our Ecological Mission. The entire company is working to combat climate change and we have set goals by category for reducing emissions during construction, at company offices, and through energy-efficient design.

Initiatives during construction include increasing energy productivity, shifting from diesel to biofuels and other alternative fuels and electric power, and switching to power generated from renewable energy sources. We have applied a total of 12 GWh in renewable energy certificates to 22 job sites where construction began in fiscal 2020 or later.

Initiatives in Shimizu offices include switching Aqua Premium hydro-electric power for the electricity used in our Head Office and the conversion of branch office buildings to ZEB (net zero energy buildings) in stages.

In buildings that we design and build, Shimizu sets goals according to the purpose of use for each building and works to improve energy conservation performance. We are also steadily expanding our record in designing and constructing buildings and facilities that meet ZEB standards for customers.

Ecological Mission 2030-2050





Measures to Combat Climate Change (Ecological Mission 2030-2050)

<https://www.shimz.co.jp/en/company/csr/environment/performance/eco/>

Task Force on Climate-related Financial Disclosures (TCFD)

Shimizu and its group companies have positioned environmental issues, including climate change, as one set of issues that are material to management. We understand that disclosure of climate-related information is also necessary and essential from the perspective of ESG management. Shimizu endorsed the TCFD recommendations and joined the TCFD Consortium in October 2019 and discloses climate-related information in line with the TCFD recommendations.

Governance

Shimizu established the SDGs and ESG Promotion Committee to deliberate on basic policies and measures concerning environmental issues. This committee consists of the officers in charge of SDGs and ESG, Safety Administration and Environment, each business, and other areas. It deliberates on the results of specification and evaluation of climate-related risks and opportunities and also manages progress on achieving the targets in Ecological Mission 2030-2050. The results of these deliberations are reported to the Board of Directors in line with the governance structure. The Environmental Strategy Office manages activities designed to achieve SHIMZ Beyond Zero 2050, our Group's environmental vision.

Strategy

Climate-related risks and opportunities that impact Shimizu Group businesses include those concerning strengthening policies and regulations needed to build a zero-carbon society and market changes and other transitions. It can also include acute and chronic physical changes due to global warming. Achieving the Japanese government policy of going carbon neutral by 2050 will require innovation in business models and industrial restructuring. Changes are already occurring in markets and social environments.

A company-wide, cross-organizational TCFD Working Group is identifying and analyzing the impact on Shimizu's business from the risks and opportunities presented by transitions and physical changes. This group is analyzing the degree and timing of such impacts and the response by the Shimizu Group. In fiscal 2021, the working group projected the timing for each risk and opportunity that will strongly affect our business and



Climate-Related Financial Disclosures based on The Task force on Climate-Related Financial Disclosures (TCFD) recommendation

<https://www.shimz.co.jp/en/company/csr/environment/tcf/>

performed trial calculation of some of the financial impacts. This analysis confirmed that there are many business opportunities, including the growing need for energy-saving buildings and renewable energy, stronger

policies on reinforcing national resilience, and market changes caused by climate change. Shimizu is also mounting a group-wide response to risks such as the rise in average summer temperature. We will utilize the results of these analyses in business strategy.

Risks and Opportunities for Shimizu Degree of impact: Risks, "↓↓↓ (High)," "↓↓ (Medium)," "↓ (Low)"; Opportunities, "↑↑↑ (High)," "↑↑ (Medium)," "↑ (Low)"

Cause		Impact on Business	Degree of Impact	Timing of Impact*1	Shimizu's Response
Transition scenarios	Risks	Stricter regulations to achieve carbon neutrality	↓↓	Medium to long-term	• Organize the BSP*2 business, which is responsible for facility operation services. • Fortify the renovation business. • Develop human resources skilled in business management (use the Group company technical training centers). • Provide buildings with high environmental performance with attention to cost performance.
		Introduction of carbon pricing	↓	Medium to long-term	• Reduce CO ₂ emissions during construction and from Shimizu offices as part of the reduction targets in Ecological Mission 2030-2050.
	Opportunities	Growing need for energy-saving buildings	↑↑↑	Medium-term	• Pursue ZEB design and construction. • Add value to existing buildings based on Shimizu's record in sustainability renovation*3. • Pursue the Investment and Development Business and develop the Shimizu brand based on the Company's ZEB construction record. • Promote widespread use of wood construction and wood structures.
		Growing need for renewable energy	↑↑↑	Short to medium-term	• Pursue solar, wind, biomass, geothermal, and small-scale hydroelectric power and other renewable energy businesses. • Supply low-carbon electric power through the electricity retail business. • Shimizu is building a SEP vessel*4 for construction of large offshore wind farms. • Develop and commercialize a hydrogen energy utilization system.
		Higher ratings achieved through stronger CO ₂ emissions reduction	↑↑	Short to medium-term	• Implement measures to achieve Ecological Mission 2030-2050. • Continue to issue ESG bonds and access other forms of green financing.

Physical scenarios	Risks	Rise in average summer temperature	↓↓↓	Medium-term	• Use robots, ITC, AI, and other technologies to reduce the number of workers needed and increase productivity at job sites. • Improve the working environment through workstyle reforms, heatstroke prevention measures, etc. • Use the Monozukuri Training Center and Takumi Training Center to develop employees and skilled workers.
		Increased frequency and severity of weather-related disasters	↓↓	Short to medium-term	• Strengthen alliances with suppliers, mainly through Group companies and subcontractors. • Consider prevention measures that include third parties in temporary structure plans for construction. • Formulate disaster prevention and mitigation plans, including measures to prevent flooding before designing and building infrastructure-related facilities. • Pursue ecoBCP*5 in new building construction and existing facilities.
	Opportunities	Stronger policies on reinforcing national resilience	↑↑↑	Short to medium-term	• Fortify activities to obtain orders in the infrastructure maintenance business.
		Market changes caused by climate change	↑↑↑	Short-term Medium to long-term	• Fortify BCP response proposals (use hazard maps in design proposals, etc.). • Build smart cities that enable residents to live in safety and health. • Create new businesses in non-construction areas. • Use satellite data for natural disasters. • Develop GREEN FLOAT environmental island and other future concept projects.
		Acceleration in opening infrastructure maintenance and operation business and other public services to the private sector	↑↑	Medium-term	• Pursue the public infrastructure facility operation business based on Shimizu's record in the PFI business.

*1 Timing of impact: Short-term, up to 3 years; medium-term, 3+ to 10 years; long-term, 10+ years. *2 BSP: An abbreviation of Building Service Provider. Provision of comprehensive facility operation and management services after completion of construction. *3 ZEB: An abbreviation of Zero Energy Building. A building having net zero primary energy usage. *4 BEMS: An abbreviation of Building Energy Management System. *5 Sustainability renovation: Renovation of existing buildings, mainly to improve environmental performance, BCP performance, health, and comfort. *6 SEP vessel: An abbreviation of Self-Elevating Platform vessel. *7 ecoBCP: Facility and urban development concepts that can effect both energy-saving measures for normal operation (eco), and business continuity planning (BCP) for emergencies.

Risk Management

The SDGs and ESG Promotion Committee also deliberates on management of climate-related risks faced by the Company. The committee sets CO₂ emissions reduction targets for each business, determines specific measures to achieve those targets, and regularly monitors emissions volume to manage risks related to global warming.

Metrics and Targets

To evaluate and manage the impact of climate-related issues on our business, the Shimizu Group has specified total volume of greenhouse gas (CO₂) emissions as an indicator (KPI) and has set medium and long-term targets for reduction based on SBT* (certification acquired from the SBT Initiative in September 2019). In fiscal 2021, we also set the goal of zero CO₂ emissions in fiscal 2050, based on SHIMZ Beyond Zero 2050.

* SBT: Science Based Targets
Company targets for reduction of greenhouse gas emissions set based on scientific knowledge to limit global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Scope Covered	Base Year Emissions	Actual Emissions	Target Annual Emissions		
	FY2017	FY2021	FY2023	FY2030	FY2050
Scope1*1 + Scope2*2	275,575	233,096 (-15.4%)	248,040 (+10%)	184,650 (-33%)	0 (-100%)
Scope3*3 (Category11*4)	7,422,916	5,407,779 (-27.1%)	—	5,938,400 (+20%)	0 (-100%)

*1 Scope 1: Emissions from fuel used in heavy machinery, etc. (direct emissions) *2 Scope 2: Emissions from use of purchased electricity and heat (indirect emissions from electric power companies, etc.) *3 Scope 3: Other indirect emissions from the supply chain *4 Category 11: (Use of sold products) CO₂ emissions during operation of buildings that Shimizu has designed and built

ZEB Initiatives

New Shimizu Hokuriku Branch Office Building

The office is the first medium-sized office building in the Hokuriku area to obtain ZEB certification for net zero primary energy usage as a “super green office.” This was achieved by combining the use of natural energy that capitalizes on the local climate and natural environment and state-of-the-art technologies.

This is the first time we installed the Hydro Q-BIC hydrogen energy utilization system in an office building. It is the ultimate in green energy.

Annual net zero energy usage was achieved by reducing the building’s primary energy use by 28% compared to the baseline and using solar power to generate more energy than the building used. We expect this to reduce annual CO₂ emissions by around 290 tons.



Exterior view of the Shimizu Hokuriku Branch Office Building



Roof frame structure which supplies soft natural light to workspaces

*All photographs on this page taken by Photography Department of Shinkenichiku-sha Co., Ltd.

Global Zero Emission Research Center (GZR)

— National Institute of Advanced Industrial Science and Technology (AIST) —
To achieve the government’s goal of going carbon neutral by 2050, it is important to convert existing buildings to ZEB in addition to building new (ZEB) buildings. This building marks the first time Shimizu achieved ZEB in renovation construction.

We succeeded in achieving a 53% reduction in energy use through a combination of individual air conditioning units that can operate at high-efficiency, LED lighting that automatically adjusts to the amount of daylight, a hybrid heat exchange system that reuses exhaust from the heat exchangers in the labs, and the Shimizu Smart BEMS (building energy management system) combined with LiB storage batteries.

GZR also added solar panels on the roof and reduced total energy use by 108%, achieving “net zero renovation.”



West-4A building, which achieved ZEB through renovation work



A tree-shaped entrance canopy was installed in front of the main building to portray solar panel installation, research progress, and growth as a symbol of a carbon-free society

Resource Recycling

Recycling and reusing the limited natural resources on earth can reduce the burden on the environment and contribute to going carbon neutral as well. A number of efforts will contribute to achieving net zero final waste disposal and a resource recycling society in 2050. These efforts include closed-loop recycling that recycles and reuses buildings and structures as construction materials when they are dismantled in the future, development of technologies that extend the lifespan of buildings, original wood building construction technology, greater promotion of the “4 Rs” (Refuse, Reduce, Reuse, and Recycle) at job sites, accessing new recycling technology, and proper treatment of hazardous substances.

Environmentally Friendly Concrete

Development of Recyclable Carbon Neutral Concrete

Shimizu developed the world’s first concrete materials recycling system.

In recent years, we have been working to develop technology for concrete that uses CO₂, a greenhouse gas, in addition to resource recycling issues. Shimizu worked with The University of Tokyo and other organizations to develop the world’s first technology for manufacturing calcium carbonate concrete (CCC) using CO₂ in the atmosphere, water, and concrete waste. Referencing the fossil formation process, we rapidly and forcefully precipitated calcium carbonate in between crushed concrete waste particles to bind the particulates together, and succeeded in producing a small test specimen. The goal is to develop a practical application for buildings in 2030.



Small CCC specimen

This technology can achieve net negative CO₂ emissions, including emissions from the manufacture and transport of CCC raw material. The materials consist of concrete waste that is available everywhere, CO₂ in the atmosphere, and water so there is no need to collect materials from far away. It is also highly significant in terms of local production for local consumption. The CCC produced can also be recycled any number of times in the future without generating CO₂ emissions and is highly promising as a technology that can simultaneously solve the problems of resource recycling and CO₂ emissions.



Recycling of concrete through CCC

CO₂ Absorption by Existing Concrete Structures and Extending Structure Lifespan

Shimizu developed DAC (Direct Air Capture) technology with Hokkaido University. This technology uses existing concrete structures to promote the absorption of CO₂ in the atmosphere. Coating the surface with an absorbent compound resulted in the absorption and fixation of atmospheric CO₂ in a concrete structure in an amount that was more than 1.5 times higher than pre-coating absorption. Because the absorbent material consists mainly of amino acids, which provide protection from corrosion, it controls the corrosion of rebar, which neutralizes (breaks down) concrete, and helps extend the life of reinforced concrete. We aim to develop a commercial application in 2026.



Achieving Net Zero Energy Buildings (ZEB)
Through Sustainable Renovation
<https://www.shimz.co.jp/en/topics/construction/item24/>

Initiatives in Wood Building Construction

High-rise Office Building With a Hybrid Wood Structure

The construction industry is focusing on the use of wood in buildings in the aim of encouraging cyclical use of forest resources. To meet the diverse needs for using wood, Shimizu is making further progress on development of Shimizu Hy-wood®, a wood hybrid technology that provides the optimal combination of wooden structural components, reinforced concrete structure, and steel frame that uses the right materials in the right places. We are using this to build wood mid-rise and high-rise buildings. Wood is effective at storing carbon and using wood in urban buildings will contribute to the vitalization of local economies and help prevent global warming.

* Shimizu Hy-wood is a registered trademark of Shimizu Corporation.



For reference: Exterior perspective
Kyobashi Dai-ichi Life Building Reconstruction Plan
Together with the Dai-ichi Life Insurance Company, Limited, we are evaluating new plans for a rental office building using hybrid wooden construction in 2-chome, Kyobashi, Chuo ward, Tokyo

Management of Construction By-products

“4R” Activities

Shimizu plans and pursues “4R” activities (Refuse, Reduce, Reuse, Recycle) and works to conserve resources, reduce the volume of by-products, and recycle materials. We use a system to project volume of construction by-products that will be generated and plan and implement effective reduction. We also offer various e-learning courses on ensuring compliance with laws and regulations, further reducing

the generation of construction by-products, and thorough sorting to recycle resources.



Workplace sorting system

Internal Lecture Course for Obtaining Qualification as an Inspector of Buildings Containing Asbestos Construction Materials

When the revised Ordinance on Prevention of Health Impairment due to Asbestos and Air Pollution Control Act take effect in October 2023, the use of qualified inspectors of buildings containing asbestos construction materials will be mandatory for asbestos material inspections performed for building dismantling and renovation work. A proper and prompt response is necessary to ensure seamless continuance of business and we are providing an intensive group lecture course for obtaining qualification.

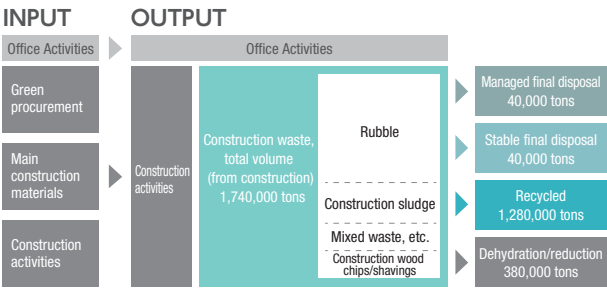
Shimizu employees will increase their knowledge of asbestos materials and further enhance their management skills in addition to obtaining qualification.



Internal lecture

Fiscal 2021 Resources and Energy Material Flow

The following diagram shows the general material flow in fiscal 2021 construction activities, from the energy, water, and construction materials, to final disposal and recycling of construction waste. Detailed information including office activities is provided in the Environmental Performance Data.



Final disposal rate of the total construction by-products (FY2021) **3.1%**
Total construction by-products generated per square meter (FY2021) **15.9 kg/m²**



Environmental Performance Data
<https://www.shimz.co.jp/en/company/csr/environment/data/index.html#material>

Coexistence with Nature

To create a society that coexists harmoniously with nature we must stop the loss of biodiversity and adopt a positive attitude toward nature of restoring biodiversity. The Company has long pursued initiatives in environmental conservation through various alliances and research and development. From this point forward, Shimizu will work to achieve both superb craftsmanship and restoration of the natural environment. We will take a broad perspective, learn from different areas, and work to restore nature, rather than simply protecting natural capital.

Shimizu will contribute to the realization of a sustainable society by never forgetting the spirit of enterprise, maintaining a positive attitude toward nature, and aspiring to coexist harmoniously with nature.

Initiatives in Biodiversity

Green Infrastructure + (PLUS)

Green infrastructure is the concept of striving to utilize the diverse functions of nature to develop attractive, sustainable towns and communities. Facilitating the restoration of natural capital while meeting local needs begins with ascertaining the problems of the local community. Shimizu's proprietary Green Infrastructure + (PLUS) concept adds (+) the expertise and technologies Shimizu possesses to assess the local environment, identify the possibilities inherent in the location, and restore the blessings of nature to the entire local community.



Yatsu restoration activities

Visualizing Biodiversity

In order to realize a society that coexists harmoniously with nature, we need to determine the impact that our business has on the natural environment. Shimizu therefore launched an initiative to



UE-NET
Prepared using Geospatial Information Authority of Japan (GSI) digital map 2500 (aerial database).



Green Infrastructure + (PLUS) (Japanese only)
<https://www.shimz.co.jp/greeninfraplus/>

quantitatively evaluate and visualize whether our business is negatively impacting biodiversity or can contribute to a positive impact. In the future, we must disclose business opportunities and risks from the perspectives of natural capital and biodiversity (Task Force on Nature-related Financial Disclosure (TNFD)). This initiative will focus on responding to such efforts and clarifying the requirements for negative impacts and positive benefits.

Participation in 30by30 Alliance for Biodiversity

Shimizu is participating in the voluntary alliance of companies, local governments, and organizations to achieve the 30by30 global pledge to target protection of 30% of land and water by 2030. Each and every employee will develop a fresh awareness of the importance of biodiversity, contribute to environmental protection anticipated from Other Effective area-based Conservation Measures (OECM), the main measures of 30by30, and play an active role in communicating information.



Forest and Environmental Education

Alliance with Gifu Academy of Forest Science and Culture Hadashi no Hiroba (Barefoot Plaza)

The basic philosophy of the academy is “coexistence of forests and people.” Shimizu concluded an alliance agreement with the academy in August 2019. One activity in fiscal 2021 was to build Barefoot Plaza (Hadashi no Hiroba) in the front garden of the Forest Science Education Center (morinos) where all sorts of people, from children to adults, can experience going barefoot. The academy conducts surveys and research on the impact on this has on forest and environmental education by making effective use of the five senses and as a starting point for developing familiarity with forests.



Barefoot Plaza and Forest Science Education Center

Human Resources Innovation to Pave the Way for the Future



Managing Officers
Director, Corporate Planning Div.,
In charge of Human Resource System Reform

Yoshiki Higashi

The key to becoming a Smart Innovation Company is human resources innovation.

By promoting Diversity & Inclusion, Shimizu will create value that is ahead of the times and contribute to the realization of a sustainable future society where people can enjoy prosperity and happiness.

Hybrid entrance ceremony



A hybrid entrance ceremony welcomed new employees at home and in-person in the era of the new normal

Promoting diversity & inclusion



Shin Diversity activities with senior management are conducted to close the gender gap in the company

As management of human capital gains more attention, we are working on steady changes in terms of system reform to recruit and promote the growth of diverse human resources, and establish an environment in which everyone can thrive. Our emphasis is on human resources management that contributes to the enhancement of human capital as we look ahead to achieving SHIMZ VISION 2030.

In April of this year, we switched from the conventional method of hiring new graduates once a year, to year-round hiring so that we can welcome human resources with more diverse personalities. Based on changes among students in their views of employment and styles of job hunting, we launched year-round hiring of international students whose timing of graduation differs from those in Japan and recent graduates who are looking to change jobs. At the same time, we are being flexible in our hiring methods, such as by expanding the number of mid-career hires, focusing on securing human resources who will breathe new life into the Company.

We believe that individual awareness and motivation is important for growth of human resources. As such, last fiscal year, we implemented a large-scale reform of our human resources system. In personnel evaluations, in addition to the conventional results-based evaluations, we have added behavioral evaluation items (i.e., sincerity and innovative mind-set) based on our Management Principles and vision to implement evaluations that increase employee motivation to grow. In addition, we are gradually introducing 360-degree evaluations and external assessments, starting with management, and have begun providing more multi-dimensional evaluations and feedback. At the same time, we have set our sights on promoting active participation by seniors, extending the mandatory retirement age to 65. We also eliminated the women-only job category of clerical employees.

Furthermore, in order to develop leaders who are capable of making a global impact and taking the lead in reform, not only are we enhancing our in-house training program, but we are also improving our study abroad program and utilizing outside training programs.

In order for everyone to reach their full potential, it is essential that we improve workplace engagement and create a workplace that offers job satisfaction. Since 2018, Shimizu has been conducting an annual job satisfaction survey among all employees. The three priority items of "job satisfaction," "mental and physical health," and "relationships of trust in the workplace" have been set forth as KPIs in the Mid-Term Management Plan <2019-2023>, and we are working persistently to improve them. We have also established an environment in which employees can choose from a variety of work styles, including the introduction of a paternity leave system, remote work, and staggered hours.

On the other hand, in order to create opportunities to take up challenges, we established a corporate venturing program this fiscal year and launched a system for supporting entrepreneurship. Moreover, next fiscal year, we will utilize the new base for innovation established in Shiomi, Koto Ward to accelerate innovation of human resources.

Going forward, Shimizu will continue aiming to be an inclusive company where each employee can enjoy job satisfaction, be proud of their work, and play active roles in good health. At the same time, we will work steadily toward solving various social issues by revitalizing innovation activities and producing human resources capable of paving the way for the future.

Message from Outside Director



Yumiko Jozuka

Director

Human resources strategy is the core of management strategy. Human resources innovation is essential for companies to implement change quickly and respond flexibly in these times of unpredictability and rapid change in the business environment. In particular, there is strong demand for diversity and inclusion, which generates new direction for action as people with various ideas and experience share their opinions. The Company has a history of 218 years and a wonderful culture of valuing people. Recently, it has been implementing substantial reforms in its human resources system and improving the percentage of male employees taking paternity leave as well as carrying out "Shin Diversity Activities" (diversity activities designed to further promote the advancement of women) to boldly promote Diversity & Inclusion. In these activities, Chairman Miyamoto and the three female outside directors and corporate auditors, including myself, support the advancement of women Group-wide.

I also hope to promote thorough discussion at meetings of the board of directors and encourage human resources innovation while increasing job satisfaction among employees.

Workstyle Reform and Human Rights

Shimizu scouts and cultivates human resources who will lead the next generation regardless of gender, age, nationality, or other attribute. In addition, we have established diverse and flexible workstyles and are promoting reform of job satisfaction, creating a workplace in which everyone has job satisfaction and can reach their full potential the essence of workstyle reform. We will continue to stand with each of our employees as we seek to become a company overflowing with happiness and satisfaction.

Workstyle Reform

Workstyle Reform Week: Thank You Cards

Since 2018, we have held Workstyle Reform Week and conducted annual job satisfaction surveys to quantitatively visualize job satisfaction. Our goal is to create a workplace in which each employee has job satisfaction and is able to work in physical and mental health and with peace of mind. In Workstyle Reform Week in fiscal 2021, we introduced Thank You Cards allowing people to send cards with a message to each other online. We created this forum in part because we realize that it can be difficult to say some things in person. It allows employees to actively communicate their feelings of gratitude to each other. The higher the percentage of employees using Thank You Cards in a department, the more likely we are to receive responses that relationships of trust have been built in the workplace and that employees are able to maintain their physical and mental health as they work. We will continue to work on creating workplaces that offer job satisfaction.



Thank You Cards (photograph by GRATICA)

Group-wide deployment of 360-degree feedback

360-degree feedback is a system for helping individuals notice how their actions in the workplace are perceived by others (primarily colleagues and subordinates) in order to encourage improvement. Understanding

how they are perceived by others provides individuals with the opportunity to reconsider their actions and improve the organization. In fiscal 2021, 360-degree feedback was provided to around 600 division head level employees. Feedback from others was shared with them as a “results report.” We were able to provide division head level employees, who normally do not receive much feedback, with observations from colleagues and subordinates, thereby improving the organization and relationships within the workplace to a certain degree.



Overview of 360-degree feedback

Work-Life Balance

Introduction of Paternity Leave System

It is essential that Shimizu become a company where employees can balance work and home life regardless of gender in order to secure diverse and outstanding human resources and promote a work-life balance. We introduced a paternity leave system prior to enforcement of the revised Child Care and Family Care Leave Act. The purpose was to establish an organizational climate in which it is a matter of course that male employees will participate in childcare and housework not only when they are on leave but also after they return to work following the birth of a child. Some employees hesitated to take paternity leave due to the increased workload that would be placed on others and the financial instability that it would create. As such, we worked to alleviate the financial burden by granting up to four weeks of paid leave and had supervisors conduct childcare and career talks for eligible employees so that they could take temporary leave with peace of mind. We also made rules for development of the workplace environment. As a result, the rate of male employees taking childcare leave increased to 55% in fiscal 2021 (estimate from the end of June), up substantially from a mere 18.5% in fiscal 2020.



An employee who took paternity leave

Health Management

Anti-Smoking Measures: Addressing the Revised Health Promotion Act

As a part of our measures to promote health management, we prohibited smoking during working hours starting on October 1, 2021 and eliminated smoking areas within workplaces in Japan and abroad, including our head office. In the SHIMZ No Smoking Challenge, we regularly followed up with participants by distributing a stop smoking calendar and sending a stop smoking e-mail newsletter, providing employees with an opportunity to take action for their own health. Through these anti-smoking measures, we will communicate our desire to protect the health not only of smokers but also of non-smokers throughout our company. As a Health and Productivity Enterprise, we will continue implementing measures to help promote the health of our employees and contribute to their individual job satisfaction and well-being.

Diversity and Inclusion Measures

Further Promotion of Women’s Advancement

In 2009, Shimizu established the Diversity Promotion Office, and we have since been promoting diversity and inclusion management. We are also participating in 30% Club Japan, and as part of our efforts to further promote women’s advancement, we aim to bring the percentage of women in management positions up to 10% by 2030. At the 2021 Diversity and Inclusion Forum, which was held in November 2021, we had a panel discussion by female directors and corporate auditors on the three topics of promoting women to managerial positions, balancing work and childcare, and realizing diversity and inclusion. There were suggestions from various perspectives on comprehensive measures including but also organizational follow-up, and a declaration was made on future initiatives.



At the panel discussion

Creating Pleasant Working Environments for All

We hold the Challenge Forum every year to promote the further advancement of employees with disabilities and raise awareness among all employees. In fiscal 2021, it was held both online and in person. The spotlight was on developmental disorders, which are among the less noticeable disabilities, and an outside lecturer was invited to talk about neurodiversity, for which there is a lack of awareness. The chairman and president participated in the meet-and-greet, which was a place for networking with employees with disabilities, and it was a precious time for actively sharing ideas with management about the challenges faced in business operations.



Group photograph at meet-and-greet

Human Rights

Business and Human Rights Initiatives

Shimizu pursues initiatives to ensure respect for human rights and enacted the Shimizu Group Basic Human Rights Policy to serve as a guide in fulfilling that responsibility to realize our mission of being “a company that values people,” stated in our Code of Corporate Ethics and Conduct, based on the views in the UN Guiding Principles on Business and Human Rights. As a part of our efforts to create pleasant working environments, we are promoting human rights due diligence with a focus on skilled workers at construction sites from the standpoint of sustainability of our business. In fiscal 2021, we conducted a questionnaire survey of our main affiliates on accepting technical interns from abroad and carried out other efforts such as putting up posters about respecting human rights at work sites overseas. Going forward, we will continue to work on due diligence, setting our sights on non-construction businesses such as real estate development and engineering as well.



Health Management
<https://www.shimz.co.jp/en/company/csr/health/>



Shimizu to Introduce Paternity Leave on October 1, Ahead of the Mandatory Introduction
<https://www.shimz.co.jp/en/company/about/news-release/2021/2021046.html>



Shimizu Group Human Rights Policy
https://www.shimz.co.jp/en/company/csr/human/pdf/group_humanrights.pdf



Human Rights Initiatives
<https://www.shimz.co.jp/en/company/csr/human/>

Optimal Quality and Customer Satisfaction

Shimizu earns the trust of and satisfied customers by accurately understanding the value that customers expect and meticulously building it into quality. That is Shimizu’s concept of quality. The customer-oriented spirit of respecting the customer is a teaching that we have passed down since the company was founded and that we must never lose, despite changes in the era, the digitalization of society, and regardless of the management environment.

Policy on Quality in the Building Construction Business

Shimizu provides technology and services customers trust and are satisfied with by accurately ascertaining the value customers expect, and maintaining a dedication to quality by all employees through the entire process from sales to maintenance and preservation.

Policy on Quality in the Civil Engineering Business

All employees approach monozukuri (craftsmanship) with an attitude of humility and sincerity. They actively take personal responsibility for providing structures of outstanding quality that exceed the expectations of customers and society. This earns trust in and satisfaction with Shimizu as the continuing partner of choice and contributes to society.

Quality Management System

To successfully implement the policies stated above, we set quality goals for each division, department and individual projects and have built an ISO 9001-compliant quality management system (QMS). We effectively implement QMS by clearly specifying the rules, implementation checklist, and the divisions and individuals responsible for the work to consistently provide buildings and structures meeting customer requirements and compliant with laws and regulations. We endeavor to achieve customer satisfaction, successfully implement our quality policy, and thereby contribute to the development of our business and contribute to society.

Building Construction

Customer Satisfaction Surveys

Customer needs vary from building to building. We believe that the only way to address customer needs and achieve customer satisfaction is to always look at things from their perspective to clarify the optimal quality and steadily bring it to completion. Regularly after post-delivery, we conduct surveys to gather

feedback from customers concerning actual use of the building, and we use the results in future action and to improve our work.

Monozukuri Training Center

We opened the Monozukuri Training Center and implement practical hands-on training in order to pass on the spirit and skills of monozukuri (craftsmanship) that Shimizu has long emphasized to be evaluated by our customers as a technology company or a monozukuri company. Today, 218 years after the company was founded, we reflect on the spirit of innovation and strive to be modern-day master craftsmen by diligently and continuously honing our skills, based on the mission of the master craftsmen who built the shrines and temples. That mission is to work ceaselessly morning and night to master the five senses and it is the foundation of monozukuri.



Practical training at the training center

Civil Engineering

Customer Satisfaction with Both Quality and Process

We implement various measures to meet the expectations of the community and the customer, for the quality of the construction process in addition to the quality of the structure we will build. In civil engineering, there are many construction methods and an infinite variety of construction conditions that we face in the natural environment. Engineers with extensive knowledge of and experience in the various construction methods participate in individual exploratory meetings from the planning stage and identify and eliminate risks in construction. Expert engineers also function as cross-divisional liaisons during construction and patrol construction sites to assess key points in each type of construction.

Developing Human Resources Who will be Leaders in Craftsmanship

To develop outstanding civil engineers, we equip young employees with the requisite knowledge and strengthen their technology management skills through on-the-job training. A pamphlet on past serious accidents and quality defects has been compiled and we use this repeatedly to pass on this knowledge and prevent quality and safety defects from being repeated.

Health and Safety

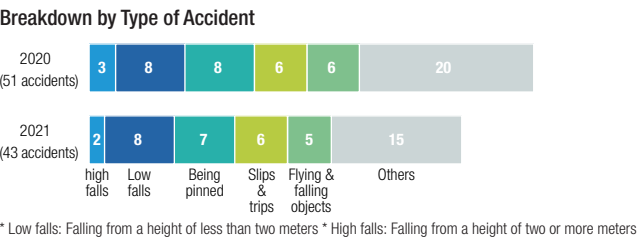
Shimizu stands on the principle of respect for human life and human beings and places the highest priority on safeguarding the lives and health of our employees in all corporate activities. Our basic policy on health and safety management is to establish a corporate culture that is grounded in safety and maintain a safe, comfortable work environment, as we uphold the goal of zero accidents resulting in serious injury or death and zero accidents involving the public.

Measures for Achieving Our Goals

- 1. Perform risk assessments to promote preventive safety and continually strive to reduce occupational accidents.
- 2. Conduct business activities in a manner that achieves both safety and production, based on safety as the highest priority.
- 3. Encourage independent safety management by subcontractors and efforts to prevent accidents.
- 4. Improve initial education on projects and eliminate accidents involving new workers.
- 5. Educate employees, equip them with the knowledge and power to act, and develop them as promoters of disaster prevention.
- 6. Provide comprehensive education on preventing health hazards to eliminate exposure to dust and other materials that are harmful to health.

Analysis of Accidents in Fiscal 2021

Looking at the accidents that occurred in fiscal 2021 by type, the highest percentage were low falls, followed by being pinned, slips & trips, and crashes. High falls, which were designated as a serious issue to correct, declined in both number and percentage.



Fiscal 2022 Initiatives

We carried out accident prevention activities based on the results of analyzing accidents in fiscal 2021 and the severity thereof, establishing specific measures in fiscal 2022 to eliminate low/high falls, accidents related to construction machinery and cranes, accidents from collapses, public accidents and infrastructure damage, and asbestos-related defects.

In addition, based on current social circumstances, we will work on thorough measures to prevent heat stroke as a part of preventive health.

Eliminating Work Accidents
“Kamewarigo” Safety Experience Vehicle

In the aim of strengthening and enhancing safety education for skilled construction workers, we developed and manufactured a safety experience vehicle called “Kamewarigo” equipped with hands-on safety education tools. On April 1, we launched operations as a mobile safety dojo (training room). “Kamewarigo” is a modified 11-ton truck. It is equipped with apparatus for hands-on experience with the danger of accidents and VR equipment for a virtual simulation of work accident conditions. We anticipate that the main participants will be skilled workers at our workplaces and expect a total of around 2,000 participants per year. As a part of the training program at Shimizu Takumi Training Center, our education and training facility for skilled workers run jointly with affiliate Kanekikai, we provide hands-on safety education utilizing Kamewarigo and, starting in the second half of fiscal 2022, we plan to provide on-site classes at workplaces in the Kanto area. * MEIDENSHA CORPORATION cooperated in the development of “Kamewarigo.”



Left: “Kamewarigo” safety experience vehicle Right: Hanging with full-body harness



Workplace safety patrol by President Inoue

Strengthening the supply chain

We will strengthen the supply chain to ensure both business continuity and competitiveness in order to build a production system that can steadily handle the increasing number of large-scale construction projects nationwide. In addition, we will improve the employment environment for skilled workers and promote measures to bring them in, retain them, and increase their skills in order to secure a workforce for the future in anticipation of the coming shortage of skilled workers.

Promoting CSR Procurement

The Shimizu Group has established the Shimizu Group Basic Policy on CSR Procurement, which provides our basic approach to building a sustainable supply chain with affiliates that are good partners. We have also established Shimizu Group CSR Procurement Guidelines and ask that our affiliates implement initiatives in accordance with the basic policy, including for legal compliance, respect for human rights, environmental consideration, and quality assurance. We also ask that they call for their related parties to carry out initiatives based on the guidelines.

Shimizu Takumi Training Center

The Shimizu Takumi Training Center, our education and training center for skilled construction workers, is operated together with Kanekikai, an association of Shimizu's suppliers and subcontractors.

We provide skilled workers with education and training curriculum according to their work history and skill level, such as training for new employees, skill improvement training, multi-skilled worker training, and development and testing of productivity improvement tools. In fiscal 2021, there were 1,205 participants.

We are adopting a proactive stance on improving the appeal of the construction industry and human resource development by using the training center as a platform for securing and training skilled workers, and will work to translate this into an increase in the number of new workers entering the industry.



New worker training

Decarbonization Partner

We are currently actively promoting alliances with partner companies that will work together with us on decarbonization. Promoting decarbonization throughout the supply chain, from the construction stage to building operations, we will contribute to a sustainable society where future generations can inherit a well-cared-for environment.

Partnership-building Declaration

Shimizu participates in initiatives promoted by the Cabinet Office and Small and Medium Enterprise Agency. Shimizu is building new partnerships by working together with suppliers in our supply chain and companies that create value.



Declaration of Respect for Labor Cost Estimates

Shimizu respects the estimates submitted by subcontractors based on the Japan Federation of Construction Contractors Declaration of Respect for Labor Cost Estimates, as part of our efforts to improve the treatment of skilled construction workers.

Construction Career Up System (CCUS)

Securing a workforce for the future has become an issue for all industries due to the low birth rate and aging society and the decrease in the working population. In the construction industry, we are improving pay and benefits to attract younger workers in particular, and in 2019, we launched the Construction Career Up System (CCUS) in earnest via public-private partnership in order to visualize the fact that the construction industry is an attractive industry in which to work. This system registers the employment record and qualifications of each skilled construction worker, which leads to fair evaluation of skills, improvement of construction quality, increased efficiency of on-site work, and more. Among our affiliates, as of March 28, 2022, the registration rate for business operators was 80.3% (excluding family-run businesses), and the registration rate for skilled workers was 65.8%. We will continue to support skilled workers throughout the industry.



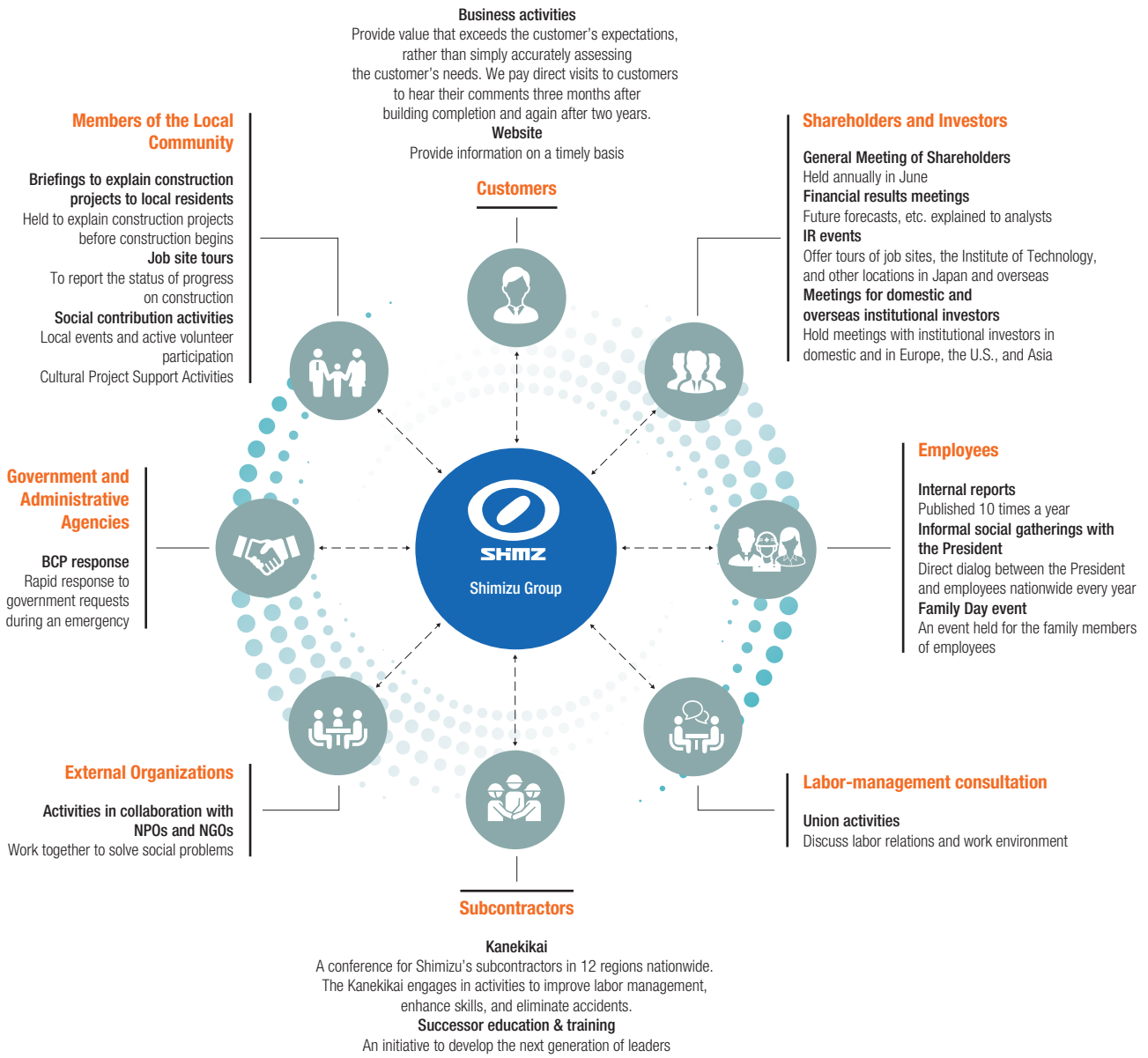
Activities at the entrance gate of the construction site at Block A of the Toranomom-Azabudai Redevelopment Project



Construction Career Up System logo

Communication with Important Stakeholders

We count community members and others among our important stakeholders in addition to our employees, customers, and shareholders/investors. Shimizu builds good relationships with all of our stakeholders and engages in responsible corporate activities.



CSR Procurement
<https://www.shimz.co.jp/en/company/csr/procurement/>

Initiatives to Improve Governance



Executive Vice President and Representative Director
Executive Vice President and Executive Officer
In charge of Administrative Functions and
SDGs & ESG Promotion
Director, Corporate Ethics Office

Kimio Handa

Based on our credo of The Analects and the Abacus (Ethics and Economics), we will work to improve governance centered on further revitalization of the Board of Directors while fully leveraging the tradition and characteristics of the Company.

Published “Shimizu Mind: The Analects and the Abacus”



Distributed to all officers and employees so that everyone will embody the corporate credo of the Analects and the Abacus

Training on The Analects and the Abacus and compliance



Training for new employees of a group company

Under the credo of The Analects and the Abacus (Ethics and Economics), We strive to practice compliance management based on all officers and employees holding to high corporate ethics.

We are also working to steadily improve corporate governance. In recent years, we have established the Nomination & Compensation Committee (December 2018), shortened director's term (June 2019), partially revised the executive officer system (April 2020), and ensured that outside directors make up at least one-third of the total number of directors (June 2021).

Furthermore, we are focusing on enhancing the function of the Board of Directors and evaluating its effectiveness, which are the key elements of corporate governance. Here we explain the status of our response from January 2021 to March 2022 to the five challenges identified in the evaluations of the effectiveness of the Board of Directors conducted in February and March of last year.

The first challenge is expanding the discussion of medium- to long-term management strategies and management supervision. In addition to meetings of the Board of Directors, we utilized off-site meetings to provide opportunities for all directors to discuss medium- to long-term management strategy. The outside directors provided valuable feedback from a different perspective than executive directors, and the deep discussions helped us take a step forward. We will continue to expand the quality and quantity of discussions and create opportunities for more fruitful discussions on the suitability of management strategies put together by executives, including at forums other than meetings of the Board of Directors.

The second challenge is further promoting communication with outside directors and management. In fiscal 2021, we held meetings to bring in opinions from new perspectives, including between non-executive directors and executive directors such as the vice president and senior executive directors and among female officers, in addition

to the traditional forums. In our opinion, this is functioning effectively to increase mutual understanding between internal officers, including executive officers, and outside officers.

The third challenge is further enhancing the management supervision function of the Board of Directors by promoting delegation of authority with consideration for the proper separation of the roles of the Board of Directors and the executive function through revision of the standards for referral to the Board of Directors. In fiscal 2021, the first revision of the standards of debate was carried out in order to narrow down the matters to be deliberated by the Board of Directors. We plan to make ongoing revisions.

The fourth challenge is sharing information on opinions and proposals expressed during advance screening and explanations for Board of Directors meetings, and working to achieve more active engagement in Board of Directors meetings. In fiscal 2021, we made improvements contributing to the enhancement of discussions at meetings of the Board of Directors, such as reflecting the prior opinions and suggestions received into the meeting agenda as appropriate. We also made considerations and came up with ways to devote time to deeper discussions, such as holding face-to-face meetings of the Board of Directors after implementing thorough measures to prevent the spread of COVID-19. Discussions between directors are, in fact, frank and lively.

The fifth challenge is implementing initiatives that utilize the traditions and unique strengths of the Company passed down over many years to improve governance. For this, we are focusing on initiatives based on our credo of the Analects and the Abacus (Ethics and Economics). The skill matrix introduced in the previous fiscal year also sets forth the Analects and the Abacus (Ethics and Economics) as one of the important skills of directors. I, personally, am using them as unchanging criteria for everything from review of management strategies to examination of individual projects as I go about my work in management.

We will continue working earnestly to further improve corporate governance.

Message from Outside Director



Tamotsu Iwamoto

Director

It has been three years since I became an outside director of the Company, and I continually supervise management from the perspective of stakeholders to increase corporate value. The four current outside directors have different backgrounds and experience, so we bring a great deal of diversity to the table. I believe we are playing a proper role from the standpoint of revitalizing discussions at meetings of the Board of Directors. In addition, five of the six members of the Nomination & Compensation Committee are non-executive directors and make decisions on officer evaluation and compensation from that standpoint. I believe this ensures sufficient objectivity and fairness and that the Company's governance is currently functioning effectively. Ongoing discussions on what governance should look like are necessary, but because values related to companies and labor vary depending on the country, there is no one right answer, and I think it is important to respect the culture and customs of each country and company. Shimizu is a company with an Audit & Supervisory Board. The challenges are fully recognized not only by the outside directors but also the internal directors and corporate auditors, and from time to time, harsh opinions are expressed. Therefore, from this standpoint as well, I believe the monitoring and governance functions are working in their current form. At the same time, in order to further strengthen governance, it is important to continue initiatives such as corporate ethics training on the topic of the Analects and the Abacus (Ethics and Economics). I believe that cultivating ethical awareness among individual officers and employees and ensuring thorough compliance raises awareness of governance company-wide, which in turn leads to sustainable growth and maximization of corporate value going forward. I will continue to supervise management from the perspective of an outside director to ensure that governance functions properly at the Company.



Mayumi Tamura

Director

There is diversity in the Board of Directors, and lively discussions take place from various perspectives. Non-executive officers, including outside directors, are provided with ample opportunities to acquire knowledge about the company's business, including general business briefings and on-site tours, in addition to prior explanations ahead of board meetings. In addition, opinion-sharing meetings with top management and meetings with executive officers are held regularly, and I believe this ensures smooth communication between executive and non-executive officers. In regard to compliance, I commend the company's initiatives to raise company-wide awareness of compliance and put it into practice through officer workshops on The Analects and the Abacus (Ethics and Economics) and messages to the employees from top management. As for securities holdings, the company conducts objective and quantitative evaluations of the risks and significance of each holding even when there are reasons for the holdings specific to a construction company. Every year, it makes rational decisions on whether or not to maintain them and is steadily reducing the number. I expect these activities for reducing the number of securities holdings over the medium to long term to continue. Going forward, the company will need to promote its business while ensuring profitability in response to rapid changes in the external environment. It will also need to reform its business structure and move forward in non-construction fields. Incorporating environmental initiatives and innovative methods utilizing the company's strength of digital technology, it is important that the company identifies future management risks from all quarters as it seeks to achieve its vision for 2030 of becoming a "Smart Innovation Company." I hope to take advantage of my many years of experience of being involved in the management of global companies to promote active discussions at meetings of the Board of Directors and help improve the corporate value of the Company so that it can engage in management with a keen awareness of medium- to long-term risks and returns.

Corporate Governance

Basic Views on Corporate Governance

Shimizu manages the company based on the principles contained in our corporate credo, The Analects and the Abacus. We strive to manage the company in a timely, highly efficient, transparent, and lawful manner to achieve sustained growth and increase corporate value over the medium and long term, while also earning a greater degree of trust from all our shareholders, investors, and all other stakeholders, including customers, employees, and local communities. We do so by fulfilling our social responsibilities through business activities.

To achieve this, we have separated the management strategy and decision-making function from the business execution function, and have established a structure that enables the Board of Directors and Audit & Supervisory Board to appropriately supervise and audit the performance of each of these functions. Our basic policy on corporate governance is for our directors, executive officers, Audit & Supervisory Board members, and employees to implement compliance management based on the highest ethical standards.

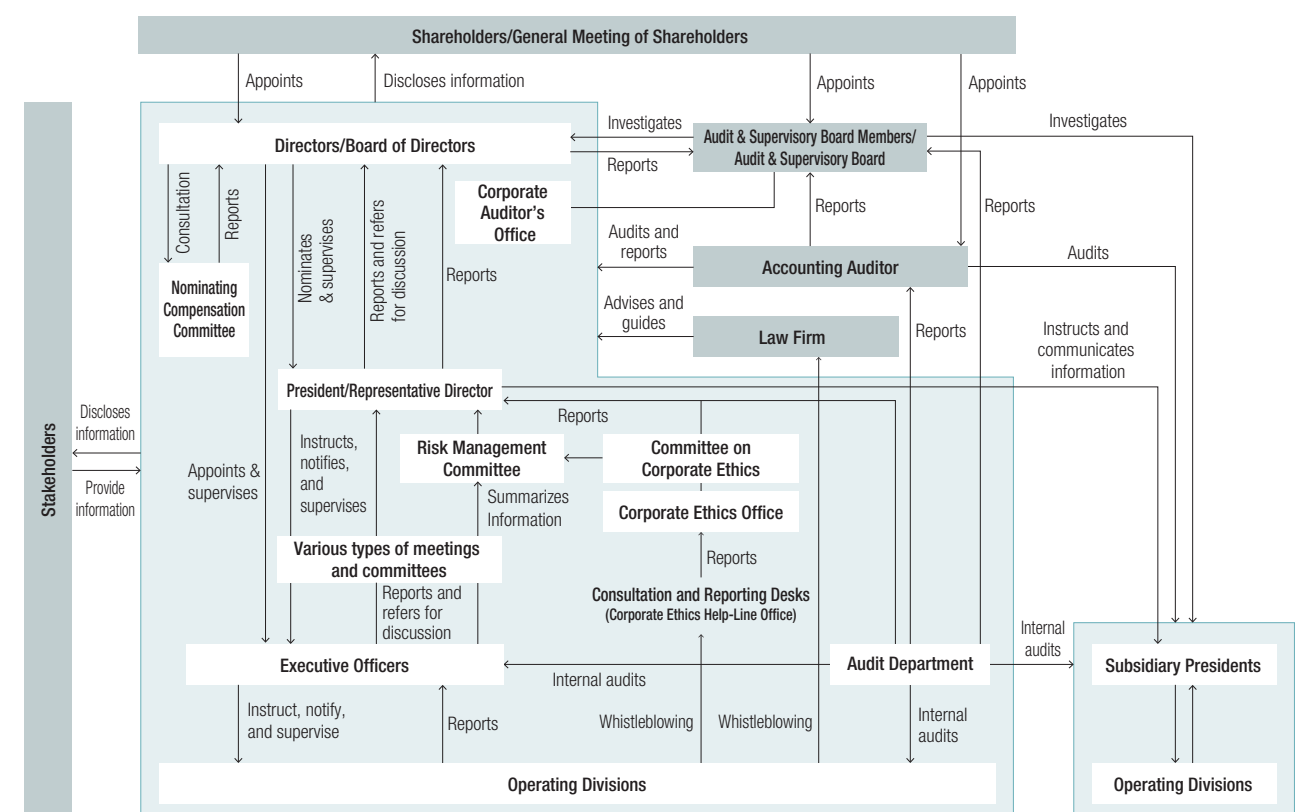
Overview of the Corporate Governance Structure

Shimizu has adopted the structure of a company with an Audit & Supervisory Board. We have limited the number of directors and introduced an executive officer system to clearly separate the management strategy, decision-making, and oversight functions from the business execution function. We have established a system for supervising and

overseeing management from an objective and neutral perspective by taking steps to encourage energetic debate at Board of Directors meetings, and by electing outside directors, other non-executive directors, and outside Audit & Supervisory Board members who maintain a high degree of independence. The concrete structure and implementation status are detailed below.

- One-third or more of the Board of Directors elected are outside directors to strengthen management supervision function, and to promote more energetic debate by the Board of Directors.
- Outside directors and other non-executive directors and outside Audit & Supervisory Board members use their extensive experience and sophisticated insight based on their individual career histories to oversee and supervise management and provide necessary advice as appropriate.
- The Company established a structure mainly consisting of the head office administrative departments to provide timely information and other materials to assist outside directors and other non-executive directors in performing their management supervisory duties (including tours of offices, job sites, etc.).
- The relevant divisions provide guidance on the Company in general, description of its businesses, and other relevant information to new outside directors and outside Audit & Supervisory Board members.
- Outside directors audit all duties performed by directors from a fair and impartial perspective.

Diagram of Corporate Governance Structure (Including Overview of Internal Control System)



- The Audit & Supervisory Board Members Office was established as the dedicated organization to support Audit & Supervisory Board members. This office secures the necessary support staff to enable more effective audits by Audit & Supervisory Board members.
- Audit & Supervisory Board members improve the effectiveness of management supervision by attending important meetings and obtaining sufficient information from officers and employees without delay.
- When a Board of Directors meeting is held, the Board of Directors administrative office and other divisions provide explanations in advance to the outside directors, non-executive directors, and Audit & Supervisory Board members.
- Outside directors and other non-executive directors regularly exchange opinions with the chairman and president.
- Regular Outside Officers Meetings are held for outside directors and outside Audit & Supervisory Board members, and regular Outside Directors and Audit & Supervisory Board Members Meetings are held for outside directors and all Audit & Supervisory Board members to facilitate the exchange of opinions.

Main Governing Bodies Established by Shimizu
(including discretionary committees and other meeting formats)

Board of Directors

The Board of Directors holds meetings once a month as a rule, and as needed. It makes decisions on matters specified in laws and regulations and the Articles of Incorporation as well as other important matters, and supervises the execution of duties. The Articles of Incorporation specifies 12 as the maximum number of directors. These directors consist of seven executive directors who are highly knowledgeable in each area of Shimizu's business and five non-executive directors, four of whom are outside directors with extensive expertise and experience in their respective specialties. All four meet the standards for independence specified by the Tokyo Stock Exchange. The Chairman and Representative Director serves as the chair of the Board of Directors.

Audit & Supervisory Board

The Audit & Supervisory Board meets once a month as a rule, and additionally as necessary. It makes decisions on audit policy, audit plans, auditing methods, and other important audit matters, and deliberates on necessary matters concerning audits. The Articles of Incorporation sets the number of Audit & Supervisory Board members at a maximum of five, including three outside Audit & Supervisory Board members. The chair of the Audit & Supervisory Board is an Audit & Supervisory Board member chosen through discussion by the Audit & Supervisory Board. All three outside Audit & Supervisory Board members meet the standards set by the Tokyo Stock Exchange for independent officers, and oversee the management of Shimizu from an objective and neutral standpoint.

Nomination & Compensation Committee

Shimizu has established a Nomination & Compensation Committee to ensure fairness and transparency in the selection, dismissal, evaluation, and compensation of directors and executive officers. The members of this committee consist of five non-executive directors (four outside directors and one non-executive internal director) and one executive

directors. The committee is chaired by a non-executive director.

Risk Management Committee

Our Risk Management Committee ascertains and analyzes risks that would have a serious impact on our corporate group, which consists of Shimizu and its subsidiaries. It also determines key risk management items, and follows up and reports to the Board of Directors. The President and Representative Director serves as the chair of the committee and one full-time Audit & Supervisory Board member also attends committee meetings.

Committee on Corporate Ethics

Shimizu has established the Committee on Corporate Ethics to determine company-wide policies on strict compliance with corporate ethics, laws and regulations, and deploy and follow up on compliance. The committee is also tasked with collecting all information on serious incidents involving wrongdoing as well examining ways to prevent incidents and recurrence and issuing directions to accomplish that. The President and Representative Director serves as the chair of the committee. One full-time Audit & Supervisory Board member and one outside expert (an attorney) also attend committee meetings.

Executive Officers Council

Shimizu has established an Executive Officers Council to communicate important matters and policies decided by the Board of Directors to executive officers and provide instructions to them. The President and Representative Director serves as the chair of this council and members consist of executive directors (other than the chair) and executive officers. One full-time Audit & Supervisory Board member also attends council meetings.

Overview of Corporate Governance Structure (as of June 30, 2022)

Item	Description
Organizational form	Company with an Audit & Supervisory Board
Number of Directors	12 (maximum of 12 permitted)
Director term	1 year
Number of female Directors	2
Number of Non-Executive Directors	5 (including 4 independent Directors)
Number of Independent Directors	4
Number of Audit & Supervisory Board Members	5 (maximum of 5 permitted)
Number of Independent Audit & Supervisory Board Members	3
Executive officer system	Yes
Name of Accounting Auditor	Ernst & Young ShinNihon LLC

Evaluating the Effectiveness of the Board of Directors

Our Board of Directors evaluates the overall effectiveness of the Board of Directors once a year.

A summary of the evaluation method and results for fiscal 2021 are provided below:

(1) Evaluation Method

All directors and Audit & Supervisory Board members complete a survey. A self-analysis is performed through discussion by all directors and all Audit & Supervisory Board members at Board of Directors meetings, based on an analysis by a third party (attorney).

- Period covered: January 2021 to March 2022

* This time, the period covered has been changed from calendar year to fiscal year.

- Dates performed: Board of Directors meetings on May 27 and June 24, 2022
- Main items evaluated: Board of Directors composition/operations, management strategy/management supervision function, corporate ethics/risk management, response to sustainability issues, process of determining nomination/compensation, human resource development, communication between outside directors and management, dialogue with shareholders/investors, etc.

(2) Summary of Evaluation Results

Conclusion: The Shimizu Board of Directors evaluated and determined the Board of Directors as a whole to be operating effectively.

- (1) Status of response on issues indicated in the last evaluation of effectiveness (January to December 2020)
- Steady efforts to resolve issues were confirmed to have resulted in improvement. The Board will continue to work on further improvement.
- a. Expand discussion of the topics of medium to long-term management strategy and management supervision, and actions to take.
- We created opportunities for off-site meetings in addition to meetings of the Board of Directors to expand and enhance discussions.
- b. Promote more communication between outside directors and management, including executive officers and heads of business divisions (create opportunities for free and open-minded discussion).
- In addition to opinion Outside Directors and Audit & Supervisory Board Members Meetings, Outside Officers Meetings, and opinion exchange meetings for the Chairman/President and non-executive directors (all held twice a year), new opinion exchange meetings for executive directors (vice presidents/senior managing officers) and non-executive directors and opinion exchange meetings for female officers have been held.
- c. Revise the Board of Directors standards of debate, and further strengthen delegation authority and the management supervision function, with consideration for the proper separation of the roles of the Board of Directors and the executive function.
- Some of the standards for referral to the Board of Directors were

revised (delegation of authority and enhancement of management and supervision functions of the Board of Directors will continue to be considered and implemented).

- d. Share information on opinions and proposals expressed during advance screening and explanations for Board of Directors meetings, and work to achieve more active engagement in Board of Directors meetings.

→Opinions and proposals presented at the time of preliminary examination by the Board of Directors and prior explanations given to non-executive directors and Audit & Supervisory Board members are reflected in the agenda. Meetings of the Board of Directors are held primarily in person to promote active discussion after implementing thorough measures to prevent the spread of COVID-19 while using online tools to increase the efficiency of explanations provided prior to meetings of the Board of Directors.

- e. Implement initiatives that utilize the traditions and unique strengths of the Company passed down over many years to improve governance.

→We focused on instilling corporate ethics and ensuring thorough compliance based on The Analects and the Abacus (Ethics and Economics).

- (2) Main issues to consider indicated in the current evaluation of effectiveness
- a. Enhancement of discussions on management strategy topics
- b. Further promotion of communication between outside directors, Outside Audit & Supervisory Board members, and management and establishment of opportunities for dialogue between outside directors and front line employees
- c. Promotion of discussion on the ideal governance structure, including the roles of the Board of Directors and Nomination & Compensation Committee and organizational design
- d. Enhancement of reporting to the Board of Directors on measures to address risk
- e. Exchange of opinions on human resource development (including

Appointed Outside Directors (as of June 30, 2022)

	Name	Independent Officer	Important Concurrent Positions	Reasons for Appointment	Meeting Attendance During FY2021
Outside Directors	Tamotsu Iwamoto	○	Outside Director of XEBIO Holdings CO., LTD.	Tamotsu Iwamoto possesses expert knowledge and experience as an officer of listed companies and extensive knowledge and experience from many years in corporate management. We deemed him to be appropriate for appointment as an Outside Director because we think he will utilize this experience in supervising management of the company from an objective, neutral perspective.	Board of Directors meetings: Attended 17 out of a total of 17 meetings (100% attendance rate)
	Junichi Kawada	○	—	Mr. Kawada's many years in corporate management as an officer has given him extensive experience and deep insights into compliance and corporate governance, and corporate group governance in particular. We believe that he is capable of utilizing his experience and insights to supervise management of the company from an objective, neutral perspective.	Board of Directors meetings: Attended 13 out of a total of 13 meetings (100% attendance rate)
	Mayumi Tamura	○	Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. Outside Director of LIXIL Corporation	Mayumi Tamura possesses expert knowledge and many years of experience in global companies. We deemed her to be appropriate for appointment as an Outside Director because we think she will utilize this experience in supervising management of the company from an objective, neutral perspective.	Board of Directors meetings: Attended 17 out of a total of 17 meetings (100% attendance rate)
	Yumiko Jozuka	○	Outside Director of Tokyu Fudosan Holdings Corporation Director of Japan Legal Support Center	Ms. Jozuka possesses many years of experience and insights into welfare and labor administration, and expert knowledge and experience in diversity, the advancement of women, workstyle reform, and human resource development. We believe that she will utilize her experience and insights to supervise management of the company from an objective, neutral perspective.	Board of Directors meetings: Attended 13 out of a total of 13 meetings (100% attendance rate)

successor education) and promotion of discussion on human resources strategies linked to management strategy

* In addition to meetings of the Board of Directors, opportunities will also be provided for informal discussions on a, c, and e above.

(3) Future Initiatives

Shimizu will operate the PDCA cycle based on the results from evaluating the effectiveness of the Board of Directors and strive for improvement. We will aim to achieve even greater effectiveness in Board of Directors meetings and an even higher level of governance.

Appointed Outside Audit & Supervisory Board Members (as of June 30, 2022)

Name		Independent Officer	Important Concurrent Positions	Reasons for Appointment	Meeting Attendance During FY2021
Outside Audit & Supervisory Board Members	Kaoru Ishikawa	○	Director of Kawamura Gakuen Director of The Society for Promotion of Japanese Diplomacy Outside Director of SMK Corporation Director, Mitsubishi UFJ Foundation	Mr. Ishikawa played a leading role in the area of foreign diplomacy for many years, and possesses extensive experience and insights as a foreign diplomat. He possesses expert knowledge of international affairs and sustainable development goals (SDGs). We believe it is appropriate to appoint him as an outside Audit & Supervisory Board member because he can utilize his knowledge and experience to supervise management of the company from an objective, neutral, and global perspective.	Board of Directors meetings: Attended 17 out of a total of 17 meetings (100% attendance rate) Audit & Supervisory Board meetings: Attended 14 out of a total of 14 meetings (100% attendance rate)
	Toshie Ikenaga	○	Outside Director of SOHGO SECURITY SERVICES CO., LTD. (ALSOK)	Ms. Ikenaga possesses many years of experience in administration and analysis of economic conditions and governmental policy issues. As the Vice Governor of Shiga Prefecture, she actively contributed to management of local governmental organizations, to promotion of diversity in the community as a whole, and various other areas. She possesses expertise, broad experience and insights into economics and management. We believe that she will utilize her experience and insights to supervise management of the company from an objective, neutral perspective.	Board of Directors meetings: Attended 13 out of a total of 13 meetings (100% attendance rate) Audit & Supervisory Board meetings: Attended 5 out of a total of 5 meetings (100% attendance rate) * Attendance since election at the 119th Annual General Meeting of Shareholders
	Ko Shikata	○	Professor of Faculty of Law, Chuo University	Mr. Shikata has never in the past been directly involved in corporate management. However, he has contribute to maintaining and improving a safe and secure society, including cybersecurity, through his many years of involvement in police administration, and he has also worked in policy research and education and support as a university knowledge of the legal and policy field, and we believe that he is capable of utilizing these attributes to supervise the Corporation's management from an objective and neutral position.	(Assumed the position in June 2022)

Support Structure for Outside Officers
(outside directors and outside Audit & Supervisory Board members)

Shimizu has established a system to provide information to facilitate supervision of management by outside directors and other non-executive directors in performing their duties. The administration departments in the head office play the main role in providing this information in a timely manner. The Corporate Auditor's Office was established as a dedicated organization to support Audit & Supervisory Board members.

A sufficient number of staff members have been secured to assist outside Audit & Supervisory Board members. When a Board of Directors meeting is held, materials are distributed in advance and the Board of Directors administrative office and other divisions provide explanations in advance to the outside directors and the outside Audit & Supervisory Board members.

Message from Chairman of Nomination & Compensation Committee

I have served as a member of the Nomination & Compensation Committee since it was established in fiscal 2018. Since being elected chairman from among the members, I have attempted to run the committee fairly, taking advantage of my position as a director from within the Company who is familiar with the business and our human resources while also utilizing my standpoint as a non-executive director, which makes me independent like our outside directors. I also add a long-term perspective as head of the founding family and a shareholder in supervising the management and execution of business, contributing to sustainable improvement of corporate value. I hope to continue to thoroughly fulfill that responsibility while placing importance on the independence and objectivity of the committee.



Motoaki Shimizu
Director

Policy on Determining Officer

Compensation Director and executive officer compensation consists of a base salary which is paid monthly and performance-linked bonuses. Shimizu has established a Nomination & Compensation Committee which mainly consists of non-executive directors, including outside directors, to ensure fair and transparent evaluation and compensation of directors and officers through deliberation by the committee.

Non-executive directors, including outside directors, and Audit & Supervisory Board members are only paid a monthly salary to enhance the management supervisory function.

Rules on the Compensation of Officers specifying the policy on determining the compensation of each director were approved at the Board of Directors meeting held on February 24, 2021. A summary description of the policy on determination is provided below.

(1) Policy on Basic Compensation

A maximum total of 90 million yen a month in director compensation as base monthly salary was established at the 117th Annual General Meeting of Shareholders held on June 27, 2019. Compensation of outside directors is capped at 10 million yen of the amount noted above.

A maximum total limit of 13 million yen a month in Audit & Supervisory Board member compensation was established at the 89th Annual General Meeting of Shareholders held on June 27, 1991 and the compensation is determined through discussion by the Audit & Supervisory Board.

(2) Policy on Performance-linked Compensation

A maximum annual total of 500 million yen for performance-linked bonuses was established at the 118th Annual General Meeting of Shareholders held on June 26, 2020. The Nomination & Compensation Committee deliberates and decides whether to pay a bonus and the amount to be paid. Director bonuses are indexed to consolidated net income, which represents the ultimate results of Shimizu Group business activities for one fiscal year. The degree of progress on achieving

the goal for consolidated ordinary income for the fiscal year is also considered and the basic bonus is calculated by multiplying the net income indicator by a certain percentage. This is multiplied by a specific index for each position and an additional amount is added according to the performance of each director.

Moreover, an amount equivalent to 20% of the bonus is granted as compensation for acquiring Shimizu shares to give directors greater shared value with shareholders and to enhance corporate value over the medium and long term. The share-based compensation for each director is contributed to the officers' stock ownership plan and is used to acquire Shimizu shares. Directors must also hold the shares acquired while employed by Shimizu and for a certain period of time after leaving the company.

Actual consolidated net income (Net income attributable to shareholders of the Corporation), used as the indicator for determining bonuses, was 47,761 million yen for consolidated fiscal year ended March 31, 2022, compared to the goal of 58,000 million yen. Actual consolidated ordinary income was 50,419 million yen, compared to the fiscal year goal of 77,000 million yen.

(3) Matters concerning delegation of decisions on compensation, etc.

Shimizu has established a Nomination & Compensation Committee which consists of a majority of outside directors and is chaired by a non-executive director, to ensure fair and transparent evaluation and compensation of directors and officers through deliberation by the committee.

The Nomination & Compensation Committee (which met six times during the fiscal year) reviewed compensation for fiscal year ended March 31, 2022 and discussed the base monthly salary and the amount to be paid as bonuses for each director according to the evaluation of the performance of each director, based on the Rules on Officer Compensation. The committee determined the compensation to be in line with policy determined by the Board of Directors.

Director and Audit & Supervisory Board Member Compensation (FY2021)

Officer Category	Total Compensation (¥ millions)	Total Compensation by Compensation Type (¥ millions)			Number of Eligible Officers
		Monthly Salary (12 months)	Bonus		
				Of Which, Compensation for Acquiring Company Shares	
Directors (excluding Outside Directors)	742	672	70	13	9
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	64	64	—	—	2
Outside Officers	99	99	—	—	9

Securities Holding Policy

(1) Holding Policy

Shimizu holds shares of business partners as securities holdings in order to “strengthen and maintain the relationships with business partners” when necessary from the viewpoint of sales policy. The Board of Directors determines whether to acquire major securities holdings and takes the benefits to Shimizu, acquisition cost, risk of share price changes, and other factors into collective consideration in making such decisions. The Board of Directors examines the necessity of securities holdings for individual stocks each year, taking into collective consideration the economic rationality of such holdings including cost, risk, and sales benefits. The Company will reduce securities holdings in stages to promote the effective utilization of capital, after first verifying whether it of staff members have been secured to assist outside Audit & Supervisory Board members. When a Board of Directors meeting is held, materials are distributed in advance and the Board of Directors administrative office and other divisions provide explanations in advance to the outside directors and the outside Audit & Supervisory Board members. is necessary to hold the stock and confirming the relationship of trust with the business partner.

(2) Reduction in Number of Stocks Held

In fiscal 2021, we sold shares of 18 listed stocks (including partial sales), and the amount came to 12.8 billion yen. From fiscal 2018 to fiscal 2021, we reduced our holdings in 48 listed stocks (including partial sales), and the amount came to 61.5 billion yen. Proceeds

from the sales amounted to 61.5 billion yen. As a result, the number of listed stocks held decreased from 187 on March 31, 2018 to 152 on March 31, 2022.

Shimizu also used part of the proceeds from the sale of such securities holdings to acquire 20 billion yen in treasury shares this fiscal year.

Policy on Constructive Dialog with Stakeholders

Shimizu believes that information disclosure and dialog with shareholders, institutional investors, and financial analysts is important to achieve sustained growth and increase corporate value.

The President and other executive management attend financial results briefings and overseas IR meetings to engage in substantial dialog.

FY2021 Activities	Number
Financial results briefings and job site tours for financial analysts	5
Individual meetings with financial analysts	91
IR meeting (institutional investors in Japan)	5
IR meeting (overseas institutional investors)	9
SDGs・ESG briefing for analysts	1
ESG engagement	3
SR meeting (institutional investors and voting rights exercisers)	13

Internal Control System Establishment and Status

Shimizu has established a system of internal controls and the Board of Directors makes decisions on the Basic Policy on Establishing a System of Internal Controls to ensure proper operation of the company.

An overview of the operational status of internal control systems in fiscal 2021 is provided below.

Compliance System	(1) We provide ongoing education and training to officers and employees to ensure strict compliance. (2) Shimizu has established three compliance hotlines based on an internal reporting system: A corporate ethics hotline, a counseling hotline, and an outside hotline. All employees have been made aware of them, and the system's operations are reported to the Committee on Corporate Ethics and the Audit & Supervisory Board. (3) The Committee on Corporate Ethics meets twice a year. It rolls out measures aimed at strict compliance with corporate ethics and laws and regulations to the entire company and follows up on implementation. (4) As set forth in "Initiatives Aimed at Strengthening Compliance" on page 48 of this report, the Company will continue to strive for more thorough compliance.
Risk Management System	(1) The Risk Management Committee meets twice a year. It identifies and analyzes risks that would have a serious impact on the corporate group, which consists of Shimizu and its subsidiaries, and determines the key areas of risk management. It follows up on implementation and reports to the Board of Directors. (2) To confirm communication lines and the initial response to large earthquakes, we hold regular earthquake disaster drills (twice per year) and ask suppliers and local residents and others to participate. (3) For overseas safety risks, we collect information on hazards based on the guidelines on overseas emergency response. As necessary, we also strengthen the security structure, issue warnings to relevant people, and limit overseas travel. (4) To firmly establish information security measures and make sure that everyone understands them, we provide ongoing education and training to officers and employees, share information with relevant divisions, and respond swiftly when a problem occurs. (5) As COVID-19 continues to impact society, we will continue to come together as a company to implement measures to ensure business continuity.
Systems to Ensure Proper Operation of the Shimizu Group	(1) Shimizu holds two meetings a year to share information between the President of Shimizu and the presidents of group subsidiaries. We manage important items related to operational execution at subsidiaries through the Rules on Subsidiary Management. (2) The Audit Department performs internal audits of subsidiaries based on the audit plan. Proper operational execution by subsidiaries is also monitored by dispatching auditors and other means.
System for Ensuring Effectiveness of Audits by Auditors	(1) The Corporate Auditor's Office is an organization dedicated to assisting the Audit & Supervisory Board. It is staffed with three full-time employees. (2) An Audit & Supervisory Board member designated by the Audit & Supervisory Board attends important meetings such as meetings of the President's Office, meetings of Business Division heads, Risk Management Committee meetings, and Committee on Corporate Ethics meetings.

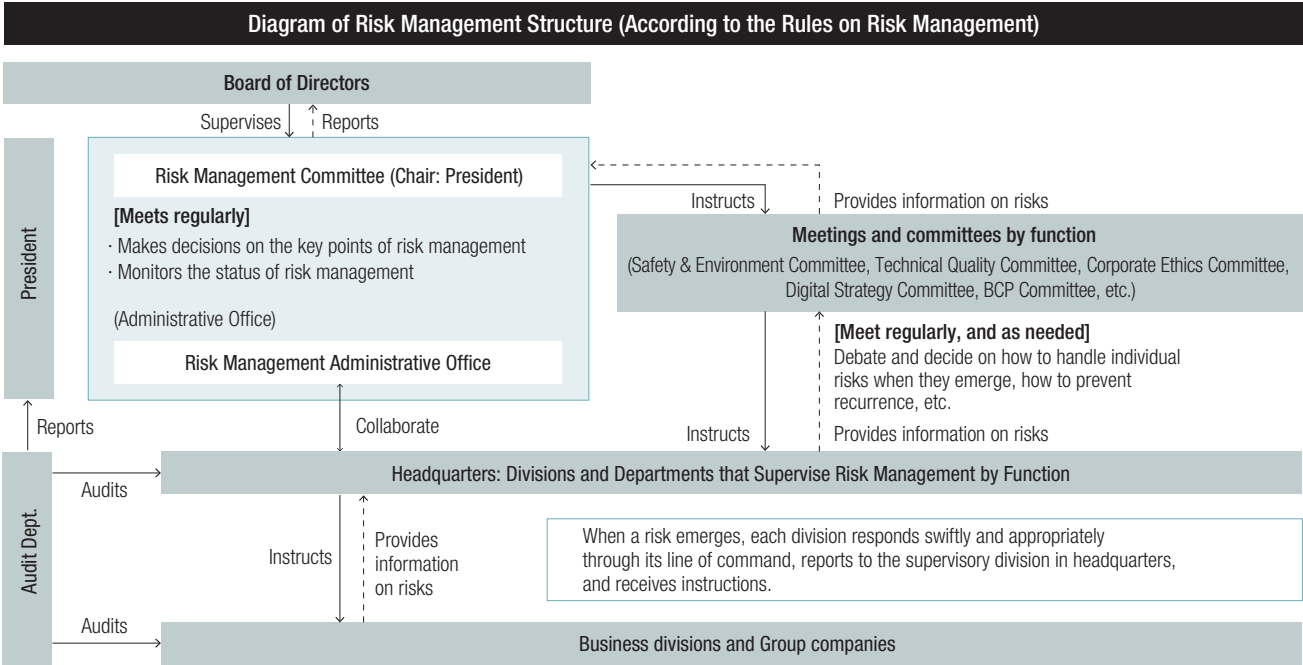
Risk Management

The Shimizu Group recognizes that various risks can emerge in the course of business activities and works to ensure business continuity and stable growth by properly managing such risks to reduce the possibility that they will materialize, while also minimizing losses for those that do materialize. In Mid-Term Management Plan <2019-2023>, we also stated the basic policy of Advancing ESG-based Management and designated Strict Compliance & Strengthened Risk Management as one of the key means to achieve this.

Each fiscal year, the Risk Management Committee (Chair: CEO) makes decisions on key items of risk management for the entire company and each division incorporates these decisions into its business plans. The committee regularly monitors risks (twice a year) by function at the head office, business division, and group company levels and recommends corrective actions and improvements as necessary, while also responding to emerging risks and reporting on the status of response to the Board of Directors twice a year.

By risks, we mean all factors that hinder achievement of management goals in managing the Shimizu Group, from the following perspectives:

- Factors that have the potential to cause economic loss to the Shimizu Group, either directly or indirectly
- Factors that could interrupt or halt ongoing Group business activities.
- Factors that could result in a loss of trust in the Shimizu Group and harm to the brand image.



Basic Policy on Establishing a System of Internal Controls
(Only in Japanese)
https://www.shimz.co.jp/company/about/governance/pdf/int_control202103.pdf



Corporate Governance Report
(Only in Japanese) (last updated on June 29, 2022)
<https://www.shimz.co.jp/company/ir/management/governance/pdf/cgr210629.pdf>

Addressing business risks

Risks associated primarily with changes in the external environment

	Overview of main risks	Main measures/initiatives
1	Risk of shrinking construction market If private capital investment were to decrease due to recessions in Japan or overseas, or if public investment were to be reduced for the purpose of fiscal consolidation, it could affect future orders.	The Board of Directors follows up on the outlook of orders in the construction business and the volume of projects monthly and provides instructions on necessary measures at meetings of the Executive Officers Council and business division managers. Looking ahead to 2030, in the long-term vision SHIMZ VISION 2030, we are promoting the business according to the Mid-Term Management Plan <2019-2023> with the aim of changing the profit structure by expanding our non-construction businesses.
2	Risk of fluctuation in construction material prices and labor costs If construction material prices, labor costs or other such expenses were to increase significantly more than anticipated after contracts are signed and it were to be difficult to reflect that increase in the contract price, it could lead to an increase in construction costs and worsen the profit and loss situation.	In principle, when signing construction contracts with clients, we are making an effort to discuss adoption of provisions related to changing the contract price based on fluctuations in labor wages and construction prices (i.e., a sliding scale clause).
3	Credit risk related to business partners If a business partner such as a client, a subcontractor, or a joint construction partner were to run into credit problems, it could result in failure to recover funds, construction delays, or other such circumstances.	In addition to thorough credit screening and continuous monitoring of our business partners, we are striving to sign contracts that include protection of the Group's credit.
4	Risk related to Overseas Business As we are engaged in business overseas, if there were to be significant changes in the political or economic conditions, exchange rates, tax systems, legal regulations, or other circumstances in emerging countries or if acts of terror, war, or riots were to occur, material prices and labor costs were to rise substantially, or a strain in the labor supply were to arise, it could affect progress on construction or construction profit and loss.	When developing our business overseas, we narrow down the list of regions and countries based on business opportunities and country risks and take the necessary measures. (Main initiatives) <ul style="list-style-type: none">• Strengthening of screening system for taking on large-scale projects overseas• Establishment of Contract Risk Management Department• Implementation of terror countermeasures through utilization of consulting• Anti-corruption measures
5	Risk related to Investment and Development Business If the business environment in the investment development field were to change significantly, such as a slump in the real estate market due to economic slowdown or a bankruptcy of a real estate fund, it could affect our business performance.	We set investment limits to operate within a range of risk that is commensurate with our corporate strength, and in individual investments, we invest in a calculated manner, including exit strategies (investment recovery plans), based on investment criteria. The Board of Directors regularly follows up on the progress of the Investment and Development Business, investment balance, business portfolio, and market value, taking measures as necessary.
6	Long-term business risk In long-term businesses such as the PFI business and the renewable energy business, if the business environment were to change significantly, such as an increase in prices, personnel expenses, and interest rates or a business partner running into credit problems, it could affect our business performance.	The Board of Directors regularly follows up on the progress of the PFI business, renewable energy business, and others, taking measures as necessary.
7	Risk of fluctuation in price of investment securities If the value of investment securities were to drop significantly, it could affect our business performance.	Every year, we review the significance of each stockholding based on a comprehensive consideration of the associated costs and risks, business advantages, and other economic reasons. The Board of Directors verifies the necessity of the stockholdings and, in principle, sells those that have diminished in significance.
8	Risk of fluctuation in interest rates/exchange rates If interest rates were to rise sharply or exchange rates were to fluctuate significantly, it could affect our business performance.	We engage in risk management according to our Rules for Managing Financial Market Fluctuation Risk. (Main initiatives) <ul style="list-style-type: none">• Reduction of interest rate fluctuation risk through interest rate stabilization utilizing fixed interest rate fund procurement and interest rate swaps• Reduction of exchange rate fluctuation risk through foreign exchange contracts, currency swaps, fund procurement in local currencies, and adjustment of foreign currency holdings
9	Risk of natural disaster/infectious disease If a natural disaster such as an earthquake, tsunami, storm or flood damage, or a pandemic were to occur, it could result in direct damage to the Group's assets or employees and affect our business activities. If the disaster were to be large in scale, the changes in the business environment such as order fluctuation, soaring construction material prices, and decreased electric power/energy supply capacity could affect our business performance.	We established a BCP Promotion Committee to continuously review our BCP, determine training plans, and follow up on the status of implementation. (Main initiatives) <ul style="list-style-type: none">• Regular implementation of earthquake disaster drills for major earthquakes such as a Tokyo metropolitan area earthquake or a Nankai Trough earthquake• Establishment of code of conduct for storms and floods, implementation of storm and flood training (e-learning) for employees, and implementation of storm and flood drills• Maintenance of disaster information sharing system• Securing of emergency power supply and enhancement of stock pile• Development of data center backup system• We are performing temperature checks on all employees, PCR testing as necessary, encouraging telecommuting and staggered working hours, refraining from non-essential/non-urgent business trips, establishing satellite offices, and maintaining work environments as measures to prevent infection and stop the spread of COVID-19 as we work to ensure business continuity.• In addition, we are conducting drills for disasters such as earthquakes hitting while infection is widespread.
10	Cybersecurity risk If we were to fall victim to a cyber-attack such as a targeted e-mail attack or malware attack leading to viral infection or unauthorized access, it could affect our business activities or valuation.	We have established a Digital Strategy Office to discuss matters related to information security, and we take the necessary measures. (Main initiatives) <ul style="list-style-type: none">• Implementation of targeted e-mail attack drills for employees• Vulnerability diagnosis of external public servers• Constant monitoring of viruses by third party• Implementation of countermeasures for unknown malware
11	Risk related to creation, revision, or repeal of laws If new laws and regulations were to be enacted or existing laws were to be revised or repealed due to changes in society or the times, it could affect our business performance or valuation.	To properly respond to establishment of new laws or revision/repeal of existing ones that affect our business activities, we have prepared our own rules and regulations, provided notice through various meeting bodies, company intranet, and other means, and are implementing internal education and training (including e-learning).

	Overview of main risks	Main measures/initiatives
12	Risk of long-term climate change If regulations or carbon taxes were to be adopted for new building construction in the transition to a decarbonized society or if average temperatures were to increase or climate disasters were to become more frequent or intense as physical effects of climate change, it could affect our business activities.	In October 2019, we declared our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have analyzed and disclosed risks and opportunities related to climate change and are implementing measures to address climate change. (Main initiatives) <ul style="list-style-type: none">• Verification of consistency of climate change-related risks and opportunities with business strategy at Board of Directors• Establishment of SDG/ESG Promotion Committee (chaired by President) to deliberate and decide on basic policies and measures related to global environmental issues• Promotion of activities for achieving carbon neutrality by 2050 with long-term vision SHIMZ Beyond Zero 2050 and Ecology Mission 2030-2050 medium- to long-term targets for reducing CO₂ emissions• Strengthening of collaboration with suppliers, primarily group companies and subcontractors, in response to increasing frequency and intensity of weather disasters
13	Risk related to retirement benefit obligations If it becomes necessary to change the actuarial assumptions of retirement benefit obligations due to a decline in the market value of pension assets or the discount rate, it could affect our business performance.	We have established a Pension Asset Management Committee. It deliberates on asset management performance and conducts financial result simulations for review and revision of the basic policy on pension asset management and policy asset mix while appropriately monitoring the status of management by the contracted management company and reporting to the Board of Directors annually.

Risks arising primarily inside organization from industry characteristics

	Overview of main risks	Main measures/initiatives
1	Risk of serious accidents or contract non-conformities If a serious accident, defect, or injury related to engineering or quality were to occur in the design or construction stage, resulting in a large repair cost or construction delay, or a serious contract non-conformity, it could affect our business performance or valuation.	Our business approach of "safety first," "respect for human life," "customer first," and "quality assurance" is shared within the company, and we work to raise awareness of safety and quality. (Main initiatives) <ul style="list-style-type: none">• Establishment of Technical Quality Committee and Safety & Environment Committee• Implementation of Construction Occupational Health and Safety Management System (COHSMS), establishment of Basic Health and Safety Policy, and establishment of Group-wide Health and Safety Plan• Implementation of Quality Management System (QMS), establishment of Quality Policy, and implementation of activities to promote customer satisfaction• Implementation of Environmental Management System(EMS), and establishment of Basic Environmental Policy• Feedback on accidents and defects, Group-wide roll-out, and implementation of PDCS
2	Risk of leakage of personal or confidential information If personal or confidential information acquired in our business activities were to be leaked, it could affect our business performance and valuation.	By establishing a Privacy Policy, preparing personal information protection regulations, and appointing a Group-wide personal information protection manager, we are properly managing personal information and implementing various measures to address information security risks. (Main initiatives) <ul style="list-style-type: none">• Appropriate review of Information Security Guidelines• Raising of awareness through distribution of Information Security Handbook and hanging of posters• Regular implementation of information security e-learning and information security audits• Affiliation with Nippon CSIRT Association and incident response via CSIRT system
3	Risk of legal violations The construction industry, which is the main business field of the Group, is subject to various legal regulations, including the Construction Business Act, the Building Standards Act, the Real Estate Brokerage Act, the National Land Use Planning Act, the City Planning Act, the Anti-Monopoly Act, and various laws related to safety, the environment, labor, and harassment. If an illegal act were to take place within the Group, it could affect our business performance or valuation.	We put into practice the Analects and the Abacus (Ethics and Economics), and the entire Group works to raise awareness of ethics and ensure thorough compliance. (Main initiatives) <ul style="list-style-type: none">• Establishment of Code of Corporate Ethics and Conduct• Preparation of rules and internal system for properly responding to various laws and ordinances• Establishment of compliance promotion system, including establishment of Corporate Ethics Committee (chaired by President), Corporate Ethics Office, Internal Whistleblowing System (contacts: Corporate Ethics Helpline, counselors, and external helpline), and internal audit system• Regular implementation of corporate ethics training for executive management (including management of Group companies)• Annual implementation of compliance training for employees (including e-learning)• Establishment of compliance program for Anti-Monopoly Act and code of conduct, and continuing implementation of measures to prevent recurrence of violations of Anti-Monopoly Act• Raising of awareness through internal media (internal newsletter, legal news, etc.)• Group companies also implement equivalent activities
4	Risk of medium- to long-term worker shortage The skilled workers who are leaders in the construction industry are aging, and if there is not a generational change via an increase in new workers by the time that baby boomers retire in large numbers, it could compromise production, thereby affecting our business activities and performance.	Through public-private partnerships, we are working to secure and train workers, improve benefits, and increase the attractiveness of the construction industry. (Main initiatives) <ul style="list-style-type: none">• Securing of appropriate profits and construction periods• Improvement of the wage levels of skilled workers through subcontractors and promotion of enrollment in social insurance• Promotion of work weeks with two days off• Employment support for subcontractors, commendations and allowances for outstanding engineers, support for multi-skilled workers• Promotion of women's advancement• PR activities to highlight attractiveness of construction industry• Development of Construction Career Up System (CCUS)• Initiatives to improve productivity, including development and adoption of labor-saving methods and construction robots and utilization of ICT

Tax Policy

Basic View

- Shimizu strives for transparent, sound corporate accounting in accordance with the Code of Corporate Ethics and Conduct formulated to ensure compliance management based on high corporate ethical values. These values are rooted in the company credo of the Analects and the Abacus. We also work to improve employee awareness of tax compliance and maintain a tax governance structure based on our

- recognition of Shimizu's social obligation as a company to comply with the relevant tax laws and regulations in each country and pay appropriate taxes.
- We understand that paying our fair share of taxes to contribute to the economic and social development of each country in accordance with an appropriate tax policy will earn the trust and support of all stakeholders.

Compliance

Code of Corporate Ethics and Conduct and Internal Corporate Structure

Code of Corporate Ethics and Conduct

Shimizu has adopted The Analects and the Abacus, which contains the teachings of Eiichi Shibusawa, as our corporate credo. We base our business activities on the conviction that our company's business will always prosper if we pursue ethics and economic gain simultaneously, or in other words, if we do good work that delights the community and our customers and is grounded in a strong sense of ethics. As society changes and imposes stronger demands on companies to be good corporate citizens and exercise corporate social responsibility, Shimizu works to make sure that officers and employees fully understand our corporate credo, The Analects and the Abacus, and act accordingly each day. We formulated the Code of Corporate Ethics and Conduct and conduct compliance training based on it for all employees each year to make sure that everyone understands the Code. Training topics include conducting fair bidding (compliance with the Antimonopoly Act, etc.); preventing corruption, including bribery and accounting fraud; human rights; labor; and the environment.

Establishment of Internal Corporate Structure

Shimizu provides education and training to ensure strict implementation and practical operation of the Code of Corporate Ethics and Conduct by officers and employees. We have also appointed an officer in charge of corporate ethics, established a Committee on Corporate Ethics, the Corporate Ethics Office, the corporate ethics hotline, and an internal reporting system.

Internal Whistleblowing System

We established an internal whistleblowing system to detect bribery and corruption, accounting fraud, and other compliance issues that could occur as early as possible and take corrective steps.



Tax Policy
<https://www.shimz.co.jp/en/company/csr/tax/>



Code of Corporate Ethics and Conduct
<https://www.shimz.co.jp/en/company/about/governance/pdf/202005e.pdf>

Proper Management of Personal Information

In the construction industry, companies retain personal information of customers, subcontractors, etc., and the personal information of employees obtained through business activities.

Shimizu has formulated a Privacy Policy and takes necessary and appropriate steps to maintain security based on the policy. We manage national identification numbers and other personal information appropriately.

Initiatives Aimed at Strengthening Compliance

We implement various measures that will help cultivate an ethical mindset and contribute to strict compliance among Group officers and employees, so that they put the spirit of our corporate credo, The Analects and the Abacus, into practice in their actions.

- 1. Top management will lead by example in cultivating an ethical mindset and strict compliance.**
- (1) Corporate ethics training for executive management (After corporate officers have taken this training, it will be posted on the company intranet for Shimizu employees and management of subsidiaries)
- *Putting the Analects into Practice* by Sadako Yasuoka and *Putting the Analects and the Abacus into Practice* by June Inoue, Shibusawa Museum
- (2) Compliance e-learning training (including Compliance with the Antimonopoly Act)
- 2. Make sure that everyone understands the code of conduct on bidding for construction projects (mainly for Shimizu and construction-related subsidiaries)**
- We conduct training and interviews for executives and employees to ensure thorough awareness of the code of conduct as well as interviews by outside attorneys and other experts as necessary on a case-by-case basis.

Message from Chairman and Representative Director



Further Promoting ESG Management

Chairman of the Board and Representative Director

Yoichi Miyamoto

Although, I play a part in top-level business development, it is the executive officers—led by the president—that execute the management of the company. As such, my focus as chairman is on fulfilling our responsibilities as a leading company through business and industry organizations, as well as social contribution activities via the Shimizu Foundation and Housing Research Foundation JUSOKEN.

Among my external activities, I serve as the chairman of the Japan Federation of Construction Contractors. From this position of leadership, I put my efforts into activities aimed at solving problems faced by the entire construction industry. I believe that facing various challenges head on for the healthy growth of the industry as a whole will, in turn, contribute significantly to the growth of Shimizu.

Moreover, taking the knowledge and information obtained from these external activities, including those other than at the Japan Federation of Construction Contractors, and utilizing them in our own business activities by providing feedback to management will steadily contribute to the promotion of ESG at the Company.

Another important role I have as company chairman is that of chairing the Board of Directors. Ever since assuming this office, I have worked continually to improve governance, specifically the effectiveness of the Board of Directors. By fulfilling our social responsibility through our business activities based on the credo of The Analects and the Abacus (Ethics and Economics), we will increase the trust earned from stakeholders, including shareholders, investors, customers, employees, and local communities. In turn, this will help us achieve sustainable growth and improvement of corporate value over the medium to long term. Toward that end, we will pursue appropriate and legally compliant management that is highly swift, efficient, and transparent.

For this reason, I consider the basis of sound corporate governance to be a system where the Board of Directors and Audit & Supervisory Board accurately supervise and audit the performance of the separate functions of strategy determination/management supervision and

business execution, and where all directors, executive officers, Audit & Supervisory Board members, and employees adhere to high ethical standards to practice a legally and ethically compliant management.

We attempt to make continuous improvements to the issues identified in the annual evaluations of the effectiveness of the Board of Directors. This fiscal year we are working on implementing a PDCA cycle with respect to issues such as enrichment of discussions on management strategies, further promotion of communication between outside directors/Audit and Supervisory Board members and management, enrichment of discussions on the governance structure, including the Board of Directors and the Nomination & Compensation Committee, and enhancement of reports to the Board of Directors on addressing risks.

In addition, I believe it is necessary to create more opportunities for informal discussions outside of meetings of the Board of Directors in order to further enhance discussions and the exchange of opinions on human resources strategies centered on talent development, including successor training, and on management strategies and policies.

In particular, when thinking about human capital management, our business lifelines are "people" and "technology", as we establish new business domains while remaining focused on construction businesses. I am convinced that innovative ideas required to survive in an era of VUCA can only be created when there is diversity among our talent pool.

In that sense, I believe that ensuring the diversity of our core talent is an important issue not only for strengthening our competitiveness, but also from the standpoint of corporate governance. One of the most pressing issues we face is promoting women into managerial positions. I would like to promote specific measures to be implemented on the executive side based on a long-term and systematic perspective, and to follow up on them at meetings of the Board of Directors. I will work to further enhance corporate governance and promote ESG management together with the directors who were elected at this annual General Meeting of Shareholders and listed on the following pages.

Directors (as of June 30, 2022)



Yoichi Miyamoto
Chairman of the Board and Representative Director



Kazuyuki Inoue
President and Representative Director
President and Executive Officer



Toshiyuki Imaki
Executive Vice President and Representative Director
Executive Vice President and Executive Officer,
Director, Building Construction Headquarters,
Director, Global Strategy Div.



Kimio Handa
Executive Vice President and Representative Director
Executive Vice President and Executive Officer,
in charge of Administrative Functions and SDGs &
ESG Promotion, Director, Corporate Ethics Office



Hiroshi Fujimura
Executive Vice President and Director
Executive Vice President and Executive Officer,
Director, Sales & Marketing Headquarters,
in charge of Sales & Marketing,
Yumeshima (Osaka) Projects



Toru Yamaji
Executive Vice President and Director
Executive Vice President and Executive Officer,
in charge of Business Innovation, Emerging
Frontiers, New Business Development and
LCV Business



Kentaro Ikeda
Senior Managing Officer and Representative Director,
Civil Engineering Headquarters,
In charge of Safety Administration &
Environment



Motoaki Shimizu^{*1}
Director



Tamotsu Iwamoto^{*2}
Director



Junichi Kawada^{*2}
Director



Mayumi Tamura^{*2}
Director



Yumiko Jozuka^{*2}
Director

^{*1} Director Motoaki Shimizu is a Non-Executive Director and head of the Nomination and Compensation Committee.

^{*2} Directors Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura and Yumiko Jozuka are External Directors.



Management Team
<https://www.shimz.co.jp/en/company/about/officer/>

Audit & Supervisory Board Members (as of June 30, 2022)



Hideto Watanabe
Audit & Supervisory Board Member
(standing)



Koichi Matsuoka
Audit & Supervisory Board Member
(standing)



Kaoru Ishikawa^{*3}
Audit & Supervisory Board Member
(part-time)



Toshie Ikenaga^{*3}
Audit & Supervisory Board Member
(part-time)



Ko Shikata^{*3}
Audit & Supervisory Board Member
(part-time)

^{*3} Audit & Supervisory Board Members Kaoru Ishikawa, Toshie Ikenaga and Ko Shikata are independent outside auditors.

Director Skill Matrix

Shimizu has secured a diverse board of directors of the appropriate size to quickly address changes in the business environment and ensure sustainable growth and improvement of corporate value over the medium to long term. By organically combining the knowledge, experience, skills, and other characteristics of the individual directors, Shimizu seeks overall optimization of the Board of Directors and maximization of its functions.

Name	Skills Particularly Expected (Knowledge, Experience, Capabilities, etc.)								
	Corporate Management	ESG The Analects and the Abacus ^{*4} & ESG	Human Resource Development & Diversity	Global Experience	DX (Digital Transformation)	Promotion & Technology	Sales & Marketing	Finance & Accounting	Legal Affairs & Risk Management
Yoichi Miyamoto	●	●	●	●		●	●		
Kazuyuki Inoue	●	●	●	●		●	●		●
Toshiyuki Imaki	●	●	●	●	●	●			
Kimio Handa	●	●		●				●	●
Hiroshi Fujimura	●	●					●		
Toru Yamaji	●	●			●	●	●		
Kentaro Ikeda	●	●		●	●	●	●		
Motoaki Shimizu	●	●		●	●			●	
Tamotsu Iwamoto	●	●	●	●					●
Junichi Kawada	●	●	●	●					●
Mayumi Tamura	●	●	●	●				●	
Yumiko Jozuka		●	●						●

^{*4} "The Analects and the Abacus" is the Corporation's Credo.

Executive Officers (as of June 30, 2022)

President	Managing Officers	Executive Officers
Kazuyuki Inoue	Yoshiki Higashi Director, Corporate Planning Div., In charge of Human Resource System Reform	Osamu Nakagawa Director, Hokkaido Branch
Executive Vice President		
Toshiyuki Imaki Director, Building Construction Headquarters, Director, Global Strategy Div.	Tatsuya Shinmura Director, Nagoya Branch	Naruki Ohashi Director, Yokohama Branch
Kimio Handa In charge of Administrative Functions and SDGs & ESG Promotion, Director, Corporate Ethics Office	Kouichi Yamashita Director, Kansai Branch, In charge of Building Construction Yumeshima (Osaka) Projects	Akinobu Sakao Director, Kyushu Branch
Hiroshi Fujimura Director, Sales & Marketing Headquarters, In charge of Sales & Marketing, Yumeshima (Osaka) Projects	Akira Yamazaki Director, Construction Technology Div., Building Construction Headquarters, In charge of Procurement, Building Construction Headquarters, Technology and Intellectual Property	Tomoaki Harada Director, Chiba Branch
Toru Yamaji In charge of Business Innovation, Emerging Frontiers, New Business Development and LCV Business	Toshihide Suenaga In charge of Building Construction Sales & Marketing, Kansai Area, Sales & Marketing Headquarters, Deputy Director, Yumeshima (Osaka) Project	Hitoshi Fujita Director, International Div.
Senior Managing Officers		
Kentaro Ikeda Director, Civil Engineering Headquarters, In charge of Safety Administration & Environment	Mitsuo Morii Assistant Director, Tokyo Branch	Mika Kaneko Director, Environmental Strategy Office, General Manager, SDGs & ESG Promotion Dept., Corporate Planning Div.
Yoshito Tsutsumi Deputy Director, Building Construction Headquarters, Director, Tokyo Branch, In charge of Productivity Improvement	Shinichi Takiguchi Director, Emerging Frontiers Div., In charge of Sales & Marketing, Sales & Marketing Headquarters	Hideo Yokoyama Director, Building Construction Sales & Marketing Div.1., Sales & Marketing Headquarters
Masanobu Onishi Director, Design Div., Building Construction Headquarters	Haruhiko Washimi Director, Investment and Development Div.	Hiroyuki Fujimoto Deputy Director, Design Div., Building Construction Headquarters, Director, Proposal & Solution Div., Design Div., Building Construction Headquarters
Takeshi Sekiguchi In charge of Engineering Business, Director, LCV Headquarters, In charge of Information Management	Takefumi Saito Director, Tokyo Civil Engineering Branch	Takuya Ito Deputy Director, Global Strategy Div.
Takao Haneda In charge of General Affairs, Legal, Crisis Management and Group Companies, Director, Corporate Ethics Help-line Office	Kojiro Shimizu Director, Tohoku Branch	Masakazu Hyodo In charge of Finance & Accounting and IR
Koichi Ishimizu In charge of Kansai Area, Director, Yumeshima (Osaka) Project	Nobuhiko Sasaki Director, Civil Engineering Sales & Marketing Div., Sales & Marketing Headquarters	Toru Furuya President and Representative Director, Shimizu America, Inc.
	Kazuhiko Kato In charge of Large-Scale Projects Promotion, Civil Engineering Sales & Marketing Div., Sales & Marketing Headquarters	Sadao Matsuhashi In charge of Technology, Civil Engineering Headquarters
		Toru Noda In charge of Technology, Civil Engineering Headquarters

Yasuhide Yamada
In charge of Environment & Energy,
Corporate Planning Div.,
In charge of Sales & Marketing, Sales & Marketing Headquarters

Katsumi Sawahata
Director, Area Development Div., Sales & Marketing Headquarters

Naomi Onishi
In charge of Civil Engineering Kansai Area,
In charge of Civil Engineering, Yumeshima (Osaka) Project

Yasuhiro Takenaka
Director, Shikoku Branch

Shuji Kakegawa
Director, Institute of Technology

Fumio Asami
Director, Building Construction Sales & Marketing Div.2., Sales & Marketing Headquarters

Kenji Tsuzuki
Director, Civil Engineering Planning Div.,
Civil Engineering Headquarters

Toshiyuki Nakahara
Director, Hokuriku Branch

Hiroshi Murata
General Manager, Human Resources Dept.,
In charge of Workstyle Reforms

Naoki Iwagaki
Director, Hiroshima Branch

Toru Aoki
Director, Mechanical & Electrical Div.,
Building Construction Headquarters

Yoshiro Kobayashi
In charge of Building Construction Sales & Marketing, Chubu Area, Sales & Marketing Headquarters

Katsuyoshi Yuhara
Director, Building Construction Planning Div.,
Building Construction Headquarters and Monozukuri Training Center,
Building Construction Headquarters,
In charge of Tokyo Mokkaijou, Building Construction Headquarters,
Director, Shiomi Project Office

Corporate Social Contribution Activities

Basic Philosophy on Corporate Social Contribution Activities

Shimizu actively contributes to society and local communities as a corporate citizen.
By doing so, we help preserve the abundance of the earth and create a future society in which all people on it can live with happiness.
Our activities are rooted in The Analects and the Abacus (Ethics and Economics), which contains the basic principles for managing our business; and our corporate slogan, Today's Work, Tomorrow's Heritage.

Based on the basic philosophy described above, Shimizu has specified four areas for key initiatives aimed at contributing to society: 1) Earth and the environment, 2) Education, 3) Culture and Arts, and 4) Social Inclusion. We are actively engaging in activities that contribute to local communities in these four areas. We also agree with the intent of the Japan Business Federation's One-Percent Club and are aiming to use 1% of our ordinary income in voluntary social contribution activities. In fiscal 2021, expenditures on social contribution activities as a percentage of ordinary income came to 1.89% (830 million yen in expenditures on social contribution activities/43.9 billion yen in ordinary income). The Company is engaged in various efforts in addition to the activities below, including activities to support the Shimizu Fund, which is deeply tied to the Company, and housing research foundation JUSOKEN. Such related expenditures are also included in expenditures on social contribution activities.

Participation in Accessibility Consortium of Enterprises (ACE)

ACE is a consortium of companies sharing the aim of improving employment and quality of the working environment for people with disabilities. It is striving to establish a new model for employing people with disabilities by holding seminars, workshops, forums, awards, and other events for those in charge of human resources and employees with disabilities. Shimizu also identifies with that philosophy and is actively participating in planning ACE events.

Yoichi Miyamoto, our Chairman, became the director of ACE in 2018. He leads ACE activities and also promotes internal initiatives aimed at employing people with disabilities and enabling them to make an active contribution to the company.

Tsunagi-no-Mori Project

Shimizu signed an agreement with Shizuoka Prefecture based on the Shizuoka Future Forest Supporter Program, which seeks to realize a system for society-wide support for rich forest development. At forests within Shizuoka City, Shimizu cuts the undergrowth, thins the trees, and plants trees to rejuvenate them. This program certifies companies that conduct forest development activities as a part of their CSR activities as Shizuoka Future Forest Supporters. Shimizu plans to gradually work on 0.3 hectares of forest over the next five years. We also provide forest and environmental education to children who participate.

Promoting the Spread of Parasports

Since 2014, Shimizu has held hands-on parasports events all over Japan to communicate the appeal of parasports to children. To communicate the fun and appeal of boccia, a parasport, Shimizu also cooperates in the development of CYBER BOCCIA S®, a virtual game created with the latest technology. We aim to realize an inclusive society in which everyone can thrive through the continued spread of parasports.

* CYBER BOCCIA S is a registered trademark of Shimizu Corporation in Japan.



At ACE Forum 2021
* Front row (left to right): Shimizu Chairman Miyamoto, Mr. Taguchi of the Nippon Foundation, and Chairman Nakayama of Secom
Back row: President Yamaguchi of IBM Japan



Group photograph of project participants



Children trying CYBER BOCCIA S